

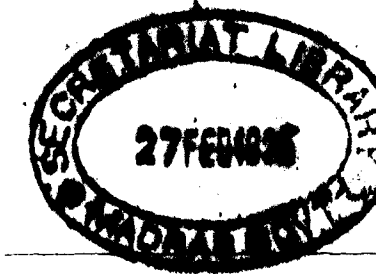
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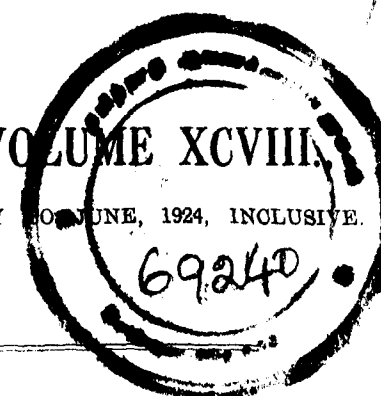
A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.



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

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THE MONEY MARKET.

MONEY requirements for balance-sheet purposes at the end
of the year proved to be larger than the market expected
would be the case. Heavy borrowing from the Bank of
England was consequently necessitated right up to the
turn of the year, the total being estimated at more than
£40,000,000. Since the turn of the year the market has
consequently been flooded with short money, and overnight
loans have been obtainable at nominal rates, $\frac{1}{2}$ per cent.

sometimes being accepted. The coming week will perhaps show the effect of the heavy repayments due to the Bank, coupled with payments for new Treasury bills, but during the past week discount rates have been rather unduly depressed by the cheapness of money. The fine three months' bill rate has not been better than $3\frac{1}{8}$ per cent., while March Treasury bills have been taken by the banks at $2\frac{1}{2}$ per cent. On Thursday longer dates were inclined to harden slightly on the very weak tendency of the American exchange. Yesterday the Treasury Bills went at a slightly lower rate than was anticipated.

	Jan. 4, 1924.	Dec. 28, 1923.	Dec. 21, 1923.	Dec. 14, 1923.	Previous Rate and Date Changed.
Bank Rate	4	4	4	4	5 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$1\frac{1}{2}$ (Jly. 5, '23)
Market rate (3 months' bills) ..	$3\frac{1}{8}$	$3\frac{1}{8}$	$3\frac{1}{8}$	$3\frac{1}{8}$	..

The Bank return showed a decline of £622,000 in the note circulation, while the coin and bullion increased by £38,600, and the Reserve therefore rose by £660,600. The heavy market borrowing over the year-end was reflected in an increase of £27,893,200 in Other securities (this comparing with £16 millions in the corresponding week of last year), while Government disbursements presumably accounted for an increase of £2,657,500 in Government securities and a fall of £2,247,500 in Public deposits, with the result that Private deposits exhibited the unusual expansion of £33,413,300. The expansion of the liabilities produced a fall of 2.5 in the proportion at 12.3 per cent. There was a reduction in the currency notes circulation of £6,378,300 to £292,691,900, which includes £1,427,900 for notes called in, but not yet cancelled. The fiduciary issue is £241,814,000, or £6,376,900 below the new maximum, which is based on the highest of 1923, and becomes £248,190,900.

THE STOCK MARKETS.

Although the year closed with a slightly more hopeful feeling on the Stock Exchange, the subsequent weakness in American exchange exercised a depressing influence after the New Year holiday. Gilt-edged stocks were generally dull, Indian and Colonial being least affected. Foreign markets were irregular, French bonds showing weakness in sympathy with the decline in the franc's sterling value. Home Rails remained stagnant under unfavourable gilt-edged influences. Little business has been done in industrial shares, and prices have varied to a very slight extent, selling being somewhat in evidence, however, in textiles and tobacco shares. The Kafir market has displayed some amount of activity, and among metals tin has been a bright feature. Rubbers have been neglected, but tea shares have received a certain amount of attention from buyers.

THE COMMODITY MARKETS.

Holiday influences have continued to prevail in most markets, and business has been restricted. In the cotton trade demand in most quarters has been on a limited scale. Wool perhaps is one of the exceptions to the general rule, and our correspondent reports "quite a nice steady turnover in wool, tops, and yarns." Jute took a downward turn, but rubber was steady. Wheat moved upward on dearer freights and better demand. The coal market at Cardiff is quiet, and the same remark applies to the pig-iron market and dealings in manufactured iron and steel. Tin and copper were firmer. There is no marked demand for sugar, but the quotations are firm, while rice is steady. Linseed and linseed oil maintain their position, but the hide market is a shade weaker.

FOREIGN EXCHANGES.

In the foreign exchange market interest during the week has been concentrated on the sharp movements in dollars and French francs. From a closing rate of \$4.34 $\frac{1}{2}$ on the 28th, the dollar at first fell away quietly, ending the year at \$4.32 $\frac{1}{2}$. By the 2nd it had reached \$4.29 $\frac{1}{2}$, but on Thursday there was a sharp drop, and at one time the

rate stood as low as \$4.25 $\frac{1}{2}$. In the afternoon there was a recovery on New York demand, and the rate closed at \$4.28 $\frac{1}{2}$. Yesterday morning it opened from New York at \$4.30, but fell away quickly here on a weak market to \$4.28 $\frac{1}{2}$. No specific explanation has been offered for these movements, which, in the main, are attributable to ungrounded fears of the effects of a Labour Government in this country. At $\frac{1}{2}$ cent. per month above spot, the forward rate is unchanged on the week. The Paris rate, after remaining fairly steady until Wednesday, began then to move up, and at one time on Tuesday reached the new record figure of 87.50. This was followed by a recovery, but yesterday morning the rate was again at 87.50, as compared with 84.65 a week ago. A growing realisation in France itself of the Government's financial difficulties and an increasing pessimism in New York as to the future of the franc account for this movement. Brussels has followed Paris, but more slowly than usual, from 96.55 on the 28th to 98.70 yesterday morning. Forward quotations in Paris were 8 centimes, and in Brussels 4 centimes per month above spot. Italy, as usual lately, has resisted this new wave of depreciation, the lira being quoted yesterday morning at 99 $\frac{1}{2}$, as compared with 100 $\frac{1}{2}$ a week ago. Amsterdam, in sympathy with the dollar, has dropped from 11.41 $\frac{1}{2}$ to 11.35 $\frac{1}{2}$, Stockholm from 16.42 to 16.24 $\frac{1}{2}$, Vienna from 309,500 to 306,000, and Riga from 22.36 to 21.90, while Switzerland has also moved against us from 24.85 $\frac{1}{2}$ to 24.67 $\frac{1}{2}$. Of the other Northern countries, Norway has depreciated further, from 29.47 $\frac{1}{2}$ to 29.92 $\frac{1}{2}$, while Copenhagen has slightly improved from 24.47 to 24.44 $\frac{1}{2}$, and Helsingfors shows a sharp drop from 175 $\frac{1}{2}$ to 173. It should be noted that as from January 1st the gulden has been introduced as sole legal tender in Danzig, to be maintained at a stable ratio of 25 gulden to the £ sterling. Madrid has depreciated again from 33.40 to 33.59 $\frac{1}{2}$. In Central Europe the German mark has weakened a little from 18 billion to 19 $\frac{1}{2}$ billion, probably as the result of the Government's action in issuing renten-mark treasury bills, which would seem to imply a new threat to the stability of the Rentenmark currency. Warsaw, at 27 $\frac{1}{2}$ million, shows a further slight depreciation. Prague has moved against us, from 149 to 148. Bucharest, at 850, is about the same as a week ago. Athens remains nominal at about 210. In the East the rupee has shown little change at about 15 $\frac{1}{2}$ d, but the yen has moved down from 2s 1 $\frac{1}{2}$ d to 2s 1 $\frac{1}{4}$ d. The silver market has been particularly quiet, even for the holiday season, with prices tending very slightly upwards. Hong Kong, at 2s 4d, is unchanged, Shanghai at 3s 3 $\frac{1}{2}$ d is $\frac{1}{2}$ d cheaper. In South America Rio has moved from 5 17-32d to 5 $\frac{1}{8}$ d, Buenos Ayres from 39 $\frac{1}{2}$ d to 40 $\frac{1}{2}$ d, and Montevideo from 43 $\frac{1}{2}$ to 44 $\frac{1}{2}$ d. Valparaiso, on the other hand, has depreciated slightly from 39.80 to 40.30.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the nine days ended December 31st:—

(000's omitted.)			
EXPENDITURE.		REVENUE.	
Supply Services	10,372	From Revenue	10,996
Interest, &c., on Debt	2,013	Amount borrowed	2,804
Sinking Fund	600		
Sundries	891		
Increase in balances	24		
	13,800		13,800

Revenue during the nine days ended December 31st amounted to £10,996,000, as against £11,411,000 in the eight days ended December 31, 1922. Customs yielded £2,015,000, as against £1,426,000, and Property and Income-tax £3,485,000, and Super-tax £670,000, against a combined revenue of £5,557,000 in the corresponding period. The week's operations increased the National Debt by £2,804,000, and caused the following changes:—

(000's omitted.)			
Bank of England Advances ..	1,750	Public Departments ..	4,980
Treasury Bonds	473	National Savings Certificates ..	150
Treasury Bills	3,641	Sundries	110
Telegraph Money	2,150		
	8,014		8,210

The floating debt was increased by £480,000 to £860,452,500.

FINANCIAL YEAR, 1923-24 (April 1 to December 31, 1923).

	£		£
Total Expenditure ..	594,179,083	Raised by Revenue ..	533,285,062
		Net Borrowings	56,834,961
		Decrease in Balances ..	4,059,060
Total	594,179,083	Total	594,179,083

ESTIMATES FOR YEAR 1923-24.

	£		£
Ordinary Expenditure ..	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Ulster Bank, British Overseas Bank, Western Australian Bank, Stoll Picture Theatre (Kingsway), and Stoll Film Company. At the meetings of Stoll Picture Theatre (Kingsway) and Stoll Film Company Sir Oswald Stoll protested against the excessive showing of foreign films by exhibitors.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

BUDGET PROSPECTS AND THE COMING SESSION.

WHATEVER Government may be in power next April, its political fortune will largely be determined by the Budget it produces. The state of the nation's finances are therefore of particular interest, and will be followed in the next three months with more than usual attention. The suggestion has been made that the figures for the financial year will show a deficit, but this assumption is due to the state of the accounts at the moment. Our own view is that the completed accounts are likely to show a surplus. A week or two ago we suggested that this surplus might amount to £40,000,000, but the nine months figures now available suggest that £20,000,000 may be a safer forecast. The situation can best be seen by comparing on the one hand the Budget estimates for the current year with the results achieved to-day, and on the other last year's final figures, with the receipts and expenditure for the first nine months of that year. In the case of revenue, the comparison works out as follows:—

Revenue (in Million £).

	Last Year. (1922-23. Actual.)	Current Year (1923-24) Estimates.	Nine Months' Results.	
			1922-23.	1923-24.
Customs and Excise ..	280	260.8	216.5	204.4
Estate duties	57	52	43.8	41.4
Income & Super Taxes ..	379	319	187.6	163
E.P.D.	2	12	1	..
Other taxes	57.8	57.1	33	36.6
Post Office receipts ..	53.2	52.6	39.4	37.8
Interest	10	12.5	8.3	10.6
Miscellaneous & special receipts	75	52.5	56	39.5
	914	818.5	585.6	533.3

The first point that emerges from this table is that the results achieved to date have not justified the Chancellor's assumption that he would get £12,000,000 from arrears of excess profits duty, and we may, perhaps, write off this item as a loss. Income-tax and super-tax receipts are a little more than their due proportion of the year's total. Moreover, a considerable number of payments were made last July at the rate of 5s in the £, compared with 6s in the previous year, whereas the January payments will be made at 4s 6d, compared with 5s a year ago; it may therefore be expected that the receipts in the ensuing quarter will compare more favourably with last year than those up

to date, and will yield a surplus over the estimate. It is also probable that there will be a surplus under the heading of Customs and Excise, particularly if trade continues to improve in the next three months. Other items are all up to standard, and unless something untoward happens, the year's receipts look as though they would close at £825,000,000 to £830,000,000.

The corresponding table for expenditure shows the following results:—

Expenditure (in Million £).

	Last year (1922-23) Actual.	Current year (1923-24) Estimates.	Nine Month's Results.	
			1922-23.	1923-24.
National Debt—				
Interest	302	310	262 $\frac{1}{2}$	270
Sinking Fund	22	40	16 $\frac{1}{2}$	32
Total	324	350	279	302
Consolidated Fund ..	29 $\frac{1}{2}$	30 $\frac{1}{2}$	14	17 $\frac{1}{2}$
Defence	111	122	79	69
Civil Services	287	252	174 $\frac{1}{2}$	164 $\frac{1}{2}$
Revenue Departments and Post Office	61	62	42 $\frac{1}{2}$	41
Total	812 $\frac{1}{2}$	816 $\frac{1}{2}$	589	594

This table shows that expenditure is already larger than for the corresponding period of last year, but the increase is entirely under the head of debt, the reason for this being that our American debt payments are now included, and that the whole of this for the current 12 months has now been paid. As this amounts to over £30,000,000, and as payments on the home debt for the fourth quarter of last year were only £45,000,000, the figure for debt and sinking fund should square with the estimate. As to the other items, the anticipated increase of £11,000,000 under the heading of Defence shows no sign of materialising. On the contrary, the figure is well below that of last year, and we see no reason for doubting that very substantial savings will be made on the estimate under this head. The Civil Service figures include so many variable items that it is very difficult to forecast with confidence, and the task is complicated by the fact that these figures are the amounts issued from the Treasury and not actual expenditure. It certainly looks as though the estimate may be exceeded under this head, but it should not rise as much as the saving under the heading of Defence. On the whole, we should be disposed to anticipate that expenditure for the year will be at least £10,000,000 below the Budget estimate.

These figures suggest that with proper care and continued economy it should be possible to draw a Budget for next year without involving any increase in taxation. The relevant considerations are that the remissions of taxation made last April, which did not take full effect at once, are expected to cause an additional loss to the revenue in the coming financial year of £23,000,000, which, if our forecast is correct, would put the balance just on the wrong side. The Chancellor will, however, have to take into account that he will also lose under the heading of "Special Receipts," which appear in the present Budget to the extent of £40,000,000. It is almost certain that he will lose £10,000,000 under this head, and he may lose as much as £20,000,000. Leaving out of account, therefore, any possible elasticity in the yield of the income-tax and Customs duties, the Chancellor can probably not count on more than £780,000,000 of revenue against £825,000,000 this year. It should not be an impossible task to confine expenditure within this figure, for though under last year's Finance Act the Sinking Fund will rise to £50,000,000, as against £40,000,000 this year, it ought to be possible to find £35,000,000 of additional economies in the Supply Services, especially since the Supply figures still include certain items of "Special Expenditure" which are the legacy of the war. To do this, however, expenditure will need to be carefully watched, for in these days it is considerably harder to make an economy of £10,000,000 than it was to reduce expenditure by £30,000,000 or £40,000,000 in the extravagant days of two or three years ago.

In setting out these points, we are not, of course, forecasting a Budget, but are indicating the more or less

fixed points of the financial situation which will confront the Chancellor in April. Briefly, it amounts to this—that, taking a conservative view of the probabilities, next year's Budget can be balanced only by continued economy in expenditure. There is no margin available for new kinds of expenditure, unless either the revenue authorities can see their way to forecast an increased yield from existing taxes or additional taxation is imposed.

These figures have a particular bearing on the coming session, if the course of events in the next few weeks should bring the Labour Party into power. In view of the debate last year, and of the importance attached by Labour candidates at the recent Election to the task of relieving the burden of the war debt, it is not to be expected that a Labour Chancellor would tamper with the sinking fund. On the other hand, everything that Mr Ramsay MacDonald has said or written since the Election has made it clear that he realises the practical impossibility of preparing large schemes either for a Capital Levy or for Nationalisation in time to present to the House before the Budget. There is, of course, no prospect in any case of his commanding support for such large schemes in the present House, but the practical difficulty to which we have referred makes it extremely improbable that he will attempt to present them to the House this session. The question of immediate interest, therefore, is what minor changes, if any, he might see his way to embody in the Budget. His party would like to see, and would secure considerable Liberal support for, measures involving the removal of the thrift disqualification in old-age pensions and pensions for widows with dependent children. In the absence of complete returns of the 1921 Census, the cost of the former is still problematical, but might amount to over £15 millions. The cost of widows' pensions depends upon the rate granted. On a fairly generous scale this reform might easily cost a similar sum; but the Budget situation shows that if anything is to be done on these topics this year, they will have to commence on a small scale. Again, the Labour Party would like a readjustment of taxation which would transfer some, at all events, of the tea and sugar duties to direct taxation. It is possible that something might be done to relieve the food duties if the Labour Party are prepared to go back upon Mr Baldwin's undertaking of last April to reduce the corporation tax this year. But no considerable change in our tax system seems at all likely before the Budget, and, in our view, the Labour Party is much more likely to put through something like the Budget which is already in preparation on the quite reasonable ground that it is an interim measure. If our reading of the omens is correct, the Labour Party will follow the precedent of Labour administrations in some of our Dominions and carry on during a first session in as non-contentious a manner as possible, with a view to gaining experience, and presenting their considered programme in their second session. Even the more extreme wing of the Party are likely to recognise the necessity for this amount of moderation, which would have the advantage, from the party point of view, of demonstrating the ability of Labour to carry on the Government.

Such a procedure has some bearing on the hotly debated question of whether a Labour Prime Minister at the head of a minority party would have the right to ask the King to dissolve Parliament. Both views on this question seem to us unsound if carried to an extreme. If the House is composed of a number of minority parties, it clearly cannot be held incumbent upon the King that he must send for all possible Prime Ministers before agreeing to a dissolution. On the other hand, Mr MacDonald himself recognises that a minority party put into power primarily to test the feeling of the House as to whether it can command continued support would not be justified in asking the King for a dissolution. But the position would be very different if a Labour Party had been in office for some time; had secured support for a moderate programme; and was desirous of strengthening its mandate to develop legislation along the lines already begun. In any case, the longer a House has been sitting, the less certainly can it be regarded as reflecting the wishes of the country. It is an illustration of the advantage of our unwritten constitution that every case of this kind should be settled on its merits. The age of a given House of Commons, the

indication from by-elections of the drift of feeling in the country, as well as the wishes of those who voted "no confidence" in the Government, are the chief relevant factors, and we have no doubt that, if the case arises, the King, in accordance with our constitutional traditions, will deal with the question without bias, and with wise and sound judgment.

FRANCE AND CZECHOSLOVAKIA.

AFTER some months of negotiations, a treaty between France and Czechoslovakia seems likely to be concluded in the near future. This news has not received very favourable comment in the British Press, and is not in itself exactly calculated to inspire confidence in this country. Until the exact terms are disclosed it is, of course, difficult to pass a final judgment on the policy which has recently been decided upon between Dr Benes and the Quai d'Orsay. In a letter to the *Times* on Wednesday last, the Czechoslovak Minister in London described the policy of his country as belonging "to the dispensation connected with the League of Nations," and suggested that "a political convention re-affirming respect for the Treaties on which the European order is based" is probably in contemplation. From this angle any fears that might be expressed as to the terms of the proposed new treaty would appear to be much ado about nothing. But even if the possibility of a military alliance be entirely ruled out, the very fact of the apparent necessity for a special political understanding between the two countries at this juncture is not without significance. France is, of course, the greatest military power in the world to-day, and the new Czechoslovak Republic maintains a large standing army, trained by French officers, and commanded by a French general. For these reasons alone this latest phase of Czechoslovak policy deserves more than a passing mention.

Some eighteen months ago Dr Benes, in an interview with a special correspondent of the *Economist*, stated that Czechoslovakia would only enter into an alliance in which the direct identity of interest of all the parties was perfectly clear. The principle of "give and take" was therefore to be rejected as unsafe and unwise. In accordance with this perfectly sound doctrine the various treaties which together constituted the "Little Entente" were directed towards the maintenance of the settlement arrived at in the Treaty of the Trianon, and envisaged the application of sanctions in the event of this being challenged by the Magyars. It was perfectly clear that Czechoslovakia, Jugoslavia, and Roumania had identical interests in the Hungarian question, and the Little Entente was a special agreement with these particular interests in view. On the question of Bessarabia, for example, Czechoslovakia was not committed thereby, nor were any undertakings of assistance entered into between the three parties in the event of an Italo-Serbian conflict. In a word, it was an agreement *ad hoc*, and it is interesting now to recall that in no country did this new policy, when initiated in 1920, receive so unfavourable a reception from the Press, of almost all shades of opinion, as in France. The most favoured client States of our late Ally were then Poland and Hungary, and Czechoslovakia had a serious bone of contention with both of those countries.

Since that time, however, much has happened. During one of the many serious "crises" in Franco-British relations last year, Dr Benes, who had already proved himself to be a regional statesman of the highest order, tried to perform the difficult rôle of a mediator. The West European Press resounded with his praises—but, to all outward appearance, at any rate, nothing further was gained by his efforts. It was, perhaps, significant, how-

ever, that France soon adopted a pro-Czech attitude in the question of Hungarian Reparations; while, a little later, Dr Benes was elected a member of the Council of the League of Nations. At this stage in the proceedings, negotiations commenced between France and Czechoslovakia with a view to the conclusion of a political treaty.

The French view of the proposed new treaty was summarized in the *Times* of December 28th last by its Paris correspondent. The opening sentence is significant. "The new constitution of Europe," we read, "as fixed by the various post-war treaties, must be maintained, even though many of the areas affected do not directly concern France or Czechoslovakia." Nothing, perhaps, could make clearer the essential change which has apparently taken place in the foreign policy of Dr Benes. Whatever else is in doubt, therefore, one thing appears to be reasonably certain. Czechoslovakia is to make its *début* in "high" politics as a partner of France.

This proposed treaty, however, opens up a number of interesting possibilities to which no more than a passing reference can be made in this place. Czechoslovakia, the creation of all the Allies, no less than of its own people, wishes to become a Great Power, and, with this end in view, adopts a policy which will certainly prove distasteful to at least three million of its own nationals, the powerful German minorities of Bohemia, Moravia, and Silesia. It is hinted that both countries must endeavour to prevent the restoration of the Hohenzollerns; while "the co-operation of France and Czechoslovakia in matters concerning the greater European problems must be arranged on a footing of equality." It will be interesting to see, if this forecast is correct, how this "equality" will work in actual practice.

The new Czechoslovak Republic has become in some sense, the centre of the modern Slav world. The Pan-Slav idea is strong and deeply ingrained in the Czech people, and Slav solidarity has been the watchword of many of its leaders for generations past. It is not surprising, therefore, that the Government should follow events in Russia with the greatest attention, and it is worth recalling that President Masaryk is himself the author of one of the best modern books on the Russian people. Of recent years Prague has been the centre for most of the more democratic of the Russian *émigrés*, and now boasts of a Russian, as well as a Ukrainian University, in addition to a number of other Russian educational institutions. The Czechoslovak Government has been generous in its financial grants to these *émigrés*, and has succeeded at the same time in keeping on good terms with the Bolshevik Government. It is at least possible that the proposed new treaty is regarded by France as the opening of a bridge to the East, and it is believed that the policy advocated by M. Herriot, who, though a political opponent, is on the best of terms with M. Poincaré, has been gaining ground recently at the Quai d'Orsay. Whether an understanding between Russia and France is feasible in the immediate future it is at present impossible to say. It would certainly not be the first *volte-face* of M. Poincaré; and, in any case a close understanding with Czechoslovakia might well appear to be a desirable first step in this direction. We imagine, however, that the Soviet Government would have something to say on the matter, while any talk of this kind, or even of a Franco-Czech alliance, must be extremely disturbing to France's faithful ally Poland. These views, which are by no means improbable in themselves, are obtaining a certain amount of publicity, and cannot simply be dismissed as idle gossip. One point, however, is perfectly clear. On the major question of the restoration of Central Europe in general and Germany in particular, Dr Benes seems to have declared himself definitely on the side of France, and it is as well that this should be remembered in financial and other circles in this country.

OUR INDEX NUMBER—A YEAR'S PRICES.

A FURTHER upward movement in commodity wholesale prices has raised our Index Number by a further 39 points, and the total closes the year at 4580, which compares with 4264 at the end of December, 1922, an increase of 316 points, and with 4182, the lowest point of 1923, reached at the end of July. It will be recalled that in November there was a rise of 221 points, caused very largely by speculation in cotton, which drove prices up with a rush. Unfortunately, erroneous conclusions have been drawn in some quarters from this sharp upward movement. We observe that the *New York Journal of Commerce* in its issue of December 11th, in noting the rise in our Index Number, writes that it reflects "the conditions that have prevailed in Great Britain for some time past. There has been a growth of inflationist sentiment and a tendency to relax production, while Government funds have been wasted in unemployment bonuses. As a consequence, money media have been unduly increased, and commodities have been unduly decreased—the result being to invite prices forward." It is further stated that "unfortunately, Great Britain's agitators have succeeded in making larger headway with their bonuses, subsidies, and curtailment of output. The penalty has to be paid by the general consumer in the form of higher prices." The reply to these entirely misleading deductions is to be found in such figures of output as are available, such as coal, iron and steel—which show a steady improvement, and in the fact that an American commodity, namely raw cotton, was responsible for the bulk of the increase shown in the November Index Number.

In the table below we show the changes in the index number by groups:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Timber, Oils, &c.).	Total.	%
Basis (avg. 1901-5) ..	500	300	500	400	500	2200	100.0
End July, 1914	879	352	616	464	553	2668	116.6
" Dec., 1915	897	446	731	711	848	3634	165.1
" Dec., 1917	1286	686	1684	839	1348	5851	265.9
" Nov., 1918	1289	789	1648	908	1389	6233	283.2
" Mar., 1920	1508	914	2974	1246	1709	8352	379.6
" Dec., 1921	1344	805	1284	1216	1275	5924	269.3
" Dec., 1921	921	636	1106	762	931	4357	198.0
" June, 1922	1000	676	1135	690	887	4389	199.5
" Sept., 1922	873	682	1116	699	818	4189	190.4
" Dec., 1922	861	706	1184	705	807	4264	193.8
" Jan., 1923	860	711	1205	739	808	4324	196.5
" Feb., 1923	847	746	1201	797	810	4402	200.1
" Mar., 1923	824	752	1178	840	797	4392	199.6
" Apr., 1923	858	752	1199	834	797	4440	201.8
" May, 1923	869	772	1166	818	785	4412	200.5
" June, 1923	815	773	1177	773	761	4301	195.5
" July, 1923	819	756	1115	744	746	4182	190.1
" August, 1923	828	762	1119	734	744	4188	190.4
" Sept., 1923	823	782	1214	732	745	4297	195.3
" Oct., 1923	823	777	1220	756	743	4320	196.4
" Nov., 1923	831	797	1393	770	749	4541	206.4
" Dec., 1923	853	815	1382	774	755	4580	208.2

Last month's increase is mostly accounted for by food-stuffs, both primary and subsidiary. Cereals, with the exception of rice, which rose a little, were practically unchanged, but meat prices advanced, partly, no doubt, owing to the spread of foot and mouth disease. In the second group tea fell a little, and there was a slight rise in coffee, but sugar was responsible for the upward movement in the total. In the textile group cotton prices have all reacted from the high levels of the end of November, and silk has dropped by 2s 6d per lb, but these declines have been offset by advances in wool, flax, hemp, and jute.

In the minerals section pig-iron and steel rails remain unaltered, but iron bars have advanced by 10s to £12 10s per ton. Coal is slightly higher, but the minor metals

have reacted after last month's advance. In the miscellaneous section the only changes are slight increases in oilseeds and tallow.

In the next table we set out the changes in each commodity's index number in comparison with that for the year 1922, the figure 50 representing in each case the average price during the basic period 1901-5:—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.
Wheat—For.	78	— 11	Cotton, A.	193	+ 53	Copper	50	— 3
English	74	— 1	Cotton, B.	167	+ 44			
Flour	72	— 11	Yarn	172	+ 32	Minerals	77	+ 69
Barley	80	+ 6	Cloth	161	+ 32			
Oats	73	— 2	Wool, Eng.	146	+ 23	Baltic timber	103	+ 3
Potatoes	78	+ 3	Do Aust.	129	+ 11	Amer. timber	89	+ 1
Rice	119	+ 16	Silk	145	+ 18	Leather	59	— 17
Beef	83	— 10	Flax	125	— 2	Petroleum	92	— 16
Mutton	95	— 11	Hemp	50	+ 3	Oilseed	75	— 2
Pork	100	— 17	Jute	92	— 29	Tallow	83	+ 5
Cereals & meat	853	— 8	Textiles	1,382	+ 198	Indigo	87	— 26
Tea	141	+ 8	Pig-iron	107	+ 9	Crystals	85	— 4
Coffee	92	+ 2	Steel rails	75	+ 3	Rubber	15	— 1
Sugar, cane	137	+ 7	Iron bars	96	+ 15	Miscellaneous	755	— 52
Sugar, beet	101	+ 1	Coal, steam	136	+ 13			
Butter	101	+ 1	House coal	89	— 3	Total	4,580	+ 316
Tobacco	116	+ 1	Lead	228	+ 18			
			Tin	91	+ 20			
Other foods	815	+ 109						

The principal contributors to the increase in the total are sugar, which rose substantially in the first six months of the year, raw cotton, and cotton yarn and cloth, owing mainly to the spurt in November, and wool. The minerals group shows a substantial increase, which is fairly evenly spread over the list, but steel rails are unchanged on balance, and copper is a little lower, and stands but little above the basis figure. In the primary foodstuffs group movements have been mostly downwards on balance, with the exception of rice and potatoes, the latter having been at an exceptionally low figure at this time last year owing to the bountiful crop in 1922. A large decline is shown in the miscellaneous section, principally as a result of reductions in indigo, petroleum, and leather.

In the comparative table below we set out some actual quotations of a few of the leading commodities, giving the prices at the end of the past three years and at the end of each quarter of 1923:—

	End 1920.	End 1921.	End 1922.	1923.			
				End March.	End June.	End Sept.	End Dec.
Wheat—No. 1, North Man.	102/	55/6	53/6	48/9	49/3	50/	47/
Flour.....per 80 lbs	80/	46/	41/6	39/	39/	37/	36/
Potatoes.....per ton	£5	£7	£3 12/6	£3 10/0	£4	£6	£6 5/0
Sugar—B.W. I. Crystallised, per cwt.	63/	39/3	43/6	54/9	62/6	60/6	65/
Cotton—Middling Amer.	10 27d	11 11d	14 63d	15 18d	16 49d	16 95d	21 28d
Cotton—Yarn, 32's twist, per lb	27d	18d	21d	23d	24d	23d	28d
Wool—Southdown washed.....per lb	20d	17d	24d	24d	24d	27d	28d
Pig Iron—Cleveland G.M.B. No. 3, per ton	225/	100/	91/	127/6	112/6	96/6	100/
Steel Rails—Middlesbrough.....per ton	£25 10/0	£14	£9	£10 10/0	£10 10/0	£9 10/0	£9
Coal—Best Steam	42/	30/	27/	37/6	33/	29/	30/
Tin—Standard per ton	£205 15/	£170 12/6	£182 3/9	£213 5/0	£182 15/	£199 2/6	£232 11/3
Petroleum.....per 8 lbs.	27d	16d	13d	13d	12d	11d	11d
Oilseeds—Linseed and Rape.....per ton	£59 10/0	£39 15/0	£42 5/0	£45	£43 10/0	£41 15/0	£45
Soda Crystals.....per ton	£10	£7 10/0	£5 7/6	£5 2/6	£5 2/6	£5 2/6	£5 2/6

A comparison of latest prices with those of three years ago reveals some interesting changes. Foodstuffs, with the exception of sugar, show a very substantial reduction, raw cotton is very much higher, and wool has risen. Iron, steel, and petroleum show a very heavy decline, and coal is substantially lower, but tin is considerably higher than at any date given in the table. The closing prices of 1923 are mostly higher than they were three months ago, the principal exceptions being wheat and flour and steel rails.

The December advance in prices has raised the increase over the pre-war level from 77.0 per cent. to 78.6 per cent., as may be seen from the following table, in which the index number for the end of July, 1914, is taken as 100:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	186	241	237.5
Dec., 1919	249	250	396	247	263	287.1
Mar., 1920	261	260	484	269	309	325.6
Dec., 1921	233	229	209	261	230	230.9
Dec., 1922	159	180	180	164	168	169.6
June, 1922	174	192	184	149	160	171.1
Sept. "	151	194	181	150	148	163.3
Dec. "	149	200	193	152	146	166.2
Mar., 1923	143	214	191	181	144	171.2
June "	141	220	191	167	137	167.7
July "	141	215	181	160	135	163.1
August "	143	216	182	158	134	163.3
Sept. "	142	222	197	158	134	167.6
Oct. "	142	220	198	163	134	168.4
Nov. "	144	226	226	166	135	177.0
Dec. "	148	231	225	167	136	178.6

This increase of 78.6 per cent., which is the highest figure of the year 1923, compares with 66.2 per cent. a year ago, 69.6 per cent. at the end of 1921, 130.9 per cent. at the end of 1920, and 225.6 per cent. at the end of March, 1920, the highest point ever reached. The lowest point touched since the Armistice was at the end of July last, when the index number fell to 63.1 per cent. about July, 1914. Primary foodstuffs and the miscellaneous group close the year substantially below the average, the latter being the only group to have fallen during the year. Minerals are well below the high level reached in the spring, following the French occupation of the Ruhr, but have recovered from the low levels of the late summer.

THE DUNLOP INVESTIGATION.

At last the long silence regarding the report of the inspectors on the affairs of the Dunlop Rubber Company has been broken—but only partially broken. Their report, after eighteen months of work, was handed to the company in September, and this week a statement has been issued signed by five directors, namely, Sir Eric Geddes, Sir George Beharrell, Sir Guy Granet, Mr Szarvasy, and Mr Tait, who, in the opinion of the company's counsel, are the only directors "unaffected by the report of the inspectors." The statement of the five directors says:—

The conclusions which the inspectors have come to raise issues of the gravest character, and have engaged the earnest attention of the board. Eminent counsel have been consulted, and upon their advice writs have been issued by the company against the president of the company, Sir Arthur du Cros, and against some of the past and present directors of the company. The company has also issued a writ against Sir Arthur du Cros and Mr James White claiming relief in respect of transactions in which these two defendants are individually and specially concerned. The board, again acting on the advice of counsel, challenged the validity of the service agreement under which Sir Arthur du Cros has been drawing a salary of £12,000 a year free of tax, and a writ has been issued against the company by him asking for a declaration that the agreement is binding upon the company. Mr Alfred du Cros and Mr George du Cros have also instituted actions in respect of their agreements. All three actions are being defended by the company.

Here obviously is a very serious matter indeed, and one in which shareholders surely have an incontestable right to be told the whole truth, or, in other words, to see the inspectors' report itself, which runs to "150 pages of print, foolscap size." But the five directors mentioned do not propose to publish it, but instead ask shareholders "to leave these grave matters in our hands." Whether the shareholders will consent to do so or not will be decided on Tuesday, January 8th, when a resolution will be proposed approving of the "course taken by the board as advised by counsel." The directors' reasons for not publishing the Inspectors' report are set out in the following paragraph:—

Some of the past and present directors, against whom, as a result of the findings in the report, counsel advised that writs should be issued, have made proposals for a settlement. We have encouraged a settlement in all cases, because we consider it in the best interests of the shareholders that—so far as possible—the claims of the company should be adjusted by negotiation rather than by litigation. Settlements would, however, be rendered more difficult if the report were published, and we, therefore, ask you to leave these grave matters in our hands, and as representing that section of the board which is in a position to form an independent

judgment, with the full knowledge of the facts before us, we recommend the shareholders that they should not, at this stage, at any rate, insist upon the publication of the report, although it may be that in the near future it will be necessary for us to return to you for further powers, and for a renewal of your confidence.

From this statement and from the statement of the solicitors to Sir Arthur du Cros and Messrs Alfred and George du Cros it appears that the position of their clients and of Mr White is different from that of the other directors involved, and that it is only with the latter that attempts at negotiation are in progress. Everyone who knows anything of litigation will agree that if a satisfactory settlement can be obtained out of court it is usually preferable to carrying a case into court. If proper and satisfactory out-of-court settlements would be prevented by the publication of the report, that is a consideration to which some weight must be given. But in this particular case a very grave affair has arisen which is obviously going to attract a vast amount of public notice, and profound harm may be done if suspicions (whether justifiable or not) are given room to exist that "hushings up," whitewashing," or "backstairs settlements" are going on. In a case of such prominence we think that Sir Eric Geddes and his colleagues are taking a great responsibility in not publishing the report at once. In any case, a full disclosure, which cannot be long delayed, must ultimately be made both in the public interest and most likely in the long run in that of the company, which, after its huge losses, is now with painful effort slowly being brought back towards better times. The Dunlop case is likely to be a classical one in our commercial history. It is, of course, of importance because of the sums involved. But it is also notable for the fact that it is the first really prominent case in which use has been made by shareholders of a company of the power granted by the Companies Consolidation Act of 1908 to demand the appointment of a committee of inspectors with the right of taking evidence on oath and of demanding the production of documents. It is, we think, highly probable that the report of the inspectors, when it appears, will show more clearly than any other recent incident the necessity for some change in our company law and in the methods of company finance.

SOME NITRATE COMPANIES' RESULTS.

IF it were not for labour troubles in Chile those interested in nitrate production might look back upon the past year, if not with enthusiasm, at least with a measure of satisfaction. The trend of the industry during the past six months can be seen from the following table, which is compiled from figures given by Messrs Aikman (London), Limited:—

	(In Thousands of Tons.)			
	1913-14.	1921-22.	1922-23.	1923-24.
Deliveries in Europe and Egypt for six months ending December 31	490	143	248	281
Deliveries in United States for six months ending December 31	258	161	321	257
Deliveries in other countries for six months ending December 31	45	35	67	88
Shipments to Europe and Egypt for six months ending December 31	1,194	198	491	664
Shipments to United States for six months ending December 31	238	74	430	405
Shipments to other countries for six months ending December 31	46	52	90	75
Production in Chile for six months ending December 31	1,367	456	635	1,028
Visible supply for Europe and Egypt at Dec. 31.	1,098	903	463	551
" " " " " " " "	71	251	195	199
" " " " " " " "	18	19	29	12
Stocks in Chile at December 31.	498	1,449	1,225	881
Total supply in sight at December 31.	1,685	2,622	1,912	1,643

Messrs Aikman comment as follows:—"During the six months the deliveries in Europe and Egypt have shown an increase of 33,000 tons as compared with last year, in the United States a decrease of 64,000 tons, and in Japan and other countries an increase of 21,000 tons.....The reduction in deliveries in the United States for the six months has been caused by the unsettled industrial conditions, but the prospects of consumption next spring for agricultural purposes are favourable, and, judging by the recent large purchases by American dealers from the Producers' Association, this decrease in deliveries is likely to

be quickly made good by increased deliveries after February. The application of nitrate of soda to the cotton crop as a protection against the ravages of the bollweevil has been definitely proved successful, and an increasing use for this crop is therefore probable. In Japan and other countries the steadily increasing demand seems likely to continue."

The position of the industry as viewed through our group of representative companies is, on the whole, satisfactory, for a very distinct improvement is noticeable. Our table, given below, shows net profits, dividends on ordinary and preference shares, amounts placed to reserve, and the carry forward for the past three years. It should be observed that the financial year of companies engaged in nitrate production ends on June 30th; accounts are made up to this date:—

	Amelia.	Lagunas Syndicate.	Liverpool.	London.	Pan de Azucar.	Santa Catalina.
Net profits—1920-21	£ 11,651	£ 15,054	£ 113,843	£ 22,554	£ 29,646	£ 30,879
1921-22	Dr 43,195	Dr 79,556	Dr 12,238	Dr 53,451	Dr 24,061	Dr 4,390
1922-23	5,037	22,496	41,009	53,451	Dr 1,423	11,212
Dividends, Ord. and Pref.—1920-21	13,920	..	51,148	15,000	11,550	15,800
1921-22	3,000	..	15,000	11,756	7,900	7,900
1922-23	3,000	..	32,880	25,000	12,478	11,850
To reserve, &c.—1920-21	..	15,054	..	..	7,144	10,000
1921-22	..	21,689	..	..	..	Dr 5,000
1922-23	..	22,496	6,454	30,000	..	..
Carry forward—1920-21	49,907	..	96,771	20,730	32,088	6,669
1921-22	3,712	..	17,221	17,967	44,353	722
1922-23	5,750	..	18,835	16,418	30,492	84

* This sum was applied to writing off expenditure in connection with increase of capital.

Amelia's gross revenue was £49,787, as against £54,735 in the previous year; this year, however, revenue is swollen by £33,222, being profit on realisation of, and income from, securities deposited with trustees for the debenture-holders. Results, as far as the Amelia's shareholders are concerned, are, therefore, certainly not happy. Lagunas a year ago in its trading profit included a sum of £24,000 reserved for the previous year's estimate of stoppage and reopening expenses. The Liverpool this year had to provide but £23,309 for similar purposes, as against £43,575 for 1922, but "Compensation to Nitrate Pool" absorbed £20,588, as compared with £10,838 in 1922. The London made striking progress. Although the Pan de Azucar made an actual net loss of £1,423 the directors decided to make a distribution from the balance in hand; stoppage and reopening expenses took a substantial part of profits, £14,585 going in this direction. The Santa Catalina shows good results, in spite of the fact that £5,648 went in stopping and restarting.

Our next table shows the principal assets and liabilities over the past three years:—

Name of Company.	Principal Liabilities.				Principal Assets.			
	Share Capital.	Debs. and Loans.	Re-serves.	Creditors.	Properties.	Stocks.	Cash, Bill, and Investments.	Debtors
Amelia—1920-21	£ 206,000	£ ..	£ 183,757	£ 102,747	£ 94,869	£ 275,942	£ 172,288	£ 6,364
1921-22	206,000	..	177,597	119,662	94,869	265,263	135,921	1,063
1922-23	206,000	..	100,795	70,540	94,869	142,473	136,550	1,691
Lagunas Synd. 1920-21	550,000	251,110	98,866	133,419	724,401	163,502	245,994	2,549
1921-22	550,000	233,980	74,781	42,693	700,655	113,661	103,482	7,046
1922-23	550,000	210,090	74,799	26,903	675,978	127,229	117,076	4,291
Liverpool—1920-21	73,069	98,379	383,844	118,275	460,013	231,102	80,263	18,008
1921-22	73,069	188,959	379,056	217,250	569,737	229,035	22,722	23,110
1922-23	232,275	164,057	141,850	83,664	577,978	229,547	29,982	12,560
London—1920-21	200,000	152,123	228,000	28,537	475,373	164,852	4,497	7,411
1921-22	200,000	213,716	212,149	10,125	476,481	164,936	2,810	8,256
1922-23	200,000	129,220	237,518	15,445	504,488	80,208	13,659	46,385
Pan de Azucar—1920-21	110,000	52,146	58,604	23,800	92,371	114,214	121,602	16,492
1921-22	110,000	..	51,312	10,940	92,371	69,820	60,351	2,869
1922-23	110,000	..	43,405	8,920	92,371	29,562	81,037	10,284
Santa Catalina—1920-21	79,000	..	20,000	16,143	42,029	33,289	62,564	649
1921-22	79,000	..	25,000	44,648	29,964	36,048	536	536
1922-23	79,000	..	25,000	5,324	45,646	42,181	38,095	1,609

Properties have been fairly handled by most directors in the balance-sheets. The figures of the Lagunas are written down from £700,655 to £675,978. The Liverpool's oficinas were closed throughout the whole of the financial year, and the London announces additional expenditure on works; stocks on hand of the latter company are down from £103,073 to £31,596, while the Liverpool's stocks of nitrate are given as worth £133,723 as against £162,640 a year ago. There is no change in property values of the Pan de Azucar, but stocks and stores are recorded as

£29,562, as compared with the previous figure of £69,820. The Santa Catalina makes no change in the value of nitrate grounds, which remain at £14,623.

Our final table shows how shareholders have fared, together with movements of shares. Yields are also appended:—

Name and amount of share.	Dividends.				Prices of 1923.		End of 1923.	Present yield.
	1919-20	1920-21	1921-22	1922-23	Highest	Lowest		
Amelia (£10) ..	20	7	nil	nil	..	..	..	..
Lagunas Syndicate (£1) ..	nil	nil	nil	nil	2 1/2	2 1/2	2 1/2	nil
Liverpool (£1) ..	(1) 100	(1) 100	nil	15	2 1/2	1 1/2	2 1/2	4 16 0
London (£1) ..	7 1/2	7 1/2	7 1/2	12 1/2	2 1/2	1 1/2	2 1/2	5 0 0
Pan de Azucar (£1) ..	10 1/2	15	15	15	2 1/2	1 1/2	2 1/2	6 9 0
Santa Catalina (£1) ..	20	20	10	15	1 1/2	1 1/2	1 1/2	8 11 6

(e) Paid on a smaller capital.

(f) Free of income tax.

The outlook is not without redeeming features, and it would not be surprising to find 1924 a better year for nitrate investors. The Producers' Association comes to an end on June 30, 1924, and negotiations are in train for a renewal for a further period. "Alterations in the statutes and the reconciliation of the claims of individual producers to the well-being of the whole may cause a certain amount of discussion, but it is generally thought that the benefits of the present system have proved themselves and will not lightly be relinquished." This is the opinion of a well-known house, and one which will no doubt be generally endorsed by the trade.

BANKERS' CLEARINGS.

THE total amount of bills, cheques, &c., paid at the London Bankers' Clearing House during the year 1923 shows a decline of 1.4 per cent. in comparison with 1922, and of 6.1 per cent. as compared with the record year 1920. The figures, issued with commendable promptitude by the Clearing House on January 1st, together with the usual report and voluminous comparative statistics, read as follows:—

	1922.	1923.	Increase or Decrease.
Town clearing	£ 32,780,635,000	£ 32,270,373,000	- 510,262,000 -1.5
Metropolitan clearing ..	1,574,661,000	1,546,565,000	- 28,096,000 -1.7
Country cheque clearing ..	2,806,165,000	2,810,654,000	+ 4,489,000 +0.1
Grand total	37,161,461,000	36,627,592,000	- 533,869,000 -1.4

The report points out that the decrease in the total reflects not only stagnant trade conditions, but also a curtailment of financial transactions in several directions. For the first three-quarters of 1923 new issues were on a greatly reduced scale as compared with 1922, while the financial operations of the Government have not involved so great a turnover of money as in the previous year. The clearings on Stock Exchange settling days indicate a slightly larger volume of business. The short loan market has been fairly active, and comfortably supplied with money, resort to the Bank of England being less frequent.

By far the largest proportion—namely, 95.5 per cent.—of the decrease in the total occurred in the town clearing. How far the course of trade is reflected in the town figures it is impossible to say, as they are affected by so many large financial transactions, such as Stock Exchange dealings and Government operations in connection with the unfunded debt. The Metropolitan clearing is practically free from the disturbing influences which affect the town clearing figures, and reflects fairly accurately the business of the Metropolis, both wholesale and retail, outside the City of London. There are now 480 banks and branch banks in this clearing, as compared with 310 when the Metropolitan clearing was established in 1907. The country cheque clearing, which shows an increase for the first time since the boom year, 1920, indicates the course of the general trade of England and Wales.

An analysis of the figures, quarter by quarter, shows that there were decreases in the grand total in the first

three quarters of 3.5, 1.7 and 5.4 per cent. respectively, and an increase of 5.2 per cent. in the final quarter. The increase shown in the last three months, coupled with other developments, such as the increase in bank deposits, in commodity prices, and in the volume of currency notes and commercial bills in circulation, confirms the impression, which has been rapidly gaining ground during recent weeks, that trade is very definitely on the mend. Too much importance, however, cannot be attached to the bankers' clearing figures in this respect, for out of an increase of £467 millions in the total in the last quarter the town clearing accounts for £456 millions. This is attributable partly to new issues, which "call for a considerable turnover of money, especially when they are largely oversubscribed." The year 1923 had the distinction of producing the record day's turnover, the total for December 31st last being £236,418,000, or £7,022,000 more than the previous record day, December 31, 1920. The following table shows the variations of monthly totals as compared with 1922:—

	Town.	Metropolitan.	Country.	Total
	%	%	%	%
January	-4.8	+0.6	+2.5	-4.0
February	-2.8	-2.0	-0.02	-2.6
March	-3.8	-6.1	-3.5	-3.9
April	+0.6	+1.3	+5.6	+1.0
May	-7.7	-4.6	-3.0	-7.2
June	+1.3	+0.4	+3.4	+1.4
July	-7.8	-2.6	-2.6	-7.1
August	-6.1	-4.9	-1.2	-5.6
September	-3.2	-5.0	-2.6	-3.2
October	+3.9	+1.4	+4.0	+3.8
November	+7.8	-1.9	-0.1	+6.7
December	+5.9	+2.0	-0.09	+5.2

These figures show very definitely that the last quarter's increase is to a great extent due to the town clearing. Four of the ten provincial clearings show increases in comparison with 1922—namely, Birmingham, 3.4 per cent.; Liverpool, 4 per cent.; Newcastle-on-Tyne, 9.6 per cent.; and Sheffield, 19.1 per cent. Decreases are shown by Bristol, 15.4 per cent.; Hull, 0.1 per cent.; Leeds, 4.7 per cent.; Leicester, 7.5 per cent.; Manchester, 1.8 per cent.; and Nottingham, 6.2 per cent. Only four centres show declines in the last quarter, the largest of which are Bristol, with a drop of 15.4 per cent., and Leicester, with a decline of 7.9 per cent.

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

ANNUAL TOTALS.			
(Million £.)			
1868	3,425	1914	14,665
1873	6,071	1915	13,408
1880	5,794	1916	15,275
1890	7,801	1917	19,121
1900	8,960	1918	21,198
1905	12,288	1919	28,415
1910	14,659	1920	39,019
1911	14,614	1921	34,931
1912	15,962	1922	37,161
1913	16,436	1923	36,628

The New York Clearing House for the twelve months ended November 30th shows an approximate total of £42,476,236,000 (the dollar being taken at 4s for comparison's sake), being a decrease of £1,066,198,000, as compared with the year ended November 30, 1922.

Certain portions of the London statistics have been revised, and very much improved thereby. Owing to the abandonment in August, 1922, of Consols settling days, the column headed "ordinary days, exclusive of fourths of the month, Consols settling days, Stock Exchange settling days, and days following Stock Exchange settling days" has been omitted. The column headed "Fourths of the month" has also been eliminated, as it is no longer any guide to, or affords any indication of, the trade of the country. "The fourth of the month has for many years ceased to be the great maturing date for bills, either inland or foreign; and in some trades, notably the drapery trade, the bill, owing to increased banking facilities and to alterations in the financial customs of the trade, has been almost entirely superseded by the cheque."

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New York City

THE TRUST MOVEMENT IN GREAT BRITAIN.—III. SOME LEADING EXAMPLES.

IN the conditions sketched in the preceding article, and with the stimulus of the various authoritative reports which have been quoted, the re-organisation of British industry proceeded rapidly. The concentrating effect of the large extensions of iron and steel works made with Government assistance in one form or another is shown by the facts that at the end of the war one-quarter of the steel plants in this country represented more than three-quarters of the total productive capacity, whilst in the case of pig-iron one-fifth of the concerns engaged in its manufacture represented well over one-half of the capacity. The enormous increases of the plants of many armament and ordinary engineering companies are a matter of common knowledge. But the most striking developments have been in the direction of concentration and integration by means of the consolidation of the interests of concerns previously independent.

Thus in 1918 there was formed the United Steel Companies, Limited, which, beginning with the acquisition of the preference and ordinary shares of the Workington Iron and Steel Company, Samuel Fox and Co., Steel, Peech and Tozer, the Frodingham Iron and Steel Company, the Appleby Iron Company, and the Rother Vale Collieries, subsequently acquired all the issued shares of the Distington Hæmatite Iron Company, the Beckermert Mining Company, and the All-Hallows Collieries, all the ordinary shares of Daniel Doncaster and Sons, the Martino Steel and Metal Company, and the United Ship and Bar Mills, a controlling interest in the Sheffield Testing Works, and a holding in the Thomas Smith Stamping Works. There was thus created a company with an issued capital in ordinary and preference shares, debentures and obligations, of some thirteen millions. Similarly Baldwins, Limited, which in 1915 had acquired the Port Talbot Steel Company, acquired in 1918 all the ordinary shares of the Brymbo Steel Company, and the whole share capital of the British Steel Corporation (which in turn holds all the shares in the Briton Ferry Works), has an interest in the Oxfordshire Ironstone Company, and holds all the shares in a number of colliery companies, and, since the end of 1920, practically all the shares in the British Mannesman Tube Company. In 1920 Guest, Keen, and Nettlefold, whose activities cover the production of coal, iron ore, iron and steel, screws, wire, strip rails, sections and ship-plates, obtained controlling interests in the old-established concern of John Lysaght, Limited, manufacturers of black and galvanised sheets, and in Bayliss, Jones and Bayliss, ironmasters and engineers; and John Summers and Sons acquired the greater part of the share capital of the important Shelton Iron, Steel and Coal Company, of Stoke-on-Trent, in order to secure their own supplies of pig-iron. On the north-east coast Dorman, Long and Co. have controlling interests in Bell Brothers (ironmasters and colliery owners), the North-Eastern Steel Company, Sir B. Samuelson and Co., and the Carlton Iron Company. Pease and Partners,

beginning as proprietors of coal and ironstone mines and of limestone quarries, and acquiring in 1911 the control of the Normanby Ironworks, have in recent years obtained control not only of additional colliery undertakings, but also of the Tees Furnaces and the Skinningrove Company (iron and steel), and of the Wilton Fire Brick Company. These and other developments have had the result that a small number of powerful concerns, examples of "horizontal" and "vertical" combination, control an overwhelmingly predominant proportion of the heavy iron and steel trade of the country.

The armament firms have been actively engaged in widening the range of their activities, and acquiring interests in companies which would be useful to them as suppliers of materials or consumers of their semi-finished products. Thus Vickers, Limited, who already held half the ordinary capital of William Beardmore and Co., and all the ordinary shares in the Wolseley Motor Company, and Electrical and Ordnance Accessories, acquired in 1919 practically the whole of the share capital of the Metropolitan Carriage Wagon and Finance Company, and of W. T. Glover and Co., insulated wire manufacturers, and a controlling interest in Vickers-Petters, Limited, formed in that year for a combination of interests in the manufacture and sale of the Petter patent oil engines. Sir W. G. Armstrong, Whitworth and Co. obtained in 1920 control of the Pearson and Knowles Coal and Iron Company (which in turn owns Rylands Brothers and the Partington Steel and Iron Company), and of Armstrong-Siddeley Motors, and later of Armstrong and Main (iron roofing, bridge, and fence makers and engine works), and of Charles Walmsley and Co. (Bury), manufacturers of paper-making machinery. The Birmingham Small Arms Company, Limited, already controlling the Daimler Company, acquired in 1919 the undertaking of William Jessop and Sons, Limited, of Sheffield, and thereby a large interest in J. J. Saville and Co., of the same city, makers of special steels, and have also obtained control of Burton Griffiths and Co., and the Aircraft Manufacturing Company.

In the electrical industries the same process of integration is exemplified by the English Electric Company, Limited, formed in 1918 to acquire controlling interests in the Phoenix Dynamo Manufacturing Company, Dick Kerr and Co., the United Electric Car Company, Willans and Robinson, and the Coventry Ordnance Works; and by the General Electric Company, a concern which has developed enormously in the past decade, has acquired or controls amongst other concerns, Chamberlain and Hookham (meter manufacturers), the Peel-Connor Telephone Works, Fraser and Chalmers, the Osram Lamp Works, and the Leamington Glass Company, and, either directly or through subsidiary companies, is now engaged in almost every branch of the electrical industry.

In the chemical and allied industries, Brunner, Mond, and Co. disposed in 1919 of their interests in two soap-making concerns (William Gossage and Sons and Joseph Crossfield and Sons), but on the other hand they secured, in 1915, almost the whole of the ordinary capital of the Ammonia-Soda Company, and later control of the Castner-Kellner Company, the Buxton Lime Firms, the Maddeley

Coal, Coke, and Brick Company, and Chance and Hunt, Limited. But the most remarkable development along the lines of "vertical" and also of "horizontal" combination has been the case of Lever Brothers, Limited, which at the beginning of the war was the centre and direction of a group of 40 companies, which had increased to 140 by the beginning of 1921. Of these, 39, at that date, manufactured soap—in 18 Lever Brothers had 100 per cent. of the voting power, in 13 they had 50 per cent. or over, in two they had less than 50 per cent., and companies controlled by Lever Brothers had a pecuniary interest, generally a predominant one, in the remaining six. A sub-committee of the Standing Committee on Trusts, appointed under the Profiteering Act, reported in January, 1921, that "although the original business of Lever Brothers was the manufacture of soap and glycerine, the additional undertakings in which the company is now interested include banking, shipping, engineering, mining, building, whaling, seed-crushing, oil-refining, plantations and fisheries, as well as the manufacture of dyes, chemicals, industrial gases, candles, margarine, disinfectants, polishes, perfumery and paper. Some of the companies have been promoted by Lever Brothers, whilst in others they have acquired controlling interest by acquisition of shares."

Turning now to the combination which takes the form of the permanent association under a common financial and commercial control of a number of concerns engaged in the same general line of production—a method of industrial organisation often styled "horizontal combination," and exemplified before the war by several "Associations" in the textile trades, particularly in the finishing branches, and by the Scottish Iron and Steel Company, formed in 1912 to acquire the businesses of some dozen malleable iron and steel manufacturing companies—the most conspicuous instance has been the formation in 1918 of Explosives Trades, Limited, of which the name was subsequently changed to Nobel Industries, Limited. This was a merger, by exchange of shares for those of a holding company whose authorised capital was 20 millions, of 33 concerns engaged in the manufacture of explosives, ammunitions or accessories, and the new combination also acquired, directly or through its subsidiary companies, holdings (mostly sufficient to give control) in 45 other concerns. This undertaking is of especial interest for two reasons. In the first place, like the great armament firms, it has been forced to seek new fields for its activities, and as a sub-committee under the Profiteering Act reported in May, 1921, "although the original business of Nobel Industries, Limited, was the manufacture of explosives and cognate commodities, their activities now include the manufacture of industrial collodions, metals, motor-cycles and accessories and chemicals, as well as metal fancy goods, artificial leather, machinery, nails, stoves and lamps. In certain cases the manufacture of these commodities was promoted by Nobels in substitution for munitions, and in other cases a controlling interest was secured in the companies by the acquisition of shares." And, secondly, the issue of the shares of the holding company was made at a time when the restrictions on capital issues were operative; though the shares were not to be issued for cash, Treasury consent was held to be required, and whilst the Departments of State are understood to have been favourable to the merger, consent was only given on condition of the new company's entering into an agreement with the Board of Trade which contained the following clause:—

If at any time the price at which the company is supplying or is proposing to supply any of its products is in the opinion of the President of the Board of Trade unreasonable, the said President may from time to time fix the maximum price of such product, due regard being had to the cost of manufacture, a reasonable profit to the company, and any other relevant circumstances, and if and so long as the maximum price of any product is so fixed, the price at which the company shall supply that product shall not exceed such maximum price.

We are not aware if any President of the Board of Trade since 1918 has endeavoured to use the power thus given to him. The sub-committee mentioned above were of opinion that if he did so he would find it "entirely ineffective"; nevertheless the precedent thus set deserves careful consideration, and may prove of general importance in the future.

Notes of the Week.

City Men in the Honours List.—The world of business and finance is not quite so prominently represented in the New Year's Honours List as is sometimes the case. But Lord Inchcape receives a step in the peerage, being created a Viscount—an honour most thoroughly earned by his long and laborious public service, first on the Geddes Committee here, and then as chairman of the Indian Retrenchment Committee. Lord Colwyn, a banker, and chairman of the Income-tax Commission, figures among the new Privy Councillors, while a knighthood is conferred upon Mr Arthur Watson, the general manager of the London, Midland, and Scottish Railway. Each of these three have rendered most valuable war service in various spheres. The most piquant item in the list is undoubtedly the barony conferred upon Sir Frederick Banbury. He now accepts the honour, which last year he so dramatically refused when his translation to the House of Lords was planned by Mr Baldwin in order to make way for Mr McKenna as member for the City. Had Sir Frederick taken the honour last summer instead of this winter, and so cleared the way for a Free Trade Chancellor, it seems more than possible that the latest chapter in the country's political history would never have been written.

Irish Free State Finance.—Our Dublin correspondent writes:—The Dublin *Gazette* of January 1, 1924, publishes the usual weekly return of "Receipts into and issues out of the Exchequer" between April 1, 1923 and the latest week end, which in this case is December 29, 1923. Most notable in this return is the sum of £7,400,000—received in respect of the new 5 per Cent. National Loan. Under the terms of the prospectus, although payment in full could be made after allotment, an instalment of 30 per cent. was payable on January 18th, and a further instalment of 35 per cent. on February 22nd next, so that all that was due up to date was £3,000,000. This means that the subscriptions represented solid investment business and a genuine cash demand for the stock. It is announced that the fully-paid and partly-paid stock will receive an official quotation on the Stock Exchange in Dublin and Cork on Monday next. At present the unofficial quotation is 96, or one point above the issue price. Information derived from the Postal Department indicates that the new Post Office Savings Bank established by the Irish Free State a year ago can now claim 100,000 depositors and £2,000,000 of deposits. In this figure is included £137,000 transferred at the outset from the Irish deposits in the British Post Office Savings Bank in Ireland, in which the total Irish deposits at December 31, 1922, amounted to nearly £9,500,000. Doubtless there have been further transfers in the meantime as confidence continued to grow. Additional evidence of thrift is found in the investment of £528,000 in Irish Savings Certificates. The revenue is still coming in well, being upwards of three and a-half millions in front of the corresponding figure for last year. This being the first year that Ireland has collected her own revenue, it naturally follows that Customs receipts are up and Excise receipts are down as contrasted with the period when taxation was collected on joint account and subsequently segregated as between Ireland and Great Britain; under that system the figures were given primarily as "collected," and thereafter, with certain adjustments, as "contributed." The newspapers are somewhat exercised over the fall in excise receipts from £12,591,000 to £7,640,000. One which should know better announces that "until last April all excise payments of Guinness and the distilleries were credited to the Free State account, but now the Free State no longer benefits by the duty on the proportion of their products which are exported to, and consumed in, Great Britain and Northern Ireland." (*Irish Times*, January 2, 1924). Of course, neither Ireland nor the Irish Free State ever benefited by the excise duty collected in Ireland on beer and spirits sent to Great Britain for consumption. The Parliamentary Paper 207 of 1921 giving the British Treasury figures for the year 1920-21 shows Ireland as a whole contributing £15,106,000 in respect of Excise, as against £23,698,000 collected in Ireland—the

beer duty being thus reduced from £14,731,000 to £9,469,000, and the spirits duty from £8,345,000 to £4,707,000. For the same year customs and excise duties collected in Ireland were adjusted down from £30,112,000 to £27,614,000, and the basis of such adjustment is set out in each case. The excise duty was, of course, in each case credited to the country of consumption and not to the country of manufacture. Under the new system there will be no duty derived from Messrs Guinness' exports from Ireland, but there will be no deductions by way of adjustment from the customs and excise receipts as collected. What the adjustment was for the year ending March 31, 1923, has not yet been made available, but following precedent it will have been substantial. It is this factor which renders satisfactory the customs and excise receipts from April 1, 1923, to December 29, 1923, at £13,754,000, as against £14,497,410 for the corresponding period last year under the old system. How the change of system will operate in regard to income-tax, where the adjustment used to be in Ireland's favour, is not yet clear.

France and the Cologne Railways.—The encirclement of the British area of occupation round Cologne by the French, which has been one of the corollaries of the situation in the Ruhr, is successfully exerting its pressure upon the German population under the British ægis. The Rhenish Brown Coal Syndicate, of Cologne, has recently capitulated, and has agreed to pay the coal tax to the French Factory and Mine Control Commission, because the German coal industry in our area found itself cut off by a French cordon from its markets and sources of supply in the unoccupied parts of the Reich. Now the French offensive is being concentrated upon the railways, and if it makes a lodgment here our authority in our own zone will be reduced to a shadow. The issue has now been referred from the local French and British representatives to the Governments themselves. It appears that the local representatives actually arrived at a provisional agreement, though even this involved a considerable encroachment by the French Railway Régie. This, however, was not sufficient to satisfy Paris, and the question has therefore become one of high diplomacy. Whatever Government may be in power in England when decisions on this issue have to be taken, it is to be hoped that a very firm stand will be made. Control of railways in an industrial country means control of strategy, administration, food supply, and life itself. If we surrender to France our control of the railways in our area round Cologne, we surrender our last leverage for asserting our will in regard not only to the Rhineland, but to the future of Germany as a whole, in which vital British interests are at stake. No doubt the present German administration of the Cologne railways is faced with serious difficulties, since there is no form of economic activity for which co-operation on a large scale is so essential as it is for a transport system. This is testified by the concessions which the French Régie itself was willing to make in its recent agreement at Mainz with the railway authorities of unoccupied Germany, in order to secure a unified control of the distribution of rolling-stock as between the occupied and unoccupied territories. *A fortiori*, the little enclave round Cologne, wedged in between the territories occupied by France and France herself, is bound to be embarrassed from this point of view; but it is the British Government's duty and interest to preserve, as far as it possibly can, the independence of the local German railway authorities. That independence (subject only to British military requirements) was part of the original understanding under which the occupation was made, and in our zone we have never seen any reason for a high-handed alteration of this arrangement. When France first occupied the Ruhr, we made over to her a section of railway in a corner of our zone which she declared to be necessary for her new lines of communication. In the recent negotiations between the French and British authorities on the spot, to which the German Railway Administration in our area was a party, certain rights of control throughout our area appear to have been conceded, under pressure, to the Régie—especially in connection with through trains. Paris, however, if reports

are true, demands nothing less than a total surrender. All parties in Great Britain will agree that this is out of the question.

World's Iron and Steel Production.—Promptly upon the close of the year 1923, the "Iron Trade Review," of Cleveland, Ohio, has published its annual estimate of the output of pig-iron and steel ingots and castings in the chief producing countries of the world. Last year's totals will, of course, need revision later on, when more complete information becomes available in the different countries. The English and American figures, for instance, would appear to be based on official information covering 11 months, and estimates for December only, but in the case of, e.g., Germany, the field of possible error is much wider. The respective totals are as follow:—

PIG-IRON—English Tons ('000's omitted).				
	1913.	1921.	1922.	1923.
Great Britain	10,260	2,616	4,902	7,360
United States	30,653	16,506	26,851	39,500
France	5,126	3,308	5,147	5,000
Belgium	2,428	862	1,578	2,118
Luxembourg	..	955	1,650	1,350
Germany	19,000	6,096	8,000	4,000
Czecho-Slovakia	..	532	339	590
Poland	..	640	458	492
Japan	56	200	300	300
Total (including other countries)	77,182	34,700	51,938	64,580

STEEL INGOTS and CASTINGS.				
	1913.	1921.	1922.	1923.
Great Britain	7,664	3,703	5,881	8,480
United States	31,301	19,744	35,603	44,400
France	4,614	3,010	4,464	4,750
Belgium	2,428	780	1,539	2,185
Luxembourg	..	747	1,368	1,117
Germany	18,631	8,700	9,000	5,000
Czecho-Slovakia	..	904	630	738
Poland	..	1,476	930	935
Japan	13	558	500	500
Total (including other countries)	75,019	42,487	63,098	72,573

Pig-iron is recovering less rapidly than steel from the depression of 1921. The world's pig-iron output for 1923 was only 84 per cent. of the pre-war figure, whereas that of steel ingots and castings rose to 97 per cent., and would have surpassed the 1913 total but for the very significant decline in Germany's contribution, caused by dislocation of the economic life of the Ruhr. Much more than half the world's pig-iron and steel is now made in the United States, and, for the most part, goes to satisfy the demand for new construction arising out of the rapid development of American resources. Great Britain produced, in 1923, only 71 per cent. as much pig-iron as in 1913, but in the case of steel the proportion was as high as 110 per cent. It should be pointed out that whereas 1913 has remained a "record" year in the British pig-iron industry, the 1913 steel total was regularly exceeded every year from 1914 to 1920, and the 1923 total is still near one and a-quarter million tons below the war-time "peak" of 9,717,000 tons in 1917. As our existing plant is capable of producing something like 50 per cent. more than before the war, there is evidently much room for improvement in our annual returns. The effect of the Ruhr occupation is seen in the drop in Germany's output to about half its 1922 level. Belgian production is recovering rapidly from the effects of the German occupation and the subsequent slump in the iron trade, and is now within appreciable distance of its pre-war magnitude. France's output remains, as in 1922, close to its 1913 level, the check to production in the earlier months of 1923 being compensated for by increased activity based on more satisfactory fuel supplies in the later months of the year. The iron and steel resources of France are, of course, much greater to-day than in 1913. It cannot be said that 1923 was a good year for the iron and steel trades, except, perhaps, in the United States, and with the restoration of something like normal conditions on the Continent a large amount of expansion, long overdue, will almost certainly be brought about.

Lancashire and Foreign Competition.—Owing to the much smaller shipments of cotton goods from this country compared with pre-war years much interest is being taken in Lancashire in the competition which has to be met in

foreign outlets. Attention is therefore being drawn to the imports by India. In the seven months ended October shipments of grey cotton goods from the United Kingdom were 317,575,000 yards, against 478,337,000 yards in the same period of 1922. On the other hand, the imports from Japan into India were 50,616,000 yards in the seven months of 1923, against 44,814,000 yards in the corresponding period of 1922. These figures show that there is a tendency for Lancashire to lose her trade in grey calicoes. With regard to bleached cloths, the exports to India from the United Kingdom in the seven months ended October were 239,652,000 yards, as compared with 199,904,000 yards in the same period of 1922, the figures for Japan being 1,583,090 yards against 897,000 yards. During the same period exports from the United Kingdom to India of coloured goods were 193,683,000 yards in 1923, as compared with 91,471,000 yards in 1922, the figures for Japan being 10,850,000 yards, against 8,411,000 yards. The competition of Japan in India cannot be ignored, but her trade is still relatively very small compared with the exports from this country.

The Civil War in Mexico.—The Mexican insurgents claim to control ten out of the eighteen States, including the whole of the Tampico oil region and the port of Tuxpam, and to possess a force of 34,500 men, against 16,000 Federals, together with the larger part of the small naval force of the Republic. But their hopes have received a severe set-back through the compliance of President Coolidge with President Obregon's application for the sale to his Government of surplus American arms and munitions—a compliance justified by the U.S. Department of State on the ground that such sales are authorised by statute, that President Obregon's Government having been recognised, a refusal would have virtually cancelled the recognition, and that it is the duty of the United States to assist his Government to restore order. Still, the sale has, not unnaturally, evoked protests even among President Coolidge's supporters, and it is to be the subject of debates in Congress at the earliest possible date. Naturally, also, it has caused misgivings in Central America, where suspicion is always excited by aid from the United States, financial or otherwise, and it is thought to indicate a new departure in the shape of direct intervention in the domestic disputes of the minor States of Spanish America—an apprehension strengthened by the despatch of a United States warship to Amapala to protect the lives and property of American residents in the conflict between the rival claimants to the Presidency. Moreover, it seems probable that the Mexican insurgents do not represent the majority of the electorate, and, in spite of their violent methods, may be the real Constitutionalists. The war news, which apparently is telegraphed to the various towns on the United States frontier and thence to New York—both parties, apparently, being in control of the telegraph lines—indicates that the insurgents have captured important strategic points on the railways connecting the North and Vera Cruz with Mexico City, and are converging on it; and they are stated to demand the deposition of the President, of the remnant of Congress, and of the present judges of the Supreme Court, the cession to them of Mexico City, and a fresh and free election. They also promise to use the export taxes on the oil from the field they control for the service of the foreign debt, as agreed between the Bankers' Committee and President Obregon's Government. The committee announced on Monday that the time for depositing bonds has been extended till January 15th, after which date they will be subject to a charge. The bonds deposited cover interest for the past year, and payment will be made when the bonds can be returned to the depositors, but the preparation of the new coupon sheets must cause delay. So, whichever side wins, the bondholders need not despair.

The Political Struggle in Chile.—The news that a serious conflict is in progress between President Alessandri and the Chilean Congress may have been to some readers unpleasantly reminiscent of the struggle between the governing families and President Balmaceda, which led to the civil war of 1890. We are informed, however, that there is no reason to apprehend any disturbance of

public order, and that holders of Chilean securities have no cause for alarm. The present conflict is being carried on by strictly constitutional methods, and is essentially between the Senate, which is mainly Conservative, and the Chamber of Deputies, in which the Liberals, the President's party, have the majority. The elections to Congress take place in March; the Conservative party alleges that it has cause to apprehend official interference, and, until a Cabinet is appointed which will guarantee freedom of election, the Senate declines to pass certain Bills which should have become law before December 31st. President Alessandri was elected in 1920 by a narrow majority over his Conservative opponent, and after several recounts; he holds office till December, 1925; he has leanings towards Labour, and his party stands for democratic and drastic reform. Still, the chronic bitterness of party feeling has not prevented the Conservatives from agreeing to an income-tax law, a measure long advocated by observers of Chilean finance, but naturally provocative of considerable Conservative opposition. It was to come into force on January 1st. Under it, companies and agricultural enterprises pay 9 per cent. on income, 5½ per cent. to the local authorities and 3½ per cent. to the central government; on interest on deposits and bonds the rate is 4½ per cent.; on commercial profits, 3½ per cent.; on those of mines and dealers in metal, 5 per cent.; on salaries and pensions, 2 per cent.; on professional incomes, 2 per cent., but not less than 30 times the cost of the licence necessary for practising the profession. The tax is expected to produce 60 million pesos annually, and as it falls on all, or nearly all, the members of Congress, it should have a salutary effect in promoting retrenchment in public expenditure. Chile, whose financial record has always stood much higher than that of any other South American State, is now the first among them to attack the urgent problem of direct taxation, and it is to be hoped that her neighbours will follow her example.

First Bank Dividends.—The first of the bank dividends have been announced this week. The following table shows how the final dividends for 1923 and the whole year dividends compare with 1922:—

	Amount of Share.	Paid Up.	Final Divs. Rate % Per Annum.		Whole Year.		Price of Shares.		Present Yield.
			1922.	1923.	1922.	1923.	Jan. 4, 1923.	Jan. 5, 1924.	
Barclays, "A"	4	4	10	10	10	10	74	73	4 8 4
Do "B"	1	1	14	14	14	14	26	26	5 3 3
Dist. Bank	15	3	18	18	18	18	98	98	5 12 9
Midland Bank	12	2	18	18	18	18	98	98	5 12 9
Do "A"	24	24	18	18	18	18	98	98	5 12 9
Williams Deacon's, "A"	5	1	13	13	13	13	25	25	5 12 9
Do "B"	1	1	12	12	12	12	25	25	5 12 9
Discount Companies, Alexander's Discount	10	5	25b	25b	20b	20b	14	14	6 15 9
National Discount, "A"	2	2	10	10	(c)	10	4	4	7 2 9
Do "B"	2	2	10	10	(c)	10	4	4	7 2 9
Union Discount	10	5	25b	25b	20b	20b	14	14	6 15 9

(c) Capital reorganised during 1922.

(b) Includes bonus of 5 per cent., free of income-tax.

Alexanders Discount Company and the Union Discount Company each maintain the distributions at the preceding year's rates, the former placing £30,000 to reserve, raising it to £430,000, as against £80,000 a year ago. The Union Discount set aside £100,000 twelve months ago. The discount houses, however, made abnormal profits in 1922, owing to the fall in money rates, and these exceptional profits were reserved. The final dividend of the National Discount Company gives 10 per cent. for the year, the maximum allowed, on the A shares, while the B shares get 20 per cent., and a bonus of 1s 6d per share. Comparison with the dividends for 1922 is difficult, for the capital was only subdivided into A and B shares during that year, but the 1923 distribution apparently represents an increase of 1 per cent. The only increased dividend so far declared by a bank is that on Williams, Deacon's A shares, which get 13½ per cent., against 13 per cent. a year ago. Profits are £10,000 lower at £327,200, and reserve appropriations are maintained, but the balance forward is reduced by over £6,000. Barclays profits at £1,891,100 show an increase of over £17,000. The contingency allocation is reduced from £250,000 to £200,000, and nothing goes to staff funds, as against £50,000 a year ago. The dividend, however, requires £64,000 more,

and £18,000 is added to the balance carried forward. The Midland Bank profits show a drop of £42,500 at £2,211,000. The reserve fund gets £300,000, as against £500,000 a year ago, and £400,000 goes to premises fund, as against £300,000, leaving £797,100, or £8,000 more, to be carried forward. The profits of the Manchester and Liverpool District Bank have dropped from £465,200 to £428,600. Nothing is put to reserve, but the balance forward is increased from £267,800 to £348,800.

Another Private Bank Absorbed.—It is announced that the Royal Bank of Scotland, subject to the sanction of the Treasury, have arranged to acquire the business of the private banking firm of Messrs Drummond, 49 Charing Cross, London, and will take over their assets and liabilities from January 12, 1924. The assets will include the bank and adjoining freehold buildings. The business will be carried on as a branch of the Royal Bank of Scotland in the well-known premises adjoining Admiralty Arch, which will be known as Drummonds' Branch. The partners of Drummonds Bank, Messrs George, Maldwin, Charles, and Frederick Drummond, will, with the addition of certain representatives of the Royal Bank, act as a local board of directors for the administration of this branch, of which Mr George Drummond will be chairman. Mr W. H. Smith will continue to act as manager. The acquisition of a West-End branch will be a convenience to many customers of the Royal Bank, whose City office in Bishopsgate has hitherto been their only place of business in London. It represents an alliance between one of the oldest of the private banking firms, founded over two centuries ago, and always carried on by members of a distinguished Scottish family, and a Scottish banking institution incorporated by Royal Charter in the year 1727. The latest balance-sheet of Messrs Drummond, dated January 10, 1923, showed a capital of £400,000 and deposits amounting to £3,657,300, whilst the report of the Royal Bank of Scotland, as at October 13th last, showed a capital of £2,000,000, with a rest or reserve fund of £1,565,961—their deposits amounting to £37,880,500.

Life Assurance Results.—The Alliance Assurance Company, which made no bonus distribution to participating life policyholders five years ago, announces that the results of the investigation as at December 31, 1923, will permit of a compound reversionary bonus at the rate of 34 shillings per £100 assured per annum for each of the past five years on Alliance policies effected since January 1, 1894. The pre-war rate of bonus distribution was at the rate of 30 shillings per £100 assured per annum. The Alliance, in its new prospectus, announces that it is prepared, in approved cases, to issue life policies with disability benefits in the event of serious illness. The scheme includes provisions for the waiving of premiums and for the grant of annuities. This step on the part of so important an assurance company indicates that disability benefits combined with life assurance are about to become a standard feature in the development of the business. A small batch of British life offices has issued other figures of new business transacted during last year. The National Mutual has issued 756 policies, assuring £557,523, as compared with 702 policies assuring £548,102 in 1922. The London Life Association's new policies represent £1,625,000, an increase of £55,000 on the previous year's figures. The Equitable Life Assurance Society (the "Old" Equitable) has issued policies for £600,000—about the same amount as in 1922. The new assurances granted by the Atlas are about £2,300,000, or £400,000 less than in 1922, though £430,000 more than in 1921. In 1922 the Atlas company arranged a special staff scheme for Lever Brothers, Limited, which swelled the figures of new business. The net new business of the Equity and Law was £980,087, as compared with £844,877 in 1922, and the Norwich Union Life Office issued 10,388 new policies for £8,045,956, as compared with 9,820 new policies, assuring £7,255,538 in 1922. The Royal Exchange Assurance issued 2,468 new life policies for £1,677,874, an increase of £222,804 over the corresponding figure for 1922.

THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15 Gracechurch St., London, E.C.3

Capital Authorized ... £3,000,000
Paid Up Capital ... 1,050,000
Reserve Fund and Undivided Profits 1,352,105

Branches:

INDIA, BURMAH, SIAM, CEYLON, STRAITS SETTLEMENTS, CHINA, and PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, Issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

Fixed Deposit Rates will be quoted upon application. On Current Accounts interest is allowed at 2 per cent. per annum on daily balances.

Shipping Freight Index.—The recent substantial rise in our Index of Shipping Freight was to some extent checked last month. As a result of considerable conflicting movements in different trades, the shipping freight index figure for December works out at 130.08, or less than one point above the previous month. This figure compares with 136.57 and 156.67 in the corresponding month of 1922 and 1921 respectively. The following table shows the movement of the various main groups constituting the index:—

Date.	European Waters.	North America.	South America.	India.	Far East and Pacific.	Australia.	Total.
Basis (Average, 1898-1913) ..	100	100	100	100	100	100	100
Average, 1913	110.03	113.09	123.37	106.29	117.38	127.89	116.34
February, 1920	814.31	629.89	757.52	744.81	587.02	712.16	690.95
December "	268.90	277.17	244.10	256.79	286.72	347.18	280.14
December, 1921	160.06	164.07	163.72	144.43	141.25	166.47	156.67
September, 1922	143.00	115.60	122.48	129.48	124.52	135.31	128.40
November "	148.89	124.56	134.22	130.86	130.47	164.69	138.95
January, 1923	132.35	126.47	124.85	120.20	142.14	150.44	132.69
February "	149.60	116.85	123.93	117.83	134.49	144.21	131.15
March "	163.55	124.30	130.43	125.40	125.36	135.31	134.06
April "	142.72	133.38	137.32	133.77	134.06	124.63	134.31
May "	134.91	140.33	143.05	126.99	134.48	120.18	133.27
June "	131.77	111.04	124.56	125.50	133.90	118.84	124.27
July "	132.42	107.20	118.67	122.44	126.10	114.83	120.28
August "	124.79	109.11	114.33	117.70	117.51	115.73	116.53
September "	129.83	112.36	116.28	117.77	118.44	124.63	119.88
October "	133.66	125.46	114.03	119.38	124.40	136.05	125.49
November "	141.24	135.32	114.64	122.68	124.49	137.89	129.38
December "	134.03	132.72	120.09	124.35	125.07	144.21	130.08

The month's changes in the index of each group and sub-group are shown in the following table, the figure 100 representing in each case the average rate during the base period 1898-1913:—

	Index No.	Inc. or Dec.		Index No.	Inc. or Dec.
Home trade	129.35	- 6.08	S. America—outwards ..	97.49	-11.49
Bay—outwards	140.37	- 35.77	Do "homewards ..	142.68	+ 22.38
Do "homewards ..	158.06	+ 8.06	India—outwards	115.50	- 2.10
Mediterranean—outwards ..	126.85	- 4.55	Do "homewards ..	133.19	+ 5.42
Do "homewards ..	120.17	+ 1.12	Far East, &c.	125.07	+ .58
North America	132.72	- 2.60	Australia	144.21	+ 6.32

The salient features of the month have been an all-round weakness in the rates for outward coal cargoes, to which the holidays and a certain congestion reported from some of the coal docks contributed; a sharp recovery in the homeward rates from the Plate; an improved inquiry for tonnage to load ore homewards; and well-sustained freights from the East and Australia. The general outlook for the early part of the New Year is encouraging to shipowners. The relation of the index to the average for 1913 may be seen from the following table:—

(1913 = 100.)					
Month.	1920.	1921.	1922.	1923.	
January	545.42	194.59	131.60	114.05	
February	593.90	164.54	135.76	112.73	
March	588.24	162.17	135.53	115.23	
April	519.40	147.48	129.46	115.45	
May	480.60	158.42	125.12	114.55	
June	463.16	165.73	117.45	106.82	
July	384.43	169.87	114.52	103.39	
August	350.96	170.60	113.16	100.16	
September	360.27	154.47	110.37	103.04	
October	394.80	141.85	114.42	107.86	
November	340.33	136.47	119.43	111.21	
December	240.79	134.66	117.39	111.81	
Mean for year	438.52	158.40	122.02	109.69	

The mean for the year is thus very substantially below that for 1922, but the steady rise in the past four months gives ground for hopes of further improvement.

British Leather in America.—A correspondent writes:—The virility of the British sole leather trade is shown by the fact that, since all kinds of leather have been placed on the free list in the United States, British imports have shown a sensible increase. This is rather remarkable in view of the fact that America is well placed for raw materials and has a very highly organised system of production. Continental countries are also sending sole leather into America, and some alarm is felt amongst the tanning trade at the invasion, especially as little sole leather is being sent to this country. News is now to hand that the U.S. Tariff Board has received many petitions from tanners and sole cutters for protection against the influx of foreign leather, which is quoted at lower prices than the domestic production. The revenue law now in force does not empower the President to change articles from the free list to the dutiable list, or *vice versa*, this being only within the power of Congress. The law, however, contains a provision which empowers the President to raise or lower duties 50 per cent. when, in his opinion, an emergency justifies such action. Opinion, however, in favour of a revision of the tariff on leather is not unanimous, many tanners realising that if leather is again to be taxed, the big packers would at once want a duty on hides and skins. When the tariff came up for revision, it was found impossible to obtain sufficient votes for free hides, unless assurance was given that free leather would be included. The matter cannot be reopened until the installation of a new President in March, 1925, so that American sole leather tanners will probably have to face competition from outside sources until then—and British tanners, judging by the amount of leather sent out this year, will probably take advantage of the fact.

The Trade and Resources of Cuba.—Cuba, long coveted by the United States as a possession, subsequently became a field for American investment, and, according to the Report (coming down to last September) just published by the Overseas Trade Department from the Acting British Consul-General at Havana, the American capital invested in its sugar, tobacco, cattle, mining, railroads, and lesser industries exceeds \$1,000,000,000, and the United States last year supplied two-thirds of its imports and took four-fifths of its export trade. Great Britain came next, but supplied only about 5 per cent. of the imports and took 9.5 per cent. of the exports, but British investments in the island amount to about £14,000,000, chiefly in railroads, with small amounts in sugar and tobacco, and of the fire insurance business in 1920-21 50 per cent. was British. The population, some 3,123,000, had a total foreign trade in 1922 of \$175 per head, and is rich enough to bear a high cost of living, a total debt of nearly \$131,760,000, and a State expenditure estimated for 1923-24 at \$85,000,000, which will leave a Budget surplus of \$6,827,000. The high cost of living, due chiefly to the fact that the island exports what it produces and imports what it consumes, does not deter the winter visitors, for whom special attractions are provided by the authorities, and who this season will probably number nearly 250,000. It has, however, caused a decline of immigration from the British West Indies and Spain, and a consequent shortage of labour on the sugar plantations, and the numerous immigrants from Eastern Europe, who have gone to Cuba because they could not enter the United States, mostly become street hawkers and fruit sellers. Of the chief products sugar—of which Cuba supplies one-fourth of the world's total—reached in 1921-22 the record figure of 4,047,236 tons; last season's crop was some 4,000 tons less, and predictions that it would fall still lower led to wild speculation, followed by great fluctuations in price, and eventually by the "buyers' strike" in the United States against a supposed "corner." Tobacco came next in importance with an export last year of 387,251 bales, nearly 92 million cigars and over 21 million cartons of cigarettes, the cigar export showed a notable recovery from the lowest figure on record. The output of

alcohol exceeded 50 million litres, nearly 150 per cent. more than in 1919; of this 18 million litres was motor spirit—a use in which Cuba is apparently the pioneer. In cattle ranching and dairy farming some \$350 millions are invested; the cattle are largely a mixture descended from leading European breeds. Other important exports are henequen and grape fruit, the latter chiefly from the Isle of Pines. Among minerals, copper, iron ore, and asphalt are largely worked by American companies, and there are great hopes, still unverified, as to petroleum. Coffee, grown by small landowners, is declining, and seeks Government aid. The local industries include paper, soap, perfumes, brewing, cement, and furniture, but they are demanding Protection, and are inadequate to meet the home consumption. Trade has not come up to the hopes entertained last January, possibly owing to the 1 per cent. sales tax they imposed to provide security for an American loan, but the post-war depression is over. Among the imports Great Britain is holding her own in the finer textiles, and has a fair share in the sugar mill machinery trade, and there are good openings for British cutlery, sporting guns, sports goods, pickles, and jams. But British exporters seem to lack confidence, though the British buying of Cuban sugar tends to encourage British exports. British shipping in Cuban ports is still far below the pre-war numbers.

The Indian Opium Trade.—The familiar charge that the Government of India forces opium on its subjects and other countries for the benefit of its own revenue is dealt with effectively by Professor Rushbrook Williams in his Report on the Material and Moral Condition of India (Cmd. 1901). For a century the Indian Government has been controlling a trade which it cannot abolish, and restricting consumption by raising the price of the drug. Recently it has restricted the areas of poppy cultivation, and, by treaties with various Native States, the traffic. The Indian consumption has declined considerably in consequence, and the Government is endeavouring to limit the foreign sale to the amount needed for strictly medical purposes by selling directly to foreign Governments, and forbidding export except under certificates from them. But it cannot control the three other chief producing countries. Turkey and Persia are outside the Opium Convention, and China, for the sake of whose people the Indian Government sacrificed a revenue from the drug of £4,000,000 annually, now produces 70 per cent. of the total output, owing to the inability of the Central Government to keep its engagements. The League of Nations has endeavoured to take steps to get the Indian output limited to what is strictly needed for medical purposes, but in India the drug is used as a popular remedy for certain disorders more extensively than the medical profession regards as necessary, and the Indian representatives on the League defeated the proposals on that ground. This extensive use is apparently justified in some degree by the results, and Indian opinion is so firmly attached to it that further limitation is at present impracticable.

Peter Walker and Robert Cain.—The company of Peter Walker (Warrington) and Robert Cain and Sons, Limited, was formed in September, 1921, to acquire, firstly, the brewery business of Robert Cain and Sons, Limited, which included the share capital of Harding and Parrington, Limited, and, secondly, the ordinary share capital of a brewery company known as Peter Walker and Son (Warrington and Burton), Limited. A prospectus was issued just after the formation of the company, when £2,000,000 7 per cent. first mortgage debentures were offered at 92½ per cent., and 1,500,000 £1 ordinary shares at par. The accounts of this undertaking have been issued during the week, for its financial year ended September 30th last. By a singular coincidence profits are practically the same as those recorded a year ago, being now £542,226, as against £542,035. It must be confessed that these figures are not very large when it is considered that assets amount to £6,535,193. This, however, was a boom-time flotation. The ordinary shares receive a distribution of 9 per cent., as against 10 a year ago, which leaves £25,470 to be carried forward—the latter sum being slightly larger than

the £20,544 brought into the accounts. What has happened to reserves we are not in a position to know. In the balance-sheet the reserve is given as £20,000. Fortunately, however, this is one of the more enlightened undertakings which publish in addition a consolidated balance-sheet. Here total items on the asset side have jumped to £11,963,983, while reserves are given as

£530,000. We are still, however, kept in the dark as to the true state of affairs, for the main item of £10,568,585, representing freeholds, goodwill, and investments, is stated to be less reserves. It is true that an item, "Company formation," £328,489, has been cleared off during the year by the process of allocating accumulative profits of one of the

THE REVENUE.

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

	Quarter from October 1 to December 31, 1923, compared with the corresponding Quarter of the preceding Year.				Period from April 1 to December 31, 1923, compared with corresponding Period of the preceding Year.			
	Quarter ending Dec. 31, 1923.	Quarter ending Dec. 31, 1922.	Increase.	Decrease.	Period ending Dec. 31, 1923.	Period ending Dec. 31, 1922.	Increase.	Decrease.
	£	£	£	£	£	£	£	£
Customs	39,517,000	32,549,000	6,968,000	..	95,560,000	95,199,000	361,000	..
Excise	39,825,000	44,092,000	..	4,267,000	108,824,000	121,308,000	..	12,484,000
Motor Vehicle Duties	841,000	715,000	126,000	..	4,470,000	3,599,000	871,000	..
Estate, &c., Duties	14,630,000	11,750,000	2,880,000	..	41,360,000	43,821,000	..	2,461,000
Stamps	5,480,000	6,260,000	..	780,000	14,840,000	14,762,000	78,000	..
Land Tax, House Duty, and Mineral Rights Duty	60,000	80,000	..	20,000	570,000	650,000	..	80,000
Property and Income Tax	32,328,000	49,187,000	..	11,189,000	136,635,000	187,551,000	..	24,626,000
Super Tax	5,670,000	..	..	..	26,290,000	..	..	..
Excess Profits Duties, &c.	5,630,000	5,020,000	610,000	..	15,950,000	13,297,000	2,653,000	..
Corporation Profits Tax	8,350,000	8,730,000	..	380,000	23,350,000	25,330,000	..	1,980,000
Postal Service	1,300,000	1,300,000	..	..	3,800,000	3,800,000	..	..
Telegraph Service	3,600,000	3,370,000	230,000	..	10,700,000	10,270,000	430,000	..
Telephone Service	320,000	330,000	..	10,000	780,000	70,000	..	..
Crown Lands	4,596,360	4,471,039	125,321	..	10,618,522	8,307,719	2,310,803	..
Interest on Sundry Loans	..	..	..	..	..	..	..	..
Miscellaneous—	..	..	..	..	..	..	..	..
Ordinary Receipts	2,404,197	2,521,006	..	116,809	9,645,175	18,912,193	..	9,267,018
Special Receipts	..	11,294,273	..	1,390,717	29,892,365	7,199,453	..	..
	167,455,113	181,669,318	14,214,205	18,185,526	533,285,062	585,562,730	52,277,668	59,051,471
			Net Decrease, £14,214,205				Net Decrease, £52,277,668	

II.—An ACCOUNT showing the RECEIPTS into and ISSUES out of the EXCHEQUER in the Period ending December 31, 1923, as compared with the corresponding period of the preceding Year.

RECEIPTS.	Period ending Dec. 31, 1923.		ISSUES.	Period ending Dec. 31, 1923.	
	£	£		£	£
Balances in Exchequer on April 1—	5,442,665	9,963,424	Expenditure—		
Bank of England	1,375,502	1,210,106	National Debt Services—		
Bank of Ireland	6,818,167	11,773,530	Interest, &c.	270,251,364	278,987,513
			Sinking Fund	31,650,062	3,049,999
Revenue, as shown in Account I.	533,285,062	585,562,730	Road Fund	3,869,044	6,075,518
Temporary Advances Repaid—	65,000	800,000	Payments to Local Taxation Accounts, &c.	8,301,777	1,548,995
Billion	..	..	Payments to Northern Ireland Exchequer ..	2,923,087	453,349
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.	73,782	169,818	Land Settlement	2,334,488	2,256,621
Under the Unemployment Insurance Acts, 1921	4,870,000	2,910,000	Other Consolidated Fund Services	..	..
Under the Telegraph (Money) Acts, 1921 and 1922	5,520,000	5,310,000	Supply Services—		
Under the Post Office (London) Railway Act, 1913	10,500	27,000	Army, Navy, and Air Force	69,000,000	79,000,000
Under the Housing Act, 1914	12,000	..	Civil Service	164,386,495	174,684,930
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1923	..	950,000	Revenue Departments and Post Office ..	41,003,417	42,650,069
By Exchequer Bonds, under the Capital Expenditure (Money) Act, 1904	..	1,553,300	Total Expenditure chargeable against Revenue	594,179,083	589,074,449
By Exchequer Bonds, under the Cunard Agreement (Money) Act, 1904	520,000	4,000,000	Temporary Advances—		
By Exchequer Bonds, under the Cunard Agreement (Money) Act, 1904	820,000	..	Billion	5,000	..
(b) For other Issues—	1,882,379,000	2,214,525,000	Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.	73,782	169,818
By Treasury Bills	38,500,000	47,808,000	Under the Unemployment Insurance Acts, 1921	820,000	4,850,000
By National Savings Certificates	..	20	Issues to meet Capital Expenditure—		
By Exchequer and National War Bonds	..	..	Under the Telegraph (Money) Acts, 1921 & 1922 ..	5,520,000	5,310,000
By Treasury Bonds—			Under the Post Office (London) Railway Act, 1913	10,500	..
5-15 Year, 1925-35	..	61,655,154	Under the Housing Act, 1914	12,000	27,000
5 per Cent., 1927	..	70,907,535	Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1923	..	950,000
4 per Cent., 1933	32,657,952	..	Under the Capital Expenditure (Money) Act, 1904 ..	..	1,553,300
4 per Cent., 1931-33	..	25,259	Under the Cunard Agreement (Money) Act, 1904—Exchequer Bonds paid off	520,000	..
By Other Debt created under the War Loan Acts, 1914 to 1919	735,666,500	740,975,500	Unemployment Insurance Acts, 1921—		
(d) Ways and Means Advances	50,081	243,012	Repayment of Amounts borrowed	4,870,000	2,110,000
Anglo-Persian Oil Company—			Treasury Bills	1,846,155,000	2,377,589,000
Dividends on Shares Acquired	130,000	130,000	Principal of National Savings Certificates ..	25,350,000	19,450,000
Repayments—			Principal of Exchequer Bonds paid off	32,222,896	44,684,182
In respect of Cunard Loan	208,959	270,252	Principal of National War Bonds paid off ..	7,463,440	15,825,590
Do Issues under Land Settlement (Facilities) Acts, 1919 and 1921	..	6,827,960	Ways and Means Advances Repaid	721,391,500	666,265,500
Do Issues under Section 59 (4) of the Finance Act, 1920	..	162,425	Anglo-Persian Oil Company—		
Interest received under Section 59 (5) of the Finance Act, 1920	..	..	Issued to the National Debt Commissioners ..	50,081	243,012
	3,241,587,003	3,756,036,496	Issues to National Debt Commissioners to reduce Debt—		
			Cunard Loan Repayments	130,000	130,000
			Proceeds of National Savings Certificates—		
			Issued under Section 59 (4) of the Finance Act, 1920	..	5,000,000
			Old Sinking Fund, 1910-11—		
			Issued under Section 16 (1) (b) of the Finance Act, 1911	55,214	88,065
				1923.	1922.
				Dec. 31.	Dec. 31.
			Balances in Exchequer—		
			Bank of England	1,960,068	1,960,676
			Bank of Ireland	799,039	1,143,759
				2,759,107	3,104,435
				3,241,587,003	3,756,036,496

MEM.—	Period ending Dec. 31, 1923.		Period ending Dec. 31, 1922.	
	£	£	£	£
Floating Debt outstanding March 31, 1923	809,507,500	..	16,500,000	..
Ways and Means Advances outstanding—			205,511,500	..
Advances by Bank of England	1,750,000	..	719,040,000	..
Advances by Public Departments	205,422,500	..	860,452,500	..
Treasury Bills outstanding	652,280,000	..	50,545,000	..
Total Floating Debt outstanding	860,452,500	..	..	..
Net Increase	50,545,000	..	..	..

* Includes £27,000, the proceeds of which were not carried to the Exchequer within the period of the account. Treasury, December 31, 1923.

associated concerns to this purpose, and for this full credit must be given, although "Discount on issue of debentures" at £150,000 still remains on the asset side. The balance-sheet will be found in detail and analysed in another column. We again suggest that the directors should separate the main item in assets into (a) properties, (b) investments, and (c) goodwill.

Premier Diamond.—This company—whose property is situated in the Pretoria district, a long way from the De Beers Consolidated—last year distinguished itself by the payment of 300 per cent. upon its deferred shares. The accounts to October 31st, now issued, show that an even larger distribution could have been made had the directors elected to follow a policy otherwise than conservative. The balance brought in was negligible, the dividends on the preference capital for 1921-22 having been, in effect, provided from this source. The balance carried forward to 1924 figures at £168,100—considerably more than sufficient to furnish another 7s 6d per 2s 6d share. Thanksto the recovery in the demand for the stones, the company was able to increase its rate of operations, securing 477,000 carats, or 177,800 more than in 1921-22. The sales scored a more than corresponding advance, with the result that the revenue account balance amounted to £992,600 in place of only £23,000. The management is still satisfied with the prosecution of development on a very limited scale; hence the blue ground in sight has further shrunk to 35,400,000 loads. This quantity, however, represents many years' work for the plant. With regard to the outlook for the current year, the directors speak in cautious terms. The question was dealt with at some length at the meeting of the De Beers Consolidated, a full report of which has become available during the past week. The chairman emphasised the sensitiveness of the diamond market, and referred to the stabilising influences of the Diamond Syndicate.

Ferreira Deep.—Our mining correspondent writes:—The chief features of operations last year on the part of this Witwatersrand undertaking are reductions in the working costs and in the value of the ore reserves—the one being, of course, favourable and the other unfavourable. Thanks to the reorganisation which followed the labour trouble of 1922, the expense ratio of the past financial period—20s 5d—scored a saving of as much as 7s 5d upon that of the preceding session, and of over 6s as compared with 1920-21. The higher grade ore in the company's original property is, however, becoming exhausted; and the material opened up in the area acquired from the Village Main Reef and that leased from the Village Deep is of lower grade. Hence the value of the ore reserves on September 30th last figures at 6.6 dwts, as against 7.7 dwts two years previously. This is a factor which will be reflected in future returns. The payment for last year of a total of 8½ per cent., together with provision for taxes, &c., entailed a moderate draft upon the carry-forward. This still amounts to nearly £100,000, represented by surplus cash assets. The claim for insurance in connection with the fire which took place at the mine in December, 1921, remains outstanding.

Japanese Trade and Finance.—Cabled advices from Tokyo state that the trade activity which followed the earthquake has subsided by gradual stages. Nevertheless, although no far-reaching reconstruction schemes are as yet under way, general business conditions are still fairly satisfactory. The money market, however, showed a quietness at the end of the year that was out of keeping with usual experience, a reduction in monetary requirements being largely explained by the postponement of settlement of pre-earthquake contracts. On the other hand, the note issue of the Bank of Japan rose at the end of the year to the unprecedented figure of 1,697 million yen, as compared with 1,590 millions at the end of 1922. The great expansion in the note circulation is in part due to the prevalence of cash transactions in the devastated areas. The Central Bank's discounts and advances show a large expansion as compared with the end of 1922, namely, from 580 million yen to 861 million yen.

Housing and Local Rates: A Correction.—In an article last week on the housing question we referred to the plan for assisting the building of new houses by remitting the rates on new dwellings, and transferring an increasing proportion of the burden of local expenditure to the central authority. But it was said in error that this would be a transfer, ultimately amounting to some 9 or 10 millions a year, on this ground alone from a tax amounting to 75 millions. This figure should read 175 millions, which is the appropriate amount raised by local rates in the last completed year. A portion of this represents the rate levied on land, but the bulk of it is levied upon houses.

THE Board of Trade give notice that by agreement between the British and German Governments, the period for lodging claims under Article 296 of the Treaty of Versailles has been extended. British creditors who have claims not hitherto preferred against German nationals which come within the provisions of the aforesaid Article, must forward proofs of claim to the Controller of the British Clearing Office, Cornwall House, Stamford street, London, S.E. 1, by March 31, 1924, which is the final date for notification. The necessary forms can be obtained on application to the Controller.

THE Royal Colonial Institute announces a meeting at the Edward VII. Rooms, Hotel Victoria, Northumberland avenue, W.C. 2, on Tuesday next, at 8.30 p.m., at which a paper on "More Milestones of African Civilisation, and Some Problems," will be read by Robert Williams, Esq. The Hon. Sir Arthur Lawley, G.C.S.I., G.C.I.E., K.C.M.G., will preside.

Oversea Correspondence.

UNITED STATES.—CROP YIELDS AND VALUES—COTTON GINNINGS AND CONSUMPTION—STOCK MARKET.

(FROM OUR CORRESPONDENT.)

NEW YORK, December 21.

RETURNS to American farmers this year from the various crops, with the single exception of wheat, are higher than they were in either of the two preceding years. The Department of Agriculture's final estimate, published this week, places the total value of the 1923 crops, based on December 1st market prices, at \$8,322,695,000, representing an increase of approximately \$872,000,000, or nearly 12 per cent., over 1922, and about \$2,693,000,000 over 1921. By far the largest return from any one crop was from corn, the December 1st value of that crop, figured at 72.7 cents a bushel, being \$2,222,013,000, an increase of about 16 per cent. over last year, and comparing with the high record value of \$3,920,228,000 for 1917. A year ago the December 1st value per bushel was 65.8 cents, and on that date in 1921 only 42.3 cents. Although prices of wheat were higher on the first of this month than at the corresponding time in 1922 and 1921, the total value of this year's harvest is smaller than in those years because of the lighter yield. The 1923 value of all wheat is given as \$725,501,000, against \$873,412,000, approximately, for last year, and \$754,834,000 for 1921. Among the crops other than corn showing a material increase in value over the two previous years were oats, barley, flaxseed, white potatoes, hay, and cotton. The December 1st price used in computing the farm value of cotton was \$31 a bale, against \$23.80 in 1922 and \$16.20 in 1921, the yield being figured at 10,081,000 bales as finally estimated by the Government. While it is true that in some agricultural sections where there were crop failures or where farms were not properly operated, farmers are more or less in trouble, if not distress, the estimated increase in the value of crops plainly indicates that farm purchasing power is greater than last year, and that the condition of farmers generally is not so deplorable as it has been described by interested parties in Congress and elsewhere.

The Census Bureau's report, showing that cotton

ginned up to December 13th totalled 9,548,805 bales, is taken to indicate that the actual yield will closely approximate the Department of Agriculture's final estimate of 10,081,000 bales. But even if the latter amount be produced, this year's crop plus the carry over will fall far short of actual requirements at the current rate of consumption. Last month American mills used 531,631 bales, as compared with 541,825 in October and 579,190 in November of last year. In the first four months of the present cotton year—August to November, inclusive—American mills have consumed 2,048,912 bales, as against 2,134,351 in the corresponding period of 1922. At that rate, together with the heavy exports, it is evident that the total available supply of American cotton, as now estimated, will be completely exhausted long before the end of the cotton year. Obviously a great deal depends upon the consumption in ensuing months. There was a reduction of 277,000 active spindles in November as compared with October. It is noteworthy, also, that curtailment of cotton goods production in New England is rapidly increasing; it is estimated that, in Fall River mills alone, approximately one million spindles are idle or entering upon an indefinite period of idleness. Meanwhile, manufacturers are steadily lifting prices of all cotton goods for contract deliveries to levels nearer present replacement costs, and buyers, as a rule, are refusing to operate, except in hand-to-mouth fashion, despite the fact that much higher prices than those now current in primary markets for cotton goods are inevitable. Holiday retail trade in textiles and other merchandise has been of record volume, and jobbers expect the substantial distribution of cotton goods will result in considerable replenishing of stocks after the turn of the year. Jobbers and wholesalers, on the other hand, appear to be pretty well supplied with cotton and other textiles. Information received by the National Wholesale Dry Goods Association from wholesalers in various parts of the country indicates that, compared with a year ago, stocks average 10 to 15 per cent. higher. Reports regarding the size of retailers' stocks vary, but available statistics show that eastern stocks of dry goods probably average 10 per cent. greater than a year ago, while figures for western territory point to stocks being on a par, and in some districts slightly lower, compared with last year at this time.

The upward trend of stock market securities was checked this week by aggressive bear drives and liquidation from various sources. Much of the selling pressure was caused by political developments at Washington, especially the efforts of the Radical element, subsequently defeated, to give soldier bonus legislation priority over other measures in Congress. Individuals and firms also converted stocks into cash for holiday or year-end requirements, while many sales were probably for the purpose of recording losses for income-tax returns to be filed next year. Industrials suffered the most extensive decline witnessed in several weeks, and rails also reacted, but to a less extent. After a partial rally the market is steadier, though price fluctuations are irregular and confusing. Barring unforeseen developments, securities markets are expected to be dull until after the turn of the year. The course of prices then will be governed largely by events in Congress and developments in trade and industry. Bond houses expect a more active demand for investment issues will materialise next month.

FRANCE.—SENSATIONAL ELECTIONS—FRANCO-GERMAN PROBLEM—WATER POWER SCHEMES—NEW RENT LAW.

(FROM OUR CORRESPONDENT.)

PARIS, January 2.

THE holiday season has naturally brought a lull in activity in many directions, but not in Parliament. Both Chambers sat until the end of Christmas week, and even then adjourned only until January 8th. Even this brief recess is to be broken by what will probably prove an exceptionally strenuous senatorial election campaign, which will close on Sunday, when one-third of the seats in the Upper House will, in accordance with annual constitutional practice, be filled by the votes of the local deputies and members of the departmental and district

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councils and delegates from the municipal bodies. M. Poincaré himself is standing for re-election as one of the senators for the Meuse, and he has left Paris to-day for his constituency.

Of the 116 senatorial seats to be filled, 55 are at present held by members of the Democratic Left group, which consists of Radicals and Socialistic Radicals, the two parties who for so many years before the war controlled both the Chamber and the Senate. The Upper House, as is known, is in this country normally much more inclined to radicalism than is usual with Second Chambers, and therefore exercises a good deal of very real influence when, as at present, a largely Nationalist and Conservative Ministry is in power. This fact, coupled with the circumstance that the General Elections for the Chamber are due next May, renders the coming Senatorial contests of greater importance than usual, as the result of next Sunday's voting is expected to yield some indication as to whether the elections for the popularly elected Chamber will again endorse the foreign policy of the Poincaré Cabinet, or whether dissatisfaction with its internal policy—or, rather, absence of such a policy—will prove sufficiently strong to bring back to power the party which has always found its chief support more in the direction of the Left. Many observers are inclined to the view that, given leaders with more tried experience and authority than MM. Herriot and Painlevé, there would be a great possibility of the coming elections marking a well-defined swing of the pendulum to the Left. In the circumstances, however—and this opinion has been strengthened rather than otherwise by recent developments in the Ruhr and elsewhere—there is now a much more widespread belief than existed six months ago that M. Poincaré's hold on the country is such that there is little likelihood of his defeat.

The crux of the whole Franco-German problem, it is more keenly realised than ever, lies in the circumstance that the coal lies on one side of the common frontier and the iron on the other, and it is on this point, and on all that it means, that French attention is to-day keenly focussed. The renewal from the German side of the proposal that a means should be found for the reparations question to be settled by a large shareholding participation by this country in German industrial concerns is being given a good deal of consideration in many quarters here. At the same time, the movement that has been in progress for many months past in favour of a renewal of economic relations with Russia is also developing in various directions, and in this, also, the possibility of a Labour Government in England is again a factor.

M. Le Trocquer, the Minister of Public Works, who has the advantage of being a practical engineer as well as a politician, is strenuously pushing forward the various great national power schemes, the object of which is primarily to enable this country to avoid the burden of having to purchase from abroad the twenty million tons a year of combustibles which it is unable to secure from its own mines. In a statement just issued he shows that the utilisation of the French waterfalls for the development of electric power is proceeding rapidly. Before the war the total h.p. developed from these sources was

500,000. This has already been increased to 1,400,000 h.p. This he expects before long to increase by another 1,000,000 h.p. from the Rhone, to which a very important scheme is now being applied; by a further 700,000 h.p. from the Rhine and by 500,000 h.p. from the Dordogne. From March next electric traction will be used on the Paris suburban railways south of the Seine, and many of the lines south of the Loire are being equipped for the same purpose. Within 20 years three-quarters of the Midi system will be electrified, together with 3,200 kilometres of the P.L.M., and over 2,500 kilometres of the Orleans system. This will enable a saving of three million tons of foreign coal to be effected in connection with the railways alone, while the development of the use of electrical power for industrial purposes is expected to result in a still greater saving.

After having passed backwards and forwards between the Senate and the Chamber, the new Rent Law became an accomplished fact on December 30th, and came into operation with the beginning of the New Year. The new law divides the country into two regions, the first comprising Paris and fifty kilometres round, all communes with a total population of at least 4,000, and the liberated regions, while Region B comprises rest of France and Algeria. The new law fixes conditions of rentals until January 1, 1926, and is inapplicable to foreigners, in accordance with what is a growing practice in this country. It applies, so far as the fixation of rent is concerned, only to leases or tenancies entered into or renewed between March 31, 1922, and January 1, 1926, and to building constructed before August 1, 1914. The landlord is given power, in Paris and the region surrounding it, to increase the rental by 75 per cent. of the rateable value in 1914, plus a proportion of the fixed charges on the building that have hitherto been borne by the owner. In the rest of the departments the amount of increased rental is to be fixed by departmental committees. Sitting tenants whose agreements expire before January 1, 1926, are given the right to further prolongation of their periods of occupation until that date, with the exception of those whose agreements have already expired, and who have been refused prolongation, but who have been able to remain in their holdings owing to the pending settlement of their legal position. These may apply to the court for successive postponements of ejection down to the limit of July 1, 1924. Holders of unexpired pre-war leases are given the right to prolongation for another two years in the case of dwelling houses and five years in the case of business premises, after the expiration of their leases, subject to prolongation in the case of the former category not extending beyond October 24, 1928, and in the case of the latter category not after October 24, 1934. Both parties have the right to apply to the court in a large number of contingencies.

GERMANY.—POLITICS—FINANCES—CURRENCY—BUSINESS CONDITIONS.

(FROM OUR CORRESPONDENT.)

BERLIN, January 1.

THE internal political outlook at the beginning of 1924 is better than at any time since the Ruhr invasion. The Marx Cabinet is indeed being assailed by the Socialists, and over the delayed Third Taxation Decree it is in difficulties with the State Governments, but the currency stability has had a remarkable effect in calming tempers, and the unemployment and trade stagnation which have accompanied the stabilisation are ignored except by the classes immediately affected. This makes a strong contrast with the mark collapse period, when, although production flourished and the most numerous classes profited, there was constant fear of a crash. The Cabinet has refused to abolish the state of exceptional security prevailing since last autumn. About improvement of relations with France in the present year not much optimism is felt. This question, the State financial question, and the apparently heavily passive foreign trade balance must be taken into account in forecasting the next few months.

The Rentenmark Treasury bills, by which the Government hopes to get sufficient money until taxes come in,

have not yet been issued. The long-delayed decade reports of the Finance Ministry have at last appeared, bringing results down to December 20th. A rapid increase in revenue, a decline in expenditure, and a decline in deficits are reported, which would be still more gratifying were it not that the revenue in the last ten days term includes heavy receipts from the temporary Rhine-Ruhr levy, of which only one more instalment remains. Owing to the fact that the Rentenmark reform came in the middle of a decade term (on November 15th) five reports have had to be issued since November 10th. The following sums up the reports (in billions of paper marks):—

November 11th-15th.—Revenue from taxation, 535,958; expenditure (including 74,273,141 subsidies to posts and railways), 113,405,477. Addition to floating debt, 128,396,043. With this report floating debt borrowing for deficits ended. The floating debt was left at 191.6 trillion marks.

Later reports appear in a new form. They give receipts, including those from sale of gold loan and of dollar Treasury bills, and divide expenditure only into (1) "General Administration" (which includes mark currency payments arising out of the Peace Treaty), and (2) payments in foreign currency arising out of the Peace Treaty. Instead of, as formerly, receipts and expenditure being balanced by inclusion in the former of floating debt borrowings, deficits, being met out of the Rentenmark credits, are shown at the end. The following are also in billions of marks:—

November 16th-20th.—Revenue 5,740,107, whereof 4,905,783 were realised by sale of gold loan and gold Treasury bills; expenditure, 54,343,869. Deficit, 48,603,762.

November 21st-30th.—Revenue 15,084,787, whereof 4,539,307 from sale of loan, &c.; expenditure, 258,684,323. Deficit, 243,599,536.

December 1st-10th.—Revenue 32,822,609, whereof only 36,572 from sale of loans; expenditure, 179,898,898. Deficit, 147,076,284.

December 11th-20th.—Revenue 42,904,657 (nothing from sale of loans); expenditure, 165,656,592. Deficit, 122,751,935.

On the term November 16th-December 20th.—Revenue 96,552,160, whereof 9,481,662 from sale of loans; expenditure, 658,583,677. Deficit, 562,031,517.

The improvement is best shown by comparing the last preceding decade report (November 1st-10th), wherein less than 1,000th of expenditure was shown to be covered. The 562 trillion paper marks deficit of the whole period of one month and four days is 562 million Rentenmarks (or gold marks); but in addition the Government had to borrow 140 million Rentenmarks for railways and posts, and 25 million Rentenmarks for the Federal Breadstuffs Board. Immediately after the stoppage of Treasury bill discounting at the Reichsbank the payment off of floating debt was begun; before November 30th the Debt had fallen to 96.9 trillion paper marks, and the whole debt has since been paid off at a cost of under 200,000,000 Rentenmarks, or (taking the Rentenmark as a gold mark) £10,000,000. The operation was, of course, merely a formal measure registering an old *de facto* confiscation. Except for the small "gold" or "stable value" loans raised in the past year, and for the new debt of £60,000,000 gold to the Rentenbank, the Republic is now entirely free of internal debt, but it is beginning to borrow again *via* the Rentenmark Treasury bills, and future debts (according to official promise) will not be extinguished by depreciation.

Concerning the gold total at times of borrowing of the debt so wiped out no data are available; but a new official report puts the Treasury Bill borrowings in the financial year 1920 (at exchanges of borrowing dates) at 5,178 million gold marks; 1921, 4,513 million gold marks; 1922, 3,035 million gold marks; and 1923 (first seven months) 5,736 million gold marks. The enormous increase last year in the gold value of borrowings is explained by another new official table showing how revenue dwindled under the paper-mark taxation and gold-mark expenditure system. In the financial year 1920, the average monthly taxation revenue was 270 million gold marks; 1921, 300 million gold marks; 1922, 145 million gold marks; 1923, 50 million gold marks. These are

wholesale-index gold marks, not exchange gold marks.

Currency conditions have greatly improved. The paper mark now plays a small rôle compared with the Rentenmark. The Reichsbank and private banks announce that in future they will deal only in units of a billion paper marks, with two decimals. The effect of this is practically to kill the claim that the Rentenmark and paper mark are different currencies, because the decimals represent pfennigs—2,570,000,000,000 paper marks, for instance, being handled and booked as 2 Rentenmarks 57 Rentenpfennigs. This emphasises the view taken from here that the currency reform is nothing but a kind of denominationalisation. The fact that the security behind the Rentenmark, which is supposed to differentiate it from the paper mark, has so far no legal existence (the compulsory mortgage distribution being delayed) causes no holder of Rentenmark any apprehension; but also the promise of such security gives him no increase of confidence; no preference is any longer shown for the Rentenmark against the paper mark. The real substance in the reform (if any) lies in the limitation of circulation. The Finance Minister, dealing with this point, puts circulation as follows:—

	Million G.m.
Rentenmark notes	1,200
Reichsbank notes	400
Gold loan currency	300
Emergency money	500
	2,400

Reichskassenscheine, Darlehensscheine, and note issues of the four private note banks are omitted, the gold value being insignificant. The pre-war circulation (coins and notes) was about 6,000 million gold marks. The Minister thinks the 2,400 million gold marks not excessive, in view of the much reduced speed of circulation due to stability, and of the sunken buying-power of gold; but on this may be commented that for years German trade went along with currency worth a mere fraction of the 2,400 million gold marks—the value of Reichsbank circulation on November 15th was only 310 million gold marks. The suspicion that, despite official statements, the Rentenmark reform has had an inflationist effect is confirmed by the extraordinarily high prices still prevailing for certain kinds of goods, and by the ability of Germans in modest positions during the past holidays to pay these prices. No former "Catastrophe Boom" Christmas season saw such money-spending by natives as that just past.

The Reichsbank's statements for November 23rd and 30th appeared simultaneously on December 24th. Between November 15th and 30th, circulation, despite the withdrawal of notes corresponding to the repaid Floating Debt, rose from 92,844,720 billions to 400,267,640 billions. The increase was partly due to the exchange crash which continued up to November 20th, partly to issue of notes in payment for emergency money called in. The Bank's holding of 189 trillion marks Treasury bill discounts on November 15th fell by 30th to 97 trillions, while private discounts rose from 39½ trillions to 347 trillions. This last increase is stated officially to have been largely due to an influx of cheques, which are booked together with bills. Paper mark circulation after that (though the returns are not yet out) began to decrease. The Bank's policy is to call in all notes of denominations not exceeding half a billion marks. Semi-officially it is stated that the return for December 15th will show a paper mark circulation of only 258 trillions, and that later weeks will see further declines. Although the future of the Rentenmark experiment must be considered doubtful owing to the still bad finances and the passive trade balance, there is no doubt that the operation has so far been carried out with great skill.

An impending official decree will proclaim free import of a large number of important commodities, including, it is believed, hides and leather, rubber, half-finished material for paper, metals, clockworks, metal ores, mineral oils, coal tar, and certain kinds of machines and textiles. This measure is part of the general liquidation of the foreign trade control system. The livestock census of October 1, 1923, has given the result:—Horned cattle, 16,652,831; pigs, 17,225,855; sheep, 6,094,022; goats, 4,658,607. A rapid increase in the use of motor vehicles is reported. The number of vehicles

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of all kinds on July 1, 1923, was 212,961, against 84,628 in 1914, the number of commercial cars rising from 9,071 to 51,789, private cars from 55,000 to 100,829, and motorcycles from 20,557 to 59,409.

ITALY.—THE INTERNATIONAL BALANCE OF PAYMENTS—NEW SAVINGS AND THEIR INVESTMENTS.

(FROM OUR CORRESPONDENT.)

TURIN, December 26.

VERY wild statements have been published from time to time about the international balance of payments between Italy and foreign countries. Fortunately an inquiry by Professor Jannaccone, published in a new edition of "Documents on the Financial and Economic Situation of Italy," presented by the Minister of Finance, Signor De Stefani, to Parliament, gives, for the year 1922, a new estimate of the complete balance of payments (in millions of lire):—

	Credit.	Debit.
Difference between imports and exports of goods ..	..	6,462.4
Difference between imports and exports of gold and money	..	37.7
Difference between sums remitted to Italy and those brought about by emigrants	3,400.0	..
Difference between passive and active freights for the transportation of emigrants and travellers ..	115.6	..
Goods freights due to the Italian mercantile marine	527.0	..
Difference between expenditure of Italian mercantile marine abroad and foreign marine in Italy ..	..	203.1
Difference between sums due and sums credited for international railway services	..	132.3
Difference between sums spent by foreign travellers in Italy and Italians abroad	2,500.0	..
Difference in postal remittances between Italy and foreign countries	274.7	..
Interests on Italian public debt paid abroad	..	115.6
Interest on banking current net accounts	..	140.0
Difference between profits of Italian firms abroad and foreign firms in Italy	30.0	..
War reparations received from Germany (net cost of occupation, control, &c., expenditure)	440.5	..
	7,287.8	7,709.1
Public debt bonds sold in foreign countries, mostly to Italian emigrants	460.0	..
Repayment of public debt bonds, sold and repaid in foreign countries	..	412.8
Purchase of foreign securities	..	12.0
To balance: Italian credit at the end of the year ..	..	231.9
	7,747.8	7,747.8

The balance of payments last year was thus closed very favourably to Italy. It should be added that, while the 412.8 millions of public debt bonds were repaid to foreign Governments, such as Brazil, &c., who, during the war, sold goods to Italian Governments without payment in cash, the 460 million lire of bonds sold in foreign countries cannot be considered as true debts to foreigners, as it is highly probable that they were bought by Italian emigrants, who will reinvest the yearly accruing interests in Italian securities.

The above is an official, i.e., a very prudent, estimate, whose errors, if any, are on the adverse side. A private investigator, Signor Mazzucchelli, author of an interest-

ing booklet, "Dati finanziari italiani," published by the *Credito Italiano*, draws an even more favourable picture for the same year, 1922 (millions of lire):—

	Credit.	Debit.
Difference between imports and exports of goods..	..	5,300
Difference between active and passive freights and other items	300	..
Difference between sums spent by foreign travellers in Italy and Italians abroad	2,500	..
Remittances of Italian emigrants abroad to Italy..	3,600	..
Interest on foreign capital, commissions and profits of foreign firms, maritime insurance, &c.....	..	350
Interests on Italian public debt and others paid abroad	..	300
Interest on Italian securities held mostly by Italians in America	..	200
Interests on Italian capitals invested abroad	500	..
	6,900	6,150
Sale of Italian securities abroad.....	500	..
Difference between Italian investments abroad and foreign investments in Italy.....	..	250
Nationalisation of foreign companies in Italy and repayment of Italian debts to foreign creditors ..	..	1,000
	7,400	7,400

In 1922 we invested in foreign countries or paid debts to foreigners up to 1,250 million lire, while we sold securities or indebted ourselves only to the extent of 500 millions, and such securities were, moreover, sold to Italians living abroad.

Various other interesting figures could be extracted from Signor De Stefani's report, or Mazzucchelli's brochure. Among other things they show that the gold-value of the lira, after touching bottom in 1920, has not varied much in the last three years. This fact was favourable to savings, which can be said to have increased in proportion to the depreciation of the lira. Deposits in saving and other banks were:—

	Millions of Lire.
At June 30, 1914	7,822.7
" 1918	12,587.8
" 1921	27,889.2
" 1922	28,819.1
" 1923	32,334.0

Correspondent accounts—such is the name by which many current deposit accounts are styled in Italy—in banks with more than one million lire capital were :—

	Millions of Lire.
At December 31, 1913	1,053.2
" 1918	6,308.1
" 1921	14,013.2
" 1922	14,746.2

The total of national savings invested in banking deposits, current and correspondent accounts, amounted, according to Signor Mazzucchelli, at December 31, 1922, at 50 milliards lire, and increased to 53 milliards at June 30, 1923. The new savings invested in State bonds, public and private securities, banking deposits, current and correspondent accounts, house building, industries, agricultural improvements, and in various other sundry ways may be estimated in all for 1922 at 12 milliards lire. In 1891 the then director-general of the National Statistical Service, Signor Bodio, estimated the annual increment of the national wealth at 500 millions lire. Even after taking into account the depreciation of the lira, the present 12,000 millions, brought down, for the sake of comparison, to 2,000 millions [gold-1891] lire, compare very favourably with the 500 millions lire which was the figure for that date. It is significant that new savings are being increasingly invested in industrial enterprises. The number and capital of joint-stock companies have increased as follows :—

	Number.	With a Capital of Millions Lire.
1863	379	1,331
1880	581	1,811
1913	2,882	5,170
1920	5,995	17,683
June 30, 1923	7,266	22,706
November 30, 1923	7,683	23,755

The few figures given above may be taken as a good omen for the economic progress of Italy in the New Year.

POLAND.—CABINET CRISIS—FINANCIAL DIFFICULTIES — DANZIG'S MONETARY EXPERIMENT — FOREIGN CAPITAL.

(FROM OUR CORRESPONDENT.)

WARSAW, December 18.

WHEN in May the National Democratic Party, together with the "Piast," formed the new Government, it was clear for every unprejudiced observer that the alliance could not be of long duration. While the peasant members of the "Piast" considered a radical agrarian reform as the principal aim of the new Coalition, the right wing of the National Democracy decided to make the realisation of such a plan impossible. The Government could maintain itself in power only by postponing the discussion of this delicate problem. The peasant masses, however, grew impatient, and the Government was obliged to introduce the Agrarian Reform Bill. Immediately the great rift existing between the two wings of the Coalition became apparent, and fifteen members of the "Piast" passed to the Opposition, forcing Mr Witos to tender his resignation.

The break up of the majority was hastened by Mr Kucharski's disastrous financial policy. At a time when only a very experienced hand could have arrested, or at least lessened, the depreciation of the mark, the Government put at the head of the Treasury a man who was quite unacquainted with financial problems. Since his nomination the whole policy of the Ministry of Finance was characterised by a disconcerting zigzag course. When Mr Kucharski took over his portfolio he nullified all measures of his predecessor, Mr Grabski, who tried to fix all revenues and expenditure of the State on a theoretical gold unit. After several months of hazardous experiments, Mr Kucharski presented to the Diet a budget which was based not on the depreciating paper currency, but on the abandoned gold unit. The whole financial history of the last months is full of such contradictions.

Mr Kucharski leaves the finances of the country in a very critical state. Nothing can be more characteristic of the gravity of the situation than the rapid decline of the mark. At the end of September the English pound was quoted at 1,500,000 Polish marks, at the end of October the quotation reached 8 millions, and now is approaching 30 millions.

According to the returns published by the Ministry of Finance, only 50 per cent. of the expenditure is covered by revenue, while for the remaining half the Government is obliged to resort to the printing press. In other words, for bringing the budget into equilibrium an increase of all taxes by 100 per cent. is necessary. This is in itself a difficult task for the financial administration of the country, which is still in the process of formation, but the problem is still more complicated by the nearly total disappearance of circulating capital.

It is estimated that before the war the total circulation of the territories which form actually the Republic of Poland amounted to two milliard gold francs. The value of the 50,000 milliards which were issued by the Polish National Bank from November, 1918, to the end of November of this year expressed in gold did not exceed at that date 50 million francs. To-day it is probably even smaller. As the monthly expenditure of the State amounts on an average to 100 million francs, a balancing of the Budget under present conditions would require the passing of the total circulation once every fortnight through the hands of the tax-collector. It is evident that such a rapidity of circulation cannot be attained.

The authorities of the Free State of Danzig intended to open in the beginning of next year a bank of issue. The depreciation of the German mark, which was legal tender in Danzig, became so rapid, however, that it was impossible to wait several months for the realisation of a monetary reform. The employees refused wages in a currency which every hour was losing its value, and the whole economic life was threatened by a deadlock. To prevent a severe industrial crisis, the manufacturers made an arrangement with some Danzig banks which, against the deposit of foreign currencies, issued industrial cheques in gold pfennigs, 420 pfennigs were equal to one American dollar; they issued also notes of 210 and 105 pfennigs. The banks were obliged to exchange these notes on presentation against American dollars.

These cheques became very popular, and a monetary reform was accomplished without the intervention of the authorities.

The Government of the Free City, seeing the success of this experiment, followed in the footsteps of the manufacturers, and opened a *Danziger Zentralkasse*, which against the deposit of sterling bills issues guildens (*Schuldverschreibungen auf Inhaber*). (25 guildens are equal to one English pound.) One part of the obtained sterling bills is used by the *Zentralkasse* for investment; the other part is kept for the exchange of the presented paper guildens.

The guildens are eagerly absorbed by the circulation, and hitherto the Zentralkasse has succeeded in maintaining them on a nearly stable level in comparison with the English pound.

Foreign capital is taking a steadily increasing part in the exploiting of Poland's industries. French capitalists are principally interested in the coal industry of Upper Silesia and the oil industry of Galicia. The Vienna banks are giving a very important support to Polish financial institutions. English credits have been granted to the sugar industry and to a leading electrical undertaking. Combined with Vienna financial institutions, two Italian banks—the Banca di Credito Italo-Viennese and the Società di Credito Commerciale—have obtained from the Polish Government important mining concessions in Upper Silesia. The Polish explosive industry is equally maintaining a close contact with similar Italian undertakings. The whole plant of the recently opened factory Nitrat has been supplied by the Società Italiana Prodotti Esplosivi in Milan.

Letters to the Editor.

AN INCOME-TAX ANOMALY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The awkward incidents attributable to income-tax include many cases which those who drafted the Acts and those who made them Law can hardly have foreseen. There are instances demanding the attention of the Chancellor of the Exchequer where the Law works so as to relieve one man from taxation of part of his income and throws the burden on another man, who apparently has no legal redress. May I give an illustration? After a prosperous period a firm has occasion to readjust its division of profits according to a new deed of partnership, and incidentally the partner, having had the largest share hitherto, becomes the recipient of a smaller portion of the profits, and those hitherto receiving the smaller allowance henceforth are entitled to the difference, which increases their shares accordingly. The year following this new arrangement turns out to be a bad one, with a fall in profits, but it has to bear an assessment of income-tax based on the average of the three preceding fat years, with the result, as each partner has to pay tax according to his present share of the total profits, the partner who had received the lion's share of the prosperous three preceding years now finds that, owing to being liable only according to his present allocation of profit, he is escaping payment of income-tax on a large portion of the sum he actually received, and that his partners are legally responsible for the difference.

The Government, rightly enough, assess a firm as a taxable entity, and it is up to the partners to allocate their contributions according to their balance-sheets. I venture to say that most business men would say, "of course, this is always done according to each man's actual receipts from the business," but in the above instance those with the least income are made to pay a big slice of the taxation due on the largest share as received by the former principal partner. If the latter takes advantage of his legal position his partners appear to have no redress against him, because everyone of us is assumed to be familiar with the law of our country, including the Income-Tax Acts, so remarkable for their clarity and simplicity of expression.

In another case, following a prosperous period, a business is sold to a purchaser, who continues it to find his

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ASSURANCE SOCIETY LIMITED
ALL INSURANCE
EXCEPT MARINE
Head Office
10. FLEET ST. LONDON E.C.4
ESTABLISHED 1836 *General Manager W. J. WORKMAN, F.I.A.*

first year turn out very badly by comparison. Owing to the income of his first year being based on the three years previous figures, he finds himself called on to pay a sum for income-tax altogether beyond the amount suggested by his actual earnings.

The authorities are entitled to say this is not their concern. Doubtless, if the layman was as familiar with the technical traps of the subject as they are, he would protect himself before entering the snare, but the shrewdest, even when advised by reputable solicitors and accountants, often remain unaware of these pitfalls. Is it not the duty of the Inland Revenue Authorities to provide some new regulation enabling an aggrieved subject to obtain redress from those who have escaped payment, which in the ordinary way they would have paid without question?

The matter is difficult to explain in simple language, but many of your readers may know of similar instances, and may perhaps be allowed to describe them in your columns, so that the Chancellor of the Exchequer may see his way to adjust what is now an anomalous and undesirable effect of the law.—Your obedient servant,
"DISGRUNTLED."

London, December 29th, 1923.

Books and Publications.

PROTECTING THE INVESTOR.

In the annals of British company finance 1923 will be remembered chiefly as a "writing-down" year. Many people who lent too ready an ear to the promoter, four or five years ago, are to-day painfully conscious that every period of trade prosperity witnesses the birth of a number of greatly over-capitalised concerns, which collapse under their own weight with the first gust of depression. The subsequent elimination of capital unrepresented by profit-earning assets is unquestionably a sound economic process, but the shareholder may be forgiven a doubt as to whether the law of the land might not advantageously have protected him against his own rashness by insisting at the outset on some reasonable ratio between capital and earning power, instead of saying, "Let the investor have the material facts," and thereafter leaving him to make, unaided, a judgment which can rarely be reasoned or unbiased. In the United States the promoter has operated on a larger scale and received much more official attention than in Great Britain, and the problem of protecting the investor from himself has exercised the public mind a good deal. The latest edition of Dr Mead's "Corporation Finance"* throws valuable light on the lines along which such State interference in the capital market has developed of late years. Since its first publication in 1910 Dr Mead's work has come to be regarded as the standard text-book on American corporate practice, but the latest issue contains much new matter covering recent far-reaching tendencies in this respect.

The most noteworthy effort to abate the worst evils of "wild-cat" company promotion has been embodied in

* "Corporation Finance." By Edward Sherwood Mead, Ph D. Fifth Edition Revised and Enlarged. D. Appleton and Co., New York and London. 195 net.

* "Corporation Finance." By Edward Sherwood Mead, Ph D.
Fifth Edition Revised and Enlarged. D. Appleton and Co., New
York and London. 15s net.

various codes of "Blue Sky Laws," so called because of the reputed habit of the speculative promoter in capitalising the sky above him. Between 1911, when battle was joined by the Kansas Legislature, and 1923, 38 States of the Union enacted Blue Sky Law. These provide penalties of fine or imprisonment whenever stocks or bonds—with certain scheduled exceptions—are offered to the public without the *imprimatur* of the State Banking Department's Commissioner, which is not granted unless the latter is satisfied that the proposition is "equitable" and "promises a fair return." Under an Act of Congress the use of the mails for obtaining money by fraudulent representation was made a criminal offence, and the Federal authorities have provided a vigilant corps of inspectors for the enforcement of the law. The inevitable denunciation of the Blue Sky Laws as "unconstitutional" under the Fourteenth Amendment was silenced by the decision of the Supreme Court early in 1917, when, "to the general surprise," their constitutionality was completely affirmed. Dr Mead's attitude towards this body of law is one of critical approval, though he admits that State banking commissioners may conceivably be open to political influence—a somewhat serious defect to an English mind.

A more subtle attack on over-capitalisation is the American theory of law, that when a receiver for a company is appointed, and creditors are able to prove that stock was issued to vendors at an excessive value, vendors who still retain such stock can be made contributory for the difference between its true value and nominal value. It is notorious that over-capitalisation is brought about most frequently by over-valuation of assets acquired "for consideration other than cash." The most conscientious of men, when called upon to make over property worth £100 for shares in the most promising and conservatively financed new company, will probably ask at least £150, rightly claiming that he is giving a hostage to fortune, and that 50 per cent. is not an excessive insurance premium in view of the nature of the risk. An unscrupulous promoter of a doubtful concern might demand, and obtain, anything up to £500, and the venture would be hopelessly over-capitalised from the start. Whether, however, the American expedient would be successful on this side is an open question. In the first place, the validity of the doctrine under English law is doubtful, and special legislation might be necessary to give effect to it. Secondly, the ascertainment of what was in any particular case an "equitable" and what an "excessive" valuation would be an exceeding difficult and controversial matter. Thirdly, the type of vendor whose activities are to be curbed, usually "unloads" his stock at the earliest opportunity, and no proceedings could be taken against innocent holders for value. The *bonâ-fide* vendor would possibly be intimidated, and unwilling to sell his property for shares at any price. Dr Mead points out that in America the power of issuing stock *without par value* provides an easy means of evasion of liability, though such a course of action is not possible in Great Britain. In any case, a system of "further liability" would need to be combined with a prohibition of the transfer of vendors' shares for a certain period after a company's flotation, and, probably, the grant of power to the receiver or liquidator to trace back the ownership of such shares from present holders for value to their original owners.

Numerous American devices of less revolutionary character for protecting the investor might advantageously be considered in this country. The American corporation is compelled by law to appoint a "treasurer" as well as a chairman ("president") and secretary. This gentleman concentrates his whole-time attention on financial matters, including questions of broad monetary policy, which, in England, are too often the concern of the board in general and no one in particular. Any attempt to reintroduce the American practice by virtue of which "directors.....usually serve without compensation other than a small fee for attending meetings" would meet with a very mixed reception. There is, indeed, a certain amount of force in the contention that English company administration would benefit if directors were given higher fees, and required to give much more unremitting attention to their duties. Holders of preference stock in the United States are often protected by a series

of safeguarding provisions comparatively unknown in this country. Some of the most extreme, such as the assumption of exclusive voting power by preference shareholders when their dividends are in arrear, would not be likely to find favour here, but the adoption of others, such as the limitation on the pledging of the company's personal property as security for loans, and the provision for setting aside a sinking fund for the redemption of preference shares, after all dividends have been paid, would, if adopted, do much to raise many semi-speculative British preference shares to something more nearly approaching investment value. The growing tendency of the American courts to appoint receivers on account of mismanagement before, and not after, a corporation has become insolvent, is another feature offering possibilities of important development. These are a few of the many comparisons suggested by a reading of Dr Mead's work. The general conclusion would appear to be that, while the body of English company law and practice has undergone little change during the last 15 years, that of America has made definite progress in various ways. Although many of the latest developments have not passed beyond the experimental stage, others have certainly earned the right to be considered on their merits by all who desire that the investor, that most indispensable member of the community, should receive every protection society can afford him.

AN INTERNATIONAL BUSINESS VOLUME.

WE are informed that the "International Register of Telegraphic and Trade Addresses,"* just published, contains within the compass of 2,100 pages full details of 70,000 of the principal firms of the world. We can quite believe it. The book is indexed in three main sections, namely, (a) alphabetical list of business firms, with full postal and cable address of each, nature of business and codes used; (b) classified trades list showing the principal firms throughout the world engaged in any given trade; and (c) an international cable address index. The Register has been arranged for easy reference. This book will prove invaluable to manufacturers and merchants, and business houses generally, for from its pages it is possible to find who are likely buyers of goods in any particular country; which firm uses a cable address; which firms in various countries can supply certain products. In addition an ingenious coding system is embodied, making it possible to mention firms, goods, services, &c., in telegrams and cables at low cost.

BOOKS RECEIVED.

Protection in South Africa. By Dr A. J. Bruwer. (London) Walker Bros. (London), Limited, 36 Basinghall street. 10s 6d.
Economics of Overhead Costs. By J. Maurice Clark. (Chicago) University of Chicago Press. \$4.00.
Foreign Affairs: An American Quarterly Review, Vol. II., No. 2. (New York) 25 West 43rd street. \$1.25.
Treasury Bill Discount and Tender Rate Tables. By E. E. Newby and M. Mulcahy. (London) Jones and Brown, Discount Brokers, 17 Gracechurch street.

This book, compiled for the use of bankers and brokers, and most substantially and strongly bound, is primarily intended for calculations in Treasury bills, which are thereby greatly simplified. The tables give the amount of interest on sums of £25,000, £50,000, and £100,000 at rates ranging from 2½ to 5 per cent., for periods from one to 366 days. Interest on any other amounts can be easily obtained by the manipulation of a decimal. The book should prove invaluable in brokers' offices and banks.

People's Year-Book, 1924. (Manchester) Co-operative Press Agency, 118 Corporation street. Cloth 3s, paper 2s.

This annual is a comprehensive compendium of information on the progress of the co-operative movement at home and abroad. It is indispensable to students of the movement, and also includes annual reference books. The 1924 volume is well up to the standard of its predecessors, and contains nearly two score of well-produced illustrations.

International Register of Telegraphic and Trade Addresses, 1923-1924. (London) The Marconi International Code Company, Limited. 52s 6d.

* "International Register of Telegraphic and Trade Addresses." (London) Marconi International Code Company. 52s 6d.

Control of Credit as a Remedy for Unemployment. By J. R. Bellerby. (London) P. S. King and Son, Limited. 3s.
The Breeding Room Diary and Year-Book, 1924. (London) White, Tomkins, and Courage, Limited. 10s.

STOCK EXCHANGE NEWS.

TICKET. SETTLEMENT DAYS. ACCOUNT.
January 9. | January 10.

The year closed on the Stock Exchange with business on a very restricted scale, but with a slightly more hopeful outlook regarding possibilities in the home political situation and affairs on the Continent. After the customary holiday on New Year's Day, markets at first showed a marked tendency to improvement, but the news of a decline in the New York exchange proved an unsettling influence, which affected the gilt-edged market on Wednesday afternoon, and on Thursday spread to most other sections. Throughout the week gilt-edged stocks have, for the most part, remained quiet to dull, Five per Cent. War Loan being perhaps the most active of the group. Funding Loan and Victory bonds each shed ¼ on Thursday, but India loans and colonial stocks for the most part succeeded in holding their own against prevailing downward tendencies. European securities in the latter part of the week were influenced by unfavourable exchange movements, French bonds being weak. A mild speculative activity in Russian Four and Four and a Half per Cents developed at one time, but quickly subsided. South American bonds were irregular, but Japanese tended to improve in consequence of the weakness in sterling exchange.

Home Railways were at one time inclined to firmness, but were later affected by movements in the gilt-edged market. Foreign Railway stocks attracted little attention. Brazilian rails were assisted by the continued improvement in the milreis, while a certain amount of demand for United Havana caused the price to rise to 80½ on Thursday.

In Industrials business passing has been of small dimensions, the general tone in the New Year being less firm, though price movements, with few exceptions, have been confined within narrow limits. While iron and steel shares show very few changes, textiles have exhibited a certain amount of weakness, while shipping shares on the whole have been featureless. Tobacco shares were sold on Thursday with considerable freedom. Bank and Insurance shares were quiet, the dividends so far announced showing little variation from those of last year, leaving prices unaffected. Among recent issues Daily Mail Trust debentures have been dealt in, the price having varied during the week between ½ discount and ½ premium.

Kaffirs rose appreciably in view of buying orders from the Cape, and a fresh rise in the price of gold. Tin registered a further advance. Little interest has been taken in rubbers, but inquiries for tea shares have been more numerous, and markets have been firm generally.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
ISSUES OF THE WEEK—				
NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHEQUER NINE DAYS ENDED DECEMBER 31, 1923.				
April 1, 1923, to Dec. 31, 1923, £13,150,000	Dr 150,000	Dr 150,000		
To Shareholders only—				
South Metropolitan Electric Light and Power	85,000	85,000	85,000	
Total to Shareholders	85,000	85,000	85,000	
Total offered for subscription to date				
1924	Dr 65,000	1923	271,393,173	
1923	460,000	1922	353,675,650	
1922	13,963,953	1921	388,978,203	
1921	7,938,718	1920	367,549,656	
1920	9,150,410	1919	1,036,059,951	
1919	26,985,112	1918	1,393,381,441	

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

Rubber Plantations Investment Trust, Ltd.

Paid-up Capital and Reserves over £2,500,000.

TEA — RUBBER — COCONUTS.

ADVANCES UPON OR PURCHASES MADE OF DEBENTURES AND SHARES OF EASTERN PLANTATION COMPANIES. RECONSTRUCTION ISSUES UNDERWRITTEN.

1-4, GREAT TOWER STREET - LONDON, E.C.3.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
War 4½%, 1925-28	95½	96	+	Aust. 6%, 1931-41	105	105	—
Loans 4½%, 1925-45	97	97½	+	Canada 4½%, 1920-25	100½	100½	—
4½%, 1929-47	100	99½	-	India 3½% Stock	62½	62½	—
4½%, 1929-47	101½	101½	—	Do 7½% 1926-31	114	114½	+
Funding Loan 4½%	86½	86½	—	Do 5½% 1932	100	100	—
Victory Bonds 4½%	91½	90½	-	Do 4½%	85½	85½	—
Conversion Loan 3½%	76½	75½	-	N.S.W. 5½% 1922-32	100	100	—
Consols 2½%	55½	55½	—	Nigeria 6%, 1929-79	112	112	—
Irish Land Stock 2½%	56½	56	-	U. of S.A. 6%, 1930-40	104	104	—
Local Loans 3%	64½	64½	—	Victoria 5½%, 1924-34	101	101	—
				W. Aust. 6%, 1930-40	103	103	—

Banks.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Barclays B (£1, l.p.d.)	2½	2½	—	Nat. Bank of S. Africa	5½	5½	—
Chartered Bk of India	19½	19½	—	Nat. Prov. & Union of England (£20, with £4 paid)	102	101½	-
Lloyds (£5 with £1 paid)	2½	2½	—	Standard of S. Africa (£20, with £5 paid)	102	101½	-
Midland (£12, with £2 paid)	8½	8½	—	Westminster Bank (£20, with £5 paid)	17½	17½	—
Nat. Bank of Egypt (£10)	24½	24½	—				

Foreign Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Argentine 5%, 1886-7-100	100x	100x	—	Japanese 4½%	109	111	+
Austrian 6% Guar. 82½	83	83	—	Do 4½% 1910	69	67½	-
Belgian 3%	69	69	—	Mexican Cons. 1899	54	55	+
Brazil 5% Fund., 1914	68	69	+	Peruvian Corp. Pref.	23½	24½	+
Chilian 4½%, 1895	85½	85½	—	P.L.M. 6%	86½	85x	-
Do 7½%	106½	104x	-	Portuguese (New)	35	35½	+
Chinese 5%, 1912	66	66	—	Russian 5%, 1906	11	11	—
Egyptian 4%	74	74	—	Spanish 4%	63½	63x	-
French 5%	24½	23½	-	S. S. (Dept.) 7%	100½	98x	-
Do 4%	19½	19½	—	Siamese 7%	105	105	—
Greek 4½%, 1884	48½	50½	+				

Telegraphs.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Anglo-American "A" 23	23½	23½	—	Marconi Canada	1½	1½	—
Marconi Wireless	2½	2	-	Marconi Marine	1½	1½	—

Colonial and Foreign Railways.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Antofagasta Cons.	85	84½	-	Leopoldina	22½	22	-
B.A. and Pacific	73½	72½	-	Mexican Railway	8½	8½	—
B.A. Gt. Southern	82	82½	+	Do 1st Pref.	26	26	—
Buenos Ayres West.	72½	72½	—	Do 2nd Pref.	17	16	-
Canadian Pacific	169	169	—	San Paulo	134	134	—
Central Argentine	68½	68½	—	United Havana	80	81	+

British Railways.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Great Western, Ord.	107½	107½	—	Southern, Ord. "A"	34½	34½	—
London & North-Eastern	112	112	—	Do Ord. "B"	11	11	—
5% Pref. Ord.	85	85½	+	Do Pref. Ord.	84½	84½	—
Do Def. Ord.	31½	31½	—	Do Def. Ord.	38½	38½	—
London, Mid., and	102½	103	+	Underground Electric (£10)	3	2½	-
Metropolitan	72	72½	+	Do "A" (1/)	43	43	—
Metropolitan District	54½	54½	—	Do Inc. Bds. (£100)	100	101½	+

American Railroads.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Chesapeake & Ohio	80	83	+	Southern	43	45	+
Erie	25	24½	-	Do Non-um Pref. 76	77	77	—
Do 4% 1st Pref.	34	34	—				

Miscellaneous.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Aerated Bread (£1)	1½	1½	—	Imperial Tobacco (£1)	3½	3½	—
Amal. Cottons (£1)	18½	18½	—	Linggi Plants (£1)	1½	1½	—
Anglo Persian Oil (£1)	2½	2½	—	Lipton (£1)	18x	18x	-
Armstrong (Sir W.G.)	17½	17½	—	Lever Bros. 7% Cmp (£1)	17½	17½	—
and Co. (£1)	17½	17½	—	Do 8% Cmp A Pr (£1)	17½	17½	—
Ass. Plant. Cement (£1)	17½	17½	—	Do 20% Cmp Pr Ord (£1)	17½	17½	—
Barker, John (£1)	24½	24½	—	Lister (£1)	17½	17½	—
B'ham Small Arms (£1)	47½	47½	—	Lobite Oilfields (£1)	6x	6x	-
Brazil Traction (£100)	47½	47½	—	Lynons (J.) & Co. (£1)	4x	4x	-
British-American Tobacco (£1)	5	4½	-	Magadi Soda (£1 Ord.)	17½	17½	—
Burmah Oil (£1)	4½	4½	—	Mexican Eagle (£10)	8x	8x	-
Coats (J. and F.) (£1)	3½	3½	—	Pekin (2)	8x	8x	-
Courtaulds (£1)	3	3	—	Rubber Plantations	18x	18x	-
Cunard (£1)	17½	17½	—	Investment (£1)	18x	18x	-
Dorman, Long (£1)	17½	17½	—	Shell Transport (£1)	38x	38x	-
Dunlop Rubber (£1)	17½	17½	—	Smithfield Argentine	17½	17½	—
Fine Cotton Spinners (£1)	24½	24½	—	Meat (£1)	17½	17½	—
Forestal Land (£1)	17½	17½	—	United Dairies (£1)	17½	17½	—
Furness Withy (£1)	17½	17½	—	United Serdang (2)	17½	17½	—
Highlands and Lowlands Rubber (£1)	17½	17½	—	United Tobacco (£1)	3x	2½	-
Hudson's Bay (£1)	5½	5½	—	Vallambrosa (2)	17½	17½	—
				Vickers (£1)	17½	17½	—
				Watney Def. Sbk.	167	167	—

Mines.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Brakpan (£1)	3½	3½	—	Knights	48	48	—
Broken Hill Prop. (£1)	17½	17½	—	Modderfontein (10)	48	48	—
Chartered (£1)	17½	17½	—	Modderfont. "B" (5)	17½	17½	—
Cons. Gold Fields (£1)	17½	17½	—	Modderfont. Deep (5)	24	24	—
Crown Mines (10)	24½	24½	—	Premier Def. (26)	54	54	—
De Beers Def. (£24)	11½	11½	—	Rand Mines (5)	24	24	—
East Rand Prop. (£1)	17½	17½	—	Selukwe	17½	17½	—
Geduld (£1)	17½	17½	—	Rio Tinto (25)	30x	30x	-
Gov. Gold Areas	6x	6x	—	Spring Mines (£1)	24x	24x	-

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

COMPANY MEETINGS, &c.

ULSTER BANK, LIMITED.

The eighty-seventh ordinary general meeting of the company was held, at the Bank in Belfast, on Friday, December 28, 1923, when the following accounts were presented:—

Capital authorised and subscribed	£3,000,000		
Capital paid up	£500,000		
Reserve fund	£800,000		
	£1,300,000		
BALANCE-SHEET, November 30, 1923.	£	s	d
To capital paid up	500,000	0	0
To reserve fund	800,000	0	0
	1,300,000	0	0
To deposits and credit accounts	22,050,621	9	7
To acceptances current	Nil.		
To bills for collection	78,357	8	5
To notes in circulation	2,113,501	17	6
To undivided profits	92,554	12	11
	25,635,035	8	5
	£	s	d
By Government Stocks—War Loan and other securities of, or guaranteed by, the British Government	10,581,514	6	4
By Colonial Government stocks, and other securities	442,738	10	10
	11,024,253	6	2
By cash on hand, balances with London bankers, and remittances in transit	2,719,182	4	5
	13,743,435	10	7
By bills discounted, advances to customers, short loans on securities, &c.	11,702,043	5	8
By acceptances <i>per contra</i>	Nil.		
By new bank premises	189,556	12	2
	25,635,035	8	5
PROFIT AND LOSS.	£	s	d
To dividend at June, 1923, for half-year at the rate of 2½ per cent. per annum	53,125	0	0
Less income-tax	12,866	8	9
	40,258	11	3

BRITISH OVERSEAS BANK, LIMITED.

ALTERATION OF ARTICLES UNANIMOUSLY CONFIRMED.

An extraordinary general meeting of the British Overseas Bank, Limited, was held, on the 4th instant, at the registered office, 33 Gracechurch street, London, to confirm a resolution, passed on December 14, 1923, adopting new Articles of Association.

Mr N. L. Campbell: Gentlemen, in the absence of the Governor, I should like to propose that Mr Gairdner take the chair.

The Hon. Bernard Rollo: I have pleasure in seconding that.

The resolution was unanimously approved, and Mr A. C. D. Gairdner (chairman of the board of directors) took the chair.

The Chairman then called upon the Secretary to read a letter which had been received from the Governor, the Rt. Hon. Viscount Churchill, G.C.V.O.:—

The secretary (Mr A. E. Thorne): The letter from the Rt. Hon. Viscount Churchill to Mr Gairdner, chairman of the board, is as follows:—

"I am extremely sorry that I am prevented from presiding at the extraordinary general meeting of the British Overseas Bank to-morrow, as I have to be in the chair at the Great Western board. I very much regret that this should happen, but it is entirely due to alterations in the dates of meetings of the Great Western board caused by the new railway grouping, of which I was unaware at the time of the fixing of the extraordinary meeting of the British Overseas Bank.

"I am,

"Yours very sincerely,

(Signed) "CHURCHILL."

We have also received apologies for absence from the following members of the council:—Mr L. Currie, Sir Arthur Haworth, and Mr Norman L. Hird.

The Chairman next called upon the secretary to read the notice convening the meeting, and he did so.

To dividend, at December, 1923, for half-year at the rate of 2½ per cent. per annum	53,125	0	0
Less income-tax	11,953	2	6
	41,171	17	6
To superannuation fund	20,000	0	0
To reserve fund	100,000	0	0
To undivided profits carried forward	92,554	12	11
	293,985	1	8
	£	s	d
By undivided profits from November 30, 1922 ...	90,396	12	1

By net profits for year ending November 30, 1923 —after deducting rebate on bills current, interest due on deposits, income-tax, and all other expenses—all ascertained bad and doubtful debts having been written off or fully provided for	203,588	9	7
	293,985	1	8

STANLEY FERGUSON,

R. K. L. GALLOWAY,

A. H. MOODY,

W. M. FULLERTON,

Directors.

M. W. BLACKWOOD, Secretary.

J. W. BLACKWOOD, Chief Accountant.

We have examined the accounts of the bank and the above balance-sheet, and, in accordance with the Companies (Consolidation) Act, 1908, we report that:—

We have obtained all the information and explanations we have required.

We have ascertained the correctness of the cash and bills on hand at the head office and in Dublin, and of the money at call and short notice, and have inspected the securities representing the investments of the bank, and find them to be in order.

We have also examined the above balance-sheet in detail with the books at the head office, and with the certified returns from each branch, and in our opinion it is properly drawn up, so as to exhibit a true and correct view of the state of the bank's affairs, according to the best of our information and the explanations given to us, and as shown by the books.

HARMOD BANNER AND SON, Chartered Accountants.

Ulster Bank, Limited, Belfast, December 13, 1923.

THE RESOLUTION.

The Chairman: Gentlemen, as you are aware from the notice which has just been read, we are meeting to-day to confirm the proceedings at our extraordinary general meeting held on Friday, December 14, 1923, at which a resolution to adopt the new Articles of Association of the company was carried unanimously by the shareholders present at that meeting. It is unnecessary for me to add anything to what the Governor said on that occasion, and I therefore now beg to move, "That the resolution passed at the extraordinary general meeting of the company, held on Friday, December 14, 1923, which reads as follows, be confirmed:—'That the regulations contained in the printed document submitted to this meeting, and signed for identification by the chairman at the meeting, be and the same are hereby adopted as the Articles of Association of the company in lieu of the whole of the existing Articles of Association.'"

I will call upon General Maxwell to second that motion.

Brigadier-General A. Maxwell, C.M.G., D.S.O., seconded the resolution.

SHAREHOLDER'S QUESTION.

Mr E. T. Hargreaves: Mr Chairman, before you put the motion, I should like to ask you one question. It seems to me that you have made a slip in Article 120, if you look at Article 151. In the first place, in Article 120 you give the "A" shareholders a cumulative dividend at the rate of 6 per cent. per annum on the "A" ordinary shares, and when you come to the winding up you say that the surplus is to be applied in paying to the holders of the "A" ordinary shares the amount paid on the "A" ordinary shares held by them respectively. In the circumstances, I think it would be perfectly right that you should put in "and any dividends which have not been paid up to the time of liquidation." It is customary to do so. Mr Brown, I think, holds a different view. His view is that, where preference shares are given a participation in further profits, they ought to

run the risk of losing their dividend. Personally, I think that when you give in one place a cumulative dividend, as you say here, of 6 per cent., you ought to repeat it in the winding up, so that there is no difference between the two Articles. That is the only thing I have to raise. There were other comments which I had on the Articles, but unfortunately I was not able to come here last time or I would have given you the benefit of them. I know you cannot make any alteration now. It would be out of order to do so; I quite admit that.

CHAIRMAN'S REPLY.

The Chairman: I am sure we are greatly interested in what Mr Hargreaves has said, and are indebted to him for the interest which he has taken in the bank. In reply to the point which he has raised, I would only say that the new Articles received very close attention. The words he referred to were in the old Articles. We are always prepared to reconsider such questions in the light of information that comes before us, and if Mr Hargreaves had raised the matter a little earlier it might have been reconsidered. I should like to say that they were adopted originally quite deliberately, and, although it might be possible to improve that point, as we hope to improve everything connected with the bank in time, I do not think that liquidation is a point which we are really contemplating, and I hope it never will be. Anyhow, I am afraid it is too late to do anything now.

Mr Hargreaves: I agree that it is too late to do anything to-day.

The Chairman: If nobody else has any questions to ask, I will put the resolution to the meeting.

The resolution was carried unanimously.

The Chairman thanked the shareholders for their attendance at the meeting, and the proceedings then terminated.

WESTERN AUSTRALIAN BANK.

The one hundred and sixty-fourth half-yearly meeting of shareholders of the Western Australian Bank was held on Wednesday, November 7th, at the Banking House, St George's terrace, Sir E. H. Wittenoom, chairman of directors, presiding.

The chairman, in moving the adoption of the report and balance-sheet, stated that it had to be remembered that they had to deal with more capital than hitherto, and the directors had to take every care to get the best paying avenues for advances. In comparing the various items in the balance-sheet it would be noticed that the net profits were £36,271, being £4,443 more than March, 1923, and £5,995 more than September, 1922, and the amount carried forward, £31,144, was £3,196 more than March, 1923, and £10,045 more than September, 1922. Deposits were £3,318,189, being £323,732 less than March, 1923, and £171,843 more than September, 1922. Advances were £3,597,996, being £317,122 more than March, 1923, and £364,255 more than September, 1922. Balances from other banks were £93,979, being £181,747 less than March, 1923, and £138,386 less than September, 1922. It must not be forgotten that out of 128,000 shares representing new capital, 50,000 were bonus shares, for which no money was paid, so that dividend had to be provided for these 50,000 shares in addition to the others. This had been done, and a dividend of 1s 9d paid all round, giving the old shareholders 21s in place of 20s for their late £10 shares, which they had regularly received hitherto, and in addition it would be observed £31,000 odd had been carried forward. They would readily realise how easy it would have been for the directors to have inflated the position and declared a popular dividend of the same amount as usual, viz., 2s per share, with possibly some reductions in the amount to

be carried forward, which, as it at present stood, was almost equal to the amount necessary to pay a similar dividend.

The directors would give the matter of additional capital careful attention in the near future, as they felt the resources at the disposal of the bank were too limited.

The report and accounts were adopted.

STOLL FILM COMPANY, LIMITED.

PUBLIC'S DEMAND FOR BRITISH PICTURES.

The fifth ordinary general meeting of the Stoll Film Company, Limited, was held at the Stoll Picture Theatre, Kingsway, London, on the 29th ultimo.

Sir Oswald Stoll (chairman of the company), who presided, said:—I rise to move the adoption of the report and accounts, which, I assume, may be taken as read.

There is a large decrease on the credit side of the profit and loss account. The reason is that we have not done so much business. That, in my opinion, is also one of the reasons, apart from depression in trade, why picture theatres in this country during the year have done less business.

AMERICAN FILMS.

Exhibitors apparently prefer to please themselves rather than to please the public, and they utterly disregard public sentiment. Owing to this disregard of public sentiment British pictures, which are this company's main source of business, do not yet appeal as they should to the British exhibitor. British exhibitors are obsessed by American pictures, but the general public are not. The public at large keenly resent having to find £50,000,000 per annum to send to America in payment of war debt. They are becoming more and more averse from paying for American pictures as well.

Including the risk of exchange, which our Government undertook to maintain against the people of this country, we shall probably have to pay in principal and interest well on the way to £3,000,000,000 in settlement of an American debt of £1,000,000,000 for war purchases, the concrete values of which, owing to the high prices charged, did not exceed half of £1,000,000,000.

We are placed in the position of a defeated people, conquered by America, and forced to pay a heavy yearly tribute for many years to come. This is not the fault of the American people. It is the fault of a few people on both sides of the Atlantic playing for position in high finance.

Though our people as a people cannot blame the American people for this settlement, it is foolish on the part of exhibitors to expect our people to take a keener delight than ever in American pictures. Exhibitors in that mental condition seem to require medical advice.

PUBLIC DESIRE FOR BRITISH FILMS.

The British Film League was to change all that. But contrary to expectation, since the British Film League campaign in favour of British pictures for British screens began, the exhibitor has become more shy of British pictures than ever.

If exhibitors persist in forcing the bad and indifferent American films upon the British public whilst this American tribute of nearly £50,000,000 per annum is being paid on such a curious basis, then I fear that their extraordinary policy, together with profitless trade that the tribute is partly the cause of, will close the doors of hundreds of picture theatres in this country before we are very much older.

The British people in ordinary circumstances are sufficiently catholic in taste to wish to see pictures of every nationality, but they never at any time have desired to see them instead of pictures of their own, wherein they can see British life and ideas in a

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000

OFFICES IN ARGENTINA, CHILE, URUGUAY, PERU, MEXICO AND SPAIN.

Represented in U.S.A. by the

ANGLO-SOUTH AMERICAN TRUST COMPANY, NEW YORK,

(Incorporated under the laws of the State of New York);

and in FRANCE by the

BANQUE ANGLO-SUD AMERICAINE, SOCIÉTÉ ANONYME, PARIS.

Head Office:—82, OLD BROAD STREET, LONDON, E.C.2

AFFILIATED INSTITUTIONS:

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

British atmosphere, and revel in the feeling that there is no place like home.

It is clear that the business of this company, and of others in the same branch of the cinema industry, is suffering at the moment from the fact that the public knows what it wants, but the exhibitors do not know.

CAUSES OF DECLINE IN PROFITS.

There is a reason why I may speak in this way of exhibitors without offence, although numerous intelligent business people are included amongst them.

The reason is this: Exhibitors by the score came into picture theatres in boom times with the idea that to convert a shop, a tram shed, a skating rink, or to erect a new building, in order to fill it with eager crowds of the paying public looking at pictures on a screen, was money for nothing. They did not pretend to know the business or even believe that there was any business to know.

But for that I should have been content with John Stuart Mill's opinion that in this business, as in most other businesses, it is true to say, "there is no one so fit to conduct any business, or to determine how or by whom it shall be conducted, as those who are personally interested in it."

The cause I have described, though a most important one, is not the sole cause of the fall in our profits. Further causes are an actual loss in fighting the efforts of renters in other countries to keep British pictures out; and also some unavoidable and expensive litigation which will not recur.

We deemed it advisable to make no attempt to carry over any part of these costs, but to let the revenue for the year bear the burden. This course materially helps the current year.

The resolution was seconded by Major B. W. Broad, and carried unanimously. Sir James W. McCraith, the retiring director, was re-elected.

STOLL PICTURE THEATRE (KINGSWAY), LIMITED. ENTERTAINMENT A NECESSARY TONIC.

Presiding at the annual meeting of shareholders of the Stoll Picture Theatre (Kingsway), Limited, held at the theatre on the 29th ultimo, Sir Oswald Stoll (chairman and managing director) said:—I rise to move the adoption of the report and accounts, which I assume may be taken as read.

There has been a reduction in our profits, not due to a falling off in the number of attendances so much as to the lower average price paid per head. In one part of the theatre we have had a greater number of attendances than during the boom year of 1920.

There is no doubt that our business, like other businesses, is suffering from the steady impoverishment of the general public by the depression of trade.

TAXATION'S SHARE LARGER THAN SHAREHOLDERS'.

On top of this depression, even the trade that it is possible to do is done more for the benefit of the Government than for the owners of the business. In the four years that this company, for instance, has been running, the Government, in amounts of taxation paid or payable, has taken £149,612, whilst the preference and ordinary shareholders together have taken only £91,951.

Yet our company is one of the fortunate ones. We read of other companies which have had to write off as much as £300,000 of arrears of fixed charges owing to the closely related causes of bad trade, reduced spending power, and the hopeless outlook for luxury enterprises such as places of entertainment.

In my view the outlook will be very black indeed when the public have too little to spend on places of amusement. They need more frequent doses of tonic of entertainment the harder the times become. So far we have not found that the people cannot afford to come to our theatre. Some few can afford to pay more, whilst a great many can only afford to pay less; but this is not only in keeping with reports about other businesses, it also accords with the extraordinary redistribution of the resources of the country that is going on.

When £360,000,000 per annum for the National Debt is taken from all of the people to be handed over to some of the people, £50,000,000 of it in fact going to none of the people here, but to the people of America, it is natural that the purses of many should become lighter every year.

It is to be hoped that the political parties will soon realise that this lop-sided redistribution cannot go on much longer.

"JUGGERNAUT CAR OF TAXATION."

The crude "Pay, pay, pay" policy, to which the ingenuity of political parties appears to be limited, will not do. The limit of their ingenuity is self-imposed because the politician believes that by increasing the other fellow's burden he will lighten his own.

Consequently, nobody's burden is lightened, and every kind of taxation that all the parties can think of is imposed as the different parties get into power.

The rate of the British entertainment tax is double the American rate, and while the Secretary of the Treasury at Washington is about to procure the abolition of the American tax, our tax looks like running on for ever.

Taxation here has developed into a car of Juggernaut. In India, by police arrangements made under the British Government, sacrifice of life under the car of Juggernaut is practically abolished. But in our own country the Juggernaut car of taxation dragged annually to the Treasury is crushing business to death under its wheels, and the British Government has so far made no arrangements to avert the sacrifice.

THE OUTLOOK.

Whatever happens, however, theatres working under favourable conditions in large centres may hope to remain successful, or even to make further headway as a consequence of weaker places being driven to the wall by their deplorable circumstances.

Our own theatre, I hope and believe, is working under the necessary favourable conditions. The company has not yet made its hoped-for progress. The times are against us. Political uncertainty is a poisonous gas to opportunities for legitimate business. Hence we must continue merely to run our theatre as best we can, well satisfied that it is very popular with large numbers of the general public.

The motion was seconded by Major B. W. Broad, and carried unanimously.

Mr Alexander, a shareholder, who said that he visited the theatre twice weekly, congratulated the board on the admirable management in respect of choice of pictures, musical arrangements, and general comfort of the house.

The retiring director, Major B. W. Broad, was re-elected.

GOVERNMENT RETURNS, &c.

NATIONAL DEBT.—(Million £.)

	Aug. 1914.	Mar. 1915.	Dec. 1915.	Mar. 1916.	Dec. 1916.	Mar. 1917.	Dec. 1917.	Mar. 1918.	Dec. 1918.	Mar. 1919.	Dec. 1919.	Mar. 1920.	Dec. 1920.	Mar. 1921.	Dec. 1921.	Mar. 1922.	Dec. 1922.	Mar. 1923.	Dec. 1923.	Mar. 1924.
Funded Debt	588	318	315	315	315	315	314	314	314	314	314	314	314	314	314	314	314	314	314	314
Term Annuities	50	33	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
4½% War Stock	18	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13
4½% War Stock	2,081	2,047	2,040	1,996	1,963	2,071	2,095	2,095	2,095	2,095	2,095	2,095	2,095	2,095	2,095	2,095	2,095	2,095	2,095	2,095
National War Bonds	649	1,509	1,476	1,413	1,301	971	953	924	924	924	924	924	924	924	924	924	924	924	924	924
4% Funding Loan	409	409	409	405	401	401	400	400	400	400	400	400	400	400	400	400	400	400	400	400
4% Victory Bonds	360	367	348	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335
3½% Conversion Loan	381	381	381	381	381	381	381	381	381	381	381	381	381	381	381	381	381	381	381	381
5½% Treasury Bonds	23	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34
Do by tender 5%	8	69	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Do by tender 4%	84	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110
Do 4%, 1931-33	15	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35
Treasury Bills	981	1,107	1,107	1,121	878	719	816	652	652	652	652	652	652	652	652	652	652	652	652	652
Exchequer Bonds	323	319	299	285	185	150	150	150	150	150	150	150	150	150	150	150	150	150	150	150
Nat'l. Savings Certs.	13	87	87	86	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34
War Expnd. Certs.	944	1,306	1,181	1,132	1,087	1,071	1,157	1,149	1,149	1,149	1,149	1,149	1,149	1,149	1,149	1,149	1,149	1,149	1,149	1,149
American Loan	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51
Temporary Advances	1	204	243	205	154	147	223	194	206	206	206	206	206	206	206	206	206	206	206	206
Other Capital Liabilities	654	5,872	8,053	7,829	7,574	7,655	7,763	7,743	7,801	7,801	7,801	7,801	7,801	7,801	7,801	7,801	7,801	7,801	7,801	7,801
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,813	7,871	7,871	7,871	7,871	7,871	7,871	7,871	7,871	7,871	7,871	7,871	7,871

POSITION OF THE FLOATING DEBT.

Ways and Means Advances	Dec. 31, '22	Mar. 31, '23	Dec. 31, '23	9 days ended Dec. 31, '23
Outstanding	16,500,000	1,750,000	1,750,000	1,750,000
Advances by Bank of England	205,511,500	205,422,500	205,422,500	205,422,500
Advances by Public Deptmts.	193,897,500	205,422,500	205,422,500	205,422,500
Treasury Bills outstanding	719,040,000	652,280,000	652,280,000	652,280,000
Total Floating Debt	941,051,500	869,452,500	869,452,500	869,452,500
* Includes £47,000, the proceeds of which were not carried to the Exchequer within the period of the Account.				

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills dated from Jan. 7-Jan. 12 were opened on Jan. 4, 1924, and the total amount applied for was £52,950,000. For bills at three months, dated Monday to Saturday at £99 4s 9d, about 93 per cent., above in full. The amounts allotted were as follows:—In bills at 3 months, £35,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
Nov. 23, 1923.	45,000,000	61,235,000	3 5 7-39	94 10 0
Nov. 30, 1923.	45,000,000	52,835,000	3 5 2-97	94 10 0
Dec. 7, 1923.	45,000,000	52,835,000	3 4 3-63	94 10 0
Dec. 14, 1923.	45,000,000	52,835,000	3 4 4-62	94 10 0
Dec. 21, 1923.	45,000,000	46,320,000	3 6 11-33	94 10 0
Dec. 28, 1923.	45,000,000	73,030,000	3 4 3	nil
Jan. 4, 1924.	35,000,000	58,950,000	3 0 11-61	nil

Tenders will be received on Jan. 11, 1924, for Treasury Bonds and Bills to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coins.	Redemption Account.					
				Gold and Coin Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Other Assets.	Balance at Bank of England.
1923.									
Mar. 29.	300,351	14,255	6,000	28,500	19,450	15-6	261,479	177	
June 28.	295,374	13,338	6,000	28,500	19,650	16-3	254,312	250	
Sept. 27.	289,127	12,648	7,000	27,000	21,150	16-6	246,456	169	
Dec. 27.	301,337	12,872	7,000	27,000	21,150	15-9	258,922	137	
1924.									
Mar. 28.	285,616	12,318	7,000	27,000	22,450	17-3	241,294	190	
June 27.	286,503	12,516	7,000	27,000	22,450	17-3	242,446	123	
Sept. 27.	282,784	12,401	7,000	27,000	22,450	17-5	238,595	140	
Dec. 19.	295,817	12,138	7,000	27,000	22,450	16-7	251,367	138	
Dec. 26.	299,070	12,571	7,000	27,000	22,450	16-5	255,032	159	
Jan. 2, 1924.	292,692	12,605	7,000	27,000	22,450	16-9	248,688	159	

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £300,000,000, for 1921 at £317,555,200, for 1922 at £309,988,400, for 1923 at £270,183,900, and for 1924 at £248,190,900.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

CENTENARY YEAR, 1924.
ASSETS EXCEED £12,700,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.

ASSETS £27,663,254
CLAIMS PAID £30,500,000
Accidents and illness.
Employers' Liability. Fidelity Guarantees.
Surgery. Fire. Motor Cars. Public Liability.
Insurance of Boilers, Engines, Electrical Plant and Lifts.
Exe-cutorships and Trusteeships.
Head Office: 38-44, MOORGATE, LONDON, E.C.2.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, January 2, 1924.

ISSUE DEPARTMENT.		£
Notes issued	145,983,095	
Government debt	11,015,100	
Other securities	8,734,300	
Gold coin and bullion	126,235,095	
	145,983,095	

BANKING DEPARTMENT.		£
Proprietors' capital ..	14,553,000	
Reserve	3,323,512	
Public deposits*	13,434,631	
Other deposits	150,193,259	
Seven-day & other bills	11,017	
	181,515,419	

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

	Amount, Jan. 7, 1924.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Best	3,323,512	+ 43,685	- 74,863
Public deposits	13,434,631	+ 2,247,474	+ 5,531,538
Other deposits	150,193,259	+ 33,413,301	+ 7,385,999
Government securities	52,262,032	+ 3,657,900	+ 14,769,476
Other securities	108,966,150	+ 27,893,169	+ 1,602,493
Reserve	20,287,237	+ 660,635	+ 3,467,305
Note circulation	127,520,765	+ 622,015	+ 564,812
Coin and bullion	126,050,000	+ 38,620	+ 14%
% of reserve to liabilities	12%	+ 21%	

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1923.						
Nov. 14.	127,520,765	124,304,155	120,685,517	115,187,991	23,231,871	13%
21.	127,766,336	123,669,000	121,468,514	117,581,852	23,617,336	13%
28.	127,766,336	123,669,000	120,888,760	116,170,119	22,503,077	13%
Dec. 5.	127,873,430	126,111,790	147,810,619	144,085,661	21,511,440	14%
12.	128,019,360	126,270,336	148,462,305	147,793,017	21,498,335	15%
19.	128,019,360	126,185,170	125,065,402	123,328,632	19,587,913	15%
26.	128,019,360	126,142,780	124,468,063	130,677,493	19,686,502	14%
Jan. 2, 1924.	128,068,000	127,520,765	163,627,890	161,228,182	20,287,237	12%

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

Assets.	Dec. 27, 1923.	Dec. 20, 1923.	Dec. 13, 1923.	Dec. 6, 1923.	Dec. 28, 1923.	Position May 28, 1924.
Coin (gold & silver and bullion)	363,592	360,468	358,245	354,799	341,972	332,650
Securities	1,210,341	1,166,613	1,127,318	1,027,383	634,546	697,600
Liabilities						
Notes in circulation	7,345,431	7,261,707	7,274,300	7,275,571	6,700,886	934,150
Current accounts	428,386	438,757	391,329	342,368	498,381	112,186

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

Assets.	Dec. 24, 1923.	Dec. 17, 1923.	Dec. 10, 1923.	Dec. 3, 1923.	Dec. 27, 1923.	Position May 31, 1924.
Gold	582,792	581,787	581,786	581,786	581,786	581,786
Silver	8,458	8,458	8,458	8,458	8,458	8,458
Notes & advances	399,818	404,249	399,468	406,133	419,369	153,504
Liabilities						
Notes in circulation	1,030,613	1,031,279	1,028,447	1,043,444	974,963	318,633
Deposits	27,552	24,554	25,854	31,542	48,965	5,016

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

Assets.	Dec. 22, 1923.	Dec. 15, 1923.	Dec. 7, 1923.	Dec. 22, 1923.	Position May 31, 1924.
Coin and bullion—Gold	147,284	147,284	147,288	147,291	44,224
Balance abroad and foreign bills	16,988	18,301	17,873	39,770	88,533
Swedish & foreign Govt. securities	9,052	9,052	9,052	9,415	8,816
Discounts and loans	452,996	444,695	453,838	455,353	76,911
Liabilities					
Notes in circulation	407,163	390,594	381,122	392,839	113,494
Deposits at notice	76,491	86,027	104,671	129,687	7,188

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

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

Assets.	Dec. 32, 1923.	Dec. 15, 1923.	Dec. 8, 1923.	Dec. 1, 1923.	Dec. 23, 1923.	May 24, 1924.
Gold	271,870	271,935	272,042	272,108	273,987	104,818
Balance abn. and foreign bills	44,154	49,812	34,781	34,284	147,566	112,172
Swedish and for. Govt. securities	110,985	103,588	104,850	104,979	95,392	28,465
Discounts and loans	483,786	481,598	481,623	481,623	480,842	1,186,888
Liabilities						
Notes in circulation	547,069	534,786	520,069	576,001	547,157	226,556
Deposits at notice	310,505	321,089	296,447	165,240	386,023	369,660

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

Assets.	Dec. 29, 1923.	Dec. 19, 1923.	Nov. 28, 1923.	June 27, 1923.	Nov. 22, 1923.
Total cash	12,594	13,113	15,283	11,123	3,065
Gold coin & bullion	16,519	15,762	15,762	15,764	12,195
Of which held abroad	2,568	2,506	2,506	2,506	2,506
Foreign banks	50,571	50,427	57,477	51,779	24,466
Discounts and loans	38,372	37,043	34,810	18,200	9,551
Liabilities					
Notes in circulation	23,000	23,000	23,000	23,000	4,805
Capital paid up	10,214	10,214	10,214	10,000	8,000
Government deposits	35,816	36,354	42,081	27,968	16,697
Other deposits	42,055	41,877	42,879	30,380	17,965

POLISH NATIONAL BANK.—In Polish marks (000's omitted).

Assets.	Dec. 20, 1923.	Dec. 10, 1923.	Nov. 30, 1923.	Nov. 20, 1923.	Dec. 20, 1923.
Gold	64,902	64,286	64,258	54,319	34,593
Silver	19,525	19,522	19,546	19,418	44,121
Foreign coin	(a) 3,098	(a) 3,015	(a) 3,077	(a) 3,221	600,655
Foreign banks	(a) 38,605	(a) 38,769	(a) 38,094	(a) 38,094	1,268,837
Advances to the Govt.	640,711,000,000	512,500,000	428,400,000	292,120,000,000	582,100,000
Private loans & discounts	300,059,236	336,177	1,777,164,000	1,241,881,569	3,344,873,777
Liabilities					
Notes in circulation	81,188,343,431	81,485,671,288	532,174,679	369,48,274,637	778,803,138
Notes in circulation	22,248,533,728	19,461,207,123	11,711,619,071	11,783,967,231	132,886,268

(a) Gold marks.

BANK OF CZECHO-SLOVAKIA.—In Cs. K. (000's omitted).

Assets.	Dec. 23, 1923.	Dec. 15, 1923.	Dec. 7, 1923.	Nov. 30, 1923.	Nov. 23, 1923.	Jan. 7, 1924.
Liabilities of the Austro-Hungarian Bank to the Bank	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Discounts & advances	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Gold & silver bullion	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Foreign bills and balances abroad	1,230,283	1,279,969	1,400,466	1,497,088	1,653,949	803,798
Other assets	338,318	466,369	405,325	439,490	270,795	317,122
Liabilities						
Notes in circulation	8,978,220	8,944,581	9,025,216	9,350,698	8,789,662	9,610,191
Notes in circulation	4,352,322	4,490,915	4,431,647	4,371,852	4,710,444	3,088,732
Deposits	1,087,015	1,097,074	1,125,912	1,141,555	1,127,494	1,133,231

* Resulting from banknotes, current accounts, Exchange bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

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

Assets.	Dec. 23, 1923.	Dec. 15, 1923.	Dec. 7, 1923.	Nov. 30, 1923.	Dec. 23, 1923.
Gold coin and bullion	22,624	22,647	22,642	22,998	18,727
Other coin and bullion	596	596	596	596	596
Notes, warrants, drafts, &c.	589,280,058	577,786,232	558,159,140	531,403,392	49,869,292
Loans	935,191	939,683	961,613	1,047,126	1,047,126
Liabilities					
Notes in circulation	801,038,941	874,647,547	865,269,610	853,988,589	73,331,297
Deposits	104,641,359	106,553,805	81,425,767	74,963,565	5,972,231

(Note: 1 Tetheron = 10 gold roubles.)

NATIONAL BANK OF THE SERBS, &c.—In dinars (000's omitted).

Assets.	Dec. 22, 1923.	Dec. 15, 1923.	Dec. 8, 1923.	Nov. 30, 1923.	Dec. 22, 1923.
Gold	68,290	68,816	68,813	68,759	64,004
Other coin and bullion	19,563	20,309	19,265	21,404	17,431
Foreign bills	342,899	359,968	363,536	355,297	366,129
Govt. advances	1,233,237	1,340,456	1,369,887	1,367,667	1,376,398
Govt. securities	4,864,633	4,576,829	4,576,825	4,576,739	4,464,999
Liabilities					
Notes in circulation	5,717,782	5,767,133	5,847,308	5,826,454	4,863,865
Notes in circulation	327,134	373,134	373,134	373,134	315,711
Deposits	515,988	491,469	446,300	483,245	1,020,976

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

Assets.	Dec. 23, 1923.	Dec. 15, 1923.	Dec. 7, 1923.	Nov. 30, 1923.
Gold	84,006,692	81,671,793	81,671,793	82,116,639
Foreign bills	3,591,998,117	3,528,505,637	3,546,317,756	3,504,851,906
Bills discounted	1,245,805,706	1,241,378,120	1,070,480,035	1,092,589,464
Treasury bills	2,534,490,383	2,534,490,383	2,534,490,383	2,535,546,861
Liabilities				
Notes in circulation	6,840,627,178	6,842,070,287	6,802,232,212	6,577,616,340
Deposits	615,835,874	603,992,477	711,085,682	617,321,036

NATIONAL BANK OF ROMANIA.—In lei (000's omitted).

Assets.	Dec. 8, 1923.	Dec. 1, 1923.	Nov. 17, 1923.	Dec. 9, 1923.
Gold	549,237	549,237	549,235	549,085
Silver, &c.	661	634	538	593
Government loan	11,918,292	11,914,099	11,916,688	12,535,195
Other advances	6,733,014	6,724,634	6,681,121	6,588,694
Liabilities				
Notes in circulation	18,006,048	18,013,059	17,936,666	15,304,988
Deposits	6,640,519	6,628,249	9,641,995	6,585,907

RUSSIAN STATE BANK.—Note-issuing Department.

Assets.	Jan. 1, 1924.	Dec. 16, 1923.	Dec. 1, 1923.
Gold in coin and bullion	8,753	8,753	8,741
Silver in bullion	111	110	90
Foreign bank notes	5,485	4,877	4,877
Drafts in sterling (less 10%)	446	447	447
Bills (less 10% discount)	6,720	6,720	6,720
Securities covering advances on goods (less 10%)	6,572	6,572	6,586
Liabilities			
Bank notes	28,000	27,300	26,776
Balance to which notes may still be issued	86	280	185

BANK OF SPAIN.—In pesetas (000's omitted).

Assets.	Dec. 29, 1923.	Dec. 22, 1923.	Dec. 15, 1923.	Dec. 8, 1923.	Dec. 1, 1923.	Position May 31, 1924.
Gold	2,527,671	2,527,670	2,527,630	2,527,618	2,524,754	531,776
Silver	648,924	651,616	650,761	648,390	645,594	728,600
Loans and discounts	2,345,219	2,327,448	2,295,281	2,305,813	2,122,922	820,726
Spanish 4% stock	344,476	344,476	344,476	344,476	344,476	344,476
Treasury bills	150,000	150,000	150,000	150,000	150,000	150,000
Liabilities						
Circulation	4,338,123	4,289,000	4,272,922	4,285,538	4,138,968	901,550
Deposits	1,051,340	988,730	973,539	966,981	1,020,365	477,500

LONDON RATES.

Bank rate (changed from 3% July 5, 1923)	Dec. 28, 1923.	Dec. 23, 1923.	Dec. 18, 1923.	Dec. 13, 1923.	Dec. 8, 1923.	Dec. 3, 1923.	Jan. 1, 1924.
3 months' bank rate	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
6 months' bank rate	4 3/4	4 3/4	4 3/4	4 3/4	4 3/4	4 3/4	4 3/4
12 months' bank rate	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Discount (Treasury Bills)	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
3 months'	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
6 months'	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
12 months'	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Loans—Day to day	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Short term	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Deposit allowances: Banks	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Discount houses at call	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
At notice	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2

† Additional to those offered by tender in the preceding week.

Comparison with previous weeks:—

Short Loans.	Bank Bills.			Trade Bills.		
	3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
Nov. 30	2 1/2	3 1/2	4 1/2	3 1/2	4 1/2	5 1/2
Dec. 7	2 1/2	3 1/2	4 1/2	3 1/2	4 1/2	5 1/2
Dec. 14	2 1/2	3 1/2	4 1/2	3 1/2	4 1/2	5 1/2
Dec. 21	2 1/2	3 1/2	4 1/2	3 1/2	4 1/2	5 1/2
Dec. 28	2 1/2	3 1/2	4 1/2	3 1/2	4 1/2	5 1/2
Jan. 4	2 1/2	3 1/2	4 1/2	3 1/2	4 1/2	5 1/2

RATES OF EXCHANGE.

London on	Usance	Par.	Jan. 5, 1923.	Dec. 28, 1923.	Jan. 4, 1924.
Paris	francs to £1	T.T.	85.228	85.90-87.00	84.20-86
Berlin	marks to £1	T.T.	30.43	30.00-40.00	17.20-21.00
Vienna	krone to £1	T.T.	34.02	31.0/33.000	30.5/30.000
Frankfurt	krone to £1	T.T.	24.02	186-188	148-149
Warsaw	zlotys to £1	T.T.	20.43	80/85.000	264 mills
Bukarest	lei to £1	T.T.	24.52	830-850	840-845
Constantinople	liras to £1	T.T.	24.52	1100-1200	806/85.000
Sofia	levas to £1	T.T.	110	715-815	790-810
Belgrade	dinas to £1	T.T.	25.22	640-680	580-620
Amsterdam	guilder to £1	T.T.	25.22	420-430	380-390
Brussels	francs to £1	T.T.	12.16	11-72.74	11-43.44
Stockholm	krone to £1	T.T.	19.15	72-80.60	96-30.40
Copenhagen	krone to £1	T.T.	19.15	24-53.58	29-45.50
Helsingfors	krone to £1	T.T.	19.15	22-52.28	16-43.46
Greece	drachmas to £1	T.T.	19.15	22-65.70	24-42.47
Italy	lire to £1	T.T.	25.22	1883-1834	175-176
Switzerland	francs to £1	T.T.	25.22	380-400	190-200
Madrid	pesetas to £1	T.T.	25.22	92-923	100-1000
Lisbon	pesos to £1	T.T.	25.22	34-50.53	24-34.87
Alexandria	piastres to £1	T.T.	25.22	29-67.60	33-37.40
New York	dollars to £1	Cable	97 1/2	97 1/2	114-113
Montreal	dollars to £1	Cable	4-58	4-58	97 1/2
Buenos Ayres	pesos to £1	Cable	4-58	4-58	4-58
Sao Paulo	pesos to £1	Cable	4-58	4-58	4-58
Montevideo	pesos to £1	Cable	4-58	4-58	4-58
Valparaiso	pesos to £1	Cable	4-58	4-58	4-58
Lima	soles to £1	Cable	4-58	4-58	4-58
Colon	soles to £1	Cable	4-58	4-58	4-58
Manila	pesos to £1	Cable	4-58	4-58	4-58
Cebu	pesos to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Shanghai	dollars to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
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Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
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Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Yokohama	yen to £1	Cable	4-58	4-58	4-58
Shanghai	taels to £1	Cable	4-58	4-58	4-58
Hongkong	dollars to £1	Cable	4-58	4-58	4-58
Amoy	dollars to £1	Cable	4-58	4-58	4-58
Swatow	dollars to £1	Cable	4-58	4-58	4-58
Y					

bars on the 15th ultimo. Statistics for the month of December are appended:—

	BAR SILVER—Per Ounce Standard.		BAR GOLD	
	Cash	2 Months' Delivery.	Per Ounce	Fine.
Highest price.....	33 1/16	33	95 4	
Lowest ".....	33	32 1/8	94 0	
Average ".....	33 3/16	32 7/16	94 7-4	

The silver quotations to-day for cash and forward delivery are respectively 1/8d and 1/4d above those fixed on the date of our last letter.

GOLD AND SILVER PRICES.

1924.	Gold. Per Ounce.	Silver—Per Ounce.		Date.	Silver. Cash.
		Cash.	Forward.		
Dec. 29, '23..	94 10	33 1/16	32 1/8	Jan. 11, 1918..	45 1/2
31, '23..	95 4	33 1/16	32 1/8	11, 1919..	45 3/8
Jan. 1, '24..	95 8	33 1/16	32 1/8	9, 1920..	78 1/2
2, '24..	95 10	33 1/16	32 1/8	7, 1921..	41 1/2
3, '24..	96 10	34 1/16	33 1/8	6, 1922..	34 1/2
4, '24..	96 2	33 1/16	33 1/8	5, 1923..	31 1/2

NOTICES.

The Canadian Bank of Commerce, 2 Lombard street, E.C. 3, has received cable advice from its head office in Toronto that the Governor-General in Council on December 31st signed approval of agreement of amalgamation with the Bank of Hamilton, and that the branches of the latter bank opened on 2nd instant as branches of the Canadian Bank of Commerce.

Lloyds Bank, Limited, announce that from January 1st the Eastern department of the bank will be located at 77 Lombard street, E.C. 3. This bank, in consequence of the recent acquisition of the businesses of Messrs Cox and Co. and Messrs Henry S. King and Co. (including Messrs King, King, and Co. and Messrs. King, Hamilton and Co.), has now offices in the principal cities and towns of India, Burmah, and Egypt.

The Banque Anglo-Sud Américaine, Société Anonyme, has been registered in Paris, with a fully-subscribed capital of 30 million francs, of which 20 million francs paid. The directors of the French company will be Mr R. J. Hose, chairman of the Anglo-South American Bank, Limited, London; Mr Eduard Bunge, president of the Société Anonyme Bunge, and of the Banque Générale Belge, Antwerp (also a director of the Anglo-South American Bank, Limited); and Mr W. E. Wells and Mr A. C. E. Kimber, both of whom are general managers of the Anglo-South American Bank, Limited. The French company has been created in order to handle more satisfactorily the extensive business between France and the territory covered by the organisation of the Anglo-South American Bank, Limited, London.

Barclays Bank, Limited, announce that they have opened a new sub-branch at 1 Bucks Head parade, London road, Upper Mitcham, under the management of Mr A. R. Cavill, who is also manager of Mitcham branch. They also announce that they have opened a new sub-branch at 6 Station-terrace, Fochriw, under the management of Mr Wm Scott, who is also manager of Bargoed branch, and a branch at 2 Porkington place, Harlech, Merioneth, under the management of Mr I. Milwyn Morgan. They also announce the opening on Monday next, January 7th, of a new branch at 89 Malden road, N.W. 5, under the management of Mr E. A. Minter. They have converted their sub-branch at Lostwithiel into a full branch, under the management of Mr W. M. Pethybridge, who is also manager of Bodmin branch.

The directors of the Union Discount Company of London, Limited, announce that Mr Thomas Ernest Whelen has been appointed assistant manager in place of Mr E. K. Brown, resigned, and that Mr Edgar Charles Ellen has been appointed an assistant to the manager.

ANALYSIS OF BALANCE-SHEETS.

PETER WALKER (WARRINGTON) AND ROBERT CAIN AND SONS.

LIABILITIES.		ASSETS.	
Inc. or Dec.	£	Inc. or Dec.	£
8% cum. pref.	2,000,000	Properties, good-will, loans, &c.,	
Ord. shares	2,270,000	vestments	6,079,040
7% deba.	1,979,300	Debtors	77,199
Int. accrued	34,825	Stocks	31,369
Mt. deb. sinking fund	20,700	Cash	191,308
Debentures to be drawn	10,700	Peter Walker and Son dividend	156,250
Creditors	127,697	Funds in hands of trustee for debenture-holders	26
Half year's pref. dividend	80,000	Plant	66,650
Staff benefit fund	20,000	Formation exp'ses	328,480
Reserve	20,000	Discount on issue of debentures	150,000
Undistributed profits Sept. 30, 1921	141,970	Staff benefit fund	50,000
Profit and loss	6,685,192	Invest. account	50,000
Total	6,685,192	Total	6,685,192

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Date of Div.	Final Div.	Method of Payment.	Dividend for Whole Year.	Lat'est Pre-vious.
Railways.						
B. C. Electric, Cum. Per. Pref....	5	Jan. 15	..	..	%	%
Northern Pacific	1 1/2	Feb. 1	..	..	..	..
Rio Claro	3 1/2	..	..	..	5 1/2	5 1/2
Banks.						
Alexanders Discount Co.	15 1/2	..	Less tax	..	20	20
Do Bonus	5/ p.a.	..	Tax free	..	..	..
Banco di Chio.	8 1/2	..	..	..	..	..
Barclays "A"	10 1/2	Feb. 1	Less tax	..	10	10
Do "B" and "C"	14 1/2	Feb. 1	Less tax	..	14 1/2	14 1/2
Manchester & Liverpool District	18 1/2	..	..	..	18 1/2	18 1/2
Midland Bank	18 1/2	..	..	..	18 1/2	18 1/2
National Discount Co., "A"	2 1/2 p.a.	..	Less tax	..	10	(b)
Do "B"	5 1/2 p.a.	..	Less tax	..	20	(b)
Union Discount Co.	15 1/2	..	Less tax	..	23	..
Do Bonus	5/ p.a.	..	Tax free	..	20	20
Williams, Deacon's, "A"	13 1/2	Jan. 16	Less tax	..	13 1/2	13 1/2
Do "B"	12 1/2	Jan. 16	Less tax	..	12 1/2	12 1/2
Insurance.						
Colonial Mutual Fire	5%	..	..	..	..	..
General Life	12 1/2	Jan. 1	Tax free	..	10	10
United	..	..	..	..	..	..
Tea and Rubber.						
Ampat Rubber	7 1/2	Jan. 18	Less tax	..	12 1/2	nil
Baru (Java) Estates	5%	Jan. 10	Less tax	..	..	..
Bogawantalawa Tea	6%	..	..	..	10	5
Braunston (Malay) Rubber	15%	Jan. 8	Less tax	..	..	..
Jorehaut Tea	4%	..	..	..	..	..
Kombok (F.M.S.) Rubber	4%	..	..	..	..	..
Langen (Java) Rubber	11 1/2	..	Less tax 4/9 in £	..	8	nil
Langgala Tea and Rubber, Ord.	11 1/2	..	..	..	18	..
Do Ptg. Pref.	8 1/2	..	..	..	14	..
Paramba Rubber and Tea	5%	Jan. 7	Less tax	..	..	..
Wanarajah Tea	10%	..	..	..	..	..
Mining.						
Burma Corporation	4 an.p.s.	Feb. 15	Free of Indian tax	..	..	..
New Transvaal Chemical Ind. Est. P.	4%	..	Less tax	..	..	..
Do "A" Pref.	400%	..	..	..	700	nil
Premier Diamond, Deid.	..	..	..	..	..	..
Other Companies.						
A. and S. Henry	6%	..	..	..	10	10
Adelaide Electric	6 1/2	..	..	..	12	12
Allen-Liversidge, Limited	15 1/2	..	Less tax	..	12 1/2	8
Associated Cotton Ginners of Egypt	1 1/2 p.a.	Jan. 4	..	..	11 1/2	10 1/2
Blyton Gas Light and Coke "A"	5 1/2 p.a.	..	Less tax	..	8 1/2	7 1/2
Do "B"	4 1/2 p.a.	..	Less tax	..	15	15
Bluemel Bros.	1 1/4 p.a.	..	Less tax	..	15	14
Caira Hydropathic, "A"	..	..	..	..	10	9
Do "B"	..	..	..	..	..	..
Central Bahia Rly. Trust, "A"	1 1/2	Feb. 1	Less tax 4/6 in £	..	..	..
Do "B" Certificates	1 1/2	Feb. 1	Less tax 4/6 in £	..	..	..
Chelmsford Brewery	7 1/2	..	..	..	11	..
City of Waterford Gas	5 1/2	..	..	..	..	..
Clifton Arms and Pier Hotel, Blackpool	..	..	Tax free	..	40	..
D. C. I.	5%	..	..	..	..	..
Dominion Steel, Pref.	14 1/2	Feb. 1	..	..	..	..
Edward Wood and Co., Pref.	5%	..	..	..	..	..
Frank Myatt	5%	..	Less tax	..	..	..
Goodwin, Foster, Brown, Pref.	5%	..	Tax free	..	5	5
Head, Wrightson, and Co.	2 1/2	Jan. 5	Less tax	..	..	..
Hunters the Teamen	5%	..	..	..	..	..
International Harvester	12 1/2	Jan. 15	Less tax	..	..	..
John Davenport and Sons	3 1/2	..	..	..	6	..
Lovell and Christmas	5%	..	..	..	..	..
Midland Trust	2 1/2	Jan. 2	Less tax	..	..	..
Oregon Mortgage	4	..	..	..	..	..
Peter Walker and Robert Cain	5 1/2	..	Less tax	..	9	10
Reid Estancias	15 1/2 p.a.	..	..	..	..	..
Rio de Janeiro Flour Mills	1 1/2 p.a.	..	Less tax	..	20	20
Robert Lomas (Prop.), Pref.	1 1/2 p.a.	..	Less tax	..	..	..
Scottish Motor Traction	2 1/2 p.a.	..	Tax free	..	..	..
Spanish Rubber Pulp, &c.	12 1/2	Jan. 15	Quarterly	..	15	12 1/2
Trustees' Corporation	5%	Jan. 18	Less tax	..	..	..
Victoria Palace	..	..	..	..	20	20
Wm. Asquith (1920), Ltd., Pref.	4%	Jan. 1	..	..	..	..

(a) Also capitalised bonus of one share for every two shares held.
(b) Capital reconstructed during 1922.

MINING OUTPUT STATISTICS FOR DECEMBER, 1923.

Gold.	Tons.	Tons Crushed.		Gold Recovered.		Value.	Profit.
		Mill.	Quartz Works.	Mill.	Quartz Works.		
Golden Horseshoe	5,84	..	..	..	..	..	..
Mexico of El Oro	13,494	..	..	..	..	3,212 (a) 13,724	1,966
Oroville Dredging—Pato (Dec. 1-12)	..	..	..	..	..	223,130	81,330
(a) 84 1/2 lbs. per oz.						819,746	..
Tin.	Tons.	Output.		Other Notes in Return.		Value.	Profit.
		Mill.	Quartz Works.	Mill.	Quartz Works.		
Kell Cons.	60	..	..	..	..	..	..
Nigerian Base Metals	9	..	..	..	..	..	..
Southern Perak	53 1/2	..	..	..	..	..	..
Tongkah Harbour	44	..	..	..	..	..	..
Chialet	4,003	..	..	..	..	..	..
Miscellaneous.							
New Vaal River	..	..	..	..	..	..	..
631 carats diamonds, value £4,523.							
BROKEN HILL SOUTH.—For four weeks ended December 29, 1923, 13,890 tons of crude ore and 6,172 tons of dump slime were treated and produced, 3,840 tons of crude concentrates, assaying 57 per cent. lead and 24 ozs silver per ton; also 3,447 Christmas holidays.							

Reports and Notices.

The Wellcome Foundation, Limited, has recently been registered as a private limited company, with a capital of £1,000,000, to acquire from Mr Henry S. Wellcome the well-known business of Burroughs, Wellcome, and Co., and the various scientific institutions founded and owned by Mr Wellcome, who will be the governing director of the foundation during his life. We understand that the Foundation has been formed entirely for private and family reasons, and that the conduct and management of the business will in no way be interfered with, but will be continued on exactly the same lines as heretofore. The scientific institutions will also continue as in the past under separate scientific direction.

The Union-Castle Company announces the appointment of Mr James McNaught as a joint manager of the company. Mr McNaught was formerly assistant manager, and has had a long and varied business career in the company.

Owing to rebuilding, the City offices of the *Evening Standard*, *Daily Dispatch*, *Evening Chronicle* (Manchester), and *Sunday Chronicle* have been removed to 5 Drapers' gardens, E.C.

The business of H. T. Hanson and Co., discount agents, of Nicholas lane, is to be registered as a private limited company with the same name, and having an authorised capital of £100,000.

Mr Geoffrey Earnest Tritton has been taken into partnership in the firm of Messrs Brighten and Co., of 34 Nicholas lane.

Mr A. W. Bolden, managing director and secretary of the Antofagasta (Chili) and Bolivia Railway Company, Limited, is relinquishing, as from the end of the present month, the office of secretary, and will in future confine his attention to his duties as managing director of the company. Mr A. H. Clinch has been appointed secretary of the company, the appointment to take effect as from January 1, 1924.

Mr Richard Sidney Guinness, deputy-chairman of the London and Scottish Assurance Corporation, Limited, has been elected chairman in succession to the late Sir Vesey Holt.

The Royal Exchange Assurance announces that Sir E. K. Allen, C.B.E., has been appointed a local director attached to its Law Courts branch.

We are informed that negotiations between the Anglo-Argentine Tramways Company, Limited, and the City of Buenos Aires for a revision of fares are still in abeyance, and the Municipal Council has adjourned until after the elections in March.

The Holland-America Line have established their own port office at 35 Oxford street, Southampton.

BANKS.

BRITISH AND NORTH EUROPEAN BANK, LIMITED.—The directors in submitting to the shareholders the balance-sheet as at September 30, 1923, with the auditors' report thereon, report a continual increase in the business of the bank, with satisfactory results. The directors also state that a large proportion of the holdings of certain shareholders in this bank have been taken over at par by influential parties and financial institutions, whose co-operation should prove of great value in promoting the further expansion of the bank's business. The directors regret to report the resignation, owing to increasing engagements, of J. H. Stephens, Esq., from the directorate, and have pleasure in reporting that the following gentlemen have been elected to seats on the board:—Mr G. D. Camanski, Mr B. Schwetsoff, subject to confirmation by the shareholders. The total assets are £2,100,784. Cash amounts to £241,996. Bills of exchange £47,999. The investments of the bank, which stand in the balance-sheet at £133,802, relate mainly to holdings in affiliated banks in France, Austria, and Poland, and in the opinion of the directors are taken at a conservative valuation, which in the aggregate is in excess of cost. The market quotations continue to appreciate. Advances are at £673,878. Sundry debtors stand at £75,492. Acceptances are at £900,735. With regard to liabilities, the issued capital is £500,300. Deposits are at £699,749.

WESTERN AUSTRALIAN BANK.—The report for the half-year ended September 24, 1923, shows a net profit of £36,272. The balance brought in from preceding half-year was £27,948, making £64,220 available. The directors have resolved to pay a dividend of 1s 9d per share, free of dividend duty, and to carry forward £31,145. The reserve fund is now £813,000. The paid-up capital is £378,000. Deposits stand at £3,318,189. The total assets are £4,703,176. Bills receivable and all other advances amount to £3,597,997; specie, bullion, and Australian notes, £663,896; public securities are at £125,355.

RUBBER, &c.

BRAUNSTON (MALAY) RUBBER.—The report for the year ended September 30th, shows that the profit on working, after writing off £547 16s 4d for depreciation on buildings, machinery, &c., was £6,977, which, with the amount brought forward from last year, £5,937, makes a total of £12,614; deducting income-tax and corporation profits tax, £505, there remains a balance of £12,109. A dividend of 10 per cent. (less income-tax) is paid on the ordinary shares, amounting to £8,450; the sum of £500 is placed to a fund, and £3,159 is carried forward. The crop harvested for the year amounted to 300,000 lbs, of which, under the compulsory restriction, 285,026 lbs were licensed for export up to September 30th last. The gross average price obtained for the crop sold, viz., 202,468 lbs, was 1s 2 1/2d per lb. The remaining 82,532 lbs, which the company were licensed to export, have been valued in the accounts at 1s 2d per lb gross, and the excess crop

harvested, viz., 14,974 lbs, at cost of production. The "all-in" cost per lb was 9.01d, as compared with 7.90d in the previous season. Export duty, which alone amounts to 1/4d per lb, and the smaller crop harvested under the restriction scheme, account for the increased cost.

LUMUT RUBBER ESTATES.—The net profit for the year ended September 30, 1923, amounts to £32,624, to which is added £40,379 brought in from preceding year, making £73,003. Excess profits duty to September 30, 1920, absorbed £20,501. The ordinary dividend of 15 per cent. for the year absorbs £24,188, leaving £20,814 to carry forward. During the period under review a restricted output of 1,011,557 lbs of rubber was harvested. The exportable allowance, inclusive of the rubber shipped in October, 1922, was 973,577 lbs. The average gross price realised, including the estimated value of the unsold portion of the crop, was 1s 2.94d per lb, against 9.38d per lb in 1921-22. The cost of production free on board at port of shipment, including provision for bonus to staff and export duty, was 5.22d per lb, against 4.62d per lb in 1921-22. The increase is mainly accounted for by the export duty of 2 cents per lb, which came into force on November 1, 1922. The "all-in" cost, including depreciation, transport, and sale charges, London expenses and provision for corporation profits tax, was 7.55d per lb, against 6.61d per lb in 1921-22. The average cost of weeding per acre per annum over the whole planted area was \$2, against \$2.22 last year.

MISCELLANEOUS.

ADELAIDE ELECTRIC SUPPLY.—The following table shows the results for the past five years ended August 31st:—

	1919.	1920.	1921.	1922.	1923.
Gross revenue	£185,908	£238,763	£319,391	£372,466	£439,043
Operating expenses and taxes	99,282	134,876	185,567	215,924	268,602
Net revenue	86,626	103,887	133,824	156,542	170,441

A dividend of 12 per cent. is paid on the ordinary shares, and £38,187 is carried forward against £40,072 brought in. On August 31, 1911, there were 4,810 consumers, and the number has steadily grown until, on August 31, 1923, there was 47,366 consumers.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Dec 28, 1923.	Week Ended Dec. 30, 1923.			Aggregate 52 Weeks 1923.			
(c) Week ended Dec. 29, 1923.	Miles Open.	Passengers, &c.	Goods, &c.	Total for Week.	Passengers, &c.	Goods, &c.	Total Receipts.
		£	£	£	£	£	£
Great Western.....	3,745	255,000	152,000	407,000	1,368,000	1,792,000	3,161,000
London & North-Eastern	6,702	410,000	599,000	1,009,000	2,850,000	3,710,000	6,560,000
Do same period 1922	6,687	465,000	564,000	1,019,000	2,815,000	3,901,000	64,130,000
London, Mid., & Scottish	6,363	534,000	512,000	1,046,000	2,955,000	463,000	78,789,000
Southern.....	2,127	311,700	75,300	387,000	1,171,000	1,064,100	2,235,100
Metropolitan (c).....	794	29,898	3,064	32,962	1,671,228	192,290	1,863,518
Underground E.R. (c)	..	..	..	200,451	..	..	11,871,988
Lon. & Sub. Group (c)	..	..	..	+ 4,057	..	..	- 152,255
	..	..	..	35,840	..	..	2,063,715
	..	..	..	3,117	..	..	- 224,181
Belfast & Co. Down (b)	80	4,551	596	5,147	269,319	64,629	333,948
Dublin and S.-East. (b)	160	5,587	1,595	7,182	323,599	177,961	501,560
Gt. Northern (Ireland) (b)	562	21,475	13,900	35,375	..	..	2,171,275
Midland Gt. West. (b)	538	8,605	8,963	17,568	512,278	761,443	1,273,721

OVERSEAS RAILWAY RECEIPTS.

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

INDIAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Assam Bengal.....	35 weeks	Dec. 1	1,072	Rs. 2,98,000 + 13,253	88,95,974 + 2,71,765
Bardoli Ry.	35 weeks	8	118	34,900 + 3,300	11,02,800 + 81,900
Bombay & N. Western	10 weeks	8	8,063	5,28,130 + 59,590	47,41,810 + 8,51,532
Bombay & N. Western	35 weeks	Nov. 24	4,738	13,61,000 - 1,78,000	47,63,055 + 2,68,058
Bombay, Bar., & C.I.	35 weeks	Dec. 29	2,994	24,63,000 + 2,96,000	8,21,14,000 + 1,54,000
Bombay.....	35 weeks	1	1,342	7,22,384 + 20,908	2,29,77,375 + 2,61,686
Delhi Umballa & Ferozepore	12 weeks	22	239	1,05,000 + 10,735	12,87,715 + 54,251
East Indian.....	35 weeks	29	2,856	31,07,000 + 1,38,000	12,14,23,000 + 8,94,000
G. Indian Peninsula	35 weeks	22	3,164	34,25,000 + 35,300	9,48,98,821 + 49,20,701
Madras & S. Mah.	35 weeks	1	5,029	13,60,000 - 15,028	4,87,27,410 + 3,53,610
Rohilk'd & Kumaon	8 weeks	1	259	51,045 - 357	4,41,096 + 20,362
Do Lucknow-Breilly	8 weeks	1	314	59,763 - 1,351	4,50,676 + 36,774
South Indian.....	35 weeks	1	1,877	9,56,224 + 150,866	3,40,95,030 + 11,55,078

ARGENTINE (a).

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Argentine N.E.	26 weeks	Dec. 29	758	\$ 10,300 + 1,700	290,400 + 30,800
Argentine Trans.	26 weeks	22	118	3,580 + 515	95,613 + 26,373
S. A. and Pacific.....	26 weeks	29	3,224	160,000 - 2,000	3,621,000 - 5,000
S. A. Gt. Southern.....	26 weeks	29	3,948	227,000 - ..	4,543,000 + 289,000
Net	26 weeks	29	1,828	82,000 - 13,000	2,997,000 - 99,000
B. A. Western.....	26 weeks	29	1,828	27,000 - 10,000	645,000 - 67,000
Central Argentine.....	26 weeks	29	3,305	202,000 + 12,000	5,221,000 + 259,000
Corrientes Central.....	26 weeks	29	1,305	60,100 + 3,600	1,533,100 + 10,000
Entre Rios.....	26 weeks	29	729	33,900 - ..	508,100 + 49,400

CANADIAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Canadian National ..	50 weeks	Dec. 21	22,680	\$ 5,455,793 + 778,084	24,854,727 + 20,957,521
Canadian Pacific.....	52 weeks	31	13,539	5,534,000 + 213,000	19,568,800 + 8,913,000

BRAZILIAN (b).

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Gt. West. of Brazil.....	52 weeks	Dec. 29	1,011	7,700 - 4,000	504,100 - 166,100
Leopoldina.....	52 weeks	29	1,831	29,281 - 1,949	1,363,681 - 182,742
San Paulo.....	52 weeks	30	1,534	32,953 - 632	1,546,828 - 68,561

CHILEAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Antofagasta.....	52 weeks	Dec. 30	838	\$ 43,010 + 11,025	1,918,460 + 631,510
Winnipeg (b-monthly)	52 weeks	31	366	44,806 + 17,458	778,584 + 296,683

CUBAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Havana Central.....	25 weeks	Dec. 22	..	\$ 13,714 + 2,518	298,590 + 53,524
United of Havana.....	26 weeks	29	1,210	64,674 + 14,802	1,512,854 + 269,319

URUGUAYAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Central Uruguay.....	26 weeks	Dec. 29	273	\$ 32,229 + 2,977	6,527,728 + 14,713
O. Urug. (East Rrt.).....	26 weeks	29	211	6,600 + 564	128,428 + 2,015
O. Urug. (North Rrt.).....	26 weeks	29	195	3,304 - 57	71,140 - 1,307
O. Urug. (West Rrt.).....	26 weeks	29	211	3,416 + 112	61,908 - 1,307

OTHER OVERSEAS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Alcoa and Gambia.....	52 weeks	Dec. 29	33	\$ 33,000 - 2,000	1,112,300 + 67,850
Anglo-Argentine.....	52 weeks	10	875	14,212 + 3,431	224,524 + 16,903
Bombay Corporation.....	1 week	29	12	\$ 43,629 + 107	.. + 407,129
Calcutta Tramways.....	52 weeks	29	359	Rs. 1,38,522 + 131,344	.. + 1,38,522
Chatham & District.....	52 weeks	31	15	82,143 + 10	80,963 + 1,586
Shanghai Municipal.....	51 weeks	20	..	85,131 + 451	100,158 + 6,730
Shanghai Corporation.....	10 weeks	29	106	\$ 44,083 + 474	1,334,853 + 40,661
Isle of Rhé.....	12 weeks	26	..	5,559 - 74	7,363 - 894
Liverpool Corporation.....	26 weeks	29	194	\$ 23,045 - 3,243	1,012,226 - 100,930
London & North-Eastern.....	39 weeks	Jan. 2	163	\$ 80,949 - 11,028	3,576,944 - 308,552
Madras Ry. (I. Ry.).....	52 weeks	Dec. 31	..	\$ 56,158 + 251	13,59,486 + 1,00,948
Pernambuco Trams.....	52 weeks	30	..	\$ 4,100 - 474	189,410 - 5,965

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Anglo-Argentine.....	52 weeks	Dec. 31	330	\$ 100,374 + 938	4,421,980 + 40,174
Bombay Corporation.....	1 week	29	12	\$ 43,629 + 107	.. + 407,129
Calcutta Tramways.....	52 weeks	29	359	Rs. 1,38,522 + 131,344	.. + 1,38,522
Chatham & District.....	52 weeks	31	15	82,143 + 10	80,963 + 1,586
Shanghai Municipal.....	51 weeks	20	..	85,131 + 451	100,158 + 6,730
Shanghai Corporation.....	10 weeks	29	106	\$ 44,083 + 474	1,334,853 + 40,661
Isle of Rhé.....	12 weeks	26	..	5,559 - 74	7,363 - 894
Liverpool Corporation.....	26 weeks	29	194	\$ 23,045 - 3,243	1,012,226 - 100,930
London & North-Eastern.....	39 weeks	Jan. 2	163	\$ 80,949 - 11,028	3,576,944 - 308,552
Madras Ry. (I. Ry.).....	52 weeks	Dec. 31	..	\$ 56,158 + 251	13,59,486 + 1,00,948
Pernambuco Trams.....	52 weeks	30	..	\$ 4,100 - 474	189,410 - 5,965

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Weather conditions have continued unfavourable to agriculture, and further rains have delayed field work. It is reported that the wheat acreage in the United Kingdom has been reduced, partially due to adverse seeding conditions, also to the unremunerative prices current. Early plants present a healthy appearance, but late sowings are less satisfactory, being irregular and thin of growth. Native wheat met a generally quiet sale, both here and at provincial markets, but prices showed no material alteration, suitable milling grades ruling from 9s 4d to 9s 8d per 112 lbs, free on rail, with inferior down to 8s. Imported qualities, however, were accorded rather more support, and values hardened in sympathy with higher c.i.f. offers. No. 1 Northern Manitoba quoted at 47s 6d, No. 2 ditto 46s 6d, No. 3 45s, all ex ship per 496 lbs. The floating and forward cargo section presented firmer features, owing to weaker American exchange rates and an improved inquiry on U.K. account. Steamers of No. 1 Northern Manitoba, shipment from Vancouver, December 22 bill of lading, sold at 45s 3d, No. 2 ditto, afloat, 43s 9d to 44s 3d, and Rosafe 64 lbs, January 1-15th, 43s 6d, with 44s obtainable for a similar cargo. Feeding stuffs were also dearer on reserved offers and a fair Continental demand. Of maize, cargoes of Dan-Gal-Foxanian, including a portion of Bessarabian expected ready to load 10th inst., sold at 38s 3d and 38s 9d respectively, also a similar cargo on passage at 38s 3d and 38s 7½d to the Continent, while a steamer of new crop La Plata, April-May, changed hands at 34s 4½d, all per 480 lbs, c.i.f. Flour in steady demand at late rates. London standard straight run quoted 37s 6d, patents 39s 6d to 40s 6d, town households 35s 6d per sack, delivered in. All English country straights 30s 6d to 31s 6d per sack, delivered to London stations. Of imported, Manitoba patents range from 36s to 39s as to sample, and Australian 32s 6d to 33s 6d per 280 lbs, ex store. Barley: English maintained, and malting kinds range from 10s to 14s 6d, with feeders 9s 3d to 9s 6d per 112 lbs, free on rail. Imported firm. Californian quoted 42s to 46s, ex store, Chilean Chevalier 50s to 53s, ex ship, both per 448 lbs. Persian 30s, No. 4 Canadian Western 32s, Danubian 32s, all ex ship, per 400 lbs. Maize again dearer, in sympathy with higher c.i.f. offers. Plate, ex ship, 39s 9d, landed 41s 3d, Gal/Foxanian 38s 6d, Bessarabian 40s, both ex ship to arrive, all per 480 lbs. Oats, English, fully steady at 9s 2d to 10s 6d per 112 lbs, free on rail as to sample. Imported again firmer, with sellers reserved. Plate f.a.q., ex ship, 21s 9d, landed 22s 9d, No. 2 Canadian Western, ex ship, 25s 3d, ditto landed 26s 3d, No. 3 ditto, ex ship, 24s, landed 25s, No. 2 Canadian feed, landed, 23s 9d, all per 320 lbs. Oatmeal in moderate demand at easier rates. London made flaked, also rolled oats, 17s, medium and fine cut 16s 6d, coarse and medium pinhead 16s, ordinary Scottish oatmeal 17s 6d to 18s, and American 16s to 17s per cwt. Millers' offals fully steady. Broad bran quoted 7s 9d, ordinary ditto 7s to 7s 3d, middlings 8s 6d, fine ditto 9s 9d, bags included, ex mill; light oats 6s 3d, powdered oat husks 7s 3d, feed oatmeal 9s 3d, ground oats 12s 9d, free on rail, all per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:-

	1923-1924.	1922-1923.	1921-1922.	1920-1921.
Estimated sales of home-grown wheat—				
1 week to December 29	Cwts. 252,726	Cwts. 272,352	Cwts. 188,413	Cwts. 79,526
17 weeks to December 29	6,587,115	7,994,828	7,396,948	6,366,337
Average price of English wheat per cwt.....	9 8	9 5½	10 4½	19 10

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

THE BANK OF TAIWAN, LIMITED.

(Registered in Japan, 1899.)

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

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

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

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

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefee. Amount.	Ordinary. Rate.				
Banks.										
Western Australian Bank	Sept. 24*	£ 27,948	£ 36,272	£ 64,220	..	£ 33,075 1/9ps	..	£ 31,145	£ 30,277	10½
Breweries.										
Peter Walker (Warrington) and Robert Cain and Sons	Sept. 30	20,545	392,225	412,770	160,000	204,300 9	23,000	25,470	417,545	10
Stroud Brewery	Nov. 17	7,535	31,931	39,466	4,020	16,884 15½	11,000	7,562	27,821	12½
Electric Lighting and Power.										
Adelaide Electric Supply	Aug. 31	40,072	129,112	169,184	57,845	53,152 12	20,000	38,187	..	..
Financial, Land, &c.										
British Columbia Fruit Lands ..	April 30	Dr 67,453	Dr 18,844	Dr 86,297	..	..	..	Dr 86,297	..	..
Rubber, &c.										
Ampat (Sumatra)	Sept. 30	1,857	7,819	9,676	..	8,750 12½	..	926	2,905	nil
Braunston (Malay)	Sept. 30	5,637	6,472	12,109	..	8,450 10	500	3,159	5,528	5
Lumut	Sept. 30	40,379	12,123	52,502	..	24,188 15	7,500	20,814	17,608	10
Tramways.										
Provincial Tramways	Sept. 30	3,001	544	3,545	..	..	..	3,545	6,326	..
Trusts.										
Rio Claro Railway & Investment	Nov. 30	47,382	123,707	171,089	..	108,453 5½	..	62,636	115,119	5½

The purchase price is stated to be between £400,000 and £500,000. The Combine now controls eight anthracite pits. The position in the iron and steel trade is good. Work has been resumed after the holidays, and prices are firm at the minimum figures.

METALS.

Tin ruled firmer on a good demand, combined with higher Eastern advices. Standard, cash, sold from £232 15s to £237 5s, and three months £234 5s to £238 10s. Eastern cables reported sales on the basis of £239, c.i.f. A good inquiry prevailed on Thursday, and prices moved in sellers' favour, though some irregularity was noticeable at times. Standard, cash, sold at £238 10s to £239 to £238 15s, and three months £240 to £239 10s to £240 10s to £239 17s 6d. On the following day the tendency was easier. Standard, cash, sold at £237 to £237 5s to £236, and three months 239 to £238 5s to £237, while finally registered at £237 10s. English ingots quoted at £236 10s to £237 per ton. Copper opened easier on liberal offerings, but subsequently buyers were more in evidence, and a firmer tone ensued. Sales were on a moderate scale, including standard, cash, £60 12s 6d to £61 8s 9d, and three months £61 12s 6d to £62 2s 6d. At Thursday market values, after opening firmer, gave way, closing, however, without material change. Standard, cash, sold at £61 17s 6d to £61 10s, and three months £62 10s to £62 2s 6d. Copper was in quieter demand on Friday, and values the turn in buyers' favour. Cash sold at £61 5s, and three months £62 2s 6d to £61 17s 6d to £61 15s 9d, electros £67 10s to £68, best selected £65 10s to £66 15s, strong sheets £95, wire bars £68 per ton. Lead firm, with an improved demand. Good soft foreign pig, £30 15s to £29 17s 6d, as to position. Spelter firmer, and sparingly offered at £33 10s. Aluminium quiet. Home trade, £115; export, £120. Antimony firm. English specials, £44 10s to £45; foreign, spot, £36 per ton.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Judging from the appearance of the market to-day, it does not look as if the holidays have had much effect on trading conditions. While there is no sign of any great activity, there is quite a nice, steady turnover in wool, tops, and yarns, and prices all round remain exceedingly firm. Users are now showing rather more interest in merinos, and in view of the strength of the raw material position there certainly does not seem to be the slightest prospect of being able to buy on more favourable terms than those now obtainable. All qualities of crossbreds are also moving, and although both in merinos and crossbreds some firms are quoting obviously protective rates, the fact remains that prices show an upward tendency, and are all against the buyer. Spinners are fairly well employed, and some useful orders having been booked during the last few weeks. Another encouraging feature is that much of the cheap stock lots has now been disposed of, and although sales from stock have been made at extremely low prices, for new business spinners are taking a firmer stand, and quoting prices more in harmony with the current high cost of production. There is not much change in the piece goods trade, but the position is more hopeful than for a long time back, and both home and export markets are taking more interest in quotations. Gradually wholesale fabric buyers are beginning to realise that wool cannot continue to soar without having some effect on the cost of cloth, and many are inclined to operate more freely, and put down some bulk orders on forward account. All home-grown wools are in good demand, and as stocks are being absorbed, prices show a distinct upward tendency. By-products and mohair and alpaca are very firm.

COLONIAL WOOL. (FROM A CORRESPONDENT.)

The incoming mail from Australia speaks of red-hot markets, with prices in the clouds. A Sydney correspondent informs us that to the end of November out of 310,000 bales offered in Brisbane and Sydney, France and Belgium were credited with taking 250,000 bales, British buyers 24,000 bales, and Japan 20,000 bales, other buyers sharing the 20,000 bales among them. We are certain that during the first half of the current selling season in Australia, the home trade has not purchased anything like half what it did during the previous season, simply because home trade buyers have been able to make so little profit out of merino wool. The new year sales begin in Australia next Monday at Sydney and Hobart, and we are looking forward to recent prices being fully maintained. The outlook for wool is

certainly regarded with every confidence, and we are likely to see a continuance of keen buying. Critical views are expressed by some of those intimately associated with the manufacturing end of the trade respecting the present standing of values. The opinion entertained is that there is not the amount of new business being done at the present time to justify the figures which are being paid for wool. It is impossible to believe, however, that the recent buying has all been purely speculative. Indeed, there is reason to believe that much sound business lies behind what has been done, and we are convinced that the outlook from a raw material standpoint is exceedingly sound and encouraging.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—December 28, 1923.

Description.	Com.	Med.	Good Med.	Same Period 1922.		Same Period 1921.	
				Med.	Good Med.	Med.	Good Med.
Sea Island.....	d	d	d	d	d	d	d
Florida do.....	d	d	d	d	d	d	d
Georgia do.....	d	d	d	d	d	d	d
American.....	Ord	G	M	G	M	G	M
Brazilian.....	1862	1862	1862	1862	1862	1862	1862
Peru, Macao, &c.....	2067	2157	2242	2067	2157	2242	2067
Parahyba, Rio Grande, &c.....	2067	2157	2242	2067	2157	2242	2067
Ceara, &c.....	2067	2157	2242	2067	2157	2242	2067
São Paulo.....	2067	2157	2242	2067	2157	2242	2067
Egyptian.....	2067	2157	2242	2067	2157	2242	2067
Upper.....	2067	2157	2242	2067	2157	2242	2067
Sakellaridis.....	2067	2157	2242	2067	2157	2242	2067
Brown.....	2067	2157	2242	2067	2157	2242	2067
Peruvian.....	2067	2157	2242	2067	2157	2242	2067
Rough.....	2067	2157	2242	2067	2157	2242	2067
Moderately Rough.....	2067	2157	2242	2067	2157	2242	2067
Smooth.....	2067	2157	2242	2067	2157	2242	2067
Tangia.....	2067	2157	2242	2067	2157	2242	2067
Mitad.....	2067	2157	2242	2067	2157	2242	2067
West Indian, &c.....	2067	2157	2242	2067	2157	2242	2067
Do Sea Island.....	2067	2157	2242	2067	2157	2242	2067
African, East, &c.....	2067	2157	2242	2067	2157	2242	2067
Do West.....	2067	2157	2242	2067	2157	2242	2067
East Indian.....	2067	2157	2242	2067	2157	2242	2067
Machine Ginned Surtee.....	2067	2157	2242	2067	2157	2242	2067
Machine Ginned Broach.....	2067	2157	2242	2067	2157	2242	2067
Machine Ginned Bhowangar.....	2067	2157	2242	2067	2157	2242	2067
Machine Ginned Comra. No. 1.....	2067	2157	2242	2067	2157	2242	2067
Machine Ginned Comra. No. 2.....	2067	2157	2242	2067	2157	2242	2067
Machine Ginned Khandalah.....	2067	2157	2242	2067	2157	2242	2067
Machine Ginned Comra. No. 3.....	2067	2157	2242	2067	2157	2242	2067
Machine Ginned Bengal.....	2067	2157	2242	2067	2157	2242	2067
Machine Ginned Soinde.....	2067	2157	2242	2067	2157	2242	2067
Timbivelly.....	2067	2157	2242	2067	2157	2242	2067
Madras, Western.....	2067	2157	2242	2067	2157	2242	2067
Madras, Northern.....	2067	2157	2242	2067	2157	2242	2067
M. G. Cocanada, Red.....	2067	2157	2242	2067	2157	2242	2067
China, Smyrna, &c.....	2067	2157	2242	2067	2157	2242	2067

MANCHESTER, January 3.

Holiday influences have continued to prevail throughout the market, and buyers and sellers have been rather slow at getting to work again. Demand in most quarters has been on a limited scale, and purchasers have not been in the mood to give out orders of importance to spinners and manufacturers. Fairly favourable advices are being received from India, and inquiry has been met with in light cloths and grey shirtings, but not much has been done. There seems to be very little hope of activity for China just at present. Scattered sales have occurred for Egypt, the Levant and South America, and fancies continue to attract attention for the United States and the Continent. Home trade goods have been in moderate request. A quiet tone has prevailed in the yarn market, and restricted operations have taken place in American and Egyptian counts at rather irregular rates.

GIRARD TRUST COMPANY PHILADELPHIA, PENNSYLVANIA.



Chartered 1836.

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

Correspondence invited.

Capital and Surplus - \$10,000,000.

Member of Federal Reserve System.

(I.) Comparative Statement of the Cotton Trade.

	Price, Jan. 5, 1924.	Previous Weeks in 1923.				
		Price, Dec. 27.	Price, Dec. 20.	Price, Dec. 13.	Price, Dec. 6.	Price, Nov. 29.
Raw Cotton—Fully Mid. American .. per lb	20.12	21.28	20.05	20.83	19.64	21.99
— Sakellaridis Fully Good Fair Egyptian .. per lb	23.25	24.30	22.90	24.40	23.65	26.95
Yarns—32's twist .. per lb	28	28 1/2	28 1/2	28 1/2	27 1/2	28 1/2
— 40's twist .. per lb	37	38	37	38	37	39
— 60's twist (Egyptian) .. per lb	37	38	37	38	37	39
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	39	39	39	40	39	40
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	42	43	43	43	42	44
38-in. ditto, 38 yds, 18 by 16, 10 lbs.	22	23	23	23	22	24
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs.	20	21	20	21	20	21

(II.) Compared with Previous Years.

	Price, Jan. 3, 1924.	Corresponding dates in				
		1923	1922	1921	1920	1919.
Raw Cotton—Fully Mid. American .. per lb	20.12	15.24	11.64	11.15	29.99	20.62
— Sakellaridis Fully Good Fair Egyptian .. per lb	23.25	17.65	21.75	21.00	57.50	27.30
Yarns—32's twist .. per lb	28	21 1/2	18 1/2	25	57	39
— 40's twist .. per lb	37	28	20 1/2	18	51 1/2	39
— 60's twist (Egyptian) .. per lb	37	28	20 1/2	18	51 1/2	39
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	39	30	31	0	45	55
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	42	33	31	0	49	0
38-in. ditto, 38 yds, 18 by 16, 10 lbs.	22	18	3	18	24	0
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs.	20	16	9	18	0	41

VEGETABLE OILS AND OILSEEDS.

The market for linseed and linseed oil opened firm after the holiday, but business is only within moderate limits. Old Plate linseed oil commands a premium of 50s over December shipment, while new crop offers freely at £17 10s for January-February loading. Crushers, however, are proceeding very cautiously, and are not covering more than their oil commitments. Linseed oil is very scarce on spot and in near positions, and advanced sharply to £43 10s on spot and £42 January per ton naked ex Hull mill. Cottonseed has not been dealt in to any considerable extent, and Black Egyptian shows an easier tendency. The oil product, which of late has been in good demand on Continental account, is quiet. Crude Egyptian, however, maintained a spot value of £42 10s, and soapmakers' grade of refined offers at £43 10s. Other edible oils are about steady and unchanged. The oilcake demand is increasingly affected by the outbreak of cattle disease.

HIDE, LEATHER, AND ALLIED TRADES.

The Bermondsey hide market was a shade weaker in some directions on Thursday, as best ox hides sold from 6 1/2d to 8 1/2d per lb, showing a drop of 1/4d on four classes. Seconds were steady at 6d to 7 1/2d, whilst best cows at 6d showed an advance of 1/4d on last prices. Best calf made from 6d to 12 1/2d, showing no change on last week's values. Wools sold from 6s 10d to 14s each, hogs from 4s to 18s each. The provincial hide market remains firm, with supplies none too plentiful. An improvement is noted in the imported hide market, although the bulk of frigorific trade is being done with the Continent and the United States. Business in dry hides has also improved. All prices advanced at last Paris hide sales owing to strong competition. Latest cables from the U.S.A. report the Chicago position as strong, with best heavy packer hides selling at 14 cents and native cows at 11 cents.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, January 4.

SUGAR.—The market for refined goods remained in the same state as that previously commented upon, business in a general sense being conducted quietly, but, with only very light quantities to handle, previous quotations were fully maintained. Useful quantities from Czechoslovakia are held up owing to river navigation being impeded by ice. Of British refined, Messrs Tate and Lyle's cubes quoted 6s 6d to 6s 9d; granulated, 6s 7 1/2d to 6s 11 1/2d, as to quality: yellow crystals, 5s 6d to 5s 9d. Supplies of white Java on spot are now virtually exhausted. Medium qualities quoted 5s 9d to 5s 11d. Business resulted in Czech granulated, on spot, at 5s 9d; ditto, January-March, quoted 2s 9s, f.o.b., Hamburg. Dutch and Belgian sugars somewhat nominal in absence of definite offers. Raw refining kinds steady at fully previous rates, and sparingly offered. White terminal market presented quiet and easier features. January quoted 30s; March sold, 28s 1/2d; May, 27s 7 1/2d to 27s 10d; August, 27s 1/2d. English grown granulated, spot, 5s 9s cwt.

COFFEES.—This market remains in a very firm state owing to limited quantities, particularly of suitable grades for home-trade purposes, put out on offer from time to time. Export requirements are only moderate.

COCOA.—Market fully steady on the spot, and a moderate clearance was effected in Trinidad, Grenada, and Accra descriptions. Forward Accra advanced under orders to cover, but assumed a quieter tone later. F.F. quality, February-April, sold, 32s and 31s 9d, f.o.b. terms.

TEA.—The market maintains a firm tone for all suitable liquoring parcels of India, Ceylon, also Java, and which continue to meet a good market, but inferior are inclined to show some irregularity.

RICE.—With shippers reserved in their offers, the market presents steady features, but general trade is conducted quietly. Two Stars, Rangoon, spot, 16s 6d; January-February, sold, 15s 3d. Spanish sparingly offered and firm, and No. 3 for shipment quoted 19s 9d, c.i.f. and i. terms. Carolina sorts meet with moderate support, but trade is somewhat hampered by the high pretensions of sellers. Japanese peas quiet, with larger quantities now on offer. Spot lots, sold, 22s. Rangoon bean quiet, and spot parcels quoted 10s 9d for hand-picked. Madagascar butter beans, new crop, spot, sold, 25s to 26s, as to quality.

SPICE.—Pepper proved a steady market, and forward positions met a fair demand. Fair black Singapore, spot, quoted, 4 1/2d; January-March, steamer, sold, 4 1/2d; Lampong, spot, sold, 4 1/2d; Muntok white, ditto, 7 1/2d; March-May, steamer, L.S., sold, 7 1/2d, c.i.f. and i. Cloves met a very slow market. Zanzibar, spot, 1s 4d to 1s 5d as to sample. Pimento, spot, sold, 2 1/2d per lb. Tapioca market steady, but at the same time quiet. Fair Singapore flake, spot, quoted 3 1/2d; fine Java, 4 1/2d per lb. Fair Penang seed pearl, spot, 3s 6d to 3s 7s. Desiccated coconut, fine cut, spot, 43s; medium, 44s. Ginger very steadily held, but only a small business arises at the moment. Nutmegs and mace held for steady rates.

FRUIT (dried).—The market presented quiet features while largely under holiday influences, but prices generally were at a firm level. Of currants Pyrgos, 1-case, quoted 42s to 43s; bags, 39s; Amalia, 44s to 45s; Patras, 50s; Vostizza, 65s to 72s. Sultanias: Smyrna quoted 51s to 54s; good, 62s to 66s; fine, 80s to 85s; finest, 95s to 100s. Demand for raisins proved very quiet. Valencia, 1-boxes, quoted 50s to 60s; quarters, 52s to 90s. Dates steady at recent level of prices. Figs: Genuine naturals, in bags, quoted 34s to 38s; layers in boxes, 95s to 105s. Evaporated fruits formed a steady market. Californian choice apricots quoted 75s to 76s; fancy, 97s 6d to 110s; old crop peaches: choice, 42s to 43s; extra choice, 46s to 47s per cwt.

CANNED GOODS.—Business was on a limited scale, with purchases made only for actual requirements, but prices steady for all descriptions. Of Sardines, Portuguese quarters quoted 2s 9d to 3s 3d; ditto 12 ozs, 6s to 7s; 18 ozs, 9s 6d to 11s per dozen tins. Lobster steady but trade very dull. Fancy halves, 145s to 150s. Salmon commanded sustained support, while available supplies are on a light scale. 1 lb flat reds, labelled, quoted 45s 6d; ditto, tall, 42s; 1 lb flat, pink, 20s; ditto, tall, 25s 6d, and cases of 96 lbs 29s to 30s per case. Canned fruits received quiet support, but prices manifest a firm tendency. Fair quality Singapore Pines, on spot, 5s 10 1/2d. Californian Apricots, 7s 6d to 11s; ditto Peaches, 8s 6d to 11s. Pears, 12s 6d to 14s. Tomatoes, Spanish, 3s 6d to 6d; Italian ditto, 6s 9d per dozen tins. Canned meats continue to be fairly well supported and prices tend in sellers' favour.

JUTE.—After advancing, sellers more in evidence, and this coupled with a falling off in demand, prices took a downward tone. First grade, December-January, Continent, sold £28 15s to £28; January-February, £29 to £28 10s and £29; February-March, £29 10s to £26 and £29 10s; March-April, £30 15s to £30 and £30. Hessians slow.

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THE MONEY MARKET.

DESPITE the very large amount repaid by the market to the Bank of England, lenders did not find any really appreciable increase in the demand for accommodation until Thursday, on which day it was understood that heavy payments on account of taxes were also made to the Bank. It then became possible to obtain up to 2 per cent. for new money, whereas 1½ per cent. had been accepted on the previous day, and early in the week night

HEMP—Manila fully steady, with moderate inquiries. J grade, January-March, quoted £35 10s; K, £28 15s; L, £27 15s; M, £25 15s per ton. African sisal, No. 1, for shipment, quoted £38 10s per ton.

SHELLAC steady, quiet. T.N., spot, 310s; March, 302s 6d; May, 300s per cwt.

COPRA—Reservedly offered and firmer, with business checked in a measure. F.M.S. Straits, October-December, Rotterdam, quoted £30 15s; November-January, sold, £30 15s to £30 7s 6d; December-February, £30 10s to £30; January-March, £30 3s 9d to £29 17s 6d. Ceylon, January-February, quoted £32 5s; Java, ditto, £30 15s. Dutch East Indies, October-December, £30 10s to £30 2s 6d, paid; January-March, buyers, £29 17s 6d. Cebu, December-January buyers, £29 15s; South Sea Islands, ditto, quoted £20 7s 6d. Palm kernels, January-March, Liverpool, sold, £21 2s 6d to £21 per ton.

RUBBER received moderate patronage, and a steady tone governed the market. Standard plantation, crepe and sheet, spot, also January, sold, 1s 2½d and 1s 2½d; February, 1s 2½d to 1s 2½d; March, 1s 2½d to 1s 2½d; April-June, 1s 2½d and 1s 2½d. To New York, standard estate sheet, December bill of lading, sold, 1s 2½d; January-February ditto quoted 1s 2½d, c.f. and i. Fine hard Para, spot, 1s 0½d; soft, 11½d; ba 1, 11½d lb.

GAMBIE firm, and block, January-February, quoted 5½s per cwt, c.f. and i.

EGG PRODUCTS—Market generally quiet, though inquiries arise for prime liquid yolk on spot at 80s per cwt, and prime hen albumen at 5s per lb.

OLSEEDS—Linseed market firmer, especially for new crop Plate. Indian: Bold Bombay, due, sold, £22 17s 6d; small Bombay, ditto, £22 5s, value; Calcutta, afloat, £23 5s; December-January, £22 12s 6d; April-May, £19 2s 6d. Plate afloat, £18 15s; December-January, £18; January-February, £17 5s to £17 15s; April-May, £17 5s to £17 15s. Rapeseed firm. Toria, December-January, £19 7s 6d; real bold Ferozepore, ditto, £19 7s 6d; Jamba, £15. Cottonseed quiet. Egyptian black, December, quoted £13 7s 6d. Sakellaris, £12 5s, Hull. Bombay, January-February, £10 7s 6d; February-March, £10 5s. Gingly seed quiet. East African November-December, £25. Chinese, December-January, £25 10s. Ground nuts, steady. Coromandel, machine-dried, January-February, £24; Chinese, decorticated, f.a.q., December-January, £23 2s 6d; East African, December-January, £24 10s, sellers. Soya beans firm. Manchurian, December-January, £12 15s. Castor-seed quiet. Bombay, January-February, £24 5s; February-March, £23 10s per ton.

OILS—Linseed firmer. Spot, net, naked, 43s 6d; January, 42s 6d; January-April, 40s; May-August, 36s 9d. Rape firm. Crude spot, 44s 6d; refined, 47s. Castor-oil steady. First pressure,

spot, quoted 60s; second pressure, 59s; and pharmaceutical, 65s per cwt, Hull, with London 2s cwt extra. Cotton firm. Crude Egyptian, spot, 43s; Bombay, 42s; common edible, 48s; deodorised (in barrels), 51s 6d. China - wood firm. Hankow, spot (barrels), 94s; December-January, 96s 6d. Coconut steady. Ceylon, spot, 47s 6d; January-February, 47s 6d; Cochin, ditto, quoted 60s. Soya firm. Oriental, barrels, December-January, 43s 6d. Cod easier. English, spot, 35s 3d. Groundnuts firm. English, crushed, naked, spot, 52s; deodorised, barrels, 60s. Turpentine inactive, American, spot, 72s 9d; February-April, 73s 9d. Rosin firm for pale grades. American, grade B, 13s 3d; F, 13s 6d; G, 13s 6d; H to I, 13s 9d; WG, 15s 9d; WW, 17s per cwt. French WW, 16s 6d per cwt. Petroleum steady. American standard, white, spot, 11d; and water white, 1s per gallon.

TALLOW—Messrs Colchesters and Woolner write on January 2nd as follows:—The tallow market was firm during the week, and prices averaged rather more than 6d dearer to-day. The best kinds are scarce, and realised the most advance. The stock in London on December 31st, as returned by the wharves, amounted to 12,862 packages, showing a decrease during the month of 5,443 packages. At auction to-day 1,362 casks tallow were offered, and 1,193 were sold. Quotations are:—Australian mutton: Fine, 49s 3d; good to fair, 48s to 45s; dull to dark, 42s 9d to 39s; hard, none. Australian beef: Fine, 46s 3d; good to fair, 45s to 42s; dull to dark, 39s 6d to 37s 9d; sweet, 46s 6d. Present shipment from Australasia: Good mixed, 43s. Present shipment from South America, 42s 9d to 42s. The market letter is unchanged. Town tallow, 38s 6d per cwt. Rough fat, per 8 lbs, 3d; melted stuff, 29s 6d per cwt. Quotations are:—Town, 39s, net cash, naked, ex works. Country: Frail casks, 39s; home melted, shipping casks, net, f.o.b., good coloured, 41s; fair to dull, 39s 6d to 38s 6d. Bone fat: White, none; pale, none; benzine, 36s; melted stuff, 36s, f.o.b.

METROPOLITAN CATTLE.—JANUARY 3.

British Beasts, per stone of 8 lbs to sink the offal.	Sheep, per stone.
Beasts—Herefords	nominal
Shorthorns	6 10 to 0 0
Devons	8 0 to 0 0
Norfolks	7 10 to 8 0
Scottish	nominal
Irish	0 0 to 0 0
Fat Cows	5 6 to 0 0
Beasts—Heavy Bulls ..	5 0 to 0 0
Canadian	nominal
Sheep—Downs	11 4 to 0 0
Ewes	6 10 to 0 0
Crossbred	11 0 to 0 0
Scottish	11 6 to 12 0
Lamb—Downs	12 6 to 0 0

LONDON POTATO MARKETS.—JANUARY 3.

Per Cwt.	Per Cwt.
English (new) Arran ..	6 0 to 6 6
Chief	6 0 to 6 6
King Edwards	6 6 to 7 6
British Queens	6 0 to 6 6
Majestic	6 0 to 7 0
Blackland	5 0 to 6 8

Commercial Times.—Weekly Price Current.

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

LONDON, FRIDAY.		DRUGS		INDIA RUBBER		PROVISIONS		SPICES	
00000—Duty, British grown		Aloes, fine E.L., p. cwt. 100	8 18s 6 d	Para, fine hard spot	1 01 8	Butter—per cwt.		Singapore, fair white	0 7 6
25.4d. foreign, 30.4d. cwt.	8 48	Cape, good to fine, 40	42 6	Plantation crepe	1 24 0	Irish creamery		Black Singapore	0 4 0
Grounded, per cwt. 36 0	48	Balsam Peru . . . per lb	1 4 1 6			Do factory		White Singapore	0 6 0
Grounded, per cwt. 36 0	48	Campêche		INDIGO—crepe		Do factory		Pimento	0 6 0
Ceylon, plantation 75 0	108	Japan, refined	3 7 3 8	Bengal, good red vici-		Australian	170 0	Onion—on—1st sort	0 11 0
Ceylon, plantation 75 0	108	Madras, Ceylon	4 4 3 8	to fine	6 0 7 0	Argentine	169 0	Do 2nd	0 11 0
Ceylon, plantation 75 0	108	Onion, China, lb	4 4 3 8	Mid. Ind. good to fine	6 0 7 0	Dutch	112 0	Do 3rd	0 10 0
Ceylon, plantation 75 0	108	Quesadilla, cwt	85 6 95 8	Low to good	4 0 6 0	Danish	220 0	Do 4th	0 10 0
Ceylon, plantation 75 0	108	Gum-Siam, Sum. cwt	60 8 100 10 8	Madras, dry leaf, good	3 0 4 0	Beacon, sund.—Irish	95 0	Onion—on—1st sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8	Do low to ord.	1 0 5 0	Danish	163 0	Onion—on—2nd sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8	Low to mid.	3 0 4 0	Canada, good	89 0	Onion—on—3rd sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			American	68 0	Onion—on—4th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Hams—Irish	nom	Onion—on—5th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			American	nom	Onion—on—6th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Italian P.C.	6 0	Onion—on—7th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Manila, Jan.—March	35 16	Onion—on—8th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			N.Z. high oil, per lb	24 10	Onion—on—9th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			January—March	24 10	Onion—on—10th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			JUTE		Onion—on—11th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Native first marks		Onion—on—12th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Dec./Jan.	28 10 0/0	Onion—on—13th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			LEATHERS—per lb		Onion—on—14th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Belgian	1 1 8	Onion—on—15th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1812	1 1 8	Onion—on—16th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1814	1 1 8	Onion—on—17th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1816	1 1 8	Onion—on—18th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1818	1 1 8	Onion—on—19th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1820	1 1 8	Onion—on—20th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1822	1 1 8	Onion—on—21st sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1824	1 1 8	Onion—on—22nd sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1826	1 1 8	Onion—on—23rd sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1828	1 1 8	Onion—on—24th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1830	1 1 8	Onion—on—25th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1832	1 1 8	Onion—on—26th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1834	1 1 8	Onion—on—27th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1836	1 1 8	Onion—on—28th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1838	1 1 8	Onion—on—29th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1840	1 1 8	Onion—on—30th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1842	1 1 8	Onion—on—31st sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1844	1 1 8	Onion—on—32nd sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1846	1 1 8	Onion—on—33rd sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1848	1 1 8	Onion—on—34th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1850	1 1 8	Onion—on—35th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1852	1 1 8	Onion—on—36th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1854	1 1 8	Onion—on—37th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1856	1 1 8	Onion—on—38th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1858	1 1 8	Onion—on—39th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1860	1 1 8	Onion—on—40th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1862	1 1 8	Onion—on—41st sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1864	1 1 8	Onion—on—42nd sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1866	1 1 8	Onion—on—43rd sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1868	1 1 8	Onion—on—44th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1870	1 1 8	Onion—on—45th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1872	1 1 8	Onion—on—46th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1874	1 1 8	Onion—on—47th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1876	1 1 8	Onion—on—48th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1878	1 1 8	Onion—on—49th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1880	1 1 8	Onion—on—50th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1882	1 1 8	Onion—on—51st sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1884	1 1 8	Onion—on—52nd sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1886	1 1 8	Onion—on—53rd sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1888	1 1 8	Onion—on—54th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1890	1 1 8	Onion—on—55th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1892	1 1 8	Onion—on—56th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1894	1 1 8	Onion—on—57th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1896	1 1 8	Onion—on—58th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1898	1 1 8	Onion—on—59th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1900	1 1 8	Onion—on—60th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1902	1 1 8	Onion—on—61st sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1904	1 1 8	Onion—on—62nd sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1906	1 1 8	Onion—on—63rd sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1908	1 1 8	Onion—on—64th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1910	1 1 8	Onion—on—65th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1912	1 1 8	Onion—on—66th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1914	1 1 8	Onion—on—67th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1916	1 1 8	Onion—on—68th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1918	1 1 8	Onion—on—69th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1920	1 1 8	Onion—on—70th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1922	1 1 8	Onion—on—71st sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1924	1 1 8	Onion—on—72nd sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1926	1 1 8	Onion—on—73rd sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1928	1 1 8	Onion—on—74th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1930	1 1 8	Onion—on—75th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1932	1 1 8	Onion—on—76th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1934	1 1 8	Onion—on—77th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1936	1 1 8	Onion—on—78th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1938	1 1 8	Onion—on—79th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1940	1 1 8	Onion—on—80th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1942	1 1 8	Onion—on—81st sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1944	1 1 8	Onion—on—82nd sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1946	1 1 8	Onion—on—83rd sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1948	1 1 8	Onion—on—84th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1950	1 1 8	Onion—on—85th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1952	1 1 8	Onion—on—86th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1954	1 1 8	Onion—on—87th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1956	1 1 8	Onion—on—88th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1958	1 1 8	Onion—on—89th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1960	1 1 8	Onion—on—90th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1962	1 1 8	Onion—on—91st sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1964	1 1 8	Onion—on—92nd sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1966	1 1 8	Onion—on—93rd sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1968	1 1 8	Onion—on—94th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1970	1 1 8	Onion—on—95th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1972	1 1 8	Onion—on—96th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1974	1 1 8	Onion—on—97th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1976	1 1 8	Onion—on—98th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1978	1 1 8	Onion—on—99th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1980	1 1 8	Onion—on—100th sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1982	1 1 8	Onion—on—101st sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1984	1 1 8	Onion—on—102nd sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1986	1 1 8	Onion—on—103rd sort	0 11 0
Ceylon, plantation 75 0	108	Onion, Sum. cwt	60 8 100 10 8			Do do 1988	1 1 8	Onion—on—104th sort	0 11 0

money did not command more than $\frac{3}{4}$ per cent. when it could be lent at all. Discounts have shown a slightly firmer tendency as the week has advanced, and fine three months' bills have been done up to $3\frac{3}{8}$ per cent. The demand for Treasury bills has not been active, March maturities being called $3\frac{1}{8}$ per cent., while Aprils are $3\frac{1}{8}$ per cent., so that last week's allotment has not been a profitable one to the allottees.

	Jan. 11, 1924.	Jan. 4, 1924.	Dec. 28, 1923.	Dec. 21, 1923.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount/Call	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$1\frac{1}{2}$ (Jly. 5, '23)
Market rate (3 months' bills) ..	$3\frac{3}{8}$	$3\frac{3}{8}$	$3\frac{3}{8}$	$3\frac{3}{8}$	..

The Bank return showed a reduction of £1,244,600 in the circulation, which figure also represented the addition to the Reserve, the coin and bullion being practically unchanged. The market's very heavy repayments to the Bank up to Wednesday were reflected in a decline of £31,925,600 in "Other" securities, while Government securities were lower by £4,950,000. The combination of repayments of private and public indebtedness to the Bank caused Private deposits to exhibit a shrinkage of £34,031,500, bringing them to a figure which was £6,575,200 below that of the corresponding date last year, when market borrowings had been smaller and Government borrowings greater, in connection with the end of the year. Owing to the reduction in liabilities the reserve ratio was 4.5 up at 16.8 per cent. While the liabilities are smaller than they were a year ago, the Reserve is also £1,949,600 lower, and the ratio 0.4 per cent. less favourable. There was a further large reduction in currency notes outstanding this week, amounting to £4,911,600. This reduction has brought the amount outstanding down to £287,780,300, which includes £1,427,000 for notes called in but not yet cancelled. The fiduciary issue is £236,903,600, or £11,287,300 below the maximum.

THE STOCK MARKETS.

Stock Exchange markets have again been almost entirely dominated by the political situation. Public nervousness displays itself by holding back from the rather heavy purchases of stock which normally take place at the beginning of a new year. Normal selling, on the other hand, is swollen by a certain amount of liquidation of Government stocks by foreign interests, and, with little resistance in the markets, quotations inevitably sag. The fall spread over all British Government stocks, but prices finished above the worst. In the foreign market the strength of Brazilian stocks, on the arrival of the British mission at Rio, was the chief feature. French bonds moved with the exchange, but a mysterious buying movement sent German 3 per cents up to 25s at one time. Railway stocks have been quiet on strike fears, and in sympathy with gilt-edged tendencies. Rubber shares remain dormant; oil shares improved, with Shells the feature. In the general industrial markets hesitancy and irregularity prevailed. Gold mining shares received only limited support on the strength of the rise in the price of gold, while other mining descriptions, on the whole, were dull.

THE COMMODITY MARKETS.

Irregularity is the key-note of the commodity markets. Fluctuations in raw material rates, and the uncertain political situation have proved adverse factors in the cotton trade. From Bradford it is reported that the rise in wool values has not yet reached "high water mark." Wheat is dearer on account of adverse exchange rates. The sugar market is quiet; coffee is in demand, and certain support is given to tea. The rubber market is dull and featureless. The coal market has been fairly steady, but a slightly weaker tone has been noticeable in the pig-iron market, our Middlesbrough correspondent mentioning that we are again feeling the effect of French and Belgian competition. Iron and steel makers are fairly well employed; our Sheffield correspondent states that conditions continue to improve in most branches of the steel trade. Tin has made a strong upward movement,

but copper finished the week lower on balance. The hide market is firmer, and the bad weather is as good for the boot trade as it is unpleasant for pedestrians.

FOREIGN EXCHANGES.

In the foreign exchange market interest has once more centred on the dollar and French franc exchanges. After closing at \$4.31 on the 4th, the New York rate fell to just below 4.29 on Saturday, and in the early part of the present week fluctuated between these two points. On Thursday, however, there was a distinct tendency to weakness due to Continental purchase of dollars and, later, American sales of sterling, so that on Friday morning the opening quotation was \$4.27 $\frac{1}{2}$. Nervousness regarding the uncertainty of the political situation remains the dominating factor. The forward rate is unchanged at $\frac{1}{2}$ cent per month above spot. The Paris rate continues to fall, in spite of all attempts to support it. From 87.50 on the 4th it fell to 88.30 on the 5th, and, after a recovery to 86.90 on Monday, has continued downwards, with the exception of a brief recovery on Wednesday, when it stood at one time as low as 87.15. The figure of 89.05 yesterday morning is an interesting commentary on the efficacy of the proposed reform of the Bourse and of the long over-due raising of the Bank rate from 5 per cent. to 5 $\frac{1}{2}$ per cent. Such palliatives—and, indeed, even the rumoured control of foreign exchange operations—can have little result in the face of the financial situation and of the lack of confidence in the franc which is beginning to show itself in France. The Brussels rate has followed approximately the same course, though with smaller fluctuations, and after standing at 99.45 last Friday, for the first time touched 100 on Thursday. Yesterday morning the quotation was 100.25. Forward rates in Paris have widened to 13 centimes for one month and 18 centimes for two months above spot, but in Brussels they are slightly narrower at $\frac{3}{4}$ centimes above spot. Italy has moved somewhat surprisingly against us, and stood yesterday at 98 $\frac{1}{2}$, as against 100 a week ago. Amsterdam weakened from 11.38 on the 4th to 11.40 $\frac{1}{2}$ on Wednesday, but recovered again to 11.36 $\frac{1}{2}$. Rumours of a fresh rise in the Dutch Bank rate are not altogether easy to understand, but may be partly responsible for this recovery. Switzerland has not varied greatly from the figure of 24.65, while Madrid has appreciated slightly from 33.59 $\frac{1}{2}$ to 33.55. In Central Europe, Berlin has remained steady at 19 $\frac{1}{2}$ billions, but Warsaw has depreciated from 28 millions to 41 millions, after touching 46 $\frac{1}{2}$ millions on Thursday. Vienna has not varied from last week's quotation of 305,000, but the Budapest rate has risen from 85,000 to 125,000, owing probably to the Finance Minister's frank review of the financial situation and the length of the negotiations for the League of Nations loan. Prague is steady at 147 $\frac{1}{2}$, while Bucharest at 855 is slightly weaker. In view of the political situation in Greece the rise from 210 to 230 in the Athens rate is not remarkable. In North Europe, Christiania was a little weaker during the week, touching 29.83 on Wednesday, but recovered again yesterday morning to 29.75. Similarly Stockholm, after depreciating to 16.31 early in the week, now stands at 16.23. Copenhagen, owing to the use of the Exchange Equalising Fund, remains stabilised around 24.45. Helsingfors, also, is steady at about 173, while Riga remains at approximately 22. In the East the rupee is quoted at 1s 5 1-32d, as against 1s 5 $\frac{1}{2}$ d a week ago, while the yen has again moved down from 2s 1 $\frac{1}{2}$ d to 2s 1d. The silver market has been quiet during the week, partly owing to the disturbance in the American exchange. Prices, however, improved to 34 $\frac{1}{2}$ d on the 5th, but relapsed again to 33 $\frac{1}{2}$ d on the 9th. Hong Kong is $\frac{1}{2}$ d cheaper at 2s 3 $\frac{1}{2}$ d, while Shanghai, after remaining steady at 3s 3 $\frac{1}{2}$ d during the week, stood yesterday at 3s 3d. In South America, Rio has moved steadily against us from 5 $\frac{1}{2}$ d to 6 $\frac{1}{2}$ d. In so far as this is due to sentimental feeling as a result of the arrival of the British Financial Mission, the future course of this exchange needs careful watching, but a better factor is the increased business from America in connection with the new coffee crop. The same movement is also apparent in Buenos Ayres, where the rate is 41 $\frac{1}{2}$ d as against 40 $\frac{1}{2}$ d a week ago, and in Montevideo, which is 2d dearer at 46 $\frac{1}{2}$ d. Valparaiso has also appreciated slightly from 40.30 to 40 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the five days ended January 5th:—

(000's omitted.)		RECEIPTS.	£
EXPENDITURE.		From Revenue.....	
Supply Services.....	7,150		13,866
Interest, &c., on Debt.....	3,410		
Sinking Fund.....	276		
Sundries.....	75		
Increase in balances.....	75		
Reduction of Debt.....	2,880		
	13,866		13,866

Revenue for the first five days of January, 1924, amounted to £13,866,000, as against £15,635,923 for six days to January 6, 1923. Customs were greatly reduced at £721,000, against £2,581,000. Excise was £3,304,000, as against £994,000, but Estate Duties were down, being £560,000, against £1,230,000. Income-tax reached £3,011,000, and Super-tax £2,410,000, against a combined total of £7,009,000. Special Receipts were nil, as against £269,000. The Post Office receipts were the same as last year at £1,000,000, and interest on sundry loans reached £1,329,000, against £1,121,574 for the corresponding period. The week's operations reduced the National Debt by £2,880,000, and caused the following changes:—

		(000's omitted.)	
	£		£
Bank of England Advances ..	+ 4,250	Treasury Bills	— 4,142
Sundries	+ 79	Public Departments	— 2,917
		National Savings Certificates	— 150
	+ 4,329		— 7,20

The floating debt was reduced by £2,802,000 to £857,650,500.

FINANCIAL YEAR, 1923-24 (April 1 to January 5, 1924).

£	£
Total Expenditure .. 605,090,314	Raised by Revenue .. 547,150,832
	Net Borrowings..... 53,955,375
	Decrease in Balances 3,984,107
Total 605,090,314	Total 605,090,314

ESTIMATES for YEAR 1923-24.

£	£
Ordinary Expenditure 801,013,000	Ordinary Receipts .. 778,500,000
Special Expenditure.. 15,603,000	Special Receipts.... 40,000,000
Total 816,616,000	Total 818,500,000
	Surplus 1,884,000

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Royal Bank of Australia, British American Tobacco, Bingo Gold Mines, Chargeurs Réunis, and Peter Walker (Warrington). Mr R. J. Alcock, at the meeting of the Royal Bank of Australia, reviewed agricultural and industrial conditions in Australia. Mr A. G. Jeffress, at the meeting of the British American Tobacco Company, reported an increased volume of business. Sir Harmood Banner, M.P., at the meeting of Peter Walker (Warrington) and Robert Cain and Sons, showed confidence in Labour's attitude to the brewing industry.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

ELECTORAL REFORM.

THE political developments of the next few months will make plain to the world whether Great Britain must definitely reconcile herself to at least a three-party system of politics, or whether there is any prospect of returning to our traditional two-party method. For ourselves we have no doubt at all that the idea of two parties in this country is obsolete. It is true that at any given time in every Parliament there are in effect two parties for political purposes, one consisting of those who support the Government in power, and the other of those who are in

opposition. But in many countries of the world these two main divisions are composite, and include more than one party or group. Indeed, America is practically the only important exception. We believe that the system of three or more parties has come to stay, because such a grouping corresponds to genuine and deep-rooted divisions in the public opinion of the country. The attempt to divide Britain into those who wish to stand still and those who wish to go forward is as arbitrary and useless as to divide them into those who believe in revolution and those who do not. A political party is the natural form of expression of a group of people who think alike on general political questions. With the extension of education, and a more widespread knowledge of politics, people have less and less inclination to associate themselves with party organisations with which they are only partially in sympathy, and as they learn to define their outlook better, the tendency to form groups in political life is likely to be strengthened. In any case, it is, to our mind, clear that there are three main trends in this country, namely, those who are little disposed to change, those who desire change, but not in a socialist direction, and those who believe in the ultimate reorganisation of society on socialistic lines.

If this is a sound view of the present and future state of opinion, it seems likely that certainly for some time to come none of these sections will command an absolute majority in the House of Commons, and that Government must be carried on by minority parties. The basis on which such administrations are kept in power by other parties may perhaps lead to some modification in constitutional practice which will be worked out in the next few months. This prospect is looked forward to by many with great misgiving and regret, for it is generally recognised here that a Government is, according to British standards, in a poor way if it cannot rely on the unhesitating support of a majority in the House of Commons. But if the nation has ceased to be divided into two parties it is no good crying over spilt milk, and we must make the best of it. After all the system has some compensation in the fact that the new method will definitely re-establish the power of the House over the executive departments of Government.

But on these new principles it becomes much more necessary than before that the House of Commons should accurately reflect the balance of power among the electorate, and with our present system of voting this is notoriously not the case. It should, therefore, be the first duty of the new House of Commons to revise our voting system in such a way that the element of chance is as far as possible eliminated. The Conservative party is perhaps in a more amenable frame of mind for such a reform than ever before, for it has recently experienced a very considerable loss of seats with a very small turnover of votes, and it must be ever present to the mind of every Conservative member that the chance which gave them a majority in the House last year with a minority of votes might at any time confer the same luck on the Labour party. The Liberal party are painfully conscious that as a result of the last two elections they have been under-represented, and they would hope to do better on any reform of the electoral system. Some members of the Labour party may think that the next trick of the ballot box will be to give them a majority in the House. But it is equally likely at any moment to rob them of seats by a combination of the anti-Labour vote, and this argument is likely to appeal to all except those few enthusiasts who think that the Labour party, as at present organised, is likely to convert an absolute majority of the electorate. But all these arguments are attributing narrow motives to every party. We are optimistic enough to think that the majority of politicians would wish to see the constitution of the House of Commons reflecting the opinion of the country as it really is, and that after the vagaries of recent elections there will be a majority of members in the House anxious and ready to support electoral reform. There are, of course, many alternative systems of voting, including the cumbersome apparatus of the second ballot. But the two proposals which hold the field in this country are

proportional representation and the alternative or transferable vote. As between these two systems, the former, in our opinion, is vastly superior to the latter, and we hope it will become a part of our constitutional procedure. Under the system of the transferable vote, each elector in a three-cornered contest is entitled to mark not only his first, but his second, choice among the candidates. If on the first count no candidate gets a majority, the candidate the lowest on the list is considered out of the running, and his votes are redivided among the first two candidates according to the second preference recorded on them. The system is thus, in effect, a second ballot taken simultaneously with the first, and unless the voters for a particular candidate refuse to make a second choice it means that the candidate elected commands the full or qualified support of a majority of the electors who take the trouble to vote. Thus the system does away with the anomaly of minority members of Parliament. But it is open to two serious objections. In the first place it does not ensure the accurate representation of the electorate, and though it would probably make the House more nearly in proportion to the votes cast for various parties than at present, it is not a very sure method of doing this. Let us suppose, for example, that the votes in the country are divided in the proportion of five Conservatives, four Labour, and three Liberal, and that in a very large number of constituencies the electors are divided in this proportion, and that in all of them there are three-cornered fights. In none of these cases would a Liberal be elected, but the issue between Labour or Conservatives would depend on the bias for the time being of Liberal electors towards the other two parties. These second preference votes are likely to be extremely unstable elements in politics, and the result of the system in such conditions as those suggested would be quite incalculable. The second objection arises out of this very uncertainty. It is urged by those whose opinion is of importance that this system would lead to back-stair bargaining for the second preference vote of other parties, and that each party, instead of endeavouring in a straightforward manner to put forward its own policy, would all the time be angling for the second vote of other sides. The Labour party is particularly conscious of this danger, and many of its leaders are bitterly opposed to it on the ground that it would enable the Liberals and Conservatives behind the scenes to manoeuvre for its undoing.

The system of proportional representation, on the other hand, is a more complicated affair, which ensures that the number of members returned will be roughly in proportion to the number of votes cast. It involves dividing the country into larger constituencies than at present, each returning a number of members—from five to ten would probably be the most suitable number in this country. The elector, under this system also, has to put the candidates in order of his preference, but whereas under the former system the votes of the man at the bottom are redivided, under proportional representation the votes of the man at the top are redivided when he has secured sufficient for election. The working of the system is now fairly well known, and we need not explain it in detail. It means that any party in a five-member constituency which can command more than one-sixth of the electorate is practically certain of getting at least one of its candidates elected. The system of counting is complicated, but for the elector it presents no serious troubles; it is working in several countries, and in particular has been used with success in the elections in Ireland. It is urged against proportional representation that the large constituency makes it difficult for the candidate to have personal contact with his constituents. But the extension of the franchise has already made this personal relationship extremely difficult. Under proportional representation the candidate would have to depend mainly on the appeal of his policy, but would also have the assistance of modern methods of publicity, which are making it possible through the Press and otherwise for a man to become known to a large body of voters without personal canvassing. It is objected that proportional representation would tend to divide the House of Commons into a large number of small groups, seeing that it is supposed to have had this result in Italy. But the analogy is unconvincing, for it overlooks the fact that political parties are

the result of the history, tradition, and public opinion of a country. A number of parties would arise in this country as a result of the system in so far as there is really a variety of parties in the State. Political organisation into parties is not an accident, but has its roots deep-seated in the character of the people.

On the merits, therefore, we have no hesitation as to which kind of electoral reform would be most desirable in this country. We may recall that in 1918, when the question came up for discussion at the time of the extension of the franchise to women, both systems had their supporters. The party managers were in favour of the transferable vote, and the House of Commons substituted it for proportional representation before the Bill went to the Lords. The House of Lords put back proportional representation, but the Commons repeated its insistence on the transferable vote. As the dispute between the two Houses came at the last moment of the session the question was not fought out, and the clauses were omitted from the Bill altogether and left to be dealt with subsequently by means of a scheme to be worked out for 100 constituencies. The plan was never carried out.

It is possible that the subject will again be settled by tactical considerations, for it would only require a very short Bill to introduce the transferable vote, whereas proportional representation would mean a redistribution of constituencies. This would require a considerable amount of Parliamentary time, and the plan may conceivably be abandoned in favour of the transferable vote on the ground that the stability of whatever Government comes in will be too precarious to make it certain that the Bill could be carried through in the coming session of Parliament. We do not think that the view of the House of Lords would be a determining factor in the question to-day, for they are unlikely to challenge the view of a House of Commons fresh from the constituencies on a matter affecting the House of Commons alone. But for the reasons already mentioned we think that the Labour party, if it comes into power, is more likely to find time for a measure of proportional representation than for a Bill for the transferable vote, especially since, for the reasons we mentioned last week, the present session is not likely to be burdened with legislative measures of the first magnitude.

THE ELECTIONS IN FRANCE.

THE re-election to one-third of the seats in the Senate has now taken place, and a general election for the Chamber of Deputies is to follow. Do the results in the Senate throw any light upon the prospects in the Chamber, and are the maximum changes conceivable, in Senate and Chamber together, likely to deflect the course of French policy in Europe?

The Senatorial elections have produced practically no change. The Gauche Démocratique, corresponding to the Bloc des Gauches in the Chamber, retain the small majority which they possessed already. They have actually gained one seat, but so have the extreme Right, while three Independents have made way for two Socialists. The "Republican" groups, which represent the moderate right and the right centre in the dominant Bloc National, have lost one seat only. Substantially, therefore, the position remains as it was before. Elections to the Senate are, of course, deliberately arranged with a view to avoiding mutual influence between them and the elections to the Chamber. The indirect method of electoral colleges, the provision that only one-third of the whole body shall retire at a given time, and even the dates at which these partial elections take place, are all contrived with this object; and it therefore seems unsafe to argue from one set of elections to the other. A distinguishing mark of the Senatorial elections, since the introduction of the present system, has been their comparative stability; and, from this, some observers seem inclined to argue that a small change possesses a relatively great significance. On the other hand, it may be argued that there has seldom been an occasion on which the possibility of a decided shift to the left has been more favoured by

circumstances than in the present instance. The future of France has been staked for nearly a year upon a highly contentious policy, which has not yet brought any tangible benefit to the nation as a whole, and has latterly been accompanied (whatever the causal relation may be) by a sharp fall in the franc. Could the Left have had a better opportunity? They could turn to account even M. Poincaré's most nearly achieved successes, for the economic agreements which are at last being negotiated between French and German industrialists might well be represented as a bonus lavished upon a tiny minority of capitalists out of the taxes and the military service which have been contributed towards the Ruhr policy by the majority of Frenchmen. Even in a body so little subject to oscillation as the Senate, the failure of the Left to gain ground in these circumstances is surely significant, however difficult it may be to translate this into a forecast of the forthcoming elections to the Chamber.

The groups in the Chamber are still more numerous, and the relations between them on the whole more ephemeral, than they are in the Senate, and this adds another factor of uncertainty to the problem. Furthermore, electoral rivalries and ententes do not necessarily reproduce themselves in a new Chamber after the elections are over; and there is no extreme party at either end of the scale which is sufficiently menacing to draw all the rest together in opposition to it. That effect has not even been produced in Great Britain (a country in which a two-party system is traditional) by the actual advent of the Labour Party to power. Still less is it likely to be produced in France, where an unrevolutionary Socialist party remains in obscurity, with no prospect of turning the balance between blocs, not to speak of dominating the Chamber or the country. There is, therefore, no sign of a marked movement on the Left or a sharper cleavage at any given point in the delicately graded gamut of the political scale. The material of French political parties inevitably appears to English eyes as something without form and void, and the only shapes which we, in our ignorance, can distinguish are a comparatively articulate Bloc National—originally organised by M. Millerand, and now officially supporting M. Poincaré—and a somewhat more shadowy Bloc des Gauches. Will the elections to the Chamber result in one of these blocs gaining in numbers and cohesion at the expense of the other, or will some third bloc take to itself substance out of the underlying chaos at the expense of both? And how do the personal position and the public policy of M. Poincaré stand to lose or gain by these alternative possibilities?

In the first place, is the actual machinery of election an important factor? French parliamentary politics are (to our minds) fluid in technique, as well as in the organised expression of opinion, and two electoral methods, known respectively as Scrutin de Liste and Scrutin d'Arrondissement, have been tried at different times, with successive empirical modifications. Under the Scrutin de Liste the constituencies are large; a considerable number of members is returned by each; lists of candidates are presented by the parties to the voters; and the latter may vote for any candidate on any list up to the total number of members that the constituency has to return. This system contains some, but not all, the elements of Proportional Representation; it was in force at the last election, and it has recently been decided that, with certain modifications of detail, it shall be employed again this time. The rival, Scrutin d'Arrondissement, which bears more resemblance to the existing system in Great Britain, is thus out of court, and in France the groups of the left believe that the Scrutin d'Arrondissement would work in their favour, and that the right stand to gain by the maintenance of the Scrutin de Liste. This claim should not be taken too seriously, for a discomfited party is always tempted to discover causes for its ill-success that are unconnected with the state of public opinion; but it is, perhaps, more pertinent to ask: Would the left reverse M. Poincaré's policy if the elections brought them into power, or gave them a deciding voice in policy? Or, to translate this into personal and concrete terms, would M. Herriot, or even M. Caillaux, evacuate the Ruhr if, a few weeks hence, they were to find themselves (an improbable supposition!) in M. Poincaré's shoes? It can be prophesied with some confidence that

the answer would be in the negative, and, as a matter of fact, there are rumours already that, however the election may go, M. Poincaré may find the Bloc des Gauches a less uncomfortable horse to bestride than the Bloc National! Possibly this is no more than an overstrained interpretation of the friendly relations which have never ceased to exist between M. Poincaré and M. Herriot, and it is perhaps more likely that, if M. Poincaré shifts his seat at all, he will carry a large number of his present supporters with him, and will look for support in future to a new Bloc Central, in which the "Republican" groups will co-operate with the Radicals. Such a bloc might conceivably be formed by M. Jonnart, who is known not only as a vigorous "High Commissioner" in Greece during the war, and as a not unsuccessful colonial administrator at a critical time in French North Africa, but more recently as a conciliatory French Ambassador to the Vatican. The clerical question—an internal problem of France—would probably have more to do with the success or failure of any project for the formation of a central bloc than the great questions of European policy which make French politics vital to us, but on which comparatively few Frenchmen appear to disagree with the prevailing policy of M. Poincaré. Personal politics, on the other hand, might be affected by the decomposition of the Bloc National in favour of the Centre, owing to the effect of this upon the position of M. Millerand. The Bloc National was M. Millerand's creation, and its continued existence may seem to him a guarantee that the door is not closed to his re-entry into the front rank of active political leadership. A reconstruction which threatened to close this door for M. Poincaré's convenience might seem to M. Millerand an unfair return for the services which M. Poincaré has received at his hands. M. Millerand is to some extent a disappointed man, who is not gladly suffering effacement, and personal considerations may therefore bring him into the arena. Would he be able to shake M. Poincaré's position if he tried? The personal factor is the most difficult of all for a foreigner to gauge, but the strategical advantages would appear to be decidedly upon M. Poincaré's side. The President is supposed to be above party, and M. Millerand, if he intervened in person, would thus find himself from the outset in a false position. He would be compelled either to act through others (a somewhat equivocal course), or else to resign the Presidency in order to resume his active political career. Would the prospect of success be worth the sacrifice? It is not easy to see what he, or for that matter M. Tardieu, could promise the French nation which M. Poincaré (to give him his due) has not already attempted to perform, or what method of coercing Germany he could suggest which M. Poincaré has left untried. Any programme which he could formulate would be dismissed by large sections of the right as illusory; while, in so far as he succeeded in outbidding M. Poincaré with any plausibility, he would merely attract towards M. Poincaré that support from the left for which M. Poincaré himself, *ex hypothesi*, would be manoeuvring already. It would thus be surprising if M. Poincaré were to find in M. Millerand a formidable adversary, even if he ventured to declare war; and we can only conclude, whether we like it or not, that the President of the Council has little reason to look forward to the election with concern, whether he scan the horizon to the right or to the left of him; while conversely we in Great Britain have little reason to hope that the election will produce any appreciable change in French foreign policy.

THE DOLLAR EXCHANGE.

THERE has been much conjecture about the causes of the decline in the dollar exchange since October. In the spring of this year the £ approached quite near to par, and, in Mr Lloyd George's phrase, "looked the dollar in the face." But as parity came nearer it steadily became more profitable to invest in American securities, and the transfer of funds to the United States checked the upward movement until eventually the ordinary seasonal decline set in. At first it looked as though this setback would stop somewhere about 4.55, and that when the crops had

been moved there might be a renewal of the movement back towards parity which culminated in the spring. But instead of October seeing the lowest point, there has been since that date a marked downward movement, the rates since the beginning of September having been as follows:—

DOLLAR EXCHANGE RATES.			
September 7....	4.52½	\$ to £	November 9.... 4.40½-41
" 14....	4.54½	"	" 16.... 4.32½-32½
" 21....	4.54½	"	" 23.... 4.36½-37½
" 28....	4.55½	"	" 30.... 4.34½-34½
October 5....	4.56½	"	December 7.... 4.36½-36½
" 12....	4.54½	"	" 14.... 4.37½-37½
" 19....	4.52½-53	"	" 21.... 4.36½-36½
" 26....	4.50½-50½	"	" 28.... 4.35½-35½
November 2....	4.46½-46½	"	January 4.... 4.29½-29½

These figures compare with 4.20½-20½ at the end of 1921 and 4.63½-63½ at the end of 1922.

The recent movement has been largely caused by political considerations, but before dealing with them we may give our reasons for this opinion by referring to the economic influences which affect the exchange.

In the first place, the payment of our American debt has nothing to do with the matter. It is true that a half year's interest was paid in Washington on December 1, and that even if the necessary dollars had been purchased regularly through the year, it would mean that something over £2½ millions would have to be converted into dollars every month on this account. But there is no trace anywhere of the British Government having been in the market during the autumn, and there is reason to believe that this interest was acquired many months ago; while as regards future payments, it is extremely unlikely that the Treasury would purchase dollars in the present state of the market. Before the next payment is due there are likely to be much more favourable opportunities, and, in any case, the Treasury has in reserve the right to fund the interest in the early years, which right would no doubt be used if the dollar exchange remained very unfavourable.

In the second place, as between two currencies which have no common link, it is generally accepted that the exchange tends to settle at a point determined by the relative purchasing power of the two currencies, as measured by the level of prices. As compared with June, 1922, American prices gained at first upon British prices, and at one time were very nearly at the same level, a position which would correspond to a par rate of exchange. But in the last few months, as trade has recovered, British prices have begun to go ahead slightly, as readers who have studied our index number will have appreciated. It is difficult to get a strictly comparable series of figures or to decide upon the price index numbers which would give the best indication of the ratio between purchasing power in the two countries. But if we compare the Bureau of Labour index number with our own, it will be found that whereas last December the increase over 1913 was 56 per cent. in America and 58.3 per cent. in Great Britain and 59 per cent. in America in March against 63 per cent. in Great Britain, the figure for America, after dropping during the summer to 50, has only recovered to 53 per cent. above pre-war, while our index number, after a similar set-back to 55½ per cent., has now recovered to 70 per cent. above pre-war—which means that the difference between the price levels has widened. A similar tendency can be observed, though not quite to the same extent, in a comparison of retail prices in the two countries. A word of warning must here be added against confusing cause and effect, for the rise in our index number is to a considerable extent caused by the high prices of American cotton, a price which is exaggerated by the unfavourable exchange. At times like the present, when the exchange is abnormally depreciated by speculative influences, it produces for the time being a high British quotation for goods purchased from America; such temporary and abnormal prices cannot, then, be also used to explain the state of the exchange. But when allowance is made for this fact the level of prices in this country still seems to have risen more than in the United States, through influences affecting the prices of other imported commodities such as tin and sugar and a brisker demand for British products, and in particular for coal and metallurgical products. This difference in price level would explain why the dollar ex-

change should be rather less favourable than it was a year ago. One other point before leaving this question. The par of exchange will be most certainly restored if and when America buys freely from us. But the Fordney tariff is a very high barrier against our goods. American prices must, therefore, rise to a correspondingly higher level before we can sell in the American market. In other words, with Free Trade in Great Britain and the Fordney tariff in America, our normal price level must be one somewhat lower than the normal price level behind the American barrier.

The third consideration is that, in spite of a rise in Bank rate in England last July and the improving trade here, money rates have been more profitable in America than in London. Floating balances have therefore tended to be used in America rather than in England. The transfer of such balances has tended to lower the exchange.

Fourthly, there is the actual trade situation. Taking the period of September, October, and November (since the figures are not yet available to the end of the year), we find that in these three months America had in 1921 an export surplus of \$375,000,000; in 1922, owing to increased imports and exceptional conditions at home, her export surplus dropped to \$140,000,000, but in 1923 it has risen again to \$338,000,000. From these figures it is evident that in the autumn of 1922 there was an unusually small demand for dollars on the part of America's foreign customers on trade account; and this no doubt explains why foreign currencies remained high in comparison with dollars. Looking at the other side of the picture, Great Britain's foreign trade account, on which, of course, there is a surplus of imports, showed for these three months in 1921 an import surplus of £52,000,000, in 1922 our import surplus was only £44 millions, but in 1923 our import surplus rose to £54 millions. These figures again show that, as compared with 1922, we have had to pay an increased amount abroad. These figures relate to the total trade of both countries. No statistics are yet available of the direct trade between America and England, but we have taken out of the monthly returns, and separately compiled, a total of all those articles for which American trade is shown separately, a total which includes the main commodities of commerce between Britain and America. The figures show that in 1921 we owed America on balance for these commodities, and in these same months, £34½ millions, in 1922 £28½ millions, and in 1923 nearly £31 millions. Thus each of these three sets of figures is influenced by an unusually heavy import of raw material into Great Britain during recent months. The reason is that we have to-day more orders to fulfil, and that employers are preparing for an increased output. But in the meantime, and until this import of material is actually turned into exports, the balance of trade is against us.

Thus among the economic factors, the greater value of money in America, the slight rise in price level of Great Britain, and the fact that the trade balance this autumn is less favourable than a year ago, are all reasons why the dollar should have suffered a set-back and be less favourable than this time last year.

There is, however, no doubt that the recent movement has gone farther than would be accounted for on these various grounds. In the last four weeks, in particular, since it has seemed probable that there would be a Labour Government, there has been a very considerable purchase of American securities by shy investors. It may be said at once that, so far, the uneasiness which these movements reflect is financial and not industrial. It is the result of nervousness, and not of anything which is happening in the world's markets. Like all such movements, it is for a while cumulative in its effects, for if the notion gets abroad that securities are going to fall, there will be many who will sell now in the hope of buying back later when the fall has occurred, and the movement will be exaggerated on the Stock Exchange by bear selling. But, like all such movements, it tends to generate its own reaction, for as soon as a substantial drop occurs, stocks begin to look cheap, and as soon as there is any upward movement bear speculators will hurry to cover. It may be added that so far as British Government securities are concerned, if there were any real fear of a capital levy Government stocks would move upward and not downward; for whatever chaos might be produced by

such a measure in other departments of the Stock Exchange, the attempt of the Government to buy up or cancel any substantial proportion of £3,000,000,000 of Government securities would make them extremely scarce.

The truth, however, appears to be that the movement is not a very rational one, but is due to a vague feeling on the part of investors that there may be exceptional heavy taxation now, and a possible capital levy later, and many people are thinking it wise to take time by the forelock, and, in spite of the fact that with the present level of exchange it is highly unprofitable to buy American securities, they are purchasing foreign bearer bonds and depositing them with foreign banks. This procedure is unwise and ill thought out. Not only is it an immediate loss, but it is extremely doubtful whether it will secure the object aimed at. Interest on foreign bonds will only escape income-tax if it is left abroad, and is of little use to the holder unless he goes abroad to enjoy it. In the meantime it is by no means concealed from the eye of the Inland Revenue authority, for every super-tax payer whose return shows a sudden drop in income assessable to super-tax will invite inquiry, and we may trust the revenue officers to discover what has happened.

We have given reasons in recent articles for thinking that the policy of the Labour Party will be a moderate one, and that if it oversteps the line of prudence the Labour Government will fall. We are, moreover, confident that if in 1925 an appeal is made to the electorate, the common sense of Great Britain would see to it that no Government is returned with a mandate to make rash experiments which would prejudice our national well-being. We therefore have no sympathy with the nervousness of the scaremongers, and we believe that the wiser heads in the City are strongly advising their clients in this sense. At the same time, it is not altogether a bad thing that this nervousness has shown itself in a practical form, for it will bring home very clearly to our probable new rulers the extent to which industry depends upon credit, which is only another name for confidence. Mr Ramsay MacDonald and his friends will only conjure back this elusive quality if they prove that their outlook is that of the well-being of the nation as a whole, and not one based on the interest of a class or upon theories worked out to fit the conditions of an imaginary world.

INDUSTRIAL PROFITS.

OUR quarterly analysis of the profits of industrial companies reveals a substantial slackening in the rate of increase in profits. The net profits of over three hundred concerns whose accounts were published during the past quarter showed an increase of 11.4 per cent. over the profits earned by the same companies in their previous financial year, whereas in the third quarter of last year the increase was 65.2 per cent., in the second quarter 22.1 per cent., and in the first quarter 41.4 per cent. During the past three months the profit and loss accounts of 312 industrial companies were analysed in our weekly tables, and these showed net profits, after payment of debenture interest, &c., of £26,043,934, an increase of £2,661,200, or 11.4 per cent. over the previous year. This brings the total number of accounts analysed during 1923 up to 1,351, while net profits have increased by 30.6 per cent., as may be seen from the following summary table:—

NET PROFITS (after PAYMENT OF DEBENTURE INTEREST, &c.).						
	Number of Companies.	Reports published in		Increase.		Decrease.
		1922.	1923.	£	%	
First quarter	405	28,489,993	40,276,870	11,786,877	41.4	..
Second quarter	425	31,874,787	38,945,778	7,070,991	22.1	..
Third quarter	209	10,469,118	17,317,482	6,848,364	65.2	..
Fourth quarter	312	25,382,776	26,043,934	2,661,158	11.4	..
	1,351	94,216,674	122,584,064	28,367,390	30.6	..

The relative smallness of the last quarter's increase is partly explained by the fact that in the analysis made twelve months ago the first increase for 18 months was disclosed, whereas in the preceding quarters of 1922 very substantial decreases were recorded. This is, perhaps, brought out more clearly in the table below, which shows the quarterly changes in net profits since the beginning of 1918:—

	1918.	1919.	1920.	1921.	1922.	1923.
First quarter	-1.0	+10.4	+26.9	+3.5	-43.4	+41.4
Second quarter	-5.8	-5.1	+37.8	-8.4	-33.7	+22.1
Third quarter	+12.3	-3.4	+41.9	-42.4	-23.5	+65.2
Fourth quarter	+4.7	+10.5	+27.1	-52.9	+3.9	+11.4

Two years ago, it will be seen, a decrease of no less than 52.9 per cent. was recorded in the final quarter of the year, and the two relatively small increases which have followed still leave profits very substantially below the 1920 figure. A rough calculation shows that for the fourth quarter of the year 1923 the disclosed profits are still over 40 per cent. below the 1920 figure, and are more than 20 per cent. below the 1918 figure. The changes in the profits of the individual groups are shown in the next table:—

NET PROFITS (after PAYMENT OF DEBENTURE INTEREST, &c.).						
	Number of Companies.	Reports Published in Quarter Ended Dec. 31.		Increase.		Decrease.
		1922.	1923.	£	%	
Breweries	43	1,586,750	1,756,966	170,216	10.7	..
Hotels, restaurants, &c. ..	7	362,414	385,977	23,563	1.0	..
Iron, coal, and steel	26	1,007,141	2,347,296	1,340,155	130.0	..
Land, mortgage, &c.	27	1,420,173	1,863,180	443,007	31.1	..
Motor and cycle	12	590,126	470,239	..	..	119,887
Nitrate	6	20,469	139,436	118,967	..	20.2
Oil	5	3,600,091	3,049,839	..	..	550,252
Rubber, &c.	74	174,523	844,121	669,598	383.9	..
Shipping	6	1,241,191	1,413,188	177,997	14.3	..
Shops and stores	5	Dr 220,430	129,225	349,655	..	..
Tea	5	65,792	96,208	30,417	46.2	..
Telegraph, &c.	4	830,289	641,002	..	..	189,287
Textiles	7	3,486,343	3,120,552	..	..	365,791
Tramway	4	367,265	391,467	24,202	6.6	..
Trust	11	401,568	76,163	234	..	..
Miscellaneous	70	8,525,234	9,007,669	482,435	5.7	..
	312	23,382,776	26,043,934	2,661,158	11.4	..

The outstanding changes shown in these figures are the increases in the iron, coal and steel and the rubber groups. In the case of the former a decrease of over 65 per cent. was shown in our analysis twelve months ago, but the rubber group was already showing increasing profits. Now "rubber, &c.," records an upward movement of 38.4 per cent. One of the largest decreases is shown by the motor and cycle group, this decline of 20.2 per cent. following a decrease of 13.7 per cent. twelve months ago. The decline during the past quarter in this group is by no means general. The Rover Co., Stepney Tyres and Enfield Cycle show substantial declines, but an improvement is recorded by Joseph Lucas, Humber and J. B. Brooks. The increase in the shops and stores groups follows a decrease of 78 per cent. twelve months ago, but the tea group shows an increase of 46.2. The decline in the telegraph group follows one of similar dimensions in the previous quarter, but twelve months ago an increase of over 37 per cent. was shown.

The next table shows the distribution of profits in each of the past four quarters:—

DISTRIBUTION OF PROFITS.						
	Net Profits.	Ordinary Dividend.	Preference Dividend.	To Reserve, &c.		
	£	£	£	£	%	%
First quarter	40,276,870	21,934,234	54.4	9,501,074	23.6	8,241,562
Second quarter	38,945,778	25,038,627	64.3	7,734,685	19.9	6,172,466
Third quarter	17,317,482	9,653,962	55.8	3,039,838	17.5	4,622,682
Fourth quarter	26,043,934	16,422,429	63.1	4,593,984	17.6	5,027,521
	122,584,064	73,049,252	59.5	24,668,581	20.3	24,668,581

Twelve months ago the amount set aside to reserve, including the net amounts by which the balances carried forward were increased, worked out at 15.7 per cent., with which the 19.3 per cent. for the past quarter compares favourably, although it is slightly below the average for the four quarters. The distribution of profits by groups in the past quarter is set out below:—

	Net Profits.	Ordinary Dividend.	Pref. Dividend.	To Reserve, &c.		
	£	£	£	£	%	%
Breweries	1,756,966	982,281	56.0	382,060	21.8	332,025
Hotels, restaurants, &c. ..	385,977	174,779	47.8	94,989	25.8	96,209
Iron, coal, and steel	2,347,296	836,776	35.6	620,254	26.5	890,266
Land, mortgage, &c.	1,863,180	1,014,707	54.4	296,351	15.9	552,122
Motor and cycle	470,239	320,503	68.0	43,447	9.2	105,289
Nitrate	139,436	94,208	67.5	..	..	45,228
Oil	3,049,839	1,140,524	37.5	875,000	28.8	1,034,315
Rubber, &c.	844,121	682,781	81.0	22,450	2.7	138,690
Shipping	1,413,188	753,008	53.3	338,488	16.6	430,632
Shops and stores	129,225	45,985	35.5	49,204	38.1	34,036
Tea	96,208	66,327	69.1	7,800	7.9	22,282
Telegraph, &c.	641,002	755,258	119.4	..	..	Dr 124,266
Textiles	3,120,552	2,677,158	85.8	402,957	12.9	40,437
Tramways	391,467	244,365	62.4	78,625	20.0	68,477
Trust	401,568	192,166	47.9	116,879	29.1	92,583
Miscellaneous	9,007,669	6,431,003	71.4	1,368,680	15.2	1,207,986
	26,043,934	16,422,429	63.1	4,593,984	17.6	5,027,521

In the matter of reserve appropriations the best showing is made by the iron, coal and steel group, with the oil group a fairly good second; but at the other end of the scale the telegraph and textile groups are in striking contrast. In the case of the telegraph group, however, one company, which reduced its balance forward by £139,000, placed nothing to reserve and paid 15 per cent. on its ordinary shares, is largely responsible for the unfavourable nature of the figures.

Our next table shows the ratio to total ordinary and preference capital of net profits and of the amounts carried to reserve:—

1923.	Total Ord. and Pref. Capital.	Net Profits.		Carried to Reserve, &c.	
	£	£	%	£	%
First quarter....	406,793,000	40,276,870	9.9	8,841,562	2.2
Second quarter..	396,675,400	38,945,778	9.8	6,172,466	1.6
Third quarter....	195,420,900	17,317,482	8.9	4,623,682	2.4
Fourth quarter..	255,094,800	26,043,934	10.2	5,027,521	2.2
	1,253,984,100	122,584,064	9.8	24,665,231	2.0

The ratio of profits to capital in the final quarter is substantially larger than in the preceding quarter, while the average of 9.8 per cent. compares with an average of 7 per cent. for 1922. In 1921, however, it was 10.3 per cent., and in 1920 15.2 per cent.

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

AVERAGE RATES PAID.

	On Debenture Capital.			On Preference Capital.			On Ordinary Capital.		
	1920.	1921.	1922.	1920.	1921.	1922.	1920.	1921.	1922.
1st quarter	4.25	4.45	4.70	5.1	5.0	5.3	11.2	10.3	8.5
2nd quarter	4.25	4.61	5.00	5.0	5.4	5.6	13.7	12.6	8.8
3rd quarter	4.12	4.45	5.21	4.9	5.0	4.5	14.2	9.7	7.6
4th quarter	4.43	4.52	4.83	5.03	5.3	5.1	11.6	7.6	8.6

The higher level of average rates of debenture interest during the past two years is a reflection of the high rates at which debentures and short-term notes were issued during the boom period. The average rates paid on ordinary capital show a wide fluctuation, that for the last quarter being the highest for over two years with the exception of 9.9 per cent. for the second quarter of 1923.

The final table shows the average rate paid in the last quarter of 1923 in each of the groups, together with the ordinary rates recorded a year ago:—

	Debenture Capital.	Rate of Interest.	Preference Capital.	Rate of Dividend.	Ordinary Capital.	Rate of Dividend.	Rate a Year Ago.
	£	%	£	%	£	%	%
Breweries	12,734,740	4.2	6,459,107	5.9	7,905,523	12.4	10.8
Hotels, restaurants, &c.	2,057,913	4.8	1,880,000	5.1	2,192,500	8.0	8.2
Iron, coal, and steel	15,933,467	5.9	13,864,910	4.5	36,835,181	2.3	1.7
Land, mortgages, &c.	10,673,481	4.5	5,931,717	5.0	14,062,829	7.2	5.6
Motors and cycle	337,400	5.4	839,982	5.2	3,360,103	9.8	8.5
Nitrates	5,749,875	5.1	12,064,339	7.3	1,391,275	6.8	2.8
Oil	354,533	6.1	650,854	7.3	13,471,176	8.6	16.4
Rubber, &c.	8,859,180	5.6	4,641,100	5.1	6,465,898	11.7	9.2
Shipping	420,000	5.0	1,047,849	4.7	495,242	9.3	7.5
Shops and stores	42,360	5.0	105,000	7.2	232,831	26.5	10.8
Tea	2,488,875	5.6	250,000	..	6,336,085	11.1	9.6
Telegraph, &c.	1,682,827	6.6	6,870,000	5.9	16,226,525	16.4	16.4
Textile	3,439,070	4.3	1,590,000	4.9	3,716,222	6.6	5.6
Tramway	3,395,356	3.8	2,938,957	4.0	2,417,659	7.9	3.0
Trust	7,392,522	5.0	25,142,124	5.4	45,740,600	14.1	13.3
Miscellaneous	73,650,676	5.0	84,155,949	5.4	170,933,896	9.6	8.6

There are only three groups which do not show a higher average rate of ordinary dividend, the most prominent decline being that in the oil group, thanks to the reduction from 20 to 10 per cent. in the Anglo-Persian Oil dividend. The increase in the tea group is striking, and ordinary shareholders in the rubber and nitrate groups have done very much better than last time.

ROUNDING OFF THE IRISH TREATY.

(BY A DUBLIN CORRESPONDENT.)

AMONGST the problems awaiting prompt treatment by the Government, whatever party may be in power, is that of completing the implementation of the Anglo-Irish Treaty. Apart from the adjustment of accounts for the period of change—a matter of little more than departmental routine and not likely to give rise to controversy—there are two most important provisions of the Treaty which have yet to be carried through. They arise under Articles V. and XII. Under Article V. Ireland assumed "liability for the service of the Public Debt of the United Kingdom as of the date hereof and towards the payment of war pensions in such proportion as may be fair and equitable, having regard to any just claims on the part of Ireland by way of set-off or counterclaim," and with a provision for arbitration in default of agreement. The set-off or counterclaim undoubtedly referred to the secular claim of Ireland that she had been grievously overtaxed in contravention of the terms of the Act of Union, and in order to produce contributions to Imperial expenditure. It is a claim which, however opinions may have differed or may still differ, obtained a considerable amount of justification from the Report of a strong Royal Commission in 1894-96, presided over by the late Mr. H. E. C. Childers, an ex-Chancellor of the Exchequer. It is to be hoped that the subject may be dealt with on broad lines and in a spirit of enlightened statesmanship, for the taking of an account on controversial lines from the Parliamentary Union of 1800 or 1817, the date of the amalgamation of the two Exchequers, down to December, 1921, could scarcely be contemplated with equanimity. The subject is somewhat complicated by the secession, temporary or permanent, of Northern Ireland from the Irish Free State with the separate financial arrangements prescribed by the Government of Ireland Act, 1920. This Act, which Northern Ireland embraced as the acceptable reward for its political victory in 1920, assessed Northern Ireland's proportion of an annual contribution by Ireland to Imperial Expenditure at 44 per cent., or nearly £8,000,000 out of a total of £18,000,000. The figure was reduced later to £6,000,000, and though it has been paid in whole or in part it has mostly been returned in the form of subsidies from the Imperial Treasury towards unemployment relief, cost of constabulary, and such like matters. These subsidies, which were paid purely as an act of grace by the Government, cannot well be continued any longer. They are anomalous from the standpoint both of national finances and of constitutional practice, and there are other claims on the British Exchequer which, in virtue of their being based upon civic right rather than upon reliance upon British generosity, will now naturally claim prior satisfaction. But their cessation may cause some embarrassment to Sir James Craig's Government. Northern Ireland may be driven to seek relief from its statutory liability to contribute to Imperial Expenditure in the ratio of its relative taxable capacity*, and to plead that its qualified autonomy leaves it with little more money than will suffice to pay for its own new administration. Now, inasmuch as the "Imperial Expenditure" (defined in the Sixth Schedule to the Act of 1920) covers a much wider area than the service of the public debt and war pensions for which the Irish Free State has assumed its contingent proportionate liability, the position of Northern Ireland would then constitute an *a fortiori* argument for the Irish Free State in seeking to argue its liability down to vanishing point. How deep the argument would cut will be realised when it is remembered that under the Act of Union no taxes and no higher rate of tax were to be imposed on Ireland than those prevailing in Great Britain, and that there were to be "such particular exemptions and abatements as circumstances may appear from time to time to demand," and that as expenditure was indiscriminate upon the two countries, there was no obligation on Ireland to contribute to Imperial expenditure unless, in

* Cf. 13th Geo. V. cap. 2, Sch. I, 3(c) which follows 10 and 11 Geo. V. cap. 67, Sec. 23 (3). "The Joint Exchequer Board in determining the just proportion of Imperial liabilities and expenditure to be contributed by Northern Ireland shall have regard to the relative taxable capacities of Northern Ireland on the one hand and Great Britain and Ireland on the other hand."

LABOUR IN 1923.

(FROM OUR LABOUR CORRESPONDENT.)

POLITICALLY, 1923 has been a great year in the history of British Labour. The 1922 General Election doubled its Parliamentary strength and very much more than doubled its Parliamentary influence. Inspiring, as well as intelligent, leadership, and efficient personnel made of an Opposition, small in numbers, an effective political instrument, on which public attention was focussed throughout the year. The fruits of this work could hardly have been expected to ripen so soon as December last. In many respects the time of the election was highly unfavourable to Labour, and was generally believed, inside the movement, to have been chosen for that reason. In the fourth winter of unemployment, finances were at a low ebb; union membership, as well as its chests, depleted. Nevertheless, the Party secured four and a half million votes, increased its representation by a third—from 144 to 192—easily retained its position as Opposition, and though a minority—and a small minority at that—is now on the eve of forming a Government. The limitations and difficulties of a minority Government are pretty well understood throughout the ranks; miracles are not expected. But the Party hopes to gain in general public confidence whatever it may have to lose in the inevitable disappointment of some of its more ardent and less disciplined supporters consequent on the effort to carry through a national rather than a Party programme. Nothing was more notable at the Albert Hall meeting than the earnest, almost solemn agreement with which Mr MacDonald's emphasis on this—that the Party goes in to do work, and work for the nation rather than itself—was received.

Politically, 1922 and 1923 were years of steady growth along the lines of the new, 1918, Constitution of the Party. The outstanding feature of the redraft accepted by the Party Conference in that year was the opening of membership, hitherto confined to groups, organised in industrial (trade union) or political (the Independent Labour Party, the Fabian Society, the Social Democratic Federation) associations, to individual "workers by hand and brain." It is, since then, in its individual membership section that the Party's advance has been most rapid and marked. The trade unions are still the numerical and financial backbone; but the members of trade unions, mingled with and strengthened by association with persons coming from other walks of life and forms of work, are more and more tending to reorganise themselves in local and divisional Labour Parties. The result of this is seen in the changed type of candidate now being selected and returned by Labour votes. The trade union leader is still there, but the younger trade unionist who goes forward as a candidate is, more and more, an active political, and not merely an effective industrial, worker, organiser and thinker. Moreover, there is a continually increasing infusion, in the ranks of the Parliamentary Party, of men who have come into the Labour movement from conviction rather than from direct experience. Nor are they now regarded with suspicion. No effort, from outside, to sectionalise the Party on "class" lines will work. The Scottish contingent is a case in point. In its origins, its membership is thoroughly "mixed." Nor is it any more aggressively Socialist than the Yorkshire or the London contingent.

Another general point is worthy of notice. The Parliamentary weakness of Labour from 1918 to 1922—weakness not only in numbers, but in leadership—encouraged, and was, to a degree, a cause of, "direct action" propaganda and feeling. Since 1922, this has almost entirely died away. Neither protracted unemployment nor the wage cuts of 1921 and 1922 have revived it. Belief in "direct action," like the membership of the Communist party has fallen away steadily through the last three

fact, her taxation, moderated to her circumstances, provided a surplus over the cost of her domestic administration. The inability of Northern Ireland, with its highly developed industrial system and its frequently-expressed desire to contribute, to pay a six million contribution towards Imperial expenditure would throw a strong retrospective light on the controverted questions of Ireland's capacity in the past to make such contributions. And of course, the secession of Northern Ireland will, *prima facie*, reduce the liability of the Irish Free State under Article V. by some 44 per cent., with a parallel reduction in the figures of the alleged "set-off" or counter-claim. However these complex matters may be decided, it would be well that they should be decided soon. Controversies which are allowed to grow stale are apt to gather further misunderstandings around them, and to develop only towards their own embitterment.

Article XII. of the Treaty is the second and the more urgent matter. It provided that Northern Ireland might secede from the Irish Free State subject to the condition that if it did so a Boundary Commission should be appointed to "determine in accordance with the wishes of the inhabitants, so far as may be compatible with economic and geographic conditions, the boundaries between Northern Ireland and the rest of Ireland." Northern Ireland exercised its option under Article XII. as confirmed and "given the force of law" by 12 Geo. V., cap. 4 (The Irish Free State Agreement Act, 1922), but its Prime Minister, Sir James Craig, demurs in emphatic terms to submitting to the award of the Boundary Commission. Legally and constitutionally, of course, the case does not admit of argument, and the Government will naturally insist upon the Treaty being carried into effect. No other course would be consistent with the honour of Great Britain, for however the jurists may describe the Anglo-Irish Treaty that instrument was negotiated and executed by her principal Ministers of State and was, after full deliberation, ratified and given the force of law by the Imperial Legislature. The new Dominion, which has made great sacrifices to enforce compliance with the Treaty within its own domain, must be given no cause for complaint that that Treaty is more lightly regarded in this country. From the standpoint of ordinary fairness the whole argument which justifies the exclusion of Northern Ireland from the Irish Free State justifies with even greater force the exclusion by a Boundary Commission from Northern Ireland of those border districts in which the local majority claims its right to be re-incorporated in the parent Ireland under the title of the Irish Free State. Nor is it easy to descry what type of statecraft it is which desires to hold captive populations whose eyes are ever turned in longing towards the neighbouring state, and whose repression is so arduous and so extremely costly an undertaking as actually to necessitate subsidies from Great Britain to enable the Budget to be balanced. And this naturally leads to the question why Great Britain should be expected to pay for the repression of districts which the Treaty binds her in honour to liberate.

Mr. Baldwin has, it is said, arranged a conference of British, Irish and Ulster representatives in an endeavour to smooth the way for the Boundary Commission. The intervention of the General Election delayed its meeting, and now possibly it will be held under the auspices of a different Prime Minister. The election itself served to emphasise its importance, since the border counties of Tyrone and Fermanagh (a single constituency) returned by large majorities the two anti-Partition candidates, of whom one—Mr. Cahir Healy, M.P.—is and has been for nearly two years held imprisoned in preventive detention in a prison ship by the Northern Government.

We hope the Conference will be successful in finding a way to carry through to completion the arrangements of the Anglo-Irish Treaty while saving all susceptibilities—there are more ways than one open by which a satisfactory adjustment can apparently be reached, embracing not merely the issues with which this article deals, but the broad policy of the whole settlement. Great Britain will not be niggard of sacrifice in the hope of turning the final page of one chapter of her Irish history, and of opening the record of a more satisfactory era. But the other parties must do their share. If need be, the Anglo-Irish Treaty must be carried out in its entirety, and there must be no more Ulster adventures of the 1913-14 pattern.

years. In so far as it remains, it is the direct product of despair. The Unemployed Workers' Organisation probably contains more Communists than does any other Labour body. The Party has consistently rejected Communist affiliation by increasing majorities.

If long-protracted industrial depression has not smashed the organisation of the workers the reason is that they have seen the hope of rescue somewhere else—through politics. The tendency has been throughout the last twelve months to cast more and more weight on the political side; perhaps to expect from it more than it can give. The candidature of Mr Frank Hodges, the secretary of the Miners' Federation, is only one instance. There is, indeed, in many quarters what amounts to a disbelief in Trade Unionism, or, at any rate, in the present organisation of the Trade Union Movement. One of the ablest and most vigorous (and at the same time politically distinguished) of the younger trade union leaders put this view very frankly some months ago at a Trade Union Conference in London. He said:—"The present position of Trade Unionism, as will be admitted by all who know the facts, is deplorable. To put it bluntly, Trade Unionism is active, conscious of its importance, even bombastic, in times of industrial prosperity. In times of depression, all this disappears. Its spirit depends on the prosperity of industry. If this be so, if it can only function actively in times when trade is good, it is of small value to the workman. Nor is it sufficient, in answer to this, for those who in the past have consistently deprecated and belittled political action, to cast their burdens upon it now."

This same critic, Mr E. Shinwell, M.P., roundly denounced the Plymouth Trade Union Congress (see *New Leader*, September 14, 1923) as "the most hopeless on record"; a "huge waste of time"; and declared that it "merely repeated the deliberations of the Labour Party Conference" three months earlier. His criticism was justified by one salient fact. The big problem before the Congress, and before the industrial movement generally, was co-ordination of the unions. It was in order to secure such co-ordination that the T.U.C. Executive was reconstructed, and the General Council established some two years ago. The "big" debate of this year's Congress ought to have been on the giving to the Council of extended powers. The "big" debate never came off. After a perfunctory half-hour's discussion the proposal to allow the Council to levy affiliated bodies, in proportion to membership, for the support of a union engaged in a dispute, was rejected by a majority of over 1,600,000. Thus the Congress registered the fact that, while the political side of the movement is forging ahead, the trade union side is marking time. There is leadership on the political side, not on the industrial in the big sense. There are individual unions, like the N.U.R., whose position is thoroughly sound, which are steadily and quietly going forward, dealing in their own way with the thorny problem of Craft v. Industrial Unionism, which was at the bottom of the longest trade dispute of the year—that in which the boilermakers were involved—and on occasion generously helping the general effort—witness the N.U.R. grant of £10,000 for the Labour Party's Election Fund. But taking a general survey, one finds no analogue, on the industrial side, to the determined forward drive which Mr MacDonald has brought to the political movement.

Of course, there is this to be said. Economically, the circumstances of the last three years have been adverse in the extreme. Industrially, and notably in relation to wages, Labour has been fighting a losing battle. Moreover, the true story of the year can be given in one word—unemployment. Protracted unemployment is not only a huge financial drain; it is at the same time a huge moral drain. Throughout the year the unions have had to carry a percentage of unemployed members that have never averaged less than 11. The burden on many unions has been twice as heavy, and represents a fifth of their membership. Add to this fact that where-as prices, at the end of the year, were 77 per cent. above the 1914 level, weekly full-time wages were only 70 per cent. above it—and the level of real wages, as Professor Pigou has pointed out, was below that of the late nineties. No further explanation is required of the failure of the "Back to the unions" campaign. On this the figures given at the time of the Trade Union

Congress are eloquent. Comparing 1922 and 1923, the membership of the various great groups was:—

Group of organisations.	No.	1922.	Memberships.	No.	1923.	Memberships.
Agriculture	1	..	70,000	..	1	.. 30,000
Mining and quarrying ..	7	..	839,902	..	7	.. 784,617
Metal, engineering and shipbuilding	42	..	847,274	..	42	.. 706,231
Textile	26	..	544,502	..	26	.. 417,958
Clothing	10	..	170,512	..	10	.. 164,817
Woodworking and furnishing	8	..	89,298	..	7	.. 73,443
Paper, printing, &c.	12	..	168,477	..	13	.. 159,806
Building, decorating, &c.	11	..	396,641	..	10	.. 335,685
Railway service	3	..	464,794	..	3	.. 447,374
Other transport	9	..	407,570	..	8	.. 405,650
Commerce and finance ..	7	..	193,000	..	7	.. 168,650
Public administration ..	9	..	152,692	..	10	.. 183,264
Miscellaneous	19	..	110,976	..	18	.. 89,512
General labour	7	..	673,010	..	5	.. 402,261
		171	.. 5,128,648	..	167	.. 4,369,268

There has thus been a decline of 14.8 per cent., more than half of which was accounted for by the general labour and the metal, engineering, and shipbuilding group (where unemployment has been most severe and protracted), together with a very heavy falling off in agriculture.

Of course, it can be said, and said with truth, that, ever since 1921, the unions have been shedding their temporary war-time accessions in membership. Under the stress of dilution, &c., many of them took in large numbers of persons who were only unionists in the sense that they paid contributions, not in the sense that they were convinced or comprehending members. Their falling away was to be expected, and represents no loss of real fighting strength. The drain of unemployment is another matter. That has been, and is, terrible. Throughout the last two years the unions have been fighting, or trying to fight, on a falling market. 1923 records no such disaster as the collapse of the miners' strikes, but in two cases—that of the building dispute and the Norfolk farm strike—something approaching disaster was only prevented by the interposition of the leader of the Labour party. These, with the jute lock-out in Dundee in the spring, the unofficial Docks strike in the summer, and the protracted boilermakers' lock-out, which dragged on till November, were the principal industrial conflicts of the year, other threatened stoppages being in various ways prevented by the use of arbitration machinery. Behind them all loomed, throughout its course, the great unsettled question of the mines, which requires, and must be given, special treatment in a subsequent article.

If one tries, then, to sum up the history of 1923 from the point of view of labour, one can only say this. It has been a year of widespread distress, privation, and hardship; a year in which the material and mental sufferings of countless men and women have been redeemed and lit by one gleam of hope—the hope inspired by the political progress of the party.

THE RUSSIAN COAL INDUSTRY.—THE DONETZ COALFIELD.

(FROM OUR MOSCOW CORRESPONDENT.)

THE Donetz basin plays a preponderant rôle in the coal industry of Russia—in 1913, for example, of the 37 million tons of coal and anthracite extracted in the whole of the Russian Empire, 25.7 million tons came from the Donetz. During the revolution the coal production fell rapidly to one-sixth of the pre-war production, and it was not until 1921 that the curve of production again showed an upward trend. From 25 million tons extracted in 1917, the quantity of coal extracted fell in 1918 to 9 million tons, in 1919 to 5.7 millions, and in 1920 to 4.5 millions. In 1921 the production rose to 5.5 million tons, this amelioration being due in part to a small increase in the number of miners who were attracted during the famine period, when payment was made on the basis of individual output in foodstuffs specially allocated. In 1922 the shortage of workers was still evident, the numbers of miners falling from 17,825 in January to 5,735 in July; it should, however, be noted that it is customary for a considerable number of the Donetz miners to accept agricultural employment during the summer months. The decrease in

the number of miners was, however, offset by increased productivity, and in 1922 the total production of the basin amounted to 5.2 million tons. The year 1923 commenced inauspiciously, and during the first four months the minimum programme laid down was not executed. But from April the situation improved, largely owing to improved equipment of the mines, the summer months being marked by an increase in production (in May 642,000 tons, June 664,000 tons, as compared with 450,000 tons and 426,000 tons during the corresponding months of 1922), July and August continued at much the same level (602,000 tons in July and 647,000 tons in August). In September and October the curve of production rose appreciably, reaching almost 1 million tons in October, as compared with 428,000 tons in October, 1922. The very low prices of agricultural products on the internal market and the rise and regulation of miners' wages were the principal factors attributing to the better output. The administration of the coalfield was reduced and reorganised during 1923, and a serious attempt made to apply to the exploitation of the mines the features of the new economic policy tending to development on a commercial basis. The Central Administration of the Coal Industry (U.G.K.P.), a State organisation, formerly received its financial support from the State and transferred without consideration of costings, &c., the production to Governmental organisations, railways, &c. Of the 1,250,000 tons actually utilised in October to December, 1922, 684,000 tons were used by the railways and 297,600 tons by the State industrial trusts. At present the Donetz Administration is responsible for its own fixed budget, is provided with working capital, and delivers its production to the State Organisations and to the free market only against payment (the State Organisations, however, receive the coal at less than cost price, the difference being made up by subsidies). The bureaucratic apparatus of the central administration has been considerably reduced, and its relations with the managements of the mines tend to be those of a purely commercial character, the central administration paying the managements for the coal delivered on the basis of estimated forward prices and leaving to the managements liberty as regards their internal organisation. The Central Coal Administration (U.G.K.P.) is dependent directly on the Supreme Council of National Economy.

The mines are divided into 33 administrations, grouping together the mines united for technical and territorial reasons, and 7 regions, the chiefs of each region surveying and controlling the mine administrations and extending to them technical assistance in case of necessity. The furnishing of the basin with machines, &c., depends entirely on the Central Administration, only material found locally being bought directly by the mine managements. The delivery of coal for State consumption and sales in general are arranged by the Central Administrations, the Commercial Section of which has recently replaced the Coal Syndicate now liquidated. Nominations to the various posts in the Central Coal Administration are in the hands of the Supreme Council of National Economy; the posts in the Mines Managements depend on the Central Coal Administration.

The state of the technical equipment of the collieries deteriorated very much during the Revolution. Although production is concentrated in the best managed and equipped mines, to which have been transferred the machines and installations in the abandoned mines, yet the mines in work often lack the technical material necessary to normal working, and recourse is had to expedients which, although often ingenious, are yet always costly and insufficient. A special study of the state of technical equipment of the Donetz permits of two conclusions:—1. The mines are not in a "catastrophic" state, as has often been asserted. They are maintained by current repairs and the relatively small purchases of the Central Coal Administration, which assures a continuance on a much reduced annual production. 2. The difficulties caused by the wear and tear of the machines and the lack of material, although surmounted in some measure by the ability of the expert personnel and workmen, none the less render the work more costly, more exacting, and more dangerous. From these factors result a diminution in productivity and an increase in the selling price of the coal. The production of coke in the Basin has risen in the six

months ending March, 1923, to 87,500 tons, the present production being about 7.6 per cent. of 1915, in which year 4.2 million tons were manufactured.

The reduction of the working day in the collieries from twelve to eight hours for the workers in general and to six hours for the miners and lack of loading facilities have given rise to difficulties in organisation and have made production more costly. Of the total number of 1,800 pits—including the small workings—267 only were worked in 1921-22, giving a gross coal production of 6.8 million tons, of which local consumption amounted to the large figure of 2 million tons. The net output represented 25 per cent. of pre-war. A further important reason which has hindered the Donetz mines managements is the irregularity with which the minimum indispensable financial means for the exploitation of the collieries have been put at their disposal. Often lacking the means to meet current expenses (wages, &c.), drawings have had to be made by the managements on funds set aside for capital expenditure. The wages of the workmen and experts in the Donetz have been quite insufficient and paid with great delay in a steadily depreciating money (wages for January, 1923, for example, were paid 43 per cent. at the end of February and 57 per cent. in March). During last summer a certain improvement was effected in fixing the wages in goods roubles, but this measure had to be renounced as it increased very much the selling price of the coal, and wages were paid in gold roubles (on November 1st the goods rouble was equivalent to 1.61 gold roubles). The Ukrainian review, *Donbass Economy*, No. 30-31, of July 15, 1923, mentions that in the spring of 1922 the monthly wages of a workman were equivalent to the cost of 3 lbs of bread. In June, 1923, the Donetz workman received 7.58 goods roubles, as compared with 12.872 received by a Moscow factory worker and 9.95 in Petrograd. Before the war (1913) the men's wages were:—Moscow, 27.10 gold roubles; Petrograd, 34.70 gold roubles; average of 10 Russian Governments, 22 gold roubles; Donetz Basin, 34.43 gold roubles. The price of Donetz coal in November, 1923, was in Moscow 55 to 75 gold copecks a pood, anthracite 60 to 88 copecks, and coke 95 to 1.3 roubles a pood. The spot cost price of Donetz coal varied from 18 to 27 copecks a pood; the supplementary expenses (transport, handling, taxes) making up the great difference between the local and Moscow prices have made sales difficult. The most serious hindrance, however, to the normal development of the Donetz coal basin is lack of capital.

THE TRUST MOVEMENT IN GREAT BRITAIN—FURTHER ILLUSTRATIONS.—IV.

AN unfortunate example of "horizontal" combination inspired by excessive optimism has been supplied by Sheffield Steel Products, Limited, which was registered at the end of 1918 to acquire the undertakings of some fifteen companies engaged in the manufacture of cutlery and allied commodities such as surgical instruments, pliers, saws, files and edge tools. In October, 1922, an investigation disclosed "such a deficiency that the company has been advised that it cannot continue its business without reconstruction with a view to securing, if possible, necessary further working capital." At the end of 1922 the issued capital of the company was £727,000 in preferred shares, £1,730,000 in ordinary shares, and £1,025,000 in 8 per cent. and 6 per cent. debentures.

Other instances of the same type of combination are Agricultural and General Engineers, Limited, which was registered in June, 1919, and has acquired, through purchase of all or the greater part of the share capital, controlling interests in fourteen companies, the purchase price, in preferred and ordinary shares of the new undertaking, amounting to nearly three million pounds; the Associated Lead Manufacturers, formed at the beginning of 1921 to acquire the control of the six leading British lead manufacturing concerns, all except one being private companies; and the two consolidations formed in the photographic materials trade, the one being British Photographic Industries, Limited, registered in 1915, and holding practically all the share capital of six companies engaged in this line of manufacture, and the other being

Amalgamated Photographic Manufacturers, Limited, formed in 1921 to acquire the businesses of seven companies manufacturing cameras, photographic plates and papers, and binoculars and other optical instruments.

In the English textile industries "horizontal" combination has still made comparatively little progress, except in the finishing trades (bleaching, printing, dyeing), in the cotton and linen thread sections, in the Egyptian section of cotton-spinning (the Fine Cotton Spinners' Association, Limited), and in the jute industry (Jute Industries, Limited, formed in October, 1920, to acquire control of nine concerns engaged in the spinning of jute and the manufacture of jute cloth and carpets).

The incursions of financial interests during the past five years into the cotton spinning industry and their acquisition of control (sometimes at very high prices) over groups of mills, constitutes a break in the Lancashire tradition, the advantages of which are not yet apparent, though the almost unparalleled depression of the industry during the past two years makes it difficult to form any decided opinion.

One of the most remarkable and instructive cases of "horizontal" and other kinds of combination is furnished by the glass bottle industry. The depression of the trade in face of severe continental competition led to the formation in 1907 of the Association of Glass Bottle Manufacturers of Great Britain and Ireland, comprising almost all the makers, with the object of securing minimum prices. When the European patent rights of the Owens bottle-making machine were acquired by the Europaischer Verband der Flaschenfabriken, some 90 per cent. of the members of the Association formed the British Association of Glass Bottle Manufacturers, Limited, which became a shareholder in the Verband and so secured for its constituents the exercise of the patent rights in the United Kingdom, subject to certain restrictions on output—an agreement being made at the same time between the continental and British makers for the prevention of price-cutting. After this formation of (1) a price-fixing combination, and (2) a company to hold certain patent rights, the next stage was an attempt—only partially successful—to bring about a "horizontal" amalgamation by the creation in 1912 of United Glass Bottle Manufacturers, Limited, which acquired six concerns holding together about 50 per cent. of the shares of the British Association (the patent-holding company). Then came the war, and during that period, to quote from the Report issued in 1920 by a Sub-Committee of the Standing Committee on Trusts,

The scarcity and high price of glass bottles and of domestic glassware generally attracted so much popular attention that certain financial interests, entirely unconnected with glass manufacture, conceived the idea of entering the business, and the result is an interesting one as illustrating a phase of Trust organisation which is not only of importance to the investor, but has an intimate bearing on the consumers' position. So many investors were satisfied that large dividends could be earned by manufacturing glass that it was clear that ample capital could be obtained for the purpose of financing such operations.

So in 1919 British Glass Industries, Limited, was formed to acquire and amalgamate five glass-making firms; it also obtained a small interest in another company, stated to be the only one of the group which had any considerable experience of bottle making. Meanwhile, the United Glass Bottle Manufacturers, Limited, were pushing on with their schemes of development, and they were in a very strong competitive position owing to their possession of the patent rights as to the Owens machine and their greater experience in this branch of glass production. But neither party desired a struggle; and before the end of 1919 British Glass Industries, Limited, acquired all the ordinary shares of the United Glass Bottle Manufacturers at £3 10s for every £1 share. In order to carry through this transaction, the former company, whose capital stood at 300,000 £1 shares issued at par, and 300,000 £1 shares issued at £2 10s each, now issued 800,000 £1 shares at £3 10s each, thereby raising their share capital to £1,400,000 and the premiums to £2,450,000; subsequently these premiums were capitalised to the extent of £2,100,000, the shareholders receiving three shares for every two they held—the share capital being thus raised to £3,500,000 out of £5,000,000 authorised.

In the food trades interesting examples of permanent horizontal combinations are the formation in May, 1919, of the British Cocoa and Chocolate Company, Limited, to acquire control of Cadbury Brothers and J. and S. Fry and Sons; and Associated Biscuit Manufacturers, Limited, formed in December, 1921, to acquire all the ordinary share capital of Huntley and Palmers and Peek, Frean and Co. In connection with this second case, we may draw attention to the fact that the Standing Committee on Prices, appointed under the Profiteering Act, investigated prices, costs, and profits in the biscuit industry, and in their report dated July, 1920, pointed out that an examination of the costings of six large biscuit firms disclosed the fact "that in spite of widely varying costs and profits of the different manufacturers' identical prices are being charged by these manufacturers for similar types of biscuits"—a fact which, in their opinion, pointed to some form of agreement or combine among the makers.

But in the food trades the most striking phenomenon is United Dairies, Limited, whose organisation and operations are examined in great detail in the Report on Milk and Milk Products recently issued by the Departmental Committee on Distribution and Prices of Agricultural Produce appointed by the Minister of Agriculture. The United Dairies, Limited, was formed in 1915 to acquire some of the chief London wholesale milk businesses and their country creameries; two years later the company entered the London retail trade, acquiring some of the largest distributing businesses for that purpose. The policy of absorption has been continued, and the issued capital, which was one million pounds in 1915, has been approximately quadrupled. The Departmental Committee, after stating their estimate that the company controlled directly some 65 per cent. of the total milk supply of the metropolis, state that—

The company owns 45 creameries in England and Wales, which have been described as reservoirs for the London trade; a London wholesale milk business; numerous London retail milk businesses: five condensed and malted-milk factories; a retail utensils and machinery business; and a Smithfield provision business for home and imported produce. The company owns its own sawmills, and also its own factories for the manufacture of condensed milk tins. All these different businesses are worked through subsidiary companies, the United Dairies, Limited, operating purely as a holding company.

The Departmental Committee, like previous committees, were impressed by the high standard of efficiency which marked the conduct of the company's operations, and the improvements which they have introduced into the London milk trade. They point out, however, that a combination such as the United Dairies, which handles about one-twelfth of all the milk produced in Great Britain, and controls by far the greater part of the wholesale milk trade and about one-third of the retail trade of London, and is largely interested in the manufacture of milk products, is in a very strong position over against the producer, its smaller competitors in the distributing trade, and the consumer. It can practically dictate terms to the producer, since in some districts at least there is no other distributing channel open to him; it could, by reducing its distributing margin and reducing the retail price of milk, "exterminate the small retailer dealing only in milk, who lives on the edge of the profit margin"—not a really effective competitor, but one whose "continued existence seems to be satisfying to public opinion"; and it "is in a position to place the manufactured goods of its subsidiary companies upon the market at the expense of the consumer of liquid milk and at lower prices than is possible for competitive products of other manufacturers," thereby driving them out of business and depriving the farmers in some districts of any alternative outlet for their milk. And finally, the committee point out that whereas a dividend amounting to 9.36 per cent. on the total issued capital—preferred and ordinary—was paid by the United Dairies, Limited, for the year ended June 30, 1922, their own examination of the accounts for the half-year ended September 30, 1922 (a period "relatively unsatisfactory from a profit-earning standpoint"), showed the total combined profits on milk and other goods earned by the wholesale and retail groups of subsidiary milk businesses to be at the rate of about 13 per cent. per annum on the capital invested therein, including the balance of goodwill and benefit of contracts. In this connection the committee dwell on the difficulty

of determining the true rate of profit earned by an organisation so constituted and operating as the United Dairies, Limited, and the need for legislation which will compel this and similar holding companies to disclose much fuller information than is at present the case—a proposal which, though attractive, obviously presents many difficulties.

Notes of the Week.

Mr MacDonald on His Task.—We are not among those who sneer at the Labour Party's "victory" celebration at the Albert Hall last Tuesday. Victory, in the sense of gaining a clear Parliamentary majority, Labour is probably still far from achieving. But the rise in 17 years from a handful of members of Parliament to the position of a Government elect with 4½ million votes behind it is a notable achievement, which those who have brought it about are perfectly justified in celebrating. Indeed, the best testimony to the achievement is the anxiety which it has caused among those to whom Labour doctrines are *anathema maranatha*. The keynote of Mr Ramsay MacDonald's speech to this assembly was idealism and moderation. Through it were scattered such phrases as "The search for the Holy Grail," "the shield of love and the spear of peace," "We are a party of ideals," he proclaimed; "we have built our finer habitations on the horizon." But Mr MacDonald, though his eye is on the horizon, does not propose "to jump there." "One step enough for me" is his motto, qualified by the condition that one step leads to another. When Mr MacDonald came down again to earth his speech was still singularly devoid of offence to susceptible opponents. Labour is going to take office, if the opportunity arises, not to prepare for a General Election, but to do work. What work? The speech, not being a programme speech, was vague, but interesting in its sketched outline of policy. Peace abroad was in the forefront, and the completion of the structure of the League of Nations and the use of the League "without reserve as the main instrument for securing international justice and thereby creating the conditions of international peace"—a statement which was warmly welcomed by Lord Robert Cecil at the fourth birthday celebration of the League in London. The "pompous folly" of standing aloof from the Russian Government is to be ended; the problem of unemployment is to be considered from the "human point of view"; a great housing effort is to be made, in the course of which, if necessary, "trusts, monopolies, and corners" will be broken down. Ex-service men, widows, and old-age pensioners received laconic mention, and a speech which contained some real eloquence ended, as it began, on the idealistic note. On the whole, the speakers who followed Mr MacDonald did not greatly lower the tone of the meeting. Indeed, Mr Lansbury, with such phrases as "the inferno of capitalism," and Mr Smillie, who talked glibly of the "glorious Russian revolution," seemed rather strikingly out of harmony with the general tone. These appeals to passion, which Mr MacDonald so studiously eschewed, were unfortunately paralleled and outdistanced on the same night at another London political meeting by Sir Frederick Banbury, who, according to reporters, signalled his promotion to the House of Lords by delivering himself of the following passage:—

It has been the practice of the Government when defeated on a main issue to resign, but Mr Ramsay MacDonald might refuse. The Long Parliament was dissolved by Cromwell with the aid of the Coldstream Guards. My son is in the Coldstream Guards, and I should have great pleasure in leading the Coldstream Guards into the House of Commons if Mr MacDonald attempted anything of that sort.

Caricaturists are deriving legitimate humour from the conception of the new baron leading the Guards into the House of Commons. But in reality such grotesque talk ceases to be funny because it is dangerous. If Labour extremists want to gain recruits, we suggest that the most effective method they could employ would be to get Sir Frederick on to their platforms all over the country to repeat this type of nonsense. Meanwhile the City, which so recently he used to represent, has noted with

cautious satisfaction Mr MacDonald's moderate idealism, and the speech seems also to have had a reasonably good reception in Paris.

The Inquiry into the Janina Assassinations.—The alleged text of the final report presented on September 30th last to the Conference of Ambassadors by their Commission of Inquiry into the Janina Murders has recently been published as an appendix to a pamphlet by Mr George Glasgow ("The Janina Murders and the Occupation of Corfu": London, 1923, Anglo-Hellenic League). There is no reason to doubt the accuracy of the document, and its contents are interesting. Its conclusions confirm the interim report of September 22nd (which is embodied in the text). It does not bring any imputation against the Greek authorities of having been the authors or the promoters of the crime; and, while it charges them with negligence in investigation, this negligence is hardly of a culpable character. "The Hellenic judicial inquiry has been conducted with all the despatch made possible by the habitual working methods of the Greek judicial authorities." The definite points established against Greek subjects holding official positions are three: (i.) The Governor-General of Janina, though he knew that the country was unsafe at the time, did not insist upon providing an escort for General Tellini's section of the Boundary Commission, or (alternatively) upon declining responsibility for the possible consequences; (ii.) the materials of the barricade which the murderers had thrown across the road, and which might have offered a clue, were burnt the same evening by the soldiers of the nearest Greek post, though they had no lack of fuel nearer at hand (on the other hand, formal orders for the preservation of these materials had been given by the Greek authorities); (iii.) the Albanian section of the Boundary Commission, which had been travelling immediately ahead of General Tellini, was kept in ignorance of the murders for 24 hours by the Greek attaché, Colonel Botsaris. This last point looks, at first sight, the most suspicious, but Colonel Harenc, the British delegate (an officer whom the writer of this note knows personally, and for whose judgment and knowledge of the Near East he has great respect) was of opinion that Colonel Botsaris's motive was to prevent any possible warning from reaching the inhabitants of villages on the Albanian side of the frontier, in which the murderers might possibly have found refuge. Colonel Harenc based this opinion upon experiences of his own in Anatolia. Moreover, this reticence of the Greek authorities towards their Albanian colleagues was paralleled on the Albanian side. On the fourth day after the murder an inhabitant of one of the very Albanian villages in question deposed to the local Albanian authorities that a band of 13 brigands had visited his village and had admitted their authorship of the crime. The chief of this band was a man of Greek origin, and the only other two members whom the informant was able to identify were both Albanian subjects of Greek origin. The Albanian authorities sent gendarmes and captured one of these two men, while his 12 companions escaped to the Greek side of the frontier, but they did not inform their Greek colleagues of the incident. The Commission reported that they had not arrived at the full truth, though they appeared to be getting near it; they submitted that "to arrive at this result it is indispensable to ensure a complete understanding between the Albanian and Greek Governments"; and they begged their principals, the Conference of Ambassadors, to take active steps to that end. The Ambassadors, however, preferred (as we all know) to conclude the inquiry in another way. Now that this report has been unofficially published, Parliament must insist that the full papers are laid on the table of the House.

Overseas Trade in 1923.—The features of the December foreign trade returns, published yesterday, are a rise of £7½ millions in total imports, and a slight further decline, amounting to £1½ millions, in the case of British exports. Re-exports were on much the same scale as in November. A decline in exports is a seasonal movement in the month which includes the Christmas holidays and the closing days of the year; the gratifying feature of the present

returns is the smallness of the contraction, which in December, 1922, amounted to £7½ millions, and in December, 1921, to £3½ millions. The following tables show the returns for last month, and last year, in comparison with the corresponding periods of 1922:—

MONTH OF DECEMBER.

	1922.	1923.	Increase or Decrease in 1923.	
	£	£	£	%
Imports	94,937,721	109,189,790	+14,252,069	+15.1
British exports	58,883,032	64,115,189	+5,232,157	+8.9
Re-exports	8,479,066	10,396,732	+1,917,666	+22.6
Total exports	67,362,098	74,511,921	+7,149,823	+10.6
Excess of imports over total exports	27,575,623	34,677,869	+7,102,246	+25.8

TWELVE MONTHS ended DECEMBER 31.

	1922.	1923.	Increase or Decrease in 1923.	
	£	£	£	%
Imports	1,003,098,899	1,098,015,585	+94,916,686	+9.4
British exports	719,507,410	767,328,656	+47,821,246	+6.6
Re-exports	103,694,670	118,572,694	+14,878,024	+10.4
Total exports	823,202,080	885,901,350	+62,699,270	+7.6
Excess of imports over total exports	179,896,819	212,114,235	+32,217,416	+17.9

A comparison between November and December, 1923, reads as follows:—

	November. Million £.	December. Million £.
Imports	101.6	109.2
British exports	65.8	64.1
Re-exports	10.1	10.4
Total exports	75.9	74.5

A striking instance of the manner in which inclusion of our trade with the Irish Free State may vitiate numeral comparisons is provided by the import figure, "Animals, Living, for Food," £2.2 millions in December, 1923, against £.03 millions in December, 1922. Examination of the detailed return shows that the 1923 figure represents almost entirely imports from countries other than the United States and Canada, which sent nothing last year—obviously from the Free State. One might speculate on the question as to how much of the total is made up, not by actual shipments of cattle to this country, but by their being driven over the Northern Irish boundary to market at Belfast or Londonderry. We propose to deal with the full year's figures next week.

The Labour Situation.—The New Year opened with relative tranquillity as the order of the day in the world of Labour. Though there seems no reason to anticipate any very serious dispute in the near future, there are nevertheless two or three questions pending which might develop into rather grave issues if not properly handled. The National Wages Board for the railways reported on December 20th last in favour of the maintenance of the sliding scale. This was, of course, a triumph for the employees, though on other points raised by the companies the report represented, in the main, a compromise between the two conflicting points of view. The report was accepted by the National Union of Railwaymen, though the Associated Society of Locomotive Engineers and Firemen, which represents probably about one-half of all employees in those grades, balloted its members, who decided against acceptance by an overwhelming majority. The main point at issue is in respect of payments to certain drivers and firemen on a mileage basis. Before the reduction of hours from 10 to 8, which was effected in 1919, many of the principal companies had regarded 150 miles as the equivalent of a day's work, and had paid increased wages for excess mileage. With the advent of the new agreement, however, 120 hours had been accepted as the standard. The companies recently demanded the abolition of payments on a mileage basis, and proposed instead an increase of one shilling in the standard daily wage. The Arbitration Board rejected this demand, but held that the fall in daily mileage should not be regarded as a necessary consequence of the reduction in hours, and accordingly found in favour of 150 miles as the equivalent of a day's work. The members of the Associated Society are not

prepared to accept this finding, which they maintain would lead to a reduction of 22s 6d per week in the wages of certain drivers. It is also claimed that certain anomalies should now be done away with. Accordingly the officials of the society regard the findings of the Arbitration Court merely as a basis for further discussion, and hope shortly to resume negotiations with the companies in this sense. The award is not, of course, binding on either party, but it is greatly to be hoped that the machinery of arbitration will not be imperilled by strike action, particularly as the National Union of Railwaymen, which also includes a large number of drivers and firemen in its membership, has accepted the findings of the Court. The claims of rival unions also greatly complicate the position of the dockers, where a guaranteed week is now demanded, together with an increase in daily wages. The Transport and General Workers are asking for a further 2s a day, but they are being outbid by the newly-formed National Amalgamated Stevedores, Lightermen, and Dockers' Union, who demand 2s 6d. This latter union, the origin of which is to be sought in the regrettable dockers' strike of last summer, has not yet been officially recognised by the employers, and is being accused of "poaching" by the older union. Internal dissensions of this kind endanger the whole principle of collective bargaining. Side by side with these possible indications of future trouble, the Miners' Federation has decided to ballot its members on its recommendation to terminate the National Wages Agreement. It is virtually certain that a large majority of the workers will support their officials on this issue, though it is believed that the object of the strike threat is solely the desire to strengthen the hands of the men's representatives in forthcoming negotiations for the amendment of the agreement in its present form. In any case, three months' notice of termination is necessary, and there seems to be much reluctance in many parts of the country to force the pace at this present juncture. It would hardly be appropriate for the advent of a Socialist Government to coincide with strikes and rumours of strikes in the Labour world.

Irish Free State Affairs.—Our Dublin correspondent writes:—The new National Loan found a buoyant market on Monday last. It opened at 97½, or an advance of 2½ per cent. on the issue price, and it closed at 99. At the latter price, after some minor fluctuations, it remained up to midday to-day (Thursday). London was reported to be a buyer. On the Cork Exchange there was no stock offered for sale. Of course, it is not a very large market, but the recorded prices are very satisfactory for the Government. There are naturally many who, wishing for reasons of sentiment to invest, were yet timid at the outset, and who now are anxious to get in even at top price. When the sinking fund of £250,000 per annum, and the investments of the Accountant-General of moneys held by the Court of Chancery begin to have their effect, the price-level will quite possibly exceed par. According to the return of the Registrar-General, just issued, the estimated population of the Irish Free State at the end of the first half-year of 1923 was 3,165,000. The figure for N.E. Ulster at the close of 1922 was 1,284,000. Although these estimates are carefully compiled, it must be remembered that, owing to the rebellion, the usual census was not held in Ireland in 1921, and that consequently the factor of possible error is larger than usual. Of the figures now given, the most interesting feature is an estimated increase in the Free State population of 30,000—due almost entirely to a fall in emigration figures. Emigration was reduced by the great war to about a sixth of the normal figure, and since the war it has not yet reached its former level, largely owing to the effect of the United States immigration laws. The war itself operated to cancel a portion of the increase of population thus caused, for Ireland as a whole suffered a diminution of the excess of births over deaths from 25,000-30,000 to less than 10,000 in 1918. She also lost upwards of 50,000, killed in the war. It is to be presumed that the three-cornered discussions and the Conference arranged by Mr Baldwin to lead up to the Boundary Conference will shortly be resumed, and possibly the Anti-Partition member for Tyrone and Fermanagh may raise at Westminster the question of the

right of his constituents (who gave him and his imprisoned but uncharged colleague a large majority) to be restored to the Irish Free State by virtue of Article XII. of the Treaty. These border districts are loud in complaint of the abolition of proportional representation in local Government elections by the Northern Government, although it had been expressly devised by the Imperial Government in 1920 for their protection.

British and World Shipbuilding.—The Shipbuilding Returns of Lloyd's Register contain a number of features which are more satisfactory than the widespread unemployment in our shipyards would lead the casual observer to expect. For one thing the amount of new construction commenced in British yards in the December quarter was more than double the amount commenced in the previous quarter, being 244,506 tons, against 111,860 tons. Also the figures of total tonnage under construction at the end of 1923 show that Britain's share of current world construction recovered from nearly 50 per cent. a year ago to 57 per cent. to-day. Here is a comparison of tonnage under construction in British and foreign yards respectively at the end of each of the past three years and of 1913, showing the British share in world construction:—

	British. Tons.	Foreign. Tons.	World Total. Tons.	British Share. %
End 1913.....	1,956,600	1,375,000	3,332,000	58.7
" 1921.....	2,640,000	1,817,000	4,457,000	59.0
" 1922.....	1,468,000	1,486,000	2,954,000	49.7
" 1923.....	1,395,000	1,049,000	2,444,000	57.0

In the last year the British figure has fallen a little, but not nearly so much as the foreign total, and the percentage of world construction entrusted to British yards has recovered to within a small distance of the pre-war proportion. But although the United Kingdom has practically regained its pre-war share of world building, the world aggregate of tonnage under construction has fallen from 3,332,000 tons in 1913 to 2,444,000 tons, or by about 26.6 per cent. It is this drop in the world total which explains the major part of the 41 per cent. of unemployment reported in the shipbuilding industry of Great Britain and Northern Ireland; while a further part of it is accounted for by reduced naval construction. Prominent among the items in the list of foreign countries is the drop in the United States figure, which at the end of 1921 was over a million tons, to a paltry 91,500. Germany, with 324,184 tons under construction at the end of 1923, easily heads the list of foreign builders, followed by Italy with 119,663, Holland with 112,811, and France with 110,725. The four chief building areas in the United Kingdom are the Clyde, Newcastle, Belfast, and Sunderland. The returns divide the Clyde into two districts, namely, Glasgow and Greenock. In the former the end of 1923 figure is 326,564 tons, as compared with 286,104 at the end of September, and 382,454 a year ago—a decline on the year, but an improvement in the last quarter. In the latter the end of the year figure of 202,350 tons is well in advance both of the 122,270 tons recorded at the end of 1922, and the 182,740 tons at the end of the September quarter. Belfast, with 171,600 tons under construction at the end of the year, is over 58,000 tons worse off than a year ago, and has suffered a loss of 10,000 tons in the last quarter. On the other hand, Sunderland's total of 139,064 tons is considerably better than at the end either of the previous quarter or of the previous year; and Newcastle, with 247,850, is only 18,000 behind the end of the 1922 figure, and put on 17,500 tons in the last quarter. In the building of tankers the United Kingdom is doing nearly half of the world's work, having 83,646 tons under construction out of a world total of 175,164 tons. The returns afford some data for showing the size of vessels under construction. Of vessels of over 20,000 tons seven are being built in the world, and British yards are building them all. Of vessels from 15,000 to 20,000 tons, 13 are being built, 11 in British yards and 2 in German. Therefore of the 20 largest vessels being built in the world no less than 18 are being built here—a testimony to British predominance in the construction of ocean monsters. Significant in this connection is the construction in a British yard of a 28,000 ton vessel for delivery to Holland. The other class in

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MADE BY HAND, ONE AT A TIME

which British yards predominate is in vessels between 4,000 and 6,000 tons, of which 78 are being built here as against 25 in the rest of the world. The division of tonnage into steamers and motor vessels is worthy of examination. The tonnage of motor vessels now building is 634,027 tons, as against 1,793,579 of steam vessels. The motor tonnage thus equals 35½ per cent. of the steam tonnage, a fact which appears to support the prophecies of the experts that the future is with the Diesel engine. If the progress in this direction continues, British yards would appear to be in a good position to obtain their full share of the work, especially in the case of the longer types of vessels. British yards are at the moment building 5 motor vessels of over 15,000 tons; but from the average size of vessels being constructed abroad it does not appear likely that any other country, with the possible exception of Germany, is building any motor vessels of this size. Altogether, Lloyd's Register's returns suggest that although unemployment is very serious to-day, British yards are well placed to benefit from any growth in the world demand for tonnage.

Agricultural Conditions.—The monthly report of the Ministry of Agriculture and Fisheries states that the weather throughout December was cold and wet, with occasional hard frosts and some snow in the North. In most districts field work was not practicable on many days in the month owing to the sodden state of the ground, and cultivations and sowings are generally backward. Except where foot-and-mouth disease exists live stock have generally done fairly well, though occasionally sheep have suffered from excessive wet. Owing to the wintry conditions keep has been drawn upon rather heavily, but, though there are local shortages of roots, supplies are generally considered to be sufficient. Hay is deficient on hill farms in Wales and the North. Where sown early, wheat germinated well, though slowly. The young plant made slow growth, but, though backward, on the whole, looks healthy. Oats germinated satisfactorily, and are generally more forward than wheat. The small areas of barley sown look fairly well, and beans, though rather backward owing to slow germination, are usually a healthy and promising plant. Where clamped early, potatoes are keeping fairly well, and rather better than was expected. In many cases, however, they were lifted late and stored in a dirty and wet condition. Labour is in sufficient supply for requirements. In places unemployment has increased to some extent, owing largely to weather conditions, but is mainly confined to casual unskilled workers.

The Food Situation in Germany.—In considering the economic position of Germany at the present day, no factor is quite so serious as that of the food supply. Indeed, recent statistics of production and imports suggest the imminence of possibilities which are by no means pleasant to contemplate. A brief summary of the food position of modern Germany will help to an understanding of the very urgent present problem. In the ten years between 1865 and 1875 Germany ceased to be, on balance, a corn-exporting country, though right down to the war she continued to produce a remarkably large proportion of the cereals required for domestic consumption. By 1914, however, the balance of imports represented a very im-

portant factor in her general food position. Since the war, on the other hand, home production has fallen off to a surprisingly great extent, while imports have been completely inadequate to make good the deficiency. This is due, on the one hand, to the exhausting nature of war cultivation, and the impossibility of obtaining working capital when the national currency is completely disorganised; and on the other, to the lack of purchasing power which results from the present dislocation of the general trade balance. Moreover, the ceded territory in the East formed one of the most important areas of corn surplus in pre-war days. The present position is brought out clearly in the following table, which relates to the area at present included in the German Reich:—

(In Millions of Metric Tons.)*

	1913.	1922.	1923.
Production—			Estimates.
Rye.....	10.0	5.2	7.1
Wheat.....	4.0	1.9	2.9
Imports of wheat and rye (net)....	1.4	1.8	..
Total Bread corn available....	15.4	8.9	..
Production—			
Barley.....	3.0	1.6	2.1
Oats.....	8.6	4.0	5.9
Net imports of barley, oats, maize, etc., on balance.....	4.0	1.4	..
Total Grain-fodder available....	15.6	7.0	..

It will be seen that the actual yield of cereals in 1922 was only about one-half that of the same territory in 1913, while total grain imports were only some 60 per cent. of those of the last pre-war year. The potato crop was much nearer the earlier figure (40 million tons in 1922, as against 44 million tons in 1913), though the great decline in the standard of living is only realised when account is also taken of the production and consumption of meat. In the following table the principal results of live stock census of December 1, 1913, are given side by side with those of December 1, 1922:—

	Live Stock Census. (In Millions.)		Imports. (In Thousands.)	
	1913.	1922.	1913.	1922.
Oxen.....	16.9	15.1	260.7	61.8
Calves.....	1.5	1.2	..	..
Sheep.....	4.9	5.5	23.5	1.3
Pigs.....	22.5	14.6	148.4	101.4

Sheep alone show an increase, though the decline in the numbers of the other animals was accompanied by a noticeable falling-off in the average dead weight. Imports meanwhile have fallen off enormously, and it is estimated that the net result as far as consumption per head is concerned is that there is a reduction to about one-half the pre-war level (26 kg. per annum in 1922, as against 52 kg. in 1913). The reduction in the amount of fodder available is, of course, in large measure responsible for the unsatisfactory live stock position, while the population of the territory comprised in modern Germany has risen considerably in the last decade. Complete statistical returns for the past year are not as yet available, though it is to be feared that the food position in 1923 was considerably worse than in the preceding year. The estimate of the wheat and rye crops are certainly much better than the returns for the preceding year, while imports for the first six months stood at a little over one million tons. The estimates for barley and oats also show signs of improvement, but these figures are still far short of the 1913 standard. The advance over 1922 is mainly due to more favourable climatic conditions. Even so, however, this improvement is not sufficient to compensate for the great falling off in the potato crop last year, the provisional estimates being 31.4 million tons, or a fall of over eight and a-half million tons, as compared with the previous year. The standard of living remains appallingly low, and disease is taking an ever-increasing toll of the population. The situation this winter is indeed critical and prolonged, underfeeding is slowly destroying the very basis of the social order. It is essential that the work of reconstruction should be taken in hand while there is yet time.

* Returns compiled by the Ministry of Food and Agriculture at Berlin.

American Cotton Crop Reports.—During the last few years the Department of Commerce of the United States Government has built up a strong organisation, but recently there has been a demand from cotton users throughout the world for more accurate information with regard to the progress of the crop during the growing months of the season. A little time ago an Advisory Committee on Cotton Crop Reports was appointed, and certain recommendations have now been submitted to the Agricultural Department. At present, from July to November, a crop condition statement is published once a month, but it is now proposed to publish fortnightly reports. It is anticipated that the additional information will result in greater steadiness in prices. It is also suggested that not later than March 15th in each year, farmers' intentions as regards the planting of cotton should be reported, showing the increase or decrease on a percentage basis upon preceding years' acreage. Although the statistical reports on trade sent out by the Department of Commerce of the United States Government are often criticised, the figures are generally reliable and of considerable benefit to traders throughout the world.

The Stock Exchange Position.—Our Stock Exchange correspondent writes:—Members of the Stock Exchange for once do not complain about the quietude which has settled over their business. Brokers are none too anxious to offer advice. Jobbers are far from eager to deal, except in a comparative handful of the most liquid securities. With their books already fairly well loaded, the dealers would prefer in many cases to cease making prices, though they continue to stand up in their places, prepared, so far as business is concerned, to deal in either direction, in spite of the fact that they know the majority of their brokers come in armed with selling orders. If it were not for the system of jobbers which prevails in the London Stock Exchange market, prices would have taken a more abrupt dip than was the case a few days ago. Something of a bear account existed, and no doubt still exists, in a good many markets round the House; the value of a short position stands revealed in the day when the public are mostly sellers. For the bears provide a natural source of demand, which effectively serves to buttress a fall in prices. On its main lines, however, the Stock Exchange markets are disposed gently to sag. The speech of Mr Ramsay MacDonald at the Albert Hall on Tuesday night has been received with mingled favour and caution. The tone of it was regarded as exceptionally moderate, considering the occasion and the source, but some people ask whether Mr MacDonald can speak for the Labour party as a whole, and what authority he has for committing his followers to a policy of sane finance and steady politics. There is always a certain amount of selling which goes on daily throughout Stock Exchange markets. This comes from deceased accounts; from people who require money for trading purposes; from others desirous of making provision for income-tax, and from similar automatic sources of supply. It is met as a rule in January by an equivalent, or a greater amount, of purchasing on the part of people who have kept back money over the turn of the year, with the intention of window-dressing their accounts at the banks, and then of investing the cash during the first week of January with the same degree of regularity as they take out a dog licence. The big corporations can generally be counted upon to absorb substantial blocks of stock during the first week or two of the new year. The selling just mentioned is in evidence in the Stock Exchange; the buying has not materialised. That is the keynote to the position of markets to-day. People are holding back funds which, had political affairs been more normal, would have come to the Stock Exchange as a matter of course. In addition to the ordinary, and what we have called automatic realisations, the fear of a Labour Government has caused a number of people to be nervous to the point of casting overboard their securities, good, indifferent and bad, with the avowed decision to put the money into the bank and to repurchase the stocks and shares at a later date, hoping to do so at cheaper prices. These sellers are not bears, of course, but their transactions have the same effect as bear-selling does. So far, the sales for British account have not been on a scale of any magnitude, although it is declared that foreign holders

of British Government securities have been turning these out in very substantial lines, and taking the money across the Atlantic with a view to placing it into dollar securities. The British investor is holding his hand and a great part of his stock. The fear which confronts the markets of to-day is that next week's events in the House of Commons may deepen uneasiness into apprehension, and lead to a general volume of sales being directed into the Stock Exchange markets. The weakness of the French franc provides another string to the whip with which investment stocks are being chastised. It is not expected in the Stock Exchange that there will be any particular change of front for the next few weeks, during which time events are likely to move rapidly in the House of Commons.

Banking Profits.—We recorded last week some of the earlier dividend declarations of the joint-stock banks, and showed that with few exceptions profits were lower than in 1922. Dividends, however, have been maintained at the previous year's rates, and in the case of Williams, Deacon's, an increase from 13½ to 13¾ per cent. has been made in the dividend on the "A" shares. In the table below we compare profits and dividends for the past three years:—

	1921.		1922.		1923.	
	Profits.	Div.	Profits.	Div.	Profits.	Div.
Bank of Liverpool and Martin's.....	548,528	16	504,802	16	486,966	16
Barclays, "A".....	2,201,652	A 10	1,873,731	A 10	1,891,066	A 10
Do "B".....	..	B 14	..	B 14	..	B 14
Lancashire and Yorkshire.....	243,327	20	236,843	20	240,322	20
Midland.....	2,454,083	18	2,253,492	18	2,210,972	18
Westminster.....	2,167,845	12½	1,888,021	12½	1,804,783	12½
Manch. and County.....	260,953	16½	226,108	16½	190,105	16½
Manch. and L'pool.....	539,275	18½	465,245	18½	428,606	18½
Natl. Prov. and Union.....	2,054,636	16	1,854,190	16	1,791,287	16
Williams, Deacon's.....	365,251	12½	337,175	A 13¾	327,247	A 13¾

There is a slight increase in Barclay's net profit, but the other large banks all record a decrease. The decline in profits since 1920 in the case of the "Big Five" has been very severe, for in 1920 Barclay's profits were £2,927,500, Lloyds £3,237,700, Midland £2,831,900, National Provincial £2,762,500, and Westminster £2,915,700. Fortunately for shareholders, this decline in profits has coincided with a period of rising security values, which has obviated the necessity for writing off large amounts of profits to meet investment depreciation. Were it not for this fact, and that by the rise in security values large hidden reserves have been automatically credited, it is doubtful whether it would have been possible to maintain the substantial rates of dividend which shareholders are receiving. Figures of gross profits, with one or two exceptions, are not published, but it is probable that they have also declined. There may have been some reduction in general expenditure, but the total volume of business as revealed by the clearings has contracted, and although the rise in money rates must have helped profits in the second half of the year, so far as short loans, discounts, and Treasury bills are concerned, the rise in Bank rate probably had but little effect upon the income from advances, the interest on which is mostly arranged to fluctuate with Bank rate, but with a minimum of 5 per cent. The amounts required for writing off "bad and doubtful" debts have probably been a little less in 1923, and the list of appropriations to reserve shows a slight diminution, although in some cases considerably larger amounts have been transferred to premises accounts:—

	Profit.	Investment Depreciation.	Reserve	Staff Premises.	Staff Funds.	Carried Forward.
Barclays.....	1,891,066	..	100,000	100,000	..	+ 18,420
Westminster.....	1,804,783	..	100,000	400,000	..	+ 31,835
Midland.....	2,210,972	..	300,000	400,000	..	+ 8,102
National Provincial and Union.....	1,791,287	..	100,000	100,000	100,000	+ 1,780
Bank of Liverpool & Martin's.....	486,966	..	100,000	..	..	+ 11,143
Lancashire and Yorkshire.....	240,322	..	..	30,000	..	+ 5,990
Manch. and County.....	190,105	..	..	10,000	..	+ 2,649
Manch. and L'pool.....	428,606	..	..	..	..	+ 81,006
Williams, Deacon's.....	327,247	..	50,000	30,000	..	- 6,859

Lloyds figures not being yet available, a full comparison of the allocations of the "Big Five" is not yet possible.

In a final table we show prices and yields on the shares of the banks mentioned above:—

	Amount of Share.	Paid Up.	Final Divs. Rate % per Annum.		Whole Year.		Price of Shares.		Present Yield.
			1922.	1923.	1922.	1923.	Jan. 4, 1923.	Jan. 10, 1924.	
Bank of Liverpool and Martin's.....	20	2½	16	16	16	16	6½	7	5 14 3
Barclays, "A".....	4	4	10	10	10	10	7½	7½	5 3 3
Do "B".....	1	1	14	14	14	14	2½	2½	5 2 0
Lancashire and Yorkshire.....	20	10	21	20	20	20	35	36	5 11 9
Midland.....	15	3	18½	18½	18½	18½	98	93	5 12 9
Do.....	12	2½	18	18	18	18	88	84	5 6 0
National Provincial and Union.....	2½	2½	18	18	18	18	94	91	4 17 9
Westminster Bank.....	25	3	16	16	16	16	104½	104½	6 4 0
Do.....	20	5	16	16	16	16	17½	16½	6 2 0
Williams, Deacon's, "A".....	5	1	12½	12½	12½	12½	2½	2½	5 19 6
Do "B".....	1	1	12½	12½	12½	12½	2½	2½	5 5 0

† A special bonus was also paid free of income tax.

Quotations on the whole show very little change from the levels recorded a year ago, so that with dividends in nearly all cases the same, yields are similar to those obtainable when 1923 year began.

The Dunlop Meeting.—The special meeting of the Dunlop Rubber Company, held on Tuesday, at the request of Sir Eric Geddes and four other directors of the company, passed off according to plan, for the large gathering passed without dissent, though with some abstention, a resolution expressing approval of the action taken by the board as a result of the report of the committee of enquiry. This vote condones withholding the report from publication, and approves the policy of the board in issuing writs against a number of present and former directors, in endeavouring to negotiate settlements with some of them, and in carrying on with what is, in fact, a rump of the board. All that Sir Eric Geddes said about the findings of the committee is contained in the following:—

The summarised finding is that out of the loss of £8,320,000 disclosed in the balance-sheet on August 31, 1921, the committee find that £7,769,000 is accounted for as follows:—

	£
Amounts written off trading and other stocks of the home company, to reduce to market prices at August 31, 1921.....	3,569,154
Loss on rubber sold during the year.....	822,914
Provision for losses of foreign and colonial branches and subsidiary companies.....	1,162,462
Provision for losses in manufacturing subsidiary companies.....	1,762,898
Home company's loss on trading for the year to August 31, 1921, after charging depreciation on fixed assets and all outgoings, including directors' fees, but before providing for depreciation of trading and other stocks.....	452,069
Leaving to be accounted for otherwise.....	7,769,497
	550,509

This sum of £550,509 was set out in detail by the committee, and it has been dealt with by them in the greatest detail in their lengthy report. The report, in accordance with the terms of reference appointing the committee, also deals at great length with the remuneration paid to the board, the service agreements with certain directors, and other officials of the company, and also the circumstances in which the issue of 3,000,000 shares, at a premium of 10s per share, was made in 1920, and an account of all payments made by the company on capital account for a number of years past.

In other words, the committee has had to enquire not only into the reason for colossal trading losses, but also into the more serious question of why the company did not receive the full benefit of the amount that the public were willing to pay for its capital issues, what happened to the balance, and who was responsible for the arrangements made. As Sir Eric Geddes justly observes, "The conclusions which the inspectors have come to on these matters raise issues of the gravest character." Some speakers at the meeting deprecated washing dirty linen in public. But a careful reading of the speeches shows that some of the questions at issue are bound to be discussed in court. In any case, the issues are of such public importance and on such a scale that it is imperative that the report shall be made public. We therefore hope that the negotiations for settlement with certain of the directors will not be unduly delayed, for it would be very bad for the company, as well as against the public

interest, that the facts should emerge piecemeal in judicial proceedings. Sir Eric Geddes was able to give some very reassuring figures as to the recovery of business. After describing the "fierce competition from abroad, due to depreciated currencies.....the colossal mass production from America, the disturbed state of Europe.....rising tariffs, and falling prices for the finished product, and a rise in prices of the principal raw materials, he declared with confidence that "the clouds have cleared, and the floods are subsiding.....In 1923 the sales of motor tyres increased 84 per cent. over the preceding year." Without driving down wages, labour cost has been reduced through increased output, the number of persons required to produce a given number of tyres being to-day about 30 per cent. less than a year ago. The improvement has resulted in a profit on the balance-sheet for 18 months ended December 31st of probably one and a-quarter million pounds. Thus the company is on the up-grade. It cannot be good for it to have this cloud hanging over it. The facts are bound to come out, and the sooner it is over the better.

Discount Companies' Profits.—Alexanders Discount Company and the National Discount Company have issued their reports this week, but the Union Discount Company's report is not available as we go to press. For the two former companies the following figures provide a basis for comparison of 1923 with the two previous years :—

	1921.		1922.		1923.	
	Profits.	Div.	Profits.	Div.	Profits.	Div.
Alexanders Discount..	£ 141,015	17	£ 188,202	20	£ 136,208	20
National Discount ..	165,305	16	190,682	..	108,225	..

We have omitted comparative dividend figures for 1922 and 1923 of the National Discount Company, because a rearrangement of capital vitiates the comparison. Their dividend for 1923 on the "A" shares is 10 per cent., and on the "B" shares a dividend and bonus of 23 per cent. is declared. A preliminary statement issued by the Union Discount Company gives the following figures :—After placing £50,000 to reserve fund (against £100,000 a year ago) and £10,000 to provident fund (against £20,000), a dividend is proposed at the rate of 15 per cent. per annum, less tax, for the latter half of 1923 (making 15 per cent. for the year, the same), and a bonus of 5s per share, free of tax (the same). The amount to be carried forward is £190,180 (against £166,499). Like Alexanders, the Union Discount maintains last year's dividends. The National follows its practice of a year ago in making no allocation to reserve, while Alexanders places to reserve fund £30,000, against £80,000 a year ago. Both companies make slight additions to their carry-forward. Below will be found prices, dividends, and yields on the discount companies' shares :—

DISCOUNT COMPANIES.	Amount of Share.	Paid Up.	Final Divs. Rate % per Annum.		Whole Year.		Price of Shares.		Present Yield.
			1922	1923.	1922.	1923.	Jan. 4, 1923.	Jan. 10, 1924.	
Alexanders Discount	10	5	25b	25b	% 20b	% 20b	14	14½	8 8 d
National Discount, "A"	24	24	10	10	(c) 10	10	44	44	6 15 9
Do "B"	7½	24	30	28	(c) 23	23	7½	8	7 4 0
Union Discount	10	5	25b	25b	20b	20b	16½	16½	6 1 3

(b) Includes bonus of 5 per cent., free of income-tax.
(c) Capital reorganised during 1922.

In the cases both of Alexanders and the Union Discount Company, yields are lower than a year ago. An exact comparison is not attempted in the case of the National Discount Company's shares, for the reason explained above.

The Non-Ferrous Metal Group.—Interesting developments have been taking place this week in the non-ferrous metal group. The copper market has been flat, with values below the worst seen in 1913. The U.K. stocks, at 31,030 tons, compare with 27,268 tons in January, 1923, and in the States there is an unsold surplus of 125,000 to 140,000 tons to be reckoned with. There is a fair domestic demand in America, but export buying lacks vitality. German users are unable to secure all

they want, and seeing that in the five years from January 1, 1919, to December 31, 1923, that country took close on 300,000 tons of American copper, or fully 20 per cent. of the total exports, the absence of this important buyer is making itself felt. On the other side, a lot of price-cutting has been witnessed, and here some forward selling of standard has adversely affected the market, cash falling to £60 10s and three months to £61, with electrolytic £66 15s. Tin, on the other hand, has been very strong. The apparent increase in the visible supply has been without influence, and under good buying forward tin on Thursday was driven up to £247 5s, which is the highest paid on the London market since 1920. The Eastern markets were very strong, with business up to £249, and Straits for January shipment sold through London at £248 c.i.f., New York. The total exports from the Federated Malay States last year amounted to 37,643 tons, against 35,228 tons in 1922. The total supplies for all 1923 were 101,000 tons and deliveries 104,750 tons. Allowing for the surplus still unsold of the Eastern pooled stocks, the world's visible supply brought into 1924 amounted to 40,000 tons, representing a decrease of no less than 11,500 tons on the year. Compared with the final rates of 1923, this commodity has put on a further increase of over £10 per ton, and the outlook is regarded as very favourable. There was a moderate set-back from the best late in the week, but the undertone of the market remains firm, and with moderate Straits shipments foreshadowed over the next month or two, the position is more likely to strengthen further than the reverse. American buyers show marked interest in this commodity, and London prices are well below Eastern parity. Lead, after moving upwards, was inclined to fluctuate owing to the slow demand from consumers, but there is no fear of any serious break in current rates. The imports for last month at about 22,000 tons, making 210,000 for all 1923, were on the full side, but while the outlook in Mexico is so obscure the market is bound to remain very sensitive. Both America and Europe are interested in obtaining lead from Mexican sources, and stocks here at 1,183 tons are very light. Spelter this week has displayed notable strength and activity, with nearby positions well over £34 again. Recent arrivals have been well absorbed by consumers, and while the American exchange is so uncertain the matter of acquiring fresh supplies of zinc from American sources will be difficult. Stocks here are small, not being much over 1,000 tons, and galvanisers will soon be in the market again. There has been some heavy buying seen here this week, and the undertone of the market ruled firm, although there was some fluctuation in the late trade.

Crosse and Blackwell.—At least it will be admitted that the directors of Crosse and Blackwell, Limited, have acted impartially in publishing *in toto* the report of Sir James Stevenson and Mr Goff. This report is a lengthy document, in which one of the most impressive statements is that manufacturing in Branstion to-day "is costing the company 4 per cent. in its turnover more than it would cost to manufacture the Crosse and Blackwell products in London." The directors of the company, commenting upon the report, observe that, "in view of the altered circumstances of trade since 1920, to which full reference is made in that report, the directors, whilst not admitting in their entirety some of the criticisms contained therein, do not dissent from the conclusions arrived at as to—(a) closing the Branstion factory; (b) centralisation of executive management at Soho square; (c) closer amalgamation of manufacture. They regret that the move to Branstion—a step taken at the time after due consideration—has proved unsuccessful. The board are satisfied that the recommendations embody the soundest policy for the company in the face of present trade conditions, and will lead to the quickest recovery. They have accordingly authorised immediate action on the lines recommended. The directors wish to take their shareholders fully into their confidence, and therefore enclose Sir James Stevenson's and Mr Goff's report exactly as submitted to them." The directors, in intimating that a scheme for capital reconstruction will be put forward to shareholders "in the spring or early summer of the year," state that "members of the present board will facilitate any change in the

directorship which may be considered desirable." It will be interesting to watch what sacrifice preference shareholders will be asked to make in the reconstruction scheme.

John Bright and Brothers' Debentures.—Not long ago we remarked at length upon the interlocking company finance revealed in the accounts of Workman, Clark and Co., and the Northumberland Shipbuilding Company. The trustees for the debenture-holders of Workman, Clark and Co. in this matter, it may be recalled, were the British Canadian and General Investment Company, Limited. Another case of interlocking company finance is now brought to public notice, and again the British Canadian and General Investment Company are concerned as trustees. It was only last May that £1,000,000 6 per cent. first mortgage debenture stock in John Bright and Brothers was offered at 98½. The quotation for this stock is now 80½. As an additional attraction, the loan was guaranteed by Crosse and Winkworth Consolidated Mills, Limited. The position of John Bright and Brothers when these debentures were issued was stated to be that after deducting creditors the surplus of liquid assets was £696,947. In a circular now issued the surplus of liquid assets is stated to be £496,609. We are intrigued, however, by the statement that immediately after the debenture issue "the sum of £1,140,972 12s 1d was advanced to Crosse and Winkworth Consolidated Mills, Limited, in connection with the acquisition by that company of the shares in John Bright and Brothers, Limited." This loan has recently been "secured by £200,000 second debentures (part of an issue of £600,000), and £940,000 third debentures (the whole issue) in Crosse and Winkworth Consolidated Mills, Limited." It is perhaps fair to add that the British Canadian and General Investment Company, as trustee, state that "It is, perhaps, hardly necessary to say that we should not have approved of these transactions had we been consulted before they had taken place, and we think that they should never have been entered into. We have taken the opinion of Mr A. C. Clauson, K.C., the best counsel we could obtain upon them, and are advised that we as trustees have no legal ground for taking any action in regard to them." These inter-company financial operations are not to our liking, and we would suggest that though legally there may be no remedy at present some amendment of the law is needed. Incidentally recent events would show that the whole duties of trustees for debenture-holders need to be brought under review. At present there is amongst most people only a vague idea as to the duties of a trustee in such cases. It is obvious that the time has come when these duties should be better outlined by statute.

Mexico Mines.—The current price of this company's shares, writes our mining correspondent, represents a valuation of a round £1,000,000 for the capital, which has for some time past been principally held in France. During the past financial year the shareholders have benefited both from the discovery of exceptionally high-grade ore and from the desirability of turning it into cash with the utmost promptitude. Mainly as a result of these circumstances the profit totalled £304,000, or about two and a-half times the 1922 amount. The dividends, although increased from 7s 6d to 21s 6d per share, absorbed no more than £225,750, thus leaving a substantial sum to be added to the carry forward. Construction work upon the timber property having been completed, the occasion has been taken to write off all expenditure to date, thus placing this important asset on the same plane as the mine plant and buildings. Although a record tonnage was milled, the ore reserves, at 292,700 tons, score an increase of 20,000 tons upon the estimate of 12 months previously, the values being approximately maintained. From the particulars given by the manager, it appears that the indications at several points are of an encouraging nature. On the basis of the dividends of the past five years, the yield on the shares is apparently about 13 per cent.

Failures in 1923.—According to Mr Richard E. Seyd, the number of failures among firms in the United Kingdom during 1923 was the largest for the last 13 years, though in the absence of figures showing the amounts involved it is impossible to say whether the actual losses were greater or less than those of, say, 1922. The following table gives particulars for a number of years :—

	Wholesale Trades.	Professional.	Retail.	Total.
1908.....	925 ..	633 ..	8,004 ..	9,562
1910.....	647 ..	686 ..	7,118 ..	8,451
1913.....	649 ..	668 ..	5,440 ..	6,757
1918.....	64 ..	196 ..	701 ..	988
1919.....	130 ..	268 ..	608 ..	1,006
1920.....	310 ..	356 ..	1,598 ..	2,264
1921.....	1,028 ..	549 ..	3,971 ..	5,548
1922.....	1,246 ..	717 ..	5,627 ..	7,590
1923.....	1,224 ..	739 ..	6,278 ..	8,241

War-time prosperity and rising prices are reflected in the exceedingly small number of failures in 1918, while the cumulative difficulties brought about by the "slump" are responsible for the upward leap made by the figures in 1921, and for their subsequent steady increase. Of the 1923 total, more than three-fourths is composed of failures among retail firms—probably the very small fry—and while wholesale failures were roughly at twice the pre-war level, there is nevertheless a small amount of improvement as compared with 1922. Failures were heaviest in the opening months of the year, with a decided falling-off in the spring and summer, a rapid rise in the early autumn, and a further, though less marked, decline at the end of the year. In the wholesale trades the mortality of 1923 was less than that of 1922 in the London, Lancashire, Yorkshire, and North-Eastern areas, and greater in Birmingham and the Midlands, Scotland, and Ireland. The largest number of failures among wholesale firms occurred in the woollen, silk, &c., trades, where 256 were recorded, next in the list being "merchants," 155, and engineers and metal merchants, 150. Among cotton-spinners and manufacturers, only 14 casualties were recorded. All these figures, however, leave out of account liquidations of limited companies, which during 1922 and 1923 reached the following totals :—

	Voluntarily.	On Account of Liabilities.	Total.
1922	1,361	1,375	2,736
1923	1,270	1,515	2,785

Among the compulsory liquidations in the wholesale trades, the engineering and hardware industries contributed no fewer than 239 out of a total of 858, woollens and silks 91, "merchants" 63, cotton-spinners and manufacturers 44, and warehousemen 42. The increasing number of concerns which adopt the limited company form of organisation in preference to that of the private firm makes comparison with previous years more and more difficult. This applies with especial force to the wholesale trades.

Russian Agriculture.—Our Moscow correspondent writes :—"The total area in the Union ploughed and sown during the autumn of 1923 is estimated on December 31st by the Central Statistical Department (M. Popoff) as follows :—

(In Thousands of Dessiatines.)

Region.	Autumn Sown Area in 1922.	Autumn Sown Area in 1923.	Percentage of 1922.
RSFSR in Europe	16,191·4	16,945·9	104·7
RSFSR in Asia	786·7	Figures not available, but estimated at 5,938·0	100·0
Ukraine Republic.....	6,309·0		94·1
Total for Union, estimated at	23,287·1	23,870·6	101·6

In the "consuming" areas of the RSFSR sowing conditions, as a result of a cold and rainy summer, were unfavourable; in the northern governments the area sown shows a reduction of 11 per cent. over the previous year. In the "producing" areas an increase of 8 per cent. is shown for the Volga-Kama, Oural, and Middle Volga

regions. The lower Volga sowing area shows no increase. In the Ukraine, on October 1st, the conditions were most unfavourable to autumn sowing, owing to excessive dryness, but thanks to the rains that fell during October, the situation improved, and the data available at the beginning of December point to a decrease in the sowing area over the previous year of 6 per cent.

A Suggested Rand Fusion.—Latest mail advices from Johannesburg embody the suggestion that the Knight's Witwatersrand and the Witwatersrand Deep properties, which adjoin, should be amalgamated, following the precedent recently set by the Consolidated Langlaagte and the Langlaagte Estate companies. A little inquiry leads to the conclusion that the project is, at any rate, worthy of serious consideration. The position of the mines in relation to each other is such that they could be operated much more advantageously as one than separately. Especially does this apply to the first-named undertaking, whose life is now becoming short. Moreover, substantial economies would result in connection with stocks of stores and administration expenses.

Transvaal Gold Output in 1923.—Figures of gold output in the Transvaal for the complete year 1923 are now available. In considering the year's marked improvement it must be remembered that the 1922 output was seriously affected by the big strike of miners on the Rand. The output is creeping up to the figures for previous years, but it has a long way to go before it reaches the 1917 level. The following table shows the output for every month since 1917:—

	1917.	1918.	1919.	1920.	1921.	1922.	1923.
	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.
January...	782,634	714,182	676,059	670,503	651,593	658,137	764,469
February...	781,321	659,759	636,728	625,330	588,137	539,728	704,970
March...	787,094	656,881	712,379	707,036	671,123	681,382	761,586
April...	742,778	717,000	694,944	686,979	681,382	511,338	743,651
May...	779,385	741,317	724,995	699,041	687,776	628,786	786,564
June...	758,724	727,696	702,379	715,957	678,490	675,697	755,309
July...	757,839	736,199	725,497	736,099	689,555	730,635	754,306
August...	756,658	740,210	706,669	702,063	711,526	752,490	769,371
September...	738,131	708,306	698,558	682,173	691,026	747,089	739,504
October...	751,290	679,764	725,722	662,472	707,825	778,159	793,842
November...	724,839	658,701	677,970	633,737	704,236	764,476	780,639
December...	722,419	641,245	650,191	639,215	681,947	790,712	776,849
Total (12 months)	9,082,212	8,420,560	8,330,091	8,153,625	8,114,516	7,020,110	7,798,959

The December output figures at 778,849 ounces of fine gold compare with 780,639 ounces produced in November. In December, 1922, the output was 790,712 ounces. The following table shows the number of natives employed at the end of last month by members of the Witwatersrand Native Labour Association and Contractors:—

	Dec., 1922.	June, 1923.	July, 1923.	Aug., 1923.	Sept., 1923.	Oct., 1923.	Nov., 1923.	Dec., 1923.
Gold mines...	176,834	170,865	166,443	167,800	174,405	177,047	177,674	177,772
Coal mines...	11,001	15,598	16,020	16,186	16,285	16,216	16,946	15,142
Diamond...	1,253	3,063	2,893	3,107	3,134	2,911	2,997	3,239
	189,088	189,526	185,356	186,863	193,765	196,174	196,617	197,160

Within recent months the number of natives employed has shown an increase. There is only a slight advance on the year in the number employed at the gold and diamond mines, but the number at the coal mines shows a notable improvement as compared with this time last year.

THE Board of Trade give notice that the Administrator of Bulgarian Property, Cornwall House, Stamford street, London, S.E. 1, has prescribed February 29, 1924, as the final date for lodging with him proofs of debts by British nationals against Bulgarian nationals, and other claims by British nationals against the Bulgarian Government, the payment of which is charged under Orders in Council upon Bulgarian property, rights and interests within British territories.

Oversea Correspondence.

UNITED STATES.—THE PAST BUSINESS YEAR—PROSPECTS FOR 1924—WAGES—COST OF LIVING.
(FROM OUR CORRESPONDENT.)

NEW YORK, December 28.

ALTHOUGH the past business year was full of irregularities and confusing crosscurrents, prosperity was widely, though not uniformly, diffused, and many classes of wage-earners, probably a vast majority, received higher pay, lived better, and apparently saved more than ever before in the history of the United States. Briefly outlined, the first four or five months witnessed unprecedented industrial expansion. Then came a period of diminishing activity, of waning optimism and gloomy forecasts. But the autumn brought measurable improvement in various directions. Both wholesale and retail trade showed successive increases over the preceding year; the industrial pace steadily quickened, and the year ended with record holiday trade in all sections. Manufacturers, generally, found operations difficult throughout the year. Uncertainty as to the future course of prices, notably of raw materials, together with rising costs of production and marketing, caused serious concern to producers, manufacturers, merchants, and consumers. Such high costs and uncertainties tended to keep down business volume and to check industrial activity. Production and buying, especially in the last half of the year, were confined to immediate or nearby needs, merchandise went quickly into consumption, and there was no heavy accumulation of stocks, generally speaking—all of which brought about exceptionally sound conditions. The year was featured by full employment, with an acute labour shortage in the later months, and with the exception of wheat and cotton growers in some sections, the purchasing power of the public materially increased. Railroads handled a record volume of freight traffic, and enjoyed unprecedented operating revenues. Their operating expense ratios showed some reduction, compared with the previous year, but net profits were less than in years when gross earnings were not so large. Building activities surpassed all records, while in the automobile industry new high levels of production and purchases were established. Despite the tremendous increase in expenditures for automobiles during 1923, deposits in savings banks, both in number and amount, reached a record aggregate.

Export trade slightly exceeded that of 1922; imports for a number of months were larger than exports, but diminished with the slackening of trade during the summer. Money markets ruled comparatively easy throughout the year; the banks transacted a record volume of business with little, if any, evidence of strain.

In recent months sentiment has been more cheerful than it was in the early summer, or even in the autumn, and conservatively optimistic views are expressed in most quarters regarding prospects for the coming year in trade and industry. "There is no disposition, however," as *Bradstreet's* remarks in its forecast for 1924, "to ignore the fact that prices, and, therefore, all costs, including those of labour, are high, and history may be cited to show that high costs have tended to decline as the distance from the war, which swelled those costs, increases. Hence the disposition will be apparently to go forward cautiously, and to keep near the shore as regards buying for the future. In this direction undoubtedly safety lies." On the other hand, the same authority points out, "prospects seem to favour a continuance of the big construction programmes, especially in building and railroad betterment, for which 1923 was notable. Sight must not be lost of the fact that high labour prices have brought in their train big expenditures, which in themselves have constituted a powerful support for general trade and industry." As to the approaching Presidential election, the observation is made that "research does not altogether confirm the popular idea that a Presidential election of and by itself necessarily constitutes a danger to business. There have been some Presidential elections when business was very good, and others when it certainly

was poor. Examination of business history rather reveals other causes as mainly operative in both the good and bad years. Caution and conservatism may be esteemed desirable, but it may be observed that they have both been in evidence for many months past, and no doubt will be found governing most operations in the year to come." "At the present writing," adds *Bradstreet's*, "there does not seem to be much disposition to expect any great change in the fairly even tenor of business as a whole, which throughout the past year ranged from fair to good."

The National Industrial Conference Board finds that between January and October of last year average hourly earnings increased from 50.1 cents to 56 cents, a gain of 11.8 per cent., while average weekly earnings made a gain of 8.2 per cent., from \$25.08 to \$27.14. During the year unemployment increased as high as 4.1 per cent. above the figures for January, but by October the January level was again reached. An increase of 3.8 per cent. in the cost of living during the first ten months of the year, when weighted with the statistical increase in weekly earnings of 8.2 per cent., brought about an actual increase of 3.9 per cent., and 8.5 per cent. in real hourly earnings. Thus the wage-earner, it is contended, was considerably better off at the close of 1923 than he was at the beginning of the year. The sharp increase in weekly earnings advanced "real" weekly earnings to a point 32 per cent. above July, 1914, as compared with 30 per cent. in September. The Board's survey shows that in November, 1923, the cost of living (based on prices of those goods and services which enter into the consumption of families of small and moderate means) averaged 4.4 per cent. higher than it was a year ago, and stood 65.3 per cent. above the July, 1914, level, but 19.2 per cent. below the peak of high prices reached in July, 1920. The November level was the highest reached by the cost of living since May, 1921.

FRANCE.—THE ELECTIONS—THE FALL IN THE FRANCO—THE MATCH MONOPOLY.

(FROM OUR CORRESPONDENT.)

PARIS, January 9.

FOLLOWING the senatorial elections on Sunday and the re-assembly of Parliament on Tuesday, political life has been resumed, and all parties are now eagerly anticipating—as in Great Britain, and largely as the outcome of the situation there—what is expected to be one of the most important Parliamentary sessions this country has known. France, like Great Britain and Germany, has once more come to the parting of the ways, and the whole European situation is once more in the melting pot. The outstanding factors are the reparations problem, the inter-allied debts problem, the Russian problem, the question of the attitude which the new British Cabinet—whether it be Labour, Liberal, or Coalition—will assume towards France and Germany, the possibilities of a "coal and iron" rapprochement between this country and Germany, what influence the interplay of all these will have on the obscure future financial situation of France. The United States factor, although the newspapers from time to time still devote a good deal of space to it, has sunk very much into the background so far as this country is concerned, but it will have to be reckoned with when the inter-allied debt question is directly dealt with. Another factor that has also become much less important is the result of the pending French General Elections, as to which most people here seem to have become more settled in their opinions since the results of last Sunday's senatorial contests became known. If these results afford any reliable data as to what will happen next May, there will be no appreciable change in the complexion of the French Chamber, and the Bloc National may look forward to a new lease of power. At the same time, it cannot be overlooked that, for the first time in history, there are now two Marxian Socialist members of the French Upper House (although it must be borne in mind that, unlike their British comrades, French Socialists are much more inclined to fulfil their mandates by barking than by biting). The only fly in the ointment from the point of view of the supporters of M. Poincaré is that the senatorial

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electors, whose votes resulted in a verdict of "no change" at last Sunday's contests, were fixed four years ago, and that they voted practically as they would have done then. It is possible that the great mass of the electors who will vote next May under the system of universal suffrage may express a different view.

The renewed attack on the franc, as it is termed here, which fell from 82.53½ to the pound on December 15th to the new low record of 88.32½ on January 5th, has created something like consternation in official quarters here, although it must be confessed the financial and banking world regards the incident with much more equanimity. At the same time, a substantial proportion of the general public have obviously been seized with something approaching panic, and much of the fall has undoubtedly been due not so much to speculation pure and simple, as to the haste with which French holders of francs have rushed to transform their currency into dollars and sterling. The "raid" on the franc, if raid there was (as the Finance Minister insists was the case), was undoubtedly favoured by the circumstance that French commitments abroad, which had to be met by the end of the year, were on this occasion exceptionally large, as was bound to be the case in view of the large increase in imports. The payments that had to be made at the end of the year by the Treasury were also larger than at the end of previous years, while it was notorious that the national coffers were for the time being dangerously depleted. The fact that the last weekly statement of the Bank of France revealed a sudden increase in the note issue of nearly a milliard and a quarter undoubtedly also made a bad impression abroad, although, to be quite frank, it ought not to have done so, seeing that a phenomenon of this kind is by no means abnormal at this period of the year, and that the extra notes will almost certainly, as in past years, be re-absorbed in the near future.

The net result of all this culminated on Saturday with the opening of a somewhat noisy investigation by M. de Lasteyrie into the causes of this fresh fall in the franc.

Judging by his public declarations, the Finance Minister appears to be convinced that the recent "raid" was deliberately organised for political purposes at a gathering of German bankers and financiers from the occupied territory, who met at Frankfurt on November 6th and arranged to throw enormous quantities of francs on the market for the purpose of influencing French policy in regard to Germany. As the outcome of consultations with M. Robineau, Governor of the Bank of France, and other responsible financial authorities, M. de Lasteyrie yesterday, with the approval of the Cabinet, took steps for stricter control over exchange transactions and over telephonic facilities with foreign markets, for drastic revision of the methods by which the official exchange rates of the day are fixed, for the purging of the market of "undesirable" foreign speculators, &c. The agent in Paris of a Dutch bank was arrested on Monday night and expelled the country for making alarmist statements, and other "suspects" are under close surveillance pending investigation. Expert opinion, however, while approving the Minister's well-meant intentions, incline to the view that M. de Lasteyrie's offensive against speculators is rather of the kind of what Sir John Bradbury would describe as "pills for earthquakes" than of serious promise. Professional authorities urge that there are only three effective means for combating speculation in exchange. One would be to raise the discount rate; the second to vote forthwith sufficient new taxation to meet the country's necessities (on the ground that the longer this is postponed the heavier the burden will be felt); thirdly, the organisation of a vast central institution, commercially organised on practical lines, where all genuine exchange transactions, and only non-speculative ones, should be dealt with. At present, in spite of the law that requires every transaction in exchange to be placed on record in registers constantly open to inspection by the authorities, it is probable that these registers show less than one-half of the dealings that actually take place.

A curious sequel to the Finance Minister's campaign is that it has indirectly caused him to announce that he proposes to bring in a Bill during the coming session for the suppression of the State monopoly in matches. The French match monopoly has for many years furnished a striking example of the failure of Etatism in industrial undertakings. The national consumption of matches amounts to 48,000 millions per annum. The five great State match factories, however, are so inadequately fitted with modern plant that, in spite of the constant demand and the certainty of profit, they are unable to furnish more than three-quarters of the output required, even with the help of private industry. Twenty-five per cent. of the matches consumed in France have always to be imported from abroad. The State factories are able to carry out the work of "tipping" the remaining 36 milliards of matches with sulphur and phosphorus, but are impotent as regards the production of the wooden stems, only one-third of the quantity mentioned being produced in the public establishments. The remainder are furnished, as to 50 per cent. by French private industry and as to the balance by purchases from abroad. One reason for this curious state of affairs is that, whereas the French private factories which supply the State are fitted with modern machines, each of which necessitates the employment of a single worker, the plant in the national workshops consists of antiquated models, each of which absorbs the labour of seven individuals. It is understood that the pending Bill will propose the handing over of the monopoly (including the existing factories and plant) to private industry on a concession basis.

The reduction (by Ministerial decree, promulgated last Sunday) of the import duties on foreign wheat and flour, from 14f to 7f per quintal, is generally approved as an urgently necessary measure in view of the fact that, owing to the unreasonably high price of native product, the only alternative would be a further increase in the price of bread. French flour has lately been quoted at 100f per quintal, whereas a few months ago 80 to 85f was admitted to be a remunerative price. The general opinion on the step taken is fairly expressed by the *Temps*, which remarks that the only matter of regret is that the rate of import duty on wheat was not reduced sooner.

GERMANY.—FINANCES—CURRENCY—REICHSBANK—INDUSTRY—PRICES—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, January 8.

THE much-debated Third Taxation Decree, dealing primarily with the taxation of rents and the regulation of mortgages, has still not appeared even as a project. The Government seems to have modified its original plan, which was rapidly to raise gold gross rents to pre-war level, and to take in form of a tax the 50 per cent. or so of this gross rent which formerly went as interest on mortgages, at the same time forbidding the restoration of the mortgages to even the smallest fraction of their old gold value. This has not only created a storm among tenants and among mortgagees, but has also raised again the old question of the tax-sovereignty of the Republic over the States, which question the late Herr Erzberger tried to settle by concentrating direct taxes in the Republic's lands, and compensating the States with doles thereout. The States (sometimes also the municipalities), claiming that the allocations from the funds of the Reich are hopelessly insufficient, have of late increasingly violated the State Taxation Law (*Landessteuergesetz*) of 1919, which regulated the question, by imposing local taxes of a kind supposed to be a monopoly of the Republic. Bavaria, in connection with a demand which it made last week for revision of the Weimar Constitution on decentralisation lines, has demanded the renewal of "the distinction between Federal and State taxes, and the restoration of the State financial administrations in the domains of direct and indirect taxation and of customs." In particular, Bavaria is interested in the beer tax. The Federal Government has tendencies of its own in some of these directions; the Finance Minister, for instance, thinks that "the sense of responsibility of the States might be strengthened if they again managed their own revenues."

Negotiations for a compromise are going on with the States. Bavaria is strongly against the plan to expropriate mortgages by declaring them to be definitively mere paper-mark debts. In November the Supreme Court declared in principle that gold mortgages could not be repaid in paper marks. The Federal Government's plan was to cross this decision by a new definite law forbidding recognition of mortgages. Against this project there is a very strong feeling; it is true, reason the objectors, that all public debtors were allowed to repudiate by automatic depreciation, but it is a different thing when the Government steps in to compel private debtors to repudiate their liabilities after the courts have declared that they cannot lawfully repudiate them. The objection is all the stronger, because the Government's aim is to confiscate the repudiated interest for itself. Although vast numbers of mortgages have been paid off there are, particularly in the country between small creditors and small debtors, a great many still in existence, the mortgagees holding on in hopes of getting something, although the sum total of all mortgages in the Republic is to-day not worth one gold pfennig. The controversy will probably end in a compromise. One of several official plans is to allow restoration, up to 10 per cent., of the gold value of mortgages which are in the original hands. The enormous tax yield hoped for from taking half the nation's gross rents and at the same time taking a levy from the disencumbered bond debtors is not likely to be fully realised.

The State finances continue to improve. Against 14,390,000 billion marks in the decade December 1st-10th, and 41,048,000 billions in December 11th-20th, the late decade reported, December 21st-31st, shows 87,544,000 billions. This is a real improvement, because the paper mark did not sink in value in December; in fact, in home buying power and in value to the administration it rose considerably, and this is shown in a drop of expenditure in the three decades from 179,898,900 billions to 165,656,000 billions and 153,732,000 billions. The necessary subsidy out of Rentenmark credits for covering of deficits fell from 147,076,000 billions in the first decade to 64,930,900 billions in the third. Between

November 15th (date of currency reform) and the end of the year the deficits totalled 627 trillion paper marks, and the amount borrowed from the Rentenbank 835 million Rentenmarks.

The financial improvement is partly due to new taxes, but mainly due to the currency stabilisation. About the latter there has been some unfavourable comment in the last week. The Government by its explanations shows a certain nervousness, and the military, who exercise Press censorship, went so far as to threaten the authoritative Socialist statistician Richard Calwer for accusing the Government of continuing the inflation. A favourable sign is that prices of some important commodities have dropped; the Federal Potash Council has decided to revert to pre-war gold prices; and pig-iron, which reached a maximum of 116 gold marks per metric ton, has been cut to (for hematite) 105 gold marks. The Saxon Government by issuing Rentenmark Treasury bills in small denominations (that is practically as new emergency notes) has added to the risk of inflation. Newspapers report a plan for a law restoring some of the Government's power over the Reichsbank, abandoned under the law of May 26, 1922; the proposed law also deprives the Bank president and the directors of their life-long appointment right, and increases the president's authority as against the directors. The Reichsbank's weekly statement for December 7th came out in a new form, giving separately among assets the bank's holding of Rentenmark bills and of Rentenmark advances (Lombarden), and, among liabilities, of the Rentenmark deposits of the State and of private individuals. All these Rentenmark items are booked in paper marks at the fixed exchange of one to one billion. The paper mark note circulation fell during the week by 10½ trillions to 390 trillions, or by about 2½ per cent. This is the first circulation decline since April 23, 1922. The statement shows large increases in holdings of bills and cheques and in advances. The former item rose by 47 trillions to 394 trillions, the latter by 16 to 23 trillions. These increases are very large—they must not be confused with the fictitious but nominally much greater weekly increases of former periods, which were mere expressions of the paper mark's declining value; in the week now in question the mark was stable, and the Bank has, therefore, granted increased real credit. Here, again, is the spectre of private inflation, not yet visible in circulation owing to the fact that the holding of discounted Treasury bills again fell off heavily by 37 trillions to 59 trillions. The last figure is now below a third of the 189 trillions held on November 15th when the reform began. The Reichsbank's Rentenmark business is rapidly growing. The first Rentenbank statement has not yet appeared.*

Business conditions have slightly improved. Apart from the improvement due to slow resumption of work on the Ruhr, there has been a general tendency towards better employment, which is recorded in the Prussian Trade Ministry's monthly report, but is not yet shown in labour statistics. The report states that better working in all domains is one cause of the price-fall. The reports sent in by individual industries are, however, still mostly unfavourable. Money, probably in connection with the heavy tax payments of the first ten days of this month, is scarce, and high rates prevail. A further price-fall is expected. The *Frankfurter Zeitung's* wholesale index for January 3rd shows (basis one in 1914) 1,471,700 millions, against 1,565,200 millions on December 13th, and 1,649,600 millions (highest point reached) on November 29th. As the mark is depreciated to one-billionth, the price-level gold is about 47 per cent. up. The food group shows 1,553,900 millions, textiles and leather 1,868,500 millions, minerals 1,375,600 millions, miscellaneous commodities 1,245,400 millions, manufactured goods 1,406,800 millions. Sold retail, clothing, boots, and finished goods generally have dropped very considerably, and there is something like the old pre-war sharp competition between sellers.

The Bourse was to-day weakish, loans being irregular. The weakness was probably due to dear money. War Loan quoted 109,500,000,000, Fours 575,000,000,000, 3½ per Cents. 525,000,000,000, Threes 1,500,000,000,000, Savings and Premium 290,000,000,000, Prussian Consol. Threes 790,000,000,000.

*Under date January 9th Reuter gives the first Renten-

bank return for the period from November 30th to December 1st, as follows:—

POSITION ON NOVEMBER 30TH. (000's omitted.)	
ASSETS.	Rentenmarks.
Mortgages on agriculture, &c.	3,200,000
Loans to Reich not bearing interest	200,000
Do bearing interest	565,000
Credits at other banks	2,103
LIABILITIES.	
Original stock	2,400,000
Original reserve	800,000
Rentenmark notes in circulation	767,905
POSITION ON DECEMBER 31ST.	
ASSETS.	
Mortgages, &c.	3,200,000
Loans to Reich not bearing interest	200,000
Do bearing interest	1,000,000
Loans to other banknote banks	33,995
Temporarily transferred to Reichsbank and Post Office	220,000
Credits at other banks	11,269
LIABILITIES.	
Stock	2,400,000
Reserve	800,000
Rentenmark notes in circulation	1,242,000
The above figures include credit to Reich 1,200,000,000; to banknote banks, 33,995,000; and clearing banks, 8,004,853: Renten, deeds in circulation, 16,000.]	

AUSTRALIA.—BANK FIGURES—MONEY AND TRADE—WHEAT PROSPECTS—PROTECTIONISTS DISTURBED.

(FROM OUR CORRESPONDENT.)

MELBOURNE, November 27.

THE quarterly average returns to September 30th of bank liabilities and assets within Australia and New Zealand (exclusive of the Commonwealth Bank of Australia) show, as compared with the previous quarter, a decrease of £10,164,312 in deposits and an increase of £9,730,375 in advances. The movements are largely characteristic of the winter months, when rural producing interests require accommodation in the absence of fresh cash receipts. As compared with a year previously, the increase in deposits is £14,631,007, and the increase in advances £25,047,987. Separating the Australian and New Zealand figures, Australia shows an increase of £12,604,912 in deposits and an increase of £25,094,577 in advances, but New Zealand, with an increase of £2,026,095 in deposits, shows a small reduction in advances on the year. The heavy increase in Australian advances is partly the result of unfavourable weather during last summer and part of the autumn, in consequence of which the country districts, especially in New South Wales and Queensland, have had to seek accommodation somewhat freely. Building activity in the towns and expansion of trading as reflected by the increase in Australian imports have also meant a considerable demand for advances. The following is a comparison of the principal totals with those for the previous quarter and the corresponding period last year:—

	September Quarter, 1922.	June Quarter, 1923.	September Quarter, 1923.
Deposits—			
Australia	218,166,098	237,827,126	230,771,010
New Zealand	46,957,703	52,091,994	48,983,798
Total deposits ..	265,123,801	289,919,120	279,754,808
Advances (inc. Govern- ment securities)—			
Australia	185,941,838	202,514,707	211,036,415
New Zealand	48,779,065	47,523,808	48,732,475
Total advances ..	234,720,903	250,038,515	259,768,890
Cash items—			
Coin and bullion (Aust. and N.Z.) ..	27,565,466	27,167,147	27,213,001
Australian notes ..	22,856,735	25,026,558	23,175,604
Legal tender notes of other banks (N.Z. only)	541,806	418,791	249,059
Total cash	50,964,007	52,612,496	50,637,664

While deposits in Australia are expanding, the note issue remains at a fixed level, and as fresh gold is not obtainable for banking purposes, being exportable at a premium, the total cash holdings of the banks in Australia now show a smaller ratio to Australian liabilities than usual.

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

	September Quarter, 1922. £	June Quarter, 1923. £	September Quarter, 1923. £
Deposits	28,854,556	32,377,574	34,485,267
Savings Bank deposits ..	37,523,001	38,068,002	39,089,440
Discounts, loans, &c.	13,043,516	14,035,678	13,588,845
Government and municipal securities	35,233,595	37,479,846	39,103,392
Coin and bullion	2,330,619	2,646,847	2,698,534
Australian notes	7,344,568	3,750,438	6,105,666

Competition for money continues active on the part of the various State Governments, which are offering $5\frac{1}{2}$ per cent., free of Federal and State income-taxes, for fresh securities for sale over the Treasury counters, and are thus endeavouring to secure as much money as possible before the end of the year, when the issue of tax-free securities is to cease. Between this and the financing of the wool export season, which is running into rather large figures at the present price of wool, there is some degree of stringency in the money market for the moment, and the Stock Exchange is showing weakness, with a decline in Commonwealth Government bonds.

Wheat crop prospects continue favourable, and the outlook is for an exportable surplus of about 7,000,000 quarters for the new year. The market has been influenced by a demand for shipment to Japan, which has purchased about 150,000 tons for early shipment, and this has lately kept Australian prices somewhat firm as regards business for Europe.

Australian Protectionist interests are disturbed at the offer of the British Government to lend money at a reduced rate of interest to Australia subject to the money being expended in Great Britain. Protests have been raised in various States. The Australian Industries Protection League has raised objection on the ground that "to have the moneys expended in such a way as to assist her manufacturers and workpeople is an extremely good piece of business—for Britain," but that "for every pound's worth of material or machinery purchased abroad there will be a pound's worth less bought in Australia." In response to these and other similar complaints, Dr Earle Page, one of the joint leaders of the Bruce-Page Government, has made a statement that in all cases the usual tariff will apply, so that Australian industry will be protected, and the interest concession therefore will apply only to goods that cannot be manufactured in Australia at competitive rates.

SWITZERLAND.—SOME FEATURES OF 1923.

(FROM OUR CORRESPONDENT.)

GENEVA, January 7.

BUSINESS has been very dull in Switzerland last year, and there are no symptoms of improvement ahead; trade and industry did their best in order to recover from the economical crisis, which is particularly acute in Switzerland, and shows no sign of real amelioration. The high value of the Swiss franc prevents foreign customers from purchasing Swiss goods, while countries whose currency is very low on the Swiss market are sending in their products, which, despite heavy Customs taxes, are being sold at a lower price than Swiss goods; moreover, workers' salaries are still high in comparison with other European countries, so that the production cost of Swiss goods is generally higher than that of foreign products; the increase of Customs taxes and import restrictions, which were intended to protect Swiss trade and industry against foreign competition, did not prevent them from being hardly hit, as, in return, several countries—France, Spain, &c.—increased their Customs duties and nearly stopped Swiss exports; this over-protective policy has, in fact, resulted in the closing of some important markets to Swiss exporters, so that it became necessary to grant Government subsidies to certain industries—the watchmaking and embroidery industries, for example—in order to enable them to carry on and to export to countries with a low currency. Swiss industry cannot live without exporting, the Swiss market being far too small to absorb its production.

The trade returns for the first three quarters of 1923 show a gross total of 62 million pounds for imports—an increase of 7.8 million pounds on 1922—and of 49.3 million pounds for exports—a drop of 0.6 million pounds on the corresponding period of 1922. Imports of cereals, seeds, wood, cotton, wool, minerals, iron, and chemicals are on the increase; all exports show a reduction except livestock, wool and cotton goods, ready-made clothing, copper and aluminium ware, and particularly watches, which have increased. The main feature of last year is the recovery of the watchmaking industry, which exported 9,632,084 watches of every description and of a value of 5.4 million pounds, as against 6,903,202 watches, of a value of 4.6 million pounds in 1922. It may be pointed out that nearly 75 per cent. of Swiss exports have been purchased by Great Britain and the Dominions, who have taken the place formerly held by Germany and the United States.

Unemployment has been decreasing since January; at that time 76,143 unemployed were on the registers, while there were only 38,675 at the end of October; since then there has been a new increase, due to the fact that several textile and machinery manufacturers were compelled to reduce their staffs, so that, at the end of November, there were 41,397 unemployed in Switzerland. The recovery in the watchmaking industry partly accounts for the important drop in unemployment, while emigration also contributed to reduce the unemployment figures. Emigration reached unprecedented figures in 1923, as, up to the end of October, 7,371 Swiss left the country, that is, 2,634 more than in the corresponding period of 1922. The worst is that Switzerland is losing through emigration many skilled workers, who found some employment in France, Italy, and Germany, where certain Swiss manufacturers have transported their factories.

According to the recent report of the Swiss Employers' Union, prospects for 1924 are not encouraging, while hat-making, tile, cement drains, oven industries, chemicals, motor car trade, and watchmaking have some contracts which enable them to work for many months. A reduction of working hours and of staffs is contemplated in the chocolate, tobacco, ready-made clothing, fur, and shoe-making industries, as well as in the textiles—the wool and cotton weaving industry being particularly hit by the increase in the price of raw material. Despite the unfavourable economical situation, the Swiss Federal finances are in a better position. The estimated deficit has been reduced by many millions of francs, and the receipts of the Governmental services have increased; this result is due to the fact that the Federal Government has adopted a policy of strong economy, and has curtailed all expenses and reduced the number of officials by many hundreds. Federal Councillor Musy, head of the Finance Department, recently stated that, by pursuing this policy, he would be in a position to balance the budget in 1925. The national debt, however, reached nearly £22 per head of population at the end of 1922, as against £2 in 1913, exclusive of that of the Federal railways.

The accounts of the Federal railways for the first 10 months show a surplus of £3,778,000, compared with a surplus of £1,080,000 last year; the Federal Post Office registers for the same period a surplus of £8,046, as against a deficit of £360,000 in 1922; the telephone and telegraph service registers a surplus of £33,555, compared with a surplus of £23,710 in 1922. Customs duties, which have been again increased, yielded £6,640,000, compared with £5,440,000 last year.

But in spite of the financial position, Swiss business men are rather pessimistic, and fear that 1924 will be worse than 1923.

THE LEAGUE OF NATIONS IN 1923.

(FROM OUR CORRESPONDENT.)

GENEVA, January.

ON January 16th the Hungarian Committee of the League of Nations Council meets in London for the completion of the financial reconstruction scheme for Hungary. At the Council meeting in December the two protocols dealing with political conditions, and embodying the main features of the scheme, were adopted, but signature was left over until negotiations were completed between the

Little Entente Powers and the principal allies on the one hand, and between the Little Entente and Hungary on the other, on certain outstanding questions whose settlement is necessary before the Hungarian scheme can be finally approved, and set in motion. It will be known at the meeting of the Council Committee whether these negotiations have been concluded.

This League task was assumed at the end of 1923, and was a notable conclusion to a League year of fruitful economic and commercial work. It began with the essential stages of the Austrian reconstruction scheme, and at the same meeting at which the preliminaries for the Hungarian scheme were being thrashed out, the Council heard from the lips of Dr Zimmerman, its Commissioner-General in Vienna, the record of the latest progress in Austria. This experiment, which was entirely new in character, has achieved remarkable results, and has included the successful launching of foreign loans unique of their kind. The Hungarian business was therefore approached with a much more confident spirit, and although it contains political difficulties rather more delicate than those in the case of Austria, the main outline of the plan is conceived on the same basis as that for Austria, with this additional interest: that the French are regarding it mainly from the point of view of possible German developments.

These two cases are attracting the close attention of various other States not only inside, but outside Europe also. Interesting comparisons and speculations arise. Here, under the League method of reconstructive help, internationally organised loans are made conditional upon scientific internal reform, and under control which makes sure that the loans are properly applied to purposes of a purely reconstructive kind. The effects are being made plain in Austria, and doubtless they will be made plain in Hungary if and when the plan goes ahead.

The other form of financial assistance which has been occasionally undertaken outside the League is that loans have been made to certain Continental States to be spent in the country lending the money, generally not for constructive purposes, certainly without reform conditions, and involving at the same time serious economic and industrial concessions. Their effect is to make the financial position rather worse than better. What will be the eventual consequences when the States which are content to borrow money in this way see the financial position of States like Austria and Hungary restored on fundamental lines? Will they be disposed to go and do likewise, or will they be tempted to undo what these countries have laboriously established by the resurrection of extravagant claims against them? It may be that that is effectually guarded against; but even if it is not, it may be hoped that by that time there will be more wisdom and moderation, and a greater understanding of economic unity.

Austria and Hungary are certainly the two outstanding League reconstructive efforts of the year. A third effort of a rather different kind has been the scheme for the establishment of a thousand refugees in Greece on a permanent basis, for which the League prepared the ground, appointed an International Committee, and worked out the arrangements to attract foreign money.

In the wider international field the general conference on customs formalities produced agreement upon an important convention which, when put into force, will ease the wheels of international commerce in every direction, and be a practical step in improving conditions and opportunities of foreign trade, not to mention the conveniences foreshadowed for the travelling public.

Another serious contribution of the same kind has been the adoption by a general League Transit Conference of four conventions containing provisions for the simpler and more sensible working of international railway traffic, for the more equitable administration of free ports, and for the transit of electrical energy and hydraulic power from one country to another. In these conventions, as in the Customs Formalities Convention, the endeavour has been to separate these purely technical matters from politics, and to reduce the technicalities to a minimum, and, as far as possible, to a uniform scale in the various countries.

A convention has also been adopted to secure the more

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effective operation of arbitration clauses in commercial treaties. A theoretical study by distinguished economists has been concluded on the subject of double taxation, and revenue experts are studying the application of the principles agreed upon. A financial adviser has been appointed to the Albanian Government at that Government's request; the question of unification of legislation relating to bills of exchange and promissory notes has been the subject of study; the Economic Committee of the League is examining certain aspects of the equitable treatment of commerce, and the League has effected an important monetary reform in the Free City of Danzig. All these questions have been, or are being, worked out on a carefully planned scale, and it is only by such methods that general progress can be made. It may not satisfy those who want a new world in one jump, but it produces improvement, where improvement is possible, by the only means with which improvement can be obtained. They are, moreover, the only examples of serious organised international effort to make any progress at all.

This, it must be remembered, is one side only of the League's work. It has made progress all along the line in every subject with which it is concerned, and although it is obviously not yet playing the part in the political field which it was meant to do, and which it ought to do, it has nevertheless settled during the year many delicate questions upon which others have failed, and which has proved to anyone who takes the trouble to study its methods, that there is necessarily a greater chance of securing a settlement by this system than by any other.

Letters to the Editor.

PROFESSOR CASSEL ON PROTECTION.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The otherwise excellent contribution by Professor Cassel to the *Economist* of December 15th contains a passage which appears open to considerable criticism. He states that the erection of tariff barriers against a country whose currency is undervalued on the international markets must increase the undervaluation of its currency, that is to say, must depress its exchanges still further. But there is surely no justification, whether in theory or experience, for such a supposition. Tariff barriers must bring about restriction of trade in both directions, but there appears to be no reason why such restriction should affect the exchanges in one direction rather than in another.

So long as any commercial or financial transactions take place, however, limited their amount, the rate of exchange should continue to be governed by the relation between the prices of interchangeable goods in the respective countries concerned. Indeed, one hardly expected to meet with an argument in favour of the influence of trade movements on exchanges from the pen of the distinguished author of the theory of purchasing power parities.

He supports the argument by carrying the hypothesis to the extreme, and supposing that imports from the country in question are absolutely prohibited in all other countries, in which case he contends that the international value of its currency would sink to practically nil, because nobody would be able to make much use of it.

In the extreme case supposed there would be no market and no transactions in exchange with the country. No indication of international value would be forthcoming one way or the other. Foreign holders of the currency of the country would certainly not be able to make much use of it, but exactly the same would be true of foreign currencies.

Perhaps Professor Cassel is thinking of the special case of large speculative holdings abroad of the depreciated

currencies of certain countries, which might be thrown on the market in a panic if measures were taken tending to restrict trade with those countries. In this case the exchanges with those countries would be further depressed, but the readjustment between prices and exchanges would be speedily brought about by the rise in price of exportable articles in the countries in question, the effective demand for which would be provided by the extra currency thus released from hoards.

I fear that this question of the relation of international to internal values is becoming something of a bugbear with Professor Cassel, to judge by some of his recent writing. May I suggest, in all diffidence, that he is inclined to attribute to it greater importance than it deserves? The fundamental truth of the theory of purchasing power parities does not depend on the close correspondence of index numbers of prices, which are compiled on different bases in different countries, and may include articles which are not open to free international trade.—Yours faithfully,

L. G. ROUSSIN.

Cairo, December 30th, 1923.

THE FALL IN THE NEW YORK EXCHANGE.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In your interesting comments on the foreign exchanges in your issue of the 5th inst. you state, with reference to the fall in the New York exchange on London, that "no specific explanation has been offered for these movements." May I offer one, and one that I have repeatedly drawn attention to before, and that is the state of our currency? So long as the currency of this country remains depreciated and debased, so long will the New York rate of exchange on London remain unfavourable. Of course, there are other contributing factors in the situation, but this cause, I venture to state, is the main cause of the adverse exchange. That our currency is depreciated can be proved at any time by comparing the price of an ounce of standard gold in our currency with the Mint price of £3 17s 10½d per ounce. When the market price, as it does to-day, exceeds the Mint price, that is the measure of the depreciation which exists, and the question is, do we or do we not desire to restore our currency to its pre-war parity? If we do—and I imagine most people desire it—then there is only one way to bring this about, and that is to gradually contract the issue of paper money outstanding until parity of exchange has been re-established with America and other gold standard countries. This does not entail a contraction of credit or currency when specie payments have been resumed. On the contrary, a sound currency will lead to an expansion of credit, trade and general prosperity.—I am, Sir, your obedient servant,

D. M. MASON,

Chairman Executive Committee, Sound Currency Association, 115 Cannon street, E.C. 4.

January 5th, 1924.

GREEK POLITICS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In your issue of December 29th, under the title "A Caliph and a King," you write about the parties and factions in Greece and the return to Athens of M. Venizelos.

I have just arrived from Greece. My impression is that the call to M. Venizelos to return to Greece is far from unanimous. The election held on December 16th did not at all convey the people's will. As the *Times* wrote very rightly in its leader of December 19th, it was the result of a *coup de force* of the governing military clique. Three-quarters of the electors, as a protest abstained from voting in this unequal contest. Those who now call for M. Venizelos are only the moderate section of the one-quarter of electors who actually voted.

Every impartial observer is bound to admit that M. Venizelos is very unpopular in Greece since the war. This must be ascribed to his internal policy during the years 1917-1920. He did not follow then the true spirit of democracy, and ruled the country against the Constitution. This was the cause of his tragic downfall in 1920.

—Yours truly,

(Professor) MARCEL GAUNY.

14 Avenue Juste Olivier, Lausanne, January 6th, 1924.

Books and Publications.

THE ROOTS OF UNEMPLOYMENT.

THE volume of researches into the causes and character of the cyclical movements of trade grows apace. In "The Pre-War Business Cycle,"* Dr Schluter presents a careful analytical narration of the course of business, principally in the United States, but also in the main European countries, in 1907-14. He draws upon a large mass of statistical and other material, and welds it into a well-arranged and well-digested whole. He is naturally concerned to answer the questions why America suffered from depression in 1910-11, while Europe went steadily ahead, and why the tide in America receded sooner than in Europe in 1913. He finds the solution chiefly in a scarcity during the whole period of credit, and of the basis of credit—gold, which seems difficult to reconcile with the rapid rise of prices to which he draws attention. When Dr Schluter, after drawing attention to the rapid growth of savings during the period, adds that "large capital accumulations demanded more credit, for purposes of coining purchasing-power into means of payment," we feel that he is on surer ground as a narrator than as an expositor. But the fact that he cannot be said to have solved all the problems of the trade cycle can scarcely be held to detract from the merits of this useful and well-ordered study. The book seems to contain rather an unnecessary number of trifling misprints.

Dr Schluter attaches importance in his explanations to the disproportionate growth in manufacturing as compared with agricultural production during the years under review. But that would not satisfy Professor Moore, who, in a book as fascinating as a detective story†, pursues his determination to link up the trade cycle with a cycle of weather conditions and crop yields. By the method of harmonic analysis he establishes to his own satisfaction a congruent cycle of eight years in the rainfall of the United States, the yield per acre of the principal crops (reflected inversely in their prices), and the production of coal and iron. For British wheat prices and yield per acre he finds a similar period, congruent with that for the United States. It is a little disconcerting to the layman that from somewhat similar data, and by the same method, Sir William Beveridge should have established to his satisfaction a period for Western Europe not of 8, but of 15.2 years. It is also puzzling that, while Professor Moore's verbal argument leads us to expect that low agricultural prices will be reflected in low general prices, he finds for Sauerbeck's index number an eight-year period whose maxima correspond with wheat-price minima.

But Professor Moore's most startling achievement is the discovery of the culprit. It turns out to be Venus, who every eight years, and at the right dates, comes nearer to getting in a straight line between the sun and the earth than at any intervening moment. The electrical theory of matter is invoked to explain how this occurrence may, by interfering with the solar radiation, generate exceptional rainfall on the earth. We have no space to attempt to cope with Professor Moore's astronomical and physical arguments, but it may be said that, since Venus comes tolerably near to repeating her eight-yearly performance every one and three-fifth years, the four-year upward and downward swings which constitute the alleged eight-year rainfall period seem to remain a little difficult to account for.

Meanwhile, unemployment continues, and the International Association on Unemployment, originally formed in 1910, has been re-assembled in 1923 to study and promote its right treatment. The praiseworthy object of this body is to supplement by voluntary effort, as it has already apparently in the past inspired, the work of the International

* "The Pre-War Business Cycle, 1907 to 1914." By William Charles Schluter, Ph.D., Assistant Professor of Finance, University of Pennsylvania. Vol. cviii, No. 1 of Columbia University Studies in Political Science. 8s.

† "Generating Economic Cycles." By Henry Ludwell Moore, Professor of Political Economy in Columbia University. (New York) The Macmillan Company. 12s.

Labour Office. Its bulky proceedings contain a number of interesting communications and reports on emigration, insurance, vocational guidance, and unemployment among intellectual workers—the last a very grave problem in those countries which in the pursuit of financial equilibrium, have been obliged to make vast retrenchments in their civil services. The report on emigration comments with justifiable satisfaction on the relaxation in recent months of many of the severe obstacles to the international migration of labour which were imposed under the influence of inflated nationalism at the end of the war. The report on insurance gives interesting information as to the extent to which insurance funds are used in various countries for the purpose of providing work or training, and devotes special attention to the question of how far insurance schemes can be used as a preventive of unemployment. The association has set itself a valuable programme of work for coming years.

† "Assemblée Générale de l'Association Internationale pour la Lutte contre le Chômage." Geneva. S.A. des Editions "Sonor."

POLAND OF TO-DAY.

PROBABLY no single one of the new States recognised by the Treaty of Versailles has so disappointed believers in the new world order as has Poland. Formed out of the wreckage of three great Empires, and faced by almost insoluble problems of reconstruction in every sphere of its national life, Poland seemed the last country in Europe which could afford the luxury of an ambitious foreign policy. Yet Polish statesmen are constantly accused of Imperialistic designs, and it is an undoubted fact that in hardly any quarter of the new Near East can they count with certainty on the friendship of neighbouring countries.

The author of this book,* who was himself for a time Polish Foreign Minister, makes an honest attempt to face unpleasant facts, and even though we cannot agree with all his conclusions, we must perforce admire him for his admirable candour. He takes the present frontiers of the new Poland as final, and hopes on this basis to solve the much-vexed problem of the national minorities. At the same time he makes no attempt to conceal the unpopularity of Polish rule among the Ukrainians, the Germans, and the white Russians. As long as Poland incorporates "a strip running along the Eastern Russian frontier some 200 kilometres wide, with a non-Polish majority," it seems to the Western observer that she cannot but be "the battlefield of nationalistic struggles," which, says our author, she "in no way can be and must not be." It is, perhaps, too much to expect him to draw what we think must appear to be the obvious conclusion.

In his discussion of the agrarian problem, again, he clearly states the causes of rural discontent, but hardly realises to the full the dangers of attempting to maintain a semi-feudal system of land tenure in a country which is surrounded on three sides by neighbours who have recently instituted a very drastic series of changes in this respect. His fundamental proposition that "the accumulation of large areas in single ownership is a necessary condition for preserving agriculture on a high level, from a technical and an economic point of view," may or may not be true. It is, however, quite certain that the unit of ownership itself cannot even be discussed from the economic point of view without considering the unit of cultivation at the same time, and this our author has not even attempted to do.

Count Skrzynski is a Polish Liberal, and his book is offered us as being "propaganda of the truth." To the English reader his nationality may perhaps appear to be more certain than his Liberalism, though it is important to remember that after all everything is relative. The book itself contains much useful economic and general information about the new Poland, and, apart altogether from the light it throws on the Polish point of view, should be welcomed, if only for this reason, as an interesting picture of a comparatively unknown country.

* "Poland and Peace." By Count Alexander Skrzynski. George Allen and Unwin. Price 6s.

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In this little volume the chief disadvantages of private trusteeship are outlined, and a plan to remedy present defects is offered. This takes the form of a "private" company, which will act as "custodian trustee." We are told that "by setting up a private company, empowered to act as trustee, the benefits of incorporation are obtained, with the result that when once the trust funds have been vested in the company the question of divesting them does not arise on the appointment of new trustees," and that although "there may be as many as three or four new appointments of trustees during the life of the trust, no occasion will arise for a transfer of the trust funds from the old to the new trustees." Mr Fulton works out his details of the scheme with considerable thoroughness. A model memorandum and articles of association are given, together with an estimate of the cost of forming "a private custodian trustee company."

BOOKS RECEIVED.

- Trust Problem in the United States.* By Eliot Jones. (London) Macmillan and Co. 14s net.
Labour Turnover in Industry. By P. F. Brissenden and E. Frankel. (London) Macmillan and Co. 16s net.
The World-Struggle for Oil. By Pierre L'Espagnol de la Tramerie. Translated by C. Leonard Lesse. (London) George Allen and Unwin, Limited. 8s 6d net.
Economic Justice: A Text-Book of Economy from the Christian Point of View. By Gerard Collier, M.A. Preface by Albert Mansbridge. (London) George Allen and Unwin, Limited. 7s 6d and 5s net.
The Janina Murders and the Occupation of Corfu. By George Glasgow. (London) Anglo-Hellenic League, 53-54 Chancery lane, W.C. 2.
The Swedish Year-Book, 1923. (Stockholm) Almqvist and Wiksells, Boktryckeri, A.-B.
Statistical Review of the Wool and Wool Textile Trades, 1912-1922. (London) H. Dawson and Co. 10s 6d.
Bibliographie der Wirtschafts und Sozialgeschichte des Weltkrieges. By Dr Othmar Spann. (London) Oxford University Press.
Income Tax Tables of Tax on Net Income. (London) H.M. Stationery Office. 10s 6d net.
How to Invest Your Money. By W. L. George. (London) A. and C. Black, Limited. 2s 6d net.
Short Account of the Work and Activities of the Ministry of Development in the Province of Madras. (Madras) Temple and Co., 55 Lingha Chetty street.
Societa Italiana Per Azioni Notizie Statistiche, 1922. (London) Credito Italiano, 22 Abchurch lane, E.C.
1923 Financial Notes: a Cumulative Descriptive Index. Issued monthly. (London) F. C. Mathieson and Sons. Subscription one guinea.

The above will be printed for subscribers every month, giving the whole of the year to date alphabetised on long slips (galley form) for hanging up in offices. They have been found very handy for quick reference in 1921 and 1922. Summaries of New Companies, Appeals for Capital, Reconstructions, Alterations of Shares, Rights to subscribe for New Shares, and other Notes, are grouped under one alphabet, and New Offices under another alphabet at the end of the slips.

Mathieson's Handbook for Investors for 1924. A Concise Record of Stock Exchange Prices and Dividends for past Ten Years of Selected Securities. (London) F. C. Mathieson and Sons. 5s net.

Mining: Highest and Lowest Prices, Dividends, &c., for past Six Years. Mid-December, 1923. (London) F. C. Mathieson and Sons. 2s.

* Private Custodian Trusteeship. By L. J. Fulton. London: Sweet and Maxwell, Limited. 7s 6d.

BARCLAYS BANK LIMITED.

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STOCK EXCHANGE NEWS.

TICKET. January 23. | ACCOUNT. January 24.

Stock Exchange markets are almost entirely dominated by the political situation. Here and there other influences have supervened to cause price-fluctuations, but by far the greater number of changes this week are directly traceable to the influence of next week's debate in the House of Commons. The public are in a somewhat nervous frame of mind, the effect of which is noticeable in the restraint put upon purchases of stock such as take place, almost invariably, at the beginning of every year. It is said that fairly large lines of British Government stocks continue to come to market from Continental sources, but the fact of the matter is that there is so little public buying to support values that for prices to sag is inevitable in the circumstances. Thursday's rise in the Bank of France rate checked a mild recovery that occurred earlier on that day.

The War Loan has been down to 98½, and Victory Bonds to 80½. Falls have occurred in most of the other British Government securities, the 4 per cent. Tax-compounded War Loan standing out as an exception owing to the impression that the Labour party may substitute heavier income-tax for the threatened capital levy. Prices finish the week above their lowest levels, but the market is not looking for any settled tendency until the outlook becomes more definite. Mystery veils the reason of the rush to buy German Threes, which ran up the price at one time to 25s, from which it fell back later on. Some say that the Dutch were the chief buyers. French bonds, after a show of strength, reacted on the movements in exchange. Brazilians have advanced noticeably, in consequence of the greatly improved status of the milreis, which has come as a useful, if possibly coincidental, sequel to the visit of the British mission to the Brazilian Government. No changes of consequence have occurred in Mexicans.

The Home Railway market came under the influence of the dulness in gilt-edged stocks, and the dividend announcements, which are expected to appear in about a fortnight's time, received little advance attention. Grand Trunk Pacific Debenture has given way, though Canadian Pacifics, together with Eries and various other American railroad shares, stand substantially higher by reason of the strength of the dollar as compared with the pound sterling. Argentine Railway stocks moved up and down in an erratic manner, while Brazilian Rails advanced appreciably in sympathy with the rise in Brazilian Government bonds. Mexican rails are a little easier.

The Rubber market remains dormant. In oil shares, a further rise in Shells testifies to the public confidence felt in the company, and to appreciation of the four or five recent rises in the price of petroleum. Except in Shells and Royal Dutch, however, there is not much animation. The Textile market is quiet, the doubling of the interim dividend on English Sewing Cotton shares being considered as no more than a desire on the part of the directors to equalise the half-yearly payments. In the tobacco market, the recent depression gave way to improvement on bear fidgeting. Thursday's meeting of the British American Tobacco Company assisted the movement. The Crosbe and Blackwell circular, long expected, had already been discounted in the fall which occurred in the company's three classes of shares: the immediate result was to make prices a little lower.

Vague fears of Labour legislation found reflection in declines amongst gas and electric issues, and the weakness of gilt-edged stocks brought about sales of banking and insurance shares. Even the Trust companies' list, usually so robust, has weakened to some extent. The shipping group continues to exhibit a steady front, thanks to the unexpectedly favourable showing made by several of the companies this week in their reports, though prior-charge issues in this market are suffering with other gilt-edged securities. Iron, steel, and similar shares have been monotonously receding 3d to 6d per diem, and companies which were expected to benefit

from the Government unemployment plans, e.g., those in the cement industry amongst others, have lost what adventitious aid this programme at first gained for their shares in the market. Hotel shares, stores, and breweries are exceedingly quiet, the only change in the position being shown by a slight increase in the difficulty of dealing as a seller. The cable group is heavy; wireless shares have also undergone trifling losses.

Kaffirs received a measure of support from the Cape, though the rise in the price of gold, combined with the good dividends recently declared by many of the companies, has failed to attract any noticeable buying from sources nearer home. Rhodesians are in similarly quiet case. The mining market is redeemed from stagnation, however, by rises in various tin shares, this being especially the case with those connected with the Straits companies. West Africans joined in the movement, but the Cornish shares have scarcely participated in the upward tendency. Indian mining shares lean to the dull side, notwithstanding the high price of gold. Base metal issues are mostly better, the Broken Hill group receiving a little attention from speculative investors. De Beers and Rio Tintos depend, as usual, upon the tone prevailing in the Paris market.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£ 65,000	£ ..	£ ..	£ ..

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER FIVE DAYS ENDED JANUARY 5, 1924.

April 1, 1923, to Jan. 5, 1924, £13,000,000 .. Dr 150,000 .. £ 150,000

To the Public—				
National Smelting Co., £1,500,000				
7% First Mort. Deb. Stk. (red. at 102% by ann. dwgs. 1924-1945), issued at 95% ..	1,500,000	1,485,000	75,000	1,410,000
To Shareholders only—				
J. Lyons and Co., 500,000 unissued 7% Cum. Pref. Shares, £1, at 23s per share	500,000	575,000	200,000	375,000
Var Oil and Coal, £50,000 7% Deb. Stk. (red. at par, 1923-1933), issued at 90% ..	60,000	54,000	6,000	48,000
		639,000	206,000	433,000

Total offered for subscription to date in—				
1924.....	1,899,000			271,331,173
1923.....	6,242,566			573,675,650
1922.....	36,188,017			388,970,203
1921.....	10,538,507			367,549,656
1920.....	25,243,050			1,036,069,351
1919.....	65,479,168			1,333,381,441

The National Smelting Company, Limited.—The capital consists of 650,000 8 per cent. cumulative participating preference shares of £1 each, 1,000,000 ordinary shares of £1 each, and 1,000,000 deferred shares of 1s each. The ordinary shares have been issued for cash at par, and are fully paid up, while the preference and deferred shares are to be issued in payment of certain assets. Debenture stock is authorised for £1,500,000. This is the first public issue of the New Year, and, unfortunately, it follows the procedure of an "offer for sale," instead of setting a good example by issuing a prospectus complying with consequent conditions. The underwriting undertaking, having agreed to acquire £1,500,000 7 per cent. first mortgage debenture stock of the company, offer the same for sale at 99 per cent. This stock will be secured by a first mortgage upon property and plant and 4,000,000 shares in Burma Corporation, Limited, "now owned or to be acquired by the company," and a first floating charge on remaining property. The stock will be repayable by means of a cumulative sinking fund of 2 per cent. per annum, to be applied annually in the redemption of stock by purchase at or below 102 per cent. (inclusive of expenses of purchase), or by drawings at 102 per cent. The first redemption is to be effected on or before January 1, 1926. Stock not previously redeemed will be repayable at 102 per cent. in 1945. The right is reserved by the company to redeem stock, otherwise than out of the sinking fund, at 103 per cent. on January 1, 1931, or any subsequent interest date, subject to three months' notice. Speculative investors and those who are interested in this branch of this important industry may possibly discover the merits of this issue, but conservative investors will pay special attention to the security offered. It will be noticed that we are merely told "of the total capital expenditure" when properties are mentioned. The practice of offering debentures secured on shares based on current market values we have objected to before in these columns, and we cannot share the enthusiasm of some of our contemporaries, one of which states the margin of the aggregate share values over the amount of issue. It is obvious that these ordinary shares may fluctuate in value from day to day, as a glance backward at share quotations will show.

The Hatfield Gas Company, Limited.—Authorised stock capital £30,000, of which £10,000 has been issued. Loan capital has been authorised for £15,000, and £5,000 has been issued. This is an offer for sale by tender of £6,000 6 per cent. preference stock, the minimum price of issue being £95 per £100, which, taken at this price, yields £6 6s 4d per cent. The net revenue of the undertaking for the year ended September 30, 1923, was £1,385. Interest on debenture stock takes £344, leaving £1,041 available for dividends. The total dividends on the preference stock, including that now being issued will absorb £623; thus a comfortable margin of security is assured. Of course, the issue is small, but it is a good offer in its class.

The Central West Gold Mining Company, Limited.—Registered in the Transvaal Province of the Union of South Africa. Authorised capital £197,500, divided into 790,000 shares of 5s each, all of which have been issued. The company was incorporated in September last, and its object is indicated by its title. Certain properties and assets were acquired from the Far West Rand, Limited, for £112,500, of which £15,000 "is payable in cash." Share options will be given to subscribers of "the cash issue." The option, we learn, can be called at 7s 6d per share, and can be exercised up to December 31, 1925. A commission of £5,000 has been paid for placing shares. These details are taken from an advertisement in the public press in connection with an application for a Stock Exchange quotation.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.
War Loans	3½, 1925-28 .. 86	86½	+
Canada 4½, 1920-25 .. 100	100	100	..
India 3½, Stock .. 65½	65½	65½	..
Do 7½, 1926-31 .. 114	114	114	..
Do 5½, 1932 .. 100	99½	100	+
Do 4½, .. 85	84	85	+
N.S.W. 5½, 1922-30 .. 100	100	100	..
Nigeria 6½, 1949-79 .. 112	112	112	..
U. of S.A. 6½, 1930-40 .. 104	104	104	..
Victoria 5½, 1924-34 .. 101	101	101	..
W. Aust. 6½, 1930-40 .. 103	103	103	..

Banks.

Barclays B. (£1, p.d.) .. 28	28	28	..
Chartered Bk of India .. 19½	19½	19½	..
Lloyds (£5 with £1 paid) .. 28½	28½	28½	..
Midland (£10, with £4 paid) .. 8½	8½	8½	..
Nat. Bank of Egypt (£10) .. 24½	24½	24½	..
Nat. Bank of S. Africa 5½ .. 5½	5½	5½	..
Nat. Prov. & Union of England (£20, with £4 paid) .. 10½	10½	10½	..
Standard of S. Africa (£20, with £5 paid) .. 10½	10½	10½	..
Westminster Bank (£20, with £5 paid) .. 17½	17½	17½	..

Foreign Government Securities.

Argentine 5½, 1926-7 .. 100	100	100	..
Austrian 6% Guar. .. 84	84	84	..
Belgian .. 69	69	69	..
Brazil 5% Fund, 1914-69 .. 73	73	73	..
Chilian 4½, 1926 .. 85½	85½	85½	..
Do 7½, .. 104	104	104	..
Chinese 4½, 1912 .. 66	67	67	+
Chinese 5½, .. 74	74	74	..
Egyptian 4½ .. 83	83	83	..
French 5% .. 19	19	19	..
Do 4% .. 50½	50½	50½	..
Greek 4%, 1884 .. 50½	50½	50½	..
Japanese 4½ .. 111	111	111	..
Do 4½, 1910 .. 67½	67½	67½	..
Mexican Cons. 1899 .. 55	54	54	-
Peruvian Corp. Pref. .. 24½	27	27	+
P.L.M. 6% .. 85	84	84	-
Portuguese (New) .. 31½	31½	31½	..
Russian 5½, 1906 .. 11	11	11	..
Spanish 4½, 1906 .. 63	63	63	..
Serbian (Debt) 7% .. 98	97	97	-
Siam 7% .. 105	105	105	..

Colonial and Foreign Railways.

Antioquia Cons. .. 84½	84½	84½	..
B.A. and Pacific .. 73	73	73	..
B.A. & G. Southern .. 50½	50½	50½	..
Buenos Ayres West. .. 72	72	72	..
Canadian Pacific .. 169	175	175	+
Central Argentine .. 68½	69½	69½	..
Leopoldina .. 122	122	122	..
Mexican Railway .. 84	84	84	..
Do 1st Pref. .. 28	28	28	..
Do 2nd Pref. .. 16	16	16	..
San Paulo .. 134	146	146	+
United Havana .. 61	61	61	..

British Railways.

Great Western, Ord. .. 107½	106½	106½	..
London & North-Western .. 85½	84	84	-
5% Pref. Ord. .. 31½	31½	31½	..
Do Def. Ord. .. 103	102	102	-
London, Mid., and Scottish, Ord. .. 79	78	78	-
Metropolitan .. 54½	53	53	-
Southern, Ord. "A" .. 34½	34	34	-
Do Ord. "B" .. 11	11	11	..
Do Pref. Ord. .. 84½	84	84	-
Do Def. Ord. .. 38½	38	38	-
Underground Electric (£10) .. 24½	23	23	-
Do "A" (1) .. 100	100	100	..
Do Inc. Bds. (£100) .. 101½	100	100	-

American Railroads.

Cheapeake & Ohio .. 83	85	85	+
Erie .. 24½	25½	25½	+
Do 4% 1st Pref. .. 34	39	39	+
Southern .. 45	49	49	+
Do Non-cum Pref. 77 .. 80	80	80	+

Miscellaneous.

Asarated Bread (1) .. 1½	1½	1½	..
Amal. Cottons (1) .. 1½	1½	1½	..
Amal. Persian Oil (1) .. 2½	2½	2½	..
Armstrong (Siz W.G.) and Co. (1) .. 1½	1½	1½	..
Ass. Palm. Coconuts (1) .. 1½	1½	1½	..
Barker, John (1) .. 1½	1½	1½	..
B'ham Small Arms (1) .. 1½	1½	1½	..
British Traction (£100) .. 47½	53	53	+
British-American Tobacco (1) .. 4½	4½	4½	..
Burnah Oil (1) .. 4½	4½	4½	..
Coats (J. and P.) (1) .. 3½	3½	3½	..
Commercials (1) .. 1½	1½	1½	..
Cunard (1) .. 1½	1½	1½	..
Dorman, Long (1) .. 1½	1½	1½	..
Dunlop Rubber (1) .. 1½	1½	1½	..
Five Cotton Spinnings (1) .. 1½	1½	1½	..
Forestral Land (1) .. 1½	1½	1½	..
Furze, Withy (1) .. 1½	1½	1½	..
Highlands and Lo. (1) .. 1½	1½	1½	..
India Rubber (1) .. 1½	1½	1½	..
Island Bay (1) .. 1½	1½	1½	..
Imperial Tobacco (1) .. 34½	34	34	-
Linggi Plantations (1) .. 1½	1½	1½	..
Lipson (1) .. 1½	1½	1½	..
Lever Bros. Co. (1) .. 1½	1½	1½	..
Do 8% On A Pref. (1) .. 1½	1½	1½	..
Do 10% On A Pref. (1) .. 1½	1½	1½	..
Lister (1) .. 1½	1½	1½	..
Lobitos Oilfields (1) .. 1½	1½	1½	..
Lyons (J.) & Co. (1) .. 1½	1½	1½	..
Magadi Soda (1) .. 1½	1½	1½	..
Mexican Eagle (1) .. 1½	1½	1½	..
Palm (1) .. 1½	1½	1½	..
Rubber Plantations Investment (1) .. 1½	1½	1½	..
Shell Transport (1) .. 1½	1½	1½	..
Smithfield & Argentine Meat (1) .. 1½	1½	1½	..
United Dairies (1) .. 1½	1½	1½	..
United Serdang (1) .. 1½	1½	1½	..
United Tobacco (1) .. 1½	1½	1½	..
Vallambrosa (1) .. 1½	1½	1½	..
Vickers (1) .. 1½	1½	1½	..
Watney Def. Stk. .. 167	165	165	-

Telegraphs.

	Price Last Week.	Latest Price.	Rise or Fall.
Anglo-American "A" .. 23½	23½	23½	..
Marconi Wireless .. 2	2	2	..
Marconi Canada .. 1½	1½	1½	..
Marconi Marine .. 1½	1½	1½	..

Mines.

	Price Last Week.	Latest Price.	Rise or Fall.
Brakpan (1) .. 3½	3½	3½	..
Broken Hill Prop. (8) .. 1½	1½	1½	..
Chartered (1) .. 1½	1½	1½	..
Cons. Gold Fields (1) .. 1½	1½	1½	..
Crown Mines (10) .. 3	3	3	..
De Beers Def. (£24) .. 11½	11½	11½	..
East Rand Prop. (1) .. 1½	1½	1½	..
Geduld (1) .. 3½	3½	3½	..
Gov. Gold Areas .. 6½	6½	6½	..
Knights .. 1½	1½	1½	..
Modderfontein (10) .. 1½	1½	1½	..
Modderfont. "B" (5) .. 1½	1½	1½	..
Modderfont. Deep (5) .. 1½	1½	1½	..
Premier Def. (2/6) .. 5½	5½	5½	..
Rand Mines (5) .. 2½	2½	2½	..
Selukwe .. 1½	1½	1½	..
Rio Tinto (£5) .. 30½	29½	29½	-
Spring Mines (1) .. 2½	2½	2½	..

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim div.	Final div.	Method of Payment.	Latest Year.	Previous.
Railways.						
Alexandria and Ramleh ..	4/ p.s.	5/	..	..	5	5
South Behar ..	4/ p.s.	5/	..	..	5	5
Banks.						
Bank of Liverpool and Martins ..	4/ p.s.	8	Feb. 1	Subject to tax	16	16
Belfast Discount ..	8	..	..	Less tax	13	13
Canadian Bank of Commerce ..	1/7½ p.s.	..	..	..	16	16
Equitable ..	4½ p.s.	..	..	Subject to tax	20	20
Hong Kong and Shanghai ..	4/ p.s.	Jan. 23	..	Tax free	7	7
Ionian ..	20/ p.s.	..	..	Subject to tax	20	20
Lebanon and Yorkshire ..	6/6 p.s.	..	..	Less tax	16½	16½
Manchester and County ..	20	..	..	Less tax	16	16
Munster and Leinster ..	8 %	..	..	Less tax	16	16
National Provincial and Union ..	10	..	..	Tax free	..	..
Provincial of Ireland ..	10	..	..	..	..	..
Queensland National ..	15	Feb. 14	..	..	..	..
Union of Australia ..	10	Jan. 30	..	Tax free 3/1 in £	..	..
Union of Manchester ..	10 %	..	..	Less tax	20	20
Westminster (£20) ..	6½ %	..	..	..	12½	12½

COMPANY MEETINGS, &c.

THE ROYAL BANK OF AUSTRALIA, LIMITED.

"HIGHLY SATISFACTORY" RESULTS.

CHAIRMAN ON AGRICULTURAL AND TRADE CONDITIONS.

The half-yearly meeting of the Royal Bank of Australia, Limited, was held at Melbourne on October 30th, Mr Randall J. Alcock, J.P., chairman of directors, presiding.

The report and balance-sheet for the half-year ended September 30, 1923, showed that the net profits were £61,643 7s 9d. Dividend at the rate of 10 per cent. per annum absorbs £37,500; the sum of £20,000 is transferred to the reserve fund (making it £540,000); and £4,143 7s 9d is added to the amount carried forward from the previous half-year (making it £36,305 12s 8d).

The Chairman, in moving the adoption of the report and accounts for the half-year ended September 30th, said:—

Trade during the half-year has again been on the quiet side. The state of drought to which I made reference at our last meeting continued till nearly the end of May, when good rains fell in South Australia, Victoria, and in parts of New South Wales. Since then the rainfall for the winter months has been much above the average, especially in Victoria. Unfortunately the delay in the breaking up of the dry spell, together with the subsequent heavy and almost continuous rainfall, interfered seriously with the wheat seeding operations.

RAIN INTERFERES WITH SEEDING.

Particularly was this so in the Wimmera, where the heavier soils became waterlogged to such an extent that they were unworkable—in consequence the area under wheat in that district is much below what farmers intended to sow. The sandier Mallee country, on the contrary, which could be worked in spite of wet weather, has a larger area under wheat. Everything points to an excellent harvest in point of view of yield, and so far as Australia's crop is concerned there appears to be every reason to believe that the market price will not be much below that of last year.

The dairying industry has had a trying year. Towards the end of March the London market experienced a serious slump, prices for butter dropping from over 190s per cwt in January to under 140s in April.

The majority of factories, partly on account of the dry summer promising a good local market during the winter months, and partly on advices foreshadowing the London slump, had begun to store their output, hence the loss was much less than otherwise might have been experienced.

The local market remained firm till the beginning of September, in spite of considerable importations from New Zealand and Queensland. Naturally the drought seriously lessened the output of all factories, besides the dairying stock became poor, and when the wet weather set in, accompanied by a rapid drop in temperature in many districts, a considerable mortality ensued.

Cheese, which is not an important export of Australia, has maintained excellent prices. It is a matter for surprise that more attention is not paid to this product, especially in view of New Zealand's output.

OUTLOOK FOR DAIRY PRODUCE.

The general outlook for dairy produce the present season is distinctly encouraging. The London market has recently been on the up grade, still it is more than likely that by January, when full supplies from this side are coming to hand, prices will again drop. With the large number of unemployed people in Britain the purchasing power of the community is greatly impaired, beside the European working man looks upon butter more as a luxury and less of a necessity than we in Australia do.

WOOL INDUSTRY.

Owing to the unsatisfactory season that was experienced in the early part of the wool-growing year, and to the further reduction in the number of stock shorn, the Australian clip, which last year totalled approximately 1,918,000 bales, is estimated to only be about 1,600,000 bales for the present year (1923-24), a decrease of say 300,000 bales.

Queensland and Northern N.S.W. have probably suffered more severely than other parts in Australia—the returns received to date show a heavy falling off in the weight cut per head of sheep. Victorian and Riverina clips also show marked signs of the adverse season, but not quite to the same extent as Northern New South Wales.

The latest sheep figures for the Commonwealth are for 1913-14 85,096,859, and for 1922-23 76,091,311.

Fortunately the position of raw wool is a strong one statistically, and though of late pessimistic reports have emanated from spinners and manufacturers, particularly from Yorkshire in regard to the state of trade, prices have held well, and in case of crossbreds have shown some improvement.

Trade in Yorkshire is certainly dull, and so far little or no support has been given to the Australian market from that quarter. French and Belgian operators are at present most active, and local mills are steady buyers.

American mills have also been exceptionally busy from the beginning of the year, and as their stocks of raw material are not heavy, good support should be looked for from there during this season.

The German position is, of course, difficult, and whether they can be expected to finance any great quantity of wool at the present high prices remains to be seen.

MUTTON AND BEEF.

The mutton and lamb market remains satisfactory, but the present price of frozen beef continues so abnormally low that, unless altered, will menace the existence of the cattle pastoralist. The Government subsidy and the reduction of freights have not proved of sufficient benefit. Recent legislation, however, in the Argentine will shortly result in the fixing of the price of export beef from that country at a higher figure than recently current. This from the Australian point of view is satisfactory, as it is bound to have a favourable effect on the London price of our beef.

COTTON AND MINING.

Cotton growing is still being encouraged in Queensland, and to some extent in New South Wales. American export diminishes year by year, partly due to her increasing population, and partly because of the ravages of boll weevil.

There is evidence of the approach of a world shortage in this commodity. Nevertheless, in spite of the optimistic reports by experts and others interested, there are factors which militate against its becoming a prominent Australian industry in the near future—so that caution should be the watchword at present.

Mining continues to a great extent in the doldrums—coal instead of becoming cheaper has a tendency to become dearer. We all hope that the Morwell electricity venture, which is nearing its productive stage, will realise expectations, and that all industries will benefit thereby.

IMMIGRATION

The immigration policy of the Federal and State Governments commands general approval, but there seems to be necessity to stress the absolute importance of selecting only the right type of migrants who are mentally and physically sound and capable of adapting themselves to the altered conditions of life they will come to. I am of opinion also that the ownership of some capital by each immigrant desirous of taking up land should be rigidly insisted upon.

The success in London of the recent Victorian Conversion Loan, and of the last Federal Loan, demonstrates that ample money is available there for the future development of Australia, provided it is considered the money is likely to be utilised wisely.

The reduction of postal rates is a step in the right direction. The Postal Department is a public utility, which should always be self-supporting, but not used as a means of indirect taxation.

In reference to the report and balance-sheet, I am sure you all regret the retirement of Mr Thomas Kidd owing to continued ill-health; he has been an auditor of the bank for 32 years, and we all hope for a speedy recovery in his health.

Mr Holmes has assisted Mr Cleveland in the present audit, and will continue until next general meeting, when shareholders will be called upon to elect two auditors in terms of the bank's articles of association.

DIVIDEND.

Your directors recommend that a dividend of 10 per cent. per annum should be paid, that £20,000 should be added to the reserve fund, making that fund £540,000; that the balance of profits, £4,143, should be added to the amount carried forward from last half-year. The amount carried forward will then be £36,305, which I think you will agree with me is highly satisfactory.

Deposits are practically the same as six months ago, although somewhat differently stated. The deposits of the State Savings Bank of Victoria, hitherto held as Government deposits, are now

treated by all banks interested as "other deposits bearing interest."

On the assets side the cash and other available liquid holdings show the substantial sum of over £2,000,000, which shows a strong position against the bank's total indebtedness to the public.

Bank premises stand in the bank's books at the same figure, but, as several times mentioned by me, your directors are of the opinion that the present-day values are in excess of book values.

Bills discounted and other advances are somewhat lower, which is usual at this time. Additional taxation is the reason for the increase in the charges account.

The motion for the adoption of the report and accounts was seconded by Mr T. F. Buxton and carried unanimously.

The proceedings terminated with a cordial vote of thanks to the directors and management, proposed by Mr A. B. Cassidy, seconded by Mr. Joseph Gras-y-Fort.

CHARGEURS REUNIS.

FRENCH STEAM NAVIGATION COMPANY.

At the annual general meeting of the Chargeurs Réunis, held in Paris on December 27th, the results of the financial year ended June 30, 1923, were laid before the shareholders.

The following are the main features of the report:—

Gross receipts figure at (as against 132,000,000 in 1922)	162,720,363.09
Management and operating charges (which include a sum of approximately 5,737,000 applied to depreciation and insurance)	141,380,427.22
Leaving net receipts of	21,339,935.87
Interest charges amount to	9,997,923.70
Leaving profit for the year of	11,342,012.17
Carried forward from 1921-22	22,909.17
Total	11,364,921.34

This has been appropriated as follows:—

For the writing down of the fleet	11,211,141.47
Balance carried forward	153,779.87
	11,364,921.34

Obligations outstanding have been reduced during the year by 2,436,500. Attention was drawn to the large sums allocated to amortisation of the company's assets, amounting in all to nearly 17,000,000, as against 14,431,000 in 1922. This is in conformity with the drastic policy of writing down which the board has consistently pursued, even at the sacrifice of dividends to the shareholders.

The fleet, which at June 30, 1922, comprised 41 big ships and five auxiliary vessels, representing a tonnage of 313,107 deadweight, now numbers 45, with five auxiliary vessels, making in all 349,707 tons deadweight, four large new vessels having been put into service.

The average price per ton, despite the above-mentioned additions, works out at only 450f, as against 413f in 1922.

BUILDING PROGRAMME AND PROSPECTS.

Although further borrowing had been authorised by a previous general meeting of shareholders to permit of the completion of the building programme, the board has come to the conclusion that the world-wide crisis in shipping and the prevailing financial conditions justified a modification of this plan. Accordingly three of the vessels still on the stocks have been sold. For this reason, on June 30th last only three further ships remained for delivery to the fleet of the Chargeurs Réunis. One is actually in commission; the others are being completed at this moment.

As for the results that may be expected in the current financial year, the situation of international politics is too obscure to enable the president at the present time to give any reliable indications. It may be stated, however, that in the past months substantially better results have been obtained than in the same months of the previous year's working. Exports are continually on the increase, and this autumn a promising emigration movement has made itself apparent.

Copies of the company's annual report and balance-sheet, comprising a full account of the president's address to the shareholders, can be obtained on application at the offices of Messrs Erlangers, 8 Crosby square, London, E.C. 3.

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

BRITISH-AMERICAN TOBACCO COMPANY, LIMITED.
INCREASED BUSINESS DESPITE ADVERSE CONDITIONS.

The twenty-first annual general meeting of British-American Tobacco Company, Limited, was held, on the 10th instant, at the offices of the company, Westminster House, 7 Millbank, London, Mr A. G. Jeffress, one of the deputy-chairmen, presiding.

The Chairman said: With your approval we will take the notice convening the meeting and the report of the directors and accounts, which have been circulated, as read, and the secretary will now read the auditor's certificate.

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

The Chairman: Ladies and gentlemen,—Since our last annual meeting Mr J. B. Duke, under whose able chairmanship the company so greatly prospered, decided to retire from active business and therefore resigned his chairmanship and seat on the board. It is needless to say that the resignation was received with great regret, which I am sure will be shared by you all.

Sir Hugo Cunliffe-Owen, who has been a director since the incorporation of the company and a deputy-chairman since August, 1905, was elected to the vacant chairmanship, and the company and its directors are extremely fortunate in having in their chairman one who is exceptionally well qualified to be the head of such an organisation as yours. He not only commands the loyal co-operation of his colleagues on the board and every employee of the company, but his experience and knowledge is a very valuable asset to all our large and important companies, whose efficient management is an important factor in your company's prosperity. I should mention that the reason Sir Hugo is not in the chair to-day is that he is travelling in the Far East on the business of the company, accompanied by one of your deputy-chairmen, Mr J. D. Gilliam.

The directors have also received with great regret the resignation of Sir Arthur Churchman, Bart., M.P., from the board. Sir Arthur felt that, owing to his Parliamentary duties, he could not adequately attend to the affairs of your company.

This vacancy has been filled by the election of Mr Robert Campbell Harrison, who will come up for re-election at a later stage of the meeting.

BALANCE-SHEET ITEMS.

As you are aware, it is usual at our annual meeting to go through the various items of the balance-sheet and make some comments thereon.

Taking the assets side of the balance-sheet first, you will observe that the item of real estate and buildings at cost, less provision for amortisation of leaseholds, £484,046, shows a decrease of £6,512 as compared with last year.

Plant, machinery, furniture and fittings at cost or under, £521,618, shows a decrease of £7,628. This is mainly accounted for by transfers to subsidiary companies.

Goodwill, trade marks and patents remain at the same figure as last year—namely, £200,000—and in view of the great value of the company's trade marks, the directors consider this item should remain on the balance-sheet even if only at the nominal value of £200,000.

A number of our associated companies have during the past year increased their indebtedness to us, and consequently loans to and current accounts with associated companies, £4,811,858, show an increase of £116,277.

Investments in associated companies show an increase from £15,266,302 to £15,620,374. This is the largest item on the assets side, and shows an increase this year of £354,072. We have made investments during the past year by increasing our holdings in several associated companies.

INCREASED STOCKS OF LEAF.

Stocks of leaf, manufactured goods and materials, at cost and under, now stand at £5,466,395, or an increase of £616,882, represented almost entirely by an increase in stocks of leaf tobacco. The stocks of leaf, manufactured goods, and materials have been carried at cost or under, as in previous years.

Sundry debtors, less provision for doubtful debts and debit balances, now stand at £1,094,710, a reduction of £564,779, represented largely by time loans to financial houses, which matured during the year, and which were not renewed.

Cash at bankers, in transit and at call, £4,247,040, shows a decrease of £248,570. Our accounts are prepared to the end of September, and it is about that time we are in the midst of the leaf-buying season, and require large cash balances. Perhaps I might mention that all of the money is not in London; a large part of it is in America for leaf and factory requirements.

LIABILITIES.

Turning to the liabilities side of the balance-sheet, the issued capital of 4,500,000 preference shares remains the same, but the

issue of ordinary shares is increased from 16,046,070 to 16,071,327, an addition of 25,257 shares. This is due to 257 shares issued to shareholders in respect of belated acceptances of the issue of shares under the resolution of May 10, 1920, and to 25,000 shares issued to certain officials in pursuance of a resolution passed by the shareholders on January 11, 1922.

Creditors and credit balances, £4,644,796, represent a decrease of £517,025 on the figure at which it stood last year.

The item of reserves for buildings, machinery and materials remains at the same figure as last year—namely, £500,000—which your directors consider sufficient.

Premium on ordinary shares issued has increased by £27,653 to £444,967, due to the premiums received on the 25,000 shares issued to the officials previously mentioned, and the sale of certain shares which were surrendered by one of the directors under the terms of the resolution of May 19, 1919, on that director's resignation.

Provision for redemption of coupons now stands at £48,966, or an increase of £521.

Special reserve has increased from £1,256,398 to £1,257,715, an increase of £1,317. As your chairmen have stated in speeches in previous years, this account was created in which to carry profits of a capital nature.

PROFIT AND LOSS ACCOUNT.

This brings me to the last item—namely, profit and loss account. The accounts show a net profit for the year, after deducting all charges and providing for income-tax and corporation profits tax, of £4,494,971, an increase of about £94,000 over the previous year, and, in view of the continued business depression in the fields we cover and the downward tendency of exchange for the year, the directors trust the shareholders will consider the results as very satisfactory.

Last year we carried forward a balance of £4,721,105, out of which we paid a final dividend of 9 per cent., amounting to £1,444,153, which left us with a disposable balance of £3,276,952. During the year some additional coupons have been deposited with us in respect of the shares issuable in pursuance of the extraordinary resolution of the shareholders of May 10, 1920, and we have allotted to shareholders 257 ordinary shares of £1 each, and a sum of £257 is deducted from the balance, leaving £3,276,695. To this must be added the profits for the year, as previously mentioned, £4,494,971, less the preference dividend, amounting to

£225,000 and the four interim dividends paid on the ordinary shares for the year, amounting to £2,568,395, leaving a disposable balance of £4,978,271, out of which the directors recommend the distribution on January 17th of a final dividend (free of British income-tax) on the issued ordinary shares of 9 per cent., amounting to £1,446,425, leaving £3,531,845 to be carried forward, all of which is required in the operations of the company. This final dividend of 9 per cent. will make a total dividend of 25 per cent., free of British income-tax, for the year upon the ordinary shares.

The profit for the year now under review does not include any amount in respect of claim for refund of excess profits duty which was mentioned in your chairman's speech last year, and which has not yet been adjusted.

THE CURRENT YEAR.

I am glad to be able to report that, in face of abnormal business and political conditions prevailing in many countries in which we operate, our total volume of business shows a substantial increase over the previous year, and this increase in volume has been maintained during the first three months of the current year. I should again remind you that your business consists entirely of export and foreign business, and this being the case the shareholders should bear in mind that the profits in sterling are largely dependent upon the rates of exchange, which were very much against us in the year under review as compared with the previous year, and I do not see any indication of a general improvement to-day.

I now formally beg to move the adoption of the report and balance-sheet for the year ended September 30, 1923, including payment on January 17th instant of a final dividend of 9 per cent. upon the issued ordinary shares, free of British income-tax.

I may also mention that the directors have declared for the year 1923-24 an interim dividend of 4 per cent., free of British income-tax, also payable on January 17th, so that the shareholders will receive on that date 13 per cent.

Mr S. J. Gillchrest (one of the deputy-chairmen) seconded the resolution, which was carried unanimously.

The formal business having been transacted, Mr H. Macdonald Hodges proposed that a hearty vote of thanks be accorded to the chairman for his conduct in the chair and to the directors and the staff for their efficient management of the affairs of the company during the past year.

Mr J. P. Stark seconded the resolution, which was carried unanimously.

The Chairman: I thank you on behalf of my colleagues and the staff at the head office, as well as our organisations abroad, who have done so much to produce the results which we have had the pleasure of laying before you.

The proceedings then terminated.

BINGO GOLD MINES, LIMITED.

TRAPPER PROPERTIES TO BE ACQUIRED.

The adjourned second ordinary general meeting of Bingo Gold Mines, Limited, was held, on the 9th instant, at Winchester House, Old Broad street, London, Lord Hardwicke presiding.

The Chairman, in moving the adoption of the report and balance-sheet, said that the ore dump, made up of material brought to the surface in the course of shaft sinking and drifting, was estimated by experts to contain gold to the value of about £30,000, or more than sufficient to cover the total expenditure to date. He had had considerable experience in active mining in many parts of the world, and he had seldom seen or heard of a mine which, in its earlier stages of development, had opened up so well as the Bingo. Instead of a deposit of high-grade ore of limited width, developments at the 200-ft level had proved a body of highly payable ore over a very great width.

HIGH VALUES DISCLOSED.

One of the most remarkable features was the consistently high values over a wide distance in the crosscuts at this level, the north crosscut for 54 ft width averaging \$15.39 for the whole distance, and the south crosscut for 74 ft averaging \$21.55, both crosscuts being still in ore. These results were so extraordinarily good that it was decided to check them by resampling on the opposite side of the crosscuts, when the average of the assays for the whole distance gave the surprisingly good figures of \$21.21 for the north crosscut and \$26.46 for the south. Notwithstanding the exceedingly satisfactory results at the 200-ft level, a cable just received showed that values at the 300-ft level were even better than those on the 200-ft, and values on the 400-ft were actually again better than those on the 300-ft. The cable went on to say: "Mineralisation continues consistent and heavy on all faces, and free gold visible in all drifts." As development proceeded the board realised that the proposition was about to turn out very much bigger than had been expected, and they were compelled to decide that it would be foolish to rush into the erection of a mill till development had proceeded much further, and it had been ascertained exactly what kind of a reduction plant would be best.

TERMS OF ACQUISITION.

The trend of development also showed that it would be imperative to acquire the Trapper properties. When Professor de Lury, the Government expert, made his report on the Bingo properties in 1921, he also made a report on the Trapper Group, on which the company had an option. Instead of being called upon to pay £100,000 in cash and £150,000 in shares, it had been possible to arrange for the acquisition of the Trapper properties by the payment of £75,000 in cash and £112,500 in ordinary shares, with a proviso that the Trapper Syndicate would immediately, on the exercise of the option, subscribe for £70,000 preferred shares for cash at par. It would be seen, therefore, that the new terms were equivalent to a payment of £5,000 in cash, £70,000 in preferred shares, and £112,500 in ordinary shares. The board were thoroughly satisfied with the result of their enterprise to date, and they were most confident that the company had a very great future before it.

MANAGING DIRECTOR'S SPEECH.

Mr J. Myers (managing director), in seconding the motion, stated that the shaft had been sunk to a depth of 415 ft, and samples taken at regular and frequent intervals had consistently given high values. The consulting engineer reported that they had in the Bingo a property which bade fair to compare very favourably with the best gold mines in the country, while the superintendent and resident engineer stated that the main ore body, if it maintained its size and value to depth, would make the Bingo one of the biggest gold mines on the continent. The ore reserves, as indicated by development at the various levels, should run into very high figures. The development demonstrated that the company had a mine of extraordinary richness, and if the property continued to develop as it had done to date the company would play a very important part in increasing the gold output of the Dominion of Canada. He confidently anticipated that the mill would be installed and crushing within 12 months from next May. The area of the property now owned by the company was approximately 70 acres. The Trapper Group comprised close upon 300 acres, and the acquisition of that group would, in his opinion, add tremendously to the value of the company's holdings. In order to acquire these properties it was proposed to increase the capital. Owing to the satisfactory arrangement which had been made, they could not only accomplish their object by increasing the capital only to

the extent of £250,000, but they could at the same time provide additional working capital and reserve out of that amount.

The report and accounts were unanimously adopted, and at an extraordinary general meeting and at subsequent meetings of the preferred and ordinary shareholders the necessary resolutions for the increase of the capital and the exercise of the option on the Trapper Group were unanimously approved.

PETER WALKER (WARRINGTON) AND ROBERT CAIN AND SONS, LIMITED.

CHAIRMAN'S CONFIDENCE IN THE FUTURE.

The second ordinary annual general meeting of Peter Walker (Warrington) and Robert Cain and Sons, Limited, was held, on the 8th instant, at the Savoy Hotel, London, Sir Harwood Banner, M.P. (chairman of the company), presiding.

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

The Chairman, after reviewing the accounts, said that the report they presented, he thought, would be considered better than that presented a year ago, and although the dividend recommended was 1 per cent. less, the slight decrease was more than counterbalanced by the allocation to reserve and the increased carry forward. They could have distributed the same dividend as last year, but they had thought it wise to strengthen the resources of the company in view of eventualities. The earnings of the combined concerns totalled £771,814, covering the service of the debenture issues more than three and a-half times. They had passed through another year of depression in trade, but he believed to-day there were signs of improvement and a more healthy outlook generally.

With regard to the future prospects of their great industry, despite all the jeremiads which had been loosed upon them recently, looking back through a long period of business life, his experience had been that things rarely turned out as badly as their first fears suggested when some new condition of affairs arose. He was not one of those who imagined that a Labour Government spelt the ruin of the brewing trade, or that Labour, once in power, would immediately proceed to attack the industry, and bring about an industrial upheaval. Thousands of small investors were interested in this company, and while the directors did their duty with full regard to the necessities of law and order and the comfort of their customers, he did not anticipate any confiscatory or prohibitory legislation. It was gratifying to know that two or three of the stalwarts and front-rank fighting men of the Labour Party had definitely announced that they "are having no truck with Prohibition or Prohibitionists."

He could not imagine a Labour Government doing anything except lightening the repressive burdens and restrictions under which the trade at present worked. From Labour, therefore, the directors looked for reasonable consideration, knowing that no class was more concerned with the question of the supply of good, honest beer to the public at a reasonable price under proper conditions of comfort and convenience. If Protection was dead, it was only logical to hope that with the assembling of the new Parliament the trade might look for the speedy abolition of the fatuous hop control, from which they still suffered. It had long outlived its usefulness, always assuming it had any, and was one of those silly relics of war legislation which should have been interred long ago. In conclusion, the Chairman expressed appreciation of the work done by the combined staffs of the company, and stated that he looked to the future with undiminished confidence.

The report and accounts were unanimously adopted.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

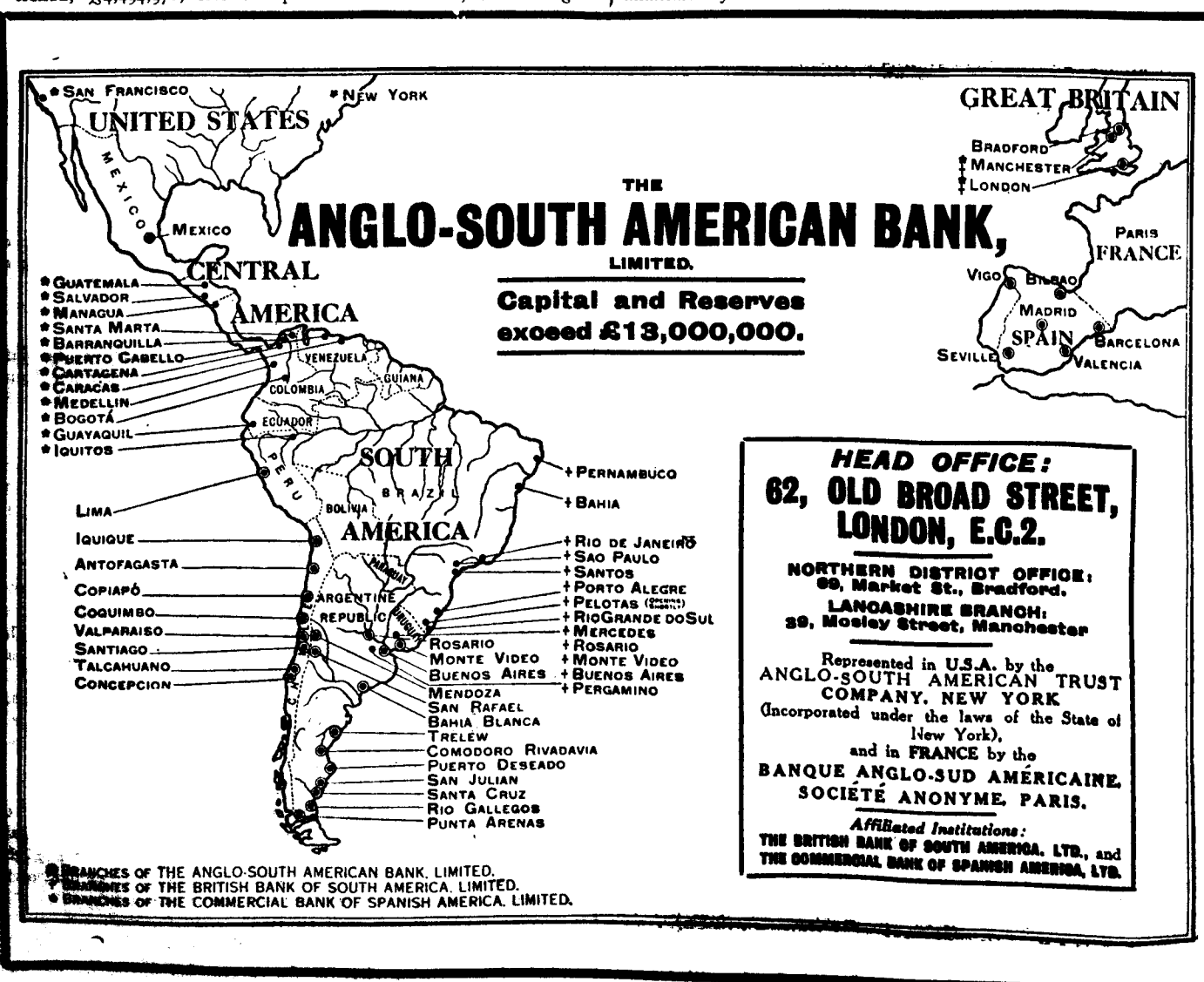
Head Office: HELSINKI (Helsingfors), FINLAND.

Capital and Reserves - Fmk. 252,000,000

Deposits and Cheque Accounts (30/6/23) - Fmk. 1,587,000,000

129 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.



THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

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

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

LANCASHIRE BRANCH:
39, Mosley Street, Manchester

Represented in U.S.A. by the
ANGLO-SOUTH AMERICAN TRUST COMPANY, NEW YORK
(Incorporated under the laws of the State of New York),
and in FRANCE by the
BANQUE ANGLO-SUD AMERICAINE, SOCIÉTÉ ANONYME, PARIS.

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

BRANCHES OF THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

BRANCHES OF THE BRITISH BANK OF SOUTH AMERICA, LIMITED.

BRANCHES OF THE COMMERCIAL BANK OF SPANISH AMERICA, LIMITED.

GOVERNMENT RETURNS, &c.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills dated from Jan. 14-Jan. 19 were opened on Jan. 11, 1924, and the total amount applied for was £55,765,000. For bills at three months, dated Monday to Thursday at £99 3s 8d, about 13 per cent., above in full. Friday bills at £99 3s 11d and above in full, and Saturday bills at £99 3s 8d, about 13 per cent., above in full. The amounts allotted were as follows:—In bills at 3 months, £35,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months, Average Rate.	4% Treasury Bonds, Average Price
1923.				
Nov. 30.....	45,000,000	52,835,000	3 5 2-97	94 10 2
Dec. 7.....	45,000,000	59,635,000	3 4 3-53	94 10 0
Dec. 14.....	35,000,000	52,925,000	3 3 4-52	94 10 0
Dec. 21.....	45,000,000	46,220,000	3 6 11-33	94 10 0
Dec. 28.....	45,000,000	73,030,000	3 4 3	nil
1924.				
Jan. 4.....	35,000,000	52,950,000	3 0 11-61	nil
Jan. 11.....	35,000,000	55,765,000	3 4 9-62	nil

Tenders will be received on Jan. 18, 1924, for Treasury Bonds and Bills to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24 (See Note.)	Total Receipts into the Exchequer from	Receipts.	Receipts.
		Apr. 1, 1923, to Jan. 5, 1924.	Apr. 1, 1923, to Jan. 6, 1924.	Jan. 1 to Jan. 6, 1924.
Balances in Exchequer on 1st April:—				
Bank of England.....	5,442,665	9,963,494	..	..
Bank of Ireland.....	1,375,502	1,210,106	..	..
REVENUE.	6,818,167	11,173,530	..	..
Customs.....	116,900,000	96,281,000	721,000	2,581,000
Excise.....	143,850,000	112,128,000	3,304,000	994,000
Motor Vehicle Duties ..	13,550,000	5,161,000	691,000	569,000
Stamps, &c., &c.....	22,000,000	41,920,000	560,000	1,830,000
Land Tax, House Duty & Mineral Rights Duty	20,000,000	15,050,000	210,000	80,000
Property & Income Tax	3,000,000	620,000	700,000	50,000
Super-Tax.....	261,000,000	139,646,000	3,011,000	7,009,000
Excise Profits, &c., &c.	58,000,000	28,700,000	2,410,000	..
Corporation Profits Tax	15,000,000	16,350,000	954,000	..
Post Office.....	20,000,000	13,777,000	410,000	480,000
Crown Lands.....	52,600,000	38,850,000	1,000,000	1,000,000
Interest on Sundry Loans.....	900,000	780,000	..	..
Miscellaneous.....	12,500,000	11,947,292	9,499,293	1,121,574
Ordinary Receipts.....	12,500,000	9,815,175	19,164,937	170,000
Special Receipts.....	40,000,000	29,892,365	37,360,423	125,744
Revenue.....	818,500,000	547,150,832	601,198,653	15,635,923
Total, inc. Balance ..	..	553,968,999	612,372,183	..
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Bullion.....	65,000	800,000	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	73,782	169,818	..	..
Under the Unemployment Insurance Act, 1921.....	4,930,000	2,910,000	60,000	..
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure under the Telegraph (Money) Act, 1921 and 1922.....	5,520,000	5,310,000	..	..
Under the Post Office (London) Railway Act, 1913.....	10,500	..	..	..
Under the Housing Act, 1914.....	12,000	27,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922.....	..	950,000	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	1,553,300	..	..
By Exchequer Bonds under the Cunard Agreement (Money) Act, 1904.....	520,000	..	..	..
(b) Under the Unemployment Insurance Act, 1921.....	820,000	4,050,000	..	..
(c) For other issues:—				
By Treasury Bills.....	1,933,607,000	2,777,604,000	51,228,000	63,079,000
By National Savings Certificates.....	38,850,000	48,708,000	350,000	900,000
By Exchequer and National War Bonds.....	..	20	..	..
By Treasury Bonds—				
5-15 year, 1923-26.....	..	61,655,154	..	..
5-15 year, 1923-26.....	..	70,907,535	..	..
4-1/2%, 1923-26.....	..	32,657,952	..	..
By Other Debt created under the War Loan Act, 1914 to 1919.....	..	25,259	..	..
(d) Ways and Means Advances.....	742,668,500	760,775,500	7,000,000	19,800,000
Anglo-Persian Oil Company—				
Dividends on Shares acquired.....	50,081	243,012	..	..
Repayments in respect of Cunard Loan.....	130,000	130,000	..	..
Do in respect of Land Settlement (Proclamation Act, 1919 and 1921).....	228,373	273,914	19,414	3,662
Do in respect of Section 69 (4) of the Finance Act, 1920.....	..	6,827,360	..	..
Interest received under Section 69 (5) of the Finance Act, 1920.....	..	162,425	..	..
Total.....	3,314,110,127	3,855,455,060	72,523,194	99,418,586

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1923-24 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from	Issues.	Issues.
		Apr. 1, 1923, to Jan. 5, 1924.	Apr. 1, 1923, to Jan. 6, 1924.	Jan. 1 to Jan. 6, 1924.
EXPENDITURE.				
National Debt Services—				
Interest, &c.....	310,000,000	273,661,331	282,459,703	3,409,967
Sinking Fund.....	40,000,000	31,926,326	276,264	3,472,190
Road Fund.....	12,650,000	3,869,044	3,049,999	..
Payments to Local Tax Authorities.....	10,348,000	8,301,777	6,125,518	50,000
Salmon Accounts, &c.....	3,000,000	3,004,087	1,548,995	75,000
Ireland Exchequer ..	1,500,000	453,349	820,804	..
Land Settlement.....	2,972,000	2,334,488	2,256,621	..
Other Consolidated Fund Services.....	440,565,000	281,539,912	305,006,352	7,150,000
Supply Services.....	821,035,000	605,090,514	601,367,992	10,911,231
Expenditure.....	..	..	..	12,193,543
OTHER ISSUES.				
Temporary Advances—				
Bullion.....	5,000	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	73,782	169,818	..	..
Under the Unemployment Insurance Act, 1921.....	820,000	4,920,000	..	70,000
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1921 and 1922.....	5,520,000	5,310,000	..	..
Under the Post Office (London) Railway Act, 1913.....	10,500	..	..	..
Under the Housing Act, 1914.....	12,000	27,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922.....	..	950,000	..	..
Under Capital Expenditure (Money) Act, 1904.....	..	1,553,300	..	..
Under Cunard Agreement (Money) Act, 1904—Exchequer Bonds paid off.....	520,000	..	..	..
Unemployment Insurance Act, 1921—				
Repayment of amounts borrowed.....	4,870,000	2,110,000	..	..
Redemption of Debt—				
Treasury Bills.....	1,901,525,000	2,445,424,000	55,370,000	67,835,000
Principal of National Savings Certificates.....	25,850,000	20,150,000	500,000	700,000
Principal of Exchequer Bonds paid off.....	..	19,612,208	..	..
Principal of National War Bonds paid off.....	32,222,296	44,684,182	..	..
Other Debt under the War Loan Act, 1914 to 1919.....	7,463,440	15,825,526	..	..
Ways and Means Advances Repaid.....	727,068,500	684,715,500	5,667,000	18,450,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners.....	50,081	243,012	..	..
Issues to National Debt Commissioners to Reduce Debt—				
Cunard Loan Repayments.....	130,000	130,000	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 69 (4).....	..	5,000,000	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911.....	55,214	88,065	..	..
Balances in Exchequer—				
Bank of England.....	5,442,665	9,963,494	..	..
Bank of Ireland.....	1,375,502	1,210,106	..	..
Total.....	2,834,060	3,274,477	74,963	170,042

NOTE.—Budget Estimate as in H.C. No. 51 of 1923.

Treasury, January 7, 1924.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1915.	Dec. 31, 1915.	Mar. 31, 1916.	Dec. 31, 1916.	Mar. 31, 1917.	Dec. 31, 1917.	Mar. 31, 1918.	Dec. 31, 1918.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Dec. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	Dec. 31, 1923.	Mar. 31, 1924.
Funded Debt.....	588	318	315	315	315	315	314	314	314	314	314	314	314	314	314	314	314	314	314	314
Term Annuities.....	30	22	20	19	18	16	14	14	14	14	14	14	14	14	14	14	14	14	14	14
4-1/2% War Stock.....	..	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63
4-1/2% War Stock.....	..	16	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13
4-1/2% War Stock.....	..	2,081	2,047	2,040	1,996	1,963	2,006	2,006	2,006	2,006	2,006	2,006	2,006	2,006	2,006	2,006	2,006	2,006	2,006	2,006
National War Bonds.....	..	649	1,509	1,476	1,413	1,301	963	924	924	924	924	924	924	924	924	924	924	924	924	924
4% Funding Loan ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
4% Victory Bonds ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
4% Conversion Loan ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
5-15 year Treasury Bonds.....	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
5% Treasury Bonds.....	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Do by tender 5%.....	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Do by tender 4-1/2%.....	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Do 4%, 1931-33.....	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Treasury Bills.....	15	961	1,107	1,107	1,121	878	616	652	648	648	648	648	648	648	648	648	648	648	648	648
Exchequer Bonds ..	80	321	321	319	318	185	150	150	150	150	150	150	150	150	150	150	150	150	150	150
Nat'l. Savings Certs.....	..	138	267	274	285	348	354	367	367	367	367	367	367	367	367	367	367	367	367	367
War Exp'd. Certs.....	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Other Debt.....	..	944	1,306	1,181	1,138	1,087	1,157	1,149	1,149	1,149	1,149	1,149	1,149	1,149	1,149	1,149	1,149	1,149	1,149	1,149
American Loan.....	..	61	61	61	61	61	61	61	61	61	61	61	61	61	61	61	61	61	61	61
Temporary Advances.....	1	804	843	805	154	147	194	208	209	209	209	209	209	209	209	209	209	209	209	209
Other Capital Liabilities.....	654	5,872	8,033	7,829	7,474	7,655	7,743	7,801	7,798	7,798	7,798	7,798	7,798	7,798	7,798	7,798	7,798	7,798	7,798	7,798
Total Liabilities.....	711	5,981	8,079	7,876	7,823	7,721	7,813	7,868	7,868	7,868	7,868	7,868	7,868	7,868	7,868	7,868	7,868	7,868	7,868	7,868

POSITION OF THE FLOATING DEBT.

	Jan. 6, '23.	Mar. 31, '23.	Jan. 5, '24.	5 days ended Jan. 5, '24.
Ways and Means Advances.....	12,000,000	12,000,000	12,000,000	12,000,000
Outstanding.....	..	..	..	..
Advances by Bank of England.....	12,000,000	12,000,000	12,000,000	12,000,000
Advances by Public Dept'ts.....	211,361,500	193,897,500	203,506,500	2,917,000
Treasury Bills outstanding.....	714,285,000	616,046,000	648,145,000	4,135,000
Total Floating Debt.....	837,566,500	809,943,500	857,650,500	2,802,000
* Includes £55,000, the proceeds of which were not carried to the Exchequer within the period of the Account.				

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

Date,	Notes and Certificates Outstanding.	Investments Reserve Account	Silver Coin.	Redemption Account.					
				Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Govern- ment Securi- ties.	Balance at Back of	
1922.				£	£	%		£	
Mar. 29	300,351	14,255	5,000	28,500	19,480	15·9	261,479	177	
June 28	295,374	13,338	5,000	28,500	19,650	16·3	254,313	180	
Sept. 27	289,127	12,646	7,000	27,000	21,150	16·4	246,456	169	
Dec. 27	301,337	12,872	7,000	27,000	21,150	15·9	256,922	137	
1923.									
Mar. 28	285,616	12,318	7,000	27,000	22,450	17·3	241,294	190	
June 27	286,503	12,516	7,000	27,000	22,450	17·3	242,446	143	
Sept. 27	282,794	12,401	7,000	27,000	22,450	17·5	238,595	140	
Dec. 26	299,070	12,571	7,000	27,000	22,450	16·5	255,032	159	
1924.									
Jan. 2	292,692	12,605	7,000	27,000	22,450	16·9	248,688	159	
9	287,780	12,520	7,000	27,000	22,450	17·2	243,683	167	

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

Assets.	Jan. 3, 1924.	Dec. 27, 1923.	Dec. 20, 1923.	Dec. 13, 1923.	Jan. 4, 1924.	Position May 30, 1914.
Coin (gold & silver and bullion)	363,050	363,592	360,468	358,245	341,687	322,650
Securities	1,295,857	1,210,341	1,168,613	1,127,318	679,224	697,600
LIABILITIES.						
Notes in circulation ..	7,460,371	7,345,431	7,261,707	7,274,300	6,782,966	934,150
Current accounts	428,397	428,397	428,397	428,397	428,397	112,126

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

Assets.	Jan. 7, 1924.	Dec. 31, 1923.	Dec. 24, 1923.	Dec. 17, 1923.	Jan. 8, 1924.	Position May 30, 1914.
Gold	581,767	581,781	581,792	581,787	581,780	163,092
Silver	7,704	8,084	8,458	8,674	8,186	8,436
Depts. & advances	442,421	459,048	399,218	404,249	423,855	153,504
LIABILITIES.						
Notes in circulation ..	1,054,372	1,068,479	1,030,613	1,031,279	995,657	316,533
Deposits	32,230	39,196	27,552	21,554	30,398	5,016

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

Assets.	Jan. 7, 1924.	Dec. 31, 1923.	Dec. 22, 1923.	Dec. 15, 1923.	Dec. 8, 1923.	Position May 30, 1914.
Gold	537,098	537,144	537,202	537,191	535,146	171,176
Silver	85,787	90,711	86,075	86,753	103,865	18,360
Depts. & advances	15,147	15,794	17,584	17,617	13,246	103,000
LIABILITIES.						
Notes in circulation ..	921,549	981,953	926,794	884,183	976,426	875,925
Deposits	111,313	101,860	61,600	69,316	165,031	33,750

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

Assets.	Dec. 31, 1923.	Nov. 30, 1923.	Oct. 31, 1923.	Sept. 30, 1923.	Dec. 31, 1922.	Position May 30, 1914.
Coin and bullion	209,594	209,631	209,631	209,653	228,257	76,644
Loans & discounts	465,472	394,719	397,544	362,896	467,539	88,470
Depts. & advances	12,968	37,006	16,142	18,566	5,933	24,102
Securities	8,411	8,411	8,475	8,483	13,593	11,988
LIABILITIES.						
Circulation	472,625	472,905	471,258	458,861	459,344	157,266
Deposits	79,244	52,764	41,773	46,432	163,710	6,696

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

Assets.	Jan. 5, 1924.	Dec. 29, 1923.	Dec. 22, 1923.	Dec. 15, 1923.	Dec. 8, 1923.	May 24, 1914.
Gold	871,810	871,841	871,841	871,841	871,841	104,818
Balance abn. and foreign bills ..	37,957	40,790	44,154	49,812	157,840	112,178
Swedish and for. Gov. securities ..	115,427	115,542	110,985	103,588	92,618	32,486
Discount and loans ..	475,445	487,016	493,786	481,598	458,663	1,368
LIABILITIES.						
Notes in circulation ..	528,063	559,689	547,069	524,786	538,125	226,556
Deposits at notice ..	304,532	299,641	310,505	321,089	379,540	369,660

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

Assets.	Dec. 31, 1923.	Dec. 24, 1923.	Dec. 17, 1923.	Dec. 10, 1923.	Dec. 3, 1923.	Position May 30, 1914.
Gold	42,704	42,704	42,704	42,704	43,373	35,091
Balance abroad and foreign bills ..	565,257	513,571	537,733	803,439	90,379	90,379
Finland and Foreign Government securities ..	571,747	571,747	571,747	609,955	21,826	21,826
Discount and loans ..	817,679	790,822	741,123	621,942	105,151	105,151
LIABILITIES.						
Notes in circulation ..	1,356,254	1,330,369	1,335,787	1,409,403	123,941	123,941
Deposits at notice ..	230,642	176,652	244,692	447,090	21,225	21,225

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

Assets.	Jan. 2, 1924.	Dec. 29, 1923.	Dec. 22, 1923.	Dec. 15, 1923.	Dec. 8, 1923.	Nov. 22, 1923.
Total cash	13,409	13,113	13,113	15,293	3,085	3,085
Gold coin & bullion ..	16,575	16,519	15,762	15,762	12,195	12,195
Of which held abroad ..	2,506	2,506	2,506	2,506	2,506	2,506
Foreign banks	50,297	50,571	50,427	57,477	24,465	24,465
Discounts and loans ..	38,382	38,372	37,043	34,810	9,551	9,551
LIABILITIES.						
Notes in circulation ..	23,000	23,000	23,000	23,000	4,005	4,005
Capital paid up	10,214	10,214	10,214	10,214	8,000	8,000
Government deposits ..	38,583	35,916	36,954	42,081	16,697	16,697
Other deposits	41,568	42,055	41,877	42,879	17,996	17,996

BANK OF CZECHO-SLOVAKIA.—In Cz. K. (000's omitted).

Assets.	Dec. 31, 1923.	Dec. 23, 1923.	Dec. 15, 1923.	Dec. 7, 1923.	Nov. 30, 1923.	Jan. 7, 1924.
*Liabilities of the Austro-Hungarian Bank to the Banking Office	10,098,965	10,098,965	10,098,964	10,098,964	10,098,961	10,098,716
Discount & advances ..	1,997,501	1,736,121	1,661,599	1,637,409	1,678,343	2,154,028
Gold & silver held	1,033,006	1,032,870	1,039,679	1,045,711	1,052,393	820,418
Foreign bills and balances abroad ..	1,236,280	1,230,283	1,179,969	1,400,466	1,497,008	503,792
Other assets	649,686	333,318	450,369	405,225	439,490	317,122
LIABILITIES.						
Notes in circulation ..	9,598,903	8,979,220	8,940,581	9,025,216	9,250,688	9,610,191
Capital paid up	4,348,357	4,352,322	4,490,915	4,431,647	4,371,992	3,090,732
Government deposits ..	38,583	35,916	36,954	42,081	16,697	16,697
Other deposits	41,568	1,087,015	1,097,074	1,126,912	1,141,565	1,191,163

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

Assets.	Dec. 31, 1923.	Dec. 23, 1923.	Dec. 15, 1923.	Dec. 7, 1923.	Nov. 30, 1923.	Jan. 7, 1924.
Gold coin and bullion, bills	22,772	22,824	22,847	22,842	22,842	15,559
Silver coin, etc.	596	596	596	596	596	596
Bills, securities, etc.	584,116,783	589,290,068	577,786,332	558,159,140	507,801,861	507,801,861
Loans	934,755	935,191	939,683	961,613	2,016,105	2,016,105
LIABILITIES.						
Notes in circulation ..	931,337,335	931,038,861	874,647,547	855,269,610	755,886,987	755,886,987
Deposits	84,731,181	104,641,359	108,593,806	81,425,767	4,760,741	4,760,741

(Note: 1 Tcheronets = 10 gold roubles.)

NATIONAL BANK OF THE SERBS, etc.—In dinars (000's omitted).

Assets.	Dec. 31, 1923.	Dec. 22, 1923.	Dec. 15, 1923.	Dec. 8, 1923.	Dec. 1, 1923.	Position May 30, 1914.
Gold	58,838	58,838	58,838	58,838	58,838	58,838
Other coin in notes ..	21,914	19,963	20,209	19,965	24,701	24,701
Foreign securities	848,087	342,899	359,568	363,526	267,587	267,587
Bills	1,333,714	1,323,337	1,340,466	1,369,887	1,421,215	1,421,215
Govt. advances	4,894,361	4,864,833	4,576,829	4,576,825	4,517,550	4,517,550
LIABILITIES.						
Notes in circulation ..	8,792,941	5,717,788	5,767,133	5,847,308	5,039,883	5,039,883
Deposits	371,124	371,124	371,124	371,124	371,124	371,124
Deposits	459,471	515,082	464,409	446,500	967,798	967,798

NATIONAL BANK OF ROUMANIA.—In lei (000's omitted).

Assets.	Dec. 22, 1923.	Dec. 15, 1923.	Dec. 8, 1923.	Dec. 1, 1923.	Dec. 23, 1922.
Gold	555,408	549,237	549,237	549,237	533,065
Silver, etc.	537	544	661	634	834
Government loan	11,920,992	11,913,929	11,918,292	11,914,099	12,544,199
Other advances	6,826,037	6,835,948	6,733,014	6,724,634	4,315,143
LIABILITIES.					
Notes in circulation ..	17,941,001	18,005,836	18,006,048	18,012,059	15,126,472
Deposits	6,802,059	6,736,812	6,640,519	6,628,249	6,922,125

BANK OF SPAIN.—In pesetas (000's omitted).

Assets.	Jan. 5, 1924.	Dec. 29, 1923.	Dec. 22, 1923.	Dec. 15, 1923.	Dec. 8, 1923.	Position May 30, 1914.
Gold	2,527,664	2,527,671	2,527,670	2,527,630	2,524,992	521,776
Silver	647,231	648,924	651,616	650,761	644,639	728,600
Loans and discounts ..	2,402,978	2,345,219	2,327,448	2,295,281	2,219,055	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Treasury bills	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,387,455	4,338,123	4,289,000	4,272,922	4,178,766	901,560
Deposits	1,062,322	1,051,340	988,730	973,539	1,072,376	477,500

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

Assets.	Dec. 10, 1923.	Nov. 30, 1923.	Nov. 20, 1923.	Nov. 10, 1923.	Dec. 10, 1922.	Position May 31, 1914.
Total	1,831,567	1,599,698	1,601,867	1,606,634	1,332,302	1,281,876
Inland bills	5,766,858	5,796,713	5,668,080	5,732,420	4,515,834	418,400
Foreign bills	15,703	15,647	15,653	15,652	9,583	81,300
Advances to the Treasury	5,839,007	5,839,062	5,839,060	5,839,095	6,113,058	nil
Other advances	2,317,950	2,526,373	2,576,634	2,798,227	1,824,151	79,770
Securities	388,910	385,108	385,015	382,604	395,540	805,700
LIABILITIES.						
Notes in circulation ..	12,622,408	12,705,736	12,634,330	12,870,346	13,824,276	1,556,926
Deposits & drafts	1,556,533	1,752,027	1,508,820	1,393,826	1,629,606	193,976

LONDON RATES.

	Jan. 4, 1924.	Jan. 3, 1924.	Jan. 2, 1924.	Jan. 1, 1924.	Dec. 31, 1923.	Dec. 30, 1923.
Bank rate (changed from 3% July 5, 1923)	4	4	4	4	4	4
Market rates of discount—						
60 days' bankers' drafts	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
3 months' do	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
4 months' do	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
6 months' do	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Discount (Treasury Bills)—						
3 months'	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Loans—Day to day	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Short	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Deposit allowances: Banks	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount houses at call	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
At notice	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

† Additional to those offered by tender in the preceding week.

Comparison with previous weeks:—

		Short Loans.	Bank Bills.			Trade Bills.		
			3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
Dec.	1923.	%	%	%	%	%	%	%
	7	2 1/2	3 1/2	3 1/2	3 1/2	3 1/2	4	4 1/2
	14	2 1/2	3 1/2	3 1/2	3 1/2	3 1/2	4 1/2	4 1/2
	21	2 1/2	3 1/2	3 1/2	3 1/2	3 1/2	4 1/2	4 1/2
	28	2 1/2	3 1/2	3 1/2	3 1/2	3 1/2	4 1/2	4 1/2
	1924.							
Jan.	4	2 1/2	3 1/2	3 1/2	3 1/2	3 1/2	4	4 1/2
	11	2 1/2	3 1/2	3 1/2	3 1/2	3 1/2	4	4 1/2

RATES OF EXCHANGE.

London on	Usance	Par.	Jan. 12, 1923.	Jan. 4, 1924.	Jan. 11, 1924.
Paris	francs to £1	T.T.	85-20	85-25-35	87-90-90
Berlin	marks to £1	T.T.	20-45	4800-4900	18-21 billins.
Vienna	krone to £1	T.T.	34-08	320-34000	303/308,0

SILVER.

Business has not been active during the week. In view of the unsettled condition of markets generally there has been a natural indisposition to open fresh commitments. The trend of silver prices for the last month or so has not encouraged speculative activity, for, although extremely large shipments have been made to the Far East, absorption has taken place on arrival. Hence a waiting attitude is likely to be maintained until the nearness of the Chinese New Year clarifies the situation. The adverse movements of exchange with America has helped to keep prices from serious weakness, although buyers are distinctly shy.

INDIAN CURRENCY RETURNS.
(In Lacs of Rupees.)

	Dec. 15, 1923.	Dec. 22, 1923.	Dec. 31, 1923.
Notes in circulation	17,943	18,042	18,341
Silver coin and bullion in India	9,063	8,762	8,661
Silver coin and bullion out of India	..	..	..
Gold coin and bullion in India	2,232	2,232	2,232
Gold coin and bullion out of India	..	..	..
Securities (Indian Government)	5,748	5,748	5,748
Securities (British Government)	900	900	900
Bills of exchange	..	400	800

No silver change was reported during the week ending the 31st ult. The stock in Shanghai on the 5th inst. consisted of about 21,800,000 ounces in sycee, 32,500,000 dollars, and 2,730 silver bars, as compared with 21,200,000 ounces in sycee, and 31,500,000 dollars on the 29th ultimo. (No holding of silver bars was reported on the 29th ult.)

GOLD AND SILVER PRICES.

1924	Gold Per Ounce.	Silver—Per Ounce.	Date.	Silver.
		Cash. Forward.		Cash.
Jan. 5	96 2	34 1/2	Jan. 18, 1918..	44 1/2
7	96 10	33 1/2	18, 1919..	49 1/2
8	96 5	33 1/2	16, 1920..	77
9	96 0	32 1/2	14, 1921..	40
10	96 1	33 1/2	13, 1922..	35 1/2
11	96 5	32 1/2	12, 1923..	31 1/2

NOTICES.

The Midland Bank announces the opening of new branches at 69 and 71 High street, Sevenoaks, Kent, and 143 High street, Wootton Bassett, Wilts, under the management of Mr Dudley Braithwaite and Mr Alfred T. J. Davies respectively. The office in The Square, Beaminster, Dorset, has been converted into a full branch, under the management of Mr W. C. Swindell. New offices have also been opened at Batley Carr, near Dewsbury, Glan Conway, Denbighshire, and Tintern, near Chepstow.

Messrs B. Newgass and Co. announce that the liquidation of the company is a purely voluntary one, rendered necessary by the death of the late Mr Newgass, and for the purpose of distributing the assets. Mr Harry Kahn, the late chairman of the company, is acting as voluntary liquidator.

The Imperial Bank of Persia announce that they will remove to new premises at 33 to 36 King William street, London Bridge, E.C. 4, on January 14, 1924.

Barclays Bank, Limited, announce that they have opened a new branch at 23 Cornhill parade, Finchley, N. 3, under the management of Mr S. Wildash, also manager of 1 The Broadway, Church End, Finchley branch; and a branch at Marlborough House, Market place, Westbury, Wilts, under the management of Mr J. J. Arathoon (who is also manager of Warminster branch). They have also opened a new branch at 47-49 Newington Butts, S.E. 11, under the management of Mr C. G. Duke.

The National Provincial and Union Bank of England, Limited, have opened a branch in Waterloo Station (adjoining the Memorial Arch) for the convenience of the bank's customers generally, and particularly to meet the requirements of railway travellers. For the special benefit of the latter, the usual London banking hours are being extended, the branch being kept open on ordinary days until 6 p.m., and on Saturdays until 2 p.m.

Lloyds Bank, Limited, announce that a sub-branch of the bank is now open at South Zeal (Cawsand Beacon), under the management of Mr E. Clist, of the Okehampton (Fox's) branch, the hours of business being Tuesdays, 9.30 till 11.30; Fridays, 1 till 2.30. The bank also announce that the following sub-branches have been converted into full branches:—Tredegar street, Risca, under the management of Mr E. R. Thomas, of the Newport, Mon., branch; Glan Teify, Llanybyther, under the management of Mr A. L. Roberts, of the Lampeter branch; 17 Fore street, Lostwithiel, under the management of Mr J. A. S. Strong, of the Fowey branch; and 217 Chillingham road, Newcastle-upon-Tyne, under the management of Mr A. W. Burn, of the Byker and Heaton branch.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Jan. 4, 1924.	(c) Week ended Jan. 5, 1924.	Week Ended Jan. 6, 1924.			Aggregate 1 Week 1924.			
		Miles Open.	Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Re- ceipts.
			£	£	£	£	£	£
Great Western	3,745	244,000	314,000	538,000	224,000	314,000	538,000	
Do for 1923	3,679	225,000	330,000	555,000	225,000	330,000	555,000	
London & North-Eastern	6,703	383,000	571,000	954,000	383,000	571,000	954,000	
Do same period 1923	6,701	372,000	559,000	931,000	372,000	559,000	931,000	
London, Mid., & Scottish	6,963	525,000	732,000	1,257,000	525,000	732,000	1,257,000	
Do for 1923	6,962	534,000	764,000	1,298,000	534,000	764,000	1,298,000	
Southern	2,146	284,000	102,300	386,300	284,000	102,300	386,300	
Do for 1923	2,146	268,000	103,400	371,400	268,000	103,400	371,400	
Metropolitan (e)	79	32,439	3,791	36,239	32,439	3,791	36,239	
Do for 1923	79	32,762	3,820	36,582	32,762	3,820	36,582	
Underground E.R. (e) ..	..	..	..	227,526	..	..	227,526	
Do for 1923	..	..	..	217,787	..	..	217,787	
Lon. & Sub. Group (e) ..	..	..	..	37,364	..	..	37,364	
Do for 1923	..	..	..	37,364	..	..	37,364	
Belfast & Co. Down (b) ..	80	3,762	1,199	4,961	3,762	1,199	4,961	
Dublin and S.-East. (b) ..	180	..	..	..	..	..	..	
Gt. Northern(Ireland) (b) ..	562	20,050	18,030	38,080	20,050	18,030	38,080	
Midland Gt. West. (b) ..	538	5,592	7,821	13,413	5,592	7,821	13,413	

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -

INDIAN.

	Weeks	Dec.	1923.	1924.	1923.	1924.
Assam Bengal	36 weeks	8	1,072	2,78,000	18,978	91,73,974
Barelly L. Ry.	37 weeks	15	118	35,000	..	11,37,800
Bombay & N. Western	11 weeks	15	2,062	6,17,160	19,238	63,58,970
Bombay, Bar. & C.I.	39 weeks	29	2,994	24,63,000	2,26,000	8,21,14,000
Bombay, Bar. & C.I.	39 weeks	29	2,994	24,63,000	2,26,000	8,21,14,000
Bombay, Bar. & C.I.	39 weeks	29	2,994	24,63,000	2,26,000	8,21,14,000
Bombay, Bar. & C.I.	39 weeks	29	2,994	24,63,000	2,26,000	8,21,14,000
Bombay, Bar. & C.I.	39 weeks	29	2,994	24,63,000	2,26,000	8,21,14,000
Bombay, Bar. & C.I.	39 weeks	29	2,994	24,63,000	2,26,000	8,21,14,000
Bombay, Bar. & C.I.	39 weeks	29	2,994	24,63,000	2,26,000	8,21,14,000

ARGENTINE (a).

	Weeks	Jan.	1924.	1923.	1924.	1923.
Argentine N.E.	27 weeks	5	788	10,500	..	300,900
Argentine Trans.	27 weeks	5	..	3,591	..	103,020
Argentine Trans.	27 weeks	5	..	3,591	..	103,020
Argentine Trans.	27 weeks	5	..	3,591	..	103,020
Argentine Trans.	27 weeks	5	..	3,591	..	103,020
Argentine Trans.	27 weeks	5	..	3,591	..	103,020
Argentine Trans.	27 weeks	5	..	3,591	..	103,020
Argentine Trans.	27 weeks	5	..	3,591	..	103,020
Argentine Trans.	27 weeks	5	..	3,591	..	103,020

CANADIAN.

	Weeks	Dec.	1923.	1924.	1923.	1924.
Canadian National	50 weeks	21	22,680	5,465,793	778,084	24,857,527
Canadian Pacific	1 week	7	13,622	2,986,000	18,000	..

BRAZILIAN (b).

	Weeks	Jan.	1924.	1923.	1924.	1923.
St. West. of Brazil	52 weeks	29	1,011	7,700	4,000	502,100
Leopoldina	1 week	5	1,831	24,844	539	17,746
San Paulo	1 week	6	1,534	33,989	6,584	..

CHILEAN.

	Weeks	Jan.	1924.	1923.	1924.	1923.
Antofagasta	1 week	5	838	36,060	13,285	27,685
Nitrato (q-monthly)	52 weeks	31	366	44,806	17,458	778,584

CUBAN.

	Weeks	Jan.	1924.	1923.	1924.	1923.
Havana Central	27 weeks	5	1,210	15,078	2,901	328,399
United of Havana	27 weeks	5	1,210	15,078	2,901	328,399

URUGUAYAN.

	Weeks	Jan.	1924.	1923.	1924.	1923.
Central Uruguay	27 weeks	5	273	30,971	4,226	696,243
C. Urug. (East Hkt.)	27 weeks	5	273	30,971	4,226	696,243
C. Urug. (West Hkt.)	27 weeks	5	273	30,971	4,226	696,243

OTHER OVERSEAS.

	Weeks	Jan.	1924.	1923.	1924.	1923.
Alcoy and Gandia	1 week	5	33	20,000	..	20,000
Burnley Corporation	1 week	5	33	20,000	..	20,000
Burnley Corporation	1 week	5	33	20,000	..	20,000
Burnley Corporation	1 week	5	33	20,000	..	20,000
Burnley Corporation	1 week	5	33	20,000	..	20,000
Burnley Corporation	1 week	5	33	20,000	..	20,000
Burnley Corporation	1 week	5	33	20,000	..	20,000
Burnley Corporation	1 week	5	33	20,000	..	20,000
Burnley Corporation	1 week	5	33	20,000	..	20,000

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Month.	Receipts for Week.		Total Receipts.			
				1924.	+ or -	1924.	+ or -		
Anglo-Argentine ...	1 week	Jan. 7	329	885,282	-	238	88,382	-	96,500
Burnley Corporation	1 week	5	18	43,047	-	207	"	-	"
Calcutta Tramways	1 week	5	324	1,035,017	+ 96,508	238	"	+ 96,500	4,556
Chatham & District	52 weeks	Dec. 31	15	22,143	+ 10	80,953	-	4,556	1,009
Egyptian Markets ...	52 weeks	27	"	24,829	+ 1,188	104,387	+ 7,917	"	"
Glasgow Corporation									
Tramways	51 weeks	Jan. 5	108	246,677	+ 2,652	1,361,530	+ 42,933	"	"
Isle of Thanet	13 weeks	2	"	2521	-	38	7,894	-	33
Liverpool Corporation									
Tramways	40 weeks	5	124	221,041	- 4,307	1,068,367	- 105,121	"	"
L.G.O. Tramways ...	40 weeks	9	163	179,047	- 11,420	3,458,031	- 319,913	"	"
Madras Electric (2 1/2)	52 weeks	Dec. 31	31	26,566	+ 351	128,596	+ 1,009	"	"
Pernambuco Trams.	1 week	Jan. 6	11	24,718	- 1,303	"	"	"	"

MINING OUTPUT STATISTICS FOR DECEMBER, 1923.

	Tons Crushed.	Gold Recovered.	Value.	Profit.
	Mill.	Crude Works.	Mill.	Crude Works.
Gold.	Tons.	Tons.	Ozs.	Ozs.
Aroko Main Reef	492	500	436	57
Ashanti	6,396	..	..	..
Associated Northern Blocks—	..	..	..	..
Iron Duke	362	4,150	2,804	453
Balaghat	3,850	..	..	..
Blackwater	2,280	..	..	..
Cam and Motor	16,400	..	..	..
Champion Reef	9,510	15,077	3,662	553
El Oro	38,330	..	..	..
Globe and Phoenix	6,496	..	..	..
Ilaveh	8,338	..	..	..
Lake View and Star	4,547	..	..	..
Lonely Reef	5,680	..	..	..
Mysore	15,900	36,584	8,897	1,793
Nundydroog	11,116	15,252	4,814	684
Oreogum	14,500	3,700	8,911	276
Oroville Dredging—	..	..	..	..
Pato (7 days to Dec. 21) ..	..	..	..	..
Neohi (10 days to Dec. 22) ..	..	..	..	..
Oriental Cons.	6,200	780	..	..
Ressende	54,300	..	..	..
Shanva	5,112	..	..	..
South Kalguri	..	..	..	..
St John del Rey	7,850	..	..	..
Taquinah and Abosso	18,500	..	..	..
Tomboy	1,600	..	..	..
Transvaal and Rhodesian—	..	..	..	..
Fred	15,646	..	5,549 (gold)	35,454 (silver)
Walhi	520	..	..	..
Wealth of Nations	..	..	..	..

* Loss. (a) Per value. (b) Including premium. (c) 92s 6d per oz. (d) 95s per oz. (e) 84s per fine oz. (f) 95s per fine oz. (g) 95s 6d per fine oz.

	Output.	Other Notes in Return.
	Tons.	
Copper.	300	Metric tons, assaying 24% copper.
Foderosa	11	Black tin, 66% fine tin.
Anglo-Nigerian	26	Est. value, \$21,800.
Berangula	53	Est. value, \$9,100; est. cost, \$1,710.
Bischof	48	\$1,937; cost, \$717.
Boro	35	..
Chanderiang	35	..
Deebok	18	..
Grum River	684	..
Gwang	149	..
Idah	539	..
Jamar	24	..
Jos	18	..
Kaduna Prospector	35	..
Kaduna Syndicate	92	..
Kamming	313	..
Kinta	332	..
Lahat	82	..
Lower Bischof	107	..
Malayan	47	..
Mongu	15	..
Mongu	15	..
Nigerian	12	..
Nigerian Cons.	65	..
N. Nigerian (Bauchi)	203	..
Pahang Cons.	5	..
Par	1	..
Pengkalan	4	..
Premier Hydraulic	22	..
Puting	40	..
Rambutan	649	..
Rayfield	178	..
Ramp	1432	..
Ramp	1432	..
Ramp	1432	..
Ramp	1432	..
Ramp	1432	..
Ramp	1432	..
Ramp	1432	..
Ramp	1432	..
Ramp	1432	..
Ramp	1432	..

British section—10,500 tons of crude ore were treated, producing 1,810 tons lead concentrates, averaging 61 per cent. lead, 271 ozs silver per ton, and 71 per cent. zinc; also 1,530 tons zinc concentrates, averaging 47 per cent.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefere.	Ordinary.				
		£	£	£	Amount.	Amount.	Rate.	£	£	%
Banks.										
Alexanders Discount	Dec. 31	32,289	136,207	168,496	£ 6,000	£ 100,000	20(a)	£ 30,000	£ 32,496	188,202 20(a)
Belfast Discount	Dec. 31*	460	248	708	..	314	8	175	219	188 7
Ionian Bank	Aug. 31	11,813	49,644	61,457	..	33,990	7½	15,000	12,467	(b) 37,693 14/8 ps
Manchester and County	Dec. 31	88,386	190,105	278,491	..	177,456	16½	10,000	91,035	226,108 16½
						32,544	A 10			A 8/6
National Discount	Dec. 31	213,112	108,225	321,337	..	74,982	B 23	213,811	190,862	B 7/6
										p.s.
Financial, Land, &c.										
Peel River Land, &c.	June 30	33,872	45,284	79,156	..	36,000	10½	10,000	33,156	63,273 10½
Iron, Coal, and Steel.										
Workman, Clark, and Co.	Dec. 31	122,982	Dr 2559,220	Dr 2486,240	..	..	..	Dr 255,000	Dr 2181,240	..
Motor and Cycle.										
Bluemel Bros.	Sept. 30	6,158	29,537	35,695	4,200	9,000	15	16,000	6,495	22,439 15
Shipping.										
Houlder Line	Dec. 31	34,207	133,285	167,492	12,375	20,625	7½	75,000	59,492	76,326 7½
Other Companies.										
Allen-Liversidge	Oct. 31	11,871	37,365	49,236	..	28,017	12½	16,500	4,719	23,835 8
Champion and Lee	Sept. 30	2,264	11,791	14,055	4,200	7,000	10	2,855	Dr 6,078	nil
Cleghorn and Harris	July 31	4,880	31,885	36,765	15,000	7,500	5	8,500	5,765	13,960 nil
Fore Street Warehouse	Dec. 19	10,250	43,090	53,340	..	33,000	10	10,000	10,340	54,286 10
Rio de Janeiro Flour Mills, &c.	Sept. 30	60,332	231,771	292,103	..	209,209	20½	7,219	75,675	217,488 20½
United Tobacco Cos. (South)	Sept. 30	85,986	598,945	684,931	21,090	484,622	20	200,309	488,751	17½

* Half-year.

† Tax free.

(a) 5% of this is paid free of income-tax.

(b) For eight months.

depreciation and the disturbed condition of affairs in the Near East, the directors are pleased to report that the operations of the bank continue to show satisfactory expansion. The investments of the bank stand on the books at figures well below the actual market value. The total assets are £5,013,835. Cash stands at £292,339, and money at call at £158,142. Investments total £2,061,531, of which £1,876,471 is invested in securities of or guaranteed by the British Government. With regard to liabilities, the chief item is deposits and current accounts, which totals £2,783,582.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Boisterous weather conditions were experienced over the United Kingdom during the past week, with heavy falls of snow, which, however, afforded good protection to the young wheat plant against frost. English wheat was in lighter supply, and prices tended firmer, at 9s 6d to 10s for suitable milling grades, with inferior ruffing from 8s 3d to 8s 9d per 112 lbs, free on rail. Imported descriptions met with better support, while firmer in sympathy with higher c.i.f. offers. No. 1 Northern Manitoba quoted 48s 9d, No. 2 ditto 47s 9d, No. 3 ditto 46s, and Rosafé, 63½ lbs, 47s 6d, all ex ship per 496 lbs. Very firm conditions prevailed in the floating and forward cargo section, and a fairly large business transpired at generally dearer rates. The chief factors for the upward movement were found in stimulating foreign advices, unfavourable rates of exchange, and a reduction in the French import duty. Sales included No. 1, also No. 2, Northern Manitoba (Vancouver shipment), afloat, at 46s 6d and 45s 4½d respectively, Rosafé 63½ lbs, January 1st-15th, 45s 6d, Australian, January, 46s to 46s 6d, and Azima Black Sea afloat 45s 6d, all per 480 lbs. Maize cargoes were also actively dealt in, and with old crop Lt Plata now practically out of supply, there is a good inquiry for new crop positions at full to firmer rates. Lt Plata, April-May 15th, sold at 33s 6d to 35s 10½d, April-May 34s 7½d, and May-June 34s 3d per 480 lbs. Flour in fair demand, and prices were advanced for town-made. London standard straight run quoted 38s, patents 40s to 41s 6d, town households 36s per sack delivered. All English country straights 30s 6d to 31s 6d per sack delivered to London stations. Of imported, Manitoba patents range from 36s to 39s, and Australian 33s to 35s 6d per 280 lbs ex store. Flour in steady demand at firm prices. London standard straight run quoted at 38s, patents 40s-41s 6d, town households 36s per sack delivered in all English country straights 30s 6d-31s 6d per sack delivered to London stations. Of imported, Manitoba patents range from 36s to 39s, and Australian 33s-35s 6d per 280 lbs ex store. Barley: English firm, and malting kinds range from 10s-15s, with feeding sorts at 9s 6d-10s per 112 lbs free on rail. Imported firm. Californian quoted 43s-47s ex store, Chilean Chevalier 50s-53s ex ship, both 44s 8s. No. 4 Canadian Western 33s 9d, Danubian 33s 6d, both ex ship per 400 lbs. Maize firmer. Plate ex ship 40s 9d, No. 1 40s 3d, Gal/Foxanian 40s 3d, Bessarabian 40s 9d, both ex ship, arrive, all per 480 lbs. Oats: English firm at 9s-10s 6d per 112 lbs free on rail as to sample. Imported dearer. Plate ex ship 12s 6d, 23s 3d, landed 23s 3d, No. 2 Canadian Western ex ship 22s 9d, landed 26s 9d, No. 3 ditto ex ship 24s 6d, landed 28s 6d, No. 2 Canadian feed landed 24s, all per 320 lbs. Oatmeal firm, with a hardening tendency. London-made flaked, also rolled

oats 17s 6d, medium and fine cut 17s, coarse and medium pinhead 17s, ordinary Scottish oatmeal 18s, American 16s-17s per cwt. Millers' offers firm to dearer. Broad bran quoted 8s, ordinary ditto 7s 6d, middlings 9s, fine ditto 10s, bags included, ex mill. Light oats 6s 3d, powdered oat husks 7s 9d, feed oatmeal 9s 3d, ground oats 12s 9d free on rail per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-24.	1922-23.	1921-22.	1920-21.
Estimated sales of home-grown wheat—				
1 week to January 5	143,488	214,878	104,156	397,250
18 weeks to January 5	6,730,283	8,300,706	6,370,493	5,006,558
Average price of English wheat per cwt.	9 4	9 8	10 9	16 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1920 to 1923:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
Dec. 29	143,488	268,406	46,758	9 4	10 4	9 2
Jan. 5	143,488	179,416	31,812	9 8	10 5	9 4
1920	397,251	316,679	47,655	16 11	30 8	30 8
1921	104,149	218,973	29,530	15 9	30 9	15 5
1922	173,480	115,133	35,207	10 4	12 9	10 9
1923	214,878	179,657	35,301	9 8	9 5	9 9

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated January 10th, is as follows:—Pig-iron: The return to normal business discloses a slightly weaker tone in the market. The fact is that we are again feeling the effect of French and Belgian competition, especially in neutral markets. No. 3 Cleveland G.M.B. is now quoted 99s per ton, whilst East Coast mixed numbers hematite remains at 102s 6d per ton. Manufactured Iron and Steel:—Makers are fairly well off for orders for some time. Current quotations are:—Steel ship plates, £10 5s; steel ship angles, £10; iron bars, £12; steel rails, £9. Iron Ore: There is no disposition to lower the price of good ores, and the price of best rubio is 25s per ton c.i.f. East Coast ports, but very little new business is passing, as works have fairly good supplies.

Our Sheffield correspondent writes:—Business in the iron and steel trades has not yet got into its stride after the stoppage and stocktaking has interfered with market activity. There has been little buying of foundry pig, but there is a brisk demand for hematite and basic. Conditions continue to improve in most branches of the steel trade, and a good deal of the idle plant has been started since the end of last year. Makers of files and engineering tools of many kinds are booking new orders every day. The railway contracts are bringing a good deal of acceptable work to Sheffield. With the growth of business in the finished lines some modification of the recent severe depression and more satisfactory

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended December 31.		Whole Year.																																																																																	
	1922.	1923.	1922.	1923.																																																																																
	£	£	£	£																																																																																
I.—Food, Drink, and Tobacco—																																																																																				
A. Grain and flour	9,768,155	8,782,227	103,331,521	96,898,125																																																																																
B. Feeding stuffs for animals	663,474	642,014	5,612,148	5,846,997																																																																																
C. Meat	8,706,730	8,705,301	103,317,334	111,720,860																																																																																
D. Animals, living, for food	25,009	2,215,134	1,580,155	14,028,229																																																																																
E. Other food and drink, non-dutiable ..	11,981,121	12,680,228	138,675,158	145,538,171																																																																																
F. Other food and drink, dutiable ..	9,307,187	11,656,085	100,750,643	116,057,699																																																																																
G. Tobacco	1,866,071	2,337,431	18,614,411	16,442,475																																																																																
Total, Class I.	42,317,747	47,018,420	471,881,370	510,532,556																																																																																
II.—Raw Materials and Articles Mainly Unmanufactured—																																																																																				
A. Coal	15	5,436	180	17,019																																																																																
B. Other non-metallic mining and quarry products and the like	476,402	427,053	5,306,177	5,600,042																																																																																
C. Iron ore and scrap	445,416	751,816	4,706,053	7,785,742																																																																																
D. Non-ferrous metalliferous ores and scrap	1,207,787	1,036,651	8,621,208	12,413,637																																																																																
E. Wood and timber	3,295,398	3,726,592	37,331,017	47,736,361																																																																																
F. Raw cotton and cotton waste	13,484,066	20,403,732	87,319,906	93,499,070																																																																																
G. Wool, raw and waste, and woollen yarns	4,808,610	4,214,424	62,667,021	50,347,732																																																																																
H. Silk, raw, knaps and noils	185,607	130,611	2,346,284	1,628,553																																																																																
I. Other textile materials	1,275,025	1,259,710	11,089,024	10,233,201																																																																																
J. Oil seeds, nuts, oils, fats, resins, gums and gums	2,948,581	3,570,708	36,910,465	44,426,236																																																																																
K. Hides and skins, undressed	1,369,880	1,424,515	14,936,535	16,828,687																																																																																
L. Paper-making materials	1,109,820	947,609	9,611,943	11,544,467																																																																																
M. Rubber	809,198	1,119,878	7,295,337	12,558,254																																																																																
N. Miscellaneous raw materials and articles mainly unmanufactured ..	1,082,913	10,474	10,207,690	10,635,253																																																																																
Total, Class II.	32,498,508	39,959,209	298,338,680	324,952,756																																																																																
III.—Articles Wholly or Mainly Manufactured—																																																																																				
A. Coke and manufactured fuel	1,697	225	24,969	20,279																																																																																
B. Earthenware, glass, abrasives, &c.	64,517	650,979	7,046,837	7,557,554																																																																																
C. Iron and steel and manufactures thereof	1,140,414	1,190,757	10,419,428	13,782,218																																																																																
D. Non-ferrous metals and manufactures thereof	1,868,384	2,759,512	18,161,935	25,625,954																																																																																
E. Outfery, hardware, implements, and instruments	565,956	643,683	6,274,155	7,084,780																																																																																
F. Electrical goods and apparatus ..	204,558	334,409	1,552,726	2,387,545																																																																																
H. Manufactures of wood and timber ..	343,636	376,598	3,806,525	4,584,463	I. Cotton yarns and manufactures ..	590,840	712,100	6,838,683	8,714,586	J. Woollen and worsted yarns and manufactures	875,304	1,124,977	9,307,966	11,770,406	K. Silk and silk manufactures	1,615,702	2,063,387	21,331,159	23,294,385	L. Manufactures of other textile materials	828,576	1,065,455	10,683,769	14,216,752	M. Apparel	1,062,960	1,044,190	14,173,645	16,566,973	N. Chemicals, drugs, dyes, & colours ..	999,543	1,079,370	11,378,682	13,462,447	O. Oils, fats, and resins, manufactured ..	2,886,382	3,467,924	40,446,470	34,471,829	P. Leather and manufactures thereof ..	1,254,511	1,083,265	11,273,542	11,906,980	Q. Paper and cardboard	1,114,335	1,162,231	12,175,697	13,594,477	R. Vehicles (including locomotives, ships, and aircraft)	505,771	533,246	6,644,614	7,545,067	S. Rubber manufactures	316,104	469,804	5,417,782	6,007,741	T. Miscellaneous articles, mainly or wholly manufactured	2,217,452	2,119,549	24,221,140	26,558,384	Total, Class III.	19,838,353	21,631,693	229,749,590	257,109,440	IV.—Animals, not for food	27,740	189,364	362,156	1,543,405	V.—Parcel post, non-dutiable articles ..	255,373	391,104	2,767,103	3,877,428	Total	94,937,721	109,169,790	1,003,098,699	1,098,015,585
I. Cotton yarns and manufactures ..	590,840	712,100	6,838,683	8,714,586	J. Woollen and worsted yarns and manufactures	875,304	1,124,977	9,307,966	11,770,406	K. Silk and silk manufactures	1,615,702	2,063,387	21,331,159	23,294,385	L. Manufactures of other textile materials	828,576	1,065,455	10,683,769	14,216,752	M. Apparel	1,062,960	1,044,190	14,173,645	16,566,973	N. Chemicals, drugs, dyes, & colours ..	999,543	1,079,370	11,378,682	13,462,447	O. Oils, fats, and resins, manufactured ..	2,886,382	3,467,924	40,446,470	34,471,829	P. Leather and manufactures thereof ..	1,254,511	1,083,265	11,273,542	11,906,980	Q. Paper and cardboard	1,114,335	1,162,231	12,175,697	13,594,477	R. Vehicles (including locomotives, ships, and aircraft)	505,771	533,246	6,644,614	7,545,067	S. Rubber manufactures	316,104	469,804	5,417,782	6,007,741	T. Miscellaneous articles, mainly or wholly manufactured	2,217,452	2,119,549	24,221,140	26,558,384	Total, Class III.	19,838,353	21,631,693	229,749,590	257,109,440	IV.—Animals, not for food	27,740	189,364	362,156	1,543,405	V.—Parcel post, non-dutiable articles ..	255,373	391,104	2,767,103	3,877,428	Total	94,937,721	109,169,790	1,003,098,699	1,098,015,585					
J. Woollen and worsted yarns and manufactures	875,304	1,124,977	9,307,966	11,770,406	K. Silk and silk manufactures	1,615,702	2,063,387	21,331,159	23,294,385	L. Manufactures of other textile materials	828,576	1,065,455	10,683,769	14,216,752	M. Apparel	1,062,960	1,044,190	14,173,645	16,566,973	N. Chemicals, drugs, dyes, & colours ..	999,543	1,079,370	11,378,682	13,462,447	O. Oils, fats, and resins, manufactured ..	2,886,382	3,467,924	40,446,470	34,471,829	P. Leather and manufactures thereof ..	1,254,511	1,083,265	11,273,542	11,906,980	Q. Paper and cardboard	1,114,335	1,162,231	12,175,697	13,594,477	R. Vehicles (including locomotives, ships, and aircraft)	505,771	533,246	6,644,614	7,545,067	S. Rubber manufactures	316,104	469,804	5,417,782	6,007,741	T. Miscellaneous articles, mainly or wholly manufactured	2,217,452	2,119,549	24,221,140	26,558,384	Total, Class III.	19,838,353	21,631,693	229,749,590	257,109,440	IV.—Animals, not for food	27,740	189,364	362,156	1,543,405	V.—Parcel post, non-dutiable articles ..	255,373	391,104	2,767,103	3,877,428	Total	94,937,721	109,169,790	1,003,098,699	1,098,015,585										
K. Silk and silk manufactures	1,615,702	2,063,387	21,331,159	23,294,385	L. Manufactures of other textile materials	828,576	1,065,455	10,683,769	14,216,752	M. Apparel	1,062,960	1,044,190	14,173,645	16,566,973	N. Chemicals, drugs, dyes, & colours ..	999,543	1,079,370	11,378,682	13,462,447	O. Oils, fats, and resins, manufactured ..	2,886,382	3,467,924	40,446,470	34,471,829	P. Leather and manufactures thereof ..	1,254,511	1,083,265	11,273,542	11,906,980	Q. Paper and cardboard	1,114,335	1,162,231	12,175,697	13,594,477	R. Vehicles (including locomotives, ships, and aircraft)	505,771	533,246	6,644,614	7,545,067	S. Rubber manufactures	316,104	469,804	5,417,782	6,007,741	T. Miscellaneous articles, mainly or wholly manufactured	2,217,452	2,119,549	24,221,140	26,558,384	Total, Class III.	19,838,353	21,631,693	229,749,590	257,109,440	IV.—Animals, not for food	27,740	189,364	362,156	1,543,405	V.—Parcel post, non-dutiable articles ..	255,373	391,104	2,767,103	3,877,428	Total	94,937,721	109,169,790	1,003,098,699	1,098,015,585															
L. Manufactures of other textile materials	828,576	1,065,455	10,683,769	14,216,752	M. Apparel	1,062,960	1,044,190	14,173,645	16,566,973	N. Chemicals, drugs, dyes, & colours ..	999,543	1,079,370	11,378,682	13,462,447	O. Oils, fats, and resins, manufactured ..	2,886,382	3,467,924	40,446,470	34,471,829	P. Leather and manufactures thereof ..	1,254,511	1,083,265	11,273,542	11,906,980	Q. Paper and cardboard	1,114,335	1,162,231	12,175,697	13,594,477	R. Vehicles (including locomotives, ships, and aircraft)	505,771	533,246	6,644,614	7,545,067	S. Rubber manufactures	316,104	469,804	5,417,782	6,007,741	T. Miscellaneous articles, mainly or wholly manufactured	2,217,452	2,119,549	24,221,140	26,558,384	Total, Class III.	19,838,353	21,631,693	229,749,590	257,109,440	IV.—Animals, not for food	27,740	189,364	362,156	1,543,405	V.—Parcel post, non-dutiable articles ..	255,373	391,104	2,767,103	3,877,428	Total	94,937,721	109,169,790	1,003,098,699	1,098,015,585																				
M. Apparel	1,062,960	1,044,190	14,173,645	16,566,973	N. Chemicals, drugs, dyes, & colours ..	999,543	1,079,370	11,378,682	13,462,447	O. Oils, fats, and resins, manufactured ..	2,886,382	3,467,924	40,446,470	34,471,829	P. Leather and manufactures thereof ..	1,254,511	1,083,265	11,273,542	11,906,980	Q. Paper and cardboard	1,114,335	1,162,231	12,175,697	13,594,477	R. Vehicles (including locomotives, ships, and aircraft)	505,771	533,246	6,644,614	7,545,067	S. Rubber manufactures	316,104	469,804	5,417,782	6,007,741	T. Miscellaneous articles, mainly or wholly manufactured	2,217,452	2,119,549	24,221,140	26,558,384	Total, Class III.	19,838,353	21,631,693	229,749,590	257,109,440	IV.—Animals, not for food	27,740	189,364	362,156	1,543,405	V.—Parcel post, non-dutiable articles ..	255,373	391,104	2,767,103	3,877,428	Total	94,937,721	109,169,790	1,003,098,699	1,098,015,585																									
N. Chemicals, drugs, dyes, & colours ..	999,543	1,079,370	11,378,682	13,462,447	O. Oils, fats, and resins, manufactured ..	2,886,382	3,467,924	40,446,470	34,471,829	P. Leather and manufactures thereof ..	1,254,511	1,083,265	11,273,542	11,906,980	Q. Paper and cardboard	1,114,335	1,162,231	12,175,697	13,594,477	R. Vehicles (including locomotives, ships, and aircraft)	505,771	533,246	6,644,614	7,545,067	S. Rubber manufactures	316,104	469,804	5,417,782	6,007,741	T. Miscellaneous articles, mainly or wholly manufactured	2,217,452	2,119,549	24,221,140	26,558,384	Total, Class III.	19,838,353	21,631,693	229,749,590	257,109,440	IV.—Animals, not for food	27,740	189,364	362,156	1,543,405	V.—Parcel post, non-dutiable articles ..	255,373	391,104	2,767,103	3,877,428	Total	94,937,721	109,169,790	1,003,098,699	1,098,015,585																														
O. Oils, fats, and resins, manufactured ..	2,886,382	3,467,924	40,446,470	34,471,829	P. Leather and manufactures thereof ..	1,254,511	1,083,265	11,273,542	11,906,980	Q. Paper and cardboard	1,114,335	1,162,231	12,175,697	13,594,477	R. Vehicles (including locomotives, ships, and aircraft)	505,771	533,246	6,644,614	7,545,067	S. Rubber manufactures	316,104	469,804	5,417,782	6,007,741	T. Miscellaneous articles, mainly or wholly manufactured	2,217,452	2,119,549	24,221,140	26,558,384	Total, Class III.	19,838,353	21,631,693	229,749,590	257,109,440	IV.—Animals, not for food	27,740	189,364	362,156	1,543,405	V.—Parcel post, non-dutiable articles ..	255,373	391,104	2,767,103	3,877,428	Total	94,937,721	109,169,790	1,003,098,699	1,098,015,585																																			
P. Leather and manufactures thereof ..	1,254,511	1,083,265	11,273,542	11,906,980	Q. Paper and cardboard	1,114,335	1,162,231	12,175,697	13,594,477	R. Vehicles (including locomotives, ships, and aircraft)	505,771	533,246	6,644,614	7,545,067	S. Rubber manufactures	316,104	469,804	5,417,782	6,007,741	T. Miscellaneous articles, mainly or wholly manufactured	2,217,452	2,119,549	24,221,140	26,558,384	Total, Class III.	19,838,353	21,631,693	229,749,590	257,109,440	IV.—Animals, not for food	27,740	189,364	362,156	1,543,405	V.—Parcel post, non-dutiable articles ..	255,373	391,104	2,767,103	3,877,428	Total	94,937,721	109,169,790	1,003,098,699	1,098,015,585																																								
Q. Paper and cardboard	1,114,335	1,162,231	12,175,697	13,594,477	R. Vehicles (including locomotives, ships, and aircraft)	505,771	533,246	6,644,614	7,545,067	S. Rubber manufactures	316,104	469,804	5,417,782	6,007,741	T. Miscellaneous articles, mainly or wholly manufactured	2,217,452	2,119,549	24,221,140	26,558,384	Total, Class III.	19,838,353	21,631,693	229,749,590	257,109,440	IV.—Animals, not for food	27,740	189,364	362,156	1,543,405	V.—Parcel post, non-dutiable articles ..	255,373	391,104	2,767,103	3,877,428	Total	94,937,721	109,169,790	1,003,098,699	1,098,015,585																																													
R. Vehicles (including locomotives, ships, and aircraft)	505,771	533,246	6,644,614	7,545,067	S. Rubber manufactures	316,104	469,804	5,417,782	6,007,741	T. Miscellaneous articles, mainly or wholly manufactured	2,217,452	2,119,549	24,221,140	26,558,384	Total, Class III.	19,838,353	21,631,693	229,749,590	257,109,440	IV.—Animals, not for food	27,740	189,364	362,156	1,543,405	V.—Parcel post, non-dutiable articles ..	255,373	391,104	2,767,103	3,877,428	Total	94,937,721	109,169,790	1,003,098,699	1,098,015,585																																																		
S. Rubber manufactures	316,104	469,804	5,417,782	6,007,741	T. Miscellaneous articles, mainly or wholly manufactured	2,217,452	2,119,549	24,221,140	26,558,384	Total, Class III.	19,838,353	21,631,693	229,749,590	257,109,440	IV.—Animals, not for food	27,740	189,364	362,156	1,543,405	V.—Parcel post, non-dutiable articles ..	255,373	391,104	2,767,103	3,877,428	Total	94,937,721	109,169,790	1,003,098,699	1,098,015,585																																																							
T. Miscellaneous articles, mainly or wholly manufactured	2,217,452	2,119,549	24,221,140	26,558,384	Total, Class III.	19,838,353	21,631,693	229,749,590	257,109,440	IV.—Animals, not for food	27,740	189,364	362,156	1,543,405	V.—Parcel post, non-dutiable articles ..	255,373	391,104	2,767,103	3,877,428	Total	94,937,721	109,169,790	1,003,098,699	1,098,015,585																																																												
Total, Class III.	19,838,353	21,631,693	229,749,590	257,109,440																																																																																
IV.—Animals, not for food	27,740	189,364	362,156	1,543,405																																																																																
V.—Parcel post, non-dutiable articles ..	255,373	391,104	2,767,103	3,877,428																																																																																
Total	94,937,721	109,169,790	1,003,098,699	1,098,015,585																																																																																

prices should follow. Rather better reports of trade with South America and other foreign markets are reported. Prices, although unaltered, are firm. It is said that makers are desirous of keeping their quotations low in order to foster the upward movement of trade. Firms generally have been carrying out substantial economies in their establishment expenses, and should be able to work at a profit henceforward unless wages are forced upward, of which there is some probability in certain directions. Notwithstanding the vast development of road transport, the railway companies find the traffic put on their systems almost more than they can cope with, and there is a crying need of more locomotive and rolling stock. The fuel market continues strong, and prices of house coal have again been advanced. Coke is scarce, and higher prices than the minimum rates are being obtained for prompt delivery. As a number of blast furnaces are about to be put in blast, the next few weeks will see a substantial increase in the demand for coke. Best South Yorkshire steams are firm at 22s per ton at pits, Derbyshires are 18s less, and Blyth steams are quoted at 24s or 24s 6d. Blast furnace coke is quoted variously from 24s to 26s at ovens.

Our Cardiff correspondent writes:—A disquieting situation has been created by the developments of the week in regard to the third shift question. The tippers have once again kicked over the traces, and operations on the night shift have been suspended since Tuesday night. Their leaders had agreed to an armistice until Saturday, January 19th, but their action in doing so was repudiated by the tippers, and the latter are threatening to call out the day shifts if any further efforts are made by the Great Western Railway Company to persuade the night men to resume work. Negotiations are in progress, but a lock-out is regarded as a contingency of the future if a settlement is not agreed to by the workers involving the permanent operation of the third shift. The workers were balloted on Thursday on the question of the service of notice for the termination of the national wages agreement. The figures of the poll are not yet to hand, but they will in all probability show a big majority in favour of the recommendation of the National Executive. The South Wales leaders are once again reviving the demand for unification and a national pool. The

EXPORTS OF PRODUCE AND MANUFACTURES OF THE UNITED KINGDOM (Value F.O.B.).

	Month Ended December 31.		Whole Year.	
	1922.	1923.	1922.	1923.
	£	£	£	£
I.—Food, Drink, and Tobacco—				
A. Grain and flour	246,696	543,969	2,828,293	4,742,805
B. Feeding stuffs for animals	70,719	178,200	1,714,792	1,817,355
C. Meat	110,982	178,701	1,058,532	1,437,047
D. Animals living, for food	1,561	11,317	31,144	177,035
E. and F. Other food and drink	1,946,459	2,931,892	24,746,536	29,301,150
G. Tobacco	416,818	586,018	5,921,893	6,669,984
Total, Class I.	2,796,235	4,430,097	36,301,190	44,345,276
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	6,692,654	7,176,445	72,529,500	99,835,646
B. Other non-metallic mining and quarry products and the like	141,063	118,016	1,764,875	1,800,122
C. Iron ore and scrap	55,021	35,088	587,495	545,723
D. Non-ferrous metalliferous ores and scrap	258,581	95,539	5,182,195	2,109,326
E. Wood and timber	26,439	42,446	331,710	466,089
F. Raw cotton and cotton waste	198,564	189,073	1,268,147	1,651,468
G. Wool, raw and waste, and woollen yarns	916,817	958,720	8,089,870	9,749,276
H. Silk, raw, knubs and noils	11,951	10,030	63,880	115,822
I. Other textile materials	22,618	35,563	796,726	538,069
J. Oil seeds, nuts, oils, fats, resins, and gums	348,865	557,950	5,004,988	5,295,451
K. Hides and skins, undressed	214,186	190,430	1,815,767	2,545,698
L. Paper-making materials	137,007	158,007	1,315,262	1,568,838
M. Rubber	6,651	8,937	90,709	122,479
N. Miscellaneous raw materials and articles mainly unmanufactured	462,035	486,010	3,073,955	4,334,720
Total, Class II.	9,492,718	10,055,828	101,965,214	130,808,728
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	516,352	803,569	5,204,019	10,099,351
B. Earthenware, glass, abrasives, &c.	798,894	1,028,840	10,993,955	12,332,718
C. Iron and steel and manufactures thereof	5,445,428	6,473,187	60,861,674	76,201,990
D. Non-ferrous metals and manufactures thereof	923,866	1,103,676	11,523,475	14,514,858
E. Outfury, hardware, implements and instruments	486,794	627,714	6,425,743	7,414,805
F. Electrical goods and apparatus	574,380	2,631,311	7,317,830	10,286,898
G. Machinery	4,536,142	3,490,249	61,538,874	44,569,263
H. Manufactures of wood and timber	99,804	194,675	1,402,807	1,864,508
I. Cotton yarns and manufactures	14,741,008	13,857,168	186,990,477	177,330,268
J. Wool, hair, worsted, yarns and manufactures	4,941,441	4,992,358	48,478,184	68,642,661
K. Silk and silk manufactures	132,027	170,681	2,269,655	2,046,723
L. Manufactures of other textile materials	1,966,465	1,818,541	22,386,158	23,678,074
M. Apparel	1,817,715	1,953,357	22,550,616	26,405,648
N. Chemicals, drugs, dyes, & colours	1,685,320	2,265,265	20,260,215	26,699,672
O. Oils, fats, & resins, manufactured	491,302	633,842	5,973,414	6,991,884
P. Leather and manufactures thereof	498,096	481,419	5,118,363	5,766,159
Q. Paper and cardboard	662,155	798,710	6,747,765	8,770,061
R. Vehicles (including locomotives, ships, and aircraft)	1,911,060	1,927,312	49,504,260	27,780,256
S. Rubber manufactures	376,874	415,353	4,936,812	5,920,335
T. Miscellaneous articles mainly or wholly manufactured	2,354,523	2,515,099	28,075,490	30,436,881
Total, Class III.	44,931,723	48,012,301	568,598,500	580,086,740
IV.—Animals, not for food				
	86,544	122,971	1,476,544	1,400,739
V.—Parcel Post				
	1,575,812	1,493,998	11,911,402	10,746,594
Total	68,883,032	64,115,189	719,507,410	767,398,656

Friday's market the tendency was firmer, while somewhat irregular with regard to forward positions. Cash sold at £244 10s to £244 15s, and three months £245 10s to £246 15s to £246 5s. English ingots quoted at £245 to £246. Copper displayed a good deal of irregularity during the week, while easier on balance. Standard cash opened with business at £61 1s 3d, later advancing to £61 7s 6d, while receding to £60 17s 6d by the middle of the week, and three months fluctuating between £62-£61 12s 6d. At Thursday's market a good demand prevailed, and prices moved in buyers' favour, while somewhat irregular at times. Standard cash sold at £60 10s to £60 7s 6d to £60 10s, and three months £61 to £61 5s to £61 2s 6d. No material change occurred in prices on following day, while liberal trading took place. Cash sold at £60 10s to £60 11s 3d, and three months at £61 5s to £61 1s 3d. Electro's quoted at £66 10s-£67, strong sheets £93, wire bars £67, and best selected £65 15s to £67 per ton. Lead steady, and quoted at £30 12s 6d to £30 2s 6d, as to position. Spelter firmer at £34-£33 11s 3d, according to position. Antimony, English, £44 10s to £45. Aluminium, home, £115; export, £120.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Reports from the colonies seem to indicate that the rise in wool values has not yet reached high-water mark, and as demand is as keen as ever, topmakers in this centre are adopting a frankly protective policy in regard to new business. When the current selling season opened in Australia good 64's topmaking wool was costing about 52d, clean, delivered Bradford; to-day the quotation is about 58d, which brings in the top at about 5s 8d. But the discrepancy between cost and selling price is still apparent, and although some topmakers are quoting about 5s 8d for 64's, it is doubtful if sales can be made at anything above 5s 6d, except in very special circumstances. Marked differences in topmakers' quotations for crossbreds are also noticeable, and it is manifest that many firms are determined to wait for the ideas of users to come more into line with the wool market. Generally speaking, all quotations have been advanced, and this has tended in some measure to restrict the amount of new business. The outlook is regarded with confidence, however, and an advance on London prices is expected at the sale of crossbred wool to be held in Hull to-morrow (Friday). Spinners have booked some fair orders recently, and although it is difficult to make more money the tendency is towards a higher level of values. Machinery is fairly well employed, and some nice orders have been taken on export account. The piece trade does not show much change, but demand on home account is expanding, and more interest is being shown in

Botany coating serges. The bulk of the trade, however, is still being done in crossbred fabrics. Overseas markets are comparatively quiet at present.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

Advices this week from Australia clearly indicate that wool still occupies a very sound position. Prices are moving to a still higher level, and as far as one can see there is a well-sustained demand, which seems able to absorb all the wool that is being catalogued. We certainly thought there would be a slight further upward movement when the Sydney sales opened, and although the trade is at the moment without any advice from Hobart, there is certain to be equally as good a demand for the Tasmanian clip which is being marketed this week. Advices from Launceston say that prices are 5 per cent. dearer for merinos and comebacks, and 10 per cent. higher for crossbreds. What a great change has come over the wool supplies of Tasmania compared with 25 years ago. We well remember that time when there was seldom a bale of crossbred grown in the island, but Tasmanian breeders, who were the pioneers in the improvement of the original merino, also set the pace in crossbreds, and to-day some delightfully soft handling wools from 46's to 58's are being grown annually. We are glad that Tasmanian sheep-breeders are not so strongly inclined as those in New Zealand to produce deep 40's wool, and so long as they grow halfbreds and comebacks, the trade will not grumble. At the same time, some of the best and highest class spinning merino wools are grown in Tasmania, and it will be a pity if the work of 100 years is sacrificed by some of the leading merino stud sheep breeders by embarking on the breeding of crossbreds. Tasmanian comebacks have certainly come into their own during recent years, and will continue so to do. Here quality is often the top side of 60's, although they are described as comebacks, and these wools to-day are certainly filling a very useful place.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—January 4, 1924.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	d	d	d	d	d	d	d	d	d	d	d	
Florida do.....	..	..	..	..	..	..	..	..	..	..	..	
Georgia do.....	..	..	..	..	..	..	..	..	..	..	..	
American.....	Ord	G O L M	G M M F	G M M F	G O L M	G M M F	1743	1793	1893	1993	2093	
Brasiliian.....	Mid	M F Fr.	G F Gd.	Fne.	M F Fr.	Gd. Fne.	1426	1486	1516	1576	1636	
Pernam, Macao, do.....	..	1993	2083	2188	..	1388	1488	..	899	1149	..	
Parahyba, Rio Grande, do.....	..	1993	2083	2188	..	1388	1488	..	899	1149	..	
Ceara, do.....	..	1993	2083	2188	..	1388	1488	..	899	1149	..	
São Paulo.....	..	1993	2083	2188	..	1388	1488	..	899	1149	..	
Egyptian.....	Fr.	G F Fr.	Gd. Fne.	Fr.	G F Fr.	Gd. Fne.	1426	1486	1516	1576	1636	
Upper.....	..	2130	2240	2350	2460	2570	1490	1590	1690	1790	1890	
Sakellaridis.....	..	2805	2915	3025	3135	3245	1500	1600	1700	1800	1900	
Brown.....	..	2145	2250	2355	2455	2550	1420	1545	1715	1625	1695	
Peruvian.....	Mid	M F Fr.	G F Gd.	Fne.	M F Fr.	Gd. Fne.	1426	1486	1516	1576	1636	
Rough.....	..	2150	2250	2350	2450	2550	1500	1600	1700	1800	1900	
Moderately Rough.....	..	2118	2218	2318	2418	2518	1501	1601	1701	1801	1901	
Smooth.....	..	2143	2243	2343	2443	2543	1501	1601	1701	1801	1901	
Tanganyika.....	..	2200	2300	2400	2500	2600	1500	1600	1700	1800	1900	
Mitani.....	..	2200	2300	2400	2500	2600	1500	1600	1700	1800	1900	
West Indian, do.....	..	2200	2300	2400	2500	2600	1500	1600	1700	1800	1900	
Do.....	..	2200	2300	2400	2500	2600	1500	1600	1700	1800	1900	
African, East, do.....	..	1650	1750	1850	1950	2050	1178	1278	1378	1478	1578	
Do.....	..	1650	1750	1850	1950	2050	1178	1278	1378	1478	1578	
East Indian.....	G F Fr.	Gd. Fne.	Fr.	Gd. Fne.	Fr.	Gd. Fne.	1426	1486	1516	1576	1636	
Machine Ginned Burma.....	..	1630	1730	1830	1930	2030	1158	1258	1358	1458	1558	
Machine Ginned Broach.....	..	1630	1730	1830	1930	2030	1158	1258	1358	1458	1558	
Machine Ginned Showmgar.....	..	1350	1450	1550	1650	1750	985	1085	1185	1285	1385	
Machine Ginned Ocmra. No. 1.....	..	1350	1450	1550	1650	1750	985	1085	1185	1285	1385	
Machine Ginned Ocmra. No. 2.....	..	1350	1450	1550	1650	1750	985	1085	1185	1285	1385	
Machine Ginned Khandesh.....	..	1350	1450	1550	1650	1750	985	1085	1185	1285	1385	
Machine Ginned Comptah.....	..	1500	1600	1700	1800	1900	1170	1270	1370	1470	1570	
Machine Ginned Bengal.....	..	1260	1360	1460	1560	1660	800	900	1000	1100	1200	
Machine Ginned Seinde.....	..	1250	1350	1450	1550	1650	790	890	990	1090	1190	
Tinnivelly.....	..	1785	1885	1985	2085	2185	1378	1478	1578	1678	1778	
Madras, Western.....	..	1435	1535	1635	1735	1835	1106	1206	1306	1406	1506	
Madras, Northern.....	..	1435	1535	1635	1735	1835	1106	1206	1306	1406	1506	
M.G. Coconada, Red.....	Fr.	1515	..	..	..	..	1115	..	..	..	..	
China, Smyrna, do.....	..	..	..	..	..	..	..	..	..	..	..	

MANCHESTER, January 10.

Although the market during the past week has been rather unsettled by the fluctuations in raw material rates, and the uncertain political situation, inquiry in some directions has broadened. A substantial part of the demand, however, has been at very low rates, and not much progress has been made in the way of booking contracts of importance. In cloth for India there has been a big inquiry with a very fair turnover in light fabrics. Offers in grey staples have tended to improve, and a few more transactions have been put through. The general trade advices from India are encouraging, but Manchester prices are resisted. Only occasional sales have been mentioned for China, chiefly in fancies. Very little has been done for the Near Eastern outlets. Further buying has taken place in fine goods for the United States. Home trade buyers at the moment are nervous. In American yarns for home use prices have been irregular when tested, and although fair lines have been reported in medium counts, there is a tendency for spinners to lose ground. A moderate turnover has taken place in Egyptian

(I.) Comparative Statement of the Cotton Trade.

	Price, Jan. 10, 1924.	Previous Weeks in 1923-24.				
		Price, Jan. 3.	Price, Dec. 27.	Price, Dec. 20.	Price, Dec. 13.	Price, Dec. 6.
Raw Cotton—Fully Mid. American .. per lb	19.85	20.12	21.28	20.05	20.83	19.64
— Sakellaridis Fully Good Fair .. per lb	23.10	23.25	24.30	22.90	24.40	23.65
— Egyptian .. per lb	27.1	28	28.3	28	28.3	27.1
Yarns—32's twist .. per lb	27.1	28	28.3	28	28.3	27.1
— 40's twist .. per lb	36.1	37	38	37	38	37
— 60's twist (Egyptian) .. per lb	36.1	37	38	37	38	37
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	38	39	39	39	40	39
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	42	42	43	42	43	42
38-in. ditto, 38 yds, 18 by 18, 10 lbs ..	22	22	23	22	23	22
39-in. ditto, 37½ yds, 16 by 16, 8½ lbs ..	20	20	21	20	21	20

(II.) Compared with Previous Years.

	Price, Jan. 10, 1924.	Corresponding dates in				
		1923.	1922.	1921.	1920.	1919.
Raw Cotton—Fully Mid. American .. per lb	19.85	15.33	11.06	11.64	29.30	19.60
— Sakellaridis Fully Good Fair .. per lb	23.10	17.25	20.50	23.00	68	27.30
— Egyptian .. per lb	27.1	21.1	18.1	25	58	35
Yarns—32's twist .. per lb	27.1	21.1	18.1	25	58	35
— 40's twist .. per lb	36.1	27.1	31	33	112	36
— 60's twist (Egyptian) .. per lb	36.1	27.1	31	33	112	36
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	38	31	30	30	44	63
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	42	33	30	31	41	60
38-in. ditto, 38 yds, 18 by 18, 10 lbs ..	22	18	18	21	42	58
39-in. ditto, 37½ yds, 16 by 16, 8½ lbs ..	20	17	17	21	42	58

VEGETABLE OILS AND OILSEEDS.

The feature of the market is the steadiness of linseed oil, which continues scarce on spot, and in near positions about £43 per ton naked, ex Hull mill, being the value for prompt and £41 for January delivery. A fillip has been given to the tone by reported inquiries on American account for March shipment. It is known that the mills on the Eastern seaboard are short of seed, and that the stocks of oil are low, and there also seems to be some anticipation of a reduction of the high tariff on foreign linseed oil in the next month or two.

In the oilseed section Plate linseed is steady, but not much trade is passing at the present level of values. Seed about to be shipped is quoting round £18 5s, and January-February £17 10s. Egyptian cottonseed, after some reaction, is again firm and dearer.

HIDE, LEATHER, AND ALLIED TRADES.

BY OUR OWN CORRESPONDENT.

The market hide position has again taken a firmer tone, as slight advances of from ½d to ¼d were obtained at the Bermondsey auctions on Thursday last. Best ox sold from 6½d to 8½d, seconds making from 6d to 7½d. Cows sold from 6d to 6½d for best, and calf from 6d to 13d. Wools were firm at 7s to 14s 6d, and hogs from 4s 2d to 18s each. The demand for S.A. frigorifics is only moderate here, but both the U.S.A. and the Continent are buying freely at high prices, and stocks at origin are cabled as closely sold up. Argentine ox have sold on a basis of 8½d to the States, cows at 7d c.i.f. Dry hides remain rather dull, and the only sale worth noting has been a deal in dry River Plates at 9d. Cables from New York report the Chicago position as steady, with best heavy steers still offering at 14 cents.

Quite a good business is passing in sole leather, and all weights of bends are coming in for attention. The snowy weather has also led to a good demand from repairers, who have been buyers of wet salted bends 10-12 lbs average from 26d to 36d per lb. Pinned offal is in very short supply, with tanners well booked forward. Rough tanned E.I. kips are again dearer, and quotations from Madras are another 1d up this week.

The shoe trade is improving, most manufacturers reporting a fair volume of trade, this favoured by the bad weather.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, January 11.

SUGAR.—The market remains in much the same condition as that prevalent for some time past. Trade in general pursues a quiet course, as demand both on grocery and manufacturing account is measured by wants of pressing necessity, but the undertone is one of distinct firmness in face of temporary artificial scarcity. This has mainly been brought about by movement of the Czechoslovakian crop being interrupted owing to frozen rivers, so that the port of Trieste is now more freely patronised for the circulating of their sugar. In addition to this, certain quantities already landed in the United Kingdom market are in strong financial bands, and same are marketed in a very judicious manner. Raw refining kinds remain in small supply, and recent rates are required. British refiners' goods were disposed of to a moderate extent at previous level of prices. Messrs Tate and Lyle's cubes, 62s, 63s; granulated, fine and coarse grain, 60s 7½d; No. 1, 60s 4½d; No. 2, also London and T.L., 60s 1½d; ditto, February, 60s; March, 59s; yellow crystals, 55s 7½d; caster, 60s 9d to 62s 10½d, on spot. Globe granulated, January delivery, London, 59s; ditto,

January, Greenock, 58s. English grown granulated, ex works, Norfolk, 59s 3d. White Java, spot, 57s 9d to 58s; May-June, steamer, 26s 6d, c.f. and i., London. Czech granulated, spot, 58s 9d to 59s; Dutch ditto, 58s 9d to 59s. Shipment parcels of continental sugars largely nominal, as offers are not very definite. Cuban, basis 96 per cent., March, 23s 9d; Peruvian, ditto, February, 24s; March, 23s 9d, c.f. and i., U.K. White terminal market generally steady, but only quiet trading ensued. January, quoted 30s 3d; March, sold, 28s 4½d; May, 27s 1½d; August, 26s 10½d to 27s 3d. Cuban receipts last week, 56,531 tons, against 52,938 same time last year; exports, 36,760, against 40,466; stocks, 41,933, against 49,343; and factories at work total 129, against 84 last year.

COFFEE.—There is still a run on all fine qualities, and market is strong, owing to available quantities being decidedly small. A feature is found in the strength of continental demand, and who appear to be working on empty cupboards as far as concerns mild descriptions. Common grades firm, with a fair inquiry. Futures slow. March, also May, quoted 70s per cwt.

COCOA steady, and spot sales include fine Trinidad at 45s. Accra, F/F quality, for shipment, sold, 29s to 30s 6d and 30s per cwt, l.o.b., and further buyers.

TEA.—63,000 packages Indian offered in auction aroused active support, and prices on balance disclosed a firm tendency. Bulk of offerings just now consists of medium and inferior growths. Pekoe, sold, is 4½d to 1s 7d; broken pekoe, is 4½d to 1s 11½d; pekoe souchong, is 5½d; orange, is 5½d to 1s 9d; broken orange, is 5d to 2s 2d per lb, in bond. China teas remain a quiet market. Of Ceylon, 28,300 packages were submitted to auction, which were well competed for. All the finer qualities realised a slight advance, while common and medium proved fully steady. Pekoe sold, is 4½d to 1s 10½d; orange pekoe, is 7½d to 1s 11½d; broken orange, is 6d to 2s 1d per lb. 8,000 packages Java and Sumatra were auctioned, and met quite a strong demand at full to dearer rates, especially the better liquoring sorts. Pekoe sold, is 3d to 1s 7½d; broken ditto, 11½d to 1s 7½d; pekoe souchong, is 2½d to 1s 4½d; orange pekoe, is 3½d to 1s 7½d; broken orange pekoe, is 2½d to 1s 10d.

RICE.—With reserved offers on the part of Eastern shippers, the market is very steady, with business on a moderate scale. Two Stars Rangoon, spot, 17s; February, 15s 6d; Spanish, No. 3 for shipment, sold 20s; and Italian, ditto, 20s, c.f. and i. London. Only few offers from Carolina come to hand. Rangoon beans, spot, 10s 9d; Japanese peas, spot, 23s; February-March, 22s 4½d cwt. Rangoon beans, spot, 10s 9d.

SPICE.—Pepper was a quiet market, and prices for white proved lower in forward positions. Black Singapore, L.S., February-April, quoted at 4½d; white Muntok, January-March, sold, 6½d; February-April, 7d; March-May, 7½d. Zanzibar cloves, January-March, is 3½d lb. Tapioca steady, quiet. Singapore flake, January-February, Havre, quoted 31s 6d; Penang seed, January-February, London, 30s 3d; Sago flour dull, January-March quoted 15s 6d; desiccated coconut in fair demand; fine cut, spot, 44s; medium,

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partly on money and partly on the disturbed state of the exchanges, both Paris and New York rates causing a little uneasiness, though in general the market does not consider that too much importance is to be attached to the fact that the Paris Bank rate is now 2 per cent. above our own. Fine three months' bills have commanded $3\frac{3}{8}$ per cent. towards the end of the week, and the April Treasury bill has been offered at $3\frac{5}{16}$ per cent., but the position has been relieved by some buying of March and April Treasury bills by the India Council.

	Jan. 18, 1923.	Jan. 11, 1924.	Jan. 4, 1924.	Dec. 28, 1923.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount/Call	2	2	2	2	1 (Jly. 5, '23)
Houses/Notice	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	1 $\frac{1}{2}$ (Jly. 5, '23)
Market rate (3 months' bills)	3 $\frac{3}{8}$	3 $\frac{3}{8}$	3 $\frac{3}{8}$	3 $\frac{3}{8}$	..

The Bank return showed a decline of £1,118,300 in the circulation and an addition of £13,200 to the bullion stock, so that the Reserve increased by £1,131,500. The completion of liquidation of the market's year-end borrowing was reflected in a reduction of £7,401,500, but there was an increase of £1,630,000 in Government securities, notwithstanding an addition of £2,171,900 to Public deposits, and the contraction of Private deposits was therefore somewhat less than the repayments at £6,866,900. The Private deposits, however, were £24,300,000 below the amount at which they stood a year ago, and this provides some light on the rapidity of the change from ease to stringency in the short loan market. The reduction in liabilities and increase in Reserve produced an improvement of 1.5 in the ratio, at 18.5 per cent. A further large reduction in currency notes outstanding is shown in the return for the week ended January 16th. The reduction amounts to £5,793,200, bringing the amount outstanding down to £281,987,100, which includes £1,425,100 for notes called in but not yet cancelled. The fiduciary issue is £231,112,000, or £17,078,900 below the maximum.

THE STOCK MARKETS.

The Stock Exchange markets have been mainly governed by the movements in the foreign exchanges this week, the fluctuations in the franc and dollar causing some anxiety to investors. War Loan and Conversion stocks suffered at first, but rallied later. Upon the announcement of a sounder policy of taxation in France, French bonds moved upward. German and Prussian bonds made rapid gains on mysterious buying from the Continent, supported by speculators here. Brazilians went back after their recent advance. The threatened railway strike exerted an unfavourable influence over Home Railway stocks. The rubber share market was firm, in spite of the lack of demand for the raw material. In the oil market buyers of Shells and Royal Dutch were noticeable. Kaffirs were inclined to firmness, owing to the high price for gold.

THE COMMODITY MARKETS.

The threatened railway strike and the disorganisation of the foreign exchanges have not had the adverse effect upon the commodity markets which might have been expected. Considerable business is reported as under negotiation in the cotton trade. A further sharp advance is recorded in wool values. Sugar, coffee, and tea were firm. Wheat at times was inclined to move in sympathy with foreign exchanges, but expectations of increased Argentine shipments caused lower prices. Rubber was quiet. A marked improvement is noticeable in the Cardiff coal market, and our Sheffield correspondent states that the coal market there is "active in all departments." But a "set-back" is reported in the pig-iron market. The steel trade is quiet, and competition from foreign steel is pronounced. Tin moved upward, while copper experienced further demand. The vegetable oil market is firm. Hides advanced.

FOREIGN EXCHANGES.

In the foreign exchange market there has been a week of excited dealings consequent on the demoralisation of the French franc and the further sharp depreciation of sterling on New York. From a closing price of 89.35 on the 11th the Paris rate moved up rapidly, until at one time on Monday it was quoted as high as 98.25. From this figure there followed some recovery as the result of the vigorous campaign in France to stem the present panic and the proposals both for the tightening up of exchange regulations and for increases in taxation. By the 17th the rate was brought again for a time just below 90, but the announcement that the discount rate of the Bank of France had again been raised brought a reaction, and the quotation at the close of business was again up to 91.80, while yesterday morning it was again one franc higher at 92.80. These movements are the expression of lack of confidence in the financial position of the Government, and are discussed in subsequent pages. As usual, the Belgian franc has depreciated in sympathy, but on this occasion the movement has been somewhat more restricted, the rate being quoted yesterday at 102.60, as compared with 100.20 a week ago, having at the highest point on the 16th reached 106.25. Forward rates in Paris have jumped to 30 centimes per month above spot, as compared with 13 centimes a week ago. In Brussels they have narrowed to parity for one and to two centimes above for two months ahead. The Italian rate has again remained remarkably steady, with the same quotation of 97 $\frac{3}{8}$ yesterday as a week ago, having moved during the week within the range of 94 and 99. The New York rate, under the continued influence of the political outlook and heavy Continental purchases of dollars, has again been exceptionally weak. From a closing rate of \$4.28 on the 11th it moved slowly, until on Monday there was a heavy drop to at one time as low as \$4.22 $\frac{1}{2}$. After that there was a slight recovery up to \$4.27 on the 16th, but since then there has again been a reaction, and a further sharp drop yesterday morning to \$4.23 $\frac{1}{2}$. Forward rates have widened a little from $\frac{1}{4}$ last week to $\frac{1}{2}$ cent. per month above spot. So long as the political outlook remains obscure, and so long as feeling on the Continent is in its present panicky state no substantial recovery can be expected. In conformity with the temporary stabilisation of the mark at a fixed ratio with the dollar the Berlin rate has moved somewhat against us. Amsterdam, on the other hand, has depreciated from 11.37 $\frac{1}{2}$ to 11.43 $\frac{1}{2}$, although it is unlikely that this movement can be brought into direct relation with the sudden demand from Holland for German bonds, which are apparently being bought up in the hope of the German Government fixing interest payments on old paper mark loan at some fixed ratio to gold. Vienna has moved from 305,500 to 303,000, but Stockholm, which usually moves with the dollar, has risen from 16.23 to 16.25 $\frac{1}{2}$. On the other hand, Madrid shows a sharp appreciation from 33.53 to 33.25 $\frac{1}{2}$, and Switzerland has also moved against us from 24.66 to 24.50 $\frac{1}{2}$. Among the remaining Northern countries, Christiania has depreciated further from 29.77 $\frac{1}{2}$ to 30.02 $\frac{1}{2}$, while Copenhagen shows a smaller rise from 24.44 to 24.45 $\frac{1}{2}$. Helsingfors is 170 $\frac{1}{2}$, as compared with 172. Riga has followed the dollar from 22.07 $\frac{1}{2}$ to 21.80. In Central Europe, Warsaw, as an exception to its recent collapse, shows a slight improvement, the rate having improved from 46 $\frac{1}{2}$ millions to 41 millions. Prague has moved slightly against us, and Belgrade also shows some improvement, while the Bucharest rate at 860 remains much the same. Athens, as the result of M. Venizelos' activities, shows a marked improvement from 233 $\frac{1}{2}$ to 217 $\frac{1}{2}$. In the East the rupee at 15 5 $\frac{3}{8}$ d is much the same as a week ago. The yen, however, has gone sharply against us from 25 0 $\frac{1}{8}$ d to 25 1 $\frac{1}{2}$ d. The disturbed state of the dollar exchange has restricted dealings on the silver market, and there is a general feeling that, with steadier conditions, silver prices will go somewhat lower. Hong Kong at 25 3 $\frac{3}{4}$ d and Shanghai at 3s 3 $\frac{3}{4}$ d are both somewhat cheaper. In South America, Rio has reacted from 6 13-32d to 5 29-32d, a disappointing movement after its recent rise. Buenos Ayres at 41 $\frac{1}{2}$ d is also slightly lower, and Monte Video has dropped from 46 $\frac{1}{2}$ d to 45d, while Valparaiso has depreciated again from 40 to 41.10 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended January 12th:—

EXPENDITURE.	£	RECEIPTS.	£
Supply Services	7,582	From Revenue	19,911
Interest, &c., on Debt	759		
Sinking Fund	500		
Sundries	751		
Increase in balances	237		
Reduction of Debt	10,082		
	19,911		19,911

Revenue for the week ended January 12, 1924, was slightly lower at £19,910,545, against £20,188,313. Customs receipts were down at £921,000, against £1,924,000, but Excise was higher at £2,742,000, against £1,345,000. Post Office receipts amounted to £1,250,000, against £800,000, while Special Receipts reached £1,400,000, against £558,916. Property and Income-tax yielded £6,088,000 and Super-tax £2,650,000, against a combined total of £11,362,000 for the corresponding period. The week's operations reduced the National Debt by £10,082,000, and caused the following changes:—

	£		£
National Savings Certificates	50	Bank of England Advances ..	4,000
		Public Departments	4,900
		Treasury Bills	1,052
		Sundries	180
	50		10,132

The floating debt was reduced by £9,955,000 to £847,695,500.

FINANCIAL YEAR, 1923-24 (April 1 to January 12, 1924).

	£		£
Total Expenditure ..	614,681,440	Raised by Revenue ..	567,061,377
		Net Borrowings	43,873,375
		Decrease in Balances ..	3,746,688
Total	614,681,440	Total	614,681,440

ESTIMATES FOR YEAR 1923-24.

	£		£
Ordinary Expenditure ..	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Great India Peninsula Railway, Bank of New South Wales, Alexander's Discount and Rio de Janeiro Flour Mills and Granaries. Mr Thomas Buckland at the meeting of the Bank of New South Wales urged the necessity for rigid economy by Government and municipal bodies. At the meeting of Alexander's Discount Company Mr. Colin F. Campbell reviewed money market conditions, and deplored the action of nervous investors in trying to get their capital out of the country. At the meeting of the Rio de Janeiro Flour Mills and Granaries Mr Richard Foster pointed out the improved conditions in Brazil, and expressed his confidence in the future of that country.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

WESTMINSTER AND THE CITY.

A WEEK of political excitement, which began with nervous repercussions in sterling exchange and the security markets, ends with exchange and securities steadier, and with political events taking precisely the course which had been generally anticipated. The life of the Baldwin Government hangs by a thread, and this week's Parliamentary debates remove all shadow of doubt that the thread will be snapped on Monday, or at latest on Tuesday, night. The King's Speech contained no surprises, unless it be considered surprising that a Cabinet,

which knew itself to be on its deathbed, should adumbrate a programme of legislation which would occupy the best years of a young and sturdy Government. For Mr Baldwin to outline a series of measures which he will not be able to introduce may savour to some of farcical make-believe, but it is at least dignified and quite possibly clever from the electoral point of view. We are, however, irresistibly reminded of Captain Hook's soliloquy in "Peter Pan":—"Something impels me now to make my death oration, lest when dying there should be no time for it." On two points of non-controversial foreign affairs the speech contained welcome references, namely, to the Tangier settlement, and to the approach of an agreement with Washington over the rum-running affair and the three-mile limit. That this irritant of Anglo-American relations is about to be removed is first-rate news, and details of the means by which this is to be accomplished will be awaited with great interest. On the election and its result the Speech was commendably frank. Tariffs, as a remedy for unemployment, were suggested to the country and rejected. The Government, therefore, fall back on other plans, such as the extension and amendment of the trade facilities and export credit schemes, and "the proposal of the Imperial Conference for expediting and assisting the execution of certain public enterprises throughout the Empire by the grant of financial aid from public funds, and to an extension of the contributions towards the cost of public utility works, &c." From this the Speech goes on to an elaborate programme of domestic reform—"a conference on agriculture, development of juvenile unemployment centres, removal of thrift disqualification for Old Age Pensions, intensified housing campaign, amendment and consolidation of Factory and Workshop Acts," and so on. The one glaring omission from the speech was any reference to electoral reform, which was a case where, if anywhere, Mr Baldwin might safely have stolen the thunder of other parties. We trust the omission does not mean that the Conservative Party will oppose the measures which will presumably be introduced for making the House of Commons a more accurate picture of the opinion of the electorate.

This programme Mr Lloyd George described as a "re-hash of the Liberal manifesto, or the Labour manifesto without the seasoning," while Mr MacDonald described it as "borrowed or stolen" from other parties. But, as the latter was quick to realise, the enunciation of all these projects by Mr Baldwin's Cabinet opens up for Labour a wide field of legislation, which may apparently be exploited without the expectation of Conservative opposition. Why, it may be asked, if there are so many projects common to several parties, should a Coalition Government not be formed with a definite majority in the House of Commons? The answer is that we have had recent experience of Coalition, and have found out that, in days of peace, when there is a distinct cleavage of view on main issues, Coalition is insincere and unsatisfactory. In our view the time has come when the existence of the three-party system must be squarely faced, and the experiment of a minority Government given a fair chance.

The other political leaders followed Mr Baldwin's example in refraining from springing any surprises on the House of Commons. Mr Lloyd George on Tuesday, and Mr Asquith on Thursday, made it quite clear that they have not departed from the policy enunciated by the latter just after the election; and, while there may be some Liberal abstentions, it is now certain that at least a sufficient number of Liberals will go into the Lobby with the Labour Party to secure Mr Baldwin's defeat. Mr MacDonald, for his part, pursued the most obvious and direct of courses, by deciding that this presumed defeat should take place on a plain and ungarnished motion of "no confidence," and this was moved on Thursday from the Labour benches as an addendum to the Address. The tone of the speech in which the Leader of the Opposition announced this decision was quite unexceptionable in tone,

erring neither on the side of elation nor of diffidence; and, if we except one passage about the fomentation of class hatred, the subject-matter and phraseology was well-considered and responsible. Two passages deserve particular attention. When arguing that the practical working of a minority Government may be "a good exercise for the independent intelligence of hon. members of all parties," Mr MacDonald spoke of Parliament as "a great national institution, which I wish to leave behind us all more powerful, more respected, and with more authority than it has even in our days." This fervent constitutional pronouncement we accept as entirely sincere. The other passage to which we refer is that in which Mr MacDonald dealt with the preference duty proposals, which Mr Baldwin made to the Imperial Conference, and which, as in duty bound, he incorporated in the King's Speech. We discuss this question in a subsequent article in connection with the work of the Imperial Conference, and will here say no more than this, that, in maintaining the sovereign right of the British Parliament to decide such matters, and in promising to give the House of Commons the opportunity of ratifying or rejecting the preference proposals, Mr MacDonald has kept faith with the British electorate, and at the same time observed to the full the pledge which Mr Baldwin gave, and the only pledge he could give, to the Dominion Premiers.

The week ends, as we have said, with signs of returning confidence in the financial world. We venture to hope that the effects of ill-considered panic-mongering have now run their course. To those in whom nervousness is strongest we would commend the words which Sir Eric Geddes addressed to the Federation of British Industries, on Thursday:—"To the members of this Federation, and to every individual in the country I should like to say: This is not a time for party or personal prejudice; it is a time when we must keep our heads and look only to the good of the country." For our part, we have in recent issues given our reasons for believing that Mr MacDonald will pursue a path of moderation, and that if he leaves that path he will quickly cease to be Premier. At the same time we commend to Mr MacDonald and his colleagues Sir Eric Geddes's expression that "the commercial nerves of the world are raw, and Great Britain is the most important international economic nerve centre." When nerves are raw, "words or actions which in normal times would scarcely ripple the surface of confidence, may now cause a storm." Confidence is the basis of the activity and prosperity of the nation. To restore it is the first and not the least delicate task which will test the powers of statesmanship of those who will presumably take over the reins of Government next week.

PREFERENCES AND THE WORK OF THE IMPERIAL CONFERENCE.

We cannot deprecate too strongly the attempt that is being made in some quarters to make out that Great Britain is breaking faith with the Dominions over the preference duty proposals which Mr Baldwin laid before the Imperial Conference. Everyone both here and in the Dominions must know that the Imperial Conference has no power to make its decisions binding upon the British people, unless they are sanctioned by the British Parliament, and we are glad to see that responsible organs in the Dominions are reminding Mr Bruce and Mr Massey of the indisputable and important fact that its decisions are equally subject to the acceptance or rejection of the Dominion Parliaments on their part. Most particularly is this so in the case of proposals involving taxation, as did those of Mr Baldwin. All that the Prime Minister could promise was to submit the proposals to the British Parliament. When he made the proposals Mr Baldwin had a majority. Since then he has been to the country; his tariff plans, of which the new preference duty proposals were an integral part, were rejected by the country, and he now has no majority. But in the King's Speech he specifically proposed to lay the preference plans before the House of Commons; and Mr MacDonald, his suc-

cessor-elect—knowing, though he does, that the present House of Commons will not accept them—has promised that the House shall be given full opportunity of pronouncing upon them. Thus, it is clear, every pledge that was given or could be given to the Dominion Premiers has been fulfilled up to the hilt. The opposite view, namely, that the Dominions can hold Great Britain to the proposals made by its politicians in Conference, and subsequently rejected by the British electorate, becomes all the more grotesque, if we imagine the position to be reversed. "Imagine," as Mr Harold Cox writes in the *Edinburgh Review*, "the Dominions being asked to pay taxes against their will for the benefit of the Mother Country! This was, indeed, exactly the issue that was raised in the American colonies in the eighteenth century..... They responded that they were not going to be taxed without their own consent; they rose in rebellion, and after long and bitter fighting they broke the bonds of Empire." We believe that the true aspect of the affair will be fully grasped in the Dominions; and, indeed, it was well stated by General Smuts himself at the Imperial Conference.

Another erroneous belief, current in some quarters today, is that if the new preference duties are ruled out the whole of the work of the Imperial Economic Conference is thereby rendered abortive. This idea will be dispelled by a study of the official Report of its proceedings, which has just been issued (Cmd. 2009, price 5s).

It is a heavy and bulky volume, not likely to find general perusal. The discussions cover a wider area than the trading preferences, on which public attention has naturally been concentrated. Incidentally, the Report itself is quite explicit on the point that we have just been arguing. In relation to tariff preferences, the report says: "As regards Imperial Preference, H.M. Government intimated that they intended to submit to Parliament the following proposals" (p. 241). Then there follows the familiar list—dried fruit, currants, other dried fruit, other preserved fruits, sugar, tobacco, wine, raw apples, canned salmon and lobster, crayfish and crabs, honey, lime, lemon, and other fruit juices. But the report records discussions on a very large variety of other important though minor issues, to which, in fact, the greater part of its time was devoted, and these recommendations will doubtless be carefully weighed and considered on their merits. In relation to these the ministerial pledges of the late Government are by no means explicit; but whatever they intended, there will now have to be discussion on all of them, definite or indefinite. The most interesting of these minor questions are wireless, the air, workmen's compensation, bills of lading (unification), merchandise marks, and a group of points dealing with what is euphemistically called "financial assistance and co-operation."

Take, first, wireless. In 1919 a scheme for the provision of imperial wireless stations, each of which was to be operated and owned by the Dominion in which it was situated, was submitted, but turned down by the Dominions. The present position, according to Sir L. Worthington Evans' statement to the Conference, is that

As regards Great Britain, the Government have decided, in the first place, to provide themselves a station which will be owned and operated by the Government, and, secondly, to license private companies to conduct services subject to an agreement with the Government as to the division of traffic between the companies and the Government station. We are pressing on with the Government station as quickly as possible. A site near Rugby has been secured. The orders for a considerable portion of the plant have already been placed, and I anticipate that the station will be completed before the end of next year, but we have not yet arrived at a satisfactory division of the services with the Marconi Company. In fact, the Marconi Company having at first accepted a pooling arrangement (as to which Sir L. Worthington Evans admits there were "disadvantages in a pool under which responsibility for the services would be divided") subsequently turned it down. The Government, when he spoke, was prepared "to divide the services on a regional basis"—the Canadian and South African stations being Government-owned, while those for India and Australia should be erected by the Marconi Co. "It is essential," said the then Postmaster-General, "in parting with the monopoly which the Government possesses by statute," that its own station, "to be erected partly for commercial and partly for strategic reasons," should have "enough com-

mercial traffic reserved" for it. It appears to have been on this that the Marconi Co. in September turned down the arrangement they had accepted in July. They then wanted to control the operating of messages. "What they are now asking is that they should have a licence to communicate all over the world, irrespective of any Government station at all. That we cannot agree to. That, you see, is not private enterprise; that is private enterprise excluding Government enterprise altogether, which we have never agreed to."

In view of this situation, of the strong objections expressed from Canada, Australia, New Zealand, and Newfoundland to anything like a private monopoly, and the dislike of both Canada and Australia to the regional scheme, the resolution finally accepted was a colourless one, affirming the importance of establishing an efficient Imperial Wireless Service. The position as between the Government and the Marconi Co. is anything but clear. The whole matter needs to be examined impartially and practically.

The Conference recommended the adoption by the Governments and Courts of the Empire of the rules relating to bills of lading recommended by the Brussels International Conference on Maritime Law. Sir P. Lloyd Greame stated that a Bill to this effect was actually on the stocks. It accepted the principles of the Colwyn Report on the Immunity of State Enterprises, and agreed that the several Parliaments should be asked to pass legislation in that sense. It adopted three resolutions designed to unify the position as regards compensation of non-resident workmen and seamen. It agreed that steps should be taken to promote inter-Imperial trade in pedigree livestock. In this connection Sir R. Sanders stated that the Government proposed to take up the Merchandise Marks Bill and carry it through at once. Minor resolutions dealt with uniformity in commercial statistics—a most desirable improvement.

A much wider door is opened by the resolutions under "Imperial Co-operation and Assistance." The Conference adopted a scheme under which the Imperial Government suggested—

that in order to facilitate the anticipation of work which otherwise would not be taken in hand for some years, they should give a contribution towards the interest charges on loans raised for capital expenditure of this kind by public utility undertakings (viz., communications, power lighting, water, drainage, irrigation, &c.). These undertakings might be under either public or private control or management.

Such schemes must be certified by the Dominion or Central Government concerned to be "in anticipation of normal expenditure." The maximum suggested grant is three-quarters of the interest charge for a period of five years. On this Sir P. Lloyd Greame stated that "early legislation" would be introduced.

In fact, a tolerably long Parliamentary agenda is contained in the recommendations of the Conference, and included in it are many sound, as well as some unsound, proposals which deserve serious consideration. It would be absurd to disregard the Report altogether because one section has been summarily rejected.

THE SLUMP IN THE FRANC.

THE foreign exchange market, already troubled with the weakness of sterling, has had a fresh upset to contend with in the shape of a sensational fall in the value of the franc. The franc celebrated the first meeting of the expert Committee on German finances by falling from 92 to over 98 to the £ in Paris—a unique drop for a single day, which among other records put the franc lower, for the time being, than the lira. This slump, at a time of year when the exchange is usually starting a recovery, reflects a state of anxiety in France which is bordering on panic. For a long time past the views of outside observers who have anticipated that sooner or later the franc must break, unless France either imposed much heavier taxation or came to a speedy understanding with Germany, have met with little agreement in France, where the current opinion has been one of great confidence in the franc not merely in word, but in action. Now that confidence is gone, and for some two or three

weeks Paris has been talking down the franc, in spite of the childish prohibitions of the Finance Ministry. Indeed, the initial efforts made by M. de Lasteyrie to stop the rot had the opposite effect to that which he intended, for they helped to rouse the public to the seriousness of the situation. The unhappy Finance Minister is, therefore, marked out as scapegoat, and it is probable that his place may shortly know him no more. The fall in the franc has been accompanied by a sharp rise of internal prices. For some time past internal prices have kept surprisingly low in relation to the exchange—thanks very largely to France's self-sufficiency. But prices are now on the move, and it is this fact that is making the question one of intense interest not merely to the well-to-do, but to every class throughout the country. This rise of prices is calling for increased currency in circulation, with the result that there has been a marked increase in the figures of the Bank of France, though they would normally fall after the turn of the year. These phenomena are, however, not to be confused with the causes which are a matter of confidence. The underlying facts of the situation are that for a long time past France has been spending more than the Government has been raising by taxation, but that so far the public has filled the gap by advancing the money mainly on short loans at a steadily rising interest. The moment the investor loses his faith in the franc, and really begins to fear that inflation is coming, he will not renew, far less continue to make further advances. When this happens the Government must resort to one or other of the unpleasant alternatives that are available for Governments which have not balanced their budgets. Already, as is described in a later column by our Paris correspondent, the Government is laying strong plans for increasing taxation, and this evidence of determination to meet the position has already caused the franc to steady itself. But with the elections coming on in April, and lasting over a month or more, it appears impossible for anything of a thorough character to be done in the way of taxation until the late summer. Meanwhile, if the public will not renew their loans, the gap must be filled by paper money. In other words, the adverse balance which has been allowed to grow year by year may suddenly be converted into monetary inflation. The amount involved is enormous, and the prospect may well give rise to serious concern. Moreover, in comparison with Germans, the French public is very much alive to monetary questions, and, with the example of other countries before them, is likely to lose no time in passing through the various stages of inflation. We already hear, for example, of rents being fixed on a gold or commodity basis, and there is talk of the use of a gold money of account.

It is important not to exaggerate the extent of the change of opinion. Stock exchange prices do not yet show any marked movements, which shows that the transfer of investments is not yet on a very large scale. But the new feature is that the lack of confidence has spread into the provinces, and, once it has begun, it is difficult to foresee the end. It is possible that the Government might attempt a compulsory funding of its short-term indebtedness; but this would be a desperate remedy, and would finally stop any possibility of future borrowing.

The fact that the movement is so largely psychological means that if the right move were taken the slump might, at all events, be checked even if the movement were not absolutely reversed. The only practical suggestion is that the Bank of France should use part of its very large gold hoard to buy francs. If the moment were well chosen, and action drastic enough, the exchange could undoubtedly be raised, speculators squeezed, and the widespread pessimism possibly checked for the moment. Such action would only be temporary, but it might give another breathing space during which the finances of the country might be improved and an earnest given of a determination to work for a practicable settlement of the reparation question. One thing is certain, and that is that desperate efforts will be made in the near future to check the movement. They have indeed begun; for though French opinion does not go to the heart of the matter and question the fundamental basis of French policy in recent years, it will certainly regard a continued fall in the franc as a sign of the failure of the Government. This unwilling-

ness to look below the surface is illustrated by the fact that almost every one in France draws the quite unreal distinction between M. Poincaré's foreign policy and what is called his domestic policy. The former is approved, but he may be turned out because of the internal situation, though this is clearly the direct result of the former. In any case, there is likely to be a definite move towards the Left as a result of the elections to the Chamber. The recent elections to the Senate, in which the Left was again returned in a large majority, throw no light on the situation in the Chamber for the reasons we elaborated a week ago, and the omens are certainly that there may be a substantial turnover. There is only one thing that could check this drift of opinion, and that would be any action on the part of a British Government tending to develop a breach in the entente, or that could be represented as pro-German. The existence of a Labour Government in England, provided it does not develop an anti-French position, will strengthen and encourage the Left parties in France.

In the meantime the international experts are at work on the problems of German finance and reparation, and we welcome the line that has been taken at the outset by General Dawes, who approaches his task with an open mind and an absence of preconception; a desire to do something practical, and a readiness to understand the point of view of the parties interested.

FOREIGN EXCHANGES IN 1923.

INSTEAD of the quiet recovery for which the market hoped during the period under review, the complete failure to discover a solution for the reparation policy and the forcible entry of France into the Ruhr early last spring has been reflected in the misfortunes of another twelve-month's deterioration. In the case of Germany this has degenerated into complete collapse. With regard to the franc and several other currencies, although measured over the year as a whole the additional depreciation was not much more rapid than during 1922, its acceleration towards the end of the period and a growing lack of confidence provide a gloomy outlook for the coming year.

To take first the little good that is to be found, we have that small group whose currencies have remained on a practically stable ratio with gold or with the dollar. The outstanding example is, of course, that of Austria, the one shining proof as yet of the value of concerted European action, soon, we may hope, to be followed by a similar experiment in the case of Hungary. It should not be forgotten, however, that the position of Vienna is still a delicate one, and that success is not yet finally proved. Again, the new currency of Lithuania, introduced in the autumn of 1922, has been maintained throughout the year on a virtual parity with the dollar. In the same way, still under the active guidance of M. Kalning, in Riga Latvian currency has also remained constant in terms of gold. Until almost the end of the year the same might have been said of the Estonian mark, but recent experience would suggest that an attempt has been made to maintain it at too high an exchange value. Finland's financial position is much more solid, but the possession of considerable foreign balances and favourable trade figures in 1922 has led to the fixing of the exchange value of the mark at too high a rate, and in consequence there has been a swing round this year to a heavy adverse trade balance, and this, combined with a poor harvest, has brought a certain temporary depreciation towards the end of the year. Among other of the new States of Europe, where a vigorous policy of virtue in currency affairs has brought the reward of relative stability, is Czechoslovakia. The krone has moved within narrow limits during the year, and the effects of previous somewhat over-rapid deflation are now gradually wearing themselves out. Jugoslavia, on the other hand, is now in the painful throes of a vigorous deflationist policy, and its Finance Minister deserves the same congratulation as did the late M. Rasín in Czechoslovakia for the energy with which he is carrying through his unpleasant task. As a result, so

far he has achieved an improvement and a relative stabilisation of the dinar. The currencies of Greece and Bulgaria both stand somewhat better than a year ago. Among the older countries of Europe, Sweden alone among the Scandinavian states has remained roughly on a constant ratio with the dollar, but its balance of trade is growing steadily more unfavourable, and it is by no means clear that it will stand the strain indefinitely. Holland, also, although the movement of German funds has caused some peculiar temporary fluctuations, has remained very stable. At the same time there are signs of uneasiness, and an unfortunately growing tendency to prefer dollar to home investments. Although it has depreciated somewhat over the period as a whole, the fall in the yen is much less than might have been expected in view of the terrible disaster of the earthquake. In India an improving trade balance and a cautious and able financial administration have resulted in the rupee remaining at a practically steady ratio with the dollar, and give encouraging promises for the future.

FOREIGN EXCHANGES, 1923.

Country.	Parity.	Begin'ing	Lowest.	Date.	Highest.	Date.	End.
New York...	\$ to £ 4.864	4.634	4.254	19 XI	4.724	21 II	4.324
Montreal...	\$ to £ 4.864	4.684	4.354	19 XI	4.82	20 III	4.434
Paris.....	Fr to £ 25.224	63.10	62.35	2 I	86.70	24 XII	84.70
Brussels...	Fr to £ 25.224	68.624	68.05	2 I	107.374	9 VIII	96.25
Amsterdam...	Fl to £ 12.107	11.704	11.384	31 XII	11.92	1 II	11.394
Italy.....	Lira to £ 22.324	90.75	89.50	3 I	108.75	7 VII	100.06
Madrid....	Pts to £ 25.224	29.50	29.45	26 I	34.45	21 VIII	33.54
Sw'tserland...	Fr to £ 25.224	24.44	24.43	1 I	26.78	7 VII	24.76
Lisbon....	Escu. 534	244d	144d	27 XII	244	31 V	144
Helsingfors...	Mks to £ 25.224	187	1614	19 XI	190	6 I	1754
Christiana...	Kr to £ 18.159	24.60	24.35	3 I	31.05	9 XI	29.654
Stockholm...	Kr to £ 18.159	17.16	16.25	19 XI	17.75	12 II	16.39
Copenhagen...	Kr to £ 18.159	22.484	22.45	1 II	26.75	5 VII	24.454
Estonia....	Marks to £ 20.499	1,587	1,517	16 XI	1,608	11 XII	(1.608 (11 XII)
Latvia....	Lats to £ 25.224	23.86	22.204	22 X	24.19	21 III	22.30
Lithuania...	Lits to £ 48.66	44	44	26 XI	46.70	9 VII	(44 (26 XI)
Berlin.....	Mks to £ 20.43	32,750	32,000	1 I	50,000 (millions)	6 XI	19,000 (millions)
Vienna.....	Kr to £ 24.02	322,500	295,000	19 XI	350,000	10 I	308,500
Budapest...	Kr to £ 24.02	10,750	10,000	5 I	120,000	1 VIII	85,000
Warsaw....	Mks to £ 30.43	82,500	82,000	2 I	27 Million	29 XII	27 Million
Prague....	Kr to £ 24.02	149	1474	19 XI	171	9 I	1484
Belgrade...	Din to £ 25.224	430	355	5 VI	650	19 I	385
Bucharest...	Lei to £ 25.224	790	770	3 I	1,290	30 I	8424
Sophia....	Lev to £ 25.224	665	325	21 VI	900	16 II	600
Athens....	Dr to £ 25.224	385	105	2 VI	460	3 III	2004
Constantinople...	Pst to £ 110	805	630	16 III	880	21 VIII	820
Bombay....	Per rupee 2/5d	1/44d	1/384d	22 VIII	1/54d	30 XI	1/544
Hong-Kong...	Per dollar 3/04d	2/24d	2/24d	5 II	2/54d	7 V	2/44d
Shanghai...	Per dollar 2/44d	2/34d	2/34d	1 I	3/54d	18 XII	3/44d
Singapore...	Per dollar 2/44d	2/34d	2/34d	18 VII	2/44d	21 III	2/44d
Yokohama...	Per yen 24.58	2/04d	2/04d	23 II	2/34d	19 XI	2/14d
Buenos Aires...	Per dollar 278d	444d	384d	25 VIII	444d	1 I	3944d
Montevideo...	Per dollar 51d	444d	37d	10 VIII	444d	3 I	434d
Rio de Janeiro...	Per mil 27d	644d	44d	9 XI	644d	1 I	644d
Valparaiso...	\$ to £ 8134	35.70	33.20	11 VI	41.20	27 XI	40.10
Lima.....	Eng to per £ par	10% pm	624	21 XII	1544	8 II	744
Mexico....	Per dollar 24.58	25d	24d	1 I	274d	17 XI	264d

With these the list of relative stable currencies is exhausted, and the rest almost without exception is a record of progressive depreciation. At this point perhaps should first be mentioned two currencies which although they stand at a lower value than a year ago, would seem to have seen the worst, and already show some signs of improvement. The Turkish pound, although it has lost most of the recovery which followed on the signature of the Lausanne Treaty, is now making a hesitating and uncertain move upward, and the Roumanian leu is also improving somewhat from the almost complete collapse in the earlier part of the year. In neither case, however, is there ground as yet for any great optimism. Switzerland ended the year at a less favourable ratio to sterling.

At the same time general trade conditions show a quiet recovery. The Danish rate shows a further depreciation of about 2 kr. as compared with sterling, but an improvement on the extreme depreciation of the middle of the year. The banking crisis would appear to have been overcome, but bad prices for agricultural products are still an unfavourable influence. The recent adoption of the exchange stabilisation scheme gives promise under careful management of a quiet if slow recovery. The record of Norway, with a further depreciation of more than 5 kr. on the year, is again an unfortunate one, and the banking difficulties which came to a head in May brought a period of great anxiety. To a large extent these immediate troubles seem to have been overcome, but the continued depression in shipping and in Norway's staple exports make the outlook unsatisfactory. In Spain, trouble in the Riff, the strained position of national finances and political uncertainty produced a steady falling-off in the value of the peseta, and, so far at least, the change in régime, while it has brought little further depreciation, has done nothing to improve the situation. Political uncertainties and the absence of any ordered plan of economic development have resulted in a further heavy fall in the value of the escudo, and unfortunately there is nothing at present to suggest a change. This same depreciation which is so widespread in Europe has had again serious reactions in South America. In Montevideo the fall in value, measured, at least, in sterling, is smaller, but in Buenos Ayres there has been a sharp decline, as some increase in exports have been more than overbalanced by the heavy burden of foreign obligations, and the outlook remains unsatisfactory. In Rio the rate has fallen even more rapidly, and again difficulties of home finance and the burden of indebtedness more than compensate for any improvement in trade. Substantial hope has been raised by the visit of the British Financial Mission now in Brazil. For the larger part all individual factors to-day are overwhelmed by one common problem. The failure of the victors to deal reasonably with their defeated enemies, and to restore the reign of economic common sense.

EXCHANGES, 1923 (Monthly Figures).

	January.		February.		March.		April.	
	Highest	Lowest	Highest	Lowest	Highest	Lowest	Highest	Lowest
New York....	4.674	4.634	4.714	4.664	4.714	4.674	4.67	4.634
Paris.....	79.10	62.75	78.80	72.85	78.074	69.0	71.65	68.25
Berlin.....	215,000	32,750	190,000	88,500	106,250	96,750	149,500	97,500
	May.		June.		July.		August.	
	Highest	Lowest	Highest	Lowest	Highest	Lowest	Highest	Lowest
New York....	4.634	4.604	4.634	4.574	4.604	4.554	4.574	4.544
Paris.....	70.85	68.894	75.59	71.374	78.95	76.65	83.25	79.05
Berlin.....	320,000	142,500	330,000	325,000	5,100,000	775,000	550,000	5,000,000
	September.		October.		November.		December.	
	Highest	Lowest	Highest	Lowest	Highest	Lowest	Highest	Lowest
New York....	4.564	4.514	4.554	4.484	4.48	4.304	4.39	4.324
Paris.....	81.55	72.95	77.70	73.824	82.55	76.35	86.55	80.50
Berlin.....	1,250*	464*	850,000*	1,400*	454†	14†	23†	18†

* Millions. † Billions.

The history of the mark's collapse can be seen in detail in Table II. By the end of August the mark had ceased to have any meaning as a unit of international exchange. Its later movements until the improvement and provisional stabilisation with the introduction of the "Rentenmark," are of little importance, nor can the present phase give any promise of stability until the reparation question itself is settled. Apart from the rouble, by whose collapse it was preceded, the history of the mark can be paralleled by no currency except that of Poland. Unfortunately hardly any Government has yet been strong enough to readjust its finances to post-war conditions. On this its future depends.

While France, by its actions, has succeeded in completely destroying the mark, it has at the same time during the past year gone far to destroy confidence in its own currency. As the year went on, the difficulties of its financial situation became increasingly clear, and it has become equally clear that pressure upon Germany was no effective substitute for

the neglect to face its own internal problem. For the time being the impetus to trade given by increasing depreciation has disguised the seriousness of the situation, but more recently the increasing difficulty which the Government has found in placing loans on the home market shows that in France itself the situation is at last becoming understood. This realisation is to be welcomed by all friends of France as marking the possibility of a change in method and of resolute tackling of its troubles at their source. This lack of trust in their own currency came at an earlier stage in Belgium, which in August started to run away badly, the movement only being stopped by the announcement of a loan from France. The lesson to the Belgian Government was a salutary one, and since then its weight has been increasingly felt on the side of moderation. Of our three main allies it is only to Italy that we can look with any satisfaction. Depreciation there has continued, but at a very slow rate, and there have been lately increasing signs of stabilisation.

The history of sterling during 1923 has been a disappointing one. During the spring a steady improvement was recorded, which was helped rather than retarded by the conclusion of the arrangements for the repayment of the American debt. In April there was the beginning of a slight retrograde movement accountable for a large part by high money rates in New York. In July the rise in the Bank rate brought some improvement, but the pressure of autumn trade, the uncertain outlook in Europe, and the speculative advantage of the purchase of dollar securities all militated against sterling, and in October irresponsible suggestions of an official policy of inflation frightened holders of sterling in all parts of the world, and caused a rush to convert into dollars. On the top of this the disturbance of an election and the fear of the introduction by the Labour party of a capital levy brought still more pressure, and for the first time sterling felt the same threat of a flight to the dollar under which so many European currencies have suffered. It is unnecessary to point out that the fear of a capital levy, and of other "misdeeds" of a Labour Government are as ill-founded as the now exploded fear of inflation. Time itself will show the groundlessness of these scares. All that can be said is that the closing note of the year is a fitting one for the end of that thoroughly unsatisfactory period.

For the market the year has been one of relatively restricted business. Speculators have become frightened by repeated losses in one currency after another, and the reduction in business has been marked enough to make a considerable contribution to the reduction in the London Clearing House figures for the year.

A YEAR'S OVERSEAS TRADE.

THE Board of Trade returns, just issued, show that the total turnover of British merchandise trade in 1923 was £1,984 millions, which compares with £1,828 millions in 1922. The figure is also higher than that for 1921, namely, £1,897 millions; but 1920, the year of booming trade and high prices, remains the peak year with its total of £3,490 millions. In comparison with the preceding year, 1923, as will be seen from the following table, shows an increase in all items, whereas 1922 was notable for a decrease in imports of £81.6 millions, against an increase of £14 millions in total exports. But in making these comparisons it must be remembered that they are not exact, because, in April last the Irish Free State returns were separated from ours. Prices in the first half of the year were nearer to those of 1922 than those of the second half, especially in regard to such imports as textile raw materials. The summary for last year's value figures for imports, exports, and re-exports compares with 1922 as follows:—

CALENDAR YEAR.				
	1922.	1923.	Increase in 1923.	
	£	£	£	%
Imports.....	1,003,918,124	1,098,015,585	+ 94,916,686	+ 9.5
British exports....	720,496,426	767,328,656	+ 47,821,246	+ 6.8
Re-exports.....	103,777,871	118,572,694	+ 14,878,024	+ 12.6
Total exports.....	824,274,297	885,901,350	+ 62,699,270	+ 7.6
Excess of imports over total exports	179,643,827	212,114,235	+ 32,471,408	+ 18.0

The beginning of 1922 was a period in which the prices of many leading British manufactures were severely cut, but in the year under review it is probable that until the later months the level had been very little altered. A comparison between 1923 and 1922, therefore, is more complete than between that year and its predecessor. The growth of imports by £95 millions coincides with one in exports by £62 millions, and the excess of imports is raised by £33 millions to £212 millions. This latter figure is considerably under the figure for 1921, and, on the whole, is not unfavourable to our trade when it is remembered that foreign borrowings here have been on a fairly large scale in the past year or two. The present figure of £212 millions in our trade balance compares with one of £132 millions just before the war. The distance between those figures is, in view of the difference in the level of prices, not very great. But perhaps it should be pointed out that in the past year a new factor, our initial payments on account of the American Debt, has entered into the calculation. On the whole, we should judge that there has been an actual improvement in our trade balance in the past year. The following table shows how the balance of merchandise trade has moved month by month in the year under review:—

MOVEMENTS OF MERCHANDISE TRADE BALANCE.

Month.	Imports in 1923. Mln. £.	Exports in 1923. Mln. £.	Excess of Imports in 1923. Mln. £.	Excess of Imports in 1922. Mln. £.
January	99.7	76.7	23.0	4.9
February	83.9	67.3	16.6	0.9
March	90.0	70.0	20.0	13.2
April	86.4	75.3	11.1	15.9
May	89.5	83.3	6.2	21.8
June	89.3	73.8	15.5	23.4
First half-year....	538.8	446.4	92.4	80.1
July	76.8	68.3	8.5	13.1
August	88.7	66.3	22.4	15.1
September	83.3	72.0	11.3	8.0
October	99.9	82.5	17.4	16.3
November	101.6	75.9	25.7	20.0
December	109.2	74.5	34.7	27.5
Second half-year ..	559.5	439.5	120.0	100.0
Full year	1,098.3	885.9	212.4	180.1

The slight discrepancy in the totals in this table and the preceding is due to the fact that the official figures give corrected totals in advance of the corrected figures for individual months. As will be seen, the second half of the year saw a considerable increase in the import excess, which grew in the last two months by amounts which do not look quite healthy. An explanation with regard to December may be that there were people who thought that Protection would succeed at the election, and obtained quick supplies where that was possible in the time. It is significant that the growth of the import excess in the last quarter has been coincident with greatly increased prices for raw cotton on the New York market, and that in the same period the sterling-dollar exchange has moved rather markedly against this country.

In the following table we compare the quantities of leading foodstuffs and raw materials imported in 1922 and 1923, and the average value per unit:—

IMPORTS.

	Quantity.		Value per Unit.	
	1922.	1923.	1922.	1923.
Raw cotton	14,319,902	12,925,854	£ 5.96	£ 7.05
Sheep and lambs' wool ..	11,055,244	7,393,448	5.33	6.32
Flax, hemp, and jute	267,974	265,375	40.9	38.06
Rubber	1,430,822	1,795,657	4.39	6.04
Beef	11,754,092	13,860,145	2.49	2.31
Mutton and lamb	5,848,763	5,872,120	3.82	3.97
Wheat	96,379,634	100,929,623	0.612	0.53
Sugar	38,179,387	31,365,963	0.879	1.32
Butter	4,268,561	5,125,297	8.75	8.65
Tea	419,005,357	457,199,253	0.062	0.07
Tobacco	184,856,648	173,881,868	0.101	0.08

The next table gives leading British exports, and it shows general increases except in the textile industry. Here Yorkshire fared better than Lancashire, woollen and worsted tissues showing expansion. The falling off in cotton piece goods and cotton yarns is a noticeable feature

of the table. As will be observed, the textile machinery exports, contrary to the general tendency of engineering figures, are under those of 1922.

EXPORTS.

	Quantity ('000's omitted).			
	1920.	1921.	1922.	1923.
Coal	24,932	24,661	64,198	79,449
Pig-iron and ferro-alloys ..	579	136	794	894
Railway material	311	340	480	493
Total of iron and steel and manufactures thereof ..	3,251	1,697	3,401	4,319
Textile machinery	63	157	155	139
Total machinery	462	506	403	432
Cotton yarns	147,432	145,895	201,221	145,019
Cotton piece-goods	4,435,405	2,902,289	4,181,176	4,141,303
Wool tops	238	347	416	389
Woollen tissues	187,233	76,556	121,489	148,641
Worsted tissues	77,355	40,814	62,458	62,948
Linen piece-goods	93,045	39,962	77,421	89,672
Boots and shoes	819	513	492	796
Leather	271	228	232	260
Paper and cardboard	2,350	1,463	2,455	4,348
Locomotives	43	47	32	35
Motor cars and chassis	8	4	3	4

The list as a whole is striking. Perhaps the further expansion of coal exports attracts notice first, last year's high figure having been easily surpassed. The exports of 79,449,000 tons in 1923 compare with 73,400,000 tons in 1913. There is little need to stress what is perhaps the principal cause of the expansion over 1922's figures. The Ruhr expedition has also affected the development in the next three items in the list. In all these, however, as consideration of the details of the destinations of the exports in the official returns shows, there is reason to believe that there have been increases not due to political events. The figures for coal do not include bunker coal, under which head the total for 1923 was 18,158,188 tons, as against 18,259,027 tons in 1922. The official description of this coal is "Coal shipped for the use of steamers engaged in the foreign trade," and the figures therefore throw some light on our progress in the carrying trade. The position is seen in better proportion when it is recalled that bunker coal in 1921 was under 11 million tons, and in 1913 nearly 14 millions. While the iron and steel manufacturers' total in 1922 exceeded that of 1920, that of 1923, as will be seen from the table, is above the previous year's. This is one of the most encouraging features of the table.

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

	Gold.		Silver.	
	Imports.	Exports.	Imports.	Exports.
1921	£ 49,676,047	£ 59,348,158	£ 10,264,443	£ 12,045,422
1922	£ 34,542,167	£ 44,838,292	£ 10,099,890	£ 13,235,269
1923	£ 43,986,655	£ 57,434,355	£ 9,611,055	£ 11,687,714

In 1923 the surplus of gold exports over imports is £13½ millions, and is greater than in either 1922 or 1921, in both of which years it was under £10 millions. The export to the United States was £33 millions, compared with £26½ millions in 1922 and £55½ millions in 1921. British India took from us £19 millions, against £13 millions in 1922 and only £1½ millions in 1921, an indication, in view of the uses to which gold is put in that country, of growing spending power. France, which took £3.7 millions in 1922, received only £131,697 last year. From the Transvaal gold imports amounted to £37½ millions, compared with £30½ millions in 1922.

AMERICAN DOLLAR SECURITIES.

(BY A CORRESPONDENT.)

THERE can be no question that whatever controversial financial measures may or may not be put into force by a new Government, the idea of a "flight from the £" on the part of resident Britons to avoid the obligations of a duly-enacted law of the country is preposterous. Our legislature would not be likely to permit evasion of any tax that may be placed upon capital, by means of the simple process of transferring it to another country, and in any case the knowledge already possessed by the

Inland Revenue through the medium of individual income-tax returns, would be brought into full play.

Nevertheless, recent events have drawn attention to American securities, and it therefore may be of help to take a short survey of the field for investment in the first-class dollar securities of various Governments and municipalities, as well as the high-grade bonds of the American railroads and other industrial undertakings.

Before proceeding with a review of some of the better-known securities of this class, a reference must be made to the relation between the current price of the American dollar and the purchase of dollar securities, as it affects the would-be investor of sterling funds. The future course of the dollar exchange is not an open book, but one certain fact emerges; at the present time £100 produces for investment in New York only about \$425, a depreciation from the normal of over 14 per cent. Who is to say whether this position will last, go much worse (it touched 3.23 in 1920), or whether a few years, or even months, hence the dollar may not be climbing slowly but surely towards parity—4.8665? However remote this latter contingency may seem to-day, the purchaser of dollar securities has to consider the possibility of a loss on exchange of that part of capital invested which is now represented by this depreciation of 14 per cent. or so. Of course, other events may occur to annul part, or the whole, of any exchange loss, and on the other hand, a fall in the dollar rate to lower levels would correspondingly benefit the buyer of dollar bonds at the present time, but a prospective investor in dollar securities should keep this exchange factor before him, in case its incidence is not fully appreciated.

In the forefront of these dollar securities are the bonds of various Governments, including our own, those of the United States, Canada, and the many European Governments who have raised funds in America in recent years. For the purposes of this article the obligations of the American Government will be omitted, as the yield to be obtained from even the later Liberty loans does not reach 4½ per cent.—nearer 4¼ per cent. is the average. Further, the interest from certain American Government bonds when paid to non-residents is liable to super-tax in that country, although the tax does not become operative until quite a large figure is reached, so in the first instance it is proposed to investigate a few of the fairly numerous class of bonds which are not subject to American income-tax or super-tax when held by those who are neither citizens nor residents of the United States of America.

The following examples have been taken for illustration, as most, if not all, of these issues are quoted in the London financial Press weekly, and in some cases daily.

Security.	Price in \$.	Sterling Cost per \$500 Bond at \$4.25.†	Flat Yield in %.
U.K. of Great Britain, Conv. 5½ % Bonds, 1929†	108	127	5.10
U.K. of Great Britain, 5½ % Gold Bonds, 1937	99½	117	5.50
Dominion of Canada, 5 % Refg. Gold Bonds, 1952	100	117½	5.0
Canadian Pacific Railway, 4 % Cons. Debenture Stock (perpetual)	82	96½	4.90
Kingdom of Denmark, 6 % Gold Bonds, 1942	95	111½	6.30
Kingdom of Norway, 6 % Gold Bonds, 1952	94	110½	6.35
Government of Dutch East Indies, 5½ % Gold Bonds, 1953	90	105½	6.10
Do 6 % Gold Bonds, 1962	95	111½	6.30
City of Copenhagen, 5½ % Gold Bonds, 1944	91½	107½	6.0

* This yield is also the rate per cent. upon the sterling sum when invested; any alteration in the rate of exchange on the day the interest is received from that prevailing when the investment is made increases or decreases the return. In calculating the yields no account has been taken of any appreciation or depreciation towards the capital redemption figure that might accrue; the difference in the case of the longer maturities is trivial and only about ½ per cent. per annum for an 18-year bond like Denmark 6's.

† At any other rate of exchange, simply divide the price quoted by the rate secured, and the result will give the sterling cost of \$1,000—
e.g., \$1,000 United Kingdom 5½'s, 1937, at exchange 4.40—
222½.

‡ These bonds are exchangeable at any time prior to February 1, 1929, for 5 per cent. National War Bonds due February 1, 1929, at

All the above give a return affording some slight compensation for any adverse risk of exchange; the majority of the bonds in this class have no special security hypothecated to them, but they are a full obligation of the respective Governments and municipalities, and, as above mentioned, they are free of American income-tax to non-residents. The type of security is one that is familiar to the investor over here, as, but for the war, most of these issues would have been made in London, where in the old days first-class borrowers were customarily granted all the facilities they needed. There are a number of excellent State and municipal bonds which also give exemption to income-tax to non-residents, but the market for these securities is more restricted, and their quotations are not easily available on this side.

We take next to the consideration of the dollar bond proper—the first charge gold bonds of the great American railroads and the first mortgage bonds of the big industrial undertakings on that side of the water. These securities will be well known to numerous investors over here; it was only the necessity that arose during the war for the repatriation of our American holdings that denuded the London market of its supplies of these bonds.

American income-tax again crops up in this connection, although to the man of moderate means holding these bonds the trouble is not serious, but to many the requirements of another country concerning income-tax, however simple, are not looked upon with favour—the complications of the tax in their own country are more than sufficient. Many of these bonds contain a "tax-free" clause, so the restriction should not be sufficient to cause a lack of interest in their undoubted virtues. One other little drawback before we study a few examples: the "tax-free" clause has certain advantages to the wealthy American citizen, in the nature of exemption to him from the higher scale of tax his wealth imposes; at least that is the contention, although there seems to be some doubt in the matter. Consequently the price of the bonds in some instances reflects the demand from this source.

As in the previous table, most of the bonds mentioned below are quoted periodically in the London financial Press:—

Security.	Price in \$.	Sterling Cost per \$500. (\$4.25).	Flat Yield in %.
RAILROADS.			
Atchafalaya, Topeka, and Santa Fe General Mortgage 4 %, 1995.....	88½	104½	4.50
New York Central R.R., 1st Gold Mortgage 3½ %, 1997	75½	88½	4.60
Pennsylvania R.R., General Mortgage 4½ %, 1965	91½	107½	4.90
Reading Company, General Mortgage 4 %, 1997	90	105½	4.45
Union Pacific R.R., 1st Mortgage 4 %, 1947	92	108½	4.35
OTHERS.			
New York City, 4½ % Stock, 1957....	103½	122	4.35
United States Steel Corporation, Sinking Fund 5%, 1963	103	121½	4.85
New York Telephone Co., 1st Mortgage 4½ %, 1939.....	94	110½	4.75
General Electric Co., 5% Debs., 1952	102	120	4.90
Bethlehem Steel Corporation, 1st and Refunding 5%, 1942	95½	112½	5.25

The footnotes appended to the first table are equally applicable here.

Most of the bonds enumerated in the foregoing table can be called practically "gilt-edged," and those like New York Central Three and a-Halves and Pennsylvania Railroad Four-and-a-Halves—to mention only two—can without hesitation be placed in the strong box without fear of sleepless nights. An opinion often expressed by some of the leading investment authorities in the City of London is that bonds of this type are as good an investment as can be found the whole world over, as an invest-

the rate of £232 12s war bonds for each \$1,000, and as this amount of War Bonds is repayable at maturity for slightly over £244, the facility provides insurance against loss in exchange upon reconversion of the dollars to sterling, the actual rate taken for the operation being 4.30, which approximates to that now current. A fall in exchange below 4.30 can at any time be taken advantage of by sale of the bonds in New York, but an appreciation of sterling above 4.30 would not affect a holder, as until just before maturity the bonds are always convertible into £232 12s war bonds.

ment—disregarding the question of exchange. They are mainly a first charge upon the undertakings—concerns with a paid-up capital running in certain instances into hundreds of millions of dollars, and the service of these obligations is covered very many times over when past earnings are examined.

At the present time investors are being extensively circularised by American bond houses anxious to handle their share of any of the Old World's capital that may be thinking of migrating. Doubtless many of these firms are reputable institutions, but there are others. The development of bond selling in the United States since the war has been immense, and most of the financial houses and bond salesmen over there employ quite an army of "bagmen," or, as we would call them, travellers. These men—and women—are paid by commission, i.e., they receive a percentage of the amount of bonds sold. It follows that the object of these "bagmen" is to dispose of as many bonds from their bag as they are able, and to do this they often suggest to prospective clients that the bonds they have to sell are better than some already possessed by the client; to enable their speciality to be bought they offer to sell the existing holding, the sale of which provides them with a further commission. These resold bonds accumulate at times on the New York market, and whilst they may be quite good in their class, mostly they are of local interest. Investors over here, if contemplating this type of investment for proper reasons, should, in any event, confine themselves to the known issues, and unless they already have facilities for placing their commissions in New York, they should approach the head office of their bank, which is in touch with the best bond houses in that city, or, perhaps, better still, deal through the London house or agent of an American firm which specialises in bond dealing.

A REVENUE FROM BETTING.

ONE of the effects of the Parliamentary dissolution was to extinguish the Select Committee on Betting just at the stage when it was engaged upon its Report. This was a great pity, for it means that we have now merely the torso of a Report with the remainder of the body left incomplete. Still, the volume of evidence which has been issued, together with the draft reports of the chairman and Mr Foot, is of extraordinary interest and value. The price of the Blue Book is unhappily prohibitive (No. 139, price £1 2s 6d net); if it were not so costly, it might be read as eagerly as almost any "best seller" of the publishing season. For here we have in intimate detail a contemporary picture of Great Britain as seen through the eyes of bookmakers, officials of turf societies, and social reformers. We see all classes, more especially, perhaps, the working class, soaked through and through with the gambling instinct, which is one of the most universal and ineradicable of the great human instincts.

The Report of the Committee as a whole got no further than a statement of the legal aspect of betting, a description of betting methods, and a declaration that a tax on betting was "practicable." The Committee at its final meeting under shadow of dissolution declined to accept the view that a tax on betting was also "desirable." For the arguments as to its desirability we have to go to the chairman's draft report, which was under consideration when the Committee came to an end.

Mr Cautley (the chairman) sets forth the conditions of the problem in very clear language. There is legal betting and illegal betting. Men may bet on credit at the offices of bookmakers, provided that they do not go there themselves; they may communicate by letter, telegraph, or telephone, but they must not "resort" at the offices in person. Men may bet at racecourses either on credit or for ready money. But men may not bet for ready money except on racecourses. The law, wholly devoid of principle, receives little support from the public opinion of those (chiefly artisans and clerks) who want to bet for ready money away from racecourses. Hence there has grown up an immense volume of illegal "street betting," which in the large industrial cities is so highly organised that the police are helpless to stop it. The street book-

makers have the sympathy and support of the working-class population. Mr Cautley concludes that ready money betting cannot possibly be put down—the volume of it has increased greatly since the war—and concurs in the view of the Department of Customs and Excise that credit and racecourse betting cannot be taxed if ready money betting be left illegal and unrecognised. For this would be to encourage illegal betting and to discourage legal betting. He, therefore, holds that, while street betting should continue to be banned, ready money betting in registered offices should be permitted. The effect in his view—and in that of the street bookmakers who gave evidence—would be to remove ready money betting from "pitches" and "closes" to the comparative respectability of small local offices. The number of these offices which would be necessary to accommodate the business in industrial cities is startling. A Glasgow street bookmaker—Glasgow goes in as thoroughly for betting as it does for Socialism—reckoned that two offices for every four working-class streets would be enough, though his own evidence suggested that this provision of lawful betting centres would not be nearly sufficient to cope with the demand of backers. The four streets at present occupy the energies of seven bookmakers and agents, who take from their clients in stakes £300 a day!

The original suggestion that betting transactions could stand a tax of 10 per cent. seems quite untenable. Mr Cautley reckons in his Report that credit bookmakers in large offices have such a high rate of expenditure that their net profit is less than 1 per cent. of the turnover in stakes. He gives the average net profit for racecourse bookmakers at less than 2 per cent., and for street bookmakers at more than this, although they pay 5 and even 7½ per cent. commission to agents. Street bookmaking is the most profitable form of the "industry." The rate of tax suggested in the chairman's Report is 2½ per cent. of the stakes (turnover), which he thinks would be treated by bookmakers as an expense in their business, and passed on to backers by a shortening of their betting odds. The bookmakers in their evidence appear to agree that a tax at this rate could be charged, and the street bookmakers especially welcomed a tax if it were accompanied by the registration of "offices" for them in the place of uneasy pitches subject to police raids. The possibility of taxing ready money betting, while leaving it illegal, was ruled out as not to be thought of.

Many ingenious calculations were made in order to arrive at a turnover of betting—that is, the amount annually staked by backers. The chairman puts the figure at 200 millions at least, and possibly much more. An *ad valorem* tax of 2½ per cent. would yield five millions. It is certain, he writes, that a 10 per cent. tax is impossible, though the betting "industry" may prove capable of bearing a tax of 5 per cent. on the amount staked on each bet. He holds that a sure five millions a year from betting taxation is well worth having in these days. He further regards the legalising of ready money betting as "desirable," and as tending to diminish the present evils of illegal street betting. It is unfortunate that the consideration of Mr Cautley's Report was not completed by the Committee. There would have been wide differences of opinion on the policy of recognising betting as a source of revenue, though, one may conclude, general agreement that the Exchequer could easily get five millions a year out of it.

SHIPPING IN 1923.

AMONG the basic industries of this country there is none whose condition at any given time is so difficult to present accurately as that of shipping. It too often escapes attention that the bulk of the tonnage under the British flag and of the capital invested in sea transport is now represented by "liners," i.e., vessels adhering to regular routes and timings, carrying passengers and freight (usually "mixed" cargoes) at stated rates, and having an economic basis broadly comparable to that of railway companies. The operations of these fleets are of considerable obscurity. The rates they charge are, as a whole, unknown to the public; no returns of tonnage carried by them are ever published; their profits are, to a considerable extent, unrevealed.

The balance of the mercantile marine consists of the

so-called "tramps," whose function, corresponding roughly to that of the "casual" balance of dock labour, is to supplement the services of the regular lines in the carriage of bulky, rough cargoes, such as timber or coal, and to cope with seasonal movements of the world's crops. Divertible on demand to any quarter of the globe, the "tramp" vessel is chartered as a unit at rates subject to the higgles of the market, fluctuating daily, and given wide publicity.

The resulting tendency is for the "tramp" to overshadow the "liner" in the public eye, and for data to be used as evidence of the condition of the shipping industry which, failing careful distinction between the two classes of vessel, may give rise to misapprehension. Thus both in examining statistics relevant to the activity of shipping and in comparing the published records of freights, it must be borne in mind that in respect to the important "liner" business the margin of error is great. This fact, unhappily, renders all estimates of the gross earnings of shipping little better than guesswork. In the following table are assembled the available figures indicating the comparative activity of sea transport from British ports:—

TRAFFIC. (In Millions.)				
	1913.	1921.	1922.	1923.
Net tonnage cleared with cargoes:				
British	40.1	24.3	36.8	39.4
Foreign	27.7	12.1	22.9	28.5
Per cent. British	59	67	62	58
Net tonnage entered with cargoes:				
British	32.3	25.1	28.5	31.0
Foreign	16.8	12.0	14.9	18.0
Per cent. British	66	68	66	63
Tons of coal shipped	73.4	24.7	64.2	79.5
Seamen shipped	57	40	48	50

It will be observed that in 1923, as compared with 1922, the total entrances and clearances rose by 12 per cent., or, excluding foreign vessels, by 9 per cent. Thanks in large part to the record export of coal, which exceeded even the 1913 quantity by six million tons, the volume of shipping last year was of practically pre-war dimensions, the share falling to the British flag being well maintained in spite of keen foreign competition and the relative increase in foreign fleets. This encouraging recovery in the employment of ships is confirmed by the traffic returns of the chief ports abroad, and is further corroborated by the fact that in the 12 months ended last July the amount of idle tonnage in the world is estimated to have decreased by 1½ million gross tons—British vessels alone by 600,000 gross tons—there being good prospect that the returns for January, 1924, will show a further reduction. The much smaller improvement in the employment of seamen is to be ascribed mainly to the permanent displacement of stokehold hands through conversions to oil fuel and the introduction of the internal combustion engine.

Unfortunately, it is impossible to say what proportion of the total traffic represents liners. While the Board of Trade returns suggest an undoubted improvement in the volume of goods shipped in 1923, it is unlikely that the total quantity was less than 10 per cent. under 1913 level. There is thus a considerable discrepancy between the volume of traffic and goods, a discrepancy which must be looked for in just those classes of general cargoes for which liners cater. On the strength of private reports it may be surmised that in 1923 liner holds were filled on an average to 80 per cent. of normal capacity as compared with 70 to 75 per cent. in 1922. Passenger traffic, though shrunk in comparison with 1913, similarly improved. In the North Atlantic, traffic in East-bound passengers during the summer was disappointing, but an all-round improvement occurred in the third quarter of the year. On the basis of returns for the first nine months of each year, the monthly average of passengers shipped to and from all countries, excluding traffic to the Continent of Europe, were:—

	1922.	1923.
Outward	21,181	30,894
Inward	15,571	14,422
Total	36,752	45,316

In so far as the market in "tramp" freights reflects the general tendency of shipping business, the past year can be summarised as opening uncertainly, receiving a temporary stimulus from the demand for coal to make good the Ruhr deficiency, lapsing into severe depression which lasted until August, and finally from September onwards registering a marked and steady recovery, freights in December being roughly on a level with the previous January. The following table gives the yearly averages of the index numbers of each of the main trade groups comprised in the *Economist* Index of Shipping Freights:—

AVERAGE 1898-1913 = 100.

	1922.	1923.	Percentage. Rise or Fall.
European Waters	147.84	137.55	— 7
North America	147.00	122.85	— 16.5
South America	138.20	123.51	— 10.5
India	138.44	122.83	— 11
Far East and Pacific	123.43	128.37	+ 4
Australia	156.82	130.58	— 17
Total	141.96	127.61	— 10

From these figures it would appear that the gross revenue per ton carried by "tramp" vessels in 1923 was 10 per cent. lower than in 1922, the corresponding fall between 1921 and 1922 being 23 per cent. The market valuation of new cargo-tonnage, according to returns compiled by "Fairplay," has followed a similar course, standing now at 34 per cent. above the average for 1898-1913, as compared with 47 per cent. a year ago. The average level of whole-cargo freights in 1923 was less than 10 per cent. over the average for 1913—a position sufficient to account for the poor results shown by the majority of the smaller concerns owning purely "tramp" vessels. At the same time, reference to 1913—a boom year for shipping—unduly accentuates the present depression. Thus the figure 127.61, the average of the *Economist* Freight Index for 1923, contrasts with 81.61, the average of the years 1908-10, a corresponding pre-war "slump" period, the percentage rise being 56. The best method of comparison is possibly to compare actual freights with the averages for the five years preceding the war, as under:—

ESTIMATED AVERAGE FREIGHTS.

Route.	Average 1909-13.	1922.	1923.
	s d	s d	s d
Bombay—U.K./Continent	19 11	21 9	25 11
Plate (San Lorenzo)—U.K./Continent	15 6	27 2	22 10½
U.S.A. (Grain)—U.K.	2 5½	3 8½	2 10½
Bilbao (Ore)—Middlesbrough	5 1	7 9	7 8½
Java—U.K./Continent	27 11	31 6	34 9
Australia—U.K.	29 6	44 0	36 6
Coals:—			
South Wales—Port Said	8 3	13 8	10 8½
South Wales—Plate	15 6	14 5	14 4
Round Voyage Plate and Back	31 0	41 7	37 2½
<i>Economist</i> Freight Index	102.25	141.96	127.61

It is to be regretted that no corresponding statistics of "liner" rates are available. In the long run, it may be argued, the various "conferences" which fix "liner" rates are bound to conform to the prices obtainable by "tramps" in the open market. This is not necessarily true in a limited period, and it is probable that the average gross revenue per ton carried by liners in 1923 considerably exceeded 25 per cent. over the average of 1909-13. On the whole, the revenue of shipping in 1923 probably differed little from that in 1922, estimated by the Board of Trade at £140 millions gross, £110 millions net.

On the other hand, substantial reductions in the cost of running vessels were made in the past year. Wages of crews were reduced by 10 per cent., and port charges brought down to about 60 per cent. over pre-war scale, while the acceptance of low premiums by underwriters curtailed the charge for insurance to something like pre-war figures. Unhappily, the average cost of bunkers was roughly 70 per cent. above the 1918 level, as compared with 60 per cent. in 1922. The much smaller comparative increase in the cost of fuel and Diesel oils was a factor making for increased attention to the merits of the oil-burner and the motor ship.

The outlook for 1924, given freedom from political catastrophe in Central Europe, is promising. As opposed to expanding volume of cargoes, expansion in tonnage has now virtually come to a standstill, as will be seen from the following world figures:—

Year.	Millions of Gross Tons. Tonnage Launched.	Tonnage Lost or Broken Up.	Balance.
1913	3.30	0.70	+ 2.60
1921	4.30	0.67	+ 3.63
1922	2.50	0.89	+ 1.61
1923	1.60	1.25(a)	+ 0.35 (a)

(a) Estimate.

Much of the tonnage launched in the past two years represents space designed for passengers and bulk oil, so that progress towards equilibrium between general cargoes and carrying capacity is being even more rapidly attained than would appear. The last of the casualties among boom flotations, a round dozen of which are palpably insolvent, has probably not been seen, but the position of 90 per cent. of British ownerships is extremely strong, and the more recently published accounts of the larger concerns suggest that 1923 has already brought a return to sounder conditions. A very small step further in the direction of better demand should place the whole industry once more on a generally profitable basis. It should, however, be remembered by investors that the gods of the seven seas are more and more on the side of the big battalions.

Notes of the Week.

The Expert Committees.—In the course of next week both the international committees of experts appointed by the Reparation Commission should be well into their respective tasks. The committee which is to investigate German assets abroad is to meet next Monday, while the committee whose task is to examine the problems of currency stabilisation and balancing the Budget in Germany assembled at the beginning of this week. Its personnel is as follows:—United States: General C. J. Dawes, Mr O. D. Young. Great Britain: Sir Robert M. Kindersley, Sir Josiah Stamp. France: M. Parmentier, M. Allix. Italy: Dr Alberto Pirelli, Professor Federico Flora. Belgium: Baron Maurice Houtart, M. Emile Francqui. The opening meeting was addressed by M. Barthou, the French delegate on and chairman of the Reparation Commission, whose speech made it clear that the committee was to be allowed a very full scope. "The Treaty of Versailles," he said, "is our charter, as it will be yours, and it is within the framework of that Treaty, under Article 234, that you will pursue your inquiry in full independence and with signal impartiality." "Germany," he added, "is entitled to a just opportunity to be heard, and you will hear her representative in the manner you may think most suitable." The speech further contained a reference to the urgency of the time factor, and a statement that upon a settlement of the reparation problem depended the peace of the whole world. M. Barthou named General Dawes, the American representative, as chairman of the committee, and the latter delivered a singularly outspoken utterance, which, however, seems to have been well received in Paris. It contained pungent references to the obstacles created by "nationalistic demagogues," "national pride," and the "pride and self-interest of different Allied officials." This somewhat flamboyant speech was, however, by no means devoid of recognition of fundamentals. The success of the committee depends, said General Dawes, chiefly upon "whether, in the public mind and conscience of the Allies and of the world, there is an adequate conception of the great disaster which faces each Ally unless common sense is crowned king." It is because the urgency of solution has impressed itself more clearly in some quarters, where it was previously inadequately recognised, that hope runs high that the committees will achieve fruitful work. General Dawes also remarked that the "re-establishment of German productivity is a starting point of European prosperity," and, in speaking of the difficulty of assessing German capacity to pay, said, "Let us first help Germany to get well." These

dicta might not have been so well received in Paris six months ago, even from American lips, as they apparently are to-day. The committee is to begin its task by an attempt to devise a system for stabilising Germany's currency, and Paris messages suggest that its preliminary work will have progressed far enough to enable the committee to visit Berlin at the end of next week. This, if true, is welcome news, for it shows a realisation of speed as the essence of success. Meanwhile Herr Schacht, the new President of the Reichsbank, is to give evidence to the committee in Paris.

Separatism in the Palatinate.—When an organism has been thoroughly poisoned, the result of driving the virus from some parts is often to concentrate it—with multiple effects for evil—in one particular member. The recent history of the Palatinate has been (in brief) as follows:—The "Separatist" gangs which had failed in the north were transferred (apparently by means of French transport facilities) to this southern corner of the occupied territory; and their activities were so ably seconded by the local French Governor, General de Metz (vigorously prompted from Paris), that by December 22nd last the General felt himself able to proclaim a Separatist Government in the Palatinate, and this retrospectively as from November 11th. This "Autonomous Government" proceeded to forward its decrees to the Rhineland High Commission for registration; the Commission registered them on January 2nd, the British member dissenting; and, since this action on the part of the majority would have become valid automatically within ten days (thus involving Great Britain, indirectly, in a recognition of the monstrous state of affairs in the Palatinate), His Majesty's Government, with commendable promptitude, lodged an *aide-memoire* with the Quai d'Orsay, requesting a suspension of registration, and asserting the necessity, from the British point of view, of some preliminary inquiry into the state of affairs in the Palatinate. On January 9th, Herr Heinz, the President of the self-styled Autonomous Government, was assassinated by persons unknown in the dining-room of an hotel at Speyer. The crime was immediately reported by the special correspondent of the *Times*, who happened to be an eye-witness, though the Separatist gang attempted to coerce him by terrorism into telegraphing their version of the story. Incidentally, the British Government and people owe a debt of gratitude to the *Times* for the courageous and effective steps which it has been taking to supply first-hand information regarding the situation, not only in the Occupied Territory, but in the Saar. Meanwhile, the British Government announced their intention of sending Mr Clive, the British Consul-General in Bavaria, to investigate conditions in the Palatinate on their behalf. Being a detached enclave of Bavarian territory, the region belongs officially to Mr Clive's field; and although, from the point of view of the Inter-Allied occupation, it is a "French" and not a "British" zone, the occupation (by treaty) is joint; the division into spheres is a matter of convenience; and in the British sphere round Cologne there have long been numerous French officials, permanently established, and communicating directly with the French representative on the Rhineland High Commission. Being thus unable to place a veto upon Mr Clive's mission, the French had to content themselves with shadowing him. When the attendance of an official from the French Embassy at Munich had been declined, Mr Clive was shadowed by a myrmidon of General de Metz, while M. Tirard retaliated by improvising a French investigation in the Cologne area—a step which the British occupying authorities regard with equanimity. Under the difficult conditions imposed upon him, Mr Clive has now concluded his investigation, and it is to be hoped that his report will be published forthwith. Meanwhile, the French Government have refused to ratify the railway agreement lately reached by the French Régie and the local British authorities regarding through-traffic across the Cologne area, and are demanding that the railway administration in that area be transferred *en bloc* to the Régie—a body which the British Government have never recognised as legal!

The City By-Election.—The translation of Sir Frederick Banbury to the House of Lords has caused a vacancy in the Parliamentary representation of the City of London. The City has become accustomed to see its representatives returned unopposed, but on this occasion there is to be a contest. The Conservative candidate, Sir Vansittart Bowater, is to be opposed by the Liberals, who have secured a strong candidate in the well-known banker, Mr Henry Bell. Mr Bell came to London in 1903 as manager of the City office of Lloyds Bank, of which he became general manager in 1912, and in addition a director in 1918. Simultaneously with his candidature for the vacant City seat is announced Mr Bell's resignation from the general managership, for he has reached the retirement age. This retirement paves the way for his active participation in public politics, for which he is eminently qualified, but Lloyds will not altogether lose the benefit of his experienced service, for it is announced that he will retain his directorship of the bank.

The Threatened Railway Strike.—The result of the ballot of the Associated Society of Locomotive Engineers and Firemen, which marked a definite rejection of the findings of the National Wages Board for the railways, has created a very embarrassing situation in the labour world. In our last number we briefly summarised the points at issue, and expressed the hope that the machinery of arbitration, which has done so much for the railwaymen as a whole, would not be imperilled by precipitate strike action on the part of one section, and that, despite its obvious importance, a relatively small section of the employees. In the past week, however, the situation has shown no definite signs of improvement, and, at the moment of going to press, there still appears to be a grave risk of a strike of the engine-men taking place over the week-end. Mr Bromley, the secretary of the Associated Society, has seen fit to adopt in public, at any rate, a somewhat intransigent attitude, though it is doubtful whether his bellicose enthusiasm is very widely shared among the rank and file of his union. Announcements such as that made on Saturday last, when Mr Bromley spoke bravely of a fight to a finish, and stressed the fact that his society would choose its own time for calling the men out, are not exactly helpful contributions to the points at issue, and the new secret diplomacy is certainly to be deprecated. At the same time, this type of pronouncement makes it hard to retire gracefully from embarrassing situations, and it would certainly have been wiser to have adopted the decisions of the board, which were actually signed by the representatives of the Associated Society themselves, and to have concentrated on a rectification of certain anomalies arising out of these findings. That there are some individuals who would be hard hit by the new proposals cannot, of course, be denied. At the same time it is worth remembering, as has been pointed out by the railway companies, that if forty-eight drivers will lose 22s 6d a week, there are also cases in which drivers now earn "from £5 to as much as £10 a week, or even more." Moreover, "the whole number of enginemmen paid on the mileage system"—and this is the class which is mainly concerned in the dispute—"is only about 3½ per cent. of the footplate staff, and even they are not all working on these duties all the time." However important these cases may be, it can hardly be maintained that the issues at stake justify recourse to extreme measures which would, if successful, do very great harm to the industrial life of the country. We imagine that many of the votes recently cast against acceptance of the arbitration findings indicate a desire for further negotiations rather than for immediate strike action, and there now seems to be no great enthusiasm for the latter course. Mr Henderson, as secretary of the National Joint Council, has been exploring the possibilities of the situation, and Mr J. H. Thomas, whose union accepted the findings of the Board, has also taken a hand, for a strike at this juncture could not but have the most regrettable consequences in the political sphere. Friendly representations from official Labour circles may even yet succeed in securing a strike postponement at the eleventh hour, though at the moment all the signs are unfortunately

to the contrary. If the strike does take place the result will not be a paralysis of transport, though truncated services will cause widespread inconvenience to the public.

Food Distribution and Prices.—The Departmental Committee on the Distribution and Prices of Agricultural Produce have issued their final Report (Cmd. 2008). Appointed in December, 1922, the Committee have carried out the difficult task entrusted to them with exemplary speed. Their four interim reports, each dealing with a group of products, contained a mass of detailed information, much of which was new, and the final Report discusses with conciseness some of the general questions arising out of their inquiries. This final Report (writes an agricultural correspondent) begins with a brief discussion of the rise and fall of prices and costs during and after the war. A table shows the percentage increase in market prices of farm produce, in wholesale commodity prices, in retail food prices, and in the cost of living for each of the years 1915-19, and for each subsequent month up to August last. For over six years the average price of agricultural produce was considerably higher relatively than the cost of living, but in the latter part of 1921 the "slump" came, and for two years the cost of living figures have been relatively higher. The Committee note that wages have fallen to about the same level as the prices realised for farm produce generally (notwithstanding the higher cost of living), but they apparently overlook the fact that a smaller number of men are employed, so that the farmers' labour bill is substantially lower. It is no doubt true that wages have not fallen to the same extent as cereals, or as potatoes in 1922-23, but, on the other hand, the prices of meat and milk have been comparatively high. Assuming that food producers are inadequately remunerated—although in effect limiting that assumption to corn and potato growers—the Committee state that the agencies standing between them and the consumer "remain apparently undisturbed in the enjoyment of their reward." They reach the definite conclusion that "the spread between producers' and consumers' prices is unjustifiably wide," and that "distribution costs are a far heavier burden than society will permanently consent to bear." By this pregnant finding the Committee justify their appointment. It has been reached after very painstaking investigation, in which the distributive agencies have had the fullest opportunity of stating their case and explaining their position. The Committee discuss very fairly and moderately the exceptional, and largely unavoidable, circumstances, arising out of the war, which enabled distributors to make large profits. They point out that both producers and consumers have themselves to blame, in a large degree, for their exploitation. The Report contains many useful suggestions, which if adopted would mitigate, if not altogether abolish, unfair distributive profits. The Committee express the pious opinion that if the present system were carefully examined "by those who are primarily interested in it, whether as producers or distributors," modifications could be introduced which would render it more efficient and less costly. That appears to be a somewhat sanguine view, but, in any case, it ignores the fact that those primarily interested are the consumers. If, as the Committee state, distributive costs are a heavier burden than "society" will consent to bear, what is society going to do about it? It is for a definite answer to this question that the Report will be searched, and it will be searched in vain. The Committee refer to "the system of municipal retail markets existing in many countries abroad," and suggest that they would afford consumers a chance of buying food more cheaply. They refer also to the establishment of retail markets "under municipal auspices." There are, of course, many retail markets throughout the country which may be described as under municipal auspices. It would have been interesting and valuable if the Committee had developed their ideas on this subject. As the Report stands, it is not possible to discover whether the municipal markets they have in mind would, in fact, be a remedy for the excessive distributive costs which they condemn, or, indeed, what is the precise function which local authorities could or should perform in

this connection. It may be perhaps not unfairly surmised that the Committee, in the course of their deliberations, came up against the difficult question of municipal trading, and were unable to agree about it.

The Industrial Investor's Dilemma.—A Stock Exchange correspondent writes:—It is a long time since Stock Exchange markets have been in such a condition as to render members of the House unable to advise their clients definitely and confidently. Three or four years ago, the upward movement in gilt-edged securities was so pronounced as to render it fairly safe for brokers to counsel the investment of money in any securities of first-class character. Even in those days, however, it was recognised that the time might come when improvement in trade, and consequent tightening of money rates, might have the effect of bringing down prices of gilt-edged stocks and of diverting money into industrial channels to an extent that would noticeably affect the yield afforded by Stock Exchange securities. It may be safely said that there is always some uncertain factor which prevents the Stock Exchange agent, or client, from seeing his way so clearly as to ensure his buying the right thing. Therefore, nothing very abnormal can be traced in the present situation, although this is held, generally, to be one of almost unique difficulty in regard to forecasting the manner in which prices of stocks and shares are likely to move in the future. Everyone connected with financial affairs knows that the great body of the public are more than usually sensitive as to the value of their Stock Exchange holdings at the present moment, in view of the possibility of a Labour Government. People from all over the country write to ask whether they should hold this, that, or the other; whether they should sell, whether they should buy, whether it is worth while doing anything at all. When these questions apply, as they frequently do, to shares in the iron, coal, and steel industry, to textiles, to hotel and stores shares, to breweries and similar industrials, the task of the mentor is undoubtedly difficult. He is able to trace the progress of a company over recent years from the fact of his having all the available data at his fingers' ends through books of reference and other means of information. This furnishes a very useful guide in the matter of determining the inherent soundness of a company, but it has no great value so far as determination of the future is concerned. Statistical records do help very considerably, however, in the effort to ascertain the financial status of any concern, and these statistics render a valuable service to the inquirer in showing him whether the company's position is financially strong or otherwise. When it comes to prophesying, however, the angle is changed. Scores of people are asking to-day whether they should invest money in shares of industrial companies engaged in various branches of trade that are now labouring under a cloud of depression. The answer can take only a general shape. If trade conditions throughout the world improve, if shipping and shipbuilding are indeed on the mend, then it is a fair inference to assume that business is beginning to look up. The strands of the industrial fibre are so closely intertwined that, if one is strengthened, all the rest will necessarily benefit. Many, if not most, industrial concerns are suffering from the result of the post-war boom which landed them in difficulties that differed, according to the companies, only in extent. They became left with stock bought at inflated prices. They borrowed money at high rates. They over-traded lavishly; they made no allowance for unexpected cutting-off of their foreign connections through the chaos which fell upon exchanges. They failed to foresee the slump that would follow the post-war boom, or to realise the effect of the abrupt cessation of Government expenditure upon hundreds of war purposes. The majority of industrial companies have probably emerged by now from the worst consequences of such factors as those enumerated. The year before last was that in which they suffered the greatest burden imposed upon them by the necessity for writing-off losses on stock, &c., and the bulk of industrial companies have come through the ordeal, perhaps with clipped wings and subdued capital, but still with sufficient resources of business for them to be able to take advantage of the slight improvement in

trade that many of them have since enjoyed. The holder of industrials, and his name is legion, must decide for himself whether or no it is worth while for him to continue to retain shares in his companies. A modest return on capital in good-class concerns it is reasonable to expect, but in over-capitalised and unwieldy companies the possibility of early resumption of good dividends is none too rosy. The investor is faced with the problem of determining whether he shall regard his industrials as a long lock-up, likely to revive in the course of any pronounced improvement in trade, or whether it will be better to sell the shares now in order that the money may be employed in something else which shall promise an earlier recuperation in capital and an increase of income.

Employment in December.—The employment figures published by the Ministry of Labour show a substantial improvement in December. The trade union percentage at the end of December fell below 10 per cent. for the first time since February, 1921, as will be seen from the following table of monthly movements over a number of years:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.

	1913.	1917.	1918.	1919.	1920.	1921.	1922.	1923.
End of—	%	%	%	%	%	%	%	%
January ..	2.2	0.3	1.0	2.4	2.9	6.9	16.8	13.7
February ..	2.0	0.3	0.9	2.8	1.6	8.5	16.3	13.1
March	1.9	0.3	1.2	2.9	1.1	10.0	16.3	12.3
April	1.7	0.3	0.9	2.8	0.9	17.6*	17.0	11.3
May	1.9	0.4	0.9	2.1	1.1	22.2*	16.4	11.3
June	1.9	0.4	0.7	1.7	1.2	23.1*	15.7	11.1
July	1.9	0.4	0.6	2.0	1.4	16.7	14.6	11.1
August	2.0	0.5	0.5	2.2	1.6	16.3	14.4	11.4
September ..	2.3	1.3	0.5	1.6	2.2	14.8	14.6	11.3
October.....	2.2	1.1	0.4	2.6	5.3*	15.6	14.0	10.9
November...	2.0	1.1	0.5	2.9	3.7	15.9	14.2	10.5
December...	2.6	1.4	1.2	3.2	6.0	16.5	14.0	9.7

* Excluding coal miners.

Among all workers covered by the Unemployment Insurance Acts the percentage unemployed at December 21st was 10.7, as compared with 11.5 at November 26th and 12.6 a year ago. Taking the year over, the trade union percentage has, it will be seen, fallen more markedly than the percentage for all insured workers. Among the principal industries those which showed most improvement in December were pig-iron manufacture, iron and steel manufacture, engineering, shipbuilding, and cotton and wool textiles, so that the improvement was spread over very important areas.

Cost of Living.—The Ministry of Labour's Index number for January remains at 77 per cent. above that of 1914, as last month. A year ago at the same time it was 78, and then fell steadily month by month till July, since when it has again been gradually climbing up and up. Two main items, among those entering into the computations of the Index number, which this month account for most of the upward movement, are coal and cotton. On food alone the January percentage is 75 above pre-war level, the same as in January, 1923, against 76 in December. Included in the commodities taken as representative of the normal necessary expenditure of a working-class family are, besides food, rent, clothing, fuel, and light, with a certain allowance for miscellaneous items.

The Rise in Tin.—Despite the uncertainty which has surrounded the industrial and political position this week, the tin market, writes a market correspondent, has shown extraordinary firmness and activity, and with eager buying for American account values on the London market were driven up to a higher level than anything recorded since the year 1920, when the commodity for a brief period jumped over £400 per ton. In 1913 tin did not rise above £232, and in the following year it fell to £120 late in the year. Last year the best price officially registered for cash was £240 and the closing figure was £234; thus since the beginning of the present year there has been another substantial improvement in the price. During the last four months the value of standard tin has not dropped below the level of £200, and the steady upward movement which has

culminated in the commodity rising to over £250 has been based chiefly on the soundness of the statistical position and the brisk trade demand, there having been very little speculative business associated with the advance. The home stocks this week have been reduced by 539 tons, and now stand at 3,289 tons, which is very small compared with the average pre-war holdings. The Eastern markets early in the week were firm and active, with a large business put through, and American buyers took a line of several hundred tons of Straits tin for January-February shipment at £254 c.i.f., New York. During 1923 the invisible supply, consisting of the tonnage held under the Bandoeng agreement, was reduced from 17,600 tons to about 8,000 tons; thus the final dispersal of this Government surplus is now only a matter of months. The consumption of tin last year in the United States alone amounted to close on 75,000 tons, and it is perfectly obvious that there would have been a very serious shortage had not the Eastern pooled surplus been available for market purposes. Well-informed opinion favours the view that supply even now is not keeping pace with the demand, and that current prices cannot be regarded as excessive bearing in mind the fact that working costs are still heavy and that there is nothing that can be substituted for the metal. The tin-plate mills in the United States are well engaged, with new contracts flowing in, and many of the works are booked up until the half-year, thus ensuring a steady outlet for the commodity for some time to come. The latest returns show that shipments week by week are running to 120,000 boxes or so, while stocks are not much over 200,000 boxes. The Straits shipments of tin during the next few months will not be very large, and ore supplies from other directions promise to fall off again. Thus the statistical position of this particular metal should improve rather than the reverse, but this should not carry the price up to a level at which the use of the commodity becomes difficult. The unsettled state of the Continental and Russian markets has been against the free consumption of tin for some time past, and this is a point to be borne in mind, as any material improvement in this direction will add to the competition for the shrinking supplies. American users, of course, must have the tin they need, and it is significant that the smelting of tin in the United States has now practically ceased. Thus actual metal will be in demand for some time to come, while there may be little in the situation to justify the rosy market forecasts so freely quoted outside.

The Civil War in Mexico.—The Mexican insurgents who have been represented in the American Press as even more favourably disposed to foreign interests in Mexico than President Obregon's Government, have done their best to estrange American and European sympathies by cutting the pipe lines which supply the refineries in the neighbourhood of Tampico, and thereby precluding their embryo Government from fulfilling its promise to provide for the resumption of the service of the External Debt. They also state that they are preparing to blockade the Tampico coast. These measures seem to have been taken in consequence of the refusal of the American oil companies to pay the oil taxes to the representatives of the de la Huertist Government. But the news confirms the fear that there are irresponsible elements among its supporters, whose action it cannot control. The scantiness of the information available and the report that the Federal Government has established a censorship of the wireless stations combine to indicate that the insurgents have completely lost control of the telegraph lines to the United States frontier, over which a fortnight ago they were sending their own bulletins of war news. They have demanded the right to purchase arms in the United States, and have naturally been refused; their private purchases from American firms have been stopped, and, though they may obtain supplies from other sources, they cannot receive them for a considerable time. The Federals, on the other hand, are receiving munitions, including aeroplanes, from the United States Government, and are said to be likely to obtain a loan from American banks. Still, Federal munitions have not unfrequently,

during previous revolutions, passed into insurgent hands, and it seems clear that the struggle will be prolonged. But any attempt to describe its progress or forecast its issue is at present impossible.

The Earthquake in Japan.—On Tuesday morning Yokohama, Tokyo, and the surrounding districts were again the scene of a severe earthquake, but compared with the stupendous disaster of last September, the injuries inflicted are trifling. Property has been relatively little damaged, and the loss of life is small, and was largely the result of panic. Buildings have been destroyed, chiefly in Yokohama, railways interrupted, and trains wrecked; but the effects have been less serious than the first reports indicated, and a message received in London on Thursday indicates that the railways are working again. Shocks were felt as far west as Nagoya, and southwards in Osaka and Kobe, but no damage has been reported from these cities, and though further shocks have been felt they appear not to have been serious. The sufferings of the population of Yokohama and Tokyo, many of whom are living in temporary buildings amid discomfort aggravated by the winter, have no doubt been intensified, but there has been no shock to public confidence in the recuperative powers of Japan. Government and municipal stocks were only slightly affected by the news, and on Thursday were recovering.

America and Flag Discrimination.—Certain administrative changes in the arrangements for running the American Government-owned ships have recently been announced, but an indication of policy is still awaited. Rear-Admiral Palmer, who has been appointed head of the Emergency Fleet Corporation, is reported to have sent to the London office of the United States Shipping Board a radiogram to the effect that his administration stands for the permanency of the American merchant marine, but this message is not at all informative. In this connection it must be borne in mind that there remain, as part of the American law, certain sections of the Merchant Marine Act, 1920, authorising the imposition of charges discriminating against foreign ships, but both President Wilson and President Harding deliberately refrained from giving effect to these provisions. In the meantime an international Convention on Maritime Ports, definitely rejecting flag discrimination (outside of coasting trade) has been signed at Geneva, and the question arises of the attitude of the United States towards this *fait accompli*. American representatives were present as onlookers only at the international gatherings at which the Convention was settled, and the United States is not formally a party. With the exception of the United States, however, the nations of the world have subscribed to a declaration to the effect that there shall be equality of treatment in their ports for all ships, and no discrimination on the ground of nationality. This means for American ships that, at the other end of every international voyage, they will be in ports where the principle of no flag discrimination is operative, subject—and this is what America will have to consider—to the right of withholding equality of treatment from the ships of any State which does not itself grant equality irrespective of nationality. Even countries which adhere to a policy of Protection have now deliberately, and as the result of prolonged communications, extending over years, and culminating in weeks of discussion in conference at Geneva, adopted the policy of equality of treatment for ships of all nationalities in their ports. Transport and communications are matters of separate national as well as international concern. The red tape involved in discrimination on the score of nationality in itself causes delays which, in turn, involve much expense. Again, self-imposed limitation on the opportunity to take advantage of the freight market (which is another way of expressing flag discrimination) hampers advantageous trading. The arguments against flag discrimination go very deep, and the attitude of the United States towards the recently signed convention is an open question of great interest.

Cotton Control Scheme.—There now seems to be a possibility, writes our Manchester correspondent, of a scheme of control being put into operation in the American spinning section of the Lancashire cotton industry. A suggestion of this kind has been discussed in trade circles for many months. A little time ago when the proposal was considered, spinners of Egyptian cotton voted against the idea. Latterly, the question has been considered by the employers and the operatives representing the mills using American cotton. It may be said that out of the 56,000,000 spindles in Lancashire about 40,000,000 are in the American section. A sub-committee has now evolved a scheme which is to be placed before the Joint Committee of employers and trade union officials which was formed in October last by Councillor Cundiff, who was then the Lord Mayor of Manchester. At the moment no details are available, but it is understood that the scheme will provide for restricting the output of yarn according to the state of trade, and the operatives who are thrown out of employment as a result of short-time working will be compensated from a fund created by the payment of levies from those firms that run more than the stipulated amount of machinery. A similar arrangement was in force during the war, when it was necessary for machinery to stand idle owing to the reduced imports of raw cotton into this country. It must be remembered that the scheme which is now to be tried will be on a voluntary basis, and everything depends upon the support given by the employers. The movement will only be a success if there is united action. It is feared there may be some difficulty in getting certain concerns to fall into line. The losses which spinning companies have incurred during the last couple of years are of such a character that some drastic action is undoubtedly necessary in order to relieve the depression.

The Debenture Corporation.—The directors of the Debenture Corporation, Limited, are able to present a better picture this year of the progress of the concern. Gross revenue for the year ended December 31, 1923, amounts to £210,072, as compared with 160,618 a year ago. The following table compares results for a number of years past:—

	1913.	1918.	1919.	1920.	1921.	1922.	1923.
Net profit....	£ 104,390	£ 111,946	£ 116,501	£ 127,037	£ 137,101	£ 116,387	£ 150,688
Prof. dividend	47,083	35,625	35,000	35,000	35,000	36,875	38,625
Ord. dividend	47,078	35,496	41,999	42,000	49,000	55,312	57,937
	(5 %)	(5 %)	(6 %)	(6 %)	(7 %)	(7 1/2 %)	(7 1/2 %)
Income-tax ..	6,697	31,112	28,439	32,370	38,898	8,969	35,366
Foundrs' shrs	3,531	2,052	..	..	15,000	15,000	20,000
Reserve	..	..	..	..	..	..	..
Depreciation ..	..	7,660	11,064	10,955	..	..	..

With the above-mentioned reserve allocation, this item is now brought up to £250,000. In addition, during the year £9,436 has been added to capital reserve, the total of which is given in the balance-sheet as £140,422. We are very glad to find that the directors make the position clearer with reference to the matter of depreciation of securities. They state, "The depreciation referred to in former reports in the high-class 4 per cent. first mortgage debentures held by the corporation amounts to £116,504. All other depreciation is more than offset by appreciation." In the balance-sheet the total of "mortgage debentures on various companies" is given as £1,733,764. This appears to be satisfactory. An analysis of the balance-sheet will be found in our usual column.

The National Mutual's Valuation.—A valuation of assets and liabilities as at December 31st last has been made by the National Mutual Life Assurance Society. The results are highly satisfactory. The total surplus shown was £912,360, of which £29,771 was applied to write down certain assets, £65,000 carried to staff superannuation fund, and £42,486 paid in interim bonuses. The available balance was £775,101, out of which it is proposed to divide £301,570 in bonuses to policyholders and to carry forward £468,531. The reversionary bonus on policies entitled to participate and effected since July, 1896, will be at the rate of £2 2s per cent. per annum on

sums assured and on existing bonuses in respect of the past five years. Five years ago no distribution was made, and at the valuation of 1913 the reversionary bonus was at the rate of £1 16s per cent. per annum. It has been decided to make annual distributions of bonus in future, and the amount carried forward is so large (£468,531)—more than half the total surplus—that the bonuses as now declared should be maintained for some years to come at least. The society's annual report shows that the net rate of interest earned last year was £4 8s 3d per cent., after deducting income-tax. The new business for 1923 exceeded that for the previous year, and the expense ratio was the lowest for the past five years. The funds on December 31st amounted to £3,940,268.

The Royal Exchange Company's "Bachelor Policies."—There is a great deal in a name. The Royal Exchange Assurance Company has produced a new scheme of short-term endowment assurances, convertible into whole life assurances on certain contingencies, christened them "Bachelor Policies," made them convertible on marriage, and instantly achieved well-deserved fame. There is nothing really new about any life assurance scheme, actuaries can do little more than ring the changes on established systems, yet ingenuity in making a scheme attractive is always to be welcomed and encouraged. The Bachelor Policy scheme is designed to meet the needs of the man who not only realises the importance of making insurance provision during the early years of his business life, but who at the same time sees the necessity of the considerably larger insurance which would be required in the event of his marriage. To meet such a case the scheme provides for a definite amount payable on a selected date, and the assured has the option of converting his policy at any time within three months after marriage into a with-profit whole-life contract for double the original sum assured without alteration in premium or further medical examination. When the assured avails himself of this option a guaranteed bonus of £2 10s per cent. per annum is added to the sum assured. As always with a sound insurance scheme, the benefits are "all in the premium." The original premiums under the short-term endowment assurances are inevitably high, high enough to allow of the conversion. For example, a man aged 23 next birthday pays an annual premium of £20 16s for an endowment assurance policy of £500 payable at death or at the end of 19 years. This premium would have purchased with the Royal Exchange a whole-life policy of £1,240 under the tables which discount a bonus of £1 per cent. per annum. If this young man marries, say, at 32, he can convert his endowment assurance policy into a whole-life assurance for £1,250 (£1,000 assured plus £250 bonus), with participation in future profits. He gets what he pays for. But there is this important consideration. As a bachelor of 23 the whole-life policy of £1,240 referred to above, which he might have purchased with his premium of £20 16s, would not have appealed to him, whereas the short-term Bachelor Policy was an attractive investment for himself. The psychological effect of the scheme on young men is its most important feature.

An Insurance Fiasco.—Shortly before the Aircraft Manufacturing Company—that bubble of the war—exploded, the directors got into touch with an insurance broker of the name of Aldridge, whose operations have this week been discussed by the official receiver. Aldridge had acquired control of a small Scotch insurance company, which had little to recommend it except that it was founded before the passing of the Assurance Companies Act, 1909. The name of this company was the United Sickness and Accident General Insurance Company; its paid-up capital was £13,895, and its business before Aldridge's control was practically nil. To this small concern the Aircraft Company undertook to entrust its insurances, which must at one time have been in the neighbourhood of £1,000,000, and in consideration of this promise it was to receive one-third of the capital of the company. This in itself was a sufficiently remarkable deal, but stranger things were to follow. Deciding apparently

that the public was ready to absorb any insurance proposition, Aldridge came to the conclusion that the opportunity was too good to miss, and in 1919 floated a new company, the United General Commercial Insurance Corporation, with a nominal capital of £1,000,000, sold to it the assets and contracts of the United Sickness Company, and offered it for public subscription. The public, exercising a wise discrimination, subscribed only 18,083 shares, leaving the bulk of the issue to be taken up by the underwriters, Aldridge and his friends. Actually the capital does not appear to have been taken up by the underwriters in the sense of the shares being paid for by them, and a most extraordinary bit of manœuvring was started by which the underwriters' liability was apparently discharged. Aldridge got into touch with the City Life Assurance Company, whose directors wanted an extra £160,000 of capital, and offered to supply the capital if all the directors of the City Life resigned and left Aldridge and his friends in control. This they agreed to do, and Aldridge, by way of supplying the promised capital, effected a peculiar arrangement between the shares of the United General and the City Life, in the course of which the underwriters of the United General shares got rid of their liability, the City Life was left in possession of a large block of unsaleable shares, and Aldridge was left in control of two insurance companies instead of one. The net result was that a new company had been started with a subscribed capital of £500,000, and an old company had nominally had its resources replenished by an additional £160,000 of capital, and that the only capital publicly subscribed in cash was less than £20,000 put up in response to the United General prospectus. Both the United General and the City Life are now in liquidation, and the total deficiency of the United General, as estimated by the Official Receiver, is £510,592. If this statement of the Official Receiver is correct, then a company with practically no capital has been able to carry on an insurance business for three years with an accompaniment of the queerest manipulation of shares. There is only one thing to be said about it—that if all this can be done without a breach of the law, the security provided for the public by the Companies Acts and the Assurance Companies Act, 1909, is inadequate and requires drastic reinforcement. It is to be hoped that the last has not been heard of this deplorable affair.

San Francisco Mines.—Recent experience in connection with this company, writes our mining correspondent, affords a fresh exemplification of the fact that anticipation is often better than realisation. In the early autumn optimistic views became current as to the outlook, and the price of the shares was pushed up to nearly 200 per cent. premium. Since then the general tendency has been downwards, until on the posting up in the Stock Exchange last Wednesday of a copy of the report for 1922-23, the shares were momentarily offered at 21s. Of course, general conditions have contributed to the setback, but the change in the immediate prospects of the undertaking itself constitutes the main explanation. In accordance with the programme laid out the capacity of the mill has been increased to 500 tons per day—although at a later date than expected owing to various rearrangements found desirable. But the position of the mine has become such as to induce the manager to recommend that during the current year the daily tonnage should not exceed 400. It appears that on the bottom level, while the ore shoot extends further northward than at preceding levels, to the south it has become narrow and of low grade. In these circumstances, for various reasons, it would be inadvisable to run the mill to full capacity. It should not be overlooked, however, that the ore reserves have been substantially increased by last year's work, now standing at 268,200 tons fully and 97,600 tons partially blocked out. These quantities may be calculated as representing something like three years' supply. Moreover, it is calculated that on the reduced basis of operations the company should earn 4s per share per annum, indicating a yield of nearly 20 per cent. at current market price. As already intimated, the financial position is an exceedingly strong one. The whole of the outstanding

debentures have been converted into shares, and the funds in hand exceed £250,000. With regard to the change in the consulting engineers, upon which some comment has been made, it is unofficially explained that this is due to the expiration of the contract with the former firm, who successfully achieved the purpose for which they were engaged—the discovery of a satisfactory treatment process for the complex ores of the San Francisco mine. An official and more convincing explanation would doubtless be welcomed by the shareholders.

Electrolytic Zinc.—The dividends just announced will prove highly satisfactory to those interested in this Australasian enterprise. In respect of the past half-year 4½ per cent. actual is to be paid upon both the participating preference and the ordinary shares. It may be recalled that the balance of arrears on the former was cleared off rather less than a year ago; a dividend at the minimum rate of 8 per cent. per annum on these, with a maiden distribution of like amount on the ordinary being declared last July. The preference are in the hands of the public; the ordinary were subscribed in blocks by the Mount Lyell and various Broken Hill undertakings. During the financial year ended June 30th last the output of zinc rose from 70 to 115 tons per day, and now exceeds the estimated quantity of 120 tons. A point in the position is the contract lately entered into for the purchase from the British Government of an additional 400,000 tons of Broken Hill zinc concentrates. This will assist the company in supplying the expanding demand, both local and foreign. The upward tendency of the metal is obviously of importance to all interested in its production.

Treaty Compensation Claims.—The Controller of the Clearing Office announces that a third dividend of 2s 6d in the £ will be paid upon all awards of the Mixed Arbitral Tribunal for compensation under paragraph (e) of Article 297 of the Treaty of Versailles. Awards of £50 and under, which have not been already paid, will be paid in full. Claimants who did not participate in the two previous dividends, and whose awards exceed £50, will receive that amount on account and be entitled to the two previous dividends, each of 2s 6d in the £ in addition to the third dividend now declared, making in all 7s 6d in the £ on the balance of their awards. Payable orders will be issued by the Clearing Office on January 31, 1924, to all claimants who have obtained awards up to that date. The dividends upon subsequent awards will be paid on the fortnightly pay-day next after the date of such awards.

Oversea Correspondence.

UNITED STATES.—GOVERNMENT'S NEW SHIPPING POLICY—RECEIVER FOR STEAMSHIP COMPANY—BOND MATURITIES IN 1924.

(FROM OUR CORRESPONDENT.)

NEW YORK, January 4.

At a conference this week between President Coolidge, the United States Shipping Board and members of various Congressional Committees concerned, the Administration decided to adopt a new policy for operating the Government-owned merchant marine fleet. The operation and control of all vessels comprising that fleet will henceforth be in the hands of the Emergency Fleet Corporation, which will be separated from the Shipping Board. Leigh C. Palmer, a retired Rear-Admiral of the United States Navy, is to be president of the Emergency Fleet Corporation, and will thus become virtually Director of Shipping. Under the new arrangement the United States Shipping Board will become more of a regulatory and advisory agency. The change in policy will be put into effect as soon as possible, and will require no additional legislation immediately, since it can be carried out under a resolution adopted by the Shipping Board shortly after Chairman Lasker took charge of the latter's affairs, and which provided for a separation of the Fleet Corporation from the Board. While the new operating plan is ex-

pected to give more satisfactory results in many ways, the vessels will still be owned by the Government, and the Emergency Fleet Corporation is a Government institution.

American steamship companies generally have been able thus far to pull through the prolonged depression in the shipping industry, although in many instances, doubtless, after a very hard struggle. A notable exception is the New York and Cuba Mail Steamship Company, which owns and operates a fleet of 18 passenger and freight steamers between New York and ports of Cuba and Mexico, and which is one of the oldest and best known lines under the American flag, having been first organised in 1811. In 1907 a new company was formed and incorporated to acquire the stock of the old organisation. Subsequently the company, popularly called the Ward Line, became one of the main subsidiaries of the Atlantic, Gulf, and West Indies Steamship Company, which controls and operates a number of other coastwise services. As the result of an action in equity brought by a small creditor, the New York and Cuba Mail was forced into receivership this week. Its liabilities are given as approximately \$2,000,000, while its assets are said to be well in excess of that amount. It has a capital stock of \$10,000,000, and an outstanding issue of some \$5,000,000 5 per cent. first mortgage bonds. Operations in 1922 resulted in a deficit of nearly \$1,000,000, and for the ten months of last year the deficit amounted to \$1,076,528, due largely to heavy depreciation charges, sinking fund requirements, and considerable floating indebtedness. Unsettled conditions in Mexico also seriously affected its business. The immediate cause of embarrassment was that the company lacked sufficient ready cash to meet obligations due and maturing, and found it necessary to join in the petition for a receivership to conserve its assets and assure the continued operation of its vessels. A plan of reorganisation is expected to be worked out in the near future.

Financing by American corporations last year broke all records. New issues of bonds, notes, and stocks totalled \$3,602,704,000, as against \$3,324,392,000 in 1920, the previous high record. Industrial corporations led in the volume of new financing with an aggregate of \$1,808,559,500, mostly in bonds. Public utility issues reached \$1,214,327,150, also consisting chiefly of bonds, while railroads floated new securities totalling \$579,817,350, of which short-term notes constituted the largest part. The following table, compiled by the Wall Street Journal, shows the amounts of bonds, notes, and stock issued by each class of corporations during 1923:—

	Bonds.	Notes.	Stock.	Total.
Railroad	\$ 165,956,000	\$ 354,720,500	\$ 59,140,850	\$ 579,817,350
Industrial and miscellaneous ..	1,015,252,300	231,452,600	561,464,600	1,808,559,500
Public utility	852,543,500	61,678,000	300,105,650	1,214,327,150
Total	2,033,751,800	648,251,100	920,701,100	3,602,704,000

Bonds and notes of all classes maturing this year, including foreign issues floated in American markets, will amount to much less than in 1923 or 1922; less, in fact, than for several years. Public utility issues falling due in 1924 aggregate \$184,523,850. Railroad obligations come second, reaching \$147,847,370. Industrial maturities account for \$135,088,510, and foreign issues \$124,434,300, making in all \$591,894,030, as compared with total maturities of \$865,681,150 in 1923 and \$1,259,241,590 in 1922. Railroad maturities especially, which must be taken care of during the next 12 months, are exceptionally light in volume compared with recent years. The carriers, therefore, will not find it necessary to do any extensive financing for replacement purposes. The comparatively small amount of corporate refunding necessary in 1924 is expected to have a favourable effect upon interest rates, and will probably facilitate new financing for other requirements.

For the calendar year 1923 there were 19,163 business failures in the United States and Canada, according to *Bradstreet's* records. That total represents a decrease of 14.5 per cent. from the high peak year of 1922 and 4.3 per cent. from the second high record year 1921. As compared with 1920, the total of failures last year more than doubled, while as compared with the low record year 1919 the 1923 total increased about 2½ times. Liabilities

for 1923 decreased from the high peaks of 1922 and 1921, but the total, \$631,294,087, was only 2.8 per cent. below that of 1922, although 16.4 per cent. below the aggregate for 1921, the latter year standing first in amount of liabilities.

FRANCE.—THE FALL OF THE FRANC—REMEDIAL MEASURES—INCREASED TAXATION—REVENUE IN 1923.

(FROM OUR CORRESPONDENT.)

PARIS, January 16.

THE week has been an exciting one, but it has resulted in convincing France that the time has come when it is no longer possible to rely upon borrowing as a means to pay one's debts, and that the only possible way to restore French credit is to impose sufficient new taxation to meet current expenditure. The semi-panic that developed among even French holders of francs after January 5th, when the national unit touched a new low record of 88.32½ and resulted in a widespread rush to sell, reached its climax on Monday, when the fall reached disastrous proportions. Francs dropped to 96.25 to the pound and 22.80 to the dollar, and it became evident that unless drastic measures were taken complete collapse was within measurable distance. The expulsion of a dozen minor exchange gamblers, mostly of Russian or Greek origin, was laughed at even among the Poincaré Government's own supporters, as a means of providing a remedy for the collapse which was threatening, and the same evening, at a hasty informal conference between the Finance Minister and some of his colleagues, it was decided to take the only steps that could possibly prove effective. These proposals were discussed at the Ministerial Council the following morning, and the outcome was the announcement that the Government had decided "to ensure the restoration of the financial situation, to balance the Budget for recoverable expenditure, and to stave off an exchange crisis" by taking steps (1) to repress evasion of taxation; (2) to cut down expenditure on the public services; (3) to adjourn the consideration of all proposals involving fresh expenditure, and (4) to increase all existing taxation by 20 per cent. The meaning of all this, put in plain language, is that the country's responsible leaders now realise that, no matter whether General Elections must take place within the next few weeks or not, the French taxpayer must be called on to pay a substantial amount of additional taxation. It is only fair to say that, judging by the approval with which the Government's decisions have been received by all classes of the community, the French taxpayer is possessed of a much larger amount of fiscal patriotism and common sense than his leaders have hitherto given him credit for. France to-day, in spite of the high cost of living and of high commodity prices, is undoubtedly prosperous, and can certainly bear much higher rate of taxation than has hitherto been imposed. Only the lack of statesmanlike courage on the part of some of her leaders has prevented them from resolutely grasping this nettle long ago. More than one newspaper which is a strenuous supporter of the present Government has during the past 24 hours expressed deep regret that the policy now decided upon was not adopted much earlier.

It is officially announced that, basing its calculations on the fact that the total revenue from all sources in 1923 was 23,495,630,100f, the Government estimates that the increase of all existing taxation by 20 per cent. will produce additional revenue amounting to 4,700 millions. The proposals connected with the repression of fiscal frauds, particularly in connection with the revenue from bearer bonds (which are enormously popular with all classes of the French people, and the nature of which enables the vast bulk of them, it is practically certain, to escape taxation) is expected to yield another 2,000 millions. Ruthless further cutting down of expenditure by the various Government departments is to be effected to the extent of another 1,000 millions. The saving of this amount added to the increased revenue obtained from the sources mentioned will furnish, it is estimated, a total of between 7,000 and 8,000 millions, which is almost exactly the amount required to balance the

Recoverable Budget. The Ordinary Budget, as is known, was balanced last year, and there is every reason to suppose that at least a similar result will be attained this year. The 7 to 8 milliards which an effort is now to be made to secure will enable the interest charges on the money which has had to be borrowed for the restoration of the devastated departments, &c., through Germany's default, to be paid out of current revenue, and will thus enable a further heavy increase in the nation's debt to be avoided. Whether these remedies will prove sufficient to stabilise the franc remains to be seen. The banking and financial world has not yet had time to digest the new proposals, but on the whole, expert opinion has welcomed them with approval.

It is understood that the Bill to legalise the increase of taxation by 20 per cent. is to be passed through the Chambers as speedily as possible. This will be all the more feasible, as an exactly similar proposal was brought forward by M. de Lasteyrie, it will be remembered, early last year, and had advanced so far that, at the moment when it was dropped, the report of M. Bokanowski, the Budget rapporteur, had already been drafted. The pending abolition of the match monopoly, it is officially stated, will take the form of the restitution of this manufacture to private industry and the imposition of a special tax on matches.

The taxation returns for 1923, which are published to-day, show that the total revenue for the year was as follows:—

	Frs.
Yield from Normal and Permanent Taxation—	
Indirect taxation and monopolies	17,148,037,000
Direct taxation (income-tax, &c.)	4,143,252,600
Revenue from State Domains	229,546,700
	21,520,836,300
Yield from Exceptional Resources—	
Special tax on War profits	1,333,520,200
Liquidation of War Stocks	200,364,900
Sundries	440,908,800
	23,495,630,200

The striking difference in the incidence of direct and indirect taxation in England and France respectively is even more apparent than usual from the above figures, which show that considerably less than 20 per cent. of the revenue from these two sources is derived from direct taxation in France, whereas in Great Britain the proportion of direct taxation is enormously greater. The yield from income-tax in this country during 1923 was 3,791,581,200f, or 1,140,838,900f more than in 1922. The outstanding success of the year was the tax on turnover, which yielded well over 3,000 millions, or nearly 166 millions in excess of Budget Estimates, and over 735½ millions more than last year. Posts, telegraphs, and telephones yielded over 60 millions more than was expected, and taxes on securities over 57½ millions more, while the luxury tax was 50 per cent. less than anticipated. Customs produced 166 millions less than was expected, and 1,586,000f less than last year.

GERMANY.—RUHR—FINANCES—CURRENCY—FOREIGN TRADE—INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, January 15.

INDUSTRY on the Ruhr is getting to work very slowly. About 60 per cent. of industrial workmen are still receiving public support. The provisional arrangement until the middle of April made with the French Commission for resumption of work was on the assumption that after January 15th negotiations for further regulation of Reparations deliveries would be resumed; the French, apparently content with conditions as they are, have spoken of resuming negotiations about the middle of next month. The German industrial leaders, the Essen Chamber of Commerce, and other competent authorities declare that the present provisional agreement cannot long be maintained. The textiles industry in the newly occupied territory has come to an agreement with the French, under which the industry has export duties reduced to between 0.5 and 2 per cent., instead of the approximate 6 per cent. prevailing so far. The industry undertakes to deliver products demanded on Reparations account, the quantity not to exceed as a rule about 15 per cent. of production of individual concerns. The textiles

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producers are required to compile and supply statistics to the French. They are still unaware whether they will be compensated for their deliveries by the Federal Government. This agreement shows how the French can utilise their military strength to regulate every detail of German industry and trade in the West.

No report of current finances has appeared since last week; but it is generally assumed that before the end of January revenue will be fully covering expenditure. Federal railways and posts are not included in the Finance Ministry's ten-day reports summarised of late from here. Concerning posts, nothing has been published. Railways have already their own gold mark budget, although general finances up to the end of 1923 were in paper marks. Since November 15th the railways have received no more subsidies out of revenue. Preparations are under way for reforming the whole railway administration on private business principles. Since January 1st all railway operating expenditure has been fully covered; but no cover has been provided for the special expenditure arising from the Ruhr railway disorganisation, and no money at all is available for buildings or extensions. The railway department announces that it will not be able permanently to abstain, as it at present abstains, from purchasing new rolling stock, &c. Any losses suffered through the latest reduction of 8 per cent. of freight rates are expected to be made good by an increase in traffic.

The new currency, and the old paper mark which becomes every day less and less important, continue to hold. The first monthly return of the Rentenbank (published partially in the *Economist* of January 12th) contains among liabilities the item 16,000 Rentenmarks for "Renten mortgage bonds in circulation." This shows that only very few Rentenmarks have been presented for conversion into bonds, and so indicates either that no nervousness is felt as to the Rentenmark notes, or that citizens understand that the Renten mortgage bonds, though drawn in "gold marks," really offer no better security than the notes themselves. The success of the Rentenmark so far is based entirely on its limited circulation; the success seems to confirm the doctrine that a pure paper currency, without any metal or other cover, is practicable, given the limitation. The Rentenmark maintains itself in public confidence by the maintenance of its home buying power. Prices of important commodities in Rentenmarks, or, as it is quite meaninglessly put, in gold marks, have still further fallen, and very high prices are now charged only for commodities and services which have no competitive market—most State charges are still high, so are the prices of newspapers, entertainments, and some other things which were put up sharply in late November when the general price-level was much higher than now, and which have not since been reduced.

Banking congestion has almost ceased. The Banks, which for a long time past were open only until 1 o'clock, will henceforth be opened until 3 o'clock. The banks are now taking Rentenmarks for current accounts on a "valorised" or "stable-value" (*wertbeständig*) basis, that is, undertaking to compensate the depositor for any depreciation of the Rentenmark, as shown by the dollar exchange. Eight per cent. per annum is allowed on such deposits. This business proves profitable, as there has of late been an enormous demand for Rentenmark bank credits, for which the banks charge (including various commissions) as much as 24 per cent., also obliging the borrower to repay on "stable-value" basis. For Renten-

mark credits without the valorisation clause the banks sometimes demand 15 per cent. a month. The paper mark interest rate remains 90 per cent., though there is no difference at all between the value of one Rentenmark and one billion paper marks. The preparation of gold mark balance-sheets by public companies is proceeding. The companies are reducing their capitals by varying ratios, 500,000 to 1, &c. All this work assumes that the stable currency has come to last. The credits of the Darlehnskassen have reached the latest legal limit of 10 trillion paper marks, and it is expected that this time the limit will not be raised, and that the Darlehnskassen, which were created in 1914, in order to grant credits on easier terms than those of the Reichsbank, will be wound up, credit being again centralised.

The prospects of the currency holding firm seem materially improved by the belated official announcement that exports in 1923 (first eleven months) very nearly balanced imports. There have now appeared the October and November volume and value figures, and value figures for the preceding nine months. They show that imports fell very slightly short of exports. The data, it is true, are imperfect, owing to the Ruhr disorganisation; and at best the figures are only valuations, being based for imports merely on volumes and prices, and for exports on the returns of values in foreign currencies. The prices taken as basis in the following table are present prices; another official estimate for January-October only, based on pre-war prices, actually shows exports to exceed imports, i.e., 4,407,373,000 gold marks against 4,094,835,000 gold marks:—

January-November, 1923.

(In Millions of Gold Marks.)

	Imports.	Exports.
Living animals.....	29.31 ..	2.55
Food	1,064.08 ..	121.26
Raw and half-finished material..	3,637.61 ..	660.41
Manufactures	849.39 ..	4,718.86
Gold and silver	8.63 ..	13.50
	5,589.02 ..	5,516.38

In October, imports were 435.70 million gold marks, exports 567.79; in November imports 434.0 and exports 514.87. Average monthly imports in 1913 were 933.88 million gold marks, exports 849.89 million gold marks. Although the 1923 figures are at best only approximate, there is nothing to show that they under or over state one side more than the other; and the official judgment is that "the trade balance in 1923 was hardly passive, that of October and November strongly active." This is a revelation of the highest importance; if the foreign investments in German stocks, bonds and real estate are taken into account, the payment balance was probably active. The permanent stabilisation of the currency is (assuming a reparations postponement) brought into sight.

Business seems to be improving. In the absence of up-to-date unemployment statistics for all branches, may be quoted the figures for the textiles branch, a branch which suffered severely from the autumn, 1923, depression. The number of fully unemployed in the Textiles Workers' Union fell from 82,580 at end of November to 65,402 at end of December, and the number of partly employed from 355,001 to 199,355. Unemployed and partly employed together fell from 73 per cent. of members to about 50 per cent. A great many strikes and lock-outs have resulted from the attempt to restore the ten-hours day. The trades unions are against the recent decree made in this sense, and they have power to make trouble, because the decree enacts that in negotiations between employers and employees for a ten-hours day the unions shall represent the employees.

Hamburg's shipping exceeded that of before the war. Arrivals were 15,685,643 net tons, against 14,440,026 tons in 1913; departures 15,400,923 tons, against 14,585,496 tons. Capital issues for increase of company capitalisations totalled in 1923 209,178 million paper marks, issues of new companies 31,272,539,489 million paper marks, bond issues (not including those of public bodies) 545,300,000 gold marks. The proportion of bonds issued on a stable-value basis (gold, rye, coal, &c.) rose from 47.6 per cent. in February to 99.9 per cent. in September, at which figure it remained till the end of the year.

HOLLAND.—TRADE AND FINANCE—THE EFFECT OF GERMANY'S FINANCIAL POSITION.

(FROM A CORRESPONDENT.)

AMSTERDAM, January 15.

It is not to be denied that at the beginning of 1924 business circles in this country became more optimistic than had been the case for a long time past. This, however, was largely the result of a feeling of relief brought about by the cessation of passive resistance in the Ruhr. For, although Germany as hinterland has lost much of its importance for Holland, nevertheless, as an important part of Central Europe, it still exercises considerable influence upon world trade, and even considered from a purely Dutch point of view, Germany is still so important that every indication of a return to normal conditions in that country is a fact to be eagerly welcomed.

It will be readily understood why especially the cessation of passive resistance in the Ruhr has given rise to a feeling of optimism in this country in regard to the possibilities of a trade revival when it is remembered that during the period between January and November, 1922, the clearances of Rhine craft at the frontier amounted to 9,300,000 tons inwards and 11,600,000 tons outwards. For the period January-October, 1923, the figures were 5,000,000 tons and 7,700,000 tons respectively, which means a substantial decrease. Partly as a result of the struggle in the Ruhr, trade with Germany has also suffered considerably. During the period January-November, 1923, imports from Germany amounted to 453 million guilders as against 562 millions during the corresponding period of 1922. Exports to Germany remained the same, namely, about 158 million guilders. Taking steel and iron alone, the imports from Germany declined from 463,000 to 229,000 tons. During the same period the imports from Great Britain increased from 28,000 to 54,000 tons, while those from Belgium increased from 77,000 to 177,000 tons. Altogether, therefore, there was a decrease of 108,000 tons, which points to a considerably restricted output in the metal industry.

It is true that on the whole the trade figures for the year 1923 cannot be described as unfavourable. The excess of imports over exports during 1923 was not more than 706 million guilders, as against 807 millions in 1922 and 870 millions in 1921. If the invisible income derived from shipping, port and transit dues, business undertakings and investments in foreign countries and the Dutch Colonies, receipts in connection with the Colonial department, and various services and profits are also taken into account, then there will presumably be no deficit in the final balance of the country. This, however, is in the main due to the outlets which Dutch industry has captured in other countries, and does not alter the fact that the German market, formerly so important, has become considerably restricted.

In Holland, therefore, great attention is paid to the course of events in Germany, which is very closely connected with the financial reforms which have already been carried out and are to be further extended in that country. For, up to the present, the depreciation of the German currency has inflicted great harm upon Holland, not only in the domain of trade and industry, but also from a purely financial point of view. This does not refer in the first instance to the direct losses suffered by those who had bought up millions of marks. Much more disastrous were the indirect consequences. This affects also the position of the guilder. In the first place, there are approximately 300 million guilders in the hands of foreigners, mostly Germans (for the most part derived from the sale in this country of paper marks which have now become worthless), all of which makes it impossible to restrict the circulation of paper currency by the Netherlands Bank. In the second place, other German capital which found its way to Holland by other channels has also for a number of years helped the State actually to live beyond its means. Money was readily obtainable for social welfare and various expenditures in connection with the crisis, as a result of which there is now a floating debt of more

than 600 million guilders. It is only quite recently, parallel with the considerable restrictions in State expenditure, that a change has begun to make itself felt in regard to this plethora of foreign capital. In consequence of the return of more stable conditions in that country, very much German money has found its way back to Germany. It is at least partly due to this that the recent issue of 115 million guilders in Treasury notes was only subscribed to the extent of 79 million guilders. During the whole of the year 1923 the amounts offered were always over-subscribed. Partly as the result of the withdrawal of foreign balances, the Netherlands Bank was obliged, on December 12 last, to increase its bank rate from 4 per cent. (at which it had been fixed on July 18, 1922) to 4½ per cent.

In the third place, in consequence of the depreciation of the German currency, there has been a regular invasion of this country by German undertakings. German capital has forced its way into our industrial undertakings, has in fact, in many instances, ousted Dutch concerns. This has been particularly the case in the banking world. Recent statistics have brought to light the fact that in Amsterdam alone there are already fifteen banks the German origin of which can be indisputably proved. In many instances these are purely and simply branches of German banks. And, every day, new commercial undertakings are established with good Dutch names and Dutch directors, but which are in reality German concerns. This influx of German capital and enterprise would not in itself be a bad thing for the commercial life of Holland, but it has assumed dimensions which constitute a grave menace to Dutch interests.

For these reasons the experiment with the Rentenmark is being followed with considerable interest. Should the Germans succeed, by means of this expedient, in establishing a gold currency, it is by no means impossible that very much German capital, &c., will find its way back to Germany, which otherwise might become a danger for this country. In regard to the question of the establishment of a gold currency, however, Dutch opinion is on the whole sceptical. It is true that the revenue in Germany derived from taxes is increasing. In the last six weeks of 1923 Germany's deficit on her expenditure decreased steadily; from a deficit of 30.4 million gold marks per day in the period November 21-30 it decreased first to 18.4 and 13.6, and finally to 10.3 million gold marks per day in the last ten days of 1923. And in Germany it is hoped, by means of these increased taxes and the credit from the "Rentebank" amounting to 1,200 million marks, to carry on until the end of March. But even assuming that this would be the case, it is not yet possible to say what will happen after that date. It is not impossible that the so-called "covering" of the "Rentemärken" will be increased by extending or enhancing the value of the mortgages registered, especially if permission is also obtained to issue the Rentenmarken in the occupied territory. Inflation will then unavoidably come again. It is even possible that this has been already commenced by the action of the Minister of Finance in issuing Rentenmark bonds when the management of the Rentebank refused to grant him an extension of the Rentenmark credit. Apart from this, it is a well-known fact that the present president of the Reichsbank regards the Rentenmark purely as a temporary measure, by means of which Germany must gradually get back to a gold currency, with or without assistance from abroad. Herr Schacht's recent visit to England and Holland was, it is assumed in this country, undertaken for the purpose of endeavouring to obtain foreign assistance. As he himself, however, described this visit later on as being of a strictly private character, it is now generally supposed that his tentative efforts have not been entirely successful, and so opinion in this country has become still more sceptical in regard to the future position of German currency. It is hoped, however, that Germany will ultimately succeed in introducing a really stable currency; and in this connection the decisions of the two Commissions which, under the auspices of the Reparations Commission and in co-operation with the United States, are to institute an inquiry into Germany's financial position, are eagerly looked forward to in this country. For the steady development of world trade and, consequently, of the economic life of Holland will only be possible when the financial position of Germany is on a sound basis.

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NORWAY. PROHIBITION TO BE REPEALED?—
FEATURES OF 1923: THE NEW YEAR OUTLOOK.

(FROM OUR CORRESPONDENT.)

CHRISTIANIA, January 9.

Those who, at the time of the introduction of prohibition in this country, have been shocked at the final issue of this well-intended measure. It is possible that if the prohibition had been accompanied from the outset by much stronger measures for enforcing it, the result would have been a much more satisfactory one. As it is, however, smuggling has become a pestilence which it seems to be impossible now to overcome while prohibition exists. When the Government—as will be the case in a few days—proposes the cancellation of the Act imposing prohibition, it is not impossible that the Storting will produce a majority for such a proposal. This is the more likely because the Exchequer stands in need of the 30 millions of revenue calculated to accrue if prohibition is stopped.

As the year 1923 recedes into distance, it becomes more possible to appraise its economic features. It cannot be said to reveal very pleasing traits, on the whole. The banks, apart from those that had to seek the shelter of the Administration Act of March, most likely have had a tolerably good year; but out of the year's profits they will have to meet earlier losses. Big dividends cannot, therefore, be expected, the less so since the Bank of Norway has issued a request asking the private banks to show moderation in distributing dividends. The inveterate tendency of the exchange of sterling and dollars to turn against this country, of course, causes difficulties, in as far as it enhances the prices of all the very important necessities of life that must be paid for in those two currencies. Naturally, this state of the exchange to some extent facilitates the export trade, but not nearly sufficiently to make up for the loss. Agriculture, on account of a cold and very wet summer, had an unsatisfactory year. Industry was fairly well occupied, and unemployment was not so large as last year. In most of the big industries prices were, however, much reduced, so that the year's accounts of most factories will not be likely to show any considerable profits. Fisheries, of such enormous importance to the economic life of the country, were fairly good, yielding about 65 million kroner, against 80 millions in 1922 and 55 millions in 1921. Shipping did not have a bright year, though there were decided points of encouragement.

On the threshold of the new year, there seems to be a general hope that, if no unforeseen events occur, better things may be expected, and one thing may be confidently said—the public authorities, of the State as well as of the municipalities, seem at last to have been awakened to the necessity of practising the most rigid economy in order to re-establish the economical financial equilibrium of the country, and if that is thoroughly realised the gain will be inestimable.

Letters to the Editor.

THE ELASTICITY OF THE RUPEE CURRENCY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The currency of India is, of course, a controlled currency. The total of rupees and notes comprising the circulation is not a fixed quantity, but varies in terms of the powers exercised by the Government under various enactments.

The circulation of India consists of currency notes and the rupee coinage. The total issue of currency notes is, of course, known, and while the total of the rupees in the hands of the public can only be estimated, the increase or decrease in the rupee coins in circulation at any time is seen from the flow of rupees into or out of the Currency Department.

The only way open to the public, as distinguished from the Government, to obtain rupees is to pay in notes to the Currency Office, and *vice versa*, if notes are wanted, rupees must be handed over for them. It follows that, apart from minting, an increase in the rupees in the Paper Currency Reserve means less rupees in circulation, and the plus or minus of rupees in the reserve taken with the plus or minus of the notes in circulation will show the variation in the total circulation caused by a variation of the security other than rupees held against the notes.

Without this brief explanation the interest of the following figures would not perhaps be clear except to those connected with Indian finance.

Taking the past two years 1922 and 1923, the following figures show the variation in the total circulation of notes and rupee coinage in lakhs of rupees:—

	+ Stands for Inc.	— Stands for Dec.
End of Dec., 1921—Taking that as an arbitrary ..	Zero	
" May, 1922—The variation is	— 288	
" Nov., 1922— "	— 10-64	
" May, 1923— "	— 10-56	
" Nov., 1923— "	— 15-42	
" Dec., 1923— "	— 1-42	
" Jan., 1924— "	+ 3-58	

The maximum reduction was established in September, 1923, when the circulation was less by Rs. 16.42 lakhs than at the zero date named above.

But the figures for the period since the end of November, 1923, are in themselves of particular interest, since the Indian Bank rate has been raised from 6 per cent. to 8 per cent. in that time.

The reserve of rupees and silver bullion has fallen from Rs. 95.50 lakhs on November 30th to Rs. 85.17 lakhs on January 7th last, and the actual circulation with the public has increased by Rs. 19 crores in the period.

This has been accomplished by the Currency Department having purchased sterling against currency to the extent of Rs. 11 crores and investing the sterling in British Treasury bills or short bonds, and for the balance of Rs. 8 crores, currency notes to that amount have been issued against bills of exchange, presumably internal bills of exchange, in terms of the Indian Paper Currency Act, 1923.

For the later figures we have to hand only the cabled summary published in the Press, and not the full return.

The demand for currency is, of course, quite normal and seasonal, and may be regarded as a symptom of trade activity. The reserve in gold and rupees or silver bullion alone is 57 per cent. of the note issue after the expansion shown above. The figures are a striking example of the working of a purely artificial and managed currency, since without the elasticity now permitted by the Paper Currency Act there would obviously have been an important stringency in the Indian money markets, and exchange must have fluctuated with some violence in view of the favourable figures of the Indian foreign trade.

The main controlling influence in the exchange, if the currency had been a fixed quantity, would have been in the adjustment of prices in rupees and foreign currency as exchange moved, particularly as regards prices for the nation's exports. By that adjustment of prices commerce becomes a gamble in exchange. One does not forget, of course, that there are other methods by which the Government can deal with a position through the sale of Councils or of "reverse," but it would seem to be through control

of the currency in circulation, rather than by the method of the Babington-Smith Commission involving the dispersing of sterling resources, that the rupee exchange may be fixed, if that is desirable, or its fluctuations modified.—Yours faithfully,
C. S. CLARKE.
January 16th, 1924.

JOHN BRIGHT AND BROS., LIMITED.

TO THE EDITOR OF THE ECONOMIST.

SIR,—We are concerned for a considerable number of debenture holders, some of whom are very influential, in this company. A committee is being formed, and it is proposed to take counsel's opinion, with a view of ascertaining how far the directors of John Bright, Limited, were justified (if at all) in advancing the £1,140,972 to Messrs Crosses and Winkworth, Limited. It would be highly undesirable on our part at the present juncture to express our own views. We have received a number of communications from holders, all in the most indignant terms, stating their belief, when they subscribed, that the proceeds were to be utilised in the business of the company, while in fact a substantial amount, at least, was paid over to another concern. It is, our clients consider, a matter that requires the fullest explanation, and that the trustees of the debenture holders should have uttered, if they were able, considerably more than what they stated in the circular of January 9th.

We should be much obliged to you if you would insert this communication in your next issue.—Yours faithfully,

J. S. BLANCKENSEE AND CO.

4 Ludgate circus, London, E.C. 4.

January 17th, 1924.

Books and Publications.

AMERICAN AGRICULTURAL ORGANISATION.

THIS substantial volume* is the second of a series of "Studies in Economics and Sociology" published by the University of Kentucky. The author, who is Professor of Economics at that University, defines his purpose as the presentation of "a scientific and unbiased analysis of the forms, functions, causes and effects of public and private agricultural organisation in America." In a preliminary chapter he discusses the relation of public to private organisation generally, and remarks that it is characteristic of the Anglo-Saxon race "to conduct many of its social projects through voluntary or private association." This statement, while undeniably true, does not fully express the racial tendency, which has, in fact, deep roots in racial character. It is based on the passion for individual liberty, the instinct of self-government, and the rebellion against automatic authority which are the heritage of the English-speaking peoples. The same spirit which went through long centuries resisted the dictation of Monarchs, which incidentally found expression in the exile of the Pilgrim Fathers and in the War of Independence, manifests itself, under modern conditions, in hatred of bureaucracy and resentment against Government interference. The long and detailed story told by Dr Wiest of the development of agricultural organisation in America and the slow and reluctant recognition of the fact that private effort needed to be supplemented and eventually, in many cases, replaced by public, *i.e.*, by Government, activity, might have been written of this country with little change but that of names.

The book is divided into two parts. The first part describes the establishment of the United States Department of Agriculture. The idea of such a Department was mooted by Sir John Sinclair, then President of the English Board of Agriculture (which did not survive his death), to George Washington, who brought the subject before Congress. A Bill was, in fact, introduced, but made no progress, and the scheme remained in abeyance for 66 years. In 1862 an Act was passed establishing a Department of Agriculture—thus preceding by 27 years similar action by

* "Agricultural Organisation in the United States." By Edward Wiest, M.A., Ph.D. University of Kentucky, 1923. \$3.90.

this country—its chief functions being the collection of statistics and the distribution of seeds. It soon began to widen its scope and extend its activities, at first slowly but afterwards rapidly. The history of its development is interesting, but its growth may be concisely measured by its expenditure. Beginning with a modest appropriation of some £8,000, rising in 30 years to £40,000, the expenditure of the Department reached £4,000,000 in 1915 and £6,000,000 in 1920. In the meantime the States have gradually established Agricultural Departments of their own. The relation of the Federal Government to the States forms a most interesting story. The opportunities for friction are obvious, and the natural difficulties are complicated by the fact that at any stage in the adjustment of relationships the American Constitution may be invoked and the issue referred to the decision of the Supreme Court. It is high testimony to the political instinct and practical sense of the American people that arrangements—not always logical but always workable—have been made, between the Federal Department and the States Departments. The position is somewhat analogous in this country where the relations of the English and Scottish Agricultural Departments with the County Councils are still in need of some adjustment to prevent duplication of effort and expenditure.

The second part of the volume describes the origin and development of the chief agricultural associations. As in this country, the earliest of these were local farmers' clubs and societies. The "agricultural fair," or as we should say "show," naturally arose out of the movement started in England in the latter part of the 18th century by Bakewell, Culey, and others. The "father of the agricultural fair" was Elkanah Watson, who, in 1807, exhibited two merino sheep at Petersfield, Mass., and in 1810 organised the Berkshire Agricultural Society for the purpose of holding fairs.

The most characteristic of American organisations was the Grange, established in 1867. Dr Wiest observes that "it stands pre-eminently in the history of the farmers' movement as an influence towards organising the rural population for its economic, social and political improvement." Its official name was "The Patrons of Husbandry," and it was founded as a secret order, on the lines of Freemasonry, with seven degrees. Women, however, were admitted on an equality with men, and, indeed, a woman was recognised as one of the founders. It is curious to note that six of the seven founders of the organisation were Government clerks, and their activities seem to have been in no way regarded as incompatible with their occupation. The Grange reached its highest summit of success in 1875, when it had 853,000 members. It then rapidly decreased, and 20 years later mustered little more than 100,000. It has, however, recovered, and in 1922 its membership reached 676,000.

In 1887 the Farmers' Alliance was founded, with a somewhat looser organisation. This aimed more directly at political influence, and drifted inevitably into partizan-ship. The result was what Dr Wiest terms its "complete disintegration," and the transformation of an agricultural organisation into a third political party, which had a short-lived success.

In 1902 the Farmers' Union was started, mainly, it would seem, as a result of the "disintegration" of the Farmers' Alliance. It is described as "a virile organisation in the West to-day, and is doing a great deal of good among the farmers." It has a membership of about 140,000.

One of the recent developments of agricultural organisation in the United States is the "extension" movement, which is designed to disseminate the teachings of agricultural science and practice among farmers, and also aims at the improvement of the amenities of rural life. In this excellent work the Federal Department, the State Departments, and the farmers' organisations all co-operate.

Dr Wiest has done his work thoroughly and conscientiously. He has accumulated the historical facts from a wide range of authorities. Only in one small matter where the present reviewer can follow him has he slipped into slight error. He refers to the foundation of the International Statistical Institute in 1885, but erroneously places the first meeting in Rome, whereas, in fact, it was

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in London. He appears to think that the International Agricultural Institute, founded 20 years later, is identical with the International Statistical Institute, an entirely separate organisation which has existed for nearly forty years, and held its session, at which the United States was adequately represented, at Brussels last October.

BOURNE'S INSURANCE PUBLICATIONS.

WE have received the new volume of "Bourne's Insurance Directory for 1923-24" (Stone and Cox, Limited, 188-9 Strand, W.C. 2, price 17s 6d net). The latest volume is no less thorough and useful than its many predecessors. It gives not only the analysed figures of new business, revenue, and expenditure of the life offices for the past five years, but also summaries of valuation returns, of bonuses declared, of surrender values, and of premium tables. The tables of premium and annuity rates occupy more than half the book, and are quite invaluable. The directory portion of the book gives the addresses and chief head offices and branch officials of practically every insurance company which does business in the United Kingdom. "Bourne's Handy Assurance Manual for 1923," price 2s 6d (cloth 3s), contains in a condensed form a good deal of the statistical information concerning results, valuations, bonuses, and premium rates which is contained more fully in the "Directory." The manual may be described as a pocket companion to the "Directory," and both books are essential to all those who desire to keep closely in touch with life assurance business.

BOOKS RECEIVED.

- Foreign Credit Facilities in the United Kingdom.* Vol. CVIII., No. 2. By Leland Rex Robinson, Ph.D. (London) P. S. King and Son, Limited. \$2.50 net.
- Defeat.* By Geoffrey Moss. (London) Constable and Co. 6s net.
- The Making of a Modern Bank.* By Arthur D. Welton. (Chicago) Continental and Commercial Banks.
- The Birthright of Man.* By Henry Lowenfield. (London) Leonard Parsons, Limited. 3s 6d net.
- The Referendum: A Handbook to the Poll of the People; Referendum or Democratic Right of Veto on Legislation.* By J. St Loe Strachey. (London) T. Fisher Unwin, Limited. 3s 6d net.
- Pupil to Practitioner.* By Cyril H. Temple, F.S.A.A. (London) E. Marlborough and Co. 3s 6d net.
- Bankers' Credits.* By Wm. F. Spalding. Second Edition. (London) Sir Isaac Pitman and Sons, Limited. 10s 6d net.
- The Empire Cotton-Growing Review.* Vol. I., No. 1. Issued quarterly. (London) A. and C. Black, Limited. 1s.
- National Credit and the Crisis.* By Oswald Stoll, F.R.S.A., and G. Graham Hardy, M.A. (Hons.), B.Com. (London) Wm. Heinemann, Limited. 1s 6d.
- What Germany has Paid under the Treaty of Versailles.* By Lujo Brentano. (Berlin) Walter de Gruyter and Co.
- The Edinburgh Review or Critical Journal.* Edited by Harold Cox. January, 1924. (London) Longmans, Green, and Co. 7s 6d net per number, or 32s per annum, post free.

The feature of the issue is the last article, in which the Editor discourses frankly upon the Tariff election and its connection with the Imperial Conference. Among other articles are two on "War Supplies and Imperial Preference," by C. Ernest Fayle, and "Protection in Australia," by F. A. W. Gisborne.

Reminders for Company Secretaries. By Herbert W. Jordan. Eleventh Edition. (London) Jordan and Sons, Limited. 1s net.

Institute of Chartered Accountants List of Members, 1924. (London) Gee and Co. 2s net.

BARCLAYS BANK LIMITED.

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West End Foreign Branch 1, Pall Mall East, S.W.1.
Liverpool Foreign Branch 45, Castle Street, Liverpool.
Manchester Foreign Branch 94, Portland Street, Manchester.
Bradford Foreign Branch 13, Market Street, Bradford.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET. ACCOUNT.
January 23. January 24.

In addition to the home political factors, Stock Exchange markets this week have been largely governed by the movements in foreign exchanges. When the franc so nearly ran into three figures on Tuesday, pronounced depression developed in the foreign market, and was reflected to some extent in other parts of the Stock Exchange. Upon a recovery in the French exchange, and a simultaneous improvement in the pound as compared with the dollar, improvement occurred in various parts of the House. Business is impeded by the unsettlement produced by politics and the exchanges, but the tone towards the end of the week became less apprehensive, and investment keeps a sharp look-out for stocks and shares which have fallen in price appreciably since the General Election became mooted, and which appeal by reason of their sound character.

The War Loan and Conversion stocks have been leading the way in the Consol market, both suffering heavy falls during the early part of the week, but rallying noticeably later on. Movements in the Funding Loan have been still more erratic, though on similar lines. More than a score of home county and corporation stocks have given way, and Indian railway issues are again depressed. Heaviness made further inroads into the list of Colonial issues, though on Thursday these last-named, together with a few Home Railway prior-charge stocks, assumed a better appearance.

The features in the foreign market have been the rapid movements in French and in German bonds. Upon the announcement of a sounder policy of taxation in France, French bonds and the exchange rallied simultaneously, but the market is in an extremely tender state. Another rise in the French Bank rate induced reaction. German and Prussian bonds advanced by leaps and bounds upon buying from Holland, which is said, and probably with reason, to be on behalf of German houses which have some inkling of steps that may be taken to rescue German credit from its present parlous plight. Brazilians went back after their recent advance, the milreis declining in a manner that disappointed Brazilian supporters. Mexicans eased off to some extent, on statements that the revolutionaries were becoming more active. Rio Tintos pursued the same erratic path which was marked out for French Government issues. Other foreigners have been sympathetically affected by the movements in French bonds. Austrian banking shares have attracted speculative attention.

The threatened railway strike exerted an unfavourable influence over Home Railway stocks, though, after a general fall, prices plucked up courage, and, on dividend considerations, became a rather better market as bears covered and a few bold buyers picked up stocks. Grand Trunk Pacific debentures gave way several points, but the greater part of the loss was recovered. Brazilian rails kept time with the movements in Brazilian Government bonds. Argentine Railway stocks have been swayed by the contradictory influences of general dullness on the one hand, and, on the other, of the encouraging prospects afforded by traffic and exchange.

Rubber has been down to 1s 2d per lb, but the share market is a shade firmer on the whole. Minor falls occurred in those rubber shares in which Paris takes an interest. In the oil section, the various rises which have occurred lately in the price of crude oil served to bring in buyers of Shells and Royal Dutch, both of which advanced strongly to prices that tempted profit-taking on the part of people who got in considerably lower down. The list, as a whole, is tolerably hard, and the market may be described as firm. Bear purchases accounted for upward reactions in Courtaulds, Tobacco shares, and the few remaining speculative counts left amongst industrials.

Further weakness developed in the groups for cable issues, wireless, cement, iron, coal and steel shares. Hotels and stores shares mostly held their previous prices. The banking market heavy, in consequence of the falls amongst gilt-edged

securities. Scarcely a change has occurred in the shipping list other than a few declines in pre-ordinary stocks which are affected by the tone of the Consol market. Insurance shares have shown more resistance to the prevailing tendency than they have presented of late: the recent fall has been checked, but there is not much fresh buying. Gas and electricity shares are scarcely mentioned, though Tokyo Electric bonds gave way on the news of the latest earthquake. Prices of Industrial preference shares are tolerably well maintained, there having been little selling of such stocks. National Smelting debentures were left with the underwriters to the extent of 75 per cent. The first price of 4 discount brought in buyers, and there was a recovery to 2½ discount. Newspaper shares have been flat.

Kaffirs are little helped, from the point of view of business, by the high price reached in the market for gold. There is so little going on, however, that any demand from the Cape, or offering of stock from Paris, has a pronounced effect. Slightly better prices have been quoted for Chartered, Cam and Motor, and a few Rhodesians, the interest being almost entirely professional. De Beers gave way, on French selling, but finished the week with a more cheerful appearance. Tin has been over £250 per ton, attracting academic attention to shares in the tin-producing companies, and bringing about small improvements in the leading shares of the various groups, West African, Malayan, and Cornish, though the fluctuations have been comparatively slight. Russians are a shade better, on the idea that, if a Labour Government is returned to power, one of its first acts will be to develop trade relations with Russia. Shares in the other mining markets are almost forsaken by the public, and the negligible price-movements on the week show how meagre is the interest now being taken in Mexican, Indian, and miscellaneous mining descriptions. Canadian and silver mining shares enjoyed support from the Dominion, and are better in several cases.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£ 1,899,000	£ ..	£ ..	£ ..

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED JANUARY 12, 1924.

	£	50,000	50,000
April 1, 1923, to Jan. 12, 1924, £13,050,000 ..	£ 50,000	£ 50,000	£ 50,000

To the Public—	£	£	£	£
The Independent Investment Co., 35,000 Shares, £10 ..	350,000	350,000	70,000	280,000
Caribonum, Ltd., £200,000 6½% Gtd. 20-Year Notes, red. by dwgs. at 102%, issued at 98% ..	200,000	192,000	10,000	182,000
Kynaston, Limited, 40,000 Ord. 1s, at par ..	2,000	2,000	1,000	1,000
Do 40,000 8% Cum. Pfg. Pref., £1, at par ..	40,000	40,000	5,000	35,000
.. ..	..	584,000	86,000	498,000

To Shareholders only—	£	£	£	£
Plymouth Consolidated Gold Mines, 240,000 Part. Pref. Shares, 5s, at par ..	60,000	60,000	12,000	48,000
Riverside Orange 25,000 5% 5-Year Notes, red. at 105%, issued at 95% ..	25,000	23,750	11,250	12,500
.. ..	..	83,750	23,250	60,500

Total offered for subscription to date in—	£	Total offered for subscription for whole year—	£
1924.....	2,616,750	1923.....	271,393,173
1923.....	20,508,648	1922.....	573,675,650
1922.....	69,222,365	1921.....	388,978,203
1921.....	18,843,462	1920.....	367,549,656
1920.....	31,955,974	1919.....	1,036,059,961
1919.....	173,570,739	1918.....	1,393,381,441

The Independent Investment Company, Limited.—Authorised share capital £350,000, divided into shares of £10 each, which are now offered at par. The directors are Messrs O. T. Falk, T. J. C. Gifford, and J. M. Keynes. This company has been formed to "carry on the usual business of an investment company, aiming at obtaining a higher return on the capital employed than is open with safety to the individual investor." Probably the most interesting aspect about the undertaking is the composition of the prospectus. We are informed that the company will have "special regard to certain principles of investment which are now well recognised, but have as yet been acted on in only a limited measure. It is now known that fluctuations in the relative values of long-dated and short-dated fixed interest securities and also of fixed interest securities generally and of ordinary shares are all affected by a periodic credit cycle. Changes in the short period rate of interest affect the value of long-dated securities to a greater degree than should strictly be the case, with the result that considerable profits can be made by changing from one class to another at the appropriate phases of the credit cycle. Similar periodic changes also take place in the relative values of money on the one hand and of goods and real property on the other, which are reflected in the relative values of bonds and of

shares, representing, as these do, respectively money claims and property, so that here also the same principle of changing from one class to another at appropriate times can be applied." In conclusion, it is pointed out that "the result of accumulated experience on these matters is to make it clear that the course of events is sufficiently regular to enable those who are in close and constant touch with the financial situation in certain instances to anticipate impending changes in the course of the credit cycle." Two other features in the prospectus also call for attention. The directors have power to borrow only up to 20 per cent. of the subscribed capital, and the borrowing powers on debentures are limited to the amount of subscribed capital. It will be interesting to observe if these two provisions are eventually found to be beneficial. The City will watch the progress of this undertaking with lively interest to see what effect this new movement will have on the policy of other trust companies.

Caribonum, Limited.—Authorised capital £150,000, divided into 50,000 6 per cent. cumulative participating preference and 100,000 ordinary shares, all of £1 each. This is an issue of £200,000 6½ per cent. guaranteed 20-year notes at 96. There are no debentures or debenture stock. It is provided that in 1926 and onwards the company shall apply £5,000, or an amount equal to 10 per cent. of the net profits in the preceding year, in redemption by purchase at or below par or by drawings at par any outstanding notes to be redeemed in 1943. The right is reserved of redemption by drawings at 102 per cent. on six months' notice. The additional capital is being raised, among other purposes, for paying off bank and other liabilities incurred in connection with extensions. In a recent valuation assets were returned at £352,067, and a statement of profits shows an increase from £10,158 in 1913 to £38,391 in 1922. But it should be observed that these figures are arrived at before allocation for depreciation. The company undertakes not to charge assets during the currency of the notes except for the purpose of securing loans from bankers "in the ordinary course of business." If this exception is quite appreciated, it will be seen that noteholders are not far removed from the position of open creditors, with the drawback that their date of claim is postponed. The payment of principal and interest is, however, guaranteed by the Lamson Paragon Supply Company, the principal shareholder of Caribonum, Limited. The balance-sheet of the Lamson Paragon Supply as at January 31st last shows, after deducting all liabilities, except reserves of £50,000 and contingent liabilities £45,712, surplus assets amounting to £782,091; this latter company has no debentures outstanding, and it is pointed out that during the past five years it has distributed dividends to its shareholders amounting, before deduction of tax, to £241,897. These are two progressive undertakings, and, subject to industrial risks, we see no reason why the companies should not carry out their obligations.

Kynaston, Limited.—Authorised capital £50,000, divided into 45,000 8 per cent. cumulative participating preference shares of £1 each and 100,000 ordinary shares of 1s each. The company was formed to acquire the business of Doctor Kynaston's, which is described as "proprietors of medical specialities." Profits are estimated at £36,000 per annum. The purchase consideration is given as £11,000, most of which will probably be in shares. Most investors would probably have felt more sanguine about the undertaking as a business proposition if the promoters had been less sanguine over profits.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

		Price	Week	Latest	Price	Week	Latest	Rise or
		£	100	100	£	100	100	Fall
War	4½% 1925-26	85½	85½	85½	104	104	104	—
Loans	4½% 1926-45	85½	85½	85½	104	104	104	—
	4½% 1926-27	85½	85½	85½	104	104	104	—
	4½% 1927-28	85½	85½	85½	104	104	104	—
	4½% 1928-29	85½	85½	85½	104	104	104	—
	4½% 1929-30	85½	85½	85½	104	104	104	—
	4½% 1930-31	85½	85½	85½	104	104	104	—
	4½% 1931-32	85½	85½	85½	104	104	104	—
	4½% 1932-33	85½	85½	85½	104	104	104	—
	4½% 1933-34	85½	85½	85½	104	104	104	—
	4½% 1934-35	85½	85½	85½	104	104	104	—
	4½% 1935-36	85½	85½	85½	104	104	104	—
	4½% 1936-37	85½	85½	85½	104	104	104	—
	4½% 1937-38	85½	85½	85½	104	104	104	—
	4½% 1938-39	85½	85½	85½	104	104	104	—
	4½% 1939-40	85½	85½	85½	104	104	104	—
	4½% 1940-41	85½	85½	85½	104	104	104	—
	4½% 1941-42	85½	85½	85½	104	104	104	—
	4½% 1942-43	85½	85½	85½	104	104	104	—
	4½% 1943-44	85½	85½	85½	104	104	104	—
	4½% 1944-45	85½	85½	85½	104	104	104	—
	4½% 1945-46	85½	85½	85½	104	104	104	—
	4½% 1946-47	85½	85½	85½	104	104	104	—
	4½% 1947-48	85½	85½	85½	104	104	104	—
	4½% 1948-49	85½	85½	85½	104	104	104	—
	4½% 1949-50	85½	85½	85½	104	104	104	—
	4½% 1950-51	85½	85½	85½	104	104	104	—
	4½% 1951-52	85½	85½	85½	104	104	104	—
	4½% 1952-53	85½	85½	85½	104	104	104	—
	4½% 1953-54	85½	85½	85½	104	104	104	—
	4½% 1954-55	85½	85½	85½	104	104	104	—
	4½% 1955-56	85½	85½	85½	104	104	104	—
	4½% 1956-57	85½	85½	85½	104	104	104	—
	4½% 1957-58	85½	85½	85½	104	104	104	—
	4½% 1958-59	85½	85½	85½	104	104	104	—
	4½% 1959-60	85½	85½	85½	104	104	104	—
	4½% 1960-61	85½	85½	85½	104	104	104	—
	4½% 1961-62	85½	85½	85½	104	104	104	—
	4½% 1962-63	85½	85½	85½	104	104	104	—
	4½% 1963-64	85½	85½	85½	104	104	104	—
	4½% 1964-65	85½	85½	85½	104	104	104	—
	4½% 1965-66	85½	85½	85½	104	104	104	—
	4½% 1966-67	85½	85½	85½	104	104	104	—
	4½% 1967-68	85½	85½	85½	104	104	104	—
	4½% 1968-69	85½	85½	85½	104	104	104	—
	4½% 1969-70	85½	85½	85½	104	104	104	—
	4½% 1970-71	85½	85½	85½	104	104	104	—
	4½% 1971-72	85½	85½	85½	104	104	104	—
	4½% 1972-73	85½	85½	85½	104	104	104	—
	4½% 1973-74	85½	85½	85½	104	104	104	—
	4½% 1974-75	85½	85½	85½	104	104	104	—
	4½% 1975-76	85½	85½	85½	104	104	104	—
	4½% 1976-77	85½	85½	85½	104	104	104	—
	4½% 1977-78	85½	85½	85½	104	104	104	—
	4½% 1978-79	85½	85½	85½	104	104	104	—
	4½% 1979-80	85½	85½	85½	104	104	104	—
	4½% 1980-81	85½	85½	85½	104	104	104	—
	4½% 1981-82	85½	85½	85½	104	104	104	—
	4½% 1982-83	85½	85½	85½	104	104	104	—
	4½% 1983-84	85½	85½	85½	104	104	104	—
	4½% 1984-85	85½	85½	85½	104	104	104	—
	4½% 1985-86	85½	85½	85½	104	104	104	—
	4½% 1986-87	85½	85½	85½	104	104	104	—
	4½% 1987-88	85½	85½	85½	104	104	104	—
	4½% 1988-89	85½	85½	85½	104	104	104	—
	4½% 1989-90	85½	85½	85½	104	104	104	—
	4½% 1990-91	85½	85½	85½	104	104	104	—
	4½% 1991-92	85½	85½	85½	104	104	104	—
	4½% 1992-93	85½	85½	85½	104	104	104	—
	4½% 1993-94	85½	85½	85½	104	104	104	—
	4½% 1994-95	85½	85½	85½	104	104	104	—
	4½% 1995-96	85½	85½	85½	104	104	104	—
	4½% 1996-97	85½	85½	85½	104	104	104	—
	4½% 1997-98	85½	85½	85½	104	104	104	—
	4½% 1998-99	85½	85½	85½	104	104	104	—
	4½% 1999-00	85½	85½	85½	104	104	104	—
	4½% 2000-01	85½	85½	85½	104	104	104	—
	4½% 2001-02	85½	85½	85½	104	104	104	—
	4½% 2002-03	85½	85½	85½	104	104	104	—
	4½% 2003-04	85½	85½	85½	104	104	104	—
	4½% 2004-05	85½	85½	85½	104	104	104	—
	4½% 2005-06	85½	85½	85½	104	104	104	—
	4½% 2006-07	85½	85½	85½	104	104	104	—
	4½% 2007-08	85½	85½	85½	104	104	104	—
	4½% 2008-09	85½	85½	85½	104	104	104	—
	4½% 2009-10	85½	85½	85½	104	104	104	—
	4½% 2010-11	85½	85½	85½	104	104	104	—
	4½% 2011-12	85½	85½	85½	104	104	104	—
	4½% 2012-13	85½	85½	85½	104	104	104	—
	4½% 2013-14	85½	85½	85½	104	104	104	—
	4½% 2014-15	85½	85½	85½	104	104	104	—
	4½% 2015-16	85½	85½	85½	104	104	104	—
	4½% 2016-17	85½	85½	85½	104	104	104	—
	4½% 2017-18	85½	85½	85½	104	104	104	—
	4½% 2018-19	85½	85½	85½	104	104	104	—
	4½% 2019-20	85½	85½	85½	104	104	104	—
	4½% 2020-21	85½	85½	85½	104	104	104	—
	4½% 2021-22	85½	85½	85½	104	104	104	—
	4½% 2022-23	85½	85½	85½	104	104	104	—
	4½% 2023-24	85½	85½	85½	104	104	104	—
	4½% 2024-25	85½	85½	85½	104	104	104	—
	4½% 2025-26	85½	85½	85½	104	104	104	—
	4½% 2026-27	85½	85½	85½	104	104	104	—
	4½% 2027-28	85½	85½	85½	104	104	104	—
	4½% 2028-29	85½	85½	85½	104	104	104	—
	4½% 2029-30	85½	85½	85½	104	104	104	—
	4½% 2030-31	85½	85½	85½	104	104	104	—
	4½% 2031-32	85½	85½	85½	104	104	104	—
	4½% 2032-33	85½	85½	85½	104	104	104	—
	4½% 2033-34	85½	85½	85½	104	104	104	—
	4½% 2034-35	85½	85½	85½	104	104	104	—
	4½% 2035-36	85½	85½	85½	104	104	104	—
	4½% 2036-37	85½	85½	85½	104	104	104	—
	4½% 2037-38	85½	85½	85½	104	104	104	—
	4½% 2038-39	85½	85½	85½	104	104	104	—
	4½% 2039-40	85½	85½	85½	104	104	104	—
	4½% 2040-41	85½	85½	85½	104	104	104	—
	4½% 2041-42	85½	85½	85½	104	104	104	—
	4½% 2042-43	85½	85½	85½	104	104	104	—
	4½% 2043-44	85½	85½	85½	104	104	104	—
	4½% 2044-45	85½	85½	85½	104	104	104	—
	4½% 2045-46	85½	85½	85½	104	104	104	—
	4½% 2046-47	85½	85½	85½	104	104	104	—
	4½% 2047-48	85½	85½	85½	104	104	104	—
	4½% 2048-49	85½	85½	85½	104	104	104	—
	4½% 2049-50	85½	85½	85½	104	104	104	—
	4½% 2050-51	85½	85½	85½	104	104	104	—
	4½% 2051-52	85½	85½	85½	104	104	104	—
	4½% 2052-53	85½	85½	85½	104	104	104	—
	4½% 2053-54	85½	85½	85½	104	104	104	—
	4½% 2054-55	85½	85½	85½	104	104	104	—
	4½% 2055-56	85½	85½	85½	104	104	104	—
	4½% 2056-57	85½	85½	85½	104	104	104	—
	4½% 2057-58	85½	85½	85½	104	104	104	—
	4½% 2058-59	85½	85½	85½	104	104	104	—
	4½% 2059-60	85½	85½	85½	104	104	104	—
	4½% 2060-61	85½	85½	85½	104	104	104	—
	4½% 2061-62	85½	85½	85½	104	104	104	—
	4½% 2062-63	85½	85½	85½	104	104	104	—
	4½% 2063-64	85½	85½	85½	104	104	104	—
	4½% 2064-65	85½	85½	85½	104	104	104	—
	4½% 2065-66	85½	85½	85½	104	104	104	—
	4½% 2066-67	85½	85½	85½	104	104	104	—
	4½% 2067-68	85½	85½	85½	104	104	104	—
	4½% 2068-69	85½	85½	85½	104	104	104	—
	4½% 2069-70	85½	85½	85½	104	104	104	—
	4½% 2070-71	85½	85½	85½	104	104	104	—
	4½% 2071-72	85½	85½	85½	104	104	104	—
	4½% 2072-73	85½	85½	85½	104	104	104	—
	4½% 2073-74	85½	85½	85½	104	104	104	—
	4½% 2074-75	85½	85½	85½	104	104	104	—
	4½% 2075-76	85½	85½	85½	104	104	104	—
	4½% 2076-77	85½	85½	85½	104	104	104	—
	4½% 2077-78	85½	85½	85½	104	104	104	—
	4½% 2078-79	85½	85½	85½	104	104	104	—
	4½% 2079-80	85½	85½	85½	104	104	104	—
	4½% 2080-81	85½	85½	85½	104	104	104	—
	4½% 20							

COMPANY MEETINGS, &c.

ALEXANDERS DISCOUNT COMPANY,
LIMITED.

SATISFACTORY RESULTS, DESPITE DIFFICULTIES.

DIVIDEND AND BONUS MAINTAINED.

MONETARY CONDITIONS AND PROSPECTS.

The fifty-sixth ordinary general meeting of shareholders of the above company was held on Wednesday, January 16, 1924, at the office of the company, 24 Lombard street, London, E.C., Mr Colin Frederick Campbell, the chairman of the company, presiding.

The secretary (Mr A. K. Bruce) read the notice convening the meeting and the auditors' report.

TRIBUTE TO THE LATE MR PHILIP ALEXANDER.

The Chairman: I assume you will take the report as read, but before passing to the accounts I wish to refer to the loss the company has sustained since we last met, in the death of Mr Philip Alexander, which took place in March.

Mr. Philip Alexander had been a director since January, 1912, and during the whole of that period he took the greatest interest in the affairs of the company, and was always ready to promote its welfare in every possible way.

To fill the vacancy thus caused on the board, the directors invited Mr Eric Gore Browne, D.S.O., who, we are glad to say, accepted our invitation, and you will presently be asked to confirm the appointment. Mr Gore Browne is a managing partner in the highly-esteemed banking house of Messrs Glyn, Mills and Co., and as a practical banker he will bring increased strength to the board. We consider ourselves fortunate to have secured for the company the benefit of his knowledge and advice.

BALANCE-SHEET ITEMS.

Turning now to the balance-sheet, you will see that the total figures are £22,084,000, compared with £20,739,000 last year and 22,596,000 at the end of 1921, the increase being accounted for as to £510,000 by investments, £20,000 by cash, £321,000 by gross holding of bills, and £490,000 by loans. The latter, which were all against money market securities, were higher than usual, and, being mostly of a temporary nature, have since been largely repaid.

Our net holding of bills at £15,365,000 is smaller than in the last account by £355,000, and the total of commercial bills rediscounted, though still small, has increased to £2,368,000.

Investments, all of which continue to be short-dated, are £510,000 higher than they were a year ago, and now amount to £3,063,000.

PROFIT AND LOSS ACCOUNT.

Coming next to the profit and loss account, the gross profits, including the carry forward, are £403,095, against £459,302 last year. The rebate is maintained at about the same figure, though the net holding of bills is, as I have said, rather less.

Expenses at £40,982 show a reduction of £8,042, and are lower than in any year since 1919, when the business was on a smaller scale. I am sure you will be pleased to hear that we have again recognised the ability and zeal shown by the management and staff by giving them a bonus on their salaries.

THE DIVIDEND.

The dividend that we propose of 15 per cent. is at the same rate as last year, and the bonus of 5s, free of tax, is also the same. The directors think it desirable to adhere to the system of making the return to the shareholders partly by means of a bonus and partly by a dividend, as in a discount business such as ours the profits are bound to fluctuate considerably.

By altering the rate of bonus the directors are able to adjust the total return to the shareholders in accordance with the scale of the profits, without disturbing the dividend. I feel sure the shareholders will be gratified on receiving now the same rate of bonus as in the previous year, seeing that the profits in 1923, as disclosed in the accounts, were less than in 1922.

A further addition of £30,000 is made to the published reserve, which now stands at £430,000, against a paid-up capital of £500,000 ordinary shares, in addition to which there is the preference capital of £100,000.

TRADE IN 1923.

I do not think it necessary to refer to any of the other figures in the accounts, which continue very much as you are accustomed to see them, but you will have observed from the general result that the year 1923 was not as good as the record year of 1922.

A year ago I expressed the hope that we might see a steady improvement in the volume of trade, and at one moment this

seemed probable, but it dwindled again during the summer, and showed no sign of improvement until the late autumn. Then came the news of the General Election, with the result that is well known to you all, so that to-day I cannot say that there is much change for the better, although the reduction of unemployment which is taking place steadily points in that direction.

It is also an encouraging feature to note that throughout the year the proportion of our business concerned with commercial as opposed to Treasury Bills has been slightly higher than it was in 1922.

MONEY MARKET.

Treasury Bills have continued to be our main source of supply, and our bill case to-day largely consists of them. Money has been in moderate supply throughout the year, but the margin between ease and scarcity always seemed to be a small one, and borrowers frequently found themselves temporarily short of funds. The margin between money and bills was rather better than in 1922, the average being 10s 6d, against 6s in that year. I have already drawn your attention to our increased holding of short-dated securities, but we have held them more for the sake of the running profit than for the chance of a rise in capital value, as there has not been at all a brisk demand for these securities such as was experienced in 1921 and 1922, and prices generally may be said to be 1 per cent. lower than they were a year ago. The Bank rate was altered once during the year in July, when the rate was raised from 3 per cent. to 4 per cent., and the average rate for three months, Bank bills was £2 13s per cent., against £2 12s per cent. in the previous year. The figures of the deposits of the clearing banks have continued to shrink; those for November, 1923 (the last available) being £1,670 millions against £1,728 millions for December, 1922, and £1,863 millions for December, 1921.

As a matter of fact the lowest point touched was £1,639 millions in March, so that there has been a small rise during the second half of last year. The contraction on the year accounts for the shortage of money experienced by the discount market to which I have already alluded. On the other hand, the total acceptances of clearing banks have increased during the year from £73 millions to £87 millions, which corresponds with our own experience of a small increase in the supply of commercial bills, and leads one to hope that the lowest point in the depression of trade has been passed.

Taking everything into consideration, I think we are fortunate in having got through a difficult year as well as we have done, and the result is a further testimony to the careful and skilful policy pursued by our manager and those associated with him in the management.

THE FUTURE.

What the future has in store for us I will not attempt to anticipate except that I have every confidence that the common sense of our countrymen will bring us safely through the uncertainties of the immediate future. What concerns us more particularly is that the great position now held by the City of London in all matters relating to banking and finance in the eyes of the world in general should continue unimpaired, and as it is to the Bank of England that we look as the mainspring of the whole finance of the Empire, our duty will be to render such support as we are able to give to the policy outlined from time to time by the Governor of the Bank. If his policy is adequately supported we need not be unduly alarmed, and I see no reason for thinking that in the event of a Labour Party forming a Government it will take any drastic action in finance without first taking counsel in the City from those best qualified to speak.

INVESTORS AND THE DOLLAR EXCHANGE.

It has been regrettable to see the weakness lately of the dollar exchange, due in some measure to nervous investors trying to get their capital out of this country. Not only is such action, in my opinion, rather unpatriotic, but it is also likely to result in ultimate loss to such investors, and to prove futile so long as they retain British domicile.

As regards our own business, if we continue to exercise the care with which it has been managed in the past, I have no fear

that the shareholders will be disappointed with the ultimate results.

I now beg to propose:—

“That the report and accounts be received, adopted, and entered on the minutes, and that dividends for the half-year ended December 31st last be declared at the rate of 6 per cent. per annum on the £100,000 preference capital, and at the rate of 15 per cent. per annum on the £500,000 ordinary capital, both less income-tax, and a bonus of 5s per share on the ordinary shares, free of tax, payable on and after the 17th instant, and that the balance of £32,496 8s 8d be carried forward to next account.”

Sir Austin E. Harris, K.B.E.: I will second that.

The Chairman: If there are no questions, I will put the resolution.

The resolution was put and carried unanimously.

The Chairman: The next resolution is for the election of directors. I beg to move that Sir Austin Edward Harris, K.B.E., be re-elected a director of the company.

Mr R. Ernest Alexander: I will second that.

The resolution was carried unanimously.

The Chairman: I beg to move that the appointment of Mr Eric Gore Browne, D.S.O., as a director of the company be confirmed.

Mr. George C. Alexander: I second that.

The resolution was carried unanimously.

The Chairman: The next resolution comes from the body of the hall.

Mr E. B. Baggallay: I beg to move that Messrs Price, Waterhouse, and Company be re-elected auditors of the company for the ensuing year at the same remuneration as before.

Mr L. J. Moser: I have much pleasure in seconding that.

The resolution was carried unanimously.

The Chairman: That, ladies and gentlemen, completes the business of our meeting to-day.

VOTE OF THANKS TO CHAIRMAN AND BOARD.

Mr John Cross: I should like, Mr Chairman, to move a vote of thanks to you for presiding, and to the board for their services during the past year. It seems to me that the accounts show that the business has been carried on with great care and success, and we are very much indebted to you, gentlemen, and also to the staff for their services.

Mr L. J. Moser: I beg to second that.

The Chairman: On behalf of the directors and myself, and also of the management and staff, I thank you for your kind expressions of approval.

The proceedings then terminated.

BANK OF NEW SOUTH WALES.

BANK'S STEADY PROGRESS—QUESTION OF EXCHANGE.

At the half-yearly meeting of the Bank of New South Wales, held at the Chief Banking House, Sydney, on Friday, November 30, 1923, the Chairman, Mr Thomas Buckland, President of the Bank, in moving the adoption of the report, said:—

Gentlemen, before moving the adoption of the report and balance-sheet, I will compare the figures with those of twelve months ago.

LIABILITIES.

Note circulation in New Zealand is £66,000 higher, and reflects increased accommodation to customers.

Deposits are more by £2,568,000. Part of this is due to payment to customers of their holdings in the Commonwealth Loan due in September last, but the major part is the usual increase looked

for in our business. Deposits bearing interest have been more than maintained.

Bills payable and other items are £500,000 more than last year. Our outstanding drawings on London are £400,000 more, and are an indication that the import business is more active.

Capital and reserve fund stand at £9,800,000, or £336,000 more than before.

ASSETS.

On the assets side you will notice that we have, by a reduction of £3,818,000, brought our London balance to normal figures and increased our cash balance here by £2453,000 in anticipation of an active wool and wheat season. Meantime, our advances to customers have been increased by £4,500,000. The severe drought in Queensland and in the northern parts of New South Wales, and the impossibility to realise on stock, accounts for some part of the increase; the balance is well spread in every State, and also in New Zealand, financing industrial and trading concerns and grazing and farming interests, and with the realisation of our products there should be a reduction in our advances and the usual increase in London funds. You will notice a new item under advances termed “Sugar Advances” £85,000. This is in connection with the sugar pool guaranteed by the Queensland Government, and represents our quota of the pool, but the handling and financing of the crop, valued at over £7,000,000, devolves chiefly upon our constituents, the Colonial Sugar Refining Company, Limited. Bills receivable, which are bracketed with advances, have increased £500,000, which, with the increase in bills payable, is further proof of increased imports.

Premises, after being for many years stationary, have increased £50,000. During the year we have purchased valuable city and suburban properties in Sydney and Melbourne, and have erected new buildings thereon.

Our total figures have increased in the year by £3,500,000, and indicate the steady progress of our institution.

EXCHANGE QUESTION.

The exchange question continues to be abnormal, and to cause us some concern. Money, being the foundation of modern economic civilisation, and exchange rates playing, as they do, such an important part on the movement of commodities, they must be of great interest to the community, but the matter has become so complex that it would be a futile endeavour on my part, or indeed upon the part of the most astute financial authority, to attempt to forecast its operations even in the immediate future. Before the war currencies were based upon a general standard, that is to say, the rates of exchange obtaining between the different countries of the world were more or less stable, the comparatively small variations being governed chiefly by exports and imports, say seasonal requirements, but now political influences have such a very material bearing upon the matter.

Speaking more directly for Australia, I would mention that when currency was on a gold basis and the banks in Australia issued their own notes, the moving of the crops gave us little concern, but with an inconvertible note issue at both ends the adjustment by the Australian banks of surplus balances in London has been very difficult and costly for the last few years, and I feel that some scheme whereby value might be received in London and an equivalent amount in notes issued to the banks in Australia, to relieve such temporary stress, or *vice versa* should the balance veer round the other way, is a matter which should receive the most serious consideration of our note board. Without some such relief and the impossibility of making gold shipments to adjust balances, the rates of exchange between Australia and London cannot be expected to be on the same plane as when currency was on a gold basis.

THE ANGLO-SOUTH AMERICAN BANK,
LIMITED.

Capital and Reserves exceed £13,000,000

OFFICES IN ARGENTINA, CHILE, URUGUAY, PERU, MEXICO AND SPAIN.

Represented in U.S.A. by the
ANGLO-SOUTH AMERICAN TRUST COMPANY, NEW YORK,
(Incorporated under the laws of the State of New York);
and in FRANCE by the

BANQUE ANGLO-SUD AMERICAINE, Société Anonyme, PARIS.

Head Office:—62, OLD BROAD STREET, LONDON, E.C.2



AFFILIATED INSTITUTIONS:

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

CONDITIONS IN QUEENSLAND.

Our reports from the several Australian States and New Zealand may be regarded as reasonably normal:—

Queensland is our least favoured State at the present time; the drought in the north and other parts continues with most discouraging results. For some years beef has been a drug on the overseas markets, and prices consequently very low, which was bad enough in itself, but the added disability of droughty conditions makes the position of the cattle man a very unenviable one, and those associated with him cannot, of course, entirely escape his troubles. The drought also seriously affected the cotton production, which is greatly to be regretted, as cotton growing in its present vigorous form may be regarded as a new industry, and likely to perform a prominent part in the progress of the State. The other two great products, viz., wool and sugar, are fairly good.

VICTORIA, SOUTH AUSTRALIA, AND WEST AUSTRALIA.

In Victoria, South Australia, and West Australia both agriculture and grazing may be regarded as good; in fact, the reports from the two latter States are very good indeed. In New Zealand they have had an abnormal amount of rain and floods, which have caused some losses to agriculturists and pastoralists, but not sufficient to make much material difference to the State, which may be regarded as in a prosperous and satisfactory condition, and, furthermore, there is evidence of the New Zealand Government wrestling with and improving the country's financial position.

The northern areas of New South Wales are suffering a good deal from the want of rain, but conditions in the southern division are good throughout. Business in the city and suburbs may be spoken of as fairly good, but it is not so good as it has been in the past, and I feel justified in saying that, while the present outlook cannot be regarded as altogether gloomy, it is hardly as buoyant as it was when I had the pleasure of addressing you six months ago. At that time most of the Government and industrial stocks were greatly in demand at increasing prices. To-day there is a different atmosphere in the money market, whether from the failure of the Federal Conversion Loan, or because all the States are competing one against the other for all the money they can get at ever increasing cost, is hard to say, but the fact remains that the market has lost its buoyancy, and it is difficult to see how this is to be regained and proper confidence restored, until such time as there is evidence of genuine endeavour on the part of our governing bodies to act within their incomes, to endeavour to lessen their obligations instead of ever and always increasing them.

NECESSITY FOR GOVERNMENT AND MUNICIPAL ECONOMY.

The fate of this magnificent Continent of Australia rests more upon the realisation of this fact and genuine effort to arrest the waste than perhaps anything else. Our burden of taxation is already making its weight very pronounced, and operating adversely to enterprise. If Members of our Parliament, and councillors of our municipalities do not understand, or cannot be made to realise the seriousness of this position, but continue to borrow and spend the public money with supreme disregard for the ever-increasing taxation, I wonder what our taxes will amount to in a few years' time, and what will be the fate of this otherwise incomparable country. No estate, or firm, or company can carry on for long if the trustees thereof are without some intelligent comprehension of right and wrong in the matter of expenditure, and what applies to them applies also to a country, although the result may be a little longer delayed.

You will recollect that at our half-yearly meeting of May 30, 1922, a recommendation of your board of directors to apply to Parliament for an additional Act, giving the bank extended powers, was carried unanimously. I have to report, gentlemen, that this new Act has passed both Houses of Parliament, and became law on October 4th last. We are now at work on our deed of settlement, to bring it into harmony with the new Act, and when this is accomplished, a special general meeting of the proprietors will be called to consider the proposed alterations.

I have to advise that the seat on our board until recently occupied by Sir Charles Mackellar having become vacant, the office has been temporarily filled by Mr James Burns on the invitation of the directors, and you will be asked later on to-day to confirm their action by duly electing Mr Burns.

GREAT INDIAN PENINSULA RAILWAY COMPANY.

CHAIRMAN OPTIMISTIC OF THE FUTURE.

The 148th half-yearly general meeting of the Great Indian Peninsula Railway Company was held, on the 18th instant, at the offices, 48, Copthall Avenue, London.

Sir Charles H. Armstrong, the chairman, in moving the adoption of the report and accounts, said that the gross receipts for the half-year were 64 crores of rupees, or 50½ lacs less than in the

corresponding period of the previous year. The expenditure, on the other hand, was only 4.68 crores, against 5.72 crores in the corresponding six months, a difference of 104 lacs, which increased the net revenue for the half-year by 53½ lacs, an excess of 51.39 per cent. on the corresponding figure for 1922-23. The final result was a deficit of 37.95 lacs, against 84.02 lacs in the corresponding period of the previous year, an improvement of 46.06 lacs. The first six months of the year nearly always showed a deficit, but that as a rule was wiped out in the succeeding six months. He hoped that might be the case during the current year. The last monsoon, generally speaking, was a good one all over India, and in the district served by the railway good crops were now being reached.

The cotton crop, in some parts of the country, was a full one, and, he hoped, would keep the railway busily employed for some time. As other crops were also likely to give a good yield, their rolling stock ought to be fully employed for six months or more, and, at the higher rates of freight now charged, the financial result ought to be satisfactory.

Gross receipts to date, compared with the same period of last year, were, however, over 50 lacs in defect, but the position during the last few weeks had shown signs of improvement, and before March 31st he hoped this deficiency in gross earnings would have been largely reduced. Everything, excepting, perhaps, political conditions, favoured an expanding trade in India.

Passenger traffic for the half-year was less by 1½ millions, and coaching receipts by 4.43 per cent. Receipts from goods had also fallen by 9.48 per cent., but in both respects there were signs of improvement. The electrification of the Harbour branch was proceeding, and the electrification of the main line to Kalyan was also being dealt with, and that work, when completed, would greatly facilitate the movement of suburban traffic. The new transportation department was working satisfactorily, and many economies had resulted. He hoped to be able to announce shortly the completion of the through connection from Itarsi to Nagpur. With decreased working expenses—and a great improvement had been made lately in that direction—the prospects of the line were by no means favourable. The half-yearly guaranteed interest of 1½ per cent. had been paid as usual on December 31st.

The report and accounts were unanimously adopted.

RIO DE JANEIRO FLOUR MILLS AND GRANARIES, LIMITED.

IMPROVED POSITION OF BRAZIL.

The thirty-eighth ordinary general meeting of the Rio de Janeiro Flour Mills and Granaries, Limited, was held, on the 15th instant, at the Institute of Chartered Accountants, London.

Mr Richard Foster, who presided and moved the adoption of the report and accounts, said that the profit from the flour mill was some £23,000 less, due to increased competition, while the cotton mill profit was practically the same as in the previous year. It was proposed to distribute the usual 9d per share final dividend and a bonus of 1s per share, both free of income-tax, carrying forward £75,675, or £15,000 more than a year ago. Considering all things, the work of the past year had been satisfactory. He had inspected all the branches of the company's organisation, both in Brazil and in the River Plate, and was more than satisfied with the result. With regard to the present outlook, they were not in for easy times, but he felt that the company was, as far as was humanly possible, in a good position to face the future. He could not help feeling that Brazil had rounded the corner. The Government was certainly trying its hardest to economise, and by its request to the British Government to appoint a Commission to report on the situation in Brazil, clearly showed its desire to straighten things out. During the last ten years the country had made vast strides, and personally he would like to see a new loan granted by this country, against very tangible security, to relieve the pressure of the debt service and to enable Brazil to pay off some of the short-dated loans granted to her by the United States of America, which, owing to the high rate of interest and amortisation, were very costly to her.

Mr S. C. Sheppard (managing director) seconded the motion. He remarked, with regard to the company's wheat supplies, that they had been able to obtain all their requirements during the past season from the Argentine Republic, though, in order to do this, they had had to look ahead somewhat and to provide for their wheat in advance. So far as the new season was concerned—from January 1st this year—the latest estimates received from Buenos Aires pointed to an available export surplus of fully 4,500,000 tons, so that the company might again hope to be well served from that quarter during the present financial year. The following gratifying telegram had just been received from Rio:—"Business continues good. Factories working full time. Cotton mill extension completed. General conditions here vastly improved and confidence more general."

The motion was carried unanimously.

GOVERNMENT RETURNS, &c.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills dated from Jan. 21-Jan. 26 were opened on Jan. 18, 1924, and the total amount applied for was £48,420,000. For bills at three months, dated Monday at £99 2s 11d and above in full, and Tuesday to Saturday at £99 3s 1d, about 68 per cent., above in full. The amounts allotted were as follows:—In bills at 3 months, £35,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
Dec. 7, 1923.	45,000,000	59,635,000	3 4 3-53	94 10 0
Dec. 14, 1923.	35,000,000	52,925,000	3 3 4-52	94 10 0
Dec. 21, 1923.	45,000,000	46,220,000	3 6 11-33	94 10 0
Dec. 28, 1923.	45,000,000	73,030,000	3 4 3	nil
Jan. 4, 1924.	35,000,000	52,950,000	3 0 11-61	nil
Jan. 11, 1924.	35,000,000	55,765,000	3 4 9-62	nil
Jan. 18, 1924.	35,000,000	48,420,000	3 7 3-72	nil

Tenders will be received on Jan. 25, 1924, for Treasury Bonds and Bills to be issued to the maximum amount of £30,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from	Receipts.	Week Ended Jan. 12, 1924.	Week Ended Jan. 13, 1923.
	£	£	£	£	£
Balances in Exchequer on 1st April 1923.	..	5,442,665	9,963,424	..	..
Bank of England....	..	1,375,502	1,210,106	..	..
Bank of Ireland....	..	6,818,167	11,173,530	..	..
REVENUE.					
Customs.....	116,900,000	97,202,000	99,704,000	921,000	1,924,000
Excise.....	143,850,000	114,870,000	123,647,000	2,742,000	1,345,000
Motor Vehicle Duties ..	13,250,000	8,061,000	6,368,000	2,900,000	2,800,000
Stamps, &c., Duties ..	52,000,000	42,830,000	45,611,000	710,000	560,000
Stamps.....	30,000,000	15,200,000	15,332,000	150,000	390,000
Land Tax, House Duty & Mineral Rights Duty	3,000,000	750,000	880,000	170,000	180,000
Property & Income Tax	261,000,000	145,734,000	145,734,000	6,088,000	11,362,000
Super-Tax.....	58,000,000	31,350,000	205,922,000	2,650,000	..
Excise Profits Duties, &c.	12,000,000	..	954,000	..	..
Corporation Profits Tax	20,000,000	16,770,000	14,087,000	410,000	310,000
Post Office.....	52,600,000	40,100,000	41,200,000	1,250,000	800,000
Crown Lands.....	900,000	780,000	710,000	..	..
Interest on Sundry Loans.....	12,500,000	12,131,223	9,537,680	183,931	108,387
Miscellaneous.					
Ordinary Receipts....	12,500,000	10,150,789	19,164,947	335,614	450,010
Special Receipts....	40,000,000	31,232,365	37,919,339	1,400,000	558,916
Revenue.....	818,500,000	567,061,377	621,386,966	19,910,545	20,188,313
Total, Inc. Balance ..	..	573,879,544	632,560,496	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion.....	..	65,000	800,000	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	73,782	169,818	..	..
Under the Unemployment Insurance Act, 1921.....	..	5,000,000	2,910,000	70,000	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1921 and 1922.....	..	5,520,000	5,310,000	..	..
Under the Post Office (London) Railway Act, 1913.....	..	10,500	..	..	..
Under the Housing Act, 1914.....	..	12,000	27,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922.....	..	..	950,000	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	..	1,553,300	..	..
By Exchequer Bonds under the Cunard Agreement (Money) Act, 1904.....	..	520,000	..	..	..
(b) Under the Unemployment Insurance Act, 1921.....	..	820,000	4,050,000	..	..
(c) For other Issues:—					
By Treasury Bills.....	..	1,980,160,000	2,334,711,000	46,553,000	57,107,000
By National Savings Certificates By Exchequer and National War Bonds.....	..	39,450,000	49,808,000	600,000	1,100,000
By Treasury Bonds.....	..	..	20	..	..
5½% 1925-35.....	..	..	61,655,154	..	..
5% 1927.....	..	..	71,403,485	..	495,950
4½% 1932.....	..	32,657,952	..	..	..
4½% 1931-33.....	..	..	..	..	..
By Other Debt created under the War Loan Act, 1914 to 1919.....	..	..	25,259	..	..
(d) Ways and Means Advances.....	..	751,615,500	771,075,500	8,950,000	10,300,000
Anglo-Persian Oil Company—Dividends on Shares acquired.....	..	50,081	243,012	..	..
Repayments:—					
In respect of Cunard Loan.....	..	130,000	132,000	..	..
Do Issues under Land Settlement (Facilities) Act, 1919 and 1921.....	..	228,373	273,914	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920.....	..	..	6,827,960	..	..
Interest received under Section 89 (5) of the Finance Act, 1920.....	..	..	162,425	..	..
Total.....	..	3,390,193,738	3,944,846,343	76,083,546	89,191,263

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1923-24. (including Supplementary Grants.)	Total Issues out of the Exchequer to meet Payments from	Week Ended Jan. 12, 1924.	Week Ended Jan. 13, 1923.
	£	£	£	£
EXPENDITURE.				
National Debt Services—				
Interest, &c.....	310,000,000	274,420,390	283,458,013	759,059
Sinking Fund.....	40,000,000	32,426,326	500,000	..
Road Fund.....	12,650,000	3,869,044	3,049,999	..
Payments to Local Taxation Accounts, &c.....	10,348,000	8,791,777	6,125,518	490,000
Payments to Northern Ireland Exchequer.....	3,000,000	3,001,087	1,548,995	..
Land Settlement.....	1,500,000	490,318	821,998	36,969
Other Consolidated Fund Services.....	2,972,000	2,558,031	2,256,621	223,543
Supply Services.....	440,565,000	289,121,467	312,156,352	7,581,555
Expenditure.....	821,035,000	614,681,440	609,417,496	9,591,126
OTHER ISSUES.				
Temporary Advances—				
Bullion.....	..	5,000	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	73,782	169,818	..
Under the Unemployment Insurance Act, 1921.....	..	820,000	4,960,000	..
Issues to Meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1921 and 1922.....	..	5,770,000	5,310,000	250,000
Under the Post Office (London) Railway Act, 1913.....	..	10,500	..	..
Under the Housing Act, 1914.....	..	12,000	27,000	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922.....	..	..	950,000	..
Under Capital Expenditure (Money) Act, 1904.....	..	..	1,553,300	..
Under Cunard Agreement (Money) Act, 1904—Exchequer Bonds paid off.....	..	520,000	..	..
Unemployment Insurance Act, 1921—Repayment of amounts borrowed..	..	4,870,000	2,110,000	..
Redemption of Debt—				
Treasury Bills.....	..	1,949,130,000	2,507,349,000	47,605,000
Principal of National Savings Certificates.....	..	26,400,000	20,750,000	550,000
Principal of Exchequer Bonds paid off.....	..	..	19,612,208	..
Principal of National War Bonds paid off.....	..	32,222,296	44,684,182	..
Other Debt under the War Loan Act, 1914 to 1919.....	..	7,463,440	15,825,526	..
Ways and Means Advances Repaid	..	744,908,500	702,865,500	17,850,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners.....	..	50,081	243,012	..
Issues to National Debt Commissioners to Reduce Debt—				
Cunard Loan Repayments.....	..	130,000	130,000	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4).....	..	..	5,000,000	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911.....	..	55,214	88,065	..
Balances in Exchequer—	..	3,387,122,253	3,941,045,107	75,846,126
Bank of England.....	..	2,097,994	1,794,119	132,760
Bank of Ireland.....	..	1,062,221	1,513,242	193,959
Total.....	..	3,071,479	3,601,336	237,419

NOTE.—Budget Estimate as in H.C. No. 61 of 1923.

Treasury, January 14, 1924.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1924.	Mar. 31, 1924.	Dec. 31, 1923.	Mar. 31, 1923.	Mar. 31, 1922.	Mar. 31, 1921.	Mar. 31, 1920.	Mar. 31, 1919.	Mar. 31, 1918.	Mar. 31, 1917.	Mar. 31, 1916.	Mar. 31, 1915.	Mar. 31, 1914.	Mar. 31, 1913.	Mar. 31, 1912.	Mar. 31, 1911.	Mar. 31, 1910.	Mar. 31, 1909.	Mar. 31, 1908.	Mar. 31, 1907.	Mar. 31, 1906.	Mar. 31, 1905.	Mar. 31, 1904.	Mar. 31, 1903.	Mar. 31, 1902.	Mar. 31, 1901.	Mar. 31, 1900.	Mar. 31, 1899.	Mar. 31, 1898.	Mar. 31, 1897.	Mar. 31, 1896.	Mar. 31, 1895.	Mar. 31, 1894.	Mar. 31, 1893.	Mar. 31, 1892.	Mar. 31, 1891.	Mar. 31, 1890.	Mar. 31, 1889.	Mar. 31, 1888.	Mar. 31, 1887.	Mar. 31, 1886.	Mar. 31, 1885.	Mar. 31, 1884.	Mar. 31, 1883.	Mar. 31, 1882.	Mar. 31, 1881.	Mar. 31, 1880.	Mar. 31, 1879.	Mar. 31, 1878.	Mar. 31, 1877.	Mar. 31, 1876.	Mar. 31, 1875.	Mar. 31, 1874.	Mar. 31, 1873.	Mar. 31, 1872.	Mar. 31, 1871.	Mar. 31, 1870.	Mar. 31, 1869.	Mar. 31, 1868.	Mar. 31, 1867.	Mar. 31, 1866.	Mar. 31, 1865.	Mar. 31, 1864.	Mar. 31, 1863.	Mar. 31, 1862.	Mar. 31, 1861.	Mar. 31, 1860.	Mar. 31, 1859.	Mar. 31, 1858.	Mar. 31, 1857.	Mar. 31, 1856.	Mar. 31, 1855.	Mar. 31, 1854.	Mar. 31, 1853.	Mar. 31, 1852.	Mar. 31, 1851.	Mar. 31, 1850.	Mar. 31, 1849.	Mar. 31, 1848.	Mar. 31, 1847.	Mar. 31, 1846.	Mar. 31, 1845.	Mar. 31, 1844.	Mar. 31, 1843.	Mar. 31, 1842.	Mar. 31, 1841.	Mar. 31, 1840.	Mar. 31,
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CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Redemption Account.					
			Silver Coin.	Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance of Bank of England.
Mar. 29, 1923.	300,351	14,255	5,000	28,500	19,450	15.9	261,479	177
June 28, 1923.	295,374	13,338	5,000	28,500	19,650	16.3	264,312	250
Sept. 27, 1923.	289,127	12,648	7,000	27,000	21,150	16.6	246,456	169
Dec. 27, 1923.	301,337	12,872	7,000	27,000	21,150	15.9	258,922	137
Mar. 28, 1924.	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190
June 27, 1924.	286,503	12,516	7,000	27,000	22,450	17.3	242,446	123
Sept. 27, 1924.	282,784	12,401	7,000	27,000	22,450	17.5	238,595	140
Dec. 26, 1924.	299,070	12,571	7,000	27,000	22,450	16.5	255,032	159
Jan. 9, 1924.	287,780	12,520	7,000	27,000	22,450	17.2	243,683	167
Jan. 16, 1924.	281,987	12,270	7,000	27,000	22,450	17.5	237,699	118

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £30,600,000, for 1921 at £31,755,200, for 1922 at £30,988,400, for 1923 at £27,018,900, and for 1924 at £24,819,900.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.
CENTENARY YEAR, 1924.
ASSETS EXCEEDED £12,700,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, January 16, 1924.

ISSUE DEPARTMENT.

£	£
Notes issued	146,000,895
Government debt	11,015,100
Other securities	8,734,900
Gold coin and bullion	126,250,895
146,000,895	146,000,895

BANKING DEPARTMENT.

£	£
Proprietors' capital ..	14,553,000
Reserve	3,444,903
Public deposits	13,944,801
Other deposits	109,294,769
Seven-day & other bills ..	6,982
141,244,455	141,244,455

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

	Amount, Jan. 16, 1924.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Reserve	3,444,903	+ 56,835	- 20,879
Public deposits	13,944,801	+ 2,171,925	+ 3,536,675
Other deposits	109,294,769	+ 8,866,947	+ 24,307,214
Government securities ..	48,942,032	+ 1,630,000	+ 23,167,779
Other securities	69,639,112	+ 7,401,452	+ 4,406,811
Notes	139,444,801	+ 1,131,482	+ 2,041,896
Gold and silver coin ..	126,250,895	+ 1,118,270	+ 3,291,795
Coin and bullion	126,250,895	+ 1,118,270	+ 3,291,795
% of reserve to liabilities ..	18.4%	+ 1.4%	+ 1.4%

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
Nov. 28, 1923.	127,768,737	125,015,660	120,898,760	116,170,119	22,503,077	14%
Dec. 5, 1923.	127,873,230	126,111,790	127,810,819	124,085,661	21,511,440	14%
12, 1923.	128,019,260	126,270,325	128,462,305	124,793,017	21,498,935	16%
19, 1923.	128,023,083	128,185,170	128,066,403	123,388,632	19,587,813	15%
26, 1923.	128,019,382	128,142,780	128,462,063	130,677,493	19,636,602	14%
Jan. 2, 1924.	128,058,002	127,520,765	163,627,890	161,228,182	20,287,237	12%
9, 1924.	128,058,044	126,276,215	127,834,592	124,352,596	21,531,829	16%
16, 1924.	128,071,256	126,157,945	123,339,570	118,581,144	22,663,311	18%

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1923.				
January 1 to December 12 ..	30,678,925	1,472,334	2,692,215	34,843,474
December 19	627,534	31,943	57,229	716,706
26	413,596	22,515	35,428	471,539
31	549,588	20,673	35,792	606,043
1924.				
January 1 to January 9	240,311	11,787	18,881	270,969
January 9	650,485	35,557	67,024	753,066
16	678,374	31,642	57,144	767,160
Total to date 1924	1,569,170	78,966	143,049	1,791,185
Do 1923	1,586,877	85,184	152,016	1,824,077
Increase or decrease in 1924 ..	- 17,707	- 6,218	- 8,967	- 32,892
%	- 1.1%	- 7.2%	- 5.8%	- 1.8%
Total for year 1923	32,870,373	1,546,565	2,810,654	36,227,592
Total for year 1924	32,700,636	1,574,661	2,806,165	36,161,461
Increase or decrease in 1923 ..	- 69,737	- 31,899	- 4,489	- 106,125
%	- 0.2%	- 2.1%	- 0.2%	- 0.3%

PROVINCIAL CLEARING RETURNS.

	1923.	1924.	Inc. or Dec.
Aggregate Totals to January 12.			
BIRMINGHAM	5,531,800	5,606,600	+ 74,800
BRISTOL	2,581,000	2,389,000	- 192,000
DUBLIN	12,365,900	12,048,000	- 317,900
HULL	2,344,300	2,069,200	- 275,100
LEEDS	2,190,200	2,660,700	+ 470,500
LEICESTER	1,933,900	1,876,300	- 57,600
LIVERPOOL (week ended January 5) ..	9,038,500	10,038,800	+ 970,300
MANCHESTER	29,981,800	26,864,700	- 3,117,100
NEWCASTLE-ON-TYNE	3,218,500	3,840,800	+ 622,300
NOTTINGHAM	1,567,800	1,440,300	- 127,500
SHEFFIELD	2,347,200	2,249,500	- 97,700

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Banks of Canada and Bulgaria appeared in the Economist of November 24; Portugal in December 8; Esthonia in December 22; Poland in January 5; India, Switzerland, Denmark, Finland, Roumania, and Italy in January 12.

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

	Jan. 11, 1924.	Jan. 4, 1924.	Dec. 28, 1923.	Dec. 21, 1923.
RESOURCES.				
Total gold reserve	3,130,540	3,083,890	3,070,930	3,062,711
Legal tender notes and silver reserve ..	106,370	87,980	66,590	124,510
Bills discounted for member banks	606,920	797,880	857,150	512,050
Bills bought in open market	319,170	347,190	336,420	225,760
Government obligations owned	100,360	126,650	104,160	508,180
All other resources	69,610	69,860	72,820	61,330
LIABILITIES.				
Government deposits	19,340	56,700	42,810	2,013,680
Other deposits	1,964,410	1,994,100	1,995,060	2,312,670
Federal Reserve Notes in actual circulation ..	2,147,060	2,246,230	2,340,380	2,312,670
F.R.B. Notes in actual circulation	12,650	470	470	2,870
All other liabilities	12,650	12,170	26,700	10,340
Capital and surplus	331,420	331,400	328,470	325,830
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined ..	78.4%	73.8%	73.3%	73.6%

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

	Dec. 22, 1923.	Dec. 15, 1923.	Dec. 8, 1923.	Dec. 1, 1923.	Dec. 23, 1923.
ASSETS.					
Gold coin and bullion	549	549	549	534	534
Gold certificates	10,102	10,102	10,102	10,102	10,052
Subsidiary coin	125	125	125	125	125
Bills discounted	5,591	5,195	5,267	5,216	2,602
Government advances to the ..	900	750	750	750	1,300
Investments	17	17	17	17	..
LIABILITIES.					
Capital	1,000	1,000	1,000	1,000	1,000
Reserve	40	40	40	40	2
Notes in circulation	10,916	10,572	10,622	10,741	9,706
Bankers' deposits	4,850	5,072	5,093	4,910	5,223
Notes and cash reserves to ..	68.3%	68.4%	68.5%	68.7%	71.5%

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

	Dec. 8, 1923.	Dec. 1, 1923.	Nov. 24, 1923.	Nov. 17, 1923.	Dec. 9, 1923.	Position May 22, 1924.
ASSETS.						
Cash and bullion	1,125,454	1,125,454	1,125,454	1,125,454	1,125,454	221,330
Discounts	428,916	470,399	463,800	396,411	20,980	41,740
Advances	205,843	266,663	266,663	230,036	216,241	70,540
LIABILITIES.						
Notes	1,307,908	1,419,873	1,308,159	1,269,450	1,137,402	362,270
Govt. deposits	971,062	938,311	969,006	966,319	802,066	87,340
Other deposits	115,607	60,946	62,114	62,709	67,346	11,440

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

	Jan. 17, 1924.	Jan. 9, 1924.	Jan. 2, 1924.	Jan. 18, 1923.	Position May 22, 1924.
ASSETS.					
Gold coin and bullion	5,540,758	5,540,596	5,540,493	5,535,180	5,730,626
Of which held abroad	1,864,321	1,864,321	1,864,321	1,864,321	1,864,321
Silver coin and bullion	5,936,945	5,936,945	5,936,945	5,936,945	5,936,945
Discounts and advances	6,083,733	6,083,733	6,083,733	6,083,733	6,083,733
Advances to the State	22,800,000	22,800,000	22,800,000	22,800,000	22,800,000
LIABILITIES.					
Notes	38,678,314	39,172,767	39,114,032	37,081,400	5,111,978
Government deposits	20,384	16,915	16,219	33,856	183,700
Other deposits	2,568,987	2,568,987	2,568,987	2,568,987	2,568,987

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

	Jan. 10, 1924.	Jan. 3, 1924.	Dec. 27, 1923.	Dec. 20, 1923.	Jan. 11, 1923.	Position May 22, 1924.
ASSETS.						
Coin (gold & silver and bullion)	366,629	363,060	363,592	360,468	343,898	388,650
Securities	1,280,265	1,395,857	1,210,341	1,168,613	643,643	897,600
LIABILITIES.						
Notes in circulation	7,461,013	7,460,371	7,454,431	7,261,707	6,778,856	934,180
Current accounts	387,118	426,397	426,396	438,757	318,394	118,186

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

	Dec. 15, 1923.	Dec. 7, 1923.	Dec. 15, 1922.	Position May 30, 1924.
ASSETS.				
Gold and bullion	1,423	1,436	1,436	1,635
Treasury notes	7,073,336,992,608	9,474,187,991,605	10,053,2	943
Renten bank notes	187,994,339,000,000	101,165,841,000,000	..	..
Bills of exchange and ..	371,315,591,097,015	394,216,363,648,990	1,358,237	61
Discounts and Treasury ..	21,872,581,984,452	59,728,659,691,572	..	..
LIABILITIES.				
Notes in circulation	414,170,758,033,297	390,017,401,686,551	970,302	2,014
Deposits	366,652,228,874,806	296,146,060,196,182	334,981	842

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

	Jan. 7, 1924.	Dec. 31, 1923.	Dec. 22, 1923.	Dec. 15, 1922.	Position May 31, 1924.
ASSETS.					
Coin and bullion—Gold	147,384	147,384	147,384	147,384	147,384
Reserve bank and foreign ..	14,643	16,737	16,988	41,128	26,533
Notes and Foreign Govern- ..	8,040	9,052	9,052	9,415	8,218
Discounts and loans	460,622	479,965	452,996	480,159	78,911
LIABILITIES.					
Notes in circulation	379,355	396,857	407,163	361,023	113,494
Deposits at notice	109,797	114,171	76,491	153,415	7,128

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

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

	Jan. 14, 1924.	Jan. 7, 1924.	Dec. 31, 1923.	Dec. 24, 1923.	Jan. 15, 1924.	Position May 30, 1914
ASSETS.						
Gold	581,762	581,767	581,781	581,792	581,790	163,092
Silver	7,947	7,704	8,084	8,458	7,172	8,436
Notes in circulation ..	422,065	442,421	459,048	399,218	422,980	153,504
LIABILITIES.						
Notes in circulation ..	1,036,635	1,054,372	1,068,479	1,030,613	982,252	316,832
Deposits	25,797	32,230	39,196	27,552	38,368	5,018

OVERSEAS BANK RATES.

Changed.	%	Changed.	%
Amsterdam	Dec. 12, 1923 .. 4½	Madrid	Mar. 25, 1923 .. 5
Athens	Jan. 14, 1923 .. 7½	Paris	Jan. 17, 1924 .. 5½
Belgrade	Sept. 15, 1923 .. 90	Riga	Nov. 23, 1923 .. 5½
Bombay	Jan. 22, 1923 .. 50	Rome	July 11, 1922 .. 5½
Bucharest	Sept. 4, 1920 .. 6	Sofia	Nov. 9, 1923 .. 5½
Budapest	July 5, 1923 .. 18	Stockholm	Nov. 9, 1923 .. 5½
Calcutta	Jan. 3, 1924 .. 8	Swiss Bank	July 14, 1923 .. 4
Christiania	Nov. 10, 1923 .. 7	Tokyo	Nov. 18, 1919 .. 8
Copenhagen	Jan. 17, 1924 .. 7	Vienna	Sept. 2, 1922 .. 9
Helsingfors	Nov. 30, 1923 .. 10	Warsaw	Nov. 12, 1923 .. 48
Lisbon	Sept. 12, 1923 .. 9		
New York Federal Reserve ..	Feb. 21, 1923 .. 4½	Irish	July 5, 1923 .. 5

The Bank Rate of the South African Reserve Bank is 6% for first-class commercial bills (90 days), and 6½% for agricultural bills (of not more than six months).

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	Jan. 18, 1923.	Dec. 30, 1923.	Dec. 27, 1923.	Jan. 3, 1924.	Jan. 10, 1924.	Jan. 17, 1924.
Call money	4½	4½	5	5½	4½	4½
Time money (90 days) (mixed call) ..	4½	5	5	5	4½	4½
Bank acceptances:—						
Members—eligible, 90 days ..	4½	4½	4½	4½	4½	4½
Non-members—eligible, 90 days ..	4½	4½	4½	4½	4½	4½
Ineligible, 90 days ..	4½	4½	4½	4½	4½	4½
Commercial accept., 90 days ..	4½	5	5	5	3½	4½

Rates of Exchange.	Par Level.	Jan. 18, 1923.	Jan. 3, 1924.	Jan. 10, 1924.	Jan. 17, 1924.
New York on—					
London—					
60 days	Dollars for £1	4.8666	4.8666	4.8666	4.8666
Cable					
Cheques					
Paris	Cents for 1 franc	19.30	19.30	19.30	19.30
Switzerland	Cents for 1 franc	19.30	19.30	19.30	19.30
Italy	Cents for 1 lire	19.30	19.30	19.30	19.30
Vienna	Cents for 1 krone	20.26	20.26	20.26	20.26
Amsterdam	Cents for 1 guilder	40.196	40.196	40.196	40.196
Copenhagen	Cents for 1 kroner	36.80	36.80	36.80	36.80
Christiania	Cents for 1 kroner	36.80	36.80	36.80	36.80
Stockholm	Cents for 1 krona	36.80	36.80	36.80	36.80
Athens	Cents for 1 drachma	19.30	19.30	19.30	19.30
Montreal	Can. cents for \$1	100	100	100	100
Yokohama	Cents for 1 yen	49.86	49.86	49.86	49.86
Hong Kong	Cents for H. Kong \$	53.76	53.76	53.76	53.76
Shanghai	Cents for 1 Shing. tael	72.45	72.45	72.45	72.45
Calcutta	Cents for 1 rupee	31.58	31.58	31.58	31.58
Buenos Aires	Gold pesos for \$100	103.48	103.48	103.48	103.48
Rio de Janeiro	Cent for 1 milreis	32.42	32.42	32.42	32.42
Valparaiso	Cent for 1 peso	30.80	30.80	30.80	30.80

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	Year, 1924.	Rate.
Buenos Aires	Sucres to \$1	10.00	Sight London	Dec. 29, 23 17.57
Venezuela	Bolivares to \$1	25.25	"	Jan. 11, 24 22.55
Colombia (Bogota) ..	Pesos to \$100	100	"	Jan. 15, 24 88
El Salvador	Colonos to \$1	4.8666	"	Jan. 12, 24 8.65
Guatemala	Pesos to \$1	90.23	"	Jan. 12, 24 27.1
Costa Rica	Colonos to \$1	10.45	"	Dec. 21, 23 19.5
Bolivia	Pence to Boliviano	19.20	"	Jan. 14, 24 17.2

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.	Union of South Africa.
	From Jan. 1, 1924.	From Jan. 2, 1924.
	Buying.	Selling.
T.T.	1½% prem.	3% dis.
30 days	1½% prem.	3% dis.
60 days	1½% prem.	3% dis.
90 days	1½% prem.	3% dis.
120 days	1½% prem.	3% dis.

(a) No discount allowed on sales of T.T.s. or demand drafts under £100.
(b) No premium allowed on amounts under £100. + Plus ad valorem duty.

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.	Australia and New Zealand on London.
	Buying.	Selling.
T.T.	1½% prem.	3% dis.
30 days	1½% prem.	3% dis.
60 days	1½% prem.	3% dis.
90 days	1½% prem.	3% dis.
120 days	1½% prem.	3% dis.

INDIAN TREASURY BILLS.

	March 31, 1923.	January 12, 1924.
Outstanding with public	21,58,90,000	2,38,20,000
In paper currency reserve	49,65,00,000	49,65,00,000
Total	71,23,90,000	52,03,20,000

India Office, January 17, 1924.

INDIA COUNCIL BILLS AND TRANSFERS.

The following is a summary of applications and allotments for India Council bills and transfers in London on Tuesday, January 15, 1924:—

	Rate.	Applications.	Allotments.
Imm. T.T.	1 5½	6,00,000	6,00,000

Next week 100 lacs will be offered.

The Government of India have announced that the total remittances to the Secretary of State for India from April 1st to December 31, 1923, are as follows:—

	£
Council bills and telegraphic transfers	8,116,000
Sterling purchases in India	10,935,000
Sterling taken over in London	1,303,000
Transfer through paper currency reserve	5,848,000
Total	26,202,000

The total includes £7,000,000 remitted on account of the paper currency reserve.

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Week ended January 16, 1924.

Week ended January 16, 1924.			
Imported into Great Britain and Northern Ireland.		Exported from Great Britain and Northern Ireland.	
From—	£	To—	£
British West Africa	1,484	Switzerland	71,700
British South Africa	591,801	Netherlands	220,272
Other countries	1,007	Germany	20,770
		British India	68,400
		Straits Settlements	30,000
		United States of America ..	300,800
		Other countries	252
Total declared value of imports	594,292	Total declared value of exports	711,594

Messrs Samuel Montagu and Co. write on January 16th as follows:—

GOLD.

Indian and Continental demand being on a small scale, the larger proportion of the moderate amount of gold available this week will probably be despatched to New York. The United Kingdom imports and exports of gold during the month of December, 1923, were as follows:—Imports, £2,468,180; exports, £2,940,912.

SILVER.

The political situation at home and abroad has not failed to affect the silver as well as other markets by creating temporary paralysis. Although it is generally considered that the price of silver is high, there is no disposition to open bear speculative positions. One deterrent is the fact that recent attempts to do so have been far from satisfactory, for, as usual in times of political perplexity, the tendency of the peoples in the Far East is to acquire precious metals, the possession of which gives them confidence in times of unrest. The high appreciation of the U.S. dollar is rather a discouragement to American sales here, though U.S. dealers are now more inclined to sell, even though by so doing they do not obtain so good a dollar outturn as they have obtained during the greater part of last year. A clearing up of even one of the political difficulties to which we have alluded would probably tend to bring about easier silver prices in this market. Indian buying orders have been small, and China has both bought and sold.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Dec. 22.	Dec. 31.	Jan. 7.
Notes in circulation	18,042	18,341	18,697
Silver coin and bullion in India ..	8,762	8,661	8,517
Silver coin and bullion out of India ..	2,232	2,232	2,232
Gold coin and bullion out of India ..	5,748	5,748	5,748
Securities (British Government) ..	900	900	1,400
Bills of exchange	400	800	800

No silver coinage was reported during the week ending 7th inst. The stock in Shanghai on the 12th inst. consisted of about 23,400,000 ounces in sycee, 33,000,000 dollars, and 1,870 silver bars, as compared with 21,800,000 ounces in sycee, 32,500,000 dollars, and 2,730 silver bars on the 5th inst.

GOLD AND SILVER PRICES.

1924.	Gold.	Silver—Per Ounce.	Date.	Silver.
	Per Ounce.	Cash.		Cash.
Jan. 12	96 5	33 ½	Jan. 25, 1918 ..	43 ½
14	97 4	33 ½	25, 1919 ..	49 ½
15	97 3	33 ½	23, 1920 ..	78 ½
16	96 9	33 ½	21, 1921 ..	40
17	96 11	33 ½	20, 1922 ..	34 ½
18	97 5	33 ½	19, 1923 ..	31 ½

NOTICES.

Mr P. H. Gardner, acting-manager of the London office, Commercial Bank of Australia, Limited, has been appointed manager as from January 1st.

The Commercial Bank of Australia, Limited, notify that their former receiving office at Mortdale, N.S.W., has now been converted into a branch office, and that a new branch has been opened at Eudunda (South Australia).

Lloyds Bank, Limited, announce that a branch of the bank is now open at 603 Commercial road, E. 14 (Stepney), under the management of Mr W. Goldie. The hours of business will be the usual London banking hours.

Barclays Bank, Limited, announce that they have opened new branches at Colstocks Parade, Meads, Eastbourne, under the management of Mr F. J. Milton (also manager of 37 Terminus road branch), and at 82 High street, Epsom, under the management of Mr C. E. Bond.

ANALYSIS OF BALANCE-SHEETS.

MIDLAND BANK, LIMITED.

LIABILITIES.	December 31, 1923.	ASSETS.	December 31, 1923.
Amount.	£	Amount.	£
Shares of £12 each, £24 pd. ..	7,172,698	Coin, bank, and currency notes and balances at Bank of England ..	54,298,125
Fully-paid shs., £24 each ..	3,688,155	Cheques on other banks ..	14,959,762
Reserve fund ..	10,860,852	Money at call ..	16,187,565
Div. payable on Feb. 1, 1924 ..	757,544	Investments ..	13,564,663
Balance of profit and loss ..	797,069	Bills of exchange ..	58,418,748
Current deposit, and other accounts ..	360,267,722	Advances ..	188,737,732
Acceptances on account of customers ..	36,552,607	Acceptances ..	36,552,607
		Bank premises ..	5,492,350
		Belfast Bank shrs., Clydesdale Bank shrs., London City & Midland Exch. Co. shrs. ..	3,259,690
			300,000
Total	20,096,647	Total	420,096,647

WESTMINSTER BANK, LIMITED.

LIABILITIES.	December 31, 1923.	ASSETS.	December 31, 1923.
Amount.	£	Amount.	£
1,414,198 shares, £20, £5 paid ..	7,070,990	Cash	80,489,506
1,432,728 shares, £1, fully paid ..	1,932,728	Bills discounted ..	64,654,184
Reserve ..	9,003,718	Investments ..	55,576,865
Deposits, &c. ..	269,502,093	Westminster Foreign Bank ..	1,080,000
Notes in circulation in Isle of Man ..	13,983	Ulster Bank ..	911,505
Acceptances, &c. ..	12,099,401	Advances, &c. ..	101,302,026
Rebate on bills ..	230,036	Acceptances, &c. ..	12,099,401
Profit and loss ..	1,210,098	Bank premises ..	3,949,559
			43,901
Total	301,063,047	Total	301,063,047

BARCLAYS BANK, LIMITED.

LIABILITIES.	December 31, 1923.	ASSETS.	December 31, 1923.
Amount.	£	Amount.	£
Current deposit, and other accounts ..	301,549,964	Cash in hand & with Bank of England ..	44,614,311
Acceptances ..	7,677,387	Money at call and short notice ..	18,654,259
"A" shares ..	3,430,356	Balances with other British banks, &c. ..	8,159,527
"B" fully paid shares ..	11,760,811	Bills discounted ..	38,623,075
"C" shares ..	401,205	Investments ..	77,661,180
Reserve fund ..	8,250,000	Advances ..	132,580,239
		Liability for acceptance, &c. ..	7,677,388
		Bank premises ..	5,159,744
			242,855
Total	333,069,723	Total	333,069,723

BANK OF LIVERPOOL AND MARTINS, LIMITED.

LIABILITIES.	December 31, 1923.	ASSETS.	December 31, 1923.
Amount.	£	Amount.	£
£20 shares, £24 paid ..	2,348,890	Cash	10,437,199
Reserve fund ..	1,600,000	Money at call or notice ..	4,888,198
Current deposit, and other accounts ..	64,537,819	Investments ..	10,151,320
Bank's acceptances ..	5,668,219	Bills of exchange ..	3,944,024
Endorsements ..	2,184,254	Loans and advances to customers, &c. ..	37,927,980
Unpaid divs ..	188,853	Customers' liability for acceptance, &c. ..	5,668,219
Profit of profit ..	137,242	Acceptances ..	2,184,254
		Bank premises ..	1,484,082
			40,718
Total	76,665,276	Total	76,665,276

MANCHESTER AND LIVERPOOL DISTRICT BANKING CO., LIMITED.

LIABILITIES.	December 31, 1923.	ASSETS.	December 31, 1923.
Amount.	£	Amount.	£
£15 shs., £3 paid 1,896,000 ..	1,896,000	Cash in hand ..	8,078,025
Reserve fund ..	1,650,000	and in Bank of England ..	353,389
Dividend for half-year, subject to tax ..	173,803	Money at call and notice ..	3,363,890
Balance of profit and loss ..	348,840	Bills of exchange ..	4,917,289
Current deposit, and other accounts ..	54,547,553	Investments ..	17,446,778
Acceptances ..	3,156,927	Advances in current and other accounts ..	24,310,811
		Acceptances ..	3,156,927
		Bank property ..	500,000
Total	61,753,120	Total	61,753,120

WILLIAMS, DEACON'S BANK, LIMITED.

LIABILITIES.	December 31, 1923.	ASSETS.	December 31, 1923.
Amount.	£	Amount.	£
£5 shrs., £1 paid 1,562,500 ..	1,562,500	Cash	6,297,354
£1 "B" shares, fully paid ..	312,500	Money at call and notice ..	3,220,481
Unpaid divs ..	129,028	Investments ..	6,310,770
Current deposit, and other accounts ..	34,372,244	Bills of exchange ..	1,840,777
Acceptances ..	3,104,070	Advances ..	19,243,090
Profit and loss ..	36,462	Acceptances ..	3,104,070
		Bank premises ..	700,262
Total	40,716,804	Total	40,716,804

COUTTS AND CO.

LIABILITIES.	December 31, 1923.	ASSETS.	December 31, 1923.
Amount.	£	Amount.	£
Partners' capital ..	800,000	Cash	4,566,132
Partners' reserve ..	800,000	Investments ..	4,190,775
Current and deposit accounts ..	16,705,947	Bills discounted and loans ..	9,202,609
Acceptances ..	62,997	Acceptances ..	62,998
		Premises ..	346,430
Total	18,368,944	Total	18,368,944

LANCASHIRE AND YORKSHIRE BANK, LIMITED.

RUBBER OUTPUTS AND DIVIDENDS.

In the table below we give the December outputs, and dividends for four complete years of a number of Rubber Companies, while the latest reports of Rubber Companies are analysed under our Summary of Profit and Loss Accounts each week. The latest dividends declared appear under Dividend Announcements, and the Rubber Share Market is dealt with in our Stock Market section. Particulars as to the Market Price of the Commodity and other information will be found in our Produce Market Section.

Name. Year ends December 31, Except where Stated.	Outputs.			Output Month Dec., 1923.	Increase or Decrease on 1922.	Output 12 Months 1923, Except Where Stated in Brackets.	Increase or Decrease on 1922.	Dividends paid in Past 4 Complete Years.			
	Year 1920.	Year 1921.	Year 1922.					1919. %	1920. %	1921. %	1922. %
Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.				
Allagar.....	354,250	329,300	372,300								
Anglo-Java.....	2,101,424	1,752,499	1,780,811	240,000	+ 110,600	1,136,500	- 644,500	173	nil	nil	nil
Anglo-Malay.....	1,430,807	814,209	1,199,767	69,938	+ 16,776	934,145	- 260,810	60	nil	nil	nil
Anglo-Sumatra (May 31).....	1,058,736	920,074	658,184	72,520	+ 2,148	462,450(7)	- 1,622	30(19-20)	nil(20-21)	5(21-22)	20(22-23)
Ayer Kuning.....	943,803	812,127	858,670	54,570	+ 8,430	655,570	- 202,430	30	74	10	10
Bah Lias (Oct. 31).....	1,561,555	1,125,038	1,245,416	108,161	+ 11,897	199,474(2)	- 25,404	20(19-20)	nil(20-21)	74(21-22)	124(22-23)
Bajoe Kidol (Mar. 31).....	1,029,608	963,945	991,338	99,131	+ 7,233	844,073(9)	- 258,024	20(19-20)	nil(20-21)	5(21-22)	124(22-23)
Bakap (June 30).....	230,300	164,080	215,600					220,000(5)	+ 57,300		74(22-23)
Bandar Sumatra (July 31).....	614,867	523,967	414,711	38,000	+ 5,900	220,000(5)	+ 57,300	15(19-20)	5(20-21)	nil(21-22)	74(22-23)
Bantam (Java) (June 30).....	913,616	713,192	580,343					25(19-20)	nil(20-21)	nil(21-22)	
Banieng (Selangor) (April 30).....	571,712	467,809	461,740	30,970	+ 16,380	235,180(8)	- 87,850	25(19-20)	nil(20-21)	nil(21-22)	
Batang Consolidated.....	390,686	296,140	303,819	27,858	+ 3,700	325,825	- 13,700	20(19-20)	nil(20-21)	5(21-22)	124(22-23)
Batu Caves.....	647,153	534,893	537,616	33,698	+ 13,071	485,659	- 51,967	150	5	nil	5
Batu Tiga.....	765,100	510,500	609,767	35,000	+ 2,728	629,450	- 37,383	30	10	nil	5
Bekoh Consolidated (June 30).....	647,153	418,745	432,773	27,143	+ 1,194	180,613	- 13,700	30(19-20)	nil(20-21)	nil(21-22)	164
Bertan Consolidated (March 31).....	1,534,416	1,269,877	1,504,498	142,000				74 p.s.	24 p.s.	74 p.s.	44 p.s.
Bukit Cich.....	342,250	277,730	326,254					10(19-20)	nil(20-21)	nil(21-22)	5(22-23)
Bukit Kajang (June 30).....	881,671	756,638	655,540	61,601	+ 8,058	383,618(6)	+ 43,790	10(19-20)	nil(20-21)	nil(21-22)	5(22-23)
Bukit Mertajam (March 31).....	842,362	602,396	676,119	90,000	+ 9,641	600,905(9)	+ 63,098	20(19-20)	nil(20-21)	nil(21-22)	74
Bukit Sembawang.....	1,636,330	1,010,164	1,065,656	130,000				10	nil	nil	5
Ceylon (Para).....	1,214,645	975,540	1,153,720	42,289	+ 4,438	430,618	- 73,123	40	nil	5	20
Chersonese.....	653,267	504,891	503,741	42,889	+ 4,438	596,600	- 131,400	20	64	124	10
Chervot.....	875,814	867,033	728,000	44,900	+ 12,700			21	5	124	10
Cloely Ordinary (March 31).....	636,372	647,688	723,461					60(19-20)	nil(20-21)	5	124
Consolidated Malay.....	1,070,989	842,805	903,300	79,050	+ 3,600	712,800	- 190,500	374	124	nil	144 p.s.
Damanasara.....	801,497	664,798	603,204					324	nil	34	5
Dennistown.....	436,210	392,404	464,401	38,102	+ 6,096	349,290	- 115,111	20	nil	nil	6
Dusun Durian.....	1,053,163	698,008	999,420					124	5	74	10
Eastern Sumatra (June 30).....	454,746	443,900	366,000	52,000	+ 5,000	334,500	- 88,000	10(19-20)	nil(20-21)	nil(21-22)	nil(22-23)
F. M. S. Planters.....	935,000	900,300	907,000	100,000	+ 39,000	770,000	- 137,000	25	10	nil	74
General Ceylon.....	1,247,524	1,063,642	1,153,166			858,100	- 296,066	35	nil	nil	5
Goelanda Malay.....	612,403	473,041	485,452					25	nil	nil	5
Golden Hope.....	461,824	213,446	343,759	23,245	+ 6,784	322,255	- 18,802	25	nil	nil	5
Grand Central (Ceylon).....	5,217,447	4,379,972	5,063,897					15	24	6	10
Gula-Kelumpang.....	1,618,987	1,023,600	1,183,280					224	74	74	10
Harpenden.....	454,966	320,861	390,353					74	74	74	34
Highlands and Lowlands.....	1,533,919	1,215,779	1,171,977	101,637	+ 3,663	1,128,937	- 44,063	45(19-20)	nil(20-21)	nil(21-22)	74
Inch Kenneth (May 31).....	427,039	334,688	396,583	25,180	+ 2,340	149,740(6)	- 49,100	30	nil	nil	nil
Java Amalgamated.....	932,212	882,331	834,149	94,300	+ 13,100	834,802	+ 100,653	20	nil	nil	nil
Java Rubber Plantations.....	380,504	375,635	454,638	40,400	+ 7,000	426,800	- 27,838	15(19-20)	nil(20-21)	nil(21-22)	nil(22-23)
Jeram (March 31).....	298,821	238,900	288,298	18,096	+ 6,848	214,934(9)	+ 1,394	20	nil	nil	nil
Jong-Landor (June 30).....	663,950	570,879	715,930					15(19-20)	nil(20-21)	5(21-22)	124(22-23)
Jugra Land and Carey (Nov. 30).....	2,467,721	2,058,392	2,833,770					124(19-20)	nil(20-21)	44(21-22)	
Kamuning (Perak) (June 30).....	902,605	747,769	721,071	33,690	+ 27,900	361,030(6)	- 187,830	124(19-20)	nil(20-21)	44(21-22)	
Kapar Para.....	1,022,925	851,775	848,610					20(19-20)	nil(20-21)	nil(21-22)	nil(22-23)
Kawit (Java) (March 31).....	610,097	474,803		43,200	+ 2,300	389,300	- 39,700	32,700	10	nil(21-22)	10(22-23)
Keptigalla (March 31).....	536,311	529,781						10(19-20)	nil(20-21)	nil(21-22)	nil(22-23)
Kepong (Malay).....	750,704	483,360	683,840	53,726	+ 7,540	573,755	- 96,604	20(19-20)	124(20-21)	64(21-22)	nil(22-23)
Kinta Kelias (March 31).....	693,685	662,000	685,454	56,600	+ 7,540	444,500(9)	- 89,750	20(19-20)	124(20-21)	64(21-22)	nil(22-23)
Kuala Lumpur (June 30).....	1,709,537	1,350,385	1,030,322	74,122	+ 23,878	525,250(6)	- 89,750	15(19-20)	nil(20-21)	nil(21-22)	nil(22-23)
Kuala Selangor.....	656,468	664,712	642,436					20(19-20)	25	nil	164
Labu (F. M. S.).....	1,120,232	1,120,230	900,710	60,740	+ 23,090	757,500	- 143,210	25	5	74	10
Landron.....	1,451,209	1,105,819	1,261,642	86,507	+ 24,449	1,261,299	+ 3,283	20	nil	nil	6
Langkat Sumatra.....	451,728	455,034	555,688	62,900	+ 2,263	171,015(4)	- 39,775	74(19-20)	nil(20-21)	nil(21-22)	8(22-23)
Ledbury.....	451,500	370,000	353,000	55,300	+ 18,800	496,000	+ 143,000	20	nil	nil	nil
Lenggong.....	649,496	434,976	473,677	45,446	+ 1,671	504,509	+ 30,492	35	nil	nil	74
Linggi Plantation, Ord.....	2,804,217	434,976	2,256,547	212,770	+ 10,710	2,232,040	- 15,787	35	nil	nil	74
Luang Prabang.....	1,605,820	1,265,547	1,120,770	12,770	+ 3,710	2,322,040	- 67,758	35	nil	nil	10
Lumut (Sept. 30).....	1,431,500	1,076,700	1,099,700	85,800	+ 6,800	251,600(3)	+ 2,640	124(19-20)	74(20-21)	10(21-22)	15(22-23)
Malacca, Ordinary.....	4,122,973	3,508,340	3,515,765	299,670	+ 13,350	3,231,310	- 352,300	30	nil	nil	10
Malayalam (March 31).....	681,091	990,669	276,497	+ 148,506	+ 1,967,045(9)	+ 955,240	+ 35,453	124	nil(20-21)	nil(21-22)	5(22-23)
Mendaram.....	1,416,558	1,148,360	1,259,930	47,660	+ 69,442	1,293,860	+ 3,453	15	nil	nil	5
Mertiam.....	1,646,937	1,143,456	1,159,308					174	nil	nil	5
New Crocodile.....	646,110	510,286	690,114	52,331	+ 1,734	159,430(3)	- 65,618	10	nil	nil	5
Nordana (Johore).....	587,880	594,456	630,518					25(19-20)	nil(20-21)	nil(21-22)	34
Padang Jawa (March 31).....	303,089	264,375	252,412	24,120	+ 2,153	190,974(9)	- 5,791	20(19-20)	nil(20-21)	nil(21-22)	
Panawate.....	751,579	736,381	827,157	87,878	+ 13,228	625,214	- 193,843	20	nil	nil	5
Pasaling.....	761,538	539,770	574,370	71,554	+ 18,140	661,710	- 9,929	20	nil	nil	5
Pegoh (Sept. 30).....	1,087,338	527,510	769,087	73,616	+ 1,715	220,195(3)	- 12,780	10(19-20)	nil(20-21)	74(21-22)	5(22-23)
Perak Rubber (March 31).....	587,800	546,122	512,804	296,201(8)	+ 88,930	514,020(9)	- 38,923	18(19-20)	nil(20-21)	nil(21-22)	5(22-23)
Port Dickson-Lukut (March 31).....	792,782	660,607	769,830	58,530	+ 6,410	514,020(9)	- 38,923	10(19-20)	nil(20-21)	nil(21-22)	5(22-23)
Rangoon Para.....	632,365	478,893	521,150	92,370	+ 13,894	560,073	- 38,923	15	nil	nil	4
Ran (Travancore).....	793,597	701,347	773,346	607,031(11)	+ 74,688			15	24	74	5
Rubber Estates of Johore.....	722,240	514,020	525,970	26,519	+ 12,814	514,014(12)	- 13,408	12	5	24	5
Rubber Estates of Krian.....	352,770	301,815	369,586	34,400	+ 385	340,974(12)	- 29,176	12	nil	nil	10 p.s.
Sampang Java.....	303,132	230,473	449,000	300,775				80	104	124	164
Sapumakande.....	774,293	606,592	680,085	94,200	+ 312	565,835(12)	- 114,250	10(19-20)	nil(20-21)	nil(21-22)	10
Scottish Malay.....	691,722	499,814	534,000	50,558	+ 5,414	505,598	- 31,839	65	nil	5	74
Seahfield.....	1,116,012	853,967	1,081,960	42,194	+ 29,263	806,126	- 273,656	75	5	nil	5
Seaport (June 30).....	505,000	450,000	530,000	38,000	+ 3,945	226,000(12)	- 62,000	13(19-20)	nil(20-21)	nil(21-22)	10(22-23)
Salangor.....	868,833	656,564	680,150	49,030	+ 3,945	666,507(12)	- 13,643	50	10(19-20)	nil(21-22)	10(22-23)
Sembilan (July 31).....	630,352	496,123	337,193					10(19-20)	nil(20-21)	4(21-22)	74(22-23)
Serdang Central.....	404,731	333,000	382,000	38,000	+ 500	352,500	- 29,500	124			

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Date of Payment.	Method of Payment.	Final Div.	Lat. & Pro. Year.	Dividend for Whole Years.
Railways.						
Chatham and District	6 1/2	..	..	..	5 1/2	5 1/2
East Indian, Def. Ann. and Def. Ann. "D"	2 1/2	Feb. 15	Less tax 6 3/4 %	..	..	..
International of Cent. America	1 1/2	Feb. 11	Quarterly	..	..	..
Louisville and Nashville	2 1/2	Feb. 11	Quarterly	..	..	..
Rohilkund and Kumaon	6 1/2	..	..	..	11	11
Banks.						
Bank of Ireland	7 1/2	(bonus 2 %)	..	..	16	13
Bank of New South Wales	10	..	..	..	..	..
Bank of Victoria	9 1/2	Feb. 5	..	..	..	..
British Mutual Banking	..	..	Less tax	..	10	10
Commercial Banking of Sydney	10 1/2	Jan. 22	..	..	..	..
Commercial of Australia	15 1/2	Feb. 8	..	..	..	..
Hambros	1 1/2	Feb. 15	Quarterly	..	..	..
Hibernian	16	..	Subject to tax	..	..	..
Imperial of India	16	..	Tax free	..	..	..
Lloyds	1 1/8 p.a.	..	Less tax	..	16 1/2	16 1/2
National	10	..	Tax free	..	..	..
Royal of Australia	10	..	..	..	..	..
Royal of Canada	3 1/2	Mar. 1	..	..	..	..
Insurance.						
Colonial Mutual	..	..	..	..	10	..
Indemnity Mutual Marine	20/ p.s. & bonus	5/ p.s.	Less tax	..	..	..
Tea and Rubber.						
Anglo-Ceylon and General	5 %	Feb. 2	Less tax	..	..	..
Broome (Selangor)	2 1/2 %	..	Less tax	..	..	..
Carolina Tea	12 1/2 %	Jan. 31	Less tax	..	..	..
Ceylon Cocoa and Rubber, Pref.	20 %	..	Less tax (arrears)	..	..	..
Cochin Rubber	5 %	Jan. 29	Less tax	..	..	..
Hanipha (Ceylon)	10 %	Jan. 29	Less tax	..	..	..
Langen (Java) Rubber	5 1/2 %	Feb. 15	Less tax 4/9 in £	8	nil	..
Malayalam	5 1/2 %	..	Less tax 4/6 in £	10	5	..
Mining.						
Electrolytic Zinc	9 %	Mar. 5	..	..	..	..
Josiah Smale and Son	5 1/2 %	Jan. 15	Less tax	..	..	..
Kamunting Tin	1/ p.s.	Feb. 1	Tax free	..	..	..
Pengkalen, Pref.	10 %	..	Less tax	..	..	..
San Francisco of Mexico	..	..	..	..	15	..
Siamese Tin	2/ p.s.	..	..	..	..	..
Tekka Taiping	7 1/2 p.s.	Jan. 31	Less tax	..	..	..
Other Companies.						
A. F. Stoddard and Co.	4/ p.s.	..	Less tax	..	7	6
Australian Pastoral	..	..	..	..	15	15
Bell and Nicolson	5 1/2 %	(bonus 5 %)	Tax free	..	20	..
Boyer and Co.	10 1/2 %	..	..	..	..	..
Braslian Traction	1 %	Mar. 1	Quarterly	..	..	..
Bury and Heap Commercial	10/ p.s.	..	Tax free	..	..	..
Do (45 paid)	5/ p.s.	..	Tax free	..	..	..
Canada Cement	1 1/2 %	Jan. 16	Quarterly	..	..	..
Canadian Explosives, Cum. Pref.	5 1/2 %	Jan. 15	Quarterly	..	8	8
Cardinal Investment	..	..	..	..	..	..
Corral Ring (New Hey)	3/ p.s.	..	..	..	..	..
Cork Improved Dwellings	5	..	..	..	12	..
Court Line	8 1/2 %	..	Less tax	..	12	..
Crown Brewing	3 1/2 %	(bonus 5 %)	Tax free	..	7 1/2	..
Debenure Corporation	8/ p.s.	..	..	..	..	..
Distillers' Company	8/ p.s.	..	Tax free	..	..	..
Dublin United Tramways	7 1/2	..	Less tax	..	5 1/2	..
East India Coal	10 %	..	Less tax	..	..	..
Eastman Kodak of New Jersey	\$1.25 p.s. & extra	..	\$0.75 p.s.	..	..	..
Edgar Allen and Co.	16 p.s.	..	Tax free	..	17 1/2	..
Freeman, Hardy, and Willis	9 1/2	..	..	..	7 1/2	..
Foreign & Colonial Invest., Def.	10 1/2 %	(bonus 5 %)	Less tax	..	20	..
Glasgow Alhambra, Pref.	5 1/2 %	..	Less tax	..	6	..
Govt. Stock, & Invest., Def.	5 1/2 %	..	..	..	..	..
Guard Bridge Paper	5/ p.s.	..	Less tax	..	..	..
Hall and Co.	1/ p.s.	..	Less tax	..	..	..
Heckmondwike Manufacturing	8/ p.s.	(bonus 4/ p.s.)	Tax free	..	..	..
Heywood Carriage	7 1/2	..	Tax free	..	..	..
Holborn Viaduct Land	6 1/2 %	..	..	..	10	9
Holly (Royton)	1/ p.s.	..	..	..	..	..
Hunter, Barr	10 1/2	..	..	..	8	8
J. Cawthra and Co.	10 1/2 %	..	..	..	15	15
John Lovibond	7 1/2	..	..	..	7 1/2	..
John Shaw and Sons	10 1/2	..	Less tax	..	7 1/2	..
L. and J. Weber and Phillips	10 1/2 %	..	Less tax	..	10	10
Law Debenture Corporation	..	..	..	..	..	..
Leicester Brewing	5 %	..	..	..	..	..
Lilley and Skinner	..	..	Less tax	..	10	7 1/2
Liverpool Invest. Bldg. Society	7 1/2	..	Tax free	..	5 1/2	..
London and Edinburgh Shipping	5/ p.s.	..	Tax free	..	12	12
London Produce Clearing House	..	..	..	..	..	..
Maitland, Hogg, Marsh	6 1/2 %	(bonus 1/ p.s.)	..	..	16	15
Metropolitan Trust	7 1/2 %	Jan. 30	Less tax	..	12 1/2	10
Michael Nairn and Greenwich	7 1/2 %	..	..	..	..	..
Mortgage Co. of the River Plate	9 1/2 %	Feb. 1	Less tax	..	15	15
Omnium Investment, Def.	..	..	..	..	8	7
River Plate & Gen. Invest., Def.	7 1/2 %	Feb. 1	Less tax	..	12	11
S. C. Larkins and Sons	5 1/2 %	(bonus 15 %)	Tax free	..	15	15
South, Son, and Co.	7 1/2 %	(bonus 15 %)	Tax free	..	..	..
Shanghai Electric	5 1/2 %	Feb. 1	Less tax	..	..	..
Sheepbridge Coal and Iron	2 1/2 %	..	..	..	..	..
South American Cattle	..	..	Subject to tax	..	13	8
Steed and Simpson	..	..	..	..	10	10
Stirling Trust	..	..	..	..	7	6
Threlfall's Brewery	10 1/2 %	..	Less tax	..	..	..
United Service Transport	4 %	..	..	..	..	..
United States Mort. of Scotland	5 %	..	Less tax	..	..	..

(a) Also scrip bonus 100%.

E. W. TARRY AND CO.—The 6 per cent. cumulative dividend on preference shares has been paid, but directors regret that they are again unable to recommend dividend on ordinary shares.

GLoucester RAILWAY CARRIAGE AND WAGON.—Directors have decided not to declare an interim dividend for half-year to November 30, 1923.

JOHN HADWEN AND SONS.—Directors announce that no interim dividend will be paid.

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

MINING OUTPUT STATISTICS FOR DECEMBER, 1923.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	£	£
Abbotiakoona	6,600	..	..	..	(a) 13,958	..
Associated	2,958	..	..	..	(a) 3,553	..
Colombian	..	..	..	..	8,200	..
Great Boulder Prop.	6,250	..	..	..	(a) 21,815	..
Hampton Properties	476	..	..	..	845	..
Mexican Corporation	114,305	..	..	..	..	106,016
Oroville Dredging—	..	..	..	..	..	..
Pato (17 days to Jan. 7)	..	..	..	..	10,232	..
Oroya Links	2,262	..	..	..	(a) 11,251	..
Lord Aroturus	3,350	..	..	..	1,545	..
Prestea	7,197	2,468	..	..	(a) 13,961	..
Santa Gertrudis	1,780	..	..	..	..	13,912
Shoba	4,950	..	..	..	1,395	..
South Kalgorit	5,112	..	..	..	11,022	2,446

(a) Par value.

	Output.	Other Notes in Return.	
		Tons.	
Copper.	Tons.		
Falcon	254 1/2	Blister copper, containing 2,337 ozs gold, 5,147 ozs silver.	
Freemantle	414	Copper ore, est. to contain 91 tons copper.	
Kafue	18	Copper, containing 738 ozs silver—Nov.	
Namagwa	232	Blister copper	
South American	372	Copper matte, assaying 22 1/2 %.	
Tanganyika	4,975	..	
Tin.			
Aramayo	192	Silver, 109,000 ozs.	
Briseis	26	Black tin	
East Pool and Agar	293	Black tin, 30 tons arsenic.	
Geevor	33	Black tin, realised £4,692.	
Gold Coast Amalgamated	54	..	
Naraguta	38	Despatched 32 tons.	
Nigerian Base Metals	13	..	
Coal.			
Chinese Engineering	81,954	Week ended Jan. 12th.	
East Kent	4,123	Week ended Jan. 12th.	
Miscellaneous.			
Rhodesia Broken Hill	550	Lead.	

CORNISH KALIN.—Production of china clay for December:—Washed 775 tons, dried 1,285 tons, despatched 890 tons.

MOUNT LYELL.—Four-weekly period ended January 9th:—Smelted Mount Lyell ore 576 tons, North Lyell ore (direct to smelters) 150 tons, concentrates 2,575 tons. The converters produced 445 tons of blister copper, containing copper 441 tons, silver 9,068 ozs, gold 145 ozs. The mill treated 6,775 tons of ore and produced 2,273 tons of concentrates.

MOUNT MORGAN.—Six weeks ended December 25th:—Treated 9,846 tons Mount Morgan ore and 5,711 tons concentrates; produced 585 tons blister copper, containing 579 tons copper and 9,031 ozs gold. Concentrator treated 17,859 tons ore for 7,010 tons of concentrates, containing 347 tons copper and 4,344 ozs gold. In addition to above production, have matte on hand, containing 91 tons copper and 1,080 ozs gold.

THRIFTY MINERALS.—Production of china clay for December:—Washed 700 tons, dried 590 tons, despatched 521 tons.

ZINC CORPORATION.—December:—Lead concentrator treated 14,685 tons of ore, producing 3,347 tons of lead concentrates, assaying 63.5 per cent. lead and 3,908 tons of zinc middlings.

TRANSVAAL GOLD OUTPUT STATISTICS.

Name of Mine.	November, 1923.			December, 1923.		
	Ore.	Est. Yield.	Est. Profit.	Ore.	Est. Yield.	Est. Profit.
Aurora W. United (10s shares)	Tons.	£	£	Tons.	£	£
Brakpan	13,100	14,882	2,038	13,000	14,882	2,038
Burton	68,500	124,088	52,058	70,000	126,559	52,946
City Deep	97,000	182,693	72,533	93,000	177,198	68,331
Consolidated Main Reef	25,100	80,491	13,911	24,000	80,396	15,846
Crown Mines (10s shares)	29,000	52,514	11,949	21,000	51,318	12,882
Durban Deep	35,400	50,773	6,544	35,600	51,195	8,397
East Rand Proprietary	121,500	135,997	5,082	113,000	137,728	5,903
Ferreira Deep	33,100	38,252	6,926	31,500	38,479	7,139
Geduld Proprietary	67,000	109,389	47,820	68,000	110,042	48,432
Golden Deep	64,200	69,327	4,939	63,150	68,816	5,036
Glyn's Lydenburg	3,920	6,489	825	3,773	6,243	956
Gosh, New	16,550	19,208	5,125	..	..	..
Government Areas	152,000	320,248	193,927	146,000	310,978	185,481
Kleinfontein, New	50,200	53,274	4,275	50,200	55,732	6,509
Langlaagte Estate	102,000	125,062	30,039	95,100	126,615	32,914
Lupatlaas Vlei	19,709	23,400	2,867	19,800	21,224	1,552
Meyer and Charlton	13,800	34,946	20,003	14,500	..	..
Modderfontein B.	66,000	157,408	91,156	65,000	149,153	84,405
Modderfontein Deep Levels	44,200	109,734	72,737	43,000	106,249	71,046
Modderfontein East	29,000	48,725	14,673	29,600	46,467	11,667
Modderfontein West	29,000	48,725	14,673	29,600	46,467	11,667
New State Areas	114,000	243,650	145,241	113,000	242,131	143,538
Nourse Mines	29,000	78,403	30,027	47,000	89,051	25,140
Primrose, New	42,000	66,022	9,509	48,400	65,008	8,335
Randfontein Central	21,000	18,719	1,545	21,300	19,319	1,505
Robinson (25 shares)	12,000	13,712	4,021	11,500	13,868	50,080
Robinson Deep	75,100	110,789	41,825	75,000	108,513	41,341
Rose Deep	55,400	63,090	15,936	56,000	65,871	17,972
Sommer and Jack	75,000	66,565	9,378	76,700	65,370	8,648
Sub-Nigel	60,000	128,601	61,598	59,300	129,552	61,460
Transvaal Gold Mining Estates	15,730	26,364	8,171	10,300	28,923	8,274
Van Ryn	34,800	42,436	11,042	35,800	42,846	10,218
Van Ryn Deep	64,300	126,153	66,012	62,500	125,889	66,067
Village Deep	56,500	80,601	16,099	59,000	86,592	18,697
Waterland Deep	34,300	42,923	4,505	37,700	..	..
Waterland (Knight's)	44,400	53,942	9,804	..	..	..
Witwatersrand	45,000	51,583	12,230	46,400	50,823	11,619
Wolbur	31,600	34,234	3,584	32,300	33,453	3,325

£ 44 11s per fine oz. £ 44 10s per fine oz. £ 44 9s per fine oz. £ 44 8s per fine oz. £ 44 7s per fine oz. £ 44 6s per fine oz. £ 44 5s per fine oz. £ 44 4s per fine oz. £ 44 3s per fine oz. £ 44 2s per fine oz. £ 44 1s per fine oz. £ 44 0s per fine oz.

Reports and Notices.

The directors of the Motor Union Insurance Company and the United British Insurance Company have appointed Mr J. W. McDonald, who has been acting as deputy underwriter, marine underwriter to the companies as from January 1, 1924.

against £36,336,515 at September 30, 1922. Customers' bills are at £6,855,966. Bank property is given as £1,233,378, while stamps, stationery, and open policies are at £27,644. The principal liabilities are:—Deposits, £47,097,000, against £50,947,024 at September 30, 1922; capital called up, £2,229,165; reserve fund, £2,803,335; notes in circulation, £660,503; and customers' bills, £6,855,967. The directors have declared an interim dividend of 7s per share, subject to income-tax, out of the profits for the half-year ended September 30, 1923, and warrants will be posted on January 25, 1924.

INSURANCE.

LIFE ASSURANCE RESULTS.—The Scottish Provident Institution announces that the new business for 1923 was £2,476,588 net, as compared with £2,299,665 in 1922. The new assurances issued by the Scottish Amicable amounted to £1,230,382 net, against £1,182,077 for the previous year. During 1923, 4,691 policies were issued by the United Kingdom Provident Institution for £2,147,279, of which £65,000 was reassured, leaving a net business of £2,082,279. The net business shows an increase of £255,972 over the returns of the previous year.

SCOTTISH AUTOMOBILE.—The report for last year shows net premiums of £94,688, and interest receipts, £3,668. The paid loans were £32,109 (33.9 per cent.), and the outstanding loans, £10,644 (11.2 per cent.). The expenses amounted to 36.7 per cent. of the premiums. Provision for unexpired risks was made at 40 per cent. of the premium income. The credit balance at revenue account was £25,819, including £11,257 brought forward. The general reserve has been made up to £10,000, and a dividend for the year provided of 10 per cent., less tax. The investments in British Government securities on December 31st last were valued at £100,305, which was less than their market value.

MISCELLANEOUS.

FREEMAN, HARDY, AND WILLIS.—The net profit for 1923 amounted to £180,428 (against £175,197 for 1922). The sum of £100,661 was brought forward, making the available balance £281,089. The dividend for the year on the ordinary shares is 12½ per cent., less tax (the same), and a bonus of 5 per cent. is again to be paid, free of tax. The amount due to directors and staff is £10,000 (the same); £52,500 is placed to income-tax account (against £40,000); £25,000 is to be distributed as a bonus to employees (against £20,000); and £4,000 is to be granted to charities (against £3,000); and £108,663 is carried forward. Assets total £1,869,036, of which cash amounts to £234,069. Investments stand at £259,669, of which £178,169 is in British Government securities. Stocks stand at £630,798.

MICHAEL NAIRN AND GREENWICH.—The report just issued for the year 1923 shows an improvement on the previous year. Net profits have increased from £173,315 to £200,085, and the ordinary dividend has been raised from 10 per cent. to 12½ per cent. The sum of £15,307 has been written off from the preliminary and fusion expenses account. Assets total £2,185,810, of which £2,024,025 is investments at cost. Cash totals, £20,153, and sundry debtors, £110,833.

OIL OUTPUTS.

BRITISH BURMAH PETROLEUM COMPANY, LIMITED.—A cablegram has been received from Burma reporting that the production of crude oil by this company and the Rangoon Oil Company, Limited, for the month of December amounted to 59,667 barrels.

KERN RIVER OILFIELDS OF CALIFORNIA, LIMITED.—Total production during December amounted to 105,718 barrels, or approximately 15,102 tons, including St Helens Petroleum Company, Limited, 45,856 barrels, equal 6,551 approximate tons; Kern Trinidad Oilfields, Limited, 9,341 barrels, equal 1,334 approximate tons; Kern Romana, Limited, 2,604 barrels, equal 372 approximate tons.

TRINIDAD LEASEHOLDS, LIMITED.—Oil produced during December, 14,650 tons; oil purchased during December from other companies, 8,500 tons.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, January 8, 1924, amounted to 949 tons.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Weather conditions have again been very unsettled, with further rainfalls, which has hindered field work, the land being flooded in many low-lying districts. No official estimate of the acreage under wheat is yet available, but private reports point to a slight reduction in most parts of the country. Offerings of native wheat were somewhat restricted, and prices marked a further advance, suitable milling grades ruling at 10s to 10s 3d, with inferior ranging from 8s 6d to 9s 2d per 112 lbs, free on rail. Imported descriptions, after being firmer, closed with a quieter tone. No. 1 Northern Manitoba, arriving, quoted 50s 9d, ditto afloat 50s 3d. No. 2 ditto 49s 3d, No. 3 ditto 47s 9d, and Rosafé, 63½ lbs, 47s 9d, all ex ship, to arrive, per 496 lbs. The floating and forward cargo section displayed quieter features, the demand both on home and Continental account slackening off, consequently early advances were not maintained. Plate descriptions being obtainable on easier terms, owing to favourable crop reports and liberal offers. Sales comprised Azima

Black Sea, February shipment, 45s 6d to 46s, less 2 per cent. Australian, February-March, 47s, part cargoes of ditto, loading, 46s 6d, and a full cargo in similar position at 47s 6d, all per 480 lbs. Flour in good request, and prices of town made were advanced by 1s per sack in sympathy with the recent advance in wheat. London standard straight run quoted 39s, patents 41s to 42s, town households 37s per sack delivered. All English country straights 31s to 32s, delivered to London stations. Imported quiet. Manitoba patents range from 36s to 39s, and Australian 33s to 33s 6d, all per 280 lbs, ex store. Of maize cargoes, European kinds are firmly held, but new crop La Plata more freely offered at a slight decline in prices. Bessarabian arrived sold 41s, and a part cargo of La Plata, May-June, to Bristol Channel, at 34s 6d, July at 33s 10½d, per 480 lbs, while a cargo of Persian barley sold to the same destination at 30s, March-April shipment. Barley: English firm, and malting kinds range from 10s-15s, with feeders 10s-10s 6d per 112 lbs, free on rail. Imported steady. Californian 43s-47s, ex store. Chilean Chevalier 50s-53s, ex ship, both per 448 lbs. No. 4 Canadian Western 35s, Danubian 34s 6d, both ex ship per 400 lbs. Maize: Occasionally rather firmer. Plate, ex ship, 41s 6d, landed 43s. Gal/Foxanian 40s 9d, Bessarabian 41s 6d, both ex ship, to arrive, per 480 lbs. Oats: English steady at 9s 4d-10s 8d per 112 lbs, free on rail as to sample. Imported quieter. Plate, ex ship, f.o.g., 22s 6d, landed 23s 6d, No. 2 Canadian Western, ex ship, 26s, landed 27s, No. 3 ditto, ex ship, 24s 9d, landed 25s 9d, No. 2 Canadian feed, landed, 24s, all per 320 lbs. Oatmeal in fair demand at firmer rates. London-made flaked, also rolled oats 18s, medium and fine cut 17s 6d. Coarse and medium pinhead 17s 6d, ordinary Scottish oatmeal 18s, American 17s per cwt. Millers' offalls fully steady. Broad bran quoted 8s 3d, ordinary ditto 7s 6d, middlings 9s 3d, fine ditto 10s, bags included, ex mill. Light oats 6s 3d, powdered oat husks 7s 9d, feed oatmeal 9s 3d, ground oats 12s 9d, free on rail, per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-24.	1922-23.	1921-22.	1920-21.
Estimated sales of home-grown wheat—				
1 week to January 12	Cwts. 254,432	Cwts. 404,181	Cwts. 312,381	Cwts. 280,481
19 weeks to January 12	6,865,015	8,613,887	7,781,803	6,680,974
Average price of English wheat per cwt.	9 8	9 8	10 6	20 0

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1920 to 1923:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1924.						
Jan. 5	Cwts. 143,468	Cwts. 179,416	Cwts. 31,813	9 4	10 6	9 4
12	254,432	368,523	57,699	9 8	10 8	9 3
1920	484,959	392,050	61,865	16 11	30 11	20 7
1921	280,483	454,346	66,985	20 0	20 8	15 9
1922	312,381	286,918	48,647	10 6	12 2	10 1
1923	404,181	482,411	59,612	9 8	9 10	9 8

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated January 17th, is as follows:—Pig-iron: Unsettled politically at home and financially abroad, is causing a "set-back" to the recent recovery in our trade, and buyers are keeping off the market. French pig-iron is again being sent here in considerable quantities, and this means that no more of our blast furnaces can be restarted. There is no further change in quotations, which remain at 99s for Cleveland No. 3 G.M.B. and 102s 6d for mixed numbers E.C. hematite. Manufactured iron and steel: The steel trade is very quiet, and competition with foreign steel is more pronounced. Steel ship plates, £10 5s; steel ship angles, £10; iron bars, £12; steel rails, £9 10s. Iron ore.—The rather easier prices of iron ore have brought out a little inquiry. The c.i.f. price of best rubio remains at 24s per ton.

Our Sheffield correspondent writes:—The improvement in the iron and steel branches which manifested itself before Christmas is not being maintained, and conditions have reverted to quietude, much to the disappointment of manufacturers. It is hoped that the reaction is due to transitory causes, such as the political situation and the débâcle of the French currency, but it has resulted in a decline of confidence. Not much encouragement exists to buy raw materials. New business in pig-iron is extremely small, although a satisfactory tonnage is being delivered to contract, and production is barely sufficient. The open-hearth furnaces are working at about the same capacity as before the holidays. Comparatively few billets have been sold this week, and the current quotation is none too strong. Buyers are anticipating as the and Luxembourg competition in semi and finished iron and steel yet benefited appreciably from the great railway programmes of Jarry. Makers of tool and other crucible steel are quiet, orders being irregular and for small parcels. Very little electric steel is

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend.	Amount Available for Distribution.	Appropriation.			Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Profes.	Ordinary.			
					Amount.	Amount.	Rate.		
Banks.									
Bank of Liverpool and Martin's..	Dec. 31	126,099	486,965	613,064	..	375,822	16	100,000	137,242
Bank of New South Wales	Sept. 30*	161,645	392,894	554,539	..	300,000	10	100,000	154,539
Barclays	Dec. 31	500,266	1,891,065	2,391,331	..	1,572,645	14 B C	300,000	518,686
							10 A		187,731
							10 B C		14 B C
							10 Dps		8+4d
Belfast Banking	Dec. 31	69,884	109,293	179,177	..	45,805	10 A	50,000	83,373
							10 B C		110,580
							10 Dps		8+4d
British Mutual Banking	Dec. 31	1,956	8,672	10,628	..	6,000	10	3,000	1,628
Canadian Bank of Commerce....	Nov. 30	430,994	526,725	957,723	..	400,685	13	107,935	449,103
Clydesdale Bank	Dec. 31	52,426	330,971	383,397	..	180,000	18	150,000	53,397
Equitable Bank	Dec. 31	6,479	10,304	16,783	..	7,786	16	3,000	5,997
Hibernian Bank	Dec. 31	12,731	55,833	68,564	..	27,500	11	17,110	23,954
Ile of Man Banking	Dec. 31	4,231	19,232	23,463	..	6,750	22½	12,000	4,713
Lancashire and Yorkshire	Dec. 31	95,033	240,302	335,335	..	201,312	20	30,000	104,023
Manchester and Liverpool District	Dec. 31	267,834	428,606	696,440	..	347,600	18½	..	348,840
Midland Bank	Dec. 31	788,967	2,210,972	2,999,939	..	1,502,870	18	700,000	797,069
Munster and Leinster	Dec. 31*	45,236	97,744	142,980	..	37,500	20	60,000	45,480
Provincial Bank of Ireland	Dec. 31*	40,938	61,083	102,021	..	28,350	10½	32,500	41,171
The National Bank	Dec. 31*	28,437	190,489	218,926	..	75,000	10½	115,000	28,926
Union Bank of Manchester	Dec. 31	17,246	157,047	174,293	..	115,313	20	40,000	18,980
Union Discount Co. of London ..	Dec. 31	166,499	248,993	415,492	..	165,312	20(f)	60,000	190,180
Westminster Bank	Dec. 31	536,585	1,804,782	2,341,367	..	1,272,887	12½	500,000	568,480
							12½		1,888,021
							12½ A		13½ A
							12½ B		12½ B
Williams, Deacon's Bank	Dec. 31	43,121	327,247	370,368	..	253,906	13½ A	80,000	36,462
							12½ B		337,175
Breweries.									
Crown Brewing	Dec. 31	6,068	28,465	34,533	..	16,394	12½	12,000	6,139
John Lovibond and Sons	Sept. 30	23,837	8,020	31,857	..	3,002	7½	5,000	21,548
Financial, Land, &c.									
Law Debenture Corporation	Dec. 31	..	59,473	59,473	7,687	23,062	Ord. 10	15,358	..
						13,366	(t)	..	80,028
South American Cattle Farms ..	Sept. 30	10,208	44,257	54,465	..	29,737	13	18,960	5,768
Rubber, &c.									
Langen (Java)	Aug. 31	1,856	13,480	15,336	..	10,000	8	..	5,336
Shipping.									
Court Line	Dec. 31	56,114	84,969	141,083	..	73,650	12	..	67,433
Shops and Stores.									
Freeman, Hardy, and Willis	Dec. 31	100,661	141,427	242,088	11,531	69,394	17½	52,500	108,663
J. Sears and Co.	Dec. 31	63,275	169,695	232,970	21,000	99,070	22½	25,000	87,900
Lilley and Skinner	Aug. 31	10,153	30,190	40,343	3,801	10,227	10	10,000	16,315
Stead and Simpson	Dec. 31	50,520	70,418	120,938	9,793	14,000	10	64,725	32,420
Textiles.									
J. F. and H. Roberts	Nov. 30	24,842	42,921	67,763	5,000	25,000	10	12,000	25,763
John Crossley and Sons	Dec. 1	8,762	76,602	85,364	29,699	35,639	15	10,000	10,026
Trunks.									
Cardinal Investment	Dec. 31	6,026	8,960	13,986	..	7,178	8	5,000	1,808
Debtenture Corporation	Dec. 31	6,247	150,687	156,934	38,625	57,937	7½	55,366	5,006
Foreign and Colonial Investment	Jan. 10	45,819	115,332	161,151	48,070	59,590	7	7,500	45,991
Government Stocks and Other Securities.									
Omni Investment	Dec. 31	22,569	51,589	74,158	17,777	28,444	8	20,000	7,937
	Dec. 31	32,935	46,902	79,837	15,941	25,507	8	50,000	8,389
Waterworks.									
Cleveland Water	Dec. 31*	3,216	3,947	7,163	..	3,400	10 A	..	3,763
							7 B		4,428
Other Companies.									
A. Millar and Co.	Oct. 31	7,442	18,371	25,813	2,250	9,009	8	7,500	7,064
Australian Pastoral	June 30	5,475	91,964	97,439	..	65,275	7½	20,000	12,164
Bell and Nicolson	Dec. 31	17,400	38,616	56,016	2,153	15,000	15½	20,000	18,663
Cork Improved Dwellings	Dec. 31*	233	913	1,146	..	750	5	156	240
John Howell and Co.	June 30	Dr 20,998	17,658	Dr 3,340	..	..	..	Dr 2,840	..
John Shaw & Sons, Wolverhampton	Dec. 31	23,096	18,588	41,684	..	13,950	7½	..	27,734
Lennard's Real Property	Dec. 31	11,345	27,239	38,584	18,750	11,250	7½	..	8,584
L. and J. Weber and Phillips ..	Dec. 31	17,939	46,662	64,601	..	27,900	15	10,000	26,701
Michael Nairn and Greenwich ..	Dec. 31	7,216	200,085	217,301	..	194,446	12½	15,307	7,648
Vulcanite	Oct. 31	1,218	1,356	2,574	1,866	..	..	..	708

* Half-year.

† Tax free.

‡ Also a special bonus of 5%, free of income tax, was paid.

(t) This represents a payment of £66 16s 7d per £10 Founders' Share (d) Represents a payment of £107 3s 8d per £10 Founders' Share.

being produced in the city, most of the electric furnaces installed having been idle for several years. Activity is reported at the factories producing farm and garden and excavating tools, with improved business with colonial and foreign markets. Some cutlery and plate makers are moderately busy, and others quiet, but the conditions of these trades are far from healthy, and operations generally are unremunerative. Prices of nickel silver material and stainless steel have been reduced as from the beginning of the year. The coal market is active in all departments, and there is quite a rush for domestic fuel owing to the failure of many householders to get in their winter supplies during the autumn. Sellers have advanced prices 1s 6d per ton following an earlier advance of 2s per ton. Best South Yorkshire steams are still quoted at 22s; other prices unchanged.

CUMBERLAND IRON.

Business in the Cumberland and North Lancashire hematite pig-iron trade is still of limited extent, users being content to buy from hand to mouth, but local and Midland requirements are sufficient to absorb the production of the fourteen furnaces in blast between Workington and Carnforth. It was hoped that by now additional furnaces would have been lighted, but the outlook is not one in which consumers have confidence at the present time, and the result is that they are indisposed to enter into commitments far ahead. The disappointing feature of the situation is that the needs of users in the Clyde district and on the Continent are so small, and it is clear that until there is a broadening of business no expansion of make can be justified. There is, however, no weakening in prices, costs indeed being too high to permit of that, and Bessemer mixed numbers are quoted at £5 15s per ton delivered at Glasgow and Sheffield, and £6 per ton at Birmingham. Low phosphorus iron is in rather sharper request by high-class steel manufacturers in the Sheffield district, and probably if a fifteenth furnace is lighted it will be put on to the smelting of special brands of iron. Ferro-manganese, though it stands at the tempting figure of £17 per ton, f.o.b., is a sluggish trade, neither home nor American users evincing any disposition to give large orders, and spiegel also is dull at £9 per ton. There is little more than a local outlet for the native ore, several of the mines being content with comparatively low outputs. Best sorts of low phosphoric ore are 24s to 26s per ton, and ordinary kinds 18s 6d to 20s 6d per ton. Small parcels of metal are passing to Scotland and Yorkshire. The steel trade is more actively engaged, the mill at Moss Bay at Workington being on sleeper plates this week. Several good orders are on the books, but users are taking delivery slowly, and that accounts for the intermittent operations at the mills. The coal trade is extraordinarily busy, the production being inadequate to meet needs. The Irish market is especially strong, the weekly shipments across Channel being about 11,500 tons, and nearly all this is best round, which commands 27s per ton, f.o.b. The price would be bigger but for the Lancashire and Scotch competition, which though not quite so severe as earlier in the winter, is still formidable enough. Smalls are unprocureable for export, and the parcels of house nuts at 26s being sent to Ireland are very few and far between. Best house is 38s 2d at pit. There is a smart demand for industrial fuel, best steam being 30s and washed steam 29s per ton delivered. Coke is in good demand, and the whole of the output is being taken up by the smelters of ordinary iron in West Cumberland at 25s to 27s per ton, according to carbon content. East Coast coke, of which the weekly supplies are 10,200 tons, is quoted at 42s per ton, delivered.

METALS.

Tin opened firmer, with a good demand, due to higher Eastern advices, combined with liberal buying orders from America. Standard cash sold at £247 10s, and three months, £248 15s to £249 to £248 10s to £249 5s. Eastern cables reported sales on the basis of £251 5s, c.i.f. Values further hardened under sustained inquiries, but subsequently sellers offered more freely, and the improvement was partially lost. By the middle of the week standard cash sold at £250 12s 6d, and three months at £254 to £254 10s to £251. Further sales occurred in the East at £256 5s, c.i.f. The tendency was again in buyers' favour on following day, and a good business transpired, while some irregular movements were noticeable with regard to three months. Cash sold at £248 5s, £248 15s, and three months at £249, £250 5s to £249 15s to £250 2s 6d, £249 10s, to £250. Further sales in the East occurred at £253 10s, c.i.f. At the final market prices ruled firmer. Standard cash sold at £250 to £250 2s 6d, and three months at £250 5s to £251 10s to £251, while finally at £251 10s. English ingots quoted at £250 15s to £251 5s. Copper ruled fully steady at commencement while in good demand. Standard cash sold at £60 7s 6d to £60 11s 3d, and three months £61 to £61 7s 6d. Values were generally maintained, but with buyers and sellers alike somewhat reserved further transactions were on a moderate scale. On Wednesday standard cash sold at £60 15s, and three months £61 5s to £61 10s to £61 8s 9d. The turn easier on Thursday, while in less request. Cash sold at £60 10s to £60 11s 3d, and three months £61 7s 6d to £61 5s. The tendency was rather firmer at final session, standard cash being dealt in at £60 11s 3d to £60 13s 9d, and three months at £61 7s 6d. Electros quoted £65 15s to £67 5s; best selected, £65 15s to £67; strong sheets, £93; wire bars, £67 5s per ton. Lead firmer at £32 1s 3d. Spelter dearer at £35 7s 6d to £34 13s 9d, according to position. Antimony, English, quoted £44 10s to £45. Aluminium, home trade, £115; export, £120.

THE COTTON TRADE.

MANCHESTER, January 17.

The conditions prevailing in the market have not been favourable to activity, there being many disturbing influences. Trade developments have been checked by the uneasiness with regard to the threatened railway strike and the disorganisation of foreign exchange rates. The general inquiry, however, has been extensive, and a considerable business has been under negotiation. An encouraging feature in the cloth section has been a revival of demand for China, especially in white goods, and more contracts have been put through. For India most of the buying has run on light bleaching descriptions and miscellaneous fabrics, bids, as a rule, in grey staples being unworkable. The Near Eastern outlets have given very little support, and unsatisfactory advices are coming through from Egypt. Fine

goods for the United States have been rather quieter, but some fair lines have been booked for the Continent. American yarn quotations have been irregular when tested, and although now and again moderate orders have been reported, the general off-take remains disappointing. Rather restricted operations have occurred in Egyptian spinnings. A steady demand has been met with in the higher counts of yarn for India.

(I.) Comparative Statement of the Cotton Trade.

	Price, Jan. 17, 1924.	Previous Weeks in 1923-24.				
		Price, Jan. 10.	Price, Jan. 3.	Price, Dec. 27.	Price, Dec. 20.	Price, Dec. 13.
Raw Cotton—Fully Mid. American .. per lb	19.54	19.85	20.12	21.28	20.05	20.63
— Sakellaridis Fully Good Fair .. per lb	23.00	23.10	23.25	24.30	22.90	24.40
Yarns—32's twist .. per lb	26 1/2	27 1/2	28	28 1/2	28	28 1/2
— 40's twist .. per lb	26 1/2	27 1/2	28	28 1/2	28	28 1/2
— 60's twist (Egyptian) .. per lb	36	36 1/2	37	38	37	38
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	38 3/4	38 3/4	39 3/4	39 3/4	39 3/4	40 0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	42 0	42 3/4	42 3/4	43 3/4	42 3/4	43 3/4
38-in. ditto, 38 yds, 18 by 18, 10 lbs ..	24 0	22 6	22 9	23 0	22 6	23 0
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs ..	20 0	20 6	20 9	21 0	20 6	21 3/4

(II.) Compared with Previous Years.

	Price, Jan. 17, 1924.	Corresponding dates in				
		1923.	1922.	1921.	1920.	1919.
Raw Cotton—Fully Mid. American .. per lb	19.54	16.06	10.46	10.33	28.51	18.65
— Sakellaridis Fully Good Fair .. per lb	23.00	18.25	19.00	22.50	37.00	27.30
Yarns—32's twist .. per lb	26 1/2	22	17 1/2	24	58	32 1/2
— 40's twist .. per lb	26 1/2	21 1/2	17 1/2	23	54	33
— 60's twist (Egyptian) .. per lb	36	28 1/2	29 1/2	32	112	65
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	38 3/4	32 0	29 0	42 6	89 0	61 0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	42 0	34 6	29 0	39 0	94 0	58 0
38-in. ditto, 38 yds, 18 by 18, 10 lbs ..	24 0	19 6	18 0	23 0	48 0	35 0
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs ..	20 0	17 6	17 3/4	21 0	42 0	29 6

LIVERPOOL OFFICIAL QUOTATIONS—January 11, 1924.

Description.	Cms.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1923.			Same Period 1922.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island ..	..	..	..	..	..	..	..	..	..	..	..	..
Florida 60 ..	..	..	..	..	..	..	..	..	..	..	..	..
Georgia 60 ..	..	..	..	..	..	..	..	..	..	..	..	..
American ..	1682	1732	1832	1932	2032	2132	1485	1535	1575	800	955	1145
Brazilian ..	..	..	..	..	..	..	..	..	..	..	..	..
Parana, Macao, &c.	..	1832	2032	2107	..	..	1460	1545	..	865	1115	..
Parahyba, Rio Grande, &c.	..	..	1832	2032	2107	..	1460	1545	..	865	1115	..
Ceara, &c.	..	..	1907	1977	2032	..	1470	1545	..	865	1115	..
São Paulo ..	..	..	..	..	..	..	..	..	..	..	..	..
Egyptian ..	..	2090	2200	2240	2255	2290	1490	1590	1605	..	1400	1700
Upper ..	..	..	2155	2280	2310	2380	1515	1675	1900	..	..	..
Sakellaridis ..	..	..	2105	2260	2270	2315	1420	1545	1715	..	1425	1625
Brown ..	..	..	..	..	..	..	..	..	..	..	..	..
Peruvian ..	..	..	..	..	..	..	..	..	..	..	..	..
Rough ..	..	..	..	2250	2400	2450	..	..	1750	..	1350	..
Moderately Rough ..	..	..	..	2057	2132	2182	1535	1660	1760	..	1100	1300
Smooth ..	..	..	..	2082	2132	2157	1535	1660	1760	890	1215	1390
Tangul ..	..	..	..	..	2300	2300	1450	1550	..	..	..	..
Midland ..	..	..	..	..	1950	2050	1450	1550	..	..	..	..
West Indian, &c.	..	..	..	..	2200	2400	2000	2600	..	2400	3000	..
Do ..	..	..	..	..	1600	1700	1285	1400	1600	875	1075	1275
African, East, &c.	..	..	..	..	..	..	..	..	..	..	..	..
Do ..	..	..	..	..	..	..	..	..	..	..	..	..
East Indian ..	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Surtee ..	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Broad ..	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Brown ..	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Comra. No. 1 ..	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Comra. No. 2 ..	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Khandish ..	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Comptah ..	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Bengal ..	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Solnde ..	..	..	..	..	..	..	..	..	..	..	..	..
Tinnivelly ..	..	..	..	..	..	..	..	..	..	..	..	..
Madras, Western ..	..	..	..	..	..	..	..	..	..	..	..	..
Madras, Northern ..	..	..	..	..	..	..	..	..	..	..	..	..
M.G. Cocanada, Red ..	..	..	..	..	..	..	..	..	..	..	..	..
China, Smyrna, &c.	..	..	..	..	..	..	..	..	..	..	..	..

THE BANK OF TAIWAN, LIMITED.

(Registered in Japan, 1899.)

Capital Subscribed Y60,000,000
Capital Paid Up Y52,500,000
Reserve Y12,980,000

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

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

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—A further sharp advance has been recorded in values during the week, and even yet the upward movement does not appear to have reached high-water mark. The market is entirely dominated by the raw material position. The price of wool in the colonies is advancing day by day under keen competition from home trade and foreign buyers, and the fear of a possible shortage in supplies is apparently driving some firms to speculate beyond their actual requirements. At the same time, the outlook is generally regarded as being sound, and everyone seems to have the greatest confidence. Here and there the more cautious members of the trade express the opinion that values are being pushed up too rapidly, but under existing conditions they are as a voice crying in the wilderness—people agree with more or less sincerity, and go on buying wool as if there was hardly a bale in sight. Of course, efforts are being made to bring tops and yarns into line, but it is still impossible to sell and make a price based on current costs. However, quotations for all descriptions of tops have advanced from 1d to 2d per lb on the week, and most firms are now wanting at least 5s 8d for average 64's tops, compared with 5s 4d a month ago. At 46d, 56's average show an advance of 3d in four weeks, and in the same period 46's carded have advanced 2 1/2d to 26d. Better reports are to hand regarding the yarn trade. Spinners have sold some very big weights of crossbreds during the last few weeks, and this section of the trade is well provided with work for some time to come. There is still room for improvement in the botany section, however. Yarn quotations have been advanced in sympathy with tops, and the tendency is towards a still higher level. The piece goods trade is rather more active, and prices are hardening.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

Many users of the raw material are seriously concerned about the present movement of values, and are asking whether they have not been rushed up sadly too fast. Since last October there has not been a series of sales at which values have not advanced, and since the middle of November the pace has become more rapid. Wherever wool is exposed for sale prices are pushed higher and higher. The same influence is at work in Australia and New Zealand as in this country. The cry of shortage is being persistently raised, many forecasting a serious deficiency in supplies. We certainly think it is high time these exaggerated features were removed, for a steadier going on would be more advantageous to the whole trade. It is not satisfactory to find that there is nothing in common between spinners and manufacturers, and those engaged in buying and selling the raw material. If any good is to be done with it, all the wool that is now being passed on to users at such high prices will have to be combed, spun and woven, and because of these high prices we foresee a real tug-of-war in the two latter sections of the industry. Wholesale fabric buyers, not only in England, but also in America and elsewhere, are fighting very shy of the prices, named by manufacturers, the latter stating that they make very little impression upon wholesalers. When present values get through into the piece and the knitted fabric, many wholesale buyers will quake with fear. The last serious fall was simply an indication of rebellion on the part of wholesale fabric buyers. The rise in wool was overdone by the mad rush to acquire stocks regardless of cost.

THE TIMBER TRADE.

(BY OUR OWN CORRESPONDENT.)

Merchants owning yards are well supplied, and on this account c.i.f. business has been a little flat lately. We have on more than one occasion written on the influence that Russia would have on the spot market, and the remarks have been justified by the total imports from that country during 1923, amounting to 602,000 loads, nearly double the quantity shipped in 1922 by that country for consumers here, and more than half of the total sent by our largest shipper in 1923—Finland.

With such heavy stocks of timber on the spot, the position of holders cannot be described as quite healthy; competition continues keen, but in London particularly the deliveries from the docks for some months have been considerably larger than a year ago, so though they may not have all gone into direct consumption. It is computed that under present conditions of supply and demand the stocks of deals and battens in docks in London will suffice for over eight months, whereas the f.o.w. shipments should be arriving over four months hence. Merchants, however, though naturally anxious are by no means dismayed—house-building programmes are much more likely to increase rather than diminish, railway work of one kind or another must consume additional quantities of timber, Shipbuilders report a recommencement of orders for cargo carriers, and the furniture and decorative wood demand is much more promising than it has been for years past.

Though heavy stocks of building timbers are at hand, good quality wood is not very heavily stocked; but the large supplies of Russian timber, received last month, with Swedish and other supplies, will help to supplement the joinery wood stocks.

In the free on board market for f.o.w. some Finnish wood has been sold at about last year's opening rates, but importers are not ready to operate on any large scale so early in the year, and whilst the disposal of their present stocks require so much attention in the placing.

There is not much change to report in the hardwood market. The demand is very fair; stocks must be heavy judging by the large

importation, but prices are well maintained, and holdings generally are in good hands. Mahogany logs of fine quality and size are always sure sellers, but imports of these have not been so large of late, which will help to firm values at the forthcoming London and Liverpool auctions.

The enormous quantities of pitwood imported for colliery work in 1923 (3,677,000 loads) is an indication of the booming times enjoyed in the coal industry, and though the imported colliery timber cost us about 2s a load more c.i.f. than in 1922, the increase doubtless has been more than returned by the increased output of coal. We have before commented on the fact that in this branch of the wood trade larger home supplies could be cultivated for use in the pits; it ought to be attractive as the returns are much quicker than tree culture for boards and planks. In the native timber trade proper there is little change; good quality wood can invariably find a responsive market, but for the lower qualities the market is still dull.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

Market hides are advancing in price, both in the provinces and in London, as at the Bermondsey sales held on Thursday, best ox sold from 6 1/2d to 8d, an advance of 1 1/2d per lb. Other classes also showed relative advances, 9/16 lbs calf advancing 1 1/2d per lb in the face of a strong demand from tanners. Wools sold from 7s to 18s 6d, and hogs from 4s 2d to 18s each. Tanners appear to have sufficient imported hides for the moment, so that the chief demand for fregorifics is from the Continent. Prices are advancing, and \$43 has been paid for Argentine ox, and \$45 1/2 for Uruguay steers. Saladeros are quiet, but there is a disposition to again buy dry hides and sales of B.A. Americanos are reported to have been made at 9 1/2d. Dry Capes are selling well at prices ranging from 8 1/2d to 9 1/2d. Australians are also sharing in the improved demand. Cables from New York report the Chicago position as firm, with heavy packers selling at 14 cents.

The demand for sole leather remains good, repairers taking quite a fair quantity of medium-salted bends. Stocks are very low in the Liverpool tanneries, and visitors from Bermondsey have found such a scarcity of suitable bends and pinned offal that they have been unable to fill their requirements. Prices therefore remain firm, with tanners holding out for advances where possible.

VEGETABLE OILS AND OILSEEDS.

The market for practically all vegetable oils continues firm, and prices inclined upwards rather than otherwise. Raw linseed oil has again met with a fair demand from home consumers for January delivery, but the export demand is not quite so active, though the possibility of America becoming a buyer again is not lost sight of. Supplies, however, are scarce on spot, which still commands a substantial premium over later positions, and is well held for £44, with something over £40 quoted for February delivery, ex Hull mill. Cotton oils continue in request for shipment to the Continent, and are slightly dearer, crude Egyptian offering at £43 10s, and technical refined at the same figure, ex Hull mill. Rape oil has been a good market, but soya oil is inactive, and underbid by Oriental. Nut oils are in moderate request.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, January 18th.

SUGAR.—The market continues to show general stability, paucity of supplies being still very pronounced, and which helps to counter-balance any slackness of demand at the moment. With but a limited assortment of competing foreign sugars, British refined enjoys a large share of what trade is stirring, and spot parcels of same were advanced 6d per cwt all round. Messrs Tate and Lyle's cubes, 62s 6d to 63s 6d; crushed, 61s; granulated, fine and coarse grain, 61s 1 1/2d; No. 1, 60s 10 1/2d; No. 2, also London and T.L., 60s 7 1/2d; ditto month forward, also February, 60s 6d; March, 59s 6d; yellow crystals, spot, 56s 1 1/2d; caster ranging from 61s 3d to 63s 4 1/2d as to quality. Of imported, white Java, spot, quoted 58s 3d to 58s 6d; May-June, steamer, 26s 6d; and June-July, 25s 3d, c.f. and i. terms, London.

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CANNED GOODS.—Supplies of sardines in the aggregate are moderate, but good summer fish very scarce. Portuguese quarters dozed 25 2d to 35 3d; ditto, 12-oz, 55 6d to 65 6d; 18-oz, 95 to 105 per dozen. Tins. There is really no inquiry for lobster. Fancy halves, 135 to 135s. Salmon supplies are short, and prices dearer, owing principally to the American rate of exchange. 1 lb flat reds, labelled, quoted 55s; ditto, tall, 43s; half-cases, fine quality, 66s; 1 lb flat pink, 27s; ditto, tall, 26s; cases of 96 3-lb, 29s to 30s per case.

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deodorised (in barrels), 53s. China-wood firm. Hankow, spot, 48s 6d; December-January, 98s. Cocoonat firm. Ceylon, spot, 48s 6d; January-February, 48s; Cochin, ditto, quoted 60s. Soya firm. Oriental, barrels, December-January, 44s 6d. Cod firm. English, spot, 35s 9d. Groundnuts firm. English, crushed, naked spot, 53s; deodorised, barrels, 61s. Turpentine

TALLOW.—Messrs Colchesters and Woolner write on January 16th as follows:—The tallow market was firm during the week, and prices were 2s dearer to-day for inferior sorts and 6d dearer for other kinds. The limited supply of spot goods offering in the market makes it difficult in some cases to supply buyers' requirements. At auction to-day 679 casks tallow were offered, and 633 were sold. **Quotations are:**—**Australian mutton:** Fine, none; good to fair, 49s 6d to 45s; dull to dark, 43s 3d to 42s; hard, none. **Australian beef:** Fine, 47s; good to fair, 45s 6d to 43s 6d; dull to dark, 43s to 40s 6d; sweet, 47s. **Present shipment from Australasia:** Good mixed, 44s. **Present shipment from South America,** 44s 6d to 43s 6d. The market letter is dearer. **Tallow, 1s; stuff, 1s.** **Town tallow,** 40s 6d per cwt. **Rough fat,** per 8 lbs, 4d; **melted stuff,** 3s 6d per cwt. **Quotations are:**—**Town,** 42s, net cash, naked, ex works. **Country:** **Frail casks,** 42s; **home melted, shipping casks, net, f.o.b.,** good coloured, 44s; **fair to dull,** 42s 6d to 41s 6d. **bone fat:** **White,** none; **pale, none;** **benzine,** 38s; **melted stuff,** 38s, f.o.b.

English Arran		Per Cwt.		British Queens		Per Cwt.	
		s	d	s	d	s	d
Chief		8	6	0	0	8	6
King Edwards		9	0	9	6	8	0
						8	6

"THE ECONOMIST,"
3, ARUNDEL STREET, STRAND, W.C.2.

THE ROYAL BANK OF CANADA.

GENERAL STATEMENT, 30th NOVEMBER, 1923.

LIABILITIES.		ASSETS.	
Capital Stock Paid up	\$20,400,000.00	Current Coin	\$16,946,169.28
Reserve Fund	\$20,400,000.00	Dominion Notes	29,446,597.25
Balance of Profit carried forward ..	1,085,830.67	United States and other Foreign Currencies	23,711,772.49
		Deposit in the Central Gold Reserves ..	11,500,000.00
Dividends unclaimed	\$21,485,830.67		\$81,604,539.02
Dividend No. 145 (at 12% per annum), payable 1st December, 1923 ..	8,283.34	Notes of other Canadian Banks	2,750,470.11
Bonus of 2%, payable 1st December, 1923	612,000.00	Cheques on other Banks	24,987,366.06
	408,000.00	Balances due by Banks and Banking Correspondents elsewhere than in Canada	22,290,159.04
		Dominion and Provincial Government Securities (not exceeding market value)	28,773,050.46
Deposits not bearing interest	109,575,137.96	Canadian Municipal Securities and British, Foreign & Colonial Public Securities other than Canadian (not exceeding market value)	15,900,363.08
Deposits bearing interest, including interest accrued to date of statement ..	311,759,127.18	Railway and other Bonds, Debentures, and Stocks (not exceeding market value)	10,436,951.81
Total Deposits	\$421,334,265.14	Call and Short (not exceeding thirty days) Loans in Canada on Bonds, Debentures and Stocks and other Securities of a sufficient marketable value to cover	16,307,367.43
Notes of the Bank in Circulation ..	31,226,541.74	Call and Short (not exceeding thirty days) Loans elsewhere than in Canada on Bonds, Debentures and Stocks and other Securities of a sufficient marketable value to cover	30,065,207.61
Balances due to other Banks in Canada ..	856,886.55	Current Loans and Discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	157,738,785.51
Balances due to Banks and Banking Correspondents elsewhere than in Canada	14,055,924.38	Current Loans and Discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	104,487,764.09
Bills Payable	4,744,757.90	Non-Current Loans, estimated loss provided for	2,496,418.34
Letters of Credit Outstanding	472,218,375.71	Bank Premises, at not more than cost, less amounts written off	13,560,168.21
	23,226,065.17	Real Estate other than Bank Premises	1,734,512.43
		Mortgages on Real Estate sold by the Bank	387,890.79
		Liabilities of Customers under Letters of Credit, as per contra	23,226,065.17
		Shares of and Loans to Controlled Companies	252,346.00
		Deposit with the Minister for the purposes of the Circulation Fund	1,000,000.00
		Other Assets not included in the foregoing	329,129.73
			\$538,358,554.89

NOTE.—The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the Bank of Paris. As the entire capital stock of the Royal Bank in Canada (France) is owned by the Royal Bank of Canada, the assets and liabilities of the former are included in the above General Statement.

H. S. HOLT, President.

AUDITORS' CERTIFICATE. C. E. NEILL, General Manager. We report to the SHAREHOLDERS OF THE ROYAL BANK OF CANADA: That we have checked the cash and verified the securities of the Bank at the Chief Office at 30th November, 1923, as well as at another time, and we also during the year checked the cash and verified the securities at the principal Branches. That we have obtained all the information and explanations required by us. That in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank. That the above Statement has been compared by us with the books at the Chief Office and with the certified returns from the Branches, and in our opinion it is properly drawn up so as to disclose the true condition of the Bank as at 30th November, 1923, and is as shown by the books of the Bank.

Montreal, Canada, 26th December, 1923.

PROFIT AND LOSS ACCOUNT.

BALANCE OF PROFIT AND LOSS ACCOUNT, 30th NOVEMBER, 1923.		APPROPRIATED AS FOLLOWS:	
Balance of Profit and Loss Account, 30th November, 1922	\$1,007,514.19	Dividends Nos. 142, 143, 144, and 145, at 12 per cent. per annum	\$2,448,000.00
Profits for the year, after deducting charges of management, accrued interest on deposits, full provision for all bad and doubtful debts, and rebate of interest on unmatured bills	3,909,316.48	Bonus of 2 per cent. to Shareholders	408,000.00
		Transferred to Officers' Pension Fund	100,000.00
		Appropriation for Bank Premises	400,000.00
		Reserve for Dominion Government Taxes including War Tax on Bank Note Circulation	475,000.00
		Balance of Profit and Loss carried forward	1,085,830.67
			\$4,916,830.67

Montreal, 26th December, 1923.

H. S. HOLT, President.

C. E. NEILL, General Manager.

LONDON OFFICE: 2, Bank Buildings, Princes Street, E.C.2.

CITY OF TOKYO 5% STERLING LOAN 1906 FOR £1,500,000.

Notice is hereby given that the COUPONS due 1st February, 1924, will be PAID on and after that date (Saturdays excepted), between the hours of 11 and 3, at the Yokohama Specie Bank, Ltd., where lists may be obtained.

Coupons must be left three clear days for examination prior to their payment.

For the Yokohama Specie Bank Ltd., K. YANO, Manager.

9, Bishopsgate, London, E.C.2.
17th January, 1924.

MUNICIPALITY OF JOHANNESBURG 5½% INSCRIBED STOCK 1937/1952.

Notice is hereby given that in order to prepare the dividend due on the 1st March next, the BALANCES of the several accounts in the above mentioned Stock will be STRUCK on the night of the 1st February and that on and after the 2nd February the Stock will be transferable ex-dividend.

Forms of Request for the purpose of forwarding Dividend Warrants by post to Banks or other Agents may be obtained on application to the Bank.

For The National Bank of South Africa, Limited,
H. JUDSON,
R. B. EDWARDS, Joint Managers.
Circles Place, London Wall, E.C.

18th January, 1924.

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Vol. XCVIII.

SATURDAY, JANUARY 26, 1924.

No. 4,196

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THE MONEY MARKET.

The railway strike has caused delay to mails, and necessitated the holding of slightly larger floating balances, though it may be doubted if its effects would have produced the degree of tightness which has been felt in the market during the week but for the already small margin of funds upon which it was working, as shown by the previous week's Bank return. The current week's figures

suggest a certain liberation of money to assist the market. Short loans have commanded up to 3 per cent. at times, and 2½ per cent. has been a common rate. The tightness of money, the uncertainties, and the evidence of an increasing supply of commercial paper have all contributed to firmer conditions in the discount market, and fine three months' bills are 3¼-3½ per cent. April Treasury bills, for which payment had to be made in the course of the week, changed hands at 3½ per cent.—practically the allotment rate—and such sales naturally influenced the allotment rate for next week's bills.

	Jan. 25, 1923.	Jan. 11, 1924.	Jan. 4, 1924.	Dec. 28, 1923.	Previous Rate and Date Changed.
Bank Rate	4	4	4	4	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount/Call	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	2½	2½	2½	2½	1½ (Jly. 5, '23)
Market rate (3 months' bills) ..	3½	3½	3½	3½	..

The Bank return showed only a small decline in the circulation, in contrast with the currency notes, and there was a trifling addition to the bullion stock, the reserve being £19,600 higher. There was an addition of a round million to Government securities, and Other securities were £1,832,800 higher, as the result of which market resources were increased, and Private deposits stood £3,134,900 higher, and the ratio of Reserve was 0.4 lower at 17.9 per cent., owing to the expansion of liabilities. The rise in Other securities is not a result of money market borrowing, and the fact that Government securities should also have risen when taxes are flowing in suggests that special influences may have been at work to produce the movements, with their corollary of large market balances. There was a further decline in currency notes outstanding in the return for the week ended January 23rd. The reduction amounted to £3,073,600, bringing the amount outstanding down to £278,913,500, which includes £1,423,600 for notes called in, but not yet cancelled. The fiduciary issue is £228,039,900, or £20,151,000 below the maximum.

THE STOCK MARKETS.

Until the announcement of the composition of the new Labour Cabinet business on the Stock Exchange was almost stagnant, but thereafter business became very brisk. Buying orders poured in from the public, who had been holding their hand, and the change in tone revealed an unexpectedly large bear account. Gilt-edged stocks have moved up, and the railway strike appears to have had absolutely no effect upon the home railway section, where prices are all substantially higher on the week. The gamble in German and Prussian has subsided, but Brazilian and some other foreign Government bonds advanced. Industrials as a whole have been quiet, but where a bear account exists there has been a sharp rise in prices. Rubber and oil shares are better, while the Kaffir market has been supported by buying from the Cape.

THE COMMODITY MARKETS.

The railway strike is making its effect felt in British industrial centres. At Cardiff there is much disorganisation, and little business has been transacted; prices have not been raised. In the pig-iron market there is little change in quotations; the most serious consideration is a possible interruption of fuel supply to blast furnaces. The prospects for steel are fairly good. In Sheffield our correspondent points out that the strike is disorganising local industry. Tin again moved upward, while copper was firm and in good demand. The hide market is firmer all round, owing to transport difficulties. Wheat has been in demand and prices have hardened. The sugar market is rather quiet, but tea is in good demand. The tone of the cotton market has been more hopeful. Conditions in the wool trade are mainly concerned with the raw material; in recent sales it is found that wool has lost none of its strength since the close of the December

auctions. Jute is easier. Business done in rubber was only moderate, but prices showed no change.

FOREIGN EXCHANGES.

ALTHOUGH this week conditions in the foreign exchange market have been somewhat less feverish, confidence remains shaken, and there is a continued tendency for foreign balances to slip away to New York. From \$4.24½ on the 18th the dollar rate fell away sharply as the result of the strike to as low as \$4.20½ on Monday, but the announcement of the new Government brought an improvement up to \$4.23½ on Tuesday. Since then there have been fluctuations, roughly, between the above limits, with a rather bearish tendency from the other side, and the rate appeared rather weak with yesterday morning's quotation of \$4.22½. Forward quotations have narrowed again slightly to ½ cent per month above spot. Up to now the Paris rate has reflected no very great confidence in the Government's proposed financial measures, but for the time being at least the actual collapse appears to have been stayed. It will be interesting to see next week the effect of the new Bourse regulations just announced. On the 18th the rate closed at 92.95, but on the 21st it was again at one time up to 96.70. After this there was a spasmodic recovery down to 91.90 on Wednesday, but a further reaction has taken place, and the rate of 94 quoted yesterday morning showed no signs of immediate recovery. Brussels has moved more or less in sympathy, being quoted yesterday at 104½, as compared with 102 a week ago. The lira has again remained remarkably steady as compared with sterling, showing hardly any deviation during the week from the rate of 97½, although yesterday morning it was slightly below that figure. Among neutral exchanges, Amsterdam moved down at the beginning of the period from 11.41 to rather under 11.40, and yesterday was quoted at 11.39½. So far, the increase in the Dutch bank rate has had no effect on the quotation. Switzerland has moved from 24.51 to 24.47½, and Madrid from 33.31 to 33.29½, after closing on Tuesday as low as 33.19. The Scandinavian centres, however, have moved in our favour, Stockholm from 16.28½ to 16.32½, Christiania from 29.95 to 30.65½, and Copenhagen, where the strain of keeping the rate at its recent level appears to have been too great, has jumped from 24.46 to 26.00½. In Central Europe, Berlin shows no change at 18 billions, but Vienna, following the dollar, after having moved against us down to 297,500, stands at 302,000, as compared with 303,000 a week ago. Prague has dropped from 146 to 145½, and Bucharest from 860 to 850. In the East, the rupee at 15 5 9-32d is about 1-32d dearer, but the yen has depreciated sharply from 25 1 27-32d to 25 1 18d. The silver market has been very quiet, with some demand from China. Both Hongkong and Shanghai have moved against us. In South America, Rio has appreciated ½d to 6½d, but Buenos Ayres has fallen away slightly to 42d. Monte Video is ½d dearer at 45½d, while Valparaiso, after being cheaper, stands at 41.10 pesos, the same as last week.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended January 19th:—

EXPENDITURE.	£	RECEIPTS.	£
Supply Services	8,910	From Revenue	25,177
Interest, &c., on Debt	568		
Sinking Fund	250		
Sundries	3,533		
Increase in balances	234		
Reduction of Debt	11,582		
	25,177		25,177

Revenue for the week ending January 19th was slightly lower than last year at £25,176,400, against £25,362,700. Customs produced only £861,000, against £1,864,000, while Excise was slightly higher at £8,684,000, against £8,319,000. Special Receipts yielded £1,001,400, against nil, but Property and Income-tax was lower at £8,266,000, and Super-tax £2,090,000, against a combined total of £11,247,000 for the corresponding period. The week's operations reduced the National Debt by £11,582,000, and caused the following changes:—

	£	Bank of England Advances ..	£
National Savings Certificates ..	+ 50	Public Departments	- 13,400
Treasury Bills	+ 3,046		
Sundries	+ 122		
	+ 3,218		- 15,400

The floating debt was reduced by £11,780,000 to £835,915,500.

FINANCIAL YEAR, 1923-24 (April 1 to January 19, 1924).

	£		£
Total Expenditure ..	628,042,166	Raised by Revenue ..	592,237,783
		Net Borrowings	32,291,375
		Decrease in Balances ..	3,513,008
Total	628,042,166	Total	628,042,166

ESTIMATES for YEAR 1923-24.

	£		£
Ordinary Expenditure ..	801,013,600	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Midland Bank, Barclays Bank, Westminster Bank, Manchester and Liverpool District Banking Company, Ionian Bank, National Discount Company, Provincial Bank of Ireland, Australian Pastoral Company, and E. W. Tarry and Co. The speeches of the Joint Stock Bank chairmen are dealt with under "Notes of the Week." At the Ionian Bank meeting, Sir John Stavridi criticised strongly the revolutionary Government's taxation policy. At the Australian Pastoral meeting, Mr Francis A. Keating forecast a shortage of wool in 1924. Sir J. F. Flannery at the meeting of E. W. Tarry and Co. protested strongly against the tax on turnover in South Africa. At the Provincial Bank of Ireland meeting Mr Richard D. Trotter announced improved conditions in Ireland.

MONTHLY TRADE SUPPLEMENT.

We publish this week our Monthly Supplement, in which will be found an appreciation of the trade situation at home and abroad, together with statistical information on the foreign trade price movements, currency, and production of the leading commercial countries of the world. Its contents include a statistical article, by Sir Henry Rew, on the position of agriculture, and a review of some aspects of Russia's foreign trade.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

LABOUR TAKES THE HELM.

POLITICAL history has been made this week, and made, for once in a way, precisely according to general expectation. On Monday night the Labour Party's "no confidence" amendment to the Address was passed by a majority of 72. On Tuesday Mr Baldwin's Government resigned, and Mr Ramsay MacDonald, accepting the King's invitation to form a Labour Government, became Prime Minister of Great Britain. The closing scene in the House of Commons savoured of anti-climax, for all sense of uncertainty had been banished after Mr Asquith had re-stated the Liberal position last week. Up to the last moment the most violent of anti-Labour enthusiasts professed to believe that an effective squad of Liberals would vote with Mr Baldwin. But, in fact, the figure of ten to which this Liberal detachment dwindled, was as large as any unbiased observer expected. The remainder entered the Labour lobby almost to a man. So for the first time in English history a Socialist Government takes office. The fact that power will only be associated with office in so far as the Government programme does not outrage the views of the other two Parties, provides the country with the best possible safeguard against wild experiment, but it need not deprive Mr MacDonald and his colleagues of legitimate pride in the unprecedented success of their efforts, which have brought a new Party from obscurity to office in the course of seventeen years.

The final day of debate, which did not rise to the level set in the previous week, was chiefly remarkable for the farewell speech of the outgoing Premier, who, after some good-humoured banter at the expense of his opponents, proceeded to develop an economic theory so amazing that we rub our eyes and wonder if for once the faithful Hansard can be inaccurate. The doctrine which Mr Baldwin enunciated amounts to this, that the "effort" to export enough to buy our food and raw materials and such manufactured goods as we import, and also to meet the interest on our debt to America is too great a strain on the country, and that, therefore, we should seriously consider whether it is not desirable to restrict our exports. But, lest we should run any risk of misrepresenting Mr Baldwin, we quote the salient passage *in extenso*:—

We have in this country to pay not only for food and raw material, but also for a large quantity of manufactured goods, while we export our manufactured goods, and over and above all that we have now to find some £30,000,000 or more a year in payment of our debt interest to America, which has to be found out of increased exports. That is putting a tremendous strain on the country. The question has come into my mind, whether it may not be possible that the effort to provide this mass of exports at the present day may not be beyond our strength as an industrial nation, and may not lead to the forcing out of exports at prices which cannot pay either the manufacturer or the working man. If it be true that we are getting to that state, it makes it all the more necessary to examine most carefully whether we are not entering on an economic stage where certain restriction of exports is necessary, both for the exchanges and for the welfare of this country. I think that is a field which is very well worth the investigation of all those who devote expert attention to it. (Hon. Members: "Imports!") No, exports. I hope hon. members will not jump to the conclusion that I am trying to trick them in any way. I do want them to realise that this is a point of substance, and anyone who may be called to great office will have to deal with these matters. This is a position, the House must remember, that has never occurred before. We are in the same position the Germans would be forced into if they had refused normal work. It is going to be an extraordinarily difficult question for all the industrial countries of the world.

No wonder bewildered M.P.s called out "imports." If Mr Baldwin had said "imports," he would merely have been repeating the protectionist fallacy of which we heard so much during the General Election. But the advocacy of a restriction of exports and a curtailment of international trade as a cure for the ills of industrial nations in general and Britain in particular causes the wildest of protectionist theories to fade into insignificance. Mr Baldwin may, in fact, be likened to a doctor who says to his patient: "You must not breathe more than you can help. It puts too much strain upon your lungs." There are those who fear that Mr MacDonald and his colleagues will upset the country by the production of false economic doctrines. They will be hard put to it to find any doctrine more astounding than that which the retiring Premier has mooted. Incidentally, we fail to find any meaning in the penultimate sentence quoted above. At that we will leave Mr Baldwin, hoping that perhaps some explanation may be forthcoming that will throw illumination upon an otherwise unintelligible pronouncement.

Meanwhile the new Government has been promptly formed, and has got into harness at once. In his selection of Ministers Mr MacDonald, while making only one surprise appointment, has shown considerable sagacity. He has, in fact, scored an initial success with the announcement of his Cabinet, the judicious mixture of the intelligentsia with the Trade Union element—even the Clyde section is represented—has satisfied his party, while the infusion, into a mainly untried Cabinet, of men of varied experience and high standing, such as Lord Chelmsford, Lord Haldane, Lord Parmoor, and Sir Sidney Olivier, has gone some way towards restoring the confidence of the more timorous sections of the public. Additional interest is added to the Ministry (though not to the Cabinet) by the inclusion, for the first time in British history, of a woman—a distinction for which Miss Bondfield, though a new member of Parliament, is well qualified by work and experience outside. The net result of Mr MacDonald's work is a Ministry which is not lacking in brains, distinction, or weight, and is one to which the country as a whole is prepared to give a fair chance. Among the indications which support that view is the recovery of the security markets. Visibly impressed by the composition of the Cabinet, steadied by the rebukes to scaremongers

uttered by leading bankers, and assisted by the need of "bears" to cover, the Stock Exchange has enjoyed a sustained rally. The nervousness of the home investor has passed, and brokers report buying orders of all descriptions to be pouring in. Prophecies of immediate ruin, where heard, fall on deaf ears at home; and although foreign interests are still removing money sufficiently to depress the sterling-dollar exchange, it may be hoped that the return of confidence at home will steadily communicate itself to foreign centres as the new Government settles down to work. Much, of course, depends upon the spirit in which that work is attacked. The test will not be long in coming. For, as we show in a later column, the affair of the Palatinate and its effect on the relations between Britain and France, call for the immediate exercise of firm statesmanship. Already, too, the new Cabinet is preparing plans for dealing with unemployment. Looking farther ahead we may discover a wide field of useful work which the King's Speech and the debate on the Address encourage us to hope may be regarded as non-controversial; while the steps which Mr Macdonald contemplates for linking foreign policy more closely with the League of Nations will be eagerly awaited by all parties. At the moment the sea into which the Labour barque is launched is difficult, if not stormy. Unless and until we see the national interests, which the barque carries on board, being steered towards dangerous reefs, we shall watch the task of navigation unperturbed and without any desire for factious criticism. That we believe is the spirit in which the country will watch the new adventure in British politics.

THE PALATINATE AND COLOGNE.

On Friday of last week, the Franco-Belgian Railway Régie in the German occupied territories declared what amounts to a formal blockade of the British zone round Cologne. On Monday last the Under-Secretary of State for Foreign Affairs read in the House of Commons a preliminary telegram from Mr Clive, the British Consul-General at Munich, summarising the results of his five-days' inquiry in the Palatinate. These two events together mark a considerable increase in the gravity of the situation which has arisen between Great Britain and France, and the new Government may find during the next few weeks that this question overshadows all others with which they have to deal.

The railway blockade—serious though it is—is the less serious incident of the two, partly because the avowal of it had long been preceded by action (so that it may not add greatly to the already acute difficulties of the local British authorities), and partly because the Government at Paris have already begun to explain the Régie's action away—an obvious step towards agreeing to its cancellation. It will be remembered that, for some time past, negotiations have been proceeding between the Régie and the German Railway Managements in the Cologne Area, in which the local British authorities participated in virtue of their control. The subject of these negotiations was the regulation of through traffic, and an agreement embodying substantial concessions to the Régie had actually been reached, when it was rendered abortive by the intervention of the French Government itself. Paris took the negotiations out of the Régie's hands, and refused to sanction the arrangements that had been made. The blockade since declared by the Régie was obviously the next move in the game, and it is therefore somewhat strange to find the French Government now declaring that this move has been made on the Régie's initiative and without its own knowledge. This, however, may be passed over, so long as the "competent authorities," whoever they may be, recognise that they have gone too far and revise their policy accordingly. The official explanation of the blockade is that it is necessitated by congestion of traffic on the line connecting the two French areas on either side of the British area, and that it will be removed as a matter of course as soon as this technical difficulty has been overcome. It is desirable that that consumma-

tion should not be delayed, for, as it is, the Régie is allowing nothing to enter the British area except military transports, foodstuffs, and raw materials, and nothing to leave it except certain quantities of brown coal, which the French and Belgians need for their own convenience. This blockade is altogether a false step. Every politically educated Frenchman must realise that the issues between his country and ours cannot be settled by this kind of pressure. Such action cannot affect our general policy or our power of carrying it into effect. It can only produce exasperation, and so make the atmosphere even more unfavourable than it is already for the settlement which France and Great Britain must, sooner or later, reach on the momentous questions which at present divide them.

Mr Clive's report is a more serious matter, for it more than confirms the worst reports that have been brought latterly from the Palatinate by private witnesses and investigators. "The overwhelming mass of the population are opposed to autonomous government." "This government could never have come into existence without French support, and would immediately be driven out if French support were withdrawn." "On the admission of Bley, the nominal head of the Government, 75 per cent. of the Separatists came from outside the Palatinate. These unquestionably include a large element of ex-criminals and men entirely inexperienced in Government." M. Poincaré was prophetic when he remarked, last Friday, in the French Chamber, that "There could be no doubt that the British inquirer had been struck by the declarations of the Palatinate autonomists!" He also thought it worth while to say that "the Palatinate movement was the spontaneous work of native elements of the population, and had been started for local reasons," and that "the French Government confined itself to the application of the Treaty of Versailles, and had never had, and never would have, the intention of going outside the limits which it had to observe."

A curious commentary upon M. Poincaré's asseverations is afforded by some of the circumstances which attended Mr Clive's mission. He was assiduously accompanied by a French official, from whose attentions he appears only to have escaped for one hour out of his five days' stay in the Palatinate. Where Moroccan sentries had been guarding buildings occupied by the Separatists until a few hours before his arrival, no sentries were on duty when he reached the spot. Where there had been Separatist "komitajys" armed with revolvers, and even rifles (in spite of the Rhineland Commission's veto upon the bearing of arms), there were pickets of unarmed boys. These petty deceptions, half ludicrous and wholly inefficacious and demeaning from the point of view of their authors, are quite unworthy of a great civilised Western nation. They are the familiar devices of Near Eastern Governments whenever they are caught in the act of inciting nominally spontaneous brigands (for that is all that the Separatists are) to do work which these Governments wish to get done but are ashamed to carry out openly in their own name. When chicanery invented in the Balkans and Asia Minor is applied in the heart of the civilised West, we begin to realise how insecure our civilisation has become during the last ten years.

Nor do the French content themselves with subterfuges. They have established a positive reign of terror which is also without parallel except in regions east of the Adriatic. It is already hinted that inhabitants of the Palatinate who have explained their feelings to Mr Clive too frankly are to be called to account. British newspaper correspondents report the elaborate precautions which respectable Germans are forced to take in order to communicate with them without being detected by spies in the employment of the Separatists and of France. But the most eloquent testimony to the terror which has been inspired in the German population is afforded by the fact that, even in the British area round Cologne, almost the entire local German Press, in reporting Mr Clive's telegram, has felt it prudent to omit his finding that French support alone has made Separatism possible. The Germans can no longer assert their elementary rights as members of a modern civilised society, but it is the British Government's duty to defend these rights for the sake of British interests and of Europe's salvation.

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THE MINERS' BALLOT.

(FROM OUR LABOUR CORRESPONDENT.)

WHEN the railway strike has been settled, it will be necessary for careful attention to be given to the danger which is threatening of an even more serious dispute. Early in January the executive of the Miners' Federation of Great Britain took a ballot of their members on the question, Should notice be handed in to the owners giving three months' notice of termination of the national wages agreement, arrived at in 1921, after the great stoppage of that year? The result, announced on January 17th, showed an overwhelming majority against the agreement. Formal notice has, consequently, been handed in. It appears, therefore, that unless, either by direct negotiation between the parties or by the interposition of Parliament, some solution is reached within the next three months there will, in April, be a national strike in the coalfields.

As to the fact that the miners hate the agreement, or, rather, its results upon their wages, the figures leave no doubt at all. In the summer of last year, Mr Hodges could say that the smaller districts—Kent, Bristol, Somerset, Forest of Dean, Cumberland, and North Wales—had never voted for the termination of the agreement, although most of them were in a worse position than, for instance, Lancashire, which had again and again pressed for its rejection. This time there is a majority for termination in every district. Yorkshire is the only area where the majority is less than two to one; in most the divergence is far wider. Lancashire cast 53,000 votes against the agreement to 3,000 for; Scotland, 69,000 to 12,000; South Wales, 129,000 to 14,000; Northumberland, 23,000 to 8,000; Durham, 73,000 to 22,000; Yorkshire, 75,000 to 50,000. The total vote for rejection was 510,303 out of 624,861—i.e., over 81 per cent. The fact that juveniles were excluded and that only a small proportion of enginemasters are eligible to vote probably accounts for most of the difference between the total vote cast and the membership of the Federation—754,060 in June, 1923; although it is true that in the report it is stated that the falling-off in membership, marked as between 1922 (810,060) and 1923, had been arrested, and new members were coming in, or old ones returning as employment improved. Anyhow, there can be no question that the vote is a correct indication of the fact that the miners as a body are profoundly dissatisfied with the condition of things in their industry, and with good cause.

This statement, however, does not carry us far. It could have been made at any time since the agreement was concluded, as at the time of its conclusion. It is by no means easy, even now, to say what proportion of thinking miners object to the principle of the agreement, as distinct from its results. It has been the policy of the executive to stand by the principle, while striving to secure modifications—the principle, that is, of national as against local wage arrangements, and of some ratio between wages and profits. Therefore, it must not be assumed that the fact that the miners have voted to terminate the agreement as it stands means any more than that they can no longer tolerate the way in which, in its present form, it works.

They accepted the minimum as laid down in July, 1921, in a spirit of dour realism; the men knew, as well as their leaders, that there was nothing else to do. Their resources were exhausted; to fight on was only to fare worse in the end. The sudden abolition of control in March, 1921, had forced upon the Federation an issue which it had to challenge, but on which the circumstances made victory impossible. It had failed the year before to rouse the opinion of the country on nationalisation; the political campaign had fallen flat. The fight for the national pool was lost almost before it was begun, and finally abandoned in the House of Commons on April 14th. The collapse of the Triple Alliance was the dramatic outward sign of what had really occurred long before. Therefore, in July, 1921, there was nothing to be done but set teeth and prepare to gather resources for a new struggle later on. If now they have got to the point of denouncing it, it is because their efforts to raise the minimum by other means have failed. The period between July, 1921, when the national agreement was signed, and the present day is occupied by a continuous series of these efforts. Throughout 1922 the mining industry was in the trough of depression. The Miners' Conference at Blackpool in that year decided that the time was not "opportune" for considering the termination of the agreement. The executive was, instead, instructed to discuss with the owners various specific points, and, in particular, to try to get the district minimum raised above the 1914 average by a figure at least equal to the rise in the cost of living. The owners, in reply to this, stated that they were considering applying for a reduction in the minimum; at the same time, they threw out hints, since frequently repeated, about the necessity of going back on the policy of the seven hours day. The miners then turned to the Government. Mr Bonar Law having admitted to their deputation that the wage position was "horribly bad," the Parliamentary Labour party in the House of Commons (December, 1922) demanded an enquiry. This was refused; the miners were told to wait till "trade improved." Under the increased demand created by the Ruhr invasion, trade did improve, but neither increased output, nor advancing prices and profits, brought any relief to most of the districts—many of them, indeed, had mounting deficits to work off before they could even achieve a level position. At a conference with the owners in April, 1923, the Federation reiterated the claim for a district minimum equal to the cost of living; the owners on their part maintained that the only way in which the workers could secure a higher wage was by accepting a longer working day. Thereupon the demand for the termination of the agreement again became a live issue; at a special delegate Conference in May action on this was, however, postponed, and discussion adjourned to the annual Conference since the Leader of the Opposition had secured from the Government a pledge to expedite proceedings on the Coal Mines Minimum Wage Amendment Bill. When the Conference met in July the second reading had been taken, and lost by 76 votes. Nevertheless the delegates, after spending most of their time in discussing the agreement, finally decided not to take a vote upon it, but to instruct the executive

once more to endeavour, through the National Board, to secure a revision of the ratio of wages and profits, a revision of the existing minimum, and fuller information, on the auditors' schedules, as to "other costs." At meetings with the owners, in August, October, and November, the miners' spokesmen, notably Mr Hodges and Mr Walsh, laid stress on two sets of facts. In the first place, in many districts men were on the minimum or below it, and the minimum was itself too low in relation to the actual cost of living to afford the full-time workers a living wage. Figures published by the Ministry of Labour showed that, in the autumn of 1923, whereas the cost of living index stood at 173, and gradually rose to 177, miners' wages averaged over all districts stood around about 165, and in many were much below that. In the second, owners' profits had risen so markedly that, in the words of Mr Walsh, "we cannot accept the statement that there is not the money in the industry either to give a better minimum to the workman, or to enable you to carry the ratio upon which this agreement is founded." Mr Hodges carried this point of view a stage further. He urged not only that profits were unduly high in relation to wages, but that it "is better now that prices are higher than they were when we came to you last year to fix a higher minimum than we had last year, in order effectively to stave off a reduction in price, which is practically inevitable if primary costs of production are what they were last year. It seems to me that this is an opportune point when a new minimum should be created, so that you will have an effective check against the diminution when prices begin to fall rapidly." Behind this specific argument, this specific suggestion, he expressed a view which summed up the general case of the miners, when he said:—

Who can deny but that a 40 per cent. minimum is a just and right minimum? Not one of you. Your whole point is: Is it within the ability of the industry to pay it? Judged by past figures, you say. No. I say, judged by past figures and by past practice, it will never be possible to have a living wage in this industry unless you approach the problem from an entirely new angle, and if you are prepared to start with giving a living wage for the men, that fact would make for a higher quality of prosperity in the industry than can possibly be the case if we start out on a 20 per cent. minimum. It not only means a good thing for the industry, but it means a good thing for the country for the workmen in the mining industry to have a 40 per cent. minimum.

On the variation of the ratio, and the raising of the minimum, the negotiations, interrupted by the Election, broke down. Hence the ballot and its result.

LANCASHIRE COTTON TRADE IN 1923.

(BY OUR MANCHESTER CORRESPONDENT.)

COTTON spinners and manufacturers in Lancashire have experienced another year of severe depression. The boom which followed the Armistice reached its height in the spring of 1920. The downward movement in prices, and the serious depreciation in the value of stocks brought difficulties of a pronounced character, and since then there has not been any revival, the business available being insufficient to meet the requirements of producers. The past year, however, had some favourable features, a prominent development being the improvement in the finer end of the industry. Producers of Egyptian yarns gained ground, and increased activity also showed itself in fancy cloths of various kinds. Wretched conditions continued to prevail for spinners of coarse yarns, and demand was very poor in the commoner styles of piece goods, especially grey staples. During the latter part of the year there was a marked rise in values as a result of the striking advance in raw cotton rates. Numerous cases of financial difficulties were reported. Probably more failures took place than in any previous year in the history of the trade. There were fears now and again of a financial panic, but such a thing did not happen, and probably on the whole the worst in this connection is over. Many spinning mills, however, are still feeling the effect of money stringency. It is satisfactory to be able to record that during the year no labour trouble of any kind took place.

On January 2, 1923, the quotation for Fully Middling American cotton on the spot in Liverpool was 15.40d. By the 25th the price had advanced to 16.63d, but there was a drop to 15.83d on February 8. A rise occurred, and 16.86d was posted on March 8. There was another decline to 14.90d on the 29th. After a sharp recovery to 16.34d on April 10 wide fluctuations took place, the tendency of prices being easier, the figure of 14.18d being registered on May 11. A stronger feeling prevailed, the quotation on June 12 being 17.28d. Prices then favoured buyers, and on August 1 13.40d was posted, this being the lowest price of the year. A marked advance was experienced in August to 15.18d on the 31st, and the upward movement was continued, 17.33d being posted on September 29 and 17.48d on October 31. The tone was stronger than ever in November, the highest price of the year, 21.99d, being quoted on the 29th. A striking decline occurred early in December to 18.59d on the 11th, and after many ups and downs the quotation on the 29th was 21.06d. The general position of raw cotton supplies and consumption commanded more attention than ever. According to some authorities the day has passed when the United States is in a position to supply Lancashire with raw cotton at an economic price. That is to say, rates are so dear that it is becoming a question whether spinners and manufacturers can pay the figures required and sell manufactured goods freely to customers abroad. For the season 1922-23 the American crop was 11,248,000 bales, but the actual growth was only 10,300,000 bales. The consumption during the twelve months was estimated at 12,600,000 bales, and stocks throughout the world were reduced to about 2,500,000 bales. Users of raw cotton in Lancashire last spring were hopeful of a much larger yield. For one thing, the area under cultivation in the United States was a record. The weather during the growing season was unfavourable, and it is probable that the crop, including linters, will not be more than 10,700,000 bales. Owing to the scarcity of supplies and high prices, there is every likelihood of the consumption being considerably reduced, and it may not be more than 11,600,000 bales.

On January 2, 1923, the quotation for Fully Good Fair Sakellaridis Egyptian cotton on the spot in Liverpool was 17.80d. Changes in prices during the early months of the year were not important, but 15.40d was posted on May 11 and 15.25d on July 30. By the end of September the price had advanced to 18.65d. There was another rise in November to 26.95d on the 29th, and the year closed with the figure at 24.50d. Fortunately for Lancashire the Egyptian crop for last season was larger than for nearly ten years back, the growth being given as 6,684,000 cantars. The Alexandria Produce Association has estimated the crop for the current season at 5,960,000 cantars. Quite an interesting development with regard to the use of raw cotton in Lancashire during the year was the larger purchases by spinners of what are known as outside growths. In addition to freer buying of Egyptian qualities quite a big business was done in Peruvian cotton. There was also a tendency to consume on a larger scale the higher grades of Indian cotton. More projects for growing cotton in different parts of the British Dominions were started, and important work was done by the Empire Cotton Growing Corporation. Attention has recently been drawn to the favourable prospects in Brazil, and there is every likelihood of increasing quantities being grown there during the next few years.

The sales of piece goods from month to month were unsatisfactory. It was necessary for all manufacturers to allow looms to stand idle, and numerous cases were mentioned of weaving sheds being closed down for an indefinite period. Unemployment was rampant, and probably taking the twelve months as a whole, the production was not more than about 70 per cent. of the full capacity of the machinery. A year ago there was a buying movement of some importance, and manufacturers booked orders on a very fair scale. The demand, however, was not of long duration. Business throughout the summer was of a very limited character, but in the autumn the rising tendency of prices stimulated demand, and the turnover during October and November was much larger than on any previous occasion during the year. Manufacturers, agents

and merchants were enabled to liquidate stocks, and numerous firms obtained very welcome relief. Buying for India during the year was very irregular. The position abroad, however, gradually improved. That great country has had the advantage of three good Monsoons. Cotton cloths, however, are three times dearer than in pre-war days, while the earning capacity of the people of India is only slightly larger than in 1913. A favourable development was the steady reduction of stocks in the bazaars, and dealers in Calcutta, Bombay, Madras and Karachi have comparatively small supplies on hand, while in the up-country districts the stocks are of limited dimensions. The China market did not give healthy support. Developments in demand were checked by the unfavourable political situation throughout the Far East. Stocks of goods, however, were steadily reduced. Operations for the minor outlets of the Far East such as Java, Singapore and the Straits Settlements were rather irregular. A feature of the year was the increasing demand for the United States. Quite a big business was done in fine cloths, there being active buying in warp satins, poplins, brocades and similar goods. It may be said that shipments to America of cloth in 1923 were over 175,000,000 square yards, against less than 96,000,000 square yards in the previous year. Demand was fairly encouraging for Egypt, but buying for the Near East was patchy. There was no general flow of orders for the outlets of Central and South America. Considering the unsettled conditions in Europe the trade done cannot be called unsatisfactory. It was not a favourable year for the home trade. The consumption of goods was adversely affected by the large amount of unemployment in the leading industries.

The following is a comparative table of cotton cloth exports for the pre-war year and the last four years:—

	Yards.	£
1913	7,075,252,000	97,775,855
	Square Yards.	
1920	4,435,405,000	315,717,631
1921	2,902,288,900	137,132,298
1922	4,181,176,300	142,415,686
1923	4,141,303,700	138,354,135

It will be noticed that although foreign customers are spending considerably more on Lancashire cotton goods than in 1913 the quantity exported is decidedly smaller, and it may be pointed out that the average price per yard in 1913 was 3.32d, against 8.02d in 1923.

The following is a list of cloth quotations on particular dates:—

	32-inch Printers, 116 Yards, 16 by 16, 32's & 50's.	36-inch Shirtings, 76 Yards, 19 by 19, 32's & 40's.	38-inch Shirtings, 38 Yards, 18 by 16, 10 Lbs.	39-inch Shirtings, 37½ Yards, 16 by 15, 8½ Lbs.
1923.	s d	s d	s d	s d
January 5 ..	31 3	33 9	18 6	17 0
February 2 ..	31 6	34 6	19 0	17 3
March 2	32 0	35 6	18 9	17 9
April 6	33 9	36 6	18 9	17 6
May 4	33 0	36 0	18 0	16 9
June 1	34 6	37 3	18 9	17 3
July 6	32 0	35 0	18 9	16 10½
August 3	29 6	32 9	18 0	16 0
September 7 ..	31 6	34 9	18 6	17 3
October 5	32 6	36 6	19 3	17 9
November 2 ..	34 0	37 9	20 0	18 9
December 7 ..	30 40	43 0	23 6	21 3
December 28 ..	39 0	42 0	23 0	20 3
28 39 9	42 9	22 6	20 7½	

Spinners of American yarns experienced another very unsatisfactory year. For nine months there was organised curtailment of output to the extent of 50 per cent. The smaller supplies were quite equal to the requirements of users, and it was exceedingly difficult for sellers to secure prices which did not mean a definite loss. It may be mentioned that out of the 56,000,000 spindles in Lancashire 40,000,000 are in the American section. Several companies that were sold and retooled during the boom on a higher capital basis felt the depression very severely, and in a few cases finances had to be reorganised. During the last few months numerous mills have made calls upon the shareholders. In November trade revived somewhat, and production was increased to about 75 per cent. of the full capacity of the mills. Since then, however, demand has fallen off, and recently spinners have not been able to sell the increased output, with the result that stocks have begun again to accumulate in first hands. There

was an agitation for the control of the industry, especially in the American spinning section, but so far no workable scheme has been evolved. In the finer end of the spinning industry, that is to say, the Egyptian section, there was a steady trade improvement during the year. Demand tended to broaden, and several months ago nearly all the mills in Bolton and district began to run full time. The better state of affairs was maintained, and most of the companies engaged in this department are now making profits. This development was due to the distinct improvement in the turnover in fancy cloths of various kinds. The general offtake in yarns suitable for shipping was disappointing. The falling off in trade was very largely due to the decline in the takings of Continental countries. On certain occasions India bought fairly well.

An analysis of the stocktaking results of 287 spinning companies during 1923 shows that the directors of 201 concerns were unable to pay any dividend to the ordinary shareholders. These companies have a paid-up ordinary share capital of about £44,000,000. The average dividend was 2.27 per cent., against 3.73 per cent. in 1922.

The following comparative table gives the shipments of yarn for the pre-war year and the last four years:—

	Lbs.	£.
1913	210,099,000	15,006,291
1920	147,432,400	47,585,814
1921	145,894,900	23,924,879
1922	201,220,800	26,436,489
1923	145,019,500	21,011,911

The following is a list of cotton and yarn quotations on particular dates during the year:—

1923.	Cotton. Fully Mid American.	American Yarns.			Cotton. F.G. Fair Sakellaridis Egyptian.	Egyptian Yarn. 60's Twist.
		32's Twist.	40's Weft.	50's Weft.		
January 5	d 15.11	d 21	d 20½	d 23½	d 17.50	d 28
February 2 ..	15.38	21½	21½	24½	17.65	28
March 2	16.54	22	21½	24½	17.50	28
April 6	15.98	23½	22½	25½	17.40	28
May 4	14.88	22½	22½	25½	16.40	28½
June 1	16.06	23½	23½	26½	16.40	29
July 6	15.77	22½	22½	25½	15.75	28½
August 3	13.86	20	20	22½	15.85	28
September 7 ..	16.22	22	22	24½	17.05	29
October 5	16.84	22½	22½	25½	18.60	30½
November 2 ..	17.79	24	24½	27	18.75	30½
November 30 ..	21.72	29½	29½	32	26.70	39
December 7 ..	19.92	27½	28	30½	24.15	38
December 28 ..	21.17	28½	28½	31	24.30	38

The wages agreement between the employers and the workpeople, which was in operation at the beginning of 1923, provided for no further alteration in list rates before May. When that time came the operatives proposed that the agreement should be extended for twelve months without any change. Several joint conferences took place, and a fresh arrangement was come to which provided for rates of wages to be unaltered until January 25, 1924. The employers will then be at liberty to take whatever action they think fit on giving one month's notice, but the trade unions will not be allowed to make an application for a general advance in wages before September 25, 1924. After that date both sides will be at liberty to take whatever action they think fit on giving one month's notice.

The outstanding feature in the industry at the beginning of 1924 is the high level of values as a result of raw material scarcity and dear prices in Liverpool and New York. The most encouraging factor is that stocks of manufactured goods, not only in this country but throughout the world, are comparatively low. Throughout last year buying was of a hand-to-mouth character, and in many quarters there was a tendency to adopt a "short" policy. The restriction of production by stopping machinery kept down supplies. There are now distinct indications of dealers abroad being compelled to operate more freely. It is feared, however, that with American cotton at about 20d per lb, against less than 7d per lb in pre-war days, it will be very difficult for Lancashire manufacturers to do a really big trade. There is ground for believing, however, that the worst of the depression is over, and employers and operatives should be able to look forward to more profitable trade and increased employment within the next few months.

MINING IN NORTHERN ONTARIO.

(BY OUR OTTAWA CORRESPONDENT.)

THE prosperity of the pulp and paper industry in Canada has been a great economic buttress for the Dominion during a period when its basic industry, agriculture, was facing serious depression, but it is now securing a very substantial and welcome reinforcement from the mining camps of Northern Ontario, whose activities create a great deal of business for Toronto and other Ontario cities. Toronto, indeed, is their chief base of supplies, being connected directly with them by the Temiskaming and Northern Ontario Railway (colloquially the T. and N.O.), which is owned by the Provincial Government of Ontario, and runs northward 500 miles to Cochrane.

The mines of Northern Ontario are in the outer part of the great area of pre-Cambrian formation, which, beginning at the river St Lawrence, near Brockville, runs through the heart of Ontario along the north shores of Lakes Superior and Huron right to the eastern boundary of Manitoba, and includes more than half the total area of the province. The hard ancient pre-Cambrian crust of the earth, called Keewatin rock, was left exposed in the wake of the glaciers which cut the face of Canada into ribbons and left the marks of their paths in the shape of innumerable rivers and lakes. The Keewatin rock having been fractured and brecciated by volcanic action, cracks and fissures were formed in it, and into these the interior waters of the earth, containing gold, silver, and other minerals, were forced. It is the deposition of the mineral contents of these waters in the fissures of the Keewatin rock which accounts for the rich mineral discoveries in Northern Ontario. From the earliest settlement of Ontario there had been tales of great mineral wealth in the north, but the energies of the first settlers were concentrated upon agriculture, lumbering, and urban industry. In 1883, during the construction of the C.P.R., nickel was discovered at Sudbury. The claims there were first staked and worked for copper, and it took three years to discover that their ores contained more nickel than copper. Silver was first discovered at Cobalt in 1893, but development was slow, and in 1898 the total value of Ontario's silver production was only \$51,960. By 1905 the value of the Cobalt discoveries had been realised, and in that year the province produced 2,473,452 ounces of silver, valued at \$1,372,887. Production steadily expanded till it reached its peak in 1911, with 31,507,880 ounces, valued at \$15,953,895. Thereafter a gradual decline set in, although the high prices of the war years brought to the province in 1918 \$17,415,882 for about the same number of ounces of silver. In 1921 the silver output of Ontario had fallen to 8,412,059 ounces, valued at \$5,497,160, but in 1922 it rose by over two million ounces, and the returns for the first half of 1923 forecast a total production of over ten million ounces. The great silver mines of Cobalt were the Larose, Nipissing, McKinley-Darragh, Kerr Lake, and Crown Reserve, and the camp up to date has produced roughly 300 million ounces of silver, and yielded dividends over 100 million dollars in value.

A few years ago the current impression was that silver mining in Ontario was a lost cause, and a steady exodus of population gave confirmation to the view that Cobalt was dead. But now there has come a revision of this judgment. In many areas certain proof has been secured that underneath the Cobalt, which was supposed to have been worked out, there are very valuable deposits of silver. The new stimulus up to date has chiefly come from the South Lorrain region, where the properties of the Mining Corporation of Canada and the Keeley mine are giving remarkable yields. The Mining Corporation, in which British capital is substantially interested, had a number of unfortunate ventures in Canada and elsewhere, but its luck has now changed, and many of its operations in Northern Ontario are to-day full of promise.

But despite this revival of hope in the silver camps, it is rather upon gold that Ontarians are now placing their faith. Within the province there are already two well-established gold-mining camps, known as Porcupine and

Kirkland Lake. In the former is situated the Hollinger mine, which is to-day one of the largest single producers of gold in the world. Up to the end of 1922 it had yielded gold valued at over 60 million dollars, and given its shareholders almost 20 million dollars in dividends. It has lately acquired some valuable adjacent properties, and its general manager has predicted that it will yield gold worth 450 million dollars before its possibilities are exhausted. In the same camp are two other extremely profitable and well-managed mines, Dome and McIntyre, which, if each much smaller than Hollinger, are giving very satisfactory results to their shareholders. In the other gold camp, Kirkland Lake, the largest mines are the Lake Shore, the Wright-Hargreaves, and the Tough-Oakes/Burnside. In addition to these major mines there are innumerable other little companies with properties in various stages of development. The near future may see at least two new mines, the Vipond and the Nighthawk, producing gold on a substantial scale, and others will no doubt follow. The progress of gold mining in Ontario can best be gauged from the following figures:—

Year.	Oz.	Value.
1901	14,293 ..	244,443
1911	2,185 ..	42,637
1912	102,278 ..	2,114,086
1913	220,837 ..	4,558,518
1915	411,588 ..	8,501,391
1916	497,833 ..	10,339,259
1917	429,893 ..	8,698,735
1918	411,878 ..	8,502,480
1919	505,964 ..	10,451,709
1920	565,283 ..	11,686,043
1921	707,509 ..	14,624,085
1922	999,848 ..	20,668,692
1923 (first six months)	418,113 ..	8,643,162

It will be noted that the returns for the first half of 1923 presage a decline for the whole year from the 1922 figures, but the decreased yield is due solely to an unfortunate shortage of power which seriously hampered the operations of all the Porcupine mines in the early months of 1923. It has now been remedied, and the production of the second half of the year may make up the deficit.

The average recovery by the leading mines per ton of ore milled is over \$11 by the evidence of the following figures:—

	1921.	Six Months, 1922.	1923.
Hollinger	8.46 ..	8.23 ..	7.08
Dome	6.80 ..	11.38 ..	11.80
McIntyre	10.68 ..	9.84 ..	9.05
Teck-Hughes	9.37 ..	14.48 ..	30.00
Lake Shore	22.24 ..	19.44 ..	26.10
Wright-Hargreaves	13.00 ..	11.53 ..	9.95

It is frankly impossible to give any estimate of the extent of this zone of mineralisation, and its depth is equally problematical. Some of the well-known mines are getting fine yields at a depth of 3,000 feet, and the Hollinger management has been considering the purchase of ten-ton hoists capable of going to 4,000 feet. Geologists declare that the problems of the Northern Ontario field are unsurpassed in interest. Time and again veins have disappeared or petered out, but in mines like Dome the management has ceased to worry over such contingencies, for they have simply cast around with the certain knowledge that they would pick up new bodies of ore, which they almost invariably did.

Heretofore Northern Ontario has relied mainly upon Canada and America for the capital it badly needs for development work. Some British money went into Cobalt, but the proportion to the total was small. The figures of the Dominion Bureau of Statistics show that in 1921, out of a total value of \$769,256,108 par value of stocks and bonds of mining enterprises in Canada of all kinds, including coal and iron, Canadians owned 415,445,196 dollars' worth, or 54 per cent.; Americans owned \$233,379,473, or 31 per cent. British investors held \$101,166,073, and of this amount over 43 million dollars was invested in the nickel mines, a large part of it by the Mond interests. Of a total of about 170 million dollars invested in gold mining in Canada, British investors up to 1921 had only furnished some 4 million dollars, as against more than 51 million dollars furnished by Americans. But during the past two years British capital has begun to

take a more lively interest in Northern Ontario. The mineral field of Northern Ontario projects over into the adjacent province of Quebec, and there what is known as the Rouyn field has attracted a great rush of prospectors this past summer. The Quebec Government are cutting roads into the new fields in its territory, and only when they are completed will real development be possible.

AUSTRALASIAN LAND COMPANIES.

THE remarkable results portrayed below in our review of companies representing the Australasian agricultural and pastoral industries will probably not come as a surprise to those people who have followed the trend of Australasian produce markets during the past 12 months. Considered from the climatic aspect, the year was not as good as it might have been. It was only in June that rain fell sufficiently to be of value to crops and pasture. Thus during the greater part of the year under review a dry time was experienced. In some parts of New South Wales and Queensland the rainfall was not in sufficient volume to relieve the situation. The course of the wool market has been favourable, and prices have been maintained at a high level. There was little improvement in prices of livestock; better prices were obtained for sheep, but cattle still experiences a poor demand.

Speaking at the annual meeting of Dalgety and Co. in November last, the chairman, the Hon. Edmund W. Parker, in summing up the position of wool, said that "The result had been that, although the total sales in the Colonial markets during the past season were reduced by no less than 284,858 bales, the actual money return showed an increase of more than £12,500,000 over 1921-22." But, he continued, the "Australian wheat harvest was one of the disappointments of the past year, both as to quantity and price. The surplus available for export was reduced by the dry season to about 1,500,000 tons, as compared with 2,500,000 tons in the preceding year, and unfortunately prices were materially lower."

An interesting sidelight is thrown on a question which has apparently exercised the mind of not a few people for some time past. We refer to immigration and land settlement in Australia. Mr R. H. Caird, chairman of the Australian Mercantile Land and Finance Co., Limited, in November, pointed out that this company had already done something in that direction, for in recent years they had cut up and disposed of, in small areas, no less than five distinct freehold properties, aggregating 191,368 acres. Great areas of Australia were peculiarly suitable for the production of fine wool, and though he admitted the necessity of increasing the rural population, he would rather see experiments in closer settlement made in districts where perhaps the best use was not being made of the land than in areas eminently suitable for the production of Australia's premier product, fine merino wool, for which there was a world-wide market.

In the following table, earnings of nine of the most important companies interested in land and produce for the past four years are compared, together with rates per cent. of distribution on ordinary capital. Profits are struck after deducting loan interest:—

Company.	Profits.							
	1919-20.	Ord. Div. Rate.	1920-21.	Ord. Div. Rate.	1921-22.	Ord. Div. Rate.	1922-23.	Ord. Div. Rate.
Australian Agricultural	55,648	7%	41,614	6%	46,287	7%	95,702	6%
Aust. Estates & Mort.	49,134	5%	48,289	5%	71,847	5%	93,643	5%
Aust. Merc. Land & Co.	79,287	12½%	Dr 32,725	10%	189,255	10%	203,253	12½%
Australian Pastoral	93,006	8%	45,083	6%	61,425	6%	91,964	8%
Dalgety and Co.	892,577	15%	140,626	10%	252,780	10%	254,162	15%
N.S.W. Land, &c.	7,072	3%	Dr 5,442	3%	3,156	3%	4,491	3%
N.Z. and Aust. &c. Dir.	176,080	10%	Dr 88,986	4%	69,962	5%	246,196	6%
N.Z. Loan and Merc.	156,746	8½%	83,813	4%	71,143	5%	92,582	4%
Scottish-Aust. Invest.	105,308	10%	90,700	10%	133,118	11½%	200,138	15%

* Free of income-tax.

This is a striking picture of progress. If figures of profits, given above, are compared with our table of capital employed in these companies, it will appear strange, perhaps, that such substantial dividends can be declared, but these profits are usually shown after amounts required for Australian and British taxes are deducted.

Dalgety and Co.'s accounts give some idea of the proportion of profits which goes in payment of taxes. This company shows a revenue of £920,977 for the year ended June 30, 1923; working expenses absorbed £380,190, and debenture interest £114,228, while Australian and English taxes swallowed £172,397, leaving £254,162 for net profits. New Zealand and Australian Land displays, perhaps, the most remarkable change-over in our list. To recover from a debit of £88,936 two years ago to a profit of £246,198 last year is a very commendable performance. The figures of the Australian Agricultural and Scottish-Australian Investment call for notice, but Dalgety's accounts are the most reliable guide to the year's conditions. The Australian Mercantile continues to make rapid headway following its policy of expansion in Melbourne. The Australian Pastoral, as a progressive concern, also deserves notice; here we observe that gross earnings for its past year amounted to £286,945, from which rents, rates and taxes absorbed £63,857. A year ago the comparative figures were £262,773 and £72,866.

Our next table shows comparative figures of principal assets and liabilities for the past three years:—

Name and Year.	Principal Liabilities.			Principal Assets.			
	Total Capital.	Reserves.	Creditors.	Cash & Investments.	Debtors.	Land, &c.	Stores and Stocks.
Aust. Agricultural—							
1920-21	800,000	335,441	39,733	370,534	265,241	275,784	306,951
1921-22	800,000	348,445	62,922	370,884	230,358	271,118	339,215
1922-23	800,000	400,343	64,586	440,613	273,876	272,330	340,903
Aust. Estates & Mort.—							
1920-21	2,871,903	105,000	263,523	557,234	705,048	1,981,126	67,039
1921-22	2,854,564	125,000	261,888	623,800	785,408	1,853,039	53,667
1922-23	2,837,190	160,000	284,857	880,412	743,170	1,690,245	55,300
Aust. Merc. Land & Co.—							
1920-21	2,878,640	500,000	312,490	675,369	108,867	2,519,510	275,785
1921-22	2,738,640	550,000	346,821	727,509	192,429	2,551,798	330,075
1922-23	2,798,640	575,000	462,487	874,982	174,129	2,621,286	344,401
Aust. Pastoral—							
1920-21	330,500	560,000	32,464	387,270	46,448	1,941,590	26,188
1921-22	332,500	560,000	45,772	292,366	34,789	1,338,664	43,826
1922-23	332,500	580,000	33,977	317,564	19,961	1,193,594	93,507
Dalgety & Co.—							
1920-21	4,084,346	1,031,000	2,279,325	1,927,995	754,755	4,429,592	541,116
1921-22	4,100,962	1,111,000	2,380,895	3,263,657	679,886	3,826,569	326,794
1922-23	4,082,977	1,151,000	2,750,313	2,944,231	681,427	3,644,976	418,347
N.S. Wales Land, &c.—							
1920-21	410,450	56,118	7,393	101,538	27,438	352,907	13,138
1921-22	410,450	51,837	8,728	125,564	29,251	310,598	1,777
1922-23	394,890	68,278	6,206	119,594	23,585	309,847	nil
N.Z. and Aust. Land—							
1920-21	3,677,400	397,896	377,789	782,338	295,305	2,631,606	1,128,587
1921-22	3,677,400	368,388	312,937	587,017	263,546	2,693,125	947,707
1922-23	3,677,400	436,830	399,736	987,110	215,097	2,700,274	746,622
N.Z. Loan and Merc.—							
1920-21	4,000,000	600,000	671,945	687,877	740,438	1,764,189	443,058
1921-22	4,000,000	500,000	646,628	507,786	507,786	2,396,311	424,545
1922-23	4,000,000	600,000	680,781	1,308,783	577,672	2,134,010	480,008
Scottish Aust. Invest.—							
1920-21	1,406,300	375,000	157,585	523,181	106,639	1,373,995	1,373,995
1921-22	1,402,400	400,000	146,089	446,795	63,982	1,348,110	1,348,110
1922-23	1,408,700	425,000	139,644	905,551	20,887	1,184,258	1,184,258

† Freehold premises, furniture, plant, &c., at cost.

It is obvious that most balance-sheets are in a liquid state. Indeed, if it were not for the notoriously precarious nature of pastoral farming an epidemic of "melon splitting" might be caused by the demands of thoughtless stock and shareholders. It has been explained by the Governor of the Australian Agricultural Company on several occasions at the annual meetings that the true value of assets shown in the balance-sheet is not revealed. In the item "Estates and properties account, £272,930," are included estates, the unimproved values of which fixed by the Government for taxation purposes has been stated to be £797,707, and the improved values are considered to be substantially greater. The Australian Mercantile has one rather large composite item, which is placed under "land," &c. This is "loans on land, stations, stock, and other securities, fixed deposits with bankers, and properties owned by the company." It would be interesting to know why "fixed deposits with bankers" are not included at least under investments, although some might be inclined to place it under cash at bankers. A few years ago the balance-sheet of the New Zealand and Australian Land Company showed bank overdrafts and temporary loans, less cash at bank and in hand at £38,703. This item has now vanished, but sundry creditors have increased from £312,937 to £399,736. The New Zealand Loan and Mercantile Agency, as denoted by its title, is mainly a financial undertaking, and the item shown under "lands, &c.," consists of advances against wool and produce. This year the New South Wales Land has nothing to show under stores and stocks. It will be noticed that the undertak-

ing has reduced its capital; this is owing to debentures having been reduced from £150,000 to £93,440.

Pastoralists are not inclined to allow the Queensland Land Act of 1920 to be forgotten. The case for the Australian pastoralist was succinctly put by the chairman of the Australian Mercantile Land and Finance at its annual meeting. He said that when "a pastoralist took a lease from the Government, the terms of which contract were defined by the Act, he had a right to expect that those terms would not be varied during the currency of the lease by a subsequent Act. For a Government to introduce legislation to vary such terms could only be defined as breach of contract. The Queensland Premier had stated that it would be tremendously difficult if, as the result of an agitation in London, the Government were forced to pay 1 per cent. more on loans falling due, as this would mean a heavy burden on the State. He (the speaker) quite agreed with Mr Theodore that the position was difficult, but the remedy was in his hands. All he had to do was to right the wrong, and to make it plain to the world that Queensland recognised the sanctity of a contract. It was a pity to see a new country making slow progress simply for want of capital, which would be available in plenty if investors could be assured that contracts once made with the Government could be relied on, and would not be broken by fresh legislation during their currency." Perhaps Mr Theodore may give his point of view when he pays London his next visit.

As will be seen from our final table, quotations for stocks and shares reflect the happier prevailing conditions. Based on current prices, some generous yields are still obtainable, and it must be remembered that these yields are in most cases free of tax:—

	Am't	Paid Up.	Price July 30, 1914.	Price End of 1923.	Price Jan. 24, 1924.	Yield.
Australian Agricultural	5	5	83	52	6	15 8 3
Australian Estates and Mortgage	Stock	100	88½	59	71½	15 8 7
Australian Mercantile Land, &c.	25	5	77	7	81	17 11 6
Australian Pastoral	Stock	100	112½	87½	100½	16 19 3
Dalgety and Co.	20	5	7	10½	12½	16 3 0
New South Wales Land and Agency	5	5	42	24	41	10 11 9
New Zealand and Australian Land	Stock	100	211	143	138½	14 6 9
New Zealand Loan and Mercantile	Stock	100	96	73½	81	14 18 9
Scottish Australian Investment	Stock	100	110½	130½	156½	19 11 9

* Price of old stock.

† Free of income-tax.

The price of 88½ in July, 1914, shown for the stock of the Australian Estates and Mortgage Company was before the increase of capital in 1919, so that the quotations for the stock in 1921 and 1922 are not comparable with those for 1914. The outlook is distinctly bright. The wool market continues strong, and as the accumulation resulting from the war has now been mostly absorbed, and there is a diminishing quantity of new wool available, the prospect for good prices in the future is a reasonable premise.

THE TRUST MOVEMENT IN GREAT BRITAIN—PRICE CONTROL.—V.

PASSING now to terminable combinations which do not involve any direct interdependence of financial interests, these are found to be very numerous in practically all branches of industry (including the agricultural industries) and of trade.

Putting aside organisations of employers formed to deal with questions of wages and conditions of labour, they range from great bodies like the National Federation of Iron and Steel Manufacturers, the Association of British Chemical Manufacturers, the Federation of Master Cotton Spinners' Associations, the Allied Association of Bleachers, Dyers, Printers, and Finishers, the United Tanners' Federation, and a number of important organisations representative of various branches of the distributing trades, down to associations having only a very few members, though representing the whole production of the individual commodities which form the subject matter of the combinations, and to small groups of producers or distributors organised upon the basis of locality. Their objects are very diverse. Some, as for example the first three associations mentioned above, are concerned with the promotion of the general interests of their industry, by the collection of trade and technical information, con-

sideration of legislative proposals likely to affect the particular trade, joint consideration of transport problems, and common action (though this has so far not been frequent) as to supplies of raw materials—all of these being matters in which well-organised and comprehensive associations can obviously be of great value. They are not concerned directly with the regulation of prices or output, which forms the sole reason for the existence of many of the others. The facts that the formal statements of objects and the rules of the majority of these combinations are not available to the general public, and that even when so available they are not necessarily a clear indication of the real activities of the organisation, make it impossible to determine what proportion of them have price-fixing, whether directly or by regulation of output, as one of their objects, but there can be no doubt that the proportion is very substantial. The Report on the work of the Central Committee under the Profiteering Acts, issued in 1921, referred to certain inquiries undertaken on its behalf by the Board of Trade, and stated that of 1,853 associations circularised by that Department, 446 admitted that they exercised some form of price control, 115 asserted that they did not control prices, and the position of 1,292 was doubtful. We are not aware if the position as to this last group has been cleared up, or if the inquiry conducted by the Board of Trade, under the powers conferred by the Profiteering Acts, was continued after those Acts ceased to operate, since nothing more as to the results of the inquiry has been published. But a considerable amount of information as to the nature and operations of individual combinations is to be found in the published Reports of the Departmental Committee on Trusts appointed by the Ministry of Reconstruction in February, 1918, and of the numerous Committees and Sub-Committees under the Profiteering Acts, 1919-20. A brief review of some representative bodies thus officially investigated may serve to show their variety of form and action.

The sub-committee which investigated the electrical cable industry found that it was dominated by the Cable Makers' Association, whose output was about 90 per cent. of the total production of the country. It is registered as a trade union, and, therefore, may not exercise price-regulating functions, but the members do agree standard prices of specified qualities and grades of cables, maximum discounts, and bonuses for purchasers exclusively from members of the association. It has been active since its formation in 1899 in promoting standardisation and raising the quality of the British product, and the sub-committee, after referring to the long-continued success of this branch of the electrical industry—an exception to the general history—remarked that "there is no doubt that this prosperity was largely created by the Cable Makers' Association, which, by its organisation and research, initiated and has since maintained a high standard of quality, thus securing the confidence of buyers both in this country and abroad."

An equally favourable judgment was passed by another sub-committee on the Bedstead Makers' Federation, an association comprising some two-thirds of the makers of metal bedsteads and wood bedstead fittings, and formed in 1912 avowedly to put an end to price-cutting. Each constituent concern is assigned a percentage of the total output based on its pre-federation sales, pays into a pool each month a proportion of the value of its sales above the assigned percentage of the aggregate sales of all the members, and similarly draws from the pool a corresponding proportion of the amount by which its sales fall below its quota. The sub-committee reported (February, 1920) that there was no evidence to suggest that the manufacturers had sought to raise prices unduly, and they endorsed statements as to the considerable progress made by the federation in standardising products, promoting the installation of modern machinery and economy of production, and unifying the purchase of materials.

The findings of a third Sub-Committee which investigated the trade in light castings were more critical. They found (February, 1921) that there existed a trade combination, the National Light Castings Association, formed in 1911, which covered 95 per cent. of the output, that it had a pooling arrangement which penalised any member who increased his output and rewarded any member who reduced it—an arrangement which they regarded as tend-

ing to restrict output and retard improvement in efficiency, and to be contrary to public interest; that a trade combination—the Builders' Merchants' Central Committee—representing almost the whole distributing trade in light castings worked in close relation with the association, and determined with it minimum retail prices; and that "by a system of deferred rebates, conditional upon exclusive dealing and strict conformity to the price list, the association binds to itself almost the whole of the distributing trade, re-inforces its control over prices, and makes it difficult for any existing or would-be competitor outside the association to market his goods." The Sub-Committee recognised that efforts had been made by the association to promote efficiency and lower production costs, but thought that these activities did not adequately balance the restrictive effect of the association, and that there was "no guarantee that the results of improved efficiency would reach the public in the form of lower prices."

The electric lamp industry furnishes an example of a trade combination possessing a quasi-monopoly based upon the ownership of patent rights. The Tungsten Lamp Association was formed about 1913, and its membership consisted in 1920, when a Sub-Committee under the Profiteering Acts reported, of ten companies representing about 90 per cent. of the total British output, fixing retail prices, giving agreed discounts to factors and retailers, and regulating output. The association was found to be dominated by three concerns, the General Electric Company, which had acquired the British rights in the original Austrian Tungsten Filament patents, and subsequently in other patents, the British Thomson-Houston Company (in which the General Electric Company of America—quite distinct from the British company of the same name—has a controlling financial interest), which acquired the British rights in the American patents covering the drawn Tungsten Filament and Half-Watt lamps, and Siemens Brothers. The Sub-Committee further found that these imposed onerous conditions upon other firms in the association—for example, a limitation of output upon licensees (which the Sub-Committee regarded as contrary to the best interests of the industry and of the consumers) and a stipulation that the validity of their patents should not be questioned; and that makers outside the association produced and sold to the trade lamps of comparable quality at a lower price, but owing to the standard price policy adopted by the association, non-association lamps were being sold to the public at the same price as association lamps, "the advantage on the lower-priced lamps going wholly to distributors."

It is impossible within our present narrow limits to give instances of all the various kinds of price-fixing associations, but in view of the importance of a reduction in building costs, the findings of various sub-committees in respect of the chief building materials may be briefly summarised. As regards bricks, it was found that there were many local associations—the chief being the Pressed Brick Manufacturers' Association (working the Fletton fields, near Peterborough) and the Stock Brickmakers' Association (Kent and Essex)—and formed, among other purposes, to maintain prices at a profitable level; but the Sub-Committee reported that there was no evidence that such fixation of prices was detrimental to the consumer, or that there were any arrangements between associations, and that, though several associations of builders' merchants existed which fixed minimum prices, there was no evidence to show that undue advantage had been taken of this. In the case of slates, though the North Wales Slate Quarries' Association, formed in 1917, comprises the great bulk of the slate manufacturers in this country, it was found not to exercise any definite control over prices, nor was there any very effective general regulation of prices by the slate merchants. As regards cement, it is well known that the industry is completely dominated by two concerns, the Amalgamated Portland Cement Manufacturers, Limited, and the British Portland Cement Manufacturers, Limited—each being itself an amalgamation of a number of previously independent undertakings—which have interlocking directorates and produce about three-quarters of the total United Kingdom output; they are combined with other producers in the Cement Makers' Federation (representing about 90 per cent. of the production), which fixes minimum prices for sales to mer-

chants for home consumption, and also their retail prices. The Sub-Committee, whilst making various criticisms on the trade practices adopted by the federation, as likely in a normal period to operate against the interests of consumers, did not regard the increase in prices made during and after the war as unreasonable, in view of the great increase in cost of manufacture, and they commented on the improvements made in organisation and plant. The National Light Castings Association, whose output of grates, stoves, mantels, baths, and rain-water pipes is, of course, very important in this connection, has already been described; its action in advancing prices in the early part of last year seems to have been the cause, in combination with some temporary increases in the price of bricks, of a first step by the State in the direction of the supervision of prices in normal times. In April of last year the Ministry of Health and the Board of Trade appointed a committee "to survey the prices of building materials and to receive and consider complaints in respect thereof, and to report from time to time to the Minister of Health and the President of the Board of Trade as to the facts, and in particular as to the extent to which in any case the price appears to be unduly high by reason of the operation of any trade combination, trust, or agreement."

Notes of the Week.

The Railway Strike.—Numerous peace moves energetically pursued by Labour leaders, to whom, of course, the strike is a serious embarrassment at the moment of Labour's assumption of office, have failed to remove the deadlock in the railway dispute, and as we go to press there are no hopeful signs of settlement on the horizon. From every aspect from which it can be viewed, the affair is entirely deplorable. The issues at stake are such as in no way justify a national upset. The grievance—if grievance there be—in any case affects a very few men. The biggest of the two trade unions concerned accepted as fair and advantageous the wage award of the board on which the men were fully represented. The points on which the other union takes its stand are such as could be adjusted (if the case for adjustment has any reason behind it) by round-table conferences, after the award had been accepted in broad principle. Whether or not the railway managers had done everything in their power to guide matters in that direction, no one perhaps knows but themselves, but Mr Bromley has failed to convince us that they did not. Nor has he produced any evidence to shake Mr Thomas's pronouncement that the award was, on the whole, a fair one. And that the strike was unjustifiable. Unfortunately, the country looks like having to pay dearly for the intransigent policy of Mr Bromley and his union. Traffic is not paralysed, and on many lines the companies' efforts to maintain a reasonable passenger service have been highly creditable and successful. But a serious blow has been struck at both domestic and foreign trade just at the moment when signs of progressive recovery were growing steadily brighter. The first serious effects have already been seen in the closing down of mines and iron and steel works. Should the strike last another week, the economic effects will have become very serious. We hope, however, that the combined force of the responsible Labour leaders, which appears to be working unitedly on the side of sanity and settlement, will prove strong enough to bring to an end, before the national interests have taken grave harm, a strike which should never have taken place.

The Bank Speeches.—Three important speeches have been made this week by chairmen of the great banks to their shareholders. Mr McKenna's address to the Midland Bank shareholders yesterday was devoted very largely to questions of monetary policy, and we hope to refer to it in more detail next week. Mr Walter Leaf, Chairman of the Westminster Bank, devoted a large part of his remarks to an examination of the trade position, both at home and abroad. So far as home trade is concerned, Mr Leaf was optimistic. "The reports which we receive at this time from our managers," he said, "though per-

haps it would be going a little too far to call them exhilarating, are on the whole quite comforting..... Not, of course, that the prospect is uniformly rosy. There are several very important industries in which, unfortunately, it cannot be said that the corner has been turned. But in the majority of our reports from all over the country we hear, in one form or another, that the outlook is considered good, and that the New Year is opening with confidence and hope. One cannot but feel that what the old physiologists called the *vis medicatrix naturæ* has been at work; the tendency of wounds to heal is asserting itself." Mr Leaf reminded his audience, however, that these indications are still unfulfilled promises as yet, and that it is vain to talk about prosperity with Europe in its present condition. But France is realising that though the occupation of the Ruhr has ended technically in a victory, economically nothing has been gained by it, and France is financially the worse for having relied on mere force. "One thing is certain, that reparations paid by Germany can come through one channel alone—through an excess of German exports over imports." Mr Leaf quoted the effects of the Fordney Tariff as an illustration of the way in which international payments are made in goods. During the first nine months of 1923 exports from the United States to Great Britain fell off by more than £16 millions as compared with the corresponding period of 1922, while our exports to the United States increased by over £10 millions, the balance of trade moving nearly £27 millions in favour of this country in the nine months. "Naturally, this cannot be the actual result of the tariff; it proves that there are opposite influences which overcome the obstacles put in the way of imports from abroad. There can be little doubt that this influence is to be found in the remittances which Great Britain is making to the United States for the payment of the debt. So long as the United States require payment from us, so long must they take it in the form of our goods. And in the meantime, the Fordney Tariff has naturally increased prices and put up the cost of production in the United States, and has thereby hindered their power of competition with us in neutral markets. So that the tariff has been by no means an unmixed misfortune to British trade; and it offers an instructive example of the futility of political measures which try to counteract the irresistible tendencies of economic law." Mr F. C. Goodenough, at Barclays' meeting, had nothing to say about the Fordney Tariff, but laid stress upon the gain to British credit and British prestige owing to the funding of our debt to America. He also put forward an estimate that for the past year the amount of our invisible exports will have been maintained at the 1922 level, and that a surplus of some £100 millions will have been available for loans to the Dominions and foreign countries, which will serve to reopen foreign markets and help our trade. Mr Goodenough added: "With our growing population and the present unemployment, everything should be done to promote our visible exports now as well as for the future, and foster every opportunity that may present itself for improving the industrial conditions of the country." Both Mr Leaf and Mr Goodenough were emphatic in their condemnation of the "flight from the pound." Mr Goodenough gave it as his "decided opinion that British credit stands firmer to-day than at any time since the war, and that, as to the intrinsic value of the pound, there can be no doubt." Mr Leaf characterised any pressure to sell British and buy American securities as "not merely unpatriotic, but in my opinion very foolish. I have heard an expert opinion from America which asserts that it will be easy to lose in American investments quite as much as in any capital levy." The reports of these three speeches are printed in *extenso* in later pages.

Progress of the Expert Committees.—From the meagre information that emerges it appears that both the Committees of Experts, now sitting in Paris, are pressing on with their work in business-like style and at a good pace. The *Monetary Committee*, which is considering the stabilisation of German currency, has, it is stated, worked through the immense mass of statistical and other data which had been prepared for it. It has also interviewed Herr Schacht, the President of the Reichsbank, and is reported to have agreed in principle on the creation of a new German Bank

which will issue gold notes. This Committee is to pursue its investigations in Berlin next week. The second Committee, to which is entrusted the investigation of German assets abroad, began its work last Monday, and it has already progressed so far that it will be able also to proceed to Germany shortly. This Committee, like its counterpart, was welcomed at its opening session by M. Barthou, the chairman of the Reparations Commission, who at the conclusion of his address invited Mr McKenna to assume the chairmanship of the Committee. Mr McKenna's colleagues are Mr H. M. Robinson (United States), M. Laurent Athalin (France), Dr Marie Albert (Italy), and M. Albert E. Janssen (Belgium). Mr McKenna, in an initial speech, endorsed the striking remarks made by General Dawes at the opening of the first Committee, which were discussed in these columns last week. This—the Second Committee as it is called—has this week taken the evidence of two German witnesses in Herr Bergmann and Herr Meyer. Satisfaction is shown in Paris at the determination with which the Committees are attacking their respective tasks; but here and there we detect a warning note in the French Press that, after all, the conclusions of these Committees will not bind the Reparation Commission, to whom they may or may not be acceptable. Nevertheless, the general atmosphere appears to be such that there is a general disposition to give the experts a fair chance.

The Egyptian Elections.—The independence of Egypt has been inaugurated formally by the accrediting of Egyptian diplomatic missions to foreign Governments, including the Court of St James's, and, almost at the same moment, Saad Pasha Zaghlul has come into power with an even more overwhelming majority than had been expected. The two-storeyed system of election has not discernibly modified the result, nor do the various influences of the Crown, of officialdom, or of the landed interest appear to have made any impression upon the organised electoral campaign of Zaghlul Pasha's party. The absence of an opposition is notoriously demoralising to any constitutional Government, and perhaps especially so in cases where all concerned are new to the game. In this case, however, the very extremeness of the result may effect its own cure. There is no external danger to prevent the Zaghlulists from dividing against themselves, and the most sincere well-wishers of Egypt may look forward to such a prospect with satisfaction, for it would be a healthy symptom in Egyptian political life. This portentous unanimity is simply an expression of that negativity which has marked Egyptian politics since the Armistice, and for which (it must be admitted) the British Government is largely responsible through its unprofitable procrastination in taking the proper course. The wish to throw off the British protectorate and to enjoy national independence has been the driving force which has started Egypt on her new political career; but that motive must soon become obsolete because it is substantially satisfied, and as soon as the Egyptian nation grapples with the positive tasks of constructive politics, it will assuredly become healthily divided on questions of policy, as every genuinely self-governing nation always has done and always will do. It is important, however, for English people to bear in mind that the satisfaction of the Egyptian desire for independence, while already substantial, is not yet complete. The four vital questions of the future political status of the Sudan, the safeguarding of British Imperial Communications, and the protection of foreign residents and native minorities, have still to be settled by negotiation between the Governments of Egypt and Great Britain. The minorities question should present little difficulty, for the Copts, possessing no kinsmen beyond the borders of Egypt, feel no temptation to secede from that country. On the question of the Capitulations, again, no great difficulty is to be anticipated. Egypt will doubtless profit by the precedents which Turkey has recently won for all Oriental States at Lausanne; but the question has never been so acute in Egypt as it used to be in the Ottoman Empire, and Egyptian statesmen are aware that they cannot afford to enter into a simultaneous controversy with the British Empire and with the non-British foreign residents in their midst. As regards the

question of the Suez Canal zone, the Egyptian Government is perhaps fortunate in having to deal with a Labour Government in England, which may be expected to reduce its requirements to the minimum compatible with the safety of the Empire. The difficult question will be the Sudan.

The League's Plan for Hungary.—The League's Hungarian Committee, which concluded its London meeting this week and to which the League Council had delegated full powers, has, by a unanimous vote, transmitted the League's plan for the financial reconstruction of Hungary to the Reparation Commission, at whose request the scheme was prepared and from whom one or two decisions are required on matters within its particular competence before the work can be put into operation. The scheme comprises two Protocols—one covering political conditions and the other detailing the machinery of the scheme—and the Report of the League's Financial Committee (which also sat in London while the Hungarian Committee was in session). The two main decisions required from the Reparation Commission are the raising of the liens on Hungarian assets so that security may be provided for an international loan, and the approval of the suggestions of the Financial Committee on the maximum figure of reparations which Hungary should be called upon to pay within the period of repayment of the loan. The Financial Committee unanimously expressed its view in Paris, and strongly reiterated it in London, that the maximum sum in reparations and other Treaty charges such as restitution, expenses of armies of occupation, commissions, &c., which Hungary could reasonably be called upon to pay during the 20 years' period of the loan, should not exceed an average of £400,000 annually, i.e., 1s per head of population, and that, during the first five years following the 2½ years' reconstruction period, the figure should be substantially less. Hungary should be dispensed from all treaty payments during the period of reconstruction, with the exception of the continuance of the delivery of coal which is being supplied and the charge for which is already in the Budget. The Committee considers that the execution of the whole plan of reform, which in many respects is similar to the Austrian reconstruction scheme, should offer a sound basis for the issue of the loan of £10,000,000, designed to cover the deficit in the reconstruction period ending June 30, 1926. There are some other questions to be finally settled outside the ambit of the League scheme before it goes definitely forward. These include negotiations on various questions between Hungary and the Little Entente Powers, which have greatly progressed during the London meeting, and also negotiations between the Little Entente Powers and the principal Allies on the obligations of the Little Entente regarding Liberation Bonds, ceded property, &c. It is not anticipated that these negotiations will be obstacles, and in view of the very definite assertion of the Financial Committee on Hungary's capacity to pay reparations, and of the further fact that the Powers represented on the Reparation Commission are the same Powers as are represented on the Hungarian Committee of the League, there ought to be little delay in taking the necessary decisions. The covering letter to the Reparation Commission, unanimously agreed to by the Hungarian Committee, emphasised the necessity for rapid consideration of the League's scheme, which becomes operative as soon as the first Protocol has been signed by the respective Governments and the requisite decisions taken by the Reparation Commission. A delegation of the League will then proceed to Budapest to collaborate with the Hungarian Government in the first measures required under the scheme, in particular, the drawing up of a detailed programme of Budget reform and the establishment of an independent Bank of Issue. The scheme has somewhat wider significance than the Austrian scheme from the fact that it has been generally regarded as a small scale model of the kind of settlement which might be ultimately adopted for Germany. So far as the League is concerned, therefore, the plan is detailed and complete, except for the signature of the Protocols, which awaits events outside the League.

The Death of Lenin.—The death of Lenin removes one of the most powerful and quite the most baleful of the outstanding figures of modern history. No Apostle, no missionary, no founder of a religious order, has ever been more reckless of his personal comfort or advantage, or more thoroughly devoted to the service of a cause and the realisation of a creed. No leader of invading hordes of barbarians, no ancient or modern conqueror or tyrant, has ever deliberately inflicted so much suffering or brought about such stupendous ruin. Selfless devotion, inherited from a deeply religious ancestry, has always characterised the atheistic Russian revolutionists; but Lenin, who drifted into their ranks like many of his fellow-students, and was perhaps kept there by his brother's execution, escaped their usual fate, and rose to leadership by his concentration, his will-power, and his ability in training an order of missionaries of revolution. Living, like most of the leaders of the fraternity, in exile, he gave himself up to Marxist and Nihilist propaganda, and to the sapping of the whole edifice of Tsarist and capitalist Russia. He succeeded because the Russian people was really a congeries of divergent elements, already going to pieces under Western political theorising and economic practice, and dazed by the collapse of its administrative framework under the strain set up by the war. The Germans, in their desperation, gave him his chance; he took it, and succeeded only because he and his associates alone had definite aims. Under democratic forms they set up an oligarchy of which he was the all but autocratic chief. Careless of popular suffering and present misery, they completed the wrecking of the whole Russian social and economic structure, not to make the people happier, but to hasten what they regarded as an inevitable development on the lines laid down by Karl Marx. Practically they destroyed the whole system of production and transport that they had set out to transform; they made grandiose plans of electrification, but sent Russia back meanwhile to a mediæval economy, with a lower middle-class of rich peasants and small masters and traders, and an upper middle-class of wealthy and unscrupulous speculators and profiteers. Then Lenin sacrificed theory to opportunism, and scared his disciples by proposing to compromise with foreign capital. Whether the proposals will materialise depends largely on the effect of his death. For nearly three years his disablement had weakened his actual influence, but his name and memory are still potent as a check against the disruptive strain set up among his followers by resentment against autocratic rule, and by their fear of temporising with foreign capitalists.

Stock Exchange and the Labour Cabinet.—Sweeping rises occurred in practically all the markets of the Stock Exchange on the day of the announcement of the new Labour Cabinet. The rises, writes our Stock Exchange correspondent, were not confined to those speculative descriptions in which it was known that a bear account existed, though the prices of these jumped with the rest. The advance included all the stocks in the Consol market, the Home Railway, industrial, oil, rubber, and other important sections of the House. It caused sympathetic advances in a good many mining shares. The whole of the Stock Exchange became infected with the extraordinary change of conditions, and members, brokers and jobbers alike, admitted to one another their amazement at the unexpected state of affairs. Had the recovery been due merely to bear purchases less astonishment would have been felt, but brokers for the first time this year found that orders to buy were coming in thick and fast. It is always possible to tell in the House when markets are busy, and on Wednesday the evidence of public buying proclaimed its presence unmistakably. The pneumatic telegraph tubes were banging incessantly all day. Brokers and their clerks went hurrying across the House in a manner which, to the practised eye, meant real business. The telephone boxes, of which a fresh supply has recently been opened in the House, were in continual use. Above all, the ordinary hum of every-day business became changed into a quicker and more eager buzz. Nor were the buying orders small. People came in with substantial amounts of money, and the cheerful factors which had lain either dormant or hidden since the General Election became mooted, sprang suddenly into prominence. The

bears, moreover, played a very conspicuous part in developing the upward march of prices. That stock was scarce round many parts of the markets had already become obvious, though how scarce it needed an imperative public demand to prove. This demand arose from Wednesday morning onwards, and the violence of the rise which it caused became denounced by a good many on-lookers as being unjustifiable and partly artificial. It was noticed, however, that operators who refused to be up-lifted by the buoyancy were equally unwilling to sell bears of stock in such a bullish market. Indeed, the opinion became voiced that bear selling is likely to be a dangerous process until such time as that when humdrum legislation sets in, and people begin to regard, with lurking qualms of uneasiness, the prospects for the next Budget. Stock Exchange men are disposed to view the immediate outlook as being one that carries no particular reason in it for wild enthusiasm in regard to rising prices, though brokers and jobbers both admit, and readily, that prices were put down too sharply on the Labour successes at the polls, and that some such recovery as is now being carried out is not unreasonable, however little its swiftness of advent may have been expected. The composition of the Labour Cabinet is deemed to be sounder than men anticipated; Labour may be said to have scored a point in its opening round by the display of a nice discrimination, to ministerial appointments, of men who are not likely to trifle with the principles of good government.

Panel Doctors' Award.—It will be remembered that in December an awkward deadlock, which appeared to threaten a "strike" by panel doctors, was resolved by an agreement by the Ministry of Health on the one hand and the doctors on the other to accept the award of a specially appointed court of inquiry. The doctors claimed a capitation fee of not less than 9s 6d; the approved societies suggested 7s 3d as the appropriate figure, while the then Minister of Health offered the doctors 8s 6d a year for a period of five years. The court of inquiry has fixed upon the figure of 9s for the calendar year 1924, and it is to be hoped that this compromise means that we have heard the last of the dispute for at least eleven months. It would also seem highly desirable that terms for a subsequent period should be discussed well in advance, so that affairs may not again be allowed to drift at the last minute into a deadlock like that which occurred in December.

Wages and Prices in Ireland.—Our Dublin correspondent writes:—Proof of the stabilisation, on the political side, of the new system in the Irish Free State can be seen in the extent to which discussion is now centred on such matters as wage levels, price levels, fiscal policy, and national finance. Recently, Mr Cosgrave, President of the Executive Council, has announced that the Government will spend £2,000,000 on road restoration and improvement between the present date and March 31, 1925. The scheme is being put into operation, and will be finally authorised by the coming Finance Act in or about March next. The money will be advanced to local authorities, subject to a condition as to wages—no wages for unskilled labour on road work are to exceed (a) 50s per week in Dublin, Cork and (probably) Waterford, (b) 45s in other urban areas, and (c) unskilled agricultural labour rates, approximately, in country districts. The Dublin Corporation, which is paying 64s per week for unskilled labour, after a strong resistance since November, has now submitted, and presumably the Government will also prevail everywhere else, for although labour is resentful, the unemployed are naturally grateful and the public approves. There is also a large housing scheme just produced, which will employ labour and provide some very badly needed houses. But of any tangible or practical step to control prices or check profiteering no hope has been held out. After a long debate, the Minister of Commerce has announced that there will be careful and tentative efforts in the next Budget for the encouragement of home industries by tariff protection. The obvious comment on this is that no tariff experiments can possibly have a fair chance until the existing prices problem has been tackled successfully. The "rings" and combines that exploit the public will most assuredly reap extra profit out of any duties

remitted, and load their prices by more than the amount of any duty imposed. A healthier condition of the distributing businesses which intervene between the wholesaler and the consumer is a condition *sine qua non* for the success of any tariff experiments. It is gathered that the direction of the experiments will be towards readjustments relieving articles such as tea and sugar in some measure, and levying an equivalent revenue from boots, clothes, and such-like other articles as might be produced, or produced in greater quantities than now, in Ireland. But nothing is likely to be attempted which would imperil the amount of the existing revenue or give reasonable cause for an increase in the cost of living.

British Oil Interests.—What is the English oil industry? This question is presumed to be answered in a German pamphlet* by Dr Sydney Jessen, compiled from the appropriate text-books. It contains a table of "English Petroleum Companies" showing 52 companies as connected with the Royal Dutch-Shell group, 76, as connected with the Anglo-Persian, and 177 "others." The Royal Dutch-Shell list is not nearly complete; the Anglo-Persian list is too large, containing companies so obviously independent as the Agwi Petroleum Corporation, Lobitos Oilfields, Limited, Anglo-Ecuadorian Oilfields, Limited, Trinidad Leaseholds, Limited, British Equatorial Oil Company, Colombian Oilfields, Limited, &c., while the miscellaneous list contains even some purely American concerns, such as the Sinclair Consolidated Oil Corporation, the Pan-American, the Mexican Petroleum, and California Petroleum Corporation. Such a table is very misleading. Dr Sydney Jessen makes the mistake of supposing that where companies have a director or directors common to each other, they must be connected or in some way interlocked. He forgets that being a company director is still a promising profession in this country. Because, say, Lord Drogheda is a director of Benzol and By-Products, Limited, and is also a director of the Anglo-French Middle East Development Corporation, which claims Lord Inchcape as chairman, who is also a (Government) director of the Anglo-Persian Oil Company, therefore the Benzol and By-Products, Limited, is classified as one of the producing units of the Anglo-Persian group. Which is absurd. It is equally absurd to link up the Royal Dutch-Shell group with the Anglo-Persian, because on the one side the unfortunate United British Oilfields of Trinidad has on its board three directors of the Burmah Oil Co. or Anglo-Persian and three directors of the Asiatic Petroleum Co., and because on the other side the Anglo-Persian controls the British Oil Bunkering Company, which has director A common to another company which has director B common to another company, which is controlled by the Royal Dutch. Incidentally, the British Oil Bunkering Company looks imposing in a reference-book but has long since been a dead letter. Dr Jessen makes the common mistake of treating the Royal Dutch Petroleum Company as English. Certainly, if one travelled round the world calling at all the Royal Dutch-Shell foreign stations, one would meet only with the English gentlemen from the Universities, and return impressed with the anglicisation of this great oil trust. But it is merely a coincidence, or rather the sequence of the general commercial policy that it pays to appoint Englishmen to foreign commands. The Royal Dutch is Dutch, although Sir Henri Deterding lives in England. Dr Jessen's charts would be more accurate if the bid which was made for the Government's Anglo-Persian oil shares had been accepted. We understand that the bid was made in the name of the Burmah Oil Company which had agreed, in the event of its acceptance, to fuse its interests with those of the Royal Dutch Petroleum and Shell Transport and Trading Company. Incidentally, this proposal would have greatly strengthened the position of the Anglo-Persian which is building up a huge marketing organisation on one source of supply—an unsound procedure in the oil business. It is to be hoped that the new Government will see the commercial as well as the political wisdom in accepting the Burmah Oil Company's proposal.

* Die Weltinteressen der englischen Petroleumindustrie von Dr. Sydney Jessen. Finanzverlag Berlin, Ca. 1921.

The Discount Companies.—In the absence of the annual report of Lloyds Bank, which has not yet appeared, we are obliged to defer our usual analysis of the joint-stock bank balance-sheets until next week. The reports of the three discount houses, however, are now available, and in the table below we give a comparison of the main items on the balance-sheets for December 31, 1922 and 1923:—

	1922.						
	Capital and Reserves	Loans and Deposits	Bills Rediscounted.	Cash.	Short Loans, &c.	Investments.	Bills Discounted.
Alexanders	£1,000,000	£17,756,879	£1,692,619	£471,141	£302,219	£2,553,308	£17,412,608
National	1,346,665	21,852,474	16,911,235	644,119	1,465,118	3,138,439	35,497,409
Union	2,200,000	31,139,416	6,795,272	1,274,375	230,940	4,819,974	37,484,422
	4,546,665	73,748,769	25,399,126	2,389,635	1,998,277	10,511,721	90,394,439

	1923.						
	Capital and Reserves	Loans and Deposits	Bills Rediscounted.	Cash.	Short Loans, &c.	Investments.	Bills Discounted.
Alexanders	£1,030,000	£18,393,625	£2,368,861	£492,591	£794,087	£3,063,587	£17,733,836
National	1,346,665	23,333,715	16,673,991	667,985	1,886,469	2,138,452	37,363,756
Union	2,250,000	36,345,007	8,694,704	1,293,887	569,859	5,088,622	41,208,473
	4,626,665	78,072,347	27,737,556	2,454,463	3,250,415	10,290,661	96,306,065

The net profits of these companies for 1923 showed a substantial reduction in comparison with 1922—Alexanders from £188,200 to £136,200, the National's from £190,700 to £108,200, and the Union's from £316,600 to £249,000. There is an appreciable increase, it will be seen, in "the book" as compared with this time last year. Investments show a slight falling off in the aggregate, thanks to a decline of a million in those of the National, but loans are substantially higher in each case, although the aggregate is still considerably below the total of two years ago. Cash shows a small all-round increase. At the meeting of the National Discount Company on Monday the chairman, the Hon Sydney Peel, D.S.O., gave some interesting figures relating to the volume of bills discounted. "Bill discounting," he said, "is, of course, our principal business, and it may interest you to hear that the amount of bills actually discounted by us in one year has, this past year, for the first time, passed the £100,000,000. There are, I dare say, very few shareholders who are aware that we have kept records ever since 1856. The figures were very different in those days. By 1886 we had reached a total of bills discounted of £1,000,000,000. We passed £2,000,000,000 by the end of 1909, and this last year we have discounted since the beginning, in 1856, over £3,000,000,000 of bills." At the meeting of Alexanders Discount Company, Mr Colin F. Campbell, the chairman, in referring to the substantial increase in that company's loans, mentioned that they were all against money-market securities. They were higher than usual, and, being mostly of a temporary nature, have since been largely repaid. Mr Campbell also said that throughout the year the proportion of the company's business concerned with commercial as opposed to Treasury bills has been slightly higher than it was in 1922. "Treasury bills," he added, "have continued to be our main source of supply, and our bill case to-day largely consists of them. Money has been in moderate supply throughout the year, but the margin between ease and scarcity always seemed to be a small one, and borrowers frequently found themselves temporarily short of funds. The margin between money and bills was rather better than in 1922, the average being 10s 6d, against 6s in that year. I have already drawn your attention to our increased holding of short-dated securities, but we have held them more for the sake of the running profit than for the chance of a rise in capital value, as there has not been at all a brisk demand for these securities such as was experienced in 1921 and 1922, and prices generally may be said to be 1 per cent. lower than they were a year ago."

"General Average" Problems.—The report of the Liverpool Underwriters' Association, which is to be submitted to the annual meeting of that body on Monday, refers among other matters to the proposed code of General Average which has been circulated by the International Law Association with a view to a discussion on the subject at the next conference of the International Law Association at Stockholm in September. The principle of

general average, in connection with carriage by sea, is simple, namely, that sacrifices for the common benefit are replaceable by a general contribution, but its application is a matter of much complexity. With large and varied cargoes under modern conditions, the working out of a general average statement is a laborious, lengthy, and, as the Liverpool Underwriters remark, sometimes a heavily expensive business. Members of the profession of average adjuster are concerned with highly technical questions governed, so far as the existing York-Antwerp rules of General Average extend, by the provisions of that code. These rules of practice are admittedly, after many years of experience, in need of revision as well as addition. They are international in their application, and the questions which have arisen are as to the scope of a new international code and the form in which it should be cast. Considerable support is given to the view that definitions of principle should be introduced into the code in addition to the rules concerned with questions of practice. A sounder basis of international uniformity would thereby, it is thought, be ensured. The draft proposed code put forward by the International Law Association has, however, been criticised a good deal. There is the possible alternative of working from the basis of the existing York-Antwerp rules. In order that commercial and shipping interests may be provided for in the most satisfactory way, some public discussion of the matter may be desirable to prepare the ground for the intended international conference later in the year. In this discussion the average adjusters as experts may help, but the problems are broader than can be settled by them alone.

Insurance Companies' Shares.—In their customary review of the insurance share market, Messrs Maclean and Henderson (of Stirling) point out that insurance shares have increased enormously in value during the last 18 months. The previous high record was in 1920, but that level was surpassed in the course of last year. It is of interest to note that of recent years, when failures such as those of the City Equitable group, and the City Life Assurance Company might have been expected to give an impression of insecurity the credit of the best insurance offices stood higher than ever in their history. The small public which follows insurance shares knows very well the difference between established companies and mushrooms. It is policyholders rather than shareholders who are misled into trusting insurance companies of no standing. We have often pointed out that the dividends paid by the good and progressive insurance offices are always based upon the interest earned by their funds. As those funds continually increase, so do the net interest earnings available for dividend payments. The results spread over a long period are astonishing. The Commercial Union, for example, is a little more than 60 years old. The original shares—which have been divided and subdivided, and paid up out of reserves—if existing now, would be worth 74 times as much as their first cost in 1861, and the dividends paid upon them would be 250 per cent. This immense appreciation is due to the simple fact that original paid up capital was no more than £250,000, and that all the millions of funds which now earn interest have been laboriously piled up during 62 years. It is this possibility of an insurance office becoming a source of great wealth to its original proprietors which brings so many new ones into existence. Most of them do not realise the hopes of their projectors.

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Indemnity Mutual Marine Assurance Company.—The first of the marine insurance company reports to be issued is that of the Indemnity Mutual, which shows that the 1922 underwriting account was closed with a surplus of £72,516, which compares with £32,121 for 1921. The premiums on this account were £941,830, the first year's claims £248,605, the second year's claims £385,590, and the amount carried to suspense to close the account £200,000. The expenses were £35,119. The receipts from interest, less income-tax and corporation tax, were £107,869, and the amount paid in dividends £113,691. The paid-up capital a year ago was £201,000 (owned by the Northern Assurance Company), and this has been increased to £1,005,000, and made fully paid by means of reserves, and by taking £354,000 from profit and loss. The dividend and bonus remain unaltered at 25s a share, less tax. The underwriting account of 1923 shows premiums of £845,289, against £941,830 for 1922, first year's settlements £272,159, against £248,605, and expenses £33,995 against £35,119.

The Deep Sea Fisheries.—The weight of wet fish landed at the ports of Great Britain from the deep-sea fisheries in 1923 was rather less than in 1922, as was also the estimated value or the amount realised first-hand, though, in the case of the English and Welsh ports there was some appreciation in value; this, however, did not off-set the lesser sum realised at Scotch ports. The following are the totals as furnished by the returns of the Ministry of Agriculture and Fisheries:—

	1922.	1923.	1922.	1923.
	Cwts.	Cwts.	£	£
England and Wales....	12,158,508	11,514,021	13,817,830	13,871,701
Scotland	5,591,278	5,417,528	3,966,211	3,408,470
	17,749,786	16,931,549	17,784,041	17,280,171
Landed by foreign-owned vessels	799,336	1,241,600	824,294	1,087,317
	18,549,124	18,173,149	18,608,335	18,367,488

In addition to the foregoing, the shellfish landed in England and Wales had a value in 1922 of £473,477, and last year of £422,296. The value of the total catches (British and foreign) was thus getting well on to 19 million sterling—a fair indication of the magnitude of the industry on our coasts. Details of the landings at English and Welsh ports show that the proportions of the various kinds of fish remained about the same. Among demersal fish, cod and haddocks, as usual, led the way with 2,044,594 cwts and 2,036,639 cwts respectively, plaice with 697,137 cwts and hake 679,768 cwts following. Prime fish, such as soles, brill, and turbot, were again comparatively small catches, as were also halibut. Herrings, at 3,933,045 cwts, were an improvement of 356,226 cwts on the previous year, while the average sum realised was better, viz., 8s per cwt, against 7s per cwt in 1922. The average of all the wet fish landed in England and Wales was 24s per cwt, comparing with 22s 8½d in 1922 and 27s 8½d in 1921; and in Scotland 13s 2½d per cwt, against 14s in 1922 and 18s 10½d in 1921. Excluding herrings, the average for England and Wales was 30s 6d per cwt, against a fraction under 28s in the previous year. It will be noted that there was last year an increase of 50 per cent. in the fish landed in Great Britain by foreign-owned vessels, the value of the fish thus brought to our markets exceeding a million sterling. There is reason to believe that a large proportion of this was sold from foreign trawlers at Scottish ports, and that it had the effect of depreciating the market. Apart from the landings from the deep-sea fisheries, there were considerable imports of wet fish into this country from abroad, these last year having a weight of 1,369,698 cwts and a value of £2,261,078, against 929,057 cwts and £1,401,861 value in 1922. About 50 per cent. of the weight consists of fresh herrings, &c., imported from Norway, and used by the curing industry at Hull and other ports.

Argentine Finance and Trade.—The vast actual and potential wealth of Argentina protects her against the effects of economic delusions and unsound finance. Budget deficits since 1913 aggregate 1,000 million pesos, and, according to the Report (to September, 1923) of the Commercial Secretary to the British Legation at Buenos Aires, just published by the Overseas Trade Department, the floating debt, officially estimated at 740,282,455 pesos at the close of 1922, is really about equal to the 1,295 million pesos of the consolidated internal and foreign debt. President Alvear's Government, in its first year of office, proposed the consolidation of the floating debt, and measures to balance the Budget for 1923, with drastic reforms on new lines in 1924, but Congress merely sanctioned a foreign loan of 150 million pesos, of which the issue has only begun this year. Argentine methods of accounting preclude exact statements of revenue and expenditure; for 1923 the revenue was approximately 638 million pesos, of which 36 per cent. was from Customs and about 6 per cent. from direct taxes; expenditure was nearly 647 million pesos, of which over 100 million went on army and navy, and 125 million on the service of the Public Debt. The regularity of amortisation is noted as an important factor in Argentine credit. The provinces and municipalities also spend heavily, and financial reforms, including an income-tax, are planned. The currency is sound, and backed by an adequate gold reserve; the fall in exchange (from 70d in 1921 to 39d last August) is ascribed primarily to the remittances requisite for debt service. The fall is not unpopular with the producing classes, but seriously concerns importers, especially from North America. Banking business was dull during the year; commercial failures exceeded the average, but trade is improving, and "liberal credit to old connections and restricted credit to new ones" is recommended to-day. The cattle industry is recovering, but has been passed by agriculture, the prosperity of which is far more advantageous to railway traffic. But the trade improvement may be hampered by the projected increase of import duties, which has popular favour through the delusion that the stationary prices of the staple exports are caused, not by the decreased demand in Europe, but by the exporters' refusal to pay more; and the exporting firms are mostly foreign. And as Argentina is liable yearly for at least £40 millions of "invisible imports" for dividends and interest on foreign investments in the country, and immigrants' remittances, a favourable balance of at least that amount is required to effect equilibrium of exchange. For 1922, however, the adverse balance is estimated at £2,659,000. British imports appear to be regaining their pre-war position, and the premium on the dollar hampers North American trade. Home manufactures, however, are increasing, owing to the impulse given by the war. Railway traffics are promising, but the work of extension has passed to the State, and is carried out at a loss. Labour troubles are suspended, and there is no unemployment, in spite of a large increase in immigration. The cost of living in the capital is swelled by high rentals, and is about 86 per cent. above pre-war level.

North African Trade.—British consular reports on Algeria, Tunis, and Tripoli, just published in one cover by the Overseas Trade Department, show that the post-war depression has been intensified in the two last-named countries by internal disturbances, and in all three by bad harvests, but that in Algeria recovery has begun. There the three worst harvests for half a century have been followed by a yield of cereals double that of 1922; the vintage of that year in the Department of Oran was good; business, in spite of one serious failure through over-speculation and of a permanent shortage of ready capital, has not been bad; and, though there was a heavy deficit on the railways, the Budgets show an increasing surplus. Unemployment has ceased through the attraction of higher wages in France, and the improved crops should greatly stimulate the demand for foreign goods. The vintage of 1923 was promising, but the wine is faced with Spanish competition and a surplus stock in France; what cannot be exported may be converted into alcohol. Of the other exports esparto and iron ore have increased, the latter after a severe fall in 1921; the whole of the

former and much of the latter is taken by Great Britain. Mining seems to be increasing, and there are hopes of petroleum. The export of cork—one-sixth of the world's total—must suffer through the lessened demand in Japan. Of the imports coal increased, and was all British; so did iron and steel, mostly from France and Belgium. There should be an opening for British agricultural and viticultural implements, and for chemicals for use in the vineyards. British textiles are shut out by the fall in the franc, but exporters generally are advised to watch for its recovery, and give closer study to the local business methods and credit facilities. Algerian imports largely exceed exports; in Tunisia the disparity is greater. French investments in the latter country (and probably in both) help to adjust the balance, together with the tourist traffic, which, however, is small in Tunisia. Over half the Tunisian trade is with France and Algeria. Italy comes next, with Great Britain third. British textiles still lead, in spite of the adverse exchange. Interesting accounts are given of the tunny fishery, the fish being mostly canned and consumed in Italy, and of the indigenous pottery, leather, and carpets, of which the supply is necessarily limited. Though exports in 1922 declined in general, those of sponges, dates, and especially phosphates, increased. In Tripoli 1922 was a bad year, 1923 slightly better, and no improvement is likely till the interior has quieted down. Imports in 1922 were valued at £985,190, exports at £145,260; presumably the difference is accounted for chiefly by the expenditure of the Italian Government. The imports from Great Britain are mainly textiles and tea, but the market for British cotton yarn and thread has been nearly all lost through high prices and the adverse exchange, and will be further barred by a new duty; the outlook for tea is unfavourable, and for British soap likewise. The Government is building an esplanade and mole at Tripoli, and the municipality a hotel, and efforts are being made to promote the plantation of orchards and of trees on the sand dunes. But it will take many years to make Tripoli a profitable colony.

The Finances of Guatemala.—The Central American States (writes a correspondent), in common with practically all European countries, have suffered from depreciated currencies; but, while this must be noted, it is surprising that greater economic demoralisation should not have ensued. But while the fall in the Latin American exchange rate has been nothing like so appalling as that which has taken place in some countries of Europe, the decline has been sufficiently serious greatly to affect trade and the maintenance of successful commercial relations abroad. With the exception of Panamá, and, perhaps, in a lesser degree Cuba, the adverse trade balances have reduced actual business almost entirely to transactions on a cash basis. With a view to remedying the position in Guatemala, the Government has endeavoured to devise a scheme whereby it would be able to stabilise the exchange value of the peso. This has been forced upon them by the inability to obtain a loan for even so small an amount as \$500,000 (£100,000) from any one of the six leading local banks, or from any financial institution in the United States. The Government has recently instituted a Caja Reguladora, whose functions are to stabilise the exchange value of the Guatemalan peso. With this view, there will shortly be issued, in denominations ranging from \$50 to \$1,000, bonds aggregating an amount of \$500,000, which will be sold on the market at a discount of 20 per cent. of the face or maturity value. By Presidential decree these bonds can be used in the payment of the additional export tax on coffee of \$0.50 per quintal, or are redeemable at maturity upon presentation. In spite of the disinclination that exists in Guatemala, as in all Central American States (especially among the Indian population), to accept paper instead of coin, it is hoped that little difficulty will be experienced in effecting the sale or acceptance of these bonds. So far as mercantile circles are concerned, there can be no objection, as all exporters of coffee will be able to use the bonds in payment of their additional duty on coffee exports. Thus, if an exporter desires to make shipments of, say, 10,000 quintals of coffee during the current season, he has only to purchase bonds with a face value of \$5,000 for \$4,000, and apply the bonds in payment of

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export duties at the rate of \$0.50 for each quintal. This duty, collected in gold, on coffee exports will be handed to the Regulating Office, which, in turn, will employ the money thus received for the purchase and sale of foreign drafts and for the redemption or amortisation of the bonds. It is anticipated that during the current season the coffee exports will reach between 800,000 and 1,000,000 quintals, and thus the bonds would be redeemable at the end of the coffee shipping season about June 1, 1924.

Fresh Capital for Kaffirs.—Our mining correspondent writes:—Following upon a fairly sharp upward movement in the price of the shares, two well-known Witwatersrand gold mining companies have this week put forward schemes for the raising of further resources. One is the Robinson Deep, whose capital now comprises 500,000 "A" or preference shares of 1s each and 781,807 "B" shares of £1 each. The first-named shares, which constituted the purchase consideration for certain of the assets, were entitled to fixed preferential dividends on a sliding scale, commencing at 8s per annum and decreasing to 5 per cent. per annum. After the first year—1916—the dividends became irregular, until at the end of 1922 the arrears amounted to 21s. Since then the due interest has been met, with something on account of the past, with the result that at the moment the arrears stand at 14s, allowing for the payment of 6s shortly due. Within the past month or so much discussion has centred around the prospects for the "B" shares, and the date when dividends were likely to commence. The new issue decided upon brings a fresh factor into the situation. It is to take the shape of the offer of 100,000 shares at 30s, under guarantee of the New Consolidated Gold Fields. To clear off all the arrears on the "A" shares, and provide the dividends due on account of the current year, would call for £425,000, while £35,700 will be required for the first drawing of debentures—together £460,700. Towards this something like £150,000 will be provided by the new issue. The company's operating profits are at the rate of about £500,000 per annum. Hence it would look as though the "B" shares should receive a small initial dividend in respect of the second half of 1924, with large distributions to follow. If the earnings of 1925 prove equal to the current rate, the surplus available after providing for the dividend on the "A" shares would represent between 30 and 40 per cent. As mentioned in a recent Note, the mine of the Simmer and Jack Company is approaching exhaustion. In these circumstances, the company has acquired an additional 540 claims adjoining the southern boundary. This ground, it is estimated, will extend the life to 17 or 18 years. To enable the transaction to be carried through, £250,000 will be wanted. A new company is to be formed, present members to receive one fully-paid 2s 6d share for each share now held, and to be offered 2,000,000 shares at par under guarantee.

The Civil War in Mexico.—Insurgent successes are reported on the Western front, and efforts at mediation are being made by the Mexican Senate, but interest at present centres on the attitude of the United States Government. It is supporting President Obregon, as logically it must, though its attitude is attacked by Democrats in the Senate, and can hardly be approved by the independent Republicans of the Middle West. It has sent ships to protect the interest of its citizens at Tampico, of which the insurgent blockade is now suspended, and for the same reason has allowed the transit of Mexican Federal troops through Arizona and Texas from Sonora to El Paso, and it has warned the insurgents that it will take action if Mexican harbours are mined. Its definitive intervention is therefore becoming more likely; the prob-

lem is whether the reason given will be the interest of its own citizens in the restoration of order, as in Cuba in 1898, or its duty under the current version of the Monroe doctrine as the guardian of order and welfare in the other Republics of America. The insurgents' seizure of the oilfields seems likely to make the first reason adequate.

A PUBLIC lecture on "Business Forecasting" will be given by David Heron, D.Sc., M.A., at University College, London, on Friday, February 8th, at 5.30 p.m. Admission free, without ticket.

THE University of London announces that on account of the railway strike, Professor Foxwell's course of lectures on "Money and the Exchanges" has been deferred from Thursday, January 24th, until Thursday, January 31st. The first lecture of the course will be on Thursday, January 31, 1924, at 6.15 p.m., at the School of Oriental Studies, Finsbury circus.

Oversea Correspondence.

UNITED STATES.—INDUSTRIAL ACTIVITY—MONEY EASIER—HEAVY DEMAND FOR BONDS.

(FROM OUR CORRESPONDENT.)

NEW YORK, January 11.

DURING the past week or two indications have multiplied that industrial operations in numerous lines are being continued at the same satisfactory pace noted in December, with a quickening of activity in some directions. There is little, if any, evidence of the hesitation usually witnessed immediately after the turn of the year, especially in basic industries. With the notable exception of cotton goods and wool goods, mills in New England, which are still curtailing production, industry generally is active. Steel trade, in particular, is expanding, as is evidenced by the United States Steel Corporation's report showing a gain of 76,755 tons in unfilled orders during December, the first increase reported at the end of any month since last March, and comparing with a decrease of 304,241 in November. On December 31 the corporation's unfinished business amounted to 4,445,339 tons, not including between 500,000 and 750,000 tons of tin plate under contract and other business which, though placed, will not be reported until specifications are actually received. Railroads, automobile, implement, railway equipment, and other manufacturers are buying steel freely, and indications point to a further increase in the Steel Corporation's unfilled orders this month. Several thousand additional men have been employed since the first of the year at leading automobile manufacturing centres, and instances of increasing activity in other industries could be cited.

Throughout the country, financial and business interests and the public generally are closely watching developments in Congress, bearing on the Administration's tax-reduction programme. This week's events in that connection have been distinctly encouraging. The Republican caucus in the House of Representatives decided to sidetrack the soldier-bonus Bill, and give priority to the tax-reduction Bill embodying Secretary Mellon's proposals and advocated by the Administration. The caucus urged the House Ways and Means Committee to report the Bill to the House not later than February 11. In view of this development, the outlook for enacting the tax Bill is considered brighter than heretofore. The soldier bloc in the House, which tried to advance the bonus measure ahead of the tax Bill, was defeated by 109 to 87.

That wholesale prices of commodities became fairly well stabilised last year, notwithstanding some wide fluctuations in a few articles, is further evidenced by the general steadiness of such prices during December. Bradstreet's index number for January 1, namely, \$13.2710, shows a small decrease, 1.2 per cent., from December 1, 1923. The greater part of the decline last month occurred in the food group, chiefly in eggs, which were adversely affected by the unseasonably warm weather. Eight groups of commodities declined, while four advanced and one remained unchanged. The January 1 index number

marks a decline of 3.1 per cent. from January 1 a year ago. The advance from January 1, 1923, to the peak of the year, \$13.9332 on March 1, was 1.6 per cent.; from that point it dropped by August 1 to \$12.8201, or 7.1 per cent., and then rose to \$13.4358 on December 1, or 4.8 per cent. Compared with that of June 1, 1921, the present number is 25 per cent. higher, but it is 36.3 per cent. below that of February 1, 1920, the peak of all time, while the rise from August 1, 1914, is 52.5 per cent.

Money markets here are quiet, and under increased accumulation of loanable funds, rates have declined this week. Call money, after holding at 5 and 6 per cent. over the year end, and for a while at the beginning of this year, has dropped 3½ per cent., the lowest level reached since last September. Demand from brokers for stock market purposes is unusually light, despite exceptionally active trading, due to the fact that the public is not operating to any extent in stocks. Of greater significance and importance is the easier trend of time money rates, which have declined ¼ of 1 per cent. to 4½ bid, and 5 per cent. offered for all maturities on Stock Exchange collateral. Several factors have contributed to the lower tendency, such as the redeposit of heavy January 1st disbursements, the paying off of loans by interior borrowers, cessation of agricultural demands, and liquidation of old loans as a result of high prices realised for crops, liquidation of many business loans at the end of the year, increased lending by corporations and manufacturers to secure employment of funds temporarily idle, the influx of holiday gold, and foreign remittances to the United States. This week's Federal Reserve bank statements plainly show why money rates have declined. The combined ratio of reserves to note and deposit liabilities, for the entire Federal Reserve system, rose during the past week nearly 5 points to 78.4 per cent., the highest level reached in any year since the war, excepting 1922, while the New York Federal Reserve Bank's ratio jumped more than 11 points to 85.9 per cent., which compares with 76.5 per cent. at this time a year ago. If open market money rates work much lower, it seems likely that the Federal Reserve rediscount rate will be reduced, although opinion regarding such action is divided at present.

Exceptional activity is shown by the bond market. Under heavy investment demand, trading has reached the largest volume in many months, and prices, particularly of railroad and Liberty bonds, have advanced sharply.

FRANCE.—NEW FINANCIAL MEASURES—CARNET DE COUPONS—MATCH MONOPOLY—PRICES—YIELD ON GOVERNMENT BONDS.

(FROM OUR CORRESPONDENT.)

PARIS, January 23.

IN spite of the scepticism that was at first manifested, M. Poincaré has shown that he is just as earnest in his determination to bring into operation the long series of financial reforms which has been proposed for the purpose of re-establishing the financial situation, as he has been in enforcing his policy in the Ruhr. He announced a few days ago that the Government intends to pass into law on or before February 1 the whole of the financial projects before the country, and even more than those originally announced, and little doubt is felt but that the promise will be fulfilled. The Chamber is already at work in earnest on the Bill to strengthen the existing regulations concerning dealings in exchange, and to repress speculation in the franc; the Bill to authorise (1) the payment of bonuses to taxpayers who liquidate their obligations to the State within a month after their demands are received, and (2) the infliction of penalties, in the form of an increase of 10 per cent., on those who are in arrears; the Bill to bring about economies amounting to 1,000 millions in the expenditure of the various Government departments; and the Bill instituting machinery to enable the Treasury to repress and penalise tax evasion, and to collect taxation from the holders of securities which now escape the fiscal net.

So far, there has been no sign of any substantial opposition to any of the proposals, with the exception of the latter, to which reference may be made later. The

Finance Commission of the Chamber has already unanimously adopted the proposal to increase all existing taxes by 20 per cent., with the sole exceptions of those on salt and sugar, and so far as can be seen from present indications, the country, as I predicted last week, is prepared to accept this increase as an inevitable although exasperating necessity. The new taxes, however, have not yet actually come into force, and it remains to be seen what effect they will have on the electors. There were rumours at first that M. Poincaré, for obvious reasons, contemplated rushing the elections through early in March, instead of on the normal date two months later. The Premier has made it clear, since the new financial proposals were announced, that there is no foundation for this statement, and that, win or lose, he intends to go to the country in May and not before.

The one failure that has been experienced by the Finance Minister is in regard to the proposal for the institution of the "carnet de coupons" for bearer bonds. It will be recalled that a year ago the adoption of this idea was strongly urged by the Finance Commission, but was rejected by the Chamber, in accordance with M. de Lasteyrie's own wish. Under pressure of events, however, the Finance Minister is now a convert to the project, and has developed it in the form of a Bill. The Finance Commission, nevertheless, is convinced that it is useless to insist on such a proposal, in view of the rooted opposition of the taxpayer to what he regards as inquisitorial methods, and has drastically modified the project. Instead of each bondholder being required to present a special personal register, in which all his bonds are officially declared, before he can cash a single coupon the Commission recommends that bankers cashing coupons must furnish the Treasury every month with a list of the persons to whom they have made interest payments in this form. It is not clear whether this list will set forth the actual addresses of the persons receiving the money, but possibly it will not, on the theory that, by having merely to give their names, interested parties will become more or less accustomed to comply with some sort of regulation, and that it will then be comparatively easy to attain the object in view by means of further legislation.

In addition to the measures set forth already, proposals are also being considered by the Finance Commission for increases in postal and telegraph rates (although ordinary letters are to remain as at present), and for the replacement of the present telephone subscription rates, giving right to unlimited calls, by a message rate tariff. Other measures include one to terminate the facility to pay the tax on war profits in Rentes, to institute a system of payment of the tax on turnover in one fixed lump sum per annum in the cases of all businesses with a turnover of less than 300,000f a year, and for the suppression of the match monopoly. The manufacture of matches, the Finance Commission recommends, shall be thrown open to private industry, but a duty shall be imposed by means of stamped labels on each box manufactured, after the style adopted for the collection of the tax on candles and playing cards. Common sulphur matches will pay 1,000f per million, "safeties" 3,200f, and wax matches 3,500f. The State factories will be ceded to firms or companies which are exclusively French, and the present personnel will be dismissed with equitable indemnities. M. de Lasteyrie declared that the match monopoly at present yields a revenue of about 50,000,000f a year, and that he anticipates the new system of taxation proposed will produce 80,000,000f per annum.

The index figures of wholesale prices for November (which have hitherto usually been issued during the month following that to which they refer), were published only last week. The complete figures, as compared with those of the previous month, are as follows:—

Categories.	End of November. (Provisional.)	End of October. (Corrected.)
General index figure.....	45	452
Foodstuffs (ensemble)....	20	404
Vegetable foods.....	8	358
Animal foods.....	8	414
Sugar, coffee, cocoa....	4	487
Raw materials (ensemble)	25	494
Minerals and metals..	7	461
Textiles.....	6	592
Various.....	12	456

These index figures are now calculated on a base of 100 in 1914, instead of being, as hitherto, on the prices current in the period 1901-10. The figure for November reveals a rise in commodity prices of 23 points on the month, whereas the October figure showed a fall of 3½ points in comparison with September. The November rise is officially attributed to the renewed fall in the franc, which dropped from 76.115 to the pound and 16.965 to the dollar on October 31st to 80.46 and 18.63 respectively on November 28th. The further falls to 86.735 and 19.965 by December 31st, to say nothing of the recent catastrophic, although perhaps only temporary, drop to 96.25 and 22.80 on Monday, will, of course, be inevitably followed by still greater rises in the index figures for December and January. The most marked rises in the November figures, it will be seen, were in sugar, coffee and cocoa (39 points), and textiles (53 points), for all of which France is dependent on foreign supplies. Retail prices in Paris of 13 common necessities of life during November showed an average increase of 255 per cent., calculated on a base of 100 in 1914, as compared with an increase of 249 per cent. in October, 239 per cent. in September, and 205 per cent. at the end of 1922.

The present situation of the market in French Government Funds will be gathered from the following figures (which I have received from a banking source), showing the present yield from ten of the principal securities, based on last Thursday's quotations:—

	Price on January 17.	Yield.
Rente 5 %, 1915.....	71.00	7.15
" 4 %, 1917.....	59.60	6.77
" 4 %, 1918.....	58.70	6.83
" 5 %, 1920 (redeemable) ..	84.25	6.024*
" 6 %, 1920.....	82.20	7.37
6 % Treasury Bonds, 1922, redeemable at par September 25, 1925.....	480.00	9.74
6 % Treasury Bonds, 1923, redeemable at par December 8, 1925	475.50	9.56
6 % Treasury Bonds, 1923, redeemable at par, May 20, 1926	470.50	9.41
6 % Crédit National, 1922, redeemable at 507.50 on February 1, 1927	467.00	9.10
6 % Crédit National, 1922, redeemable at par, July 1, 1925.....	482.00	8.85

* Excluding redemption premium. † Including redemption premium.

It is reported that the new issue of Crédit National 6 per cent. 500f bonds, which are offered at 480f, and are redeemable in fifty years (with periodical drawings and important premiums), is being satisfactorily absorbed. Similar reports are in circulation as to the new issue by the Société du Gaz de Paris of 638,297 bonds of 500f each, bearing interest at 6 per cent., free of all present and future taxation, including transfer charges. These bonds, which are guaranteed by the City of Paris, are issued at 482.50, as from December 17th last, and are redeemable at par in forty years, by annual drawings, as from October 15, 1929.

GERMANY.—POLITICS—FINANCES—CURRENCY—BOURSE—TRADE AND INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, January 22.

THE internal political situation is unchanged, and the tendencies towards financial and industrial improvement continue. Speculations as to the effect of the fall of the Baldwin Ministry mostly agree in thinking that a Labour Cabinet would not prove revolutionary, either in home economic matters or in foreign affairs. On the former matter such speculations are largely based on Germany's own experience in the first post-war years, when Ministries predominantly Socialist, and backed by a strong semi-revolutionary Socialist movement in the cities, accomplished no vital changes at all in the question of capitalism and property, and even failed to put through a tax system severe upon the propertied classes. No doubt is felt that an English Labour Cabinet would wish to make things easier for Germany; but a certain scepticism as to the practicability of this is felt; so that a Labour Ministry is not expected either to strengthen materially

the proletarian movement or radically to change—at any rate at first—the international aspect of Europe.

The important development in Federal finance is the achievement of a surplus in the first ten-day period of January. This, after the complete disappearance of revenue in the autumn, is a remarkable event, even if the following qualifications must be made. Firstly, Railways and Posts deficits are no longer booked in expenditure. The railways are apparently (no statistics are published) still covering their operating expenditure. Both the Railways and Posts Ministries are considering the contraction of loans on the security of mortgages on their real property. The railways loan is expected to be 100,000,000 gold marks, at 6 per cent, possibly to be raised to 300,000,000 gold marks. The security on the face of it is ample, owing to the disappearance of the entire Railways Debt. Economies in Posts are being at last really put through, by the discharge of 26 per cent. of higher, 30 per cent. of intermediate, and 20 per cent. of lower officials. The Third Taxation Decree still delays. The latest plan is to postpone the difficult questions of mark mortgages and mark debts by giving the Government power to regulate the whole question later, the intention being to permit the "Aufwertung" (raising of the gold value) on such debts when the creditor demands it, and when also it is compatible with the economic condition of the debtor. This would mean regulation of individual cases by arbitration or conciliation courts as in Austria. The project further provides for taxation away of gains through the currency depreciation—this necessarily means only traceable gains, such as those from extinction of mortgages, bonds, &c., with paper mark payments. Finally the decree is expected to regulate the financial relations of the Republic and the States, to simplify the taxation procedure, and to provide for collaboration by the municipalities in the assessing of Federal taxes.

The currency situation still looks favourable. The paper-mark-rentenmark currency—such a unit it must now be considered—seems to be entirely divorced from the foreign exchanges, and, short of new inflation, of which there is no sign, its home value ought not to decline. Cost of living again fell, by 1.8 per cent., in the week ending the 14th inst., and the wholesale index on the 15th (basis 100 in 1913-14) was 119.8, against 119.7 a week earlier. Although the steel and iron prices announced by producers have not fallen any further, there is such great competition among dealers to sell that extremely low rates are being quoted. General opinion is that sharp international competition will continue. Official statistics confirming earlier reports from here that the great rise in gold prices last year was due to the sudden adoption of gold-mark calculation are published. This general adoption took place in August; before then gold-mark calculation was mainly practised by a few big producing branches; after that the day-to-day price everywhere was reckoned in gold, though paid in paper. The official index in question, which is for the more important kinds of machinery and equipment, furniture and clothing, shows that, whereas between January and July the index number (basis 100 in 1913) rose only from 65 and 88, in August, the first gold mark month, it jumped suddenly to 125, rising thereafter relatively slowly to 201 in November, and falling to 182 in December. Although this gold mark price-rise precipitated the present unemployment crisis, it is generally considered that, now that prices have somewhat fallen, and are not markedly different from those of stable-exchange countries, an undesirable abnormality has ceased. It is further held that if the reformed currency depreciates for any reason, a return to low gold prices will be prevented by the fact that gold calculation, as in August, will be returned to as the easiest means of safeguarding sellers against loss.

The Reichsbank statement for December 22nd shows an increase in circulation by 60 trillion paper marks to 474½ trillion paper marks, due mainly to purchases of foreign currencies, and to exchange for rentenmarks. Private discounts declined by 51½ trillions to 319.7 trillions, while the item Treasury bill discounts entirely disappeared, all this debt having been paid off at a cost of under 200,000,000 rentenmarks borrowed from the Rentenbank. The bank holds as assets

195,000,000 rentenmarks of book value 195 trillion paper marks. Rentenmark deposits are still small. There are large increases in advances both in paper marks and rentenmarks, which, together with the decline in private discounts, are explained by the transfer of credit to a "stable-value" basis. The bank no longer lends any money without this kind of guarantee against loss to itself from possible depreciation. Outstanding Darlehns advances totalled 9.9 trillion paper marks. The conversion of company balance-sheets to a gold mark basis continues. Where the capital of a company exceeds its net assets the decree permits three methods of regulation, which may be adopted in combination. First, the creation of a capital depreciation account, which must be worked off within three years; secondly, assessment of shareholders or issue of new shares; thirdly, reduction of capital. The last may be effected by reduction of the nominal value of shares, reduction of the number of shares, or amortisation of certain shares or classes of shares.

Despite clear official statements that the "Aufwertung" of public debts will not even be thought of, the leading home loans last week more than doubled their values, rising from a total value of 4.4 billions to 9.53 billions. Financial newspapers declare that a main source of the buying is England, in connection with a similar movement in London. Yesterday and to-day these securities were weak, but for no known reason many municipal bonds were firm. Money is relatively plentiful, but a rate of one-eighth of 1 per cent. per day for day money, though very low compared with the rates of up to 40 per cent. per day of last autumn, is so high that it must be taken to consist mainly on a premium for risk of depreciation. For long terms no one will lend any kind of home currency except on the condition of compensation for possible depreciation. Loans to-day quoted in milliards:—War Loans 101, Fours 490, 3½ per Cent. 410, Threes 1,150, Prussian Threes 625.

Industry seems to be slowly improving. Concerning the foreign trade balance, the Ministry of Industry considers that the figures given last week fairly well represent facts, and that the passive balance in all 1923 did not exceed 100,000,000 gold marks. Opinions differ as to whether the improvement, which was largely due in the late part of the year to the official throttling of the exchange market, will continue in 1924.

CANADA.—GOVERNMENT AND TARIFF REDUCTION FARMERS AND PROTECTION—BUSINESS CONDITIONS—BANKING AFFAIRS.

(FROM OUR CORRESPONDENT.)

OTTAWA, January 14.

POLITICAL pourparlers have been going on here during the past week between Premier King and representatives of the different schools of Progressive thought in the western provinces. The present Government came into power on a platform providing for the reduction of duties, particularly on the implements of production and the food and shelter of the people. Up to the present, this platform has been carried out only to a small degree; but the fact that the Government has had only a bare majority in the House, and numbers a good many strong protectionists among its followers, has been advanced as a reason for its failure fully to complement its pledges.

The two most powerful figures in the King cabinet have been Hon. W. S. Fielding, Minister of Finance, and Sir Lomer Gouin, Minister of Justice, both of whom are avowed protectionists. It has been generally understood that the lower tariff element in the Government has been unable to make headway against the influences represented by the two members above named. Now, by a singular coincidence, both are removed from the cabinet councils. Sir Lomer Gouin has resigned because of ill-health, and Mr Fielding is so ill that it is not anticipated that he will ever again be able actively to fulfil his Parliamentary duties.

The Prime Minister must reconstruct his cabinet, and he has seized the first opportunity to open negotiations with the western low-tariff advocates. What will be the result of the negotiations is unknown at the time of writing;

probably there will be no extensive reconstruction until the course of Mr Fielding's illness is determined; but it seems certain that Hon. T. A. Crerar, former leader of the Progressive party, and Hon. C. A. Dunning, Premier of Saskatchewan, will enter the Government in the near future. That they will not do so unless some drastic reductions are made in the tariff is certain. In the conferences which have just been held between them and the Prime Minister, they specified as the conditions on which they would enter the Government the following: the putting of some ten or twelve items of agricultural implements on the free list; reductions in cotton goods, kitchenware, and some other commodities of general use; and, generally, that the framing of the tariff should be done from the viewpoint of revenue rather than of the maintenance of the protective principle.

It is interesting to note that the Canadian Council of Agriculture, which is the central advisory body of the agrarian interests, has recently met and revised its platform. When the Farmers' Platform was laid down in 1918, it called for broad and substantial reductions in customs tariffs, 50 per cent. British preference and free trade in five years, reciprocity with the United States, all foodstuffs as well as implements and building materials, on the free list, &c. In its revised platform it condemns the principle of protection, advocates a tariff based solely on the needs of the public revenue, the immediate abolition of the tariff on the implements of production, a substantial increase in the British preference, and a reciprocal trade arrangement with the United States. It will be noted that the demands for an immediate and all-around reduction of the tariff, eventual free trade with Great Britain and the admission of foodstuffs to the free list have been dropped. Mr Crerar is now understood to be willing to advocate a thorough examination of the whole tariff structure to determine just what the policy of the united Liberal and Progressive parties should be, if that union is effected.

Opinions of commercial and banking experts differ as to the outlook for business in Canada during the coming year. Some of the bankers such as Sir Herbert Holt, president of the Royal Bank, seem distinctly hopeful, expressing the belief that the past year marked the final adjustments of the period of depression. Industrial leaders express a belief that business will be at least as good as last year. The improved statements of railroad earnings each month is a hopeful factor, although it is largely due to the movement of the greatest crop in Canada's history. The crop has had a very healthful influence in the west, which always reacts more quickly to conditions than any other part of the Dominion. The *Manitoba Free Press* states that nearly \$400,000,000 has been "set in motion through the industry of the farmers of the Prairie Provinces," and there are eight months of the crop year still to run and many millions of bushels of grains still to be marketed. There has been a marked lessening of the indebtedness of farmers to banks, mortgage companies, and tradesmen. There seems to be a pronounced revival in British Columbia, where the lumber industry has done well, and there has been a great impetus given to shipping by the flow of prairie grain westward through Vancouver and the Panama Canal. Press dispatches noted a total of 36 large ships awaiting cargo in Vancouver harbour on one day recently. In Halifax, too, there has been a pronounced increase in shipping, a greater number of Atlantic liners calling there regularly this season than ever before. This is attributed largely to the extension of the British preference to goods entering by Canadian ports. Business conditions in the Maritime Provinces generally, however, have not been good.

Insolvency statistics for the past year showed a smaller commercial mortality. The decrease in the number of failures slightly exceeded 12 per cent., and the reduction in liabilities was about 16 per cent. There was a total of 3,247 failures for \$65,810,382, compared with 3,695 for \$78,068,959 in 1922. The betterment as to number of insolvencies was confined to the manufacturing and trading divisions, the decrease in the former being 7.6 per cent. and in the latter 14.6 per cent.

The Home Bank failure is still re-echoing in Canadian financial circles. One result has been to give an impetus to the demand of the Progressive and some other forces in Parliament and in the country for a different system of

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bank audit and inspection. The Quebec Government recently assisted in a bank amalgamation in that province by guaranteeing the bonds of the amalgamated institutions to the extent of \$15,000,000, and will appoint an auditor to report at stated intervals as to the condition of the institution which the Government is backing. Sir Clifford Sifton proposes independent audits of all Canadian banks by a central board, which would also serve as a bank of rediscount in times of stress and emergency. Sir Thomas White, former Minister of Finance, has issued a statement in which he says that he had no reason to anticipate that the bank, with an important and growing business, expanding deposits, and the country in a time of prosperity, would not be able to take care of any marginal losses which it might sustain on any of the accounts which had been brought to the attention of the department of finance.

Meanwhile a number of shareholders have retained counsel with the idea of fighting in the courts the efforts of the liquidators to collect under the double liability clause before it has been shown that there is such a deficiency of assets as to make the call necessary. The whole Home Bank case will serve to strengthen the demands which will certainly be made at the coming session for some change in the Canadian banking system, particularly with regard to the safety of small depositors.

UNION OF SOUTH AFRICA.—RAND DIVIDENDS: PRE-WAR STANDARDS BEATEN!—IMPROVED RAILWAY SERVICES.

(FROM OUR CORRESPONDENT.)

December 26.

THE dividends declared by Rand mining companies for the year just completed make excellent showing, the total being £8,414,500. This is better than the pre-war years 1913 and 1914—war was, of course, declared in August of the latter year, but the Rand industry was unaffected for

several months—when the aggregates were £8,205,200 and £8,073,400 respectively. The current year's total was just beaten in 1908, when the recovery per ton was $\frac{1}{2}$ dwt higher than it is at present, and when an ample supply of native labour enabled working costs to be brought down to 18s a ton. But the best year of all was 1909, when Rand dividends reached their zenith of £9,310,750. That year benefited from magnitude of tonnage, just over 24 millions, and low working costs, 17s a ton; but the recovery grade was not so good as in 1908, being 6.8 dwts, or very much the same as it is to-day. The dividends in 1910, at £8,876,100, also exceeded those declared for the year just completed, the tonnage being just upon 25 millions, the recovery practically the same as to-day, and working costs averaging 17s 6d.

The feature of recent years has been the growth in dividends paid by the Far East Rand group of mines. In the year's list the New Modderfontein has convincing pre-eminence with a distribution of £1,400,000, a figure only exceeded in its history by $2\frac{1}{2}$ per cent. on the capital in 1920, when the currency price of gold was remarkably high. This notification is 40 per cent. higher, representing £560,000, than the next best, Government Areas. The answer to the question which is the Rand's leading mine depends upon the characteristic chosen. Modder is the largest dividend-payer, Government Areas the biggest profit-maker, but both are excelled in point of tonnage by the Crown Mines, also a handsome dividend-payer, and by the Randfontein Central, which has not cheered the hearts of its shareholders by a dividend warrant since June, 1915. Yet it has spent many millions in working costs and capital expenditure, to the great benefit of the Rand mining and commercial community. Viewed over the last few years, the distributions of ten or a dozen of the Rand's principal mines have evinced remarkable regularity. Though we still speak of the "mining risks," this has been reduced to narrow limits in the case of these mines, with their large proportions of their market capitalisation actually in sight in developed tonnage blocked out for eventual stopping.

The South African railways have recently greatly improved the services between the principal towns of the Union—Johannesburg, Capetown, Pretoria, Kimberley, Bloemfontein, and Maritzburg, by instituting a bi-weekly express service, running in connection with the mail steamers of the Union Castle Company. It is now possible to leave Capetown Docks four or five hours after the steamer berths on Monday, be in Kimberley in time for breakfast on Tuesday, and have tea at the Rand Club or the Carlton Hotel. A running time of 30 hours for the 960 miles, with a rise of a mile to the Rand plateau to boot, over a single line with some sharp curves and heavy gradients, must as a locomotive performance compare favourably with anything outside America, Britain, or France. It is said that it is the fastest Empire train for the distance, but I have not checked the claim with the C.P.R. schedules, or those of the Melbourne-Sydney express. Durban and Bloemfontein are reached by putting off a saloon or so at Kimberley, the train running east through Bethlehem and Harrismith down the Van Reenan Pass of the Drakensberg, and joining the Rand Natal line at Ladysmith. It is now possible to be in Durban 48 hours after leaving Capetown, or a few hours after the mail steamer by which you may have travelled from England has cast off from Table Bay Docks, and which does not reach Port Natal until Saturday. Capetown has for years been only "a fortnight and a week-end" from England; we can now say the same as regards London and Johannesburg, if we add the word "long." Railway travel is comfortable, not expensive when distances are remembered, while the orthodox three meals a day only cost 8s 6d in the Administration's well-equipped dining-cars. As to safety, "It is gratifying to record," to quote from the report of Sir William Hoy, general manager of the Union's 11,000 miles system, "that during the year there was almost an entire absence of casualties to passengers as the result of train accidents. Although over 61½ million persons travelled by rail, not a single fatality occurred, and only one non-European passenger suffered injury."

DENMARK.—RISE IN BANK RATE—TRADE CONDITIONS—OUTLOOK FOR 1924.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, January 21.

LAST Wednesday the Nationalbank increased its rate of discount from 6 per cent. to 7 per cent. The rate had remained unchanged since May 1, 1923, when, owing to the exchange condition, it was increased from 5 per cent. to 6 per cent. On the present occasion the Nationalbank has likewise explained the step taken by referring to the exchange situation, and it is added that it is naturally the intention to support the Exchange Equalising Fund in maintaining the international value of the Danish krone. The increase was not unexpected. From various quarters it had been strongly urged that banking measures should be employed to support the work of the Equalising Fund. In the joint report by the recent Exchange Conference it was stated that the five leading banks had agreed to participate in the fund "on the presumption that the efforts to improve the value of the krone are supported by public measures." Further, the conference consider it necessary that through their credit-giving and discount policy the banks should support the fund to the greatest possible extent, while during the negotiations it was pointed out that a decrease of consumption might be attained by means of an increase of the bank rate, through the pressure placed on trade. It is considered obvious by many that this pressure cannot be avoided, and consequently the increase of the Bank rate has created some dissatisfaction in trade circles. At the same time it is appreciated that the action of the Nationalbank is based on a valuation of the general economic situation and the state of the money market. The increase of the Bank rate had been largely discounted on the security market, which has been weak for some considerable time.

The numerous "surveys" published since the New Year have generally shown a rather optimistic tone, without expressing too great expectations. A very comprehensive review was published by the Statistical Department shortly after the close of the Old Year, in which it is stated that during the year the economic conditions in Denmark have been steadily progressive, and that there appears to be reason to expect a continuation of this progress. The 1923 crops were good, and the exports of agricultural produce have reached the maximum quantity. Industry has enjoyed increasing employment, and the shipping trade generally shows satisfactory profits. On the other hand, bacon production, which is so important, has shown a heavy decrease of net profits, while the increase of industrial employment has still left 32,000 unemployed at the end of the year. (Subsequently this figure has increased somewhat.) This undoubtedly shows that in the various trades there is still an excess of workers left from the war, while presumably some industrial concerns are still experiencing difficulty in reaching a profitable level because they have not yet been able to write off sufficiently on the extensions of plant effected during the boom. Similar conditions affect the farms purchased during the years when prices were high, while the present high prices of landed estates make it difficult for young farmers to start on their own. Add to this the exchange situation. The fall of the krone and the rise of prices necessitate great caution, in view of the uncertainty of future movements.

Elsewhere in the report the Department states that the deficit of the balance of trade for 1923 has affected the financial balance so much, as has been the case, is presumably mostly due to the fact that no loans have been contracted abroad, and that during the decline of the value of the krone the trade has not dared to draw on foreign credit to any great extent, fearing to have to repay loans at higher rates than those at which they were contracted. But this made it very difficult to satisfy the increasing demand for exchange to cover the purchase of foreign produce and articles of consumption. While in 1922 about Kr 80,000,000 might still be counted upon as being available out of the National Loan of 1921, no National Loan has been contracted abroad since then, and it has therefore been necessary to cover the deficit on the financial balance by means of short-time credits and the

export of bonds. During the year the banks have increased their foreign debts by Kr 70,000,000, which amount has accordingly been available to cover the demand for foreign exchange. Further, the National Bank has sold gold for about Kr 30,000,000, and bonds—presumably for about Kr 75,000,000—have been exported. But if a calculation is based on a deficit on the balance of trade amounting to Kr 360,000,000, and an expenditure of Kr 65,000,000 for interest, the amount to be covered is Kr 425,000,000, and the above sums aggregate Kr 175,000,000 only. Of the remaining Kr 250,000,000, an amount of Kr 100,000,000 may presumably have been covered by that part of the net profits of the shipping trade, which has been drawn home, and the remaining Kr 150,000,000 must either have been paid by profits on transit goods, on various undertakings abroad, by the consumption of private firm's credit balances abroad, or is still unpaid.

Letters to the Editor.

PRICES AND EXCHANGE.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I was very much interested in the article on "The Dollar Exchange" in your issue of January 12th, especially that portion which referred to the relationship between the index numbers and the rate of exchange. Professor Cassel's theorem, that exchange rates tend to fluctuate about a parity which is determined by the relationship between the internal values of the respective currencies, has one main corollary, viz., that if the internal value of a currency is altered, by inflation or deflation, sooner or later the external value will change proportionately. This is now accepted by most people, but the converse, which appears to me to be also true, seems to be in danger of neglect.

If, owing to the existence of pessimistic feeling amongst exchange speculators, the external value of a currency is driven downwards, the price of imported goods immediately rises. Should this new price-level be supported by consumers within the country, the internal value of the currency will remain upon a lower level; in other words, the purchasing power par will be brought down to coincide with the lower external value. This will certainly happen if additional currency is issued to enable purchasers to pay the higher prices. But it may happen without such additional issues. Rising prices tend to create boom conditions, and there is plenty of evidence to show that for some time a boom may be carried on without any additional currency, being financed merely by an increase in the rate of turnover, though there are limits to the velocity of circulation of a currency.

In the case of the mark, as your German correspondent has on more than one occasion pointed out, the successive breaks in the dollar exchange came first, the internal price rise second, and the issue of currency last. In France during the last 15 months events have followed exactly the same sequence, except that until quite recently no additional notes were issued. There is much to be said for the French official view that speculation is the cause of the fall in the value of the franc, internally as well as externally. Is it not also possible that the speculative fall in the value of the pound, beginning as it did with a rumour of internal inflation, may bring about that very inflation, despite ourselves? The French have so far refused to inflate, and the recent raising of Bank rate, inadequate as it is, suggests that they hope to maintain that attitude. If they do so, resolutely, the bears will inevitably be squeezed, and a rise in the value of the franc will follow. But France has no unemployed to consider. Our problem is more difficult.—Yours faithfully,

A. E. FEAVEARYEAR, M.Sc.(Econ.), London.

38 Lansdowne gardens, S.W.8,
January 14th, 1924.

AN INCOME-TAX ANOMALY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—With reference to the letter from "Disgruntled" in respect to an income-tax anomaly which appeared in your issue of January 5, 1924, I quite concur that there appears to be no legal redress in the case where a partner who has received the large profits in past years readjusts the division of profits with the view of escaping payment of income-tax on a large portion of the sum received in the past.

May I, however, mention that where there is succession to a business and the profits fall short, the revenue will usually permit a claim for "specific cause" under the Income-Tax Act, 1918, rules applicable to Schedule D, Cases 1 and 2, Rule 11, and Miscellaneous Rules applicable to Schedule D 3 (3).—Yours faithfully,

J. HOPKINS.

4 New Ferry road, New Ferry,
January 18th, 1924.

Books and Publications.

SOUTH AFRICAN TARIFF HISTORY.*

THE vast agricultural and mineral resources of South Africa have delayed her industrial development, but the conjunction of abundant raw material with cheap fuel and plenty of unskilled labour ensures its coming when her gold mines are worked out. It was greatly promoted during the world-war through the shortage of manufactured goods from America and Europe, and now there are flourishing manufactures of leather goods, dynamite, cement, furniture, soap, brushes, and various other articles totalling in 1917 over £60 millions in value, and produced in about 6,000 factories with some 134,000 workers. Manufacturing interests, therefore, call for Protection for these infant industries, and preparation has been made for it both by the high duties necessary to provide war revenue and by the provisions of the Customs Union, renewed periodically since 1903. Mr Bruwer's book, written in America as a thesis for the Ph.D. Degree of Pennsylvania University, is a dispassionate review of the case for Protection and Imperial Preference, preceded by a careful presentation of South African tariff history from the period of full British control and mercantilist policy through that of tariff autonomy (and inter-colonial friction) to the Customs legislation of the Union of South Africa. Though American libraries are poor in the official literature of his country, he has collected a vast amount of material, and his book should be of considerable value to students of contemporary economics. Free Traders will find in it much to confirm their view that inter-Imperial preference tends towards inter-colonial friction, and British preference towards the closing of foreign markets to colonial produce, and towards disruption rather than union. And, as a patriotic South African, he insists on the right of his country to develop her own industries even by Protection, regardless of the convenience of the Mother Country and of the social dangers of industrialisation; though he is quite aware that the protected infant industries never regard themselves as able to walk alone.

* "Protection in South Africa." By A. J. Bruwer. Stellenbosch: Pro Ecclesia Printing Works. (Cape Town) J. C. Juta and Co. (London) Walker Bros. 1923.

HOLLAND IN THE WAR.*

HOLLAND, impoverished by Napoleon and kept back in her recovery by the circumstances attending the severance of Belgium, enjoyed from 1850 onwards a prosperity modified eventually through the financial strain of the prolonged rebellion in Achin and the need of increased expenditure, chiefly on education, at home. Wealth was very unequally distributed, poverty extensive and often extreme. Budget deficits had accumulated, and, as the war was expected to be short, the Government proposed at first to meet the "crisis expenditure" by loans, increas-

* "War Finances in the Netherlands up to 1918." By M. J. Van der Flier, LL.D. (Carnegie Endowment for International Peace). Oxford: Clarendon Press. (London) Humphrey Milford. 1923.

ing taxation only so far as needed for their service. This policy, severely criticised from the first, was abandoned in 1915. Thereafter the war taxation rapidly grew heavier. For 1914-19 the "crisis expenditure," which the Government strove to determine to the fraction of a guilder, exceeded 1,135 million guilders, the normal expenditure 1,855 millions—a total of nearly £250 millions for a population of some 6,600,000. Mr Van der Flier gives full accounts, backed by masses of figures, of the main features of the war years—the emergency measures of August and September, 1914, some of them only legalised after their enforcement; the war loans and taxes: the branches of war expenditure, including nearly £3,000,000 spent on the refugees; the mechanism of export through a monopolist company, whose profits were expended otherwise than in relief of the taxpayer: the effect on various industries: the distress among the working and lower middle classes; and the few incidental benefits, notably the stimulus to unemployment insurance, with others that are doubtful. But he concludes that the war has led to lasting impoverishment, and, except for the rich, to a lower standard of living, and that it must intensify the opposition to "Capitalism": though it is through thrift and increased production that recovery will be attained. The book, however, only comes down to 1919: another monograph will deal with the post-war years. Still, like the other volumes of this admirable series, it is a really valuable contribution to demography and the history of public finance.

THE CITY'S CASH ACCOUNT.*

THE annual accounts of the Corporation of London are known as "The City's Cash Account," because, according to ancient custom, they include only cash and investments; the values of freehold, leasehold, and other properties of the City's estate and of the Bridge House estates are excluded. As a consequence, the balance-sheets of the several estates—including markets—show an excess of liabilities over assets of upwards of £5 millions. This, however, need not in any way disturb public confidence in the prudence and business ability of the many generations of City Fathers, in view of the fact that more than £800,000 for rent, tolls, &c., is received annually from the excluded properties. Obviously, therefore, these possess great value.

The general revenue account of the City's estate, which includes only a portion of the properties, shows a credit balance of £57,263 for the year ended March 31, 1923, and, in accordance with precedent, this balance is carried forward. The City's revenues are expended mainly in the expenses of civil government, administration of justice, open spaces, City schools, markets, charitable grants, and other charges, besides, of course, the payment of annual interest and sinking fund provisions, and last, and by no means least, rates and taxes.

The loans outstanding at March 31, 1923, amounted to £10,502,774, with sinking fund investments £978,259, against £10,792,729 and £1,913,254 a year ago. It is satisfactory to note that the rates of interest payable on the loans issued or renewed during the year again show a downward tendency. A loss of about £65,000 is disclosed on the realisation of sinking fund investments. If it became customary to issue loans repayable by annual drawings these losses would be avoided. The housing and town planning accounts show capital outlay to date of £718,935 on sites, buildings, and roads, and—also on assets side—£460,379, balance of expenses of raising loan and conversion of bonds into stock. The loans raised for the housing enterprise are secured on the General Rate of the City of London. It is interesting to note that the Foreign Cattle Market has been occupied by the War Office since August 4, 1914, at an annual rent of £10,000.

An appendix to this volume contains the Poor Rate and General Rate accounts. The Poor Rate was 7s 8d in the £—against 4s 11½d four years ago—and produced £2,429,173, about one-third of which amount went to the London County Council for education, and £934,000 to the City of London Poor Law Guardians—a matter of

* The Accounts of the Corporation of London for the year ending March 31, 1923, as rendered by the Chamberlain of London Treasurer.

surprise in view of the City's small resident population. The General Rate was at 3s 8d in the £—against 1s 10½d four years ago—and produced £1,174,516, utilised as to £316,985 for the City Police, and £185,517 for Water Board deficiency. The proportion of empty property in the City exempted from rates—which two years ago was as low as about .5 per cent.—has now increased to nearly 1.5 per cent.

BOOKS RECEIVED.

- The Annals of the American Academy of Political and Social Science: The Price of Coal.* Vol. CXI., No. 200. Edited by Clyde L. King. Supplement on *A Centenary of the Monroe Doctrine.* Edited by L. S. Rowe. (London) P. S. King and Son. \$1.00.
- The Sociological Review.* Vol. XVI., No. 1, January. Edited by Victor Branford and Alexander Farquharson. (London) Sociological Publications, Limited. 5s.
- Industrial Sweden.* Edited for publication on the occasion of the Gothenburg Tercentenary Exhibition in 1923. By the General Export Association of Sweden. Obtainable from the Swedish Consulate-General in London.
- The Electric Supply Share Handbook.* Compiled by Hubert Blake. (London) Eppingham Wilson. 5s net.
- Social Insurance and Trade Union Membership.* Published by the Trades Union Congress and the Labour Party, 32-34 Eccleston square, London, S.W. 1. 6d.
- Republic of Finland.* A General Economic Survey. (New York) National City Company.
- Cobalt Ores.* By Edward Halse, A.R.S.M., M.Inst.M.M. (London) John Murray. 3s 6d net.
- Indian Tea Companies.* (London) The Indian Tea Share Exchange, Limited. 2s 6d.

Some interesting tea statistics and figures are given in this little volume. We notice the capitalisation per planted acre, profit on capital, profit per matured acre, and profit per lb are set out. Alteration of capital, interim dividends, &c., will also be found. The book deals with 121 Indian and 89 Ceylon companies, and the information contained should be found useful to all interested in the industry.

Hammond's Hotel Share Manual, 1923-4. (London) W. R. Hammond and Co., Blomfield House, London wall, E.C. 2. 2s 6d.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET. ACCOUNT.
February 6. February 7.

THE present week is said in the Stock Exchange to have included the quietest day and the busiest day so far experienced this year. On Tuesday business was particularly stagnant, but on Wednesday, following the announcement of the Labour Cabinet's composition, activity developed in most of the markets round the Stock Exchange. Very substantial rises have occurred this week, the public coming in big buyers of stocks and shares, while at the same time the change in tone served to reveal an unexpectedly large bear account. Taken together, the two factors had an important effect in raising prices violently. The railway strike as a market element has been ignored. In spite of the difficulty which men experienced in getting to their business and home again, the action of the locomotive men exercised surprisingly little influence over the City.

The Stock Exchange and its clients are alike astonished to find that the Labour Cabinet is a good deal more workmanlike than they expected would be the case. None of the appointments suggest anything in the shape of frenzied legislation or finance. Money which had been held back since the beginning of the year, and which was left on deposit at the banks instead of coming into the usual Stock Exchange channels, has turned towards the latter, and markets, none too well supplied with stock, have been taken by surprise at the persistence of the demand for all classes of stocks and shares.

Conversion Loan had been heavily sold by the bear party, whose efforts to repurchase the stock led to an unusually rapid series of fluctuations. The War Loan moved more sedately, but on similar lines, while material recoveries in Funding and Victory bonds showed that the hand of the short brigade had been busy with these stocks also. It is not the bear only, however, who is buying. Home Railway pre-ordinary stocks have suddenly come into demand, and this must be mainly for the account of trustees, to whom gilt-edged security and a modest yield are the main desiderata. Colonial issues have not noticeably moved, but the India Government group is better.

Last week's mad gamble in Germans and Prussians has completely subsided, prices dropping as quickly as they rose. French bonds are not quite so volatile as usual, interest in foreign exchanges having been superseded by the greater attention paid to home politics. Brazilians have improved, and advances occurred in a good many foreign Government bonds.

Home Railway stocks advanced in a fashion almost meteoric. Great Westerns and North Westerns proved the two favourite investment stocks, but Metropolitan, shown to be in short supply at the carry-over, went up with a bound. The company's dividend is due to be announced next Thursday. Grand Trunk Pacific has found supporters again. Brazilian Railway stocks are better. Argentine Rails commanded a good deal of support, while Brazilian Tractions went up in sympathy with Brazilian bonds. Many American and Canadian dollar securities show rises on the week.

It may be that industrials have been less animated than some of the other markets, but in such shares as those where a bear account exists the change-over from depression to strength became very marked. For instance, the prices of Courtaulds and Tobacco shares rose with a rush, the Imperial Tobacco dividend helping to stiffen the market in the last-named shares.

The rubber list is a shade harder, owing to the somewhat sketchy hopes that the Dutch interests may join in the scheme for restriction of rubber output. The oil market, though below the best prices, shows pronounced strength; bears have been badly mauled. There is, moreover, a little public buying of oil shares, optimism being quickened by the recent rises in the price of petroleum. Anglo-Persians dropped away on contradicted rumours of a note issue. Textiles are better, and in practically all the sections of the industrial market advances are shown. Banking shares remain quiet, but the insurance group and shipping issues are distinctly harder. People are buying breweries and hotel shares, a few carefully selected iron and steel descriptions, and gas stocks, although the dividends on Gas Light and Coke and South Metropolitan ordinary did not come up to the highest expectations.

Good-class preference shares, paying about 6 per cent. on the money, are once more in active request. Tata debentures, after a drop to 70, rallied to 78, on a statement from the company printing out that the profits were being maintained; but Indian securities as a whole, despite a rally amongst India Government stocks, continue depressed, in consequence of the rise of the Socialist element in India coinciding with the advent of a Labour Party to power at home. The fear has probably been overcome, but prices are very heavy.

The Kafir market came in for renewed support from the Cape, where buying of Robinson Deep "B" and Simmer and Jack shares heralded a proposed new issue in the first case, and a reorganisation in that of Simmer and Jack. The rise in the price of gold brings in a few buyers of Kaffirs, who are attracted by the yields offered at present prices. De Beers and Rio Tintos, after a sharp fall, regained most of their losses. In Rhodesians, there is little going on. Tin, the metal, is substantially higher, and a few West Africans, Malaysians, and Cornish shares have scored moderate gains. Canadian silver shares developed renewed activity, with buying orders coming from the Dominion, and another source of support for the mining markets has been a steady stream of purchases, from the Colony, for Broken Hill shares, most of which are better on the week. Russians are also harder, on political considerations.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£ ..	£ 2,615,750 ..	£ ..	£ ..
ISSUES OF THE WEEK—				
NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED JANUARY 19, 1924.				
April 1, 1923, to Jan. 19, 1924, £13,100,000 ..	£ ..	£ 50,000 ..	£ ..	£ 50,000
To the Public—				
Globe Worsteds Co., Limited, £500,000 6½% First Mort. Deb. Stk. Gtd. (rep. up to June, 1930, at 105%, thereafter at par until 1938), issued at 97½%	600,000 ..	585,000 ..	30,000 ..	555,000
Derbyshire Mining and Exploration, Ltd., 30,000 shares, 5s, at par ..	20,000 ..	20,000 ..	4,000 ..	16,000
.. .. ..	.. ..	605,000 ..	34,000 ..	571,000
To Shareholders only—				
Ideal Sewing Machine, £12,503 Red. Mort. Deb., 5% ..	12,500 ..	11,875 ..	3,125 ..	8,750
United River Plate Telephone, 108,000 Ord. Shares, £5, at par ..	540,000 ..	540,000 ..	270,000 ..	270,000
.. .. ..	.. ..	551,875 ..	273,125 ..	278,750
Total offered for subscription to date in—	£ ..	£ ..	£ ..	£ ..
1924.....	3,823,625	1923.....	271,393,173	
1923.....	31,770,434	1922.....	573,875,650	
1922.....	144,188,765	1921.....	389,978,203	
1921.....	18,959,524	1920.....	357,549,519	
1920.....	37,488,922	1919.....	1,036,069,951	
1919.....	227,814,144	1918.....	1,393,381,441	

HARRISONS & CROSFIELD, LTD.
1-4, GREAT TOWER STREET, LONDON, E.C.3.

TEA	RUBBER	PRODUCE
GENERAL	HARDWARE	TEXTILES
	EASTERN	MERCHANTS.

The Globe Worsteds Company, Limited.—Nominal and issued share capital £120,000. This is an offer for sale of £600,000 6½ per cent. first mortgage debenture stock at 97½ per cent. Principal and interest are guaranteed by Illingworth, Morris, and Co., Limited, the holders of the whole share capital. The stock will be repayable not later than December 31, 1938. A cumulative sinking fund of 1 per cent., commencing in 1926, will be applied in redeeming the stock by purchase at or under 103 per cent., or by drawings at 103 per cent. up to June, 1930, and after at par. Rights are reserved for redemption on these terms upon three months' notice. The stock will be secured by a specific first charge over the Globe Mills, Slaithwaite (owned freehold by the company) and by a floating charge. In view of recent events, we think that the promoters would have been well advised to make this issue by means of a prospectus instead of an "offer for sale." Fixed assets available, we presume, for the specific pledge are valued at £561,366. We gather from this document that the company owns the total issued share capital of James Tankard, Limited, (which owns freehold the Hind Street Dye Works, Bradford). Average profits for the past six years of the Globe Worsteds, James Tankard, and Greenwood Dyeing companies are given. Interest on the stock requires £39,000 per annum, and sinking fund £6,000. The net assets of Illingworth, Morris, and Co. are stated to exceed £1,000,000. We assume that investors will consider this "offer for sale" quite satisfactory; indeed, in view of the prestige of the auditors they may hail it with pleasure. For our part, we should want more data to convince us that this kind of inter-company finance was necessary.

Bradbury, Wilkinson, and Co., Limited.—Authorised share capital £400,000, divided into 200,000 6 per cent. tax free cumulative participating preference and 200,000 ordinary shares, all of £1 each. The company was incorporated in January, 1890, to take over the existing printing business with the same title. It is curious to find that this undertaking reverted from a public company to a private company and back again to a public company in the course of its progress. From a statement which appears in the Press to comply with Stock Exchange regulations, we notice that "175,000 of the preference shares have been issued and are fully paid, with the exception of the £14,360 payable by instalments.....125,000 having been subscribed by the directors and their friends and employees of the company at par, and 50,000 shares have been subscribed by the British Trusts Association, Limited, at par (less a commission of 3d per share) under contract with the company contained in letters dated January 1, 1924, and January 2, 1924. All expenses of and incidental to the issue of the preference shares, including the cost of advertising this notice, are payable by the company." The undertaking is well known for the excellence of its products, but the information published is insufficient to gauge the value of its shares.

The Kensington and Knightsbridge Electric Lighting Company and the Notting Hill Electric Lighting Company, Limited.—This is an announcement in the Press relating to the issue of £100,000 5½ per cent. debentures, 1926, being part of an authorised issue of £150,000. By the Kensington and Notting Hill Electric Lighting Companies Act of 1899 the above companies were authorised to acquire a freehold site at Hammersmith, and to erect a joint generating station. They have jointly created £200,000 first debenture stock, of which £193,244 is outstanding, and £50,000 second debenture stock, of which £25,000 has been issued. The second debenture stock will be repaid out of the proceeds of the debentures below mentioned, and the trust deed securing the same discharged. The companies have also jointly created £150,000 of 5½ per cent. debentures in bearer debentures of £1,000 each, of which £100,000 have been placed by Messrs Rowe and Pitman at par. These joint debentures constitute a joint and several obligation of the two companies, and are secured as a floating charge upon the joint generating station, subject to the above-mentioned issues of joint debenture stock and to the existing debenture issues of each of the two companies. The debentures provide that so long as any of the debentures are outstanding no other joint debentures will be issued ranking *pari passu* with or in priority to the £150,000 of joint debentures. The debentures are repayable at par on April 15, 1926. An excellent investment in its class.

through their large holdings of Treasury bills and of Government bonds due to mature at early dates, from which to meet all legitimate requirements.

FOREIGN TRADE.

It will be seen from the Board of Trade figures that during the past year our imports from abroad amounted to £1,098 millions, and, against this, our exports, exclusive of invisible exports, were £886 millions. The Board of Trade estimate of invisible exports for the year 1922, that is to say, earnings through interest on foreign investments, shipping freights (which include not only freights earned in carrying goods to and from this country, but also in other foreign trade), banking and insurance commissions, and so forth, was £325 millions, after allowing for a payment of £25 millions for the service of our American debt. It is probable that for the past year the amount of our invisible exports will have been maintained, and that a surplus of some £100 millions will have been available for loans by this country to the Dominions and other parts of the British Empire, and to foreign countries, for purposes of reconstruction and for development, both of which will serve to reopen foreign markets and help our trade.

It will be seen, therefore, how vital is the importance of maintaining our invisible exports, both as a source of income, and also as helping in the restoration of foreign markets which will benefit our visible exports.

With our growing population and the present unemployment, everything should be done to promote our visible exports now as well as for the future, and foster every opportunity that may present itself for improving the industrial conditions of the country.

THE AMERICAN DEBT.

Besides the payment for imported foodstuffs, raw material and manufactured articles, which were normal before the war, we have now to provide also for the interest on our debt to America.

One of the principal events in the year has been the funding of this debt. No one who has visited America can fail to realise the gain to British credit and British prestige owing to that settlement, or the loss that would have been incurred by both if our liability had been questioned or had been met in any other way. There may be differences of opinion in regard to the actual terms, but in my opinion, whatever modification there might have been, if any were possible, it could not have been very great. Moreover, the adherence by Great Britain to the principle of the honourable fulfilment of contracts, in which lies the greatest guarantee for peace, is of world-wide importance.

The total annual provision that will be required for the next ten years to meet the debt will amount, at current rates of exchange, to the sum of approximately £37 millions per annum. This is roughly the equivalent of an income-tax of 9d. in the £, calculated upon incomes falling within the ranges of taxation as they exist to-day. This calculation will give some idea of the amount of the burden which we have undertaken, but the actual payment or transfer of this large sum to America—or to some other country on American account—can only be made through earnings from trade, or through invisible exports, that is to say, those other sources of income to which I have already referred.

The annual charge will be lightened somewhat should there be an appreciation in the exchange value of the £. On the other hand, with the recent fall, the charge has lately increased. The real burden of the debt, however, is measured by the volume of goods or services needed to discharge it, and the amount of the burden will, therefore, fluctuate with variations in dollar prices, as the debt is payable in dollars.

Even under the most favourable conditions, the payment of the debt will prove to be a great problem, but there are two outstanding factors which will help towards the payment, namely, the high standing of British credit, and a probable upward movement in gold prices, that is to say, the level of prices in America.

To maintain our high standard of credit, in face of this added foreign liability, it is clearly desirable that we should increase our favourable balance of external trade by an amount equivalent to the annual charge involved by payments to America. The alternative to an increased surplus of exports, both visible and invisible, would be a reduction in the amount we can lend abroad, and any reduction would retard recovery in trade.

ELASTICITY WITHOUT INFLATION.

The payment of our debt to America will, as I have said, necessitate exports of one kind or another to that country or to some other, in order that payment may be made, either directly to America or elsewhere on American account, and we can realise how important it is that both our costs of production should be on such a level as will enable our visible exports to increase, and

also that our money rates should be such that invisible exports should not be in any way diminished through the prevalence for any length of time of relatively higher rates than those which exist for the time being in America. As the demand for loans increases here, higher rates may be necessary, but at the present time there is only a small margin between the level of money rates in London and in New York, which would be available in case of need. It would seem, however, that industry here would not receive any real check if somewhat higher rates should become necessary, whilst on the other hand, investment values here might fall to some extent, and the cost of Government borrowing would be increased. However that may be, Government borrowing may become necessary to replace Treasury bills which the banks might wish to realise, and so long as this were the result of trade expansion through a genuine revival of purchasing power, there would appear to be little harm in such an operation, but then there might be a difficulty as regards the elasticity of our currency.

Beyond the present available unissued balance of currency notes there is now a greater stock of gold in the Bank of England, and Bank of England notes could be used as a backing to further amounts of currency notes should they be needed, and it is possible, therefore, that the limit laid down by the Cunliffe Committee can be kept, although the actual margin available to-day is comparatively small and does not afford very great elasticity. If any amendment of the existing currency restrictions should at any time be needed in order to give greater elasticity, it could only be such as would continue to impose strict limitations so as to preclude any possibility of lack of control or of inflation.

PRICE FLUCTUATIONS IN AMERICA.

During the last year gold has continued to flow to America, and credit has expanded there, and although in May last there was a substantial fall in prices as the result of the efforts of the administration and the banks to check the great rise which was rapidly taking place, yet the rise in prices in America has during the past two years been in the ratio of 18 per cent. as compared with a 5 per cent. rise in this country. Since September last a fresh rise in prices is taking place there.

The published figures of gold held in America at the commencement of November amounted to 4,168 million dollars, this being an increase of 266 million dollars over the amount held a year previously. Part of this gold has passed directly into the hands of the banks, and has enabled them to allow expansion of credit proportionately with this addition to their liquid resources. The Federal Reserve notes in circulation show actually a reduction of about 74 million dollars, as compared with the previous year, but the use of gold certificates as currency has increased. The gold and gold certificates in circulation show an increase of 235 million dollars, and this accounts for the ability of the banks, with their increased cash resources, to allow credit to expand without any apparent effect one way or the other on the Federal Reserve gold ratio.

CREDIT POLICY.

Looking at the relative level of prices in America, and in this country, the real question is whether our policy should be that of allowing credit to expand as trade demands increase, even though that might involve fresh borrowing by the Government and some greater elasticity in currency, should that be found to be necessary, with the safeguard against undue expansion of higher rates to be applied as a corrective, if occasion should arise. The need for this country to remain on a lower level than America, so far as discount rates are concerned, has been generally accepted in the past, and there would seem to be room at the present time to allow expansion of credit without raising rates to a higher level than those prevailing in New York, at the same time maintaining a reasonable check through rates in the recognised way.

Higher rates would, of course, check undue speculation, and at one time during the year the position on the Stock Exchange suggested that speculation was assuming undesirable proportions; but, on the other hand, there seems no reason to fear that industrial improvement would be checked by somewhat higher rates.

It would seem that unless there should be a need for higher rates to check undue speculation, this safeguard should be principally applied in order to preserve the relative level of prices which exists as between America and ourselves to-day, and which appears at the present time to allow us to compete fairly with America in foreign trade.

I feel that by these measures we should attain some degree of stability of currency in relation to commodities, and establish favourable conditions for both external and internal trade.

To sum up my views on the currency question, I feel that our aim should be to maintain as nearly as possible the existing equilibrium between currency and commodities, although always

we should keep in mind our ultimate aim, which is a return to a gold standard. Recognising that this is our objective, we must admit that before it can be achieved there must either be a further fall in prices in this country or an advance in prices in America. The latter of these alternatives is so evidently a possibility that from this point of view alone we should be justified in avoiding action designed to force down prices in this country, with all the attendant uncertainties and inconveniences, until the tendency in America is more clearly defined.

DRASTIC MEASURES UNDESIRABLE.

Having reached the conclusion that under the conditions existing at the moment it is desirable to avoid, as far as is possible, drastic measures to secure further progress towards our ultimate aim, we have still to consider the steps it would be desirable to take in the not unlikely event of the fiduciary limit to the currency issue being reached.

I think it must be admitted that it would be undesirable, in fact impossible, to lay down in advance any hard and fast rule.

The conditions prevailing at the time the limit is threatened must be allowed to influence the decision arrived at, but it is possible to suggest a general outline of what the policy should be. The fiduciary limit is likely to be reached only if there is a continuous and an increasing demand for credit, and if our aim is to preserve a reasonable stability, the action taken must depend upon the nature of that insistent demand. If it is the reflection of a genuine expansion of trading activity, it may be regarded as a healthy sign, and no undue limitation would be justified. If, on the other hand, it is due to a speculative development, it would be against the real interests of trade to allow it to continue. We must not sacrifice the position we have gained as a result of the sound financial policy pursued since the Armistice, and any tendency towards inflation must be kept in check, even if abnormally high discount rates become necessary.

There are well understood signs which indicate with sufficient clearness the nature of the influence behind an increasing demand for credit.

If with the larger volume of trade the price-level remains stationary or declines, or even if prices advance but still do not rise more rapidly here than in America, there will be little cause for apprehension; but an unjustifiable rise in prices accompanied probably by an increasing disposition to withhold stocks of goods from the market would be a sign that inflation was proceeding, and even at the risk of temporarily prejudicing production the interest rate must be used to check inflation.

DISCOUNT POLICY AND DOLLAR EXCHANGE.

There remains the question as to how far we should permit our discount policy to be influenced by the dollar exchange. It must be remembered that for some time past the purchasing value of the pound has been more stable than the purchasing value of the dollar, and, having regard to this, it would certainly be unwise to allow our policy to be affected by every movement in the rate which may occur, irrespective of the influence which may be the cause of it. Within recent months we have seen a considerable fall in the New York rate, but this fall should not be allowed to create alarm. There is always a heavy trade demand for dollars in the autumn and early winter, and the supply of dollars has been affected by the necessity of providing for the instalment on the British debt to America. This is part of the price we pay for the benefits which accrue from our recognition of contractual obligations. The exchange was affected also not only by our own dollar requirements, but also by large purchases from the Continent and perhaps, to some extent, by certain mischievous and foolish rumours as to the possibility of a departure from the paths of sound finance which deserve, and should receive, no credence. Apart from these factors, we may perhaps have made investments abroad to an extent which is rather in excess of what we could afford, and thus have used up certain foreign liquid assets which are normally used for adjustment of exchange through arbitrage operations. Since 1920 we have balanced our Budget, and we have repaid over £200 millions of foreign debt, besides effecting considerable reductions in internal debt. During the past two years we have kept our prices at a very stable level, and, although there has been a slight increase within the last few months, this increase has in some part occurred in commodities which are influenced by American rather than by British conditions.

It is my decided opinion that British credit stands firmer to-day than at any time since the war, and that, as to the intrinsic value of the pound, there can be no doubt.

THE SAFEGUARDING OF INDUSTRIES ACT.

In what other ways is it possible to increase our surplus balance of trade? In the first place, by improving our credit and the value of the £ in every possible way, and by doing nothing that

can injure either and then by making use of our credit to the fullest justifiable extent, in financing the requirements of other countries, and in the reconstruction of Europe and the re-opening of markets.

Experience in the past has shown that under a system of free imports, our overseas trade has progressively expanded, and a relatively cheap money market has served to establish our position as the centre of finance.

The system of free trade and cheap production has appeared to be best suited to the requirements of this country under normal world conditions, but at the present time there has been great difficulty because of the exchanges.

It is with the object of meeting these difficulties that the Safeguarding of Industries Act was put into force, and remains operative to-day. It affords a certain amount of protection to meet the special conditions which exist for the time being.

It seems to me that although the system of free trade is under normal conditions undoubtedly the best suited for the requirements of this country, and that our object should be to return to that system as and when conditions enable us to do so, yet the return should be gradual and conducted only with the greatest skill and care.

Just as in the matter of inflation and deflation it is undesirable that either policy should be actively pursued, although very gradual deflation and a return to a free gold market should be our principal objective, so, also, as between free trade and protection the former should be aimed at, but by such gradual stages as will enable us to avoid violent fluctuations in the conditions of home trade.

During the last few months, there have been signs of a definite improvement in trade, and unemployment has declined. This improvement can best be maintained and encouraged by stability which will produce the confidence that is one of the fundamental necessities for good trade.

No great changes are required, but the power to make use of the Safeguarding of Industries Act as a remedial measure, if the need to do so should arise, is, in the existing condition of the exchanges, a very valuable aid. At the same time, confidence, which is one of the chief requisites for trade, is more likely to grow without changes and with the feeling that none is likely to take place, except in case of absolute necessity.

UNEMPLOYMENT.

There is, however, the grave question of unemployment, which is common to all countries when times are bad, and for which up till now, no remedy has been discovered which is economically entirely sound. One thing is clear, that the nearest approach to an absolutely sound principle must be that of carrying out works of utility, and preferably, of course, of a directly or indirectly productive character, so as to provide work for the able unemployed in return for the means of subsistence which is afforded to them.

Looking at the requirements of modern traffic and modern industry, there would appear to be ample scope for works of public utility character, but much greater organisation and control is required than exists to-day in order to ensure that only those who cannot obtain work for which they are suited, obtain the dole.

There is great danger of unemployment developing into a habit under too easy conditions under which support is obtainable. On the other hand, it should be understood that deserving cases will always receive some form of help. Now that the situation following on the return from the war is becoming more normal, there is room for the complete reorganisation of the present scheme on lines which will be just, but sounder than those now prevailing.

Any attempt to solve the problem of unemployment by schemes involving inflation, would cause a rise in prices, and would ultimately lead to a loss of foreign trade and renewed depression.

CAPITAL LEVY.

Besides our debt to America, there is also our internal debt, which amounts to over £6,700 millions, as compared with about £710 millions before the war. Some people have held the view that it would be better to attempt to cancel a substantial portion of this debt by appropriating individual wealth for the purpose, and with the object of reducing national liabilities both as regards principal and annual interest. Such a plan, even if it were practicable on a scale which would be worthy of consideration, would entail violent deflation, and, having regard to the position which British credit holds in the economic organisation of the world, would have a world-wide effect. This would be the case, even if a scheme were adopted which would spread the operation over a period of years, or if it were to take the form of a substantial increase in taxation.

RESULTS ON EXCHANGES AND CREDIT.

Any apprehension that such a plan was contemplated would, judging from what took place in similar circumstances in Switzerland, lead to large withdrawals of money from this country, to be placed, for sake of greater safety, elsewhere. Such transfers would involve a loss of earning power, and would adversely affect exchanges and the stability of British credit.

At the present time there is no greater surplus of credit here than could readily be employed for productive purposes, bringing a return of profit greater than the cost to ourselves of a corresponding amount of our National Debt. Nor is there any excess in the volume of currency beyond what is actually needed, and though necessarily there have been fluctuations, its value has during the last two years been approaching towards gold parity.

There is, therefore, no analogy between the conditions which exist here and those which obtained in other countries where something of the kind has taken place, and no economic advantage would accrue to this country by taking such a step. Whatever may have been the discussions upon the subject in the past, I feel that the validity of these arguments is now recognised, and that we may assume that there is no fear of capital being in jeopardy through measures of confiscation.

TAXATION.

As regards taxation, it is instructive and interesting to note the letter dated November 10 last, addressed by Mr Mellon, Secretary to the United States Treasury, to the acting Chairman of the Committee on Ways and Means in that country, in which there is laid down as a governing principle for the people of America that the exercise of economy is the real road to prosperity, and that reduction in the surtaxes should produce more revenue for the State than can be gained by maintaining taxation at a level which destroys productive enterprise and development.

My Lords, Ladies and Gentlemen,—It has been through the stability of British credit that we have built up our great position. The whole world is looking towards this country in the hope and belief that here, at all events, will be found the stability both of values and of credit, which the world so greatly needs. I am confident that, by adhering to the sound principles which have guided us in the past, British credit will assure for us and for the rest of the world the means towards recovery to better times.

I now beg to move "That the report of the directors produced, together with the annexed statement of the company's accounts as at December 31, 1923, duly audited, be received, approved, and adopted, and that a final dividend at the rate of 10 per cent. per annum on the 'A' shares, and 14 per cent. per annum on the 'B' and 'C' shares, less income-tax, making, with the interim dividend paid on August 1st last, 10 per cent. for the year on the 'A' shares and 14 per cent. for the year on the 'B' and 'C' shares, be declared, payable on the 1st proximo, to the shareholders registered in the books of the company on December 31st last."

SIR HERBERT HAMBLING'S SPEECH.

Sir Herbert Hambling (the deputy-chairman).—My Lords, Ladies, and Gentlemen,—Before formally seconding the resolution I should like to congratulate the chairman on his address. He has given us a very wide survey of conditions, and his speech will repay careful reading. As to the American Debt, I think this question is now somewhat ancient history, but I am sure the settlement effected by Mr Baldwin was a fair and proper one. It is useless jobbing back—we had a debt to pay, we signed our name to a bill, a huge sum of money was running at 5 per cent., and it was appropriate and right and honest to settle it in the way we did. The whole question is now, as I have said, ancient history, and we had much better bury it and come to things that affect us in the present. The chairman expressed his opinion of the stability of British credit. This question is important. There is no doubt in my mind that for some time past there has been, in the Press and perhaps among certain politicians, a tendency to alarm investors. I do not think that well-informed people are alarmed, but among the ill-informed there is a measure of anxiety. I am confident that British credit stands first in the world.

You have only to observe what has been done since the Armistice. Within two years of the Armistice we balanced our Budget, and we have made large reductions in the National Debt. Even in the last financial year, when it is generally admitted that trade was as bad as it could be, we realised a surplus of £100 millions.

BRITISH STABILITY.

Take the currency position as another example. At the height of the boom the total of currency and Bank of England notes to-

gether, after allowing for the amount of Bank of England notes held in the currency reserve, was approximately £488 millions. Gold holdings at that time were £150 millions—a ratio of 30 per cent. to the total currency. At the end of December last, when the highest circulation was reached for the year, currency notes and Bank of England notes together amounted to £422½ millions and gold holdings to £153 millions, a ratio of 36 per cent. Well, ladies and gentlemen, it is amazing after the unparalleled things we have done in finance during the past few years—only a few of which I have mentioned—it is amazing that people should imagine they can get better security by investing in other countries. To me it really is amazing that people should even consider selling their good British pounds to invest them, for argument sake, say, in dollar securities. People doing this deliberately pay an insurance premium for a risk which, in my opinion, does not exist, a premium which at the present rate of exchange may amount to 14 per cent. I am going to prophesy that those timorous people who are forsaking British securities for the sake of investing their money abroad, with the mistaken idea that they will obtain greater security—and there are people so investing their money—I am going to prophesy that they will crawl back in a few years with a very substantial loss in their investments, and, personally, I shall have little sympathy with them. Ladies and gentlemen, I do not wish to take up your time, but, as a banker of 40 years' experience—and I can see here friends whom I have known for 40 years—I do want to emphasise that, in my opinion, those who take their money from England and think that they are going to get better security in some other part of the world are wrong, and that those who do it will bitterly repent it and make a loss, for, if there is one thing certain in this uncertain world, it is that sterling will get back to pre-war parity.

SHAREHOLDERS' SUPPORT.

Mr Frederick Tomkinson said he was so much impressed with the excellence of the chairman's speech and the good, sound reasoning that it contained, and also with the admirable speech of the deputy-chairman, Sir Herbert Hambling, that he desired to express, not only on his own behalf, but also on behalf of friends who were shareholders, their high appreciation of those speeches. With regard to what Sir Herbert had just mentioned with great force, it was within his own personal knowledge that a certain number of people were actually taking their money out of British securities and putting it into dollar securities. When his advice had been asked he had condemned that procedure, and he was really grateful to Sir Herbert for emphasising so clearly the error which those people were committing. He wished also to express his satisfaction with the result of the bank's working during the past year, and his appreciation of the services of all those who had contributed thereto. It had been pointed out that the number of branches of Barclays Bank was so great that some people wondered whether they were all paying. Personally he imagined they were, but perhaps the chairman would say something to the meeting on the subject.

The Chairman, in reply, said that the bank had opened a great many new branches lately. It was always necessary to look ahead, and as districts developed or trade shifted to another centre they opened branches in those districts. It went without saying that a branch when it was opened did not immediately pay, but he thought he could assure the shareholders that within a recognised time all the branches brought in a fairly good return for the money laid out upon them.

MANAGEMENT CONGRATULATED.

Mr Enoch Hill (Halifax) said that as a country shareholder of the bank he wished to echo the words expressed by Sir Herbert Hambling in appreciation of the chairman's speech. He was in complete agreement with every word that the chairman had said, and was very glad indeed that he had struck such a very high note as to the importance of contributing to and supporting the very high standard of British credit. He was also very glad to hear Sir Herbert Hambling confirm the view of the chairman that it was wise as well as just to recognise the debt to our American friends. It was most important that the British nation should recognise its moral obligations without the slightest pressure, and that it should in this way set an example to other nations of the world, which would lead to a recovery of the conditions of peace and prosperity which they all hoped for and looked forward to. As a shareholder he would also like to say that he appreciated very much indeed the management of the business of this bank by the gentlemen who constituted the board of directors and those associated with them. As a man who had very great financial responsibilities, and whose duty it was in his private life to invest very considerable sums of money annually on behalf of others and to realise those investments, he knew something of the difficulties which had to be confronted in such matters, and

which had been confronted by the manager of this bank, and surmounted in the interests of the shareholders. It was exceedingly satisfactory that in a year of very great difficulty the shareholders were to receive the same dividend as in previous years, which had been more favourable to the bank, and that, in addition, the directors were able to carry forward £18,000 more than they did at the corresponding date last year. The chairman's speech was a very valuable contribution to that movement, which was so important to the country that we should face all difficulties with composure and with confidence, and they could do that on the experience and on the assurance of such a leader in finance as their chairman.

The Chairman said that the directors much appreciated the remarks of Mr Hill, who was a man of great experience in the control of one of the largest financial institutions in the North of England.

The resolution was then put to the meeting, and carried unanimously.

RE-ELECTION OF DIRECTORS.

The Chairman next moved: "That Mr Cosmo Bevan, Sir William Carruthers, Messrs Frederick George Hugh Clayton, John Woodrow Cross, Ernest Ralph Dodsworth, Robert Grant, jun., John Edward Mounsey, Sir William Edgar Nicholls, Colonel the Right Hon. Lord Rochdale, Mr John Hayes Simonds, and Sir Harold Edward Snagge, K.B.E., the retiring directors, be re-elected directors of the company."

Sir Herbert Hambling seconded the motion, which was unanimously agreed to.

Messrs Kemp, Chatteris, Nichols, Sendell, and Co., and Messrs Price, Waterhouse, and Co., chartered accountants, were re-appointed auditors to the company, on the motion of Mr E. T. Hargraves, seconded by Sir Rowland G. Blades, Bt., M.P.

VOTE OF THANKS TO GENERAL MANAGERS AND STAFF.

The Chairman said that before the proceedings concluded he wished to move a very hearty vote of thanks to the general managers and to all the members of the staff of the bank for their services during the year which had just passed. The directors felt that they had received from the staff the most loyal assistance and help, and that the excellent condition of the bank was very largely owing to those factors. He had, therefore, very much pleasure in moving the following resolution:—"That the cordial appreciation and thanks of the shareholders be given to the general managers, the assistant general managers, the secretary, and the whole of the staff of the bank for their excellent services during the past year."

Sir Herbert Hambling, in seconding the proposition, said he was sure the shareholders would agree with him that the loyal, energetic, and excellent staff of Barclays Bank at least deserved a resolution of this character.

The vote was unanimously accorded.

Mr W. Favill Tuke (one of the general managers) said that, on behalf of his colleagues and himself and the whole staff, he begged to thank the shareholders for the cordial way in which they had adopted the resolution. They appreciated very much the kind words in which the chairman and deputy-chairman had proposed and seconded the vote of thanks, and he felt sure that the staff would be encouraged by this acknowledgment of their efforts. He wished to add one word to what had already been said about Sir William Carruthers, and that was that they all wished him many years of happiness in his retirement.

VOTE OF THANKS TO DIRECTORS.

Sir Donald Horsfall, Bt., proposed a hearty vote of thanks to the chairman, the deputy-chairman, and the directors for all they had done for the shareholders during the past year. He wished particularly to thank the chairman for the courteous manner in which he had conducted the proceedings, and also for his eloquent address, which he was sure would be read with great interest by people all over the country.

Mr C. Heath Clark seconded the motion, which was cordially adopted.

The Chairman, speaking on behalf of his colleagues and himself, said he begged to tender the shareholders their very sincere thanks for the resolution which had just been passed. He could assure them that the directors devoted all their best endeavours towards the success of this great institution. The past had been a year not without considerable difficulties and anxieties, but they felt confident that the bank was in a first-rate condition, and they looked forward with confidence to the future.

The proceedings then terminated.

NATIONAL DISCOUNT COMPANY, LIMITED.

"TRANQUIL AND PROSPEROUS YEAR."

The ordinary annual general meeting of the National Discount Company, Limited, was held, on the 18th instant, at the Cannon street Hotel, London, Colonel the Hon. Sidney Peel, D.S.O. (the chairman), presiding.

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

The Chairman, in moving the adoption of the report and accounts, said:—"We find ourselves in the position of being able to recommend to you an increase of 1 per cent. in the distribution to the 'B' shareholders on their paid-up capital. This is due to the care which your directors have taken in the past to conserve your resources, and to make provision, as far as possible, for the dangers and difficulties of these times—a policy which I need hardly say we shall continue to pursue."

The profit and loss account shows, as you will see, a gross profit of £692,853; that is less than last year by about £31,000. There is some compensation for this in other directions. We have, on the other side, a distinct drop in our expenses, partly due to the allocation made last year to the pension fund, which at the present time is sufficient to meet the calls now being made upon it. After making all necessary provision, we carry forward a little more than last year.

RECORD BILLS DISCOUNTED.

Our balance-sheet, as on December 31st last, is an interesting one. The figures show no falling off, but rather a certain increase on those of last year. It is true that our investments show a drop of about £1,000,000. That is not a feature which you will be disposed to criticise in times like these. But, on the other hand, bills discounted show an increase of over £1,800,000, and loans are also greater. Bill discounting is, of course, our principal business, and it may interest you to hear that the amount of bills actually discounted by us in one year has, last year, reached the highest total we have ever had—namely, over £100,000,000. There are, I dare say, very few shareholders who are aware that we have kept records ever since 1856, when the company began business. The figures were very different in those days. By 1886 we had reached a total of bills discounted of £1,000,000,000. We passed £2,000,000,000 by the end of 1909, and this last year we have exceeded the total since the beginning, in 1856, of over £3,000,000,000.

If you call to mind that, in these days, the number and importance of firms and companies engaged in the business of discounting bills are much greater than they were even 14 years ago, you will get some idea of the immensity of the trade, finance, and commerce of this country. I will merely remark that I hope that our law-makers, of whatever party, will proceed with very great caution in dealing with these vast interests.

I return to the details of the year. Instead of the four changes in Bank of England rate—all decreases at the rate of ¼ per cent.—in 1922, we had a single increase in the rate from 3 to 4 per cent. on July 5th. This, of course, is a fact of great importance to the money market. Without that increase in rate our profits would naturally have been a good deal more. The larger your portfolio of bills the more you lose by a rise in the Bank rate. Let me give figures to illustrate this in the present case.

The average rate of discount for three months' fine bills during three months preceding July 5th was a little over ½ per cent. The official deposit rates were 1 and 1½ per cent.; on July 5th they were raised to 2 and 2½ per cent. It is true the bill rate rose at the same time, but that did not apply to bills already discounted. In fact, a rise in the Bank rate, when money market rates respond to it, as they usually do, means that a number of bills discounted are being held, not only without profit, but with actual loss. Of course, over a long period these fluctuations compensate themselves, but when, as in the present case, you get a single increase of Bank rate in a year, you get all the loss without the compensation. Otherwise, the course of discount and money rates has been remarkably stable during the year.

THE FUTURE.

I will not attempt to foretell the course of the year we are now entering. Taking a purely business outlook, the prospects are good; trade appears to be reviving once more—though we have too often been deceived by false dawns in that respect—and this company is in a position to take advantage of favourable conditions. But Government finance, public expenditure, and taxation are vital factors in our prosperity as a nation, and the future is doubtful. At any rate, we have ourselves had what I may call a tranquil and prosperous year, and I would remind you that that tranquillity and prosperity is the result of much hard work and hard thinking of an untroubled kind on the part of our manager, Mr Wade, and his assistants. In fact, the whole staff has once more deserved your commendation during the year.

The resolution was carried unanimously, and votes of thanks to the chairman and directors, and to the manager and staff of the company terminated the proceedings.

WESTMINSTER BANK LIMITED.

MR WALTER LEAF ON FINANCIAL AND INDUSTRIAL CONDITIONS AND PROSPECTS.

"CONFIDENCE AND HOPE FOR THE COMING YEAR."

GERMANY AND REPARATIONS PROBLEM.

POLITICAL SITUATION—WARNING TO INVESTORS.

The annual ordinary general meeting of the Westminster Bank Limited, was held, on Thursday, the 24th inst., at the head office, 41 Lothbury, London, Mr Walter Leaf (the chairman) presiding. The secretary (Mr F. Mytton) read the notice convening the meeting and the report of the auditors.

CHAIRMAN'S SPEECH.

The Chairman, who was received with applause, said: Ladies and Gentlemen,—It is a matter of satisfaction that, after several years of great depression, we should be able to meet you to-day with a definite feeling of confidence and hope for the coming year. We can, indeed, not speak of 1923 as a year of prosperity. The first nine months of it were spent mainly in marking time; we had to be content if we could say that we were not losing ground. But so much at least was true; we were not losing ground. It was clear that money was being made, and was being saved; for issues of new capital were rapidly absorbed. Great Britain has again taken her place as a lending nation, and the London market is the best for a foreign borrower. Foreign and colonial loans issued during the year amounted to over £130 millions; and it is these overseas loans which form the best foundation for the expansion of our export trade. Sterling borrowed here has to be taken abroad, directly or indirectly, in the shape of goods. It is, therefore, natural that there should have been during the year a considerable expansion of our exports, from £823 millions to £886 millions. That our imports should have risen to an even greater extent, from £1,003 millions to £1,098 millions, while at the same time we were lending so freely abroad, is conclusive evidence of a very satisfactory growth in our invisible exports, the services of various sorts which we render to other countries, and the return of profits from our overseas investments.

GENERAL TRADE PROSPECTS.

Though the effect of this revival on trade activity has shown itself rather tardily, yet the evidence of the last quarter of the year is fairly unanimous in speaking of better conditions and hopeful prospects. The reports which we receive at this time from our managers, though perhaps it would be going a little too far to call them exhilarating, are on the whole quite comforting. The number of unemployed, the gloomy background of all our thoughts for nearly three years, has shown a decrease which is steady, if slow; and though the depth of winter has thrown many out of work, as always happens, yet the decrease continued up to the middle of December at a rate which, if continued, would have brought us back to normal conditions by the summer months.

Not, of course, that the prospect is uniformly rosy. There are several very important industries in which, unfortunately, it cannot be said that the corner has been turned. But in the majority of our reports from all over the country we hear, in one form or another, that the outlook is considered good, and that the new year is opening with confidence and hope. One cannot but feel that what the old physiologists called the *vis medicatrix naturæ* has been at work; the tendency of wounds to heal is asserting itself. The process of convalescence, after so grave a disorder of the whole body politic, must be slow; but it is there, and we cannot help it by impatience. It shows itself, I think, in various ways—in the determination to face the position, to work hard, to work in unity, to prove that the British nation has not lost its skill nor its grit.

LABOUR DISPUTES.

There have, indeed, been retarding forces at work. Much delay in the recovery was due to the wholly inexcusable dockers' strike, and even more positive harm to that of the boilermakers, which not only intensified unemployment in the shipbuilding trade, already hard enough hit, but had a disastrous influence on all allied industries. Indeed, the recovery in the iron and steel and engineering industries is, in some of our reports, dated from the settlement of that seven months' struggle. And it cannot be too strongly stated that any real advance during the coming year is conditional on the absence of serious labour disputes. The outlook in this respect is by no means clear of anxiety, and is the darkest spot on the horizon.

IRON AND STEEL.

Let me run very briefly through the reports of which I have spoken to you. The best hopes come from the great iron and steel industries, and the allied engineering trades. The year 1923 has been one of largely increased output; the production of pig-iron rose from 4,902,300 tons in 1922 to 7,438,500, and of steel ingots and castings from 5,880,600 to 8,488,900, this last being largely in excess of pre-war figures. We hear on every hand that the prospects for 1924 are good, thanks to the large orders which have been placed by the railways. Even shipbuilding, lately in such deep depression, shows signs of a revival; fresh keels have been laid down on the Clyde; from Barrow we hear that unemployment has been reduced by a half during 1923, and that the large yards there have now orders in hand which bid fair to absorb the whole surplus before long. But it has been a bad year for shipping, and the prospect is none too good. It is true that Newcastle reports that tonnage now idle is only half as much as a year ago; but that is presumably due to large coal exports to the Continent, and we hear of little or no improvement from Liverpool and Cardiff.

COAL.

The coal trade has again been active, and the prospects are good. Last year was fairly satisfactory all round, foreign markets being recaptured, though profits were not large. Subject always to the absence of labour troubles, the outlook is most hopeful. Any marked increase in the home trade would put a severe strain on the mines, as the output is at its maximum and in full demand.

CHEMICALS.

In the home section of the heavy chemical trade, although the volume of business transacted during 1923 was greater than in 1922, the promise with which the past year opened was not fulfilled to the extent anticipated. In the foreign section, a steady improvement was recorded, the exports showing a satisfactory increase over those of the previous year. It is considered that the prospects of the foreign trade in heavy chemicals for 1924 are, generally speaking, favourable.

LEATHER.

In the leather trade reports are less favourable, and there are complaints of foreign dumping. It appears, however, that the exports of boots and shoes during 1923, though showing a large increase in quantity over those for 1922, are still below the number exported in 1913.

TEXTILES.

In textiles, the wool trade reports a patchy business in piece goods, owing to competition and keen price-cutting, but there are prospects of a steady improvement in most sections, and a gradual extension of trade, with a tendency to higher prices, owing to shortage of raw material. In the clothing trade the prospects are better than at any time during the last two years, and orders are being placed by retailers in advance of present requirements, in anticipation of an early rise in prices. Hosiery has hardly maintained the comparative prosperity of which I spoke a year ago. But, on the whole, the outlook for 1924 is considered promising, and unemployment is diminishing week by week.

COTTON.

The cotton industry is, unfortunately, still in a state of depression. Political unrest alike in India and China is in the way of any recovery, and the great rise in the price of the raw material, owing to the shortage in the American cotton crop, has made it impossible to produce the lower description of goods at a price which will bring them within the modest resources of the Oriental peasant. Unfortunately, it looks as though the American shortage were likely to continue, and the outlook for the industry is an anxious one, at least until other sources of supply can be found. The quest is being eagerly pushed, and the resources of the British Empire will, it is hoped, be soon expanded to an extent which will render us less dependent on the United States. In the meantime, however, it is to be feared that a large number of spinners of the lower counts are running their mills at a somewhat serious loss, and the prospects cannot be described as hopeful.

LACE TRADE.

The depression in the Nottingham lace trade also continues. The complaint here is of French competition, and is generally ascribed to the fall in the franc. It must be pointed out, however, that the mere lowness of the unit of currency does not in itself act as a stimulus to export; that comes only when the exchange value of the currency has fallen below its purchasing value at home; in other words, when the rise of prices due to the fall in the currency has not overtaken the fall in exchange. It is difficult to say at the moment whether French prices have risen to the same extent as the franc has fallen—probably not. There will, therefore, be a certain margin in favour of the French exporter. I have seen it publicly stated that the British manufacturer has been handicapped, not merely by exchange, but by superior enterprise, better design, and more adaptability on the part of his Continental competitor. I can hardly believe that this is so, but I fear it is true that whereas the export of lace goods to the United States as between England and France used to be in the proportion of 50 to 50, it is now said that Calais claims about 80 as against Nottingham's 20.

AGRICULTURE.

Let us now turn to the great industry of agriculture. Forecast here is rendered especially difficult by the severe outbreak of foot-and-mouth disease. Even in counties where the plague is comparatively light, the necessary restrictions have interfered most seriously with the internal economy of the farmer's business. But after making allowance for this, our reports, though varying markedly in different districts, generally agree in saying that, in grazing and dairying at least, farmers did not do so badly in 1923; even arable land seems to have covered expenses as a rule, though low prices counteracted the benefit of what was in many districts an abundant crop.

Here are some extracts referring to the south-west, where the cattle plague has not yet appeared—"Dairy farmers have no reason for complaint." "Farmers in the district have done very fairly well in 1923; the outlook for 1924 is considered good, as they consider that fall in values has now reached bottom." From the Midlands we get such reports as these—"Wheat and barley, while better than a year ago, still provide an inadequate return." "Corn crops were good, but a big yield was offset by low prices." "Prices were steadier during 1923 than for some years past. . . . 1923 was not so disastrous as 1922; farmers are possibly unduly pessimistic as to the outlook. . . . Sheep were profitable throughout 1923, and promise so to continue."

From Yorkshire we hear of the tendency, noticeable all over the country, to convert land from arable to grazing. It is pointed out that this policy is attended with considerable risk, owing to the high cost of stock, feeding charges, and interest on borrowed capital. "Sheep flocks are still short of pre-war strength, and prices are likely to remain firm for some time." It is interesting to hear that there is a large demand for moderate sized farms of 200 to 400 acres, and numerous applicants for larger holdings.

From Lancashire we are told that the price of land has been maintained. "The land here (round Wigan) is mostly arable, and farmers are benefiting from the tendency in other parts of the country to put land to grass." And from Cumberland we hear that farmers are holding their own, and, except for the disease, the outlook is fairly good.

IRELAND.

We get a similar note of hope from Ireland, too. The unhappy troubles seem at last to have come to an end; and the floating of the Irish loan of £10 millions without the assistance of the Irish banks—though it would doubtless have been given had it been needed—is an event of good omen. So long as the country keeps its present temper, there seems to be nothing in the way of a return to prosperity. Our affiliated institution, the Ulster Bank, has had a very successful year, in spite of anxieties; we hear from Belfast that there is a strong feeling of confidence; it is generally believed that the linen trade has turned the corner; stocks are reduced, exports to the United States have not been killed by the Fordney Tariff, and it is a curious fact that, owing to the high price of American cotton, linen fabrics are in some cases actually cheaper than cotton.

THE CONTINENTAL POSITION.

We must not, however, forget that these indications, fairly unanimous though they are, are still only promises; the fulfilment is not yet. It is vain to talk about prosperity while the number of unemployed, though steadily diminishing, still stands at over a million. It is vain to talk about prosperity while the shadow of a veiled war still hangs over Central Europe. Yet even here there is just a gleam of hope. It is something that the nations should have combined to see what can be done to lighten the burden. Our best wishes go with the new committees appointed to advise

the Reparations Commission. If they can find some way out of the maze, they will deserve the thanks of mankind. What that way may be, I cannot guess.

GERMANY.

The position in Germany looks to me well-nigh desperate. The rake's progress of inflation, though carried on longer than I had thought possible, has at length been pulled up short, with the result which we had all foreseen as inevitable. The unemployed in Germany on December 1st numbered, I am told, 3,450,000—two millions of them in the occupied districts, mainly the Ruhr, the rest of them throughout Germany. Taking into account those who are on short time, as well as the actually unemployed, I am informed that some 40 per cent. of the German workmen are partly or wholly dependent upon State doles for existence. The industrial collapse is complete. The new currency, the Rentenmark, appears to be no more than the Reichsmark under a new disguise. It is nominally based, as was the original French Assignat during the Revolution, on a mortgage of State lands. The value of it has been maintained, during its brief existence, only by prohibiting any dealings in it for purposes of exchange; as soon as it is thrown open to sale and purchase it will, to all appearance, follow its predecessor the Reichsmark, unless some means can be devised to stop the collapse. At the moment, Germany is confined, for purchases abroad, to such balances as she may already have secured in foreign currencies. What the amount of these may be is an interesting problem, and perhaps insoluble; it was estimated some two years ago by Mr McKenna at £200 millions. One may hazard a conjecture that it must be considerably less to-day, as it is hard to see how Germany can have secured her raw materials during the last two years when her imports have largely exceeded her exports, and the sale of paper marks has come to an end, except by drafts upon this accumulated balance. But that is a question which one is well content to leave to the experts who are now engaged upon it.

REPARATIONS.

Nor do I propose to enter on the general question of reparations. There appears to be a slowly growing conviction in France that, though the occupation of the Ruhr has ended technically in a victory, economically nothing has been gained by it; and that France is financially the worse for having relied on mere force. It is something that the realities of the situation should at length be asserting themselves, that it is at least recognised that there is something which needs frank discussion; that it is not enough to demand payment without fully exploring the means by which payment can be effected.

One thing is certain; that reparations paid by Germany can come through one channel alone—through an excess of German exports over imports. It is only by taking German goods that we can receive German payments. And in order to enable Germany to produce this surplus German industry must first be allowed to re-establish itself. Not only must the factories work full time, but as a preliminary condition Germany must be enabled to import not only the foodstuffs which she needs that her workmen may live and work efficiently, but the raw materials which are essential to any work at all in some of her chief industries. And when this has been done, we must be prepared to accept German goods on an unheard-of scale, mostly in direct competition with our own. The prospect is one which we cannot contemplate without anxiety. For those who are anxious to study it in detail, I should like to recommend a remarkable work entitled "Germany's Capacity to Pay," a notably impartial piece of research drawn up from an independent position by two American economists, Messrs Moulton and McGuire, under the auspices of the Institute of Economics.

GENERAL CONCLUSIONS.

The close argument in that work is not easy to refute; and the general conclusions are, shortly, that "large reparation payments can be made only provided the German standard of living is held down to the minimum of subsistence, or at least to the minimum below which social revolt becomes inevitable. The will to produce must, of course, be preserved; some opportunity for gain must be permitted. Implied in this is a driving down of wages and production costs below the level of the world at large, in order that Germany may persistently undersell competitors in world markets. This is the only possible way whereby any substantial exportable surplus can be procured. Whether it is a way that would please and prove profitable to the rest of the world constitutes another story" (p. 245). Messrs Moulton and McGuire, after an exhaustive analysis, calculate that, if Germany is to pay anything like the sums stipulated by the last agreement, she must raise her exports of merchandise to 14 milliard gold marks, £700 millions, as compared with about 10 milliard gold marks, £500 millions, in 1913. There were complaints enough of German competition in 1913; it is not easy to contemplate with equanimity the prospect of the increase of her competitive world trade by 40 per cent. over

the best year she had ever known. In 1922 German exports were about three milliard gold marks, £150 millions. That amount must be multiplied by 4½ if Germany is to pay.

THE FORDNEY TARIFF.

It happens that we have before us at this moment an excellent illustration of the way in which international payments are made in goods. It will be within the memory of all of you that, some two years ago, the United States passed what is known as the Fordney Tariff—a very high tariff, designed with the especial intent of excluding foreign goods, and in the belief that other countries could not dispense with the products of the United States. Now, how has the Fordney Tariff worked? I have before me the figures of trade between the United States and Great Britain for the first nine months of 1923, and I compare them with the first nine months of 1922. You will suppose—or at least the authors of the tariff certainly supposed—that there will be a great falling off in the exports from Great Britain to the United States, while the exports from the United States to Great Britain will be maintained. Well, what are the facts? The exports from the United States to Great Britain have in that period fallen off by more than £16 millions, while the exports from Great Britain to the United States have increased by over £10 millions. The balance of trade in those nine months has moved nearly £27 millions in favour of this country. Surely this must give Mr. Fordney serious matter for consideration.

INFLUENCE OF DEBT PAYMENT.

Naturally, this cannot be the actual result of the tariff; it proves that there are opposite influences which overcome the obstacles put in the way of imports from abroad. There can be little doubt that this influence is to be found in the remittances which Great Britain is making to the United States for the payment of the debt. So long as the United States require payment from us, so long must they take it in the form of our goods. And in the meantime the Fordney tariff has naturally increased prices and put up the cost of production in the United States, and has thereby hindered their power of competition with us in neutral markets. So that the tariff has been by no means an unmixed misfortune to British trade, and it offers an instructive example of the futility of political measures which try to counteract the irresistible tendencies of economic law.

THE POLITICAL SITUATION.

We have had some experience of this at home quite recently. The gradual signs of a return to normal trade conditions were not enough to satisfy the impatient spirits, who thought that the natural processes of healing had better be interrupted in order to try the effect of various violent prescriptions, each of which was warranted to relieve the present distress, at what future cost it did not seem to concern their supporters. First came the suggestion of deliberate inflation to the tune of £100 millions. This was disowned with fair promptitude, but not before it had done great harm; foreign capital had taken fright, the value of sterling fell in the world markets. It had hardly begun to recover when there came the next prescription of protection, and with it the General Election, to put before a large part of the electorate the awkward question, "Which do you dislike most, protection or a capital levy?"

You know the result. The political situation is piquant and interesting; but for the business man not wholly unsatisfactory. Business wants to be let alone; we had enough of Government interference during the war, and we have no desire to be made the subjects of rash experiments in economics, whether they take the form of deliberate inflation, protection, or capital levy. And from the fear of such experiments the election has delivered us, probably for a good many years to come. Government, it seems, will be in the near future a matter not of rash legislation, but of administration carried on under constant and jealous observation, and subject to short shrift if it oversteps the limits of justice and sanity.

NERVOUS INVESTORS.

That is not a prospect to inspire any serious alarm for the present. There is undoubtedly a feeling of uneasiness abroad—there has been a certain amount of selling of sterling investments in order to buy dollars. This has shown itself in the fall in the New York exchange; the fall which began with the talk about inflation has not been recovered as it should have been, and the £ sterling stands at a value in dollars which is considerably below its real purchasing power. In other words, the £ is depreciated not by any undue balance of trade, but for political and sentimental reasons.

This ought not to be. Any pressure to sell British and buy American securities is not merely unpatriotic, but in my opinion very foolish. I have heard an expert opinion from America which asserts that it will be easy to lose in American investments quite as much as in any capital levy. And it may still be within your recollection that shortly before the war there was an active movement for investment in Continental securities, with the idea of

evading income-tax—dishonestly, of course. Those who adopted this course burnt their fingers badly, and deserved to do so; they may fairly be held up as a warning to those who are contemplating a similar course now. But however unpatriotic and unwise these weak-kneed folk may be, how infinitely more unpatriotic and unwise would it be to feed the anti-British Press in America with panic-mongering, and deliberately to damage the credit and reputation of the country in quarters where such attacks on Britain are cherished and magnified, and spread broadcast over the American Continent? There is, as a matter of fact, no panic at present; there is a certain nervousness among the ranks of amateur investors; but it is the duty of those who are in positions of responsibility to look calmly at the facts, apart from any prejudices of personal or political disappointment and resentment. Such a dispassionate view, I am sure, leads to no counsels of despair. It seems to me that the convalescence of the country, after the fever of the war and the disastrous destruction which it involved, is proceeding with all the steadiness for which we can reasonably hope; "the patient is doing as well as can be expected," and the need of the day is, as before, for patience, work, and peace.

TRIBUTE TO LATE MR JOHN ANNAN BRYCE.

Of the internal affairs of the bank during the year, I need say little. But I must say a word of regret for our colleague, Mr John Annan Bryce, who was taken from us at an advanced age, but still almost to the last full of vigour and active in our work. To a robust energy of mind, recalling that of his distinguished brother, he added true artistic feeling which, combined with a knowledge of architecture rare in a layman, made him an ideal chairman of our Premises Committee. In that position he worked hard to ensure that in building new branches we should endeavour to make them worthy of their surroundings and of the parent bank, and to this end he spared neither time nor labour.

NEW PREMISES.

He did not live to see the completion of the first section of our new buildings here or in Threadneedle street. Both will be ready for occupation, we hope, by the summer; and we shall then be ready to start on the next sections in both cases. This will be our last general meeting in this room, and next year we shall have to provide other accommodation for you. One cannot but feel a certain sentimental regret at leaving the scene of our annual meetings for over three-quarters of a century, with its memories, too, of the now historical period when, day after day in the early part of the great war, the representatives of all the British banks used to meet here to discuss the new financial policy required by the war, and to draw closer the bonds of national co-operation which carried us through those troublous times. But we have to put sentiment aside. The need for rebuilding is urgent. We are now committed to the large scheme, and it is in view of the near approach of the maximum of expense that we have again found it advisable to set aside a large sum, £300,000, to our rebuilding fund.

NO VIOLENT FLUCTUATIONS.

In the other items of the balance-sheet before you there is little needing particular attention. The year has not been one of any violent fluctuations or startling events for the banker. The rise in the Bank rate in July has been the most prominent event, and that did little to ruffle the surface of the stream. Rates of interest have still remained at a figure where they cannot be regarded as any serious hindrance to commerce. Our deposits, like those of our competitors, dropped to a certain extent during the first part of the year. They have since recovered somewhat, apparently a sign of a more rapid circulation of money.

I may conclude by reminding you that as this is our last meeting in the old room, so it is our first meeting under our new name. The step which we took in March last has, I think, been a matter of universal congratulation, and has certainly won the sincere approbation of those of our friendly competitors who were, like us, burdened with top-heavy titles. And I have had the satisfaction of assuring myself during a recent visit to the United States, that from New York to San Francisco, and from New Orleans to Chicago, the name of the Westminster Bank is already as familiar and as highly esteemed as it is on this side of the Atlantic.

Ladies and Gentlemen,—I now beg to move: "That the report be received and adopted."

Sir Montagu Cornish Turner (one of the deputy-chairmen) seconded the resolution, which was carried unanimously.

FORMAL BUSINESS.

On the motion of Sir Montagu Cornish Turner, seconded by Mr Cecil F. Parr, the retiring directors (Mr C. Algernon Campbell, Mr O. C. Magniac, Mr C. J. Cater Scott, Sir William Hicking, Mr E. Banbury, and Sir Arthur Stanley) were re-elected.

Messrs Turquand, Youngs and Co., Messrs Kemp, Chatteris, Nichols, Sendell and Co., Messrs Price, Waterhouse and Co., and

Messrs Stead, Taylor and Stead were reappointed auditors of the bank for the current year on the proposition of Mr W. H. Skeel, seconded by Mr E. S. Metcalfe.

Mr A. Gordon Bird proposed: "That the thanks of the meeting be presented to the board of directors for the able manner in which they have conducted the affairs of the bank." In doing so he remarked that the directors were to be congratulated upon the way in which they had guided the bank through bad years and good years, and particularly during the difficult period covered by the past 10 years.

Mr Frederick Tomkinson seconded the proposition, which, was supported by Mr W. G. Haill and passed unanimously.

VOTE OF THANKS TO STAFF.

The Chairman briefly thanked the shareholders on behalf of his colleagues and himself, and then moved: "That the thanks of the meeting be presented to the officers of the bank for their zealous and able services during the past year." He paid a warm tribute to the services of the staff, and said that Mr Rae had been a tower of strength to the directors.

The vote was seconded by Mr William Baynes, and unanimously accorded.

MR JOHN RAE'S REPLY.

Mr John Rae (chief general manager), who was received with applause, said: It is my privilege to reply to the vote of thanks which has been passed, and, on behalf of the staff, I desire to thank you, Mr Chairman, for the generous terms in which you submitted it, and to the large assemblage of shareholders present I wish to express our appreciation of the cordiality of their response. It is a matter of personal gratification to me to have the whole-hearted and able co-operation day by day of my colleagues in the general management, and of my other friends who control the various administrative departments of the head office. And I am pleased to think that in all the sections of our wide service the same spirit of friendly co-operation and helpfulness is present for the well-being of the bank, and, I trust, in ever-increasing measure, for the convenience of its valued customers.

A hearty vote of thanks to Mr Walter Leaf for his able and courteous conduct in the chair concluded the proceedings.

MIDLAND BANK LIMITED.

SATISFACTORY RESULTS OF YEAR'S WORKING.

RIGHT HON. R. McKENNA ON MONETARY POLICY.

MONETARY INFLATION AND PRODUCTIVE CREDITS.

BANK OF ENGLAND'S EXCLUSIVE RIGHT OF NOTE ISSUE ADVOCATED.

CHAIRMAN OPTIMISTIC OF THE FUTURE.

The ordinary general meeting of the shareholders of the Midland Bank Limited was held at the Cannon street Hotel, London, E.C. 4, on Friday, January 25, 1924, for the purpose of receiving the report and balance-sheet, declaring a dividend, electing directors and auditors, and transacting other ordinary business.

CHAIRMAN'S SPEECH.

The chairman (the Right Hon. R. McKenna) said:

My Lords, Ladies, and Gentlemen,—

It is more than three years since the returns of unemployment first showed a distressing increase. We are accustomed to the cyclical movement in which good and bad trade follow each other in regular succession, but the duration and intensity of the present period of depression are unprecedented in modern experience. The excessive number of unemployed has been the avowed cause of a premature General Election, and the three great parties in the State have all laid stress upon the need for dealing with unemployment as a principal part of their policy. No subject is of greater importance or more worth careful study, and I propose now, with your permission, to say something upon it before I deal with the work of the bank during the past year.

It is unnecessary to dwell upon those causes of bad trade with which we are all familiar. The destruction of accustomed markets through the economic breakdown of a large part of Europe, political disturbance or uncertainty at home and abroad, violent changes from one type of demand to another at the close of a great war, the drain upon the essential supply of capital by overburdensome taxation—all these are conditions gravely injurious to trade, and so long as they persist cannot fail to retard our full recovery. If I do not refer to them now, it is not because I ignore their significance, but because of the limited time at my disposal. The particular influence on trade upon which I propose to speak is that of monetary policy, a matter which I believe to be of much greater importance than is generally recognised, and which certainly merits close examination.

MONETARY POLICY DEFINED.

What is meant by monetary policy? Before I answer this question, let me define the sense in which I shall use the word money. I understand by it all currency in circulation among the public and all bank deposits drawable by cheque. Usually when we speak of anyone having so much money we include the value of his land, securities, and other property. It is a convenient form of expression, but it is not a strict use of the term. The meaning I am giving to it is confined to what is immediately spendable by the owner, and does not cover the saleable value of property. In this sense it is limited to the total of bank balances, both on current and deposit account, together with the total of currency in active circulation.

To define monetary policy in few words, I should say that it is the policy which concerns itself with regulating the quantity of money. As I shall show later, it is controlled by the Bank of

England, but the action or requirements of the Government may seriously affect it. If we are to follow the working of a monetary policy, and form a judgment upon its merits, we must know first how additional money comes into being and how money already created ceases to exist; and, secondly, we must understand what are the consequences of a variation in the amount of money outstanding in the different circumstances which may attend the change.

HOW MONEY IS CREATED.

Under the system which prevails in our country, there is only one method by which we can add to or diminish the aggregate amount of our money. Gold coin is no longer minted, and additional paper currency is not issued, except to meet the demands of the public. When the public require more currency, they draw it from the banks, and deposits are reduced as currency in circulation is increased. The amount of money in existence varies only with the action of the banks in increasing or diminishing deposits. We know how this is effected. Every bank loan and every bank purchase of securities creates a deposit, and every repayment of a bank loan and every bank sale destroys one.

MONEY INCAPABLE OF MIGRATION.

People often talk of money going abroad or of foreign money coming here, but, as a fact, when gold is not in use, money is incapable of migration. The title to money may change. An individual may sell his sterling to an American for dollars, but the American will then own the sterling in England and the Englishman dollars in the United States. If there is pressure to sell sterling the exchange value of the £ will be lowered, and temporarily the burden of British payments in America will be increased. But the change of ownership does not remove the money, which necessarily remains, and can only be expended where it was created. No exchange transaction, no purchase or sale of securities, no import of foreign goods or export of our own can take money out of the country or bring it here. Those who wish to be meticulous may say that British travellers sometimes carry currency notes, and change them in foreign countries, but the total of such transactions is too trifling to be taken into account. Bank loans and their repayment, bank purchases, and sales are in substance the sole causes of variation in the amount of our money.

THE OWERS EXERCISED WITHIN STRICT LIMITS.

While banks have this power of creating money, it will be found that they exercise it only within the strict limits of sound banking policy. Anyone who studies the monthly statements of the London clearing banks will see that these banks keep a reserve of cash fairly constant in relation to the amount of their deposits. If banks increased their loans and investments, the result would be to increase the aggregate amount of their deposits, but to add nothing to their cash resources. The proportion of cash to deposits would be reduced, and, in the judgment of those responsible for the

management of the banks, would be less than sound banking principles dictated. Thus a limit is placed on a bank's power of lending by the amount of its cash, and so long as the canons of conservative banking are conformed to, additional loans can only be made if this cash is increased. Banks lend or invest up to the full amount permitted by their cash resources, but they do not go beyond that point.

HOW BANK CASH IS CREATED.

If what I have said so far is accepted, it follows that any variation in the amount of money in the country is conditional upon a variation in the aggregate amount of cash held by the banks. The next problem to consider, then, is the method by which this cash is increased or diminished. There are only two ways of adding to or reducing the cash resources of the banks. The first arises from the action of the public. If less currency is required in circulation, and the surplus is paid into the banks, their cash resources are increased, and conversely, if more currency is required in circulation and larger amounts are withdrawn from the banks, their cash resources are reduced. There are daily fluctuations in the cash held by the banks due to this cause, but the variation on this account is of minor importance. Over longer periods of time, if trade is improving or declining, or if inflation or deflation is in active operation, the difference in the amount of currency required by the public may be considerable, and the consequent reaction on the cash resources of the banks will be of first-rate importance. I shall deal with this subject later on, but for the moment it is sufficient to note that the currency requirements of the public are the first cause of variation in the amount of cash held by the banks.

LOANS OR PURCHASE BY BANK OF ENGLAND.

The second and principal cause of movement is action by the Bank of England. We have already seen that every loan or investment by a bank creates a deposit, but a loan or purchase by the Bank of England has a further effect. It creates bank cash, or, in other words, adds to the bank's cash resources. Let me explain how this happens. Suppose the Bank of England invests a million in War Loan. The seller receives a draft for £1,000,000 and pays it into his own bank, which will consequently increase its balance with the Bank of England by that amount. Actually a million of bank cash will have been created which will become the basis of new bank loans. The repayment of a Bank of England loan or a sale of securities by that bank has the opposite effect. It cancels so much bank cash and forces the banks, unless they abandon their established ratio of cash to deposits, to call in loans or sell investments. The Bank of England may make loans or enforce repayment by modifying or increasing the severity of its terms. It may buy gold or sell gold; it may buy securities or sell securities. Every transaction of this kind leads to a variation in the amount of money in the country, and by this means exercises a powerful influence on trade.

MEANING AND IMPORTANCE OF MONETARY POLICY.

We can appreciate now the meaning and importance of monetary policy. Money, except the customary minimum which we carry in our pockets, is never left idle; it is always pressing for use. If there is more of it, trade is stimulated; if the amount is reduced, trade is depressed. One man may tell you to increase it indefinitely and keep trade booming. But if you do, prices will soar indefinitely. You will first suffer innumerable social evils, and finally the extreme depreciation of your currency will gravely impair your power to trade. Someone else may urge you to reduce the amount of money, and bring down prices to the pre-war level or to such other arbitrary level as he happens to think the right one. Yes, and trade will remain depressed and the unemployed will be with you all the time. Moreover, the burden of the National Debt with the higher value of money will become intolerable, and no Chancellor of the Exchequer will be able to balance his Budget. Inflation and deflation, the whirlpool and the rocks, lie on either side of us, and if we are to avoid shipwreck the controllers of our monetary policy must steer a middle course.

I should have hesitated to discuss a matter which lies in the province of the Bank of England, were it not that I share to the full the high respect and admiration for that institution which are felt not only in the City of London, but throughout the world. I disavow any thought of criticism; I am simply endeavouring to explain. The prudent policy of the Bank of England has been for scores of years the backbone of the credit structure of this country. No institution has ever been conducted over a long period of time with a more unselfish regard for the true interest of the public or with a stronger desire to maintain the highest principles of sound finance. But the Bank of England is not entirely a free agent, although the independence of the central bank of issue should as far as possible always be preserved. It

is less independent to-day than before the war. It is no longer the principal authority for the issue of paper currency. It is bound to conform to the requirements of the Government, and these requirements have expanded enormously with the growth of the debt and of national expenditure. The monetary policy which the Bank of England might wish to pursue may be overruled by Government necessities. All I can do, or wish to do, is to lay before you the considerations which must be present to the minds of those responsible for framing the policy.

TRADE REVIVAL DEPENDENT ON BROAD CASH BASIS.

I think it will be generally accepted that if the price-level be unchanged, an increase in the volume of trade will require an increase in the volume of bank credit and currency, that is to say, of money. The proposition stated in these general terms is, of course, subject to qualifications, none of which, however, really affect its essential truth. It takes no account, for instance, of a possible increase in the private credit given between traders, or of a quicker turnover which would enable the existing bank credit to do more work. The latter is, indeed, a factor of some importance, as if the banks sold part of their investments, and lent the proceeds to trade, turnover would certainly be accelerated. But in present circumstances I do not think it can be disputed that a considerable improvement in trade must take place before we are likely to have any great change in the rate of turnover or any noticeable increase in private credit, and we may therefore take the proposition as it stands without dwelling further on its qualifications.

Let me repeat my statement. If the price-level be unchanged an increase in the volume of trade will require an increase in the volume of money. You will observe that I say "if the price-level be unchanged," a condition which makes the proposition really a truism. For if trade improves, and more goods are produced, prices will fall, unless there is an increase in money. Purchasers with the same amount of money will be competing for a larger supply of commodities, and these conditions must inevitably bring about a drop in prices. It follows that when trade is improving and the unemployed are being absorbed into industry, if the price-level is to remain stable monetary policy should be directed to an increase in the supply of money.

AN ILLUSTRATION.

We can take an illustration from current events. Large orders have been given recently by the railway companies with the express intention of finding more employment. The firms which have taken these orders will require more credit from the banks for the purpose of paying wages and buying raw materials. If the banks are to give this credit and at the same time maintain their recognised cash standards, one of two things must happen: either their cash resources must be enlarged, or they must restrict their grants of credit in other directions. But if other borrowers for industrial purposes have their credits cut down, their capacity to trade will be reduced, and we shall lose in employment in their trades what we gain in employment on the railway orders. If there is to be an increase in the total of employment, the banks must obtain additional cash resources, and this can only be effected by the Bank of England letting out more money.

GREATER PRODUCTION ESSENTIAL CONDITION.

The essential condition to justify an addition to the supply of money is that a greater volume of goods should be in course of production. If more workpeople are employed more goods will be produced, and we have, therefore, in the movement of the figures of the unemployed one of the indications which should direct our policy. We must be careful, however, to recognise that the unemployed returns include a certain number of unemployable, and that when we get down to this residuum an additional supply of money will not be accompanied by an increase of production. The only result will be higher prices, and a true condition of inflation will arise. Shortly stated, the argument is as follows:—When national output is below productive capacity, the policy should be to let money out; when production is at a maximum, the outflow of money should be checked, and, if inflationary symptoms have appeared, money should be withdrawn.

We must remember that, however unpropitious trade conditions may be, human energy and enterprise are constantly striving for new markets, more effective organisation, easier and cheaper processes of production. Amongst an active and progressive people trade is always trying to recover, and it will get its way even in the most unpromising conditions if it be allowed free play. But no trade can stand up against a continued decline in the purchasing power of the public. Less money means lower prices or less production, or both, and orders will be withheld so long as there is an expectation that prices will fall. We have deliberately to make up our minds as to what we want. If we mean to get rid of unemployment we must have more money in existence to take

up the increased production; if we mean to reduce our present amount of money we shall not escape continued unemployment.

Ups and downs in trade we are bound to have, but wise monetary policy can always prevent the cyclical movement from going to extremes. The speculative excesses of an inflationary boom and the cruel impoverishment of a prolonged slump can both be avoided. They are not necessary evils to which we must submit as things without understandable or preventable cause. They may at least be mitigated, as, indeed, we can see from our own experience. Although we suffered from booms and slumps before the war, we never had them in the extravagant degree we have since endured. There existed in pre-war days a check which, though fortuitous and inadequate, sufficed at least to prevent the worst excesses. That check we have now lost. It arose from our monetary system, but it came to an end on the passing of the gold standard and the introduction of the Treasury note.

GOLD AS PRE-WAR BASIS OF CREDIT.

When we examine the actual working of our pre-war monetary system, we discover that the operations necessary for the maintenance of the gold standard had an effect extending far beyond the sphere of sound currency. The wider results may be regarded as a by-product, but the fact remains that these operations were a principal element in regulating the cash resources of the banks. I have already explained that an expansion of bank credit is an essential accompaniment of sustained trade revival; and, further, that additional bank credit requires an increased cash basis which can only be furnished by a loan or purchase by the Bank of England. Before the war gold was constantly flowing into London, and if it was tendered at a fixed price to the Bank of England that institution was compelled to buy it. Here we had a purchase by the Bank of England creating additional bank cash, and enabling the banks to make additional loans. The purchase was not made with this object in view; it was part of the working of the system with London as the world's free market for gold. But its effect nevertheless was what I have described. It is unnecessary now to discuss the measures adopted by the Bank of England to accelerate or retard the flow of gold. For our present purposes it is sufficient to observe that gold was, in fact, constantly coming into the country, and was bought by the Bank of England. The flow of gold into London provided a potential reserve which was always available as a basis for the creation of additional credit for trade purposes.

GOLD NO LONGER FUNCTIONS.

A particular feature in the working of the pre-war system stimulated the demand of the Bank of England for gold at the time when its purchase was most essential for trade expansion. If conditions were such that more currency was required in circulation, the Bank of England was compelled to buy gold in order to maintain its reserve with the necessary consequence of increasing the cash resources of the banks. But mark what happens to-day. Take the conditions as we actually know them. Trade has been bad for a long time, but signs of improvement have begun to show themselves. Bank advances have increased, with the inevitable result that there has been a demand by the public for more currency. We have already seen, however, that when additional currency goes into circulation, the cash resources of the banks are reduced and their power to lend is diminished. No gold is now bought, as formerly, by the Bank of England, and unless that institution makes additional loans or investments, there is an automatic throttle on the expansion of bank credit, and the trade revival must be brought to a standstill.

In present circumstances, therefore, it is only by wise action on the part of the Bank of England that the restriction on trade revival can be removed. The increase in bank deposits during recent months shows that monetary policy has been directed to creating the additional money necessary to carry a larger volume of production. Although external conditions have shown no amelioration, trade has been improving, and had this policy not been adopted, the growth of deposits would soon have been arrested for want of a sufficient cash basis, and the revival would have been checked. In existing conditions, conscious policy is necessary to achieve the results formerly produced by the machinery of our currency control.

BANK OF ENGLAND AND RIGHT OF NOTE ISSUE.

In the working of our credit system it would simplify matters if the right of note issue in England were again placed exclusively in the hands of the Bank of England, and for my part I would gladly see this done. I would go further and extend the monopoly to cover the whole of the United Kingdom, though I know this would raise the question of compensation to the Scottish and Irish banks, which now issue their own notes. The amount and conditions of what is called the fiduciary issue would have to be settled, and there might be a difference of opinion as to whether this sum should be fixed or should vary with the amount of gold

held in the issue department of the Bank of England. A competent committee, however, could be trusted to come to a right conclusion on this important point. In other respects I see no reason for thinking that the change would present any very serious difficulty. The reasons which existed in 1914 for issuing currency notes instead of extending the Bank of England's right of issue have no longer any weight, and we are not now concerned to determine whether those reasons were good or bad.

MONETARY INFLATION AND PRODUCTIVE CREDITS DISTINGUISHED

Before I conclude this part of my address let me make one further observation. Many people look upon any increase in the amount of money as inflation. They fail to observe the distinction between the different kinds of bank loans which create additional money and denounce them all in one sweeping judgment. When a Government shrinks from raising sufficient revenue by taxation to cover its current expenditure and makes good the deficiency by borrowing from banks, I agree that inflation of this kind deserves unqualified condemnation. It leads to a depreciation of the currency, and I need not dwell upon the social and commercial evils that must befall a nation in these circumstances. But a bank loan to a manufacturer or merchant, as the result of which more goods are brought into existence and placed upon the market, is on a different footing. In the first case the loan remains outstanding after the proceeds have been spent; in the second, when the goods have been produced and sold, the money received for them is available for repayment of the bank loan, or, to use a common phrase, the loan is self-liquidating. There is a distinct limit, however, to the justifiable creation even of productive credits. As soon as there is sufficient money to carry the full volume of production of which the nation is capable, no more should be created and the repayment of past loans should balance the extension of new ones. I hesitate to apply the term inflation to additional trade loans of this nature because of the evil associations of the word; but whatever name we give to this expansion of credit, it is indispensable to the proper functioning of our commercial system, and is imperatively needed when trade is depressed and unemployment general.

OUR OWN BANK.

I turn now to the story of the progress of our own bank. The past year has been eventful. In the first place we have made a most desirable alteration in our title, a change which has been generally approved by shareholders and customers. There is every prospect that our present short and distinctive name will assist us in the further expansion of our business.

Next, our connections with associated banks have undergone alterations as a result of two important developments, one of which is not yet completed. In view of the establishment of the Irish Free State as a self-governing dominion, the Belfast Banking Company resolved to dispose of the portion of their business which was carried on in that area. As you know, it is not the policy of the Midland Bank to own branches in territory outside the United Kingdom, and the managements of both banks were unanimously of opinion that there should be no departure from this policy in the present instance. A transfer was accordingly effected under which the twenty branches of the Belfast Banking Company situate in the Free State, together with the staff attached to them, were taken over by the Royal Bank of Ireland. It is not without regret that the Belfast Bank severed their connection with a valued and highly respected clientele, but they were happy to know that, in placing the affairs of their former customers in the hands of the Royal Bank of Ireland, they entrusted them to an institution worthy of the fullest confidence.

NORTH OF SCOTLAND BANK.

The second important development is the acquisition of a controlling interest in the North of Scotland Bank, Limited, particulars of which were announced last month. The transaction involves an exchange of shares, and already we have received offers which will result in our holding over 95 per cent. of the capital of the Scottish institution. By this fusion of interests we shall extend our influence over the northern part of Scotland, where the other Scottish Bank with which we are affiliated, the Clydesdale Bank, conducts but a small part of its operations. I think you will agree that this step will add materially to the facilities which we can offer our customers.

The North of Scotland Bank has a paid-up capital of £652,000, a published reserve of £800,000, undivided profits of £92,879, deposits of £20,528,331, and over 150 offices. After an investigation of the accounts we are satisfied that the terms of the arrangement between us are mutually advantageous, and that the transactions will be profitable to us. As a result of the new coalition we shall, in conjunction with our subsidiaries, be operating nearly 2,200 offices, all of which are situated in Great Britain and Northern Ireland. I believe this constitutes the most extended system of branches in the United Kingdom.

BALANCE-SHEET ITEMS.

Passing from this summary of events of domestic importance, I now turn to our balance-sheet, which has been circulated with the directors' annual report, and calls for brief mention before I conclude my address.

The amounts of our paid-up capital and reserve fund are unaltered as compared with a year ago. There will shortly be an increase in both items when the exchange of shares as between ourselves and the shareholders of the North of Scotland Bank is complete. The paid-up capital will then be increased by about £1,000,000.

CURRENT DEPOSITS AND OTHER ACCOUNTS.

In the course of twelve months current, deposit and other accounts have increased by nearly 6 millions to £360,267,723. The year 1923 started with prospects of some revival in trade, which unhappily were quickly doomed to extinction. In the autumn, however, business began again to improve, and, as I think you will agree, our own figures indicate that trade is now on a wider basis. I do not venture to prophesy, but I can say that if there is no interference with methods and systems built up on the accumulated experience of generations, we may look for a quite considerable expansion.

ACCEPTANCES AND ENGAGEMENTS.

The impression that trade is improving is confirmed at first sight by the notable increase in our acceptances and engagements on account of customers, but here I must warn you against a hasty conclusion. Our acceptances and engagements now stand at £36,552,607 as compared with £25,862,341 at the end of 1922, but the greater part of this increase is due to a rise in engagements resulting from the growing volume of business in forward exchange. In these days of widely fluctuating foreign exchanges it is greatly to the advantage of a trader to fix in advance his liability on account of commitments in a foreign currency, and the expansion in this branch of our operations reflects the growing familiarity of business men with the facilities which are offered to them. Perhaps I should add that the contingent liability of the bank in respect of these forward dealings is very much less than might be supposed. As it is our invariable custom to protect ourselves against loss by a compensating purchase or sale, it is necessary for bookkeeping purposes to include under our engagements two entries in respect of a single transaction. For example, if we sell dollars for delivery a month hence we immediately cover ourselves by purchasing forward dollars, and our books will show on the one side the bank's liability to deliver dollars, plus the bank's liability to pay for the dollars bought. On the assets side appear the compensating items, our customer's obligation to take up the dollars and the third party's obligation to deliver them. The actual increase in the acceptances, representing an improvement in the volume of foreign trade, amounts to £2,844,453.

ASSETS.

Turning to the assets side of the balance sheet coin, bank and currency notes and balances with the Bank of England amount to £54,298,126, giving a ratio of cash to deposits of just over 15 per cent. I have told you on previous occasions that it is our settled practice to maintain consistently a cash ratio of 15 per cent. to our deposit liabilities. In an institution such as ours it is impossible to strike a balance at the end of each day's business, but we have for many years drawn up a weekly statement complete in all particulars. The monthly average figures supplied by these statements are furnished regularly to the London Bankers' Clearing House and published in the Press. You have probably seen them from time to time, and you may have noticed that our cash ratio is invariably about 15 per cent. As a matter of fact, the weekly statements over the whole of last year show an average ratio of 15.04 per cent.

BALANCES WITH AND CHEQUES IN COURSE OF COLLECTION.

The next item, balances with and cheques in course of collection on other banks, stands at £14,959,762, or nearly 1½ millions higher than in 1922. These become cash in from one to three days.

MONEY AT CALL AND SHORT NOTICE.

Money at call and short notice is nearly one million lower at £16,187,565. The decline, however, is greater in investments, which are 13½ millions down on the year. Consideration of the next two items at once makes it clear that the funds released from investment have been utilised for the most part to finance industry.

BILLS DISCOUNTED.

Bills discounted have risen by over 12 millions to £58,418,748. The greater part of this increase, about 10 millions, has been in fine trade bills. Treasury Bills are a little higher on balance, and now amount to just under 9½ millions. I give this figure as there

is considerable speculation as to the exact whereabouts of the 650 millions of Treasury Bills outstanding, though our holding may not be indicative of the amount held by banks generally. In addition to the noteworthy increase in trade bills our advances to customers and other accounts have risen by nearly 6½ millions to a total of £188,737,732. The present figure, which does not represent the highest that has appeared in our published balance-sheets, shows that we are, as you know, essentially a traders' bank. We feel it incumbent upon us to assist our trading customers to the full limit of banking prudence.

INVESTMENTS IN AFFILIATIONS.

Investments in affiliations, though at present unchanged from last year, will be increased by the purchase price of the North of Scotland Bank shares, less part of the premium on our shares which we are issuing in exchange. The balance-sheets of our affiliated banks, circulated with our own report, may well give satisfaction to those responsible for the management of these institutions. In the case of the Belfast Banking Company there is a reduction of 2½ millions in deposits, due largely to the transfer I have already mentioned. A new item introduced in consequence of this transaction is the special account amounting to £100,000. This sum represents a part of the purchase price of the branches sold to the Royal Bank of Ireland, and the intention is to apply it to the payment of a portion of the uncalled capital of the Belfast Banking Company.

THE CLYDESDALE BANK.

The deposits of the Clydesdale Bank, in common with those of other Scottish Banks, have fallen somewhat during the year. They now stand at £31,319,196. Trade accommodation has been in no way curtailed, the reduction in deposits being balanced in the main by a compensating fall in investments. Advances have increased slightly and bills discounted are practically unchanged. It is proposed to increase the capital of the bank by £100,000 by the issue to present shareholders of 10,000 shares of £10 each, fully paid, ranking *pari passu* with the existing shares, and to apply £100,000 from the reserve fund in payment of the new issue.

EXECUTOR AND TRUSTEE COMPANY.

The balance-sheet of the Executor and Trustee Company shows that the business of this important adjunct of the bank continues to expand.

BANK PREMISES.

Bank premises stand at the higher figure of £5,492,249. The opening of new branches and rebuilding and other improvements increase the total cost, but our policy of making appropriations from profits to bank premises redemption fund ensures that the balance-sheet figure is well below actual market value.

PROFIT AND LOSS ACCOUNT.

If you will now turn to the profit and loss account you will see that our net profit is £2,210,972, a reduction of about £43,000 on the previous year. The figure has been arrived at after making every possible allowance which the most prudent and penetrating scrutiny of our accounts could dictate. Together with the amount brought forward from the previous year, we have a total of £2,999,939 for appropriation, of which the dividend, at the usual rate of 18 per cent., less tax for the year, will absorb £1,502,870.

ALLOCATIONS.

Out of the balance £300,000 has been transferred to reserve for future contingencies, a sum less by £200,000 than the amount devoted to this fund out of the 1922 profits. Inasmuch as we find ourselves on what we may well hope is the threshold of improving trade, and in view of the great strength of our position, it is felt that there is now no occasion to make provision for contingencies on the same scale as was made in the four preceding years. On the other hand, it has been decided to increase by £100,000 the amount transferred to bank premises redemption fund, and £400,000 has been allocated to that purpose. This leaves a slightly increased balance of £797,069 to be carried forward into the current year.

TRIBUTE TO MANAGING DIRECTORS AND STAFF.

I should be lacking in recognition of the obligation of my office as chairman if I failed to perform what is always to me a most agreeable duty. I am indeed fortunate in being able to combine with that duty an expression of personal esteem for the manner in which the staff of the bank have assisted our managing directors, Mr Hyde and Mr Woolley, in producing what must be to you, as it is to me, a most satisfactory result of the year's working. With conspicuous managerial ability supported by the loyal and unremitting services of a competent staff, such a result is less a matter for surprise than for sincere gratitude to those who have achieved it. We have a staff of whom we are proud.

THE FUTURE.

In conclusion, it is not perhaps too much to say that the indications are that we are nearing the end of a most trying period. I have already remarked that the recent depression has been unprecedented in its length and severity. But I am hopeful that we are now on the way to recovery. We have been travelling along a difficult path over a country which to a considerable extent is unmapped, but I trust that our recent experience will equip us better to meet the difficulties we have still to face. Unfortunately we cannot yet claim that peace in its fulness has been restored to a war-stricken world. But the signs are not unpropitious, and inspired by the memory of difficulties overcome in the past I look forward with confidence to the future.

The Chairman then moved the adoption of the report. This was seconded by Mr W. G. Bradshaw (deputy-chairman), and was carried unanimously.

The motion declaring payable a dividend at the rate of 18 per cent. per annum was seconded by Mr W. G. Bradshaw (deputy-chairman).

The Right Hon. Lord Carnock, G.C.B., and the Right Hon. Lord Airedale, retiring directors, were re-elected, as also were the auditors, Messrs Whinney, Smith and Whinney.

Mr J. A. Aiton, of Derby, proposed that the thanks of the meeting be presented to the chairman and board of directors for their careful attention to the interests of the bank. The resolution was seconded by the Hon. S. F. Ormsby-Gore.

THANKS TO MANAGING DIRECTORS, GENERAL MANAGERS, BRANCH MANAGERS AND STAFF.

Mr W. G. Bradshaw (deputy-chairman), in moving the thanks of the meeting to the managing directors, general managers, branch managers, and all other officers of the bank for their continued devotion to their duties, said:—

I have had the privilege of moving this resolution almost every year for the last thirty years, and in consequence find it difficult to say anything fresh on the subject. On the other hand, I have no temptation to look upon it as a merely formal motion, for I find that my regard and admiration for the ability and devotion of the staff of the Midland Bank increases with the passing years and the opportunities which come to me of seeing their work.

Our energetic and devoted staff have taken full advantage of the admirable system of training instituted by the late Sir Edward Holden, and since continued and developed by our managing directors, the late Mr Murray, whose memory we all regard with pride and affection, and Mr Hyde and Mr Woolley. We have as a result a trained body of bankers unsurpassed, and, I venture to think, unequalled anywhere for sound knowledge, foresight, prudence, enterprise and resourcefulness.

DEPARTMENT FOR STAFF MATTERS.

Within the last few years our chairman and the managing directors have inaugurated a most successful staff department which deals with all matters connected with the personnel of the bank, supplies the managing directors with the facts concerning every man's ability, conduct and experience, and ensures, in a manner which would otherwise be impossible in the case of a staff so large as ours, that no man's claims or merits can be overlooked. This department has afforded our officers and clerks spread over the length and breadth of the country much satisfaction and given them complete confidence in the management of the bank. The staff association continues to work smoothly and efficiently, and forms a valuable connecting link between the staff and the management.

STAFF'S ESPRIT DE CORPS.

Esprit de corps has always been a notable characteristic of the members of the Midland Bank staff, and I do not exaggerate when I say that for loyal and enthusiastic service our personnel, both at the head office and the branches, is unexcelled. You have already expressed yourselves as gratified with the results of the past year. Slack trade and industrial depression made 1923 an onerous and trying time for all concerned in banking operations. The favourable position submitted to you to-day could not have been attained without the strenuous efforts and devoted work of all ranks of the service, from the highest to the lowest. We owe our grateful thanks in larger measure than ever first to our managing directors, Mr Hyde and Mr Woolley, upon whom the mantle of Sir Edward Holden has fallen in full and abundant measure. They have inherited his expert knowledge, his prudence and foresight, and the remarkable combination of enterprise and caution which characterised him, and they have developed and adapted these qualities to the exacting requirements of post-war banking. We owe our acknowledgments also in like manner to the general managers and all the members of the staff, whose exertions and ability have contributed to the prosperity and success of our bank.

The name of our chairman does not, strictly speaking, fall within the terms of this resolution, but I may, perhaps, be allowed to say that his conspicuous talents, his firm grasp, and illuminating exposition of financial principles, his unsurpassed business ability, and his generous sympathy with all with whom he comes into contact in the bank have inspired and given strength and encouragement to those over whom he presides.

We are proud of our chairman, and thankful that the bank has been fortunate enough to retain his services. Long may we keep him at the head of the bank.

Col. W. F. Wyley seconded the resolution, which was carried with acclamation.

MANAGING DIRECTOR'S REPLY.

Mr Frederick Hyde (joint managing director), in reply, said:—

It is my privilege on behalf of the staff to thank you for your vote of thanks, and for the very generous terms in which it has been submitted.

The good results we have been able to place before you to-day have been obtained by the united efforts of over 11,000 men and women all working together with a common object, the conscientious discharge of duty, and the determination to uphold the great traditions of the institution with which we are all proud to be associated.

Your appreciation of our efforts will provide an added incentive to us all to continue to do our best in the interests of the bank.

The proceedings terminated with a vote of thanks to the chairman, proposed by Mr. James Fairbairn, and seconded by Mr. W. Scoles.

PROVINCIAL BANK OF IRELAND, LIMITED.**CONDITIONS IN IRELAND—IMPROVED OUTLOOK.**

The annual general meeting of the Provincial Bank of Ireland, Limited, was held on the 23rd inst., at 8 Throgmorton avenue, London.

Mr Richard D. Trotter, who presided, said that the net results for the half-year ended December 31, 1923, showed a profit of £61,084, as against £62,917 for the corresponding period of 1922, and after providing for a dividend of 10½ per cent., free of income-tax, which involved a slightly larger payment than the rate distributed twelve months ago, £25,000 had been added to the bank's reserves, and £7,500 had been applied to reducing bank premises account. On the working of the year 1923, £50,000 in all had been allocated to reserves and £15,000 to bank premises. The profit and loss account afforded satisfactory reading, indicating, as it did, that the earning power of the bank had been well maintained, and its position had been materially strengthened. Deposits had fallen on the year by £1,175,467 and circulation by £204,712, while cash and investments were lower by £1,114,427 and advances by £260,377. The liquid assets of the bank continued to be maintained at the satisfactory ratio which had been a feature of their accounts for many years. The market value of their investments at the present time showed a surplus over the book cost, and a substantial proportion of the holdings consisted of short-dated securities of a marketable nature.

The gratifying response to the issue of the Irish Free State loan had supplied most encouraging evidence of a growing spirit of confidence in the stability of the Irish Free State and its Government, and that feeling would be carried further when due importance was attached to the assurances of the President and his responsible Ministers of their intention to regulate effectively State expenditure and income until the National Budget was balanced. The Government had shown itself strong, firm and sympathetic, with the result that the majority of the people were with them and the law was respected by most of the citizens. The courts were functioning, and debts which at one time appeared doubtful were now being paid and most obligations met in a satisfactory manner. It spoke well for the future stability of the nation that the national loan now stood in excess of its issue price. The improved credit of the Free State and the growing strength of Mr Cosgrave's Government encouraged the hope that, when any future loan had to be issued, it would meet with an equally satisfactory response, and, furthermore, the employment of capital would be stimulated. The period under review had been a difficult one for traders and farmers. Generally speaking, however, the improved conditions in the Free State and settled conditions in Northern Ireland gave reason for the hope that Ireland, as a whole, was moving towards a prosperous future.

The report was unanimously adopted.

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

THE MANCHESTER & LIVERPOOL DISTRICT BANKING COMPANY, LIMITED.

SIR CHRISTOPHER NEEDHAM'S TRADE REVIEW.

FAVOURABLE OUTLOOK FOR CURRENT YEAR.

NECESSITY OF EUROPEAN SETTLEMENT.

NEED FOR STABILITY IN FOREIGN EXCHANGES.

The annual meeting of the shareholders was held at the head office, Spring gardens, Manchester, on January 25, 1924, the chairman, Sir Christopher T. Needham, presiding.

The Chairman, in moving the adoption of the report and balance-sheet, said:

I assume that you will take the directors' report as read.

THE DIRECTORATE.

As you will have seen from the report, Mr H. J. Coulston, who has been a director since 1919, has felt compelled to resign his seat on the board owing to indifferent health, and we are, therefore, losing his services as a director from the Lancaster district. Sir Drummond Fraser is, I regret, not with us to-day. He has been resident for some time in the South of England, and he does not seek re-election as a director. The board two years ago acknowledged the valuable services rendered by Sir Drummond Fraser as managing director, and I wish to avail myself of this opportunity to express again our appreciation of the value of the work done by him for the bank.

You will have seen from the report that Sir William Peter Rylands has been appointed a member of the board. I am certain he will be able to give good service to the bank, and I have no doubt that you will approve the appointment. I would like to recall to you that his father, Mr Peter Rylands, M.P., was a director of the bank from 1866 to 1887.

UNEMPLOYMENT.

In reviewing the trade of the country as a whole, it seems clear that during the year 1923 we made some progress towards more satisfactory conditions, and that we are emerging from the depth of one of the most serious depressions that the country has ever experienced. The statistics with regard to unemployment are less unfavourable than they were a year ago, and although the number of unemployed still to be reabsorbed into industry is grievously large, it is three-quarters of a million less than the peak figure of June, 1921. The number of unemployed registered at the end of December was over a million and a-quarter, which roughly represents the increase in the number of workpeople available for employment now as compared with the number before the war. An index of trade activity is to be found in the railway returns, and for the year 1923 it is estimated that the total tonnage carried by the standard gauge railways of Great Britain was about 344 millions, as compared with 303 millions during 1922. There has also clearly been a growth of road motor traffic during the past year, so that it is certain that the increase in total weight of commodities moved throughout the country during the last year was considerable. Taking 1913 as a standard year, the 1923 railway tonnage is about 93 per cent.

[HOME AND OVERSEAS TRADE.

The total of our overseas trade has been larger, and it would appear that our domestic trade has been well maintained in volume. It is not possible to obtain accurate figures with reference to our domestic trade, for we are unfortunately without reliable data. We have a great deal of information concerning our import and export trades, and knowing as we do the vital importance to the country of the value of our export trade in providing us with food, raw materials, and other imports, we are too apt to fix our eyes almost solely upon it as a measure of our progress. But though the figures of the home trade are undoubtedly greater than those of our overseas trade, we have no precise information to guide us. We know the statistics of the coal, iron, and steel trades, and we have much information about cotton and wool, but there is very little accurate data available of other important trades. There are no details of the stocks on hand at any moment of any important commodity, and there is little indication of the volume of retail trade. I know that organisations representing various trades make their own trade investigations, but these results are not made public. The last census of production was taken in 1907, and I hope that it will not be long before another is taken, so that we may have fuller information of the trade of the country.

COAL, IRON AND STEEL INDUSTRIES.

The coal, pig-iron, and steel industries showed marked improvement. The output of coal, which almost reached maximum figures, was 280 million tons. The number of unemployed in this particular trade fell to 2.6 per cent., the lowest percentage of unemployment in any of our great industries. The production of pig-iron, amounting to 7,438,500 tons, showed a gain of 2,536,200 tons over that of 1922, but it was still only 72 per cent. of the 1913 production. On the other hand, the increased production of 2,600,000 tons of steel over that of 1922 represented a gain of 10 per cent. over the figure for 1913. But even this larger tonnage did not keep the steel works running full time, and in many cases the financial results were unsatisfactory. There is still much unemployment in the iron trade. It will be remembered that the requirements of the war forced us to make larger extensions of plant, and brought larger numbers of workers into the various fields of the iron and steel trade. We, therefore, require much more business to occupy the now existing plant, and to re-absorb the workers. At the present time the trade has better orders than it had a year ago. There has been a valuable impetus given to the iron and steel trade as a result of the development schemes of the railway companies and various public bodies. It is pleasing to note that shipbuilding is gradually reviving.

THE COTTON TRADE.

The cotton trade has unfortunately experienced another year of great difficulty, particularly in that section of the trade using American cotton. For the third year in succession there has been a short crop of cotton, with the inevitable result of high and rapidly fluctuating prices. During the greater part of the year the mills were working short time. There was, however, an improvement in the Egyptian spinning section, and during the latter half of the year the mills engaged on fine yarns worked full hours with profitable results. The firms engaged in the finishing processes, although not fully employed, were also able to secure satisfactory financial returns. The cotton export trade statistics indicate the extent of our diminished trade. We exported last year 4,141 million square yards of cloth and 145 million pounds of yarn. These quantities show a diminution of 45 per cent. and 30 per cent. respectively, as compared with the quantities exported in 1913, and they indicate the extent of under employment and unemployment in the cotton trade during 1923. Although the values have been high, the quantities exported have been comparatively small, and this fact reminds us of one of the difficulties which Lancashire has had to meet.

EXPORTS TO INDIA.

As regards our cotton export trade to India, when we remember that while the Indian cultivator has been obtaining for his produce—food grains, oil seeds, fibres, hides, skins, &c.—about 30 per cent. to 40 per cent. more than pre-war, he has had to pay at the same time about 170 per cent. in excess of the pre-war price for cotton textiles, it is not surprising that India's orders for cotton goods have been reduced in volume. India has had three good monsoons, with correspondingly good crops. Her public finances are carefully looked after and, in spite of the losses due to the slump of 1920-1921, she is much stronger commercially and financially than before the war. The trade balance is in her favour, the rupee has advanced considerably, and as a whole she has increased her buying power. But we have to remember that the millions of individual units who make up the buying power have great capacity for "doing without" cotton textiles when prices are too dear.

INCREASING EMPIRE-GROWN COTTON.

In considering the cotton trade as a whole, the danger of being too dependent on American supplies of cotton must be realised by all. The British Cotton Growing Association has done, and is still doing, excellent work, but it is clear from its operations and from other experience that to increase the supply of cotton adequately from additional sources will take time. A feature of the past year is the Act of Parliament levying compulsorily, but with the goodwill of the cotton trade, 6d per bale for the purpose

of increasing Empire-grown cotton. To solve the problem of increased cotton supplies for the Lancashire mills will require not only the best efforts of those who are engaged in the trade, but also the research work of our ablest scientists. It will also involve much capital, and the exercise of much patience. It is worth noting that India has made a levy of 4 annas a bale, and that she is working through the Indian Central Cotton Committee to improve the staple of her cotton and to extend its growth. It is thought that Brazil is a country from which an increased production of suitable staple can be expected, but wherever the cotton is grown it should be welcomed by Lancashire. We are living in a highly competitive world. The war gave an impetus in many countries to the tendency to industrialisation, and to the desire to supply their needs from their own resources. If England is to maintain her position in the cotton textile trade, and, indeed, in other trades, she will need all the advantages which skilled scientific research can give her.

THE NEED OF A EUROPEAN SETTLEMENT.

The question of reparations still remains unsettled, though a settlement is vital for the restoration in Europe of that confidence without which our trade and commerce must still move haltingly. It is therefore with increased hope that we welcome the appointment by the Reparation Commission of the two Committees of Experts, on which there are serving American, Belgian, British, French, and Italian representatives. Although the terms of reference unfortunately do not cover the whole field, the findings of the Committees on methods of stabilising German currency, balancing the German budget, and on the question of exported German capital can hardly fail to be a valuable contribution to the problem of European settlement. The French have had a year's experience of the Ruhr at great expense and disappointment to themselves. There now seems to be reliable evidence that the pressure of realities is being felt, and this should make a settlement of the reparation question less difficult. When this is accomplished international confidence will revive and loans on an important scale will be possible. We witnessed in the Austrian loan of last year what can be done by agreement and confidence. With confidence re-established England will once more be called upon for financial assistance, and this should result in an increased overseas trade.

A MORE FAVOURABLE OUTLOOK.

The outlook generally is not without some favourable signs for this year. Although it is not possible to speak confidently of the European situation, including that of Russia, there still seems to be ground for thinking there is a growing tendency to "settle down." There were good crops in various parts of the world, which should have a beneficial reaction, and if we have industrial peace it should be within our power to obtain a progressive share of any increase in world trade.

FOREIGN EXCHANGES.

Whatever indication there may be of improvements in this or that quarter, it becomes increasingly evident that we cannot attain to a position which can be regarded as satisfactory in the absence of at least some measure of stability in the foreign exchanges. Some attention has been given of late to the proposal enunciated by a brilliant group of economists which aims at the stabilisation of prices through the raising or lowering of the rates charged for money. The objections and practical difficulties to anything of the kind are at once apparent, and in any case there is to-day, so far as the trade conditions of the world are concerned, no place for experiments, and there is in my view clearly no alternative but to get back to the pre-war basis of foreign trade—that is to say, to get back to gold as the ultimate means of discharge of international trade obligations. To attain to this end it is, of course, imperative that the nations concerned should cease to multiply their currency, a procedure which in its results makes a return to a gold standard utterly impossible. An antecedent condition is the balancing of budgets, but if we consider the course of events in Austria—not so long ago in a financial condition apparently little short of desperate—we have some ground for hope that a determined attempt to achieve financial equilibrium may result in stability being attained even in the case of those nations whose currency, in relation to sterling, is reckoned in hundreds of thousands or millions.

A FIVE YEARS' RETROSPECT.

A retrospect of the five years which have elapsed since the Armistice following the war gives a sense of disappointment—of disillusionment. We have been inclined too readily to assume that peace would restore to us the industrial and economic conditions which we had come to regard not only as essential to our well being but as natural, forgetful of the fact that the war and the events following the war threw out of gear the delicate mechanism evolved through the course of years upon which our complex in-

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dustrial system is based. The chaotic conditions in which we consequently find ourselves to-day have been productive, naturally enough, of discontent, which we find reflected in a desire in certain quarters to adopt remedies of heroic nature the consequences of which do not seem to have been fully considered. In truth, there is no short cut to a return to national and industrial prosperity. The problem of employing fully our increased population and of maintaining the desired standard of life is a very big one. We cannot control world events which have so intimate a connection with our trade, but to the solution of the problem we can contribute hard work, efficiency of production, and a recognition of the fact that capital and labour have identical interests and must act together in the closest co-operation. As to the effects of the important change of Government which has taken place this week, I would only say that, in my view, judgment should wait upon events.

THE ACCOUNTS.

Turning to the accounts which are in your hands, you will observe that the year ending December last showed a profit of £428,606; this is after making ample provision for all bad and doubtful debts. The corresponding figure for 1922 is £465,245, but the profit is, of course, larger for 1923, for the reason that before showing the profit for that year we have deducted the bonus paid to the staff, instead of taking it, as on previous occasions, from the amount brought forward. The board consider that any bonus to the staff should be included in expenses, and we propose so to consider it in future accounts.

INCREASED CARRY FORWARD.

We make no appropriations apart from the dividend, with the result that we increase our carry forward from £267,833 to £348,839. It may be asked why we have increased our carry-forward to such a figure instead of making an appropriation to published reserve. On this point I may say that the board are unanimous in their view that having regard to the unsettled state of trade in this country, it is desirable to maintain a strong position in relation to the amount brought forward rather than to reduce that amount by any specific appropriation. We are confident that this course will have the approval of the general body of shareholders.

CURRENT AND DEPOSIT ACCOUNTS.

In common with other banks, our current and deposit accounts show a drop from the previous year—the difference in our own case being some £2,000,000. The tendency has been for a general reduction in bank deposits, owing to the reducing amount of the Government floating debt. Whether the Budget conditions will allow of any very material reduction of Government obligations in the course of the present year is to my mind doubtful.

Our acceptances, standing at upwards of £3,000,000, compare with £1,600,000 a year ago; this is mainly owing to the greater extent of our acceptances for the cotton trade.

VALUE OF THE BANK'S PROPERTIES.

With regard to the bank property item—namely, £500,000—I and my predecessors have already alluded to the fact that this does not represent by a very long way the actual value of the properties belonging to this bank. I may say that we are constantly adding to and improving our properties. We are engaged now in the rebuilding of our London office, and we propose to add to our bank property item in the balance-sheet the cost of this rebuilding, together with the cost of any material purchases and

bank alterations which we may undertake in the future. The item as it stands at present is, in fact, far smaller in relation to capital and to deposits than that of any other bank.

NEW LONDON OFFICE.

On the subject of our London property, I may say that by the end of June we hope that our new building in Cornhill will be completed. It will give us not only very extended accommodation for our own London business, which is always growing, but will also provide in the upper floors office accommodation from which we hope to obtain a rental which will give us a fair return on the total cost of building. Our building itself will be a very handsome one, having regard to the ground at our disposal, and I hope that any shareholder who may be interested will take an opportunity after June next of calling at our London office to view the premises.

CHANGE OF NAME.

The last matter I have to mention is the proposal to change the name of the bank to District Bank, Limited. This proposal will be the subject of an extraordinary general meeting to be held at the conclusion of the present meeting.

The Chairman then moved the adoption of the report and balance-sheet. This was seconded and carried.

The retiring directors were re-elected, and the auditors, Messrs. Halliday, Pearson, and Co., were reappointed.

After the usual votes of thanks the meeting terminated.

IONIAN BANK, LIMITED.

FINANCIAL MEASURES UNDER NEW GOVERNMENT.

The ordinary general meeting of the proprietors of Ionian Bank, Limited, was held on the 22nd instant, at the offices of the company, Basilston House, Moorgate, London.

Sir John Stavridi, who presided, in the course of moving the adoption of the report, said: Since our last meeting the sanction of the Court of Chancery has been obtained to our new memorandum and articles of association, and we are now working under a constitution as up-to-date as any in existence. During the period under review peace between Turkey on the one hand and Greece and the Allies on the other has, at last, been signed at Lausanne on July 24, 1923. So far as Greece is concerned, she has been at

war for the last eleven years, and, although the Treaty is still unratified, no one will welcome peace more than her people do. For us Greece is one of our important fields of activities, and we hope and trust that this time of peace will be anxiously seized upon by those in authority to begin, without a moment's delay, the reforms, political, financial and social, of which the country stands in such dire need.

I can assure you, gentlemen, that your directors saw the year 1923 pass out of sight with a sense of relief. It has been for Greece one long nightmare of revolution, counter-revolution, civil war and financial chaos, and we feel convinced that, whatever the future may have in store for that long-suffering nation, nothing can well be worse than the year 1923. To have come through all these trials and tribulations without serious loss and to be able to maintain our dividend and add materially to our reserves is a source of real satisfaction.

UN SOUND TAXATION.

Shortly after the commencement of the financial year under review the Revolutionary Government came into power. At first its administration of the country was conducted on conservative lines. During the last six months, however, this policy changed, and the Government brought forward four undigested measures of taxation which have caused grave prejudice to the country and destroyed the prestige of the Government. These measures were: (1) Increased taxation of limited companies; (2) Confiscation of the gold funds deposited with the banks; (3) Capital levy; and (4) Taxation of business turnover. The first three were actually put into force after some more or less serious modifications of the original proposals; the fate of the fourth, however, remains still undecided, but I trust that for the sake of the welfare of the commerce and industry of the country it will be finally abandoned.

Under the Revolutionary Government the finances of Greece have gone from bad to worse. It had been hoped that, on the advent of peace with Turkey, the military expenditure would be cut down to the absolute minimum. So far from this being done, it would appear, from the Budget forecast for the year 1923-24, that the military expenditure accounts for two-thirds of the extraordinary expenditure of the State. The only hope of salvation for the country is the drastic reduction of this item, and it is to be hoped that the new Government which has just been formed will take the matter in hand without fear and without delay. Even if to-day a stop were put to the army expenditure, there would be

a long uphill struggle before Greece could repair her finances, and if this is not done the position is bound to become extremely serious, for the annual Budget deficit is growing at an accentuated pace. The financial measures which were adopted in order to balance the Budgets of 1921-22 and 1922-23 cannot be repeated. Greece cannot stand another forced loan, nor can she stand another doubling of the income-tax. Such financial measures are emergency measures, and justifiable only during war time. And even if it were possible to borrow in order to meet the 1923-24 deficit, such a step could not be regarded as a solution of the problem. The country cannot afford her present rate of extraordinary expenditure, nor to borrow in order to meet such expenditure.

TAXABLE CAPACITY OF THE COUNTRY.

As to the taxable capacity of the country, it is difficult to speak. The revenue returns certainly display extraordinary elasticity. The actual revenue receipts for the year 1922-23 show an ordinary or taxation revenue of drs 1,593,964,924, as against drs 920,000,000 for the preceding year, or an increase of nearly 60 per cent. in a single year. With regard to the drachma exchange, as things are at the moment this question turns entirely upon public finance. If the exchanges were not being manipulated, and if Greece could cut off completely her extraordinary Budget, and so prevent the necessity of forced issue of paper, and thereby the depreciation of the drachma, the problem of the exchange would be comparatively simple. Greece has to meet two exchange demands. Firstly, on the service of her debt borrowed in gold. Secondly, for the needs of her commerce. The service of her gold debt is by no means a formidable item. The total interest payable in gold hardly exceeds £24 millions. If, as I sincerely hope, Greece can remain at peace and enjoy the fruits of a strong and stable Government, whose aim should be reconciliation and retrenchment, I see no reason to despair of the future of the country.

Mr Charles S. S. Guthrie seconded the motion, which was unanimously agreed to without discussion.

AUSTRALIAN PASTORAL COMPANY, LIMITED.

WORLD SHORTAGE OF WOOL.

The ordinary general meeting of the Australian Pastoral Co., Limited, was held on the 22nd instant, at Cannon Street Hotel, London, Mr Francis A. Keating (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said these showed a substantial improvement over those of the previous year, and enabled the board not only to recommend an increased final dividend, but also to add £20,000 to their reserves and carry forward a considerably increased sum. The reserves and carry forward a considerably increased sum. The main cause of the increased profit was the higher price realised for their wool. The wool clip, although in number of bales almost exactly the same as in the previous year—6,817 bales, as against 6,880—had realised over £7 a bale more than the previous clip—£33 9s a bale as compared with £25 18s—which meant an increase in revenue of nearly £60,000. There was every probability that the present favourable price of wool would continue for a long time to come. Indeed, something like a veritable wool famine confronted the world in the near future. During the last two years the shortage in supply had been made good from the large stock of 2,600,000 bales which was in the hands of the British Government at the end of the war, and was transferred to Bawra for sale. That stock was now nearly exhausted, and the market would then have only the current production to look to. It appeared certain that the world's supply of wool in 1924 would be nearly 20 per cent. short of the quantity which the world consumed in 1923, and that shortage was likely to become greater as years went on.

REASON OF REDUCTION.

The reason of that progressive reduction lay in the fact that everywhere, as population and settlement increased and facilities of transport improved, it appeared to be an established principle that sheep-breeding decreased and various forms of mixed farming took its place. In Australia the result of the breaking up of large grazing estates and the growth of small holdings was not only a gradual diminution in the total number of sheep, but a still greater proportionate diminution in the growth of merino wool, of which, owing to the peculiar suitability of its pastures and climate, Australia had in the past enjoyed almost a monopoly, and a very valuable monopoly.

It seemed as if before very long wool might afford an interesting demonstration of the truth of the Malthusian theory, that the world's supply of natural products necessary to man would fail to keep pace with the growth of its population. The only serious competitor with wool for clothing purposes was cotton, and the tendency of cotton also at present was towards diminishing quantity and higher prices, while among the Western nations it was very doubtful whether, where wool was at all obtainable, cotton

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - Fmk. 252,000,000
Deposits and Cheque Accounts
(30/6/23) - Fmk. 1,587,000,000

129 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

would ever take its place or displace the preference for wool, which was based both on custom and hygiene. They might look forward with confidence to high prices for all the wool they produced for many years to come.

LAND ACTS AMENDMENT ACT.

The nature of the issue between the Queensland Government and the pastoral lessees of the Crown in that State was now pretty well known. Briefly, it was as follows. Like other pastoral lessees in Queensland, they held their leaseholds from the Crown for fixed periods on conditions embodied in Land Acts, and the leases specifically stated that they were issued subject to the provisions of these Land Acts. In 1915, however, the Ryan Government in Queensland, having come to the conclusion that the restriction of rents was too favourable to the pastoral lessees, entered upon a campaign to remove this proviso, and in 1920 the Land Acts Amendment Act, commonly known as the Repudiation Act, was passed, which took away from the pastoral lessees, without compensation, and in face of their continuous protests, the limitation on increases of rent which they had previously enjoyed. This was made retrospective as far back as 1914, so that they had to pay large sums as arrears. Up to the present this company had had to pay in increased rents and arrears since 1920 over £50,000 more than the maximum they could have been called upon to pay under the leases. Their annual rents were now between £5,000 and £6,000 a year higher than they could have been under the leases, and when the next reappraisements were made there might be a further and indefinite rise in those rentals, the extent of which they could not forecast.

This was a plain unbiassed statement of fact, and if it did not disclose a breach of contract legalised by Act of Parliament, he did not know what a breach of contract was. That they should accept it in silence was surely more than could be expected of them. Mr Theodore, the Queensland Premier, was now on his way to this country, and his view was that whatever their feeling might be as to the hardship they suffered in consequence of the Repudiation Act, they ought to suffer in silence because Queensland was obliged to make certain financial arrangements in connection with maturing loans. Mr Theodore misjudged the British character if he imagined that thousands of British shareholders in Anglo-Australian companies would submit in silence to what they regarded as a great wrong merely because he had the power to inflict still further injury upon them if they continued to protest. The report and accounts were adopted.

E. W. TARRY AND CO., LIMITED. IMPROVED YEAR'S TRADE.

The annual general meeting of E. W. Tarry and Co., Limited, was held on the 22nd instant at the Cannon Street Hotel, London, Sir J. Fortescue Flannery, Bart. (the chairman), presiding.

The Secretary (Mr W. B. Allison) read the notice convening the meeting and the auditors' report.

The Chairman, in moving the adoption of the report and accounts, said that a year ago he had a very disappointing story to tell the shareholders, following the strike, the attempted revolution in South Africa and the dislocation of trade, which was the inevitable consequence. Not only he himself but other shareholders then expressed the fullest confidence in the ultimate renewal of the prosperity of the old-established business of E. W. Tarry and Co., and the report and balance-sheet now submitted showed that the revival during the twelve months under review was satisfactory. The result of the trading of the company for

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

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

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

LANCASHIRE BRANCH:
39, Mosley Street, Manchester.

Represented in U.S.A. by the
ANGLO-SOUTH AMERICAN TRUST COMPANY, NEW YORK
(Incorporated under the laws of the State of New York).

and in FRANCE by the
BANQUE ANGLO-SUD AMERICAINE
Société Anonyme, PARIS.

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

BRANCHES OF THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

BRANCHES OF THE BRITISH BANK OF SOUTH AMERICA, LIMITED.

BRANCHES OF THE COMMERCIAL BANK OF SPANISH AMERICA, LIMITED.

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

Assets.	Jan. 24, 1924.	Jan. 17, 1924.	Jan. 9, 1924.	Jan. 25, 1924.	Position May 26, 1924.
Gold coin and bullion	5,240,637	5,540,758	5,540,596	5,535,298	5,730,626
Of which held abroad	1,864,321	1,864,321	1,864,321	1,864,321	1,864,321
Silver coin and bullion	296,973	296,845	296,733	296,169	296,169
Discount and advances	6,116,289	6,083,733	6,091,952	4,743,931	4,347,776
Advances to the State	22,600,000	22,800,000	22,900,000	23,100,000	23,100,000
LIABILITIES.					
Notes	38,329,145	38,678,344	39,172,767	36,780,408	5,811,875
Government deposits	21,287	20,384	16,915	47,559	183,700
Private deposits	2,372,189	2,568,987	2,255,670	2,160,039	845,950

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

Assets.	Dec. 31, 1923.	Dec. 22, 1923.	Dec. 30, 1923.	Position May 30, 1924.
Gold and bullion	9,304,209,000	9,858,459,000	9,858,459,000	9,858,459,000
Treasury notes	192,928,132,000	195,164,243,000	195,164,243,000	195,164,243,000
Renten bank notes	307,489,741,000	319,796,557,000	319,796,557,000	319,796,557,000
Bills of exchange and cheques	15,235,208,000	15,235,208,000	15,235,208,000	15,235,208,000
Rentenmark bills and cheques	141,323,926,000	141,323,926,000	141,323,926,000	141,323,926,000
Advances	127,001,895,000	127,001,895,000	127,001,895,000	127,001,895,000
LIABILITIES.				
Notes in circulation	496,507,425,000	474,558,947,000	474,558,947,000	474,558,947,000
Deposits	547,024,137,000	539,613,236,000	539,613,236,000	539,613,236,000

† This total now includes token coin at its face value. § Gold.
‡ Including discounts and Treasury bills.

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

Assets.	Jan. 15, 1924.	Jan. 7, 1924.	Dec. 31, 1923.	Dec. 22, 1923.	Position May 31, 1924.
Gold	537,087	537,098	537,144	537,202	537,480
Silver	86,857	85,787	90,741	86,075	103,620
Cash and balances	12,075	15,147	15,794	17,584	13,072
Assets & advances	275,940	340,833	359,177	290,483	370,898
LIABILITIES.					
Notes in circulation	870,077	921,549	981,958	926,794	863,459
Deposits	88,944	111,313	104,860	61,600	207,325

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

Assets.	Jan. 15, 1924.	Jan. 7, 1924.	Dec. 31, 1923.	Dec. 22, 1923.	Position May 31, 1924.
Coin and bullion—Gold	147,284	147,284	147,284	147,284	147,284
Balance abroad and foreign bills	16,834	16,463	16,737	40,408	28,533
Morwegian & Foreign Government securities	9,040	9,040	9,052	9,408	8,816
Discounts and loans	444,860	460,622	479,965	447,336	76,911
LIABILITIES.					
Notes in circulation	367,327	379,355	395,857	366,807	113,484
Deposits at notice	106,371	105,797	114,171	152,000	7,168

Through Royal resolution of February 3, 1924, it has been decided that the extraordinary rate of interest on bank notes has been reduced from 50 millions to 25 millions from February 4, 1924 (this day included).

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

Assets.	Jan. 19, 1924.	Jan. 12, 1924.	Dec. 29, 1923.	Dec. 22, 1923.	May 24, 1924.
Gold	271,723	271,770	271,910	273,961	104,918
Balance abt. and foreign bills	35,331	30,366	37,957	40,790	112,179
Swedish and Foreign Gov. securities	109,526	115,305	115,427	115,542	103,959
Discounts and loans	405,953	427,801	475,445	487,016	396,835
LIABILITIES.					
Notes in circulation	483,897	496,235	559,689	493,027	326,555
Deposits at notice	275,063	281,536	304,538	299,641	363,221

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

Assets.	Jan. 16, 1924.	Jan. 9, 1924.	Dec. 19, 1923.	Dec. 12, 1923.	Nov. 22, 1923.
Total cash	15,427	15,727	13,113	12,506	3,085
Gold coin & bullion	16,185	16,518	15,762	15,765	12,195
Of which held abroad	2,506	2,506	2,506	2,506	2,506
Foreign banks	50,315	50,123	50,487	54,886	22,466
Discounts and loans	39,199	38,416	37,043	19,846	9,551
LIABILITIES.					
Notes in circulation	23,000	23,000	23,000	23,000	4,005
Capital paid up	10,214	10,214	10,000	10,000	16,997
Government deposits	39,554	39,679	36,954	39,075	16,997
Other deposits	43,225	41,829	41,877	33,537	16,995

BANK OF CZECHO-SLOVAKIA.—In Cz. K. (000's omitted).

Assets.	Jan. 15, 1924.	Jan. 7, 1924.	Dec. 31, 1923.	Dec. 23, 1923.	Jan. 15, 1924.
Liabilities of the Austro-Hungarian Bank to the Bank of Austria	10,096,965	10,096,965	10,096,965	10,096,965	10,096,965
Gold & silver held	1,886,071	1,886,071	1,997,501	1,736,121	1,661,593
Foreign bills and balances abroad	1,037,937	1,037,937	1,033,006	1,032,870	1,039,679
Other assets	1,235,944	1,235,944	1,236,280	1,220,283	1,279,959
LIABILITIES.					
State's circ. in	9,067,090	9,067,090	9,598,903	8,979,220	8,940,581
Deposits	4,401,305	4,401,305	4,438,357	4,552,322	4,490,915
Other liabilities	1,078,869	1,078,869	1,066,178	1,087,015	1,097,074

* Resulting from banknotes, current accounts, Exchequer bills issued by the Austro-Hungarian Bank and taken over by the Bank of Austria.

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

Assets.	Jan. 7, 1924.	Dec. 31, 1923.	Dec. 23, 1923.	Jan. 7, 1924.
Gold	83,170,001	84,006,692	84,006,692	84,006,692
Foreign bills	4,274,644,218	3,832,132,293	3,591,998,117	1,145,518,395
Bills discounted	1,248,491,108	1,323,369,722	1,245,805,706	731,613,035
Treasury bills	2,633,434,345	2,634,490,383	2,634,490,383	2,557,948,819
LIABILITIES.				
Notes in circulation	8,809,629,507	7,125,755,190	6,940,627,178	4,053,689,483
Deposits	864,191,740	649,424,400	615,835,674	417,203,770

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

Assets.	Jan. 15, 1924.	Jan. 7, 1924.	Dec. 31, 1923.	Dec. 23, 1923.	Jan. 15, 1924.
Gold coin and bullion, bills	35,013	22,724	22,772	22,824	15,926
Foreign bills	4,274,644,218	3,832,132,293	3,591,998,117	1,145,518,395	53,683,692
Bills discounted	1,248,491,108	1,323,369,722	1,245,805,706	731,613,035	53,683,692
Treasury bills	2,633,434,345	2,634,490,383	2,634,490,383	2,557,948,819	935,191
LIABILITIES.					
Notes in circulation	8,809,629,507	7,125,755,190	6,940,627,178	4,053,689,483	71,687,190
Deposits	864,191,740	649,424,400	615,835,674	417,203,770	5,896,983

NATIONAL BANK OF THE SERBS, &c.—In dinars (000's omitted).

Assets.	Jan. 15, 1924.	Jan. 8, 1924.	Dec. 31, 1923.	Dec. 22, 1923.	Jan. 15, 1924.
Gold	58,838	68,837	68,838	68,820	63,808
Foreign coin and notes	22,145	20,966	21,914	19,963	20,580
Foreign credits	355,047	370,339	348,067	342,859	260,665
Bills	1,318,363	1,334,327	1,333,714	1,323,337	1,391,176
Govt. advances	4,549,361	4,549,361	4,549,361	4,554,833	4,517,547
LIABILITIES.					
Notes in circulation	5,810,784	5,860,888	5,790,241	5,717,788	5,028,783
State credits	387,881	387,881	387,881	387,881	312,116
Deposits	413,464	395,658	459,471	515,094	1,023,643

NATIONAL BANK OF BULGARIA.—In leva (000's omitted).

Assets.	Dec. 7, 1923.	Sept. 30, 1923.	Aug. 22, 1923.
Monetary reserves	72,840	57,083	57,316
Notes of foreign banks	774	690	785
Foreign bills	54,990	54,990	54,990
Credits with foreign correspondents	265,597	362,309	408,937
Note circulation	3,953,775	3,953,775	3,953,067
Loans to the State	4,060,075	3,997,804	3,745,058

BANK OF SPAIN.—In pesetas (000's omitted).

Assets.	Jan. 19, 1924.	Jan. 12, 1924.	Jan. 5, 1924.	Dec. 29, 1923.	Jan. 20, 1924.	Position May 31, 1924.
Gold	2,527,659	2,527,664	2,527,664	2,527,671	2,525,096	521,776
Silver	652,539	647,887	647,231	648,924	649,715	728,600
Loans and discounts	2,331,457	2,374,774	2,402,978	2,345,219	2,116,424	800,726
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
LIABILITIES.						
Circulation	4,357,105	4,382,684	4,387,455	4,383,123	4,138,623	801,560
Deposits	1,037,213	1,032,668	1,062,322	1,051,340	1,077,396	477,500

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

Assets.	Dec. 20, 1923.	Dec. 10, 1923.	Nov. 30, 1923.	Nov. 20, 1923.	Dec. 30, 1923.	Position May 31, 1924.
Total cash	1,604,427	1,581,567	1,599,698	1,601,867	1,347,468	1,231,876
Inland bills	5,816,548	5,766,868	5,796,713	5,668,080	4,480,800	418,400
Foreign bills	15,651	15,703	15,647	15,653	9,511	81,300
Advances to the Treasury	5,838,950	5,839,067	5,839,062	5,839,060	6,116,138	all
Other advances	2,470,249	2,317,950	2,586,373	2,576,634	2,008,696	79,175
Securities	394,856	388,910	385,108	385,015	396,037	806,700
LIABILITIES.						
Note circulation	12,445,232	12,622,408	12,705,736	12,834,330	13,563,819	1,556,926
Deposits & drafts	1,730,544	1,556,533	1,752,027	1,508,820	1,733,309	193,975

LONDON RATES.

	Jan. 15, 1924.	Jan. 12, 1924.	Jan. 5, 1924.	Dec. 29, 1923.	Jan. 20, 1924.	Jan. 15, 1924.
Bank rate (changed from 3% July 5, 1923)	4%	4%	4%	4%	4%	4%
Market rates of discount—						
60 days' bankers' drafts	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%
3 months' do	3 1/4%	3 1/4%	3 1/4%	3 1/4%	3 1/4%	3 1/4%
4 months' do	3 1/4%	3 1/4%	3 1/4%	3 1/4%	3 1/4%	3 1/4%
6 months' do	3 1/4%	3 1/4%	3 1/4%	3 1/4%	3 1/4%	3 1/4%
Discount (Treasury Bills)—						
3 months'	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%
Loans—Day to day	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%
Short	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%
Deposit allowances: Banks	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%
Bucharest	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%
Discount houses at call	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%
At notice	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%

† Additional to those offered by tender in the preceding week.

Comparison with previous weeks:—

	Short	3 Months	4 Months	6 Months	3 Months	4 Months	6 Months
1923.							
Dec. 21	2 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%
28	2 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%
Jan. 4	2 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%
11	2 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%
18	2 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%
25	2 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%

OVERSEAS BANK RATES.

Changed.				Changed.			
Amsterdam	Jan. 24, 1924	5	%	Madrid	Mar. 23, 1923	7	%
Athens	Jan. 14, 1923	5		Paris	Jan. 17, 1924	6	
Belgrade		7		Prague	Nov. 29, 1923	7	
Berlin	Sept. 15, 1923	80		Riga		54	
Brussels	Jan. 22, 1923	54		Rome	July 11, 1922	54	
Bucharest	Sept. 4, 1923	6		Sofia		54	
Adenaples	July 5, 1923	18		Stockholm	Nov. 9, 1923	54	
Calcutta	Oct. 3, 1924	8		Warsaw		54	
Christiania	Nov. 10, 1923	7		3 places Bank			
Copenhagen	Jan. 17, 1924	7		Tokio	July 14, 1923	4	
Helsingfors	Nov. 30, 1923	10		Vienna	Nov. 18, 1919	8	
London	Sept. 12, 1923	9		Warsaw	Sept. 2, 1922	9	
New York Federa					Nov. 12, 1923	48	

SILVER.

During the early part of the week under review the market was overshadowed by the political situation, and business was much restricted. Indian operators have, on the whole, been disposed rather to sell than to buy, whilst the appreciation of the dollar has hindered sales from America. Support came from China by way of orders for forward delivery, and there has been some bear covering. As a result, the decided, though by no means heavy, inquiry on a poorly supplied market tended to bring about higher prices. Now that the political situation is clearer, the dollar exchange has moved in favour of this country. This caused to-day a setback in the quotations. We understand that 49,800,000 ounces were purchased under the provisions of the Pittman Act by the United States Government during 1923. The Bureau of the United States Mint, with the co-operation of the United States Geological Survey, have made a preliminary estimate of the refinery production of silver in the United States during the calendar year 1923 as 72,611,200 ounces, valued at \$59,541,184, an increase over 1922 of 16,371,200 ounces—over 29 per cent. This output has been exceeded only in the years 1915 and 1916, that during the former year—74,961,075 ounces—being the record for the United States. Utah's silver output of over 20,000,000 ounces, nearly 28 per cent. of the whole, is the record production of any single State for any year.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Dec. 31.	Jan. 7.	Jan. 15.
Notes in circulation	18,341	18,697	18,516
Silver coin and bullion in India ..	8,661	8,517	8,336
Silver coin and bullion out of India ..	..	..	..
Gold coin and bullion in India ..	2,232	2,232	2,232
Gold coin and bullion out of India ..	..	..	..
Securities (Indian Government) ..	5,748	5,748	5,748
Securities (British Government) ..	900	1,400	1,400
Bills of exchange	800	800	800

No silver coinage was reported during the week ending 15th instant. The stock in Shanghai on the 19th instant consisted of about 25,900,000 ounces in sycee, 34,000,000 dollars, and 470 silver bars, as compared with about 23,400,000 ounces in sycee, 33,000,000 dollars and 1,870 silver bars on the 12th instant.

INDIAN TREASURY BILLS.

	March 31, 1923.	January 19, 1924.
Outstanding with public	Rs. 21,58,90,000	Rs. 2,34,50,000
In paper currency reserve	49,65,00,000	49,65,00,000
Total	71,23,90,000	51,99,50,000

India Office, January 23, 1924.

INDIA COUNCIL BILLS AND TRANSFERS.

The following is a summary of applications and allotments for India Council bills and transfers in London on Tuesday, January 22, 1924:—

	Rate.	Applica- tions.	Allotments.		Allot- ments.	Average Rate.
Def. T.T. ...	1/5½	Rs. 5,00,000	Rs. nil	%	Imm. T.T. ...	Rs. 1/5½
Imm. T.T. ...	1/5½	35,00,000	35,00,000	100	Calcutta ...	25,00,000
		5,00,000	nil	..	Bombay ...	10,00,000
					Madras ...	35,00,000
		45,00,000	35,00,000			

Next week 100 lacs will be offered.

GOLD AND SILVER PRICES.

1924.	Gold, Per Ounce.	Silver—Per Ounce. Cash.	Forward.	Date.	Silver. Cash.
Jan. 19	97 5	33½	33	Jan. 25, 1918..	43½
21	98 0	33½	33½	25, 1919..	45½
22	97 11	33½	33½	23, 1920..	79½
23	97 6	33½	33½	21, 1921..	40
24	97 10	33½	33½	20, 1922..	34½
25	97 8	33½	33½	19, 1923..	31½

NOTICES.

The London office of the Union Bank of Canada announces that a branch of the bank has been opened at Hughton, Saskatchewan, and that the Woodbine and Gerrard branch, Toronto, has been closed.

Lloyds Bank, Limited, announce that a branch of the bank is now open at Baker street, Weybridge, under the management of Mr Douglas Samuel. The hours of business are 10 till 3;

Saturdays, 9 till 12. A sub-branch of the bank is also now open at Station approach, Kingswood, under the management of Mr R. E. F. Foulger, of the Epsom and Tadworth branches, attendance being on Mondays and Fridays, from 11 till 12.30.

MINING OUTPUT STATISTICS FOR DECEMBER, 1923.

	Tons Crushed.	Gold Recovered.		
	Mill.	Ounces.	Mill.	Ounces.
Gold.	Tons.	Ounces.	Tons.	Ounces.
Colombian Prop.	705	..	..	56
Hampton Celebration ..	1,510	..	..	417
Jumbo-Tip-Top	580	..	..	1,759
Manzies Cons. (Nov.) ..	..	..	..	..
Oroville Dredging—	..	..	..	..
Pato (13 days to Jan. 18th).	7,500	..	..	2,354
Ouro Preto	4,590	..	..	11,453
Wahai Grand Junction ..	..	..	..	2,371

(a) Par value.

	Output.	Other Notes in Return.
Coal.	Tons.	Week ended Jan. 19th.
Chinese Engineering	99,066	Week ended Jan. 19th.
East Kent	4,467	..
Witbank	63,184	..
Tin.	31½	First half January.

ELECTROLYTIC ZINC.—Production during four-weekly period ending Jan. 6th, 3,520 tons zinc; silver-lead product for shipment to Port Pirie for realisation containing 525 tons lead, 70,000 ozs silver.

THE BROKEN HILL PROPRIETARY.—Report for four weeks ending January 2, 1924.—Production curtailed owing to the holidays. Iron and steel works:—Coke ovens produced 23,619 tons of coke, 276,444 gallons of tar, and 361 tons of sulphate of ammonia. No. 2 blast furnace produced 8,889 tons of pig iron. No. 3 blast furnace produced 10,931 tons of pig iron. Open Hearth produced 19,480 tons. Blooming Mill produced 15,901 tons. 28-inch mill produced 8,056 tons. 18-inch mill produced 4,888 tons. 12-inch mill produced 1,494 tons. 8-inch mill produced 860 tons. Red mill produced 2,722 tons. Steel foundry produced 626 tons of castings. Iron Knob shipped 44,249 tons. Broken Hill—Crude ore raised 3,207 tons. Crushing plant crushed 2,475 tons of crude ore. Slimes flotation plant produced 438 tons of lead concentrates, and 579 tons of zinc concentrates. Above figures do not include amount of ore dealt with under new arrangement with Broken Hill Proprietary Block 14 Company, Limited.

THE STANDARD BANK OF SOUTH AFRICA, LIMITED.
(with which is incorporated the AFRICAN BANKING CORPORATION, LTD.)

Bankers to the Government of the Union of South Africa in Cape Province; to the Imperial Government in South Africa; and to the Administration of Rhodesia.

AUTHORISED CAPITAL ... £10,000,000
SUBSCRIBED CAPITAL ... £5,516,666
PAID-UP CAPITAL ... £2,229,768
RESERVE FUND ... £2,893,335
UNCALLED CAPITAL ... £6,867,495
£11,809,955

Board of Directors:
William Reiersen Arbuthnot, Esq., Solomon B. Joel, Esq., J.P.
Sir David M. Barbour, K.C.S.I., K.C.M.G., Horace Peel, Esq.
Edward Clifton Brown, Esq., Rt. Hon. the Earl of Selborne, K.G.
Stanley Christopher, Esq., William Smart, Esq.
Robert B. Dickson, Esq., Rt. Hon. Lord Sydenham, K.C.S.I.,
James Fairbairn Finlay, Esq., G.S.I., G.C.M.G., G.C.I.E., G.B.E.

Senior General Manager in South Africa—J. P. Gibson.
Joint General Managers in South Africa—John Jeffrey, James S. Shiel.
Asst. Gen. Managers in South Africa—G. F. Le Sueur, W. K. Robertson.
London Manager—Francis Shipton. Secretary—Herbert G. Hoey.

Head Office: 10, CLEMENTS LANE, LOMBARD ST., LONDON, E.C.4
London Wall Branch: 23, LONDON WALL, E.C.2.
West End Branch: 9, Northumberland Avenue, W.C.2.
(Opposite the Royal Colonial Institute.)
NEW YORK AGENCY: 67 WALL STREET.

HAMBURG AGENCY:
Bank of British West Africa, Ltd., 49-55 SCHAUENBURGER-STRASSE.

Over 350 Branches, Sub-Branches and Agencies in
CAPE PROVINCE, NATAL, ORANGE FREE STATE, TRANSVAAL, RHODESIA,
NATALAND, BASUTOLAND, KENYA, COLONY, KENYA PROTECTORATE,
UGANDA, ZANZIBAR, PORTUGUESE EAST AFRICA, SOUTH WEST
AFRICA, TANGANYIKA TERRITORY, BELGIAN CONGO.

BANKING BUSINESS OF EVERY DESCRIPTION transacted at all
Branches and Agencies.
CURRENT ACCOUNTS opened on the usual terms, and **DEPOSITS**
RECEIVED for fixed periods at rates which may be ascertained on
application.
SAVINGS BANK ACCOUNTS opened at the Branches in Africa on
terms which may be ascertained upon application.
BILLS NEGOTIATED AND COLLECTED.
DRAFTS issued, MAIL and TELEGRAPHIC REMITTANCES made.
FOREIGN EXCHANGE business transacted.
LETTERS OF CREDIT and **COMMERCIAL CREDITS** established.
TRAVELLER'S LETTERS OF CREDIT issued available in all parts of
PURCHASE and **SALE** of Stocks and Shares effected. (the world.
DIVIDENDS, ANNUITIES, ETC., received and **COUPONS COLLECTED.**
STRONGROOMS provided for the safe custody of Securities and Valuables
of Customers.
ASSAY DEPARTMENT—Gold, etc., and all Mineral Ores assayed and
EXECUTOR and **TRUSTEE** business undertaken. (realised.
INCOME TAX—Claims for recovery of Income Tax undertaken.
The Officers of the Bank are bound not to disclose the transactions of its customers.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Date of Payment.	Method of Payment.	Dividend for Whole Year.	Lat'est Pre-vious Year.
Railways.					
Belfast and Co. Down	5	..	Less tax	5	..
Bengal and North Western	4½ (a)	bonus 2	% Less tax	11	11
Great Northern of Ireland	1½	Feb. 15	Quarterly	5½	5
International of C. America, P.I.	1½	..	..	..	..
Banks.					
Australian of Commerce	7½	Jan. 31	..	..	..
Bank of Montreal	3½	Mar. 1	Quarterly	..	..
Canadian of Commerce	3½	Mar. 1	..	..	..
Do (Bank of Hamilton)	2½	Mar. 1	..	..	..
Central of India	10 (a)	bonus 1	%	..	..
Farmers' Loan and Trust	6½	Feb. 1	..	..	..
Imperial of Canada	10	..	..	13	13
Isle of Man Banking	10	..	..	22½	22½
Mitsubishi	18*	..	Less tax	..	..
North of Scotland	2½	Mar. 1	Quarterly	..	..
Union of Canada	..	..	..	..	..
Insurance.					
Indemnity Mutual Marine	20/ p.s.	(a) bonus 5/ p.s.	Less tax	15	15
Ten and Rubber.					
Deundi Tea	5½*	..	Less tax	..	..
Mining.					
Aramayo en Bolivia	5½	Feb. 1	..	..	..
Zaaplaas Tin	20%	..	..	..	..
Other Companies.					
A. Millar and Co.	..	..	Less tax	8	7
Apex (Trinidad) Oilfields	5½*	..	Less tax	25	10
Blundell, Spence, and Co.	10	..	..	8	8
Booke Gold Storage	10 ½	(a) bonus 3½	% Tax free	..	..
Bradbury, Greatorex	..	..	..	12	12
Bradford Exchange	..	..	Less tax	12½	12½
Brett's Patent Lifter	..	..	..	17	16
British Invest. Trust, Deid ..	20	Feb. 12	Less tax	..	..
Bull's Metal	..	..	..	2½	..
Cambridge University, &c. ..	..	..	..	..	..
Water (£10 Cons.)	10	..	Less tax	..	..
Do (£7 Cons.)	7	..	Less tax	..	..
Canadian General Electric	3½	Feb. 14	Quarterly	10	..
Cardiff Pure Locomotive	15½*	..	Tax free	20	20
City of London Brewery	15½*	..	Less tax	..	..
City of Waterford Gas	24½*	..	..	5½	..
Cleveland Water, Orig. and "A"	10	..	Less tax	..	..
Do "B"	7	..	Less tax	..	..
Charter Trust and Agency	5	Feb. 25	Less tax	4½	..
Cornbrook Brewery	10	..	Tax free	10	12
Dublin Artisans' Dwellings	4½	..	Tax free	..	..
Dublin Distillers, Pref.	6½	Feb. 18	..	..	..
Elliot's Metal	1/ p.s.*	..	Less tax	..	..
English China Clays, Pref.	5½	Feb. 1	..	5 15/4 %	5 15/4 %
Gas Light and Coke Co., Ord ..	5½	..	..	1/ p.s. 1/ p.s.	..
George Angus	1/6 p.s.*	..	..	..	..
Glasgow Alhambra	24½*	Jan. 29	..	9	8
Greenwood and Batley	64½*	..	Less tax	..	..
Guardian Invest. Trust, Deid ..	5/ p.s.*	..	..	..	..
Hardy's Crown Brewery	5/ p.s.*	Jan. 31	Less tax 4/6 in &	..	..
Herbert Morris, Lim., Cham. Pref.	6	Jan. 31	Tax free 6/ in &	20	22½
Do 5½, Cum. Pref.	8½*	(a) bonus 5 %	% Tax free	5	5
Imperial Tobacco of G.B.	7½	(a) bonus 2½	%	..	..
J. F. and H. Roberts	..	..	..	..	..
John Barran and Sons	..	..	..	..	..
John Hetherington	8/ p.s.*	..	..	..	..
Kanabair & Yorkshire Wagon ..	6	..	Tax free	12½	12½
Leicester Real Property	6	..	..	10	10
Leonards, Limited	8/ p.s.*	Feb. 19	Tax free	10	7½
Liebig's Extract of Meat	5½*	(a) bonus 2½	% Less tax	10	10
Lloyd and Trench	1/6 p.s.*	Feb. 21	Less tax	8/ p.s. 8/ p.s.	..
Lofthouse Colliery	6½*	..	Less tax	16	15
Lotos, Limited	9½*	..	Less tax	..	..
Metropolitan Trust	5 %	Mar. 3	Less tax	..	..
Mont, Nickel	1½*	Feb. 15	..	15	15
Montreal Light and Power	5 %	..	Less tax	9	7
Mortgage of the River Plate ..	5 %	..	Less tax	15	15
Mutual Tontine, &c., Chambers	7½*	..	..	15	15
N. of Scotland Canadian Mortgage	2½*	(a) bonus 1/ p.s.	%	15	15
Northern Corporation	2½*	Feb. 9	Less tax	15	15
Northern Trust	2½*	..	..	15	15
Northampton Gaslight	2½*	..	..	15	15
Openshaw Brewery	2½*	Feb. 1	Tax free	5	5
Owen and Robinson	2½*	..	..	10	10
Pawsons and Lewis	..	..	..	10	10
Peter Walker and Son Property	..	..	..	10	10
Corporation	..	..	..	10	10
Do No. 2	12½	(a) bonus 2½	% Less tax	15	15
Richard Lunt and Co.	18½	(a) bonus 5 %	% Tax free	15	15
Scarborough Spa	7½*	(a) bonus 1/6 p.s.)	% Tax free	..	..
S. G. Larkins and Sons	8	..	Less tax	..	..
Scott, Son, and Co.	4½*	..	..	7½	10
Scottish Assets	5½*	..	..	..	..
Selincourt and Sons	7	Feb. 13	Less tax	5½	5½
Smith, Garrett, and Co.	..	..	..	10	10
South Metropolitan Gas	..	..	..	..	..
Seed and Simpson	..	..	..	..	..
Sunderland	..	..	..	..	..
Tramways, Non. Cum. Pref.	8 %	..	Less tax	12½	10
U.S. and General Trust, Deid ..	18½*	..	..	10	10
Western Union Telegraph	7½*	(a) bonus 5 %	% Tax free	10	10
Widkinson and Riddell	6½*	..	..	3	..
Wm. France, Penwick	..	..	..	..	..
Wyles Brothers	..	..	..	..	..

OIL OUTPUTS.

THE CALTEX OIL COMPANY advises having received the following cable from Mexico:—Production for December, 5,224 barrels, or 830 tons.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, January 16, 1924, amounted to 1,036 tons.

ANALYSIS OF BALANCE-SHEETS.

NATIONAL PROVINCIAL AND UNION BANK OF ENGLAND, LIMITED.

LIABILITIES.	Amount.	Compared with Dec. 31, 1922.	ASSETS.	Amount.	Compared with Dec. 31, 1922.
220,000 shares, £25, with £3½ paid	420,000	..	Cash and notes	32,252,247	..
1,972,354 shrs., £20, with £4 paid	7,889,416	..	Balances and cheques	8,554,502	+ 14,691
200,000 shares, £5, fully-paid ..	1,000,000	..	Money at call and notice ..	15,872,368	+ 1,972,266
Reserve fund ..	9,000,000	..	Bills discounted ..	40,843,931	+ 4,737,927
Current, de-posit, and other accts. ..	263,786,055	+ 748,572	Investments ..	51,540,182	- 1,098,973
Acceptances ..	10,708,228	+ 2,798,946	Stock in Countries and Co.	2,000,000	..
Profit and loss ..	933,755	+ 1,781	Shares in Bank of British West Africa ..	120,000	- 30,000
			Lloyds & Nat. Provincial ..	240,000	..
			P. & O. Banking ..	101,250	..
			Yorkshire Bank ..	187,500	..
			Advances	127,074,515	+ 5,321,607
			Bank premises ..	4,242,731	+ 130,208
			Acceptances ..	10,708,228	+ 2,798,946
Total	293,737,454	+ 3,549,299	Total	293,737,454	+ 3,549,299

BANK OF IRELAND.

LIABILITIES.		December 31, 1923. Compared with Dec. 31, 1922.	ASSETS.		Compared with Dec. 31, 1922.
	Amount. £			Amount. £	
Capital paid up	2,769,230		Cash	10,393,663	+ 3,784,086
Reserve	1,600,000	+ 200,000	Irish Free State and British Treasury bills	3,099,000	+ 1,349,000
Notes, &c., in circulation	7,407,113	- 230,172	British Govt. Debt	2,630,769	
Govt. and other accounts	10,472,299	+ 4,594,446	Investments	24,949,755	- 2,789,535
Deposits, current, & other accounts	33,318,003	- 1,830,273	Bills discounted	14,140,224	+ 416,130
Profit and loss	255,958	+ 58,850	Advances, &c.	609,192	+ 33,170
Total	55,822,603	+ 2,792,851	Total	55,822,603	+ 2,792,851

Reports and Notices.

The British Oak Insurance Co., Limited, announces that it has not been and is not connected in any way whatsoever with the British Oak House Purchase and Insurance Corporation, Limited, which latter company appears in the list of companies dissolved or struck off the register during the years 1922 and 1923.

Messrs R. Nivison and Co. announce that for reasons of health Mr. Horace Hubert Scott has retired from the firm.

At the half-yearly meeting of the managers of the Associated Scottish Life Offices, Mr R. Hill Stewart, general manager and actuary of the Caledonian Insurance Company, was elected chairman, in place of Mr W. Hutton, whose term of office has expired. Mr A. G. R. Brown, assistant secretary of the Life Association of Scotland, was appointed honorary secretary.

G. Street and Co., Limited, the well-known financial and general advertising agents, are removing from their City office, 30 Cornhill, on January 28th, to new premises at No. 6 Gracechurch street, E.C. 3 (Cornhill end).

At a general meeting of the Life Offices' Association held on January 21, 1924, Mr A. Digby Besant, B.A., general manager and actuary of the Clerical, Medical, and General Life Assurance Society, was re-elected chairman, and Mr H. M. Trouncer, M.A., actuary and manager of the London Life Association, Limited, was re-elected deputy-chairman.

New life business for 1923 completed by the London and Scottish Assurance Corporation, Limited, amounted to £1,474,232 in sums assured, the premiums thereon being £67,776, as compared with £1,224,050 sums assured and £66,000 premiums for 1922.

Lord Inchcape and Sir Charles Addis have been elected vice presidents of the

The new life business of the General Life Assurance Company for 1923 amounted to £507,182. The corresponding figure for 1922 was £491,308.

BANKS.

CHASE NATIONAL BANK.—The report for the year 1923 shows profits of \$4,849,476, or 24 per cent. on the capital of the bank, after deducting all expenses and making full provision for all bad and doubtful debts and providing for reserve for taxes. Dividends of 16 per cent. on the \$20 millions capital, amounting to \$3,200,000, were paid to shareholders. The balance-sheet shows a liquid position, cash and balances due from banks amounting at December 31st last to \$145,878,115, and United States Government securities to \$77,372,129. Loans and discounts, amounting to \$243,195,590, include commercial discounts, "street" loans, and customers' loans, both time and demand. Deposits figured at \$437,467,181. The bank continues to serve as New York correspondent some 3,000 banks located outside of the city. The proportion of deposits due to banks is about 25 per cent. of the total. In September, 1914, at the time of the establishment of the Federal Reserve Bank, the proportion was 66 per cent. of the total.

FARMERS' LOAN AND TRUST COMPANY.—Balance-sheet, December 31, 1923:—

LIABILITIES.		ASSETS.	
	\$		\$
Deposits	133,900.484	Cash	29,886.017
Accrued interest, reserve for taxes, dividend, &c.	1,330,636	U.S. Government bonds and certificates	38,240,664
Accounts	2,134,336	State and local bonds	21,777,962
Capital stock	5,000,000	U.S. Government bonds and certificates	37,972,000
Surplus and undivided profits	16,504,775	U.S. Government bonds and certificates	14,311,773
		U.S. Government bonds and certificates	800,590
		Bonds and stocks	16,133,633
		Bonds and mortgages	894,597
		Acceptances	2,112,196
		Real estate	2,960,000
	159,870.331		159,870.231

MISCELLANEOUS.

CANADIAN GENERAL ELECTRIC.—Holders of common shares or of share certificates accompanied by deeds of transfer are notified that the said shares may be converted into one common share of \$50 and one 7 per cent. preference share of \$50 for each common share of \$100. Certificates should be lodged with the registrars on or before February 9, 1924. The new shares will be issued as of February 15, 1924. Common shares not converted will be re-divided on February 15, 1924, into two shares of \$50 each for each share of \$100. Forms for lodging certificates may be obtained from the registrars, the Canadian Bank of Commerce, 2 Lombard street. E.C. 3.

LEHMAN'S, LIMITED.—We have received the 28th annual report to be submitted to the shareholders on February 7. The dividend for the year is 6 per cent. on the preference, and 12½ per cent. on the ordinary shares. £500 is given to the staff. The general reserve fund stands at £35,000, and the capital reserve fund at £100,000. £10,163 is carried forward to the next account. There is the usual item in the balance-sheet—"Trade creditors, nil."

LASTER AND CO.—The 35th annual report to November 30, 1923, shows that after providing for income-tax and corporation profits tax, the profit for the year amounts to £249,494, to which must be added the balance brought forward from last year, £189,979, making together £439,473. After deducting all preferential charges, and the interim dividend on ordinary shares, £76,125, there remains a balance of £363,348. The directors recommend that there be paid to ordinary shareholders a dividend of 5 per cent. and a bonus of 4 per cent., less income-tax, making with the interim dividend paid last July 10 per cent. for the year, £106,875, so that there be transferred to employees' benefit fund £5,000, to reserve account £50,000, and that the balance of £201,473 be carried forward to next year. The directors regret to announce the death of their late esteemed colleague, Mr Harold Cooperthwaite.

who, as a director for the last sixteen years, has rendered valuable service to the company. They have since elected Mr R. W. Hornshaw to a seat on the board, and his election will be submitted to the general meeting for confirmation.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Further heavy rains during the week rendered field operations almost impossible, but recent frosts have improved working conditions, except on heavy lands. Winter wheat is showing through slowly, but generally presents a healthy appearance, while early sowings are favourably commented upon. English wheat is sparingly offered owing to the railway strike, and with a good demand prices are mostly dearer, suitable milling grades ruling from 10s 2d to 10s 6d, with occasionally more for choice samples, while inferior rules at 8s 9d to 9s 3d per 112 lbs. Imported descriptions were firmly held with sustained inquiries for spot parcels. No. 1 Northern Manitoba quoted 50s 9d, No. 2 ditto 49s 9d, No. 3 ditto 48s, and Rosafe 63½ lbs 48s, all ex ship per 496 lbs. A steady tone prevailed in the floating and forward cargo section, but business was on a moderate scale. Steamers of No. 3 Northern Manitoba-Vancouver shipment February sold at 45s 6d, No. 1 ditto January 47s 9d, and Rosafe 63½ lbs shipping or shipped at 44s 9d, while a good demand existed for Canadian and Australian parcels at full rates. Maize cargoes were quiet and easier owing to freer offerings of new crop La Plata, but European kinds steadily held on scanty offerings. A cargo of Dan-Gal-Foxanian arrived at Falmouth changed hands at 41s 6d per 480 lbs. Flour continues in fair support at full recent rates. London standard straight run quoted 39s, patents 41s to 42s town households 37s per sack delivered in. All English country straights 30s 6d to 31s 6d per sack on rail at London stations. Imported steady. Manitoba patents range from 36s to 39s, and Australian 33s to 35s 6d per 280 lbs ex store. Barley, English, firm, and malting kinds range from 10s 6d to 15s, and feeders 10s to 10s 6d per 112 lbs. Imported firm, but inactive. Californian 44s to 50s ex store, Chilean brewing 42s to 46s, ex ship per 448 lbs, No. 4 Canadian Western 35s 3d ex ship, 36s 6d landed, and Algerian-Tunisian ex ship 33s 6d, all per 400 lbs. Maize firm to dearer, especially for landed parcels. Plate ex ship 41s 6d, ditto landed 43s 6d, Bessarabian ex ship 41s 9d, ditto landed 43s 6d, all per 480 lbs. Oats, English, quietly steady. English ranges from 9s 4d to 10s 8d per 112 lbs. Imported quiet and barely steady in view of large Plate shipments and forward weakness. Plate f.a.q. ex ship 22s 6d, ditto landed 23s 6d, No. 2 Canadian Western ex ship 26s 3d, landed 27s 3d, No. 3 ditto ex ship 25s, landed 26s, No. 2 Canadian feed landed 24s 3d per 320 lbs. Millers' offals quiet, and tendency easier. Broad bran quoted 8s to 8s 3d, ordinary ditto 7s 6d to 7s 9d, middlings 9s 3d, fine ditto 10s, bags included ex mill. Light oats 6s 3d, powdered oat husks 8s 3d, feed oatmeal 9s 3d, ground oats 12s 9d, flour on rail, all per cwt. Oatmeal in fair demand at late rates. London made, flaked, also rolled oats 18s, medium also fine cut 17s 6d, coarse and medium pinhead 17s 6d, ordinary Scottish oatmeal 18s, and American 16s 6d to 17s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21 :—

	1983-1991	1992-1993	1993-1994	1994-1995
Estimated sales of home-grown wheat—	Cvts.	Cvts.	Cvts.	Cvts.
1 week to January 19	343,302	456,282	466,161	298,348
20 weeks to January 19	7,328,517	9,095,709	8,247,970	6,949,322
Average price of English wheat per		s d	s d	s d
4wks.....	9 11	9 10	10 4	10 1

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1920 to 1923:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1924.	Owts.	Owts.	Owts.	s d	s d	s d
Jan. 12	264,432	368,223	57,099	9 8	10 8	9 3
19	343,308	437,688	58,494	9 11	10 11	9 8
1920	423,084	264,046	72,000	18 11	30 6	20 9
1921	286,350	477,888	64,881	18 11	29 7	15 9
1922	466,161	383,564	63,688	18 8	12 3	10 3
1923	486,222	464,285	74,735	9 10	9 7	9 11

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.						Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.	
					Prefce.	Ordinary.						
						Amount.	Amount.					Rate.
		£	£	£	£	£	%	£	£	£	%	
Banks.												
Bank of Ireland	Dec. 31	51,723	549,620	601,343	..	332,308	14	200,000	69,035	533,943	13	
National Provincial and Union Bank of England	Dec. 31	931,975	1,791,286	2,723,261	..	1,489,506	16	300,000	933,755	1,854,150	16	
Breweries.												
Lloyd and Yorath	Nov. 30	15,270	20,824	36,094	3,000	10,840	10	5,250	17,004	17,287	10	
Financial, Land, &c.												
Leicester Real Property	Dec. 31	185	5,481	5,666	..	1,800	6†	3,000	866	2,350	6	
Mortgage Co. of the River Plate..	Dec. 31	75,209	63,843	139,052	12,500	45,000	15	..	81,552	71,367	15	
North of Scotland Canadian Mort.	Nov. 11	33,671	35,843	69,514	..	35,420	15	..	34,094	79,187	18½m	
Iron, Coal, and Steel.												
East Indian Coal	Oct. 31*	5,163	24,266	29,429	..	12,000	10	10,000	7,429	19,950	7½	
Oil.												
Apex (Trinidad)	Sept. 30	64,688	125,636	190,324	..	80,000	20	21,460	88,864	98,292	10	
Shops and Stores.												
Lennard's	Dec. 31	5,891	27,397	33,288	7,500	15,625	12½	..	10,163	12,687	12½	
Lotus	Dec. 31	14,895	143,162	158,057	18,987	52,235	10	70,000	16,835	142,622	10	
Textiles.												
John Barran and Sons	Oct. 31	2,275	29,945	32,220	22,255	8,576	5	..	1,589	21,827	5	
Lister and Co.	Nov. 31	189,980	238,994	428,974	30,000	142,500	10	55,000	201,474	154,985	15	
Wilkinson and Riddell	Dec. 31	15,390	70,943	86,333	6,500	48,000	20†	15,000	16,833	66,175	15½	
Trusts.												
Metropolitan	Jan. 1	61,433	80,662	142,095	18,000	49,200	16	3,500	71,395	72,490	15	
Northern Trust	Dec. 31	342	2,974	3,316	900	1,748	15	..	668	3,603	12	
River Plate & General Investment	Dec. 31	35,831	56,257	92,088	12,376	33,000	12	5,000	41,712	50,807	11	
Other Companies.												
Bradbury, Greatorex, and Co.	Jan. 4	34,271	82,164	116,435	13,000	43,560	12	10,000	49,875	92,597	12	
Crayton Cemetery	Dec. 31	375	2,946	3,321	..	1,921	5	500	900	2,239	5	
George Angus and Co.	Dec. 31	51,481	24,304	75,785	6,000	21,500	5	..	48,285	20,769	5	
Northern Corporation	Dec. 31	1,189	14,850	16,039	10,000	3,750	15	1,000	1,389	..		
Pawsons and Leafs	Dec. 27	61,579	4,003	65,582	..	13,800	5	Dr 10,000	61,782	12,332	5	
Richard Lunt and Co.	Dec. 31	13,403	25,663	39,066	800	16,750	12½	5,000	16,516	20,362	10	
Scott, Son, and Co.	Dec. 31	28,236	22,235	50,471	5,000	9,000	15†	8,000	28,471	27,805	12½†	
Salmoncourt and Sons	Dec. 15	20,857	49,290	70,147	..	37,500	7½	6,750	25,897	61,555	10	

* Half-year. † Tax free. (m) Also additional distribution, being equivalent amount per share for relief from Dominion tax.

IRON, STEEL, AND COAL

Our Middlesbro' correspondent's report, dated January 24th, is as follows:—Pig-iron: The strike on the railways is unsettling business for the time being, the most serious consideration being a possible interruption of the fuel supply to blast furnaces. There is little change in pig-iron quotations. No. 3 Cleveland G.M.B. is still quoted 99s per ton and mixed numbers East Coast hematite 102s 6d per ton. Manufactured iron and steel: The prospects for 1922 are fairly good. Steel ship plates, £10 5s; steel ship angles, £10; iron bars, £12; steel rails, £9. Iron ore: Business is quiet, and is likely to continue so as long as the unsettlement continues. Best Bilbao Rubio 245 per ton ex ship Tees.

Our Sheffield correspondent writes:—The railway strike is disorganising local industry, many departments having closed down through the failure of their coal supplies, as the majority of the works possess no facilities for stocking fuel. In the lighter branches where operations are continuing very little finished goods can be despatched, and the remainder are being put in stock. Apart from this and other disturbing influences the trade outlook continues to improve, and increasing business is reported in all the tool sections, including fair bookings from overseas sources. The file, hacksaw, and engineers' small tool branches, while still comparatively slack, are busier to-day than for several years past. Competition is, however, still keen, and the instances of steel firms earning profit are rare. There is no change in iron and steel prices, but recent quotations are being held, although large contracts for semi material are not coming in satisfactorily. Reports from Belgium indicate a weaker position of trade there. The position of the French franc precludes business between Sheffield and France in respect of high-grade steels. Rather more work is on hand at the steel foundries. The cutlery trade is disturbed by a strike of grinders, which is holding up production and delivery of table knives. The year in this industry has started fairly well. Electro plate and silver manufacturers are quiet in hollow ware, but there is a fair amount of work in spoons and forks. The strike has seriously interrupted the export of coal and coke to the Continent, besides cutting off home supplies. There is a shortage of house coal and a brisk demand, which is being met by road transport. Prices of this fuel have been again advanced. Quotations for manufacturing fuel remain as given last week.

Our Cardiff correspondent writes:—The South Wales coal market has been completely disorganised this week. The strike of the railway locomotive men and firemen appears to have hit the mining and the metallurgical industries in South Wales more

severely than it has others. Two factors are responsible for this. One is the action of a number of the N.U.R. members in with-

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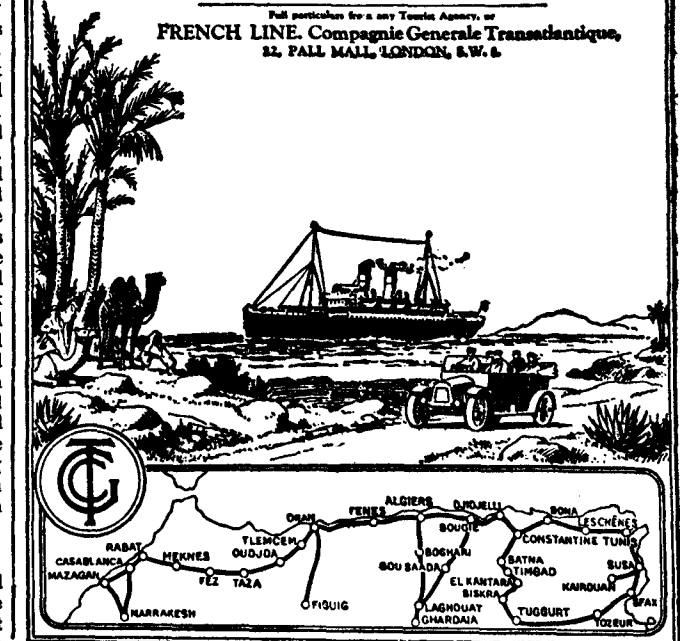
Visiting amongst other places CASABLANCA, RABAT, MARRAKESH (Morocco City), FEZ, FIGUIG, LAGHOUAT, BOU SAADA, BISKRA, CONSTANTINE, TUGGURT, TUNIS, KAIROUAN, TIMGAD, CARTHAGE, The palm-clad OASES of the SAHARA. The snow-capped Atlas. Caravans & Camping in the Desert, etc.

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drawing their labour in sympathy with the members of the A.S.I.E. and F., but the principal cause has been the deprivel of the collieries of transport facilities to the ports. There are no stocking grounds in the coalfield. Storage accommodation is limited to dock, railway, and colliery sidings, and although there are approximately between 130,000 and 140,000 wagons in use in the coalfield, the greater part of these were loaded when the strike began, and the available empties were very quickly absorbed. Moreover, the Great Western Railway Co. gave preference to traffic connected with the movement of foodstuffs and passengers. Employment at the docks was intermittent, and the week's figures will probably show a decrease of at least from 40 per cent. to 50 per cent. in the volume of trade. Under these conditions very little business has been transacted, and prices, while firmer, have not been raised. The approximate current quotations are as follows:—Best Admiralties, 29s to 29s 6d; second Admiralties, 28s 6d to 29s; best dries, 27s to 27s 6d; black veins, 28s to 29s 6d; Western Valleys, 27s 6d to 28s; Eastern Valleys, 26 to 27s 6d; best bunker smalls, 22s to 22s 6d; ordinary cargo smalls, 19s to 21s; coking smalls, 22s 6d to 23s; anthracite big vein large, 39s to 42s 6d; machine-made cobbles, 48s to 52s 6d; French nuts, 51s 6d to 52s 6d; rubble culm, 13s 6d to 14s; inland blast furnace coke at ovens, 30s to 35s; coke for export, 45s to 55s; patent fuel, 30s to 32s 6d; pitwood, ex ship, 28s 6d to 29s. Business in the steel and tinplate markets was also very restricted, and the shortage of engine power led to the damping down of several steel furnaces and the suspension of operations at a number of the tinplate works. Prices were nominally unchanged.

METALS.

Tin exhibited very firm features at opening, values being marked up about 40s from last week's close, in view of higher Eastern cables, smaller stocks, and a good general demand. Later, however, considerable irregularity was noticeable, but dealings were on a liberal scale, including standard cash at £252 5s-£251 5s, £252 5s., and £251 10s, with three months' fluctuating between £253 10s-£251 10s, up to £255 5s and £252 17s 6d. Advances from the East reported sales at £257 5s to £254 5s, c.i.f. terms. At the closing market values gave way, though a fair business passed. Cash, early February, sold £250 12s 6d, and three months £249 10s-£252 15s. English ingots, £251 10s to £252. Copper commenced firmer on higher American cables, reserved sellers, and a fair demand. A further improvement took place during the week, though prices were subject to slight irregularity, due to freer offerings, which, however, were well absorbed. Standard, cash, changed hands at £61 to £62 8s 9d, and three months £61 15s to £63 8s 9d. Electro, £68 5s to £68 15s. Wire bars, £68 15s. Copper barely steady, with dealings confined to early February at £62 7s 6d, and three months £63 7s 6d, £63 5s, and £63 6s 3d. Best selected, £67-£68 5s; strong sheets, £95. Lead irregular, with a fair inquiry at £32 to £31 12s 6d for good, soft foreign pig, as to position, with English quoted at £33 5s. Spelter easier at £35 12s 6d to £34 10s, as to position. Aluminium quiet. Home trade £115, and export £120. Quicksilver quiet, and spot quoted at £9 15s to £9 17s 6d per bottle.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—January 18, 1924.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Same Period 1923.		Same Period 1922.	
						Med.	Fine.	Med.	Fine.
Sea Island.....	d	...	...	...	...	...	...	...	...
Florida do.....	...	...	...	...	...	...	...	...	...
Georgia do.....	...	...	...	...	...	...	...	...	...
Ord. G. O. M.....	...	...	...	...	...	...	...	...	...
American.....	1633/1683/1783/1883/1983/2083	1546/1535/1635/1735/1835	778/768/868/968/1068						
Brazilian.....	Mid. M. F. Fr. G. F. Gd. Fne.	M. F. Fr. Gd. Fne.	M. F. Fr. Gd. Fne.						
Pernambuco, Macao, &c.....	1888/1978/2063	1530/1615	818/1068						
Parahyba, Rio Grande, &c.....	1888/1978/2063	1530/1615	818/1068						
Oceania, &c.....	1888/1978/2063	1530/1615	818/1068						
São Paulo.....	1863/1933/1988	1540/1615	818/1068						
Egyptian.....	Fr. G. F. Fr. Gd. Fne.	Fr. G. F. Fr. Gd. Fne.							
Upper.....	2015/2125/2145/2180/2215	1485/1585/1670	1275/1575						
Sakellaridis.....	2135/2260/2290/2360/2520	1590/1750/1975							
Brown.....	2030/2175/2195/2240/2310	1485/1610/1780	1300/1700						
Peruvian.....	2030/2175/2195/2240/2310	1485/1610/1780	1300/1700						
Rough.....	2030/2175/2195/2240/2310	1485/1610/1780	1300/1700						
Moderately Rough.....	2200/2300/2350	1550/1700	1100/1300						
Smooth.....	2013/2068/2138/2163/2188	1605/1730/1830	843/1168/1343						
Tanganyika.....	2038/2088/2113/2163/2238	1605/1730/1830							
Mt. Kenya.....	2150/2250/2350/2400	1550/1575							
West Indian.....	2200/2400/2600/2700	2000/2600	2400/3000						
Do.....	2200/2400/2600/2700	2000/2600	2400/3000						
Arabian, East, &c.....	1550/1650/1800/1900/2000/2075	1275/1450/1650	825/1025/1225						
Do.....	1913/1923/1933/2013/2063	1480/1555							
East Indian.....	G. F. Fr. Gd. Fne.	G. F. Fr. Gd. Fne.							
Machine Ginned Surtee.....	1570/1610/1680/1690/1730	1255/1295/1375	810/860/950						
Machine Ginned Broach.....	1280/1340/1390/1440/1490/1540	1035/1085/1165	715/790/890						
Machine Ginned Comra. No. 1.....	1300/1350/1400/1450/1500/1550	1045/1095/1175	725/800/900						
Machine Ginned Comra. No. 2.....	1300/1350/1400/1450/1500/1550	1045/1095/1175	725/800/900						
Machine Ginned Chandeleigh.....	1490/1530	995/1045/1125	650/725/825						
Machine Ginned Sango.....	1200/1240/1280/1320/1360/1400	850/900/970	595/645/745						
Machine Ginned Sango.....	1190/1230/1270/1310/1350/1390	840/890/960	585/635/735						
Machine Ginned Sango.....	1785/1785/1805	1475/1515	1010/1060						
Machine Ginned Sango.....	1800/1840/1880/1920	1180/1220	805/855						
Madras, Western.....	1580	1245							
Madras, Northern.....	1580	1245							
M. G. Occomada, Red.....	Fr. 1480								
China, Smyrna, &c.....		1130	840						

MANCHESTER, January 24.

Despite some unfavourable influences, the tone of the market this week has been more hopeful. A considerable inquiry has been dealt with, and in certain quarters the turnover shows an improvement. Business has been helped by the greater stability and hardening movement in raw cotton rates. An extensive demand has come through in piece goods for India, and further encouraging contracts have been placed, especially in light fabrics. Rather more orders have also been given out in grey staples. Buying for China has been irregular, but bleaching descriptions have again moved off in very fair lines. Steady buying has taken place for Singapore and the Straits Settlements. The offtake for the Near East remains disappointing. Finishing cloths continue to attract more attention for the Continent and South America. American yarn quotations have been firmer, with a rather better turnover. There has been some improvement in the total sales in Egyptian spinnings.

(I.) Comparative Statement of the Cotton Trade.

	Price, Jan. 24, 1924.	Previous Weeks in 1923-24.				
		Price, Jan. 17, 1924.	Price, Jan. 10, 1924.	Price, Jan. 3, 1924.	Price, Dec. 27, 1923.	Price, Dec. 20, 1923.
Raw Cotton—Fully Mid. American .. per lb	19.75	19.54	19.85	20.12	21.28	20.05
— Sakellaridis Fully Good Fair Egyptian .. per lb	23.35	23.00	23.10	23.25	24.30	22.90
Yarns—32's twist .. per lb	25.5	25.5	27.1	28	28.1	28
— 40's twist .. per lb	26.5	26.5	27.1	28	28.1	28
— 60's twist (Egyptian) .. per lb	36	36	36.1	37	38	37
32-in. Printers, 11s yds, 16 by 16, 32's and 50's ..	38.3	38.3	38.9	39.3	39.9	39.0
32-in. Shirtings, 7s yds, 16 by 16, 32's and 50's ..	42.0	42.0	42.3	42.9	43.3	42.6
38-in. ditto, 3s yds, 16 by 16, 10 lbs ..	22.0	22.0	22.6	22.9	23.9	22.6
39-in. ditto, 3 1/2 yds, 16 by 15, 8 1/2 lbs ..	20.0	20.0	20.6	20.9	21.9	20.6

(II.) Compared with Previous Years.

	Price, Jan. 24, 1924.	Corresponding dates in				
		1923.	1922.	1921.	1920.	1919.
Raw Cotton—Fully Mid. American .. per lb	19.75	16.63	10.07	9.83	20.91	18.25
— Sakellaridis Fully Good Fair Egyptian .. per lb	23.35	18.25	17.00	21.0	75.00	27.30
Yarns—32's twist .. per lb	25.5	22.1	17.3	23	58.1	29.1
— 40's twist .. per lb	26.5	22.1	17.3	23	58.1	29.1
— 60's twist (Egyptian) .. per lb	36	28.1	22.1	30	121	62
32-in. Printers, 11s yds, 16 by 16, 32's and 50's ..	38.3	32.6	28.6	41	61	56.0
32-in. Shirtings, 7s yds, 16 by 16, 32's and 50's ..	42.0	35.0	28.6	38	0	53.0
38-in. ditto, 3s yds, 16 by 16, 10 lbs ..	22.0	19.6	17.9	23	0	32.6
39-in. ditto, 3 1/2 yds, 16 by 15, 8 1/2 lbs ..	20.0	18.0	17.0	21	0	26

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—On account of bad light on Wednesday there was no sale in Coleman Street that day, but the good demand for wool on the opening night of the series showed quite clearly that the raw material position has lost none of its strength since the close of the December auctions. The course of trade at Hull and Liverpool in the interval had prepared buyers for a strong market, and the advances recorded are quite in keeping with what were expected. It is significant, however, that wool in the colonies is still above the London parity, and the general opinion seems to be that values will be maintained for the remainder of the season. Bradford topmakers had already discounted the advance in London prices, and quotations to-day are steadier than for some weeks past. In some cases topmakers are not prepared to consider business under current replacement costs, and their quotations are manifestly protective, for it is still an outstanding anomaly in the trade that neither in tops nor in yarns are selling prices in harmony with the cost of wool. However, a nice steady business is being done, and firms in the fortunate position of having stocks of tops made from wool bought some time ago are generally prepared to sell when they can see a profit on their raw material purchases. Cross-breeds continue to move freely, but prices in the primary markets are well above the ideas of Bradford users. This is especially noticeable in the case of B.A. cross-breeds, which are now even higher than New Zealand wools. Most spinners are fairly well employed, though the position in the botany section still leaves something to be desired. Some firms report difficulty in obtaining particulars against recent orders, apparently the result of speculative buying. Yarn quotations are very firm, with a hardening tendency. There is rather more doing in the piece goods trade, but manufacturers and merchants are finding increasing difficulty in passing on the increased cost of production.

NATIONAL PROVIDENT INSTITUTION

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COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The first series of London sales for this year commenced last Tuesday. Something like 170,000 bales are available, and a good series is expected. The railway strike somewhat affected the attendance on the opening day, but a very good spirit was in evidence, and a brisk sale ensued. The trade generally expected to see a 10 per cent. advance in merinos, but undoubtedly the slump in the franc was to a large extent responsible for the improvement, being no more than 5 to 7 1/2 per cent. French buyers frankly admitted having lower limits than they expected, and naturally they are trying to buy wool to come in at no more clean scoured than it would have cost a fortnight ago before the slump in the currency. However, the home trade was very strongly in evidence, the good straight topmaking wools appreciating the most. Short, fine Continental style wools only advanced 5 per cent. for the reason already given. Among the cross-breeds there was the same home trade onslaught that was witnessed at Liverpool and Hull, but there was less appreciation than many expected. Fine cross-breeds advanced to and medium and coarse cross-breeds to 15 per cent., these figures comparing with the advance which took place at Liverpool last week. It is satisfactory that buyers have not lost their head. There is absolutely no necessity for cross-breeds to advance any further, the real need being for trade in yarns and pieces to improve.

VEGETABLE OILS AND OILSEEDS.

Linseed oil has continued a very firm market, and prices have further advanced for oil on spot and in near positions, which are still at a good premium over later delivery. Oil for immediate delivery is very scarce, but with recent arrivals of seed and considerable quantities afloat the pressure will soon be relieved. Spot oil has advanced to £44 per ton naked ex Hull mill, and is nearly £4 more than that quoted for February. A good business is reported on account of home consumers up to April. Cotton oils have been more active, with a good inquiry for crude Egyptian, which is firmly held for £43 10s, while for soapmakers' grade of refined £44 is quoted. English soya bean oil is scarce and firm.

HIDE AND LEATHER TRADES.

(BY OUR OWN CORRESPONDENT.)

The hide market is again firmer all round, and owing to the transport difficulties caused by the railway strike, supplies have been below normal this week. Best ox sold from 6 1/2d to 8 1/2d at Thursday's Bermondsey auctions—an advance of 1/2d on last prices. Seconds were firm at 6 1/2d to 7 1/2d, two classes advancing 1/2d. Best cows brought 6 1/2d, and seconds 6 1/2d to 6 1/2d. Calfskins also shared in the advance, 6 1/2d being paid for heavy weights up to 13 1/2d for lights, two classes advancing 1/2d per lb, and 7 1/2 lbs a penny. Wools sold from 7s 6d to 15s each, and hogs from 4s 6d to 18s each. Large sales of overseas hides have been made on American and Continental account, British tanners abstaining from the rising hide market as much as possible. U.S.A. tanners have paid from 9d to 9 1/2d for Argentine and Uruguayan ox, whilst the Continent has paid as high as 10 1/2d for Fray Bentos frigorificos. Dry hides are active, with prices advancing. This week's cables from New York report the Chicago position as strong, with 14 1/2 cents being paid for native steers. Tanning materials are also a strong market, partially owing to the good demand from the Continent.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, January 25th.

SUGAR.—This market remained generally slow, with demand both on grocery and manufacturing account measured by wants on immediate necessity, but with only a small weight of supplies of offer, prices maintain a steady level. Messrs Tate and Lyle's cubes, 63s to 64s; granulated, 61s 1/2d to 61s 7/4d, as to quality; February delivery, 61s; March, 60s; yellow crystals, spot, 56s 7/4d. White Java, spot, 58s 3d to 58s 6d; May-June, steamer, 59s to 59s 6d. 25s 6d. Czecho granulated, spot, 59s 6d; Dutch ditto, 59s to 59s 6d. Raw refining kinds firm and offered with reserve. White Terminal market steady, quiet. January, sold, 30s 9d; March, 28s 7/4d to 29s 3d; May, 27s 9d to 28s 3d; August, 27s 3d to 27s 9d cwt.

COFFEE.—The market remains very firm for all mild descriptions, which are in small supply and wanted. Costa Rica kinds fully 5s per cwt dearer on the week. Jamaica, bold sizes of mountain-grown, sold, 170s to 174s; peas, 172s; Costa Rica, bold, 146s to 164s 6d; peas, up to 163s; Nairobi, bold, sold up to 139s 6d; Uganda, ditto, 128s 6d.

COCOA.—Market steady on spot, and 1,500 bags, summer Ariba, sold, 85s to 90s; Accra, F/F quality, February-April, sold, 31s 6d to 32s 3d, f.o.b. terms.

TEA.—58,300 packages Indian were submitted to auction this week, and with a brisk demand for the finer liquoring descriptions, these and fetched steady prices, but medium and common teas tended in buyers' favour. 19,250 packages Ceylon cleared readily at full to dearer rates for the finer parcels, while inferior teas commanded Java full values. China teas remain slow of sale. 3,500 packages Java and Sumatra offered in auction met a strong demand at full to occasionally dearer rates for all suitable parcels. Pekoe, sold, 1s 3 1/2d to 1s 5 1/2d; broken ditto, 1s 1 1/2d to 1s 8 1/2d; orange pekoe, 1s 5 1/2d to 1s 6 1/2d; broken orange pekoe, 1s 2 1/2d to 1s 5 1/2d; with fine and finest from 2s 0 1/2d to 2s 6 1/2d; pekoe souchong, 1s 3 1/2d to 1s 4 1/2d per lb, in bond.

RICE.—Eastern grain fully steady, and shippers offer sparingly. Two Stars Rangoon, spot, 16s 9d to 17s; Spanish, for shipment, 20s 6d, c.f. an. l. London. Japanese peas, spot, 2s 9d per cwt.

SPICE.—Pepper steadily held, but there was not much response from buyers. Black Singapore, February-April, L.S., quoted 48d. Lampong ditto, 4 1/2d; Muntok, January-March, 6 1/2d; February-April, 7d; March-May, 7 1/2d. Zanzibar cloves, January-March, 1s 2d. Pimento, spot, 2 1/2d per lb. Tapioca steadily held, but demand is rather quiet. Sago flour, January-March, 16s 3d. Desiccated coconut, fine cut, spot, 45s 3d; medium, 47s 3d per cwt.

JUTE.—With depressing cable advices to hand from Calcutta, the market developed a quiet and easier state of affairs. First grade, January-February, Continent, quoted £26 7s 6d; February-March value, £26 15s; March-April, sold, £27 2s 6d to £26 17s 6d and £27 2s 6d per ton. Hessians and twills dull. 10-oz Hessians, February-March, 28s 9d; 8-oz ditto, 22s 9d per 100 yards. A twill, February-March, 87s; B ditto, 77s; sugars, 87s 6d; flour, 91s per 100 bags.

HEMP.—Manila held steadily, but buyers were not frequent. J grade, January-March, quoted £34 10s; K, £26 15s; L, £15 15s; and M, £24 ton. New Zealand, also African Sisal, quiet, unaltered.

SHELLAC in quiet request. T.N., March, 267s 6d; May, 265s cwt.

COPRA.—A fair business was carried through, but general tone of the market was again unsettled. F.M.S., Straits, January named steamer to Rotterdam, sold, £32; November-January quoted £31 7s 6d; December-February sold, £31 5s to £30 15s; January-March, £30 17s 6d to £30 7s 6d; February-April, £30 10s to £30. Dutch East Indies, December-January done £31 12s 6d; December-February, £31 5s, £30 10s; January-March, £30 16s 3d, £30 3s 9d. Java, January-February, Antwerp, £31 10s; Ceylon, January-February, quoted £34 10s; Cebu, ditto, £31 5s; South Sea Islands, ditto, £30 10s; ditto, Plantation, steamer named, sold, £31 10s. Palm kernels, February-April, Liverpool, sold, £21 7s 6d to £21 10s and £21 5s ton.

RUBBER.—There was no new feature to note in this market, business being on a moderate scale, at prices showing no essential change. Standard plantation crepe and sheet, spot, also February delivery, sold, 1s 2d; March, 1s 2 1/2d; April-June, 1s 2 1/2d to 1s 2 3/4d; July-September, 1s 2 1/2d to 1s 2 3/4d. To New York, standard estate sheet, February-March, buyers, 1s 2 1/2d per lb, c.f. and i. terms, with business done at a fraction over this figure. Wild descriptions quiet, unaltered.

FRUIT (Dried).—The market continues very firm, owing to outside demands and generally short stocks. Of curran's, Australian, quoted 53s; Pyrgos, 4 cases, 43s; Amalia, 46s; Patras, 50s; Vastizza, 58s to 70s. Sultanias: Smyrna, quoted 62s to 66s; fine, 80s to 85s; finest, 95s to 100s; Australian, 56s. Valencia raisins, 4-boxes, 50s; quarters, 60s to 80s. Dates quiet but steady, at late prices. Hallowee, spot, 26s; Khredrowie, 19s; Siar, 15s 6d. Figs, genuine natural, in bags, 34s to 38s. Evaporated fruits: With regard to apricots, pears, and peaches, all low grades have now been cleared, and only fine parcels are available. Californian extra choice apricots, 95s; fancy, 102s; apple rings, 75s to 80s; French plums, 4 cases, 50/95, quoted 36s; 81/86, at 41s; 72/77, 47s; Oregon, 40/50, at 58s per cwt.

CANNED GOODS.—The market displayed general steadiness, and a good demand was experienced for most lines. Of sardines, Portuguese, 4 cases quoted 2s 9d to 3s 3d; ditto, 12-oz, 5s 6d to 6s 6d; 18-oz, 9s to 11s per dozen tins. Lobster quiet, and prices again weaker. Fancy halves quoted 130s to 135s. Salmon, 1 lb flat reds, labelled, 55s; ditto, tall, 43s; cases of 96 1/2-lb, fine quality, 66s; 1 lb flat pink, 27s; ditto, tall, 26s; and cases of 96 1/2-lbs 23s to 30s per case. Canned fruits continue to meet a good reception, and a steady tone governed the market. Singapore pines (48) 1 1/2 lbs, spot, 6s 1/2d; Hawaiian slices, 2 1/2 lbs, 10s to 16s 6d; Californian apricots, 8s to 11s; ditto peaches, 9s 6d to 13s; pears, 12s 6d to 15s; Australian apricots, 2 1/2 lbs, 8s 6d; ditto peaches, 8s 9d; tomatoes, Italian, 6s 9d per dozen tins. Canned meats steady, with only moderate quantities on offer.

OILSEEDS.—Linseed in good demand and prices firm. Indian: Bombay, afloat, quoted £24; small Bombay, ditto, £23 5s; Calcutta, afloat, £23 5s; December-January, £22 5s; April-May, £19 10s. Plate, December-January, sold up to £19; January-February, £17 17s 6d to £18 5s; April-May, £18 to £18 5s. Rapeseed quieter. Toria, December-January, £20 5s; January-February, sold, £19 15s; February-March, £19 5s; and Jamba, January-February, £15 5s. Cottonseed steadier. Egyptian black, January, £13 15s. Sakellaridis, sold, £12 8s 9d to £12 10s, Hull. Bombay, January-February, £10 12s 6d; February-March, £10

MIDLAND BANK LIMITED

ESTABLISHED 1836

Authorised Capital - - £45,200,000 Paid-up Capital - - £10,860,852
Subscribed Capital - - 38,117,103 Reserve Fund - - 10,860,852

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OVER 1,740 OFFICES IN ENGLAND AND WALES.

Joint General Managers: R. RICHARDS, H. MARE, J. G. BUCHANAN, E. T. PARKES.
BALANCE SHEET, 31st December, 1923.

LIABILITIES		ASSETS	
£	s. d.	£	s. d.
Capital Paid up, viz.:-		Coin, Bank and Currency Notes and Balances with the Bank of England	54,298,125 16 8
2,869,079 Shares		Balances with, and Cheques in course of Collection on other Banks in Great Britain and Ireland	14,959,762 6 7
of £12 each,		Money at Call and Short Notice	16,187,865 10 11
£2 10s. 0d. paid 7,172,697 10 0		Investments:-	
1,475,262 Shares		War Loan (£428,067 10s. lodged for Public and other Accounts), War Bonds and other Short dated British Government Securities	40,010,475 16 2
of £2 10s. 0d.		Stocks Guaranteed by the British Government and Indian Railway Guaranteed Debentures	971,360 15 0
each, Fully paid 3,888,155 0 0		British Corporation Stocks	327,411 11 2
		Colonial and Foreign Government Stocks and Bonds	467,647 6 11
Reserve Fund	10,860,852 10 0	Sundry Investments	113,272 9 0
		Bills Discounted	58,418,747 13 8
Dividend payable on 1st February, 1924	757,544 9 2	Advances to Customers and other Accounts	185,784,369 6 1
		Liabilities of Customers for Acceptances and Engagements	188,787,731 14 2
Balance of Profit and Loss Account, as below	797,069 1 6	Bank Premises at Head Office and Branches	36,552,606 12 1
		Belfast Banking Co. Ltd.	5,492,249 16 8
		Shares:- 200,000 of £12 10s. each, £2 10s. paid	
Current, Deposit and other Accounts	360,287,722 6 3	The Clydesdale Bank Ltd.	£3,487,500 0 0
		Shares:- 100,000 of £50 each, £10 paid	
Acceptances and Engagements on account of Customers	36,552,606 12 1	Less part Premium on Shares in this Bank issued in exchange	2,227,810 0 0
			3,259,690 0 0
		The London City & Midland Executor and Trustee Co., Ltd. Shares:- 200,000 of £5 each, £1 paid, plus 10s. premium	300,000 0 0
			£420,096,647 9 0
			£420,096,647 9 0

Dr.		Cr.	
£	s. d.	£	s. d.
To Interim Dividend at the rate of 18 per cent. per annum, less Income Tax, paid 14th July, 1923	745,326 0 1	By Balance from last Account	788,967 4 6
" Dividend at the rate of 18 per cent. per annum, less Income Tax, payable 1st February, 1924	757,544 9 2	" Net profits for the year ended 31st December, 1923, full provision having been made for Rebate, Expenses and all Bad and Doubtful Debts	2,210,972 6 3
" Reserve for Future Contingencies	300,000 0 0		
" Bank Premises Redemption Fund	400,000 0 0		
" Balance carried forward to next account	797,069 1 6		
	£2,999,939 10 9		£2,999,939 10 9

R. MCKENNA, *Chairman.* W. G. BRADSHAW, S. CHRISTOPHERSON, MILNER, *Deputy-Chairmen.* F. HYDE, E. W. WOOLLEY, *Joint Managing Directors.*

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF THE MIDLAND BANK LIMITED.

In accordance with the provisions of Sub-section 2 of Section 113 of the Companies (Consolidation) Act, 1908, we report as follows:- We have examined the above Balance Sheet in detail with the Books at Head Office and with the certified Returns from the Branches. We have satisfied ourselves as to the correctness of the Coin, Bank and Currency Notes and Balances with the Bank of England, Balances with, and Cheques in course of Collection on other Banks in Great Britain and Ireland, and Bills Discounted, and have verified the correctness of the Money at Call and Short Notice. We have also verified the Securities representing the Investments of the Bank, and having obtained all the information and explanations we have required, we are of opinion that such Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us and as shown by the books of the Company.

WHINNEY, SMITH & WHINNEY, CHARTERED ACCOUNTANTS, Auditors.

AFFILIATIONS:

BELFAST BANKING COMPANY LIMITED
THE CLYDESDALE BANK LIMITED
THE LONDON CITY & MIDLAND EXECUTOR & TRUSTEE CO. LTD.

FEBRUARY 2, 1924.

The Economist,

WEEKLY COMMERCIAL TIMES,

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SATURDAY, FEBRUARY 2, 1924.

No. 4,197.

CENTENARY 1924.

ALLIANCE

ASSURANCE COMPANY, LIMITED.

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2.

ASSETS EXCEED £25,000,000.

Chairman: CHARLES EDWARD BARNETT, Esq.

The Alliance grants Insurances of all kinds.

LIFE DEPARTMENT.

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O. MORGAN OWEN, General Manager.

Centralbanken for Norge

Christiania, Norway.

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Tho. Joh. Heftye & Søn

(Established 1769).

Sev. Chr. Andersen.

(Established 1845).

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Reserve Lire 100,000,000

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Managers { D. A. HORNER.
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THE MONEY MARKET.

ALTHOUGH tightness of funds in the short-loan market can no longer be attributed to the railway strike, there has been but little relaxation, owing, no doubt, to the incidence of the end of the month and heavy payments on revenue account. On Friday, with the turn of the month, conditions became easier, but until then 3 per cent. had been a common rate for fresh day-to-day loans, with renewals running at 2½-3 per cent. The discount market

has been very quiet, though the tendency has grown easier as the week progressed on expectations of more plentiful funds in the loan market after the turn of the month. Three months' fine bills, from being quoted at a very firm $3\frac{3}{8}$ per cent., became quite easy at that rate on Thursday, while after the Treasury bill allotment of Friday they were not better than $3\frac{5}{8}$. The banks have not been keen buyers of short-dated Treasury bills, and this fact has contributed to the firmness.

	Feb. 1, 1924.	Jan. 25, 1924.	Jan. 11, 1924.	Jan. 4, 1924.	Previous Rate and Date Changed.
Bank Rate	4	4	4	4	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$1\frac{1}{2}$ (Jly. 5, '23)
Market rate (3 months' bills)	$3\frac{5}{8}$	$3\frac{7}{8}$	$3\frac{7}{8}$	$3\frac{7}{8}$	..

The Bank return showed the large increase in the circulation on the week of £1,390,400, presumably in preparation for the end of the month, and with the bullion only £2,900 higher, the Reserve was £1,387,500 lower. Repayments to the Bank were reflected in declines of £1,520,000 in Government securities and of £1,639,200 in Other securities, while Public deposits rose by £2,636,700, tax collections evidently having exceeded disbursements and repayments, and Private deposits suffered a contraction of £7,140,200. In spite of the reduction in liabilities, the ratio of Reserve was 0.4 lower at 17.5 per cent. Currency notes outstanding were increased this week by £990,100 to £279,903,600, which includes £1,422,900 for notes called in, but not yet cancelled. The fiduciary issue is £229,030,800, or £19,160,100 below the maximum.

THE STOCK MARKETS.

In many directions, and for most of the time, the stock markets have enjoyed this week a repetition of the happy experience of last week, when activity and the upward movement of prices were resumed in such striking fashion. There has been some profit taking, and the effect of the bear covering has been removed, but the influx of public support for investment securities prevented these factors from bringing about reaction. Movements in the gilt-edged markets were mostly upwards. In the foreign market French bonds threw off some of their depression, while the gambling in German and Russian bonds quietened down. Colonial stocks were firmer, in spite of the new Rhodesian issue. Home Rails rose on the strike settlement, but fell back on fears of dock and other disputes, while Argentine Rails spurted. Oil shares scored sharp early advances that were not held. Industrial markets generally were cheerful. Rubber shares remain quiet, if a trifle firmer, and in the mining sections Kaffirs enjoyed a strong demand from the Cape for favourite issues.

THE COMMODITY MARKETS.

With the settlement of the strike, conditions were soon practically normal on the Cardiff coal market; for prompt shipment supplies are scarce and prices have hardened. There is an easier demand for pig-iron on account of prospective labour trouble and foreign competition. Business in steel is quiet, but works are still fairly well supplied with orders. Tin again registered an improvement, but copper declined. Wheat prices are unchanged, but the market is very firm. Vegetable oils have advanced. Rubber was fairly steady, and a moderate amount of business done is reported. The sugar market was firm, and prices advanced. Tea and coffee were in demand. Although the recent increased activity in the cotton trade has somewhat lessened, the general tone of the market is good. The course of the wool trade continues to be governed by the extraordinary strength of the world's wool markets; under keen competition, the price of the raw material is steadily moving upward. The hide market continues firm.

FOREIGN EXCHANGES.

For the greater part of the week the foreign exchange market has continued in a hesitating mood, but the last few days have shown the beginnings of a return of confidence, encouraged partly by a more sober view of the activities of the Labour Government and by increasing optimism, not as yet justified by concrete results, as to the activities of the expert committees in Berlin. From a closing rate of \$4.22 $\frac{1}{2}$ on the 25th, the dollar sagged again a little on Saturday, but moved up to as high as \$4.27 $\frac{1}{2}$ on the 29th. A small reaction on Wednesday was followed by a sharp recovery late on Thursday to a closing price of \$4.29, and yesterday morning the rate was again higher at \$4.30 $\frac{1}{2}$. Although it is hardly to be expected that sterling will continue to recover at this rate without occasional reactions, there should be nothing in the way of a further improvement apart from some new political factor. Forward rates at $\frac{1}{2}$ cent per month above spot remain the same as last week. The Paris rate, which closed at 94.05 on the 25th, and reached 94.50 on the following day, has since then at times been down as low as 91.40, but has not quite kept pace with the last recovery in sterling, and stood yesterday morning at 92.15. The new measures of taxation are still being discussed, and in the meantime the latest return of the Bank of France shows an increase both in note circulation and in advances to the Government. Brussels has moved from 104.25 to 104.05, after being as high as 104.80. Forward rates in Paris are now 18 centimes per month above spot, in Brussels they are 6 centimes per month below. The lira, after its long steadiness, was weak, and has moved up during the week from 97.50 to 98 $\frac{3}{4}$. Berlin, as usual lately, has remained steady at 18,000 milliard, the optimism as to the work of the expert committees not being allowed to influence the rate. Among neutral currencies, Amsterdam, in sympathy with the dollar, has moved up sharply, from 11.39 $\frac{1}{2}$ to 11.48 $\frac{1}{2}$, and Switzerland has also gone in our favour, from 24.51 $\frac{1}{2}$ to 24.79 $\frac{1}{2}$, while Madrid has risen from 33.31 to 33.59 $\frac{1}{2}$. In Scandinavia, Stockholm, after moving sharply against us for some unexplained reason to as low as 16.20, has now reacted to 16.39 $\frac{1}{2}$, as compared with 16.31 $\frac{1}{2}$ a week ago, while Denmark, which has still not settled its stabilisation plans, has moved up from 26.02 $\frac{1}{2}$ to 26.42 $\frac{1}{2}$, and Christiania from 30.70 to 31.63 $\frac{1}{2}$. Helsingfors, at 171, has moved in our favour, and Riga has followed the dollar to 21.90. In Eastern Europe, Warsaw, where plans for the bank of issue are being pushed forward rapidly, shows this week actually a small improvement to 39 millions. Vienna, with the dollar, has gone in our favour, from 300,500 to 303,000, while Prague has also risen from 146 to 148 $\frac{1}{2}$. Bucharest, at 840, shows a further slight appreciation, but Athens has reacted sharply on the news of M. Venizelos' illness. In the East the rupee is cheaper at 1s 5 5-32d, as compared with 1s 5 15-64d a week ago, and the yen at 2s 1 $\frac{1}{2}$ d is also about $\frac{1}{2}$ d cheaper. Silver has fallen somewhat with the improvement in sterling, and business has been very quiet. At 2s 3 $\frac{1}{2}$ d Hong Kong is $\frac{1}{2}$ d cheaper, and Shanghai has fallen from 3s 4 $\frac{1}{2}$ d to 3s 3d. In South America Rio has improved from 6 $\frac{1}{2}$ d to 6 $\frac{3}{4}$ d, but Buenos Ayres has reacted from 42d to 41 $\frac{1}{2}$ d, and Monte Video is 1d cheaper at 44d. Valparaiso, after some depreciation, stands at 40.80 pesos, as compared with 40.90 a week ago.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended January 26th:—

EXPENDITURE.		RECAPIT.	
	£		£
Supply Services	6,291	From Revenue	18,438
Interest, &c., on Debt	806	Decrease in balances	2
Sinking Fund	500		
Road Fund	786		
Sundries	709		
Reduction of Debt	9,348		
	18,440		18,440

Revenue was lower for the week ending January 26th at £18,438,000, against £19,461,900 last year. Customs receipts were practically level at £2,675,000, against £2,677,000, but Excise was £619,000 higher at £1,744,000. Estate Duties reached only £850,000, against £1,730,000. Property and Income-tax yielded £8,328,000, and Super-tax £1,830,000, against a com-

bined total of £10,174,000. Post Office receipts were up £250,000 at £1,250,000, and Special Receipts were nil, against £388,000. The week's operations reduced the National Debt by £9,348,000, and caused the following changes:—

(000's omitted.)	
Treasury Bills	+ 132
Sundries	+ 70
	+ 202
Public Departments	— 9,550
	— 9,550

The floating debt was reduced by £9,375,000 to £826,540,500.

FINANCIAL YEAR, 1923-24 (April 1 to January 26, 1924).

£		£	
Total Expenditure ..	637,133,674	Raised by Revenue ..	610,675,783
		Net Borrowings	22,943,375
		Decrease in Balances ..	3,514,516
Total	637,133,674	Total	637,133,674

ESTIMATES FOR YEAR 1923-24.

£		£	
Ordinary Expenditure ..	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Company Meetings of the Week.—On later pages will be found the reports of the following companies:—National Provincial and Union Bank of England, Bank of Liverpool and Martins, Williams Deacon's Bank, Union Discount Company of London, National Mutual Life Assurance Society, Metropolitan Trust and Mortgage Company of the River Plate. The bank meetings are referred to on other pages. At the National Mutual meeting Mr J. M. Keynes, C.B., dealing with the quinquennial, announced a record surplus of 28.8 per cent. of the liabilities. Mr James Anderson at the Mortgage Company of the River Plate meeting said that despite adverse circumstances the dividend of 15 per cent. was maintained. Mr Robert Fleming at the Metropolitan Trust meeting dealt lucidly with the considerations affecting the question of dividends of a trust company.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

SOME LESSONS OF THE STRIKE.

THE settlement of the railway strike, which was effected in the early hours of Tuesday morning, came just in time to prevent the rapidly increasing dislocation of business from reaching a stage where it would have entailed a prolonged check to the trade recovery, which has recently been in steady, if slow, progress. A perusal of the settlement terms (which we set out in a later column) is sufficient to confirm the opinion, which we expressed last week, that of all the big strikes of recent years this was the most foolish and unjustifiable. In other big strikes, involving a hold-up of the nation, the men, whether right or wrong, have fought for an important matter of principle, and their victory or defeat closely touched the lives of millions. But in the case of the strike which closed in the early hours of this week no important principle was involved, the actual number of men seriously affected by the settlement terms was almost ridiculously small, and the adjustments were such as could surely have been reached by conference. That the whole country should be plunged into dislocation by a dispute on such comparatively trivial issues is inexcusable. To view the strike from another aspect, it has revealed once more in an acute form the jealousy and the clash of interest between the craft unions and the unskilled unions, the existence of which so frequently obstructs conciliation and from time to time threatens to split the Labour movement.

Unfortunately the relief caused by the railway strike

settlement is tempered by anxiety over the approach of other labour disputes, each of which threatens a serious national hold-up. The dockers, who have been harbouring discontent and biding their time since their strike fiasco of the summer, threaten a national strike in all the ports early in February unless certain large demands are granted. These demands include decasualisation of dock labour and wage advances, ranging from 2s to 2s 6d per day. Then the coal miners have by an overwhelming ballot given notice to terminate the present agreement in April. In the coal dispute, as our Labour correspondent fully explained last week, a principle is at stake, as it is in the dock dispute. But when it comes to the question of solid support for a strike by the rank and file it is usually the question of wages which becomes the dominant factor. We do not propose at this juncture to discuss the merits of either case, except to emphasise our opinion that to abandon the main principles of publicity and profit-sharing under which the mines are at present worked would be a great disaster. But it is exceedingly important, with these strike threats approaching, that employed and employers alike should firmly grasp in their minds the fundamental facts about the present economic condition of the country, which govern the fortunes of both. The main fact is that the trade expansion which has been proceeding for several months, and will continue if industrial peace is preserved, has so far been achieved without inflation of currency and credit, without any serious rise in prices, and without the creation of any artificial conditions which lead to future trouble. It is obviously to the interest of every section of the nation that this gradual return to prosperity should proceed, as it has begun, steadily on an even keel, without the jolts and jars that, for instance, accompanied the boom of 1920. It is perfectly natural that the workers, when they see better times returning, should be on the *qui vive* to obtain in the shape of wage increases their proper share of the improved earnings of trade and industry. But it is also of first importance that they should not allow their natural and proper aspirations to outstrip in pace the actual trade improvement, or take an exaggerated view of that improvement, because the wish is father to the thought. In pre-war days, whenever trade improvement was making slow and steady headway, as it is to-day, the subject of full-dress negotiations between employers and employed used to be whether an industry could stand very modest increases in wage scales. The boom years have produced, unfortunately, a different psychology. In the Labour mind the picture of gradual wage advance in consonance with slow economic progress has given way to that of jumping prices and soaring wages, which came to a climax in 1920. But the conditions of unstable boom are just what this country does not want to renew. The hope for the progressive return of prosperity lies in the steady continuance of that expansion of which we have spoken. If wages and prices are to rise by leaps and bounds, then the improvement will be based upon unstable foundations. These reflections are forced particularly upon us by the size of increase in wages demanded by the dockers, which whatever may be the merits of the particular case, certainly smacks of the 1920 atmosphere.

But we would add at once that it is not only the workers who have to adapt their ideas to actual conditions. This task is equally binding upon employers. What is sauce for the goose is sauce for the gander. If workers are to exercise that restraint in their demands which is necessary if progress on an even keel is to be maintained, employers equally must rid themselves of the idea that the swollen profits of 1920 can, or should, be repeated. The statistics of industrial profits which we published in our issue of January 12th show that British industry taken as a whole has returned to the stage where a reasonable return is earned by capital. Any increase in that return must come, like increases of wages, out of the common fund which, given industrial peace, a slow return of activity will provide; but with both sides, with Capital as with Labour, there must be resignation to a slow and gradual increase in their respective shares, otherwise the now steady progress will turn into a series of jolts and jars, and end, almost inevitably, in back-sliding.

One other point about the Labour position that must be taken into account is the psychological effect upon the wage-earning community of the accession to office of the first Labour Government. It is perhaps inevitable that trade unionists should be led to hope that, with a Government in power containing their most prominent leaders, their demands will be launched under favourable auspices. This feeling may easily contribute towards raising such demands beyond the level at which they would otherwise have given satisfaction. This psychology, though natural, is, we believe, quite mistaken. We see no reason for thinking that Mr MacDonald and his colleagues will use their influence to obtain undue concessions to those who attempt to hold up the life of the country by unreasonable demands or on trivial issues. Indeed, their attitude towards the railway strike suggests the contrary, and the eager work of the Government's trade union element, first to prevent and then to curtail that strike, is a reminder of the immense blow which the new Government stands to suffer politically if its *régime* is initiated with a series of strikes, which would hold up the nation's economic life and check the progress of recovery, which can only be maintained if all sections of the community will concentrate their minds on the necessity of hard work and a moderate return, and limit their ideas of the pace of betterment to the level of economic fact and expediency.

FRANCE AND BRITAIN.

WHEN Mr Bonar Law came into power some 15 months ago, hopes of a settlement between England, France and Germany ran high. The new Prime Minister seemed to be free from the taint of suspicion which attached to every action of his predecessor, and for a short time a new atmosphere was created more favourable to mutual understanding. These hopes were common to both England and France. Unhappily, they were doomed to speedy disappointment, and the solidity of French opinion after January on the Ruhr question was, in part at all events, due to the reaction from these high hopes. It would seem at first sight that with a Labour Government in power in England the prospects of a better understanding can hardly have been improved; for the policy of France and of M. Poincaré in particular have been the subject of the severest criticism during the recent election from Labour platforms all over the country. Much water has, however, flowed under the bridges since a year ago, and it is a fact that the new *régime* in England coincides with the revival of something like the same hopes that were entertained at the end of 1922. It is not very easy to analyse the reasons for this feeling, or to find any more solid foundations than that the wish is father to the thought. But whether it is the retirement of certain British statesmen who have aroused distrust; the sitting of the Expert Committees, of whose work in some quarters the most optimistic, and we fear exaggerated, hopes are held in Paris, or, what is perhaps the most important influence, the logic of events, the fact remains that the next phase of the eternal problem is being actively discussed, and that the desire of France for the moment is to see if there is not some other way than that which leads to her isolation.

In examining the position the question of first importance is the internal situation across the Channel. In the first place there seems very little doubt that beneath the surface of public life there is a fairly strong drift of opinion towards the Left—a drift indicated by the results of certain recent by-elections. It would be incorrect to assume that this tendency indicates any weakening of M. Poincaré's personal position, or a definite change of view towards his foreign policy. In the eyes of France as a whole M. Poincaré has stood between her and a strong and threatening Germany when her Allies had fallen away from her. To take up a position of fundamental opposition to him is still regarded as a defeatist attitude, and as yet there is very slight sign of public doubt as to whether M. Poincaré's line is that which will give France her greatest security. The drift to the Left is rather to be explained by

internal politics. The opinion of Frenchmen towards social, economic and political questions in general has moved forward like that of other countries both before and since the war. But the Parliament elected four years ago has been one of the most extremely conservative of modern times. On a number of questions political feeling is keenly aroused. On the Catholic question, for example, the Government has allowed the law to be evaded by permitting the return of a number of Catholic communities. It is said that the schools in France are being neglected, and it is undoubtedly the case that the teachers are badly paid and are drifting fast into the Socialist camp; while recently working-class opinion has been aroused by the movement to abolish the eight-hour day. Symptoms of this internal conflict are more apparent than at any time since the war to the casual visitor to Paris, who will see on the hoardings propaganda posters such as that which depicts a perspiring and exasperated gentleman with a livid green face and a telephone received to his ear, and declaring that "one telephone by the sweat of one's brow because the telephone service is run by the State." On these and many other questions the ashes of old controversy are beginning to kindle. The drift to the Left has not been unobserved by M. Poincaré, who has endeavoured to maintain his personal position by carefully refraining from committing himself on all such issues. But the Republican bloc, which regards him as their greatest electoral asset in the coming fight, have been equally anxious to get him to commit himself to the internal policy of the Right.

It is in these circumstances that a new excitement has been added to the internal political conflict by the slump in the French exchange, which is universally spoken of as "the attack upon the franc," even though it is well understood that, in fact, the distrust is internal, and that the recent sales which have caused the continued weakening have chiefly come from Paris. The slump has unquestionably shaken opinion very much. It was thought that as soon as Germany surrendered, French policy would be vindicated, and the country would be on the highway to re-establishing its financial situation. The shock of finding that this was not the case has been so great that the country has accepted a tax reform programme, which imposes a really heavy burden upon the country. It is no light thing five years after the end of the war for any Government in any country suddenly to impose an all-round 20 per cent. increase in taxation. France has never been a lightly taxed country, and though recently she has borne a smaller tax burden than ourselves, the position will be changed if the present fiscal programme is carried into effect. It can be well understood that, coming at the end of what was claimed to be a successful issue of the Ruhr occupation, such an event has dwarfed all other subjects of interest. M. Poincaré has had to pay a high price for his taxes, for last Sunday the Republican bloc extorted from him, as the price of its support, the undertaking that he and the Government machinery would support them at the forthcoming Election. Bureaucracy can exercise in France a very great deal of pressure, and this pledge may modify somewhat the results of the Election. But M. Poincaré is not yet quite certain of his taxes, for there is a certain resistance in the Senate on the point that he desires to be empowered to impose them by administrative decrees. In the Senate the Radicals hold a majority. Their influence has always been exercised against what they may consider to be undemocratic power in the hands of the Government, or of an individual Minister. For example, even during the occupation of the Ruhr they showed surprising independence by refusing the request of the Government to take out of the ordinary Courts the trial of certain Communists accused of unpatriotic intrigue in the occupied area. The whole position, therefore, remains very obscure, except for one clear consideration, and that is that in the present temper of France the strongest card with which M. Poincaré could go to the electorate would be the ability to say that there was a real prospect of reaching an understanding with Great Britain.

Thus while France is not, and is unlikely to become, contrite and repentant, and with no outstanding leader who seems likely to displace M. Poincaré, she is anxious to remove misunderstanding and is ready to

listen to British views. In these circumstances, what chance is there of an agreement or of reconciling our policies? On this question we hold most strongly that no progress can be made piecemeal, but that if our new Government is ready to explore the opportunities at all, it must consider how to deal with the fourfold aspects of the question—namely, reparations and the German Budget, inter-Allied debts, security, and the Ruhr. We still hold, in spite of all appearances to the contrary, that it is the third of these which matters most to France, and that if the fear of a strong military Germany were removed, the first of the four problems, at all events, would not be difficult to solve. Indeed, the attitude of great numbers of Frenchmen towards the Separatist Movement has unquestionably arisen from the desire to see a barrier between France and Germany. On this question there is no doubt that France, generally, to-day would be fully satisfied with a demilitarised Rhineland State as an autonomous province within the Reich. We need not discuss whether this represents a change of opinion. It is sufficient to know that for the last two months or so the voices of those who have thought of annexation or of a completely independent State, have been silent. There may be differing ideas as to the meaning of autonomy, and even if we assume this to mean a State with the same powers as Bavaria and Saxony, we are not on quite firm ground, for at this very moment the relations of these States to the Central Government cannot be regarded as by any means fixed. The status of the Rhineland and the Ruhr, however, must inevitably be very shortly raised by the Committee of Experts, for they cannot draft a Budget, even for next year, without defining the financial powers of the Reich over these territories. The essential feature, however, of this idea is one which is likely to commend itself to the Labour Party—namely, the demilitarisation of this area—and we are disposed to think that the suggestion to entrust the League of Nations with the task of seeing that this demilitarisation is carried out, would not now be altogether unacceptable in France.

As regards reparations, we have said that we think that an agreement is not impossible, though we have no space here to deal with this question. But there is one assurance which must be made if there is to be any progress, and that is that if reparations are to be assessed really and impartially on the basis of Germany's ability to pay—and the Ruhr occupation has, at all events, made it clear to every Frenchman that they cannot get a quart out of a pint pot—Britain must somehow succeed in persuading France that she will join her in seeing that these sums are paid, and not make the settlement an excuse for further whittling down of the Allied claim. In this connection there are undoubtedly some in this country who think that France's recent actions have been so unjustifiable that they regard her as having frittered away her moral claim to reparations altogether. If this view is held by the majority of the Cabinet, it is useless to talk of a speedy settlement of Europe. The first step for the new Government is to make its position clear in this matter. The question of the Allied debts is also more difficult, because of the change in feeling towards France. But here again we are sure that Britain's final offer has yet to be made.

There remains, however, the most difficult of all the questions—that of the occupation of the Ruhr. We cannot pretend to say whether, or at what moment, or in what form, France would be willing to accept what M. Herriot speaks of as "alternative guarantees" to that of the Ruhr. For our part, we do not interpret too literally M. Poincaré's oft-repeated assertion that France will only leave the Ruhr in proportion as the actual reparations are paid by Germany. There is no shadow of doubt, for example—to take an extreme and impractical suggestion—that France would leave the Ruhr to-morrow if Great Britain would "underwrite" her reparation claim. The problem is whether there is any other practical guarantee which might be acceptable to France. In the present temper of French opinion it is at all events worth exploring. There is, however, one point which may be taken for granted, and it is one which the Labour Government must carefully weigh. This country believes that France went into the Ruhr without any justification under the

Treaty of Versailles. In other words, it was an act of aggression. There are those who think that, holding this view, we should as a matter of principle, refuse to make any approach to France until she has left the Ruhr or the legality of her position has been decided in an international court. On our reading of French opinion this is the one step which would make agreement quite impossible. If the Labour Government challenges this issue and demands that it should be taken to arbitration, it will undoubtedly swing back French opinion strongly to the Right, and install in France for another four years a Chamber elected on an anti-British programme.

THE BANK BALANCE-SHEETS.

WITH the publication of the report of Lloyds Bank the list of the reports of the principal English joint-stock banks for 1923 is now complete. In a previous issue (January 12th, p. 53) we summarised the net profits and dividends as shown by the preliminary statements, and showed that while there had been, with few exceptions, a further decline in net profits, dividends had been maintained at the previous rates. The full reports add little information on the profits question. Barclays alone of the "Big Five" banks shows gross profits and expenses, a praiseworthy example which the other great banks refuse to emulate; its gross profits declined by £475,000, but expenses were reduced by £492,400. The other banks have evidently not been so successful as Barclays in curtailing expenditure, since they show declines in net profits as against Barclays' small increase. While on the subject we may perhaps be forgiven for once more entering our plea for more informative profit and loss accounts and more uniformity in the case of some of the smaller banks in the treatment of income-tax.

Turning to the balance-sheets, we find that the changes shown as compared with those of December 31, 1922, are much as have been indicated by the monthly statements of weekly average balances. In the table below we summarise the main items of the balance-sheets of 13 English joint-stock banks at December 31, 1922 and 1923:—

	(Million £'s.)							
	Capital and Reserves.		Acceptances and Indorsements.		Deposits (Inc. Undivided Profits, &c.).		Total Liabilities.	
	1922.	1923.	1922.	1923.	1922.	1923.	1922.	1923.
Barclays	23.8	23.8	5.5	7.8	303.2	301.5	332.5	333.1
Lloyds	24.4	24.4	15.6	19.2	331.9	341.6	371.9	385.2
Midland	21.7	21.7	25.9	36.6	355.9	361.8	403.5	420.1
National Provincial	18.3	18.3	7.9	10.7	264.0	264.7	290.2	293.7
Westminster	18.0	18.0	9.9	12.1	282.3	271.0	310.2	301.1
Coutts	1.6	1.6	0.1	0.1	17.5	19.2	18.4	18.4
Glyn, Mills, Currie	3.5	3.5	1.7	2.6	26.6	27.9	28.1	31.2
Bank of Liverpool & Martins	3.2	3.9	7.3	7.8	68.6	64.9	79.7	76.6
Lancashire and Yorks	2.0	2.0	0.3	0.1	28.8	26.2	31.1	28.3
Manchester and County	2.0	2.1	0.3	0.6	24.0	21.8	26.3	24.5
Manchester and Liverpool	3.5	3.5	1.6	3.1	57.0	55.1	62.1	61.7
Union of Manchester	1.4	1.4	1.5	1.5	19.6	19.7	22.5	22.6
Williams, Deacon's	3.0	3.1	0.8	3.1	37.8	34.5	41.6	40.7
	125.0	125.4	76.7	104.4	1,817.2	1,807.4	2,018.9	2,037.2
	Cash in Hand and at Bank of England.		Investments.		Discounts, Advances, and Money at Call.		Cover for Acceptances, Premises, and Sundries.	
	1922.	1923.	1922.	1923.	1922.	1923.	1922.	1923.
	1922.	1923.	1922.	1923.	1922.	1923.	1922.	1923.
Barclays	63.6	62.8	78.8	77.7	129.9	129.8	10.4	12.8
Lloyds	47.2	50.6	99.1	98.6	205.1	211.8	20.5	24.2
Midland	67.8	69.2	59.0	46.5	245.6	263.3	31.1	42.1
National Provincial	41.6	40.8	55.3	54.2	181.3	183.8	12.0	14.9
Westminster	42.5	41.6	58.4	58.6	195.4	184.8	13.9	16.1
Coutts	2.8	2.8	4.7	4.2	11.3	11.0	0.4	0.4
Glyn, Mills, Currie	6.1	6.3	12.5	10.7	47.2	46.8	8.7	9.3
Bank of Liverpool & Martins	11.3	10.4	6.7	9.5	14.5	13.5	0.8	0.5
Lancashire and Yorks	6.3	6.7	5.9	5.9	14.8	14.5	0.7	1.0
Manchester and County	4.8	4.1	17.5	17.4	34.1	32.6	2.1	3.6
Manchester and Liverpool	8.4	8.1	2.6	2.7	15.6	16.4	1.9	1.9
Union of Manchester	2.4	2.4	7.4	6.3	25.8	24.3	1.4	3.8
Williams, Deacon's	7.0	6.3	7.4	6.3	25.8	24.3	1.4	3.8
	301.8	299.3	419.3	398.8	1,193.5	1,206.3	104.3	132.8

* Includes money at call.

Capital and reserves are practically unchanged, and the ratio of these items to deposit liabilities is slightly higher at 6.94 per cent., as compared with 6.88 per cent. a year ago, 6.4 per cent. two years ago, and the low record of 5.5 per cent. at the end of 1919. Acceptances show a substantial increase. According to the monthly figures

of the clearing banks this increase has taken place in the last four months of the year. Normally the movement in the total of acceptances is taken as a fairly reliable index of the state of foreign trade, but at the meeting of the Midland Bank Mr McKenna uttered a warning against such a conclusion at the present time. In the case of the Midland Bank the item is entitled "Acceptances and Engagements on Account of Customers," and shows an increase of nearly £10 millions. According to Mr McKenna, the greater part of this increase is due to a rise in engagements resulting from the growing volume of business in forward exchanges. "In these days of widely fluctuating foreign exchanges it is greatly to the advantage of a trader to fix in advance his liability on account of commitments in a foreign currency, and the expansion in this branch of our operations reflects the growing familiarity of business men with the facilities which are offered to them. Perhaps I should add that the contingent liability of the bank in respect of these forward dealings is very much less than might be supposed. As it is our invariable custom to protect ourselves against loss by a compensating purchase or sale, it is necessary for bookkeeping purposes to include under our engagements two entries in respect of a single transaction. For example, if we sell dollars for delivery a month hence we immediately cover ourselves by purchasing forward dollars, and our books will show on the one side the bank's liability to deliver dollars, plus the bank's liability to pay for the dollars bought." Mr McKenna added that the actual increase in the acceptances, representing an improvement in the volume of trade, amounts to £2,844,500 for the Midland Bank. Deposits are a little lower in the aggregate. The smallness of the decline in the aggregate is partly due to Lloyds figures, which have risen by £10 millions. This is accounted for by the absorption in February last of Cox and Co., whose deposits were in the neighbourhood of £16 millions. The decline is not general, and is very small in comparison with that recorded in the previous year, when there was a drop in the total from £1,957.7 millions to £1,817.2 millions. The evidence of the monthly figures, confirmed by chairmen's speeches, is to the effect that there was an increase in the last few months of the year.

Cash in hand and with the Bank of England, balances with other banks, and cheques in course of collection, shows a very slight reduction, but the ratio to deposit liabilities at 16.57 per cent. compares with 16.62 per cent. a year ago. Money at call is also slightly lower than it was twelve months ago. Investments in the aggregate show a fairly substantial decline, but the size of the reduction is due more to the figures of one or two individual banks than to a general large downward movement. According to the monthly figures, both investments and bills discounted, which include British Government Treasury bills, declined heavily in the first quarter of the year, but the latter recovered substantially by the half-year, investments moving up more slowly. On the question of discounts Mr McKenna gave some interesting figures. The Midland Bank's bills discounted increased by over £12 millions, and of this about £10 millions, he stated, has been in fine trade bills. He also mentioned that Treasury bills were a little higher on balance, and now amount to just under £9½ millions. "I give this figure as there is considerable speculation as to the exact whereabouts of the £650 millions of Treasury bills outstanding, though our holding may not be indicative of the amount held by the banks generally." Loans and advances show an all-round increase on the year. Mr Goodenough at Barclays' meeting said that this was "due no doubt to some extent to a slightly greater demand for trade purposes." Mr McKenna claimed that the increase of £6½ millions in the Midland Bank's advances showed that "we are, as you know, essentially a traders' bank. We feel it incumbent upon us to assist our trading customers to the full limit of banking prudence." A feature of many of the balance-sheets is the increase in the premises accounts. This is no doubt due to the fact that renovations and rebuilding, hitherto postponed owing to high costs, have lately been undertaken. In the case of the Westminster Bank, a large rebuilding scheme in the City has been undertaken. Lloyds Bank report states that £500,000, part of the profit on sale of investments, has been applied in reduction of bank

premises account. The latter, however, stands £60,000 higher than it did twelve months ago.

We show in the next table how the various items in the balance-sheets have fluctuated during the year. This gives the aggregate figures of the nine English clearing banks which publish monthly figures, at the end of 1922 and 1923, together with the weekly averages for four separate months:—

	(Million £'s.)				
	Dec. 31, 1922.	March, 1923.	June, 1923.	Sept., 1923.	Dec. 31, 1923.
Capital and reserves.....	116.1	116.2	116.3	116.3	116.4
Acceptances.....	73.0	73.0	73.8	72.7	86.1
Deposits (incl. undiv. profits, &c.)	1,687.8	1,596.4	1,637.7	1,609.6	1,673.1
Total liabilities.....	1,876.9	1,792.5	1,827.8	1,798.6	1,885.5
Coin, notes, balance at bank, and cheques in course of collection	279.9	232.3	240.7	232.2	254.2
Money at call.....	107.5	104.4	113.3	109.5	111.3
Investments.....	383.7	357.4	355.5	361.2	363.8
Discounts.....	278.9	250.4	270.8	260.4	276.3
Loans and advances.....	728.1	741.6	748.9	744.3	756.5
Cover for accept., premises, &c.	98.8	106.4	100.6	100.0	123.4
Total assets.....	1,876.9	1,792.5	1,827.8	1,798.6	1,885.5

The deposits of these nine clearing banks reached their highest point at the end of 1921, with a total of £1,988½ millions. Total deposits in the United Kingdom of all banks at the same date touched £2,527 millions. The movement in total bank deposits since 1913 may be seen from the following table, the figures in which are taken from our annual banking numbers, with the exception of those for 1923, which include an estimate for those banks whose reports have not yet appeared:—

	DEPOSITS AT DECEMBER 31st. (Million £'s.)							
	1913.	1917.	1918.	1919.	1920.	1921.	1922.	1923.
English.....	809.4	1,365.3	1,583.4	1,874.2	1,961.5	1,974.9	1,834.0	1,821.9*
Scottish.....	125.9	196.5	221.1	259.6	275.2	291.1	287.8	246.1*
Irish.....	70.7	99.3	131.6	152.2	200.4	212.9	209.8	201.7
Private.....	27.1	44.7	51.3	56.2	50.9	48.3	50.9	52.4*
	1,033.1	1,705.8	1,988.4	2,356.2	2,492.0	2,527.2	2,382.5	2,322.1*

* Partly estimated.

For the sake of continuity in the table we have included the deposits of all the Irish banks, which cannot rightly be longer included in the category of United Kingdom banks. The substantial decline in the total of the deposits of the private banks is due to the absorption of Cox and Co. and Holt and Co. by Lloyds and Glyn, Mills respectively.

We cannot let the occasion pass without referring to one welcome feature of the past year—namely, the removal of the cumbersome bank titles which were an outcome of the amalgamations of the past few years. The good example was set by the London County Westminster and Parrs Bank, which at the beginning of the year shortened its name to Westminster Bank, and was followed a few months ago by the London Joint City and Midland Bank, Limited, now known as Midland Bank, Limited. At Thursday's meeting of the National Provincial and Union Bank of England, Sir Harry Goschen said that the directors recommended a shortening of the title to National Provincial Bank, but it was proposed that certain branches should be known, as heretofore, as the National Provincial Bank, Limited, Union Bank Branch, or Smith's Bank Branch, &c., as sentiment or expediency might dictate. Shareholders of the Manchester and Liverpool District Banking Company have also agreed to the shortening of the name to District Bank, Limited, and there are now only a few titles left upon which the pruning knife might be used with advantage.

THE IRISH BOUNDARY QUESTION: A DUBLIN VIEW.

IN view of the meetings now proceeding in London to discuss the question of the boundary between Northern Ireland and the Irish Free State, we print below a review of the problem by a Dublin correspondent, who writes as follows:—

The completion of the Anglo-Irish Treaty, as has been seen, involves the execution of Articles V. and XII., which, though dealing with quite distinct subject matters, are yet

curiously linked together. The former provides for a financial adjustment between Great Britain and Ireland, both prospective and retrospective. The latter provides, in the events that have happened, for a revision of the boundary line between the Irish Free State and Northern Ireland. The former presents no difficulty, save its voluminous complexity, which a little statesmanlike breadth of handling may well dispose of. The latter is rendered difficult because of the loudly proclaimed determination of North-East Ulster not to permit it. That some revision of the existing boundary is needed can be denied by nobody—it is a line defining two distinct areas for all administrative as well as national purposes, and it is a wholly unscientific line which in many cases divides a farmer's house from his yard or his barn or his cow-house, and in some instances is alleged to run through the house itself which is thus situated in two separate States—the Irish Free State, on the one hand, and Great British, plus Northern Ireland, on the other, with the frontier running somewhere through its middle. But Sir James Craig's objection is founded on the provision that the new boundary is to be determined "in accordance with the wishes of the inhabitants so far as may be compatible with economic and geographic conditions." A determination on these lines may both directly and indirectly affect the financial adjustment. Directly, because any variation of the Irish Free State area will effect quantitatively a proportionate increase or abatement of its liability and of its set-off. Indirectly, because if the statesmanlike breadth of handling which we most earnestly bespeak for the financial readjustment be forthcoming, it might well find occasion to embrace within the purview of a single settlement the boundary issue as well, and also the completion of the great policy, embodied in the Treaty, of founding Anglo-Irish peace upon temperate and businesslike agreement. And if Great Britain deems it of signal importance for her own welfare that prosperity issuing from peace should reign in the western island and govern its dealings with herself, how much more, and with how compelling a force, must the same consideration weigh with the Irishman from both North and South. For Great Britain it is but an item—a most important item—in the situation, but for the others it is their all that is at stake.

It would be worse than idle to ignore the difficulties. Northern Ireland justly prides itself upon the order that has been restored in its area, and after the millions spent, inclusive of British millions, upon regular and special constabulary in an organisation so widespread, it is said, as to touch, actually or contingently, practically all the able-bodied men of the Majority party, local riots could not well nor decently become a factor to be reckoned with. But there can be no question but that the award of the Boundary Commission, which we shall make no attempt to forecast, might prove extremely embarrassing to Northern Ireland—regarded as a political organism—and extremely unpopular amongst its dominant majority. Very considerable areas might be shorn away from the already not too extensive hinterland lying behind Belfast. And the Boundary Commission must be set up—it is already well overdue—under the terms of Article XII., of which Northern Ireland took advantage in voting itself out of the Irish Free State. And to the Treaty itself all parties in the State are committed.

It would be well if the discussion of this crucial issue could be given a wider scope. All people of goodwill in Great Britain—and more particularly, we are confident, the new Government—most earnestly desire to see the whole question disposed of amicably, without leaving the seeds of *irredentism* or the desire for *revanche*. In the Lloyd George-Craig correspondence before the Treaty and in the Collins-Craig correspondence after the Treaty, and in the Treaty itself, can be found the materials from which a settlement might be constructed which would satisfy all legitimate interests and soothe all natural susceptibilities. Most people realise that Northern Ireland occupies a somewhat anomalous position, but few realise how restricted it is constitutionally. It has its rights and privileges under the Act of 1920, which were the rights and privileges of one of two subordinate constituent States loosely linked by a Council of Ireland which received at once some

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honourable if rather minor functions, but which was designed to be the nucleus of an ultimate all-Ireland Parliament. Upon this Council of Ireland was to be devolved sooner or later a large measure of the powers reserved by the Act to the Imperial Parliament, which was to remain the supreme or suzerain Parliament, collecting the principal taxes and satisfying therefrom its own claims for a contribution to Imperial expenditure. Northern Ireland accepted the position so created, whereas Southern Ireland ultimately won Dominion status, and also under Article XIII. of the Treaty secured the right to nominate the Southern Ireland representation on the Council of Ireland in the event of Northern Ireland separating from it. The net result is that Northern Ireland cannot receive any further powers or any aggrandisement of its status save by the consent and goodwill of the Irish Free State. Such, in compressed form, is the combined effect, in the events which have happened, of the Act of 1920 and the Treaty, which was modified by the Consequential Provisions Act of 1922, holding up the active functions of the Council of Ireland for five years. But if the events had happened otherwise—if Northern Ireland had not separated from the Irish Free State, it would still under Article XIV. have retained all its powers and privileges under the Act of 1920—guaranteed by Great Britain's signature to the Treaty—with the Free State Parliament, in which it would have received due representation, exercising the powers theretofore exercised by the Imperial Parliament, and, most important of all, there was to be no Boundary Commission. Northern Ireland would have retained the whole of its six counties. There was, too, in Article XV. elaborate provision for negotiations, before Northern Ireland's exercise of its option to separate, for all sorts of safeguards as to patronage, revenue, minorities, fiscal and financial policy, local militias and defence forces, and the agreements arrived at were to have had the same force as if they were embodied in the Treaty.

There can be little doubt but that out of these provisions could be fashioned a comprehensive settlement which Great Britain would do her best to aid with her good offices and with a large-handed treatment of outstanding claims. Patience and long views as to essential interests will be necessary. In the meantime, there are two quotations from the Lloyd George-Craig (pre-Treaty) correspondence which are as true to-day as when they were written. Writing of Northern Ireland's financial position on November 10, 1921, the Prime Minister of Great Britain said: "It is the essence of a Dominion status that the contribution of a Dominion towards Imperial charges is voluntary, like those of the Dominions. If Northern Ireland were part of the Irish State its contribution would be voluntary like those of the Dominions. But, on the other hand, if Southern Ireland became a Dominion, while Northern Ireland remained part of the United Kingdom, with the essential corollary of representation in the Imperial Parliament, it is clear that the people of Northern Ireland would have to bear their proportionate share of all Imperial burdens, such as the Army, Navy, and other Imperial services in common with the taxpayers of the United Kingdom. The members for Northern Ireland at Westminster would otherwise be voting for policies in Parliament in the expense of which they would not share....." To-day Northern Ireland is paying such proportionate share, but is largely getting it back again in subsidies which can hardly be continued. Again, he wrote on November 14, 1921, in regard to Sir James Craig's claim that Northern Ireland should also be created

a Dominion with the full six county area :—"Your proposal would stereotype a frontier based neither upon natural features nor broad geographical considerations by giving it the character of an international boundary. Partition on these lines the majority of the Irish people will never accept, nor could we conscientiously attempt to enforce it." This is the case in reason for the Boundary Commission, even if the Treaty did not require it.

IRON AND STEEL IN 1923.

We have it on the authority of Pope that "man never is but always to be blest." However true this may be of mankind in general, it seems at any rate to apply to the condition of the iron and steel industry. After two disastrous years, 1923 opened with considerable promise, and yet it departed, as far as the steel trade was concerned, unwept, and although it did not go unsung, the songs were mainly in a minor key. Yet when the figures of production and of export are considered, the reason for taking such a depressing view of the industry is not apparent, for production of pig-iron and of steel was nearly 50 per cent. higher than in 1922, and the production of steel was higher by some 12 per cent. than in 1913, while exports were 22 per cent. higher than in 1922, and nearly 90 per cent. of the exports in 1913. We give below the monthly figures of production and export as compiled by the National Federation of Iron and Steel Manufacturers compared with the years 1922 and 1913 :—

PRODUCTION OF PIG IRON AND STEEL—IMPORTS AND EXPORTS.

	Furnaces in Blast at End of Month.	Production.		Imports of Iron and Steel.	Exports of Iron and Steel.
		Pig Iron.	Steel Ingots and Castings		
		Tons.	Tons.	Tons.	Tons.
1923—					
January	183	567,900	634,100	128,800	353,400
February	189	543,400	707,100	122,700	317,600
March	202	633,600	802,500	111,000	368,100
April	216	652,200	749,400	115,400	386,900
May	223	714,200	821,000	82,200	424,500
June	222	692,900	767,700	105,100	365,100
July	206	655,100	639,500	114,100	307,700
August	196	599,800	567,500	115,000	323,900
September	190	558,600	695,100	116,400	333,900
October	189	595,700	702,200	106,300	388,600
November	199	598,200	749,500	97,500	394,900
December	204	626,900	653,300	108,100	354,900
Total—1923	200*	7,438,500	8,488,900	1,322,600	4,319,600
1922	132*	4,902,300	5,880,600	881,800	3,397,200
1913	337*	10,260,300	7,663,900	2,230,900	4,969,200

* Average throughout the year.

It will be seen that the year divides into three periods—a period of expanding production from January to May, of declining production from June to September, followed by a very slow recovery from October to the end of the year. The reason for the increasing production from January to May, as is well known, was the dislocation occasioned by the French occupation of the Ruhr. This reduced the production of iron and steel in France, Germany, and Luxemburg, because of its effect on the fuel situation and transferred a certain demand for iron and steel to this country. By May, therefore, more blast furnaces were in operation in Great Britain than since the coal stoppage of 1921, and they were producing at a rate of 8½ million tons per year; steel works were producing at a rate of nearly 10 million tons per annum, while exports were at a higher rate than they had been since 1913. By the end of May the French iron and steel industry was beginning to recover from the worst effects of the occupation, for the policy of seizing Ruhr stocks and supplementing them by an increased home production and increased imports was becoming successful. French production, therefore, has been steadily rising since May, until at the end of the year her production both of pig-iron and of steel was at a higher rate than before the war, while,

aided by the depreciated franc, her exports were also increasing, and the demand from Great Britain consequently fell off. Towards the end of the year the demand for reconstruction from Japan, the settlement of the boiler-makers' strike, and the orders from the railways caused production again slowly to expand.

While the occupation of the Ruhr stimulated the demand for iron and steel in this country, in the earlier months of the year this advance was counterbalanced by the effect of the occupation on the price of raw fuel. Deprived of Ruhr coke, France, Belgium, and Germany turned to this country for supplies, and the exports of metallurgical coke, which in 1922 had been 1,600,000 tons, amounted in 1923 to 2,746,000 tons. The price of coke to the home consumer consequently rose, and Durham blast furnace coke, which had been 26s at the beginning of the year, stood at the end of May at 41s 6d, and even this figure was less than coke makers were obtaining for exported coke. A necessary accompaniment of the rise in fuel prices was a rise in iron and steel prices. Cleveland pig-iron No. 3 rose from 92s per ton in January to 127s 6d in March; East Coast hematite (mixed numbers) from £4 13s 6d per ton to £6 7s 6d; soft billets from £6 12s 6d to £10; sheet and tinplate bars from £7 10s to £10; rails from £8 15s to £10 10s. Expressed in the Board of Trade Index Number, iron and steel prices which in December, 1922, were 31 per cent. above 1913, rose by April to 60 per cent. above 1913, fell again by October to 42.7 per cent., and then slowly rose in the last two months of the year. Average prices throughout the year were 47 per cent. above 1913, compared with 37 per cent. in 1922, but prices in 1922 were unremunerative, and the rise which took place in 1923 was not sufficient to counterbalance the rise in the cost of coke. It is to this fact that the disappointment of 1923 is due, for even during the temporary boom owing to the Ruhr occupation prices were never quite at the level of commodity prices generally, while the average for the year was only 47 per cent. above 1913, compared with 59 per cent. for all commodities.

The reason for the disappointing prices is the fact that in spite of the handicaps under which the Continent was working the import of Continental material was never entirely checked, and owing to the depreciated currencies the imports were sufficient to keep British prices down to an unremunerative level. Except for the price factor there would have been no need to import a single ton of steel during the year, for the steel making capacity of the country was extended by approximately 50 per cent. during the war, but, in fact, imports of iron and steel averaged 110,000 tons monthly throughout the year, 60 per cent. of which came from Belgium.

Exports, as has been stated, were on a tonnage basis approximately 90 per cent. of those in 1913, and it will be seen from the following table that in some lines exports have exceeded those of that year, notably in tinplates, black plates, and sheets, plates and sheets of ½-inch thickness and upwards, steel bars and hoops, and strips :—

	1913.	1922.	1923.
	Tons.	Tons.	Tons.
Pig-iron and ferro alloys	1,124,181	793,763	894,298
Iron bars, rods, angles, &c.	141,452	31,403	43,615
Steel bars, rods, angles, &c.	251,059	221,109	354,144
Hoops and strips	45,708	48,281	71,619
Plates and sheets not under ½ in. .	126,380	85,462	193,789
Black plates and sheets under ½ in. .	139,927	224,836	338,978
Galvanised sheets	762,075	513,110	602,390
Tin, terne and other coated plates. .	494,497	449,273	552,338
Rails	506,585	258,987	306,904
Railway material	267,254	218,370	186,537
Tubes, pipes and fittings, cast and wrought	399,608	162,476	242,200
Wire	60,532	54,500	78,596
Wire manufactures	55,739	34,677	52,572
Total, including other items ..	4,969,224	3,397,185	4,319,571

One of the adverse results of the occupation of the Ruhr, as has been seen, was its effect on the price of fuel, but even more serious was its reaction on the international commercial situation generally, in that it prevented the long-awaited revival of confidence which would have resulted in an increased interchange of commodities. The

shipbuilding industry of this country, therefore, did not make the recovery that had been hoped for, and shipping tonnage commenced in 1923 amounted only to 953,000 tons, compared with 2,400,000 tons in 1920. Engineering, too, another big consumer of the products of the iron and steel industry, was also severely hit, and the percentage of unemployed in the engineering trades was very high throughout the year.

In spite of many disappointments the trade is looking forward with more hope to 1924. The shipbuilding returns for the last quarter of 1923 showed a marked improvement on the previous quarter, and it is expected that the first quarter of 1924 will show a still further improvement. There was less idle tonnage at the end of 1923 than at October 1st; the employment figures showed a steady improvement, while the orders placed by the railway companies and local authorities in the interests of employment have given a very welcome stimulus to the industry. In this connection it is interesting to note that the industrial and commercial prosperity of the United States in 1923 has been attributed by many to the policy of expansion initiated by the railroads. It has been estimated that the railroads and allied concerns consumed approximately 31 per cent. of the output of iron and steel in the United States in 1923, as compared with 18 per cent. in the previous year. Clearly the demands of the British railways cannot reach this proportion, but it is hoped that, as in America, the effect of the railway orders will be to lead to bigger demands from other directions. Although feeling in the industry with regard to 1924 is fairly hopeful, there are many adverse factors which must not be overlooked. It is clear from a survey of the conditions obtaining in other iron and steel-producing countries that Great Britain will be faced with very severe competition in the coming year. While the steel-producing capacity of Belgium is but a fourth of that of this country, she is, in fact, one of our greatest competitors, for Belgium depends to an even greater extent than does Great Britain on export trade, and in competition with Great Britain is favourably situated by reason of her low labour costs and the modern plant which has taken the place of the plant destroyed during the war. If Belgium succeeds in obtaining more cheap coal supplies from the Ruhr and in modifying the eight-hour day as she is endeavouring to do, she may prove an even more formidable competitor than in the past. Germany, too, although handicapped by having to supply so much reparations coal to France and Belgium, is seeking to counterbalance this handicap by imposing a longer working day and lower wages, while France has not only obtained the magnificently equipped works of Lorraine, but has rebuilt the works in the devastated regions in a much more efficient way than previously.

America for some time past has been too much concerned with meeting the home demand to pay very much attention to export, but it is recognised in America that the 50 per cent. increase in capacity resulting from the war cannot in normal circumstances be kept running on home demand alone, and although America's home demands in 1924 seem likely to approach the level of 1923, sooner or later Great Britain will have to meet the force of American competition in the overseas markets.

The situation, therefore, is one that calls for constant vigilance on the part of the manufacturers of this country, and it is only by the most strenuous efforts on the part of all concerned that Great Britain can hope to retain in 1924 the position she attained by so much sacrifice in 1923 of being the second largest producer of iron and steel in the world, and the world's greatest exporter of iron and steel.

LAND AND PROPERTY IN 1923.

LOOKED at from practically every standpoint, the year 1923 witnessed a distinct improvement as far as land and property was concerned. It has not only proved a year of increased transactions (as far as official returns are concerned), but property values have become more stabilised. A year ago the position was difficult to both buyers and sellers alike. Would-be sellers could not be brought to believe that the period

of boom values was over, while on the other hand prospective buyers were afraid to venture in view of the fact that building costs were artificial, prices being maintained by combinations of manufacturers and importers of building materials.

Unfortunately, this year there is a break in the customary figures formerly compiled by the *Estate Exchange*. These statistics were formerly grouped under three headings, namely: (1) Sales of property during the year at the headquarters of the property market; (2) auction sales in other places, which are registered with the Estate Exchange; and (3) sales by private treaty of which the parties interested consent to publish details. As has been pointed out before these figures give but a limited view of the statistical picture, for while some auctioneers are inclined to preserve a discreet silence as to their sales, others, on the other hand, may possibly include in sales properties which were merely submitted to the public, but bought in. In private sales the position is even more uncertain, being so many interests at work which often prevent the correct sale price from leaking out.

In order that our readers should be able to trace past movements in the property market we reproduce, in the first place, our table from last year's review. This shows a comparative summary of sales from 1912 :—

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

	1912.	1913.	1914.	1915.	1916.	1917.	1918.	1919.	1920.	1921.	1922.
	£	£	£	£	£	£	£	£	£	£	£
Mart	2,554	2,346	1,866	804	929	1,546	2,299	6,251	5,655	3,030	3,042
Other sales ..	4,698	4,039	3,462	1,824	2,917	5,546	7,148	9,234	7,581	3,378	3,322
Private	1,837	2,189	1,357	1,942	1,232	1,435	1,935	6,057	5,040	4,451	4,073
	9,089	8,574	6,685	3,570	5,108	8,527	11,382	21,542	18,276	10,859	10,437

The statistics now issued are in the following form :—

STATEMENT showing the RESULTS OF SALES BY AUCTION at the MART and WINCHESTER HOUSE during 1923.

	1922.	1923.	1923.
	£	£	£
The Mart	2,616,052 ..	3,273,983 ..	Increase 657,931
Winchester House ..	425,720 ..	380,776 ..	Decrease 44,944

3,041,772 .. 3,654,759 .. Net increase 612,987

It may be explained that Winchester House in 1923 continued to be a favourite resort for property buyers and auctioneers. In 1922 the figures for the Mart and Winchester House were combined under one heading. We understand that other returns given in the previous official statistics will not be ready for some months to come. Taking the bare figures now offered us, sales at the two central institutions in town totalled £3,654,759, against £3,041,772 for 1922. This reveals a very gratifying increase. We confess, however, that the absence of the table formerly published, giving sales month by month and quarter by quarter, is very much to be deplored.

Sound freehold and long leasehold properties have realised good prices for investment purposes. In the West-End of London the rents for business premises have ruled high. A steady increase is to be found in the values of large houses in the West-End of London and important thoroughfares. The conversion of these houses to flats is a policy which continues to find favour, converters having found it profitable when the work is efficiently undertaken. Suburban houses continue to be in request, while small country villas realise prices about equal to present-day building costs.

With reference to agricultural land, writing in their annual review, Messrs Knight, Frank and Rutley report that "farms with a good proportion of grass land, and a prospect of reasonably early possession, have realised satisfactory figures, but where the area is largely arable, sales have not been effected so readily, owing to the low prices of corn coupled with the high cost of production. Small holdings have sold particularly well. Accommodation land adjoining towns and villages has frequently made high prices." They add that "the majority of farms which we have sold have been bought by sitting tenants and by farmers for occupation, for there are practically no farms to let in any part of the country." This appears to be a statement in striking contrast to the contention that agriculture is a decaying industry. This

well-known firm of estate agents incidentally point out that "in the case of many estates, the crucial difficulty is that of finding a buyer for the mansion. Until this is sold, a certain area of the surrounding land has to be reserved for the preservation of the residential amenities." They maintain, however, that "our experience under such circumstances is that when an owner has been prepared to accept what may seem an inadequate sum for the mansion, the surrounding lands, thus liberated for sale, usually make prices which compensate for the apparently low figure obtained for the house. The vendor also saves the expense of maintaining a probably empty mansion and grounds, which tend to deteriorate quickly."

Regarded purely from the investment aspect, Messrs Hampton and Son, Limited, in their annual review, state that "the demand for first-class investments secured on good blocks of well-let freehold and long leasehold City and West-End property continues to hold good, particularly in the case of well-secured freehold ground rents which are still much sought after by trustees and buyers of gilt-edged investments." This firm points out that "business in suburban shop property has considerably improved, investors realising that there are good propositions in the better suburbs as well as in the centre of the Metropolis." We are told that "the day of the speculative builder, in the pre-war sense, is again coming as middle-class houses can now be erected to show a good profit," although "business is, of course, restricted to building for immediate sale for occupation." In conclusion, it is stated that "large funds for mortgage investments are available, and, provided the security is a good one, money is obtainable on much more favourable terms than has been the case in recent years."

One thing emerges quite clearly from a welter of discussion and property sales, and that is that the operations of the Rent Restriction Act effectually check the supply of housing. Meanwhile a few sales of occupied suburban villas and weekly property are effected with difficulty. It is obvious, however, that the heavy hand of official rent control has rendered this description of property an investment to be carefully ignored by the great body of investors. The result is that this kind of property is slowly drifting into the hands of professional speculators. And the change is not one which will please tenants eventually.

A FRENCH VIEW OF THE FRANCO.

(BY A PARIS CORRESPONDENT.)

THE fall of the franc is no new phenomenon. Since May, 1922, it has continued without interruption. Just as during the war the disappointment of every hope of peace was followed by a decline in the exchange of each of the belligerents, so during the last two years the failure of every attempt to produce a Reparations settlement has been succeeded by a fresh depreciation of the franc. In May, 1922, the failure of the Bankers' Conference made the price of the dollar in Paris rise from 11 francs to 12.19 francs, at a time of year when the seasonal situation usually makes the dollar quotation fall. The same happened in January, 1923, with the entry into the Ruhr. The dollar, which is normally at its lowest at this time, fell to 14.98 francs (against 12.25 in January, 1922), to rise in August to 18.25. A short respite in September followed the cessation of passive resistance, and the dollar descended to 15.92 francs, but this was only a flash in the pan. Once more the hope of an agreement vanished, and the dollar rose in November to 18 francs, exceeded 20 francs in December, and in January reached the panic figure of 22.50.

The most noteworthy feature of the present exchange crisis is that, without question, it has started from Paris. Previous falls have, on the contrary, started abroad as a result of distrust of the political results of M. Poincaré's policy. In London and in New York the holders of francs argue that every setback to the hope of a settlement of the problem of Reparations made the financial situation of France more precarious. The indifference with which the French Chamber and French Government

seem to accept the existence of an extraordinary budget amounting to about 20 milliards, based only upon borrowing, confirms these foreign holders in their uncertainty. American, Dutch, English, and other exporters were less and less prepared to leave the proceeds of their sales on deposit in Paris in view of the uncertainty of the future. Instead of advancing the money in France, they tended to withdraw the proceeds of their sales at the earliest possible moment.

At what moment did this distrust spread from foreign countries to Paris itself? A definite reply is naturally not possible. All that can be said with certainty is that throughout 1923 the spectacle of the uninterrupted fall of the franc induced an increasing number of French exporters or French holders of foreign coupons to leave their money abroad. These fears were accentuated when the dollar reached the exceptional figure of 18 francs in August, for this figure was reached just before autumn when purchases of cotton, wool, and cereals in America and Australia always tend to depreciate foreign exchanges in Paris. Nevertheless, many importers still kept out of the market, always hoping that an arrangement—announced by the Government every day as being imminent—would shortly occur and produce an improvement in the exchange. Indeed, certain careful bankers took steps to protect themselves against the danger of a sharp rise of the franc, which they felt sure would occur as soon as ever Germany yielded. But when it appeared that the cessation of passive resistance brought no change in the political situation, the hope of any such improvement vanished and the demand for foreign securities and currency came forward with the more precipitance just because there had been this previous reserve. But they came upon a market in which, as we have said, there had for some time been a scarcity of sellers. The dollar, which was at 17.54 at the beginning of November, rose to 18.58 at the beginning of December, 19.92 on January 2nd, and 22.50 on January 14th. The pound sterling reached 78.16 at the beginning of November, 85 at the beginning of January, and 98 on January 14th. It was at the latter date that the general public began to get restless. Up to that point only business people had appreciated what was going on. But thereafter the whole public began to get scared. While the exchange dealers were providing themselves with foreign exchange at whatever price they could, the banks from the beginning of January were inundated by orders from the public to exchange their investments with fixed interest against dividend investments of foreign securities. The price of the dollar and of the £ became one of the daily preoccupations of everyone, and the fear of a more general rise in the cost of living spread throughout the country.

In deciding forthwith to take drastic measures and in demanding from his majority, on the eve of the election, the authority to impose an increase of taxation, which this majority had always hoped to put off on to the shoulders of the new Parliament, M. Poincaré made a sound decision and acted courageously. It is nevertheless clear that he did not himself foresee the effect of his own foreign policy upon the exchange, and that it needed the events which have actually occurred to make him realise the connection between the two. This may seem strange, but it is undoubtedly the case.

But thinking people also see farther than the incidents of January. They are beginning to envisage as a whole the foreign policy which France has pursued for the last two years; the gradual isolation of France, the disproportion between the political steps which have been taken and the economic results which have been obtained. They realise that it is this whole policy which must be changed if we are to put the franc in a position to resist any further pressure that may arise. One of the leading journalists of France—an avowed but independent supporter of M. Poincaré—has put this idea very clearly in a recent article of the *Journal des Débats*: "If the franc is falling," he wrote on January 16th, "it is partly because we have not given to the world—that is to say to foreign holders of French francs, who can at any time throw their holdings on to the market—the impression that we are pursuing a practical policy based upon a true understanding of the realities of the position. France has 40 million inhabitants, and her birth rate is tending to decline. She

cannot govern the world, but it is open to her to adopt a policy which will inspire the confidence of the world."

The issue could not be better put. Will M. Poincaré, who has shown after a long inertia that he knows how to act promptly in the face of a financial crisis, be equally alive to the need of transforming his too juridical and unyielding diplomacy into one which is more supple and realistic? That is the secret of to-morrow. This only is certain, namely, that in order to stabilise the franc, foreign holders must be reassured not only as to the present, but still more as to the future. To this end the first condition is a policy which, while defending the legitimate rights of France, will succeed at the same time in inspiring confidence throughout the world. Such a policy is undoubtedly within our reach.

Notes of the Week.

Railway Strike Settlement Terms.—The terms of settlement of the railway strike are prefaced by a preamble in which the managers state that, although they never contended that the award of the National Wages Board was obligatory, yet in all the circumstances they were justified in giving effect to it. In adopting that attitude, it should incidentally be remembered, they had the support of Mr Thomas and the N.U.R., and indeed of everyone except Mr Bromley and his union. As regards possible hardships which the award might involve in special cases, the companies agreed to certain alleviations, as shown in the following terms, which for purposes of record we reproduce below:—

(a) BASIS OF PAYMENT FOR MILEAGE WORKING.

From the date of the operation of the decision 130 miles shall equal one day's pay.

From the beginning of the first pay week in July, 1924, 140 miles shall equal one day's pay.

From the beginning of the first pay week in January, 1925, 150 miles shall equal one day's pay, unless, in the interval, it is agreed otherwise at a meeting to be convened for the purpose.

Payment for mileage in excess of the stipulated equivalent for a day's pay to be at the rate of one hour's pay for every 15 miles.

(b) CLASSIFICATION OF DRIVERS ON SHUNTING, &c., DUTIES.

For the purpose of carrying out the provisions of Clause 2, Part (iii.) of the summary of the board's decisions relating to engine-men, it is agreed that, if an engine driver in the shunting class in receipt of the maximum of 14s per day, and before he is promoted to main line working, is required to work main line trains for an aggregate period of 313 days, either consecutively or intermittently, and is thereafter put back to shunting, or other duties in that class, he shall not be reduced in rate below 15s per day; provided that the maximum rate of 14s shall apply to any shunting, &c., duties performed during the qualifying period of 313 days, when worked intermittently.

(3) The railway companies reaffirm their undertaking that there shall be no dismissals arising out of the application of the decision.

(4) The Associated Society of Locomotive Engineers and Firemen undertake to bring the strike of their members to an end forthwith.

(5) All the men involved in the present dispute who present themselves for work within a reasonable time to be reinstated by the companies at the earliest practicable moment without prejudice to their seniority position.

(6) It is a condition of the settlement that all railwaymen shall work together amicably, and we hereby agree to use every endeavour to secure this being done. Any proved breach of this condition will be a case for disciplinary action by the railway companies under Clause 72 of the Report of the Royal Commission upon the Conciliation Scheme.

The best comment on the whole affair is the note appended by the managers to the statement of the settlement terms. It reads as follows:—"On behalf of the railway companies, it may be pointed out that the offer made on January 19th to the Associated Society of Locomotive Engineers and Firemen before the strike commenced gave in essence all they have now received."

Bankers on Trade.—Three more important bank meetings have been held this week at which the chairmen have devoted a large portion of their addresses to a review of the trade situation. Those of Mr W. R. Glazebrook and Captain G. P. Dewhurst, at the meetings of the Bank of Liverpool and Martins and Williams, Deacon's Bank respectively, were naturally devoted to a considerable

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extent to a survey of the position of the cotton trade. Captain Dewhurst described the present situation in the cotton trade, owing to the partial failure of the American crop, as, if anything, worse than it was twelve months ago, and suggested that no relief by way of supplies can be expected before next autumn. Both he and Mr Glazebrook pressed for further efforts for expanding the production of cotton in the Empire. The latter, while refusing to attempt a forecast for the current year, referred to the distinct hope aroused by the rapid recovery which Austria is making commercially and financially as a result of the reforms inaugurated under the auspices of the League of Nations. "The experiment on similar lines about to be made in the case of Hungary appears to have good prospects of achieving equal success. Other countries are watching these experiments, and it is perhaps not too much to hope that we have here the small beginnings which will lead to a return to sound financial principles by the larger European countries." Sir Harry Goschen at the meeting of the National Provincial and Union Bank was less pessimistic about the cotton trade, in which he thought there had been some change for the better during the year.

Our Index Number.—A further increase in wholesale prices, to which the railway strike has partly contributed, is recorded by our Index Number for the end of January, the total having risen by 82 points to 4662. The bulk of this increase has taken place in foodstuffs; a very substantial advance has occurred in potatoes, thanks almost entirely to the holding up of transport facilities. Other movements have been on a smaller scale, but mostly in an upward direction. The following table shows the changes in the five groups and in the total:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Timber, Oils, &c.).	Total.	%
Base (avg. 1901-5) ..	500	300	500	400	500	2200	100.0
End July, 1914	579	352	616	484	553	2564	116.6
" Dec., 1915	897	446	731	711	848	3634	165.2
" Dec., 1917	1286	686	1684	839	1348	5543	252.0
" Dec., 1918	1289	782	1848	908	1380	5807	264.0
" Nov., 1919	1508	914	2074	1246	1708	6856	311.6
" Mar., 1920	1344	805	1284	1216	1275	5924	269.3
" Dec., 1921	921	636	1106	762	931	4357	198.0
" Dec., 1922	861	706	1184	705	807	4264	193.8
" Mar., 1923	824	752	1178	840	797	4392	199.6
" June "	815	773	1177	773	761	4301	195.5
" July "	819	756	1115	744	744	4188	190.4
" August "	828	762	1119	734	744	4257	193.5
" Sept. "	823	782	1214	732	745	4297	195.3
" Oct. "	823	777	1220	756	743	4320	196.4
" Nov. "	831	797	1393	770	749	4541	206.4
" Dec. "	853	815	1382	774	755	4580	208.2
" Jan., 1924	909	845	1349	789	769	4662	211.9

In addition to the increase in the price of potatoes, all cereals are higher on balance, but there was a small decline in meat prices. Among subsidiary foodstuffs tea was slightly higher, and there was a sharp advance in coffee, the latter having been going on throughout the month owing to a scarcity of supplies and a growing demand, especially from the Continent. In the textile group cotton prices have eased further, silk has fallen, and there were small declines in hemp and jute, but wool prices were higher, and flax, which has shown a strong upward ten-

dency, closes substantially higher on balance. In the minerals section, coal and the minor metals were a little higher, but iron prices were lowered. The principal changes in the miscellaneous section were advances in the quotations for oils and oilseeds. The table below sets out the changes in each commodity's index number in comparison with that for the end of December, the figure 50 representing in each case the average price during the basic period, 1901-5:—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.
Wheat—For.	84½	+ 6½	Cotton, A	178½	— 14½	Copper	51½	+ 1
English	77½	+ 3½	Cotton, E	161	— 6½	Minerals	789	+ 15
Flour	76	+ 4	Yarn	160½	— 12			
Barley	86½	+ 6	Cloth	154	— 7			
Oats	77½	+ 4½	Wool, Eng.	136½	+ 7	Baltic timber	103½	— 3
Potatoes	125	+ 47	Do Aus.	138	— 7½	Amer. timber	89	— 3
Rice	118½	— 2	Silk	134½	+ 9½	Leather	59½	+ 3
Beef	81½	— 6	Flax	49½	— 4	Petroleum	92	+ 2
Mutton	89	— 6½	Hemp	88	— 4½	Oils	77	+ 5
Pork	93½	+ 5½	Jute	— 33½	— 33½	Oilseed	88	+ 7
						Tallow	75	— 3
Cereals & meat	909½	+ 56½	Textiles	1,349	— 1½	Crystals	85½	— 3
Tea	148	+ 6½	Pig-iron	105	— 1½	Rubber	124	— 3
Coffee	116	+ 24	Steel rails	72	— 4	Miscellaneous	769	+ 14
Sugar, cane	232½	— 1	Iron bars	95	+ 4½			
Sugar, beet	132	— 1	Coal, steam	141	+ 3	Total	4,662	+ 82
Butter	100½	— 1	House coal	132½	+ 5			
Tobacco	116½	+ 30	Lead	135	+ 7			
Other foods	845½	+ 30	Tin	98	+ 7			

Last month's changes raise the increase in the total index number over the level prevailing in July, 1914, from 78.6 to 81.8 per cent., as may be seen from the figures below:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	186	241	237.5
Dec., 1919	249	250	396	247	263	287.1
Mar., 1920	261	260	484	269	309	325.6
Dec., 1921	233	229	209	261	230	230.9
Dec., 1922	159	180	180	164	168	169.6
June, 1923	174	193	184	149	160	171.1
Sept. "	151	194	181	150	148	163.3
Dec. "	149	200	193	152	146	166.2
Mar., 1923	143	214	191	181	144	171.2
June "	141	220	191	167	137	167.7
Sept. "	142	222	197	158	134	167.6
Dec. "	148	231	225	167	136	178.6
Jan., 1924	157	241	219	170	139	181.8

The January total is the highest recorded since September, 1921. Primary foodstuffs are at the highest point since July, 1922, but minerals are not up to the level of May last.

France and the Little Entente.—On January 25th the much-talked-of treaty between France and Czechoslovakia was signed in Paris, and published two days later. The document, although it emphasises the attachment of the two contracting parties to the League of Nations, on the face of it seems harmless enough. The two governments bind themselves to consult one another on such questions of foreign policy as might endanger their security or threaten the arrangements established by the treaties of which the two governments are signatories. This first article gives, in fact, the key to the whole treaty. The *status quo* is to be maintained, and "reciprocal guarantees of security against possible aggression" are felt to be indispensable. Special reference is made to the necessity for maintaining the independence of Austria, for excluding the Hapsburgs from the throne of Hungary, and for adopting a common attitude in the event of any attempt being made to restore the Hohenzollern dynasty in Germany. It is this latter clause, together with the general reciprocal guarantee, which marks the importance of the departure embodied in the new treaty from the policy hitherto adopted by the Czechoslovak Foreign Minister. At this present moment, moreover, the opinion very widely held in this country is that France herself, since the Ruhr adventure, at any rate, has adopted a policy which is a very serious challenge to the rule of law aimed at in the Covenant of the League; and an alliance with France at this juncture seems at least to imply that M. Poincaré's thesis is not altogether disapproved of in ruling circles in Prague. Moreover, an insistence on past treaties—and the Reparations question looms large in this connection—sounds strangely at a time when the need for bringing some at

least of their clauses more nearly into harmony with the possibilities of the European situation is being more and more realised. One thing, at any rate, is clear. This new treaty, as we suggested in our issue of January 5th last, embodies something more than the principle of identity of interest between the contracting parties which has hitherto been the guiding principle of Dr. Benes' foreign policy. At the same time, the undertaking that both parties shall submit disputes which cannot otherwise be settled to the Permanent Court of International Justice, or to some agreed form of arbitration is a very welcome feature. It is important to note that the Roumanian Government has recently declined the loan of 100 million francs for the same purpose, which had already received the sanction of the French Chamber, but which was held up by the Senate. It seems that the Roumanian Government is unwilling to allow the country to be used as a dumping ground for surplus French war material of doubtful value, and the whole incident tends to show that Roumania, at least, is anxious to pursue an independent policy as between the two Western Powers. It is much to be regretted that Dr. Benes has seen fit to depart from this standpoint, for his action has certainly circumscribed the sphere of usefulness of the Little Entente, which, especially after the fortunate solution of Italo-Yugoslav differences, might have played a most important rôle as mediator between the Powers in the interests of European reconstruction.

Italy and Yugoslavia.—Two separate agreements have been signed by Italy and Yugoslavia—one concerning Fiume and the other regarding the general relations of the two countries in the field of international affairs. The free city of Fiume (originally conceived as a kind of Adriatic equivalent to Danzig) has succumbed to partition. This is hardly to be regretted, for the people of Fiume had neither a separate nationhood nor a wish to develop it. As the commercial inhabitants of a port, they depended for their livelihood upon economic union with some hinterland; and since the break-up of Austria-Hungary, their natural hinterland in the Danube Basin has been cut off without compensation hitherto in the shape of an artificial hinterland in Italy. The long occupation of the town by a free company of *Arditi* added further to the townsmen's burdens; and, therefore, compared with her recent case, Fiume proper stands to gain by annexation to Italy, although Italy herself may find Fiume (divorced from Fiume's hinterland) a charge and not an asset in the financial sense. The whole hinterland is now the commercial prize of the Delta and Porto Barros, a stone's throw away, which are annexed to Yugoslavia. The line of partition is as awkward from the practical point of view as that which was recently driven across Upper Silesia; but in this case, as in the other, the authors of the arrangement would probably contend that ultimate success depends, not upon the local topography, but upon the psychological relations of two great nations with one another. If the Fiume Agreement really removes the tension between the Italian and the Yugoslav peoples, and enables them to deal with questions of common interest in an amicable and reasonable manner, no insuperable economic barrier need be involved in the new political boundary. Indeed, its very awkwardness may lead, all the more quickly, towards its being surmounted in the economic sphere. Italy will desire to secure trade for Fiume, Yugoslavia to secure facilities for a greater volume of trade than Porto Barros and the Delta can handle. Given mutual goodwill, it will be strange if these factors do not soon restore Fiume at least to that level of prosperity which she enjoyed while port and hinterland were united, politically as well as economically, under the Hapsburg flag. The Fiume Agreement has been accompanied by a "Pact of Friendship and Co-operation." In principle this is particularly welcome, since the trouble between Italy and Yugoslavia has been a serious cause of unrest and uncertainty in Europe ever since the Armistice. Its removal benefits the rest of Europe, as well as two countries directly concerned, and in making friends they have not only promoted their own interests, but have shown themselves "good Europeans." Incidentally, we shall expect our new Government to clear up the far less serious, but still unfortunate, points of difference outstanding be-

tween Italy and Great Britain. We differ regarding the Dodecanese and Jubaland. In regard to the former, we conceive that the Foreign Office is in the right, but we cannot reasonably champion the principle of nationality at Italy's expense unless, at the same time, we show generosity in honouring, at our own expense, a pledge which we gave to Italy as far back as the Treaty of London in 1915, in virtue of which Italy intervened in the War. Under that treaty, we promised her territorial compensation in Africa in the event of Germany's African colonies passing out of her hands into those of Great Britain and France. We have not sought to claim that we are absolved from that pledge by the introduction of the mandatory system. Therefore do not let us be niggardly in carrying it into effect. We, and the world, have more to gain by a renewal of the old cordiality between Italians and Englishmen than is at stake in a triangular piece of desert in an uninviting zone of Africa, across which our Somali tribesmen happen to trek twice a year. Economic and political boundaries may not be easy to adjust in East Africa, any more than at Fiume, but, here again, the key to a solution lies in the restoration of goodwill between the nations at home.

Statistics of Reparations and Inter-Allied Debts.*—We have received a series of tables upon the subject of reparations, inter-Allied debts, and the wealth of the world's chief creditor and debtor countries, from Italy, which affords a remarkable example of misapplied energy. The purpose of these statistics is an extremely laudable one, namely, to set out in simple form both in aggregate and as totals per head, the wealth of the chief countries, the extent to which that wealth is modified by war debts, inter-Allied debts, and the payment of reparations on various plans. The series culminates with a number of graphs showing the status of each country on various hypotheses. But the whole structure is depreciated by the basic assumption as to national wealth. Thus, in the case of the United States, Signor Alberti takes into account the estimated increase of 100 per cent. in the national wealth of America since the outbreak of war. For the countries of Europe, however, he takes a number of pre-war estimates without alteration, except that from the French, Belgian, and Italian figures there is deducted what is alleged to be a value of the war damage. This is bad enough, for to deduct war damage, estimated at post-war prices, from a pre-war estimate of the national income is clearly wrong. It makes nonsense of the whole calculation when he begins to compare present obligations with these pre-war estimates of wealth. It is true that the figures are all converted into dollars, but they are post-war dollars, and comparisons could only properly be made after revising the estimates of wealth to allow for the depreciation in the value of gold (the rise in prices in dollars). We might add that, just as in the case of the United States, the estimates of wealth have increased as a result, partly of rising prices and partly of an actual increase in physical wealth, so that there is a further element of wealth in Europe of actual physical increase, particularly in the way of factories, machinery, &c. For example, in the case of France, if the temporary or permanent destruction of mines is to be taken into account as a debit, the new mines and increased output stimulated during the war must be reckoned as a credit. The danger which the reader runs by accepting figures of national wealth for which no adequate explanation is given may be illustrated by comparing Signor Alberti's figures with a series recently put forward in a memorandum on the World's Wealth and Public Investments, contained in Moody's Government and Municipal Rating Book of 1923:—

NATIONAL WEALTH PER HEAD (including Government Debt).

	Alberti. Dollars.	Moody. Dollars.
U.S.A.	3,600	2,648
United Kingdom	1,550	2,333
France	1,480†	1,879
Italy	686	766
Belgium	1,337	1,346
Germany	966	1,365

† Figure allows for new provinces on assumption that wealth per head is equal to that in old.

* Tables relating to Reparations and to Inter-Allied War Accounting Entries. By Mario Alberti. Associazione Bancaria Italiana, Milan.

It is obvious that when Italy's inter-Allied debt of 105 dollars per head is under consideration it makes considerable difference which of the two figures in the above table represents the true fact. The Moody publication is almost as sparing of information as to how the calculations are arrived at as that of Signor Alberti, but the idea underlying both of them is quite sound, though in the end these questions of inter-Allied indebtedness must be solved with the help of a knowledge of what each country possesses and can afford to pay. We shall have a further occasion to go into this question more fully. We may, however, add that whatever figures are taken it is quite evident that it would be both impracticable and unreasonable to expect Italy to pay 20s in the £ on the very heavy debt which she owes to England and the United States. For Italy, even more than for France, her inter-Allied indebtedness is the key to her attitude on the whole reparations situation. Even if reparations were paid in full it would cover rather less than three-fourths of Italy's debt to her former Allies.

National Savings.—The seventh annual report of the National Savings Committee, covering the financial year 1922-23, states that during the twelve months ended March 31, 1923, the number of Savings Certificates sold was 49,593,813, of a cash value of £39,675,050. In comparing the sales with the figures for the preceding year, which amounted to 120,427,738 Certificates, of a cash value of £93,331,498, it is to be remembered that the period included the abnormal sales during January to March, 1922, the three months immediately preceding the increase in the price of Savings Certificates from 15s 6d to 16s. When compared with the figures for 1920-21 (53,156,062 Certificates of a cash value of £41,195,948), it will be seen that the reduction in sales is small. The reduction in 1922-23 is accounted for by the decline following the heavy purchases of January-March, 1922. During the latter part of the year under review the sales increased considerably, and reached a level of 1,250,000 Certificates per week. The total number of Certificates sold up to March 31, 1923, was 625,194,405, of a cash value of £485,765,509, and the amount repaid (excluding interest) £131,923,978, representing 27 per cent. of the total invested. The total expenditure of the National Savings Committee during the financial year (apart from the value of the services rendered by other Departments, estimated at £19,660) was £77,345 (0.2 per cent. of the total sales), against £83,512 in 1921-22. Expenses of press advertising, £59,837, were defrayed from moneys applicable to the expense of issues of Government securities. It is satisfactory to note that "bad debts," in the shape of losses by Savings Associations, amounted to only £149, a tribute to the efficiency with which the finances of some 18,500 associations were administered. Perhaps the most satisfactory feature of the Report is the continued progress recorded in the organisation of the savings movement throughout the country. Valuable assistance is being rendered by local authorities, and the fact that 2,287 new associations were formed during the year under review appears to bear out the Committee's conviction that "the organisation can depend for its further expansion upon a large measure of the voluntary service on which it is based. In accordance with the recommendations of the Montagu Committee, steps are being taken to consider methods of co-operation as regards propaganda, &c., with the Post Office and Trustee Savings Banks.

Great Britain and Mexico.—According to an announcement, apparently on official authority, in Wednesday's *Times*, Señor Nieto, the Mexican Minister in Sweden, is at present visiting England in order to obtain British recognition for President Obregon's Government, and the British Foreign Office is prepared to resume negotiations at the point at which they were suspended last September on the question of the establishment by Mexico of a Commission to deal with the question of compensation to British subjects for losses suffered during the revolutionary period since 1910. The negotiations, we believe, were then broken off in consequence of the Mexican refusal to recognise claims for damage under the provision of the Carranzist Constitution relative to the rights of property

in oil and in certain lands; but, as the United States Government has received satisfactory assurances that this clause is not retroactive, this difficulty should not be insuperable. Even under Carranzist rule there was a movement in the City of London in favour of recognition. No doubt there is a feeling at present that it may be advisable to await the issue of the present conflict in Mexico, but the United States has committed itself irrevocably to the support of President Obregon, and, whatever the case for the de la Huertists at the outset of the struggle, their seizure of the oilfields and interruption of the pipe lines has clearly put them in the wrong. President Obregon's representatives contend that British recognition would ensure the final collapse of the rising. At any rate, it might facilitate mediation and open the way to peace.

The Position in China.—The approach of the Chinese New Year, the customary date for the settlement of all outstanding debts, finds the Peking Government in a position which, judged by Western standards, is desperate. According to a telegram published in the *Times* last Wednesday from its Peking correspondent, the Finance Minister is endeavouring to raise a loan from the native banks of \$12,000,000, wherewith to pay the police of the capital and a small sum on account of arrears of official salaries; but the Customs and salt surpluses, which are practically the only security available, are pledged for years ahead. But China came through similar crises in 1921 and 1922, and in the best-informed quarters in the City of London the situation is regarded as less alarming than on either of these occasions. Confidence is felt in the new Cabinet, which is making a serious effort to grapple with the financial problem, and has invited the co-operation of European financial advisers resident in China. It is true that the imposition of the so-called Customs surtax of 2½ per cent., which would probably have been sanctioned by the Conference agreed to in 1921 at Washington, has been blocked by the refusal of France to ratify the agreement, in consequence of the objection of the Chinese Parliament to the projected payment in gold francs of the French share of the Boxer indemnity, and that this refusal must postpone indefinitely the consolidation of the floating debt, an operation which would greatly relieve the difficulties of the Peking Government. Brigandage and disorder continue in the provinces, and several more foreigners have recently been held for ransom or murdered; but the solution of the problem of pacification lies in finance. Inasmuch as it is at last being seriously dealt with, and as the country has obtained an effective government, there are grounds for hope that China, after all, will emerge from her difficulties without breaking up.

Stock Exchange Conditions.—Our Stock Exchange correspondent writes:—Stock Exchange markets have spent a fortnight of wild price movements and lively agitation in all parts of the House. From the day that the announcement was made of the composition of the Labour Government Cabinet, a strong upward movement set in. Substantial purchases of stock did really take place in the gilt-edged market, in Home Rails, and a few of the other departments; the House found itself suddenly called upon to deal with a volume of business surprising in its extent at a time when the railway strike was in full swing and a Labour Cabinet barely lodged in its new quarters. No doubt a good deal of the money which streamed into the markets has been released from banking accounts that were built up at the end of December, partly with the intention of window-dressing, partly because the owners preferred to keep their resources liquid rather than to buy stocks and shares at a time of political flux. The Labour Government made a neater job of its Cabinet than anyone thought it would be able to do, and the obvious recognition of this fact by the investing public, who began to send inquiries for Stock Exchange securities of all kinds, acted as a signal of alarm to the bears, whose account throughout the House has turned out to be of proportions far more considerable than was known. That a great deal of the trading emanated from professional sources, the Stock Exchange eye can see from the fact of the denominations of the orders. The public deals, as a rule, in smaller amounts.

Professional and private business, however, ran simultaneously, and members have been almost too busy to find time to discuss the prospects for the immediate future. Settlement of the railway strike on Monday was followed by a sharp burst of further advances in Home Railway stocks. The strength lasted for just half-an-hour, and was sapped by a bout of profit-taking on the part of those who, expecting that there would be some such rise when the dispute had become composed, promptly took their profits. On the other hand, the restlessness which some think is bound to be kept alive while the Labour Party is in power, may induce caution on the part of the investor who puts stability in the forefront of his demand for security, and, if investment stocks fall out of favour, experience shows that the result favours a certain liveliness in speculation. The question is asked, moreover, as to whether the violent rise of the past ten days has not reached a level at which the ordinary public will hesitate to maintain such interest in investment as would mean a continuance of brisk Stock Exchange business. Some men think that markets have nearly arrived at a point where something of a blind alley may be within sight, so far as activity is concerned, except amongst speculative stocks and shares that will always command a following amongst those who gamble in the markets. There is a good deal to be said in favour of the latter view, and although the accumulation of money, going on as it does incessantly, can be counted upon to provide a bread-and-butter business amongst purely investment stocks and shares, the outlook for a steady maintenance of general animation is not assured. It seems curious, but it is none the less the fact, that the supply of stock round the House, and especially in those markets given over to investment securities, should be surprisingly small. From which the argument can be drawn that newcomers, offering sound stock at reasonable prices, can count upon a welcome from investors.

London Electricity Supply.—The appearance of the two Bills—London Electricity Supply, No. 1 and No. 2—is consequent upon certain negotiations between the London electric supply companies and the London County Council. These negotiations in their turn were consequential upon the decision of the Court of Appeal on July 27th that the draft Order of the Electricity Commission constituting the London and Home Counties Electricity District and establishing a Joint Electricity Authority was *ultra vires* in certain provisions. The Electricity Commissioners in the draft Order mentioned had set out a scheme, both technical and administrative, for the reorganisation of the electricity supply of Greater London. So far as the County of London was concerned, the reorganisation in regard to the area supplied by the companies and the area supplied by the municipal undertakings was to be left in the hands of a representative committee of each body respectively, the two bodies being given a large amount of independence in regard to the Joint Electricity authority proposed to be constituted. It was in connection with this part of the Order that the draft Order was declared to be *ultra vires*. Following the deadlock thus created, the Special Electricity Committee of the London County Council reported on July 31st to the full Council that they had met the representatives of the companies with a view to seeing whether agreement could be come to with the companies in regard to concrete proposals for such modification of the draft scheme of the Electricity Commissioners as would meet the legal objections which had been raised. The committee reported that they had come to a provisional agreement with the representatives of the London companies. The "heads of agreement" arrived at were duly set out in the report, and were briefly as follows:—Provided that a satisfactory sliding scale of prices and dividends could be agreed, the London companies to be empowered to amalgamate and to have an extension of tenure of the whole of their undertakings to 1971, at which date the undertakings were to be transferred to the Joint Electricity Authority on certain terms set out. Further, the companies to have financial and administrative independence, subject only to the control of the Joint Electricity Authority in regard to technical development, capital expenditure which would ultimately

be repayable by the Authority, and certain other matters. Under the London Electric Supply Act, 1908, the London County Council has option of purchase over the whole of the London companies in 1931. Also, under the Electric Lighting (Clauses) Act, 1899, companies are prohibited from amalgamating their undertakings. Further legislation was therefore necessary to give effect to the heads of agreement arrived at with the L.C.C., and the Electricity Supply Bills No. 1 and No. 2 were drafted to this end. The Bills provide powers for the companies to amalgamate their undertakings as a whole or in groups or by way of parts of undertakings; in fact, all possible alternatives in the way of amalgamation are provided for, so as to give the utmost range of flexibility to work in with the comprehensive technical scheme which still awaits final formulation by the Electricity Commissioners. The Bills provide for the rights of purchase exercisable by the L.C.C. under the Act of 1908 to be transferred to the Joint Authority, and for an extension of tenure of the London companies from 1931 to 1971, and for the assets to be transferred to the Joint Electricity Authority at this latter date on the following terms:—The assets in use when the Joint Electricity Authority is constituted to be transferred free of cost to the Joint Electricity Authority, the value of the physical assets being liquidated by a sinking fund by or before 1971. The assets provided by the companies and coming into use after the setting up of the Joint Electricity Authority to be transferred on payment of capital expenditure less depreciation, which is to be also provided by a sinking fund. Provision is also made for a sliding scale to regulate the profits of the London companies, and to secure reduction in rates to consumers, the same to operate for the period of the extension, namely, 1931 to 1971.

The Trade of Indo-China.—French Indo-China consisting of the colony of Cochinchina and the Protectorates of Cambodia, Laos, Annam, and Tonkin, has long ceased to be a disturbing factor in French domestic and foreign policy. It is at present important, judging from the Report from H.B.M. Consul-General and the British Vice-Consul at Saigon, just issued by the Overseas Trade Department, chiefly as a market for French manufactures, which are protected from foreign competition by a high preferential tariff. Moreover, the frequent alterations of the "coefficients" of the rates for foreign imports are apt to turn what promised to be a profit on an import transaction into a loss. Of the 561 million francs' worth of imports last year, 211 millions were French, 195 millions represented goods produced in the Far East—entering largely through Hong Kong—and the remaining 155 millions those from the rest of the world. But the importations through Hong Kong, despite the tariff, are increasing, though their ultimate sources cannot be fully specified. The only British imports mentioned in the Report are thread and iron; in rice milling machinery Great Britain is overtaking Germany, her sole competitor. The exports for 1922 were valued at 840 million francs, as against 1026.5 million francs in 1921, the decrease being mainly in rice, of which the export in 1921 was exceptionally large; the crop for the current year is moderate. Of the chief exports, most of the rice went to Eastern countries and the European Continent, but Great Britain took part of the broken rice and rice flour, while the bulk of the rubber and pepper and all the maize and copra went to France; of the timber, 90 per cent. was teak for British India, and two-thirds of the fishery products went to Singapore. Almost all the cotton, hides, and skins went to unspecified destinations through Hong Kong. Recent commercial difficulties have weeded out the newer and weaker importing firms; silver and, therefore, sterling exchange, have remained fairly steady; but exporters in Great Britain are warned that the Customs duties, though expressed in francs, are paid in piastres, the relation of the two currencies being officially regulated and variable, and the actual exchange on London is between piastres and sterling. Naturally there is little direct communication with Great Britain, though the Blue Funnel liners call at Saigon on the homeward voyage. The local and coastal communication by steamers, in some cases heavily subsidised, is unsatisfactory, except between Saigon and Hong Kong,

and even the French mail service might be more regular. The railways appear to be much better managed, notably the line to Yunnanfu, giving access to Southern China. The country has a network of good roads and much motor traffic. The ports of Saigon and Haiphong are being improved, and wireless and telephony are extending. The country is admirably situated for traffic with its neighbours, but it offers little opportunity for European traders other than French.

Purchases of Russian Chervontsy Abroad.—During the last few months, writes a correspondent, the purchasing of Russian chervontsy—the bank-notes issued by the Russian State Bank—has been increasingly active. Whereas in July, 1923, only three of the State Bank's foreign correspondents were buying chervontsy, notwithstanding the sale of them abroad for purposes of popularisation at somewhat lower prices to those at which they were quoted in Moscow, by December 31st banks had begun to buy, the position being as follows:—

	Chervontsy Purchased.	Total Foreign Transfers Expressed in Chervontsy
July	34,500	572,400
August	154,000	838,700
September	207,750	903,000
October	510,203	720,000
November	942,436	1,836,000
December	976,608	2,350,000
Total	2,825,997	7,220,100

Of these 2,826,000 chervontsy bought abroad 2,384,000 were purchased by British banks, including 1,700,000 by Lloyds Bank, according to the Russian State Bank's returns. This reflects the fact that the bulk of Russia's foreign trade is done with or through this country. German buyings of the bank-notes during the same six months' period only amounted to 30,000, Estonian to 117,500, American to 105,000, and Swedish to 65,000. When it is borne in mind that during 1922 and the first half of 1923—owing to the depreciation of the rouble—transfers to Russia were almost exclusively made payable in actual foreign bank-notes in Russia, with consequent large circulation of foreign currency within the country—involving loss of interest on the whole mass of bank-notes, introduction of forged foreign bank-notes and the unproductive locking up of part of the liquid capital of the country—the new Russian currency will be acknowledged to have rendered valuable services already.

Guernsey Bank Absorbed.—At Thursday's meeting of the National Provincial and Union Bank of England, Sir Harry Goschen announced that an agreement has been concluded, subject to the sanction of the Treasury, for the amalgamation of the Guernsey Banking Company, Limited, with the National Provincial and Union Bank of England, Limited, to take effect as from January 1st last. The basis of the fusion, which will be submitted for the approval of the shareholders of the Guernsey Banking Company, Limited, in due course, is that for each £50 (£10 paid) share of that company, two National Provincial and Union Bank of England, Limited, £5 fully paid shares, plus £18 (nominal) inscribed 5 per cent. War Loan, 1929-47, will be given in exchange. The present directors of the Guernsey Banking Company, Limited, will be constituted a local board, and the manager, sub-manager, and the whole of the staff will be taken over by the National Provincial Bank. The Guernsey Banking Company, Limited, was established in 1827. It has a paid up capital of £50,000, consisting of 5,000 shares of £50 each (£10 paid), reserve funds of £85,000, and deposits (as at December 31, 1923) amounting to £665,000. In addition to the chief office at 29 High street, Guernsey, there are branch offices in the island at St Sampson's and St Peter-in-the-Wood, and there is also an agency at Alderney.

Gas Light and Coke Results.—We have often remarked that gas and water companies stand in a class quite by themselves. Changes are slowly being effected in the methods of presenting accounts, but some rules apparently are difficult to leave behind. These thoughts come to our

mind as we read that on the ordinary stock of the Gas Light and Coke Company for the first six months of the year a dividend at the rate of £5 4s per cent. per annum was paid, while on the last six months of the year the directors recommend a dividend at the rate of £5 6s 8d per cent. Thus the bemused stockholder is left to work out for himself the earning power of the stock, unless some friend attempts to assist in the problem. In the following table we show how this big undertaking has fared over a number of years. The ratio of expenses to revenue is practically at a standstill:—

	1917.	1918.	1919.	1920.	1921.	1922.	1923.
Gross revenue	7,029,550	7,740,844	9,854,028	12,790,821	11,232,360	10,110,354	9,523,580
Expenses	6,000,370	6,690,745	9,008,164	11,877,286	10,134,881	8,590,169	8,144,770
	(85 %)	(86 %)	(91 %)	(93 %)	(90 %)	(85 %)	(85 %)
Net revenue	1,029,180	1,050,099	845,864	913,535	1,097,479	1,520,185	1,378,810
Res., int., sinking fund, pf. div., &c.	520,880	436,862	417,668	421,939	519,102	591,700	526,710
Balance	508,300	613,237	428,196	491,576	578,377	928,485	852,100
Ordinary dividend	608,765	483,531	488,969	488,970	750,618	853,039	899,160
Rate per cent.	£3/14/8	£2/19/4	£3/0/0	£3/0/0	£4/13/4	£5/4/0	£5 %
Carried forward	100,465	129,700	56,773	2,627	182,241	99,998	17,069

The figures given above are approximate. It could be wished that directors of these public utility undertakings would show a little more sympathy towards the investing public. We appreciate that accounts must be shown according to certain regulations laid down, but there is no reason why stockholders could not have an additional table for themselves. The report informs us that the selling price of the company's gas was reduced from 10d per therm (4s 2d per 1,000 cubic feet) to 9.2d per therm (3s 10d per 1,000 cubic feet) from the reading of the meter indices for the March quarter, 1923, and was further reduced to 8.6d per therm (3s 7d per 1,000 cubic feet) from the reading of the meter indices for the June quarter, 1923, a reduction of 14 per cent. during the year. It is also pointed out that the sale of gas shows an increase of 5 per cent. There has been an addition for the year to the company's consumers of 11,290, and an increase of 67,253 in the number of gas stoves sold and let out on hire. We also observe with interest that the London County Council gave notice in August of their intention to apply to the Board of Trade for a revision of the company's standard price, under Sub-section 3 of Section 1 of the Gas Regulation Act, 1920. The Board of Trade held a public inquiry into the matter on November 14th last, and issued an Order, dated December 22, 1923, reducing the company's standard price as from December 31, 1923, from 15.2d to 11d per therm.

Mexican Eagle Oil.—Two documents have come to hand this week which concern the Mexican Eagle Oil Company. The first is a statement issued by the London financial agents of the company. This points out that "the accounts for the fiscal year ended on December 31, 1923, will be issued in June next. Having regard to the estimated results of the year's trading and to the necessity of conserving the cash resources of the company, the directors decided not to pay any interim dividend on December 31, 1923, on the 8 per cent. participating preferred ordinary shares or on the ordinary shares in respect of the year ending on that date," and add that "further considerable economies in working costs have been effected during the year, but although the average cost of purchased crude oil has been slightly lower than in 1922, the continued decline in retail prices of white oil products during 1923 materially affected the company's trading results. The trading operations of the company during the period under review were also considerably dependent upon purchased and imported crude. The policy of maintaining the company's refineries in this way has proved to be a commercial proposition and is being continued." Reference is made to the "serious losses sustained by the company during the last three years as a result of the undue depression in the tank-steamer freight market." The second document is a letter from the Eagle Oil Transport Company, Limited. This points out that "for some time past the Mexican Eagle Oil Company, the charterers of the whole of the company's vessels, who have acquired the whole of the ordinary shares in this company, have been in communication with us with regard

to a revision of the terms of their chartering agreement. They have submitted to us statements which show that these terms have proved very onerous in consequence of the severe fall in late years in tank-steamer freight rates, and that, in fact, they have sustained very heavy losses thereby." The letter goes on to inform us that the directors have entered into arrangements for suspending until further notice the terms of the original contract, but it is stated that "the new charter rates will not only enable your ships to be written down within a few years to a figure more in line with pre-war values, but will fully cover the note interest, and an 8 per cent. dividend on the preference shares."

R. E. Jones, Limited.—In their annual report for the year ended October 31, 1923, the directors of R. E. Jones, Limited, state that profits for twelve months amounted to £43,740. Various reserve allocations have been made out of this sum, but the balance-sheet still records an adverse balance of £188,857. The auditors' report is a lengthy statement, which must be read in conjunction with the proposals of the directors for a reorganisation of the company. The directors point out that "in connection with this scheme arrangements have been made for a revaluation of the properties of the company and its subsidiaries. It is suggested that the difference between the new valuation and the balance-sheet values, together with the balance standing at the debit of profit and loss account should be written off, and the share capital written down to correspond. If the suggested scheme is adopted, the company should be in a position to resume immediately the payment of dividends. The directors will convene an extraordinary general meeting to consider and approve the suggested scheme at a convenient date." This is something in a definite direction, but while reconstruction is taking place we would suggest that a composite balance-sheet should be given, which would tell shareholders exactly what assets they possess. It is not sufficient to inform shareholders that investments in subsidiary companies have been written down by this or that sum. The point which must be made clear is: What do those investments represent? The balance-sheet and the report have only just been placed in our hands, hence the belated appearance of our remarks.

France and Calfskin Export.—A correspondent writes:—Bermondsey has been perturbed this week by the news that the French Government have issued a decree prohibiting the export of hides and skins. Some cabled reports included leather made from them also, but this does not seem to be as yet very clear. It is, however, unlikely that the French Government would interfere with the export of leather, which is on a large scale with this country in both upper and sole leather. The prohibition on calfskins has already affected the home article, as light skins advanced in Bermondsey this week by 2½d per lb, and the provincial markets will follow suit. The prohibition is the outcome of an agitation which has been on foot for some time in France, shoe manufacturers' organisations taking the view that the high prices of hides and skins was brought about by the active bidding of foreign buyers—American especially. Germany has for some time prohibited the export of calfskins, and as both this country and France are veal-eating nations, it means that important sources of supply of raw skins are cut off from the rest of the world. "Paris squares" have long been regarded as the standard of excellence in calfskins, and it will be interesting to see what this class of raw material brings at the monthly sales in progress now that export is prohibited.

A PUBLIC lecture on "Business Forecasting" will be given by David Heron, D.Sc., M.A. (chairman of the Board of Studies in Statistics, University of London, and secretary, London Guarantee and Accident Company, Limited) at University College, Gower street, W.C., on Friday, February 8th, at 5.30 p.m. The chair will be taken by Professor Karl Pearson, LL.D., F.R.S.

Oversea Correspondence.

UNITED STATES.—FOREIGN TRADE BALANCE FOR 1923 — RAILROAD EARNINGS — COTTON CONSUMPTION AND COTTON GOODS — ARGENTINE BONDS OFFERED — MONEY AND BANKING SITUATION.

(FROM OUR CORRESPONDENT.)

NEW YORK, January 18.

FOREIGN trade returns prepared by the Department of Commerce show that there was another heavy increase in exports during December, the total value amounting to \$425,000,000, the largest for any month since February, 1921. Imports last month were valued at \$285,000,000, so that exports exceeded imports by \$140,000,000, the biggest monthly trade balance in favour of this country since the export figure began to pass that of imports last July. The marked increase in the value of exports in December, as in October and November, was due largely to the high price of cotton which figured extensively in commodity shipments. For the calendar year 1923 the Department's preliminary returns show a foreign trade balance, so far as the value of merchandise and commodities is concerned, of \$375,948,917, as against \$719,030,636 for 1922. The value of exports last year was \$4,164,831,132, and that of imports \$3,788,882,215. December imports of gold, amounting to \$32,641,226, were larger than the average of several months preceding, and brought the total inflow of gold for the year up to \$322,715,812, as compared with \$275,169,785 in 1922 and \$691,248,297 in 1921. Exports of gold in 1923 reached only \$28,643,417. Silver imports last month totalled \$8,172,301, and exports \$9,521,083; for the entire year silver imports aggregated \$74,453,530, and exports \$72,468,789.

According to the Census Bureau, cotton, foreign and domestic, consumed by American mills in December, totalled 461,560 bales of lint and 40,892 of linters, as against 531,631 of lint and 48,069 of linters in November, and 527,945 of lint and 49,143 of linters in December, 1922. For the five completed months of the present cotton year American spinners' takings amounted to 2,520,373 bales, as against 2,661,274 in the corresponding period of the preceding year. Cotton consumption by American spinners for the 12 months of the calendar year 1923 totalled 6,512,975 bales, representing an increase of 7 per cent. over the year 1922, of 20.4 per cent. over 1921, and of 11.5 per cent. over 1920. For the first five months of the current cotton year exports of the staple were 3,331,155 bales, against 2,906,782 in the same months of the previous cotton year. December's exports were 845,581 bales, as compared with 770,002 in November and 607,853 in December of 1922. The consumption of cotton last month was the smallest of any month of the present cotton season. The sharp falling off apparently reflects the extensive curtailment of production of cotton goods last month, especially in New England centres, and unless demand for cottons improves there is likely to be a further decrease in consumption in this and following months. Thus far in the new year trade in cotton goods, both finished and unfinished, has been very slow, except in certain seasonal lines.

While gross earnings of railroads for November fell considerably below those for October—the peak month of last year—the total of \$531,507,756 showed an increase of \$7,899,877, or 1.5 per cent. over November, 1922. The decrease from October was due to the seasonal falling off in the volume of freight traffic. Practically all of the November increase in gross over the corresponding month of 1922 was reflected in net operating revenue, which aggregated \$124,925,816, a gain of \$7,162,451, or 6.1 per cent., because operating expenses of \$406,581,940 were only \$737,426 greater than in November of 1922. After taxes, rents, and other charges the carriers reported net operating income of \$86,130,774, or \$2,908,126 more than for November, 1922. For the 11 months of last year the Class I. railroads made a remarkable exhibit. Operating revenue totalled \$5,862,172,788, an increase of \$755,335,137 over

the same period in 1922, and with the exception of 1920, when gross earnings for that full year reached \$6,225,417,245, the operating revenues for 11 months of 1923 exceeded the total for several calendar years past. Operating expenses for the period, namely, \$4,555,779,171, were \$503,189,925 greater than for the 11 months of 1922, due largely to the higher wages paid and the greater expenditures involved in handling the bigger volume of traffic. Net operating income for the 11 months amounted to \$907,675,809, a gain of \$209,832,701.

A nation-wide group of bankers offered to American investors this week \$40,000,000 Argentine Government external sinking fund 6 per cent. gold bonds of 1923, Series A, due September 1, 1957. The bonds were priced to subscribers at 96½ to yield 6½ per cent. to maturity. The offering, which is the first large foreign issue to be floated in the United States this year, has thus far met with a good response. The proceeds, it is understood, will be used to refund part of the \$55,000,000 six months 6 per cent. Argentine notes maturing March 1st, leaving the balance to be taken care of later. The bond market generally continues active and strong under a broad investment demand, the trading this week having been featured by heavy purchases of railroad bonds especially.

Apart from a temporary firming of call loan rates on the Stock Exchange incident to the January 15th disturbances, the money market continues steady though rather quiet. Funds are in abundant supply at 4½ per cent. for the shorter periods and at 5 per cent. for longer maturities, most of the borrowing being for 30 to 90 days at the lower rate. The banking situation shows further improvement, the Federal Reserve system's ratio of reserves to note and deposit liabilities having advanced during the past week to 80.1 per cent., or nearly the highest point reached last year, which in turn was the highest recorded since 1917. An outstanding feature of this week's statement is the further reduction of some \$62,000,000 in Federal Reserve note circulation, bringing the total down to \$2,084,320,000, the smallest amount in actual circulation at any time since 1918.

FRANCE.—THE FRANCO AND NEW TAXES—INFLATED CLAIMS FOR WAR LOSSES—FOREIGN TRADE—PRICES.

(FROM OUR CORRESPONDENT.)

PARIS, January 30.

The strenuous effort which is now being made to place the national finances on a better footing is the direct outcome of the recent serious renewed fall in the franc and the consequent increase in the cost of living. The whole situation is admirably summed up by M. Maurice Bokanowski, the rapporteur Général of the Finance Commission of the Chamber, in his report on the new financial proposals: "In order to reduce the cost of living, it is necessary to solve the exchange problem, and in order to solve this problem we must get rid of the deficit." In other words, the Budget of Recoverable Expenditure (which it has so far been found impossible to recover from Germany) must be met out of France's own resources from taxation, and must no longer be allowed to continue as an ever-growing charge upon the credit of the country. It has now been recognised here—as it has long ago been in other countries—that the only way to meet the cost of reconstituting the devastated area is not by further borrowing and an inevitable increase of interest charges, but for the taxpayers to provide the rest of the money required to meet interest and pension charges, at least, as and when it is wanted, and that the only means of ensuring this course being taken is to impose additional taxes. This has long been realised by the business men of the country, but not by the politicians, who have shown themselves, characteristically enough, more and more pusillanimous in this regard as the date of the General Elections has come nearer.

A resolution passed by the Strasburg Chamber of Commerce some time ago is illuminating in this respect. After insisting that the economic position of France in no way justifies the fall in the franc, the resolution insisted that, while the Government must persist in its

policy of firmness with regard to Germany, "it is necessary that France shall balance, without further delay, not only its ordinary Budget, which it has now done, but also its extraordinary Budget, or Budget of Recoverable expenditure, and that this should be done, not by means of loans but by fresh taxation, which should be levied on the whole of the taxpayers without exception, in accordance with their contributive strength." This resolution is typical of many others that have been forwarded to the Government by the best brains in the country, and the fact explains why, in spite of a large number of deputies who are fearful of losing their seats at the coming elections, the great mass of the nation is solidly behind the Government in regard to the step it is now taking to right the financial situation. Every day since the new proposals were introduced is confirming the opinion I expressed a few weeks ago that the Government has under-valued the fiscal patriotism of the country. The fact that M. Poincaré, by sheer power of his authority over the Chamber, was able last Saturday to override all opposition and secure the closure of the general discussion of the new proposals, not only without having to pose the question of a vote of confidence, but without even a division, is further proof of this.

The discussion of the new financial proposals has unfortunately been marred by the outburst of extremely serious scandals in regard to the manner in which claims for damages for war losses have in many cases been inflated on an incredible scale. Circumstantial reports affecting the honour of many of the largest industrial concerns in the devastated regions have been in circulation for months past, and it has been openly stated that 75 per cent. of the more important firms are affected. The claims originally put in, in 1919 and 1920, it is alleged, were in many cases subsequently inflated to 25, 50, and in some cases to 100 times the original amounts. This has been largely due, it is insisted, to the fact that the law creating the machinery for the payment of war losses permitted of the intervention of purely professional organisations for the purpose of assisting *sinistrés* to make up their claims. This in itself was a harmless and undoubtedly useful proviso, but it unfortunately also gave these organisations the right to payment at the rate of 3 per cent. of the amount of the claim eventually accorded. Some of these agencies, in spite of a comparatively small capital, are alleged to have made profits amounting to "many millions" of francs by deliberately inflating original claims to unheard of figures. The preliminary assessment of war losses, again, was carried out by district commissions, composed of purely local people, who could scarcely be expected not to "be kind to their friends," particularly when the phrase that "the Germans will have to pay it" had become an ingrained tradition. A leading Paris newspaper recently estimated, on good authority, that if the inflated claims were revised the State would be able to recover the colossal sum of "at least 20 milliards of francs" from people who have received more than they are justly entitled to, or who are awaiting payments that have already been authorised.

The French foreign trade returns, which are now available for the whole of the past year, disclose that, during the twelve months, the adverse balance against this country has been reduced by about 370,000,000f, as compared with that existing at the end of 1922, and is now 2,183 millions, on a total volume of trade valued at 63,064,070,000f, or slightly over 4 per cent. of the whole. The pre-war deficit was about 15 per cent. The principal figures (in francs), as compared with those for 1922 and 1913, are as follows:—

	1913.	1922.	1923.
Imports—	Francs.	Francs.	Francs.
Foodstuffs	1,817,579,000	5,833,087,000	7,478,917,000
Raw materials	4,945,732,000	14,044,485,000	20,781,890,000
Manufactured goods ..	1,650,021,000	4,051,956,000	4,353,753,000
Totals	8,421,332,000	23,930,328,000	32,614,560,000
Exports—	Francs.	Francs.	Francs.
Foodstuffs	838,890,000	1,882,047,000	3,189,250,000
Raw materials	1,858,091,000	5,807,200,000	9,348,056,000
Manufactured goods ..	3,617,046,000	12,271,586,000	16,232,406,000
Postal parcels	586,182,000	1,418,142,000	1,660,990,000
Totals	6,880,217,000	21,378,943,000	30,431,510,000

The figures show that during the year imports increased in value by 36 per cent., while the exports rose by 42 per cent. The most striking growth was in the export of manufactured goods, which increased by 3,960,820,000f during the year, or nearly 33 per cent., while imports of manufactured goods rose by only 301,797,000f, or only about 7½ per cent. The enormous extent to which this increase in value was due to the rates of exchange current during the past year may be gathered from the following figures setting forth the weights of exports and imports, in metric tons, during 1922 and 1923 respectively:—

	(In Metric Tons.)	1922.	1923.
Imports—			
Foodstuffs	5,090,515	..	5,715,099
Raw materials	44,666,722	..	47,706,810
Manufactured goods	1,660,964	..	1,499,922
Totals	51,418,201	..	54,921,837
Exports—			
Foodstuffs	947,447	..	1,311,927
Raw materials	19,083,400	..	20,403,402
Manufactured goods	2,583,986	..	3,042,037
Postal packets	28,024	..	32,014
Totals	22,642,857	..	24,789,020

The imports of coal and coke from Great Britain during the year had a value of 3,644,794,000f, and amounted to 30,672,847 tons, as compared with an expenditure of 2,397,763,000f in 1922, when the quantity imported was 28,987,108 tons. In other words, during the past year, owing to the high rate of exchange, the French paid over 50 per cent. more in cash for an increase of less than 6 per cent. in quantity.

The index figures of wholesale prices for the last month in the year have now been issued by the *Statistique Générale*, and are as follows (based on 100 as representing wholesale prices in July, 1914):—

Categories.	End of December. (Provisional.)	End of November. (Corrected.)
General index figure.....	45	468
Foodstuffs (ensemble)	20	422
Vegetable foods.....	8	375
Animal foods.....	8	437
Sugar, coffee, cocoa	4	493
Raw materials (ensemble) ..	25	509
Minerals and metals ..	7	477
Textiles	6	613
Various	12	466

The figure for retail prices in Paris at the end of December (based on 100 as representing the prices of the corresponding articles in July, 1914) is returned as 365, as compared with 355 in November.

GERMANY.—GOLD BANK—FINANCES—PRICES AND WAGES—BOURSE—BUSINESS.

(FROM OUR CORRESPONDENT.)

BERLIN, January 29.

THE prospects of the foundation of a gold-note bank are considered good; though doubt exists as to the functions of such a bank other than as a bank of issue. Dr Schacht speaks of the bank as "an absolute necessity for business," but it is, nevertheless, not clear whether the bank would exercise private credit functions, as does the Reichsbank, or whether it would merely grant credit to the State. As the Rentenmark, successful though it has been so far, is declared by all, including Dr Schacht, who at first opposed it, to be merely a provisional solution, a bank from which the State could obtain occasional credit seems necessary. The Reichsbank, with a circulation which is no longer in law backed by the gold reserve, cannot again become the credit-giver. The arrival of the first expert commission under General Dawes takes place to-day. The public view of its work is more favourable than that of any of the past innumerable commissions. The psychological effect of the stabilised currency accounts for this optimism; the international public and experts, it is believed, have been impressed. Although no figures are obtainable, it seems that very large sums of foreign money are again entering Germany in the shape of credits to industry and investments in securities.

The Third Taxation Decree is now prepared, but not yet published. The difference between the Finance Minis-

try, which wanted to prohibit even the partial restoring of depreciated secured debts (this in the interest of the State, which was to take all the private profits therefrom) and the Ministry of Justice, which accepted the Reichsgericht's decision that mortgages must be partially restored, seems to have ended in a compromise. According to newspaper reports mortgages are to be restored by up to 10 per cent., in exceptional cases 25 per cent., of their original gold value. Newspapers declare that only part of the inflation gains of debtors (between 7 and 12 per cent.) will be expropriated; and that as it is impossible to go into individual cases, this may be achieved by an all-round tax on Increment of Capital, the increment naturally being measured in gold marks. The banks and industry demand a reduction of the Bourse Transactions Tax, by abolishing the supplements imposed to meet the special conditions of the inflation period. The Finance Minister, Dr Luther, has expressed himself optimistically as to the balancing of the Budget, if the cost of the army of occupation, the mark-currency outlay on Versailles Treaty fulfilment, and naturally Reparations payments are omitted. A complete settlement of the question raised by the demands of certain States for restoration of their taxation sovereignty cannot be thought of now, said Dr Luther. The Prussian Finance Ministry puts Prussia's expenditure in the current financial year at 2,128 million gold marks, and revenue at 1,580 million gold marks, this after the recent doubling of the State Land Tax.

Prices continue to decline, and thereby to fortify the new currency. In the week ending January 22nd the wholesale index fell a further 3.4 per cent., in the week ending January 21st the cost of living fell 2.7 per cent. At home, business competition to sell is very severe. Iron and steel dealers have enormous stocks of material on hand, with which they are underselling the producers. Bar-iron, the official price of which late last year was 195 gold marks per metric ton, has been sold as low as 125 gold marks. As a result of such competition there is talk of renewing the cartels and syndicates in the great industries which have of late been moribund or actually dead. The steel producers last week held a meeting at Hagen, and issued "recommendations" not to sell below the following prices (in gold marks per metric ton):—Bars 150, construction forms 127, universal iron 140, bands 165, thick sheets (over 5 mill.) 150, thin sheets (under 1 mill.) 185, wire rods 160. These recommendations do not bind any producer or dealer. The Pig-Iron Syndicate is being attacked for not cutting its prices. The report that the Government has decided to abolish or reduce pig-iron import duties in order to encourage import from England and so help the native manufacturing consumers is denied. The Syndicate gives the following figures in justification of its attitude: present pig prices are, according to quality and selling district, from 17 to 32 per cent. above those of 1913, whereas home and foreign ores are 50 to 75 per cent. higher, coke 110 per cent. higher, and railway rates 100 to 150 per cent. higher. Various industrial interests have petitioned the Government to reduce rail rates still more, the proposed reduction for some kinds of goods being 20 per cent. All iron and steel producers affirm that under the compulsion of need of cash, they are selling below production cost. Shortage of working capital everywhere exists. In order to raise money, Krupps are reported to have parted with 12 million marks nominal of Mannesmann Tube shares; and the Harpener Iron and Steel Company to have parted with a large parcel of shares in the Westphalia Coal Company.

Wages are on the whole stable, but there have been a few cuts since gold prices reached their highest point two months ago. The price drop has, however, been much greater, and the real wage has of late considerably increased. The "Berliner Tageblatt" publishes an analysis to show that at least in some branches wages are now at about peace level. Most of the wage indexes are unreliable because they ignore the compulsory supplements to wages for wives and children, which rise to a considerable sum; thus in the transport branch where a married workman gets only 50 gold pf an hour a married man with six children gets 76 gold pf. The average wage of a group of male skilled workers in December was 68.9 gold pf, against 69 gold pf before the war. As the gold cost of living is now again (owing mainly to the rent re-

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strictions) only a fraction above that of 1913, it seems that the real wage is not very unsatisfactory. The present social trouble is, therefore, not so much low wages as unemployment. Here things continue to improve. In the week ending January 26th the number of fully unemployed in occupied territory fell by an estimated 20,000, of partly unemployed by 60,000; while in unoccupied territory the number of fully unemployed fell by 60,000, of partly unemployed by 25,000.

Money is extraordinarily plentiful. The rate for day money fell last week as low as ½ per mille per day. The Prussian State Bank (Seehandlung) has reduced its rates for credits from 24 and 18 per cent. a year to 7 and 6 per cent.; and the Reichsbank has been meeting to consider the 90 per cent. rate, which, if the present assumption that the paper mark will remain stable is correct, is much too high. The banks have enormous paper mark deposits, with which they do not know what to do. It is suggested, incidentally, that they might now return to the pre-war practice of publishing balance-sheets every two months. The Vienna banks have long past published statements of deposits once a month; and even the new Russian private banks are more liberal with publicity than the German. The Reichsbank's clearings in 1923 totalled 2,371,637,845,850 milliard marks, against 6,367,752 million marks in 1922. Only in one month, March (here, as the result of the temporarily successful support of the mark) did clearings go back. In 1913 clearings totalled 119,310 millions. The bank's statement for December 31st for the first time shows private discounts in Rentenmarks, alongside private paper mark discounts. This means that a separate bill discount and cheque business is at last being done in Rentenmarks. Circulation rose by 21 trillions to 496 trillions.

Last week witnessed a heavy drop in the average price of bonds, which had doubled their prices the week before. This is due to the again-repeated official declaration that depreciated federal and State loans will not be restored by even a fraction. The home loan index on the 25th was 4.67, against 9.53 on the 18th. Loans were again weaker to-day with the exception of War Loan, which, however, later receded. To-day stocks were fairly firm, weakening a little towards the close. There was a demand for mining, electrical, chemical and certain textile stocks, but machine and potash stocks were still, and shipping stocks irregular. Quotations were (in milliards):—War Loan 180, Fours 595, 3½ per Cents. 505, Threes 1,125, Colonial Fours 2,300, Prussian Threes Consols 820. Rye, coal and other commodities bonds, which enjoyed a boom last summer, have of late badly fallen off.

The Ruhr Coal Cartel, which replaces the dissolved Rhenish-Westphalian Coal Syndicate, is organised as a public company, with a capital of 7,500 milliard marks, divided into 25,000 shares of 300,000,000 marks each. The business year runs from April to March. The new company, like the old Syndicate, has concluded contracts with the mine-owners. The coal business is still unsatisfactory. Ruhr coal has been driven from the German coast, from Holland and even from districts verging on the Ruhr. Many mines, especially those on the south side of the coalfields, have not yet resumed production. A large parcel of stock in the Silesian Laurahutte is reported to

have passed from the Viennese Bosel into the hands of a Dutch financial group, led by the Rotterdamsche Bank-vereeniging. The Otto Wolff concern of Cologne, which works with the Phoenix and van der Zypen companies, has given notice to terminate its agreement with Soviet Russia. This agreement, come to in October, 1922, provided for the creation of a Russo-German company, to which Wolff should give a credit of £750,000, in addition to giving a credit of £500,000 to the Russian Government. Both credits were to be in wares. In exchange Wolff got semi-monopolistic export and import rights, and the right of opening branch works or offices in Russia. The breach is connected with the undertaking to grant credit to the Soviet Government. The Russian Trade Mission here reports that the Russo-German company in question in the first year did business for 6,000,000 gold roubles, and made a profit of 1,200,000 gold roubles, or 400 per cent. on capital.

BELGIUM.—THE FALL OF THE FRANC — THE CAUSES—REMEDIAL MEASURES.

(FROM OUR CORRESPONDENT.)

BRUSSELS, January 21.

ONCE more the question of exchange is the burning one in Belgium as in France. Why are measures not taken to stop this unjustifiable rise in the pound sterling? asks the public (but it does not indicate who it is who ought to take the measures or which measures), and why is speculation not put down? and why are the arbitrageurs of certain banks allowed to work with 29 or 30 telephones, having at least one receiver always on each ear? This cannot be allowed, say the newspapers, especially as these people realise enormous profits in selling in Amsterdam what they previously bought in Paris or in London, or perhaps *vice versa*. As there is now very little sensational news from Germany to fill up their columns, vehement articles now appear in the daily papers inciting the public against the banks, who are accused of being the cause of all the harm owing to their speculations; it being sometimes stated that regular campaigns are studied in Germany in order to organise an "offensive against the franc." According to some this is done with the assistance of Dutch, English and American financiers. All these false rumours create a dangerous atmosphere, and under the pretext of informing the public they at certain times leave it in a state of bewilderment. It is far from me to say that no influence has been brought to bear on the franc for political reasons. But it is not there that the true causes of the depreciation of the Belgian franc are to be found, the principal reasons for which are in the first place the Budgets, which are always in deficit. It is partly to be accounted for by the insolvency of Germany, and partly on account of excessive expenditure. It must, however, be noted that Belgium is not getting into a worse state, and that she is making meritorious efforts from the point of view of increasing taxation, but not enough yet in cutting down expenses. One could not very well expect Belgium, partly destroyed as she was in 1918, immediately to make the same financial effort as England. But the State is in the habit of drawing up its budget in a way that no business man would have done, since, first of all, it estimates its expenditure and then borrows the deficit if the budget does not balance. Another essential cause is the continued deficit in the commercial balance, which is no longer made good by the foreign bonds, which before the war were held by Belgians or by the revenues of numerous companies operating in Russia, Austria, and the Balkans. There is also no longer the foreign capital which used to take refuge in Belgium, in order to avoid the taxes which were in force in certain countries, but which were non-existent in Belgium.

A rise in the bank rate is among the great measures which Monsieur de Lasteyrie thinks he has discovered for stopping the rise of foreign currencies in France. If this measure can still sometimes have an influence in those countries where the exchanges are more or less at gold par, it can have none whatever in the countries with abnormal rates. The Belgian exporter brings back only a part of his foreign currencies. It means on his part a

lack of confidence in the money of his own country, and by acting in this manner, counting on receiving an extra profit, he is quite indifferent as to whether he pays his bankers 1 per cent. more or less per annum when he borrows the necessary francs in order to carry on his business. As regards speculation, a small increase in interest charges will certainly not stop it, since the fluctuations in the quotations sometimes amount to 5 per cent. in one day. Furthermore, it is in the countries having the greatest depreciation in their currencies where the discount rate is highest, and the foreigner quickly jumps to the conclusion that the fact of continually raising the discount rate in a country indicates that the position of that country is going from bad to worse, and that, therefore, its currency is not worth buying. We must not forget that in the case of Belgium the price of the franc is expressed in foreign currency abroad, to a large extent, in more or less direct proportion to the amount of confidence inspired by the prospects of recovery of the country, and a rise in the bank rate does not help to reassure people. I have heard people asking, even in Belgium, if it is possible that the situation is so bad in France that the Banque de France has had to raise its discount rate twice in one week.

After numerous meetings of bankers, presidents of Chambers of Commerce and others, and after M. de Lasteyrie's declaration that the French Government would adopt strong measures to stop the depreciation of the franc, Brussels awaited with a certain amount of curiosity further complementary details; for Brussels has been much less moved by the recent rise of foreign exchanges which in reality was not so severe here as in Paris because of the depreciation of the French franc in our markets. But the net result of a week of consultations is that in France one or two Dutch and one Russian Arbitragists have been expelled from the Paris Bourse, and the following measures which have been announced to-day:— (1) Suppression of taxation frauds; (2) economies in public administrations; (3) no fresh expenditure; (4) fresh taxation. This is what should have been put into practice a long time ago.

In Belgium we need the assistance of foreign speculators because we have annually to sell large amounts of francs to cover the deficit between our receipts and payments of foreign currencies. Therefore, how can we expect holders of sterling, florins or other currencies, to purchase francs unless they can hope to make a profit by so doing. Why should they accept 90 francs in exchange for £1 unless they anticipate being able to repurchase later at 80 or 70 francs per £. Why should the British manufacturer sell his goods in Belgium in Belgium francs if not in the hope of receiving later on more sterling for his franc receipts and unless he has confidence in the franc? On the contrary, the speculator who still holds francs which he has acquired under conditions such as these, and who sees the franc depreciating more and more, will rather prefer to sell them now, cut his loss and buy back at 100 francs the sterling which he sold at 70 and 80 francs, and in the end will still buy the Belgian francs which, in spite of everything, Belgium must sell. After all, all the Americans, English and others who have bought francs since 1918 must certainly have lost money, and it is not right to accuse speculation to such a great extent when, on unfavourable news, of which to a large extent we are the cause, these francs are thrown on the market.

In the Belgian Parliament the question has also been raised by a certain member who challenged the Premier, M. Theunis, on the measures that the Government intend adopting to stop the rise of the exchange. M. Theunis replied that although the question of foreign exchange was by no means new, it had taken a quite different aspect in Belgium since the war, for as a result of the exchange against Belgian francs of the marks left in Belgium by the Germans, the franc became inconvertible into gold and could no longer maintain itself at a fixed level, but followed the law of supply and demand. That, he said, was the chief and most important cause of the depreciation of the franc, but not the only one. There are others: stocks of raw materials had to be replenished, machines and provisions had to be bought, and during

five years the nation had made a very big effort for the reconstruction of the country. Another cause against our currency is that speculators quickly got rid of their paper, in which they had lost confidence. Nothing can be done against that. The only new step taken here to reinforce the control of exchange operations is to forbid the lending of Belgian francs against foreign currencies or foreign stock not quoted on the Brussels market.

AUSTRALIAN PUBLIC FINANCE.

(FROM OUR CORRESPONDENT.)

MELBOURNE, December 22, 1923.

THE public accounts of the Commonwealth and the six States for the year ended June 30, 1923, show, on the whole, a better result than for the preceding year, as there was a net surplus of revenue over expenditure of £1,305,544, against a net deficit of £2,634,506 for 1921-22. The figures are summarised as follows:—

	Revenue.	Ordinary Expenditure	Loan Expenditure	Debt June 30, 1923
	£	£	£	£
New South Wales...	36,145,944	35,342,436	10,359,159	187,879,491
Victoria	21,298,210	20,932,703	8,764,306	118,562,029
Queensland.....	12,599,403	12,784,382	3,701,750	88,005,001
South Australia...	8,431,700	8,426,517	3,480,280	62,496,585
Western Australia...	7,207,492	7,612,856	3,898,299	58,943,677
Tasmania	2,174,061	2,472,522	1,153,645	22,439,176
Six States	87,856,810	87,571,416	30,848,439	538,325,959
Commonwealth ..	55,520,221*	54,500,071*	5,890,465	410,996,316
Total 1922-23...	143,377,031	142,071,487	36,738,904	949,322,275†
" 1921-22...	140,839,560	143,474,066	38,995,743	..

* Commonwealth figures are shown after deducting £9,200,414 from each side as allowance for duplications arising out of transactions with States.

† Deducting £63,530,084 for duplications, the net total debt is £885,792,191, against £860,534,046 at June 30, 1922.

The surplus of £1,305,544 for 1922-23 is the net result of surpluses shown by New South Wales (largely due to special reasons), Victoria, South Australia, and the Commonwealth, and deficits shown by Queensland, Western Australia, and Tasmania. The Commonwealth Government surplus was mainly the result of heavy imports, based upon external borrowing, the Customs revenue being thereby swollen to the extent of several millions. A reason for the improvement in the States' position has been the more favourable earnings of the railways. Setting working expenses (included in ordinary expenditure above) against gross earnings (included in total revenue), the net earnings of the Government railways of the six States for 1922-23 amounted to £11,036,752, against £9,203,583 for 1921-22 and £7,400,049 for 1920-21, these figures being the cash figures of the Treasuries as distinguished from the working figures of the Railway Departments, which show, as usual, slightly different totals. The improvement in net railway earnings has been most marked in New South Wales, where with gross earnings about the same as for 1921-22, there has been an appreciable saving in expenses. In Victoria the gross railway revenue has increased by over half a million, and working expenses by only about £160,000. In most of the States the net railway earnings provide for the greater portion of the interest on the railway debt, but Queensland is a notable exception, the railway debt interest for that State being over £2,100,000, while the net railway earnings are only about one-third of that amount, leaving nearly 1½ millions to be paid out of taxation.

The total taxation collected by the Commonwealth and six States for 1922-23 was £68,475,716, against £67,361,729 for 1921-22 and £70,318,921 for 1920-21. The 1922-23 total of £68,475,716 included £22,597,306 from Customs, against £17,328,310 for 1921-22, and £10,274,823 from Excise, against £10,302,049. Although the total taxation has not altered much during the last three years, it shows an increase of about 54 per cent. since 1918-19, when it was £44,305,501, while in view of the present tendency of the interest on public debt to grow somewhat rapidly, the outlook for the direct taxpayer is being viewed with some concern, especially as the revenue from Customs depends partly upon the maintenance of

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imports on a high scale, which in turn depends partly upon the rate of external borrowings.

The growth of the debts during the last few years has been the result partly of post-war and repatriation expenditure, and partly of a rather liberal public works expenditure. The total loan expenditure for 1922-23 was £36,738,904, against £38,995,743 for 1921-22, and £54,136,130 for 1920-21, the reduction since 1920-21 being due to the slackening in repatriation outlay. Looking ahead, the estimate presented to the Conference of Commonwealth and State Ministers, held at Melbourne last May, showed a probable loan expenditure of 45 millions for 1923-24, and for each of the three following financial years, without taking into account the conversion loans that will also require to be raised. The increase in the annual interest is proceeding in somewhat greater ratio than the increase in the principal of the debts, owing to the higher rates of interest now requiring to be paid on conversion loans. During 1924, for example, the three States of New South Wales, Queensland, and South Australia have loans maturing in London for a total of about 31 millions, originally issued at 3½ to 4 per cent. The total debts of the Commonwealth and States at June 30, 1923, after allowing for duplications, amounted to £885,792,191, against £860,534,046 at June 30, 1922; and the interest paid for 1922-23 was £41,347,401, against £38,508,677 for 1921-22, and £35,120,370 for 1920-21. Thus at an interval of two years the growth in interest paid was nearly 6½ millions.

The estimates of the Commonwealth and the six States for 1923-24 shows total revenue £143,903,522 and expenditure £144,123,260, these being net figures after deducting an allowance for duplications.

ARGENTINA.—GOOD HARVESTS—BUDGET—DEBT—PROTECTIVE DUTIES—TRADE AND EXCHANGE.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, December 24.

IN Argentina the year-end synchronises with the opening of the export season, and it now seems reasonably safe to say that only a most unexpected and unnatural series of catastrophes can diminish what promises to be the heaviest harvest of wheat and linseed ever gathered in this Republic. Yield and quality are alike exceptional in both cases, and it is not unduly optimistic to place the exportable surplus of wheat at 4,800,000 tons, and the linseed at 1,750,000 tons. Converted into money, and added to the proceeds of the wool clip, which is estimated at 280,000 to 300,000 bales, these quantities should once more place the balance of Argentine trade on the right side of the account, which the final figures for 1922 failed to do. These figures have just been published by the National Statistical Department, and show imports as \$689,645,000 gold, with exports \$676,008,000 gold, the difference of thirteen million contrasting favourably with the seventy-eight million gold against Argentina in 1921. These are returns based on the estimated "real" values of merchandise, not on the customs tariff variation, but at the same time it should be remembered that they do not include the "invisible imports," which are both heavy and constant, as is well shown by the inclusion of \$125,000,000 paper in the 1923 Budget for the service of the public debt.

For at long last the 1923 Budget has been passed. Like the harvest, it is the heaviest ever known, expenditure—cash and bonds—amounting to the sum of \$635,000,000 paper. Additional customs dues, and a tax of 10 per cent. on outward first-class passages, are the only fresh sources of revenue, both items being estimated and in many quarters thought inadequate to yield the funds re-

quired to balance accounts. This, indeed, is the publicly expressed belief of Dr Molina, Minister of Finance, who has stated that he is preparing a detailed account of the country's financial position, and who has already persuaded President Alvear to convene a special meeting of the Cabinet for the purpose of effecting economies in the Budget as passed by Congress, reducing expenditure by \$100,000,000 paper. As none of the ministries show any wish to cut down their own appropriations, it is improbable that any serious economies will be actually effected, and the prospect for the official finances during 1924 is dark. Interviewed by *La Nación*, Dr Molina very frankly said that the Budget, as passed, was bound to result in a heavy deficit. Extreme optimism characterised the estimated yield from various taxes; expenditure had been sanctioned for which the corresponding sources of revenue had not been voted; and the only hope lay in the elimination of everything not absolutely indispensable. By May, added Dr Molina, it should be possible to replace the existing Budget by a perfectly balanced Budget containing "a fundamental reform of the system of taxation." Pressed as to the exact meaning of this phrase, he replied, "I feel that we must go straight for the income-tax, and to that end I shall apply all my energies." The importance of this pronouncement, bearing in mind the source from whence it comes, needs no emphasis here. It ought, however, to be pointed out that the 1923 Budget has been passed with the novel proviso that it also covers 1924, until such time as a new Budget for that year has been duly sanctioned. Given the same dilatoriness and obstruction that has marked Argentine parliamentary procedure this year, it may well be that Dr Molina's well-meant and patriotic efforts to inaugurate true fiscal economy will have no better fate than those of his predecessor in what is to-day the most thankless portfolio in President Alvear's Cabinet.

There are, nevertheless, signs that the best opinion in Argentina is taking alarm at the course which national indebtedness runs. Indeed, as the figures just out abundantly show, the sums involved are such as to lift the whole matter of re-arrangement of Argentina's obligations both at home and abroad above the plane of party politics. Issued by the National Statistical Department, the following data are unquestionably correct:—

	Consolidated Paper. \$	Unconsolidated Paper. \$
National obligations....	1,294,886,000	892,824,000
Provincial ".....	483,383,000	..
Municipal ".....	171,922,000	..

These figures make up a total of \$2,842,000,000 paper, to which must be added the unconsolidated debts of the provincial and municipal treasuries, not given in detail but estimated at over \$150,000,000 paper, thus bringing the total up to more or less three thousand million dollars paper, say, £215,000,000 sterling at current rates of exchange. It is a great sum, and the details embodied in Report No. 6 of the Department named above are collated and analysed at length for the first time. Interesting to a degree, they cannot be further dealt with here, but one may observe that even now the total is not complete. For unless one is greatly in error, the short-dated renewable obligations of the State railways and the similar type of bill issued by the Province of Buenos Aires, in connection with the extension of its Meridiano V. system, do not come into the calculation, any more than do the further sums which Congress will be asked to sanction next session, \$350,000,000 paper for the State lines, and \$300,000,000 paper for naval and military additions and renewals. Is it to be wondered at if the opinion in favour of calling a halt to expenditure on this scale grows daily, bumper crop prospects notwithstanding?

Meanwhile private financial conditions show signs of becoming somewhat less easy in the near future. Banks, while not putting up their rates to borrowers, are carrying very strong financial positions, and scrutinising all new loan business with particular attention. Failing the customary statement of the deposits, advances, and cash in hand corresponding to each bank, usually published towards the 20th of each month for the previous month-end, but held back by the Ministry of Finance for both October and November, the observer is at sea, though

a study of the Banco de la Nación's balance-sheet for November shows that this institution has rendered financial assistance, in the shape of rediscount, to other banks to a total of some 41 million dollars in the month. It is expected that this state of tension will continue throughout January of the New Year, to either break or relax after the first fortnight of February. Rates vary between 5 and 7 per cent. per annum for all single name advances, with 5½ per cent. for lists of good commercial bills carrying a first-class endorsement. Demand cannot be called heavy or insistent; indeed, the general state of the local money market is such that one may say that it is in a better condition to face any sudden stringency than at any period since the close of the war. The National Government can still renew its short-date bills at 3½ per cent. per annum, but these operations are so patently outside the regular course of business, hinging, as they do, on the rediscount facilities which the Banco de la Nación provides, that they cannot be treated as if they were in any way a true indication of the tone of this market.

The new import duties having been anticipated for at least six months, it follows that the actual passing of the law has little immediate effect on business. It has, however, strengthened the convictions of those who believe that Argentina should work for reduction of import dues and Free Trade as its ideal, and the result of the elections in Great Britain has been closely watched. Protection in Argentina spells monopoly and dear living in every line which has hitherto been kept completely free from external competition. Sugar is the most glaring case in point, the whole republic having to support the dozen or so big sugar interests in Tucuman and Jujuy, who, though they contribute the bulk of the provincial revenues and also favour the authorities with frequent loans, do so at the expense of the consuming public all over the country. Argentina is not a first-class sugar-growing country, even in the far north. Cane was planted and sugar milled in the days of the Viceroy, when transport was difficult and production for local use quite warrantable. To-day Brazil and Cuba could supply Argentina year in and year out with all the sugar she needs at 25 to 40 per cent. less cost, c.i.f. Buenos Aires, than the Tucuman producer will do, protected as he is. And given the immense sugar yield of 1923-24 all over the world it is not improbable that importers here will be able to buy foreign sugar at a price that will leave them a profit on local sales, high protection notwithstanding. Is it necessary to add that the sugar interests foresaw this, and strove hard to have yet another 25 per cent. clapped on the existing duties, or that, though temporarily in abeyance, it may even now be brought into force next year by a special Government decree? Cereal prices show export wheat a shade easier at \$12.70 Arg. paper per 100 kilos, though \$13.20 has been registered for new crop for local consumption. In the futures market \$11 is the current quotation for February-March shipment. Linseed for January shipment is firm at \$20.20 Arg. paper per 100 kilos, with February quoted \$19.75. Argentina to-day produces 50 per cent. of the world's linseed, and of the total world export of the seed she supplies 75 per cent., her own consumption being under 200,000 tons. Maize is at \$9.90 Arg. paper per 100 kilos for January shipment. Conditions are favourable for the new crop. In the local wool market the firmness mentioned last month has been well maintained, buying of Rivers wool being now conducted as regards important lots by tender. \$30 Arg. paper per 10 kilos remains the top price for fine wools, but both medium and fine crossbreds have appreciated to as high as \$25, the extreme figure, with Southern wools ranging between \$15 and \$24 for crossbreds in general. American buyers are showing more interest, but the bulk of the wool now being shipped goes to the Continent. For week ending December 20th returns showed 2,714 bales to Antwerp, 2,373 Dunkirk, U.S.A. 1,877, U.K.I. 506, Hamburg 917, Havre 145, other ports 265. Exchange is firmer at 40½d sight drawing on London, and \$137.50 New York. Continental currencies have also moved in favour of Argentina, French francs being 14.35 to the dollar gold, Belgian francs 16.15, Italian lire 16.82, and pesetas 5.60. Freight rates are firmer at 21s prompt, San Lorenzo range to U.K./Continent, while a boat was fixed for February at 25s, same range, though 23s and

24s are current fixtures for March-April, and \$5.25 gold has been booked for an April charter Rosario/New York. Berth rates have risen in even greater proportion, being 15s grain to U.K./Continent, and 19s Scandinavian ports.

Letters to the Editor.

THE CREATION OF BANK CASH.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I am sure that I shall be voicing the feelings of many students of economics in expressing thanks to the chairman of the Midland Bank for his lucid explanation of the process by which bank cash is created, but is not the picture he has drawn of the effect of loans or purchases by the Bank of England a little incomplete? May I venture to quote this portion of the address? Mr McKenna is reported to have said, "Suppose the Bank of England invests a million in War Loan. The seller receives a draft for £1,000,000 and pays it into his own bank, which will consequently increase its balance with the Bank of England by that amount. Actually a million of bank cash will have been created, which will become the basis of new bank loans." Oddly enough, we are enabled to paint this picture in further detail by the Bank of England returns for the week ending January 23, 1924. The transaction referred to by Mr McKenna has actually happened. Since January 16th the Bank of England has invested a million in Government securities. Presumably the seller paid the draft of £1,000,000 into his own bank, which increased its balance with the Bank of England by that amount, for the item "Other deposits" in the Bank return records a very substantial increase. The total deposits are £2,801,742 above January 16th. There is, however, no substantial change on the other side of the account. Therefore, the per cent. of reserve to liabilities falls. The actual fall is from 18½ per cent. to 18 per cent. Of this fall more than one-third is due to the increase in Government securities by £1,000,000. Therefore, I think it is fair to conclude that an operation such as that described by Mr McKenna would reduce the ratio by roughly ½ per cent.

We are now in another field of thought, and that is the relation that the Bank of England ratio bears to the economic welfare of the country, and in this connection I would suggest one or two considerations. Compared with the equivalent week in 1923 the ratio has dropped from 20 per cent. to 18 per cent. Not a large difference truly, but still of some economic import, having regard to the general low position of the ratio.

Of course, no argument can be based on the relative levels of the ratio in two individual weeks, but I am writing this with the diagrams of the whole years 1922 and 1923 before me, and the general impression conveyed is that 1923, as a whole, shows rather more inclination towards a downward tendency than 1922, a condition which may have some bearing on the weakness of sterling and the gradual rise in the price of gold. These are, however, wider questions. My present object is to establish the position that the process described by Mr McKenna is only capable of very limited application.—Faithfully yours,

OWEN FLEMING.

Toys Hill, Brasted, Sevenoaks.
January 26th, 1924.

Books and Publications.

RECENT ECONOMIC LITERATURE—A TWO MONTHS' SURVEY.

THE trail of the General Election—which accounts for the fact that this survey is seriously in arrears—is over a large part of the periodical and pamphlet literature of the last two months. It is a part which may now, happily, be left to lie; it helped to do its work, in preventing any stampede of the nation's mind by eleventh-hour assertions and promises. Most of us are now glad to put it up on that rather dusty shelf whence "Fiscal Fallacies," "Free Trade v. Protection," and other ammunition of

the kind were so unexpectedly taken down again two months ago.

It is not, however, by any such ephemeral output that the economic publishing of the period under review is fairly to be judged. There are, as a matter of fact, an unusual number of books of lasting interest. Mr. Keynes, with that shrewd journalistic instinct that he has always shown in selecting his date of publication, postponed his *Tract on Monetary Reform* (Macmillan, 7s 6d) until after the Election. Candidates may regret that they had not got it by them during the Election—but they forget that, lucid as is his argument, it does require at least some degree of quiet of mind to follow it. This book was reviewed in the *Economist* of December 15th; it need only be mentioned here as the economic "event" of the month.

Certainly none of the other numerous works on one or other aspect of the monetary problem have anything like the readability of this "tract." *The Problem of the Rupee*, by B. K. Ambedkar (P. S. King, 15s), is partly historical, partly an argument for a return to the gold standard. It is a clear and ably written work, accepted by London University as a thesis for the degree of Master of Science. Dr Cannan contributes a preface. M. Charles Rist, in *La Déflation en pratique* (Marcel Giard, Paris, 15f), does not dig excessively deep, but does show the anxiety with which economically educated Frenchmen are regarding what Mr Keynes calls the "finances of Humpty-Dumpty." A new edition of Mr W. F. Spalding's excellent work on *Bankers' Credits* (Pitman, 10s 6d) is to be warmly welcomed, as is the fourth edition of Dr J. T. Holdsworth's *Money and Banking* (Appleton, 15s). It is a pity that transatlantic economists have developed so unattractive a terminology; it makes books like Mr Ludwell Moore's *Generating Economic Cycles* (Macmillan Co., New York, 12s) and Professor Schluter's *The Pre-War Business Cycle* (Columbia University Studies in Political Science, Vol. CXII. No. 1, 8s) much harder to read than they ought to be. Dr Schluter's argument may be open to question, but his book is very useful as a well-arranged survey of a large number of important facts, brought together in a clear and coherent way. Professor Moore has carried further the adventurous researches of the late Professor Jevons; he refers responsibility for cyclical trade fluctuations to the planet Venus. This seems an extreme case of the fallacy "Cherchez la femme."

Three useful books, each with a bearing on current political and economic problems—the line between them is increasingly hard to draw—are Mr Elliot Jones' *The Trust Problem in the United States* (Macmillan Co., New York, 14s), Mr W. E. Sennett's *Railway Amalgamation in Great Britain* (*The Railway Gazette*, 15s), and *Labour Turnover in Industry*, by Messrs P. F. Brissenden and E. Frankel (Macmillan, 10s). The "problem" in the United States is largely one of the practical evasion of the Sherman Law, as, for instance, by Standard Oil.

Oil is responsible for two singularly interesting volumes—*The Oil Trusts and Anglo-American Relations*, by Messrs E. H. Davenport and S. R. Cooke (Macmillan, 7s 6d), and *The World Struggle for Oil*, translated by C. Leonard Leese from the French of M. de la Trameyre (Allen and Unwin, 8s 6d). Messrs Davenport and Cooke are all for the open door, and hotly opposed to any Governmental participation in oil; the most interesting parts of their book, which is a very interesting one, deal, however, with the economic rather than the political history, and, above all, with the future of oil. They scorn the idea of an approaching shortage; the world's resources are, in fact, hardly scratched: "the right price brings out the oil."

Sir Westcott Abell's *The Ship and her Work* (Gee, 7s 6d) is mainly descriptive; *Shipping*, prepared by the Labour Research Department, and published by Labour Publishing Company (2s 6d), is, of course, mainly propagandist. In the same way Mr Gerard Collier's *Economic Justice* (Allen and Unwin, 7s 6d) and Mr H. W. B. Joseph's careful analytic study of *The Labour Theory of Value in Karl Marx* (Oxford University Press, 4s 6d), may be regarded as balancing each other; to read one after the other is certainly a salutary intellectual exercise. *The Referendum*, by the editor of the *Spectator* (T. Fisher

Unwin, 3s 6d) is, of course, an earnest plea for what Mr. St. Loé Strachey prefers to call the Poll of the People. The point which he meets least successfully is what might be called the psychology of the Anti; the fact that it is dangerously easy to mobilise an unintelligent opposition to almost anything.

Literature on co-operation is collecting at a surprisingly rapid rate, and M. Bernard Lavergne's *Les Co-opératives de Consommation en France* (Armand Colin, Paris, 5f) is a useful addition to it.

One of the most stimulating contributions to economic discussion is contained in the December issue of the *Economic Journal*, where Sir William Beveridge's much-quoted address to Section "F" of the British Association, on "Population and Unemployment," is followed by a very pungent rejoinder from Mr. J. M. Keynes. The "impartial" reader on this topic is probably non-existent; he might, however, be created by a careful perusal of these two contributions.

Among works of reference, there may be mentioned Lloyds List, *Review of Shipping, Shipbuilding, and Commerce for 1923*, which contains a series of special articles by well-known writers; *Rubber Facts and Figures*, and *Tea, Facts and Figures* (both published by Messrs F. C. Mathieson, of Copthall avenue, at 2s); and the invaluable *Bankers' Almanac and Year-Book, 1923-24*, edited by Mr. Thomas Skinner, and published by Waterlows at 42s.

THE INDUSTRIES OF SWEDEN.*

THE leading industries of Sweden have grown up naturally out of her wealth in iron ore and timber, and their development has been aided by the inventive genius of her inhabitants and, in recent years, by the electricity obtained from her vast resources in water power and by the high level of popular education. This massive and handsome volume, issued by the General Export Association of Sweden in connection with the Gothenburg Tercentenary Exhibition of 1923, is intended to promote her export trade. There are histories by various writers of the leading branches of manufacture—iron and steel, machinery and tools, electric appliances, timber and woodwork, paper and pulp, and chemicals, including fertilisers and explosives, with sections on banking and shipping, followed by illustrated descriptions of most of the principal factories and their products, showing, amongst a multitude of other articles, locomotives, steamships, Diesel engines, scientific instruments, and all sorts of ingenious machines. The book closes with a full index of exporting firms, and the factories are marked on a map. Designed as a business guide, it is also a valuable contribution to industrial history. The iron trade is traced from its beginnings, probably about 500 B.C., through its stage as a "seasonal" industry worked with charcoal and by water-power, to its concentration in large establishments using modern processes and appliances adopted from abroad, of which the latest is the electric furnace of to-day. A limited number of copies of the book are obtainable from the Swedish Consulate in London by "bona fide inquirers," and it should be useful to all users of the many kinds of goods in the production of which Sweden excels.

BOOKS RECEIVED.

Œuvres de Turgot et Documents le Concernant, avec Biographie et Notes. By G. Schell. Vol. V. (Paris) Librairie Félix Alcan, 108 Boulevard Saint-Germain. 40f.

Domestic and Foreign Exchange. By Ira B. Cross, Ph.D. (London) Macmillan and Co., Limited. 21s net.

The Present State of Germany. By J. H. Morgan. (London) University of London Press, Limited. 2s 6d net.

War and Armament Taxes of Japan. By Ushisaburo Kobayashi, D.C.L. (New York) Oxford University Press. \$2.25.

* "Industrial Sweden." Edited by Helmer Eneborg and Erik Nylander. Gothenburg: Wald Zachariassons Boktryckeri Aktieförlag. 1923.

A Study of International Relations. By R. B. Mowat. (London) Oxford University Press. 2s 6d net.

The Worker's Share. By A. Hook. (London) Labour Publishing Company. Cloth 3s 6d, paper 2s 6d.

Mass-Münz- und Gewichtswesen. By Professor Dr. August Blind. (Berlin and Leipzig) Walter de Gruyter and Co. 1.25 gold marks.

La Population Anglaise, Avant, Pendant et Après La Guerre. (Series A, No. 1.) By A. Andréades. (Italy) Casa Editrice Taddei, 45 Via de' Romei, Ferrara.

The Nineteenth Century and After. February, 1924. (London) Constable and Co. 3s.

Contains an article by the Prime Minister of Australia on Imperial Preference.

Twenty Years at Hull-House, with Autobiographical Notes. By Jane Addams. Edited by Eva W. Case. (London) Macmillan and Co., Limited. 2s.

British Dominions Year Book, 1924. Edited by Ed. Salmon, F.R.C.I., and James Worsfold, F.C.I.F. Published by Eagle, Star, and British Dominions Insurance Company, London.

Vanadium Ores. By Members of the Scientific and Technical Staff of the Imperial Institute. (London) John Murray. 5s net.

International Chamber of Commerce. Brochure No. 32. Proceedings of the Second Congress, Rome, March 18th-24th, 1923. (Paris) International Headquarters, 33 Rue Jean-Goujon.

Monthly and Yearly Highest and Lowest Prices. January, 1924, issue. (London) F. C. Mathieson and Sons. 2s 6d.

Mid-Monthly Supplementary List of Unquoted Securities in which dealings are marked (including Mines) on the Stock Exchange. (London) F. C. Mathieson and Sons. Subscription only. 42s per annum.

Mathieson's Traffic Tables for Use from January to June, 1924. (London) F. C. Mathieson and Sons. 1s.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.	ACCOUNT.
February 6.	February 7.

Stock Exchange markets have repeated in many directions the excitement and the tendency of the previous week, when, upon the announcement of the Labour Cabinet, activity was lashed into life and prices were advanced in a fashion somewhat startling. Members of the House are beginning to complain, with serio-comic emphasis, that everything nowadays moves in a direction contrary from that which might have been expected. Instead of the anticipated flood of profit-taking, there has been a further influx of support to the purely investment sections, and the scarcity of supply revealed by the unlooked-for demand has had the effect of forcing up prices still further. This applies more particularly to such securities as those in which no particularly free market exists, but which are held in high repute by the investor pure and simple. Once more the difficulty is to find reasonably-priced stock with which to satisfy the demand of those who are now unloading money which they had previously held up, rather than invest it at low prices during the time of political upheaval.

Movements in the gilt-edged markets are mostly upwards. The War Loan and Conversion attract a good deal of speculation as well as investment, and the fluctuations in the prices of these two are fairly representative of the general trend prevailing at any particular hour. The sentiment changes with remarkable rapidity. The foreign political outlook is considered a little less alarming, but the flame of gambling which took place in German and Russian bonds was quickly quenched by the subsidence of interest. Home Corporation and County stocks are better, especially the 3 per cent. and the 6 per cent. issues; prior-charge Home Rails have all hardened, and there is a firmer tone about Colonials, in spite of the new issue of Rhodesia Fives, and the talk of possible newcomers in the near future.

French bonds threw off a good deal of their recent depression, though the immediate outlook in France, notwithstanding the taxation proposals, is deemed to be obscure. Russians are lower on the week, Mexicans have given way, and in Brazilians there is less doing.

Settlement of the railway strike caused an abrupt rise in most of the leading stocks in the home railway market, though the bullishness was short-lived, owing to the fears aroused by the possibility of a dockers' strike and the further apprehension of disturbance arising in the coal-mining industry. Argentine railways have spurred, in consequence of the excellent traffics. Brazilians keep firm, and foreign railway stocks as a whole

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Statement of Condition, December 31, 1923.

ASSETS			
Acceptances:			
On Hand	...	\$4,582,234.74	
Pledged as Collateral for Loans	...	692,570.02	
Sold under Re-purchase Agreements	...	16,391,193.33	
Acceptors' Liability on Endorsed Bills Sold	...	51,983,071.11	\$73,649,069.20
United States Certificates of Indebtedness and Treasury Notes at par:			
On Hand	...	764,500.00	
Pledged as Collateral for U.S. Deposits	...	1,250,000.00	
Pledged as Collateral for Loans	...	2,920,000.00	
Sold under Re-purchase Agreements	...	22,850,000.00	27,784,500.00
United States Liberty Loan Bonds—Par Value:			
On Hand	...	5,000.00	
Pledged as Collateral for Loans	...	210,000.00	
Bought under Re-sale Agreement per contra:		1,000,000.00	1,215,000.00
Premium on United States Certificates of Indebtedness, Treasury Notes, and Liberty Bonds at Market Bid Prices	...		58,261.91
Deposit with New York State Banking Department:			
New York State Bond, Par Value \$1,000, at Cost	...		985.00
Interest Receivable Accrued	...		145,032.00
Interest and Expenses Paid in Advance	...		57,686.81
Cash in Banks and on Hand	...		1,622,870.23
			\$104,533,405.15

LIABILITIES			
Capital Stock:			
Authorized and Issued—50,000 Shares of \$100 each	...	\$5,000,000.00	
Surplus	...		1,000,000.00
Undivided Profits:—Balance as at December 31, 1922	...	\$1,258,054.95	
Add Net Profit for Year ended December 31, 1923	...	414,858.51	
		1,672,913.46	
Less Dividends	...	300,000.00	1,372,913.46
			7,372,913.46
Unearned Discount	...		197,313.19
Reserve for Taxes—Estimated	...		2,833.43
Interest Payable and Expenses Accrued	...		55,038.21
Loans Payable:—Secured by Acceptances	...	500,000.00	
Secured by United States Certificates of Indebtedness and Treasury Notes	...	2,640,000.00	
Secured by Liberty Bonds	...	210,000.00	3,350,000.00
Re-purchase Agreements, per contra:			
Acceptances	...	16,391,193.33	
United States Certificates of Indebtedness and Treasury Notes	...	22,850,000.00	39,241,193.33
U.S. Liberty Loans Bonds Borrowed	...		1,000,000.00
Due to Banks and Customers	...		6,042.42
Acceptances Re-discounted and Sold with endorsement, per contra	...		51,983,071.11
U.S. Government Deposit Account—(Subscriptions U.S. Treasury Certificates)	...		1,250,000.00
Dividend Payable January 2, 1924	...		75,000.00
			\$104,533,405.15

We have made an examination of the affairs of the Discount Corporation of New York as at the close of business on December 31, 1923, and hereby certify that, in our opinion, the foregoing Statement of Condition correctly represents the financial position of the Corporation as at that date and is in accordance with the books.

MARWICK, MITCHELL & CO., 40 Exchange Place, New York.

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are a good market, shortage of stock coinciding with a certain amount of public inquiry for foreign securities that offer reasonable returns on the money.

The rubber market is a little harder, though business remains as quiet as ever. Amongst oil shares, the further rise in the price of crude oil caused sharp advances in Royal Dutch, Shells and some of the leading oil descriptions. Reaction followed, but the market is regaining a shadow of its old popularity, and interest is reviving in its outlook. Hudsons Bays have been a strong feature, rising steadily during the week. A complete change has come over the aspect of banking and insurance shares. Prices, instead of being insipid and depressed, rallied strongly in both groups, on a modicum of buying and a cessation of the previously attempted realisations. The shipping market is also firmer, with the fixed-interest stocks more especially sought after. Textiles are a little better, though the market did not derive the expected benefit from the hope that a possible resumption of trade with Russia will bring substantial accession of orders to the textile trade.

The strongest market in the industrial area is that for tea shares, where business has broadened considerably, and where the incessant support from the public is, fortunately, countered by supplies of shares offered on behalf of previous buyers, who can now take very handsome profits and are not averse from doing so. The iron and steel market has responded to the more cheerful conditions prevailing elsewhere. Gas stocks are strong, and the electricity supply market received a fresh fillip of strength from the declaration of a dividend, making 15 per cent. for the year on Westminster ordinary, an improvement of 3 per cent. on last year's distribution. Cable stocks have recovered most of their recent falls. Amongst wireless shares, Marconis hesitate, owing to the uncertainty felt in regard to the expected interim dividend, and Radios weakened, on selling from New York.

The Kaffir Circus has been enlivened by vigorous Cape buying of East Rands, and a few of the other South African favourites. The British public are not doing much business in this market, the speculative brigade taking greater interest in the shares of the Canadian silver companies, now popular by reason of the profits which some of the concerns are declared to be making. The high price of tin fails to attract any particular attention to the markets for tin-mining shares, although various Malaysians have been marked up. Indians show a tendency to droop. A little animation sprang up in Russians. Diamonds have been better, on vague statements that the trade in the stones shows improvement, and, amongst copper shares, the daily fluctuations have depended almost entirely upon the movements in the French rate of exchange.

Stock Exchange shares, the price of which revolved for many weeks around 98, have risen to 102 on the near approach of the end of the Stock Exchange financial year and hopes of a good dividend.

NEW ISSUES.

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

Amount previously recorded.....	Nominal Capital.....	Cash Subscription.....	First Payment.....	Further Liability.....
£ 3,825,625	£ 3,825,625	£ 3,825,625	£ 3,825,625	£ 3,825,625

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED JANUARY 26, 1924.

April 1, 1923, to Jan. 26, 1924, £13,100,000	£	£	£
£13,100,000	£13,100,000	£13,100,000	£13,100,000

To the Public—

Southern Rhodesia £1,000,000

5% Inscribed Stock, 1934-49

(red. at par), issued at 98% .. 3,000,000 .. 2,940,000 .. 150,000 .. 2,790,000

.. .. 2,940,000 .. 150,000 .. 2,790,000

To Shareholders only—

Bristol Brewery, Georges & Co.,

81,000 Ord. Shares, £1, at par .. 81,000 81,000

Derbyshire Mining and Exploration, 80,000 Shares, 5s, at par .. 20,000 .. 20,000 .. 4,000 .. 16,000

Total to shareholders 101,000 .. 4,000 .. 97,000

Total offered for subscription to date 3,101,000 .. 2,940,000 .. 150,000 .. 2,790,000

in—

1924 .. 6,864,625 .. 271,393,173

1923 .. 37,808,301 .. 573,675,650

1922 .. 165,732,765 .. 388,978,203

1921 .. 24,572,949 .. 367,549,066

1920 .. 41,532,041 .. 1,036,059,951

1919 .. 23,364,917 .. 1,393,381,441

1918

Southern Rhodesia 5 per Cent. Inscribed Stock, 1934-1949.—Issue of £3,000,000 stock at 98 per cent. The

loan is charged upon the revenues of South Rhodesia. This

country comprises the territories formerly administered by the

British South Africa (Chartered) Company under the title of

Southern Rhodesia. Accompanying the prospectus is an excel-

lent statement giving the latest figures with regard to im-

ports and exports, and particulars of the Colony's general

assets. If not previously redeemed, the stock will be re-

deemed at par on September 1, 1949, but the Government of

the Colony reserve to themselves the right to redeem the

stock at par on September 1, 1934, or on any half-yearly

interest date, on three months' notice. The loan is issued

under a special Act—the Southern Rhodesian Loans Act, 1923,

which provides "that a separate sinking fund of not less than

one-half per cent. per annum shall be established in respect of every issue made under that Act, which fund in the case of an issue made in the United Kingdom is to be invested in any bonds or stock of the Colony which are trustee investments within the meaning of the Trustee Act, 1893, or in any of the Parliamentary stocks or public funds or Government securities of the United Kingdom, or in any securities the principal and interest of which are for the time being guaranteed by the Government of the United Kingdom." A sinking fund of 1 per cent. per annum, payable from January 1, 1926, has been established in respect of this issue. The usual clause is inserted in the prospectus to the effect that the British Treasury is not directly or indirectly responsible for repayment. The proceeds of the present issue will be used to repay to the Home Treasury an amount of £2,000,000, which has been paid to the Chartered Company, to repay an amount of £300,000 advanced to the Colony from the Imperial Exchequer, and also for the general purposes of the Colony. The loan is a trustee security, and worthy of the conservative investor's attention.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

War	Loans	Funding Loan	Victory Bonds	Conversion Loan	Consols	Irish Land Stock	Local Loans
3½%, 1925-28 .. 96½ .. 96½ .. 96½ .. 96½ .. 96½ .. 96½ .. 96½	4½%, 1925-48 .. 96½ .. 96½ .. 96½ .. 96½ .. 96½ .. 96½ .. 96½	5%, 1923-47 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100	4½%, 1923-47 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100	4½%, 1923-47 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100	4½%, 1923-47 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100	4½%, 1923-47 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100	4½%, 1923-47 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100

Banks.

Barclays & C.	Chartered Bank	Lloyds	Midland	Nat. Bank of India
£1,000,000 .. 24½ .. 24½ .. 24½ .. 24½ .. 24½ .. 24½ .. 24½	£1,000,000 .. 24½ .. 24½ .. 24½ .. 24½ .. 24½ .. 24½ .. 24½	£1,000,000 .. 24½ .. 24½ .. 24½ .. 24½ .. 24½ .. 24½ .. 24½	£1,000,000 .. 24½ .. 24½ .. 24½ .. 24½ .. 24½ .. 24½ .. 24½	£1,000,000 .. 24½ .. 24½ .. 24½ .. 24½ .. 24½ .. 24½ .. 24½

British Railways.

Great Western	London & North-Eastern	5% Pref. Ord.	Do Def. Ord.	Scottish	Metropolitan	Metropolitan District
£1,000,000 .. 104½ .. 104½ .. 104½ .. 104½ .. 104½ .. 104½	£1,000,000 .. 104½ .. 104½ .. 104½ .. 104½ .. 104½ .. 104½	£1,000,000 .. 104½ .. 104½ .. 104½ .. 104½ .. 104½ .. 104½	£1,000,000 .. 104½ .. 104½ .. 104½ .. 104½ .. 104½ .. 104½	£1,000,000 .. 104½ .. 104½ .. 104½ .. 104½ .. 104½ .. 104½	£1,000,000 .. 104½ .. 104½ .. 104½ .. 104½ .. 104½ .. 104½	£1,000,000 .. 104½ .. 104½ .. 104½ .. 104½ .. 104½ .. 104½

American Railroads.

Chesapeake & Ohio	Erie	Do 4½% 1st Pref.
£1,000,000 .. 87½ .. 87½ .. 87½	£1,000,000 .. 87½ .. 87½ .. 87½	£1,000,000 .. 87½ .. 87½ .. 87½

Foreign Government Securities.

Argentine 5%, 1886-7	Austrian 6% Guar.	Belgian 3%	Brazil 5%, Fund, 1914	Chilian 4%, 1896	Do 7½%	Chinese 5%, 1912	Egyptian 4%	French 5%	Do 4%	Greek 4%, 1894
£1,000,000 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100	£1,000,000 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100	£1,000,000 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100	£1,000,000 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100	£1,000,000 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100	£1,000,000 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100	£1,000,000 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100	£1,000,000 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100	£1,000,000 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100	£1,000,000 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100	£1,000,000 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100 .. 100

Colonial and Foreign Railways.

Antofagasta Cons.	B.A. and Pacific	B.A. & G. Southern	Buenos Ayres West.	Canadian Pacific	Central Argentine
£1,000,000 .. 84½ .. 84½ .. 84½ .. 84½ .. 84½ .. 84½	£1,000,000 .. 84½ .. 84½ .. 84½ .. 84½ .. 84½ .. 84½	£1,000,000 .. 84½ .. 84½ .. 84½ .. 84½ .. 84½ .. 84½	£1,000,000 .. 84½ .. 84½ .. 84½ .. 84½ .. 84½ .. 84½	£1,000,000 .. 84½ .. 84½ .. 84½ .. 84½ .. 84½ .. 84½	£1,000,000 .. 84½ .. 84½ .. 84½ .. 84½ .. 84½ .. 84½

Telegraphs.

Anglo-American "A"	Marconi Wireless
£1,000,000 .. 22½ .. 22½ .. 22½	£1,000,000 .. 22½ .. 22½ .. 22½

Miscellaneous.

Aerated Bread	Amal. Cottons	Anglo Persian Oil	Armstrong (S.I.)	Ass. Pland. Cement	Barker, John	Bham Small Arms	Brazil Traction	British-American Tobacco	Burmah (S.I.)	Coats (J. and P.)	Constance (S.I.)	Cunard	Dorman, Long	Dunlop Rubber	Fine Cotton Spinners	Formal (S.I.)	Furness, Withy	Highlands and Lowlands Rubber
£1,000,000 .. 1½ .. 1½ .. 1½	£1,000,000 .. 1½ .. 1½ .. 1½	£1,000,000 .. 1½ .. 1½ .. 1½	£1,000,000 .. 1½ .. 1½ .. 1½	£1,000,000 .. 1½ .. 1½ .. 1½	£1,000,000 .. 1½ .. 1½ .. 1½	£1,000,000 .. 1½ .. 1½ .. 1½	£1,000,000 .. 1½ .. 1½ .. 1½	£1,000,000 .. 1½ .. 1½ .. 1½	£1,000,000 .. 1½ .. 1½ .. 1½	£1,000,000 .. 1½ .. 1½ .. 1½	£1,000,000 .. 1½ .. 1½ .. 1½	£1,000,000 .. 1½ .. 1½ .. 1½	£1,000,000 .. 1½ .. 1½ .. 1½	£1,000,000 .. 1½ .. 1½ .. 1½	£1,000,000 .. 1½ .. 1½ .. 1½	£1,000,000 .. 1½ .. 1½ .. 1½	£1,000,000 .. 1½ .. 1½ .. 1½	£1,000,000 .. 1½ .. 1½ .. 1½

Mines.

Brakpan	Broken Hill Prop.	Chartered	Cons. Gold Fields	Crown Mines	De Beers Def.	East Rand Prop.	Geduld	Gov. Gold Areas
£1,000,000 .. 3½ .. 3½ .. 3½	£1,000,000 .. 3½ .. 3½ .. 3½	£1,000,000 .. 3½ .. 3½ .. 3½	£1,000,000 .. 3½ .. 3½ .. 3½	£1,000,000 .. 3½ .. 3½ .. 3½	£1,000,000 .. 3½ .. 3½ .. 3½	£1,000,000 .. 3½ .. 3½ .. 3½	£1,000,000 .. 3½ .. 3½ .. 3½	£1,000,000 .. 3½ .. 3½ .. 3½

COMPANY MEETINGS, &c.

NATIONAL PROVINCIAL AND UNION BANK OF ENGLAND, LIMITED.

SIR HARRY GOSCHEN ON FINANCIAL AND TRADE CONDITIONS.

INFLATION AND DEFLATION RUMOURS AND THEIR EFFECTS.

REVIEW OF CHIEF INDUSTRIES.

GUERNSEY BANKING COMPANY AGREEMENT.

CHANGE OF TITLE APPROVED.

The annual general meeting of shareholders of the National Provincial Bank of England, Limited, was held, on the 31st ultimo, at the Cannon street Hotel, London, E.C.

Sir Harry Goschen, K.B.E., presided.

The notice convening the meeting and the report of the auditors were read by Sir Alfred Lewis (joint general manager).

CHAIRMAN'S SPEECH.

The Chairman said,—Ladies and gentlemen, before I ask you to turn your attention to the accounts of the bank for the past year, I should like to refer to two or three events of interest in what I might term the domestic affairs of the bank, some of which are briefly referred to in our report.

Among these the first that will occur to us is the proposal to change the name of the bank, and I need hardly inform you that our recommendation has not been arrived at without the most anxious and careful consideration. We have felt that the present title of the bank, with the associations it recalls of the highest traditions of both London and country banking, was one not lightly to be discarded. On the other hand, the representations made to us, both by our clients and friends, to the effect that our title was too long and cumbersome for present-day use, were of so weighty a character that we could not but realise some change was inevitable. We have considered the many suggestions which have been put before us, especially those which had the object of retaining in the new title reference to some of our constituent parts, but it was found impossible to devise any appropriate name which would meet all our wishes in this respect and at the same time be sufficiently concise.

After looking at the question from every point of view, we have unanimously decided to recommend the shareholders that the bank should in future be known as the "National Provincial Bank, Limited," and a resolution to this effect will be laid before the shareholders at the extraordinary general meeting to be held later on to-day.

We do not desire, however, to lose sight entirely of the long and honourable associations connected with our present name, and it is our intention that certain of our branches shall be known as heretofore, as the National Provincial Bank, Limited, Union Bank Branch, or Smith's Bank Branch, &c., as sentiment or expediency may dictate.

ACQUISITION OF MESSRS GRINDLAY AND CO.

As you may have seen in the report, we have been fortunate in acquiring as from January 1, 1924, the old-established business of Messrs Grindlay and Co., East India Army agents and bankers.

This firm, which has had a long and honourable career, was originally established in 1828 by Captain Grindlay, a retired Indian officer, as an agency for "facilitating passages to and from India," with premises in Birch Lane. So successful was this business, that in 1839 it was transformed into the East India Army Agency, trading under the name of Grindlay, Christian, and Matthews, who were prepared to transact business of every description with India and the Colonies.

In 1860 the head office was transferred to Parliament street, which has been its home since that date, and it was there the foundations were laid of the prosperous banking business which now is affiliated with our institution.

We are fortunate in retaining the experienced services of the existing partners as directors and managers of the limited company which has now taken the place of the old firm, and we propose that the business should be carried on in exactly the same way as before. It is not the intention of Grindlays in any way to embark in Indian commercial business, or to deal in exchange, but it is hoped to maintain and to develop the existing business of private bankers and Army agents to its full extent, and you will be interested to learn that with this object in view the directors

have lately decided, with our full approval, to open a branch at Lahore. We have every reason to hope that the acquisition of the business of Messrs Grindlay and Co. will prove of considerable value to this bank.

NEW BRANCHES.

We have opened 28 new branches during the past year, and since the date of the report a branch of the bank has been opened in Waterloo Station. This is a new experiment, but one, we think, that will prove of convenience to our customers, especially to those who, when proceeding or returning from abroad, may need facilities for converting their money into the currency they require.

CONVERSION OF SHARES.

Those shareholders who were present at last year's meeting will remember we were then requested to consider whether a suggestion to convert our £25 and £20 shares into a single unit was a practical proposition. Indeed, a shareholder was kind enough to offer to provide us with a scheme for this purpose. This plan, together with various other schemes of a similar nature, was duly received and considered by us in conjunction with the best expert advice, but the legal and other difficulties disclosed by the detailed examination of any plan submitted to us in comparison with the small advantages to be gained by any such conversion preclude the directors from advising the shareholders to make any change, at all events, for the present.

BANK OFFICERS AND ELECTION WORK.

There is one matter connected with our internal arrangements which I should not have referred to to-day, as it is quite outside the purview of a general meeting, were it not that certain communications to the Press may have created an entirely inaccurate impression of the real facts.

Shortly before the General Election, the directors and general managers received a circular letter from an organisation which is not recognised by this or any clearing bank as representing their staffs, protesting against one of our rules to the effect that officers of the bank are forbidden to take any prominent part in election work, but should content themselves with recording their vote; the letter further implied that a circular had just been issued by us with the object of calling attention to this rule. We did not consider this letter required any answer.

The real facts are:—The rule in question is one of the original rules of the bank, and no objection has ever been taken to it by any member of our staff or by our own Staff Association. I should be inclined to think it had often proved a great convenience. The circular in question was issued in consequence of one of our officers stating he was not aware of certain educational advantages and rewards open to members of the staff as set out in our rules, and as he appeared to think these were not generally known or understood, it was thought well to call the attention of all officers to the necessity of making themselves acquainted with the rules of the bank.

VIEWS OF STAFF ASSOCIATION.

I may add that within the last few days I have had the advantage of discussing the matter with the representatives of our own Staff Association, and find that, generally speaking, they regard the rule as one of the ordinary regulations of the bank; that it was common, they believed, in a written or unwritten form to all the great banks, and there was no wish to repudiate an agreement to which they had freely subscribed when entering the service.

They further informed us that the rule had not attracted the special attention of the staff, but that the correspondence in the Press had naturally formed a topic of conversation. Only one district committee had so far formally discussed the matter, and they had passed a resolution recommending the retention of the rule in its present form.

We have, however, asked the committee of the Staff Association

to discuss the matter with their members, and if, after having talked it over, they wish to make a recommendation to us that some modification should take place in the wording of the rule to bring it more into accordance with modern ideas, such a suggestion on their part would be considered sympathetically by the board.

I am glad of this opportunity of expressing our appreciation of the useful services our Staff Association render to the bank. We are in regular and constant touch with their representatives, and the frank and free discussion with them of all matters affecting the conditions of service and well-being of our men has been of the greatest help in maintaining the willing efficiency of our service, on which the success of the bank so largely depends.

AGREEMENT TO ACQUIRE GUERNSEY BANKING COMPANY.

I am glad to be able to give you to-day the first public information of a further extension of our business. We have entered into a provisional agreement to acquire, subject to Treasury consent, the business of the Guernsey Banking Company on what we believe to be satisfactory and equitable terms.

The Guernsey Banking Company, which was established as far back as 1827, has had a successful career, and among its directorate are included some of the most prominent personages of the island. It is our intention that the business should be carried on in the same way as before, but as a branch of the National Provincial Bank, and we are fortunate in being able to retain the services of the existing board of directors, who will in future function as a local board of this bank. We shall thus retain the advantage of their influence and experience. The business is a thoroughly sound one, and will prove, we believe, a valuable acquisition to the bank, not only on account of the profits which we may expect to receive from the existing business, but also on account of the collateral advantages it will afford us. Branches in Guernsey will enable us to consolidate and extend our large connection in the South of England, and enable us to provide our customers, and especially those connected with the trade of the island, with improved facilities for the conduct of their business in that direction.

BALANCE-SHEET ITEMS.

Turning, if I may, to the balance-sheet, our figures show comparatively little change from those laid before you at our last meeting.

There is no change in either the capital or reserve, and the figure at which the current, deposit, and other accounts now appear—£263,786,000—is substantially the same as in last year's account. The next item—liabilities for acceptances, endorsements, engagements, &c.—shows an increase of nearly £3,000,000 over last year's figures.

On the assets side of the balance-sheet, coin, Bank of England and currency notes in the United Kingdom, and balances with the Bank of England—£32,252,246 15s 11d—is somewhat lower than last year. Our balances with and cheques in course of collection on other banks in the United Kingdom and Ireland, and cheques, drafts, &c., amount to £8,554,502 8s 6d.

Money at call and short notice—£15,872,367 18s 1d—shows an increase of two millions on last year's figures, while the figure for bills discounted—£40,843,930 11s 10d, including Treasury bills—is five millions less than the amount at which this item appeared in the previous balance-sheet.

Investments, which still include a very considerable proportion of short-dated securities, amount to £51,540,182 2s 11d, about a million less than last year. There is practically no change in the total of £2,648,750 at which our shares in other banking institutions appear in the balance-sheet.

ADVANCES TO CUSTOMERS.

Our advances to customers and other accounts, £127,074,515 2s 3d, show an increase of 5½ millions over last year's figures, and indicate, we hope, some revival of trade demands.

Bank premises, £4,242,731 3s 3d, again show a slight increase on the figure at which they stood last year, accounted for by the addition of our various new branches.

Liability of customers for acceptances, endorsements, and engagements is merely a *per contra* entry, and appears at the same figure on the other side of the account.

PROFIT AND LOSS ACCOUNT.

The profit and loss account shows an available balance of £2,723,261 6s 6d, including £931,974 11s 2d brought forward from last year. The interim dividend paid in July last absorbed £744,753 5s 8d of this amount, and the dividend we have just declared, which is payable to-morrow, will absorb a similar sum.

Of the balance remaining, we have transferred £100,000 to the pension fund, £100,000 to bank premises account, and £100,000 to contingencies account, leaving £933,754 15s 2d, a slightly increased balance, to be carried forward to the new account.

MESSRS COUTTS AND CO.'S FIGURES.

The balance-sheet of Messrs Coutts and Co. is, as usual, attached to that of this bank. Their current, deposit, and other accounts, &c., which stand now at £16,705,946 10s 10d, show a small reduction as compared with last year. On the other hand, coin, Bank of England and currency notes in the United Kingdom, and balances with the Bank of England amount to £1,982,632 15s 2d, a slightly lower figure than in the previous balance-sheet.

Money at call and short notice and investments, bills discounted, &c., all show a small reduction, while advances to customers, &c., show an increase of over a million sterling.

We are glad again to congratulate Messrs Coutts and Co. on their satisfactory balance-sheet; it is gratifying to find that the favourable anticipations we entertained when we acquired this business have been more than justified.

TRIBUTE TO STAFF.

I am sure you would wish to join with the directors in expressing the high appreciation we feel of the great care and ability which the general managers, managers, and staff have devoted to the interests of the bank during the past year, owing to which we are in a position to-day to put the foregoing results before you.

Our French subsidiary continues to make satisfactory progress, and you need have no fear that it has sustained any loss in consequence of the fall that has taken place in the value of the franc, for, as I have previously explained, as the assets and liabilities of the bank are in the same currency, no loss can arise on this account, and the variation in the exchange would only affect the amount to be remitted to London on account of profits. The capital is invested in sterling securities, and is therefore not affected by fluctuations in the French exchange.

PAST YEAR'S TRADE.

Looking back on the year that is past, I cannot think that anyone would describe 1923 as a good year, but I hardly think it deserves all the hard things that have been said about it. It seems to me that it should rather be described as a disappointing year. At various times and in more than one direction we have had indications of an improvement in trade, which have raised our hopes, but from one cause or another our anticipations have not been realised, and there has been a relapse to the dull conditions with which we are only too familiar.

Although we cannot record any sensational movement in our national finances since the consolidation of the American debt, we have moved in the right direction. At the end of the year our external debt stood at £1,135,000,000, showing a decrease on the year of £23,000,000, and during the nine months ending December last £82,000,000 of National War Bonds have been converted into longer-dated securities.

We cannot expect, nor do I wish to see, a too rapid reduction in our fiduciary currency, but we continue to move on sound lines. The percentage of bullion held against the total notes issued by the Bank of England and the Treasury has risen to 38.5 per cent., as compared with 37.62 per cent. in the previous year, and our improved credit was during the year reflected in the American exchange which at one time was quoted at 4.72, the highest point it has reached since the restrictions on transactions in American dollars were removed.

AGRICULTURAL INDUSTRY.

It is a matter for regret that our oldest industry, agriculture, still remains in a state of depression from which it can hardly emerge without some assistance. It has, I think, been clearly demonstrated that banking facilities alone cannot provide an adequate remedy; we must look elsewhere for this; but I think I may say the banks have done, and will continue to do, all they properly can to make things easy for the farmer.

SHIPPING.

During the greater part of the year there has been no improvement to record in the shipping situation, and owners have been faced with the problem not only of how to employ their tonnage profitably, but how they are even to cover their running expenses. In addition to this, they have had to take into consideration the heavy fall in capital values, the natural result of unprofitable trade. There are, however, some signs of an improved outlook, and prospects of a better demand for tonnage seem brighter than for some time past.

The depression in the shipping trade has not been without its influence on the shipbuilding industry, which shows the lowest figures for some years.

During 1923 only 227 ships were launched, with a gross tonnage of 648,801—400,000 tons less than in 1922, and 1,400,000 less than in 1920—a depressing record when one considers the British yards have a constructional capacity of 3,000,000 tons per annum. The

last quarter of the year, however, shows some improvement in the total tonnage under construction.

STEEL AND IRON TRADE.

The steel and iron trade, I am glad to say, presents a brighter picture. Two hundred and four furnaces are reported to be in blast as compared with 169 at the end of 1922, and the output for 1923 exceeds 7,000,000 tons of pig-iron and 8,000,000 tons of steel, as compared with 5,000,000 and 6,000,000 tons respectively in 1922.

In the light and manufactured steel section there has also been a steady improvement, which has been especially noticeable both in the home and export trade during the last three months of the year. The increased number of cable orders from various parts of the world for goods for immediate consumption is also a gratifying feature.

The competition from sale of war stocks which had been written down to extremely low prices is now practically eliminated, and the German competition, which had been very serious, has to a great extent disappeared. It would almost seem as if buyers had begun to realise that the cost of production cannot be further reduced, and if manufacturers push their export business with energy, there is no reason, provided conditions remain stable, that there should not be a steady improvement in 1924. The trade as a whole has done much during the past year to perfect their plant and processes, and generally to improve their organisation.

COTTON.

The condition of the cotton trade is, I am sorry to say, still unsatisfactory, but I think that during the year there has been some change for the better. Trade with India is in a healthier condition, tentative inquiries for goods seem to be coming forward from China, and business with South America also has somewhat improved; but competition, especially in that part of the world, is keener than ever. I am afraid that our competitors on the Continent have, perhaps, made greater strides than our exporters in this country. Longer hours of work and wages paid in a depreciated currency have no doubt assisted our European competitors to produce their goods at a lower cost than we can, and the lower expenses applicable to shipments from Continental ports have accentuated the handicap our manufacturers have had to bear. Indeed, I believe that in consequence of these lower shipping charges many Transatlantic buyers are placing their requirements in Belgium and Germany, and requests are even being made to merchants in this country to send all goods forward *via* Holland and Belgium, as their customers find the expenses, even taking into consideration the transshipment on the Continent and the higher insurance, are lower than those incurred in shipping from home ports.

HEALTHIER MARKETS.

The financial position in the South American countries is not so stringent. Remittances are coming forward with greater regularity, and the number of failures recorded among firms engaged in the import trade in those parts was fewer during the last year than in 1922. Markets generally are in a healthier position, and were it not for the uncertainty that everyone feels as to the maintenance of cotton prices at the present high level the prospects for better trade in the current year would seem more favourable.

WOOL.

As far as the wool textile trade is concerned, manufacturers look back on an unsatisfactory year. The prices of raw material have continued to rise, and the heavy cost of production has not been reflected in the selling price. Competition from the Continent has been (for the same reason as has prevailed in the cotton trade) difficult to meet, and there has been much depression in the home spinning trade. Business in tops has been of a "hand-to-mouth" description, the far lower cost of combing on the Continent preventing much activity in this branch of the industry.

Altogether taking a general survey of the trade of this country, I think we may say there has been some, though very slow, progress towards better conditions. The unemployment figures, due perhaps largely to the remedial measures introduced by the Government, have fallen from 1,485,800 at the end of 1922 to 1,250,100 on December 31st last.

The situation abroad also shows improvement. The treaty at last happily concluded with Turkey may, I trust, result in a speedy revival of our trade with the Near East.

AUSTRIA'S IMPROVED POSITION.

During the past year, largely owing to the influence and assistance of this country, the position of Austria has undergone a marked change for the better. Her exchange has been practically stabilised, and the external loan guaranteed by signatories of the League of Nations, together with the internal economies she has been able to effect, has at all events given her a chance of re-organising her financial position. Indeed, in almost every direc-

tion we see efforts being made by our neighbours in Europe to set their house in order. Germany, however, still remains a dark spot, but even there the new committees formed by the Reparation Commission, among whose members are included representative Americans, afford us some grounds for hope that the long-deferred settlement is not outside the bounds of practical politics.

FOREIGN COMPETITION IN INDUSTRY AND FINANCE.

But while it is a matter of satisfaction that in almost every country on the Continent there is some revival of industrial activity, we cannot shut our eyes to the fact that the energies of these countries are increasingly being directed to the production of articles formerly imported from this country; that they are becoming largely self-supplying and even keen competitors of this country, and that the more active these industries become, so their competition increases.

It is not only in manufactured goods that we find our position assailed, for our financial supremacy and the position of the pound sterling as a unit of international settlement are keenly disputed.

We find endeavours from abroad are now constantly being made to arrange for the payments of invoices in currencies other than sterling, and that demands for credits in dollars and guilders to finance the movement of commodities are becoming more frequent.

INFLATION RUMOURS AND THEIR EFFECT.

It is perhaps natural that other countries wish to attract to their market some of the finance and discount transactions hitherto concentrated in London. We must expect this competition, and be prepared to meet it, but we can only do so if our national finances and currency are in a sound position. A man who has something to sell naturally wishes to be paid in a stable currency. Since the war we have done much towards reinstating the pound sterling in its old position by the re-establishment of our national credit, but credit is a tender plant, and we have seen in the depreciation of the pound sterling, as expressed in the fall of the American exchange from the highest point it touched, 4.72, to its present level, how the suspicion of any manipulation of the national finances, or the mere mention of inflation, even in irresponsible quarters, has affected our national credit. I cannot help thinking there has been lately far too much irresponsible discussion as to the comparative advantages of inflation and deflation. Discussions of this kind can only breed suspicion in the minds of our neighbours as to whether we shall adopt either of these courses, and, if so, which. I think we had better let matters take their natural course, but of one thing I am sure, a policy of deliberate inflation would not only make it impossible for us to maintain even our present financial position, but it would destroy for many years, if not for all time, any confidence our neighbours might feel in the stability of the pound sterling as a unit for the settlement of international obligations.

ECONOMY AND HARD WORK ESSENTIAL.

I shall not attempt to make any forecast of what the course of our trade may be during the current year. The political situation is so dominant a factor at the present moment that it would be difficult to discuss the future without touching on the political problems that confront us more closely than would perhaps be proper at a meeting of this kind, but this I think I may say, I am still convinced that it is no good tinkering with our national finances in the hope of restoring the well-being of this country by artificial means. Dull and irksome though it may be, we must still follow the paths of economy and hard work, and, above all, we must not barter the sound financial birthright we have received for a mess of pottage of a simulated and transient prosperity.

I now beg to move "That the report and accounts as presented be adopted."

Mr M. O. FitzGerald seconded the resolution, which, after some congratulatory remarks from Mr John Hedges and Mr Frederick Tomkinson, was carried unanimously.

The retiring directors were re-elected and the auditors re-appointed, and a vote of thanks was accorded to the directors, general managers, branch managers, and other officers of the bank for their efficient management and services.

EXTRAORDINARY GENERAL MEETING—CHANGE OF TITLE.

An extraordinary general meeting was then held for the purpose of submitting resolutions changing the name of the company to "National Provincial Bank, Limited," and altering the provisions of the memorandum of association.

The Chairman formally moved:—"That the name of the company be changed to 'National Provincial Bank, Limited.'"

Sir Felix Schuster, Bt., in seconding the resolution, said he must confess to a great feeling of regret that the name of the Union Bank, which had occupied an honourable position in the City of London and elsewhere for 87 years, should be eliminated

from the title of one of the leading banks of the country, and he thought this feeling would be shared by a good many of the old shareholders and constituents of the Union Bank. He could not have brought himself to agree to the board's unanimous recommendation had he not been convinced that it was for the good of the institution generally that the change should take place. After all, what was there in a name, seeing they were now one institution, as long as there was the same will and power to carry on the bank and to maintain the credit which under its old names it had acquired? He was quite sure that the bank under its new name would not only maintain but increase the position which it had acquired amongst the leading institutions not only in the City of London but all over the world.

The resolution was unanimously agreed to.

The Chairman said he might mention that the provisional

approval of the Board of Trade had been obtained for the change, which would take place about February 15. The share certificates at present in the hands of shareholders need not be exchanged for new certificates bearing the new name; and, further, he thought all the shareholders and customers of the bank would like to know that the existing cheque books might still be used until new ones were issued.

The resolution providing for certain alterations in the memorandum of association of the company in order to bring it up to modern requirements was also passed unanimously, and the Chairman announced that a meeting to confirm the two resolutions now adopted would be held at the offices of the bank, 15 Bishopsgate, E.C., on February 15, at 12 o'clock noon.

A hearty vote of thanks to Sir Harry Goschen for presiding concluded the proceedings.

BANK OF LIVERPOOL AND MARTINS LIMITED.

MR W. R. GLAZEBROOK'S REVIEW OF TRADE AND FINANCE IN 1923.

TRADE OUTLOOK AT HOME AND ABROAD.

LARGE BUILDING PROGRAMME.

The ninety-third annual meeting of shareholders of the Bank of Liverpool and Martins, Limited, was held at Liverpool on the 29th ult., Mr W. R. Glazebrook, the chairman, presiding over a large attendance.

In moving the adoption of the report and accounts for the year 1923, the Chairman said: Gentlemen,—I beg to move that the report of the directors now submitted, and already printed and distributed amongst the proprietors, be adopted. I presume you will allow me to take the report as read.

TRIBUTE TO MR NORMAN AND MR COCKS.

The report before you refers briefly to the loss the bank has sustained during the past year by the death of Mr Edward Norman and Mr E. L. Somers Cocks. Mr Norman was a director of Martins Bank Limited for many years, and was chairman of that bank at the time of the amalgamation with the Bank of Liverpool. He then became chairman of the London board of the combined banks, and continued to occupy that position until his death in February, 1923. Mr Cocks was a partner in the old-established banking firm of Cocks, Biddulph and Co., and when that institution amalgamated with this bank in December, 1919, he became a director of our London board and senior manager of the business with which he had been so long and so honourably associated, and which was continued as a branch of this bank. Both Mr Norman and Mr Cocks had large experience and wide influence, and rendered valuable service. We deeply regret their loss.

RESIGNATION OF SIR JAMES HOPE SIMPSON.

The report also refers to the resignation, for reasons of health, of Sir James Hope Simpson from the position of general manager of the bank. Sir James' health had been unsatisfactory for a considerable time, but we all hoped that a long rest and careful medical treatment would result in his being able to resume his duties in the bank. This hope, however, was not fulfilled, for in September last he found it necessary, under medical advice, to relinquish his duties as general manager. His resignation was received with profound regret not only by the directors and the staff, but also by customers and by a wide circle of friends.

It is not necessary for me to speak about the prominent position which Sir James occupied in the public and business life of this city, or about the services which he rendered to the country during the war and the troublesome years which followed it; but I desire to refer in a special way to the great work he has done for this bank. In the 20 years during which he occupied the position of general manager the bank has made great strides, and, by amalgamation with other banks and the opening of branches in different districts, has largely extended its sphere of operations. As an indication of the extent of the progress made, I need only quote the following figures:—In 1903, when Sir James became general manager, the total assets were slightly over £13,000,000, and the number of branches was 82. In the report before you the total assets are over £76,000,000, and the number of branches 355. The directors recognise that this development and the high position which the bank occupies amongst the financial institutions of the country are due in a large measure to Sir James' ability and able guidance, and I would like, on behalf of the board, and, if you will allow me, on behalf also of this meeting, to express to him our gratitude for the great services he has rendered. You will also, I am sure, join with me in wishing him improved health, and many years in which to enjoy his retirement.

It is gratifying to the directors to know that as Sir James con-

tinues to be a director on the general board and on the London board, they will still be able to consult him whenever occasion arises, and obtain the benefit of his views.

NEW GENERAL MANAGER.

Mr T. Fisher Caldwell has been appointed general manager in succession to Sir James Hope Simpson. Mr Caldwell has had a long and varied banking experience in this bank and in other banks. He came to us in 1903, and since then has occupied various positions of responsibility, including that of superintendent of branches, and since 1919 assistant general manager. The directors had every confidence in appointing him to the important position vacated by Sir James. Mr Caldwell has also been given a seat on the London board.

At this point, with your permission, I shall read a letter which I have received from Sir James Hope Simpson. It is as follows: "Dear Mr Glazebrook,—

"I am very sorry indeed that the present state of my health will prevent me from attending the annual meeting of the bank on 29th instant, and I beg that you will kindly convey my apologies to the shareholders.

"Had I been present I should have sought your permission to say a few words to the shareholders, firstly to congratulate them on the results of the year, and the figures of the balance-sheet, and, secondly, to pay my tribute to my successor, Mr Caldwell, whose appointment to the position of general manager gave me the greatest satisfaction and pleasure. Having worked for 20 years with Mr Caldwell, in close daily contact, I can say with confidence that on the ground of character, ability, and banking experience, he is eminently fitted to be the chief executive officer of the bank, and that the interests of shareholders and customers alike could not be in better hands. I hope he will have many years of successful management.

"With kindest regards to yourself and my colleagues on the board.

"I am, yours sincerely,

"(Sgd.) J. HOPE SIMPSON."

The chairmanship of the London board, made vacant by the death of Mr Norman, has been filled by the appointment of Mr Robert M. Holland Martin, and the Hon. Thomas H. F. Egerton has been elected a member of that board to succeed the late Mr Cocks.

CATTLE TRADE BANK, LIMITED.

The business of the Cattle Trade Bank Limited was acquired as from July 1st last on satisfactory terms. The business carried on by that bank was—as its name implies—principally connected with transactions arising out of the purchase and sale of cattle, but it had also developed an ordinary banking business which we believe is capable of further extension. The acquisition of this business should prove a useful and profitable adjunct to the bank.

During the year 20 branches and sub-branches have been opened and sites for other offices have been acquired, including sites at Southampton and Bournemouth, in which towns we hope to open shortly.

YEAR'S PROFITS.

The profits for the year, after deducting general expenses and making all usual provisions, amount to £486,965 7s 7d, which is £17,837 1s 2d less than the profits of the previous year. The reduction is accounted for chiefly by the earning of profits having

been adversely affected by low money rates, and by less satisfactory conditions of trade in some of the districts in which our branches operate. These results are obtained after ample provision has been made for every account about the safety of which there appears to be any reason for doubt.

ALLOCATIONS.

The figures I have named, added to the sum of £126,099 6s 8d brought forward from the 1922 account, make a disposable balance of £613,064 14s 3d. Out of this sum the directors have allocated £100,000 to the bank's reserve fund, making the amount of that fund £1,600,000, and £375,822 8s to the payment of the usual dividends, leaving the sum of £137,242 6s 3d to be carried forward to next account.

May I now ask you to be kind enough to refer to the balance-sheet which was issued with the directors' report.

BALANCE-SHEET—LIABILITIES.

On the liabilities side you will observe that the amount due on current, deposit, and other accounts is less by about £3,800,000 than the corresponding amount last year. A reduction in deposits is a feature observable in the balance-sheets recently issued of most of the banks, and in the case of this bank it is due to a large extent to withdrawals from customers' accounts for trade purposes.

The next item—bank's acceptances—shows a slight increase.

ASSETS.

On the assets side the item "Cash in hand and balances with the Bank of England," is slightly lower than a year ago, but represents about the same percentage of the liabilities owing to the reduction in deposits. The three first items on this side of the balance-sheet represent money readily available, and if we take them together the ratio to deposits is 23.7 per cent.

Investments show a reduction of over two millions, accounted for by sales during the year. A profit realised on these sales has not been brought into the profits of the year, but has been utilised to further strengthen the internal position. I feel sure you will agree that this course is a wise one, and that while times are so unsettled it is the right policy of your directors to continue to build up the reserves of the bank.

Bills of exchange are less by about half a million, and advances to customers more by over a million than they were a year ago.

Bank premises appear in the balance-sheet at £1,484,081. These are substantially written down, and their actual value is largely in excess of the amount at which they stand in the books.

LARGE BUILDING PROGRAMME.

Owing to the suspension of building operations during the war and the years immediately following the war, various schemes for enlarging and improving our branch premises, and for the building of new premises, had necessarily to be postponed, and the consequence is that we have now an unusually large programme before us. This includes the erection of a new head office building on the site of Brown's Buildings and African House in Water street, to which reference was made in the directors' report to the shareholders last year. We have intimated our intention to exercise the option which we secured for the purchase of these buildings. We also propose to erect an important building in Leeds, where our business at present is carried on in leased premises, and have secured a site in a central position. It is our intention, when these premises are completed, to transfer the administration of the branches in our Halifax district to Leeds, as we find that that town will be more central for the purpose.

MONETARY CONDITIONS DURING PAST YEAR.

Monetary conditions during the past year did not present any striking features. There has been one change only in the Bank rate during the year, viz., on July 5, when the rate was raised from 3 per cent., at which it had stood since July, 1922, to 4 per cent. This rise coincided with the weakening in the Sterling Exchange in New York, and it was generally understood that the fall in the value of sterling had been accentuated by American borrowing in this country at the very low rates that were obtainable with a 3 per cent. bank rate. As in the case of other post-war years, the money market presented a somewhat artificial aspect, the value of money being almost, if not quite, dependent on public expenditure and revenue. When taxes were going into the Bank of England there were times of great stringency, and when the Government was making disbursements there were times when money was practically unobtainable. The rates of discount moved within very narrow limits, the periods of higher rates again coinciding with heavy taxation demands, and the lower rate with periods of Government disbursements.

FOREIGN EXCHANGES.

The foreign exchanges have remained in a very unsettled condition, and the alarming depreciation of the chief Continental

currencies has made it extremely difficult for manufacturers in this country to obtain buyers for their goods in European centres. The German mark has become valueless for all practical purposes, and the Polish mark almost so. Both French and Belgian currencies closed the year at about their lowest point, and since then have further greatly depreciated. The value of sterling in America has fallen heavily since February, when the rate reached 4.72, the highest point recorded since the rate was "unpegged," and at the end of December the quotation was no better than 4.33 to the £, having at one time touched 4.25. In the new year it has reached an even lower quotation. While a certain amount of the depreciation can be accounted for by the seasonal purchases financed through London of cotton, grain, and other American products by various European countries, other features which have contributed to the fall in the value of sterling have been the transfer to New York by Continental countries of balances in London, owing largely to unfounded talk of inflation of our currency, the withdrawal of American balances in London, and the sale of American holdings of British securities, due to the demand for money to finance trade requirements in America, and also, it is believed, to a feeling of uncertainty as to political developments in this country.

The depreciation in the value of the £ in terms of dollars is a serious consideration because of the heavy percentage it adds to the cost of this country's necessary purchases from America and to our payments in respect of war debt. As an illustration, goods purchased in America which would have cost £1,000 at the highest rate of exchange during the past year would have cost £1,109 at the lowest rate.

TRADE CONDITIONS.

During the year under review trade conditions improved, but the extent of the improvement was disappointing, and the hopes which were entertained at the beginning of the year were not fulfilled. The Board of Trade returns show a considerable expansion in overseas trade, viz., an increase in imports amounting to nearly 9½ per cent., and an increase in exports of 7½ per cent., as compared with the previous year. A welcome reduction in the number of the unemployed also provides evidence of improvement. It has, however, to be borne in mind that to some extent the reduction in unemployment is due to the operation of the Trade Facilities Act, which enabled extensive works to be commenced which would otherwise have been delayed for a considerable time. Engineering and other schemes undertaken with the assistance provided by the Act took time to mature; preliminary formalities had to be gone through, plans and drawings had to be made and tenders obtained before work could be started. Much of this work is now, however, in hand, and more is in process of being placed. There is, therefore, good hope that from this source alone further reductions will be made in the ranks of the unemployed.

COTTON INDUSTRY.

Some of our principal trades have again passed through a period of great depression—notably the cotton trade, which, with its numerous allied industries, is of paramount importance to Lancashire. The cause of the depression which affected 1921 and 1922 continued to operate during 1923. Social and political unrest, lack of world purchasing power, adverse foreign exchanges and depreciated currencies all combined to aggravate the position. In addition, the year was one of considerable difficulty for the importation of raw cotton from the United States. Short supplies, as a result of American crop failures, caused not only violent daily fluctuations but wide variations over longer periods. At the end of August, when the new crop of cotton began to arrive, the price of American cotton in Liverpool was 14.93d per lb, and by the end of November the price had advanced to 21.64d per lb. At the end of the year it was a penny per lb lower, but frequent days of excited markets and violent fluctuations of over a penny per lb brought actual business nearly to a standstill. The deliveries to spinners amounted to 630,000 bales from August 1st to the end of the year, against 1,147,000 bales in 1919, which was the last period of good trade in the cotton industry, and 1,516,000 bales in 1913, the last pre-war year. At the beginning of 1913 the Liverpool and Manchester stock of American cotton was 1,241,000 bales, and in 1914 741,000 bales, but this year, as against these pre-war years, the stock was only 478,000 bales. These figures speak for themselves, and taken in conjunction with the fact that the total exports of cotton manufactures have fallen from £401,000,000—the high point of 1920—to £177,000,000 in 1923, give a striking indication of the present state of Lancashire's cotton industry.

Owing to the partial failure of the American crop, Egyptian cotton also experienced wide fluctuations, and prices ranged between 14.15d per lb in May and 26.55d per lb in November. The mills spinning Egyptian cotton have, however, had a profitable year.

FOREIGN COMPETITION.

It is instructive to note that while in 1913 America, France, India, Japan, and China had an aggregate spindleage of 13 per cent. below that of the United Kingdom, they have now a preponderance over it of about 9 per cent. A great many of these spindles are engaged on coarse counts, giving a relatively large production of yarn for coarser materials, which are, under present conditions, satisfying the need of impoverished peoples to an increasing extent. As soon as conditions in foreign countries begin to ameliorate there will inevitably be a steadier and increasing demand for the production of finer goods, in which this country excels, and it is significant to note that our exports of fancy cloths and specialities to the American Continent have shown a considerable increase despite the Fordney Tariffs.

It is of the greatest importance that increased sources of supplies of raw cotton should be opened up, so that those engaged in this industry may not be dependent on the success or failure of the American crop. It is satisfactory to know that efforts are being made to increase the production of Empire-grown cotton.

Other branches of the cotton trade, such as bleaching, dyeing, and finishing, continue to make good profits.

WOOL INDUSTRY.

The other great textile industry, viz., the wool textile industry, has had a satisfactory year, although the expectations held at the beginning of the year were not realised to the extent anticipated. The French occupation of the Ruhr and the collapse of the German mark, together with the continued depreciation in other European currencies, hindered development of the industry in this country. These circumstances, however, did not curtail operations by our Belgian and French competitors, who, as a result of their lower conversion costs and depreciated currencies, have been able to sell yarns and pieces at considerably lower prices than British producers.

Raw material has been the dominating feature, and at the close of the year there was a strong tone and firm prices in all markets, both in this country, and at the sources of supply. The outstanding feature has been the remarkable increase in the demand for crossbred wools, which had been practically neglected since the slump in 1920.

At the close of the year there was a considerable improvement in the demand for yarns, and there is also more encouraging news with regard to the piece goods trade. Both on home and export account more business is being done, principally in fabrics made from crossbred wools, and the year closed with looms in the Bradford district better employed than at any time during the past twelve months. The present year opened with great confidence, and a general disposition to take a cheerful view of the prospects for 1924.

Having reviewed the state of the two great textile industries which are of prime importance to Lancashire and Yorkshire respectively, I shall now refer, but in a very brief way, to a few of the other great trades in which many of our customers are interested.

COAL.

The coal trade has been one of the few bright spots in British industry during the year. The activity in this trade was due to a large extent to unusual conditions, viz., the French occupation of the Ruhr, which brought about an abnormal demand for British coal. During the first ten months of 1923 coal exports from the United Kingdom reached a record total of 67 million tons, and of this quantity over 14 million tons went to France, and 11½ million tons to Germany, as against 9½ million tons and 6 million tons respectively in 1922. It is satisfactory to be able to record that the output of coal for 1923 exceeded that of 1913, which is regarded as a record year.

The prospect for 1924 appears to be good so far as demand is concerned, but the achievements of 1923 were secured in a large measure by freedom from strikes and disputes, and the outlook for 1924 is marred by the notice given by miners to terminate the present wages agreement.

IRON AND STEEL.

In the iron and steel industries the acute depression in the shipbuilding industry, emphasised by the boilermakers' dispute, seriously affected demand. The latter part of the year, however, brought improvement. With the announcement of various Government schemes and the placing of large contracts on behalf of the railways and others, coupled with the termination of the boilermakers' strike, the prospects at the beginning of the new year are distinctly good, and the latest production and export figures are encouraging. The future prosperity of these trades must depend to a large extent upon cheap fuel, as otherwise those engaged in the trades in this country will not be able to hold their own against foreign competition.

SHIPPING.

In shipping the state of depression which existed in the previous two years continued in 1923, and the value of tonnage suffered further depreciation. This is a natural consequence of the present unsatisfactory condition of international commerce, and of the large increase in the amount of tonnage available as compared with pre-war years. Less tonnage, however, is laid up idle than was the case a year ago, and a considerable number of old vessels have been sold for breaking-up purposes.

The depression in shipping was reflected in the shipbuilding and engineering industry, which has passed through one of the worst periods in its history. The outlook for 1924 is reported to be better.

Textile machinists have again had a not unprofitable year, the tonnage exported being little short of the preceding twelve months.

GRAIN TRADE.

With regard to the grain trade, international supplies of wheat during the year have been large, and as a consequence prices steadily declined until the last few months of the year, when there was an upward reaction mainly due to very large quantities being taken by the Orient and other non-European importers, and to the competition by Continental countries being much greater than was anticipated. Trading has been of moderate volume, and the results not very satisfactory. Flour-milling also has been unremunerative.

TIMBER.

In the timber trade there was distinct improvement in 1923 as compared with the previous years, and prices generally during the year were maintained. The proposed building programme of the railway companies and the more healthy signs in the shipbuilding industry have increased interest in the particular woods used, and the new year has brought more tangible promise than has been evident for the past three years.

FARMING.

The past year was one of difficulty and disappointment from the farmers' point of view, and it closed with the worst outbreak of foot-and-mouth disease which the country has known for more than a generation. The compensation granted by the Government has been paid promptly, and on a scale which is not ungenerous, but the loss of income to the farmer during the period that he is closed down, and until he is permitted, or is able, to restock must be a great strain on his resources. Generally speaking, farmers have had an unsatisfactory year, but it is pleasing to note an indication of optimism regarding the future in the fact that in some districts, particularly in the north, there is a demand for farms at higher rents, and that the price of land and farms generally continues good.

THE FUTURE.

I have endeavoured to review briefly the conditions which have prevailed during the past year in some of the principal trades with which we come into contact in our different districts. In former years it has been customary, and usually possible, following a review of this kind, to give some indication of the prospects for the coming year. To-day, with the uncertain outlook at home and the continued chaotic conditions abroad, it would be rash to attempt a forecast. There is, however, one feature in a most intricate and difficult position which to me stands out pre-eminently, and that is that there can be no great and permanent improvement in trade until there is stability in exchanges, which will enable us to export freely. A distinct hope that events are moving in this direction is aroused by the rapid recovery which Austria is making commercially and financially as the result of the reforms inaugurated under the auspices of the League of Nations. Out of a state of chaos and despair the country is becoming prosperous, and its people industrious and hopeful; its currency is becoming stabilised, and the expectation that the national Budget would be made to balance in 1924 seems possible of realisation. The experiment on similar lines about to be made in the case of Hungary appears to have good prospects of achieving equal success.

Other countries are watching these experiments, and it is, perhaps, not too much to hope that we have here the small beginnings which will lead to a return to sound financial principles by the larger European countries. Good results may also be looked for from the labours of the committees now sitting in Paris to investigate the financial condition and resources of Germany.

DEBT TO AMERICA.

The outstanding feature in national finance during the past year has been the funding of our huge war debt to America. There is no doubt that the prompt settlement of this matter, although placing an enormous additional burden on an already overtaxed people, has had a beneficial effect not only in increasing the friendly relations

which exist between the two nations, but also in greatly enhancing the credit of this country.

Had all European countries which were crippled by the war made the same efforts to rehabilitate themselves as this country has done, and as heavy sacrifices to meet their obligations, I feel sure the difficulties which still confront us, and which retard the re-establishment of international amity and world trade, would have long since disappeared.

Before concluding, I desire to express the directors' appreciation of the loyal and efficient services rendered by the staff. Their good work during the year has largely contributed to the results we are able to place before you to-day.

Mr Robert M. Holland-Martin, one of the deputy-chairmen and chairman of the London board, in seconding the adoption of the report, paid a very high tribute to the work of Sir James Hope Simpson, not only on behalf of this bank, but of banking generally. His opinions were always sought by London bankers on financial affairs and by the Treasury, especially during the difficult war years.

The motion was carried.

WILLIAMS DEACON'S BANK, LIMITED.

CAPTAIN DEWHURST ON INDUSTRIAL CONDITIONS OF THE PAST YEAR.

CONDITIONS IN THE COTTON INDUSTRY.

NEW BRANCHES IN LIVERPOOL AND NORTH WALES.

The annual meeting of the shareholders of Williams Deacon's Bank, Limited, was held, on Thursday, January 31st, in the Board Room, Mosley street, Manchester, Captain Gerard Powys Dewhurst (the chairman) presiding.

The secretary (Mr E. A. Williams) read the notice convening the meeting and the auditors' report.

CHAIRMAN'S SPEECH.

The Chairman, in moving the adoption of the directors' report and statement of accounts, said:—

Ladies and Gentlemen,

With reference to the report in your hands, I should like first to comment on the paragraph with regard to our Charing Cross premises. As you know, next to our registered office in Birch Lane, Charing Cross branch is quite the most important we have in London, and in Cockspur street, where it is situated, we have built up a most valuable West End connection, and we have naturally been much concerned at the prospect of either a costly building programme, or removal to another locality. We may, therefore, consider ourselves extremely fortunate in having secured practically ready-made premises in the same neighbourhood, consisting of a first-rate building which, with its extra space and improved accommodation, will enable us to deal more adequately with our growing West End business.

HEAD OFFICE EXTENSIONS.

Then, with regard to our head office here, you will remember our purchase some three years ago of the adjacent premises, which gave us possession of the island block from York street to Spring gardens. We have now to report the completion of the first part of our programme of extension, and I trust the result of our scheme so far, downstairs, has met with your approval. As a consequence, now that we have ample room for extension under one roof, we have finally disposed of the property we bought in King street some time ago. We trust shareholders will take an opportunity of examining our War Memorial, also completed this year, in the entrance hall here.

With regard to bank premises generally, we still find building costs a heavy item in our outgoings, and for that reason we have allocated the same amount as last year out of profits in reduction of this account, but our extension policy of the last few years has, I think, been fairly justified in the number of new accounts opened and new business brought through them, which again this year have shown a most satisfactory increase. A most interesting feature of last year's programme was the opening of new branches at Liverpool and on the North Wales Coast, where we have long felt the need of direct representation.

AMPLE PROVISION FOR CONTINGENCIES.

With regard to the diminution of the net profits of the bank during the past twelve months, I think, looking at the trade of the country generally, and the reduction in exports shown in the staple industry of this country, this can hardly be a matter of surprise to any of us, especially if you appreciate how strictly we provide for any accounts in our books of a doubtful nature and prepare ahead, as far as possible, for any contingency that may arise, before declaring our net profits.

On the motion of Mr E. C. Thin, seconded by Mr J. E. Gordon, Sir Aubrey Brocklebank, Bart., Mr Walter Lees, Mr T. Henry Morris, C.B.E., and Mr J. Arthur Slingsby were reappointed directors of the bank.

Mr T. Fisher Caldwell, general manager, responding to a vote of thanks to the directors, committee of management, general manager and other officers for their services during the year, passed on the motion of Mr J. E. Tinne, seconded by Mr R. T. Cunningham, said it was encouraging to know that after a year's work their efforts were appreciated by the shareholders. It would be regarded with as great satisfaction by the staff as it was by the directors and himself. The outstanding event of the year, so far as the personnel of the staff was concerned, had been the retirement of Sir James Hope Simpson, the relationship with whom was such as was usually not found in business affairs. For himself, Mr Fisher Caldwell thanked the directors for the support and assistance given him, and the staff for their efficient co-operation, which relieved the management of a great deal of its burden.

The meeting terminated with a cordial vote of thanks to the chairman.

BALANCE-SHEET LIABILITIES.

So far with regard to the report, and turning now to the balance-sheet, on the liability side you will notice our capital remains unchanged, while we have made, as last year, an addition of £50,000 to our general reserve fund, bringing the figure of this account up to £1,200,000. Our deposits at £34,372,000 show a decrease of 3½ million, as compared with the figures of the previous twelve months, a comparison which is rather misleading, as our deposits at the end of the previous year were temporarily somewhat exceptional. This shrinkage in deposits may be said to be a feature of most bank returns this year, reflecting the steady deflation which, whilst making for a sound national monetary position, may have been brought about rather more quickly than trading requirements warranted, and also, we must regretfully admit, reflecting the depletion of the savings of so many of our depositors through unemployment, taxation, and loss of income from dividends.

ACCEPTANCES.

On the other hand, our liabilities for acceptances show the substantial increase of £2,353,000 on those of 1922. This is mainly brought about by our growing share in the movement of the raw cotton and sugar crops, especially in the increased direct imports of cotton to Manchester, whilst the higher price of cotton also causes a natural increase in the amounts of our acceptances.

ASSETS.

Turning to the assets side of the sheet, our cash and balances with other banks are both reduced by £377,000 and £289,000 respectively, while money at call and short notice shows an increase of £285,000.

At £1,840,000, bills discounted have been reduced by nearly 50 per cent. compared with the corresponding figure of last year, largely accounted for by our decreased purchases of Treasury bills.

Our investments as compared with the previous 12 months are reduced by over a million, as a result of the realisation of Government bonds of early maturity.

These last two items obviously reflect the contraction in deposits previously referred to.

Advances to customers, at £19,243,000, represent a slight decrease of some £80,000 on the figures of the previous year.

Bank premises, to which account I have already referred, show an increase in our books of £40,000. This, of course, is after crediting the account with £30,000 out of this year's profits.

PROFIT AND LOSS ACCOUNT.

Passing on now to our figures of profit and loss, you will see our net profit, after making the usual provisions, gives us a total of £327,247, as compared with £337,175, a decrease of £9,928, or about 3 per cent. This, after transferring £50,000 to the general reserve fund and £30,000 to bank premises account, enables us to pay a dividend at the rate of 13½ per cent. on our "A" shares,

and 12½ per cent. on our "B" shares, and to carry forward to next year's account a balance of £36,461, which is £6,659 less than we brought in.

TRADE OF PAST YEAR—COAL.

Taking a look back at the trade of the past year, I am afraid we can find few, if any, signs of improvement on its predecessor. The coal trade has, however, fairly maintained its position, its export figures showing up satisfactorily.

IRON AND STEEL TRADE.

With regard to the iron and steel trade, with which we are closely connected, the figures of production for both pig iron and steel show a considerable expansion this year, the last three months' totals being especially noticeable. As a consequence, we see a welcome diminution in the unemployment figures for those industries, but I fear that, in spite of larger output, prices have left little profit to the makers.

ENGINEERING TRADE.

The engineering trade as a whole can hardly be said to have made much headway during the 12 months, and makers of textile machinery in particular report an almost complete cessation of orders.

COTTON.

With regard to the cotton trade, where the outstanding feature has been the partial failure of the American crop, and the consequent certainty that there can be no relief by way of supplies before next autumn, the position, I am afraid, is, if anything, worse than it was when we last met here, except, perhaps, in the Egyptian section, which has been fairly engaged during the last six months. On the other hand, for spinners of American yarns, in spite of an organised restriction in output for more than half the year, the position with regard to orders and margins is again deplorable, and stocks at the mills have only been cleared by the help of the rise in the raw material. With regard to cloth, a very considerable proportion of the looms in Lancashire are now idle, and unemployment is, I am sorry to say, more prevalent than ever amongst the weavers.

Inquiry for piece goods from abroad has, to say the least of it, been only intermittent, and has never through the year responded adequately to the rise in American cotton, in spite of the fact that stocks in our two principal Eastern markets are admittedly low. The Board of Trade returns emphasise this point, showing a decrease in value and quantity of our exports of cotton piece goods, coupled with an increase in the price we have had to pay for our raw cotton.

SCHEME FOR COTTON CONTROL BOARD.

So critical has the position become in the American spinning section that an attempt is being made to revive in some measure the scheme of a Cotton Control Board, based on voluntary levies and co-operation with sanction of or even legislative powers granted by Government. The scheme is still under discussion, but it seems now to have gained more support than former proposals. The basic idea is to prevent excessive production, which, by the law of supply and demand, might cause sales to be made at an actual loss. Whilst agreeing that excessive spinning to stock is to be avoided, it is well that we should guard against any artificial price fixation or restriction of output for the purpose of unduly forcing up prices—a suicidal policy indeed. After all is said and done the ultimate and deciding factor in all trade is the ability and willingness of buyers to take and pay for our goods. Unless our overseas customers desire to buy, and have the means to pay for, our goods, we cannot keep our industries running. And

obviously, if purchasing power is low, then any rise in cost of production and price will tend to restrict further the volume of orders, already so inadequate. Let any form of control and restriction be most carefully weighed up in the light of our power to compete in foreign markets.

EFFICIENCY AND ECONOMY OF PRODUCTION NEEDED.

As a preliminary to trade prosperity, we need efficiency and economy of production. Adversity has its uses, and in the past two years our users and converters of raw materials have undoubtedly done wonders in reducing costs and improving methods of production, and that without undue pressure upon wages, but I fear that in the later processes of manufacture, and in costs of transport and distribution, there has not been shown the same willingness to share the burdens of bad trade, and that reduction of profit ratio which might often have turned the scale, and made it possible to obtain and carry through contracts.

Given closer co-operation and a spirit of give and take, I feel sure we can still beat the world. But I think you will also agree that before any real trade prosperity can be re-established we must have more settled conditions on the Continent, reparations finally agreed, and exchanges stabilised, and here, too, distinct progress may be claimed.

ENCOURAGING FEATURES.

The settlement of our debt to America was unanimously welcomed in this country, not only because it was the only honourable and businesslike course to pursue, but because of the excellent lead it gave to the rest of Europe.

A further encouraging feature may be noted in the successful placing, through the good offices of the League of Nations, of an Austrian loan in Europe and America, and if the Hungarian Loan, under the same auspices, meets with equal success, we can feel a long step forward has been taken in the restoration of European credit. In this connection our best wishes for success in their deliberations go with the recently appointed Committee now sitting in Paris.

LANCASHIRE'S NEED.

What Lancashire needs is more cotton, and that drawn from as wide an area of the world as possible, and I can't help thinking if individual spinners would supplement the admirable efforts the Government are making through the Empire Cotton Growing Corporation to bring more land under cotton cultivation, and to encourage its growth within the British Empire wherever practicable, and would also themselves take a direct interest in this vital matter, we should sooner be in a position to sell our production abroad at a price the consumer can afford to pay.

I submit that it is along these lines, and not by way of restricted output or arbitrary fixing of prices, that the trade can hope to win back its position.

I have now pleasure in proposing "that the report and accounts now presented be received and approved, and be entered on the minutes of this meeting."

Mr B. G. Wood seconded the motion, which was put to the meeting and carried unanimously.

RE-ELECTION OF DIRECTORS.

Mr Herbert W. Arnold then moved, and Major Murray Marsden seconded, the re-election of Sir Kenneth Irwin Crossley, Bart., and Mr Percy Ashworth as directors of the company, which was agreed to.

Colonel S. L. Mandleberg moved, and Mr P. C. D. Blake seconded the election of Messrs Ashworth, Mosley and Co., chartered accountants, as auditors of the company for the year 1924, and it was carried unanimously.

VOTE OF THANKS TO CHAIRMAN.

Mr B. G. Wood, deputy-chairman, then took the chair, when, upon the motion of Sir William Barton, seconded by Mr Ralph Morton, "the best thanks of the meeting were tendered to the chairman for his conduct in the chair."

The motion was carried with acclamation, and the Chairman having briefly responded, the meeting terminated.

NATIONAL MUTUAL LIFE ASSURANCE SOCIETY. RECORD QUINQUENNIAL SURPLUS.

The ninety-fourth annual general meeting of the National Mutual Life Assurance Society was held, on the 30th ultimo, at the Society's House, 39, King street, London.

Mr J. M. Keynes, C.B. (the chairman), presided, and in moving the adoption of the report and accounts, having dealt with the figures for the past year, said: The revaluation of the society's assets shows a total appreciation of £72,200 on the year, of which £28,300 has accrued on Stock Exchange securities. Throughout almost the whole year your board have been pursuing what can be best described as a waiting policy. Underlying conditions have been strongly in favour of a marked revival of trade, and last spring it looked as though these were asserting themselves. Political conditions, particularly abroad, but more recently at home also, have, however, operated in the opposite direction. In face of such conflicting tendencies, it has been difficult to see one's way clearly. We have regarded the avoidance of loss on the society's investments as our first object; and, as things have turned out, your board's hesitation to take a decided view has been justified by the facts. It will be seen in the report that approximately half of our Stock Exchange investments are British Government securities. It is interesting to recall that ten years ago this society held no British Government securities. The net result of the year, all sources of profit being taken into account, is an addition of £143,000 to our surplus, a highly satisfactory figure.

RESULT OF QUINQUENNIAL.

I now come to the results of the quinquennium as a whole. I am in the fortunate position of being able to announce to you one of the largest surpluses (in proportion to liabilities) in the history of life assurance, namely, £912,360, being 28.8 per cent. of our liabilities—a sum far exceeding anything in the previous history of the society, and I believe far larger than any surplus which has been previously shown by an office of the size of the "National Mutual." Deducting the surplus brought in, namely, £184,668, the profit of the quinquennium amounts to £727,692, equivalent to a net return on the mean fund (in addition to 3 per cent., the valuation rate of interest) of £4 12s 6d per cent. annum, so that during the past five years our aggregate earnings, after paying all expenses, have been at the rate of £7 12s 6d per cent. per annum, free of tax.

In dealing with this unusually large sum, your board have considered, in the first place, whether there were any special provisions or writing down to effect which it would be proper to take advantage of this opportunity. The result is shown in the actuary's report. We have appropriated a sum of £65,000 to form a fund which will cover present and prospective liabilities in respect of staff pensions. We have further effected special writings down, beyond those required by the valuation, to the amount of £29,771. A further sum of about £42,500 has also come out of the surplus of the quinquennium and been paid away in interim bonuses to those policies which became claims during the last five years. After deducting these various sums there remains an available balance of £775,101.

The proper and prudent disposal of this surplus has been the subject of much anxious thought and discussion between the board and their actuary. Their final conclusion is expressed in the valuation report.

The rate of reversionary bonus on "National Mutual" policies will be at the rate of 42s per cent. per annum compound, that is to say, calculated on sums assured and bonuses existing at the end of 1923. The usual adjustment for differences of premium on the policies dated prior to the amalgamation will be made. The interim bonus on policies which may become claims before December 31st next will be at the full rate now declared, if a whole year's premium has become due and been paid during the year and prior to death or maturity.

DISTRIBUTION OF SURPLUS.

The existence of an unusually large surplus, such as we have on this occasion, is bound to give rise to difficult questions of distribution policy—how to assess the just claims of the present policy-holders against the interests of the society as a permanent institution, older than the existing members yet with longer prospects of life; and how best to combine the advantages of continuity and regularity with the rapid fluctuations of the modern world. Such considerations, amongst others, have weighed with

us in reaching the decision, which will probably commend itself to all of you, that, in future, distributions of surplus shall be made to the policy-holders annually instead of at five-year intervals as in the past. Not only will this arrangement give members the satisfaction of receiving a definite bonus every year, but it will afford an opportunity for more frequent stock-taking and for closer and more continuous examination of all the conditions which should be considered in determining the problems of a distribution of surplus.

At any rate, carrying forward an undistributed surplus equal to about 15 per cent. of our liabilities, we are in a position of unexampled strength to meet the ups and downs of the next few years. These figures entitle me to emphasise again the opportunities which our institution offers for the management of the savings of its members, and to urge each of you to increase his stake in so well-secured a property by taking out additional endowment or other policies up to the full capacity of your incomes.

The report and accounts were unanimously agreed to, and the formal business transacted.

UNION DISCOUNT COMPANY OF LONDON, LIMITED. SATISFACTORY YEAR'S RESULTS. DIVIDEND AND BONUS MAINTAINED. CAUSE OF FALL IN DOLLAR EXCHANGE.

The sixty-sixth ordinary general meeting of shareholders of the Union Discount Company of London, Limited, was held, on the 24th ultimo, at the Cannon street Hotel, London, E.C.

Mr Arthur Louis Allen presided. The secretary (Mr W. B. Hobbs) having read the notice convening the meeting and the auditors' report,

The Chairman said: Ladies and Gentlemen,—Before commencing the business of the meeting, with your permission, I will refer to a letter I have received from Mr Nugent, in which he expresses his regret that he is unable to be present to-day because he is in the South of France, by his doctor's orders, and also his desire that I should convey to you his warm appreciation of the honour you have conferred upon him in presenting him with his portrait, which he will always regard as a delightful memento of his long and happy association with the Union Discount Company.

We will now pass to the business of the meeting, and you will doubtless allow me to take the report as read. (Agreed.)

THE BANK RATE.

The year under review, without being up to the high-water mark of 1922, has not been unfavourable to the banks and discount houses, although for the latter half of it they have been working on a rise in the Bank of England rate—a condition of things that cannot help but be less remunerative to employers of money.

On January 1st last year the Bank of England rate stood at 3 per cent., at which figure it remained until July 5th, when it was raised to 4 per cent. For a time uneasiness prevailed in certain quarters that it meant a further move up to 5 per cent. in the near future, though there were never any adequate grounds for such uneasiness, as events proved, and it is not unreasonable to anticipate that for some little time to come we may see the present level maintained, more especially as the inflow of taxation during the last quarter of the financial year tends to keep outside rates more closely up to the Bank of England rate.

Without any violent fluctuations, the supply of credit has been fairly constant throughout the year, and the demand has been sufficiently met by the supply.

BILLS AND REVIVAL IN TRADE.

Bills have come forward steadily, the stream gradually increasing as the year drew to a close, a sure sign of a beginning of a revival in trade, a condition of things that will certainly grow if only the community can feel assured of a quiet time, both politically and socially.

Owing to uncertainty on this point, the market in short-time bonds, in which both bankers and discount brokers deal, has displayed considerable firmness at enhanced prices, thus reducing the yield, the tendency being in times of uncertainty to buy a security with an early redemption rather than a long-dated one, with a risk of loss of capital. In our own case, I am glad to say that all securities in our balance-sheet have a very short time to run, at the end of which we can either take cash or renew them for a further short period, as may appear most expedient.

"PANICMONGERS" AND THE DOLLAR EXCHANGE.

Fortune, for good or evil, has just placed in power in this country a Socialist Government, and the financial uneasiness that has manifested itself for some time past at the bare possibility of such an eventuality is still in evidence. I would like to say in this regard that the credit of this country has taken generations to build up, and, as a result, whenever there has been any trouble in any part of the world money and securities have always been

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000

OFFICES IN ARGENTINA, CHILE, URUGUAY, PERU, MEXICO AND SPAIN.

Represented in U.S.A. by the

ANGLO-SOUTH AMERICAN TRUST COMPANY, NEW YORK,

(Incorporated under the laws of the State of New York);

and in FRANCE by the

BANQUE ANGLO-SUD AMERICAINE, Société Anonyme, PARIS.

Head Office:—62, OLD BROAD STREET, LONDON, E.C.2

AFFILIATED INSTITUTIONS:

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



sent here at once in large amounts, as the one place where they were considered to be safe.

The reverse operation has, however, been going on for some time, and foreign balances held in London have been called in large amounts for transmission to other centres, and it is this primarily, and not the selling of securities and transmission of the resultant cash abroad by "panicmongers" here, to use the term recently employed in this connection, that has brought about the fall in the dollar exchange, as, in addition to cash already lying here, the money market in London is largely used by other countries as their clearing house.

It is difficult to make an estimate of the proportions of the two movements, but it would probably not be unfair to say that the shillings and pence are sent by the "panicmongers," and the pounds by the foreigner and his associates here.

DIVIDEND AND BONUS.

The Chairman, after dealing in detail with the changes in the various items of the balance-sheet as compared with the figures of the previous year, moved the following resolution:—"That the report of the directors and statement of accounts for the year ending December 31, 1923, be received and adopted; that £50,000 be placed to the reserve fund, and £10,000 to the provident fund; that a dividend at the rate of 15 per cent. per annum for the financial half-year, less income-tax, making 15 per cent. for the year, with a bonus of 5s per share, free of income-tax, be declared, payable on and after the 26th instant."

This motion was seconded by the Hon. Sir William Henry Goschen, K.B.E., and after some remarks by Mr E. A. R. White and Mr G. A. Christian, was carried unanimously.

Resolutions that the Hon. Sir W. H. Goschen and Mr Laurence Currie be re-elected directors of the company, and that Sir William Plender, Bart., and Mr A. Turquand Young be reappointed auditors, were carried unanimously.

VOTE OF THANKS TO MANAGERS AND STAFF.

The Chairman:—"It is now my pleasure, ladies and gentlemen, to move a most cordial vote of thanks to the managers and the staff. You will, I am sure, be as satisfied as your directors with the extremely good showing under the able management of Mr. Wyse and his staff."

The motion was carried unanimously.

Mr Robert Callender Wyse:—"Mr Chairman, ladies and gentlemen, I thank you very much for your kind remarks about our work during the year. We have done our best, and shall continue doing so. I shall have great pleasure in acquainting my colleagues with the appreciation that you have shown."

The proceedings then terminated.

METROPOLITAN TRUST COMPANY, LIMITED. CONTINUED IMPROVEMENT IN REVENUE AND CAPITAL VALUE. REMAINDER OF CAPITAL TO BE ISSUED.

The twenty-sixth ordinary general meeting of the Metropolitan Trust Company, Limited, was held, on January 29th, at the company's offices, Gresham House, Old Broad Street, London, Mr Robert Fleming (the chairman) presiding.

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

The Chairman said: Gentlemen,—The report of the year shows continued improvement in revenue and capital value. We have seized such opportunities as offered to make what we deemed to be judicious exchanges, but the character of our list has not undergone much change either in the class of investment—that is, whether bonds, preferred stock, or ordinary stock—or in the geographical distribution of same.

I will confine myself to a very brief reference to the terms of the report.

Inflation, deflation, rates of exchange, politics—home and foreign—have been expatiated on lately by the chairmen of the big banks, so that this course will be welcome to you.

As you see, our net revenue, after expenses, taxes, and debenture interest, is £80,661, against £72,490 in the previous year, and we have made the dividend 16 per cent., our year's net income being 20.4 per cent. on the ordinary stock.

The considerations affecting the question of dividend on the stock of a trust company are not those which arise in the case of a bank or commercial or industrial company. There is no question of maintaining our credit, since we owe no one anything unless on debenture stock. Depreciation, too, is a matter for the consideration of the board of each of the companies whose bonds or shares we own.

VALUATION OF SECURITIES.

As to depreciation on the securities we hold, we are far from the danger line, for against our share and debenture capital of £1,000,000 we hold securities valued at £2,315,000 of bonds and stocks, this value showing an improvement of £57,000 as compared with a year ago, when we were some £8,000 less than book cost.

At January 1st, this year, the market value was £49,000 above book cost.

During the year we realised through sales of securities a profit of £22,512, and, adopting our usual course, this sum has been placed to contingent account in reduction of our total book value.

As to the security for the continuance of our revenue, we have had 25 years of experience, and our mortality table is pretty well established, though, of course, the percentage of risk involved in 306 securities is higher than on an infinitely greater number of human lives.

QUESTION OF DIVIDEND.

I see no reason for not distributing with reasonable liberality what we earn, except that I should much dislike the idea of getting on to a plane of dividends so high as not to exclude either the probability of having to come down from it or the possibility of further raising it.

If you say, "You have made 20 per cent.; why not pay out something more than 16 per cent.?" I answer: First, world conditions are by no means settled yet, and it is wise not to disregard this present very abnormal state of things. Secondly, we have quite a number of short investments, bearing high rates of interest, which in all probability will carry lower rates before many years.

The then Chancellor of the Exchequer, in October last at Birmingham, after referring to the £350,000,000 which we now pay annually on our National Debt, used these words:—

"Now, after a certain interval of time, a year or two, a considerable part of that debt will begin to mature, and if the atmosphere is favourable at the time, and it is possible to reborrow at substantially lower rates, then, indeed, we may see some satisfactory economies in our national expenditure."

Mr Chamberlain may have been somewhat optimistic in his anticipation, and totally unanticipated things have taken place since then; but while in the general interest we must all hope that the tendency will be in that direction, we will, of course, strive to neutralise its effect upon ourselves.

The third point is exchange on New York. This may improve, and reduce somewhat our United States revenue in pounds sterling, but this is not now an important item.

Considering all these things, we have fixed, with your approval, the dividend at 16 per cent., and at the moment we see no reason why it should not be maintained.

ISSUE OF REMAINING CAPITAL.

You know that our authorised capital is £1,000,000, and our issued capital £800,000, so that without much trouble or expense we can round off the issued capital, making it a million. We propose to do this by an issue to the shareholders of the remaining £200,000. This issue will be, as before, in £10 shares in the first instance, to be later converted into equal amounts of 4½ per cent. preferred and ordinary stock, after which it will be identical with the present stocks. The issue will be direct to the shareholders without any underwriting, so that any advantage through the price of issue—which will necessarily be at a little less than the market price—will go to the shareholders. The circular offering the new shares will be issued this evening.

THE RESOLUTION.

I beg to move: "That the report and accounts, as presented, be and they are hereby received, approved, and adopted, and that a dividend of £9 per cent. on the ordinary stock, less income-tax, making with the interim dividend 16 per cent. for the year ended January 1, 1924, be and the same is hereby declared."

Mr Henry A. Vernet seconded the resolution, which was carried unanimously.

Mr Vernet next moved the re-election of Mr Robert Fleming as a director of the company.

The Right Hon. Viscount St Davids seconded the motion, which was unanimously agreed to.

Messrs Deloitte, Plender, Griffiths and Co. were reappointed auditors of the company for the current year.

On the proposition of Dr G. T. Moody, who congratulated the directors upon the report and upon the decision to issue the balance of the share capital, a cordial vote of thanks was passed to the chairman and his colleagues.

The proceedings then terminated.

MORTGAGE COMPANY OF THE RIVER PLATE, LIMITED. LOAN CONDITIONS IN THE ARGENTINE.

The thirty-seventh ordinary general meeting of the Mortgage Company of the River Plate, Limited, was held, on the 31st ult., at 52 Moorgate, London.

Mr James Anderson, who presided, said that the year under review had not been a favourable one for the company's business, the revenue having been lower than had been the case for many years past. There had been little demand for loans, and it was, therefore, difficult to keep their money profitably employed. As a

consequence of the small demand and the large amount of money on offer, rates of interest were low, and when the company came to remit income to London, they suffered an exceptionally heavy loss on exchange. The combined effect of these adverse circumstances had been to reduce the gross income from £125,051 in 1922 to £113,176 in 1923. As a partial set-off to this reduction there was a decrease of £4,352 in the expenses of management, directors' remuneration, income-tax, and corporation profits tax, all of which were dependent on income, so that the actual reduction in the net profits amounted to only £7,523. The profits for the year, £63,843, were sufficient to enable the payment of the usual dividend of 15 per cent. on the ordinary shares, and to add £6,343 to the balance of undivided profits carried forward. This result had only been attained by the aid of the large reserve fund accumulated in more prosperous years.

In a new country like the Argentine, which was always calling for money for the development of its vast resources, the time might come when the present accumulation of local capital would find employment to better advantage than in the purchase of Cédulas, and in that event the stream of applications for loans would again be turned on to the foreign mortgage companies like themselves, which lent in gold. Looking back on the history of the company, the shareholders had had good reason to be satisfied with the results obtained. The business had been uniformly successful, the losses during the period of 37 years being practically nil. The dividends on the ordinary shares had been regular and progressive, the average over the whole period being about 13 per cent. The report and accounts were unanimously adopted.

GOVERNMENT RETURNS, &c.

NATIONAL DEBT.—(Million £.)

	Aug. 1914.	Mar. 31, 1916.	Dec. 31, 1917.	Mar. 31, 1918.	Mar. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Dec. 31, 1923.	Jan. 26, 1924.
Funded Debt	588	318	315	315	315	315	314	314	314	314	314
Term Annuities	30	22	20	19	18	16	14	14	14	14	14
4½% War Stock	63	63	63	63	63	63	63	63	63	63	63
4½% War Stock	16	15	15	15	15	15	15	15	15	15	15
4½% War Stock	2,021	2,047	2,040	1,956	1,953	2,056	2,056	2,056	2,056	2,056	2,056
National War Bonds	649	1,509	1,476	1,413	1,201	953	994	994	994	994	994
4½% Funding Loan	...	409	409	406	401	400	400	400	400	400	400
4½% Victory Bonds	...	360	367	348	335	325	325	325	325	325	325
4½% Conversion Loan	...	...	...	...	...	...	...	...	...	...	...
4½% Treasury Bonds	...	...	...	...	...	...	...	...	...	...	...
4½% Treasury Bonds	...	...	...	...	...	...	...	...	...	...	...
Do by tender 5½%	...	...	...	...	...	...	...	...	...	...	...
Do by tender 4½%	...	...	...	...	...	...	...	...	...	...	...
Do 4½% 1921-33	15	961	1,107	1,107	1,121	978	618	652	650	650	650
Treasury Bills	30	392	323	319	289	185	150	150	150	150	150
Exchequer Bonds	136	136	136	136	136	136	136	136	136	136	136
Nat'l. Savings Certs.	...	...	...	...	...	...	...	...	...	...	...
War Expend. Certs.	...	...	...	...	...	...	...	...	...	...	...
Other Debt	...	...	...	...	...	...	...	...	...	...	...
American Loan	...	...	...	...	...	...	...	...	...	...	...
Temporary Advances	1	304	243	205	154	147	134	208	176	176	176
Other Capital Liabilities	654	5,878	8,033	7,429	7,574	7,655	7,743	7,801	7,767	7,767	7,767
Total Liabilities	57	711	5,991	8,079	7,876	7,823	7,731	7,813	7,871	7,871	7,871

POSITION OF THE FLOATING DEBT.

Ways and Means Advances	Jan. 27, '23.	Mar. 31, '23.	Jan. 26, '24.	Jan. 26, '24.
Outstanding—				
Advances by Bank of England	6,250,000..	175,655,500..	9,550,000	9,550,000
Advances by Public Deposits	200,361,500..	193,897,500..	175,655,500..	175,655,500..
Treasury Bills outstanding	714,760,000..	616,045,000..	650,885,000..	650,885,000..
Total Floating Debt	921,371,500	985,598,000	926,540,500	926,540,500

* Includes £58,000, the proceeds of which were not carried to the Exchequer within the period of the Account.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account	Silver Coins.	Redemption Account.					
				Gold Coin and Bullion.	Bank of England Notes.	Ratio to Note.	Govern- ment Secur- ities.	Balance at Bank of	
1922.									
Mar. 29	300,351	14,355	5,000	28,500	19,480	16%	251,479	177	
June 28	295,374	13,338	5,000	28,500	19,650	16%	254,318	950	
Sept. 27	289,127	12,849	7,000	27,000	21,150	16%	244,466	168	
Dec. 27	301,337	12,873	7,000	27,000	21,150	16%	255,923	137	
1923.									
Mar. 29	285,616	12,318	7,000	27,000	22,450	17%	241,394	190	
June 28	286,503	12,516	7,000	27,000	22,450	17%	242,446	135	
Sept. 27	282,784	12,401	7,000	27,000	22,450	17%	238,595	140	
Dec. 26	299,070	12,571	7,000	27,000	22,450	16%	255,038	159	
1924.									
Jan. 21	278,314	11,918	7,000	27,000	22,450	17%	234,280	162	
Jan. 26	275,904	11,769	7,000	27,000	22,410	17%	235,058	126	

Since July 31, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £370,000,000, but not yet cancelled. Maximum fiduciary issue for 1921 fixed at £370,000,000, and for 1922 at £370,000,000, and for 1923 at £370,000,000, and for 1924 at £370,000,000.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £3,000,000 in Treasury Bonds and Treasury Bills dated from Feb. 3-Feb. 9 were opened on Feb. 1, 1924, and the total amount applied for was £45,115,000. For bills at three months dated Monday at £99 4s 0d and above in full, and Tuesday to Saturday at £99 3s 0d, about 92 per cent. above in full. The

amounts allotted were as follows:—In bills at 3 months, £35,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
Dec. 28, 1923.	£	£	£ s d	£ s d
1924.			3 0 11	111
Jan. 4, 1924.	35,000,000	52,950,000	3 4 9	111
Jan. 11, 1924.	35,000,000	55,765,000	3 7 3	111
Jan. 18, 1924.	35,000,000	48,420,000	3 7 11	111
Jan. 25, 1924.	30,000,000	40,500,000	3 5 7	111
Feb. 1, 1924.	35,000,000	45,115,000	3 5 7	111

Tenders will be received on Feb. 8, 1924, for Treasury Bonds and Bills to be issued to the maximum amount of £30,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

PUBLIC INCOME AND EXPENDITURE. RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from Apr. 1, 1923, to Jan. 26, 1924.	Total Receipts into the Exchequer from Apr. 1, 1923, to Jan. 26, 1924.	Receipts. Week Ended Jan. 27, 1924.	Receipts. Week Ended Jan. 27, 1923.
Balances in Exchequer on 1st April:—					
Bank of England	5,442,665	9,953,494	...	...	...
Bank of Ireland	1,375,502	1,210,106	...	...	...
REVENUE.					
Customs	116,900,000	100,738,000	104,245,000	2,675,000	2,677,000
Excise	143,850,000	125,298,000	133,091,000	1,744,000	1,744,000
Motor Vehicle Duties	13,250,000	8,940,000	7,326,000	361,000	777,000
Stamps, &c., Duties	52,000,000	44,320,000	44,221,000	850,000	1,750,000
Land Tax, House Duty & Mineral Rights Duty	20,000,000	16,100,000	16,492,000	240,000	610,000
Super-Tax	1,200,000	1,330,000	230,000	220,000	...
Property & Income Tax	261,000,000	262,328,000	227,343,000	8,328,000	10,174,000
Super-Tax	58,000,000	35,270,000	1,630,000	...	...
Excess Profits Duties, &c.	12,000,000	...	554,000	...	...
Corporation Profits Tax	20,000,000	17,870,000	14,297,000	590,000	410,000
Post Office	55,600,000	42,350,000	43,200,000	1,250,000	1,000,000
Crown Lands	900,000	860,000	610,000	80,000	100,000
Loans	12,500,000	12,142,542	9,546,617	...	...
Miscellaneous	12,500,000	10,965,512	20,418,658	260,000	250,882
Ordinary Receipts	40,000,000	32,933,799	38,307,442	...	388,103
Special Receipts	818,500,000	610,675,763	665,211,717	18,438,000	19,661,965
Revenue	...	617,493,950	677,385,247	...	...
Total, Inc. Balance	...	...	...	...	...
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion	65,000	800,000	...	...	...
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	73,782	169,818	...	...	...
Under the Unemployment Insurance Act, 1921	5,310,000	2,910,000	70,000	...	...
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1921 and 1922	5,520,000	5,310,000	...	...	...
Under the Post Office (London) Railway Act, 1913	10,500	...	...	...	...
Under the Housing Act, 1914	12,000	27,000	...	...	...
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	...	950,000	...	...	...
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	...	1,553,300	...	...	...
By Exchequer Bonds under the Cunard Agreement (Money) Act, 1904	520,000	...	...	...	...

	Total Issues out of the Exchequer to meet Payments from		Issues.	
	Apl. 1, 1923, to Jan. 26, 1924.	Apl. 1, 1922, to Jan. 27, 1923.	Week Ended Jan. 26, 1924.	Week Ended Jan. 27, 1923.
OTHER ISSUES.				
Temporary Advances—				
Bullion	5,000	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	73,782	169,818	..	..
Under the Unemployment Insurance Act, 1921	820,000	5,340,000	..	280,000
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Acts, 1921 and 1922	5,770,000	5,310,000	..	..
Under the Post Office (London) Railway Act, 1913	10,500	..	..	..
Under the Housing Act, 1914	12,000	27,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	950,000	..	..
Under Capital Expenditure (Money) Act, 1904	..	1,553,300	..	..
Under Cunard Agreement (Money) Act, 1904—Exchequer Bonds paid off	520,000	..	..	..
Unemployment Insurance Act, 1921—Repayment of amounts borrowed	4,870,000	2,110,000	..	..
Redemption of Debt—				
Treasury Bills	2,039,360,000	2,611,854,000	48,905,000	49,340,000
Principal of National Savings Certificates	27,500,000	21,500,000	550,000	400,000
Principal of Exchequer Bonds paid off	..	19,612,208	..	..
Principal of National War Bonds paid off	32,222,296	44,684,182	..	..
Other Debt under the War Loan Acts, 1914 to 1919	7,463,440	15,825,596	..	..
Ways and Means Advances Repaid	771,608,500	753,065,500	9,550,000	25,400,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners	50,081	243,012	..	..
Issues to National Debt Commissioners to Reduce Debt—				
Cunard Loan Repayments	130,000	130,000	..	..
Old Sinking Fund, 1910-11, issued under Section 34 of the Finance Act, 1923	118,000	..	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4)	..	5,000,000	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	55,214	88,065	..	..
Balances in Exchequer—				
Bank of England	3,527,722,487	4,148,998,729	68,096,506	85,714,566
Bank of Ireland	2,104,648	2,074,458	35,710	19,019
Bank of Scotland	1,109,003	1,808,857	37,218	123,614
Total	3,503,651	3,883,315	1,508	103,596

NOTE.—Budget Estimate as in H.C. No. 51 of 1923.

Treasury, January 28, 1924.

THE OCEAN ACCIDENT AND GUARANTEE CORPORATION, Limited.

ASSETS £27,665,254
CLAIMS PAID £20,500,000

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

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

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, January 30, 1924.

ISSUE DEPARTMENT.

	£		£
Notes issued	146,004,435	Government debt	11,015,100
		Other securities	8,734,900
		Gold coin and bullion	126,254,435
	146,004,435		146,004,435

BANKING DEPARTMENT.

£		£	
Proprietors' capital ..	14,553,000	Government securities ..	48,422,032
Reserve	3,454,022	Other securities	69,832,736
Public deposits	16,248,295	Notes	19,470,810
Other deposits	105,289,535	Gold and silver coin ..	1,824,562
Seven-day & other bills ..	5,288		
	139,550,140		139,550,140

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

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

CENTENARY YEAR, 1924.

ASSETS EXCEED £12,700,000
FIRE. LIFE. ACCIDENT. MARINE.

Edinburgh: 35, St. Andrew Square.

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

	Amount, Jan. 30, 1924.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	3,454,022	—	48,275
Public deposits	16,248,295	—	1,647,694
Other deposits	105,289,535	—	1,034,073
Government securities	48,422,032	—	997,780
Other securities	69,832,736	—	4,224,007
Reserve	21,295,372	—	2,628,333
Note circulation	126,533,625	—	4,515,470
Coin and bullion	126,078,597	—	587,137
% of reserve to liabilities	174%	—	24%

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1923.						
Dec. 12	128,019,260	126,270,325	128,462,306	124,793,017	21,498,935	12 1/2
19	128,023,083	128,185,170	125,065,402	123,328,632	19,587,913	12 1/2
26	128,019,382	128,142,780	132,462,063	130,677,493	19,626,602	14 1/2
1924.						
Jan. 2	128,058,002	127,520,765	163,627,890	161,228,182	20,287,237	12 1/2
9	128,058,044	126,276,215	127,934,592	124,352,596	21,531,829	12 1/2
16	128,071,256	125,157,945	123,239,570	118,581,144	22,663,311	12 1/2
23	128,076,077	125,143,180	126,041,312	121,413,965	22,682,897	18 1/2
30	128,078,997	126,533,625	121,537,830	118,254,768	21,895,372	17 1/2

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1924.				
January 1 to January 16	1,569,170	78,966	143,049	1,791,185
January 23	667,569	30,801	53,777	752,147
30	625,346	27,743	47,069	700,158
Total to date 1924	2,862,085	137,510	243,895	3,243,490
Do 1923	2,862,217	144,648	255,172	3,262,037
Increase or decrease in 1924	— 0.04%	— 4.9%	— 4.4%	— 0.5%
Total for year 1923	32,470,373	1,546,565	2,810,654	36,827,592
Total for year 1922	32,780,635	1,574,661	2,806,165	37,161,461
Increase or decrease in 1923	— 510,262	— 28,096	— 4,489	— 533,869
	— 1.6%	— 1.8%	— 0.2%	— 1.4%

PROVINCIAL CLEARING RETURNS.

	1923.	1924.	Inc. or Dec.	%
Aggregate Totals to January 26.				
BIRMINGHAM	9,298,800	9,682,900	+ 384,100	4.1
BURTON	4,904,000	4,788,000	— 116,000	2.4
DUBLIN	25,419,600	22,978,500	— 2,441,100	9.5
LONDON	4,427,700	4,231,300	— 196,400	4.4
LEEDS	4,298,900	4,473,600	+ 174,700	4.0
LIVERPOOL	3,254,300	3,164,500	— 89,800	2.7
MANCHESTER	36,620,100	38,156,400	+ 1,536,300	4.1
NEWCASTLE-ON-TYNE	58,312,200	55,163,500	— 3,148,700	5.3
NOTTINGHAM	7,070,500	7,694,400	+ 623,900	8.8
Sheffield	2,741,500	2,525,800	— 215,700	7.6
Sheffield	4,133,200	3,916,000	— 217,200	5.2

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Bank of Portugal appeared in the Economist of December 8; Denmark and Roumania in January 12; Russia and Egypt in January 19; and Bulgaria and Czechoslovakia in January 26.

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

Resources.	Jan. 25, 1924.	Jan. 18, 1924.	Jan. 11, 1924.	Jan. 4, 1924.
Total gold reserve	3,151,660	3,137,120	3,130,540	3,080,140
Legal tender notes and silver reserve	119,920	113,290	106,970	141,840
Bills discounted for member banks	540,780	534,190	606,920	569,740
Bills bought in open market	276,000	292,740	319,170	204,550
Government obligations owned	120,930	116,610	100,360	352,820
All other resources	71,730	70,420	69,610	62,210
LIABILITIES.				
Government deposits	61,180	39,440	19,340	33,040
Other deposits	1,957,110	1,960,200	1,964,410	1,967,780
Federal Reserve Notes in actual circulation	2,049,830	2,084,320	2,147,060	2,226,320
F.R.B. Notes in actual circulation	440	440	460	3,130
Capital and surplus	18,760	12,460	12,650	11,200
All other liabilities	330,950	331,210	331,420	326,020
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined	80.4%	80.1%	78.4%	76.4%

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

Assets.	Jan. 5, 1924.	Dec. 29, 1923.	Dec. 22, 1923.	Dec. 15, 1923.	Jan. 6, 1924.
Gold coin and bullion	549	549	549	549	383
Gold certificates	10,102	10,102	10,102	10,102	10,052
Subsidiary coin	100	100	100	100	50
Bills discounted	5,893	5,898	5,591	5,195	3,076
Loans and advances to the Government	500	500	500	750	1,300
Investments	17	17	17	17	..
LIABILITIES.					
Capital	1,000	1,000	1,000	1,000	1,000
Reserve	40	40	40	40	2
Notes in circulation	11,247	11,334	10,916	10,572	9,928
Bankers' deposits	4,804	4,810	4,850	5,072	5,110
Ratio of cash reserves to liabilities to public	66.9%	66.5%	68.3%	68.8%	71.0%

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

(000's omitted.)

	Bank of Liverpool and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills, Currie, and Co.	Lloyds Bank, Limited.	Midland Bank, Limited.	National Provincial and Union Bank of England, Limited.	National Bank, Limited.	Westminster Bank, Limited.	Willis's Bank, Limited.	Total.
Average Weekly Balances, December, 1923.											
ASSETS.											
Coin, bank and currency notes, and balances with the Bank of England ..	7,317	38,186	1,485	3,334	35,984	54,588	30,063	3,884	27,932	4,406	207,179
Balances with and cheques in course of collection on other banks in the United Kingdom ..	1,967	7,629	582	1,110	9,824	11,416	7,573	168	9,459	1,349	51,077
Items in transit ..	5,777	22,115	2,107	6,845	15,782	15,490	17,215	4,195	22,837	3,076	115,439
Money at call and short notice ..	3,687	41,634	744	747	50,527	59,266	42,817	2,885	64,816	2,047	297,170
Bills discounted ..	10,187	69,114	4,196	9,013	91,736	41,910	51,985	17,294	55,596	6,274	357,305
Investments ..	39,447	132,168	8,369	6,449	138,187	188,621	124,366	17,143	99,580	19,333	773,663
Advances to customers and other accounts ..	7,026	7,149	59	1,823	17,775	36,588	10,433	180	12,224	3,001	96,258
Liabilities of customers for acceptances, endorsements, &c.	1,541	5,088	346	445	5,412	5,398	4,357	722	4,043	731	28,083
Bank premises account ..	..	7,643	..	..	7,402	3,560	2,240	..	2,992	..	23,837
Investments in affiliated banks ..	76,949	330,726	17,888	29,766	382,629	416,837	291,049	46,471	299,479	40,217	1,932,011
Ratio of cash to current, deposit, and other accounts ..	11.07	12.73	9.14	12.73	10.56	15.22	11.46	9.44	10.37	12.89	12.09
LIABILITIES.											
Capital paid up ..	2,349	15,592	800	1,060	14,373	10,861	9,309	1,500	9,004	1,875	66,723
Reserve fund ..	1,500	8,250	800	530	10,000	10,861	9,000	1,125	9,004	1,163	52,233
Current, deposit, and other accounts ..	66,074	299,735	16,230	26,190	340,482	358,528	262,307	41,114	269,233	34,179	1,714,072
Acceptances, endorsements, &c.	7,026	7,149	58	1,823	17,774	36,587	10,433	196	12,224	3,000	96,270
Notes in circulation ..	..	..	..	..	..	..	..	..	..	..	2,550
Reduction of bank premises account ..	..	..	..	..	..	..	..	..	..	..	163
	76,949	330,726	17,888	29,766	382,629	416,837	291,049	46,471	299,479	40,217	1,932,011

STATEMENT OF CANADIAN BANKS.—In \$'s (000's omitted).

	Oct. 31, 1923.	Sept. 30, 1923.	Aug. 31, 1923.	July 31, 1923.	Oct. 1922.
ASSETS.					
Cash and bank balances...	506,742	449,523	437,296	438,848	487,881
Bank balances abroad ..	55,511	57,473	58,798	56,509	101,892
Call and short loans ..	295,843	282,939	302,635	287,293	309,833
Securities ..	434,316	416,944	412,100	399,612	308,882
Loans in Canada ..	1,180,048	1,159,180	1,136,801	1,135,206	1,217,751
Loans abroad ..	179,253	179,253	152,353	152,353	153,000
Other assets ..	140,542	103,480	100,392	101,156	106,766
LIABILITIES.					
Note circulation ..	185,495	184,117	168,980	163,043	178,000
Deposits—					
Government ..	215,316	91,521	69,791	62,830	132,000
Public in Canada ..	1,690,842	1,704,764	1,704,764	1,706,597	1,687,575
Foreign ..	295,899	296,503	304,560	296,445	331,500
Bank balances—					
Canadian ..	16,316	11,114	12,004	11,075	11,300
Foreign ..	42,257	42,338	38,437	36,720	33,800
Bills payable & ..	52,594	36,844	31,717	25,120	24,300
Other liabilities ..	—	4,797	5,919	—	—
Capital and res.	247,033	247,032	247,031	247,029	247,031

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

Assets.	Jan. 7, 1924.	Dec. 31, 1923.	Jan. 6, 1924.	Position May 30, 1914.
Gold and bullion	12,212	12,254	1,005	1,635
Treasury notes	9,363,830,000,000	9,304,200,000,000	291,225	943
Renten bank notes	175,542,512,000,000	192,928,132,000,000	..	..
Bills of exchange and cheques	281,205,194,000,000	307,489,741,000,000	11,532,082	161
Rentenmark bills and cheques	71,821,378,000,000	15,235,208,000,000	..	..
Advances	149,015,818,000,000	141,323,925,000,000	..	..
Rentenmark discounts and advances	163,388,195,000,000	127,001,895,000,000	..	..
LIABILITIES.				
Notes in circulation	490,991,072,000,000	496,507,425,000,000	1,336,500	2,014
Deposits	589,733,054,000,000	547,024,197,000,000	459,693	842

† This total now includes token coin at its face value.
‡ Including discounts and Treasury bills.

BANK OF ESTHONIA.—In E. marks (000's omitted).

Assets.	Nov. 30, 1923.	Oct. 31, 1923.	Sept. 30, 1923.	Aug. 31, 1923.
Reserve of notes (cash)	1,117,219	1,120,278	995,620	1,229,826
Cash in foreign money, foreign bills, and deposits abroad	139,915	182,853	209,179	257,822
Discounts and loans	5,109,588	5,155,808	4,977,770	4,877,553
Branches	400,202	876,158	926,901	769,794
Capital paid up	250,000	250,000	250,000	250,000
Reserve funds	72,283	72,283	72,283	72,283
Banknotes issued	2,250,000	2,250,000	2,250,000	2,350,000
Deposits	2,875,074	2,961,063	2,995,674	2,849,109
Commercial credits, &c.	688,991	633,076	573,899	653,038
Branches	425,420	894,199	..	784,643

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

Assets.	Jan. 25, 1924.	Jan. 16, 1924.	Dec. 19, 1923.	July 25, 1923.	Nov. 22, 1923.
Total cash	14,144	15,427	13,113	13,554	13,085
Gold coin & bullion	16,882	16,185	15,762	15,788	12,993
Of which held abroad	3,046	2,506	2,506	3,744	..
Foreign banks	50,805	50,315	50,427	55,868	22,466
Discounts and loans	40,780	39,199	37,043	20,241	9,551
LIABILITIES.					
Notes in circulation	23,000	23,000	23,000	23,000	4,005
Capital paid up	10,214	10,214	10,214	10,000	8,000
Government deposits	41,151	39,534	36,954	32,573	16,697
Other deposits	43,564	43,225	41,877	35,255	16,995

BANK OF LITHUANIA.—In lt. (000's omitted).

Assets.	Jan. 15, 1924.	Dec. 31, 1923.	Dec. 15, 1923.	Nov. 30, 1923.	Nov. 15, 1923.	Jan. 15, 1924.
Gold	16,685	16,446	16,408	16,394	16,393	15,219
Silver	11	255	253	252	251	11
Dollars & sterling, &c.	50,897	46,522	46,154	43,926	43,927	19,880
Discount and credit	17,259	15,525	16,088	15,916	14,614	9,560
Other assets	14,587	10,823	11,759	12,713	8,698	3,564
LIABILITIES.						
Capital	12,000	12,000	12,000	12,000	12,000	12,000
Banknotes in circulation	62,119	60,074	62,166	69,010	60,021	33,503
Deposits	19,705	14,106	10,232	12,400	8,371	2,088
Other liabilities	5,615	4,390	6,259	5,791	3,560	489

POLISH NATIONAL BANK.—In Polish marks (000's omitted).

Assets.	Jan. 10, 1924.	Dec. 20, 1923.	Dec. 10, 1923.	Nov. 30, 1923.	Jan. 10, 1924.
Gold	55,068	54,902	54,285	54,258	41,028
Silver	13,669	19,525	19,592	19,546	..
Foreign coin	(a) 3,890	(a) 3,098	(a) 3,015	(a) 2,307	(a) 3,445
Foreign banks	(a) 38,939	(a) 38,606	(a) 38,769	(a) 36,094	(a) 47,440
Advances to the Govt.	104,563,000,000	64,071,000,000	51,235,000,000	42,854,000,000	673,000,000
Private loans & discounts	50,608,497,953	30,005,926,236	17,771,640,066	124,181,599,183	183,311,040
LIABILITIES.					
Notes in circulation	13,851,361,680	82,188,343,231	61,485,871,288	53,217,494,679	807,308,320
Deposits	81,987,123,384	222,428,533,728	194,612,207,123	117,116,190,711	161,813,339

(a) Gold marks.

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

Assets.	Jan. 15, 1924.	Jan. 7, 1924.	Dec. 31, 1923.	Jan. 15, 1923.
Gold	92,097,910	93,050,001	83,176,906	50,118,517
Foreign bills	4,055,390,927	4,274,644,218	3,832,132,293	1,778,315,390
Bills discounted	1,156,849,146	1,348,491,108	1,323,363,722	676,784,196
Treasury bills	2,533,434,345	2,533,434,345	2,534,490,383	2,556,846,370
LIABILITIES.				
Notes in circulation	6,491,574,153	6,809,629,507	7,125,755,190	4,078,919,323
Deposits	906,714,143	864,191,740	649,424,400	372,903,951

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

Assets.	Jan. 23, 1924.	Jan. 15, 1924.	Jan. 8, 1924.	Dec. 31, 1923.	Jan. 23, 1923.
Gold coin and bullion, bills	23,069	23,013	22,724	22,772	14,919
Silver coin, &c.	596	536	536	596	595
Bills, warrants, drafts, &c.	524,482,860	607,646,846	582,118,447	582,116,721	53,884,053
Loans	876,462	913,222	920,359	934,755	1,865,397
LIABILITIES.					
Notes in circulation	985,022,280	957,676,715	939,489,161	931,337,335	72,190,555
Deposits	143,158,365	118,439,335	107,658,888	84,791,181	490,643,619

NATIONAL BANK OF THE SERBS, &c.—In dinars (000's omitted).

Assets.	Jan. 22, 1924.	Jan. 15, 1924.	Jan. 8, 1924.	Dec. 31, 1923.	Jan. 22, 1923.
Gold	68,820	68,838	68,837	68,838	63,562
Other coin and notes	20,533	22,145	20,966	21,914	18,894
Foreign credits	359,567	355,047	370,339	348,067	269,521
Bills	1,300,458	1,318,363	1,334,327	1,333,714	1,399,869
Govt. advances	4,549,361	4,549,361	4,549,361	4,549,361	4,515,310
LIABILITIES.					
Notes in circulation	5,718,213	5,810,724	5,860,888	5,790,241	5,012,756
State credits	387,881	387,881	387,881	387,881	312,116
Deposits	523,691	413,464	395,658	459,471	1,059,773

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

Assets.	Dec. 15, 1923.	Nov. 30, 1923.	Nov. 15, 1923.	Oct. 31, 1923.	Dec. 15, 1922.
Gold and bullion	1,831,895	1,796,755	1,530,065	1,474,157	1,417,831
Foreign bills	4,237,411	4,349,328	4,419,269	4,082,314	2,837,662
Discounts and credits	1,794,401	1,781,670	1,897,356	1,721,076	1,234,704
Notes in circulation	4,853,082	4,548,358	4,511,703	4,523,363	2,941,897
Government deposits	387,881	387,881	387,881	387,881	257,573
Private deposits	1,537,514	1,537,514	1,537,514	1,537,514	936,316
State credits	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000

BANK OF SPAIN.—In pesetas (000's omitted).

Assets.	Jan. 26, 1924.	Jan. 19, 1924.	Jan. 12, 1924.	Jan. 5, 1924.	Jan. 20, 1923.	Position May 30, 1914.
Gold	2,527,664	2,527,664	2,527,664	2,527,664	2,525,223	521,776
Silver	654,551	652,539	647,887	647,231	653,899	728,600
Loans and discounts	2,319,361	2,311,457	2,374,774	2,402,578	2,235,955	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Treasury bills	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,336,245	4,357,105	4,382,684	4,387,455	4,103,025	901,550
Deposits	1,049,939	1,037,213	1,032,666	1,062,322	1,065,274	477,500

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

Assets.	Dec. 31, 1923.	Dec. 20, 1923.	Dec. 10, 1923.	Nov. 30, 1923.	Dec. 31, 1922.	Position May 31, 1914.
Total cash	1,625,721	1,604,427	1,581,567	1,599,698	1,372,290	1,221,875
Inland bills	5,455,848	5,816,548	5,766,868	5,796,713	4,635,264	418,400
Foreign bills	15,950	15,651	15,703	15,647	10,002	81,300
Advances to the Treasury	5,838,572	5,838,950	5,839,007	5,839,062	6,111,997	all
Other advances	2,881,080	2,470,249	2,317,950	2,526,373	2,533,048	72,775
Securities	400,616	394,856	388,910	385,108	407,113	805,700
LIABILITIES.						
Note circulation	12,867,791	12,445,232	12,622,408	12,705,736	13,921,587	1,556,925
Deposits & drafts	1,769,528	1,730,544	1,556,533	1,752,027	1,688,283	193,976

LONDON RATES.

	Jan. 25, 1924.	Jan. 26, 1924.	Jan. 27, 1924.	Jan. 28, 1924.	Jan. 29, 1924.	Jan. 30, 1924.	Jan. 31, 1924.	Feb. 1, 1924.
Bank rate (changed from 3% July 5, 1923)	4	4	4	4	4	4	4	4
Market rates of discount—								
60 days' bankers' drafts	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
3 months' do	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
4 months' do	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
6 months' do	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Discount (Treasury Bills)—								
3 months'	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Loans—Day to day	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Short	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Deposit allowances: Banks	2	2	2	2	2	2	2	2
Discount houses at call	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

† Additional to those offered by tender in the preceding week.

Comparison with previous weeks:—

	Jan. 1923.	Bank Bills.			Trade Bills.		
		3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
Jan. 1923.	2 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
11	2 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
18	2 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
25	2 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Feb. 1	2 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2

OVERSEAS BANK RATES.

	Changed.	%		Changed.	%
Amsterdam	Jan. 24, 1924	5	Madrid	Mar. 23, 1923	5
Athens	Jan. 14, 1923	7 1/2	Paris	Jan. 17, 1924	6
Berlin	Sept. 15, 1923	90	Prague	Nov. 29, 1923	5 1/2
Brussels	Jan. 22, 1923	5 1/2	Riga	..	7
Bucharest	Sept. 4, 1920	6	Rome	July 11, 1922	5 1/2
Budapest	July 5, 1923	18	Sofia	..	7
Calcutta	Jan. 3, 1924	8	Stockholm	Nov. 9, 1923	5 1/2
Christiana	Nov. 10, 1923	7	Swiss Bank	..	..
Copenhagen	Jan. 17, 1924	7	Tokyo	July 14, 1923	4
Helsingfors	Nov. 30, 1923	10	Vienna	Nov. 18, 1923	8
Lisbon	Sept. 12, 1923	9	Warsaw	Sept. 2, 1922	9
New York Fed- eral Reserve	Feb. 21, 1923	4 1/2	Irish	July 5, 1923	5

The Bank Rate of the South African Reserve Bank is 6% for first-class commercial bills (90 days), and 6 1/2% for agricultural bills (of not more than six months).

RATES OF EXCHANGE.

London on	
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Messrs Samuel Montagu and Co. write on January 30th as follows:—

GOLD.

A fair amount of gold came on offer, of which a moderate proportion was taken, mostly for India. We give below figures relating to Indian trade (private account) for the month of December last:—

		(In Lacs of Rupees.)	
		Net Exports.	Net Imports.
Merchandise	3,094	1,542	1,552
Gold	1	100	99
Silver	150	101	49
Total net exports, 1,502.			

SILVER.

The market has been uncertain in tendency. Owing to the lesser appreciation of the U.S. dollar, silver has been more easily obtained from America. There has not been much business transacted, however, Indian buying for the settlement steamer this week having been practically completed some weeks in advance. China has not shown any activity and no Continental sales of consequence have been made.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Jan. 7.	Jan. 15.	Jan. 22.
Notes in circulation	18,697	18,516	18,471
Silver coin and bullion in India	8,517	8,336	8,288
Silver coin and bullion out of India			
Gold coin and bullion in India	2,232	2,232	2,232
Gold coin and bullion out of India			
Securities (Indian Government)	5,748	5,748	5,751
Securities (British Government)	1,400	1,400	1,400
Bills of exchange	800	800	800

No silver coinage was reported during the week ending 22nd inst. The stock in Shanghai on the 26th inst. consisted of about 26,100,000 ounces in sycee and 35,000,000 dollars (no holding of silver bars reported), as compared with about 25,900,000 ounces in sycee, 34,000,000 dollars, and 470 silver bars on the 19th inst.

GOLD AND SILVER PRICES.

1924.	Gold Per Ounce.	Silver—Per Ounce.	Date.	Silver.
		Cash. Forward.		Cash.
Jan. 26	97 8	33 3/4	Feb. 8, 1918..	43
28	97 4	33 3/4	8, 1919..	48 1/2
29	96 9	33 3/4	6, 1920..	88
30	96 11	33 3/4	4, 1921..	36 1/2
31	96 8	33 3/4	3, 1922..	35 1/2
Feb. 1	95 10	33 3/4	2, 1923..	30 1/2

INDIAN TREASURY BILLS.

	March 31, 1923.	January 25, 1924.
Outstanding with public	Rs. 21,58,90,000	Rs. 2,43,45,000
In paper currency reserve	Rs. 49,65,00,000	Rs. 49,65,00,000

Total Rs. 71,23,90,000 Rs. 52,08,45,000
India Office, January 30, 1924.

The sale of Treasury bills in India will be discontinued with effect from Monday, January 28, 1924.

INDIA COUNCIL BILLS AND TRANSFERS.

The following is a summary of applications and allotments for India Council bills and transfers in London on Tuesday, January 29, 1924:—

	Rate.	Applica- tions.	Allot- ments.	%
Imm. T.T.	1 5 1/2	10,00,000	nil	..
		10,00,000		

Next week 50 lacs will be offered.

NOTICES.

At an extraordinary meeting of the shareholders of the Manchester and Liverpool District Banking Company, Limited, held after the annual meeting, the change of the bank's name to District Bank, Limited, was approved, and a confirmatory meeting will be held on February 12th.

It is announced that the Amsterdamsche Bank and the Twentsche Bank have formed a new bank in Amsterdam, to be called the Internationale Bank in Amsterdam, for the transaction of international business. The paid-up capital of the bank amounts to 10,000,000 guilders (about £875,000). The Stockholm Enskilda Bank, Stockholm, and the Darmstädter and National Bank, Berlin, are also associated with the formation of the new bank. The London correspondents will be Messrs Lazard Brothers and Co., Limited, and Lloyds Bank,

Limited, who, together with the Whitehall Trust, Limited, have also taken an interest in the bank.

Lloyds Bank, Limited, announce that the Manchester office of the Colonial and foreign department has now been transferred to new premises at 18 Mosley street, Manchester, where every description of banking and exchange business will be undertaken.

The directors of Barclays Bank, Limited, have decided to establish a local board for Leeds and district. The board will consist of the following members, viz.:—Colonel Charles William Ernest Duncombe, C.B.E., J.P. (chairman); Mr Robert Armitage, J.P., Mr Enoch Hill, J.P., Sir Charles Henry Wilson, Kt., LL.D., M.P. They also announce the opening of a new branch at 177 Jamaica road, Bermondsey, S.E. 16, under the management of Mr C. A. Rowling.

Viscount Chelmsford, G.S.C.I., having joined the Government as First Lord of the Admiralty, has resigned his seat on the board of the Bank of Australasia.

ANALYSIS OF BALANCE-SHEETS.**LIEBIG'S EXTRACT OF MEAT.**

August 31, 1923.

LIABILITIES.	Compared with Aug. 31, 1922.	ASSETS.	Compared with Aug. 31, 1922.
Amount.	£	Amount.	£
Prof. shares	1,000,000	Land, bldgs., &c.	792,899
Ord. shares	1,200,000	Investments	1,796,200
5% red. notes	— 600,000	Debtors	704,489
Bills payable	928,563	Stock	2,910,119
Creditors	1,905,778	Bills receivable	11,294
Reserve	1,025,000	Cash	218,730
Profit and loss	374,390		47,779
Total	6,433,731	Total	6,433,731

LLOYDS BANK, LIMITED.

December 31, 1923.

LIABILITIES.	Compared with Dec. 31, 1922.	ASSETS.	Compared with Dec. 31, 1922.
Amount.	£	Amount.	£
Current, de- posit, and other accts.	340,168,551	Cash	50,629,775
Profit & losses balance	1,432,177	Cash at call and short notice	15,579,470
Acceptances, &c.	19,176,523	Bills of exch. &c.	54,403,792
Capital paid up, 14,137,796 shs., 45 each, £1 paid	14,372,956	Treas. bds., &c.	88,736,313
Reserve fund	10,000,000	Other invest- ments	3,174,097
		National Bank of Scotland	2,917,092
		Bank of Lon. & S. America	3,422,270
		Lloyds and National Provincial Foreign	240,000
		Advances, &c.	141,405,774
		Acceptances, &c.	19,176,523
		Premises	5,065,191
Total	385,150,207	Total	385,150,207

BARING BROTHERS AND CO., LIMITED.

December 31, 1923.

LIABILITIES.	Compared with Dec. 31, 1922.	ASSETS.	Compared with Dec. 31, 1922.
Amount.	£	Amount.	£
Capital	1,025,000	Cash	7,067,110
Reserve	1,000,000	Bills receivable	6,584,029
Current & other accounts	16,411,775	Government and other sec.	2,851,040
Acceptances	5,276,436	Acceptances, &c.	7,088,171
Balance carried forward	14,080	House property	127,000
Total	23,727,350	Total	23,727,350

MINING OUTPUT STATISTICS FOR DECEMBER, 1923.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Ore.	Mill.	Ore.		
Gold.						
British Platinum	1,800	291 (plum)	..	..	7,267	..
Frontino and Bolivia	500	..	..	..	2,197	..
Do Marajão	4,220	..	..	..	4,219	..
London and Rhodesian	13,536	..	..	..	199,350	54,920
Oroville Dredging— Pato (15 days to Jan. 22nd)	9,250	..	3,075 (gold)	22,551 (silver)	14,872	..
Waihi	..	..	..	..	..	..

Output.		Other Notes in Return.	
Coal.	Tons.	Week ended Jan. 26th.	
Chinese Engineering	78,352	Diamonds registered, 564 carats; value, 44,923	
Miscellaneous.	..		
New Vail River	..		

MONTHLY TRAFFIC RETURNS.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.
This table is extracted from the Commercial and Financial Chronicle of New York.

Date.	Miles of Road.		Gross Earnings.		Net Earnings.	
	1922.	1923.	1923.	Increase or Decrease.	1923.	Increase or Decrease.
April	235,839	234,970	521,387,412	+105,578,442	118,627,158	+38,240,343
May	235,472	235,186	545,503,898	+97,510,054	126,173,540	+32,573,715
June	236,683	236,739	540,054,165	+66,903,501	124,046,578	+14,427,896
July	235,813	235,477	534,634,552	+91,678,679	121,044,775	+18,329,282
Aug.	235,696	235,357	563,292,105	+90,181,967	136,519,553	+49,897,384
Sept.	236,545	235,611	544,270,233	+44,549,658	128,300,303	+14,485,865
Oct.	236,015	235,608	586,328,886	+37,248,224	141,922,971	+20,835,578

OVERSEAS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Month.	Total Receipts.
				1922-23. + or —	1922-23. + or —

INDIAN.

Southern Punjab	6 mths	Sept. 30	717	Rs. 10,45,009 + 1,87,884	Rs. 65,01,936 + 14,91,337
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CANADIAN.

Canadian National	11 mths	Nov. 30	Gross	\$242,09,223	+ 689,579	232,159,448	+ 192,731,500
			Net	4,581,317	+ 263,928	16,602,602	+ 108,304,860
Canadian Pacific	11 mths	Nov. 30	Gross	\$22,244,000	+ 823,000	176,700,000	+ 7,391,000
			Net	6,110,000	+ 385,000	33,522,000	+ 685,000
Temiscouata	1 mth	Nov. 30	Gross	\$36,270			

BRAZILIAN.

Brazil Gt. Sthrn.	11 mths	Nov. 30	Rs. 61,500 — 27,750	692,650 + 138,650
State of Bah a	7 mths	Nov. 30	Rs. 26,520 + 2,690	30,329 + 10,052

CHILE AND PERU.

Peruvian Corp.	6 mths	Dec. 31	1,056	Rs. 1,724,850 + 302,465	8,084,250 + 194,605
Taital	6 mths	Dec. 31	172	Rs. 27,000 + 9,060	124,905 + 30,335

URUGUAYAN.

Midland Uruguay	6 mths	Dec. 31	319	Rs. 18,085 + 434	Rs. 98,988 + 1,675
N.W. Uruguay	6 mths	Dec. 31	113	Rs. 7,762 + 44	Rs. 41,852 + 828
Uruguay North.	6 mths	Dec. 31	73	Rs. 3,404 + 478	Rs. 16,072 + 440

OTHER OVERSEAS.

Algoma Cent. & Hudson Bay	1 mth	Oct. 31	Gross \$244,858 + 69,741	..	..
Beira and Masho	1 mth	Oct. 31	810	123,678 + 20,356	..
Bombay	12 mths	Dec. 31	15	4,988 + 2,055	27,795 + 11,103
Bombay	12 mths	Dec. 31	136	10,000 + 2,425	125,063 + 19,641
Bombay	12 mths	Dec. 31	136	10,000 + 2,425	125,063 + 19,641
Bombay	12 mths	Dec. 31	136	10,000 + 2,425	125,063 + 19,641
Bombay	12 mths	Dec. 31	136	10,000 + 2,425	125,063 + 19,641
Bombay	12 mths	Dec. 31	136	10,000 + 2,425	125,063 + 19,641
Bombay	12 mths	Dec. 31	136	10,000 + 2,425	125,063 + 19,641
Bombay	12 mths	Dec. 31	136	10,000 + 2,425	125,063 + 19,641

TRAMWAY & OTHER RECEIPTS.

Argentine Light and Power (a.)	8 mths	Nov. 30	Gross \$39,822 + 3,485	314,547 + 28,421	3,905,181
Barceloneta Trac.	11 mths	Nov. 30	Gross \$466,114 + 180,653	46,929,477 + 3,835,166	3,835,166
Barceloneta Trac.	11 mths	Nov. 30	Gross \$466,114 + 180,653	46,929,477 + 3,835,166	3,835,166
Barceloneta Trac.	11 mths	Nov. 30	Gross \$466,114 + 180,653	46,929,477 + 3,835,166	3,835,166
Barceloneta Trac.	11 mths	Nov. 30	Gross \$466,114 + 180,653	46,929,477 + 3,835,166	3,835,166
Barceloneta Trac.	11 mths	Nov. 30	Gross \$466,114 + 180,653	46,929,477 + 3,835,166	3,835,166
Barceloneta Trac.	11 mths	Nov. 30	Gross \$466,114 + 180,653	46,929,477 + 3,835,166	3,835,166
Barceloneta Trac.	11 mths	Nov. 30	Gross \$466,114 + 180,653	46,929,477 + 3,835,166	3,835,166
Barceloneta Trac.	11 mths	Nov. 30	Gross \$466,114 + 180,653	46,929,477 + 3,835,166	3,835,166
Barceloneta Trac.	11 mths	Nov. 30	Gross \$466,114 + 180,653	46,929,477 + 3,835,166	3,835,166

(a) Formerly Cordoba Light, Power and Traction.

WEEKLY TRAFFIC RETURNS.**RAILWAYS OF GREAT BRITAIN AND IRELAND.**

(b) Week ended Jan. 25, 1924.	Miles Open.	Week ended Jan. 27, 1924.		Aggregate 4 Weeks, 1924.	
		Passen- gers, &c.	Goods, &c.	Passen- gers, &c.	Goods, &c.
Great Western	3,745	113,000	139,000	252,000	766,000
Do for 1923	3,679	211,000	381,000	592,000	1,455,000
London & North-Eastern	6,703	187,000	362,000	549,000	1,237,000
Do same period 1923	6,701	336,000	780,000	1,116,000	2,337,000
London, Mid. & Scottish	6,954	304,000	608,000	912,000	2,183,000
Do for 1923	6,952	498,000	976,000	1,474,000	3,619,000
Southern	2,146	157,600	59,600	217,200	978,100
Do for 1923	2,146	259,800	126,000	385,800	1,076,300
Metropolitan (c.)	793	30,137	1,990	32,127	127,351
Do for 1923	793	31,046	3,820	34,866	128,199
Underground E.R. (c.)	..	..	..	23,237	..
Lon. & Sub. Group (c.)	..	..	..	43,026	..
Belfast & Co. Down (b)	80	3,752	1,331	5,083	13,372
Dublin and S. East (b)	160	4,204	3,109	7,313	20,513
Gt. Northern (Ireland) (b)	562	18,750	18,500	37,250	65,000
Gt. Sth. & Western (b)	1,151	31,825	50,995	82,820	139,800
Midland Gt. West. (b)	538	7,573	11,792	19,365	45,652

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.
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Reports and Notices.

We are informed that Mr Frank W. Tyler, who was for twenty years on the head office staff of the British Law Insurance Company, Limited, and more recently has had successful managerial experience in the capacity of general manager of the Drapers' and General Insurance Company, Limited, has been appointed general manager of the Lancashire and Cheshire Insurance Corporation, Limited.

Sir Wm. Joynson-Hicks, Bart., who has rejoined the board of the London and Scottish Assurance Corporation, Limited, has been elected deputy-chairman.

The Standard Bank of South Africa, Limited, 10 Clements lane, E.C., announce the numbers of certain debentures of the Kimberley Borough Council Electric Lighting 4 per Cent. Loan of 1899, drawn for repayment on March 30th.

Mr J. H. Stephens, F.C.A., has been elected chairman of Meux's Brewery Company, Limited, and the Right Hon. Lord Tweedmouth deputy-chairman.

We are informed that Sir Charles B. Gordon, G.B.E., vice-president of the Bank of Montreal, president of Dominion Textile Company, president Penman's, Limited, director of Royal Trust Company, has been appointed chairman of the Canadian advisory board of the National City Company, Limited, Canada, in place of the late Lord Shaughnessy.

BANKS.

DISCOUNT CORPORATION OF NEW YORK.—The report for the year 1923 shows that, after making provision for taxes, the net profits of the year were \$414,859, which compares with \$548,428 for 1922. Dividends at the rate of 6 per cent. amounting to \$300,000 were declared during the year, leaving \$114,859 to be added to the undivided profits, which now stand at \$1,372,913. The capital and surplus is \$6 millions. The report states that the volume of business transacted in bankers' acceptances during the year was slightly less than that of 1922, but the transactions in United States Treasury Certificates and Notes exceeded that of any previous year.

DOMINION BANK (CANADA).—The annual statement of the Dominion Bank, published on January 25th, at Toronto, for the year ending December 31, 1923, shows profits of \$1,129,369.

GOTEBORGS BANK.—The profits for 1923 are 9,315,805 kr. The amount at the disposal of the shareholders is 6,770,424 kr. The board of directors propose a dividend of 25 kr. per share, or 10 per cent., 4,375,000 kr.

SKANDINAVISKA KREDITAKTIEBOLAGET.—The net profits of the Skandinaviska Kreditaktiebolaget for the year 1923 amount—after writing off on stocks Kr 745,531.51, and on debts Kr 12,257,793.31—to Kr 9,734,663.40, to which has to be added Kr 2,922,875.81 brought forward from 1922, making a total of Kr 12,657,539.21. The board of directors propose to distribute the same dividend as last year, viz., Kr 15—per share (10.56 per cent.), requiring Kr 9,210,000—and to write off Kr 384,712.22 on bank premises, leaving a balance of Kr 3,062,826.99 to be carried forward.

UNION BANK OF CANADA.—The 50th annual statement to November 30, 1923, shows a net profit for the year of \$1,033,432. The balance at credit of account November 30, 1922, was \$483,175, but this amount was reduced to \$51,265, owing to \$331,910 being transferred to contingent reserve account June 9, 1923. The amount available is thus \$1,184,697, which is dealt with as follows:—A dividend of 9 per cent. for the year on the capital stock, absorbing \$720,000. The sum of \$10,000 goes to officers' pension fund. War tax on bank-note circulation and reserve for income-tax absorbs \$137,622, and \$317,075 is carried forward.

INSURANCE.

SUN LIFE.—The report for last year shows that 12,806 new assurances were issued for £5,574,015 at annual premiums of £226,868, and single premiums of £25,969. The new assurances for 1922 were £5,067,338. The net premium income was £1,704,268, as compared with £1,578,468, and the commission and expenses amounted to 18.8 per cent. of the premiums, against 19.47 per cent. The life assurance fund increased by £894,407 to £13,388,533, and earned interest at the rate of £4 15s 8d per cent. after deducting income-tax.

MISCELLANEOUS.

BRITISH INVESTMENT TRUST.—The accounts of the company for the year ending January 1, 1924, just issued, show that the revenue for the year, after providing for interest on temporary loans, income-tax, expenses of management, &c., is £250,812. Deducting therefrom interest on debenture stock and debentures for the year, less income-tax £65,606, there remains a balance of £185,206. Preferred stock dividend absorbed £46,125, leaving £139,081. The deferred stock dividend is 17 per cent., absorbing £24,550, making surplus revenue for the year £114,531. Add balance brought forward from last year, £184,318. Amount carried forward to next year, £298,849. A valuation of the investments, made in the usual way, shows that the market value on January 1, 1924, is slightly in excess of the book value of

£5,468,532. At January 1, 1924, the number of investments was 343, and the directors are to be commended on showing in the report how they are distributed.

LIEBIG'S EXTRACT OF MEAT.—The report and accounts for the year ended August 31, 1923, reveal a net profit of £228,819, to which is added £258,738 brought in from preceding year, making £487,557 available. Preference dividend absorbed £50,000, and ordinary dividend at 15 per cent., free of income-tax, absorbed £180,000, leaving £275,557 to carry forward. The balance-sheet will be found fully analysed in our usual column.

LISTER AND CO.—The 35th annual report to November 30, 1923, shows that after providing for income-tax and corporation profits tax, the profit for the year amounts to £249,494, to which must be added the balance brought forward from last year, £189,979, making together £439,473. After deducting all preferential charges, and the interim dividend on ordinary shares, £76,125, there remains a balance of £363,348. The directors recommend that there be paid to ordinary shareholders a dividend of 5 per cent. and a bonus of 2½ per cent., less income-tax, making with the interim dividend paid last July 10 per cent. for the year, £106,875, that there be transferred to employees' benefit fund £5,000, to reserve account £50,000, and that the balance of £201,473 be carried forward to next year. The directors regret to announce the death of their late esteemed colleague, Mr Harold Copperthwaite, who, as a director for the last sixteen years, has rendered valuable service to the company. They have since elected Mr R. W. Hornshaw to a seat on the board, and his election will be submitted to the general meeting for confirmation.

RHODESIAN GOLD OUTPUT.

Month.	1920.	1921.	1922.	1923.
January	211,851	293,794	240,056	261,310
February	250,020	288,225	304,488	237,018
March	199,881	134,333	257,356	211,379
April	208,934	282,326	265,591	232,765
May	403,255	235,841	273,523	245,870
June	194,194	238,400	247,161	263,528
July	313,126	279,269	263,918	344,948
August	241,270	266,151	271,142	232,546
September	231,226	271,452	240,646	256,107
October	245,085	363,174	265,519	246,616
November	282,237	306,636	251,646	246,943
December	272,470	267,006	240,084	240,531
Total Gold	3,056,549	3,217,275	3,111,469	2,909,159

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

"The Magic of Islam"

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15 Distinct Itineraries for Tours from London to

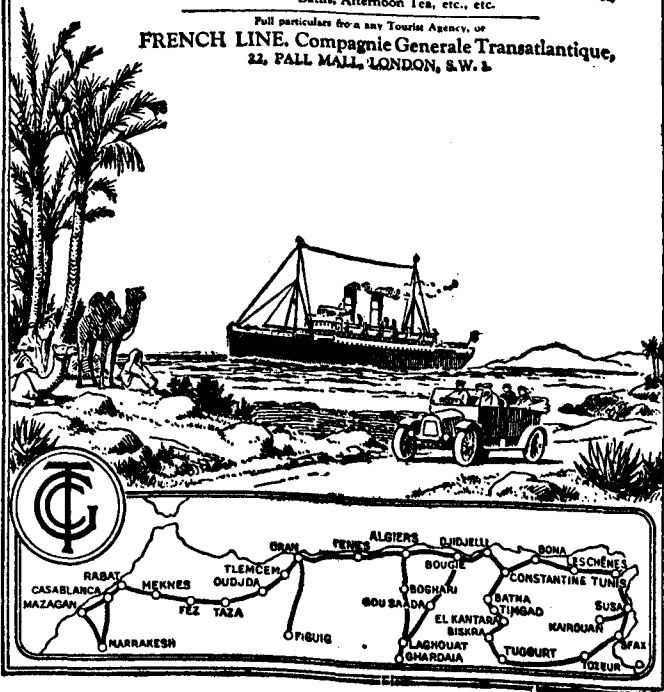
Algeria - Tunisia - Morocco

Visiting amongst other places CASABLANCA, RABAT, MARRAKESH (Morocco City), FEZ, FIGUI, LAGHOUAT, BOU SAADA, BISKRA, CONSTANTINE, TUGGURT, TUNIS, KAIROUAN, TIMGAD, CARTHAGE. The palm-clad OASES of the SAHARA. The snow-capped Atlas. Caravans & Camping in the Desert, etc.

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COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Div. or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Year.	Last Div. Previous Year.
Railways.						
Cork and Macroom	3½	..	..	..	1	1
Dublin & Eastern, Cons. Ord.	2½	..	..	..	4	4
Midland Gt. Western, Cons. Stk.	5½	..	..	..	4	3½
Metropolitan	1½	Feb. 29	..	..	..	..
Pennsylvania	1½	..	..	..	..	..
Banks.						
Discount Corp. of New York	6	..	..	..	23	22
Guernsey Commercial	13½	..	..	..	15	15
Skandinaviska Kreditaktiebolaget	..	..	..	..	kr.p.s.	kr.p.s.
Insurance.						
Sea	1½ p.s.	..	..	Less tax 4/7½ in £	15	15
Mining.						
Miami Copper	\$0.50p.s.	Feb. 15	..	..	..	..
New Kleinfontein	2½	Feb. 7	..	Less tax 4/6 in £	..	..
Tea and Rubber.						
Taiping Rubber	3½	..	..	Less tax	6	nil
Other Companies.						
Antrim Iron Ore	1½ p.s.	..	..	Less tax	5	..
Ardwick Picture Theatre	3½	..	..	Less tax	6	..
Aron Electricity Meter, Cum. Pref.	42 %	..	..	(Arrears to Mar., 1911)	5	..
Ashton Brothers and Co.	2½	..	..	Less tax	5	(a)5
Associated Provincial Picture Houses	6 p.s.	Feb. 20	..	Less tax	10	10
Birmingham Coffee House	..	..	..	Tax free	10	10
Birmingham Railway Carriage	..	..	..	Tax free	10	10
Bon Accord Ice, &c.	1/6 p.s.	(bonus) 6 p.s.	..	Less tax	15	12½
Borax Consolidated	1/6 p.s.	..	..	Less tax	6	6
Boston (Linos.) Water	..	..	..	Less tax	12½	12½
Bradford Exchange	..	..	..	..	..	..
Brewery and Commercial Investment, Def.	8	Feb. 15	..	Less tax	10	10
Bristol & S. Wales Rly. Wagon	10 %	..	..	Less tax	17	16
British Investment Trust, Def.	..	..	..	Less tax	10	5½
British Land Co.	..	..	..	Less tax	7	10
British Oil and Cake Mills	2½	..	..	Less tax	10	..
Central Hotel	10	Feb. 18	..	Less tax	44	4
Charter Trust and Agency	2½	..	..	Less tax	52	..
Chester United Gas	1/3 p.s.	Feb. 27	..	Less tax	5	5
City of Buenos Ayres Tram	15 %	..	..	Less tax	7½	6½
City of London Brewery	15 %	..	..	Less tax	..	..
City Offices	10 p.s.	..	..	..	..	..
Commonwealth Edison	82 p.s.	Feb. 1	..	..	..	..
Commercial Gas (4% & 3½)	8	..	..	..	..	..
Consolidated Spanish Ore	1 p.s.	Feb. 15	..	Less tax	5	..
Craigston Cemetery	10	Feb. 1	..	Less tax	10	10
D. and J. Fowler	10½	..	..	(bonus) 2½ %	..	..
Devas Roadbridge	10½	..	..	..	..	..
Dublin (South) City Market	2½	..	..	Tax free	..	..
Edinburgh Canadian Mortgage	6 p.s.	..	..	Less tax	12½	..
Elly's Stafford Brewery, Def.	10½	..	..	Less tax	10	8
English Velvet and Cord Dyers	3/6 p.s.	..	..	Tax free	25	22½
Fleming, Reid, and Co.	10	..	..	Less tax	..	..
Folkestone Waterworks, Ord.	7	..	..	Less tax	12½	12½
Do New Ord.	1/6 p.s.	Feb. 8	..	Less tax 4/6 in £	..	..
Foster, Porter, and Co.	5 %	..	..	Less tax	8	8
General Guarantee Corp., Pref.	..	..	..	..	..	..
Grand Canal, Dublin	..	..	..	..	..	..
Hayes, Candy	5 %	..	..	Less tax	11	11
Hart Accumulator	8½	(bonus) 3 %	..	..	..	..
Holborn and Frascati	10½	..	..	..	..	..
Hunter, Barr, and Co.	..	..	..	..	..	..
John Knight	..	..	..	..	..	..
John Loveys and Co.	6 %	..	..	Tax free	7½	5½
Jones' Sewing Machine	3½	..	..	Less tax	11	11
Lanarkshire Tramways	1 p.s.	..	..	Tax free	2	6
Linen Thread Company	3½	..	..	Less tax	5	5
Do Bonus	1 p.s.	..	..	..	..	..
Liverpool Grain Storage	3½	Feb. 15	..	Less tax	7	6
Liverpool Neopropolis	..	..	..	Less tax	6	6
London Pavilion	3½	..	..	Less tax	15	12½
Do Bonus	1 p.s.	..	..	Tax free	6	8
London Produce Clearing House	2½	..	..	Less tax	10	10
Manchesters Corn, &c., Exchange	2½	..	..	Tax free	4½	..
Melbourne Electric Supply	1 p.s.	Jan. 28	..	..	..	..
Mountstuart Dry Dock, Pref.	1 p.s.	..	..	..	..	..
National Electric Theatres	4 %	..	..	..	..	..
Percy E. Fisher, 8 % Pref.	8	Feb. 1	..	Less tax	..	..
Plasmon	5 %	..	..	Less tax	..	..
Power Securities	5 %	..	..	Less tax	..	..
Preston Gas, "A"	3½	..	..	Less tax	10	8
Do "B"	5½	..	..	..	..	..
Public Benefit Boot, Def.	5½	..	..	..	..	..
Richard Seed	..	Feb. 15	..	..	..	..
Seaborough Gas	..	..	..	Less tax	18	18
Scottish American Invest.	4½	..	..	Less tax	5	5
Scottish Assoc.	..	..	..	..	..	..
Scottish Reversionary	8 %	..	..	..	..	..
"Snia-Viscosa" (Turin)	5	..	..	Tax free	7	6
Staveley Coal and Iron	..	..	..	Less tax	5	5
Sterling Trust	..	..	..	..	..	..
Sutherland Meter	..	..	..	..	..	..
Tottenham District Light	8	..	..	Less tax	..	..
Do "A"	6½	..	..	..	..	..
Do "B"	..	..	..	..	..	..
United States and General Trust, Def.	10 %	..	..	Less tax	12½	10
Wagon Finance	2½	Feb. 1	..	Less tax	15	15
Warner and Co.	12	Feb. 13	..	Less tax	..	..
Watney, Combe, and Field, Def.	5 %	..	..	Less tax	..	..
West Canadian Collieries	7/6 p.s.	(bonus) 3 p.s.	..	Subject to tax	15	12
Westminster Electric Supply	15 %	..	..	Less tax	12½	15
Whitworth Vale Gas, Orig.	5 %	..	..	..	..	..
Do B.	5 %	(bonus) 2½ %	..	..	..	..
Yorkshire Railway Wagon	10	Feb. 8	..	..	..	..
York Waterworks, Ord., 1846	7	..	..	..	..	..
Do Ord., 1878, 1879	..	..	..	..	..	..

(a) Tax free.

EXCLUDED HOLDINGS AND INVESTMENTS.—£3 14s 4d per cent. on old issue of 7 per cent. participating debenture stock and £3 10s 4d per cent. on new issue, payable, less tax, Feb. 1st.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

With more open weather conditions during the past week, field work was resumed, except on heavy land, which is still too heavy for the plough. There are considerable arrears to be made good, as farm work has been delayed by continual rains over most part of the country. Offerings of native wheat, both here and at provincial markets, were on a reduced scale, partly due to transport difficulties, and also more reserve shown by farmers, in view of the firmness of imported varieties. Prices consequently tend in an upward direction, suitable milling grades ruling at 10s 3d to 10s 9d, with inferior 8s 9d to 9s 3d, free on rail, per 112 lbs. Imported descriptions continue very firm, with a hardening tendency, due to scanty offerings and higher c.i.f. rates. No. 1 Northern Manitoba quoted at 51s 6d, No. 2 ditto 50s 6d, No. 3 ditto 48s 6d, and Rosafé 63½ lbs 48s 9d, all ex ship to arrive, per 496 lbs. Firm conditions prevailed in the floating and forward cargo section, following upon dearer rates for freightage, adverse American exchange, combined with a better demand. Steamers of white Pacific, February, sold at 48s 3d, Australian loading 46s 4½d, Rosafé 64 lbs loading 45s 6d, Barusso ditto 44s 1½d, and Baril ditto 44s 4½d per 480 lbs. Maize cargoes also firm, with a fair demand. Steamers of new crop La Plata, April-May, sold, 35s to 35s 3d, and Bessarabian on passage 43s 9d per 480 lbs. Flour steady. London standard straight run quoted 39s, patents 41s-42s, town householders 37s per sack delivered. All English country straights 30s 6d-31s 6d, free on rail at London stations. Imported firm. Manitoba patents range from 30s 6d-39s 6d as to quality, and Australian 33s-35s 6d per 280 lbs ex store. Barley firm, but quiet. English malting ranges from 10s 6d-15s, feeders 10s-10s 6d per 112 lbs, free on rail. Imported, Californian 44s-50s ex store, Chilean brewing 42s-46s ex ship, both per 448 lbs. No. 4 Canadian Western ex ship 35s, landed 36s 3d, Algerian-Tunisian in former position 33s 6d, all per 400 lbs. Maize dearer, and sparingly offered. Plate ex ship 43s, landed 44s 6d per 480 lbs. Oats steady, but quiet. English ranges from 9s 4d-10s 8d per 112 lbs, free on rail. Imported quiet, and tendency easier. Plate f.a.q. (new crop) ex ship 21s 3d, old crop landed 23s 3d, No. 2 Canadian Western ex ship 26s 3d, landed 27s 3d, No. 3 ditto ex ship 25s, landed 26s, No. 2 Canadian feed landed 24s 3d, all per 320 lbs. Millers' offals quiet. Broad bran quoted 8s, ordinary 7s 6d, middlings 9s, fine ditto 10s, bags included, ex mill, light oats 6s 3d, powdered oat husks 8s 3d, feed oatmeal 9s 9d, ground oats 12s 9d, free on rail, all per cwt. Algerian steady, with a moderate demand. London made flaked also rolled oats 18s, medium and fine cuts 17s 6d, coarse and medium pinhead 17s 6d, ordinary Scottish oatmeal 18s, American 16s 6d-17s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-1924.	1922-1923.	1921-1922.	1920-1921.
Estimated sales of home-grown wheat—				
1 week to January 26	Cwts. 331,938	Cwts. 582,178	Cwts. 428,120	Cwts. 341,107
21 weeks to January 26	7,660,265	9,681,887	8,676,090	7,290,429
Average price of English wheat per cwt.	10 1	9 10	10 8	19 11

BARCLAYS BANK

LIMITED.

Head Office: 54, LOMBARD STREET,
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And over 1,700 Branches in England and Wales.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divid- end.
					Prefce.	Ordinary.					
						Amount.	Amount.					Rate.
		£	£	£	£	£	%	£	£	£	%
Banks.											
Lloyds Bank	Dec. 31	498,342	2,047,116	2,545,458	..	1,841,535	16½	200,000	503,923	2,068,875	16½
Electric Lighting and Power.											
Melbourne Electric	Aug. 31	20,604	246,455	267,059	40,000	80,060	10½	120,000	26,999	..	..
Breweries.											
City of London	Dec. 31	37,754	176,611	214,365	27,500	117,935	20	20,000	48,930	168,815	20
Financial, Land, &c.											
Scottish American Investment ..	Dec. 31	64,931	162,270	227,201	43,029	96,862	18	20,000	67,310	154,809	18
Gas.											
Gas Light and Coke	Dec. 31	244,355	1,126,592	1,370,947	253,490	869,160	5½	51,002	227,295	1,318,586	5½
Malton	Dec. 31*	3,265	2,313	5,578	..	1,380	5½†	1,008	3,190	2,585	5½†
Scarborough	Dec. 31	..	19,683	19,683	1,365	12,035	5	6,013	270	17,751	5
Hotels, Restaurants, &c.											
R. E. Jones	Oct. 31	<i>Dr 195,021</i>	41,663	<i>Dr 153,358</i>	..	..	..	35,500	<i>Dr 188,858</i>	15,702	..
Rubber, &c.											
Garing (Malacca)	Sept. 30	241	826	1,067	..	..	..	1,000	67	<i>Dr 1,318</i>	..
Shops and Stores.											
Public Benefit Boot	Dec. 31	37,841	36,702	74,543	23,230	6,150	10	6,000	39,163	36,431	8
Textiles.											
Emmott's and Wallshaw	Dec. 31	3,058	2,628	5,686	2,114	1,922	5	..	1,650	<i>Dr 5,887</i>	5
English Velvet and Cord Dyers ..	Dec. 31	36,035	65,218	101,253	10,594	43,512	10	15,000	32,147	75,749	8
Tramways.											
Fife Tramway Light, &c.	Dec. 31	2,551	67,830	70,381	11,987	28,280	8	26,438	3,676	51,692	8
Trusts.											
British Investment	Jan. 1	184,318	185,206	369,524	46,125	104,550	17	..	218,849	158,116	16
Charter Trust and Agency	Nov. 30	5,556	43,097	48,663	25,000	17,271	4½	..	6,392	37,617	4
Sterling Trust	Dec. 31	30,951	89,029	119,980	..	67,266	7	..	52,714	65,366	6
United States and General	Dec. 31	24,424	45,832	70,256	14,994	19,230	12½	10,000	26,032	36,447	10
Other Companies.											
Bristol & S. Wales Railway-Waggon	Dec. 31	1,543	15,581	17,124	..	15,000	10	..	2,124	13,844	10
Dublin (South) City Market	Dec. 31*	3,755	3,346	7,101	..	2,500	2½†	500	4,101	3,319	2½†
Foster, Porter, and Co.	Dec. 31	110,064	41,337	151,401	..	37,500	12½	2,000	111,901	51,087	12½
George Outram and Co.	Dec. 31	16,630	190,963	207,593	..	89,749	20	80,858	36,986	184,793	15
Hayes, Candy, and Co.	Dec. 31	12,788	18,176	30,964	10,400	10,025	8	..	10,539	22,716	8
John Knight, Limited	Nov. 30	68,018	147,166	215,184	..	{ 125,000 Pto.25 } 21,000 Ord.30	..	..	69,184	151,315	{ Pto.25 } Ord.30
John Loveys and Co.	Dec. 31	143	6,563	6,706	3,600	5,000	5	<i>Dr 2,000</i>	106	2,869	5
Liebig's Extract of Meat	Aug. 31	258,738	228,819	487,557	50,000	180,000	15½	..	257,557	..	..
London Produce Clearing House	Dec. 31	14,041	31,230	45,271	..	22,500	12	2,500	20,271	16,243	12
Power Securities Corporation	Dec. 31	..	65,233	65,233	26,507	18,732	6	15,895	4,099	..	..
Yorkshire Railway Waggon	Dec. 31	6,079	33,641	39,720	..	23,437	12½	10,136	6,147	39,547	15

* Half-year. † Tax free.

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1920 to 1923 :—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1924.	Cws.	Cws.	Cws.	s d	s d	s d
Jan. 19	343,302	437,686	88,494	9 11	10 11	9 6
26	331,938	332,332	94,778	10 1	10 11	9 8
1920	406,560	214,282	68,768	16 11	29 8	20 11
1921	341,126	390,796	68,765	19 11	19 10	15 9
1922	428,121	246,979	60,726	10 8	12 0	10 5
1923	582,178	427,945	77,612	9 10	9 8	9 10

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated January 31st, is as follows:—Pig-iron: An easier demand for pig-iron is the result of actual and prospective labour disturbances, and foreign competition. Although nominally No. 3 Cleveland is 99s per ton, some makers are quite prepared to shade this price in the face of any genuine business. East Coast mixed numbers hematite are 6d. lower at 102s per ton. Manufactured iron and steel: Business in steel is quiet, and works are still fairly well supplied with orders. Steel ship plates, £10 5s.; steel ship angles, £10; iron bars, £12; steel rails, £9. Iron ore: Deliveries of iron ore have been good lately, but, with the uncertain outlook for pig-iron, there is not much forward buying. Best rubio is nominally quoted 24s per ton c.i.f. Tees.

Our Sheffield correspondent writes :—The railway strike caused a partial stoppage at a number of the large steelworks by cutting off supplies of fuel, but the trouble ended just in time to save local industry from consequences that must have been disastrous. As regards the finished trade, production was cut down, but did not cease. Conditions in the pig-iron and crude-steel departments are quiet, even making allowances for the strike, and the recent upward movement seems to have been arrested. Buying and selling have been on a restricted scale, and prices of billets are rather weaker. Continental competition is responsible to some extent for the absence of business. Foreign billets and pig-iron can now be brought from the Continent at substantially lower prices than are charged at home, yet it is notorious that the current quota-

tions for British material are unremunerative, and a good deal of steel is being produced at a loss. The position of steel productions of many kinds of the better qualities continues to improve, and as regards shop tools British makers are benefiting by the decline of imports from Germany. The present demand for files, saws, hacksaws, twist drills, screwing tackle, &c., is a safe indication of increased work in the engineering branches, and the overseas markets are also doing better.



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Our Cardiff correspondent writes:—On the Cardiff coal market business was almost entirely suspended on Monday and Tuesday, but with the settlement of the railway strike the position rapidly improved, and conditions were nearly normal towards the end of the week. The loss of output in consequence of the very restricted railway service between the collieries and the ports during the eight days of the strike was considerable, and the colliery companies are, therefore, heavily in arrears in the delivery of contract coal. For prompt shipment supplies are thus very scarce, and prices have hardened appreciably. Apparently, very little business has been diverted. The docks are congested with tonnage, and the demand for coal is likely to continue in excess of the supply for some weeks ahead. Best Admiralties have been ruling up to 29s 6d, with an upward tendency, and the price movements of other coals have been in sympathy. The Americans, however, are watchful for the competitive opportunities that are created by advances in South Wales and other British coals. The Egyptian State Railways are in the market for 200,000 tons. The tenders will not be decided until next week, but it is not only known that the United States are competing for this order, but feared that the prices and other conditions which they have specified may quite likely lead to the diversion of a part, if not of the whole, order to America. During 1921 Egypt imported rather heavily from the States, but American coals were ousted during 1922, and the Egyptian State Railway contract last year was entirely placed in this country. The third shift dispute remains unsettled, and although the employers have expressed their readiness to refer the issue to arbitration, the tipplers have not yet acquiesced in the suggestion of the Industrial Court.

The approximate current quotations are as follows:—Best Admiralties 20s to 26 6d; second Admiralties, 28 6d to 29s; best drys, 27s to 27s. 6d; Black Veins, 28s to 28s 6d; Western Valleys, 27s 6d to 28s; Eastern Valleys, 26s to 27s 6d; best bunker smalls, 22s to 22s 6d; ordinary cargo smalls, 19s to 21s; coking smalls, 22s 6d to 23s; anthracite Big Vein large, 39s to 42s 6d; machine-made coals, 48s to 52s 6d; French nuts, 51s 6d to 52s 6d; rubbly culm, 13s 6d to 14s; coke for export, 45s to 55s; inland blast-furnace coke at ovens, 30s to 35s; patent fuel, 30s to 32s 6d; pitwood, ex ship, 28s 6d to 29s.

In the iron and steel trade business has been disorganised by the railway strike, and shipments during the past fortnight have been considerably below the average. Last week some of the mills had to suspend operations owing to the breakdown of transport facilities. Minimum prices, however, are being maintained, and the outlook remains good.

METALS.

Tin commenced with an easier tendency, while in good demand, the chief interest being shown in forward positions. Standard cash sold at £249 to £249 10s, and three months £250 to £249 10s to £250 15s to £250. Eastern cables reported sales on the basis of £252 10s c.i.f. The downward movement continued, while some irregularity was noticeable with regard to forward positions, though a partial recovery took place by the middle of the week, standard cash being dealt in at £248 to £249, and three months £249 10s to £249 to £249 17s 6d to £249 15s. Further sales transpired in the East at £251 15s c.i.f. Prices advanced sharply at Thursday's session, while a good demand prevailed. Cash sold at £250 to £249 15s to £254, while finally registered at £253 10s, and three months £251 to £250 10s to £253 15s to £253 10s. On the following day prices fell away, but active trading ensued. Cash quoted at £251 to £251 5s, and three months £253 to £252 10s to £253, while finally at £251. Eastern cables reported sales at £255 c.i.f. English ingots quoted at £251 15s to £252 5s. Copper: Market exhibited weaker features, and a steady decline took place in prices on selling pressure. Offers, however, were fairly well absorbed, and sales included standard cash at £62 5s to £61 13s 6d, three months £63 5s to £62 7s 6d, and later at £62 10s. The tendency was again easier on Thursday, while a fair business resulted, including standard cash at £61 7s 6d, and three months at £62 5s to £62 2s 6d. The downward movement was continued at final market with dealings on a large scale. Cash sold at £61, and three months £61 12s to £61 16s 3d to £61 15s. Electros £66 10s to £66 15s, best selected £65 5s to £66 10s, strong sheets, £95, wire bars, £66 15s. Lead steady at £32 to £31 12s 6d, as to position. Spelter firm at £35 to £34 5s, according to position. Aluminium: Home trade £115, export £120. Antimony: English, £49 10s to £50.

THE COTTON TRADE.

MANCHESTER, January 31.

At the end of last week there was increased activity in the market, and in certain quarters more business was done than for some time back. During the last few days demand has tapered off, and leading buyers appear to have satisfied their more important wants for the time being. The general tone of the market, however, continues healthier. A considerable inquiry has been experienced in piece goods for India, and a fair turnover has taken place in light cloths and miscellaneous fabrics, but sellers of grey staples have found progress rather slow. Further buying has occurred in white goods for China, but some advices from the other side are not quite so encouraging. Useful lines have been

booked for South America and the Continent, but the Near East remains disappointing. American yarn quotations have been firmer as a result of the recent improvement in the turnover, but demand has fallen off somewhat. There has not been any general activity in Egyptian spinnings. Fine yarns continue to be purchased in moderate quantities for India.

(I.) Comparative Statement of the Cotton Trade.

	Previous Weeks in 1923-24.					
	Price, Jan. 31, 1924.	Price, Jan. 24.	Price, Jan. 17.	Price, Jan. 10.	Price, Jan. 3.	Price, Dec. 27.
	d	d	d	d	d	d
Raw Cotton—Fully Mid. American . . . per lb	19-47	19-75	19-54	19-85	20-12	21-28
— Sakellariadis Fully Good Fair Egyptian per lb	23-15	23-35	23-00	23-10	23-25	24-30
Yarns—33's twist per lb	26½	26½	26½	27½	28	28½
— 40's twist per lb	26½	26½	26½	27½	28	28½
— 60's twist (Egyptian) per lb	35½	36	36	36½	37	38
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	31	32	33	33	33	33
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	41	42	42	42	42	43
38-in. ditto, 38 yds, 18 by 16, 10 lbs.	22	22	22	22	22	23
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs.	19	20	20	20	20	21

(II.) Compared with Previous Years.

	Price, Jan. 31, 1994.	Corresponding dates in				
		1923.	1922.	1921.	1920.	1919.
Raw Cotton—Fully Mid. American . . . per lb	19 47	15 67	9 70	9 16	28 65	18 00
— " Sakelaidia Fully Good Fair Egyptian per lb	23 15	17 65	16 25	19 00	32 50	27 30
Yarns—						
— 32's twist per lb	26 24	22 24	17	22	59 4	28
— 40's twist per lb	26 24	22 24	16 24	20 15	55	29
— 60's twist (Egyptian) per lb	35 2	28	27	28	130	60
32-in. Printers, 118 yds, 16 by 16, 32's and 50's	38	0	32	38	0	40
32-in. Shirts, 75 yds, 18 by 13, 32's and 40's	41	9	34	39	28	37
32-in. ditto, 36 yds, 18 by 16, 10 lbs.	22	0	19	0	17	22
32-in. ditto, 37 1/2 yds, 16 by 16, 8 1/2 lbs.	19	9	18	0	16	20

LIVERPOOL OFFICIAL QUOTATIONS—January 25, 1924.

Description.	Comm.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1923.			Same Period 1922.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.	d	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Florida do.	d	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do.	d	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American	Or G	O	L	M	M	G	M	F	G	O	L	M
Brazilian	1681	1731	1831	1931	2031	2136	1657	1607	1652	7-06	8-31	1002
Fernam, Macao, &c.	Mid	F	Fr.	G	Fd.	Fd.	M	F	Fr.	Gd.	MF	Fr.
Parahyba, Rio Grande, &c.	..	1936	2026	2111	..	..	1552	1637	..	7-31	9-81	..
Oceara, &c.	..	1936	2026	2111	..	..	1552	1637	..	7-31	9-81	..
São Paulo	..	1536	1611	2036	..	..	1552	1637	..	..	..	..
Egyptian:	Fr.	G	Fr	G	Fr	G	Fr	G	Fr	G	Fr	G
Upper	2060	2110	2190	2235	2260	1810	1610	1695	..	1075	1378	..
Sakalariids	2180	2306	2335	2405	2655	1890	1780	1975	..	..	..	..
Brown.	2075	2202	2240	2285	2355	1510	1635	1695	..	1100	1500	..
Peruvian:	Md	Fr.	G	M	G	Fr.	G	Fr.	G	Fr.	G	Fr.
Rough.	..	2300	2300	2450	2500	..	1850	..	..	..	1300	..
Moderately Rough.	..	2300	2300	2350	..	..	1675	1725	..	1050	1255	..
Smooth.	2061	2136	2186	2211	2235	1627	1752	1852	7-58	1081	1255	..
Tanguis	2086	2136	2161	2211	2286	1627	1752	1852	..	..	..	..
Mitafi	2150	2250	2350	2400	..	..	1450	1505	..	..	..	..
West Indian, &c.	..	2200	2400	2600	2700	..	2000	2600	..	2300	2900	..
Do Sea Island	..	1800	1950	2050	2125	1275	1450	1650	7-25	9-26	1121	..
African, East, &c.	1600	1700	1800	1950	2050	1275	1450	1650	..	..	..	..
Do West	1961	1971	1981	2061	2111	..	1502	1577	..	..	..	..
East Indian:	G	Fr	Fr	Gd.	F	G	Fr	G	Fr	G	Fr	G
Machine Ginned Surtee	..	1765	1825	1855	..	..	1305	1345	1425	7-70	7-70	..
Machine Ginned Broach.	..	1580	1660	1705	..	..	1085	1135	1215	6-20	7-55	8-38
Machine Ginned Brownings	280	1340	1390	1440	1490	1540	1095	1145	1225	6-70	7-45	8-44
Machine Ginned Comra. No. 1	1300	1350	1400	1450	1500	1095	1145	1225	..	..	..	..
Machine Ginned Comra. No. 2	..	1375	1425	1475	1525	..	1120	1200	..	..	..	..
Machine Ginned Khandeish	..	1300	1350	1400	1450	1500	1045	1095	1175	5-95	6-70	7-77
Machine Ginned Comphah.	1550	1590	..	..	..	..	1295	..	..	8-15	..	..
Machine Ginned Bengal.	1200	1240	1280	1330	1380	1045	1095	1175	5-50	6-20	7-40	..
Machine Ginned Scinde	773	1775	1815	..	..	..	8-80	9-30	1000	5-40	6-90	..

THE BANK OF TAIWAN, LIMITED.

(Registered in Japan, 1899.)

Capital Subscribed	-	-	-	Y60,000,000
Capital Paid Up	-	-	-	Y52,500,000
Reserve	-	-	-	Y12,980,000

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

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April, 40s 6d; May-August, 38s 9d. Rape firmer. Crude spot, 48s; refined, 51s. Castor-oil quiet. First pressure, spot, quoted 59s; second pressure, 58s; and pharmaceutical, 64s per cwt. Hull, with London 2s cwt extra. Cotton firm. Crude Egyptian, spot, 45s; Bombay, 43s 6d; common edible, 50s; deodorised (in barrels), 53s. China-wood steady. Hankow, spot (barrels), 95s; January-February, 102s. Coconut quiet. Ceylon, spot, 49s 6d; February-March, 49s; Cochin, ditto, quoted 60s. Soya firm. Oriental, barrels, January-February, 46s. Cod firm. English, spot, 36s 6d. Groundnuts firm. English, crushed, naked, spot, 53s; deodorised, barrels, 61s. Turpentine firmer, but irregular. American, spot, 80s 3d; February-April, 80s 9d. Rosin, common, easier. American, grade B, 13s 6d; F, 13s 6d; G, 13s 6d; H to I, 13s 6d; WG, 17s 6d; WW, 19s per cwt. French WW, 17s per cwt. Petroleum steady. American standard, white, spot, 11d; and water white, 1s per gallon.

SUGAR.—The firm tone apparent in this market for some time past became more pronounced, a further advance in price being registered in all directions under the influence of stimulating cables from America and general scarcity of the article. Of British refined Messrs Tate and Lyle's raised quotations 6d per cwt for all spot parcels, and forward, 6d to 1s 6d granulated. Cubes now quoted 63s 6d to 64s 6d; crushed, 62s; granulated, fine and coarse grain, 62s 1½d; No. 1, 61s 10½d; No. 2, also London and T.L., 61s 7½d; ditto February, also March, 61s 6d; yellow crystals, spot, 57s 1½d. Imported sugars firmer, with only very small quantities on offer. White Java, spot, 58s 7½d to 58s 9d; ditto, May-June, steamer, sold, 58s; June-July, 26s 10½d, c.f. and i. terms, London. Of Dutch granulated, J, spot, sold, 60s. Czecho granulated, spot, 60s 3d; ditto, January-March, sold, 31s 3d; March-April, 31s 6d, f.o.b., Hamburg. Belgian granulated, ready for shipment, 32s, f.o.b., Antwerp. All raw refining kinds offered sparingly, and held for higher prices. Cuban, basis 96 per cent. March, quoted, 27s 9d; Brazilian, basis 80 per cent. shipping, 25s 6d, c.f. and i. terms, U.K. White Terminal market again disclosed marked activity, and prices further advanced. January delivery, sold, 32s to 31s 9d; March, 31s 3d, 31s 9d to 31s 6d; May, 30s 3d to 30s 9d, 30s 3d; August, 20s 1½d to 29s, 29s 9d, 20s 3d; October-December, 25s 4½d to 25s 6d per cwt.

COFFEE.—The market remains very firm for all the finer qualities, and prices on the week are again dearer owing to smallness of supplies. Nairobi bold sizes sold, 111s to 144s; Kilimanjaro, 105s to 128s 6d; Costa Rica bold, 164s to 176s.

COCOA.—Market steady, with a moderate spot demand. Accra firmer forward, and F/F quality, February-April, sold, 33s; March-May, 33s 6d. f.o.b. terms.

TEA.—Indian sales totalled 58,482 packages, and all the better liquoring descriptions were well competed for at fully recent rates, but inferior disclosed slight weakness where quality marked any falling off. Broken orange pekoe sold, 53 5/8d to 23 3/4d. Ceylon auctions of 16,600 packages presented similar features as the Indian auctions. Broken orange pekoe sold, 53 7/8d to 23 3/4d per lb in bond. 1,800 packages Java and Sumatra sold readily at full to dearer rates.

RICE.—Market fully steady, with certain reserve shown on the part of shippers, but business proceeds rather quietly. Two stars Rangoon, spot, 16s 6d; February-March, 15s 6d. Spanish for shipment, 20s, c.f. and i., London. Japanese peas, spot, 23s; January-February, 21s 6d cwt.

SPICES.—A quiet tone characterised the pepper market, and prices in forward positions moved against the seller. Black Singapore, February-April, L.S., quoted 48d; Lampong, ditto, 47d. Muntok, January-March, 63d; February-April, 64d, and March-May, 77d. Zanzibar cloves, January-March, 1s 18d per lb. Tapioca steady, unaltered on spot; forward steady, and Singapore-January-March, to Havre, sold, 32s 6d; February-April, sellers, 32s 3d. *Sago* flour, January-March, sellers, 15s 10d. Desiccated coconut quiet. Spot, fine cut, 45s; medium, 47s; halves, March-April, 43s 6d cwt.

JUTE.—With buyers reserved and sellers more in evidence, a quiet and easier tone governed this market. First grade, January-February, Continent, sold, £23 10s to £25 5s; February-March, £23 17s 6d to £26; March-April, £26 10s to £26 7s 6d and £26 10s; and April-May, £26 17s 6d to £27 ton. Hessians steady. 10-oz, February-March, quoted 29s 3d; 8-oz, ditto, 22s 6d per 100 yards. Twills mostly unaltered.

HEMP.—Only a small business transpired in Manila descriptions, but with some reserve on the part of sellers prices were fully steady. J grade, January-March, quoted £35 10s; K, February-April, sold, £27 10s; L, ditto, at £26 10s; and M, quoted £24 15s ton. African sisal steady, unaltered. Indian hemp very firm.

SHELLAC.—Market quiet. T.N., March, 272s 6d; May, sold, 268s.

COPRA.—General course of trade proceeded quietly, but with sellers equally reserved, a fairly steady tone predominated. F.M.S. Straits, November-January, Rotterdam, quoted £30 10s; December-February, sold, £30 5s; January-March, £30 6s 3d to £29 15s; February-April, sellers, £29 15s. Dutch East Indies, January-March, quoted

Markets generally continue to have a firm tone, and are characterised by fair activity. Linseed oil has been in good demand, principally from home consumers, and with supplies still meagre and in sympathy with dear seed, prices have further advanced to £47 for prompt oil, with £42 10s quoted for February delivery, ex Hull mill. Cotton oils, also, have been in good request, particularly crude Bombay and soapmakers' grade of refined, current values for crude Egyptian being £45, technical £45, and common edible refined £48 per ton naked, ex Hull mill.

The hide market was again very firm at Thursday's Bermondsey auctions, best ox selling from 6½d to 8½d per lb, and seconds from 6¼d to 7½d, where sold. Cows were firmer at 6¼d to 6½d for best, advancing ½d to ¾d. Calf sharply advanced in the light classes, probably due to the news to hand that the French Government had prohibited the export of hides and skins. Prices varied from 5½d to 16d for best, the 8 lb and under class advancing by 2½d above last week's prices. Wools were very firm at 75 8d to 15s each, and hogs from 9s 9d to 10s each. The demand for sheep pelts and wool is good, hence the high prices of skins. The high prices of South American hides is checking business with this country, although large parcels have again been sold on Continental and American account. As high as 10½d has been paid by Continental buyers for Hervidero ox, Argentine frigorific steers making 9½d in the States. The Chicago market is cabled as advancing, with heavy packers making 14½c.

Trade in leather has resumed its normal activity since the strike was settled, and large deliveries of bends have gone to the shoe centres. Repairers have also been buyers of medium weights of wet salted bends at firm prices. Tanners are strong holders of leather, and the tone generally suggests higher prices for sole and rough leather in the near future. Upper leathers are improv-

Member of Federal Reserve System.

RUBBER.—Opened very slowly but became steadier, and a moderate amount of business was effected. Standard plantation crepe and sheet, spot, also February, sold, is 1½d to is 2d, is 1½d a d is 1½d; March, is 2d to is 2½d; April-June, is 2½d to is 2½d; July-September, is 2½d to is 2½d. To New York, standard estate sheet, February-March, quoted is 2½d per lb, cf. and i. terms.

FRUIT.—Dried market ruled steady but demand showed a falling off owing to railway strike. Australian currants quoted 56s; Pyrgos, 5 cases, 46s; Amalia, 50s; Patras, 52s; and Vostizza, 70s to 75s. Valencia raisins, 4-boxes, 50s; 4-cases, 60s to 80s; Australian, 50s. Dates cleared to an active Continental demand at rising prices. Genuine natural figs, in bags, quoted 38s to 40s. Evaporated fruits—California apricots, fancy, quoted 110s; apple rings, 75s to 80s; French plums, 4-cases, 90/95, quoted 36s; 80/81, at 41s; 72/77, 47s; and Oregon, 40/50, at 58s cwt.

CANNED GOODS met with moderate support, and prices showed little or no change in most directions. Sardines: Portuguese, $\frac{3}{4}$ cases, 25 9d to 35 3d; $\frac{1}{2}$ oz, 55 6d to 65 6d; 18 oz, 9s to 15 per dozen tins. Lobster, fancy halves, 130s to 135s. Salmon, 1 lb flat reds, labelled, 55s; ditto, tall, 43s; 8 lbs flat pink, 27s; ditto tall, 26s; and cases of 96 lb ditto, 29s to 30s per case. Off canned fishes, Singapore pineapples, 14 lb (48), 50s to 14d; Hawaiian slices, $\frac{2}{3}$ lbs, 16s to 16s 6d; California apricots, 8s to 11s; ditto peachs, 9s 6d to 13s; pears, 12s 6d to 15s; Australian apricots, $\frac{2}{3}$ lbs, 8s 6d; ditto peachs, 8s 9d; tomatoes, Australian, 6s 9d per dozen tins.

OLIVESEEDS.—Linsed in good demand and prices firmer. Indian Bombay, afloat, quoted £24; small Bombay, ditto, £23 10s; Calcutta, afloat, £23 10s; January, £22 5s; April-May, £19 17s 6d. Plate, afloat, sold, £20, loading £19; January-February, £18 2s 6d; to £18 10s; April-May, £18 to £18 2s 6d. Rapeseed quieter. Toria, January-February, sold, £19 12s 6d; February-March, £19 5s; and Jamba, January-February, £15 5s. Cottonseed steadier. Egyptian black, January, £13 17s 6d. Sakellaridis sold, £12 12s 6d to £12 15s. Hull. Bombay, January-February, £11; February-March, £10 17s 6d. Gingelly seed quiet. Chinese, January-February, £26. Groundnuts quiet. Coromandel, machine-dried, January-February, £24; Chinese decorticated, s.a.q., January-February, sold, £23 2s 6d to £24; Chinese decorticated, £24 10s. Soya beans quiet. Man. East African, January-February, £24 10s. Castor-seed quiet. Burmah, January-February, £13 10s; January-February, afloat, £13 10s; January-February, £13 5s. Castor-seed steady. Bombay, January-February, £23 10s; February-March, £23 5s per ton.

OILS.—Linseed firmer, especially spot and near positions, with good demand. Spot, net, naked, 46s; February, 43s 3d; March

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

[illegible]

BANK OF LIVERPOOL & MARTINS LIMITED

HEAD OFFICE: 7, WATER STREET, LIVERPOOL.

LONDON OFFICE: 68, LOMBARD STREET, LONDON, E.C.3.

Capital Subscribed - - - - - £18,791,120

Capital Paid Up - - - - - 2,348,890

Reserve Fund and Surplus Profits - - 1,737,242

Deposits, etc., at 31st December, 1923 - 64,537,818

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62/65, Charing Cross, London, S.W.1

UNIVERSITY OF LONDON.

A PUBLIC LECTURE on "BUSINESS FORECASTING" will be given by Dr. DAVID HERON, D.Sc., M.A. (Fellow of University College, London; Chairman of the Board of Studies in Statistics in the University; and Secretary, London Guarantee and Accident Company, Limited), at University College, London (Gower street, W.O.1), at 6.30 p.m. on Friday, 8th February, 1924. The Chair will be taken by Professor Karl Pearson, F.R.S. (Galton Professor of Eugenics and Director of the Francis Galton Laboratory for National Eugenics). Admission Free, without Ticket.

EDWIN DELLER, Academic Registrar.

CITY OF LEEDS. LOANS.

The Corporation is prepared to receive LOANS on Mortgage of all the Properties. Revenues and Rates of the City. The Mortgages will be repaid in full after six months' notice to be given by either side so as to expire on or after three, five or seven years from the date of the Loan. The Mortgages are a Trustee Security. Interest is paid half-yearly.

For further particulars apply to
J. MITCHELL, City Treasurer, Leeds.

STATE BANK OF THE R.S.F.S.R.

(Russian Socialist Federal Soviet Republic).
Created by Decree of the Soviet Government of October 12th, 1921.

Capital Chervonetz. 5,000,000.
Total amount of Notes issued on Jan. 16th, 1924 ... 29,450,000.
Gold reserve of Issue Dept. ... 8,753,462.
Note: 1 chervonetz is equal to 10 roubles gold.

Head Office: NEGLINNI PROESD, 12, MOSCOW.

The Bank is represented by over 250 Branches and Agencies in all the principal towns of European and Asiatic Russia; the Bank accepts deposits and opens current accounts in foreign gold and Russian currency; remittances to all parts of European and Asiatic Russia, payable both in Russian and foreign currency effected; documentary credits opened; bills discounted; documents payable in Russia collected; banking business of every description transacted.

London Agents: Lloyds Bank Ltd.; Barclays Bank Ltd.; Westminster Bank Ltd.; Guaranty Trust Co. of New York; J. Henry Schröder & Co. Arcos Banking Corporation Ltd.

IMPERIAL JAPANESE GOVERNMENT 4½% LOAN. FIRST SERIES.

Notice is hereby given that the COUPONS due 15th February, 1924, will be PAID on and after that date (Saturdays excepted), between the hours of 11 and 3, at the Yokohama Specie Bank, Limited, where lists may be obtained.

Coupons must be left three clear days for examination prior to payment.—For the Yokohama Specie Bank, Limited, K. YANO, Manager.

9 Bishopsgate, London, E.C.2.
31st January, 1924.

KIMBERLEY BOROUGH COUNCIL ELECTRIC LIGHTING. 4½% LOAN, 1899. FIFTEENTH ANNUAL DRAWING.

Notice is hereby given that in terms of the Kimberley Borough Council Electric Lighting and Power Act, 1898, the under-mentioned DEBENTURES were DRAWN 9th January, 1924, at Kimberley for Redemption 30th March, 1924.

Nos.	19	26	30	34	45	52	53	62	79		£1,700
	7	17	30	32	38	56	75	89	100		£450
	Nine Bonds of £50 each										£2,150

Debentures must be lodged three clear days for examination on or after the 20th March with the Standard Bank of South Africa, Limited, 10 Clements lane, London, E.C.4.—For the Standard Bank of South Africa, Limited, FRANCIS SHIPTON, Manager. London, 31st January, 1924.

PROVINCE OF QUEBEC 3% INSCRIBED STOCK, 1937.

For the purpose of preparing the Interest Warrants due 1st April, 1924, the BALANCES will be STRUCK on the evening of 1st March, 1924, after which date the Stock will be transferred ex-dividend.—For Bank of Montreal,

G. C. CASSELS, Manager.
47 Threadneedle street, E.C.2.
1st February, 1924.

CITY OF REGINA 5% DEBENTURE LOAN.

The City of Regina announces that the COUPONS falling due 1st March, 1924, on the above-mentioned Debentures may be PRESENTED on and after the 18th February, 1924, between the hours of 10 and 2 o'clock (Saturdays excepted) at the Bank of Montreal, 47 Threadneedle street, E.C.2. Three clear days required for examination. Lists may be obtained on application at the Bank.

CITY OF SASKATOON

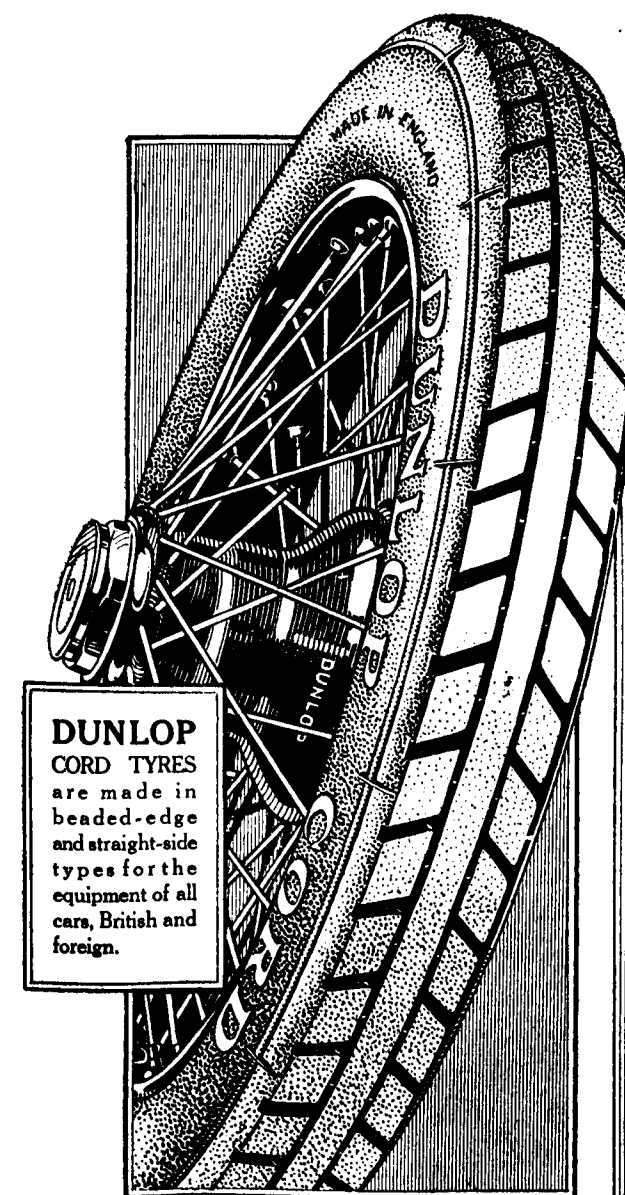
4½% CONSOLIDATED STOCK, and 5% CONSOLIDATED STOCK, 1941-61.

For the purpose of preparing the Interest Warrants due 1st April, 1924, the BALANCES will be STRUCK on the evening of the 1st March, 1924, after which date the Stock will be transferred ex-dividend.—For Bank of Montreal,

G. C. CASSELS, Manager.
47 Threadneedle street, E.C.2.
1st February, 1924.

6 features that make DUNLOP

the finest
CORD TYRE
in the world



DUNLOP
CORD TYRES
are made in
beaded-edge
and straight-side
types for the
equipment of all
cars, British and
foreign.

1. The Dunlop method of multiple-ply Cord construction reduces internal friction and prolongs the life of the tyre.
2. The exceptional quantity of toughened rubber on the tread, combined with the disposition of the material, make for greater durability and less possibility of puncture.
3. The Dunlop Cord tread provides ample security against skidding; and, unlike other tyres, its grip on the road improves with wear.
4. The Dunlop Cord tread and casing are admirably "balanced" so that the whole tyre wears uniformly.
5. The Dunlop Cord is silent and clean running.
6. It adds distinction to any car.

These features combine to make Dunlop Cords the longest-mileage and most economical tyres — and they are British-made in every detail.



Be sure your Tyres are British

Get Dunlop and be satisfied

DUNLOP RUBBER COMPANY, LTD., BIRMINGHAM Branches throughout the world.

C.P.R.
W 11

Banks, &c.**THE YOKOHAMA SPECIE BANK, LTD.**

(Registered in Japan.)
Established 1880.
Capital Subscribed & Fully Paid ... Yen 100,000,000
Reserve Fund ... 73,000,000
Head Office ... YOKOHAMA.

Branches at—
Batavia, Bombay, Buenos Ayres, Calcutta, Canton, Changchun, Dairen (ainy), Fengtien (Mukden), Hamburg, Hankow, Harbin, Honolulu, Hong-Kong, Kai Yuan, Kobe, London, Los Angeles, Lyons, Manila, Nagasaki, Nagoya, Newchwang, New York, Osaka, Peking, Rangoon, Rio de Janeiro, Saigon, San Francisco, Shanghai, Shimonoseki, Singapore, Sourabaya, Sydney, Tientsin, Tokyo, Tsinanifu, Tsingtau, Vladivostok.
The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.
Deposits received for fixed periods at rates to be obtained on application.
London Office: 7 Bishopsgate, E.C.2.
K. YANO, Manager.

THE ROYAL BANK OF CANADA

Established 1869.
Paid-up Capital and Reserve ... \$40,000,000
Total Resources ... over \$50,000,000

Head Office: MONTREAL.
SIR HERBERT S. HOLT, President.
E. L. PEASE, Vice-President.
C. E. NEILL, General Manager.

LONDON OFFICE:

BANK BUILDINGS, PRINCES STREET, E.C.2.
T. R. WHITLEY, Manager. J. MACKIE, Joint Manager.
700 Branches in Canada and Newfoundland: Cuba, Porto Rico, Dominican Republic, Haiti, Costa Rica, Venezuela and Colombia; British West Indies, French West Indies; British Honduras, British Guiana, Buenos Aires, Argentine; Montevideo, Uruguay; Rio de Janeiro, Santos and Sao Paulo, Brazil, Spain, Barcelona; New York Agency, 68, William Street.

FRENCH AUXILIARY:
THE ROYAL BANK OF CANADA (FRANCE).
PARIS, 28, Rue du Quatre-Septembre.

COMMONWEALTH BANK OF AUSTRALIA

(Guaranteed by the Australian Government).

JAMES KELL, Acting-Governor.

Branches and Agencies throughout Australasia.
Banking and Exchange Business of every description transacted. Bankers to the Government of the Commonwealth of Australia, the Government of the State of Queensland, the Government of the State of South Australia, the Government of the State of Tasmania.

9249 Savings Bank Branches and Agencies at Post Offices in Australia. At 30th June 1923.
Savings Bank Balances ... £40,150,890
General Bank Balances ... £7,237,762
Note Issue Department ... £2,102,025
Other Items ... 4,865,000
£134,355,677

LONDON OFFICE: 36-41, NEW BROAD ST., E.C.
C. A. B. CAMPION, London Manager.
Also at Australia House, Strand, W.C.

HONG KONG AND SHANGHAI BANKING CORPORATION.

AUTHORISED CAPITAL ... \$50,000,000
ISSUED AND FULLY PAID UP ... \$30,000,000
RESERVE FUNDS (STERLING) ... \$4,500,000
RESERVE FUNDS (SILVER) ... \$25,500,000
RESERVE LIABILITY OF PROPRIETORS ... \$25,000,000

Head Office—HONG KONG

Chief Manager—Hon. Mr. A. G. STEPHEN.

BRANCHES AND AGENCIES:

Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Chefoo, Colombo, Dairen (Dairen), Foochow, Haiphong, Hankow, Harbin, Hongkong, Kailashan, Ipoh, Johore, Kobe (Hio), Kuala Lumpur, London, Lyons, Malacca, Manila, Nagasaki, New York, Peking, Penang, Rangoon, Saigon, San Francisco, Shanghai, Singapore, Sourabaya, Sungei Patai, Tientsin, Tsingtau, Vladivostok, Yokohama.

COMMITTEE IN LONDON:

SIR CHARLES ADDIS, K.C.M.G., Chairman.

Hon. Cecil Baring, C.A. Campbell.

David Landale, Sir George Macdonogh.

Sir George Sutherland, K.C.B., K.C.M.G.

A. M. Townsend, C. F. Whigham.

MANAGERS IN LONDON:

SIR NEWTON J. STABB, H. D. C. JONES

Sub-Manager, E. W. Townsend.

Accountant, A. Moncur.

9, GRACECHURCH STREET, LONDON, E.C.3.

BANCO DE CHILE.

London Agency—

94 GRACECHURCH STREET, E.C.

Chilian Dollars.

Paid-up Capital ... 100,000,000

Reserve Fund ... 50,000,000

Reserve Liability of Shareholders ... 100,000,000

Reserve Fund in Gold of 184 = \$1,000,000 13,333,333

Head Office: Santiago and Valparaiso.

Branches in all parts of Chile.

The London Agency transacts every class of Banking Business with Chile. Current accounts also opened and deposits received.

THE BANK OF NOVA SCOTIA

Established 1892.

General Office—Toronto, Canada.

Paid-up Capital - \$10,000,000

Reserve Fund - \$19,500,000

Total Assets over \$220,000,000

Special facilities are available to the public through the branches of this Bank for the transaction of business with Canada, Newfoundland, Cuba, Porto Rico, Dominican Republic, Jamaica and the United States at Boston, Chicago, and New York. 321 Branches in all.

London Branch:

55, OLD BROAD STREET, E.C.2

E. C. MACLEOD, Manager.

NEDERLANDSCH-INDISCHE ESCOMPTO MAATSCHAPPIJ

Established 1857

Capital ... Fls. 50,000,000.-

Issued and fully paid up - Fls. 47,000,000.-

Reserves ... Fls. 12,000,000.-

Head Office: BATAVIA (Java)

Branches in the Dutch East Indies:

Bandoeng, Menado, Sourabaya,

Cheribon, Padang, Simbang,

Djoecarta, Palembang, Tegal,

Macassar, Samarang, Weltevreden,

Medan, Sourabaya

Branches in Europe: Amsterdam, The Hague.

Banking business of every description transacted, especially with the Dutch East Indies.

THE ANGLO-EGYPTIAN BANK LTD.

Affiliated with Barclays Bank, Ltd.

SUBSCRIBED CAPITAL, £1,800,000.

PAID-UP...£800,000 [RESERVE FUND...£720,000]

BRANCHES—EGYPT: Alexandria, Cairo, Port

Said, Suez, Tantah, Zagazig, Mansourah, Assiut,

Beni-Suef, Minieh, Sudan: Makwar, Omdurman,

Khartoum, Port Sudan, Wad Medani, PALESTINE: Haifa, Jaffa, Jerusalem, Ramallah,

Nazareth, MEXICO: MEXICO CITY, Malia, Gibraltar.

The Bank transacts every description of Banking business in Egypt, grants Letters of Credit, and

affords facilities to travellers proceeding to Egypt and elsewhere.

Deposits received for fixed periods at rates to be obtained on application. Interest payable February 28th and August 1st.

On current accounts interest at the rate of 2 per cent. per annum allowed on minimum monthly balances, provided they do not fall below the sum of £200.

87 to 89 King William street, London, E.C.4.

BANK OF LONDON & SOUTH AMERICA LTD.

(Formerly The London and River Plate Bank, Limited)

with which is amalgamated

The London and Brazilian Bank, Limited.

Established 1826.

Paid-up Capital and Reserve Fund ... £7,140,000

Head Office: 7, Princes Street, London, E.C.2.

Registered Office: 7, Tokenhouse Yard, London, E.C.2

Agencies at: Manchester: 96 Charlotte St. 86 Cross St.

Affiliated with LLOYDS BANK LTD.

ESTABLISHED AT

ARGENTINA: Buenos Aires and Sub-Branches,

Bahia Blanca, Concordia, Cordoba, Mendoza,

Parana, Rosario, Tucuman

BRASIL: Rio de Janeiro, Bahia, Ceara, Curitiba,

Macao, Manaus, Maranhao, Para, P. lotas, Pernambuco,

Porto Alegre, Rio Grande do Sul, Santos,

Sao Paulo, Victoria.

URUGUAY: Montevideo, Calle Rio Negro (Montevideo), Paysandu, Rivera, Salto.

CHILE: Valparaiso, Santiago, Antofagasta.

COLOMBIA: Bogota, Manizales, Medellin.

PARAGUAY: Asuncion.

BELGIUM: Antwerp.

FRANCE: Paris.

PORTUGAL: Lisbon, Oporto.

U.S. AMERICA: New York.

AGENTS THROUGHOUT THE WORLD.

Letters of Credit, Drafts and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection. Terms ascertainable on application.

ARTHUR WILLIS, Manager.

NATIONAL BANK OF NEW ZEALAND, LIMITED.

HEAD OFFICE—8 MOORGATE, E.C.2.

AUTHORISED CAPITAL ... £4,500,000

SUBSCRIBED CAPITAL ... £3,750,000

PAID UP CAPITAL ... £1,250,000

RESERVE FUND ... £1,250,000

UNPAID CAPITAL ... £2,500,000

The Bank issues Drafts and Letters of Credit, makes Telegraphic Transfers, negotiates and collects Bills of Exchange, receives Deposits of £50 and upwards for 1 or 2 years at 4½ per annum.

THE FIRST NATIONAL BANK OF BOSTON

BOSTON, MASS., U.S.A.

70 Federal Street.

BUENOS AYRES: HAVANA:

501 Bartolome Mitre. Pedro Gomez Mena Bldg.

Foreign exchange orders executed in the New York Market for banking correspondents abroad. Commercial banking business of all descriptions transacted.

Special Representative:

24, OLD BROAD STREET, LONDON.

THE WESTERN AUSTRALIAN BANK.

Established 1841.

Subscribed Capital £378,000 0 0

Paid-up Capital £378,000 0 0

Reserve Fund £813,000 0 0

Reserved Profits £31,144 16 8

Reserved Liability of Shareholders, £378,000.

Drafts issued, Remittances cable, Bills negotiated or collected, Deposits received for fixed periods at rates to be ascertained on application, and all banking and exchange business connected with Western Australia conducted through the London Agents, The Bank of Adelaide, 11 Leadenhall street, E.C.3.

BANK OF NEW SOUTH WALES

Established 1817.

LONDON OFFICE—28 Threadneedle-street, E.C.3

Paid-up Capital £6,000,000

Reserve Fund 8,000,000

Reserve Liability of Proprietors 5,000,000

Aggregate Assets to 30th Sept., 1923 £76,030,424 5 7

The London Office issues drafts on demand on its Head Office (Sydney, N.S.W.) and Branches in all the Australian States, New Zealand, Fiji and Papua.

Makes Mail and Cable Transfers, Negotiates and Collects Bills of Exchange, Arranges

Wool and other Produce Credits, Receives Deposits for fixed periods on terms which may be known on application; and conducts every description of Australian Banking Business.

J. S. CAMPBELL, Manager.

ENGLISH SCOTTISH AND AUSTRALIAN BANK, Ltd.

Head Office: 5 Gracechurch street, E.C.3.

Authorized Capital £8,000,000

Subscribed Capital 5,000,000

Paid-up Capital 1,000,000

Further Liability of Proprietors 1,500,000

Reserve Fund 1,620,000

Letters of Credit and Drafts on the

Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.

Remittances made by Telegraphic Transfer, Bills Negotiated or forwarded for Collection, Banking and Exchange business of every description transacted with Australia.

E. M. JANION, Manager.

NATIONAL BANK OF EGYPT.

Head Office - CAIRO.

FULLY PAID CAPITAL - £3,000,000

RESERVE FUND - £2,250,000

London Agency:

6 and 7 King William street, E.C.4.

Branches in all the Principal Towns in EGYPT and the SUDAN.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCVIII.

SATURDAY, FEBRUARY 9, 1924.

No. 4,198.

THE SCOTTISH PROVIDENT INSTITUTION

UNDER ITS
DISTINCTIVE SYSTEM
OF MUTUAL LIFE ASSURANCE
ISSUES

THE BEST POLICY
FOR A
BUSINESS MAN

FUNDS - - - £17,500,000

HEAD OFFICE - - - EDINBURGH.
LONDON: 3, Lombard Street, E.C.3; 17, Pall Mall, S.W.1.

BANCO NACIONAL ULTRAMARINO.

(National Overseas Bank.)

STATE BANK OF THE PORTUGUESE COLONIES.

Head Office: LISBON. Established 1884.

Capital (paid up):

Esc. 24,000,000

Reserve Funds:

Esc. 30,200,000

Branches as Under.

88 offices in Portugal.

24 " " East and West Africa.

5 " " Brazil.

5 " " India and China.

Also branches in Azores, Madeira, Belgian Congo and Timor.

New York Agency—98, Liberty street.

Paris Office—8, Rue du Halder.

London Office—8, Bishopsgate, E.C.3.

BANCA COMMERCIALE ITALIANA.

Capital, Authorised ... Lire 400,000,000

Capital, Paid Up ... " 348,788,000

Reserve ... " 180,000,000

Deposits ... " 5,472,000,000

Head Office - MILAN.

BRANCHES THROUGHOUT ITALY

Agencies in NEW YORK and CONSTANTINOPLE.

Auxiliaries:

BANCA COMMERCIALE ITALIANA (France), Marseilles, Nice, &c.

BANCA COMMERCIALE ITALIANA & BULGARA, Sofia.

BANCA COMMERCIALE ITALIANA & RUMENA, Bucharest.

London Office - 30a, THREADNEEDLE STREET, E.C.2.

Manager: E. CONSOLO.

Deputy Managers: R. B. HANDLEY, R. HIBBERD, F. SAROLI.

CORRESPONDENTS TO THE ROYAL ITALIAN TREASURY

Every description of Banking business transacted.

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money was concerned, on nearly every day of the week, and but for some "special" buying of Treasury bills, doubtless to take the place of the War Bonds, the market would probably have had to borrow from the Bank. Last week's Treasury bills have not been saleable at a profit to allottees, and the three months' Bank bill rate has been forced up to a minimum of $3\frac{1}{2}$ per cent. That more comfortable conditions are expected to prevail when the revenue collections are less important, however, is indicated by the fact that longer-dated paper has not hardened proportionately, the six months' bill being taken at about $3\frac{3}{8}$ per cent.

	Feb. 8, 1924.	Feb. 1, 1924.	Jan. 25, 1924.	Jan. 11, 1924.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$1\frac{1}{2}$ (Jly. 5, '23)
Market rate (3 months' bills)	$3\frac{3}{8}$	$3\frac{3}{8}$	$3\frac{3}{8}$	$3\frac{3}{8}$	..

The Bank return showed a return of notes from circulation to an amount of £652,800, after the expansion of more than twice that sum in the previous week, and with a further small addition to the bullion, the Reserve was increased by £654,900. Repayments to the Bank have continued on both Government and private account, as reflected in declines of £1,625,000 in Government securities and of £504,300 in Other securities, while on the other side Public deposits were £447,100 lower, and Private deposits were down by £1,091,600. Hence the movements were remarkably small, in view of the fact that about £28,000,000 was disbursed by the Government during the week in respect of interest and maturing National War bonds, and the Bank's Proportion was 0.7 higher at 18.2 per cent. But it may be noted that the Reserve is some £2,500,000 below the figure at which it stood a year ago. There was a reduction of £58,900 in currency notes outstanding this week to £279,844,800, which includes £1,421,700 for notes called in but not yet cancelled. The fiduciary issue is £228,973,100, or £19,217,800 below the maximum.

THE STOCK MARKETS.

Stock Exchange markets, after three weeks of briskly rising prices, have come to a point at which there is a decided tendency for prices to halt. Tighter money and expectations of heavy new issues in the near future have caused reaction in gilt-edged stocks and Home Railway prior charges. Reports of the new Japanese loan speak of 6 per cents. at 92, the amount being £60 millions, of which half will be issued here and half in the United States. Foreign bonds have been active, but Home Rails have been inclined to react in sympathy with the Consol market, and on fears of further strikes. Rubbers have shown some improvement, while the oil market has been the most active section, the public buying heavily on the rise in petrol. Prices, however, have reacted on profit-taking. Banking, insurance, and shipping shares have been in demand; interest in the mining market has been centred in the Canadian silver group.

THE COMMODITY MARKETS.

An upward movement in prices can be discerned in the commodity markets. Business on the Cardiff coal market has been fairly active during the week, and prices have been firm. Makers of pig-iron reduced prices in face of foreign competition. Steel works are fairly active, but new business is not plentiful. Non-ferrous metals were higher, with tin, as usual, leading the way. Sugar prices have advanced all round; American interests dominate the situation owing to the extremely slow movement of European beet crops. Wheat continues to experience an active market, and prices went forward. In the cotton trade, while inquiry has been fairly extensive, buyers are not inclined to place contracts of importance. A steady trade in wool is reported by our Bradford correspondent; the high price of wool, on the one hand and "the unwill-

lingness of users to pay prices based on the cost of the raw material" on the other, creates a difficult situation. The hide market remains firm, and oilseeds improved. Other details of markets and prices will be found on later pages from our special trade correspondents.

FOREIGN EXCHANGES.

In the foreign exchange market business has been relatively quiet, the chief feature being the strength of sterling at its new level. From \$4.32 on the 1st the rate rose to just over \$4.35 at one time on Saturday last, and though it has not been able to maintain this figure, having moved between it and \$4.30, it has become quietly firmer towards the end of the week, standing yesterday morning at \$4.32 $\frac{1}{2}$. Forward rates have narrowed very slightly to about $\frac{1}{2}$ cent per month above spot. On the whole, the feeling of confidence continues, and there would seem no reason for the time why sterling should not continue quietly to improve. From 92 on the 1st, the Paris rate has been steadier than of late, but, on the whole, shows an upward tendency, the further increase in note circulation, the debate in the Chamber on the new financial measures, and a less optimistic attitude towards the probable findings of the Reparation Committee not being calculated to increase confidence. By yesterday morning, the rate had again reached 93.35. During the same period the Belgian franc has moved from 104.5 to 105.55. In Paris, forward quotations have widened again by 4 centimes to 22 centimes per month above spot. In Brussels they have moved from 6 to 1 centime per month below. Italy has been steadier again, having on the week improved from 99 $\frac{1}{2}$ to 98 $\frac{1}{2}$. The German mark, after being stationary as before during the whole week at 18 billion, rose suddenly on Friday morning to as high as 21. At the time of writing no explanation for this movement has yet appeared. Among neutral currencies, Amsterdam, after being higher, ends the week at 11.50 $\frac{1}{2}$, the same rate as on the 1st, while Switzerland is also little changed at 24.80. Madrid has continued to depreciate, and stands at 33.74 $\frac{1}{2}$, as compared with 33.66 $\frac{1}{2}$ a week ago. In Scandinavia, Stockholm has moved in our favour from 16.37 $\frac{1}{2}$ to 16.45 $\frac{1}{2}$, and Christiania from 30.92 $\frac{1}{2}$ to 32.15 $\frac{1}{2}$. Copenhagen, however, shows an improvement from 26.51 $\frac{1}{2}$ to 26.45 $\frac{1}{2}$, after moving somewhat erratically above and below this figure. Helsingfors, after its recent improvement, has moved up again from 171 $\frac{1}{2}$ to 172 $\frac{1}{2}$. In Central Europe Vienna has reflected the general improvement in sterling by moving from 303,500 to 308,000, and Warsaw shows a slight improvement at 37 million marks. Prague has moved against us from 149 $\frac{1}{2}$ to 148 $\frac{1}{2}$, while Bucharest is steady at 845. In the East the rupee has depreciated rather sharply from 15 $\frac{5}{8}$ d to 14 $\frac{1}{8}$ d, while the yen has moved from 25 $\frac{1}{8}$ d to 25 $\frac{1}{16}$ d, after dropping sharply and then recovering earlier in the week. With the beginning of the Chinese New Year the silver market has been very quiet, with slightly falling prices. Hong Kong is $\frac{1}{4}$ d cheaper at 2s 3 $\frac{3}{4}$ d. In South America, Rio shows a distinct improvement at 6 21-32d, as compared with 6 13-32d a week ago, and Buenos Ayres has also moved up from 41 $\frac{1}{8}$ d to 42 $\frac{1}{8}$ d. Montevideo, on the other hand, has depreciated slightly from 44d to 43 $\frac{1}{2}$ d, and Valparaiso from 40.80 to 41.80 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended February 2nd:—

(000's omitted.)			
EXPENDITURE.	£	RECEIPTS.	£
Supply Services	5,551	From Revenue	20,862
Interest, &c., on Debt	8,768		
Sinking Fund	1,000		
Sundries	298		
Reduction of Debt	5,228		
Increase in balances	17		
	20,862		20,862

Revenue is lower for the week ending February 2nd at £20,862,000, compared with last year at £23,108,000. Customs receipts reached £2,327,000, against £1,759,000, Excise being only £18,000 higher at £987,000. Property and Income-tax yielded £11,108,000, and Super-tax £1,630,000, against a combined total of £15,698,000. Post Office receipts were £250,000 higher at £1,500,000. Ordinary receipts yielded £500,668,

against nil, while Special receipts were lower at £1,066,000, against £1,800,000. The week's operations reduced the National Debt by £5,228,000, and caused the following changes:—

(000's omitted.)			
	£		£
Bank of England	+ 4,750	Treasury Bills	3,588
Public Departments	+ 12,250	Saving Certificates	200
Sundries	+ 331	Telegraph Money	400
		Exchequer Bonds	25
		National War Bonds	18,346
	+ 17,331		— 22,559

The floating debt was increased by £13,420,000 to £839,960,500.

FINANCIAL YEAR, 1923-24 (April 1 to February 2, 1924).

£		£	
Total Expenditure ..	652,750,885	Raised by Revenue ..	631,537,877
		Net Borrowings	17,715,098
		Decrease in Balances ..	3,497,910
Total	652,750,885	Total	652,750,885

ESTIMATES FOR YEAR 1923-24.

£		£	
Ordinary Expenditure ..	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Lloyds Bank, Gas Light and Coke Company, Sterling Trust, Power Securities Corporation, and Apex (Trinidad) Oilfields. The speech of Mr Beaumont Pease at the meeting of Lloyds Bank is referred to under "Notes of the Week." Mr D. Milne Watson, at the meeting of the Gas Light and Coke Company, announced a record sale of gas. Mr George Balfour, at the meeting of Power Securities Corporation, claimed that since its inception in 1922 the company had already justified its existence. At the meeting of the Sterling Trust, Baron Emile B. d'Erlanger reported a satisfactory increase in their returns from American railway holdings. Mr Walter MacLachlan, at the meeting of the Apex (Trinidad) Oilfields, stated that everything pointed to the upward tendency of prices being maintained.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

NEW MEN AND OLD TASKS.

In his farewell speech in the House of Commons on the night that his Government fell, Mr Baldwin said: "If we are defeated to-night, we leave for our successors no outstanding problems"—a statement which he qualified by three exceptions, namely, reparations, Anglo-French relations, and unemployment. Those, in all conscience, are three large enough exceptions to satisfy the ambitions of any incoming Government. But the activities of various Ministers during their fortnight of initiation into their respective departments already make it quite clear that, before the session which opens on Tuesday is very old, a very much longer list of "outstanding" problems will engage the attention both of Ministers and the House of Commons. To take Mr Baldwin's three exceptions first, Mr MacDonald has made a good start by striking the right note in a personal letter to M. Poincaré. We discussed at some length last week the main aspects of the problem of Anglo-French relations, and indicated the essential points of what we regard as the proper method of approaching it. We do not propose to cover that ground again, except to repeat the warning that the new Government should avoid any action likely to drive French opinion to the Right before the impending general elec-

tion. It is to be hoped that recognition of this necessity will guide Mr MacDonald in his efforts to translate into action his expressed determination that Great Britain should forsake her recent attitude of impotent spectator of Continental developments. On the whole, Paris appears to be adopting a non-committal attitude towards the prospects of the line of action of the new British Government, and there are reasons for thinking that the atmosphere is decidedly more favourable for a wise attempt at settlement of the outstanding differences between the two countries than when Mr Bonar Law tried and failed a year ago. Even the unfortunate Lloyd George "interview" seems to have been turned to good account by Mr MacDonald's prompt repudiation. As regards unemployment, the silence that surrounds the Government's plans at least suggests that there is to be no hasty leap into ill-considered or grandiose schemes.

Of other problems, which Mr Baldwin did not include in his list of exceptions, many are already attaining a new prominence, such, for instance, as the recognition of Soviet Russia, housing policy, and the Irish boundary question. Accompanying the Note of recognition to Moscow was an invitation to the Soviet Government to send representatives to London to "conclude definite practical agreements on a variety of matters." Until this conference has taken place, it is impossible to say whether concrete results will follow. But as evidence of the ramifications of effect of action of this kind, it may be mentioned that Signor Mussolini has strongly criticised Mr MacDonald for stealing a march on Italy, while Mexico, seeing Moscow "recognised," demands recognition as a condition of the resumption of the negotiations which broke down in the autumn. The Irish boundary question is another difficult legacy, to attempt the solution of which the new Premier has summoned a conference, which has already been sitting for a week in London. Housing, again, is a problem on which the Cabinet is apparently designing a big offensive. This by itself is a tolerably formidable list. But over the whole political situation hangs the menace of a great transport strike, which, as our Labour correspondent points out in a subsequent article, threatens more serious danger to the Government than any outside forces. Amid such a welter of problems, it is easy to forget that finance and the preparation of the Budget are the heavy tasks of the session, in connection with which the new Chancellor, Mr Philip Snowden, is credited with various projects; that the problem of agriculture is bound to rear its head; that, among other questions of first-rate importance, that of the preference offers made by Mr Baldwin at the recent Imperial Conference will be submitted to the judgment of the House of Commons; and that storm-clouds, like that of Mr Wheatley's Poplar decision, are floating about the horizon.

This rich crop of first-rate questions (to mention no others) would, even under political conditions to which we have been accustomed, vest the immediate Parliamentary future with exceptional interest. As it is, that interest is, of course, increased ten-fold, for the two reasons that a Labour Government is in office for the first time, and that a new experiment is to be made in the rule of a minority Government in a House where no Party has a majority. Since, as we believe, the three-Party system has come to stay, the early working of this experiment is fraught with profound importance. How smooth or rough the working of the new system will be, it serves no purpose to prophesy. It will presumably reveal difficulties and drawbacks. But, on the other hand, some important advantages are certain. The prestige of the Commons as against that of the Cabinet will of necessity be reasserted—a welcome and overdue return to the old constitutional balance; and this readjustment of power will lend to the proceedings of the House a greater reality and a greatly enhanced importance in the public eye. The position inside the House itself will severely test the tact and ability of Mr MacDonald and his colleagues. But in approaching the task they have several strong assets. One is the very clear desire of the country that they should be given a fair chance, free from any kind of purely political obstruction. A second is the known unwillingness of all parties for another appeal to the country, and the absence of desire for another disturbing change of horses in the near future. A third is the absence of the

past blunders, promises, and assertions of administrative policy which the other Parties have to face. A clean office slate is an invaluable Parliamentary asset; and another, which Mr. MacDonald will also possess, is that of a Treasury Bench that may well prove itself to be above the average in debating power. With such assets, and in an atmosphere of not unfriendly public expectancy, the first Labour Government will face its delicate Parliamentary task under far more favourable auspices than appeared possible a few weeks ago.

WOODROW WILSON.

THERE is nothing perfunctory about the sympathy which the people of Britain extend to the people of the United States on the death of ex-President Wilson. It springs from sincere emotion; for Britain and all Europe is still living in the dark shadow cast by the tragedy of his fall from dizzy heights of world influence. The news of his passing brings vividly to the mind of the British citizen the memory of those historic moments, when Mr Wilson stirred to their depths the great elemental feelings of war-stressed human hearts; first, hope, faith, conscience, belief in the triumph of justice and the establishment of righteous peace—and then the bitterness of catastrophic disappointment. The picture of Woodrow Wilson which is impressed upon the mind of the average British man and woman is that of the man who in the darkest days brought a cup of salvation to their very lips, only to allow it to be dashed to the ground as dramatically as in Milton's masque the poisoned cup of Comus was at the last second dashed from the lips of the Lady. Some will recall, no doubt, the irritation and the impatience with which his neutrality policy was watched by nations, who in the struggle and passion of war could not grasp the niceties of the American political position, and seized with scorn upon such phrases as "too proud to fight." But more universal is the memory of the stirring oratory with which he eventually threw down the gauntlet to Germany, and brought his country united and ardent into the struggle. The promise of unstinted support of men and material gave certainty to the struggling belief in victory for the Allied cause; but even more vital was the personal service which the ex-President himself performed in rallying to the Allies the moral support of the world. It was he who in 1917 impressed upon the neutral nations, with a success which British and French statesmen could not hope to achieve, the picture of the war as a struggle of right against might. It was he who with classic phrase, backed by the authority of recent re-election as the mouthpiece of America, lifted the struggle on to a higher plane, and defined in terms that appealed to the conscience of the world the peace for which America and the Allies were fighting. And when the war drew to its close, the hopes of mankind were concentrated on the achievement of a "Wilson peace." This phrase, on everyone's lips in those days, proclaims the predominance of the man.

The "fourteen points," the "five conditions," and the plans for a League of Nations having been laid down, accepted and acclaimed, Mr Wilson himself went to Paris to play the chief part in working out his new charter of peace. And here tragedy began. It is easy now to see that by the time the President embarked upon the *George Washington* to cross the Atlantic his failure was almost certain. In the Europe to which he came war-passion had given birth to *idées fixes*, which, if conducive to efficiency in war conduct, were obviously obstructive to liberal efforts for the restoration of real peace. There was a lassitude, too, which prevented Europe from throwing off these *idées fixes* sufficiently to embrace in practice Mr Wilson's saving ideals. The European field was cultivated to produce as its harvest a peace of bitterness and revenge; the wheat, which other statesmen went to Paris to grow, was President Wilson's tares.

Meanwhile the President, while, ill-equipped and ill-prepared, he fought his losing battle in the Council of Four, had left behind him a neglected field in America; and since, at the date of the Armistice, America was only

a novice in the war, she was still in the high tide of that passion which in England and France and Italy and Germany had begun already to ebb as early as 1915. Even before the United States became a belligerent, it is improbable that the majority of her citizens understood, and still less probable that they agreed with, their President's international policy. In any nation, however enlightened or however free from temptation, the idealist's following is usually small. But as soon as America became involved in the fighting, the divergence of view between President and people grew rapidly wider. The American President, being an exceptional man, saw America's intervention in the war as a miraculous opportunity for alleviating the immemorial ills of the human race. The American people, in their average normality, reacted as every great nation always does react to the first phase of a great war (and the first phase was all that America had tasted before the Armistice cut her experience short). They were stampeded, as other countries had been, by passion, and from the moment that they suspected their leader of guiding them whither they would not go, they yielded with little thought of the consequences to the herd-instinct which bade them bear him down and trample upon him for his presumption.

The President's quarrel with his countrymen paralysed him in his struggle with the forces of darkness in Europe; but, of course, in this quarrel, the fault, as everyone knows, was to a considerable extent on Wilson's side, for the evil as well as the noble inspirations of the war had by this time forced an entrance into his soul. One of the most sinister effects of war is the concentration of abnormally great power in abnormally few hands, and few men are strong enough to stand the strain of this unearned investiture with omnipotence. Wilson himself was not left unscathed by it, and it may well be the judgment of history that the most formidable of his three enemies was, after all, himself. His self-defeat went hand in hand with his defeat by external obstacles and opponents. As the conference wore on, he became more unapproachable, more autocratic, more unable to distinguish between his policy and his personal feelings—in short, more inhuman and therefore more incapable of dealing with his fellow-men. By that time the Devil's anxieties were really over, for the issue of Wilson's battle was no longer in doubt. Having failed to achieve peace without victory, he soon became a stalking-horse for his European colleagues in their less unsuccessful endeavours to achieve victory without peace.

Many no doubt in America and a few on this side of the Atlantic will remember minor, but striking, episodes in his meteoric career; the Governorship of New Jersey, his fearless conduct whereof brought him as a protagonist on the larger political stage; his policy of revision of the tariff in the direction of Free Trade; his much criticised Mexico policy; his smoothing out of the friction aroused by Panama Canal controversies; his fight for cleaner political and business life, and the revision of the financial system of America as represented by the establishment of the Federal Reserve system. But to the historian all else will necessarily be eclipsed by his domination of world politics in one of the crises of history. In this week, as we stand by his graveside, let us believe that the healing lapse of time and the pathos of his later days will gradually expunge the bitter recollections of the failure and brighten the memory of a grand flash of a courageous idealism across the face of a darkened world. Let us believe, too, that the driving force of Mr Wilson's work for world peace and justice outlives his failure and death, and will continue, though unseen, to inspire the efforts of all who work to make the world a safer and a better place.

LABOUR AND THE THREATENED DOCK STRIKE.

(BY OUR LABOUR CORRESPONDENT.)

AFTER a fortnight in office, it is pretty clear that it is not from without that danger threatens the Labour Government, so much as from within. The City is hopeful: business is friendly, the Press is almost fatuously affable. Everywhere, apprehension has given place to confidence. The month during which Mr Baldwin hung on to office,

whatever be the objections to his conduct on other scores, at least enabled the nerves of the country to be quietened, and the prospect of Labour in power to lose its terrors. Such evidence as has, so far, been afforded of the methods of the Government, has been thoroughly reassuring. A Ministry of hard work is in the saddle, and a Prime Minister of courage and good sense. There are substantial signs of reviving trade. The day may be in sight when ordinary folk will speak of the Government with respect, instead of with the contempt which was becoming habitual.

At the same time, it is admitted, inside the movement as well as outside, that the whole of this fair prospect may be blasted, not by the reactionaries, but by the workers whom the Government, in the first instance, represents. The votes of four million trade unionists put them in office; the action of less than a million of these may easily upset them. The locomotive strike, actually launched when they took over, was bad enough; a dock strike would be infinitely worse. The price of the former was paid, in the main, by other workers—notably by the miners—the price of the second, if it came off, would be incalculable. It would then be no question of retarding the recovery of trade, and causing temporary inconvenience. In saying this, it is not forgotten that it requires two parties to make a strike, and that responsibility must be divided between employers and employed. But, in the present case, the issue for the workers as a whole, and for each section of them, is much bigger than that of the immediate wages conditions of any section. There is involved, in their patience or impatience, the whole prospect not only of this Government, but of Labour government; and, here and now, the question whether confidence in it, assuredly now present and growing daily, is to be gradually translated into terms of definite economic revival. Therefore if the dockers, or any other body of workers, say, in effect, that "grievances must precede supply," they will kill the goose that might lay golden eggs for them and their comrades in other industries. They have got to decide whether, having achieved, as part of an organised movement, a tremendous measure of political success, they are going to give the political method a chance, to give it time to be tried in action; or, at a time when industrial action can hardly assist, but may destroy all that has been won politically, to revert to the industrial method. It is an incident of political success that it, for the time being, deprives the industrial side of the limelight. However strong the arguments for a strike, in ordinary times, they do not apply now, against the overwhelming importance of giving Labour's first Government a chance. Just because it is a Labour Government the appeal must be addressed to the workers rather than to the employers.

This argument applies even if it is admitted that the dockers have grievances—and no one who knows their conditions will deny that. It remains true, even if the whole of their case is admitted to be both just and relevant. To one particular part of their demand—that for a guaranteed week—it applies with particular force. There is a Bill already drafted, and to be introduced to this Parliament, with that object in view. The measure is one certain to excite a large degree of sympathy, even outside the Party. Surely it is worth their while to wait and see what can be done by those means. True, the guaranteed week is only part of their present demand, and no measure short of decasualisation will remove all their genuine grievances. But on the other specific issues it seems possible that the negotiations now going on will effect a temporary settlement. The men ask to have the daily minimum raised by 2s (i.e., to have the minimum daily wage at large ports 12s, and at small 11s, instead of, as at present, 10s and 9s respectively), with a proportionate increase for workers on piecework; and to have the differential rates (above the minimum) revised.

Conditions of employment in the industry for which the Transport and General Workers' Union, in the main, claims to speak—the stevedores' case is a little different—have, since 1920, been governed by the report of the

court of inquiry presided over by Lord Shaw. Lord Shaw's committee recommended the establishment of a 44-hour week, a standard minimum wage, based on a half-day instead of an hourly rate, with certain rates of differential pay above that minimum, and, in addition, certain measures of decasualisation. So far as hours and wages went, the report was accepted for the industry, in which the Port of London Authority is the most important but by no means the sole employer. The original minimum rates were fixed at a time when the cost of living index stood very high; in 1920, of course, it reached a peak of 275. By the end of 1922 the index had fallen nearly 100 points. In September of that year a revision was accepted by the Transport and General Workers' Union. Included in the revised agreement was an understanding that, if and when the cost of living figure moved down 10 points, a shilling should come off wages. Since 1922, the men have, under this arrangement, lost 2s., the second shilling being taken off last summer, when the index stood at 169. But although Mr. Bevin has used the fact that the cost of living figure has, since, gone up again by 8 points, and in January stood at 177, the union leaders do not want a sliding scale—after the experience of the unofficial strike of last summer it would be strange if they did. The delegate conference which drew up the present claim decided that any future agreement should have no reference to the cost of living figure. In this they voiced a growing feeling throughout the movement against tying wages to the index.

The unions' demands were presented to the employers on January 16th. Without any discussion, Lord Devonport rejected them, out of hand. The Transport Union retorted by threatening to call their men out on February 16th. On January 30th, the National Council of Port Labour Employers (Lord Devonport being then on his way to South Africa) agreed to a further conference with the union, or rather unions, since several other minor ones are involved. It is, to say the least, regrettable that this reasonable attitude was not taken up in the first instance. The contemptuous rejection of the men's demands by Lord Devonport has roused deep feeling throughout the Labour ranks, precipitated the undertaking, given by Mr Cramp on behalf of the N.U.R., to stand by sympathetically, i.e., to refuse to handle goods, and incurred, for the employers generally, a large share of responsibility for evil consequences that may come. Now, discussions are going on, of which the tone is reported to be hopeful. But, at the same time, the sands are running out. It is true that there remains, even if these discussions fail, the possibility of mediation by the General Council of the Trades Union Congress, which, in the end, proved successful in the locomotive strike. But they will, at best, have to come in at the eleventh hour, and the eleventh hour is more dangerous with a loosely organised body of workers than with one so skilled and disciplined as the A.S.L.E. and F.

As to the issue, it does not seem as though, with good will on both sides, it ought to be insoluble. The men's grievances are real enough; moreover, the burden of unemployment has, for years, been heavy on dockland. In December there were still 22.5 per cent. of insurable workers in the canal, river, harbour and dock service on the unemployed registers. It is true that this figure is a little better than that for November—24.5 per cent.—but it is gloomy enough. Housing and general living conditions are miserable, the conditions of work hard and demoralising. The workers feel, not without justice, that they have been asked to bear more than their share of the burden of the slump. They know that shippers did extraordinarily well out of the war; they believe that their profits are still much higher than they will admit. Although the leaders may denounce the sliding scale, the average docker feels that it is too bad that he should suffer a reduction when prices, so he is told—he does not feel it—go down, and yet recover nothing when they go up again. He is sick of being told to "wait till trade revives." He is utterly sceptical when it is suggested that any rise in his wages will send up the cost to the consumer, including himself. Profits could very well bear a 2s rise for him. So he believes. As to wages, a five-day week is uncommon, a three-day common.

THE PRICE OF NEW CAPITAL.

IN the *Economist* of December 29th last we set out our own figures of the amount of new capital applications in the London market in 1923, and analysed both the purposes for which the borrowings were transacted and the countries for which the proceeds were destined. We propose now to turn to another aspect of the new capital market, and to show the forms in which the new capital was raised and the average rates of interest offered on the classes of securities for which a definite percentage of yield is calculable. An analysis of the classes of public issues in London in the years 1913, 1920, 1921, 1922, and 1923 reads as follows:—

PUBLIC ISSUES OF CAPITAL IN LONDON.

	Year 1913.	Year 1920.	Year 1921.	Year 1922.	Year 1923.
Debtentures, bonds, &c.	£ 139,920,400	£ 154,184,300	£ 347,517,400	£ 526,730,900	£ 232,402,800
Preference stocks and shares. .	22,955,600	78,235,100	21,045,300	30,807,800	15,777,800
Ordinary stocks and shares. . .	33,661,300	155,130,200	20,415,500	16,136,500	23,212,600
Total	196,537,300	367,549,600	388,978,200	573,675,200	271,393,200

Loans by Governments and municipalities at home and abroad in 1923 amounted to £178.1 millions, as against £462 millions in 1922 (the reduction being accounted for by a large decrease in British Government borrowings), leaving £93.3 millions for other purposes, as compared with £111.5 millions in 1922. If the Government and municipal borrowings be deducted, then the remaining total raised in the form of debentures, stocks, or bonds was £54.3 millions last year, as compared with £64.2 millions in 1922. There was also, as will be seen above, a striking decline in preference issues, but some increase in offerings of ordinary shares. The next table shows the form in which various classes of borrowers raised their capital:—

NATURE OF CAPITAL OFFERED ON THE LONDON MONEY MARKET.

	1922.	1923.			
	Total.	Ordinary Stocks or Shares.	Preference Stocks or Shares.	Deben- tures, Stocks, Bonds, &c.	Total.
	£	£	£	£	£
British Government Loans . . .	369,628,100	..	..	77,536,300	77,536,300
Colonial Government Loans . .	58,582,300	..	..	69,409,300	69,409,300
Foreign Government Loans . .	14,254,100	..	..	26,461,900	26,461,900
British Corporations, &c. . . .	5,555,300	..	..	..	nil
Colonial Corporations	7,023,600	..	..	4,740,700	4,740,700
Foreign Corporations	7,087,500	..	..	..	..
British Railways	6,522,900	nil	nil	5,849,400	5,849,400
Colonial Railways	..	..	..	1,199,700	1,199,700
Foreign Railways	14,722,200	..	..	5,483,000	5,483,000
Australian Mines	16,500	538,400	..	22,500	550,900
South African Mines	459,200	694,300	..	1,225,000	1,919,300
Other Mines	1,263,500	712,900	50,000	100,000	862,900
Exploration, Financial, &c. . .	7,881,800	4,154,600	382,900	7,675,500	12,130,000
Breweries	784,000	..	241,400	2,462,000	4,866,400
Merchants, Importers, &c. . .	290,000	..	..	..	..
Manufacturing	6,558,800	65,000	2,776,200	8,057,800	10,899,000
Stores and Trading	1,070,500	29,000	970,000	1,028,000	2,027,000
Estates and Land	1,693,200	815,000	2,000	..	817,000
Rubber	960,300	2,273,300	30,000	600,200	2,904,100
Oil	17,165,000	4,569,200	..	150,000	4,719,200
Iron, Coal, Steel, & Engineering	14,046,800	2,782,800	648,700	5,985,100	9,476,600
Electric Light, Power, and Telegraph	4,851,800	1,683,600	358,400	8,412,300	10,464,200
Tramway and Omnibus	588,300	..	..	..	..
Motor Traction and Mfng. . .	..	..	251,000	195,600	446,600
Gas and Water	2,093,300	195,000	57,100	476,300	728,300
Hotels, Theatres, &c.	1,628,900	400	41,600	50,000	92,000
Patents & Proprietary Articles	..	60,000	70,000	7,600	137,600
Docks, Harbours, and Shipping	15,647,200	550,000	..	3,430,000	3,980,000
Banks and Insurance	2,968,700	1,997,500	95,000	..	2,092,500
Miscellaneous	11,195,200	2,061,000	7,633,500	1,884,800	11,579,300
Total	573,675,600	23,212,600	15,777,800	232,402,800	271,393,200

Turning to the rates which borrowers had to pay for their money, we find that the decline, which was so marked in 1922, continued in 1923. Taking Government and municipal stocks and company debentures together, the average rate paid on this entire group was 5.52 per cent. last year, as compared with 5.78 per cent. in 1922. In order to analyse this movement the more clearly, we show first the rates paid by the three classes of Government borrowers in the past two years. Before turning to these and other details, it should be mentioned that all rates of interest are shown "less tax," the rates on "free-of-tax" securities having been converted to the

comparable figure. Profit on redemption is allowed for where necessary:—

BRITISH, COLONIAL, AND FOREIGN GOVERNMENT SECURITIES.
(000's omitted.)

	(a)	British Government Loans.	Colonial Government Loans.	Foreign Government Loans.	Total.
	Year 1913.	Year 1922.	Year 1923.	Year 1922.	Year 1923.
Yielding over—	£	£	£	£	£
3½% to 4%	4,000	..	..	..	..
4% to 4½%	21,329	26,612	..	..	26,612
4½% to 5%	7,863	84,869	58,846	10,177	18,039
5% to 5½%	11,178	84,557	..	17,995	50,695
5½% to 6%	6,675	115,502	..	10,680	..
6% to 6½%	11,392	..	19,730	675	..
6½% to 7%	..	9,518	18,690	..	2,000
7% to 7½%	..	48,570	..	..	2,760
7½% to 8%	..	..	..	9,552	..
8% to 8½%	..	..	..	11,200	11,200
Total	52,437	369,628	77,536	58,582	69,409
Average yield	4.77%	5.59%	5.3%	5.66%	5.06%

† Represents borrowing at over 6%. (a) This total of £52,437,000 represents £26,279,000 on behalf of Colonial Governments, at an average yield of 4.15%, and £26,158,000 on behalf of Foreign Governments, at an average yield of 5.31%.

With regard to the borrowings by the British Government, £58,846,000 represents various Treasury Bond borrowings. Borrowings by National Savings Certificates represent the rest of the total. The rate of interest on Certificates was reduced during the year 1923, with the result that £5,500,000 was borrowed at a cheaper rate than the remaining £13,190,000. In 1922 the average yield on National Savings Certificates was 7.4 per cent., less tax, but in 1923 the average yield on these Certificates was reduced to 6.5 per cent., less tax. In arriving at the less-tax yield for 1923 on National Savings Certificates, we have taken the two tax-free yields of £4 19s 6d and £4 2s 9d respectively, and then added one-third on to each yield for the tax at 5s in the £. The heavier borrowings by Colonial Governments were achieved at a rate more than ½ per cent. below the 1922 average, while foreign Governments benefited even more from rate reduction. The following table shows average rates on borrowings in London by home, colonial, and foreign municipalities, and railways, borrowed in the past two years:—

	Amount Borrowed in Years		Average Yield.	
	1922.	1923.	1922.	1923.
	£	£	%	%
British Municipalities	5,555,300	nil	5.74	..
Colonial Municipalities	7,023,600	4,740,700	5.88	5.45
Foreign Municipalities	7,087,500	nil	6.78	..
British Railways	6,522,900	5,849,400	4.95	4.75
Colonial Railways	nil	1,199,700	..	4.95
Foreign Railways	14,722,200	5,483,000	6.92	6.00

No British municipality came into the London market as a borrower in 1923, but it is worthy of note that in 1920 the average rate paid for money borrowed by British municipalities was 6.24 per cent. and 6.22 per cent. in 1921, but dropped to 5.74 per cent. in 1922. The average rate paid by industrial borrowers who offered debentures fell in 1923 by the comparatively small amount of just under one-third per cent. Details are appended:—

INDUSTRIAL AND COMMERCIAL BONDS, DEBENTURES, &c.

	Year 1913.	Year 1921.	Year 1922.	Year 1923.
Yielding over 3½% to 4%	£ 60,000	..	..	..
" " 4% to 4½%	1,182,000	..	..	..
" " 4½% to 5%	2,582,000	..	..	..
" " 5% to 5½%	6,858,000	..	218,700	4,097,600
" " 5½% to 6%	5,158,000	..	1,291,300	3,652,200
" " 6% to 6½%	9,254,000	..	8,573,000	5,498,600
" " 6½% to 7%	..	..	4,616,300	12,544,200
" " 7% to 7½%	..	1,520,100	13,429,000	2,440,100
" " 7½% to 8%	..	6,920,800	11,009,000	8,287,900
" " 8% to 8½%	..	18,026,400	3,343,800	2,622,200
" " 8½% to 9%	..	7,655,700	789,000	145,500
" " 9% to 9½%	..	3,837,900	337,700	945,500
" " 9½% to 10%	..	1,936,100	236,400	322,500
Total	95,086,000	39,896,000	43,845,600	40,504,400
Average yields	6.5%	6.09%	6.72%	6.4%

† Represents capital yielding over 6 per cent.

In spite of the large decline of the last two years, it will be seen that the average yield offered on new debenture issues

was nearly 1 per cent. higher than in 1913. With regard to the average rate of interest paid for preference stock and share issues during 1923, a lower average rate was paid, amounting, as it did, to 6.59 per cent., which compares with 7.17 per cent. in 1922, 8.39 per cent. in 1921, 8.09 per cent. in 1920, and 5.74 per cent. in 1913.

The final table gives the average Bank rate, the average three months' bill rate, and the rates paid on industrial debentures and on all Government borrowings in 1913, 1920, 1921, 1922, and 1923:—

	Average Bank Rate.	Average 3 Months' Bill Rate.	Average Rate on Issues of Industrial Debentures.	Average Rate Paid by all Government Borrowers.
	%	%	%	%
1913	4 15 5	4 7 5	5.5	4.77
1920	6 16 4	6 7 11	7.92	6.05
1921	6 2 4	5 4 3	8.09	6.49
1922	3 13 10	2 13 0	6.72	5.65
1923	3 9 9	2 14 1	6.4	5.34

The decline exhibited in the last two columns is slightly greater, proportionately, than the fall in average Bank rate. Some explanation of this is provided by the fact that the greatest rush of new issues occurred in the early part of the year, before the Bank rate was raised in July to 4 per cent.

SUGAR IN 1923.

THE course of the sugar market during 1923 was very erratic, and at times some very astonishing factors thrust themselves forward and upset all calculations; but, taking things on the whole, it may be stated that the undertone was remarkably firm. The total imports into this country for the 12 months ended December 31, 1923, were 1,568,298 tons, against 1,908,969 tons in 1922 and 1,283,000 tons in 1921. The apparent home consumption in the same period was 1,470,347 tons, which compares with 1,604,533 tons in the year 1922 and 1,388,900 tons in 1921. The stocks of all sugar at the end of last year totalled 166,700 tons, against 302,850 tons on December 31, 1922, and 171,200 tons on the same date in 1921. The imports were thus on a smaller scale, and the consumption showed a moderate falling off, this being obviously due to the high price level attained by the commodity at certain periods of the year; but the most striking fact about the statistics is the shrinkage in the stocks to a little over half what they were at the end of 1922.

Price fluctuations throughout the year were exceedingly wide, and proved a source of great embarrassment both to refiners and trade users. In the first five months of the year the markets all over the world, following the lead of the United States, moved up very sharply. The peak of the rise was reached in May, when Tate's and Lyle's cubes touched 71s 6d per cwt, and American granulated on the spot rose to 65s 6d, while prompt delivery among the "ring" futures went up to about 37s, thus commanding a premium of over 8s per cwt, compared with contracts for delivery over the closing months of the year. At the close of 1922 conditions as regards supplies were very favourable to the trade, there being ample stocks in the country, and not a few people here held very conservative views respecting the future course of the commodity. They were rather inclined to overlook the fact that the Cuban industry began its season a year ago with practically no surplus in stock, in striking contrast to former years. The early forecasts of the last Cuban crop still held good, and a yield of about four million tons was confidently looked for; but, as time went on, the delay in harvesting the crop gave rise to many uneasy feelings among refiners, especially in the United States, and this finally brought about the rush to buy late in January and in the month of February. The market was suddenly called upon to face a very heavy demand for sugar of all kinds, and across the Atlantic the speculative element did not fail to take advantage of the situation. These powerful factors could not be ignored, and about this time

it was given out that the Cuban crop would fall fully 400,000 tons below expectations, and that the world's consumptive demands were expanding. The latter was true enough, this being the outcome of the relatively low prices ruling for the commodity in the previous year when the huge Cuban surplus had to be marketed after being carried over from the end of 1921. The American consumption in 1922 increased considerably, and the takings of this country also assumed much larger dimensions, especially in the earlier months of the year, and this was continued well into 1923. Thus the market was caught between the big Cuban deficit and the increased trade requirements, and it soon began to be realised that all supplies could easily be taken care of, and that a substantial upward adjustment in values would have to be made. This, however, was somewhat overdone, and a sharp falling off in the demand ensued. The deliveries into consumption were made at an appreciably attenuated rate, especially over the summer months, and in a very depressed market all prices relapsed to a relatively low level. During the worst period witnessed in August, Tate's and Lyle's cubes were selling at about 57s 6d per cwt, and American granulated on the spot went at 53s, with dealings in white sugar futures down to about 21s for prompt delivery, distant positions fluctuating to below 20s. The premium on the prompt delivery subsequently disappeared altogether for a period, but the depressing tactics were overdone, just as the previous bull efforts were, and very large quantities of Java sugar which arrived towards the end of the summer months, largely held on speculative account, made holders show a big loss on their contracts, much of this sugar having been forced out at a time when the lack of confidence on the part of buyers in the stability of the market was very pronounced. Low prices had to be accepted for a lot of this sugar, but later on an active demand from the Continent sprang up, and a large portion of the Java surplus was sent to the European ports, France, North European countries, and Scandinavia being the more prominent takers. This paved the way for a revival, and with the bulk of the cheap Java sugar and also the Cuban crop out of the way, shrewd observers could see the road clear for an upward reaction and a restoration of confidence. In the latter part of the year various new factors had to be taken into account, not the least being the rapid decrease in reserve stocks everywhere, and very disappointing Continental beet sugar crops. This was finally translated into a substantial advance during the last quarter of the year, prices moving within measurable distance of the best touched during the early part of 1923. Compared with final rates of 1922, the closing values of sugar futures in 1923 displayed a rise of about 8s to 6s per cwt, according to position, and there is no doubt that the sugar position generally will be dominated by the scarcity of supplies for some time to come.

The replenishment of stocks in the first quarter of 1924 will depend largely upon the Cuban crop. The harvesting of this has been delayed, and no material quantity can be available for refiners until the latter part of February. The unrest among the dock labourers, &c., in this country may complicate matters, and obviously delays to shipping must be expected if the dispute continued for any length of time. The stocks of raw sugar at the principal U.K. ports at the present time are not much over 40,000 tons, against 120,000 tons a year ago; thus both consumers and refiners may have to face a very intricate problem before the position rights itself again. Contrary to expectations, Continental refined sugar, more especially Czecho-Slovakian, has been coming to this country only in small quantities, owing partly to re-purchases and also to delays in transit, *via* Hamburg. It is estimated that the European beet crops for 1923-24 will yield no more than 4,500,000 tons. European consumption should call for 6,400,000 tons at the least, thus supplies of the commodity will have to be imported to make good the deficiency. American estimates put the world's production for the present season at 18,600,000 tons, against 18,000,000 tons in the previous season. The last Java crop amounted to 1,730,000 tons, and the next, which will be harvested about May, may not give much more, so that the figures given may be accepted as approximately correct. The Cuban crop should turn out about the same as last

year, and give 3,500,000 to 3,600,000 tons. It is not easy to gauge consumptive needs in these disturbed times, but based on population the world's requirements over the next year should call for 19,000,000 to 19,500,000 tons, unless there is an unexpected shrinkage in the demand owing to the high price. Thus conditions in 1924 may move closely to those prevailing in 1923; in any case, it is difficult to see how any weakening in the general position of the commodity can come about. In the United States the demand looks like increasing again, and there the cost of the commodity counts for very little. British refiners will have to compete with the American buyers for the Cuban supplies, and up to March or April at any rate a period of stringency will have to be faced. The statistical position of the commodity all over the world is exceptionally good from the producer's point of view, but eventually, of course, the high-selling price will stimulate the output and thus the position will gradually come right again. But there is bound to be a lot of changes in a very sensitive market before that takes place.

THE CONDITIONS OF TRANSPORT IN SOVIET RUSSIA.

(BY A CORRESPONDENT.)

THE data which have been recently published concerning the state of Soviet transport, and of railways in particular, in 1922-23, show a considerable improvement in the management of the railways as compared with the preceding years of the Soviet administration. In the first place, the general amount of work performed by the railway system has increased. This refers both to goods and to passenger traffic. The total number of pood-versts made by goods of various descriptions amounted in 1920-21 to 18.9 per cent. of that of 1913; in 1921-22 it was 21.15 per cent., whereas in 1922-23 it had risen to 29 per cent. The number of passenger-versts was 47.3 per cent. in 1922-23, as against 33.7 per cent. in the previous year. There are also technical signs of a further economy in railway management. Parallel with this increase of useful work performed by the railway network, the number of carriages run has been decreasing. Whereas in 1920-21 it was 65.6 per cent. of the 1913 total, it was 60.2 per cent. in the following year, and in 1922-23 it fell further to 54.7 per cent. The expenditure of fuel for 100 engine-versts has also decreased; in 1921-22 it amounted to 171 per cent. of that of 1913, and in 1922-23 to 136 per cent. Lastly, the financial conditions of transport also show a gradual improvement. Thus, in the last operative year the proportion of expenditure of the entire transport system (including railways, waterways, and roads) defrayed out of revenue, and the deficit left to be covered by the State changed as follows (in million pre-war roubles according to the goods index-number):—

	Revenue.	Same in Per-centage to Expenditure.	Deficit Covered by Dotation.	Same in Per-centage to Expenditure.
	Million Rouble s.	%	Million Roubles.	%
4th quarter, 1922	45.1	60.5	29.4	39.5
1st " 1923	80.7	65.2	43.0	34.8
2nd " 1923	92.9	75.9	29.4	27.1
3rd " 1923	88.8	78.6	24.2	21.4
Total.....	307.5	71.1	126.0	28.9

If we consider the railways alone, their revenue in the same year amounted to 295 million pre-war roubles, whereas the deficit covered by the State grant equalled 86 million roubles, i.e., 22.5 per cent. of the expenditure.

Yet, notwithstanding the above-mentioned improvement, transport conditions are still very difficult. Although the general work performed by the railways has increased, it still does not exceed 30 and 50 per cent. of the pre-war level for goods and passengers respectively. Similarly, in spite of the technical improvements in management, 55 per cent. of the number of trucks used in pre-war times are required now for goods traffic which amounts to only 29 per cent. of pre-war, and the expendi-

ture of fuel for a unit of useful work is still 36 per cent. greater. Finally, the financial deficit of 22.5 per cent. is also rather distressing, particularly in view of the fact that the fares are on the whole somewhat higher than before the war, and that the permanent way is being neglected for the sake of economy, thus even exposing the travellers to some danger.

The present expenditure of metal for maintenance is one-fifth of pre-war. In the current year it is proposed to devote, on the average, 58 poods of rails and 20 poods of tie-rods for each verst, as against the pre-war annual expenditure of 300 and 109 poods respectively; and this in spite of the fact that in the period 1915-1923 12,000 versts of rails were removed and new material substituted in their place. According to some specialists' calculations, in order to preserve the safety of communications in the coming two years it will be necessary to remove and exchange annually 1,200 versts of rails, while in the current year it is proposed to remove only 630 versts ("Econ. Life," December 16, 1923). As to the sleepers, more than 40 per cent. of them are rotten, and should have been replaced by new ones!

The explanation of the fact that, in spite of the high tariff and of the extreme economy of materials, the railways still show a considerable deficit, is to be sought in the following conditions:—(1) General ill-management, (2) insufficient loading of transport, and (3) high cost of metals and fuel. The first circumstance requires no explanation, as it is an inevitable consequence of Soviet "State capitalism" in all its manifestations. As to the insufficient loading of transport, it is clear that the huge mechanism of Russian railways, performing 29 per cent. of its pre-war work, has to work to a considerable extent "in vain," and carry a large burden of "dead" expenditure which leads to a deficit. The insufficient loading is also to some extent due to the small volume of production and the diminished turnover of goods in the country, but I am inclined to think that even so the volume of transport might have been larger were it not for the high costs, which are quite unbearable for the sender of goods, with his diminished paying capacity; thus, e.g., the industrial production increased in 1922-23 as against 1921-22 by almost 100 per cent., whereas the average daily number of loaded trucks increased not more than by 20 per cent. (The agricultural production increased by not less than 20 per cent.) The Soviet Press is right in pointing out that because of the high cost of railway transport, road transport is being widely developed side by side with it. Certainly, by reducing the fares it would be possible to achieve an increase in the traffic of goods, and, in the long run, to reduce the deficit. But it is necessary first to pass through a period of increased deficit owing to the reduced tariff, and this would be possible only on the condition of a considerable influx of money from outside, which is hardly likely to occur. It is a vicious circle, typical not only of Soviet transport, but of the whole of Soviet State industry. To it is due in part also the second cause of the transport deficit, the high cost of metals and fuel. The cost of production of metals, judging by the recently published data, considerably exceeds the pre-war level. The only possible way out lies through the improvement in the organisation of production, as well as its development by outside capital, with a simultaneous reduction in prices. It hardly needs to be pointed out that both the improvement in the organisation of production and the influx of capital from abroad presuppose a radical transformation of the whole economic structure of modern Russia.

THE TRUST MOVEMENT IN GREAT BRITAIN. VI.—GENERAL CONSIDERATIONS.

THE advocates of concentration and combination—and the second is only a less complete form of the first—are accustomed to dwell on the advantages in respect of efficiency and economy of production and distribution which are derivable from the promotion of standardisation of output and specialisation of works, the establishment of uniform costings systems, the interchange of information, the combined research, the collective buying of raw materials, and the joint marketing which are thereby facilitated. That such advantages are so derivable is beyond question; but, despite some very striking in-

stances, the fact that they have been generally so derived is still far from established, and the cases in which efforts have been made along the lines indicated are very few in comparison with the very large numbers of consolidations and combinations in existence.

As regards concentrations, it is now generally recognised that, just as for any particular piece of plant there is a minimum scale of output below which working is uneconomic, but there is also at any given stage of technical development a point beyond which an increase of the plant unit brings no corresponding increase in efficiency, so the mere adding of new units to a group does not necessarily enhance efficiency or cheapen cost of production, especially as the larger the undertaking the greater the requirement of managerial and directing skill. And as regards combinations, it is fairly obvious that the pursuit of the objects mentioned calls for an amount of unified direction and co-ordinated action which—human nature in business being what it is—will only infrequently be attained in combinations other than "permanent." Further, in order to bring about at any particular time a concentration or combination of a sufficiently comprehensive character—and this applies in some measure to a scheme of integration also—experience shows that undertakings may be acquired at prices much in excess of their real value, with resultant overcapitalisation and arrangements come to in respect of directorates which do not make for efficient administration, and these two things together may completely or largely offset the theoretical advantages of the new régime.

But as a generalisation, it may be said that none of these advantages has occupied the foremost place in the minds of those who have brought about permanent combinations—and probably the majority of terminable ones; their primary consideration has been the enhancement of profits by the elimination of competition so far as is practicable—or expedient, for some of the most powerful combines have thought it well to allow some outsiders to continue their operations. And the more a combination, whatever its form, becomes co-extensive with an industry, the more likely is it to keep to itself the whole of the enhanced profits resulting from the elimination of competition and from such reduction in costs as may result from the fact of combination. No doubt it will refrain from pushing its prices beyond what the market will bear, but it may deliberately choose a policy of restricting output and maintaining prices rather than of increasing output and reducing prices. In the case of a combination not involving unified financial and administrative control, and including undertakings of very diverse efficiencies, prices are unavoidably fixed at a level which will provide what is regarded as a sufficient profit for the least efficient, and cases are not lacking in which the effect of such combinations has been to prolong the existence of concerns otherwise quite incapable of maintaining themselves. So that the consuming public, whilst not objecting—and it cannot reasonably object—to the efforts of an industry to put itself upon a profit-making basis which shall so far as possible be durable, may fairly ask for some security that this will be accompanied by an increase in efficiency, and that the consumer may share in fair proportion in the resultant benefits.

For more than a generation the policy of the United States has been to repress combinations of every kind. But the attempts made there, though long continued—the Sherman Law "to protect trade and commerce against unlawful restraints and monopolies" was enacted in 1890—and strengthened from time to time, has so far proved singularly ineffective. The first effect of the original Act, as judicially interpreted, was to encourage consolidations or permanent combinations (generally by means of holding companies), as contrasted with terminable combinations which regulated prices or output. When later the decision of the Supreme Court in the Northern Securities case (1904) "condemned the device of the holding company for the purpose of procuring a common control of competing interests," the consequences were a growth of "gentlemen's agreements" on the one hand and of consolidations on the other. The investigatory activities of the Bureau of Corporations, established in 1903, led to proceedings against two great "mergers"—the Standard Oil Company and the American Tobacco Company—and judicial orders for their dissolution, but in the work on "Trust

Laws and Unfair Competition," by the Commissioner of Corporations, which was issued by the Department of Commerce in 1915, it is admitted that in the first of these cases "the general opinion is that this dissolution is effective neither in theory nor in fact," whilst "the tobacco company dissolution has been criticised in the same way as the oil company dissolution, but probably with less force." Proceedings against the United States Steel Corporation and the United States Shoe Machinery Company resulted in both cases in decisions adverse to the Government, though the dominant position of the one and the practical monopoly of the other could not be seriously disputed. The Webb-Pomerene Act of 1917 excluded from the scope of the existing anti-trust legislation associations entered into for the sole purpose of engaging in export trade, and any agreement made or act done in the course of export trade by such associations, provided such agreement or act is not in restraint of trade within the United States. So, whilst combination in respect of domestic trade is illegal and contrary to the public interest, combination in respect of export trade is to be encouraged. The Balfour of Burleigh Committee was more logical in recognising that it is not practicable to encourage combination in one direction only.

That Committee, believing as it did that the growth of trade combinations was not only inevitable but was actually desirable, disliking State regulation, and realising, in the light of American experience, that it would probably be ineffective, yet realised also that the British public would be content to allow the advocates of the various forms of industrial organisation surveyed in these articles to attempt to prove their claims only if there were some means of bringing their proceedings under critical review; and resolved, therefore, to rely on publicity as the main safeguard against abuse of power by monopolistic or quasi-monopolistic concentrations or combinations, whether permanent or terminable. Accordingly they recommended that some means should be devised for securing to the State adequate information as to the existence of combinations, and provision made for official investigation in some cases. They also suggested that agreements forming the bases of terminable combinations should be enforceable at law if registered with a Government department. This latter suggestion seems to have found little favour, but the main proposal has received a large volume of support, though it has not yet been accepted by any of the Governments which have held office since 1917. The Departmental Committee on Trusts, in their Report of April, 1919, said:—

We are unanimously of the opinion that it would be desirable to institute in the United Kingdom machinery for the investigation of the operation of monopolies, trusts, and combines, similar to the commissions and tribunals created for that purpose in the United States of America and British Colonies [a reference to the American Bureau of Corporations (1903) and Federal Trade Commission (1914) and the Canadian Combines Investigation Act of 1910, which gives purely investigatory powers].....We are satisfied that trade associations and combines are rapidly increasing in this country, and may within no distant period exercise a paramount control over all important branches of British trade.

We are satisfied that considerable mistrust with regard to their activities exists in the public mind, and that the effect of such mistrust may be equally hurtful to the political and social stability of the State whether or not the public mistrust and resentment be in fact well founded. We consider that it is desirable that means should be provided whereby the fullest information as to the activities of trade associations may be made available to the public and complaints may be promptly and thoroughly investigated, so that doubts and suspicions may be dispelled, or, on the other hand, the true facts ascertained as to evils for which a remedy is required. We believe that it will be found necessary ultimately to establish machinery for promptly and effectively dealing with such abuses as the tribunal on investigation may discover.

The committee accordingly recommended that the Board of Trade should be charged with collecting information as to the nature and extent of trusts and combinations and reporting annually thereon, and also with preliminary inquiry into complaints as to their operation; should a *prima-facie* case be made out in any instance, the complaint should be referred to a specially constituted and independent tribunal for investigation and public report.

The Profiteering Act, 1919, passed somewhat hastily to allay growing public irritation at high prices, gave the Board of Trade powers, *inter alia*, "to investigate prices, costs, and profits at all stages," and to receive and inves-

tigate complaints as to unreasonable profits, and also contained the following section:—

3. Without prejudice to the generality of the powers under this Act, the Board of Trade shall obtain from all available sources information as to the nature, extent, and development of trusts, companies, firms, combinations, agreements, and arrangements connected with mining, manufactures, trade, commerce, finance, or transport, having for their purpose or effect the regulation of the prices or output of commodities or services produced or rendered in the United Kingdom or imported into the United Kingdom, or the delimitation of markets in respect thereof, or the regulation of transport rates and services, in so far as they tend to the creation of monopolies or to the restraint of trade, and the Board of Trade shall, for the purposes of this section, utilise the powers of investigation and of appointing committees conferred upon them by this Act.

Under the powers so conferred, a large number of inquiries of a more or less searching kind were made by sub-committees of the central committee set up under the Act into branches of trade and industry believed to be dominated by monopolistic or quasi-monopolistic "combinations," and the effect of these upon prices and profits; and their reports were published. These contain, as will have been seen from the references to them in previous articles, a large amount of valuable information; their publication undoubtedly had upon the whole a good effect upon public opinion in dispelling many misapprehensions and drawing attention to the potential advantages of concentration and combination in industry—to which, on the whole, they were decidedly favourable—whilst at the same time, by criticising some proceedings of "combinations" which appeared to have resulted from too narrow an outlook, and compelling their authors at least to attempt a defence, they certainly acted as a useful safeguard of the public interest. It is noteworthy that practically all the sub-committees urged in their reports that the proposals of the Departmental Committee on Trusts should be given permanent legislative effect; but so far that course has not been taken, though there have been from time to time vague statements that successive Governments had the matter under consideration. We cannot but regard this as unfortunate. Whilst we have no desire to see a return to Governmental control of trade and industry, and recognise both the disturbing effect of a constant menace of inquiry and the need for caution in the publication of details as to individual businesses (and there is a danger that investigatory powers entrusted even to a Government Department may be abused), we nevertheless think that the Committee on Trusts were right in their opinion, quoted above, as to the social and political reactions of the development of combinations unless some means is provided whereby the community may be enabled to form for itself, or to obtain from an independent authority, a balanced judgment as to their operations and their effect upon the general economic well-being.

Notes of the Week.

Mr Wheatley and Poplar.—An early opportunity will doubtless be taken in the House of Commons to raise a debate upon the decision of the new Minister of Health, Mr Wheatley, with regard to the excess Poor Law Relief payments made by the Poplar Guardians. Mr Wheatley has promised to rescind the order making the Guardians liable to a surcharge equal to the amount by which they have exceeded the legal maximum of distribution, which apparently amounts to £100,000. To pass the sponge over the Poplar offence may in itself be a comparatively small matter, but as a precedent its implications are extensive and serious. Obviously neither Poplar nor any other borough can expect to be specially favoured. The same regulations must run in Poplar as in all other necessitous areas. At the moment the position would appear to be that Mr Wheatley has, in effect, invited Guardians all over the country to develop any degree of generosity they like with impunity. That way lies chaos, and obviously the affair calls for immediate consideration by the Cabinet, without whose authority, we believe, Mr Wheatley took his Poplar decision. In its own interest, as well as that of the nation, the Cabinet would be well advised to come to and announce an immediate decision, for the first public action of the Clyde representative of Mr MacDonald's Government has created

a widespread sense of uneasiness, which, if not quickly dispelled, will almost certainly give rise to developments in Parliament which the new Premier must be most anxious to avoid. Mr MacDonald, we believe, is a stout supporter of Cabinet responsibility, and we look to him, therefore, to lose no time in meting out appropriate treatment to the first instance of a serious indiscretion by one of his colleagues.

Anglo-Persian Control.—The decision of the Labour Government not to sell the Treasury holding in the Anglo-Persian Oil Company has been followed by an important statement from the Burmah Oil Company, and the sharp rise in the price of petrol of 4½d per gallon. These two events should cause some modification of the popular (but ignorant) attitude on this oil question. It has been assumed, as the Burmah Oil statement declared, that the sale of the Government's holding would throw the control of the Anglo-Persian into foreign hands, and jeopardise the Admiralty contract for fuel oil. In reality, the consequences of the proposal made by the Burmah Oil Company would have been exactly the opposite. The scheme was to sell the Government's shares to the Burmah Oil and then to introduce the Burmah Oil, as a third shareholder, into the Royal Dutch-Shell group. The effect of this inclusion of the Burmah Oil, enlarged by the Anglo-Persian interest, would have been to give to the two British companies—Shell and Burmah Oil—an assured and permanent majority in the group. This disposes of the nonsense that has been talked of the British Government bartering a national oil asset for foreign gold. So far from the Burmah Oil, and with it the Anglo-Persian, becoming foreign-controlled, the present Dutch-controlled Royal Dutch-Shell group would have been converted into a new group in which British interests would be in a clear majority. Obviously the Admiralty would have been far better off, seeing that this new British-controlled group would stand behind the Navy's contract for liquid oil, and the Government itself would be the better off by having freed itself "from the international embarrassment resulting from its large financial interest in a competitive international trade." Nor should it be forgotten that it would have secured a price for its shares far in advance of the market valuation. The sudden rise in the price of petrol, concurrent with this lucid statement issued by the Burmah Oil Company, finally disposes of that equally absurd conception that the sale of the Government's holding jeopardises the consumer's interest. The Anglo-Persian is part and parcel of the "oil ring," and the Government's shareholding in no wise prevents the Anglo-Persian from agreeing with the other oil companies to advance the price of petrol. As the Burmah Oil statement implied, the duplication by the Anglo-Persian of the capital facilities for oil distribution, in competition with the other oil companies, results in the enhancement of the price of oil, not in its diminution. These arguments are unanswerable. The Labour Government's decision no doubt arises from its susceptibility to the feelings of the rank and file, and to the general suspicion of the oil trusts which were bidding for the Anglo-Persian control. But sooner or later the fact must be faced that Governments are national while oil is international. There seems to be no escape from this logic but by way of the Burmah Oil Company's proposal.

The U.S. Oil Scandal.—The "oil scandal" in the United States, writes a correspondent, is taken much more seriously than is generally supposed on this side. It might conceivably lead to the splitting of both Republican and Democratic parties, and to the formation of a third party uncontaminated by the influence of oil. The "scandal" arises from the leasing of the Government-owned oil lands which had been authorised in the closing years of the Wilson Administration. Two of these areas—the Elk Hill reserve in California and the Teapot Dome reserve in Wyoming—were leased by Mr Fall when Secretary of the Interior under the late President Harding's Administration, without public bidding—the first to the Doheny interests (Pan American Petroleum and Transport Company), the second to the Sinclair interests. The allegations are that Mr Fall was bribed. Mr Archibald Roosevelt, the youngest son of

the late President, who resigned from the board of the Sinclair Consolidated because of his "suspensions," voluntarily testified that he had been informed by Mr Harry Sinclair's secretary of a payment of 68,000 dollars to Mr Fall's ranch in New Mexico. This allegation has been denied by Mr Sinclair's secretary, while Mr Sinclair himself cannot be questioned as he is in Europe, and, according to his secretary, has removed his private papers from his office to his home. Next, Mr Doheny has frankly admitted that he loaned Mr Fall, an old friend of his, 100,000 dollars in November, 1921, on his promissory note, to enable him to purchase his ranch in New Mexico. Mr Doheny cut off his own signature from the note and sent it to his wife. It had, he said, nothing to do with the leasing of the Elk Hill reserve. The sensation which these allegations have caused had, naturally, been exploited by the Democrats, but suddenly the Democratic Party itself became involved in the "scandal." Mr Doheny testified that he had paid a legal retainer to Mr William McAdoo, now leading contestant for the Democratic nomination, because his influence at Washington might be helpful in Mexican oil affairs. Further, Mr Doheny testified, Mr George Creel, publicity agent for the Wilson Administration, had received 5,000 dollars "to head off the granting of oil leases to Republicans after the change of Administration," and Mr Thomas Gregory had been retained by Mr Doheny's and other oil companies, after relinquishing the post of Attorney-General under Mr Wilson. A somewhat Gilbertian situation arises from the fact that Mr Gregory had been chosen by President Coolidge to act as special counsel for the Government in the prosecutions to come. President Coolidge is under no illusions as to the seriousness of the affair, and can be confidently expected to pursue these prosecutions with the utmost vigour.

Cost of the Railway Dispute.—It is impossible to make any numerical estimate of the loss to industry and the inconvenience to the general public brought about by the recent railway dispute. A few indications can, however, be given of the extent of the burden imposed on the community and on some of the parties chiefly concerned. In the week ended January 28th last the number of registered unemployed persons rose by 69,000 in consequence of the temporary discharge or suspension of workpeople on account of the dispute. The noticeable enhancement of the price of various commodities at the end of last month, again, was mainly, though not entirely, the result of the holding up of supplies, or the fear that supplies would be interrupted. In the case of potatoes, for instance, the rise was as much as 30 per cent., "King Edwards" being quoted in Southwark on January 14th at £9 to £9 10s per ton, and on January 30th at £12 to £13 10s per ton. From the returns of traffic receipts it is possible to make a rough guess at the cost of the strike to the railway companies:—

RAILWAY TRAFFIC RECEIPTS.
(Thousand £'s.)

	3 weeks to Jan. 20. Average.			Week ended Jan. 27.			Week ended Feb. 3.		
	Pas- senger	Goods	Total	Pas- senger	Goods	Total	Pas- senger	Goods	Total
Great Western	218	334	552	113	139	252	178	290	468
London & N. Eastern ..	357	658	1,015	187	362	549	289	590	879
London, Mid. & Scottish	503	847	1,350	304	608	912	431	856	1,287
Southern	273	108	381	158	59	217	212	85	301
Total	1,351	1,947	3,298	762	1,168	1,930	1,110	1,825	2,935

† Returns to Jan. 19th, Jan. 26th, and Feb. 2nd respectively.

The strike of engine-men lasted from January 21st to 29th, and would therefore affect the figures for the whole of the week ended January 27th, and for two out of the seven days ended February 3rd. The gross decline in receipts for each of the respective weeks, on the basis of the table above, works out as follows:—

	Week Ended Jan. 27.		Week Ended Feb. 3.		Fortnight Ended Feb. 3.	
	Amount of Loss.	%	Amount of Loss.	%	Amount of Loss.	%
Great Western	Thous. £ 300	54.4	Thous. £ 84	15.2	Thous. £ 384	34.8
London and North-Eastern ..	468	46.0	136	13.4	602	29.7
London, Midland, and Scottish	439	32.4	65	4.7	501	18.5
Southern	164	43.0	80	21.0	244	32.0
Total	1,369	41.4	363	11.1	1,731	26.2

STATE EXPRESS

VIRGINIA **555** CIGARETTES

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Thus the falling-off in receipts would appear to have been about £1½ millions, or 25 per cent. of the average for the three pre-strike weeks. This is a gross figure, from which fall to be deducted various amounts, such as the normal weekly wages of locomotive men who failed to report for duty, and savings on running expenses owing to the curtailment of services. It should also be remembered that, while much of the decline in passenger receipts represents a dead loss to the companies, a large amount of goods traffic held up during the dispute would subsequently be moved, and may help to swell the totals for the next week or two. The total net loss to the companies may therefore be put at something from £1,000,000 to £1,500,000, which is, on the whole, a good deal less than might have been expected.

M. Venizelos Retires.—M. Venizelos has failed in his gallant attempt to heal the breach, or, rather, the many breaches, in the political life of Greece, but this failure is not so much his misfortune as his country's. M. Venizelos may console himself by remembering that he only re-entered Greek politics unwillingly, and without any personal ambitions. He returned to Athens, a few weeks ago, in patriotic deference to the pressing demands which had been addressed him by a very large section of his fellow-countrymen (by almost all of them, in fact, except the extreme Royalists and the extreme Republicans). True, the situation has been too much for him; but it was his physique which gave way, and which enforced his immediate resignation (under doctor's orders), before he had been in harness sufficiently long for his statesmanship to be pronounced, on this occasion, either a success or a failure. That verdict may now be left in suspense; and if, as seems probable, we have just witnessed the last act in M. Venizelos's active political career, we must pass judgment, if at all, in the light of his career as a whole. His work in Greece itself (after his brilliant apprenticeship in the politics of his native island of Crete) began, in 1910, with a successful reconciliation of parties, after a period of dissension and weakness in the internal politics of Greece which anticipated, on a smaller scale, the situation during the last ten years. Possibly his greatest, though not his most conspicuous, achievements were those accomplished between his first accession to power and the outbreak of the First Balkan War in the autumn of 1912. During that short space of time he effected an almost magical transformation in Greek political and social life. The old political tradition, with its personal allegiances, its "spoils" and its "rotativism," was temporarily thrust into the background in favour of constructive policies for national ends. The economic prosperity of Greece was greatly increased, with a corresponding improvement in the Government's finances. The brigands were brought to terms in the provinces which they still infested, and there was a thorough reorganisation of the army and navy, which was justified by the victories of the following years. This constructive work would have done honour to any statesman in any country, and it is M. Venizelos's misfortune that he will not be remembered chiefly in this connection. With the beginning of the Balkan War in 1912, Greece was drawn into the whirlpool in which she has since been tossed and buffeted, like many stronger and more experienced European States; and, from that moment onwards, M. Venizelos was no longer a free agent. The intrusion of an overwhelming external factor in the shape of the war does not, of course, absolve

M. Venizelos from responsibility. Undoubtedly, he is more responsible, and his Greek political opponents less responsible, for the present unhappy state of their common country than is usually believed in the Entente countries; but for that, also, it would be ungenerous at this moment to take him to task. His own countrymen, at least, would do well to call a truce in that internecine warfare which, for the last ten years, has been raging round M. Venizelos's name. If they must contend with one another, it is better to disagree with less heat and on more impersonal issues. The choice between monarchy and republicanism is momentous, and the Greek nation has not yet begun to make it on lines that will lead to an appeasement of the feud. The first requisite is the taking of a plebiscite under conditions so indisputably fair that the minority (whichever Party that may prove to be) shall have no excuse for refusing to abide by the result.

Mr Beaumont Pease on Monetary Policy.—At the last of the "big five" bank meetings, on Wednesday, Mr Beaumont Pease, chairman of Lloyds Bank, delivered an address, the main feature of which was a reference to monetary policy. After some good-humoured banter directed at Mr J. M. Keynes and his monetary theories (how, he asked, are bankers to carry out these theories if, as Mr Keynes suggests, they do not understand them?), Mr Pease proclaimed himself strongly in favour of a return to the gold standard. "I am hopeful," he said, "that we may gradually get back to our old gold standard, which, in spite of some defects and difficulties, has, as a matter of fact, worked well in the past, and still seems to me to offer better prospects in the future than any alternative." Speaking of the trade outlook, Mr Pease endorsed the views expressed by other bankers as regards trade improvement. He said: "Trade returns, export and import figures, the report of the London Bankers' Clearing House for the last quarter of the year, renewed signs of awakening demand, the trade reports from various centres which I have not included in my address, but which will be circulated separately, all contribute to the hope that better times are in store, and I gladly add my voice to what already has been said by the chairmen of other banks on this more optimistic note." Having struck this note of confidence, Mr Pease added a plea for caution in banking policy. Another point in the speech was the loyal support which he gave to the new Government, so long as they are "mindful of the interests of the whole body politic."

Irish Free State Finance.—The current number of the *Gazette*, writes our Dublin correspondent, containing the usual weekly statement of total receipts into the Exchequer, and of total issues thereout, shows that revenue is coming in well, and affords a promise of a year's revenue considerably better than was anticipated officially at the opening of the financial year. This return, when compared with the recently issued "Finance Accounts of Saorstát Eireann, for the Financial Year 1922-23," gives some indications of the state of what might roughly be termed the capital account of the Government. Revenue receipts to February 2, 1924, amount to £25,660,826, apart from balance to credit of revenue account on April 1st last of £197,112. There are still 68 days to be accounted for in the current financial year, so that, at an equal rate of incoming, the revenue for the year may reach £31,500,000. For last year the total revenue receipts, according to the above-mentioned return, were £27,863,030. This was not the true revenue of the Free State, but had to be adjusted downward in Great Britain's favour. This year's returns, on the other hand, represent actual Free State revenue which will not be subject to any such adjustment. This is made clear by the following paragraph from the Prefatory Note of the return above referred to, which is worth quoting verbatim. It contains certain corrections of figures which were issued earlier, and which were either estimates, or which have been readjusted after discussion between the British and Irish financial authorities. The system and its main features and effects are, of course, familiar to readers of the *Economist*. The paragraph reads as follows:—"In

considering the revenue figures shown in these accounts, it should be borne in mind that during the year to which they relate the severance of the fiscal system of Saorstát Eireann from that of Great Britain had not yet been effected. Consequently, it happened to a considerable extent that revenue was collected in one country which was properly attributable to the other. The accounts deal generally with revenue collected in Saorstát Eireann, without allowing for the adjustment that is necessary on the ground mentioned. A partial measure of adjustment is effected by the inclusion in Account No. VIII. (Income-tax and Super-tax) of a sum of £1,250,000, transferred from the British Exchequer, but this is offset by the transfer from the Exchequer of Saorstát Eireann of an equivalent amount to the British Board of Customs and Excise (Account No. XXII.). According to the claim made by the British Government the further adjustments necessary involve a net payment of £1,443,461 to the British Exchequer." Thus the increased revenue receipts of 1923-4 will be subject to no such readjustment downwards, and mean a very much improved revenue position. The estimated revenue for 1923-4, according to official figures published some months ago, was only £26,096,930. The *Gazette* shows a balance in the Exchequer on February 2, 1924, of £6,753,965, inclusive of moneys raised by borrowing. The recent return shows "Capital liabilities of Saorstát Eireann at March 31, 1923, resulting from net borrowings," &c., at £2,531,000; comprised of Irish Free State bills created, £2,081,000; Ways and Means Advances outstanding, £385,500; and money raised under the Telegraph Acts, £64,500. The *Gazette* shows "Money raised by creation of debt" from April 1, 1923, to February 2, 1924, at £12,606,000 under similar heads, but including the new 5 per cent. National Loan. From these, however, repayments on capital account must be deducted—they are shown on the other side of the account, and amount to £778,000. Of course, both on revenue and capital account issues from the Exchequer have been heavier this year, but almost entirely from non-recurrent causes.

Flag Discrimination.—The Chamber of Shipping of the United Kingdom has now declared its approval of the Ports Convention, by which the maritime States recently adopted the principle of according equality of treatment to ships in ports; the Convention being equivalent to an international agreement to discountenance practices involving flag discrimination. As already indicated in a previous reference to the matter (*Economist*, January 19th, page 95), the United States, though unofficially represented at the conference at Geneva at which the Convention was adopted, is not formally a party, and the Convention does not apply to coasting trade, the definition and determination of the position of which remain for discussion at some future time. Even in its present form, however, the Convention, if faithfully carried out, will (as the report adopted at a meeting yesterday by the Council of the Chamber of Shipping suggests) "stem the rising tide of flag discrimination and establish as a general rule the policy of a free sea." Undoubtedly the fact that practically all countries, other than the United States, have agreed to give equality of treatment, subject to the principle of reciprocity, is notable as showing the trend of opinion in favour of freedom of communications and transport, and the active interest of the Chamber of Shipping in the progress of this movement indicates that British shipowners intend that, if possible, the Convention shall be made effective. A good deal of persistence will be required, however, to "stem the rising tide." Although considerable effect was produced by the resolution of the recent Imperial Economic Conference emphasising the fact that it has been the established practice of the Governments of the British Empire to make no discrimination between the flags of shipping using their ports, it would appear that Australia barely escapes the charge of ignoring this principle, which, as laid down, covers coasting trade. Only a few days ago the chairman of the Glasgow Shipowners' Association called attention to the circumstance that Australia at present discriminates between her own shipping and other shipping of the British Empire by limiting her coasting trade to vessels purely Australian. France has

been an offender in regard to flag discrimination, and even now (though the French representatives at Geneva supported the adoption of the Convention) there is a "Flag Campaign" across the Channel intended to force the mercantile community to give preference to French steamers. One hopeful sign is that the support given at Geneva included that of protectionist countries, and, moreover, it is noteworthy that Lord Kysant (who, the other day, referred to Free Trade as an "impossible ideal") is one of the signatories to the Chamber of Shipping report warmly commending the Geneva convention. The plain business grounds for condemning flag discrimination are indeed very strong, and there is sound sense in the suggestion of the Chamber of Shipping "that maritime countries who intend to keep the seas free for international trade should act together, and retaliate together against every act of flag discrimination." Discriminatory practices based on national distinctions are a serious menace to commerce, and the opportunity of common action to make the Ports Convention effective should not be allowed to pass.

The Balance of Trade.—The Board of Trade has issued its estimate of invisible exports for the year 1923, the only change in comparison with that of 1922 being in respect of net income from overseas investments, which is reduced from £175 to £150 millions. The official figures are as follows:—

(In million £.)

	1907.	1910.	1913.	1920.	1922.	1923.
Excess of imports of merchandise and bullion	142	159	158	343	170	203
Net income from overseas investments	160	187	210	200	175	150
Net national shipping income	85	90	94	340	110	110
Commissions	25	25	25	40	30	30
Other services	10	10	10	15	10	10
Total "invisible exports" on balance	280	312	339	595	325	300
Available for investment overseas	138	157	181	252	155	97
New overseas issues on London market in year	91	207	198	53	135	136
New overseas issues on London market in following year	142	166	159	116	136	...

Net income from overseas investments in 1922 was put at £175 millions, after allowing for £25 millions paid on account of the debt to the American Government. In 1923 about £50 millions have been paid for interest on and principal of that debt, including payments in respect of the "Pittman silver." It is pointed out that probably the whole of the overseas issues on the London market during the year was not taken up by British investors; but, on the other hand, at some periods of the year there was considerable purchasing of American and other securities on British account, though it cannot be said whether this was permanent or temporary investment. The balance available for overseas investment, it is stated, includes not only the amount actually invested, but also any sales to overseas countries on long credit outstanding at the end of the year, so far as such credits exceed the corresponding amounts of a year earlier.

Stock Exchange Activities.—A Stock Exchange correspondent writes:—"The Stock Exchange is too busy to do more than canvass in a casual manner the prospect as it appears at present for their markets under the new Government. Nevertheless, an intense curiosity waits upon the opening of the Parliamentary session next week. Brokers and jobbers find that they have so much to do in a good many markets of the House that their concern is mainly to get through the work of the day. Conditions are rendered none the less easy by the influenza epidemic, and the advent of the Stock Exchange New Year, at the end of next month, which calls for a certain amount of attention in the way of settling-up innumerable details. The volume of business which, in the ordinary way, would have come in January, but which was checked by the political uncertainty prevailing at that time, is now in full flow. It is stimulated by the greater willingness on the part of the public to invest their money, feeling, as they do, that the new Cabinet is not likely to attempt anything sensational or drastic in the way of legislation, at any rate for some time to come. Forecasts of the Budget prophesy that Mr Philip Snow-

den, Chancellor of the Exchequer, will discreetly leave Capital Levy alone in his first effort, and will content himself with making a small addition to the income-tax, under cover of necessities that arise out of unemployment and housing problems. The increase in national trade, to which so many references have been made at bank and other recent meetings, is not sufficiently marked at present for it to absorb any such large amounts of capital as would render it necessary for money to be withdrawn from existing securities. People see this, and, rather than leave their money on deposit at the banks, they are eager to take sound stock on a five to six per cent. basis of yield wherever it is offered, though showing a certain amount of discrimination in their selections. The amount of stock on offer contracts weekly; prices steadily mount, in consequence. It is once more becoming difficult to obtain first-rate preference shares in industrial concerns that pay a round 6 per cent. on the money. Anything over this rate of interest is coming to be regarded as inferring a certain amount of speculation in the security from which a higher return can be drawn. If the income-tax is to be increased, the broad tendency, as shown by experience, will be to encourage speculation at the expense of investment pure and simple. The argument, fallacious enough but very popular in favour of speculation, is that on profits which are made out of dealing in stocks and shares, no income-tax is payable, whereas a heavy income-tax, in days of high costs of living, renders it impossible for the ordinary person to rest content with the yield obtainable from 5 per cent. gross. There is, however, no indication at present in the Stock Exchange of investment being ousted by speculation, for both are showing a robust tendency, and the activity in oil shares due to successive American rises in the price of petrol redirects attention to that market in a manner which the public find irresistible. Mining shares would probably be more popular than they are were it not for the fact that the high prices of gold and tin appear to act as a red lamp in the eyes of the ordinary mining operators who have seen how quickly the price of these metals can fall after a long and substantial advance has taken place. The cautiously cheerful talk about national trade improvement, already mentioned, is leading to advances in the shares of industrial companies dealing with iron, coal, shipping, textile and road-making, while the hope of Russia re-entering the arena of important customers is responsible to some extent for the rises in tea shares. The public are also buying banking and insurance shares, the difficulty in these two markets being to obtain the stock that is demanded, for there is little about, and holders are not disposed to part with good shares even at the advanced prices.

Shipping Freight Index.—The upward movement in our index of shipping freights, which came nearly to a halt in December, was renewed last month with accelerated progress. The index figure for January, 136.25, represents a rise of 4.75 per cent. on the month, and restores the level of freights to that of December, 1922, i.e., before the occupation of the Ruhr. The movements of the component parts of the index are shown in the following table:—

Date.	European Waters.	North America.	South America.	India.	Far East and Pacific.	Australia.	Total.
Basis (Average, 1898-1913).....	100	100	100	100	100	100	100
Average, 1913.....	110.03	113.09	123.37	106.29	117.38	127.89	116.34
February, 1920.....	814.31	629.89	757.52	744.81	587.02	712.16	690.95
December.....	268.90	277.17	244.10	256.79	286.72	347.18	280.14
December, 1921.....	160.06	164.07	163.72	144.43	141.25	166.47	156.67
December, 1922.....	137.09	135.15	129.19	122.61	136.08	159.34	136.57
July, 1923.....	132.42	107.20	118.67	122.44	126.10	114.83	120.28
August.....	124.79	109.11	114.33	117.70	117.51	115.73	116.53
September.....	129.83	112.36	116.28	117.77	118.44	124.63	119.88
October.....	133.66	125.46	114.03	119.38	124.40	136.05	125.49
November.....	141.24	135.32	114.64	122.68	124.49	137.89	129.38
December.....	134.03	132.72	120.09	124.35	125.07	144.21	130.08
January, 1924.....	130.69	137.49	128.33	124.88	139.45	156.68	136.25

The month's changes in the index of each group and sub-group are shown in the following table, the figure 100

representing in each case the average rate during the basic period 1898-1913:—

	Index No.	Inc. or Dec.		Index No.	Inc. or Dec.
Home trade.....	123.47	- 5.88	S. America—outwards ..	93.61	- 3.88
Bay—outwards	139.45	- 0.52	homewards ..	163.04	+ 20.36
homewards ..	154.84	- 3.22	India—outwards	109.98	- 6.02
Mediterranean—outwards ..	123.87	- 2.98	homewards ..	140.29	+ 7.10
homewards ..	119.05	- 1.12	Far East, &c.	139.45	+ 14.38
North America	137.49	+ 4.71	Australia	156.68	- 12.47

A further fall in outward rates occurred in January, to which the railway strike contributed. In particular, abnormally low figures were accepted for carriage of coals to the Plate, prospective rates for early sailings homeward in that trade being high enough to attract tonnage even in ballast. The comparative levels of outward and homeward freights are now markedly discrepant. Thus the average of the homeward indices is roughly 146, in contrast to 111 for outward coal. The economic reason for this divergence is not obvious, nor is it safe to assume that these figures represent a permanent post-war readjustment of trade. The month was signalised by insistent demand for grain-tonnage from the Argentine at rising prices. Grain chartering from Australia also was effected at better figures, and the entry of Burmah rice-shippers into the market assisted matters generally in the East. Trade in routes nearer home was disappointing. Apart from the weakness in coal freights already mentioned, demand for vessels homeward from the Mediterranean and Bay scarcely equalled supply. It is, perhaps, a matter of conjecture whether the considerable amount of tramp tonnage recently recommissioned is not beginning to overweight the market. Should this be so (it is by no means certain) the next groups to be affected, after European Waters, would, in accordance with past behaviour of our index, be North and South America. The relation of the index to the average for 1913 may be seen from the following table:—

	(1913 = 100.)			
Month.	1921.	1922.	1923.	1924.
January	194.59	131.60	114.05	117.11
February	164.54	135.76	112.73	..
March	162.17	135.53	115.23	..
April	147.48	129.46	115.45	..
May	158.42	125.12	114.55	..
June	165.73	117.45	106.82	..
July	169.87	114.52	103.39	..
August	170.60	113.16	100.16	..
September	154.47	110.37	103.04	..
October	141.85	114.42	107.86	..
November	136.47	119.43	111.21	..
December	134.66	117.39	111.81	..
Mean for year	158.40	122.02	109.69	..

The January figure is well above the mean for last year, and not far below that for 1922.

Trade Union Figures and Funds.—The statistical summary of the Chief Registrar of Friendly Societies showing the operations of registered trade unions for the years 1912-22 (H.M. Stationery Office, 6d net) contains much interesting material. It shows that the trade union movement reached the peak of its prosperity as regards both membership and funds at the top of the trade boom, namely, in 1920. Trade union membership at the end of 1912 was 2,561,885, the number of unions being 607. Membership rose steadily until a total of 6,981,750 was recorded at the end of 1920, since when there has been a marked falling off, the total dwindling to 5,506,490 at the end of 1921 and to 4,559,167 at the end of 1922. Funds show a similar movement, though the payment of dispute and other benefits has made for more irregularity. At the end of 1912 total funds were £5,622,348. By the end of 1920 the total had increased to £15,974,799. The coal stoppage of 1921 reduced the total to £10,950,118 at the end of that year, and by the end of 1922 a further slight fall to £10,008,064. The following table shows the changes in the funds of some of the principal unions:—

	Beginning of—		End of
	1921.	1922.	1922.
Mining, &c.	1,330,478	11,166	533,585
Metals, &c.	6,107,751	4,184,955	2,582,494
Textiles	1,464,876	958,839	1,133,083
Papermaking, printing, &c.	373,215	353,705	424,970
Building, &c.	1,063,715	584,340	776,654
Transport	2,644,500	2,139,962	2,308,578
Clothing	448,381	408,624	428,912

The amount spent by the mining and quarrying group in dispute benefit in 1921 was £1,981,614, and by the metal group in 1922 £446,506. The total amount spent by all unions in unemployment, travelling, and emigration benefit in 1922 was £8,654,247, as against £15,149,636 in 1921, and on dispute benefit £1,133,085 in 1922, against £3,426,696 in 1921. Income from members was £8,865,344 in 1922, against £11,314,400 in 1921, while allowances from the Ministry of Labour were £5,448,721 in 1922 and £7,831,797 in 1921.

Agricultural Conditions.—The monthly report of the Ministry of Agriculture and Fisheries states that January was very wet, and unfavourable for agriculture generally, but conditions improved towards the end of the month. Large areas of low-lying land were flooded, whilst heavy land was waterlogged. Autumn-sown crops made very little progress, and in some cases show signs of damage. Much dry fodder had to be fed to live stock to keep them in condition. Ploughing is backward in all parts of the country as a result of the wet weather. During January cultivation was practically at a standstill except on the lightest lands, although in some northern districts and in the south-west, fair progress was made during the latter half of the month. In other parts of the country the land dried to some extent towards the end of the month, but heavy land was still too wet to work. Winter corn has made little progress during January, and is generally backward. Winter oats have withstood the bad weather rather better than wheat, and are generally fairly promising, though white varieties were damaged by the frosts. Winter barley is very variable, and many plants are rather thin and weak, especially the later sown. Beans are a good, strong plant as a rule, but in some districts in the eastern counties the seed has lain rather long in the ground and germination is not very satisfactory. In spite of the wet weather ewes have kept healthy, and are generally in good lambing condition. There is a little fluke in some districts, but, considering the wet summer, ewes have kept very free from this disease. Lambing prospects are everywhere satisfactory, and where lambing has commenced the fall so far has been up to average. The lambs have come strong and have done fairly well, as the ewes are giving a good supply of milk. There have been comparatively few losses, except in isolated cases. In most districts there appear to be rather more breeding ewes than last year. Owing to the unfavourable weather conditions, there has not been much demand for casual labour, and consequently there has been rather more unemployment amongst this class of worker.

Imports of Cattle.—There were 61,949 live cattle imported in 1923, being 12,394 more than in 1922. All of them came from North America, but whereas the number from the United States decreased by 13,063, the number from Canada increased by 15,822. The animated discussion about "opening the ports" for the admission of Canadian cattle, the screaming agitation in the Press, the introduction of the subject as a political issue at a bye-election, and the consequent defeat of a Minister, all now appear rather overdone in the light of the cold facts. The ports were opened in April last, and the net result is that altogether 27,665 cattle described as stores were received up to the end of the year. Indeed, as none were received during January, this figure represents the imports for ten months. As a matter of fact, about 40 per cent. of the cattle consigned as stores were found to be fat, and were killed on landing, so that the number of stores actually entering the country was only about 15,000. Those, including the Royal Commissioners, who predicted an importation of 200,000 annually, as well as those who predicted a reduction in the price of beef as the result, will apparently have to wait a long time for the fulfilment of their prophecies. Agricultural affairs, however, have always been fecund in the production of false prophets. Students of the trade returns have scarcely as yet become familiar with the classification of goods coming from Southern Ireland as imports instead of home products. Fortunately, in the case of shipments of live stock, returns are issued in which the exports from Ireland as a whole are given. It is thus still possible readily to com-

pare the present returns with those of previous years. The following were the imports of cattle from Ireland in the last three years, compared with those in 1913:—

	Fat Cattle.	Other Cattle.	Total.
1913	354,953	754,668	1,109,621
1921	377,080	391,411	768,491
1922	421,493	558,046	979,539
1923	284,308	529,174	813,482

The reduction last year as compared with 1922 was partly attributable to the dislocation of trade caused by the dockers' strike in Ireland and to the restrictions on the movement of cattle in Great Britain consequent on the outbreaks of foot and mouth disease. It is notable that the falling off was much greater in the case of fat cattle than in that of "other cattle," which are mainly stores.

The Underground Dividends.—The dividend announcements made this week by the Underground Electric Railways group were much in accordance with market expectations. The following table sets out the rates in comparison with those of the previous year:—

	Final Dividends. Rate % per Annum.		Dividend for Whole Year. Per Cent.		To Reserve	Carried Forward.	
	1922.	1923.	1922.	1923.	1923.	1922.	1923.
Central London (Def. Stock) ..	4 1/2	4 1/2	4 1/2	4 1/2	£ 49,000	74,411	94,728
London Electric (£10)	4 1/2	4 1/2	4 1/2	4 1/2	£ 65,000	73,842	111,357
City and South London	4 1/2	4 1/2	4 1/2	4 1/2	£ 36,000	27,864	28,783
London General Omnibus	9 1/2	9 1/2	9 1/2	9 1/2	£ 375,000	71,942	64,641
Met. District, Ord.	5	5	5	5	£ 65,000	77,075	84,068
Do 5% and Pref.	6 1/2	6 1/2	6 1/2	6 1/2	£ ..	47,799	95,620

¹ Paid free of income-tax.

The dividends for the full year paid by the three tube railways show no change at 4 per cent. each, but substantial increases are made in the amounts carried forward by the Central London and the London Electric. Chief interest has been centred on the Metropolitan District, whose total distribution is 1/2 per cent. higher at 3 1/2 per cent., a small addition being made at the same time to the carry forward. The London General Omnibus pays 9 per cent. for the year, as against 8 1/2 per cent. for 1922, both free of income-tax. The 6 per cent. Underground Electric Income bonds receive the full 6 per cent. free of income-tax for the first time since 1916, and the balance forward is very substantially increased.

The Outlook for Non-Ferrous Metals.—The non-ferrous group of metals this week has shown conspicuous activity and strength. Statistically the position is very sound. The latest returns show that copper stocks in this country are down to about 30,000 tons, mostly rough copper, tin supplies have been reduced to 2,850 tons, zinc stocks stand at 1,088 tons, and there is now only 300 tons of pig-lead in the public warehouses. In view of the Government schemes for building houses and in other directions, these supplies are exceedingly small, and with users everywhere only lightly covered, firm markets are likely to continue. Copper has been rather uncertain, but began to harden up again late in the week, while tin was very strong, with a large business done in both cash and forward at over £260. Cash and nearby positions showed marked firmness, and transactions were carried out at fully £3 premium on the more distant dates, £264, and even more, being paid where warrants were wanted. Compared with the final values for last year, this commodity shows an average gain on the year of close on £30 per ton. There is not much tin on offer; America has been a very eager buyer, and the Eastern markets after the Chinese New Year holidays were firm, with sales at over £260. The increase of over 2,500 tons in the visible supply for January has been ignored. Lead has again been working forward, and supplies are decidedly short. Business has been done in current month at over £33 per ton, and there is now a backwardation of over 20s per ton. Zinc has been firm, but not especially active. Nearby positions have been sold at well over £35, and with users only lightly covered the outlook favours better markets. Antimony continues very strong, with English quoted at £55. The market for Chinese regulus continues to advance, and rates now range from £42 upwards. The feeling in regard to non-ferrous metals is now much better than it has been for a long time past,

and expectations that the demand from consumers will expand considerably over the next few months seem to be based on quite sound reasoning.

Cotton Trade Control Scheme.—Our Manchester correspondent writes:—Important developments have taken place this week in connection with the proposed control scheme in the American spinning section of the cotton industry. The original suggestion was that the whole of the industry should be controlled, but the weaving branch and spinners of Egyptian yarns refused to entertain the idea. Latterly attention has been centred on a scheme to be confined to the spinning mills using American cotton. There has seemed to be a chance of something being done, but the movement has met with a setback owing to the decision of cloth manufacturers to oppose certain items in the scheme. The draft proposals formulated by the Cundiff Committee of employers and trade union officials provides for an application to be made for a grant of £250,000 to spinners of American yarns from the Cotton Trade War Memorial Fund. Weaving employers object to this suggestion, and they have also decided to oppose the Government's sanction of basic prices for yarn. Everything at the moment is in the melting pot, but it is expected that important decisions will be reached at a further meeting of the Cundiff Committee to be held on Monday next. If the suggested scheme should receive the support of the Government it will mean that one section of the industry will be protected and spinners will not be allowed to sell yarn below certain prices fixed by the Control Board. It is held that a policy of this kind would be a distinct hardship to cloth manufacturers, and it is estimated that in order to stop losses there would have to be an increase in yarn quotations of 3d a pound. This would result in prices for cloth being raised 10 per cent. Naturally makers are realising that in the circumstances it would be more difficult than ever to secure orders, as already foreign trade is being restricted by the high level of values. It remains to be seen whether spinners of American yarns will endeavour to work the scheme on a voluntary basis, but it is feared that if this is attempted there will be sufficient firms outside the movement to prevent success.

More Rand Financing.—It may be recalled that the Modder East, a Far Eastern undertaking whose experience has so far proved most disappointing, has for some time past followed the policy of opening up only the more promising sections of the mine and of crushing ore above the average of the reserves for the purpose of providing funds for repayment of the debentures. Mainly as a result of the latter proceeding, only £100,000 of bonds were outstanding on December 31st. Developments having recently proved more encouraging, the directors propose to put the concern on its feet by a financial reorganisation. In place of crushing at the Apex Mill of the New Kleinfontein Company—which naturally enhances the costs—the company is to erect a modern reduction plant of 50,000 tons monthly capacity, and to carry out an extended development programme. To provide the necessary funds an issue of £465,465 6 1/2 per cent. debentures will be made; out of which the balance of the existing issue is to be redeemed. As regards the share capital, the members will be given two new shares in exchange for every five now held, the ex-enemy shares being annulled; during four years from date of issue the debentures will be convertible into shares at par. The project has not been favourably received in the market, although—as pointed out in a "Note" some time ago—a drastic scaling down of the capital would have to be faced sooner or later.

French Statistics.—Our Paris correspondent writes:—Students who follow French statistics should be warned against two possible sources of error which may cause a good deal of confusion both now and in the future. In comparing official figures concerning French imports and exports for the past year, striking discrepancies will be noted between figures published from time to time in the *Journal Officiel* during 1923, and similar figures issued by the Ministry of Finance more recently. The differences are largely due to fresh methods of valuation

of exports having been adopted recently, which have had, incidentally, the effect of reducing the amount of the apparent adverse balance against France. In the more recently issued official figures, the earlier comparative returns appear to have been adjusted to the new system, which may account for the striking discrepancies between figures recently published by certain leading English newspapers and those now officially announced by the French Government. A similar discrepancy exists in regard to the French index figures. These are now based on 100 as representing prices in July, 1914, whereas down to November last the base was 100 for the period 1901-1910. All figures must be read in the light of these important modifications (which, of course, render exact comparisons impossible, but which, in the circumstances, must be accepted).

Empire Cotton.—At a time when Lancashire's difficulties are probably more severe than at any previous period in its history, the decision of the Empire Cotton Growing Association to publish a quarterly record of its activities will commend itself to all students of industrial affairs. The initial number of the new review* contains an outline of the events leading to the establishment of the corporation, by Royal Charter, in 1921, and also, *inter alia*, a description of the work of the Imperial College of Tropical Agriculture by Sir Francis Watts, articles on cotton growing in Tanganyika, and some excellent statistics compiled by Prof. J. A. Todd. The genesis of the present corporation can be traced back to 1902, when the British Cotton Growing Association was formed at the instance of the Manchester and other Lancashire Chambers of Commerce, and leading West African merchants of Liverpool. Although its efforts had so far borne fruit that by 1921 165,000 bales of cotton were produced by territories which exported little or none in 1902, it was felt that development on anything like an adequate scale required some form of public assistance. In 1917 the President of the Board of Trade set up a committee representative of both Government departments and the trade, the outcome of the Committee's exhaustive inquiry being the setting up of the present corporation as an information and spending department without Treasury control, but under the direction of its Finance Committee. The corporation's income is derived in part from a capital contribution of nearly one million pounds by the Government, and an obligatory levy on all spinners of sixpence per standard bale of cotton purchased in this country. The potentialities of the corporation's work are, of course, immense. As far as we can ascertain, Uganda produced, in 1922-23, .5 per cent. of the world's cotton, Nigeria .08, Tanganyika .04 per cent., and South Africa and Australia each .01 per cent. As the editor of the *Review* points out, however, the value of the work initiated can only be judged after some years have elapsed. All agricultural departments and cotton experiment stations have been asked to assist by sending reports of results obtained from each kind of seed, the nature of the soil, and climatic conditions, together with statistics of acreage, yield, and ginning output. It is intended to include in the journal an authoritative record of all current statistical data on cotton cultivation in its broadest sense, special attention being paid to legislation bearing on the subject, and other cognate matters.

The League of Empire Public Economy will hold a public meeting in the Essex Hall at 4.15 p.m. on Monday, February 11th. The speakers will include Earl Beauchamp and Sir Donald Maclean.

The Royal Colonial Institute announces a meeting at the Edward VII. Rooms, Hotel Victoria, Northumberland avenue, W.C. 2, on Tuesday, February 12, 1924, at 8.30 p.m., at which a paper on "Group Settlement in Western Australia" (with lantern illustrations) will be read by the Hon. H. P. Colebatch, C.M.G., Agent-General for Western Australia. The Right Hon. Sir William Ellison-Macartney, K.C.M.G., will preside.

* "The Empire Cotton Growing Review"—Journal of the Empire Cotton Growing Association. A. and C. Black, Limited. Quarterly.

Oversea Correspondence.

UNITED STATES.—SENATE INVESTIGATION INTO OIL LAND LEASES—MONEY EASIER BOND MARKET.

(FROM OUR CORRESPONDENT.)

NEW YORK, January 25.

INTEREST has centred very largely this week in the United States Senate Committee's investigation into the naval reserve oil land leases made some time ago by a former Secretary of the Interior to two of the largest oil companies in this country, namely, the Pan-American Petroleum Company and the Sinclair Consolidated Oil Company. The testimony, which contained sensational disclosures, and which has probably been cabled to your side in some detail, has created in the public mind here a bad impression, to say the least, and indications are that strong efforts will be made in Congress to cancel the leases. Such action would have a far-reaching effect, and would prove a serious matter to both companies, although more so to the Pan-American than to the Sinclair interests. The lease to the Pan-American Petroleum Company was made in December, 1922, for a term of 20 years, or so long as production proved profitable, and covered what is known as Naval Reserve No. 1 in California, comprising more than 30,000 acres. Testimony submitted to the Senate Committee showed that the Pan-American Company has already spent \$22,000,000 in developing the property, and that it will have expended \$48,000,000 within a year, directly or indirectly, in connection with that reserve; the company, furthermore, has been basing its future largely upon that lease, the Committee was told, especially in view of the lessened production of light oil in its Mexican fields. It is quite evident, therefore, that abrogation of its Californian lease would be a serious development for the Pan-American Company and holders of its securities. Cancellation of the Sinclair lease of the Teapot Dome Naval Reserve in Wyoming would also be a severe blow to that company, although the latter reserve has thus far proved disappointing; according to a recent estimate made by Government experts, the lands comprised in that lease have an oil content of only 25,000,000 barrels. Under heavy selling pressure, induced by the facts revealed in the testimony and by the possibility of Congressional action as indicated, both companies' shares broke sharply in the stock market, an additional depressing factor in the case of Pan-American issues being the complete cessation of its production in Mexico owing to revolution there, although late advices state that some of its Mexican properties have been able to resume operations. Other oil shares have held comparatively steady or have advanced moderately in response to the further improvement in the domestic oil trade and industry, as evidenced by the continued rise in prices of crude and refined petroleum and decrease in production of crude.

The recovery in crude oil prices has been very rapid. During the past six weeks Pennsylvania crude has been advanced eight times. It is now quoted at \$4.25 in the Bradford district, thus equalling the peak price of last year, which was reached in February. The upward tendency is due largely to the mild, open winter thus far experienced in the East, which has resulted in an exceptionally heavy consumption of gasoline and lubricating oils, and has increased the demand for Pennsylvania crude oil, used extensively in the manufacture of lubricants.

The most noteworthy development this week in the financial situation was the further easing of time money rates, which are now quoted at $\frac{1}{4}$ per cent. bid and $\frac{1}{2}$ per cent. offered for all maturities on both mixed and all-industrial Stock Exchange collateral. The decline is regarded as seasonal, and is due to increased supplies of surplus funds and light demand for accommodation. Call loan rates have held at 4 per cent., with abundant offerings in the outside market at $\frac{3}{4}$ per cent. Broker's borrowings for stock-market purposes continued small in volume. The Federal Reserve banking position has become stronger. The system's ratio of reserves to note and deposit liabilities advanced this week to 80.4 per cent., as compared with 80.1 per cent. last week and

76.5 per cent. a year ago. The present ratio duplicates the previous high point reached on August 9, 1922, and, with that exception, is the highest level recorded since the spring of 1917. Combined cash reserves of the 12 Federal Reserve banks now amount to \$3,271,585,000, a new high record, and exceeding legal requirements by \$1,745,000,000, the latter sum also being a new high record. Total holdings of discounted bills stand at \$540,778,000, as against \$569,735,000 last year at this time. During the past two months loans have decreased \$205,410,000, or approximately 25 per cent., whereas in the corresponding period a year ago the decrease was only about \$44,400,000, or 7 per cent. That heavy shrinkage of loans has forced regional banks into the investment market. An outstanding feature of the Federal Reserve bank weekly statements during the past month has been the unusually rapid retirement of Federal Reserve notes in circulation. On December 26th the total in circulation was \$2,340,375,000; on January 23rd the amount was \$2,049,834,000, showing a reduction of \$291,000,000 in four weeks. The exceptionally strong banking position, as disclosed by the reserve ratio, has revived talk of a possible lowering of rediscount rates by Federal Reserve banks. While there has been indication that such action is contemplated in the near future, it may be recalled that when the New York Federal Reserve Bank reduced its rate to 4 per cent. in June, 1922, the combined ratio for the entire Federal Reserve system stood at 79.1 per cent., or somewhat below the present ratio.

The drop in money rates accounts in a measure for the continued broad and active demand for bonds at rising prices. Trading has been on a heavy scale this week, embracing practically all descriptions of investment and speculative issues.

FRANCE.—NEW FINANCIAL MEASURES—PROHIBITING IMPORTS—IRON AND STEEL OUTPUT—COAL.

(FROM OUR CORRESPONDENT.)

PARIS, February 6.

THE Government's new financial proposals, by which it is expected to balance the Special Budget (or Budget of Recoverable Expenditure) are being steadily forced through the Chamber, although progress is much slower than M. Poincaré's original programme foresaw. Last week, after deciding (as a side issue) that all dossiers connected with claims for war losses exceeding 500,000f should be revised, in view of the terrific scandal that has developed in connection with the restoration of the devastated regions, the Chamber went back on its decision, and raised the minimum figure at which the coming searching investigation shall begin to 1,000,000f. In view of the manner in which claims are alleged to have been inflated, it is confidently expected that even with this important modification a substantial number of milliards will be recovered from industrialists and others who have received more than just compensation from the State. This highly inflammable subject once out of the way for the time being, the House took up on Monday the first of the series of Bills whose object it is to place French credit on a better footing. This is the measure proposing that the Government shall be authorised, by simple decree, to effect reforms in the various public services by which a saving of 1,000 million francs a year can be effected.

The discussion on this proposal has been made the occasion for a fine display of party political tactics by the Opposition, who have made great play with the argument that the measure verges dangerously in the direction of setting up a dictatorship, by rendering it possible for Ministers to legislate without Parliamentary control. So far as can be seen, however, the vast majority of the House agrees with the Premier that the proposition is a perfectly rational one for the purpose of saving time and enabling the Government to act in the best interest of the nation without useless discussion. Resolutions continue to come in steadily from Chambers of Commerce and other influential bodies all over the country, heartily approving the Premier's effort to restore the national credit, and expressing the willingness of the taxpayers to support as

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much additional taxation as may be necessary to attain the object in view. Nevertheless, the struggle with the adverse minority in the House is proving a severe one, and fears are expressed that M. Poincaré, after the two years of herculean labour which he has performed as Premier and Foreign Minister, may find himself physically unable, in spite of his enormous capacity for work, to support his task to the end. The spectacle is one of the most remarkable ever seen in any Parliament, and the whole nation is watching it with the deepest interest. Adverse criticism of the Government's financial proposals is, as yet, at any rate, practically non-existent.

A Government measure which should attract close attention abroad is one to authorise the Ministry, "among the measures necessary to defend our exchange," to prohibit the importation of foreign merchandise or products. This is a proposal to revive a law which was in force during the war, under which the Government had power to prohibit the entry of products and merchandise "not indispensable to the national life." Under the existing law the Government has power, by mere Ministerial decree, to open and shut the door for the entry of various articles of the first necessity, as circumstances may direct. This power has been several times exercised during recent months, and one of the accusations made against the present Minister of Agriculture is that he has made too liberal a use of this power in the interest of the agricultural class. The high price of several articles of common consumption is alleged to be due to the same cause. Export of certain commodities has been permitted, while the entry of similar commodities of foreign origin has been prohibited. The prices of milk, butter, eggs, potatoes, and other commodities have soared enormously owing, it is alleged, to this possibility of manipulation. The Bill extending this power to imports in general, however, opens up a much more serious prospect, and may possibly raise the whole question of the status of existing commercial treaties.

Provisional figures are now issued by the Comité des Forges showing the total production of iron and steel in

France during 1923, as compared with the output for 1922 and 1913 respectively. These are as follows (in tons):—

	Iron.	Steel.
1913.....	5,207,000 ..	4,687,000
1922.....	5,228,608 ..	4,534,275
1923.....	5,299,581 ..	4,976,869

The figures for the past two years must, of course, be discounted, so far as comparison with the pre-war year is concerned, by the fact that they include the Lorraine output, which amounted in 1923 to 1,867,160 tons of iron and 1,563,059 tons of steel. Including the output from Lorraine, the total production of iron last year was 170,973 tons greater than in the previous year, while the steel total was 505,594 tons higher. The output for December was the best since the armistice. The number of blast furnaces working on January 1 was 125, as compared with 119 on December 1, 1923, and 116 on January 1, 1923. Fifty-one others were ready to operate on January 1 last, and 43 were under construction.

The output of the French collieries continues to progress satisfactorily. The average daily tonnage during 1923 rose from 121,064 tons in January to 139,446 tons in December. The total output for December, however, was only 3,346,690 tons, as compared with 3,506,037 tons in November, owing to the large number of holidays in the months, which reduced the working days to 24. Owing to the reduction of the working day, due to the operation of the eight-hour law, the total number of men employed in the French collieries, which was 203,208 in 1913, had risen to 239,082 in December, 1922, and to 283,097 in December, 1923, or an increase of nearly 20 per cent. in 12 months. The output of metallurgical coke in the French coalfields rose from 113,498 tons in December, 1922, to 189,532 tons in December, 1923, an increase of 76,034 tons.

Figures furnished by the Ministry of Public Works indicate that the Ruhr is now furnishing 700,000 tons of reparation coal and coke per month to this country, in addition to 420,000 tons to Italy, 400,000 to Belgium, and 200,000 tons to Luxembourg. During the last week in December the amount of coal and coke received by this country from the Ruhr was 292,000 tons. It is claimed that France is now receiving from the Ruhr substantially the amount fixed by the Reparations Commission prior to the occupation of the area in question. These deliveries are derived from (1) stocks which have been requisitioned, (2) mines which are being worked directly by the Franco-Belgian régime, and (3) mines which have entered into agreements with the occupying authorities. The kohlsteuer, it is now reported, is yielding about 30 million francs per month, while the railways in occupied territory, which are controlled by the Franco-Belgian régime (representing two-thirds of the total mileage, the other third being in the Cologne district), are now showing a profit on working of 500,000 a day, in spite of the fact that the traffic rates are only one-half those charged in unoccupied Germany. The revenue from other payments in kind, State forests, Customs, &c., is stated to be at the rate of 400 millions a year, while 300 millions is stated to be the amount being received from permits, licences, &c. It is claimed that the Ruhr is now producing, on reparations account, at the rate of 2,260,000,000 a year.

GERMANY.—REGULATION OF MARK DEBTS—GOLD BUDGET—CURRENCY AND PRICES.

(FROM OUR CORRESPONDENT.)

BERLIN, February 4.

THE long-delayed Third Taxation Decree, which, it was known, would be of great importance for private debtors and creditors, for Federal Finances, for the financial relations of the Republic to the local self-government organs, for the Housing Question, and finally for foreigners with mark claims on Germany or Germans, has at last appeared. As regards private debts, the Decree is, as was of late expected (contrary to what was at first officially proclaimed), an abatement of the original "mark is a mark" plan. This plan reduced all old gold mark debts, and debts contracted in paper marks of high gold value, to pure paper mark debts of to-day, to one-

billionth of their original value if contracted in gold. For this plan various justifications were put forward. There was no reason, it was said, why owners of private mark debts should be better treated than mark creditors of the State; in practice it was impossible to inquire into the varying degrees of depreciation of debts; only in rare cases would the original creditors gain from a restoration of gold values, &c. The main motive, however, was fiscal. The Republic, while forbidding "Aufwertung" in favour of creditors, could take (in the shape of taxes, levies, or compulsory mortgages) the gain made by mortgagors, bond-issuers, and other debtors. This plan broke down owing partly to the opposition of creditor class, but mainly because Bavaria opposed it. But there could be no question of restoring the whole of the original gold value of debts. In most cases the debtors could not bear that, and often a debtor who gained by depreciation to nothing of a mortgage, lost as much or more by depreciation to nothing of his claims on the others. Hence the rough-and-ready expedient of restoring an arbitrarily fixed, and low, proportion of mortgage debts and bond debts has been adopted, where these still exist, while where they have already been paid off in paper marks the creditor gets no compensation.

The Decree is an elaborate one. It enacts that mortgages, bonds, and other debts in the same class, if contracted before the beginning of 1923, and if not paid off before the end of that year, shall be raised from their present status of worthless paper mark debts to 10 per cent. of their original gold value. If older than 1919 their original gold value is considered to be their nominal value; if younger, their original gold value will be fixed according to the gold value of the paper mark at date of origin. A mortgage debt dating from 1918 of nominally 100,000 marks becomes, therefore, 10,000 gold marks, although contracted in already somewhat damaged marks, while a mortgage debt of the same nominal amount dating from early 1920, when the mark was depreciated to about nine-tenths, becomes 1,000 gold marks. To make easier this sudden, if partial, restoration of the burden on the debtor, it is provided that no interest shall be paid on the 10 per cent. capital in 1924, and only 1 per cent. in 1925, and that not until 1929 shall 5 per cent. be reached, and that the capital cannot be claimed before 1929. Regarding debts where the mortgagors are mortgage banks, and where the real losers are therefore the holders of mortgage-bonds issued by such banks, it is provided that mortgage bonds shall be restored to the 10 per cent. only when they have been in the same hands since January, 1919, or have been compulsorily invested in under the Trust laws.

For depreciation of deposits in Savings Banks, even where the deposit has lain continuously, no "Aufwertung" is allowed. But as Savings Banks which lent their deposits on mortgage would gain from the 10 per cent. restoration of these mortgages, the Decree requires that the gain be taxed away by the States, the yield to be devoted to social aims, in particular in the interests of the classes which use Savings Banks. Where industrial bonds were paid off in paper marks before December 31, 1923, the debtor concern must pay to the Republic a levy of 12 per cent. of the original gold value of the bonds. The vexed question of mortgages on dwelling-houses, which is complicated by the complete expropriation under the Rents Act of 1922 of the landlord's profit (or interest on his capital), is regulated by enacting that gross rents shall gradually be raised to the pre-war level. As mortgages on such houses will be restored only to 10 per cent. of the original gold value, which was usually 60 per cent. of the value of the house, the landlord would gain largely. This gain is more or less to be taken by the States in the shape of a rents tax; that is, part of the gross rent, once it is back at pre-war level, will go directly to the State Government. The states, however, are required not only to fix the tax low enough to allow for maintenance and repair of the houses, but also low enough to allow the landlord interest on his own capital investment. This latter provision, if carried out, means the end of the present expropriation of house property.

The Decree proceeds to the question of public debts. Here all Government announcements up to the end were categorical; for federal, state and municipal loans even a partial "Aufwertung" would under no circumstances

be dreamed of. The real reason for this decision was fiscal—the public finances could not pay even a reduced gold interest; but to make this *de facto* repudiation sound reasonable, it was asked why should a creditor of the State be compensated when a mortgagee was to get nothing? When events compelled the Cabinet to give a dole, as above described, to the mortgagee, the argument turned against itself; there was no reason why the State's creditors should be worse treated, &c. The Decree, therefore, does not announce the expected repudiation of the public debts. But as it is out of the question to pay interest on or think of amortisation of even 10 per cent. of public debts, the Decree simply announces that "until all Reparations liabilities are paid" the interest on and amortisation of these debts is suspended. This, of course, is only a little short of formal repudiation; and the public took it so, with the result that there was heavy selling of loans and considerable declines in their quotations.

The Decree regulates as follows the financial relations between the Republic and the states and municipalities. The Republic will cease to pay the costly donations towards State and municipal salaries, but will hand over to states and municipalities 90 per cent. of the income-tax yield instead of 75 per cent. as at present, and hand over also the yield of the ½ per cent. recently added to the originally 2 per cent. Sales Tax. In addition, the states will get the Rents Tax, which is expected in 1924 to yield 600,000,000 gold marks, but which, when full pre-war rents are restored, will yield very much more.

The Third Taxation Decree is now before the Reichstag's advisory Committee, but it will be issued without Reichstag sanction under the Empowering Law. Another emergency decree will separate railways and posts entirely from the Federal administration and finances, and convert them into independent corporations. The Republic will remain sole owner, and will receive any net profits, but it will not give subsidies to cover losses. For these the railway corporation can borrow on the security of its assets, though in principle it is required to cover its expenditure out of revenue. The Government retains the right to sanction the balance-sheet and profit and loss account, and also, until a Railways Council of Administration is formed, to sanction alterations in the normal rates. Railway receipts rose from 8,000,000 gold marks a day in November to 9,400,000 gold marks in January. Large savings have been made, but as a loss is still being suffered on passenger traffic the third and fourth-class fares will be increased, while the first-class, in order to attract international traffic, will be reduced. The arrangement under which the railways will borrow 100,000,000 gold marks from the Association of German Mortgage Banks has been sanctioned by the Reichsrat.

For the international experts now here the Government has prepared a Gold Budget for 1924, the first Budget for years that gives any idea of the total gold expenditure and revenue and of the proportions between the different items. This gold Budget is based on the assumption that the economic unity of occupied and unoccupied territories will be fully restored, otherwise revenue will be 950 million gold marks less than appears in the table:—

I.—GENERAL ADMINISTRATION BUDGET.

A. Ordinary.		B. Extraordinary.	
Revenue.	Mln. G.M.	Expenditure.	Mln. G.M.
Direct taxes	4,004	Service of debt	156
Customs and excise	1,060	War pensions	810
Administration receipts ..	60	Army and Navy	450
		Police	208
		Economic & cultural aims ..	28
		Unemployment support ..	500
		Other social purposes	360
		Ministry of Finances	380
		General administration out- lay	250
		Subsidies to States and municipalities	1,800
	5,124		4,942
		For war damage, &c.	6
Profits from Mint	90	Public buildings	44
Other receipts	40	Liquidation of war expen- diture	20
		Liquidation of Ruhr ex- penditure	60
	130		130

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II.—EXECUTION OF PEACE TREATY.

	Mln. G.M.
Reparations in cash	52
Clearing	6
Army of occupation	360
Rhineland Commission	34
Other Inter-allied Commissions	18
Restitutions, &c.	10
Home expenditure due to Treaty	160
	640

The total expenditure on Budgets I. and II. is 5,712 million gold marks; total revenue on Budget I., ordinary and extraordinary, is 5,254 millions. From the Peace Treaty Budget are omitted the larger cash and kind liabilities. If all the Peace Treaty liabilities were excluded there would be a surplus of 182 million gold marks. The expenditure shown considerably exceeds the 4,000 million gold marks, which is the estimate usually come to in the past three years, but the present gold price level is much higher than the average price level of these past years.

The currency continues to hold well. Warnings are being issued about symptoms of inflation through ever-bigger demands for private credit, and the Reichsbank statements cause some apprehension on this score, but as long as prices are not rising there seems to be no serious danger. In fact, the home value of the Rentenmark continues to increase, though, in part, the price-cutting announced by staple industries is due to bad business and to compulsion to realise, and does not always mean a corresponding drop in production cost. The cost-of-living index on January 28th had in a week dropped further by 1.9 per cent. to 1,060 milliards, which, in gold and on a basis of 100 in 1913-14, is 106; while the latest commodities index is 114.8, showing a drop in the week of 0.8 per cent. The *Frankfurter Zeitung's* index number for January 31st is, reckoned also in gold, 143.06, or much higher than the official, but well below the maximum of 164.96 on November 29th. The price fall can hardly go much further. The Reichsbank's statement for January 15th shows a drop in note circulation by 12 trillions to 479 trillions; a very large increase, by 114 trillions paper marks to 186 trillion paper marks in Rentenmark private discounts, and an increase by 18 trillion paper marks to 181 trillion paper marks in Rentenmark advances. An alteration in the discount rate was considered last week. The present 90 per cent. per annum rate for discounting paper mark bills on a paper mark basis will soon become obsolete, because no new paper mark bills on this basis have been discounted this year, and none will be. Nearly all of the 100 million Rentenmarks of Rentenmark Treasury bills offered for covering of railways and posts deficits have been sold. In the present fluid state of the money market more Rentenmark Treasury bills could probably be sold if deficits compel the Government to borrow.

ITALY.—WHOLESALE PRICE VARIATIONS—COST OF LIVING—IMPROVING PUBLIC FINANCE—PUBLIC DEBT.

(FROM OUR CORRESPONDENT.)

TURIN, January 28.

AVERAGE wholesale prices have increased a little in the month of December, as the new Milan Chamber of Commerce's index (basis 1913 = 100) shows:—

	Av'rage May- Decem. 1921.	Av- rage, 1922.	Jan., 1923.	April, 1923.	August 1923.	Decem. 1923.	Av- rage, 1923.
Vegetable Foods	516.8	555.2	546.5	567.1	515.3	497.9	513.9
Animals	649.4	587.4	531.6	570.6	562.5	588.8	566.8
Textiles	480.1	583.1	618.9	656.3	661.7	743.9	673.3
Chemicals	440.1	437.2	407.3	525.9	427.8	410.0	421.6
Minerals and metals ..	514.4	524.1	525.6	570.9	544.3	548.2	547.7
Building materials ..	570.3	519.7	529.3	519.4	517.6	531.6	519.0
Miscell. vegetables ..	495.5	508.2	520.7	538.1	499.8	499.1	515.9
Miscell. manufactured ..	537.5	535.8	534.5	533.8	541.9	528.6	534.6
General index	516.5	529.3	523.5	549.7	527.0	534.8	535.8

I have quoted for 1923 the opening and the closing months and the intermediate minimum (August) and maximum (April). The average for 1923 is slightly higher than for 1922, and therefore the purchasing power of the lira is lower. The greatest increase was in the textile group, owing to international change in the prices of cotton, wool, and silk. Cost of living was also slightly higher in 1923. The Index number of the cost of living in Turin of a working family of two parents and three sons, taking the average for the first half of 1914 as 100, is as follows:—

	Food.	Clothing.	House Rent.	Heat and Light.	Miscellaneous.	General Index.
January, 1920	351.0	327.2	100	406.5	344.5	318.5
July, "	409.3	479.0	100	415.0	455.8	384.4
January, 1921	513.1	547.3	110	527.3	513.6	467.4
July, "	446.2	411.4	110	354.2	537.1	404.7
January, 1922	523.7	454.2	120	435.3	590.7	465.6
July, "	487.3	432.6	120	365.3	584.1	436.9
January, 1923	499.0	432.6	120	423.4	574.4	446.0
July, "	498.0	434.6	200	376.1	580.0	453.6
December, "	504.7	470.3	200	460.0	577.3	466.6

The hardening impression is confirmed by the annual averages, which were for the general index 337.73 in 1920, 449.19 in 1921, 448.09 in 1922, and 451.59 in 1923.

Public finance is improving. The Finance Minister has suspended the issue of Treasury bills for six months or less. The current income for the first six months of the financial year (July to December, 1923) was 8,546.6 million lire, against an estimate of only 7,832.3 millions, or an increase of 732.3 million lire, while the expenditure was 8,771.2 millions, against an estimate of 9,362.5 million lire. It was thus possible to limit new debt and to begin making a reduction among various kinds of debt. A comparison of public debts at June 30, 1923, and December 31, 1923, shows that a net reduction of 234 million lire has been effected in internal debt in that period.

The outstanding external debts are exclusively towards the Governments of the United States (8,536.8 million lire) and Great Britain (13,858.4 million lire).

This item of external debt is the only remaining stumbling-block in our public finance, as it means a *paper* debt of about 90,000 million lire, or more than the whole internal debt. Public opinion is increasingly leaning toward the old idea of the contemporaneous adjustment of inter-allied debts and war reparation. The recovery of our national finance would be otherwise impossible.

There has been in the last six months an increase in long-dated loans and bonds (war indemnities loan dated 25 years and nine years Treasury bonds), and a decrease in short-dated Treasury bills. The volume of these latter is too great, but it is hoped that by not reissuing bills of less than six months' currency the total will become more manageable. Italian Bourses have greeted with enthusiasm the news of the suppression of the issue of short bills; 5 per cent. Consols, which opened the new year with a quotation of 80.28 per cent., close to-day at 92.95, and 3.50 per cent. old Rentes rose between the same dates from 76.79 to 80.80. Bourses are very animated, and great advances have been made not only by fixed-interest securities, but also by variable dividend shares.

SWEDEN.—PRICES AND EXCHANGE—FOREIGN TRADE—BUDGET FOR 1924-25.

(FROM OUR CORRESPONDENT.)

STOCKHOLM, January 22.

THE past year did not fulfil the expectations with which it was started. It was rather cheerfully welcomed, and everybody had a faint hope that trade and business would show a brightening tendency. At first this hope seemed likely to be fulfilled, but very soon the general political state of Europe and its effects on trade and industry influenced conditions here in a wrong direction. The high rate of exchange of the Swedish crown has also proved to be a stumbling-block to our export trade. Our costs of productions are so high that it is almost impossible to sell our export goods in crowns. The general depreciation of the £ exchange, the value in which most of our exports as well as freights are liquidated, entails heavy losses as well as great difficulties. Another unfavourable

result of our high exchange is the stimulation of import, which had a serious effect on our trade balance for 1923. Grain imports in particular increased enormously. Imports of oats were three times bigger than during 1922, and wheat imports were doubled. There has also been a large increase in the import of mineral oils and coal and coke. Our exports in 1923 were not as great as in 1922 for most of our standard articles. This was true, at any rate, of timber, pulp, and iron ore, but there was an increase in the exports of newsprint and paper in general. A remarkable increase took place in pig-iron (which, however, has not yet reached the pre-war standard). The decreases in the exported quantities, however, of the goods mentioned are not as great as the decrease in the payment for them, as the prices obtained have been lower during 1923 than during 1922. Roughly speaking, it is expected that last year will give an import surplus of 200 million crowns, while the result for 1922 was an export surplus of 33 million crowns; it will take some time, however, before the exact result for 1923 will be known.

As to the outlook for this year prediction is difficult. The course of business will depend greatly upon the general state of Europe, especially the Ruhr situation, and the movement of the crown sterling exchange. Company results for last year are now appearing, and it seems as if the banks have had a good year. For instance, the board of the Skandinaviska Kreditaktiebolaget declares a dividend of 10½ per cent., the total amount available for distribution being 12.6 million crowns. The Göteborgs Bank shows a net profit of 4.43 million crowns, and a dividend of 10 per cent. is proposed. The gross receipts of the Svenska Handelsbanken for 1923 were 16.1 million crowns, about 3 million crowns will be written off, and a dividend of 10 per cent. is proposed.

The Budget for July 1, 1924, June 30, 1925, has recently been published, and it is, like last year's, a strictly economical one. The total expenditure is placed at 649 million crowns, a reduction of not less than 102 million crowns compared with last year. There will be a reduction in the war bonus paid to all Government servants, which is estimated to save 12 million crowns. No money is reserved for the unemployment fund, as it is considered that unemployment at present has declined to such an extent that it is about the normal. No new taxes are to be imposed. There may be a reduction in the charges for the railways, telephone and telegraph, while the postal fees are to remain unaltered. The chief State income is derived from taxes estimated to yield 455 million crowns, and from the Commercial Government Departments, which are estimated to yield 91 million crowns. These Departments have given good results. For instance, the Post Office showed a surplus of 15 million crowns, and the Board of Dominion Administration a surplus of 11 million crowns for 1923. The latter is expected to give 13 million crowns during 1924. The State railway's income improved last year, but for this department no final figures are yet available.

ROUMANIA.—CURRENCY DEFLATION—COST OF LIVING—NEW PETROLEUM LAW—AGREEMENT WITH FRENCH COMMERCIAL CREDITORS.

(FROM OUR CORRESPONDENT.)

BUCAREST, January 15.

DURING the four weeks ending December 22nd bank-note circulation—as shown by the statements of the National Bank—was reduced from 18,012 million lei to 17,941 million lei. Apparently on the basis of these figures Mr Oromulu, the Governor of the National Bank, is quoted in a Press interview with the statement that Roumania is now definitely committed to a policy of currency deflation, to be brought about by the gradual reduction of the Treasury's debt to the Bank (now slightly in excess of 11,500 million lei), and by the Bank cutting down its discounting of commercial paper—at the same time steadily increasing its metallic reserve by purchasing all the gold which is now being mined in fairly substantial quantities in Transylvania. In the statement referred to Mr Oromulu expressed the opinion that, even if there is no further immediate improvement in lei exchange, he quite expects it to remain stabilised around its present level of 860 to the £. A deflation policy cannot, how-

ever, be expected to go far at this time. Even with the termination of this year's crop movement and the release of funds immobilised for that purpose, banking credit is still obtainable only at prohibitive rates, and the currency shortage grows more acute with the constantly increasing price level. The striking advance in cost of living during 1923 is shown from the following figures, taken from the "Plutus" index number of December 20th:—

	Jan. 1, 1922.	Jan. 1, 1923.	Dec. 20, 1923.
Foodstuffs (21 categories, with bread, meat, and fish subject to maximum price regulation)	1,822 ..	2,494 ..	3,415 ..
Clothing (9 categories, mostly imported)	2,077 ..	3,240 ..	4,245 ..
Miscellaneous (10 categories, including fuel, soap, &c.)	1,012 ..	1,666 ..	2,998 ..
General average	1,637 ..	2,466 ..	3,552 ..

The base of this index is 100 on August 1, 1916—just before Roumania's entry into the war.

The increase shown by this index is a real one, as lei exchange at the end of 1923—measured against dollars—shows less than 25 per cent. depreciation since January 1, 1922. This substantial increase in the cost of living, however, has no serious effect on the Roumanian peasant-farming class, comprising more than 75 per cent. of the population, since their material wants—apart from the food and clothing which they themselves mostly produce—are very scant. It is a serious matter, however, for clerical workers, and especially for Government employees, for whom existence would hardly have been possible if household rents had been permitted to rise with the necessities of life. While the Budget for 1924 provides salary increases for Government clerks, they are still so poorly paid that their efficiency and *moral* do not reflect creditably on the public services.

Following the new regulations in the month of November permitting the free export of those agricultural products (wheat, rye, flour, &c.) which had previously been on the prohibited list, the Council of Ministers on December 18th approved a new Petroleum Law, designed to free the internal and external commerce in oil products. The "freedom to export," however, will not become operative until a new schedule of oil export taxes has been put into effect, and these taxes, apparently, are to be fixed so high that producers will find it equally profitable to sell their products in the internal market, as internal prices are now left free to follow world market prices—i.e., the Government will no longer fix the maximum prices at which refined oil products are to be sold in the domestic market, except for the fuel oil required by the State railways and navigation companies. The removal of internal price restriction is an important concession to the petroleum companies, and is a definite bid on the part of the Government to attract additional foreign capital to the Roumanian petroleum industry, and to induce the companies now established here to extend their operations.

Governmental policy is clearly verging in the direction of complete freedom of trade, but the process of decontrol cannot be other than a long and tedious one, as the violent advance in the internal price level that would doubtless occur with the abrupt removal of price regulation and control of sources of supply might have important political and social consequences. The determination at last to face realities, however, and to proceed along sound economic lines—in so far as the political situation permits—is, at least, a hopeful sign.

Crude oil production in 1923 was approximately 1,500,000 tons, which compares favourably with the 1922 production of 1,368,929 tons and the 1,163,240 tons in 1921, although it is still nearly 400,000 tons below the 1913 level. A notable recent event was the bringing into production early this month at Runcu of a new well by the "Steaua-Romana." This well is reported to have produced 100,000 barrels of crude in 10 days.

In the closing days of December an agreement (which has since been formally ratified) was reached between representatives of French creditors and their Roumanian trade debtors for the deferred payment over a period of 26 years of obligations contracted in French francs between November, 1918, and January 1, 1922. This agreement is substantially along the lines of the British agreements ratified by the Law of June 3, 1923, except

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that the so-called "guarantee deposit" of 40 per cent. secured by the French is somewhat larger than the deposit required from those debtors desiring to take advantage of the British agreements. In the case of the French, however, the deposit of 4.00 lei for each franc of debt merely happens to be 40 per cent. because of the depreciation of the franc. Representatives of Italian commercial creditors are to meet with the Roumanian Debt Funding Commission in a few days to endeavour to arrange a settlement of Italian claims.

Letters to the Editor.

PROFESSOR CASSEL ON PROTECTION.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The letter from Mr L. F. Roussin in the *Economist* of January 12th contains several fallacies that seem to call for an answer.

While it is quite true that tariff barriers must restrict trade in both directions, it does not follow that the exchange should be unaffected. Even in the extreme case considered by Professor Cassel, where the barriers against export are absolute as regards merchandise, there would still continue an export of the currency of the country under blockade, to meet the import of food, raw materials and other necessities. The result could not fail to be that stated by Professor Cassel. And if we do not proceed to the extreme cases of total blockade, the result of restriction of exports from a country with undervalued currency abroad will be a further depression of its exchange, since the export of currency would have to extend in order to meet the deficiency of export bills.

Secondly, the theory of purchasing power parities does not hold without limitation in the case of a country which is exporting other goods than merchandise, such as currency, receipts for loans, coupons for the interest on debt, and so on. This is the case of Germany as regards currency. The rate of exchange in this case will be less than that established by comparison of purchasing powers, in proportion as confidence in the future of the currency becomes less, and as the saturation point of foreign demand for the currency is approached.

Further, it is not necessary to presuppose any foreign holding of the currency in question, speculative or otherwise. If the country had been paying for imports by exports which were suddenly stopped, it would have to start exporting currency or other equivalents to purchase necessities. The result would be similar—a depression of the already depressed exchange.

Again, in his penultimate paragraph, Mr Roussin forgets the hypothesis under which Professor Cassel and he are arguing, viz., that the export of merchandise is absolutely barred. There being no export, there could be no import of the currency held abroad (unless carried in by tourists, &c.), as, indeed, he admits when he says that the foreign holders could make but little use of it. His supposed readjustment will not, therefore, take place.

Finally, Mr Roussin may rest assured that the relation of international to internal values has been and is a very real one, and no bugbear. Amongst other consequences it has led to the enrichment of the exporting community in Germany at the expense of the working class, and, in this country, to competition under conditions so unfair that the Government has found itself impelled to place on the statute-book a law establishing countervailing duties. I doubt if there is in Europe to-day a country which has not felt the effect, in one direction or the other, of the process of depreciation of currency at home or abroad. The elimination of this effect is one of the greatest exist-

ing problems of post-war reconstruction, as Mr Roussin would probably have recognised better had he been more in touch with European conditions than residence in Egypt permits.

Broadway Court, S.W. 1.

Books and Publications.

THE AMERICAN COAL INDUSTRY.*

THE "Annals of the American Academy of Political and Social Science" have long been of considerable assistance to students of economic conditions in the New World, and the January number, which is devoted almost exclusively to the American coal industry, fully maintains the high standard we have learned to expect from this valuable publication. The main subjects dealt with are:—Wages, hours, and working conditions, labour relations in coal mining, costs and margins in producing and distributing coal, efficiency and cost reduction, fuel economy, and, lastly, what is described as "Some Steps on the Way Out."

Nothing, perhaps, strikes the British student of the American coal industry so much as the great difference which prevails between the anthracite and bituminous fields in general organisation, and especially in labour matters. Nearly 60 per cent. of the bituminous workers are native-born white men; another 8 per cent. are negroes, while the greatest part of the remainder are immigrants from Italy, Austria, and Poland. Approximately 172,000 workers are foreign born, and about 413,000 are native born. In the anthracite field, on the other hand, the importance of foreign-born workers is much greater, for of the 147,500 workers employed, 53 per cent. are immigrants, who came mainly from Russia and Poland. Curiously enough about one-third of the foreign-born own their own houses, as against less than 29 per cent. of the native-born workers in this field.

Trade Unionism is more strongly represented amongst the anthracite miners, where the modern movement can really be said to have started about 1897. Five years later a long strike, lasting some six months, led to a 10 per cent. wage increase, and to the institution of a sliding scale based on the selling price of coal. For the nine years of its existence this scale averaged a $\frac{1}{2}$ per cent. increase in wages, but a more important result of Roosevelt's Commission of 1902 was the institution of an Anthracite Board of Conciliation. In contrast with the bituminous industry, "anthracite has been stabilised, highly organised, and not over-developed." Indeed, the principal grievance seems to be that it has become monopolised.

A welcome feature of this volume of the "Annals" is the variety of its contributors. Masters and men are alike represented, and not the least interesting article is that by Governor Pinchot, who writes on "Wages, Margins, and Anthracite Prices," with special reference to the position immediately after his settlement of the big strike in August of last year. He justifies the 10 per cent. wage increase, which the workers then acquired, as being "just and necessary to provide a decent American standard of living." The existing wage schedule is condemned as being cumbersome and unscientific, while the employers are stated to have passed "not only the whole of the wage increase, but much more than the whole of it, on to the consumer." The dividends quoted as having been paid by some of the principal colliery companies of recent years certainly seem amazingly high; though another article emphasises that "the industry performs a useful service, pays high wages.....and takes unto itself a margin of profit which is moderate indeed as business standards go."

In the bituminous fields some 60 per cent. of the workers are unionists, and the principle of collective bargaining is still far from being generally acceptable to the employers. The average daily wage is complained of as being too high; but from the other side it is alleged that

employment is very irregular. Of course, conditions of demand are by no means the same for the two main classes of coal, while the existence of 40 major occupations in anthracite and 20 in bituminous makes it rather dangerous to generalise on wages. Earnings per man-shift worked—are higher in bituminous than anthracite. But more men earn high wages in the latter than in the former fields, as is clearly apparent from Miss Bezanson's able statistical summary in this volume. In 1921 the average time worked by contract miners in anthracite was 250 days, and the average earnings for the year \$1,922. In the two groups of bituminous workers (union and non-union) the average time for tonnage men was only 134 and 151 days respectively; and the average earnings for the year were \$1,034 and \$1,051 respectively. This was however, an abnormally bad year for the bituminous industry; the comparative figures for 1920 being 219 and 221 days worked, with average earnings of from \$1,750 to \$1,800 for the year.

The tonnage men, or actual coal-getters, represent some 60 per cent. of all bituminous employees, and over 40 per cent. of anthracite workers. A comparison between the two industries is more difficult in respect of the other workers, though surface men seem to gain higher wages in the bituminous than in the anthracite fields.

This volume contains an interesting comparison between anthracite wages and wages in other industries. The result of the 10 per cent. increase last September would seem to be that the wages of anthracite coal-getters will now be in the neighbourhood of \$2,165 a year, which compares favourably with other industries. Prior to this increase, however, the day men (surface and other workers) were generally less well paid than workers in approximately similar occupations elsewhere, and the new scale will probably not have done much more than to bring them into line with the corresponding class of bituminous workers and other employees of a similar standing.

A comparison between wages and profits in the coal industry in the United States with those ruling in this country would form an attractive but rather dangerous subject. It is, of course, a commonplace that the technical conditions of production and marketing are for the most part very different in the two countries; but this number of the Annals should nevertheless be read by all who are interested in the coal industry, as well as by those who pay particular attention to the main problems of American economic life.

A STOCK EXCHANGE YEAR-BOOK.*

THIS valuable work of reference has now reached its fiftieth year, and the original objects of the book have been faithfully observed for half a century. The 1924 volume of the "Stock Exchange Year-Book" contains upwards of 3,000 editorial pages, and comprises no less than 10,500 notices of public bodies and joint-stock companies. In the preface we are informed that "during the past year the capital issues which concern investors were somewhat less numerous than in 1922, but they were above the average, if we pass over the great records of 1919 and 1920. Companies newly registered totalled 8,644, with an authorised capital of nearly £116 millions." The following table shows the total number of companies actually existing, together with the aggregate capital paid up at the respective dates:—

	Number of Companies Existing.	Total Amount of Paid-up Capital.
April 30, 1913	60,754	2,425,740,857
" 1914	64,692	2,531,947,661
" 1918	66,456	2,730,594,008
* December 31, 1920	79,541	3,508,012,486
" 1921	79,994	4,100,052,525
" 1922	84,104	4,180,785,838

* England and Scotland only.

The volume is one which can be well recommended to investors who wish to learn about practically any public company or undertaking.

* "The Annals." Vol. CXI. No. 200, January, 1924. London Agent: P. S. King and Son.

* "The Stock Exchange Year-Book." (London) Thomas Skinner and Co. 50s net.

BOOKS RECEIVED.

- Bankers and Credit.* By Hartley Withers. (London) Nash and Grayson. 6s net.
- The Stock Exchange Year Book, 1924.* By Thomas Skinner. (London) Thomas Skinner and Co. 50s net.
- The Calculus of Observations.* By E. T. Whittaker, Sc.D., F.R.S., and G. Robinson, M.A., B.Sc. (London) Blackie and Son, Limited. 18s net.
- The Handicap of British Trade.* By W. H. Hooker. Foreword by C. E. Musgrave. (London) John Murray. 3s 6d net.
- The World's Rubber Position.* Compiled and Published by W. H. Rickinson and Son, 3 Great Winchester street, London Wall, E.C. 2. 4s.
- Handy Insurance Chart (Third Edition), 1923-1924* (including 1922 figures). (London) the "Post Magazine," 9 St Andrew street, Holborn. Price 3s 6d. Post free, 3s 8d.
- The Incorporated Accountants' Year-Book.* Published by Society of Incorporated Accountants and Auditors, 50 Gresham street, E.C. 2. 3s.
- The Labour Monthly.* February. Published at 162 Buckingham Palace road, S.W. 1. 6d.

BARCLAYS BANK LIMITED.

Head Office: 54 Lombard Street, London.

AUTHORISED CAPITAL	£20,000,000
ISSUED CAPITAL	£15,592,372
RESERVE FUND	£3,250,000
DEPOSITS (31st Dec., 1923)	£301,549,963

FOREIGN EXCHANGE TRANSACTIONS ARRANGED.

CHIEF FOREIGN BRANCH:
168 Fenchurch Street, London, E.C. 3.

STOCK EXCHANGE NEWS. SETTLING DAYS.

TICKET, February 20. ACCOUNT, February 21.

INQUIRIES are general as to whether the probable rush of new issues and the opening of the new session of Parliament may not combine to lay a check upon the bullishness which has been so much a feature of the Stock Exchange since the Labour Cabinet was announced. Money shows signs of becoming a little tighter, and this, taken in conjunction with the expectation of important new loans in the near future, caused a general reaction amongst gilt-edged stocks, in the process of which Conversion suffered, along with Home Railway prior-charge securities and a few Colonials, though County and Corporation stocks keep up well. Rather marked heaviness in India Government stocks was accepted as a possible pointer to the next new borrower after the West Australia result is known. Southern Rhodesia underwriters of the new 5 per cent. stock at 98 received nearly half of their obligations, a result which occasioned some little surprise. Japan's forthcoming loan is expected to take the shape of 6 per cents., at about 92, with 30 millions offered here, and a similar amount in the United States.

Foreign bonds are active, and in most cases higher. Demand sprang up for Mexicans on the news concerning Huerta. Brazilians came to the fore with a run, mainly because of the Brazilian Government's action in asking tenders in respect of the 7½ per cent. Coffee Loan. Gambling in Germans revived, and a good deal of business has taken place in French issues, without, however, leading to wide variations in prices. Dollar stocks have been marked down by points at a time, especially in the American list of bonds and shares, but these movements have ceased to have anything except an academic interest for most people on this side of the Atlantic. Russian bonds came into favour again, though the rises were not maintained.

Home Railway stocks reflect conditions prevailing in the Consol market, and, after being good in the middle of the week, the tendency was for prices to droop, by reason of the fear lest there should be another big strike. The "Brum" and Great Western dividend declarations will be made next week, on

Wednesday and Thursday. Underground Electric Railways were expected to declare the full 6 per cent. on the income bonds, and the market had looked for 3½ per cent. on Districts for the year.

Mexican Railways have forged ahead for the first time in many months, the disappearance of Huerta being considered likely to lead to a more settled state of affairs. Argentine railway stocks enjoyed a mild boomlet, by reason of the splendid traffics which are now being taken, that of the Central Argentine this week constituting a record. Other foreign railway stocks are good, this market as a whole being less affected than many others in Thursday's general reaction.

Rubber shares are inclined to be better, though public interest continues extremely tepid. Tea shares indulged in another exhibition of strength, on the idea that Russia may come in a substantial buyer of tea in the near future. The oil market engages more attention than any other part of the Stock Exchange. The seventh successive rise in petrol in the United States, followed by the advance on this side, have appealed to the public imagination; people have been buying oil shares with both hands, as the Stock Exchange saying is. The violence of the rise led to a heavy volume of profit-taking. On balance, however, a number of oil shares make a good showing on the week.

The textile market is fairly steady, and tobacco shares improved, to give way later. Advances in banking, insurance, and shipping shares are well held, and testify to the willingness of the investor to take stock in markets where no considerable amount of floating supply can be obtained. Land shares are good, Hudson's Bays on the satisfactory character of the fur sales, and Sudan Plantations on the cotton outlook in Egypt. The iron and steel market received further support from people many of whom had sold their shares on political fears six weeks ago, and who are now buying back, not always at a profit. London electric lighting issues strengthened materially, on bumper dividends declared by the Westminster Electric and the St. James's companies. Gas stocks have also advanced.

Cable stocks are strong, and the wireless group maintains its prices. Cements went ahead because of the expectation that the new Parliamentary session will show ambitious schemes for dealing with the unemployment problems.

Most of the interest in mining shares is centred in the Canadian silver group. The rise in tin caused improvements in Malayan, West African, and Cornish shares, the sluggishness of the market in these issues being at last disturbed by the remarkable advance in the price of the metal. Gold shares are rather uninteresting, and, in spite of the bulk of many leading Kafir shares being quoted ex dividend on Thursday last, this failed to bring in any fresh set of buyers. The diamond market is better, Jagers more particularly being in demand, and in the copper group Tintos have spurred. A few Mexicans are harder; Russian mining shares, with the exception of Russo-Asiatics, are higher on the week. Cam and Motors had a dramatic jump on Thursday afternoon, upon the publication of a remarkable development cable.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£6,844,625	£	£	£
	Adjusted figure.			

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED FEBRUARY 2, 1924.
April 1, 1923, to Feb. 2, 1924, £12,900,000 Dr 200,000 .. Dr 200,000

To the Public—				
Western Australia £2,000,000 5% Inscribed Stock, 1935-45 (red. at par) issued at 98%	2,000,000	1,960,000	100,000	1,860,000
The Anglo-Newfoundland Development Co., Ltd., £1,250,000 6% Second Mort. Bonds to Bearer (rep. at 103% 1926-48), iss. at 98%	1,250,000	1,225,000	125,000	1,100,000
James Finlay and Co., Limited, 635,000 Ord. Shares, £1, at £2 10s per Share	635,000	1,337,500	267,500	1,070,000
Cortecor South Gold Mines, 600,000 Shares, 2s, at par	60,000	60,000	15,000	45,000
Tavoy Tin Dredging, 142,000 Ord. Shares, £1, at par	142,000	142,000	17,750	124,250
		4,774,500	525,250	4,199,250

To Shareholders only—				
Metropolitan Trust, 20,000 un-issued Shares, £10, at £16 per Share	200,000	320,000	20,000	300,000
Petroleum Options, 320,000 un-issued Ord. Shares, 1s, at par	16,000	16,000	8,000	8,000
		336,000	28,000	308,000

Total offered for subscription to date	Total offered for subscription for whole year—
1924..... 11,705,125	1923..... 271,331,172
1923..... 38,107,589	1922..... 573,675,669
1922..... 174,887,430	1921..... 388,978,203
1921..... 25,142,423	1920..... 367,549,656
1920..... 47,731,476	1919..... 1,036,099,951
1919..... 238,383,955	1918..... 1,393,381,441

Western Australia 5 per Cent. Inscribed Stock, 1935-1945.—Issue of £2,000,000 at 98 per cent. The proceeds are to be used for railways, harbours, water supply, advances to settlers, and other purposes. The principal is repayable at par on June 1, 1945, the Government of Western Australia having the option to redeem the stock, in whole or in part, at par, on or after June 1, 1935, on giving three months' notice. The stock now offered will be in addition to, and, after May 2, 1924, will rank *pari passu* with, the existing £2,000,000 Western Australia 5 per cent. inscribed stock, 1935-1945. A sinking fund at the rate of 1 per cent. per annum will be provided. The accumulated sinking funds invested in the names of trustees in London now amount to nearly £9,000,000. It is stated that Western Australia Government debentures and inscribed stock issued and payable in London, and interest, the property of persons not domiciled in Western Australia, are not subject to Western Australian taxes. This is an excellent trustee security.

The Anglo-Newfoundland Development Company, Limited.—Incorporated under the laws of Newfoundland. Share capital \$12,000,000, of which \$9,540,020 has been issued. There has been £500,000 5 per cent. first mortgage debenture stock already issued, of which £353,592 is outstanding. This is an "offer for sale" of £1,250,000 6 per cent. second mortgage bonds to bearer at 98 per cent. These bonds form part of an authorised issue of £1,500,000, and will be repayable at 103 per cent. by a cumulative sinking fund of 2 per cent.; the first payment is to be made in June, 1926, and the last in June, 1948. Redemption can be either by drawings or purchase; the company, however, reserves the right of redemption at 103 on or after January 1, 1928. The bonds will be secured by a trust deed containing a specified second mortgage on the properties of the company. Properties are valued at £2,167,607, while total surplus assets, including the proceeds of the present issue, amount to £4,085,537. The vendors paid 98 per cent. for these bonds, but they received a commission of 5 per cent., out of which they bear all charges in connection with the offer. Profits are given from 1919 before charging "interest on loans." The issue appears to be well covered, but we fail to see why the "offer for sale" should be substituted for a prospectus.

James Finlay and Co., Limited.—Authorised share capital £2,000,000, divided into 500,000 6 per cent. cumulative preference and 1,500,000 ordinary shares of £1 each. This is an "offer for sale" of 535,000 ordinary shares at £2 10s per share. It comprises one-half of the ordinary shares held by the trustees of the late Sir John Muir and by the trustees of the late Mr. M. W. Muir. Originally established about 1750, the business of James Finlay and Co. was converted into a private limited company in 1909, and has now been turned into a public one. The principal interests of the company are in India and Ceylon, where it has large holdings in jute mills and jute presses, in cotton mills, and in companies growing tea and other produce, for which it acts as agents. It also acts as merchant bankers. The surplus of assets over liabilities (after deducting the preference capital) is certified at £4,093,981, which represents £2 14s 7d per £1 ordinary share. In arriving at this no credit has been taken for goodwill of the trading or agency business. We should like to have seen in this "offer for sale" a better statement as to past profits. It is, of course, very valuable to know what the assets represent in the price value of the shares, but it is equally important that purchasers should know what dividends may be expected on the capital outlay.

Tavoy Tin Dredging Corporation, Limited.—Authorised share capital £250,000 in shares of £1 each. This is an offer for sale of 142,000 ordinary shares at par, being part of 200,000 shares issued, the remaining 50,000 being under option. The corporation was recently formed to acquire as from November, 1923, tin-bearing concessions in Lower Burma, together with dredges, plant, machinery, buildings, &c. In a letter to the Anglo-Oriental and General Investment Trust, Limited, the chairman of the corporation states that the purchase price of 57,500 fully-paid shares and Rs. 14,37,500 in cash (equivalent to £103,320 6s 3d) has been duly paid and satisfied. It is stated that "the directors and their friends have underwritten firm £75,000 of the shares now offered for sale." An excellent certificate of profits is given by a well-known firm of accountants. We fail to see, however, why it should have been necessary to raise capital by means of "an offer for sale."

ACTIVE SECURITIES.

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

Banks.					Banks.				
	Price	Week	Week	Rise or		Price	Week	Week	Rise or
				Fall.					Fall.
Barclays B. (£1, 10s)	24	24	24	..	Nat. Bank of S. Africa	5 1/2	5 1/2	5 1/2	..
Chartered Bk of India	10 1/2	10 1/2	10 1/2	..	National Provincial	10 1/2	10 1/2	10 1/2	..
Lloyds (£5 with £1	3	3	3	..	Standard of S. Africa	10 1/2	10 1/2	10 1/2	..
paid	..	..	..	..	Westminster Bank	10 1/2	10 1/2	10 1/2	..
Midland (£10, with	8 1/2	8 1/2	8 1/2	..	£20, with £5 paid)	17 1/2	17 1/2	17 1/2	..
£25 paid)	..	..	..	..					
Nat. Bank of Egypt	24 1/2	24 1/2	24 1/2	..					
(£10)	..	..	..	..					

British and Colonial Government Securities.

	Price	Week	Week	Rise or		Price	Week	Week	Rise or
				Fall.					Fall.
War	96 1/2	96 1/2	96 1/2	..	Aust. 6 1/2 1931-41	105	105	105	..
Loans	96 1/2	96 1/2	96 1/2	..	Canada 4 1/2 1920-25	100 1/2	100 1/2	100 1/2	..
Funding Loan 4 1/2	100 1/2	100 1/2	100 1/2	..	India 3 1/2 Stock	64 1/2	64 1/2	64 1/2	..
Victory Bonds 4 1/2	91 1/2	91 1/2	91 1/2	..	Do 7 1/2 1926-31	111 1/2	111 1/2	111 1/2	..
Conversion Loan 3 1/2	75 1/2	75 1/2	75 1/2	..	Do 5 1/2 1932	99 1/2	99 1/2	99 1/2	..
Consols 2 1/2	57 1/2	57 1/2	57 1/2	..	Do 4 1/2	83 1/2	83 1/2	83 1/2	..
Irish Land Stock 2 1/2	58 1/2	58 1/2	58 1/2	..	N.S.W. 5 1/2 1922-32	101 1/2	101 1/2	101 1/2	..
Local Loans 3 1/2	64 1/2	64 1/2	64 1/2	..	Nigeria 5 1/2 1949-79	111 1/2	111 1/2	111 1/2	..
					U. of S.A. 6 1/2 1930-40	105 1/2	105 1/2	105 1/2	..
					Victoria 5 1/2 1924-34	101 1/2	101 1/2	101 1/2	..
					W. Aust. 6 1/2 1930-40	103 1/2	103 1/2	103 1/2	..

British Railways.

	Price	Week	Week	Rise or		Price	Week	Week	Rise or
				Fall.					Fall.
Great Western, Ord.	109 1/2	110	110	..	Southern, Ord. "A"	36 1/2	36 1/2	36 1/2	..
London & North-Eastern	85 1/2	84 1/2	84 1/2	..	Do Ord. "B"	11 1/2	11 1/2	11 1/2	..
5% Pref. Ord.	32 1/2	32 1/2	32 1/2	..	Do Pref. Ord.	84 1/2	84 1/2	84 1/2	..
Do Def. Ord.	32 1/2	32 1/2	32 1/2	..	Do Def. Ord.	40 1/2	40 1/2	40 1/2	..
London, Mid., and	104 1/2	104 1/2	104 1/2	..	Underground Electric	3 1/2	3 1/2	3 1/2	..
Scottish, Ord.	105 1/2	104 1/2	104 1/2	..	Do "A" (1)	7 1/2	7 1/2	7 1/2	..
Metropolitan	75 1/2	75 1/2	75 1/2	..	Do Inc. Bds. (£100)	102 1/2	102 1/2	102 1/2	..
Metropolitan District	57 1/2	56 1/2	56 1/2	..					

American Railroads.

	Price	Week	Week	Rise or		Price	Week	Week	Rise or
				Fall.					Fall.
Chesapeake & Ohio	86	87	87	..	Southern	54	54	54	..
Erie	39	38	38	..	Do Non-cum Pref.	81	82	82	..
Do 4 1/2 1st Pref.	39	38	38	..					

Foreign Government Securities.

	Price	Week	Week	Rise or		Price	Week	Week	Rise or
				Fall.					Fall.
Argentine 5% 1886-7-100	100	100	100	..	Japanese 4 1/2	113	114	114	..
Austrian 6 1/2 % Guar.	85 1/2	85 1/2	85 1/2	..	Do 4 1/2 1910	66	66	66	..
Belgian 3%	69	69	69	..	Mexican Cons. 1899	52	56	56	..
Brazil 5% Fund. 1914-75	74	74	74	..	Peruvian Corp. Pref.	27 1/2	27 1/2	27 1/2	..
Chilean 4 1/2 1895	84 1/2	84	84	..	P.L.M. 6%	84 1/2	84 1/2	84 1/2	..
Do 7 1/2 %	105 1/2	106 1/2	106 1/2	..	Portuguese (New)	32	32	32	..
Chinese 5% 1912	70	69	69	..	Russian 5%, 1906	13	13	13	..
Egyptian 4%	70	73 1/2	73 1/2	..	Spanish 4%	67	67	67	..
French 5%	24	23	23	..	Serbia (Debt) 7%	57	57 1/2	57 1/2	..
Do 4%	19 1/2	18 1/2	18 1/2	..	Siam 7%	106 1/2	107	107	..
Greek 4%, 1884	48 1/2	46 1/2	46 1/2	..					

Colonial and Foreign Railways.

	Price	Week	Week	Rise or		Price	Week	Week	Rise or
				Fall.					Fall.
Antofagasta Cons.	86	87 1/2	87 1/2	..	Leopoldina	24 1/2	27 1/2	27 1/2	..
B.A. & Pacific	80	81 1/2	81 1/2	..	Mexican Railway	84	104	104	..
B.A. & Southern	87	89	89	..	Do 1st Pref.	25	28	28	..
Buenos Ayres West.	76 1/2	79	79	..	Do and Pref.	15	17	17	..
Canadian Pacific	173	171	171	..	San Paulo	147	152	152	..
Central Argentine	75 1/2	76 1/2	76 1/2	..	United Havana	84	85	85	..

Telegraphs.

	Price	Week	Week	Rise or		Price	Week	Week	Rise or
				Fall.					Fall.
Anglo-American "A"	22 1/2	22 1/2	22 1/2	..	Marconi Canada	1 1/2	1 1/2	1 1/2	..
Marconi Wireless	1 1/2	1 1/2	1 1/2	..	Marconi Marins	1 1/2	1 1/2	1 1/2	..

Miscellaneous.

	Price	Week	Week	Rise or		Price	Week	Week	Rise or
				Fall.					Fall.
Aerated Bread (£1)	1 1/2	1 1/2	1 1/2	..	Hudson's Bay (£1)	6	6	6	..
Amal. Cottons (£1)	1 1/2	1 1/2	1 1/2	..	Imperial Tobacco (£1)	3 1/2	3 1/2	3 1/2	..
Anglo Persian Oil (£1)	2 1/2	2 1/2	2 1/2	..	Linggi Plantins (£1)	1 1/2	1 1/2	1 1/2	..
Armstrong (Sir W.G.)	1 1/2	1 1/2	1 1/2	..	Lippon (£1)	1 1/2	1 1/2	1 1/2	..
and Co. (£1)	1 1/2	1 1/2	1 1/2	..	Liverpool & N. Wales (£1)	1 1/2	1 1/2	1 1/2	..
Ass. Portland Cement (£1)	1 1/2	1 1/2	1 1/2	..	Do 8 1/2 % C.A. Pref. (£1)	1 1/2	1 1/2	1 1/2	..
Barker, John (£1)	2 1/2	2 1/2	2 1/2	..	Do 20 1/2 % C.A. Pref. (£1)	1 1/2	1 1/2	1 1/2	..
Bham Small Arms (£1)	1 1/2	1 1/2	1 1/2	..	Lister (£1)	1 1/2	1 1/2	1 1/2	..
Brazil Tractition (£100)	52 1/2	55	55	..	Lobitos Oilfields (£1)	7 1/2	7 1/2	7 1/2	..
British American	1 1/2	1 1/2	1 1/2	..	Lyons (J. & Co. (£1)	4 1/2	4 1/2	4 1/2	..
Tobacco (£1)	5 1/2	5 1/2	5 1/2	..	Mexican Eagle (£10)	1 1/2	1 1/2	1 1/2	..
Burmah Oil (£1)	4 1/2	5 1/2	5 1/2	..	Pekin (2)	1 1/2	1 1/2	1 1/2	..
Costs (J. and P.) (£1)	3 1/2	3 1/2	3 1/2	..	Rubber Plantations	1 1/2	1 1/2	1 1/2	..
Courtauld (£1)	3 1/2	3 1/2	3 1/2	..	Investment (£1)	1 1/2	1 1/2	1 1/2	..
Dorman, Long (£1)	1 1/2	1 1/2	1 1/2	..	Shell Transport (£1)	4 1/2	4 1/2	4 1/2	..
Dunlop Rubber (£1)	1 1/2	1 1/2	1 1/2	..	Smithfield & Argentine	1 1/2	1 1/2	1 1/2	..
Fine Cotton Spinners	1 1/2	1 1/2	1 1/2	..	United Dairies (£1)	1 1/2	1 1/2	1 1/2	..
(£1)	2 1/2	2 1/2	2 1/2	..	United Serang (2)	1 1/2	1 1/2	1 1/2	..
Forestal Land (£1)	1 1/2	1 1/2	1 1/2	..	United Tobacco (£1)	3 1/2	3 1/2	3 1/2	..
Furness, Withy (£1)	1 1/2	1 1/2	1 1/2	..	Vallambrosa (2)	1 1/2	1 1/2	1 1/2	..
Highlands and Low	1 1/2	1 1/2	1 1/2	..	Vickers (£1)	1 1/2	1 1/2	1 1/2	..
lands Rubber (£1)	1 1/2	1 1/2	1 1/2	..	Watney Def. Siks.	171	169 1/2	169 1/2	..

Mines.

	Price	Week	Week	Rise or		Price	Week	Week	Rise or
				Fall.					Fall.
Broken Hill Prop. (8)	1 1/2	1 1/2	1 1/2	..	Knights	1 1/2	1 1/2	1 1/2	..
Chartered (£1)	1 1/2	1 1/2	1 1/2	..	Modderfontein (10)	4 1/2	4 1/2	4 1/2	..
Cons. Gold Fields (£1)	1 1/2	1 1/2	1 1/2	..	Modderfont. "B" (5)	1 1/2	1 1/2	1 1/2	..
Crown Mines (10)	3 1/2	3 1/2	3 1/2	..	Modderfont. Deep (5)	2 1/2	2 1/2	2 1/2	..
De Beers Del. (£24)	12 1/2	12 1/2	12 1/2	..	Premier Del. (2/6)	5	5	5	..
East Rand Prop. (£1)	1 1/2	1 1/2	1 1/2	..	Rand Mines (5)	3 1/2	3 1/2	3 1/2	..
Geduld (£1)	3 1/2	3 1/2	3 1/2	..	Selukwe	1 1/2	1 1/2	1 1/2	..
Gov. Gold Areas	6 1/2	6 1/2	6 1/2	..	Rio Tinto (85)	31 1/2	32 1/2	32 1/2	..
					Spring Mines (2)	2 1/2	2 1/2	2 1/2	..

OIL OUTPUTS.

THE GENERAL PETROLEUM COMPANY OF TRINIDAD, LIMITED.—The estimated gross production of crude oil for the month of January was 58,281 barrels, equal to approximately 8,326 tons, and the oil delivered to United British Refineries, Limited, amounted to about 9,391 tons. Well No. 12 brought in under control on January 16, since when it has produced 41,933 barrels.

LOBITOS OILFIELDS, LIMITED.—The production for January is cabled as 12,479 tons.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for week ending Wednesday, January 30, 1924, amounted to 1,134 tons.

TRINIDAD LEASEHOLDS, LIMITED.—Oil produced during January, 17,200 tons. Oil purchased during January from other companies, 9,750 tons.

APEX (TRINIDAD) OILFIELDS, LIMITED.—The estimated gross production of crude oil for the month of January was 83,353 barrels, equal to approximately 11,800 tons, and the oil delivered to Trinidad Leaseholds, Limited, amounted to about 9,650 tons.

THE CALTEX OIL COMPANY advises having received the following cable from Mexico:—"January production, 8,463 barrels, or 1,343 tons."

COMPANY MEETINGS, &c.

LLOYDS BANK, LIMITED.

MR BEAUMONT PEASE ON TRADE AND FINANCIAL CONDITIONS.
BALANCE-SHEET FIGURES—"GENERAL AND SATISFACTORY INCREASE."
MONETARY POLICY AND GOLD STANDARD.
IMPROVED TRADE OUTLOOK.
REVIEW OF CONDITIONS IN 1923.

The sixty-sixth ordinary general meeting of the shareholders of Lloyds Bank, Limited, was held, on the 6th instant, at the Queen's Hotel, Birmingham.

Mr. J. Beaumont Pease (chairman of the bank) presided. In moving the adoption of the report, the Chairman said:—Ladies and gentlemen,—The year 1923 has been one of considerable interest both in the domestic history of the bank and in the world at large, and many events have taken place which will have a lasting effect on the future.

TRIBUTE TO LATE DIRECTORS.

Before touching on these I have to deplore an unusual number of deaths and resignations in our ranks. Mr Robert Whitworth, who joined our board in 1919, on the amalgamation of the West Yorkshire Bank with ourselves, died on April 27th, and his death was not very long afterwards followed by that of an old colleague of his in the North, Sir Joseph Kaye. Both of these gentlemen were for many years directors of the West Yorkshire Bank, and brought with them to our deliberations a knowledge of the trade conditions in the territory served by the branches of their old bank which was of the greatest service. Their ever-ready, keen and

whether as the result of increased earning power or of lower expenses, the staff will also benefit. Now, I think the loyalty and willing service of your staff are beyond question—I believe I can say they are a matter of public knowledge—but to make all the members of the staff partners, even to a small extent, with yourselves in the business of the bank cannot but stimulate them into greater keenness. They know that in any increase enjoyed by the shareholders by way of dividend they will share; and few men, however devoted and however loyal, can be so far above all human frailties as not to feel the spur of self-interest when they know that by their exertions they can directly benefit their own position. I hope the principle involved in our scheme will have your hearty support. It has been greeted with acclamation by the staff, and I am sure they will do all in their power to make it a success.

THE BALANCE-SHEET.

Before passing to events of wider interest not so immediately connected with the internal history of the bank, I would like to run through the figures of the balance-sheet. You will see that they show a general and satisfactory increase, and as you have learned from the report, we have opened a dozen new branches at home. It is clear, therefore, that the business of the bank continues to furnish evidence that it is not standing still.

On the liabilities side of the balance-sheet our current, deposit, and other accounts show an increase of £9,611,000, slightly less than was brought in from Messrs Cox and Co.'s amalgamated business.

The profit and loss account I will come to presently. The acceptances, &c., show an increase of £3,616,000. The other two items remain the same.

ASSETS.

On the assets side, our cash and balances with other banks show increases proportionate to the increase of the deposits. Bills of exchange show a decrease of £10,000,000, all of which, and more, has been utilised, as you will see lower down, in giving further facilities to our customers. The decrease is due to Treasury Bills having been allowed to run off, the actual amount of trade bills having shown an increase over last year of more than £3,000,000. In our British Government securities you will notice that there has been a transfer of over £10,000,000 from our long-dated investments to short-term British Government securities, a change which adds to our liquid strength. Indian and Colonial Government investments have increased by £1,400,000.

HOLDINGS IN SUBSIDIARY BANKS.

In our holdings in subsidiary banks the only change of importance is in connection with our investment in the London and River Plate Bank. Owing to the amalgamation with that bank of the London and Brazilian Bank, and its consequent change of name to that of the Bank of London and South America, Limited, the capital has undergone some important variations. Instead of our holding being in partly-paid shares of a nominal value of £25 each, of which £17 had been paid up, we now hold a greater number of shares—namely, 402,620, of the nominal value of £5 each, all of which are fully paid. The liability upon them has therefore entirely disappeared. These shares—which has not been the case hitherto—have now got a market quotation of £8 10s a share. We have therefore written them down in accordance with this quotation, and they now appear in our balance-sheet at the figure of £3,422,270. I think you will agree that this is a conservative and proper step to take, and one that indicates our great internal strength, in that we have made this adjustment without in any way affecting our profit and loss figures.

With the balance-sheet of our bank which has been circulated to the shareholders we also enclosed the balance-sheets of the National Bank of Scotland and the London and River Plate Bank, which you, no doubt, were interested in and pleased to see. The National Bank of Scotland has increased its business, and the profit and loss figure continues to show highly satisfactory results. The amalgamation of the London and Brazilian Bank with the London and River Plate Bank makes the combined business one of outstanding importance in South America. Business in that country, as is generally known, has been less profitable than usual, largely owing to the depreciated currencies ruling therein, but as a result of the amalgamation of the two banks, and with signs of improved business, we feel justified in anticipating a reduction of expenses and an increase in profits.

LLOYDS AND NATIONAL PROVINCIAL FOREIGN BANK.

Our auxiliary, Lloyds and National Provincial Foreign Bank, Limited, continues its satisfactory progress. It fulfils a most useful purpose in directly representing the parent banks in those countries on the Continent where it has branches, and, in addition, is of great service to all those interested in trade between the Continent and

Great Britain by placing at their disposal first-hand information and banking facilities.

Our advances to customers show an increase of over £18,000,000, of which £7,000,000 is accounted for by the inclusion of Messrs Cox and Co.'s figures, and the rest gives an indication of the increased trade activity apparent in the closing months of the year. This last feature is also seen in the increase of £3,600,000 in our acceptance figure. In spite of the allocation of half a million, being part of the profit on the sale of investments during the past year, our bank premises figure shows an increase of £163,000, owing to the inclusion of Messrs Cox and Co.'s figures and also to the expenditure which we have made on our own buildings during the year.

PROFIT AND LOSS ACCOUNT.

Our profit and loss figure, at £2,047,116, shows a reduction of £21,759. To this has to be added £498,342 brought forward from the previous year, making a total of £2,545,458. Out of this an interim dividend has been paid, absorbing £913,281; £100,000 has been placed to staff widows and orphans fund; £100,000 to staff pensions fund, and we propose to pay a dividend at the same rate as the interim dividend, absorbing £928,253, leaving a balance to be carried forward of £503,923. You will notice that the dividend for the last half-year, although at the same rate as the interim dividend, requires £15,000 more, owing to the fact that the income-tax to be deducted from the shareholders' warrants is less this half-year than the previous one.

IMPROVED TRADE PROSPECTS.

I think you will agree with me that these figures show that the bank has made satisfactory progress and increased its strength, even in a year of exceptional difficulty. The indication in our figures of the slightly more favourable trade prospects is confirmed in other directions. The numbers of unemployed until the recent most unfortunate strike showed a downward tendency. Trade returns, export and import figures, the report of the London Bankers' Clearing House for the last quarter of the year, renewed signs of awakening demand, the trade reports from various centres, which I have not included in my address, but which will be circulated separately, all contribute to the hope that better times are in store, and I gladly add my voice to what already has been said by the chairmen of other banks on this more optimistic note. In this connection I would like to record our satisfaction at the appointment of the two Committees of Investigation by the Reparations Commission, and to wish our eminent colleague in the banking world, Mr McKenna, a successful issue to the highly important work to which he has been called. It is a matter for thankfulness and some small wonder that it is possible at the end of a year so little regretted in its passing and so crowded with events of grave import as 1923, to speak with any degree of hopefulness.

RUHR OCCUPATION.

When I had the pleasure of addressing you a year ago, the occupation of the Ruhr had just been commenced, and I stated that we in this country were watching this great experiment with ill-concealed anxiety. Can anyone sincerely believe that so far the expectations of our Allies have turned out to be anything more than a great illusion? A large part of Europe still remains in a state of chaos, and this has repercussions on all parts of the world, while trade channels are blocked or interrupted in every direction. I believe that, of all the causes to which men have attributed the evils through which we have been passing, this is the chief; and until we can get a real peace and a real settlement in Europe, our eyes will be turned in vain to the dawn of a new prosperity which we all hope to see.

THE PAST YEAR.

If we glance at the history of 1923 we notice very little recorded on its pages of a constructive nature. Certainly we read of a peace at long last concluded with Turkey, the successful issue of a loan to Austria, and the improved conditions in that country, and the termination at home of the boiler-makers' strike. The delegates to the Imperial Conferences have come and gone, but whether the resolutions they have passed with the object of increasing the bonds and trading possibilities between all parts of the Empire will turn out to be anything more than pious expressions of opinion has yet to be proved.

But what is there to be found on the other side of the page? Abroad, a grave international crisis between Italy and Greece; revolutions in Rumania and Spain; increasing chaos in China—all evils of man's own making; a terrible visitation on Japan, the only consoling feature of which has been the unflinching courage of an heroic nation which it provoked; and at home paradoxical confusions and shiftings in politics; further misfortunes to our greatest industry, agriculture, reference to the interests of which occupied so much of my address last year; and a recrudescence of labour troubles.

LABOUR.

The railway strike has fortunately been settled, but can anyone truthfully say that it was worth while? And there are signs of renewed strife in front of us. It is no part of a bank chairman's duty to address himself to a political issue, but it is permitted—and indeed is natural—to every patriotic citizen to bring an attitude of co-operation rather than one of criticism to any Government which honestly does its best to ensure the prosperity of the country as a whole. Is it too much to hope that a Government which has often criticised its political opponents for their want of success in dealing with trade disputes may find a better way itself, and that the supporters of that party throughout the country who have been largely responsible for returning it to power may live up to the words of its leader, and, in spite of its name, which associates it with one class only in the State, show itself mindful of the interests of the whole body politic? According to returns supplied by the Ministry of Labour, over ten million working days were lost in 11 months of 1923 owing to industrial disputes, and this at a time when every responsible person was racking his brains to find some cure for unemployment. Peace on the Continent and industrial peace at home are the two great requirements for the reconstruction of this war-shattered world.

SEEKING NEW REMEDIES.

Is it to be wondered at that, in the record of 1923 of dubious adventures, inconclusive experiments and convulsive inconsistencies, men's minds have turned themselves, with every tortuous twist of mental ingenuity, to seek new remedies? It is natural perhaps for a storm-tossed mariner sailing on an uncharted ocean to see in every shadow on the waters the longed-for signs of solid land; but on closer investigation how illusory is the form which the hoped-for refuge assumes! The subversion of our fiscal system, the inflation of our currency, the imposition of a capital levy, the manipulation of our monetary policy, the final abandonment of any idea of a gold standard, and the substitution of an artificial index number as the basis of our currency have of all found advocates who have based great hopes upon them. It is not possible for me to refer to these different proposals at any length, and indeed the first three have been sufficiently discredited by the country, for the time being at any rate. But I would like, in the first place, to draw your attention to the contrast between the striving after complicated remedies and the expenditure of mental agility in propounding ingenious theories on the one hand, and on the other the simple straightforward negotiations one hand, and on the question of the debt settlement between his country and America which were brought to a satisfactory conclusion last year.

Though it is possible to obscure the issue by complicated book entries, or by other ingenious devices, the simple truth remains, and the merits of this somewhat old-fashioned principle have been clearly exemplified in the credit which this country gained in the eyes of the world. It seems to me that the principle exemplified in these negotiations, and the desire straightly to face the facts instead of to find a clever way round them, might well be followed in dealing with all the difficulties with which we are at present confronted. I do not wish to make the invidious comparison, which was fashionable last year between brains and character, but certainly the latter does not, to my mind, come second in order of merit.

MONETARY POLICY.

In addition, I would like to say one word with regard to the question of our monetary policy and the gold standard. I cannot pretend, with the time at my disposal, to go into these questions except to allude briefly to them with special reference to their connection with the operations of a bank. I think there is a tendency to attribute to monetary policy conditions which are often the results of quite other causes, at any rate in this country—I exclude, of course, those countries whose only policy is the printing press. As far as any ordinary joint stock bank is concerned, I do not think it determines its policy consciously on pure monetary grounds. That is to say, its chief concern is to meet the requirements of trade as they arise, regardless of adherence to any particular theory. Its actions are not the cause of trade movements; they follow after and do not precede them. Banks were criticised last year on the quite erroneous grounds that they were retarding an improvement in trade because they were not creating that additional volume of credit which was desirable in order to give trade a fillip. In answer to that, I may say that this bank, and I think I can speak for others also, was only too desirous to make loans and give additional credits, as our proportion of advances to credit accounts was undesirably and unprofitably low; but until towards the end of the year there was no increased demand for them.

BANKS AND INCREASED CREDIT DEMANDS.

If you will not draw a false inference from the fact, I may tell you that hardly a board meeting passes, when we are considering an application for an advance which comes rather near the border line of what is desirable and what is doubtful, that some one does not say, "We want more advances; let him have the benefit of the doubt." I need not add, I hope, that our decisions are based on weightier arguments than that, but it shows our disposition and willingness to meet demands for increased credit when they arise. Even if a bank had a conscious monetary policy in these matters, it is restricted in its actions by its own requirements. If, for instance, we assume the hypothesis recently laid down that every bank loan and every bank purchase of securities creates a deposit, and every repayment of a bank loan and every bank sale destroys one, and that it is desirable from a monetary policy point of view to create additional credits, and consequently additional deposits, when trade is active, it is safe to say that this procedure is readily followed by the banks up to the limit of safe banking possibilities. But there comes a time when banks are ultimately forced, in order to keep up their proper cash ratio, to sell investments, which, according to the hypothesis above, destroys a deposit and thus cuts down the amount of money available in the country at a time when the advocates of this monetary policy think they should be increased.

TRADE SLUMP AND ITS CAUSES.

Again, many critics largely blamed the monetary policy of this country for the slump in trade in 1920, but, seeing that the slump was not confined to this country, but was universally experienced all over the world, is it not more natural to attribute it to the simpler cause that the expectation of demand for all sorts of goods at the end of the war, which induced merchants to place orders and manufacturers to increase their output, was only partly fulfilled, and that the effective demand on the part of the consumer did not come up to expectation? To sum up, my contention is that the monetary policy of the authorities in this country has had less effect on the fluctuations in trade than many people suppose, and that the part which an ordinary bank can play in these matters is necessarily restricted, and in any case follows after and does not precede these movements. Nevertheless, I admit that other banks, apart from the central bank, have a responsibility for playing their part in checking as far as possible the alternate periods of boom and depression. For this reason, in times of great prosperity, real or seeming, they must keep such hold as they can on immoderate demands for credit, and impress caution even on customers who can give ample security for loans. Similarly in times of depression it is their business to stimulate, so far as they can with justice to their shareholders, any enterprises which offer sound possibilities of success.

GOLD STANDARD.

Finally, in regard to the question of a gold standard. I am a little diffident in approaching this subject, as some of the brilliant protagonists of the proposal finally to scrap the gold standard and set up a new standard for our currency, based on an index figure of prices, the currency fluctuating in amount as the index figure moves up or down, state that the intricacies of the theory are beyond the intellectual capacity of bankers to grasp. One drawback to the proposal, even from the point of view of its supporters themselves, is immediately observable. The task of adopting this theory and of putting it into practice will be largely left in the hands of those very people who are considered incapable of understanding it! Another disadvantage is the difficulty of arriving at an index figure which would generally be accepted as accurate. And even if the avowed object of obtaining a stability of prices was realised by these means, it leaves out of account altogether the fluctuations which we would still have in foreign exchanges. To a country like ours, which depends so largely on foreign trade, and which has the burden of a great foreign debt to meet, this is a consideration which vitally affects the whole question. I, therefore, am hopeful that we may gradually get back to our gold standard, which, in spite of some defects and difficulties, has, as a matter of fact, worked well in the past, and still seems to me to offer better prospects in the future than any alternative.

THE RESOLUTION.

I now beg to move:—"That the report just taken as read be received and adopted, and that, in accordance with the recommendation of the directors therein, a dividend for the half-year ended December 31st last of 1s 8d per share, being at the rate of 16½ per cent. per annum on the paid-up capital of the company, be declared, such dividend to be payable on and after February 7th, less income-tax."

LARGE BUILDING PROGRAMME.

Sir Austin E. Harris, K.B.E., Deputy-Chairman, said:—There is only one matter to which I should like to refer. The chairman has called attention to the item of premises in the balance-sheet, which at £5,065,191 shows an increase of £163,000 on the corresponding figure at this time last year, in spite of the large allocation of £500,000 referred to in the report. This is accounted for to some extent by the addition of some of Messrs. Cox and Co.'s premises, and also by the provision of new buildings and additions to our old ones. The shareholders will recollect that two years ago an allocation of £1,000,000 was made to bank premises account.

These large figures are matters which engage the close and constant attention of the board, but in view not only of the competition and building programme of other banks, but also of the large programme which we have in front of ourselves, it is impossible to forecast any reduction of expenditure in the near future. On the contrary, we must be prepared for a further expansion, especially in London, where the question of accommodation in our City office has become acute, owing to the general expansion of business. To meet this and to give more room in Lombard street, we are now arranging to transfer the whole of the head office organisation to the fine new building which we have recently erected at the corner of Gracechurch street and King William street.

Within the next year or so we shall commence rebuilding on our Lombard street site. The architects are already at work on the plans. It will be a slow process, carried out in sections, but we shall hope in the end to possess a fine modern freehold bank, in one square block, which will accommodate both our head office and City office, on a site which will be second to none, if we except that of the Bank of England.

FURTHER LARGE EXPENDITURE.

For these reasons alone we must be prepared to face further large expenditure in the future; but I think that shareholders may rest assured that the figure to-day, large as it is, is a conservative one compared with the real value of the properties which we own.

I have very great pleasure in seconding the resolution.

The resolution was carried unanimously.

The retiring directors, the Right Hon. Sir Robert S. Horne,

G.B.E., M.P., Mr Charles Ker, Mr Kenneth Mathieson, Mr H. B. Sim, Mr Evan Williams, and the Right Hon. Viscount Younger, were re-elected, and Messrs Price, Waterhouse, and Co. were reappointed auditors for the year 1924.

SIR GILBERT GARNSEY ON BANK'S POSITION.

Sir Gilbert Garnsey, K.B.E. (Price, Waterhouse, and Co.) said:—In thanking you for re-electing my firm auditors for the ensuing year, I should like the shareholders and depositors to know that the balance-sheets of this bank are always prepared with the utmost care, and, following the policy consistently laid down by those whose duty it is to direct its affairs, the accounts are shown after provision has been made for every known contingency. The balance-sheet before you to-day is no exception to that rule.

The usual audit, which I need hardly tell you is a very thorough one, has been carried out, and I have only to assure you, if, indeed, any assurance is necessary, that we have found everything in good order. We were particularly struck by the extremely cordial relations existing amongst all the officials connected with the bank, from the highest to the lowest, and this undoubtedly contributes much to its successful working.

RATE OF DIVIDEND.

I should like to say a word here about the rate of dividend paid by your bank. I cannot, of course, speak for other similar institutions, although I have no reason to suppose they are differently situated, but so far as your bank is concerned, I would point out that the rate of dividend is calculated only upon the capital paid up on the shares, which does not by any means represent the total amount subscribed by shareholders or the total capital employed in earning the profits. For example, there is the reserve fund, which is approaching in amount the actual paid-up capital, and which has been largely built up out of premiums on shares subscribed for by shareholders, and the balance out of profits not divided amongst shareholders, but accumulated in the past years. That item alone would reduce the rate of dividend actually paid from 16½ per cent. to less than 10 per cent.

Then there are the inner reserve funds, which are not unknown in banks, and which, when taken into account, reduce still further the rate of dividend to a very modest return upon the total shareholders' capital actually employed. It is as well that these facts

should be stated, especially in these days when one hears so much un instructed criticism.

In conclusion, perhaps I may be permitted to add that, in my opinion, the strength of the balance-sheet before you to-day is such as to place your bank in a position second to none amongst banking institutions in this, or indeed, so far as I am aware, in any other country in the world. (Cheers.)

THE GAS LIGHT AND COKE COMPANY.

EXPANDING BUSINESS—REDUCED PRICE.

INCREASED DIVIDEND—TRUE COAL CONSERVATION.

ALLEVIATING UNEMPLOYMENT—HARMONIOUS RELATIONS WITH LABOUR.

SATISFACTORY PROSPECTS.

The two hundred and seventeenth ordinary general meeting of the proprietors of the Gas Light and Coke Company was held at Caxton Hall, Westminster, on February 1st. Mr D. Milne Watson (the governor of the company) presided. The secretary, Mr W. L. Galbraith, read the notice convening the meeting. The report and accounts were taken as read.

The Chairman said:—

As the report and accounts have been in your hands for some time, I assume that you will take them as read.

You will, no doubt, wonder why the meeting this year is being held at the Caxton Hall instead of at Horseferry road, as has been our custom. The reason is that we are making considerable alterations at our head office in order to bring our offices and showrooms more up to date, and it is, therefore, impossible to hold our meeting there this year.

Before passing on to other matters, I would like to refer to the speed with which the accounts for the year have been got out. We are holding our meeting on the first day of February—the earliest possible date. This promptitude is due to the excellent work and organisation of the accountant's and other departments concerned.

SATISFACTORY INCREASE IN BUSINESS.

With regard to the year that is just ended, the business of the company has been most satisfactory, especially considering the state of depression in trade through which the country has been passing. The sale of gas shows an increase of 5 per cent., which, I am sure, you will agree with me, is very gratifying, particularly when it is borne in mind that this comes upon the top of an increase of 3 per cent. in 1922. It should be remembered that the greater the business grows the more difficult it is to keep up the same percentage of increase. Great credit is due to the gas sales department for the energetic and enthusiastic way in which they have pushed business during the past year. No amount of organisation and push, however, would sell gas if it were not that we have a good article to sell.

When one reads the remarks that are sometimes made about the gas industry one might be tempted to think that its days were numbered, and that our heritage was about to fall into the hands of the electricians. In their case, no doubt, the wish is father of the thought. I think you will agree with me, however, that there are no signs of decrepitude at the present moment in this great company.

A STRIKING COMPARISON.

In this connection it is worth while putting on record the fact that the Gas Light and Coke Company alone produces approximately in a year as much energy (light, heat, and power) as is produced in the form of electricity by the whole of the electrical undertakings in Great Britain.

ELECTRIFICATION INVOLVES WASTE AND MISUSE OF COAL.

There is another most important point which I would like to make while dealing with this question, and that is that, if the Gas Light and Coke Company were to be swept out of existence and to be replaced by an electrical undertaking, that electrical undertaking would require to use at least three million tons of coal instead of the two millions we use. There is also this great advantage in favour of gas, that whereas an electrical undertaking in the production of electricity would completely use up the three million tons of coal, the Gas Company, having treated the two million tons of coal and obtained the gas, would still have remaining million tons of coal and obtained the gas, would still have remaining 1,250,000 tons of coke and breeze, 19 to 20 million gallons of tar, and a large quantity of ammonia. The coke is available for other industries and domestic purposes, and being a smokeless fuel helps very materially to improve the atmosphere of our city. The tar produces materials for dressing the surfaces of roads, dye

A vote of thanks to the chairman for presiding and to the directors for their services during the past year was carried unanimously.

The Chairman, in acknowledging the resolution, asked that a vote of thanks to the general managers and staff might be passed. This was cordially agreed to, and the proceedings then terminated.

stuffs, creosote for pickling timber, benzole spirit for motors, and many other things.

CONSERVING OUR COAL SUPPLIES.

From ammoniacal liquor is produced sulphate of ammonia, a nitrogenous fertiliser second to none in the world. The Gas Light and Coke Company, therefore, together with the rest of the industry, is not only serving its own day and generation well, but is safeguarding the future of the country by conserving to such a remarkable degree its coal supply. Our coal deposits are by no means unlimited, and it is upon them that the continuation of our prosperity as a nation depends. From this it will be seen what an important part gas plays in the life of the community.

All these services performed by the gas industry are apt to be forgotten by the people who wax eloquent as to electricity and its future. We have no desire to deny the many and great uses for electricity, but we do not want the public to lose sight of the outstanding merits of our older but none the less youthful and vigorous industry. As I have said before from this chair, there is plenty of scope for us both.

REDUCTION IN PRICE.

Returning now to the money side. Owing to the lower prices charged for gas during the year—namely, 10d, 9.2d, and 8.6d per therm, or, per thousand cubic feet, 4s 2d, 3s 10d, and 3s 7d—the revenue has decreased by £1,300,000; but, on the other hand, there has been an increase in the profit derived from residual products: coke and breeze, about £200,000; tar, £200,000; and ammoniacal liquor, £70,000; and, on the expenditure side, although we have used more coal and oil, we have saved under these headings £260,000, as we were very fortunate last year in buying our coal before the rise in price took place. There is also a reduced expenditure of £120,000 on repairs and maintenance of works and plant. The expenditure on the distribution of gas has increased somewhat, but this is all to the good, as it indicates growth of business and care and attention to the wants of the consumers of gas.

EXPENDITURE ON EXPANSION.

With regard to the capital account, we have spent £32,000 on land, chiefly for the purpose of building new showrooms, which are urgently needed in several parts of London; there has also been a large expenditure on new and additional mains and service pipes, meters and stoves. This is due to the expansion of our business, and is a sign of the ever-increasing appreciation of gas by the public. It is all business-getting expenditure. Against this capital expenditure there is a credit of £52,000 for depreciation of stoves and of £84,000 as representing the value of plant which has either been demolished or become obsolete. The net increase in the capital expenditure for the year was therefore £178,000.

INCREASED DIVIDEND.

The director declared a dividend in respect of the June half-year of £5 4s per cent. on the ordinary stock, and they recommend to-day a dividend of £5 6s 8d, and the placing of a sum of £11,000 to the reserve fund. There is available a balance of £825,000 to the credit of the net revenue account, so that, after laying the dividend of £5 6s 8d, placing £11,000 to the reserve fund, and contributing £20,000 to the redemption fund, together with the dividends on the preference and maximum stocks, there will be a balance of £227,000 to be carried forward, as against a balance of £244,000 at this time last year.

In the balance-sheet you will notice that the company's investments show a large increase. Compared with the previous year, the company was in possession on December 31st last of a larger amount of working capital to the net extent of half a million pounds. The reason for this was mainly the increased figure on the debit side of the balance-sheet representing "Amounts owing to tradesmen and others."

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000

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

NORTHERN DISTRICT OFFICE:
59 Market St., Bradford.

LANCASHIRE BRANCH:
39, Mosley Street, Manchester.

The Anglo-South American Bank, Ltd., is represented in U.S.A. by the **ANGLO SOUTH AMERICAN TRUST COMPANY, NEW YORK** (Incorporated under the laws of the State of New York); and in FRANCE by the **BANQUE ANGLO-SUD AMERICAINE Société Anonyme, PARIS.**

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

BRANCHES OF THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

BRANCHES OF THE BRITISH BANK OF SOUTH AMERICA, LIMITED.

BRANCHES OF THE COMMERCIAL BANK OF SPANISH AMERICA, LIMITED.

UNITED STATES: SAN FRANCISCO, NEW YORK, MEXICO.

CENTRAL AMERICA: GUATEMALA, SALVADOR, MANAGUA, SANTA MARTA, BARRANQUILLA, PUERTO CABELLO, CARTAGENA, CARACAS, MEDELLIN, BOGOTA, GUAYAGUIL, IQUITOS.

SOUTH AMERICA: LIMA, IQUIQUE, ANTOFAGASTA, COPIAPO, VALPARAISO, SANTIAGO, TALCAHUANO, CONCEPCION, RIO DE JANEIRO, SAO PAULO, SANTOS, PORTO ALEGRE, PELOTAS, RIOGRANDE DO SUL, MERCEDES, ROSARIO, MONTE VIDEO, BUENOS AIRES, PERGAMINO, MENDOZA, SAN RAFAEL, BAHA BLANCA, TRELEW, COMODORO RIVAGAVIA, PUERTO DESEADO, SAN JULIAN, SANTA CRUZ, RIO GALLEGOS, PUNTA ARENAS.

Telegraphic Address: Kansallispankki.

projects submitted for our consideration during the last year impresses upon us more and more the large volume of business awaiting attention.

It will interest you to know that during the period we have been in existence we have closely investigated numerous proposals and concessions, both in this country and abroad. Many of these we have turned down; others are still being studied, and a few we have carried through to a successful conclusion. We have made advances to or arranged issues of capital for several electricity and allied undertakings, and we are closely in touch with various important developments both in this country and abroad, some of which we are very hopeful of carrying to a successful issue. Generally, I think I may say that to-day we see more clearly than we did even at the date of formation the need of a corporation such as ours.

INVESTMENTS.

At the date of the balance-sheet the investments stood at £706,391. Of these a little more than one-third, or 36 per cent., is invested in sound electrical undertakings with which we are closely in touch. Deeming it to be prudent, pending the development of what we regard as our primary field of operations, we have taken care as far as possible to keep our funds in a reasonably liquid condition. This is confirmed when I tell you that about 20 per cent. of the investment item is represented by British and Colonial Government securities. The electrical power investments and the gilt-edged securities, therefore, amount to 56 per cent. of the whole, the remainder being represented by the Balfour Beatty investment and holdings—mostly in first mortgage debentures of industrial undertakings.

The item of loans and participations—amounting to £132,509—represents to the extent of 73 per cent. advances to electrical undertakings, the balance being a syndicate participation in connection with important electrical developments in this country which we are closely studying at present, and which we believe will be carried through to a successful issue in due course. It is the policy of the board to take from time to time, as opportunity offers, participations or controlling interests in syndicates dealing with developments in various parts of the world, but only where such participations are justified by the importance of the ultimate business likely to result.

The result of our operations for the period of our existence is a gross trading profit of £85,535, leaving, after deduction of all expenses, including taxation, a balance of £65,233 available for dividends and reserves. We believe we have started on sound lines, and I think I can venture to say that, short of any disastrous disturbances at home and abroad, we have every reason to believe that on the sound foundation we have established we can build substantial success.

The report and accounts were unanimously adopted.

APEX (TRINIDAD) OILFIELDS, LIMITED.

UPWARD TENDENCY OF PRICES.

The fourth ordinary general meeting of Apex (Trinidad) Oilfields, Limited, was held, on the 7th instant, at Winchester House, Old Broad-street, London.

Mr Walter MacLachlan (a managing director) presided.

The secretary (Mr S. H. Stacey) read the notice convening the meeting and the report of the auditors.

The Chairman, in moving the adoption of the report and accounts, said:—Gentlemen, since the close of our fiscal year we have received further substantial income from the sale of oil, and our financial position to-day is even more satisfactory than is disclosed in the balance-sheet. The profit earned from the production and sale of oil is shown to have been £199,279. From this £67,137 has been written off in respect of amortisation of the wells, and the net London expenditure amounted to £3,505, leaving £128,636 as the net profit for the year under review. Adding to this £64,688 brought forward from the previous year, the total profit we had to deal with amounted to £193,324. Out of this there has been distributed in respect of interim dividends No. 2 and No. 3, each of 10 per cent., less tax, the sum of £80,000, the directors' additional remuneration, consisting of a percentage on the distributed profits, amounted to £3,000, while the reserve for income-tax and corporation profits tax accounts for £21,460, leaving a net balance at the credit of the profit and loss account of £88,864. The directors recommend the payment of a final dividend of 5 per cent., less tax, for the year ended September 30, 1923. This final dividend will absorb £20,000, thus leaving £68,864 to be carried forward in the accounts for the current year. Payment of the final dividend will make the total distribution of profits for the year 25 per cent., representing £100,000, a result upon which we have pleasure in offering you our congratulations. Before leaving this subject, I may point out that the rate of Dominion income-tax relief has now been settled with

the Inland Revenue, with the result that the British income-tax, after reduction of Dominion relief, has been fixed at 3s 8.724d in the £, and this rate, therefore, is being deducted from dividend No. 4. The same rate also applies to Dividends No. 2 and No. 3, and, as a higher rate was deducted when these dividends were paid, a refund of 1s 0.276d in the £ is about to be made to the shareholders who received those dividends. The refund is equivalent to an additional 1 per cent., free of tax, and no doubt this little bonus will prove no less welcome because it is unexpected.

PRODUCTION AND SALES.

The output from our property has been largely increased during the year under review, the production having amounted to 115,346 tons of oil from 23 producing wells, as compared with 64,315 tons from 12 wells during the preceding period, an increase in production of 80 per cent. over the previous year. The total production from the property since the start of our operations until the end of last month has been over 1,860,000 barrels, or about 263,000 tons.

The sales of oil during the year amounted to 111,035 tons, an increase of over 69 per cent. as compared with 1921-22. The disposal of our production has been satisfactory, as although deliveries were restricted during November and December, matters were nearly equalised by excess deliveries being taken in April and May.

A vigorous drilling programme has been maintained, and out of a total footage of 32,784 feet drilled from the start of our operations until September 30th last, 15,606 feet were drilled during the year under review, being an increase of 69 per cent. as compared with the previous year. Eleven new wells were completed, as compared with eight during 1921-22, and production is now being obtained from 28 wells. A considerable extension of the known payable area has been proved to the south-west of our property, and since the close of the year 91 acres have been added to our area, which now comprises about 984 acres.

As you are aware, our production is sold to Trinidad Leaseholds, Limited, and we have also entered into an agreement with United British Refineries, Limited, agreeing terms for the sale of any surplus production. We are, therefore, now in the satisfactory position of being able to dispose of our output to either or both of these two refineries upon terms which enable us directly to participate in the results which attend the treatment and marketing of our production.

PROSPECTS OF THE INDUSTRY.

The Chairman, after referring to over-production in California and Texas, continued. Within the last few weeks, however, a great change has taken place in the position of the oil industry. The flush outputs from the oilfields to which I have referred have suffered and are suffering the decline which sooner or later was inevitable, with the result that the over-production has ceased and the natural balance between production and consumption is rapidly being restored. As a result, higher prices for crude oil may be looked for, and already, since last December, Pennsylvania crude has risen from \$2.60 a barrel to \$4.50. Everything points to this upward tendency of prices being maintained as the result of the increase in the rate of consumption synchronising with the decrease in production, a condition of affairs which must benefit producers of crude oil, such as ourselves. As you have seen from the accounts, our results for last year were extremely satisfactory, in spite of the fall in prices which took place during the year, and it is only reasonable to anticipate that we will reap considerable benefit from the improved conditions which now prevail.

The motion was seconded by Mr George R. Airth, and carried unanimously.

GOVERNMENT RETURNS, &c.

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

Date.	Notes and Certificates Outstanding.	Investments in Government Securities.	Silver Coins.	Redemption Accounts.				
				Gold Coins and Bullion.	Bank of England Notes.	Notes of other Banks.	Government Securities.	Balance at Bank of England.
Mar. 25, 1922.	300,381	14,265	5,000	28,500	13,450	15	261,479	177
June 28, 1922.	296,374	13,338	5,000	28,500	19,650	10	254,313	260
Sept. 27, 1922.	289,127	12,648	7,000	27,000	21,150	16	246,466	169
Dec. 27, 1922.	301,337	12,979	7,000	27,000	21,150	15	256,923	137
Mar. 25, 1923.	285,616	12,318	7,000	27,000	22,450	17	241,294	190
June 27, 1923.	285,503	12,516	7,000	27,000	22,450	17	242,446	183
Sept. 27, 1923.	282,784	12,401	7,000	27,000	22,450	17	235,596	140
Dec. 26, 1923.	299,070	12,571	7,000	27,000	22,450	16	255,039	159
Jan. 30, 1924.	279,904	11,789	7,000	27,000	22,450	17	235,068	136
Feb. 6, 1924.	279,845	12,091	7,000	27,000	22,450	17	235,336	153

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum subsidiary issue for 1920 fixed at £300,000,000 for 1921 at £317,500,000, for 1922 at £339,000,000, for 1923 at £370,183,000, and for 1924 at £394,190,000.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £30,000,000 in Treasury Bonds and Treasury Bills dated from Feb. 10-Feb. 16 were opened on Feb. 8, 1924, and the total amount applied for was £41,675,000. For bills at three months dated Monday at £99 2s 6d and above in full, and Tuesday to Saturday at £99 2s 3d, about 34 per cent., above in full. The amounts allotted were as follows:—In bills at 3 months, £28,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months, Average Rate.	4% Treasury Bonds, Average Price.
1921.	£	£	£ s d	£ s d
Jan. 4, 1921.	35,000,000	52,950,000	3 0 11.61	nil
Jan. 11, 1921.	35,000,000	55,765,000	3 4 9.62	nil
Jan. 18, 1921.	35,000,000	48,420,000	3 7 3.72	nil
Jan. 25, 1921.	30,000,000	40,500,000	3 7 11.46	nil
Feb. 1, 1921.	35,000,000	45,115,000	3 5 7.83	nil
Feb. 8, 1921.	30,000,000	41,675,000	3 11 3.29	nil

Tenders will be received on Feb. 15, 1924, for Treasury Bonds and Bills to be issued to the maximum amount of £30,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from		Receipts.	
		Apl. 1, 1923, to Feb. 2, 1924.	Apl. 1, 1923, to Feb. 3, 1923.	Week Ended Feb. 2, 1924.	Week Ended Feb. 3, 1923.
Balances in Exchequer on 1st April:—					
Bank of England....	5,442,665	9,963,424	..	..	..
Bank of Ireland....	1,375,502	1,210,106	..	..	..
REVENUE.	6,818,167	11,173,530	..	..	..
Customs.....	116,900,000	103,065,000	106,004,000	2,327,000	1,759,000
Excise.....	143,850,000	126,285,000	134,050,000	987,000	969,000
Motor Vehicle Duties.....	13,250,000	8,940,000	7,386,000	..	..
Stamps, &c., Duties.....	52,000,000	45,170,000	46,811,000	850,000	710,000
Stamps.....	20,000,000	16,420,000	16,702,000	320,000	210,000
Land Tax, House Duty & Mineral Rights Duty	3,000,000	1,360,000	1,530,000	160,000	200,000
Property & Income Tax	20,000,000	17,436,000	24,041,000	11,108,000	15,698,000
Super-Tax.....	58,000,000	36,900,000	..	1,630,000	..
Excess Profits Duties, &c.	12,000,000	..	954,000	..	..
Corporation Profits Tax	20,000,000	18,210,000	15,367,000	340,000	440,000
Post Office.....	52,600,000	43,850,000	44,450,000	1,500,000	1,250,000
Crown Lands.....	900,000	860,000	810,000	..	..
Interest on Sundry Loans.....	12,500,000	12,215,975	9,618,346	73,433	71,729
Miscellaneous.....	12,500,000	11,466,180	20,418,658	500,668	..
Ordinary Receipts..	40,000,000	33,359,722	40,107,442	1,065,993	1,840,000
Special Receipts....	818,500,000	631,537,877	689,319,446	20,862,094	23,107,729
Revenue.....	..	638,356,044	700,492,976	..	..
Total, Inc. Balance ..	..	..	..	..	..

OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion.....	165,000	800,000	100,000	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	73,782	169,818	..	..	..
Under the Unemployment Insurance Acts, 1921.....	5,190,000	2,910,000	180,000	..	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1921 and 1922.....	5,520,000	5,310,000	..	..	..
Under the Post Office (London) Railway Act, 1913.....	10,500	27,000	..	..	..
Under the Housing Act, 1914.....	12,000	..	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922.....	..	950,000	..	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	1,553,300	..	..	..
By Exchequer Bonds under the Cunard Agreement (Money) Act, 1904.....	520,000	..	..	..	..
(b) Under the Unemployment Insurance Acts, 1921.....	820,000	4,050,000	..	..	..
(c) For other issues:—					
By Treasury Bills.....	2,117,625,000	2,494,393,000	43,457,000	49,855,000	..
By National Savings Certificates	41,060,000	53,258,000	450,000	1,050,000	..
By Exchequer and National War Bonds.....	..	20	..	..	..
By Treasury Bonds—					
5-15 year, 1923-35.....	..	61,655,154	..	..	..
5%, 1927.....	..	84,765,580	..	3,478,125	..
4%, 1933.....	32,657,958	..	..	..	..
4%, 1931-33.....	..	..	..	..	..
By Other Debt created under the War Loan Act, 1914 to 1919.....	..	25,259	..	..	..
(d) Ways and Means Advances.....	770,866,500	813,075,500	17,500,000	700,000	..
Anglo-Persian Oil Company—					
Dividends on Shares acquired	50,081	243,012	..	..	..
Repayments—					
In respect of Suez Canal Drawn Shares.....	5,501	5,787	5,501	5,787	..
Do Cunard Loan.....	130,000	130,000	..	..	..
Do Issues under Land Settlement (Facilities) Act, 1919 and 1921	273,045	282,662	44,872	8,748	..
Do Issues under Section 89 (4) of the Finance Act, 1920.....	..	6,827,960	..	..	..
of the Finance Act, 1920.....	..	162,485	..	..	..
Interest received under Section 89 (5) of the Finance Act, 1920.....	..	..	..	..	..
Total.....	3,611,625,408	4,331,087,433	82,599,381	78,385,365	..

NOTE.—Budget Estimate as in H.C. No. 51 of 1923.

EXPENDITURE AND OTHER ISSUES.

EXPENDITURE.	Estimate for the Year 1923-24 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from		Issues.	
		Apl. 1, 1923, to Feb. 2, 1924.	Apl. 1, 1923, to Feb. 3, 1923.	Week Ended Feb. 2, 1924.	Week Ended Feb. 3, 1923.
National Debt Services—					
Interest, &c.....	310,000,000	284,661,872	295,939,235	8,768,067	9,748,322
Sinking Fund.....	40,000,000	34,176,326	..	1,000,000	..
Road Fund.....	12,650,000	7,978,044	5,818,999	..	..
Payments to Local Taxation Accounts, &c.....	10,348,000	9,681,777	6,575,518	200,000	50,000
Payments to Northern Ireland Exchequer.....	3,000,000	3,269,306	1,628,380	75,000	40,000
Land Settlement.....	1,500,000	500,242	874,197	9,994	19,801
Other Consolidated Fund Services.....	2,972,000	2,609,416	2,517,572	12,785	249,012
Supply Services.....	440,565,000	309,873,902	365,821,052	5,551,435	7,531,730
Expenditure.....	821,035,000	652,750,895	679,174,553	15,617,211	17,638,835
OTHER ISSUES.					
Temporary Advances—					
Bullion.....	5,000	..	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	73,782	169,818	..	..	..
Under the Unemployment Insurance Acts, 1921.....	820,000	5,520,000	..	180,000	..
Issues to meet Capital Expenditure—					
Under the Telegraph (Money) Act, 1921 and 1922.....	6,170,000	5,760,000	400,000	450,000	..
Under the Post Office (London) Railway Act, 1913.....	10,500	27,000	..	..	..
Under the Housing Act, 1914.....	12,000	..	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	950,000	..	..	..
Under the Capital Expenditure (Money) Act, 1904.....	..	1,553,300	..	..	..
Under Cunard Agreement (Money) Act, 1904—Exchequer Bonds paid off.....	520,000	..	..	..	..
Unemployment Insurance Acts, 1921—					
Repayment of amounts borrowed..	4,870,000	2,110,000	..	..	..
Redemption of Debt—					
Treasury Bills.....	2,085,405,000	2,662,424,000	47,015,000	50,570,000	..
Principal of National Savings Certificates.....	28,150,000	22,300,000	650,000	800,000	..
Principal of Exchequer Bonds paid off.....	24,900	19,887,128	24,900	274,914	..
Principal of National War Bonds paid off, £51,567,846; less Paid off by the National Debt Commissioners, £1,000,000.....	50,567,846	44,684,182	18,345,550	..	..
Other Debt under the War Loan Act, 1914 to 1919.....	7,463,440	15,825,526	..	..	..
Ways and Means Advances Repaid	772,108,500	761,265,500	500,000	8,300,000	..
Anglo-Persian Oil Company—Issued to the National Debt Commissioners.....	50,081	243,012	..	..	..
Issues to National Debt Commissioners to Reduce Debt—					
Cunard Loan Repayments.....	130,000	130,000	..	..	..
Old Sinking Fund, 1910-11, issued under Section 34 of the Finance Act, 1923.....	118,000	..	..	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 29 (4).....	..	5,000,000	..	..	

HEAD OFFICES: LIVERPOOL AND LONDON

ROYAL

INSURANCE COMPANY, LIMITED

ALL CLASSES OF INSURANCE EFFECTED

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, February 6, 1924.

ISSUE DEPARTMENT.

£	£
Notes issued	146,006,975
Government debt	11,015,100
Other securities	8,734,900
Gold coin and bullion	126,256,975

146,006,975	146,006,975
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BANKING DEPARTMENT.

£	£
Proprietors' capital ..	14,553,000
Reserve ..	3,517,634
Public deposits ..	15,801,191
Other deposits ..	104,197,950
Seven-day & other bills ..	6,043
	138,075,818

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

	Amount Feb. 6, 1924.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	5,517,634	+ 63,612	- 8,377
Public deposits ..	15,801,191	- 447,104	- 2,094,094
Other deposits ..	104,197,950	- 1,091,585	- 853,332
Government securities ..	46,797,032	- 1,625,000	- 2,270,267
Other securities ..	69,328,478	+ 504,958	+ 3,516,302
Reserve ..	21,950,308	+ 654,936	+ 2,509,411
Note circulation ..	125,880,870	- 652,755	+ 4,339,770
Coin and bullion ..	128,081,178	+ 2,181	- 590,359
% of reserve to liabilities ..	182%	+ 3%	- 14%

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1923.						
Dec. 19	128,021,083	128,185,170	125,055,402	121,328,632	19,587,913	12%
26	128,019,382	128,142,780	124,462,063	120,677,493	19,626,662	14%
1924.						
Jan. 2	128,058,002	127,520,755	123,627,890	121,228,182	20,287,237	12%
9	128,058,044	126,276,215	127,334,592	124,352,596	21,531,829	16%
16	128,071,856	125,197,945	123,235,570	118,581,144	22,653,311	18%
23	128,078,977	125,143,180	126,041,312	121,413,585	22,588,897	18%
30	128,078,977	126,533,625	121,537,830	118,254,768	21,286,372	17%
Feb. 6	128,081,178	126,880,870	119,999,141	116,125,510	21,950,308	18%

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1924.				
January 1 to January 23 ..	2,236,739	109,767	196,826	2,543,332
January 30	625,346	27,743	47,069	700,158
February 6	785,682	32,786	62,274	880,742
Total to date 1924	3,647,767	170,296	306,169	4,124,232
Do 1923	3,536,368	179,226	318,601	4,034,095
Increase or decrease in 1924 ..	+ 111,399	- 8,930	- 12,432	+ 90,137
%	+ 3.1%	- 4.9%	- 3.8%	+ 2.2%
Total for year 1923	32,270,373	1,546,565	2,810,654	36,527,592
Total for year 1922	32,780,635	1,574,661	2,806,165	37,161,461
Increase or decrease in 1923 ..	- 510,262	- 28,096	+ 4,489	- 533,869
%	- 1.6%	- 1.8%	+ 0.2%	- 1.4%

PROVINCIAL CLEARING RETURNS.

	1923.	1924.	Inc. or Dec.
Aggregate Totals to February 2.			
BIRMINGHAM	12,412,400	12,257,200	- 155,200
BRISTOL	6,112,000	6,021,000	- 91,000
GLoucester	31,029,100	28,753,100	- 2,276,000
LONDON	5,665,900	5,363,400	- 302,500
MANCHESTER	5,669,900	5,930,600	+ 260,700
LIVERPOOL	4,028,200	3,790,800	- 237,400
NEWCASTLE	46,128,200	46,996,900	+ 868,700
NOTTINGHAM	76,751,000	72,082,400	- 4,668,600
SHROPSHIRE	9,068,100	10,319,300	+ 1,251,200
STOCKPORT	3,574,800	3,168,500	- 406,300
SHEFFIELD	5,736,100	5,347,600	- 388,500

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Bank of Portugal appeared in the *Economist* of December 8; Roumania in January 12; Egypt in January 19; Bulgaria in January 26; Canada, Japan, Echonia, Lithuania, Hungary, and Greece in February 2.

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

	Feb. 1, 1924.	Jan. 25, 1924.	Jan. 18, 1924.	Feb. 2, 1924.
Resources.				
Total gold reserve	3,142,720	3,151,660	3,137,120	3,075,810
Legal tender notes and silver reserve ..	130,190	119,920	113,290	151,330
Notes in circulation	522,310	540,780	534,150	597,250
Bills bought in open market	271,790	276,000	292,740	188,570
Government obligations owned	120,770	120,930	116,610	353,740
All other resources	73,650	71,730	70,420	61,960
LIABILITIES.				
Government deposits	40,940	61,180	39,440	46,010
Other deposits	1,950,150	1,987,110	1,980,200	1,945,050
Federal Reserve Notes in actual circulation ..	2,022,510	2,049,830	2,084,320	2,203,700
F.R.B. Notes in actual circulation	430	440	440	3,110
All other liabilities	14,940	12,760	12,460	10,050
Ratio of total resources to gross deposits and Federal Reserve note liabilities combined ..	81.3%	80.4%	80.1%	76.9%

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

	Jan. 12, 1924.	Jan. 5, 1924.	Dec. 29, 1923.	Dec. 22, 1923.	Jan. 15, 1924.
Assets.					
Gold coin and bullion	549	549	549	549	583
Gold certificates	10,102	10,102	10,102	10,102	10,102
Subsidiary coin	100	100	100	100	100
Bills discounted	5,451	5,893	5,986	5,591	2,899
Loans and advances to the Government	250	500	500	500	1,300
Investments	17	17	17	17	..
LIABILITIES.					
Capital	1,000	1,000	1,000	1,000	1,000
Reserve	40	40	40	40	40
Notes in circulation	10,888	11,247	11,334	10,916	9,812
Bankers' deposits	4,704	4,804	4,810	4,850	5,091
Ratio of cash reserves to liabilities to public	68.9%	66.9%	66.5%	68.3%	72%

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

	Jan. 11, 1924.	Jan. 4, 1924.	Dec. 28, 1923.	Dec. 21, 1923.	Dec. 14, 1923.	Jan. 12, 1924.
Assets.						
Govt. securities	10,47,94	10,77,69	10,81,50	10,81,41	10,93,09	8,45,51
Other securities	1,29,82	1,29,82	1,28,82	1,28,82	1,28,82	1,36,67
Loans	17,73,50	20,49,96	20,98,52	19,86,98	20,78,36	19,29,25
Cash credits	36,08,74	34,87,41	35,86,51	34,32,79	32,70,51	28,83,59
Inland bills	13,26,10	13,05,68	10,05,89	8,75,26	7,34,78	6,35,67
Foreign bills	18,22	20,83	27,36	21,13	25,20	1,36,57
Dead stock	2,45,78	2,44,85	2,50,33	2,49,83	2,49,39	2,44,89
Bank with other banks	40,45	49,67	1,00,75	88,63	87,03	36,48
Cash	17,27,05	20,52,18	17,04,49	17,17,67	17,73,90	11,94,63
LIABILITIES.						
Subscribed capital	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00
Capital paid up	5,82,50	5,82,50	5,82,50	5,82,50	5,82,50	5,82,50
Reserve	4,45,00	4,35,00	4,35,00	4,35,00	4,35,00	4,25,50
Public deposits	11,11,43	11,70,90	11,13,80	8,89,84	7,74,13	13,40,60
Other deposits	70,18,63	74,05,18	72,35,51	72,38,54	75,37,45	54,26,92
Loans from Govt.	8,00,00	8,00,00	8,00,00	8,00,00	8,00,00	8,00,00
Sundries	77,60	1,41,51	1,82,47	1,62,50	1,57,19	93,98
The above includes—						
Deposits in Lond'n ..	717	872	646	579	532	4
Advances in Lond'n ..	443	436	433	429	480	617
Cash, &c., at other Banks in India	651	463	352	257	175	55

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

	Feb. 7, 1924.	Jan. 31, 1924.	Jan. 24, 1924.	Feb. 1, 1924.	Position May 31, 1923.
Assets.					
Gold coin and bullion ..	5,540,976	5,540,899	5,540,637	5,535,581	5,730,628
Of which held abroad ..	3,264,321	3,264,321	3,264,321	3,264,321	3,264,321
Silver coin and bullion ..	297,153	297,153	297,153	297,153	297,153
Discounts and advances ..	5,091,487	5,091,487	5,091,487	5,091,487	5,091,487
Advances to the State ..	23,100,000	23,100,000	23,100,000	23,100,000	23,100,000
LIABILITIES.					
Notes	39,174,102	38,834,041	38,329,145	37,408,366	38,111,878
Government deposits ..	14,880	40,555	21,387	87,837	145,700
Private deposits	2,416,116	2,308,598	2,372,139	2,292,048	2,468,260

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

	Jan. 31, 1924.	Jan. 24, 1924.	Jan. 17, 1924.	Jan. 10, 1924.	Feb. 1, 1924.	Position May 31, 1923.
Assets.						
Coin (gold & silver and bullion) ..	385,223	365,537	366,169	366,829	346,315	382,850
Securities	1,353,022	1,377,945	1,385,815	1,380,365	1,353,991	1,377,800
LIABILITIES.						
Notes in circulation ..	7,589,582	7,431,349	7,443,790	7,461,013	6,916,720	824,150
Current accounts	387,813	456,398	427,016	387,118	322,634	119,198

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

	Feb. 4, 1924.	Jan. 28, 1924.	Jan. 21, 1924.	Jan. 14, 1924.	Feb. 1, 1924.	Position May 31, 1923.
Assets.						
Gold	581,713	581,745	581,753	581,769	581,790	581,790
Silver	10,120	8,751	8,265	7,947	7,361	8,438
LIABILITIES.						
Notes in circulation ..	1,031,733	1,009,761	1,019,728	1,036,635	968,569	916,432
Deposits	21,946	30,171	36,084	25,797	33,880	6,011

BANK OF JAYA.—In florins (000's omitted).

	Jan. 26, 1924.	Jan. 19, 1924.	Jan. 12, 1924.	Jan. 5, 1924.	Jan. 29, 1924.	Position May 31, 1923.
Assets.						
Gold	214,000	213,000	213,750	214,750	156,131	22,971
Silver	14,980	147,800	156,540	163,100	168,417	77,567
LIABILITIES.						
Notes in circulation ..	259,500	268,000	266,500	263,000	259,718	109,499
Deposits and bills payable ..	87,500	91,000	92,500	104,000	102,498	11,950

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

	Jan. 31, 1924.	Jan. 21, 1924.	Jan. 14, 1924.	Jan. 7, 1924.	Jan. 31, 1923.	Position May 31, 1923.
Assets.						
Gold	636,850	636,978	637,087	637,098	637,098	637,098
Silver	89,061	88,610	88,610	88,610	88,610	88,610
LIABILITIES.						
Notes in circulation ..	11,918	11,918	11,918	11,918	11,918	11,918
Deposits	276,750	254,554	275,940	340,833	404,443	106,000

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

	Jan. 15, 1924.	Jan. 7, 1924.	Jan. 13, 1923.	Position May 1914
ASSETS.				
Gold and bullion.....	1,945	12,212	\$ 1,005	1,635
Treasury notes.....	9,705,149,000,000	9,363,830,000,000	337,453	943
Reserve bank notes.....	142,314,657,000,000	175,542,512,000,000	..	..
Bills of exchange and cheques.....	894,768,303,000,000	284,205,194,000,000	1,648,455	161
Reserve bank bills and cheques.....	185,975,741,000,000	71,821,378,000,000	..	..
Advances.....	140,786,595,000,000	149,015,818,000,000	..	..
Reserve bank discounts and advances.....	..	..	..	..
LIABILITIES.				
Notes in circulation.....	181,175,515,000,000	163,388,195,000,000	..	..
Deposits.....	478,722,767,000,000	490,991,072,000,000	1,437,779	2,017
	585,679,882,000,000	589,733,054,000,000	526,917	84
† This total now includes token coin at its face value.			\$ Gold.	
† Including discounts and Treasury bills.				

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Div.	Date of Payment.	Method of Payment.	Last Div. Year.	Pre-vious Year.
Railways.						
Central London, Deft.	2%+	..	..	..	4	4
City and South London	2%+	..	..	..	4	4
Clonakilty Extension	4%	..	..	..	3	3
Gt Northern of Ireland	6% (+ bonus 1/2%)	..	..	..	5	5
Great Southern and Western	3%	..	..	..	6	6
Jersey Railways and Trams	5%	..	..	..	4	4
Liverpool Overhead, Pref.	2%+	..	..	..	9	8 1/2
London Electric	4 1/2%	..	..	..	3 1/2	3
London General Omnibus	2%+	..	..	..	6	5
Metropolitan District	3%	..	..	..	..	..
Underground Electric, Inc. Bonds	3%	..	..	..	..	..
Banks.						
Bank of New South Wales	10%	Feb. 27	..	..	..	..
Industrial of Japan	10%	Feb. 6	..	Less Jap tax	..	..
Stockholms Enskilda	..	..	..	..	..	..
Insurance.						
Queensland	..	..	..	..	2/6 p.s.	2/6 p.s.
Scottish Life	..	..	..	..	15	15
Mining.						
Dundee Coal	2 1/2%	..	..	..	..	..
Tea and Rubber.						
Indragiri Rubber	..	..	..	..	..	..
Kurugama Tea	5%+	..	..	..	..	..
Pabhojan Tea	7 1/2%	Feb. 15	..	Less tax 4 1/2% in £	..	..
Peechock and Nilambe	5%	Feb. 18	..	Less tax 4 1/2% in £	..	..
Tea and Rubber	..	..	..	..	..	..
Wanarajah Tea	25%+	..	..	..	75	nil
Other Companies.						
A. and S. Henry	6%+	..	..	..	10	10
Aberdeen Steam Navigation	1/3 p.s.	Feb. 12	..	..	2/9 p.s.	..
African Produce	7 1/2%	..	..	..	12 1/2	10
Altrincham Gas, Orig.	9/3 p.s.	..	..	..	..	..
Do New	7/3 p.s.	..	..	..	..	..
Arthur Guinness, Son & Co. (a)	6%	Mar. 1	..	..	..	..
Bass, Ratcliff, and Gretton	5%+	..	..	..	..	..
Bath Gas Light	5%	Feb. 21	..	..	..	..
Balding-Corticelli	2%	Feb. 15	..	..	..	..
Birmingham Coffee House	..	..	..	..	..	..
Bournemouth and Poole Electric	6 1/2%	..	..	..	13	10
Lo Bonus	3%	..	..	..	..	..
Brentford "A" Cons.	6%	Mar. 1	..	..	..	..
Do "B" Cons.	6%	Mar. 1	..	..	..	..
Bristol Railway Waggon	10%	..	..	..	20	20
British Assets Trust	..	..	..	..	..	..
British Automobile Traction	..	..	..	..	..	..
Do Ord.	..	..	..	..	..	..
British Land Company	..	..	..	..	..	..
Burlington Hotels	5%	..	..	..	..	..
Camwall, Pref.	7 1/2%	..	..	..	..	..
Canadian Northern Prairie L'nde	6%	..	..	..	10	10
Cardiff Gas Light	3 1/2%	Feb. 27	..	..	..	..
Chester United Gas	10/3 p.s.	..	..	..	..	..
Clarkson's Old Brewery	3%	..	..	..	..	..
Clontarf & Hill of Howth Trams	3%	..	..	..	..	..
Cook, Son, and Co. Ord.	..	..	..	..	..	..
Do "et."	..	..	..	..	..	..
Dalmellington	6 p.s.	Mar. 1	..	..	..	..
Dickens and Jones	10%	..	..	..	..	..
Dover Gas	7 1/2% (+ further 1% for back dividend)	Feb. 23	..	..	..	..
Dublin United Trams	7%	..	..	..	..	..
Eastbourne Pier	..	..	..	..	..	..
East End Dwellings	..	..	..	..	..	..
Edinburgh American Land	8%+	..	..	..	..	..
Edinburgh Reversion	..	..	..	..	..	..
Electrical and Industrial, Deft.	10%+	..	..	..	..	..
Eley's Stafford Brewery, Deft.	10%+	..	..	..	..	..
Emmott and Wallshaw	5%	..	..	..	..	..
Faulds	..	..	..	..	..	..
Ferrier, Pollock, and Co.	12 1/2%	..	..	..	..	..
Fife Tramway & Co.	..	..	..	..	..	..
Frederick Braby	5%+	Mar. 3	..	..	..	..
Garr and Osmore Gas	6%	..	..	..	..	..
George Ingham and Co.	..	..	..	..	..	..
George Outram	2/3 p.s.	(+ bonus 1/3 p.s.)	..	..	..	..
General Hydraulic Power	4%+	..	..	..	..	..
George Newby	5%+	..	..	..	..	..
George Peck and Co.	14%+	..	..	..	..	..
Greenless and Sons	..	..	..	..	..	..
Guardian Invest., Deft.	..	..	..	..	..	..
Harrogate Hydro	..	..	..	..	..	..
Hart Accumulator	5%+	..	..	..	..	..
Hart and Levy	12%+	..	..	..	..	..
Heritable Securities, &c.	8%	..	..	..	..	..
Herrburger Brooks	10%	..	..	..	..	..
Hollins Mill	5%+	..	..	..	..	..
Home and Colonial Stores	8 1/2%	(+ bonus 1/2%)	..	..	..	..
Hood's	..	..	..	..	..	..
Horse Corv.	6%+	..	..	..	..	..
Hoylake & West Kirby Gas, Pref.	3 1/2%	..	..	..	..	..
Imperial Hydro, Blackpool	10%	(+ bonus 10/3 p.s.)	..	..	..	..
Improved Wood Pavement, £10	40/	(+ bonus 30/)	..	..	..	..
J. Grayson, Lowood	2 1/2%	..	..	..	..	..
Johnston, Mooney, and O'Brien	3%+	(+ bonus 1/3 p.s.)	..	..	..	..
Linen Thread Co.	3/3 p.s.	Feb. 15	..	..	..	..
Liverpool Daily Post, &c.	..	..	..	..	..	..
London and Suburban Traction	..	..	..	..	..	..
Om. Pref.	2 1/2%	..	..	..	..	..
London Electric Supply	..	..	..	..	..	..
London Property Invest., "A"	..	..	..	..	..	..
Do "B"	..	..	..	..	..	..
Manchester Safe Deposit	..	..	..	..	..	..
Maple and Co.	7 1/2%	..	..	..	..	..
Mercantile Investment	6 1/2%	..	..	..	..	..
New Moncton Collieries	5%+	Mar. 1	..	..	..	..
Northampton Electric Light	5%+	..	..	..	..	..
N. Metropolitan Power	..	..	..	..	..	..
Openhaw Brewery	11 1/2%	..	..	..	..	..
Premier Investment	4 1/2%	..	..	..	..	..
Railway Debenture	4 1/2%	..	..	..	..	..
Railway Share Trust	4%+	..	..	..	..	..
Regent's Canal and Dock	1%	..	..	..	..	..
Reichsle Canal	20/3 p.s.	..	..	..	..	..
Royal Exchange (Leeds)	7%+	..	..	..	..	..
Royal Hotel, Edinburgh	3/3 p.s.	..	..	..	..	..
Rough Electric Supply	4 1/2%	..	..	..	..	..
Do New	..	..	..	..	..	..
Rylands and Sons	..	..	..	..	..	..

Scottish Standard Reversionary	7 1/2%	Mar. 1	..	..	..	..
"Sentinel" Waggon Works, Pf.	5%+	..	..	..	..	..
Shipley Collieries	5%+	..	..	..	..	..
Smithfield Markets Electric	..	..	..	..	..	..
Smyth and Co. (Balbriggan)	..	..	..	..	..	..
South Metropolitan Gas	..	..	..	..	..	..
South Metropolitan Trams	..	..	..	..	..	..
South of England Dairies	5%	Feb. 27	..	..	..	..
South Staffordshire Waterworks	2 1/2%	..	..	..	..	..
Steel Suburban Gas	3 1/2%	..	..	..	..	..
Steel Developments	3 1/2%	..	..	..	..	..
S.T.D. Motor, Pref.	3 1/2%	Feb. 9	..	..	..	..
St James' and Pall Mall Electric	7 1/2 p.s.	(+ bonus 5/3 p.s.)	..	..	..	..
Sutton District Water	10% (+ further 1% for back dividend)	Feb. 12	..	..	..	..
Tea Corporation	5%	Feb. 12	..	..	..	..
Tyneside Trams, Pref.	5%	..	..	..	..	..
United Grain Elevators	10%	..	..	..	..	..
Wharfedale Silkstone Colliery	5%+	Feb. 12	..	..	..	..
William and P. Thompson	..	..	..	..	..	..
William McLaren, Sons	..	..	..	..	..	..
Wm. France, Fenwick	..	..	..	..	..	..
York Street Flax Spinning	8%	..	..	..	..	..

(a) Dividend on increased capital.

BURNELL and Co.—Directors regret inability to pay dividend on preference shares, which is now two and a half years in arrears.

RICHARDSON, DUCK, and Co., shipbuilders, announce with regard to the six months' dividend, which in the ordinary way is payable on February 1st, that, owing to the continued deplorable state of trade in the shipbuilding industry, to the boiler-makers' lock-out having laid the shipyard practically idle for 30 weeks, and other considerations, they have decided not to recommend the payment of the preference dividend on the date named. The company was formed in 1919 with a capital of £275,000, of which £250,000 is in preference shares. No dividend has yet been paid on the ordinary shares.

THE ASSOCIATED EQUIPMENT COMPANY announce that the trading results for the year do not justify the directors in recommending the payment of a dividend. In respect of the year 1922 the directors made a similar announcement.

MINING OUTPUT STATISTICS FOR JANUARY, 1924.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.		
Gold.						
Ashanti	6,825	..	..	..	5,307 (a)	22,546
Associated Gold	4,820	..	..	..	..	6,130
Associated Northern	..	..	..	..	..	901
Iron Duke	..	..	..	..	..	..
Baluchist	3,700	4,400	2,473	230	2,705	1,207
Blackwater	2,380	..	..	..	..	..
Cam and Motor	16,400	..	..	..	8,254 (c)	5,010
Champion Reef	9,620	15,741	3,634	592	4,226	19,087
Golden Horse Shoe	8,580	..	..	..	4,757	30,306
Mysore	15,875	36,883	8,850	1,525	10,375	2,454
Menzies Cons.	1,060	..	..	..	..	..
Netherbrook	11,327	16,564	4,764	728	5,492	..
Coregem	14,000	4,900	8,542	357	8,899	..
Oriental Consolidated	..	..	..	..	..	..
Rezende	6,200	715	..	..	5,034	813,700
South Kalguri	7,191	..	..	..	..	6,329
Tomboy	19,000	..	..	..	..	13,864
Transvaal and Rhodesian	..	..	..	..	..	68,000
Fred	1,570	..	..	..	..	..

(a) Par value. (b) Including premium. (c) 94s per ton. * Loss.

	Output.	Other Notes in Return.
Copper.		
Tanganyika	5,127	..
Aramayo	160	Silver, 109,000 oss.
Bischof	75	..
Deeboom Dredging	19	..
Ex Lands Nigeria	35	..
Filani	1 1/2	..
Gopeng	37	Black tin, amount realised, £5,700.
Idris	15 1/2	Est. value, £10,500; est. cost, £1,920.
Ipon	468	Value, £2,135; cost, £711.
Kamunting	59	Est. value, £70,500.
Kem	55	Shipped 58 tons.
Kinta	32	Value, £4,666; gross profit, £3,366.
Lahat	23 1/2	Value, £3,535; cost, £2,588.
Lower Bischof	8	..
Malayan	113	Value, £16,766; cost, £7,995.
Manigua	134	..
Naraguta Est.	12	Despatched 15 tons.
Nigerian Consolidated	134	..
Pahang Cons.	263	Black tin, alluvial, 11 tons.
Parl	6	Value, £252; cost, £303.
Pengkalan	92	Est. value, £12,660; est. cost, £1,685.
Rambutan	20	Est. value, £2,765; est. cost, £200.
Rayfield	44	Shipped 46 tons.
Renong	608	..
Ropy	171	..
South Crofty	59	Black tin, value £7,881; arsenio and sundries £3,536.
Southern Perak	483	Est. value, £7,100; est. cost, £2,000.
Siamese	107 1/2	..
Sungei Besi	48	Est. value, £7,060; est. cost, £3,130.
Tekka	31	Est. value, £4,085; est. cost, £1,515.
Tekka Taping	58	Est. value, £7,520; est. cost, £2,530.
Torkah Harbour	38	..
Tronoh	42	Value, £6,461; cost, £4,360.
Coal.		
Chinese Engineering	91,529	..
Clydesdale	18,343	..
Dundee	46,906	..
East Kent	4,757	..
Middleburg Steam	22,342	..
Natal Navigation	43,006	..
Northern Natal	26,011	..
South African	57,928	..
Twelvefontein United	59,985	..
Vereeniging Estates	..	..
Cornelia	58,903	..
Largo	53,106	..
Schoongesicht	32,016	..
Vryheid	27,473	Brickworks, £5,294.
Wankie	23,339	..
Miscellaneous.		
Akim Diamonds	..	601 carats; 108 oss gold.
Crown Diamonds	..	150,981 oss.
Kesley Silver	..	56,034 oss. December return
Mining Corp. of Canada	..	£202,996
Rhodesia Broken Hill	480	..
Transvaal Silver	..	33,557 oss fine silver.

TRANSVAAL GOLD OUTPUT STATISTICS.

Name of Mine.	December, 1923.			January, 1924.		
		Est.	Est.		Est.	Est.
	Tons.	Yield.	Profit.	Tons.	Yield.	Profit.
Aurora W. United (10s shares) ..	70,000	£ 2,027	£ 2,042	75,000	£ 135,303	£ 7,054
Brakpan ..	93,000	128,559	68,331	100,000	186,635	73,562
City Deep ..	54,000	80,326	15,846	57,800	87,293	16,641
Consolidated Main Reef ..	217,000	318,318	123,882	225,000	333,751	113,102
Crown Mines (10s shares) ..	33,600	51,195	8,387	35,000	54,307	10,371
Durban Roadport Deep ..	133,000	138,479	7,139	140,000	146,508	10,126
East Rand Proprietary ..	31,500	37,728	5,203	35,200	39,934	5,018
Ferreira Deep ..	68,000	110,042	49,432	70,200	115,686	50,932
Geduld Proprietary ..	63,150	68,816	5,036	64,800	71,777	5,728
Goldenhuis Deep ..	5,773	958	958	4,470	8,098	7,563
Glynn's Lydenburg ..	130,000	130,978	185,481	155,000	339,573	202,270
Government Areas ..	50,200	55,732	6,509	51,000	58,369	8,046
Langlaagte Estate ..	95,100	126,615	32,914	103,400	133,198	32,643
Luipards Vlei ..	19,890	21,224	1,552	20,784	20,085	* 645
Meyer and Charlton ..	14,500		220,136	15,500		* 21,024
Modderfontein B. ..	65,000	149,153	84,405	68,000	136,645	75,000
Modderfontein Deep Levels ..	43,000	106,249	71,046	45,600	114,246	76,750
Modderfontein East ..	29,600	46,467	11,667	31,500	47,261	10,088
Modderfontein, New (£4 shs.) ..	113,000	249,134	141,667	120,000	259,123	155,416
New State Areas ..	47,000	89,051	26,140	51,000	91,871	30,226
Nourse Mines ..	40,000	65,008	8,335	52,000	69,814	10,234
Primeiro, New ..	21,300	19,319	1,505	22,000	20,217	1,788
Randfontein Central ..	202,500	328,868	50,090	219,000	367,536	65,653
Randfontein (£5 shares) ..	11,500	13,182	4,029	11,500	12,851	3,615
Robinson Deep ..	75,000	108,513	41,341	78,000	112,790	42,197
Rose Deep ..	56,000	65,871	17,972	57,000	66,013	17,702
Simmer and Jack ..	96,700	65,370	8,648	80,800	73,041	10,778
Spring Mines ..	59,300	129,562	61,450	63,000	132,611	63,807
Sub-Nigel ..	10,300	28,293	8,274	10,100	29,269	8,525
Transvaal Gold Mining Estates ..	15,850	28,246	4,018	16,660	30,132	5,619
Van Ryn ..	62,500	125,889	66,067	66,000	139,646	77,081
Van Ryn Deep ..	59,000	86,592	19,607	60,000	87,621	17,013
Wageningen ..	37,700	..	* 4,613	38,300	..	* 5,003
West Rand Consolidated ..				41,810	57,550	9,524
Witwatersrand Deep ..	46,400	50,823	11,519	49,000	54,648	12,610
Witwatersrand (Knight's) ..	32,300	33,463	3,325	32,200	36,578	3,519
Woluhuter ..						

* Loss. *g* 24 13s 6d per fine oz. *o* 24 14s per fine oz. *o* 24 11s 3d per fine oz. net.
 o 24 13s 3d per fine oz. net. *o* 24 17s per fine oz.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.					Corresponding Period Last Year	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.
					Prefer. Amount.	Ordinary. Amount.	Rate.				
Electric Lighting and Power.	£	£	£	£	£	£	%	£	£	£	%
Northampton Electric	Dec. 31	6,774	33,306	40,080	1,870	22,733	9	7,000	8,477	34,601	9
Financial, Land, &c.											
Straits and General Development Gas.	June 30	Dr 34,752	Dr 193	Dr 34,855	..	..	..	..	Dr 34,855	Dr 516	..
Brentford	Dec. 31	49,483	150,036	199,519	2,750	105,528	6 1/2 A } 6 1/2 B }	19,916	71,325	120,747	6 1/2 A } 6 1/2 B }
South Metropolitan	Dec. 31	234,986	426,194	661,180	6,412	383,758	5 1/2	16,500	254,510	611,862	5 1/2
South Staffordshire Mond Gas ..	Dec. 31	8,718	591	9,309	..	..	..	..	9,309	5,177	..
South Suburban	Dec. 31	25,285	54,227	79,512	..	67,994	6 1/2	10,822	696	98,453	6
Hotels, Restaurants, &c.											
Harrogate Hydropathic	Dec. 31	4,229	11,187	15,416	..	8,000	20 1/2	3,000	4,416	10,353	20 1/2
Iron, Coal, and Steel.											
Shipley Collieries	Dec. 31	..	51,309	51,309	..	34,500	7 1/2	9,163	7,646	..	..
Steel Developments	Dec. 31	723	4,136	4,859	..	4,119	5 1/2	..	740	3,394	5 1/2
Shipping.											
Wm. France, Fenwick, and Co. ..	Dec. 31	10,670	81,430	92,100	8,250	75,000	10	..	8,850	79,397	10
Shops and Stores.											
Greenlees and Sons	Dec. 29	17,398	32,490	49,888	14,414	5,189	2 1/2	12,500	17,785	36,752	2 1/2
Home and Colonial	Dec. 31	50,304	354,503	404,807	91,500	137,500	{ Cm. Ord. 15 Ord. 25 }	110,450	65,357	341,969	{ 15 22 1/2 }
Textiles.											
A. and S. Henry	Nov. 30	65,518	167,882	233,400	5,000	160,000	10	..	68,400	..	..
Jute Industries	Sept. 30	15,675	232,942	248,617	210,258	..	..	30,000	8,359	258,761	..
Linen Thread	Sept. 30	219,189	294,050	513,239	121,000	181,500	11 1/2	..	210,739	307,422	11 1/2
Tramways.											
Dublin United	Dec. 31	14,105	121,611	135,716	27,000	27,225	5 1/2	67,000	14,491	107,621	5
Tyneside Tramways & Tramroads	Dec. 31*	287	1,317	1,604	601	..	..	500	503	1,987	2
Trust.											
City of Buenos Ayres	Dec. 31	9,198	67,266	76,464	..	62,000	5	5,000	9,464	60,858	5
Guardian Investment	Jan. 20	12,000	41,575	53,575	10,739	21,477	9	9,359	12,000	34,129	8
Waterworks.											
Sutton District	Dec. 31	3,496	20,824	24,320	7,188	6,600	11	2,000	8,532	18,607	11
Other Companies.											
Cook, Son, and Co., St Paul's ..	Dec. 31	51,205	304,272	355,477	85,312	93,463	{ 7 Ord. 14,491 100 Df. }	60,000	102,211	316,166	{ 7 Ord. 100 Df. }
Crocker's	Dec. 31	9	3,592	3,601	..	..	..	..	3,601	47,053	..
East End Dwellings	Dec. 31	1,350	18,494	19,844	2,000	9,272	5 1/2	7,000	1,572	15,745	5 1/2
Hart and Levy	Dec. 31	7,596	46,025	53,621	10,800	33,750	15	2,000	7,071	28,818	13
Horace Cory and Co.	Dec. 31	2,672	15,086	17,758	2,750	10,000	10	2,000	3,008	13,840	9
Royal Exchange (Leeds)	Dec. 31	1,616	3,960	5,576	..	3,075	10	..	2,501	1,504	7
Rylands and Sons	Dec. 31*	157,071	125,664	282,735	44,000	80,000	10	..	158,735	127,064	10
Wm. McLaren, Sons, and Co.	Dec. 20	5,097	12,996	18,093	4,500	5,250	7 1/2	..	8,343	7,494	6

* Half-year. † Tax free.

March sold 47s 6d, Australian early March 47s 1 1/2d, March early April, 47s 3d, No. 2 Northern Manitoba February 47s, Barusso 64 lbs March 20 loading 44s, early March 44s 1/2d, No. 3 Northern Manitoba loading 47s per 480 lbs. Flour in steady demand, and prices further hardened in sympathy with wheat. London standard straight run quoted at 39s 6d, patents 41s 6d to 42s 6d, town households 37s 6d per sack, delivered in. All English country straightens firmer at 35s 6d to 36s 6d per sack, free on rail at London stations. Imported firm but quiet. Manitoba patents range from 36s 6d to 39s as to quality, and Australian 36s to 37s per 280 lbs, ex store. Maize cargoes were also in better support, and prices advanced sharply. Steamers of new crop La Plata, March-April, sold 39s, April-May 35s 9d to 36s, May-June 34s 7 1/2d to 35s, Dan-Gal-Foxanian, February-March, 41s 6d, ditto March-April 16th at 40s 6d per 480 lbs. Barley.—English firm and making ranges from 11s 6d-14s 6d, with feeders 10s 6d-11s 4d per 112 lbs, free on rail. Imported, Californian 45s-50s, ex store, Chilean brewing 43s-46s, ex ship, both per 448 lbs. No. 4 Canadian Western 36s 6d, landed, Algerian/Tunisian, ex ship, to arrive, 33s 9d per 400 lbs. Maize firmer. Plate, ex ship, 43s 9d, landed 45s 3d, Bessarabian landed 45s 6d, all per 480 lbs. Oats.—English steady at 9s 4d-10s 6d per 112 lbs, free on rail. Imported firmer with a better demand. Plate, f.a.q., new crop, ex ship, 21s 9d. Old crop landed 23s 9d, No. 2 Canadian Western landed 28s, No. 3 ditto landed 27s, No. 2 Canadian feed landed 25s, all per 320 lbs. Miller's offals steady, quiet. Broad bran quoted 8s, ordinary 7s 9d, middlings 9s, fine ditto 10s, bags included, ex mill, light oats 6s 9d, powdered oat husks 8s 3d, feed oatmeal 9s 9d, ground oats 12s 9d, free on rail, all per cwt. Oatmeal, in moderate demand at easier rates. London made flaked also rolled oats 17s 6d, medium and fine cuts 17s, coarse and medium pinhead 17s 6d, ordinary Scottish oatmeal 17s 6d, American 16s 9d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-24.	1922-23.	1921-22.	1920-21.
Estimated sales of home-grown wheat—				
1 week to February 2	Owts. 266,409	Owts. 484,712	Owts. 421,265	Owts. 345,718
22 weeks to February 2	7,986,684	10,166,590	9,097,955	7,836,147
Average price of English wheat per cwt.	20 4	9 8	20 8	19 7 1/2

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1920 to 1923:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1924.						
Jan. 26	Owts. 331,938	Owts. 332,332	Owts. 94,278	10 1	11 1	9 8
Feb. 2	266,409	282,209	80,361	10 4	11 4	9 10
1920	415,067	188,775	64,489	16 11	29 0	21 1
1921	345,720	315,536	58,773	19 7	19 1	15 0
1922	421,864	249,500	63,436	10 8	12 2	10 5
1923	484,712	286,935	85,245	9 8	9 5	9 11

IRON, STEEL, AND COAL.

The tone of the pig-iron market this week is regarded as fairly satisfactory. On home account, demand has been fully up to the average and prices have been maintained. The buyers have been rather more numerous than sellers, and in some quarters there was a feeling of disappointment that this fact had not the effect of stiffening prices. It is said that in the foreign market consumers have been trying to obtain bargain lots, but this is not an easy matter, and makers are not encouraging the idea that cheap quotations are likely to be forthcoming in the near future. About 1,000 tons of ordinary and varied brands have been sold for early despatch to the United States, or more properly to Pacific Coast ports. It is said steel-makers are not quite so well situated as they were, say, a month ago, although there are orders on hand to keep going for some months. During the present week bar manufacturers have been endeavouring to secure a slight advance for forward delivery, but buyers are holding back, being well able to fill their requirements from the Continent. Inquiries for steel structures are more plentiful this week, both for home and export, and some orders have been placed, but in this department prices are too keenly cut to be satisfactory to the seller. Bar iron makers and the works engaged in making black and galvanized sheets are finding plenty to do, more especially with con-

tracts already booked. The demand continues steady from local shipbuilders, and on account of railways and wagon builders. An important inquiry for galvanized sheets from the Argentine Government, amounting to some 40,000-50,000 tons, is in negotiation with several works in Scotland and England, and is expected to be placed immediately. The placing of this business should have a steadying influence on this important industry.

Our Middlesbrough correspondent's report, dated February 7, 1924, is as follows:—Pig iron: Pig-iron has been rather easier, by reason of the competition of foreign iron, and makers have made a reduction in the hope of attracting buyers. No. 3 Cleveland G.M.B. is 98s per ton. East Coast mixed numbers hematite, 101s 6d per ton. Meanwhile, coke is rather lower. Manufactured iron and steel: Although steel works are fairly active, new business is not plentiful. Steel ship plates, £10 5s; steel ship angles, £10; iron bars, £12; steel rails, £9. Iron ore: Ore deliveries are falling off owing to scarcity of prompt tonnage, and higher rates are being offered. Best Bilbao Rubio is quoted 24s per ton, but there is no pressure to sell.

Our Sheffield correspondent writes:—Business has been extremely dull this week in semi-finished steel. Orders are few, and inquiries have fallen off in all directions, and unless there is some early improvement it will be necessary to close some of the open-hearth furnaces. Apparently trade has not recovered fully from the adverse effects of the recent strike, but another cause of the reaction is the cheapness of Continental steel, billets being available at £2 per ton below the cost of British billets. Competition is also keener than for a long time past in mild steel bars, sections and the like. Conditions are also quiet in the pig-iron market, although the furnaces have considerable contracts on hand which were placed in December. Quotations generally are unchanged. In other branches of the local steel trade progress continues, and many departments are fairly busy. The demand is chiefly for railway material, steel for the electrical and motor industries, cold rolled steel, steel castings, and wire. The depression which has hung over the crucible steel and file branches for several years appears to be passing away, although these trades are far from having reached a remunerative basis, and the resources of the industry are far in excess of requirements. The call for tools is brisk from the overseas and home markets. The cutlery trade is disorganised by a dispute with the knife-grinders, most of whom have ceased work, and the execution of orders for table knives is being held up. The railways have made good progress in dealing with the congestion of the coal traffic caused by the strike, but transport is far from being normal and exports have suffered. Coke is extremely scarce and dear. The price to British blast furnaces is still 24s, but for other purposes, including export, 30s is being obtained. There is a strong demand for gas coke, coal nuts for the electric supply plants, and steam coal. Forward business is not possible under present conditions. Local quotations per ton at pits are:—Best hand-picked branch, 35s; Barnsley best silckstone, 30s 6d; South Yorkshire hards, 25s; Derbyshire ditto, 24s; rough slacks, 12s 6d; smalls, 7s.

Our Cardiff correspondent writes:—Business on the Cardiff coal market has been fairly active during the week, and, with free coals scarce, prices have been firm. The fear of a stoppage of work by the transport workers at the end of next week has accentuated the pressure for deliveries before that date. All the South Wales docks would be involved in the event of failure of agreement over the dockers' demand for the raising of their minimum from 10s to 12s per day, and meetings of the local branches of the Transport Workers' Federation have adopted resolutions insisting on the granting of the suggested increase. In some previous stoppages South Wales has proved more recalcitrant than other ports affiliated to the Transport Workers' Federation, and the market is somewhat apprehensive of a revolt on the part of the local dock workers against their leaders if they settle on less favourable terms. In these circumstances, 31s has been realised for best Admiralty large coal, and other descriptions, including small as well as large, have been firm in sympathy. The volume of trade is also considerable. With regard to the dispute in the mining industry, no negotiations are in progress, and it is unlikely that any start will be made with them before the second or third weeks in March. Negotiations for the resumption of a third shift are also in abeyance. For the time being that extra shift has been abandoned by the arbitrary action of the tipplers and trimmers at all the South Wales ports. The employers have expressed their willingness to agree to the reference of the matter to arbitration in accordance with the recommendation of the Industrial Court, but the workmen are pursuing a policy of procrastination, and have not yet stated whether they will or will not agree to arbitration. The approximate current quotations are as follows:—Best Admiralties, 30s to 31s; second Admiralties, 29s to 30s; best drys, 28s to 29s; black veins, 29s to 29s 6d; Western Valleys, 28s to 28s 6d; Eastern Valleys, 27s to 27s 6d; best bunker smalls, 22s to 23s; ordinary cargo smalls, 18s to 20s; coking smalls, 23s to 24s; anthracite big vein large, 40s to 42s 6d; machine-made cobbles, 45s to 50s; French nuts, 50s to 52s 6d; stove nuts, 52s 6d to 55s; rubbly culm, 13s 6d to 14s; inland blast furnace coke at 55s; coke for export, 47s 6d to 57s 6d; patent fuel,

30s to 32s 6d; pitwood, ex ship, 33s to 33s 6d. In the iron and steel trade conditions are again normal after the railway strike. The tinplate market is buoyant and the demand for the heavier grades of steel is comparatively active. Prices are unchanged. At the annual meeting of the South Wales Metal Exchange this week, Mr F. H. Gilbertson, the president for the year, took a pessimistic view of the immediate future in view of the possibility of increased competition from France and Germany.

METALS.

Tin market commenced with an easier tone, but subsequently advanced sharply on liberal buying orders and higher Eastern cables. Cash sold from £251 to £259 15s., and three months £249 to £259 10s. Cables from the East reported sales on the basis £251 to £261, c.i.f. At Thursday's session the advance was continued, while a good demand prevailed. Cash sold at £262 10s to £264 10s, and three months at £260 to £262 10s to £261 15s. At the final session the tendency was again dearer. Standard cash sold at £265 to £265 10s, three months £262 to £260 15s to £263. English ingots quoted at £266 10s to £267. Copper slightly irregular, but fairly steady on balance, with dealings on a liberal scale. Standard cash was dealt in at £60 15s, £61 1s 3d to £61, and three months £61 10s to £61 17s 6d to £61 15s. Values ruled firmer on Thursday, with active trading in force. Standard cash sold at £61 1s 3d to £61 2s 6d, and three months at £61 17s 6d to £62 2s 6d. Copper active and dearer on Friday. Standard cash sold at £61 10s, and three months £62 7s 6d to £62 10s to £62 8s 9d to £62 11s 3d. Electrolytic 66 5s to £66 15s, best selected £65 10s to £66 15s, strong sheets £95, wire bars £66 15s per ton. Lead firmer at £33 12s 6d to £33 7s 6d, as to position. Spelter dearer at £35 15s to £34 15s, according to position. Aluminium quiet. Home trade £115, export £120. Antimony, English special brands, £49 10s to £50 per ton.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—There does not appear to be any great activity in any section of the industry, but in the aggregate a nice steady trade is passing, and the general tone remains very good. The outlook would be much brighter if spinners and manufacturers experienced less difficulty in passing on some of the increased cost of production, but as things are, although quotations have been advanced and more money obtained for recent orders, the selling prices of tops, yarns, and pieces still fall far short of replacement costs. This is due to the high price of wool on the one hand, and on the other to the unwillingness of users to pay prices based on the cost of the raw material. However, the demand for wool is as keen as ever, and in the Colonies supplies are being taken up with great eagerness at prices which constantly tend to harden. The real fact is that everyone seems to have the utmost confidence in the strength of the wool position, and topmakers feel that ultimately users will be forced to come into line and readjust their ideas of values. In the meantime business is being conducted with caution. Spinners appear to be fairly well covered, and are confining their purchases as much as possible to current requirements. There is a general belief, however, that several firms would be tempted to buy on a large scale if they could get any concession on quoted rates. It must be confessed, however, that there seems to be little prospect of any easing in prices for some time to come. Yarn quotations are being advanced here and there, but much depends on the position of the spinner. There is a fair amount of new business, but particulars against old orders are difficult to obtain in many cases. The piece goods trade is steady, with a little more doing on export account.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The sales in Coleman street are drawing to a finish, with values slightly below the highest point of the series. In making that statement, we are not ignoring the fact that buyers contend that they are bidding at the same limits as earlier in the series, while owners of second-hand parcels say that buyers are endeavouring to get in at less money. It is also denied by the said owners that their wools are over-limited, though excessive limits are supposed to be the cause of the more frequent withdrawals of merinos this week than last. However, merino holders are by no means concerned at what has taken place in Coleman street, and are satisfied that the trade will buy the wools later in the season at the limits for which they are now held. Unless the market is red hot, buyers are not keen to acquire second-hand parcels which they see have had excessive limits put on them, and with the splendid supply of straight growers' clips from Australia, there is no wonder at buyers' appetites being more or less satisfied for the time being. All the same, one must admit that there is everywhere satisfaction at the way the series have progressed, and most wools are going to finish 7 1/2 to 10 per cent. above last series, with scoured cross-breeds and slipes often 15 per cent. dearer. The daily offerings have been good, and on the whole the demand well sustained.

Those who have consigned wool direct to London for sale cannot but be satisfied with the results, and more than one West Australian clip, part sold in Perth and the balance in Coleman street, will show to the owners which for the time being is the better market.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—February 1, 1924.

Description.	Com.	Med.	Good Med.	Med. Fine.	Extra Fine.	Same Period 1923.			Same Period 1922.		
						Med.	Good Med.	Med. Fine.	Med.	Good Med.	Med. Fine.
Sea Island.....	a	d	d	d	d	d	d	d	d	d	d
Florida do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do.....	Ord	G O L M	Mid G M	M F	M F	G O L M	G M	G O L M	G M	G O L M	G M
American.....	1667	1717	1817	1917	2017	2122	1453	1503	1548	715	840
Brazilian.....	Mid	M F	Fr.	G	Gd.	Fne	1443	1528	1585	735	985
Pernam, Macao, &c.....	1917	2007	2092	2182	2272	2362	1443	1528	1585	735	985
Parahyba, Rio Grande, &c.....	1917	2007	2092	2182	2272	2362	1443	1528	1585	735	985
Ceara, &c.....	1892	1962	2017	2067	2117	2167	1453	1528	1585	715	840
São Paulo.....	Fr.	G	Gd.	Fne	Fne	Fne	1443	1528	1585	735	985
Egyptian.....	2075	2185	2295	2405	2515	2625	1485	1585	1685	1125	1425
Upper.....	2135	2235	2335	2435	2535	2635	1530	1630	1730	1150	1550
Sakellaridis.....	2090	2235	2375	2515	2655	2795	1485	1610	1770	1150	1550
Brown.....	Mr.	Fr.	G	Gd.	Fne	Fne	1443	1528	1585	735	985
Peruvian.....	2200	2300	2400	2500	2600	2700	1575	1725	1875	1050	1250
Rough.....	2042	2117	2192	2267	2342	2417	1518	1643	1743	860	1060
Moderately Rough.....	2067	2117	2192	2267	2342	2417	1518	1643	1743	860	1060
Smooth.....	2100	2200	2300	2400	2500	2600	1450	1625	1800	1050	1250
Tangula.....	1950	2050	2150	2250	2350	2450	1450	1625	1800	1050	1250
Mitafi.....	2200	2300	2400	2500	2600	2700	1575	1725	1875	1050	1250
West Indian, &c.....	1850	1950	2050	2150	2250	2350	1350	1550	1750	725	925
Do.....	1850	1950	2050	2150	2250	2350	1350	1550	1750	725	925
African, East, &c.....	1600	1700	1800	1900	2000	2100	1175	1350	1550	725	925
Do.....	1600	1700	1800	1900	2000	2100	1175	1350	1550	725	925
East Indian.....	1942	1952	1962	1972	1982	1992	1393	1468	1543	720	770
Machine Ginned Burpee.....	G F	rer	Gd.	F	Fne	8 1/2 in	rer	Gd.	Fne	rer	Gd.
Machine Ginned Brooch.....	1580	1620	1660	1700	1740	1780	1230	1270	1310	720	770
Machine Ginned Brown.....	1340	1390	1440	1490	1540	1590	1035	1085	1135	630	735
Machine Ginned Comra. No. 1.....	1300	1350	1400	1450	1500	1550	1045	1095	1145	670	745
Machine Ginned Comra. No. 2.....	1375	1425	1475	1525	1575	1625	1070	1120	1170	700	770
Machine Ginned Khandah.....	1300	1350	1400	1450	1500	1550	995	1045	1095	585	670
Machine Ginned Compla.....	1550	1590	1630	1670	1710	1750	1220	1260	1300	815	855
Machine Ginned Bengal.....	1200	1240	1280	1320	1360	1400	840	880	920	550	600
Machine Ginned Solnde.....	1190	1230	1270	1310	1350	1390	830	870	910	540	590
Tinnivelly.....	1735	1775	1815	1855	1895	1935	1450	1490	1530	920	970
Madras, Western.....	1410	1450	1490	1530	1570	1610	1155	1195	1235	740	790
Madras, Northern.....	1515	1555	1595	1635	1675	1715	1220	1260	1300	815	855
M.G. Coconada, Red.....	Fr.	1490	1530	1570	1610	1650	1165	1205	1245	775	815
China, Smyrna, &c.....	1490	1530	1570	1610	1650	1690	1165	1205	1245	775	815

MANCHESTER, February 7.

Although the tone of the market has continued quiet the undercurrent of inquiry has been fairly extensive. At the moment buyers are not in the mood to place contracts of importance, but there is a steady flow of small orders, which in the aggregate total to moderate dimensions. In many quarters there is a fear of lower values in the near future. For the time being trade in cloth for China is upset by the New Year celebrations abroad, but some special lines have been put through in white goods. Light fabrics of various kinds have been sold to a fair extent for India, but bids in grey shirtings remain poor. There has not been much activity for the minor outlets East and West, and support from the home trade has been limited. There continues considerable irregularity in American and Egyptian yarn quotations and home counts have moved off slowly. Business continues to be done in bundle yarns for India. Spinners as a body tend to lose ground.

(I.) Comparative Statement of the Cotton Trade.

Description.	Price, Feb. 7, 1924.	Previous Weeks in 1924.				
		Jan. 31.	Jan. 24.	Jan. 17.	Jan. 10.	Jan. 3.
Raw Cotton—Fully Mid. American.....	1967	1947	1975	1954	1985	2012
— Sakellaridis Fully Good Fair.....	2315	2315	2335	2300	2310	2325
— Egyptian.....	263	263	264	264	273	28
Yarns—32's twist.....	263	263	264	264	273	28
— 40's twist.....	35	35	36	36	36	37
— 60's twist (Egyptian).....	35	35	36	36	36	37
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	37	38	38	38	38	39
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	41	41	42	42	42	43
32-in. ditto, 38 yds, 18 by 18, 10 lbs.....	21	22	22	22	22	23
32-in. ditto, 37 yds, 16 by 16, 10 lbs.....	19	19	20	20	20	20

(II.) Compared with Previous Years.

Description.	Price, Feb. 7, 1924.	Corresponding dates in				
		1923.	1922.	1921.	1920.	1919.
Raw Cotton—Fully Mid. American.....	1967	1583	999	892	3052	1776
— Sakellaridis Fully Good Fair.....	2315	1765	1625	1750	9000	2709
— Egyptian.....	263	224	17	21	61	274
Yarns—32's twist.....	263	224	17	21	61	274
— 40's twist.....	35	22	16	20	564	284
— 60's twist (Egyptian).....	35	22	16	20	564	284
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	37	38	38	38	38	39
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	41	41	42	42	42	43
32-in. ditto, 38 yds, 18 by 18, 10 lbs.....	21	22	22	22	22	23
32-in. ditto, 37 yds, 16 by 16, 10 lbs.....	19	19	20	20	20	20

VEGETABLE OILS AND OILSEEDS.

The shortage of linseed oil for prompt and February delivery continues to make itself felt, and assisted by a good demand from the consuming industries, prices have again sharply advanced, "spot" oil being quoted £48 ex Hull mill, and £45 late February. There is also a substantial inquiry for March-April delivery around £41. It is a long time since supplies ran so low or that production was unable to cope with demand, both here and in Continental mills. The quantity of seed on passage to the U.K. and the Continent has increased to 168,200 tons, and soon some of this should be arriving in substantial volume, and so relieve the scarcity of oil.

HIDE AND LEATHER TRADES.

BY OUR OWN CORRESPONDENT.

The hide market remains firm, best ox making from 6½d for light to 8½d for heavy at the Bermondsey sales held on Thursday. Slight advances of ½d were noted in three classes. Seconds sold from 6½d to 7½d, but best cows failed to find buyers. Calf were practically unchanged from last week, the high price of lights at 16d still holding good. All classes were in demand, values ranging from 6½d for heavy to 14½d for medium, and as stated 16d for lights. Wools sold from 8s to 16s, and hoggs from 5s 6d to 20s 3d, owing to the high price of wool and sheep pelts, which are very scarce. The prohibition of export of French hides and skins is causing some anxiety in Bermondsey and elsewhere, but importers are hopeful of getting permits from the French Government to handle contracts already entered into. A resolution was passed this week by the Northampton Chamber of Commerce referring to the prohibition, and calling upon the British Government to bring pressure to bear on the French Government to remove the embargo, and failing that, to see that raw calfskins of this country be reserved for home consumption. Trading in imported hides is quiet, home tanners refusing to follow the prices paid by America and the Continent for frigorifics and other classes of raw stock. The market is cabled as strong in the U.S.A., Chicago heavy packers now selling at 15 cents.

Business is quite good in sole leather of all classes; tanners, in view of the firm hide market, are advancing prices, and 1d per lb has been obtained on some classes of bends and butts. Offal is as dear as ever, and tanners are well booked forward in the lighter grades.

Upper leathers are advancing, and curriers of kips are better

off for orders than has been the case for some time. Chrome leather is firm, and the prohibition on French calf leather has had the effect of holders advancing prices. Patent and suede are moderate sellers, whilst the scarcity of sheep leather is as marked as ever.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, February 8th.

SUGAR.—This market gathered renewed strength, prices being further raised in all directions, and with sustained inquiries, both on grocery and manufacturing account, supplies of refined on offer were well absorbed at the higher range. Meantime, American interests continue to dominate the situation, owing to the extremely slow movement of European beet crops, and keen competition is experienced for Cuban raw produce from American and European refiners. Cuban receipts last week cabled 156,584 tons against 165,526 same time last year; exports, 100,739 against 80,835; stocks, 240,622 against 275,135; and factories at work total 165 against 164 at corresponding period last year. Of British refined, Messrs Tate and Lyle's goods advanced 6d per cwt. Cubes now quoted 64s 6d to 65s 6d; crushed, 63s; granulated, fine and coarse grain, 63s 1½d; No. 1, 62s 10½d; No. 2, also London and T.L., 62s 7½d; ditto, one forward, also March, 62s 6d; yellow crystals, spot, 58s 1½d; caster, 63s 3d to 65s 4½d. Of imported, white Java, spot, 60s; ditto, May-June, quoted 28s 7½d; June-July, 27s 6d, c.f. and i. terms, London. Czecho, granulated, spot, sold, 61s, 61s 3d; February-March, 32s 9d; and April-May, 33s, f.o.b., Hamburg. Belgian, granulated, spot, 60s 6d; ready for shipment sold, 33s, f.o.b., Antwerp. Dutch sugars for shipment sparingly offered. Raw refining kinds remain very firm on paucity of offers, and Cuban basis, 96 per cent., March, quoted 29s 3d, c.f. and i., U.K. White terminal market manifested a good deal of activity, and prices were dearer, though attended by irregularity, due to considerable profit-taking at times. March sold, 33s 6d to 33s 3d, 33s 4½d, 33s 1½d, and 33s 3d; May, 32s 9d to 32s 1½d and 32s 6d; August, 30s 9d to 30s 3d and 30s 6d; November, 25s 7½d; December, 25s 9d to 25s 6d per cwt.

COFFEE.—The market remains very firm, especially for the finer qualities of mild liquoring, which are scarce and wanted both on home and continental account. Costa Rica, bold sizes, sold, 158s to 182s.

TEA.—During the week 55,809 packages Indian were offered, and met a demand for the finer grades, particularly when possessing autumnal flavour, and these realised full rates. Low medium and common teas, however, were irregular and mostly weaker. Ceylon sales totalled 18,842 packages, and all the finer invoices went off steadily, but owing to variation in quality, common kinds were irregular. 9,300 packages Java and Sumatra passed off showing similar result as Indian and Ceylon.

COCOA.—The fair quantity of 6,984 bags was brought forward in auction, and same went off somewhat irregularly. Grenada formed the chief feature while actively competed for at from 1s 6d to 4s per cwt advance. Trinidad proved steady, with Ceylon and most other descriptions decidedly slow. Grenada, fair common hard, sold at 43s; fair to fine red, 46s to 50s 6d; Trinidad, good to fine red, 51s to 52s 6d; Uganda, fair, 36s 6d to 37s; Ceylon, fair estate, 82s; native, 65s 6d to 66s; and fine bold attractive Java, 170s. Accra F/F quality, February-April, sold at 33s 6d; March-May held for 34s 6d cwt f.o.b. English cocoa-butter, 1s 4d per lb.

RICE.—Market steady, but buyers are somewhat reserved and business as a consequence kept down. Two Stars Rangoon, spot, 16s 6d; afloat, 15s 6d; February-March, 15s 4½d. Spanish, for shipment, 20s 3d, c.f. and i. Japanese peas, spot, 23s cwt.

SPICE.—Pepper market remains quiet, and generally featureless. Black Singapore, February-April, L.S., quoted 4½d; Lampong, ditto, 4½d; Muntok, January-March, 6½d; February-April, 7d, and March-May, 7½d. Zanzibar cloves neglected at the moment. Tapioca quiet, unaltered. Sago flour, January-March, quoted 16s 7½d cwt. Dedicated coconut dull, unaltered.

JUTE. in quiet request, but sellers required steady prices. First grade, January-February, sold, £23 10s; February-March, £26; March-April, £26 10s; April-May, £27 per ton. Hessians and twills dull of sale.

HEMP.—Manila steady, but demand is generally slow. J grade, January-March and February-April value, £35 5s; K, £27 10s; L, £26 10s; and M, £24 5s per ton. New Zealand nominal, with scarcely anything on offer. African sisal unaltered.

SHELLAC. firm. T.N., March, quoted 280s, and May, 267s 6d to 280s to 275s paid.

GUPRA. steady, but at the same time generally quiet, with crushers content to confine operations to wants of immediate necessity at the moment. F.M.S. Straits, October-December, Rotterdam, buyers, at £33; ditto, November-January, quoted at £31 10s; December-February, £30 10s; January-March, £29 17s 6d, £30 5s paid; and February-April, sold, £29 15s. Dutch East Indies, December-January, quoted £31 10s; January-March, £30 2s 6d. Ceylon, February-March, value £32 15s; Java, ditto, £30 10s; South Sea Islands, £29 10s. Palm kernels met a steady but quiet market. February-April, Liverpool, quoted, £20 12s 6d.

RUBBER.—General quietness again pervaded this market, and while business was confined to moderate limits, prices were irregular. Standard plantation crepe and sheet, spot, also February, sold, 1s 2d; March, 1s 2½d; April-June, 1s 2½d to 1s 2½d; July-September, 1s 2½d to 1s 2½d. To New York, standard sheet estate, February-March, 1s 2d per lb, c.f. and i. terms. Wild descriptions call for no comment, being largely nominal.

FRUIT, DRIED.—Prices remain very firm, but general demand only fair. Australian currants quoted 56s; Pyrgos quarter cases, 46s; Amalia, 50s; Patras, 50s; Voetizza, 70s to 75s. Valencia raisins, half boxes, 50s; quarters, 60s to 80s. The market for dates is steadily rising under active support accorded by Continental buyers. Figs, granules natural, in bags, quoted 38s to 40s.

Evaporated fruits market steady. Californian apricots, standards, 75s; choice, 85s; fancy, 110s. Apple rings, quoted, 75s to 80s; French plums, quarter cases, 90/95, quoted 38s 6d; 81/86, at 41s; 72/77, 47s; Oregon, 30/40, 75s; 40/50, 58s; 60/70, at 45s per cwt.

CANNED GOODS.—Sardines steady, with good parcels very difficult to obtain. Portuguese, ½-flats, quoted 2s 9d to 3s 3d; ¼-clubs, 3s to 3s 6d; 12 oz, 5s 6d to 6s 6d; 18 oz, 9s to 11s per dozen tins. Lobster quiet, but steady, and fancy halves, 130s to 135s. Crayfish, 96 ½-lbs, 76s. Salmon: This market disclosed very firm features, with an increasing demand. 1 lb flat reds, labelled, quoted 56s; ditto, tall, 44s; 1 lb flat pink, 27s; ditto, tall, 26s 3d; and cases of 96 ½-lbs, 29s to 30s per case. Canned fruits were a very firm market, as stocks in general are getting short, though business manifested some diminution during the past few days. Singapore pines, 1½-lbs, quoted 6s 7½d for forty-eights; Hawaiian slices, 2½-lbs, 16s 6d to 17s. Californian apricots, 8s to 11s; ditto, peaches, 9s 6d to 13s; pears, 13s 6d to 15s; Australian apricots, 2½-lbs, 8s 6d; ditto peaches, 8s 9d to 9s 3d. Tomatoes, Italian, 6s 9d per dozen tins.

OILSEEDS.—Linseed in good demand and prices tended firmer for Plate descriptions. Indian: Calcutta, afloat, £22 15s; January, £22 5s; April-May, £19 15s. Plate, afloat, sold, £19 5s, loading, £19; January-February, £18 10s to £18 13s 9d; April-May, £18 2s 6d to £18 7s 6d. Rapeseed firm. Toria, January-February, £19 17s 6d; February-March, £19 12s 6d; and Jamba, January-February, £15 5s. Cottonseed irregular. Egyptian, black, February, £13 17s 6d. Sakellaridis £12 10s, Hull. Bombay, January-February, £11 to £11 2s 6d, paid; February-March, sellers, £11 2s 6d. Gingly seed, steady. Chinese, January-February, £26 10s. Groundnuts quiet. Coromandel, machine-dried, January-February, £23 15s; Chinese, decorticated, f.a.q., January-February, sold, £23; bold Bombay, ditto, £24. Soya beans firm. Manchurian, afloat, £13 15s; January-February, £13 2s 6d. Castor-seed firmer. Bombay, January-February, £24; February-March, £23 10s per ton.

OILS.—Linseed advanced sharply in near positions, with a good demand. Spot, net, naked, 50s 6d; February, 47s 3d; March-April, 42s 3d; May-August, 39s 3d. Rape firm. Crude spot, 48s; refined, 51s. Castor-oil quiet. First pressure, spot, quoted 58s; second pressure, 57s; and pharmaceutical, 63s per cwt, Hull, with London 2s cwt extra. Cotton firm. Crude Egyptian, spot, 45s 3d; Bombay, 43s 6d; common edible, 50s; deodorised (in barrels), 54s 6d. China-wood quiet. Hankow, spot (barrels), 94s; January-February, 100s. Cocoon quiet. Ceylon, spot, 49s 3d; February-March, 49s; Cochiti, ditto, quoted 60s. Soya firm. Oriental, barrels, January-February, 46s. Cod firm. English, spot, 36s 6d. Groundnuts firm. English, crushed, naked, spot, 53s; deodorised, barrels, 61s. Turpentine, irregular and easier. American, spot, 78s 6d; March-April, 78s 9d. Rosin, irregular. American, grade B, 13s 6d; F, 13s 6d; G, 13s 6d; H to I, 13s 6d; WG, 17s 6d; WW, 18s 6d per cwt. French WW, 17s per cwt. Petroleum firmer. American standard, white, spot, 1s; and water white, 1s 1d per gallon.

TALLOW.—Messrs Colchesters and Woolner write on February 6th as follows:—The tallow market was steady during the week, and prices

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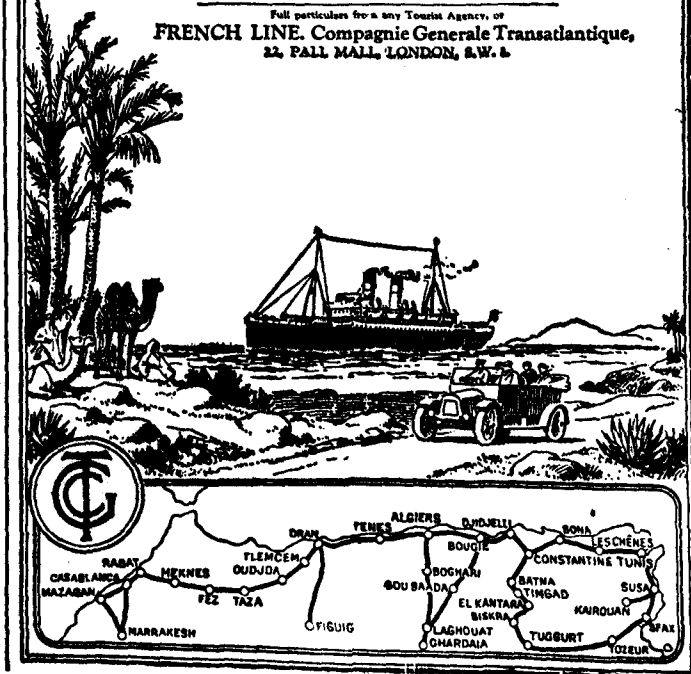
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Visiting amongst other places CASABLANCA, RABAT, MARRAKESH (Morocco City), FEZ, FIGUIG, LAGHOUAT, BOU SAADA, BISKRA, CONSTAN-TINE, TUGGURT, TUNIS, KAIROUAN, TIMGAD, CARTHAGE. The palm-clad OASES of the SAHARA. The snow-capped Atlas. Caravans & Camping in the Desert, etc.

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Company's own Express Mail Steamers from Marseilles.
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METROPOLITAN CATTLE.—FEBRUARY 7.					
British Beasts, per stone of 5 lbs to sink the offal.		Sheep, per stone.			
	s	d			
Beasts—Herefords	nominal		Beasts—Heavy Bulls ..	s	d
Shorthorns	nominal		Canadians	nominal	
Devons	nominal		Sheep—Downs	..	..
Norfolks	nominal		Ewes	..	..
Scottish	nominal		Crossbred	..	..
Irish	nominal		Scottish	..	..
Fat Cows	nominal		Lamb—Downs	nominal	

Supplies small owing to restrictions imposed by foot and mouth disease regulations and quotations quite nominal.

		Per Cwt.						Per Cwt.			
		s	d	s	d			s	d	s	d
English	Arran					British Queens.....	9	0	to	9	6
Chief		9	0	to	9	Majestic	9	0	to	9	6
King Edwards		10	0	to	11	Blackland	8	0	to	10	0

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

LONDON, FRIDAY.

00000—Duty, British grown

24 ad foreign 28c. cwt.

Trinidad, per cwt.

Grenada

Ceylon

Guarail

Bahia, finest

COFFEE—British grown

E. India good, 28c. cwt.

24 ad foreign 28c. cwt.

Octa Bica, ord. to mid

Good to fine

General American, gd.

Ord. to mid

Mid. to fine

Columbian, ordinary

Do gd. ord. to low mid

Do mid. to fine

CHEMICALS—

Alumina

Nitric

Ozalic, net

Tartaric, English

Foreign

Alum, lump, per ton

Do ground

Ammonia, carb., ton

Muriate, White, ton

Ammonia, carb., ton

arsenic, lump, per ton

Powder

Ashes, pot., per cwt

Peru

Bleaching wdr., ptn

Borax, gran.

Do crystals

Do soda

Cream Tartar

98% powder

Calomel

Iodine, dry

N. Soda of Soda, p. ton

Potash

Chlorate, net

Prussiate

Do bicarb

Do Sulphate

Sal-acetone

Sal-ammoniac, per cwt

Soda-Bicarb., p. ton

Soda, per ton

Alkali

Caustic

Sugar of Is'd White

Sulphate Guaiacum

English Brands

Foreign

Sulphate Copper, p. ton

Do Zinc

Alum Flour

Do Boll

Vermillion, Chinese, p. lbs

Do India

Op Popper's H. G. R. C.

OOPIA—per ton c.l.f.

Malabar, Jan./Mar.

Ceylon

ENG Singapore

Do Straits

COCHINEAL, per lb

DRUGS

Alcocs, fine E.L., per cwt

Cape, good to fine.

Balsam Peru

Captiv

Campb

Japan, refined

Cardamoms, Ceylon.

Candh rtd, China prlb

Caster-oil

Gum Benjmn. Sum-wet

Olibanum, drops

fair to good.

Jaip

Isap

Musk pod, China

Oil, Cassia

Aniseed

Khadr, H. G. H.

Khadr, China, fr to tn

DYE STUFFS, &c.

Galls, China, per cwt

Turmeric, Bengat

Madras, Sagar

Cambor, Bengat

Onch, ord. to, fair

DYEWOODS—

Brasil.

Patia, Jamaica.

Onba

Onba Wood

Lawson, Camwood

Bonduras

Jamaica

Red Sanders

Banyan Ceylon

FLAX—spot—c.l.f.

Do best selected

Permau RD

Sinates U/A Medium

FEUIT—

Oranges, Val, selected

Do Napias, boxes

Lemons, Napias, boxes

Do boxes

Do Sicilian

Do Malaga

Grapes Lisbon, boxes

Almeria

HIDES—Wet salted—

Assam, per ton

Best Indian

Cape

Lisbon

Opore

Do, Wet salted Cape

Madagascar

Central American.

Buflacos, Singapore.

Penang

Market Hides, London

Best hyv. or sholter

Do light

Do, on heavy

Do light

Best cow

Ind do

And do

INDIA RUBBER—

Para, fine hard spot

Plantation crepe

INDIGO—per lb

Bengal, good red vilo

to fine.

Do

Low to good ord.

Madras, dry leaf, good

Do low to ord.

Kashmir, mid. to gd.

Low to mid.

HEMP—per ton

Italian P.C.

Manila, Feb. April

J. Grade

N.Z., high point, fair,

Good—dry April

JUTE—

Native first marks

Jan. Feb.

LEATHER—per lb

Sole Bends 5/6 lb

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LONDON AND MANCHESTER
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THE MONEY MARKET.

THE MONEY MARKET.

CONDITIONS of comparative stringency have again obtained in the money market, short loans generally commanding up to 3 per cent., with occasionally still higher charges. Relief seems to have been given by special purchases from day to day of Treasury bills—and even of Treasury bonds with less than 12 months to run—but there is no expectation of easier conditions until after the turn of the fiscal year, for the present position is due

as much to the increasing competition of the trade bill with the Treasury bill as to revenue collections. Five three months' bills have generally been quoted at 3½ per cent., with some houses standing out for a higher rate, according to the view taken as to the course of rates when tax collections cease. Last week's Treasury bills have been on offer at 3½ per cent. to over, with but few buyers.

	Feb. 15, 1924.	Feb. 8, 1924.	Feb. 1, 1924.	Jan. 25, 1924.	Previous Rate and Date Changed.
Bank Rate	4	4	4	4	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	2½	2½	2½	2½	1½ (Jly. 5, '23)
Market rate (3 months' bills)	3½	3½	3½	3½	..

The Bank return showed a further return of notes from circulation to the extent of £681,775, and with £2,920 added to the bullion stock, the Reserve was raised by £684,019. The Private deposits were practically unchanged, being only some £156,900 higher, a reduction of £1,948,000 in Government securities having been made possible by reducing Public deposits to the extent necessary to meet such reduction, after allowing for the return of currency which went on to the deposits, and the ratio of reserve to liabilities in the Banking department was raised by 0.8 to 19.0 per cent. Currency notes outstanding were reduced this week by £1,055,300 to £278,789,500, which includes £1,420,200 for notes called in, but not yet cancelled. The fiduciary issue is £227,919,400, or £20,271,500 below the maximum.

The monthly statement of average weekly balances of the London Clearing Banks for January, which is set out in full in a later column, shows a further expansion in acceptances, but deposits are practically unchanged. Below we set out the aggregate figures for the nine English banks:—

	Dec., 1922.	June, 1923.	Sept., 1923.	Nov., 1923.	Dec., 1923.	Jan., 1924.
Capital and reserves	116.0	116.3	116.3	116.3	116.3	116.5
Acceptances	72.8	73.8	72.7	87.3	96.1	103.6
Deposits (incl. undivided profits, &c.)	1,684.7	1,637.7	1,609.6	1,629.8	1,673.1	1,674.4
Total liabilities	1,873.5	1,827.8	1,798.6	1,833.4	1,885.5	1,894.5
Coin, notes, balance at bank, and cheques in course of collection ..	253.0	240.7	230.2	233.3	254.2	241.8
Money at call	106.0	113.3	102.5	104.7	111.3	99.5
Investments	384.5	355.5	361.2	361.5	363.8	369.3
Discounts	298.3	270.8	260.4	268.9	276.3	292.5
Loans and advances	732.7	746.9	744.3	750.3	756.5	760.8
Cover for accept., premises, &c.	99.0	100.6	100.0	114.7	123.4	130.6
Total assets	1,873.5	1,827.8	1,798.6	1,833.4	1,885.5	1,894.5

There is a further increase in advances, and a striking expansion in bills discounted. Investments are also substantially higher. These increases are balanced by reductions in the cash item and in money at call. The former, however, still stands well above the November average.

THE STOCK MARKETS.

Business on the Stock Exchange has remained fairly active, and has been unaffected by the opening of Parliament. Gilt-edged securities have mostly been steady, and foreign bonds show no great change on balance. The quick oversubscription of the Japanese Loan caused no surprise. The Home Railway market was disappointed with the London Midland and Scottish dividend, but more pleased with the Great Western announcement. Argentine rails have been in demand on good traffics. Inactivity has continued in the rubber market, and tea shares have been inclined to droop, but the oil market remains active, though prices are inclined to fluctuate. There have been no particular features in the industrial market, but there has been greater activity in South Africans, thanks to optimism at the Cape.

THE COMMODITY MARKETS.

The menace of the dockers' strike stimulated activity in the coal trade at South Wales ports during the week. In the pig-iron market buyers are holding back and prices have eased a little. There is stated to be plenty of work for

steel works supplying shipbuilding steel, but new orders are scarce. Tin and copper continue to advance. Conditions in the Manchester cotton trade are weak, with values falling. The wool trade is deeply impressed with the remarkable firmness of the raw material; it is pointed out that many buyers are influenced by the possibility of a shortage in supplies towards the end of the year. Hides are still advancing in the home market. Wheat has inclined to weakness, but the sugar market continues to take an upward course. Tea is in demand, but there is little support for coffee. Business in rubber is quiet, and prices remain stationary.

FOREIGN EXCHANGES.

In the foreign exchange market business has again been on a somewhat restricted scale. There have been no movements of great importance beyond a further fall in the value of the French franc, and a still more rapid depreciation in that of Belgium. From a closing rate of 94.75 on the 8th, the Paris rate rose quietly with moderate fluctuations until a maximum of 97.55 was reached at one time on Thursday. From that there has been some recovery and yesterday morning the rate was quoted at 96.50. The passing of M. Poincaré's new financial measures shows how seriously the situation is now regarded, and so long as the Ruhr problem remains unsolved the feeling of uncertainty created by the recent collapse is likely to make itself still further felt. The Belgian rate from 106.90 on the 8th has mounted steadily during the week, until a quotation of 114.50 was reached at one time on the 14th. Following Paris there has now been a partial recovery to 113. Forward rates in Paris have widened again from 22 last week to 35 centimes per month above spot. In Brussels they stand at 6 centimes per month above, as compared with 1 centime below a week ago. The sudden break in German marks a week ago would appear to have been due to a particularly heavy demand for foreign currencies for the payment of raw materials, and to a fear that the strain on the new temporary stabilisation plan was already becoming too severe. Reassuring statements by the Reichsbank and by the Expert Committee in Berlin would seem to have restored confidence for the moment, but it is not likely that the present rate can be held for much longer unless an agreement can speedily be reached to put into force the proposals of Herr Schacht and the Committee. After reaching 22 billions on the 9th the rate has been gradually steadied again down to about 19 billions, but the outbreak in the Palestine has caused a new feeling of uneasiness, and yesterday morning the rate was up again to 19½ billions. The dollar rate has proved unexpectedly sticky, a moderate tendency in New York towards a rather higher rate being generally counteracted each morning by Continental selling. From \$4.29½ on the 8th the rate reached \$4.31½ at one time on the 13th, but since then there has been a slight reaction to \$4.30½, although there would seem now for the moment a somewhat stronger tendency to rise. Forward rates, at 7½ cent per month above spot, are very slightly narrower than the 8 cent quoted a week ago. The lira has again remained fairly steady, moving on the week only from 98.37½ to 98.75. Amsterdam has gone against us from 11.48½ to 11.50½. Switzerland shows little change at 24.74½, as compared with 24.73. Madrid, however, shows a rather greater improvement, from 33.77½ to 33.74½. In Scandinavia, Stockholm has gone in our favour from 16.42½ to 16.46½, and Christiania has continued to depreciate from 32.07½ to 32.10½. In Copenhagen the difficulties of stabilisation at the present level are still proving too great, and the rate has again risen from 26.50 to 27.12½. Helsingfors, on the other hand, which has further strengthened its position by the arrangement of a new exchange credit, has moved from 172½ to 171½. In Central Europe, Vienna, at 305,000, has moved slightly against us, and Prague is also a little lower at 148, and Bucharest also, at 840, shows a slight improvement. In the East the rupee has appreciated from 15 4½d to 15 5d, and the yen has also moved against us from 2s 15-32d to 2s 1½d. With the close of the Chinese new year there has been a sharp demand from that quar-

ter for silver, which brought up both spot and forward prices, the second to the same level as the first. Since then there has been a slight reaction, but rates are still on a higher level. Hong Kong at 2s 4½d is unchanged on the week, as compared with 3s 3½d a week ago, and Shanghai rate stood yesterday at 3s 4d. In South America, Rio and Buenos Ayres have maintained their recent improvement, the first standing at 6½d as compared with 6 25-32d, and the second moving to 42½d, as compared with 42¼d. Monte Video has also improved from 43½d to 44½d, and Valparaiso from 41.80 to 43.10 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended February 9th:—

EXPENDITURE.	(000's omitted.)	RECEIPTS.	£
Supply Services	7,250	From Revenue	30,455
Interest, &c., on Debt	2,533		
Sinking Fund	500		
Road fund	4,749		
Sundries	270		
Reduction of Debt	14,936		
Increase in balances	217		
	30,455		30,455

Revenue was lower on the week ending February 9, 1924, at £30,455,000, against £32,350,050. Customs yielded £2,068,000, against £2,502,000, and Excise was £111,000 lower at £1,217,000, but motor duties brought in £5,070,000, against £4,353,000. Estate duties reached £2,530,000, against £760,000. Post Office receipts being £250,000 down at £1,250,000. Property and Income-tax yielded £12,351,000, and Super-tax £2,420,000, against a combined total of £19,532,000. Special receipts were higher at £2,005,000, against £1,200,000. The week's operations reduced the National Debt by £14,936,000, and caused the following changes:—

	(000's omitted.)	£
Treasury Bills	+ 2,110	£ 4,750
Bank of England		— 9,750
Public Departments		— 100
Saving Certificates		— 25
Telegraph Money		— 1,750
National War Bonds		— 446
Sundries		— 17,646
	+ 2,110	— 17,646

The floating debt was reduced by £12,345,000 to £827,615,500.

FINANCIAL YEAR, 1923-24 (April 1 to February 9, 1924).

	£		£
Total Expenditure ..	668,052,724	Raised by Revenue ..	661,992,523
		Net Borrowings.....	2,779,597
		Decrease in Balances	3,280,604
Total	668,052,724	Total	668,052,724

ESTIMATES for YEAR 1923-24.

£		£	
Ordinary Expenditure	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure..	15,603,000	Special Receipts....	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Midland Railway of Western Australia, Sun Life Assurance Society, British Investment Trust, South Metropolitan Gas Company, Liebig's Extract of Meat Company, South Suburban Gas Company, and the Home and Colonial Stores. At the meeting of the Midland Railway of Western Australia, Sir George A. Touche, Bart., in referring to the sale of the company, said that they were still in touch with the Government on the matter. Sir W. H. Goschen, K.B.E., at the meeting of the Sun Life Assurance Society reported a record increase in the funds.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

THE LABOUR POLICY.

Two main impressions are produced by the long, comprehensive, and temperate statement of policy made by Mr Ramsay MacDonald in his first speech as Prime Minister in the House of Commons on Tuesday. The first is the enormity of the outstanding problems, both at home and abroad, bequeathed to him by his predecessor; the second is the extensive field of scarcely controversial effort which is open to a Labour Government to explore. Both impressions are confirmed by a perusal of the debate which followed his statement. Mr Baldwin showed a forbearance in criticism, which revealed a recognition of the magnitude of Mr MacDonald's task; and Mr Asquith, who was similarly forbearing—except in the matter of the Poplar decision, to which we will return in a minute—reminded the House that the Premier's programme was largely composed of thunder stolen from the other parties. On the whole, therefore, the Labour ship has set sail in seas which should remain calm if only the great threatened strikes can be avoided; and since its captain knows pretty well where the whirlpools and reefs lie, and the limitations of the narrower course to be followed is reasonably well charted, skilful navigation should be able to assure that the voyage is neither unduly short nor rudely disturbed.

We cannot attempt to follow Mr MacDonald through his long survey of domestic and world problems; but his handling of three or four main questions call for special comment. First and most urgent of these is the question of Anglo-French relations and the German problem. Gentle fun was poked at the Premier for his belief that a new Government working in a new spirit would find it easy to untie the knots that have baffled others. Such a belief doubtless inspired, as Mr Baldwin said, the last Government and its predecessor. But it may be admitted that Mr MacDonald has made a promising start; the new spirit seems to be achieving something, and if, as the Prime Minister believes, the next few days see definite agreement with France over the grave questions affecting our position in Cologne, that will be taken as a promise of larger success to come. As regards the other foreign problems, with which he dealt, Mr MacDonald showed himself to be under no illusions as to the difficulties surrounding an agreement with Russia, on which subject Mr Baldwin pronounced a long and serious warning; but there is little disposition to quarrel with Mr Asquith's opinion that recognition is welcome, because it makes easier and smoother the task of approaching and thrashing out these difficulties. Here, too, the Government's policy seems to have started in the right direction, and also to be marked with the necessary caution. As to the rest of the Prime Minister's review of foreign affairs, it is the spirit rather than the subject matter which is important. It was definitely inspired with what may be called the League spirit—the desire to develop international co-operation and to seek through that policy the peace and security for which the world still yearns. A really effective League of Nations is the keynote of his policy, and its goal to persuade the nations that "the great security of a nation is not in armaments, but in the justice of the position it holds in the world." "I am going to use all the energy I have got to increase the representative character and authority of the League of Nations. I am hoping the League of Nations will be used more and more as the international body for the settlement of questions that two nations themselves find it impossible to settle direct. Many opportunities will arise for giving that belief of mine an opportunity of being tested, and I shall take them. Germany must come in. I hope Russia will come in, too. We ought all to be in." As regards the United States, "as soon as America feels that there is something large, something moral in the spirit in which these problems are being approached..... America will be perfectly willing to take its share in doing this great work for humanity." All men and women of goodwill will share the Premier's hope, and meanwhile the cynic—and, unfortunately, a criticism of Mr MacDonald on the ground of his rosy optimism need not be classed altogether as cynicism—has Mr

MacDonald's assurance, given in his reply to the debate on Thursday night, that, while determined to give the new spirit a real trial, he is not therefore in the meanwhile going to neglect the problem of national defence.

From the Prime Minister's review of home problems we select for notice his references to unemployment, finance, housing—and Poplar. In touching on the first of these problems, Mr MacDonald struck the right note at the outset. "We shall concentrate, not first of all on the relief of unemployment, but on the restoration of trade. We are not going to diminish industrial capital in order to provide relief." And, again, "I wish to make it perfectly clear that the Government have no intention of drawing off from the normal channel of trade large sums for extemporised measures which can only be palliatives." That he claimed to be "sound Socialist doctrine." If all "Socialist doctrine" in Mr MacDonald's hands proves as economically sound as that, the Socialist bogey will indeed lose its terrors. As regards definite measures, the Government proposes to develop the Trade Facilities and Export Credits scheme, and, in fact, as Mr Baldwin said, to do very much what any other Government would have had to do. In his references to finance there were passages in the Premier's second speech equally reassuring to the City. The Capital Levy is relegated to the same position in the background, which, as Mr MacDonald put it, is occupied by Protection. It will not be produced in this Parliament, nor until a majority for it has been given by the country. That is a definite and welcome pledge; and hardly less welcome to the City will be Mr MacDonald's characterisation of both inflation and repudiation as "dishonest means" of dealing with the national debt, and the emphasis laid on the new Chancellor's determination to curb public expenditure. The proposal to appoint an authoritative Commission to investigate the problem of the national debt meets with less general approval. Some will agree with Mr Asquith that such investigation is the duty of the Cabinet, not of a Commission. Others regard reference to a Commission as a traditional method of shelving an awkward problem. We imagine that Mr MacDonald's idea is to get together the strongest possible Commission, and to say to it in effect:—"Here is this huge national debt, which is a terrible burden on industry. It must be dealt with. Our favourite remedy is a Capital Levy. If you find that unsound, give us your reasons, tell us what is a sound and effective alternative, and, above all, report as quickly as possible." If that assumption is correct, the usefulness of the Commission would depend mainly upon its composition.

We come now to two problems in the handling of which the Prime Minister was not so successful. We refer to Housing and Poplar. After reading and re-reading the salient passages we remain without any clear idea of the means by which adequate quantities of "£500 houses with 9s rent and rates" are to be produced by an insufficient body of labour, the only really clear point being that the subsidy is to remain. Mr MacDonald appears to rely here, as in other matters, on "the new spirit" as a driving force. We hope, as profoundly as he does, that the goods, or rather the houses, will be delivered. But remembering that this is not the age of miracles we await with interest further details of the housing programme. We have left the Poplar question to the end, for that is the only real fly in the ointment of Labour's first Parliamentary week. Ten days ago the Poplar decision, of which we have already expressed our strong disapproval, appeared to be a cloud on the horizon, no bigger than a man's hand. To-day it is a storm cloud threatening to burst over the Treasury Bench. Mr Asquith—although, no doubt, he only anticipated projected action from the Conservative benches—performed excellent service in making it quite clear that Mr Wheatley's decision would not be supported by Liberal votes. This quick crack of the Liberal whip puts Mr MacDonald in an awkward position. He cannot ride for a fall, and he cannot drop Mr Wheatley without bringing upon himself the fury of his left wing. The storm will, we believe, blow over, and a compromise be reached which does not sacrifice sound principles; and the whole incident is a valuable illustration of the restraints and safeguards under which Labour rules.

Leaving this one question aside, the first Labour

Government has made a successful *début* in the House of Commons. At the outset of his statement the Prime Minister indicated clearly the "changes in the habits" of the House which the new experiment entails. On a "snap division" the Government will not resign; if amendments of legislation not affecting vital matters of principle and policy are passed against the Government, those who pass them must take responsibility for their incorporation in the Bills in question. But if a direct vote of no confidence is moved by a responsible party leader and carried, then Mr MacDonald will resign. Those are the obvious and inevitable conditions under which alone the new order of three large parties and a minority Government—an order which may have come to stay—can be carried on. If in practice Mr MacDonald shows as clear a recognition of the limitations which the system imposes upon the Government as he did in Tuesday's statement, then the new experiment in British politics will achieve the success which is foreshadowed by its opening phase. It is in any case decidedly preferable to what Mr MacDonald describes as "detestable" and "dishonest" coalitions.

LABOUR, THE LEAGUE, AND REPARATIONS.

(BY A CORRESPONDENT.)

WHAT can the Labour Government do to carry out its intentions to make the League of Nations a greater reality?

The air needs clearing. There is mistrust, bitterness, and a widespread conception that England's part, for example, in the Reparations controversy, has been guided by selfish, financial, and trade interests. Some real demonstration of honesty of purpose in our foreign relations would be of infinite value, and, as this is a consideration of the League side of the matter, some such demonstration on League principles would give a much-needed strengthening to the whole conception for which the League stands. Some nations and many thousands of individuals all the world over would eagerly welcome it. What form could this take? Now the jurisdiction of the Permanent Court of International Justice is being constantly extended by international treaties and conventions. But, broadly speaking, the Statute of the Court does not permit one State to cite another State before it; agreement between the parties is first required. There is, however, in the Statute a provision whereby acceptance of compulsory jurisdiction may be effected by a declaration accepting what is known as the Optional Clause. A State which accepts this recognises as compulsory, in relation to any other State accepting the same obligation, jurisdiction in all or any legal disputes concerning:—

- (1) The interpretation of a treaty.
- (2) Any question of international law.
- (3) The existence of any fact which, if established, would constitute a breach of an international obligation.
- (4) The nature or extent of the reparation to be made for the breach of an international obligation.

This clause is now in force between 15 States, the most considerable of which is Brazil, but no single Great Power has yet accepted it. These four references are not all inclusive, but they cover a very wide field of possible disagreement, and if the British Government declared to the world its readiness to accept their terms, it would be an act of moral leadership and of wise national statesmanship. It would incur no risks which Liberal-minded statesmen would not be prepared to face because it would not be a uni-lateral engagement, but a reciprocal engagement with such other Powers as have signed, or will sign in the future, covering what are known to international lawyers as justiciable questions only. No one could doubt the motives of such action, or would fail to recognise it as a sincere gesture made for the first time by a Great Power in declaring its preparedness to eliminate, so far as is possible under existing machinery,

every chance of hostility and every temptation to enforce its strength upon weaker States. It would have the additional advantage of giving the people of the United States occasion for reflection. The idea is one which has always been present to their minds, and such an example from this perhaps too lightly condemned side of the Atlantic would do more than all the appeals for American assistance. Doubtless the Labour Government will be fully prepared to consider such a step. It would be the broad foundation for a new spirit in international relations, without precisely involving any obvious approach to the particular solution of practical problems.

It may be that there are valid objections to this course, but there is a further possibility which might be either additional or alternative, and which would be even wider in significance. The members of the League bind themselves to submit to arbitration or to inquiry by the Council any dispute between them which is likely to lead to rupture, and they agree in no case to resort to war until three months after the award of the arbitrators or report of the Council. Without entering into precise considerations as to what suggestions should be put forward, some means might at least be contemplated for agreement not only to refer to arbitration, but to accept the awards; it might be too much to expect a general agreement to accept the report by the Council, but if, after studying the question, the Government finds it possible to do so, it might offer to enter into reciprocal arrangements to that effect with such Governments as are prepared to do the same thing on the lines of the Optional Clause of the Court Statute.

One of the declared aims of a Labour Government, and of all progressive people, is the extension of League membership. What methods the Government has in mind to achieve this have not yet been made known. The first importance is that Germany knows unequivocally that the British Government definitely desires her entry into the League, and will work for it, but, for the moment, there is no decisive step to be taken, as new members can be admitted only by the Assembly, which meets annually in September unless specially summoned. It is not likely that the Government would desire a special Assembly for that purpose, at any rate at this period, and the best hope is that a general preliminary settlement of the Reparations question may be reached, including in it a general agreement not to oppose German admission to the League next September, or, if circumstances seem to warrant it, at a special meeting of the Assembly called before that date. The same kind of process may be looked for in connection with Russia. There remains America, who would see before her a Europe at last united in one international organisation, its great outstanding wound healed, and the British Government declaring its belief and practice in the principles of compulsory jurisdiction or arbitration on the widest scale at present possible. Such an evolution could not fail to have a great effect on American opinion.

This presupposes a settlement of Reparations. The time for the League in this matter is not yet ripe, and any endeavour to use the League as a weapon to force a settlement is more likely to be an obstacle than a help. Nor would it be wise tactically to bring before the League the question of the legality of the Ruhr occupation. It would greatly embitter relations with France—occasion might eventually arise when this risk would have to be considered—and France would certainly not withdraw from the Ruhr on any legal point; in fact, the mere submission of the question of the interpretation of the Treaty to the Permanent Court requires France's consent, according to a strict reading of the covenant, if not according to its proper spirit.

The Government's obvious course seems to be first to await the result of the work of the two committees appointed by the Reparations Commission, and to see how far they provide a basis for agreement. There is no great divergence between England and France on the amount to be claimed from Germany, and France's share of it, with the French proviso that this share shall be net receipts; that is to say, France demands just so much or just so little more as she may be called upon for the repayment of her debts to America and England.

There is also not much divergence of opinion on the principle of a moratorium for Germany and of a certain form of financial control over Germany. Then what about inter-Allied debts? Without a settlement on this side of the question a final Reparations settlement is not apparently attainable, but would it not be possible to achieve a provisional settlement for, say, 15 or 20 years, if Great Britain postponed her claims against France and her other Allies for some such period in the hope that meanwhile opportunity would arise for a reasonable all-round and final Reparations settlement? That would give a period of reflection, and it seems the best that can be done without the immediate and direct co-operation of America for whom Europe cannot wait indefinitely. At the very worst, if America refused a 15 or 20 years' moratorium to France, British acceptance of it would at any rate reduce the immediate dimensions of the problem.

The moratorium to Germany to enable her to recover at least sufficiently well to be productive of Reparations could be coupled with a plan of reform with the issue of an international loan, and the control of revenues for the payment of amortisation and such Reparations as might be deemed possible during the earlier years. This is where the League would come in. Such a plan would obviously be based on the model of the Austrian and Hungarian schemes, which have been drawn up by the League. A League Commissioner-General would be in control of the revenues assigned for the agreed international obligations of Germany, and that would be a better gage for France than the occupation of the Ruhr. If France's declared object in occupying the Ruhr is sincere, such a scheme would lead, of course—and on the British side would have to be part of the terms of settlement—to evacuation as soon as the international Commissioner-General had taken over control. Control of finance involves also control over armaments, and gives not only guarantees of payment, but guarantees of security.

These stages are not to be negotiated in a day, and are not suggested as having the finality of a protocol. They are suggestions for a new approach to the urgent problems of the moment, and for a new and liberal spirit in international relations. They do not mean that the new British Government is not to state its firm determination to make its voice and interests heard, but merely, while clearly indicating that it intends to be heard, to show, at the same time, every disposition, by a positive contribution towards settlement, to meet the legitimate claims of France.

Finally, in addition to a carefully organised and co-ordinated Government service for the consideration of all problems upon which the Government is called upon to take decisions within the League, it is greatly to be hoped that the Prime Minister, despite the enormous burden which he has now to carry, will find occasion to represent Great Britain on the Council at one or other of its meetings this year. It is too much to expect him to be the regular British representative. Above all, there is no greater opportunity open to the first British Labour Prime Minister than to attend the Assembly of the League and explain face to face to the representatives of 53 other States of the world the spirit and aims of British statesmanship under Labour guidance. It is a sounding board the value of which no British Prime Minister has yet realised. Its reaction upon the whole League would be enormous, and it would place Britain once more openly in her rightful position of leadership.

THE DIRECTION OF OVERSEAS TRADE.

In a later article we comment on the returns of overseas trade for January. With these are included the usual statistics showing the countries of origin of imports and of destination of exports for the year 1923. In later tables in this article we reproduce the figures for the principal countries, but first of all present a summary table, compiled from these figures, which shows the movement in the visible trade balance with fourteen chief countries over the past three years. A balance favourable to this

country is indicated by a plus and an adverse balance by a minus :—

(Million £'s.)

	1921.	1922.	1923.		1921.	1922.	1923.
France ...	+ 6.2	+ 20.4	+ 12.5	U. States ..	- 211.5	- 146.3	- 126.9
Belgium ..	+ 4.9	+ 12.0	+ 8.0	Argentina ..	- 40.2	- 33.2	- 37.2
Italy	+ 10.2	+ 9.8	+ 7.3	India and			
Switzerland	- 13.4	- 10.6	- 10.8	Ceylon ..	+ 60.7	+ 38.6	+ 11.6
Netherlands	+ 1.4	+ 5.2	+ 8.0	Canada	- 41.8	- 27.0	- 23.1
Germany ..	+ 20.2	+ 22.5	+ 25.8	Australia ..	- 19.4	+ 0.9	+ 12.8
Russia, &c.	- 1.5	- 12.8	- 17.1	N. Zealand	- 3.3	- 31.5	- 21.3
				South Africa	+ 12.3	+ 9.7	+ 14.0

The substantial reduction in the adverse balance with the United States is, perhaps, the most satisfactory feature. The figures for Russia are partly explained by the fact that Finland, Esthonia, Latvia, and Lithuania are included, and that there has been, since 1921, a very substantial increase in our imports from Finland and Latvia, as well as from Russia. In Europe there is a tendency for the balance to become less favourable to us or to move further against us, the only exception among the countries in the first half of the table being Germany. Our balance with Argentina also moved against us last year. There is a remarkable reduction in our export surplus to India and Ceylon, but with the four Dominions given above the movement of the figures is in our favour.

Turning to the separate statistics of imports and British exports, we first show the figures for European countries for the past three years and for 1913 :—

(000's omitted.)								
	Imports From.				Exports To.			
	1913.	1921.	1922.	1923.	1913.	1921.	1922.	1923.
France	49,498	58,066	53,065	64,428	32,396	51,392	55,541	57,556
Italy	8,131	8,953	11,309	14,452	14,640	17,375	19,374	19,559
Switzerland	11,070	19,964	21,707	19,471	4,212	5,543	9,810	7,286
Spain	15,976	27,058	23,167	23,329	9,728	14,967	14,647	13,164
Portugal	3,898	6,892	6,642	6,211	6,053	8,802	7,436	8,515
Belgium	23,426	33,671	34,038	27,910	15,528	20,153	25,431	25,640
Germany	80,411	20,550	26,524	35,001	40,677	17,832	32,076	42,570
Czechoslovakia	..	5,703	5,226	8,310	..	1,318	744	997
Jugo-Slavia ..	..	765	644	695	..	1,048	666	914
Austria	7,706	..	1,582	2,099	..	1,734	1,038	1,133
Hungary	..	88	410	672	..	300	205	154
Greece	2,202	4,014	4,013	4,779	2,537	5,915	3,796	3,844
Romania	2,037	3,559	1,985	1,947	5,433	2,636	2,777	..
Turkey (European)	1,165	722	1,458	1,161	2,414	4,564	3,429	3,125
Russia	40,271	13,122	23,854	30,837	18,103	8,630	8,703	9,044
Sweden	14,213	21,626	19,201	21,563	8,220	9,627	12,292	13,789
Norway	7,437	10,326	10,566	11,135	6,147	14,060	11,589	8,612
Denmark	24,053	41,367	40,310	46,276	6,061	10,048	12,455	12,792
Netherlands ..	27,913	49,959	45,661	52,697	22,794	42,141	44,773	38,724
Total	319,407	326,306	329,248	373,388	193,938	238,882	266,641	270,293
% of total	41.6	30.0	32.8	34.1	36.9	34.0	37.0	35.2

* Includes Finland, Esthonia, Latvia, and Lithuania.

The import and export trade of the Irish Free State with foreign countries is not included after April 1, 1923. The heavy increase in imports is accounted for largely by the figures for Germany, Russia, Scandinavia and Holland, the only decline of note being in imports from Switzerland. Total imports from Europe represent a slightly larger proportion of the total than they did a year ago, but the percentage is below that of 1913. The ratio of our exports to Europe, on the other hand, is very nearly up to the pre-war figure, though lower than it was a year ago. A feature of the export side is the substantial increase in the amount sent to Germany, and the decline in the figures for Norway and Holland.

The next table gives the figures for the United States and other foreign countries :—

(000's omitted.)								
	Imports From.				Exports To.			
	1913.	1921.	1922.	1923.	1913.	1921.	1922.	1923.
United States	143,854	276,990	223,710	213,528	30,478	45,061	55,781	60,667
Cuba	3,675	6,425	10,610	8,704	2,214	1,891	1,388	2,934
Mexico	1,880	9,859	8,604	6,345	2,333	4,596	2,213	2,750
Argentina	42,485	68,261	56,520	66,081	22,641	27,622	22,708	28,165
Brazil	10,008	5,866	7,726	5,897	12,465	10,439	10,983	10,998
Chile	5,359	6,564	4,422	5,789	6,010	5,154	5,437	6,677
Peru	3,178	6,437	7,410	8,626	1,488	2,141	1,749	2,571
Uruguay	2,769	6,242	4,748	4,869	2,916	3,094	2,545	3,172
Japan	4,389	8,735	8,649	14,783	21,369	23,974	26,393	..
China	4,672	11,269	9,723	12,284	14,845	26,001	22,734	18,609
Turkey (Asiatic) ..	4,251	343	278	2,000	5,291	140	267	819
Egypt	21,395	..	..	33,085	9,805	..	..	15,019
Other countries	9,917	22,399	14,448	24,364	10,731	18,066	18,292	17,566
Total	257,812	429,390	356,639	398,325	136,000	165,564	168,075	196,340
% of total	33.6	30.4	35.5	36.2	25.9	23.5	23.3	25.8

Egypt has now come back to this category, and to some extent this vitates a comparison of the total figures and of the percentages. Without the Egyptian figures there is a substantial increase on both sides. On the import side, Argentina is prominent with an increase of £9½ millions, and increases are shown by the other South American countries with the exception of Brazil. Imports from China show an expansion, but there is a decline in the figures for the United States, Cuba and Mexico. Increases on the export side are fairly general, but China is conspicuous with a decrease of £4 millions.

Trade with the Dominions is shown in the next table :—

(000's omitted.)									
	Imports From.				Exports To.				
	1913.	1921.	1922.	1923.	1913.	1921.	1922.	1923.	
	£	£	£	£	£	£	£	£	
Canada	30,488	62,287	54,895	53,448	24,795	19,433	25,271	27,566	
Australia	38,065	67,858	64,863	49,068	34,470	45,645	60,457	57,707	
New Zealand	20,338	48,828	48,532	42,969	10,838	14,928	15,868	20,695	
India and Ceylon	56,218	54,926	58,003	79,515	74,458	112,964	95,202	89,888	
South Africa	12,495	19,959	16,152	15,353	22,185	31,062	24,515	27,895	
Egypt		26,927	31,106			18,830	15,562		
West Africa	5,174	10,833	9,760	11,166	6,601	12,442	11,650	11,521	
Mauritius	293	5,034	3,908	5,628	536	2,309	972	1,129	
Strait Settlements	15,880	7,833	7,961	10,681	5,836	8,432	6,644	7,753	
Malay States	3,574	2,921	2,323	2,278		2,669	877	866	
West Indies	2,116	8,111	4,437	5,861	2,439	5,027	3,462	3,678	
Irish Free State				32,738				24,674	
Other Possessions	6,955	16,127	16,101	17,597	14,249	25,341	25,301	27,324	
Total from Possessions	191,516	331,094	318,031	326,303	195,307	298,772	285,781	300,696	
% of total	24.8	30.6	31.7	29.7	37.2	42.5	39.7	39.2	

The figures for the Irish Free State, which are for the last nine months only, together with the re-export figure, show that there is a balance in favour of the United Kingdom for the nine months of £515,800. The ratio of our trade with the Empire to the total shows a decline, although the disappearance of Egypt from the list is more than offset by the addition of the Irish Free State. Imports from India show a substantial increase, but in most cases there is a decline on the import side. On the export side there is a decline under the head of India, but the increase in the case of New Zealand is noteworthy.

The final table gives re-exports to the principal countries :—

RE-EXPORTS (000's omitted.)								
To.	1913.	1918.	1919.	1920.	1921.	1922.	1923.	
France	12,072	13,742	35,814	40,097	12,899	17,915	19,403	
Italy	1,012	4,249	5,689	5,624	1,750	1,730	2,161	
Belgium	7,436	11	17,567	19,522	9,756	10,670	10,260	
Germany	19,823	..	8,491	29,376	22,897	16,986	18,266	
Russia	9,591	10	4,456	4,842	2,387	2,387	3,732	
Sweden	1,014	123	5,238	5,006	1,890	1,525	1,832	
Norway	518	208	2,169	1,942	787	714	730	
Denmark	590	246	6,020	6,148	1,413	1,244	1,738	
Netherlands	5,160	406	26,344	14,578	8,191	6,100	6,916	
United States	30,222	3,481	31,481	53,564	20,394	21,677	25,966	
Japan	297	1,358	1,816	1,912	778	970	254	
Other countries	8,066	2,038	9,585	13,931	8,269	7,180	7,393	
Total to foreign countries	95,801	25,872	154,680	196,940	94,011	88,402	97,651	
British Possessions	13,774	5,084	9,642	25,466	13,041	15,376	20,922	
Total	109,575	30,956	164,322	222,406	107,052	103,778	118,573	

France, Germany and the United States account for the bulk of the increase in the total to foreign countries. The increase under British Possessions is more than accounted for by the Irish figure for the nine months, which amounts to £6,579,500.

WORLD SHIPPING PROBLEMS.

YEAR by year the chair of the Liverpool Steam Ship Owners' Association, the annual meeting of which took place on Tuesday, is filled by one prominent shipowner after another, but for thirty long years the secretaryship was held by Sir Norman Hill, until, owing to overwork, he resigned six months ago. In the report for 1923, presented to the meeting, acknowledgment is made of Sir Norman's services, and stress is rightly laid on the statesmanlike breadth of view which has characterised his public work. The report says that Sir Norman's guidance "has given to the association an influence and authority which could never have been obtained by a body of traders who concentrated their minds on their own immediate pecuniary advantages and ignored the fact that they were deeply interested in the prosperity of all

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branches of industry and commerce and of peace and good government throughout the world." Sir Norman Hill's reputation as a tower of strength in shipping affairs is international, and he has now been nominated for the position of Vice-President of the Chamber of Shipping of the United Kingdom, an office which usually is the step to the Presidency. Moreover he still, in various ways, represents the Liverpool Association. His retirement indeed appears to amount to no more than a relinquishment of administrative duties by way of securing greater freedom for attention to the broader and more vital problems arising in commercial intercourse across the seas.

All who are familiar with the annual reports of the Liverpool Steam Ship Owners' Association issued in recent years know that in the hands of Sir Norman Hill the survey periodically presented has taken full account of the international aspect of affairs. The present report adheres to the same scheme. The members of the association are mostly engaged in businesses of world-wide scope, and the policy of their association is stated to have been "to turn to the best account in the interests of the international trade of the world, and therefore of the nation, the tonnage under its control." The sequence is noteworthy. General and not national well-being is the first and most important consideration, shipowners' prosperity being "bound up with and a reflection of the prosperity of producers and consumers" throughout the world. The interesting point is made that lack of purchasing power everywhere, rather than the existence of too many ships, is at the root of present difficulties.

The Liverpool Association has, in the interests of international commerce, long supported the principle of equality of opportunity for ships under all flags in all ports—endorsed by the Convention recently signed at Geneva—and in referring to the international character of the work of the association, Mr Richard D. Holt, who presided at the annual meeting, emphasised the importance of the campaign against flag discrimination. All carriage by sea, he thought, should be equally open to all parties. In pursuing its policy of promoting freedom, the association has been strongly opposed to State control or interference. Its support of the proposed legislation to make the set of clauses known as the Hague Rules compulsorily part of the conditions in bills of lading involves an approval of State interference which may seem inconsistent, but this attitude is perhaps justifiable because, in the circumstances which arose, no other means remained of carrying long and difficult international negotiations to a practical result. The Bill for legalising the Rules in this country will, the report suggests, almost certainly now become law as representing the practically unanimous view of commercial, banking, and shipping interests. The intention to reintroduce and proceed with the Bill was, in fact, announced in the Commons this week.

With reference to the action of the United States authorities regarding liquor supplies on ships, the report is critical. The liquor prohibition, it points out, was not

strictly logical. The difficulties there are being compromised, but Mr Holt, following up this question in his speech at the meeting, made a notable point when he called attention to what is really involved. The claim to refuse entry into territorial waters to any ship carrying alcohol, if justified by America, could equally be justified by any other nation, and in respect of any other article of merchandise, with surprising results. On another matter America, on the other hand, gave a praiseworthy lead. The United States, it will be recalled, made the first move towards doing away with the injustice of ships being subjected to income-tax at ports of call as well as in their own country, offering reciprocal exemption. A provision in our Finance Act of last year made it possible to take advantage of this offer, and steps are now being taken to give practical effect to the arrangement, to the benefit of shipping and commerce. "The prevailing and increasing practice in the Dominions," however, of imposing this double or multiple taxation on shipping does not admit of such satisfactory reference. On investigation the Imperial Shipping Committee found that there was sufficient evidence to establish a *prima facie* ground of complaint, but merely suggested that "the whole matter should be referred to some appropriate body for further investigation."

Dealing thus with the principal problems and movements of the year, some only of which have here been referred to, the report conveniently summarises the progress of events, and shows the Liverpool steamship owners pursuing a well-directed policy calculated to help towards the improvement of international trading conditions. Mr A. B. Cauty, of the White Star Line, becomes chairman for the ensuing year.

THE ECONOMICS OF BRITISH SHEEPBREEDING.

(BY A CORRESPONDENT.)

FEBRUARY, besides its traditional task of filling dykes, has other burdens peculiar to itself. At the present moment few are more important than that of deciding whether to increase our flocks or not. The sheep being "a two-purpose animal," the trade in meat and the manufacture of woollens are alike affected, while the number of sheep kept largely controls the area devoted to pasture and the letting of the more extensive farms. Lambs already enliven the Dorset Downs, and have attained quite a goodly size in the Isle of Wight, but for the more numerous flocks February is lambing time.

The year 1924 will see the end of what may be termed "Coalitionism." The last bales of Government-owned wool will probably be cleared by March, and the British farmer will no longer have his own Government competing against his wool in the market. The farmer, therefore, is able this February for the first time since 1914 to consider wool production on a just economic basis. For

the first time for a decade the clip of next midsummer will be sold on its merits. No colossal stores of overseas wool, of which the Government has the control, will be put on sale in Coleman Street at dates designed to swamp the home wool fairs. Will the change justify, will it encourage the saving of the lambs in order that from the greater superficies of the sheep there shall be a larger wool clip? Shall the scarcity of wool at Bradford and at Leicester be relieved by a home clip from well-augmented flocks of sheep?

The writer cannot give an entirely hopeful answer, but he can proffer some facts and figures which make in the direction of hope. Coalitionism struck not one but two blows at British sheep-breeding. The first, that of commandeering all British wool, was officially called "a purely war measure," nor would compulsion have been needed—farmers would have eagerly tendered every tod of their clips—if the wool had been taken at market price. But when the War Office claimed to take the wool without payment and to give at its own time an *ex gratia* donation to the farmer, a course of action was entered upon which confounded alike the individualism of the Conservative farmer and the Liberal agriculturist's ideas as to the natural rights of the subject.

This first blow at sheep-breeding cut down our flocks from 28,770,000 to 25,047,000, and in three years we had as a sheep country lost the ground slowly won in thirty. The second blow came in 1919, when despite the surrender of the enemy's fleet, the one menace to our agricultural imports, the Government announced its intention of buying overseas clips and of trading in them for another three years. This further cut down home sheep-breeding from 25,047,000 to 23,330,000. The combined policies which one has here grouped as Coalitionism reduced, therefore, our flocks from 28.77 millions to 23.33, or in all 5.44 millions. The cost of clothes and carpets naturally rose, with the loss of 30 to 35 million lbs of wool, and mutton was naturally affected also. But the competition of the Government-owned overseas wool prevented farmers getting a scarcity price for wool, and if the times had not changed the British Isles would have become a country for mutton sheep almost exclusively. Our flocks, which had once approached thirty millions, would have probably dropped to about half that total.

To-day, with restored freedom in both branches of sheepbreeding, we can study the prices of wool for January, 1914, and January, 1924, respectively, and with 175 (as against 100 in 1914) accepted as a working hypothesis for the general cost of living and farming, see how far the different breeds pay. Speaking very roughly, the index numbers are long wool, 125; short wool, 165. Long wool seems to disclose a hopeless loss, but short wool is within sight of profit. The following details present six short wool breeds and six races of long wools. The Masham long wools are the type of the Yorkshire uplands:—

TEN YEARS' COMPARISON OF BRITISH WOOL PRICES.
Jan., 1914. Jan., 1924.
Pence per Lb.

South Down	15.50	28.00
Dorset	16.50	27.50
Hampshire	14.75	25.00
Oxfordshire	14.50	24.50
Shropshire	15.25	25.50
Suffolk	14.75	24.50
Kent	13.75	18.00
Lincoln	13.00	14.00
Leicester	12.00	14.25
Blackface	10.00	11.00
Cheviot	13.50	20.25
Masham	11.00	11.50

All washed; unwashed 1d per lb cheaper.

Proceeding to compare prices for mutton we get to the probable net profit on the entire sheep.

TEN YEARS' COMPARISON OF BRITISH MUTTON PRICES.
Jan., 1914. Jan., 1924.
Per 8 Lbs.

Mean of middling and prime	7s	13s
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Here we see that mutton, in which Government interference ceased with the close of actual warfare, has fully recovered; the index number is 185.

The short wool sheep present the following index number as a market proposition to-day:—Mutton, 185; wool, 165; average, 175. This coincides with the cost of production index number of 175, and there is very little

doubt that with wool likely to rise 10 per cent. the net equation for 1924 should be in breeders' favour. One may hope, therefore, to see lambs of the six short wool breeds saved and flocks materially increased.

Long wool sheep work out at 155 index number when the mutton is considered. Twenty points in 175 to the bad remains a considerable handicap, but it has been the speculation of the wool control in overseas crossbred wool which has wrecked the market for British long wool. When this ends in March there may be a quick recovery, and it is hoped that the owners of long wool sheep, our most numerous breeds, will face the situation with courage and, like their southern and short wool-keeping brethren, increase their flocks. For one thing, theirs are larger animals and yield more mutton. Not only the United States but the Continent are likely to need more long wool, and even at home the taste for length and "lustre" may revive. Sheep, one ventures to hope, may be an all-round paying proposition by the date of the new clip.

THE CARPET INDUSTRY.

THE weaving of carpets is an industry dating from very ancient times. In Persia beautiful fabrics were produced long before the commencement of the Christian Era, and it is somewhat remarkable that through all the intervening centuries right down to the present day that country has kept well to the fore in this manufacture. The same may be said of Turkey and of India, the other two countries whence comes the bulk of our supplies of Oriental hand-made carpets.

It seems probable that the Crusaders, or even some earlier voyagers to the East, first brought them to England, and for some centuries the only ones used in these islands were imported hither for the use of the wealthy. Precisely when the manufacture began in Britain is uncertain, but in the reign of Henry VIII. one Richard Hicks seems to have been producing here fabrics which may have been meant for carpets or for mural hangings. In the succeeding century the industry became firmly established across the Channel, and the revocation of the Edict of Nantes caused the migration of a considerable number of skilled workers from France to England.

This was well calculated to reinforce the British industry, which was then established mainly at Wilton and Axminster—names which have remained to this day household words in connection with carpets. About 1735, Kidderminster became an important centre for the trade, and it has ever since remained so; while later Halifax rose to prominence.

Records of the overseas trade of the industry are readily available back to the middle of last century (so far as exports are concerned, at all events); and they show that even so long ago shipments of British carpets were, comparatively speaking, very considerable. Here are the statistics:—

BRITAIN'S OVERSEA TRADE IN CARPETS.

	Exports.†		Net Imports.		Excess of Exports.	
	Thous. £	Thous. Yds.†	Thous. £	Thous. Sq. Yds.	Thous. £	Thous. Sq. Yds.
1854-58	533	4,183	..	..	..	..
1859-63	650	5,078	..	..	..	..
1864-68	1,028	6,688	..	..	..	..
1869-73	1,604	10,345	..	..	..	..
1874-78	1,048	7,222	..	..	..	..
1879-83	1,137	9,549	..	..	..	..
1884-88	1,243	11,824	..	..	..	..
1889-93	1,063	10,253	..	..	..	..
1894-98	810	7,812	..	..	..	..
1899-1903	896	8,171	..	..	..	..
1904-08	1,012	8,303	..	..	..	..
1909-13†	1,320	18,375	321	1,291	999	7,084
1914-18†	1,279	15,111	*14	281	1,293	4,830
1919-23†	3,251	15,708	1,107	1,572	2,144	4,136

† Square yards in 1910 and after. ‡ Exports include carpet rugs in 1910 and after.

* Excess of re-exports, £14,000 per annum, in these years.

These records are not so perfect as might be desired. In the first place, exports were recorded in linear yards down

to 1909, but in 1910 and afterwards they are in square yards. Moreover, carpet rugs had, up to 1909, been grouped along with "travelling rugs, coverlets, &c.," but in 1910 and since they have been grouped with carpets. In the year of their inclusion among carpets, the exports of carpet rugs appear to have amounted to about £250,000.

It will be seen that for the first 20 years, from the middle 'fifties to the early 'seventies, exports progressed very well, but that afterwards there was somewhat of a lull. A subsequent revival led to "record" figures for quantities in the late 'eighties, though, owing to the steady fall in prices which continued right down to 1895, the 11 million yards shipped in the late 'eighties were worth less than the 10 million yards shipped in the early 'seventies.

A survey of the whole of the records conveys the impression that while exports have not been satisfactory in their development, this has not been due to any severity of foreign competition. For if there had been any effective competition from Western nations, it would have shown itself in the imports of our free-trading country. But there is in the above table no sign of any undue growth of imports.

As a matter of fact, we have always had a large import trade in carpets—chiefly from Eastern countries. As a rule, about half of these have been re-exported, the *entrepôt* trade being of considerable value to our merchants. It will be noted from the above table that even in the war years 1914-18, when imports were severely restricted, we kept up the re-export trade to such an extent that re-exports were £14,000 a year greater than the imports. Carpets, of course, are goods that can be kept in stock for years.

This explains an apparent anomaly in the table. Though for 1914-18 values of re-exports were £14,000 a year greater than the imports, quantities were 281,000 square yards smaller than the imports. In other words, the goods reshipped contained a far larger proportion of high-grade carpets than the goods landed here in those years. In addition, of course, there is the profit on the *entrepôt* trade to be allowed for.

As regards the great rise of prices caused by the war, the figures are very remarkable. Here are the export and import average prices, alongside that for imported raw wool:—

	Imported wool per lb.	Carpet exports per sq. yd.	Carpet imports per sq. yd.
1910	10½	2 10	7 3
1913	10½	3 6	7 1
1918	21	8 6	7 9
1920	24	13 1	35 8
1923	15	8 8	11 10

The most striking feature of this table is the astonishing rise in the average value of imported carpets in 1920. Doubtless the explanation is that extravagant profits made during the post-war boom had caused an enormous demand for Oriental carpets of the costliest types. It will readily be grasped that a few extra hundreds of highly artistic rugs at "fancy" prices would considerably inflate the average value of all shipments. Indeed, the average value of imports from European Turkey in 1920 was about 67s per square yard, and from Asiatic Turkey 53s, while landings from Persia averaged 57s per square yard. Remembering that probably 50 to 100 per cent. would have to be added to these prices by the time the goods were retailed to consumers, it is manifest that the higher-priced among them must have been floor coverings for the wealthy only. It is pleasing to note that no less than £1,095,828 worth of them were reshipped to the United States in that year at an average value of 51s per square yard.

The character of these Oriental goods has been dwelt on thus in order to show that such imports can hardly be said to come into serious competition with the products of our own factories. Of these latter we shipped in 1920 6,914,000 square yards, whereas the foreign carpets of all kinds retained in the United Kingdom that year were but 1,290,000 square yards. In 1923 exports of British carpets were 7,058,000 square yards, while only 2,797,000 square yards of foreign carpets were retained in this

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country—a certain proportion of which will doubtless be reshipped during this and succeeding years, though, of course, much will be retained here permanently to make good our own shortage during the war years.

In seeking for an explanation of the comparatively poor progress of our export trade in carpets, it should not be forgotten that during the last half-century other floor coverings have come into serious competition with them. In these days, millions of rooms which might have been carpeted are covered with linoleum. British exports of oilcloth and floor cloth in the early 'seventies of last century were only about 4½ million square yards per annum. Our shipments of linoleum and cork carpet alone in 1923 amounted to 20½ million square yards, while of oilcloth we exported 14½ million square yards. Price for price, linoleum is vastly more durable than woollen carpeting, and it is only natural that whenever practicable it should be given the preference.

THE BOOM IN CALIFORNIA.

(BY A CORRESPONDENT.)

In the middle of last century gold discoveries which not only attracted thousands of immigrants from every quarter of the universe, but also notably affected the trend of prices, made California the scene of a famous boom, and laid for it the foundations of a civilised society. In the intervening decades the State has enjoyed varying fortunes; San Francisco became a great maritime *entrepôt*, mining resources were profitably exploited, ranching was carried on extensively, and the fruit industry, with its canning and preserving auxiliaries, was developed with success.

With the present century, however, there began a process of steady expansion; it was slow at first, but its pace has been gradually accelerated, and to-day California, and particularly its southern districts, at a time when most of the world is gasping for economic breath, is enjoying a boom which has few, if any, parallels in history. Its centre is the city of Los Angeles, which lies on a plain between the coastal mountain range and the Pacific Ocean, about 100 miles north of the Mexican border. It has an ancient origin dating back to the Spanish conquistadores, but up till the eighties of last century it remained a small "pueblo," the market centre for a scattered ranching population chiefly of Spanish blood. By 1900, however, it had accumulated a population of 102,479, which had doubled by 1905, and by 1915 reached 391,000. By 1920, despite the war, the total had grown to 576,673. But it is the expansion figures of the last three years which are almost unbelievable; the population bounded up to 722,726 by the end of 1921, to 850,000 a year later, and on December 31, 1923, it was placed at 1,050,000, Los Angeles being now, if this figure is correct, the fourth largest city in the United States. And within the boundaries of Los Angeles County there are a number of important and growing towns, like Long Beach and Santa Monica, which are estimated to bring the total population of the district up to a million and three-quarters.

Naturally, the figures of business expansion are very impressive. Bank clearings in 1912 amounted to \$1,168,941,800; they reached \$2,339,401,197 in 1919,

\$4,211,196,797 in 1921, \$5,152,311,839 in 1922, and in 1923 attained the stupendous total of \$7,024,888,783. Post Office receipts show an almost parallel increment; in 1912 they were \$1,906,398, and in 1923 they were \$7,068,875. In 1908 the value of building permits in Los Angeles was just short of ten million dollars; it climbed to 31 million dollars in the year before the war, but during its progress all new construction was checked, and in 1918 the figure sank to about 8½ million dollars. But it rose to 28 million dollars in 1919, to 60 in 1920, and to 83 in 1921. In 1922 there was new construction to the value of 121 million dollars, and during 1923 of 186 million, which is considerably more than the value of all the building construction undertaken in Canada in the same year. Under such circumstances it is little wonder that ordinary carpenters claim and get \$10 per diem as a standard wage, and that a gigantic real estate boom, in which the whole local population and many outsiders are involved, is in full swing.

But perhaps the most significant figures come from the harbour authorities. Los Angeles proper was originally a dozen miles from the sea, and there was available no natural harbour. But at the mouth of the Los Angeles River there has now been created by a great expenditure of money a fine port, which claims to be the largest between Alaska and Cape Horn. In 1914 only 139 vessels entered the harbour, and its total trade was \$3,795,000. By 1919 the number of ships clearing had grown to 305, and the combined export and import trade to a value of \$7,517,566. In 1922 the ships numbered 1,074, and the trade was valued at \$29,841,498. But in 1923 no fewer than 3,171 ships used the port, and the total trade was \$73,473,000. The Customs returns of the port have grown from \$699,051 in 1914 to \$3,234,554 in 1923.

Here is evidence of an unparalleled growth, and there is at present no sign of its cessation. There is always an annual southward trek of winter visitors flying from the harsh rigours of the northern prairie region, but it is estimated that bona-fide immigrants who intend to become permanent settlers are still pouring into Southern California at the rate of at least 500 per day. The housing facilities do not begin to keep pace with the demand, and a considerable population is living in tents on the outskirts of the city. A large proportion of the new arrivals are Americans from the East and the Mississippi Valley, but there are at least 60,000 Canadians in Los Angeles County alone, and there are also many Britishers. To-day, working-class immigrants are coming out straight from Britain, and are to be met everywhere. Many British vessels come to the port, and the Furness-Withy Line have now established direct connection by sea between Britain and Los Angeles.

The question is often asked, most frequently by intelligent Angelenos, whether the present boom is justified by underlying economic conditions, and whether a crash will not come. Undoubtedly the chief factor in the expansion has been the opening of the Panama Canal, which has given the varied products of Southern California cheapened access to outside markets. Lying in the hinterland of Los Angeles is a huge territory, consisting of California itself and the adjacent States of Nevada, Arizona, and New Mexico; they are all very rich in mineral resources and the science of irrigation is making possible a great expansion of agriculture. But heretofore this territory looked eastward for its commercial outlet, and the long and expensive railway haul was a serious handicap. Now, however, the Panama Canal and the development of modern harbour facilities at Los Angeles have changed the situation and the trade of the States in the hinterland is in a large degree going to be diverted westward. This hinterland, for instance, produces a large quantity of wool, millions of hides, and considerable cotton, but hitherto these raw materials have always been shipped thousands of miles to Eastern factories. Los Angeles now proposes to undertake the manufacturing process for them, and within the city there are already established substantial cotton, woollen, and boot factories. There are also in operation a number of steel and iron works, chiefly devoted at present to turning out material for buildings, and ships are being built at the port. There was a time not so long ago when the "movies" were regarded as the chief industry of Los Angeles, but to-day,

while still an important factor in the suburb of Hollywood, they have receded into the background. Los Angeles, in short, intends to be the great industrial city of the Pacific coast of North America. For the attainment of this goal it has many obvious assets; there is a wide variety of raw material to be drawn from adjacent territory, there is now an ample supply of labour of different kinds, and within comparatively easy access are the foreign markets of the Oriental countries and the Pacific Republics of South America. The industrial situation has one unique feature; after a bitter struggle the labour unions were smashed some years ago, and to-day the proud boast of Los Angeles' captains of industry and finance is that they are citizens of a non-union city. In a period of boom the absence of unions has had no effect in keeping down wages, but if ever immigration ceased and the great army of people now employed in the building trades were thrown out of work, local wages and purchasing power would tumble rapidly. In Mexico there is at hand an abundant supply of comparatively cheap labour, which is recruited to perform the dirtier work, and the difficulty of organising uneducated Mexicans has induced labour to accept the present situation. From the industrial standpoint the one great handicap to Los Angeles is the absence of local coal. It is not, however, needed for heating purposes, and the abundant local supplies of oil and gas make good the deficiency. Hydro-electric power has also been developed on a large scale, and there is now on foot a tremendous scheme for what is known as the Boulder Dam; its purpose is to tame the famous Colorado River for irrigation and hydro-electric purposes.

After the Panama Canal the next most important factor in the California boom has been the oilfields. To-day almost one-third of the total oil production of the United States is being secured within a radius of 50 miles of Los Angeles. Not only is this oil being exported in larger quantities, but it is a great asset for local industrial development. Naturally the growth of Los Angeles has given a great impetus to agriculture. The dairy farmers and cattle ranchers have found a constantly expanding market at their doors. But much of the soil is too valuable for ordinary farming; given a reasonable amount of water, which has in most places to be secured by constant irrigation, it will grow most abundant crops of fruit or vegetable. The Japanese have reduced the business of market-gardening to a fine science, and will often raise from the same ground three or four crops per annum. Fruit-growing occupies the energies of a large population. The citrus fruits, oranges and lemons, claim the chief attention, but the vine is cultivated in many districts, and there is now a huge raisin industry. In fact, practically every kind of fruit can be grown with success in some part of California.

In the light of these conditions the prospects are therefore good for Californian enjoyment of a career of continuing prosperous expansion. There will, within a few years, be a subsidence of the present boom fever, but, in common with the other two Pacific States of the Union, California is bound to increase in power, wealth, and general importance. These three States have a larger area than France and Germany combined; to-day they have a population of about 8 million people, and they are capable of maintaining 50 millions. They have a magnificent position on the shores of the Pacific Ocean, and they enjoy the most uniformly favourable climate in the two Americas. The American people are now for the first time seriously applying their energies and abundant capital to their development, and with such a groundwork available rapid development is assured.

From one aspect the prosperity of California and its neighbours raises a serious problem for the British Commonwealth. The *Montreal Star* recently stated that since Christmas an average of 250 Canadians had paid the head tax necessary for entry into the U.S. at Detroit, which is only one port of entry, and it is safe prophecy that half of these emigrants were bound for the Pacific States. Is Canada, burdened with a heavy war debt, a surpluse of railways and other plant, and static taxation, going to be able to attract many immigrants, or even hold her native population in face of the very strong competitive attractions of California, Oregon, and Washington? Immigration schemes to redistribute population

within the Commonwealth are very desirable, but at present Canada is too much a sieve through which many British immigrants, after serving a profitable apprenticeship to North American conditions, pass through to become efficient citizens of the United States.

Notes of the Week.

The Threatened Dock Strike.—At the eleventh hour, all the resources of conciliation have been assembled to endeavour to protect the community from the disaster of a great dock strike. All Thursday, the employers in one room and the men's leaders in another were at the Ministry of Labour; they were to meet again there late yesterday afternoon. But unless some solution be reached as we write these words—and in view of the reported temper of both sides it is difficult to hope for that—notice will be handed in at mid-day on Saturday. Such a catastrophe would imply a complete failure of that spirit of co-operation to which the Prime Minister has appealed; it would be a deadly blow at the trade restoration on which he relies, as every sincere man must, for any effective remedying of unemployment. Even if, as we still trust, a way out is found on the very eve of crisis, it must be said that, irrespective of the merits of the points at issue, the community has a grave case against both parties for allowing the present situation to have developed. The employers must be held to blame in as far as they failed, or refused, to realise in time facts that were abundantly plain. The unofficial strike of last summer left a dangerous temper and real grievances behind it. When the men's case for a rise was put up in January it was rejected out of hand without any discussion. Lord Devonport's contemptuous gesture did much to create that difficult and obstinate spirit on the other side, which some of the men's leaders have done little to moderate. Some of Mr Tillett's speeches have been anything but helpful or responsible. But had the employers, in January, suggested, as they have done in the last few days, that they would give an immediate advance of one shilling out of the two for which the men stand, and pledged themselves to consider a further rise later, if and when trade revives, and at the same time given facilities to the men's representatives to appreciate for themselves the actual position of the industry—the situation might have been saved. A readiness, then, to approach the whole matter of decasualisation in a conciliatory and sympathetic spirit might have created a totally different psychology—and in all disputes, industrial or other, psychology is all-important. On the men's side, the matter has no doubt been complicated by the existence of the independent union, which arose out of last summer's unofficial strike. There has, perhaps, been a temptation to them to win back authority and popularity. But this danger, too, could have been countered in January; it has grown as the sands have run out. For a month the men's minds have been concentrated on their hardships—and those hardships are real enough—to a degree which has blinded them to the ulterior consequences of their action, both for the whole country and for the Labour Government.

Tories and Tariffs.—Many politicians in the past have had cause to complain bitterly of the fickleness and ingratitude of their followers. Mr Baldwin's experience has been far more pleasant. He sacrificed a comfortable majority and led the Unionist party to defeat and a sojourn in the wilderness, the duration of which cannot be foreseen. But his sins are forgiven, and in spite of Lancashire complaints, his followers re-elected him on Monday to the Conservative leadership at a full party meeting at which, according to the reports, "everything went smoothly," and the audience of 600 sang "For he's a jolly good fellow." It is perhaps not unfair to Mr Baldwin to suggest that, had there been any other obvious candidate for leadership events might have taken a different course. Be that as it may, Mr Baldwin is in the saddle again, but it is none too clear in what direction he intends to lead. It was the adoption of Protection

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which caused his downfall. What is the attitude of the Unionist Party to be towards Protection now? Apparently it is not to be expunged from the list of articles of faith, but, in deference to the recent verdict of the country, it is to be officially relegated to the obscure background. It would indeed appear that the Tariff question is back again in very much the same position that it occupied under Mr Bonar Law; only with this important difference that Mr Bonar Law gave a pledge regarding its temporary burial, and Mr Baldwin, so far as we can see, gives no such pledge; which is quite natural, because he is not in power. The only safe deduction for Free Traders is that, however severely they have scotched the Protection snake, they have not quite killed it. It may shuffle off its present coil and grow another. In any case, there is every reason for Free Traders to keep their powder dry. The necessity to do so is made absolutely plain by the frank letter to Mr Baldwin in which Mr Amery, one of the promoters of the fiscal adventure of last November, definitely and defiantly nails Protection to his mast. If any Free Trader requires further reason why he should keep his ammunition in readiness, let him read the following resolution passed at the Unionist Party Conference on Tuesday:— "That, in view of the fact that (a) our existing trade policy was founded eighty years ago on certain assumptions which have broken down hopelessly; (b) the Free Trade between this country and the rest of the world which Cobden preached and prophesied does not exist; and (c) hostile foreign tariffs which had no existence in Cobden's day now abound, leaving the British market alone in the world unprotected, this council urges on the executive committee the duty of educating the electorate on the facts so that at the earliest opportunity the policy of (1) protecting our home market against unfair foreign competition by a scientific tariff; (2) extending to our Dominions a generous preference; and (3) arming our own Government with the means of obtaining freer trade and better treatment for British goods in foreign markets, be triumphantly vindicated."

The Palatinate Problem.—The present week has witnessed important developments, for good or evil, both in the local conditions in German occupied territory, and in the relations between France and Great Britain, which hang largely upon the settlement, or failure to settle, the problems of the Rhineland and the Ruhr. To turn first to the brighter side of the picture, we have the hope, expressed with great confidence by the Prime Minister in his speech last Tuesday, "that a complete agreement will be come to within the next few days" on the questions of the Cologne railway system and of Separatism in the Palatinate. This was followed on Wednesday by an announcement from Paris that the Inter-Allied Rhineland High Commission had appointed a special Commission of three members (all soldiers) to consider the measures which should be taken to re-establish order in the Palatinate. It might be objected, perhaps, that upon this Commission, as upon one of even greater moment, the British member would find himself in a permanent minority; but it is to be hoped that the precedent of voting by countries rather than on the merits of the case will not be followed in the present instance. That contingency is ruled out, surely, by the terrible events that have occurred in the district concerned at the moment when the Commissioners are on their way, and which will

confront them with questions which strike so close to the roots of civilisation itself that they become prior to the highest policy of the greatest Powers. France, indeed, should be the last Power to dispute that the question of urgency in the Palatinate now is to ensure the non-repetition of what occurred last Wednesday at Pirmasens, for—were such horrors to become epidemic—the opinion of the world would lay the responsibility upon the occupying Power, and not, in the last resort, upon the German authors or victims of such crimes of violence. At Pirmasens last Wednesday the local Separatist gang, who had long terrorised the district, but who had recently been caused to abdicate in favour of the legitimate German authorities, brought down upon themselves a terrible doom. The reinstatement of the German police by the French military authorities had seemed to be an official signal that the Separatist reign of terror was to end; but the Separatists, instead of decamping, remained under arms in the Bezirksamt, or Local Government Building, and on Wednesday afternoon they reasserted their power by forbidding the local newspaper to resume publication. An angry crowd collected round the building, and an unequal contest began between a band armed with rifles under cover and a crowd in the open equipped with nothing better than sticks and staves. Exasperated by their growing casualties, the crowd eventually sprayed the building with petrol through a fire hose, threw combustibles in at the windows, set the stronghold of their hated tyrants on fire, and did them to death with barbarous ferocity when the flames finally drove them out through the door. This is a danger-signal to all Europe. The Rhineland lies in the civilised heart of our Western world, but the last ten years have taught us conclusively that, under sufficiently trying conditions, the most apparently invincible traditions of civilised conduct break down. If you terrify or starve or impoverish or insult civilised Europeans to a sufficient degree, you can make sure of causing them to react like savages. The danger is clear, and the moral no less so.

Overseas Trade in January.—The Board of Trade returns for January, though not exciting, contain elements that are moderately encouraging. Compared with the figures of a year earlier, imports are up by 1.5 per cent., and while British exports fell off by nearly 4 per cent., an increase of no less than 35.7 per cent. in re-exports brought the total export figure 1 per cent. above that of January, 1923. The figures are given below:—

	MONTH OF JANUARY.		Increase or Decrease in Jan., 1924.	
	1923.	1924.		
Imports	£ 99,756,240	£ 101,258,668	+ 1,502,428	+ 1.5
British exports	66,938,908	64,235,078	- 2,703,830	- 3.8
Re-exports	9,797,961	13,310,982	+ 3,513,021	+ 35.7
Total exports	76,736,869	77,546,060	+ 809,191	+ 1.1
Excess of imports over total exports	23,019,371	23,712,608	+ 693,237	+ 2.9

Coal exports amounted to 5,440,000 tons, a slight decline in quantity compared with last year's total of 5,612,000, but prices were higher, the month's exports realising £6,679,000, against £6,296,000 a year ago. France took 100,000 tons less than last year, while exports to the United States, which reached 327,000 tons in January, 1923, fell to the very small figure of 31,000 tons last month. Iron and steel exports were down by 16,000 tons, but showed an increase of £500,000 in value. Cotton yarns and piece-goods were £1,741,000 lower at £14,838,000, and woollens and worsteds £378,000 lower at £5,837,000. Among imports the most striking feature is the rise in value of raw cotton from £8,871,000 to £19,244,000, the United States quota increasing from £4,480,000 to £12,915,000. Imports of raw wool were appreciably less than in January last year. Summary tables showing imports and British exports for the past three years are given elsewhere in the present issue.

Irish Affairs.—Our Dublin correspondent writes:—The annual meeting of shareholders of the Great Northern Railway Company of Ireland, held at Belfast on the 13th

instant, showed satisfactory results, and gave prominence to income-tax collection difficulties. The net profit for 1923 was £501,972, as against an earned profit for 1922 of £318,023, being an increase of £183,949. Passenger and live stock traffic (the latter considerably enhanced by reason of the Dublin strikes) are mainly responsible for the increase, as goods traffic, though slightly better than in 1922, was still 20 per cent. below the figure for 1913. The chairman referred to the rise in the cost of transport, while production has been diminishing as inimical to prosperity, and announced reductions in rates for the current year at an estimated cost of about £45,000. The company operates both in the Free State and in Northern Ireland, and is an Irish company registered in Dublin. Income-tax in the Free State stands at 5s in the £, while in Britain (including Northern Ireland) it stands at 4s 6d. Referring to the position of the British shareholders, the chairman said:—"From this you will understand that the company have paid on behalf of the proprietors 5s in the £ income-tax, which is the higher rate of the two countries in which the railway operates, and this is all that anyone should ultimately be called upon to pay. I am informed, however, that when our dividend warrants are presented for payment in Great Britain or Northern Ireland, the British income-tax authorities will insist upon a further deduction of tax at 4s 6d in the £ from the gross amounts of the warrants, and will, for the moment, ignore the payment made by the company in Great Britain on behalf of its proprietors, which payment will not be taken into account until such time as the shareholder submits and substantiates a somewhat complicated claim for refund and adjustment. The main object would appear to be to further investigate how much of the tax payable belongs to Great Britain and how much to the Irish Free State." In the converse case, viz., that of a Free State bank dealing with a British dividend warrant, the practice differs. No second deduction of income-tax (other than the 6d in the £ difference between the two rates) is made so long as the bank's customer assents to its noting and communicating to the income-tax authorities such particulars as to the transaction as are requisite for their purpose. Even so, it has become not uncommon, in order to avoid trouble, for shareholders to open special bank accounts in the country in which they have invested for the purpose of there cashing their dividend warrants without any question being raised. The ultimate adjustment in this case awaits the furnishing by them of their income-tax assessment returns in ordinary course. Apart from income-tax questions, the case of the Great Northern Railway Company is a standing example of certain of the inconveniences of the present position of Ireland. Its lines cross the Customs frontier in fourteen different places. Its wage rates may be complicated by different rates of taxation, different costs of living, different labour organisations, and different labour legislation, whilst different regulations as to public health, migration, diseases of animals, &c., introduce other elements of complexity and expense in administration. Ultimately, too—after some four years—the Council of Ireland upon which Northern Ireland and the Irish Free State will be entitled to equal representation will have some jurisdiction over railway administration in Northern Ireland to the end that uniformity of general conditions may as far as possible be attained and preserved. The conflict as to wages and prices in Dublin still continues. The Corporation has now rescinded its resolution to accept the Government grant of £10,000 for road work in ease of unemployment, because the condition was attached that the wages paid should not exceed 50s per week. This result was due to a combination of extremists of Republican and Labour complexion, and the total vote was a small one. An official announcement has been made, however, that the Corporation will not be allowed to defeat the Government's contemplated aid to the unemployed, and that the matter will be arranged without its assistance. As to prices, there has been a newspaper campaign against profiteering, but no practical steps have been taken towards establishing a reasonable level of prices for the standard articles of the poor man's budget. Employers, labour, and the Government are all equally in default in regard to this matter, which is the essential preliminary to a restoration of reasonable and economic wage levels.

Output of Coal, Iron, and Steel in January.—In spite of the railway strike, the figures just issued by the National Federation of Iron and Steel Manufacturers show that there was a slight improvement in the production of pig-iron and steel in January. The output of pig-iron amounted to 631,500 tons, compared with 626,900 tons in December, and is the highest output attained since July last; the improvement would have been rather better but for the strike, for although one furnace was blown in during the month, 16 furnaces were "damped down" as the result of the strike, so that the number of furnaces blowing at the end of the month was 189; it is understood that most of those damped down have since resumed. The production of steel ingots and castings amounted to 690,100 tons, compared with 653,300 in December and 749,500 in November. The December figures were affected by the Christmas holidays in most districts, while the January figures were affected by the New Year holidays in Scotland. Evidence of the increasing Continental competition is seen in the increase in imports of iron and steel in January, which rose to 141,600 tons, a figure higher than any reached since November, 1921, when they amounted to 169,200 tons. Exports of iron and steel in January amounted to 337,700 tons, compared with 354,900 tons in December. In order that the effect of the Christmas and New Year holidays on the production of coal may be seen, we give below the output of coal in each week in December and January:—

		1923.		1924.	
		8th	15th	5th	12th
December	Tons.	5,728,800	5,956,000	January	Tons.
"	"	5,886,000	5,886,000	"	19th
"	"	3,352,800	3,352,800	"	26th
"	"			February 2nd	5,244,900

In the week ending December 15th output was higher than in any week since 1913, the previous best having been 5,824,900 tons in one week in April last. It will be seen that this latter figure has been twice exceeded since December 15th. Exports of coal decreased from 5,870,000 tons in December to 5,440,000 tons in January, of which 1,284,000 tons went to France, 760,100 tons to Germany, 487,800 tons to Italy, 460,200 tons to Belgium, and 324,100 tons to Netherlands.

The Underground Group.—The better dividends announced by some of the companies in the Underground group of railways last week are explained by the reports. The aggregate receipts of the five companies, including the London General Omnibus Company, declined by £158,200, and expenditure was only £20,600 lower, but owing to an increase of £152,300 in miscellaneous receipts total net income was £14,800 higher. The comparative figures read as follows:—

	1922.	1923.	Inc. or Dec.
Traffic Receipts	£ 12,278,326	£ 12,120,118	- 158,208
Expenditure	9,943,028	9,922,386	- 20,642
Net receipts	2,335,298	2,197,732	- 137,566
Miscellaneous receipts (net)	641,578	793,913	+ 152,335
Total net income	2,976,876	2,991,645	+ 14,769
Deduct—			
Interest, rentals, & fixed charges	865,104	947,686	+ 82,582
Appropriations to reserves	747,500	672,500	- 75,000
Dividends on guaranteed and preference stocks	389,477	389,477	..
Total deductions	2,002,081	2,009,663	+ 7,582
Balance	974,795	981,982	+ 7,187
Add balances from last year's accounts	253,142	324,955	+ 71,813
Total amount available for dividends on ordinary stocks and shares and for other purposes	1,227,937	1,306,937	+ 79,000
Amount paid in dividends on ordinary stocks and shares representing an average rate of 4.80 per cent. in 1923 and 4.69 per cent. in 1922	902,983	923,159	+ 20,177
Balances carried forward to next year's accounts	324,954	383,778	+ 58,823

The figures of the individual companies lose much of their significance owing to the operation of the "common

fund," to which each company pays the balance of its revenue after meeting "revenue liabilities," which include "such sums as might be reasonably necessary for depreciation and reserve." The common fund this year amounts to £1,001,982, as against £1,029,795 for 1922, the difference between these figures and the "balance" shown in the table being due to increases in reserves after the operation of the common fund of £20,000 and £55,000 respectively. The railways showed a drop of £312,200 in traffic receipts, and of £205,700 in expenditure, and their net income was £14,300 lower. The London General Omnibus Company showed an increase of £154,000 in traffic receipts, and of £185,000 in expenditure, but with an increase of £60,000 in miscellaneous receipts, net income was £29,000 higher. In the table below we show movements in the securities of the Underground group:—

Name.	Year 1913.		Year 1923.		Price Feb. 14, 1923.	Price Feb. 13, 1924.
	Highest.	Lowest.	Highest.	Lowest.		
Central London, Def. Stock	86	72½	59½	42½	42½	52½
Do Pref.	62½	56½	56½	56½	56½	60½
City and South London 5% Pref. 1903	110½	94½	95½	86	92½	94
London Electric, Ord. (£10)	80½	70½	74½	4½	5½	6½
Do 4% Pref. Stock	44½	27½	58	45½	49	56
Metropolitan District Ord. Stock	96½	87½	102	86½	95½	102
Underground Electric Income Bonds, red. 1948*						

* Dividend free of tax.

The share market has been active throughout 1923, and prices have advanced considerably. Underground income Bonds have had a good rise on the declaration of the full 6 per cent. dividend, free of income-tax, as against 5 per cent. for preceding year.

Two Railway Dividends.—The declaration by the directors of the London Midland and Scottish Railway Company of a final dividend of 4 per cent., making 7 per cent. for the year, was not quite up to market expectations. At the end of 1922 London and North-Western Railway ordinary stock, which was converted into an equal amount of London Midland and Scottish stock, received a distribution of 8½ per cent. The Great Western dividend for 1923 is at the same rate as was paid at the end of 1922, namely, 8 per cent., and this was more in accordance with market expectations. It is stated that the dividend is being paid after appropriating £150,000 from reserve for contingencies. A balance of £301,000 is carried forward, as against £304,000 a year ago.

London General Omnibus.—The accounts of the London General Omnibus Company for the year 1923 show traffic receipts, "after the operation of the common fund" of the Underground group, of £7,655,413, which compares with £7,501,425 for 1921. The company is now entitled to 25 per cent. of the common fund, which amounted to £1,029,795, its share being, therefore, £250,496. After payment of expenses and placing £375,000 to reserve for contingencies and renewals, the same as a year ago, there is a balance of £373,779, as against £369,953 at this time last year. Interest brought in slightly more, there was a profit of £24,583 on realisation of investments, and £4,000 more was brought forward, so that the balance available for debenture interest and dividends is £33,000 higher at £502,270. The following table summarises results for a number of years:—

	1913.	1918.	1919.	1920.	1921.	1922.	1923.
Total receipts	£ 3,258,198	£ 3,979,799	£ 5,924,905	£ 7,066,137	£ 7,657,342	£ 7,705,525	£ 7,894,361
Expenses	124,905	237,920	295,785	346,120	628,116	545,681	599,344
Administration	1,542,703	2,246,832	3,569,076	4,407,232	4,235,419	4,233,129	4,636,505
Traffic	1,102,219	971,492	1,593,207	1,896,366	2,048,767	2,158,907	1,896,134
Maintenance	191,614	307,629	307,516	397,520	358,780	397,855	398,599
Depreciation	2,961,441	3,763,873	5,765,584	6,960,238	7,271,082	7,335,572	7,520,582
Total	91.0	94.5	97.3	98.5	95.0	95.2	95.3
% of receipts	297,757	215,926	159,321	105,899	386,260	369,953	373,779
Balance	38,912	94,626	107,935	116,122	25,782	31,517	56,728
Add interest, &c. Brought forward	11,061	38,548	60,930	59,726	58,843	67,928	71,762
Deb. int. &c.	346,730	349,100	328,186	281,747	471,885	469,398	502,269
Ordinary div.	105,446	108,412	108,412	108,584	152,474	144,021	180,012
(18%)	207,086	179,758	160,048	114,320	251,483	253,615	257,617
(8%)							
(7%)							
(5%)							
(8%)							
(9%)							
Card. fwd.	34,197	60,930	59,726	58,843	67,928	71,762	64,641

† Paid free of income-tax.

Interest on the 5 per cent. cumulative income debenture stock requires £87,500, against £56,500 a year ago, £620,000 of the stock having been sold during the year to provide for capital requirements. Capital expenditure during the year was £1,048,000. The balance-sheet shows that the reserve for contingencies and renewals has been reduced from £1,593,800 to £1,140,000. Some explanation of London's traffic congestion is perhaps afforded by the fact that the company's fleet of omnibuses increased by 1060, or 38 per cent. during the year. The number of passengers carried by the company increased by 193½ million to 1,040 millions. The daily average was 3,076,700, an increase of 568,000.

Metropolitan Railway.—The first railway accounts for 1923 to appear are those of the Metropolitan Railway. These show an appreciable decline in receipts, but a larger decline in expenditure. Miscellaneous net receipts were higher, and the total net income at £879,400 shows an increase of £39,400. From the summary below it will be seen that the increase in the dividend from 3½ per cent. to 4 per cent. requires £37,200, or less than the increase in net income:—

	1922.	1923.	Inc. or Dec.
	£	£	£
Total working receipts	1,976,466	1,881,447	— 95,019
" " expenditure ..	1,397,233	1,289,996	— 107,237
Net receipts	579,233	591,451	+ 12,218
Total net income	840,047	879,439	+ 39,392
Brought forward	17,797	33,137	+ 15,340
Surplus Lands div.	82,529	85,830	+ 3,301
Fixed charges	940,373	998,406	+ 58,033
Reserve	292,842	295,607	+ 2,765
Prof. divs.	15,000	15,000	—
Ord. div.	338,985	354,928	+ 15,943
Carried forward	260,409	297,621	+ 37,212
	(3½ %)	(4 %)	
	33,137	35,250	+ 2,113

The full interest on the 5 per cent. preference stock required £12,700 more, and an addition of ½ per cent. to the dividend on the Surplus Lands Stock took £3,300 more. Capital expenditure during the year was just over £200,000, and further expenditure during 1924 is estimated at £593,900. The balance-sheet shows that railway depreciation funds have been increased from £758,600 to £1,041,700. Cash has fallen from £318,600 to £286,800, and investments in Government Securities are £7,000 lower at £939,700.

Imperial Tobacco Profits.—The profits of the Imperial Tobacco Company (of Great Britain and Ireland) continue to break fresh high records, those for the year ended October 31st last amounting to the enormous total of £7,474,700, an increase of £275,500, the figure being arrived at, as in the previous year, after payment of bonus to customers. As will be seen from the table of profits and appropriations appended, profits have more than doubled since 1918 if the bonus to customers is deducted from the profits of the latter year:—

Oct. 31.	1913.	1918.	1919.	1920.	1921.	1922.	1923.
Balance forward	£ 160,518	£ 22,558	£ 284,036	£ 280,660	£ 39,848	£ 203,601	£ 568,444
Net trading profit	3,354,476	3,826,191	4,665,109	6,659,791	6,927,641	7,199,077	7,474,687
Fees, depreciation, &c.	3,514,994	3,918,749	4,949,145	6,940,451	6,967,489	7,402,678	8,043,131
General reserve	321,575	100,000	200,000	200,000	600,000	200,000	200,000
Amount to be divided	1,000,000	1,000,000	1,000,000	1,000,000	500,000	225,677	479,039
5% cum. pref.	219,319	2,818,749	3,749,145	5,740,451	5,867,489	6,477,001	7,364,092
6% non-cum. pref.	272,759	272,759	272,759	272,759	272,759	272,759	272,759
Ord.	315,628	315,628	315,628	315,628	315,628	315,628	315,628
Bonus to customers, first half-year	263,822	263,822	263,822	263,822	263,822	263,822	263,822
Balance	974,050	1,368,480	2,089,105	3,532,473	3,332,715	5,056,348	5,990,339
Less bonus to customers, second half-year	(35 %)	(16 %)	(15 %)	(17½ %)	(17½ %)	(24 %)	(20 %)
Carried forward	103,326	141,353	194,420	338,097	352,908	..	..
Balance	263,835	466,708	613,411	617,672	729,657	568,444	521,544
Less bonus to customers, second half-year	130,867	182,672	332,751	577,824	526,056	..	..
Carried forward	132,968	284,036	280,660	39,848	203,601	..	..

† Free of income-tax.

The allocation to pensions is maintained at £200,000, and that to general reserve is more than doubled. A year ago £500,000 was also written off as special depreciation.

The amount available for distribution is nearly £900,000 higher than it was twelve months ago, but this amount is more than absorbed by the increase in the distribution on the ordinary shares; for although the rate is reduced from 22½ to 20 per cent., free of income-tax, the amount required is £5,990,300, as against £5,056,300. The increase is due to an expansion in the paid-up ordinary capital from £22,472,700 to £29,951,700 owing to a bonus distribution of one new share for every three held in June last. The reserve fund has been reduced by £7 millions for the same reason. On the credit side the principal changes are a reduction of £3,612,400 in stock-in-trade (which still stands at the gigantic total of over £28½ millions), and an increase of £5,059,800 in investments in Government stocks, &c., which have risen from £1,019,400 to £6,079,300. Investments in associated companies, which are given at cost, or below where depreciation has taken place, stand £38,700 higher at £6,056,300. A footnote states that in the aggregate the market value of these investments is "largely in excess of the book value." Goodwill and patent rights are unchanged at £9,422,600. Cash is £234,800 higher at £4,951,200. An analysis of the balance-sheet will be found in a later column.

Borax Consolidated.—A further recovery in profits is recorded in the accounts of Borax Consolidated, Limited, for the year ended September 30th last. A summary of the company's results for the past 12 years is given below:—

Year Ended Sept. 30.	Net Trading Profit.	Depreciation and Reserves	Debt Interest	Total Dividends Paid.	Carried Forward	Rate on Deferred Ordin'ry
	£	£	£	£	£	%
1911	293,086	27,880	65,000	194,750	75,995	13½
1912	293,598	56,732	69,000	194,750	43,297	13½
1913	361,921	78,297	74,164	207,361	45,397	15
1914	344,050	90,692	82,909	147,500	68,345	7½
1915	349,357	81,290	87,678	170,000	74,171	10
1916*	569,907	227,331	87,850	215,000	112,913	15
1917	385,527	96,267	87,850	215,000	92,703	15
1918	431,342	115,825	87,850	215,000	105,370	15
1919	442,023	103,697	87,850	252,500	103,348	15
1920	476,581	120,062	87,728	252,440	119,639	15
1921	378,966	70,825	86,392	223,750	117,638	12½
1922	417,900	101,738	86,157	223,750	123,893	12½
1923	442,753	90,825	86,240	212,500	137,081	15

* Excess profits duty, £134,470, included in these figures.

Depreciation and reserve allocations consist of £40,000 to buildings, plant, &c., £5,825 to debenture stock, redemption sinking fund, £25,000 to general reserve, £15,000 to income-tax reserve, and £5,000 to pension and grant fund. The various reserve funds now stand at £891,150. Total assets amount to £6,444,147, as compared with £6,197,386 a year ago; items in the balance-sheet will be found analysed in our usual column. The directors state that "the company's trade during the past year has, on the whole, been satisfactory in volume, notwithstanding the continued restrictions on trade caused by the unsettled state of European affairs and exchanges. Lower prices for its products have been set by the company during the past year, in accordance with its policy to faster consumption by its industrial customers. The strictest economy in the cost of production both of raw and refined material has enabled the company to make considerable concessions, which, it is hoped, will lead to increased demand as trade generally improves."

S.T.D. Motors.—A year ago on assets amounting in value to £4,022,661 the directors of S.T.D. Motors, Limited, could show a profit of only £56,017 for the year, after writing off depreciation of buildings and other charges. The report then published stated that the directors looked forward to being able to submit a satisfactory year's trading, but they regretted that this anticipation had not been realised "for reasons entirely outside their control." Assets are now valued at £4,149,343, and for the year ended September 30, 1923, a profit of £102,179 has been realised. This is certainly an improvement. An interim dividend of 3½ per cent. on the preferred ordinary shares

has been declared, which will absorb £64,043. The directors state: "Notwithstanding the profits earned, the directors have decided to limit the declaration of dividend for the present to the distribution named, having regard to the fact that the dividends on the preferred ordinary shares are cumulative." They point out that "conditions all round have improved, and there is every reason to look forward to this improvement being maintained." It is satisfactory to learn that "a statement as to the combined accounts of this company and its subsidiary companies will be laid before the meeting of shareholders, and in accordance with the promise made at the last annual general meeting the completed balance-sheets of the various subsidiary companies will be available for the inspection of shareholders." A year ago we observed in these pages that "this is a holding company, and one which we think might reasonably publish a consolidated balance-sheet showing the combined assets and liabilities of constituent companies." A complicating point about these accounts are that fixed investments in France are taken at 25.20 francs to the £. The balance-sheet will be found fully analysed in another column.

Harrods (Buenos Aires).—It may be recalled that in December we were promised details of the proposed reconstruction of Harrods (Buenos Aires), Limited. These details are now issued, and are accompanied by the report. The reconstruction of the capital follows a readjustment of the assets by £1,003,813, and it is proposed to write down the 4,014,388 ordinary £1 shares to the value of 15s each. These ordinary shares are entitled to dividends of 10 per cent., and to balance the writing down of the nominal value it is proposed to increase the rate of dividend to 13½ per cent., thus maintaining the right to a dividend of 2s per share, with 20 per cent. participation in the surplus profits. There is no modification of the rights of the preference shareholders beyond the issue of funding certificates in respect of the arrears of cumulative dividend, amounting as at August 31st last to £376,000. The certificates are to bear interest at 5 per cent. from September 1st last, which is to be cumulative and to rank in priority to future dividends on the preference shares. The certificates will be redeemed out of the profits remaining after meeting interest upon them and the preference dividend. The accounts now issued show that a previous loss by the three companies of £393,551 was turned into a profit of £130,238, in respect of the year under review. Thus it may be said that the turn of the tide has set in. Variations of the exchange has worked sad havoc with this undertaking, and shareholders will do well to support the directors in reconstruction.

Life Offices Bonuses.—The declarations of bonuses to policyholders which are coming forward have so far all shown increases in comparison with previous distributions. This, of course, specially applies to offices which carried forward their surpluses owing to the financial disturbance of the war, though the same tendency appears in the case of the annual bonus offices whose number is rapidly increasing. The Refuge Assurance Company announces a reversionary life bonus for 1923 in the ordinary branch of £1 18s per cent. as compared with £1 12s for 1922. The British General, which has made a valuation for the five years ended December 31st last, has declared a compound reversionary bonus at the rate of 32s per cent. per annum, as compared with 30s at the end of 1918. The interim bonus in respect of claims occurring before the end of the current quinquennium has been raised from 20s to 25s per cent. compound, with the exception of endowment assurances maturing, which are to be allotted 32s.

National Provident Institution.—Life assurance offices are showing that for new business last year was rather better than 1922, in spite of the continued depression in many branches of trade. The National Provident in the year ended November 20th last issued 1,878 policies assuring £1,089,503 net, as compared with 1,905 policies

assuring £1,072,343 in the previous twelve months. The net premium income was £633,684, against £624,429, and the expenses were £13 11s 3d per cent. of the premiums, against £12 17s 6d. If the special valuation costs be excluded from last year's expenses, the percentage becomes £12 16s. Mortality was favourable, the death claims paid being 70 per cent. of the amount expected, and the net rate of interest earned by the funds was £4 11s 10d per cent., the highest in the society's history. Funds increased by £75,216 to £8,059,543. It is stated that the total amount of profit divided among policyholders in respect of the valuation for the five years ended November 20, 1922, was £914,542 (32 per cent. of the premiums received).

Sea Insurance Company.—This Liverpool marine company still preserves its independent existence, and continues in these difficult days to earn a small profit. The new report shows that the underwriting account of 1922 was closed by transferring £90,000 to suspense account for unsettled claims, and that the surplus was then £26,219. Receipts from interest, less tax, made the total profit for the year £87,527. The above underwriting surplus for 1922 on a premium income of £416,775 compares favourably with the surplus of £11,758 for 1921, earned on a premium income of £501,760. The premiums taken during 1923 were £424,268, the past year's settlements £100,230, and the expenses £41,929; all three items closely resemble those for the account of 1922. Income-tax and corporation tax amounted to £13,330, against £23,420, and the dividend for the year remained unaltered at 3s a share, less tax. The reserve fund, underwriting account of 1923, and the profit and loss balance amounted on December 31st last to £937,612, in comparison with £912,948 a year before.

A Reinsurance Fusion.—The shares of the Olympic Fire and General Reinsurance Company (Limited) have been purchased by the Tariff Reinsurances (Limited). Both these companies are after-war organisations, and have from their establishment in 1919 been closely allied. The purchase consideration is three £1 shares (15s paid) in Tariff Reinsurances for five similar shares in the Olympic company. The sale is subject to the sanction of the Court under the Assurance Companies Act, 1909.

The Advance in Tin.—The tin market this week has shown remarkable strength, and at times the feeling was somewhat excited. In the late trading standard cash sold at over £282 per ton, representing a rise of close on £50 since the end of 1923. The stocks in the United Kingdom have been reduced to 2,700 tons, and sellers have been scarce. This stringency in the near positions has made the position of the bears very uncomfortable, and it has been a matter of some difficulty to close commitments on the short side. Compared with the best touched last year this commodity thus shows a further gain of over

£40 per ton, and with American buyers still interested even at the higher level the feeling is likely to remain bullish. Forward tin has been dealt in at £280, and the outlook seems favourable to producers, there being a very eager demand from consumers, both here and in the United States, where a lot of activity is noticeable in tin-plate circles. The other non-ferrous metals have all shown a good undertone, with copper firmer and more active. Lead and zinc have been strong, while antimony has further improved, foreign having worked up to about £47 per ton, with English maintained at £55 per ton.

Dock Authorities' Association.—Though established only four or five years ago, the association representing the interests of dock and harbour authorities includes practically all the ports of the United Kingdom other than those which are railway-owned. According to the report presented at the annual meeting, held in London this week, the association comprises 45 authorities, dealing with over 75 per cent. of the shipping tonnage at our ports. The railway-owned docks are not eligible for membership, there being questions on which the two classes of authority are at issue, but, except on these matters, all, it was stated at the meeting, work together. Sir Hugh Bell, chairman of the executive committee of the association, is himself a railway director, though, for the purposes of the association, he represents the Tees Conservancy Board. The report showed that the association has very closely watched the common interests of its members in Parliament, having had a large share in bringing about the shelving of the Petroleum Bill, which would have transferred to a central authority the present powers of local harbour and dock bodies.

Transvaal Gold Output.—The figures of gold output in the Transvaal during January show that a capital start has been made for 1924. The output amounted to 796,768 ounces of fine gold, as against 778,849 ounces in December, 1923, and 764,469 ounces in January, 1923. The following table shows the output for every month since 1918:—

	1918.	1919.	1920.	1921.	1922.	1923.	1924.
	Fine Oza.	Fine Oza.	Fine Oza.	Fine Oza.	Fine Oza.	Fine Oza.	Fine Oza.
January..	714,122	676,069	670,503	661,593	639,728	764,469	796,768
February..	686,789	636,798	625,330	568,137	639,728	764,469	796,768
March ..	686,811	712,379	707,038	671,135	639,728	764,469	796,768
April ..	617,000	694,944	686,979	681,382	639,728	764,469	796,768
May ..	741,357	724,925	699,661	667,778	639,728	764,469	796,768
June ..	727,225	702,379	715,967	678,480	678,697	755,304	796,768
July ..	725,119	725,497	735,088	689,555	730,635	754,306	796,768
August ..	740,310	705,699	702,083	711,526	753,490	768,371	796,768
September..	703,506	638,553	682,173	681,026	747,089	736,504	796,768
October ..	678,726	783,723	665,472	707,625	770,129	763,949	796,768
November..	658,701	677,970	633,737	704,336	784,476	780,430	796,768
December..	641,245	650,191	632,315	681,947	790,712	778,849	796,768
Total (12 months)	8,490,560	8,330,091	8,153,625	8,114,516	7,020,110	7,798,959	..

The following table shows the number of natives employed at the end of last month by members of the Witwatersrand Native Labour Association and Contractors:—

	June, 1923.	July, 1923.	Aug. 1923.	Sept. 1923.	Oct. 1923.	Nov. 1923.	Dec. 1923.	Jan., 1924.
Gold mines ..	170,865	166,443	167,600	174,406	177,047	177,674	177,779	181,659
Diamond mines ..	15,598	16,020	16,156	16,225	16,216	16,346	16,142	16,109
Diamond ..	3,063	2,893	3,107	3,134	2,911	2,997	3,239	3,482
	189,526	185,356	186,863	193,765	196,174	196,917	197,160	201,250

It will be noted the number of natives employed at the gold and diamond mines shows an increase on the month.

At the meeting of the Royal Statistical Society, on the 14th inst., Mr R. Y. Sangers will read a paper on "Foreign Trade and Shipbuilding." The meeting will be held in the hall of the Royal Society of Arts, John street, Adelphi, W.C. 2, at 5.15 p.m.

Oversea Correspondence.

UNITED STATES.—STEEL CORPORATION'S EARNINGS AND EXTRA DIVIDEND—OIL LEASE INVESTIGATION.

(FROM OUR CORRESPONDENT.)

NEW YORK, February 1.

THE declaration by the United States Steel Corporation of another extra dividend on its common stock attracted a great deal of attention. Although an extra distribution was quite generally expected, the addition of $\frac{1}{2}$ of 1 per cent., or double the amount of last October's additional dividend, came as a surprise. The holders of common shares have been very patient for many years. While stockholders in numerous other industrial corporations were enjoying much larger regular dividends, and frequently extra distributions, holders of the Steel Corporation's common shares received only 5 per cent. annually, although in fairness to the Corporation it should be mentioned that its regular dividend rate was maintained through periods of depression when net profits were not sufficient to pay the full rate, and when many other large corporations reduced their dividends, or passed them altogether. Another big surprise was furnished by the Steel Corporation's remarkably good statement of earnings for the quarter ended December 31, 1923. Net earnings for that period totalled \$49,958,980 after taxes, as compared with \$47,053,680 for the preceding quarter, and \$27,552,392 for the corresponding three months of 1922. The net earnings for the fourth quarter of last year were the largest ever reported by the Corporation for a like period except in the war years. The best previous peace-time showing was that for the quarter ended September 30, 1920, when net earnings amounted to \$48,051,540. The Corporation's income statement for the full calendar year 1923, as compiled from the quarterly reports, compares with that of 1922 as follows:—

	1922.	1923.
Net earnings.....	101,529,310	179,650,910
Depreciation, sinking fund, &c.	42,688,509	51,451,994
Net income	58,840,801	128,198,916
Interest U.S.S. bonds.....	20,107,384	19,704,645
Balance	38,733,417	108,494,271
Preference dividends	25,219,677	25,219,677
Common dividends	25,415,125	29,227,393
Surplus	11,901,385	54,517,579
Reserve for improvements ..	..	40,000,000
Surplus	11,901,385	14,517,579
Adjustments (or.)	920,038	235,189
Surplus	10,981,347	14,282,390

Elimination of the 12-hour day, according to present estimates, will increase the Steel Corporation's operating costs by about 10 per cent. annually, or \$25,000,000 approximately. The increase in costs, however, did not apply to all of the last quarter, since the change to the 8-hour day was not fully in effect during that period. Furthermore there was a decrease in costs as an offset, owing to the fact that the corporation's mills were operating nearer to capacity during the greater part of the quarter. The declaration of another and larger extra dividend on the common stock plainly indicates that the directors of the United States Steel Corporation have confidence in the business situation and outlook.

Just what will be the final outcome of the Congressional investigation into the leases of naval reserve oil lands to the Sinclair and Pan-American companies cannot be predicted. Both the Senate and the House of Representatives quickly and unanimously passed resolutions directing President Coolidge to institute proceedings to annul the leases, and to employ counsel independently of the Department of Justice to "prosecute such other actions or proceedings, civil or criminal, as may be warranted by the facts in relation to the making" of such leases. Thus far nothing has been brought out in the investigation to show conclusively that the leases were other than advan-

tageous to the Government. Their legality or illegality has not been determined, and it has not been proved that the large personal loans to various interests by parties identified with the companies which obtained the leases were made under circumstances indicating corruption. It may be well, therefore, to suspend judgment pending further developments, or until all the facts are presented.

FRANCE.—TAXATION PROPOSALS—PROFITEERING—DIRECTION OF TRADE—TAXATION RETURNS.

(FROM OUR CORRESPONDENT.)

PARIS, February 13.

THE bold effort of the Poincaré Cabinet, in spite of the proximity of the General Elections, to balance the Special Budget and restore health to the franc, by means of a ruthless cutting down of public expenditure and the imposition of heavy increased taxation, appears to be slowly but surely achieving success. It is true that the Chamber, after 16 sittings devoted to the new financial proposals, has so far consented to approve of only two of the 110 articles of which the new Finance Bill is composed; but it is announced to-night that the discussion on the proposal to increase all existing taxes by 20 per cent. is to close to-morrow, when it is intended to take a vote on this particular measure.

The discussion of the proposal to increase existing taxation by *deux décimes* brought strong criticisms from MM. André Tardieu and L. L. Klotz, two former members of M. Clemenceau's Cabinet, who may be regarded as representing such real opposition as the Poincaré Government has to count with in the Chamber. M. Tardieu, who is at all times an unsparing political critic of the present Government, although he does not always vote against it, insisted that an increase in taxation would not remedy the crisis of the franc, and that he would not vote "under the pressure of foreign stockbrokers" (in reference to the accusation that the recent renewed fall in the franc was due to a drive made against it in consequence of M. Poincaré's Ruhr policy). M. Klotz, as might be expected from his past work as Finance Minister, dealt largely with the question from the practical standpoint. He argued that there is no real relation between the fall in the franc and the rise in the cost of living, as proved (he contended) by the fact that, although the pound rose from 27 in March, 1919, to 56 in March, 1922, the highest index figure of the cost of foodstuffs was reached in December, 1920, when it stood at 392, whereas to-day it is only 372, in spite of the fact that the pound is now well over 90f. Even if taxation is doubled, he insisted, the rate of exchange will not be affected; firstly, because French foreign policy is not approved by other countries, and secondly, because of the huge floating debt. He urged that the present floating debt of ten milliards should be got rid of by conversion into a loan which should be subscribed only by French holders of foreign currency and hoarders of French gold. Instead of relying on the belief that "Germany will pay," he said, France had much better look for a remedy in the application of the resolve that "France will work."

Incidentally, M. Klotz once more alluded to the highly controversial subject of the respective status of the British and the French taxpayer. The French taxpayer, he stated, will now pay 445f per head in taxation, the British 403f, and the American 283f. Taking the franc at 50, and regarding an income of £200 as equal to one of 10,000f, and one of £400 as equivalent to 20,000f, it would be seen that out of 781,000 persons assessed in France 763,000 paid income-tax on less than 100,000f each. Taken as a whole, the small French taxpayer, with an income not exceeding 40,000f, will be called on, if the present proposals are approved, to pay in future more than his English fellow, while the larger taxpayer in France will pay at least as much as in England. For this reason the French Government would now be able to demand that Germany, as the Versailles Treaty lays down, should be made to pay as much as the heaviest taxed citizen in Europe, which was the Frenchman.

The new financial proposals have already resulted (as was predicted would be the case) in a perfect orgy of profiteering throughout the country, the prices of many

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commodities having been suddenly raised by a flat rate of 20 per cent. on the former retail quotations. The fact, were it not blatantly visible on every hand, would otherwise be incredible. Increased taxation, as experience shows, is invariably followed by a rise in the cost of living, but hitherto the French trader has taken a comparatively modest, although substantial, advantage of his opportunity. One leading Paris merchant, interviewed by one of the newspapers, expressed his astonishment that any surprise should have been occasioned by a 20 per cent. rise in retail prices, in view of the corresponding pending rise in taxation. In reply to questions, he admitted that a trader with a turnover of a million francs would pay about 20,000f in taxation of all kinds, so that under the new proposals his total taxes will be increased by about 4,000f. In the circumstances he saw nothing extraordinary in demanding an extra 200,000f from the public as the price of his wares!

Complete figures showing the comparative value of French commercial relations with the various foreign nations and the colonies and dependencies of the Republic during 1923 and 1922 are now available, and are interesting as showing the influence of the exchange situation on French foreign trade. The details are as follows (in thousands of francs):—

	Imports.		Exports.	
	1922.	1923.	1922.	1923.
Sweden	389,177	424,318	65,643	128,540
Norway	132,476	166,037	41,205	68,913
Great Britain.....	3,407,420	5,272,169	3,960,500	6,154,663
Germany.....	1,297,518	1,048,331	1,969,828	1,085,568
Holland	700,475	1,002,288	395,752	630,551
Belgian-Luxemburg Econo- mic Union	1,738,892	2,404,112	4,015,454	5,808,636
Sarre district	654,071	711,480	366,832	967,110
Switzerland	540,097	601,635	1,001,651	2,113,007
Czechoslovakia	290,526	209,327	62,587	63,672
Italy.....	803,587	1,223,758	797,090	1,181,358
Japan	349,792	607,911	518,099	907,351
Spain	406,500	208,850	100,527	176,337
United States.....	3,863,873	5,049,080	2,006,757	2,490,644
Brazil	484,041	691,303	158,412	251,938
Argentina	796,366	1,271,620	314,245	612,643
Canada	164,844	371,716	111,112	183,017
Other foreign countries ..	5,634,332	8,272,117	2,372,826	3,551,764
Total (non-French)	21,631,987	20,536,032	18,257,520	26,361,904
Algeria.....	970,203	1,225,048	1,716,319	2,068,724
Tunis	199,525	301,428	265,627	426,439
Morocco	78,732	122,063	487,801	486,217
Senegal	202,557	275,627	94,834	194,839
Madagascar, &c.	61,893	150,243	84,813	113,113
French Indo-China	199,030	331,529	267,640	415,973
Other colonies and protec- torates	586,401	666,042	214,389	364,301
Grand totals	23,930,328	32,608,012	21,378,943	30,431,510

The figures show that, while the total imports increased during 1923 by 8,677,684,000f, and the total exports by 9,052,567,000f, the imports from non-French countries increased by, in round figures, about 9,000 million francs, while the exports to similar destinations increased by only about 8,000 million francs.

Taxation returns for the month of January, which are issued to-day, show a total yield of 2,296,064,000f, of which 2,080,571,400f is to be credited to normal and permanent taxation, the balance being from exceptional sources (including just over 200 million francs from the expiring special tax on war profits). The total yield for the month from permanent sources was 300,184,000f in excess of that registered in January, 1923, and included 372,129,100f from income-tax, or 44,555,000f more than in the corresponding month of last year. The revenue from indirect taxation and State monopolies amounted to 1,786,151,000f, which was 251,208,000f in excess of Budget estimates for the month, and 274,055,000f more than in January, 1923. The outstanding feature of the

return is that the revenue from the tax on turnover, which amounted to nearly 303,500,000 for the month, amounted to no less than 72,840,000 more than expected by the Finance Minister, who budgeted that this tax during January would produce no more than in the corresponding month of last year. Registrations proved even more satisfactory, and yielded 103,316,000 more than had been expected, and showed an increase of 107,296,000 on the figures for January, 1923. The only minus figures as compared with January last year were in respect of the yield from Customs, which were over 12 million francs down, the luxury tax (664,000 down on a total yield of 870,000 for the month), sugar and saccharine (5½ million francs less than in January last year), and telephones, which were nearly a million francs down. The rise in the yield from the tax on turnover is explained, of course, by the sharp rise in commodity prices, while the continued poor value of the franc accounts for the persistent falling off in revenue from Customs duties.

GERMANY.—GOLD BANK—CURRENCY AND PRICES —FINANCES—FOREIGN TRADE IN 1923—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, February 12.

THE State elections in Thuringia and Lübeck have resulted in severe Socialist defeats, which are considered to foreshadow voting at the next election to the Reichstag. In both States the Red majorities have been wiped out. In Thuringia the ratio of all the "bourgeois" parties to the Left groups is 38 to 27. The movement is away from moderate Socialism towards Communism and Conservatism, the Communists in Thuringia winning six seats and the "bourgeois" parties twelve. In a statement to a Swedish politician, the Chancellor, Dr Marx, declared that Germany's attitude towards Reparations is essentially the same as that expressed in the Note of June, 1923, that to-day are still offered the same securities (mortgages on State and private property, and Customs), and that the Budget can be balanced and the currency stability maintained only if the Republic's economical and financial sovereignty in the Ruhr is restored. The position as regards the proposed gold bank, or banks, is as follows: The Experts Committee agreed unanimously on the main features of a gold-currency bank. As the plan must be referred to the Reparations Commission, and would presumably take some months at least to realise, the Reichsbank President, Dr Schacht, is going on with his own plan for a provisional gold credit bank. According to a Press communiqué, the experts accept Dr Schacht's plan. Later the gold-currency bank would issue its own notes in exchange for the notes of the Reichsbank, of the Rentenbank, and of the provisional gold credit bank.

The need for a stable currency usable in foreign trade, and quotable on foreign bourses, in place of the present mostly nominal quotations of paper marks, which have all the less meaning because within Germany the paper mark now plays a subordinate rôle, was shown last week by a mild exchange panic. The paper mark temporarily weakened abroad, and the home demand for foreign exchange increased so much that the Reichsbank, which for some time past had rationed only sterling and dollars, and had satisfied 100 per cent. of the demand for other currencies, was obliged to ration also these currencies severely. The crisis seems to have been got over. There was a good deal of talk of manipulation, but it seems (here the history of the spring of 1923 repeating itself, with the difference that then credit was in paper marks) that the very large Rentenmark credits granted of late to business were partly used for buying up exchange. The danger of this was pointed out by good authorities days before the crisis. For even a temporary shaking of faith in the present currency there was no reason, because

the home buying power of the Rentenmark and of the paper mark (at its now fixed depreciated value) are well maintained. That the mere issue of Rentenmarks could produce a kind of inflation was pointed out from here six weeks ago. As compared with the last paper mark days, the Rentenmark brought an enormous increase in buying power.

The increased demand for foreign exchange may also be put down partly to the more liberal import policy of late pursued; at present there are on sale everywhere expensive foreign luxuries which had not been seen by Germans for ten years. The cost of living index number on February 4th was 104 (basis 100 in 1914), against 106 a week earlier and 153.5 on November 26th. The official wholesale index number for February 5th was 113.9, against 114.8 a week earlier. The *Frankfurter Zeitung's* index number for January 31st is much higher, being (converted to a 1913 100 basis) 143.06. The municipal statistician Kuczynski puts the minimum cost of living in Berlin in January for a married couple with two children at 27.74 gold marks, against 30.85 gold marks in December, and 28.80 gold marks in 1913-14. Only 1.10 gold marks a week is allowed for rent, and this largely accounts for the cheap living cost.

The Reichsbank statement for January 23rd shows, for the third time in succession, a decline of circulation, which fell by 21,531,768 billions to 457,190,999 billions. The chief feature of the statement is the continued heavy demand for credits, which led the Reichsbank to borrow 100,000,000 Rentenmark, booked as 100 trillion paper marks from the Rentenbank. A debt to the Rentenbank thus for the first time appears among the Reichsbank's liabilities. Paper mark private discounts increased by 54 trillions to 349 trillions, Rentenmark private discounts by 102 trillions to 288 trillions. Paper mark advances declined by 6 to 134 trillions, and Rentenmark advances increased by 9 to 190 trillions. The Rentenbank's monthly statement for January 31st shows no very great change from conditions at the close of December. The full statements are:

ASSETS.			
	December 31, 1923.	January 1, 1924.	1924. "pro"
Mortgages and bonds on land and industry	3,200,000,000	..	3,200,000,000
Credits to Republic—			
Non-interest bearing	200,000,000	..	200,000,000
Interest-bearing	1,000,000,000	..	900,000,000
Credits to industry—			
Through the Reichsbank	..	..	200,000,000
Through the private note banks ..	33,995,000	..	61,970,000
Temporary credits to Reichsbank and posts	220,000,000	..	210,000,000
Cash balances, &c.	11,268,754	..	4,083,799
Office equipment	51,600	..	54,746
LIABILITIES.			
Capital	2,400,000,000	..	2,400,000,000
Reserve	800,000,000	..	800,000,000
Note circulation	1,241,999,853	..	1,374,084,422

The Republic on January 31st paid back 100 million Rentenmarks of its debt, reserving the right to borrow it again; also the posts paid back part of their debt.

The improvement in the finances continues. The third decade report for January (January 21-31st) shows revenue from taxation 174,143,696 billions, receipts from sale of gold loan 2,911,053 billions, and various administrative receipts 11,713,375 billions; total receipts 188,768,124 billions; expenditure, 199,100,205 billions; deficit, omitting the gold loan borrowing, 10,332,081 billions. Under the new system by "revenue from taxation" is meant net revenue, after deduction of the expenditure of the finance bureau. This report is very favourable, because though covering ten days only, it includes most federal salaries and salary supplements to the States and municipality for half a month. In all January the net taxation yield was 440.8 trillion paper marks, against 164.5 trillions in December; expenditure 442.7 trillions, against 499.4 trillions; daily receipts 16.9 trillions, against 7.2 trillions, and daily expenditure 17 trillions, against 21.7 trillions. Expenditure includes all payments out—for extraordinary Budget, for execution of the peace treaty, and for liquidation of the Ruhr affair. The increase in gold revenue since the currency reform is well shown by the following, it being noted that the paper

mark ceased to depreciate on November 20th, five days after the Rentenmark appeared:—

Terms.	Net Tax Receipts in Goldmarks.
October 21-31	400,000
November 1-10	480,000
11-15	1,720,000
16-20	1,200,000
21-30	6,050,000
December 1-10	14,390,000
11-20	41,050,000
21-31	87,540,000
January 1-10	96,440,000
10-20	150,180,000
21-31	174,143,696

The improvement is almost wholly due to the currency stabilisation.

The foreign trade report for December confirms the recent prophecy that exports in 1923 would prove almost to cover imports. The figures, owing to lack of data from occupied territory, are not quite perfect:—

(In 1,000's.)

	Imports.		Exports.	
	Dec.	Jan.-Dec.	Dec.	Jan.-Dec.
	Gold Mk.	Gold Mk.	Gold Mk.	Gold Mk.
Live animals	3,233	32,544	500	3,122
Food and liquors	189,621	1,203,725	10,741	131,367
Raw materials	280,938	3,106,878	37,652	267,499
Half-finished ditto	44,344	806,016	34,571	362,670
Manufactured ditto	71,002	920,391	476,384	5,199,731
Precious metals	3,207	11,839	1,267	14,765
	492,367	6,081,391	561,115	6,079,154

As compared with 1913, trade in 1923 was small. In spite of the rise since 1913 in gold prices, imports were only 54 per cent. of those of 1913, exports 59½ per cent. If 1923's trade value is calculated on the basis of the prices of 1913, imports were only 43 per cent. of that year, and exports 52½ per cent. December exports of paper, rolling mill products, machines and iron wares show an increase; exports of furniture and wood wares a decrease. Paper exports in 1923 exceeded the pre-war figure. Textiles exports were larger than in 1922.

AUSTRIA.—POLITICS—PUBLIC FINANCE—ECONOMIC POSITION—NEW TAXES—SILVER COINS— MONEY, STOCKS, AND EXCHANGE.

(FROM OUR CORRESPONDENT.)

VIENNA, February 1.

In the Austrian Social Democrat Party two movements are to be observed at present, one, led by the Lord Mayor of Vienna and former president of the Republic, Mr Seitz, favours a more moderate trend, and would be prepared to a coalition with the Christian Socialist Party and to the formation of a Coalition Cabinet, provided that the Chancellor, Dr Seipel, the *bête noire* of the Socialists, resigns. The radical element of the Socialists, however, under the leadership of Dr Bauer, reject every idea of coalition, and still hope to be able to carry through the Marxist theories. For the time being the moderate element prevail, and by the assistance which they have given to the State officials in their fight against the Government for higher salaries they have, without doubt, increased the number of the followers of their party.

The returns of public revenue for the month of October, 1923, just published, show that also in this month the deficit was below the estimate: it amounted to 63 milliard kronen, against 188 milliard kronen in the estimate. However satisfactory this reduction of the deficit may be, no improvement is to be noticed in the development of the balance of trade. In November the deficit of the balance of trade amounted to 85.2 million gold kronen, against 58.7 million gold kronen in October; in the first eleven months of 1923 this deficit amounted to 571.4 million gold kronen, i.e., 27 million gold kronen more than for the whole of 1922. Of the imports, 36 per cent. were foodstuffs, 11 per cent. fuel, 19 per cent. raw materials and semi-finished goods, 34 per cent. finished industrial products; 78 per cent. of the exports were industrial products. The essential point for the further development of the financial situation of Austria is, whether it

will be possible not only to augment the revenue by the continuous increase of rates and taxes, but also to carry through effective measures for public economy. With regard to the latter point, it is said that the opinions of the Commissioner-General, Dr Zimmermann, and of the Austrian Commissioner for Public Economy, do not harmonise, so that the latter is said to harbour the idea of resigning.

The economic conditions have taken a slight turn for the worse during last month. Unemployment and the number of insolvencies have increased. Whilst the number of unemployed in November amounted to 75,810, in December to 77,782, it grew in the beginning of January to 95,069. The reasons for this increase are the winter pause in the building activity and slow business in the metal and timber industries; the motor-car industries especially suffer from foreign competition, so that the employers are considering a reduction of wages, in spite of the accentuated increase in the cost of living. The number of insolvencies shows the following rise during the last month: July 39, August 45, September 51, October 68, November 76, and December 93; frequent insolvencies happened particularly in the textile and clothing lines. The last index again shows an increase of 4 per cent. in the cost of living, and for next month a further rise is anticipated as the prices of flour, bread, and the expenses for rent and clothing have risen. The index figure for January, 1924, as compared with the cost of living in July, 1914, is 14565, i.e., the present cost of living is 14,565 times as much as before the war. Owing to these difficult conditions, it is anticipated that employees and workmen will soon bring forward renewed claims for higher wages.

Parliament will shortly be engaged in the discussion of the new Tax Bill. Whilst the "income-tax" and "earning tax" will be lowered in order to encourage people to give more correct statements of their incomes, a new yearly "property tax" will be introduced, which the taxpayer himself will have to calculate on his capital according to his acknowledged income. This tax is, of course, nothing else but an additional charge on the income-tax. The "tax on the turnover of foreign currencies" will be considerably lowered, as this tax has caused the emigration of the greater part of the transactions in foreign currencies from the Vienna Stock Exchange to the markets of the Succession States. Influential bankers have warned the Government that the proposed increase in the "tax on stocks and shares turnover" will probably have the same pernicious effect on the Stock Exchange.

The necessary amount of silver for the proposed coinage of Austrian shillings has already been purchased in London. The coinage of the shilling, however, will probably last some months, consequently the issue of the new 100 and 200 kronen coins, which are already finished, will also be delayed.

The Vienna Stock Exchange has for some time been in a state of complete stagnation. The Austrian public, frightened by the proposed increase of the "stock and shares turnover tax," stands aloof, and speculation has a predominantly bear tendency at the moment. In addition to this, foreign capital, as well as leading Austrian capital, is at present fully engaged on the Paris market, and considerable sales of Austrian securities have taken place on the part of foreign shareholders. These sales have also caused a noticeable reduction in the National Bank's holdings in foreign currencies, which reduction amounted in the second week of January to 220 milliard kronen, and

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is estimated to have been 152-160 milliard kronen in the third week. Money was plentiful during the whole month, and was offered at rates varying between $\frac{1}{4}$ to $\frac{1}{2}$ per cent. per week. Foreign exchanges showed but little fluctuation during the last month. The pound fell gradually, in accordance with its fluctuation on the New York market.

RUSSIA.—STATE INDUSTRIES—FOREIGN TRADE—CONCESSIONS—STATE FINANCE.

(FROM OUR CORRESPONDENT.)

Moscow, February 2.

DURING December and January considerable attention has been focussed on the question of the restoration of agriculture. A decree of January 12th by the Central Executive Committee and the Council of Peoples' Commissars establishes the sale of agricultural machines and implements by State enterprises to the peasants at pre-war prices, the tchervonetz rouble being taken as equivalent to the pre-war rouble. The Finance Commissariat will assign a special sum of 3 million tchervonetz roubles to the State Bank for furnishing one to five-year credits to the peasants to facilitate the purchase of the machines and implements and to cover the loss incurred by the State factories in selling below cost price. During the past year the high prices of agricultural machines produced in Russia have risked a complete stoppage of further production. The necessity of placing manufactured goods on the market at a price at which purchasers can be found has obliged the Government to study more deeply the question of the rise in prices of industrial products in relation to the purchasing capacity of the population. Mr Rykov, who will probably succeed Lenin as President of the Council of Peoples' Commissars, in his reports sees the only issue to this precarious situation in a systematic lowering of prices which would give the possibility of a regular sale of manufactured goods, particularly to the villages, which should take 20 times as much as the towns, whereas as Mr Groman, of the Gosplan, points out, at present the towns are consuming approximately the same amount as the villages. This, however, again raised the whole question of the nationalisation of industries and credit referred to in the *Economist* of December 1st. However, there are obvious wastages which might at once be checked, as is stated in the draft decree of January 16th of the Council of National Economy, the consumption of fuel in the State industries is twice as great as before the war, the number of workers is excessive, e.g., to produce 1 pood of cotton goods 2.14 man days were necessary before the war, whereas now the comparative figure is 3.20, and the supplementary expenses have risen to an absurd height, e.g., in respect of 1 barrel of cement, pre-war 1 rouble 16 kopecks; now 2 roubles 45 kopecks, &c.

During the year ending September 30, 1923, 99,123,476 poods (1,650,000 tons) of grain, &c., were exported from Russia to the following countries:—

	Poods.		Poods.
Germany	29,218,495	England	2,029,843
Holland	17,703,701	Italy	5,801,129
France	11,206,073	Greece	1,116,326
Finland	6,211,025	Estonia	1,359,159
Denmark	6,180,821	Latvia	2,856,903
Turkey	5,687,435	Belgium	3,507,004
Norway	4,664,703	Poland	21,000
Sweden	1,559,859		

The Customs Authorities have recently published calculations in regard to imports and exports during 1922-23, from which it appears that, in thousands of roubles at pre-war prices, imports in 1922-23 were 147,892, against 1,144,396 in 1913, and exports 133,241, against 1,232,752. Of this 50,434,624 poods were rye and 23,690,925 wheat.

The resources from which foreign trade was financed during 1922-23 were as follows:—

	Million Gold Rbls.
1. Provided by various organisations engaged in foreign trade (including co-operative organisation, 15 millions; State trusts, 30 millions; State organisations for development of raw materials, 15 millions)	150
2. Advances from State budget	87
3. Bank credits	145
4. Other credits	76
Total	458

Among the concessions (excluding mixed companies) ratified since September 1st last, the following are the most important:—(1) Smith concession to an American group for exploiting gold-bearing land in the basin of the Amour and the Kharga, tributary of the Selenga. Term, 24 years. The concession holder is to pay the Government on the basis of the number of hectares worked and 5 to 8 per cent. of the gold produced. (2) Germano-Russian Agricultural Society. Concession of 25,000 desiatines, formerly Kobsari and Pchenitchnoe properties, situated at Iershov on the Riazan-Oural Railway. The agreement was not concluded direct with the Soviet Government, but is more truly a sub-concession for 36 years taken over by the German Volga Bank at Petrovsk, which obtained in June last an agricultural concession of 110,000 hectares. In the first two years 14.5 per cent., the following two years 17.5 per cent., and from the fifth year 19.5 per cent. of the gross receipts must be paid to the German Volga Bank. (3) Italo-Belgian Limited Company, for exploiting for 30 years naphtha, natural gas and ozokerite in the Chirakh steppes (Sighnakh district). The company have to deposit a guarantee with the Government for the fulfilment of the agreement. (4) Benz and Wirt Company, for trade with the East, and for taking over for 24 years a factory for colours in Petrograd, formerly the property of the company. The company binds itself to being the production of colours and lithographic ink, &c., up to 35,000 poods within three years. Machinery for the work may be imported free of customs dues, provided machinery on the same conditions cannot be obtained in the S.S.S.R. A yearly rent of 15,000 gold roubles is to be paid to the Government for rent of factory, also 10 per cent. of the production. The number of foreign experts and workmen is to be limited to 10 per cent. of the total workmen employed. (5) The Polish Company Raabe of Warsaw have taken over for 25 years a nail factory at Neretcha, in the Kostroma Government. The Government reserves the right of repurchase within 18 years.

The Otto Wolf concession (German-Russian Trading Company) referred to in the *Economist* of December 23rd after working for one year has been annulled by Mr Wolf on account of difficulties between the Government and the company.

Passing to the financial policy of the Government, Mr Sokolnikov stated on January 15th that of the 1923-24 budget total of 1,750 million tchervonetz roubles, 356,800,000 roubles will be covered partly by credit operations and partly by paper emission which is not expected to exceed 180 million roubles as compared with 399 millions in 1922-23. The revenue in kind is expected not to exceed 3.2 per cent. of the budget as compared with 10 per cent. in the previous year. The revenues from State enterprises which in 1922-23 amounted to 476,810,000 tchervonetz roubles, is anticipated in 1923-24 to reach 803 million roubles. Subsidies to industry are expected to fall from 400 million tchervonetz roubles in 1922-23 to 69 millions in this financial year. The Railway Commissariat received last year a subsidy of 151 million tchervonetz roubles; it is hoped to reduce this figure to 34 millions. Assistance to agriculture this year to the extent of 72 million tchervonetz roubles is estimated.

BOOKS RECEIVED.

Insurance for All and Everything. By Sir William Beveridge, K.C.B. "The New Way" Series. Daily News, Limited, Bouverie street, London. 6d.

Federal Reserve Notes. By Henry Rawie. Revised Edition. (New York City), 1730 Broadway.

State Socialism after the War. By Thomas J. Hughes. Second Revised Edition. (London) John Bale, Sons, and Danielsson. 4s net.

Nigerian Tin Mining Handbook. Publishers, Technical Book Shop, 724 Salisbury House, London, E.C. 2, or Walter R. Skinner, 15 Dowgate hill, London, E.C. 4. Price, 2s net, or 2s 3d, post free.

This useful handbook has just been published. It contains particulars of the principal mining companies operating or interested in Northern Nigeria.

(Reviews of Books on page 387.)

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THE PAST YEAR.

THE following pages, in which the story of 1923 in a great variety of trades and industries is reviewed in detail, will find abundant evidence that the past year was one of definite progress in the economic sphere. This improvement has been achieved in spite of the disappointment in the hope, current when the year began, of a clearing up in the field of European politics. The year was only a few days old when the Paris Conference broke up, Mr Bonar Law and M. Poincaré agreed to differ, and France and Belgium proceeded to put into execution their plans for occupying the Ruhr—an action which has in no small measure dominated the course of economic, as well as of political development. At home the year falls definitely into three periods. The occupation of the Ruhr produced a temporary expectation of higher prices and stimulated certain special trades in this country. This, together with increased American prosperity, resulted in a steady improvement in British trade for the first four months of the year. In May, June, and July there was, however, a setback; the harmful effects of the dislocation in Europe began to make themselves felt, and the checking of the upward movement in America, together with uncertainty in India and the Far East, produced a halt. In August, however, the forward movement was resumed, production and employment steadily improved, until at the end of the year they reached the best point of the last three years. Turning our eyes abroad we find the United States of America exceptional in that they experienced a full flood of prosperity, production in that country being greater than at any time in their history. Canada has enjoyed a good time, though by no means to the same extent. The situation in Australia has steadily improved, and recovery at the end of the year is marked in India, South Africa, and even in South America. Europe received a very serious setback through the occupation of the Ruhr and the gradual strangling of German economic life, but as the year has gone on the world has shown a great power of adapting itself even to the most abnormal conditions, and outside Germany the last half of the year has seen some recovery in most countries. The most outstanding and significant features of the year in Europe are the slow

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but definite re-entry of Russia into the world's trade, assisted by a greatly improved harvest; and the success of the League of Nations experiment in Austria in stopping the rot in that country, and in producing a feeling of confidence, justified by experience, that international co-operation is capable of achieving great results in reconstruction. This impression is made the more likely by the adoption just after the close of the year of a not dissimilar scheme for the rehabilitation of Hungary.

Measured in unemployment, the actual progress of the year can be seen in a large absorption into occupation of workers, for the unemployed total, which was 1,408,000 when 1923 began, had fallen to 1,174,000 at the close. Furthermore, the Trade Union percentage of unemployed members, which at the beginning of the year was 14 per cent., had at the close fallen below 10 per cent. for the first time since the early part of 1921. In the volume of our import and export trade there was, according to the calculations of the Board of Trade, an improvement of between 11 and 12 per cent., this being largely due to the increased export of coal. Coal output, which received the greatest stimulus from the occupation of the Ruhr, rose to 280 millions, which is practically at pre-war level, and compares with 250 millions in 1922. Pig-iron output, though not so good as before the war, reached 7½ million tons, compared with less than 5 millions in the previous year, while steel output amounted to 8 million tons, compared with 6 millions in 1922. This figure is substantially better than before the war, though not so good as during the war. Building has steadily improved, thanks to lower prices, and at the end of the year the industry was faced with the problem of an inadequate supply of skilled labour. The textiles trades, particularly cotton, remained in a depressed condition, and though Lancashire reported a little more business towards the end of the year, the financial position of many firms still gives rise to anxiety. The wool trade during the previous years of depression has perhaps been less affected than other industries, but it began to suffer in the spring. The depression in shipbuilding, which is in perhaps a worse condition than any other trade, was exaggerated during the summer by a long-drawn-out dispute with the boiler makers, so that the yards were at a standstill. A certain amount of work, accumulating in the meantime, has produced a little revival even in this industry. It is only honest to say that hopes in this direction are not very high, and cannot be until shipping, which is so much in excess of the world's requirements, is in a better condition. Freight rates have been back somewhere near the pre-war level through most of the year. It is only in the last three months that there has been some small rise as a result of the slow expansion of the world's overseas trade, and a special demand for tonnage in the Pacific, which has arisen in consequence of the disastrous earthquake and fire which destroyed Tokyo and Yokohama in September. The volume of general merchandise carried on the railways of the country and the number of unemployed all confirm the tendency of affairs in the three periods to which we have referred. Prices end the year slightly higher than at the beginning, having dropped to a minimum in July. With the check to the fall in prices came also a check to the long process of wage reductions.

A feature of the business expansion has been that it has been steady and gradual, unaccompanied by inflation or any of the violent attributes of a boom, which lead to inevitable trouble later on. Had there been a boom sufficient to involve a shortage of industrial capital, gilt-edged securities would have fallen, and those with variable dividends have risen. As it was, the two moved together, reaching a peak in April, then falling away in the summer, and enjoying a recovery in the latter part of the year, which, however, was disturbed by the General Election and its results. The course of events shows that money has not been taken from the Stock Exchange, but that prices seem to have been carried up or down mainly on psychological considerations. The year in the money market has been free from great excitement, and only one important

incident stands out—namely, the raising of the Bank rate from 3 to 4 per cent. in July. This was accompanied by a similar movement in the market rates and in the rate of interest on Treasury Bills, but it had little effect upon industry. However, it gave rise to considerable discussion in regard to monetary policy, the outcome of which has been the forceful expression of opinion in several quarters that the Bank should not pursue deflation for the purpose of getting back to par with the dollar exchange while industry remains so far below normal. The distinction, however, between a policy of stabilising prices and one of inflation has not been altogether understood, and some indiscreet words of a Cabinet Minister led to the fear that Great Britain was going to pursue an inflationist policy. This view, though denied by the Government, together with the announcement that the Labour Party still stood for a Capital Levy, had some effect in frightening foreign investors in Great Britain, caused some transfer of capital, and contributed to a very considerable fall in the dollar exchange.

As regards public finance, the year was by no means unsatisfactory, considering the difficulties of the period. The rapid flow of revenue in the early months put the Chancellor of the Exchequer in possession of a surplus of £100 millions, which, as it accrued, was devoted to paying off debt, over and above the satisfaction of the statutory sinking fund. The regular payment of our debt to America has begun, and a statutory Sinking Fund, which next year will be £50 millions, has been instituted. This year, in spite of concession on the beer duty, a further reduction of 6d in the income-tax, and remission in respect of the corporation tax, there is reason to think that there will be an appreciable surplus from the Budget, which will cover the consequential fall in next year's revenue resulting from concessions made last April by Mr Baldwin. Everything, however, depends on the plans for the first Labour Budget, which the new Chancellor, Mr Philip Snowden, has not yet divulged. A study of the facts of British public finance suggests that there is nothing wrong with British credit.

The year 1924 has opened with strong hope of continued progress—a hope enunciated by the leading bankers in their annual speeches. Its fulfilment would be greatly assisted if the expert committee now investigating the problems of German finance and reparations were able to take Europe a real step nearer the solution of her troubles. On the other hand, it may be gravely obstructed if the short-lived railway strike is to be followed by other and more serious national hold-ups. But given an absence of strikes, and a brightening in the European position, 1924 should hold in store a better economic experience than its predecessor.

OVERSEAS TRADE.

The Board of Trade returns show that the total turnover of British merchandise trade in 1923 was £1,984 millions, which compares with £1,828 millions in 1922. The figure is also higher than that for 1921, namely, £1,897 millions; but 1920, the year of booming trade and high prices, remains the peak year with its total of £3,490 millions. But in making these comparisons it must be remembered that they are not exact, because, in April last, the Irish Free State returns were separated from ours. The summary for last year's value figures for imports, exports, and re-exports compares with 1922 as follows:—

	Calendar Year.		Increase in 1923.	
	1922.	1923.		
Imports	1,003,098,899	1,098,015,585	+ 94,916,686	+ 9.5
British exports ..	719,507,410	767,328,656	+ 47,821,246	+ 6.6
Re-exports	103,694,670	118,572,694	+ 14,878,024	+ 14.4
Total exports	823,202,080	885,901,350	+ 62,699,270	+ 7.6
Excess of imports over total exports	179,896,819	212,114,235	+ 32,217,416	+ 18.0

These figures refer to merchandise only, the bullion and specie figures being as follows:—

	Gold.		Silver.	
	Imports.	Exports.	Imports.	Exports.
1921	49,676,047	59,348,158	10,264,443	12,045,422
1922	34,542,167	44,835,292	10,099,890	13,235,269
1923	43,986,655	57,434,355	9,611,055	11,687,714

The year saw a rise in the total of our import excess on the merchandise figures, from £179.9 millions to £212.1 millions, or £17.6 millions per month, which compares with about £111 millions per month before the war. How the merchandise trade balance has moved in recent years is shown below:—

	Excess of Imports.		Excess of Exports.	
	Mlns. of £	Mlns. of £	Mlns. of £	Mlns. of £
1913	133.9	1919	662.8	
1914	171.7	1920	375.4	
1915	367.9	1921	275.2	
1916	344.6	1922	179.9	
1917	467.4	1923	212.1	
1918	783.8			

An estimate recently published by the Board of Trade gives Great Britain's real trade balance for 1923, after allowing for invisible exports, as £97 millions, as compared with £155 millions in 1922.

The following are figures of the quantities of exports of leading British manufactures in 1923, as compared with the previous three years:—

	EXPORTS.			
	Quantity (000's omitted).			
	1920.	1921.	1922.	1923.
Coal	24,932	24,661	64,198	79,449
Pig-iron and ferro-alloys ..	579	136	794	894
Railway material	311	340	480	493
Total of iron and steel and manufactures thereof ..	3,251	1,697	3,401	4,319
Textile machinery	63	157	155	139
Total machinery	462	506	403	432
Cotton yarns	147,432	145,895	201,221	145,019
Cotton piece-goods	4,435,405	2,902,289	4,181,176	4,141,303
Wool tops	238	347	416	389
Woolen tissues	187,233	76,556	121,489	148,641
Worsted tissues	77,355	40,814	62,458	62,948
Linen piece-goods	93,045	39,962	77,421	89,672
Boots and shoes	819	313	492	796
Leather	271	228	232	260
Paper and cardboard	2,350	1,463	2,455	4,348
Locomotives	43	47	32	35
Motor cars and chassis	8	4	3	4

The list as a whole is striking. Perhaps the further expansion of coal exports attracts notice first, last year's high figure having been easily surpassed. The exports of 79,449,000 tons in 1923 compare with 73,400,000 tons in 1913. There is little need to stress what is perhaps the principal cause of the expansion over 1922's figures. The Ruhr expedition has also affected the development in the next three items in the list. In all these, however, as consideration of the details of the destinations of the exports in the official returns shows, there is reason to believe that there have been increases not due to political events. The figures for coal do not include bunker coal, under which head the total for 1923 was 18,158,188 tons, as against 18,259,027 tons in 1922. While the iron and steel manufactures total in 1922 exceeded that of 1920, that of 1923, as will be seen from the table, is above the previous year's. This is one of the most encouraging features of the table.

HOME TRADE.

The most encouraging feature of the year was a slow but steady increase in the volume of business transacted in most trades, with a few exceptions, despite such discouraging factors as unsettled political conditions in Europe, high foreign tariffs, and the impoverishment of many overseas customers. This improvement was marked in the early spring, and after a slight halt during the summer months, a further advance was made which continued to the end of the year. Coal production exceeded the "record" of 1913; the recovery in pig-iron production lagged behind that of steel, the total output of which was larger than in the pre-war year. The cotton trade remained in a very depressed condition, and in some sections of the woollen and worsted industries the prosperity of 1922 was not maintained. Shipbuilding remained comparatively

lifeless, and shipping freights were at one time scarcely higher than in 1913, though a certain amount of recovery was registered by the end of the year. Given freedom from further political complications, however, there seems no reason to fear that the general progress made in 1923 will not be continued in 1924.

Our statistics of the profits of industrial companies, though of necessity a little behindhand, show unmistakably that profits have been on the mend, as may be seen from the following table:—

NET PROFITS (after PAYMENT OF DEBENTURE INTEREST, &c.).					
	No. of Cos.	Reports Published in		Increase.	
		1922.	1923.	£	%
First quarter	405	28,482,993	40,276,870	11,793,877	41.4
Second quarter	425	31,874,787	38,945,778	7,070,991	22.1
Third quarter	209	10,469,118	17,317,482	6,848,364	65.2
Fourth quarter	312	23,382,776	26,045,934	2,663,158	11.4
	1,351	94,216,674	122,584,064	28,367,390	30.6

At this time last year 1,371 companies showed a net decline in aggregate net profits of 29 per cent. Moreover, the quarterly increases of 1923, it will be seen, follow heavy declines in the corresponding periods of the previous year:—

	1918.	1919.	1920.	1921.	1922.	1923.
First quarter	-10	+10.4	+26.9	+3.5	-4.4	+41.4
Second quarter	-5.8	-5.1	+37.8	-8.4	-33.7	+22.1
Third quarter	+12.3	-3.4	+41.9	-3.4	-23.5	+65.2
Fourth quarter	+4.7	+10.5	+27.1	-52.9	+3.9	+11.4

The percentage earned on the total ordinary and preference capital shows a distinct improvement, while the average rate of dividend on ordinary shares has recovered, though not to the level of 1921 and the preceding few years:—

	PROFITS ON CAPITAL.			
	Return on Preference & Dividend on Ordinary Capital.	Preference Capital.	Dividend on Ordinary Capital.	%
1909	7.4	4.3	6.3	6.3
1910	8.2	4.5	7.0	7.0
1911	9.9	4.9	8.5	8.5
1912	10.2	5.2	8.5	8.5
1913	11.7	5.1	10.2	10.2
1914	10.9	5.0	10.0	10.0
1915	10.2	4.8	9.0	9.0
1916	13.2	5.1	11.0	11.0
1917	13.3	5.1	10.3	10.3
1918	13.6	5.1	11.1	11.1
1919	13.0	5.3	10.7	10.7
1920	15.2	5.0	12.6	12.6
1921	10.3	5.2	10.2	10.2
1922	7.0	5.2	8.4	8.4
1923	9.8	5.3	9.3	9.3

The average rate of ordinary dividend, though still below the war and post-war years, compares favourably with the average pre-war figure.

The total figures of the Bankers' Clearings cannot be taken as a definite index of the state of trade, since the "town" clearing figures, which represent a preponderating proportion of the total, are affected by so many large financial transactions, such as Stock Exchange dealings and Government operations in connection with the unfunded debt. The "metropolitan" clearing is practically free from these disturbing influences, while the country cheque clearing indicates fairly accurately the course of the general trade of England and Wales. As will be seen from the following table, there were in 1923 declines in the town and metropolitan clearings, but an increase in the country cheque clearing:—

	1922.	1923.	Increase or Decrease.
Town clearing	32,720,325,000	32,270,372,000	- 510,000,000
Metropolitan clearing ..	1,574,667,000	1,546,568,000	- 28,099,000
Country cheque clear.	2,806,165,000	2,810,654,000	+ 4,489,000
Grand total	37,101,157,000	36,627,594,000	- 553,869,000

An analysis of the figures, quarter by quarter, shows that there were decreases in the grand total in the first three quarters of 3.5, 1.7, and 5.4 per cent. respectively, and an increase of 5.2 per cent. in the final quarter. The increase shown in the last three months, coupled with other developments, such as the increase in bank deposits, in commodity prices, and in the volume of

currency notes and commercial bills in circulation, confirms the impression that trade is very definitely on the mend. Too much importance, however, cannot be attached to the bankers' clearing figures in this respect, for out of an increase of £467 millions in the total in the last quarter the town clearing accounts for £456 millions. This is attributable partly to new issues, which call for a considerable turnover of money, especially when they are largely oversubscribed. Four of the ten provincial clearings show increases in comparison with 1922, namely, Birmingham, 3.4 per cent.; Liverpool, 4 per cent.; Newcastle-on-Tyne, 9.6 per cent.; and Sheffield, 19.1 per cent. Decreases are shown by Bristol, 15.4 per cent.; Hull, 0.1 per cent.; Leeds, 4.7 per cent.; Leicester, 7.5 per cent.; Manchester, 1.8 per cent.; and Nottingham, 6.2 per cent. Only four centres show declines in the last quarter, the largest of which are Bristol, with a drop of 15.4 per cent., and Leicester, with a decline of 7.9 per cent.

The tonnage of goods and minerals carried by the railways of Great Britain reflect an expansion of internal trade. They are only available for the first ten months, but these show a substantial increase over the corresponding period of 1922, the largest advance being recorded for other minerals, which, of course, include iron and steel:—

FIRST TEN MONTHS.

	1922.	1923.	Increase.
Tons.	Tons.	Tons.	%
General merchandise.....	48,325,139	52,185,145	+ 3,860,006 + 8.0
Coal, coke, and patent fuel	172,315,107	184,404,184	+ 12,089,077 + 7.0
Other minerals	42,048,594	52,766,305	+ 10,717,711 + 25.5
Total.....	262,688,840	289,355,634	+ 26,666,794 + 10.2

The total tonnage carried in 1923 was over 366 million tons, or at the rate of over 300,000,000 tons for ten months. This is very little more than the figure recorded for 1923, in spite of the fact that a good deal of short-distance traffic has been transferred from the rail to the road.

COMMODITY PRICES.

Although during the greater part of the year 1923 commodity prices were fairly stable, there was a sharp upward movement towards the close in certain articles, which resulted in a net upward movement of 316 points in our Index Number on the year. This compares with a net decline of 93 points in 1922. The lowest point of the year was reached at the end of July, the figure then recorded being slightly below the lowest point reached in 1922. The widest fluctuation in 1923 was 398 points, which compares with 207 points in 1922. In 1921 the difference between the highest and lowest points was 1,260, in 1920, 2,428, and in 1919, 1,656. The following table shows the year's movements in each of the five groups:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Tin, Bor., Oils, &c.).	Total.	%
Basis (avg. 1901-5)	500	300	500	400	500	2200	100.0
End July, 1914..	879	333	616	484	553	2665	116.6
" Dec., 1915..	897	446	731	711	848	3634	165.1
" Dec., 1917..	1286	686	1684	839	1348	5846	265.8
" Nov., 1918..	1289	782	1848	808	1389	6312	286.6
" Mar., 1920..	1508	914	2974	1246	1709	8352	379.6
" Dec., 1921..	1344	805	1284	1216	1275	5924	269.3
" Dec., 1922..	921	636	1106	762	951	4357	198.0
" Sept., 1922..	1000	676	1135	690	887	4389	199.5
" Dec., 1922..	873	682	1116	699	818	4189	190.4
" Jan., 1923..	861	706	1184	705	807	4264	193.8
" Feb., 1923..	847	746	1201	797	810	4402	200.1
" Mar., 1923..	824	752	1178	840	797	4392	199.6
" Apr., 1923..	858	752	1199	834	797	4440	201.8
" May, 1923..	869	772	1166	818	785	4412	200.3
" June, 1923..	815	773	1177	773	761	4301	195.5
" July, 1923..	819	756	1115	744	746	4182	190.1
" Aug., 1923..	828	762	1119	734	744	4188	190.4
" Sept., 1923..	823	782	1214	732	745	4297	195.3
" Oct., 1923..	823	777	1220	756	743	4320	196.4
" Nov., 1923..	831	797	1393	770	748	4541	205.4
" Dec., 1923..	863	815	1382	774	755	4580	208.2

Two groups contribute very largely to the year's increase in the total, other foodstuffs rising by 109½ points and textiles by 198 points. Sugar was the principal factor in the rise in the first, and cotton and cotton yarn and cloth in the second. Minerals increased by 69 points, but steel rails were unchanged on balance, and copper was slightly lower. In primary foodstuffs movements were mostly downward, rice and potatoes being prominent exceptions. In the miscellaneous group, which fell by 52½ points, the chief declines were in leather, petroleum, and indigo.

At the end of the year prices were 78.6 per cent. above the pre-war figure, which compares with an increase of 66.2 per cent. at the end of 1922 and the high record of 225.6 per cent. at the end of March, 1920. At the end of July of last year, the lowest point, the increase was 63.1 per cent. The table below, in which the indices for the end of July, 1914, are taken as 100, shows the movements in each group:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914 ..	100	100	100	100	100	100.0
Dec., 1918 ..	226	222	293	186	241	237.5
Dec., 1919 ..	249	250	396	247	263	287.1
Mar., 1920 ..	261	260	484	269	309	325.6
Dec., 1921 ..	233	229	209	261	230	230.9
Dec., 1922 ..	159	180	180	164	168	169.6
June, 1922 ..	174	192	184	149	160	171.1
Sept., 1922 ..	151	194	181	150	148	163.3
Dec., 1922 ..	149	200	193	152	146	166.2
Mar., 1923 ..	143	214	191	181	144	171.2
June, 1923 ..	141	220	191	167	137	167.7
July, 1923 ..	141	215	181	160	135	163.1
August, 1923 ..	143	216	182	158	134	163.3
Sept., 1923 ..	142	222	197	158	134	167.6
Oct., 1923 ..	142	220	198	163	134	168.4
Nov., 1923 ..	144	226	226	166	135	177.0
Dec., 1923 ..	148	231	225	167	136	178.6

Other foodstuffs and textiles at the end of the year were still substantially above the average, while miscellaneous commodities were very low, being only 36 per cent. above the pre-war figure.

Retail prices close the year at much the same level at which they began, as will be seen from the following table giving the Ministry of Labour's cost-of-living figure month by month:—

AVERAGE PERCENTAGE INCREASE since JULY, 1914.—All items.
(Food, Rent, Clothing, Fuel, and Light, &c.)

Month (beginning of)	1918.	1919.	1920.	1921.	1922.	1923.
January	85.90	120	125	165	92	78
February	90	120	130	151	88	77
March	90	115	130	141	86	78
April	90.95	110	132	133	82	74
May	95.100	105	141	128	81	70
June	100	105	150	119	80	69
July	100.105	105.110	152	119	84	69
August	110	115	155	122	81	71
September	110	115	161	120	79	73
October	115.120	120	164	110	78	75
November	120.125	125	176	103	80	75
December	120	125	169	99	80	77

The figure for the beginning of January, 1924, was unchanged at 77.

At the beginning of 1923, railway rates were, on the average, 75 per cent. above the pre-war level, except for coal, and iron and steel products, which were 60 per cent., and iron ore and limestone for blast furnaces and steel works, which were 40 per cent. above. These percentages are somewhat understated by reason of the flat rate additions, varying from 2d per ton to a maximum of 6d. On May 1st, agricultural rates were reduced to 50 per cent. above pre-war, and rates on other commodities which were above 60 per cent. were reduced to this figure. On August 7th, a further general reduction took place to 50 per cent., so that railway rates for traffic generally, apart from the incidence of the flat rate, are now at 50 per cent. above those prevailing before the war, except in the case of

iron ore and limestone for blast furnaces and steel works.

The flat rate addition bears particularly hardly on those industries whose average length of haul is short, and the Mining Association have therefore applied to the Rates Tribunal for its total abolition in the case of fuel, on the grounds that the imposition of the flat rate was a war-time innovation which is no longer justified. It is understood that the National Federation of Iron and Steel Manufacturers has filed a similar application in the case of iron and steel. The reduction to 50 per cent. on merchandise train traffic now also applies to articles sent by passenger train.

Before January 1, 1923, dock dues were still at 100 per cent. or more above 1914; on that rate, however, all railway-owned docks reduced their charges to 75 per cent. above, and on July 1st dock dues were further reduced to 60 per cent. above. These reductions were due to the united efforts of traders through the Traders (Dock Charges) Co-ordinating Committee, and a number of non-railway docks were naturally forced to follow the railway companies. The one outstanding case where dock charges are still over 100 per cent. above 1914 is the Manchester Ship Canal. The rates on inland water-borne traffic were also reduced during the year to 50 per cent. or 60 per cent. above the pre-war figure.

Shipping freights in 1923 were largely unsatisfactory to owners. After remaining fairly steady at about 13 to 15 per cent. above the 1913 level in the first five months of the year, our freight index number fell rapidly during the summer, and in August was down practically to the pre-war level. Thereafter a recovery took place, in which the good harvests of the year in almost every country played an important part, and by December the index had risen to nearly 12 per cent. above 1913. The mean figure for the twelve months, however, showed a marked decline at 10 per cent. over 1913, as compared with 22 per cent. in 1922 and 58 per cent. in 1921.

MONEY MARKET.

The history of the money market in 1923 was uneventful. Bank rate was changed only once, on July 5th, when it was raised from 3 to 4 per cent. This movement was dictated less by considerations of international trade, formerly the main factor in Bank rate, than by the suspicion that easy money here was being used to build up an unhealthy Stock Exchange speculative position both on domestic and foreign account, and the fall in securities which followed the movement rather suggested confirmation of the suspicion and justification for the movement. Our level of money rates was, of course, below that of the United States, where the New York Federal Reserve rate had been raised to 4½ per cent. in February; but, apart from this incident, the home money position has remained remarkably oblivious to fluctuations of foreign Bank rates, a circumstance which to some extent goes to support the contention that under inconvertible paper currencies the influence of Bank rate does not extend much beyond frontiers, whatever may be their uses internally. The rise in our own Bank rate in July naturally affected the price of money here, but not its supply or volume. The supply has still been dependent upon Government finances, the position at any particular moment being determined by the extent to which Government disbursements have been offset by sales of Treasury Bills, or the collection of Government revenues liberated by repayment of Treasury Bills or their purchase in the market.

Neither the banks nor the discount houses were able to make such good profits as in 1922, the latter having been able to do particularly well in 1922 from operations in short-dated securities. Dividends, however, were maintained at the 1922 rates, allocations to reserve funds being on a smaller scale, thanks to the

appreciation in security values. Deposits, which were declining during the first part of the year, show practically no change on balance, there having been a substantial increase in the last quarter. The following table gives the weekly average balances for the last month of each quarter for the nine English clearing banks, and also the balance-sheet figures at the end of 1922 and 1923:—

(Million £'s.)						
	Dec. 31, 1922.	Weekly Averages.				Dec. 31, 1923.
		March, 1923.	June, 1923.	Sept. 1923.	Dec., 1923.	
Capital and reserves.....	1161	1162	1163	1163	1163	1164
Acceptances	730	793	738	737	991	991
Deposits (incl. undiv. profits, &c.)	1,687.8	1,596.4	1,637.7	1,609.6	1,673.1	1,684.6
Total liabilities	1,876.9	1,792.5	1,827.8	1,798.6	1,885.5	1,900.1
Coins, notes, balance at bank, and cheques in course of collection	279.9	232.3	240.7	230.2	254.1	280.8
Money at call	1075	1044	1133	1095	1113	1098
Investments	383.7	357.4	355.6	361.2	363.8	364.2
Discounts	278.9	250	270.2	260.4	276.3	264.4
Loans and advances	728.7	741.6	746.9	744.3	756.5	762.4
Cover for accept., premises, &c.	98.8	106.6	100.6	100.0	123.4	125.7
Total assets	1,876.9	1,792.5	1,827.8	1,798.6	1,885.5	1,900.1

The increase in acceptances gives an indication of some increase in overseas trade, while the expansion in advances must reflect some increase in the demand for trade accommodation.

We append our usual tables of average money rates:—

	1914.	1915.	1916.	1917.	1918.	1919.	1920.	1921.	1922.	1923.
Changes Bank rate	eight	none	one	two	none	one	one	four	four	one
Highest Bank rate	10	5	5	5	5	5	5	5	5	4
Lowest Bank rate	3	5	5	5	5	5	5	5	5	3
Average Bank rate	4/0/8	5	5	5/3/0	5	5/3/0	6/1/4	6/2/4	3/13/10	3/9/9
Avg. market rate—best 3 mths' bills	2/17/0	3/14/0	5/4/0	4/16/3	3/11/9	3/9/7	6/7/11	5/4/3	2/13/0	2/14/1
Market below bank	1/3/2	1/5/1	5/0	6/10	1/8/3	1/13/5	6/5	1/8/1	1/0/10	1/5/8

BANK RATES per CENT., 1923.

Cities.	End of Months of 1923.											
	Jan.	Feb.	March.	April.	May.	June.	July.	Aug.	Sept.	Oct.	Nov.	Dec.
London..... Bank rate	3	3	3	3	3	3	3	3	3	3	3	3
Paris..... Bank rate	12	12	12	12	12	12	12	12	12	12	12	12
Berlin..... Bank rate	4	4	4	4	4	4	4	4	4	4	4	4
New York Federal Reserve	4	4	4	4	4	4	4	4	4	4	4	4
Amsterdam..... Bank rate	4	4	4	4	4	4	4	4	4	4	4	4
Christiana..... Bank rate	5	5	5	5	5	5	5	5	5	5	5	5
Stockholm..... Bank rate	5	5	5	5	5	5	5	5	5	5	5	5
Copenhagen..... Bank rate	5	5	5	5	5	5	5	5	5	5	5	5
Brussels..... Bank rate	5	5	5	5	5	5	5	5	5	5	5	5
Madrid..... Bank rate	5	5	5	5	5	5	5	5	5	5	5	5
Rome..... Bank rate	5	5	5	5	5	5	5	5	5	5	5	5
Swiss..... Bank rate	5	5	5	5	5	5	5	5	5	5	5	5
Helsingfors..... Bank rate	7	7	7	7	7	7	7	7	7	7	7	7
Lisbon..... Bank rate	7	7	7	7	7	7	7	7	7	7	7	7
Prague..... Bank rate	9	9	9	9	9	9	9	9	9	9	9	9
Vienna..... Bank rate	7	7	7	7	7	7	7	7	7	7	7	7
Warsaw..... Bank rate	8	8	8	8	8	8	8	8	8	8	8	8
Tokyo..... Bank rate	8	8	8	8	8	8	8	8	8	8	8	8
Calcutta..... Bank rate	8	8	8	8	8	8	8	8	8	8	8	8
Athens..... Bank rate	6	6	6	6	6	6	6	6	6	6	6	6
Bucharest..... Bank rate	6	6	6	6	6	6	6	6	6	6	6	6

FOREIGN EXCHANGES.

Instead of the quiet recovery for which the market hoped during the period under review, the complete failure to discover a solution for the reparation policy and the forcible entry of France into the Ruhr early last spring has been reflected in the misfortunes of another twelve-month's deterioration in the foreign exchanges. In the case of Germany this has degenerated into complete collapse. With regard to the franc and several other currencies, although measured over the year as a whole the additional depreciation was not much more rapid than during 1922, there was an acceleration towards the end of the period and a growing lack of confidence.

The history of sterling during 1923 has been a disappointing one. During the spring a steady improvement was recorded, which was helped rather than retarded by the conclusion of the arrangements for the repayment of the American debt. In April there was the beginning of a slight retrograde movement, account-

able for a large part by high money rates in New York. In July the rise in the Bank rate brought some improvement, but the pressure of autumn trade, the uncertain outlook in Europe, and the speculative advantage of the purchase of dollar securities, all militated against sterling, and in October irresponsible suggestions of an official policy of inflation frightened holders of sterling in all parts of the world, and caused a rush to convert into dollars. On the top of this, the disturbance of an election and the fear of the introduction by the Labour Party of a capital levy brought still more pressure, and for the first time sterling felt the same threat of a flight to the dollar under which so many European currencies have suffered.

While France, by its actions, succeeded in completely destroying the mark, it has at the same time during the past year gone far to destroy confidence in its own currency. As the year went on, the difficulties of its financial situation became increasingly clear, and it has become equally clear that pressure upon Germany was no effective substitute for neglect to face its own interest problem. A lack of trust in its own currency came at an earlier stage in Belgium, which in August started to run away badly, the movement only being stopped by the announcement of a loan from France. The lesson to the Belgian Government was a salutary one, and since then its weight has been increasingly felt on the side of moderation. Of our three main allies it is only to Italy that we can look with any satisfaction. Depreciation there has continued, but at a very slow rate, and there have been lately increasing signs of stabilisation. By the end of August the German mark had ceased to have any meaning as a unit of international exchange. Its later movements, until the improvement and provisional stabilisation with the introduction of the "Rentenmark," are of little importance, nor can the present phase give any promise of stability until the reparation question itself is settled.

On the bright side of the picture there is Austria, the one shining proof as yet of the value of concerted European action, soon, we may hope, to be followed by a similar experiment in the case of Hungary. It should not be forgotten, however, that the position of Vienna is still a delicate one, and that success is not yet finally proved. Again, the new currency of Lithuania, introduced in the autumn of 1922, has been maintained throughout the year on a virtual parity with the dollar. The currencies of Greece and Bulgaria both stand somewhat better than a year ago. Among the older countries of Europe, Sweden alone among the Scandinavian states has remained roughly on a constant ratio with the dollar, but its balance of trade is growing steadily more unfavourable, and it is by no means clear that it will stand the strain indefinitely. Holland, also, although the movement of German funds has caused some peculiar temporary fluctuations, has remained very stable. At the same time there are signs of uneasiness, and an unfortunately growing tendency to prefer dollar to home investments. Switzerland ended the year at a less favourable ratio to sterling. The Danish rate shows a further depreciation of about 2 kr as compared with sterling, but an improvement on the extreme depreciation of the middle of the year. The record of Norway, with a further depreciation of more than 5 kr on the year, is again an unfortunate one, and the banking difficulties which came to a head in May brought a period of great anxiety.

The same depreciation which is so widespread in Europe has had again serious reactions in South America. In Montevideo the fall in value, measured, at least, in sterling, is smaller, but in Buenos Ayres there has been a sharp decline, as some increase in exports had been more than overbalanced by the heavy burden of foreign obligations, and the outlook remains unsatisfactory. In Rio the rate has fallen even more rapidly, and again difficulties of home finance and the burden of indebtedness more than compensate for any improvement in trade. Substantial hope has been raised by the visit of the British Financial Mission now in Brazil.

The following table is extracted from statistics published by Messrs Samuel Montagu and Co.:

RATE OF EXCHANGE AS COMPARED WITH PRE-WAR PARITY OF THE £ STERLING.

	Pre-War Par Value.	December 31, 1923, Middle Rate.	Compared with its Pre-War Par Value the £ Sterling is at a Premium of		Purchasing Power of the £ Sterling as compared with its Pre-War Value.	
			December 31, 1922, Middle Rate.	End 1922.	End 1923.	End 1923.
France.....	25.207	84.624	51.90	152%	210.5	3.7 2
Belgium.....	25.207	96.40	54.65	174%	235	3 7 2
Italy.....	25.207	100.4	96.50	263%	214 11	3 19 6
Norway.....	18.13	29.624	26.214	35%	3 12 8	1 12 9
Denmark.....	18.13	24.444	20.88	24%	1 4 10	1 7 0
Finland.....	25.207	175	223.50	639%	7 8 0	6 19 0
Germany.....	20.419	19 billions	771.00	163,971	1,640 14 2	(d)
Greece.....	25.207	204	98.00	1,487	15 17 4	8 1 11
Austria.....	24.02	307,500	11,000.00	1,342,531	(b) 134,266 6 3	612,800
Roumania.....	25.207	845	575.00	3,073	31 14 9	33 10 6
Portugal.....	53.4	188d	4d	2,206	23 1 3	27 19 8
Spain.....	25.207	83.504	26.124	17%	1 3 5	1 6 7
Brazil.....	164	5.4d	7d	161%	2 12 3	2 17 6
Warsaw.....	20.419	26,500,000	12,250.00	403,955	(c) 4,040 11 1	12,297,870
Prague.....	24.02	148	280	518%	6 4 3	6 3 9
Argentina.....	478d	398d	43d	61%	1 1 5	1 3 10
			At Discount of			
New York.....	4.874	4.324	4.214	44%	0 19 0	0 17 9
Montreal.....	4.874	4.434	4.434	39%	0 19 5	0 18 2
Holland.....	12.084	11.394	11.40	5%	0 19 5	0 18 10
Sweden.....	18.13	16.37	16.704	5%	0 18 11	0 18 0
Switzerland.....	25.207	24.784	21.584	24%	0 19 5	0 19 8
Japan.....	2.044	2.14	2.31	34%	0 19 5	0 19 3
India.....	1.4	1.544	1.71	23%	0 19 8	0 18 7
Shanghai.....	2/4	3/4	3/4	30%	0 15 3	0 14 0

(a) 93,055,000,000.000%. (b) 1,280,000.000%. (c) 129,787,000.000%. (d) £930,550,000,000.

NEW CAPITAL ISSUES.

New capital applications in the London market in 1923, apart from British Government borrowings, were £193.9 millions, as compared with £204.1 millions in the previous year. British Government borrowings in 1923 showed a large reduction, totalling £77.5 millions, against £369.6 millions in 1922, this big drop being accounted for by the slackening of the process of replacing floating debt by Treasury bonds, which was one of the chief features of British public finance in 1922. Colonial Government loans, with a total of £69 millions, were the feature of the past year. Of this total India took £20 millions in one operation, while the amount borrowed at various times by the Commonwealth and State Governments of Australia exceeded £25 millions. Other Governments from within the Empire to enter the market included Nigeria, Newfoundland, Sudan, Jamaica, and the Union of South Africa, while the Irish Free State made her first appearance in the last month, with a loan the details of which will be fresh in the minds of our readers. Foreign Governments also figure more prominently than in 1922, having taken nearly £26½ millions, as compared with £14½ millions. The foreign Government borrowers included the Dutch East Indies (twice), Roumania, and Austria. The £14-million Austrian Loan floated in June was the London portion of the international loan floated successfully under the League of Nations plan for setting Austria's finances in order, and, in view of the attempts in contemplation to set finances in order in other countries also, was perhaps the most noteworthy borrowing operation of 1923.

The amount of London's new capital applications in 1923 destined for employment abroad was over £137 millions. This progress in the re-instatement of London as lender to the world is one of the salutary features of the financial year.

As regards borrowers for general purposes, we find only two entries under the heading of British railways, both of them Underground issues made under the guarantee of the British Government in accordance with the terms of the Trade Facilities Act. Oil issues have been much less prolific than in 1922, while electric light and power concerns have borrowed much more. Another big decline comes under the head of docks, harbours, and shipping, and while the iron, steel and coal group total is smaller, the general manufacturing group has increased its figure. After the striking fall during 1922, interest rates were comparatively steady in 1923.

GOLD PRODUCTION.

Thanks almost entirely to an increase in Rand production—the outcome of more settled labour conditions—the world's gold output increased by about 13 per cent. in 1923, as compared with 1922. The output of the earlier year, it may be recalled, was affected by a several weeks' cessation of Transvaal production. According to Mr Joseph Kitchin, the British Empire's share of the total gold production of the world was 70.6 per cent. in 1921, 69.1 per cent. in 1922, and 72.4 per cent. in 1923.

The following table has been extracted from Messrs Samuel Montagu and Co.'s annual bullion letter for 1923, and shows that, while the value of Transvaal production in 1923 was much the same as in 1915, the year of maximum output, that of the world as a whole was still 25 per cent. below the 1915 level:—

GOLD PRODUCTION.

(In millions of £'s, at 84s 11½d per fine oz.)

Year.	Transvaal.	The Rest of the Empire.	British Empire.	Foreign Countries.	World.	Drop as Compared with 1915 (the Max'm) Output.		
						Transvaal.	British Empire.	World.
1913.....	374	21.4	58.8	35.9	947	%	%	%
1914.....	356	20.9	56.5	33.9	904	..	..	..
1915.....	387	23.0	60.7	36.7	964	..	..	..
1916.....	395	20.1	59.6	33.9	936	..	1½	3
1917.....	383	17.8	56.1	30.2	866	1	7½	10½
1918.....	358	15.2	51.0	28.0	794	7½	16	18
1919.....	354	14.7	50.1	24.9	750	18	17½	22
1920.....	347	13.4	48.1	21.2	693	10½	21	28
1921.....	345	13.5	48.0	20.0	680	11	21	29½
1922.....	338	14.4	44.2	19.3	640	23	27	33½
1923 (est.)	388	13.7	52.5	20.0	725	nil	13½	25

The only recorded issue of gold coin by any branch of the Royal Mint during the year was £3,485,190 issued in Australia. In 1914 the various branches of the Mint issued gold coin to the value of £23,744,549. During 1923, Messrs Samuel Montagu and Co. state, two fresh features appeared with regard to the marketing of gold. The Government arrangements that all the Transvaal gold should be sent to London for realisation ceased to be operative in August, and a quantity—under £2,000,000—still through the intermediary of London, was shipped from Durban direct to India. The Indian Government offered for sale £2,000,000 of gold out of the currency reserves to be delivered in India against payment in London. Contracts have been made for a considerable portion of this amount.

The highest price for gold carrying an export licence was 96s 11d, fixed on November 10th, and the lowest 87s 5d, fixed on February 21st. The price has been governed more or less by the exchange with the United States of America, to which was exported the larger proportion of available supplies, as shown in a succeeding paragraph.

THE STOCK EXCHANGE.

The year 1923 opened in the Stock Exchange markets with a considerable degree of liveliness. The political crisis that arose in regard to France over the Reparations question was for the moment counteracted by very substantial sums of money coming forward for investment on the turn of the old year. Perhaps the most important feature of the stock markets during the first half of the year was the remarkable manner in which the investing public absorbed new capital issues, and to some extent this enthusiasm may have reacted upon Stock Exchange dealings. By April stock and share prices had touched levels which radiated mild optimism throughout the House. A sharp fall occurred in July following the advance in bank rate to 4 per cent., which exposed a speculative position in high-class investment securities. There was a slight rally in September. Unwise inflationist theories put into circulation, combined with the General Election in December, caused considerable uneasiness, and severely depressed prices, the year finishing with a dominant note of depression. Consols started the year at 55½, and finished up at this price; during the 12 months they have fluctuated between 60 and 54½. Five per Cent. War Loan moved in similar fashion, beginning and closing at 100; at one time it was as high as 104½, while during the gloomy period it touched 99½.

The 365 representative securities listed by the *Bankers' Magazine* at the end of December were valued at £6,286 millions. By April the value had climbed to £6,599 millions, gradually to fall to just upon £6,347 millions in August; a rally sent the total value up to £6,407 millions, but by the middle of December the amount had dwindled to £6,256½ millions—a loss of £29½ millions on the year. The following table, taking the position at December, 1921, as equal to 100, shows the movement of these stocks month by month during the year. Fixed interest securities and those securities with variable dividends are shown separately and combined:—

VALUE OF SECURITIES.—(Dec., 1921 = 100.)

1923.	Fixed Interest.	Variable Dividend.	Total.
January.....	112.4	118.0	114.2
February.....	112.9	120.2	115.3
March.....	113.8	121.8	116.4
April.....	116.4	124.4	119.0
May.....	115.5	123.2	118.0
June.....	115.8	122.7	118.0
July.....	112.4	117.5	114.1
August.....	113.7	115.8	114.4
September.....	114.8	117.4	115.5
October.....	114.8	117.0	115.5
November.....	111.8	117.1	113.6
December.....	111.2	115.9	112.8

* 365 securities, nominal value £6,683.4 millions.

Foreign Government bonds moved in sympathy with the exchanges. French issues were particularly susceptible to the movement of the franc, even guaranteed sterling railway securities being affected. German and Prussian bonds followed the mark, but only in a very mild degree. Brazilians at one time were considerably depressed, but the announcement that a mission of British financial experts were about to visit Brazil caused attention to be turned to some of the neglected loans. Chileans moved upward. Naturally the calamity which overtook Japan cast a shadow over all Japanese issues, but later prices moved upward. Italians were weak, owing to the exchange position. Spanish bonds suffered by reason of the political changes in that country.

The large quantities of new Trustee securities in the Home Railway market which arose out of the grouping arrangements of the companies had the effect of keeping prices down to some extent, though when the issues became more familiar their absorption by the investor was only a matter of time. Great Western ordinary stock opened the year at 108½, and closed at 107, but London and North-Eastern deferred opened at 30½ and closed at 31½. Metropolitan ordinary began at 47 and finished at 54½, while Southern Railway deferred ordinary started at 35½ and finished at 38½. United States railway securities of all descriptions moved in sympathy with the dollar exchange. Atchison shares moved from 108½ to 111, Baltimore and Ohio from 44 to 67, and New York Central from 100 to 120. Canadian Pacific opened at 154 and closed at 169. Sharp falls took place in Argentine and Mexican railways.

In the early part of the year the Rubber share market presented a remarkably animated condition, but business gradually fell away. Oil shares held by numerous nervous holders were subject to sudden outbursts of selling, followed by meteoric price movements as reports, canards, or facts were put into circulation. Tea shares have been a strong market, and substantial rises have taken place. British Bank shares have been firm, while Insurance companies have made gains. The Shipping and Iron and Steel groups, however, show declines, and Cable and Telephone companies are not in popular favour, no doubt mainly because of the great interest taken in wireless developments.

At one time considerable interest was taken in Chartered, especially when a possible bonus distribution was talked of; this activity, however, petered out. South African mines finished up the year, with prices depressed all round, although the rise in the value of the precious metal, from time to time, caused upward movements. Copper mines proved disappointing as far as the market is concerned, but the rise in the price of tin compelled attention to tin issues.

THE AGRICULTURAL YEAR.

The year 1923 was marked by a singularly unpropitious June and by an extremely wet October. Sunshine records did not fall greatly below the mean nor rainfall exceed the average materially, but a sunless summer is always the cause of the year being looked back to as gloomy. August helped harvest, October gave a good aftermath and plumped at the roots. Autumn sowings have been the smallest for two decades, owing mainly to the severe fall in prices, the result of heavy crops in leading countries of supply from overseas. The prices of barley and oats have been low, as well as those of wheat, but maize and oilseeds have been comparatively dear. Ruling prices in London per cwt. in the first week of each month have been:—

	Average Wheat.		Malting Barley.		Feeding Barley.		F.A.Q. Oats.		F.A.Q. Maize.	
1923.	s	d	s	d	s	d	s	d	s	d
January	10	0	14	0	10	0	10	3	9	0
February	9	9	13	0	9	9	10	0	9	0
March	9	6	12	6	9	6	10	0	9	0
April	10	6	15	0	9	0	10	0	9	3
May	10	9	15	6	8	9	10	3	9	3
June	12	0	16	0	8	9	10	9	9	6
July	12	0	15	0	8	0	11	0	9	6
August	12	6	15	6	8	0	11	3	9	6
September	11	0	14	6	8	6	10	0	9	6
October	10	0	14	9	8	6	9	9	9	0
November	10	0	15	0	8	9	10	0	9	0
December	10	9	14	0	8	9	10	3	9	6
1924.	s	d	s	d	s	d	s	d	s	d
January	11	0	13	6	8	9	10	6	9	9

Wheat is averaged from English, Canadian, and Argentine, a blend giving a good type of loaf. American and Indian may replace Argentine at will, if cheaper, but the English for flavour, and the Canadian for strength, are indispensable. Imports of cereals in 1923 were decidedly large as regards feeding barley, rough grists, and potatoes, but were much below the average of maize, malting barley, and rice. Very ordinary totals were presented for breadstuffs, pulse, oats, and oilcake. Returns, in millions of cwt, are for three years as below. Shorter surveys of imports are apt to be deceptive.

	1921.	1922.	1923.
Wheat	80.48	96.38	100.93
Flour	15.81	13.47	11.72
Breadstuffs	96.29	110.85	112.65
Maize	36.76	37.20	34.54
Barley	15.81	12.76	18.14
Oats	8.4	9.4	9.7
Rice	6.8	2.7	3.2
Potatoes	3.0	3.4	4.8
Rough grists	43.9	43.6	63.2
Oilcake	7.4	7.5	7.7

The wheat was 32 per cent. American, 29 per cent. Canadian, and 21 per cent. Argentine; the flour was 60 per cent. Canadian, 34 per cent. American, and 5 per cent. Australian. Most of the feeding barley came from North America, and 60 per cent. of the maize was Argentine. The world production in 1923 is thus epitomised on the basis of returns to the International Institute of Agriculture. (Unit one million cwts):—

	Average, 1917-21.	Yield, 1922.	Yield, 1923.
Wheat	1,544	1,659	1,848
Barley	420	430	492
Oats	940	939	1,078
Maize	1,658	1,660	1,779
Potatoes	1,906	2,814	2,520
Rye	1,161	1,249	1,107

The average includes three years of reduced areas, the result of the war, and is perhaps as much as 20 per cent. below the last pre-war lustrum of five years. Rye, of little importance in this country, greatly affects the Continental trade in breadstuffs. The year's yield of the principal crops is estimated to have been as follows for England and Wales:—

Crops.	Estimated Total Produce, 1922.	Average, 1913-22.	Yield per Acre, 1922.	Yield per Acre, 1923.
Wheat .. cwt	33,478,000	29,900,000	17.1	17.2
Barley .. "	19,123,000	18,708,000	14.7	14.0
Oats .. "	26,033,000	26,019,000	13.3	11.6
Potatoes tons	4,012,000	2,656,000	6.0	7.1
Seed Hay .. "	1,828,000	2,541,000	28.4	22.7
Pasture .. "	4,413,000	4,574,850	21.5	18.4
Turnips .. "	10,908,000	10,828,000	12.3	13.3
Mangolds .. "	8,560,000	8,868,000	18.8	20.3

Under the Weights and Measures Act, 1921, which became law January 1, 1923, returns are somewhat differently stated from those under the Act of 1882. The new Act was supported by the three political parties, and will give us in future uniform returns by a fixed weight. Seeds, hay, are also known as rotation grasses and pasture as permanent grass. The importance of the aftermath and last year of a very wet October make hay and pasture returns late, and Government definitive returns are not expected before April. The estimates have taken all those generally current; the Scottish returns, which are issued, also support the view that 1923 production was very near the average. The figures are of much importance, as when hay is scarce a much increased call on dry food is usually registered.

EMPLOYMENT, WAGES, AND DISPUTES.

Although employment remained bad during 1923, there was considerable and steady improvement throughout the year in comparison with 1922. The mean of the twelve monthly percentages of unemployed was 11.5 per cent., which compares with 15.4 in 1922, 15.3 in 1921, and 3.3 in 1914. The monthly figure has shown an almost unbroken decline throughout the year, the Trade Union percentage having dropped from 14 per cent. in December, 1922, to 9.7 per cent. in December, 1923, and the percentage of insured workpeople registered as unemployed from 12.6 to 10.7 per cent. In December, 1921, over 16 per cent. of the members of Trade Unions, and over 17 per cent. of insured workpeople, were unemployed. The total number of applicants for employment on the Live Registers of the Employment Exchange in Great Britain and Northern Ireland at December 17, 1923, was 1,174,397, of whom 889,390 were men and 223,315 were women, the remainder being boys and girls. At the corresponding date of 1922 the total was 1,408,008, of whom 1,129,569 were men and 203,119 women. At the end of the year employment in certain industries, including coal mining, tinplate manufacture, and the carpet and jute trades, was good, and in some others it was fair. In many industries, however, including engineering, shipbuilding, cotton weaving, and the wool textile industry, it was bad. In the engineering trades there was some improvement during the first six months, but in the latter half of the year employment in some sections of the trade suffered from the effects of the prolonged dispute in the shipbuilding industry. In the latter the depression of the two preceding years continued in 1923. A slight improvement was noticeable in the early months, but the industry was then disorganised by a dispute resulting in a lock-out of platers, riveters, &c., in most of the principal districts. Employment in coal-mining was good during the greater part of the year, the number of wage-earners on the books of the collieries at December, 1923, showing an increase of 4.9 per cent., as compared with December, 1922. The appended table shows the monthly percentages of trade union members unemployed since 1918, together with those for 1913, the figures being those published each month by the Ministry of Labour Gazette:—

	1913.	1918.	1919.	1920.	1921.	1922.	1923.
End of—	%	%	%	%	%	%	%
January	2.2	1.0	2.4	2.9	6.9	16.8	13.7
February	2.0	0.9	2.8	1.6	8.5	16.3	13.1
March	1.9	1.2	2.9	1.1	10.0	16.3	12.3
April	1.7	0.9	2.8	0.9	17.6	17.0	11.3
May	1.9	0.9	2.1	1.1	22.2	16.4	11.3
June	1.9	0.7	1.7	1.2	23.1	15.7	11.1
July	1.9	0.6	2.0	1.4	16.7	14.6	11.1
August	2.0	0.5	2.2	1.6	16.3	14.4	11.4
September	2.3	0.5	1.6	2.2	14.8	14.6	11.3
October	2.2	0.4	2.6	5.3	15.6	14.0	10.9
November	2.0	0.5	2.9	3.7	15.9	14.2	10.5
December	2.6	1.2	3.2	6.0	16.5	14.0	9.7

* Excluding coal miners.

There was a further decline on the average of rates of wages in 1923, but the reductions were on a much smaller scale than in the two previous years, and in some industries, including coal mining, iron and steel manufacture, and the tinplate and steel sheet trades,

there were net increases during the year. According to the *Labour Gazette*:—

In the industries and services for which statistics are available, the changes reported in 1923 resulted in an aggregate net reduction of nearly £480,000 in the weekly full-time wages of over 3,000,000 workpeople and in a net increase of nearly £170,000 in those of nearly 1,200,000 workpeople; while 400,000 workers had increases and decreases which left their wages at the same level at the end as at the beginning of the year. In 1922 over 7,600,000 workpeople sustained net reductions amounting to over £4,200,000 a week, and about 75,000 received a net increase of about £11,000 a week. In 1921 nearly 7,200,000 workers had their wages reduced by an aggregate of £6,000,000 a week, and about 80,000 secured net increases amounting to £14,500 a week.

There was considerable variation in the movement of wages in different industries in 1923. In a number of important industries wage rates remained unchanged during the year. In most cases in which they were changed there was a net reduction during the year; but in the coal-mining industry, in iron and steel smelting, rolling, &c., and in some smaller industries, the rates of wages of the great majority of the work-

people were increased. When allowance is made for the relative importance of the different industries, it appears, on the basis of the available information, that the net reduction in rates of wages during 1923 was equivalent to about 3 per cent. of the rates prevailing at the beginning of the year, and that at the end of 1923 weekly full-time rates of wages averaged about 65 to 70 per cent. above the pre-war level. As previously indicated, these figures relate to rates of wages for a full normal week, and take no account of changes in earnings resulting from alterations in the state of employment, the effect of which varied considerably in different industries.

The number of trade disputes, causing stoppages of work, reported to have begun in 1923 in Great Britain and Northern Ireland, was 611. The total number of workpeople involved in these stoppages (including those workpeople thrown out of work, though not actually on strike or locked out, at the establishments where the disputes occurred) was about 397,000, and a further 2,000 were involved in 18 disputes in progress in 1923 which began in 1922. The aggregate number of working days lost by these workpeople in 1923 in the course of the disputes was about 10,640,000; this total is much below that recorded for any year since 1918.

II.—CONDITIONS IN PRINCIPAL COUNTRIES.
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A.—EUROPE.

FRANCE.

General.—The outstanding features of the economic conditions of France during 1923 included a continuation of the remarkable revival of trade and industry; a marked increase in production all round; an absence of both unemployment and strikes; a small but appreciable reduction in the note circulation and in the amount due by the State to the Bank of France; an appreciable reduction in the adverse balance as between imports and exports, due to a large increase in the latter; a serious fall in the value of the franc, accompanied by an equally important rise in the index figures of both wholesale and retail prices; a notable and unexpected increase in the yield from taxation; a general improvement in the material situation of nearly every class of the community, and a simultaneous decline in the position of the national Treasury.

Trade and Production.—French imports and exports showed an increase, roughly speaking, of about 40 per cent. in the value of both imports and exports during 1923, as compared with 1922, and of nearly 10 per cent. in the weight of imports and about 6.75 per cent. in that of exports. The volume of trade was appreciably greater in weight than before the war, and of course, enormously greater in value. The output of iron in 1923 was larger by 170,973 tons than in 1922, and by 92,581 than in 1913, while that of steel was over half a million tons in advance of last year and nearly 290,000 tons more than in 1913. The output of coal, coke, and iron ores also was largely increased. Textile, machinery, and other industries touched equally satisfactory figures. Railway and shipping statistics also showed marked increases both in mileage and tonnage and in traffic returns. Purchases of wool, cotton, and silk largely exceeded those of previous years, in spite of the disastrous fall in value of the franc. The motor-car industry was especially flourishing, sales having broken all previous records.

Crops.—The 1923 wheat crop, although better than that of 1922, still fell short of the country's requirements, and the hope that this year it would be possible to avoid foreign purchases for bread-making purposes was not fulfilled. With the exception of millet, beet for distilling, and grass, the whole of the rest of the 1923 crops showed a considerable fall below the 1922 figures. Sugar beet was over 600,000 quintals short of the previous year's crop, which will involve heavy purchases of foreign sugar again this year.

Prices and Unemployment.—Wholesale commodity prices, which were represented by an index figure of 395 at the beginning of 1923, rose considerably during the year, the figure returned at the close being 468. The retail index figure rose from 309 to 365. Wages remained practically stationary during the year, and there were no strikes worth speaking of, in spite of the steadily rising cost of living. Unemployment was almost unknown, the official returns of workless people having been no more than two and three thousand at any one period during the greater part of the year, although this figure rose to between 10,000 and 12,000 in December.

Money and Stocks.—The rate of the Bank of France remained at 5 per cent. throughout the year until, as a precautionary measure, in view of the sudden renewed fall in the franc, it was raised on December 1st to 5½ per cent., and immediately afterwards to 6 per cent. There were very few public issues during the year, except those for the benefit of the devastated area, but ordinary investment business on the Bourse was exceptionally large, with occasional flurries in connection with foreign securities, owing to the gambling factor set up by the frequent fluctuations of the franc. The unusual abundance of available capital was largely absorbed by the steady issues of short-term Treasury Bonds. The return on these and on the various reconstruction loans rose steadily, giving evidence that the State was, at the end of the year, on a 7½ per cent. basis.

Public Finance.—The Treasury again found itself at the end of the year unable to reduce its indebtedness to the Bank of France by the agreed two milliards, the amount actually paid off being only 800,000,000. At the same time the floating debt was again largely increased, while towards the end of the year the note issue, which stood in the neighbourhood of 37 milliards at the beginning of 1923, was increased to over 38 milliards. The Ordinary (or "French") Budget was balanced, after considerable difficulty, but the Recoverable Budget was again allowed to carry a burden of over 20 milliards of debt, for which no resources had been provided, until towards the end of the year, when the sudden renewed fall in French credit revealed to the Government and the nation the peril immediately facing it, owing to their failure to impose adequate taxation to meet the charges arising from Germany's failure to pay reparations. This led up to the effort that is now being made to raise an additional 7,000 millions from taxation and by reducing expenditure, for the purpose of balancing the Recoverable Budget.

GERMANY.

Currency.—Abnormally rapid currency depreciation, induced mainly by the Ruhr crisis and the inflation necessary for financing passive resistance, ceased only on November 20th. The dollar exchange in Berlin rose from 7,506 marks to 4,200,000,000 marks, after which it remained stable to the end of the year. Sterling opened the year at 34,663 marks, and closed at 18,254,250,000,000 marks. On November 15th the Rentenbank came into operation, issuing Rentenmarks, nominally equal to gold marks, but convertible (at sight) only into gold mark mortgage-bonds (*Rentenbriefe*), issued on the security of compulsory mortgages on agricultural land and of bonds on industry. The bank's capital is 3,200,000,000 Rentenmarks. Its note circulation on December 31st was 1,241,999,853 Rentenmarks.

Public Finance.—The Budget for 1923-24, introduced in the spring, was immediately superseded owing to the rise in expenditure and in revenue, due to the fall in the mark's internal buying power. Revenue from taxation was 678,266,635 milliard paper marks, receipts from increase of Floating Debt 191,580,458,820 milliards, from increase of Funded Debt 1,629,581,333 milliards, from Forced Loan 269 milliards, total 193,888,307,059 milliards. Expenditure was as follows:—General administration 60,130,800,700 milliards, service of debt 17,679,751,071 milliards, subsidies to posts 8,284,236,160, to railways 92,261,051,226 milliards, total 178,355,839,159 milliards. For the period between November 15th and December 31st new accounts were compiled, omitting losses on posts and railways (which, with decreasing deficits, subsist on loans). These accounts show receipts 185,403,460 billion paper marks, and expenditure 715,763,717 billions, the deficit being covered out of credits given by the Rentenbank. Finances rapidly improved after the stabilisation of the currency. The Floating Debt to the Reichsbank, totalling on November 15th 189 trillion paper marks, was paid off at a cost of under 200,000,000 Rentenmarks (nominally about £10,000,000 gold), also advanced by the Rentenbank, and the old War Debt of 64 milliard paper marks was extinguished by the currency depreciation. The Republic, however, in addition to the new 200,000,000 Rentenmarks debt, began to create other stable value debts, first by issuing dollar Treasury bills, next by issuing a Funded Gold Loan, and finally by issuing Rentenmark Treasury bills.

Prices and Wages.—Paper mark prices rose rapidly, and after the adoption of gold-mark calculation in the late summer gold prices also rose, attaining their highest point at about the end of November, after which they fell considerably. The paper mark wholesale index (*Frankfurter Zeitung's* basis 1 in 1914) showed on

January 1, 1923, 2,054, and on January 3, 1924, 1,471,700,000,000. The official cost-of-living index (basis 1 in 1913-14) rose from 1,120, the average of January, 1923, to a maximum of 1,535 milliards on November 26, and fell to 1,147 milliards on December 29th. After the introduction of gold-mark calculation the average real wage fell, owing to the fact that the rise in gold prices outstripped the rise in gold wages. Whereas up to late 1921 the unskilled worker's real wage was higher than in 1913 and the skilled worker's little lower, the last available data (for November, 1923) show the real wage in many industries at around 50-60 per cent. of the pre-war real wage. In December, owing to the stable or rising gold wage and to the sinking gold prices, the real wage again increased somewhat, but figures are not yet available.

Industry and Agriculture.—For agriculture 1923 was a good year. The crop figures, compared with those of previous years, were (on the present area of the Republic):—

In Metric Tons.	1913.	1922.	1923.
Wheat.....	4,043,084 ..	1,957,710 ..	2,896,814
Rye	10,131,807 ..	5,233,945 ..	6,681,622
Barley.....	3,040,218 ..	1,607,624 ..	2,126,846
Oats	8,618,618 ..	4,015,501 ..	6,106,776
Potatoes.....	44,018,758 ..	40,665,360 ..	32,580,553
Sugar Beet.....	13,988,805 ..	10,791,639 ..	8,695,722

In industry the year was full of difficulties. Unemployment increased rapidly in the spring owing to the Ruhr occupation, and was accelerated in the second half of the year by the new high gold prices, which checked buying. The number of unemployed persons in unoccupied territory rose from 85,620 in January, 1923, to 1,485,000 on December 15th, and the number of short-time workers to 1,225,000. In occupied territory, for which exact statistics are lacking, the number of unemployed at the end of December was $1\frac{1}{2}$ to $1\frac{3}{4}$ millions. Before the end of the year there was a certain recovery. Pig-iron production fell to an estimated 4,000,000 tons. The machinery, locomotive, and other metal-using industries were badly hit. The textiles branch also suffered, but began a rapid recovery in December. The chemicals, pottery, and glass branches were depressed, while the rubber branch, judging by consumption of raw material, continued to flourish.

Foreign Trade.—An important event in foreign trade was the abolition of most of the "Aussenhandelsstellen" boards, which licensed imports and exports, and controlled export prices. Monthly statistics of imports and exports by weight indicated an increasing passive balance, but the gold mark figures for 11 months show that exports nearly paid for imports. The official estimate puts the passive balance for the year at only 100,000,000 gold marks:—

	Imports. Metric Tons.	Exports. Metric Tons.
1913.....	74,700,000 ..	75,400,000
1922.....	47,700,000 ..	22,400,000
1923.....	43,700,000 ..	11,600,000
	Gold Marks.	Gold Marks.
1913.....	11,200,000,000 ..	10,200,000,000
1922.....	6,200,400,000 ..	3,970,000,000
1923 (Jan.-Nov. only)	5,589,000,000 ..	5,516,000,000

The 1923 figures are imperfect, owing to the absence of complete information from occupied territory. The great railway and posts deficits have begun to dwindle, and these two services have been thrown on their own resources.

ITALY.

Foreign Trade.—From July 1, 1921, at which date the statistical method of valuing goods imported and exported was changed, to November, 1923, the figures are as follows (in millions of lire, precious metals excluded):—

	Imports.	Exports.	Excess of Imports Over Exports.
1921—July to December	6,645.7 ..	3,939.0 ..	2,706.7
1922—Whole year	15,764.5 ..	9,302.2 ..	6,462.3
1923—January to November	15,365.7 ..	9,454.1 ..	5,911.6

For the whole of 1923 the import balance will be about the same as in the preceding years.

Crops.—Agricultural results were very good. Whereas the average wheat crop was 4,989,600 tons in 1909-13, and 4,831,700 tons in 1919-23, the 1923 crop reached 6,070,000 tons. The yield per hectare was 13.1 quintals, the highest since 1909, and probably since 1860. Grapes were also much better. In the old provinces the yield was 81.7 million quintals, against an average of 59.8 in 1910-21 and 54.4 in 1922; in the new Venetian provinces 2.2 millions, against 1.8 and 1.9 respectively in 1921 and 1922.

Industry.—The silk industry benefited from a good crop of cocoons, amounting to 58,000 tons, against 43,500 in 1922, 42,900 in 1921, and 41,200 in 1920. The total value of silk products, which may be put at 600-650 millions lire before 1914, increased to 2,800-3,000 millions lire in the financial year 1922-23. Cotton was fairly active. The consumption of raw cotton, which was 909 thousand bales yearly in 1911-13, and decreased to 770 thousand in the cotton year 1919-20, reached 893 thousand in 1922-23. The number of bales consumed in 1922-23 per 1,000 spindles was 196, against 172 in 1912-13. The Italian cotton industry may be estimated to have added, in 1922-23, a value of over 3,000 million lire to raw cotton and materials imported and used, against 420 millions in 1909-13. The woollen industry works mostly for the home market, and the value of the total output (40,000 tons in 1923, against 30,000 tons in 1913) may be estimated at 1,500 million lire. Iron and steel had an indifferent year, but not more so than in 1922. A marked decrease has been registered in the number and importance of strikes. For the years ending October 31, 1921, 1922, and 1923, the number of strikes was 1,223,680 and 156 respectively, and of days lost 8,210,811, 7,336,393, and 246,975 respectively. The number of unemployed, 391,974 on January 31, 1923, slowly but continuously decreased to 178,612 in August, and rose again to 199,694 in October.

Prices and Wages.—The following indices have been compiled by Professor Mortara:—

	Paper Issue.	Paper Price of Gold.	Whole- sale Prices.	Cost of Living.	Wages.
Basis 1913-14.....	100 ..	100 ..	100 ..	100 ..	100 ..
1921, 1st half-year..	772 ..	460 ..	551 ..	560 ..	540 ..
1921, 2nd ..	760 ..	455 ..	525 ..	522 ..	520 ..
1922, 1st ..	751 ..	389 ..	517 ..	503 ..	515 ..
1922, 2nd ..	751 ..	430 ..	542 ..	498 ..	505 ..
1923, 1st ..	716 ..	401 ..	539 ..	495 ..	485 ..
1923, 2nd ..	727 ..	442 ..	531 ..	491 ..	475 ..

Both wages and cost of living have increased nearly five-fold since 1913-14. Prices have not risen in proportion to increase in the paper issues.

Money and Stocks.—The official rate of discount has been firm at $5\frac{1}{2}$ per cent. though the call on the money market is increasing. The clearings at the Italian clearing-houses, which in 1920 amounted to 578,030 million lire, were 690,821 millions in 1921, 601,851 millions in 1922, and 829,500 millions in 1923. The price of $3\frac{1}{2}$ and $5\frac{1}{2}$ Consols, which touched bottom in October, 1920, at 67.26 and 69.23 respectively, were 77.86 and 86.96 at the end of December, 1922, and increased almost continuously to 86.96 and 91.58 at the end of December, 1923. Professor Bachi's index number of Italian share-values, on a basis of 100 in December, 1918, rose to 110.02 in the "boom" of 1919, and subsequently reached its lowest point, 56.45, in April, 1922. The year 1923 opened with an average of 72.82 in January. In August the index rose to 80.53, and in December to 85.67. The greatest rise occurred in silk shares (286.74), cotton shares came a good second (246.02), then wool (223.41) and hemp (222.54)—all textiles. At the bottom were shipping shares, which, however, rose from 62.06 in December, 1922, to 67.79 in December, 1923; and iron and steel, which rose from 20.33 to 22.44.

Public Finance.—Excluding foreign debt, new debts incurred for balancing the public Budget amounted in 1918-19 to 11,800 million lire, in 1919-20 to 10,865 millions, in 1920-21 to 11,224 millions, in 1921-22 to 6,232 millions, and in 1922-23 to 2,605 millions. In the second six months of 1923 only 517 millions of new debt were contracted. The year marks a definite improvement in the situation. State and municipal finances are well on the way to equilibrium; the money market has been restored to a normal state; the worst period in the iron and steel industry has passed, and great progress has been made in other staple industries.

RUSSIA.

General.—Increased production and export of Russian goods during 1923 has unhappily been accompanied by the forcing of prices by monopolist State Trusts beyond the consumers' capacity to pay, with the result that demand for manufactured articles almost ceased in the autumn, and factories and co-operative societies remained with relatively large stocks unsold. Any sign of a reviving market for Russian textiles has disappeared, and the peasants have resumed primitive methods of making their own fabrics. Reaction against this situation is seen in demands for lower tariffs with a view to compelling the trusts to produce more cheaply by the introduction of less expensive foreign goods. Meanwhile low grain prices threaten a reduction in cereal acreage, while Soviet grain-exporting organisations are accused of deliberately forcing the peasant to sell at abnormally low prices as the only means of escaping serious deficits on their operations. The deflationary policy pursued throughout the past year is the most satisfactory aspect of the Russian situation, and if carried to its logical conclusion must ultimately break up the present system of State trade and industry.

Foreign Trade.—For the financial year ended September 30, 1923, Russia exported goods valued at 210,000,000 gold roubles, and imported goods to the value of 187,000,000. An adverse balance of 170,000,000 roubles for the first nine months of 1922 (imports 223,600,000 and exports 50,700,000) was followed in 1923 by an excess of exports over imports of 23,000,000. While imports of foodstuffs ceased with the disappearance of famine conditions on any large scale, grain exports were resumed and are said to have totalled over $1\frac{1}{2}$ million tons up to January 1, 1924, 50 per cent. being rye—or 30 per cent. in excess of the small quantity of rye exported before the war—and 400,000 tons of wheat, or only 10 per cent. of pre-war annual wheat export. It is possible that coast-wise traffic is included in these figures.

Crops.—Official Soviet statistics show the yield of the 1923 harvest as 2,794,000,000 poods—approximately 46,500,000 tons, as against the Central Statistical Bureau's final figure of 2,790,000,000 for 1922. As the sown area is said to have increased from 51,000,000 desiatins to 61,000,000, the average yield was far inferior to that of the preceding year. The decreased sowing of winter crops in South Russia last autumn is disquieting, and is said considerably to exceed the 5 per cent. drop officially recorded. Flax is recovering, stimulated by a rise in prices of from 100-200 per cent. since January, 1923. The flax area last year is given as 512,000 desiatins, as against 424,000 in 1920.

Industry and Employment.—For the year ending September 30, 1923, the output of coal in the Donetz Basin amounted to 8,200,000 tons, as against 20,000,000 tons in 1912. As transport has improved somewhat, the inability to dispose of coal stocks—accompanied by considerable losses due to spontaneous combustion of coal at the pit-head—reflects the tardy recovery of Russian heavy industry, and the negligible demand of the general public. The oil output at Baku for the same period is returned at 3,550,000 tons, and at Grozny as 1,500,000 against 2,900,000 and 900,000 tons respectively in 1920. As the metal industry de-

pends primarily on State contracts for existence, the cancellation of orders valued at 40,000,000 gold roubles by the Railway Department—owing to the exorbitant rise in prices—and their decision to cease locomotive construction for five years, confront several of the few great iron and steel works now running in Russia with the prospect of closing down at a time when the impossibility of sparing funds for their conservation is being urged. The year 1922-23 shows a total production of pig-iron in Russia of 300,000 tons, Martensite 600,000 tons, and rolled steel 460,000 tons, as against over 4,000,000 tons in the case of each of the first two and 3,600,000 in that of rolled-steel in 1913. Railways show a goods tonnage transported during 1922-23 of 93,000,000, compared with 68,000,000 in the previous year. Fifty-seven per cent. of the 19,659 locomotives available were unfit for service, and 32 per cent. of the 418,287 goods wagons. Railway receipts rose from 52,000,000 gold roubles for the first quarter of the year to 116,000,000 in the last, although a State subsidy of 150,000,000 roubles is still required. Over 1,100,000 persons are unemployed, partly owing to the discharge of Soviet civil servants, and partly to the return to the towns of large numbers of those who sought refuge in the villages during the revolution.

Prices and Currency.—The All-Russian Index of Wholesale prices—taking 1913 as 1—moved from 19,580,000 on January 1st to 206,000,000 on August 1st, 1,800,000,000 by the end of November, and finally, on January 1, 1924, to 5,387,000,000. As regards currency reform, by January 1, 1924, there had been handed over to the State Bank by its Issue Department bank notes to the value of 28,000,000 chervontsy (1 chervontsy = 11.10ths of £), gold cover being maintained at 50 per cent. instead of the legal 25 per cent. of their face value. The chervontsy remains at a slight premium on sterling, and constituted 80 per cent. of the total value of the currency in circulation on January 1, 1924. As soon as the Budget is balanced, the Soviet rouble Treasury notes now in circulation will be replaced by a silver small change currency.

POLAND.

Agriculture and Industry.—Polish crops in 1923 were very satisfactory. With the exception of wheat, production was greater than before the war:—

Crop 1923.	Percentage of Average of 1909-13.	Percentage of 1921-22.
Quintals (000's omitted).		
Wheat	13,538	79.4
Rye	59,624	103.7
Barley	16,555	109.0
Oats	35,224	124.4

Industry and trade were active, but progress was less rapid than in 1922 and 1921. We give below the number of workmen employed in the textile industry in 1923, as compared with the pre-war level:—

	Cotton.		Woollens.		Jute.	
	No.	%	No.	%	No.	%
1914	63,900	100	31,500	100	5,200	100
October 1, 1922 ..	70,800	111	17,700	56	3,500	68
" 1, 1923 ..	83,900	131	19,700	62	3,100	59

According to the estimates now available, the output of coal in 1923 was 10 per cent. greater than in 1922. For iron ores the increase in output amounts to nearly 100 per cent.

It is estimated that the yield of sugar will be 360,000 tons, as compared with 265,000 tons in 1922-23. The value of imports for the first nine months of the year amounted to 831 million gold francs, while exports reached 953 millions. For the first time since the formation of the new Polish Republic, exports exceeded imports.

Finance.—The year did not bring the expected financial recovery. Political instability at home, and Mr Kucharski's disastrous administration during the second half of the year, put the financial machine com-

pletely out of gear. During the year the note circulation increased from 793 to 125,371 milliards. The revenues from taxes, expressed in gold, were smaller in 1923 than in 1922. Rapid inflation had a very detrimental influence on the value of the Polish mark. The extent of the depreciation is illustrated by the following comparison:—

	End of December, 1922.	End of December, 1923.
Sterling	87,800	27,370,000
Dollars	17,800	6,300,000

The rise of prices kept pace with the depreciation of the mark. The index of the cost of living was, in December, 1923, 7,363 times higher than in January, 1921, and 294 times higher than at the beginning of the year.

HOLLAND.

Trade and Industry.—The past year has not been favourable. Although at the beginning signs of a slight recovery were observable, reaction quickly set in, chiefly caused by the occupation of the Ruhr district and the further impoverishment of Germany. Industry was handicapped by competition on account of the lower exchanges in neighbouring countries. Although German competition gradually grew less severe, Belgian and French competition took its place. Shipping was also under the influence of the depression. As Rotterdam is more especially a transit port, it suffered seriously, the number of ships entering the port falling from 8,363 in 1922 to 8,149 in 1923, measuring 12,292,000 and 11,495,000 net register tons respectively.

The waiving by the French Government of the "sur-taxe d'entrepôt" on goods for Alsace Lorraine from Antwerp also affected the port of Rotterdam.

The end of the year showed some revival, chiefly as regards trade with Germany after the suspension of passive resistance in the Ruhr district.

Foreign Trade.—During the first eleven months of 1923 the ratio of exports to imports was 64 per cent. against 61½ per cent. in the preceding year, the figures being:—

	Tons.	Fls.
Imports—January-November, 1922 ..	17,868,000 ..	1,886,000,000
" " " 1923 ..	17,550,000 ..	1,834,000,000
Exports " " 1922 ..	6,205,000 ..	1,139,000,000
" " " 1923 ..	7,808,000 ..	1,175,000,000

Wages and Prices.—Unemployment is still considerable. The ratio for the large towns was 14 per cent. on January 1, 1923, with 46,168 persons unemployed, against 12 per cent. at the beginning of December, and 32,266 unemployed.

The index number of retail prices at Amsterdam was 148 in November, 1923, as against 160 on December 31, 1922 (1913 = 100). Notwithstanding this the index number of the cost of living remained high, standing in November at 173 against 175 in 1922 (1911-13 = 100).

From January 1st to December 31st 4,292 bankruptcies were registered, against 3,152 in 1922.

Money Market and Stock Exchange.—The money market, which was comparatively easy in the first six months of 1923, hardened in the closing months. The rate for monthly loans, which was 3½ per cent. in September, rose to 6 per cent. in December. The average rate for the year (3.40 per cent.) approximated to that of the previous year (3.50 per cent.). The bank rate, which had been steady at 4 per cent. since July 18, 1922, rose on December 12th to 4½ per cent. The stock market was rather dull all through the year, though the last few months witnessed a slight revival. New issues were few, aggregating 239,000,000 fl in 1923, against 382,000,000 fl in 1922, and 1,149,000,000 fl in 1920. Government and municipal loans absorbed 212,000,000 fl. The Government floated a 6 per cent. loan of 100,000,000 fl, of which 80,000,000 fl were offered to the public at 97½ per cent. The Netherlands Indian Government appealed not only to the Dutch

money market (65,000,000 fl in 5 per cent. bonds), but also to New York (\$50,000,000 5½ per cent. bonds) and London (£11,000,000 6 per cent. bonds, of which £1,000,000 were reserved for this country).

A large banking concern for the middle classes—the Hanze Bank in Utrecht Hertogenbosch—suspended payment, and the Government Postal and Giro Service, which had rapidly expanded of late years, was compelled to close down, to the detriment of its 120,000 customers.

Public Finance.—Though taxation is heavy, the budget shows a deficit for 1924 of 140,000,000 fl, which has not yet been covered. The railway companies—on the share capital of which the State guarantees a minimum dividend—have worked at a severe loss. The consolidated debt of the Government has now reached the figure of 2,845,000,000 fl. The floating debt of the East Indian colonial administration decreased in 1923 from 430,000,000 fl to 225,000,000 fl, and it is hoped to balance the colonial budget by 1925.

Fear of inflation of the guilder induced some investors to convert Dutch into dollar securities. This tendency, however, was less marked towards the end of the year, but a return of confidence waits upon the formulation of a scheme for reducing Government expenditure.

BELGIUM.

Public Finance.—The public accounts for 1924 still show a deficit, but comparison with earlier years is rendered difficult by a reorganisation of budgetary practice. The 1924 figures are as follows:—

	(Thousand Francs.)	(—) Debit or Credit (+).
	Expenses.	Receipts.
Ordinary Budget	3,354,224 ..	3,345,677 ..
Extraordinary Budget ..	501,743 ..	6,839 ..
Recoverable expenses	2,354,966 ..	1,636,415 ..
" Régies " ..		
Ordinary expenses	1,722,783 ..	1,693,178 ..
Extraordinary expenses ..	396,520 ..	427 ..
Renewals, &c.	2,235 ..	4,500 ..
Total	8,332,471 ..	6,687,032 ..

Ordinary expenses in 1923 were put at 2,940 million francs, the increase in 1924 resulting from the transfer of items from other "Budgets." During the past year increases have been made in income-tax, sugar and tobacco excise, the luxury and match taxes, a new stamp tax has been added, and tariff revision is projected. The efficiency of collection of direct taxes has increased, and the actual returns for 1923 are estimated in the neighbourhood of 2,500 million francs. The 1924 ordinary Budget expenditure also includes, for the first time, a charge of 477 millions interest, &c., on roughly eight milliards borrowed for reconstruction purposes, and so-called "after-war" expenses of roughly 157 millions transferred from the Extraordinary Budget. No payment from Germany is expected for some time, so that the deficits of 495 millions and 719 millions on the Extraordinary Budget and the Budget of Recoverable Expenses will have to be met by further borrowing on the part of the State.

Production and Trade.—After a period of uncertainty in the early months of the year, complicated by a strike of railway workers in the spring, Belgian industry experienced decidedly more favourable conditions in the latter part of the year. Coal production, which averaged 1,904 thousand metric tons per month in 1913, and 1,770 thousand metric tons per month in 1922, rose from 1,604 thousand metric tons in February to 2,089 thousand metric tons in November. Pig-iron production rose steadily throughout the year from 165 thousand metric tons in January to 205 metric tons in November, the latter figure being practically equivalent to that of pre-war days. Steel production, which sank to 157 thousand metric tons per month after the occupation of the Ruhr, had recovered by November to 217 thousand metric tons, a figure some-

what in excess of the 1913 average. The flax industry was somewhat uneven, but a noticeable revival, reflected by a general rise in prices, occurred at the end of the year. Cotton was rather more active towards the end of the year, while the glass industry is enjoying a period of exceptional prosperity. Imports of merchandise in the first eleven months of the year were valued at 11,212 million francs, an average of 1,019 million francs per month, against 767 million francs per month in the year 1922. Exports in the same period amounted to 7,844 millions, or 713 millions per month, against a 1922 monthly average of 520 millions. The further depreciation of the franc in 1923 and other considerations render comparison with 1922 figures somewhat illusory. A comparison of "weight" figures, however, reveals an increase in total trade:—

MONTHLY AVERAGE.

(Thousands of Metric Tons.)

	1922.	Jan.-Nov. 1923.
Imports	1,772	2,241
Exports	1,346	1,396

Since May, 1922, the figures have included the whole of the Belgo-Luxembourg Economic Union.

The official price index number rose steadily during the year, being 434 in January, 484 in June, and 531 in November (1914 = 100). The cost of living figure moved from 383 per cent. of 1914 in January to 463 in November.

SPAIN.

Public Finance.—Under the rule of the military Government, Spain has secured the benefit of social peace. Important reductions are being introduced in expenditure which will favourably affect the budgetary deficit. For 1922-23 expenditure reached 3,368 million pesetas, while ordinary revenue yielded only 2,452 millions, leaving a deficit of 916 millions. The deficit in 1921-22 was still larger, amounting to 1,101 millions. For 1923-24 the provisional figures available cover only the eight months April-November, and show expenses of 1,802 millions (73 millions less than for same period of 1922), against ordinary receipts of 1,552 millions, leaving a deficit of 250 millions for the eight months. To fill the gap the issue of Treasury bonds is still being resorted to, the total amount in circulation being now close to 4,000 million pesetas.

Foreign Trade.—Another disquieting factor in the economic position since 1920 has been the unfavourable balance of trade:—

(Million Pesetas.)

	Imports.	Exports.	Balance.
1920	1,421 ..	1,010 ..	411
1921	2,833 ..	1,567 ..	1,266
1922	3,033 ..	1,449 ..	1,584
1922 (January to August)	1,835 ..	869 ..	966
1923 (" ")	1,923 ..	968 ..	955

Commercial relations with most countries have been abnormal since the enforcement of the protective Tariff of February, 1922. In 1923 the only commercial agreement of any importance was that made with Italy, soon after the visit of the King and Queen of Spain to Rome. Negotiations with the United States, Germany, and Portugal have been dropped, while the military Directory is searching for a definite commercial policy.

Exchanges.—Under the depressing influences of the unfavourable balance of trade and a recurrent deficit, the peseta fell steadily throughout the year. Taking the mean quotations per month, the dollar started in January at 6.393 pesetas, and rose steadily month by month, ending in December at 7.675 pesetas to the dollar. Sterling exchange began at 29.736 pesetas to the pound in January, remained practically unchanged during March, April, and May at about 30.37, jumped to 33.374 in August, and finished in December with the average of 33.443.

Prices.—The official index numbers are given below:—

	Foodstuffs.	Industrial Produce.	Total.
1914 (basis)	100	100	100
1920.....	205	237	221
1921.....	181	199	190
1922.....	174	177	176
1923 (January to October)	167	175	171

The fall of prices continued during 1923 in the case of foodstuffs, but was very small as regards industrial products.

Industry.—Social conditions were more favourable, there being no strikes worthy of special mention before September. Although commercial activity revived somewhat, the industrial stagnation of late years shows few signs of improvement. The wheat crop was very good, totalling 39 million metric hundredweights, 12 millions in excess of national consumption.

General Conditions.—The general economic position has improved appreciably as compared with 1922, as the enormous increase of the main adverse factors (budget deficits and unfavourable trade balances) from 1920 to 1922 has been checked. But as their pernicious effects accumulate year after year, nothing is gained until those factors become definitely favourable.

SWITZERLAND.

Balance of Trade.—This was adversely affected by the occupation of the Ruhr region, which sent up the prices of imported coal, coke, steel and iron; by the failure of effective demand in Central Europe; by the competition of countries with depreciated currency, notably Germany, France, and to some extent Belgium; and by the protective tariffs of other countries, notably the United States. For the first nine months of the year the round figures were:—Imports, 1,536 million francs; exports, 1,269 million francs. Export values, however, had been increasing latterly, and were 126 million francs in October.

Public Finance.—The Budget for 1923, as approved by the Federal Council, showed: revenue, 256.8 million francs; expenditure, 294 million francs; deficit, 37.4 millions. The Federal Debt in 1922 was 2,103,024,000f, or 539.15f per head. Of this, 1,902,527,000f was consolidated and 200,497,000f floating debt. Federal, cantonal, and municipal taxation in 1923 was estimated to amount to 1,130 million francs, or nearly 250f per head.

New Issues.—A Federal railway loan of 120 million francs, at 4½ per cent., redeemable 1933-38, was issued in May at 94½. The total authorised was 200 millions: 75 millions was issued to a Swiss syndicate on terms which brought the interest slightly above 5 per cent. A Federal 4½ per cent. loan of 200 millions for the conversion of 6 per cent. Treasury Bonds of 1921 was issued in September at 98. The increased rate at which the Government had to borrow was ascribed to the exodus of capital set up by the fear of a levy in 1922, and kept up by the higher return obtainable abroad.

Exchange.—Dollar exchange in January was 18.95, by October it had declined to 17.80, and by the end of December to 17.51 cents for the franc. Sterling exchange moved during the year (with some fluctuations) from 24.47 in January to 26 in July, and then downwards to 24.85 at the end of December.

Railways.—The Federal Railway figures for the whole year were:—Receipts, 365,437,524f; expenditure, 257,880,593f; surplus, 113,556,921f. The receipts were 21,222,075f more than in 1922, the expenditure 51,406,706f less.

Industry and Trade.—Of the chief exporting industries, the clock and watch trade improved greatly, thanks, in part, to the Federal subsidy granted in 1922; the embroidery trade slightly; silk spinning considerably; but the textile and ribbon branches felt French and Italian competition, and the whole trade

the fluctuations in price of the raw material. The food producing trades (e.g., chocolate and milk) improved, as did the textile and clothing industries, but largely through an increased home demand, set up by the activity of building and the electrification of the Federal railways, which latter also aided the electric industry. The machinery trade seemed to be improving. The winter and summer tourist seasons were excellent, but the latter was short: the summer visitors—chiefly English, Dutch, and American—reached, perhaps, two-thirds of the pre-war numbers. The cereal crops were excellent: the estimated figures (in centals of 100 lbs) were:—Wheat, 3,274,700; oats, 978,900; rye, 921,500; barley, 273,400. The vintage was excellent in quality, though less in quantity than in 1922.

The unemployed in January numbered 76,143; in July, 35,314; in November, 41,397. Of these, the totally unemployed numbered respectively 56,275, 22,792, and 27,079. Part of the decrease in the numbers published is due to lessened registration owing to a more limited distribution of unemployment allowance; but, still, the decline is encouraging.

The index number of cost of living (100 in July, 1914) in September, 1922, had been 156; by November, 1923, it had gradually risen to 170.

SOUTH EASTERN EUROPE.

The year 1923 has, on the whole, witnessed a considerable improvement in the economic position of the countries of the Danube basin. With the exception of Budapest, the exchanges were fairly stable in comparison with those of the previous year, while the general post-war rot seems to have been definitely arrested. More important still, the harvest was generally much larger than in any year since the war, though there still remains a fairly considerable leeway to make up before 1913 figures are attained. Transport conditions generally are rather better, while the success of the League of Nations scheme for the restoration of Austrian finance has done much to restore general confidence.

In the following table we give the London exchange rates for the different centres of South-Eastern Europe:—

		Dec. 30, 1922.	Dec. 31, 1923.	During the Year.	
				Highest.	Lowest.
Vienna ..	Kr to £1	322,500	310,000	350,000	295,000
Prague ..	"	150	148½	171	147½
Budapest ..	"	10,750	80,500	120,000	10,000
Bourest ..	Lei	800	837½	1,200	770
Sofia	Leva	655	600	900	325
Belgrade ..	Dinars	430	385	650	355

CZECHOSLOVAKIA.

Czechoslovakia, as an industrial State, has continued to be affected by the consequences of the world slump, though an excess of deflationist zeal has also contributed not a little to the difficulties with which the young Republic is still faced. The notes in circulation have diminished somewhat during the year, despite the increased volume of business. At the end of 1922 the cover in metal holdings and foreign currency, &c., represented some 36 per cent. of the total note issue, while on December 31st last this proportion had risen to about 45 per cent. Prices meanwhile have been falling slightly, though a small rally took place towards the end of the year. The official retail index numbers stood as follows:—

	Jan.	June.	Nov.	Dec.
Foodstuffs, &c.....	941	933	896	909
Textiles, boots, &c.....	1,061	1,017	1,017	1,030

Unemployment figures have shown a most welcome fall. February marked the highest point of the year, with 203,674 persons in receipt of Government unemployment relief. By June the number had fallen to 91,500, and November marked the lowest point, with 50,400. Since then, however, there was a slight reaction to 54,700 by the middle of December. Of

course, the real total of unemployed is considerably in excess of these figures. One of the most disquieting features of 1923 was the shakiness of some of the banks, a deferred consequence of boom speculations, though the awkward moment was safely passed quite early in the year. Company promotion has been on a much smaller scale, and several concerns have reduced their capital.

With this successful shaking down to more normal conditions, however, production has increased. The output of sugar, for example, stood at 957,350 metric tons (unrefined) in the last three months of 1923, as compared with 703,670 tons in the corresponding period of the previous year. The weight figures of foreign trade show a considerable increase over those of 1922, though the value figures have fallen off enormously:—

	(In Millions.)		Value (Czech Crowns).	
	Weight (Tons).		1922.	1923.
Exports	9.49	11.31	18,086	12,519
Imports	3.19	4.19	12,695	10,130
Balance of trade			+5,391	+2,389

The increase in weights is due in large measure to exports of heavy goods resulting from the Ruhr occupation. The balance of trade was favourable every month, save only in October, and the dependence of the country on its foreign trade is clearly apparent.

The current Budget, with expenditure at 16,994 million Kr and revenue at 16,391 millions, shows a deficit of 603 millions, as compared with 559 millions for 1923.

AUSTRIA.

The League of Nations scheme has worked wonders in the Austrian Republic, and has certainly been much more successful than would have seemed possible twelve months ago. Although there have been great difficulties in the way, the task of reconstruction has been proceeded with steadily throughout the year. The crown has moved, on the whole, with the dollar, though internal prices show a noticeable rise on the year. Thus the wholesale price index stood at 169.86 in January, rose somewhat in the early months of the year, fell again during the summer months, and then rose again, the December figure being 181.81. The cost of living index followed the same general tendency, being 134.97 in January and 155.65 in December (July 1914 = 1). The trade balance is more against Austria than was the case last year. For the first eleven months of 1923 imports stood at 1,408 million gold crowns, while exports were only 842 millions. The number of unemployed fell slightly during the year, 78,390 persons being in receipt of relief in December last, as compared with 82,923 in December, 1922. While much still remains to be done before reconstruction is complete, the experience of the past year gives grounds for measured optimism as to the future.

HUNGARY.

The past year has been a period of considerable difficulty in financial circles, though the general economic position was certainly rather better than in the previous year on account of the excellent crop results, which, for the first time for many years, were almost up to the pre-war level. The foreign trade figures also show a considerable improvement:—

	(Millions of Gold Crowns.)		1923.
	1922.	(10 Months.)	
Imports.....	548	448	
Exports.....	334	348	
Excess of imports	214	100	

There has thus been a marked falling off in the adverse trade balance, while the proportion of imported raw materials has increased relatively to manufactured goods. The budget position, however, has been going from bad to worse, and the continued fall in the crown is making taxation increasingly difficult to collect. The year closed, however, with hopes of the long-awaited external loan being achieved under the auspices of the League of Nations.

ROUMANIA.

The most important feature of the economic life of Roumania during the past twelve months was certainly the improved yield of wheat and maize, which remain much the most important crops of the country.

CEREAL PRODUCTION.

	(In Thousands of Metric Tons.)			
	Average, 1909-13.	1921.	1922.	1923.
Wheat	4,085	2,138	2,504	2,790
Maize.....	5,175	2,885	3,026	4,423
Barley	1,375	985	2,042	1,501
Oats	905	963	1,336	925

These figures refer throughout to the territories of modern Roumania. The area sown to all cereals is now rather more than 90 per cent. of the pre-war average, though the distribution as between the four principal cereals has changed considerably, in part, at least, in consequence of unwise government interference with exports. The abolition of export restrictions, however, combined with the good yields of wheat and maize obtained last year, should do something to encourage these two cereals. Autumn sowings in 1923 were much hampered by the unfavourable weather which prevailed, and represent a slight falling off as compared with those of the previous year.

The steady improvement in the agricultural position has its counterpart in the oil industry, which has shown a welcome activity. The production of crude was 1,508,829 tons (including the provisional returns for December), as against 1,367,478 tons in 1922—an increase of approximately 10 per cent. This is the highest total reached since 1915, though it is still somewhat removed from the 1913 level of 1,885,614 tons. These improved production figures have naturally influenced the trade returns. Exports for the first eleven months of the year stand at 15,411 million lei, as compared with 8,624 millions for the corresponding period of 1922. Of these totals, export taxes claimed 4,014 million and 1,177 million lei respectively. Imports are continuing on a restricted scale, and the small excess of exports registered in 1922 is almost certain to be exceeded in 1923. The Finance Minister estimated this favourable balance for the past year as likely to be in the neighbourhood of 5 milliard lei.

The Budget shows a balance between expenditure and revenue, and the great increase in exports has naturally contributed not a little to this result. At the same time the salaries of State employees remain very low, and out of all proportion to the rise in the cost of living. There has also been a long-drawn shortage of credit facilities, which at one moment seemed likely to develop into a veritable credit crisis, and it is indeed doubtful whether the present supply of currency is really sufficient to meet a further increase in production.

BULGARIA.

The political situation during the past year was one of great uncertainty, and the revolution, accompanied as it was by a series of minor revolts and skirmishes, rather disorganised the public finances. In consequence no actual budget has been published, though it seems probable that there will be a fairly noticeable excess of expenditure over revenue in the current year, as compared with an actual surplus on the ordinary budget of last year. The crop returns were quite satisfactory, and tobacco in particular showed a great advance over the previous year. Bulgaria's markets are, however, in a disturbed condition, and the improvement in her foreign trade position must perforce be somewhat slow. The final solution of the reparations question is perhaps the outstanding event of the economic and financial year, while the establishment of greater freedom of trade is also a welcome feature. The credit position has remained difficult, and though the note issue has increased somewhat over the twelve months, this has probably been counterbalanced by the hoarding of currency on the part of the peasantry.

JUGOSLAVIA.

The exchange policy pursued by the present Government has certainly led to an increase in the value of the dinar abroad, though this movement has been accompanied by a chronic shortage of credit facilities. The Budget position has improved considerably, and the estimates for 1923-24 promise a balance of revenue and expenditure :—

BUDGET.			
(In Million Dinars.)			
	1922-23.	1923-24.	
Revenue	6,935	10,344	
Expenditure	8,135	10,344	

Indirect taxation has been increased greatly, and railway rates have been raised on to a commercial basis. In this manner it is hoped to make good the increase in expenditure, which is specially noticeable in the estimates for the Ministry of War (2,039 millions against 1,491 millions in the previous year).

Foreign trade showed a considerable improvement as compared with that of 1922. Exports for the first nine months are shown in the following table :—

EXPORTS.			
Nine months—			
	Tons.	Dinars.	
1922	1,688,893	2,918,735,470	
1923	2,153,327	5,501,857,652	

Prices rose somewhat in 1923, the index number of the *Revue Economique*, of Belgrade, standing at 2264 in October, as against 2189 in January.

SCANDINAVIA.

General Conditions.—Improvement in trade and industry was retarded by unforeseen difficulties, such as severe labour troubles in Sweden, a loss of confidence caused banking crises in Norway and in Denmark, and the generally unsatisfactory nature of the harvest owing to excessive rain. On the whole, however, the position at the end of the year was better, and there is nothing in the present situation which would necessarily preclude a return of general prosperity in 1924.

SWEDEN.

The financial situation was satisfactory, the gold value of the currency being fully maintained. Money was comparatively cheap, the official discount rate being no higher than 4½ per cent. for the first ten months of the year, with a rise to 5½ per cent. in November. Production was hampered by a series of disastrous strikes and lock-outs, which affected the timber, wood-pulp, and metal industries. In the case of the last named, the dispute extended over six months, and the effect of the terms of settlement was not favourable to a reduction in working costs. Since the conclusion of the lock-out, however, a determined effort has been made by all concerned to make up for lost time, pig-iron and steel production being in November about 75 per cent. above the pre-strike level. Timber and wood-pulp exports declined from the 1922 level, partly owing to the enhancement of their price to customers through the appreciation of the natural currency in terms of the pound sterling. Shipping earnings exceeded those of 1922, but fell short of the 1921 figure. In spite of unfavourable weather conditions, the yields of wheat and oats were slightly greater in 1923 than in 1922, but the totals for rye and barley showed a slight falling off. Total imports were valued at 1,233 million kr in the first eleven months of 1923, against 1,054 millions in the corresponding period of 1922, and exports at 1,011 million kr, 1,032 millions against the visible adverse balance, thus increasing to a somewhat disquieting extent owing to the labour troubles mentioned above.

Government expenditure has been steadily reduced, and is estimated at 649 million kr for 1923-4, a decrease of 102 millions. The national debt increased during the year from the 1,551 million kr to 1,643 millions.

NORWAY.

Although the outbreak of a banking crisis in the spring, labour troubles in the wood industry, and the failure of the harvest, give a somewhat gloomy colour to the story of the year, other factors show that progress was not altogether checked by these unfavourable factors. The fisheries, on the whole, increased their take, though not their profits, exports of props exceeded those of 1922, and the same remark applies to the pulp figures, while exports of paper were only slightly below those of the previous year.

The monetary situation was not entirely satisfactory, the troubles of certain banks in the first part of the year giving rise to a feeling of insecurity. Money was dear, the official discount rate being 5 per cent. in January, and 7 per cent. in December. The krone depreciated, being quoted at 29.82 to the £ at the end of December, against about 25.12 in the previous January. The policy of deflation was brought to a standstill in February, and thereafter the Bank of Norway's note issue increased from 350 million kroner to 415 millions in June, with a drop to 381 millions early in December, succeeded by a further rise to 407 millions at the end of the month. The deficit on the 1922-23 budget has been officially put at 90 million kroner, but it is now announced that the 1924-5 budget will balance, as a result of administrative economies, and an anticipated increase in receipts from indirect taxation.

DENMARK.

The difficulties of the Landmandsbank necessitated the giving by the Government of a five years' guarantee to depositors, which did something to relieve the feeling of distrust which seriously affected business at the beginning of the year. Another adverse factor was the decline in the krone's exchange value, the quotation falling from 23.40 kr to £1 early in January to over 26 at the beginning of July. Although a recovery subsequently took place, the situation was deemed sufficiently serious to warrant the setting up of a conference, the outcome of whose recommendations was the setting-up of a fund totalling about £5,000,000, in London and New York, to be used for exchange stabilisation purposes. The reluctance of the Bank of Norway to raise its discount rate, however, precipitated another fall in the exchange in January, 1924, and the Bank rate has now been raised to 7 per cent.

Imports.—The foreign trade figures are as follows : (Million Kr.)

Jan. to Nov.			
	1922.	1923.	
Imports	1,304	1,702	
Exports	1,050	1,386	
Balance of imports	254	316	

Agricultural exports improved considerably in 1923. In the first nine months of the year live cattle exports were valued at 61 million kroner, against 41 millions in the corresponding period of 1922; exports of bacon, &c., at 368 millions, against 286 millions; eggs at 86 millions, against 79 millions, and dairy products at 368 millions, against 286 millions.

The final figures for the budgetary year 1922-23 show a net deficit of 60 million kroner, instead of the 112 millions estimated. The deficit was met out of available cash, which was thus reduced to 129 million kroner. For 1924-5 the State Budget shows an estimated surplus of 53 million kroner, and the "Capital and loans account" a deficit of 15 millions, a net surplus of 38 million kroner being thus anticipated.

THE BALTIC STATES.

The continued uncertainty of the Russian situation has naturally reacted on the general economic position of the new Baltic States, which would normally derive so much from their position as intermediaries between Russia and the West. Nevertheless, the year 1923 has not marked any very serious halt in the improvement

made since the war, while both Latvia and Lithuania have definitely advanced towards stability and order.

The exchange position has, on the whole, been satisfactory, and, with the exception of Estmarks, the new currencies show a definite improvement on the year, while Lats and Lits are now firmly established on a gold basis. Danzig, too, has created a new gold currency, and the exchange of the Baltic States generally stand out in marked contrast to the chaotic currency situation of their Continental neighbours. Negotiations for a Customs Union have proceeded successfully between Latvia and Esthonia, and it is hoped that Lithuania will also be included in the near future.

ESTHONIA.

Currency questions have caused considerable annoyance during the period under review. Confidence has by no means been established in the estmark, and a policy of credit restriction has been pursued throughout the year. This has greatly circumscribed the sphere of banking activities, and has led to a number of fairly important bankruptcies. On the other hand, the constant efforts which have been made to balance the Budget are beginning to bear fruit, and for the current year the deficit is only 423 million estmarks, with a total revenue of 6,732 million estmarks. Indeed, the deficit amounts to only 6.3 per cent. of the total Budget only, as compared with 19.6 per cent. in 1923. The foreign trade balance, however, is not very satisfactory, and the excess of imports was greater in 1923 than in the previous year :—

(In Millions of E. Marks.)			
	1922.	1923.	
	(10 Months.)		
Imports	5,589.4	7,759.7	
Exports	4,811.6	4,762.1	
Balance	777.8	2,997.6	

A welcome feature in the trade situation is the revival of exports of butter and eggs, which are both much superior to the 1913 level. In the international sphere the Consular agreement with Poland is worth mentioning, while the trade agreement with Finland has led to an increase of Esthonian exports to that country. A real recovery, however, will only be possible when the credit crisis has been successfully overcome.

LATVIA.

The most striking feature of the year has been the continued success of the new currency, the lat, or gold franc. Indeed, in 1923 this was one of the stablest currencies in Europe, and cases are reported of foreigners keeping deposits in Riga banks. The note issue has been kept constant for many months, while there has been a noticeable increase in the cover. Within the country the abolition of the rouble has continued, and the process should soon be completed. The Budget has been in a satisfactory condition since the year 1921-22, while in the coming year revenue should exceed expenditure by a fairly wide margin :—

1924-25.			
	Revenue	147,108,016 Lats.	
	Expenditure	137,001,294 "	

The foreign trade of the country is on the increase, as the following table shows :—

(Millions of Lats.)			
	1922.	1923.	
	(Jan.-Aug.)		
Imports	107	129	
Exports	102	103	

Thus in the first eight months of this year both imports and exports were superior to those of the whole year 1922. Trade has developed with England, though that with Germany has fallen off considerably, as German goods are unable to compete either in quality or in price.

LITHUANIA.

The progress begun in 1922 was continued throughout last year. The Government, with commendable energy, has continued on the path of sound finance. The number of civil servants has been reduced, and expenditure, at 201 million lits, is only 27 millions in

excess of ordinary revenue. The State spirit monopoly is reported to have worked successfully, and proposals are now being considered for the establishment of a monopoly of tea, which should be an important source of revenue. The trade returns for the year are not quite so satisfactory as those for 1922, though the considerable increase in the volume is most strikingly brought out :—

(In Gold Lits.)			
	1922.	1923.	
Imports	74,884,600	156,627,200	
Exports	76,892,400	146,794,700	

The 1922 returns were made for the most part in marks, and have been transferred into lits at current rates. It would seem fairly certain that the favourable balance of that year had been transformed into an adverse balance last year, though there was a great increase in volume even after allowance is made for price rises. The most important event of the financial year was the negotiation of a loan for one million pounds under the export credits scheme. With this sum considerable improvements should be made in the transport equipment of the country, and a number of elevators should shortly be built which will enable the grain to be handled much more efficiently than heretofore. A new and better tariff was also passed, which should shortly come into operation.

FINLAND.

The whole of the National Debt has been consolidated, though the money market has gone through a rather trying year. The demand for credit has been greater than the supply, in consequence of efforts made by the State Bank to improve the currency. The lowest rate of discount is now 10 per cent., as compared with 8 per cent. at the end of 1922. Ordinary revenue more than balances ordinary expenditure, though in the current year a small deficit due to extraordinary expenditure will have to be met out of the Treasury reserve. This latter, however, actually showed an increase at the end of 1923 in consequence of foreign capital borrowed during the year.

The harvest was rather disappointing last year, oats and rye doing particularly badly. The sawmilling industry has, however, had a record year, though the exports of butter and cheese have fallen off for the first time since the war. The preliminary returns of foreign trade over the twelve months are given in the following table :—

(In Millions of Finn Marks.)			
	1922.	1923.	
Imports	3,969.9	4,607.4	
Exports	4,467.6	4,384.6	

While shipbuilding has remained weak, seaborne traffic has increased considerably. The registered tonnage of ships arriving in Finnish ports, for example, was 3,460,573 tons, as against 3,043,950 tons in 1922. The general downward movement of wholesale prices has continued throughout the year, though not on a very large scale. Thus the general index number for January was 1134 (1913 = 100), while that for November stood at 1070. The cost of living has, however, risen slightly during the same period.

B.—BRITISH DOMINIONS.

CANADA.

General Position.—The year 1923 has yielded no sign of a boom in Canada, but the special demand for some of her products and her position in the economic orbit of the wealthiest country in the world ensured for her a satisfactory measure of prosperity. The volume of her field crops was the largest in her history, and though the prices received for them were still disastrously low they put in circulation a large amount of money; the farmers' difficulties are not at an end, but during 1923 there has been a slight betterment of their position. The pulp and paper industry has continued to expand, and the lumber business has also been good.

Mining operations in Northern Ontario are still yielding good results, and the nickel plants in the Sudbury area, which had been virtually closed down for some years, are once more active. The fishing industry is still in a poor way, and the fruitgrowers of British Columbia complain that present prices are quite unprofitable. The motor factories have all been working at full capacity, and their products swell the export figures. Thanks mainly to railway orders the iron and steel plants have had a much better year than in 1922, and the agricultural implement firms have also been busier. Other lines of factory industry have found orders somewhat scarce, and the textile mills have been loud in their complaints that British competition is ruining them. While the statistics of agricultural production, foreign trade, and railway earnings point to considerable prosperity, there are indices of a contrary character available. If the immigration figures for the eight months ended November, 1923, at 118,091 are double the level of 1922, they have not yet begun to fill the gaps left by the southward exodus, which continues in disquieting proportions.

Trade Balance.—Imports were valued at \$904 millions and exports at \$1,028 millions, as compared with \$762 millions and \$898 millions in 1922 respectively. The gain has been greater in imports than exports, but the favourable trade balance which was attained last year still persists. The special preference has helped British business a little, but despite the obstacles raised by the Fordney tariff, the main expansion is in trade with the United States.

Crops.—The value of Canada's principal field crops in 1923 is officially estimated at \$892,572,000, as compared with \$962,616,200 in 1922 and \$1,537,170,100 in 1919, the record year. The acreage planted showed no serious decline, and the yields of most crops were above the average. Failures of crops in Manitoba and southern Saskatchewan were more than compensated for by a record harvest in Alberta.

Public Finance.—The Federal revenues for the nine months of the fiscal year ending December 31st show a substantial gain, the comparative figures being \$308,310,719 for 1923 and \$300,174,050 for 1922. The chief source of increment has been the sales tax, but although it yields revenue it prevents any substantial fall in the cost of living. Despite improved revenues there has been a slight increase in the national debt, which stood on December 31st at \$2,415,538,100, as against \$2,412,496,151 on December 31, 1922. However, there has been a marked improvement in the earnings of the national railway system, and the deficit which has to be provided for will probably be cut to \$50 millions instead of nearly \$78 millions in the fiscal year ended March 31st last.

Money, Stocks, and Exchange.—Money has been quite plentiful, as the success of the Federal and Ontario Governments in placing large issues at home demonstrated. The placing of Canadian bonds in large quantities and at good prices in the American market has continued. In stocks the "bull" market of 1922 was carried over into the spring of the year, terminating in April in a slump which lasted till October. In the last two months there has been a "bull" tendency, and markets have been more active.

Wages and Prices.—In certain trades, particularly in the building trades, there have been slight advances of wages in 1923, required to hold the workers in Canada. Wages of unskilled labour have shown a tendency in the opposite direction, so that there has been little general change. As in other countries, general wholesale prices registered a slight increase, the Bureau of Statistics' index number for December, 1923, being 153.5, as compared with an average of 150.4 for 1922.

AUSTRALIA.

Trade.—The foreign trade figures for the year ended June 30, 1923, were less favourable than those of the previous year, as will be seen from the following table:—

Year.	Imports. £	Exports. £
1913	79,749,653	78,571,769
1920-21	163,801,826	132,158,912
1921-22	101,066,436	127,846,535
1922-23	131,808,673	117,913,083

The "favourable" balance of £24,780,099 of 1921-22 was succeeded by an "unfavourable" balance of £13,895,590 in 1922-23. The returns of merchandise imports (home consumption only) and exports from July to October may be put as follows:—

July-October.	Imports. £	Exports. £
1922	41,024,000	30,120,000
1923	44,683,000	25,410,000

The relative position of imports and exports during recent years has been affected by the large amount of Government and other borrowing, chiefly placed in London. The *Australian Insurance and Banking Record* places the net purchasing power of Australia, based on exports amounting to £118 millions in 1922-23, at about £93 millions.

Production.—The high price and strong statistical position of wool favourably affects the economic situation at the present time. The estimated production for the season 1922-23 was 1,918,000 bales, rather less than that of 1921-22 (2,041,000 bales), but considerably above that of 1920-21 (1,635,086 bales). The average price realised per bale was £22 9s 8d in 1922-23, compared with £15 8s 1d in 1921-22, and £15 12s 7d in 1920-21. The present year's clip is expected to be short in quantity, and not up to last year's in quality, but a continuance of high prices is expected. Last year's wheat harvest was some 20,000,000 bushels less than that of the previous year's, and exports fell off considerably. The present crop is, however, doing extremely well, and is described by the International Institute of Agriculture as 16 per cent. above the average for 1917-21. The vintage year was one of the best ever experienced. Attention is being paid to cotton-growing, about 4,000,000 lbs of unginned cotton being produced in Queensland in 1922.

Industry.—Employment was fairly good in 1923, such unemployment as existed being chiefly confined to skilled workers. In the building trades a shortage of skilled labour exists. Domestic industry is still burdened with heavy labour costs, and little reduction has been made in the wages bill. Textile mills found the year a difficult one, and the iron and steel industry has also complained of insufficient protection against foreign imports.

NEW ZEALAND.

General.—The outlook improved considerably during the year. Many "frozen credits," the legacy of the 1921 crisis, have been liquidated, and though some reconstructions have been necessary, the financial basis of the country's trade is undoubtedly much sounder than a year ago.

Public Finance.—The results of the financial year 1922 showed receipts of £27,579,000, against an expenditure of £26,264,000, the resultant surplus being £1,315,000. On the basis of this result the Government made a number of tax reductions (including a 20 per cent. reduction in income-tax), estimated to cost £1,250,000 in 1923. The returns for the first six months of 1923 were exceedingly favourable. Revenue increased by £516,000, as compared with the corresponding period of 1922, and the surplus of £921,500 was, in fact, greater than the estimate for the whole year. At the end of 1922 the Government applied £3,160,000 of its accumulated surplus of £8,847,000 to the reduction of debt. In May, 1923, an issue of

£4,000,000 on the London market met with a very favourable reception.

Trade.—The trade returns are encouraging:—

	1921. £	1922. £	1923. (9 Months.) £
Imports	42,942,443	35,012,561	31,481,795
Exports	46,823,827	45,583,005	37,591,106

Excess of exports.. 3,886,384 .. 10,570,444 .. 6,109,311

Great Britain has practically recovered her pre-war position in New Zealand's competitive trade, the proportion being 65 per cent. in 1922, against 56 per cent. in 1920, and 67 per cent. in 1913.

Production.—The meat season has been uneven, though the total value of frozen meat exports in the past season, at £8½ millions, was about half-a-million in excess of the previous season. Wool sold in the country realised £7,569,000, against £4,207,000 in the 1922 season. The dairy industry has exceeded all previous records, the produce being valued at more than £17 millions in the 1923 season, against less than £14 millions in 1922-23.

INDIA.

Trade.—The improved conditions manifest in the last few months of 1922 continued to develop in 1923, and the year as a whole was probably the brightest since the collapse of the war boom. The monsoon was again favourable, after an uncertain start, and the satisfactory nature of the crops obtained was reflected in a recrudescence of demand for Lancashire piece-goods in the autumn. During the twelve months ended March 31, 1923, merchandise imports were valued at 233 crores of rupees, and exports at 289 crores, against 266 crores and 231 crores respectively in 1921-22. The balance of trade thus swung round completely in India's favour, an adverse balance of 13 crores in 1921-22 being transformed into a favourable balance of 28 crores in 1922-23. Imports of cotton yarns and manufactures rose from 57 to 70 crores of rupees, Great Britain being responsible for 91 per cent. of the piece goods, but only 52 per cent. (in value) of the yarn. Imports of machinery declined from 35 to 24 crores owing to a fall in average prices, while iron and steel imports amounted to 18 crores, against 21 crores, and sugar imports to 15 crores, against 27 crores. As regards exports, the increase was due chiefly to a better season in India and the improved buying power of certain of India's oversea markets. Raw cotton exports amounted to 3,362,000 bales, valued at 72 crores, half the total quantity being purchased by Japan. Jute exports increased from 14 crores to 22 crores, and grain, pulse and flour from 30 to 42 crores. Raw hides and skins exported reached a total of 5.7 crores. The trade balance has remained favourable during the first eight months of the present statistical year, as the following figures show:—

	(Rupees.)		
April-November.	1921.	1922.	1923.
Imports	1,84,14,01,240	1,61,70,68,848	1,58,70,74,881
Exports	1,52,55,78,793	1,93,60,29,689	2,17,79,79,592
Balance of imports (-) or exports (+)	31,58,22,447	31,89,60,841	59,09,04,711

Crops.—The following figures have been compiled by the International Institute of Agriculture:—

	(Thousand Centals. 1 Cental = 100 Lbs.)		
	Average, 1917-21.	1922.	1923.
Yield of—			
Wheat	198,531	220,192	221,558
Rice	1,057,478	1,143,029	..
Cotton*	17,516	20,784	..

* Ginned cotton.
From the various official final forecasts it would appear that the 1923 jute crop will reach a total of 6,865,000 bales of 400 lbs, a large increase on the 4,108,000 of 1922, but considerably below the average for the "record" years 1913 to 1917.

Public Finance.—The gross revenue and expenditure as set forth in a recent official memorandum are:—

	GROSS REVENUE and EXPENDITURE.		
	Accounts. 1921-22. Rs.	Revised Estimate. 1922-23. Rs.	Budget. 1923-24. Rs.
Revenue	115,21,50,317	120,70,17,000	134,90,43,000
Expenditure	142,86,52,017	137,95,52,000	134,09,57,000
	*27,65,01,700	*17,25,35,000	†80,86,000
	* Deficit.	† Surplus.	

The deficit on the revised estimate for 1922-23 was attributable to a falling of revenue below the estimated total under the heads of customs, taxes on income, railways, and posts and telegraphs. Reductions were effected in civil and military expenditure and interest on debt. Increased amounts were received from opium and salt. The Report of the Inchcape Retrenchment Committee indicated various methods by which expenditure might be reduced, but the Government's proposal to double the salt tax became a matter of acute political controversy, when the Governor-General "certified," and thus gave the force of law to the proposal after its rejection by the Legislative Assembly. Up to the present the tax has not brought in the amount anticipated.

Banking.—The failure, in April, of the Alliance Bank of Simla was a great shock to the business world, though its ill-effects were more severely felt in Bengal than in Bombay. The Tata Industrial Bank subsequently found it advisable to take shelter under the wing of the Central Bank of India, a Bombay institution, with which it amalgamated. During the year the rupee appreciated from 1s 4½d to 1s 5½d, the rise being quite gradual, owing to the success of the system adopted by the finance member, Sir Basil Blackett. The Imperial Bank of India has purchased sterling, on behalf of the Government, from banks and exporters, at prices based on current market rates, in addition to the usual weekly tender arrangements. £2,000,000 of gold, held in the Paper Currency Reserve, were sold in the proceeds invested in sterling interest-bearing securities. India was an active dealer in the bullion markets throughout the year. Money was, on the whole, perhaps, less tight in the crop-moving season than was the case last year. The Imperial Bank of India's discount rate remained at 4 per cent. from June 28 to November 15, reached 6 per cent. on November 29, 7 per cent. on December 20, and was raised to 8 per cent. on January 3, 1924.

SOUTH AFRICA.

Public Finance.—The financial year 1922-23 has not turned out so satisfactorily as was anticipated, the estimated deficit of £349,000 being later put at £900,000, and, according to the Finance Minister, it may now amount to as much as £1,353,000. For 1923-24 revenue was estimated at £27,555,000 and expenditure at £28,561,000. Allowing for a supplementary estimate of £90,000, a total deficit of £896,000 was indicated. Various increases in customs duties and economies in administration were expected to reduce the unfavourable balance to £436,000. At the time of the Budget speech the total public debt amounted to £199,000,000, an increase during the year of £7,500,000. The Provincial Finances Committee has set on record its opinion that "the country's expenditure has grown at a rate quite out of proportion to the increase in resources."

Trade and Production.—The following are provisional trade figures for 1922 and 1923:—

	(Million £'s.)	
	1922.	1923.
Imports	51.5	62.0
Exports	60.5	70.0
Export balance	9.0	8.0

The year's gold production amounted to nearly 7,799,000 fine ounces, worth (at 85s per fine ounce)

£39,000,000, as compared with 7,020,000 ounces, valued at £30,000,000 in 1922, the year of the Rand strike. The diamond industry has made great strides during the year, production for the first ten months being valued at £4,768,000, against £1,792,000 in the corresponding period of 1923. The value of coal obtained in South Africa between January and October, 1923, was £3,096,000, the corresponding figure for 1922 being £2,909,000. Business operations were conducted with caution, in view of the unfortunate experiences of many firms in 1920, and present stocks may be slightly under normal. The last quarter of the year witnessed the beginnings of a revival of demand, and at the end of the year the engineering, building, furniture, and boot and shoe industries were reported well employed. Exports of wool (greasy) in the first eight months of 1922 and 1923 were valued at £5,340,000 and £5,865,000 respectively.

The main feature of the past year has been the decline in deposits and advances. The balance-sheets of the two "commercial" banks reveal the following changes:—

	(Million £'s.)		Bills Discounted and Advances.	
	Deposits.		September 30, 1922.	September 30, 1923.
Standard Bank	51.0 .. 47.0 ..	36.0 .. 31.0 ..		
National Bank	41.5 .. 39.5 ..	26.0 .. 22.0 ..		

In October, 1923, the Union raised £9,000,000 in London, at a rate and fraction over 5 per cent., £5,655,035 of which represented maturing obligations. The loan was quickly oversubscribed.

C.—OTHER COUNTRIES.

UNITED STATES.

General Conditions.—In 1923 the United States once again concentrated its activities on the development of its immense internal resources. In the process all branches of industry obtained a good deal of business, and America is one of the few countries which deserved to be called "prosperous" in 1923. In the spring it was not altogether impossible that this healthy activity might become a boom, but, fortunately, no speculative accumulations of stocks had been made, and the volume of business, as a matter of fact, subsequently showed some contraction. The best evidence of the sound basis on which trading operations were financed is the actual decline in prices, which were 3 per cent. lower in December than in the previous January.

Production and Trade.—A few comparisons between 1922 and 1923 may be given. Lake Superior iron ore shipments rose, in the first eleven months, from 42,613,000 tons in 1922 to 59,037,000 tons in 1923. Pig-iron production rose from 26,880,000 gross tons in the whole year 1922 to 40,059,000 in 1923, and steel ingot production from 29,116,000 gross tons to 41,217,000 gross tons. The net earnings of the United States Steel Corporation in the last quarter of 1923 were \$50,000,000, against \$27,500,000 in the same quarter, 1922. Automobile production reached 3,637,000 passenger vehicles and 376,000 trucks, against 2,339,703 and 245,000 respectively in the previous year. The value of building permits issued in 159 cities, according to *Bradstreet's*, was \$3,086,500,000, against \$2,508,500,000. Net operating revenues of 194 railroads (January to November) rose from \$1,054 millions to \$1,306 millions. Retail sales by "chain-store" systems increased from \$391,000,000 to \$465,000,000.

The following table shows imports and exports of merchandise, by groups:—

	(Thousand Dollars.)		Imports.	
	1921.		1922.	1923.
Raw material	853,047 ..	1,161,727 ..	1,389,033 ..	
Foodstuffs, raw	304,134 ..	329,816 ..	362,791 ..	
Foodstuffs, partly manu- factured	368,840 ..	388,287 ..	529,577 ..	
M'fres., partly finished ..	344,059 ..	550,245 ..	719,292 ..	
M'fres., finished	619,043 ..	663,650 ..	770,442 ..	
Miscellaneous	20,021 ..	18,819 ..	20,803 ..	
Total	2,509,147 ..	3,112,548 ..	3,791,938 ..	

	Exports.			
	1921.		1922.	1923.
Raw material	983,962 ..	981,357 ..	1,201,952 ..	
Foodstuffs, raw	692,248 ..	458,353 ..	257,478 ..	
Foodstuffs, partly manu- factured	669,665 ..	588,242 ..	583,366 ..	
M'fres., partly finished ..	399,236 ..	437,764 ..	563,722 ..	
M'fres., finished	1,625,967 ..	1,292,373 ..	1,478,198 ..	
Miscellaneous	7,846 ..	7,100 ..	6,436 ..	
Total	4,378,928 ..	3,765,135 ..	4,091,152 ..	

The export balance amounted in 1923 to \$299,214,000, as compared with \$652,587,000 in 1922, and \$1,869,781,000 in 1921.

Crops.—The yield of the main crops, according to the International Institute of Agriculture, was as follows:—

(In Thousand Centals—1 Cental = 100 Lbs.)

	Average, 1917 to 1921.		1922.		1923.	
	1917 to 1921.		1922.		1923.	
Wheat—Winter	353,915 ..	351,723 ..	341,032 ..			
Spring	146,969 ..	165,532 ..	128,010 ..			
Barley	89,690 ..	89,337 ..	95,640 ..			
Oats	432,730 ..	384,495 ..	416,785 ..			
Maize	1,589,373 ..	1,618,799 ..	1,710,461 ..			
Potatoes	229,127 ..	270,711 ..	247,435 ..			
Tobacco	13,426 ..	13,248 ..	14,748 ..			
Cotton*	53,644 ..	46,662 ..	[48,213] ..			

* Estimated yield of ginned cotton, seasons 1917-18 to 1921-22, 1922-23, and 1923-24 respectively.

Maize, oats, and barley were good crops, but wheat fell off slightly, and the short cotton crop was a great disappointment to Lancashire producers. The total money yield of the 1923 crop has been put at \$880,000,000—1.7 per cent. above 1922—of which cotton accounts for \$400,000,000, and maize \$300,000,000.

Public Finance.—The following summary was contained in President Coolidge's message to Congress, early in December:—

BUDGET SUMMARY.

(Exclusive of Postal Revenues and Postal Expenditure Paid from Postal Revenues.)

	Estimated, 1925.	Estimated, 1924.	Actual, 1923.
Total receipts	\$ 3,693,762,078	\$ 3,894,677,712	\$ 4,007,135,480
Total expenditure (including reduction of the Public Debt required by law to be made from ordinary receipts)	3,298,080,444	3,565,038,088	3,697,478,020
Excess of receipts	395,681,634	329,639,624	309,657,460

The fiscal year ends on June 30th, but Washington figures for the calendar year 1923 show receipts of \$4,165 millions—\$500 millions in excess of 1922—and expenditure of \$3,888 millions, leaving a net balance of \$276 millions at the end of the year. Income and profits taxes yielded \$1,869 millions in 1923, against \$1,502 millions in the previous year. Customs receipts amounted to \$583 millions, the highest total in the country's history.

ARGENTINA.

Trade and Prices.—For the first time within a decade the balance of trade became adverse. Superficially, trade appeared satisfactory, but importers were pessimistic, owing mainly to the new Tariff Revision Bill, put into force on December 3rd, which adds practically 60 per cent. to the tariff values of 1906, and increases by 25 per cent. specific duties on *ad valorem* goods. The cost of living advanced. The textile market was depressed, particularly in hosiery.

Agriculture.—Harvest prospects were exceptionally good, but danger from locust invasion threatened. Exports of Argentine products, including wheat, maize, corn, linseed (with prices highest since 1920), butter, salt ox-hides, frozen beef quarters, chilled beef quarters, frozen mutton carcasses, and frozen lamb carcasses all marked increases. The fall in meat prices was offset by the volume of business done by packing-houses, two plants declaring dividends of 14 per cent.

and 15 per cent. respectively. The suspension of the recently adopted meat law reacted favourably on the industry, which had become partially paralysed. Several land companies increased their profits, though others were unable to distribute dividends. The cotton crop was expected to be worth 50,000,000 pesos, a considerably greater cotton area having been placed under cultivation.

Industry.—Local industries made further strides in every direction. The building boom was maintained, the demand for materials (including cement, steel, iron-mongery, and hardware) being strong. Lumber moved better. Almost without exception the railway systems carried more traffic than for several years. Dividends of 7 per cent. were declared by the B.A. and Pacific, the B.A. Great Southern, and the B.A. Western companies, and 6 per cent. by the Central Argentine upon their ordinary shares. A proposal was made by the Government to expend 365,000,000 paper pesos upon State railway extensions.

Public Finance.—A feeling of anxiety existed regarding the general financial outlook and the ever-increasing national indebtedness, since no settlement of the floating debt appeared imminent. Offers of open credits in London (aggregating £1,200,000 for six-monthly periods at the rate of the day) were received. The sum of \$25,000,000 (gold) six months' Treasury bills was renewed at 3½ per cent. per annum. A fresh internal loan of 175,000,000 pesos at 6½ per cent. was arranged for the Municipality of Buenos Aires, while the Province of the same name authorised the issue of 35,000,000 pesos (gold) at 6½ per cent. Negotiations were entered into, but not concluded, for the renewal of the \$60,000,000 gold loan due October 1st. Little new foreign investment entered the country, while local capital remained shy. Stock Exchange dealings were notably fewer.

BRAZIL.

Trade and Exchange.—The exchange situation again dominated all forms of Brazilian economic enterprise. Towards the close of the year, however, sustained improvement asserted itself. General economic conditions were satisfactory, native products bringing good prices and exports increasing. Several classes of imports correspondingly decreased owing to increased native production. Coffee stocks at the end of the year showed a decrease, both at Santos and Rio de Janeiro, while from Sao Paulo reports represented serious injury to the growing crop from unseasonable rains, and indicated their reduction. During the year the coffee market suffered severe shocks, especially towards July, when a panic prevailed over a prolonged period. A crisis was occasioned by the sudden retirement of the Government as a buyer, a policy followed by private purchasers, while the situation was aggravated by speculators.

Cotton and Sugar.—The cotton market showed firmness, with prices steadily rising, the reason being shortage of the article, and, near the end of the year, the continual fall in exchange. The International Federation of Master Cotton Spinners and Manufacturers' Associations dispatched their general secretary to report upon cotton prospects. His report proved highly favourable, foreshadowing production in Brazil of cotton of a staple of from 1 inch to 1½ inches, and of long staple in several of the States. An improvement in marketing was maintained. The sugar market was fairly steady, available supplies being chiefly required for the United Kingdom, with little export to other markets.

Public Finance.—The foreign debt amounted to 8,298,039 contos (reckoning sterling at 6d to the milreis), or, say, £207,450,996; the Federal debt to £138,702,840; State debts to £43,810,860; and municipal debts to £24,937,266, this indebtedness representing a *per capita* rate of £6.77. Certain administrative

economies are to be effected, and it is believed that revenue will exceed expenditure by over 100,000 contos. For the first half of the year the excess was 75,000 contos. In December a party of British financial advisers (including Mr Edwin S. Montagu, Sir Charles Addis, Lord Lovat, and Mr Hartley Withers) left England for Brazil. The Federal District's municipal finances became "extraordinarily grave," the Prefect requesting creditors for a moratorium for a determined percentage of the city's debts. The State of Amazonas endeavoured to place a loan for \$35,000,000 at 8 per cent., offered at 90, but this was disavowed by the Federal Government. The State of Maranhao raised a loan for \$1,500,000. The States of Sao Paulo and Minas Geraes continued to prosper, although in the former case the financial year closed with a deficit of nearly 48,000 contos of reis.

Industry.—Native industries remained in good condition generally, manufacturing activities increasing throughout Brazil. Crops brought good prices, but the meat packing industry was quiet. Considerable building took place, the demand for material being consistently good. The electrical goods market remained steady, and the hardware market unchanged. Sales of textile and other manufacturing machinery were excellent. Foreign cotton goods experienced fresh difficulties in competing with domestic products, the local textile industry extending rapidly. Automobile sales were reduced, while the paper market was dull.

CHILE.

Public Finance.—The state of the national finances continued to cause some anxiety. The Minister of Finance announced that the year would close with a total deficit of \$108,793,900.93. A draft law was prepared to prevent speculation in exchange, and prohibit dealings in bills on foreign countries except for the purpose of cancelling civil or commercial obligations. A measure was also presented for the establishment of a Central Bank to regulate exchange, and stabilise credits. An Income-tax Bill, imposing 4½ per cent. on all dividends paid, and of 3 per cent. on the net profits of all foreign companies working in Chile, was passed subject to certain modifications which gave rise to political disagreements. Trade collections proved slightly better, while there was a moderate demand for bank, insurance, nitrate, and mining stocks, and a notable improvement in sheep-companies' stocks. The local bond market was weak.

Nitrate.—During the year the nitrate market showed a steady expansion in consumption, averaging an increase of 25 per cent., with a corresponding reduction in stocks. About 81 per cent. of the oficinas were working, compared with 53 per cent. in the previous year. The sugar refiners' determination to fertilise by nitrates had a stimulating effect upon consumption, likely to be largely augmented in future years. Values fluctuated but slightly. The cost of production remained satisfactory, ranging from 5s 9d to 7s 3d per Spanish quintal (plus 4d per quintal due to the pool, to be completed on March 31st next). The average selling price worked out at about 9s 4½d to 9s 6d per quintal. The State income-tax was expected to subject English nitrate companies to a charge of about 7½d in the £ on their net annual profits.

Trade and Industry.—The unsettled exchange situation produced general dullness in trade, relieved, however, by the improvement in nitrate markets. The demand for local agricultural products, both at home and abroad, increased, resulting in firmer prices, while several markets in other industries advanced. On sugar and rice prices ruled at a higher level. Competition in certain lines was keen, particularly textile and industrial machinery and chemicals. Sales of foodstuffs, automobiles, and specialties were satisfactory, while those of rubber goods and iron and steel were fair. Textile imports showed a decline.

Ocean freights to Europe strengthened, while those to the United States eased. The coal market continued depressed, but agriculture (except early hay crops) derived considerable benefit from seasonal rains. Tenders for port improvements at Constitución were invited, the authorised expenditure being £900,000. No foreign tenders being submitted, the Government determined to carry out the work on its own account. A British firm secured a further large contract at Valparaiso. Railway receipts showed improvement, the State lines marking economy in working; the Taltal Railway made a profit of £99,663 (distributing 9 per cent. on its ordinary shares), and Nitrate Railways paid 7s on unconverted ordinary shares, compared with nothing in the previous year.

OTHER SOUTH AMERICAN STATES.

BOLIVIA.

The Bolivian budget estimated revenue at 23,938,533 and expenditure at 38,623,832 bolivianos, a deficit of 14,685,299 bolivianos. While general trade remained stagnant, tin shipments increased, and higher prices were realised. Large quantities of Bolivian ores were smelted in the United Kingdom. From the local banks the Government raised a loan of 3,000,000 bolivianos. The mining industry was prosperous, copper being an exception. Cattle disease broke out, and foreign live stock imports were prohibited.

COLOMBIA.

Colombian conditions proved disappointing, the coffee crop not coming up to expectations. Dullness of trade accompanied further bank restrictions, fewer than 25 per cent. of Barranquilla business houses being able to secure advances. While the cattle industry was active, mining—platinum excepted—proved dull. For the first half of the year foreign commerce showed imports of 42,125,371 kgs, valued at 33,636,918 sucres and exports of 32,448,592 kgs, valued at 23,898,847 sucres. Several engineering projects were delayed through financial difficulties.

ECUADOR.

No recovery occurred in Ecuador, imports declining, with an immaterial increase in exports. Large credits or foreign drafts for cash transactions were difficult to obtain, the Government securing full control. Cacao realised better prices, but stocks on hand remained large. The external debt remained unchanged at 30,000,000 sucres (10 sucres = £1).

PARAGUAY.

While Paraguayan trade showed a favourable balance, "invisible exports" were much less satisfactory. Cotton cultivation was encouraged, seed exports being forbidden. The Peruvian budget balanced at £7,911,072. Greater interest was displayed in the local cotton market, the maximum price reported being 1s 8d per lb. Labour disturbances were frequent, with complete stoppages on some railways and mines. The new freight rate schedule was suspended. Shipping was dull and banking business quieter. Temporary default took place on the 1920 5 per cent. Gold Bonds, the July coupon being delayed notwithstanding that the amount needed reached only £17,000. The Peruvian Corporation enjoyed greater prosperity, with earned profit £356,885, and net revenue showing a balance of £363,673. The preference dividend was raised from 1 per cent. to 2 per cent., and debenture interest increased by 2 per cent. (to 6 per cent.) for the year. Immigration proved disappointing.

URUGUAY.

Although Uruguayan trading conditions remained fairly satisfactory, the financial situation failed to improve. At the commencement of the year the public debt totalled 177,690,120 pesos, the per capita ratio running 119 pesos, or about £28 at current exchange. The budget totalled 43,644,698 pesos (gold). Bank drafts were taxed 1 and telegraphic and telephonic drafts 1 per 1,000. Interior financial conditions were

exceptionally good, local merchants granting credits to interior firms more freely. Abundant grass helped the cattle industry. Hide purchases fell off, but the wool crop was good, with higher prices. The livestock market was weak.

VENEZUELA.

Business conditions in Venezuela improved somewhat owing to increased circulation of funds and advances to coffee growers. While merchandise stocks remained large, future orders were financed abroad. The budget balanced at 62,845,000 bolívares. Collections were facilitated and credit conditions were easier. Coffee remained inactive, growers being disinclined to sell for future delivery at current low prices. Dullness characterised the cacao market, prices averaging only 42 bolívares per 50 kgs. sack. New and promising oil discoveries were made, the industry being well sustained. The United Electric Tramways Company distributed 10 per cent. dividend, while the Puerto Cabello and Valencia Railway's gross receipts improved and expenses decreased, the first charge upon the coupons being paid. La Guaira tonnage improved, the first mortgage debenture stock being paid, but no distribution was made on the deferred interest warrants.

MEXICO.

Finance and Trade.—The greater part of the year proved unfavourable to trade, owing to the Government's financial difficulties and consequent suspension of payments. An improvement ensued upon the settlement of several strikes, and the placing of a Federal loan for 10,000,000 pesos (£1,000,000) advanced by a large oil company. Later on industry declined, however, and at the close of the year indifferent sales were reported. Some banks enjoyed improved conditions in making collections; generally, however, difficulty was experienced except in the case of the larger importing houses. Local cotton mills effected fewer sales in Central and South America, others were admittedly in financial difficulties caused by rising prices. While small mills reduced their production, the larger stopped buying, reporting excessive stocks on hand. The year's cotton crop was estimated at 120,000 bales, slightly under the production of 1921, but larger than that of 1922. The decline in commercial activities was further exemplified by the lower value of transactions in the Public Registry Records. For the first half of the year imports totalled 150,000,000 pesos (of which 107,000,000 pesos came from the United States), and exports, exclusive of petroleum, 124,000,000 pesos (of which 112,000,000 pesos went to the U.S.A.). Petroleum production dwindled, the first nine months showing a decline of 42,000,000 barrels compared with the previous period. The Mexican Eagle Company was unable to make any interim distribution upon the 8 per cent. preference or common shares.

General.—The year proved one of the worst on record in the matter of labour disturbances. At Vera Cruz thousands of tons of merchandise were held up, occasioning serious embarrassment to merchants in the capital. Outbreaks occurred at Orizaba textile mills, and a general strike at the Coahuila coal mines. The Mexican Railway strike reduced the company's earnings by £63,000. Mining interests were disturbed by labour conditions and heavy taxation.

A Bankers' committee fixed a date for the resumption of payments on Government bonds; deposit of the necessary funds was made in New York. A national banking system, combining principles of the Federal Reserve System and the Bank of England, was proposed. A new issue institution with 100,000,000 pesos capital was projected, American, British, Spanish, Swiss and French interests being represented.

At the end of the year, however, an outbreak of revolutionary military activities placed these proposals outside the pale of practical politics, for the time being. Pending the return of stable conditions, the Mexican situation must remain uncertain and unsatisfactory.

CENTRAL AMERICA.

The countries of the Caribbean—Cuba and, perhaps, the two "black" Republics of Haiti and Santo Domingo excepted—suffered with all other Latin-American countries from the vagaries of the exchange. In Costa Rica the favourite coffee crop revived optimism, general trade showing improvement. Increased sugar prices and banana sales helped the upward movement, both London and San Francisco prices being more favourable. The new harvest was estimated at 1,660,000 bunches. Exports of cacao, sugar, pineapples, hides, and other local products advanced. Cuba made a remarkable recovery from the previous year's commercial depression, the sugar industry having regained its supremacy. The currant crop was estimated at 3,500,000 tons, some experts, however, naming a higher figure. Trade remained active, the United States claiming two-thirds of the imports and four-fifths of the exports, the British share being approximately 5 per cent. of the former and 9.5 per cent. of the latter. In El Salvador prosperous conditions prevailed. All crops promised substantially better totals. Heavy mercantile stocks, however, remained unsold, but importers were inclined towards renewed purchases abroad. Unemployment was lessened, while labour difficulties ceased. A loan was placed at par in the United States for \$6,000,000 at 8 per cent., and payment of arrears was made upon 6 per cent. Sterling Bonds of 1907, and 7 per cent. Sterling Funding Bonds of 1915, and railway subsidy arrears were liquidated.

Guatemala showed signs of some recovery, the revenue showing an increase and general expenditure a reduction. The political position, however, still interfered with recovery. Payment was made on the 4 per cent. External Debt to June 30, 1923-24, but nothing was paid on arrears. The deficit remaining totalled 42,000,000 pesos. The British debt balance stood at £1,308,563, interest arrears of £844,603 excepted. Harvesting operations were successful throughout the greater part of the country, abundant rains assisting coffee. Collection of fiscal taxes and duties proved satisfactory.

Haitian finances further improved under the foreign Customs Receivership. Trade on the whole, however, was stagnant. Economic conditions in Honduras remained unsatisfactory, revenue proving insufficient to pay official salaries. Several important local industrial enterprises abandoned the country. Unseasonable hurricanes ruined banana harvests. Silver mining, accounting for 40 per cent. of the total purchasing power of Southern Honduras, was partially abandoned owing to lower prices. A settlement of the Honduras Debt on the basis of £20,000 for each £100,000 of bonds (issued 1867 and 1870) was agreed upon.

Nicaraguan local trade remained unsatisfactory, but a better harvest season was anticipated, coffee prospects (following a delay in seasonal rains) being particularly bright. Approximately the same quantity of sugar was expected to be available for export. A slight improvement was noted in credit conditions, merchants securing a firmer footing. Loan money fetched between 12 and 14 per cent. While Customs receipts increased, expenditure decreased. Cattle breeding revived after the formation of a National Livestock Association.

In Panama a moderate amount of new stock was imported, but little inclination towards large purchases was displayed. America supplied approximately 71 per cent. of the monthly proportion. The receipts of the Canal and its auxiliary agencies made great strides, exceeding all previous records. Profits totalled \$12,063,880 from all sources, the railway and steamship line excepted. Traffic operations increased on a scale rivalling and exceeding the traffics of the Suez Canal. The net tonnage passing through the canal increased from 11,417,459 to 18,605,786; tolls from \$11,197,832 to \$17,508,199, and cargo tonnage from 10,884,910 to 19,567,875. The United States carried 56.5 per cent. of the cargo moving through the canal.

In Santo Domingo trade remained depressed, and many dry goods merchants were in financial difficulties. American competition further increased, but debt collection proved difficult.

THE NETHERLANDS EAST INDIES.

Financial prospects in the Netherlands East Indies have improved during 1923, the floating debt being reduced from 430 fl millions to 225 fl millions, or approximately from £35 millions to £18½ millions. In addition it seems likely, according to latest information, that the ordinary Budget during 1923 will balance, although the estimates showed a deficit of 98,700,000 fl. In 1922 the estimated deficit was 118,500,000 fl, but the actual figure was only 15,700,000 fl. In 1922, there was a favourable trade balance of 383,091,126 fl, as compared with an adverse balance of 40,390,000 fl in the previous year, and an even more favourable result is anticipated when last year's figures are announced, probably next autumn. The general state of trade has improved enormously during the past twelve months, and there has been a small "boom" in many of the export commodities of the islands.

The tea revival has had a very marked effect on the industry in Java and Sumatra, where British interests are large. There is about £3 million of British capital invested in tea in the two islands, while the 50,000 British planted acres represent nearly 22 per cent. of the total. The yield from British estates is 25 per cent. of the whole. Java stands third as a sugar-producing country, the estimate for 1923-24 being 1,720,000 tons, the actual output for the previous season having been 1,788,000 tons. With regard to the rubber industry, the majority of British-owned estates are voluntarily restricting their production, and are losing heavily as a result. During the first half of 1923 the total output increased by over 31 thousand tons, in spite of the curtailment on British plantations. The question of voluntary restriction is now being considered by Java planters.

The revival in the tin market has been felt in the mines at Banka, Milliton, and Singkep, where the output has increased. With the improvement in the export trade of the islands the prospects for the import trade are distinctly brighter than they were a year ago.

MALAYA.

With a marked improvement in the prices of tin and rubber, the position in Malaya has materially amended during the past year. In the first six months of 1923 the aggregate value of trade showed an increase of about 33.33 per cent., as compared with the same period of 1922, owing to the higher exports of rubber and tin. The receipts of the F.M.S. railways showed a net increase of \$206,113 over the corresponding period of the previous year, which adequately reflects the general improvement which has taken place. The effect of the restriction of the rubber crops has been to improve the price, which has been approximately doubled. During the first six months of 1923 the declared value of exported rubber was \$201 millions, as compared with \$112 millions in the previous year, an increase of 79 per cent. At the same time the quantity only rose by 6 per cent.—from 175,500 tons to 186,100 tons. The total gross exports for the year were 252,146 tons, as compared with 248,158 tons in the previous year. Tin has also showed a great improvement during 1923, and prices ranging up to over £240 per ton have been realised. With the decreasing Government stocks, there is every reason to anticipate that the industry will soon be established on a firm basis once again. Up to the end of November, 34,220 tons had been exported as compared with 32,144 tons and 31,011 tons during the same periods of 1922 and 1921 respectively.

Important developments have taken place during the

JAPAN.

Production and Industry.—The rice crop amounted to 23,302,500 centals, or 7.7 per cent. less than in 1922, and 2.9 per cent. below the average of the five years 1917-1922; the barley to 14,746,000 centals, or 1 per cent. above that of 1922, and 3.5 per cent. below the average of 1917-1922. The yield of raw silk appears to have been below the average.

CHINA.

Public Finance.—Practically, the revenue of the Peking Government during the year consisted (1) of the Customs and Salt surpluses, after payment of the charges on these revenues "released" to it by their foreign administrations; (2) of short-term loans from the native banks, whose interest it was to save their chief creditor from total collapse. The Maritime Customs revenue was 63,378,000 Haikwan taels, against 58,634,000 in 1922. As the tariff had been raised in January, 1923, to an effective 5 per cent., the increased revenue did not represent a corresponding increase in imports, and, as the average exchange had been lower, the gold value was only £37,600 more. The Washington Treaty had contemplated the addition of a further 2½ per cent. *ad valorem* to the Customs duties, making a total increase of 7½ per cent., but this so-called "surtax" was blocked by the refusals of France to ratify the Treaty, owing to the disinclination of the Chinese Government and Parliament to pay the French share of the Boxer indemnity in gold francs. Consequently, the Conference which would have considered the surtax did not meet in the autumn as had been expected, and the sanction by the Powers of a further effective increase of 5 per cent. *ad valorem* (making 12½ per cent. in all), which had been regarded as a possibility in the near future, was postponed indefinitely. The revenue of the native Customs under the control of the Inspector-General amounted to

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I.—THE CORN TRADE.

BUSINESS STABILISED.

With respect to spring corn and feeding stuffs, the situation seems at a first glance uncertain and unsettled, but those who have frequented the markets week by week are aware of very definite, not to say inflexible currents. Heavy oats will have "first market" when the market can get them, and linseed, with linseed cake, will sell first when prices are at a parity with respect to other oilseeds and other oilcake. Maize will sell freely and travel far inland if it is cheap, but a very little rise in its price brings us to the rooted conservatism of our people, who turn quickly to feeding barley, pulse, and even to the lighter oats as soon as the glamour of real cheapness—say, 7s per cwt, against 9s or 10s—is removed.

A strike in February on the Peking-Hankow Railway was suppressed by force, and one of the leaders executed. Labour troubles seem to have been frequent and largely due to the rise in cost of living. Lack of transport contributed to this and greatly hampered trade, but the crops in 1923 seem to have been generally good.

PRODUCTION OF WHEAT.

	1914.	1922.	1933.
British Isles.....	33.4	35.6	42.9
U.S.A.....	477.5	468.0	262.9
Canada.....	171.2	197.0	198.9
India.....	85.6	118.0	139.5
Argentina.....	20.0	48.8	64.8
Germany.....	77.4	52.5	56.5
France.....	154.8	123.0	156.6
	1,095.7	1,254.1	1,333.3

The International Institute of Agriculture puts the total of its subscribing countries at 1,848,600,000 cwts of wheat for 1923, against 1,659,600,000 for 1922, but accuracy loses not gains by excessive inclusiveness, and many of the minor estimates are exceedingly problematical. That 1923 was a good wheat year is undoubted, and it would be unwise to build on the hypothesis of its figures being repeated in an average year.

THE CONTINUED RISE OF CANADA.

Canadian wheat and flour have continued to increase in importance, not only on the British markets, where they are now accepted as indispensable, but on those of Europe, where they are replacing the grain of the United States. The latter, by erecting a tariff wall against Canadian wheat

entering for "improving" and blending purposes the Republican area of North America, have driven the Dominion growers to invade the Continent, on the markets of which their produce outclasses the American.

REDUCED TRADE IN MAIZE.

The farmers of America are rich; they grow more maize than the rest of the world put together. But their attempt to corner the staple have made an enormous quantity of their own produce unsaleable, and it has—for the time being, at all events—shifted the commercial centre of the maize trade from Chicago to Buenos Aires.

FEEDING STUFFS—IMPORTS.

	1914.	1922.	1923.
Maize	39.0	38.1	34.5
Barley	16.1	12.9	18.1
Oats	15.2	9.5	9.8
Total	70.3	60.5	62.4

It will be seen that we are still under-supplied with feeding-stuffs as compared with 10 years ago. We require to keep more stock. But feeding barley is coming in freely to replace maize, and there are also increased purchases of potatoes, oilcake, and foreign ground meal of all sorts. The changed position in the maize trade of Argentina and the U.S.A. is unquestionably one of the leading corn trade events of the past twelvemonth.

BRITISH IMPORTS OF MAIZE.

	1922.	1923.
From the U.S.A.	14.7	5.4
From Argentina	12.8	19.8

FEEDING-STUFFS PRICES.

The situation has not been easy for those with animals and poultry to fatten for human consumption, and without a greater abundance of feeding-stuffs we cannot have cheap meat or fowls; with fowls, the question of egg supply is also involved. Prices for seven chief feeding-stuffs are subjoined:—

	1914, Per Cwt.	1922, Per Cwt.	1923, Per Cwt.
Feeding rice	12 0	15 0	17 0
barley	8 6	8 6	8 9
Maize	7 0	8 6	9 6
Oats, English	8 0	10 6	10 0
Oats, imported	7 9	8 0	8 6
Middlings	8 0	9 0	9 0
Brans	5 0	6 6	7 0

CROPS OF MAIZE, BARLEY, AND OATS.

Last year space forbade our giving the almost indispensable returns of pre-war production of these cereals, but it is now possible to supply these figures, which time has brought to cover a 10 years' comparison:—

PRODUCTION.—(In Millions of Cwts.)

	Maize.		Barley.		Oats.	
	1914.	1923.	1914.	1923.	1914.	1923.
British Isles	none	none	35.0	28.0	61.0	45.0
United States	1,350.2	1,540.0	93.0	85.5	360.0	373.5
Canada	8.0	8.3	17.0	34.2	90.0	162.0
Australia	4.3	4.0	1.2	2.5	0.6	0.4
Argentina	135.8	100.0	2.0	5.5	27.0	24.0
Germany	none	none	68.0	47.0	1.0	120.0
France	8.6	6.0	21.6	30.0	90.0	110.0
Total	1,506.9	1,658.3	235.8	222.7	810.6	834.9

Many consider that Argentine maize production is underestimated. Last year 53 million cwts were shipped to British and European ports. But undoubtedly the crop is grown mainly for shipment, and the figures before the war may have been incorrect. It is only since 1922 and a new President, who is known and trusted in Europe, that Argentine statistics have become entirely probable. Señor de Alvear installed from his own advent to power an American statistician of accepted repute, and the 1923 figures have general economic acceptance. Oats, no less than maize, appear to have been over-estimated to years ago. Germany obviously has much ground to rewin. Canada shows astonishing progress, but Australian figures are distinctly discouraging.

MARK LANE PRICES PER CWT AT THE BEGINNING OF THE YEARS NAMED.

	1914.	1923.	1924.
Wheat, English	7 3	10 3	10 0
" Canadian	8 6	13 0	11 6
Flour, English	9 0	14 6	11 0
" London	10 0	16 3	13 0
" Canadian	10 6	17 0	14 0
Barley, Malting	9 0	16 0	14 6
" feeding	8 0	9 6	8 9
Oats, English	7 0	10 6	10 9
" Argentine	5 9	8 9	8 9
Maize, U.S.A.	5 6	9 0	9 9
Rice, feeding	8 0	15 6	17 0
Peas, mung	12 0	18 0	22 0
Sugar, feeding	8 0	18 9	26 0
Potatoes, F.A.O.	4 0	6 6	7 6

The following table shows the amount and sources of our imports of wheat, &c., for 1913, 1922, and 1923:—

	Quantity.			Value.		
	1913.	1922.	1923.	1913.	1922.	1923.
Wheat from—	Cwts.	Cwts.	Cwts.	£	£	£
Russia	5,011,100	..	..	1,984,964	..	..
Germany	447,800	..	..	162,038	..	..
Roumania	38,600	..	..	14,962	..	..
Turkey	41,000	..	..	11,261	..	..
United States	34,067,944	37,261,500	31,929,944	13,953,072	22,489,539	17,078,711
Chile	765,100	..	..	326,244	..	..
Argentina Rep.	14,756,200	18,804,200	21,025,744	6,137,518	11,626,921	11,004,647
British India	18,766,100	487,600	12,521,310	7,998,552	297,259	6,738,688
Australia	10,126,658	16,334,997	4,654,220	4,426,629	10,265,594	2,597,353
New Zealand	56,200	347,400	..	23,210	182,616	..
Canada	21,787,900	22,909,800	28,486,785	8,803,949	13,789,734	15,199,549
Other countries	13,700	234,137	2,311,620	6,774	142,530	1,178,132
Total wheat	105,878,102	96,379,634	100,929,623	43,849,173	58,794,183	53,797,080
Wheat meal and flour:						
Germany	455,800	..	..	241,825	..	..
Belgium	32,100	2,200	..	17,144	1,760	..
France	301,700	193,000	108,353	137,803	146,991	64,464
Austria	..	..	..	..	..	..
Hungary	99,691	..	..	74,217	..	..
United States	6,157,644	4,576,701	3,838,716	3,247,423	3,662,967	2,755,657
Argentina Rep.	191,300	290,300	265,160	78,173	146,192	124,678
Australia	349,075	9,356,901	9,762,555	1,785,369	1,378,076	1,215,669
Canada	4,168,563	6,596,440	5,580,511	1,006,735	1,699,038	1,849,149
Other countries	222,280	37,950	140,356	101,185	24,035	66,862
Total	11,978,153	13,474,721	11,718,465	6,347,771	10,671,300	8,207,966
Barley	29,439,248	12,703,275	18,143,880	8,077,100	6,073,516	7,834,983
Oats	18,162,663	9,356,901	9,762,555	5,671,957	4,363,001	4,144,936
Peas	1,978,315	1,314,508	1,977,956	1,006,735	1,699,038	1,849,149
Beans	1,853,468	1,134,270	1,393,979	806,874	646,416	677,529
Total of grain and flour	220,704,110	179,453,746	186,528,872	84,403,247	103,321,521	95,898,125

FRUIT AND POTATOES.

1923 was a disappointing year in the fruit trade, according to the "Farmers' Red Book." The outlook at the beginning seemed fair, for there was a good show of blossom, but cold, harsh winds at a critical time upset things, and one of the worst attacks of aphid ever known crippled plum trees so much that they looked as if they could never recover. They managed to do this, but all stone fruits, including cherries, were very scarce. Pears were another failure, not only the dessert varieties, but not for many years has there been such a famine of perry pears. Apples were patchy, and all told mustered less than half a crop, and that below the average in quality. Practically no perry has been made in the Western countries, and less cider than has been the case for some years, which facts are particularly disappointing to cider makers, who have done a good trade this year, and the demand for cider remains brisk. Amongst small fruit strawberry growers had no reason to complain either about the yield or the prices, but the conditions in most places were too dry for raspberries. Gooseberries were fairly good on the whole, and the few people who still produce black currants had no reason to complain about the price they got for them, while in the way of stone fruit and apples it was easy to see what crops were like by the good prices realised in the markets.

A heavy crop of potatoes in 1922 and the low prices realised had much to do with the falling off in the acreage planted in 1923, and the substantial enhancement of price. Against an estimate of 4,012,000 tons produced in 1922, the 1923 figure was only 2,756,000 tons, the yield per acre having shrunk from 7.1 tons to 5.9, which is slightly below the average for the last ten years. This falling off was common to most countries, Germany's total, for instance, declining from 40,665 to 31,470 metric quintals, and Poland's (the second largest of European producers) from 33,219 to 26,494 metric tons, according to the International Institute of Agriculture. The same authority places the total yield of the Northern Hemisphere in 1922 at 112,046 metric tons, compared with 141,729, the actual decline being 20 per cent. The range of prices in the United Kingdom has been considerable, Arran Chiefs and King Edwards, which were selling in London at the end of 1922 at 65s and 84s per ton respectively, marking as much as 145s and 170s for the best varieties in the last few days of 1923.

LIVESTOCK.

The following table is published by the Board of Agriculture, showing the numbers of livestock in England and Wales halfway through 1922 and 1923 respectively. These figures are collected annually by the Ministry of Agriculture on June 4th:—

	1922. No.	1923. No.	Inc.(+) Dec.(-) No.
Horses—			
For agricultural purposes (including mares for breeding)	805,100	798,000	- 7,100
Unbroken horses (including stallions)—			
One year and above	230,600	207,400	- 23,200
Under one year	83,900	66,200	- 17,700
Other horses	220,900	209,600	- 11,300
Total of horses	1,340,500	1,281,200	- 59,300
Cattle—			
Cows and heifers in milk	1,934,000	1,974,500	+ 40,500
Cows in calf, but not in milk	288,600	269,000	- 19,600
Heifers in calf	299,300	371,000	+ 71,700
Other cattle			
Two years and above	922,900	1,018,200	+ 95,300
One year and under two	1,167,100	1,108,000	- 59,100
Under one year	1,110,800	1,081,400	- 29,400
Total of cattle	5,722,700	5,822,100	+ 99,400
Sheep—			
Ewes kept for breeding	5,428,100	5,497,200	+ 69,100
Other sheep	2,289,900	2,541,300	+ 251,400
One year and above	5,720,000	5,793,300	+ 73,300
Under one year			
Total of sheep	13,438,000	13,831,800	+ 393,800
Pigs—			
Sows kept for breeding	302,000	388,400	+ 86,400
Other pigs	1,996,900	2,223,000	+ 226,100
Total of pigs	2,298,900	2,611,400	+ 312,500

Horses.—Shires.—The home sales have practically disappeared, only two sales of this description being recorded during the year. Of the joint sales, the Shire Horse Show at Islington produced an average price for mares and fillies of £66 7s 8d, the top prices being 220 gs for a brood mare and 200 gs for a three-year-old filly. The general average for stallions worked out at £95 10s 1d, the best price realised being 230 gs. Sales were held at Peterborough in March, when prices ruled rather lower than at Islington, and in October, when the average was below that of March, though the sale was generally well supported. At Crewe in October filly foals met with a fair demand, ranging from 93 gs, but colt foals were not in request.

Hackneys.—To Mr A. Maitland, of Thornleigh, goes the distinction of securing the top average of the year—£90 7s 6d for twelve—his best prices being 260 gs, 170 gs, and 150 gs. Mr C. E. Kenyon, who sold at Crewe, realised an average of £86 2s for 44 head. Here brood mares realised 250 gs and 210 gs, three-year-old fillies 205 gs and 200 gs, two-year-olds 118 gs, and yearlings 80 gs. The stallions made up to 104 gs, and the geldings to 260 gs and 125 gs. Mr H. B. Brandt, at Capenor, secured an average of £53 4s 9d for 27 head, the brood mares and fillies ranging from 160 gs, 150 gs, and 120 gs. Filly foals made up to 55 gs. The top price for brood mares and also for stallions, so far as we are able to ascertain, at the auction sales of the year was realised by Mr W. J. Tenant, at Doncaster, while the former made 450 gs and the latter 300 gs. Mr D. R. Thomas, who sold at Crewe, realised up to 120 gs for females and 100 gs for stallions. Mrs M. Christoford, who occupies Leyswood, once the home of one of the leading studs of the breed, sold brood mares from 100 gs and stallions from 110 gs. There was good demand for the breed at both September and May sales held at Crewe, brood mares making up to 125 gs and ranging downwards from 104 gs.—*Extracted from "The Farmer's Red Book."*

Fat Stock.—There was a very slight advance in prices during the first six months of the year, followed by a fall, while the highest point was reached in the first week in June, first quality beasts averaging 14s 5d per 14 lb stone, estimated dressed carcass weight, a figure which had, however, been reached previously in February. During subsequent months prices fell fairly steadily, until towards the end of October, when a rise commenced, which continued without interruption up to Christmas. This rise was no greater than is customary with the approach of the Christmas trade, and although markets were seriously depleted during the closing weeks of the year by the prevalence of foot-and-mouth disease, this fact does not appear to have been responsible for any increase in values. The course of prices during 1923 has been very similar to that of the previous year, except that the peak in June was less prominent in comparison with the preceding five months than had been the case in 1922.

As regards sheep, prices rose steadily from the beginning of the year until the beginning of March, when first quality sheep were realising 19d per lb dressed carcass weight. A decline then set in, the average for first quality falling to 15d per lb in the middle of July. During the last six months there has been comparatively little alteration, although the tendency has been upwards, and during December the average price for first quality has been about 16d per lb. In spite of the substantial fall in sheep prices which has occurred since the spring of 1923, the price level at the close of the year was still higher in comparison with pre-war years for sheep than for other classes of fat stock.

Prices of pigs declined steadily, with only two slight checks, until mid-July, by which time they were considerably lower than at any time during 1922, first quality porkers averaging 12s 3d and baconers 12s 4d per stone

dressed carcass weight, a fall in the case of pork pigs of no less than 4s per stone during the year. As was customary before the war, prices recovered slightly during the next few months, and from September to the end of the year average prices have varied between 12s 6d and 13s 6d per stone for porkers and between 10s 6d and 12s per stone for baconers.—*Agricultural Market Report.*

The lifting of the embargo on imports of Canadian store cattle is reflected in the Board of Trade returns, the figures rising from 19,960 cattle, value £567,737, in 1922 to 45,417, value £1,257,191, in 1923. The increase has apparently affected home markets less than was expected, being partly compensated by a substantial decline in imports from the United States. Returns of total imports are useless for comparative purposes owing to the inclusion of nine months' trading with the Irish Free State, the values being £14,028,000, against £1,580 in 1922, for "food" classes, and £1,543,000, against £362,000, not for food. Exports in the two groups were £1,777,000, against £31,000, and £1,400,000, against £1,476,000, respectively.

POULTRY.

Reviewing the fortunes of the poultry industry in 1922, Mr Edward Brown states:—Although prices for produce have fallen, and profits are not so great as in the preceding years, the poultry industry has come through the year very well from the fact that costs of production have also fallen to an equal degree. Abundance of evidence is available that farmers have found poultry the most profitable branch of their operations. Poultry farmers, whether breeders or producers of eggs and poultry, have obtained satisfactory returns and a constant demand. On the other hand, many problems remain to be solved. Complaints are very rife that some of the stock, which has been continuously bred for a high average of egg production, is showing loss of size and vigour of body, and are producing smaller eggs, those which are under the market requirements. A further sign is found in the heavy losses from embryonic and chick mortality, in itself a proof of parental weakness, if not actual infection. A question has lately been very prominent, namely, how far the outbreaks of foot-and-mouth disease may affect poultry, and how this is spread.

Whilst it is difficult to make comparisons of 1923 with 1913, it may be stated that the values of imported eggs and poultry, including Irish, in the latter year amounted to £17,500,000, omitting dried and liquid eggs, the quantities of which were very small, that the average values respectively were:—Eggs, 8s 10½d per gt. hhd., and poultry 68s 7d per cwt. Therefore, the average values in 1923 were higher in eggs by 3s 11d, or 44.2 per cent., and poultry 59s 10d per cwt, or 88.3 per cent. So far as can be seen from the returns, imports of eggs (inclusive of Irish) were in 1923 28.6 per cent. less than in 1913, and poultry 10 per cent. more in 1923 than in 1913.

The following estimate is made of the consumption (wholesale) values of eggs and poultry in Great Britain and Northern Ireland, less exports and re-exports, in 1923:—

Imported produce (including Southern Irish)—	13,819,722
Eggs in shell	1,928,742
Poultry, less re-exports	2,803,676
Eggs, not in shell, less re-exports	18,619,212
British produce—	26,940,000
Eggs and poultry, less exports	45,559,212

The result is arrived at that of eggs and poultry consumed in Great Britain and Northern Ireland during 1923, 59.3 per cent. were of home production, and 40.7 per cent. imported.

II.—COLONIAL AND FOREIGN PRODUCE.

TEA.

For years the tea industry struggled against many and various difficulties. The year 1922, however, saw the inauguration of a remarkable period of prosperity, whilst in 1923 the grower is making profits which have never been equalled. The last year has seen some improvement in labour conditions, but so long as good food crops are grown in the recruiting districts the coolie is reluctant to leave his home, therefore free recruiting is not likely until there is a bad failure of the crops. Further, the establishment of manufacturing and mining concerns in the labour districts is bringing competition into the labour market.

Other difficulties which hampered trade in previous years, such as fluctuating exchange, high freights, &c., have caused little trouble during the year under review. The rupee exchange has been fairly steady in the neighbourhood of 1s 4d, and it is to be wondered at that there is not more agitation to have the official par of exchange fixed at this figure. Freights have been steady, ample tonnage being available from all markets.

The following tables give the exports from India for the

last two seasons and for 1913-14, and the average prices during the last two years:—

	1913-14.	April 1-March 31, 1922-23.	1922-23.
From Northern India—			
United Kingdom	196,334,373	241,124,384	220,024,193
Australia	9,795,053	7,091,364	4,552,092
Canada	6,052,551	13,130,791	10,397,516
United States	1,297,740	7,905,470	4,327,086
South America	78,900	5,895,064	1,398,070
Africa		5,127,172	4,667,508
Bombay	5,264,550	11,615,222	12,636,129
Hong Kong		60,183	2,106
Russia	11,415,690	13,790	No ships recd.
Persian Gulf	23,672,196	2,150,934	6,311,509
Continental ports	1,169,885	390,184	518,010
All other places	4,483,192	2,798,288	3,351,721
Total	271,879,358	290,996,846	267,964,740
From Southern India—			
United Kingdom	12,914,998	23,443,517	26,830,979
Colombo	3,889,234	3,653,442	2,606,110
Other ports	5,223,686	619,947	1,555,895
Total	22,027,918	27,716,906	30,992,984
From all India	293,907,276	318,713,752	298,957,724

The quality of the 1922-23 crop of Indian tea was, on the whole, good, and was remarkable for the small percentage of really poor or common tea. The quality of the new crop is, so far, very good, but later arrivals are likely to be inferior, with a larger proportion of poor tea than was seen last season. An exception to this is Southern India, where improved attention is being paid to work in the factory, and, as a consequence, the general standard of quality shows remarkable improvement. There is little doubt that with still greater attention to manufacture quality would be still further improved.

The following tables give the distribution of Ceylon tea during the last two years, and also the average prices:—

	Aug., 1921— July, 1922.	Aug., 1922— July, 1923.
United Kingdom	116,460,000	117,880,000
Continent	2,100,000	2,050,000
America	20,800,000	24,600,000
Australia	19,300,000	16,700,000
China	223,000	247,000
Other countries	10,800,000	16,300,000
Total	169,079,000	177,647,000

The re-establishment of the Tea Cess in Ceylon has again been discussed, but the decision of the majority of the planters is against it. The industry at the present moment is so prosperous that the need of exploiting new markets is not felt, but the wisdom of this policy is more than doubtful. It is in times of prosperity that any business should be developed and consolidated. It is difficult, often impossible, to do this in times of adversity.

The following tables give the exports from Java and Sumatra for the last two seasons. The Netherlands East Indies now take the third place among the tea exporting countries of the world:—

	Aug., 1921— July, 1922.	Aug., 1922— July, 1923.
From Java—		
Holland	21,487,000	19,882,000
Great Britain	16,028,000	21,351,000
Russia	nil	nil
Australia	20,695,000	24,272,000
United States	5,952,000	8,643,000
Canada	432,000	1,055,000
Singapore	56,000	389,000
China	nil	nil
Continent of Europe	136,000	646,000
Other places	968,000	859,000
Total	65,754,000	77,137,000
From Sumatra—		
Holland	3,273,927	5,293,717
Great Britain	6,116,696	5,940,357
United States	47,627	456,230
Singapore	362,048	441,807
Australia	1,200	264,150
Java	93,830	266,121
Other places	88,154	101,420
Total	9,983,481	13,469,102

In Java the tea industry is suffering severely from blight and pests; the *Heliothrips* (mosquito blight) is ravaging many of the lower lying areas, and each year finds this unwelcome visitor arriving on higher elevation estates.

The following tables give the exports of China tea for the seasons 1921-22 and 1922-23 to July 14th:—

	Season 1921-22.	Season 1922-23.
United States and Canada	1,687,586	3,289,837
Great Britain	1,526,528	5,467,324
Continent	800,922	1,334,512
Bombay and Central Asia	440,830	485,125
South African Ports	643,591	504,523
Russia	20,668	24,164
Total	5,130,222	11,130,485

The unsettled condition of affairs in China is clearly indicated by the comparatively small crop of tea sent down for export this year. The quantity of China tea imported into the United Kingdom is now a very small proportion of the

total amount received. It is very largely composed of common tea, which is used for blending or for export purposes. For the last four years tea has been allowed free export from China. The second period of exemption for two years expired on October 9th. The Chinese dealers are applying for an extension of the period of freedom from duty, but are rather doubtful of success. The teas of the 1923 crop of China tea are, on the whole, satisfactory. The first crop contained some very choice teas, but the second and third crops are disappointing, both in quality and size.

The consumption of tea is increasing throughout the world. In the United Kingdom and Ireland it rose from 312,250,000 lbs in 1914 to 411,848,000 lbs in 1922, or from 6½ lbs to 8½ lbs a head. The tea duty in 1922 amounted to £11,555,000.

Great Britain still does a good trade in the export of tea, although the larger markets are becoming increasingly interested in direct shipments from countries of production. Export trade from London has shown a gratifying increase of late, orders having come from various Continental countries. Russia, too, has been a spasmodic buyer. There is little doubt that quite considerable quantities of tea are now finding their way into Russia by various routes. Consumption in the United States and Canada is increasing slowly—prohibition has not had the effect that was anticipated—but there is no doubt that the quantity of tea taken by these countries will steadily grow during coming years.

—Messrs Brooke, Bond, and Co., Limited.

The Board of Trade figures for the United Kingdom for 1913, 1922, and 1923 are as follows:—

	1913.	1922.	1923.
Imports—			
British East Indies (except Ceylon)	203,459,657	255,160,841	267,700,007
Ceylon	110,936,427	111,614,253	121,033,594
China (including Hong Kong and Macao)	16,272,548	11,009,134	25,172,593
Java, Sumatra, and other Dutch possessions in the Indian Sea, and Netherlands	32,062,717	36,935,258	39,612,086
Other countries	2,332,115	2,285,871	4,180,971
Total imports	365,043,464	419,006,357	457,199,253
Entered for home consumption—			
British East Indies (except Ceylon)	172,843,911	259,106,120	236,785,454
Ceylon	91,517,943	108,933,933	104,717,767
China (including Hong Kong and Macao)	9,682,515	6,877,319	10,957,633
Other countries	31,948,194	41,928,588	36,125,769
Total	305,992,563	411,847,960	387,551,413
Stock of all kinds at Dec. 31st	138,005,000	169,776,000	169,577,256
Re-exports total	67,556,651	41,966,070	63,995,126

COFFEE.

Messrs McMeekin and Co. state that coffee prices remained stationary or declined up to September, the year starting with a substantial, not to say excessive, stock, those interested in the trade being faced with a large increase in production. In the concluding quarter, however, some improvement in the demand developed, and prices responded. While undoubtedly the crop of Brazil coffee is a large one, estimates of the eventual output vary considerably. From equally reliable sources a difference in the estimated quantity of as much as 20 per cent. may be recorded. In spite of the large increase in crop, however, the visible supply in the world's markets declined from 7,877,000 bags at the beginning of the year to 4,410,000 bags at the close. In addition to this, it must be borne in mind that there is an unrecorded quantity of Brazilian coffee stored in Government warehouses in the interior of Brazil, which eventually will have to find its way to the consuming markets. The knowledge of this operated upon buyers in practically all markets to such an extent that stocks have been allowed to fall almost to a dangerous level, and it may become a question in the new year which of the two parties interested will prove itself the more powerful. For the present, at any rate, the Brazilian authorities have been successful (1) in realising the stocks held under valorisation, and (2) in maintaining their policy of restricting arrivals at Santos to 35,000 bags per diem. Further, it must not be overlooked that reliable reports indicate that a certain proportion of the quantity retained inland may be of undesirable quality, owing to excessive rain during the summer months. There is an apparent world's shortage of the finer grades. Estimates at present available for the next season's crop indicate that such is likely to be of moderate dimensions, so that it is probable, taking the average of the two seasons, the quantity available, while being sufficient for the world's requirements, may not prove burdensome. There was a gratifying expansion in the figures of export trade over those for 1922, practically the whole of the increase, 420,000 cwts, having been shipped to France, Holland, Belgium, and Germany. The world's deliveries for the year show an increase of 1,808,000 bags as compared with those of 1922, equal to nearly 9 per cent.

The following are based upon the papers issued by the Board of Trade made up from the Custom House returns:—

	1913.	1919.	1920.	1921.	1922.	1923.
Imports	Cwts. 847,000	Cwts. 1,066,000	Cwts. 741,000	Cwts. 557,000	Cwts. 1,098,000	Cwts. 438,000
Quantity on which duty was paid for home consumption ..	260,000	315,000	306,000	307,000	322,000	324,000
Quantity exported ..	515,000	630,000	436,000	556,000	296,000	716,000
Delivered free of duty for use of H.M. Navy and Army and for stores of merchant vessels ..	6,000	10,777	5,640	3,152	6,263	*7,246

COCOA.

1923, like its predecessor, was a disappointing year for the cocoa planter. Apart from Ceylon, produce supplies, of which were much below normal, there was no lack of raw material available for the markets, but demand fell off considerably, and trade remained dull throughout the year. Trinidad, good to fine, opened at 63s to 70s, had fallen by June to 50s to 70s, and at the end of December was quoted at 46s to 55s—a drop of about 25 per cent. over the year. Grenada, beginning at 47s to 53s, closed the year at 36s to 42s, and Bahia, 60s to 62s in the first week of January, had fallen to 41s to 42s by the end of December. Ceylon plantation cocoa, on the other hand, rose from 70s to 90s in January to as much as 108s for the best sorts at the end of the year. The price of prepared products was not reduced in proportion to the general decline in "raws," and the wide "gap" between the two sets of prices did not pass without comment. It is understood that the visit to this country of a number of representatives of cocoa-plantation areas, in connection with the British Empire Exhibition, will be made the occasion for a general discussion of the position, with a view to finding whether any amelioration can be brought about by more extended organisation, and co-ordination of the activities of different districts.

Total raw cocoa imports in 1923 were 1,338,932 cwts, of which 996,081 cwts were entered for home consumption. In 1922 the figures were 1,280,974 cwts and 1,010,892 cwts respectively. Total imports were valued at £2,856,099 in 1923, and £2,928,220 in 1922. As usual, British West Africa was the chief source of supply, sending 1,087,180 cwts—81 per cent. of the whole, in 1923, against 1,017,659 cwts in the previous year. The West Indian Islands increased their output from 134,553 cwts to 149,221 cwts, and Ecuador sent slightly more than in 1922, Brazil slightly less, while Ceylon's contribution slumped from 22,504 cwts to 9,666 cwts. In spite of the increased price realised, the value of imports from Ceylon declined by 60 per cent., an unsatisfactory result in a year when Ceylon tea planters were earning abnormally high profits.

IMPORTS, CONSUMPTION, AND STOCKS. (January-December.)

	Quantity.			Value.		
	1913.	1922.	1923.	1913.	1922.	1923.
Raw Cocoa—						
Imports	Cwts. 689,639	Cwts. 1,280,974	Cwts. 1,338,932	£2,283,573	£2,928,220	£2,856,099
Home consumption ..	543,227	1,010,892	996,081	..	..	..
Re-exports ..	136,560	368,380	174,581	475,013	839,776	363,387
Stocks ..	198,000	574,000	744,000	..	..	..
Cocoa or Chocolate Prepared—						
Imports ..	..	112,408	122,750	..	1,408,359	1,414,152
Re-exports ..	..	7,728	2,687	..	53,628	14,267

SUGAR.

During January the sugar market was dull and disappointing. The Cuban crop had been estimated by both Messrs Guma and Himely as likely to exceed 4,000,000 tons, and U.K. refiners were of opinion that when American wants had been satisfied they would, as in former years, be able then to obtain Cuban sugars on favourable terms. In February doubts began to be entertained of the correctness of the Cuban crop estimates, seeing that in the first week of February the Cuban quotation was raised from 3½ to 3½, cost and freight, New York, and again on the second week to 4 cents, the equivalent of 19s 9d, c.i.f., for the U.K. At the middle of February Mr Guma reduced his Cuban crop estimate from 4,193,000 tons to 3,800,000 tons, and an idea was then prevalent that the world's supplies might fall short of its consumptive demands by 250,000 tons. There was in consequence an active speculative demand in America. During March some natural reactions were experienced, but by first hands prices were firmly maintained at about the equivalent of 27s 6d, c.i.f., for the U.K. American refiners continued to make large purchases of Cuban sugar at 5½ to 5½, cost and freight, and sales of both Cuban and Java sugar were being made to Continental markets. At the end of April, however, new and revised estimates appeared from both Messrs Guma and Himely—the former reducing his former estimate to 3,670,000 tons, and the latter to 3,725,000 tons. During May the quotation for Cubas was maintained at 6½ to 6½, cost and freight, New York, the

equivalent of 31s 3d, c.i.f., for the U.K.—a price above the British market, which was meantime being supplied by large arrivals of British West India sugars on more favourable terms. Early in June the market had a settled appearance, and it was believed that, high though the price was, it could easily be maintained by holders. Past experience, however, has often proved that at a high level of values some unseen and unexpected circumstance is sure to arise and to upset the most careful calculations. In the present case, white Javas became the means of changing the entire course of the sugar market. A large speculative business had been done in these sugars during the excitement of April at 30s to 33s per cwt for May-July shipments, and as these were now coming on, along with large consignments by Japanese operators, it was felt that the supply would largely exceed demand. The Japanese had made extensive purchases of these sugars, having the Eastern markets in view for them, but finding no opening in these markets, also America debarred by the extra 2s per cwt duty exacted on outside sugars, they made large and continuous consignments of them to London, under the weight of which the market there gradually gave way from 30s 3d per cwt on June 8th to 20s on August 10th. This drastic decline of 10s to 13s per cwt had an unsettling and demoralising effect on all markets, and caused a fall in the Cuban quotation on August 17th to 4 cents, cost and freight, New York, the equivalent of 20s 4½d, c.i.f., to the U.K. The low price of 20s for white Javas caused a large demand to arise for them. London refiners in self-defence secured from 8,000 to 10,000 tons, and from all over the Continent there came a demand, even Russia securing 15,000 tons. This caused a rapid improvement in values, and by the middle of September this quotation had recovered to 26s, c.i.f.

From the low level of prices in August all markets have again continued to rally—America especially, the deficiency of whose Cuban crop was beginning to be severely felt, paid high prices for the balance of their sugars, and to augment their supplies became large buyers of full duty sugars—Peruvian, Brazil, St Domingo, and other descriptions—at prices much above the U.K. parity, and by so doing they deprived British refiners of their usual supply of these sugars. Before the slump in American prices several Cuban cargoes afloat and landed in the U.K. were repurchased for New York at prices unobtainable in the U.K. Fortunately, considerable supplies of Mauritius sugars became available at this time for British refiners at about 30s to 33s, c.i.f., the equivalent of 24s 6d to 27s 6d, c.i.f. The scarcity of raw sugar has recently been severely felt; so much so that several refineries were compelled to close, waiting adequate supplies.

The grinding of the new Cuban crop having been delayed by unfavourable weather, the Centrals are only now getting under way. The estimate of the crop by Mr Guma is 3,775,000 tons, and that of Mr Himely 3,813,000 tons, which was generally expected. The Cuban crop has generally been a prosperous one for the planters, and the balance-sheets of the principal companies, so far published, show handsome profits, after payment has been made of interest, taxes, and all other expenses.

The West Indian Colonies.—Trinidad, Barbadoes, Jamaica, and others, along with Demerara, show no signs of increasing their products, which remains stagnant at about 260,000 to 270,000 tons annually. *American Beetroot Crops.*—Notwithstanding the high bounty enjoyed by these crops, they do not show an expected increase. This year they have only produced 750,000 tons, against 616,900 tons and 912,000 tons in the two previous years.

Continental Beetroot Crops.—The crop of the present year was at first estimated as likely to yield 5,294,500 tons, but it was found, in reaping, that the cold weather of June had been most prejudicial to its development, and adverse circumstances since have caused a reduction of its output to 4,725,500 tons. The crop of Germany has proved specially disappointing, and the others more or less so, except that of Czecho-Slovakia, which has exceeded expectations, and is likely to yield 1,000,000 tons.

British Beetroot Crops.—The Cantley factory, which has this season worked up the roots grown for Kelham along with its own, is reported to have had excellent results, which it might well have with its Government bounty of 25s 8d per cwt. With the withdrawal of this bounty, or its reduction to the West Indian allowance of 4s 3d, it might be injuriously affected.

The consumption of America is this year estimated at 4,850,000 tons, against 5,180,000 tons last year. The meltings through all the ports have been 4,146,206 tons, and to this falls to be added sugars which have passed into direct consumption. The following table gives an idea of the total consumption of Great Britain during the past three years:—

	1921.	1922.	1923.
Meltings of raw sugar in London, Liverpool and Greenock	Tons. 960,000	Tons. 1,000,000	Tons. 960,000
Probable consumption of foreign refined	470,000	600,000	540,000
Total	1,430,000	1,600,000	1,500,000

Beet.—Per Messrs Willett and Gray's circular, dated New York, December 13, 1923:—

	1920-21.	1921-22.	1922-23.	1923-24.
Tons.	Tons.	Tons.	Tons.	Tons.
Germany.....	1,152,960	1,305,810	1,463,000	1,125,000
Poland.....	189,834	179,096	294,269	375,000
Czechoslovakia.....	705,919	659,907	733,825	900,000
Austria and Hungary.....	47,977	91,220	105,579	150,000
France.....	305,041	306,073	490,360	461,000
Belgium.....	242,589	289,966	268,928	250,000
Holland.....	317,196	379,770	255,592	250,000
Russia and Ukraine.....	88,490	48,374	193,400	250,000
Other countries.....	621,782	711,984	747,009	954,500
Total.....	3,671,788	3,973,100	4,551,962	4,725,500

Cane.—From same circular:—

	1920-21.	1921-22.	1922-23.	1923-24.
Tons.	Tons.	Tons.	Tons.	Tons.
United States—Louisiana & Texas.....	157,234	292,589	266,353	212,500
Porto Rico.....	438,494	362,442	336,456	350,000
Hawaiian Islands.....	508,392	502,194	469,000	540,000
Virgin Islands.....	4,500	5,000	1,739	2,000
Cuba.....	3,936,040	3,996,387	3,602,910	3,700,000
British West Indies—Trinidad.....	54,933	59,948	41,619	55,000
Barbados.....	24,817	36,742	52,715	50,000
Jamaica.....	39,960	42,167	35,029	35,000
Antigua.....	11,320	9,850	12,642	10,000
St Kitts.....	8,063	8,426	10,735	10,000
Other Islands.....	5,603	9,238	8,142	8,000
French W.I.—Martinique.....	25,426	32,000	30,000	26,000
Guadeloupe.....	191,171	237,283	194,171	210,000
San Domingo and Haiti.....	115,000	119,800	130,763	135,000
Mexico.....	54,192	47,062	52,445	60,000
Central America.....	96,168	107,927	101,128	90,000
South America—Demerara.....	9,384	10,000	11,000	10,000
Surinam.....	22,806	16,000	16,000	18,500
Venezuela.....	6,998	13,318	14,220	17,000
Ecuador.....	344,024	319,864	313,743	325,000
Peru.....	202,158	172,236	209,718	250,000
Argentina.....	340,063	491,933	596,743	628,000
Brazil.....	2,506,320	2,532,500	2,988,000	3,025,000
British India.....	1,508,755	1,649,610	1,746,875	1,720,000
Java.....	342,176	406,966	405,800	400,000
Formosa and Japan.....	255,843	334,160	264,000	323,000
Philippine Islands.....	79,706	108,963	94,554	100,000
Myrta.....	259,872	197,430	211,130	200,000
Mauritius.....	42,079	65,564	40,000	50,000
Réunion.....	158,194	155,194	158,221	173,500
Natal.....	61,009	34,446	45,950	60,000
Mozambique.....	6,886	13,805	13,918	12,000
Spain.....	182,401	299,465	306,678	258,000
Australia.....	73,000	71,750	25,000	35,000
Fiji Islands.....	12,081,831	12,774,448	12,846,137	13,112,500
Total.....	12,081,831	12,774,448	12,846,137	13,112,500

The world's supplies of beet and cane, as estimated above, together with stocks carried over at August 31st, will therefore stand as follows:—

	1920-21.	1921-22.	1922-23.	1923-24.
Tons.	Tons.	Tons.	Tons.	Tons.
Stock in statistical countries carried over at August 31st.....	1,500,000	2,000,000	1,500,000	1,000,000
European beetroot crops.....	3,671,788	3,973,100	4,551,962	4,725,500
American beetroot crops.....	1,004,019	930,121	628,336	764,500
Cane crops.....	12,081,831	12,774,448	12,846,137	13,112,500
Total.....	18,257,638	19,677,669	19,526,435	19,602,500

* Estimate, in absence of reliable Continental statistics.

The following table is intended to show how much of these supplies have been consumed during the past three years, and will enable a rough idea to be formed of the relative position of the world's supply and demand till the end of the sugar year on August 31, 1924:—

	1920-21.	1921-22.	1922-23.	1923-24.
Tons.	Tons.	Tons.	Tons.	Tons.
Visible supplies on Aug. 31, 1921, 1922, and 1923.....	1,500,000	2,000,000	1,500,000	1,000,000
Production of beet and cane.....	16,757,638	17,677,669	18,026,436	18,602,500
Deduct visible supplies on Aug. 31, 1921, 1922, & 1923.....	18,257,638	19,677,669	19,526,435	19,602,500
Total consumption for year ending Aug. 31st.....	16,257,638	18,377,669	18,526,435	18,602,500

* Estimate, in absence of reliable Continental statistics.

The home consumption of the Clyde ports during the past five years has been as follows:—

MELTINGS OF SUGAR IN CLYDE REFINERIES.

	West India.	Mauritius & Natal.	Brazil.	Cuba and Porto Rico.	Beetroot.	Java.	Peru and other Foreign.	Total.
Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
1919.....	16,789	5,188	2,257	216,762	..	16,487	7,347	259,642
1920.....	312	5,188	2,342	151,110	..	59,420	5,335	216,307
1921.....	8,491	48,620	3,280	81,713	..	36,575	4,129	182,778
1922.....	14,094	18,908	4,050	146,899	..	6,198	29,152	236,301
1923.....	16,143	68,415	12,880	35,620	..	51,497	29,756	264,311

Decrease in meltings of raw sugar in 1923, 21,990 tons.

Refined.—The number of refineries working in Greenock remains at five. Work for the year did not commence till the middle of January, as there was an accumulation of refined to be disposed of. Thereafter, with the exception of periods in April and December, the weekly meltings were fairly regular.

FROZEN MEAT TRADE.

A Trade Correspondent writes: Supplies of frozen and chilled meats imported into Great Britain in 1923 were heavier than in any previous year. The totals of the various descriptions (the preceding year's figures being shown in parenthesis) amounted to 4,600,654 (3,516,350) quarters of chilled beef, 2,637,534 (2,601,726) quarters of frozen beef, 6,228,328 (6,031,230) carcasses of frozen mutton, and 8,907,557 (8,594,169) carcasses of frozen

lamb. The most notable feature is the increase of 30 per cent. in chilled beef imports, following upon an even greater increase in 1922 over 1921. From Australia and New Zealand smaller supplies of frozen meat were received; but the Argentine Republic amply made up the shortage.

The weight of these arrivals aggregated 925,132 tons, as compared with 821,666 tons in 1922, an increase of 103,466 tons, or 12½ per cent.; while the import value was £49,531,310, or £53 per ton, against £45,809,013, or £50 per ton in the preceding year.

With Home supplies also showing an increase, the inference to be drawn from the foregoing figures is that the consumption of meat in this country during the past year, notwithstanding trade depression and a large volume of unemployment, must have been on a larger scale than ever before. A rapid expansion is taking place in the importation of foreign supplies, while Empire supplies are declining. In 1923, the Overseas Dominions provided only 12 per cent. of our refrigerated beef imports, whereas in 1913 the proportion of Empire-produced beef was 20 per cent. The same tendency is observable in regard to mutton and lamb production, the proportion received from Australasia last year being only 62 per cent. against 74 per cent. ten years ago.

Trade was slow and dragging throughout the greater part of the year, owing to the supply being almost constantly in excess of the demand. Prices opened at a high level, but thereafter followed a downward course, and, although on average they were not lower than in 1922, the result of the year's operations was that heavy losses were sustained by most people engaged in the trade. Average wholesale prices for the year of the best qualities of each description of meat were as follow, viz., chilled beef 6½d per lb, frozen beef 4½d, frozen mutton 8½d, and frozen lamb 1½d per lb, representing increases over the pre-war level of 22 per cent. for chilled beef, 13 per cent. for frozen beef, 72 per cent. for mutton, and 77 per cent. for lamb. Whereas mutton and lamb prices are still very high, chilled and frozen beef is now considerably cheaper than most other foodstuffs, the reason being that beef production was stimulated and sheep-raising was discouraged during the war, with the result that the world's flocks are now greatly depreciated, while cattle growers are suffering from over-production.

The consumption of butcher's meat in Great Britain and Ireland is now estimated at 2,000,000 tons, of which about 1,065,000 tons are home killed, 904,260 tons imported frozen and chilled (less re-exports), 8,537 tons imported fresh meat, and 20,100 tons in the form of imported live stock, the proportions being 53.3 per cent. home killed and 46.7 per cent. imported. In 1913, the proportions were 60 per cent. and 40 per cent. respectively.

TOBACCO.

Consumption has not decreased much. In 1913, 129,221,363 lbs were retained for home consumption, against 133,618,782 lbs in 1922, but to the former figure has to be added for the purpose of comparison the corresponding Southern Irish total. This figure is 2,797,676 lbs for the period April-September, 1923. The returns for October, November, and December are not to hand, but it will be seen that there is not much to complain of as regards consumption for the year. The tobacco companies are holding their own. As the Imperial Tobacco Company have the lion's share it may be recalled that at the annual meeting in February, 1923, the profit for the year was £7,199,076, and the figures forthcoming at the next annual meeting will continue the tale of prosperity. On April 24th last this company gave one bonus ordinary share for every three ordinary shares held. As regards export, the bulk is in the hands of the British-American Tobacco Company, who at their 21st annual meeting in January this year showed a net profit of £4,494,971, an increase of about £94,000 over the previous year. An increased volume of business was reported.

Outside these two major elements an imposing fringe of independent manufacturers are doing well for their shareholders. Both in the home and export markets they have maintained profits, and in several instances increased them.

A notable event in 1923 was the fiscal separation from Great Britain and Northern Ireland of the Irish Free State as from April 1st. The Free State adopted the same tariff on tobacco as that existing in this country. The constitution of Soarstat Eireann as a separate fiscal entity, however, meant that the English, Scots, and Northern Irish manufacturer had to pay a higher tax—that provided on the imported manufactured product—upon importations into Southern Ireland. This resulted in higher prices for the imported manufactured article. Manufacturers in Southern Ireland were in an advantageous position, arising from a tangible degree of protection. This margin moved the Imperial Tobacco Company to start factories by their branches of Wills, Playér, and Clarke on Free State territory. On

the other hand, a prominent Irish manufacturer started a factory in this country, and the Dublin firm of Goodbody and the Liverpool firm of Cope have come to a working arrangement.

IMPORTS AND RE-EXPORTS OF TOBACCO.

	Quantity.			Value.		
	1913.	1922.	1923.	1913.	1922.	1923.
Lbs.	Lbs.	Lbs.	£	£	£	£
IMPORTS—						
Unmanufactured.....	162,365,925	184,856,648	173,881,868	6,709,082	17,430,468	15,032,604
Manufactured and snuff.....	3,587,988	1,493,676	1,659,914	1,323,480	1,183,943	1,409,871
Total.....	165,953,913	186,350,324	175,541,782	8,032,562	18,614,411	16,442,475
RE-EXPORTS—						
Unmanufactured.....	3,698,069	11,134,976	14,633,884	193,396	920,766	995,790
Manufactured and snuff.....	380,261	408,727	342,506	71,482	137,269	82,975

RUBBER.

The following is extracted from Messrs S. Figgis and Co.'s review of the indiarubber market in 1923:—

SHIPMENTS OF PLANTATION RUBBER FROM CEYLON, INDIA, BURMAH, MALAYA, SUMATRA, BORNEO, AND JAVA.

Exported from—	1918.	1919.	1920.	1921.	1922.	1923.
Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
Ceylon (and India).....	23,000	43,000	37,200	40,100	47,000	36,000
Malaya, &c. (inc. re-exports).....	134,000	219,000	187,800	159,900	248,000	252,000
Java.....	17,300	35,500	31,000	29,800	32,000	32,000
Sumatra (East Coast).....	12,900	26,500	22,400	29,900	39,000	46,000
Total.....	187,200	324,000	278,500	269,500	366,000	366,000

† December shipments estimated.

In our last annual review we gave the total net shipments of Eastern plantation rubber for 1922 as 356,000 tons; for 1923 we estimate the net shipments to be 360,000 tons, which includes 25,000 tons stock held over in the East, and also probably 15,000 tons from smuggled rubber and the selling of coupons—this means the proper production under the restriction scheme to have been about 320,000 tons. The trade generally did not expect so much rubber, and American manufacturers bought largely in the spring, no doubt on the basis of a smaller supply. This is the chief feature of the year: that America took 190,000 tons of rubber in the first six months, and although her trade was good, it was not large enough to absorb all the manufactured goods, and she was therefore left with less purchasing power for the remaining six months of the year, and we have consequently had a lower price and a quieter market during this period. We think it will be generally admitted that the Government restriction scheme has been a success, and during the last six months has worked satisfactorily; smuggling has been largely stopped, also the selling of coupons. The one factor which causes some disquietude is the increase from the Dutch unrestricted areas, principally native, and we must expect a further 20,000 tons from these during 1924. We must therefore estimate the production of plantation rubber from the Dutch areas to be about 140,000 tons. Estimating that the production from the restricted areas (including India and Burmah, French Indo-China and Sarawak, which are unrestricted) will be 215,000, allowing for 10,000 tons increase on the year, we reach a total for plantation rubber of 355,000 tons. This is calculated on a 60 per cent. restriction throughout the year, and on the assumption that the young areas are not given a further year's growth by the Committee, as they have already been generously dealt with. We shall have to wait a month or two for the Committee's decision. The Amazons have produced about the same as last year, 21,400 tons, and, with the other descriptions of wild rubber, the total of 25,000 tons is reached. There is little inducement to collect forest rubber at these rates.

As regards consumption, America has absorbed about 200,000 tons; her stock to-day of crude rubber is probably about 9,000 tons less than the end of last year, and her manufactured goods have been reduced since last summer, but are still large. European trade has shown a general increase, especially in England, Germany being the one country to show a decline. We estimate the consumption for the rest of the world, leaving out America, at 105,000 tons plantation, and including Para and other wild rubbers at 110,000. Assuming these figures to be approximately correct, we estimate the world's stocks to be reduced by about 48,000 tons from the end of 1922; calculating a reduction of 25,000 tons in the Eastern stock, which was then abnormally large, 14,000 tons in the United Kingdom, and 9,000 tons in America, though the stocks returned in America are not made up officially by public warehouses. We estimate the total imports into America at 290,000 tons, against 296,000 tons in 1922, 180,000 in 1921, and 249,000 in 1920. As we have already said, the consumption in America has been good, and there is an increase of motor registration there of between one and a-half to two millions during the year, but she overestimated her consumption in the spring, taking 190,000 tons in the first six months. In Europe there is an increase in the consumption, particularly

in the United Kingdom; France and Italy also have slightly increased, while Germany has taken less, probably about 20,000 tons, against 27,500 tons in 1922. Japan has taken rather more, 17,500 tons, against 16,600 in 1922 and 23,100 in 1921. It is evident that there is a natural increase in motor traffic throughout the world wherever roads are sufficiently good for their use, and in Europe there is room for considerable expansion when times become more normal.

The highest price for the year was at the beginning, when it was 6½d on the spot was paid for standard ribbed smoked sheets, and is 6½d for crepe; prices only fell slightly during the next two or three months, but at the end of April they declined to 1s 3½d, and in May fell sharply to 1s 1½d for spot standard grades, which was the lowest price of the year. There were moderate fluctuations through the summer, and in August, with more inquiry from America, the price rose to 1s 4d on the spot, but with American manufacturers having their orders filled largely by the New York dealers, the demand here was disappointing, and prices fell in October to 1s 1½d for spot, and the market has remained quiet since then, with little change in prices, and we close with spot value 1s 2½d per lb. The Rubber Growers' Association has continued active in its propaganda work, and we are glad to report the largely increased use of pure crepe rubber for soles; America has bought considerably. The total consumption for this purpose has been about 3,000 tons. Rubber paving is being tried in Manchester, where 150 yards have been laid down by the old-established firm of Chas. Macintosh and Co. The use of liquid latex has not become general yet, though the United States Rubber Company of America continue to use it. Sole crepe of one-eighth and one-quarter of an inch in thickness, by 36 inches long and 13 inches wide has commanded a premium over standard crepe for the greater part of the year of 6d per lb. The price has for a considerable period ruled around 1s 9d per lb. This high price has only been obtainable for the very best parcels of this rubber, smooth on both sides.

From Brazil, the Amazons, Bolivia, Peru, and (Wild) Medium Rubber.—The last year's crop of Para rubber, July, 1922, to June, 1923, was practically the same as the two previous crops, about 20,600 tons. The fine Para market has continued to follow the course of the Eastern plantation market; the highest price being in January 1s 5½d, falling to 1s 3d in April, and with a slow demand remained about 1s 2d until October, when it dropped to 1s 0½d, which is to-day's price. The use of fine Para has not increased. Caucho Ball has continued relatively high in price, but demand only limited—to-day's quotation, 11½ per lb. A few imports of Mattagrosso virgin have sold at about 11d per lb; the quality is not so regular as it used to be. Imports of wild rubber, except from the Amazons, continue negligible. The total receipts at Para from the Amazons, Bolivia, Peru, &c., were:—

	1918.	1919.	1920.	1921.	1922.	1923.
Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
Receipts at Para (including Caucho).....	34,350	34,300	28,160	20,217	21,512	21,401
Shipments from Para (including Caucho).....	25,400	38,500	29,000	17,900	21,700	21,900

Balata.—The supply of both sheet and block has only been moderate; shipments from Venezuela have been smaller, and the consumption has continued good and equal to the supply. As in rubber, the highest prices of this year were in January for both sheet and block. Fluctuations have not been large during the past twelve months; not more than 4d per lb. We started the year with considerable activity, and the price of f.a.q. sheet on the spot was 3s 7½d to 3s 8d per lb, and block at 3s 5d per lb, with sales to arrive on c.i.f. terms up to 3s 3d per lb. With small fluctuations and a quieter market during the next three months, we declined in May to 3s 5d for sheet and 3s 0½d for block on the spot, and in July prices fell another penny per lb. Since then there has been a quiet market, with little change, the value of sheet being 3s 4½d to 3s 5d and block 3s to 3s 0½d per lb. The Amazons have continued to send shipments, but this quality has not been so much liked, and now does not command a premium over good Venezuelan. Panama has only sent small shipments, some of very fair quality, which is liked. Gutta-percha has again been in limited demand, and realised fair prices throughout the year. Total imports, &c., of all sorts were:—

	England.			London.		
	Imports.	Deliveries.	Stock Dec. 31.	Imports.	Deliveries.	Stock Dec. 31.
Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
1919.....	85,816	76,974	24,386	70,697	61,387	22,207
1920.....	103,095	71,046	56,499	89,296	59,854	20,969
1921.....	86,551	63,207	79,843	72,576	54,544	69,001
1922.....	63,730	64,009	79,564	56,750	54,538	71,213
1923.....	73,536	88,485	64,615	65,302	77,728	58,787

	1919.	1920.	1921.	1922.	1923.
Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
Imports of rubber other than Para and Peruvian to England.....	77,993	95,810	82,130	60,395	71,

THE OIL INDUSTRY IN 1923.

The world's production of crude oil in 1923 was prodigious. A conservative estimate of it is 1 billion barrels (approximately 151,500,000 tons). The normal rate of increase in the world's oil production is 10 per cent. per annum, but last year's output shows an increase of 18 per cent. over that of 1922. This was due to the United States, which, according to the estimates of the American Petroleum Institute, produced 745,000,000 barrels—an increase of no less than 187,000,000 barrels, or 33.6 per cent., over 1922. Such a rate of increase is without parallel, except in the early days of the American oil industry. From 1900 to 1920 the annual rate of increase in United States production averaged about 10 per cent., and for 1920, 1921, and 1922 it has been 6.5 per cent., 17.5 per cent., and 30 per cent. respectively. The United States proportion of the world's total has thus risen to 73 per cent., as against 65.2 per cent. in 1922 and 62.3 per cent. for the period from 1857-1922.

This oil deluge was caused by the fact that some of the most prolific fields ever discovered in the United States happened to attain their peak of production about the same time. During 1923 (to quote again from the American Petroleum Institute's report) more new oil pools were brought in contemporaneously than in any previous period of equal length. In the past 23 years 23 oil pools, producing at their peak about 100,000 barrels a day, have been developed. Eight of these pools reached their peak in 1923. This sort of thing, it may be conceded, is not likely to happen very often. To take another example; in October, 1923, 3,800 oil wells in a few fields were producing approximately 1,200,000 barrels per day, whereas a year ago more than 30,000 wells were required to produce the same quantity of oil. The highest daily average production attained in the United States in 1923 over a weekly period was 2,280,700 barrels. The last week of the year showed a daily average of 1,927,750 barrels—a decline of about 15 per cent. Once the peak has been passed in these flush-producing fields, the decline is invariably rapid. In the Los Angeles fields (Long Beach, Huntingdon Beach, and Santa Fé springs), which have been mainly responsible for the deluge, the peak of production was reached in the week ending August 18th, and in 19 weeks thereafter the output declined by 22 per cent. The history of the new Powell field in Texas is more remarkable still. From less than 10,000 barrels daily on June 16th the production was developed up to 346,000 barrels daily by November 5th. Within seven weeks thereafter it had declined by 74 per cent. This is sensational history, even for oil.

It was fortunate for the American oil industry that the crude oil production of Mexico continued its decline. The 1923 Mexican output is estimated at 152,035,000 barrels, as against 185,057,000 barrels for 1922—a decline of 18 per cent. Of this total the light oil production from the "Southern Fields" (Tuxpam zone) was 63,987,000 barrels—a decline of more than 53 per cent. from that of 1922—while the heavy oil output from the Panuco fields was 88,048,000 barrels—an increase of nearly 100 per cent. The sharp decline in the light oil production confirmed the most pessimistic forecast of the salt-water invasion of the formerly prolific "Southern Fields." In the Panuco fields, also, salt-water encroachment has recently been more marked. No new fields outside the known oil zones were discovered in Mexico last year.

Other oil-producing countries pursued a more even course. No important discoveries were made, except by the Anglo-Persian Oil Company of a new field at Mandali, just within the borders of Southern Iraq, but within the confines of the company's D'Arcy concession. It will be some considerable time before this new field is properly tested and connected up to the company's pipeline system. Oil development in Venezuela still waits upon the provision of more adequate means for ocean transportation. Russia slightly increased its output, and still has large areas of oil-bearing territory awaiting exploitation. The following table gives the main details of the world production of crude oil last year as compared with that of 1922:—

WORLD CRUDE OIL PRODUCTION (in Barrels).

	1922	1923	Increase.
	(Estimated)	(Estimated)	%
U.S.A.	557,531,000	745,000,000	33.6
Mexico	185,057,000	152,035,000	18 (decline)
Russia	32,936,000	34,000,000	5.4
Persia	21,909,000	23,780,000	8
Dutch East Indies	16,728,000	17,000,000	1
Romania	9,843,000	9,953,000	1
Others	33,561,000	36,047,000	10
	897,617,000	1,017,795,000	18

The considerable production of oil surplus to current requirements caused prices to slump badly in the United States and in the world markets governed by the American situation. The year strangely began with advancing prices. Pennsylvania crude oil rose from \$3.25 per barrel to \$4.25 by February 5th. The optimism then felt was premature. In April the curve of declining prices began, and continued

as crude oil production rose. Pennsylvania crude was marked down by 25 cents at a time till it reached \$2.60 in November. Then the rapid falling off of the flush production in the Southern California and Powell fields arrested the decline. In December prices began to move the other way. Pennsylvania crude was advanced by 25 cents on December 14th to \$2.85, on the 26th to \$3.10, on the 31st to \$3.25, and now (February 10th) stands at \$4.50. Refined oils followed generally the downward, and finally upward, course of crude. In the case of gasoline, a fierce price-war was waged in the latter part of the year. On account of the high gasoline content of Southern Californian crude oil, which was shipped to, and largely replaced mid-Continental crude in, the refineries on the Gulf and Atlantic Coasts, there was a disproportionate over-production of gasoline. In Great Britain the price of petrol fell to its pre-war level. On July 19th a cut of 3½d per gallon was made, which was followed quickly by a further cut, bringing the price of No. 1 petrol to 1s. 6½d retail and 1s. 4d wholesale. The recent advance of 4½d goes far towards wiping out the whole of the 1923 decline.

It should be appreciated that the oil surplus of 1923 was not due to, or accentuated by, any falling off in consumption. In fact, consumption showed more than its normal rate of increase. Exports from the United States amounted to 3,270,638,102 gallons—an increase of 30 per cent. over 1922. American domestic consumption and exports together showed an increase of 26.7 per cent., which accounts for probably over 80 per cent. of the world's oil trade. As regards gasoline, domestic consumption in the United States showed an increase of 21 per cent., and domestic consumption and exports together an increase of 25 per cent. Germany and Holland excepted, oil exports from the United States increased to all the principal oil-consuming countries. Refined oil shipments to Great Britain gained by about 22 per cent., to France by about 28 per cent., and to Italy by about 38 per cent. Exports of crude and refined oil to Canada were only slightly less than the tonnage exported to Great Britain. These figures indicate that the oil industry is in a sound condition, and that the balance between supply and demand can be, and is now being, quickly restored.

III.—BEER, WINES AND SPIRITS.

BEER.—The chief event of 1923, from the brewers point of view, was the change in the beer duty made in the Budget. The duty of 100s per standard barrel was not altered, but a rebate of 20s was granted on each full barrel of 1.024 degrees or over, the rebate being graded down in the case of beers of less gravity. Messrs Whit Tomkins and Courage write in their annual review:—"The estimated cost of the rebate was £13,000,000 in the current year and £16,600,000 in a full year. Being of opinion that the trade might fairly be asked to bear part of the cost to the Exchequer, the difference between the rebate of 20s and 24s, the equivalent of a penny per pint in the barrel, was left to be borne by the trade. It will be observed that the reduction of the duty by way of rebate, a deviation from the principle laid down by Mr Gladstone in 1880, namely, that the duty should be based on the materials used or contained in the beer brewed. In addition to the condition that retail prices should be lowered, there was an understanding that existing gravities should in all cases be at least maintained. Retail prices were lowered on the morning following the Budget statement, and the pre-Budget gravities were, on the whole, not decreased. On the reduction of only one penny per pint which the rebate allowed, the Chancellor's apparent expectation of an increase of 10 per cent. did not see likely to be realised according to the figures of standard barrelage at the end of the calendar year, which left a quarter of the fiscal year to run. But a higher figure may be reached if there is any appreciable improvement in the unfortunate industrial conditions which characterised the year 1923." From the same source we obtain the following figures relating to barrelage and beer duty:—

Year to March 31.	Duty.	Standard Barrelage.	Bulk Barrelage.	Average Gravity.
1914.....	7 9	35,864,391	37,558,767	1.029-80
1915.....	23 0	33,098,411	34,765,780	1.028-35
1916.....	23 0	30,292,977	32,110,608	1.051-68
1917.....	24 0	26,626,039	30,163,998	1.046-94
1918.....	25 0	13,816,173	19,088,043	1.239-61
1919.....	50 0	12,592,081	23,264,533	1.200-45
1920.....	70 0	25,116,106	35,047,987	1.235-41
1921.....	100 0	26,728,283	34,504,570	1.244-61
1922.....	100 0	23,513,774	30,178,731	1.248-99
1923.....	100 0	21,027,544	26,616,963	1.243-53

WINES AND SPIRITS.—The Budget brought no reduction in the duties either on spirits or wine. The following is extracted from *Ridley's Wine and Spirit Trade Circular*:—"When writing in January last we pointed out the fact that during the concluding two months of 1922 business showed a distinct improvement over that experienced during the previous ten, justified the hope

this greater measure of activity would not only endure, but still further improve. Although complaints of dull trade have been frequent in many quarters throughout the year that has just elapsed, the statistics afforded by the Board of Trade prove that such have, certainly as regards wines, been unwarranted. Thus while the aggregate clearances from bond only amounted to 12,592,639 gallons in 1922, the total last year rose to 13,512,698 gallons, so that the improvement that took place was substantial. Further than this, this increase was participated in by all the various categories with the exception of Spanish Red descriptions and 'Other Foreign Countries'; the decline in the consumption of the last named was, moreover, practically nominal, whilst exportations have also advanced from 611,350 gallons in 1922 to 699,995 gallons last year, an amount which, however, compares badly with the 2,065,176 gallons in 1921. With regard to foreign and colonial spirits the boot is on the other leg, seeing that the total clearances have declined from 5,437,314, 3,510,829 and 2,623,454 gallons in 1920, 1921 and 1922 respectively to no more than 2,247,233 gallons last year; we quote the four years in order to show the continuous nature of the decline; of these spirits, rum has proved the greatest sufferer, the reason no doubt being that the heavy duties now levied on spirits has brought the retail price of rum and whisky almost to a parity, and consequently many former consumers of the first-named have forsaken it for the latter."

From the same source we quote the following condensed information on imports and clearances:—

In Thousands (000's omitted).

	1920.	1921.	1922.	1923.
	Im-ports.	Clear-ances.	Im-ports.	Clear-ances.
French (Still).....	3,499	3,344	1,437	1,580
Do (Sparkling).....	1,177	824	399	404
Port.....	5,740	6,101	4,593	5,451
Spanish (Red).....	2,228	2,076	1,429	1,449
Do (White).....	1,150	1,179	490	389
Other sorts.....	3,941	1,639	1,212	1,535
Total.....	17,736	15,156	9,533	11,241
Brandy.....	1,329	1,332	393	881
Rum.....	3,684	3,133	4,429	1,516
Other sorts.....	1,165	974	556	553
Total.....	6,876	5,437	5,378	3,511
Re-exports of foreign and colonial wines from Great Britain in 1923 were 699,995 gallons, against 611,350 gallons in 1922. Exports of British and Irish spirits in 1923 were 7,209,390 gallons (value £9,944,406), as against 5,703,471 gallons (value £7,868,703) in 1922.	12,761	12,593	13,287	13,513

The following reports are condensed from the extended reviews given in *Ridley's Wine and Spirit Trade Circular* of various classes of wines and spirits.

FRENCH STILL WINES.—Business in these wines since we wrote last January has shown a considerable revival, but, unfortunately, the statistics afforded by the Board of Trade do not sub-divide clarets and burgundies, or even red and white descriptions; the relative proportion of improvement that has occurred in these wines can only be surmised. We venture the opinion, however, that clarets have advanced to a greater extent than burgundies, and that white wines have substantially increased in public estimation during the current year. Taken in the aggregate, the clearances from bond have increased from 1,765,069 gallons in 1922, to 1,959,093 gallons last year, thus showing a gain of 104,024 gallons. It may also be usefully noted that the clearances in the last pre-war year, namely, 1913, amounted to no more than 1,812,477 gallons. The importations for last year were 1,973,025 gallons, as compared with 3,499,342 gallons, and 1,760,905 gallons in 1921 and 1922 respectively.

FRENCH SPARKLING WINES.—The clearances of champagne during 1923 rose from 459,744 gallons in 1922 and 350,944 gallons in 1921, to 653,184 gallons. The figures in regard to saumur for the years 1923, 1922, and 1921 were respectively, 49,517 gallons, 53,234 gallons, and 37,871 gallons, and those for sparkling burgundy, 20,897, 16,928, and 14,867 gallons. The foregoing figures in regard to champagne show that a considerable improvement in the demand took place. This has been a natural sequence of hotel proprietors and restaurateurs, and also to a less extent other retailers, lowering their prices to figures of a less prohibitive magnitude than was hitherto the case. As we pointed out last year, we are convinced that too excessive prices in the long run reduce sales and profits, and we are glad, therefore, to note that our views have to a large extent been adopted during the past 12 months. Another factor which has helped in this direction has been the lowering by certain shippers of the price of their non-vintage wines, a very sound policy, to our thinking, and one which has certainly led to a substantial increase in the demand.

PORT.—From a statistical point of view, wines from Portugal show to greater disadvantage than do those from any

other wine-producing country, a remark which applies to both clearances from bond and importations. With respect to the former, duty during the past 12 months was paid on 6,748,767 gallons, as against 6,388,933 gallons in 1922, and 5,450,751 in 1921, whilst the importations for the three years were 6,394,698, 6,388,594, and 4,593,144 gallons respectively.

THE VINTAGE.—Taken as a whole, the vintage in France was far from coming up to early expectations. Irregular temperature ruled everywhere, whilst a period of too much rain was followed by a rather severe drought, so that a good deal of coulure occurred, whilst later on many grapes were so dried up that they produced a very scanty amount of juice, so that the quantity of wine made was below, and in some cases much below, that of an average year. The official figures as regards the Departments of Aude, Gard, Hérault, and Pyrénées-Orientales are already to hand, and show that in the aggregate they have produced 567,010,000 gallons of wine, as against 581,180,000 gallons in 1922. We learn from our well-informed contemporary, *Le Moniteur Vinicole*, that the aggregate yield of France amounted to 1,253,624,000 gallons, as against 1,523,518,000 gallons in 1922. Happily, there was scarcely any disease, and the grapes were, as a rule, fully ripe, although here and there some little inequality was noticeable.

IV.—RAW MATERIALS

COTTON.

	Imports.	Exports.	Prices Middling American.	Unemployment.	Ministry of Labour Average Earnings.
	Centals.	Yarn. Lbs. P/ce Goods Sq. Yds.	Per Lb. d	%	s d
1913.....	19,166,544	210,099,000	11-11	..	..
1920.....	16,475,501	147,432,400	11-89	..	..
1921.....	11,725,521	145,904,900	11-37	..	..
1922.....	14,319,902	201,221,000	12-71	..	..
1923—January.....	1,348,186	12,814,700	399,988,200	15-11	34 10 1
February.....	1,303,384	10,881,600	342,558,500	15-38	10 6 35 1
March.....	1,239,724	13,030,300	337,411,500	16-54	14 5 34 8 2
April.....	696,599	10,295,400	316,278,700	15-98	17 6 34 8 1
May.....	943,492	12,574,500	409,962,600	14-68	22 4 34 8 2
June.....	355,512	10,023,300	300,669,100	16-06	21 2 33 4 4
July.....	461,637	9,814,400	316,083,600	15-77	21 3 33 10 9
August.....	545,933	12,802,800	328,945,000	13-86	21 6 34 11 3
September.....	628,628	11,997,100	344,318,800	16-22	20 1 34 4
October.....	1,746,237	14,733,500	371,289,700	18-94	17 8 34 3 2
November.....	1,713,017	14,618,600	349,697,400	17-79	15 2 35 1 2
December.....	2,413,686	11,136,600	383,106,000	11-72	12 0 36 0 8
	12,925,254	145,019,600	4,121,203,700	..	..

* On December 28, 1923, 21-17.

The past year was one of severe depression in the Egyptian section, and of a certain amount of progress in the Egyptian section. The main difficulty arises from the relative scarcity and high cost of the raw material, which during the year under review reached an entirely uneconomic price level. Raw cotton is peculiarly subject to the delicate attentions of the speculator, and during the latter part of the year excessive price fluctuations had a very unsettling influence over the whole trade. Messrs Robert Barbour and Brother summarise the course of prices as follows:—

January commenced with fully middling spot at 15.40; at the end of February it was 16.45, 14.00 at the end of March, and back again to 15.48 on April 30th. On May 11th it had dropped to 14.18, but was just over 16.00 by the end of that month. From 17.28 halfway through June a gradual decline took place, and on August 1st, at 13.40, the lowest point of the year was recorded. From that date over 2d per lb was added before September came in, and nearly 3d more during the course of that month, whilst in November the price was raised another 4d, from 17.78 to 21.99. The setback in early December reduced the quotation to 18.59, but following the Bureau report bullish activities once more asserted themselves, and the final rate, after sundry disconcerting fluctuations, was only 1d per lb under the highest point of the year, the actual figure being 21.06.

The American crop proved much smaller than had been anticipated. The acreage figures published at the beginning of July were over 12½ per cent. greater than those of the previous year, and constituted a record in the history of the trade. Early forecasts of the United States Department of Agriculture pointed to a crop of 11,400,000 bales, against 10,248,000 bales in 1922-23. Later forecasts, however, were progressively worse, culminating in a final estimate, in December, of 10,081,000 bales only. According to Mr. F. W. Tattersall, the growth for the season, including linters, will amount to about 10,700,000 bales, which, with the 2,500,000 bales carried over at the end of July last, gives a total available supply of 13,200,000 bales. The consumption for 1923-24 is put in the neighbourhood of 11,700,000 bales, so that the world's reserves of American cotton will by next summer be reduced to about 1,500,000. These figures do not, unfortunately, point to a return in the near future to

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anything approaching pre-war prices. Some authorities have not hesitated to record their belief that the day has passed when the United States is in a position to supply Lancashire with raw cotton at an economic price.

The low price of Egyptian in relation to American cotton during the greater part of the year—in June and July there was practically no difference in the respective prices—facilitated expansion in this section of the trade. On January 2, 1923, the quotation for fully good fair Sakellaridis Egyptian cotton on the spot in Liverpool was 17.80d. Changes in prices during the early months of the year were not important, but 15.40d was posted on May 11th, and 15.25d on July 30th. By the end of September the price had advanced to 18.65d. There was another rise in November to 26.95d on the 29th, and the year closed with the figure at 24.50d. Lancashire's heavy consumption of Egyptian cotton was facilitated by the abundance of the yield last year, which reached a figure of 6,684,000 cantars. Prospects for the present season are less favourable, and the output is not likely to exceed 5,960,000 cantars.

The following table shows raw cotton and yarn quotations for each month throughout the year:—

1923.	Cotton, Fully Middling American.		—American Yarns—		Cotton, Egyptian F.G. Fair Sakellaridis 60's	
	d	¢	32's	40's	50's	60's
January 5	15.11	21	204	234	17.50	28
February 2	15.38	21	211	241	17.65	28
March 2	16.54	22	211	241	17.50	28
April 6	15.98	23	222	252	17.40	29
May 4	14.88	23	222	252	16.40	28
June 1	16.06	23	222	252	16.40	28
July 6	15.77	22	222	252	15.75	28
August 5	15.86	20	20	222	15.85	28
September 7	16.22	22	22	244	17.05	29
October 5	16.84	22	222	252	18.60	30
November 2	17.79	24	244	27	18.75	30
November 30	21.72	29	29	32	20.75	30
December 7	19.92	27	28	30	24.15	38
December 28	21.17	28	28	31	24.30	38

The scarcity of American cotton—used in 12 per cent. of Lancashire spindles—was further reflected in the large business done in such sorts as Peruvians and the longer-stapled Indian. The objects of the Empire Cotton Growing Association are being actively pursued, and a beginning has been made in the growing of cotton in various British Dominions.

The post-war cotton crops of the world are shown below in comparison with those of 1914:—

(Bales of 500 lbs (approx.) 000's omitted. Linters included in American crop.)

	America.	India.	Egypt.	Russia.	China.	Others.	Total.	% on 1914.
1914-15	16,738	5,209	1,298	1,145	2,917	1,166	28,473	100
1915-16	11,921	5,796	1,114	329	1,590	1,550	22,700	80
1916-17	13,700	3,601	1,206	151	1,473	1,473	21,565	76
1917-18	8,277	4,479	929	85	1,283	1,764	16,917	60
1922-23	10,338	5,196	1,300	100	1,250	1,676	19,851	69

* 400 lb bales. † Estimates.

According to the International Institute of Agriculture, the following yields of ginned cotton were obtained in certain British Colonies and Dominions in 1922-23, as compared with the average for the four pre-war years:—

	1909-10-1913-14.	1922-23.
	Average. Quintals.	Quintals.
British India	7,770,220	9,427,467
Uganda	44,025	181,436
Nigeria	20,148	29,944*
South Africa	165	4,602
Australia	163	4,287*
West Indies—		
Montserrat	1,425	2,100
St Christopher	2,990	1,919
St Vincent	2,325	1,539
Malta	940	350

* 1921-22.

WOOL.

	Imports—Raw.		Exports.		Prices.		Unemployment.	Ministry of Labour Average Earnings. (Wool.)
	Centals.	Sq. Yds.	Centals.	Sq. Yds.	Average Colonial Bale.	Average Manufactures.		
1913	21,742,996	62,490,100	35,709,970	104,859,043	52	52	..	..
1920	18,972,294	54,587,800	55,089,763	164,772	18	18	..	..
1921	11,725,521	34,370,500	58,487,559	164,772	22	22	..	..
1922	11,056,764	31,946,600	62,643,661	164,772	28	28	..	..
1923	7,393,448	21,589,700	..	..	..	..	..	..
1923—January	978,784	22,063,500	6,214,899	..	44	44	41	7
February	836,889	17,559,700	5,112,819	..	38	38	40	7
March	776,534	14,381,500	4,779,534	..	34	34	41	10
April	929,244	12,876,300	4,080,045	..	36	36	41	6
May	904,094	17,373,000	5,158,607	..	41	41	39	11
June	798,130	17,730,800	5,272,534	..	68	68	40	6
Jan.-June	5,223,675	101,964,800	30,618,438	..	..	..	..	..
July	402,398	20,235,600	5,710,176	..	93	93	40	8
August	338,409	19,016,400	5,869,222	..	112	112	40	7
September	232,480	17,951,400	5,696,853	..	110	110	40	0
October	356,707	16,376,600	5,155,618	..	110	110	39	3
Nov.-Dec.	377,402	18,940,600	4,601,119	..	111	111	38	6
December	565,374	28,134,300	4,928,232	..	..	..	..	..
June-Dec.	2,169,773	109,094,900	32,085,233	..	..	..	..	..

Throughout practically the whole of the past year, Messrs Schwartz, Buchanan, and Co. state, conditions otherwise sound were obscured by the political situation. It speaks volumes for the inherent strength of the wool situation and the healthy state of the trade that values, comparatively speaking, were so little affected. In spite of financial difficulties in Central Europe, a vast amount of unemployment at home, a distinct wave of pessimism in America (which country between May and October re-exported quite a large quantity of wool to Europe) and an industrial dispute in Verviers, which lasted four months, the resultant ill effects were but limited and of a temporary nature.

When the sales opened in January the tone was confident and merinos regained most of the ground they had lost in December, and crossbreds, which, in spite of the improvement in the last three months of the preceding year, were still very cheap as compared with merinos, showed a further material advance. Unfortunately this position was not maintained, as the fears of the result of the projected political action in the Ruhr caused lack of confidence and doubt as to what would be the effect both financially and economically of such action. This weakness was further reflected at the opening of the March sales, but the tide was on the turn already in the second week, thanks to French and American support. The upward movement continued till May, when a set-back, caused by fears of a financial collapse in Germany, and bad trade in England and America, took place in the June-July series, and it was perhaps fortunate that the dockers' strike compelled the abandonment of the second half of the series. The consequent long interval allowed time for digestion, and a gradual and continuous improvement took place from that time forward, less marked in merinos, but very distinct with regard to medium and coarse crossbreds from October onwards. At last crossbreds seem to be coming into their own, for, after long neglect, in spite of their relative cheapness, which one would consider an important factor in the impoverished state of a great part of the world, the increased use of coarser fabrics has only recently become apparent.

We give below our usual statement of the value per lb clean of a few representative descriptions in December in certain years, in July, 1914, just before the war, in April, 1917, which saw the temporary close of public auctions, and in December, 1919, 1920, 1921, 1922, and 1923:—

Pt. Phillip.	Adelaide.	B. Ayres.	Cape.		—Australasian Crossbred—		Fine.	Fakly.	Medium.	Coarse.
			Good.	Average.	Washing.	(Super.)				
Dec.	d	d	d	d	d	d	d	d	d	d
1899	33	31	26	24	25	20	16	12	12	12
1900	19	17	15	14	15	12	11	8	8	8
1901	21	18	15	14	16	11	8	8	8	8
1909	28	25	22	20	26	15	12	10	10	10
1910	27	25	22	20	26	15	12	10	10	10
1911	26	24	20	19	22	18	15	13	13	13
1912	29	26	23	20	24	20	17	15	15	15
1913	28	25	22	21	22	18	15	14	14	14
July 1914	33	30	27	23	26	22	17	15	15	15
Dec.	d	d	d	d	d	d	d	d	d	d
1915	43	35	31	26	37	34	28	25	25	25
1916	65	57	48	39	61	47	35	30	30	30
April 1917	75	63	50	38	54	50	35	30	30	30
Dec.	d	d	d	d	d	d	d	d	d	d
1918	138	108	97	68	95	70	40	30	30	30
1920	65	40	34	28	45	30	19	13	13	13
1921	45	33	30	23	35	21	10	8	8	8
1922	57	48	45	30	45	35	17	11	11	11
1923	65	58	53	48	52	42	23	19	19	19

As compared with last December, merinos show a rise of 15 per cent. for combing sorts and 20 to 25 per cent. for short and faulty wools. Fine crossbreds are 15 to 20, medium 20 to 30, and coarse 50 per cent. higher. As compared with the prices ruling in July, 1914, merinos are roughly 100 per cent. higher, fine crossbreds about 85 per cent.; medium, however, are only 40 per cent. and coarse 30 per cent. dearer.

According to Messrs Charles Balme and Co., the quantities of "free wool" and wool for the account of the British Australian Wool Realisation Association, catalogued in the London market during 1923, compare with the figures for 1922 as follows:—

	On Importers' Account.		On B.A.W.R.A. Account.		Total.	
	1922.	1923.	1922.	1923.	1922.	1923.
New South Wales	Bales. 117,337	Bales. 128,411	Bales. 107,802	Bales. 50,734	Bales. 225,139	Bales. 179,145
Queensland	108,997	91,576	54,815	1,845	163,812	93,421
Victoria	76,341	107,017	108,290	131,287	184,631	238,304
South Australia	27,512	97,102	25,851	2,014	53,363	99,120
West Australia	70,597	44,220	25,976	3,693	96,573	49,913
Tasmania	6,058	4,109	9,052	78	15,110	4,186
New Zealand	318,838	313,536	148,252	213,985	467,090	527,521
South Africa	14,390	46,354	43,619	..	58,009	46,354
Punta Arenas and Falkland	84,943	52,526	..	..	84,943	52,526
Islands	3,750	4,778	..	..	3,750	4,778
River Plate	8,418	8,363	731	676	9,149	9,039
Sundries	..	..	..	..	..	..
Total	838,539	828,586	523,388	404,310	1,361,927	1,232,898

In addition to the foregoing the following quantities of wool

were catalogued on account of B.A.W.R.A. at the under-mentioned ports:—

	1922.	1923.
Liverpool	Bales. 150,901	Bales. 194,945
Hull	139,705	119,270
Antwerp	101,523	..

bringing the total quantity of wool offered on account of B.A.W.R.A. during 1923 up to 718,825 bales, as against 915,517 bales during 1922, a decrease of over 20 per cent. As compared with 1922, the total catalogued quantities fell 129,000 bales, or 10 per cent., a decline of nearly 150,000 in Australia's contribution being noteworthy. Supplies from New Zealand were more prominent than in 1922.

The following table, compiled by the "Weekly Wool Chart," shows the amount of wool retained by the trade in the years stated, the figures for 1923 being approximate:—

(Million Lbs.)	1913.	1922.	1923.
Imports, foreign and colonial wool	801	1,106	735
Re-exports, ditto	307	448	415
Retained	494	658	320
British clip retained	95	40	45
Reduction in B.A.W.R.A.'s stocks in U.K.	..	86	190
Total retained by trade	589	784	555

At the end of 1923 stocks of wool in trade hands were probably less than at the beginning of the year, so that the machinery consumption in 1923 was about equal to that in 1913. In 1922 stocks in the hands of the trade increased, so that the figure of 784 million lbs did not entirely represent consumption.

The omens point to a continuance of a firm position in woollen markets. Messrs Edward Dyerson and Co., of Melbourne, quoting estimates made by the United States Department of Agriculture, point out that the number of sheep in the world prior to the war was approximately 550,000,000, but these have since dwindled, and the 1922 estimate was about 465,000,000—a decrease of approximately 16 per cent. Australian flocks (which produce nearly one-quarter of the world's annual supplies) comprise over one-sixth of the world's total. Some of the figures are interesting, and are as follow:—

Country.	—Number of Sheep—	
	Pre-War.	1922.
United Kingdom	28,967,495	23,761,021
Australia	85,057,402	80,000,000
New Zealand	24,191,810	22,222,259
South Africa	30,656,659	26,288,560
Argentina	80,401,486	40,000,000
United States	52,362,000	36,048,000
Uruguay	26,286,296	12,000,000

The reduction by over one-half in the River Plate Republics is due partly to increasing population and improved railway facilities bringing a larger percentage of the country under cultivation, but is chiefly the result of the enormous slump a couple of years ago in the price of crossbred wool, which discouraged sheep farming in those countries.

The present season's prospects do not favour any marked increase in the world's supplies. The new Australian clip, according to Messrs Schwartz, Buchanan, and Co., will show a considerable decrease, 250,000 bales being probably a conservative estimate. This reduction is due not so much to actual losses of sheep as to a light shearing, caused by lack of feed. The lambing, too, has been a failure. In New Zealand the production is likely to remain stationary, as the good season in the North Island would appear to be counterbalanced by the wet and cold one in the South Island. From South Africa no increase can be expected, as the season has been rather dry. The Argentine clip will again show a further substantial decrease, and of the 120,000 bales (roughly 360,000 Colonial bales) held over in Argentina last year only 20,000 remain. Of B.A.W.R.A. stocks there are now but 220,000 bales left, and these will be disposed of in the next few months.

JUTE, FLAX, AND HEMP.

The era of depreciating values which coincided with the liquidation of various stocks, both in the countries of production and at the consuming centres, appears to have been brought to a close in 1923. Values during the year began to improve, and gave evidence that supplies were proving unequal to the demand.

Italian Hemp.—The heavy accumulation of previous years has been entirely liquidated, and the trade has become dependent upon the existing crop. Fortunately, this has proved satisfactory as regards quality, but the quantity does not touch the high-water mark of previous years. The demand from Italian spinners which set in very early has been consistently maintained. Other countries have bought more sparingly, notwithstanding which hemp has almost continually risen in price since the beginning of the year, so that values to-day of good Bologna range from £77 per ton, as compared with £68 per ton at the beginning of the season. Italy is benefiting by a currency which is practically stabilised at 100, and which enables the local mills to

manufacture at a price that can compete successfully in the world's markets, whether for yarns or cloth.

Flax.—The flax spinning and weaving industry in France and Belgium has been active during the whole year, and was assisted by the stimulus of a depreciating exchange on export. Ireland and Scotland suffered from depressed trade conditions and severe competition. An improvement is at last being felt, partly through trade revival and partly through the shortage and dearth of cotton, which is encouraging a more extensive use of linen. The production of flax in most of the producing countries has almost returned to normal except in Soviet Russia, where the cultivation is still far below pre-war, and this season the estimated quantity available for export is only 40,000 tons, against 300,000 tons in pre-war days. It is manifestly impossible for the spinning trade to return to pre-war consumption until Russia is able to increase her production of flax, for this is the principal source of supply capable of expansion to meet the world's requirements.

Prices fell until March, 1923, when Baltic flaxes advanced, owing to heavy buying, but reacted again until October, which was the lowest point. Soviet flaxes continued to fall until October-November, when a large business was done. Since then there has been a steady upward tendency, which seems likely to continue while cotton is at its present high level. Livonian Risten is valued at £100, and Bejetsky I. sort £91, c.i.f. The large accumulations of stocks which existed last year have been completely absorbed into consumption, and the spinning trade is now strictly dependent on the annual production.

East Indian Hemp.—There has been an entire clearance of stocks, both in India and at home. Reports from India indicate that the unprofitable prices of the last few years have caused a considerable diminution in the sowings of this class of fibre, and growers are producing very little more than they require for their own necessities. Consumers hold little or no stock, and as none is available in London any inquiry goes straight to the very sensitive producing markets, which respond with steadily increasing prices. Fine Jubilee pore has advanced in value from £24 per ton to £30 per ton. Benares from £21 per ton to £29 per ton. Other classes of Indian hemp have moved in proportion.

Calcutta Jute.—The 1922-23 crop proved to be considerably larger than the very low official estimate, which brought about wide fluctuations in price throughout the season. The new season opened under satisfactory conditions, with a considerably increased area, and on the expectation of a much larger crop prices steadily declined, until first marks were sold as low as £20 10s per ton in the month of September. The market quickly reacted at this point, and rose to £30 per ton, but has reverted since to the neighbourhood of £27 per ton. An indication of future expectations is to be found in the premium paid for shipments two to three months ahead, which is generally 20s to 30s per ton.

Manila Hemp.—Receipts during the year show an increase of 16.6 per cent. over 1922, viz., from 1,275,000 bales to 1,487,000 bales, but shipments and deliveries have corresponded closely with the increased receipts, and the position of the article is undoubtedly healthy, with a demand apparently fully equal to the supply.

The price of "J" grade at one time fell as low as £30 per ton, but the revolution in Mexico, which improved the demand for Manila, raised the price of "J" to £36 per ton. The lower grades show less appreciation. Unquestionably, the increase

or any pressure to sell from producers, who are booked far ahead.

Henequen.—The consumption of Mexican sisal in Europe was considerably extended during 1923, and shipments totalled some 115,000 bales. The low price and accurate execution of contracts under the well-managed selling arrangement in New York unquestionably added to the popularity of this fibre, together with the improvement in the quality caused by greater care in the production, baling, and grading. Evidences were forthcoming during the latter months of the year that less material would be available for shipment to Europe, if the wants of American manufacturers were to be adequately met. The revolution to which we have alluded brought matters to a crisis, and manufacturers throughout Europe are now seeking to secure early delivery of African sisal to replace the Mexican supplies, which are fraught with so much doubt. It seems doubtful, indeed, whether European mills will return to the consumption of Mexican unless substantial advantages are offered. The price to the grower during the year was gradually raised to 5 cents to the lb, without, however, any increase in the price to the American consumer.

New Zealand Hemp.—Attempts have been made in New Zealand to improve the production of this fibre by closer attention to cultivation and more accurate grading. Growers have been discouraged owing to the continuation of low prices, and openly stated that they were unable to produce it at the prices which were ruling during the first half of the year. The Mexican situation and the difficulty of securing sufficient supplies of African have reawakened interest, especially in America, and the turn of the year sees a considerable improvement in value, which, it is hoped, will lead to an increase of production.

Maguay Fibre.—In common with other fibres of its kind, maguay has steadily appreciated in price, notwithstanding its substantial output, and values close at their best at the end of the year.

FIBRE VALUES in the UNITED KINGDOM.

	Jan. 1, 1920.	Jan. 1, 1921.	Jan. 1, 1922.	Jan. 1, 1923.	Jan. 1, 1924.
Italian hemp, P.C., S.B. per ton	130 0	105 0	54 0	60 10	66 0
Bombay hemp, H.J.F. "	70 0	35 0	22 10	25 0	30 0
Bengal Sunn "	60 0	40 0	24 0	34 0	36 0
Manila, J. "	60 10	56 0	38 10	33 10	35 10
New Zealand, fair "	48 0	50 0	35 10	31 0	33 15
African sisal, No. 1 "	58 0	53 0	39 0	35 10	38 0
Jute, first natives "	66 0	38 10	35 10	36 0	28 10
Flax, Livonian ZK "	245 0	120 0	120 0	93 0	90 0
Cotton, spot Liverpool per lb	30.50d	9.90d	12.00d	15.40d	21.06d

—Wigglesworth and Co., Limited.

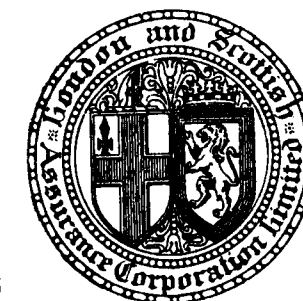
The following figures show our imports of flax, hemp, and jute during 1913, 1922, and 1923:—

	Quantity.			Value.		
	1913.	1922.	1923.	1913.	1922.	1923.
FLAX.						
Russia	68,161	12,877	3,088	2,806,829	1,092,791	260,931
Netherlands	1,442	1,552	1,364	87,059	198,888	152,797
Belgium	14,194	7,230	7,706	1,262,141	1,300,101	1,006,897
Other countries	473	9,410	15,477	24,100	835,800	1,330,806
Total	84,270	31,069	27,635	4,180,129	3,327,580	2,651,431
FLAX TOW OR CODILLA.						
Russia	13,416	4,746	1,575	503,160	351,497	87,849
Belgium	3,812	458	417	65,335	45,447	29,253
Other countries	955	3,309	4,058	22,595	236,261	239,136
Total	18,183	8,513	6,050	591,090	633,205	356,238
HEMP.						
Russia	12,818	..	..	432,201	..	..
Germany	4,186	50	..	129,299	1,511	..
German East Africa	949	..	..	31,210	..	..
Italy	9,102	5,530	10,569	376,044	275,128	553,774
Philippine Islands	64,579	40,746	56,242	2,000,450	1,367,140	1,222,824
British East Africa	283	9,682	6,088	7,279	333,775	211,302
British East Indies	17,390	5,518	4,383	386,680	143,130	119,941
New Zealand	21,824	4,906	2,734	849,170	166,840	86,344
Other countries	6,571	8,969	9,731	179,492	337,172	337,076
Total	137,702	75,402	89,747	4,191,825	2,634,715	3,130,758
HEMP TOW OR CODILLA.						
Russia	2,308	..	..	51,886	..	..
Italy	754	1,702	1,552	22,020	60,975	69,303
New Zealand	4,906	..	..	69,789	..	..
Other countries	708	2,399	1,980	14,909	57,363	56,784
Total	8,576	4,101	3,532	158,404	118,338	126,087
JUTE, RAW.	350,826	148,889	138,411	9,246,598	4,275,193	3,839,370
Total of flax, hemp, and jute	599,557	267,974	265,375	11,838,046	10,961,966	10,101,384

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WM. AENEAS MACKAY, General Manager.

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SILK.

At the close of 1922 the principal feature of the silk market was that production was not keeping pace with a constantly increasing consumption. Stocks of raw silk were very light, and it was generally believed that a serious shortage would be felt before new silk be available. Throughout the first months of 1923 prices rose rapidly. News from America was distinctly optimistic, and consumption there exceeded 35,000 bales monthly. As early as March important contracts were made for new silk, both in China and in Italy, America being the chief buyer. In April business quieted down in Lyons. Manufacturers were alive to the danger of high prices for silk, and turned part of their production towards the use of cheaper textiles, such as cotton, wool, silk yarn and artificial silk. This change resulted in very difficult times for throwing mills and in a sharp reduction in the consumption of Japan silks on this side. Meanwhile, America was still buying freely on the Eastern markets. However, no serious shortage of silk was being felt, and it soon became evident that none would be felt, shipments from the Far East resulting considerably larger than anticipated.

The final result of the crop was up to expectation. The excess upon the 1922 crop was from 10 to 30 per cent., according to the producing centres. Nevertheless, high prices were paid for cocoons all over the world, and the laid down cost of new silk was about equal to prices ruling at the time on the consuming markets. Business remained quiet and prices declining throughout the summer months, with a better feeling at the end of August. On September 1st Japan was afflicted by an exceptionally severe earthquake. Thirty thousand bales of silk were destroyed in Yokohama, and during a few days it appeared as if exports from Japan, which form 60 per cent. of the world's silk production and about 75 per cent. of the silk supplies of America, would cease for several weeks, or even several months. Prices rose in a few days by 25 per cent., and America sent large orders to China and to Italy. However, the excitement did not last long; the new quotations soon appeared prohibitive. The retail trade began to look at silk piece goods with less favour, and jobbers reduced their orders. Meanwhile, the Japanese had managed to resume exports in the course of a few weeks, thus doing away with the fears of a shortage of silk supplies. Less than a fortnight after the disaster prices began to give way, and since then the silk market has remained quiet. Present prices have practically come back to the same level as at the end of August.

Silk prices in gold currency are to-day almost double the lowest prices reached after the heavy fall of 1920; they are very nearly the same as those of the beginning of this year.

SILK SUPPLY FROM ALL COUNTRIES.
(In Kilogrammes.)

	Seasons.				
	1909-10.	1910-11.	1911-12.	1912-13.	1913-14.
Export from Shanghai (including Tussah).....	5,185,000	5,193,000	5,940,000	6,440,000	5,800,000
Do Canton.....	2,395,000	2,637,000	1,730,000	2,260,000	2,780,000
Do Yokohama.....	8,372,000	8,935,000	9,370,000	10,867,000	12,120,000
Do Persia and Central Asia.....	600,000	538,000	603,000	485,000	435,000
Do India and Indo-China.....	435,000	430,000	440,000	168,000	115,000
European crop.....	5,385,000	4,700,000	4,330,000	4,982,000	4,235,000
Levant crop.....	2,438,000	2,262,000	2,357,000	1,748,000	1,880,000
Total.....	24,510,000	24,495,000	24,570,000	26,950,000	27,365,000

	Seasons.				
	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.
Export from Shanghai (including Tussah).....	4,135,000	5,500,000	5,030,000	4,560,000	4,870,000
Do Canton.....	1,980,000	1,840,000	2,580,000	2,330,000	1,650,000
Do Yokohama.....	9,490,000	12,005,000	14,390,000	15,440,000	14,655,000
Do Persia and Central Asia.....	165,000	90,000	100,000	80,000	85,000
Do India and Indo-China.....	50,000	95,000	115,000	115,000	110,000
European crop.....	4,840,000	3,225,000	4,070,000	3,245,000	3,160,000
Levant crop.....	1,630,000	925,000	940,000	750,000	955,000
Total.....	22,220,000	23,680,000	27,165,000	26,520,000	25,485,000

	Seasons.				
	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.*
Export from Shanghai (including Tussah).....	5,550,000	3,565,000	4,010,000	4,830,000	4,530,000
Do Canton.....	3,170,000	1,850,000	2,580,000	3,175,000	2,650,000
Do Yokohama.....	15,150,000	10,887,000	18,590,000	18,845,000	17,500,000
Do Persia and Central Asia.....	100,000	50,000	100,000	100,000	100,000
Do India and Indo-China.....	145,000	50,000	85,000	75,000	100,000
European crop.....	2,235,000	3,840,000	3,500,000	4,010,000	4,990,000
Levant crop.....	940,000	700,000	550,000	700,000	850,000
Total.....	27,290,000	20,742,000	29,315,000	31,635,000	30,620,000

* Estimates.

—Chabrières, Morel, and Co., of Lyons.

HIDES AND LEATHER.

Raw Hides.—The course of business ran more smoothly during 1923 than during the previous year, and was more satisfactory to both importers and buyers. The demand throughout was especially strong for low-priced hides. Values of all hides steadily hardened until about June, and then gradually declined, especially for South American hides, which were quoted at a very low price indeed—frigorific ox at 6½d and cows down to 5½d per lb. These hides have recovered from the worst, but are still relatively cheap. English hides also declined at this period, but not to the same extent, and recovered later, their present weakness being due to the general poor condition of the hides. The export of English hides during the past two years was:—1922, 144,744 cwts; 1923, 156,228 cwts. Imports of foreign hides showed a further improvement, but, as in the case of the English product, shipments were still below those of the last pre-war year:—

	1922. Cwts.	1923. Cwts.
Wet.....	589,265	791,283
Dry.....	521,054	606,101
	1,110,319	1,397,384
Re-exports.....	243,154	238,756
Retained for home consumption	867,165	1,158,628

Tanned Skins.—In spite of the disappointing results shown by many branches of the general trade of the country, in tanned East India skins, the year's business shows no decline in the aggregate sales, while the basis of values has been appreciably raised. There was a steady demand throughout the first six or seven months, after which it gradually improved in successive sales to the close of the year, when the strongest demand and highest prices were recorded. The home trade was steady during the earlier months, and very strong during the closing stages. The end of the year found stocks within a very moderate compass, and the demand active for all descriptions.

Tanned Hides.—During the year there has been an extremely good home trade demand for this article, and prices generally have ruled very steady, as the closing values only show the small average improvement of about 5-10 per cent. on both Madras and Bombay tannages. Export business has been quiet, which is not surprising in view of the fluctuating and adverse exchanges. Through the medium of the public auctions about 957,000 have been disposed of, comprising 430,000 Madras (including 200,000 calf), 490,000 Bombay and 38,000 Colombo and Calcutta hides. With present stocks so limited prospects for the present year are distinctly favourable, and larger shipments than those to hand recently can be readily absorbed by the trade.

Leather.—Trade returns in the United Kingdom show that during the twelve months ended December 31, 1923, the imports of undressed leather totalled 599,213 cwt, valued at £4,743,281, as compared with 444,320 cwt, valued at £3,880,414, in the previous year. India, of course, was the largest source of supply in respect of both hides and skins, and the United States furnished a good proportion of hides, while Australia sent a considerable quantity of both hides and sheep skins. Imports of dressed leather for last year totalled 156,192 cwt, valued at £6,333,182, as compared with 152,280 cwt, valued at £6,846,611, in 1922, the United States again being the most important supplying country, France ranking next.—Mr H. S. Cotton (Culverwell, Brooks, and Co.) in "Chamber of Commerce Review."

Boots and Shoes.—Prevailing industrial conditions were responsible for a demand principally for low-priced goods. In the first few months of the year orders came irregularly, with a burst of activity just before the Easter holiday season. The cold weather of the early summer and the unsettled meteorological conditions prevailing subsequently upset the normal running of the industry and the calculations of manufacturers. Labour troubles in Ireland delayed deliveries in the early autumn, and caused many concerns to miss their market. In the latter part of the year, however, a welcome change for the better took place, demand improved, and business at the close of the year was not unsatisfactory.

The following is a statement of imports and exports of hides and leather during 1913, 1922, and 1923:—

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HEAD OFFICE:

HAMILTON HOUSE, VICTORIA EMBANKMENT

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340 THE ECONOMIST. COMMERCIAL HISTORY & REVIEW OF 1923. [Feb. 16.]

IMPORTS.	Quantity.			Value.		
	1913.	1922.	1923.	1913.	1922.	1923.
Wet Hides—	Cwts	Cwts	Cwts	£	£	£
Calf	32,942	25,982	24,300	145,451	151,035	126,533
Other sorts, including Ox and Cow—						
Russia	92,170	..	..	259,774	..	..
Germany	27,610	..	..	94,588	..	..
Belgium	10,007	8,295	5,278	33,691	37,996	20,958
France	36,754	21,275	13,788	122,879	107,951	60,819
Italy	119,702	58,290	59,053	513,502	270,574	279,641
Argentine Republic and Uruguay	188,097	142,324	325,593	874,781	555,172	1,206,592
British South Africa	68,118	48,188	34,685	242,883	167,656	120,420
Australia	113,331	56,079	54,805	435,464	213,224	171,880
Other countries	142,592	228,382	273,780	436,812	738,834	869,906
Total	798,581	563,283	766,983	3,014,381	2,090,157	2,730,224
Total of Wet Hides	831,323	589,265	791,283	3,159,832	2,241,192	2,855,757
Dry and Drysalted—						
Calf	17,313	11,945	8,962	134,257	62,154	41,304
Other sorts, including Ox, Cow, and Kips—						
Russia	57,300	..	..	207,761	..	..
Argentine Republic and Uruguay	..	82,091	78,535	..	298,397	323,669
British South Africa	124,223	78,941	83,107	580,705	306,597	328,343
British India	70,554	50,145	29,566	263,951	200,642	113,467
Straits Settlements and Federated Malay States	40,371	10,957	23,861	134,501	32,723	64,003
Australia	38,253	34,155	50,579	171,107	120,835	183,155
Other countries	276,665	252,820	331,491	1,195,585	932,448	1,273,324
Total	605,376	509,108	597,139	2,564,210	1,894,642	2,285,961
Total of Dry and Drysalted Hides	622,689	521,054	606,101	2,688,467	1,956,796	2,327,265
† Total of Leather	1,454,012	1,110,319	1,407,384	5,848,299	4,197,988	5,163,189
Exports.						
Boots and shoes (wholly or mainly of leather)—	Ds. Pcs.	Ds. Pcs.	Ds. Pcs.			
Sweden	..	2,071	1,946	..	10,712	8,508
Germany	33,666	92	271	122,206	1,123	1,717
Netherlands	50,550	44,523	20,108	78,291	178,090	88,827
Belgium	53,840	15,061	5,739	241,388	92,320	26,523
France	56,566	19,810	8,816	394,831	201,026	73,264
Italy	25,025	340	124	115,797	1,390	715
Egypt	..	..	15,765	..	..	73,651
Argentine Republic	59,286	2,521	6,074	152,373	13,644	33,121
Egypt (including Anglo-Egyptian Sudan)	28,781	16,443	97,084	94,782	848,736	17,758
British South Africa	387,511	131,409	147,960	1,160,800	836,980	126,341
Anglo-Egyptian Sudan	..	..	3,011	..	..	..
British East Indies	189,656	11,594	24,494	531,471	90,689	126,341
Australia	210,553	28,761	64,227	317,758	84,919	118,404
New Zealand	99,523	81,306	146,612	306,399	434,706	821,946
Brit. West India Islands (including Bahamas) and British Guiana	37,384	30,100	31,276	73,094	135,697	135,349
Other countries	219,564	105,711	329,073	603,784	670,926	1,962,679
Total	1,452,815	491,749	796,025	4,194,276	2,825,937	4,320,936

† Under the designation of "Leather" are comprised the following articles, viz.: Hides, tanned, tawed, curried or in any way dressed; Goat skins, tanned or dressed as leather; Sheep skins, tanned or dressed as leather.

CHEMICALS.

The following has been extracted from the annual review of Sir S. W. Royse and Co., Limited, dated December 31, 1923:—

Chemicals.—Though business generally is better now than it was 12 months ago, some disappointment may be expressed that its progress has not been greater, and that prospects of a solid improvement at an early date still remain obscure. There is, however, a feeling that conditions will be better this year, and that some further improvement in trade may be expected. Sulphate of copper has fluctuated little during the year, in spite of the variations in the value of the metal. Twelve months ago the price was £26 10s, and it remained steady up to June, since when lower figures have been accepted, and to-day business has been done at £25 for both early and forward delivery. Home trade requirements have been on a smaller scale. Green copperas has been in plentiful supply, with little change in values. Acetates of lime have been scarce, and whilst in January they were being offered at £8 5s and £16 for brown and grey respectively, to-day £12 10s and £22 are being paid for available supplies. Acetate of soda was £22 15s in January, and advanced to £25 in June, with a shortage of supplies—to-day £23 may be taken as current value. Acetic acid has ruled steady all the year, but latterly has been firmer, especially for delivery into 1924. Lead compounds have been affected by the rise and fall of lead, which commenced the year at £26 7s 6d, has been as low as £24 10s in July, and is to-day £30 7s 6d. White acetate of lead was £39 in January, and is now £43 10s, whilst brown advanced from £34 to £45 per ton, there being a distinct shortage, brought about by absence of shipments from Germany. Nitrate of lead has had little change, but home makers have retained their hold and also done a fair export trade. Litharge and red lead were £38 15s in January, and to-day's price is the highest of the year—viz., £45 per ton. Supplies of carbonate of potash have amply met the year's requirements, which have been only fair, but values have advanced about £3 to £4 per ton. Caustic potash has moved off steadily, and price of solid 88-92 per cent., which was about £29 in store in January, rose to about £35 in April-May, and the present figure is about £31 per ton. Trade in Montreal potashes has been

small; price ruled as high as £93 in April, whilst to-day's value is about £70 per ton. The demand for muriate and sulphate of potash in 1923 was below normal. Trade in yellow prussiates of potash and soda has been disappointing, showing a general decline in consumption, and especially in potash, which 12 months ago was realising 1s 5½d, and to-day is only about 9½d per lb. Soda has also gradually fallen from 10½d to 5½d per lb, with supplies in excess of demand. The export inquiry has been small.

Tar Products.—Benzoles had only a moderate demand, and values gradually weakened; the reductions in petrol in July and September helped to depress the market still further. Creosote commenced the year rather quietly at about 6½d per gallon. The position strengthened in February, and has since been well maintained, values in December being about 8½d per gallon. Crude carbolic acid supplies have been scarce, and readily absorbed in consumption; prices have varied from 2s 4d in January to over 4s in March and April, subsequently remaining fairly steady until November. In naphthalenes the refined product has been erratic, but crude has had a more steady demand, and fair values have been obtained. The easy tone in the pitch market existing at the end of 1922 changed early in January, increased figures being recorded. Continental consumers were compelled to come on the market for large supplies, with the result that by the end of the shipping season prices had advanced beyond all expectations. However, by the end of May a heavy fall in values took place, and little business passed until the autumn. It was reported that Continental buyers carried over from last season stocks of pitch higher than the average, and this, together with the uncertainty of the Ruhr position, affected values, which were again easier in September. October, however, brought considerable inquiries, and for several weeks prices advanced. In November it was difficult to find genuine buyers, and since then the situation has been a nominal one, with business passing at considerably reduced figures. In sulphate of ammonia the demand has been fairly good, both for the home and export markets.

Heavy Alkalies.—Bleaching powder has been in steady demand for the home trade during the year, and makers have met consumers somewhat in price, and further concessions have been made for deliveries during 1924. White caustic soda also has had a better inquiry for the home trade, and there has been some considerable activity in overseas shipments. Makers have had keen outside competition to meet, and prices have been reduced from time to time. Ammonia alkali has been in steady demand, and makers have been well occupied. Bicarbonate of soda and soda crystals have been fairly active. Saltcake has been in good request for export. Trade in chlorates of potash and soda has only been moderate, and at reduced prices—in January 4d and 3d were the respective values, whilst to-day 3d and 2½d per lb are fair market figures.

Dyestuffs.—In the course of an article in the *Chemical Age*, Sir Wm. Alexander states:—The home market has been somewhat livelier than during the year 1922. In some groups of colours there has been a decided improvement. The railway companies appear to be spending more freely on the necessary repairs and maintenance work, and the demand for paint, enamels, &c., stimulates business in the special group of colours which are used for this purpose. So long as raw cotton remains at its present price, probably little hope can be entertained of the trade reaching its normal dimensions. The year has shown a general fall in prices. The average price of dyestuffs during 1922 was 3s 5d a lb, whilst in July of this year a similar average was 2s 6d, and to-day it is somewhat lower still. It is highly satisfactory to observe in the year under review the appearance of brand-new British colours—viz., the Caledon jade-green colours of the Scottish Dyes, Limited, a series of vat dyestuffs, and the Cellutyl series of the British Dyestuffs Corporation, Limited, a group of dyestuffs having the special property of dyeing celanese silk.

Chemical Fertilisers.—Conditions have been largely controlled by the general, world-wide depression in agriculture and the extreme variations of the European monetary exchanges. These two forces combined have prevented the fulfilment of the demand for fertilisers which undoubtedly existed, and at the same time hindered its natural expansion.

During the past nitrate year—July, 1922, to June, 1923—the consumption of nitrate of soda was 2,165,000 tons, compared with 1,528,000 tons in 1921-1922. This figure is undoubtedly smaller than in pre-war years, when the world's consumption approached 2,600,000 tons, but it must not be overlooked that in the earlier period Germany consumed about 800,000 tons, while at present she supplies her demands with synthetic nitrogen products. A most remarkable increase in a country's consumption of nitrate of soda is shown in the case of the United States of America, which in 1922-1923 consumed 984,000 tons, as compared with 550,000 tons in 1921-1922. The use of nitrate of soda in those European countries which are in a financial position to purchase nitrate of soda is gradually reviving, and in a

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short time undoubtedly will reach the normal. With regard to Great Britain, the consumption in 1922-1923 was 81,340 tons, an increase of 15,200 over the year 1921-1922. The increased consumption of nitrate of soda in the world has been largely helped by the policy of the Chilean Nitrate Association in fixing f.o.b. prices for long periods. Their action has tended to control speculation and to give confidence to the importer and merchant.

Great strides have been made during the past year in the production of dry neutral sulphate of ammonia containing 23½ per cent. of ammonia, as compared with 24½ per cent. in the previous acid quality, it being estimated that at least 70 per cent. of the British production is of the superior quality. The total British production of sulphate of ammonia was approximately 340,000 tons, and about 140,000 tons were consumed in Great Britain and Ireland, while the exports to foreign countries increased by some 70,000 tons. The three principal countries—viz., Great Britain, Germany, and America—are estimated to have produced something over 2,000,000 tons; it is impossible to obtain the exact figures, but all the indications of 1922 point to the American total output being in the neighbourhood of 600,000 tons, while Germany is supposed to have produced approximately 300,000 tons of combined nitrogen, although not all of this was in the form of sulphate of ammonia.

VEGETABLE OILS AND OLSEEDS.

The oilseed crushing industry of the United Kingdom in 1923 experienced greater activity than in the preceding year, and so far as trading conditions were concerned had a more satisfactory year than at one time appeared probable. Several world factors, notably the shortage of the linseed and cottonseed crops in the United States and the fluctuating rates of exchange in European countries influenced the markets from time to time, and presented difficulties which, however, were successfully surmounted. Prices generally, though high, were on the whole steady, and were subject to fewer violent variations than in some recent years, and this, coupled with more stable conditions in the consuming industries, greatly helped matters. Happily, also, there were no financial failures. The net imports of oilseeds, oil nuts, and kernels from abroad, all of which found their way into the mills (stocks held being very small), at 1,571,115 tons, constituted one of the highest totals in the history of the industry; and was 242,940 tons more than in 1922 and around 200,000 tons higher than the average of the three preceding years. The gross total of oilseeds was 1,156,095 tons, of which 7,041 tons were re-exported, the principal items consist of cottonseed 543,565 tons, linseed 381,504 tons, soya beans 113,062 tons, and rapeseed 60,898 tons, while that of nuts and kernels was 455,368 tons (less 33,307 tons re-exported). In each case there was a substantial increase over the previous year's receipts, cottonseed being 60,000 tons up on larger imports from Egypt and India, linseed 22,655 tons, soya beans 53,705 tons, palm kernels 50,000 tons, and ground nuts 31,000 tons more. With an estimated yield of 1,750,000 tons of linseed in the two chief exporting countries (Argentina and India), lower prices and larger imports were anticipated, but these were not realised. In the United States the domestic crop was below average, and requirements of linseed oil were much above normal, causing American crushers to make demands on the Argentina crop to the extent of 550,000 tons, or more than double the figure of 1922. Altogether America's linseed oil requirements were, in round figures, the equivalent of a million tons of seed, nine-tenths of which was crushed in the States. More Indian than Plate seed was imported into this country. Russia was represented by less than 2,000 tons. Egyptian cottonseed was an average crop of fair quality, the bulk of which was, as usual, exported to Great Britain, and contributed 338,376 tons to the total import of 543,565 tons. It is satisfactory to note that India's export of cottonseed is expanding to pre-war level, the substantial arrivals from that great Dependency during the year having considerably helped English crushers when they might otherwise have been without supplies. Soya beans appear to be coming into favour again, but the long sea voyage and the small oil content make it difficult to produce oil here as cheaply as that exported in bulk from the native milling centres in Manchuria. The residual cake and meal are, however, a prime consideration, and find a ready market. The comparatively high figure of the imports of nuts and kernels (viz., 422,000 tons net), principally palm kernels and ground nuts from West Africa, indicates that this branch of the industry, which was formerly almost exclusively the monopoly of Germany, is now firmly established in this country.

With increased supplies of raw material, the crushing and extracting mills have been able to produce larger supplies of oils and oilcake to meet demand both at home and abroad. The English demand for linseed oil gradually improved throughout the year, and reflected the rather better times in the paint and varnish, linoleum, and other consuming industries. Cotton, palm kernel and other edible oils were in improved and steady demand from margarine manufacturers, while British soap makers also called for more vegetable oils, though they made large purchases of soya oil imported from Manchuria in the summer months, when shippers offered considerable quantities at low prices. Regarding the export trade, the aggregate sent abroad was around 11,000 tons more than in 1922, but differed much in particulars. The figures for last year and the three preceding years are as under:—

	1920. Tons.	1921. Tons.	1922. Tons.	1923. Tons.
Unrefined oils.....	100,010	93,433	89,608	15,700
Refined oils.....	17,678	12,931	13,149	97,744

Linseed oil exported, at 37,701 tons, compares with 59,388 tons in 1922, when the figure was swelled by very substantial exports to the United States. The operation of a tariff of 3.3 cents per pound on foreign oil imported, however, greatly hampered competition last year, though in the earlier months of the year, when the mills on the Eastern seaboard were caught short of seed, American importers bought freely of English oil for May-August shipment, one effect being to send up the spot price of raw linseed oil ex Hull mill to £52 per ton (naked), the highest point reached during the year. On the other hand, the exports of soft oils, notably cotton and palm kernel, showed a large increase, and more than counterbalanced the falling off in linseed oil. Germany has been very short of fats, and was continually in the market for edible oils, and in the absence of competition from America, which had no surplus of cotton oil for export, English crushers have been able to do a good trade with Northern Europe generally. With the exception of the summer months, the refineries have been more regularly employed, while in the latter part of the year big purchases of crude cotton oil were bought on German and Scandinavian account. The English exports of palm kernel oil (refined and unrefined) were 23,475 tons, against 8,089 tons in the previous year, and of cotton oil 20,622 tons, against 10,576 tons. Prices generally were steady; raw linseed oil ranged between £52 (in March), the highest, and £36 (in August), the lowest, the average for the year being £41 5s per ton, naked, ex Hull mill. Crude Egyptian cotton oil reached the highest in December, when £42 was recorded, with crude Bombay at £40, and the lowest in August, when the values were £32 and £31, the average Hull prices being £37 15s for Egyptian and £36 5s for Bombay. Crude rape oil was £44 in March and April and £36 in August and September, the average for the year being £40 16s per ton; and crude palm kernel oil £47 in April and £35 10s in July, with an average of £39 15s.

The production of vegetable oils in the United Kingdom in 1923, estimated from the commercial yield of oil from the net imports of oilseeds, oilnuts and kernels, was 463,950 tons, or 70,105 tons more than in 1922. The comparative figures are as follows:—

	1920. Tons.	1921. Tons.	1922. Tons.	1923. Tons.
Linseed oil.....	125,000	155,000	117,450	126,275
Cottonseed oil.....	75,200	63,000	81,000	90,585
Other seed oils.....	21,585	26,500	39,000	51,864
Palm kernel oil.....	128,200	96,700	92,920	112,744
Ground nut oil.....	49,200	33,750	24,845	36,858
Coconut, &c.....	26,700	26,350	38,630	45,614
Total.....	425,980	399,300	393,845	463,950

Imports of vegetable oils from abroad were, as usual, fairly substantial, the total of unrefined being 131,588 tons, principally coconut, palm and soya, which accounted for 107,395 tons of the gross imports. The arrivals of refined were 16,537 tons, consisting mainly of coconut, cotton and olive oils. The re-exports were 20,308 tons, or 14.6 per cent. of the gross imports of refined and unrefined. The position of the nation's vegetable oil supply is shown in the following summary:—

	1920. Tons.	1921. Tons.	1922. Tons.	1923. Tons.
Home production.....	425,980	399,300	393,845	463,950
Deduct British exports.....	122,665	106,364	102,757	113,444
Net remaining.....	303,315	292,936	291,088	350,506
Add net imports.....	187,791	142,054	136,554	127,517
Total remaining in U.K.....	491,286	434,990	427,642	478,323

The production of oilcake and meals in the United Kingdom was over a million tons, but the quantity exported abroad was only 63,446 tons, against 42,142 tons in 1922. At the same time, we had a net import of 317,503 tons, against 316,366 tons of oilcake manufactured abroad. Prices generally were a little more reasonable, but still much higher than in pre-war years.

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TURPENTINE.

The year 1923 opened with turpentine markets advancing everywhere on values that were already high. In the early part of the year the demand from consumers in the U.S.A. was disappointing; also it became apparent that production of naval stores would be considerably higher than during the previous year. Added to this the anticipated great activity in building operations received a severe check owing to the high cost of labour and building materials. This slump weakened the London market, but in consequence of the meagre stocks at that port the decline was more gradual, forward quotations being more affected than spot prices. The lowness of visible supplies for London caused a sharp but short-lived advance in the middle of May, and the spot quotation reached 116s 6d, the highest point of the year. From this point onwards, with London visible supplies increasing, values steadily declined, until at the beginning of September 69s 3d, the lowest spot quotation for the year, was reached. The market rallied towards the middle of the month, and from this period until the end of the year a steady and rather featureless market ruled, spot prices fluctuating quietly between 71s 6d and 75s. The increase in production over last year in the U.S.A. appears to be in the neighbourhood of 21 per cent., although, at the same time, her exports of turpentine show a considerable increase. The total London deliveries for the year 1923 were 92,776 barrels, as against 84,658 barrels in the previous year, an increase of 8,118 barrels. Of the total deliveries only 8,580 barrels were French turpentine. Stocks of turpentine in London at the end of each year were:—

	1915.	1921.	1922.	1923.
American.....barrels	32,563	14,158	17,454	31,427
French.....	1,341	246	2,113	659
Spanish, &c.....	7,486	..	..	..
Adopt.....	41,779	14,414	19,567	32,086
Price in London (American)	54/-	68/5	103/9	72/-
.. Savannah	54c	75c	134c	85c

Rosin.—The increased production in America has kept prices lower, although during the last few weeks of the year pale grades became firmer. The demand for rosins, however, appears to have increased, and the exports from the U.S.A. to all countries were much greater than in the previous year. The imports of rosins into the United Kingdom show an increase on those of last year, but, owing to the high prices that ruled in France a greater proportion of orders was placed in America.—*Lowden, Connell and Co.*

TIMBER.

Political unrest, with increasing instability in the exchanges, marked the course of 1923. Timber operations, therefore, continued to be hampered in respect to forward contracts. Reliable shippers of most descriptions of wood have sufficient financial strength to escape the necessity of consigning their products, and therefore obtained their prices for consumption as it arose. Such consumption was disappointing in volume for the first half of the year, but gradually strengthened as the railway mergers were completed, and the necessity for new rolling stock was being faced. Both hardwoods and softwoods have already benefited, and should continue to benefit by the development of this long waited for demand. The timber trade is, generally speaking, in a sound financial position, as the wreckage from the slump years has been cleared off, and the salutary lesson from over-speculation taken to heart. The New Year opens with modest and soundly bought stocks, and with the favourable features referred to above any return to healthier political conditions, both at home and abroad, should lead to a sound development of the world's trade.

TEAK.—There is room for considerable improvement in the teak market generally, which it is to be hoped will manifest itself when there has been time for renewed activity in the shipbuilding yards consequent upon the settlement of the prolonged boiler-makers' strike. There is all the more reason for anticipating more favourable market conditions because the supplies of rough timber which it has been practicable to bring down to the shipping ports from the forests are relatively small. It is therefore reasonably certain that any substantially increased demand will result in a general advance in prices. There is the further consideration that the rupee has appreciated in value, and is helping to make the market stronger. The Continental markets are still more or less stagnant on account of the continued monetary stringency and instability of the exchanges.

MAHOGANY.—The demand for good quality logs has been well maintained, and prices show an increasing firmness for all classes of wood, even the lower grade qualities participating in the gradual upward movement. Honduras.—All the stocks of square wood in brokers' hands have been cleared, but the round logs are not meeting with such

a quick sale, owing to their being held for what are considered high limits. The cargo which has just arrived in London should find a ready market, but it is not expected to have much effect on the present level of prices. Cuba.—Here again stocks are held for high prices, and the quantity available is quite sufficient for the present rate of consumption. African.—The market is practically bare, and any further shipments coming forward should find a good outlet. The small quantities available during the last few weeks have realised high prices, and as there is little prospect of any considerable supplies arriving in the near future holders of this class of wood should have no anxiety.

CANADIAN TIMBER.—Waney Pine.—This is still a very dull market, but there was a little more enquiry as the year drew to a close. Oak.—In the last three months a fair volume of business has been done, though the demand was not so good as during the first six months of 1923. Stocks on hand, however, are quite light, and as further supplies cannot be shipped for many months holders should be able to obtain reasonable prices for their timber. Elm.—The market is subdued, but stocks are moderate, and should be disposed of without difficulty, especially if the hoped for increased requirements for shipbuilding and kindred purposes materialise.

Spruce.—Stocks in the United Kingdom are light, but are considered to be ample in view of the large quantities of Central European whitewood, which have been coming forward regularly during the whole of the past year on a lower basis of cost than spruce. In addition to Central European whitewood, a large amount of Archangel and Petrograd whitewood has been imported in the last few months, and these high-grade goods have also been purchased at sufficiently low levels of cost to enable them to compete freely with spruce.

BALTIC OAK.—Stocks of really first-class material are very light, and, with the present ready market, supplies are inadequate. Owing to the present increased cost on the other side prices should be considerably firmer in the near future. A large quantity of sawn material shipped to this market during the past year, without any appreciation of market requirements, has still to find an outlet.

Pitch Pine.—This has proved generally a steady market during the year just ended, and importers in consequence have been encouraged to buy with more freedom than in the preceding twelve months. At the same time, buying is still on modest lines, and stocks here, whilst sufficient to meet requirements, are not unduly heavy.

Oregon Pine.—Some improvement in demand has been in evidence, but there have been no operations of real importance in the United Kingdom.

Baltic and White Sea Goods.—On the whole, the past year has been fairly satisfactory to importers, although the general demand has not improved to the anticipated extent, and the loss of trading caused by the long dock strikes has not yet been made good. Importers have again this year been caused an undue amount of trouble by so much timber arriving in bad condition through lack of proper seasoning at ports of shipment. Shippers' prices remained firm until the last quarter of the year, when there was a slight easing in some sizes.

The whole of the White Sea and Petrograd stocks which could be shipped this year have been sold, so there will not be a repetition of last winter's experience, when so many unsold cargoes of these goods were sent on consignment to various ports in the United Kingdom, and it is understood that the quantities of overlying goods for shipment during next year will only be small.—*Messrs Denny, Mott, and Dickson, Ltd.*

V.—METAL AND COAL TRADES.

THE COAL TRADE.

Date.	Output.	Export (Including Bunker).	B. of T. Average Import (f.o.b.).				Unem- ployment		
			Prices.						
			1922.		1923.				
	Tons.	Tons.	£	s	d	£	s	d	%
1913	287,430,000	94,423,811	..	..	..	..	..	..	..
1920	229,392,000	38,772,213	..	..	..	..	..	..	..
1921	164,303,000	35,586,596	..	..	..	..	..	..	..
1922	233,889,000	86,012,858	..	..	..	..	..	..	..
1923—January	81,219,200	7,331,162	1	3	9	1	2	4	45
February	22,248,000	1,307,175	1	3	4	1	3	0	41
March	* 27,576,500	8,624,382	1	2	2	1	4	5	36
April	21,263,600	8,629,881	1	2	8	1	6	0	32
May	20,463,000	8,344,855	1	2	10	1	7	10	29
June	* 28,021,300	8,149,856	1	2	4	1	7	2	25
July	20,080,400	8,144,216	1	2	0	1	6	1	30
August	19,107,800	8,040,485	1	3	4	1	5	2	35
September	* 26,224,500	7,829,205	1	2	10	1	4	9	31
October	22,506,500	9,151,636	1	2	6	1	4	6	25
November	22,467,200	8,208,799	1	2	7	1	4	5	26
December	* 28,642,300	7,328,440	1	2	7	1	4	5	24
Total	278,959,800	97,607,866	1	2	8	1	5	1	..

* Total for 5 weeks.

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The *Iron and Coal Trades Review* makes special comment on the absence of serious labour troubles in 1923, and the resultant satisfactory output, so far as the shorter hours of working allow. On the other hand, there was considerable unrest, and much agitation to bring the present wages agreement to an end on account of the low level of wages in some of the districts. This question remained as a legacy to be threshed out in 1924. The inability of certain mines to earn any large margin of profit is regrettable; but it remains to be seen whether the present agreement can be replaced by another more acceptable to the workers without either burdening the industry with more labour costs than it can bear, or closing down altogether the more backward collieries.

The 1923 output, at 278,000,000 tons, was 45,000,000 above 1922, and within appreciable distance of the "record" of 287,000,000 in 1913. The export trade, however, was the largest in the history of the industry, reaching 79,400,000 tons (excluding bunker)—about 2,000,000 tons more than in 1913. Coal supplies on the Continent were low at the beginning of the year, when the French invasion of the Ruhr disorganised the largest source of supply, and threw an immediate strain on English and Scottish markets. The relatively high prices of British coal in late 1922 had caused a good deal of holding back on the part of North European buyers, and the Ruhr crisis precipitated a large volume of overdue orders. The only limiting factors became the physical ability of the miners and the mining plant to meet the demands made upon them, and the capacity of the shipping arrangements at the different ports to deal with the supplies coming forward. Notably in the South Wales and North-East Coast ports a good deal of congestion occurred, and it was only after prolonged negotiation with the workers that the pre-war three-shift system was restored in these areas. The "peak" of the year's export activity was reached in May, but even in the later months, when French coal supplies from Continental sources were more nearly normal, the demand for British coals was well sustained. A comparison between the total purchases of European countries in 1923, as against 1922 and 1913, is given in the table at the end of this article.

Shipments to the chief South American countries—Argentina, Chile, Brazil, Uruguay—were 4,036,684 in 1923, against 3,621,157 in 1922. Shipments for the use of steamers engaged in foreign trade were slightly less than during the previous year—18,158,188 tons, compared with 18,259,027 tons—but were 66 per cent. over the 1921 level.

F.o.b. prices were highest in May and June, and declined to some extent in the later months of the year. The table below shows the average selling prices per ton f.o.b. for all classes of coal at the shipping ports of Great Britain for 1913, 1920, 1922, and 1923:—

Month.	1913.	1920.	1922.	1923.
January	0 13 5	3 8 8	1 3 9	1 2 4
February	0 13 4	3 14 6	1 3 4	1 3 0
March	0 13 7	3 16 6	1 2 8	1 4 5
April	0 13 11	3 18 6	1 2 8	1 6 0
May	0 13 9	4 0 9	1 3 10	1 7 10
June	0 14 0	4 2 2	1 2 4	1 7 2
July	0 13 10	4 5 0	1 2 0	1 6 1
August	0 13 9	4 7 0	1 2 4	1 5 2
September	0 13 10	4 9 8	1 2 10	1 4 9
October	0 13 10	4 6 2	1 2 6	1 4 6
November	0 13 10	4 3 6	1 2 7	1 4 5
December	0 13 10	4 1 2	1 2 7	1 5 3
Average	0 13 8	4 1 1	1 2 8	1 5 3

The following summaries have been extracted from the *Iron and Coal Trades Review*:—

House Coals.—The general position of this section was very good up to about the end of May; June was a moderately good month, but during the latter part of July and for the whole of August the demand was an exceedingly small one. Many pits had necessarily to reduce working to two and three days per week, and there were some large stocks under load in wagons.

From early in September there was a marked revival in the demand, and in many cases prices increased by from 2s to 4s per ton. It is for best qualities that the price advance has been most marked, and collieries closed for the year with a very large weight of orders on the books. The general demand has been accentuated during the past four months by the very small amount of stocking that was done by the

public during the summer. If similar provision to that usual in pre-war days had been made, then collieries would have received the advantage up to the end of August, and since then the demand would have been proportionately reduced.

Industrial Fuels.—So far as the inland demand is concerned, it has, on the whole, been very disappointing, and although since about the middle of December there has been a noticeable improvement, it is, perhaps, rather due to the fact that works were obtaining increased supplies for use during the holidays rather than that they were using larger tonnages. At the same time, the outlook is brighter, and a considerably larger tonnage has been fixed up on contracts than was the case a year ago. This in itself indicates the possibility of an improvement in the industrial position.

Prices for industrial fuels have been somewhat irregular, and with regard to small fuels there has been a recovery in values from 2s to 3s per ton during the year. For instance, best slacks, which in January were quoted at 10s per ton pit, are now somewhere about 12s 6d at pit.

The following reports on conditions in some of the main areas have been extracted from the *Chamber of Commerce Journal*:—

Scotland.—The trade would have been much better off but for the comparative stagnation in the shipyards and engineering works. The yield per man-shift is still low, despite the fact that much of the coal is obtained by coal-cutters, which are much more common in the northern half of the kingdom than in England. Indeed, of the total coal so won Scotland could claim 35 per cent. The number of employees at the pits during 1923 was 139,000, or 9,800 more than in the previous year, and the output had increased from 35,447,422 tons to 38,500,000 tons. During the later part of the year the shipments to Germany and Holland were showing signs of expansion, and those to France were better.

South Wales.—In the Welsh coalfield 1923 was, in the main, a troubled year. There was great discontent amongst the workers, the trade financially was in a poor position, shipments hampered, as has been stated, by the want of elasticity of working arrangements, and generally the struggle was a strenuous one; but doggedness and hard work seem fairly well to have triumphed, but at great cost to the coalowners, for Mr Finlay Gibson, the secretary of the Owners' Association, said recently it had cost them £3,000,000 to bring the wages up to the minimum. The third shift was introduced late in the year, and materially facilitated the shipments of coal. The position at Cardiff at the end of the year—before holiday interruptions—so far as steams were concerned, was reported as excellently strong, and the owners had more orders on their books than could be completed within the year. Deliveries were in arrears, and the three-shift system as worked was said to be quite inadequate. That the position was firming up was shown by the fact that best Admiralties, which a few weeks before were down to 27s, were scarcely obtainable at some shillings advance, and smalls, that had been declined at 18s, were then round 23s.

North-East Coast.—Probably no district benefited more by the events in the Ruhr than the North-East Coast. There the trade is mainly of an export character, and the proximity of the shipping places to the Western European ports, where the fuel was most required, was a further factor in its favour. No sooner had the French action commenced to be effective than the coal shipments began to increase; and not only was all production soon absorbed, but capacities of the shipping places were tested. In March, April, and May there was a good deal of delay in tonnage, owing to congestion of vessels. So considerable was the increase of shipments that in the six months ended June the total shipments had reached 10,562,894 tons, compared with 8,744,800 in 1922 and 9,834,300 in 1913. Every effort to cope with this expanding trade was made. The three-shift system was adopted, and—some months later—West Dunston staiths of the L.N.E.R. Company were opened. By these means huge shipments were maintained, and the total of coal and coke for the 12 months was actually 21,553,964 tons, as against 19,213,117 tons in 1922, an increase of 12.18 per cent. The total was 1,010,281 tons, or 4.92 per cent. over the previous record year of 1911. The destination of our coal exports in 1913, 1922, and 1923 is shown below:—

Destination.	1913.	1922.	1923.
Russia	5,998,434	584,069	476,205
Sweden	4,563,076	2,52,820	3,168,387
Norway	2,298,345	1,566,969	1,608,758
Denmark	3,054,840	2,866,213	3,170,269
Germany	8,952,322	8,345,604	14,806,232
Netherlands	2,018,401	3,489,419	6,794,346
Belgium	2,031,077	3,579,417	18,826,358
France	12,775,909	784,356	766,319
Portugal	1,201,722	1,711,021	1,145,801
Spain	2,534,131	428,647	463,070
Greece	727,899	6,341,743	7,592,735
Italy	9,647,161	55,782,723	48,288,089
Total to Europe	55,782,723	65,394,046	65,394,046

The destination of our European coal exports is shown in the following table:—

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EXPORTS OF COAL, COKE, AND MANUFACTURED FUEL FROM THE UNITED KINGDOM.

	Quantity.			Value.		
	1913.	1922.	1923.	1913.	1922.	1923.
To—	Tons.	Tons.	Tons.	£	£	£
Russia	5,998,434	584,069	476,205	4,336,582	720,412	694,542
Sweden	4,563,076	2,522,820	3,168,367	3,032,459	2,845,846	3,941,204
Norway	2,298,345	1,566,969	1,609,758	1,447,356	1,631,180	1,877,779
Denmark	3,034,240	2,866,233	3,170,269	1,990,740	3,109,873	3,797,390
Germany	8,952,328	8,345,606	14,806,232	5,327,733	8,492,500	18,316,054
Netherlands	2,018,401	6,007,789	6,794,346	1,220,863	6,390,010	7,943,292
Belgium	2,031,077	3,489,484	6,504,592	1,176,130	5,581,153	7,505,378
France	12,775,909	13,579,417	18,826,352	8,074,053	15,725,767	23,117,659
Portugal	1,201,722	784,356	766,319	877,827	882,714	1,004,464
Azores and Madeira	154,359	95,222	88,663	126,607	115,171	138,130
Spain	2,534,131	1,711,021	1,145,801	1,811,246	2,040,507	1,589,046
Canary Islands	1,114,625	594,815	610,846	847,085	614,002	790,293
Italy	9,647,161	6,341,743	7,592,736	6,887,721	7,807,739	10,124,059
Austria	1,056,634	3,373	724,237	2,360	..	..
Hungary	727,899	428,647	463,070	540,875	501,495	670,830
Greece	1,281,664	1,032,282	1,060,180	873,190	1,222,896	1,328,955
Algeria	149,107	119,327	143,676	132,564	139,035	187,871
French West Africa	233,015	193,667	242,283	203,098	228,988	318,265
Portuguese W. Africa	19,311	15,931	500,380	109,604	25,992	..
Chili	1,886,871	1,013,221	1,151,629	1,681,475	1,214,315	1,515,428
Brazil	723,936	502,533	404,894	616,413	615,384	579,405
Uruguay	3,693,572	2,021,052	2,461,074	3,090,000	2,490,360	3,415,158
Argentine Republic	167,862	160,636	164,179	122,453	227,100	281,347
Channel Islands	354,702	689,438	452,700	266,102	293,356	567,283
Gibraltar	700,111	214,396	297,804	519,089	252,839	381,764
Malta	3,162,477	1,743,643	1,696,054	2,368,205	2,093,986	2,335,458
* Egypt	18,726	1,006	..	23,488	..	1,710
Anglo-Egyptian Sudan	181,204	92,694	64,209	154,330	114,871	90,656
Aden & Dependencies	179,192	999,154	84,745	146,696	1,144,085	110,857
British India	239,657	232,675	168,837	203,384	278,616	332,624
Ceylon	1,749,877	6,168,125	5,033,763	1,398,359	7,214,936	6,632,856
Other countries	2,976,389	2,250,275	3,181,814	2,374,353	4,572,062	5,083,562
(a) Anthracite	5,161,822	48,108,602	58,984,199	37,845,546	53,393,544	75,315,721
(b) Steam	11,527,686	9,197,544	9,102,450	7,154,427	10,123,199	11,058,880
(c) Gas	1,769,719	616,418	1,448,271	1,164,088	723,276	1,906,915
(d) Household	1,507,402	3,775,545	6,732,944	2,188,838	3,717,419	8,470,568
(e) Other sorts	73,400,118	64,198,384	79,449,678	50,727,252	72,529,500	99,835,646
Total	21,023,693	18,269,027	18,158,188	..	..	..

Total of Coal

*Including Anglo-Egyptian Sudan in 1913.

†Coal shipped for the use of steamers, &c., not being an export in the ordinary acceptance of the term, the value thereof is not included in these returns.

IRON AND STEEL.

At the close of the year 1922 it may perhaps not unreasonably be said that the very guarded hopes entertained at the beginning of the year respecting the recovery of the iron and steel trade of Great Britain have been realised. Not yet has the industry been restored to complete activity, but in the conditions of financial and economic chaos which have continued to prevail in many of the principal markets of the world, the best that was hoped for was a limited measure of recovery, and having regard to the general impoverishment which the war has entailed and the restricted purchasing power of the sister nations, it is a remarkable manifestation of the vitality of British industry and commerce that we should have substantially exceeded our pre-war output of steel, increased our pig-iron production to the extent of over 50 per cent. as compared with 1922, and increased our exports of pig-iron, manufactured iron and steel over the 1922 total by no less than 1,000,000 tons. With the export of 4,400,000 tons of iron and steel of various descriptions, we are the world's leading exporters, having shipped abroad more than any other two producing countries. Again we take precedence over France in pig-iron production, notwithstanding the very large addition to the resources and productive capacity of our French Allies which they obtained under the Treaty of Versailles.

	Output.		Export.	Prices.	Unemployment.
	Pig Iron.	Steel Ingots & Castings.			
1913	10,250,000	7,660,000	4,969,224	(Pig I. 15 13 0 Rls. 24 10 6 Pig I. 7 4 0 Rls. 13 0 0 Pig I. 4 18 0 Rls. 8 16 1)	..
1920	8,007,900	9,056,800	3,251,225	..	..
1921	2,611,400	3,624,800	1,696,884	..	..
1922	4,899,500	5,820,500	3,397,185	..	..
1923—Jan.	567,900	634,100	353,389	(d) Rls. 9 0 0 Pig I. 5 15 0 Rls. 9 10 0 Pig I. 6 7 6 Rls. 10 10 0 Pig I. 6 5 0 Rls. 10 10 0 Pig I. 6 2 0 Rls. 10 10 0	(a) 20.2 17.1 15.3 15.3 14.9
Feb.	543,400	707,100	317,568	..	..
March	633,600	802,500	368,072	..	..
April	652,200	749,400	386,957	..	..
May	714,200	821,000	424,509	..	..
June	692,900	767,700	365,148	..	..
July	655,100	639,500	307,670	..	..
August	599,800	567,500	323,877	..	..
Sept.	558,600	696,100	333,985	..	..
Oct.	595,700	702,200	388,599	..	..
Nov.	599,200	749,500	394,891	..	..
Dec.	626,900	653,300	354,906	..	..
Total	7,438,500	8,488,900	4,319,571	..	..

(a) Iron, steel, tinplate, and galvanized sheet manufacture. (b) Pig iron manufacture (blast furnaces). (c) Puddling furnaces, iron and steel rolling mills. (d) middlesbrough quotations, end of month.

Iron Ore.—Imports of foreign ore into the Tees during 1923 have been the largest since 1920, but the increase over 1922 was no more than 20 per cent. There were substantial sales at low prices at the beginning of the year, mine-owners abroad being willing to accept cut prices in order to rid themselves of the large accumulations at the mines in Spain and Northern Africa. Some big sales were arranged immediately after the turn of the year, but thereafter business in foreign ore languished; for a greater portion of the year consumers were embarrassed with considerably greater stocks of foreign ore than they could usefully employ, and there has been a good deal of pressure from time to time in order to delay deliveries under contract. Not till October was much further business possible, but towards the end of that month signs of industrial expansion brought buyers on to the market, and in a few weeks several hundreds of thousands of tons of iron ore were disposed of under contract. At home the development of the Lincolnshire and Northamptonshire deposits has proceeded, and the low cost of winning this stone has made it a formidable competitor with the product of the Cleveland mines. The cost of the Northamptonshire ore works out at about 2s 6d per ton compared with Cleveland's 7s 9d, and although the transport charges from Northamptonshire to Cleveland cost 8s per ton, it can still be delivered rather more cheaply than the Cleveland ironstone. As a consequence, the majority of the Cleveland mines are still idle, and it must be confessed that the prospect of some of these restarting is exceedingly remote. The output of the Cleveland mines for the year 1922 was 1,169,700 tons, and for 1923 the estimated output is 2,040,000 tons.

Pig-iron.—During the months immediately succeeding the first occupation of the Ruhr there was a general rush for pig-iron supplies both from home and foreign consumers, and outputs steadily increased until the peak was reached in the month of May. Hereafter the Franco-Belgian strangle-

hold upon industry began to exercise its effect. There was a rapid decline, the national output falling from 714,200 tons in May to 558,600 tons in September, and since then a revival in the home trade consequent upon the formulation of Governmental schemes for the relief of unemployment has turned the stream of events upon a more favourable course. Even now, however, there are only 204 blast furnaces operating, whereas there were 223 at work in May, and the normal number may be put at about 300.

Manufactured Iron and Steel.—The most encouraging feature of 1923 is the recovery of the manufactured iron and steel trade from the slump into which it was plunged after the post-war boom. From over 9,000,000 tons in 1920 the national production of steel fell to just over 3,700,000 tons in 1921. Such a headlong plunge into the abyss was entirely without parallel in the history of the trade, and the restoration of the industry to even its present measure of limited activity has only been accomplished by a stern determination to spare no effort and no sacrifice in working out the salvation of this important branch of British industry. Progress has been retarded by the paralysis of the shipbuilding industry, and still more by the general impoverishment of Europe. During the course of the past year there have been several periods when our markets were invaded by cheap Continental steel; on the whole, however, British manufacturers have not had very fierce competition to face either at home or overseas. At the beginning of 1923 there were signs of some improvement in trade, but the demand was still very limited, and there was a good deal of price cutting, with the result that scarcely any of the big producing firms have been able to pay a dividend, and some have again recorded an actual loss. Towards the close of the year demand had so far improved, consequent upon the release of very large orders for railway reconstruction and the settlement of the boilermakers' strike, that prices stiffened up all round, and after some months of negotiation a system of price control was re-instituted in the home market. Under this arrangement Scottish makers of steel plates and sections undertake not to invade the English market, the English makers entering into a similarly binding arrangement as regards Scotland. Production is increasing, and more idle plant coming into operation. It should not be overlooked that as compared with pre-war days our productive capacity has been greatly increased. Never yet have we quite attained an output of 10,000,000 tons of steel in a year, but with the large additions to plant which have taken place, probably 12,000,000 tons is not beyond our capacity at the present day. There is thus considerable room for further trade expansion before British steelworks are fully occupied.—*Extracted from the "Iron and Coal Trades Review."*

Prices.—The average ascertained selling price of Cleveland G.M.B. and of steel bars and angles since 1913 is shown below:—

	Pig-Iron—English Tons.			
	1913.	1921.	1922.	1923.
Great Britain	10,250,000	2,611,400	4,899,500	7,360,000
United States	30,506,000	16,506,000	26,851,000	39,500,000
France	5,128,000	3,308,000	5,197,000	5,000,000
Belgium	2,428,000	862,000	1,578,000	2,118,000
Luxembourg	..	955,000	1,660,000	1,350,000
Germany	19,000,000	6,096,000	8,000,000	4,000,000
Czecho-Slovakia	..	532,000	339,000	590,000
Poland	..	640,000	458,000	492,000
Japan	..	56,000	300,000	300,000
Total (including other countries)	77,182,000	34,700,000	51,938,000	54,580,000

	STEEL INGOTS AND CASTINGS.			
	1913.	1921.	1922.	1923.
Great Britain	7,660,000	3,707,000	5,820,500	8,488,900
United States	31,301,000	19,744,000	35,603,000	44,400,000
France	4,614,000	3,010,000	4,464,000	4,750,000
Belgium	780,000	780,000	1,583,000	2,185,000
Luxembourg	..	747,000	1,368,000	1,117,000
Germany	18,631,000	8,700,000	9,000,000	5,000,000
Czecho-Slovakia	..	904,000	630,000	738,000
Poland	..	1,476,000	93,000	935,000
Japan	..	13,000	500,000	500,000
Total (including other countries)	75,019,000	42,487,000	63,038,000	72,573,000

Exports.—The export trade expanded considerably, pig-iron, steel bars, rods and angles, sheets, and tubes alike sharing in the general improvement. Exports, on a tonnage basis, were approximately 25 per cent. greater than in 1922, and only 10 per cent. behind 1913. In some lines exports, as has been stated, were on a tonnage basis approximately 90 per cent. of those in 1913, and it will be seen from the following table that in some lines exports exceeded those of that year:—

	1913.	1922.	1923.
Pig-iron and ferro alloys	1,124,181	753,763	894,298
Iron bars, rods, angles, &c.	141,452	31,403	43,615
Steel bars, rods, angles, &c.	251,059	221,109	364,144
Hoops and strips	45,708	48,281	71,619
Plates and sheets not under ½ in.	126,380	85,462	193,789
Black plates and sheets under ½ in.	139,927	224,836	338,978
Galvanised sheets	762,075	513,110	602,390
Tin, terne and other coated plates	494,497	449,273	554,334
Rails	506,585	258,387	306,904
Railway material	267,254	218,370	186,537
Tubes, pipes and fittings, cast and wrought	399,608	162,476	242,200
Wire	60,532	54,500	78,696
Wire manufactures	55,739	34,677	52,572
Total, including other items	4,969,224	3,397,185	4,319,571

World's Production.—The Iron Trade Review, of Cleveland, has published the following estimates:—

Year.	Cleveland G.M.B.		Steel Bars.		Angles.	
	£	s d	£	s d	£	s d
1913	60	0 460	7	10 10 91	7	11 9 41
1914	51	1 670	6	16 11 61	7	3 4 53
1915	60	8 000	8	8 0 87	9	8 8 68
1916	82	10 180	12	4 9 53	11	8 2 87
1917	94	5 110	13	11 9 76	13	10 10 71
1918	113	4 930	14	10 7 91	14	16 5 46
1919	144	11 950	20	9 1 76	22	12 8 80
1920	205	5 225	27	17 1 21	27	15 8 56
1921	141	11 400	20	16 2 59	22	13 10 99
1922	88	1 700	11	7 7 96	12	2 11 38
1923	108	7 770	9	10 1 15	9	19 10 27

Pig-iron is recovering less rapidly than steel from the depression of 1921. The world's pig-iron output for 1923 was only 84 per cent. of the pre-war figure, whereas that of steel ingots and castings rose to 97 per cent., and would have surpassed the 1913 total but for the very significant decline in Germany's contribution, caused by dislocation of the economic life of the Ruhr. Much more than half the



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world's pig-iron and steel is now made in the United States, and, for the most part, goes to satisfy the demand for new construction arising out of the rapid development of American resources. The effect of the Ruhr occupation is seen in the drop in Germany's output to about half its 1922 level.

SPELTER.

Messrs. Brandeis, Goldschmidt and Co. state:—At the end of 1922 the price of spelter was quoted at £37 10s, December shipment, and £34 10s, March shipment. The price very gradually receded, with a decreasing backwardation, and on February 17th the market stood at £35 12s 6d for both prompt and forward shipment. A recovery took place to £37, March shipment, with a contango of 10s for June shipment, changing the following week to a backwardation of 7s 6d per ton, and yet again a week later to a small contango. The price then suffered a setback, and values crumbled gradually to the middle of the year, and on July 7th quotations were £28 for July shipment and £28 12s 6d for October shipment. This was the lowest point touched, and a quick recovery occurred to about £32 10s in August and £34 in September. Anticipations of very large purchases for Japan, consequent upon the earthquake, were partly responsible for the rise, but only partially materialised, and the market weakened in October to below £32, recovering again to £33 12s 6d, October shipment, and £33 10s, January shipment. From this point the market fluctuated from a little above £33 to a little below this figure. The following are estimates of the world's production (long tons):—

	1913.	1920.	1921.	1922.	1923.
United States	315,000	410,000	190,000	315,000	470,000
Australia	4,000	3,000	4,000	23,000	37,000
Japan	10,000	7,000	10,000	11,000	13,000
Belgium	194,000	95,000	60,000	115,000	136,000
United Kingdom	58,000	15,000	10,000	18,000	24,000
Germany and Poland	278,000	150,000	110,000	98,000	(?) 96,000
Scandinavia	17,000	7,000	4,000	5,000	5,000
Holland	24,000	3,000	5,000	10,000	10,000
Canada	15,000	15,000	26,000	26,000	28,000
Bundries	91,000	10,000	31,000	57,000	45,000
Totals	981,000	718,000	443,000	678,000	864,000

MINOR METALS.**SILVER.**

We extract the following from Messrs Samuel Montagu and Co.'s annual bullion letter:—

On January 1st the price for cash and two months' delivery were respectively 31½d and 30½d. Thus the year commenced with a premium for prompt delivery, a feature continued uninterruptedly throughout the whole year. On no occasion were the prices identical or their relative positions reversed. This is significant. Inasmuch as no demand of any importance arose for coinage, and trade demand was far from brisk, it indicated the strong and almost continuous demand which came from India and China—sometimes a real absorption, at other times a temporary accumulation by speculators in one of these countries, sometimes in both. The consumption of the Far East was extremely large—considerably in excess of pre-war days. This was only to be expected, for, as Western trade and coinage demand did not increase, there was really nowhere else than the distant Orient where silver could go. Hence details of silver movements have been somewhat monotonous. If silver were shipped it did not always reach its original consignee, for very often—whether shipped from London, America, or elsewhere—it was diverted to India or to China at some part of its journey, just according to the conditions obtaining at the moment. On the whole, the tendency was to maintain bear positions in view of United States mined silver coming into the market before the end of the year. This, of course, accentuated the premium on spot silver. It also accounts for the many sharp twists in the price that are noticeable in looking back upon the daily quotations. From the beginning of the year mining interests in the United States began to show natural disquiet at the prospect of the termination of purchases under the Pittman Act. We say natural because the removal of a bonus of 50 per cent. over the world price of silver could not fail to affect seriously those silver mines in the United States which depend upon silver as a really important source of revenue. To the major part of them, however, this metal is but a by-product—copper, lead, &c., are their mainstay.

During the month of January prices had a tendency to advance, owing to a shortage of stocks caused by the incessant buying of the Indian bazaars. The demand from this quarter was quite healthy, for it was dictated by the

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continued prosperity of our great Dependency, which took a good proportion of her trade balance in this metal. Indian prosperity, unfortunately for British interests, has not caused the people of India, as in days past, to purchase British manufactured goods as freely as might be wished. One reason is that the cost of manufacture here, owing to the cost of living, &c., militates against cheap prices for such goods; another reason is that India is learning to supply herself with the cheaper grades. The cash price rose 1½d by January 24th (32½d), but that for two months delivery lagged behind, and only advanced ¼d. The inquiry from India was stimulated by the cheapness of sterling. From this point prices fell away very quickly, considerably below the opening prices of the year, until on February 8th that for cash was fixed at 30½d. The quotation for forward delivery showed only a slight reduction, there being ample stocks in London for the lessened demand then ruling. When the Chinese reopened for business after their New Year festivities, a better tone set in, and some recovery ensued, in the course of which 32d was passed. The cash quotations remained above that figure until April 10th, sometimes within a small fraction of the next round figure. A setback followed, which proved but temporary, possibly owing to the fact that an outbreak of plague in Bombay, fortunately, did not develop to any serious extent. On April 13th the cash price again touched 32d, and advanced further, assisted by speculation in China. Such was the competition between that country and India that 33½ was recorded on the 30th of the month.

This advance only lasted one day. The price returned to the former level, and was maintained over 32d until June 1st, when it dipped below.

In the course of June some irregularity in the monsoon made Indian operators uneasy, and the price began to fall, until on July 2nd (30½d) it dipped below 31d. Refreshing rains, however, redeemed the situation, and again quotations tended upward. They did not remain over 31d, for the expectation of United States mined silver coming upon the market before long made the Indian bazaars prefer to buy silver for shipment and sell for two months rather than to buy it outright. Nevertheless, quotations remained remarkably steady round about 31d until September 4th. From this date distinct firmness set in—primarily owing to a bull movement in the Indian bazaars—and carried the cash quotation for a while well over 32d., and eventually maintained it about that figure until November. By this time the bull account in Bombay approximated 20,000 bars. These were strongly held, and the withdrawal of so large an amount from the world supplies caused considerable inconvenience to bears, who were forced to cover or prolong commitments just when the usual China demand for the next New Year (February 5, 1924) came into competition. This brought the level over 33d, and on December 8th 33½d, the highest cash price of the year, was recorded.

The size of the imports of silver into India and China has been very remarkable, though, of course, these countries are the only outlet for surplus supplies of the metal. The absorption of silver by China has been assisted in recent years by greater mintage of dollars by native mints; obviously, ingots of 56 ounces weight—such as sycee—are very cumbersome compared with coin. Coinage by European mints has been only on a small scale, but there are some indications of a revival. Trade use in Western countries has been far from good. Supplies have been swollen by freshly demonetised metal, yet without much setback in prices, the Orient having drawn these unusually large consignments from Europe and America. Although there have been no purchases for coinage in India for some years, the amount absorbed in that country has been about double the pre-war average, as also has been that imported into China. The world production has exceeded that of 1922. We append a comparative table:—

SILVER PRODUCTION.
(In Fine Ounces.)

	Mexico.	United States.	Canada.	Else-where.	World.	Drop From 1911.
1911	75,000,000	60,000,000	33,000,000	54,000,000	226,000,000	%
Record year.	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1922	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1923	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1924 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1925 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1926 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1927 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1928 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1929 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1930 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1931 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1932 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1933 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1934 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1935 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1936 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1937 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1938 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1939 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1940 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1941 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1942 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1943 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1944 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1945 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1946 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1947 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1948 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1949 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1950 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1951 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1952 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1953 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1954 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1955 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1956 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1957 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1958 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1959 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1960 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1961 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1962 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1963 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1964 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1965 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1966 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1967 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1968 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1969 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1970 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1971 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1972 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1973 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1974 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1975 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1976 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1977 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1978 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1979 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1980 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1981 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1982 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1983 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1984 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1985 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1986 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1987 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1988 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1989 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1990 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1991 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1992 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1993 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1994 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1995 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1996 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1997 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1998 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
1999 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12
2000 (est.)	88,000,000	65,000,000	21,000,000	47,000,000	198,000,000	12

In calculating the actual amount of silver available for sale, the silver acquired under the Pittman Act must be deducted from the world production, and about 40,000,000 ounces must be added for British and Continental demonetised metal (roughly divisible into two parts). We can assume therefore that an amount of about 188,000,000 ounces came into the market during the year.

A fair estimate of the world stocks at the end of 1923 is as follows:—

	Ounces.
London	1,000,000
Shanghai (including dollars)	46,000,000
India	1,000,000
On the sea (from and to London and from San Francisco)	16,000,000
Total	70,000,000

COPPER.

Messrs Brandeis, Goldschmidt, and Co.'s metal report for 1923 contains the following:—The year opened with copper in New York quoted at 14½ cents per lb. The price advanced successively and with minor fluctuations to 17.37½ towards the end of March. By the beginning of April it was about 1 cent lower, and the end of May saw the quotation down to a little over 15.20. Early in June this was reduced still further to 14.70, followed by a temporary upward reaction to about 15.20. Subsequently a renewed fall took place, and by the beginning of August the price was down to a little over 14 cents. Thereafter the fall proceeded, and with few upward reactions 13 cents was touched early in October, falling very rapidly within a week or two to 12.45. This marked the lowest point of the year. It being then recognised that intrinsically this was a very low value for copper, and as in spite of everything low prices do always stimulate consumption, a considerable amount of buying was done, both in the United States and in Europe, and the price improved again quickly to over 13 cents.

The arrangements for marketing copper in the United States are changing, the combination of big interests forming the Copper Export Association having been weakened at the end of the year through the withdrawal of the American Smelting and Refining Co., Messrs Phelps, Dodge and Co., and the Guggenheim interests.

Our estimate in regard to the United States is as follows:—

	1913.	1920.	1921.	1922.	1923. (Est.)
Refined production (including imports)	725,000	730,000	488,000	698,000	960,000
Domestic shipments	313,000	439,000	288,000	500,000	665,000
Exports	418,000	278,000	280,000	332,000	330,000
Stocks refined (at end of year)	41,000	294,000	225,000	133,000	120,000

It can therefore be seen that the stocks of refined copper in the United States decreased in the twelve months by about 13,000 tons, and they would have been considerably lower but for the accumulation since the middle of the year, amounting to about 25,000 tons. Whilst in itself the latter figure is not a light one, in proportion to the total production in America of approximately one million tons, it is not excessive. It means, in effect, that there is at present an excess production in America of between 5,000 and 10,000 tons per month, at a period when economic difficulties in Europe have reached an acute pitch.

Our estimate of the world's production of copper is as follows:—

	1913.	1920.	1921.	1922.	1923.
U.S., from domestic ores	548,000	560,000	218,000	468,000	660,000
Mexico	51,000	40,000	11,000	18,000	37,000
Canada	35,000	37,000	22,000	34,000	26,000
South America	70,000	142,000	103,000	142,000	194,000
Spain	38,000	24,000	30,000	26,000	26,000
Other European countries	68,000	27,000	38,000	42,000	44,000
Australia	47,000	24,000	19,000	18,000	17,000
Africa	30,000	32,000	41,000	48,000	59,000
Asia	65,000	66,000	51,000	55,000	51,000
Sundries	942,000	952,000	527,000	851,000	1,107,000
Total	970,000	965,000	539,000	869,000	1,115,000

LEAD.

Throughout the year there was a very insistent demand for this metal, and only at one period did there seem any probability of supplies being in excess of current requirements. Towards the close of 1922 and during the early part of 1923, the United States had been buying and consuming increasing quantities of lead, and had been taking a growing proportion of the Mexican production. Europe, not excepting Germany, had been regularly absorbing good quantities of the metal, and the value rose steadily from £26 12s 6d in the beginning of January to £28 5s by the end of that month, these prices being for January shipment, whilst there was a slight backwardation of 5s to 7s 6d per ton for April shipment. During this period Spain produced fair quantities that would have sufficed in the ordinary way, except for the prodigious activity in the United States, which caused that country to import lead in February from Europe. The price on the London market rose to £29 7s 6d for February shipment and £28 17s 6d May shipment towards the end of February, and remained at about this price until the middle of March. Meanwhile, the price in America had

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risen from 7.25 cents per lb to 9.25 cents per lb, and we should probably have gone higher here but for the simultaneous improvement in the sterling dollar exchange. Uncertainties in Europe now began to affect her purchases, but this was offset by continued activity in the United States. The market dropped to £25 May shipment, and £24 10s August shipment, but influential support caused a temporary reaction and the re-establishment of a backwardation. Consumption in Europe was steadily improving, and France began to take a greater interest in the metal. In the United States the price had meantime receded to 7.25, which, by the end of June, was further reduced to 7 cents. Still more Mexican lead was diverted to London, and this, together with larger arrivals from other sources and a further reduction in New York to 6.35 cents, depressed our market even more. We fell back to £23 15s July shipment, £23 5s October shipment. This marked the low point of the year. Probably the lower prices now ruling stimulated and encouraged consumption, and from this time onwards we have to record a slow and steady rise right up to the end of the year. For several months France bought very heavily, and British consumption increased considerably, being, in fact, extraordinarily good. During the last few months of the year considerable orders were booked for Russia, and the cumulative effect produced was to render the market perpetually short of nearby lead. Spain met with labour and political troubles, interfering with her production, which was almost entirely absorbed by France; and labour troubles broke out in Mexico, resulting in the closing down of the principal smelters at Chihuahua. The higher price, at the same time, naturally stimulated sales in the forward position for hedging and other purposes, and by the end of October the acuteness of the position was reflected in the quotations, which were £30 5s for October shipment and £27 2s 6d January shipment, whilst very high premiums, amounting to as much as 30s per ton, were paid by consumers for spot delivery. It is even credibly reported that some works came to a standstill through lack of lead supplies.

This condition of affairs continued more or less for the remainder of the year, and the European market moved quite independently of the United States, where the price quoted at the end of October of 6.75 cents was pounds below European parity. In spite of this, no sales were made from the United States to Europe, and the quotation in New York merely reflected quiet trade conditions, and did not indicate any excess of supplies. These, in fact, in December became very scarce, resulting in a marking-up of the price to 7.50 cents. In Europe continued activity and heavy buying of both prompt and forward further raised the price in the middle of December to £31 15s December shipment, £30 March shipment, the highest point of the year.

The statistical position of lead as regards America is about as follows:—

(Short tons, of 2,000 lbs each.)				
Production.	Imports.	Exports.	Available for Consumption.	
525,000	108,000	44,000	598,000	
Our estimates of production are as follows (long tons):—				
	1913.	1920.	1921.	1922.
United States	398,000 ..	426,000 ..	340,000 ..	415,000 ..
Mexico	69,000 ..	84,000 ..	60,000 ..	120,000 ..
Spain	198,000 ..	138,000 ..	124,000 ..	100,000 ..
Australia	123,000 ..	7,000 ..	78,000 ..	110,000 ..
Burma	16,000 ..	26,000 ..	35,000 ..	40,000 ..
Canada	17,000 ..	32,000 ..	80,000 ..	60,000 ..
Germany	195,000 ..	54,000 ..	65,000 ..	37,000 ..
Belgium	53,000 ..	16,000 ..	21,000 ..	34,000 ..
Other countries	162,000 ..	108,000 ..	116,000 ..	118,000 ..
Totals	1,207,000 ..	876,000 ..	817,000 ..	1,052,000 ..

The apparent consumption in Great Britain during 1923 has been as follows:—

	Tons.
Imports	205,630
Exports and re-exports	23,466
Stocks, January 1, 1923	518
Stocks, December 31, 1923	1,183
	665 increase
Apparent consumption	181,499

—Brandeis, Goldschmidt, and Co.

TIN AND TINPLATE.

TIN.—The following figures of the world's production are given by Messrs Brandeis, Goldschmidt, and Co. :—

Actual Production,		1923.
Tons.		Tons.
Banks (1921-3)	14,920	16,820
Britain (1921-3)	11,860	9,000
Straits—Fed. M.S.	35,228	37,000
United M.S.	2,450	2,600
Nigerian exports	5,685	6,000
South Africa	372	750
Australia, 9 tin and tin ores.	1,774	1,700
Bolivia shipments	31,188	30,000
China shipments	12,435	9,000
Cornwall	370	500
Siam, &c.	7,000	7,000
	123,988	130,370

Consumption in 1923 is estimated at 131,700 tons. According to Messrs Sim and Coventry, the average price of tin during the year has been 40 per cent. higher than in 1922, the fluctuations ranging from £176 (on July 4th) to £239 15s (on December 13th), a difference of some £64. It opened in January at £182 5s, and gradually worked its way upwards to an average of £219 12s 7d in March, which dropped in successive months to £181 1s 11d in July (almost the same as January). Thereafter there was a successive rise in the monthly averages to £235 os 5d in December. The average prices for the four quarters of the year were:—January to March, £197 6s 9d, April to June, £202 13s; July to September, £188 14s 2d; October to December, £219 18s; giving an average for the year of £202 3s. The higher prices have naturally helped tin miners in various parts of the world, including Cornwall, which has received considerable attention, and the provision of additional capital for development and extension of the mines. America has been by far the largest consumer of tin during the year, the bulk of her supplies, of course, going direct, and a small quantity from London. It would appear that the world's consumption has now certainly overtaken the production, and it seems quite a possibility that a period of comparative scarcity may be before us, involving a considerable rise in price. The Eastern Tin Pool—involving 17,000 tons of tin and ore—is in process of liquidation, the members of the pool having agreed in April that 5 per cent. of the stock should be released each month. If it had not been for this stock the shortage would have been more pronounced, and prices would naturally have been higher. The stocks in this country are much reduced. The London figures (pre-war) used to be round about 7,000 tons (average), whereas the total of London and Liverpool combined is rather under 4,000 tons, a reduction of more than 1,000 tons in the year. The average during the twelve months has been 1,993 tons in London, and 1,840 tons in Liverpool.

TINPLATE.—So far as the output of the works is concerned, 1923 has been a record year; although the demand has fluctuated considerably during the twelve months—in fact, it fell off in May and June, and in July the export market was reported "practically lifeless"—attention was drawn to the "present depressed state of the industry," and the annual stop-week in August was welcomed as very opportune. However, new business came along from Japan, Canada, &c., and the quiet time was tidied over, and by the end of August many temporarily idle mills had been restarted. The history of the year gives another illustration of the vitality and resiliency of the trade, which seems capable of renewing its youth indefinitely in the face of obstacles of no mean order. It has been stated that our makers have been able to recover the whole of their pre-war markets, which, it will be remembered, were lost to the United States during the war, owing to the necessities of the situation with regard to ocean transport, and other considerations such as availability of labour and steel. Various Welsh works are about to erect new mills, and there has been some talk of the industry being introduced upon the East coast of England.

Prices.—There has been considerably greater fluctuation this year than in 1922. Starting at 20s, the lowest point of the year, the works found themselves busy with a steady demand, which improved as the weeks went on, so that the market became stronger, and in March was somewhat excited, there being a steady flow of orders and the production somewhat handicapped through shortage of labour. Meanwhile the price had been advancing by stages to 23s 6d, and in April went up to 25s. This did not last, however; a quiet time ensued, and the price fell away again, till by the end of May it was back to 23s 13d, where it stayed for nearly six months, although the demand began to improve about the end of August. The schedule minimum price was advanced in November to 23s 6d, and thereafter the selling price has been a little higher than the minimum, as has frequently been the case since the scheme was introduced. The market closed at the end of December at 24s, with a satisfactory outlook.

Bars.—There has been considerable variation during the year. Opening at £7 13s 9d (less the rebate of 7s 6d), there was a rise by successive advances of 7s 3d, 5s, 10s, and 24s to £10 at the end of March. In May the price was reduced to £9 2s 6d, which continued till November 20th, when it was further reduced to £8 18s 9d, which remains in force at the time of writing. There has been a large increase in the import of sheet bars and tinplate bars, which are grouped together in the returns, but the percentage of foreign bars used in the tinplate trade is probably small, as one of the conditions of the rebate granted on British bars is that a maker shall confine his purchases to members of the association.

Exports.—The returns give an increase of about 25 per cent. on 1922, and show that pre-war output is now being exceeded. British East Indies retains its place as our best individual customer, but Canada shows a considerable reduction, counterbalanced to some extent by a trebling of our

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Money at Call and Short Notice	-	-	-	-	-	6,976,500
Investments	-	-	-	-	-	9,036,146
Advances, etc.	-	-	-	-	-	5,862,493
Balances with and Cheques in course of collection on other Banks in the United Kingdom	-	-	-	-	-	1,448,403

31st December, 1923

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exports to the United States. Japan and China also show large increases.

EXPORTS OF TINPLATES AND TINNED SHEETS.

	1913.	1920.	1921.	1922.	1923.
	Tons.	Tons.	Tons.	Tons.	Tons.
British East Indies	68,817	51,559	40,014	51,326	58,098
Australia	28,961	47,536	18,295	37,903	42,369
France	21,332	60,566	5,512	32,227	38,003
Japan	28,222	9,568	21,802	17,825	37,648
Netherlands	43,009	21,598	20,541	30,060	36,239
China	21,691	17,118	16,112	14,768	29,554
Canada	9,889	957	3,126	41,896	27,242
Argentine Republic	19,323	1,148	3,147	17,780	27,023
Germany	34,739	1,874	8,078	19,171	22,568
Belgium	13,363	17,032	833	18,465	22,782
Portugal	14,873	18,585	3,871	16,804	19,248
Norway	25,166	12,761	5,008	17,231	19,114
Italy	20,418	16,073	4,471	16,086	19,029
United States	21,616	625	863	3,011	9,680
Roumania	10,927	1,004	4,059	7,050	5,470
Russia	9,921	1,504	24	528	31
Other countries	102,330	73,360	70,284	107,300	136,416
	494,497	353,058	226,440	448,831	551,124

£7,214,988 £18,954,503 £9,077,292 £9,693,062 £12,601,400

The stock of tinplates, terneplates, and blackplates at Swansea on December 31st was:—1920, 159,596 boxes and bundles; 1921, 140,059 boxes and bundles; 1922, 204,226 boxes and bundles; 1923, 163,382 boxes and bundles. Overleaf will be found our usual charts of the tinplate and tin markets during the year.—*Sim and Coventry.*

SHIPBUILDING AND SHIPPING.—VI.
SHIPBUILDING.

	Output. (Ex. Warships) Tonnage Under Construction.	Export. Tonnage Launched.	Prices. Per Ton.	Unem- ployment.
			£ s d	%
1913	Average 1,890,000	1,932,152	5 8 0	..
1920	(End) 3,798,593	2,055,624	34 10 0	..
1921	(End) 2,640,319	1,538,652	8 10 0	..
1922	(End) 1,468,599	1,031,081	8 5 6	..
1923—January	1,492,000	228,000	..	34.3
February	(actually laid down) 355,000	..	..	32.1
March	1,338,000	..	..	29.5
April	(actually laid down) 241,000	239,000	8 5 6	32.1
May	1,271,000	..	year's avg	43.7
June	(actually laid down) 112,000	66,000	..	43.2
July	1,335,000	..	..	43.2
August	(actually laid down) 112,000	..	..	42.6
September	1,335,000	115,000	..	41.0
October	(actually laid down) 245,000	..	..	34.2
November	..	588,000	..	..
December	..	..	..	..

The *Glasgow Herald* reviews the year's trade as follows:—From not one of the world's shipbuilding areas are there any reports speaking well of 1923. There has probably never been a year of which shipbuilders all over the world have had to complain so seriously. There was nowhere a demand for new tonnage sufficient to keep the shipyards even moderately busy. Even in Germany, which was supposed to be doing more relatively in the way of ship construction than any other country, less actual work appears to have been done than in 1922; while in America, although emigrating British artisans could always obtain employment, the decline from the high war-time level of output continued, and there has been a great dismantling of recently laid-out works. The industry everywhere is evidently struggling towards stability, and in the process those associated with it are suffering much hardship. Whether stability will be reached in 1924 no one can yet say, but the belief that it will is fairly general. The hopes of a year ago are again being expressed, but somewhat more confidently,

and the statistics of output in the different countries seem to justify these hopes. The grand total of the returns shows that 1,980 vessels of 2,063,959 tons gross were launched, and that machinery of 2,264,359 i.h.p. was constructed, as compared with 1,972 vessels of 2,983,635 tons and 2,718,795 i.h.p. in 1922. More vessels were built because there was no call whatever for big ships, and all those who wished tonnage of any kind tried to get tonnage of smallest and handiest types, while large numbers of motor launches, lighters, and barges were built. The decreases in tonnage and horse-power of 919,676 and 454,436 respectively are large, but if the reduced production helps to improve freight markets it will tend towards the stabilisation of shipbuilding, and so may be something which will ultimately work out for good. The following table summarises the launching tonnage of the year, according to our returns:—

	1922.	1923.
	Vessels. Tons. I.H.P.	Vessels. Tons. I.H.P.
England	339 .. 501,740 .. 382,355	377 .. 336,208 .. 272,546
Scotland	190 .. 446,997 .. 366,711	162 .. 216,560 .. 184,506
Ireland	13 .. 94,853 .. 69,000	13 .. 129,495 .. 83,700
U. K.	542 .. 1,043,590 .. 816,066	552 .. 682,263 .. 538,751
Dominions	121 .. 78,817 .. 32,147	103 .. 44,640 .. 21,530
Empire	663 .. 1,122,407 .. 849,213	655 .. 726,903 .. 560,281
Foreign	1,309 .. 1,861,228 .. 1,869,582	1,325 .. 1,337,056 .. 1,704,078
Totals	1,972 .. 2,983,635 .. 2,718,795	1,980 .. 2,063,959 .. 2,264,359

Poor though the year was, Great Britain and Ireland kept their leading place as producers, not only of the largest tonnage of ships but of large ships. They are an easy first with 552 vessels of 682,263 tons and 538,751 i.h.p., while all Germany—even granting that a number of vessels were launched of which no information has been received in this country—makes a poor second with 184 vessels of 415,547 tons and 271,083 i.h.p. The United States total of 209 vessels of 220,557 tons and 337,095 i.h.p. is very poor in comparison with the huge output of that country (nearly 4,750,000 tons and nearly 2,600,000 i.h.p.) in 1919, and it shows the great extent of the slump which has taken place on the other side of the Atlantic. Germany has regained that second place which it lost to America a few years ago, and which it is now likely to retain indefinitely. Japan was sixth in 1922 and is now fourth, Holland was fourth last year and is now fifth, while France was fifth last year and is now sixth.

	1921.	1922.	1923.
	Vessels. Tons.	Vessels. Tons.	Vessels. Tons.
Great Britain and Ireland	426 1,538,052	235 1,031,081	222 645,651
Dominions	54 129,675	39 62,765	44 41,263
Empire	480 1,767,727	274 1,093,846	266 686,914
Foreign	897 2,573,952	578 1,373,238	435 956,267
	1,377 4,341,679	852 2,467,084	701 1,643,181

	Vessels.	Tonnage.
United Kingdom	223	645,651
Germany	117	358,273
United States	83	172,817
Norway	48	42,619
Japan	44	72,475
Holland	35	65,632
France	27	96,644
Italy	21	66,573

	1922.	1923.
	Vessels. Tons.	Vessels. Tons.
The Clyde	72 .. 392,068	52 .. 173,201
The Tyne	42 .. 240,788	44 .. 137,408
The Wear	27 .. 126,713	17 .. 51,561
The Tugan	10 .. 87,286	11 .. 127,426
The Tees	21 .. 64,636	28 .. 66,573

The Clyde.—The production of new tonnage was lower than in any other year since 1886. The depth of depression which was reached during 1923 may, indeed, be called

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Capital Paid Up	-	-	-	-	2,348,890
Reserve Fund and Surplus Profits	-	-	-	-	1,737,242
Deposits, etc., at 31st December, 1923	-	-	-	-	64,537,818

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unprecedented, as it affected the whole community much more than any previous spell of poor trade, and threw out of work very much larger numbers of men. All the shipyards and engineering shops were very poorly employed, the great majority had little or no work, a considerable number were closed, and such operations as were carried on were heavily handicapped for seven months of the year by the dispute between the Employers' Federation and the Boilermakers' Society. The result was that, month after month, very few vessels were launched, and the total for the year consists of only 122 vessels of 175,528 tons and engines of 166,956 i.h.p. These figures show a reduction as compared with 1922—itsself a poor year—of 21 vessels, 212,953 tons, and 182,373 i.h.p.

WAGES.—The following table has been extracted from the *Shipping Record*, and shows how precipitately wages have fallen since 1920-21. It should be remembered that the working week is now 47 hours, compared with 53 or 54 in 1914:—

Date.	Skilled.		Semi-Skilled.		Unskilled.	
	Weekly Wages (All in.)	Per-centage Increase Over Pre-War Weekly Wages.	Weekly Wages (All in.)	Per-centage Increase Over Pre-War Weekly Wages.	Weekly Wages (All in.)	Per-centage Increase Over Pre-War Weekly Wages.
July 31, 1914....	s d 41 6	% ..	s d 27 6	% ..	s d 23 6	% ..
June 1, 1920 to April 30, 1921..	91 3	120	75 2	173	70 10	201
January, 1923 to January 1924..	48 7	17	39 11	45	38 5	63

Skilled workers have been far more seriously affected by falling wage rates than have semi-skilled or unskilled workers. With the cost of living index number at 77 per cent. above pre-war, it is obvious that the more skilled branch of shipbuilding labour is feeling the depression most acutely, particularly when the general uncertainty as to the continuance in employment is taken into account.

SHIPPING.

	Output. Tonnage Entered and Cleared	Freight Index.	Unemployment.	
			S.	D.
1913.....	116,884,000	100	% ..	% ..
1920.....	73,106,000	438.52	..	..
1921.....	73,507,000	158.40	..	..
1922.....	103,006,072	122.02	..	..
1923—January.....	9,180,379	114.05	22.3	19.1
February.....	8,084,170	112.73	22.2	19.9
March.....	9,724,753	115.25	20.4	19.4
April.....	9,461,889	115.45	19.0	21.8
May.....	9,394,343	114.55	18.4	22.9
June.....	10,442,724	106.82	17.6	25.7
July.....	9,713,955	103.39	18.6	27.1
August.....	10,186,607	100.16	18.2	23.7
September.....	10,021,808	103.04	18.1	23.0
October.....	10,805,467	107.86	20.1	24.0
November.....	8,660,162	111.21	20.7	24.5
December.....	8,542,916	111.81	21.1	22.5
	116,839,573	109.69	..	..

We have extracted the following from an article by Mr R. W. Johnson in *Lloyd's List Review* of 1923:—While the salient fact of the year has been an all-round reduction in freights, two pronounced trade movements have operated, more than usually, to shape the course of the shipping trade. These were the activity in coal exports and the stagnation in grain imports. A heavy and far-reaching demand for coal has scattered shipping over a wide area, only to find extreme difficulty in obtaining freights homeward, and any gain on the outward freights has been lost on the homeward. Outward coal freights were good for a time, but not consistently good, for the reason that laid-up tonnage was attracted into the trade, and coal freights never had a chance to reach figures which would counterbalance the depressed homeward freights. If they had, the effect would have been to check the demand for coal, and probably to divert more trade from this country to America. Hence, coal freights, in spite of the export boom, have, in point of fact, fallen to lower average rates than last year. In the homeward markets, grain is, of course, the chief factor, and, as indicated above, the movement of this commodity was notoriously insufficient until late in the autumn when the seasonal demand asserted itself, and when, owing to the approaching close of the Canadian season, it was necessary to press forward the shipments. The Montreal rate, for instance, fell as low as 2s 1½d per quarter to the United Kingdom, bringing the mean down to 3s 5½d, as compared with 3s 10½d in 1922. Similarly, from the Northern Range the rate was down to 2s 6d per quarter, which, however, is not so low as the lowest rate of 2s recorded for the previous year, though the mean of 3s 1½d is lower by 6d than that of 12 months before. No doubt the demand for coal-carrying tonnage had the effect of keeping the grain rate

from collapsing to the lowest point of 1922. From the River Plate berth boats accepted down to 11s, while the highest rate, 36s 3d, fell short of the 37s 6d returned for 1922; the net result is a mean of 25s 7½d, as against 28s 3d.

The Eastern markets, excluding Australia, constituted an interesting exception to the general rule, for rates were higher as compared with 1922, but in that year freights were exceptionally low in the Eastern trades, being worse than in any other market, and in 1923 the East was less affected by the slump in the European exchanges than most other quarters of the globe; the early improvement in freights was, therefore, not wholly lost. Nitrate freights from Chile developed gathering activity, and offered fairly good prospects for the winter. Rates, however, did not rise, the mean being 32s 3d, as compared with 34s 10½d, though the lowest rate in 1923 was 2s higher than in 1922. The North Pacific trade with the Eastern States and Europe via the Panama Canal developed steadily, and has taken up more tonnage for the carriage of grain and produce to Europe, while a feature in this trade was the shipment of large quantities of wheat, flour, and lumber to Japan. Tanker freights have been higher. Owing to the disappointing output of oil in Mexico, there was a rapid development in the production of the Californian oilfields, and the shifting of the American demand to that quarter led to unusual activity in the trade between the Pacific Coast and the Eastern States via the Panama Canal. Time charter business was extraordinarily dull until November, and rates fell to the lowest figures, down to 3s 9d being done for 12 months in the general trades, while the mean for the 11 months of the year was no better than 4s 4½d, as against 4s 6d in the preceding year.

On the subject of prices, Mr A. Bateman, in the same *Review*, states that coasters have been in fairly good demand throughout the year, and in their case prices have been practically maintained. For large boats of modern build the inquiry has also been good, but not much business has resulted, owing to the higher capital cost, which has acted as a deterrent. There is little or no speculative buying at present, purchases being for investment, with an eye on the future. Prices have not shown any violent fluctuations, but a decidedly downward tendency was noticeable at the commencement of the second half of the year, which has been progressive to date, the result being a total depreciation in value of second-hand tonnage for the whole year (apart from the normal wastage on account of age) of from 15 per cent. to 20 per cent., according to size, age and type.

ENGINEERING.

	Export. Tons.	Unemployment. %
1913.....	689,389	..
1920.....	461,663	..
1921.....	506,293	..
1922.....	403,369	..
1923—January.....	45,156	20.5
February.....	35,765	18.8
March.....	33,277	17.6
April.....	34,577	17.0
May.....	40,191	16.6
June.....	33,789	20.9
July.....	29,532	20.3
August.....	34,047	20.2
September.....	34,619	20.2
October.....	37,788	20.5
November.....	36,991	18.9
December.....	36,246	17.3
	432,578	..

The year 1923 was, speaking generally, disappointing; hopes and anticipations were not realised, and the trade conditions in most industries did not improve; thus engineering was affected by depression until the last few months. The closing few months of the year were brightened somewhat, and hopes were revived by the notification of important contracts placed, and works in view, for railways, power plants, road improvements, &c., although some of these contracts and works are being forced, or advanced, to relieve unemployment existing in Great Britain.

Railway and Road Works.—The principal railways of the country are now combined into four groups, with the main object of co-operative working and economy. Large sums have been allocated already for reconstruction and development, including track, rolling-stock, reconstruction of stations and depots, and dock equipment. A sum of ten million pounds is the expenditure named in connection with the Great Western Railway alone, whilst no less than 14 million pounds will be expended on the Midland and Scottish Railway; contracts have already been placed for locomotives and parts, wagons, rails and track accessories. It is to be recorded, however, that the locomotive industry generally, apart from the railways' own works, has suffered from depression like other industries, on account of absence of overseas orders, but there is promise of improvement this year, in view of contracts abroad, and India is looked to, as well as by contracts for the development and reconstruction above mentioned. Public works, chiefly in the nature

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of new main roads, have been decided upon, which means an outlay of millions, and some contracts in connection therewith have already been placed.

Motor-car Industry.—The motor-car industry, unlike most other industries, was particularly active last year, this being accounted for by the reduction in prices decided on, and intensified production to reduce costs. There was an increase in the value of cars exported, notwithstanding an increase also in the value of imported cars over the previous year. It is to be noted, however, that the export value of motor-cars and vehicles for private and commercial uses averaged over the last two years about one-half the value of those imported; there appear to be opportunities to improve on these figures by a continuation of the progressive policy on the part of British manufacturers, as evidenced last year. Imports and exports during 1921, 1922, and 1923, according to the Board of Trade records, were as follows:—

IMPORTS (Twelve Months).				
	1921.	1922.	1923.	
Touring cars.....	1,293,959	2,323,083	2,764,709	
Commercial vehicles....	511,364	191,315	141,419	
Chassis for motor cars..	1,088,526	1,526,691	1,729,047	
Motor-car parts	2,922,235	1,886,375	2,084,590	
Totals	5,816,484	5,927,464	6,719,765	
Motor cycles and tri-cars	66,506	52,704	44,986	
Parts	123,178	53,862	23,121	
Totals	189,684	106,566	68,137	
Cycles and parts	180,315	237,911	324,727	
Tractors	459,952	37,251	66,672	
EXPORTS (Twelve Months).				
	1921.	1922.	1923.	
Motor spirit	311,190,222	327,233,670	20,605,173	15,827,394
Fuel oil	392,618,470	363,738,123	5,783,525	4,788,994
Motor cars and parts	4,547,404	2,765,529	3,905,552	
Motor cycles and tri-cars and parts.....	974,480	734,998	1,230,151	
Tractors	834,954	434,721	551,305	
Cycles and parts	1,799,308	2,082,680	2,725,187	

Electrical Engineering.—Electrical engineering also has fared rather better than some other branches during 1923. This cannot be accounted for by extensive reconstruction in factories, the conditions already outlined not having justified that course. New power and railway electrification schemes, abroad as well as at home, have alleviated somewhat the depression in electrical engineering. Extensive hydro-electric projects have been arranged overseas, but also here in North Wales and Scotland, the former requiring an expenditure of £1,600,000. The national scheme of the Electricity Commission, to reduce the number of small generating stations, to develop and link up large stations in this country, and for the supply of electricity in bulk, has necessitated and will call for considerable expenditure in new electrical machinery, cables and equipment. In addition, the use of electricity for mining equipment is increasing. The past year has been one of great activity in the development of radio or wireless equipment, which has now been brought within use of the public generally.—*Chamber of Commerce Journal.*

BUILDING TRADE.

Although competition is still very keen in all cases where buildings are put out to tender, there is yet an easier feeling, and prices are not being cut quite so closely as at the beginning of the year 1923. This tends to show that builders and contractors generally are busier than they were at the commencement of the year, and are, therefore, not quite so eager to get work at any price in order to keep their permanent staff engaged. It must not be thought that the past year has been among the palmiest days of the building trade. As regards industrial building the activity in the trade must necessarily be dependent on other trades. Thus the slackness in shipbuilding adversely affects the building trade in such cities as Glasgow and Belfast; and the falling off in the cotton trade deters building in Manchester and most of the towns in Lancashire. Building costs at the end of the year are lower than those prevailing in 1922, and this is particularly the case with regard to housing. The decrease in building costs is co-ordinated with the fall in the general cost of living. On June 1 last an almost general reduction of 1d per hour in craftsmen's and labourers' wages was agreed to; but in view of the upward trend of the cost of living it is felt that an increase of 3d. an hour all round is likely to be granted next month. The fall in the cost of materials has also resulted, in a large measure, from the decline in the general living cost, but there can be no doubt that the Inter-Departmental Committee set up by the Government to keep an eye on the cost of materials have exercised a very salutary influence in this respect. A revival in housing was brought about by the passing of the Housing Act of 1923 in July last. This Bill was introduced to correct the errors of existing Acts, and had among its main objects the encouragement of cottage building by private enterprise. In that it shows every prospect of being successful, but actual figures cannot be given at present, as the Ministry of Health returns close with the

year ended September 30—two months only after the passing of the Act. Sir Charles Ruthen, the Director of Housing, however, has issued a statement to the Press in which he forecasts that the output in cottage building in 1923-4 will reach that of 1908, which was a record year for this class of work. The total number of houses erected by State-aided builders and by private enterprise in which no subsidy was paid, was 77,639, this being a larger output than the average annual output for the ten years before the war, which was 63,000. In the matter of cost, Sir Charles Ruthen pointed out that the price of the parlour-type house, which was £450 in April, 1922, was reduced to £370 in May, 1923. This is encouraging to the taxpayer and ratepayer, since 85,000 houses have already been authorised under the 1923 Act, of which 31,500 are being undertaken by local authorities and 53,500 by private builders, all of which are to be subsidised.

FURNISHING TRADES.

According to the *Cabinet Maker*, 1923 shows a certain level of business in the furnishing trade, not very imposing in its volume, but of fair extent considering the conditions of trade throughout the country. The last traces of the spending abilities produced by war-time fortunes have faded, and the after-war desire for profusion and extravagance has resolved itself into a definite demand for serviceable and economical things, and consequently there has been a great deal of what may be called "bread and butter" stuff turned out by many manufacturing firms. The wholesale furniture exhibitions which took place this year at Olympia and at Manchester witnessed a considerable amount of business, and also emphasised the point we made earlier that there is a real demand for simpler, stronger, and more economical furniture this year. Those exhibitions also provided interesting illustrations of the developments of modern design, and disclosed the fact that set styles are beginning to make way for individual character. There has not been a great deal of work done in the making of elaborate and costly furniture, because the market for such productions is temporarily paralysed. The same story is told by the salerooms, for although some very fine pieces came through the principal auction rooms of London, the prices they fetched were not startlingly high, and in some cases fine specimens of old furniture were withdrawn owing to the fact that the bidding did not reach the reserve placed upon them. In the antique trade a curious position has come about, because now the acquirement of plain and simple pieces of old furniture is a much more costly proceeding than it used to be, and while the prices of plain things have risen, unsaleable, ornate examples are going for a song.

VII.—TEXTILES.

THE COTTON TRADE.

According to our Manchester correspondent, cotton spinners and manufacturers in Lancashire have experienced another year of severe depression. The boom which followed the Armistice reached its height in the spring of 1920. The downward movement in prices, and the serious depreciation in the value of stocks brought difficulties of a pronounced character, and since then there has not been any revival, the business available being insufficient to meet the requirements of producers. The past year, however, had some favourable features, a prominent development being the improvement in the finer end of the industry. Producers of Egyptian yarns gained ground, and increased activity also showed itself in fancy cloths of various kinds. Wretched conditions continued to prevail for spinners of coarse yarns, and demand was very poor in the commoner styles of piece goods, especially grey staples. During the latter part of the year there was a marked rise in values as a result of the striking advance in raw cotton rates. Numerous cases of financial difficulties were reported. Probably more failures took place than in any previous year in the history of the trade. There were fears now and again of a financial panic, but such a thing did not happen, and probably on the whole the worst in this connection is over. Many spinning mills, however, are still feeling the effect of money stringency. It is satisfactory to be able to record that during the year no labour trouble of any kind took place.

The *Manchester Guardian* states:—The comparative lack of competition in the fine-spinning section has caused certain mill companies outside Bolton to adapt their machinery to the use of Egyptian cotton. From March to November inclusive the hours of work decreed by the Federation of Master Cotton Spinners were only 24 out of the statutory 48 a week, holidays being added to the enforced stoppage. On many occasions during the period the average number of hours worked must have been less than 24, and, although in November there was a sufficient revival in demand to induce a small minority to defeat the Federation's short-time policy, the freedom gained during December became

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fruitless in view of the renewed depression. If, by means of short time, the industry hoped to obtain a more profitable ratio between supply and demand, the experiment of 1923 was a complete failure. Only a small proportion of the reduced output left the mills at prices which covered the cost of production, much less the extra cost of half-time working. This was partly due to the fact that the demand for goods remained smaller than the curtailed supply, but more to the financial difficulties of a number of Oldham mills, whose need for ready money was so great that, as long as they sold yarn, the prices obtained were immaterial. The consequent disorganisation of the yarn and cloth market brought about a serious effort at collective action. Following an unofficial lead, the Federation of Master Cotton Spinners published periodical lists of basic yarn prices, but the underselling of the market continued, and the attempt had to be abandoned. The possibility of enforcing discipline and relieving unemployment by a reversion to the war-time system of control was actively canvassed, but, on being put to the ballot, rejected by a majority of spinners. A joint committee of employers and operators, convened in October by the then Lord Mayor of Manchester, reconsidered the project. In face of opposition from fine spinners and manufacturers, it dwindled to one of controlling the American spinning section alone. No further progress has been reported. On July 15 an Act of Parliament came into force making compulsory the payment of 6d on every bale bought by spinners, the proceeds to be devoted to the cause of cotton growing within the Empire.

The following table shows the Board of Trade figures of total imports of raw cotton and their value during the years 1913, 1922, and 1923:—

Cotton, Raw (except Linters).	Quantity.			Value.		
	1913.	1922.	1923.	1913.	1922.	1923.
Imports from—						
Egypt	4,026,694	..	3,486,322	17,642,358	..	26,449,055
United States of America	15,847,696	9,130,396	6,691,028	47,307,766	50,841,630	48,095,232
Brazil	618,036	366,051	208,963	1,992,268	1,818,794	1,289,693
Other foreign countries	531,421	921,948	976,956	1,696,192	5,203,996	6,476,056
Total from foreign countries	21,023,246	10,418,399	11,363,269	68,638,584	57,864,420	82,310,036
British Africa—						
Egypt	3,158,977	..	398,093	490,484	1,626,968	2,746,620
Other countries	173,891	269,118	398,093	1,128,831	1,834,324	5,576,430
British East Indies	514,108	441,737	1,087,290	2,094,422	165,608	251,497
British West Indies	29,895	16,509	25,011	3,226	90,185	358,967
Other British Possessions	1,262	15,162	52,191	1,931,963	27,685,769	8,933,514
Total from British Possessions	719,150	3,901,503	1,562,585	70,570,547	85,550,189	91,243,550
Total	21,742,396	14,319,902	12,925,854	138,209,131	143,414,609	173,553,586

The following comparative table gives the shipments of yarn for the pre-war year and the last four years:—

	1913	1920	1921	1922	1923
Lbs.	210,099,000	15,006,291	147,432,400	47,585,814	23,924,879
Yds.	7,075,252,000	97,775,855	2,902,288,900	137,132,298	142,415,686
Square Yards.	4,435,405,000	315,717,631	4,181,176,300	142,415,686	138,354,135

Corresponding figures for cotton cloth exports are:—

	1913	1920	1921	1922	1923
Yds.	7,075,252,000	97,775,855	2,902,288,900	137,132,298	142,415,686
Square Yards.	4,435,405,000	315,717,631	4,181,176,300	142,415,686	138,354,135

It will be noticed that although foreign customers are spending considerably more on Lancashire cotton goods than in 1913, the quantity exported is decidedly smaller, and it may be pointed out that the average price per yard in 1913 was 3.32d, against 8.02d in 1923.

The following is a list of cloth quotations on particular dates:—

	32 inch Printers, 116 Yds., 16 by 16.	36 inch Shirtings, 76 Yds., 18 by 16.	38 inch Shirtings, 38 Yds., 16 by 16.	39 inch Shirtings, 37 1/2 Yds., 16 by 15.
1923.				
January 5	31 3	33 9	18 6	17 0
February 2	31 6	34 6	19 0	17 3
March 2	32 0	35 6	18 9	17 9
April 6	33 9	36 6	18 9	17 6
May 4	33 0	36 0	18 0	16 9
June 1	32 0	35 0	18 0	17 3
July 6	32 0	35 0	18 9	16 10 1/2
August 3	29 6	32 9	18 0	16 0
September 7	31 6	34 9	18 6	17 3
October 5	32 6	36 6	19 3	17 9
November 2	34 0	37 9	20 0	18 9
November 30	40 0	43 0	23 6	21 3
December 7	39 0	42 0	23 0	20 3
December 28	39 9	42 9	22 6	20 1/2

WOOLLEN AND WORSTED TRADES.

The year opened with most branches of the industry in the United Kingdom well employed; in fact, more firms desired overtime permits than the Industrial Council was prepared to grant; but it eventually became evident that there was a certain amount of production in excess of requirements during 1922 and the early months of 1923.

Trade expectations were not fulfilled, and in due course stocks began to accumulate at the various stages of production. Retailers were still buying sparingly, and keeping their commitments in as small a compass as possible. The result was that the industry itself held an abnormally large proportion of the usual quantity of floating stock. The consequence was a slowing-down of production which commenced in the spring, and a policy of stock-reduction became general, within the industry itself and also in the distributive branches of the trade.

One cause of the change of front was a reaction against high prices for merino products. The sharp rise during the latter half of 1922 had brought the cost of the finished article to a point which clearly began to retard trade, and there developed amongst the actual consumers in most of the principal countries a desire for something cheaper. The ordinary channels of trade on the Continent were seriously dislocated, and the lack of stability in Continental currencies created an atmosphere of nervousness that had a paralysing effect upon business. Nobody would buy forward speculatively, and for several months orders in all sections were of a hand-to-mouth character. Germany, our most important export market for tops and yarns, could not take anything approaching normal quantities, and this added to the unemployment in the combing and spinning branches. Meanwhile, the wool textile industries of North France and Belgium were fully employed, and lower cost of production there in comparison with this country, plus the effect of a depreciating currency, resulted in quotations for imported yarns and dress goods in the United Kingdom at appreciably less than the home cost of production. The volume of trade done, as revealed by the Board of Trade returns, was substantially less than in 1913, but lower quotations and the uncertainty as to whether or not there might be a further depreciation in the franc, and still lower prices, reduced the demand for corresponding qualities of home products to a minimum.

Throughout the year there was the utmost difficulty in making remunerative margins in tops, yarns, and piece goods. Wool was always ahead of the Bradford market, and during the last quarter, although there was a very substantial increase in the quantity of tops, yarns, and piece goods sold, the prices paid were always relatively below the prevailing price of wool. The turnover in crossbred yarns in November and December was such that spinners who had been at their wits' end earlier in the year to keep even part of their machinery running, so as to provide part-time employment, found themselves booked up for two or three months ahead.

AVERAGE PRICES OF TOPS.

In Pence Per Lb.	July, 1914.	Dec., 1921.	Dec., 1922.	Jan. 25, 1923.	Mar. 15, 1923.	May 3, 1923.	Aug. 2, 1923.	Dec. 24, 1923.	Dec., 1923, as % of 1914.
70's merino	33	51	65	67	63	67	63	67	203
64's merino	32 1/2	48	62	64	59	64	60	65	200
60's super	31 1/2	42	56	59	56	60	57	62	197
58's crossbred	26 1/2	35	46	46 1/2	44	47	42	51	191
56's crossbred	24 1/2	27 1/2	36	39	35 1/2	38	33 1/2	44	181
50's or 52's bred	20 1/2	22	26	29	26 1/2	28	24 1/2	32	154
46's or 48's	17 1/2	17 1/2	19 1/2	19 1/2	16 1/2	17 1/2	17 1/2	23 1/2	138
40's prepared	16	12 1/2	15	16 1/2	16	17 1/2	16 1/2	21 1/2	134

In the case of yarns, there was a reduction in margins during 1923, so that values did not run quite parallel with tops. The prices for a few qualities are given below:—

AVERAGE PRICES OF YARNS.

Per lb.	July, 1914.	Dec., 1922.	Jan., 1923.	Aug., 1923.	Dec., 1923.	Dec., 1923 as % of 1914.
1/16's super	8 1/2	1 1/2	8 1/2	8 1/2	8 1/2	163
1/16's botany (70's/80's)	8 1/2	1 1/2	8 1/2	8 1/2	8 1/2	212
2/16's worsted, med. (44's card)	1 8	2 2	2 3/4	2 1	2 6	150
2/32's worsted, med. (46/48's)	1 10	2 10 1/2	3 0	2 9	3 0	164
2/40's (56's super)	2 10 1/2	4 9	5 2	4 2	4 9	163
2/48's botany (64's)	3 3	6 10	7 0	6 3	6 7 1/2	204
2/60's botany (super 70's)	3 5	8 6	8 6	7 6	7 10 1/2	230

* Per gross.

With regard to piece goods, an effective comparison is difficult to make. It is useful to note that the Ministry of Labour estimate that the average cost of retail clothing as purchased by the working classes showed a rise of 125 per cent. at the beginning of 1923 as compared with 1914, and of 120 per cent. at the end of 1923. Wages in the wool textile trade, reckoned per unit of time, are from 107 to 118 per cent. above the pre-war standard.

Home Trade.—The high price of botany goods has restricted the demand, and manufacturers in the Bradford district who did a large trade in gabardines and women's dress goods in 1922 had their turnover seriously reduced during 1923. The men's wear branch, however, also suffered from the depression in the middle of the year. In the second half of the year there was a decided trend

English, Scottish & Australian Bank, Limited.

Head Office: 5, GRACECHURCH STREET, E.C.3,
and 355 Branches and Agencies throughout Australia.

Authorised Capital	-	-	£3,000,000	0	0
Paid-up Capital	-	-	£1,500,000	0	0
Uncalled Capital	-	-	£1,500,000	0	0
Reserve Fund	-	-	£1,620,000	0	0

Board of Directors:

ANDREW WILLIAMSON, Esq., Chairman.
JOHN PATERSON, Esq., Deputy Chairman.
HON. SIR JOHN A. COCKBURN, K.C.M.G.
HON. SIR ARTHUR LAWLEY, G.C.S.I.
SIDNEY M. WARD, Esq.
THE RT. HON. VISCOUNT KNUTSFORD.
GEORGE SLADE, Esq.
SIR FREDERICK W. YOUNG.

London Manager and Secretary—E. M. JANION.
Assistant Manager—A. A. SHIPSTON.
Sub-Manager—J. A. ROBERTSON.
Accountant—WALTER PHILLIPS.

Bankers:

BANK OF ENGLAND;
WESTMINSTER BANK, LIMITED.

Letters of Credit and Drafts on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank in the Chief Provincial Towns throughout the United Kingdom.

Remittances made by Telegraphic Transfer.

Bills Negotiated or forwarded for Collection.

Banking and Exchange Business of every description transacted with Australia.

THE IMPERIAL BANK OF PERSIA.

(Incorporated by Royal Charter, 1889).

CAPITAL (fully paid) - £650,000
RESERVE - £370,000
Reserve Liability of Shareholders - £1,000,000

Head Office: LONDON.

Chief Office in Persia: TEHERAN.

Branches in Persia, Ahwaz, Bunder Abbas, Bushire, Duzdab, Hamadan, Isfahan, Kazvin, Kerman, Kermanshah, Maidan-i-Naftun, Meshed, Mohom-merah, Nasratabad, Resht, Shiraz, Shuhstar, Sultanabad, Tabriz and Yezd.

Branches in Mesopotamia, Bazra, Bagdad.

Branch in India, Bombay.

The Bank is prepared to transact Banking business of every description in and connected with Persia, Mesopotamia, and in London grants Drafts, and Telegraphic Transfers, and Letters of Credit, and negotiates or collects Bills on Persia and the Near East.

London Office:

33—36, KING WILLIAM STREET, E.C.4.

THE UNION BANK OF AUSTRALIA Limited.

Established 1837. Incorporated 1880.

CAPITAL AUTHORISED AND ISSUED £9,000,000
Capital Paid-up - £3,000,000
Reserve Fund - £3,350,000

Reserve Liability of Proprietors - £6,000,000

DIRECTORS:

HENRY P. STURGIS, Esq., Chairman.
The Rt. Hon. LORD CARMICHAEL, G.C.S.I.
The Rt. Hon. THE EARL OF CHICHESTER.
JOHN DENNISTOUN, Esq.
HUGH D. FLOWER, Esq.
The Rt. Hon. LORD HILLINGDON.
SOMERVILLE R. LIVINGSTONE, LEARMONTH, Esq.
ROBERT C. NESBITT, Esq., M.P.
FREDERICK G. PARBURY, Esq.
The Hon. EDMUND W. PARKER.
Sir WESTBY B. PERCEVAL, K.C.M.G.

HEAD OFFICE:
71 Cornhill, London, E.C.3.

Manager—W. J. ESSAME. Assistant Manager—W. A. LAING.
Secretary—F. H. MCINTYRE.

BRANCHES THROUGHOUT AUSTRALIA AND NEW ZEALAND, viz.:

In VICTORIA	..	44
" SOUTH AUSTRALIA	..	15
" NEW SOUTH WALES	..	43
" WESTERN AUSTRALIA	..	20
" QUEENSLAND	..	19
" TASMANIA	..	3
" NEW ZEALAND	..	47
		191

Drafts upon the Branches are issued by Head Office, and may also be obtained from the Bank's Agents throughout England, Scotland, and Ireland. Commercial and Circular Travelling Credits issued—available throughout the World.

Telegraphic Remittances are also made.

Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection.

Deposits are received at Head Office at rates of interest and for periods which may be ascertained on application.

The ANGLO-EGYPTIAN BANK, LIMITED.

Subscribed Capital - £1,800,000
Paid up - £600,000
Reserve Fund - £720,000

HEAD OFFICE:
37 to 39, King William Street,
London, E.C.4.

Branches:

EGYPT—ALEXANDRIA, CAIRO, PORT SAID, SUEZ, TANTAH, ZAGAZIG, MANSOURAH, ASSIUT, BENI-SUEF, MINIEH.

SUDAN—OMDURMAN, KHARTOUM, PORT SUDAN, MAKWAR.

PALESTINE—HAIFA, JAFFA, JERUSALEM, NAZARETH.

MEDITERRANEAN—MALTA, GIBRALTAR.

THE Bank transacts every description of Banking Business in Egypt, grants Letters of Credit, and affords facilities to Travellers proceeding to Egypt and elsewhere.

Deposits received for fixed periods at rates to be obtained on application.

On current accounts Interest at the rate of 2 per cent. per annum allowed on minimum monthly balances provided they do not fall below the sum of £200.

towards crossbred as against botany productions, and wherever possible a change was made with a view to cheapening the cost of the finished article. Medium and low grade woollens sold very well, and the woollen branch as a whole fared much better than the worsted branch. The hosiery trade also had its quiet time, with a recovery towards the end of the year; and the carpet trade fell off to some extent.

Export Trade.—Exports of British wool in 1923 have been a little less than those of 1922, but about double those of 1913, the United States having taken two-fifths of the total shipments. The exports of tops have been practically the same as in 1922, and roughly 10 per cent. below 1913. The exports of worsted yarns have been a good 15 per cent. less than in 1922, and 30 per cent. less than in 1913. The exports of mohair and alpaca yarns have been a third greater than in 1922, but little more than one-half the pre-war figures. The exports of woollen yarns have been slightly less than in 1922, but nearly double those of 1913. Taking tops and yarns together, the exports to destinations other than Germany are about one-fifth larger than they were in 1913. The exports of woollen tissues (which represent nearly half the value of the total exports) were a good 20 per cent. better than in 1922, and nearly equal to the 1913 figures. The exports of worsted tissues have been about the same as in 1922, and about 10 per cent. less than in 1913. Taking the exports of woollen and worsted tissues together, and comparing them with 1913, the Continent has taken one-half the pre-war amount (the exports to Germany, which accounted for nearly 10 per cent. of the total exports of tissues in 1913, being almost negligible). The Far East has absorbed double the quantity, the United States nearly double the quantity, South America about the same, and the Dominions slightly less.

With regard to imports, woollen and worsted yarns have been imported in about the same quantities as in 1922, and one-half the pre-war figures. The imports of tops are larger than in 1922, no corresponding imports being

recorded in 1913. The imports of woollen and worsted tissues are about 75 per cent. greater than in 1922, but only about one-third of the imports in 1913.—From *The Weekly Wool Chart* (Bradford).

JUTE TRADE.

The following is extracted from Messrs W. F. Soutar and Co.'s circular:—

Jute.—Last January opened with a rosy outlook, and raw material was largely held by spinners and dealers, although prices were on a high level, as the season then was expected to come rapidly to a close. Unfortunately, it did not, and prices gradually dropped from £38 per ton for first marks, until by September month the price was down to £20 10s per ton. The trade was entirely misled by Calcutta and up-country reports; instead of 4,237,000 bales the trade received 6,385,000 bales, including a surplus from previous season's crop. Since September there has been a reaction from the extremely low point, and first marks for the year closed at £29 per ton for grade. Dundee bought largely all along the line, and spinners have, as a year ago, large supplies that will meet the increased demand which has made itself felt regarding most qualities, and particularly so far as fine jute is concerned, which is extremely scarce, as the present crop has shown very little of it. It is to be regretted that quality of the present crop is very poor, and in consequence many arbitrations are taking place, resulting in heavy allowances and many parcels being invoiced back. This state of affairs regarding quality is not confined to Dundee, as equally heavy allowances, in some instances heavier, are being made in London.

Cloth and Yarns.—The first half of the year was lifeless, and the output seriously interrupted by a strike, which necessitated a general lock-out; then came a steady drop in prices, until in October 8-lb. cops were 2s 7½d per spindle, and 40-inch 10½-ounce hessians 3½d per yard. Since then prices have advanced, and cops are now 3s to 3s 1d per

ŽIVNOSTENSKÁ BANKA V PRAZE

Head Office in Prague: PŘÍKOPY 30.

Telephone: 225, 939, 9790, 31200-19, 31300-2.

Share Capital Kč.200,000,000.

Reserve Funds over Kč.145,000,000.

Sub-Agency in Prague: KRÁL, VINOHRADY.

Branches:

MLADÁ BOLESLAV, BRATISLAVA, BRNO, NĚM. BROD, ČES. BUDEJOVICE, HODONÍN, HRADEC KRÁL., JIHLAVA, KLATOVY, KOLÍN, KOŠICE, LIBEREC, MĚLNÍK, OLOMOUČ, MOR. OSTRAVA, PARDUBICE, PÍSEK, PLZEN, PROSTĚJOV, TÁBOR, TEPLICE-ŠANOV, ÚSTÍ n/L., KARLOVY VARY, KARLSBAD. VIENNA I., HERRENGASSE 12, AUSTRIA. TRIESTE, WITH SUB-AGENCY IN ABBAZIA, ITALY.

ALL KINDS OF HOME AND FOREIGN BANKING BUSINESS TRANSACTED.

STOCKHOLMS ENSKILDA BANK.

BANK WITH UNLIMITED LIABILITY.

Established in 1856.

TELEGRAPHIC ADDRESS:
NITTON-STOCKHOLM.

STOCKHOLM.

HEAD OFFICE:
STOCKHOLM 16.

CAPITAL (paid up) - - - Kr. 43,500,000.

RESERVE FUNDS - - - Kr. 41,500,000.

Banking and Exchange Business of every description.

Bills negotiated or forwarded for Collection.

Letters of Credit and Travellers' Cheques issued available in the principal Cities of the World.

Remittances made by Telegraphic Transfer.

Deposits received for fixed periods or at notice.

LONDON AGENTS:

WESTMINSTER BANK, LIMITED, LOTHBURY, E.C.; HAMBRO'S BANK, LIMITED FREDK. HUTH & CO.

STATE BANK OF THE R.S.F.S.R.

(Russian Socialist Federal Soviet Republic).

Created by Decree of the Soviet Government
of October 12th, 1921.

Capital Chervonetz.
5,000,000

Total amount of Notes
issued on February
1st, 1924 30,300,000

Gold reserve of Issue
Dept. 8,753,981
Note: 1 chervonetz is equal to 10 roubles gold.

Head Office: NEGLINNI PROESD, 12, MOSCOW.

The Bank is represented by over 250 Branches and Agencies in all the principal towns of European and Asiatic Russia; the Bank accepts deposits and opens current accounts in foreign gold and Russian currency; remittances to all parts of European and Asiatic Russia, payable both in Russian and foreign currency, effected; documentary credits opened; bills discounted; documents payable in Russia collected; banking business of every description transacted.

London Agents:

Lloyds Bank, Ltd., 20, King William St., E.C.4; Barclays Bank, Ltd., 168, Fenchurch St., E.C.3; Westminster Bank, Ltd., 82, Cornhill, E.C.2; Guaranty Trust Co., of New York, 32, Lombard St., E.C.3; J. Henry Schröder & Co., 145, Leadenhall St., E.C.3.

THE EQUITABLE TRUST COMPANY OF NEW YORK.

ALVIN W. KRECH, Chairman of the Board.
ARTHUR W. LOASBY, President.

Capital, Surplus and Undivided
Profits (Dec. 31, 1923), \$32,798,393
at Ex. \$4.30 - (£7,627,533)

Member New York Clearing House Association.
Current Accounts opened and Deposits received.

Dollar Bills purchased.
Drafts and Cable Transfers on New York and other important cities in the United States and Canada issued at the closest rates.

Forward Exchange bought and sold and Merchants thereby covered against fluctuation in Exchange.
Banking and Exchange Business of every description transacted with all important points in the world.

LONDON OFFICES:

10 MOORGATE, E.C.2.
BUSH HOUSE, ALDWYCH, W.C.2.

NEW YORK.

Head Office: 37 WALL STREET.
Branches: 222 BROADWAY, 247 BROADWAY,
355 MADISON AVENUE.

PARIS.

23 RUE DE LA PAIX.

MEXICO CITY.

48 CALLE DE CAPUXTUNAS.

Member Federal Reserve System.

ANGLO-CZECHOSLOVAKIAN BANK.

Head Office - PRAGUE

London Office:

24 - 28, LOMBARD STREET, E.C.3.

Branches in all
the principal towns
of Czecho-Slovakia.

Capital fully paid:
CzechKronen 120,000,000

GENERAL BANKING BUSINESS TRANSACTED.
CURRENT ACCOUNTS OPENED.
FIXED DEPOSITS RECEIVED.
RATES ON APPLICATION.

THE MERCANTILE BANK OF INDIA, LTD.

HEAD OFFICE:

15, Gracechurch St., London, E.C.3.

Capital Authorised ... £3,000,000

Capital Paid Up ... £1,050,000

Reserve Fund and Undivided
Profits ... £1,352,105

Branches and Agencies in:

INDIA, CEYLON, BURMA, SIAM,
STRAITS SETTLEMENTS, CHINA,
and PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit, and conducts every description of Banking Business in connection with the East.

FIXED DEPOSIT RATES
will be quoted upon application.

On CURRENT ACCOUNTS interest is allowed at 2 per cent. per annum on daily balances, provided interest for the half year amounts to £1.

spindle, and hessians 4½d to 4¼d per yard. Inquiries and orders being placed are for important quantities, which give promise of full employment for several months ahead.

Stocks of jute in Dundee are not so large as a year ago, and we estimate the total quantity at 750,000 bales (including unsold in brokers' hands and a standing stock of practically 200,000 bales in spinners' hands). The consumption in Dundee and district during the last six months has risen to the equivalent of 850,000 bales per annum. Unfortunately, the quality of a great deal of spinners' jute is too poor for the purposes for which it was bought.

	1920.	1921.	1922.	1923.
Stock at Dec. 31st (including jute at quays)	Bales. 750,000	Bales. 750,000	Bales. 800,000	Bales. 750,000
Season. 1920-21.	Season. 1921-22.	Season. 1922-23.	Season. 1923-24.	
Arrivals at Dundee (direct and coastwise), July 1st to December 31st	Bales. 234,813	Bales. 209,296	Bales. 410,514	Bales. 433,048
Afloat to Dundee	204,995	65,326	245,042	288,991
Vessels loading and to load for Dundee to December 31st	40,000	20,000	50,000	50,000
	479,808	292,622	705,556	772,039

The following are prices of first marks for shipment at December 31st since 1903:—

	C.I.F.		C.I.F.
1903	13 0 0	1914	18 10 0
1904	16 0 0	1915	27 10 0
1906	19 5 0	1916	42 10 0
1906	27 0 0	1917	44 0 0
1907	15 15 0	1918	46 10 0
1908	14 2 6	1919	50 0 0
1909	14 0 0	1920	39 0 0
1910	19 15 0	1921	38 0 0
1911	20 2 6	1922	38 0 0
1912	26 0 0	1923	29 0 0
1913	35 7 6		

The following statistics are taken from the Board of Trade returns:—

Exports of	Quantity.			Value.		
	1913.	1922.	1923.	1913.	1922.	1923.
Jute yarn .....lbs	41,766,100	35,862,700	35,663,600	£ 780,988	869,267	820,266
Do manufactures yds	173,484,200	137,126,500	157,370,600	3,066,084	2,943,748	3,033,783
Other articles (except bags)		194,912	276,289	267,278	263,513	433,847
Linen piece-goods yds	193,681,300	77,439,600	89,671,700	5,968,579	7,070,045	7,043,357
Thread for sewing cwt	23,627	19,745	23,041	1,350,207	829,657	912,187

THE LINEN TRADE.

Expectations of improved conditions in the linen trade during 1923 have been only partially realised. While the year's total exports of piece goods—nearly 90 million square yards—represented almost three times the bulk exported during 1921, the increase over 1922 was only 15 per cent.

Undoubtedly, with half the peoples of the world striving to exist, there was little superfluous cash for the luxury of linen. Further, the European unsettlement had a twofold adverse effect against British linen buying, since not only are the people unable to buy—last year's general buying of British linen by European countries only amounted to 3.3 per cent. of our total exports—but, even more disastrously, the foreign exchanges favoured the production of linen goods by France and Belgium last year at prices impossible to compete against. As a matter of fact, linen and linen yarns to the extent of £1,861,136 were actually imported into the United Kingdom, the value of imported linen being 1s. 6d., as against an average value of 1s. 10d. for our home product during 1923.

Normally the United States absorbs around 50 per cent. of total British linens exported, but, irrespective of the high price and the effect of the Fordney tariff in imposing an extra 40 to 50 per cent. on sale prices, that percentage has now increased to 63.8 per cent. During last year 33,685 tons of foreign flax and tow valued at over £3 millions were imported, together with 8,514 tons of yarns, valued at considerably over £1 million sterling. Home flax production represented only about 7,000 tons.

One encouraging factor has been the steady patronage of linens by British Overseas Dominions.

During 1923 the unemployment percentage in linen manufacturing decreased from 25 per cent. to be now about 12, and with present orders in hand that figure should soon show decrease. Prospects for 1924 are distinctly good, for with cotton at 20d, compared with flax at 12d, the housewife has every inducement to prefer the flaxen fabric. Moreover, Continental costs of production now prevent any adverse competition. To-day the average price of linen is 17d per square yard, compared with 7d in 1913, 23d in 1922, and 35d in 1921.

APPENDIX.

(A) WHOLESALE PRICES OF COMMODITIES.—SELECTED DATES, 1913-1922; AND MONTHLY, 1923.

NOTE.—The following tables give the variations in prices of the commodities on which the *Economist* Index number is based. In cases where the exact quotation ceased to be given during the war the nearest available quotation has been given.

CEREALS AND MEAT.

	Wheat.		Flour.	Barley.	Oats.	Potatoes.	Rice.	Beef.	Mutton.	Pork.
	No. 1 Northern Manitoba.	British Gazette Price.	Town House- holds.	Gazette Price.	Gazette Price.	Good English.	Rangoon.	Mean of Middling & Prime.	Mean of Middling & Prime.	
	Per Qr.	Per Qr.	Per 25lbs.	Per Qr.	Per Qr.	Per Ton.	Per Cwt.	Per 8 lbs.	Per 8 lbs.	Per 8 lbs.
	s d	s d	s d	s d	s d	£	s d	s d	s d	s d
Basis average—										
1901-1905	30 0	28 0	25 0	23 0	17 6	4	6 6	4 0	5 5	3 9
End of 1913	35 9	31 0	28 0	25 10	18 4	3½	7 7½	5 0	7 0	4 4
End of June, 1914	37 0	34 1	28 6	25 10	19 9	3½	7 1½	4 11	6 3	3 10
End of 1914	53 6	48 3	40 0	29 9	25 11	3½	12 0	5 2½	6 4	5 0
End of 1915	66 3	53 11	50 0	47 5	30 10	5	14 7½	5 8	7 0	6 10
End of 1916	91 0	74 10	59 0	67 5	47 4	12	20 0	7 5	10 0	9 0
End of June, 1917	83 3	78 1	61 6	75 0	55 2	12	26 3	10 4	13 0	8 4
End of 1917	79 9	71 1	44 3	57 7	44 2	6½	26 3	12 1	13 8	9 6
End of June, 1918	82 6	74 4	44 3	58 5	47 8	8½	26 3	8 10	9 6	10 8
End of 1918	84 0	72 3	44 3	62 3	50 6	8½	26 3	9 3	9 6	12 0
End of 1918	84 0	72 3	44 3	62 8	48 7	10½	32 6	9 3	9 6	10 1
End of June, 1919	80 0	73 2	44 3	62 8	48 7	10½	33 0	9 4	10 0	10 7
End of 1919	60 0	72 6	44 3	105 10	57 2	10½	28 0	9 4	10 0	10 6
End of June, 1920	95 0	78 9	63 6	87 2	64 7	11½	28 0	9 4	9 10	8 4
End of 1920	102 0	84 11	80 0	41 11	38 8	9	15 9	8 4	8 4	9 2
End of June, 1921	84 0	89 10	68 0	46 7	28 1	7	13 6	7 10	8 8	8 2
End of 1921	55 6	44 7	46 0	41 8	30 0	7	13 1½	7 8	11 8	8 4
" Mar., 1922	64 0	52 6	44 6	41 8	32 8	8	13 7½	8 6	11 8	8 8
" June "	61 6	52 6	44 6	37 3	24 7	3½	14 0	7 0	11 8	9 5
" Sept. "	57 6	37 9	42 0	33 11	26 5	3½	13 7½	7 6	11 6	8 10
End of 1922	53 6	40 7	41 6	9 8	9 10	3½	14 2	7 8	11 6	8 6
		Per Cwt.		Per Cwt.	Per Cwt.					
" Jan., 1923	49 3	9 10	39 0	8 11	9 10	3½	13 4½	7 6	11 8	8 8
" Feb. "	49 9	9 4	40 0	8 5	9 8	3½	13 6	7 4	11 8	7 6
" Mar. "	48 9	9 7	39 0	8 7	10 0	4	13 6½	7 4	11 8	8 2
" April "	53 0	10 3	41 0	8 7	10 4	4	13 6½	7 3	11 6	8 8
" May "	52 0	11 0	40 0	8 11	10 4	4	13 6½	7 3	11 6	8 8
" June "	49 3	10 11	39 0	8 7	10 9	4	13 0	7 2	10 6	6 2
" July "	46 0	11 6	39 0	8 4	10 9	4½	12 6	7 0	10 2	6 10
" Aug. "	49 0	9 1	37 0	9 6	8 8	6	13 1½	6 6	9 10	8 4
" Sept. "	49 0	9 1	37 0	10 11	8 10	6	14 3	6 4	10 0	6 6
" Oct. "	50 0	8 9	37 0	10 7	8 8	6½	14 1½	6 6	10 3	6 6
" Nov. "	47 1½	9 1	36 6	10 6	8 5	6½	14 10½	6 4	10 1	6 8
" Dec. "	47 0	9 8	37 0	10 4	9 2	6½	15 6	6 8	10 4	7 6
End of 1923	47 0	9 8	36 0	11 1	9 8	10	15 4½	6 6	9 8	7 0
Jan., 1924	60 9	10 1	38 0							

LEU & CO.'S BANK, LIMITED.

ZURICH :: :: Switzerland.

ESTABLISHED 1755.

Capital - - Fr. 40,000,000

Affiliated Banks:

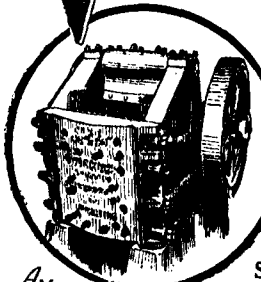
BANQUE COMMERCIALE DE BERNE.

BANQUE COMMERCIALE DE SOLEURE.

BANKING BUSINESS OF EVERY
DESCRIPTION TRANSACTED.

Special facilities extended for
Trade.

VICKERS LIMITED



Magnolia
Jaw Crusher

Steam
Engine

Electric
Generator

Hydro-Electric
Power Installation

Oil Well
Supplies and Equipment

Machine Tools
Engineers' Small

Tools. Cardbox-making
Machinery.

Waterproof Plywood.
Porcelains

for all Electrical Purposes. "Vickers"
Duralumin (Regd. Trade Mark).

"Vickcen" Oil Purifiers. Motor
Bodies of all types—mass
production methods, etc., etc.

Stone Dust Grinding Plant.
as supplied to
Collieries

Head Office: VICKERS HOUSE,
BROADWAY, LONDON, S.W.1.

AFRICAN AND EASTERN TRADE CORPORATION LIMITED.

MERCHANTS AND SHIPOWNERS.

Head Office:

ROYAL LIVER BUILDING, LIVERPOOL.

Telegrams: "Degama, Liverpool."

And at

AFRICA HOUSE, KINGSWAY, LONDON, W.C.2.

Telegrams: "Afroasian, Westcoast, London."

Telephone: Holborn 2300, London.

AFRICA HOUSE, 54, WHITWORTH STREET, MANCHESTER.

Telegrams: "Afroasian, Manchester."

Telephone: Central 5860, Manchester.

New York Agents:

AFRICAN AND EASTERN TRADING COMPANY, INCORPORATED,
26, Beaver Street.

Telephone: Broad 7290.

Cables: "Afroasian."

ESTABLISHMENTS AND AGENCIES.

Canary Islands
Senegal
Gambia
Sierra Leone
Liberia

Ivory Coast
Gold Coast
Togoland
Dahomey

Nigeria
Cameroons
Belgian Congo
Angola

Morocco
Turkey
Levant
Palestine

Syria
Mesopotamia
Persia
British East Africa

Exporters of:

COTTON PIECE GOODS, YARNS, SILKS, VELVETS, HABERDASHERY, HARDWARE, PROVISIONS,
PERFUMERY, SALT, TOBACCO AND MANUFACTURED GOODS OF EVERY DESCRIPTION.

Importers of:

ALL PRODUCE OF THE COUNTRIES IN WHICH ESTABLISHED.

(A)—WHOLESALE PRICES OF COMMODITIES—Continued.

	Other Food Products.						Textiles.				
	Tea.	Coffee.	Sugar.		Butter.	Tobacco.	Cotton.				
	Mean of Broken Fannings and Pekoes.	East India Fine Ord. and Santos.	West Indian Syrup.	German Beet.	Danish.	Virginia Leaf. Common to Fine.	Middling American.	Egyptian. Good Fair Brown.	Yarn—32's Twist.	Cloth. 39-inch Shirtings.	
	Per Lb.	Per Cwt.	Per Cwt.	Per Cwt.	Per Cwt.	Per Lb.	Per Lb.	Per Lb.	Per Lb.	Per 8½ lb	
Basis average—1901-1905	d	s d	s d	s d	s d	d	d	d	d	s d	
End of 1913	8½	44 0	14 0	9 3	108 0	9	5½	7½	8½	8 6	
End of June, 1914	8	62 6	11 6	9 0	131 6	11½	7-14	9-85	10½	8 1½	
End of 1914	8½	59 0	18 3	..	152 0	11½	4-47	6-05	7½	6 5½	
End of 1915	8½	54 0	27 9	..	153 0	11½	7-75	9-80	12	8 9	
End of 1916	11	62 9	38 6	..	219 0	13	10-64	19-65	17½	12 0	
End of June, 1917	20½	68 3	42 3	..	208 0	15	19-45	28-10	24	16 0	
End of 1917	17	78 0	44 6	..	252 0	18	23-02	31-40	37	24 0	
End of June, 1918	16	88 3	55 6	..	252 0	24	23-22	23-82	49½	30 3	
End of 1918	16	92 9	55 6	..	252 0	24	22-20	27-30	41½	32 3	
End of June, 1919	18	93 0	55 6	..	252 0	24	20-92	27-09	39½	29 0	
End of 1919	21½	102 6	68 6	..	252 0	24	30-75	54	55½	40 6	
End of June, 1920	12½	102 6	95 9	..	266 0	24	26-62	62	54½	42 6	
End of 1920	11½	82 3	62 0	..	336 0	24	10-27	28	24½	21 0	
End of June, 1921	10½	78 0	46 9	..	211 0	21	7-85	15-5	17½	16 6	
End of 1921	12½	80 6	39 3	..	156 0	21	11-31	21-5	18½	18 0	
" Mar. "	19½	88 0	43 3	..	210 6	21	10-73	17-75	17½	18 9	
" June "	11½	82 9	44 0	..	226 0	21	13-34	19-75	20½	17 6	
" Sept. "	13½	78 9	42 9	..	224 0	21	12-73	17-26	19½	15 9	
End of 1922	16	78 9	45 3	..	215 0	21	15-34	17-90	21½	16 9	
" Jan., 1923	17	78 9	45 6	..	206 0	21	15-96	17-90	22½	18 0	
" Feb. "	16½	79 9	54 6	..	218 0	21	16-50	17-50	22½	17 6	
" Mar. "	17	86 6	60 6	..	203 0	21	15-18	17-50	23	17 3	
" Apr. "	17	86 6	60 6	..	158 0	21	15-77	17-35	23½	17 6	
" May "	16	83 3	62 6	25 0	152 0	21	15-36	16-10	23	16 6	
" June "	17	80 8	62 6	24 6	147 0	21	16-49	16-30	24½	17 6	
" July "	16	80 3	60 6	22 0	175 0	21	15-01	16-50	21½	16 6	
" Aug. "	17½	79 3	60 6	21 0	191 0	21	15-80	16-65	21	16 6	
" Sept. "	17½	79 3	60 6	21 0	214 0	21	16-95	18-35	23	17 6	
" Oct. "	18½	79 3	59 6	21 0	201 0	21	17-72	18-60	23½	18 3	
" Nov. "	17½	79 3	61 6	23 0	217 0	21	21-99	26-95	28½	21 6	
End of 1923	17	81 3	65 0	24 6	218 6	21	21-28	24-30	28½	21 0	
" Jan., 1924	17½	102 0	65 0	24 6	217 0	21	19-65	23-35	26½	20 0	

(A)—WHOLESALE PRICES OF COMMODITIES—Continued.

	TEXTILES—(Continued).						MINERALS.					
	Wool.	Silk.	Flax.	Hemp.	Jute.		Pig Iron.	Steel Rails.	Iron Bars.	Coal.	Lead.	
	English. South Down Ewes & Wet hethers.	Austra- lian. Vict'ian Scoured. Good.	Canton.	Riga, Z. K.	Manila.	Native Firsts.	Cleve- land. G.M.B. No. 3.	Middles- brough.	Middles- brough.	Best Steam, New- castle.	Best House, Forest of Dean.	English Pig.
	Per Lb.	Per Lb.	Per Lb.	Per Ton.	Per Ton.	Per Ton.	Per Ton.	Per Ton.	Per Ton.	Per Ton.	Per Ton.	Per Ton.
Basis average—1901-1905	d	s d	s d	£	£	£	s d	£	£	s d	s d	£
End of 1913	15½	23	12 6	32½	26½	26½	46 6	6	6½	11 0	17 0	12½
End of June, 1914	15½	24½	13 0	29½	28½	28½	50 6	6½	7½	15 0	21 6	18½
End of 1914	17½	21	11 6	36	26	27½	51 6	6	7	14 6	21 6	19½
End of 1915	23½	29½	14 6	36	47	27½	54 0	6½	8	13 0	21 6	19½
End of 1916	28½	52½	17 3	94	60	42½	57 6	11½	13	30 0	24 0	30½
End of June, 1917	28½	58½	17 9	133	85	43	92 6	11½	15	30 6	24 0	30
End of 1917	28½	58½	24 0	147	85	43	95 0	10½	13½	30 0	26 6	30
End of June, 1918	28½	58½	24 0	147	100	43	95 0	10½	13½	32 6	25 9	29
End of 1918	28½	58½	25 0	177	100	43	95 0	10½	14½	32 6	25 9	29
End of June, 1919	28½	58½	25 0	177	55	56½	160 0	15	20½	32 6	25 9	29½
End of 1919	28½	56	27 6	177	60	61	160 0	17½	22½	38 0	21 6	46½
End of June, 1920	28½	82	48 6	230	59	45	217 6	23	30	42 0	40 0	36½
End of 1920	28½	88	28 0	382½	59	39½	225 0	25½	27½	42 0	40 0	25½
End of June, 1921	20	44	24 0	150	58	39½	135 0	15	19	42 0	43 0	24½
End of 1921	20	36	24 6	100	38	25½	100 0	9½	12½	30 0	40 0	26
End of June, 1922	17	34	33 6	115	38½	25½	90 0	9½	12	27 0	38 0	25½
" Mar., 1922	18	41	31 0	95	35½	25½	90 0	9½	12	24 0	33 0	26½
" June "	19½	48	34 0	84	34	35½	92 10	9½	11	26 6	32 0	26
" Sept. "	22	46	33 3	94	31½	34	91 0	9	10½	27 0	31 6	27½
End of 1922	24	52	31 9	89	33	36½	105 0	9	11	28 0	32 0	29½
End of Jan., 1923	24½	53	34 0	86	35	37	115 0	9½	11½	32 6	32 0	30½
" Feb. "	25	52	35 0	82	36	31½	127 6	10½	12	37 6	32 0	29
" Mar. "	24	51	34 0	84	34½	31½	127 6	10½	12	39 0	32 0	26½
" Apr. "	24	53	37 0	84	33½	29½	125 0	10½	12	38 0	32 0	27½
" May "	24	53	38 0	84	32	26½	122 0	10½	12	38 0	32 0	27½
" June "	24	53	32 9	84	33	27½	112 6	10½	12	33 0	32 0	25½
" July "	26	54	30 6	80	30½	22½	105 0	10	12	31 0	30 0	25½
" Aug. "	26½	54	30 6	80	31½	21½	100 0	9½	12	30 0	29 6	26½
" Sept. "	27	57½	41 0	77	31½	21½	100 0	9½	12	29 0	30 0	31½
" Oct. "	27	56½	39 0	77	32½	27	100 0	9	12	29 6	30 0	32½
" Nov. "	27	55½	39 0	79	35	27½	100 0	9	12½	30 0	30 6	32
End of 1923	28½	57	36 6	87½	34½	26½	99 0	9	12	31 0	31 6	33½
" Jan., 1924	29	60	34 7½	94	34½	26½						

THE BEST INVESTMENT FOR CAPITAL, EFFORT AND ENTERPRISE

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(A)—WHOLESALE PRICES OF COMMODITIES—Continued.

	MINERALS.		MISCELLANEOUS.									
	Tin.	Copper.	Timber.		Leather	Petrol m.	Rubber.	Oils.	Seeds.	Tallow.	Indigo.	Crystals.
	Stand'd	Stand'd	Pitch Pine.	Canad'n Yellow Pine Large.	English Butts and Bends.		Para Hard.	Mean of Seal, Pale Lags & Palm.	Mean of Linseed and Rape.	Town.	Bengal.	Soda Crystals.
	Per Ton.	Per Ton.	Per Load	Per Load	Per Lb.	Per 8 Lbs.	Per Lb.	Per Ton.	Per Ton.	Per Cwt.	Per Lb.	Per Ton.
Basis average—	£	£	£	£	s d	s d	£	£	£	s d	s d	£
1901-1905	128	60	8½	6	1 7	6	4 0	26	27	28 0	5 9	3
End of 1913	167½	64	4½	9½	1 7½	7½	2 9½	30½	27½	34 0	3 3	2½
End of June, 1914	137½	60½	4½	9½	2 3	7½	2 10	29½	29	30 6	13 6	2½
End of 1914	144½	57	7	9½	2 3½	10	3 9	34½	46	44 6	14 0	2½
End of 1915	168	86½	18	14½	2 6	13½	3 3½	37½	54½	50 6	13 9	6½
End of 1916	178½	138½	18	18	2 10	14½	2 11½	60	62½	57 6	12 3	7½
End of 1916	243½	190½	17½	18	3 0	19½	2 9½	53½	67	72 0	10 3	7½
End of June, 1917	294	110½	17½	18	2 8	22½	3 1½	52½	75½	80 3	9 6	7½
End of 1917	331½	110½	17½	18	2 8	16½	2 7½	52½	75½	85 6	10 6	6½
End of June, 1918	236	112	17½	18	2 8	16½	2 5½	70½	113	65 0	10 0	5½
End of 1918	283½	87½	17½	18	2 8	21	2 7	75½	109	65 0	12 6	5½
End of June, 1919	346½	116½	17½	18	2 10½	25½	1 11½	83½	80½	46 0	14 9	12½
End of 1919	260½	89½	17½	18	2 6	27½	1 0½	64½	59½	42 0	12 0	10
End of June, 1920	205½	71½	13	13	2 4½	21½	0 10½	35½	47½	35 6	11 6	7½
End of 1920	169½	71½	10½	10	2 5½	16½	1 2	40½	39½	35 6	11 6	7½
End of June, 1921	170½	66½	7½	9	2 4	16½	0 10½	40½	42	34 6	10 0	7½
End of 1921	142½	58	7½	8½	2 4	16½	0 10½	40½	45½	34 6	9 6	7½
" Mar., 1922	152½	61½	7½	8½	2 5	14	0 10½	40½	41	35 0	8 6	5½
" June "	163½	64½	7½	8½	2 5	13	1 1½	40½	42½	36 0	8 6	5½
" Sept. "	182½	64½	7	8½	2 4	13	1 5	39½	42½	35 6	8 6	5½
End of 1922	185½	65½	7	8½	2 2½	13	1 5	40½	44	37 0	8 6	5½
End of Jan., 1923	209½	72½	7	8½	2 1½	13	1 3½	41½	45	37 6	7 6	5½
" Feb. "	218½	73½	7½	8½	2 1½	13	1 3	41½	48½	37 6	7 0	5½
" Mar. "	211½	71½	7½	8½	2 1½	13	1 2½	41½	47	36 6	6 6	5½
" April "	199	65½	7½	8½	1 11½	12	1 2½	39½	43½	35 6	6 6	5½
" May "	182½	64½	7½	8½	1 10½	11	1 2½	39½	42	35 0	6 6	5½
" June "	184½	65½	7½	9	1 10½	11	1 3	37	40½	35 6	6 6	5½
" July "	191	62½	7½	9	1 10½	11	1 2	38	41½	35 6	6 6	5½
" Aug. "	199	62½	7½	8½	1 10½	11	1 0½	38	41½	35 6	6 6	5½
" Sept. "	207½	59½	7½	8½	1 10½	11	1 0½	39	43½	36 0	6 6	5½
" Oct. "	236	62½	7½	8½	1 10½	11	1 0½	39	45	39 0	6 6	5½
" Nov. "	283½	60½	7½	8½	1 10½	11	1 0½	40½	47½	42 0	6 6	5½
End of 1923	250½	61½	7½	8½	1 10½	11	1 0½	40½	47½	42 0	6 6	5½
Jan., 1924												

(B) WHOLESALE PRICES (MAINLY IN LONDON AND MANCHESTER) 1907 TO 1923.—PROPORTIONATE RESULTS 1901-5=100.
 EXPLANATORY NOTE.—In the following table the average price of the various commodities in the five years 1901 to 1905 is taken as basis (100) in each case, and the market price at the various dates given is calculated as a percentage of the basis price. In this way the various quotations are reduced to a common standard, by means of which their respective fluctuations may be compared.

Date.	Cereals and Meats.										Other Foodstuffs, &c.					Textiles.					Minerals.					Miscellaneous.																		
	Wheat.		Rye.	Potatoes.	Barley.	Oats.	Mutton.	Pork.	Flour.	Butter.	Sugar C.	Sugar B.	Butter.	Tobacco.	Cotton A.	Cotton B.	Yarn.	Cloth.	Wool, Eng.	Wool.	Silk.	Hemp.	Jute.	Pig-iron.	Steel Rails.	Iron Bars.	Coal.	Steam.	H. Coal.	Lead.	Tin.	Copper.	Baltic Timber.	American Timber.	Leather.	Petrol'm.	Oil.	Seed.	Tallow.	Indigo.	Crystals.	Rubber.		
	For.	Eng.																																										
1907	105	93	87	104	99	90	112	104	111	111	96	112	117	105	136	123	111	162	111	162	111	114	100	121	178	133	124	112	107	112	161	154	176	123	102	116	102	109	97	128	95	106	131	
Jan. 1.	105	93	87	104	99	90	112	104	111	111	96	112	117	105	136	123	111	162	111	162	111	114	100	121	178	133	124	112	107	112	161	154	176	123	102	116	102	109	97	128	95	106	131	
1908	152	125	120	116	105	106	127	100	106	100	96	108	115	111	131	106	114	145	104	107	86	61	108	105	117	120	118	118	118	115	97	111	111	129	125	116	113	110	103	117	93	106	85	
Jan. 1.	152	125	120	116	105	106	127	100	106	100	96	108	115	111	131	106	114	145	104	107	86	61	108	105	117	120	118	118	118	115	97	111	111	129	125	116	113	110	103	117	93	106	85	
1909	137	114	115	116	99	81	109	110	98	95	80	110	103	111	91	114	96	104	126	98	93	98	69	95	106	105	112	96	106	106	104	106	123	112	111	106	103	98	109	98	102	128		
Jan. 1.	137	114	115	116	99	81	109	110	98	95	80	110	103	111	91	114	96	104	126	98	93	98	69	95	106	105	112	96	106	106	104	106	123	112	111	106	103	98	109	98	102	128		
1910	140	119	120	109	99	90	101	102	91	98	119	106	83	135	115	111	154	136	134	126	155	104	87	97	76	95	111	100	108	98	115	113	120	103	86	135	121	114	100	111	120	97	102	190
Jan. 1.	140	119	120	109	99	90	101	102	91	98	119	106	83	135	115	111	154	136	134	126	155	104	87	97	76	95	111	100	108	98	115	113	120	103	86	135	121	114	100	111	120	97	102	190
1911	127	109	108	103	96	100	112	106	104	107	124	146	83	97	104	111	147	144	136	142	155	104	93	112	56	131	108	100	104	91	100	107	136	94	120	150	121	104	119	130	128	100	102	138
Jan. 1.	127	109	108	103	96	100	112	106	104	107	124	146	83	97	104	111	147	144	136	142	155	104	93	112	56	131	108	100	104	91	100	107	136	94	120	150	121	104	119	130	128	100	102	138
1912	137	118	106	145	118	137	116	111	99	113	135	168	115	132	123	111	96	119	106	123	150	105	93	100	61	131	113	115	95	107	97	128	160	105	100	175	121	98	119	137	118	96	90	107
Jan. 1.	137	118	106	145	118	137	116	111	99	113	135	168	115	132	123	111	96	119	106	123	150	105	93	100	61	131	113	115	95	107	97	128	160	105	100	175	121	98	119	137	118	96	90	107
1913	127	107	116	124	110	112	146	116	111	133	115	171	112	102	121	114	130	134	126	129	155	110	96	109	100	173	146	119	95	141	126	143	179	127	171	185	107	135	118	106	117	80	79	115
Jan. 1.	127	107	116	124	110	112	146	116	111	133	115	171	112	102	121	114	130	134	126	129	155	110	96	109	100	173	146	119	95	141	126	143	179	127	171	185	107	135	118	106	117	80	79	115
1914	119	110	112	112	106	82	117	125	129	115	137	142	82	97	122	130	130	138	124	136	160	105	100	93	76	238	109	116	108	136	136	150	131	106	128	185	103	140	119	105	121	86	79	78
Jan. 1.	119	110	112	112	106	82	117	125	129	115	137	142	82	97	122	130	130	138	124	136	160	105	100	93	76	238	109	116	108	136	136	150	131	106	128	185	103	140	119	105	121	86	79	78
1915	173	155	160	128	148	98	135	130	117	184	138	182	121	..	140	130	82	83	87	99	186	96	92	103	74	116	116	106	123	118	126	155	113	96	136	185	142	131	118	107	109	300	79	71
Jan. 1.	173	155	160	128	148	98	135	130	117	184	138	182	121	..	140	130	82	83	87	99	186	96	92	103	74	116	116	106	123	118	126	155	113	96	136	185	142	131	118	107	109	300	79	71
1916	220	192	200	207	176	125	225	138	123	182	143	132	198	..	143	130	140	135	145	135	239	134	116	103	134	181	167	182	200	204	183	244	131	141	200	185	144	166	131	168	158	373	79	33
Jan. 1.	220	192	200	207	176	125	225	138	123	182	143	132	198	..	143	130	140	135	145	135	239	134	116	103	134	181	167	182	200	204	183	244	131	141	200	185	144	166	131	168	158	373	79	33
1917	303	267	236	394	270	300	308	186	184	240	184	142	375	..	303	144	194	271	207	184	292	239	138	269	172	263	188	188	280	273	141	253	140	331	370	282	158	225	149	202	180	366	209	82
Jan. 1.	303	267	236	394	270	300	308	186	184	240	184	142	375	..	303	144	194	271	207	184	292	239	138	269	172	263	188	188	280	273	141	253	140	331	370	282	158	225	149	202	180	366	209	82
1918	265	254	177	350	251	166	404	301	252	253	284	178	318	..	234	266	404	376	450	370	292	285	192	420	241	286	205	182	211	272	156	340	239	184	500	360	190	925	205	249	266	274	258	70
Jan. 1.	265	254	177	350	251	166	404	301	252	253	284	178	318	..	234	266	404	376	450	370	292	285	192	420	241	286	205	182	211	272	156	340	239	184	500	360	190	925	205	249	266	274	258	70
1919	280	253	177	363	268	218	404	223	175	320	266	210	306	..	234	266	404	376	500	496	292	365	200	505	286	297	205	182	237	395	152	300	134	186	500	360	188	275	202	290	316	280	227	66
Jan. 1.	280	253	177	363	268	218	404	223	175	320	266	210	306	..	234	266	404	376	500	496	292	365	200	505	286	297	205	182	237	395	152	300	134	186	500	360	188	275	202	290	316	280	227	66
1920	200	259	177	450	326	255	509	233	134	280	355	232	154	223	234	265	560	743	572	632	292	372	368	658	171	406	345	291	346	345	187	371	371	194	500	360	181	350	290	404	232	333	192	65
Jan. 1.	200	259	177	450	326	255	509	233	134	280	355	232	154	223	234	265	560	743	572	632	292	372	368	658	171	406	345	291	346	345	187	371	371	194	500	360	181	350	290	404	232	333	192	65
1921	340	302	320	320	326	325	303	283	182	322	192	187	142	112	311	266	186	316	296	323	205	300	192	423	166	256	483	424	424	382	235	204	160	120	371	270	158	455	247	220	150	320	333	26
Jan. 1.	340	302	320	320	326	325	303	283	182	322	192	187	142	112	311	266	186	316	296	323	205	300	192	423	166	256	483	424	424	382	235</													

(C) RATES OF EXCHANGE ON LONDON—SELECTED DATES, 1914—1922;—MONTHLY, 1923;
AND HIGHEST AND LOWEST OF 1922 AND 1923.

	Paris.	Brussels.	Italy.	Switzer- land.	Madrid.	Amster- dam.	Stock- holm.	Christia- nia.	Copen- hagen.	Berlin.	Vienna.
	Francs to £1.	Francs to £1.	Lire to £1.	Francs to £1.	Pesetas to £1.	Florins to £1.	Kroner to £1.	Kroner to £1.	Kroner to £1.	Marks to £1.	Krone to £1.
Par level	25-22½	25-22½	25-22½	25-22½	25-22½	12-107	18-159	18-159	18-159	20-43	24-02
Highest, 1922	72-20	79-80	114-12½	24-72½	23-62	11-70	17-39	27-31½	22-47½	38,500	425,000
Lowest ..	47-40	50-57½	80-12½	21-66½	27-54	11-28½	16-36½	23-16	20-18½	715	11,500
Highest, 1923	86-70	107-20	108½	25-91	34-41	11-91	17-73	31-05	26-87	650	350,000
Lowest ..	62-45	68-05	89½	24-45	29-47	11-37	16-28	24-35	22-46	32,000	300,000
Beginning of—											
January, 1914	25-30	25-48½	25-42½	25-35½	26-67	12-11½	..	18-23½	..	20-51½	..
July ..	25-15	25-35½	25-25½	25-19½	26-10	12-11½	..	18-25	..	20-49½	..
January, 1915	25-08½	..	25-87½	25-45	25-40	11-98½	..	19-32½	..	..	..
July ..	27-10	..	29-27½	26-00	23-47½	11-95	..	18-20	..	..	..
January, 1916	27-85	..	31-50	24-87½	25-00	10-42½	..	17-15	..	..	..
July ..	28-13½	..	30-37½	25-25	23-47½	11-48	..	16-55	..	..	..
January, 1917	27-79	..	32-75½	24-00½	22-24½	11-68	16-02	17-01½	17-36½	..	..
July ..	27-49½	..	34-50	22-43½	20-40½	11-53½	15-40½	16-12½	16-23½	..	..
January, 1918	27-22½	..	40-01	21-07½	19-58½	11-01½	14-42	14-79½	15-62½	..	..
July ..	27-15½	..	43-22½	18-92½	17-22	9-23½	13-46½	15-08½	15-28½	..	..
January, 1919	27-97½	27-60	30-31½	22-95½	23-67½	11-15	16-29½	16-85	17-67½	..	..
July ..	30-35	32-34	35-75	24-82½	23-10	11-79	17-90½	18-46	19-60½	..	..
January, 1920	40-92½	40-42½	50-00	21-16½	19-72½	10-07	17-50	18-60	19-66½	187½	..
July ..	47-22½	44-67½	65½	21-88½	24-17½	11-18	17-91½	23-77½	23-97½	149½	..
January, 1921	61-06½	58-07½	104½	23-55	27-46½	11-36½	17-56	22-42½	22-17½	262	1,500
July ..	46-57½	46-87½	75½	22-16	28-85½	11-36½	17-00	22-20½	22-20½	278	2,150
January, 1922	52-32½	54-65½	97½	21-70½	28-19½	11-44½	16-97½	26-39½	21-12½	791½	13,000
April ..	48-47½	55-59½	94½	23-24½	28-32½	11-48	17-14	26-87½	20-58½	1,260½	32,500
July ..	52-79½	61-49½	103½	23-48½	28-95½	11-27½	16-64½	25-70½	21-47½	1,661	84,000
October ..	57-72½	66-30	93½	24-72½	29-73½	11-79	17-37½	25-12½	23-40	7,115	335,000
January, 1923	76-55	77-50½	97½	25-09	30-15½	11-88½	17-69	25-17½	24-95	48,500	330,000
February ..	76-55	77-50½	97½	25-09	30-15½	11-88½	17-69	25-17½	24-95	172,500	330,000
March ..	70-40	81-85	93½	25-42½	30-47½	11-87½	17-56½	25-85½	24-47½	106,000	330,000
April ..	69-27½	80-12½	94½	25-65½	30-37½	11-82½	17-35½	27-17½	24-72½	99,000	330,000
May ..	71-65	83-80	99½	25-62½	30-35½	11-80½	17-35½	27-30	24-99	165,000	325,000
June ..	78-20	88-39½	97½	26-54½	32-02½	11-62½	17-25½	28-28½	26-19½	345,000	325,000
July ..	79-25	93-20	105½	25-56½	32-42½	11-62	17-14½	28-87½	25-17½	5,250,000	325,000
August ..	80-47½	98-40	106½	25-19	33-73	11-56	17-07	27-92½	24-57½	475,000	322,500
September ..	76-15	90-10	101½	25-47½	33-30½	11-60	17-21	28-94½	25-62½	a 2-24	322,500
October ..	76-30	90-20	100½	25-12	33-58½	11-52½	16-97½	29-90½	25-95½	b 2	316,500
November ..	81-12½	94-35	100½	24-90	33-41	11-45½	16-87½	28-99½	24-14½	b 27½	307,500
December ..	87-85	99-45	100½	24-63½	33-58½	11-36½	16-26½	29-82½	24-44½	b 18-21	305,500
January, 1924	91-95	103-95	98½	24-82½	33-66½	11-50½	16-39½	31-92½	26-47½	b 6-19	305,500

a Millions.

b Billions.

(C) RATES OF EXCHANGE ON LONDON—Continued.

	New York.	Buenos Ayres.	Rio de Janeiro.	Monte Video.	Valpar- aiso.	Bombay.	Hong Kong.	Shanghai.	Yoko- hama.	Singapore.
	Dollars to £1.	Pence to Dollars.	Pence to Dollars.	Pence to Dollars.	Pesos to £.	10 to Gold Sovereign.	Sterling to Dollar.	Sterling to Tael.	Sterling to Yen.	Sterling to Dollar.
Par level	4-86½	47-58	16	51	13-32	s d	s d	s d	s d	s d
Highest, 1922	4-66	46½	7½	45	48-70	1 4½	2 8½	3 8½	2 3½	2 4½
Lowest ..	4-18½	43	6½	40½	30-80	1 3½	2 3	3 0½	2 1½	2 3½
Highest, 1923	4-72½	44½	6½	44½	41-20	1 5½	2 5	3 5½	2 3½	2 4½
Lowest ..	4-25½	38½	4½	37½	33-20	1 3½	2 2½	3 0	2 0½	2 3½
Beginning of—										
January, 1914	4-81½	48½	16½	51½	89½	1 4½	1 11½	2 7½	..	..
July ..	4-87½	47½	16½	51½	89½	1 3½	1 10½	2 6½	..	..
January, 1915	4-85½	49	14½	52½	87½	1 3½	1 9½	2 2½	2 0½	..
July ..	4-77½	48½	12½	53½	87½	1 3½	1 9½	2 0½	2 0½	..
January, 1916	4-77½	49½	11½	54	89½	1 4½	1 11½	2 0½	2 0½	..
July ..	4-76½	48½	12½	53½	89½	1 4½	2 0½	2 10½	2 2½	2 4½
January, 1917	4-76½	52	12½	56½	111½	1 4½	2 4½	3 5	2 1½	2 4½
July ..	4-76½	50½	13½	54½	112½	1 4½	2 6½	3 9½	2 1½	2 4½
January, 1918	4-76½	52	13½	60½	114½	1 4½	2 11½	4 3½	2 1½	2 4½
July ..	4-76½	51½	12½	61½	116½	1 6½	3 9½	4 8½	2 2½	2 4½
January, 1919	4-76½	51½	13½	61½	116½	1 6½	3 4½	5 2	2 2½	2 4½
July ..	4-50½	51½	14½	54½	108½	1 8½	3 6½	5 3½	2 1½	2 4½
January, 1920	3-78½	62½	17½	65½	123½	2 4½	4 10½	7 8½	2 8	2 4½
July ..	3-91½	57½	14½	59½	123½	1 9½	3 8	5 1½	2 4½	2 3½
January, 1921	3-54½	51½	9½	50	89½	1 5½	3 2½	4 1½	2 8½	2 3½
July ..	3-72½	44½	7½	41½	35-60	1 3½	2 7½	3 6½	2 6½	2 3½
January, 1922	4-20	43½	7½	41	40-20	1 4	2 7½	3 6½	2 3½	2 3½
April ..	4-37½	44½	7½	43½	39-90	1 3½	2 6½	3 4	2 2½	2 3½
July ..	4-41½	44½	7½	44½	35-00	1 3½	2 7½	3 7½	2 2½	2 3½
October ..	4-36½	44	5½	41½	31-50	1 3½	2 7½	3 5½	2 2½	2 3½
January, 1923	4-63	44	5½	44	34-70	1 4½	2 3½	3 0½	2 1	2 4½
February ..	4-66½	43½	6½	42½	38-00	1 4½	2 3½	3 1	2 0½	2 4½
March ..	4-70½	43½	5½	43½	37-90	1 4½	2 3½	3 1½	2 0½	2 4½
April ..	4-66½	43	5½	43½	37-90	1 4½	2 4½	3 2½	2 1	2 4½
May ..	4-62½	43	5½	42½	36-50	1 4½	2 4½	3 2½	2 1½	2 4½
June ..	4-52½	41½	5½	41½	34-80	1 4½	2 3½	3 2½	2 1½	2 4½
July ..	4-56½	41½	5½	42½	34-90	1 4½	2 3	3 0½	2 1½	2 4½
August ..	4-67	40½	5½	40½	37-00	1 4½	2 2½	3 0½	2 1½	2 4
September ..	4-54½	38½	5½	38	36-60	1 4½	2 3½	3 0½	2 1½	2 4½
October ..	4-56½	39½	5½	39½	37-60	1 4½	2 3½	3 1½	2 1½	2 4½
November ..	4-46½	38½	4½	38½	38-70	1 4½	2 3½	3 1½	2 2½	2 4½
December ..	4-34½	39½	5	41	40-40	1 5½	2 3½	3 4½	2 2½	2 4½
January, 1924	4-29½	40½	5½	43½	40-80	1 5½	2 4½	3 4½	2 1½	2 4½
February ..	4-32½	41½	6½	44	40-80	1 5½	2 4	3 8	2 1½	2 4½

† Sterling to Rupee.

† January 15, 1917.

‡ Pence to Peso.

NINETY-SECOND ANNUAL REPORT

THE BANK OF NOVA SCOTIA
INCORPORATED 1832.

CAPITAL AUTHORISED - \$15,000,000
CAPITAL PAID UP - \$10,000,000
RESERVE FUND - \$19,500,000

Head Office - - - - - HALIFAX, N.S.

G. S. CAMPBELL, ESQ., LL.D., Halifax, N.S., President.

J. WALTER ALLISON, ESQ., D.C.L., Halifax, N.S., Vice-President.

General Manager's Office - - - - - TORONTO.

J. A. McLEOD, General Manager.

STATEMENT OF THE RESULT OF THE BUSINESS OF THE BANK FOR THE YEAR ENDING DECEMBER 31ST, 1923.

STATEMENT OF THE RESULT OF THE YEAR 1923										PROFIT AND LOSS.	
Balance December 30th, 1922											\$173,162.96
Net Profits for year, losses by Bad Debts estimated and provided for											2,104,532.86
											<u>\$2,277,695.82</u>
Dividend No. 213 at 16 per cent. per annum paid 2nd April, 1923											\$400,000.00
Dividend No. 214 at 16 per cent. per annum paid 3rd July, 1923											400,000.00
Dividend No. 215 at 16 per cent. per annum paid 1st October, 1923											400,000.00
Dividend No. 216 at 16 per cent. per annum payable 2nd January, 1924											100,000.00
War Tax on circulation to December 31st, 1923											75,000.00
Contribution to Officers' Pension Fund											250,000.00
Written off Bank Premises Account											252,695.82
Balance carried forward December 30th, 1923											<u>\$2,277,695.82</u>
											<u>\$19,500,000.00</u>
											<u>\$19,500,000.00</u>
RESERVE FUND.											
Balance December 30th, 1922											
Balance forward December 31st, 1923											
LIABILITIES.											
Capital Stock paid in										\$10,000,000.00	
Reserve Fund										19,500,000.00	
Balance of profits, as per Profit and Loss Account										252,695.82	
Dividends declared and unpaid										400,814.00	
											<u>\$30,153,509.82</u>
Notes of the Bank in Circulation										\$34,557,227.90	
Deposits not bearing interest										174,791,698.40	
Deposits bearing interest, including interest accrued to date										149,234,470.50	
											<u>189,866,022.47</u>
Balances due to other Banks in Canada										3,089,188.23	
Balances due to Banks and Banking Correspondents in the United Kingdom and Foreign Countries										1,218,146.69	
Bills payable										236,036.04	
											<u>194,499,393.43</u>
Letters of Credit outstanding										3,326,895.75	
											<u>\$227,889,799.00</u>
ASSETS.											
Current Coin										\$9,527,112.30	
Dominion Notes										20,893,762.25	
Notes of other Banks										1,180,830.72	
United States and other foreign currencies										1,585,803.45	
Cheques on other Banks										11,855,619.11	
Balances due by Banks and Banking Correspondents elsewhere than in Canada										3,357,810.09	
											<u>48,400,937.92</u>
Deposit in the Central Gold Reserves										6,500,000.00	
Dominion and Provincial Government securities, not exceeding market value										31,947,942.35	
Canadian municipal securities and British, Foreign, and Colonial public securities other than Canadian, not exceeding market value										9,896,897.95	
Railway and other bonds, debentures, and stocks, not exceeding market value										6,883,249.69	
Demand loans in Canada secured by grain and other staple commodities										10,724,651.84	
Call and demand loans elsewhere than in Canada on stocks, debentures, and bonds and other securities of a sufficient marketable value to cover										6,088,762.33	
											<u>120,442,442.08</u>
Call and demand loans in Canada secured by stocks, debentures, and bonds and other securities of a sufficient marketable value to cover										11,318,943.40	
											<u>\$13,761,385.48</u>
Deposit with the Minister of Finance for the purposes of the circulation fund										499,871.26	
Loans to Governments and municipalities										4,406,033.08	
Other current loans and discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts										65,523,063.60	
Other current loans and discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts										13,566,411.38	
Liabilities of Customers under Letters of Credit, as per contra										3,326,895.75	
Non-current loans, estimated loss provided for										662,406.84	
Bank Premises at not more than cost, less amounts written off										7,713,374.62	
Real Estate other than Bank Premises										67,034.63	
Other assets not included in the foregoing										322,744.46	
											<u>96,128,413.52</u>
											<u>\$227,889,799.00</u>
											<u>\$227,889,799.00</u>

(D) THE FOREIGN TRADE OF THE UNITED KINGDOM.

	Imports.		Exports.	
	1922.	1923.	1922.	1923.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	103,331,521	96,898,125	2,828,293	4,742,805
B. Feeding-stuffs for animals	5,612,148	5,846,997	1,714,792	1,817,455
C. Meat	103,317,334	111,720,860	1,058,532	1,437,047
D. Animals, living, for food	1,580,155	14,028,229	31,144	177,035
E. Other food and drink, non-dutiable	138,675,158	149,538,171	247,465,36	29,301,150
F. Other food & drink, dutiable	100,750,643	116,057,699	5,921,893	6,869,984
G. Tobacco	18,614,411	16,442,475		
Total, Class I.	471,881,370	510,532,556	36,301,190	44,345,276
II.—Raw Materials and Articles mainly Unmanufactured—				
A. Coal	180	17,019	72,529,500	99,835,646
B. Other non-metallic mining and quarry products and the like	5,306,817	5,600,042	1,764,875	1,800,122
C. Iron ore and scrap	4,706,053	7,785,742	587,495	545,723
D. Non-ferrous metalliferous ores and scrap	8,621,208	12,413,637	5,182,195	2,109,326
E. Wood and timber	37,331,017	47,736,863	331,710	466,089
F. Raw cotton & cotton waste	87,319,906	93,499,070	1,268,147	1,651,468
G. Wool, raw, and waste, and woollen rags	62,687,021	50,347,732	8,089,870	9,749,276
H. Silk, raw, knubs and noils	2,346,284	1,628,553	63,680	115,822
I. Other textile materials	11,939,024	10,553,201	795,726	538,769
J. Oil seeds, nuts, oils, fats, resins, and gums	36,910,465	44,426,236	5,004,988	5,626,451
K. Hides and skins, undressed	14,936,535	16,828,687	1,865,767	2,349,649
L. Paper-making materials	9,611,243	11,542,467	1,315,397	1,222,479
M. Rubber	7,295,237	12,258,254	90,709	
N. Miscellaneous raw materials and articles mainly unmanufactured	10,207,690	10,635,253	3,073,955	4,334,720
Total, Class II.	298,338,680	324,952,756	101,965,214	130,808,728
III.—Articles Wholly or Mainly Manufactured—				
A. Coke & manufactured fuel	24,969	20,279	5,204,019	10,099,351
B. Earthenware, glass, abrasives, &c.	7,046,817	7,557,554	10,923,565	12,332,718
C. Iron & steel & manufactures thereof	10,419,428	13,782,218	60,861,674	76,201,990
D. Non-ferrous metals and manufactures thereof	18,161,935	25,625,954	11,523,475	14,514,858
E. Cutlery, hardware, implements, and instruments	6,274,155	7,084,780	6,425,743	7,414,605
F. Electrical goods and apparatus	1,552,726	2,387,545	7,317,830	10,226,524
G. Machinery	8,169,786	9,331,660	51,538,574	44,509,263
H. Manufactures of wood and timber	3,808,525	4,584,463	1,402,807	1,864,508
I. Cotton yarns and manufactures	6,838,683	8,714,586	186,920,477	177,330,268
J. Woollen and worsted yarns and manufactures	9,307,966	11,770,405	58,478,184	62,643,661
K. Silk and silk manufactures	21,331,159	22,924,385	2,294,665	2,046,743
L. Manufactures of other textile materials	10,683,769	14,216,752	23,386,158	23,718,072
M. Apparel	14,173,645	16,566,973	22,560,674	26,405,048
N. Chemicals, drugs, dyes, and colours	11,378,682	13,462,447	20,269,215	25,690,574
O. Oils, fats, and resins manufactured	40,346,470	34,471,829	5,973,414	6,991,894
P. Leather and manufactures thereof	11,273,642	11,906,960	5,119,363	5,766,159
Q. Paper and cardboard	12,373,697	13,592,477	6,747,765	8,770,051
R. Vehicles (including locomotives, ships, & aircraft)	6,644,614	7,545,067	49,504,206	27,780,256
S. Rubber manufactures	5,417,762	5,007,741	4,998,812	5,280,335
T. Miscellaneous articles, mainly or wholly manufactured	24,521,140	26,555,364	28,075,420	30,438,891
Total, Class III.	229,749,590	257,109,440	568,524,060	580,025,749
IV.—Animals, not for food	362,156	1,543,405	1,475,544	1,400,379
V.—Parcel Post, non-dutiable articles	2,767,103	3,877,428	11,241,402	10,748,584
Total	1,003,098,899	1,038,015,585	719,507,410	767,328,656

(E) ANALYSIS OF CAPITAL APPLICATIONS ON LONDON MONEY MARKET.

	Whole Year 1913.		Whole Year 1921.		Whole Year 1922.		Whole Year 1923.	
	£	£	£	£	£	£	£	£
British Government Loans ..	26,278,700	202,896,300	369,628,100	77,536,300				
Colonial Government Loans ..	26,158,800	75,650,000	58,582,300	69,409,300				
Foreign Government Loans ..	920,000	5,805,000	14,254,100	26,461,900				
British Corporations, &c.	14,811,200	4,882,000	7,023,500	4,740,700				
Colonial Corporations	6,957,600	nil	7,087,500	nil				
Foreign Corporations	1,018,800	nil	6,552,900	5,819,400				
British Railways	14,941,000	nil	nil	1,199,700				
Colonial Railways	10,627,700	630,000	14,722,200	5,463,900				
American Railways	17,411,000	18,600	15,000	2,071,000				
Foreign Railways	1,306,000	387,500	459,200	1,919,300				
Australasian mines	1,272,500	185,900	1,263,500	862,900				
Other mines	7,423,900	1,926,300	7,681,800	12,190,000				
Exploration, financial, &c.	24,500	4,407,400	784,000	4,886,400				
Breweries	432,500	300,000	290,000	nil				
Merchants, importers, &c.	10,894,500	23,761,500	6,558,800	10,899,000				
Stores and trading	2,215,900	3,800,000	1,070,100	2,071,000				
Estate and land	4,041,700	618,500	1,699,200	817,000				
Rubber	1,275,800	1,134,900	260,900	2,904,100				
Oil	5,265,400	15,821,700	17,165,000	4,719,200				
Iron, coal, steel, & engineering ..	6,485,000	4,773,800	14,046,800	9,416,600				
Electric light, power, & telegraph ..	6,916,400	5,377,800	4,851,800	10,454,200				
Tramway and omnibus	4,710,200	774,000	588,300	nil				
Motor traction & manuf'g.	1,528,200	905,000	nil	446,600				
Gas and water	422,000	2,447,600	2,093,300	728,000				
Hotels, theat., & entertain'm'ts ..	538,000	2,529,400	1,628,900	137,600				
Patents and prop. articles	2,188,100	131,500	nil	92,000				
Docks, harbours, & shipping	3,265,200	5,183,000	15,647,200	3,980,000				
Banks and insurance	4,494,100	3,579,000	2,967,700	2,092,500				
Miscellaneous	12,029,300	3,447,400	11,195,200	11,579,300				
Total	196,537,400	388,978,200	573,675,600	271,393,200				

DESTINATION OF NEW CAPITAL.

Years.	United Kingdom.	British Possessions.	Foreign Countries.
1908	50,051,700	58,650,300	83,501,700
1909	18,681,400	74,758,200	88,917,200
1910	60,296,500	92,378,100	114,764,500
1911	26,145,900	64,994,800	100,618,700
1912	45,315,300	72,642,400	32,872,300
1913	35,351,200	76,137,200	84,448,600
1914	328,021,400	90,577,800	7,888,400
1915	276,176,500	74,924,200	55,233,100
1916	443,518,300	92,722,900	44,754,700
1917	133,915,600		

NEW CAPITAL APPLICATIONS.

Year.	Total for Whole Year.	Year.	Total for Whole Year.	Year.	Total for Whole Year.
1904	123,019,000	1911	191,759,400	1918	1,393,381,400
1905	167,187,400	1912	167,187,400	1919	1,036,059,400
1906	120,173,200	1913	196,537,000	1920	367,549,600
1907	123,630,000	1914	512,522,600	1921	388,978,200
1908	192,203,700	1915	685,241,700	1922	573,675,600
1909	182,356,800	1916	585,436,400	1923	271,393,200
1910	267,439,100	1917	1,318,596,000		

(F) DAILY AVERAGE MONEY RATES IN PAST TEN YEARS.

Years.	Bank Rate.	Market Rate, 3 Months' Bills.	Deposit Rate, Banks.	Short Loans.
1913	4 15 5	4 7 5	4 5 3	3 15 10
1914	4 0 9	2 17 8	2 2 4	2 4 3
1915	5 0 0	3 14 1	2 12 0	2 18 4
1916	5 9 3	5 4 3	3 14 4	4 12 8
1917	5 0 0	4 16 2	4 0 0	4 8 3
1918	5 0 0	3 11 9	3 1 3	3 5 6
1919	5 0 0	3 18 10	4 14 4	3 9 7
1920	6 14 4	6 7 11	4 4 4	4 12 8
1921	6 2 4	5 4 3	4 2 4	4 12 8
1922	3 13 10	2 13 0	1 13 10	2 5 11
1923	3 9 9	2 14 1	1 9 9	1 16 8

(G) STOCK MARKET PRICES IN 1923.

	Prices.		Rise or Fall.	Highest & Lowest of Year 1923.	
	End of Year 1922.	End of Year 1923.		Highest.	Lowest.
British Funds.					
War (5% Redeemable 1929-47)	100	100	..	103½	99½
Loans (4% Funding, 1950-90)	86	87	+ 1	94½	85½
Consols (4% Victory Bonds)	88½	91	+ 2½	95½	88½
Consols 2½% red. at Govt. option	55½	55½	—	60	54½
Conversion Loan, 3½%	75	76	+ 1	81½	74½
Local Loans, 3%	64	64½	+ ½	69½	63½
India 3½%	63	65½	+ 2½	72½	63
Foreign Govt. Stocks.					
Argentine 5%, 1886	100	100	..	101	98½
Austrian 6% Sterling Bonds	85	83½	—	85½	80
Belgian 3½%	68	69	+ 1	70	61½
Brazilian 5% Funding Bonds, 1914	68	68	—	76½	61½
Chilian 4½% Gold Loan, 1889	86	89	+ 3	91	80
Costa Rica 4% Refund, 1911	65	70	+ 5	71	60
Cuba 5% Gold Bonds	100½	107½	+ 7½	108	96½
Egyptian Unified	69	74	+ 5	74½	68
French 3% Rentes	25	16½	— 8½	25	16
German 3%, 1891-93	1	1	—	1½	—
Greek 4% Monopoly	23½	41½	+ 18	46	23½
Italian 3½%	22	20	— 2	22½	18
Japanese 5%, 1907	86	83	— 3	90½	81
Mexican 5% Cons. Ext., 1899	57	55½	— 1½	66	51
Portuguese 3%	28	33	+ 5	33½	26
Spanish 4%	77	63½	— 13½	77½	61½
British Railways.					
Great Western Cons. Ord. Stock	108½	107	— 1½	118½	106½
London & North-Eastern Def. Stock	30½	31½	+ 1	33½	28½
London, Mid., & Scottish Ord. Stock	103½	102½	— 1	108½	101½
Metropolitan Cons. Stock	60	72	+ 12	79½	46½
Metropolitan District Ord. Stock	47	54½	+ 7½	58	46½
Southern Railway Def. Ord.	35½	38½	+ 3	43½	34½
American & Dominion Ry's.					
Canadian Pacific	154	169	+ 15	170	152
Atchafalpa Shares	108½	111	+ 2½	113½	104
Baltimore and Ohio	44	67	+ 23	68½	42½
Chicago, Mil., & St. Paul	24	65	+ 9	28	15
New York Central	100	120	+ 20	121½	100
Pennsylvania \$50 Shares	50	48	— 2	50½	45½
Union Pacific	147	147	..	154½	139½
Foreign Railways.					
Antofagasta (Chile & Bolivia) Cons	73½	85	+ 11½	90	73
Buenos Ayres Great Southern	84	81½	— 2½	91½	78
Buenos Ayres Pacific	82	73	— 9	88	69
Buenos Ayres Western	80	72	— 8	88½	70
Central Argentine	75	68½	— 6½	79½	65
Do Deferred	65	61	— 4	70	59½
Leopoldina	35½	20½	— 16	37	18½
Mexican Ordinary	13	8½	— 4½	13½	8½
Do 1st Preference	38	26	— 12	43½	25½
Do 2nd Preference	22	16	— 6	28½	16
Nitrate Ordinary	6½	9	+ 2½	9½	6½
San Paulo, Stock	120	133	+ 13	155	118½
United of Havana Stock	71	80	+ 9	83	66½
Miscellaneous Shares.					
Barclays (£1 fully paid)	2½	2½	—	2½	2½
Lloyds Bank (£25 with £1 paid)	2½	2½	—	3½	2½
Midland Bank (£12 with £2½ paid)	8½	8½	..	8½	8½
National Provincial & Union (£20 with £4 paid)	10½	10½	+ ½	11½	10½
Westminster Bank (£20 with £5 paid)	17½	17½	+ ½	18½	16½
Mines.					
Hudson's Bay (£1)	7½	5½	— 2½	7½	4½
Peruvian Corporation	4½	2½	— 1½	5½	2½
J. and P. Coats					
English Sewing Cotton	2½	3½	+ 1	3½	2½
Armstrong (Sir W. G.) and Co.	1	2½	+ 1½	2½	1
Vickers	1	2½	+ 1½	2½	1
Associated Portland Cement	1½	3½	+ 2	3½	1½
Shell Transport (£1)	4½	3½	— 1	4½	3½
Nobel Industries, Ord.	8½	1½	— 7	8½	1½
Con. Gold Field.					
De Beers Deferred	13½	11½	— 2	15½	11½
East Rand Proprietary	4½	4½	—	4½	4½
Modderfontein	4½	4½	—	4½	4½
Rand Mines	4½	4½	—	4½	4½

SWISS BANK CORPORATION

Established 1872.

BASLE, ZURICH, ST. GALL, GENEVA, LAUSANNE, LA CHAUX-DE-FONDS, NEUCHÂTEL, SCHAFFHOUSE, BIENNE, CHIASSO, HERISAU, LE LOCLE, NYON, AIGLE, BISHOFSZELL, MORGES, RORSCHACH, VALLORBE.

LONDON OFFICE - - - 43, LOTHBURY, E.C.2.

WEST END BRANCH: 11c, REGENT STREET, Waterloo Place, S.W.1.

Managing Director in London: X. CASTELLI.

Paid-up Capital	-	-	-	-	-	£4,800,000
Reserves	-	-	-	-	-	£1,320,000

Every description of banking business. Current and deposit accounts. Purchase and sale of foreign exchanges for forward delivery. Transactions in all investment securities.

AGENT IN GREAT BRITAIN FOR THE SWISS GOVERNMENT POSTAL CHEQUE SERVICE AND FOR THE SALE OF SWISS POSTAL TRAVELLERS' CHEQUES FOR THE USE OF VISITORS TO SWITZERLAND.

NATIONAL BANK OF INDIA, LIMITED.

Registered in London under the Companies Act of 1862 on the 23rd of March, 1866.
Established in Calcutta 29th September, 1863.

Bankers to the Government in KENYA (B. E. Africa) and UGANDA.

Subscribed Capital	-	-	-	-	£4,000,000
Paid-up Capital	-	-	-	-	£2,000,000
Reserve Fund	-	-	-	-	£2,700,000
Number of Shareholders	-	-	-	-	2,363

Head Office: 26 BISHOPSGATE, LONDON, E.C. 2.

BRANCHES:			
ADEN & ADEN POINT	COCHIN (S. India)	MADRAS	KISUMU } Kenya MOMBASA } Colony, NAIROBI } B.E.A. NAKURU }
AMRITSAR	COLOMBO	MANDALAY	
BOMBAY	DELHI	NEWERA ELIYA	
CALCUTTA	KANDY	RANGOON	
CAWNPORE	KARACHI	TUTICORIN	
CHITTAGONG	LAHORE	ZANZIBAR	ENTEBBE } Uganda. JINJA } KAMPALA } DAR-ES-SALAAM } Tanganyika TANGA } Territory.

The Bank grants Drafts and Telegraphic Transfers on all places where it is represented; negotiates and collects Bills of Exchange; collects Pay, Pensions, and generally transacts every description of Eastern Banking Business. The Bank receives Deposits for fixed periods, not exceeding one year, at rates to be obtained on application.

The Bank opens Current Accounts, and, provided they do not fall below £200, allows Two per cent. per annum interest on the minimum monthly balances.

PROVINCIAL BANK OF IRELAND LTD.

ESTABLISHED 1825.

Subscribed Capital	-	-	-	£4,080,000
Paid-up	-	-	-	£540,000
Divided into 40,000 Shares of £100 each, £12 10s. paid; and 4,000 Shares of £20 each, £10 paid.				
Reserve Fund	-	-	-	£520,000

Head Office: 8 THROGMORTON AVENUE, LONDON, E.C.2

DIRECTORS:

WILLIAM THOMAS BRAND, Esq.
WALTER SPENCER M. BURNS, Esq.
ROBERT JOHN FITZGERALD, Esq.
Hon. Sir WILLIAM HENRY GOSCHEN, K.B.E.
ROBERT ASHHURST GRADWELL, Esq.

HENRY SAMUEL HOWARD GUINNESS, Esq.
ALEXANDER BRODRICK LESLIE-MELVILLE, Esq.
Captain GEORGE LESLIE POË, R.N. (Retired).
RICHARD DURANT TROTTER, Esq.

Secretary: HUME ROBERTSON.

Assistant Secretary: FRANCIS S. FORDE.

Chief Officer in Ireland: SAMUEL D. BUDD.

130 Branches and Sub-Branches throughout Ireland.

London Agents - - - BARCLAYS BANK LIMITED.

The Provincial Bank of Ireland Limited has likewise Agents and Correspondents in all the chief cities and towns of Great Britain, and on the Continent of Europe, North and South America, Canada, the East and West Indies, Australia, New Zealand, China and Africa.

BANK OF NEW ZEALAND

BANKERS TO THE NEW ZEALAND GOVERNMENT

Authorised Capital, £6,154,988. Subscribed, £5,029,988.

Paid-up Capital—Four per Cent. Guaranteed Stock	...	£529,988
" " "A" Preference Shares of £1, issued to N.Z. Government	...	500,000
" " "B" Preference Shares of £1, issued to N.Z. Government	...	1,000,000
Ordinary Shares	...	3,000,000
		£5,029,988
Reserve and Undivided Profits	...	2,246,957
		£7,276,945

Head Office: WELLINGTON, N.Z.

London Office: 1, QUEEN VICTORIA STREET, E.C.4.

Branches and Agencies at over 200 points in New Zealand.

And at MELBOURNE—VICTORIA.

SYDNEY—NEW SOUTH WALES.

SUVA AND LEVUKA—FIJI.

APIA—SAMOA.

THE LONDON OFFICE GRANTS DRAFTS on any of the above places; MAKES TELEGRAPHIC TRANSFERS; OPENS CURRENT ACCOUNTS for the convenience of its Colonial Constituents; NEGOTIATES AND COLLECTS BILLS payable in any part of Australasia, Fiji and Samoa; UNDERTAKES all descriptions of Colonial Banking and Monetary Business, and affords every facility to persons in their transactions with the Colonies.

ROBERT MILL, Manager.

THE COUNTY BANK.

THE MANCHESTER & COUNTY BANK LIMITED.

Directors:

Sir FRANK FORBES ADAM, Bt., C.B., C.I.E., Manchester, Chairman.
 GEORGE HESKETH, Esq., Bolton, Deputy Chairman.
 DONALD BEITH, Esq., Manchester. T. GILBERT DUGDALE, Esq., Blackburn.
 The Hon. MARSHALL J. BROOKS, Rawtenstall. ERNEST S. GLADSTONE, Esq., Liverpool.
 General Manager: J. W. NIGHTINGALE.

Head Office - 55, KING STREET, MANCHESTER.
 Foreign Department 59, KING STREET, MANCHESTER.
 Liverpool Office - 53, DALE STREET, LIVERPOOL

(With Foreign Department Attached).

And 160 BRANCHES in LANCASHIRE and Adjacent Counties.

Capital Subscribed	-	-	-	-	-	-	£5,460,200
„ Paid up	-	-	-	-	-	-	1,092,040
Reserve Fund	-	-	-	-	-	-	1,010,000

Current and Deposit Accounts are Opened. Interest is allowed in accordance with the current value of money.

Drafts and Letters of Credit issued, and Telegraphic Transfers of funds made, to all parts of the world.

Foreign Bills and Coupons collected or negotiated.

Purchases and Sales of Stocks and Shares effected.

The Officers of the Company are bound to secrecy in respect of the transactions of its customers.

BANK OF LONDON & SOUTH AMERICA LIMITED,

(FORMERLY THE LONDON & RIVER PLATE BANK, LIMITED)

— with which is amalgamated —

THE LONDON & BRAZILIAN BANK, LIMITED.

Established 1862. PAID-UP CAPITAL and RESERVE FUND, £7,140,000.

AFFILIATED WITH LLOYDS BANK LIMITED.

ESTABLISHED AT

BELGIUM: ANTWERP, 22, Place de Meir.
FRANCE: PARIS, 9, Rue du Helder; 5, Rue Scribe.
PORTUGAL: LISBON, 44, Rua Aurea; 96, Rua do Comercio. OPORTO, 9, Rua do Infante D. Henrique.
U.S. AMERICA: NEW YORK, 51, Wall Street, 67, Wall Street.
ARGENTINA: BUENOS AIRES, with city sub-branches at BARRACAS-AL-NORTE, BOCA DEL RIACHUELO, ONCE DE SETIEMBRE, CALLE SANTA FE, CALLE BERNARDO DE IRIGOYEN. Also at BAHIA BLANCA, CONCORDIA, CORDOBA, MENDOZA, PARANA, ROSARIO, TUCUMAN.

URUGUAY: MONTEVIDEO, and at CALLE RIO NEGRO (Montevideo), PAYSANDU, SALTO, RIVERA.
BRAZIL: RIO DE JANEIRO, BAHIA, CEARA, CURITYBA, MACEIO, MANAOS, MARANHAO, PARA, PELOTAS, PERNAMBUCO, PORTO ALEGRE, RIO GRANDE DO SUL, SANTOS, SAO PAULO, VICTORIA.
CHILE: VALPARAISO, SANTIAGO, ANTOFAGASTA.
PARAGUAY: ASUNCION.
COLOMBIA: BOGOTA, MANIZALES, MEDELLIN.

Agents throughout the World.

THE BANK OF ENGLAND. LLOYDS BANK LIMITED.
 GLYN, MILLS, CURRIE, HOLT & CO.

Purchases and sales of stocks and shares effected through the Bank's Brokers. All kinds of Banking Business transacted. Information Department.—Commercial information and up-to-date reports on South American firms are available on application. Every care is taken that this information is obtained from reliable sources, but the Bank cannot guarantee or accept responsibility for its accuracy.

HEAD OFFICE:

7, PRINCES STREET, LONDON, E.C.2.

REGISTERED OFFICE:

7, TOKENHOUSE YARD, LONDON, E.C.2.

AGENCIES AT:

MANCHESTER: 36, CHARLOTTE STREET, and 86, CROSS STREET. BRADFORD: 35, HUSTLERGATE.

ROYAL BANK OF SCOTLAND

PAID-UP CAPITAL, £2,000,000. *Incorporated by Royal Charter, 1727.*
 REST AND UNDIVIDED PROFITS (October, 1923), £1,566,961.
 DEPOSITS (October, 1923), £37,880,518.

Head Office - ST. ANDREW SQUARE, EDINBURGH.

General Manager—A. K. WRIGHT, C.B.E., D.L. Secretary—J. B. ADSHEAD.

London Office - 3 BISHOPSGATE, E.C. 2.

Joint Managers— and WM. WHYTE.

London - Drummonds Branch - 49 CHARING CROSS, S.W.1.

Under the charge of the MESSRS. DRUMMOND.

Glasgow Office - EXCHANGE SQ. and BUCHANAN ST.

Agent—THOMAS LILLIE.

Sub-Agent—WILLIAM DONALD.

Foreign Exchange Departments at all these Offices.

195 BRANCHES THROUGHOUT SCOTLAND.

Banking business of every description transacted. Deposits received at interest, repayable at call or at notice. Drafts, Circular Notes, Letters of Credit, and Cable Transfers issued—available throughout the world. Accounts opened, and Agency Business undertaken for Foreign and Colonial Banks and other financial establishments. **CORRESPONDENCE INVITED.**

BANK OF SCOTLAND.

CONSTITUTED BY ACT OF PARLIAMENT, 1695.

AUTHORISED CAPITAL	£4,500,000
PAID-UP CAPITAL and RESERVE FUND	£2,125,000
DEPOSITS and CREDIT BALANCES as at 28th February, 1923	£34,695,000

Governor: WILLIAM JOHN MURE, ESQ., C.B. Deputy-Governor: The Right Hon. LORD ELPHINSTONE.

Head Office: THE MOUND, EDINBURGH.

GLASGOW, Chief Office: 2 ST. VINCENT PLACE. W. G. LEGGAT, Manager.

LONDON Office: 30 BISHOPSGATE, E.C.2. J. W. JOHNSTON, Manager.

Over 200 Branches and Sub-Branches in Edinburgh, Glasgow, and throughout Scotland. Every Description of British and Foreign Banking Business transacted.

GEORGE J. SCOTT, Treasurer.

THE NATIONAL BANK OF SCOTLAND, LIMITED.

Incorporated by Royal Charter and Act of Parliament.

Affiliated to Lloyds Bank Limited.

Capital Subscribed, £5,000,000. Paid-up, £1,100,000. Uncalled, £3,900,000.

RESERVE FUND	£1,250,000.
DEPOSITS 1st No ember, 1923	£32,314,689.

Head Office: ST. ANDREW SQUARE, EDINBURGH.

London Office: 37, NICHOLAS LANE, LONDON, E.C.4.

Glasgow Office: 47, ST. VINCENT STREET, GLASGOW.

Branches in all the principal towns and places in Scotland.

Correspondents in all the leading towns in England and Ireland, and in the principal towns in all parts of the World.

Every description of banking business transacted, including the purchase and sale of Stocks, Shares, Securities, &c.; which are effected either through the Bank's Brokers or through Brokers selected by Customers; collection of Dividends and Coupons, whether payable in Great Britain or abroad; the issue of Drafts, Letters of Credit, and Circular Notes payable in the principal Cities and Towns throughout the World; and Cable transfer of remittances to all parts. **FOREIGN EXCHANGE BUSINESS.** There is a specially-equipped Colonial and Foreign Department at the principal Glasgow Office, where information regarding all classes of foreign business may be obtained. **FOREIGN CURRENCY** bought and sold for immediate or forward delivery. **CLEAN and DOCUMENTARY** Foreign Drafts negotiated or collected. All classes of Overseas business transacted at all the Bank's Branches.

The Commercial Bank of Scotland Ltd.

ESTABLISHED 1810.

Subscribed Capital	£5,500,000
Paid up	£1,750,000
Reserve Fund	£1,700,000
Deposits (31st October, 1923)	£35,800,000

Head Office: 14, George Street, EDINBURGH.

ALEX. ROBB, General Manager.

MAGNUS IRVINE, Secretary.

London Office: 62, LOMBARD STREET, E.C.3.

JOHN F. SANDEMAN, Manager.

ANDREW W. RUSSELL, Asst. Manager.

The Bank has 288 Branches and Sub-Branches throughout Scotland, and Banking Correspondents in the principal Towns in the World.

Every description of British Banking and Foreign Exchange business transacted.

ZEMSKÁ BANKA

(FORMERLY ROYAL BANK OF BOHEMIA)

PRAGUE, CZECHOSLOVAKIA.Sphere of activity extended to Slovakia and Carpathian Ruthenia.
Branch at BRATISLAVA in state of establishing.

CAPITAL	...	Kc.	40,000,000	Bonds issued on the basis of Communal, Land Development
RESERVE FUNDS	...	Kc.	23,000,000	and Railway Loans:
DEPOSITS	...	Kc.	3,342,000,000	Kc. 1,167,000,000

All business transactions are guaranteed by the Country of Bohemia, the most developed Province of the Czechoslovak Republic. Mortgage Loans. Credit for Construction of Buildings. All Banking, Discount and Stock Exchange Transactions. Transfers effected on all places of the Republic and abroad. Safe custody of Securities, Legal Safe Custody, Safes.

Issue of 4% and 4½%

Communal, Land Development and Railway Bonds guaranteed by the Country of Bohemia.

The Communal Bonds issued for the purposes of the Municipalities in Slovakia and Carpathian Ruthenia are besides guaranteed by the Republic.

THE BRITISH BANK OF SOUTH AMERICA, LIMITED.Capital Authorised and Subscribed, £2,000,000, in 100,000 Shares of £20 each, with power to increase. Paid up Capital, £1,000,000.
Reserve Fund, £1,000,000.

HEAD OFFICE: 4, Moorgate, London, E.C.2. MANCHESTER OFFICE: 2, Norfolk Street.

DIRECTORS.

ROBERT JOHN HOSE, Esq., *Chairman.*
WILLIAM HERBERT HOLLIS, Esq.,
Deputy Chairman.
FREDERICK R. S. BALFOUR, Esq.

Rt. Hon. Sir MAURICE W. E. de BUNSEN, Bart.,
G.C.M.G., G.C.V.O., C.B.
RAOUL HECTOR FOA, Esq.
EDWARD GREENE, Esq.

FRANK HENRY HOULDER, Esq.
FREDERIC LUBBOCK, Esq.
JOHN EDWARD MOUNSEY, Esq.

MANAGER—HENRY PROBYN ROBERTS, Esq.
SECRETARY—LOUIS GEORGE BALLY, Esq.

SUB-MANAGERS—PATRICK ERNEST O'HEA, Esq.
JOHN DEVEREUX BLACKBURN, Esq.
AUDITORS.—MESSRS. TURQUAND, YOUNGS & CO.

Branches at—PERNAMBUCO, BAHIA, RIO DE JANEIRO, SÃO PAULO, SANTOS, PORTO ALEGRE, RIO GRANDE (State of Rio Grande do Sul).
MONTE VIDEO, MERCEDES (Sub-Branch to Monte Video), BUENOS AYRES, ROSARIO DE SANTA FE, PERGAMINO (Sub-Branch to Buenos Ayres).
Also Sub-Branches in—PLAZA ONCE DE SETIEMBRE, PLAZA CONSTITUCION, AVELLANEDA, CALLE LAVALLE, CALLE VICTORIA and
CALLE CORRIENTES, BUENOS AYRES; and AVENIDA RONDEAU and CORDON, MONTE VIDEO.

CORRESPONDENTS

in all the principal Cities and Towns in Europe, in the United States of America and in South and Central America. Also in Australia, Canada, New Zealand, South Africa, India, etc.

MONTHLY TRADE CIRCULAR FREE ON APPLICATION.

BANK OF NEW SOUTH WALES.

ESTABLISHED 1817.

London Office: 29, THREADNEEDLE STREET, E.C.2.

PAID-UP CAPITAL	...	...	...	...	£6,000,000	0	0
RESERVE FUND	...	...	...	...	3,900,000	0	0
RESERVE LIABILITY OF PROPRIETORS...	...	...	...	...	6,000,000	0	0
					£15,900,000	0	0
AGGREGATE ASSETS, 30th September, 1923	...	...	...	...	£76,030,434	5	7

The London Office issues drafts on demand on its Head Office (Sydney, N.S.W.) and branches in all the Australian States, New Zealand, Fiji, and Papua. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Arranges Wool and other Produce Credits. Receives deposits for fixed periods on terms which may be known on application, and conducts every description of Australasian Banking Business.

Manager.

IONIAN BANK, LIMITED.

Head Office: LONDON.

BASILDON HOUSE, MOORGATE, E.C.2.

ESTABLISHED 1839. INCORPORATED BY ROYAL CHARTER.

Authorised Capital £600,000 Stg. Paid-up Capital £485,580 Stg.
Reserve £170,000 Stg.

GREECE.—The only British Bank or Financial House in the country. Possesses a network of Branches and Correspondents throughout Old and New Greece, including Macedonia. PRINCIPAL OFFICE: ATHENS. Undertakes all Banking operations on most favourable terms.

EGYPT.—PRINCIPAL OFFICE: ALEXANDRIA. Branches throughout the cotton districts. Specialises in all operations connected with the moving of the cotton crop.

TURKEY.—Branch at CONSTANTINOPLE.**ROTTERDAMSCH BANKVEREENIGING.**

ROTTERDAM.

THE HAGUE.

AMSTERDAM.

Capital - fl. 75,000,000. Surplus - fl. 36,500,000.

Collections.

Letters of Credit. Foreign Exchange.
Purchase and Sale of Stocks and Shares.

Including its affiliated institution the National Bankvereeniging, Utrecht, the Rotterdamsche Bankvereeniging is represented in about 100 places in the Netherlands.

COMMERCIAL BANK OF BOHEMIA
(Česká komerční banka).

Head Office: Prague, Czechoslovakia.

Cable Address: Commercial Bank.

Paid-up Capital	-	Czechoslovak crowns	75,000,000
Reserves	-	"	31,000,000
Total Resources	-	"	880,000,000

21 Branches throughout Czechoslovakia.

Correspondents in every town of the Republic.

Allied Foreign Establishments:

"Mercurbank," Vienna, Austria.
"Merkur" Exchange Offices, Ltd., Budapest, Hungary.
Banca Comerciala Nationala, Czernauti, Roumania.
Bank Komercjalny, Cracow, Poland.

Every facility afforded for the development of Foreign Banking Business in Central and South-Eastern Europe.
Every description of Banking Business transacted.
Correspondents from all parts of the world invited. Reliable information about Czechoslovakia furnished.

PRÖEHL & GUTMANN
Bankers,
AMSTERDAM.

Telegraphic Address: DRESDAGENT.

PINTO & SOTTO MAYOR
LISBON, PORTUGAL.

ESTABLISHED 1914.

Partners: ANTONIO VEIRA PINTO, Dr. CANDIDO SOTTO MAYOR.

TELEGRAPHIC ADDRESS for the Head Office and all Branches:
"OTTOS."

LONDON CORRESPONDENTS: Midland Bank, Ltd.; British Bank of South America, Ltd.; Kleinwort, Sons & Co.;
Lloyds Bank, Ltd.

NEW YORK CORRESPONDENTS: Bank of New York & Trust Co.
CORRESPONDENTS THROUGHOUT THE WORLD.

BRANCHES: Oporto, Braga, Coimbra, Viana do Castelo, Chaves; and Vizeu.

DEN NORSKE CREDITBANK

CHRISTIANIA, NORWAY.

Established 1857.

Branches: ARENDAL, LIELESAND, RISÖR.

Telegraphic Address: "Creditbank."

Capital, Fully paid Kr. 44,000,000
Reserve Funds Kr. 29,000,000

EVERY DESCRIPTION OF BANKING
BUSINESS TRANSACTED. Bills
collected all over Norway. Deposits
received at favourable rates. Foreign
Exchange bought and sold.

PRINCIPAL LONDON CORRESPONDENTS:

Hambros Bank, Limited; Midland Bank, Limited;
National Provincial Bank, Limited; Barclays
Bank, Limited; Westminster Bank, Limited;
Lloyds Bank, Limited.

CORRESPONDENCE INVITED.

Telegraphic Address: "Comptebary, Amsterdam."

Handel-Maatschappij
H. Albert de Bary & Co.
AMSTERDAM

Merchant Bankers

Capital Fl. 6,000,000
(FULLY PAID)

Hongkong and Shanghai Banking Corporation

AUTHORISED CAPITAL ... \$50,000,000
ISSUED AND FULLY PAID-UP ... \$20,000,000
RESERVE FUNDS {STERLING ... £4,500,000
SILVER ... \$25,500,000
RESERVE LIABILITY OF PROPRIETORS \$20,000,000

Head Office - HONGKONG.
Chief Manager - Hon. Mr. A. G. STEPHEN.

BRANCHES AND AGENCIES:

Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Chefoo,
Colombo, Dairen (Dalny), Foochow, Haiphong, Hamburg,
Hankow, Harbin, Hongkew (Shanghai), Ipoh, Johore, Kobe
(Hiogo), Kuala Lumpur, London, Lyons, Malacca, Manila,
Nagasaki, New York, Peking, Penang, Rangoon, Saigon, San
Francisco, Shanghai, Singapore, Sourabaya, Sungei Patani,
Tientsin, Tsingtao, Vladivostok, Yloilo, Yokohama.

COMMITTEE IN LONDON:
Sir Charles Addis, K.C.M.G., Chairman.
Hon. Cecil Baring. C. A. Campbell.
David Landale. Sir George Macdonogh.
Sir Geo. Sutherland. K.C.B., K.C.M.G.
A. M. Townsend. C. F. Whigham.

MANAGERS IN LONDON:
SIR NEWTON J. STABB. H. D. C. JONES.
Sub-Manager, E. W. Townend. Accountant, A. Moncur.

9, GRACECHURCH STREET,
LONDON, E.C.3.

NATIONAL DISCOUNT COMPANY, LIMITED.

ESTABLISHED 1856.

35 CORNHILL, LONDON, E.C.3.

Telegraphic Address: "NATDIS, STOCK, LONDON." Telephone Nos.:
No. 1484 AVENUE (2 lines).
No. 1831 AVENUE.

SUBSCRIBED CAPITAL - £1,893,330 0 0
PAID-UP CAPITAL

"A" Shares of £2 10s. fully paid £423,332 10 0
"B" Shares of £7 10s., £2 10s. paid 423,332 10 0

RESERVE FUND ... £846,666 0 0
... £500,000 0 0

DIRECTORS.

Col. The Hon. SIDNEY PEEL, D.S.O., Chairman.
LAWRENCE E. CHALMERS, Deputy-Chairman.

FREDERICK W. GREEN.

Sir SIGISMUND F. MENDEL, K.B.E.

The Rt. Hon. F. LEVERTON HARRIS.

CHARLES D. SELIGMAN.

WALTER J. HERIOT.

PHILIP H. WADE.

Manager.—PHILIP H. WADE.

Sub-Manager.—FRANCIS GOLDSMITH.
Secretary.—CHARLES H. GOUGH.

Auditors.
FRANCIS W. PIXLEY (Jackson, Pixley & Co.).
SIR ALBERT WYON, K.B.E. (Price, Waterhouse & Co.).

Bankers.
BANK OF ENGLAND.
NATIONAL PROVINCIAL BANK, LIMITED.

Bank and Approved Mercantile Bills Discounted.
Money received on Deposit at Call and Short Notice, and Interest
allowed at the Current Market Rates; and for longer periods upon
specially agreed terms.

Loans granted upon negotiable securities.
Investments and Sales of all descriptions of British and
Foreign Securities effected. All communications on this subject
to be addressed to the Manager.

BANCO DE BILBAO

ESTABLISHED 1857.

Head Office, BILBAO.

Branches: MADRID, BARCELONA, VALENCIA
SAN SEBASTIAN, VITORIA, SEVILLA
TANGER, MELILLA, ZARAGOZA.
PARIS, 29 AVENUE
de L'OPERA
LONDON, BILBAO HOUSE,
36, New Broad St., E.C.2

AUTHORISED CAPITAL - Pesetas 100,000,000
PAID UP CAPITAL - " 60,000,000
RESERVE FUND - " 63,000,000

The only Spanish Bank operating in England.
The London Branch has been established with a
view to the development of Anglo-Spanish
Commerce.

Current Accounts opened in Sterling, Pesetas
and Francs, at sight, bearing interest, and every
description of banking business transacted on
most advantageous terms, including acceptances,
domestications, commercial credits, payments and
collections on goods, etc.

Foreign Exchange, Stock Exchange, Custody of
Securities, Collection of Coupons, etc., etc.

Terms on application.

Telegraphic Address: Telephone Nos.:
BANCOBAO, AVE, London Wall 3556
LONDON, London Wall 3557 (Foreign Exchange).

FINLANDS BANK

HELSINGFORS.

The only Bank authorized to issue
Bank Notes in Finland.

ESTABLISHED 1811.

Governor: RISTO RYTI.

Managing Directors:

ERNST GRÅSTEN, LAURI af HEURLIN,
HARRY BROMS, J. LUNDSON.

CAPITAL Fmk. 156,000,000

Branches at: Turku (Åbo), Viipuri
(Wiborg), Wasa, Oulu (Uleåborg),
Kuopio, Pori (Björneborg), Tampere
(Tammerfors), Joensuu, Jyväskylä,
Mikkeli (St. Michel), Sortavala, Kotka
and Hämeenlinna (Tavastehus).

THE BANK OF ADELAIDE

(Established 1865).

Paid-up Capital : : : : £875,000
Reserve Fund - : : : : 720,000
1,595,000
Reserve Liability of Shareholders 875,000
£2,470,000

Head Office—Adelaide, South Australia.
MELBOURNE OFFICE—267 COLLINS STREET.
SYDNEY OFFICE—105 PITT STREET.
PERTH OFFICE—SURREY CHAMBERS,
ST. GEORGE'S TERRACE.

London Office:—

11 LEADENHALL STREET, E.C.3.

Bills on Australasia purchased or collected.
Drafts and Letters of Credit issued and Remit-
tances cabled.
Deposits received for fixed periods at rates to be ascertained
on application, and every other description of banking and
exchange business transacted.

THE WESTERN AUSTRALIAN BANK.

(Established 1841.)

PAID-UP CAPITAL ... £378,000
RESERVE FUND ... £813,000
RESERVED PROFITS ... £31,144
RESERVE LIABILITY OF SHAREHOLDERS ... £378,000

Drafts issued, Remittances cabled, Bills negotiated or collected, Deposits
received for fixed periods at rates to be ascertained on application, and all
Banking and Exchange Business connected with Western Australia conducted
through the

London Agents:

THE BANK OF ADELAIDE 11 Leadenhall St. London, E.C.3

THE Commercial Banking Company of Sydney, LIMITED.

ESTABLISHED 1834.

INCORPORATED IN NEW SOUTH WALES.

Capital Paid Up £3,000,000. 0. 0
(In course of being paid up to £3,500,000)

Reserve Fund £2,580,000. 0. 0
Reserve Liability of
Shareholders £3,500,000. 0. 0

Drafts payable on demand and Letters of Credit on
Australasia are issued by the London Branch. Bills on
Australasia negotiated or collected. Remittances cabled.

London Offices:

18 BIRCHIN LANE, LOMBARD STREET, E.C.3.

F. A. SCRIVENER, Manager.

BANK OF BRITISH WEST AFRICA, LIMITED.

ESTABLISHED 1894.

Authorised Capital	£4,000,000
Subscribed Capital	£3,000,000
Paid-up Capital	£1,200,000
Reserve	£400,000

Chairman:
The Right Hon. THE EARL OF SELBORNE,
K.G., G.C.M.G.

HEAD OFFICE:
87, GRACECHURCH STREET, LONDON, E.C.3.

GENERAL MANAGER:
LESLIE COUPER, C.M.G.

Liverpool, Manchester, Hamburg, New York, Gibraltar,
West Africa, Canary Islands, Egypt, Morocco.

PRINCIPAL SHAREHOLDERS:
Lloyds Bank Ltd.
National Provincial Bank, Ltd.
Standard Bank of South Africa, Ltd.
Westminster Bank, Ltd.

CHARTERED BANK OF INDIA, AUSTRALIA AND CHINA,

38, BISHOPSGATE, LONDON, E.C.2.

Incorporated by Royal Charter.

CAPITAL	£3,000,000
RESERVE FUND	£3,800,000

COURT OF DIRECTORS.

Sir MONTAGU CORNISH TURNER, Chairman.	The Right Hon. Sir JOHN NEWELL JORDAN, G.C.M.G., G.C.I.E., K.C.B.
COLIN FREDERICK CAMPBELL, Esq.	WILLIAM FOOT MITCHELL, Esq., M.P.
THOMAS CUTHBERTSON, Esq.	JAMES MAXWELL GRANT PROPHIT, Esq.
Sir ALFRED DENT, K.C.M.G.	LEWIS ALEXANDER WALLACE, Esq.
Sir WILLIAM HENRY NEVILLE GOSCHEN, K.B.E.	
The Right Hon. LORD GEORGE HAMILTON, G.C.S.I.	

W. E. PRESTON, Chief Manager. J. S. BRUCE, } Managers.
G. MILLER, }

AGENCIES AND BRANCHES.

ALOR STAR (Malay States)	HONG KONG	RANGOON
AMRITSAR	ILOILO	SAIGON
BANGKOK	KARACHI	SEMERANG
BATAVIA	KLANG	SEREMBAN
BOMBAY	KOBE	SHANGHAI
CALCUTTA	KUALA LUMPUR	SINGAPORE
CANTON	MADRAS	SOURABAYA
CAWNPORE	MANILA	TAIPING (F.M.S.)
CEBU	MEDAN	TAVOY
COLOMBO	NEW YORK	TIENTSIN
DELHI	PEKING	YOKOHAMA
HAIPHONG	PENANG	ZAMBOANGA
HANKOW	PUKET	(Philippine Islands)

BANKERS.

THE BANK OF ENGLAND.
THE MIDLAND BANK, LIMITED.
THE WESTMINSTER BANK, LIMITED.
NATIONAL PROVINCIAL BANK, LIMITED.
THE NATIONAL BANK OF SCOTLAND, LIMITED.

The Corporation buy and receive for collection Bills of Exchange, grant
Drafts payable at the above Agencies and Branches, and transact general
Banking business connected with the East. Deposits of Money are received for
fixed periods at terms which may be ascertained on application; interest
payable half-yearly, 20th June and 21st December. On Current Accounts
interest is allowed at 2 per cent. per annum on the minimum monthly balances
provided they do not fall below £200. The Bank is prepared to undertake
Trusteeships and Executorships.

THE EASTERN BANK LIMITED.

Head Office:

CROSBY SQ., BISHOPSGATE, LONDON, E.C.3

Authorised Capital	£2,000,000
Paid-up Capital	£1,000,000
Reserve Fund	£320,000
Reserve Liability of Shareholders	£1,000,000

BOARD OF DIRECTORS.

Chairman. J. S. HASKELL, Esq.	Deputy Chairman. Sir JAMES LEIGH-WOOD, K.B.E., C.B., C.M.G.
JAMES H. BATTY, Esq.	G. BROMLEY-MARTIN, Esq.
EMILE FRANCOU, Esq.	MEYER SASSOON, Esq.
Sir PERCY NEWSON, Bt.	

Branches—

BOMBAY, CALCUTTA, KARACHI, MADRAS,
COLOMBO, BAGDAD, AMARA, BAHREIN
BASRA, HILLAH, MOSUL.

The Bank issues Drafts, Telegraphic Transfers and
Letters of Credit, negotiates and collects Bills of
Exchange, and transacts Banking and Agency
Business in connection with the East.

Deposits are received for one year and for
shorter periods at rates which can be ascertained
on application. On current accounts interest
is allowed at 2 per cent. per annum on the
minimum monthly balances.

F. H. SUTTON, Manager

BANCO DE CHILE

94 GRACECHURCH STREET, E.C.

PAID-UP CAPITAL	\$100,000,000	Chilian Dollars
RESERVE FUND	\$8,000,000	
RESERVE LIABILITY OF SHAREHOLDERS	100,000,000	
RESERVE FUND IN GOLD OF 18d	13,333,333	
		= \$1,000,000

Head Offices—SANTIAGO & VALPARAISO.

BRANCHES.

Santiago (Estacion), Santiago (Matadero),
Santiago (San Pablo), Santiago (Bella Vista),
Santiago (Bandera), Valparaiso (Almendra),
Ancud, Antofagasta, Arica, Chillan, Concepcion,
Copiapó, Coquimbo, Curicó, Illapel, Iquique, La
Calera, Lebu, Ligua, Linares, Los Andes, Los
Angeles, Mulchen, Nueva Imperial, Osorno,
Ovalle, Puerto Montt, Quillota, Rancagua, Rengo,
Rio Bueno, San Antonio, San Carlos, San
Fernando, San Felipe, San Javier, Santa Cruz,
Serena, Tacna, Talca, Talcahuano, Taltal,
Temuco, Tomé, Tocopilla, Traiguén, Valdivia,
Vallenar, Vicuña, Vina del Mar.

The London Agency transacts every class of
Banking business with Chile. Current Accounts
also opened and Deposits received.

DAVID BURNS, Manager.

THE COMMERCIAL BANK OF THE NEAR EAST LIMITED.

Head Office - - - 1, BROAD STREET PLACE, LONDON, E.C.2.

Branch at CONSTANTINOPLE

Agents for the Commercial Bank of Greece.

Authorised Capital, £200,000. Paid up Capital, £140,000.

Banking and Foreign Exchange Business of every description transacted.
Current Accounts opened and Interest allowed on Daily Balances.
Loans granted on Approved Securities, Goods and Produce.

Bills negotiated or sent for collection. Special facilities for business with the Near East.

CREDIT FONCIER D'ALGERIE ET DE TUNISIE.

ESTABLISHED 1880.

CAPITAL - - - - - Fcs. 125,000,000

REGISTERED OFFICE - ALGIERS. HEAD OFFICE - - - - - PARIS.
LONDON OFFICE : 18, ST. SWITHIN'S LANE, E.C.4.

Telegrams: Foncalton, Cannon, London.

Telephones: Central 6276, 6277.

FRANCE: Paris, Bordeaux, Lyons, Marseilles, Nantes.

ALGERIA: Algiers, Blida, Bona, Constantine, Oran, Setif, Sidi-Bel-Abbes and 58 Sub Branches.

TUNISIA: Tunis & 18 Sub Branches.

MOROCCO: Casablanca, Tangiers & 12 Sub Branches.

BEYROUTH MALTA GIBRALTAR SMYRNA.

ALL BANKING AND FOREIGN EXCHANGE BUSINESS TRANSACTED. Accounts in English and French money opened at call or at short notice.

TELEGRAMS

FOR
AUSTRALIA, NEW ZEALAND,
CHINA, JAPAN, DUTCH INDIES,
STRAITS SETTLEMENTS, INDIA,
EGYPT, AFRICA, SPAIN, PORTUGAL,
THE MEDITERRANEAN AND
SOUTH AMERICA

SHOULD ALWAYS
BE MARKED

Via Eastern

FOR WHICH INDICATION
NO CHARGE IS MADE.

STATIONS:

LONDON: 4 ELECTRA HOUSE, MOORGATE, E.C.2.
18 Old Broad Street, E.C.2.
8 Leadenhall Street, E.C.3.
Market Buildings, 29 Mining Lane—26 Mark Lane, E.C.3.
"The Baltic" Exchange, Bury Street Entrance, E.C.3.
115 Cannon Street, E.C.4.
6 Denman Street, Borough, S.E.1.
37 Holborn Viaduct, E.C.1.
190 Strand, W.C.2.
41 and 42 Parliament Street, S.W.1.
BIRMINGHAM: Guildhall Buildings, Pinfold Street.
BRADFORD: 4 Commercial Street.
BRISTOL: 2 Small Street.
CARDIFF: 33 Merchants' Exchange, Bute Docks.
DUNDEE: 46 and 50 Bell Street.
EDINBURGH: 38 Frederick Street.
GLASGOW: 40 Royal Exchange Square.
HULL: 76 Lowgate.
LEEDS: 72a Wellington Street.
LIVERPOOL: K1: Exchange Buildings.
The Cotton Exchange.
MANCHESTER: 55 Spring Gardens.
NEWCASTLE-ON-TYNE: Maritime Buildings, King Street.
PORTHURNOW: Cornwall.
EMPIRE EXHIBITION, WEMBLEY. Cable Station:—
Stands N10 and F8 in Electrical & Allied Engineering Sections.
AND FROM ALL POSTAL TELEGRAPH OFFICES
The Eastern Telegraph Company, Ltd

DRINK & ENJOY

LIPTON'S TEA

IF you want the
Best Tea go to the
Firm that Grows it

LIPTON Ltd. TEA PLANTERS, CEYLON

The Largest Tea Distributors, Manufacturers
and Retailers of Food Products in the World
Head Office: CITY ROAD, LONDON, E.C.1
Branches and Agencies throughout the United Kingdom



total "savings," i.e., deposits in Italian banks of all sorts—including savings banks, co-operative and "popular" banks, and the Monti di Pietà, which last, we believe, are not, like pawnbrokers in England, merely a resort of the distressed or the spendthrift, but loan offices financing small manufacturers—has risen from 7,822,690,355 lire in 1914 to 25,519,074,933 lire last June. The depreciation of the paper currency has, indeed, converted the increase, measured in paper, into a decrease of more than 852 millions, measured in gold. But that is no reflection on Italian thrift. The work is issued biennially, and should be of great value to foreigners engaged in trade with Italy.

BARCLAYS BANK LIMITED.

Head Office: 54, Lombard Street, London, E.C.3.

This Bank is in close touch with leading Bankers in all parts of the world, and provides facilities for the financing of every description of Overseas business. Traders interested in the Foreign Markets are invited to correspond with

THE FOREIGN MANAGER.

Foreign Branch: 168, Fenchurch Street, E.C.3.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, ACCOUNT,
February 20. February 21.

Business is moderately active in a number of the Stock Exchange markets. The settling down to work by the Labour Cabinet has had no appreciable effect in checking the volume of orders that reach the investment departments, while in the more speculative sections, the feature is the strength shown by gold and tin mining shares. The prompt closing of the Japanese 6 per cent. subscription lists came as no surprise on Wednesday, having regard to the low price at which the bonds were offered. Underwriters of the new Westralia 5 per cent. stock offered at 98 received 48 per cent. of their obligations, the result being much the same as that which followed the issue by Southern Rhodesia of a somewhat similar stock bearing the same interest, and at the same price. Fresh borrowers are in the market, and in addition to those loans on the point of emission, it is known that others stand close behind, ready to seek public subscription at any opportune moment.

The War Loan revolves narrowly in the neighbourhood of par, and Conversion stock, after a drop to 74½, easily regained 10s of the loss. The recent buyers of Consols have finished, and the market in that stock is once more inactive. Colonial and Home Railway pre-ordinary securities hold their ground. Scrip of the Southern Rhodesia and West Australia loans above mentioned, rallied to about 1 discount after being lower.

Mexican Government bonds have gone back for the usual reason, namely, that no satisfactory information is forthcoming as to full recognition being accorded by this country to the Mexican Government. Brazilians, after their burst of strength, halted a trifle, although the 7½ per cent. Coffee Loan, tenders in respect of which had to be lodged by half-past three yesterday afternoon, mounted to 114. Speculation in French and German bonds is languid. Suez Canal shares have risen some 32 points, owing to a fit of share activity on the Paris Bourse. The Home Railway market was disappointed with the London, Midland and Scottish dividend, making 7 per cent. for the year, or ½ per cent. less than was confidently expected. The Great Western announcement of 8 per cent. for the year had, however, a salutary effect, and the company's ordinary stock mounted appreciably. Estimates of a 2½ per cent. dividend on North-Eastern deferred, to be resolved next week, are modified in the downward direction. Underground stocks show a trifling heaviness, although any company which is thought likely to benefit from the British Empire Exhibition is popular with the public just now.

Grand Trunk Pacific debenture has gained a few points. Argentine Railway stocks indulged in something that approached a mild boomlet, the traffics being exceedingly good. United of Havana stock is better, on rumours, extremely vague and nebulous, that the Cuban Government wishes to obtain control of the line. Nitrate railway shares are harder, although shares in the nitrate-producing companies move within narrow limits. The Mexican Railway stocks derived no benefit from the statement that the company's line between Mexico City and Vera Cruz is now open for traffic.

This month there comes into force a qualification of the Stevenson restriction scheme that may temporarily diminish the output of some of the older rubber companies, but this has had no effect upon the market for rubber shares, where, indeed, interest has died down to a minimum. Tea shares are not so good as they were, many people electing to take their profits, though interest is kept alive by the knowledge that the forthcoming dividends are bound to be extremely good. Some little inquiry for coffee shares resulted in several of the Brazilian descriptions advancing in price. The oil market is active and tolerably firm, Shells continuing to absorb the major portion of popular interest. Several Trinidad oils have strengthened, on purchases by speculators, who, willing to take up the shares, think that present prices are low enough to offer temptation. Lobitos touched a record high price upon insistent pressure to buy. Mexican Eagles rallied as bears came in to cover commitments that are known to be extensive. The public are doing more in oil shares than they have done for many months past, but the market is highly sensitive, and prices react very easily.

Banking shares are again on the up-grade, though movements are moderate, and the insurance market is quiet, holding its recent improvements. The shipping group remains strong; here, also, there is not much trade doing. Harrods advanced upon an increase in the dividend, and most of the shares in stores' companies, hotels and other branches of industry likely to be affected by the British Empire Exhibition are in steady demand. Electric lighting shares exhibit pronounced strength, upon the remarkable dividends now being announced. The possibility of amalgamation between the County of London, City of London, South Metropolitan, and South London companies was announced at a meeting of the County of London Company held this week. Harrods Buenos Aires shares went better, in advance of the reorganisation scheme now made public. There is more doing in motor shares, and at rising prices, a not unusual tendency at this season of the year. Shares in land companies keep hard, and a substantial rise in Brazilian Tractions has followed the recent improvement in the milreis.

Greater activity in South Africans is attributable to the optimism of the Cape. Several of the Cape favourites are in favour, and this helped to give the market a good appearance as a whole, until Paris started selling, when part of the previous rise was lost. A spectacular rise in Cam and Motors followed, and rather astonished, the Rhodesian market. Chartered are better, on the hope that before long there may be some distribution of cash. Tin shares of all kinds, West African, Malayan and Cornish, have at last responded to the remarkable jump in the price of the metal, and the market for tin shares is broadening daily, though the public are still coy of venturing far into such speculative counters. The Canadian silver shares are somewhat overshadowed by the new popularity of the tin market, and Russians eased off, while amongst Indian and other miscellaneous mining shares, the movements are few and uninteresting. Most of the copper shares are better under the leadership of Rio Tintos, which Paris has been accumulating with both hands.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	11,705,125			
ISSUES OF THE WEEK—				
NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED FEBRUARY 9, 1924.				
April 1, 1923, to Feb. 9, 1924, £12,800,000	Dr 100,000		Dr 100,000	
To the Public—				
Imperial Japanese Government, £25,000,000 6% Sterling Loan (red. 1923-24), issued at 87½% (£12,000,000 of this loan will be allotted for conversion from 4½% Loan of 1905, First and Second Series)	13,000,000	11,375,000	650,000	10,725,000
Newport (Mon.) Corporation £800,000 5% Red. Stk. at 97½%, red. at par, 1945-Sept. 1, 1965	800,000	780,000	40,000	740,000
Total offered to public		12,155,000	690,000	11,465,000
To Shareholders only—				
Ceylon Consolidated Estates (1920), £14,830 10% First Mort. Debt, red. at par, 1927, issued at par	14,830	14,830		
Robinson Deep, 100,000 "B" Shares, £1, at £1 10s	100,000			150,000
Sheepbridge Coal and Iron, £500,000 6% Mort. Debts. at par	500,000	500,000	50,000	450,000
Calcutta Tramways, 50,000 New Shares, at £1 10s	500,000	525,000		525,000
Total offered to Shareholders		1,189,830	64,830	1,125,000
Total offered for subscription to date in—				
1924.....	24,949,955			
1923.....	40,320,648			
1922.....	189,324,642			
1921.....	29,350,673			
1920.....	63,442,838			
1919.....	248,706,231			
Total offered for subscription for whole year—				
1923.....	271,393,173			
1922.....	573,675,650			
1921.....	388,978,303			
1920.....	367,549,658			
1919.....	1,036,059,261			
1918.....	1,393,381,441			

Imperial Japanese Government 6 per Cent. Sterling Loan of 1924.—Issue of £25,000,000 at 87½ per cent.

This is the largest amount borrowed on the London market since the Indian Loan. Arrangements have been made by which £12,000,000 will be allotted in full to holders of the 4½ per cent. loans of 1905, first and second series, who have agreed to convert. The proceeds will be applied to the conversion and redemption of the existing 4½ per cent. loans of 1905, first and second series, and to meet expenditure in connection with reconstruction work. An issue of \$150,000,000 (dollar bonds) for the same purposes is being made in New York. The Japanese Government undertakes to apply twice yearly a fixed cumulative sinking fund, beginning in July, 1929, and calculated to redeem the entire loan by July, 1959. If the price of the bonds is under par, the sinking fund will operate by purchase, and if at par or over, redemption will be effected by drawings. The Government reserves the right to accelerate the redemption at any time by purchase; also at any time after 15 years from the date of issue on giving three months' notice to repay at par. The Japanese Government undertakes that during the currency of any of these bonds, if a specific pledge of assets be given for any purpose, it will be provided that these bonds shall be secured *pari passu*. Bonds and coupons are payable in London or Japan. Subscriptions may be made in cash or in the bonds of the 4½ per cent. loans of 1905, first and second series. Holders of first series bonds of 1905, first and second series, who desire to convert must lodge their second series bonds with all unmatured coupons attached, and will receive bonds with all unmatured coupons attached, and will receive in exchange for each bond of £100 and the said unmatured coupons, £125 fully-paid scrip (nominal) of the 6 per cent. loan, together with an adjusting payment of £4 2s 4d. These figures are inclusive of (a) accrued interest from February 15th to February 21st, and (b) the equivalent of the discount allowed to cash subscribers who pay in full on allotment. Holders of second series bonds who desire to convert must lodge their second series bonds with all unmatured coupons attached, and will receive bonds with all unmatured coupons attached, and will receive in exchange for each bond of £100 and the said unmatured coupons, £125 fully-paid scrip (nominal) of the 6 per cent. loan, together with an adjusting payment of £4 12s 3d. These figures are inclusive of (a) accrued interest from January 10th to February 21st, and (b) the equivalent of the discount allowed to cash subscribers who pay in full on allotment. The issue was a remarkable success, the subscription lists being closed within an hour of opening. The generous yield obtainable no doubt accounted for this. In the light of the yields on existing Japanese issues the loan was most attractive.

Newport (Mon.) Corporation 5 per Cent. Redeemable Stock, 1945-1965.—Issue of £800,000 stock at 97½ per cent.

The proceeds are required in connection with water works and for other purposes, including the repayment of existing debt. The stock will be redeemed at par on September 1, 1965, unless previously cancelled by purchase in the open market or by agreement with the holders; but the Corporation will have the option of redeeming at par the whole of the outstanding amount of the issue at any time on or after September 1, 1945, on giving three months' notice. The total outstanding debt on the Corporation is £2,524,854, of which £2,008,971 is in respect of reproductive undertakings. The rateable value is given as £595,490, and a rate of 1d in the pound will produce £2,320. Total rates at present levied in the borough amount to 11s in the pound. This is an excellent trustee security.

The Sutton District Water Company.—Sale by tender of £80,000 7 per cent. maximum ordinary stock at a minimum price of £118 per cent. The advertised particulars state that "The existing ordinary and preference stocks are quoted on the London Stock Exchange, and a quotation for the present issue will be applied for in due course." The stock will rank for dividend from April 1, 1924. This advertised statement needs to be supplemented by much other information before a sound test can be applied as to the value of the investment.

Gray's Inn (Jamaica) Central Factory, Limited.—Share capital £5,000, all of which has been issued. There are two 6 per cent. debenture issues, an "A" issue for £45,000, and a "B" issue for £50,000. This company has been formed to acquire a sugar factory in Jamaica now in liquidation. Much information is given about these debentures in a statement appearing in the Press, made to comply with Stock Exchange regulations. It is, however, impossible to get any idea of the true value of these securities from these details.

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

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
War 4½% 1925-28.....	95½	95½	..	Aust. 6% 1931-41.....	103	104	.. + 1
Loans 4½% 1925-45.....	96½	96½	..	Canada 4½% 1920-25.....	100½	100½	..
4½% 1929-47.....	99½	99½	..	India 3½% Stock.....	63	63	..
4½% 1929-42.....	101½	102½	.. +	Do 7% 1926-31.....	112	112	..
Funding Loan 4½%.....	86½	86½	..	Do 5% 1932.....	99½	99½	..
Victory Bonds 4½%.....	91½	91½	..	Do 4½% 1932.....	83½	83½	..
Conversion Loan 4½%.....	75½	75½	..	N.S.W. 5½% 1922-32.....	101	101	..
Consols 2½%.....	56½	56½	..	Nigeria 6% 1949-79.....	111	111	..
Irish Land Stock 2½%.....	57½	57½	..	U. of S.A. 6% 1930-40.....	105	105	..
Local Loans 3%.....	64	63½	.. -	Victoria 5½% 1924-34.....	101	101	..
				W.Aust. 6% 1930-40.....	103	103	..

Banks.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Barclays B. (£1 f.p.d.) 2½% ..	2½	2½	..	Nat. Bank of S. Africa 5½% ..	5½	5½	..
Chartered Bk of India 1½% ..	1½	1½	..	National Provincial (£20, with £4 paid) 10½ ..	10½	10½	..
Lloyds (£5 with £1 paid) ..	2½	2½	..	Standard of S. Africa (£20, with £5 paid) 10½ ..	10½	10½	..
Midland (£12, with £2½ paid) ..	8½	8½	..	Westminster Bank (£20, with £5 paid) 17½ ..	17½	17½	..
Nat. Bank of Egypt (£10) ..	24	24½	.. +				

British Railways.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Great Western, Ord.	110	110½	.. +	Southern, Ord. "A" ..	36½	36½	..
London & North-Eastern 5% Pref. Ord.	84½	84½	..	Do Ord. "B" ..	11½	11½	..
Do Def. Ord.	31½	31½	..	Do Pref. Ord.	84½	84½	..
London, Midland, and Scottish, Ord.	104½	103½	.. -	Do Def. Ord.	39½	39½	..
Metropolitan ..	75½	76½	.. +	Underground Electric (£10) ..	3½	3½	..
Metropolitan District ..	56½	56½	..	Do "A" (1) ..	13½	13½	..
				Do Inc. Bds. (£100) ..	102½	102½	..

American Railroads.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Chesapeake & Ohio ..	87	85	.. -	Southern ..	54	53	.. -
Erie ..	31	31	..	Do Non-cum Pref. 82 ..	82	82	..
Do 4% 1st Pref.	38	39	.. +				

Foreign Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Argentine 5%, 1886-7.....	100	100	..	Japanese 4½% ..	114	112½	.. -
Austrian 6% 1905.....	86	86	..	Do 1910 ..	65	63	.. -
Belgian 3% ..	69	69	..	Mexican Cons. 1899 ..	56	55	.. -
Brazil 5% Fund., 1914 ..	74	73½	.. -	Peruvian Corp. Pref.	27½	27½	..
Chilian 4½% 1895 ..	84	84	..	P.L.M. 6% ..	83½	83½	..
Do 7½% ..	106½	106½	..	Portuguese (New) ..	32	31	.. -
Chinese 5%, 1912 ..	69	70	.. +	Russian 5%, 1906 ..	13	13	..
Egyptian 4% ..	74	74	..	Spanish 4% ..	67	67	..
French 5% ..	23	22½	.. -	Seine (Dept.) 7% ..	97½	97½	..
Do 4% ..	18½	18½	..	Siamese 7% ..	107	107	..
Greek 4%, 1884 ..	46½	45½	.. -				

Colonial and Foreign Railways.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Antofagasta Cons.	87½	86½	.. -	Leopoldina ..	27½	26½	.. -
B.A. and Pacific ..	81½	80½	.. -	Mexican Railway ..	104	104	..
B.A. & Gt. Southern ..	89	88	.. -	Do 1st Pref.	28	27	.. -
Buenos Ayres West.	78	78	..	Do 2nd Pref.	17	17	..
Canadian Pacific ..	171	172	.. +	San Paulo ..	152	152	..
Central Argentine ..	762	762	..	United Havana ..	85	84½	.. -

Telegraphs.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Marconi Wireless ..	1½	1½	..	Marconi Marine ..	1½	1½	..
Marconi Canada ..	1½	1½	..				

Miscellaneous.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Aerated Bread (£1) ..	1½	1½	..	Hudson's Bay (£1) ..	6	5½	.. -
Amal. Cottons (£1) ..	1½	1½	..	Imperial Tobacco (£1) ..	34½	34½	..
Anglo Persian Oil (£1) ..	12½	12½	..	Linggi Plantation (£1) ..	18	18	..
Armstrong (Sir W.G.) ..	14½	14½	..	Lipton (£1) ..	14½	14½	..
Ass. & Co. (£1) ..	14½	14½	..	Liver Brs 7% Cmp (£1) ..	14½	14½	..
Ass. Pind. Cement (£1) ..	14½	14½	..	Do 8% Cmp A Pfd (£1) ..	14½	14½	..
Barker, John (£1) ..	24	24½	.. +	Do 20% Cmp Pfd (£1) ..	14½	14½	..
B'ham Small Arms (£1) ..	14½	14½	..	Lister (£1) ..	14½	14½	..
Brazil Tractor (£100) ..	55	55½	.. +	Lobitos Oilfields (£1) ..	7½	7½	..
British-American Tobacco (£1) ..	5½	5½	..	Lyons (J.) & Co. (£1) ..	4	4	..
Burmah Oil (£1) ..	5½	5½	..	Mexican Eagle (£10) ..	1	1	..
Coats (J. and P.) (£1) ..	3½	3½	..	Pekin (2) ..	4	4	..
Courtauld (£1) ..	3½	3½	..	Rubber Plantations Investment (£1) ..	14½	14½	..
Cunard (£1) ..	14½	14½	..	Shell Transport (£1) ..	44½	44½	..
Dorman, Long (£1) ..	14½	14½	..	Smithfield Argentine Meat (£1) ..	4	4	..
Dunlop Rubber (£1) ..	14½	14½	..	United Dairies (£1) ..	14½	14½	..
Fine Cotton Spinners (£1) ..	24½	24½	..	United Serdang (2) ..	4	4	..
Forestal Land (£1) ..	14½	14½	..	United Tobacco (£1) ..	34½	34½	..
Furness, Withy (£1) ..	14½	14½	..	Vallambrosa (2) ..	4	4	..
Highlands and Lowlands Rubber (£1) ..	14½	14½	..	Vickers (£1) ..	14½	14½	..
				Watney Def. Stk.	169½	169½	..

Mines.

Brakpan (£1)	38½	38½	..	Knights	14½	38½	..
Broken Hill Prop. (£1)	14½	14½	..	Modderfontein (10)	44½	44½	..
Chartered (£1)	14½	14½	..	Modderfont. "B" (5)	14½	14½	..
Cons. Gold Fields (£1)	14½	14½	..	Modderfont. Deep (5)	24½	24½	..
Crown Mines (10)	34½	34½	..	Premier Def. (2½)	5	5	..
De Beers (£25)	128	128	..	Rand Mines (5)	54	54	..
East Rand Prop. (£1)	14½	14½	..	Sand Mines (10)	18	18	..
Gold (£1)	34½	34½	..	Rio Tinto (£5)	32	35½	..
Geduld Gold Areas (£1)	64½	64½	..	Spring Mines (£1)	24½	24½	..

Now I must say something about working results, and here I am treading upon promising ground. A vista is opening up to us of coal carbonisation as a science. It has been in the past an empiricism. Its practice has been, I think I may say in the main, subject to the exigencies of coal-handling methods or their machinery. We now realise more and more that it should not be subject to, but should govern them, and this in itself is a great step forward to a right conception of the process to which the coal is subjected. In a coke-oven works the conversion of coal into coke is the primary aim; other residual products are secondary to it. In a shale-distilling works major importance attaches to the yield of liquid products, the coke being an unimportant residue. But gasworks' practice must oscillate according to circumstances in a middle area between these two extremes. And the full realisation of the importance of this point of view we owe to the therm system. Tar has fetched good prices. Its uses are mainly for the manufacture of patent fuel or in the construction of road surfaces. For both these uses it is unequalled. Bitumen, which is sometimes put forward as a substitute, is in no way superior for general use on roads, and it is, moreover, an imported, instead of a home-made.

article. As regards the more valuable tar products—I mean those known as intermediates for the production of dyestuffs—the position is one of disappointment, and we are now only making certain special products upon a small scale.

The returns from ammonia are disappointing.

Our most important residual, however, is, and will continue to be, in one form or another, coke. The demand for this continues good, but supplies are none too plentiful. Realising the increasing value with which this product was being regarded for many industrial purposes, we have for some time past given special attention to its quality, and it would appear that our efforts in this direction are now being rewarded by the increased appreciation it meets with in the various markets.

On the other hand, I wish it were possible to speak more hopefully of improvement in the quality of our raw material—coal. Although its cost to-day is almost that of a manufactured article, its freedom from impurity leaves a good deal to be desired.

Turning again to the report, it goes on to deal with the dividends on stocks. The suggested payment of 5½ per cent. on the ordinary stock may be looked upon as hardly all that might have been anticipated, especially remembering the past 10 lean, and some very lean, years, when most other industries were allowed, and even encouraged, to make large profits. But in putting forward the proposal the all-important duty has been, and must, I think, be, that of restoring the undertaking to at least its pre-war stability, and if the immediate present would appear to be in any degree unsatisfying, the advantage to the undertaking of proceeding cautiously will undoubtedly redound to its advantage in the future. This self-same policy is reflected in building up the reserve fund, upon which we had to draw largely during the war, and putting it upon a basis comparable with altered circumstances. The future is full of promise, and so long as the company maintains the traditions of fair dealing which have so long guided it, I do not think the public it serves will be likely to grudge the proportion of profit allocated as dividends.

The report was unanimously adopted.

MIDLAND RAILWAY COMPANY OF WESTERN AUSTRALIA, LIMITED.

IMPROVED RESULTS—QUESTION OF SALE.

The annual general meeting of the Midland Railway Company of Western Australia, Limited, was held, on the 14th instant, at Winchester House, London.

The secretary (Mr W. Tait) having read the notice convening the meeting and the report of the auditors.

Sir George A. Touche, Bart., chairman of the company, who presided, in moving the adoption of the report and accounts, said that the figures were of an encouraging character. They reflected the steady and continuous improvement which the board had been justified in expecting. The gross traffic receipts for the past year were £143,982. This was an increase of £15,909 upon the previous year's figure, but it was not a record, as the highest traffic returns of the company were those of 1914. By 1916—the year after the opening of the Government Wongan Hills—Mullewa line—the figure had fallen as low as £88,000. It was an object lesson in the rapidity with which apparently solid investment values could be evaporated. Progress was being maintained during the current financial year, the gross traffic receipts for the first six months having been £76,093. The net revenue for the period under review was £71,279, compared with £55,456 in the previous year.

The land sales for the year had amounted to 90,697 acres, as compared with 47,186 acres in the previous year. The area sold was an indication of the quality of the land, as the company was at a

disadvantage compared with the Government, who granted loans to their settlers, which the company could not do. The area sold for the first half of the current year was 51,560 acres, and the good harvest season now reported should help the demand. The improved land sales, like the improved traffics, were due to a natural revival after the interruption of the war years, and probably that had been stimulated to some extent by the impetus to immigration through the enlightened policy of the present rulers of Western Australia.

Referring to the question of a sale of the company's property to the Government of Western Australia, the Chairman said that the offer which had been made by the directors had lapsed. The Government, apparently, had not dismissed the subject of a purchase from the realm of practical politics, for it had been announced that Mr Colebatch, the Agent-General, was in possession of their views, and would see the directors on the subject. They had, in fact, already had a conversation with him, and hoped to have others. Whether those conversations would develop into an actual negotiation he (the Chairman) could not tell, but the directors hoped that the matter would be decided one way or another at an early date.

The report was unanimously adopted.

LIEBIG'S EXTRACT OF MEAT COMPANY, LIMITED.

EXCELLENT TURNOVER AT HOME AND ABROAD.

HIGH STANDARD OF COMPANY'S HERDS.

The annual general meeting of Liebig's Extract of Meat Company, Limited, was held, on the 14th instant, at the Cannon street Hotel, London, E.C.

Mr C. E. Gunther, who presided, said that it had been the policy of the directors to work the company's factories to the fullest extent, to minimise costs, and to put through as large a turnover as possible. In the period now under review, besides operating their Colon plant and the Freezer at Fray Bentos, they had successfully put into work their new factory near Asuncion, Paraguay. During last season, including the Paraguay factory, which continued for some time after August 31st, there were killed at the company's factories over 436,000 head of cattle, thus exceeding all their previous records, even during the war period, when they worked at the highest pressure possible in order to supply our troops in France and elsewhere. This heavy working naturally meant a big cash outlay, and to assist in financing a series of 5½ per cent. notes for £600,000 at par were placed on favourable conditions towards the close of last year. The balance-sheet showed a sound position, seeing that the assets were all conservatively valued. The profit account had closed with a balance of about £220,000, and the directors recommended a final dividend of 8s, free of income-tax, on the ordinary shares, carrying forward about £257,000.

GOOD SALES OF WORLD-FAMOUS PRODUCTS.

While the company had had an excellent turnover both at home and abroad, conditions affecting their Continental business had been difficult, in consequence of the fluctuation of the exchanges. Their world-famous products—canned meats, Oxo, Oxo cubes, Lencor, &c.—had maintained their pride of place in the public esteem, sales having been very good, and in many cases showing notable increases, both in the home markets and abroad. Their sales company, Oxo, Limited, had given excellent results, and the directors were justly proud of its highly efficient factory and sales organisation. Their Oxo factories in London had this week been honoured with a visit from H.R.H. the Duke of York, who spent some time going through the various departments, and expressed himself as greatly interested in all he had seen. Since the Fray Bentos Freezer was started in February last year, the company

had received regular consignments of chilled and frozen beef, the quality of which had been well reported upon and had found a ready sale, and they were this year extending operations there to killing and freezing sheep, which should have the effect of spreading working expenses over a bigger output and thus help to improve results.

THE COMPANY'S ESTANCIAS.

As to the company's estancias in the Argentine and Uruguay, generally speaking their camps and cattle remained in a satisfactory condition during the period under review. There were signs of approach to a more normal state of affairs in the River Plate, and that the estancia industry would recover to the satisfactory position that it held for so long. They had again shipped out a number of pedigree animals for the further improvement of their herds and flock, although these had already reached a high standard. Their exhibits at the last local cattle shows in Argentina and Uruguay were again very successful, many high awards being given to the company's stock.

In Paraguay, where they had started operations at the Zeballos Cube factory, it became necessary to secure a camp conveniently situated to serve as a fattening ground for cattle destined for the factory, and a property known as Puerto Loma, consisting of about 100,000 acres, had been secured. The directors believed this investment would prove a sound one.

RANCHING INTERESTS IN SOUTH AFRICA.

As to the company's ranching interests in South Africa, the directors considered that any proposal to develop canning and extract factories in suitable localities was deserving of encouragement, and they had in hand a project for which they hoped to receive the full encouragement of the Government and farming community in South Africa. The meat factories and freezing works in South America had been a big factor in bringing prosperity to that part of the world, and the directors believed that the best interests of the South African farming community would be served if every help and inducement were given to those experienced in the business to set up similar factories there. If the Rhodesian ranching industry was to prosper, it was essential that it would not be left at the present disadvantage in the matter of railway facilities. The opening of Walvis Bay, the construction of the new cold storage there, and the settlement of different questions incidental to the taking over of South-West Africa would afford a good impetus to the cattle industry, and the directors thought they might look forward hopefully to improved returns in future from the company's interests in that country. Their home trade developed smoothly and satisfactorily, but there might be difficulties still to be overcome before improved results might be looked for from their Continental and foreign establishments. The directors would, nothing daunted, continue to tackle these difficulties as and when they arose, having every confidence in the future.

The report was unanimously adopted.

SOUTH SUBURBAN GAS COMPANY.

COMPANY'S SOUND AND HEALTHY POSITION.

The annual meeting of the South Suburban Gas Company was held, on the 15th instant, at the Cannon street Hotel, London, Mr Charles Hunt presiding.

The secretary (Mr Wilfrid Wastell) having read the notice convening the meeting,

The Chairman, in moving the adoption of the report and accounts, said they had a fairly long series of more or less strenuous years to look back upon, and it was somewhat of a relief that the past was a year not particularly marked by any incident worthy of special record. Still it was good sometimes to be able to mark time. Last year he referred to what appeared to be little short of a scandal in the supply of fittings, and expressed a hope that the gas industry would take the matter in hand in such a way as to put an end to dealings of that nature. He wondered how many gas undertakings had acted on his suggestion. This company at all events was doing its best to discourage the use of gas fittings that would not pass muster. They had also recently been the means of introducing a new type of gas cooker, which had proved a great success wherever sufficient room for it was available. He made no apology for mentioning gas cookers, because it was by these and gas fires and other heating appliances that the company lived and earned dividends. They had done exceedingly well in cooking and heating appliances, while the total gas sales for the year had exceeded expectation, thus giving the best of encouragement for the future of their industry.

The reductions in price last year meant a saving to consumers of over £90,000 per annum, but notwithstanding this the accounts showed that the gas rental figures on the credit side of the revenue account were no less than £662,000. This result was helped by the increase made in the calorific value from 460 to 480 B.Th.U. There was also a steady increase in rents received for hire of stoves and fires. The increase in rentals for the year amounted to nearly

£3,000, while the figures, comparing 1912 with 1923, showed an increase of nearly £27,000. Public lighting also continued to show a profit instead of the loss which began during the war, and continued almost until last year. He could say without the slightest attempt at exaggeration that the company's business was in a perfectly sound and healthy condition; additional evidence of which was afforded by the increasing number of applications they received for extensions of mains.

As regards coke, they had done a little better than expected; for tar the year was one of the best they had ever experienced, and with regard to sulphate of ammonia they had to take what the Federation of Sulphate Makers could give them. He offered congratulations to the Gas Light and Coke Company on their success in securing a common-sense judgment in the action taken against them by the Alkali Makers. Cost of coal only showed a reduction of less than £5,000. It was chiefly those items of expenditure in which wages figured more or less prominently that showed reductions. The reductions made during the year had been loyally responded to by the employees. The bonus to co-partners was the largest ever paid; it represented 4½ per cent. of the year's earnings of the co-partners, as compared with 3½ per cent. in the previous year.

The report was unanimously adopted.

HOME AND COLONIAL STORES, LIMITED.

LOW PERCENTAGE OF PROFIT.

The twenty-ninth ordinary general meeting of this company was held, on the 14th instant, at 2 and 4 Paul street, London.

The Chairman (Mr H. G. Emery), in moving the adoption of the report and accounts, stated that the total of the reserve funds would now amount to £652,335. Many shareholders would perhaps like to know why, with such a big reserve, they should have started a special reserve for equalising dividends and continue also to increase the carry forward. His answer was that this was the seventh year in succession in which the company had shown increased profits. With the difficulties with which the company had now to contend, each year they had to realise the possibility of a setback. If that should happen in any year, by carrying out the company's policy they would be ready for it.

The conclusion arrived at by the Departmental Committee on the Distribution of Food was that the difference between producers' and consumers' prices was unjustifiably high. This company's statistical department was asked to furnish figures relating to its business, and these showed that the net profit per lb of goods sold last year was less than one halfpenny, while the results of the two previous years were as nearly as possible the same as for 1923. To put it in another way, had the company sold all the goods at a halfpenny per lb less than they did there would have been no profit.

A great effort was made in Parliament last year to get the duty on sugar reduced, and no doubt this year there would be some reduction. It was now also suggested that the duty on tea should be taken off entirely. He had no intention of speaking against these suggestions, and if the Chancellor of the Exchequer should, next April, find himself in the position, owing to the revenue being in so prosperous a condition, to spare the many millions required, this company would welcome the reductions, for the cheaper they sold the more the public could buy.

As very large distributors of Colonial produce, one might almost say, "Home and Colonial for the Colonies, and the Colonies for Home and Colonial." (Hear, hear.) Shareholders doubtless had seen an account in the Press of the purchase by this company of 3,500,000 tins of Australian fruit, representing practically the entire season's pack available for export. This, he thought, was a striking illustration of the company's policy—from the producer direct to the consumer.

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS, &c.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Redemption Account.				
				Gold Coin Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at Bank of England.
1922.								
Mar. 29	300,351	14,255	5,000	28,500	19,450	15·4	261,479	177
June 28	295,374	13,338	6,000	28,500	19,650	16·1	254,312	260
Sept. 27	289,127	12,648	7,000	27,000	21,150	16·4	246,456	169
Dec. 27	301,337	12,872	7,000	27,000	21,150	15·4	258,922	137
1923.								
Mar. 28	285,616	12,318	7,000	27,000	22,450	17·3	241,294	190
June 27	285,503	12,516	7,000	27,000	22,450	17·3	242,446	123
Sept. 27	282,784	12,401	7,000	27,000	22,450	17·8	238,596	140
Dec. 26	299,070	12,571	7,000	27,000	22,450	16·4	255,032	159
1924.								
Feb. 6	279,845	12,092	7,000	27,000	22,450	17·6	235,335	152
Feb. 13	278,789	11,840	7,000	27,000	22,450	17·7	234,071	108

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £30,600,000, for 1921 at £317,555,200, for 1922 at £309,968,400, for 1923 at £270,183,800, and for 1924 at £248,190,900.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000

OFFICES IN ARGENTINA, CHILE, URUGUAY, PERU, MEXICO AND SPAIN.

Represented in U.S.A. by the
ANGLO-SOUTH AMERICAN TRUST COMPANY, NEW YORK,
(Incorporated under the laws of the State of New York);
and in FRANCE by the

BANQUE ANGLO-SUD AMERICAINE, Société Anonyme, PARIS.

Head Office :—62, OLD BROAD STREET, LONDON, E.C.2

AFFILIATED INSTITUTIONS:

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



TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £30,000,000 in Treasury Bonds and Treasury Bills dated from Feb. 18-Feb. 23 were opened on Feb. 15, 1924, and the total amount applied for was £43,620,000. For bills at three months dated Monday at £99 23 9d and above in full, and Tuesday to Saturday at £99 23 6d, about 45 per cent., above in full. The amounts allotted were as follows:—In bills at 3 months, £25,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months, Average Rate.	4% Treasury Bonds, Average Price
1924.	£	£	£ s d	£ s d
Jan. 11.....	35,000,000	55,765,000	3 4 9 1/2	nil
Jan. 18.....	35,000,000	48,420,000	3 7 3/4	nil
Jan. 25.....	35,000,000	40,500,000	3 7 11/16	nil
Feb. 1.....	35,000,000	45,115,000	3 5 7/8	nil
Feb. 8.....	30,000,000	41,675,000	3 11 3/4	nil
Feb. 15.....	30,000,000	43,620,000	3 10 5/7	nil

Tenders will be received on Feb. 22, 1924, for Treasury Bonds and Bills to be issued to the maximum amount of £30,000,000. The amount of Treasury Bonds issued will not exceed £30,000,000.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from: Apr. 1, 1923, to Feb. 9, 1924.	Receipts, Week Ended Feb. 9, 1924.	Receipts, Week Ended Feb. 10, 1924.
BALANCES IN EXCHEQUER ON 1st April:				
Bank of England.....	£	£	£	£
Bank of Ireland.....	..	..	..	..
REVENUE.				
Duties.....	116,900,000	105,133,000	108,506,000	2,068,000
Excise.....	143,850,000	127,522,000	135,388,000	2,502,000
Motor Vehicle Duties.....	35,000,000	14,010,000	11,679,000	4,353,000
Stamp Duties.....	52,000,000	47,700,000	49,691,000	760,000
Stamps.....	20,000,000	16,780,000	16,972,000	270,000
Land Tax, House Duty & Mineral Rights Duty	3,000,000	1,590,000	1,780,000	250,000
Property & Income Tax	261,000,000	185,787,000	182,500,000	13,251,000
Super Tax.....	58,000,000	39,320,000	262,573,000	19,532,000
Excise Profits Duties, &c.	12,000,000	..	954,000	..
Corporation Profits Tax	20,000,000	18,840,000	15,707,000	340,000
Post Office.....	52,600,000	45,100,000	45,950,000	1,500,000
Crown Lands.....	900,000	860,000	810,000	..
Interest on Sundry Loans.....	12,500,000	12,218,156	9,618,346	2,181
Miscellaneous.....	12,500,000	11,787,645	20,733,708	321,465
Ordinary Receipts.....	40,000,000	35,354,722	41,507,442	315,050
Special Receipts.....	818,500,000	661,992,523	721,669,496	32,350,050
Total, Inc. Balance ..	668,816,650	732,843,025	..	..
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Bullion.....	165,000	800,000	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	73,782	169,818	..	..
Under the Unemployment Insurance Act, 1921.....	5,670,000	2,910,000	180,000	..
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues:—				
Under the Telegraph (Money) Act, 1921 and 1922.....	5,520,000	5,310,000	..	..
Under the Post Office (London) Railway Act, 1913.....	10,500	..	..	..
Under the Housing Act, 1914.....	12,000	27,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922.....	..	950,000	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	520,000	..	..	..
Under the Unemployment Insurance Act, 1921.....	820,000	4,540,000	..	490,000
(c) For other issues:—				
By Treasury Bills.....	2,174,265,000	2,547,757,000	56,640,000	53,364,000
By National Savings Certificates.....	41,600,000	54,358,000	550,000	1,100,000
By Exchequer and National War Bonds.....	..	20	..	..
By Treasury Bonds.....	..	..	..	..
5-15 year, 1925-35.....	..	61,655,154	..	..
5%, 1927.....	..	84,765,560	..	..
4%, 1931-33.....	32,657,952	..	..	..
By Other Debt created under the War Loan Acts, 1914 to 1919.....	..	25,259	..	..
(d) Ways and Means Advances.....	770,865,500	813,075,500	..	..
Anglo-Persian Oil Company—				
Dividends on Shares acquired	50,081	243,012	..	..
Repayments:—				
In respect of Suez Canal Drawn Shares.....	5,501	5,787	..	..
Do Cunard Loan.....	130,000	130,000	..	..
Do Issues under Land Settlement (Facilities) Acts, 1919 and 1921	273,045	282,662	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920.....	..	6,827,960	..	..
Interest received under Section 59 (5) of the Finance Act, 1920.....	..	162,425	..	..
Total ..	3,701,450,051	4,318,391,483	87,824,646	87,504,050

NOTE.—Budget Estimate as in H.C. No. 51 of 1923.

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1923-24. (including Supplementary Grants.)	Total Issues out of the Exchequer to meet Payments from: Apr. 1, 1923, to Feb. 9, 1924.	Issues, Week Ended Feb. 9, 1924.	Issues, Week Ended Feb. 10, 1924.
EXPENDITURE.				
National Debt Services:—				
Interest, &c.....	310,000,000	287,194,711	297,783,516	1,844,281
Sinking Fund.....	40,000,000	34,676,326	500,000	..
Road Fund.....	12,650,000	12,727,014	10,553,999	4,749,000
Payments to Local Taxation Accounts, &c.....	10,348,000	9,951,777	6,575,518	270,000
Payments to Northern Ireland Exchequer.....	3,000,000	3,269,306	1,628,380	..
Land Settlement.....	1,500,000	500,242	1,039,981	..
Other Consolidated Fund Services.....	2,972,000	2,609,416	2,517,572	165,784
Supply Services.....	440,565,000	317,123,902	373,363,868	7,542,816
Expenditure.....	821,035,000	668,052,724	693,462,834	15,301,839
OTHER ISSUES.				
Temporary Advances:—				
Bullion.....	5,000	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	73,782	169,818	..	..
Under the Unemployment Insurance Act, 1921.....	820,000	5,700,000	..	180,000
Issues to Meet Capital Expenditure:—				
Under the Telegraph (Money) Act, 1921 and 1922.....	6,420,000	5,760,000	250,000	..
Under the Post Office (London) Railway Act, 1913.....	10,500	..	..	..
Under the Housing Act, 1914.....	12,000	27,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	950,000	..	..
Under Capital Expenditure (Money) Act, 1904.....	..	1,553,300	..	..
Under Cunard Agreement (Money Act, 1904—Exchequer Bonds paid off.....	520,000	..	..	..
Unemployment Insurance Act, 1921—				
Repayment of amounts borrowed.....	5,490,000	2,110,000	620,000	..
Redemption of Debt:—				
Treasury Bills.....	2,140,935,000	2,714,019,000	54,530,000	51,595,000
Principal of National Savings Certificates.....	28,800,000	23,000,000	650,000	300,000
Principal of Exchequer Bonds paid off.....	24,900	19,887,122	..	..
Principal of National War Bonds paid off, £53,317,846; less Paid off by the National Debt Commissioners, £1,000,000.....	52,317,846	44,684,182	1,750,000	..
Other Debt under the War Loan Acts, 1914 to 1919.....	7,463,440	15,825,526	..	..
Ways and Means Advances Repaid	786,608,500	781,715,500	14,500,000	20,450,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners.....	50,081	243,012	..	..
Issues to National Debt Commissioners to Reduce Debt:—				
Suez Canal Drawn Shares Repayments.....	5,501	5,787	5,501	5,787
Cunard Loan Repayments.....	130,000	130,000	..	..
Old Sinking Fund, 1910-11, issued under Section 34 of the Finance Act, 1923.....	118,000	..	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4).....	..	5,000,000	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911.....	55,214	88,064	..	..
BALANCES IN EXCHEQUER—	3,697,912,488	4,314,331,146	87,607,340	87,218,668
Bank of England.....	2,015,189	2,016,806	..	..
Bank of Ireland.....	1,522,374	2,013,531	..	..
Total ..	3,537,563	4,030,337	217,306	85,382

Treasury, February 11, 1924.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Dec. 31, 1923.	Feb. 9, 1924.
Funded Debt	58	318	315	315	315	315	314	314	314
Term Annuities.....	22	22	20	18	16	14	14	14	14
4% War Stock.....	63	63	63	63	63	63	63	63	63
4% & 5% War Stock.....	16	13	13	13	13	13	13	13	13
2,091 2,047 2,040 1,995 1,963 2,095 2,095	..	..	..	..	..	..	..	..	..
National War Bonds.....	649	1,509	1,476	1,413	1,201	953	924	903	903
4% Funding Loan.....	..	409	409	409	409	409	409	409	409
4% Victory Bonds.....	..	360	357	348	335	325	325	325	325
3% Conversion Loan.....	..	..	..	..	..	..	..	..	..
5-15 year Treas. Bonds.....	..	..	..	..	..	..	..	..	..
5% Treasury Bonds.....	..	..	..	..	..	..	..	..	..
Do by tender 5%.....	..	..	..	..	..	..	..	..	..
Do 4%, 1931-33.....	..	..	..	..	..	..	..	..	..
Treasury Bills.....	16	961	1,107	1,107	1,121	878	616	652	649
Exchequer Bonds.....	80	392	323	319	289	185	150	150	150
Nat'l Savings Certs.....	..	138	267	274	285	342	354	367	367
War Expend. Certs.....	..	23	..	..	..	..	..	..	..
Other Debt.....	..	944	1,306	1,181	1,139	1,087	1,157	1,149	1,149
American Loan.....	..	51	51	51	51	51	51	51	51
Temporary Advances.....	1	204	243	205	154	147	194	208	178
Other Capital Liabilities	664	5,872	8,033	7,829	7,655	7,743	7,801	7,747	7,747
Total Liabilities ..	711	5,921	8,079	7,876	7,623	7,721	7,813	7,871	7,817

POSITION OF THE FLOATING DEBT.

	Feb. 10, '23.	Mar. 31, '23.	Feb. 9, '24.	Week ended Feb. 9, '24.
Ways and Means Advances Outstanding.....	£	£	£	£
Advances by Bank of England.....	178,661,500	193,897,500	178,661,500	4,750,000
Advances by Public Deptms.....	616,045,000	616,045,000	616,045,000	9,750,000
Treasury Bills outstanding.....	715,860,000	894,521,500	809,942,500	2,345,000
Total Floating Debt ..	894,521,500	894,521,500	809,942,500	12,345,000
* Includes £121,000, the proceeds of which were not carried to the Exchequer within the period of the Account.				

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.
CENTENARY YEAR, 1924.
ASSETS EXCEED £12,700,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, February 13, 1924.

ISSUE DEPARTMENT.	
Notes issued.....	£ 146,009,895
Government debt.....	£ 11,015,100
Other securities.....	£ 8,734,900
Gold coin and bullion.....	£ 126,259,895
Total ..	£ 342,019,790

BANKING DEPARTMENT.	
Proprietors' capital ..	£ 14,553,000
Reserve.....	£ 3,534,299
Public deposits.....	£ 14,466,839
Other deposits.....	£ 104,354,872
Seven-day & other bills.....	£ 5,920
Total ..	£ 136,914,930

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

	Amount, Feb. 13, 1924.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Notes.....	£ 146,009,895	+ £ 16,665	+ £ 4,712
Government securities.....	11,015,100	+ 1,334,352	+ 5,050,361
Gold and silver coin.....	126,259,895	+ 156,922	+ 2,371,972
Other securities.....	8,734,900	+ 1,947,850	+ 3,658,117
Other deposits.....	104,354,872	+ 102,943	+ 2,589,868
Seven-day & other bills.....	5,920	+ 684,019	+ 4,473,865
Reserve.....	3,534,299	+ 681,775	+ 4,473,865
Capital.....	14,553,000	+ 2,244	+ 589,997
% of reserve to liabilities.....	19%	+ 3%	+ 1%

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.
1923.	£	£	£	£	%
Dec. 26.....	128,019,382	128,142,780	132,462,063	130,677,493	19,626,602 19
1924.					
Jan. 9.....	128,058,002	127,520,755	163,627,890	161,228,182	20,287,237 18
2.....	128,058,044	126,276,215	127,934,592	124,352,536	15,531,829 16
9.....	128,071,256	125,157,945	123,239,570	118,581,144	22,663,311 18
16.....	128,076,077	125,143,180	126,041,312	121,415,865	22,682,897 18
23.....	128,078,997	125,533,625	127,937,830	124,254,768	11,295,372 17
Feb. 6.....	128,081,178	125,880,870	119,999,141	116,126,510	12,350,308 18
13.....	128,083,422	125,199,095	118,821,711	114,280,603	22,634,327 19

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

(000's omitted.)

Average Weekly Balances. January, 1924.	Bank of Liverpool and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills, Currie, Holt, and Co.	Lloyds Bank, Limited.	Midland Bank, Limited.	National Provin- cial and Union Bank of England, Limited.	National Bank, Limited.	West- minster Bank, Limited.	Willi- ams Bank, Limited.	Total.
ASSETS.	£	£	£	£	£	£	£	£	£	£	£
Coin, bank and currency notes, and balances with the Bank of England ..	6,936	33,544	1,343	2,410	35,997	54,122	29,835	3,985	27,441	4,235	199,848
Balances with and cheques in course of collection on other banks in the United Kingdom ..	1,915	7,150	594	1,104	7,572	10,262	7,326	157	9,058	949	46,087
Items in transit ..	3,961	19,611	2,495	5,357	16,503	13,809	15,472	4,437	18,834	3,497	103,976
Money at call and short notice ..	4,529	48,342	1,190	1,298	58,351	58,725	46,409	2,859	71,872	1,816	295,391
Bills discounted ..	10,741	70,768	4,191	9,076	91,796	45,943	51,927	16,927	55,578	6,303	363,250
Investments ..	37,999	132,367	8,066	7,153	140,015	189,321	126,384	16,814	99,857	19,679	777,655
Advances to customers and other accounts Liabilities of customers for acceptances, endorsements, &c.	8,352	8,114	62	1,864	19,880	38,092	10,696	184	13,410	3,128	103,782
Bank premises account ..	1,498	5,160	346	445	5,070	4,257	723	3,954	715	27,659	
Investments in affiliated banks ..	..	7,450	..	..	6,580	3,559	2,367	..	2,991	..	22,947
	75,931	332,506	18,287	28,707	381,764	419,324	294,673	46,086	302,995	40,322	1,940,595
Ratio of cash to current, deposit, and other accounts ..	10.90	11.16	8.07	9.60	10.66	15.05	11.23	9.77	10.10	12.41	11.65
LIABILITIES.											
Capital paid up ..	2,349	15,592	800	1,060	14,372	10,861	9,339	1,500	9,004	1,875	66,752
Reserve fund ..	1,600	8,250	800	530	10,000	10,861	9,000	1,125	9,004	1,200	52,370
Current, deposit, and other accounts ..	63,630	300,550	16,625	25,089	337,511	359,511	265,638	40,757	271,564	34,119	1,714,994
Acceptances, endorsements, &c.	8,352	8,114	62	1,864	19,881	38,091	10,696	184	13,410	3,128	103,782
Notes in circulation ..	..	..	..	..	..	..	..	2,520	13	..	2,533
Reduction of bank premises account ..	..	..	..	..	..	..	..	..	..	..	164
	75,931	332,506	18,287	28,707	381,764	419,324	294,673	46,086	302,995	40,322	1,940,595

IMPERIAL BANK OF GERMANY.—In billions of marks.

ASSETS.	Jan. 31, 1924.	Jan. 25, 1924.	Jan. 15, 1924.	Jan. 7, 1924.
Gold and bullion ..	(a) 1,250	(a) 1,353	(a) 1,945	(a) 2,212
Treasury notes ..	9,236,199	9,081,993	9,705,149	9,363,830
Rentbank notes ..	177,780,407	227,346,636	142,314,657	175,542,512
Bills of exchange and cheques ..	388,368,069	349,170,275	294,768,903	284,205,194
Rentbank bills and cheques ..	367,497,935	288,546,082	185,975,791	71,831,378
Advances ..	136,739,764	134,512,258	140,785,595	149,015,818
Rentbank discounts, &c.	197,780,720	190,434,145	181,175,545	163,388,196
LIABILITIES.				
Notes in circulation ..	483,674,521	457,190,999	478,732,767	490,991,072
Deposits ..	774,305,007	845,669,630	685,679,882	589,733,054
Loan from Rentbank ..	200,000,000	100,000,000	..	..

(a) Millions of marks.

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

ASSETS.	Feb. 7, 1924.	Jan. 31, 1924.	Jan. 22, 1924.	Feb. 7, 1923.	Position, May 31, 1924.
Coin and bullion—Gold ..	147,284	147,284	147,284	147,284	44,294
Balance abroad and foreign bills ..	14,760	15,235	16,116	36,799	28,533
Norwegian & Foreign Govern- ment securities ..	8,825	8,825	8,825	9,404	8,816
Discounts and loans ..	447,762	447,123	441,701	454,252	76,911
LIABILITIES.					
Notes in circulation ..	359,305	364,721	361,698	346,656	113,484
Deposits at notice ..	114,501	109,704	106,063	170,655	7,188

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

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

ASSETS.	Feb. 9, 1924.	Feb. 2, 1924.	Jan. 26, 1924.	Jan. 19, 1924.	Feb. 13, 1923.	May 24, 1924.
Gold ..	271,654	271,674	271,701	271,723	273,909	104,918
Balance abrd. and foreign bills ..	37,179	36,602	33,916	35,331	117,949	112,179
Swedish and for- eign securities ..	84,126	88,101	95,326	109,526	122,828	38,466
Discounts and loans ..	381,082	400,474	394,161	405,953	354,935	113,668
LIABILITIES.						
Notes in circulation ..	494,537	517,705	468,219	483,897	508,900	226,556
Deposits at notice ..	215,568	218,632	252,819	275,065	300,772	369,660

BANK OF LITHUANIA.—In lt. (000's omitted).

ASSETS.	Jan. 31, 1923.	Jan. 15, 1924.	Dec. 31, 1923.	Dec. 15, 1923.	Nov. 30, 1923.	Jan. 31, 1923.
Gold ..	16,827	16,685	16,426	16,408	16,394	15,652
Silver ..	16	11	25	25	25	16
Dollars, & sterling &c.	55,583	50,897	46,592	46,155	43,992	22,238
Discount and credits ..	19,010	17,259	16,255	16,088	15,916	13,064
LIABILITIES.						
Capital ..	12,000	12,000	12,000	12,000	12,000	12,000
Banknotes in circulation ..	63,141	62,119	60,074	62,166	59,010	37,585
Deposits ..	24,358	19,705	14,106	10,232	12,400	3,873

(a) Gold marks.

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

ASSETS.	Jan. 31, 1924	Jan. 23, 1924	Jan. 15, 1924	Jan. 7, 1923
Gold ..	91,271,877	91,406,749	92,097,910	49,303,846
Foreign bills ..	3,811,147,964	3,892,240,296	4,055,290,227	1,058,244,128
Bills discounted ..	1,251,100,191	1,174,988,008	1,156,842,146	730,438,082
Treasury bills ..	2,533,434,345	2,533,434,345	2,533,434,345	2,556,849,370
LIABILITIES.				
Notes in circulation ..	6,735,108,849	6,349,206,755	6,491,574,153	4,111,561,163
Deposits ..	536,982,359	520,755,803	506,714,143	279,092,048

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

ASSETS.	Jan. 31, 1924.	Jan. 23, 1924.	Jan. 8, 1924.	Jan. 1, 1923.	Position, May 30, 1924.
Gold ..	42,716	42,716	42,704	42,704	35,091
Balance abroad and foreign bills ..	674,401	693,608	646,860	829,650	90,379
Finland and Foreign Govern- ment securities ..	528,744	553,428	553,498	586,362	51,826
Discounts and loans ..	527,511	596,427	678,014	606,832	106,151
LIABILITIES.					
Notes in circulation ..	1,279,457	1,240,015	1,290,092	1,399,672	123,941
Deposits at notice ..	426,155	468,590	445,065	388,984	21,226

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

ASSETS.	Feb. 6, 1924.	Jan. 30, 1924.	Jan. 9, 1924.	Aug. 8, 1923.	Nov. 22, 1923.
Total cash ..	13,523	13,228	13,228	14,899	3,085
Gold coin and bullion ..	17,479	16,770	16,518	15,792	12,993
Of which held abroad ..	3,046	3,046	3,046	3,744	..
Foreign banks ..	51,561	49,927	50,123	59,557	22,466
Discounts and loans ..	44,509	42,959	38,416	21,315	9,551
LIABILITIES.					
Notes in circulation ..	23,000	23,000	23,000	23,000	4,006
Capital paid up ..	10,214	10,214	10,214	10,000	8,000
Government deposits ..	41,518	39,951	39,679	33,596	16,697
Other deposits ..	44,819	43,790	41,829	38,615	16,996

BANK OF CZECHO-SLOVAKIA.—In Cz. K. (000's omitted).

ASSETS.	Jan. 31, 1923.	Jan. 23, 1924.	Jan. 15, 1924.	Jan. 7, 1924.	Dec. 31, 1923.	Jan. 31, 1923.
*Liabilities of the Austro-Hungarian Bank to the Bank ing Office ..	10,096,965	10,096,965	10,096,965	10,096,965	10,096,965	10,096,965
Discounts and advances ..	1,510,217	1,512,826	1,886,071	1,886,071	1,997,501	1,944,540
Gold & silver holdings ..	1,038,398	1,038,185	1,037,937	1,037,937	1,033,006	821,666
Foreign bills and balances abroad ..	1,126,409	1,224,442	1,235,944	1,235,944	1,235,280	408,690
Other assets ..	306,954	235,463	293,347	293,347	649,686	429,166
LIABILITIES.						
State notes circulat- ing ..	8,810,093	8,341,493	9,067,090	9,067,090	9,598,903	9,224,434
Deposits ..	4,195,772	4,591,293	4,404,305	4,404,305	4,348,357	3,088,287
Other liabilities ..	1,073,078	1,172,095	1,078,869	1,078,869	1,066,178	1,390,058

* Resulting from banknotes, current accounts, Exchange bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

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

ASSETS.	Jan. 31, 1924.	Jan. 23, 1924.	Jan. 15, 1924.	Jan. 7, 1924.	Jan. 31, 1923.
Gold coin and bullion, bills Silver coin, &c.	23,516	23,689	23,613	22,724	14,452
Bills, warrants, drafts, &c.	56,294,111	56,294,111	56,294,111	56,294,111	56,294,111
Loans ..	9,346,349	8,244,880	6,076,646	5,821,184	5,595
Government loans ..	526,000,000	496,000,000	461,000,000	431,000,000	20,000,000
LIABILITIES.					
Special reserve ..	12,250,000	12,250,000	12,250,000	12,250,000	12,250,000
Notes in circulation ..	10,677,747	9,852,220	9,576,715	9,199,469	73,716,513
Deposits ..	105,481,405	103,158,365	118,439,335	107,858,888	5,888,168

BANK OF SPAIN.—In pesetas (000's omitted).

ASSETS.	Feb. 9, 1924.	Feb. 2, 1924.	Jan. 26, 1924.	Jan. 19, 1924.	Jan. 7, 1923.
Gold ..	2,527,654	2,527,649	2,527,651	2,527,659	2,525,499
Silver ..	651,344	656,229	654,651	652,539	649,539
Loans and discounts ..	3,221,242	3,229,612	3,231,361	3,231,457	3,209,209
Spanish 4% stock ..	344,475	344,475	344,475	344,475	344,475
Treasury bills ..	150,000	150,000	150,000	150,000	150,000
LIABILITIES.					
Circulation ..	4,397,159	4,353,168	4,336,245	4,357,105	4,128,723
Deposits ..	1,039,111	1,045,064	1,049,939	1,037,213	1,108,060

LONDON RATES.

	Feb. 8, 1924.	Feb. 9, 1924.	Feb. 11, 1924.	Feb. 12, 1924.	Feb. 13, 1924.	Feb. 14, 1924.	Feb. 15, 1924.
Bank rate (changed from 3% July 5, 1923)	4 %	4 %	4 %	4 %	4 %	4 %	4 %
Market rates of discount—							
60 days' bankers' drafts.....	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂
3 months' do	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂
4 months' do	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂
6 months' do	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂
Discount (Treasury Bills)—							
3 months'.....	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂	3 ¹ / ₂
Loans—Day to day.....	2 ¹ / ₂	2 ¹ / ₂	2 ¹ / ₂	2 ¹ / ₂	2 ¹ / ₂	2 ¹ / ₂	2 ¹ / ₂
Short	2 ¹ / ₂	2 ¹ / ₂	2 ¹ / ₂	2 ¹ / ₂	2 ¹ / ₂	2 ¹ / ₂	2 ¹ / ₂
Deposits—allowances: Banks	2	2	2	2	2	2	2
Discount houses at call	2	2	2	2	2	2	2
At notice	2 ¹ / ₂	2 ¹ / ₂	2 ¹ / ₂	2 ¹ / ₂	2 ¹ / ₂	2 ¹ / ₂	2 ¹ / ₂

† Additional to those offered by tender in the preceding week.

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Week ended February 13, 1924.

Imported into Great Britain and Northern Ireland.		Exported from Great Britain and Northern Ireland.	
From—	£	To—	£
British South Africa	976,855	Denmark	750
Other countries	1,773	Germany	3,075
		Netherlands	33,676
		Kenya	1,701
		British India	91,650
		United States of America ..	1,116,073
		Ceylon	500
		Other countries	857
Total declared value of imports	978,628	Total declared value of exports	1,248,282

GOLD STANDARD RESERVE.

Statement showing the form in which the balance of the reserve was held on January 31, 1924:—

In India	Nil
In England—	£
Cash at the Bank of England	715
British Government securities—	
Value as on September 30, 1923	12,407,956
British Government securities since purchased (cost price)	27,812,030
	40,220,701
	40,220,701

SIDNEY TURNER, Accountant-General.

India Office, February 11, 1924.

Messrs Samuel Montagu and Co. write on February 13th as follows:—

GOLD.

India has taken a substantial proportion of the rather large supplies of gold on offer this week. The United Kingdom imports and exports of gold during the month of January, 1924, were as follows:—Imports, £4,397,919; exports, £6,281,651.

SILVER.

The resumption of business after the Chinese New Year was signalled on Saturday by a rather keen demand for silver for forward delivery, occasioning a reduction of the difference between prices for cash and forward delivery and a sharp rise in both quotations. The demand continued, and further advances took place in the prices. On the first day to which we refer (the 9th inst.), the quotation for forward delivery became the same as that for cash. This was the first time it had been so fixed since October 13, 1922. The upward movement was rather swift— $\frac{3}{4}$ d and $\frac{1}{4}$ d for cash and forward delivery respectively in two days—and it is not surprising that a reaction took place yesterday. We understand that the reason for the movement was that certain of the less important interests in China found themselves somewhat unexpectedly short of cash resources, hence they hedged by operations in London. The Indian bazaars sold here with freedom, and America was not an unwilling seller, but the Continent did not operate on any scale of importance. To-day's quotation for forward delivery— $33\frac{1}{2}$ d—is the highest since October 25, 1922. At present the rate for forward delivery is at a discount to that for cash, but there are indications that the tendency of Far Eastern buying orders may very easily be such as to drive the price for forward delivery to a premium. Such premium cannot, of course, exceed the amount of interest necessary to carry the silver to the specified date.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Jan. 22.	Jan. 31.	Feb. 7.
Notes in circulation	18,471	18,402	18,340
Silver coin and bullion in India ..	8,288	8,218	8,155
Silver coin and bullion out of India ..	..	..	..
Gold coin and bullion in India ..	2,232	2,232	2,232
Gold coin and bullion out of India ..	..	..	..
Securities (Indian Government) ..	5,751	5,752	5,753
Securities (British Government) ..	1,400	1,400	1,400
Bills of exchange	800	800	800

The silver coinage, during the week ending 7th inst., amounted to one lac of rupees. The stock in Shanghai consisted of about 25,000,000 ozs in sycee, 36,500,000 dollars, and 240 silver bars on the 2nd inst. No fresh news has come to hand. Statistics for the month of January, 1924, are appended:—

BAR SILVER—Per Ounce Standard.		BAR GOLD.	
Cash Delivery.	2 Months' Delivery.	Per Ounce Fine.	Per Ounce
d	d	s	d
Highest price	34 $\frac{1}{2}$	33 $\frac{1}{2}$	98 0
Lowest "	32 $\frac{1}{2}$	32 $\frac{1}{2}$	95 8
Average "	33 $\frac{1}{2}$	33 $\frac{1}{2}$	96 10 1

GOLD AND SILVER PRICES.

1924.	Gold. Per Ounce.	Silver—Per Ounce. Cash.	Forward.	Date.	Silver. Cash.
Feb. 9	95 6	33 $\frac{1}{2}$	33 $\frac{1}{2}$	Feb. 23, 1918 ..	42 $\frac{1}{2}$
11	95 10	33 $\frac{1}{2}$	33 $\frac{1}{2}$	23, 1919 ..	47 $\frac{1}{2}$
12	96 1	33 $\frac{1}{2}$	33 $\frac{1}{2}$	22, 1920 ..	42 $\frac{1}{2}$
13	95 8	34 $\frac{1}{2}$	33 $\frac{1}{2}$	18, 1921 ..	33 $\frac{1}{2}$
14	96 2	34 $\frac{1}{2}$	33 $\frac{1}{2}$	17, 1922 ..	34 $\frac{1}{2}$
15	96 0	33 $\frac{1}{2}$	33 $\frac{1}{2}$	16, 1923 ..	30 $\frac{1}{2}$

NOTICES.

Lloyds Bank, Limited, announce that sub-branches of the bank are now open at Hipperholme and Lightcliffe, under the management of Mr G. T. Lyle, of the Halifax branch, and at Elham, under the management of Mr H. W. Hudson, of the Folkestone branch.

A branch of the Mercantile Bank of India, Limited, will be opened at Soorabaya on February 18th.

The Midland Bank announces the opening of new branches at 79 and 80 Western road, Brighton; 36 Fore street, Salcombe; 1 Corn Market, Shaftesbury; and in High street, Shanklin, Isle of Wight.

Barclays Bank, Limited, announce that they have opened a new branch at Digbeth street, Stow-on-the-Wold, under the management of Mr H. S. Rose; also the opening of new sub-branches at 7 Church road, Lawrence Hill, Bristol, and 76A Old Market street, Bristol, both under the management of Mr W. R. Wadlow, who is manager of 40 Corn street, Bristol, Branch.

Mr J. L. Webb has been reappointed chairman of directors for the year 1924 of the Commercial Bank of Australia, Limited.

We are informed that the change of the name of the Manchester and Liverpool District Banking Company, Limited, to "District Bank, Limited," is now effective.

Barclays Bank, Limited, announce that they have opened a new branch at Abbey House, Victoria street, Westminster, under the management of Mr Wm. F. Wright.

MINING OUTPUT STATISTICS FOR JANUARY, 1924.

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Cyande Works.	Mill.	Cyande Works.	Total.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.	£	£
Abmontakoon	7,000	..	..	..	..	14,550	617
Akoko Main Reef	448	..	..	..	..	1,242	..
Boulder Perseverance	3,514	..	..	..	..	16,548	..
El Oro	36,750	..	..	..	..	154,000	3,313
Gabait Tributary	6,483	360	436	105	541	2,023	..
Globe and Phoenix	8,828	..	..	..	5,638	..	..
Great Boulder Prop.	1,025	..	..	..	..	22,953	..
Hampton Properties	9,666	..	..	..	4,053	1,546	..
Ivanhoe	5,914	..	..	..	..	11,514	..
Lake View and Star	5,620	..	..	..	3,893	..	..
Lonely Reef	..	..	..	..	..	..	..
Oroville Dredging	..	..	..	..	..	..	..
Pato (19 days to Feb. 6th) ..	..	..	..	..	..	23,644	..
Nechi (15 days to Feb. 6th) ..	..	..	..	..	..	22,685	..
Oroya Links	3,259	..	..	..	..	13,939	..
Planet Aroturus	3,270	..	..	..	1,187	5,641	..
Shanva	53,200	..	..	..	1,380	34,941	10,193
Shoba	4,900	..	..	..	..	34,700	..
St John del Rey	..	..	..	..	..	..	..
Wady Oyo (Sulian)	320	..	..	..	184	660	..

* Loss. (e) 95s per fine oz. (e) Including premium.
a) Par value. (b) 95s 6d net per fine oz. (c) 84s per fine oz.

	Output.	Other Notes in Return.	
		Tons.	Value.
Copper.	Tons.	..	..
Messina	234	..	..
Namaqua	200	..	..
Poderosa	439	..	..
South American	..	..	..
Tin.	Tons.	..	..
Anglo-Nigerian	10	..	..
Berenguela	26	..	..
Boro	24	..	..
Briseis	31	..	..
East Pool and Agar	73	..	..
Gold Coast Consolidated ..	24	..	..
Jantar	153	..	..
Jos	27	..	..
Kaduna Pros.	413	..	..
Kaduna Syndicate	45	..	..
Mongu	59	..	..
Nigerian Base Metals	60	..	..
N. Nigeria (Bauchi)	6	..	..
Premier Hydraulic	521	..	..
Savoy	4	..	..
Tin Fields of N. Nigeria ..	2	..	..
Yarde Kerri	..	..	..
Coal.	4,725	..	..
Miscellaneous.	..	..	..
Burma Ruby	..	..	..

BROKEN HILL, SOUTH.—For the six weeks ended Feb. 9th, 23,550 tons of crude ore and 9,174 tons of dump slime were treated and produced 6,346 tons of lead concentrates, assaying 55 per cent. lead and 23 ozs silver per ton; also 3,188 tons zinc concentrates, assaying 45 per cent. zinc.

BURMA CORPORATION.—Jan. 1.—28,676 tons of ore were mined; 23,730 tons of ore were milled in the treatment plant, producing 11,636 tons of lead concentrate; 10,614 tons of lead-bearing material were smelted in the blast furnaces, producing 4,332 tons of hard lead for treatment in the refinery. Refinery products were 3,950 tons lead and 423,558 ozs silver. Of silver production, 3,040 ozs were recovered from treatment of copper matte. Experimental zinc plant produced 1,001 tons zinc concentrates, assaying 10.5 ozs silver, 66 per cent. lead, and 47 per cent. zinc. In addition, 655 tons zinc concentrates were produced from tailings during previous month, assaying 12 ozs silver, 11 per cent. lead, and 43 per cent. zinc. In addition to above, 200 tons antimonial lead were sold and shipped, and 70 tons copper matte produced ready for shipment from the treatment of accumulated by-products.

NORTH BROKEN HILL.—January production:—North section—19,300 tons of crude ore were treated, producing 3,750 tons lead concentrates, averaging 64.7 per cent. lead, 29.5 ozs silver per ton, and 7.7 per cent. zinc; also 3,350 tons zinc concentrates, averaging 49 per cent. zinc, 7 per cent. lead, and 8 ozs silver per ton. British section—11,570 tons of crude ore were treated, producing 2,010 tons lead concentrates, averaging 61.8 per cent. lead, 27.5 ozs silver per ton, and 7.4 per cent. zinc; also 1,790 tons zinc concentrates, averaging 46.5 per cent. zinc, 6.7 per cent. lead, and 8 ozs silver per ton.

SAN FRANCISCO.—Jan. 1.—Ore treated 9,529 tons; lead concentrates produced 2,143 tons; zinc concentrates produced 2,259 tons. Estimated net smelter return on lead, \$122,972; on zinc, \$43,970; total net smelter return, \$166,942. Operating expenses, \$66,461. Estimated operating profit, \$100,481. Capital expenditure, \$14,655.—[Dec. profit, \$120,100.]

THE BROKEN HILL PROPRIETARY.—Report for four weeks ending January 30, 1924. Iron and Steel Works: Coke Ovens: Produced 20,917 tons of coke, 253,271 gallons of tar, and 318 tons of sulphate of ammonia; No. 1 blast furnace: produced 4,581 tons of pig iron; No. 2 blast furnace: produced 9,470 tons of pig iron; No. 3 blast furnace: produced 1,502 tons of pig iron; Open hearth: produced 20,487 tons; Blooming mill: produced 21,285 tons; 28-in. mill: produced 13,712 tons; 18-in. mill: produced 6,505 tons; 12-in. mill: produced 2,213 tons; 8-in. mill: produced 1,219 tons; Hot mill: produced 4,649 tons; Steel foundry: produced 234 tons of castings; Iron Works: shipped 29,332 tons; Broken Hill: crude ore raised 4,455 tons; Crushing plant: crushed 3,990 tons of crude ore, producing 228 tons of jig concentrates; Slimes flotation plant: produced 683 tons of lead concentrates, and 761 tons of zinc concentrates. Figures do not include tonnage of Broken Hill Proprietary Block 14 Company, Limited.

ZINC CORPORATION.—January 1.—Lead concentrator treated 14,821 tons of ore, producing 3,085 tons of lead concentrates, assaying 63 per cent. lead and 4,040 tons of zinc middlings.

Reports and Notices.

Mr John Heaton, owing to ill-health, has resigned his seat on the board of the Anglo-Argentine Tramways Company, Limited, after nearly twenty years of office. The vacant directorship has been filled by the appointment of the Right Hon. Sir Philip Lloyd-Greame, K.B.E., M.C., M.P., who thus resumes his association with the company, which he relinquished in 1920 on becoming one of His Majesty's Ministers.

We are informed that Sir George Sutton, Bart., Sir T. O. Callender, Mr Daniel Sinclair, Mr Francis Hird, and Mr Albert Edgar Tanner have joined the board of the Enfield Cable Works, Limited.

GOVERNMENT STOCKS, &c.

EXTERNAL DEBT OF HONDURAS.—With regard to the External Debt of Honduras, the Council of Foreign Bondholders are informed that, owing to the delay in the election of a President, it has not been possible as yet to submit to Congress the arrangement accepted at the meeting of the bondholders on May 8, 1923. Congress has been dissolved under a dictatorship, but a new congress is expected to be established before long. It is understood that the Debt settlement is considered as requisite by all political parties, and that it will be taken up amongst the first items of new legislation.

BANKS.

BANK OF NOVA SCOTIA.—The report for the year ended December 30, 1923, shows that assets total \$227,880,799, against \$221,647,324 a year ago. Cash and investments amount to \$131,761,385 of the assets, against \$126,986,092. With regard to liabilities, notes in circulation amount to \$15,074,324; deposits not bearing interest, \$34,557,227; deposits bearing interest, \$140,234,470. With regard to profit and loss, the balance December 31, 1922, was \$173,163; net profits for year, losses by bad debts estimated and provided for, \$2,104,532; making \$2,277,695; dividend No. 213 at 16 per cent. per annum, paid April 2, 1923, \$400,000; dividend No. 214 at 16 per cent. per annum, paid July 3, 1923, \$400,000; dividend No. 215 at 16 per cent. per annum, paid October 1, 1923, \$400,000; dividend No. 216 at 16 per cent. per annum, payable January 2, 1924, \$400,000; war tax on circulation to December 30, 1923, \$100,000; contribution to officers' pension fund, \$75,000; 1923, \$100,000; contribution to officers' pension fund, \$75,000; written off bank premises account, \$250,000; balance carried forward, December 30, 1923, \$252,695. The position of the reserve fund is—Balance December 31, 1923, \$19,500,000.

DOMINION BANK (CANADA).—The report for the year ended December 31, 1923, shows a profit of \$1,129,370, against \$1,175,478 in preceding year. The sum of \$758,163 was brought into the accounts from preceding year, making \$1,887,533 available. The total distribution of 13 per cent. for the year absorbed \$780,000. Contribution to officers' pension fund amounted to \$45,000;

Dominion and Provincial Government taxation amounted to \$162,158, while \$75,000 has been written off bank premises. The balance of \$825,374 is carried forward. The total assets amount to \$122,060,752. The paid-up capital of the bank is \$6,000,000, and the reserve fund stands at \$7,000,000. Notes of the bank in circulation amount to \$7,366,384. The total deposits stand at \$88,906,255.

LONDON MERCHANT BANK, LIMITED.—The report for 1923 shows a net profit of £24,576. The dividend of 7 per cent. on ordinary shares (calculated from the due dates of the instalments to December 31, 1923), viz., 1s 4.57d per share, subject to income-tax. The dividend absorbed £3,656, and £20,920 is carried forward. The reduction of capital has received the sanction of the Court, and stands as follows:—Authorised, £1,500,000; issued, £1,314,745; paid-up, £789,545.

INSURANCE.

NATIONAL MUTUAL OF AUSTRALASIA.—The report for the year ended September 30, 1923, shows that the 13,819 new assurance policies were issued for £5,884,786, as compared with 13,186 policies for £5,007,567 in the previous year. The net premium income was £2,953,024 (£977,819 in single premiums), against £1,833,686, and the expenses were at the rate of 14.71 to the premium income, as against 14.56. The net rate of interest earned on the funds amounted to £5 11s 5d per cent., and the life funds increased by £2,310,583 to £18,868,242.

RUBBER, &c.

SENDAYAN (F.M.S.).—The report for the year ended September 30, 1923, shows a net profit of £8,866, to which is added £15,540 brought forward from previous year, making £24,406 available. The sum of £4,500 is put to reserve, making it £12,000. A dividend of 15 per cent. is paid on the ordinary shares, less income-tax at 4s 9d in the £. This dividend will absorb £10,500, and £9,406 is carried forward, subject to corporation profits tax, commission to the manager and estate staff, and directors' special remuneration. Assets total £125,377, of which £27,212 is in Government securities at cost, and cash amounts to £4,950. Mention is made in the report that the directors have in mind the desirability of acquiring another suitable property if it can be obtained on advantageous terms. With a view to facilitating this, it has been decided to ask for power to increase the authorised capital of the company to £125,000.

TOERANGIE (SUMATRA).—The report for year ended October 31, 1923, shows an improvement on preceding year. The net profit has risen from £4,856 to £10,384, and the ordinary shareholders are to receive 5 per cent., against nothing in preceding year. Income-tax will be deducted from ordinary dividend at the rate of 4s 8d in the £. The balance forward is £7,668, against £4,882 brought in. Assets total £175,420. Cash stands at £3,735, and investments at cost in two British Government securities stand at £10,696.

MISCELLANEOUS.

JUTE INDUSTRIES, LIMITED.—The third report for the year ended September 30, 1923, shows that the dividends received from the subsidiary companies, free of income-tax, amounted to £243,694, to which falls to be added: the transfer fees received, £1,377; and the balance brought from last year, £14,297; making £259,368; and from which falls to be deducted the cost of secretarial and other expenses, £5,753, and loss on merchandise, £4,998, making £248,617. Out of which has been paid:—Imperial taxation, years 1921-22 and 1922-23, £3,652; a dividend at the rate of 9 per cent. per annum on the preference shares for the half-year to May 15, 1923, less income-tax, £101,981; and there was also paid on November 11, 1923, a dividend on the preference shares for the half-year to that date at 9 per cent. per annum, less income-tax, £104,625; leaving for disposal £88,358, which your directors recommend should be applied as follows:—In writing off the preliminary expenses, £30,000; in carrying forward to next year, £8,358.

MAPLE AND CO., LIMITED.—The annual report for the year ended December 31, 1923, states that the profit for the year has been satisfactory, and shows a considerable increase, mainly due to expansion of trade and to there having been no necessity to write down stocks. The South American and French companies have again suffered through the adverse exchanges, and it is considered necessary to make a further allocation to the special reserve on this account. In the circumstances, the directors recommend allocating out of profits £100,000 to reserve for depreciation of foreign currencies, making a total reserve on this account of £200,000. After payment of debenture interest and the dividends on preference and management shares there will remain a balance available for distribution to the ordinary shareholders of £203,720 6s 4d, out of which an interim dividend of 2½ per cent., absorbing £45,000, has already been paid. The directors recommend the payment of a final dividend of 7½ per cent., making 10 per cent. for the year, and the carrying forward of a balance of £23,720 6s 4d to the credit of the ordinary shareholders. It is with regret the directors have to announce the resignations, through ill-health, of their esteemed colleagues Mr Frederick A. Dinham and Mr George W. Edwards, who, as directors for many years, have rendered valuable service to the company.

YORKSHIRE ELECTRIC POWER.—This company has just issued its report and accounts for the year 1923, and a noteworthy record of progress is apparent. The net profit in 1921, after payment of debenture interest, is given as £74,316, and it improved to £101,004 in 1922 and to £130,054 in 1923. The dividend on the ordinary capital is again 8 per cent. The sum of £25,000 is put to reserve,

making that fund £154,000, and £34,640 is carried forward, against £26,538 brought in to the accounts.—Sales of energy, rentals, services rendered to consumers and sundries have jumped from £362,543 in 1922 to £431,444 in 1923. Cash stands in the balance-sheet at £162,319.

ANALYSIS OF BALANCE-SHEETS.

BORAX CONSOLIDATED.

September 30, 1923.		ASSETS.	
LIABILITIES.	Amount.	ASSETS.	Amount.
Cum. pref. shares	800,000 ..	Mines & goodwill	3,057,201 ..
Prof. ord. shares	600,000 ..	Land, &c.	656,620 ..
Def. ord. shares	1,150,000 ..	Stocks	534,180 ..
First deb. stock	42% ..	Deb. red. fund	186,772 ..
Interest accrued	11,250 ..	Advances, &c.	1,150,547 ..
Second deb. stock	42% ..	Sundry debtors	324,315 ..
4% ..	916,450 ..	Death Valley	
Interest accrued	15,465 ..	Railway Co.	82,785 ..
Premium on def. ord. shares	188,626 ..	Cash	412,068 ..
Buildings reserve	103,165 ..	Investment in	
General reserve	400,000 ..	War bonds in	
Deb. red. fund	186,772 ..	respect to pen-	
Second deb. red. reserve	12,588 ..	sions, &c.	39,059 ..
Sundry creditors	528,752 ..		6,319
Bills payable	97,439 ..		
Pensions and grants fund	39,059 ..		
Profit and loss	394,584 ..		
	6,444,147 ..		6,444,147 ..

IMPERIAL TOBACCO COMPANY (OF GREAT BRITAIN AND IRELAND).

October 31, 1923.		ASSETS.	
LIABILITIES.	Amount.	ASSETS.	Amount.
"A" cum. pref. shares	4,959,249 ..	Land, &c.	4,228,945 ..
"B" non-cum. pref. shares	5,260,469 ..	Goodwill, &c.	9,422,582 ..
"C" 10%, non-cum. pref. shs.	2,638,218 ..	Investments	6,056,332 ..
Ordinary	29,951,697 ..	Stock-in-trade	28,386,451 ..
Creditors, &c.	14,640,307 ..	Debtors	6,445,945 ..
Provision for pensions, &c.	1,814,739 ..	Payments in advance	1,534,503 ..
Premium on issue of ord. shares and gen. reserve acct.	5,000,000 ..	Bills receivable	819 ..
Profit and loss	4,941,369 ..	Investments	6,079,263 ..
	67,106,048 ..	Cash	4,951,208 ..
	67,106,048 ..		67,106,048 ..

JUTE INDUSTRIES, LIMITED.

September 30, 1923.		ASSETS.	
LIABILITIES.	Amount.	ASSETS.	Amount.
9% participating pref. shares	3,000,000 ..	Investments in subsidiary cos.	5,629,330 ..
Ord. shares	1,500,000 ..	at cost	64,105 ..
Unclaimed dividends	911 ..	Stocks of merchandise, at cost	59,197 ..
Advances from subsidiary cos.	1,080,839 ..	Preliminary expenses	100,000 ..
Sundry creditors	4,496 ..	Cash	1,252 ..
Balance due to bankers	60,550 ..		60,000 ..
Profit and loss	142,984 ..		161,840 ..
	5,789,779 ..		5,789,779 ..

MAPLE AND CO.

December 31, 1923.		ASSETS.	
LIABILITIES.	Amount.	ASSETS.	Amount.
Prof. shares	1,000,000 ..	Cash	456,896 ..
Ord. shares	1,800,000 ..	Bills, &c.	13,660 ..
Unclaimed dividends	500,000 ..	Sundry debts	1,665,077 ..
4% deb. stock	500,000 ..	Stocks, &c.	1,662,208 ..
Reserve	583,000 ..	Freight and leaseholds	1,097,724 ..
Reserve for depreciation of foreign currencies	200,000 ..	Horses, vans, &c.	54,057 ..
Trade creditors	76,956 ..	Plant, &c.	31,635 ..
Sundry creditors	257,754 ..	Investments	95,443 ..
Profit and loss	158,720 ..		749
	5,076,630 ..		5,076,630 ..

S.T.D. MOTORS, LIMITED.

(Formerly A. DARRACQ AND CO. (1905), LIMITED.)

September 30, 1923.		ASSETS.	
LIABILITIES.	Amount.	ASSETS.	Amount.
Prof. ord. shares, £1	1,250,800 ..	Cash	31,714 ..
Ord. shares, £1	1,394,608 ..	Loans to subsidiary cos. & debit balances	1,720,772 ..
Share premium account	294,357 ..	Investment in at cost	55,687 ..
General reserve	250,000 ..	Shares in other companies, at cost	2,294,600 ..
Central reserve	59,237 ..	Leasehold land, buildings, &c.	46,570 ..
Investment depreciation account	35,000 ..		11,067
Sundry creditors	121,925 ..		
Profit and loss	234,416 ..		
	4,149,343 ..		4,149,343 ..

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Div. or Final Div.	Date of Payment.	Method of Payment.	Dividend for Whole Year.
Railways.					
Belfast and County Down	5% ..	Interim	April 1	Less tax	5
Canadian Pacific	2 1/2% ..	Final	..	..	5
Great Western	5% ..	Interim	..	..	3
London, Midland, and Scottish	4% ..	Interim	..	..	8
Banks.					
Bank of Mysore	..	..	..	Tax free	12
Bank of Nova Scotia	..	..	..	..	16
Dominion (Canada)	..	..	..	..	13
Insurance.					
New Zealand	1/9 p.a.	Feb. 13	..	..	15
Sea	1/9 p.a.	Feb. 20	..	..	15
Standard Life	5% ..	..	..	Tax free	..
Tea and Rubber.					
Limbuguri Tea	10% ..	Feb. 19	..	Less tax	12 1/2
Lunas Rubber	7 1/2% ..	..	..	..	15
Sendayan Rubber	..	..	..	..	7 1/2
Mining.					
Deeboom Dredging	1/6 p.a.	Feb. 27	..	..	..
Keely Silver	8% ..	..	..	..	..
Other Companies.					
Aberdeen Combs	..	..	..	..	7 1/2
Anderson's Royal Polytechnic	..	..	..	..	7 1/2
Ashton Bros.	5% ..	..	..	..	10
Average Trust	20% ..	..	..	..	5
Australian Agricultural	3/6 p.a.	Mar. 7	..	Tax free	40
Bolton Colliery	..	..	..	..	6
Bovril, Limited, Deila	6% ..	..	..	..	16
Bristol Gas	..	..	..	Tax free	11 1/2
British Wagon, £3 paid	3% ..	..	..	..	5
Burlington Hotels	..	..	..	..	7/6 p.a.
California Petroleum	13% ..	Mar. 1	..	..	5
Canadian Car and Foundry, Pref.	..	Apr. 10	..	..	..
Central Electric Supply	..	..	..	..	..
City of Durham Gas (Original)	5% ..	Feb. 15	..	..	5
Do (additional)	..	..	..	..	..
City of London Electric	2 1/2% ..	Feb. 15	..	..	15
Clyde Valley Electrical	10% ..	..	..	..	15
Do (3 1/2% Stock)	..	..	..	..	8
Do (5% Stock)	..	..	..	..	8
Edinburgh American Land	8% ..	..	..	..	6 1/2
Fleetwood Estate, Pref.	..	..	..	..	15
Four per Cent. Dwellings	2% ..	Feb. 14	..	..	5
Do £1 paid	1% ..	..	..	..	4
Hercules, Limited	8% ..	Mar. 1	..	..	2/6 p.a.
Holt Brewery	..	..	..	..	..
Hugon's, Limited	5% ..	..	..	..	11
Ingersoll Rand Co.	8% ..	..	..	..	10
International Investment, Def.	..	..	..	..	6
International Paint, &c.	..	..	..	..	5
Isaac Holden and Sons	1% ..	Mar. 1	..	..	3
James Watson	..	..	..	..	7 1/2
Johnston, Mooney, and O'Brien	10% ..	..	..	..	12 1/2
Kelsall and Kemp	..	..	..	..	14
Kensington and Knightsbridge Electric	7 1/2% ..	..	..	..	14
Kingston-on-Thames Gas	..	..	..	..	7
Kirkstall Brewery	5% ..	..	..	..	12 1/2
Langhams Hotel	..	..	..	..	12 1/2
Lee and Green	..	..	..	..	25
Linoleum Manufacturing	..	..	..	..	58
Liverpool Gas	..	..	..	..	8 1/2
London United Laundries	..	..	..	..	10
Manchester Corn Exchange	..	..	..	..	8 1/2
Manchester Ship Canal	..	..	..	..	15
Mater and Platt	..	..	..	..	15
Merchandise Trust	..	..	..	..	15
Mutual Tontine Chambers	..	..	..	..	9
National Gas Engine	..	..	..	..	5
Newcastle and Gateshead Gas	..	..	..	..	5
North's Navigation Collieries	..	..	..	..	10
N.W. Co-operative Cold Storage	..	..	..	..	15
Pearson and Knowles Iron	..	..	..	..	15
Do 2nd Pref.	..	..	..	..	6
Pennsylvania Water	..	..	..	..	7
Perry and Co., Pref.	..	..	..	..	5
Powell-Duffryn Steam Coal	..	..	..	..	7 1/2
Premier Investment	..	..	..	..	7 1/2
Railway Debenture Trust	..	..	..	..	7 1/2
Royal Brewery	..	..	..	..	7 1/2
Scottish Western Investment	..	..	..	..	12
Scottish Wagon	..	..	..	..	10
Second Alliance Trust	..	..	..	..	10
Selridge and Co.	..	..	..	..	10
"Sentinel" Wagon Works, Pref.	..	..	..	..	10
Sleaford Laundry	..	..	..	..	7 1/2
Sleaford (Lincol.) Gas	..	..	..	..	10
Sleford Brick	..	..	..	..	10
South Staffs Water	..	..	..	..	10
S.T.D. Motors, Cum. Pref.	..	..	..	..	7 1/2
Telegraph Construction, &c.	..	..	..	..	10
Temperance Billiard Halls	..	..	..	..	10
T. Lyons and Co.	..	..	..	..	10
Torquay Tramways	..	..	..	..	10
Tottenham District, "A"	..	..	..	..	10
Do "B"	..	..	..	..	10
Union Commercial Investment	..	..	..	..	10
United Strip and Bar Mills, Pref.	..	..	..	..	10
United Turkey Red	..	..	..	..	10
Walker and Wallend Gas, 3 1/2%	..	..	..	..	10
West Cheshire Water	..	..	..	..	10
Wigan Coal and Iron	..	..	..	..	10
William Griffiths and Co.	..	..	..	..	10
Winterbottom, Strachan, and Playne	..	..	..	..	10
W.T. Henley's Telegraph Works	..	..	..	..	10
Do 5% ..	..	..	..	..	10
Yorkshire Electric Power	..	..	..	..	10
Yorkshire Indico	..	..	..	..	10

LUDLOW BROTHERS.—In view of the large amount due for taxation, directors regret being unable to recommend ordinary dividend for year.
SHAW HARBOUR DOCK.—The directors are unable to pay a dividend on either the preference or ordinary shares.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Feb. 8, 1924.	(c) Week ended Feb. 9, 1924.	Week ended Feb. 10, 1924.						Aggregate 6 Weeks, 1924.		
Miles Open.	Passen- gers,&c.	Goods, &c.	Total for Week.	Passen- gers,&c.	Goods, &c.	Total Re- ceipts.				
	£	£	£	£	£	£				
Great Western.....	3,754	201,000	369,000	570,000	1,145,000	1,801,000	2,946,000			
Do for 1923	3,679	204,000	363,000	567,000	1,307,000	1,970,000	3,277,000			
London & North Eastern	6,703	335,000	733,000	1,068,000	1,881,000	2,560,000	4,441,000			
Do same period 1923	6,701	331,000	751,000	1,082,000	2,091,000	2,401,000	4,492,000			
London, Mid., & Scottish	6,954	340,000	945,000	1,285,000	2,128,000	2,498,000	4,626,000			
Do for 1923	6,952	500,000	911,000	1,411,000	3,075,000	5,537,000	8,612,000			
Southern	2,146	248,000	113,700	361,700	1,438,000	585,400	2,023,400			
Do for 1923	2,146	249,000	115,000	364,000	1,584,500	716,200	2,304,700			
Metropolitan (c)	793	30,718	3,992	34,710	188,413	21,733	210,146			
Do for 1923	793	31,080	4,060	35,140	190,098	23,252	213,350			
Underground E.R. (c) ..	..	..	..	219,908	..	..	1,297,841			
Lon. & Sub. Group (c) ..	..	..	..	+ 9,822	..	..	+ 81,874			
	..	..	..	+ 36,166	..	..	+ 217,900			
Belfast & Co. Down (b) ..	80	3,650	1,270	- 1,265	20,895	6,859	27,545			
Dublin and S. East (b) ..	160	4,907	3,832	- 792	30,637	19,695	50,332			
Gt. Northern (Ireland) (b) ..	562	16,550	18,850	35,400	..	..	51,446			
Gt. Sth. & Western (b) ..	1,151	19,649	34,120	53,769	..	..	317,776			
Midland Gt. West. (b) ..	538	7,810	11,077	18,887	46,716	71,379	118,095			

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1924. + or -	1924. + or -
INDIAN.					
Assam Bengal	41 weeks	Jan. 12	1,072	2,800,000 +	8,277 1,053,463 +
Barsi Lt. Ry.	42 weeks	Jan. 11	118	45,700 +	10,100 13,621,000 +
Bengal & N. Western	46 weeks	Jan. 12	1,218	55,216 +	87,804 44,415,130 +
Bengal Nagpur	41 weeks	Jan. 12	2,738	15,410,000 +	31,000 5,794,063 +
Bombay, Bar., & C.I.	45 weeks	Feb. 9	2,994	29,400,000 +	23,500 9,823,300 +
Burma	41 weeks	Jan. 12	1,342	8,08,823 +	68,686 2,75,378 +
Delhi, Umballa & Kalka	41 weeks	Feb. 9	2,873	34,320,000 +	14,671 18,76,503 +
East Indian	45 weeks	Jan. 12	2,164	35,66,800 +	35,200 11,65,789 +
G. Indian Peninsula	42 weeks	Jan. 12	3,029	13,75,000 +	60,794 5,88,39,453 +
Madras & S. Mah.	41 weeks	Jan. 12	2,559	63,499 +	74,2 7,67,387 +
Rohilkhand & Kumaon	41 weeks	Jan. 12	314	86,727 +	15,017 9,04,418 +
Do Lucknow-Breilly	41 weeks	Jan. 12	1,877	8,63,369 +	92,008 4,06,56,577 +
South Indian	42 weeks	Jan. 12	1,877	8,63,369 +	92,

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefere.	Ordinary.				
		£	£	£	Amount.	Amount.	Rate.	£	£	%
Banks.										
London Merchant	Dec. 31	..	24,576	24,576	..	3,656	7	20,920	..	..
Gas.										
Commercial Gas	Dec. 31	55,503	142,059	197,562	..	124,396	6	73,166	150,543	51
Kingston-on-Thames	Dec. 31	8,723	19,606	28,329	..	14,012	7	13,817	..	51
Newcastle-upon-Tyne & Gateshead	Dec. 31	28,980	116,404	145,384	10,007	93,795	5	31,682	113,686	43
Portsea Island	Dec. 31*	39,788	15,080	54,868	..	18,683	..	36,185	27,128	..
Tottenham District Light, &c.	Dec. 31	39,288	76,606	115,894	9,170	55,838	8	15,075	89,049	73
Walker and Wallsend Union	Dec. 31	13,581	13,979	27,560	2,030	8,382	51	3,481	13,667	51
York Gas	Dec. 31	5,226	14,526	19,752	1,550	12,798	41	547	4,857	41
Electric Lighting and Power.										
Central Electric	Dec. 31	5	5,010	5,015	..	5,000	5	15	4,997	5
Clyde Valley Electrical Power	Dec. 31	33,343	205,897	239,240	58,000	48,000	8	104,132	151,638	8
London Electric Supply	Dec. 31	22,652	110,831	133,483	26,952	33,300	10	40,000	33,231	10
St James' and Pall Mall	Dec. 31	15,916	73,379	89,295	7,000	35,000	171	30,980	16,315	141
Yorkshire Electric Power	Dec. 31	26,538	130,054	156,592	38,284	58,668	8	25,000	34,640	8
Hotels, Restaurants, &c.										
Langham Hotel	Dec. 31	20,025	10,524	30,549	..	10,773	121	19,776	14,556	121
Motor and Cycle.										
Crossley Motors	Dec. 31	Dr 321,879	55,366	Dr 266,513	(64,043)	..	..	Dr 266,513	Dr 97,584	..
S.T.D. Motors	Sept. 30	132,237	102,179	234,416	(31%)	..	..	170,373	56,017	..
Willy's Overland Crossley	Dec. 31	Dr 73,261	1,305	Dr 71,956	..	..	..	Dr 71,956	11,014	..
Rubber, &c.										
Sendayan (F.M.S.)	Sept. 30	15,540	8,866	24,406	..	10,500	15	4,500	9,406	71
Stoughton (Perak)	Sept. 30	Dr 1,981	541	Dr 1,440	..	..	..	Dr 1,440	457	..
Toerangie (Sumatra)	Oct. 31	4,882	10,384	15,266	..	7,500	5	98	7,668	4856
Iron, Coal, and Steel.										
Ludlow Brothers (1913)	Dec. 31	3,648	9,657	13,305	2,767	..	..	2,000	8,538	20,061
Shops and Stores.										
Harrod's (Buenos Aires)	Aug. 31	..	97,502	97,502	..	..	..	..	97,502	Dr 52,908
Jeremiah Rotherham and Co.	Jan. 15	71,726	110,015	181,741	10,000	72,000	12	20,000	79,741	121
Maple and Co.	Dec. 3	47,231	216,489	263,720	60,000	180,000	10	23,720	275,415	10
South American Stores	July 31	9,779	116,533	126,312	48,000	30,000	2	28,000	10,312	Dr 123,973
Textiles.										
Ashton Brothers and Co.	Dec. 31	5,929	Dr 37,283	Dr 31,354	4,151	8,302	5	Dr 48,676	Dr 85,309	51
Jackson and Steele	Dec. 31	7,112	2,445	9,557	..	..	..	..	9,557	5,101
Tramways.										
Torquay Tramways	Dec. 31	2,212	28,372	30,584	..	10,800	91	17,140	2,644	..
Trust.										
Premier Investment	Jan. 31	27,211	47,983	75,194	22,500	21,000	7	..	31,694	43,224
Railway Debenture and General	Jan. 15	13,718	70,837	84,555	22,505	35,007	7	13,000	14,043	61
Railway Share Trust and Agency	Jan. 15	15,456	59,987	75,443	28,278	24,000	6	8,861	14,304	6
Union Commercial Investment	Jan. 31	5,713	14,476	20,189	7,500	6,000	6	..	6,689	14,208
Waterworks.										
East Worcestershire	Dec. 31*	4,685	3,754	8,439	..	1,774	31	2,000	4,665	4,716
South Staffordshire	Dec. 31	11,702	81,178	92,880	15,447	60,567	7	4,000	12,866	66,148
Sunderland & South Shields Water	Dec. 31	25,442	47,369	72,811	1,087	46,186	8	..	25,538	63,720
Other Companies.										
Baxter's Leather	Dec. 31	729	11,049	11,778	1,883	7,335	6	2,000	560	..
Borax Consolidated	Sept. 30	123,893	356,513	480,406	80,000	172,500	15	90,825	137,081	330,830
British Wagon	Dec. 31	6,790	17,887	24,677	..	12,512	121	5,000	7,164	11,771
Country Life	Dec. 31	8,766	25,535	34,301	..	18,000	121	3,000	13,301	..
Imperial Tobacco Co.	Oct. 31	568,444	7,474,687	8,043,131	852,208	5,990,340	(t) 201	679,039	521,544	7,199,077
John Anderson's Royal Polytechnic	Jan. 19	11,617	41,505	53,122	5,000	30,000	121	..	18,122	41,313
Johnston, Mooney, and O'Brien	Dec. 31	10,695	7,982	18,677	3,000	5,000	5	..	10,677	6,657
Manchester Corn, Grocery, and Produce Exchange	Dec. 31	..	18,270	18,270	..	15,071	(s) 81	..	3,199	17,484
Scottish Wagon	Dec. 31	793	22,821	23,614	..	19,397	10	3,000	1,217	19,657
Winterbotham, Strachan & Paine	Jan. 31	10,993	46,227	57,220	11,562	26,979	10	7,500	10,279	46,062

* Half-year. † Free of tax. (s) Also dividend of £89 2s 1d, less tax, on £10 founders' shares. (t) Paid on a larger capital.

ship 33s per 400 lbs. Maize quiet. Plate ex ship 43s 9d, landed 45s 6d, Bessarabian ex ship 43s 9d, landed 45s 6d, per 480 lbs. Oats: English steady and quoted at 9s 4d-10s 6d per 112 lbs free on rail. Imported unaltered. Plate f.a.q. new crop ex ship 21s 9d, old crop landed 23s 9d, No. 2 Canadian Western landed 23s, No. 3 ditto landed 27s, No. 2 Canadian feed landed 25s per 320 lbs. Millers' offals quiet. Broad bran quoted 8s-8s 6d, ordinary ditto 7s 9d-8s, middlings 9s, fine ditto, 10s, bags included, ex mill, light oats, 6s 9d, powdered oat husks, 8s 3d, feed oatmeal 9s 9d, ground oats 12s 9d free on rail per cwt. Oatmeal in fair demand at previous rates. London made, flaked, also rolled oats 17s 6d, medium and fine cut 17s 6d, coarse and medium pinhead 17s 6d, ordinary Scottish oatmeal 17s 6d, and American 16s 9d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-24.	1922-23.	1921-22.	1920-21.
Estimated sales of home-grown wheat—				
1 week to February 9	Cwts. 327,651	Cwts. 428,999	Cwts. 452,358	Cwts. 292,480
25 weeks to February 9	8,264,315	10,595,598	9,560,313	7,928,627
Average price of English wheat per cwt.	s d 10 4	s d 9 6	s d 10 9	s d 11 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1920 to 1923:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1924.						
Feb. 2	Cwts. 266,409	Cwts. 282,209	Cwts. 80,351	s d 10 4	s d 11 4	s d 9 10
Feb. 9	327,651	264,149	87,572	10 7	11 6	9 11
1920	429,531	177,521	64,342	16 11	28 7	21 5
1921	292,479	285,889	42,894	18 11	17 9	14 0
1922	452,357	213,321	65,640	10 10	12 0	10 4
1923	428,999	227,725	76,956	9 6	9 0	9 11

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated February 14th, is as follows:—Pig-iron.—Consumers are holding back until the settlement of the Labour position, and business is, therefore, very quiet. Prices have eased a little, as stocks of pig-iron are tending to increase and makers are a little anxious on that account. No. 3

Cleveland G.M.B. is 97s 6d per ton, and mixed numbers E.C. hematite 101s 6d per ton. Manufactured iron and steel.—There is plenty of work for steelworks supplying shipbuilding steel, but new orders are scarce. Quotations are as follows:—Steel ship plates, £10 to 55s; steel ship angles, £10; iron bars, £12; steel rails, £9. Iron ore.—Business in imported ore is slow. Freighters have held their recent rise and tonnage is not plentiful. On the other hand, prices of ore have not risen. Best Bilbao Rubio ore is nominally 24s per ton, c.i.f. Tees.

Our Sheffield correspondent writes:—The flatness of the iron market and the semi-steel department reported last week continues, and the business done this week has been insignificant in volume and generally unremunerative. Recent heavy importations of Continental material have exerted a malign influence upon conditions in this country. Prices, although not quotably lower, are distinctly easier, and producers have made concessions in some cases to secure orders. Some amount of stock is accumulating at furnaces. There has been a sharp reaction in the scrap market, and users of heavy old steel are offering 10s a ton less than the current value of a few weeks ago. As holders of scrap are standing out for higher figures, transactions are on a minimum scale. In the acid steel department conditions are a good deal more active than at any time last year, a large tonnage being used for railway forgings of various descriptions. The demand, however, is irregular. About 65 per cent. of the open-hearth furnace capacity in the district is operating. Conditions in the foundry trade are improving so far as the home market is concerned, and the same may be said of engineering. Agricultural engineers are doing badly in the absence of overseas business. Trade continues steadily to improve in all the hand-tool branches, and the season for garden and farm requisites has opened with excellent prospects. A strike of grinders has caused a partial paralysis of the cutlery trade at a time of heavy demand for table knives. Imports of German cutlery and tools are declining, and the prices of goods advancing. Expensive silver and electro-plated goods are neglected, whereas there is plenty of business in cheap lines. The fuel market is strong in all sections. Quotations per ton at pits are as follows:—Best hand-picked branch, 35s; Barnsley best silken, 30s 6d; Yorkshire hards, 25s; Derbyshire ditto, 24s; rough slacks, 12s 6d; smalls, 7s to 8s; blast-furnace coke, 24s to 30s.

Our Glasgow correspondent, writing on Wednesday, says:—The position in the pig-iron market this week is practically unchanged. Shipments on account of existing contracts are fairly regular, and prices have been maintained, on the whole, though in some quarters there is a tendency to shade prices, but buyers are inclined to be cautious. Shipments of Scotch last week were close on 1,100 tons. In the finished iron and steel branches works are very comfortably placed as regards the immediate future, and are turning out very large quantities of ship plates and sectional materials. New business is not, at the moment, coming forward in sufficient quantity to encourage the view that this satisfactory position will be long maintained. At the same time, prices are being well held, in spite of competition from the Continent. Recent Continental quotations are decidedly higher, and this, taken in conjunction with the disadvantage of uncertainty regarding deliveries—caused by congestion on the foreign railways—is strengthening the position of the British makers, and it is believed that some further good steel orders presently pending will certainly be placed with British works. The demand for galvanised sheets for export continues strong, and few makers are able to offer anything for shipment earlier than April. With prices firm about the market for black sheets is £18 10s, there are steady buyers. The market for black sheets is well filled, with sufficient on hand to keep mills fully employed for several months. Shipments during the past week have been considerable.

Our Cardiff correspondent writes:—The menace of the strike of dockers at the end of the week has stimulated activity at the South Wales ports this week. The supply of tonnage has been enormous. The existing facilities have been inadequate to cope with it, and during mid-week nearly 100 vessels were held up through lack of berthing accommodation. The position might have been eased if the tippers had agreed to resume the working of the third night shift, but the workmen have adhered to their attitude of uncompromising opposition to that shift, and no move has been made by their officials, although it is now several weeks since the employers acquiesced to the proposal of the Industrial Court to refer the issue to arbitration. The result is that, while outward rates of freight have shown further weakness, the prices of coal have been very strong. Actual business, however, has been practically confined to prompt cargoes and parcels. Merchants have abstained from placing orders for future delivery in consequence of the uncertain progress of the negotiations between the port authorities and the National Transport Workers' Federation. If the strike takes place the working of the South Wales docks would be very appreciably affected. Prices of coal have not shown any further appreciable advances, but the steam and bituminous grades have been very firm. The following are the current approximate quotations:—Best Admiralties, 30s to 31s; second Admiralties, 29s 6d to 30s; best drys, 28s to 29s 6d; black veins, 29s to 30s 6d; Western Valleys, 28s to 29s 6d; Eastern Valleys, 27s to 28s 6d; best bunker smalls, 22s to 23s; ordinary cargo smalls, 18s to 20s; coking smalls, 23s to 24s; anthracite big vein, large, 40s to 42s 6d; machine-made cobbles, 45s to 50s; French nuts, 50s to 52s 6d; stove nuts, 52s 6d to 55s; rubbly culm, 13s 6d to 14s; coke for export, 55s to 60s;

inland blast furnace coke at ovens, 30s to 35s; patent fuel, 30s to 32s 6d; pitwood, ex ship, 33s to 34s. In the iron and steel trades the dearthness of tin is reacting on the market for tinplates, and there is talk of a probable advance in the minimum prices. Production is very active, and while the imports of iron ore are above the weekly average for last year, those of foreign blooms, billets, and bars are phenomenally heavy. The imports from Belgium and France last week created a record, and they were consigned chiefly to the manufacturers of steel sheets and heavy steel goods in the Monmouthshire district.

METALS.

Tin market commenced with an easier tone, but later improved on a good demand and higher cables from the East. Cash sold at £264 15s to £275 10s, and three months £260 to £271 10s. Eastern cables reported sales on the basis of £263 10s and £268, c.i.f. At Thursday's market values further hardened under sustained buying orders. Standard cash sold at £281 to £282 to £282 to £280 10s, while finally registered at £281. Three months £277 to £278 10s to £276 5s to £277 10s. After opening easier, values moved in an upward direction on Friday, with buyers less in evidence. Standard cash sold at £280, and three months £274 10s to £276 to £275 10s to £278. English ingots quoted at £282 to £282 10s. Copper was in active request, and prices tended in sellers' favour due to firmer advices from America. Standard cash sold at £62 5s to £62 17s 6d, and three months £63 5s to £63 25s 6d to £63 12s 6d. Again dearer at Thursday's session, with business on a liberal scale. Cash sold at £63 7s 6d to £63 11s 3d, mid-March £63 12s 6d to £64, and three months at £64 5s to £64 10s to £64 8s 6d. Very active trading occurred on following day, and rates, while somewhat irregular, moved in sellers' favour. Standard cash quoted at £64 15s to £65 12s 6d to £65, while finally at £65 15s. Electro £69 to £69 10s, best selected £68 to £69 5s, strong sheets £65; wire, £69 10s, best selected £68 to £69 5s, strong sheets £65; wire, £69 10s. Lead firmer and quoted at £34 12s 6d-£33 15s to position. Spelter dearer while in good demand, and quoted at £37-£36 10s to position. Aluminium, home, £115; export, £120. Antimony, English special brands, £54 10s to £55.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—February 8, 1924.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1923.				Same Period 1922.			
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.	d	d	d	d	d	d	d	d	d	d	d	d	d	d
Florida do.	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do.	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American	Ord 1639	G O L M	G O L M	G M F	G M F	G O L M	G O L M	G O L M	G O L M	G O L M	G O L M	G O L M	G O L M	G O L M
Brazilian:	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Peruana, Macao, &c.	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Parayaba, Rio Grande, &c.	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Ceara, &c.	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Rio Paulo	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Upper	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Sakellaridis	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Brown	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Peruvian	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Rough	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Moderately Rough.	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Smooth	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Tanguis	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Mitid	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
West Indian, do.	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Do	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
African, East, &c.	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Do	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
East Indian:	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Machine Ginned Surtee	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Machine Ginned Broach.	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Machine Ginned Brownings	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Machine Ginned Comra. No. 1	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Machine Ginned Comra. No. 2	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Machine Ginned Khandesh	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Machine Ginned Comrah.	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Machine Ginned Bengal.	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Maori line Ginned Solnde	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Tinnivelly	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Madras, Western	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
Madras, Northern	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
M. G. Cocanada, Red.	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849
China, Smyrna, &c.	Mid 1639	1689	1789	1889	1989	2094	1499	1549	1599	1649	1699	1749	1799	1849

(I.) Comparative Statement of the Cotton Trade.

	Price, Feb. 14, 1924.	Previous Weeks in 1924.				
		Price, Feb. 7.	Price, Jan. 31.	Price, Jan. 24.	Price, Jan. 17.	Price, Jan. 10.
Raw Cotton—Fully Mid. American .. per lb	18-99	19-67	19-47	19-75	19-54	19-85
— Sakellaridis Fully Good Fair .. per lb	22-90	23-15	23-15	23-35	23-00	23-10
Yarns—32's twist .. per lb	25-1	25-1	25-1	25-1	25-1	25-1
— 40's twist .. per lb	25-1	25-1	25-1	25-1	25-1	25-1
— 60's twist (Egyptian) .. per lb	34-1	35-1	35-1	36-1	36-1	36-1
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	37 0	37 9	38 0	38 3	38 3	38 9
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	40 9	41 6	41 9	42 0	42 0	42 3
38-in. ditto, 38 yds, 18 by 16, 10 lbs ..	21 6	21 9	22 0	22 0	22 0	22 6
38-in. ditto, 37 yds, 16 by 15, 8 1/2 lbs ..	19 3	19 6	19 9	20 0	20 0	20 6

(II.) Compared with Previous Years.

	Price, Feb. 14, 1924.	Corresponding dates in				
		1923.	1922.	1921.	1920.	1919.
Raw Cotton—Fully Mid. American .. per lb	18-99	15-95	10-56	9-27	32-12	18-12
— Sakellaridis Fully Good Fair .. per lb	22-90	17-50	17-50	16-50	96-00	27-09
Yarns—32's twist .. per lb	25-1	22-1	17-1	21	22-1	27-1
— 40's twist .. per lb	25-1	22-1	16-1	20	27-1	28-1
— 60's twist (Egyptian) .. per lb	34-1	28-1	28-1	27	145-1	58-1
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	37 0	32 3	28 6	39 6	95 0	52 0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	40 9	34 9	28 9	35 0	89 6	50 6
38-in. ditto, 38 yds, 18 by 16, 10 lbs ..	21 6	19 0	17 9	22 0	51 0	30 0
38-in. ditto, 37 yds, 16 by 15, 8 1/2 lbs ..	19 3	18 0	16 9	20 0	45 0	25 0

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The outstanding feature of the wool textile industry is the remarkable way in which raw material is being sold. No doubt many buyers are influenced to some extent by the possibility of a shortage in supplies towards the end of the year, and before the next clip can be marketed, and this probably means that a fair amount of speculative buying is being done. The fact remains, however, that buyers in every country are keen, and although prices are now on a very high level, it would occasion no surprise if values go still higher before the end of the selling season in the colonies. Under the influence of strong wool markets in all centres, topmakers are naturally adopting a policy of caution in regard to new business. Prices are still below replacement costs, and firms will sold forward are inclined to quote protective rates. On the whole, there has been very little change in quotations during the past week, and in most cases tops can still be bought at about last Thursday's level. The real fact is that the demand is decidedly better for wool in the bale and for matchings, and with every stage of manufacture the margin of profit dwindles. Spinners are now well employed, and some good orders have been booked during the last week or two. Unfortunately, in many cases difficulty is being experienced in getting particulars against orders, and this suggests that a certain amount of the recent business has been of a speculative character. However, quotations for yarns are very firm, and although spinners cannot sell at anything like replacement costs, they are doing fairly well, and extreme undercutting is largely a thing of the past.

COLONIAL WOOL.
(FROM A CORRESPONDENT.)

The first series of Colonial wool sales for the year came to a finish last Tuesday, and the results are worthy of the traditions of Coleman street Wool Exchange. The demand for the raw material remained exceedingly good, there was no falling off whatever in the competition, and prices generally in merinos appreciated 7 1/2 to 10 per cent., fine crossbreds 10 to 15 per cent., and medium and low crossbreds fully 15 per cent. compared with the close of the December auctions. This has carried prices to the highest point since the days of the slump, and at last the price of every grade of wool is well above a parity with July, 1914. In the case of merinos, the advance is well over 100 per cent., and other descriptions, particularly fine crossbreds, are costing nearly double what they were worth at the series before the Great War broke out. The rise in medium and coarse crossbreds since last October also means that these wools are now sensibly higher than before the war; in fact, wool of every quality is now fetching big figures. It simply shows that wool is an article of first importance in the trade of the world, and is being wanted in increasing quantities. The home trade has proved to be by far the biggest buyer, taking all round 88,000 bales; 69,000 bales have gone to the Continent, and 6,000 bales to America. Considering the state of the exchanges, it is certainly creditable that the Continent has purchased such a big weight of wool, the renewed activity on German account being significant. It is also believed that a reasonable quantity will finally find its way to Russia, while the purchases of America are the largest for several series.

VEGETABLE OILS AND OILSEEDS.

The first arrivals of the new Plate linseed are to hand, and with shipments now reaching a high level, the outlook for increased production of linseed oil is much better, and the present stringency should soon be eased. Over 200,000 tons of linseed are on passage from Argentina to Great Britain and the Continent, and

10,000 tons from India. This has had the effect of steadying prices both of seed and oil, the latter of which is 40s per ton down on the week for spot and near positions. Egyptian cottonseed is lower, and little trade has been done. Cotton oils, however, are in less active demand, but late prices are held.

Imports of oilseeds, nuts and kernels from abroad in January totalled 149,956 tons, against 134,955 tons in January last year. The exports of vegetable oils manufactured or produced in the U.K. were: refined 3,296 tons, and unrefined 8,093 tons, against 2,581 tons and 10,247 tons respectively a year ago. The feature was the large exports of cotton, soya and palm kernel oils. Linseed oil at 1,810 tons was nearly 1,000 tons less than in January, 1923.

HIDE AND LEATHER TRADES.

(BY OUR OWN CORRESPONDENT.)

The home market is still advancing in hides, best ox selling from 7d to 8 1/2d in Bermondsey on Thursday. Tanners are free buyers, and competition is keen for the better selections, suitable for sole leather. Calf skins are also very firm, and best grades sold from 7 1/2d to 16 1/2d at the auctions. Wools sold from 8s to 16s, and hogs from 5s to 20s 3d, the competition being very keen to obtain them, owing to the good price fellmongers are getting for pelts and wool. Fregorific hides are still too dear for our tanners to buy in quantity, and they are refusing to follow the South American market, although America and the Continent seem content to pay the high rates demanded. Australians and Africans are in consequence selling freely. The Chicago position is cabled as strong, with best heavy packers now selling at 16c. The French embargo on the export of hides and skins is now in force, and a few chrome tanners are finding the stoppage of supplies of calfskins very inconvenient.

There is a decided briskness in the demand for sole leather, and tanners are obtaining higher prices for bends and offal. No French sole is now arriving, and American supplies are short, so that the home tanners' position is very secure for the time being. A few Swedish bends are now on the market, as some users prefer a hammered sole leather, which suits repairers and sole cutters. Imports of undressed leather—mainly sole—for January last amounted to 1,418 cwts from Germany, 1,764 cwts from France, and 8,060 cwts from the United States.

The demand for upper stock is improving, and curriers are turning out semi-chrome and waxed leather in quantities, the only trouble being the high price of rough E.I. kips. Box and willow

SOUTH-NORWAY.

FREDRIKSSTAD
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Banking and Exchange
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of every description.

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are wanted, and prices are advancing, the cessation of the supply from France affecting the position.

The boot trade is also more lively, the home trade now ordering spring supplies. Exports of footwear last month were valued at £360,927, and imports £96,218.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, February 15th.

SUGAR.—This market continues on a strong upward course, and fresh advances were registered in all directions, while available supplies of grocery sugars are well sought after, with steady absorption in the case of manufacturing. Another stimulating factor proved a report as to Cuban yield falling off in some districts, and fears expressed that ultimate out-turn will not reach estimates. Of British refined, Messrs Tate and Lyle's cubes, also crushed, advanced 2s 3d per cwt, other kinds 1s 6d, and forward granulated 1s 6d. Cubes now 66s 9d to 67s 9d; crushed, 65s 3d; granulated, fine and coarse grain, 64s 7 1/2d; No. 2, also London and T.L., 64s 1 1/2d; ditto forward, 64s; yellow crystals, spot, 59s 7 1/2d; caster, 64s 9d to 66s 10 1/2d, as to quality. All imported sugars very sparingly offered and held for higher figures. White Java, spot, 61s 3d; ditto, May-June, quoted 29s 6d, and June-July, sold, 28s 6d, c.f. and i. terms London, Czech granulated, spot, 62s 6d to 63s; Cuban, basis 96 per cent. March, quoted 30s 6d c.f. and i. terms U.K. 100 tons Madras, cane-jagerry, March-April, sold 22s 6d, c.f. and i. terms London. White Terminal market again disclosed active movements at firmer though rather irregular prices. February delivery sold 34s 9d; March, 34s 9d to 34s 10 1/2d; May, 34s 3d to 34s 10 1/2d; 34s 9d; 34s 10 1/2d and 34s 3d; August, 31s 9d to 32s and 31s 3d; November, 26s; December, 26s to 26s 1 1/2d and 25s 9d; and October-December, 26s 6d cwt.

COFFEE.—Market generally quieter owing to export demand being adversely affected by fears of threatened dock strike, and prices are barely steady. Futures firm, quiet. March, quoted 82s; May, 84s 6d; July, 83s 9d cwt.

COCOA.—Market steady, unchanged on spot. Accra, F.F. grade forward, sold 37s 3d f.o.b.

TEA.—During the week 54,276 packages Indian were offered, and while all good to fine qualities were eagerly competed for at full rates owing to comparatively small supplies, the lower grade found a fair outlet at recent level of prices. 13,000 packages Ceylon were brought forward and soon cleared to a brisk demand at full prices for most kinds. Java and Sumatra sales of 4,000 packages evidenced a quieter demand, and prices moved against sellers.

RICE.—Market firm, but at the same time quiet, both buyers and shippers alike adopting reserved measures. Two stars, spot, 16s 6d; February-March, 15s 3d, c.f. and i., London. No. 3 cleaned Rangoon, late February to early March shipment, 15s, c.f. and i., Levant, double bags. 8/10,000 tons No. 2, March (singles), sold, 12s 10 1/2d, f.o.b. Japanese peas, spot, 22s 6d.

SPICE.—Pepper market steady, with a moderate demand for forward positions of white. Black Singapore, spot, 4 1/2d; February-April, L.S., quoted 4 1/2d; Lampong, ditto, 4 1/2d; Muntok, January-March, 7 1/2d; February-April, 7 1/2d; and March-May, 7 1/2d. Zanzibar cloves, March-May, 1s 2d per lb. Tapioca steady at late rates but quiet, both with regard to spot and forward. Sago flour, January-March, quoted 16s 6d. Desiccated coconut dull. Fine cut, spot, 44s; medium, 46s; halves, March-April, 42s cwt. Ginger firmly held.

JUTE.—Only a moderate amount of business was effected, at about previous quotations. First grade, January-February, Continent, quoted £25 15s; February-March, sold, £26 5s to £26; March-April, £26 10s; April-May, £27 to £26 12s 6d ton. Hessians and twills steady, but trade moves quietly.

HEMP.—Steady for the finer qualities and firm with regard to undergrades, which for some considerable time past have been quoted at proportionately low figures, thereby attracting attention of buyers. J grade, February-April, quoted £37; K ditto, sold, £29 10s to £30 10s; L ditto, £29 10s; and M, £26. New Zealand nominal. African sisal quiet but firm, at late level of prices.

SHELLAC meets with but quiet support, though prices remain firm. T.N., fair quality, spot, quoted 300s; May, 300s.

COPRA.—There was no fresh development in this market, actual business being confined to a limited scale at about previous quotations. F.M.S. Straits, December-February, Rotterdam, quoted £30 10s; January-March, £30 3s 9d; February-April, £29 10s. Dutch East Indies, December-January, sold, £30 15s; January-March, £29 15s. Other descriptions were nominal y quoted, at previous rates. Palm kernels steady, quiet, and March-May shipment, sold, £20 12s 6d per ton to Liverpool.

RUBBER.—Business proceeded slowly, but prices remained at previous level in most instances. Standard Plantation crepe and sheet, spot, and February, sold, 1s 1 1/2d; and buyers, March, 1s 2d; April-June, 1s 2 1/2d; July-September, 1s 2 1/2d; and October-December, 1s 2 1/2d. To New York, standard estate sheet, February-March, quoted, 1s 2d; and March-April, 1s 2 1/2d per lb, c.f. and i. terms. Wild descriptions dull, and call for no comment.

GAMBIE.—Market steady, quiet. Block for shipment q oted 52s per cwt, c.f. and i. terms.

EGG PRODUCTS.—Only a retail amount of business is proceeding at rates showing no material alteration.

FRUIT (DRIED).—Prices in most directions maintained a firm level, but general demand was only fair. Australian currants quoted 56s; but general demand was only fair. Australian currants quoted 56s; but general demand was only fair. Amalia, 50s; Patras, 52s; Vostizza, 70s to 75s. Pyrgos 1 cases, 46s; Amalia, 50s; Patras, 52s; Vostizza, 70s to 75s. Valencia raisins, half-boxes, 50s; quarters, 60s to 80s. Figs: Genuine natural, in bags, quoted 38s to 40s. Evaporated fruits: Genuine natural, in bags, quoted 75s to 80s; French plums, 1 cases, fancy, 110s; apple rings quoted 75s to 80s; French plums, 1 cases, fancy, 110s; apple rings quoted 75s to 80s; Oregon, 30/40, 75s; 90/95, quoted 38s 6d; 81/86 at 41s; 72/77, 47s; Oregon, 30/40, 75s; 40/50, 58s; 60/70 at 45s. Dates quieter. Hallowee, spot, 30s; Khredrowie, 19s 6d; Siar, 17s.

CANNED GOODS.—The market for sardines ruled steady, with good parcels very difficult to obtain. Portuguese, 1/2 flats, quoted 2s 9d to 3s 3d; 1/2 clubs, 3s to 3s 6d; 12 oz, 5s 6d to 6s 6d; 18 oz, 9s to 11s per dozen tins. Lobster quiet but steady, and fancy halves, 130s to 135s. Crayfish, 96 1/2 lbs, 76s. Salmon: This market disclosed very firm features, with an increasing demand. 1 lb flat reds, labelled, quoted 56s; ditto, tall, 44s; 1 lb flat pink, 27s; ditto, tall, 26s 3d; and cases of 96 1/2 lbs, 29s to 30s per case. Canned fruits were a very firm market, as stocks in general are getting short, though business manifested some diminution during the past few days. Singapore pines, 1 1/2 lbs, quoted 6s 7 1/2d for forty-eights; Hawaiian slices, 2 1/2 lbs, 16s 6d to 17s. Californian apricots, 8s to 11s; ditto, peaches, 9s 6d to 13s; pears, 13s 6d to 15s; Australian apricots, 2 1/2 lbs, 8s 6d; ditto peaches, 8s 9d to 9s 3d. Tomatoes, Italian, 7s per dozen tins.

OILSEEDS.—Linseed slightly irregular, but fully steady on balance, with a fair demand for Plate descriptions. Indian: Calcutta, afloat, £22 10s; January-February, £22 5s; April-May, £19 17s 6d. Plate, afloat, sold, £19 2s 6d to £18 17s 6d, as to position; January-February, £18 8s 9d to £18 12s 6d; April-May, £18 2s 6d to £18 5s. Rapeseed steady. Toria, January-February, £19 15s; February-March, £19 12s 6d; Jamba, February-March, £15 7s 6d; and real hold Ferozepore, February-March, £19 10s. Cottonseed easier. Egyptian, black, February, £13 12s 6d. Sakellaridis £12 8s 9d, Hull. Bombay, January-February, £11 2s 6d, paid; February-March, sellers, £11 2s 6d. Gingelly seed, steady. Chinese, January-February, £26 10s. Groundnuts quiet. Coromandel, machine-dried, January-February, £23 15s; Chinese, decorticated, f.a.q., afloat, sold, £23; bold Bombay, ditto, £24. Soya beans steady. Manchurian, afloat, £13 15s; January-February, £13 2s 6d. Castor-seed firm. Bombay, January-February, £24; February-March, £23 10s per ton.

OILS.—Linseed irregular, while in good demand. Spot, net, naked, 50s; February, 47s; March-April, 41s 10 1/2d; May-August, 39s. Rape steady. Crude, spot, 48s 6d; refined, 51s. Castor oil firm. First pressure, spot, quoted 60s; second pressure, 59s; and pharmaceutical, 65s per cwt, Hull, with London 2s per cwt extra. Cotton steady. Crude Egyptian, spot, 45s 3d; Bombay, 43s 3d; common edible, 50s; deodorised (in barrels), 54s 6d. China-wood quiet. Hankow, spot (barrels), 94s; February-March, 98s. Cocanut quiet. Ceylon, spot, 49s 6d; February-March, 47s 6d; Cochin, ditto, quoted 59s. Soya quiet. Oriental, barrels, January-February, 45s 6d. Cod firm. English, spot, 36s 6d. Groundnuts firm. English, crushed, naked, spot, 53s; deodorised, barrels, 61s. Turpentine easier. American, spot, 77s; March-April, 77s 9d. Rosin, quiet. American, grade B, 13s 6d; F, 13s 6d; G, 13s 9d; H to I, 13s 9d; WG, 17s 6d; WW, 18s 6d per cwt. French WW, 17s per cwt. Petroleum steady. American, standard white, spot, 1s; and water white, 1s 1d per gallon.

TALLOW.—Messrs Colchesters and Woolner write on February 13th as follows:—The tallow market was steady during the week, and prices were unchanged to-day. Spot supplies are approaching exhaustion. Offers for shipment from the Colonies are few, while South American kinds are offered freely. At auction to-day 555 casks tallow were offered, and 404 were sold. Quotations are:—Australian mutton: Fine, none; good to fair, 51s to 48s; dull to dark, 43s 6d to 41s 6d; hard, none. Australian beef: Fine, 47s 6d; good to fair, 47s to 44s 6d; dull to dark, 43s to 41s 3d; sweet, none. Present shipment from Australasia: Good mixed, 46s. Present shipment from South America, 44s 6d to 43s. The market letter is unchanged. Town tallow, 41s 6d per cwt. Rough fat, per 8 lbs, 4 1/2d; melted stuff, 32s 6d per cwt. Quotations are:—Town, 43s, net cash, naked, ex works. Country: Frail casks, 43s; home melted, shipping casks, net, f.o.b., good coloured, 46s; fair to dull, 43s to 42s 6d. Bone fat: White, none; pale, none; benzine, 39s 6d; melted stuff, 39s, f.o.b.

METROPOLITAN CATTLE.—FEBRUARY 14.

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

Beasts—Herefords ..	nominal	Beasts—Heavy Bulls ..	nominal
Shorthorns ..	nominal	Canadian ..	nominal
Devons ..	nominal	Sheep—Downs ..	nominal
Northfords ..	nominal	Ewes ..	nominal
Northfords ..	nominal	Crossbred ..	nominal
Irish ..	nominal	Scottish ..	nominal
Fat Cows ..	nominal	Lamb—Downs ..	nominal

Market closed owing to restrictions imposed by foot and mouth disease regulations.

LONDON POTATO MARKETS.—FEBRUARY 14.

English	Per Cwt.	Per Cwt.	Per Cwt.
Arran	s d s	British Queens ..	9 0 to 9 6
Chief ..	9 0 to 9 6	Majestic ..	9 0 to 9 6
King Edwards ..	10 0 to 11 0	Blackland ..	8 0 to 10 0

THE BANK OF TAIWAN, LIMITED.

(Registered in Japan, 1895.)

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

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London Office 25 OLD BROAD STREET, E.C.2

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

Commercial Times.—Weekly Price Current.

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

LONDON, FRIDAY.		INDIA RUBBER—lb—s d		PROVISIONS—s d		SPICES—lb—s d	
1000A—Duty, British grown	40 8 0	Para, fine hard spot	1 0 8	Butter—per cwt.	nom	Singapore, fair White	1 1 0
250A—Duty, foreign 250A	40 8 0	Plantation crepe	1 1 0	Do factory	nom	Black Singapore	1 1 0
300A—Duty, foreign 300A	40 8 0	INDIGO—per lb—s d		Anstralian	160 130 8	White Siam	1 1 0
400A—Duty, foreign 400A	40 8 0	Bengal, good red vici	6 0 0	Argentine	154 171 0	Pimento	1 1 0
500A—Duty, foreign 500A	40 8 0	Mid. ord. vici to good	5 0 0	Dutch	212 215 0	Onnamon—1st sort	1 1 0
600A—Duty, foreign 600A	40 8 0	Low to good vici	4 0 0	New Zealand	172 178 0	Do 2nd	1 1 0
700A—Duty, foreign 700A	40 8 0	Madras, dry, least, good	3 0 0	Danish	212 215 0	Do 3rd	1 1 0
800A—Duty, foreign 800A	40 8 0	Do low to ord.	1 0 0	Bacon, engd.—Irish	84 85 0	Cassia Lignea	1 1 0
900A—Duty, foreign 900A	40 8 0	Kurpah, mid. to gd.	4 0 0	Canadian	73 86 0	Cloves—Zanzibar	1 1 0
1000B—Duty, foreign 1000B	40 8 0	Low, to mid	3 0 0	American	64 68 0	Penang	1 1 0
1100A—Duty, foreign 1100A	40 8 0	HEMP—per ton—s d		Hams—Irish	nom	Madagascar	1 1 0
1200A—Duty, foreign 1200A	40 8 0	Italian P.C.	78 8	Ochlin, small rough	10 0 0	Ginger—per cwt.	1 1 0
1300A—Duty, foreign 1300A	40 8 0	Manila, P.C.	37 0	Do wormy	91 0 0	Do	1 1 0
1400A—Duty, foreign 1400A	40 8 0	N.Z. high point, fair	nom	Lard—Irish bladders	84 88 0	Jambala, ord. to good	1 1 0
1500A—Duty, foreign 1500A	40 8 0	February-April	nom	American boxes, 50lb	71 72 0	Mace	1 1 0
1600A—Duty, foreign 1600A	40 8 0	Native first marks	25/15/3 0/0/0	Port—per 8 lb	3 0 4	Nutmegs, 65s	1 1 0
1700A—Duty, foreign 1700A	40 8 0	LEATHER—per lb—s d		Beef—Frozen per 8 lb	3 0 4	Onillies—per cwt.	50 6 0
1800A—Duty, foreign 1800A	40 8 0	Do Do 10/12	1 3 110	Scotch	7 0 0	TALLOW—per cwt.	51 0 0
1900A—Duty, foreign 1900A	40 8 0	Do Do 12/12	1 3 110	Obese—per cwt.	108 0	Good mutton	47 0 0
2000A—Duty, foreign 2000A	40 8 0	Do Do 14/12	1 3 110	New Zealand	93 8	Beef	47 0 0
2100A—Duty, foreign 2100A	40 8 0	Do Do 16/12	1 3 110	Eng. Obeddars	120 145 3	TAPIOCA—per lb—s d	
2200A—Duty, foreign 2200A	40 8 0	Do Do 18/12	1 3 110	Obeddars	120 145 3	E.L. Flake, fair, spot	38 0 0
2300A—Duty, foreign 2300A	40 8 0	Do Do 20/12	1 3 110	Dutch	120 145 3	Medium Pearl	38 0 0
2400A—Duty, foreign 2400A	40 8 0	Do Do 22/12	1 3 110	Eng. No. 2	120 145 3	Seed	35 0 0
2500A—Duty, foreign 2500A	40 8 0	Do Do 24/12	1 3 110	Broken Is.	14 0 0	TEA—duty 5d, British	35 0 0
2600A—Duty, foreign 2600A	40 8 0	Do Do 26/12	1 3 110	ROBIN—per ton—s d		Foreign 8d per lb—s d	
2700A—Duty, foreign 2700A	40 8 0	Do Do 28/12	1 3 110	American	13/10/0 18 10 0	Indian and Ceylon	1 1 0
2800A—Duty, foreign 2800A	40 8 0	Do Do 30/12	1 3 110	French	13/15/0 17/0/0	Broken Pekoe	1 1 0
2900A—Duty, foreign 2900A	40 8 0	Do Do 32/12	1 3 110	SAGO—Pearl per cwt	26 0 28 0	Orange Pekoe	1 1 0
3000A—Duty, foreign 3000A	40 8 0	Do Do 34/12	1 3 110	SHELLAC—per cwt—s d		Broken Orange	1 1 0
3100A—Duty, foreign 3100A	40 8 0	Do Do 36/12	1 3 110	Orange, first marks	330 0 338 0	Pekoe Souchoing	1 1 0
3200A—Duty, foreign 3200A	40 8 0	Do Do 38/12	1 3 110	Do 2nd	330 0 338 0	Timber—ex. yd—s d	
3300A—Duty, foreign 3300A	40 8 0	Do Do 40/12	1 3 110	Do 3rd	330 0 338 0	Swedish 1/2 x 9 ft. std.	27 0 0
3400A—Duty, foreign 3400A	40 8 0	Do Do 42/12	1 3 110	Do 4th	330 0 338 0	Do 2 1/2 x 6	24 0 0
3500A—Duty, foreign 3500A	40 8 0	Do Do 44/12	1 3 110	Do 5th	330 0 338 0	Can'd Spruce 12"	22 10 0
3600A—Duty, foreign 3600A	40 8 0	Do Do 46/12	1 3 110	Do 6th	330 0 338 0	Pine, per load	30 0 0
3700A—Duty, foreign 3700A	40 8 0	Do Do 48/12	1 3 110	Do 7th	330 0 338 0	Pine, per load	30 0 0
3800A—Duty, foreign 3800A	40 8 0	Do Do 50/12	1 3 110	Do 8th	330 0 338 0	Teak, per load	30 0 0
3900A—Duty, foreign 3900A	40 8 0	Do Do 52/12	1 3 110	Do 9th	330 0 338 0	H duras Mahg. logs	30 0 0
4000A—Duty, foreign 4000A	40 8 0	Do Do 54/12	1 3 110	Do 10th	330 0 338 0	American Oak Bds.	1 1 0
4100A—Duty, foreign 4100A	40 8 0	Do Do 56/12	1 3 110	Do 11th	330 0 338 0	Do Ash	0 5 0
4200A—Duty, foreign 4200A	40 8 0	Do Do 58/12	1 3 110	Do 12th	330 0 338 0	English Oak Planks	0 5 0
4300A—Duty, foreign 4300A	40 8 0	Do Do 60/12	1 3 110	Do 13th	330 0 338 0	Do Ash	0 5 0
4400A—Duty, foreign 4400A	40 8 0	Do Do 62/12	1 3 110	Do 14th	330 0 338 0	TOBACCO—s d	
4500A—Duty, foreign 4500A	40 8 0	Do Do 64/12	1 3 110	Do 15th	330 0 338 0	Duty 8/2-10/4 per lb.	4 0 0
4600A—Duty, foreign 4600A	40 8 0	Do Do 66/12	1 3 110	Do 16th	330 0 338 0	Common to fine	1 1 0
4700A—Duty, foreign 4700A	40 8 0	Do Do 68/12	1 3 110	Do 17th	330 0 338 0	Strip	1 1 0
4800A—Duty, foreign 4800A	40 8 0	Do Do 70/12	1 3 110	Do 18th	330 0 338 0	Kentucky leaf	1 1 0
4900A—Duty, foreign 4900A	40 8 0	Do Do 72/12	1 3 110	Do 19th	330 0 338 0	Common to fine	1 1 0
5000A—Duty, foreign 5000A	40 8 0	Do Do 74/12	1 3 110	Do 20th	330 0 338 0	China	1 1 0
5100A—Duty, foreign 5100A	40 8 0	Do Do 76/12	1 3 110	Do 21st	330 0 338 0	Borneo and Sumatra	1 1 0
5200A—Duty, foreign 5200A	40 8 0	Do Do 78/12	1 3 110	Do 22nd	330 0 338 0	Seedling	1 1 0
5300A—Duty, foreign 5300A	40 8 0	Do Do 80/12	1 3 110	Do 23rd	330 0 338 0	Java	1 1 0
5400A—Duty, foreign 5400A	40 8 0	Do Do 82/12	1 3 110	Do 24th	330 0 338 0	East Indian	1 1 0
5500A—Duty, foreign 5500A	40 8 0	Do Do 84/12	1 3 110	Do 25th	330 0 338 0	Oliver, duty 15/7 per lb	0 7 0
5600A—Duty, foreign 5600A	40 8 0	Do Do 86/12	1 3 110	Do 26th	330 0 338 0	WOOL—per lb—s d	
5700A—Duty, foreign 5700A	40 8 0	Do Do 88/12	1 3 110	Do 27th	330 0 338 0	English, Southdown wahl	80 0 0
5800A—Duty, foreign 5800A	40 8 0	Do Do 90/12	1 3 110	Do 28th	330 0 338 0	Lincoln hog	164 0 0
5900A—Duty, foreign 5900A	40 8 0	Do Do 92/12	1 3 110	Do 29th	330 0 338 0	Queensland, red sup. comb.	63 0 0
6000A—Duty, foreign 6000A	40 8 0	Do Do 94/12	1 3 110	Do 30th	330 0 338 0	N.S.W. grey, per 50 lb	36 0 0
6100A—Duty, foreign 6100A	40 8 0	Do Do 96/12	1 3 110	Do 31st	330 0 338 0	N.Z. grey, 11/2-12/4	36 0 0
6200A—Duty, foreign 6200A	40 8 0	Do Do 98/12	1 3 110	Do 32nd	330 0 338 0	Do 12/4-14/4	36 0 0
6300A—Duty, foreign 6300A	40 8 0	Do Do 100/12	1 3 110	Do 33rd	330 0 338 0	Do 14/4-16/4	36 0 0
6400A—Duty, foreign 6400A	40 8 0	Do Do 102/12	1 3 110	Do 34th	330 0 338 0	Do 16/4-18/4	36 0 0
6500A—Duty, foreign 6500A	40 8 0	Do Do 104/12	1 3 110	Do 35th	330 0 338 0	Do 18/4-20/4	36 0 0
6600A—Duty, foreign 6600A	40 8 0	Do Do 106/12	1 3 110	Do 36th	330 0 338 0	Do 20/4-22/4	36 0 0
6700A—Duty, foreign 6700A	40 8 0	Do Do 108/12	1 3 110	Do 37th	330 0 338 0	Do 22/4-24/4	36 0 0
6800A—Duty, foreign 6800A	40 8 0	Do Do 110/12	1 3 110	Do 38th	330 0 338 0	Do 24/4-26/4	36 0 0
6900A—Duty, foreign 6900A	40 8 0	Do Do 112/12	1 3 110	Do 39th	330 0 338 0	Do 26/4-28/4	36 0 0
7000A—Duty, foreign 7000A	40 8 0	Do Do 114/12	1 3 110	Do 40th	330 0 338 0	Do 28/4-30/4	36 0 0
7100A—Duty, foreign 7100A	40 8 0	Do Do 116/12	1 3 110	Do 41st	330 0 338 0	Do 30/4-32/4	36 0 0
7200A—Duty, foreign 7200A	40 8 0	Do Do 118/12	1 3 110	Do 42nd	330 0 338 0	Do 32/4-34/4	36 0 0
7300A—Duty, foreign 7300A	40 8 0	Do Do 120/12	1 3 110	Do 43rd	330 0 338 0	Do 34/4-36/4	36 0 0
7400A—Duty, foreign 7400A	40 8 0	Do Do 122/12	1 3 110	Do 44th	330 0 338 0	Do 36/4-38/4	36 0 0
7500A—Duty, foreign 7500A	40 8 0	Do Do 124/12	1 3 110	Do 45th	330 0 338 0	Do 38/4-40/4	36 0 0
7600A—Duty, foreign 7600A	40 8 0	Do Do 126/12	1 3 110	Do 46th	330 0 338 0	Do 40/4-42/4	36 0 0
7700A—Duty, foreign 7700A	40 8 0	Do Do 128/12	1 3 110	Do 47th	330 0 338 0	Do 42/4-44/4	36 0 0
7800A—Duty, foreign 7800A	40 8 0	Do Do 130/12	1 3 110	Do 48th	330 0 338 0	Do 44/4-46/4	36 0 0
7900A—Duty, foreign 7900A	40 8 0	Do Do 132/12	1 3 110	Do 49th	330 0 338 0	Do 46/4-48/4	36 0 0
8000A—Duty, foreign 8000A	40 8 0	Do Do 134/12	1 3 110	Do 50th	330 0 338 0	Do 48/4-50/4	36 0 0
8100A—Duty, foreign 8100A	40 8 0	Do Do 136/12	1 3 110	Do 51st	330 0 338 0	Do 50/4-52/4	36 0 0
8200A—Duty, foreign 8200A	40 8 0	Do Do 138/12	1 3 110	Do 52nd	330 0 338 0	Do 52/4-54/4	36 0 0
8300A—Duty, foreign 8300A	40 8 0	Do Do 140/12	1 3 110	Do 53rd	330 0 338 0	Do 54/4-56/4	36 0 0
8400A—Duty, foreign 8400A	40 8 0	Do Do 142/12	1 3 110	Do 54th	330 0 338 0	Do 56/4-58/4	36 0 0
8500A—Duty, foreign 8500A	40 8 0	Do Do 144/12	1 3 110	Do 55th	330 0 338 0	Do 58/4-60/4	36 0 0
8600A—Duty, foreign 8600A	40 8 0	Do Do 146/12	1 3 110	Do 56th	330 0 338 0	Do 60/4-62/4	36 0 0
8700A—Duty, foreign 8700A	40 8 0	Do Do 148/12	1 3 110	Do 57th	330 0 338 0	Do 62/4-64/4	36 0 0
8800A—Duty, foreign 8800A	40 8 0	Do Do 150/12	1 3 110	Do 58th	330 0 338 0	Do 64/4-66/4	36 0 0
8900A—Duty, foreign 8900A	40 8 0	Do Do 152/12	1 3 110	Do 59th	330 0 338 0	Do 66/4-68/4	36 0 0
9000A—Duty, foreign 9000A	40 8 0	Do Do 154/12	1 3 110	Do 60th	330 0 338 0	Do 68/4-70/4	36 0 0
9100A—Duty, foreign 9100A	40 8 0	Do Do 156/12	1 3 110	Do 61st	330 0 338 0	Do 70/4-72/4	36 0 0
9200A—Duty, foreign 9200A	40 8 0	Do Do 158/12	1 3 110	Do 62nd	330 0 338 0	Do 72/4-74/4	36 0 0
9300A—Duty, foreign 9300A	40 8 0	Do Do 160/12	1 3 110	Do 63rd	330 0 338 0	Do 74/4-76/4	36 0 0
9400A—Duty, foreign 9400A	40 8 0	Do Do 162/12	1 3 110	Do 64th	330 0 338 0	Do 76/4-78/4	36 0 0
9500A—Duty, foreign 9500A	40 8 0	Do Do 164/12	1 3 110	Do 65th	330 0 338 0	Do 78/4-80/4	36 0 0
9600A—Duty, foreign 9600A	40 8 0	Do Do 166/12	1 3 110	Do 66th	330 0 338 0	Do 80/4-82/4	36 0 0
9700A—Duty, foreign 9700A	40 8 0	Do Do 168/12	1 3 110	Do 67th	330 0 338 0	Do 82/4-84/4	36 0 0
9800A—Duty, foreign 9800A	40 8 0	Do Do 170/12	1 3 110	Do 68th	330 0 338 0	Do 84/4-86/4	36 0 0
9900A—Duty, foreign 9900A	40 8 0	Do Do 172/12	1 3 110	Do 69th	330 0 338 0	Do 86/4-88/4	36 0 0
10000A—Duty, foreign 10000A	40 8 0	Do Do 174/12	1 3 110	Do 70th	330 0 338 0	Do 88/4-90/4	36 0 0

THE SUTTON DISTRICT WATER COMPANY.

SALE BY TENDER OF £80,000 7% MAXIMUM ORDINARY STOCK.

Or such an amount of Stock as may be necessary to procure, including Premiums, the Capital Sum of £100,000.

THE DIRECTORS OF THE ABOVE-NAMED COMPANY invite TENDERS for the Purchase of £80,000 7% MAXIMUM ORDINARY STOCK, in lots of £100 each, at a Minimum Price of £118 per Cent.

A DEPOSIT of 10% of the nominal amount applied for to be paid upon application and the balance of the full amount allotted, together with the Premium, to be paid by 1st April, 1924, from which date the Stock paid for will rank for dividend.

The existing Ordinary and Preference Stocks are quoted on the London Stock Exchange, and a quotation for this present issue will be applied for in due course.

TENDERS, to be made on forms provided by the Company, must reach the Company's Offices not later than Noon of SATURDAY, 1st MARCH, 1924, and be enclosed in a sealed envelope, marked "TENDER FOR STOCK."

Particulars and Conditions of Sale, together with Form of Tender, may be obtained of the undersigned.

By Order,
E. F. COURSE,
Secretary.
Carshalton-road, Sutton,
14th February, 1924.

THE Investor's Monthly Manual

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CANADIAN PACIFIC RAILWAY COMPANY.

DIVIDEND NOTICE.—At a Meeting of the Board of Directors of the Canadian Pacific Railway Company held to-day, the following Dividends were declared:—On the Preference Stock, Two per Cent. for the Half-year ended 31st December last; and on the Common Stock, Two and One Half per Cent. for the quarter ended 31st December last, from Railway Revenues and Special Income; both Dividends payable on the 1st April next to Shareholders of record at 3 p.m. on the 29th February instant.—By order of the Board.

E. ALEXANDER, Secretary.
Montreal,
11th February, 1924.

CITY OF TOKYO

5% LOAN 1912 STERLING ISSUES.

that relief has been afforded by special purchases of bills or short securities. With money in short supply discounts have been fairly firm, though a slightly easier tendency was apparent in the last two days, in view of the belief in easier conditions after the end of the fiscal year, when bills taken at current rates may prove profitable to present holders. Fine three months' bills have sometimes been taken below $3\frac{3}{8}$ per cent., though this figure was the more common quotation until yesterday, when the rate eased to $3\frac{1}{2}$ per cent. May Treasury bills have changed hands at $3\frac{1}{8}$ per cent.

	Feb. 22, 1924.	Feb. 15, 1924.	Feb. 8, 1924.	Feb. 1, 1924.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount/Call	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$1\frac{1}{2}$ (Jly. 5, '23)
Market rate (3 months' bills) ..	$3\frac{1}{2}$	$3\frac{1}{8}$	$3\frac{1}{8}$	$3\frac{1}{8}$	..

The Bank return showed a reduction of £434,600 in the circulation, and an addition of £14,200 to the bullion stock, so that there was a gain of £448,800 in the Reserve. Public deposits were £1,058,200 higher as the result of revenue collections, but the chief feature of the return was the rise of £3,988,400 in Other securities, accompanied by an increase of £3,534,600 in Other deposits. As it is known that no money market borrowing took place during the week, the inference is either that other private customers of the Bank had been borrowers on a remarkably large scale, or that the Bank had been buying securities in the market. As the result of the expansion of liabilities the proportion was 0.3 lower at 18.7 per cent. Currency notes outstanding were reduced this week by £1,664,000 to £277,125,500, which includes £1,408,800 for notes called in, but not yet cancelled. The fiduciary issue is £226,266,800, or £21,924,100 below the maximum.

THE STOCK MARKETS.

A fair amount of activity has developed in the Stock Markets this week, in spite of the deterrent effect on business of the home and foreign political situation. The gilt-edged market has remained steady, Conversion Loan having strengthened a little. Activity in the foreign market has centred in dealings in the scrip of the new Japanese loan, which has gone to a substantial premium. The older Japanese issues have improved sympathetically. French bonds were flat at first on the fall in the franc, but recovered later. In the Home Railway market there has been considerable activity in connection with the dividends on the Southern and North-Eastern deferred stocks. Rubbers are dull, but the oil market has improved after a weak beginning. Among industrials, electricity shares have been in demand, and the insurance and banking lists show an improvement. The Kaffir market has been supported from Paris and the Cape, but, apart from a spurt in Cam and Motors, Rhodesians have been quiet.

THE COMMODITY MARKETS.

The dock strike made itself felt in many directions and cast a gloom over most markets. It had a depressing effect on the Cardiff coal market, and tended to weaken prices of pig-iron. There is sufficient work in hand to keep steel works going, but the outlook for the export trade is not encouraging. At Sheffield the execution of export orders continued at a brisk pace, and best steam coal is in good demand. An increased business is reported from Manchester in the cotton trade. Our Bradford correspondent reports that trade is steady, with prices firm all round. Sugar is steady, while tea buyers are acting cautiously. Rubber maintains its price. A check to the upward movement in tin has been established, and copper was weak. The settlement of the dock strike led to a good demand for wheat. The rapid rise of prices in the hide market received a check. Transactions in vegetable oil and oilseeds have been limited. Other details of markets and prices will be found on later pages from our special trade correspondents.

FOREIGN EXCHANGES.

The outstanding feature of the week in the foreign exchange market has been the depreciation of the franc to over 100, with its consequent effect on the general confidence in France. To the French public the rate of exchange still means the franc-sterling rather than the franc-dollar rate, and the fact of 100 being reached and passed has had a far greater moral effect than the movement of an equal number of francs in the rate at another figure. From a closing rate of 96.70 on the 15th, the fatal 100 line was passed on Monday, when the rate closed at 102. At one time on the following day it rose as high as 105.50, but from this there was a slight reaction, and the three following days showed wide movements, down to a rate of 101.45 yesterday morning. As is now admitted by the soberer elements in France itself, the greater part of this collapse has been due, not to foreign machination, but to lack of confidence at home and a general rush to obtain foreign currency, at the moment at almost any cost. The natural reaction against this hasty buying has brought some improvement, but it remains to be seen, now that confidence has once been severely shaken, whether any substantial improvement will be possible for some time to come, and whether the hurried financial measures which are now being rushed through Parliament have not come too late, at least for the immediate present. The movement of the Belgian franc has been still more violent, the rate having risen from 112.95 at the close of the 15th to 126.50 at one time on the 19th. Since then, following Paris, there has been a sharp recovery down to 115.25 yesterday morning. Forward rates in both centres have reacted violently, the Paris quotation for one month ahead having moved on the week from 35 to 70 centimes above spot, that in Brussels from 6 to 15 centimes above. It is satisfactory to see that in spite of these movements, and in spite of the still more serious threat of the dock strike, the position of sterling has remained so firm. Closing at \$4.30½ on the 15th, the quotation at its lowest has not been below \$4.28½, and improved rapidly on the news of the settlement of the dock strike up to \$4.31½ yesterday morning. Forward quotations at ½ cent. per month above spot are very slightly narrower than the 7/8 quoted a week ago. In spite of its extremely flimsy basis, the German mark has managed to maintain steadily its quotation of 19½ billions throughout the week, buoyed up by the hope of agreement in the expert committee making possible the realisation of Herr Schacht's plans for a new central bank. The lira has moved slightly, in sympathy with the franc, from 98½ on the 15th to a highest point of 100½, from which it has recovered to 99½. Among neutral currencies, the Dutch rate has moved sharply in our favour from 11.50 to 11.54, the Swiss franc from 24.74½ to 24.92½, and Madrid from 33.73 to 33.92½. In Scandinavia the Stockholm rate, following the dollar, stands at 16.49½, as compared with 16.48½, while Christiania has risen from 32.22½ to 32.64½. Copenhagen, however, where the exchange would now seem to be better in hand, has improved from 27.20 to 27.02½. In Central Europe, Vienna has moved in sympathy with the dollar, from 305,500 to 307,000, Warsaw has remained stable, with some signs of improvement, at 38 millions. Prague has gone slightly in our favour, but the value of the dinar has again somewhat improved, and Bucharest shows a surprising recovery from 840 to 770. The Hungarian rate, on fears regarding the possible failure of the League of Nations loan, has broken badly, falling away from 120,000 to 170,000. In the East, the rupee has again depreciated, moving from 15 5 1-64d on the 15th to 15 4½d yesterday. In the same way, the yen has fallen in value from 25 17½d to 25 17½d. The silver market has been weaker on Chinese sales, but towards the end would seem to be steadying. Hong Kong has moved from 25 4½d to 25 4d, Shanghai from 35 4½d to 35 3d. In South America Rio remains at 6½d, while Buenos Ayres has again appreciated from 42½d to 43½d, and Valparaiso is better at 42.30 pesos, as compared with 41.10. Monte Video has, however, moved back from 43½d to 43½d.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended February 16th:—

EXPENDITURE.	(000's omitted.)	RECEIPTS.	£
Supply Services	9,403	From Revenue	26,047
Interest, &c., on Debt	706		
Road fund	826		
Sundries	601		
Reduction of Debt	14,345		
Increase in balances	266		
	26,047		26,047

Revenue for the week ending February 16th at £26,047,000 was £4,517,000 lower than in the corresponding period last year. Customs receipts were up at £2,054,000, against £1,291,000, but Excise yielded a considerably lower amount at £2,613,000, against £6,133,000. Estate Duties were £50,000 down at £1,110,000, while Post Office receipts were maintained at £1,500,000. Property and Income-tax reached £14,656,000, and Super-tax £2,650,000, against a combined total of £18,385,000 for the corresponding period. Special receipts brought in nil, against £144,000. The week's operations reduced the National Debt by £14,345,000, and caused the following changes:—

EXPENDITURE.	(000's omitted.)	RECEIPTS.	£
Unemployment Insurance	+ 350	Treasury Bills	9,041
		Public Departments	5,300
		Saving Certificates	100
		National War Bonds	250
		Sundries	4
	+ 350		14,695

The floating debt was reduced by £14,400,000 to £813,215,500.

FINANCIAL YEAR, 1923-24 (April 1 to February 16, 1924).

EXPENDITURE.	£	RECEIPTS.	£
Total Expenditure ..	679,488,522	Raised by Revenue ..	688,039,523
Net Repayments	11,565,403	Decrease in Balances ..	3,014,402
Total	691,053,925	Total	691,053,925

ESTIMATES for YEAR 1923-24.

EXPENDITURE.	£	RECEIPTS.	£
Ordinary Expenditure ..	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—London Merchant Bank, Underground Group, Scottish Life Assurance, Chamber of Shipping of the United Kingdom, Trade Indemnity Company, Railway Debenture and General Trust, Railway Share Trust and Agency, Imperial Tobacco Company, Winterbotham, Strachan, and Playne, Borax Consolidated, S.T.D. Motors, and Harrods (Buenos Aires).

THE WEEK IN PARLIAMENT.

MONDAY, FEBRUARY 18TH.—In the Commons the Strike Court of Inquiry was announced, the Unemployment Insurance Bill passed its second reading, and there was a debate on foot and mouth disease.

TUESDAY, FEBRUARY 19TH.—Debates in Commons on Trade Facilities, and on Air policy.

WEDNESDAY, FEBRUARY 20TH.—Commons discussed strike and food supplies. The Diseases of Animals Bill passed its second reading. Resolution on Mothers' Pensions debated. House of Lords discussed preferential tariffs.

THURSDAY, FEBRUARY 21ST.—Administration of Justice Bill, Unemployment Insurance Bill, and Legitimacy Bill passed second reading in the Lords, where the Poplar question was also debated. In the Commons a supplementary estimate for unemployment relief was passed, and the adjournment of the House was moved on the question of the Government's decision to call for tenders for five cruisers.

FRIDAY, FEBRUARY 22ND.—Rent Restriction Bill discussed in the Commons.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

MONTHLY TRADE SUPPLEMENT.

We publish this week our Monthly Supplement, in which will be found an appreciation of the trade situation at home and abroad, together with statistical information on the foreign trade, price movements, currency, and production of the leading commercial countries of the world. Its contents include a statistical review of the effects of the war on Germany's population.

THE FRANCO-GERMAN DRAMA.

WHILE our attention at home has been forcibly held by labour troubles, the Franco-German drama has been unfolding with increasing rapidity. The week has been marked by a new and rapid deterioration of the franc, which fell on Tuesday to more than 105 to the £, and though it has recovered slightly, it is now rather worse than the Italian lira. Spasmodic efforts are still being made to attribute this slump to deliberate action on the part of German and international financiers; but this is little more than a pretence, and it is now frankly stated by such authorities as the *Journée Industrielle* that the cause of the slump is in France. The movement has hastened the passage through the French Chamber of the Government reforms, and after an all-night sitting the Government secured authority to impose the 20 per cent. increase in taxation. But its majority fell at one time to 60, and it still has a very large number of clauses of the Bill to pass. The debate brought out no new points, and is perhaps chiefly notable for the low standard of economic argument. In a discussion of this kind in any popular assembly one would expect to find many unsound economic arguments employed, but it is discouraging to find such an authority as M. Klotz, a former Minister of Finance, arguing that the rise in the cost of living has no connection with the depreciation of the exchange, and endeavouring to prove the point by observing that the cost of living was nearly as high as it is to-day in 1920, when the French exchange was much better. In 1920 prices all over the world were extremely high. The fact that French prices have not fallen from those high levels as they have in England, but are back at those top figures, shows how much French money has deteriorated in comparison with that of other countries.

But although M. Poincaré has got his taxation measures through the House, and will thereby gain some 4½ milliards of francs this year, the continued fall in the exchange is undoubtedly weakening his hold on the country. The difficulty is that there is no outstanding figure to take his place, the only name that seems to meet with any considerable backing being that of M. Clemenceau. But whether there is a change of Prime Minister or not, there is no doubt that French opinion is eagerly seeking a settlement of the European situation. Indeed, it will not be surprising if before long we see some impatience with the experts, and a desire that they should put forward a plan so that it may have some chance of being discussed and even adopted before the French elections take place.

If France shows desire for haste it will be for internal reasons, but, in fact, there are other, and perhaps more important, reasons why the whole question should be handled with the least possible delay. In the first place, there is the Rentenmark. Since the middle of November Germany has been enjoying the benefit of a stable currency, and, largely as a result of this, the Budget receipts have rapidly increased, and for the first few days of January the Budget actually showed a surplus. But this was rather an accident of dates than a general change in tendency. Revenue always comes in rapidly in the first days of January, and very few payments have to be made.

On the other hand, a fairly favourable condition in the Treasury tends to exist in Germany, as in England, throughout the first two or three months of the year, and it is not a coincidence that German efforts at stabilisation have all been made in the spring. Moreover, the latest figures published by the German Government show that in the last twelve months the balance of German trade has been more nearly favourable than the figures hitherto supplied would suggest. Economic conditions have, therefore, been favourable to stabilisation. The present state of affairs, however, can only continue if Budget equilibrium is maintained, or, at all events, if there is confidence that in the long run this equilibrium can be kept. On the present basis of taxation, and in the absence of an agreement either about reparations or the status of German officials in the Ruhr and Rhineland, this confidence cannot be maintained, and distrust might at any moment develop in the Rentenmark and send it the same way as the Reichsmark. Any such tendency will be resisted in Germany to the utmost; for one result of the great panic of last autumn has been to cure all tendency to think that indefinitely continued depreciation of currency can be an advantage to Germany. The moral deterioration which showed itself so markedly while the currency was falling has, as in the case of Austria, disappeared with surprising rapidity, and the whole country eagerly desires to escape a second experience like that of 1923.

These considerations account for Herr Schacht's anxiety to set going a Gold Bank of issue. He has represented the urgency of the question to the Expert Committee, even going so far, it is rumoured, as to threaten publicly to place upon the experts the responsibility for any new depreciation that may occur if his scheme is rejected or delayed. Financial experts in many parts of the world sympathise with his view, for it is realised that to save German currency a second time would be a desperately hard task, while a further blow to the morale of the country might have quite disastrous consequences. At the same time, it is just in such cases as this that we have to remember the adage "More haste less speed." The French members of the Expert Committee—and we should imagine they will carry their colleagues with them on this point—consider that the problem of the Rentenmark is part of the general German problem, and cannot possibly be separated from Reparations, the Budget, and the occupied areas. The problems are interlocked because no foreign lender could put up money with assurance to protect the Rentenmark so long as the indefinite floating charge of Reparations hangs over the whole of German property. But they are also interlocked because the assistance of foreign countries in stabilising the German mark—and without foreign assistance the present stabilisation cannot last—should only be given subject to certain conditions with regard to the Budget, financial control, &c. If credit were given without conditions, it would make the outstanding problem of Reparations, the Ruhr, and the Budget much harder to solve. The urgency, therefore, applies not merely to the question of the mark, but to the whole Franco-German problem.

France is rapidly getting into a frame of mind in which she wishes to settle. But we are not sure that it is going to be all plain sailing, for there is another party vitally concerned, and there are some indications that Germany may not be quite so ready to fall in with an Anglo-French understanding as she would have been some months ago. We do not attach too much importance to affairs in minor States, but a straw shows in which way the wind blows. In the Mecklenberg Duchy and in Thuringia in recent elections the parties of the Right have gained heavily at the expense of the social democrats, and are polling large majorities on the cry that not a penny more reparations is to be paid, or the cost of a single soldier in the army of occupation. If this temper should be reflected in the forthcoming elections for the Reichstag, our Government may find itself in the position of agreeing with France on an acceptable compromise on the question of reparations, and the occupation of German territory, but faced with a recalcitrant Germany. It has been the tragedy of Europe for the last five years that sooner or later each country has seen reason, and come to the right conclusion, but that unfortunately they have never been in this

frame of mind at one and the same time. We do not wish to look for trouble, but it is as well that this country should be alive to some of the possible difficulties of the situation. Its immediate duty is to try and see if it can reach with France a fair settlement of this eternal question. But the Government must, at the same time, be making up its mind on the further question as to how far it is prepared to go in bringing pressure to bear on Germany to accept an agreed solution. If France can have assurances in this respect it will be the surest way of reaching an understanding rapidly.

MONETARY POLICY.

MR RAMSAY MACDONALD made an important statement on Monday as to the Government's policy on the subject of currency. In reply to a question, he stated that "the re-appointment of a Committee on currency and foreign exchanges at the present time would be premature and inexpedient; the Government are still guided by the conclusions of the Committee on currency and foreign exchanges commonly called the Cunliffe Committee." This reply is of first-class importance, because it indicates that in theory, at all events, the Labour Government is opposed to inflation, a device which might ease their task of raising revenue, lead to a nominal rise in wages, and give a false impression of prosperity. We hope the Government will be strong enough to stand to this view when it faces the difficulty of finding the funds which it will need to fulfil its promises of social reform.

But though the statement has this negative importance, it does not carry us very far on the practical problems of currency policy. The Prime Minister refused to be drawn, or to say anything in explanation of the answer we have quoted. At its face value, the answer implies that the policy of the Government is to bring back the dollar exchange to par and to restore the gold standard. But how rapidly, and in what way? Mr Ramsay MacDonald must be prepared to be a little more explicit than this if he is to satisfy the legitimate curiosity of the business world. Some months ago Mr Baldwin declared that his Government had no intention of pursuing a policy of active deflation, that they believed in stability of internal prices rather than any attempt to regulate prices downwards, with a view to restoring the parity of exchange, and by inference that they were prepared to wait until a movement in American prices occurred which would restore the exchanges to par. In adopting this view the Government were following the recommendation of the Brussels Conference, which declared that "deflation must be gradual." Mr Baldwin so far agreed with Mr McKenna that he thought that deflation must be so gradual as to be almost imperceptible. Does Mr Ramsay MacDonald accept this interpretation of the Cunliffe report? We have no reason to doubt it; but it is very desirable that the Prime Minister should leave no ambiguity on this subject.

We regret that the Prime Minister should have coupled with this statement a refusal to appoint a new Committee on currency and the foreign exchanges. The Cunliffe report itself is so general that very varied policies might be pursued without running counter to its general instructions. It is time that in the light of post-war experience an attempt should be made to define our monetary policy more clearly. Moreover, since the restoration of the gold standard has been so long delayed, new problems have become of first-rate importance. One of them was dealt with very fully by Mr McKenna in his recent speech to the Midland Bank. Without attempting in any way to lecture the Bank of England, he made it quite clear that in the absence of a self-regulating currency the Bank of England must decide to what extent and in what way it will make possible an increase in the money of the country when such an increase is required by an expansion of the volume of trade. It is not easy to say how urgent this question may become, for the needs of expanding trade will to some extent be met by a greater rapidity of turnover of Bank money and of notes, but we do not want to run any danger of holding up trade recovery through lack of elasticity in our money supply. In this connection there is a strong

argument for combining the Treasury note issue with the Bank of England, and of having one monetary control authority instead of two. These are questions which may at any time become urgent, and for this reason we cannot agree that the proposal for a new Committee is either premature or inexpedient.

The truth is, however, that the details of currency policy are so complex and at the same time so far reaching that a Government which has been overwhelmed with numerous important questions—to say nothing of labour troubles—cannot have had time to make up its mind upon them, or even to have digested fully the views and arguments of its expert advisers. For the moment, the City will be well content with the knowledge that in this matter the Government is free from currency fads, and seems little tempted by the attractions of inflation. Whether employers, as represented by the Federation of British Industries, will be quite so pleased is another matter. It is true that in the letter of Sir E. Geddes to the Prime Minister dated February 14th, as in previous communications, the Federation deny any desire for inflation; but it has never been averse to seeing prices rise and has always harboured a sense of grievance on the ground that Government financial policy was responsible for the fall of prices following the boom of 1920. The argument runs that by funding a large amount of Treasury bills between 1921 and 1923 the Government restricted the buying power of the nation. In the latest letter issued by the Federation the thesis appears in this form:—"A policy of active 'deflation' may at any moment be resumed by reducing the amount of Treasury Bills in the hands of the banks, and that if Treasury action in this direction were to prevent the banks from obtaining the necessary cash resources required by an expansion of production, credits must be restricted and the trade revival checked." But the idea that a reduction in Treasury bills necessarily reduces the purchasing power available in the country or that deflation has been brought about by this means is almost pure illusion. In the first place the facts are against it. The big fall of prices occurred between the middle of 1920 and the end of 1921. At the first date the Treasury bills outstanding were £1,050 millions; at the second, £1,060 millions. During the ensuing two years the volume of trade has steadily increased, and the level of prices has slightly hardened—so that the total money value of business done has appreciably increased. Yet the Treasury bills outstanding had fallen from the above figure to £652 millions at the end of December, 1923. Secondly, the theory does not stand much examination. Treasury Bills may be repaid either by exchange for longer-dated securities or by being repaid out of a Budget surplus. If the bills are in private hands (e.g., insurance companies) neither form of repayment affects the monetary situation—though in the second case the character of the National demand may be affected by the transfer of spending power from those who might have bought goods for consumption to those who will probably invest again. If the bills are held by banks the result is not quite the same. A bank which substitutes long-dated investments for its Treasury bills will need to make more of its assets liquid. There will, however, be no reduction of deposits, and its ratio of cash will remain unchanged. If, on the other hand, they are repaid from a Budget surplus, the deposits of its customers will have been reduced by taxation. The balance-sheet will show a fall of deposits and an equivalent fall in "Bills Discounted." But the bankers' balances at the Bank of England will be unchanged, the net result being that the percentage of cash reserves will show an increase. This means that the banks are in a position to increase advances to trade if a use can be found for them. In other words, withdrawal of Government bills puts the banks in a position to substitute trade bills for Government paper. For some time past the banks have been in this position of desiring to substitute trade investments for Government investments.

Apart, however, from theoretical arguments, those who suffer from the Treasury bill scare would do well to make a note of the figure mentioned a month ago by Mr McKenna, who states that his bank only held £9 millions of Treasury bills. If the other banks are in a similar position, it is clear that the great bulk of these bills must be in private hands, and any effect of further payment

upon the banking situation will be very small indeed. We sincerely hope that Mr Ramsay MacDonald will not be deterred from repaying debt or even seizing favourable opportunities of funding operations or conversion by the idea that the monetary machine requires the maintenance of vast quantities of Government obligations varying in date from three months to infinity.

THE GOVERNMENT DEFEAT IN INDIA.

LAST Monday, in the Indian Legislative Assembly, the Viceroy's Government was defeated (by 76 votes to 48) on what was, in effect, a motion for the immediate introduction of full Dominion Self-government. The debate arose on a motion introduced by Mr Rangachariar, a member of the Moderate party, inviting the Governor-General in Council to take early steps—including, if necessary, the appointment of a Royal Commission—for the Revision of the Government of India Act, in order to secure for India full self-governing dominion status within the Empire, and full provincial autonomy. Mr Rangachariar's resolution provoked amendments, the most important of which was moved by Mr Molilal Nehru, the leader of the Swarajist Parliamentary party, and it is this amendment which has been carried, by the substantial majority above mentioned, after ten days' energetic debate.

Briefly summarised, the amendment contained the following three recommendations:—(i) That the Governor-General should take steps to have the existing act revised with a view to the establishment of full responsible government; (ii.) the early convocation of a round table conference to draft a constitution (the rights and interests of important minorities being safeguarded); (iii.) the dissolution of the present Assembly, and submission of the draft simultaneously (a) to a new Indian legislature for approval, and (b) to the Imperial Parliament for embodiment in a statute. Under the existing constitution, the voting of this amendment can, of course, be rendered ineffective from the technical point of view by the executive Power, but the Indian Government's defeat on this issue may be of considerable psychological importance—the more so, inasmuch as the Swarajists have shown marked address in their parliamentary tactics. Mr Molilal Nehru was deliberately moderate, and even suave, in his manner; he did not allow himself to be deflected by the more violent style of some of his colleagues, and he had prepared his ground by securing (the day before the debate began) a combine between his own party and the Independents, who accounted between them for 72 votes out of the 76 which his amendment received. The political prestige of the Swarajists will thus be enhanced by the steps leading up to their success, as well as by the achievement itself. The debate, moreover, was conducted on a high level, and was representative of most elements and opinions in the House—though the House itself, of course, is not by any means fully representative of the country. Meanwhile, Swaraj has been gaining further ground in the politics of Bengal, where the newly appointed minister for local self-government has been beaten in a bye-election by the Swarajist candidate—a relation of the Bengal leader, Mr Das, who reorganised and modified the Swaraj movement after Mr Gandhi's arrest in the spring of 1922.

Having proved their ability in parliamentary tactics, the Swarajists are no doubt alive to the larger problem that would confront them supposing that their parliamentary successes were to lead on, sooner than is contemplated under the present Act, to the full responsible government which they are demanding. That problem may be summed up in the one word "unity." Their recent parliamentary victory itself was the fruit of a successful understanding with a different, though not very distant, political group. Can they carry co-operation progressively across the barriers of province, caste, and religion? Mr Gandhi, who is a man of vision, has always placed unity in the forefront of his programme, and after his release from imprisonment a few days ago, on account of his health, one of his first acts was to write a letter to Mr Muhammad Ali, the leader of the Caliphate Movement, and President of the Indian National Congress, in which he declared that Mr Muhammad Ali's presidency "will be judged solely by what he will do in the cause of union."

Relations between the Hindu and Muslim communities have, indeed, been becoming less cordial than they were—a tendency which is perhaps due partly to the political success of the Swarajists and partly to the fiasco of the Caliphate movement, to which the *coup de grâce* was given not long ago by the Government of Angora. The rise of Swaraj would in any case have revived the Muslims' fear of being swamped by a Hindu majority, and this has coincided with the breakdown of that solidarity between Indian Muslims and the remainder of the Muslim world for which the Caliphate movement stood. That solidarity, of course, was never more than academic, and depended largely upon the mutual ignorance that subsisted between the Turkish Nationalists and the Indian Caliphatis, so long as Angora was cut off from India by the continuance of a state of war between the Kemalists and the British Empire. The essence of Turkish Nationalism was the *état laïc*, sovereign, uncompromising, and clothed in all the political dogmas of modern France; while the Caliphate movement was an archaistic revival of theocratic principles which had never been realised, in their purity, in the historical Caliphates of Baghdad or Constantinople. Since Nationalism and Theocracy are both jealous gods, there was bound to be war in the Muslim Heaven as soon as the two powers made contact with one another; and the denunciation by the Angora Government of the letter concerning the Caliphate which was addressed to them some weeks ago by the Agha Khan and Mr Ameer Ali, must have destroyed the last illusions in Indian Muslim circles regarding any real identity of view between their own community, who think as a minority, and their Turkish co-religionists, who wish to make the Turkish nation as supreme in Turkey as the Swarajists (in some Indian Muslims' belief) wish to make the Hindu community in the future the self-governing national State of India. Thus, deprived of their visionary support from abroad, which had encouraged them to co-operate with Mr Gandhi (in the feeling that they could hold their own at home, even under self-government, with this external aid), the Muslims are bound to revise their attitude, and the results are already apparent. The Swarajists of Bengal are not finding it easy to establish a concordat with the numerically very powerful Muslim element in that province; and there is an equal significance in the cautious opposition to Mr Motilal Nehru's amendment, which was displayed during the recent debate by the Muslim representatives in the National Assembly.

Let it be said at once that this tendency is no more desirable from the British point of view than it is from that of the Muslims themselves and the Swarajists. *Divide et impera* was the device by which the old Hapsburg monarchy prolonged an uneasy existence for one or two generations, but it is not in the political traditions of the British Empire. We have a better ideal, and a better sense of ultimate possibilities, for India. Indeed, the fundamental feature in the situation (and this is what justifies optimism when we are negotiating awkward corners) is the identity of our ultimate object with the object of the principal Indian party now opposing our rule. Great Britain's ambition for India is that very "responsible Government" which is demanded in Mr Motilal Nehru's amendment; and the conflict of wills is over method and speed, and not over principle. Therefore, however acute this conflict may be at times, there is always common ground on which we can meet the Swarajists in order to take stock with them of the situation, or at least to call upon them to take stock of it for themselves.

After the victory of the Swarajists in the Assembly, there are two questions which most responsible Englishmen, from the members of Mr MacDonald's Government on the one side to the moderate Conservatives on the other, will be inclined to put to them: "Do you possess the degree of national unity necessary for the degree of national self-government which you are demanding? And, as would-be responsible statesmen yourselves, can you sincerely maintain that the British nation would be justified in conceding full self-government to you without the assurance that you were already sufficiently united to make it a success?"

This is the next stage, and it is for the Swarajists to make the first move, for national unity is obviously very far from being achieved at present. Apart from the

major division between Muslims and Hindus, the Sikhs are chronically on the warpath in the Punjab—where a restoration of this minority's ascendancy would be equally unpleasant to the Muslim and to the orthodox Hindu elements in the population. There is the anti-Brahman movement in the South, and, apart from the clashes of race and religion, there is the constitutional difference between the British provinces and the native States whose sovereigns are in treaty relations with the King-Emperor. As British India moves towards self-government this difference will become more pronounced, and the obstacle which it places in the way of unity more difficult to deal with. In the course of the recent debate at Delhi, a young member, educated in England, is reported to have alluded to the native States as "medieval survivals." Yet at that precise moment the sovereign of the most important of these States, the Nizam of Hyderabad, was demanding, on grounds of legality, the restitution of the great Province of Berar, which has been under British administration since 1853.

In view of all this, we can only commend the promptness and the frankness of Mr MacDonald's message to India on the morrow of the formation of his Government, for it may soon be necessary for him to "disagree without hostility" in dealing with his Indian fellow-subjects, as well as with his French allies.

COAL PRODUCTION, WAGES, AND COSTS.

It is, unfortunately, too early to give a complete statistical picture of the coalmining industry in 1923, as the final ascertainment for the last quarter have not as yet been made. The returns for the third quarter of the year have, however, recently been published (Cmd. 2,043), and it is possible to form some sort of estimate, at any rate, of the wages paid in the last three months, while production figures are already to hand.

Perhaps the most satisfactory feature of the year is the steady increase in output. In one week in December nearly 6,000,000 tons of saleable coal were raised, while the total for the last three months of the year was close on 72 million tons, which compares with 65½ million tons in the previous quarter, and some 73 million tons in the corresponding quarter of the record year 1913. The total number employed, however, including clerks and salaried persons, was 1,198,000, or some 81,000 more than were employed in the industry immediately before the war.

The number of days lost at the mines which might have been worked showed a welcome fall in the last quarter, and this was particularly noticeable in the case of time lost on account of transport difficulties and want of trade. The only exception to the increase in working time as compared with the previous quarter was provided by the South Wales field.

A general summary of production costs and proceeds (on a tonnage basis) for the country as a whole down to September 30th last is given in the following table:—

	During the Quarter Ended			
	Dec. 31, 1922.	March 31, 1923.	June 30, 1923.	Sept. 30, 1923.
Costs of production—				
Wages*	11 4 95	11 6 63	11 11 50	13 3 26
Stores and timber	2 0 97	2 0 87	2 2 25	2 3 07
Other costs (management, salaries, repairs, office and general expenses, depreciation, &c.)	2 11 64	2 4 68	2 6 64	2 9 33
Miners' Welfare Fund contributions	0 1 10	0 1 09	0 1 09	0 1 08
Royalties (including the rental value of freehold minerals where worked by the proprietor)	0 6 47	0 6 31	0 6 39	0 6 47
Total costs	17 1 13	16 7 58	17 3 87	18 11 21
Deduct proceeds of miners' coal	0 1 33	0 1 41	0 1 24	0 1 12
Total (net) costs	16 11 80	16 6 17	17 2 63	18 10 09
Proceeds of commercial disposals	18 6 19	18 11 48	20 5 28	19 10 31
Balance: Credit	1 6 39	2 5 31	3 2 65	1 0 22

* Including subsistence allowances paid to low-paid day-wage workers.

It will be noticed that the total net costs rose steadily during the first three quarters of the year. As compared with the second quarter of the year, the rise in the quarter ended September 30th was 1s 7.46d per ton, of which increased wages accounted for 1s 3.76d per ton. The credit balance is, of course, divided in fixed proportions between the employers and the men, and thus represents the surplus accruing to the industry during the respective period, and not the profits actually made by the mine-owners. It is important to notice that the proceeds per ton, which rose steadily in the first half of the year, had once again begun to fall, and this tendency continued in October, when, however, there was also a fall in the total net costs, and a noticeable rise in the credit balance.

In view of the dissatisfaction felt by the miners as to the present situation, which has led to their giving the necessary three months' notice to terminate the National Agreement which is now in force, it may not be without interest to give the wages paid of recent months, expressed as percentages of the rates ruling in July, 1914. The wages for November-December were calculated on the basis of the results of colliery working during July and August, 1923, while the results in September-October form the basis of wages now being paid (January-February).

WAGES EXPRESSED AS PER CENT. OF JULY, 1914, RATES.

Coalfield.	Period.	
	Nov.-Dec., 1923.	Jan.-Feb., 1924.
Scotland	135.80	140.78
Northumberland	158.79	149.90
Durham	142.63	139.93
S. Wales	120.63	120.00
Eastern federated area	134.21	141.51

In the Lancashire, Cheshire, and North Staffordshire, the North Wales, the South Staffordshire, and the Cumberland fields, the percentage payable was the minimum guaranteed by the Agreement (= 120 per cent. of the rates ruling in July, 1914); while the same is now true of the South Wales area also.

Wages thus remain regrettably low: the estimated average earnings of workers of all classes and ages being 10s 4d per shift during the last quarter of 1923*, as compared with an ascertained average of 10s 7½d per shift for the quarter ended September 30th last. It must, however, be remembered that the output of coal per man-shift worked is not up to the pre-war standard, and, indeed, the figure for the third quarter of last year, which stood at 17.42 cwts, was actually lower than that of any quarter in 1922. It seems reasonably certain, however, that the ascertainment for the last quarter of the year, when published, will show a considerable improvement in this respect.

The question of production per man-shift is one of the very greatest importance in all discussions relating to the coal-mining industry. At a time when many points are about to arise for consideration, the relationship between the output per man employed and the length of the working day should be carefully examined: for cheaper coal will only be available by means of increased production, which is, indeed, essential for the prosperity of all who are connected with the industry.

RUSSIAN PUBLIC FINANCE.

(BY A CORRESPONDENT.)

EVEN in pre-war days the system of public finance in Russia left much to be desired. That system was, however, swept away in the course of the Revolution, together with the banking, industrial, and trading organisation of the country. It was not until 1922 that an attempt was made to build up again an organised fiscal system, to regulate public expenditure, and embark on the extremely difficult task—in a ruined country—of raising revenue to meet it. This process of organisation is still going on. Much has been done to bring together the remnant of the former Treasury, Inland revenue, and Customs' officials,

* See *Board of Trade Journal* for February 14, 1924, p. 216.

Rubber Plantations Investment Trust, Ltd.

Paid-up Capital and Reserves over £2,500,000.

TEA — RUBBER — COCONUTS.

ADVANCES UPON OR PURCHASES MADE OF DEBENTURES AND SHARES OF EASTERN PLANTATION COMPANIES. RECONSTRUCTION ISSUES UNDERWRITTEN.

1-4, GREAT TOWER STREET - LONDON, E.C.3.

and to train up younger men to complete the required staff. Great efforts have been made to establish a clear line of demarcation between State and local finance. Less than a year ago local Soviets were still accustomed to call on Moscow for funds whenever they were short of money, which was the rule rather than the exception, while no proper administration and control of local finances can be said to have existed in the vast majority of cases. The position in regard to this is now better, and if local authorities are still very backward, and often corrupt in their fiscal methods, they have been made to understand clearly that they can expect no help from the Central Government, and must balance their provincial, county, and rural district budgets as best they may.

As regards the State Budget, it is still extremely difficult to determine what importance attaches to the figures published. As A. I. Rykov, Lenin's newly appointed successor as President of the Council of People's Commissaries, aptly remarked, in a recent speech, there has been—and, it is to be feared, always will be—a tendency in Russia to think that to make a plan is to solve a problem. Hitherto, indeed, the Soviet Budget has given so much trouble—last year it was revised three times—that the end of the financial year has approached before it has been finally ratified. Last year, moreover, the serious crisis which developed during the late summer in connection with the abnormal disparity between the indexes for industrial and agricultural commodities, seems to have upset all calculations, and the final Budget returns for the year ended September 30, 1923, have yet to be determined. However, an approximate presentation of the position is attempted in *Economic Life* for January 30th, where a comparison is offered between what is believed to represent the State expenditure and revenue under the Budget for 1922-23, and the estimates which it is hoped to realise for 1923-24:—

(In Millions of Chervontsy Roubles.)					
EXPENDITURE.		REVENUE.			
	1922-23.	1923-24.		1922-23.	1923-24.
	Approximate Results.	Estimated mates.		Approximate Results.	Estimated mates.
Transport	542	670	Taxation, monetary and in kind	378	498
War	226	313	Revenue from other property and enterprises (excluding Railways & Posts and Telegraphs)	48	141
Govt. Departments	371	420	Communications	376	598
Industry	116	69	Posts and Telegraphs	25	38
Agriculture	66	47	Total of ordy. revenue	827	1,276
Electrification	24	39	EXTRAORDINARY REVENUE.		
Co-operation	9	20	Credit operations and realisation of foreign currency	129	253
Treasury operations	54	130	Emission of paper money	390	180
	1,408	1,708	Grand total	1,355	1,709

As will be seen, even after allowing for 390,000,000 roubles of deficit last year, for which paper money was issued, a further deficit of 53,000,000 roubles remains over, which, it appears, will simply be carried over into the present financial year. Even if due allowance is made for some progress towards recovery in Russia during the present year, an increase of 300,000,000 roubles in expenditure seems scarcely justified, and when it is disclosed that this increase is based on anticipations that the national wealth of the country will increase from an estimated 6.5 milliard roubles in 1923 to 7.5 milliards in 1924, and that additional revenue will accrue proportionately, the hazardous character of Soviet fiscal policy stands plainly revealed. In the post-revolutionary conditions of Russia, where the general economic situation remains very unstable, it is obviously a matter of great difficulty to make an estimate of the national wealth likely to be of any practical value. When, on the top of this,

a 25 per cent. increase in State expenditure is justified largely on what is conjectured may be a 15 per cent. increase in the national wealth during the current financial year, it is clear that little confidence in Soviet finance can be entertained.

Analysing the proposed estimates for the current year, the increase of 130,000,000 roubles in the expenditure on transport is said to be accounted for by additions to the wages bill and higher costs of running. The sharp rise in the price of metal has undoubtedly made it difficult for the Railway Department to reduce its deficit, although half the orders given to the State metal trusts have been cancelled in the effort to make both ends meet. As regards railway revenue, if the anticipated 600,000,000 roubles is to be received for 1923-24, the average monthly receipts from January to September will have to amount to nearly 52,000,000 roubles, as the average during the first quarter of the financial year—October-December, 1923—shows an average monthly revenue of 45,000,000 roubles. This latter figure constitutes an increase of 4,000,000 roubles on the September returns, and is a little difficult to credit in view of the restrictive effect on freights of the trade depression, even after allowance is made for the autumn demand for rolling-stock to convey export grain to the ports. The average monthly revenue of the railways before the war was 100,000,000 roubles, and the amount of goods carried last year is given as about one-third of the pre-war traffic. The railway budget for 1923-24 seems to be based on the anticipation of a substantial increase in the volume of this year's traffic. The increase of 90,000,000 roubles in expenditure on war establishments is explained chiefly by higher pay for the general staff and officers of senior rank, and the total of 813,000,000 roubles is claimed as modest compared with war estimates of about one milliard roubles annually in Tsarist times. Higher wages again account for the 50,000,000 rouble rise in the estimates for the various other Ministries. The Treasury has disembarrassed itself of a further batch of industrial enterprises—including the oil industry—which are now left to rely on bank credit and no longer receive State support. The coal, iron and steel industries alone remain dependent on the Budget. Thus an economy of 57,000,000 roubles is hoped for in industry, and a further 19,000,000 roubles is saved on agriculture. In a country so impoverished as Russia, expenditure on electrification seems of doubtful urgency, and an additional outlay of 15,000,000 roubles on it unjustified, while the increase of the State subsidy to the co-operatives from 9 to 20 million roubles is obviously dictated by the desire to bolster up State trading organisations, which have recently shown themselves very inefficient, as against the more successful, though much hampered, private trader. Returning to revenue, the increase of 120,000,000 roubles in taxation seems a far too optimistic forecast, more especially having regard to the opinion expressed by many Soviet economists that the taxable capacity of the population has already been reached. Nor is it any the less a subject for dubious speculation that an additional 92,000,000 roubles should be awaited this year from the forests, the State trusts and trading organisations and the banks, all of which are said to have brought in only 48,000,000 roubles last year. The whole Budget has, indeed, been framed on the assumption that this year the general economic situation will be far more favourable than it was last year, and that accidents—always very liable to occur in a country where conditions still remain highly unstable—will not take place. Meanwhile, in such an important branch of Russian economy as agriculture, apprehension is already being felt for the winter crops, and if nature should chance to withhold her benefits during the late spring and summer a serious situation might easily arise, which could not fail to affect the Budget. When, moreover, it is borne in mind that last year's autumn crisis plunged the fiscal authorities in such confusion that no complete final figures of revenue and expenditure for 1922-23 have yet been published, and when it is remembered that the Soviet Government is on the point of soliciting large credits from Great Britain and other countries, the projection of this year's Budget on so precarious a foundation is difficult to understand.

BOOT AND SHOE COMPANIES' PROFITS.

CONDITIONS in the boot and shoe industry are gradually improving. For 1921 our exports of boots and shoes amounted to only 312,252 dozen pairs, a significant falling off when compared with 818,969 dozen pairs exported in 1920 and 1,452,815 in 1913; in 1922 the figures moved up to 491,749, and last year a further improvement in exports was recorded when the total reached 796,026 dozen pairs.

The home trade, as represented in the figures of a dozen boot and shoe retailing companies, continues to make good progress. Practically all the companies which we have selected as representative of the trade have recovered from the disastrous effects of the slump, while in some cases profit figures have expanded beyond the high-water mark registered in the boom period. The directors of these boot and shoe undertakings are to be congratulated upon the promptitude with which they issue their accounts; most of the accounts dealt with in our tables are made up to December 31st; and, moreover, in the majority of cases there is good evidence that those responsible make some effort to clarify accounts. We have not come across a single case where a policy of concealment is suggested.

In the following table net profits are given for 12 boot and shoe undertakings for the past four years; figures for 1914 are submitted for comparative purposes:—

	1914.		1920.		1921.		1922.		1923.	
	Net Profit.	Div.	Net Profit.	Div.	Net Profit.	Div.	Net Profit.	Div.	Net Profit.	Div.
Freeman, Hardy, and Willis	97,338	15	170,714	17½	170,912	17½	175,197	17½	180,428	17½
Greenlees and Sons	7	7	36,916	7½	23,277	7½	36,751	24	32,489	24
H. E. Randall	36,829	15	36,829	15	36,829	15	36,829	15	36,829	15
J. Sears	61,634	17½	92,715	17½	92,715	17½	92,715	17½	92,715	17½
Lennards	34,007	10	48,402	20	48,402	20	48,402	20	48,402	20
Lilley & Skinner	16,934	5	5,851	10	12,696	10	13,687	12½	28,397	12½
London Shoe	68	5	14,408	300	5,133	100	4,033	nil	30,189	10
Lotus, Limited	83,012	7	83,012	7	83,012	7	83,012	7	83,012	7
Public Benefit	29,362	4	40,257	12½	31,669	8	36,431	8	36,702	10
Salter & Salter	4,587	5	10,647	12½	8,277	nil	57,841	10	3,945	nil
Stead & Simpson	36,600	6	48,484	10	Dr 11,080	10	57,841	10	70,418	10
W. Abbott & Sons	13,243	5	26,376	12½	24,075	12½	21,824	12½	21,044	12½

* Free of tax. † Year ended March 31.
(a) Profits before making allowance for depreciation.
(b) Year 1912-13.

Freeman, Hardy and Willis maintain their lead with profits of £180,428 as against £175,197 a year ago; the dividend is still 17½ per cent., which has been the figure for last four consecutive years. J. Sears, with an increase of profits from £132,778 to £169,695, raise their dividend distribution from 17½ per cent. to 22½. The Lotus Company keep steady at £143,162, as against £142,622 for 1922; in this case there is no change in the dividend at 10 per cent. Stead and Simpson increase profits from £57,841 to £70,418, but cautiously retain a 10 per cent. distribution.

The next table shows how the available balances in hand were distributed:—

	Brought In.	Net Profit.	Prefer. Dividend.	Ordinary Dividend.	To Reserve and Sundry Funds.	Carried Forward.
Freeman, Hardy, & Co.	100,661	180,428	11,532	69,394	91,800	108,663
Greenlees and Sons	17,396	32,489	14,414	5,189	12,500	17,794
H. E. Randall	19,285	36,829	5,100	19,112	5,000	26,574
J. Sears	61,634	92,715	16,486	21,000	99,070	87,900
Lennards	34,007	48,402	2,397	7,500	15,625	10,163
Lilley & Skinner	10,154	5,851	3,019	3,802	10,226	16,315
London Shoe	847	14,408	3,900	52,236	70,000	16,834
Lotus, Limited	14,895	83,012	18,987	6,150	6,000	39,162
Public Benefit	37,840	40,257	36,702	23,230	14,000	561
Salter & Salter	Dr 4,587	3,945	5,400	14,000	64,725	38,430
Stead and Simpson	50,520	70,418	9,793	10,575	18,935	18,935
W. Abbott & Sons	13,166	20,544	4,200	10,575	18,935	18,935

The item "reserve and staff funds" mentioned in our table above requires, perhaps, further explanation. In the case of Freeman, Hardy, and Willis, included in the above £91,500 is £10,000 "amount due to directors and staff," £52,500 "income-tax account," £25,000 "bonus to employees," and £4,000 "local and other charities." It is obvious in many cases that in distributing profits workers have not been overlooked, and in this respect the directors are to be congratulated upon their vision and

commonsense. The Lotus Company place £50,000 to reserve, £10,000 to an "employees' benevolent fund," and £10,000 set aside "for the purpose of establishing a pension fund." J. Sears and Co. allocate £25,000 to reserve, and increase the amount "carried forward" from £63,275 a year ago to £87,900.

Our next table shows principal assets and liabilities in the past three years:—

	Principal Liabilities.					Principal Assets.				
	Ord. and Pref. Capital.	Debts, Liabilities, and Loans.	Reserves.	Creditors.	Property, Plant, and Fixtures.	Stock.	Cash and Bank Balances.	Debtors.		
Freeman, Hardy, and Willis	725,000	203,000	330,677	383,694	536,724	847,117	597,798	16,330		
1921	725,000	203,000	330,677	383,694	536,724	847,117	597,798	16,330		
1922	725,000	203,000	330,677	383,694	536,724	847,117	597,798	16,330		
1923	725,000	203,000	330,677	383,694	536,724	847,117	597,798	16,330		
Greenlees and Sons	520,000	..	21,331	8,145	220,898	216,993	12,734	..		
1921	520,000	..	21,331	8,145	220,898	216,993	12,734	..		
1922	520,000	..	21,331	8,145	220,898	216,993	12,734	..		
1923	520,000	..	21,331	8,145	220,898	216,993	12,734	..		
H. E. Randall	212,419	..	35,000	78,321	117,199	124,936	64,545	50,960		
1921	212,419	..	35,000	78,321	117,199	124,936	64,545	50,960		
1922	212,419	..	35,000	78,321	117,199	124,936	64,545	50,960		
1923	212,419	..	35,000	78,321	117,199	124,936	64,545	50,960		
J. Sears	720,000	..	60,000	333,743	359,335	408,471	445,383	2,455		
1921	720,000	..	60,000	333,743	359,335	408,471	445,383	2,455		
1922	720,000	..	60,000	333,743	359,335	408,471	445,383	2,455		
1923	720,000	..	60,000	333,743	359,335	408,471	445,383	2,455		
Lennards	250,000	131,592	200,000	18,089	56,036	382,026	169,258	25,832		
1921	250,000	131,592	200,000	18,089	56,036	382,026	169,258	25,832		
1922	250,000	131,592	200,000	18,089	56,036	382,026	169,258	25,832		
1923	250,000	131,592	200,000	18,089	56,036	382,026	169,258	25,832		
Lilley & Skinner	234,480	271,145	105,000	183,095	280,959	363,259	26,255	123,070		
1921	234,480	271,145	105,000	183,095	280,959	363,259	26,255	123,070		
1922	234,480	271,145	105,000	183,095	280,959	363,259	26,255	123,070		
1923	234,480	271,145	105,000	183,095	280,959	363,259	26,255	123,070		
London Shoe	67,000	5,421	13,000	33,877	20,351	68,657	2,114	10,199		
1921	67,000	5,421	13,000	33,877	20,351	68,657	2,114	10,199		
1922	67,000	5,421	13,000	33,877	20,351	68,657	2,114	10,199		
1923	67,000	5,421	13,000	33,877	20,351	68,657	2,114	10,199		
Lotus	1,030,358	..	50,000	79,668	324,399	351,405	252,066	106,699		
1921	1,030,358	..	50,000	79,668	324,399	351,405	252,066	106,699		
1922	1,030,358	..	50,000	79,668	324,399	351,405	252,066	106,699		
1923	1,030,358	..	50,000	79,668	324,399	351,405	252,066	106,699		
Public Benefit	503,548	9,578	134,506	312,401	340,617	79,839	4,136			
1921	503,548	9,578	134,506	312,401	340,617	79,839	4,136			
1922	503,548	9,578	134,506	312,401	340,617	79,839	4,136			
1923	503,548	9,578	134,506	312,401	340,617	79,839	4,136			
Salter & Salter	80,000	54,853	6,500	2,384	47,210	89,180	4,547	..		
1921	80,000	54,853	6,500	2,384	47,210	89,180	4,547	..		
1922	80,000	54,853	6,500	2,384	47,210	89,180	4,547	..		
1923	80,000	54,853	6,500	2,384	47,210	89,180	4,547	..		
Stead & Simpson	303,226	278,722	180,000	118,753	313,520	510,133	162,853	5,478		
1921	303,226	278,722	180,000	118,753	313,520	510,133	162,853	5,478		
1922	303,226	278,722	180,000	118,753	313,520	510,133	162,853	5,478		
1923	303,226	278,722	180,000	118,753	313,520	510,133	162,853	5,478		
W. Abbott and Sons	144,600	15,000	89,059	68,817	38,183	222,117	50,210	2,758		
1921	144,600	15,000	89,059	68,817	38,183	222,117	50,210	2,758		
1922	144,600	15,000	89,059	68,817	38,183	222,117	50,210	2,758		
1923	144,600	15,000	89,059	68,817	38,183	222,117	50,210	2,758		

Most of the balance-sheets are well set out. We would suggest that Freeman, Hardy and Willis might show whether investments are taken at cost or at market value. Greenlees record goodwill at £100,000, and show £10,000 under assets as company formation expenses; this last item indicates the absurdity of describing entries on this particular side of the balance-sheet as assets. H. E. Randall present a clear statement of affairs. J. Sears and Co. show with pride that goodwill, which on December 31, 1922, stood at £141,051, is now completely written off out of reserves; we confess that here again we should like to know how "British Government securities" at £262,750 have been valued. Lennards are also proud of the fact that goodwill was completely written off in 1908, while for 26 years trade creditors have appeared in the balance-sheet as "nil." Lilley and Skinner have goodwill valued at £30,000, but there is a reserve account of £105,000. The Lotus Company issue particularly interesting accounts. Investments are taken at £279,902, with a market value of £280,597, while there is a reserve of £120,000, against goodwill estimated at £176,504. The Public Benefit might find that it would please some shareholders if they could separate goodwill from property, which at present are shown together as one item.

With this particular trade in such a sound financial state the future can be faced with a considerable degree of confidence. It was recently pointed out in these pages that the bad weather, while proving very unsatisfactory to pedestrians, was a favourable factor in the boot and shoe trade. This will no doubt be properly appreciated in financial circles. We do not show a table of share prices and yields, as the majority of the ordinary shares either lack quotations or possess a narrow market. Apparently, shareholders are confined to the chosen few.

RECOGNITION IN INTERNATIONAL LAW.

(BY A LEGAL CORRESPONDENT.)

THE disturbed condition of international order during the past decade has given a fresh importance to the various kinds of recognition which are known in international law, so that it may be useful to examine some of the principal varieties of recognition and their consequences. Recognition is essentially an act of policy, but it has important legal consequences, and, when too long delayed or too precipitately granted, may have serious political consequences. We shall deal with the subject under three headings: Recognition of Belligerency, Recognition of new States, Recognition of new Governments.

Recognition of Belligerency need not detain us for long. It occurs when upon the occasion of an insurrection the Government of the parent State or, more frequently, of some third State accords the status of belligerents to the insurgent community. Its principal effect as regards third States granting recognition of belligerency is that from that moment the normal rules of war as between a belligerent and a neutral State come into operation, and the insurgent community may exercise, as against the subjects of the third State, the belligerent rights of visit and search upon the high seas, and of capture and condemnation for breach of blockade, the carriage of contraband, and unneutral service. Readers of the Life of Sir William Harcourt will remember that it is to this question that the famous letters of *Historicus* to the *Times* which established Harcourt's reputation as an international lawyer, were mainly directed. The Government of the Confederate States in 1861 sent a mission to London to ask Earl Russell to recognise them as an independent State. This he very properly declined to do, but granted them recognition of belligerency as they were waging a war both by land and by sea, and President Lincoln had already proclaimed a blockade of the coasts of the Confederate States. This grant of recognition of belligerency was for many years complained of by the Federal Government as an unfriendly act, but largely owing to the powerful reasoning of *Historicus* this view did not gain general acceptance throughout the world. It is usually stated that when an insurgent community has an organised though provisional Government, is in effective control of territory, and is waging war in accordance with the recognised rules for the conduct of war, a third State who or whose subjects are likely to be affected by the hostilities can, without any unfriendliness to the parent State and without expressing approval of the insurrection, grant recognition of the belligerency. An unusual instance occurred in 1918, when the Allied and Associated Powers recognised the belligerency of the National Council of the Czechoslovaks, which, located in Paris and operating through three armies in France, in Italy, and in Siberia, was in control of no territory at all.

Recognition of a new State is recognition by one or more existing States that a new State has emerged and become a member of the family of nations. It can occur in a number of ways, as, for instance, by publishing a declaration of recognition, by receiving or sending an ambassador, by a treaty declaring and establishing the independence of the new State. In 1918 and 1919 the Succession States of the Russian and Austro-Hungarian Empires were recognised as new States. Thus, by Article 817 of the Treaty of Versailles, "Germany, in conformity with the action already taken by the Allied and Associated Powers, recognises the complete independence of Poland."

Recognition of new Governments of existing States.—This is perhaps the most troublesome and controversial of all the varieties of recognition. (a) The existence of a State is something quite apart from the continued existence of any particular form of government which it may have adopted. Changes from a monarchy to a republic or from a republic to an oligarchy, while momentarily interrupting the intercourse of a State with

its neighbours, do not affect its existence as a State. When such changes occur, it is necessary that any other State consenting to or desiring diplomatic intercourse with it should recognise the new Government as the duly appointed organ of the State it professes to govern. Once that recognition is granted, all the attributes of sovereignty are at the same time conceded to the new Government, whose official acts henceforth become conclusive and inexamined in the courts of the recognising State. Thus, three years ago, as soon as the British Government recognised the Soviet Government as the *de facto* Government of Russia, the Court of Appeal was bound to hold, as was held in the *Sagor* case, that an importer of "nationalised" timber bought in Russia of the Soviet Government and shipped to England had acquired a good title to it, and could not be proceeded against by the Russian company to whom the timber belonged before "nationalisation." The Court of Appeal was precluded by *de facto* recognition from questioning the avowedly official acts of the Soviet Government in confiscating the timber and selling it, and, moreover, felt bound to hold that the effect of recognition was retrospective, and related back to the date when they established themselves as the *de facto* rulers of Russia. (b) It is a misapprehension to think that recognition of a new Government is essential to the legality of trade between the subjects of the two States. Trade with the subjects of an unrecognised Government is not to be likened to trading with the enemy. It is perfectly lawful, but, inasmuch as your Government has no official representatives in the country with which you are trading, you have not the same guarantee against unfair treatment by judicial or other State officials. It seems quite a fair assumption to make that the grant of full recognition to a new Government will stimulate trading relations between the two countries, but that is not because until then trade has been unlawful. (c) The effect of recognition being a resumption of official intercourse, numerous political and commercial treaties which during the suspension of diplomatic intercourse have been in abeyance, become once more operative. As the Prime Minister indicated in his recent note to Russia, it is desirable having regard to the lapse of time, and to the changed circumstances, to overhaul our existing treaties with that country, and consider how far they are suitable to the new circumstances. (d) The political difference between *de jure* recognition and *de facto* recognition is very considerable, and it is hardly to be expected that there should exist any active fostering of trade, or any cordial relationships between two countries when the Government of one had merely recognised *de facto* the Government of the other. As a recent writer to the Press has pointed out, "It is rather hard to see what the recognition of a new Government as *de jure* adds to recognition as *de facto*, unless it be the judgment of the recognising Power that no adverse claim remains outstanding, or one which need be seriously regarded for any practical purpose." It is in that assurance and in the guarantee implicit in it, that we have definitely abandoned our former policy of subsidising attempts to overthrow the Soviet Government of Russia, that the chief value of our recent *de jure* recognition seems to lie.

We have been busy during the past few weeks in the matter of recognition. In January we granted recognition to the Government formed by M. Venizelos, after having withheld recognition from the Revolutionary Government which adopted the deplorable practice of executing Cabinet ministers in November, 1922. In February we granted *de jure* recognition to "the Union of Socialist Soviet Republics, as the *de jure* rulers of those territories of the old Russian Empire, which acknowledge their authority." Having granted that recognition, it seems to follow from the concession of the attributes of sovereignty thereby involved that it will be difficult not to accept the assertion of the Soviet Government as to the extent of such territories. In other respects, too, our note contains unconventional language, and makes the reader feel that it would have been more regular to clear up several outstanding points before instead of after granting recognition. Finally, the month of March seems likely to see the recognition of the Obregon Government of Mexico, whose claim to be recognised is certainly much improved by our new Russian policy.

Notes of the Week.

The Dock Strike.—Eleventh hour peace efforts failing, the dock strike became fully effective on Monday in all the ports of the country. By Wednesday morning the deadlock appeared to be so insoluble that a prolonged strike was generally feared, the Government were pushing on with emergency measures for safeguarding food supplies, and little was hoped from the Court of Enquiry which the Minister of Labour appointed on Monday. This Court opened its sittings in public on Wednesday morning, and after Mr Bevin and Sir Norman Hill had stated the cases of the men and the employers respectively, adjourned. What influence the opening of the enquiry may have had is somewhat obscure, but by Wednesday afternoon negotiations had been re-opened, and in the middle of Wednesday night settlement terms were agreed by the respective leaders. The basis of the agreement was as follows:—The rise of 1s a day to take place at once, and a further rise of 1s a day on the first pay day in June; and an enquiry into decasualisation to be set up at once. Originally the employers had offered the first shilling immediately, but had insisted on submitting the question of the second shilling to arbitration. The agreement was therefore hailed as a victory for the men. But in the course of a few hours it became obvious that the temper of the men in some ports was such as to jeopardise acceptance. Fears on this score were quickly justified, for the delegates' conference, which assembled on Thursday evening, adjourned without reaching a decision. It was resumed yesterday morning. After long discussions, it was decided that the delegates should return to their ports, recommend their men to accept the settlement terms, and should then reassemble in London on Monday. It is, therefore, not yet clear when work will be resumed, and the temper in some of the ports seems to be difficult. But, things having gone so far, it may reasonably be expected that the chances of a termination this week-end are fairly good. One cannot recall many instances of disputes, where public opinion has on the whole formed so unfavourable a view of the way in which the approaching trouble was handled by the employers. This fact, and the further circumstance that the cost of living has continued to rise since the men's demands were made, combined to rally a considerable degree of public sympathy to the side of the men. On the other hand, shrewd judges of the economic position are alarmed lest a series of sudden and substantial wage advances should upset the equilibrium of the slow, steady trade improvement which has been in progress, and is likely to continue on sound and durable lines provided the jolts and jars of sudden economic disturbances are avoided. The new Minister of Labour appears to have handled the affair with tact, promptitude, and energy, and to deserve criticism on one point only, namely, an alarmingly weak attitude over the question of His Majesty's mails.

The Five Cruisers.—If the motion for the adjournment of the House of Commons on Thursday did nothing else, it cleared away the misconception that the Government proposed to enter into commitments for war-ship construction without the sanction of the House. That is not in contemplation. But there is no doubt that this question of the five cruisers is one of which much more will be heard when the Naval Estimates come up for discussion, and it has obviously aroused feelings in the Liberal and Labour parties with which the Prime Minister will have to reckon. It is necessary to wait for the Naval Estimates before the contention that this proposed construction means no increase in the naval programme can be tested. So far as the question of defence policy is involved, co-ordination of air and sea strength is the root of the problem, and the Government has not yet perhaps been in office long enough to present a considered view of the whole problem. Meanwhile, we find Mr MacDonald's views on the building of warships as a cure for unemployment unsatisfactory. Where shipyards are in danger of going into disuse owing to lack of business, there is no doubt some-

thing in the argument that it is worth while spending money to keep the organisation together. But the policy of taking money from the taxpayer with the sole idea of absorbing unemployed on the construction of warships is not sound economics, and is in direct conflict with the Prime Minister's recent references to the unemployment problem in the House of Commons.

The Scope of the Debt Inquiry.—The Chancellor of the Exchequer in the House of Commons on Wednesday gave the following as the terms of reference for the Commission, whose appointment the Prime Minister announced last week:—"To consider and report on the National Debt and the incidence of existing taxation, with special reference to their effect on trade, industry, employment, and national credit." The terms are so wide as to allow the Commission to range over almost the whole field of national finance. If the chosen experts can answer all the great conundrums that will be presented to them, the Commission will perform an inestimable service to the nation. But the broadness of the terms of reference also suggests that the inquiry is bound to be of a very protracted nature. The Chancellor has not yet announced the names of the members, and the delay suggests that certain leading experts now abroad on other tasks are being invited to serve.

The Insurance Gap.—Our Labour correspondent writes:—The second reading of the Bill embodying the decision of the Government to abolish the gap, announced by the Prime Minister in his opening statement, has passed through the House of Commons without a division. No one can defend the gap. To the men and women affected it has always represented an unjust and wholly useless hardship. Why or for what purpose it was there has been a dark mystery to them. It seemed no more than a device by which power demonstrated its inhumane authority. It saved the insurance fund very little—not more than half a million—as a "moralising" device, it was altogether out of place in a period of protracted and general unemployment. Originally, the gap was part of the provisional arrangement whereby benefit was granted for "special periods," but it reappeared under the Amending Act of 1923, as if there were some virtue in it. It is there prescribed that, after the first 12 weeks of the 26 weeks' (maximum) benefit, whether covenanted or uncovenanted, there shall occur a gap of three weeks, in the case of those claiming uncovenanted benefit, and this although the special period system was swept away, and the maximum applied to the currency of the year from October, 1923, to 1924. Another indefensible anomaly that is to be swept away is the discriminating power of committees among those claiming uncovenanted benefit. That power, like the gap, can only be defended by those who still imagine that the "dole" is a benevolent grant, made at the expense of the kind taxpayer. This, of course, is not the case. The insurance fund is, to the extent of three-fourths, made up from the contributions levied on workpeople and their employers. Its present debt is the result, partly of unprecedented unemployment, mainly of the fact that, in November, 1920, the actuarial basis was shattered by the sudden transference to the fund of practically the entire working population. Instead of 3½ million (at the end of 1916) it had to support 11½ million persons from 1921 onwards, and this at a time when the percentage of unemployment ranged about 12 for all industries. But that debt is to be wiped off, as and when employment recovers, by the contributions of the workers and their employers. So soon as a man or woman gets back to work, whether or no previously excluded from benefit, he or she is at once levied for insurance. They cannot escape because, when unemployed, they have been refused benefit on the ground that the Minister, or the Committee which carries out his ruling, does not regard it as "expedient in the public interest" that he should receive it. Under this ruling single persons, both juvenile and adult, residing with parents or relatives; married women and married men, whose husbands or wives are in employment; persons on short time, earning half or more their normal rates; persons "unwilling to accept

work" other than that to which they are accustomed; and aliens, with certain exceptions, have been excluded. None of them are excluded from the subsequent obligation to help the fund back to solvency.

Oil and Politics in U.S.A.—Now that Mr Denby, Secretary of the Navy, whose department was concerned with ex-Secretary Fall of the Interior, in the granting of the naval oil reserves, without public bidding, to the Sinclair and Doheny interests, has resigned in the face of the violent attacks made upon him in the Senate, the Democratic fury is now turned hot upon Mr Daugherty, Attorney-General, the hotter because Mr Daugherty had intimated he had no intention of resigning. In a speech which is said to have exceeded in violence and bitterness anything that had gone before, Mr Wheeler (Democrat), of Montana, told the Senate that Mr Daugherty's friends had been taking money "by selling offices and pardons, and dismissing whisky cases in New York," and that "if the Attorney-General had not received such money, the people of the United States would surely think he is a bigger fool than they think he is to-day." From oil to whisky is a far cry, but now that the public conscience is stirred, the Department of Justice may not escape inquiry. The Senate Investigation Committee still widens the scope of the "oil scandal." Senator Walsh, its leader, has now called for the cancellation of the lease held by the Standard Oil Company, on Section 36 of the California Reserve. Thus the enquiry reaches out beyond the Sinclair and Doheny interests, which are "independent," to the vast interests of the Standard Oil organisation. Next, the books of stockbrokers are being examined to ascertain whether Government officials, having knowledge of the naval reserve leases, had dealt profitably in Sinclair or Pan-American stocks. On Monday night the Committee announced that at least one Senator, Mr Elkins, of West Virginia, was involved in speculations in the Sinclair promotions. Finally, there is likely to be the inquiry into the whole foreign oil policy of the United States Government. Mr Sinclair, on his return to America, will be questioned about his concession in Northern Persia, his relations with Standard Oil in that connection, and his dealings with the Soviet Government. Mr Doheny will be called again to tell of his relations with the Washington Government in regard to Mexican oil affairs. The influence of oil on international, as well as on domestic, politics, should now be revealed to the hardened public gaze. So far President Coolidge has kept intact the prerogatives of the Chief Executive, but the Senatorial attacks on Mr Daugherty, one of the powers of the Republican party, are placing him in an exceedingly awkward position.

Foot and Mouth Disease.—Our agricultural correspondent writes:—Mr Noel Buxton's first administrative action does not inspire confidence in his judgment. The most difficult problem left him by his predecessors was that of dealing with foot and mouth disease, and, unhampered as he is by responsibility for the unfortunate spread of the disease during the past two or three years, he had an opportunity of examining the problem with an open mind from a fresh point of view. What he has done is to appoint four members of the Committee which previously inquired into the subject, without making any practical contribution to its elucidation. Obviously, they can be expected only to re-affirm the futile findings to which they are already committed. The real question which excites the interest and curiosity of the public is plain. Why is it that the administrative methods which for thirty years suppressed the disease with complete success have so suddenly and markedly failed to do so? So far as is known, there has been no change in the nature of the disease or its extreme and insidious infectivity. It is admitted that its administrative control is exceptionally difficult. Up to a certain date the difficulties were surmounted; after that date they appear to have defeated the administration. The Ministers who were responsible during the period of failure were Lord Lee, Sir Arthur Boscawen, and Sir Robert Sanders. To them, therefore, it is useless to appeal; but there are several ex-Ministers of Agriculture and Parliamentary Secretaries who were

responsible during the long period of success, such as Lord Long, Lord Lincolnshire, Lord Selborne, Mr Runciman, Mr F. D. Acland, Sir Harry Verney, Sir R. Winfrey, &c. Why should not Mr Buxton invoke the assistance of one or other of these instead of wasting time and money on an inquiry by a jury who have already given their verdict? One of the members of the Committee appointed by Mr Buxton is Mr W. B. Smith. Is there any precedent for the Parliamentary Secretary of a Department serving on such a Committee without being the chairman thereof?

Germany's Trade Balance.—Returns published by the League of Nations, and summarised in the February number of our *Monthly Supplement*, reveal a very slight unfavourable balance in Germany's foreign trade during 1923. The average monthly value of imports for domestic consumption is computed at 506,699,000 gold marks, and that of exports of domestic produce at 506,590,000 gold marks. The figures are admittedly difficult of calculation, but that the import balance should have been so small in a year of acute internal difficulty is a matter of surprise. The returns for January to May showed a decidedly unfavourable balance. No further statistics were issued till quite recently, when a total for the five months May to September was published, showing imports of 2,560 million gold marks, and exports of 2,901 million gold marks, the average monthly excess of exports being about 68 million gold marks. The totals for the last three months of the year were:—Imports, 1,300 millions; exports, 1,637 millions; average monthly export balance 112 million gold marks. Since May, 1923, or possibly a little later, there has been an export surplus of considerable importance. The "Statistical Year Book of the German Republic" gives the trade balance for 1913, 1920, 1921, and 1922 as follows (in millions of gold marks):—

	Imports.	Exports.
1913.....	10,769.7	10,097.2
1920.....	3,928.7	3,709.3
1921.....	5,732.1	2,990.6*
1922.....	6,302.8	6,181.5

* May to December.

According to these figures, imports in 1922 reached an average monthly value of 525 million gold marks, and exports of 515 million gold marks. The League of Nations' *Bulletin* gives monthly averages of 517 millions and 331 millions respectively for the same year. The difference between the two sets of figures is explained by the fact that the Year Book figures are based on 1913 prices, whereas those published by the League of Nations are paper prices reduced to gold marks. If the figures are exact in each case, it would seem to follow that a much greater increase has occurred in the price of imported than of exported commodities. That such an increase has taken place is undoubted, but whether it has attained the proportions indicated by the above figures is open to question. For obvious reasons German exporters may have been tempted to understate the value of their consignments sent abroad. The 1922 balance is now shown to have been only slightly unfavourable; that the balance for 1923 may have been definitely favourable is not improbable. The headlong collapse of the mark during the summer was ascribed to the existence of a large budgetary deficit, and an extremely unfavourable balance of trade. The "Rentenmark" scheme attacked the internal aspect of the problem, but did not and could not involve any direct measure for affecting the trade balance. The success of the scheme, notwithstanding this limitation, supports the view that the supposed excess of payments was more apparent than real.

Traders and Russian Recognition.—In a letter to the Prime Minister, the Federation of British Industries indicate the following six points, which in their opinion must be accepted by the Soviet Government "if there is to be any feeling of confidence in their *bonâ fides*":—

1. A recognition by the Soviet Government of their liability for all debts contracted by previous Russian Governments, either with the British Government or with British subjects.
2. Suitable provision for the payment of interest and arrears on these debts.
3. An undertaking by the Soviet Government to institute satisfactory arrangements for the eventual repayment of the principal of these debts.
4. An explicit recognition by the Soviet Government of their

liability to pay compensation in full to those British subjects who have suffered injury in their persons or property by the events which accompanied the Russian Revolution.

5. The acceptance by the Soviet Government of suitable arrangements for assessing the amount of this compensation and for guaranteeing its prompt payment.

6. An undertaking by the Soviet Government to agree to the establishment of a Clearing House system to deal with debts and interest thereon owing to British subjects by Russian subjects.

"The Federation recognise," the letter continues, "that in the present circumstances the immediate fulfilment of all the promises contained in the above six paragraphs would not be possible, and that it would be reasonable to consider the grant of a period of moratorium so far as some of the claims are concerned. They would, however, point out that no mere promise of eventual payment should satisfy His Majesty's Government, and that the latter should insist upon guarantees which would hold out some promise that any undertakings entered into by the Soviet Government would be duly observed." As regards future safeguards for British traders in Russia, four salient questions are put to the Government, and finally the Federation asks for representation at the coming conference with the Soviet delegates.

Cost of Living.—According to the *Ministry of Labour Gazette*, the cost of living index number rose by 2 points in January, namely, from 77 per cent. to 79 per cent. above the pre-war level. This advance brings it two points above the level recorded a year ago, and ten points above the lowest point touched in June and July of last year. Monthly movements since 1918 are traced in the following table:—

AVERAGE PERCENTAGE INCREASE OVER JULY, 1914.—All items. (Food, Rent, Clothing, Fuel, and Light, &c.)								
Month (beginning of)	1918.	1919.	1920.	1921.	1922.	1923.	1924.	
January ..	85-90	120	125	165	92	78	77	%
February ..	90	120	130	151	88	77	79	%
March ..	90	115	130	141	86	76	..	%
April ..	90-95	110	132	133	82	74	..	%
May ..	95-100	105	141	128	81	70	..	%
June ..	100	105	150	119	80	69	..	%
July ..	100-105	105-110	152	119	84	69	..	%
August ..	110	115	155	122	81	71	..	%
September ..	110	115	161	120	79	73	..	%
October ..	115-120	120	164	110	78	75	..	%
November ..	120-125	125	176	103	80	75	..	%
December ..	120	125	169	99	80	77	..	%

Retail food prices rose from 75 to 77 per cent. above the July, 1914, level. For this potatoes were largely responsible, the average increase in the price of this vegetable during January being 2½d per 7 lbs. Here, presumably, we see the influence of the railway strike. Relatively small increases took place in meat and sugar prices, but eggs became considerably cheaper and bacon fell slightly.

Employment in January.—Circumstances connected with the railway strike make the showing of the *Ministry of Labour Gazette's* January unemployment statistics rather confusing. The trade union percentage of unemployment on the last day of the month was 8.9, as against 9.7 at the end of December. On the other hand, the percentage unemployed among all workers insured under the Unemployment Insurance Act on January 28th (the last day of the railway strike) was 11.9, as compared with 10.7 on December 21, 1923. Monthly movements of the trade union figure may be seen in the following table:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.								
	1913.	1918.	1919.	1920.	1921.	1922.	1923.	1924.
End of—	%	%	%	%	%	%	%	%
January ..	2.2	1.0	2.4	2.9	6.9	16.8	13.7	8.9
February ..	2.0	0.9	2.8	1.6	8.5	16.3	13.1	..
March	1.9	1.2	2.9	1.1	10.0	16.3	12.3	..
April	1.7	0.9	2.8	0.9	17.6*	17.0	11.3	..
May	1.9	0.9	2.1	1.1	22.2*	16.4	11.3	..
June	1.9	0.7	1.7	1.2	23.1*	15.7	11.1	..
July	1.9	0.6	2.0	1.4	16.7	14.6	11.1	..
August	2.0	0.5	2.2	1.6	16.3	14.4	11.4	..
September ..	2.3	0.5	1.6	2.2	14.8	14.6	11.3	..
October....	2.2	0.4	2.6	5.3*	15.6	14.0	10.9	..
November...	2.0	0.5	2.9	3.7	15.9	14.2	10.5	..
December...	2.6	1.2	3.2	6.0	16.5	14.0	9.7	..

* Exclud. ag coal miners.

It will be seen that the trade union figure is nearly 5 per cent. lower than a year ago. On January 28th the total number of registered unemployed, which was 1,289,000, had risen under the influence of the railway strike to 1,322,000, but there was a marked improvement after the settlement of that dispute, and the figure recorded on February 4th was 1,248,000.

New Issues and Underwriting.—In addition to the new Japanese loan and a number of Colonial issues which have been made lately, it is known that various other borrowers are about to put in an early appearance with offers of stock to the public. The success which attended the Japanese loan was due, it need scarcely be said, to the low price at which the bonds were offered. At the same time, the risk of a failure in the case of a loan of such magnitude is hardly worth while running, and for this reason, it is the almost invariable practice to underwrite new issues, however tempting their terms of subscription may be. Knowledge of this fact, writes a Stock Exchange correspondent, is the reason why the demand for underwriting tends to become more and more general on the part of the public, who see that in some instances the commission is like a free gift of money, having regard to the slightness of the underwriters' risk of becoming landed with the stock. Particulars of new issues become noised abroad for a week or more before prospectuses appear. This may be due partly to the enterprise of publicity agents, or simply to circulation, through the ordinary channels, of rumours as to forthcoming appeals for capital. As soon as they are mooted, there is a rush to the Stock Exchange of clients who wish to secure underwriting, and people ask if they can do a thousand pounds, two thousand pounds, and other comparatively small amounts. Regarded as subscriptions to new issues, the sum would be fairly substantial in the aggregate, but underwriting is a business peculiar to itself, and where a large new issue is concerned, the house which is standing sponsor to the stock does not want to entertain applications for what are considered to be too trifling sums in connection with underwriting. This reluctance has led to the practice of lists being prepared, and available, for the purposes of the allotment of underwriting to those firms which are on those lists, and to nobody else. Nowadays, underwriters are frequently not asked whether they care to take any hand in a new issue. They are told that they have been given underwriting; and this they accept as a matter of course, irrespective of what may be the political complexion of the times, the financial uncertainties, or any other of the many chances any one of which might stultify the success of the newcomer. There are, of course, cases in which underwriting floats about in the older-fashioned way, and when City firms hawk it round, as it is called, as much with the determination to secure the over-riding commission for themselves as to do their friends any particular favour by providing them with the underwriting. But with big issues big underwriters are concerned, and that this is appropriate for the making of a good market in the stock will be demonstrated upon a little reflection. If Tom, Dick, and Harry are given £3,000 to £5,000 each in the underwriting of some substantial issue, they will undoubtedly try to sell whatever stock they get landed with in the event of a partial success in the public subscription. Their underwriting commission probably enables them to sell the scrip at a discount, and still to secure a small profit. The consequence is that until these small underwriters are out of the way, the market quotation languishes below the subscription price. Were the issue to be left in the hands of a comparatively small circle of powerful underwriters, the result would be, and is where this practice is followed, that they, the underwriters, would decline to sell it until, in the ordinary course of events, such a public demand arose as would enable them to get out of the stock at something like the issue price. The market would not be worried by the operations of the smaller folks, and big men, indifferent to day-by-day fluctuations, would keep their allotments in the expectation—usually justified—of the stock being absorbed by the public in due course. The price is maintained by this means round about par; the public subscriber is satisfied with his security; and, as soon as the

absorption of stock begins to take place, the way is open for a steady advance as the underwriting blocks are taken into permanent hands. Consideration of these points will enable a better understanding of the position by the man who so frequently grumbles that he is deliberately kept out of the underwriting of good issues.

The Co-operative Outlook.—A correspondent writes:—In the *Economist* of December 29th last the prospects of the revival of the trade of the distributive co-operative societies were discussed, and it was suggested that this, together with the alteration in the rate of depreciation in the fixtures, buildings and land of the Co-operative Wholesale Society, would bring the federation nearer the declaration of a small dividend on the purchases made by the retail stores from that society. This has now materialised, and the directors have decided to declare a dividend of 2d in the £ on the £35,000,000 of sales in the last six months. This represents a sum of nearly £300,000, and is in addition to the usual rate of interest on the share and loan capital. Many of the retail societies obtain from 70 to 90 per cent. of their stocks from the C.W.S., so that it will represent from 1d to 1½d in the £1 on their retail sales—a substantial advantage to the societies that have had to be content with dividends of 9d or 10d to their members. It will enable many distributive societies to raise their dividends to members to 1s. The last dividend on purchases paid by the C.W.S. was in 1920; up to the time of the war the dividends had varied from 2d to 4d; they jumped to 6d in 1915, when societies found the return for loyalty to the Wholesale a great help in maintaining the interest of their members. Then it steadily fell until its total disappearance in 1920. The balance-sheets of the retail societies now being issued for the last half of 1923 prove that more stabilised conditions of business have returned. The figures as to the operations of the C.W.S., which will be presented at the April meeting, will be awaited with special interest to see how far the capacity to pay the dividend on purchases has been created by the lower rate of depreciation, and to what extent it is due to increased business, with consequently lowered rate of expenses. Many retail societies will doubtless shape their future policy with regard to depreciation of their local store buildings, &c., by the results that have followed the application of such a method in their Wholesale Federation.

Conditions in New Zealand.—A Christchurch (N.Z.) correspondent writes:—The wool season has opened successfully in the Dominion, and record prices are being recorded in many lines. The wool is coming forward in very light and good condition, so that part of the increase in values is accounted for in this way, but the bulk of the increase seems to come from heavy buying on Japanese and American account, and to be due to the failure of silk and cotton supplies. The higher prices will relieve a great many farmers. The season's prospects as forecast in the *Economist* some months ago are brighter than they have been for some years despite the aberrations of the weather. A winter of heavy rain and destructive floods has been succeeded by what is for New Zealand a prolonged spell of dry weather. Probably the most serious result will be a shortage of wheat, since the winter floods prevented sowings in the chief wheat districts, and the premature development of spring sown crops has already reduced the prospective yield very materially. Wheat, however, is purely a domestic concern, and there is little, if any, export trade even in good years. Financial conditions remain somewhat uneasy despite the improved prices. It is abundantly evident now that the wastage of capital which is always incidental to a boom such as the Dominion experienced from 1918 to 1920 has not yet been written off as fully as it should have been. Leaving on one side the heavy Public Debt, one may point to the multiplicity of freezing works, which has not only resulted in some of the weaker co-operative concerns going to the wall, but has also embarrassed the older, well-established firms, which, having perforce to compete with the somewhat reckless policies of the marginal buyers, were led into paying prices for stock which left inadequate margins for profit. In the

same way the war and post-war extension of the secondary industries is causing some difficulty now that the tide of British imports at a lower level of values has set in in earnest. An earlier letter to the *Economist* noticed the time-lag that appears between changes in the price-level of exports and imports of the Dominion. At the moment we are temporarily back to the favourable conditions that were typical of pre-war times when the price-level was continuously rising. Export prices are at the moment rising; on the other hand the consumer, and especially the farmer, is getting the benefit of the cheaper imported manufactured goods which reflect his lower prices of the past year or two. His position is therefore eased in both directions, and consequently there is a fair amount of optimism and the possibility of further unwise expansion. As usual, the first danger signals are to be seen in the rapid increase of imports. For the ten months of 1923 the total value of imports was £36 millions, as against £28 millions in 1922. Practically all classes of goods share in the increase, which is, perhaps, most noticeable in apparel and soft goods and in motor-cars. If, as is freely stated, canvassers have booked orders not only from the wholesale houses but also from many retail establishments, it is possible that the end of this import boom has not yet been reached, and another fall in prices would create a difficult position similar in all essential respects to that of 1921. It is very difficult to see how this consequence of the time-lag may be averted. When prices rose steadily, as they did before the war, the Dominion was always, except for rare crisis periods, in the favourable position of debtor and producer, with receipts keeping ahead of costs. Since prices have fluctuated so violently the time-lag between exports and imports has inevitably led to miscalculations, and if the post-war downward trend of prices is to continue, the position of traders in the Dominion will be very awkward at the recurring periods when they have stocked up heavily and are continuing to receive stocks from a rising market at the same time as the purchasing power upon which they depend shrinks suddenly with a fall in export values. The indications point to such a position developing in the near future, and already there are not wanting signs that prudent speculators are safeguarding themselves. The relation between current and fixed bank deposits is altering as owners of capital, reading danger ahead, prefer to fix their deposits for a time rather than trade. This is the ordinary indication of the approach of a slack period in the cycle, and under normal circumstances would give little cause for anxiety. But the presence of even a small number of enterprises which are still overvalued makes every stringency a possible danger period, and will do so till those enterprises are liquidated. In the meantime, however, the prospect has little of foreboding in it. Higher prices, lower taxation, lower interest rates, and the prospect of any amount of cheap money in London for the Government to borrow, all make for optimism.

Panama Canal in 1923.—A correspondent writes:—For the first time since the waterway was opened to the world's traffic the canal, for the full fiscal year, shows an actual surplus. This has been earned after amortisation charges and interest on the outstanding Canal Bonds (representing a value of \$124,901,500) have been allowed for. For the period mentioned, the net profit shown amounts to \$16,031,825.39. The total cost of the canal to date has been \$385,000,000, of which sum \$112,000,000 has been charged to national defence. Upon this portion of the expenditure no interest or amortisation charges are reckoned. Amortisation is provided for on a basis of various periods ranging from 10 to 100 years, according to the life of the unit in which the investment was made. Whereas formerly no account was taken for amortisation, the keeping of the accounts has latterly been so altered that it is possible to determine what costs can be properly charged to national defence and what part to the canal as a commercial enterprise. Apart from the Panamá Railway Steamship Line, which appears likewise to have prospered, the net profits shown by the Canal Administration have amounted for the fiscal year to \$12,063,880, an increase of \$2,862,267 over the preceding period. From tolls and miscellaneous receipts, classed as transit revenue, net

income has aggregated \$10,001,066 against \$3,466,674, while from auxiliary operations the net profits has increased from \$323,259 to \$1,140,642. The Panamá Railroad Company has been no less successful, showing a profit of \$922,171, against a loss in 1922 of \$710,301. While the number of commercial transits through the canal increased from 2,736 to 3,967, the net tonnage from 11,417,459 to 18,605,786 tons, and the cargo tonnage from 10,881,910 to 19,567,875 tons, the tolls have swollen during the twelve-monthly period from \$11,197,832 to \$17,508,199. Among the year's favourable factors was the heavy increase in the transport of Californian oil, and lumber destined for the Pacific coast. While the former item may be expected to show a decline during the current year, the lumber industry has become firmly established and shows signs of an even wider expansion. The immense demand for building material met with from Japan at the present time, destined for reconstruction purposes, has caused the lumber industry to assume immense proportions. Japan had always, however, been a good customer for larger-sized timber. The increase in trade between the two Americas by way of the Panamá Canal marks a no less notable improvement. Cargo moving in both directions has expanded from 793,123 tons in 1922 to 2,954,523 tons in 1923. West Coast States of South America have benefited individually, notably Chile, which has gained 120 per cent. in total exports and imports to and from the United States. Respecting the whole of the Latin-American imports, the improvement shown has been 50 per cent. upon the previous year's total. Of the carrying trade United States vessels claimed 56.5 per cent., British bottoms coming second with 25.2 per cent. of the total cargo. It is confidently predicted that the growth of traffic in 1924 and future years will enormously increase the present volume. Should the volume of transit, however, continue even as at present, the canal should carry approximately 14,000,000 tons of ships' goods within the current twelve-monthly period. At present the canal is worked only in daylight hours, during which only 50 per cent. of the possible transport is carried. The waterway being fully lighted, the transmitting of vessels from ocean to ocean could be conducted easily by night, while the accommodation actually available would enable the waterway to handle four times the present volume of traffic. In the meantime, a new experiment is being tried, namely the passing of two ships simultaneously through the Pacific lock, one in each lock chamber.

Supplies of Wheat Offals.—In the *Agricultural Market Report* issued by the Ministry of Agriculture, attention was recently called to the fact that the external trade in wheat offals (bran, pollard, sharps and middlings) has entirely changed since 1914. Before the war there was a substantial export trade, largely to Denmark. In 1912 we exported 231,000 tons, and in 1913 167,000 tons. During the war the trade was for a time regulated under reciprocal agreements for the return of certain products, e.g., bacon and butter. In deference to popular clamour, however, all exportation was stopped and the trade has not been recovered. In 1920 the exports were 3,000 tons, in 1921 65,000 tons, and in 1922 64,000 tons. On the other hand, imports which were 45,000 tons in 1922 and 30,000 tons in 1913 rose to 147,000 tons in 1920, 141,000 tons in 1921, and 136,000 tons in 1922. We have, therefore, become an importing instead of exporting country. In 1913 the net exports were 137,000 tons, whereas in 1923 the net imports were 150,000 tons. There are no exact statistics of the total supply of wheat offals, and the whole of the imported wheat is milled, a sufficiently close calculation for comparative purposes can be made. On this basis the total supply in the cereal year 1922-23 was 1,853,000 tons, or 120,000 tons more than in the cereal year 1912-13. Notwithstanding this prices in December, 1923, were for bran 45 per cent. and for middlings 29 per cent. above pre-war level, while the price of wheat was 33 per cent. higher. Prices were, indeed, substantially higher than a year previously, notwithstanding that the supply of offals was about 90,000 tons more. These figures clearly indicate increased

demand. The marked increase in the number of pigs in the country, shown by the agricultural returns last June, suggests an obvious explanation.

Brazilian Finances.—A correspondent writes:—An impression would seem to exist that the visit of the British financial mission to Brazil is likely to have some beneficial effect upon the position of bondholders, whose principal and arrears of interest have been outstanding for a good many years past. This, however, is not the case. The discussion of investors' grievances forms no part of the Commission's duties, although there may be hope that their visit will result in some further ventilation and even some eventual relief. At present there are no fewer than six Brazilian State Loans in default, including those issued by Alagoas, Bahia, Pará, the City of Bahia, the City of Pará (Belém), and the City of Manaus. The total of principal outstanding aggregates several millions sterling, apart altogether from the arrears of interest dating back, in some instances, to 1917. On the other hand, the British Financial Mission will be empowered to consider the question of issuing a further loan with the object of consolidating in terms of sterling all existing Brazilian federal debts. It cannot be too strongly pointed out that the Federal Government has again and again repudiated responsibility for debts contracted by provincial or municipal administrations. It is understood that a favourable impression of the general economic conditions of the country has been gathered by the members of the mission, and that reformation of Brazilian finance and assured stability are not despaired of. While the value of the country's exports exceeds that of imports by about \$90,000,000 annually, the debt service and other foreign commitments are exceedingly large, revenues proving insufficient to cover the drain upon the national resources. Under normal conditions the adverse balance would be met with new debt, but the present is not a period in which Brazil can expect to place, with any degree of success, a new issue upon the European market. Those who have studied the situation consider that, were interest on the sterling and dollar Federal debt to be funded for two or three years, deflation of the currency by means of note destruction could be accomplished with little difficulty.

The Position in Mexico.—A correspondent writes:—Though the news from Mexico is scanty and uncertain, there is reason to hope that the end of the de la Huertist rising may not be very far off. The Federal victory at Guadalupe last week protects the north-western approaches to the capital; the Federals apparently hold Tampico and the railroads from Mexico City to El Paso, the American frontier, and Laredo; and their recovery of Vera Cruz, the original focus of the rising, and for a long time earlier a hotbed of disturbance, cuts off any supplies of arms that the insurgents may be receiving from Europe. The Mexican Railway, by the latest accounts, was open and working from Vera Cruz to the capital. Señor de la Huerta's whereabouts are unknown, and the statement made by a correspondent of the *Times* in Thursday's issue that neither side is very keen on fighting confirms the view that the populace is sick of disorder and desires to settle down to work. The *Times* correspondent—whose extremely interesting article is possibly unfavourable to the insurgents' chances—suggests that the conflict might be ended by the mediation, or the acceptance as President of General Angel Flores, Governor of Sinaloa. Meantime, negotiations for the recognition of President Obregon's Government by Great Britain are suspended by the illness of Señor Nieto, the Mexican representative, who will probably have recovered by next week. The case for recognition has been greatly strengthened by the British recognition of Soviet Russia; but the Prime Minister stated in the House of Commons on Monday that the Mexican question is far more complicated. Some of the complication, no doubt, arises out of the difference in the British attitude. Soviet Russia has been accorded recognition as a preliminary to a discussion of its liability for the debts contracted by the Tsarist Governments. President Obregon's Government recognises some of the liabilities of its predecessors, but repudiates others—



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notably some of those set up by the expropriation without compensation of foreign holders of oil lands, under the Carranzist Constitution, and of foreign owners of land taken for agrarian reforms. It has also excluded from the debt settlement scheme the "Series C" bonds of the 6 per cent. loan of 1913, issued by Reuter's Bank in 1914, and two issues of bonds of the National Packing Company, which are backed by a Government guarantee. Probably this exclusion is due to the fact that they were issued to obtain funds for President Huerta's Government, which the Carranzists and President Obregon regard as unconstitutional. But the whole of the 1913 loan was authorised by the Mexican Congress, under President Huerta, and his Government, whatever its moral position, was technically legal. There is reason to believe that the Foreign Office and the Council of Foreign Bondholders are pressing for the recognition of these bonds. Meantime, it is reported from New York that an attempt is being made to upset the debt settlement on the ground that it ignores the special pledge of 62 per cent. of the Customs revenue for the service of the 5 per cent. loan of 1899. It also ignores the pledge of the remaining 38 per cent. for the service of the 6 per cent. loan of 1913, including Series C. It would be a pity if the resumption of interest payments should be delayed indefinitely, but President Obregon's Government seems in no hurry to begin it.

The Railway Dividends.—With the announcement of the London and North-Eastern dividend, declared as we go to press, a complete list of home railway dividends is available. In the following table we show the first complete year's dividends of the "big four," together with comparisons of prices and present yields:—

Name of Line.	Dividend for Whole Year, 1923.	Prices of 1923.		Price Feb. 22, 1924.	Present Yield.
		Highest.	Low st.		
Great Western, ord. stk.	8	118½	106½	113	7 4 9
London & N. Eastern—5 % pref. ord. stk. ...	5	89½	75	84½	5 17 0
Deferred ord. stk.	2½	39½	28½	33	7 11 6
London, Midland, and Scottish—ord. stk.	7	108½	101½	103½	6 15 6
Southern—pref. ord. stk.	5	89½	76½	84½	5 18 0
Def. ord. stk.	3½	43½	34½	43½	8 1 9
Ord. "A" stk.	3½	40½	31½	40½	8 12 9
Ord. "B" stk.	..	16½	10½	11½	nil

The dividend on Southern deferred stock of 3½ per cent. was fully up to market expectations. The ordinary "A" stock, which ranks *pari passu* with the deferred up to a maximum of 3½ per cent., receives its full quota. In making the dividend announcement, the directors state that £250,000 has been taken from Railways Compensa-

tion Account, and that £250,096 is being carried forward. The North Eastern withdraws £550,000 from the Compensation Fund and carries forward £572,900. The market has displayed considerable activity in anticipation of this week's dividends, the stocks of the two companies concerned having been the centre of attention.

Bradford Dyers.—Twelve months ago the Bradford Dyers' Association submitted accounts for the two years 1921 and 1922. The report now presented covers the year 1923, and in so far as comparison is possible it would appear that further progress has been made. From the table below it will be seen that the average allocation to reserve and depreciation funds has been maintained, and that the ordinary dividend has been raised from 22½ to 25 per cent. :—

	Net Profit.	Depreciation & Reserve.	Prof. Div.	Ord. Dividend.	Carried Forward.
	£	£	£	Amount. Rate.	£
1906.....	366,086	80,000	91,403	94,953 7	+ 3,592
1907.....	415,141	110,000	104,700	94,953 7	+ 22,221
1908.....	271,375	70,000	116,724	67,824 5	- 51,373
1909.....	357,061	70,000	125,000	67,824 5	+ 33,855
1910.....	407,311	140,000	125,000	67,824 5	+ 14,148
1911.....	428,456	150,000	125,000	81,389 6	+ 4,591
1912.....	410,861	90,000	125,000	81,389 6	+ 49,737
1913.....	430,081	160,000	125,000	94,953 7	+ 17,842
1914.....	387,923	90,000	125,000	67,824 5	+ 35,409
1915.....	568,623	244,628	125,000	135,648 10	+ 6,021
1916.....	741,181	310,000	125,000	203,472 15	+ 102,709
1917.....	748,938	390,000	125,000	237,383 17½	+ 3,445
1918.....	583,804	145,909	125,000	237,383 17½	+ 75,411
1919.....	848,241	305,249	125,000	305,207 22½	+ 112,784
1920.....	892,445	491,102	125,000	271,296 20	+ 5,048
1921 & 1922 ..	1,677,557	749,139	250,000	610,415 22½	+ 68,000
1923	971,425	482,197	125,000	339,119 25	+ 25,108

Special allocations consist of £232,197 to depreciation on buildings, plant and machinery, &c., £125,000 to reserve, raising it to £1,125,000, and £125,000 for the benefit of employees. Profits, after deducting all charges prior to debenture stock interest and preference share dividend, are equivalent to 11.3 per cent. per annum on the capital employed, amounting to £7,064,244, this amount including share and loan capital, reserves and undivided profits. For the two preceding years the figure was 9.5 per cent. The balance-sheet, which is analysed in another column, shows no very striking changes. Investments and loans have been increased by £345,700 to £2,485,000, while debtors have been reduced by £235,700. The report points out that the value of each ordinary share, based on the excess of assets over liabilities (after payment of final dividend) is £2 5s 6d. A year ago the figure was £2 3s 8d.

Manchester Ship Canal.—A further improvement in results is shown in the report of the Manchester Ship Canal for the year 1923. There was an increase in the weight of sea-borne traffic on which Ship Canal tolls were paid of 1,026,077 tons as compared with the previous year, and an increase of £52,253 in the receipts from Ship Canal tolls, ship dues, &c. The following table shows traffic receipts since 1910 :—

Year.	Sea Borne Traffic. Tons.	Barge Traffic. Tons.	Total Tons.	Ship Canal Tolls Ship Dues, and Miscellaneous Receipts. £
1910 ..	4,618,070	319,561	4,937,631	555,735
1911 ..	4,894,670	323,142	5,217,812	580,841
1912 ..	5,021,691	318,193	5,339,884	605,179
1913 ..	5,457,218	322,943	5,780,161	654,937
1914 ..	5,109,285	315,447	5,424,732	656,237
1915 ..	5,115,954	318,092	5,434,046	757,268
1916 ..	4,540,167	318,582	4,858,749	831,684
1917 ..	3,843,324	309,430	4,152,754	861,996
1918 ..	3,229,293	268,702	3,497,995	990,923
1919 ..	3,313,620	275,423	3,589,043	1,203,361
1920 ..	4,099,326	288,037	4,387,363	1,461,909
1921 ..	3,117,469	176,201	3,293,670	1,197,075
1922 ..	4,081,571	191,973	4,273,544	1,332,490
1923 ..	5,107,000	256,292	5,363,292	1,384,743

The gross receipts of the whole undertaking, including the Bridgewater Canals and the railways, amounted to £1,984,500, an increase of nearly £20,000, and expenditure at £1,194,100 showed an increase of nearly £8,000.

Arrears of dues and tolls accrued during the years 1916 to 1922, payable as a result of the judgment which the company obtained against traders on the Weaver Navigation, brought in £56,400, and the net income shows an increase of £77,000 at £869,900. After payment of rentals and other fixed charges, there is a balance of £510,100; of this, £50,000 is placed to reserve for contingencies and repairs, the dividend on the 3½ per cent. corporation preference stock requires £37,100, and dividends of 5 per cent. on both preference and ordinary shares, £387,500, leaving £35,500, or £10,000 less, to be carried forward. A year ago the ordinary shares received 4 per cent., and two years ago 1½ per cent. The surplus from the working of dock labour was less by £10,650 than that of the previous year. According to the report, the reduction made by the company in charges for labour services more than absorbed the savings effected by wages reductions. The result of the working of the company's railways for the year showed a credit balance of £29,300, an increase of £4,800 in comparison with the previous year. In the table below we show the highest and lowest prices of the ordinary and preference shares since 1910, together with pre-war prices and present prices and yields :—

	Prices 1910-1923.	Price July 30, 1914.	Present Price.	Div. for 1922.	Div. for 1923.	Yield.
	Highest. Lowest.					
Manchester Ship Canal	Ord. £10 9½ 8½	1½ 1½	8½ 8½	4 5	5 5	5 13 0 5 16 0

Share prices have advanced in a notable manner over the 14 years. The continued prosperity of the Canal has caused the ordinary £10 shares to rise from £6½ to £8½ in the past year.

Selfridge's Year.—In the report and accounts of Selfridge and Co., Limited, for the year ended January 31, 1924, a slight improvement only is recorded. In the directors' report it is pointed out that "During the year the general trade of the country has been depressed," and "selling space was affected by the demolition of many of the old shops." Mention is also made of the "very thorough development of the branch businesses." In turning to the accounts, it may be recalled that the 1921-22 profits of £342,665 included £50,000 reserved for E.P.D., but not required. This fact should be borne in mind when reading the following summary of the financial results of this enterprising concern :—

	Profits.	Deb. Int.	Prof. Div.	Ord. Div.	Prof. Ord. and Staff Part. Shares.	Balance.
1909-10	£ 14,984	£ 19,310	£ 23,998	£ ..	£ ..	£ 28,894
1910-11	36,261	17,099	23,998	..	..	Dr. 4,836
1911-12	50,247	19,810	23,998	..	..	6,439
1912-13	104,029	19,668	24,000	..	..	60,361
1913-14	131,547	19,151	24,000	25,000	..	63,396
1914-15	134,791	18,960	32,337	25,000	..	58,494
1915-16	150,222	18,627	42,000	30,000	..	59,595
1916-17	225,137	18,175	42,000	35,000	..	129,962
1917-18	258,763	17,932	42,000	35,000	..	163,831
1918-19	322,825	17,130	42,000	35,000	..	228,695
1919-20	372,479	16,744	63,360	50,000	..	242,375
1920-21	375,031	16,210	77,882	50,000	23,899	207,040
1921-22	342,665	15,943	78,000	50,000	104,996	93,726
1922-23	320,310	15,654	78,000	50,000	106,615	70,041
1923-24	332,052	15,335	78,000	50,000	107,116	146,110

† 10½ months. * Not including £28,500 contributed by Mr Selfridge.

Thus the usual 10 per cent. distribution on ordinary shares, free of tax, is maintained. The articles of association are to be altered, which indicates the possibility of a bonus share issue in the future. One would have thought that with the rebuilding scheme in hand fresh money would have been needed. In the balance-sheet there is an item "Mortgages and loans from bankers," £448,448, while "Trade and other creditors" are given as £432,453. A year ago mortgages amounted to £209,918, and "Trade and other creditors," £592,526. The balance-sheet will be found analysed in our usual page.

Bovril's Profits.—Bovril, Limited, had another satisfactory year in 1923. Although gross profits were smaller there was another welcome drop in general expenses, and last year's net profit, after paying interest on debentures and short term notes, radiates prosperity. Below are summarised the financial results for the past eight years :—

	1916.	1917.	1918.	1919.	1920.	1921.	1922.	1923.
Gross profit....	£ 341,405	£ 349,164	£ 384,087	£ 512,016	£ 609,709	£ 650,274	£ 620,188	£ 571,815
Associated cos., &c.	44,931	70,358	80,417	67,304	69,793	58,168	31,411	45,313
	386,336	419,522	464,504	579,320	679,502	708,442	651,599	617,129
Net profit.....	147,809	152,298	158,558	216,895	179,239	208,606	265,210	312,226
Reserve.....	35,000	35,000	35,000	55,000	50,000	40,000	60,000	75,000
Preference div.	27,500	27,500	27,500	27,500	27,500	36,250	45,000	45,000
Ordinary div....	52,500	52,500	52,500	52,500	52,500	56,625	67,875	65,000
Deferred div....	36,250	40,000	43,860	60,000	60,000	67,500	91,585	112,195
	(3½ %)	(4 %)	(4½ %)	(8 %)	(8 %)	(9 %)	(9 %)	(11½ %)
Carried forward	- 3,482	- 2,702	- 301	+ 21,895	- 10,761	+ 8,231	+ 809	+ 5,031

* 7½ per cent. † 7½ per cent. ‡ Free of tax.

The balance-sheet will be found analysed in our usual column. It is stated that the dividend paid last year by Virol, Limited, was at the rate of 20 per cent. We think, however, that this information would be more useful if we could trace this dividend back to the composite item in the balance-sheet which shows "Goodwill, trade marks, freehold and leasehold properties with interests in associated companies, Government stock, &c.," all together. We should like to see this well-managed and prosperous company set an example in the matter of clearer balance-sheets by breaking up this item and showing the various component parts separately.

Commercial History of 1923.—The section devoted to "Sugar" in our "Commercial History and Review" was extracted from the annual review of Messrs William Connal and Co., and the "Building Trade" review from an article by Mr Herbert Jeans in the "Chamber of Commerce Journal."

Oversea Correspondence.

FRANCE.—THE FRANC AND POLITICS—FOREIGN TRADE—TRADE BALANCE.

(FROM OUR CORRESPONDENT.)

PARIS, February 20.

THE frantic effort that is being made by the Government, through the medium of its new financial proposals, to stop the downward trend of the franc cannot be said to have been attended so far by any measure of success. The rate of exchange, which stood at a shade over 90 to the pound and at 21.34 to the dollar on January 16th, when the new proposals were first mooted, touched new record figures at 105.40 and 24.54 at midday yesterday, and closed to-day at 103.70 and 24.08, in spite of the fact that new taxation to the amount of 4,730 million francs was voted early yesterday morning, and that the Government has been given powers to reduce expenditure on administration by 1,000 millions a year.

The outcome of this greatly aggravated situation has been what might have been expected by all who are familiar with the French temperament, as exemplified in certain kinds of critical situations. There is a continued failure on the part of either the leaders of the nation or the great mass of the public to realise the real facts of the situation and the real cause of the difficulties facing the country; all sorts of wild remedies, from lottery loans to the expulsion of foreigners who are guilty of following the example of their French colleagues and dealing in exchange, are being suggested on every hand; and there is an apparently growing inclination to make the existing Government a scapegoat, and to hold it responsible for the financial shortcomings of all its predecessors since the war began. It may be stated frankly that, in spite of his immense personal authority in the country, the fall of M. Poincaré is now regarded by many people as a probability of the near future, and many newspapers during the past few days have openly stated that the real problem of the hour is the difficulty of finding his successor. As in 1917, the name of M. Clemenceau is on

many people's lips, and the possibility of M. Barthou or M. Klotz forming a new Ministry is also being discussed. The two immediate difficulties facing the Poincaré Government are that they have to force their financial proposals through the Senate, and also the electoral reform proposals sent up from the Chamber. On the latter the Senate is known to be largely hostile, but what its attitude will be in regard to the financial projects is still uncertain, and will probably depend upon many other considerations than those directly connected with the nation's finances.

Much will probably depend upon the nature of the report that will be the outcome of the work of the McKenna and Dawes committees of experts, who are now approaching the conclusion of their task. There is a good deal of optimism, both in French official circles and among the general public, in regard to the recommendations the experts will make—so much so, indeed, that there is a growing feeling that this report (or these reports) will show that a way out of the European muddle has at last been found.

One of the essential conditions of the plan, which it is understood will be proposed by the Committee, will be that France shall relinquish her economic control of the Ruhr (although there would be no question of her renouncing military or political control of the area), in order that German railways and German industrial conditions may be reunited. It is argued that for France to agree to this suggestion would be much more profitable to her than if she maintained her present hold on the Ruhr industries, and it is satisfactory to note that this view is already meeting with a distinctly favourable reception on the part of French opinion. The future of the Poincaré Government, apparently, depends largely on the speed with which the experts complete their reports and make their recommendations known to the public.

The French foreign trade returns for January, which have been issued to-day, are as follows, so far as the values of imports and exports are concerned, as compared with those of the corresponding month of 1923 :—

	January, 1923.	January, 1924.	Inc. or Dec.
Imports—	Francs.	Francs.	Francs.
Foodstuffs	456,238,000	554,888,000	+ 98,650,000
Raw materials	1,369,331,000	1,998,775,000	+ 629,444,000
Manufactured goods ..	310,430,000	334,258,000	+ 23,828,000
Totals	2,135,999,000	2,887,921,000	+ 751,922,000
Exports—			
Foodstuffs	192,192,000	299,615,000	+ 107,423,000
Raw materials	536,189,000	698,384,000	+ 162,195,000
Manufactured goods ..	944,841,000	1,574,949,000	+ 630,108,000
Postal parcels	129,368,000	126,885,000	- 2,483,000
Totals	1,802,590,000	2,699,833,000	+ 897,243,000

The figures show that the balance of trade against this country, which in January, 1923, amounted to 333½ million francs on the month, amounted on last month's volume of trade to only 188,088,000. The outstanding features are a comparative increase of 630,108,000 in the value of manufactured goods exported (or an increase of about 68 per cent., as compared with January, 1923), while the increase of manufactured goods imported amounted to only about 7½ per cent. during the month, compared with the figures for the corresponding month of last year. This increase in the sales of manufactured goods was largely balanced, however, by an almost equally large increase (629,444,000) in the value of raw materials imported. The total amount of coal and other combustibles imported during the month was 2,246,751 tons, as compared with 2,395,333 tons in January, 1923, when German reparation coal deliveries were totally suspended as the result of the occupation of the Ruhr. Although the quantity of foreign coal purchased in January last was 148,582 tons less than in January, 1923 (owing to the amount that is now being received from the Ruhr), the French last month expended 285,091,000 on combustibles of foreign origin, or 65,469,000 more than in January, 1923. The effect of the renewed fall in the franc will, of course, be equally strongly marked in the French purchases of cotton, wool, coffee, and other staple commodities.

An eloquent criticism of the fallacies contained in French comments on the published returns of the nation's

foreign trade is published by that useful educative organisation known as the Comité d'Etudes de la Production et des Economies, which is doing excellent work in bringing public opinion to a realisation of the real facts of the situation in which the country is placed. The Comité, in a study it has just issued, expresses the belief that the deficit of 2,183 millions which the official trade returns for 1923 showed (and which, it is always claimed, was cancelled by "invisible" exports), ought really to be reckoned as at least double this figure. In the first place, the returns include among French exports sales amounting to 1,000 millions made to the French colonies, "which are naturally without interest in respect of the restoration of the franc." On the other hand, the Comité further points out, France has made loans to various foreign countries amounting to 1,040 millions; the repayment of a fraction of the French foreign debt during 1923 involved the purchase of foreign currency amounting to 1,800 millions; the sum of 500 millions was advanced to certain foreign Governments; foreign loans were contracted by towns, railway companies, &c., for 250 millions; some 1,500 millions were sent out of the country in the form of interest payments on foreign capital invested in France. These items make a total of some 7,000 millions, which, added to the "official" 2,000 millions disclosed in the foreign trade returns, bring the total deficit to 9,000 milliards. If from this be subtracted, say, 3,000 millions spent by tourists and other foreigners in France, and 2,000 millions as representing the revenue earned by French people from their foreign investments, the deficit is reduced to 4,000 millions, or double the adverse balance shown in the returns. Even then, the Comité insists, no account has been taken of the fact that in the period 1918-1920 the deficit on the French commercial balance totalled 60,000 milliards, of which at least one-quarter, or 15,000 millions, has not yet been got rid of. "It is these 15 or 20 milliards of commercial floating debt which enables the foreigner to manipulate the franc. The only way to get rid of this deficit is to export, and to export we must produce more."

GERMANY.—POLITICS—FINANCES—CURRENCY AND PRICES—BUSINESS—FOREIGN TRADE POLICY.

(FROM OUR CORRESPONDENT.)

BERLIN, February 18.

THE Socialists have suffered another serious defeat in Mecklenburg, their vote falling to under 50 per cent. of that of 1921. While on the one hand the Communists and on the other the German-Nationals and the new and still more reactionary German People's Freedom Party, have made large gains, the middle groups, the People's Party and Democrats, lost. This election seems to reflect the general dissatisfaction with the moderate parties which, together with the Centre, held power during the past few years.

Optimistic views are held as to the outcome of the Expert Committees' inquiries. Little doubt is felt that Dr Schacht will be able to get capital for his provisional gold credit bank, and that the definitive gold bank will later be founded. This optimism is, however, part of the psychological change induced by the currency stability; and if Reparations are not at the same time settled, a setback is possible. The Bavarian Government has come to an agreement with Berlin. The two Bavarian diehards, von Kahr and General von Lossow, have resigned; and the army conflict has been settled by Bavaria in principle recognising the Constitution of 1919, and the unity of the supreme command at Berlin. This satisfactory settlement is also probably a result of Berlin's gain of prestige through the currency and financial reforms. Industrial groups in occupied territory continue to make agreements under compulsion with the French. The wire branch's agreement provides for a 2½ per cent. export duty. In general the "Micum" refuses to make agreements extending beyond April 15th. The Solingen district's iron and steel branches have made an agreement, and another agreement over tar and tar-products is being negotiated. Ten per cent. of the ammonia and benzol output is to be handed over without being booked to Reparations account, and a tax of 2 per cent. *ad val.* is imposed on both pro-

ducts irrespective of whether they are exported or sold on the spot; while for deliveries to abroad or to unoccupied territory there is a 1 per cent. export duty on tar and ammonia, and a 3 per cent. duty on benzol. The whole of local trade is being gradually regulated, hampered, and sucked dry with no other justification than that if it refuses, the French will revert to the policy of starving the workmen. It is very doubtful whether this can continue, as local industry, not being compensated by Berlin for the French exactions, must attempt to shift the burden on to the general consumer. The burden upon coal from all exactions, including the enforced deliveries of coal itself, is estimated at 8½ to 10 gold marks a ton; that on bar-iron, by way of dearer coal, at up to 30 marks a ton, although this product has of late sold as low as 130 marks.

The already reported conversion of Federal Railways into a corporation (the "Deutsche Reichsbahn") has been effected by decree, one of the last issued under the second "Empowering Law," which expired on the 15th and which has not been renewed. Altogether under this law have been issued about 70 decrees, in addition to about 30 issued under the first (Stresemann) Empowering Law. The "Deutsche Reichsbahn" is described in the decree as "an independent juristic person," operating and managing the railways "which remain the property of the Republic." The corporation is obliged to pay its way; if it does not, it gets no subsidy, but it can borrow on the security of its properties. It cannot alienate any considerable portion of them. It pays no taxes other than those already paid by the railways under the present law. Its employees retain the rank of officials, but the corporation can pay them salaries and wages higher than those of the official schedules—the aim of this is to make it possible to attract first-rate managers from private industry. Except that any net profits from the railways go to the Republic, the corporation's finances are entirely separate from those of the Republic. This decree will be confirmed by a definitive law; until then the Government retains certain rights of supervision, sanction and prohibition.

The Third Taxation Decree as amended after consultation with the Reichstag Commission of Fifteen, differs in some particulars from the draft already described here. The maximum restoration of mortgages and similar secured debts is 15 per cent. instead of 10, as originally; but a debtor can appeal for a lower rate on the ground of "unjust hardship"—which really means on the plea that owing to some change in his economic condition he could not bear the burden of 15 per cent. of his old debt. Mortgages bonds are not, as was planned, to be restored partially only where the creditor was obliged to invest as a trustee, but in all cases, in so far as the debtor institution has gained in its capacity of creditor from the 15 per cent. restoration of mortgages. The earliest date at which the 15 per cent. restored capital may be claimed is now put back to 1932. Savings bank deposits may be restored in so far as the savings banks have gained from restoration of mortgages. While in general public debts, as in the draft, are practically repudiated by means of postponement until after payment of Reparations, a law is promised making an exception for municipal debts. This exception is based on the consideration that the cities still possess the real assets (trams, gasworks, &c.) for the creation of which the debts were often incurred. Of the Rents Tax, to be collected (as soon as net rents are restored) out of the houseowner's gain from extinction or reduction of his mortgages, 10 per cent. is to be used for building new houses. The decree is a patchwork, a compromise between practical considerations and notions of fairness; it will not materially mitigate the losses suffered by certain classes from the great currency expropriation; and many gainers from the same process will surrender nothing of their gain, because while they (e.g., mortgagors who have already paid off in paper) will not be obliged to restore any percentage of their debts, the decree does not, as was demanded by some parties, impose a general increment of wealth tax. Against doing this the Government pleaded that it is no longer possible to determine the amount of an individual's wealth some years ago. A later tax of the nature of an increment tax is, however, foreshadowed.

The first decade term of February witnessed a deficit of 33,914,385 billion paper marks. Revenue was 79,576,482

billions, including 36,599 billions from the sale of gold loan, all the rest being taxes, while expenditure was 113,490,867 billions. Tax receipts, owing to the fact that no big tax fell due, declined by 110 trillions (110 million gold marks) behind those of the foregoing decade. Receipts from the issue of Rentenmark Treasury bills were 47,653,502 billion paper marks. The renewed deficit is no cause for anxiety, as the decade expenditure included exceptionally large payments over to States and municipalities. The second decade of February will see heavy tax payments, including part of the advance quarter of income-tax, the sales tax for January, and the Bourse turnover tax. By selling Rentenmark Treasury bills since December 15th 207,784,907 billion paper marks have been raised. New inflation for Budget purposes will not be necessary. The Republic has so much cash that it was able to pay off 100 million Rentenmarks of its debt to the Rentenbank, retaining the right to re-borrow it; meantime the Rentenmark Treasury bill transactions has provided a nest-egg against contingencies or against a possible temporary return of deficits.

The currency situation continues to be satisfactory. The 4 per cent. mortgages upon land, which form one-half of the Rentenbank's capital, have yielded 2 milliards of Rentenmarks (theoretically of gold marks). As the capital and reserve of the Rentenbank are 3,200 millions, and as industry and trade are to supply half the capital, the 4 per cent. rate has yielded too much. Probably the rate will be cut down. The first half-year's interest at 6 per cent. a year will be paid by mortgagors and bond-debtors on April 1st. In connection with the minor exchange crisis which was threatened last week, it is demanded that the Exchange Regulation Decrees be put into force in occupied territory—it is from occupied territory that the danger of over-buying of exchange usually comes. The demand for industrial credits—mainly in Rentenmarks—continues heavy. In order to satisfy it, the Reichsbank was obliged in the week ending February 7th to borrow another 50,000,000 Rentenmarks from the Rentenbank; the whole debt of 250,000,000 Rentenmarks now appears separately among the Reichsbank's liabilities. The Darlehnskassen will cease operations on May 1st. They have been in existence since August, 1914, but their operations have of late shrunk in gold value to almost nothing. Farmers, owing to the fact that food prices are below those of 1914, whereas general prices are higher, are short of money, and have almost ceased using fertilisers. The Potash syndicate has arranged to give them eight months' credit, and an all round credit will also be given by the nitrates producers. The stock market is dull. Although money is fairly plentiful, borrowing rates are too high to attract speculators.

Employment conditions continue to improve. Between December 31st and January 31st the number of publicly supported fully unemployed in unoccupied territory fell from 1,551,000 to 1,429,000, of partly unemployed from 643,000 to 401,000. From December to January the proportion of fully unemployed among Trades Union members fell from 22.1 per cent. to 20.5 per cent., of partly unemployed from 24.5 per cent. to 14.8 per cent. In occupied territory, whence come no exact statistics, the number of unemployed and partly unemployed is estimated at 1,000,000. This figure also represents an improvement over conditions in December. Unemployment conditions are worst in the Palatinate. In Berlin the improvement is rapid. In the week ending February 9th the number of publicly supported unemployed, however, still numbered 196,457. The Leipzig Spring Fair promises to be a great success. The greatest interest is shown by Austria, Czechoslovakia, Hungary, and Switzerland, which now see opportunities for selling goods to Germany as a "high-exchange" country. From Leipzig it is reported that the home demand has of late changed from cheap goods to quality goods.

Considerable talk was lately roused by a statement of the Minister of Agriculture, Count von Kanitz, that Germany must return to Agrarian Protection, food prices being too low for satisfactory farming. The Minister of Industry, Dr Hamm, adds that, as Germany is abandoning the system of import-prohibitions, she must in general replace it with a Protectionist tariff. Dr. Hamm also

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declared that the policy of "police and political regulation" of home business must come to an end; the new aim is economic freedom. With this object most of the foreign Trade Boards have been liquidated, export and import licensing has been largely abolished, and the Eight Hours Day law practically revoked. The Socialists look on these changes with distrust and helpless anger, but the non-Socialist bourgeoisie seems of late to have entirely got the upper hand.

CANADA.—HOME BANK AFFAIR—REVENUE, EXPENDITURE, AND DEBT—RAILWAYS—GRAND TRUNK AND SHAREHOLDERS—DOMINION BORROWING.

(FROM OUR CORRESPONDENT.)

OTTAWA, February 1.

THE failure of the Home Bank, and its consequences, continues to be the most interesting topic in financial circles here, and much will be heard of it at the coming session of Parliament. The liquidator of the bank states that the depositors are likely to receive only from 37 to 40 per cent. of their deposits, and the shareholders have been notified that they must pay up the amount unpaid on their shares, and also double the amount in addition, under the "double liability" clause of the Bank Act. This week a large deputation of shareholders and depositors waited upon the Government here with a somewhat singular proposal. They prefaced their submission by contending that, if considerations of national stability during the war years had not prevented an official investigation of the Home Bank's assets in those years, when doubts were expressed as to its ability to carry on, it might have been wound up without loss to depositors; and that, this being the case, Canada as a whole should assume the liability incurred in the bank's failure. They proposed that the Government should loan \$17,000,000 to the associated banks of Canada, as a guarantee for the depositors, and half of this sum should be loaned to the Home Bank to cover its deficit and reimburse depositors.

It was estimated that within forty years interest on this loan would repay the amount loaned to the Home Bank. There is very little likelihood of this proposal being seriously considered. It would involve complete indemnification for depositors and freedom from financial responsibility for shareholders. The banks have responded to some degree to the criticisms being made. Hitherto they have always strenuously fought the suggestion of Government inspection and audit, now some leading bankers are stating that they do not object to it, but the Government must bear the consequent responsibility, which it is very averse from doing.

The financial statement which will be presented to Parliament when it meets on February 28 will be for the fiscal year ended March 31, 1923. It will show, as has been the case in recent years, that all the efforts of Finance Ministers to produce a surplus are liable to be brought to naught by the two great Government utilities, the Canadian National Railways and the Canadian Government Merchant Marine, to which the Government advanced last year a total of over eighty-three million dollars. For the current fiscal year there is a likelihood, judging by the statements of earnings of the Canadian national system which have been published, that this drain will be considerably reduced, but it will still be heavy. The total revenue of the Dominion for the year was \$394,614,900,000, and the total expenditure on both capital and consolidated fund accounts, \$346,565,616, leaving a surplus of \$48,049,284. The increase of debt during the year is given as \$31,641,067; so that over fifty millions must have been taken out of revenue to meet the railway demands. The total gross debt at the end of March was \$2,924,199,338, a decrease of \$10,564,037; and the total net debt was \$2,453,776,868, an increase of \$31,641,067. The increase in net debt for 1922 was \$81,256,818; for 1921, \$92,010,359; and for earlier war years, still greater.

Revenue for the year showed an increase of \$12,662,514, while expenditure decreased \$15,266,958. The only items showing increased expenditure were interest on public debt (which was \$137,892,735), and increased \$2,644,886; and agriculture, which increased less than half a million. The chief reductions were in pensions, \$3,191,253; public works, \$7,084,132; post office, \$882,374; soldiers' land settlement, \$462,888; soldiers' civil re-establishment, \$4,416,169; and miscellaneous, \$8,886,747. The principal increases in revenues were: Customs, \$12,369,824; Excise, \$993,210; Post Office, \$2,616,414; Inland Revenue, \$32,826,230. There were decreases of \$9,784,205 in business profits tax and \$18,972,816 in income-tax. For the current fiscal year, the Minister of Finance has asked from income and the expiring business profits tax the sum of \$55,000,000, and it is stated that that sum has already been secured, with several months still to run.

That there is something to hope for in the way of a better fiscal showing for the current year is shown by the statement recently issued by Sir Henry Thornton, giving the increase in net revenue for the Canadian National Railways for the calendar year 1923 as \$17,646,935, the total net operating revenues being over twenty million dollars. President Thornton has expressed the belief that this betterment will be followed by one of nearly thirty millions for 1924, and that by the end of 1925 the burden of deficits now being carried by the Canadian taxpayers will have been removed. There are not many in Canada so optimistic. Sir Henry has kept to the first year of his schedule, but it is pointed out (by those who are critical of Government ownership, it is true) that a considerable proportion of the betterment shown in the 1923 statement has been due to economies effected in administration and operation incidental to the consolidation of the system, and a progressive gain by the same means cannot be expected. Simultaneous demands for increases in wages and decreases in freight rates may interfere with Sir Henry Thornton's calculations.

The Commissioner appointed by and on behalf of the Government to investigate gratuities and other matters in connection with the Grand Trunk Railway has presented his report, and it contains some pretty severe strictures on some of the officials and directors. The Commissioner's report says, with regard to gratuities,

that in view of the pending acquisition of the road by the Canadian Government the propriety of President Kelly's act in recommending to Sir Alfred Smithers the payment of a large sum in gratuities may very properly be questioned. Dealing with the payment of £37,500 to the directors of the Grand Trunk, the report says such payment "in no way affected the company's assets as acquired by the Dominion Government," and any question with regard to it is one to be dealt with as between the shareholders and the directors. With regard to the payments of interest on March 1 and 2, 1919, on the four per cent. Grand Trunk Pacific debentures and five per cent. secured notes, it is pointed out in the report that such were made out of funds to be used for working expenses, and not for interest payments. "It is quite evident," the report says, "that the Canadian Government was unwilling to finance payments of interest, and they (the directors) should have governed themselves accordingly, notwithstanding their strenuous plea that Canadian credit would be seriously affected if default were made in payment of interest." It was also made plain by the Canadian Government that it would not authorise the payment of interest falling due on March 1 and 2, on the guaranteed debenture stock and secured notes, and the directors of the company must assume responsibility for their action. These interest payments in London gave rise to obligations which later had to be honoured by the Government receiver.

During 1916-17-18, Grand Trunk Pacific officials in London had been accumulating a surplus of funds on hand, the surplus cash balance on January 1, 1916, being \$18,753.90, on January 1, 1919, \$624,063.91, and on February 28, 1919, \$717,621.25, but there were liabilities of \$642,101.56 to meet, so that only \$75,519.69 could be properly used for payments accruing due on and after March 1, 1919. A total of \$650,136.98, however, was paid out in interest, and an additional \$274,310.82, making an aggregate of \$924,447.80 paid out of the company's funds. The legality and propriety of such payments are called in question by the Commissioner.

The latest Government issue of fifty million dollars Dominion of Canada guaranteed five per cent. railway bonds has created renewed confidence in Canada's financial condition. Before it was issued there was considerable discussion in financial circles as to whether the loan could or should be placed here. The argument was advanced in some quarters that the sale of such a quantity of Government securities here tends to make money scarce for the development of industry. The bond houses, on the other hand, pointed out that notwithstanding the \$200,000,000 loan in the autumn, followed by a \$40,000,000 Ontario loan, savings deposits increased by more than \$1,000,000 in the succeeding two months.

There has been exceptional activity in the bond market in Canada recently.

HOLLAND.—THE FINANCIAL POSITION—SEVERE RETRENCHMENT—BANK RATE INCREASED—INDUSTRIAL OUTLOOK.

(FROM OUR CORRESPONDENT.)

AMSTERDAM, February 11.

The Minister of Finance has recently issued a note outlining the various retrenchment measures which he intends to adopt in order to enable Holland to balance her budget within the next few years. This is, in point of fact, the second note which has been issued by the same Minister. The first, however, came out before the Government crisis which followed upon the throwing out of the Navy Bill by the Dutch Parliament. This incident gave rise to a very singular position. Thanks to the large number of political parties which exist in Holland, it was found impossible to form a new Ministry, so that, after the lapse of 2½ months, the very same Government, quite unchanged in constitution, again took over the reins. For the moment the Navy Bill has been dropped, and it has also been found possible to effect some slight changes in the original retrenchment plans, because there have been slight changes in the estimates of the yield of some of the chief items of the budget. It was originally estimated

that the deficit for 1924 would be 116 million florins, but this has now been reduced to 106 millions, in consequence of an increase in the estimate of the income-tax yield. Efforts will be made to cover this deficit, firstly, by withholding from the budget the charges for old age pensions (20 million florins) and for disablement pensions (18½ million florins), and secondly, by a provisional 10 per cent. reduction of the salaries of civil servants (the amount thus saved this year will not exceed 17½ million florins), while the balance must be covered by fresh taxation. To this end it is proposed to revise the tariff of import duties, and to introduce indirect taxes on beer, tea, coffee, cycles, and articles of luxury, and also a tax on turnovers. But even now it may safely be predicted that the 1924 deficit will not be wholly wiped out. In the first place, the yield of the new taxes is estimated at not more than 40 million florins, and in the second place both the reduction of salaries and the fresh taxes must first be sanctioned by Parliament, and unless the former is made retrospective (which is very improbable) the estimated amount will not be realised during the present year. The prospects for 1925 are, however, somewhat better. The deficit for the year is estimated at 130 million florins (originally 140 millions); and it will be met partly by the above-mentioned new taxes, partly by a further 10 per cent. reduction of salaries (making a total of 20 per cent.), partly by a reorganisation of the State services (education, national defence, &c.), so as to effect a provisional saving of 10 millions, and finally by the elimination of the deficit on the railways and postal service. There will then remain a deficit of 20 millions, which in 1925 will again be met by the withholding of grants for disablement pensions. After 1925, however, the budget should balance, as the reorganisation of the State services, by that time complete, will make it possible to save 30 instead of 10 million florins.

One proof of the necessity for such energetic economies is to be found in the fact that for the second time it has been found impossible to place the whole of the offer of Treasury Bonds and Treasury Bills. On December 20, 1923, 115 million florins were offered, of which the public only subscribed 79 millions; on January 21, 1924, the corresponding amounts were respectively 100 and 81 million florins, although the amounts offered had on previous occasions been over-subscribed for more than a year. This is no proof of a lack of confidence in Government capacity; it is due to the fact that the amounts hitherto available for State finance are no longer so easily obtainable, and this again is mainly due to the heavy withdrawals of German balances. The rise in the interest on Treasury Bonds from 4½ to 5 per cent. and the facilities for obtaining these bonds over the counter are of too recent date for it to be possible to gauge their effects.

As the demand for money showed little sign of diminution, even after the increase of the bank rate from 4 to 4½ per cent. on December 12, 1923, it was found necessary to make a further increase from 4½ to 5 per cent. on January 23rd. It is clear, therefore, that the Netherlands Bank will in its turn do all that it possibly can to prevent inflation, and to safeguard the guilder.

If all signs are to be trusted, the drastic measures which will undoubtedly be adopted will be attended with complete success. This view is shared by all the leading banking circles, both in Holland and abroad. One proof of this universal confidence is the establishment of various international institutions, all of which will transact business through the medium of the guilder. The most important of these institutions are the Netherlands Acceptance Company (founded with an original capital of 5 million florins by the Netherlands Trading Company, the Rotterdamsche Bankvereeniging, Messrs Pierson and Co., all of Amsterdam, and Messrs Mendelssohn and Co., of Berlin); the International Bank of Amsterdam (with an original capital of 10 million florins, founded by the Amsterdamse Bank and the Twentsche Bank of Amsterdam, the Stockholms Enskilda Bank of Stockholm, the Darmstädter and National Bank of Berlin, and Lloyds Bank, Lazard Brothers and Co., and the Whitehall Trust Company, of London); and the International Credit Company, in which Messrs. Kleinwort and the Westminster Bank are among the participants, and the capital of which

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MANUFACTURERS DESIRING REPRESENTATION IN ANY OF THE ABOVE COUNTRIES ARE INVITED TO COMMUNICATE WITH THE COMPANY.

is 20 million guilders (11 millions paid up). The founding of the International Bank has attracted especial attention, inasmuch as, for the first time since the war, British and German interests are here brought together in one organisation. The founding of such institutions cannot fail to redound to Holland's advantage, for she thereby becomes to an increasing degree a centre of international finance. On the other hand, criticism is not lacking. It is even alleged that the German institutions may acquire a predominant influence, and force into the background the financial needs of the other countries concerned. Quite apart, however, from the high standing of the above-mentioned Dutch, British, and Swedish firms, which affords adequate guarantee that the interests of their respective nationals will be admirably safeguarded, this criticism forgets that present-day economic conditions compel the adoption of this course, and that, if the above-named non-German institutions had chosen to stand aloof, the German banks would in all probability have taken the initiative themselves, and would have founded German concerns in the guise of Dutch, as has so often been the case in various branches of industry.

There is some improvement, too, in industrial prospects. The blast furnaces of Velzen have now been started. When working to the full extent of their capacity they will have an output of 150,000 tons of pig-iron per annum; so that, if we estimate the home consumption at about 50,000 tons, there will be about 100,000 tons available for export. Moreover, an order from Siam for 42 bridges has been placed in Holland. French competition may be a handicap on account of the depreciation of the franc, which has already caused the Dutch shipbuilding industry to lose the Netherlands Steamship Company's order for a new steamer. The French shipbuilding yards at St Nazaire sent in a tender which was about 1½ million florins lower than the lowest quotations of the Dutch and British shipbuilders. The sole cause of this undercutting is the fact that the purchasing power of the French franc is greater at home than abroad, so that wages in France are much lower than in most other countries. Efforts will, however, be made to prevent any recurrence of this incident. One of the remedies suggested is the granting, in the case of ships built for foreign orders, of a subsidy of 30 per cent. of the total amount expended in wages. Of this 30 per cent., half would be paid by the State, and the other half by the municipality concerned. The grant would further be made conditional upon the renunciation of all profits on the part of the firm, as the latter would gain sufficient advantage by being thus enabled to maintain its staff at full working strength, so that, when normal times return, it would be in a position to compete with foreign firms. Moreover, the subsidy would work out at considerably less than the sums which would otherwise have to be paid out as unemployment relief. If, therefore, political and economic factors combine to effect the restoration of Europe, the prospects before Holland are by no means unfavourable.

NORWAY.—BUDGET—TRADE BALANCE—BANKING AFFAIRS.

(FROM OUR CORRESPONDENT.)

CHRISTIANIA, February.

QUESTIONS of financial or economic bearing will form the main subject of the deliberations of the present session of the Storting. The outstanding question is that of the Budget for 1924-25. Comparing the amount of the ordinary Budget for 1923-24, which was Kr.499,400,000, with the present one, Kr.587,000,000, the man-in-the-street at first sight was disagreeably surprised because he had expected the present Finance Minister to reduce the Budget, whereas there is an increase of a sum which is in

itself as large as a Budget of some years ago, viz., Kr.87,600,000! The extraordinary Budget, which last year was about Kr.52,000,000, this year is Kr.44,000,000. Consequently the net increase is round Kr.80,000,000.

A closer examination, however, brings considerable comfort, in so far as it reveals that very important sums not included in the previous Budget are now included, e.g., Kr.30 millions of the deficit on last year's Budget; about 58 millions more in connection with the Public Debt, and various other sums. Altogether, very nearly 99 millions are included in this year's Budget, which more or less have reference to previous expenditure, so that in the ordinary outgoings an actual saving of 11 millions has been effected. This certainly is not much, but it is in the right direction. The main thing about the new Budget proposal, however, is that there is a feeling that, barring extraordinary circumstances, there is no fear of any deficit. The Finance Minister has faced the facts, and the taxpayers shoulder the certainly extremely heavy burden, trusting that the corner has been turned and the burden will gradually become lighter.

The Bank of Norway, and the larger private banks, have joined in issuing a letter to all the spending authorities of the country calling upon them to evince the greatest economy in managing the public funds. This, certainly, is necessary, for the Public Debt has risen to a very high figure. The State debt on December 31 was round Kr.1,500,000,000, and the municipal debt about Kr.1,400,000,000. The increase during the last ten years is enormous, but, of course, the actual value of these sums is not half of what it would have been in pre-war times. And then, against this increase in liabilities there are also very considerable increases in assets, such as electric works, railways, telegraphs and telephones and public buildings, and a splendid refit of the merchant fleet. Besides, the State and the municipalities have acquired very valuable forests, waterfalls, &c. The position, therefore, in spite of all, is sound, but the present generation, of all classes, must make up their mind to retrenchment and hard work to get out of the maze into which financial affairs have drifted. It has been calculated that last year the country earned 16 millions on tourists. This is only half of pre-war earnings on this account, but it is very likely that the stream of tourists will again increase, though perhaps slowly, as, of course, few tourists from Central Europe, formerly numerous, will come for years.

At the end of 1922 there were 576 savings banks in the country, with deposits of about 2,657 million kroner. Out of each 1,000 individuals in the country 673 persons had a savings bank account, with an average deposit per head of 1,340 kroner, which means very nearly 900 kroner for every individual in the country. If the private banks be included, the total saved-up capital of the country at the end of 1922 was about 5,150 millions, which is 1,910 kroner for every soul in the country—more than was, perhaps, expected. The Central Union of the Savings Banks have proposed to the Government the preparation of an Act making it incumbent on every savings bank in the country to contribute towards a fund which is to amount to 1 per cent. of all deposits, to serve as a security for the depositors.

The Statistical Central Bureau has published some figures concerning the last year's trade. Including re-exports and sales of ships, the total export amounts to about 832 millions (in 1922 about 787 millions). The total imports are estimated at 1,350 millions, including about 96 millions for ships. There is for 1923 a small improvement in the state of the trade balance, but there is room for more improvement before the pre-war position is reached—the balance was then 50 per cent. against 61 per cent. for last year. This adverse balance, of course, is mainly covered by freights, which probably amount to 91 per cent. of the trade deficit. Since the war very marked changes have taken place in the country's markets. Thus, in 1913 Germany took about 20 per cent. of the goods exported; in 1922 less than 10 per cent. To counterbalance this, the exports to Great Britain and America have increased, and these two customers now almost equal one another as buyers of Norwegian goods, chiefly pulp and paper.

The Finance Committee of the Storting had reported

upon a proposal to establish a Bank Board (or Council) of seven members as a controlling and consulting institution attached to the Government to assist in the management of the banks that have come under the Administration Act. Defended by the extreme Radical parties, it was defeated by the moderate elements, and this result is greeted with pleasure by the country, the more so as the composition of the board was to have been decidedly on political lines.

The port strike now has been going on for nearly three weeks, and so far as can now be seen there is no prospect of any immediate end. Though a good deal of shipping is going on, yet the strike is causing inconvenience in many quarters, and not a few mills, notably wood-pulp and paper mills, most likely will have to stop working, as they can no longer warehouse the accumulating stock. No sign of riots or other troubles of a similar kind have developed.

The banks are beginning to publish their results for 1923. The issue of fresh capital has been very small, totalling only just under 123 million kroner. Out of this sum about 71 millions were bonds, most of which were placed during the first half-year.

So far, the most noteworthy bank result is that of Den Norske Handelsbank. This was one of the "big seven." Everybody knew that it had fared badly. The result is that 45 million kroner have been written off as loss sustained or anticipated, leaving half of the share capital, or 20 million kroner, and 5 millions of the reserve fund, untouched. The men now at the helm are enjoying confidence, and with the necessary time and a reasonable share of assistance by the business world and public authorities good results may be expected of the operations of the bank, which will hereafter be carried on on a more limited scale.

JUGOSLAVIA.—THE NEW TREATY—EXCHANGE—BUDGET—LOAN NEGOTIATIONS.

(FROM OUR CORRESPONDENT.)

BELGRADE, February 7.

THE treaty with Italy and the settlement of the Fiume problem are events of first-class political importance, and are also bound to have very great influence on the economic life of Yugoslavia. Politically, they contribute to the pacification of the Balkans and Yugoslavia's further consolidation. Many politicians profess to see in the treaty the sign of a change in Yugoslav political orientation gradually approaching the British view—that European reconstruction should be conceived as an economic rather than as a political problem. The opposition to the French armament loan and the sudden recall of the French Minister at Belgrade are adduced as proofs of this. Economically, the treaty opens to Yugoslavia its natural seaport, and also paves the way for a commercial and railway convention with Italy. Freed from constant external anxiety, the Government should now be able to devote itself to some long-needed reforms: a drastic simplification of the present clumsy administration, the reduction of the too numerous and underpaid officials, a radical reform of the very unequal burden of taxation, the construction of railways, the promotion of international postal intercourse, workers' legislation, economic education, &c.

The favourable impression of the treaty abroad is evident from its influence on the exchange. The dinar, which has been stabilised for over four months at 385 to the £, shows signs of renewed strength, and has advanced to a sterling rate below 370. Its dollar rate has improved from 86.25 in October to 84.50 on February 6.

As the obstruction of the Opposition in the Financial Committee made the passing of the 1923-24 Budget impossible before the end of February, the Minister of Finance introduced three more "twelfths" (till the end of March), and proposed that the Budget for 1923-24 should be adopted for 1924-25, at the same time moving the beginning of the budgetary year from July 1 to April 1. The estimate both for revenue and expenditure is 10,405,000,000 dinars. The slight difference between this and the previous Budget (see the *Economist* of December 29) is chiefly due to an increase in the salaries of civil servants and officers, to the payment of interest, and the

amortisation of State loans. Expenses on loans claim only 5.66 per cent. of the whole Budget.

In his speech introducing the Budget, the Minister of Finance declared himself a strict deflationist. He pointed out that deflation has resulted in a 20 per cent. improvement in the dinar. He also emphasised that last year not only left a favourable balance to the Exchequer, but even allowed him to cover extraordinary expenditure on armaments and railway construction from the regular receipts. For the twelve months August, 1922—July, 1923, State receipts amount to 7,158 million dinars, and expenditure to 6,693, thus giving a surplus of 465 million dinars. The budgetary estimate for the same period, both for receipts and expenses, was 7,035 million dinars. August, 1923, shows similar promising signs, receipts being 679 million, and expenditure 619 million dinars. He attributed the favourable trade statistics to the economic policy of the Government. Exports for the first ten months of 1923 amount to 6,467 million dinars, as compared with 3,179 in 1922, the respective tonnages being 2,487,000 and 1,847,000. As imports during the first six months of 1923 amount to 3,334 million dinars, a favourable trade balance seems to have been attained.

The money shortage is still as severe as ever, and industry is affected by it most acutely. Both the Government and business circles are gradually adopting the view that the introduction of foreign capital must be encouraged if national industry is not to suffer. The State Mortgage Bank, having concluded a loan of 5 million Swiss francs, is now negotiating with the same group for another loan of at least 10 million. The Belgrade Municipality is negotiating with a view to launching a loan in London. The new Minister of Communications desires the construction and exploitation of railways by foreign capital in order to extend the network of lines in the country, and negotiations have been begun with some large British firms. In addition to the Czech capital already introduced, business circles also hope to attract British capital for the opening up of the numerous unexploited mines, for large construction works, and for building operations.

Letters to the Editor.

BRITISH SHEEP BREEDING.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The article from a correspondent on the "Economics of British Sheep Breeding," which appeared in your issue of February 16th, calls for correction on many important points.

It is not true that the War Office at any time claimed to take British wool without payment and to give at its own time an ex-gratia donation to the farmer. In the case of wool, as of a host of other articles, a limit was fixed to the rise of market prices under the stress of war conditions. The wool was taken by the Government at prices ranging between 40 per cent. and 60 per cent. over 1914 prices, and the full value was paid in cash at the time of delivery. In the case of the wool re-sold, the selling price was very slightly above the purchase price. The community got the whole benefit of these Regulations, and nothing can be more certain than that any future Government, Conservative, Liberal, or Labour, would in case of a great war limit the rise of market prices in an even more stringent manner than was done from 1916 to 1918.

It is not true that the Government bought the Overseas clips in 1919 after the surrender of the enemy's fleet. The last purchase of any importance was made in June, 1918, though it covered a period extending to one year after the war closed.

It is not true that the dates of the wool sales at Coleman street were at any time designed to swamp home wool fairs. The sales of wool at Coleman street during the period 1919-24 were fixed, as always was the case in the past and always will be in the future, in relation to the quantity of Overseas wool available for sale and to meet the convenience of buyers and sellers.

There is no evidence that the interference of the British Government, under the emergencies of war, in the whole-

sale purchase of Australian and New Zealand wool either increased or diminished the competition of that wool with British wool. The ups and downs of the market from 1919 to 1924 were due to a number of factors which I shall not attempt to analyse in this letter, but I confidently make the following assertions:—

1. At no time has the British farmer been in any way prevented from obtaining a price for his wool fully proportionate to the price of Colonial wool at the time.

2. The influence of the British Wool Department and its successor, the British Australian Wool Realisation Association, Limited, was continuously exercised, and with a certain degree of success, in the direction of breaking the fall of prices in 1920-1921 which it was foreseen would be necessarily followed by a correspondingly sharp rise in the succeeding years.

Your correspondent takes a moderately hopeful view of the future. I think he would have been justified in giving a more decided encouragement to British sheep breeders. There never has been a time when the wool market promised better things for the future than it does at present.—I am, &c.,

A. H. GOLDFINCH.

(Late Director of Raw Materials.)

London, E.C., February 21st, 1924.

Books and Publications.

WORKS OF TURGOT.*

If any man should go about in years to come to produce a new and complete edition of the writings of Turgot, with emendations and "additional matter never before printed," may he and his project be instantly and painlessly extinguished! We know our Turgot. Whatever record leaps to light may be published separately, if it is worth while, but of one thing we may be assured in advance, it will not modify our estimate of his character, his principles and his opinions. He was, as his countrymen say, "all of one piece." The spotless purity of his life, the unswerving rectitude of his conduct as citizen, administrator and statesman, the logic and clarity of his economic philosophy, the courage, directness and honesty of his reforming zeal, cannot be shaken by any new evidence. When he died in 1781 his friend and disciple Du Pont de Nemours hastened to write his life in two volumes, which appeared at Philadelphia in 1782. This *Life with the works of Turgot* was published for Du Pont in Paris in 9 vols. 1809-1811. The works were rearranged with additions by Daire and Dussard in two volumes. Paris, 1844. Portions of his work, in French and in translations, have been frequently printed, and the books which have been written about Turgot and his life and activities would fill a good-sized library. To many people in France Turgot is as great a national figure as Jeanne d'Arc, but even among these he is more admired than read, and it was assuredly not a commercial motive which inspired M. Schelle to devote years of his life and to expend his erudition and industry upon the prodigious task now happily completed. It may fairly claim to be definitive. Much of it is mere reprint. Some portions have been collated anew with the originals and slightly corrected. These are marked with an asterisk. The remainder is new matter, marked with a double asterisk. The reader who is already acquainted with the works of Turgot thus finds his task of examination of this volume facilitated. It will, nevertheless, take him the best part of two days to read what is presented as new. If he is a Turgot enthusiast he may consider some of this interesting, but can hardly believe it to be important. If Turgot could arise from the dead to edit his own works we may be sure that he would strike out many of the little papers whose only ground for inclusion is that they incidentally mention his name, the street ballads compiled from a printed collection which make parenthetical allusion to him among others, his metrical experiments in translating some Odes of Horace, &c. It is possible for a ballad to be printed without its ever having

* "Oeuvres de Turgot, et Documents le Concernant." Avec Biographie et Notes par Gustave Schelle. Tome V. Pp. 754, large 8vo. Paris: Librairie Félix Alcan. 1923.

The life funds increased to £3,762,000, showing an addition of £260,000. In only one previous year—1922—had there been a

larger addition, and it was then £3,000 more. The total income of the company from all sources amounted to £637,000.

A STRONG POSITION.

In the case of a life office, the valuation of investments required to be dealt with only at the time of a division of profits, and with them that was once in five years, but he thought he might take the opportunity of stating that an investigation made at December 31st last showed that the market value of the investments was very largely in excess of the total shown in the balance-sheet. In unsettled times such as the present it was pleasing to know that they were in a strong position, and that they could, if necessary, stand quite a heavy fall in Stock Exchange values, although he trusted that nothing of the kind would occur.

The bare statement of the facts which he had given was sufficient to show how satisfactory the present position of the company was; he knew of no weak spot, and could say with confidence that the report for 1923 was all round the best that the company had issued.

A NON-DEPRECIATING INVESTMENT.

Their action at last annual meeting in increasing the intermediate bonus to the rate of £2 per cent. (in view of the improved prospects of a return at next valuation to their 30 years' pre-war record of a £2 per cent. declared bonus) had pleased their policyholders. In life assurance was to be found the one great non-depreciating investment; indeed, in a company such as theirs, which had never failed to pay a bonus to its policyholders, such an investment had shown a constant appreciation in value by the addition, quinquennially, of a substantial bonus to the holders of with-profit policies.

The report was adopted.

TRADE INDEMNITY COMPANY, LIMITED. CAPITAL TO BE INCREASED.

The sixth ordinary general meeting of the Trade Indemnity Company, Limited, was held, on the 18th instant, at the offices, 13 and 14 Austin Friars, London.

Mr C. E. Heath, O.B.E., the chairman, presided, and in the course of his speech in moving the adoption of the report and accounts, said: It is with a good deal of satisfaction that we have presented to you the accounts for last year. You will notice that, for the first time, not only have you a balance-sheet, but also an underwriting profit and loss account. That is really the most interesting part of the document. The premiums have increased, and are still increasing; we have 50 per cent. more this January than last. We still only retained £22,000 out of a total premium of £69,000—this in view of our small capital. Our balance carried forward is £29,800, and our known losses £12,000, so that we have no less than £17,000 with which to pay for any future losses on 1923 account. Inasmuch as at least half of our liability has run off, we are in a very good position.

VALUE OF PRESENT SHARES.

You will see from the report that, in deference to a good deal of urging from various sources, we have decided to increase our capital from £100,000, with £20,000 paid, to £250,000 fully paid. It was necessary, therefore, to arrive at the real break-up value of the present shares. After fully going into the question, we have settled that, after allowing for all unexpired liability, both for losses and unearned premiums, there is an unallocated profit of at least £12,000, in addition to £3,000 already put to reserve. This is quite apart from the £20,000 originally put in for forming the original reserve. In other words, the original shareholders' capital has increased by 37½ per cent. in the five or six years of the company's existence. In addition, we shall have paid two dividends of 10 per cent. each on the shares. That, I think you will agree, is a very good result for a new company.

When it was decided to increase the capital we came to one definite conclusion. It seems clear, in view of the growing importance of the business, that we should no longer stand alone, and that the sympathies and help of the banks and insurance companies should be enlisted. I am glad to say that this sympathy and assistance have been forthcoming to a very gratifying extent. Not only from the Governor of the Bank of England, but from all the large banks we have approached we have had the greatest encouragement. The insurance companies, too, have responded as I hoped they would do, and I have no doubt at all that a great step has been taken to make London the centre of what promises to become a very large and important industry. Since our last meeting we have had communications from correspondents abroad, of the very best type, who are prepared not only to share with us their internal business, but to advise us as to the standing of their nationals, to bear part of the risk with us, and to take over a bad debt and sue in their own names. You will see how important that is. In fact, in a short time there should be an intelli-

gence department for our use of the best description, with this great point about it, that those who are giving us their advice will be backing their opinion.

The chairman read a letter from the late President of the Board of Trade, in which Sir Philip Lloyd-Greame said: "There is no objection whatever to your saying that the Trade Indemnity Company acted for a time officially as the adviser of the Export Credits Department in respect of the assessment of the premia for guaranteeing bills under the export credits scheme, and that the experience of the officials of the company, derived, I believe, from many years' activities in this business, has been of great utility to the Department."

INSURANCE FOR CATASTROPHE HAZARD.

The chairman continued: The problems which have to be considered are so varied, and so many are the difficulties which a Government Department has to face owing to its rules and regulations, and the control which must necessarily be exercised over it, that I believe insurance by such a Department can never have anything but a very limited scope. I believe, too, that it is impossible for a Government Department to make such arrangements for foreign co-operation as I have outlined. As in most things, private initiative and management will produce the best results. But there is one way in which a Government can undoubtedly help. There are many would-be insurers who dread a catastrophe. I think our business is on such safe lines that nothing of the sort should be feared. Indeed, we have gone through many world crises in our time without damage, but there it is. There is undoubtedly this fear. The market could, I believe, be almost indefinitely extended if the Government would reinsure us against this catastrophe hazard. The Government should be paid for it; a percentage of our premiums might easily be made over to cover the risk. I would like very strongly to recommend the idea to the powers that be. If it is really hoped to reduce unemployment by increasing trade, then the relieving of the merchant and manufacturer of part of his risk is going to be one of the vital problems. I believe we can solve it, but we shall solve it on much better lines with a little Government help.

Mr A. G. M. Dickson seconded the motion, which was unanimously approved.

UNDERGROUND GROUP.

INCREASE IN PASSENGERS—BUS COMPETITION PROBLEM.

The ordinary general meetings of the Metropolitan District Railway Company, the London Electric Railway Company, the City and South London Railway Company, the Central London Railway Company, and the London General Omnibus Company, Limited, were held, on the 21st instant, at the Caxton Hall, Westminster, London, the Right Hon. Lord Ashfield, P.C., presiding.

The secretary and treasurer (Mr John C. Mitchell) having read the notices convening the meetings,

The Chairman, in the course of his speech, said that the gross traffic receipts for 1923 were £158,000 less than those for 1922, a small decline of just over 1 per cent. The passengers carried were, however, increased by 173,000,000—a large advance of almost 15 per cent. It was far more than a normal advance due to growth of population and other regular causes, and indicated a renewed growth of the travel habit, which was welcome and encouraging. There were several reasons why, with such increased volume of travel, traffic receipts were reduced. There would seem to have been a transfer of season ticket holders to the slightly cheaper workmen's return tickets, and a general shortening of the average length of journey taken, but the chief cause had been the reintroduction of 1d fares upon the omnibuses.

It was unfortunate that the increase in the number of passengers carried was wholly attributable to the omnibuses. Their increase was 193 millions, whereas the railways showed a decrease of 20 millions. The City and South London Railway had only contributed 11 millions of passengers, as against 25 millions in the previous year, so that the partial closing of that railway accounted for much more than half the loss. Making every allowance, however, for the temporary failure of that link in the underground system, the railways had rather fallen back than advanced. That was the disappointing feature, but, for what consolation it might be, he would point out that it was not a feature confined to their own railways, and it also appeared on tramways.

INCOME AND DIVIDENDS.

The total amount of net income was £2,992,000, as against £2,977,000 in 1922. While the amount required for the dividends on the guaranteed and preference stocks was unchanged, the amount required for interest, rentals, and fixed charges was more by £83,000, due to a variety of items. They had reduced the amount appropriated to reserve for contingencies and renewals by £75,000, so that, as a result, the balance in respect of the year's

working available for dividends on ordinary stocks and shares was approximately the same as a year ago at £982,000. The London Electric Railway Company, the City and South London Railway Company, and the Central London Railway Company would be invited to declare dividends at the rate of 4 per cent., as in 1922. The Metropolitan District Railway Company, which had paid 3 per cent. in 1922, would be invited to raise that dividend to 3½ per cent. The London General Omnibus Company would be asked to pay 9 per cent., free of income-tax, a ½ cent. more than in 1922. When those dividends were paid, the average rate of return on the ordinary capital of the Common Fund companies would be 4.8 per cent., and upon all the capital of whatever class in the Common Fund companies 4.5 per cent. They were committed to the policy of a reasonable return upon that capital and no more, but they were still seeking that reasonable return. In the past their policy had been, with due regard to satisfying the claims of the public for service, to work railways, tramways, and omnibuses to the greatest mutual advantage.

BUS COMPETITION.

Unluckily the year 1923 had introduced a new factor into the situation. A number of omnibuses working largely in independence one of another, and, so far as could be ascertained, not in any regular manner, but changing routes daily—one might without exaggeration say hourly—had appeared upon the streets, growing slowly week by week, until at the end of January there had been 208 of them in seventy-four separate ownerships. Their intention appeared to be to secure a doubtful gain by snatching at the cream of the traffic, without a thought of what was to be done for the thin milk, and without a care of what was meant by public service. It was a strange situation that within the Metropolitan Police area there should be no power vested in anyone to control the working of public service vehicles. Anyone could acquire an omnibus which, so long as it complied with the structural requirements of the police, must be licensed by them, and might then be employed upon any route within the area which was not physically dangerous, without regard either to the capacity of the route, or the vehicular traffic that is already carried, or to the provision of a regular scheme of transport facilities. There was no limit to the number of licences which might be issued. The Underground Railways, built at immense cost, were in reality streets beneath streets, which should afford immense relief to the congestion above by withdrawing a large proportion of the passenger traffic. Yet the surface street was allowed to be filled with streams of omnibuses until the speed of movement had fallen in this last year to an alarming extent, and London, which from being perhaps the fastest traffic city in the world, was now about the slowest.

POLICY CHANGED.

The co-ordination that had been the cardinal principle of the Underground policy had had to be abandoned. They had had to change their policy. No longer were they able to look at omnibus routes and services in relation to railways and tramways. Now they must work the omnibuses to their full economic limit, regardless of other transport facilities. It was that change of policy which accounted for the 24 million more omnibus miles, the 193 million more omnibus passengers, the fewer passengers carried on railways and tramways, and the poor financial results, not only for their own companies, but for others. He had no fear for the "General" omnibuses in competition with stranger omnibuses, because their own vehicles were at least as good as those of their competitors, and were more efficiently and economically worked. He had, however, some fear for the railways and tramways.

The choice before them was to hold their hand with the omnibuses, and let those competitors multiply and prejudice the railways and tramways, or to expand their fleet of omnibuses and prejudice them, if it must be so, themselves. They had chosen the latter course, and at December 31st last they had an active fleet of 3,869 omnibuses, as compared with 2,809 at the end of the previous year. They were still pursuing their construction programme, and adding vehicles at the rate of about twenty-five per week in preparation for the coming summer. Yet the dilemma remained that successful omnibuses were insufficient compensation for starved tubes and impoverished tramways. London wanted all the facilities it now enjoyed and more. Some remedy must be found for the competition that was destructive, or sooner, rather than later, London would wake suddenly to find that its traffic facilities were growing less instead of greater.

RAILWAY DEVELOPMENT AND TRAFFIC CONTROL.

Development was the very heart of the problem, and it concerned not so much omnibuses as railways. London could not grow except upon a framework of railway lines. The larger it grew, the more it must depend upon the speedier form of transport for its essential services—that was the railway. Their companies had made great efforts in the direction of railway development. The policy which

they had pursued had, he submitted, been a bold and a right policy, but it could not continue. There was a limit to the amount of capital that could be issued, unless the circumstances were wholly favourable, and that could not be the case if the scramble for traffic was to be pursued without any adequate scheme of control. Development could only continue if the existing railways were able to work on a sound financial basis.

London transport had served the public well, and had not failed in its obligations to its employees, but it had still to earn a fair return upon the capital invested in it before it could count itself wholly successful. Because they lacked an ordered scheme of traffic control, the goal seemed farther off than it ought to be in common fairness. London traffic could and would be self-supporting if dealt with as a whole.

The reports and accounts of the several companies were unanimously adopted, and at subsequent special meetings of the Metropolitan District Railway Company, the London Electric Railway Company, and the Central London Railway Company the Bill deposited in Parliament for the present session for extension of powers and other purposes was approved.

CHAMBER OF SHIPPING OF THE UNITED KINGDOM. IMPROVED TRADE OUTLOOK.

The 47th annual general meeting of the Chamber of Shipping of the United Kingdom was held, on the 22nd instant, at the Leathersellers' Hall, St Helen's place, London, E.C.

The retiring president (Sir Ernest W. Glover, Bart.) proposed the adoption of the report and accounts for 1923.

Sir George Higgins, C.B.E., seconded the resolution, which was carried unanimously.

Sir Alan G. Anderson, K.B.E., was elected president for the ensuing year, and Sir Norman Hill, Bart., was appointed vice-president.

PRESIDENT'S SPEECH.

The new President, in the course of his address, said that the depression which began so suddenly in 1920 still prevailed. With all respect, however, to the opinion expressed a year ago by Sir Ernest Glover, his (Sir Alan's) view was that there was a definite bottom to the abyss of bad freights, and that they had now touched bottom. When laying-up point was reached, freights would not drop further unless expenses fell, and freights in 1923 only fell 4 per cent. below those of 1922, because on the average of the year there was a small drop in expenses. That was the only comfort he could give about the general freight position of 1923; it was definitely the worst that could be. In the early months of 1923 French action in the Ruhr and the resulting demand for coal gave a fictitious appearance of prosperity, which was quickly followed by a renewed drop. There had been, and still was, a redundant fleet of vessels in all countries, ready at short notice to put to sea when freights rose and, by flooding the market, to bring about an immediate relapse of freights. After so long a depression, one's eyes got used to gloom, and possibly for that reason it was easier to see a few spots of light on the horizon than a year ago. As a whole, the British mercantile marine had up to date weathered the storm with extraordinarily few casualties, and, without wishing to appear too hopeful or to encourage anyone to speculate on an early return to prosperity, there was evidence that their position was improving and that they had profited by the medicine of adversity.

He noticed that in their last days the late Government started lending money to shipowners or shipbuilders on easy terms in order to bring about employment in shipbuilding centres. While sympathising with the anxieties of shipbuilders, masters and men, he felt sure that the best informed among them would agree that it was dangerous to apply this artificial stimulant to the shipbuilding trade in its present condition. If shipbuilders and shipowners were left to work out their own salvation according to the economic laws, the orders for ships would gradually increase, but if shipowners who had had such severe lessons of bad trade, due to an excess of ships in the world, gained the impression that their business was to be made a cockpit for non-economic Government activities, it seemed probable that every ship that was built before its time by Government action would postpone a dozen or more other orders which would otherwise have been placed if the Government had kept quiet.

NO INTERFERENCE WITH TRADE DESIRED.

While signs existed that in this great nation of ours and in the world trade had touched bottom and was beginning to improve, and while we might hope that a financial adjustment might bring about a swift recovery in other great communities which were at present practically excluded from the world's trade by bankruptcy, the health of international trade was still precarious. If the patient were left to himself he should pull through, but if an attempt were made to hasten this recovery by strong medicines or magical panaceas, a dangerous relapse must be expected.

Sir Frederick W. Lewis, Bart., proposed a resolution expressing appreciation of the steps taken to improve port facilities throughout the country, and the hope that immediate effect would be given by the Port Authorities to the suggestions made to this end, and urging that every effort should be made still further to reduce port dues, charges and expenses.

The resolution was seconded by Mr David Jones, J.P., and carried unanimously.

Sir Ernest Glover, Bart., moved a resolution expressing the opinion that H.M. Government should seek to secure confirmation by Parliament of the resolutions, for which their predecessors jointly with the Dominion representatives were responsible, passed at the recent Imperial Economic Conference. He said that if, after such elaborate arrangements had been discussed, and after mutual agreement had been arrived at, a change of Government should involve the cancellation of everything, it seemed to him that our kinsmen overseas would in future regard it as a pure waste of time to come here to discuss business.

The resolution was seconded by Sir Kenneth Anderson, Bart., K.C.M.G., and passed unanimously.

BORAX CONSOLIDATED, LIMITED. COMPANY'S TWENTY-FIFTH YEAR—FINE RECORD.

The twenty-sixth ordinary general meeting of Borax Consolidated, Limited, was held, on the 19th instant, at the Cannon street Hotel, London, the Right Hon. the Earl of Chichester (chairman of the company) presiding.

The Chairman, in moving the adoption of the report and accounts, said that the net profits had amounted to £442,753, or, adding the amount brought forward, £566,646 in all. Interest on the first and second debenture stock absorbed £86,240; the dividends paid on the preference and preferred ordinary shares had amounted to £80,000, the interim dividend on the deferred ordinary shares to £57,500, and the sinking fund to £5,835. The sum of £40,000 had been placed to building and plant depreciation reserve, and they were left with a balance of £297,081. It was proposed to deal with that by placing to general reserve fund £25,000, to income-tax reserve £15,000, to pensions and grants fund £5,000, and by paying a final dividend on the deferred ordinary shares of 1s 6d per share, and also a bonus of 6d per share, or 2½ per cent., making a total of 15 per cent. That would leave £137,081 to be carried forward, or £13,188 more than the amount brought forward.

COMPANY'S FINE RECORD.

This was the silver wedding year of the company—the twenty-fifth year since its formation. Looking back over its records and results during that period, it was gratifying to be able to state that the company had never passed a dividend during these 25 years—a record which, for an industrial company operating on so large a scale in so many countries over so long a period, must, even if not unique, be considered one of which to be proud. During the 25 years the net profits had amounted to £8,388,995, or an average over the whole period of £355,560 a year. The company had given employment to many thousands of people in various countries, and had paid a huge sum in wages.

In his speech in 1920 he had pointed out that for each pound paid to the deferred ordinary shareholders the company had paid three pounds for labour. In making those profits they had also kept in mind the interests of their customers as well as those of the shareholders, and had made the profit on a very large turnover, and on a reasonable and not on a profiteering basis. On the capital used now, including the debentures, reserves, and the carry forward, the company's earnings amounted to about 8 per cent., not an unreasonable figure, looking to the character of their business as miners, refiners, and traders. During the 25 years they had intermittently been faced with various forms of competition, some legitimate and some otherwise; they had had to defend themselves in a number of instances against property-stealers, known as claim-jumpers, in more than one country, but the board had succeeded in maintaining the property of the company intact.

RESULTS OF THE PAST YEAR.

He thought that the shareholders would consider the trading result for the past year entirely satisfactory, taking into account the conditions under which the company had had to do business. Political conditions and violent exchange fluctuations had seriously affected trading in certain countries, but, on the other hand, there had been compensations in increased business in other places. He could not promise that under such varying conditions it would be possible to maintain profits, but shareholders might rest assured that nothing would be left undone to ensure a continued prosperous career for the company. The company's financial position was very strong; it was essential that it should be so. To that end the board had, since the close of the financial year, issued on favourable conditions further second mortgage debenture stock to the

extent of £297,784. They had been adding to the manufacturing capacity of the company, and, in order not to deplete liquid resources, the board had considered it advisable to obtain that further money.

The board had succeeded in arranging a compromise with the Angora Government, by which shipments from the company's Turkish mines would be resumed. During the past year they had been unable to make shipments of ore from those properties, owing to the dispute with the Turkish Government over the company's claim for damage to its property and the matter of royalties retained by the company. The arrangement of that matter would facilitate refining operations.

As to the dividend proposed, which made 15 per cent. for the year, looking to the disturbed condition of trade, seeing that the profits admitted of so doing, the board had decided, as they were dealing with the twenty-fifth year of trading, to mark it by paying the bonus of 2½ per cent. It was proposed to place to general reserve £25,000, which would bring that fund up to £425,000.

Colonel J. W. Reid, the vice-chairman, seconded the motion, which was carried unanimously.

IMPERIAL TOBACCO COMPANY (OF GREAT BRITAIN AND IRELAND), LIMITED.

GOOD RESULTS OF YEAR'S TRADE.

INCREASED TRADING PROFIT.

The annual general meeting of the Imperial Tobacco Company (of Great Britain and Ireland), Limited, was held, on the 19th instant, at Bristol, Sir George A. Wills, Bt. (the chairman), presiding.

The secretary having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said:—Turning to the balance-sheet, you will observe on the credit side that the total assets of the company at October 31 last are shown at a total of £67,106,047.

The first item on the balance-sheet viz., land, buildings, plant, and machinery, has been increased by £62,196, represented by extensions at some of our branches and by additions to buildings and machinery in America. I might mention here that we shall also incur some further expenditure on buildings in connection with our trade in Ireland. Since I last addressed you the Irish Free State has set up its own separate system of Customs duties, and this has made it necessary for us to undertake the manufacture of our goods in the Irish Free State for the supply of our customers there who, under the old conditions, drew their supplies direct from our English factories.

As usual, depreciation of buildings and plant has been provided for in the accounts, but no amount has been written off during the year beyond normal rates of depreciation.

Goodwill and patent rights remain unchanged at their book figure.

The investments in associated companies stated at cost, or below cost in those cases where depreciation has taken place, and current accounts with those companies stand at £6,056,331—an increase during the year of £38,719.

As stated in the balance-sheet, the aggregate market value of investments in associated companies is largely in excess of the book figure.

STOCK-IN-TRADE.

Stock-in-trade now stands at a net figure of £28,386,450, as compared with £31,998,859 in the previous year's balance-sheet—a decrease of £3,612,409. Our balance-sheet happens to be made up at a date about half-way through the leaf-buying season, and, although it chanced that at October 31, 1923, our total stocks of leaf were somewhat lower than at October 31, 1922, this reduction would probably be found to have been fully made up by the end of the buying season. We have, as you know, always considered it wise to hold large reserve stocks of leaf, and this policy has been fully maintained.

Payments on account of leaf in transit, &c., amount to £1,534,593, as compared with £1,246,673 for the previous year—an increase of £287,830.

Debtors stand at £6,445,945, as compared with £5,860,413 for the previous year—an increase of £585,532.

Investments in Government and other stocks, valued at prices ruling on October 31, 1923, stand at £6,079,262—an increase of £5,059,846. This is represented by large purchases of British Government stocks which we have made during the year. I regard Government stocks which we have made during the year. I regard this as a strengthening of our balance-sheet, and I think you will agree with me that it is prudent for a company like ours to hold a certain proportion of its assets in liquid form invested in securities entirely outside the company's business.

Cash at bankers' and in hand, amounting to £4,951,208, has increased by £234,843.

LIABILITIES.

Turning to the liabilities side of the balance-sheet, you will notice that the issued capital of the company is £42,809,633—an increase over last year of £7,479,039. This is accounted for by the issue to the shareholders of 7,479,039 ordinary shares of £1 each fully paid, in accordance with the resolution passed at an extraordinary general meeting of the company held on June 19, 1923.

Creditors, including provision for taxation, bonus to customers, estimated capital liability under dividend guarantees, employers' liability, marine and other funds, stand at £12,640,307—an increase of £1,497,722, as compared with last year.

The provision for pensions, &c., £1,814,738, has increased by £204,376. This increase is made up of £200,000 which we have transferred from the profit and loss account, and £4,376, being the difference between the interest credited to the fund and the pensions actually paid during the year.

The premium on issue of ordinary shares and the general reserve, which last year together amounted to £12,000,000, have been reduced by £7,479,039, being the amount appropriated for the purpose of issuing the fully-paid ordinary shares already mentioned.

We have transferred an amount of £479,039 from profit and loss account this year, making the reserve up to a round figure of £5,000,000.

PROFIT AND LOSS ACCOUNT.

We will now deal with the profit and loss account, which you will find set out on pages 10 and 11 of the print.

The net trading profit for the year, after fully providing for all charges, including income-tax, corporation profits tax, and bonus to customers, amounted to £7,474,686, as compared with £7,199,076 for the previous year—an increase of £275,610. This net trading profit includes a very large sum derived from dividends on investments in companies operating abroad. We have received this year a larger contribution from this source than in any previous year.

On the debit side of the profit and loss account are charged the items of provision for pensions, £200,000, and transfer to general reserve, £479,039, to which I have already referred, leaving a balance of profit for the year of £6,795,647 16s 10d.

THE DIVIDENDS.

In the appropriation account you will notice that the profit for the year, added to the balance of undivided profit from the previous year, gives an amount of profit to be dealt with of £7,364,091 18s 11d.

Out of this sum the dividends upon the preference capital have been paid—that is to say, 5½ per cent. upon the "A" cumulative preference shares, 6 per cent. upon the "B" non-cumulative preference shares, and 10 per cent. upon the "C" non-cumulative preference shares.

Upon the ordinary shares an interim dividend of 7 per cent. was paid, free of income-tax, on September 1, 1923, and it is now proposed to declare a final dividend of 8 per cent. and a bonus of 1s per share, both free of income-tax.

After providing for these dividends, there will remain a balance of £5,215,431 18s 10d to be carried forward to next year.

SATISFACTORY RESULTS.

The figures which I have quoted serve, I think, to show that the results of the year's trading now under review are very satisfactory, having regard especially to the condition of business throughout the country. They also show that the prudent policy which the directors have pursued through a long series of years has established the company in a strong financial position, which I hope will enable it to discharge its responsibilities in the future as successfully as in the past. With a business so widely spread throughout the country, we cannot but recognise that we have a heavy responsibility, not only to the public who smoke our goods, but also to the wholesale and retail traders who distribute them, and last, but not least, to our own staff and workpeople, who by their efforts help us to maintain a uniform standard of quality in all our output. I have acknowledged on many occasions in the past our indebtedness to our staff and workpeople, and I am glad to acknowledge it again to-day.

GIFT TO STAFF AND WORKPEOPLE.

The directors are confident that, as on many occasions in the past, you will approve their decision to make a gift to the staff and workpeople over and above their ordinary salary or wage. Under this gift each person who has been in receipt of a salary or wage from the company during the 12 months or any lesser period ended October 31, 1923, and who still remains in the service of the company to-day, will receive a sum equivalent to 15 per cent. of the total salary or wage received by him or her during the said 12 months or lesser period. The general conditions of the gift will be the same as in past years, the directors reserving to themselves a discretion to grant or withhold a share in the gift in any case which may appear to them to demand exceptional treatment.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.
HEAD OFFICE:
62, OLD BROAD STREET, LONDON, E.C.2.

BRANCHES:
 UNITED STATES: SAN FRANCISCO, NEW YORK
 MEXICO: GUATEMALA, SALVADOR, MANAGUA, SANTA MARTA, BARRANQUILLA, PUERTO CABELLO, CARACAS, MEDILLIN, BOGOTÁ, GUAYAQUIL, IQUITOS
 SOUTH AMERICA: LIMA, IQUIQUE, ANTOFAGASTA, COPIAPÓ, COQUIMBO, VALPARAÍSO, SANTIAGO, TALCAHUANO, CONCEPCIÓN, RIO DE JANEIRO, SAO PAULO, SANTOS, PORTO ALEGRE, PELOTAS, RIOGRANDE DO SUL, MERCEDES, ROSARIO, MONTE VIDEO, BUENOS AIRES, MENDOZA, SAN RAFAEL, BAHIA BLANCA, TRELEW, COMODORO RIVADAVIA, PUERTO Deseado, SAN JULIAN, SANTA CRUZ, RIO GALLEGOS, PUNTA ARENAS

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

NORTHERN DISTRICT OFFICE:
62, Market St., Bradford.
LANCASHIRE BRANCH:
39, Mosley Street, Manchester.

Affiliated Institutions:
THE BRITISH BANK OF SOUTH AMERICA, LTD.
 and
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.
 Auxiliaries:
ANGLO-SOUTH AMERICAN TRUST COMPANY, NEW YORK
 (Incorporated under the laws of the State of New York)
BANQUE ANGLO-SUD AMERICAINE
 Société Anonyme, PARIS.

Mr H. Wills Gunn (deputy-chairman) seconded the resolution, which was carried unanimously, and the formal business was transacted.

VOTE OF THANKS TO THE CHAIRMAN.

Mr W. H. Blandy, in proposing a vote of thanks to the chairman for presiding, suggested that the terms of the motion should be broadened in order to express their appreciation of the way Sir George had directed the affairs of the company during the last 22 years. Sir George had now been associated with the tobacco trade for 50 years. Those years had been years of progress, owing to his good judgment, sagacity, perseverance, enterprise, tact, and, in fact, all the virtues that went to make a successful business man and a successful business. They were indeed fortunate in having so able a leader to direct the affairs of the company. Their chairman had won the respect, admiration, and even affections of his fellow-directors and the members of the staff and workpeople. The past year had been a strenuous one for him, but he hoped he would survive to serve them for many years to come.

Mr Stephen Mitchell seconded the resolution, and it was carried with acclamation.

The Chairman, in reply, said that he had been interested in the business many years, but he supposed that his time was drawing to a close. He still had great interest in the company, and he desired to thank all those who had been associated with him in its successful work during the whole of the time that he had been chairman. He also wished to acknowledge the kindness he had received from all connected with the company, from the heads down to the youngest employee. No company had a better staff of work-people than the Imperial Tobacco Company.

WINTERBOTHAM, STRACHAN, AND PLAYNE, LIMITED. SATISFACTORY RESULTS OF YEAR'S TRADE.

The fourth ordinary general meeting of Winterbotham, Strachan, and Playne, Limited, was held, on the 22nd instant, at the registered office, 7 Argyll street, London, Mr Herbert B. Winterbotham, J.P., presiding.

The secretary (Mr Ernest G. Barrett) having read the notice convening the meeting, and the report of the auditors having been read,

The Chairman, in moving the adoption of the report and accounts, said that they claimed, allowing for all the difficulties encountered which had emanated from the Great War, and considering the general condition of the woollen trade, that they had fairly achieved the anticipations held out in their prospectus four years ago. The year 1923 had proved a most trying and disappointing one, in which manufacturers had experienced the greatest difficulty of any year since the slump of 1920 in keeping operatives and machinery employed.

He would remind the shareholders that the company derived its profits from dividends paid by the three subsidiary companies, by whom income-tax was borne. In view of the admittedly deplorable conditions, the directors regarded the £41,021 profits earned by the associated companies as highly satisfactory, but would emphasise that those profits were largely due to the increased wool stocks they had carried. The dividends paid, and recommended to be paid, did not absorb the actual amount earned by the associated companies this year by £2,480. The sum of £46,227 surplus for the year compared with £46,062 shown in the previous year, and was arrived at after provision for income-tax, corporation profits tax, and depreciation. The total reserves of the associated companies continued to stand at £56,292, the same amount as last year. Stocks at £308,660 showed an increase of £3,855, and, in view of the extraordinary advance that had taken place since November last, were very considerably under to-day's replacement value. The liabilities of the associated companies at November 30th last were £235,895.

DIVIDEND AND ALLOCATIONS.

If to the excess of assets over liabilities, remaining after the payment of £46,472 in dividends, free of tax, £548,014 be added, the advances to associated companies, £43,000, and the amount of cash at bank and in hand, £63,791, and the company's holding in War Loan, £9,732, and excluding altogether any amount for preliminary expenses, it would be seen that the assets totalled £664,537. From that figure must be deducted creditors, £722, and the amount distributable in dividends to date, £38,541, and there remained the sum of £625,273 as representing the £550,000 issued capital, after providing for writing off all preliminary expenses, and that the assets contained no items whatever for goodwill. The directors recommended that the balance of £56,320, as shown in the report, be dealt with as follows:—Dividends on preference shares, less tax, for the year ended January 31, 1924, already paid at their due date, £11,562; in payment of a dividend of 10 per cent., less tax, on the ordinary shares, £26,979; to write off preliminary expenses £7,500; and that the balance of £10,278 be carried forward to next year's account.

During the year the board had appointed Mr J. N. Tod as an additional director of the company. Mr Tod already had a seat on the board of each of the associated companies, and his practical experience of a life's connection with the woollen trade made him a very useful director.

Mr J. Margetson seconded the resolution, and it was carried unanimously.

The retiring directors, Mr E. Dalton Parsons and Mr J. N. Tod, having been re-elected, the Chairman moved the resolution for the payment of the dividends.

TRIBUTE TO CHAIRMAN AND BOARD.

Mr W. H. Armitage, in seconding the motion, said that he thought the shareholders might congratulate themselves on being associated with the company. They had to thank the chairman for the very exhaustive address he had just given them, and they complimented the board on the way in which the business had been conducted. It was very satisfactory to get 10 per cent., and they desired to thank the directors for all the hard work they had put in during the year, because all that time, as everybody knew, the price of wool had been very much against the company. So far as he could learn, all the fine cloth manufacturers had suffered considerably in regard to the price of wool. It was well known that the particular wool which they used had advanced in price more or less all the year, and now there was another advance. He thought that if the company did as well during the current year as they had done during the year under review, which was a very wonderful year considering the difficulties with which they had had to contend, the shareholders ought to be well satisfied.

The resolution was carried unanimously.

The auditors, Messrs Armitage and Norton, were reappointed, and the proceedings terminated with a vote of thanks to the chairman and directors.

HARRODS (BUENOS AIRES), LIMITED. SCHEME FOR CAPITAL REDUCTION AGREED TO.

The tenth annual meeting of Harrods (Buenos Aires), Limited, was held, on the 22nd instant, at the head offices, Brompton road, London, Sir Woodman Burbidge, Bart., C.B.E., chairman and managing director, presiding.

The Chairman, in moving the adoption of the report and accounts, said:—

I am pleased to be able to present accounts which show an all-round improvement over those of the previous year. At our last meeting I had to tell you for the first, and I hope the only time, that our trade had not been maintained. The set-back was but temporary, for our sales during the past year ended August 31, 1923, showed an increase, and we served many more customers. The profits for the year amounted to £97,501, which compares with a loss of £52,908 in the preceding year, and we have, therefore, made an improvement of £150,409. Moreover, if we take the results of this company, the South American Stores (of which you hold practically the entire capital), and their subsidiary, the Chilean Stores, the aggregate profit is £130,238, against a loss of £203,313.

There is a heavy charge of £52,400 for loss on exchange, which is greater than last year by £30,600. This was caused by the low value to which the Argentine dollar fell during the financial year, a very serious matter to us. We have charged to revenue the whole of the losses incurred on remitting money to England, but, over and above such losses, by reason of the fall in the value of the Argentine currency, our floating assets in Argentina have depreciated, and, as mentioned in the auditors' certificate, there is a difference or deficiency amounting to £103,400 which has not been provided for. For this reason we are unable to distribute any of the year's profits by way of dividend.

Our liquid assets compare as to £248,000 this year with £221,000 in the previous year, which indicates the strong financial position of the company.

As will be seen, we are making profits, and naturally our desire is to distribute them to the shareholders. In view, however, of the reduced value of the company's floating assets in Argentina, the directors are advised that the profits of the company should not be distributed by way of dividend until there has been a corresponding reduction of the capital of the company. Your directors, after conferring with some of the principal holders of each class of shares, have drawn up a scheme which deals comprehensively with the situation, and which they consider is fair and just to each class of shareholder.

As the result of the scheme, the reserve of £31,000 will disappear. £27,800 being utilised towards meeting the exchange loss and £3,200 towards writing down the preference shares held in Thompson's. This opportunity is being taken of writing off the

preference share issue expenses, which consist mainly of stamp duty and underwriting commission.

The scheme provides for the issue of funding certificates to the preference shareholders in satisfaction of their arrears. These funding certificates will be for the gross amount of the two years' dividend in arrear, down to August 31, 1923, viz., 16 per cent. on the preference capital, or £376,000 in all, and will carry interest on the gross amount at the rate of 5 per cent. per annum from September 1, 1923, until redemption, in priority to dividends on all classes of shares.

The resolutions which you will be asked to pass provide that the interest is to be the first charge on each year's profits, and that, after providing for such interest and the 8 per cent. preference dividend, there is to be set up a funding certificate redemption fund out of the profits remaining.

The total charge for interest and redemption of the funding certificates will not exceed £36,624 in any year. It is calculated this sum will be sufficient to pay the interest on and redeem the whole of the funding certificates in 15 years. The resolutions give powers to redeem the certificates either by purchase in the open market or by drawings, and, of course, when the certificates are drawn they will be paid subject to deduction of income-tax.

Full consideration has been given to the rights of the preference shares, and it will be observed that in funding the arrears of dividend, which will receive a reasonable rate of interest until redeemed, these rights have been fully recognised and protected, and I hope you will agree that the proposals are fair and reasonable.

Judging from the results to date and the assurances given to us by the local management, we anticipate that the profits of this current year will be sufficient to allow of the payment in December of the interest on these certificates, the full preference dividend of 8 per cent. for the year, and the first year's instalment of the redemption of the certificates.

The ordinary shareholders are asked to agree to the writing down of the nominal value of their shares from £1 to 15s each, but their dividend right is being preserved by increasing the rate from 10 per cent. to 13½ per cent., and they will therefore still be entitled to receive a fixed dividend of 2s per share, and under the scheme the holders will be entitled to receive 20s per share in a winding-up.

Though there is no prospect of the ordinary shareholders receiving a dividend in the current year, I hope the anticipated improvement will materialise, and enable us to recommend some distribution next year.

The report and accounts were unanimously adopted, and the scheme of capital reduction agreed to.

S.T.D. MOTORS, LIMITED.

IMPROVED POSITION—SATISFACTORY PROSPECTS.

The eighteenth annual general meeting of S.T.D. Motors, Limited, was held, on the 19th instant, at Winchester House, Old Broad street, London, Mr James Todd, J.P., F.C.A. (the chairman) presiding.

The secretary (Mr A. A. Yeatman, F.C.A.) having read the notice convening the meeting and the auditors' report,

The Chairman, in moving the adoption of the report and accounts, said that a year ago the directors had reason to anticipate being able to submit a more satisfactory result at the end of last year's trading. While all their hopes had not been fulfilled, sufficient progress had been made to justify the belief that the worst of the long-continued trade depression had now been passed, and that conditions all round had improved to an extent which permitted them to indulge in the belief that the improvement was permanent and would be maintained. They had recently made an interim distribution of 3½ per cent. dividend on the preferred ordinary shares. A larger distribution was not considered advisable at present, having regard to the fact that the dividends on the preferred ordinary shares were cumulative. Another reason which justified the directors in adopting this policy was the fact that, although the year's results as shown in the balance-sheet were not altogether unsatisfactory, they, nevertheless, did not include the whole of the profits earned by the subsidiary companies, part of which had not been distributed. The complete reorganisation of their French works and redesigning of models produced there, although a long and very expensive process, had been an unqualified success. Their French works at Suresnes were now employed to their utmost capacity, and there was no difficulty in selling the whole of their output in France. The reputation of the car had been entirely re-established, and stood to-day much higher than ever. The 1924 models were deservedly described as the best light cars in France to-day. The two big international road races for cars in France to-day, the French Grand Prix for light cars and the Spanish Grand Prix for light cars, were both won during the past

year, for the second year in succession, by models produced at their French works. A satisfactory trading profit at the French works was anticipated for the year ended December 31st last.

SUBSIDIARY COMPANIES.

Dealing with the principal of the subsidiary companies of S.T.D. Motors in this country, the chairman said it was evident at the beginning of 1923 that the Sunbeam new models, which were just then coming into full production, were going to be a great success. Despite working under considerable disadvantages at the beginning of the year, the Sunbeam net profit for the twelve months amounted to £101,000, only a portion of which, however, had been brought into the S.T.D. balance-sheet. During the past year the greatest international road race in Europe, viz., the French Grand Prix for big cars, was won by a Sunbeam. The three Sunbeam cars which entered for the race achieved the extraordinary performance of finishing first, second, and fourth against the pick of the world's racing cars. A Sunbeam car also won the Spanish Grand Prix for big cars. Jonas Woodhead and Sons had again had a successful year, and the net profits would amount to approximately £24,000, being £9,000 in excess of the figure brought into the S.T.D. balance-sheet, and £7,000 increase on the previous year's profits. This business, ever since they bought it, had been remunerative, and there was every reason to anticipate not only a continuance of this profit, but a steady increase. Heenan and Froude had shown a small profit on the year, and prospects were certainly improving all round in this branch of engineering. Several big contracts had been obtained lately. The works of the Darracq Motor Engineering Company were solely confined to the building of bodies for Talbot chassis, and for chassis imported into this country from their French works. It was anticipated that there might be a small loss on the year's trading. W. and G. Du Cros showed a loss on the year's results. A considerable part of the works was occupied as a central repair and spare part department by the Sunbeam, Talbot, and Darracq Companies. The profits shown on the working of this department were remitted direct to their respective companies, and did not go into the coffers of W. and G. Du Cros. It was also necessary to explain that during the last three years that company had been gradually liquidating a considerable stock of W. and G. motor lorries, which had been manufactured and partly manufactured when this company took the place over. Those lorries had been sold on a falling market, but the liquidation of stocks was now almost completed.

The assets of S.T.D. Motors, incorporating the constituent companies in which they held the whole, or practically the whole, of the share capital, showed on the figures of the last available balance-sheets of the various companies, a surplus of £3,386,775 over the liabilities, as against the issued capital of £3,224,408, and it was estimated that the figures would show a very considerably increased value if taken up to the end of 1923.

The report and accounts were unanimously adopted.

RAILWAY DEBENTURE AND GENERAL TRUST COMPANY, LIMITED.

DIVIDEND INCREASED TO 7 PER CENT.

The fifty-first ordinary general meeting of the Railway Debenture and General Trust Company, Limited, was held, on the 21st instant, at Winchester House, London.

Mr Richard S. Guinness, who presided, having referred to the death of his predecessor in the chair, Sir Vesey Holt, and the addition of Mr Martin Holt to the board, said: The interest from

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - - Fmk. 252,000,000
Deposits and Cheque Accounts
(30/6/23) - - Fmk. 1,587,000,000

129 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

investments amounted in the year to £123,313, which shows the satisfactory increase over last year of £4,460. After payment of expenses, interest on debentures and debenture stock, and preference dividend, there is a balance of £50,972, compared with £45,943 last year. We have reserved for income-tax £2,000, and provided for the premium on the 5 per cent. debentures drawn for payment on February 1st, and after transferring £13,000 to the reserve account there is, with the balance brought forward, a little over £49,000 to deal with. After full consideration of all the company's holdings and a careful review of the revenue likely to be received in the coming year, your directors have come to the conclusion that they are in a position to recommend an increase of the annual dividend on the ordinary stock from 6 per cent. to 7 per cent.

I will only add, in anticipation of any comments there may be on the addition we are making to the reserve account, that it is true that the capital, taking into account the reserve, is now intact—and that is satisfactory so far as it goes. But a large portion of the reserve account must still be set off against the depreciation existing on the investments. Some of the stockholders may consider that those who direct your affairs have been too conservative in building up this reserve account, but if it had not been for this policy we should not to-day be in the happy position of recommending to you an increased dividend. Any distribution of the reserve account, even if that reserve were not required for depreciation, would not, in our opinion, be justified to-day, and in these uncertain times common prudence demands that we should continue to make allocations thereto. I do not say that a time may not arrive when your directors of the future may conclude that world and trade conditions are of so settled a character that the capitalisation of a portion of your reserve funds is justified, but it is surely unnecessary for me to point out to the meeting that such conditions do not prevail to-day, and, therefore, it is the settled policy of your directors to maintain and build up the reserve—a policy which I trust you will support and endorse.

The Chairman concluded by paying a tribute to the work of the managers, joint secretaries, and staff.

The report was unanimously adopted.

RAILWAY SHARE TRUST AND AGENCY COMPANY, LIMITED IMPROVED RESULTS—INCREASED DIVIDEND.

The thirty-fifth ordinary general meeting of the Railway Share Trust and Agency Company, Limited, was held, on the 21st instant, at Winchester House, London.

Mr Richard S. Guinness, who presided, after referring to the death of Sir Vesey Holt, in moving the adoption of the report and accounts, said:

Turning to the balance-sheet, the only comment I need now make is as to the debenture stock outstanding, which has been increased since last year by £145,574 to a total of £400,000, bearing interest at 4½ per cent. We have thought it well to write off forthwith from the reserve account the discount on this issue, and the amount so debited has been made good by carrying to that account a profit balance on change of investments and by a transfer from the profit and loss account. The maintenance and increase of our reserve fund is, in the opinion of the board, a fundamental policy if we are duly to safeguard your interests and uphold your dividends.

The proceeds of the issue have been profitably invested, and are reflected in the increased revenue shown, and the net result of the year's working is that, after paying all expenses, interest on the debenture stock, and dividend on the preference stock, £31,709 is left, as against £23,947 in the previous year. Adding £15,456 brought in from last year, £47,165 remains to be dealt with. Of this we transfer £8,861 to the reserve account, and, after careful consideration of the company's investments and revenue prospects in the immediate future, the directors feel justified in recommending an increase of the dividend for the year on the ordinary stock from 5 per cent. to 6 per cent. The interim dividend of 2 per cent., already paid, amounted to £8,000, and the final dividend of 4 per cent. now proposed to be paid calls for £16,000, leaving £14,304 to be carried forward.

On the subject of the value of the company's investments, the following statistics as to the geographical division of those investments may be of interest to you, although it would be possible for you to obtain this information by close analysis of the list sent out. The average investment in any one holding is about £5,000, and the investments (which include Government loans, railways, and industrials) are spread over the following countries (approximate percentages):—Home investments, 42; U.S. of America and Canada, 13; South America, 24; other foreign and Colonial investments, 19; mines, 2.

Sir Reginald MacLeod, K.C.B., seconded the motion, which was carried unanimously.

GOVERNMENT RETURNS, &c.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £30,000,000 in Treasury Bonds and Treasury Bills dated from Feb. 25-Mar. 1 were opened on Feb. 22, 1924, and the total amount applied for was £44,535,000. For bills at three months dated Monday at £99 3s 2d and above in full, and Tuesday to Friday at £99 2s 11d, about 51 per cent., above in full, Saturday at £99 2s 9d, and above in full. The amounts allotted were as follows:—In bills at 3 months, £30,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months, Average Rate.	4% Treasury Bonds, Average Price.
Jan. 18, 1924.	£ 35,000,000	£ 48,420,000	3 7 3/72	nil
Jan. 25, 1924.	30,000,000	40,500,000	3 7 11/46	nil
Feb. 1, 1924.	35,000,000	45,115,000	3 5 7/83	nil
Feb. 8, 1924.	30,000,000	41,675,000	3 11 3/29	nil
Feb. 15, 1924.	30,000,000	43,620,000	3 10 5/71	nil
Feb. 22, 1924.	30,000,000	44,535,000	3 8 11/79	nil

Tenders will be received on Feb. 29, 1924, for Treasury Bonds and Bills to be issued to the maximum amount of £30,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from to Feb. 16, 1924.	Total Issues out of the Exchequer to to Feb. 17, 1924.	Receipts, Week Ended Feb. 16, 1924.	Issues, Week Ended Feb. 17, 1924.
Balances in Exchequer on 1st April:—					
Bank of England....	..	5,442,665	9,963,424	..	..
Bank of Ireland....	..	1,375,502	1,210,106	..	..
REVENUE.		6,818,167	11,173,530	..	..
Customs.....	116,900,000	107,187,000	109,797,000	2,064,000	1,291,000
Excise.....	143,850,000	130,115,000	141,521,000	2,613,000	6,133,000
Motor Vehicle Duties ..	13,250,000	14,154,000	11,868,000	144,000	189,000
Stamps, &c., Duties.....	52,000,000	48,810,000	50,851,000	1,110,000	1,160,000
Land Tax, House Duty & Mineral Rights Duty	20,000,000	17,290,000	17,592,000	510,000	620,000
Property & Income Tax	3,000,000	1,830,000	2,030,000	240,000	250,000
Super-Tax.....	261,000,000	200,443,000	280,958,000	14,655,000	16,385,000
Excess Profits Duties, &c.	12,000,000	..	954,000	..	..
Corporation Profits Tax	20,000,000	19,170,000	16,357,000	330,000	650,000
Post Office.....	52,600,000	46,600,000	47,450,000	1,500,000	1,500,000
Crown Lands.....	900,000	860,000	810,000	..	..
Interest on Sundry Loans.....	12,500,000	12,218,156	9,774,440	..	156,094
Miscellaneous—					
Ordinary Receipts..	12,500,000	12,027,645	20,819,515	240,000	85,807
Special Receipts....	40,000,000	35,364,722	41,451,144	..	143,702
Revenue.....	818,500,000	688,039,563	752,233,099	26,047,000	30,563,633
Total, Inc. Balance ..	..	691,857,690	763,406,629	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion.....	..	165,000	800,000	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	73,782	169,818	..	..
Under the Unemployment Insurance Act, 1921.....	..	6,020,000	2,980,000	350,000	70,000
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1921 and 1922.....	5,520,000	5,310,000	..	..	..
Under the Post Office (London) Railway Act, 1913.....	10,500	..	..	..	..
Under the Housing Act, 1914.....	12,000	..	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922.....	..	950,000	..	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	1,553,300	..	..	..
By Exchequer Bonds under the Cunard Agreement (Money) Act, 1904.....	520,000	..	..	..	..
Under the Unemployment Insurance Act, 1921.....	820,000	4,540,000	..	..	..
(b) For other issues:—					
By Treasury Bills.....	2,213,189,000	2,587,669,000	38,924,000	39,912,000	..
By National Savings Certificates By Exchequer and National War Bonds.....	42,200,000	55,408,000	600,000	1,050,000	..
By Treasury Bonds—					
5½% 1925-35.....	..	..	..	..	..
5½% 1927.....	..	61,655,154	..	..	..
4½% 1932.....	..	86,256,960	..	1,491,400	..
4½% 1931-35.....	38,657,952	..	..	..	..
By Other Debt created under the War Loan Act, 1914 to 1919.....	..	25,259	..	..	..
(d) Ways and Means Advances.....	773,616,500	813,575,500	2,750,000	500,000	..
Anglo-Persian Oil Company—					
Dividends on Shares acquired	50,081	243,012	..	..	..
Repayments—					
In respect of Suez Canal Drawn Shares.....	5,501	5,787	..	..	..
Do Cunard Loan.....	130,000	130,000	..	..	..
Do Issues under Land Settlement (Facilities) Act, 1919 and 1921	273,046	282,662	..	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920	..	6,827,960	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920.....	..	162,425	..	..	..
Total.....	3,770,121,051	4,391,978,486	68,671,000	73,897,208	..

NOTE.—Budget Estimate as in H.C. No. 51 of 1923.

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1923-24. (including Supplementary Grants.)	Total Issues out of the Exchequer to meet Payments from to Feb. 16, 1924.	Total Issues out of the Exchequer to meet Payments from to Feb. 17, 1924.	Issues, Week Ended Feb. 16, 1924.	Issues, Week Ended Feb. 17, 1924.
EXPENDITURE.					
National Debt Services—					
Interest, &c.....	310,000,000	287,900,373	298,573,287	705,662	789,771
Sinking Fund.....	40,000,000	34,676,326	11,318,999	826,000	765,000
Road Fund.....	12,650,000	13,553,044	..	..	..
Payments to Local Taxation Authorities, &c.....	10,348,000	10,451,777	6,825,518	500,000	250,000
Payments to Northern Ireland Exchequer.....	3,000,000	3,269,306	1,628,380	..	..
Land Settlement.....	1,500,000	500,242	1,039,981	..	..
Other Consolidated Fund Services.....	2,972,000	2,610,980	2,517,572	1,564	..
Supply Services.....	440,555,000	326,526,474	381,613,868	9,402,572	8,250,000
Expenditure.....	821,035,000	679,468,522	703,517,605	11,435,738	10,054,771
OTHER ISSUES.					
Temporary Advances—					
Bullion.....	..	5,000	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	73,782	169,818	..	..
Under the Unemployment Insurance Act, 1921.....	820,000	5,700,000	..	..	..
Issues to Meet Capital Expenditure under the Telegraph (Money) Act, 1921 and 1922.....	6,420,000	5,760,000	..	..	..
Under the Post Office (London) Railway Act, 1913.....	10,500	..	..	4,000	..
Under the Housing Act, 1914.....	16,000	..	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	950,000	..	..	..
Under the Capital Expenditure (Money) Act, 1904.....	..	1,553,300	..	..	..
Under Cunard Agreement (Money) Act, 1904—Exchequer Bonds paid off.....	520,000	..	..	..	..
Unemployment Insurance Act, 1921—Repayment of amounts borrowed.....	5,490,000	2,110,000	..	..	..
Redemption of Debt.....	2,188,900,000	2,761,114,000	47,965,000	47,095,000	..
Treasury Bills.....	29,500,000	23,550,000	700,000	550,000	..
Principal of National Savings Certificates	24,900	19,887,122	..	..	..
Principal of Exchequer Bonds paid off.....	..	..	..	..	..
Principal of National War Bonds paid off, £55,567,846; less Paid off by the National Debt Commissioners, £1,000,000.....	52,567,846	44,684,182	250,000	..	..
Other Debt under the War Loan Act, 1914 to 1919.....	7,463,440	15,825,526	..	..	..
Ways and Means Advances Repaid	794,658,500	797,215,500	8,050,000	15,500,000	..
Anglo-Persian Oil Company—Issued to the National Debt Commissioners.....	50,081	243,012	..	..	..
Issues to National Debt Commissioners to Reduce Debt—					
Suez Canal Drawn Shares Repayments.....	5,501	5,787	..	..	..
Cunard Loan Repayments.....	130,000	130,000	..	..	..
Old Sinking Fund, 1910-11, issued under Section 34 of the Finance Act, 1923.....	118,000	..	..	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4).....	..	5,000,000	..	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911.....	55,214	88,066	62,404,798	73,199,771	..
Balances in Exchequer—					
Bank of England.....	5,442,665	9,963,424	..	..	..
Bank of Ireland.....	1,375,502	1,210,106	..	..	..
Total.....	3,803,765	4,447,569	268,208	387,232	..
Treasury, February 18, 1924.					

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1915.	Dec. 31, 1915.	Mar. 31, 1916.	Dec. 31, 1916.	Mar. 31, 1917.	Dec. 31, 1917.	Mar. 31, 1918.	Dec. 31, 1918.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Dec. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	Dec. 31, 1923.	Mar. 31, 1924.	Dec. 31, 1924.
Funded Debt	588	318	315	315	315	315	314	314	314	314	314	314	314	314	314	314	314	314	314	314	314
Term Annuities	30	32	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
4½% War Stock	..	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63
4½% War Stock	..	16	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13
4½% War Stock	2,091	2,047	2,040	1,995	1,993	2,095	2,095	2,095	2,095	2,095	2,095	2,095	2,095	2,095	2,095	2,095	2,095	2,095	2,095	2,095	2,095
National War Bonds	649	1,509	1,478	1,413	1,201	953	984	903	903	903	903	903	903	903	903	903	903	903	903	903	903
4% Funding Loan	..	409	409	405	405	405	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400
4% Victory Bonds	..	..	360	357	348	336	325	325	325	325	325	325	325	325	325	325	325	325	325	325	325
3½% Conversion Loan	..	..	..	..	..	23	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24
5½% Treasury Bonds	..	..	..	..	..	..	381	165	165	165	165	165	165	165	165	165	165	165	165	165	165
5½% Treasury Bonds	..	..	..	..	..	..	..	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Do by tender 5½%	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Do by tender 4½%	..	..	..	..	..	..	..	110	110	110	110	110	110	110	110	110	110	110	110	110	110
Do 4½, 1931-33	..	..	..	..	..	..	..	35	35	35	35	35	35	35	35	35	35	35	35	35	35
Treasury Bills	15	961	1,107	1,107	1,181	878	616	652	640	..	..	..	..	..	..	..	..	..	..	..	..
Exchequer Bonds	90	392	323	319	289	185	150	150	150	..	..	..	..	..	..	..	..	..	..	..	..
Nat'l. Savings Certs.	..	138	867	874	885	348	354	354	357	..	..	..	..	..	..	..	..	..	..	..	..
War Expend. Certs.	..	83	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Other Debt	..	944	1,306	1,181	1,138	1,087	1,157	1,149	1,149	..	..	..	..	..	..	..	..	..	..	..	..
American Loan	..	51	51	51	..	..	194	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Temporary Advances	1	204	243	205	154	147	194	208	173	..	..	..	..	..	..	..	..	..	..	..	..
.....	64	5,872	8,033	47,829	47,574	7,655	7,801	7,733	7,803	..	..	..	..	..	..	..	..	..	..	..	..
.....	57	49	48	49	49	49	66	70	70	..	..	..	..	..	..	..	..	..	..	..	..
.....	711	5,921	8,079	7,876	7,623	7,721	7,813	7,871	7,803	..	..	..	..	..	..	..	..	..	..	..	..
Other Capital Liabilities	654	5,872	8,033	47,829	47,574	7,655	7,801	7,733	7,803	..	..	..	..	..	..	..	..	..	..	..	..
.....	57	49	48	49	49	49	66	70	70	..	..	..	..	..	..	..	..	..	..	..	..
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,813	7,871	7,803	..	..	..	..	..	..	..	..	..	..	..	..

PROVINCIAL CLEARING RETURNS.

	1923.	1924.	Inc. or Dec.
Aggregate Totals to February 16.			
BIRMINGHAM	16,627,500	17,049,300	+ 421,800
BIRMINGHAM	8,352,000	8,311,000	- 41,000
BIRMINGHAM	4,307,500	4,117,000	- 190,500
BIRMINGHAM	7,940,500	7,517,100	- 423,400
BIRMINGHAM	7,866,400	8,129,700	+ 263,300
BIRMINGHAM	5,769,000	5,475,200	- 293,800
BIRMINGHAM	64,852,000	65,412,700	+ 560,700
BIRMINGHAM	107,209,000	103,414,000	- 3,795,000
BIRMINGHAM	12,951,000	14,355,700	+ 1,404,700
BIRMINGHAM	4,871,800	4,446,800	- 425,000
BIRMINGHAM	7,955,600	7,509,700	- 445,900

OVERSEAS BANK RETURNS.

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

RESOURCES.	Feb. 15, 1924.	Feb. 8, 1924.	Feb. 1, 1924.	Feb. 9, 1923.
Total gold reserve	3,128,260	3,139,290	3,142,720	3,076,090
Legal tender notes and silver reserve	117,220	113,650	120,190	143,290
Notes discounted for member banks	546,350	487,300	522,310	569,310
Notes bought in open market	278,080	283,400	271,790	184,950
Government obligations owned	127,260	124,660	120,790	353,120
All other resources	74,850	73,880	73,550	62,770
LIABILITIES.				
Government deposits	36,960	38,250	40,940	35,130
Other deposits	1,935,250	1,915,360	1,950,150	1,993,310
Federal Reserve Notes in actual circulation	2,039,200	2,017,420	2,022,510	2,277,820
F.R.B. Notes in actual circulation	420	430	430	5,310
All other liabilities	13,110	12,820	12,940	10,630
Capital and surplus	331,270	330,930	330,960	326,180
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined	80.9%	82.1%	81.3%	77.0%

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

ASSETS.	Jan. 26, 1924.	Jan. 19, 1924.	Jan. 12, 1924.	Jan. 5, 1924.	Jan. 27, 1923.
Gold coin and bullion	549	549	549	549	383
Gold certificates	10,102	10,102	10,102	10,102	10,102
Subsidiary coin	100	100	100	100	850
Notes in circulation	5,557	5,531	5,451	5,893	2,849
Loans and advances to the Government	..	..	250	500	1,300
Investments	17	17	17	17	..
LIABILITIES.					
Capital	1,000	1,000	1,000	1,000	1,000
Reserve	40	40	40	40	40
Notes in circulation	10,582	10,583	10,888	11,247	9,810
Bankers' deposits	4,780	4,663	4,704	4,804	5,040
Ratio of cash reserves to liabilities to public	69.9%	70.5%	68.9%	66.9%	72.2%

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

ASSETS.	Jan. 25, 1924.	Jan. 18, 1924.	Jan. 11, 1924.	Jan. 4, 1924.	Dec. 28, 1923.	Jan. 25, 1923.
Total securities	11,76,74	11,70,43	11,77,76	12,07,49	12,10,32	9,67,43
Loans	18,67,04	20,39,44	17,73,90	20,49,96	20,98,52	18,97,56
Cash credits	39,44,31	37,65,12	36,08,74	34,87,41	35,86,01	29,96,66
Inland bills	14,48,19	13,54,55	13,26,10	13,05,68	10,05,89	7,21,44
Foreign bills	31,61	18,56	18,22	20,83	27,36	25,63
Dead stock	2,47,49	2,46,12	2,45,76	2,44,85	2,50,23	2,45,19
Bal. with other banks	1,01,28	1,20,03	97,58	63,32	52,71	5,73
Cash	16,15,48	16,61,22	17,27,06	20,52,18	17,04,49	12,60,69
LIABILITIES.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	4,45,00	4,45,00	4,45,00	4,35,00	4,35,00	4,25,50
Total deposits	85,95,41	85,15,85	81,30,26	85,75,38	80,49,31	70,36,16
Loans from Govt.	8,00,00	8,00,00	8,00,00	8,00,00	8,00,00	..
These include—						
Deposits in Lond'n	1,026	998	717	872	646	160
Advances in Lond'n	472	445	443	436	433	710
Cash, &c., at other Banks in India	676	801	651	463	352	34

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

ASSETS.	Feb. 21, 1924.	Feb. 14, 1924.	Feb. 7, 1924.	Jan. 31, 1924.	Jan. 24, 1924.	Feb. 22, 1923.
Gold coin and bullion	5,541,204	5,541,073	5,540,976	5,535,764	5,535,764	5,730,620
Of which held abroad	1,864,321	1,864,321	1,864,321	1,864,345	1,864,345	1,864,345
Notes in circulation	297,407	297,260	297,152	290,569	290,569	332,860
Discounts and advances	5,914,538	6,029,337	6,091,487	4,800,689	4,800,689	3,327,776
Advances to the State	22,900,000	22,900,000	22,900,000	22,900,000	22,900,000	22,900,000
LIABILITIES.						
Notes	38,894,835	38,932,820	39,174,102	37,055,564	37,055,564	5,811,876
Government deposits	24,393	38,205	14,880	75,103	75,103	183,700
Private deposits	2,229,151	2,077,033	2,446,116	2,204,149	2,204,149	845,960

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

ASSETS.	Feb. 14, 1924.	Feb. 7, 1924.	Jan. 31, 1924.	Jan. 24, 1924.	Feb. 15, 1923.
Coin (gold & silver and bullion)	364,477	365,102	365,223	365,537	345,916
Securities	1,289,345	1,276,131	1,353,022	1,327,945	610,332
LIABILITIES.					
Notes in circulation	7,553,337	7,533,126	7,589,582	7,431,349	6,902,371
Current accounts	360,702	361,043	387,813	456,398	194,641

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

ASSETS.	Feb. 18, 1924.	Feb. 11, 1924.	Feb. 4, 1924.	Jan. 28, 1924.	Jan. 21, 1924.	Position May 30, 1914.
Gold	581,718	581,717	581,713	581,745	581,780	163,092
Silver	11,109	10,130	10,130	10,130	10,130	10,130
Depts. & advances	408,385	416,074	429,269	409,992	369,347	153,604
LIABILITIES.						
Notes in circulation	998,235	1,012,523	1,031,733	1,009,761	942,765	316,832
Deposits	26,478	21,837	21,946	30,171	30,770	5,616

IMPERIAL BANK OF GERMANY.—In billions of marks.

ASSETS.	Feb. 7, 1924.	Jan. 31, 1924.	Jan. 23, 1924.	Jan. 15, 1924.
Gold and bullion	(a) 1,347	(a) 1,250	(a) 1,353	(a) 1,945
Treasury notes	9,629,999	9,236,199	9,081,993	9,705,149
Banknotes	167,197,998	177,780,407	227,346,636	142,314,657
Bills of exchange and cheques	412,880,981	388,568,069	349,170,275	294,768,903
Rechnungskonten and cheques	428,658,616	367,497,915	288,516,782	185,975,741
Advances	129,998,308	138,739,764	134,512,258	140,785,595
Rechnungskonten discounts, &c.	194,621,300	197,780,720	190,434,145	181,175,545
LIABILITIES.				
Notes in circulation	520,487,965	483,674,521	457,190,999	478,722,767
Deposits	728,318,705	774,305,007	845,669,630	685,679,882
Loan from Rentenbank	250,000,000	200,000,000	100,000,000	..

(a) Millions of marks.

BANK OF JAYA.—In florins (000's omitted).

ASSETS.	Feb. 16, 1924.	Feb. 9, 1924.	Feb. 2, 1924.	Jan. 26, 1924.	Feb. 17, 1923.	Position May 30, 1914.
Gold	217,500	214,250	209,500	214,000	158,883	22,971
Silver	143,223	145,080	141,550	141,980	161,755	77,567
Discounts, advances, and other investments	252,500	264,000	260,000	259,500	261,033	109,499
Notes in circulation	78,000	77,500	75,500	87,500	108,234	11,250
Deposits and bills payable	..	..	..	..	..	..

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

ASSETS.	Feb. 15, 1924.	Feb. 8, 1924.	Jan. 31, 1924.	Jan. 23, 1924.	Feb. 15, 1923.	Position May 31, 1914.
Gold	536,411	536,777	536,850	536,975	530,624	171,175
Silver	91,834	89,775	89,061	88,610	106,302	18,550
Discounts, advances, and other investments	232,791	262,559	276,750	254,554	440,830	103,000
LIABILITIES.						
Notes in circulation	837,033	860,025	884,080	813,589	840,697	875,925
Deposits	87,397	79,802	74,241	91,586	280,514	33,750

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

ASSETS.	Feb. 15, 1924.	Feb. 8, 1924.	Jan. 31, 1924.	Jan. 23, 1924.	Feb. 15, 1923.	Position May 31, 1914.
Gold and bullion—Gold	147,284	147,284	147,284	147,284	147,284	44,224
Balance abroad and foreign bills	16,119	14,760	15,235	36,092	28,533	..
Norwegian and Foreign Government securities	8,825	8,825	8,825	9,404	8,816	..
Discounts and loans	442,084	447,762	447,123	460,918	76,911	..
LIABILITIES.						
Notes in circulation	357,138	359,305	364,721	343,518	113,484	..
Deposits at notice	110,371	114,501	109,704	179,738	7,188	..

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

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

ASSETS.	Feb. 16, 1924.	Feb. 9, 1924.	Feb. 2, 1924.	Jan. 26, 1924.	Feb. 17, 1923.	May 24, 1914.
Gold	271,615	271,654	271,674	271,701	273,907	104,918
Balance abt. and foreign bills	25,095	37,179	36,602	33,916	114,745	112,171
Swedish and for Gov. securities	94,220	84,126	88,101	95,926	122,828	38,466
Discounts and loans	380,832	379,082	400,474	384,161	345,736	118,689
LIABILITIES.						
Notes in circulation	493,534	494,537	517,705	468,219	503,509	328,555
Deposits at notice	210,844	213,588	218,632	252,819	227,107	386,660

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

ASSETS.	Feb. 6, 1924.	Jan. 31, 1924.	Jan. 24, 1924.	Feb. 8, 1923.	Position May 31, 1914.
Gold	42,716	42,716	42,716	42,704	35,091
Balance abroad and foreign bills	961,274	674,401	693,609	827,316	90,379
Finnish and Foreign Government securities	528,744	528,744	563,428	586,344	31,826
Discounts and loans	637,227	627,511	596,427	617,011	106,151
LIABILITIES.					
Notes in circulation	1,295,728	1,279,457	1,240,015	1,413,443	123,941
Deposits at notice	669,187	428,155	468,090	398,119	21,226

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

ASSETS.	Feb. 13, 1924.	Feb. 6, 1924.	Jan. 16, 1924.	Aug. 15, 1923.	Nov. 22, 1922.
Total cash	12,819	13,593	15,427	15,281	3,085
Gold coin and bullion	18,453	17,479	16,185	15,792	12,993
Of which held abroad	4,064	3,046	2,506	3,744	..
Foreign banks	50,103	51,561	50,315	59,565	22,466
Discounts and loans	45,565	44,509	39,199	21,904	9,551
LIABILITIES.					
Notes in circulation	23,000	23,000	23,000	23,000	4,005
Capital paid up	10,214	10,214	10,214	10,000	8,000
Government deposits	41,564	41,518	39,554	33,418	16,697
Other deposits	43,428	44,819	43,245	40,225	16,995

POLISH NATIONAL BANK.—In Polish marks (000's omitted).

ASSETS.	Jan. 31, 1924.	Jan. 20, 1924.	Jan. 10, 1924.	Dec. 20, 1923.	Jan. 3, 1923.
Gold.....	66,191	65,179	55,068	54,902	41,125
Silver.....	19,764	19,724	19,669	19,525	44,135
Foreign coin.....	(a) 5,559	(a) 2,922	(a) 5,222	(a) 5,098	(a) 5,098
Foreign bank.....	(a) 46,930	(a) 40,418	(a) 38,333	(a) 38,606	(a) 35,897
Advances to the Govt.	23,920,000,000	23,920,000,000	23,920,000,000	23,920,000,000	23,920,000,000
Private loans & discounts	80,908,247,933	83,733,678,111	82,011,990,308	80,005,926,326	79,500,000,000
LIABILITIES.					
Notes in circulation.....	31,368,593,000	31,776,654,264	31,851,361,680	32,188,343,231	30,916,000,000
Deposits.....	13,787,838,226	19,960,548,438			

Rates of Exchange. New York on—	Par Level.	Feb. 15, 1923.	Jan. 31, 1924.	Feb. 7, 1924.	Feb. 14, 1924.
London—					
60 days	Dollars for £1	4.8666	4.66	4.28	4.2713
Cable			4.6875	4.31	4.3225
Cheques			4.685	4.3075	4.32
Paris	Cents for 1 franc	19.30	6.03	4.705	4.655
Brussels	Cents for 1 franc	19.30	5.27	4.175	4.11
Switzerland	Cents for 1 franc	19.30	18.78	17.38	17.44
Italy	Cents for 1 lire	19.30	4.79	4.37	4.395
Vienna	Cents for 1 krone	20.26	0.0051	0.014	0.014
Madrid	Cents for 1 peseta	19.30	15.65	12.81	12.77
Amsterdam	Cents for 1 guilder	40.195	39.52	37.5	37.45
Copenhagen	Cents for 1 kroner	26.80	18.65	13.63	13.43
Stockholm	Cents for 1 krona		26.6	26.27	26.31
Athens	Cents for 1 drachma	19.30	1.22	1.8	1.76
Montreal	Can. cents for \$1	100	98.75	97.06	97.1
Yokohama	Cents for 1 yen	49.85	48.45	45.78	45.85
Hong Kong	Cents for H. Kong \$		52.75	50.375	50.75
Shanghai	Cents for 1 shanghai		71.00	70.75	71.875
Calcutta	Cents for 1 rupee		31.8	30.7	30.55
Buenos Aires	Gold pesos for \$100	105.65	118.5	134.25	131.25
Rio de Janeiro	Cent for 1 milreis	32.42	11.55	11.2	11.95
Valparaiso	Cent for 1 peso	20.60	12.25	10.3	10.5

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	Year, 1924.	Rate.
Ecuador	Sucres to £1	10.00	Sight London	Dec. 29, 23 17.57
Venezuela	Bolivares to £1	25.25	"	Feb. 7 22.5
Colombia (Bogota)	Pesos to £20	100	"	Feb. 19 88.75
Montenegro	Cordobas to £1	4.8665	"	Feb. 6 4.80
San Salvador	Colonos to £1	9.75	"	Feb. 5 8.75
Guatemala	Pesos to £1	90.23	"	Feb. 16 25.05
Costa Rica	Colonos to £1	10.45	"	Jan. 26 18.25
Bolivia	Pence to Boliviano	19.20	"	Feb. 14 18

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.		Union of South Africa.	
	From Feb. 18, 1924.		From Feb. 18, 1924.	
	Buying.	Selling.	Buying.	Selling.
T.T.	11 1/2	3 % prem.	3 % dis.	2 1/2 % dis.
Demand ..	11 1/2	2 1/2 % prem.	3 % dis.	2 1/2 % dis.
30 days ..	11 1/2	2 1/2 %	3 % dis.	2 1/2 %
60 days ..	11 1/2	2 1/2 %	3 % dis.	2 1/2 %
90 days ..	11 1/2	2 1/2 %	3 % dis.	2 1/2 %
120 days ..	11 1/2	2 1/2 %	3 % dis.	2 1/2 %

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

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.		Australia and New Zealand on London.	
	Buying.	Selling.	Buying.	Selling.
	Ans. tralia.	New Zealand.	Ans. tralia.	New Zealand.
T.T.	..	..	..	..
Sight	..	..	..	..
Cable	101 1/2	101 1/2	98 1/2	99 1/2
On demand ..	99	101 1/2	98 1/2	99 1/2
30 days	98 1/2	..	97 1/2	98 1/2
60 days	98	..	97 1/2	98 1/2
90 days	97 1/2	..	97	98 1/2
100 days	..	..	..	..

INDIA COUNCIL BILLS AND TRANSFERS.

The following is a summary of applications and allotments for India Council bills and transfers in London on Tuesday, February 19, 1924:—

	Rate.	Applica- tions.	Allot- ments.	%
Imm. T.T.	1 4 1/2	2,00,000	..	..
		2,00,000	..	..

Next week 50 lacs will be offered.

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Week ended February 20, 1924.

Imported into Great Britain and Northern Ireland.		Exported from Great Britain and Northern Ireland.	
From—	£	To—	£
Switzerland	8,325	Switzerland	53,884
United States of America ..	3,174	Germany	3,240
British West Africa	33,120	Netherlands	43,091
British South Africa	833,192	Egypt	300,000
Other countries	1,063	British India	557,152
		United States of America ..	159,325
		Straits Settlements	1,574
Total declared value of imports	875,873	Total declared value of exports	1,118,266

Messrs Samuel Montagu and Co. write, on February 20th, as follows:—

GOLD.

There has been a moderate demand on Indian account for the fair supplies of gold available this week. Gold valued at \$3,500,000 has arrived in New York from London.

SILVER.

The market has not been so robust, chiefly owing to easier exchange rates in China, resulting in sales on account of that quarter. These have not been much in the way of fresh commitments, but have consisted mostly of purchases made since the Chinese New Year. Indian inquiry has been slight; America has been a fair seller, but the movement of the U.S. exchange has retarded American selling with freedom, and has even rendered an occasional purchase possible. The Continent is inactive. On the whole, the tone of the market is not very promising at the time of writing. Mail advice from Bombay under date of the 2nd inst. states as follows:—"The principal feature of the Bombay silver market this week has been a heavy offtake. This demand has been created by the commencement of the marriage season, and some silver is also held with a view to take a chance of duty on silver as the Budget is now drawing near. The January 26th settlement has progressed satisfactorily. There was good forward business doing in the bazaar on some days, as the bulls have commenced buying, up-country demand for the metal being very good.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Jan. 31.	Feb. 7.	Feb. 15.
Notes in circulation	18,402	18,340	18,644
Silver coin and bullion in India ..	8,218	8,155	8,059
Silver coin and bullion out of India ..	..	..	..
Gold coin and bullion in India ..	2,232	2,232	2,232
Gold coin and bullion out of India ..	..	..	..
Securities (Indian Government) ..	5,752	5,753	5,753
Securities (British Government) ..	1,400	1,400	1,400
Bills of exchange	800	800	1,220

The silver coinage during the week ending 15th inst. amounted to 3 lacs of rupees. The stock in Shanghai on the 16th inst. consisted of about 25,700,000 ounces in sycee, 38,500,000 dollars, and 1,260 silver bars, as compared with about 25,000,000 ounces in sycee, 36,500,000 dollars, and 240 silver bars on the 2nd inst.

GOLD AND SILVER PRICES.

1924.	Gold.		Silver—Per Ounce.		Date.	Silver.
	Per Ounce.	Cash.	Cash.	Forward.		
Feb. 16	96 0	33 1/2	33 1/2	33 1/2	Mar. 1, 1918..	42 1/2
18	96 2	33 1/2	33 1/2	33 1/2	1, 1919..	47 1/2
19	96 2	33 1/2	33 1/2	33 1/2	Feb. 27, 1920..	82 1/2
20	96 2	33 1/2	33 1/2	33 1/2	25, 1921..	31 1/2
21	95 9	33 1/2	33 1/2	33 1/2	24, 1922..	32 1/2
22	95 8	33 1/2	33 1/2	33 1/2	23, 1923..	31

NOTICES.

At an extraordinary general meeting of the National Provincial and Union Bank of England, Limited, held at the head office of the bank on February 15th, the resolutions for changing the name to National Provincial Bank, Limited, and altering the memorandum of association were duly confirmed. The change of name will take effect forthwith. The National Provincial Bank, Limited, make the following announcements:—Sir Alfred Lewis has been appointed chief general manager. Mr G. H. Whitehurst, Mr H. S. Eltenton, and Mr F. Waller have been appointed joint general managers, and will join Mr McClelland and Mr Cornwall in that capacity.

The Right Hon. Walter Runciman and the Hon. Walter Durant Gibbs have been appointed directors of Westminster Bank.

The Midland Bank announces the opening of a new branch at 80 Salisbury road, Queen's Park, London, N.W. 6, under the management of Mr H. S. Pike.

The directors of Lloyds Bank, Limited, announce that Mr Ernest Ridley Debenham, of Addison road, W., has been elected to a seat on the board.

The Commercial Banking Company of Sydney, Limited, notify that Mr Vance Burnett Jones, formerly manager of their Brisbane branch, has been appointed assistant manager at London office, and has arrived in London to take up the appointment.

A branch of the Banque Française et Italienne pour l'Amérique du Sud has been opened at Santiago (Chile).

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Feb. 15, 1924.	Miles Open.	Week ended Feb. 17, 1924.			Aggregate 7 Weeks, 1924.		
		Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.
Great Western	3,754	135,000	372,000	507,000	1,340,000	2,177,000	3,517,000
Do for 1923	3,699	204,000	364,000	568,000	1,511,000	2,561,000	4,072,000
Do for 1922	3,703	334,000	753,000	1,087,000	2,215,000	4,413,000	6,628,000
London & North-Eastern ..	6,701	331,000	792,000	1,123,000	2,422,000	5,193,000	7,615,000
Do same period 1923 ..	6,954	481,000	952,000	1,433,000	3,209,000	5,900,000	9,109,000
Do for 1922	6,952	504,000	982,000	1,486,000	3,579,000	6,519,000	10,098,000
Southern	2,146	244,200	121,000	365,200	1,682,200	709,400	2,391,600
Do for 1923	2,146	250,800	127,200	378,000	1,835,300	843,400	2,678,700
Metropolitan (e)	794	30,495	39,991	70,486	218,908	25,724	244,632
Do for 1923	..	31,225	4,060	35,285	221,323	27,312	248,635
Underground E.R. (e) ..	..	..	..	210,471	..	..	1,508,311
Lon & Sub. Group (e) ..	..	..	..	4,699	..	..	252,346
Belfast & Co. Down (b) ..	80	3,498	1,320	4,818	24,393	8,179	32,572
Dublin and S. East (b) ..	160	4,948	3,824	8,772	34,985	23,519	58,504
Gt. Northern (Ireland) (b) ..	562	15,900	23,350	39,250	..	..	369,226
Gt. Sth. & Western (b) ..	1,151	19,002	32,460	51,462	..	..	1,508,311
Midland Gt. West. (b) ..	538	8,012	14,592	22,604	54,728	85,971	140,699

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -
INDIAN.							
Assam Bengal	42 weeks	Jan. 19	1,072	2,80,000	+ 7,379	1,09,45,033	+ 5,40,122
Barsi L. Ry.	42 weeks	Feb. 16	26,118	38,100	+ 5,600	14,01,200	+ 37,800
Bengal & N. Western ..	42 weeks	Feb. 16	26,062	6,24,140	+ 80,365	94,04,584	+ 5,25,495
Bengal Nagpur	42 weeks	Feb. 16	26,738	15,00,000	+ 2,35,000	50,54,189	+ 2,75,009
Bombay, Bar., & C.I. ..	42 weeks	Feb. 9	2,994	29,40,000	+ 2,35,000	9,82,33,000	+ 5,57,000
Burma	42 weeks	Jan. 19	1,342	8,31,572	+ 91,435	2,83,69,442	+ 3,67,128
Delhi, Umballa Kalka ..	42 weeks	Feb. 9	239	94,000	+ 7,108	19,70,503	+ 22,526
East Indian	42 weeks	Feb. 16	2,873	34,73,000	+ 94,000	144,70,000	+ 11,69,000
G. Indian Peninsula ..	42 weeks	Jan. 19	1,364	41,71,300	+ 6,11,100	124,67,691	+ 45,28,322
Madras & S. Mahr	42 weeks	Jan. 19	3,029	13,75,000	+ 60,794	5,88,39,453	+ 1,55,816
Rohilk'd & Kumaon ..	42 weeks	Feb. 16	26	62,741	+ 79.9	8,22,284	+ 57,900
Do Lucknow-Bellary ..	42 weeks	Feb. 16	26	62,741	+ 18,374	10,02,328	+ 30,585
South Indian	42 weeks	Jan. 19	1,877	8,63,569	+ 92,008	4,06,06,677	+ 13,75,391

ARGENTINE (a).							
Argentine N.E.	33 weeks	Feb. 16	752	1,14,000	+ 1,500	374,060	+ 41,300
Argentine Trans.	33 weeks	Feb. 16	16	3,207	+ 1,293	126,464	+ 27,974
B. A. and Pacific	33 weeks	Feb. 16	16	3,324	+ 230,000	20,000	5,006,000
B. A. Gt. Southern	33 weeks	Feb. 16	16	3,948	+ 285,000	67,000	6,355,000
B. A. Western	33 weeks	Feb. 16	16	1,892	+ 152,000	55,000	2,487,000
Central Argentine	33 weeks	Feb. 16	16	1,892	+ 115,000	19,000	2,799,000
Cordoba Central	33 weeks	Feb. 16	16	1,205	+ 60,000	9,500	1,960,800
Entre Rios	33 weeks	Feb. 16	16	729	+ 30,400	6,200	709,200

CANADIAN.							
Canadian National	6 weeks	Feb. 14	22,880	4,405,497	+ 528,179	27,055,322	+ 497,861
Canadian Pacific	6 weeks	Feb. 14	13,622	3,168,000	+ 629,000	19,307,000	+ 928,000

BRAZILIAN (b).							
Gt. West. of Brazil	7 weeks	Feb. 16	1,011	12,200	+ 100	81,300	+ 11,600
Leopoldina	7 weeks	Feb. 16	1,831	24,005	+ 3,352	189,936	+ 3,146
San Paulo	7 weeks	Feb. 16	17	153	+ 41,005	13,797	302,709

CHILEAN.							
Antofagasta	7 weeks	Feb. 17	838	46,855	+ 17,220	288,390	+ 48,480
Nitrato (1 monthly) ..	6 weeks	15	366	43,119	+ 3,232	131,821	+ 18,600

DIVIDEND ANNOUNCEMENTS.—Continued.

Company	Dividend	Rate	Payable	Notes
Mercantile Investment Trust	6½%	..	..	..
Merchants' Trust	8½%	..	..	..
Metropolitan Electric	14½	..	..	..
Moss Empires	10%	..	..	..
North Central Wagon	10%	..	..	..
North Metropolitan Electric	10%	..	..	..
Nottingham Electric, Def.	..	..	..	..
Orient Trust	..	..	..	..
Peak, Free	15½%	..	..	..
Perry and Co., Prof.	..	..	..	..
Planters' Stores and Agency	10	..	..	..
Portfield Steamship	13 p.s.	..	..	..
Pullman Co.	2%	..	..	..
Ritz Hotel, Paris	10*	Feb. 29	..	..
Sandown Park	7½%	Feb. 20	..	..
Do (for 1915)	3%	Feb. 20	..	..
Scottish Western Investment	7½%	..	..	..
Shawinigan Water	8½%	..	..	..
Shelfield Billposting	20%	April 10	..	..
Slazenger's	10½% (a) bonus 1/6 p.s.	..	..	..
Southern Pacific Co.	8½% (a) bonus 3%	..	..	..
South London Electric	8½%	..	..	..
South Shields Gas, Cons. & New	..	Feb. 27	..	..
Do, Ord.	..	Feb. 27	..	..
Spencer, Turner, and Boldero	..	Mar. 6	..	..
Sunderland Gas	3 ½%	..	..	..
Swansea Gas	5	..	..	..
Swindon United Gas	3/ p.s.	..	..	..
Switzer and Co.	3½%	..	..	..
Sunderland Gas	6½%	..	..	..
Sunday Pictorial Newspaper	5½%	Mar. 3	..	..
Thomas Dockrell and Sons	8½%	..	..	..
Thomas McKensie and Sons	12½	..	..	..
Thomas Wallis and Co.	5½%	..	..	..
Torquay Tram	13	..	..	..
Tanbridge Wells Gas, Ord.	10½	..	..	..
Do "B" Stock	10	..	..	..
Do "C" and "D" Stock	10	..	..	..
United Alkali	6½%	..	..	..
United States Debenture	12½%	..	..	..
Do (bonus)	1%	..	..	..
Uxbridge Electric	9½% (a) bonus 3%	..	..	..
Vyse, Sons, and Co.	1/6 p.s.	..	..	..
Walkers, Parker, and Co.	7½%	Mar. 1	..	..
Wellingborough Gas, Orig.	6%	Mar. 1	..	..
Do, additional	7/6 p.s.	..	..	..
Westminster Electric	7/6 p.s.	..	..	..
West Surrey Water (1877, 1888, and 1901)	7	..	..	..
Do, 1869	10	..	..	..
Wharfedale Dwellings, Def.	5½%	..	..	..
Wolverhampton Gas, Cons.	5½%	..	..	..
Do, New Ord.	5½%	..	..	..
Wylie and Lockhead	8	..	..	..

(a) Increased capital. (b) Also 50% share bonus.

ANALYSIS OF BALANCE-SHEETS.

BRADFORD DYERS' ASSOCIATION, LIMITED.			
December 31, 1923.			
LIABILITIES.	Amount.	ASSETS.	Amount.
Prof. shares.....	2,500,000 ..	Properties, &c.....	4,592,026 ..
Ord. shares.....	1,356,477 ..	Stocks.....	402,187 ..
4% deb. stock.....	1,453,750 ..	Sundry debtors.....	409,432 ..
Int. accrued.....	29,075 ..	Reserve fund in-	..
Int. outstanding.....	808 ..	vestments.....	130,000 ..
Sundry creditors.....	1,237,947 ..	Other investments.....	2,485,003 ..
Investments, con-	52,311 ..	Cash.....	922,329 ..
tingency fund.....	170,000 ..		
Reserve for equali-	..		
sation of divs.....	135,648 ..		
Reserve fund.....	1,000,000 ..		
Profit and loss.....	1,057,272 ..		
Total.....	8,940,977 ..	Total.....	8,940,977 ..

BOVRIL, LIMITED.

December 31, 1923.			
LIABILITIES.	Amount.	ASSETS.	Amount.
Cum. pref. shares.....	750,000 ..	Goodwill, &c.....	2,952,391 ..
Cum. ord. shares.....	1,000,000 ..	P and furniture.....	39,558 ..
Deferred shares.....	750,000 ..	Stock in hand.....	922,671 ..
Debenture stock.....	500,000 ..	Traue debtors, &c.....	438,583 ..
6½% 5-year notes.....	256,670 ..	Cash in hand.....	126,217 ..
Sundry creditors.....	339,771 ..		
Reserve.....	600,000 ..		
Reserve for debts, &c.....	1,500 ..		
Profit and loss.....	281,479 ..		
Total.....	4,479,420 ..	Total.....	4,479,420 ..

MANCHESTER SHIP CANAL.

December 31, 1923.			
LIABILITIES.	Amount.	ASSETS.	Amount.
Temporary loan.....	247,867 ..	Capital acct. bal. at	..
Unpaid interest.....	85,754 ..	debit.....	496,512 ..
Unpaid dividends.....	12,415 ..	Cash in hand.....	226,894 ..
Amount due to railway clearing	..	Stock & materials.....	87,969 ..
house.....	124,277 ..	Traffic accounts.....	279,425 ..
Accounts payable.....	208,363 ..	Accounts receiv-	..
Liabilities accrued	37,127 ..	able.....	34,792 ..
Miscellaneous ac-	..	Miscellaneous	..
counts.....	86,591 ..	accounts.....	89,238 ..
Deferred main-	..	Suspense accounts.....	19,515 ..
tenance.....	23,484 ..	Investments.....	50,000 ..
Insurance fund.....	2,124 ..	Shares vested in	..
Reserve for con-	..	trustees.....	73,081 ..
tingencies.....	18,672 ..		
Balance for divi-	..		
dends.....	510,142 ..		
Total.....	1,357,416 ..	Total.....	1,357,416 ..

SELFRIDGE AND CO.

January 31, 1923.			
LIABILITIES.	Amount.	ASSETS.	Amount.
Ord. shares.....	500,000 ..	Purchase consi-	..
Staff pte. shares.....	64,566 ..	deration, &c.....	2,661,822 ..
Prof. shares.....	1,300,000 ..	Fixtures, &c.....	128,160 ..
10% pref. ord.....	1,000,000 ..	Vans, &c.....	42,925 ..
Debentures.....	302,200 ..	Stocks.....	497,093 ..
Int. on debts.....	5,037 ..	Debtors.....	404,035 ..
Reserve fund.....	250,000 ..	Investments in	..
Mor gages.....	448,449 ..	subsidiary com-	..
Creditors and	..	panies.....	631,636 ..
loans.....	432,453 ..	Current and loan	..
Reserve for corp.	..	account.....	156,537 ..
profits tax, &c.....	20,421 ..	Payments in ad-	..
Accrued div. on	..	vance.....	11,388 ..
pref.....	64,883 ..	Deposit, Portman	..
Div. on ord. shs.	50,000 ..	estate.....	70,523 ..
Profit.....	146,110 ..	Cash.....	..
Total.....	4,584,119 ..	Total.....	4,584,119 ..

MINING OUTPUT STATISTICS FOR JANUARY, 1924.

Gold.	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyande Works.	Mill.	Cyande Works.		
Colombian Mining	1,188	..	..	..	£5,600	..
Hampton Celebration	113,954	..	..	..	(b) 1,800	..
Mexican Corporation	13,802	..	..	..	\$106,543	..
Mexico of El Oro	4,931	..	..	..	\$68,860	..
Santa Gertrudis	33,649	..	..	..	\$9,426	..
Do Inversiones	..	..	..	..	\$30,041	..

(b) Including premium.

Tin.	Output.	Other Notes in Return.	
		Tons.	Value.
Gurum River	20	..	..
Chinese Engineering	43,716	..	..
Chilean Colliery	5,041	..	..
Witbank	64,011	..	..

Reports and Notices.

Mr William Hutton, general manager of the Scottish Amicable Life Assurance Society, has been appointed a director of the society.

We are informed that, as from Tuesday, February 19th, the transfer offices of the Amalgamated Anthracite Collieries, Limited, will be situated at the registered offices of the company, St Stephen's House, Westminster, and not as heretofore at 29-30 King Street, E.C.

The San Paulo (Brazilian) Railway Company, Limited, announce that, in accordance with the terms of the quarterly adjustment to tariffs under the sliding scale, an increase of 76 per cent. on basic tariffs will come into force on the 1st proximo in place of the 86 per cent. increase at present in force.

The directors of the Employers' Liability Assurance Corporation, Limited, have elected the Rt. Hon. Sir Samuel Hoare, Bt., C.M.G., M.P., to be deputy-chairman of the general board in London of the corporation.

GOVERNMENT STOCKS, &c.

GREEK DEBT.—The Council of Foreign Bondholders issues the following information, compiled from figures published by the International Financial Commission at Athens, with regard to the revenues assigned under the Law of Control for the service of the Greek debt from January 14 to December 31, 1923, compared with those from January 14, 1923, to January 13, 1924:—

	Monopolies, Tobacco, Stamps, Stamped Paper, Naxos Emery.	Piræus Customs.
Gross receipts, Dec., 1923.....	9,108,787.70	(a) 24,537,612.10
Do do do 1922.....	6,274,607.55	23,349,827.10
Estimated receipts for twelve months (Law of Control) ..	23-27,870,685.00	23-10,319,890.46
Actual receipts for twelve months, 1923 ..	22-28,900,000.00	22-10,700,000.00
Actual receipts for twelve months, 1922 ..	98,609,889.65	(b) 272,095,102.25
	74,689,417.70	147,489,090.60

NOTE.—Of the surplus over the estimated receipts from monopolies, tobacco, stamps, stamped paper, and Naxos emery, 49.15 per cent. is applied towards increasing the minimum rates of interest and sinking fund on the external gold loans of 1881 to 1893. (a), (b). In addition to these amounts, import duties equivalent to £23 in the case of (a), and to £42,967 in the case of (b), were paid in gold at the Piræus Customs. Owing to the change in the Greek calendar from old to new style, both the estimated and actual receipts in the above statement are for 13 days less in 1923 than in 1922. As regards receipts subject to the system of plus-

values, all increases in duties and prices are excluded therefrom in the above table. Minimum receipts have, however, been fixed, in order to guarantee the plus-values against eventual diminution in the consumption.

GREEK EXTERNAL DEBT.—The Council of Foreign Bondholders have received information that the minimum rates of interest and sinking fund on the old Gold Loans will be increased in 1924, in respect of 1923, by the following percentages of the original interest:—Loans of Group I.: Interest, 42 per cent.; sinking fund, 20 per cent. Loans of Group II.: Interest, 42 per cent.; sinking fund, 20 per cent. Loans of Group III.: Interest, 42 per cent.; sinking fund, 18 per cent. With the addition of the above percentages, the total interest payable in 1924 will be:—3.40 per cent. on the 4 per cent. Monopoly Loan; 3.70 per cent. on the 5 per cent. Funding Loan; 3.70 per cent. on the 5 per cent. loans of 1881, 1884, and 1890; 2.06 per cent. on the 4 per cent. Renten. The whole of the above additional interest is payable:—On the April coupon in the case of the Funding Loan and Renten; on the June coupon in the case of the 5 per cent. loan of 1890; on the July coupon in the case of the Monopoly Loan and the 5 per cent. loans of 1881 and 1884.

BANKS.

ARCOS BANKING CORPORATION.—The first balance-sheet of Arcos Banking Corporation, Limited, established in June last to assist in the rebuilding of the Russian foreign trade, shows loans and advances of £748,400, deposits of £1,836,600, and acceptances to the amount of £296,400. The authorised and paid-up capital is £250,000, and there is a reserve fund of £12,500.

SWISS BANK CORPORATION.—The net profit for the year ended December 31, 1923, is £430,681, against £421,085 for 1922. At the annual general meeting, which is to take place on March 14th, the board will propose the payment of a dividend of 8 per cent., as last year, and to allocate £20,000 to the pension fund. The Swiss exchange has been taken at 25 francs to the £.

UNION BANK OF CANADA.—The 59th annual balance-sheet just issued shows total assets \$128,299,679 on November 30, 1923. Gold and silver coin amounts to \$1,108,197, and Dominion Government notes stand at \$8,977,191. Other current loans and discounts in Canada stand at \$53,488,949. The capital of the bank is \$8,000,000, and the rest account stands in the balance-sheet at \$1,750,000. Notes in circulation amount to \$10,357,650. Deposits not bearing interest stand at \$28,179,661, while deposits bearing interest are at \$67,441,589. The net profit for the year amounted to \$1,033,432. The balance at credit of account November 30, 1922, was \$483,175, but this amount was reduced to \$151,265, owing to \$331,910 being transferred to contingent reserve account June 19, 1923. The amount available is thus \$1,184,607, which is dealt with as follows:—A dividend of 9 per cent. for the year on the capital stock, absorbing \$720,000; the sum of \$10,000 goes to officers' pension fund; war tax on bank-note circulation and reserve for income-tax absorbs \$137,622 and \$317,075 is carried forward. The bank has 341 branches, and also agents in all parts of the world.

INSURANCE.

PROVIDENT AND MUTUAL LIFE.—The report for last year states that 15,974 new assurances were issued for £1,680,791, at annual premiums of £75,357. This compares with 11,945 policies, assuring £1,223,447 in 1922. The net premium income was £581,511, as compared with £542,269, and the funds increased by £308,269 to £4,239,924. The board have decided to increase the rate of interim bonus for the current year from £1 5s to £1 10s per cent. per annum.

SUN LIFE OF CANADA.—In pursuance of its declared policy of reducing, so far as possible, its foreign commitments, the New York Life Insurance Company has placed the administration of its British business in the hands of the Sun Life Assurance Company of Canada. The rights of the policyholders are stated to be in no way altered. The conditions of the policy contracts and the bonuses are to be the same as if there had been no change in administration. The policyholders now have the guarantee of both the New York Life, and through that company of the Sun Life of Canada, instead of that of the former company only. There are financial arrangements between the two companies, including the deposit of a fund exceeding £2,000,000 in value with the Bank of Scotland, which will have the effect of actually increasing the policyholders' security. A more detailed announcement is being communicated to the policyholders individually.

WESLEYAN AND GENERAL ASSURANCE SOCIETY.—The directors of the society have determined to declare a revisionary bonus in respect of the society's ordinary department with-profit policies for the year 1923 at the rate of £1 16s per cent. This is an increase of 6s per cent. over the rate for 1922. Recent revisionary bonuses per cent. have been:—1919, £1; 1920, £1; 1921, £1 4s; 1922, £1 10s. Bonus certificates will be issued as soon as possible after the annual meeting.

RUBBER, &c.

TAIPIING RUBBER PLANTATIONS.—This company has made good progress during the past year. The report for the year ended September 30, 1923, discloses a net profit of £10,266, to which is added £17,194 brought forward from preceding year. The dividend of 6 per cent. for the year absorbs £13,316, and £14,144 is carried forward, subject to income-tax and corporation profits tax (if any). In the preceding year, a debit balance of £24 was revealed in the report, and ordinary shareholders had to go without a dividend. The restricted output of dry rubber during the year was 523,830 lbs, as compared with 628,677 lbs in previous year.

Of the rubber produced, 331,750 lbs were sold in London at an average gross price of 1s 3.04d per lb, and 135,600 lbs locally in the East at an average gross price of 8.54d per lb. The corresponding figures for 1921-22 were 105,620 lbs at 11.73d per lb and 522,271 lbs at 7.59d per lb respectively.

MISCELLANEOUS.

COPESTAKE, CRAMPTON, AND CO., LIMITED.—The net profit for the half-year ended December 31, 1923, after charging interest on deposits, directors' and auditors' fees, and depreciation of leaseholds and machinery, amounts to £25,767, to which must be added the balance of £3,949 brought forward from the previous account, making a total of £29,716. After setting aside the sum of £11,717 to provide for income-tax and corporation profits tax, there remains a credit balance of £17,999, out of which it is proposed to pay a dividend for the half-year at the rate of 5 per cent. per annum, less income-tax, absorbing £15,500, leaving £2,499 to be carried forward. Assets total £1,087,047. Debtors stand at £523,722. Stocks are at £267,895, and cash is at £115,649. With regard to liabilities, deposit accounts stand at £180,725, and creditors at £88,323. The capital is £800,000 in ordinary shares of £1 each.

CROSSLEY BROTHERS, LIMITED.—The directors, in a circular to shareholders dated February 19, 1924, state that they are glad to report that there has been a small trading profit for the year ended December 31, 1923. On the other hand, there has been a loss in the capital value of the company's investments owing to the liquidation of one of the concerns in which the company had a large interest. The directors consider, therefore that the time has now come to write off past losses, and to write down the assets and investments to present value. They propose to put before shareholders a scheme involving a reduction of capital which they consider will be of advantage to both classes of shareholders, and enable an earlier payment of dividends out of future profits than would otherwise be possible. With that object in view, it has been decided to postpone until the end of March the annual meeting usually held this month. In the meantime, the scheme will be carefully prepared and set before shareholders, together with the accounts.

ELECTRICAL DISTRIBUTION OF YORKSHIRE, LIMITED.—The following table reveals an interesting record of progress of this concern:—

	1921.	1922.	1923.
£ s d	£ s d	£ s d	£ s d
The net profit is as follows..	8,085 11 0	14,419 6 3	19,232 16 4
And the balance brought forward, after deducting directors' remuneration, is	1,570 8 7	2,723 14 8	3,541 5 8
Making a total of.....	9,655 19 7	17,143 0 11	22,774 2 0

The directors recommend a dividend on the ordinary capital at the rate of 7 per cent. (free of income-tax) for 1923 (of which 3½ per cent. was paid in August), amounting to £10,500; an addition to the reserve fund of £5,000 (increasing this fund to £19,000); and to carry forward the balance of £7,274. All the 25 undertakings of the company have been extended during the year to meet the continued and growing demand for electricity, the number of new connections being the largest made in the history of the company. As a consequence of the increased demands, and of the economies made in working expenses, the directors have been able to make reductions in the price of electricity for lighting purposes. The development made during the past year and now projected necessitates an immediate increase of capital. It is proposed to make an issue of 100,000 shares at a premium of 5s per share. These will be proportionately allotted to the shareholders registered on February 19, 1924, on conditions which will be made known shortly after the shareholders' meeting.

SUB NIGEL, LIMITED.—It is announced that a provisional agreement is being entered into between the Sub Nigel, Limited, and the Nigel Gold Mining Company, Limited, whereby, subject to a further claim area being acquired on reasonable terms from the Government on the farm Grootfontein, the two companies will merge their respective interests. The proposed terms of the amalgamation are broadly on the following lines. The present capital of the Sub Nigel, Limited, namely, £905,000, will be reduced to £678,750 (equivalent to three shares for four), and thereafter increased to £965,500 by the creation of 286,750 shares of £1 each. Of the newly created shares, the Nigel Gold Mining Company will receive 148,737 fully-paid shares (equivalent to two shares for three) for its assets, such assets to include £25,000 cash, and 100,000 shares will be offered to shareholders at par, the issue being guaranteed by New Consolidated Gold Fields, Limited. The remaining 38,013 shares will be held in reserve.

W. T. HENLEY'S TELEGRAPH WORKS.—This company has maintained its record of net profit during 1923, as compared with 1922, as the report just issued shows that the net profit secured in 1923 was £187,843, as against £187,710 in 1922. The ordinary dividend is unchanged at 15 per cent. The carry forward is £379,175, which compares with £323,988 brought into the accounts. The sum of £25,000 has been put to reserve, making total reserve account £270,000, and £1,156 has been transferred to reserve against trustee securities. The balance-sheet reveals total assets £2,542,065. Treasury Bills and cash comprise £447,936 of the total assets. Stocks stand at £534,602. Investments in National War Bonds amount to £158,437. The company has 250,000 shares of £1 each in Henley's Tyre and Rubber Company, which are shown in the balance-sheet at £250,000.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.					Corresponding Period Last Year	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.
					Prefce.	Ordinary.	Rate.				
					Amount.	Amount.	Rate.			£	%
Breweries.											
Boddingtons'	Dec. 31	4,123	68,276	72,399	16,500	46,200	14	5,000	4,699	68,539	14
Holt Brewery	Dec. 31	54,279	79,269	133,548	18,750	25,000	5	35,500	54,298	78,393	5
Canals, Docks, &c.											
Manchester Ship Canal	Dec. 31	45,375	464,765	510,140	237,137	187,552	5	50,000	35,451	398,134	4
Electric Lighting and Power.											
Electrical Distributn. of Yorkshire	Dec. 31	3,541	19,233	22,774	..	10,500	7½	5,000	7,274	14,419	7½
Kensington and Knightsbridge ..	Dec. 31	12,114	21,460	33,574	4,250	15,950	14	..	13,374	26,199	12
Llanelli and District	Dec. 31	980	22,661	23,641	6,919	7,265	7	8,386	1,071	24,149	7
Notting Hill Electric	Dec. 31	15,132	43,370	58,502	6,642	18,935	1,400½	9,000	23,925	37,109	1,000½
Smithfield Markets Electric	Dec. 31	1,849	16,552	18,401	..	4,800	8	9,500	2,101	15,400	8
Westminster Electric	Dec. 31	17,116	182,117	199,233	24,750	113,343	15	37,500	23,640	132,716	12
Financial, Land, &c.											
Aberdeen Heritable Securities and Investment	Dec. 31	2,876	1,906	4,782	..	..	..	..	4,782	2,458	..
Gas.											
Barnet District	Dec. 31*	24,542	18,474	43,016	..	12,826	..	5,000	25,190	17,398	..
Bishop's Stortford, &c.	Dec. 31	341	7,181	7,522	1,636	5,286	5½ A 5½ B	..	600	7,272	5½ A 5½ B
Cork Consumers'	Dec. 31*	4,386	1,645	6,031	..	4,200	8	1,645	186	983	6
Croydon	Dec. 31	16,831	81,356	98,187	9,000	57,148	6½ 5	10,000	22,039	85,086	6 5
Gloucester	Dec. 31*	19,015	5,542	24,557	..	4,731	5	..	19,826	9,460	5
Hartlepool Gas and Water	Dec. 31	11,836	26,561	38,397	..	25,813	5	..	12,584	27,348	5
Sheffield	Dec. 31	74,616	95,589	170,205	..	86,848	5½ 5	..	83,557	99,290	5½ 5
South Shields	Dec. 31	16,459	14,898	31,357	..	14,373	5½ 5	..	16,984	14,418	5½ 5
Swindon United	Dec. 31	4,052	4,233	8,285	425	6,003	5	548	1,309	2,029	5
Tunbridge Wells Gas	Dec. 31	14,838	5,361	20,199	..	5,071	10½ 10	..	15,128	11,567	10½ 10
Wakefield Gaslight	Dec. 31	1,604	10,110	11,714	1,125	9,100	6½ 5	..	1,489	10,672	6½ 5
Walton-on-Thames and Weybridge	Dec. 31	5,623	3,792	9,415	..	4,011	10 A 7 B	1,500	3,904	7,651	10 A 7 B
Watford Gas and Coke	Dec. 31	4,301	13,101	17,402	..	10,965	8 6½	500	5,937	12,926	7½ 5½
Wolverhampton	Dec. 31*	48,827	20,049	68,876	1,482	6,184	5½ 3½	11,892	49,318	24,797	5 3
Hotels and Restaurants.											
Holborn and Frascati	Dec. 31	13,899	36,604	50,503	7,500	25,520	11	2,500	14,983	35,533	11
Iron, Coal, and Steel.											
Drake's	Dec. 31	6,141	16,775	22,916	2,400	5,000	10½	..	15,516	9,834	10½
Fife Coal	Dec. 31	124,181	281,082	405,263	16,190	244,741	20½	..	144,332	183,061	20½
Mather and Platt	Dec. 31	174,953	277,989	452,942	20,000	204,549	15½	50,000	178,393	365,535	15½
Merry and Cunningham	Nov. 30	Dr 45,006	Dr 1,159	Dr 46,165	8,750	..	..	Dr 8,750	Dr 46,165	Dr 48,964	..
Rubber, &c.											
Taiping Rubber	Sept. 30	17,194	10,260	27,460	..	13,316	6	..	14,144	Dr 24	nil
Shipping.											
Isle of Man Steam Packet	Dec. 31	15,384	27,655	43,039	..	30,000	5	..	13,039	31,564	5
Shops and Stores.											
Civil Service Supply	Dec. 31	1,566	54,045	55,611	..	49,541	14	4,500	1,570	51,761	14
H. E. Randall	Dec. 29	19,285	36,601	55,886	5,100	19,113	15	5,000	26,673	36,159	15
Selfridge and Co.	Jan. 31	142,509	316,717	459,226	178,000	50,000	10½ 12k	78,000	146,110	304,655	10½ 12k
Spencer, Turner, and Boldero	Jan. 15	30,750	69,116	99,866	10,800	38,802	8½	10,605	39,659	67,273	8
Thomas Wallis and Co.	Jan. 31	14,418	15,807	30,225	9,000	20,000	10	..	1,225	30,578	10
Textiles.											
Bradford Dyers'	Dec. 31	448,369	739,227	1,187,596	125,000	339,119	25	250,000	473,477	(b)	35
Barlow and Jones	Dec. 31	62,998	125,963	188,961	29,838	39,571	12½	55,000	64,551	118,444	10
Stapley and Smith	Nov. 19	Dr 6,347	5,137	Dr 1,210	..	..	..	..	Dr 1,210	63,381	..
Tramways.											
Lancashire United	Dec. 31	..	432	432	..	..	..	432	..	231	..
Mansfield and District	Dec. 31	1,362	11,368	12,730	3,621	2,306	9	5,445	1,358	11,919	9
Tendring Hundred	Dec. 31	4,999	15,247	20,246	..	10,326	6½	1,000	8,920	14,940	6
Trunks.											
Mercantile Investment & General Merchants'	Jan. 31	81,473	229,291	310,764	57,810	121,406	10½	50,000	81,548	187,954	9½
Orient	Jan. 31	47,377	92,461	139,838	27,500	52,995	10	..	59,343	80,420	9½
United States Debenture	Dec. 31	5,418	17,115	22,533	..	17,297	7½	..	5,236	..	..
	Jan. 31	25,497	65,307	90,804	18,625	40,500	13½	1,000	30,679	59,916	12½
Waterworks.											
Colne Valley Water	Dec. 31	2,124	33,845	35,969	1,276	21,247	..	6,000	7,446	..	..
Jersey New	Dec. 31	868	8,866	9,734	..	8,400	10	..	1,334	8,243	10
Newcastle and Gateshead Water..	Feb. 1	18,218	142,820	161,038	55,253	71,938	8½ 5½	..	33,847	131,365	7 4½
Other Companies.											
Aberdeen Combworks	Dec. 31	2,317	11,865	14,182	2,373	10,086	7½	..	1,723	12,276	7½
Aron Electricity-Meter	Mar. 31	18,369	9,578	27,947	(a) 37,200	..	..	Dr 15,000	5,747	..	..
Bagots, Hulton, and Co.	Dec. 31	911	3,960	487	1,350	1,347	6	..	2,174	243	6
Birmingham Rly. Carr. & Wagon	Dec. 31	47,921	53,006	100,927	6,000	69,823	10½	..	25,104	106,489	10½
						75,000	7½	..	..	..	7½
Bovril	Dec. 31	29,253	312,226	341,479	45,000	112,195	11½ Def	75,000	34,284	265,209	Ord 9½ Def
City Offices											
Copstake, Crampton, and Co.	Dec. 31	2,148	20,381	22,529	1,298	15,835	7½	3,000	2,396	15,890	7½
Cutter Paper Mills	Dec. 31*	3,949	14,050	17,999	..	15,500	5	..	2,499	..	..
General Hydraulic Power	Dec. 31	397	19,722	20,119	..	5,250	5	..	14,869	9,630	2½
Harrison, Barber, and Co.	Dec. 31	10,624	41,725	52,349	2,500	40,000	5	..	9,849	43,484	5
Heavy Street Warehouse	Dec. 31	1,533	8,742	10,275	..	7,800	6	1,000	1,475	8,035	6
International Paint, &c.	Jan. 31	2,543	223	2,766	..	1,013	3	..	1,753	4,462	3
J. and N. Phillips and Co.	Dec. 31	3,798	46,929	50,727	12,000	19,000	5	15,000	4,727	27,118	3
	Dec. 31	11,271	157,652	168,923	101,500	35,000	5	20,000	12,423	176,330	5

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS—(Continued).

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Diventure Interest.	Amount Available for Distribution.	Appropriation.						Correspondin Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward	Net Profit.	Divid.	
					Prefce.	Ordinary.	Rate					
												Amount	Amount.	Rate
Other Companies. - (Con.)		£	£	£	£	£	%	£	£	£	%	
J. and R. Allan	Jan. 20	10,784	17,784	28,568	3,000	7,925	8	7,000	10,643	18,503	8	
Joseph Crossfield and Sons	Nov. 30	..	331,269	331,269	227,500	100,000	10	..	3,769	330,937	10	
National Gas Engine	Dec. 31	10,599	19,851	30,450	12,000	..	..	..	18,450	28,658	6½	
Peck, Fream, and Co.	Dec. 31	27,252	203,266	230,518	55,000	115,000	23½	25,000	35,518	189,665	23½	
Perry and Co.	Dec. 31	1,801	20,189	21,990	15,044	..	..	..	6,946	14,158	..	
Slazengers	Dec. 31	12,485	49,792	62,277	6,000	33,297	17½	11,257	11,723	42,965	15	
Vyase, Sons, and Co.	Dec. 31	12,285	28,258	40,543	9,425	14,500	10	..	16,618	21,618	8	
Wharnccliffe Dwellings	Dec. 31	288	3,075	3,363	2,595	577	1	..	191	1,130	1	
William Griffiths and Co.	Oct. 31	34,570	32,711	67,281	..	28,875	20	..	38,406	46,314	22½ (s)	
W. T. Henley's Telegraph Works	Dec. 31	323,988	187,843	511,831	9,000	97,500	15	26,156	379,175	187,719	15	
Wylie and Lockhead	Dec. 31	2,288	23,542	25,830	4,000	12,000	8½	7,666	2,164	14,200	6½	

(a) Including arrears. (b) Accounts for two years, when net profit amounted to £1,199,709, and dividend 45 per cent., being 10 per cent. for 1921, and 35 per cent. for 1922. (s) 7½ per cent. paid of this free of income-tax. (k) Staff shares.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Climatic conditions have been cold but dry during the week, so that farmers were enabled to push ahead with field work, which is backward for the time of year, so that a spell of open weather is desired to make up arrears. Cereal crops generally present a healthy appearance. General course of trading was considerably curtailed owing to the difficulty attaching to delivery arising from the strike of dock operatives, and prices consequently were largely nominal, though the undertone is quite steady for all cereals. English wheat continues in small supply while held for full rates. Suitable milling grades range from 10s 9d to 11s 3d, and inferior 8s 9d to 9s 9d per 112 lbs, free on rail. Imported descriptions quiet and somewhat irregular, though closing with a steady tone. No. 1 Northern Manitoba afloat quoted 51s 6d, No. 2 ditto 50s 6d, No. 3 ditto 49s 6d, and Rosafé 6½ lbs 48s 6d, all ex ship, per 496 lbs. In the floating and forward cargo section prices responded to a better demand both on home and Continental account. Steamers of Rosafé 64 lbs 45s 1½d to 45s 3d, Barusso 64 lbs just sailed 43s 9d, ditto February loading 42s 4½d, No. 2 soft white Pacific (half cargo) April 46s 6d, a steamer of Western and soft white Pacific March 11th 46s 1½d, No. 1 Northern Manitoba arrived out to load 47s 1½d, combined with No. 2 ditto at 46s 1½d per 480 lbs. Maize cargoes steady, but generally quiet. A steamer of Odessa, March 15th shipment, changed hands at 42s. Plate April-May 35s 9d, and May-June at 34s 9d, all per 480 lbs. Flour fully steady. London standard straight run quoted at 39s 6d, patents 41s 6d-42s 6d, town households 37s 6d per sack delivered. All English country straights 35s-36s free on rail at London stations. Imported tends firmer. Manitoba patents range from 37s-39s as to quality, Australian 36s-37s per 280 lbs. Barley.—English quiet, and malting ranges from 11s 9d-14s 6d, with feeders 11s-11s 6d per 112 lbs free on rail. Imported slow. Californian 45s-50s, ex store, Chilean brewing 42s-45s, ex ship, both per 448 lbs, No. 4 Canadian Western 36s 6d landed, Algerian-Tunisian, ex ship, to arrive 33s 6d, Karachi, ex ship, 33s 9d per 400 lbs. Maize steady. Plate, ex ship, 43s 6d, landed 46s, Bessarabian, ex ship, 43s 9d, landed 46s per 480 lbs. Oats.—English quiet and quoted at 9s 2d-10s 4d per 112 lbs, free on rail. Imported firm for Canadian qualities. Plate f.a.q. new crop, ex ship, 21s 6d, old crop landed 23s 6d, No. 2 Canadian Western 28s 3d, No. 3 ditto 27s 3d, No. 2 Canadian feed 25s 3d landed per 320 lbs. Millers' offals maintained. Broad bran quoted 8s-8s 6d, ordinary ditto 7s 9d-8s, middlings 9s, fine ditto 10s 3d, bags included, ex mill, light oats 6s 9d, powdered oat husks 8s 3d, feed oatmeal 9s 9d, ground oats 12s 9d, free on rail, per cwt. Oatmeal steady, with a fair demand. London-made, flaked, also rolled oats 17s 6d, medium and fine cuts 17s 6d, coarse and medium pinhead 17s 6d, ordinary Scottish oatmeal 17s 6d-18s, and American 16s 9d-17s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-

IRON, STEEL, AND COAL.

Our Middlesbro' correspondent's report, dated February 21st, is as follows:—Pig-iron: The unfortunate dockers' strike, now near settlement, has stopped all shipments of pig-iron, and, therefore, tended to weaken prices somewhat. Prices are, however, nominally as follows:—No. 3 Cleveland G.M.B., 95s per ton; East Coast Mixed Numbers hematite, 101s per ton. Manufactured iron and steel: There is sufficient work on hand for our steel works, but the outlook for export steel is not encouraging. Prices remain unchanged. Steel ship plates, £10 5s; steel ship angles, £10; iron bars, £12; steel rails, £9. Iron ore: Buyers are not keen, having quite sufficient ore arriving and bought. Best Rubio is nominally 24s per ton, c.i.f. Tees.

Our Sheffield correspondent writes:—The strike at the docks did not check production at the Sheffield works, as the execution of export orders was continued ready for despatch when circumstances permitted. The demand for steel material, tools, and cutlery from Colonial markets and South America had exhibited some degree of briskness just when the trouble broke out. Deliveries of Continental iron and steel having ceased for the moment, producers of basic billets and some other materials advanced their prices, and United Steels, Limited, have started two additional open-hearth furnaces in anticipation of buying by consumers who have been getting their wants supplied in France and Belgium. The principal local industries have not been showing much elasticity lately, and as regards the heavy branches and raw materials the position is rather worse than before the railway strike. An improved demand for crucible steel and tools reflects busier conditions in various parts of the country, especially in engineering, foundry, and constructional work. A local firm recently booked an order for eight heavy locomotives for Chile in direct competition with the United States, who have been supplying this market with engines for some years past. Arrivals of tools and cutlery from Germany continue to dwindle, but the exporters in that country advise their customers here that the difficulties of supply may be overcome, partially if not wholly, in the course of a short time. The cutlery industry is being disorganised by a strike of grinders, which has now lasted a month, and one effect of the trouble is to give an impetus to the adoption of grinding by machinery. The export of coal and coke having ceased in consequence of the strike, there have been larger supplies of fuel for the home market, and this has eased the scarcity. Working at the pits is still irregular owing to the difficulty of obtaining empty wagons. Best steam coal is in good demand, the railways taking the maximum quantities, and the requirements of British works have increased. Small fuels are selling freely. The recent improvement in the house coal market is maintained. Prices per ton at pits are:—Best hand-picked branch, 35s; best Silkestones, 30s 6d; Yorkshire hards, 25s; Blythe hards, 25s 6d; rough slacks, 12s 6d; smalls, 7s 6d to 8s 6d; blast furnace coke, 25s to 29s.

Our Glasgow correspondent writes:—Owing to the deadlock in the business in pig-iron, Scotch producers report rather poorly as to actual business. On Saturday the quantity of Scotch brands interchanged was about the smallest on record. At the close of the day the sales for the week represented 716 tons, of which about 300 tons went to American consumers. For the corresponding week last year the total of all sorts dealt with reached over 6,000 tons. It is reported from leading Scotch and English markets that inquiries for raw material are very light, without prospect of early improvement. Of course, in that respect nearly everything depends on the course of events with the dockers, and until their position is defined little change one way or another can be looked for. In the finished iron and steel trades, although makers are well placed as regards the immediate future, works being still fully employed on good orders in hand, the position is not developing, so far as new business is concerned, as satisfactorily as had been anticipated. This state of matters is tending to weaken prices somewhat, although Continental quotations for heavy and semi-finished steel incline to stiffen, and the question of getting delivery from abroad remains a stumbling-block to any freedom of buying on the part of merchants. Bar iron manufacturers are well booked in home and export business, but here also new orders are not too plentiful. The dockers' dispute, if it continues for any time, will have a serious effect on iron and steel producers, owing to stoppage of shipments, and many works may find it necessary to slow down to avoid congestion in stocks.

Our Cardiff correspondent writes:—The dockers' strike has had a slightly depressing influence this week on prices on the Cardiff coal market. The stoppage has had only a slight adverse effect on the volume of the coal export trade. The lock gates were kept open and the tippers and trimmers remained at work. Discharging work on pitwood vessels was suspended, but as the collieries were fairly well supplied, they were able to continue working. The uncertainty of the general position, however, deterred business. Transactions were practically limited to spot parcels for the completion of cargoes, and as more coal was reaching the dock sidings than the market could absorb, salesmen were prepared to make concessions for spot shipment. Prices eased to the extent of from 6d to 1s per ton, but only for immediate business; for backward positions the collieries were adhering to their pre-strike quotations. In view of the fact, however, that shipments last week were exceptionally heavy, and of the smallness of the number of dealings

concluded this week, it is quite likely that prices will remain at their slightly reduced levels for the next two or three weeks. Another depressing influence has been the fall in the exchange rate of the franc, for the Bristol Channel ports are the chief source of the foreign coal imports of France, and with the exchange at over 100, French buyers have been restricting their orders. The Egyptian State railways have placed orders for only 50,000 tons of the contract for 200,000 tons of Monmouthshire coal for which they invited tenders a few weeks ago. A report is prevalent that the balance has gone to the United States, but it is not confirmed. The following are the current approximate quotations:—Best Admiralties, 20s 6d to 30s 6d; second Admiralties, 28s 6d to 29s 6d; best drys, 28s to 28s 6d; Black Veins, 28s 6d to 29s; Western Valleys, 28s to 28s 6d; Eastern Valleys, 26s 6d to 27s 6d; best bunker smalls, 22s to 23s; ordinary cargo smalls, 18s to 20s; coking smalls, 23s to 24s; anthracite Big Vein large, 41s to 45s; machine-made cobbles, 45s to 47s 6d; French nuts, 47s 6d to 50s; stove nuts, 50s to 52s 6d; rubby culm, 14s to 14s 6d; coke for export, 55s to 60s; inland blast furnace coke at ovens, 30s to 35s; patent fuel, 30s to 32s 6d; pitwood, ex ship, 33s to 35s. The dockers' strike reacted on the exports of tinplates, but demand was normal, and in view of the increase in costs, and particularly in the price of tin, it is expected that the minimum prices of tinplates and sheet bars will be increased. The imports of iron ore continue heavy.

METALS.

Tin commenced the week with a firmer tone, due to higher cables from the East, with business on a fairly liberal scale. Standard cash sold at £284 to £283 10s, and three months £284 to £280 10s to £282 10s, while finally at £282. Eastern advices reported sales on the basis of £285 c.i.f. Subsequent movements were attended by some irregularity and weakness on sellers showing more disposition to press, though offerings were well absorbed. By the middle of the week standard cash sold at £272 5s to £276, and three months £270 to £271 to £269 10s, while finally registered at £273. Further sales occurred in the East at £277 10s c.i.f. On the following day the tendency was firmer, while somewhat irregular, with sales on a liberal scale. Standard cash quoted at £278 to £278 10s, with dealings in near dates at £278 10s to £278, and three months £276 10s, £278 10s, £274 10s to £276. At final session values were easier, standard cash being dealt in at £276 to £273 10s to £274 10s and three months at £275 10s to £272 10s. English ingots quoted at £274 15s to £275 5s. Copper was actively supported at opening, and prices ruled in favour of sellers. Standard cash sold at £65 10s to £65 17s 6d, and three months £66 10s to £67. Later, however, the tendency was easier, and liberal dealings were put through. By the middle of the week standard sold at £64 and three months £64 7s 6d to £64 2s 6d to £65 2s 6d, while finally at £64 17s 6d. At Thursday's market values after opening firmer gave way, while a good demand ensued. Standard cash sold at £64 to £63 12s 6d and three months £65 to £65 5s to £64 10s. The tendency was again easier on following day, with sales on a liberal scale. Standard cash sold at £63 10s down to £62 17s 6d, and three months £64 10s to £63 15s. Electrodes £69 to £69 10s, best selected £66 to £67 6s, strong sheets £97, and wire bars £69 10s per ton. Lead firmer, and quoted at £35 5s to £34 12s 6d, according to position. Spelter easier at £37 to £35 15s as to position. Aluminium, home £115, export £120. Antimony, English special brands, £59 10s to £60.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Some surprise has been created by the action of the French Government in imposing an embargo on the export from France of wool, hair, wastes, and rags. The decree was quite unexpected, even in French wool textile circles, and there is naturally much speculation as to the probable results. Normally a considerable quantity of wool is brought to this country from Mazamet, and in the meantime these supplies will be cut off. The decree has doubtless been issued with the object of improving the franc, but it remains to be seen whether the desired result will be attained. It will mean that French users will have at their disposal a larger supply of wool in their own country, and to this extent it may have the effect of curtailing French buying in the Colonies, but as the selling season is now rapidly drawing to an end, and as British users and foreign buyers have still considerable requirements to supply, it is not thought that raw material values will be much affected. At present

NATIONAL PROVIDENT INSTITUTION

The Results for the Year 1923 show INCREASES in the Business transacted, the Premium Income received, and the Rate of Interest realised on Investments, and a DECREASE in the amount paid for Claims by Death.

Full particulars of the Office and the Policies it issues can be obtained from:—

48 Gracechurch Street, E.C.3.

there is some uncertainty as to whether the decree embraces tops, but the general impression seems to be that the embargo will include tops. In some quarters it is thought that the action of the French Government may actually lead to higher prices, especially as France has been doing a large trade with Germany. It is understood that a protest has been lodged by the Roubaix-Tourcoing Chamber of Commerce, and it is stated that wool sold for export up to the publication of the decree will be permitted to leave the country. Business in this centre remains steady, and prices are firm all round. Spinners are rather better employed, and the settlement of the dockers' strike will doubtless encourage buyers to operate more freely.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

It seems at last as if wool values had stopped rising, and a slight reaction has set in at both Melbourne and Sydney. We are glad that buyers have seen the futility of constantly pushing values higher and higher, and now that America and Japan have largely retired, prices are down a good 5 per cent. for practically all qualities. We are well aware that cables only speak of superior merinos and comebacks being cheaper, but, according to clean scoured costs, practically all classes are in the same category. But after all, what does 5 per cent. really amount to? It is neither here nor there with values where they stand to-day, and it is going to have very little effect upon the price of tops, yarns, or pieces. We have no doubt that Australian selling brokers will see to it that prices are not allowed to ease a great deal, because they are determined to hold values, and will not hesitate to withdraw wool unless they make all around to-day's prices. We have been urging for weeks the consolidation of recent rates, and frankly think that wool values for all qualities are as high as the consuming world can stand. There is not the slightest need to push any class of raw material to any higher level, and we emphasise this notwithstanding that the cry of shortage is still being persistently raised, emanating, no doubt, from those who are carrying stocks and have big weights of wool to arrive from overseas, hoping thereby to rush buyers into operating at still higher prices.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—February 15, 1924.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1923.			Same Period 1922.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	d	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Florida do.....	d	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do.....	d	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American.....	1594	1574	1574	1774	1874	1974	1518	1568	1613	741	906	1071
Brasilian.....	Mid M F	Pr. G F	Gd. Fae	M F	Pr. Gd. Fae	M F	Pr. Gd. Fae	M F	Pr. Gd. Fae	M F	Pr. Gd. Fae	M F
Pernam, Macao, do.....	1784	1854	1939	..	..	1838	1878	..	791	1041	..	..
Panama, Rio Grande, do.....	1784	1854	1939	..	..	1838	1878	..	791	1041	..	..
Ozark, do.....	1738	1789	1839	..	..	1513	1578	..	..	..	..	..
Sea Island.....	Pr. G F	Pr. Gd. Fae	M F	Pr. Gd. Fae	M F	Pr. Gd. Fae	M F	Pr. Gd. Fae	M F	Pr. Gd. Fae	M F	Pr. Gd. Fae
Upper.....	2035	2145	2165	2200	2235	1500	1695	1680	..	1275	1575	..
Sakalardis.....	2035	2190	2220	2290	2450	1530	1630	1830	..	..	..	..
Brown.....	2050	2195	2215	2250	2330	1550	1650	1770	..	1300	1700	..
Peruvian.....	Mid M F	Pr. G F	Gd. Fae	M F	Pr. Gd. Fae	M F	Pr. Gd. Fae	M F	Pr. Gd. Fae	M F	Pr. Gd. Fae	M F
Rough.....	2302	2450	2500	..	..	1875	..	..	..	1300	..	..
Moderately Rough.....	2100	2300	2350	..	..	1600	1750	..	1050	1250	..	..
Smooth.....	1889	1939	2014	2039	2084	1578	1678	1778	918	1118	1281	..
Tangus.....	1914	1939	1964	2014	2089	1578	1678	1778	..	..	..	..
Middie.....	2075	2175	2275	2355	..	1450	1600	..	..	..	..	..
West Indian, do.....	2050	2195	2215	2250	2330	1550	1650	1770	..	..	..	..
Do.....	2200	2400	2500	2700	..	2000	2500	..	2300	2800	..	..
African, West, do.....	1470	1570	1700	1820	1920	1205	1380	1580	775	975	1175	..
Do.....	Mid M F	Pr. G F	Gd. Fae	M F	Pr. Gd. Fae	Mid M F	Pr. Gd. Fae	M F	Pr. Gd. Fae	Mid M F	Pr. Gd. Fae	M F
East Indian.....	1789	1799	1809	1889	1939	..	1453	1528	..	..	..	..
Machine Ginned Surree.....	G F	Pr. Gd. Fae	M F	Pr. Gd. Fae	M F	Pr. Gd. Fae	M F	Pr. Gd. Fae	M F	Pr. Gd. Fae	M F	Pr. Gd. Fae
Machine Ginned Broach.....	1455	1495	1535	1575	1615	1240	1280	1320	760	810	860	..
Machine Ginned Shownugar.....	1176	1236	1276	1325	1375	1043	1095	1175	685	760	860	..
Machine Ginned Omra No. 1.....	1185	1235	1285	1335	1385	1055	1105	1185	695	770	870	..
Machine Ginned Omra No. 2.....	1185	1235	1285	1335	1385	1055	1105	1185	695	770	870	..
Machine Ginned Khandesh.....	1185	1235	1285	1335	1385	1055	1105	1185	695	770	870	..
Machine Ginned Compah.....	1185	1235	1285	1335	1385	1055	1105	1185	695	770	870	..
Machine Ginned Bengal.....	1110	1150	1190	1230	1270	850	900	970	575	625	725	..
Machine Ginned Soinde.....	1100	1140	1180	1220	1260	840	890	960	565	615	715	..
Tinnivelly.....	1610	1650	1690	..	..	1460	1500	..	960	1010	..	..
Madras, Western.....	1285	1325	1365	1405	..	1165	1205	..	765	815	..	..
Madras, Northern.....	1390	..	..	..	..	1230	..	..	..	..	..	..
M.G. Coconada, Red.....	Pr. 1365	..	..	..	..	1175	..	..	800	..	..	..
China, Smyrna, do.....	..	..	..	..	..	..	..	..	..	..	..	..

MANCHESTER, February 21.

Conditions in the market during the week have been unsettled by the wide fluctuations in raw cotton rates and nervousness with regard to industrial matters. Notwithstanding these disturbing influences, the undercurrent of inquiry has been extensive, and an increased business has been done. A considerable demand has been met with in light cloths of various kinds for India, some encouraging sales being arranged in bleaching, finishing, and printing styles for Calcutta and Bombay. More lots have been sold in grey shirtings. Buying continues to take place for China in white shirtings, and certain producers have now more work to go on with. The smaller outlets, both East and West, have not been active, but scattered transactions have been reported for South America and the Continent, chiefly in fine goods. There has been some irregularity in yarn quotations, but in one way and another more business has been done in American and Egyptian qualities for home consumption, with moderate lines in export bundles for India.

(I.) Comparative Statement of the Cotton Trade.

	Price, Feb. 21, 1924.	Previous Weeks in 1924.				
		Price, Feb. 14.	Price, Feb. 7.	Price, Jan. 31.	Price, Jan. 24.	Price, Jan. 17.
Raw Cotton—Fully Mid. American ..per lb	17.83	18.99	19.67	19.47	19.75	19.54
— Sakalardis Fully Good Fair ..per lb	21.60	22.90	23.15	23.15	23.35	23.00
Yarns—32's twist ..per lb	25	25	26	26	26	26
— 40's twist ..per lb	25	25	26	26	26	26
— 60's twist (Egyptian) ..per lb	33	34	35	35	36	36
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	36	37	37	38	38	38
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	40	40	41	41	42	42
38-in. ditto, 38 yds, 18 by 18, 10 lbs.	21	3	21	21	22	22
39-in. ditto, 37 yds, 16 by 15, 8½ lbs.	19	0	19	19	20	20

(II.) Compared with Previous Years.

	Price, Feb. 21, 1924.	Corresponding dates in				
		1923.	1922.	1921.	1920.	1919.
Raw Cotton—Fully Mid. American ..per lb	17.83	17.83	10.70	8.33	31.44	18.10
— Sakalardis Fully Good Fair ..per lb	21.60	17.50	17.75	14.50	95.00	27.09
Yarns—32's twist ..per lb	25	22	17	19	62	28
— 40's twist ..per lb	25	22	16	18	57	29
— 60's twist (Egyptian) ..per lb	33	28	25	25	148	58
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	36	31	28	28	6	53
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	40	34	28	28	35	51
38-in. ditto, 38 yds, 18 by 18, 10 lbs.	21	3	21	21	0	30
39-in. ditto, 37 yds, 16 by 15, 8½ lbs.	19	0	17	16	9	25

THE TIMBER TRADE.

The heavy imports of building timbers during 1923, mostly arriving between September and December, thus causing heavy stocks on the market in the New Year, were supplemented by large supplies last month, amounting to over 67,000 loads more than for the first month of 1923, and in which Russia and Finland and other countries showed decided increases. Good quality wood has not been arriving in any large quantity, and stocks of this description are only moderate, but there is an abundance of ill-conditioned wood that will, no doubt, find its market before f.o.w., if not in house work, in the form of packing-case, box, or crate. The long delays occasioned in the discharge and eventual piling of timber are to some extent accountable for this poor quality wood, but in general the inferior grades have found a better market, because of the price question, which generally still keeps perhaps just within 100 per cent. of f.o.b. prices of early 1914. Wood for the erection of houses is still the principal item of consumption; the railways are buying fairly largely, but packing-case makers are not well employed, and though the latter use the most common varieties, the latter are commanding what makers consider high prices. Though there are great expectations from the building trade, the timber trade will not find a satisfactory consumption until trade generally is better.

In hard woods for the furniture trade importers are still receiving large supplies, particularly from the United States, and to a lesser extent from the British East Indies. Mahogany boards and planks have also been received in good volume, and with a large import in 1923, and only a fair demand, stocks in the country must be large. Prices, however, keep very steady for these descriptions, and are likely to remain so.

Pitwood supplies have not been imported so largely, but the strike is having ill effects on the coal trade, and the demand for props has fallen. In home timber the demand is fairly good for fine quality material, but, like the foreign timber trade, native timber merchants are waiting, not for a seasonal, but a general improvement in trade.

VEGETABLE OILS AND OILSEEDS.

Business has been under the shadow of the dock strike all the week. Mills unable to get delivery of seed ex ship have been compelled to curtail oil production, and it has been reflected in the market for linseed oil in particular. Supplies of this commodity at present are very small, and dependent for expansion on the new Plate seed which is now arriving in port in substantial volume. Oil on spot at Hull sharply advanced to £50, naked ex mill, and February to over £47, but these eased £1 per ton on Thursday in consequence of profit-taking and the brighter outlook in the dock situation. Nevertheless, oil in near positions is still at a big premium over March delivery, but this will tend to disappear when production is resumed, and on a substantial scale. Crude Egyptian cotton oil has been in poor request, and has lost 30s per ton on the week. Other vegetable oils are about steady, and values not materially altered.

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In the oilseed section crushers have, in the uncertain position, refrained from operating, and very little business has been done in linseed. Better reports from Argentina have steadied the market, prices closing a shade higher on the week. Egyptian cottonseed, after a period of weakness, is showing a firmer tone.

HIDE AND LEATHER TRADES.

(BY OUR OWN CORRESPONDENT.)

The rapid rise in the hide market had a check on Thursday in Bermundsey, when values were practically unaltered. Best ox again sold from 7d to 8½d per lb, and seconds from 6½d to 7½d. Calf, however, were again dearer, and best sold from 7½d to 10½d per lb, two classes showing an advance of ¼d. The calfskin position is causing some anxiety; no French skins are available, and it is well known a large portion of the British supply is now bought up on American account. No official action has yet been taken by the federations, but I hear this is probable. In overseas hides our tanners are doing little, as prices asked at origin, and paid on the Continent and in America, are too high for their liking. Latest prices paid for Liebig hides by inscription were to 10½d to 10½d. Cables from New York report the Chicago position as strong, with best heavy steers selling at 16 cents.

The leather market is firm, and tanners are in a strong position. Little American sole leather is arriving, whilst the import of French bends has received more or less a check owing to the embargo. I hear, however, a certain quantity are now arriving as licences are granted. Bends of medium and light average are selling readily, and advances of 1d to 1½d per lb are being asked and obtained. Offal shares the firmness, and prices very firm. The boot trade is improving, especially for ladies and sports work, but export business has received a set-back this week owing to the dock strike, now happily settled.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, February 22nd.

SUGAR.—The market in general displayed a very steady tone, and of refined sorts a fair clearance was effected in British at previous rates. Messrs Tate and Lyle's cubes, 66s 3d to 67s 3d; granulated, 63s 7½d to 64s 1½d as to quality, forward 63s 6d; yellow crystals, spot, 59s 1½d. Imported kinds quietly steady. White Java, spot, 61s 6d; May-June, steamer, quoted 29s; June-July, 28s; July-August, 26s 6d, c.f. and i. terms, London. Czecho granulated, spot, 62s 9d to 63s; ditto, reopening of navigation, 34s 3d; April-May, 34s 6d, f.o.b., Hamburg. Belgian granulated, spot, 62s; Dutch ditto, 62s 6d. Raw refining sugars firmer, while sparingly offered. Cuban basis 96 per cent., March, quoted 29s 6d, c.f. and i., U.K. White terminal market generally active, and dearer in sympathy with higher American advices and reports of labour unrest in Cuba. March delivery sold, 34s 9d; May, 33s 9d to 33s 10½d, 33s 9d, 34s 1½d; August, 31s to 30s 10½d, 31s 3d; November, 25s 4½d; December, 21s 4½d cwt.

COFFEE.—Business was reduced to a minimum, and a nominal state of affairs largely prevailed, owing to the dock strike and delivery of goods uncertain.

TEA.—Quantity of Indian in auction totalled 61,340 packages, and with buyers acting cautiously an irregular and easier market resulted. Particularly with regard to the commoner kinds. 18,000 packages Ceylon met a good inquiry for the finer liquoring parcels at steady rates, but inferior proved slightly easier in some instances. Java and Sumatra steady for fine, but common lower in price.

COCOA.—Quiet, unaltered on spot. Accra, F/F quality, March-May, sold 36s 6d to 34s 6d, f.o.b. terms.

RICE firmly held, but demand is rather quiet. Two Stars, spot, London, nominally quoted 17s; February-March, 15s, 15s 3d. Japanese peas, spot, 21s 9d. Madagascar butter beans, new crop, spot, 32s 6d; old, 27s, 30s. Rangoon haricot beans, to arrive, hand picked, 9s 6d, f.a.q., 8s 4½d cwt, c.f. and i.

SPICE.—Pepper steady, with a moderate demand for whites. Black Singapore, February-April, L.S., quoted 48d. Muntok, February-April, buyers, 7½d; March-May, sold 7½d. Zanzibar cloves, March-May, 1s 1½d lb. Tapioca quiet. Singapore flake, February-April, 32s 6d, to Havre, and Penang, fair seed, to London, 30s 9d. Sago flour dull. January-March, quoted 16s 4½d; February-April, 16s; March-May, 15s 9d. Desiccated coconut quiet. Fine cut, spot, 43s 9d; medium, 45s 9d; half s, March-April, 42s 3d. Ginger firm. F.W.R., Ceylon, spot, 9s for sound per cwt.

JUTE market generally quiet, but dearer. First grade, February-March, Continent, quoted 26 12s 6d; March-April, 27 2s 6d; April-May, 27 10s 10s. Hessians firm, with a fair demand, while heavy goods claimed good support up to April shipment. 10 oz Hessians, afloat, sold 30s; February, 29s 6d; March, 29s 6d; 8 oz, March, at 23s 9d 100 yards. A twills, March, quoted 89s; April-June, sold 86s; B, March, changed hands at 78s 3d to 78s 6d; April-June, at 76s 6d. Sugars, April-June, done 86s 6d. Flour, March, 92s 6d per 100 bags.

HEMP.—Prices further advanced for Manila sorts under active support accorded and reserve of sellers. J grade, February-April, sold 33s 10s; K, ditto; also March-May done 32 10s to 33; L, ditto, 33 5s to 33 12; M, ditto, 28 10s to 29; G, March-May, quoted 44; H, 43. African Sisal, No. 1 Tanganyika, March-May, quoted 43 10s; Kenya, 42 10s a ton c.f. and i. terms.

SHELLAC.—Steady. T.N., fair spot, 290s; March, quoted 290s; May, sold 285s to 287s 6d.

OPERA steadily held, and a moderate demand ensue. F.M.S. Straits, December-February, Rotterdam, quoted 30 10s; January-March, 29 17s 6d; February-April, sold at 29 15s; Dutch East

Indies, January-March, quoted 29 12s 6d; South Sea, February-March, 22 5s; Ceylon ditto, 23; F.S. Straits, January-February, 23; 30 5s to 30 10s. Palm kernels steady, quiet. Mar h-May, to Liverpool, quoted 20 11s 3d per ton.

RUBBER steadier, and quite a fairly good volume of business was carried through. Standard plantation crepe and sheet, spot, also February, sold, 1s 1½d; March, 1s 1½d to 1s 1¾d; April-June, 1s 2d to 1s 2½d and 1s 2d; July-September, 1s 2½d to 1s 2¾d and 1s 2½d; October-December, 1s 2½d. To New York, standard estate sheet, March-April, quoted 1s 2d per lb, c.f. and i. Wild sorts quiet, unaltered.

GAMBIER firm, with few sellers. Block, February-March, quoted 56s per cwt, c.f. and i. terms.

FRUIT (Dried).—The market is very steady but quiet. Australian currants quoted 53s; Pyrgos quarter cases, 46s; Amalia, 50s; Patras, 52s; Vostizza, 70s to 75s. Valencia raisins, half boxes, 50s; quarters, 60s to 80s. Dates quiet, owing to demand on Continent account subsidizing. Hallowee, spot, quoted, 30s; Khredrowie, 19s 6d; and Siam, 17s. Figs, genuine naturals, in bags, 38s to 40s. The market for evaporated fruits bids fair to remain comparatively high in price, as stocks are well cleared into consumers' hands. Californian apricots, choice, quoted, 85s; fancy, 110s; pears, extra fancy, 105s; apple-rings, 75s to 80s; French plums, quarter cases, 90/95, quoted 3's 6d; 8/186, at 41s; 7/177, 47s; Oregon, 30/40, at 73s; 40/50, 58s per cwt.

CANNED GOODS.—The general tone of this market is firm but slow. Portuguese sardines, ½-flats, 2s 9d to 3s 3d; ditto clubs, 3s to 3s 6d; 12 oz, 5s 6d to 6s 6d; 18 oz, 9s to 11s per dozen tins. Lobster quietly steady. Fancy halves, spot, quoted 130s to 135s. Crayfish, 96 ½-lbs, 76s. Salmon was a firm market under sustained inquiries; 1 lb flat reds, labelled, quoted 56s; ditto, tall, 44s; 1 lb flat pink, 27s; ditto, tall, 26s 3d; and cases of 96 ½-lbs, 29s to 30s per case. Canned fruits continue to sell readily. Singapore pines, 1½-lbs, on spot, 6s 7½d for forty-eights; Hawaiian slices, 2½-lbs, 16s 6d to 17s. Californian apricots, 8s to 11s; ditto, peaches, 9s 6d to 13s; pears, 13s 6d to 15s; Australian, 2½ lbs, 8s 6d; ditto peaches, 8s 9d to 9s 3d. Italian tomatoes, 7s per dozen tins. Meats firm, quiet.

OILSEEDS.—Linseed firm, with a fair demand for Plate descriptions. Indian: Calcutta, afloat, 23; February-March, 21 10s; April-May, 20. Plate, afloat, 19 2s 6d; January-February, sold, 18 15s; April-May, 18 5s. Rapeseed depressed. Toria, February-March, 19 5s; March-April, 19 10s; Jamba, February-March, 15 2s 6d; and real bold Ferozepore, February-March, 19 12s 6d. Cottonseed quiet. Egyptian, black, March, sold, 13 8s 9d. Sakelardis, 12 3s 9d to 12 5s. Hull, Bombay, January-February, 11; February-March, sellers, 11. Gingly seed, steady. Chinese, afloat, 26 15s. Groundnuts quiet. Coromandel, machine-dried, January-February, 23 15s; Ch nese, decorticated, f.a.q., February-March, 23; bold Bombay, February-March, 23 7s 6d. Soya beans steady. Manchurian, afloat, 13 15s; January-February, 13. Castor-seed quiet. Bombay, February-March, 24 2s 6d per ton.

OILS.—Linseed firmer, especially for near positions. Spot, net, naked, 54s; February, 47s 6d; March-April, 42s; May-August, 39s. Rape quiet. Crude, spot, 48s; refined 51s Castor oil firm. First pressure, spot, quoted 62s; second pressure, 61s; and pharmaceutical, 6s per cwt, Hull, with London 2s per cwt extra. Cotton steady. Crude Egyptian, spot, 45s 3d; Bombay, 43s; common edible, 50s; deodorised (in barrels), 54s 6d. China-wad qu'et. Hankow, spot (barrels), 94s; February-March, 96s. Coconut quiet. Ceylon, spot, 49s; February-March, 47s; Cochin, ditto, quoted 59s. Soya quiet. Oriental, barrels, February-March, 44s 6d. Cod firm. English, spot, 36s 6d. Groundnuts steady. English, cru-hed, naked, spot, 53s; deodorised, barrels, 60s. Turpentine steadier. American, spot, 77s 6d; March-April, 78s. Rosin, firm. American, grades B to G, 13s 6d; WG, 17s 6d; WW, 19s per cwt. French WW, 17s per cwt. Petroleum steady. American, standard white, spot, 1s; and water white, 1s 1d per gallon.

TALLOW.—Messrs Colchesters and Woolner write on February 20th as follows:—The tallow market was steady during the week, and prices were unchanged to-day. It was not worth while holding auctions to-day as there was too little available. Shipments of tallow from Australasia during January amounted to 2,400 tons, against 4,500 tons during the same month last year. Quotations are:—Australian mutton: Fine, none; good to fair, 51s to 48s; dull to dark, 43s 6d to 41s 6d; hard, none. Australian beef: Fine, 47s 6d; good to fair, 47s to 44s 6d; dull to dark, 43s to 41s 3d; sweet, none. Present shipment from Australasia: Good mixed, 46s. The market letter is unchanged. Town tallow, 41s 6d per cwt. Rough fat, per 8 lbs, 44d; melted stuff, 32s 6d per cwt. Quotations are:—Town, 43s, net cash, naked, ex works. Country: Frail casks, 43s; home melted, shipping casks, net, f.o.b., good coloured, 46s; fair to dull, 43s to 42s 6d. Bone fat: White, none; pale, none; benzine, 39s 6d; melted stuff, 39s, f.o.b.

METROPOLITAN CATTLE.—FEBRUARY 21.

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

Beasts—Herefords	nominal	Beasts—Heavy Bulls	nominal
Shorthorns	nominal	Canadian	nominal
Devons	nominal	Sheep—Downs	nominal
Norfolks	nominal	Ewes	nominal
Scottish	nominal	Crossbred	nominal
Irish	nominal	Scottish	nominal
Fat Cows	nominal	Lamb—Downs	nominal

Prices nominal owing to restrictions imposed by foot and mouth disease regulations.

LONDON POTATO MARKETS.—FEBRUARY 21.

Per Cwt	s	d	s	d	Per Cwt	s	d	s	d
English Arran	10	6			Majestic	10	6		
Chief	10	6			Blackland	8	0	10	0
King Edwards	11	0	11	6					

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If you are interested in The Story of Coal cut this advertisement and file it. It will be followed by others telling other parts of the Story. Look out for them. They are being issued on behalf of the Colliery Owners of Great Britain by PHILIP GEE, 10, King Street, Covent Garden, London, W.C.2, from whom further information about the Coal Mining Industry can be obtained.



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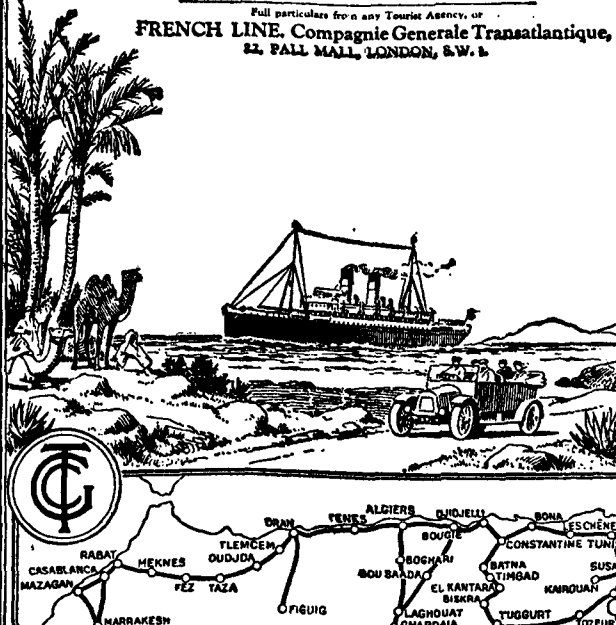
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THE easier conditions which were noticed at the end of last week, following a period of distinct stringency, have continued. Short loans have been in comfortable, but not too ample, supply at round about $2\frac{1}{2}$ per cent., which has also been the general charge for fixtures. The greatest case is apparently the result of skilful management of

Government finances, the movements in which find some reflection, though an incomplete one, in the figures of the Bank return. In the belief that the ease may continue, and in the view that apprehensions of a rise in the value of money after the close of the fiscal year may be dismissed, the market has allowed discount rates to fall away, and fine three months' paper has sometimes been taken at as low as $3\frac{3}{8}$ per cent. On Friday private tenders were invited to a line of Port of London bills to the amount of £2,500,000, of which £500,000 represented new borrowing. The easy tendency influenced the rate at which the weekly offer of Treasury bills was allotted, and also resulted in a very favourable rate for the Port of London offer.

	Feb. 23, 1924.	Feb. 22, 1924.	Feb. 15, 1924.	Feb. 8, 1924.	Previous Rate and Date Changed.
Bank Rate	4	4	4	4	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount Call	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	1 $\frac{1}{2}$ (Jly. 5, '23)
Market rate (3 months' bills)	3 $\frac{3}{8}$	3 $\frac{3}{8}$	3 $\frac{3}{8}$	3 $\frac{3}{8}$	..

The Bank return showed an increase of £814,700 in the circulation, and, with £8,700 added to the bullion stock, the Reserve was £806,000 lower. Maturing Treasury bills have apparently not been fully replaced by new bills in the hands of the market, for Government borrowing has been necessary, Government securities being £6,163,300 higher on the week, though the heavy fall in Other securities, which were £5,198,300 lower, suggests that the unreplaced maturities were largely in the hands of the Bank. Public deposits were £2,418,500 lower, and Private deposits gained £2,547,000 as the result of the week's transactions, thus explaining the easier condition of the short-loan market. While the aggregate liabilities were not much altered, the fall in the Reserve produced a decline of 0.7 in the proportion at 18.0 per cent. Currency notes outstanding were increased this week by £342,500 to £277,468,000, which includes £1,407,100 for notes called in but not yet cancelled. The fiduciary issue is £226,610,000, or £21,580,900 below the maximum.

THE STOCK MARKETS.

While there has been a substantial falling off in business in some departments, the stock markets have still displayed a moderate amount of activity. Gilt-edged stocks, with the exception of Conversion Loan, which is inclined to give way, maintain their firmness. The relapse of the franc after its recent recovery brought down the price of French bonds, but Austrian Sixes continue to be a good feature of the foreign market. Japanese Six per Cent. Scrip has remained steady at about 3 premium. Public interest has deserted the Home Railway market, and the prior charges are rather lower. Argentine rails have fluctuated. Rubber shares are inclined to go better, but the Oil market is languid after its recent activity. In the Miscellaneous section, Bank and Insurance shares have been strong, but Shipping shares are quiet. Whiteleys rose sharply on the increase in the distribution, and other stores have improved a little. Kaffirs are dull, but Cam and Motors have again been buoyant.

THE COMMODITY MARKETS.

The commodity markets are in varied mood. A depression in prices is reported on the Cardiff coal market, as an aftermath of the dockers' strike, and our Middlesbrough correspondent, referring to conditions in the pig-iron market, states that there appears to be a lack of confidence in the future. Business in steel is very quiet. In the cotton trade, although material rates have been easier, the general tone of the market is firmer. The wool trade appears to be settling down to the idea that wool prices will continue strong. Jute hardened on cable advices from Calcutta, and tea was firm. Wheat finished the week in demand. The rubber market is without feature. Tin regained strength, and copper improved. There is an inclination to weakness in hide prices, while oilseeds are lower.

FOREIGN EXCHANGES.

In the foreign exchange market interest during the week has again centred on the movements of the Paris rate, business as a whole being on a restricted scale. From a closing rate of 100.85 on the 22nd, the franc recovered on Saturday to below 100, and at one time on Monday reached as low as 96.75. From this, however, there has been another reaction, and the announcement of the fall of the Belgian Cabinet brought up quotations with a run to a new record figure of 105.60. Afterwards the market steadied again somewhat, but yesterday morning's quotation of 102.60 shows little promise of real improvement. The course of the Belgian franc has been still more unsatisfactory. From 115.75 a week ago it recovered on Saturday to 113 $\frac{1}{2}$, but has since mounted up again, until 123 $\frac{1}{2}$ was reached at one time on Thursday, and the recovery of yesterday morning had not brought it again lower than 120 $\frac{1}{2}$. Now that political developments in Belgium have added their emphasis to the uncertainty of the French outlook, there is little necessity to explain these expressions of a growing lack of confidence. Forward rates in Paris have jumped again from 70 centimes last week to 1.10 francs per month above spot, in Brussels from 15 to 25 centimes above. The dollar has moved somewhat uncertainly within narrow limits, and at \$4.30 $\frac{1}{2}$ yesterday morning compares unfavourably with \$4.31 $\frac{1}{2}$ a week ago, after being as low on the 26th as \$4.29, a demand for sterling in New York being slightly more than balanced by the continued offering of sterling from the Continent. Forward rates at $\frac{1}{2}$ cent per month above spot are again slightly narrower than the $\frac{3}{8}$ cent quoted a week ago. In spite of the movement of the franc the lira has again remained relatively steady, moving on the week only from 99 $\frac{1}{2}$ to 100, while the German mark maintains its remarkable stability at 19 $\frac{1}{2}$ billions, buoyed up still by the hope of the success of Herr Schacht's central bank proposals. Among neutral currencies Holland has this week moved against us from 11.53 $\frac{1}{2}$ to 11.52 $\frac{1}{2}$, and Switzerland is also slightly dearer at 24.84 $\frac{1}{2}$, as compared with 24.90. Spain, however, has depreciated further on growing uncertainty as to the immediate future of the internal situation, from 33.96 $\frac{1}{2}$ to 34.06 $\frac{1}{2}$. In the north, Stockholm has increased in value from 16.50 to 16.47 $\frac{1}{2}$, and Copenhagen, after some sharp movements, has also moved erratically, ending the week at 32.57 $\frac{1}{2}$, as compared with 32.82 $\frac{1}{2}$ on the 22nd. Finland at 171 $\frac{1}{2}$ is unchanged. In Central Europe, Warsaw is maintaining its provisional stability at 39 millions, and Vienna shows little change at 305,000, as compared with 305,500. Prague has gone against us from 148 $\frac{1}{2}$ to 148, but Bucharest at 820, as compared with 750 on the 20th, has again lost practically the whole of last week's recovery. In the East, the rupee, as the result of the seasonal swing and heavy Government remittances, has again weakened to 15 4 $\frac{3}{8}$ d, as compared with 15 4 27-32d a week ago, and the yen has also cheapened from 25 1 5-32d to 25 1 $\frac{1}{8}$ d. The silver market has been quiet and uncertain, with some China sales and bear covering from India. Any hardening of prices, however, is at once met by offers from the U.S.A. Hong Kong stands at 25 3 $\frac{3}{8}$ d, as compared with 25 4 $\frac{1}{2}$ d a week ago, and Shanghai at 35 3d, as compared with 35 3 $\frac{1}{2}$ d. In South America, Rio has weakened a little from 6 40-64d to 6 $\frac{1}{2}$ d, and Buenos Aires is also cheaper at 43 $\frac{3}{8}$ d, as compared with 43 9-32d. Monte Video has fallen from 43 $\frac{3}{8}$ d to 42 $\frac{3}{8}$ d. Valparaiso at 42.50 pesos compares with 42.30 pesos on the 22nd.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended February 23rd:—

EXPENDITURE.		RECEIPTS.	
	£		£
Supply Services	7,500	From Revenue	25,814
Interest, &c., on Debt	804		
Sinking fund	500		
Sundries	151		
Reduction of Debt	16,530		
Increase in balances	329		
	25,814		25,814

Revenue receipts for the week, at £25,814,000, compare with £29,762,000 for the corresponding week of last year. Customs were slightly down at £2,929,000, against £3,050,000, but Excise was £2,500,000 higher at £5,719,000. Estate duties yielded only £620,000,

against £1,130,000, and Post Office receipts were £250,000 lower at £1,000,000. Property and Income-tax reached £11,263,000, and Super-tax £2,600,000, against a combined total of £18,141,000 for the corresponding period. Nothing came in from special receipts, as against £1,500,300 a year ago. The week's operations reduced the National Debt by £16,530,000, and caused the following changes:—

(000's omitted.)	
Unemployment Insurance....	+ £ 60
Treasury Bills.....	- 12,140
Public Departments	- 4,350
Saving Certificates	- 100
	+ 60
	- 16,530

The floating debt was reduced by £16,515,000 to £796,700,500.

FINANCIAL YEAR, 1923-24 (April 1 to February 23, 1924).

£		£	
Total Expenditure ..	688,443,527	Raised by Revenue ..	713,853,523
Net Repayments.....	28,095,403	Decrease in Balances ..	2,685,407
Total	716,538,930	Total	716,538,930

ESTIMATES FOR YEAR 1923-24.

£		£	
Ordinary Expenditure ..	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure..	15,603,000	Special Receipts....	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Company Meetings of the Week.—On later pages of this issue will be found a letter by Mr P. A. Carmine on his recent visit to South America giving his views on the financial and industrial conditions in Brazil, also the reports of the following companies:—London Midland and Scottish Railway, Great Western Railway, Manchester Ship Canal, National Provident Institution, British Trade Corporation, Selfridge and Co., Bovril, Henley's Telegraph Works, Jeremiah Rotherham and Co., Maple and Co., and Spencer, Turner, and Boldero.

THE WEEK IN PARLIAMENT.

MONDAY, FEBRUARY 25TH.—In the Commons, Diseases of Animals Bill considered in Committee. Five Supplementary Estimates. Adjournment debate on London Traffic. Questions on Imperial Economic Committee, Jubaland, new cruisers, Germans Reparations (Recovery Act).

TUESDAY, FEBRUARY 26TH.—The Commons debate the Poplar order. Questions on Census of Production, Bank Amalgamations, Air defence, and Kenya. In the Lords, Government statement and debate on India.

WEDNESDAY, FEBRUARY 27TH.—In the Commons, Diseases of Animals Bill read a third time. Debate on second reading of Trade Facilities Bill adjourned. Adjournment debate on Mr Henderson's Burnley statement on Versailles Treaty. Old-Age Pensions and Unemployment benefit discussed. In the Lords, debate on India resumed.

THURSDAY, FEBRUARY 28TH.—Mr Buxton, in the Commons, stated Government's agricultural policy. Board of Agriculture supplementary estimate passed. Questions on Reparations Recovery Act and Soviet recognition. The Lords debate the Lausanne Treaty.

FRIDAY, FEBRUARY 29TH.—In the Commons, Representation of the People Act (1918) Amendment Bill debated.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

THE TROUBLES OF THE GOVERNMENT.

The revival of confidence which was felt throughout the country when Mr Ramsay MacDonald announced his new Ministry has not been checked by the experience of a month of Labour government. On the contrary, the country fully realises the honest efforts that are being made by the Prime Minister and his colleagues to fill the difficult rôle of a minority Government, and to give proofs of their moderation. In the House of Commons, on the other hand, the situation is not quite so satisfactory. The Government are meeting unexpected difficulties both within their own party and in their relations with the Liberals and Conservatives, and are making rather heavy weather with their task. This is partly the result of blunders due to inexperience on the part of many of the Ministers; but it is also to some extent due to the fact that both the older parties, which have much greater experience and nimbleness in using Parliamentary procedure to their own advantage, have been tempted by a natural exuberance to make the most of the weakness of the Government. This has led to waste of time, and, if it is continued, may end by making the position of the Government untenable. A series of semi-crises is extremely wearing to Ministers, and in particular to the Prime Minister, who is carrying far too heavy a load on his own shoulders. Of the three main issues on which the Government has up to the present been challenged—namely, the withdrawal of the Poplar Order, the decision to go on with the building of five cruisers, and Mr Henderson's unfortunate remark at Burnley as to the need of revising the Versailles Treaty—the first raises the point of greatest permanent importance. The debate on Tuesday was, however, unsatisfactory; for it failed to bring out the real point of principle involved. Since 1921, and largely as a result of difficulties with Poplar, out-relief in London, which has been needed to supplement Unemployment Insurance, has been paid for from a common fund. But the amount that can be spent by any Board of Guardians out of this fund is limited to a fixed scale per head or per family. The new Minister of Health quite properly points out that his action does not affect the extent to which Poplar can draw upon this fund. But this is not really the point which was raised by Sir Alfred Mond when he tried to control the expenditure of the Poplar Guardians three years ago. Under the arrangement to which we have referred any Board of Guardians can, if it likes, increase outdoor relief payments above the fixed scale, provided it raises the surplus out of its own rates. Sir Alfred Mond's Order, based upon the Act of 1834, attempted to dictate to Poplar the total scale which the Guardians might pay to individual recipients, and by so doing affirmed the principle that the Central Authority has an interest in the scales of relief which are given in a particular locality. His action was little more than a demonstration, for neither he nor his successors attempted to enforce the views of the Central Authority by actually preventing these additional payments, and though Sir Wm. Joynson Hicks said that he had a Bill in preparation for dealing with the position, Mr Wheatley was only recognising the existing situation in repealing the Order. The repeal, however, does alter the situation; for it means that the Ministry of Health has abandoned the claim to dictate to individual Boards of Guardians whether they may or may not supplement the official scale. In our view, though the Mond method may have been ineffective, the principle raised was a sound one; for the claim of the Poplar Guardians that outdoor relief may be used to compel the employer to pay higher wages is one which cannot be admitted. It is hard enough as it is to arrange with anything like equity the wages rates of different trades and localities. But a further element of confusion would be introduced if any Board of Guardians, backed by the power of taxing their particular locality, could set up any level of maintenance for persons out of work which it may think fit. Last Tuesday's debate never came to grips with this problem. The debate on the five cruisers was to a large extent a sham fight, for the attackers never had sufficient information to substantiate their case, and we may doubt whether they would have taken any different action if

they had had the responsibility of a decision. Mr Arthur Henderson's statement about the Treaty of Versailles is in a different category. As Mr Baldwin observed, with a sly dig at one of his late colleagues, "a man is called Home Secretary to show that he deals with Home Affairs, and for a Home Secretary to talk as he did of foreign affairs is quite as dangerous as for a Minister of Labour to talk about finance." The Home Secretary has been in politics long enough to know that he cannot now speak as a private individual, and it is surprising that he fell into the trap which has enmeshed several less experienced members of the Government in the last month. His statement has been repudiated by Mr Macdonald, and will serve its purpose in driving home the doctrine of Cabinet responsibility which seems to be not well understood in the Labour Party. His slip, however, has not prevented his election at Burnley by the handsome majority of 7,000—a result which shows that the Liberals of this typical industrial town endorse by a big majority the decision of the Liberal members in the House to put a Labour Government into office.

The Government has, however, survived its infant ailments, and is making a beginning with the introduction of some modest measures of reform which, on the whole, have been received with general approval. These measures will call for comment in their place, but at present they do little more than indicate that the Government are feeling their way in the various departments towards legislative action. The first really big effort will, however, be the Budget. Two months ago we estimated that there would be a surplus of at least £20 millions. The indications now are that the surplus will be nearly double that figure. The remissions of taxation made last April do not take full effect in the current year, and will cause a further loss of revenue next year of £23 millions. On the other hand, special receipts, which were estimated at and seem likely to bring in £40 millions this year, will certainly be down by £10 millions, and possibly by £20 millions. But it seems fairly certain that, in drawing up the 1923-4 Budget, Mr Snowden will be able to assume that, on the basis of existing taxation, and estimating the yield to be the same as this year, the revenue would cover existing expenditure. There are, however, a certain number of automatic reductions which will take place on the expenditure side, for example, in pensions, and, as we have from time to time pointed out, the demands for the ordinary Civil Services are not yet down to their proper ratio over pre-war figures. The two senior fighting services also seem to have over-budgeted in the last two financial years, and the Government may possibly be able to finance the new construction of the Admiralty and the increase in the Air Force without any gross increase in the total figures for the fighting Services. If this hope is realised, the Chancellor will have a margin to dispose of. But this margin must not be put too high, and we would sound a note of warning against exaggerating it by assuming that there will be any automatic expansion in the revenue next year on account of trade recovery. We believe that, in fact, there will be a handsome recovery of trade. But it will not affect income-tax or super-tax yield next year, and though Customs and Excise are more subject to variation, even under this head the yield has not fallen in recent years in anything like the same proportion as the trade depression and will not rise much as trade increases. The reason is that far the largest of our duties are on articles of general consumption, and as family receipts of most working-class houses in the country have been more or less maintained throughout the depression in various ways, consumption of these articles has not fallen off. If there is increased earning power in the coming year, it will show itself in the main in the purchase of goods not subject to duty. The effect upon the budget of increased prosperity is therefore likely to show itself slowly.

The conclusion, therefore, is that the Chancellor, though he may be able to estimate a surplus on existing taxation, will not have anything like enough to meet all the claims which are being made upon him for housing, for removing the thrift disqualification in old-age pensions and for widows' pensions. He certainly will not have means to lower taxation. In these circumstances he will have to pick and choose, and we cannot pretend to anticipate his de-

cision. We will only say that, if there is anything in the rumour that he proposes to make substantial concessions on the Entertainments Tax by removing the duties on seats up to 2s, he will, in our opinion, be making a great mistake. The idea that we should aim at a system of relieving the working-class family of all taxation is a thoroughly unsound one. Taxation should be graded, and graded steeply, but it is surely undesirable for any large class of the community to be entirely relieved. The Entertainments Tax is the luxury tax of the working classes in the same sense that motor taxes on private vehicles are a luxury tax on the well-to-do, and in both cases they form a very valuable supplement to the main means of taxing those two sections, namely, graded direct taxes (income-tax, super-tax, death duties, &c.) and taxes on articles of general consumption respectively. There may be a case for changing the incidence of the tax upon high and low-priced seats. But we can see no case at all for the abolition of the tax on any particular section. Mr Snowden will also undoubtedly be pressed by the insistent demands from the various departments to raise an increased revenue from direct taxation, but we think he would be best advised to hold his hand for the current year and to prepare a well-thought-out policy for the budget of 1925. Moreover, this course would seem to be the appropriate one in view of the Chancellor's intention to appoint a Committee to inquire into the National Debt and the incidence of taxation—an inquiry which, we take it, is intended as a serious examination of a very complex subject, and not a mere piece of window-dressing.

THE FOREIGN POLICY OF THE UNITED STATES.

THE international outlook of America at this moment is of peculiar interest to the rest of the world. Not only are there better prospects of escape from the *impasse* in the European situation than there have been at any time since France occupied the Ruhr, but there are indications that these prospects may not this time be clouded for want of American co-operation. American experts are sitting on the two committees engaged upon the financial problems of Germany, and in this connection President Coolidge has made a significant statement. "Without doubt," he said in a recent speech in New York, "any settlement would call for a European funding and financing which would be of doubtful success without American participation." European readers will therefore turn eagerly to the address on "Recent Questions and Negotiations" delivered on January 23rd last by Mr Hughes, the Secretary of State, before the American "Council on Foreign Relations"—a non-official but authoritative body which corresponds to the "British Institute of International Affairs."* They will be correspondingly disappointed to find that what (to America, surely, as well as to Europe) is the crucial question of international relations is passed over, and that Mr Hughes confines his survey to the important but still secondary questions of the Liquor Traffic, Mexico, and the Near East. Did he, in fact, take his countrymen into his confidence on the central theme in passages which may have been omitted, conceivably, from the published version of his address for reasons of discretion? If so, the secret has been well kept, and we must content ourselves with a glance at the points which he does discuss (which, after all, are sufficiently interesting in themselves) before discussing the general state of American public opinion.

The Liquor Traffic Convention between the United States and Great Britain (representing all the constituents of the British Empire) was actually signed on the day on which Mr Hughes' address was delivered. His remarks on it show the legal acumen and the understanding of the other party's case which are to be expected from a distinguished lawyer and statesman, and they explain the basis on which the bargain has been struck. The United

* "Foreign Affairs." Special Supplement to Vol. II., No. 2.

States reaffirms in principle its adhesion to the "Three Mile Limit," and consents to the import of alcoholic liquors into American waters by foreign vessels in transit and under seal, in exchange for British consent to the pursuit of detected or suspected contrabanders beyond territorial waters for a distance of "one hour's steam." There is, of course, a variable element in this limit which leaves a loop-hole for controversy, but happily both the nations concerned have a high standard of common-sense. They are both anxious to remove this source of friction between them, and now that a diplomatic agreement has been arrived at by the Governments, the latter may reasonably trust their respective nationals to make it work in practice.

Mr Hughes' discussion of the Mexican problem reminds British readers that, while the frontier between the United States and Canada is happily exceptional in giving rise to none of the phenomena characteristic of land frontiers in the Old World, America is less fortunate on her southern border, where she suffers all the inconveniences and anxieties of a continental Power separated by an artificial line from a turbulent and comparatively uncivilised neighbour. Thus Americans are able to imagine more vividly than Englishmen what Germany feels about Poland or Poland about the Soviet Federation—except that, in America's case, the nuisance is not aggravated by fear. On the other hand, it is sufficiently acute to induce the United States Administration to take active measures with a view to maintaining in being any well-intentioned Government with reasonable prospects of stability which may arise in the territories of her southern neighbour, and Mr Hughes explains very clearly how this consideration has governed Washington's attitude towards President Obregon, who has not only been recognised by the United States, but has been allowed to purchase a limited quantity of munitions for the suppression of the insurgents, and even to move Mexican Federal troops across United States territory in order to facilitate his military operations. It is interesting to learn that such considerations have affected the American attitude towards the international regulation of the arms traffic. "One of the grounds," Mr Hughes tells us, "upon which, under President Harding's administration, this Government declined to become a party to the Convention of St Germain relating to the traffic in arms was that the Convention not only left the signatory Governments free to supply each other with arms *ad libitum*, but prevented the sale of arms to Governments not signatory, and it was then pointed out that this would prevent our Government from selling arms to our neighbouring Republics not parties to the Convention, however necessary that course might be to the maintenance of stability and peace in this hemisphere."

In regard to the Near East, Mr Hughes justifies the policy of the United States Government in not recognising King Constantine during his restoration in 1921-22, and again in concluding peace with Turkey last August on the same lines (save for the omission of territorial clauses) as had been followed in the Treaty of Lausanne—that is, on a basis of equality of status and reciprocity of advantages, which involved the abandonment of both the theory and the practice of the capitulations. His incidental strictures on the irresponsible encouragement of Near Eastern nationalities by outside Powers are so admirable as to deserve quotation. "It should be remembered that a large part of the distress in the Near East has been caused by encouraging action which failed of adequate support. At various times the Armenians and Greeks have been encouraged to take up arms, later to be left to their own devices. This Government, however, would not be justified in promoting such a policy on the part of others which it was not prepared itself adequately to sustain." The Near Eastern peoples, severally and collectively, might well pray that such clear-sighted honesty might guide the policy of all the Great Powers on whose action their destinies depend. Mr Hughes is perhaps less clear, however, in his incidental observations in connection with the "Chester Concession":—"Opening the door for American nationals, we give them impartial and appropriate diplomatic support in the assertion of what appear to be their legal rights, but without other-

wise involving this Government." Students of economic imperialism, such as the American author of a brilliant work on the Baghdad Railway†, will hardly be impressed by the limiting clause of this formula, and will judge that the United States Administration will owe more to national tradition and common-sense than to officially formulated policy if America is to escape burning her fingers (that old story!) by attempting to pull her citizens' chestnuts out of other people's fires.

Certainly, Mr Hughes' address is an interesting document, but the fact remains that, on the point which most whets our curiosity, he has preferred to be silent. We know that this silence does not mean indifference on the part of the Government which Mr Hughes represents. Indeed, Europeans in touch with the solid technical and administrative elements in international relations (as far as these can be distinguished from the more specifically political aspects which receive prominence in the newspapers) are aware that the United States Government has co-operated in this field, all along, with Governments on this side of the Atlantic, and with the Secretariat of the League of Nations to a greater extent than is commonly realised by the public on either Continent. It is a different matter, of course, when we turn from the Government to the people, for, as far as American public opinion goes, there are signs that, just at present, there is less interest in European affairs than at any time since the withdrawal of America from our concerns in 1919-20. The remarkable level of prosperity which American business has latterly attained—and seems likely to retain for a great many months to come—prevents the question of the restoration of overseas markets from becoming an acute question of home politics, as it now is in Great Britain with our problem of unemployment. As far as the degree of public interest in a subject can be gauged by the relative amount of space devoted to it in newspapers and magazines, the American interest in Europe has sunk to a very low point indeed, and the "Oil Scandal" has recently supplied a positive preoccupation which intensely and even passionately interests the American mind. The dramatic circumstances of its detection, the prominence and the increasing number of the personalities involved, and the magnitude of the national stake at issue—which is that of "Clean Government" in almost all its bearings—combine to focus the attention of the American people upon this single subject of interest. This absorption may continue for some months, and will undoubtedly be of capital importance in the presidential election. For foreign observers, it is a delicate matter to discuss what is so essentially a domestic affair of the United States. Our practical concern is to know whether its influence upon American internal politics will have repercussions upon American policy in international affairs. But, as far as can be seen at present, the answer to any such suggestion is in the negative. It is true that both the existing political parties are in different degrees implicated in the oil scandal, but the opportunity thus presented to a third party finds no candidate to seize it. The power of the Farmers' Party in the Middle West, of which much was expected several years ago, appears to be on the decline. The Labour Party "is not." When the oil scandal subsides, it will probably be found to have left American politics unaffected as far as foreign affairs are concerned. Meanwhile, we may look to the Administration to carry forward their policy of co-operation in technical matters on the present lines.

SOCIAL INSURANCE.

In these days, when social insurance upon a national scale is becoming of increasing importance, we welcome public aids to the comprehension of it, such as Sir William Beveridge's little book "Insurance for All and Everything."* What the author sets forth to do is to describe the systems which now exist, to explain how they leave gaps at present uncovered, and to suggest some co-ordination between them, so that "their edges may fit, neither overlapping nor leaving holes through which

† E. M. Earle: "Turkey, the Great Powers and the Baghdad Railway A Study in Imperialism." (New York). 1923. Macmillan and Co.

* "Insurance for All and Everything." By Sir William Beveridge K.C.B. "The New Way" Series, No. 7. Price 6d. The Daily News, Limited.

people can drop undeservedly into destitution." These systems should, he adds, "be amalgamated only so far as this can be done without harming their efficiency for their specific tasks."

The four emergencies for which statutory provision is at present made are:—industrial accident, sickness, unemployment, and old age. There are two others closely allied for which there is no provision, except by private insurance, namely: widowed motherhood and the death of the wage-earner other than by industrial accident. Public opinion, in so far as it is represented in the House of Commons, seems to be practically unanimous on the provision of pensions for widows, graded in accordance with the number of children which they may have to support. Sickness and unemployment insurance are contributory, by workpeople, employers, and the State. Industrial accidents are a liability of employers, and are, by them, voluntarily insured against in the insurance market. Old-age pensions, at present at 70, are non-contributory, and are hedged about with a poverty qualification which is a direct discouragement of thrift, and is generally condemned as unjust and vexatious. As Sir William Beveridge points out, contributory insurance has won on its merits. It accords with popular sentiment against giving or getting something for nothing. If we were to begin over again we should, in all probability, make old-age pensions contributory as, without a doubt, we shall make widows' pensions contributory when they come within the circle of statutory systems. After all, the provision of widows' pensions is simply the life insurance of the husband, which can be done at present most economically by means of "ordinary" life assurance at monthly premiums. The best and most efficient way to work the widows' pensions will be by means of the existing insurance organisations. Old-age pensions might also be brought into operation at age 65, instead of 70, by adding to the existing pension system a contributory benefit.

Sir William Beveridge, like most other people who have examined the seductive proposal for "insurance by industries" against unemployment, thinks that not much will come of it. His opinion is that the "most hopeful field for its operation lies in schemes for adding to the basic State benefit, as trade unions already do." That is also the view of the representatives of the National Confederation of Employers' Organisations, who recently reported upon the working of the Unemployment Insurance Acts. Unemployment insurance on a national scale at flat rates of contributions—by employers, workmen, and the State—is at present rather under a cloud. The system, established in 1911, and much extended in 1920, has not been able fully to cope with the volume of unemployment during the past three years. "Uncovenanted benefit" has had to be tacked on to it by special legislation, and the Insurance Fund has been compelled to borrow considerable sums from the Treasury. The word "dole"—a question-begging word of evil sound—has been employed very generally in relation both to the payments of "uncovenanted benefits"—which, to some extent, are of the nature of a dole—and also to the covenanted unemployment pay, for which employers, workmen, and the State have provided the statutory funds, and to which the workmen are fully entitled. Thus the insurance part of the fund has been confused with the emergency, or dole, part, to the discredit in the public mind of the whole scheme.

The national scheme itself, omitting for the moment the emergency additions, for which the fund has had to borrow from the Treasury, was commended, we think justly, by the representatives of the National Confederation of Employers' Organisations, who were invited by the late Minister of Labour, in 1922, to examine and report upon it. The Confederation have no doubts upon the merits of the scheme in principle, and they hold that its working has demonstrated the feasibility, in normal times, of making provision, by way of insurance, for helping the genuine workman over periods of temporary and unavoidable unemployment. Let us, for our part, illustrate this conclusion of the Confederation by a few figures drawn from other sources. During recent years the annual revenue of the Insurance Fund from statutory contributions has

been, approximately, £50 millions sterling. Of this large amount, employers have contributed 19 millions, the workers about 17½ millions, and the State rather more than 13 millions. The statutory contributions, even in these distressing days, are more than sufficient to maintain the solvency of the fund so long as the number of unemployed in receipt of statutory benefits do not much exceed a million. Even with the present abnormal unemployment of between 1,100,000 and 1,200,000, the fund has been steadily paying off its debt to the Treasury incurred by meeting "uncovenanted" benefits. It follows that in normal times, with contributions as at present, the fund would show a large surplus, which Sir William Beveridge thinks should be used for filling existing gaps in our social insurance.

There are many objections in principle to a flat rate system of contributions and benefits. It is easy to riddle it with criticism. But the moment one gets down to hard facts and the circumstances of industry one is forced to the conclusion—which is that of the Confederation—that nothing except a national scheme at flat rates is practicable. Unemployment insurance by industries cannot, in times like these, be brought within practical consideration—how, for example, could the shipbuilding industry maintain its own unemployed?—and if one attempted to isolate the good risks from the bad risks, the unfortunate men who were bad risks must be left stranded, without the possibility of being able to provide unemployed benefit. The good risks have to pay for the bad, in normal as in exceptional times, and this the Confederation fully recognise. They bluntly declare that "the whole industrial population should stand together upon a uniform basis." With that principle conceded, we have merely to consider how the compulsory national system may be improved. Perhaps the most important recommendation of the Confederation—with which we do not wholly agree—is that the State should pay the same rate of contribution as the employer and the workman, instead of less, as at present. Under the existing scale, the State provides about one-fourth of the fund, and the other two contributors nearly three-fourths. We may doubt if it be desirable to divert any more of the burden of insurance from industry to the general taxpayer. When trade depression is very severe the taxpayer might come to the help of the unemployed, but his capacity to be a source of help in time of need is lessened by the increase of his burdens in normal times.

The Confederation, of which the representatives included such able and experienced industrialists as Lord Weir, Sir Andrew Duncan, Mr Evan Williams, and Mr Milne Watson, regard the Employment Exchange as an indispensable part of the scheme, and are opposed to the amalgamation of unemployment insurance with the totally different systems of health insurance, workmen's compensation, and old-age pensions. Sir Wm. Beveridge, however, suggests ways in which the various schemes may be usefully co-ordinated without amalgamation. The Confederation condemn "contracting out" of the national scheme—at present suspended, and of which only one industry (Insurance itself) has taken advantage. But they propose to meet the rather hard cases, under a flat rate, of the more highly skilled industries, by encouraging the development of supplementary schemes as authorised by the Act of 1920. This plan we believe to be a most promising line of development. The general effect of the Confederation's report is to give national unemployment insurance, as we have it in this country, a handsome testimonial of efficiency.

POLISH FINANCIAL REFORM.—I.

THE attempt which is now in progress in Poland to stabilise the exchange is of greater interest than has perhaps been appreciated abroad. It may be described as a compromise between the experimental policy of Germany and the more orthodox methods followed in Austria. It is certainly a serious attempt. The circumstances of its origin are as follows.

Throughout 1923 the Poles were greatly impressed by Austria's success in solving her currency problems, and

Polish opinion lighted upon the creation of a Bank of Issue as the key to the enigma. During the autumn, whilst the dollar rose from 285,000 to 4,200,000 marks in three months, the demand for a new bank of issue and a new money gathered overwhelming force, and it was only the opposition of Mr Hilton Young's mission which prevented M. Kucharski, the Minister of Finance, from introducing a Bank of Issue and a new currency in circumstances which would have ensured their downfall. The ejection of the Coalition Government, whilst preventing this folly, precipitated a financial crisis. The President of the Republic, however, displayed great insight in interpreting public opinion, and much skill in dealing with the situation. The new Government appointed at Christmas exists for no other purpose than to reform the finances. The Prime Minister is also Minister of Finance, his colleagues are not politicians, and their main purpose is to play their part in the financial reorganisation.

M. Grabski has had experience as Finance Minister previously, and is recognised as a man of great erudition, outstanding honesty, and an obstinacy which is useful to any Finance Minister. Consequently, though often criticised as a professor, he evoked a wave of confidence which has not yet spent itself. He was thus able to obtain from the Diet "full powers," which enabled him to take all necessary action in financial matters without further specific authority from Parliament. Unfortunately, as we shall see, these powers are limited to a period of six months. One result of this is that M. Grabski is bound to act with a haste which even for Poland appears somewhat precipitate.

M. Grabski's plan will stand or fall by the results of his currency policy, and his action in this respect is interesting for what it has done, and still more for what it promises. M. Grabski must appreciate that the immediate founding of a Bank of Issue in the present condition of the Polish national finances is at best a hazardous experiment. In his first speeches he expressed himself as in general agreement with the English experts on this point. Since he sees no prospect of obtaining foreign credits on a sufficient scale in present conditions, he is compelled to rely on the efforts which he is making to effect a substantial and immediate improvement in the Budget position. He might thus have concentrated attention on the Budget, and diverted it from the Bank of Issue but for one event which has profoundly affected Polish policy. This is the temporary success of the Rentenmark. By a coincidence of great importance, at the moment when Polish policy was being decided, the cash accounts of the German Government showed a surplus, whilst prices in Germany were reported to be stable. The Polish people saw the most difficult of currency problems solved, as they thought, in a few weeks by the application of the specific for which they had so long clamoured, and without that international control which is to them so distasteful. It was impossible in such circumstances for the Government to avoid commencing immediate action for the foundation of a new Bank of Issue. The statutes were accordingly passed, and an organising committee is now seeking the capital for the new Polish National Bank, which is expected to start operations this spring.

So far as the statutes go (they are modelled on the statutes of the Austrian National Bank) the bank is not open to much criticism. It would probably benefit by having a foreign adviser associated with it, and opinion in Poland is favourable to this course. But the bank's success will depend not only upon the direct play of economic forces, but also, and very largely, upon the movement of confidence in the country, and this in the future, as in the past, will be influenced to a considerable extent by developments in German currency.

The new Polish money, however, will operate in conditions very different from the Rentenmark. It will be secured on commercial bills and a metallic reserve of 30 per cent. The existing gold reserve, worth some five million pounds, will now for the first time be available for exchange operations. But the factors which have supported the Rentenmark scarcely exist in Poland. The miscellaneous currency issues which are so numerous in Germany have no counterpart in Poland. Dollar bills, it

is true, are common, but they do not serve to replace the national currency to any extent, save on the eastern borders. Their total quantity is generally much exaggerated, and the amount which may be brought in to the new bank is doubtful. The Polish peasant is suspicious of any attempt to deprive him of his dollars. It is most improbable, moreover, that the Polish Government could succeed in imitating Germany's action of paying in arrear the salaries of State officials. The risks to the State revenue and administration are too high with the existing Polish Civil Service, which, though very patriotic, offers a great contrast to the German administration. Nor has Poland large foreign balances which can be drawn upon, as is said to be happening in Germany, to maintain the exchange value of the new currency.

In the most important matter of all, however, conditions are in M. Grabski's favour. Poland's foreign trade position is sound. The statistics for the first ten months of 1923 show a decided balance in Poland's favour, and although these figures require much interpretation the net result (chiefly owing to under-estimation of export values) is probably to improve the situation. In addition, the lucrative smuggling into Russia must be taken into account, and, most of all, the remittances from Poles abroad. These may be estimated at about 25 to 30 million dollars per annum from the United States, and at least five or six million dollars per annum from Polish workmen in France. Against this "invisibles" include certain payments abroad reckoned at about 20 million dollars per annum, but the net result is definitely favourable to Poland, whose position compares very well in this respect with that of any European country. The maintenance of this strong foreign trade position during the next few months is essential to M. Grabski's success, and as some 60 per cent. of Poland's foreign trade has been with Germany, here is perhaps an element of precariousness in the economic situation. Examination, however, is reassuring. On the one hand, Poland's exports are chiefly raw materials and foodstuffs, which are almost sure to find markets in Germany or elsewhere (a recent reduction in the German demand for Upper Silesian coal has been entirely covered by orders from elsewhere), and on the other, Poland is less dependent on Germany now than formerly, and has perhaps passed through the worst of her German experiences. It is arguable, indeed, that Polish foreign trade will benefit from any improvement of the German financial situation which may be effected this year. The Russian market, though it should certainly benefit Poland, especially perhaps the textile industries, cannot develop quickly enough to play a part in M. Grabski's problem. The exports of timber should benefit from the opening of Memel, but the time this will take and the present condition of the timber market make it unlikely that Poland will gain therefrom in the near future.

Consequently M. Grabski's financial problem is easily defined. With a favourable trade position, but with practically none of the adventitious aids which have assisted the Rentenmark, he must rely for success solely upon his skill in handling public finances and on the confidence he thereby creates.

Nor do the public finances appear to present a very difficult problem. The estimated expenditure in 1924 and the actual expenditure in 1923 are each rather less than the eleven hundred million Swiss francs, so that the Polish Government costs about 32s per head per annum (population over 27 millions). As Government in England costs some twelve times as much and in France five or six times as much, this is certainly cheap even for Poland. Moreover, it can be reduced by economies, though not perhaps below, say, 25s a head. The revenue collected in 1923 (the estimates for 1924 show a surplus of revenue, but this is not serious) was about two-fifths of the expenditure, so that the Budget can be balanced at the cost of increasing the burden per head from about 12s 6d to 25s (this includes not only taxation, but revenue from all other sources). This burden would need to be increased if the Government extended its activities, which on the social side are in great need of development. Difficulties will also arise unless the railway deficit is covered. Railway rates have been put on a gold basis (the rate changes once a fortnight) since January 1st, but even now they are only

from one-half to two-thirds of the rates in Germany, Austria, Czechoslovakia or in pre-war Poland. A Railway Loan is being issued, secured on the receipts of the Galician Railways, but this is naturally a palliative rather than a remedy.

The Polish army is often supposed in England to be the chief cause of Poland's financial troubles. This is no longer the case. The standing army numbers 240,000 men, which for a land frontier of 2,000 miles does not appear excessive. In 1923 it cost about £20,000,000, which does not seem exaggerated. Economies in its administration can no doubt be made, and M. Grabski is supposed to be prepared to fight for them, but the Russian bogey cannot be altogether conjured away, and it is hoped that the recent appointment of General Sikorski (who defeated the Bolsheviks in 1920) may increase confidence. The Polish army in 1923 cost more than the entire revenue, but the remedy lies far more in increasing revenue than in reducing military expenditure.

It appears, then, that the Budget problem lies within manageable dimensions. The most rapid results can be obtained from economies, but a great increase in the sums received by the Government is a necessary condition of success. Such increase must be rapid and must be maintained. This involves other questions than merely raising the rates of taxation.

The manner in which M. Grabski is handling this problem, and his prospects, will be examined in a succeeding article.

TIMBER IMPORTS IN 1923.

(FROM A CORRESPONDENT.)

IN these days when all classes of the community are watching with so great interest the progress, or otherwise, of housebuilding schemes, large and small, attention is directed more than ever to that indispensable material for the dwelling—palace or cottage—timber, from whence it comes (for our native grown woods are a minor factor in our timber supplies), whether stocks are heavy, and whether they are and will remain sufficiently cheap to play their part in the great "push" the Government apparently intend to make in providing more housing.

It is very satisfactory to be able to state, therefore, that so far as supplies of timber from abroad for building work are concerned, the imports for 1923 were of large volume, and stocks generally in all parts of the country are in sufficient quantity to supply fairly full requirements, though under the natural laws of supply and demand prices must have a tendency to rise should the call for timber increase to any extent. At present the prices are roughly double those ruling before the war.

Timber imports into this country during the years 1921, 1922, and 1923, according to the Board of Trade Returns, were as follows:—

(000's omitted.)

	1921.		1922.		1923.	
	£	£	£	£	£	£
Hewn hardwoods (cubic ft.)	3,668	1,582	4,546	1,376	5,206	1,438
Hewn softwoods (loads)	130	1,019	154	849	250	1,142
Sawn hardwoods .. (cubic ft.)	8,704	3,847	14,153	4,139	20,451	5,785
Sawn softwoods (loads)	2,057	13,557	3,999	20,949	4,670	26,622
Planed or dressed "	235	2,053	381	2,591	426	3,066
Pitwood	1,296	3,224	2,811	5,486	3,677	7,685
Staves	51	1,411	75	737	84	564
Sleepers	322	3,252	211	1,114	294	1,339
Veneers	1	49	1	52	2	90

The grand totals of all our wood supplies amounted in 1923 to £47,736,863; 1922, £37,321,017; 1921, £30,021,962.

The purport of this article is to show above all the imports of timber for use for general purposes—sawn softwoods in deals, battens, boards, scantlings, and ends for, principally, building construction work, for wood containers, from large packing cases to boxes of small dimensions (the latter consuming considerable quantities of timber annually), and for ordinary general purposes applicable to almost all industries. In this connection the appended table, showing the imports of sawn softwood timber, will be of interest, giving, as it does, a general idea of export-

ing countries and quantities and value of wood received from each for 1922 and 1923, together with percentages of increases and decreases last year, compared with 1922:—

	Quantity.		Value.		Quantity.		Value.	
	1922.	1923.	1922.	1923.	1922.	1923.	1922.	1923.
	Loads.	Loads.	£	£	%	%		
Russia	392	602	2,333	3,464	+ 53.57	+ 48.47		
Finland	1,026	1,165	4,689	6,325	+ 13.54	+ 34.89		
Latvia	252	422	1,148	2,010	+ 67.46	+ 75.09		
Sweden	1,148	1,013	5,659	5,427	- 11.75	- 4.09		
Norway	147	110	821	661	- 25.17	- 19.49		
Poland (inclg. Danzig)	105	188	534	1,006	+ 79.05	+ 88.38		
Germany	38	50	216	258	+ 31.57	+ 19.44		
United States of America	176	263	1,520	2,429	+ 49.43	+ 59.08		
Canada	467	426	2,758	2,896	- 8.77	- 5.00		
Other countries	245	426	1,267	2,141	+ 73.87	+ 68.98		
Total, sawn soft	3,999	4,670	20,949	26,622	+ 16.77	+ 27.08		

A feature of our sawn softwood imports was the falling off in the Swedish imports last year, and the remarkable increase in our purchases from Russia, which country exceeded expectations, and from all accounts is likely to make still further improvement in her exports to this country this season. It will be observed, too, that whilst Russia's imports increased by nearly 54 per cent., the value improved by but 48 per cent., which goes to some extent to confirm the opinion previously expressed in the *Economist* that the Russian imports greatly assisted in keeping spot prices of Swedish and Finnish productions down last autumn. Of Finland's exports to this country there was an increase of nearly 14 per cent., whilst the improvement in value amounted to 34.89 per cent. Norwegian imports show a great decline, but Latvia and Poland show large increases, and it is plain that these smaller States can successfully compete to a large extent against Swedish and Finnish productions, particularly when the latter are inclined to be "pushed up" in price on the free on board market, as was noticeably the case in the first half of 1923. So far as large timber supplies go, we have to be thankful to these smaller mid-European countries, including Czechoslovakia, some of whose timber is shipped via German ports, and Russia for keeping our buying markets much cheaper than they would otherwise be if Finland and Sweden had to accommodate us with more than the 46 per cent. of our building and general sawn timber sent by those countries last year.

The United States increased their supplies and at higher prices. There was slight falling off in Canadian arrivals; Canada feels acutely the effects of European competition, but the totals of other countries are very significant, showing an increase of over 73 per cent. in the volume and of nearly 69 per cent. in the value. Taken collectively, our building timbers in 1923, compared with 1922, were higher in volume by 16.77 per cent., and in value by 27.08 per cent.

Of the sawn and planed wood imports, a not unimportant feature of building supplies, the total imports of 426,688 loads came principally from Sweden (265,044 loads) and Norway (130,937 loads), other countries being but poorly represented. The hewn softwoods in 1923 totalled 250,260 loads, valued at £1,142,652, compared with 154,842 loads, valued at £849,072, in 1922. The most striking increases in this section of timber imports in 1923 were from Russia, 56,459 loads, compared with 11,544 loads in the previous year; Finland, 38,250 loads, against 19,005 loads; and Norway, 32,352 loads, against 16,699 loads in 1922.

In the sawn hardwood section of the trade the imports, as with building woods, were very large, amounting to 20,451,783 cubic feet, against 14,153,147 cubic feet in 1922, of which 1,313,014 cubic feet and 1,043,291 cubic feet respectively consisted of mahogany boards and planks. Of the above 1923 figures, and not including mahogany, we received 12,294,344 cubic feet of sawn hardwoods from the United States, as against just over eight millions in 1922; "Other Countries," 2,655,344 cubic feet, Canada, 2,426,479 cubic feet, British East Indies, 1,206,687 cubic feet, being the only countries to go over the million mark. If the returns gave the shipping districts under "Other Countries," it would be found that we get our furniture cabinet and decorative wood supplies from all parts of the world—a great tribute

to our Free Trade system and an assurance that the ships bringing these woods take something back.

Imports of pit timber in 1923 reached the large amount of 3,677,016 loads of 50 cubic feet, valued at £7,685,026, against 2,811,876 loads (£5,486,308) in 1922, and 1,296,925 loads (£3,224,152) in 1921. France was the only country to export to this country over a million loads (1,566,294), valued at £1,950,461, which were principally for the South Wales coalfields.

The prospects of imports of building timbers for the coming year are very promising, there being every desire of timber producing countries to ship largely to England, and, as already intimated, increased efforts will be made, particularly in Russia, to increase shipments. Of furniture woods, however, we must express ourselves more cautiously, as the bulk of this material comes from the United States, whose domestic demand increases every day.

The present article would be incomplete without a word of warning. We are receiving enormous quantities of timber from countries whose home demands must also be increasing. Though our heavily stocked markets do not help us to realise it, the world's timber capital is being used up more than slowly, a fact which our new Government and Colonial and foreign Governments should take notice of in the interests of those coming after us.

THE POSITION OF COPPER.

DURING the past few weeks there has been a very welcome expansion in the amount of interest shown in the copper market, and taking the commodity on the whole the outlook may be regarded as better. About the middle of February there was a good burst of buying witnessed on the London market, and the price of standard cash was lifted to over £66 per ton, with three months commanding a premium of about 20s. The following table gives the highest and lowest touched on the London Metal Exchange over a period of years, and at the present stage this is of more than usual interest:—

COPPER—STANDARD CASH DELIVERY.

	Highest.			Lowest.		
	£	s	d	£	s	d
1913	77	2	6	61	15	0
1920	122	5	0	70	0	0
1921	75	12	6	65	5	0
1922	66	2	6	57	0	0
1923	76	17	6	59	5	0
1924 (two months)	66	3	9	60	8	9

From the above it will be seen that the price this year already has actually dipped below the lowest figure recorded in 1913, and in view of the very high price level reached by other non-ferrous metals this is a very peculiar development. The only explanation is that whereas the supply of tin, lead, and zinc has, generally speaking, not been keeping pace with demand, copper exceptionally has been produced on a very full scale in the face of some diminution in the world's consumption of the commodity. Both the totals relating to the world's copper output and the United States refinery production reveal a big expansion, and there is no doubt that this has been the main reason why buyers have been holding back. The table appended gives production, deliveries, exports, &c., over a number of years:—

COPPER PRODUCTION, DELIVERIES, &c.

	Total U.S. Production.	Domestic Deliveries.	U.S. Exports.	World's Copper Production.
	Tons.	Tons.	Tons.	Tons.
1913.....	736,000	350,000	389,000	970,000
1920.....	732,000	470,000	278,000	965,000
1921.....	507,000	304,000	265,000	539,000
1922.....	675,000	490,000	330,000	849,000
1923.....	965,000	675,000	350,000	1,110,000

The increase in the world copper production from 539,000 tons in 1921 to 1,110,000 tons last year is a very striking feature. Thus in two years the figures have been more than doubled, and bearing in mind the disturbed state of Europe last year, the chaotic condition of the exchanges, and the adverse effect on industry brought about by the political tension engendered by the occupation of the Ruhr by armed forces, it may truly be claimed

that the fundamental position of this commodity is remarkably sound seeing that it only fell a few shillings below £60 at its worst last year. The United States' production in 1923 was no less than 458,000 tons heavier than in 1921, and the increase in the domestic deliveries during the same period amounted to 371,000 tons, which expansion is larger than the total deliveries under the same heading in 1913. Turning to stocks, the following table shows the position of stocks in this country and the United States:—

	COPPER STOCKS.		Great Britain.	
	U.S.A. Refined Copper.	Lbs.	Refined and Rough.	Tons.
January 1, 1913.....	105,500,000	....	27,000	....
" 1920.....	631,000,000	....	10,000	....
" 1921.....	659,000,000	....	12,000	....
" 1922.....	459,000,000	....	16,655	....
" 1923.....	216,000,000	....	26,780	....
" 1924.....	310,000,000	....	30,211	....

It will be seen from the above that the tendency is for stocks to accumulate, but this was due to the slackness seen in the consuming trades late in 1923. It is estimated that since the beginning of the present year the stocks in the United States have been reduced a little. The domestic deliveries in January amounted to 145,000,000 lbs, which would be well above the monthly average for all last year, and in the same month the refinery output dropped off to the extent of 13,000,000 lbs. Early in February a genuine buying movement started for American domestic account, and this will probably continue for another month or two, as the industrial demand for the commodity in the United States is very brisk. Thus, if Europe joined in while the American copper users were restocking, the refinery surplus of 13,000 to 14,000 tons would not go very far, nor would it present anything in the nature of a problem to the producing industry, seeing that the 659,000,000 lbs left over from 1920 was reduced to 216,000,000 lbs by the close of 1922.

Of the 350,000 tons sold by the U.S. for export last year, France took the largest quantity, viz., 81,780 tons, while Great Britain absorbed 73,669 tons and Germany 59,274 tons. China and Japan between them bought no less than 23,656 tons, and no doubt some of the metal exported to Holland went to Germany. The British takings show a big expansion, being practically double the figures for 1922, but France only bought about 21,000 tons more, and Germany took over 30,000 tons less. If the franc should begin to improve again, this would lead to more American copper being purchased, while the financial position of Germany may perhaps undergo a marked change for the better during the next six months, thus adding to the benefit received already from the establishment of the gold mark, and making the importation of American copper easier than it was at the end of 1923. Italy will shortly buy a fairly big tonnage of copper for making sulphate, and thus the outlook is not altogether unfavourable for a renewal of European buying of the commodity. The reduction this week of the New York price of electrolytic to 13 cents per lb, both for spot and March delivery, should aid the buying movement, and there is no doubt that further business will be done once buyers are convinced that bottom has been reached. Germany should be able to consume fully 100,000 tons per annum, and although efforts are being made to increase the domestic output, users will have to depend largely upon imported metal. Other potential buyers of copper are Sweden, Switzerland, and Czechoslovakia.

Taking a long view of the commodity, a revival seems to be assured. Statistically the metal is healthy enough. The heavy production in the United States, coupled with the big South American output, is a factor that calls for caution, but the American producers are not likely to allow the market to fall much below current level. The Copper Export Association has decided not to issue the return of production, domestic deliveries and sales on foreign account in the future, but the statistics will easily be forthcoming from other quarters; thus there will be no obscurity about the general position. The big American selling agencies are still able to control the situation, and the theory that the recent changes made in the firms connected with the Association would lead to competition and prices that favoured buyers has been knocked on the head.

The market value of copper just now is decidedly low, and thus consumers are bound to take advantage of the position once the industrial and political outlook is clearer. The extraordinary activity witnessed in building, manufacturing, and electrical circles in the United States will call for a great domestic consumption, and if the export total averages 30,000 tons per month production on the present scale will not prove unwieldy.

LONDON GAS COMPANIES.

No more fitting introduction could be made to this article than the first paragraph of the directors' report to the proprietors of the South Metropolitan Gas Company, in which we are informed that "the important part played by all gas undertakings, municipal and otherwise, in the improvement of the atmosphere of large cities and in the elimination of smoke pollution, is becoming day by day more widely recognised." Most reasonably minded people will heartily support any movement which has as its object the improvement of the air in and around our big cities. Indeed, we should like to see existing legislation more strictly enforced in order to procure an abatement of smoke nuisances.

During the year under review the selling price of gas has been reduced all round. The Gas Light and Coke reduced its price from 10d per therm (4s 2d per 1,000 cubic feet) to 9.2d per therm (3s 10d per 1,000 cubic feet) in the first half of the year, while in the second half it was reduced to 8.6d (3s 7d per 1,000 cubic feet); this is a total reduction of 14 per cent. in the year. It is stated that the Commercial Gas has "made a further reduction in the price of gas as from January 1, 1924, of 4.5d per therm, equalling 3 4.5d per 1,000 cubic feet, making the present price of gas 8 4.5d per therm, or 3s 5 4.5d per 1,000 cubic feet." The South Metropolitan mentions the sale of gas "at 9d, 8½d, and 8d per therm." The South Suburban reduced gas prices twice during the year, and the price is now 9 4.5d per therm, or just over 3s 11d per 1,000 cubic feet. The Wandsworth, Wimbledon, and Epsom informs us that its price was reduced by 3.5 of 1d per therm, which is equivalent to nearly 3d per 1,000 cubic feet, from midsummer last, and later by a similar sum dating from Christmas last.

The Departmental Committee of the Board of Trade which inquired into the method of charging for gas on a thermal basis presented its report in February of last year, and recommended that this method should be continued and extended to all statutory gas undertakings wherever possible. This committee also made other recommendations with the object of helping consumers to understand the thermal method of charging. Most London undertakings appear to have given support, but it could be wished that the comparative statistics were made more simple. Dr Carpenter, of the South Metropolitan Gas, in his annual speech commenting upon the thermal method of charging, said: "When I addressed you a year ago I expressed my firm conviction as to the outcome of the inquiry by the Board of Trade into the working of the therm system of evaluating gas. I have not been disappointed. The report of the committee has since been issued; and although in these fast-moving times it may already seem ancient history, it is worth remembering that it emphatically supported the therm as a standard of computing gas values and prices. A curious circumstance is that it was first condemned by the gas industry, and then by the public Press, but it has proved itself to be founded on sound principles and has in consequence become firmly established."

The London County Council gave notice in August of its intention to apply to the Board of Trade for a revision of the Gas Light and Coke Company's standard price, according to its powers under the Gas Regulation Act of 1920; the Board of Trade held a public inquiry into the matter in November last, and issued an order in December reducing the company's "standard price" as from the

last day of 1923 from 15.2d to 11d per therm. There is other evidence abroad which denotes the activity of the London County Council in this direction.

The following table shows the total gas sold by five representative London gas companies during the year ended December 31st last, together with the comparative figures for 1921 and 1922:—

TOTAL AMOUNT OF GAS SOLD.

	1921.	1922.	1923.	In. or Dec.
	Therms.	Therms.	Therms.	%
Gas Light and Coke	147,549,334	160,077,324	167,686,238	+ 4.8
South Metropolitan	78,551,114	81,340,985	84,057,306	+ 3.3
Commercial Gas	17,055,478	17,054,125	17,658,566	+ 3.6
South Suburban	13,566,922	13,845,888	14,557,793	+ 5.1
Wandsworth, &c.	13,541,936	13,375,519	14,137,459	+ 5.7

An interesting increase is revealed in these figures. Moreover this, be it remembered, is an increase of steady growth, and one which is not the outcome of any sudden publicity "stunt." We can fully understand the chairman of these gas companies giving way to little breezes of exhilaration in this age of electricity, but we should like to hear some views from the other side on the statement that "electrification involves waste and misuse of coal." The chairman of the Gas Light and Coke Company recently stated that if that company "were to be swept out of existence and to be replaced by an electrical undertaking, that electrical undertaking would require to use at least three million tons of coal instead of the two millions we use." He added that "there is also this great advantage in favour of gas, that whereas an electrical undertaking in the production of electricity would completely use up the three million tons of coal, the Gas Company, having treated the two million tons of coal and obtained the gas, would still have remaining 1,250,000 tons of coke and breeze, 19 to 20 million gallons of tar, and a large quantity of ammonia."

In the table given below we analyse the revenue and expenditure of five representative London gas undertakings for the past five years. The Act of 1920 provided for annual accounts and returns to be submitted to the Board of Trade. In consequence companies now publish accounts for the whole year in the place of the half-yearly accounts previously issued. The half-yearly accounts of the South Metropolitan and Wandsworth Companies for 1919 have been shown as annual returns in the undermentioned table for comparative purposes:—

Company.	Revenue.				Expenditure.			Balance
	Sale of Gas.	Rentals.	Residuals.	Total Receipts.	Manufacture.	Distribution.	Total Expenditure.	
Gas Light and Coke	£	£	£	£	£	£	£	£
Year ended Dec. 31, 1919	6,528,127	588,066	2,721,473	9,835,666	6,809,139	1,238,966	8,048,105	849,864
1920	7,266,351	666,873	4,839,214	12,790,821	8,920,487	1,716,496	11,877,286	913,535
1921	8,045,069	669,468	2,497,838	11,212,355	7,497,611	1,366,920	10,134,881	1,077,474
1922	7,564,358	718,130	1,898,635	10,200,089	5,957,713	1,415,272	8,655,987	1,522,102
1923	6,281,393	817,169	2,404,488	9,503,050	5,463,783	1,497,996	8,144,770	1,378,811
Commercial								
Year ended Dec. 31, 1919	671,359	86,613	299,985	1,058,078	712,343	145,276	963,794	94,284
1920	836,391	96,367	437,463	1,370,286	970,238	191,069	1,302,558	67,729
1921	951,743	88,378	296,734	1,336,958	875,016	204,595	1,219,972	116,986
1922	781,821	90,667	254,544	1,127,553	646,879	167,100	963,553	174,000
1923	689,785	95,592	317,748	1,103,125	626,940	171,537	941,775	161,925
South Metropolitan								
Year ended Dec. 31, 1919	2,885,126	301,774	1,435,825	4,622,897	3,289,144	618,069	4,267,968	357,929
1920	3,011,926	329,300	2,143,341	5,488,081	3,675,953	811,609	5,000,534	487,547
1921	3,430,373	350,117	1,483,250	5,268,069	3,549,269	780,955	4,827,446	440,622
1922	3,459,633	360,117	1,067,149	4,891,620	2,841,341	762,011	4,149,717	741,903
1923	2,861,233	378,011	1,298,284	4,544,997	2,638,916	814,201	4,011,798	530,699
South Suburban								
Year ended Dec. 31, 1919	588,359	54,036	185,209	828,385	574,987	134,587	772,066	56,319
1920	777,524	60,030	281,126	1,119,483	757,196	179,430	1,039,919	79,564
1921	816,025	64,129	232,098	1,112,252	782,499	166,359	1,034,729	78,316
1922	776,795	66,763	195,514	1,039,072	716,141	191,806	918,007	120,965
1923	685,010	72,507	217,794	975,311	624,007	161,768	891,127	85,216
Wandsworth, &c.								
Year ended Dec. 31, 1919	563,531	77,805	222,450	863,786	631,371	101,536	795,755	68,036
1920	675,325	99,521	361,696	1,136,542	825,868	174,806	1,071,096	65,438
1921	754,156	96,314	231,618	1,082,071	757,733	171,028	999,464	82,906
1922	648,247	127,525	200,621	976,393	777,669	193,410	972,152	105,517
1923	548,768	133,739	225,343	908,850	658,878	164,096	807,890	101,005

From our tables it will be gathered that, though prices have been reduced, the increased consumption of gas was not on such a scale as would enable companies to maintain profits on the previous year's scale. Indeed, profits are lower in every case. But receipts from rentals are higher, while "Residuals" is an excellent feature which indicates the trend of companies' activities in by-products.

Our final table shows dividends over the past three

years, together with present prices and yields as compared with a year ago:—

Name of Company.	Dividends.			Price, July 27, 1914.	Price, End of Feb., 1923.	Yield %.	Price, End of Feb., 1924.	Yield %.
	1921.	1922.	1923.					
Commercial, 4 % Stock	4 1/2	5 1/2	6	107	96 1/2	4 1/2	94 1/2	4 1/2
Do 3 1/2 %	3 1/2	4 1/2	5 1/2	104	96 1/2	3 1/2	94 1/2	3 1/2
Do 3 %	3	4	5	70 1/2	57 1/2	3	58 1/2	3
Gas Light and Coke, Ord.	4 1/2	5 1/2	6	103	93	4 1/2	92	4 1/2
Do 3 1/2 % Max. Stock	3 1/2	4 1/2	5 1/2	77 1/2	64	3 1/2	61 1/2	3 1/2
Do 3 % Prof. Stock	4	4 1/2	5 1/2	97 1/2	78 1/2	4	77 1/2	4
Do 3 % Perp. Debts	3	3	3	73 1/2	60 1/2	3	59 1/2	3
South Metropolitan, Ord.	5	5 1/2	6	112	94	5	95 1/2	5
Do 3 % Perp. Deb.	3	3	3	73 1/2	60	3	58 1/2	3
South Suburban, Ord.	5 1/2	6	6 1/2	115	98 1/2	5 1/2	97 1/2	5 1/2
Wandsworth, Wimbledon, &c.—								
"A" Stock	6 1/2	8	8 1/2	153	132 1/2	6 1/2	137 1/2	6 1/2
"B" Stock	5 1/2	6 1/2	7 1/2	131	117 1/2	5 1/2	114 1/2	5 1/2
"C" Stock	4 1/2	5 1/2	6 1/2	102 1/2	85 1/2	4 1/2	100 1/2	4 1/2
Wimbledon Stock	4 1/2	5 1/2	6 1/2	119	111 1/2	4 1/2	109 1/2	4 1/2
Epsom Stock	5	6 1/2	7 1/2	123	117 1/2	5	117 1/2	5

This is certainly a list of attractive yields providing gas production is not looked upon as a dying industry. And good evidence in support of this pessimistic theory is difficult to find. We consider that gas companies would be performing a useful service to investors if they endeavoured to make perfectly clear what the exact rate per cent. is of the dividends which they pay, and what amount is actually utilised for this purpose. The amount paid for preference dividends might be set out separately from the ordinary dividend, and the "carry forward" might be clearly stated. Attention to these details would make gas accounts much clearer, considerable confusion would be avoided and incidentally much valuable time saved to statisticians who have to examine gas accounts. It is true that the returns of gas companies have to conform to a statutory form; but there is nothing to prevent the companies elucidating their accounts for the benefit of their shareholders. The investor is also apt to be a little confused by the fractional rates of dividend declared as compared with the round figures which constitute the general practice. This feature is, however, due to the sliding scale system, which establishes a ratio between the dividends which may be declared and the price of gas per unit, and compels the companies to lower the latter at a definite rate for each fractional advance in dividend.

STATE CONTROL IN RUSSIA.

(BY A CORRESPONDENT.)

SINCE the present economic crisis in Russia reached its climax in the course of the last few months, it was generally expected that some important changes would be effected in the economic organisation of the country. The inadequacy of State capitalism was so conclusively proved by the events of the last two years, that further evolution towards the establishment of an economic system based on private enterprise and free competition seemed absolutely unavoidable.

These expectations, however, proved premature, and were recently disappointed by the publication in the Soviet Press of a resolution on the current problems of economic policy, passed by the Political Executive of the Russian Communist party, on December 24th. The resolution traces the main lines of the economic policy to be followed by the Soviet Government in the immediate future. To those uninitiated in the details of the present political régime in Russia it may seem strange that, what is in fact an enactment of decisive political importance, may emanate from a party executive. Yet, since in that body is vested the supreme power of the so-called dictatorship of the proletariat, it is on it that the final decision in all matters political actually depends. It should be remembered that the most important decision hitherto taken under the present régime, that is the inauguration, in 1921, of the new economic policy, was also taken not by the Congress of the Soviets, but by the Tenth Communist Party Conference. Accordingly, the present resolution is tantamount to a legislative enactment, and is treated as such in the Press.

The resolution is an utterly disappointing document, since, far from removing the obvious inadequacies of State capitalism, and allowing more freedom to private enterprise, it tends to consolidate that disastrous system.

The resolution strictly adheres to the policy of nationalisation with regard to the large industrial concerns, on the ground that "the development of large nationalised industries is the only solid foundation of the dictatorship of the proletariat." In spite of the overwhelming evidence of the utter commercial failure, which has been forthcoming in the course of the last two years, and, especially, in the present crisis, nationalisation is to be adhered to at all cost. To reduce the burden imposed by it on the Budget, the "concentration" of the industry, involving the closing down of the less efficient concerns, and the dismissal of their staffs, is to continue. So far the policy of "concentration" increased unemployment enormously. The number of unemployed industrial workers rose from 64,000 in January, 1922, before "concentration" began, to 402,000 in June last, or to 20 per cent. of the total number of workers, and is still steadily increasing. Including the employees, the number of persons out of work rose during the same period from 135,000 to 875,000. Thus, it would appear that nationalisation, instead of improving the position of the proletariat, has tended to reduce it to a condition of permanent unemployment, since nationalised concerns cannot pay their way, and have to be closed down.

With regard to internal trade, the resolution advocates the support of State and co-operative trading, as against private trade which is ousting them from the market. While recognising the inefficiency and high costs of State and co-operative trading, as compared with private enterprise, it aims at regaining the ground lost to the latter by means of a special policy of price control.

The attitude to private capital in industry and trade generally is also very far from suggesting any evolution towards greater tolerance. Of private industrial enterprise it is, indeed, hardly necessary to speak at all, since, according to the latest information, it is represented by less than 5,000 leased concerns with a total of 70,000 workers, or about 15 each on the average. Private trade is far more developed, involving about 25 per cent. of wholesale and as much as 80 per cent. of retail business done. While in the case of industry, there was of late a marked tendency to contraction, and cancellations of leases were steadily increasing, the private trader was steadily gaining ground in his competition with the State. Now, the resolution emphasises the necessity of checking the accumulation of private capital and the extension of its activities by means of price control and of heavy taxation, with a view to ensuring in future the absolute supremacy of the State in the economic domain.

With regard to foreign trade, the system of State monopoly is emphatically endorsed as "one of the principal elements of the Party's economic policy," and a means "to protect the wealth of the country from spoliation by native and foreign capital." This point is the more disappointing since the monopoly of foreign trade is, among the features of the present economic régime, one of the most disastrous for the country. It is particularly so for the peasants, whom it places entirely at the mercy of bureaucratic incompetence, of which that system has become a by-word. Its operating costs are enormous, and they have to be paid by the producer. According to the Soviet Press, overhead charges in the export of grain are now on the average about 60 gold copecks per pood, that is, three times as high as they were before the war. The prices paid for grain on the spot, on the other hand, are ridiculously low. All buying being done by what are practically Government agencies, the peasant is faced on the market by a powerful combination, and is, consequently, forced to pay the heavy bill of State monopoly of foreign trade. For the Government, as distinguished from the people, the arrangement is, certainly, a gold mine so long as there is agricultural produce to export, but whether the country can ever recover under this system is open to grave doubt. In any case, this policy can hardly be expected to stimulate agricultural production and the extension of the Russian market for manufactured goods, either produced at home or imported, since it deprives the peasant of all incentive to increase the area under cultivation.

The concluding portion of the resolution deals with the necessity of stricter Government control of economic

activities, and may, accordingly, be described as to some extent a relapse into that system of *étatisme* which was characteristic of the earlier stages of Communism in Russia. It emphasises the necessity of exercising stricter control over the market, for which purpose it proposes to reinforce the State Planning Commission (Gosplan), and to entrust that institution with the task of the "systematic study of the current conditions of trade and the working out of the principal measures of intervention in the market." Combined with what had been said in the earlier portions of the resolution with regard to price control as a means to combat the development of private capital in industry and trade, this section is ominous, since such measures would certainly make the extension of the activities of private enterprise well-nigh impossible in Russia, and would greatly hinder her reconstruction. Besides, has it not been conclusively proved that the less the market is subject to bureaucratic interference the better it is for all those concerned, including the workers? Yet it is apparently still to be learned from further bitter experience. The present crisis does not appear to have taught its lesson to those now in power in Russia.

To quote the *Economicheskaya Zhizn*, "this resolution will form the basis of all economic work in the immediate future, and will be unswervingly applied by all responsible workers in the economic domain." All those, however, who want to see the speedy restoration of healthy economic activity in Russia will certainly wish that sounder counsel may prevail at an early date, before this fit of recurrent fever has time to do much harm to her shattered economic system.

Notes of the Week.

The Indian Problem.—The House of Lords on Tuesday and Wednesday discussed the political position in India, and although interesting speeches were delivered by Lord Olivier, the new Secretary of State for India, Lord Curzon, Lord Meston, and the Earl of Balfour, the debate suggests little of a general nature to be added to the analysis of the position which was attempted in these columns last week. But the discussion serves a useful purpose in showing that statesmen of varying shades of political opinion are in close agreement on the fundamental point that India is not yet ripe to make a success of complete self-government, and that Great Britain has no option but to devote herself to working out the policy of the Act of 1917, namely, the policy of bringing India, by stages as speedy as prove possible and by growing co-operation with Indians to the ultimate goal of responsible self-government. How to secure the growing co-operation necessary to progress with the task, in place of the growing obstruction which is presented by the Swarajist movement, is, of course, the baffling task with which the Government are faced. We gather from Lord Olivier's speech that the Government, in consultation with the Government of India, are diligently and cautiously searching for "the best means of establishing closer contact and better understanding." A statement on the subject is promised before long. Meanwhile, it may be hoped that the debate will have assisted to remove the misunderstandings which are so rife. Helpful in this direction may be Lord Olivier's analysis of the causes of the present irritation, his condemnation of the Dyer debate in the House of Lords in 1917 (also condemned by Lord Curzon) and of Mr Lloyd George's "steel-frame" speech in 1920, and his rather cautious statement on Kenya. Unfortunately Lord Olivier's statement does not appear to have had a good Press in India. The practical unanimity of the speakers on the main issue was very marked. The Secretary of State described the India Act not as "ideal," but as "a transitional instrument for carrying on the public service." Lord Curzon said that we must "proceed cautiously along the lines laid down." Lord Meston pronounced that we must either adhere "to the policy of gradually fitting India for self-government, or we must hand over India to men who had no programme or considered creed of national welfare." The Earl of Balfour said (*Times* report, February 28th):—"There was no alternative to

that adopted by Parliament in 1919. They were all one on that. In insisting on seeing how the experiment worked, they were not delaying free institutions in India; they were doing what they could to make one of the most difficult tasks ever undertaken possible. It might prove that the thing was impossible. He hoped for better things. But the idea that it could be done by a stroke of the pen, that it could possibly happen if our hands were forced, was one of the most fantastic dreams that had ever entered the mind of man." The immediate task of finding some means of establishing a *modus vivendi* with Swaraj is intensely difficult. The method of a round-table conference, suggested by the Legislative Assembly, was roundly condemned by Lord Meston, but Lord Olivier mentioned other possible means of approach. His promised statement in the near future will be awaited with keen interest. In their efforts to reach a *dénouement* of the present menacing position the Government may be sure of the support and sympathy of all parties, so long as such concessions as may be necessary to obtain reconciliation do not lead them fundamentally astray from the line of policy already laid down.

The Reparation Recovery Duty.—In answer to a question in the House of Commons on Monday, Mr Graham, the Financial Secretary to the Treasury, announced the reduction (as from Monday night) of the levy on German imports from 26 per cent. to 5 per cent. The German Reparation (Recovery) Act, under which this levy is made, came into force on April 1, 1921, and provides for the payment to the Customs of a proportion of the purchase price of German goods, the official receipt for the amount so paid "operating *pro tanto* as a good discharge to the importer against the person to whom the purchase price of the goods is due." At first the proportion of the purchase price to be paid to the Customs was fixed at 50 per cent., but was shortly afterwards reduced to 26 per cent. Originally the Act was meant to apply to all goods of substantially German origin; but, this being found impracticable, the application of the Act was restricted to direct imports from Germany. For the past few months the German Government has refused to reimburse German exporters in respect of this levy, which has, therefore, fallen upon the British importer, and, through him, no doubt, in part at least, upon the British consumer. We have, therefore, apparently been in the position that the British consumer has been paying in indirect taxation considerable sums, which are credited to Germany as reparation payments. In order to put an end to this intolerable position the British Government has come to an agreement with the German Government, under which the former reduces the levy rate to 5 per cent., and the latter agrees (1) to arrange for the compensation of the German exporters at a later date, and to make it a punishable offence to charge any part of the levy to the British importer, and (2) to reimburse in gold bonds Customs receipts paid by the British importer before February 26. Full details regarding these gold bonds are set out in the current issue of the *Board of Trade Journal*. The Government's decision has been severely criticised from different angles. It is urged on the one hand that the Government is "letting Germany off," opening our markets to a flood of German competition, and reducing the duty to a level at which it is not worth collecting. To this it may be answered that the agreement at least ensures that the German Government will pay something, whereas since November it has paid nothing. The Treasury expect to collect on the 5 per cent. basis £150,000 per month. Secondly, it removes the burden of a quite indefensible protective duty from the British consumer; and finally, the provisions of the agreement between the two Governments are only to have effect up to April 15th, or for about six weeks. Presumably they are then subject to renewal or revision, and any change which experience suggests can then be made. Then again, the retrospective clause of the agreement invites the obvious criticism that if, during the period in which the German Government has ceased reimbursement, the British importer has succeeded in passing on the levy, in whole or in part, to the consumer, the gold-bond compensation by the German

Government is jam for the importer to which not he but the consumer is entitled. Then there are other critics who ask why the Government does not wipe out the levy altogether, since it has proved itself likely to be more of a nuisance than is warranted by the small expected receipts. The answer here is that the time when the whole question of reparation collection is under review is not a favourable moment for the complete scrapping of any existing machinery. Moreover, it is unlikely that a decision to abandon the principle of the Act would receive the sanction of the House of Commons. In our view the upshot of the whole matter is that, while it is easy to riddle the Government's decision with criticism, it is probably the best thing that could have been done under the present complex circumstances.

Imperial Economic Committee.—At the Imperial Economic Conference last November, Mr Bruce, the Prime Minister of Australia, proposed the formation of an Imperial Economic Committee. This Committee was to comprise representatives of all the Governments taking part in the Conference, and responsible to those Governments. Its function, Mr Bruce suggested, would be to consider and advise upon any commercial or economic matters outside the purview of the Imperial Shipping Committee, which might be referred to it by any of the constituent Governments. This proposal was welcomed by Sir Philip Lloyd-Greame on behalf of the British Government and was eventually adopted, with Canada strongly dissenting. In the House of Commons on Monday Mr J. H. Thomas, the new Secretary for the Colonies, announced that the Government would not support the proposal. In answer to a question he said:—"After careful consideration, His Majesty's Government have come to the conclusion, particularly in view of the fact that the Imperial Conference itself did not reach unanimity on the subject, that a standing Economic Committee with general terms of reference would not really assist co-operation between the Governments. They feel that, in all the circumstances, they cannot support adoption of the recommendation." Supplementary questions elicited two points, that Canadian opposition to the idea strongly influenced the Government decision, and that, in accordance with the Prime Minister's pledge, the matter will be brought before the House of Commons along with the other decisions of the Imperial Economic Conference. The question of this Committee has wider significance than would at first sight appear, for its establishment would have been regarded as a possible forerunner of the establishment of liaison machinery in the political sphere.

The Treasury and the American Debt.—The Chancellor of the Exchequer has been closely questioned this week in the House as to the means by which we are paying the Interest and Sinking Fund on our debt to the United States, whether we were paying, and if so how much, in gold, what effect the payments have upon our trade balance, and other similar conundrums. But he very wisely refused to be drawn. The time may come when a statement can be made in general terms as to the way in which the Treasury is handling this problem, but though, as our readers know, we are in general keen advocates of publicity, this is one of the few cases where it would be very unwise to divulge when and how the British Government has become possessed of the necessary dollar funds. To do so would put the market on its guard, and would make it very difficult for the Treasury to do as it has done up to the present, and to take advantage of favourable market conditions. The Treasury is always able to draw upon the best financial advice in London, and it has been so far successful that, except to those who are in its confidence, it has not been known either in London or New York when the Government obtained the funds with which the instalments hitherto paid have been secured.

A Census of Production at Last.—The *Board of Trade Journal* states that a Census of Production is to be taken by the Board of Trade in 1925 in respect of the year 1924, and the necessary notice has been given through Parliament to all persons and firms who will be required to

furnish information on schedules to be issued later. This Census will cover Great Britain, and it is understood that corresponding steps are being taken by the Government of Northern Ireland for the taking of a similar Census within their area. As in the case of the first Census of 1907, the inquiry will cover not only manufactures, but also agriculture, fishery, mining, and building; but, whereas at that date all undertakings, however small, were included, on this occasion it is under consideration whether only those employing more than five persons (including the employer) will be required to furnish information. This will be the Third Census to be taken. The Second was taken in respect of the year 1912. It is explained that "when the returns were in process of examination and tabulation the European War broke out, and work on them had to be suspended, owing to more urgent requirements. When the war ended it was found impracticable on account of the lapse of time, which made it impossible for employers to amend or complete defective returns, to produce a Report of the same thoroughness and accuracy as the First Report, and consequently the data furnished for the Second Census have not been worked up into a Report. They will still, however, be available for utilisation in making comparisons, at least in some cases, with the information obtained regarding 1924. Another Census fell due in 1917, but could not be taken, owing to war conditions, and in the years immediately following the Armistice the conditions of industry were too abnormal and fluctuating to make a Census desirable. Now, when some progress has been made towards a normal state of trade, when wholesale prices have been relatively stable for a considerable period, and when there are signs of a revival of trade, it is felt that the time has come for a renewal of this periodical review of the facts of industry." The preliminary results of the 1907 Census were not presented until the end of 1909, and it is to be hoped that a similar period will not be allowed to elapse before the 1924 figures are published. In the meantime, why have the 1912 figures not been published?

Bank Amalgamations.—The Chancellor of the Exchequer questioned on Monday as to the policy the Government would adopt towards any proposal for amalgamation between any of the "Big Five" joint-stock banks, replied that "Further amalgamation of the larger banks would not be likely to be viewed with favour." Whether Mr Finney thought any such amalgamation likely or not we do not know. His ground for raising the point—namely, that the concentration of banking into a few hands creates a "virtual monopoly," and that the commercial community complains that the limitation of credit facilities operates to the disadvantage of trade commerce and employment—is a mare's nest. In our view, the movement has operated in precisely the opposite sense. At the same time, the Chancellor's conclusion is sound for two main reasons. On the one hand, it would be a mistake to put too many eggs in a single basket, for the most careful selection cannot ensure for ever that the wisest financial brains shall be found on the boards of one or two private companies; and in the second place, there is a limit to the size to which businesses can grow without involving red tape and an excessively costly administrative control. The following figures of total resources show that the "Big Five" are already large enough to satisfy any reasonable ambition:—

	£
Barclays.....	333,069,700
Lloyds	385,150,200
Midland	420,096,600
National Provincial	253,737,500
Westminster	301,065,000
	1,733,117,000

These resources are of about the same order of magnitude as the paid-up capital, reserves, &c., of the railways (e.g., London Midland and Scottish £509 millions and Great Western £201 millions), which with the banks are the largest joint-stock enterprises in the country.

The Civil War in Mexico.—A correspondent writes:—With the Federal occupation of Tuxpam on Tuesday, following its evacuation on Monday night by the insurgents, the only oil region that is known to have suffered in

the rising is cleared of its disturbers, and the de la Huertists have met with a very serious defeat. The chief officers of the beaten army have left by sea for New Orleans; the rank and file have scattered, and are not likely to rally. Federal troops are moving from two directions on Jalapa, in northern Vera Cruz, an important station on the Inter-oceanic Railway, which should soon be reopened from Vera Cruz to the Federal capital. From the Pacific side the reports are less favourable. The U.S. cruiser "Milwaukee" has gone to Acapulco, to protect American residents, and a number of American mine-owners and officials, after traversing an insurgent region, have reached Mexico City under Federal escort from Guerrero, together with the State Governor. The news given above, which is taken from Thursday's *Times*, points to sporadic disturbance in Guerrero and Morelos, the latter formerly the chief field of peasant revolts. Señor de la Huerta himself was last heard of, we believe, in Yucatan, where he can do little to revive the rising in the rest of Mexico. The *Times* telegram also states that the Mexican Eagle Oil Company has filed claims for damages against the Mexican Government amounting to \$5,000,000. It must be remembered, however, that the company, though British in ownership, is Mexican in domicile, and therefore cannot rely on British support for its claims to the same extent as the American companies can rely on support from Washington.

Cotton Wages Dispute.—Our Manchester correspondent writes:—A relatively small wages dispute in the Lancashire cotton industry may have serious consequences within the next week or two. The trouble has arisen at the Thornham Mill, Royton. Three machines in the cotton room have been worked by two women, who, during the war, replaced one man. An additional machine has been put in, and the trade union made a claim for the payment of 16s 6d per week for attending the new machine. The request was declined on the ground that the amount of cotton dealt with by all the machines had not altered. As a result of further discussions the employers made an offer of 8s 10d per week increase in wages. This proposal was refused by the trade union, and the mill was put on strike on February 12th. Later, the union reduced their claim from 16s 6d to 15s 4d, but the employers could not accept this suggestion. On Tuesday last there was a special mass meeting of the members of the Master Spinners' Federation, when the facts of the situation were reported. It was pointed out if the principle underlying the claim of the union is conceded, all other firms making additions to the machinery in the cotton room will undoubtedly be called upon to increase the wages of the workers without regard to present wages paid, or to any change in the amount of work performed by the operatives. The members of the federation pledged themselves unanimously in the event of work not being resumed at the Thornham Mill within seven days to give support to the firm by posting the usual notices to terminate the contracts of service with the workpeople, and to keep their mills closed until the operatives on strike return to work. On behalf of the Masters' Federation, it was stated that it was still hoped that it may not be necessary to put the resolution into effect, the employers still being anxious to avoid any extension of the dispute. It is expected that further negotiations will now take place, but if there is no agreement it is probable that the lock-out will begin on March 8th. The dispute affects the whole of the 700 spinning mills in Lancashire, and about 180,000 operatives are involved.

Agricultural Prices.—When the agricultural index number for the year 1923 was made up it was found that the general level of prices of farm produce was about the same as in 1916. The percentage increase on the average of the three years 1911-13 was 57 in 1923 and 60 in 1916. Grain, hay, and potatoes last year were lower than in 1916, but milk, dairy produce, eggs, fat sheep, fruit and hops were considerably higher. Farm prices generally reached their lowest level since 1914 in June last. There was then a slight recovery, followed by a relapse in October to the June figure of 51 per cent. above the pre-war level. During the past three months there has been a distinct recovery, and the figure recorded for

January was 61, or a gain of 10 points since October. All grain prices have risen markedly during the current cereal year, wheat by 14 points, barley by 9 points, and oats by 13 points. But the main cause of the rise by 5 points in January of the general index number was the rapid advance of potato prices. During the last two months of 1923 prices in the wholesale markets rose by nearly £2 per ton, while January prices averaged nearly £2 per ton more than those of December. Potatoes are now 129 per cent. above the pre-war level. The *Agricultural Market Report* states that no serious shortage has been felt in the wholesale markets, and suggests that the recent advance in prices was in part due to anticipation of a railway strike. It seems more probable that the dominant factor is the knowledge that the home crop this year was barely equal to the normal demand. Last year there was a large surplus over any possible demand, and the contrast is well marked by the fact that prices a year ago were at the pre-war level. There was a substantial increase in the prices of fat cattle and sheep during January, which was contrary to the usual tendency to fall after the Christmas trade. Fat pigs are cheaper than at this time last year, when they made more than double pre-war prices. They are still 43 per cent. above the average of 1911-13, and notwithstanding the general extension of pig-keeping, it still represents, with careful management and modern methods, a paying proposition. All feeding stuffs except American maize and maize meal were cheaper in 1923 than in 1922. Feeding barley and oats, which in 1920 were 200 per cent. dearer than before the war, were last year 15 and 35 per cent. respectively above the pre-war average. Wheat offals were from 23 to 35 per cent., and feeding cakes from 35 to 42 per cent. above the average of 1911-13. Somewhat curiously, brewers' grains showed the greatest fall on the year, the price dropping by 22 points. All descriptions of fertilisers fell very markedly in price. High quality basic slag, which was 95 per cent. above the pre-war price in 1922, was 40 per cent. above in 1923. Sulphate of ammonia was practically at the pre-war level, and nitrate of soda and superphosphate were 28 and 30 per cent. respectively above the average of 1911-13. Kainit, indeed, on the year's price, was 20 per cent. below the pre-war average, although there was a rise at the end of the year, which closed with prices 15 per cent. higher than before the war. Inferences from index numbers have to be made with care, but, looking at both sides of the account, it appears fairly certain that the materials which farmers use have fallen in price in a somewhat greater degree than the products which they sell. It may be added that the labour bill—which looms so large in agricultural discussion—cannot be reckoned at more than 40, or at most 50, per cent. above the pre-war level, and in some districts even less if the number of men employed, as well as the wages per man, are taken into account.

Chamber of Shipping Report.—Coinciding with the settlement of the Dock Strike, the issue last week of the annual report of the Chamber of Shipping occasions more than the usual interest. The report contains an instructive summary of the varied activities of the Chamber in respect to what may be termed the political side of shipping during the past year, particularly with reference to international recognition of the policy of free ports and the withdrawal of flag discrimination. An account is also given of the efforts made by the Chamber to reach a settlement on the vexed question of the double taxation by different countries of shipping profits, while the industry's blessing is conveyed in somewhat guarded terms to anticipated legislation ratifying the Hague Rules. The economic position of the industry is rather cursorily presented in the report, and the address of the newly-elected president of the Chamber last Friday formed a valuable commentary on present tendencies. The report states that in 1923 "international ocean-borne trade, as a whole, has been transported not only without profit to the shipowner, but at a heavy loss." In modification of this sweeping assertion, which seems to savour a little of propaganda, the introduction of which into a report of this nature is to be deplored, Sir Alan Anderson ventured the opinion that while 1923 was still a year of depression, the position of shipping was improving. The year had wit-

nessed no important depreciation of assets, foreign trade was expanding, and the British Mercantile Marine as a whole had weathered the storm with extraordinarily few casualties. Sir Alan appeared to share the view which has recently been expressed in this paper that the effective surplus of tonnage is much smaller than commonly supposed, while the relative physical condition of the British Merchant Fleet compared with foreign owned ships is not unsatisfactory. On the other hand, the competition of Continental shipping, whose labour costs are temporarily below the British level, and whose fixed charges have through currency inflation been greatly lightened, is a matter of some concern. The President strongly deprecated the artificial stimulation of shipbuilding by Government credits, and expressed the opinion that non-economic building might result in the withholding of commercial orders by managements who felt that calculations as to the course of values might be falsified by Government activity. The President's address was followed by an interesting speech from Sir Frederick Lewes, who dealt with the investigation (not yet concluded) of existing port facilities by a special committee of the Chamber, and urged that no better object for Government plans of work, designed to absorb unemployment, could be found than in schemes to improve and increase port equipment. The issue of the Dock Strike resulting, as it has done, in a settlement inevitably increasing labour charges per ton handled, seems to lend additional point to the view that no opportunity of improving the technical and mechanical equipment of our ports should be neglected. The publication of the Chamber's report on present facilities will be awaited with interest. It is to be hoped that in addition to examining mechanical facilities the committee has also considered whether something cannot be done in the nature of more scientific "costing" in the docks. It seems by no means clear, judging from the statements at the Dockers' Court of Inquiry last week, that there exists at present any adequate costing system through which waste and overlapping in ports as a whole should be detected.

London's Electricity Supply Companies.—For the prices of London electricity supply shares to have weakened, if anything, after publication of a batch of dividends which is extraordinarily good, would seem to call for a more adequate explanation than that of the ordinary reaction which so often takes place in a Stock Exchange market upon previous hopes being realised. The reaction in the electricity market has been a mere trifle, but the dividends declared for 1923 by London companies are so good, in most cases, as to render even this slight decline a matter for surprise. It may be recalled that expectation two or three months ago looked for little better than a repetition of the excellent results secured by the London undertakings in 1922, when substantial increases in dividends were made over the payments in the preceding 12 months. For 1923, however, there are further improvements. The Metropolitan dividend is increased by 1½ per cent., St James's and Pall Mall and Westminster both 3 per cent., South Metropolitan and County of London by 5 per cent., Chelsea and Kensington both 2 per cent., South London 4 per cent. At the current quotations of the shares, allowing for inclusion of the dividends, the returns on the money employed in the 12 leading London concerns range from 5 per cent., free of tax, on Brompton and Kensington ordinary, to £7 16s 6d per cent. on South Metropolitan ordinary. The average works out to about 6½ per cent. over the whole group, which may be regarded as a reasonably good return, though not perhaps sufficiently striking to encourage new investors to come in and take the shares at to-day's levels. The industry stands on the verge of extremely interesting developments, to understand which with any degree of fullness it will be necessary to refer to particulars of the London Electricity Bills set out fully in the *Economist* of February 2nd, page 194. The companies look forward to being permitted to extend their tenure of existence for 40 years, from 1931, upon the terms set out in one of the Bills, which, briefly, provides that if the Bill is passed, in 1971 the companies shall become the property of the Joint Electricity Authority free of cost to the latter, the value of the valuable assets being liquidated by a sinking fund by or

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before 1971. Provision is made for a sliding scale to regulate the profits of the London companies, and to secure reduction in rates to customers. This provision is held in some quarters to be a warning to such optimism as might look for continual expansion in dividends. All the 12 companies mentioned pay dividends ranging from 10 per cent. up to 17½ per cent., five giving their shareholders the comfortable rate of 15 per cent. People who are aware of the way in which gas profits were regulated by the sliding scale, are beginning to ask whether the electricity supply companies can maintain these extremely good returns, and there can be no doubt that the announcement of the dividends has been followed by a little profit-taking by those who, being able to secure excellent prices, consider they will accept their profit and leave whatever may be over for the benefit of the next man. The amount of opposition which has arisen to some of the companies' bills now before Parliament is somewhat remarkable, and that all-round reductions in prices will have to be made is already obvious; some of the companies, indeed, having already reduced their charges since the beginning of this year. It is possible that if the 40 years extra tenure of life is conceded by Parliament, this would mean the entry of electrical power development on a stage more appropriately spacious than that which has hitherto confined the energies of the companies. Free to work out their own salvation, the companies would be able to expand in a manner which the importance of London obviously demands, but whether the companies could do this and maintain, at the same time, the extremely generous dividends which they are now distributing is a question that the future will have to solve. The companies, the shareholders, and the directors can be congratulated upon the results achieved for 1923, which have come about largely through the fact of expenditure on coal, wages, material, and other necessities having fallen to a much greater extent than the cost of the current has been reduced to consumers. Given new powers and a fresh lease of life, the London electrical industry will demand millions of new money, which makes another factor worthy of consideration by those who are attracted by the industry's prospects, and by the liberal dividends that are now in course of distribution.

Mortgages on Scuttled Steamers.—Although the recent epidemic of scuttling which broke out among Greek steamers seems to have worked itself out, our courts of law are still busy tidying up the legal consequences. On Monday of this week the House of Lords delivered an important judgment in the case of the *Grigorios* (P. Samuel and Co., Limited, v. Dumas). The action was brought by a firm of insurance brokers on behalf of the Greek shipowner and a mortgagee upon a marine insurance policy. Mr Justice Bailhache held that the steamer had been scuttled by the master and engineers and some of the crew, with the connivance of the shipowner. So clearly the shipowner could not recover upon the policy. The learned judge held, however, that the mortgagee, as he took directly from the insurers and not indirectly through the shipowner by assignment of the policy, was entitled to judgment. The shipowner did not appeal, but the underwriters went to the Court of Appeal and succeeded in reversing the judgment given against them in favour of the innocent mortgagee. The House of Lords has now upheld the Court of Appeal on a variety of grounds, only

one of which need be mentioned here, and the innocent mortgagee sustains a heavy loss, to say nothing of costs. The ground for the decision which will give most concern to lenders of money secured on shipping is this: that when a ship has been willfully scuttled by the owner the loss is not due to a peril which is covered by the ordinary marine insurance policy. The proximate cause of the loss, the *causa causans*, is not the inrush of the water deliberately let into the ship, but the act of scuttling itself, which when occurring by the owner's direction is not one of the perils insured against. The effect of the decision, therefore, seems to be that a mortgagee of a ship who directly insures the ship upon the ordinary marine policy cannot recover upon it when she is scuttled by the direction or with the connivance of the owner. This has always been the case where the mortgagee took a policy by way of assignment from the owner as further security, but it has hitherto been thought that the case was otherwise when the mortgagee had himself independently insured the ship. That view is now shown to be wrong. The moral is that banks and others who lend money on the security of ships must, unless they have absolute confidence in the integrity of the owners, expressly insure against the risk of scuttling by the shipowner's direction, or with his connivance. In times of rapid declines in value the temptation to scuttle is apt to prove in certain quarters too great to be resisted by a desperate man. Another important point was involved. There was a warranty against over-insurance of freight which had been broken. This by itself was sufficient to bar a claim on the policy unless waived. Their lordships differed as to whether, in fact, there had been a waiver by the underwriters of the breach of warranty. The majority view, stated by Lord Cave, was that the respondent underwriter must be assumed to have been aware that the assured was prevented by the terms of the policy on the vessel from taking out policies on the freight in excess of a certain sum. Notwithstanding this he joined in the issue of policies for double that amount, and took his share of the premiums on those policies. "I can conceive no conduct," said his lordship, "more inconsistent with an intention on his part to enforce the restriction." He therefore held that the respondent and the other underwriters who took that course were precluded by waiver or acquiescence from treating the marine policy on the vessel as void for breach of the warranty. Although, on the main point of scuttling, the decision finally went in favour of the underwriters, the judicial observations on acquiescence in over-insurance were not, from the underwriters' standpoint, equally satisfactory.

Swiss Railways and Electrification.—A Geneva correspondent writes:—The provisional accounts of the Swiss Federal Railways for 1923 show a great improvement on the previous year, and the Administration Board hopes that the long series of deficits is now closed. From 1914 to 1922, the aggregate deficits reached a total of £12,688,976, which was reduced to £8,430,285 at the end of 1922. Last year's receipts amounted to £14,617,501, as against £13,328,618 in 1922; owing to the reduction of salaries and of the number of officials, and to the decrease in the price of coal, expenses reached £10,075,224, compared with £12,251,492 during the previous year. The 1923 surplus is, therefore, of £4,542,377, as against a deficit of £1,820,547 in 1922. Owing to the increase in the number of foreign visitors during the last winter and summer seasons, the railways transported 86,883,670 persons in 1923, compared with 81,032,550 in 1922; goods traffic has also been on the increase, the number of tons carried in 1923 being of 14,652,370, as against 13,245,115 during the previous year. Last year's profit is exclusive of interest on loans and of subsidies to several funds so that, after all, this profit will be nearly entirely swallowed and the Federal Railways are about to issue, towards the second half of February, a loan of £6,000,000 which will enable them to replace debt and to have the necessary cash money for current expenditure. The high deficits of the past nine years are a consequence of the war: they are due to the rise in the price of coal, of raw material and rolling stock, to the increase in salaries, to the drop in passen-

gers' and goods' traffic, and to the expenses for electrification. The electrification scheme of the Swiss Federal Railways was to have been started in 1914, but owing to the war it was delayed until 1918. Electrification was begun under difficult circumstances resulting from the scarcity and high price of metals, as well as from the high cost of labour. It has been estimated that nearly £2,000,000 might have been saved if electrification had been begun two or three years before the beginning of the war. Up to the end of 1922, £8,800,000 had been spent on the electrification, out of which £3,560,000 was for rolling stock; the electrification scheme was to be completed in 1930, but in September last the Swiss Parliament accepted a proposal to effect an acceleration of the work so as to complete the scheme by the end of 1925. £2,600,000 were to be expended in 1923 (£760,000 on rolling stock) and £2,800,000 (out of which £1,000,000 on rolling stock) will be spent up to the end of 1925. The total scheme which provides for the electrification of nearly 510 miles will cost £17,760,000, which have been obtained partly by means of Government subsidies but for the greater part by means of loans. Electrically-driven trains are now running on the Saint Gothard line from Chiasso (Italian frontier) to Lucerne and Zurich, a stretch of 151 miles which, in spite of steep gradients, the fastest train covers in 4 hours 37 minutes, while it took 5 hours 19 minutes to make the same journey when steam engines were used. The Lucerne-Olten line (35 miles) was opened on February 20th, the Arth Goldau-Zoug (10 miles), Immensee-Rothkreuz (5 miles), Berne-Thun (19 miles) have been electrified since last year as well as the Simplon line from Isella (Italian frontier) to Sion (36 miles). Work is steadily progressing on the Sion-Lausanne (57 miles) and the Olten-Basele (26½ miles), sections which will be probably opened before next summer. Two other sections, Thalwil-Richterswil (10 miles) and Lausanne-Yverdon (24 miles) will also be completed in a few months, and work will begin this year on the Zurich-Berne (81 miles) and Renens-Geneva (35 miles) lines which should be electrified in the course of 1925. The electric engines which are giving excellent results are built by "Brown, Boveri and Co." at Baden (Canton Aargau) and by the "Sécheron" works at Geneva. Contracts for the construction of 104 engines are to be placed this year so that, at the end of 1924, the Federal Railways will be in possession of 174 electric engines and 983 steam engines, as against 124 and 1,063 respectively in 1923. The completion of this scheme will not put an end to the electrification of the Swiss Railways, but some time will elapse before another extensive scheme is started as the financial means of the country are not unlimited. On the other hand, it will be necessary to harness more mountain rivers and to create new artificial lakes in the Alps in order to get the necessary electrical power, and the investigations of this subject are not terminated.

Blast Furnaces in Holland.—An Amsterdam correspondent writes:—In its number of January 31st the official journal of the Dutch Chambers of Commerce and Industry publishes information concerning the new blast furnaces of Holland. The following, supplemented by figures taken from other sources, is based on this article. The appearance of Holland in the world records of iron and steel production reopens a chapter in the economic history of that country which was closed just 40 years ago, for it was in 1884 that the last blast furnace extinguished its fires. The establishment at Velsen of the Royal Dutch Blast Furnaces and Steel Factories, which were started at the beginning of the present year, finds its chief justification in the great increase in the metal industry of the country. (The import of pig-iron amounted in 1922 to 32,599, and in 1923 to 42,759 tons.) The year 1917 saw the drawing up of the plans for the new enterprise. The scheme was further stimulated by the participation of the State in the share capital (fixed at 30 million florins) to the extent of 7½ million florins, while the municipality of Amsterdam, as a much-interested party, took up shares to the amount of 5 million florins. Agreements were then concluded with the Phoenix Bergbau A.S. of Düsseldorf, from which the Dutch blast furnaces had in 1920 taken

over Phoenix shares to the value of 30 million marks, paying for them 6 million florins; and also with the Société Anonyme Carrières de Namèche, and a Dutch steel factory. The total amount of the shares taken over was stated in the last balance-sheet to be 9,315,629 florins. The object of the Dutch blast furnace concern is to provide at least for the requirements of the home industry. Before the war the consumption of pig-iron in Holland was estimated at 70,000 tons per annum; it may now be put at about 50,000 tons. Each of the two Velsen furnaces has an output of 250 tons of pig-iron per day, so that the annual output, when in full working order, should be 150,000 tons. This will leave a surplus of about 100,000 tons per annum for export purposes. The moment chosen for the installation of the new blast furnaces can scarcely be called a favourable one. A survey of the iron and steel production of the world would certainly give the contrary impression, for it would seem to suggest that the production of pig-iron in 1923 has not overcome the slump of 1921 so rapidly as has been the case with steel products, and it is precisely pig-iron, with a comparatively small percentage of phosphorus, that the Velsen concern is primarily designed to supply. The greater part of the Velsen output must find a sale outside Holland. Keen competition is expected, both from the home and foreign markets, and especially from the French and German concerns. Nevertheless, markets have already been secured in Belgium, Italy, Switzerland, Scandinavia, and America (California). This fact affords satisfactory proof that the Netherlands Blast Furnace Works may look forward to a place in the world market.

Underground Electric.—The report for 1923 of the Underground Electric Railways Company of London, Limited, which is purely a holding concern, shows a decrease of £41,600 in income from investments, but with a reduction of over £13,000 in expenditure, net receipts are only £28,300 lower at £734,700. Moreover, the report explains that the reduced income from investments is attributable to the sale of certain debenture and preference stocks, out of the proceeds of which the 6 per cent. Three-year Secured Notes have been paid off. The following table shows the company's financial results since 1919:—

	1919.	1920.	1921.	1922.	1923.
Revenue from—					
London Electric Railway	196,932	154,118	344,578	410,854	376,560
District Railway	61,950	47,250	94,465	130,095	139,003
City and South London	46,374	38,385	63,942	74,894	58,414
London General	160,048	114,320	251,483	253,615	257,617
Metropolitan Railway	250	300	450	700	800
London and Suburban Traction	208,571	208,571	5,320	7,599	3,800
Associated Equipment Co.	16,239	16,734	9,763	9,869	4,060
Sandries (including income-tax returnable)	692,364	579,678	770,001	887,626	840,254
Appropriation—					
Directors', &c., fees and expenses	10,116	14,329	14,099	17,688	19,848
Loss on foreign exchange	67,938	55,171	82,925	24,831	40,644
Interest on 4½ per cent. bonds	117,797	117,799	117,797	111,839	107,269
Interest on 5 per cent. 3-year secured notes	35,000	8,750	..	..	..
Interest on 6 per cent. 3-year secured notes	..	31,500	42,000	38,037	10,269
Central London guarantees	13,466	47,130	76,380	76,380	76,380
Interest on 6 per cent. income stock ..	76,380	76,380	76,380	76,380	76,380
Interest on 6 per cent. income bonds ..	361,717	180,859	361,717	427,824	494,085
	(4 %)	(2 %)	(4 %)	(5 %)	(6 %)

Ine. or dec. in balance forward

By the terms of the issue of the 4½ per cent. bonds and the 6 per cent. income bonds, the interest is made payable either in London in sterling or in New York and Amsterdam at par of exchange. Thanks to the decline in these exchanges, the "loss in exchange" is over £16,000 greater, at £40,600, than it was in 1922. The income bonds receive their full 6 per cent. for the first time since 1916, and the carry forward is substantially increased. The principal changes in the balance-sheet are a reduction on the liabilities side of £300,000 in temporary loans and an increase of £384,000 in the holding of Treasury bills. The proprietors will perhaps be told next week why administration expenses have doubled in five years.

Home Railway Stockholders.—One natural consequence of the grouping of the British railways into four great companies is that the stocks of each of the undertakings are held by a vast army of stockholders. In the report of the London, Midland and Scottish Company the directors, in

announcing that they consider it inadvisable to issue passes to proprietors to attend the meeting, mention that there are a quarter of a million stockholders in the company. This number, we should imagine, almost equals the total staff of the line. At the meeting of the Great Western Company, on Wednesday, Viscount Churchill gave an interesting classification of the stockholders in his company. Out of 52,000 holdings of Great Western ordinary stock 34,534, or 66 per cent., are for amounts of £500 or less. Taking the limit to £1,000, the number is approximately 44,000, or 84 per cent. Taking the ordinary, preference, and guaranteed stocks together, the total number of holdings is 104,000, of which 60 per cent. are for £500 and under, and 79 per cent. for £1,000 and under. These figures do not take into account the considerable holdings by insurance companies, societies, and other institutions. In the absence of the London and North-Eastern report we are obliged to defer our usual examination of the accounts until next week.

Courtaulds Year.—The directors of Courtaulds, Limited, in their report and accounts for the year ended December 31, 1923, state that after carrying the sum of £400,000 to special reserve account for insurance profits amount to £2,916,950. To what extent this is a provision against a possible liability we are not able precisely to determine. Obviously, if this figure were included in profits, the year would have been better than the previous 12 months. Financial results for seven years are summarised below:—

	1917.	1918.	1919.	1920.	1921.	1922.	1923.
Profit	1,173,891	1,184,938	2,280,861	1,804,796	1,684,593	3,018,432	2,916,950
Brought forward	315,894	62,935	148,211	229,078	383,874	418,467	636,899
Debit interest	1,489,785	1,247,873	2,429,072	2,033,874	2,068,467	3,436,859	3,553,849
Ordinary dividend	512,502	650,002	1,200,001	1,450,000	1,350,000	1,800,000	1,800,000
Reserve	911,300	445,660	999,993	200,000	300,000	1,000,000	1,000,000
Carried forward	62,935	148,211	229,078	383,874	418,467	636,899	763,849

* Free of tax.

The report says that the result of the year's working of the textile business may be considered fairly satisfactory, allowing for the fact that the pressure of foreign competition has been more severe than ever. The company's business in artificial silk has increased in volume, though, as foreseen, foreign competition has resulted in a lower margin of profit. In many countries production has grown rapidly, and importations from abroad are now met with on an important scale. There can be little doubt that competition will increase and profits tend towards a lower level. On the other side of the Atlantic similar conditions obtain, but the American company has, of course, the advantage of a tariff. The company has purchased a site at Cornwall, Ontario, and is proceeding to the erection of an artificial silk plant, which is designed to meet the requirements of the Canadian market. Turning to the balance-sheet we find assets total £21,032,673, of which £15,187,252 represent investments. The general reserve is £3,000,000, while a new item, special reserve account for insurance, makes its appearance with £400,000 to its credit. Creditors and special reserves for taxation amount to £3,828,824. The balance-sheet will be found fully analysed on another page.

Harrods Progress.—A slight increase in gross profits and a substantial increase in net profits are the most prominent features about the accounts of Harrods, Limited, for the year ended January 31st last. The following table compares results for the past six years:—

Year Ended Jan. 31st.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.
Gross profit ..	£1,204,700	£1,879,201	£2,209,213	£1,623,392	£1,924,290	£1,950,621
Net profit	335,143	552,955	532,503	196,072	479,750	563,502
Brought fwd.	35,102	66,481	208,890	220,768	10,985	13,636
Reserve	370,345	619,436	741,393	416,840	490,735	577,138
Prof. dividend ..	77,514	79,295	39,000	..	..	25,000
Ord. dividend ..	60,000	60,000	142,500	286,233	300,000	300,000
	166,250	261,250	335,125	95,750	153,200	210,650
	(17½ %)	(20 %)	(17½ %)	(5 %)	(8 %)	(11 %)
Carried forward	66,481	218,890	224,768	34,857	37,535	41,488

The gradual improvement recorded above will be welcome by shareholders, especially the allocation to reserve and higher dividend. The directors state that the profits of the Manchester "branch"—Kendal, Milne, and Co.—have been satisfactory, while the associated companies—Dickens and Jones and Swan and Edgar—have made better profits. The reserve account now stands at £694,097. Deposit and current account balances total £956,635. Against this, however, investments and securities amount to £1,806,832, of which over £460,000 is comprised of gilt-edged securities. The balance-sheet will be found fully analysed in our usual column.

Vickers and their Mortgage Debenture Holders.—An informative circular-letter has just been issued by Vickers, Limited, to holders of the 4 per cent. first mortgage debenture stock. It is pointed out that, "Since 1897, when this company's 4 per cent. first mortgage debenture stock was created, the company has issued upwards of £19,000,000 of additional share capital. In 1897 the book value of the company's assets was upwards of £2,500,000 only as against the figure at December 31, 1922, of over £35,000,000, showing an increase of £32,500,000. It will thus be seen that the company's assets and the security for the stock have enormously increased since the debenture stock was issued in 1897." The letter then proceeds to state that, "With a view to facilitating the future finance of the company, and in particular the speedy redemption of the company's 7 per cent. notes, the directors propose to create an entirely new issue of first mortgage debenture stock, and they are calling a meeting of the holders of the existing 4 per cent. first mortgage debenture stock under the provisions of the trust deed securing that debenture stock, to consider, and, if thought fit, pass a resolution whereby the existing 4 per cent. first mortgage debenture stock will be exchanged on April 1st next for new 5 per cent. first mortgage debenture stock, on the basis of £100 of the new stock for each £100 of the existing 4 per cent. stock." Existing first mortgage debenture holders will thus find their securities merged into a larger issue of £6,000,000 first debentures if they give the company the necessary powers, in return for which they will receive an extra 1 per cent. The directors are perfectly correct when they point to the growth of assets, and we think that the offer to first debenture holders is reasonably fair.

Scottish Widows' Fund Valuation.—Five years ago this well-known office carried forward the valuation surplus after making special provision for past and prospective depreciation in securities. The prudence of this policy is shown now. At the valuation just completed for the five years 1919-23, there is an available surplus for distribution to participating policyholders of no less than £2,626,126 on life and annuity funds of £24,247,072. The directors have accordingly declared a bonus at the high rate of 40s per cent. per annum for the five years 1919-23 on sums assured and existing bonuses; this will absorb £2,564,000, leaving £62,126 to be carried forward, in addition to the general reserve fund of £350,000 (not included in the life funds). The rate of intermediate bonuses on claims paid in the course of the five years 1924-28 has been fixed for the present at 35s per cent. per annum compound. The report of the society for the past year shows a net new business of £2,403,079, against £2,110,253 in 1922. The average rate of interest earned was £5 4s 5d gross and £4 7s 11d net, after deducting income-tax. The death rate was very low, the claims paid working out at 64 per cent. of the amount allowed for by the valuation tables. The expenses and commissions, which in 1920 had risen to 13.5 per cent. of the premium income, have been pulled back to 11.9 per cent. Both the report for 1923 and the valuation report for 1919-23 are excellent, and indicate the vitality of a mutual society which dates back to Waterloo Year, 1815.

Standard Life Office Valuation.—The investigation into the liabilities of this office as at November 15th last was made at 2½ per cent. interest, instead of 3 per cent. as formerly adopted. The assets were revalued, and the total book

value, after allowance for possible losses and depreciation, was found to be less than the market value on November 15th. The total surplus was £711,321, of which the directors have decided to divide £572,925, and to carry forward £138,396. The amount allotted to policyholders permits the declaration for the three years November 15, 1920, to November 15, 1923, of a reversionary bonus on all ordinary participating policies at the rate of 35s per cent. per annum. Intermediate bonuses in respect of claims on or before November 15, 1926, will be at the same rate.

Bourse Charges in Germany.—Now that comparatively stable monetary conditions prevail in Germany, many charges which were scarcely noticeable during the days of rapid inflation are coming to be felt extremely burdensome. An example of this is provided by the growing resentment at the high scale of the various charges and commissions incidental to share transactions, which by many is held to be a factor in the present stagnation on the Bourses. The *Frankfurter Zeitung* for the 23rd of last month publishes a table showing that these charges are now more than three times as high as those prevailing elsewhere, being 5½ per mille in Germany, as compared with 4½-6 per mille in Holland, 15½ per mille in London, 2-4 per mille in New York, 12-16½ per mille in Vienna, 14-16½ per mille in Budapest, 3 per mille in Prague, and 4-10 per mille in Agram. Of this figure 3.3 per cent. is Government stamp duty, 2 per cent. brokers' commission, and ½ per cent. "courtage." The *Zeitung* concludes that on both fiscal and business grounds a reduction is desirable. It is high time, says the paper, that the maxim "smaller charges, greater turnover" returned to honour.

United Fruit Company.—Continued and increased prosperity, writes a correspondent, has attended the operations of the United Fruit Company (which next month, March, will reach the twenty-fifth year of its existence), in connection with the vast and varied enterprises engaged in, including shipping, fruit-growing, and merchandising operations throughout the countries of the Caribbean. British capital is interested not only in the bonds of this corporation, but in connection with its shipping representatives in this country, Messrs Elder and Fyffes, Limited. The financial position of the corporation shows that operating profits, after a depreciation charge of \$6,000,000 has been allowed for, exceeded last year \$23,000,000, compared with \$18,851,000 in 1922, a period ranking as the second best in the company's history. The best twelve months' trading experienced, however, was in 1920, when the total net receipts amounted to \$44,615,274, and profits, after all charges had been deducted, to \$29,000,000. The substantial banana crop now coming to market is handsomely swelling the company's receipts. It is expected that the current Central American banana season will witness the handling of 38,000,000 stems of fruit, compared with 35,000,000 in 1923, and 34,000,000 in 1922. The widely-extended cultivation of the tree undertaken by the United Fruit Company in Honduras is, however, threatened by political disturbances in that country. But for that fact production from that field might easily have exceeded that of Jamaica, which, last year, contributed over 10,000,000 stems. The prosperous financial conditions of the company have enabled an increase to be made in dividend from \$8 to \$10 per share, and this may now be regarded as the lowest future rate of distribution. The average balance per share for the last four years has been \$21.98, while since its inception the company has paid dividends exceeding a sum of \$149,000,000. Strengthening of the financial position and earning power of the undertaking have been consistently aimed at. The cash holding at the end of last year reached \$21,775,000, apart from governmental and other securities, which brought up the equivalent total to \$31,376,000. Within a seven-year period the total assets of the company have been almost doubled, now standing in the books at \$182,815,000, against \$98,025,000 in 1916.

Sugar Beet and Potato Crops.—According to information supplied by the International Institute of Agriculture, the production of sugar-beet in 1923, as far as can be ascer-

tained from available returns, showed slight variation from the previous year's figure, the total for the Northern Hemisphere being 36.6 million metric tons in each case. The following table shows the yield in some of the most important producing countries:—

Countries.	1922.	1923.	Percentage. 1922 = 100.
Belgium.....	1,695.4	1,808.5	106.7
Czechoslovakia.....	5,240.1	5,159.1	98.5
Denmark.....	572.4	820.0	143.3
France.....	3,289.4	3,222.4	98.0
Germany.....	10,791.6	8,510.4	78.9
Hungary.....	711.1	881.5	124.0
Italy.....	2,255.7	2,750.0	121.9
Netherlands.....	1,818.0	1,713.8	94.3
Poland.....	2,671.4	2,574.6	96.4
Serb. Croat. Slov. State.....	312.7	300.0	95.9
Spain.....	1,473.6	1,220.0	82.8
Sweden.....	456.5	995.0	218.0
United States.....	4,701.9	6,048.2	128.6
Total (inc. other countries).....	36,583.1	36,569.7	100.0

The percentage figures are calculated on the basis of the original data, of which the table here given is a summary. The United States increased her output by nearly 30 per cent. last year, and is now second only to Germany, whose production fell off very considerably last year. Czechoslovakia now takes third place. The potato yield in the Northern Hemisphere fell off considerably last year. The crops of 1922, however, were usually good. The respective yields are compared in the table which follows:—

Countries.	1922.	1923.	Percentage. 1922 = 100.
England and Wales.....	4,076.4	2,800.2	68.7
Scotland.....	1,210.1	833.2	68.8
Northern Ireland.....	1,271.8	900.0	70.8
Austria.....	1,398.3	1,289.6	92.2
Belgium.....	3,931.4	2,418.2	61.5
Czechoslovakia.....	9,069.2	6,288.6	69.3
Denmark.....	1,340.3	1,240.0	92.5
France.....	12,646.1	9,534.1	75.4
Germany.....	40,665.4	31,469.8	77.4
Hungary.....	1,319.7	1,715.8	130.0
Italy.....	1,461.2	1,793.0	122.7
Lithuania.....	1,848.0	1,408.8	76.2
Netherlands.....	3,718.3	2,351.8	63.3
Poland.....	33,219.0	26,494.2	79.8
Spain.....	2,955.5	2,599.0	87.9
Sweden.....	2,035.4	1,667.0	81.9
Canada.....	2,712.7	2,383.8	87.9
United States.....	12,279.4	11,223.7	91.4
Total (including other countries).....	141,729.1	112,945.9	79.7

Returns of the 1923 crop in the Irish Free State are not yet available. British production declined by about 30 per cent., and French and German by about 25 per cent. in each case. In Australia and Italy, on the other hand, an appreciable increase was recorded.

The Administrator of Austrian Property announces that under the Treaty of Peace (Austria) Orders, 1920-23, a third dividend of 2s 8d in the £ will be paid to all creditors who are entitled to participate. The first distribution of the dividend will be made on February 29, 1924. An individual notice will be sent to each creditor as and when he becomes entitled to participate.

The Institute of Bankers announces that on Monday next, at 5.30 p.m., Mr Oscar Rydbeck (of the Skandinaviska Kreditaktiebolaget) will deliver an address in the theatre of the School of Oriental Studies, Finsbury circus, E.C., on "A Swedish Banker's Experiences with regard to Inflation and Deflation." The chair will be taken by Mr Walter Leaf. A limited number of visitors' tickets is available on application to the secretary of the Institute of Bankers, 5 Bishopsgate, E.C.

A PUBLIC meeting in connection with the annual meeting of the Sound Currency Association will be held at the Mansion House, E.C. (by courtesy of the Lord Mayor), on Wednesday, March 12th, at 2.30 p.m. The Right Hon. the Earl Beauchamp, K.G., President of the Association, will preside, and will be supported by Sir Hugh Bell, Mr C. Birch Crisp, Mr Laurence Currie, Sir D. Drummond Fraser, Sir George Paish, Sir D. M. Stevenson, Mr D. M. Mason (chairman of the executive committee), and others.

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UNITED STATES.—JAPANESE LOAN—UNFILLED STEEL ORDERS—COTTON CONSUMPTION—AGRICULTURAL FINANCE CORPORATION.

(FROM OUR CORRESPONDENT.)

NEW YORK, February 15.

PREDICTIONS that this week's offering in the American market of \$150,000,000 Japanese Government 30-year 6½ per cent. bonds would be quickly absorbed were fully realised. Advance applications were so numerous and in many cases for such large blocks that to-day's opening of the subscription books was little more than a formality. Indications are that the issue was over-subscribed to a considerable extent. The bonds were offered at 92½, and interest to yield 7.10 per cent. It is expected that most of the proceeds from the American-Japanese loan, available for reconstruction needs, will be spent in the United States, thus providing an added stimulus to trade and industry in various lines.

Although weekly trade reports have told of steady expansion in the steel industry since the first of the year, the United States Steel Corporation's statement of unfilled orders on its books at the close of January shows that the improvement last month was greater than had generally been realised. On January 31st, the corporation's unfilled business aggregated 4,798,429 tons, the largest total reported since the end of September, and representing an increase of 353,090 tons during January. The gain last month is attributed partly to the booking of orders for tin plate and other products contracted for late last year, but not specified against at that time. Such contracts are not included in the corporation's unfilled tonnage report until specifications are actually received. Those contracts probably accounted for about 150,000 tons of the January increase, so that actual new business approximated 200,000. At the close of January the Steel Corporation's plants were operating at about 90 per cent. of capacity, as against 55 per cent. late in December. The January exhibit shows that the month's orders slightly exceeded capacity business. Thus far in February incoming business is said to have been at least 15 per cent. above capacity.

The Census Bureau's report on cotton consumption in the United States during January has caused much surprise. The total consumption last month is given as 576,644 bales, representing an increase of 24 per cent. over December, but a decrease of only 5.5 per cent. from January a year ago, which witnessed the third largest consumption ever recorded. Despite the gain in consumption over December, the number of spindles active during January, namely, 33,296,513, is the smallest since September, 1922, and compares with 34,044,870 in December and 35,240,853 in January of last year. In view of the extensive curtailment of production by cotton goods mills last month, many authorities are puzzled by the Census Bureau's report of such a large increase in January consumption, which exceeded the highest forecasts, while in the same month the number of active spindles decreased sharply. In some quarters it is believed that the Bureau's figures represent total "takings" of cotton by mills, rather than the amount of cotton actually consumed, the view

being expressed that mills may have increased their supplies of the staple in preparation for a larger production later on. The Silk Association of America issues similar monthly statistics, showing stocks of raw silk in warehouses in New York and vicinity and the amounts delivered from such warehouses to silk goods manufacturers; but the association has repeatedly pointed out that those deliveries do not necessarily mean that the silk has gone into consumption. Possibly the Census Bureau's figures on cotton, likewise, do not mean actual "consumption." Exports of cotton for January were 546,253 bales, representing a loss of 35 per cent. from December, but a gain of 15 per cent. over those of January, 1923 and 1922. Stocks of cotton in manufacturing establishments and warehouses on January 31st, amounting to 4,599,798 bales, compare with 5,149,617 on December 31, 1923, and 5,469,804 at the end of January a year ago. January's exports of merchandise had a total value of \$394,000,000, while imports were valued at \$299,000,000. Exports showed a decrease of 7.5 per cent. from those of December, but were 17 per cent. greater in value than in January a year ago. Imports, on the other hand, showed a gain of 4 per cent. over December, but a decrease of 10 per cent. from January, 1923. The export surplus, it will be seen, did not fall off much in January of this year. Although the excess of exports, amounting to \$95,000,000, was smaller than the \$138,000,000 surplus of December and the \$127,000,000 of September, it compares with only \$5,500,000 in January of last year and with \$61,000,000, approximately, in January of 1922. The large shipments of cotton at prices much higher than a year ago account for a substantial part of the increased value of exports last month.

Representative banking, industrial, and railway interests from various sections of the country held a meeting in Chicago this week, at which plans were completed for organising the new Agricultural Finance Corporation, which has been formed at the request of the Administration to relieve the serious credit situation in north-western agricultural States. Total subscriptions, it was announced, exceeded the \$10,000,000 capital required by the corporation. Of that amount one-half was provided by banking interests and large industrial and railway corporations whose headquarters are located in New York; the other half of the capital was furnished by similar interest in Chicago, Minneapolis, Cleveland, Detroit, and Pittsburgh. Bankers and corporations in Boston, Philadelphia, and other centres offered to subscribe liberally, but their contributions were not required. According to leading bankers, the corporation will be able to start functioning in about a fortnight. Since it is empowered to borrow from the War Finance Corporation in amounts up to ten times its capital, a maximum sum of \$100,000,000 will be made available shortly to relieve the situation in the North-west.

FINANCE.—POLITICS.—RECONSTRUCTION.—OIL SHARE PURCHASES.—RAILWAY DEFICITS.—BANK OF FRANCE.

(FROM OUR CORRESPONDENT.)

PARIS, February 27.

M. POINCARÉ, by his sheer personal authority, and by treating no fewer than 11 votes as votes of confidence in the Government, has succeeded in forcing his new financial proposals through the Chamber, while he has been equally successful with the electoral reform proposals in the Senate. For the moment, therefore, the opposition has been cowed, and there is no longer any talk of who is to succeed the present Cabinet. The financial proposals, it is true, have yet to pass the Upper House, but now that the other two obstacles have been safely crossed, there is a widespread feeling that the Premier will be able to achieve similar success with the third, and that he will be able to face the electors with much more prospect of victory than was believed possible a week ago.

To-morrow the Chamber will again have before it the Budget of Recoverable Expenditure for 1924, in the form of a demand for the vote of a third *douzième provisoire*, to meet proposed expenditure on German account during the month of March. This, it is expected, will bring up the whole question of whether there is a probability—as

has been persistently reported—that the Government will be unable, owing to the present financial position, to carry out, for want of available resources, the programme already laid down for continuing the work of restoring the devastated area. The facts may be put in a nutshell. The programme for the year would involve an expenditure of 4,000 millions. As matters stand, only one-quarter of this sum is available. The question has arisen whether the best course will not be to cut down the work planned for the current year by, say, 25 per cent.; in other words, to slow down the rate of progress, rather than to suspend reconstruction work entirely. Even this reduction, however, would still leave a deficit of 2,000 millions to be provided from some source or other. The suggestion has been made that this sum might be raised by a lottery pure and simple, under the auspices of the Credit National, and it is asserted to-night that this project was seriously considered at to-day's sitting of the Ministerial Council.

The deficit is due to the fact that, in pursuance of the policy of curtailing expenditure, Parliament has this year reduced from 3,500 millions to 2,000 millions the National Defence Bonds which the Finance Minister is authorised to issue during 1924 for direct payments to *sinistrés*, while the Crédit National has been authorised to issue only 5,000 millions of bonds and obligations this year, in place of the 8,000 millions issued last year. The amount which the Finance Minister is authorised this year to pay in annuities, further, has been reduced from 1,750 millions to 1,000. In face of the situation that has arisen, contractors and architects interested in restoration work have passed resolutions calling on the members of their associations to refrain from undertaking new contracts until the work already done has been paid for in full. The approximate financial situation of the restoration problem may be summed up in the fact that although three-quarters of the actual reconstruction work is reported to have been accomplished, the Finance Minister stated recently that only 41 milliards, out of the 85 milliards which is estimated to be the total of the indemnities to be paid, had been paid down to the end of 1922, leaving a further 44 milliards, or well over 50 per cent. of the total, to be paid during the immediate future.

One of the most remarkable instances of the failure of the various departments of the Treasury to co-operate in carrying out the existing law has been revealed in connection with the outcry that has recently been raised over the flight of French capital abroad in consequence of the enormous purchases of Royal Dutch, Shell, and Mexican Eagle shares which are known to have been made in this country since the war ended. These purchases, which are estimated at hundreds of millions of francs, are at present the subject of judicial proceedings against certain English and other bankers, who are accused of having illicitly introduced the shares of the companies mentioned into France, in contravention of the law of April 3, 1918, prohibiting the export of capital from the country, and with remitting abroad something like half a million sterling in payment for them. The controversy has revealed that, although the shares could not be legally brought into this country in the ordinary course of business, the Treasury Department responsible for affixing the stamps to them, for the purpose of giving them legal currency here, had received no instructions to refuse continuing stamping such instruments or to report their existence to the judicial department of the Treasury whose duty it would be to prevent them from being dealt in. As a result of this lack of co-operation, some hundreds of thousands of these shares were handed in and stamped for sale in this country without the slightest question being raised. The Treasury has now acted on the proposal made two years ago, and issued orders that if future no securities of foreign origin of any description are to be stamped for legalisation in this country without written authorisation by the Comité de Contrôle de l'Exportation des Capitaux.

In response to urgent appeals that have been made to it by the various French railway companies and by the State Railway Department, the National Conseil Supérieure des Chemins de Fer has decided to recommend (by 57 votes against three) increases of 50 per cent. in all first-class railway fares, of 48 per cent. in second-class, and of 47 per cent. in third-class, and an increase of 12½ per cent. on all goods rates. The recommendations have been approved by the Minister of Public Works, and

will come into force almost immediately. The various companies, as a matter of fact, are still faced with enormous annual deficits on their working, and it is hoped that the new scales of rates will enable them to balance revenue and expenditure within about six years. The net result of the working of the different systems during the past three years will be seen from the following table, which shows (in millions of francs) the deficit registered by each:—

System.	1921.	1922.	1923.*
State	642 ..	383 ..	460
Alsace-Lorraine	78 ..	..	50
Nord	247 ..	119 ..	188
Est	159 ..	7 ..	55
P.L.M.	407 ..	244 ..	180
Paris-Orleans	369 ..	237 ..	215
Midi	186 ..	156 ..	140
		1,146	
Less cr. bal. Alsace-Lorraine ..		32	
	2,088 ..	1,114 ..	1,288

* The figures for 1923 must be regarded as merely provisional, as the accounts have not been definitely completed later than March.

In view of the statement often made in the course of discussion that the occupation of the Ruhr has resulted in a direct financial loss to this country, the Minister of Finance has endeavoured, during the recent financial debates in the Chamber, to prove that this widespread belief is unfounded. He insists that, so far from showing a loss, the operation during 1923 resulted in a balance-sheet showing total revenue amounting to 1,010,000,000 f against total expenditure on all accounts amounting to 863,000,000 f, or a credit balance of 147,000,000 f. The detailed figures are as follows:—

EXPENDITURE.		REVENUE.	
Cost of Army of Occupation on Rhine	493	Paper marks and other requisitions	149
Supplementary cost for occupation of Ruhr	171	Sale of coal	259
Cost of Civil Services	20	Deliveries in kind	189
Franco-Belgian Régie	82	Five-sixths of receipts from Customs, permits, forests, M.I.C.U.M., &c.	385
Coal Office expenses	17	Sundry receipts	28
Sundries	147		
Credit balance	147		
Total	1,010	Total	1,010

These figures, the Minister claims, show only amounts actually expended and sums actually received in cash. If to this be added a further sum of 359 million frs. represented by bills in the hands of the Treasury, and stocks of merchandise in course of liquidation, he shows that the credit balance will be increased to 506 million frs. as the profit on the operation down to December 31st. Figures which are now available in regard to the operations of the Bank of France during 1923 are suggestive as indicating the remarkable difference between banking methods here and elsewhere. The total sum involved in revenue-producing transactions carried out by the bank during the year was 82,247,000,000f, of which total 66,648,000,000f was in the form of bill discounting and advances to commerce and industry. The number of bills discounted was 26,869,000, for a total amount of 41,633,000,000f, the average amount of these bills being 1,549f, and the average term of the bills being 24 days. In 1910 (the last normal year before the war, as monetary tension had not then begun) the total value of the bills discounted was 14,581,000,000f, the average value of the bills being 620f. The number of current accounts has trebled within the last ten years. The volume of transactions in connection with current and deposit accounts has risen from 685,130,000,000f in 1919 (when these accounts numbered 250,200) to 1,320,300,000,000f in 1923 (when these two categories of accounts totalled 326,100).

GERMANY.—FINANCES.—CURRENCY AND PRICES.—WAGES.—FOREIGN TRADE.—AGRICULTURE.

(FROM OUR CORRESPONDENT.)

BERLIN, February 23.

THE political situation is unchanged. The Socialists have submitted to the Reichstag resolutions in favour of amendment or revocation of parts of the decrees issued by the Cabinet under the second Empowering Law, and demanding the ratification of the Washington Eight Hours Day

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convention, and the prohibition of longer working hours than eight except in case of urgent necessity, and then only in each case on its merits. The "Aufwertung" of mortgages and bonds to 15 per cent. of their original gold value is considered insufficient by certain interests; while other interests hold that no "Aufwertung" should be allowed at all in view of the fact that the real incidence of the burden imposed by the currency inflation is incalculable, and that partial attempts to redistribute the burden may only make things worse. It hardly seems that this part of the Third Decree will be revoked. The Cabinet, owing to the improved finances and stable currency, for the moment enjoys the strength of prestige. Emergency estimates providing for the raising of 800,000,000 gold marks have been sanctioned by the Reichsrat. Already in the local self-governing organs vehement disputes are going on as to the proportion of rent which is to be taken by the new Rents Tax. As the landlord's profit (net rent) is still abolished, all the Rents Tax must necessarily be distributed among tenants. Gross rents are now around 30 per cent. of those of 1914; but about a third of this is already taken by a State "landed-property tax." Before the war all rents in Germany totalled about 5,500,000,000 marks; and when pre-war rents are restored it seems that about half this sum may be collected as Rents Tax by the States, as probably in no case will the landlords be allowed to retain more than 50 per cent. of the gross rent.

The financial situation is still satisfactory. Taxes yielded in January 503,463,908 gold marks, which is at the rate per year approximately of £300,000,000 gold; but a considerable part came from temporary imposts, mainly from the Rhine-Ruhr Levy and the Bread Supply Levy. Income-tax yielded 164,800,000 gold marks, Sales Tax 104,200,000 gold marks, Rhine-Ruhr Levy 70,800,000 gold marks, Bread Levy 39,800,000 gold marks, Company Income-tax 34,900,000 gold marks, Extraordinary Levy on Industry and Agriculture (also a temporary tax) 11,400,000 gold marks. Customs yielded only 9,600,000 gold marks, tobacco 4,000,000 gold marks, beer 7,900,000 gold marks, sugar 8,800,000 gold marks, the State spirits monopoly 3,400,000 gold marks, wine tax 4,900,000 gold marks, Bourse transactions tax 22,700,000 gold marks. Altogether direct taxes and stamp duties, Bourse tax, &c., yielded 422,559,091 gold marks, while Customs and Excise yielded only 39,678,064 gold marks, this although, as compared with December, Customs receipts doubled, indicating increased import activity. The whole tax yield in December, during which the currency was already stable, was 312,321,968 gold marks. The difference between the above figure of 503½ million gold marks and the 422½ million gold marks already reported to be the total of the three decade returns for January, is due to the fact that the former figure contains the gross tax receipts, whereas the latter shows the net delivery to the Treasury after the Finance Bureaux have deducted the cost of assessment and collection. The Government does not publish any definitive figures of the month's expenditure, but only the provisional figures in the three decades of each month, so that it is not possible to give the exact surplus or deficit.

The currency continues to hold well. The last report shows a rise both in wholesale prices and in the cost of living. On February 18th the cost of living (100 in 1913-14) was 104, against 103 a week earlier; the wholesale index on the 19th was 117.5, against 115.4. This rise is probably only a reaction from the big drop since late November; and it could go a bit further without prejudicing seriously the currency's home buying power. Necessaries and products of general consumption with big open markets continue to be cheap; luxuries and special goods and services of all kinds are extremely dear. The Reichsbank is considering the issue of silver coins in denominations of one, three, and five gold marks. The heavy credit strain continues. On February 7th outstanding Reichsbank credits to private debtors totalled 1,166,400,000 gold marks, of which 542,900,000 gold marks were granted in paper marks on condition of "wertbeständig" repayment (i.e., at gold value of the date of lending), while 623,500,000 gold marks were lent in Rentenmarks. There are no longer any outstanding paper mark credits repayable as paper marks without the "wertbeständig" clause. On December 31st the corresponding paper mark credits were equal to 448,800,000 gold marks, Rentenmark credits to 142,200,000 gold marks, so that in six weeks the debts of business to the Reichsbank increased by 575,400,000 gold marks. All but about 100 million gold marks of the increase was on the Rentenmark side. These large credits are unfavourably commented on; and have brought an interpellation in the Reichstag. As it is known that some of the borrowed money went on purchases of foreign currencies, it is suggested that the remedy is a foreign loan. Bankruptcies in January numbered 29, against 17 in December, and eight, the lowest figure touched, in November. The increase, in view of the currency stabilisation, is normal; it is indeed surprising that the increase was not greater.

Home trade continues to improve, and, as all along, the chief gainers are the textiles and clothing branches. In these branches many concerns have orders for a long time ahead, and some actually refuse orders as they did at the height of the "Catastrophe boom." In general, however, industry is still insufficiently occupied, and unemployment declines slowly. Official figures concerning the industrial real wage show that (on the basis of 100 in 1913) the real wage of skilled workers in April, 1922, was 71.9, fell to 48.7 in January, 1923; rose to 78.7 in March (temporary mark exchange recovery); fell to 48 in July; and recovered to 70.1 in December. The unskilled wage rose to 102 in March, 1923, fell to a lowest point of 62 in July, and recovered to 85 in December. The real wage of underground miners in December was 74.9 per cent. of that of 1913, builders 69.5, skilled wood workers 72.3, skilled metal workers 69.8, unskilled 87.9, male spinners and weavers 70.9, female 74.

A comparative analysis of the foreign trade figures for 1923, already reported, shows that in gold marks imports were 54.3 per cent. of those of 1913, exports 59.6 per cent. Taking German imports and exports in 1913 at 100, British trade in that year was 134, and the trade of the United States 84. The corresponding figures for 1923, as here officially calculated, were 57, 177, and 158. Comparisons according to groups of goods are:—

(In 1,000 Gold Marks.)

	1923.	
	Imports.	Exports.
I. Live animals	32,542	3,122
II. Food and drinks	1,203,725	131,367
IIIa. Raw materials	3,106,878	367,499
IIIb. Half-finished materials	806,016	362,670
IV. Finished goods	920,391	5,199,731
V. Gold and silver and coins ..	11,839	14,765
Together, 1923	6,081,391	6,079,154
„ 1913	11,206,100	10,198,600
1923 in per cent. of 1913..	54.3	59.6
	PERCENTAGE OF 1913.	
	Imports.	Exports.
I. Live animals	14.4	51.4
II. Food and drinks	40.1	11.7
IIIa. Raw materials	46.8	25.8
IIIb. Half-finished materials..	51.5	37.5
IV. Finished goods	46.5	66.7
V. Gold and silver and coins ..	24.7	14.4
Together	43.1	52.5

Shipping in 1923 in 19 ports was: In the Baltic, arrivals, 6,044,500 net tons; departures, 6,298,400 tons; ratio to shipping of 1913, 79.3 per cent. North sea, arrivals, 24,705,400 tons; departures, 24,967,300 tons; ratio to that of 1913, 105.5. Shipping in Hamburg was 239.9 per cent. of that of 1913. Shipping in all 19 ports was 99 per cent. of that of 1913, against 82 per cent. in 1922.

In connection with the Minister of Agriculture's demand for a revival of the Agrarian Tariff, instructive, if partly controversial, figures are published by various organisations of farmers. In 1913 imports of food and drinks totalled 2,796.5 million gold marks, exports 1,068.7 million gold marks, the import surplus being 1,727.8 million gold marks. In 1923 the corresponding figures were 1,122.7, 125.3, and 997.4. Whereas the present average price of wheat, rye, and cattle taken together is 84 per cent. of that of 1913, the average price of fodder, fertilisers, and farm machines taken together is 48 per cent. over that of 1913. According to an official memorandum prepared for the Dawes Commission, the *per capita* per annum consumption of food and liquors (including consumption for industrial purposes) was:—

	1913.	Now.
Meat	43.15	26.71
Rye	153.1	91.9
Wheat and spelt	95.8	47.6
Barley	108.0	30.0
Potatoes	700.2	575.0
Rice	2.49	1.64
Herrings	2.89	1.73
Beer	103.0	50.0
Brandy	5.4	2.0

ARGENTINA.—PENSIONS LAW—FINANCE AND BANKING—TRADE POSITION.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, January 22.

ARGENTINA'S midsummer sees all official business more or less at a standstill. The legislative body is in recess, while the majority of its members, and the various Cabinet Ministers, are out of town. Hence the stir which the new pension law is creating in all trade circles goes, for the time being, unnoticed in Government circles. Drafted and passed with the best of intentions and with a minimum of discussion, the law establishes a series of pension funds for practically all trades and mercantile employment, the capital being built up by joint contributions from employers and employed, and the administration left to boards composed of representatives elected by both parties, but presided over by a Government nominee. Details as to benefits are to be settled by the board thus created, and are not yet forthcoming, but the collection of contributions will begin on January 31st, the employee's quota ranging from 5 per cent. to 10 per cent. of his salary. As at least three trades have publicly announced that they will not comply with the law, and dissatisfaction is general, trouble may be expected. The chief causes of complaint are that the Government, while making the presidency of the various trade boards a political prebend, expressly states that it does not guarantee the benefits to be secured. Furthermore, the amounts to be deducted are beyond the ability of the average contributor to pay. It is in no sense a socialistic measure; indeed, the Parliamentary representatives of that body are its bitterest opponents, and are urging their members to refuse payment. At the time of writing the only fund in actual operation is that of the bank employees, who have already been mulcted in three monthly quotas, and are now seriously preoccupied at the course which events are taking. A local auctioneer having no connection with banking but warmly affected towards the party in office, has been named president of the board, the members of which are to be chosen by the convocation of a college of electors which will then proceed to appoint three of its members on behalf of the employees; somewhat similar procedure being used to complete the administrative body and appoint three representatives on behalf of the banks. In practice this may mean that important foreign institutions will be without any direct representation, and as the provisional board, all Government nominees, has applied for 50 per cent. of the funds already subscribed, for the purpose of installing offices,

staff, &c., considerable uneasiness is felt, especially since it has become known that the salary of the president aforesaid is fixed by the Government at \$2,000 paper a month, and that the official idea of administrative charges, including the salaries of the board, is between \$20/24,000 paper monthly. The banks fund is cited in detail as it serves to give some idea of what is projected for other trades. One cannot say what will happen, but that drastic revision will be called for, and in no uncertain voice, seems safe to predict.

Heavy exports notwithstanding, the immediate outlook for Argentine finance is not as clear as one would wish it to be. The American bankers charged with the issue of the long term loan which was to be used to retire the \$55,000,000 gold Treasury notes issued in New York last October are not finding the task of unloading as easy as they anticipated. \$40,000,000 have just been issued at 96½, the interest being 6 per cent., with 1 per cent. cumulative amortisation and the customary term, viz., 33 years, but this is only part of the \$60,000,000 which, it was understood, the group interested had agreed to handle. As no particulars of an authoritative nature have yet been published, the doubt has arisen as to whether the original agreement included a stipulation that \$60,000,000 should be taken firm, or whether there is some clause enabling the issuing banks to shelter themselves under the plea of an unfavourable market, continuing meanwhile to carry the short-date obligations until such time as the full amount of the long term bonds can be satisfactorily disposed of to electors. In plain language, the business has been badly bungled, and it is evident that the absorptive capacity of the New York market for Argentine bonds has been over-estimated, as least as far as the private investor's interest is concerned. That it complicates the whole position of the official finances is self-evident; and as the general banking situation is also suffering from a plethora of deposits, which nevertheless must be kept unusually liquid owing to the difficulties that may attend the proposed reduction by 50 per cent. of the capital of the largest banking institution after the Banco de la Nacion, judged by the amount of its deposits, uneasiness prevails. It is also becoming plainer every day that the load on the Banco de la Nacion is heavier than it should be, thanks to the Re-discount Law which has virtually cast on its shoulders the bulk of the short-date Treasury bills discounted for the Government by the Argentine banks and at once re-discounted with the institution named at a difference of 1 per cent. The ratio of cash to total deposits—clearing figures excluded—of the Banco de la Nacion on December 31st stood at 12½ per cent., as against 24 per cent. on September 30th. Hence in the event of any financial flurry in the market this institution will almost certainly make use of its privilege, under the emergency legislation passed in October, 1914, and itself re-discount its portfolio to such an extent as it may require with the Conversion Office, the limit of its operations in this direction being \$500,000,000 paper. In other words, a reduction of the percentage of the gold reserve from 80 per cent.—its actual position—to 40 per cent., the difference being naturally covered by the rediscounted bills which, however safe they may be as regards eventual payment, cannot be considered in the same light as a metallic backing. Moreover, if this step is taken, it is to be feared that the partisans of a complete alteration of the actual banking legislation in Argentina will have their way, the Banco de la Nacion be transformed into a central bank of emission, the Conversion Office disappear by being embodied therein, and an attempt made to copy the Federal Reserve system of the United States. For the past two years such a possibility has been imminent, and has grown nearer and nearer, despite the refusal of Anglo-Argentine financial interests to admit its importance. The fact that Argentine and American banking fundamentally differ in their main outlines, as well as in the needs which they respectively serve, has either not been grasped, or has been deliberately suppressed by the new school of local economists, who only see in the Federal Reserve system a facile method of increasing what they deem to be purely internal credit, the charges upon which, they argue, will, after all, be spent in the Republic. To those who thus reason the fact of Argentina having an immense and ever-growing service to pay abroad, charges on

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loans and invisible imports, is as negligible a quantity as is the *raison d'être* of the Federal Reserve up North, to wit America's tremendous internal trade movement generated by the wants of a population of a hundred and twenty million people. Here there are barely nine millions, no industries to speak of, and the whole wealth of the land lies in the export of prime materials to be consumed out of the country! Money is still comparatively cheap, but the last lot of Treasury bills renewed, some \$9,500,000 paper, was done at 4 per cent., which is a quarter per cent. better than was obtainable for immediately previous renewals, and the private borrower is also becoming less exigent, and more anxious to make certain of obtaining such credit as he may need than was the case a month ago. Difficulties such as can at present only be treated generally are restricting the field for the borrower, and, should they come to a head, a sharp rise in rates is inevitable. Moreover, the firmer exchange, now 42d on London for banks' sight drafts, is bringing out a certain amount of overdue remittances, as is the slightly improved position of the Argentine dollar in New York, the rate being now \$135.50 Arg. gold p. \$100 U.S. The Continental quotations have moved in sympathy with the fall of the French franc, and, roughly speaking, there is about 5 per cent. improvement all round when compared with last month's rates, considered from the Argentine standpoint. A word of warning may, however, be uttered on the subject of sterling rates. Further improvement, should it come, cannot in reason take the quotation much higher than 44d, and even that is likely to be but an ephemeral rise of the briefest duration. To explain the reasons on which this hypothesis rests would take too much space, but careful study of the Argentine Balance of Payments compiled by Señor Tornquist, and reprinted in the Supplement of the *Economist* of December 22nd, will supply the answer. Crops, both wheat and linseed, are now all harvested, and are moving out of the country at a rate of 200,000 tons a week. Maize prospects are excellent and almost reasonably safe as regards yield. Reports of locust damage are now found to be both exaggerated and in some districts premature, while the area sown, 3,425,440 hectares, is not only the largest ever known but is also very conservatively estimated. Between six and seven million tons should therefore be the season's yield. In the wool market, although some prices, chiefly coarse cross, have eased off a trifle, the quotations in general are still highly satisfactory.

DENMARK.—EXCHANGE AND BANK RATE—BALANCE OF TRADE—RISING PRICES—NOTE CIRCULATION—BANKERS AND CREDIT POLICY.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, February 18.

SHORTLY after January 17th, when the Nationalbank increased the Bank rate, it proved that the equalising of the Danish krone rate could not be maintained along the lines previously adopted. For a long time the Nationalbank had maintained a stable sterling rate of 24.45, but the daily demand for foreign exchange—for instance, in cover of documentary credits maturing at future dates—gradually increased to such an extent that the Bank and the Board of the Equalising Fund did not consider it warrantable to supply sterling at this rate. Subsequently the restrictions on the trade in foreign exchange, agreed upon between the banks and the private bankers, were cancelled, and the rate rose considerably, at first under the pressure of speculation. Later on a more quiet tone prevailed, but, as will appear from the daily quotations in London and here, the level is considerably above the stabilisation rate.

The Government has intervened only in some isolated fields, certain luxury duties being increased, such as those

on silk, silk goods, and tobacco, while a tax on the sale of new motor-cars has been introduced. As will be seen, both measures aim at some restriction of consumption. A general regulation of the balance of trade, however, has neither been attempted nor foreshadowed, except for the Bill brought in by the Conservative party for the collection of all Customs duties in gold. The balance of trade for the entire year of 1923 has just been computed, and this shows an excess of imports for consumption over the export of Danish goods amounting to 374,000,000 kr. Imports amounted to 1,907,000,000 kr, and exports to 1,533,000,000 kr. The import excess was somewhat larger than in 1921 and 1922, the figures for these years being 139,000,000 kr and 280,000,000 kr respectively. In the summary of foreign trade by the Statistical Department, it is pointed out, however, that the goods, of which the quantity imported has increased, were mostly raw materials and auxiliaries for agriculture, industry and building construction, although the imports of some goods for direct consumption also increased. Imports of coals were 3,244 million kilos, as against 2,842 million kilos in 1922, and the value of the mineral fuel imported was 167,000,000 kr, as against 125,300,000 kr in 1922. The coal imports nearly exclusively emanated from the United Kingdom.

As a consequence of the rise of the exchange rates, a rather considerable advance in the price of goods has taken place. The retail price index figure has not been greatly affected, the January figure being only five points above the level six months ago. The figure is now 209, as against 100 in July, 1914, and as a consequence of the rise during the half-year July, 1923, to January, 1924, the Government expenditure for salaries to officials has increased by 1,500,000 kr for the half-year commencing April 1st. Further, the wages of about 70,000 labourers were increased by 2 per cent.

In wholesale prices there has been a rather strong rise. In the course of January the index of the *Finanstidende* showed an increase from 210 to 223, and the paper states that the increase this time is particularly heavy for potatoes, partly owing to the frosty weather and partly owing to the increased export possibilities. Other goods, like butter, sugar, cereals and cattle food, hides, wool, coals and artificial manures, show rather considerable rises. Practically the only decline is for eggs, which for some time have found a poor market in London. The Danish wholesale prices are now about 27 per cent. higher than in September, 1921, when the minimum after the war was reached, and 16 per cent. higher than at the end of January, 1923.

In connection with the increase of the Bank rate, the Nationalbank has considerably restricted its credit policy, and accordingly the private banks practise every restriction which they think compatible with consideration for their customers. At present negotiations are taking place between the Government, the Nationalbank, and the private banks, on this subject. A tendency to restrict credit has been traceable in the last few reports on the note circulation. This was noticeable in January, and at the end of the month it proved that the increase was less than last year at the corresponding time, and that the total note-circulation at that time and a week later was less than in 1922. The note circulation on February 2, 1924, was 454,100,000 kr, but the following week it dropped to 432,000,000 kr, and as the bullion reserve was practically unchanged, viz., 218,000,000 kr, the percentage of cover has been increased from 48 to 50.4. The Act of August 30, 1919, requires that a bullion reserve of 33½ per cent. only (gold in coin and ingots, and other coins) must be maintained, while the remainder of the cover may be other assets of the bank. It may be regarded as certain that the Nationalbank will endeavour to reduce the note circulation still further. Whether a further rise of the bank rate is impending cannot be said with certainty, but in some quarters this is regarded as doubtful. Generally it is expected that for the time being the Nationalbank will try working on the previous interest basis, at the same time effecting credit restrictions.

Quite reasonably the exchange situation causes some pessimism, which is increased as a consequence of the rather considerable decline of the prices of bonds. On the

other hand, it is correctly pointed out that large sections of the trade, especially the exporting farming industry, show good results, and are working on a sound basis. As regards the equalising fund, which is based on the sterling and dollar credits obtained in London, these resources have not been exhausted. The fund has been availed of to a great extent, especially during the last period before the stabilisation rate was abandoned, but it is still able to exert its influence when intervention in the market appears expedient. This was the case last week when the sterling rate rose above 27.

GREECE.—DEBT POSITION—BUDGET AND TAXATION—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

ATHENS.

FINANCIALLY, the outlook is more hopeful than it appeared a year ago. The public debt of Greece, at the end of 1923, was composed as follows:—

(In Millions of Drachmæ.)	
Loans and Advances in foreign currencies (at par of exchange).	1,650
Loans and Advances in paper drachmæ	7,300
Floating Debt (of which Treasury bills 985 million Dr.)	1,030
Total debt	9,980

The debt in foreign currencies requires an annual service of some £2,700,000. Of the debt in paper drachmæ a sum of 4,100 millions represents issues of banknotes, and bears no interest. The service of the whole debt is estimated roughly at 925 million drachmæ (calculating the pound sterling at 250 drachmæ). The foreign debt is mostly in Greek hands. The yield of the assigned revenues, out of which the service of the loans subject to the International Financial Commission, and of some other loans, is effected, rose from 208.2 million drachmæ in 1920 to 774.1 millions in the first ten months of 1923.

The budget estimates for the fiscal year 1923-1924 were as follows:—

(In Millions of Drachmæ.)	
Ordinary revenue	3,031
Extraordinary revenue	910
Total revenue	3,941
Deficit	2,683
Ordinary expenditure	2,961
Extraordinary expenditure	3,663
Total expenditure	6,624

The accumulated budget deficits up to the end of March, 1924, were put before the signing of peace at 3,550 million drachmæ, and would have to be met one way or the other. It is expected, however, that this amount will be reduced in consequence of the signing of peace, and that extraordinary expenditure for the current fiscal year and henceforth will decrease substantially. Two important items will disappear, namely, war expenditure and expenditure in connection with the maintenance and the settlement of the refugees. The importance of these items may be gauged from the following figures:—

Drachmæ.	
Budget expenditure from April 1st to October 31, 1923	2,282,000,000
This amount includes the following extraordinary expenditure:—	
War expenditure	515,000,000
Refugees	435,000,000
Italian indemnity for the Janina murders	110,000,000
Total	1,050,000,000

Despite the appreciation of the drachma, the cost of living in Athens for December last, taking 1914 as basis year, was 1,262.8, as against 1,034.8 in December, 1923, and 1,348.1, the record figure for April, 1923. This high figure reflects the heavy taxation and the adjustment of the internal purchasing value of the currency to its external value. As regards foreign trade, the figures for the first eleven months of 1923 compare as follows with those for the corresponding period of 1922:—

(In Millions of Drachmæ.)		Excess of	
January-November.	Imports.	Exports.	Imports.
1922	2,583	2,028	555
1923	5,557	2,240	3,317
Increase	2,974	212	2,762

The Department of Statistics offers the explanation that the great increase in imports shown by the above figures is nominal, and is due to the depreciation of the drachma during the first half of 1923, as compared with the corresponding period of 1922, the average half-yearly rate of exchange on London for these two periods being 341.08 drachmæ and 103.77 drachmæ respectively. On the other hand, exports lag behind owing to the fact that large quantities of tobacco, though sold, have not been exported in consequence of the export tax levied by the Revolutionary Government. It is now reported that, in view of the competition of foreign markets, this tax will be reduced to 5 per cent. for the crop of 1922, and will be entirely abolished for the crops of 1923 and subsequent years.

Greece offers many opportunities for foreign industry and capital. A French group has already undertaken works at the port of Piræus, and another one the utilisation of the waters in Peloponnesus. But much remains to be done. The railways needs repairing and extension. Roads have to be constructed. Water power in Continental Greece and Macedonia should be utilised. Large irrigation works must be made for supplying water to Athens, Piræus, and other towns. Communication has to be developed. The army and the navy must be equipped, and aeroplanes have to be bought. These are a few of the needs of the country which require quick satisfaction.

Books and Publications.

TRUSTS IN THE UNITED STATES.*

IN this substantial and valuable work Dr Eliot Jones has confined his attention to a particular class of trade combinations; for his purpose a "trust" is defined as "a combination" in any industry "of a sufficient number of plants to secure practical control over the supply and thus over the price," or more briefly, "a horizontal combination possessing monopolistic power." He distinguishes "trusts" from "pools, trade associations, and other organisations which, though they may temporarily possess some power over prices, do not interfere with the substantial independence of the concerns involved." The proportion of industry which must be in the hands of a combination to give it practical control of prices is left indefinite, the author contenting himself with the remark that "it seems fairly certain that as a general rule the production of from 70 to 80 per cent. of the national supply, and perhaps even less, is quite ample." This is a considerably lower proportion than British organisers of price conventions have usually thought requisite, and it makes the inclusion of any organisation within Dr Eliot Jones' definition dependent upon the particular circumstances. The point is of some importance, since—particularly in his discussion of the economies anticipated from trust organisation—the author constantly urges that the trust offers no advantages over large scale undertakings or "combinations not possessing monopolistic power," and the uncertainty of the line of demarcation is sometimes a little confusing.

Despite his obviously great effort to present an impartial survey, Dr Eliot Jones does not leave the reader in any real doubt as to his hostility, on economic and social grounds, to the trusts. He is quite clear (Chapter XI.) that the hope of "monopoly prices" was the primary motive for their formation (most of the other reasons advanced he obviously regards as after-thoughts), and that "both history and general reasoning establish the tendency of the trusts to increase prices," and, despite some considerations which have made them less grasping than they might have been, to continue to charge prices "higher than the public would pay under competitive conditions." The prospect of promoters' profits he regards as the second most important cause of trust formations (Chapter XII.).

The book contains six chapters (pp. 46-259) setting out in much detail the history of six of the best-known Ameri-

* "The Trust Problem in the United States." B. Eliot Jones, Ph.D., Professor of Economics in Stanford University. New York: The Macmillan Company. 1922. Pp. xii, 598. 14s net.

can trusts; these are based largely upon the voluminous reports of the Bureau of Corporations and are a useful summary which incidentally brings out the diversity of conditions which have brought about the formation of trusts in the respective industries. Six other chapters (pp. 300-498) give an exhaustive survey of the development of United States common law and statute law in respect of combinations and trusts, and include a critical account of the operation of the dissolution decrees which the Federal Government have obtained in some important cases. The author's general conclusion as to the effectiveness of legislative efforts at trust control is on the whole decidedly more favourable than that of a good many other observers; "the mere existence of the (Sherman) Act and the possibility of prosecution under it have reduced the necessity for its exercise, just as the conferring on the Federal Trade Commission of the power to prevent unfair methods of competition has given it less occasion to use that power. It is worthy of note that practically no new trusts have been formed since the Government energetically began to avail itself of the provisions of the Anti-Trust Acts, and that many of those already organised have been less active in maintaining their position by unfair means."

The book has a bibliography (pp. 567-585), and should be on the shelves of every student of the problems of trade organisation.

BOOKS RECEIVED.

- A History of the Peace Conference of Paris.* Vol. VI. (London) Hodder and Stoughton. £2 2s.
The Economics of a Food Supply. By W. O. Hedrick, Ph.D. (London) D. Appleton and Co. 10s 6d net.
Legal Foundations of Capitalism. By John R. Commons. (London) Macmillan and Co. 15s net.
Enquête sur la Production—Rapport Général. Vol. I. Berger-Levrault, Editeurs. (London) International Labour Office, League of Nations, 26 Buckingham gate. 12.50 f Swiss, 25 f French and Belgian.
Les Assurances Sociales. By H. Gleize. (Paris) Librairie Félix Alcan, 108 Boulevard Saint Germain. 8 f net.
La Monnaie de Papier et le Change. By Georges Lachapelle. (Paris) G. Roustan, 5 Quai Voltaire. 2.50 f.
South African Mining and Engineering Journal Year-Book and Directory, 1923-24. Published in South Africa. 10s 6d.

In addition to articles on all the principal mining groups in South Africa, this interesting publication, which is styled a special Empire Exhibition number, contains articles describing how the Rand was discovered and how Johannesburg was founded. There are also useful statistical and directory sections.

Converting a Business into a Private Company. By Herbert W. Jordan. (London) Jordan and Sons, Limited. 1s net.

The Norway Year-Book, 1924. Edited by S. C. Hammer, M.A. (Christiania) Sverre Mortensen, Nedre Voldgate 18. Price, 12s 6d, post paid.

The Round Table, March, 1924. (London) Macmillan and Co. Price 5s.

Contains articles on "After-thoughts on the Imperial Conference," and "A Basis for Imperial Foreign Policy."

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, March 5.	ACCOUNT, March 6.
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Activity in the Stock Exchange markets has been moderately maintained, though in some departments there has been a noticeable falling-off in the volume of orders. Members of the House say that the quantity of their orders is better than the quality, but from the manner in which most gilt-edged stocks retain their strength, it is obvious that substantial investments in War Loan and the newly-issued scrip stocks of Southern Rhodesia and West Australia have taken place. The Conversion Loan is dull, because of sales by holders who had bought on the assumption that the price would promptly recover part of the interest-deduction made last Tuesday. This it has failed to do, and stock was accordingly turned out by

disappointed bulls. India Government and Railway issues have gone easier, by reason of a somewhat serious debate in the House of Lords. Several new issues are said to be on the point of appearance, not only from the colonies, but also from foreign Governments.

German bonds hardened up, on the proposal to reduce the Reparations contribution from 27 per cent. to 5 per cent., but public interest in Germans has evaporated, and the movement aroused no attention. French bonds, after being better, relapsed with the further descent of the franc. Brazilians are making progress upwards. Japanese 6 per cent. scrip, excitement over which has considerably cooled, kept steadily in the neighbourhood of 3 premium. Austrian Sixes are a good feature, and Czech Eighties improved with them.

Settlement of the dock strike had no effect upon Home Rails, public attention in the market having dwindled to meagre proportions so far as active dealings are concerned. There is a little speculation going on, but nothing of any consequence. A good many holders of stocks are known to be waiting before making sales, for the prices to be quoted ex dividend. This usually brings in buyers, who are attracted by the cheap-looking character of ex-dividend quotations. Prior-charge stocks are rather lower, possibly on sales with which to meet super-tax claims.

Mexican Rails are heavy, the strongest spot in the foreign railway market being United of Havana, where the price spurted owing to fresh rumours as to a possible fusion of Cuban railways and their subsequent placing under Government control. Argentine rails moved up and down in accordance with the daily fluctuations in the tone of markets. Grand Trunk Pacific debentures are a little easier.

Rubber shares inclined to go a shade better, on the disposition reported from Java on the part of some of the Dutch planters to look with a friendly eye upon the proposal to restrict their output in the same way as is done on British-owned estates. The proposal, however, is too nebulous at present for it to exercise any real effect upon prices. The oil market, after its recent show of strength, reacted to some extent, the end of the week bringing in a few profit-takers, who had failed to get out at the top and who are disappointed at the languor into which the list has fallen.

Banking shares are better, and there has been a strong tendency in the insurance market. Shipping issues are very quiet. Gas stocks lean a trifle to the lower side, and electricity supply shares, after their recent abounding strength, halted in their stride, some of the leaders looking back. The Courtauld dividend, maintained at the same rate as that of last year, failed to realise optimists' hopes, and the shares gave way sharply, though speculative operations led to the price moving in jerky fashion.

Whiteley's increase of dividend, to 25 per cent. for the year, brought about a material rise in the price. Lyons, Aerated Breads, Barkers, Harrods, and similar shares are mostly better. Dunlops are again neglected, though the motor market gives evidence of a little attention being paid to it by the public. The tobacco market is exceedingly quiet. Breweries have been moving up. Marconis went over 2, failing, however, to stay the pace. The report of the Wireless Committee was eagerly awaited. Vickers 4 per cent. debenture rose on the proposal to increase the interest to 5 per cent. under a scheme of re-arrangement of part of the company's pre-ordinary capital. Iron and steel shares, after showing hardness, mostly lost their small advances. Enthusiasm for tea shares has subsided, though after a slight shake-out a few of the popular descriptions came into renewed favour. Hudson's Bays eased off. Sudan Plantations went ahead briskly. Trust companies' stocks have risen.

The Kaffir market is listless, Paris selling a few Rand Mines, and the Cape doing little to support its usual favourites. Another burst of buoyancy in Cam and Motors is the outstanding feature amongst Rhodesians. There is rather more doing, too, in Chartered shares. The Canadian silver group marks time, with prices sagging in the absence of public interest. A drop in tin, although followed by immediate recovery, seemed to disturb the nerves of speculators who had been following tin shares in the various markets, and prices have been disposed to react. The Malayan list, however, shows a strong undercurrent. Copper shares have been heavy. Russians hardly moved all the week, and Indian mines maintain their previous modest improvements.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£ ..	£ 26,624,955 ..	£ ..	£ ..

ISSUES OF THE WEEK.—

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHANGERS WEEK ENDED FEBRUARY 23, 1924.

April 1, 1923, to Feb. 23, 1924, £12,600,000 .. Dr 100,000 .. Dr 100,000

To the Public—
Union of South Africa 5% Inscribed Stock, 1933-1943, issued at 99% .. 770,000 .. 731,500 .. 77,000 .. 654,500

British Columbia Electric Railway Co., £770,000 5% (Inc. Tax free) 1944 Deb. Stock (rep. at par), issued at 95% .. 770,000 .. 731,500 .. 77,000 .. 654,500	
Kadar Tea and Produce, 25,272 Shares, £1 (10,272 issued as fully paid), at par .. 15,000 .. 15,000 .. 1,875 .. 13,125	
Heppells, 95,000 Ord. Shares, £1, at £1 1s 6d .. 95,000 .. 102,125 .. 11,875 .. 90,250	
Do, 150,000 7% Cum. Pref., £1, at par .. 150,000 .. 150,000 .. 18,750 .. 131,250	
Total offered to public 998,625 .. 109,500 .. 889,125	

To Shareholders only— Dennistown (Krian F.M.S.) Rubber Estates, £34,150 6% (tax free up to 4s 6d) Conv. First Mort. Deb. Stock (rep. 1934 at 102%), issued at par .. 34,150 .. 34,150 .. 3,415 .. 30,735	
Robinson Deep, 100,000 "B" Shares, £1, at 30s .. 100,000 .. 150,000 .. 150,000	
Total offered to shareholders 184,150 .. 155,435 .. 30,735	

Total offered for subscription to date	Total offered for subscription for whole year—
1924 .. 27,707,730 .. 271,393,173	
1923 .. 53,675,018 .. 573,675,650	
1922 .. 236,210,884 .. 388,978,203	
1921 .. 37,349,992 .. 367,549,656	
1920 .. 89,719,034 .. 1,036,059,951	
1919 .. 261,376,387 .. 1,393,381,441	

Union of South Africa 5 per Cent. Inscribed Stock, 1933-1943.

This is an offer of conversion of £4,000,000 Union of South Africa 4 per cent. debentures, due June 1, 1924, into an equal amount of Union of South Africa 5 per cent. inscribed stock, 1933-1943. Holders of debentures exercising their option to convert will receive a cash payment of £1 per cent. on June 1, 1924, being the difference between the nominal amount of the debentures maturing and the issue price of the new stock, and a further payment on the same date of £1 10s per cent. (less income-tax), difference of interest. Holders converting must lodge the prescribed forms of assent with the debentures and relative coupons due June 1, 1924, at the Westminster Bank, 41 Lothbury, E.C. 2, and will receive in exchange fully-paid scrip with coupon attached for 10s per cent. Any portion of the maturing debentures not converted will be paid off on June 2, 1924. Of the £4,000,000 debentures, £1,225,300 are held by the Public Debt Commissioners of the Union, and will be converted. Subscriptions in cash are invited for Union of South Africa 5 per cent. inscribed stock, 1933-1943, to an amount sufficient to make up with the debentures converted by the public the total of £2,774,700, at 99 per cent. The stock now offered will be in addition to and, after May 2, 1924, will rank *pari passu* with the existing £9,000,000 Union of South Africa 5 per cent. inscribed stock, 1933-1943. This is a trustee security, and holders not domiciled in South Africa are exempt from South African taxation. An excellent investment.

British Columbia Electric Railway Company, Limited.

Share capital issued and fully paid £4,320,000. This is an issue at £95 per £100 (or \$450) of £770,000 5 per cent. (income-tax free) 1944 debenture stock. When fully paid the stock is interchangeable, at the option of holders, into sterling stock, or stock in Canadian currency at the rate of \$45 per £10 of sterling debentures. As in the case of several other well-known undertakings, the prospectus is a complicated document, which must be difficult for the average investor to follow. It is stated that this "debenture stock is secured by a trust deed dated February 19, 1924, in favour of the British Empire Trust Company, Limited, as trustees, under which there has been deposited and charged by way of specific charge £1,100,000 of British Columbia Electric Railway Company, Limited, 4½ per cent. perpetual consolidated debenture stock, ranking *pari passu* with the £2,788,170 of this stock already issued, and which stock is secured by way of floating charge according to English law on the whole of the company's assets and undertaking. This floating charge is subject only to the existing mortgages and charges created to secure the £197,200 4½ per cent. first mortgage debentures and £207,000 4½ per cent. Vancouver Power debentures now outstanding, of which £105,700 are held by the trustees for the 4½ per cent. perpetual consolidated debenture stock. The 4½ per cent. perpetual consolidated debenture stock was quoted in the London Stock Exchange Official List of February 18, 1924, at 78-81." After reading this, some investors may wonder why these financial operations are necessary. It is provided that the amount of the 5 per cent. debenture stock shall be limited to £770,000, and shall be repayable at par in 1944, or earlier, by a sinking fund, commencing in 1934. On the basis of the net earnings for the year ended June 30, 1923, there remained, after paying all bond and debenture interest, including the amount required to cover the interest on the present issue, £382,489 of surplus net earnings available for depreciation, renewals, maintenance, and other reserves and dividend. The issue is not over attractive.

Heppells, Limited.—Authorised capital £250,000, divided into 150,000 7 per cent. cumulative participating preference shares of £1 each, 95,000 ordinary shares of £1 each, and 100,000 ordinary shares of 1s each. This is an issue of 150,000 preference and 95,000 ordinary shares, all of £1 each. Preference shares are offered at par and ordinary at 21s 6d each. The preference shares are entitled to a fixed cumulative preferential dividend at the rate of 7 per cent. per annum, and rank in respect of the surplus profits of each year *pari passu* with the ordinary shares after the latter have received a dividend at the rate of 7 per cent., until both classes of shares have received 10 per cent., the ordinary shares being entitled to the balance of profits. The business is a well-known one of chemists, &c. Profits are given from 1920, "earlier figures not being available," which is a somewhat curious statement in view of the fact that these are old-established businesses. Assets are valued at £249,301, including £75,166 for goodwill. This goodwill plays a large part. The purchase price may cause some misunderstanding amongst investors unskilled in prospectus reading. The prospectus states that the purchase price payable by the company for the "businesses and premises, with fixtures, fittings, plant, machinery, furniture, implements, utensils, and stock at valuation as at February 18, 1924," and the share capital of Proprietary Articles, Limited, is £116,000 (£60,000 being for goodwill). We are informed that the stock is to be paid for in addition to this £116,000. It will also be observed that the holders of the 1s shares will control the company. This is a prospectus which should not have been published until some revision had been made.

Incomati Estates, Limited.—Authorised capital £350,000 divided into 50,000 7 per cent. non-cumulative preference shares, 100,000 10 per cent. preferred ordinary, and 200,000 ordinary shares, all of £1 each. All shares have been issued. Information is given in the Press with reference to an application to the London Stock Exchange in connection with the 10 per cent. preferred ordinary shares. It is stated that "the existing charges on the assets of the company consist of (1) £17,800 trust certificates (the balance of an issue of £60,000). The instalments due from the Mocambique Government are sufficient, and are specially charged for the payment off of these certificates; (2) £10,000 (the balance of an issue of £20,000) 7½ per cent. debentures, which issue, until paid off, confers on the holders the right to 5 per cent. of the net profits of the company in each year, up to and including the year 1926; and (3) £100,000 8 per cent. debentures (forming part of a total authorised issue of £125,000) redeemable at 102½ by January 1, 1937, by the operation of a sinking fund commencing in the year 1926, to be applied by annual drawings at 102½ or by purchase at or below that price. The company has the right, on giving six months' notice, to redeem at 105 per cent. on any interest payment date on or after July 1, 1924, all or any part of the debentures then outstanding, and also the right at any time to purchase from any holder willing to sell any debentures held by him at any price below 105 per cent. Profit-sharing certificates have been issued to the holders of £30,000 of the 8 per cent. debentures, conferring on the holders a participation each year in a proportion of the net profits of the company (calculated as therein mentioned), which at present amounts to 6 per cent. of such net profits until December 31, 1932. If these debentures are paid off prior to that time, the participation in the profits is reduced to half the above proportion as from the date of payment off." These existing charges would seem to indicate that dividends on share capital may be postponed again.

The Harpenden District Gas Company.—Authorised stock capital £84,000, of which £45,027 has been issued. Authorised loan capital £28,000, of which £15,010 has been borrowed. This is an "offer for sale by tender" of £7,000 additional capital stock ranking for a standard dividend of 6 per cent. On existing similar stock the last dividend paid was £7 8s per cent.; thus, at the minimum price of issue—namely, £105 per £100—the yield would be £7 os. 11d per cent. Subject to the narrow market, this stock is an excellent investment in its class.

Kadar Tea and Produce Company, Limited.—Capital £30,000, divided into shares of £1 each. This is an issue of 25,272 shares, of which 10,272 shares will be allotted to the vendors, fully paid, as purchase consideration, while 15,000 shares are now offered to the public at par. The company has been formed to acquire two properties in the Kadar district of Mysore Province. The total acreage is 988, and over the past five years there has been an average crop of coffee of 38 tons, of a quality that would command 120s per cwt in the present state of the market. It is proposed to erect a tea factory as soon as possible, and nearly all the present planted tea acreage will be ready for plucking when this is available. The present tea acreage is 161, but it is intended to extend this area to at least 500 acres. There are no intermediate vendors and no promotion profit is being made. The properties have been valued at £10,272. This is a speculative proposition.

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

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
War (5½, 1925-28) .. 96½ .. 95½ .. -1				Aust. 6½ 1931-41 .. 104 .. 104 ..			
Loans (5½, 1925-45) .. 96½ .. 96½ ..				Canada 4½ 1920-25 .. 100½ .. 101 ..			
Do (5½, 1929-47) .. 96½ .. 96½ ..				India 3½ Stock .. 65 .. 64½ .. -½			
Funding Loan 4½ .. 86½ .. 87½ .. +1				Do 7½ 1926-31 .. 112 .. 112½ .. +½			
Victory Bonds 4½ .. 91½ .. 91½ ..				Do 5½ 1932 .. 99½ .. 99½ ..			
Conversion Loan 3½ .. 75½ .. 75½ ..				Do 4½ .. 83½ .. 84½ .. +1			
Consols 2½ .. 56½ .. 56½ ..				N.S.W. 5½ 1922-32 .. 101 .. 101 ..			
Irish Land 3½ .. 57½ .. 57½ ..				U of S.A. 6½ 1930-40 .. 106 .. 106 ..			
Local Loans 3½ .. 57½ .. 57½ ..				Nigeria 6½ 1949-79 .. 111 .. 112 .. +1			
				Victoria 5½ 1924-34 .. 101 .. 102 .. +1			
				W.Aust. 6½ 1930-40 .. 103 .. 104½ .. +1			

British Railways.

Great Western, Ord. 112½ .. 111½ .. -1				Southern, Ord. "A" .. 40½ .. 40½ ..			
London & North-Eastern .. 84½ .. 84½ ..				Do Ord. "B" .. 11 .. 11 ..			
5½ Pref. Ord. 84½ .. 84½ ..				Do Pref. Ord. 84½ .. 84½ ..			
Do Def. Ord. 33 .. 33 ..				Do Def. Ord. 43 .. 43 ..			
London, Mid. and .. 103½ .. 102½ .. -1				Underground Electric (£10) .. 23½ .. 23½ ..			
Scottish, Ord. 103½ .. 102½ .. -1				Do "A" (1) .. 48 .. 48 ..			
Metropolitan .. 77 .. 76½ .. -½				Do Inc. Bds. (£100) .. 103½ .. 103½ ..			
Metropolitan District .. 56½ .. 55½ .. -1							

Banks.

Barclays B (£1, f.p.d.) .. 24½ .. 24½ ..				Nat. Bank of S. Africa 5½ .. 6½ .. +1			
Chartered Bk of India 19½ .. 20 .. +½				National Provincial (£20, with £4 paid) .. 10½ .. 11 .. +½			
Lloyds (£5 with £1 paid) .. 2½ .. 2½ ..				Standard of S. Africa (£20, with £5 paid) .. 10½ .. 11 .. +½			
Midland (£12, with £4 paid) .. 8½ .. 8½ ..				Westminster Bank (£20, with £5 paid) .. 17½ .. 17½ ..			
Nat. Bank of Egypt (£10) .. 24½ .. 24½ ..							

American Railroads.

Chesapeake & Ohio .. 82 .. 83 .. +1				Southern .. 56 .. 57 .. +1			
Erie .. 29 .. 29 ..				Do Non-cum Pref. 82 .. 83 .. +1			
Do 4½ 1st Pref. 36 .. 36 ..							

Foreign Government Securities.

Argentine 5%, 1886-7 .. 100 .. 100 ..				Japanese 4% 1910 .. 64 .. 65 .. +1			
Austrian 6% Guar. 88 .. 88½ .. +½				Do 5% 1924 .. 3 pm 34 pm .. +1			
Belgian 3% .. 70 .. 70 ..				Mexican Cons. 1899 .. 55 .. 54 .. -1			
Brazil 5% Fund. 1914 .. 74 .. 74 ..				Peruvian Corp. Pref. 284 .. 284 ..			
Chilian 4½, 1895 .. 84 .. 84 ..				P.L.M. 6% .. 83½ .. 83½ ..			
Do 7½ .. 106½ .. 106½ ..				Portuguese (New) .. 28 .. 28 ..			
Chinese 5%, 1912 .. 70 .. 70 ..				Russian 5%, 1906 .. 12 .. 11 .. -1			
Egyptian 4% .. 74 .. 74 ..				Spanish 4% .. 67 .. 67 ..			
French 5% .. 218 .. 218 ..				Serbian (Dept.) 7% .. 97 .. 97 ..			
Do 4½ .. 172 .. 172 ..				Siam 7% .. 107½ .. 107½ ..			
Greek 4%, 1884 .. 45½ .. 45½ ..							

Colonial and Foreign Railways.

Anatolian Cons. 87½ .. 86½ .. -1				Leopoldina .. 26½ .. 27½ .. +1			
B.A. and Pacific .. 82½ .. 81½ .. -1				Mexican Railway .. 104 .. 10 .. -1			
B.A. & Southern .. 89 .. 88½ .. -½				Do 1st Pref. 86 .. 86 ..			
Brazil 5% Fund. 1914 .. 801 .. 801 ..				Do 2nd Pref. 15 .. 15 ..			
Canadian Pacific .. 174 .. 172 .. -2				San Paulo .. 152 .. 151 .. -1			
Central Argentine .. 77 .. 76½ .. -½				United Havana .. 86 .. 89 .. +3			

Telegraphs.

Anglo-American "A" .. 22½ .. 22½ ..				Marconi Canada .. 1½ .. 1½ ..			
Marconi Wireless .. 2½ .. 2½ ..				Marconi Marine .. 1½ .. 1½ ..			

Miscellaneous.

Aerated Bread (£1) .. 1½ .. 1½ ..				Hudson's Bay (£1) .. 5½ .. 5½ ..			
Amal. Cottons (£1) .. 3½ .. 3½ ..				Imperial Tobacco (£1) .. 31½ .. 31½ ..			
Anglo Persian Oil (£1) .. 3½ .. 3½ ..				Linggi Plantations (£1) .. 1½ .. 1½ ..			
Armstrong (Sir W.G.) .. 1½ .. 1½ ..				Lipton (£1) .. 1½ .. 1½ ..			
Ass. Fint. Compt (£1) .. 1½ .. 1½ ..				Liver Breff (£1) .. 1½ .. 1½ ..			
Barker, John (£1) .. 2½ .. 2½ ..				Do 8% Cm Pfd (£1) .. 1½ .. 1½ ..			
B'ham Small Arms (£1) .. 7½ .. 7½ ..				Do 8% Cm Pfd Ord (£1) .. 1½ .. 1½ ..			
Brazil Traction (£100) .. 57½ .. 59 .. +1½				Lister (£1) .. 1½ .. 1½ ..			
British-American Tobacco (£1) .. 5½ .. 5½ ..				Lobitos Oilfields (£1) .. 7½ .. 7½ ..			
Burnham Oil (£1) .. 5½ .. 5½ ..				Lyons (J.) & Co. (£1) .. 48½ .. 48½ ..			
Coast (J. and P.) (£1) .. 3½ .. 3½ ..				Mexican Eagle (£10) .. 87 .. 87 ..			
Courtaulds (£1) .. 1½ .. 1½ ..				Pekin (2) .. 2½ .. 2½ ..			
Cunard (£1) .. 1½ .. 1½ ..				Rubber Plantations .. 1½ .. 1½ ..			
Dorman, Long (£1) .. 1½ .. 1½ ..				Investments (£1) .. 1½ .. 1½ ..			
Dunlop Rubber (£1) .. 1½ .. 1½ ..				Shell Transport (£1) .. 48½ .. 48½ ..			
Five Cotton Spinners (£1) .. 1½ .. 1½ ..				Smithfield Argentine Meat (£1) .. 83 .. 83 ..			
Forestal Land (£1) .. 1½ .. 1½ ..				United Dairies (£1) .. 1½ .. 1½ ..			
Furness, Withy (£1) .. 1½ .. 1½ ..				United Serdang (2) .. 3½ .. 3½ ..			
Highlands and Lowlands Rubber (£1) .. 1½ .. 1½ ..				United Tobacco (£1) .. 3½ .. 3½ ..			
				Vallambrosa (2) .. 3½ .. 3½ ..			
				Wickers (£1) .. 1½ .. 1½ ..			
				Watney Def. Ssk. .. 169½ .. 179½ .. +10			

Mines.

Brakpan (£1) .. 3½ .. 3½ ..				Knights .. 4½ .. 4½ ..			
Broken Hill Prop. (8) .. 1½ .. 1½ ..				Modderfontein (10) .. 4½ .. 4½ ..			
Chartered Gold (£1) .. 3½ .. 3½ ..				Modderfont. "B" (5) .. 1½ .. 1½ ..			
Cons. Gold Fields (£1) .. 3½ .. 3½ ..				Modderfont. Deep (5) .. 2½ .. 2½ ..			
Crown Mines (10) .. 3½ .. 3½ ..				Premier Def. (2/6) .. 5 .. 5 ..			
De Beers Def. (£24) .. 12½ .. 13 .. +½				Rand Mines (5) .. 3½ .. 3½ ..			
East Rand Prop. (£1) .. 3½ .. 3½ ..				Selkwe .. 3½ .. 3½ ..			
Geduld (£1) .. 3½ .. 3½ ..				Rio Tinto (25) .. 33½ .. 34½ .. +1			
Gov. Gold Areas .. 61½ .. 61½ ..				Spring Mines (£1) .. 2½ .. 2½ ..			

COMPANY MEETINGS, &c.

LONDON MIDLAND AND SCOTTISH RAILWAY.

FIRST ANNUAL MEETING OF NEW GROUP.

THE COMPANY'S LARGE RESERVES.

EFFECT OF REDUCED RATES.

SCHEMES FOR ALLEVIATING UNEMPLOYMENT.

The first annual general meeting of the London Midland and Scottish Railway Company was held at Euston Station, London, N.W., on Friday, February 29, 1924.

The Rt. Hon. Lord Lawrence of Kingsgate, chairman of the company, presided.

The Chairman, in opening the proceedings, said: I will ask the secretary to read the notice convening the meeting.

The secretary (Mr R. C. Irwin) having read the notice, The Chairman said: Our next business is to read the minutes of the extraordinary general meeting of July 26, 1923, which I presume you will agree to take as read.

TRIBUTE TO LATE SIR JOSEPH KAYE.

Before dealing with the ordinary business of the meeting, I must refer to the death of Sir Joseph Kaye, which took place suddenly on December 24th last.

Sir Joseph joined the board of the Lancashire and Yorkshire Company in 1914, and was a most energetic and enterprising business man whose services were of the greatest value to the board.

He was a gentleman of high character and great ability, and the board deplore the loss of a valuable and loyal colleague.

It is not proposed to fill the vacancy on the board caused by his death.

CONGRATULATIONS TO SIR ARTHUR WATSON.

I cannot pass to the business of the company without referring, with a sense of gratification, to the honour of Knighthood which has been conferred upon Mr Arthur Watson. We who have been in close and daily contact with him know how hard he has worked in the service of our company, and I am sure that we all extend our congratulations to him on his thoroughly deserved honour.

In this connection I regret to inform you that Sir Arthur Watson has asked to be relieved of his duties owing to ill-health. His connection, first with the Lancashire and Yorkshire, then with the London and North-Western, and finally as the general manager of this great amalgamated company, has been distinguished, and we owe him a great debt of gratitude for his untiring industry and success in the amalgamation and absorption of our various companies, and for his efforts in consolidating the same, but, unfortunately, his health has broken down in this colossal task, and in thanking him for all he has done for us, we wish him every happiness in his retirement, and a speedy return to a normal condition of health.

MR H. G. BURGESS.

In considering the appointment of a successor to Sir Arthur Watson, your directors have been saved any anxiety, as they have in the person of Mr H. G. Burgess an officer of proved ability and experience, and in addition to possessing a wide and varied knowledge of railway administration Mr Burgess has for some time past acted as deputy general manager. Notwithstanding over 40 years of service, and of his having reached an age which fairly entitles him to find in retirement the leisure which he has so well earned, Mr Burgess has consented to shoulder the responsibility of management. The proprietors will realise that his age will prevent him from carrying on his onerous duties for an indefinite period, but he has placed his services at the disposal of the board for such time as may be found necessary to complete the final organisation of the group, a task upon which he has been engaged on Sir Arthur Watson's behalf for some considerable time.

Having regard to the fact that the company, as the London Midland and Scottish Company, has only existed from January 1, 1923, it is not possible on this occasion to supply in the accounts any comparative figures; these will be available on future occasions, but, in view of their voluminous nature, it is extremely doubtful whether any useful purpose will be served either to-day, or in future, by going through the accounts in detail.

RECEIPTS AND EXPENDITURE.

It will, however, no doubt interest the shareholders to know that the gross receipts on revenue account amounted to £87,317,070 (equal to the revenue of the Indian Empire prior to the War), and

the expenditure to £71,019,175, leaving the net receipts £16,297,895.

Miscellaneous net receipts were £3,414,099, and your directors have decided to utilise of the amount received under the Railways Act a sum of £200,000, so that our total net income from the sources I have mentioned amounts to £19,911,994.

DIVIDEND.

The various companies now forming the amalgamated company carried forward, twelve months ago, £340,266, so that we have available a total sum of £20,252,260, of which £5,154,614 is required for interest, rentals, and other fixed charges, and £8,091,927 for the dividends on guaranteed and preference stocks, leaving the amount available for the dividend on the ordinary stock £7,005,719, which enables us to pay a dividend for the year of 7 per cent. on the ordinary stock, and to carry forward a sum of £341,549.

ARREARS OF MAINTENANCE.

Many shareholders have raised questions as to the necessity for the large invested sums which are held at present by all the railway companies, and this matter cannot be better set at rest than by explaining that these are at their present figure largely owing to what, in the railway world, is termed "arrears of maintenance." During the war period, and for a year or two after the armistice, owing to the shortage of experienced workers and material, it was impossible for the railway companies to carry out their usual programme of renewals and repairs, with the result that the equipment generally was necessarily allowed to get below its usual standard. The cost of wages, and material of all sorts, is still extremely high, but notwithstanding this, your company have now placed orders, to which I will refer subsequently, for additional plant, which will make a very serious inroad into our liquid funds. I should also explain that of the thirty-eight millions sterling held in Government investments, a considerable sum represents amounts placed in our keeping by the staff through our various savings banks and the balances of superannuation and pension funds, which in the course of years will be required to meet pensions towards which the staff themselves have contributed. I am anxious that the proprietors should be under no misapprehension in this matter, and I am dealing with it at some length in order to remove any feeling of doubt that they may have as to the board retaining any sums which might legitimately be divided amongst the shareholders. The money, which as I have pointed out, is invested in the finest securities in the world, is earning good interest which ensues to the shareholders.

CAUTIOUS POLICY NECESSITATED BY STRIKES.

You will notice we have only taken £200,000 (which is at the rate of 4s per cent.) out of the funds we received from the Government, to support the dividend. At the present time your directors are decidedly of opinion that it is necessary to husband the company's financial resources, having in mind the definite loss in traffic we have sustained by the recent enginemens' and dockers' strikes, and having regard to the further possible trouble in the mining world. In addition to the ascertained loss, these periodical strikes are doing untold harm in retarding the improvement in trade generally, and your board would, in my opinion, be neglecting their duty if they failed to take notice of the political, financial, economic, and commercial uncertainties of the future.

After all, the two main factors upon which shareholders should be satisfied are:—

1. As to the rate of dividend they receive, and on this point I may say that, under the circumstances, and with all the uncertainties of the future, your directors look upon the dividend they recommend you to declare as being satisfactory.

2. As to whether the dividend has been honestly earned, and on this point I cannot do better than refer you to the auditors' certificate which appears on the accounts, and which reads as follows:—

"We hereby certify that the foregoing accounts contain a full and true statement of the financial condition of the company; and that the dividends proposed to be declared on the several stocks are bona-fide due thereon, after charging the revenue of the year with all expenses which ought in our judgment to be paid thereout."

From a perusal of this certificate, and from the details I am giving in my speech, the proprietors will be able to gather that the board have a thorough grip of the situation.

GROUP CONSTITUTION COMPLETED.

The constitution of the group company has been completed, with the exception of the absorption of the Leek and Manifold Valley Light Railway Company, in which case a legal question has arisen and the matter is at present *sub judice*. I am pleased to say that we were able to agree terms for the merging of all the various companies into the London Midland and Scottish Company, excepting in the case of the Caledonian and Knott End Companies, in which the terms were settled by the Railways Amalgamation Tribunal.

REDUCTION OF RATES.

It will be within the knowledge of many of you that both Sir Guy Granet and I, as chairmen of our then respective companies, expressed the view when we met our proprietors in February of last year that the time had arrived when a further substantial reduction in rates, &c., should be considered by the boards of the new group companies. At that period there was a very slight indication that the trade and industry of the country was taking a turn for the better, and very strong claims were made by the larger associations of trade that a further reduction in carriers' charges would provide the required stimulus, and that increased business would benefit both the country and the carriers. Your board very seriously considered the problem, and they decided that if anything of a helpful nature was to be done, it must be on the lines of the largest reduction the company's revenues could stand, and that the figures had been closely investigated, on May 1st a general reduction was made in goods train rates, from 75 per cent. to 60 per cent. over 1919, with reductions in the charges for parcels, livestock, and other passenger train traffic. On August 1st the percentage increase in goods train rates was further reduced from 60 per cent. to 50 per cent., and a similar reduction was made in coal traffic, together with further modifications in the passenger train charges.

RESULTS OF REDUCTION.

The proprietors will possibly remember that at the time when the railways passed from Government control the additions to the rates stood at percentages which were calculated to raise in 11 months the deficiency which was expected to accrue in 16 months. This deficiency had been produced very largely by Governmental action in standardising the rates of pay and hours of duty of railway servants throughout the land, and the cost was sought to be recovered by increasing generally the revenues of all companies by certain percentages, irrespective of whether the increased labour costs affected them equally or not; and this being so, it is clear that there must be difficulty in agreeing between the companies generally what all-round reductions should be made if the net income was to be preserved. As the outcome of various negotiations the reductions to which I have referred were made, and you will doubtless desire to hear something from me as to what the result of that policy has been. The risk your board had to take was that in the event of there being no increase in traffic what would be the effect upon the gross receipts of the year by the reductions advocated and made from time to time. If we had merely carried the same amount of traffic as was carried in the year 1922, our gross receipts would have been 11 millions less than they were in that year.

IMPROVED TRAFFIC.

The actual decline is only one-half that figure, and it can thus safely be said that improved traffic has occurred to the extent of 5½ millions sterling. Whilst it is very difficult to prove whether reductions in rates do of themselves cause traffic to flow which would not flow otherwise, there are some indications which show that extra business follows cheaper transport, *i.e.*, up to the end of September last the company had carried passengers in excess of those of the year 1922 by no less than 19 millions in numbers, and practically the whole of this extra volume was produced by the increased cheap excursion and tourist facilities that did not exist in the preceding year, and caused no apparent diminution in the carrying of other classes of passengers. Another feature is that as soon as effective reductions were made in the rates for the heavy mineral classes of traffic, *i.e.*, raw materials of industry, the traffic which had fallen to a very low ebb began to show signs of recovery, and you will observe from the company's published traffic returns that the revenue from that traffic shows a substantial increase over last year, notwithstanding the considerable reductions in rates.

We have thus demonstrated that under certain conditions and in certain commodities it is good business to reduce rates, but it does not necessarily follow that it would be in the interests of the shareholders to interfere with the rates in the absence of such conditions, and, further, the effect of any alteration is so great that it does behoove us to move cautiously in this matter.

It may be said that if the reductions had not been made, or had been made to a lesser degree than they have, the company's financial position would have been better than it is; but, ladies and gentlemen, when you realise that if the rates and charges of the year 1922 had applied throughout this year, in 1923 the net revenue of the company would have been increased by upwards of 11 millions, a sum which would have more than doubled the dividend on the ordinary stock, I think you will agree that the company would have been in an untenable position in the eyes of the traders, the Government, and the workers.

RATES AND PRICES TO CONSUMER.

It may be opportune, whilst dealing with the question of rates for carriage by rail, to have regard for a moment to the controversy that is continually taking place as to the effect of such rates upon prices to the consumer. It may be possible to show in individual cases that increased railway charges enhance prices, but these are not the instances upon which to base a considered judgment. During and since the war the principle has been established that there is an affinity between wages, the chief element in most business costs, and the cost of living. We have heard a great deal about the cheap breakfast table, and I have been interested (and I am sure you will be) to ascertain the extent to which the charges imposed by the London Midland and Scottish Railway for the conveyance of commodities, such as bacon, ham, butter, cocoa, coffee, margarine, sugar, tea, and fish, figure in the home budget. What do I find? For every kind of commodity to which allusion has been made, collected by the London Midland and Scottish Railway, conveyed by goods train, and delivered to the consignees' addresses, the average charge does not exceed one farthing per pound avoirdupois. We all know the price that has to be paid for the retail purchase of those things which have become necessities to practically the poorest home, and to say that the present railway rates generally put up the prices against the consumer is to disregard the real facts.

Broadly, the proposition is, that where there is demand, and there is the wherewithal to supply that demand, traffic will pass, however high the charges may be. On the other hand, if there be no demand no traffic will pass, however low the rates are. But there comes a time when the demand exists and the resources of the customer are not sufficient to meet it. Then is the opportunity for the carrier to lower his charges so that the seller can produce either without loss or with just a sufficient margin of profit to extend business which goes to the reduction of the carrier's loss. That opportunity presented itself to your board during the course of the year 1923, and largely led them to the advocacy of a reduction in rates, with a result which I think the proprietors will see from a perusal of the statement of accounts is not unsatisfactory.

STANDARD REVENUE.

The proprietors will doubtless remember that during the passage of the Railways Act, 1921, through Parliament, the question of the standard revenue was raised, and it may be of interest to know exactly to what this refers.

Prior to the passing of the Railways Act the charging powers of the railway companies were strictly limited by the Railway and Canal Traffic Act, 1888, which was defined and slightly amended by the Railway Rates and Charges Order Confirmation Acts, 1891 and 1892, as well as by the Railway and Canal Traffic Acts of 1894 and 1913. Under this legislation maximum rates were fixed, which could not be exceeded except by further legislative authority; and if the companies were charging rates below the maxima, they could not increase the rates, even within the maxima, without probable challenge and having cast on them the onus of proof that the increases were reasonable and justifiable.

Under the 1921 Act, however, an independent body—the Railway Rates Tribunal—consisting of experts, was set up, and the duty of this tribunal is to fix in the first instance such standard charges as will secure to the railway companies their 1913 aggregate net revenue, with certain additions in respect of capital expenditure incurred since 1913. The Rates Tribunal are then to review annually, unless the Minister of Transport directs to the contrary, the operation of the charges so fixed since the appointed day, subject to the review being limited to the experience of the operation of those charges during the preceding three years.

BASED ON REVENUE RECEIPTS AND EXPENDITURE.

The standard revenue will undoubtedly be based largely upon Account No. 8, "Revenue Receipts and Expenditure," and will embrace *inter alia* the amount received under the heads:—Railway, Omnibuses, Steamboats, Canals, Docks, Harbours, and Wharves, Hotels, Refreshment Rooms, and Restaurant cars, for the year 1913.

If the revenue derived, after making provision for an allowance to remunerate adequately any additional capital which may have been raised in respect of expenditure on capital account, is more than that derived in 1913, it is the duty of the Rates Tribunal to modify all or any of the standard charges so as to effect a reduction of the net revenue in subsequent years to an extent equivalent to 80 per cent. of the excess. On the other hand, if the

revenue falls below the standard of 1913, it will be the duty of the Rates Tribunal to so adjust the rates as to increase the revenue to the standard figure, though, of course, it does not follow that an increase in charges is automatically effective in increasing the revenue, as there are definite limits to the rates which the traffic can bear.

In simpler words, the idea is that of any excess over the standard revenue of 1913, the company shall have the benefit of 20 per cent., the remaining 80 per cent. going to reduce their charging powers. Proprietors will perceive that whilst the decision to increase or decrease charging powers is left to the discretion of an independent body, the railways have, on the other hand, a means provided for them, whereby the revenue of 1913, which I may say was not a bad year from the railway companies' point of view, may at least be maintained.

COMPANIES AND UNEMPLOYMENT.

A further contribution which the railway companies, in common with other large corporations, have made towards improving trade and solving the problem of unemployment, has been the orders they have placed for works and stores and equipment.

You will doubtless have seen in the Press a reference to the fact that we have pledged the company to an expenditure of about £14,000,000, which, I am sure you will agree with me, is a substantial contribution towards dealing with unemployment. We have placed orders for rolling stock, steel rails, sleepers, steamships, machinery, &c., covering our approximate requirements over a period of two years, and further, we have taken in hand many large schemes of accommodation which might otherwise have waited some time longer.

In doing this, we have been actuated by the fact that industry needed a stimulus such as could only be given by concerns like ours. In every case your board has given the most careful consideration before the orders have been placed over all the industrial centres, and we are satisfied that the schemes to which we have agreed are in the interests of the shareholders, as net revenue will benefit by more economic working, which will result from the expenditure we are incurring.

DEVELOPMENT WORK.

The following are amongst the largest schemes which have been included in this arrangement:—

Electrification of railway between Manchester and Oldham.
Widening of line between Chevet Junction and Snydale.
Widening of line between Crewe and Weaver Junction.
Sundry widenings of the line between Preston and Carlisle.
Remodelling of stations at St Annes, Thornton, Manchester (Victoria and Exchange), Bangor, and Walsall.

Orders for four new steamers for the Goole and Continental service, which have been placed with firms at Barrow and on the Clyde.

The result of these orders will, I am sure, be cumulative, and will tend to bring traffic on to your line. At the same time we are taking every opportunity of standardising the equipment, and whilst, after an amalgamation of the character such as that now embraced in the London Midland and Scottish line, this work of standardisation of equipment will be a matter of years, we have made a beginning towards the desired end.

RELATIONS WITH STAFF.

Our relations with the staff during the period covered by the accounts have generally been good, and your board are alive to the fact that it is in the interests not only of the employees themselves, but also of the shareholders, that the relationship between the administration and the employees should be of the most friendly order.

A Bill will be presented to Parliament during the present session asking for powers to establish a new superannuation fund for new staff, as foreshadowed in the Railways Act of 1921, and further powers will be asked to allow of the present superannuation funds being merged into the new fund, provided members request this to be done.

Further, we are seeking powers to advance money on loan to members of the staff who are anxious to acquire their own houses. It is proposed that the company shall advance up to a limit of 90 per cent. of the value of the houses, the amounts so advanced being repaid over a period of years by means of deductions from the salaries or wages. In this way it is hoped that not only shall we aid in the provision of better and more comfortable home conditions for our own employees, but also make a substantial contribution towards the general housing problem of the country. Until parliamentary powers are obtained, however, your directors feel that they cannot take any definite action in the matter.

We have, further, embarked upon a scheme of welfare, the object being to ensure that the conditions under which the staff carry on their daily work are of the highest order; that proper provision is made for promptly treating cases of temporary in-

disposition; and that all reasonable facilities are afforded for the recreation of the staff during their leisure hours.

By these means we hope to secure, and keep, a happy and contented staff, and we are satisfied, after the most careful inquiry, that any improvements the company is able to bring about in the direction I have indicated will be reflected in the greater efficiency with which the staff will carry out their duties.

LABOUR AND REDUCTION IN COSTS.

This is at least one way in which we may secure increased production, which must mean reduced costs. Our prosperity is bound up with increased demands for our services as carriers; and if we are to stimulate that demand, we must get down our costs. We can prove to our employees that reduction in costs, brought about by increased production, is to the advantage of labour as a whole, inasmuch as bigger business means bigger staffs all round, and thus tends to reduce general unemployment. It is for this purpose that we have adopted the schemes to which I have referred, and consistently reduced rates, and we feel certain that it can have nothing but a beneficial effect from the shareholders' point of view.

NATIONAL WAGES BOARD AND THE STRIKE.

Whilst it is true that our relations with labour during the past twelve months have been, as I say, good, during the last few weeks we have had a dispute with a certain section of our employees. The railway interests, following a set course of procedure, applied to the National Wages Board for certain reductions in wages and alterations in the conditions of employment. As some of you are aware, the wages now paid on our railways are on a very much higher level than the wages paid in other industries, and after the most careful consideration, the railway administration came to the conclusion that the time was appropriate for such wages of be somewhat reduced. As I have stated, the application was made through the proper channel, and was considered by the National Wages Board, consisting of an independent chairman, six representatives of the railway companies, six representatives of the railway trade unions, together with four users of the railways nominated, as follows:—

One by the Parliamentary Committee of the Trades Union Congress.

One by the Co-operative Union.

One by the Association of British Chambers of Commerce.

One by the Federation of British Industries.

This Tribunal is recognised as being thoroughly impartial, and when I tell you that in response to the railway companies' application, which covered a total sum of £4,000,000, they only received findings giving a reduction of approximately £500,000, of which this company's proportion was about £175,000, you will see that the result was not as satisfactory as we could wish. Recognising, however, the impartiality of the Tribunal, we accepted the findings, as did two of the unions concerned, viz., the National Union of Railwaymen and the Railway Clerks' Association. The executive of the Associated Society of Locomotive Engineers and Firemen, two of whose members had signed the unanimous report of the Wages Board, recommended its acceptance to their delegate meeting, but they declined, and decided to take a ballot of their members, the result of that ballot being that rather than submit to the reduction in wages and alterations in the conditions which had been imposed, they would cease work.

I need hardly tell a body of shareholders like yourselves that, inasmuch as the members of this society constitute some of our most expert employees, viz., the drivers and firemen of our trains, we experienced some difficulty in maintaining our services. With the goodwill of our other employees, we did run a reasonable service, which, I am sure, was appreciated by the public at large. I am glad to say that after a stoppage lasting just over a week an agreement was arrived at.

SPLITTING OF ORDINARY STOCK.

At the final meeting last year of the old London and North-Western Company, when I had the honour of addressing some of you, I was asked to bring the question of splitting the ordinary stock of the new company that was then about to be formed before the notice of the board when it met, and in compliance with this desire on the part of some proprietors the matter was fully considered by your board in April last, and an intimation was issued to the Press that it had been decided not to split the company's ordinary stock into preferred and deferred stock. There were many reasons for this conclusion being arrived at, but amongst the most cogent of them was the fact that the aim during amalgamation was the consolidation of stocks and the elimination of anything in the nature of "watering"; many of the old company's stocks have been held in the same families from generation to generation, and it must not be overlooked that if the company creates an artificial value of its capital for speculative purposes without any additional assets, it does so with no benefit to continuing stockholders, and, in fact, with obvious disadvantage to

the genuine holder in that it increases the death duties, and might have the further disadvantage of seriously affecting the position of trustee investments under the Trustee Act, 1893. Although, as I have said, the views expressed by some of the shareholders at the annual meeting last year have received the careful consideration of the directors, it must not be lost sight of that there are many proprietors with large holdings who are strongly opposed to any interference with the existing ordinary stock.

ISSUE OF PASSES TO SHAREHOLDERS.

I must now turn to a matter which is personal to some of you—that is, the question of the issue of passes to shareholders, to enable them to attend the meetings.

The chairmen of two or three of our constituent companies, some twelve months ago, promised to bring the question of the issue of passes to shareholders before the new board. This pledge was fulfilled, and I need hardly assure you that your directors gave the matter their most careful and sympathetic consideration. Your board were quite alive to the fact that it had been the practice of some companies—the principal one being the Midland—to issue passes to their shareholders for the purpose of attending the annual meetings, and whilst we should have been only too pleased to continue this practice, it was felt that it was not a practicable proposition.

I am sure, when you know that we have 250,000 shareholders in the London Midland and Scottish Company, more than 40 per cent. of whom live north of Crewe or Derby, that you will agree with me that it would not have been practicable, without very gravely interfering with our ordinary traffic, to have put on a vast number of special trains with a view to bringing our proprietors to London.

Assuming we could have surmounted this difficulty, a further problem would immediately await us in the matter of providing a hall large enough to accommodate the shareholders. The Metropolitan has attractions for almost everyone, and in this respect differs from provincial towns, such as Derby, and we felt that the problem with which we were faced was an insuperable one, and whilst, as stated, we have given the matter our most careful and sympathetic consideration, we felt it would not be the wish of the shareholders generally that free tickets should be issued for this purpose.

I am sure this decision will commend itself to the shareholders present as being the only practicable solution to the matter.

EXCHANGE OF CERTIFICATES.

After the Railways Amalgamation Tribunal approved the amalgamation of the Caledonian, North Staffordshire, and London Midland and Scottish Railways at the end of June, all the consequent conversions of stock had to be carried out. These were completed during the autumn, and the exchange of certificates was then taken in hand, in accordance with my remarks on this subject at the final meeting of the old London and North-Western Company, when it was pointed out that the exchange of certificates was a very large operation, and would take some considerable time. From estimates that have been made, it is probable that two million certificates will have to be exchanged before the conversion is completed. We are now exchanging about one thousand a day, taking them in fixed order, so that all proprietors receive the same consideration. An advice is issued immediately we are in a position to deal with the certificates of any person, and it will save proprietors from making inquiries if they will kindly bear this remark in mind. Shareholders may criticise this statement by pointing out that it will take a very long time to complete the exchange if only one thousand a day are dealt with, but we cannot under existing circumstances see our way to increase this number at present. I hope, however, it will be possible to make a decided improvement in the rate of exchange before very long.

The new company with which we are associated is a vast one, but notwithstanding this, the administration, through the organisation which has been set up, is in constant touch with every portion of it, and it is, perhaps, unnecessary for me to inform the shareholders that we are quite alive to their interests, and anything that we as a board or our officers can do to influence traffic or improve our revenue will be done.

We are anxious to get into close and personal touch with the traders on our line, and if they will only communicate with our officers when they want transport facilities they would, I am sure, be met with courtesy and obtain facilities of which in many cases they were not aware, with good results both to themselves and to our company.

THE NEW POSTERS.

The proprietors will have noticed a statement in the Press to the effect that we have engaged the services of several noted artists to produce for us some posters illustrative of many of the beauty spots on our line.

For some time past we have felt, in view of the cultivated taste of the British public, that it was necessary to strike a higher note

in our advertisements, and from the pictures which are arranged round the room, which are the originals from which the posters will be taken, I feel sure you will agree that the experiment has been an undoubted success, and should be continued.

We have also made arrangements which will ensure the true facts in regard to the London Midland and Scottish Company being kept before the public through the Press, and our efforts in this direction also have met with unqualified success.

We are a great corporation, owning over 7,000 miles of railway line, and extending from London to Wick, from Southend to Donegal, and from Swansea to Goole.

Our total capital is almost £400,000,000, and our annual passenger train traffic receipts £32,500,000, derived from over 353,000,000 passengers, 319,000 season ticket holders, and mails, parcels, &c. Our goods traffic receipts amount to over £46,000,000 a year, and we have 269,000 employees.

ENORMOUS NUMBER OF SHAREHOLDERS.

I would also point out that, contrary to what is often considered to be the case, we have, as I have already stated, as many as 250,000 shareholders, with an average holding of under £1,200 stock, and in addition, 60,000 debenture stockholders, and if it were possible to arrive at the number of persons interested in each account, the average interest would be found to be small. Very many of our own employees are interested in the company as shareholders, and the opportunity is taken when it occurs of encouraging the staff to take a financial interest in the company.

I place these facts before you because your directors are of opinion that it is necessary, in the interests of the travelling public and the traders, that the principal statistics of such corporations as ours should be impressed upon the minds of the public, and that they should also be informed publicly of the facilities which are available, feeling certain that it cannot but result in increased revenue to the company.

The company's interests are the interests of the shareholders, and I would urge you to keep this fact in your mind, that no business is too small for us to cater for, and no trouble too much for us to go to with a view to improving our revenue, and I trust that the results which have accrued during the past 12 months, and which, in themselves, are not unsatisfactory, will in the coming year be improved.

THE DIRECTORATE.

Under the last amalgamation scheme it is provided that the directors elected by the constituent companies shall hold office until the date of the first ordinary meeting, when the proprietors shall elect a board of not exceeding 28 members, of whom one-third shall be re-elected at each subsequent annual meeting. Owing to the exceptional circumstances existing to-day, as every member of the board is concerned, it will not be possible to follow the usual procedure, and I shall ask two shareholders in the body of the hall to move and second respectively a resolution proposing the election of the whole of the directors on the board.

THE AUDITORS.

It is also necessary for us to make arrangements for the carrying on of the audit work of the company, and a resolution will shortly be moved as to the appointment of Sir Nicholas Waterhouse and Mr F. D. Morris as auditors of the new company, at a fee of 800 guineas each per annum.

Each of the gentlemen named has had great experience in dealing with railway accounts, and your board thoroughly recommend them for the appointment.

At the same time, following the practice which has been previously adopted in every case, we are suggesting for your approval that an *ex-gratia* payment equal to two years' fees shall be paid to each of the auditors whose office is abolished by reason of the amalgamation, and on this point a resolution will be moved in due course.

IRELAND.

With regard to Ireland, I am happy to be able to say that the country has now settled down, and that we may look forward with increased confidence to a substantial improvement in its trade. This company has expended from time to time large sums of money in connection with its Irish business, and a large proportion of our stock is held—and not unprofitably held—by Irish people. Therefore, we are anxious to do everything possible to assist in the full development of the resources of that country.

The possibility of development is, of course, dependent on the policy of the Governments with respect to transport facilities, and we are satisfied that if arrangements are made along wise and well considered lines prosperity will be assured.

Ireland, irrespective of its large industrial enterprises, is a magnificent food-producing country, and even with the most intensive development, markets exist on this side of the Channel

which can absorb all the Irish output, and if proper transport facilities exist, suitable services can be given through the ports on the West Coast of England, which our railway serves, viz.:—Holyhead, Liverpool, Garston, Manchester, Preston, Heysham, Fleetwood, Barrow, Ayr, Gourock, Greenock, and Glasgow. As a result, Ireland will get the advantages of markets which are now largely supplied from other places.

In addition, Ireland is in a special sense naturally a tourist country, and it may be expected that with good and comfortable services, reasonable fares, &c., tourists in large numbers will be induced to visit its many beauty spots and various sporting centres.

QUINQUENNIAL VALUATION.

Under the provisions of the Valuation and Rating Bill, it is proposed that special properties such as railways shall be re-valued *in cumulo* quinquennially by a central valuation authority to be constituted with a chairman who has held judicial office, together with nominees of the London County Council, County Councils' Association, Municipal Corporations' Association, Urban and Rural District Councils, and the Association of Poor Law Unions.

The Central Valuation Authority is to fix the valuation of the railway as a whole, and then apportion that valuation out among the parishes in which the property stands.

If the Valuation and Rating Bill is not proceeded with, it is recognised on all hands that a Bill must be promoted in Parliament to deal with the valuation for rating purposes of railways, because in two instances, the London Midland and Scottish, and the London and North-Eastern Railway Companies, the system extends into Scotland, where the law of rating differs very much from that in England. Consequent upon the grouping of the railways, the revenue and expenditure in Scotland cannot be ascertained in such form as will meet the requirements of the Assessor of Railways in Scotland.

TRANSITION PERIOD.

As it will take at least another twelve months to get this somewhat thorny question settled, it has been necessary for the local authorities and the railway companies to decide upon some scheme to cover the transitory period. With such object in view, for some months past conferences have been taking place between the National Conference of Assessment Committees, the County Councils' Association, the Municipal Corporations' Association, and the railway companies, and it has now been agreed that the transitory provisions which have been in force for the past two years shall, subject to certain modifications, be extended for a further period of twelve months.

Your board are very carefully watching this matter, and you may rest assured that every step will be taken to safeguard the interests of the shareholders.

So far as the political situation is concerned, I am sure that the new Government are as anxious as any preceding Government to promote the interests of this great country.

TRADE LEGISLATION NOT DESIRED.

This is not the time for rash experiments in economics, and, in my opinion, what is required is that the Government should leave the business concerns to work out their own salvation, which they would be able to do effectively with an improving international situation and its direct connection with trade. Of course, to this I should add that any improvement would be retarded in the event of the Government introducing legislation which would impose onerous conditions upon trade. British credit to-day stands higher than at any time during or since the war, and the only real danger I can see at the present time is that unemployment may become a habit if the conditions under which the unemployed can obtain support are made too easy.

The exercise of economy and work are the royal roads to prosperity, and if the Government would cut down expenditure and thereby reduce taxes, it is conceivable that more revenue would be provided for the State than can be gained by maintaining taxation at a level which destroys productive enterprise and development, and I am convinced that we can, with our usual British determination, face the future with confidence and hope, that is if we all, employers as well as employed, work cordially together for the common interest.

IMPROVED RELATIONS BETWEEN EMPLOYERS AND EMPLOYEES.

Slowly but surely a new and higher conception of the economic solidarity of the nation, a conception of employers and employees working as a genuine household, and not as a mere multitude of competing individuals, is making headway in all classes of society. That ideal may be hard to realise; it can never be realised at all except by gradual stages, and to force the pace would be to invite

disaster, but against such precipitancy there is a great safeguard in the temper of the British people, in their good nature, their hatred of violence and respect for individual rights, and in their preference for the immediately practical, rather than theoretical perfection. That temper has helped this nation in less than a century completely to transform our political institutions, without any of those sudden and catastrophic changes by which the same transformation has been carried out in other lands, and so it is not unreasonable to hope that in this country, where there is so much practical Socialism, the work of social organisation still before us will be accomplished in a similar spirit and by similar methods, and that, in that respect, we may set an example to the world.

TRIBUTE TO OFFICERS AND STAFF.

I think it would be your desire, before I sit down, that I should express on your behalf, as I certainly do for the board, and especially myself, our appreciation of the services rendered by the officers and staff during the past 12 months. The changes consequent upon amalgamation have placed further burdens upon the officers, and many have had their duties very considerably increased, and others—through circumstances over which we have had no control—have undertaken fresh duties. I think we can congratulate ourselves upon the fact that, so far as it is humanly possible, things are shaping well, and whilst in a few isolated instances the final arrangements with regard to the staff generally have not yet been made, this is a natural corollary to the amalgamation, and I have little doubt that before the next annual meeting the whole of our organisation will have been perfected, and the machine will be functioning as a whole. The officers and staff have worked loyally for you, and I feel certain that it will be your wish that we should recognise this in our proceedings to-day.

And now, ladies and gentlemen, one word in conclusion, and that of a personal character. This is the first occasion on which I have had the honour to address you at the annual meeting as chairman of the London, Midland, and Scottish Railway Company, and it will be the last in which I shall do so in that capacity, though I shall still hope, with your permission, and at all events for the present, to remain an ordinary director of the company.

It is now 40 years since I entered this building as a director of the old London and North-Western Railway, under the chairmanship of my revered master, the late Sir Richard Moon, and during that long period I have had frequent opportunities of addressing its shareholders, so I wish to take this opportunity—the only one I shall have—to thank them for the unvarying courtesy and consideration with which they have always received me.

You, ladies and gentlemen, I have also to thank for the patience with which you have listened to this long, and I fear wearisome, address; but at our first annual meeting of the new company it was necessary to give you a detailed review of its position as it exists to-day. Long may it continue to prosper and be a credit to all who are connected with it, whether as shareholders, directors, officers, or staff, and anything I can do to further that object in a humble capacity I shall consider as a privilege, and not as a perfunctory duty.

I now beg to move:—

“That the report now read, with the statement of accounts, be received and adopted.”

SOBER POLICY COMMENDED.

Mr. E. B. Fielden (deputy-chairman) seconded the motion. Some discussion followed, in the course of which Mr Sutcliffe Thomas said that in view of the trade conditions the board had had a difficult task, and, therefore, the satisfactory character of the report was much to their credit. In spite of a certain amount of carping criticism, he believed the shareholders generally were perfectly satisfied with the proposed dividend.

Sir Charles Wakefield, chairman of the English Railways Stockholders' Protection Association, said they had heard with deep regret the chairman's announcement of his retirement from the chair. With regard to the report, he thought that the sober financial policy therein disclosed was absolutely right, and, as the previous speaker had said, the dividend declaration was highly commendable, having regard to the future capital requirements and other considerations.

Sir Fortescue Flannery and Sir William Fry supported the motion, and paid a warm tribute to the chairman's services.

Sir W. F. Russell (chairman of the Scottish Railway Stockholders' Protection Association), after congratulating Lord Lawrence on his lucid statement, said that the accounts showed the company to be in a very strong financial position. Accordingly, the appropriation from the reserve of £200,000 to make up the dividend of 7 per cent. was more or less a drop in the bucket. He rather thought most of them would have been better pleased if what he might call two additional drops had been taken out of the bucket, and the dividend had been $7\frac{1}{2}$ per cent.

References were constantly being made by certain politicians to railway capitalists, plainly meaning to infer that the railways were owned by large capitalists. As a matter of fact, the railways were, in the main, composed of small investors, and the average dividend on railway holdings was something like $3\frac{1}{2}$ per cent. Now that rates and fares had been reduced to 50 per cent. over pre-war rates, it appeared to him that the companies and this company

had met very handsomely the needs of traders and the general public. There were, he said, very few traders to-day who were selling their wares as low as 50 per cent. above pre-war rates, while, on the other hand, the increased on-cost on the railways was probably now heavier than that in any other industries.

After further discussion, the report and accounts were adopted unanimously and the proposed dividends agreed to.

GREAT WESTERN RAILWAY COMPANY.

VISCOUNT CHURCHILL'S REVIEW OF YEAR'S WORKING.

REDUCED RATES AND THEIR EFFECT.

LABOUR AND STRIKES.

The annual general meeting of the proprietors of the Great Western Railway Company was held, on the 27th ultimo, at Paddington Station, London, the Rt. Hon. Viscount Churchill, G.C.V.O. (chairman of the company), presiding.

The secretary (Mr A. E. Bolter) having read the notice convening the meeting,

The Chairman, after expressing regret at the death of two of the directors—Lord Plymouth and Mr Charles Mortimer—said:—

Now, before commencing to go through the accounts, I feel sure you would all like to join me in offering our most hearty congratulations to our general manager, Sir Felix Pole, on the honour which has just been conferred upon him by the King. It is an honour of which we of the Great Western Railway are justly proud, as we know that the recipient of it has by hard work, perseverance, and outstanding ability thoroughly earned it, and we wish him many years of health and happiness to enjoy it, and we hope that his working life may be always associated with the Great Western Railway.

THE ACCOUNTS.

I will now go through the accounts in the usual manner, and I will ask you to turn first to the capital account, No. 4 on page 7. This shows an expenditure during the year of £4,654,350. The details are set out, but by far the greater portion of the amount is in respect of the purchase of the undertaking of the Swansea Harbour Trustees, and this transaction also accounts for the item of £2,889,784 on the other side of the account, which is the amount of stock of the company issued as part of that transaction.

Now, going to the revenue account, you will find the figures in Account No. 8 on page 10. It will be seen that the receipts for the railway and other businesses for the whole year amounted to £36,723,331, and the expenses to £29,778,508, leaving as net receipts £6,944,823. The miscellaneous receipts from rents, interest, &c., amounted to £1,292,200, thus increasing the total net revenue to £8,237,023. This is carried to the next account (No. 9) on the same page.

DIVIDENDS.

Now this amount would not have been quite sufficient to maintain the same dividend, viz., 8 per cent., as was paid last year, and it was felt that in the circumstances an appropriation could very properly be made from the reserve for contingencies—which I will refer to shortly—of £150,000, and, with the balance brought in of £304,932, this makes the total of £8,691,955.

After payment of interest on the debenture and rent charge stocks, rents of leased lines, &c., particulars of which are shown and which amount together to £2,415,111, a balance is left available for dividends of £6,276,844. After allowing for the dividends on the guaranteed and preference stocks, amounting to £2,578,564, a balance of £3,698,280 remains available for dividend on the ordinary stock. The interim dividend of 3 per cent., which was paid for the half-year to June, absorbed £1,273,222, leaving a balance of £2,425,058, which enables the payment of a dividend on the ordinary stock for the last half-year of 5 per cent., making a dividend of 8 per cent. for the whole year and carrying forward a balance of £301,963.

Now, you will have noticed that we have not yet reverted to the old practice—and I think a very useful one—of showing for purposes of comparison the figures of the preceding year. Although the present accounts, practically speaking, cover the second year's working of the Great Western Group, comparisons between 1923 and 1922 are vitiated by the inclusion in the group of a number of the smaller lines at different periods in the two years, including the Swansea Harbour undertaking, which was absorbed on July 1st last, and we must wait another year—that is, to the end of the current year—before reintroducing the old practice.

YEAR'S FIGURES.

As a matter of fact, the gross receipts of the railway and other businesses for 1923 were less than for 1922 by about £1,800,000, and the working expenses were less by £1,325,000.

This gives a net reduction of £475,000, which is equated largely by the miscellaneous receipts—consisting principally of rents and interest—having brought an increase of £436,000. The chief item, namely, general interest, is £380,000 more than last year, owing mainly to the second instalment of the Government compensation money having been received at the commencement of 1923. Owing to the absorptions, there is an increase in the capital, calling for a corresponding increase in the interest and dividend, with the result for the year which I have already mentioned.

RATES AND CHARGES.

At our last meeting I referred to the policy which the railway companies were pursuing of reducing rates and charges concurrently with—indeed, in anticipation of—a reduction in expenditure. To assist a revival of the trade of the country, we felt that this was the right course to take, and I am glad to tell you that last year the traffic originating on our system increased by 12,600,000 passengers and 7,800,000 tons of merchandise. Naturally, however, the reduction of rates has had the effect of reducing our receipts per passenger and per ton of goods. Our hope was, of course, that this would stimulate traffic, and this has to a large extent been the case, but not sufficiently, in fact, to cover the whole of the diminution in gross receipts brought about by the reduced charges. Our passenger fares and rates for goods and mineral traffic are now about 50 per cent. above the pre-war level, with certain flat rate additions, which, after full inquiry, the Minister of Transport decided should be added to compensate for the extra cost of working short distance traffic, and which also had been reduced with the rates. Having regard to the enormous increase of wages and of materials as the result of the war, I feel that the public and the traders must admit that in thus reducing our charges we have done nearly—if not entirely—all they could possibly expect in this respect.

FLAT ADDITION PROTEST.

Perhaps not unnaturally, the traders who have enjoyed the benefit of the extremely small railway rates in respect of short distance traffic do not like the flat addition, and in the latter part of the last year certain associations of traders in South Wales made applications to the Railway Rates Tribunal for the removal of the flat rates on coal, coke, and patent fuel traffic. This would have involved a serious loss of revenue to the company, and, after a full hearing, the tribunal dismissed the applications. I am personally sorry that the traders felt it necessary to take the course they did, because the policy of the company is to endeavour to settle such matters in friendly conference between their officers and the traders, and I hope we shall continue to do this. In this particular case we saw no practical means of meeting the wishes of the traders, more especially as the very carefully compiled statistics which are published by the Ministry of Transport show that the average receipt per ton per mile on coal traffic in South Wales compares most favourably with other parts of the country. A general application as affecting all the companies is now before the Railway Rates Tribunal, and, therefore, I will not comment upon it pending the delivery of their judgment.

It is anticipated that at an early date the tribunal will be proceeding with the ascertainment of the standard revenue to which the various companies are entitled, and the fixing of the charges to produce it.

QUESTION OF CHARGING POWERS.

You will realise that this question of charging powers is of vital importance to the railway industry. The basis of the Railways Act is that the companies are to be entitled to earn a standard revenue equal to the aggregate net revenues of the railways in the group for the year 1913, with certain additions in respect of interest on capital expenditure, which I have explained at previous meetings.

Whilst on the one hand we are ready to afford our customers the benefit of reduced expenses in materials and wages by reducing

rates and charges—and in doing this to make as much allowance as we feel justified in doing in the hope of attracting an increased volume of traffic—it is our duty to proceed with due regard to the interests of our proprietors. The Act itself is designed to protect their interests concurrently with the interests of the traders, and in its operation it should have the effect of stabilising the return on railway capital, thereby placing it on a level of solid and permanent security.

LARGE PROPORTION OF SMALL INVESTORS.

Now, ladies and gentlemen, there is a feature which ought not to be lost sight of in connection with railway undertakings, and that is that the capital is very widely spread among the people of the country and is held in a very large number of accounts.

I find from a return which I have had prepared that out of 52,000 holdings of Great Western ordinary stock 34,534, or 66 per cent., are for amounts of £500 and less; and, if we go to a limit of £1,000, the total number of holders of that amount and less is approximately 44,000 out of the total of 52,000—being 84 per cent.—a very remarkable figure. If we take the ordinary, preference, and guaranteed stocks together, the total number of holdings is 104,000; 60 per cent. are for £500 and under, and 78 per cent. for £1,000 and under.

These figures do not take into account the considerable holdings by insurance companies, societies, and other institutions, which they hold in the interest of great numbers of people of very small means.

I think it well to mention these figures to show how large a proportion of railway capital represents investments of small holders, who rely upon a sound and permanent security.

THE REPORT.

It will be convenient, perhaps, that I should, as usual, go through the paragraphs in the report. No. 1, which refers to the accounts, we have already dealt with. No. 2 refers to the four railways which were absorbed last year under the Railways Act, and which completed the group, and I think calls for no comment; also to the final amalgamation scheme, which was settled by the Amalgamation Tribunal to constitute the Great Western Company the Amalgamated Company for the group.

No. 3 records that the vesting of the undertaking of the Swansea Harbour Trustees took effect as from July 1st last, on the terms which were approved by the proprietors in February. We are quite satisfied that the taking over of this property—thus bringing the whole of the larger docks in South Wales under one control and management—is to the advantage of the users of the docks as well as of the company. Nos. 4 and 5 refer to the various works which are in hand, and which are really much overdue, principally in connection with the extension of the accommodation at certain important stations. But for the war, these works would have been long since taken in hand, and they are absolutely essential for the conduct of the traffic and for the carrying on of the business of the company.

DEVELOPMENTS IN SOUTH WALES.

Paragraph No. 6 refers to developments in South Wales. The most important of all has reference to the carrying capacity of the wagons used for mineral traffic. The company last year hauled to the docks 36,000,000 tons of coal in 10 or 12-ton privately owned wagons. It is obvious that, if the carrying capacity of the wagons could be increased, the capacity of the railway lines would be correspondingly increased, while the work involved in shunting out the wagons at the ports would be less. Hitherto, owing to the fact that there were three interests involved—namely, the railway, the colliery proprietor, and the dock owner—practically no progress has been made in this direction. Now that the docks and railways are owned by the Great Western, we felt that the time had come to make a real effort to remove this blot upon our arrangements. With this object we are taking in hand the tipping appliances, many of which would require renewal in the ordinary course, and are adapting them to take 20-ton wagons, and an earnest appeal has been made to the colliery proprietors to adapt the colliery equipment for, and to provide, 20-ton wagons. We have offered a reduction of rate in respect of coal conveyed in fully loaded 20-ton wagons, and satisfactory progress in this direction is being made.

RENEWALS AND UNEMPLOYMENT.

Paragraph 7 relates to another important matter. Owing to the war the renewal of the rolling-stock has got seriously in arrear, while stock has not been provided for the growth of traffic. Active measures are being taken to overtake arrears in both respects.

Paragraph 8 refers to the provision of two new steamers for the Channel Islands traffic, in replacement of boats which are over 30 years of age.

Now, these various matters obviously involve considerable expenditure.

As you are already aware from statements which have been made in the Press, the late Government urged the railway companies to

do what they could to assist in the effort to alleviate unemployment by carrying out as much work as possible. We were already doing all we could to overtake arrears of renewal work, and I had no difficulty in submitting to the Minister of Transport a detailed statement of the Great Western position in regard to new works involving capital expenditure, expenditure on maintenance and renewal work, and the placing of orders for stores in anticipation of our requirements. In all these matters, while endeavouring to assist the Government, the interests of the shareholders were kept very fully in mind.

BRITISH MANUFACTURERS' PRICES.

Ladies and gentlemen, this leads me to a point of very considerable importance. In placing orders for stores, the company has consistently followed the policy of dealing only with British manufacturers, but it is useless to ignore the fact that materials of many descriptions can be purchased abroad at prices considerably below those of British manufacturers. I feel certain that the shareholders will approve the course which has been taken by the board in the interests of British trade and to relieve unemployment. Of course, what the future may have in store for us no one can tell, and I can only hope that, to enable us to continue this policy, the prices charged by British manufacturers may before long come down to a more reasonable level as compared with their competitors abroad.

Reverting for one moment to the letter which I sent to the Government in regard to relieving unemployment, I recall that we took the opportunity of placing before the Government certain schemes for new railways, in regard to which great pressure was being brought to bear upon the company. From a commercial standpoint, the company could not undertake the construction of these lines, but it was recognised that there was a great local need for some of them, and, having regard to the very large expenditure which the Government and local authorities are now incurring upon road maintenance, it was thought that a fair offer to the Government would be that, if financial assistance were forthcoming from the State similar to that given to local authorities under the Roads Act, 1920, the company would be prepared to undertake the provision of a certain number of new lines in districts where they were most required. You will be interested to know that, although this letter was specially drafted in response to an urgent appeal to assist to relieve unemployment, no reply has yet been received from the Government.

PARLIAMENTARY BILLS.

Paragraph 9 relates to the special general meeting which is to follow this meeting—but it is convenient, perhaps, that I should follow the usual course of explaining shortly the several Bills which are to be submitted for your consideration at the special meeting.

The first is our General Powers Bill. Powers are sought by this Bill for the construction of two short lines in the neighbourhood of Pwllheli, at the northern extremity of the Cambrian Railway, and for various other works, and the acquisition of additional lands.

The next Bill is to obtain power to continue the increased rates, dues, tolls, and charges in respect of our dock undertakings after the present powers, under Orders made by the Minister of Transport, expire in February, 1925.

The third Bill is to be submitted because it contains a clause which would enable this company and the Southern Railway Company jointly to work traffic to and from the Channel Islands, if it were found desirable to do so.

The last is an order to authorise the company to abandon the construction of the authorised Callington Light Railway.

THE RECENT STRIKES.

You will expect me to say a word as to the recent strikes of enginemen and firemen—members of the Associated Society of Locomotive Engineers and Firemen—and of dock employees.

I should prefer to say as little as possible about these unfortunate incidents, especially as the circumstances of each of them were fully reported in the Press.

As regards the railway strike, I can only express my very great personal disappointment that, after all our efforts to establish machinery for negotiating wages settlements with the trade unions, we have apparently so far failed to prevent strikes.

In the case of the dock employees, the arrangements for dealing with labour matters are perhaps not quite as complete nor are the service conditions so definite as in the case of the railways. I am sure, however, that it is the wish of the proprietors—as it is of the board of directors—that every possible effort should be made so to improve our conciliation—and, I would venture to add, arbitration—arrangements as will lead to settlements without strikes.

It is not customary at these meetings to refer to politics, and what I am going to say must not be regarded as a breach of this unwritten law, but I cannot refrain from remarking that, as we now have a Labour Government, it seems to me that they could do no greater service to the nation than seriously to consider ways and means whereby, if strikes are not to take place, there shall be found some greater means than at present exists of preventing them.

"BLACKLEG" TRAFFIC.

One word more on this subject. A good deal has recently been said about "blackleg" traffic. As a railway company we have a public duty to perform as carriers, and, if our men are to be allowed to pick and choose in regard to traffic handled and to refuse to deal with consignments because there is a strike in a particular industry, railway business will be most seriously interfered with. I would, therefore, invite the trade unions concerned in railway labour matters seriously to consider this point, and I say this without the least desire to be provocative, because it is necessary that our position in this respect, and the action which we shall be forced to take if circumstances arise should be fully appreciated by them.

After outlining the steps the company was taking to improve the housing position for employees, and after paying a tribute to the general manager and staff, the Chairman concluded by moving the adoption of the report and accounts.

Sir S. Ernest Palmer, Bt. (deputy-chairman), seconded the resolution.

The report and accounts were unanimously adopted, the dividends were approved, the directors were re-elected *en bloc*, and certain gentlemen were appointed to the audit committee.

At a subsequent special general meeting resolutions were passed approving certain bills before Parliament.

The proceedings terminated with a cordial vote of thanks to the chairman, directors, officials, and staff.

MANCHESTER SHIP CANAL COMPANY.

ISSUE OF 5 PER CENT. BONDS.

The annual meeting of shareholders of the Manchester Ship Canal Company was held in the Houldsworth Hall, Manchester, on Thursday, February 28, 1924, Mr W. C. Bacon presiding.

The Chairman, in moving the adoption of the report and accounts, said: One gratifying feature of the accounts is the increase in tonnage. We have got back to over 5,000,000 tons of seaborne merchandise traffic, a figure which was first reached in the year 1912 and was maintained up to 1915, but, owing to the effect of the war, has not again been attained until the year under review.

The gross receipts from the Ship Canal, consisting of Ship Canal tolls, dues, and miscellaneous receipts, amounted in 1923 to £1,384,743, which, with the exception of the record year 1920, is larger than any other previous year. The year 1920 was, of course, a boom year.

As stated in the report, the surplus from working of dock labour was less by £10,650 than in the previous year. There were reductions made in the wages of dock workers, and the reductions made simultaneously in the company's charges fully absorbed the savings thus effected. The additional traffic, however, would probably have maintained the amount of the surplus had it not been for the strike in July last year, which, of course, adversely affected this account.

The result of the working of the Bridgewater Canals was very disappointing, the balance being only £8,089, as compared with £20,418 in the previous year. In addition to this, however, there were receipts from the Bridgewater railways, rents, and miscellaneous receipts amounting to £4,762 included under their appropriate headings.

WESTON MERSEY ACCESS LITIGATION.

Just a word about the result of the Weston Mersey Access litigation.

When I spoke to you a year ago the opponents had appealed to the House of Lords. As you are aware, the judgment, which was

given in the House of Lords on May 11, 1923, was favourable to the company, as was the case in the first court and in the Court of Appeal. As a result of that judgment, we have been able to collect arrears of dues and tolls for the use of the Ship Canal which accrued during the years 1916 and 1922. As explained in the report, these have been included in the net income for the year, but not in the gross receipts for the year. It was thought that for purposes of comparison it would be misleading to include the figures in the gross receipts. The amount so included in the net revenue account is £56,416, after deducting the outstanding balance of law costs. I am glad that this matter is now entirely disposed of.

With the exception of some small accounts still to be collected, dues and tolls have been paid in full, and the taxed costs settled at an agreed figure.

A satisfactory agreement as to working in the future has been made with the Weaver Navigation trustees and the traders on the Weaver Navigation. Arising out of this agreement, the company are taking powers in the Bill, which will be submitted to you later, to light and buoy the access between the navigable channel of the Mersey and the Weston Mersey Lock. The expense of such buoying, which, it is anticipated, will not be a great matter, will be borne equally by the Weaver trustees and the company.

NET INCOME FOR THE YEAR.

The net income for the year (including the arrears of tolls just mentioned), as you will see from account No. 8, is £869,875. To this must be added the balance brought forward of £45,375, making a total income of £915,250 12s 3d. From this must be deducted interest, rentals, and other fixed charges, amounting to £405,109, leaving a balance of £510,141.

There has been appropriated to reserve for contingencies and repairs the sum of £50,000, practically the whole of the arrears of tolls which I have just mentioned, leaving a balance of £460,141.

As stated in the report, the dividends recommended are as follows:—

3½ per cent. on the Manchester Ship Canal Corporation preference stock.

Ten shillings per share (5 per cent.) on the preference shares.

Ten shillings per share (5 per cent.) on the ordinary shares; leaving a balance to be carried forward to next year's accounts of £35,451.

It is very satisfactory to have got back to our 5 per cent. on the ordinary shares, which we paid for the first time for the year 1920, and I hope that we shall be able at least to maintain it at that figure in the future.

The capital expenditure during the year amounted to £243,867 net, after deducting £82,006 proceeds of sales of land and other matters.

ROCHDALE CANAL COMPANY AND THE COMPANY.

As you are probably aware, the Oldham and Rochdale Corporations made an arrangement with the Rochdale Canal Company to acquire reservoirs belonging to the Rochdale Canal Company in Yorkshire, and a Bill was promoted in Parliament for this purpose.

Under the terms of the Rochdale Canal Act, 1800, the Bridgewater Canals were entitled to all the waste water from the Rochdale Canal, and it was obvious that if these reservoirs were sold the quantity of waste water would be very much reduced. The company, therefore, petitioned against the Bill, and the matter was eventually settled by negotiation between the Rochdale Canal Company and the Ship Canal Company on terms that the Rochdale Canal Company should pay to the Ship Canal Company in respect of these water rights 25 per cent. of the amount of compensation received from the Oldham and Rochdale Corporations. The Ship Canal Company's proportion amounts to £98,333, and half this amount has already been received, and is included in the accounts, as I have explained.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000

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ANGLO-SOUTH AMERICAN TRUST COMPANY, NEW YORK,

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It has been suggested, apparently because the company's rights arise under an Act of Parliament dating as far back as 1800, that the Ship Canal Company have been rather hard on the Rochdale Canal Company in enforcing their rights. This is an argument which I am quite at a loss to understand. The Act of 1800 provided that all the waste water from the Rochdale Canal should at all times pass into the Bridgewater Canal. This, of course, was a very important matter because there have been in the past (and there will be in the future) times of drought when there has been a shortage of water in the Bridgewater Canals and the barges could not be loaded to their full capacity because of the insufficient depth of water to float them when fully loaded. There is no ambiguity as to this question of waste water from the Rochdale Canal because it was the subject of litigation with the Rochdale Canal Company in the year 1898 in connection with the sale of water from the Rochdale Canal by the Rochdale Canal Company.

The Ship Canal Company were successful, and in the year 1899, when the Rochdale Canal Company obtained an Act giving them power to sell water from their canal, the Act provided that such powers should only be exercised on the terms that half the receipts from such sales should be paid to the Manchester Ship Canal Company.

Having regard to all the circumstances, I think, and my colleagues agree with me, that the payment of 25 per cent. to the Ship Canal Company of the compensation received by the Rochdale Canal Company for the sale of the reservoirs was a very fair settlement between the two companies.

FUTURE CAPITAL EXPENDITURE.

It is proposed to deepen by a further two feet the Ship Canal itself from the entrance locks at Eastham up to Stanlow as far as the River Gowy, making a minimum depth of 30 feet to the point named. This deepening is extremely important if we are not only to retain the large ships already coming to the Port, but attract still larger ones, which will be able to finish their loading at Ellesmere Port.

I may remind you that we have made no addition to transit shed accommodation at the Manchester docks since the construction in the year 1912 of transit sheds Nos. 7 and 9 at No. 8 dock. After careful consideration it has been decided to proceed with the construction of two reinforced concrete transit sheds of five floors on the north side of No. 9 dock—each of the sheds will be 450 feet long by 110 feet wide.

MANCHESTER SHIP CANAL 5 PER CENT. BONDS.

In order to carry out these works, it will be necessary to issue some additional loans which were authorised at the extraordinary meeting last year, and Manchester Ship Canal bonds carrying interest at 5 per cent. for periods of five or ten years are now being offered. I would urge upon any of the shareholders in the company whose intention it is to invest the dividends to be declared to-day to take up some of the company's bonds, as thereby they would be not only assisting in the development of the port, but also their own money already invested in the company either in preference or ordinary shares.

Both the capital and the interest ranking, as it does, before the Corporation Loan of £5,000,000 are extremely well secured.

On last year's figures there was a surplus of £623,526 available for the payment of interest on £1,018,500 remaining to be issued.

I am glad to say that at last we are in sight of securing regular steamship services from the Pacific Coast of North America, via the Panama Canal to Manchester.

A start has also been made in getting traffic from South Africa. The Ellerman-Harrison-Clan lines are now booking cargo direct to Manchester, and several steamers have discharged part cargoes here.

The regular lines trading to and from Manchester have continued to maintain their sailings.

PROSPECTS FOR 1924.

I find it exceedingly difficult to prophesy as to the future. I am optimistic, and I hope, cheery at that, but neither my colleagues nor myself would venture to hope that we can do better than last year, and, indeed, at present no one can tell what will be the effect of the trade of the port after the advances in charges necessary to cover the increase in wages conceded to the company's workers in order to end the strike in the public interest. No company or port can afford to work at a loss, nor should they be expected to do so. I fear, however, a rise in wages generally will hit many firms very hardly indeed, particularly those who have made large contracts ahead on very close margins, or just covering cost, and which have been based on rates of wages current during the autumn of 1923.

The resolution was seconded by Sir Wm. Kay (deputy-chairman), and carried unanimously.

NATIONAL PROVIDENT INSTITUTION.

PROGRESS UNDER ALL HEADINGS.

The eighty-eighth annual meeting of the members of the National Provident Institution for Mutual Life Assurance was held, on the 29th ultimo, at Cannon street Hotel, London.

The Hon. Vicary Gibbs (the chairman) said that the report submitted by the directors was evidence that a most satisfactory start for the new quinquennium had been made, progress being shown under all headings. New business had been well maintained both in quality and in amount. The new net sums assured, amounting to £1,080,503, carried annual premiums of £43,494, and in both cases the figures were an improvement on those of the previous year. These results were attained in a year when the general trade of the country was bad. The mortality experience during the past year was very favourable, the amount paid in death claims being only 70 per cent. of that expected according to the tables employed in estimating the liabilities. The number of deaths—302—among the policyholders who had assured for the whole term of life included an unusually large number of those who had lived to very advanced ages: there were 111 deaths in the seventies, 87 in the eighties, and five in the nineties. The estimated profit from this light mortality was £73,000, which was a very substantial contribution to the profit fund. The net rate of interest earned had again increased, being £4 11s 10d per cent., against £4 11s 5d per cent. for 1922, enabling the directors to repeat the statement they had made several times in recent years, that it was the highest that had been recorded in the history of the institution. For a good many years it had been the practice of many leading life offices to offer policies without medical examination, and the experience of these offices having proved that, subject to proper safeguards, it could be conducted with success, this institution had commenced to transact this class of business. The revenue account showed that the premium income had increased by £9,000, and interest income by £8,000. The assurance fund had increased by £75,000—a smaller amount than usual owing to the fact that last year they paid away £152,000 in cash bonuses.

With regard to their Stock Exchange securities, the substantial margin in values reported at the last meeting was still in hand on November 20th last, although there had been some shrinkage in values since that date. By actual sales and realisation they added last year a sum of quite £30,000 to the profit and loss account. He could conclude his remarks by making the simple, but highly satisfactory statement that the institution had never before had a more prosperous year in the first of a quinquennium.

The report and accounts were unanimously adopted.

W. T. HENLEY'S TELEGRAPH WORKS COMPANY, LIMITED. FACTORIES RECORD OUTPUT.

The forty-fifth ordinary general meeting of W. T. Henley's Telegraph Works Company, Limited, was held, on the 29th ultimo, at the Abercorn Rooms, Great Eastern Hotel, London, Sir George Sutton, Bt., M.I.E.E. (chairman and managing director), presiding.

The Chairman said: I think we may congratulate ourselves upon the successful results of the year's work, not much better as regards profit than the previous year, but in other respects, which I will endeavour to show you, much more satisfactory.

RECORD OUTPUT.

Comparing with past years the prices of the commodities we employ in our business and the rates of profit, we find that the output of our factories for the year is the largest in the company's career, ranging in the various departments from 15 per cent. to 50 per cent. increase over the previous year. A moment's thought will show you that this means that employment and wages have considerably increased, and that the rate of profit has decreased, or, to put it in another way, an increased demand has enabled us to lower our prices to our customers, to employ more people, and to maintain the same distribution to the shareholders. But perhaps the happiest feature of the year is that this increased employment, increased output per head of the workers in our cable factories. Our factories have been busy, and our experience is that a factory well stocked with orders yields a better output per head of the workers than a factory with a shortage of orders. I believe, too, that our workers realise, at least many of them do, that industrious application to their work, by increasing output, enables more work to be obtained.

I would not have you, however, suppose that the demands upon our factories have been entirely satisfactory. The foreign trade, which was an important part of our turnover before the war, has not been recovered. It now represents but a small percentage of our total. It is no use shutting our eyes and supposing that all is well all round because we have such a good balance-sheet to submit to you. That balance-sheet represents the prosperity of our home

and imperial overseas trade. In foreign countries many new works have been erected, and tariff walls put up against us; countries which were importers of our goods before the war are now ambitious to manufacture for themselves. This applies even to some of our overseas dominions. We no doubt possess great advantages in experience, skill, and organisation, and if tariffs against us are not outrageously high, if our competitors' goods are not offered for sale with the advantages of greatly depreciated exchanges, and if we can utilise our home markets to keep plenty of work in our factories, and so keep down the cost of production, I do not despair of regaining, at any rate, a large part of the lost foreign trade. There are many "ifs," but we are up against them all.

There is a paragraph in the report concerning the Henley's Tyre and Rubber Company, Limited. I will not take up your time by saying again what I said on the last occasion I addressed you. The position is the same, or a little worse. We have the goods, but the selling prices are much too low to enable us to trade at a profit. It is not pleasant to learn from your works manager that men he has had to discharge for want of orders are engaged across the river unloading tyres from ships from America. We do not like it, neither do the men, I expect. The country has decided, at any rate for the time being, not to give tariff protection from dumping by foreign countries. The decision is unfortunate for our pneumatic tyre industry; the outlook is not promising, and we are now seeking other means to enable the factory to meet its expenses.

CONSERVATIVE FINANCE.

For 35 years of annual profit we have set aside a very considerable part for the purpose of providing extensions to increase our output. Year in and year out the figure has grown; most of it is in land, buildings, machinery, and plant, and some of it is in more liquid assets, such as cash, stock, debtors, &c. This company was started with assets and liabilities on an equality in values. You may remember that three years ago we published an account showing a surplus of assets over liabilities amounting to a million and a quarter sterling. We have no interest to pay on a large portion of that sum; the shareholders could have divided amongst themselves those surplus profits instead of leaving them to fructify in the business, and if you will trouble to make a calculation, you will find that the 15 per cent. we are paying pans out at about 6 per cent. on the capital shown by the balance-sheet to be employed in this business.

As to the outlook for the future, it is unwise to be too optimistic, but we have more orders on our books than we had a year ago, and that shows trade improvement. Our relationship with our workpeople continues to be satisfactory, but, of course, disputes in other industries are detrimental to us both, by reason of loss of output and increased cost of production.

The report was unanimously adopted.

BRITISH TRADE CORPORATION. CHAIRMAN OPTIMISTIC OF THE FUTURE.

The seventh ordinary general meeting of the British Trade Corporation was held, on the 27th ultimo, at the Institute of Chartered Accountants, Moorgate place, London, Lord Faringdon (the chairman) presiding.

The secretary (Mr G. de B. Brounlie, A.C.A.) having read the notice calling the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said he had pleasure in drawing attention to the liquid position of the corporation. Their total liabilities on current, deposit, and other accounts amounted to £969,498, while the liquid assets—consisting of cash £157,051, money at call and short notice £280,000, and Government securities £406,250—totalled £843,301, or equal to 87 per cent. of those liabilities. Their investments, taken at market price, or (where not quoted) at a fair valuation, together with their interest in subsidiary companies and their shareholding in the National Bank of Turkey, amounted to £563,049, or, after deduction of the reserve made against them of £325,000, to £238,049.

The principal part of the item "interests in subsidiary companies" consisted of their stake in the Trade Indemnity Company, and the chairman of the company stated that the company had fully justified its existence, and proposed at an early date to increase its capital.

Under the heading of "investments" was included their interest in the new capital of the Levant Company. That concern has been reorganised quite recently. The managing director reported that up to December 31st it had, after providing adequate reserves for contingencies, made a small profit.

Their branches at Danzig, Belgrade, and Zagreb had made some progress.

Turning to the profit and loss account, it would be seen that they had a credit balance of £74,387, from which it had been necessary

to transfer £25,000 to "reserve against shareholding interests," making that amount, with the balance carried forward from last year and the capital writing down that the shareholders had authorised, £325,000. The balance remaining upon profit and loss account was, therefore, £49,387 11s 5d, from which there had to be provided £38,906 4s 11d for dividend upon the "A" shares, leaving £10,481 5s 6d to be carried forward. A full year's dividend upon the "A" shares was only £30,000. The £8,906 additional, which was chargeable to the year's account, represented the dividend upon instalments received in 1922, but which was not paid last year. He regretted that they had no dividend for the other shareholders, but the directors hoped that, having cleaned the sheet of past misfortunes, a favourable future was before the corporation. The report and accounts were adopted.

SELFRIDGE AND COMPANY, LIMITED.

SPLENDID RESULTS OF YEAR'S BUSINESS.

GOOD PROSPECTS FOR CURRENT YEAR.

The sixteenth annual ordinary general meeting of Selfridge and Co., Limited, was held, on the 29th ultimo, at the company's stores, Oxford street, London, Mr H. Gordon Selfridge (chairman and managing director) presiding.

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

The Chairman, in moving the adoption of the report and accounts, said: Ladies and gentlemen,—

While the year just passed has contained its full share of those elements which make the doing of business difficult, it will in commercial history count as perhaps the best period since the abnormal year of 1919. It shows progress—not very much yet—but a certain progress towards more normal or reasonable conditions.

BUSINESS ADJUSTING ITSELF TO CHANGED CONDITIONS.

We must forget what was accepted as normalcy during the period before the war, just as men of business of the early years of the twentieth century were obliged to forget the times of 30 or 50 years before. The world of commerce changes as does the world as a whole, and we all who are carrying on the business of the Empire now are adjusting ourselves to these changed conditions. Just as it requires much time for the sea again to become quiet after a great storm, so it requires more time than we anticipated to bring quiet to the commercial world after the four or five years of terrible war.

During those years the nations at war destroyed most of their accumulated wealth, and when peace finally came the whole world, and the people in it, were poorer—much poorer—than on August 1, 1914.

And now the individuals of nearly every country are endeavouring again to build their wealth. This is slow work, and is doubly difficult because of the fact that while their resources were being destroyed, a much greater loss lay in the awful destruction of life of those who could have helped so splendidly to reconstruct the nation's wealth. This, then, is where the world stands.

This country accumulates money chiefly by manufacturing for and selling to those outside of her own borders, and until these customers in foreign lands again make and save money with which to buy, our trade with them must be limited.

This shows itself in our great list of unemployed, and is reflected in the local business. Everyone feels that he must economise. Free buying is, therefore, out of the question, and is almost entirely confined to what one feels one must have. All of this makes business more difficult.

Very well! This is the condition. We must make the best of it, and that is what men of business are all trying to do.

SPLENDID RESULTS DESPITE DIFFICULTIES.

Here in this business we are unitedly working harder, more intently, more scientifically than ever before. We are trying continually to give better service. We are watching the multitudinous details with greater care. We must do it. The result as shown by the balance sheet, which has been in your hands several days, indicates somewhat of the result of these efforts.

For 11 months of the past year we have been deprived of nearly half of the selling frontage in Oxford street, and when one realises that selling space is vital to this business, the loss of that floor area becomes more evident.

Notwithstanding that reduction, we are able to show—everything considered—one of the best years in the history of the house; but this result should, with the help of our new building—now approaching completion—be far outstripped during the next 12 months.

DEPRECIATION.

The balance-sheet speaks for itself. The depreciation which we insist on taking is as great as ever—greater than in most years—

and depreciation means keeping the capital in the business, because our rate of depreciation is far higher than is usually taken, and much greater than the items so depreciated are entitled to. On this point, it is interesting to note that in depreciation, reserve fund, excess profits duty, and corporation profits tax this young business has in 10 or 12 years written off over £1,200,000, and as profits grow larger—as they surely will—this rate of depreciation will be increased rather than reduced. We have also during these years retired about £100,000 in debentures.

Our wholesale department has shown the best results in its history, and our group of branches have also done their best since they passed into our control.

TRIBUTE TO STAFF.

Our staff have, as an entirety, done splendid loyal work, and have grown to feel almost to a man or woman a sentimental ownership in this business organisation of which they are highly respected members. The status of the young man or woman member of the organisation of a great distributing house has absolutely changed from that of 15 years ago, and such membership is now looked upon by society and the public, as a whole, as an esteemed and very interesting career, which not only encourages, but engenders a delightful self-respect. This is as it should be.

The preference shares are as widely spread as before—great numbers of holders possessing fifty shares, or even less—and quoted prices on the Stock Exchange indicate the esteem in which they are held by the investing public.

The early addition of selling space, so badly needed, will help us to make of this store one which we have more nearly had in mind, and one which we feel certain the buying public will enthusiastically applaud.

We look forward, therefore, to this year of 1924 with a new optimism—a reasonable optimism consistent with after-war times and conditions.

Mr Ellis W. Davies, M.P., seconded the resolution, and it was carried unanimously.

The dividends as recommended were approved, the retiring director (Mr H. Gordon Selfridge, jun.), was re-elected, and the auditors, Messrs Deloitte, Plender, Griffiths, and Co., were reappointed.

A cordial vote of thanks was accorded to the chairman for presiding, and a tribute was paid to the memory of the late Mrs Selfridge, the shareholders standing in silence.

BOVRIL, LIMITED.

BOVRIL'S ANTI-PROFITEERING POLICY.

Presiding at the twenty-seventh annual general meeting of Bovril, Limited, held on the 27th ultimo, Sir George Lawson Johnston (chairman) congratulated the shareholders on having had a successful year.

He mentioned last year that there was no "sinking feeling" about the exports of Bovril. Every year since the war had shown an increase upon its predecessor, and again for 1923 he could say that their overseas shipments of Bovril had exceeded those of 1922 by over 20 per cent., whilst the period from January 1st to February 16th of this year showed a good increase on the whole two months of January and February, 1923.

He should, perhaps, also mention that the home sales of Bovril in the current year show a marked advance on those for January and February of last year. The importance of all this extra trade is that it is from the last half-million or so of sales that the increased ratio of profit is made, the main sales having covered the overhead charges. Those who have not studied the subject carefully have sometimes suggested that the public have to pay for the advertising of an article, but, far from this being the case, it is only the enormously increased sales obtained by the assistance of advertising that can ensure large scale manufacture, economy in production, and rapid distribution. Bovril passes through the shops so quickly that the average period from factory right through to consumer is under six weeks; any lock up of capital is thus avoided. Without these advantages in a one-line article like this, Bovril would never have been able to maintain its famous non-profiteering record.

£30,000 TO HELP THE HOSPITALS.

They would have noticed that the British Charities Association (an association formed by persons specially interested in hospitals) have been running a Bovril Poster Competition for the benefit of the hospitals. Bovril, Limited, made this possible by giving £30,000 for the prizes, and also expended a large sum on the advertising campaign. Not only had they given this £30,000 to encourage contributions to hospitals, but they had advertised extensively the usefulness of hospitals and the necessity for a larger proportion of the population to do their share in subscribing, and thus keeping active and efficient that unique institution, the British voluntary hospital system. He would not for a moment conceal the fact that

all this had cost them something, but the atmosphere created by the doing of a startlingly big charitable act was a favourable one to the donor, and, if the hospitals were satisfied and the great, kind-hearted element of the population of this country felt that they had done the right thing, then he thought they were reimbursed by an inestimable, but very definite addition to Bovril's goodwill.

It was often said that a company had no soul. He hoped that Bovril had been able to prove that the human touch was possible in the case of a corporation. The public were very far from forgetting their non-profiteering attitude—that they stuck to their pre-war price right through the war, and were not only willing to forgo excess war profits, but definitely, and on principle, spoke against them. Their example and precept were no doubt of some value, and having been linked with the name of Bovril in the memory of millions, gave them a new post-war foundation of goodwill upon which they had built an annually increasing success.

Those present might have glanced at the map of England in this morning's papers, with a section marked out equal to the size of the Bovril ranches in Australia and the Argentine. The large area would probably suggest why Bovril's raw material was not produced from cattle raised in this country. One could not spare from a quarter to a third of the whole of this country merely to run a few hundred thousand cattle on, and that would be brought out more plainly when it was mentioned that the human population of the 10,000,000 acres of estates was only two or three thousand; that is, if some of the aborigines on the Australian estates are excluded.

SIR JAMES CRICHTON-BROWNE ON INFLUENZA.

Thanking the shareholders for his re-election to the board of Bovril, Limited, Sir James Crichton-Browne, M.D., J.L.D., F.R.S., said he was warmly interested in Bovril, professionally as well as personally. Bovril repelled influenza—that insidious and destructive malady that was still hovering about—for, by maintaining nutrition, it fortified the system and heightened its resistance to the inroads of the disease. But it did more than that. For Bovril helped to expel influenza when that had effected a lodgment, by supporting strength and assisting the body to throw the malady off, and it helped to dispel influenza by dissipating the injurious and debilitating effects it so often left behind it. If there was a demon of influenza, he fancied it trembled at the name of Bovril. The cattle from which Bovril was derived—living all their lives on vast ranches in the open, in sunshine and fresh air—were singularly robust and healthy, and they were converted into Bovril under ideal conditions of cleanliness and purity. At every step in its manufacture, from the Estancia to the "Alas! my poor brother" stage, Bovril was scrupulously and punctiliously safeguarded, and it might always be consumed in quiet confidence. It was a gilt-edged security.

The report was adopted.

JEREMIAH ROTHERHAM AND COMPANY, LIMITED.

INCREASE IN STOCK EXPLAINED.

The twenty-sixth annual general meeting of Jeremiah Rotherham and Co., Limited, was held, on the 26th ultimo, at the Shoreditch Town Hall, Shoreditch, London, Mr Herbert H. Piggin presiding.

The Chairman, in moving the adoption of the report and accounts, after conveying the chairman's regret for his absence from the meeting, said:

The net profit for the year, after providing for all expenses, including income-tax, interest on debenture stock, directors' remuneration, trustees, and auditors' fees, amounts to £110,014, as compared with £121,989 for the previous year—a decrease of £11,975. The balance brought forward from last year, after deducting £7,164 for corporation profits tax for the year ended January 15, 1923, added to this profit, gives the total of £181,740. From this must be deducted the interim dividends on the preference and ordinary shares paid in September last. They absorbed £35,000, leaving a disposable balance of £146,740. The directors proposed placing to the general reserve account the sum of £20,000—the same as last year—bringing the total reserve accounts to £141,000, a very respectable amount, seeing that a comparatively short time ago we distributed £200,000 out of that fund amongst yourselves. We now recommend a further dividend of 5 per cent. per annum on the preference shares—which amounts to £5,000—and a final dividend on the ordinary shares at the rate of 10 per cent. per annum for the half-year to January 15, 1924, and a bonus of 2 per cent., making, with the interim dividend, 12 per cent. for the year. These distributions will absorb £42,000, making, with the reserve, £67,000, leaving to be carried forward, subject to corporation profits tax for the year ending January 15, 1924, £79,740, as against £78,891 last year.

I should now like to refer to the stock. The stock shows an increase on last year of £10,166, and, for the comfort of our friends who very wisely considered that the item of stock should be kept as

low as possible, I should like to say that, had it not been for the necessity of arranging earlier deliveries of certain classes of goods, the item would have shown a considerable reduction. It was not without grave thought and considerable consultation between ourselves that we decided, having regard to the state of the market in respect of certain goods, that in the interests of the company we ought—in fact, we felt bound—to have deliveries earlier than would otherwise have been the case. Various troubles we have had in some spheres also weighed in our minds, and we hardly knew what was going to happen from day to day, and, in view of these circumstances, we thought we ought to be prepared to make good deliveries for the opening spring trade.

Mr Richard Bowden seconded the motion, which was unanimously approved.

MAPLE AND CO., LIMITED.

CONSIDERABLE PROGRESS MADE.

The annual general meeting of Maple and Co., Limited, was held on the 27th ultimo, on the company's premises, Tottenham Court road, London.

Mr C. H. Regnart, J.P., presided, and in moving the adoption of the report and accounts, said he had again the pleasant duty of placing before the shareholders a satisfactory statement of accounts. The board were proposing to pay a final dividend of 7½ per cent., making 10 per cent. for the year. Considerable progress had been made since the meeting twelve months ago, and the board had not been confronted with the problem of writing down stocks, as was the case in 1921 and 1922, and that had made a considerable difference in the company's favour. In addition, prices had reached a point at which they had fluctuated very little, so that the company had been able to buy on better terms. The company's factories had been very busy throughout the year, and had produced a much larger quantity of high-class furniture. Of the future, it was a little difficult to speak at that moment, but as regarded their company he felt that the prospect was quite healthy. A considerable extension was being made in the company's freehold premises in Euston road, thereby enlarging and improving the antique and second-hand departments, which were making rapid strides.

The board were expecting a large influx of customers from among the many thousands of visitors who would be coming to London in connection with the British Empire Exhibition at Wembley, where the company would have a most interesting and unique exhibit. He would also like to draw attention to the new series of showrooms which had lately been installed and furnished to represent suites of flats at a range in price from £275 to £750. He was confident that the departure would be of the greatest utility to people intending either to set up housekeeping or to change their residences, or to rearrange their rooms. He could confidently say that in no other house in the trade were prices lower than in their own, and he made that assertion from his own personal observation and from the remarks made by many of the company's customers who had taken the trouble to inform the board of experiences in other directions. The balance-sheet disclosed an exceptionally strong financial position. In conclusion, he would emphasise the fact that no effort was being spared to maintain the efficiency both of the business itself and of those engaged in carrying it on.

Mr C. C. Regnart, the vice-president, seconded the motion, which was carried unanimously.

SPENCER, TURNER, AND BOLDERO, LIMITED.

IMPROVED RESULTS—INCREASED DIVIDEND.

The thirtieth annual general meeting of Spencer, Turner, and Boldero, Limited, was held, on the 28th ultimo, at the offices, 18 Duke street, Lisson Grove, London.

Mr John Boldero (the chairman) presided, and, in moving the adoption of the report and accounts, said that from a commercial point of view 1923 had not been an eventful year. It could best be described as a twin brother to 1922, the figures walking almost in step, and giving a unique example of the rate of gross profit shown in two years differing by only 1.64 per cent. The spring was cold and backward. Summer, when it did come, had been a great help, and, although the autumn, which was seasonably cold, was rather wet, trade was fairly good.

During the year they had had various economic questions to answer, one of which had been knocking at the door for years—the question of paying the carriage on goods. In conjunction with their contemporaries they had been able to settle that question to the benefit and relief of their customers. A contract had been signed for their new garage, and within a few months they would

add materially thereby to their efficiency, and would save time and labour.

The trading profit amounted to £69,115, against £67,273 in the previous year. That appeared to the board to be a very gratifying result, which should give the shareholders something more than satisfaction, especially as it was not accompanied by a single adverse comparison. The amount carried forward, after paying an increased dividend of 8½ per cent., as compared with 8 per cent. last year, and making various allocations to reserve, &c., amounted to £39,658, which was in the nature of a handsome insurance fund.

With regard to the profit and loss account, the result must be considered very gratifying. The present outlook, in his opinion, did not indicate any fall in cotton and wool prices.

Mr Henry J. Turner (managing director) seconded the resolution, which was carried unanimously.

MINING OUTPUT STATISTICS FOR JANUARY, 1924.

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.	Total.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.	£	£
Frontino and Bolivia—							
Frontino	2,380	..	..	..	..	9,174	..
Marmajito	460	..	..	..	..	2,062	..
London and Rhodesian—							
Triibuted Pros.	5,323	..	..	..	..	4,845	..
Oriental Cons. (Dec.) ..	7,700	..	..	..	2,310	11,038	..
Ouro Preto	16,397	..	5,275 (gold)	..	46,870 (silver)	..	..

	Output.		Other Notes in Return.
	Tons.	18	
Tin.			
Renong	18	First half Feb.	
Coal.			
Chinese Engineering	65,383	Week ended Feb. 23rd.	

MOUNT MORGAN. Eight weeks ended Feb. 19th:—Treated 6,891 tons Mount Morgan ore, 87 tons. Many Peaks ore, 5,231 tons concentrates, and 29 tons of purchased ore and secondary products. Produce: 498 tons blis er copper, containing 493 tons copper and 7,963 ozs gold. Co. concentrator treated 16,523 tons ore for a production of 5,766 tons concentrates, containing 296 tons copper and 3,738 ozs gold. In addition to above production have made on hand containing 59 tons copper and 706 ozs gold. No production for 21 days on account of Christmas holidays shut-down. Treatment operations fully renewed Jan. 16th.

RHODESIAN GOLD OUTPUT.

Month.	1921.	1922.	1923.	1924.
January	253,794	240,056	261,330	250,880
February	288,225	304,488	237,018	..
March	134,933	257,356	211,379	..
April	282,396	265,591	232,765	..
May	225,841	273,562	245,870	..
June	238,400	247,161	253,226	..
July	279,269	253,918	244,848	..
August	266,151	271,142	232,546	..
September	271,452	240,446	256,107	..
October	363,374	255,619	246,606	..
November	306,636	251,646	246,943	..
December	267,005	240,084	240,531	..
Total Gold	3,217,275	3,111,469	2,909,159	..

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

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EVERY DESCRIPTION OF BRITISH & FOREIGN BANKING BUSINESS TRANSACTED.

MR P. A. CARMINE ON HIS RECENT VISIT TO SOUTH AMERICA.

INDUSTRIAL AND FINANCIAL CONDITIONS IN BRAZIL.

After a voyage of 4½ months in South America, visiting Brazil, Uruguay, the Argentine and Chile, where my numerous relations in the financial world required my presence, I have now returned to London.

I must confess that this voyage has been most interesting and instructive; I will now proceed to give a résumé of my impressions.

South America generally is suffering the consequences of our own disturbed condition in Europe. The present position of our affairs is one of the principal causes of these countries not having been able recently to dispose promptly of all the products they have for export, our importers being afraid to hold very large stocks.

South American countries derived great advantages during the war, as they obtained exceptional prices for their goods, but they never really considered that this would have an end, and that we would find ourselves faced with a serious crisis after the war.

They, therefore, have continued to live in grand style, spending more than they should, having recourse to credit, as in South America people particularly depend on credit, their capital being generally acknowledged to be insufficient for business. The commercial balance, which formerly was in favour of the exports, has now become in favour of the imports.

The latest news is, however, more reassuring, there being generally a certain resumption of business.

BRAZIL.

This country is the one that has made constant progress.

Thanks to the extremely low cost of labour on account of the cost of living being lower than anywhere else, thanks to Protection and thanks to the low rate of exchange, industry has made untold progress, producing an increasing number of articles required by the Brazilian people, and thus becoming every day less dependent on foreign goods.

Agriculture has likewise progressed, producing all that is necessary to meet the requirements of the country, and exporting the great surplus abroad.

To give you an idea of the prosperity of Brazil, I may tell you that both industry and agriculture are making, even recently, net profits of 200 per cent. per annum. However, in the event of the rate of exchange rising considerably and suddenly, it would bring, as a consequence, an immediate reduction in the prices in milreis, and I am afraid that industry, which is still very new, would suffer through this, as it would have to contend still further against foreign competition. As regards agriculture, it would not suffer so much, but it would have to be satisfied with smaller profits.

We have therefore before us two quite distinct problems; industry and agriculture require a low rate of exchange; on the other hand, the Federal Government, the various States, the Municipalities, and the various industrial concerns, which have borrowed money from abroad and which consequently must make remittances, require a high rate of exchange, let alone foreign industries exporting to Brazil, and the home consumption.

These opposing interests call for deep study for the purpose, on the one hand, of permitting the Federal Government to put its finances in a straight position, by consolidating its debts—which previous governments have left as a heritage—and, on the other hand, to avoid taking any rash measure which would arrest the further development of the country's industry and agriculture.

Brazil is essentially an agricultural country, its natural wealth is proverbial, and if the Federal Government succeeds in convincing the British Commission, at present in Rio de Janeiro, consisting of our greatest financial experts, that it would be greatly in the interests of our country to assist Brazil and provide it with the necessary means, there is to be foreseen within a short period an extraordinary economic development.

There is urgent need of establishing a larger number of railway lines in order to better connect the interior with the large centres and the coast, thus largely increasing the facilities for output, as the present means of communication are very defective.

COTTON.

The cultivation of cotton is a vital question for England, being the raw material absolutely necessary for its great industry. The United States of America, owing to the increase of population, every year require more and more of this article, and as the production does not increase at all, there will be no surplus for export, consequently it is necessary to look for the shortage elsewhere. Now, Brazil possesses all the necessary conditions to meet all

the requirements for the world's consumption, the soil and the climate cannot be better and if at the present moment the production is only between 750,000 to 1,000,000 bales, it would be easy to produce to great advantage 20 times more. In the United States of America the crop takes six months to gather in, whilst in Brazil it only takes three months. The difference is enormous. However, to attain this result it is necessary to establish better means of communication so as to allow the full development and exportation. It would also be necessary to considerably increase the labour resources by facilitating immigration. The present price of cotton is so high that it would be most advantageous to develop this cultivation energetically if it is possible to establish good means of communication. The British Commission, no doubt, will closely consider this matter, and will say what should be done.

COFFEE.

Coffee is for the present the largest production of Brazil; by itself it represents about 75 per cent., not only of the entire total production of the country, but also of the world's total production of coffee. To maintain the present prices, the Federal Government has had to establish the "Valorisation Department," which controls the sendings from the Interior. In fact, the Federal Government only allows the going out from the province of Sao Paulo for Santos of 35,000 bags of coffee and 15,000 bags from the province of Rio de Janeiro for the port of Rio de Janeiro or, say, a total of 50,000 bags per working day. It is estimated that the total quantity of coffee retained in the Interior is from 4,000,000 to 5,000,000 bags.

The object of the valorisation has been attained, as the high prices have been maintained up to the present. However, people in the trade claim that the prices have been made artificial, as they are not the result of the supply and demand. Many had sold coffee for delivery they expected to receive from the Interior, but as this coffee could not come to the coast, because their turn for despatch had not yet arrived, the sellers for delivery, in order to carry out their contracts of sale, had to buy on the Santos market, and on this account not only did they help to bring up the prices, but they also sustained heavy losses.

The coffee crop in 1923 for the province of Sao Paulo is estimated at 14,000,000 bags, and that of the province of Rio 3,500,000 bags. There is, moreover, to be added 1,500,000 bags for the other provinces of Brazil. The total would be about 19,000,000 bags.

The coffee production in the other countries of the world is estimated at about 6,000,000 bags, so that the total world's production would be in 1923 about 25,000,000 bags.

In consequence of heavy rain at the time of the last crop, a great deal of coffee was damaged and lost.

I was told that in this last crop the quality leaves much to be desired.

After a large crop one always expects, as a natural result, a small crop—the trees require rest. These trees are now in full production, and the crop for 1924 can be estimated approximately. The experts who constantly visit the principal fazendas estimate that the Brazilian coffee crop for 1924 will only give 8,500,000 to 9,000,000 bags for the province of Sao Paulo, 3,000,000 bags for the province of Rio, 1,000,000 bags for Victoria, Pernambuco, Ceara and Bahia—a total of 13,000,000 bags.

If we add 6,000,000 as a minimum produced by the other countries of the world, we have a total of 19,000,000 bags.

The two seasons of 1923 and 1924, together, compared with the total world consumption of 19,000,000 to 20,000,000 bags per annum, will give as a minimum a surplus of 4,000,000 bags for the whole world.

I may add that certain fazendas (coffee plantations) in the province of Sao Paulo are this year in a very precocious state of maturity, and this will cause a considerable loss of coffee, considering that it is materially impossible to save it, as it would not be possible to pick the beans which are already ripe apart from those which are not yet ripe; the loss due to this cause is estimated at 1,000,000 bags.

On the other hand, we must not forget that the North-West (Parana) is a new district as regards the cultivation of coffee. The soil here is virgin, and is in a sound and very vigorous condition. So far no estimate has been made as to what it can produce, but it should not be lost sight of as a factor of production.

There are fazendas which give a large production and others which give less, everything depending on the soil and on the manner in which the property is kept up—the pruning knives and the fertiliser contribute largely to the result.

Also, we must not overlook the United States of Colombia, which likewise are engaged in the cultivation of coffee.

People in the trade have told me that these high prices of coffee enable the fazenderos (planters) to make 200 per cent. net profit per annum, and that this can only tend to encourage all the other countries to increase their cultivation of coffee, so that the total production in the future may easily exceed by far the real requirements for consumption, and thus bring about a heavy fall in the prices.

As a result of the valorisation of the coffee, the Brazilian Federal Government has already repaid the whole of the £9,000,000 sterling borrowed from London. Now the question is asked, What is the Government going to do in the future? Is it going to release all the coffee retained in the Interior, or is it going to continue its present policy. There are great doubts about the future, as it is not known if the Government will be inclined to buy coffee at the present high prices.

It is said that the Federal Government will have recourse to the issuing of paper milreis in order to finance the valorisation, and that for these very reasons not only the exchange on London has fallen, but also money is in greater demand and dearer. In fact, when I was there in November and December last, commercial paper in milreis was discounted at Sao Paulo and at Santos at the rate of 12 per cent. per annum, and loans on coffee warrants were currently made at 10 per cent. and 12 per cent. per annum.

I have had the honour of having several interviews with Senhor Cincinnato Braga, president of the Banco do Brazil. I must thank him for the great courtesy which he has always extended to me, and for all the information he has been good enough to give me.

Senhor Cincinnato Braga is a great patriot. He adores his country. When he speaks of Brazil he does so with such enthusiasm and deep conviction that you soon recognise his honesty and his sincerity. He will tell you, and rightly so, that the position of Brazil is excellent and unique in the world, as the soil is one of the richest existing and its climate one of the most favourable to allow cultivation, on a very large scale, of all products of primary necessity which are so much needed everywhere else. On several occasions he has expressed to me the regret that his country is known so very little, and that the necessary propaganda in this respect has never been made in Europe. In fact, Brazil, with all the raw materials it possesses and with fertile and vast soil, can easily maintain a population 10 or 20 times larger than the present. Not only can it supply its own requirements, but it can become the great source of supply of the whole of South America. However, the question is in my mind whether the Monroe doctrine would be an obstacle for us to take a very high position in the economic position of Brazil, which would inevitably give rise to consequent political influences.

Very frequently I have been told in South America that they prefer England to America for placing their loans on the market, because they find that they are better treated here. I have also noticed that the London financial market still holds first rank, and that the pound sterling is preferred to the American dollar.

Certain financiers pointed out to me that before making further loans of money to Brazil for industrial enterprises, it will be necessary to make quite sure that the head management will be ensured to the lenders, and to stipulate that any eventual fiscal measures shall not later on affect the interests of the lenders.

I have been told that generally, as soon as the foreign concern gives good results, the Brazilian Government creates difficulties for it in the sense of securing for itself the head management and of increasing the fiscal charges. The country desires that the control shall rest entirely in their hands, and not in the hands of the foreigner.

Brazil is also very rich in minerals, as it produces gold, silver, iron, diamonds, topaz, as well as other precious stones. Manganese offers great scope for export, the forests are immense and contain very rare kinds of wood greatly sought after; cattle-breeding is a very important industry, the number of head in 1920 amounting to 34,270,324. The principal agricultural products are coffee, sugar, cotton, hides, cocoa, oil seeds, maté (tea), tobacco, rubber, maize, beans, &c. The production from national industries was estimated in 1922 at £45,000,000 sterling, the half of which being in textiles.

In 1922, the exportation of goods was classified as follows:—

1.—Animals and the products therefrom	£ 5,398,269
2.—Minerals and the products therefrom	1,060,076
3.—Vegetables and the products therefrom	62,119,265

In 1921, there were 28,828 kilometres of Railway already constructed and 2,273 kilometres under construction. The principal ports are Santos, Rio de Janeiro, Pernambuco, Bahia, Rio Grande, Manaus, Pará, Maranhão, Victoria, Maceio:—

	1919	1920
Receipts	£ 37,730,400	41,155,429
Expenditure	40,817,887	40,686,815
External Debt (December 31, 1920)		117,751,596
Internal Debt (December 31, 1920)		67,144,050
Floating Debt (December 31, 1920)		90,351,700

The capital, Rio de Janeiro, had in 1920 a population of 1,157,873 inhabitants, and amongst other large cities the population was respectively: Sao Paulo, 579,033; Bahia, 283,422; Recife, 238,843; Belem, 236,402; Porto Alegre, 179,263; Niteroy, 82,238; Fortaleza, 78,536; Manaus, 75,704; Maceio, 74,166.

The United States of Brazil comprise a total area of 3,298,870 square miles, with a total population in 1920 of 30,635,605 inhabitants.

Senhor Cincinnato Braga told me that the Banco do Brazil is authorised by law to issue up to 600,000 contos on paper milreis, but that the Supervising Commission has decided that the issue

should not exceed half of that amount; that is to say, 300,000 contos.

The latest balance-sheet of the Banco do Brazil showed that notes had been issued for 240,000 contos, but recently there was a further issue of 30,000 contos, so that the total was 270,000 contos; that is to say, 30,000 contos below the limit fixed.

Senhor Cincinnato Braga pointed out to me that this sum of 300,000 contos—about £8,000,000 (at the present rate of 6½d)—is not at all excessive for a country so vast as Brazil, where communications with the Interior are so defective, and, as a consequence, the notes remain in circulation a very long time. Also, most of the foreign workmen in the Interior, instead of bringing their notes to the bank, keep them. Also we should take into consideration the vast requirements to finance the crops and the industries which have to pay for certain raw materials considerably enhanced prices. The Brazilian bank-notes are covered by one-third in gold and the other two-thirds in commercial paper or warrants.

I have questioned several banks about this matter, and they have confirmed the truth of the foregoing. The manager of one of the largest foreign banks, which has numerous branch offices in the interior of Brazil, told me that he is frequently obliged to send employees to the interior to take there banknotes in milreis, as there is a complete lack of them frequently. I have also heard from several Englishmen, who constantly travel about the interior, that frequently they are unable to exchange 1 Conto notes, and at times even half Conto notes in towns having 10,000 inhabitants, which for Brazil are considered as important towns.

BANCO DO BRAZIL.

Owing to the fact that the Brazilian Government has given to the Banco do Brazil the authority to control and direct the foreign exchange market in the whole of the country, it results that the other banks suffer on this account a veritable inquisition, as they are thus obliged to disclose their position. Their books are subjected to regular inspection, and each bank is required to give all necessary explanations about all its operations, and if by chance the limits for certain prices are exceeded the bank is warned to be more careful if it does not want to see its business stopped.

Again, what causes considerable annoyance to the banks is that all cheques or drafts are subject to stamp duty and that the stamp can only be obliterated by the signature of a revenue officer, who is constantly going from one bank to another. Without such signature the document is not valid. It is said that the Government is afraid that the stamp in question may not always be affixed, but really the banks see in this a further proof of the Government's inquisition to find out everything that the banks do, thus rendering it more complicated and delaying the service.

The city of Sao Paulo has at present a population exceeding 600,000 inhabitants, and ten years hence it is likely to be doubled. It is a very nice town, quite cosmopolitan, of which the Italian colony represents the great majority of the inhabitants. The Italian language is heard everywhere to the extent that anyone would almost believe that he is in Italy. The industry, the genius, and the attributes of the Italians are the elements which have particularly contributed to the development of the economic wealth of Sao Paulo. Moreover, the whole of the province of Sao Paulo has experienced the influence of the Italian people, who work very hard, and who generally leave all their savings in their businesses, in order to constantly increase same. The leading Italian firms at Sao Paulo are "Matarazzo," "Crespi," "Scarpa," "Gamba," who have attained a colossal industrial development. The number of workmen employed by them amounts to tens of thousands.

I have visited works, and was astonished at their up-to-date organisation and at their quite modern plant. These works can compare with the best we have in Europe.

A very great factor which has enabled the whole of Brazil to develop is the use of "white fuel." The electric energy distributed by the "Brazilian Traction, Light and Power Company" is not only most abundant, but also cheap. Further, the splendid lighting system which makes the city of Rio de Janeiro one of the most beautiful in the world is due largely to the said company.

PUBLIC FINANCES AND BUDGET FOR 1924.

Being desirous that the Finance Commissions of the Chamber and of the Senate should know in detail the financial situation of the country before discussing the Budget for the financial year 1924, the President of the Republic, Senhor Arthur Bernardes, submitted to them a statement, of which we give here a résumé:—

"To obviate a deficit it is necessary to restrict the expenditure and rigorously control the collection of imposts. Now, the Government has adopted the following method for this purpose:—

"1.—To make known to the National Congress the exact financial position of the country, so that the Legislative Authority may be able to co-operate closely with the executive in order to eliminate the present difficulties.

"2.—To carry on the Administration with strict economy, this being already in the way of being realised, thanks to the steps taken by all the Ministries, including therein the employment of existing supernumeraries to fill vacant posts, as will be shown from an examination of the approaching reports and of the documents annexed thereto.

"3.—To take the most efficient measures, so that the accountancy of the National Treasury be up to date, to enable the Government to know at any time the exact financial position; the work is duly carried out, as is proved by the publication of the balance-sheet for the first six months of this year.

"4.—To ensure that the Budget of the Republic be sincere and reliable, for which reason the Minister of Finance has set up a Commission consisting of members of Congress and of competent officials from each Ministry, so that the estimates of receipts and expenditure be drawn up without omissions or reductions, because

inaccuracy has hitherto produced a false and pernicious impression of the Budget of the Republic.

"Imposts which cannot produce the revenue desired must not be shown as giving a certain income.

"The unavoidable expenses decreed by the Legislative Authority must appear in the Government measures.

"There may result an apparent increase of expenditure, but such increase would express the reality of the situation.

"In this respect numerous expenses might be mentioned which have hitherto been covered by extra-Budget of extraordinary credits.

"Further, the Government intends to allot to each item the really necessary sums, the shortage of which has hitherto been covered by supplementary credits, which could only cause great misunderstandings at the time of voting the Budget; as a matter of fact, this did nothing but create a deficit each financial year, the Budget for which, not being reliable and sincere, one could neither rely on the receipts, which were very optimistic, nor on the expenses, which were estimated at a figure below the reality.

"The advantage of the new procedure consists, therefore, in placing before the Congress the real position of the Treasury, so that Congress may be able to make such provision as may be necessary in accord with the Government.

"To see to the strict and honest collection of impost, whilst putting a stop to the scandalous concealment of wealth by severe measures which have been adopted.

"5.—To aid the economic development of the country by restoring its financial position.

"For this purpose the Government adopted the following measures:—

"(a) To meet as quickly possible within the measure of present possibilities the requirements of the Central Brazil Railway, the Great Western Railway Company, and the North-Western, by providing them with the indispensable material for the transport of produce.

"(b) To improve the administrative conditions of the Lloyd Brasileiro.

"(c) To found the Central Issuing and Discount Bank, fixing a term for the Treasury issues, giving an outlet for the circulation of the deposits at banks, and permitting of a great development to the industries of the country.

"The issuing bank would operate strictly within the schedule fixed for it, and the Government would not allow it to be otherwise, as it would be a crime.

"However, the fact which most affects the general public is the depression of the exchange.

"Although other causes may have had an influence on this depression, the real cause must be found in the ratio between the credit and the debit sides of the international balances.

"Some of these factors are transitory, others are permanent, others exist at present, and others are yet to come, but their effects are tangible; they are known to everyone who interests himself in these delicate matters.

"For example, it is not possible to recover the foreign capital used in the 'auxiliary' and 'Sud de Minas' Railways, which constitute, owing to the repurchases effected an unforeseen and extraordinary strain against the normal possibilities of the exchange market with the natural repercussion during the years which followed these repurchases. The need of purchasing material of these great working concerns represents enormous sums in money which everybody knows.

"We must bear in mind the charge for interest on the new loans of the Union, of the prefecture, of the federal district, and of the States which make their influence felt on the rate of exchange.

"To these debit items there should be added those due to the natural 'reserve' of stock of the coffee valorisation department, which guarantees the loan obtained in London of £9,000,000 sterling, the interest on and the amortisation of which are paid by means of the partial sales of coffee.

"What follows hereunder will easily explain the causes of the fall in the rate of exchange.

"For the purpose of protecting this product the Government has been obliged to withdraw from the market a considerable number of bags of coffee. As this produce is the most important source of supply of the bills of exchange needed by the money market for its requirements abroad, it results that these drafts having been to a great extent taken away from the market in order to be remitted direct to the London bankers, according to the valorisation contract, this source has become reduced.

"Naturally, the ingress of gold produced by the loan of the £9,000,000 has helped the Exchange, but this improvement could only exist during the year of the loan to the detriment of the exchange in the present year.

"The Government, in order to keep up the prices, has had to buy over 5,000,000 bags of coffee, and the influence of this transaction brought about the fall in the exchange through it having been necessary to finance the transaction by increasing the circulation of notes.

REAL DEFICIT.

"According to the explanations given in the speech of the President, Dr Bernardes, it is possible to estimate approximately that the real deficit will exceed £50,000,000—that is to say, more than 25 per cent. of the yearly average value of the whole of the country's exports at the rates ruling during the last four years.

"It should be added that the Government has had to pay at this year's rate £13,000,000 (£9,000,000 for coffee and £4,000,000 for short term bills to be taken up), which payments, having had to be made at exchange.

"The payment of £13,000,000 should be added to the said

deficit of £50,000,000, thus making to date a total deficit respecting exchange, of £63,000,000 as a minimum. In view of this situation, which could only become worse in view particularly of the existence of the Treasury's obligation of £4,000,000 to the Banco do Brazil, and the latter relying upon receiving payment at maturity, had availed itself of this obligation to issue drafts on foreign countries, the Government took the following measures:—

"(a) To reserve for the Treasury the gold values derived from the imposts on imports, which enables the Treasury to have available the necessary gold for its obligations abroad, without having recourse to the exchange market.

"(b) To send a trustworthy emissary to Europe in order to find a remedy for this defect, in spite of the monetary difficulties of the world.

This emissary was also instructed to obtain two modifications to the contract for £9,000,000 in respect of the contract, which contained two onerous clauses.

"One of them prohibited, during the next ten years, on any kind whatsoever through any intermediary other than any operation for the valorisation of coffee, the Commission House representing the Committee.

"The other clause prohibited the repurchase of the loan before ten years' time, the proceeds of the sales of coffee remaining in the hands of the bankers for payment of the debt in 1932, Brazil paying interest at 7½ per cent. per annum during this period, whilst receiving interest of only 3 per cent. per annum on its deposits of money derived from the sales.

"The emissary went to London provided with all the data showing the procedure of the new Government. It suffices to say that, in spite of the enormous difficulties which the London market presented, and owing to the energy of the emissary and the goodwill of Messrs Rothschild and Sons, financial agents to the Brazilian Government, Brazil has now regained its complete liberty to look, without foreign interference, after the protection of the coffee, and will be able to pay, without availing itself of the ten years, the £9,000,000, which will be repaid before the end of the present year. By way of information, it can be said that this loan has already been repaid.

"The success of the Government's emissary has, therefore, been complete.

"Such have been the measures taken by the Government, which declares itself to be ready to consider any new measure which may be submitted to it by the Finance Commissions of the two Chambers.

"The Government would not keep up the exchange artificially, as it does not desire to launch the Treasury into any adventures, nor does it think of launching an external loan, being of the opinion that it would be a dangerous policy for a country whose foreign exchange suffers constant fluctuations, and whose international returns show an adverse balance.

"The Government intends to accumulate reserves from now, in order to resume in 1927 payment of the redemption of interest of the debt which the 1914 'Funding' left in suspense.

"The service of the external debt alone will cost Brazil Rs. 80,000,000,000 (eighty thousand contos) per annum."

I may add that the present President of the Republic of Brazil, Senhor Arthur Bernardes, has all over the country the personal reputation of being a thoroughly honest man.

Dr Sapeio Vidal is the Minister of Finance; he is said to be very straightforward, and up to his position.

These two important personages would surely take steps to organise without delay a real and independent issuing bank, which would be no longer dependent on politics, as, according to the public idea, the Banco do Brazil and the Government are one and the same thing. Accordingly, the new institution would not have to experience all the irksome influences of the Government. It is precisely on account of this obscure situation that the financial world harbours great mistrust. It is also necessary that all these inquisitions at the banks concerning operations in exchange should cease, and that the banks should be given the full liberty of action which they need. As soon as these hindrances are put an end to, confidence will be imparted generally and the Government will receive all the assistance needed.

Mr Cincinnato Braga, president of the Banco do Brazil, told me that the Government was determined to pass at once a law to authorise the issue of 7 per cent. Treasury bonds, either paper or gold, and that the latter would be thus denominated in order to better attract the foreign investor. The value of these bonds would have as a basis the mortgage on property, together with the State guarantee.

I have also had the honour of having a long interview with Dr Epitacio Pessoa, the preceding President of Brazil. He impressed upon me the great attention and the great efforts which he has incessantly devoted, during his office, to the agriculture of the country, as he considers that therein lies the real interest and the financial welfare of Brazil. He trusts that the present Government will devote their energy to this purpose. He has recognised the fact that there is the need of creating as soon as possible for the Banco do Brazil a position independent of politics.

I have also had an interview with Dr Custodio Coelho, a great financial expert in Brazil, and who held twice the position of Chief of the Securities Department of the Banco do Brazil. He does not seem to approve all the financial measures taken by the present Government, but he agrees that the country has an exceptional economic situation, if only looked after.

On my part, I wish the Brazilian Government all the prosperity that their exceedingly interesting country calls for.

In one of my next bulletins I shall endeavour to refer to the other South American countries which I visited.

28 Throgmorton street, London, E.C. 4.

GOVERNMENT RETURNS, &c.

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

Date.	Notes and Certificates Outstanding.	Investments in Reserve Account.	Silver Coins.	Redemption Account.					
				Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Govern- ment Savings Iss.	Balance at Bank of	
1922.						%			
Mar. 29.	300,351	14,255	5,000	28,500	19,450	15.9	£61,479	177	
June 28.	295,374	13,338	5,000	28,500	19,650	16.3	254,312	250	
Sept. 27.	299,127	12,648	7,000	27,000	21,150	16.6	246,456	169	
Dec. 27.	301,337	12,872	7,000	27,000	21,150	15.9	258,922	137	
1923.									
Mar. 28.	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190	
June 27.	285,503	12,516	7,000	27,000	22,450	17.3	242,446	123	
Sept. 27.	282,784	12,401	7,000	27,000	22,450	17.5	238,595	140	
Dec. 26.	299,070	12,571	7,000	27,000	22,450	16.5	255,032	159	
1924.									
Feb. 20.	277,125	11,767	7,000	27,000	22,450	17.8	232,301	142	
Feb. 27.	277,468	11,696	7,000	27,000	22,450	17.8	232,607	107	

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,555,200, for 1922 at £309,988,400, for 1923 at £270,183,800, and for 1924 at £248,190,900.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from		Receipts	
		Apr. 1, 1923, to Feb. 23, 1924.	Apr. 1, 1923, to Feb. 24, 1924.	Week Ended Feb. 23, 1924.	Week Ended Feb. 24, 1924.
Balances in Exchequer on 1st April.	£	£	£	£	£
Bank of England	5,442,665	9,963,494	9,963,494	..	..
Bank of Ireland	1,375,502	1,210,106	1,210,106	..	..
REVENUE.	6,818,167	11,173,530	11,173,530	..	..
Customs	116,900,000	110,116,000	112,847,000	2,929,000	3,050,000
Excise	143,850,000	135,834,000	144,740,000	5,719,000	7,219,000
Motor Vehicle Duties	13,250,000	14,154,000	11,668,000	..	..
Stamps, &c., Duties	52,000,000	49,430,000	51,981,000	626,000	1,130,000
Land Tax	20,000,000	17,480,000	17,692,000	190,000	100,000
Land Tax, House Duty & Mineral Rights Duty	3,000,000	2,040,000	2,250,000	210,000	220,000
Property & Income Tax	261,000,000	211,705,000	212,847,000	11,263,000	11,263,000
Super-Tax	58,000,000	44,570,000	299,099,000	2,600,000	18,141,000
Excise Profits Duties, &c.	12,000,000	..	954,000	..	..
Corporation Profits Tax	20,000,000	19,790,000	17,007,000	620,000	650,000
Post Office	52,600,000	47,600,000	48,700,000	1,000,000	1,250,000
Crown Lands	900,000	860,000	890,000	..	80,000
Interest on Sundry Loans	12,500,000	12,218,156	9,774,440	..	..
Miscellaneous	12,500,000	12,690,645	21,240,785	663,000	421,270
Ordinary Receipts	40,000,000	35,364,722	42,951,452	..	1,500,308
Special Receipts	818,500,000	713,853,523	781,994,677	25,814,000	29,761,578
Total, Inc. Balance	..	720,671,690	793,168,207	..	..

OTHER RECEIPTS.

Temporary Advances Repaid:—					
Bullion	165,000	800,000	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	73,782	169,818	..	..	..
Under the Unemployment Insurance Act, 1921	6,080,000	2,980,000	60,000	..	..

Money Raised by Creation of Debt:—

(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1921 and 1922	5,520,000	5,310,000	..	..	..
Under the Post Office (London) Railway Act, 1913	10,500	..	..	..	..
Under the Housing Act, 1914	12,000	27,000	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	950,000	..	..	..

By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904

By Exchequer Bonds under the Cunard Agreement (Money) Act, 1904	..	1,553,300	..	..	..
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(b) Under the Unemployment Insurance Act, 1921

By Treasury Bills	2,246,019,000	2,620,703,000	32,830,000	33,034,000	..
By National Savings Certificates	42,750,000	56,308,000	550,000	900,000	..

(c) For other issues:—

By Treasury Bonds	..	20	..	..	..
5-15 year, 1925-35	..	61,655,154	..	..	..
5%, 1927	..	87,261,135	..	..	..
4½%, 1932	..	..	..	994,175	..
4½%, 1931-33	33,657,952	..	..	..	..

By Other Debt created under the War Loan Act, 1914 to 1919

..	..	25,259	..	..	..
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(d) Ways and Means Advances

Anglo-Persian Oil Company—Dividends on Shares acquired	779,066,500	815,475,500	5,450,000	1,900,000	..
Repayments—	501,335	1,047,976	453,254	774,964	..

In respect of Suez Canal Drawn Shares

Do Cunard Loan	5,501	5,787	..	..	..
Do Issues under Land Settlements (Facilities) Act, 1919 and 1921	130,000	130,000	..	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920	273,045	282,562	..	..	..
Do Issues under Section 59 (6) of the Finance Act, 1920	..	6,827,960	..	..	..

Interest received under Section 59 (6) of the Finance Act, 1920

..	162,425	..	..	..	..
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Total

..	5,835,276,305	4,459,343,263	66,155,254	67,364,717	..
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NOTE.—Budget Estimate as in H.C. No. 51 of 1923.

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1923-24 (including Supple- mentary Grants).	Total Issues out of the Exchequer to meet Payments from		—Issues—	
		Apr. 1, 1923, to Feb. 23, 1924.	Apr. 1, 1922, to Feb. 24, 1923.	Week Ended Feb. 23, 1924.	Week Ended Feb. 24, 1923.
EXPENDITURE.	£	£	£	£	£
National Debt Services—					
Interest, &c.	310,000,000	288,704,815	239,636,061	804,442	1,062,774
Sinking Fund	40,000,000	35,176,326	500,000	..	..
Road Fund	12,650,000	13,553,044	11,318,999	..	..
Payments to Local Taxation Accounts, &c.	10,348,000	10,451,777	6,875,518	..	..
Payments to Northern Ireland Exchequer	3,000,000	3,406,915	2,086,386	137,609	458,006
Land Settlement	1,500,000	513,006	1,044,517	12,764	4,536
Other Consolidated Fund Services	2,972,000	2,611,170	2,517,572	190	..
Supply Services	440,565,000	334,026,474	391,664,868	7,500,000	10,051,000
Expenditure	821,035,000	688,443,527	715,143,921	8,955,005	11,626,316
OTHER ISSUES.					
Temporary Advances—					
Bullion		5,000	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		73,782	169,818	..	..
Under the Unemployment Insurance Act, 1921		820,000	5,880,000	..	180,000
Issues to Meet Capital Expenditure—					
Under the Telegraph (Money) Acts, 1921 and 1922		6,420,000	6,360,000	..	600,000
Under the Post Office (London) Railway Act, 1913		10,500	..	..	..
Under the Housing Act, 1914		16,000	27,000	..	..
Under the Anglo-Persian Oil Com- pany (Payment of Calls) Act, 1922		..	950,000	..	..
Under Capital Expenditure (Money) Act, 1904		..	1,553,300	..	..
Under Cunard Agreement (Money Act, 1904—Exchequer Bonds paid off		520,000	..	..	..
Unemployment Insurance Acts, 1921— Repayment of amounts borrowed		5,490,000	2,110,000	..	..
Redemption of Debt—					
Treasury Bills		2,233,870,000	2,804,688,000	44,970,000	43,575,000
Principal of National Savings Cer- tificates		30,150,000	24,100,000	650,000	550,000
Principal of Exchequer Bonds paid off		24,900	19,887,122	..	..
Principal of National War Bonds paid off, £53,567,846; less Paid off by the National Debt Commis- sioners, £1,000,000		52,567,846	44,684,182	..	..
Other Debt under the War Loan Acts, 1914 to 1919		7,463,440	15,825,526	..	..
Ways and Means Advances Repaid		804,458,500	808,515,500	9,800,000	11,300,000
Anglo-Persian Oil Company—Issued to the National Debt Commis- sioners		501,335	243,012	451,254	..
Issues to National Debt Commis- sioners to Reduce Debt—					
Suez Canal Drawn Shares Repay- ments		5,501	5,787	..	..
Cunard Loan Repayments		130,000	130,000	..	..
Old Sinking Fund, 1910-11, issued under Section 34 of the Finance Act, 1923		118,000	..	..	..
Proceeds of National Savings Certi- ficates, issued under the Finance Act, 1920, Section 59 (4)		..	5,000,000	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911		55,214	88,065	..	..
		3,831,143,545	4,455,362,233	64,925,259	67,831,316
Balances in Exchequer—					
Bank of England		Feb. 23, '24	Feb. 24, '23	In or Dec.	for Week
Bank of Ireland		2,412,995	2,094,445	+ 329,604	+ 130,583
		1,719,766	1,866,525	- 609	- 336,006
Total		4,132,760	3,980,970	+ 328,995	- 466,599

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £30,000,000 in Treasury Bonds and Treasury Bills dated from Mar. 3-Mar. 8 were opened on Feb. 29, 1924, and the total amount applied for was £44,400,000. For bills at three months dated Monday to Friday at £99 3s 2d, about 45 per cent., above in full, Saturday at £99 3s 5d, and above in full. The amounts allotted were as follows:—In bills at 3 months, £30,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months, Average Rate.	4% Treasury Bonds, Average Price
Jan. 25, 1924.	30,000,000	40,500,000	3 7 11-46	101 11-46
Feb. 1, 1924.	35,000,000	45,115,000	3 5 7-83	101 11-46
Feb. 8, 1924.	30,000,000	41,675,000	3 11 3-29	101 11-46
Feb. 15, 1924.	30,000,000	43,620,000	3 10 5-71	101 11-46
Feb. 22, 1924.	30,000,000	44,535,000	3 8 11-79	101 11-46
Feb. 29, 1924.	30,000,000	44,400,000	3 6 4-84	101 11-46

Tenders will be received on Mar. 7, 1924, for Treasury Bonds and Bills to be issued to the maximum amount of £30,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.

ASSETS £27,663,254
CLAIMS PAID £30,500,000

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

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

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

CENTENARY YEAR, 1924.

ASSETS EXCEED £12,700,000

FIRE. LIFE. ACCIDENT. MARINE.

Edinburgh: 35, St. Andrew Square.

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

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, February 27, 1924.

ISSUE DEPARTMENT.

Notes issued	£	Government debt	£
146,022,360		11,015,100	
		Other securities	8,734,900
		Gold coin and bullion	126,272,360
146,022,360			146,022,360

BANKING DEPARTMENT.

Proprietors' capital	£	Government securities	£
14,553,000		51,197,455	
Reserve	3,593,008	Other securities	68,221,595
Public deposits	13,106,540	Notes	20,443,165
Other deposits	110,436,540	Gold and silver coin	1,833,936
Seven-day & other bills	7,153		
141,696,151			141,696,151

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

Date.	Amount, Feb. 27, 1924.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Reserve	3,593,008	+ 30,666	- 3,662
Public deposits	13,106,540	+ 2,418,524	- 7,600,906
Other deposits	110,436,540	+ 2,546,991	- 111,925
Government securities	51,197,455	+ 6,163,273	+ 3,914,575
Other securities	68,221,595	+ 5,198,254	- 10,885,836
Notes	20,443,165	+ 806,029	- 1,036,748
Gold and silver coin	1,833,936	+ 814,725	+ 1,638,763
% of reserve to liabilities	18%	- 2%	+ 1%

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
Jan. 1, 1924.	128,058,044	126,272,360	127,934,592	124,352,596	21,531,239	16 1/4
Jan. 15, 1924.	128,071,256	126,157,945	127,934,592	124,352,596	21,531,239	16 1/4
Jan. 29, 1924.	128,071,256	126,157,945	127,934,592	124,352,596	21,531,239	16 1/4
Feb. 12, 1924.	128,071,256	126,157,945	127,934,592	124,352,596	21,531,239	16 1/4
Feb. 26, 1924.	128,071,256	126,157,945	127,934,592	124,352,596	21,531,239	16 1/4
Feb. 27, 1924.	128,071,256	126,157,945	127,934,592	124,352,596	21,531,239	16 1/4

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1924.				
January 1 to February 13, 1924.	4,290,713	200,180	358,395	4,849,288
February 14 to February 27, 1924.	4,290,713	200,180	358,395	4,849,288
Total to date 1924.	5,599,345	258,470	464,946	6,322,761
Do 1923.	5,526,218	266,799	475,310	6,268,327
Increase or decrease in 1924.	+ 73,127	- 8,329	- 10,564	+ 54,234
%	+ 1.3%	- 3.1%	- 2.2%	+ 0.8%
Total for year 1923.	32,270,373	1,546,565	2,810,654	36,627,592
Total for year 1922.	32,780,635	1,574,661	2,806,165	37,161,461
Increase or decrease in 1923.	- 510,262	- 28,096	+ 4,489	- 533,869
%	- 1.6%	- 1.8%	+ 0.2%	- 1.4%

PROVINCIAL CLEARING RETURNS.

	1923.	1924.	Inc. or Dec.
Aggregate Totals to February 23.			
BIRMINGHAM.	18,568,300	19,096,800	+ 528,500
BRISTOL.	9,941,000	9,423,000	- 518,000
DUBLIN.	45,397,800	49,105,100	+ 3,707,300
HULL.	9,012,000	8,476,300	- 535,700
LEEDS.	8,750,000	9,011,700	+ 261,700
LIVERPOOL.	6,439,700	6,146,100	- 293,600
MANCHESTER.	74,434,400	76,698,100	+ 2,263,700
NEWCASTLE-ON-TYNE.	121,982,000	118,235,800	- 3,746,200
NOTTINGHAM.	14,853,500	16,378,800	+ 1,525,300
SHEFFIELD.	5,418,300	4,990,200	- 428,100
	8,936,400	8,414,200	- 522,200

OVERSEAS BANK RETURNS.

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

	Feb. 22, 1924.	Feb. 15, 1924.	Feb. 8, 1924.	Feb. 1, 1924.
Total gold reserve.	3,125,500	3,128,260	3,139,290	3,075,240
Legal tender notes and silver reserves.	111,920	117,220	114,650	128,370
Bills discounted for member banks.	496,130	546,350	487,300	627,920
Bills bought in open market.	253,480	278,080	283,400	182,350
Government obligations owned.	141,730	127,260	124,660	354,030
All other resources.	76,090	74,850	73,880	63,920
LIABILITIES.				
Government deposits.	39,470	36,960	38,250	46,310
Other deposits.	1,912,080	1,935,250	1,935,250	1,919,610
Federal Reserve Notes in actual circulation.	2,023,780	2,039,200	2,017,420	2,060,500
F.R.B. Notes in actual circulation.	410	420	430	3,070
All other liabilities.	13,250	13,110	12,820	11,710
Capital and surplus.	331,780	331,270	330,930	337,240
Ratio of total reserves to notes deposited and Federal Reserve note liabilities combined.	81.4%	80.9%	82.1%	75.8%

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

	Feb. 2, 1924.	Jan. 26, 1924.	Jan. 19, 1924.	Jan. 12, 1924.	Feb. 3, 1924.
Gold coin and bullion.	549	549	549	549	549
Gold certificates.	10,102	10,102	10,102	10,102	10,102
Subsidiary coin.	75	100	100	100	100
Bills discounted.	6,208	5,587	5,531	5,451	2,961
Loans and advances to the Government.	17	17	17	17	1,300
LIABILITIES.					
Capital.	1,000	1,000	1,000	1,000	1,000
Reserve.	40	40	40	40	2
Notes in circulation.	11,008	10,582	10,583	10,888	9,862
Bankers' deposits.	4,997	4,780	4,663	4,704	5,108
Ratio of cash reserves to notes deposited and liabilities to public.	67.4%	69.9%	70.5%	68.9%	71.7%

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

	Feb. 1, 1924.	Jan. 25, 1924.	Jan. 18, 1924.	Jan. 11, 1924.	Jan. 4, 1924.	Feb. 2, 1924.
Total securities.	11,76,71	11,76,71	11,70,43	11,77,76	12,07,49	12,07,49
Loans.	20,60,86	18,67,04	20,39,44	17,73,90	20,49,96	20,49,96
Cash credits.	41,62,81	39,44,31	37,65,12	36,08,74	34,87,41	34,87,41
Inland bills.	13,90,45	14,48,19	15,54,65	13,26,10	13,05,68	13,05,68
Foreign bills.	35,00	31,61	18,56	18,28	20,83	20,83
Dead stock.	2,47,36	2,47,49	2,46,12	2,46,76	2,44,85	2,44,85
Bal. with other banks.	1,02,48	1,01,28	1,20,03	97,58	95,32	95,32
Cash.	15,08,53	16,15,48	16,61,22	17,27,05	20,52,18	13,13,95
LIABILITIES.						
Capital paid up.	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve.	4,45,00	4,45,00	4,45,00	4,45,00	4,45,00	4,45,00
Total deposits.	88,53,61	85,95,41	85,15,85	85,15,85	85,15,85	85,15,85
Loans from Govt.	8,00,00	8,00,00	8,00,00	8,00,00	8,00,00	8,00,00
The above includes—						
Deposits in Lond'n	1,046	1,026	998	717	872	262
Advances in Lond'n	448	472	445	443	436	648
Cash, &c., at other Banks in London	583	676	801	651	463	94

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

	Feb. 28, 1924.	Feb. 21, 1924.	Feb. 14, 1924.	Mar. 1, 1924.	Position May 28, 1924.
Gold coin and bullion.	5,541,304	5,541,204	5,541,073	5,535,940	5,730,828
Of which held abroad.	1,864,321	1,864,321	1,864,321	1,864,321	1,864,321
Silver coin and bullion.	297,527	297,407	297,260	297,113	297,113
Discount and advances.	6,880,450	5,914,938	6,029,337	5,231,358	6,320,260
Advances to the State.	23,100,000	22,900,000	22,900,000	22,900,000	23,100,000
LIABILITIES.					
Notes.	39,344,769	38,894,835	38,932,820	37,434,065	38,117,976
Government deposits.	11,399	24,393	38,205	16,935	163,700
Private deposits.	2,319,159	2,229,151	2,077,033	2,403,116	2,403,116

IMPERIAL BANK OF GERMANY.—In billions of marks.

	Feb. 15, 1924.	Feb. 8, 1924.	Jan. 31, 1924.	Jan. 23, 1924.
Gold and bullion.	(a) 1,381	(a) 1,347	(a) 1,250	(a) 1,353
Treasury notes.	9,665,999	9,629,999	9,536,199	9,081,993
Reichsbank notes.	160,295,204	167,197,738	177,780,407	227,346,636
Bills of exchange and cheques.	444,258,927	414,880,981	388,568,069	349,170,475
Advances.	517,603,238	428,858,516	367,497,935	328,546,082
Reichsbank discounts, &c.	131,492,228	129,998,308	138,739,764	130,512,528
LIABILITIES.				
Notes in circulation.	653,984,597	620,487,965	483,674,521	457,190,999
Total deposits.	697,119,097	728,318,705	774,305,027	846,689,630
Loan from Reichsbank.	350,000,000	280,000,000	200,000,000	100,000,000

(a) Millions of marks.

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

	Feb. 21, 1924.	Feb. 14, 1924.	Feb. 7, 1924.	Jan. 31, 1924.	Feb. 22, 1924.	Position May 28, 1924.
ASSETS.						
Coin (gold & silver and bullion).	364,973	364,477	365,102	365,223	349,072	322,650
Securities.	1,349,134	1,289,345	1,276,131	1,353,022	661,763	697,600
LIABILITIES.						
Notes in circulation.	7,560,960	7,553,337	7,531,126	7,589,582	6,870,616	934,150
Current accounts.	452,791	369,702	361,043	387,813	306,011	112,126

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

	Feb. 25, 1924.	Feb. 18, 1924.	Feb. 11, 1924.	Feb. 4, 1924.	Feb. 26, 1924.	Position May 30, 1924.
ASSETS.						
Gold.	581,718	581,718	581,717	581,713	581,790	163,092
Silver.	11,051	11,109	10,130	10,120	7,448	8,436
Discts. & advances.	396,322	409,385	416,074	429,263	345,121	165,504
LIABILITIES.						
Notes in circulation.	985,016	998,235	1,012,523	1,031,733	941,031	316,632
Deposits.	21,396	26,478	21,837	21,946	29,797	5,016

BANK OF JAVIA.—In florins (000's omitted).

	Feb. 23, 1924.	Feb. 16, 1924.	Feb. 9, 1924.	Feb. 2, 1924.	Feb. 24, 1923.	Position May 30, 1919.
ASSETS.						
Gold	215,250	217,500	214,250	209,500	(158,804)	22,971
Silver					59,799	29,785
Discounts, advances, and other investments	143,270	143,220	145,080	141,550	163,753	77,567
LIABILITIES.						
Notes in circulation	259,500	262,500	264,000	260,000	262,196	109,499
Deposits and bills payable	73,500	78,000	77,500	75,500	111,249	11,250

RATES OF EXCHANGE.

London on	Usance	Par.	Mar. 2, 1923.	Feb. 22, 1924.	Feb. 29, 1924.
Paris	francs to £1	T.T.	25.22	77.48-53	100-100-20
Berlin	marks to £1	T.T.	20.45	105.07000	17.20-111
Vienna	crowns to £1	T.T.	24.08	320/34000	302/327,000
Prague	crowns to £1	T.T.	24.08	158-160	148-148
Warsaw	zlotys to £1	T.T.	20.45	185/215000	338 millins
Riga	lats to £1	T.T.	25.22	22-10-32	22-18-42
Bukarest	lei to £1	T.T.	25.22	980-1000	810-825
Budapest	for. to £1	T.T.	24.02	1380-1600	170/190,000
Constantinople	liras to £1	T.T.	110	820-830	890-898
Sofia	levas to £1	T.T.	25.22	750-850	560-580
Belgrade	dinars to £1	T.T.	25.22	460-480	340-355
Brussels	francs to £1	T.T.	12.10	11.88-89	11.35-4
Amsterdam	guilder to £1	T.T.	25.22	88.37-42	114-114
Christiana	kroner to £1	T.T.	18.15	25.58-65	32.80-85
Stockholm	kroner to £1	T.T.	18.15	17.58-70	16.45-48
Copenhagen	kroner to £1	T.T.	18.15	24.33-38	27.15-20
Helsingfors	marks to £1	T.T.	25.22	171-172	171-171
Greece	drachmas to £1	T.T.	25.22	440-450	255-265
Italy	lire to £1	T.T.	25.22	973-38	993-994
Switzerland	francs to £1	T.T.	25.22	25.08-10	24.87-90
Madrid	pesetas to £1	T.T.	25.22	30.14-17	33.94-97
Lisbon	escudos to £1	T.T.	25.22	111	111
Alexandria	piastres to £1	Sight	57 1/2	97 1/2	97 1/2
New York	dollars to £1	Cable	4.86	4.70-1	4.31-1
Buenos Aires	pesos to £1	Cable	4.86	4.78-1	4.41-1
Rio de Janeiro	pesos to £1	T.T.	47.62	4.78-1	4.31-1
Montevideo	pesos to £1	90 days	16	54	64
Valparaiso	pesos to £1	90 days	13.33	37.90	42.30
Lima	soles to £1	90 days	10	10% prem.	7% prem.
Calcutta	rupees to £1	T.T.	10 to 1	1s 4 1/2 d	1s 4 1/2 d
Bombay	rupees to £1	T.T.	10 to 1	1s 4 1/2 d	1s 4 1/2 d
Madras	rupees to £1	T.T.	10 to 1	1s 4 1/2 d	1s 4 1/2 d
Hong Kong	dollars to £1	T.T.	10 to 1	1s 4 1/2 d	1s 4 1/2 d
Shanghai	taels to £1	T.T.	10 to 1	1s 4 1/2 d	1s 4 1/2 d
Singapore	dollars to £1	T.T.	10 to 1	1s 4 1/2 d	1s 4 1/2 d
Yokohama	yen to £1	T.T.	24.58	2s 0 1/2 d	2s 0 1/2 d
Manila	pesos to £1	T.T.	24.06	12s 5 1/2 d	12s 4 d
Mexico	pesos to £1	T.T.	24.06	24d-26d	26d-30d

MOSCOW QUOTATIONS FOR CHERVONETZ.

According to advices received in London, the following are the Moscow quotations for chervonetz:—

One chervonetz equals 275,000 Soviet roubles.
£1,000 sterling " 905 chervontz.
\$1,000 " 210 "

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	Mar. 1, 1923.	Jan. 24, 1924.	Jan. 31, 1924.	Feb. 7, 1924.	Feb. 14, 1924.	Feb. 28, 1924.
Call money	5	4	4	4	4	4
Time money (90 days mixed coll) ..	5	4	4	4	4	4
Bank acceptance	5	4	4	4	4	4
Members—eligible, 90 days ..	4	4	4	4	4	4
Non-mem.—eligible, 90 days ..	4	4	4	4	4	4
Ineligible, 90 days ..	4	4	4	4	4	4
Commercial accept., 90 days ..	4	4	4	4	4	4

Rates of Exchange.

London on	Par Level.	Mar. 1, 1923.	Feb. 7, 1924.	Feb. 14, 1924.	Feb. 28, 1924.
London—					
50 days					
Cable					
Cheques					
Paris	Dollars for £1	4.8666	4.6587	4.2925	4.2743
Brussels	Cents for 1 franc	19.30	6.08	4.3225	4.3175
Vienna	Cents for 1 franc	19.30	5.34	4.11	3.86
Italy	Cents for 1 franc	19.30	18.76	17.44	17.32
Madrid	Cents for 1 peseta	19.30	4.815	4.395	4.3575
Amsterdam	Cents for 1 guilder	19.30	0.00438	0.014	0.014
Copenhagen	Cents for 1 kroner	19.30	15.61	12.81	12.77
Stockholm	Cents for 1 krona	19.30	39.59	37.56	37.32
Christiania	Cents for 1 kroner	19.30	19.30	16.33	15.8
Athens	Cents for 1 drachma	19.30	18.40	13.45	13.40
Montreal	Can. cents for \$1	100	26.57	26.31	26.13
Yokohama	Can. cents for \$1	100	1.08	1.76	1.63
Hong Kong	Cents for 1 Hong \$	100	98.37	97.1	96.75
Shanghai	Cents for 1 Shing. tael	100	48.4	45.65	45.85
Calcutta	Cents for 1 rupee	100	54.55	50.875	51.2
Buenos Aires	Gold pesos for \$100	103.65	74.70	71.875	72.75
Rio de Janeiro	Cent for 1 milreis	32.42	31.75	30.55	29.74
Valparaiso	Cent for 1 peso	20.60	11.80	13.25	13.10

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	Year, 1924.	Rate.
Buenos Aires	Sucres to £1	10-00	Sight London	Dec. 29, 23
Venezuela	Bolivares to £1	25-25	Feb. 21	17-57
Colombia (Bogota) ..	Pesos to £20	100	Feb. 21	22-4
Nicaragua	Cordobas to £1	4-8665	Feb. 26	88-75
San Salvador	Colonos to £1	9-73	Feb. 26	8-70
Guatemala	Pesos to £1	90-23	Feb. 23	25-70
Costa Rica	Colonos to £1	10-45	Feb. 2	18-75
Bolivia	pesos to Boliviano	19-20	Feb. 14	18

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.	Australia and New Zealand on London.
	Buying.	Selling.
	Aus. tra.	New Zeal.
	Aus. tra.	New Zeal.
T.T.	..	..
Sight	..	..
Cable	..	..
On demand ..	101 1/2	101 1/2
30 days	99 1/2	99 1/2
60 days	98 1/2	98 1/2
90 days	97 1/2	97 1/2
100 days	96 1/2	96 1/2

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.	Union of South Africa.
	From Feb. 18, 1924.	From Feb. 18, 1924.
	Buying.	Selling.
	Buying.	Selling.
T.T.	..	..
Demand	14% prem.	3% dis.
30 days	12 1/2% " "	2 1/2% dis.
60 days	12 1/2% " "	2 1/2% " "
90 days	12 1/2% " "	2 1/2% " "
120 days	12 1/2% " "	2 1/2% " "

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

INDIA COUNCIL BILLS AND TRANSFERS.

The following is a summary of applications and allotments for India Council bills and transfers in London on Tuesday, February 26, 1924:—

	Rate.	Applica- tions.	Allot- ments.
	s d	Rs	Rs
Bills	nil	..	..
T.T.	nil	..	..

Next week 50 lacs will be offered.

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Week ended February 27, 1924.

Imported into Great Britain and Northern Ireland.	Exported from Great Britain and Northern Ireland.
From—	To—
British South Africa	Switzerland
680,738	2,800
	7,500
	33,500
	2,900
	167,850
	1,591,511
	1,484
Total declared value of imports	Total declared value of exports
680,738	1,863,645

Messrs Samuel Montagu and Co. write on February 27th as follows:—

GOLD.

The Bank of England gold reserve against its note issue on the 20th inst. amounted to £126,270,560, as compared with £126,259,895 on the previous Wednesday. Nearly all of this week's moderate supplies of gold was shipped to the United States of America. Indian trade figures (private account) for January, 1924, are as follows:—

(In Lacs of Rupees.)

	Exports.	Imports.	Net Exports.	Net Imports.
Merchandise	3,695	2,261	1,434	..
Gold	..	230	..	229 1/2
Silver	10	233 1/2	..	223 1/2
Total net exports	3,705	2,491	981	..

SILVER.

Owing to rather sharp fluctuations in the U.S., as well as the China exchanges, the market has been disposed to vacillate. The fact that most of the buying came from bears, and varied in amount considerably on different days, naturally increased the irresolution of the market. America was inclined to sell freely yesterday, and the tendency of prices to be checked at any marked advance is evident. The Continent is not at present figuring as a factor:—

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Feb. 7.	Feb. 15.	Feb. 22.
Notes in circulation	18,340	18,644	18,606
Silver coin and bullion in India ..	8,155	8,059	8,021
Silver coin and bullion out of India ..	..	..	..
Gold coin and bullion in India ..	2,232	2,232	2,232
Gold coin and bullion out of India ..	..	..	..
Securities (Indian Government) ..	5,735	5,753	5,753
Securities (British Government) ..	1,400	1,400	1,400
Bills of exchange	800	1,200	1,200

The silver coinage during the week ending 22nd inst. amounted to 4 lacs of rupees. The stock in Shanghai on the 23rd inst. consisted of about 26,100,000 ounces in sycee, 40,000,000 dollars, and 940 silver bars, as compared with about 25,700,000 ounces in sycee, 38,500,000 dollars, and 1,260 silver bars on the 16th inst.

GOLD AND SILVER PRICES.

1924.	Gold, Per Ounce.	Silver—Per Ounce.	Date.	Silver, Cash.
		Cash.		
Feb. 23	95 8	33 1/2	Mar. 8, 1918..	42 1/2
25	95 8	33 1/2	8, 1919..	47 1/2
26	96 0	33 1/2	5, 1920..	77 1/2
27	96 3	33 1/2	4, 1921..	31 1/2
28	96 0	33 1/2	3, 1922..	32 1/2
29	95 11	33 1/2	2, 1923..	31 1/2

NOTICES.

Messrs Brown, Shipley, and Co. announce, with deep regret, the death on Friday, February 22nd, of their senior partner, Mr Lawrence Edlmann Chalmers.

The Midland Bank announces the opening of a new branch at 141 High street, Marlborough, Wilts, under the management of Mr F. A. Constable.

Lloyds Bank, Limited, announce that a branch of the bank is now open at Pow street, Workington, under the management of Mr J. Porter.

Barclays Bank, Limited, announce that they have opened a new sub-branch at 12 Westbury parade, Southchurch road, Southend-on-Sea, under the management of Mr A. B. Causton, who is also manager of 108 High street, Southend-on-Sea, branch.

ANALYSIS OF BALANCE-SHEETS.

COURTAULDS, LIMITED.

LIABILITIES.	Amount.	ASSETS.	Amount.
Ord. shares	12,000,000	Properties, &c.	2,303,743
Creditors	3,828,824	Stock-in-trade	1,211,500
Special reserve	400,000	Investments	15,187,252
for insurance	400,000	Debtors	665,453
General reserve	3,000,000	Cash	1,664,725
Profit and loss	1,803,849		
Total	21,032,673	Total	21,032,673

HARRODS STORES.

LIABILITIES.	Amount.	ASSETS.	Amount.
Ord. shares	1,911,000	Property and goodwill, &c.	90,000
Prof. shares	4,000,000	Sundry leaseholds	109,632
Deposits, &c.	956,635	Freeholds	3,466,371
Sundry creditors	788,229	Plant, &c.	830,422
Reserve	669,097	Homes, vans, &c.	26,50
Pension funds	34,100	Sundry debtors	975,108
Sinking funds	222,491	Investments	1,806,832
Unclaimed divs.	953	Stocks	1,049,173
Profit and loss	369,688	Unexpired insur.	13,994
		Cash	585,911
Total	8,954,193	Total	8,954,193

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Saner Politics or Revolution.

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39, PATERNOSTER ROW, LONDON, E.C.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.			Dividend for Whole Years.
	Interim or Final.	Date of Payment.	Method of Payment.	
Railways.				
Isle of Man	5t (& bonus 1%)	..	..	% 6 p.s. %
Jersey Eastern	..	..	..	4 3
Manila, Pref.	..	..	Less tax	3 3
Banks.				
Banca Commerciale Triestina ..	..	..	..	Li 40 13
Bank of Australasia	..	Mar. 28	Tax free	13 13
Bank of Norway	..	..	..	8 ..
British Linen	..	..	Less tax	16 16
Dominion of Canada	12	..	Quarterly	.. ..
Imperial of India	16	..	Tax free	.. ..
Royal of Canada	..	..	..	14 14
Insurance.				
Federated Employers'	6/ p.s.	..	Tax free	1/ p.s. ..
Tea and Rubber.				
Fröeester Estate Rubber	30%+	..	..	40 ..
Gedong Rubber	..	..	Less tax	6 5
Panitia Tea	10%+	..	..	15 10
Templestone of Ceylon	30%+	..	..	50 10
Travancore Tea	30%+	..	Less tax	40 15
United Serdang Rubber	..	..	Less tax 4/9½ in £	10 5
Other Companies.				
Aberdeen Combworks, Ord. & Def.	..	..	Less tax	7½ 7½
Aberdeen Jute	1/ p.s.	..	Less tax	.. ..
Alexander Fergusson, "A" & "B" ..	..	..	Less tax	17½ 17½
American Trust Co.	5½%	..	Less tax	8 7
Aplin and Barrett	1/ p.s. (& bonus 3/ p.s.)	..	Less tax	6/6 p.s. 10/7 p.s.
Arnott and Co.	4/ p.s.+	..	..	8/ p.s. 8/ p.s.
Artizans, & Co., Dwellings ..	5t	..	Less tax	5 5
Bent's Brewery	10t (& bonus 1/ p.s.)	..	Less tax	15 15
Bestwood Coal and Iron	7½%	..	Tax free	.. ..
B. Morris and Sons	15t	Mar. 10	Less tax	10 10
Bournmouth Gas (Orig.)	8½t	..	Subject to tax	8½ 7½
Brighton Gas, Orig. Ord.	..	..	..	11½ 11½
Do "A" Ord.	..	..	..	8½ 8½
Bristol Water, 10% Max.	5½%	..	..	20 58
Do 7% Max.	10%+	..	..	5 5
British Ascols Trust	..	..	Less tax	10 10
British Automobile Traction ..	10t	..	..	10 12(a)
Brompton and Kensington Elec.	..	..	..	15 15
Bruce, Peebles, and Co.	..	Mar. 31	Tax free	.. ..
Camden Hill Hotel	3%*	Feb. 27	..	.. ..
Canadian General Electric Co.	6	April 1	..	10 10
C. and E. Morton, Ord.	..	Mar. 14	..	7 7
Do Pref.	8t	..	Tax free	8 8
Cannock and Co.	9/6 p.s.+	..	..	14½ 14
Charing Cross Electricity	10/ p.s.*	..	..	12 10
Chelsea Electricity	15t	..	..	22½ 25
City Property Investment, Def.	..	..	Less tax	5 nil
Cliett, Peabody	..	..	..	2½ nil
Copestake, Crampton	1/9 p.s.+	..	Tax free	15 15
Courtenay	25t	..	..	15 14
Dolton, Bournes, and Dolton ..	..	..	..	14 20
East Asiatic Co.	2/6 p.s.+	..	Tax free	4/ p.s. 20
Gandy Belt	1/2%*	Mar. 8	..	10 24
General Mines Investment	2½%	..	Less tax	10 24
Great Western Colliery (l.p.) ..	1/ p.s.	..	Less tax	10 24
Do, part-paid "B"	10½ p.s.	..	Less tax	11 8
Harrods	6½t	..	..	.. ..
Hastings & St. L. Nards Gas, 5% Conv.	5t	..	..	.. ..
Do 5% Additional	6½t	..	..	.. ..
Henry Street Warehouse	10%+	..	Less tax	3 5
Hill, Evans, and Co.	10%+	(& bonus 5%)	Tax free	20 12½
Hoffman Manufacturing	7½t	..	Tax free	6 6
International Invest. Trust, Def.	7½t	..	..	10 10
John Oakley	12	Mar. 9	Less tax	14 12
J.P. Restaurants	7/ p.s. (& bonus 8/ p.s.)	..	..	.. ..
Kennington & Knightsbridge Elec.	5%*	Mar. 1	..	.. ..
La Concordia Estancia	24%*	Mar. 21	..	.. ..
Lautaro Nitrate	..	..	..	25 25
Leyland & Birmingham Rubber	4%+	..	Tax free	7 7
Linoleum Manufacturing	8/ p.s.+	..	Less tax	12/2 p.s. 12/2 p.s.
Llanely Electric	..	..	Less tax	54 5
Manchester Commercial Bldgs. ..	..	..	Tax free	.. ..
McDonald, Fraser, and Co. ....	..	..	..	.. ..
Maidland Cond. Gas Electric ..	..	..	..	.. ..
Mississippi River Power, Pref.	..	..	..	.. ..
National Gas Engine .....	..	..	..	.. ..
National Match of Venezuela ..	..	..	..	.. ..
National Mort. of N.Z. ....	..	..	..	.. ..
Newcastle-on-Tyne Electric ..	..	..	..	.. ..
N. of Scotland Steam Nig. ....	..	..	..	.. ..
North British Locomotive .....	..	..	..	.. ..
North Middlesex Gas, Original ..	..	..	..	.. ..
Do Additional .....	..	..	..	.. ..
Oakhill Brewery .....	..	..	..	.. ..
O. C. Hawkes, Limited. ....	..	..	..	.. ..
Pennsylvania Water .....	..	..	..	.. ..
Peter Robinson .....	..	..	..	.. ..
Plumouth Breweries .....	..	..	..	.. ..
Prince of Wales Hotel .....	..	..	..	.. ..
Queen's Hotel Hastings .....	..	..	..	.. ..
Railway Investment, Def. ....	..	..	..	.. ..
R. and W. Hawthorn Leslie .....	..	..	..	.. ..
Royal Hotel, Edinburgh, Pref.	..	..	..	.. ..
Scottish Iron and Steel .....	..	..	..	.. ..
Scottish Power .....	..	..	..	.. ..
Short's, Pref. Ord. ....	..	..	..	.. ..
Smedley's Hydropathic (l.p.) ..	..	..	..	.. ..
Do (part paid) .....	..	..	..	.. ..
South African Gold Trust .....	..	..	..	.. ..
Spratts' Patent .....	..	..	..	.. ..
St. Ivel .....	..	..	..	.. ..
Stock Conversion Invest., Cm. Pf.	..	..	..	.. ..
S.W. Suburban Water .....	..	..	..	.. ..
Thomas Robinson and Son .....	..	..	..	.. ..
Todd, Burns .....	..	..	..	.. ..
Welland Shipway, & Co. ....	..	..	..	.. ..
Waxed Papers .....	..	..	..	.. ..
W. B. Reid and Co. ....	..	..	..	.. ..
Weston-super-Mare Gaslight ..	..	..	..	.. ..
William Gossage .....	..	..	..	.. ..
William Whiteley .....	..	..	..	.. ..
Wolsey, Limited, "A" .....	..	..	..	.. ..
Do "B" .....	..	..	..	.. ..
Woodfield Steam Shipping .....	..	..	..	.. ..
Working Water and Gas, 1881-87	..	..	..	.. ..
Do 1885, 1889 .....	..	..	..	.. ..
Woolcombers, Limited .....	..	..	..	.. ..
Yorkshire Engine .....	..	..	..	.. ..

JOSEPH RODGERS AND SONS, cutlery manufacturers and silversmiths, announce that it is decided not to pay any dividend on either the preference or ordinary shares.

VICKERS, LIMITED.—Final dividends for the half year ended December 31st of 2½ per cent. on the preferred 5 per cent. stock (less tax), 2½ per cent. on the 5 per cent. preference shares (less tax), and 2½ per cent. on the cumulative preference shares (free of tax). Payment will be made on March 31st.

WANDSWORTH GAS.—The directors propose to pay dividends for the latter half of the year at the rate of 2½ per cent. on the preference stock, at the rate of 5½ pence 9d per cent. on the Wandsworth "C" stock and the new ordinary stock, at the rate of 7½ pence 9d per cent. on the Wimbledon stock, at the rate of 7½ pence 9d per cent. on the Wandsworth "B" stock, at the rate of 7½ pence 9d per cent. on the Epsom stock, and at the rate of 4½ pence 9d per cent. on the Wandsworth "A" stock.

Reports and Notices.

We are informed that Mr T. E. Baring has been appointed a director of the Guardian Investment Trust Co., Limited.

The Right Hon. Lord Wargrave, of W. and H. M. Goulding, Limited, and Mr R. G. Perry, C.B.E., of the National Sulphuric Acid Association, Limited, have joined the board of the National Smelting Company, Limited.

On and after March 1st the registered office of the San Francisco Mines of Mexico, Limited, will be at the offices of Union Corporation, Limited, Pinners' Hall, Austin Friars, E.C. 2, who will act as secretaries to the company.

We are informed that the staff of the Rhodesian Section of the British Empire Exhibition—namely, Sir Bouchier Wrey, Bart. (in charge), Messrs. J. Collyer, B. Lightfoot, and C. Mainwaring—arrived in England on Monday, February 25th, from Rhodesia. Their temporary office is at Rhodesia House, 2 London Wall buildings, E.C. 2, ground floor.

RAILWAYS.

MANILA RAILWAY (1906).—The accounts for year 1923 show net receipts from holdings in the Manila Railroad Company (including £16,798 17s 4d profit on exchange), £224,123; from interest, £1,282, and from transfer fees, £62; total £225,467. After deduction of London expenses, £5,203, and provision for income-tax, £11,414, which together amount to £16,617, there remains £208,849, out of which there has been paid and has accrued interest on the "A" and "B" debentures and the debenture stock of the company, £175,647, leaving a balance of £33,202, out of which there has been applied to the sinking fund for "B" debentures £7,714, showing a balance of revenue for 1923 of £25,488. To this is to be added the balance brought forward from last year, £31,435, less dividends paid, £26,542—£4,892, making a total available of £30,380. The directors recommend a dividend of 3 per cent., less income-tax, on the preference capital, which will absorb £27,667, leaving a balance of £2,713, which the directors recommend should be carried forward.

BANKS.

BRITISH LINEN BANK.—The net profits for the year ended January 15, 1924, after providing for bad and doubtful debts, interest due to customers, and rebate on bills current, were £309,664; add balance from previous year, £50,676—together, £360,340. The dividend is 16 per cent. for the year, absorbing £153,884. In reduction of bank premises and other heritable property £50,000 is applied, and £100,000 is transferred to reserve fund, which will leave £56,457 to be carried to the credit of the current year's profit and loss account. Including the reserve fund and the pension reserve fund, the undivided profits will then amount to £1,606,457 7s 3d. All the bank's investments have been taken at or under the prices ruling at January 15th, and their market value is in excess of the amount at which they stand in the balance-sheet. During the year four branches and nine sub-branches have been opened.

IMPERIAL BANK OF INDIA.—Some interesting particulars concerning monetary conditions in India during the last half-year of 1923 are given in the latest report of the Imperial Bank of India. The governors of the bank point out that the half-year opened with a 4 per cent. Bank rate and money easy. Dullness of trade characterised the period up to November 15th, when the seasonal demand for the finance of the cotton crop set in, and the Bank rate was raised to 5 per cent. From then onwards money rapidly became scarce, and the Bank rate was raised to 6 per cent. on November 29th, and 7 per cent. on December 20th, when it was found necessary to borrow 4 crores from the paper currency reserve against trade bills in order to strengthen the cash resources. This was subsequently increased to 8 crores on December 28th. The average Bank rate for the half-year was 4½ per cent. The accounts

for the half-year ended December 31st show that net profits amounted to Rs. 49,13,332. The balance of Rs. 19,07,826 brought forward gives a total of Rs. 68,21,158. The dividend, at the rate of 16 per cent. per annum, free of tax, is the same. The governors have transferred Rs. 10,00,000 to reserve, and Rs. 3,00,000 to pension funds. The balance of Rs. 10,21,158 has been carried to the current half-year.

LONDON AND EASTERN TRADE BANK.—Interesting developments have recently taken place in connection with the London and Eastern Trade Bank, Limited, of which Mr Gustav Nobel has accepted the chairmanship. A new bank has been established in Paris, under the title of the Banque Generale pour le Commerce Etranger, with offices at 7 Rue du Helder, having an initial paid-up capital 15,000,000f. The founders of the new bank are the Banque de Paris et des Pays-Bas, who will be represented on the board, and Mr L. Davyoff, whose reputation as an international banker is well known. The London and Eastern Trade Bank, Limited, which will act as London representative of the Banque Generale pour le Commerce Etranger, also participates in its formation, and will be represented on its board, while Messrs L. Davyoff, J. C. Kaestlin, and W. Novitsky join the board of the bank in London.

INSURANCE.

MARINE AND GENERAL LIFE.—The new policies issued last year numbered 853 for £331,097 net, as compared with 705 new policies assuring £309,377 for 1922. The net premium income was £215,533, against £211,812; and the funds increased by £125,342 to £2,578,362. The expenses and commissions were lower at 17 per cent. of the premiums, as compared with 17.4 per cent. in 1922 and 18.4 per cent. in 1920.

PEARL ASSURANCE.—The report of this company for 1923 states that the annual valuation of the life assurance business has been made. After providing for all liabilities, a surplus of £745,159 is shown, which includes £116,423 brought forward from the previous year. The directors propose to distribute £449,938 among the participating policy-holders and ordinary shareholders, that £100,000 be added to the staff pension fund, and that £100,000 be carried to profit and loss account, leaving £95,221 to be carried forward. The premium income amounted to £8,235,085, an increase of £522,911. In the ordinary branch the number of policies issued was 37,602, assuring £7,152,313, and producing a new annual premium income of £427,738. In the industrial branch the premium income amounted to £5,002,952, an increase of £313,140. After making the usual provision of 40 per cent. for risks unexpired at the close of the year, the fire branch showed a credit balance of £47,309, which is added to additional reserve. The fire fund now stands at £262,023. The total income was £9,500,592, an increase of £721,051. The total funds, at £29,404,341, show an increase of £3,676,661.

WESLEYAN AND GENERAL ASSURANCE SOCIETY.—We are officially informed that on and after March 1st the rate of interest charged by this society on loans issued under its house purchase scheme will be 5½ per cent. per annum instead of 6 per cent. per annum, as hitherto, whenever the loan is for £500 or more.

RUBBER, &c.

VAL D'OR RUBBER ESTATES.—The accounts for the year ended October 31, 1923, show the balance from the previous year is £12,257. The profit for the year is £6,083, making £19,240. Deduct corporation profits tax (1921-22), £148, leaving £19,092. The directors recommend the payment of a dividend of 12½ per cent., subject to income-tax, £11,007, leaving a balance to be carried forward of £8,085 (subject to corporation profits tax and directors' further remuneration in accordance with the articles of association). The restricted output of rubber amounted to 252,625 lbs, as against 352,795 lbs for the previous year. Tapping was spread over 829 acres, and the average yield was at the rate of 335 lbs per acre per annum. The cost of production, including depreciation of machinery, and a proportion of the estate management and general charges, amounted to 8.43d per lb, f.o.b., and the net average sale price was 14.80d per lb.

MISCELLANEOUS.

JOHN BRIGHT AND BROS. LIMITED.—Messrs J. S. Blanckensee and Co. inform us that active steps are being taken by them on behalf of the large body of the debenture-holders they are representing, through the committee that has been formed. They hope to will be issued by their clients, and a meeting will be called of all the debenture-holders. In the meanwhile, their clients would be glad of further support.

OIL OUTPUTS.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, February 20, 1924, amounted to 1,075 tons.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Feb. 22, 1924.	Miles Open.	Week ended Feb. 24, 1924.			Aggregate 8 Weeks, 1924.		
		Passengers, &c.	Goods, &c.	Total for Week.	Passengers, &c.	Goods, &c.	Total Receipts.
Great Western.....	3,754	193,000	348,000	541,000	1,533,000	2,525,000	4,058,000
Do for 1923.....	3,679	207,000	377,000	584,000	1,718,000	2,538,000	4,256,000
London & North Eastern.....	6,703	332,000	728,000	1,060,000	2,547,000	5,141,000	7,688,000
Do same period 1923.....	6,701	340,000	783,000	1,123,000	2,762,000	5,976,000	8,738,000
London, Mid., & Scottish.....	6,952	505,000	977,000	1,482,000	3,688,000	6,806,000	10,494,000
Do for 1923.....	6,952	479,000	906,000	1,385,000	3,688,000	6,806,000	10,494,000
Southern.....	2,146	244,000	122,800	366,800	1,296,200	832,200	2,128,400
Do for 1923.....	2,146	252,400	127,400	379,800	1,296,200	832,200	2,128,400
Metropolitan (c).....	793	30,253	3,991	34,244	249,161	29,715	278,876
Do for 1923.....	793	30,906	4,060	34,966	252,229	31,372	283,601
Underground E.R. (c).....	..	..	..	..	..	..	..
Lon & Sub. Group (c).....	..	..	..	..	..	..	..
Belfast & Co. Down (c).....	80	3,538	1,277	4,815	27,931	9,456	37,387
Dublin and S. East (b).....	160	4,269	3,710	7,979	39,254	27,229	66,483
Gt. Northern (Ireland) (b).....	562	14,050	22,300	36,350	..	..	289,080
Gt. Sth. & Western (b).....	1,151	18,238	12,385	30,623	62,361	98,356	160,720
Midland Gt. West. (b).....	538	7,636	12,385	20,021	..	..	..

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -
INDIAN.							
Assam Bengal	13 weeks	Jan. 26	1,072	2,91,000	+ 22,911	1,17,36,033	+ 5,63,033
Barsi Lk. Ry.	14 weeks	Feb. 2	118	37,200	+ 7,200	14,38,400	+ 45,000
Bengal & N. Wester.	18 weeks		2,062	7,10,400	+ 7,021	1,01,15,074	+ 5,18,474
Bengal Nagpur	14 weeks		2,738	16,43,000	+ 86,000	6,24,97,189	+ 3,61,465
Bombay, Bar., & C.I.	4 weeks	Jan. 26	23,294	29,42,000	+ 2,37,000	1,04,3,66,000	+ 12,80,000
Burma	13 weeks	Jan. 26	1,342	7,84,815	+ 96,893	5,92,44,257	+ 4,64,021
Delhi Umballa Kalka	21 weeks	Feb. 23	2,239	1,03,000	+ 19,119	22,04,288	+ 84,918
East Indian	17 weeks		2,873	36,82,000	+ 5,01,000	14,83,87,000	+ 16,70,000
G. Indian Peninsula	16 weeks		16,316	41,71,300	+ 6,11,100	12,46,67,691	+ 45,28,322
Madras & S. Mahr	14 weeks		2,029	15,00,000	+ 30,463	6,18,14,453	+ 1,03,232
Rohtak & Kumaon	18 weeks		2,259	64,322	+ 4,867	8,86,806	+ 62,777
Do Lucknow-Breilly	18 weeks		2,314	92,233	+ 14,696	10,94,561	+ 44,681
South Indian	41 weeks	Feb. 2	1,877	9,27,299	+ 7,772	4,24,79,032	+ 13,78,593

ARGENTINE (a).							
Argentine N.E.....	34 weeks	Feb. 23	752	12,100	+ 200	386,100	+ 41,500
Argentine Trans.....	34 weeks	23	118	4,357	+ 17	130,821	+ 27,991
B. A. and Pacific.....	34 weeks	23	3,324	240,000	+ 20,000	5,246,000	+ 66,000
B. A. Gt. Southern.....	34 weeks	23	3,948	275,000	+ 28,000	2,627,000	+ 387,000
B. A. Western.....	34 weeks	23	1,882	122,000	+ 15,000	980,000	+ 30,000
Central Argentine.....	34 weeks	23	3,266	260,000	+ 25,000	7,250,000	+ 548,000
Cordoba Central.....	34 weeks	23	1,205	65,000	+ 5,000	2,023,800	+ 37,100
Entre Rios.....	34 weeks	23	729	33,200	+ 5,100	742,400	+ 74,500

CANADIAN.							
Canadian National.....	7 weeks	Feb. 21	22,680	4,181,048	+ 332,086	31,236,370	+ 829,947
Canadian Pacific.....	7 weeks	21	13,622	2,919,000	+ 413,050	22,286,000	+ 1,341,000

BRAZILIAN (b).							
Gt. West. of Brazil.....	7 weeks	Feb. 23	1,011	12,000	+ 1,100	93,300	+ 12,700
Leopoldina.....	8 weeks	23	1,831	18,309	+ 4,848	188,445	+ 7,994
San Paulo.....	7 weeks	24	1534	44,086	+ 14,172	346,795	+ 103,999

CHILEAN.							
Antofagasta.....	8 weeks	Feb. 24	838	45,525	+ 10,575	333,915	+ 59,055
Nitrato (3-monthly).....	6 weeks	15	366	43,119	+ 5,322	131,821	+ 18,601

CUBAN.							
Havana Central.....	34 weeks	Feb. 23	1,210	15,926	+ 1,297	433,514	+ 66,393
United of Havana.....	34 weeks	23	1,210	139,803	+ 5,640	2,471,584	+ 389,641

URUGUAYAN.							
Central Uruguay.....	34 weeks	Feb. 23	273	31,037	+ 4,030	912,870	+ 41,968
C. Urug. (East Ext.).....	34 weeks	23	311	7,485	+ 1,898	188,092	+ 9,191
C. Urug. (North Ext.).....	34 weeks	23	185	3,122	+ 160	101,477	+ 9,121
C. Urug. (West Ext.).....	34 weeks	23	211	3,435	+ 656	90,231	+ 2,583

OTHER OVERSEAS.							
Alcoy and Gandia.....	8 weeks	Feb. 23	33	20,000	+ 6,000	187,000	+ 8,000
Egyptian Delta.....	7 weeks	16	575	9,495	+ 816	233,833	+ 9,191
Gt. Southern of Spain.....	7 weeks	16	104	122,157	+ 12,431	759,589	+ 41,684
Mexican Railway.....	8 weeks	21	432	160,400	+ 105,700	616,700	+ 1,448,600
New Cape Central.....	5 weeks	2	205	3,483	+ 77	13,833	+ 319
Paraguay Central.....	34 weeks	23	274	3,270	+ 890	121,940	+ 64,180
Salvador.....	13 weeks	9	100	6,753	+ 1,303	104,870	+ 3,265

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.	
				1924.	+ or -	1924.	+ or -
Anglo-Argentine...	8 weeks	Feb. 25	399	£84,349	+ 3,018	679,684	+ 6,128
Burnley Corporation	1 week	23	12	£3,035	..	..	+ 432,585
Calcutta Tramways	8 weeks	23	354	Rs.16,210	+ 18,261	8,346	+ 1,102
Chatham & District	6 weeks	14	15	£1,186	+ 270	22,100	+ 1,348
Egyptian Markets...	7 weeks	21	..	£2,789	+ 240	..	..
Glasgow Corporation	13 weeks	23	106	£43,062	+ 1,153	1,689,651	+ 50,125
Tramways	13 weeks	23	106	£43,062	+ 1,153	1,689,651	+ 50,125
Iale of Thanet	20 weeks	20	..	£445	- 37	11,238	- 455
Liverpool Corpora-	23	124	£22,183	+ 4,575	1,227,825	+ 136,005	
tion Tramways	47 weeks	27	163	£7,233	+ 11,952	4,023,345	+ 361,258
L.C.C. Tramways	47 weeks	27	163	£7,233	+ 11,952	4,023,345	+ 361,258
Madras Elec. (2 wks)	6 weeks	15	..	Rs.52,594	+ 1,070	155,345	+ 4,063
Pernambuco Trams	8 weeks	24	..	£5,034	+ 1,498	38,046	+ 7,130

MONTHLY TRAFFIC RETURNS.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.

This table is extracted from the Commercial and Financial Chronicle of New York.

Date.	Miles of Road.		Gross Earnings.		Net Earnings.	
	1922.	1923.	1923.	Increase or Decrease.	1923.	Incr'ase or Decrease.
			\$	\$	\$	\$
April....	235,839	234,970	521,387,412	+ 105,578,442	118,627,158	+ 38,240,345
May.....	235,472	235,186	545,505,898	+ 97,510,054	126,175,540	+ 32,753,715
June.....	236,683	236,739	540,054,165	+ 66,903,501	124,064,578	+ 14,427,890
July.....	235,813	235,477	534,634,552	+ 91,678,695	121,044,775	+ 18,392,284
Aug.....	236,696	235,357	563,292,105	+ 100,181,967	136,519,553	+ 49,937,365
Sept.....	236,025	235,611	540,270,233	+ 64,549,658	129,303,909	+ 34,441,861
Oct.....	236,519	235,668	585,328,886	+ 127,448,222	141,922,971	+ 20,895,377
			542,106,708	+ 7,648,500	124,931,318	+ 3,707,78

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distribu- tion.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divid- end.
					Prefco.	Ordinary.					
						Amount.	Amount.					Rate.
		£	£	£	£	£	%	£	£	£	%
Banks.											
British Linen Bank	Jan. 15	50,676	309,665	360,341	..	153,884	16	150,000	56,457	294,340	16
Breweries.											
Bent's	Dec. 31	30,292	34,238	64,530	7,699	21,000	15	2,000	33,831	31,780	15
Plymouth	Dec. 31	823	12,053	12,876	5,850	2,655	10	3,710	661	13,140	10
Electric Lighting and Power.											
Charing Cross, City Undertaking	Dec. 31	10,918	143,417	154,335	18,000	35,000	10	85,000	16,334	136,218	..
West End, &c. West End	Dec. 31	18,014	180,225	198,239	18,000	65,600	14½	95,000	19,639	128,319	14½
Metropolitan Electric	Dec. 31	6,758	280,558	287,316	17,127	100,000	10	160,000	10,189	225,276	8½
Midland Counties Electric	Dec. 31	4,007	70,118	74,125	12,559	36,468	5½	20,407	4,691	55,501	5
Financial, Land, &c.											
Assets Co.	Dec. 31	83	2,093	2,176	..	1,922	5	..	254	1,852	5
National Mortgage and Agency of New Zealand	Sept. 30	5,381	38,357	43,738	..	28,125	11½	3,750	11,863	21,643	10½
Gas.											
Bournemouth Gas and Water ..	Dec. 31	40,375	36,536	76,911	9,000	33,350	7 8½	..	34,561	..	..
Brighton and Hove	Dec. 31	33,216	62,848	96,064	6,400	45,452	11½ 8½	..	44,212	63,820	11½ 8½
Ipswich	Dec. 31	13,191	15,142	28,333	..	11,352	..	..	16,981	12,257	..
Liverpool	Dec. 31	72,109	203,827	275,932	42,000	117,003	5½	..	116,929	169,506	5½
Hotels, Restaurants, &c.											
Prince of Wales Hotel, Southport ..	Dec. 31	9,648	11,280	20,928	..	6,150	10	2,823	11,955	15,734	10
Iron, Coal, and Steel.											
Millom and Askam Hematite Iron ..	Sept. 30	7,204	32,859	40,063	24,500	..	..	..	15,563	Dr 10,251	..
Rubber, &c.											
Bila (Sumatra)	Aug. 31	4,076	5,652	9,728	..	..	..	2,954	6,774	1,314	..
Gedong (Perak)	Oct. 31	1,072	5,760	6,832	..	3,648	6	1,000	2,184	2,557	5
Pantiya Tea and Rubber	Dec. 31	1,266	5,159	6,425	..	4,500	15	500	1,425	5,549	15
Rubber Estates of Ceylon	Dec. 31	431	4,930	5,361	..	..	..	750	4,611	6,290	..
Val d'Or	Oct. 31	12,258	6,834	19,092	..	11,007	12½	..	8,085	1,270	nil
Yam Seng	Oct. 31	10,138	2,039	12,177	4	3,942	1d ps.	..	8,231	Dr 3,908	nil
Shops and Stores.											
Harrods	Jan. 31	13,637	563,501	577,138	300,000	210,650	11	25,000	41,488	479,750	8
Tea.											
Travancore	Sept. 30	4,129	65,514	69,643	4,833	36,000	40	24,000	4,810	..	..
Textiles.											
Courtaulds	Dec. 31	636,899	3,316,950	3,953,849	..	1,800,000	15½	1,400,000	753,849	3,018,432	15½
Tramways and Omnibus.											
British Automobile Traction	Dec. 31	19,978	41,355	61,333	12,802	20,000	10	10,000	18,531	..	..
Trusts.											
American Trust	Jan. 31	4,915	15,616	20,531	5,438	6,189	8	5,400	3,504	9,633	7
British Assets	Jan. 15	18,269	57,230	75,499	20,005	25,020	20	10,272	20,202	..	..
City Property Investment	Jan. 31	6,931	9,957	16,888	5,004	4,295	22½	2,000	5,589	9,876	20
General Investors and Trustees ..	Jan. 31	11,111	45,497	56,608	10,378	18,500	8	17,000	10,730	39,488	7
Waterworks.											
Bristol Waterworks	Dec. 31	26,689	93,608	120,297	..	71,257	8½ 5½	..	49,040	89,507	8 5½
Woking Water and Gas	Dec. 31*	4,234	8,194	12,428	..	6,180	..	250	5,998	4,983	4½
Other Companies.											
Alexander, Fergusson, and Co. ..	Dec. 31	7,259	18,565	25,824	2,690	9,494	17½	7,000	6,631	18,312	17½
Aplin and Barrett	Dec. 31	61,079	44,852	105,931	4,500	30,775	32½	6,000	64,656	53,829	37½
B. Morris and Sons	Dec. 31	5,684	23,327	29,011	7,000	13,437	10	2,600	5,974	..	..
Hoffman Manufacturing	Dec. 31	17,851	75,645	93,496	27,125	15,000	6½	10,000	41,371	..	..
International Sponge Importers ..	Dec. 31	849	7,580	8,429	7,500	..	..	100	829	9,348	..
Linoleum Manufacturing	Dec. 31	39,494	185,599	225,093	..	125,000	25½	60,604	39,48	166,669	25½
Moss' Empires	Dec. 31	18,197	34,137	52,334	18,395	10,759	2½	4,276	18,904	Dr 9,066	..
Read Brothers	Dec. 31	Dr 20,501	13,430	Dr 7,075	(a) 11,531	..	..	Dr 20,505	1,899	Dr 4,788	..
St Ivel	Dec. 31	9,103	12,165	21,268	6,000	5,000	50½	1,000	9,268	8,398	50½
United Turkey Red	Dec. 31	Dr 54,037	210,263	156,226	51,448	17,062	2½	63,295	24,421	Dr 56,184	..
William Gossage and Sons	Nov. 30	..	174,826	174,826	71,250	100,000	20	..	3,576	174,470	20
Wolsey	Dec. 31	53,109	213,993	267,102	75,000	50,000	5 A 100 B	50,000	92,102	250,609	5 A 100 B

* Half-year.

† Free of tax.

(a) Including arrears.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Weather conditions have been cold and frosty, which, however, proved of great benefit to heavy lands, and will tend to facilitate seeding operations later on. Meanwhile, sowings are proceeding where circumstances permit. The growth of winter wheat has been retarded by adverse weather, and a spell of sunshine is needed in order to make up arrears of farm work. English wheat continues sparingly offered at firm rates, best milling grades being held for 10s 6d to 11s per 112 lbs, free on rail. Imported descriptions displayed slight irregularity and weakness in sympathy with c.i.f. offers, trading being generally on a moderate scale. No. 1 Northern Manitoba afloat quoted 50s 9d, No. 2 49s 9d, No. 3 ditto 48s 9d, and Rosafé 63½ lbs 48s 6d, and Australian 49s 6d, all ex ship per 496 lbs. The floating and forward cargo section remained dull and rather featureless, and prices tended in buyers' favour. Steamers of Rosafé 64 lbs, March 6th loading, sold at 45s 3d, Barusso 63½ lbs afloat 45s 3d net, and 43s 6d as to position. Maize also dull, and values weak. A steamer of Dan-Gal-Foxanian and Bessarabian combined afloat

sold 44s per 480 lbs, and a cargo of black barley early March at equal to 33s 3d per 400 lbs. Flour steady, with a fair trade passing. London standard straight run quoted at 39s 6d, patents 41s 6d to 42s 6d, town households 37s 6d per sack, delivered in. All English country straights 36s 6d per sack, delivered in. London stations. Of imported, Manitoba patents range from 37s 6d to 39s 6d as to quality, and Australian 36s 6d to 37s 6d per 280 lbs, ex store. Barley generally slow. English malting ranges from 11s 9d to 14s 6d, feeders 11s to 11s 6d per 448 lbs, free on rail. Of imported, Californian 45s to 50s, ex store, Chilean brewing 41s 6d to 45s, ex ship, both per 448 lbs. No. 4 arrive 32s 6d, and Karachi ditto 34s per 400 lbs. Maize in fair demand, but prices easier for Plate descriptions. Plate ex ship quoted 43s 3d, landed 44s 9d, Bessarabian ex ship 44s, landed 45s 6d, red Karachi ex ship 43s 6d, all per 480 lbs. Oats: English quiet and ranges from 9s 2d to 10s 4d per 112 lbs, free on rail. Imported easier. Plate f.a.q., new ex ship, 21s 6d, old landed 23s 6d, No. 2 Canadian Western 27s 6d, No. 3 ditto 26s 6d, No. 2 Canadian freed landed 25s per 320 lbs. Millers' 7s 9d, middlings 8s 9d, fine ditto 10s 3d, bags included, ex mill. Light oats 7s 3d, powdered oat husks 8s 3d, feed oatmeal 9s 9d, ground oats 12s 9d, free on rail, per cwt. Oatmeal in moderate demand and prices easier. London-made flaked, also rolled oats, 16s 6d, medium and fine cuts 16s 6d, coarse and medium plain-head 16s 6d, ordinary Scottish oatmeal 17s 6d, American 16s 6d to 16s 9d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-24.	1922-23.	1921-22.	1920-21.
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to February 23	340,560	334,869	691,756	176,849
25 weeks to February 23	8,971,249	11,297,759	10,840,790	8,343,295
Average price of English wheat per cwt.	s d	s d	s d	s d
	11 0	9 4	11 7	17 5

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1920 to 1923:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1924.	Cwts.	Cwts.	Cwts.	s d	s d	s d
Feb. 16	376,374	261,060	99,901	10 10	11 9	10 2
Feb. 23	340,560	188,845	85,285	11 0	11 9	10 2
1920	384,626	140,771	56,132	16 11	27 5	21 4
1921	176,650	222,779	50,474	17 5	14 8	12 8
1922	691,757	195,832	106,230	11 7	11 9	10 7
1923	334,869	174,963	64,123	9 4	8 11	9 10

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated February 28th, is as follows:—Pig-iron: The immediate outlook is still unsatisfactory. Although the dockers' strike is a thing of the past, there are other disturbing factors, the chief of which would appear to be lack of confidence in the future. Until this is in some degree restored, we cannot hope for any permanent improvement. The price of No. 3 Cleveland G.M.B. is nominally 95s, but less would be accepted for genuine business. The quotation for mixed numbers on old contracts. Steel ship plates, £10 5s; steel ship angles, £10; iron bars, £12; steel rails, £9. Iron ore: The demand for imported ore is very quiet, and prices are nominal. Best Bilbao Rubio ore, 24s per ton, c.i.f. Tees.

Our Sheffield correspondent writes:—Trade movements as a whole are unsatisfactory, and, while some branches are expanding, the tendency of the rest appears to be reactionary, and the financial stringency is very pronounced. Buying is on the quiet side in pig-iron, bar iron, steel billets, crucible steels, and scrap. In no direction is there any disposition to contract forward, and orders are generally for small quantities. Quotations, although unchanged, are understood to be easier, sellers being willing to shade their prices to secure a good order. This district did not benefit by the holding up of Continental materials by the dockers' strike. The announcement that five cruisers are to be built has not created much enthusiasm here, as the work it is likely to send to Sheffield will not suffice to affect the trade position to any appreciable extent. An improvement in the overseas demand for certain classes of hand tools is reported. Engineers' requisites are selling more freely than of late, and the electric branch is buying steel freely. Makers of cold-rolled steel are busy. The railway steel branches are now fairly well supplied with work. Large numbers of wagons are in course of construction. Makers of tools used in excavation are fully employed on orders from home sources. The silver and electro-plate trade is extremely quiet, the turnover being below what it was a year ago. The fuel market maintains a strong position, there being a brisk demand from railways and manufacturers for steam coal, and fairly good sales for export. Owing to the congestion at the ports, less bunker coal is being specified. The home demand for coke is quite good. Current quotations per ton at pits are:—Best hand-picked branch, 35s; Barnsley best silkstone, 30s 6d; best South Yorkshire steam, 25s; ditto Tynes, 23s to 27s; ditto Derbyshire, 24s; rough slacks, 12s 6d; smalls, 7s to 9s; blast-furnace coke, 30s.

Our Glasgow correspondent writes as follows:—During the past week the output of pig-iron has been further reduced, but the supply exceeds the demand, and stocks are increasing. Prices remain unchanged. At the same time, there is a want of confidence in the quality of Continental supplies, and orders are not going out of the country. Shipments from Glasgow for the week ended Saturday last totalled only about 270 tons. In the manufactured iron and steel trades, while the dockers' strike resulted in generally holding up export business, it was the cause of one or two orders being placed with home suppliers which would otherwise have gone abroad. The situation as regards deliveries from the Continent does not improve, and on all sides complaints are heard, from merchants and others who have purchased Continental material, of the delays caused by the well-nigh hopeless congestion at Antwerp and on the Belgian railways. In view of this it might have been expected that more orders would have been placed with home makers,

but consumers are still maintaining an attitude of caution, and, although works are fully employed on existing contracts, there is a feeling of disappointment over the scarcity of new work from the shipyards. This will soon right itself, as the business is there, and the general impression is that the orders for steel will be placed with home makers. Prices for home trade are unchanged, but makers have found it necessary to shade prices to overseas buyers in order to secure business. Sheetmakers have also been forced to make some concessions for export orders, but home prices remain firm. Bookings of galvanised and black sheets have been quite satisfactory, and a considerable improvement has been observed in the tonnage placed for the thicker gauges of black sheets. Several moderate orders for steel structures have been placed with local works during the last day or two.

Our Cardiff correspondent writes:—The dockers' strike has left an aftermath of depressed prices on the Cardiff coal market. The stoppage of work at the South Wales ports last week was responsible for a general disorganisation of colliery stems. There was plenty of tonnage in dock, but the proportion of it immediately available for the shipment of coal had steadily declined, and normal conditions have not yet been restored. The result has been that the amount of coal for which the collieries have been requiring immediate outlet has increased considerably, and competition for spot vessels has brought down values by from 6d to 1s per ton, and in individual cases by nearly 2s per ton. At these reduced prices, however, only a small volume of business has been transacted. The collieries are sold over March, and there are indications that railway and other important inland consumers are accumulating stocks to meet the contingency of a stoppage in April. For next month, therefore, prices are very steady at figures from 6d to 1s per ton above current quotations, and this firmer tendency in backward prices is being supported by a reaction in outward rates of freight. The market does not share the fears of the outside public that there will be a stoppage in April. The negotiations will be resumed next week, and if the dispute can be narrowed down to the question of the distribution of the surplus there is every confidence that a settlement will be arrived at without intervention in any shape or form by the Government.

The following are the current approximate quotations:—Best Admiralties, 29s to 30s; second Admiralties, 28s to 29s; best dries, 27s 6d to 28s; Black Veins, 28s to 28s 6d; Western Valleys, 27s 6d to 28s; Eastern Valleys, 26s 6d to 27s 6d; best bunker smalls, 20s to 21s; ordinary cargo smalls, 17s to 18s 6d; anthracite Big Vein, large, 41s to 45s; machine-made cobbles, 45s to 47s 6d; French nuts, 47s 6d to 50s; stove nuts, 50s to 52s 6d; rubbly culm, 14s to 14s 6d; coke for export, 55s to 60s; inland blastfurnace coke at ovens, 30s to 35s; patent fuel, 30s to 32s 6d; pitwood, ex ship, 33s to 35s.

The tinplate trade is recovering rapidly from the effects of the dockers' strike. Prices are becoming increasingly sensitive to the increase in the cost of material. The minimum prices of tinplates and tinplate bars have not yet been raised, but this week the minimum prices of terneplates have been advanced by 1s per box. It is expected that the prices of tinplates will also be raised. The foreign demand is not quite as active as it has been; the market has been adversely affected by Continental rates of exchange, but a moderate amount of export business is taking place, and there is a fair inland demand.

CUMBERLAND IRON.

Our Workington correspondent writes as follows:—The depression in the Cumberland and North Lancashire hematite pig-iron trade has deepened during the last few weeks, and present indications are that business will diminish rather than increase. The explanation is simple. Consumers are deterred by the threats of further labour troubles from seeking to cover future requirements. They do not know even what they will require; and so the first quarter of the year, like the corresponding period a year ago, is likely to pass without any forward buying movement at all. And as the old contracts are fast running out and current needs are not sufficient to absorb the iron that is being produced, there is some likelihood that in a week or two smelters will be compelled to restrict their output. Two furnaces have remained damped down since the railway strike, and the total blowing between Workington and Carnforth is only 11. The steel trade is so poorly engaged that local consumption of iron has fallen. Scotland and South Wales are taking very little metal, and the Midland users alone are taking a considerable tonnage, while business with the Continent is almost non-existent. The result has been a depreciation of values, and Bessemer mixed numbers, while still quoted nominally at £5 15s per ton delivered at Glasgow and Sheffield, and £6 at Birmingham, are a little below these figures. Manganese alloys likewise are a lifeless market, though ferro is maintained at £17 per ton, f.o.b., and spiegel at £9 per ton. The rail mill at Workington has not rolled two weeks in four since the beginning of the year, and will be idle until the middle of March. The iron ore industry is very quietly employed, as very little metal is wanted outside this district, and prices are lower, superior sorts being quoted at 23s to 25s per ton, and ordinary kinds from 17s 6d to 19s 6d per ton. There has been a boom in the coal trade, due chiefly to the anxiety of Irish merchants to accumulate stocks, and export prices are higher, best round commanding 28s 6d; house nuts, 27s 6d; and steam nuts, 26s 6d. At these prices owners have been more disposed to ship smalls that were formerly reserved for the coking plants, and the weekly cross-Channel shipments have averaged 12,000 tons. There is no heavy call for industrial fuel, but prices are unchanged, best steam being 30s and washed steam 29s per ton delivered. Best house locally is 38s 2d per ton. The make of coke is below the maximum, and is all going to the smelters of ordinary iron in the district at 25s to 26s 6d, according to carbon content. East Coast coke supplies are lower at 4,200 tons per week.

METALS.

Tin commenced the week with a firmer tendency, buyers being well in evidence, while some irregularity was noticeable with regard to forward positions. Standard cash quoted £275 5s to £275 15s, with business in three months at £272 10s to £271 5s to £275 10s, while finally registered at £275. Eastern cables reported sales on the basis of £272 15s, c.i.f. The upward movement continued later, due to higher Eastern advices, combined with a good inquiry. By the middle of the week standard cash sold at £281 5s, and three months £280 to £279 to £279 10s. Further sales occurred in the East at £281 15s, c.i.f. Values, after opening easier, improved at Thursday's session, standard cash being sold at £280 to £279 10s to £282 5s, and three months £278 10s to £277 to £280 5s. The tone was again firmer at final session. Standard cash sold at £287 10s to £287 5s to £288 5s, and three months £283 to £285 15s to £284 10s, while finally registered at £284 15s. English ingots quoted at £288 15s to £289 5s. Copper: The market, under the influence of higher American cables and reserved sellers, ruled about 12s 6d per ton dearer. Business was on a liberal scale, including standard cash at £63 7s 6d to £63 11s 3d, and three months at £64 5s to £64 10s. Trading continued active, and prices further responded, standard cash on Wednesday being dealt in at £64 to £64 10s, and three months at £64 10s to £65 15s. An easier tone prevailed on following day, with dealings on a fairly good scale. Standard cash sold at £64 17s 6d to £65; three months, £66 2s 6d, £65 12s 6d. Copper was active and dearer on Friday. Standard cash sold at £65 18s 6d, and three months £66 7s 6d to £66 17s 6d to £66 15s to £67. Electrodes £70 10s to £71 10s, best selected £69 to £70 5s, strong sheets £97, wire bars £71 10s per ton. Lead firmer, and quoted at £37 10s to £36 10s as to position. Spelter dearer at £37 15s to £36 7s 6d, according to position. Aluminium steady. Home, £115; export, £120. Antimony, English, £59 10s to £60 per ton.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Glowing accounts continue to be received from the colonies regarding the demand for wool, and prices remain exceedingly firm. There is now a general feeling that raw material values cannot depreciate during the comparatively brief period before the end of the selling season, and it looks as if wool will continue to dominate the entire trade for some time to come. In Bradford demand for merino tops is of a hand-to-mouth character, and although topmakers' quotations are very firm, selling prices remain well below the cost of replacement, based on current values of wool. A moderate turnover is being done in fine crossbreds, but in medium and low sorts there has been a burst of activity during the last few days, and quotations are anything from 1d to 1½d up on the week, with some topmakers inclined to quote protective rates. The opinion is gaining ground that medium and low crossbred wool will go to a higher level, especially as B.A.W.R.A. stocks are being rapidly absorbed. Some big business is reported in crossbred yarns, and in many cases spinners are now well provided for to the end of the year. A satisfactory feature is that particulars against old contracts are now coming in much better, and crossbred spinners have no longer any anxiety about being able to run their machinery. The Botany section, however, is in a less fortunate position, and present prices appear to check demand. Some fairly big stocks are available at prices well below market quotations, and even where quoted rates can be made prices are far below what they ought to be having regard to the high cost of merino wool. All by-products are selling at extreme prices, this being especially noticeable in the case of noils.

COLONIAL WOOL.
FROM A CORRESPONDENT.

Last Tuesday it was decided to postpone the opening of the forthcoming London sales from March 11 to March 18, this being found necessary as a result of the congestion at the docks following the recent dockers' strike. We are not surprised at this in view of the heavy arrivals of direct imports and the arduous work of sorting out the bales of wool as they are discharged from the ships. The work cannot be very largely accelerated by the employment of additional men, it requiring something more than a casual labourer to handle wool cargoes. The marks and identification numbers are legion, all of which mean that great care must be exercised in order to sort out the bales for the respective owners, and as the latter to-day are more numerous than ever, the work is becoming increasingly difficult. All the same, it is really amazing how few mistakes are made, and it is doubtful if 100 bales a year go astray out of the 2,000,000 bales comprising the Australasian clip. Well over 100 years of handling colonial wool in London has no doubt afforded time for the development of an elaborate and comprehensive system, but even when due allowance has been made for that, it is remarkable how few bales go astray.

The arrivals clearly indicate that at the forthcoming auctions there will be available a very nice offering of new clip merinos and crossbreds. In all probability there will be a considerable quantity of second-hand parcels, and also several well-known Australian new clip wools. Judging by the course of the auctions in Australia and New Zealand, it looks as if wool values are established on a very firm basis, and although Bradford to-day is responding somewhat poorly, we are looking forward to firm, steady values.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—February 22, 1924.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1923.			Same Period 1922.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Florida do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American.....	1525	1575	1675	1765	1860	1960	1559	1609	1654	1605	1650	1690
Ord G O L M M16 G M M F												
Brazilian.....	Mid	M F	Fr	G	Fr	Gd. Fne	M F	Fr	Gd. Fne	M F	Fr	Gd. Fne
Pernam, Maceio, &c.....	1745	1835	1920	..	..	..	1564	1614	..	8-15	1065	..
Parahyba, Rio Grande, &c.....	1745	1835	1920	..	..	..	1564	1614	..	8-15	1065	..
Ceara, &c.....	1745	1835	1920	..	..	..	1564	1614	..	8-15	1065	..
São Paulo.....	1720	1770	1820	..	..	..	1549	1614	..	..	..	..
Egyptian.....	Fr	G	Fr	Gd. Fne	Fr	Gd. Fne	Fr	Gd. Fne	Fr	Gd. Fne	Fr	Gd. Fne
Upper.....	1970	2050	2125	2215	2310	..	1520	1595	1660	..	1275	1575
Sakellaridis.....	1970	2145	2175	2245	2345	..	1550	1610	1680	..	..	..
Brown.....	1970	2150	2170	2215	2285	..	1520	1620	1770	..	1325	1725
Peruvian.....	M F	Fr	G	Fr	Gd. Fne	M F	Fr	Gd. Fne	M F	Fr	Gd. Fne	M F
Rough.....	..	..	..	..	..	..	..	..	..	..	..	..
Moderately Rough.....	..	..	..	..	..	..	..	..	..	..	..	..
Smooth.....	1870	1920	1935	2020	2045	..	1614	1714	1814	..	1050	1250
Tangula.....	1895	1920	1945	1935	2070	..	1614	1714	1814	..	9-90	1165
Mitani.....	..	..	..	..	..	..	..	..	..	..	..	..
West Indian, &c.....	..	..	..	..	..	..	..	..	..	..	..	..
Do.....	..	..	..	..	..	..	..	..	..	..	..	..
African, East, &c.....	1430	1530	1680	1780	1880	1955	1230	1405	1605	8-00	1005	1260
Do.....	..	..	..	..	..	..	..	..	..	..	..	..
East Indian.....	G F	Fr	Gd. Fne	G F	Fr	Gd. Fne	Fr	Gd. Fne	Fr	Gd. Fne	Fr	Gd. Fne
Machine Ginned Surtee.....	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Broach.....	1405	1445	1485	1525	1565	..	1240	1280	1360	..	7-95	8-45
Machine Ginned Bhownagar.....	1150	1200	1250	1300	1350	1400	1020	1070	1150	..	7-10	7-85
Machine Ginned Comra. No. 1.....	1160	1210	1260	1310	1360	1410	1030	1080	1160	..	7-20	7-95
Machine Ginned Comra. No. 2.....	1160	1210	1260	1310	1360	1410	1030	1080	1160	..	7-20	7-95
Machine Ginned Khandesh.....	1375	1415	1455	1495	1535	..	1205	1245	1325	..	8-05	8-55
Machine Ginned Comrah.....	1375	1415	1455	1495	1535	..	1205	1245	1325	..	8-05	8-55
Machine Ginned Bengal.....	1085	1125	1165	1205	1245	1285	8-35	8-75	9-55	6-00	6-50	7-50
Machine Ginned Scinde.....	1075	1115	1155	1195	1235	1275	8-25	8-65	9-45	5-90	6-40	7-40
Tinnivelly.....	1560	1600	1640	..	..	..	1435	1475	..	9-95	10-45	..
Madras, Western.....	1260	1300	1340	1380	..	..	1140	1180	..	7-90	8-40	..
Madras, Northern.....	1365	1405	1445	1485	..	..	1205	1245	..	8-25	8-75	..
M.G. Cocanada, Red.....	Fr	1365	..	..	..	..	1155	..	..	8-25	..	..
China, Smyrna, &c.....	..	..	..	..	..	..	..	..	..	..	..	..

MANCHESTER, February 28.

Although raw material rates have been easier this week, the general tone of the market has been firmer than for some time back. This has been chiefly due to the resumption of short time in the spinning mills, and the determination of yarn sellers to secure more remunerative rates. Some cloth manufacturers have more work to go on with than at the beginning of the year, and definite attempts are being made to improve prices. In piece goods for India there has been a considerable inquiry, and fair sales have taken place, especially in light fabrics, but rather more difficulty has been experienced in arranging terms of fresh contracts. A steady demand has continued for China in greys and whites. Moderate lines have been put through for Egypt. A scattered business has been done for South Africa and the Continent. Fancies have attracted a little more attention for the home trade. American yarn quotations have been much steadier, and spinners have derived some advantage from the fall in raw cotton, but the sales have not been important. A very fair business has been done in Egyptian spinnings, at easier rates.

(I.) Comparative Statement of the Cotton Trade.

Description.	Price, Feb. 28, 1924.	Previous Weeks in 1924.				
		Price, Feb. 21.	Price, Feb. 14.	Price, Feb. 7.	Price, Jan. 31.	Price, Jan. 24.
Raw Cotton—Fully Mid. American .. per lb	1715	1783	1899	1967	1947	1975
— Sakellaridis Fully Good Fair Egyptian .. per lb	2035	2160	2290	2315	2315	2335
Yarns—32's twist .. per lb	244	25	252	263	263	263
— 40's twist .. per lb	242	252	252	262	262	262
— 60's twist (Egyptian) .. per lb	32	33	34	35	35	36
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	35	9 36	6 37	6 37	9 38	0 38
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	39	6 40	3 40	9 41	6 41	9 42
38-in. ditto, 38 yds, 18 by 18, 10 lbs	20	9 21	3 21	6 21	22	0 22
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs	18	6 19	0 19	3 19	6 19	9 20

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(II.) Compared with Previous Years.

Description.	Price, Feb. 28, 1924.	Corresponding dates in				
		1923.	1922.	1921.	1920.	1919.
Raw Cotton—Fully Mid. American .. per lb	1715	1634	1017	727	3055	1600
— Sakellaridis Fully Good Fair Egyptian .. per lb	2035	1740	1700	1300	8550	2709
Yarns—32's twist .. per lb	244	221	17	17	82	26
— 40's twist .. per lb	242	212	162	16	571	263
— 60's twist (Egyptian) .. per lb	32	28	27	25	142	54
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	35	9 31	9 27	6 37	9 9	51 0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	39	6 34	9 27	6 34	9 0	49 0
38-in. ditto, 38 yds, 18 by 18, 10 lbs	20	9 17	3 21	0 52	0 29	6 6
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs	18	6 17	6 16	3 18	0 45	0 24

VEGETABLE OILS AND OILSEEDS.

The settlement of the dock strike released large quantities of oil-seeds, which had been held up in steamer and lighter, and enabled the mills which were very short of materials, particularly linseed, to resume the production of oil. This naturally reacted on the prices of linseed oil which for spot and in near positions had ruled at an abnormally high level owing to extreme scarcity. Up to £50 was actually paid for raw linseed oil, ex-Hull mill, last week, since when prices have fallen to £43 10s spot and £41 15s March, at which business was done on Thursday. Trade in Egyptian cottonseed has not been at all large, supplies of oil being good, and more than sufficient to meet the present slow demand for crude, which has eased off to £43 per ton ex Hull mill.

HIDE AND LEATHER TRADES.

(BY OUR OWN CORRESPONDENT.)

Although hide prices are nominally firm, the tone at the Bermondsey sales on Thursday last was weaker, as three classes in best ox failed to find buyers. One class which changed hands at 8½d. showed a fall of ½d, as against last prices, the 59 lbs and under class also declining by the same fraction. Best cows were also unsold, and bulls dropped ½d to 1½d per lb. Calf were decidedly easier, making from 7d for heavies to 16½d for lights, all selections showing declines of ½d to 1½d. Wools sold from 8s to 16s each, and hogs from 5s to 21s each. The demand for Argentinian wet salted hides remains quiet, but as prices of Argentinian show a weaker tendency, it is likely our tanners will soon come into the market again. The Chicago packer hides market is calmed as easy, although best native steers are quoted at 16 cents.

The demand for sole leather remains quite good, and prices are advancing in many directions. Dry hide bends are up by 2d per lb for best grades, and merchants in view of the strong position have been operating freely of late. Offal is also dearer, and some tanners have little to offer in the better selections of shoulders and bellies. The business doing in upper leathers has been of a general character, and calf leathers have advanced in price. The reduction on German goods of the reparations duty from 26 to 5 per cent. is causing some anxiety at Bermondsey, but the view is taken that it will affect deliveries of leather very little, as German prices are now approximating British. Glacé kid is selling better in the low and best grades, but difficulty is found in shifting the medium selections at a profitable price. Suède is again coming in for attention, and prices of sheep leather are gradually advancing. As a matter of trade interest, I have to report that Sir Samuel Barrow was elected on Thursday as chairman of the United Tanners' Federation.

The boot trade is improving, and orders for home and export have come to hand freely of late.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, February 29th.

SUGAR.—The market for British refined goods remained unchanged, and a moderate amount of business was transacted in spot parcels. Messrs Tate and Lyle's cubes, 66s 9d to 67s 9d; granulated, 64s 1½d to 64s 7½d, as to quality; March delivery, 64s; April, 64s 3d; May, 64s 6d; yellow crystals, spot, 59s 7½d. Imported descriptions met a quiet sale, but sellers adhered to previous asking prices. White Java, spot, 61s 6d; ditto, May-June, steamer, 28s 9d; June-July, 27s 6d; July-August, 26s 9d; ditto, reopening of navigation, 34s; April-granulated, spot, 62s 9d; ditto, reopening of navigation, 34s; April-granulated, spot, 62s 9d; ditto, reopening of navigation, 34s; April-granulated, spot, 62s 9d; ditto, reopening of navigation, 34s. Cuban exports being prohibited. Raw refining kinds quiet, steady. U.K. basis, 96 per cent., March quoted 29s 9d, c.f. and i. terms U.K. basis, white terminal market continued rather unsettled, and a fair number of sales occurred. March sold 34s, 34s 3d, and 34s; May, 33s 3d to 33s; August, 30s 7½d to 30s 4½d; November, 24s 10½d; December, 24s 10½d cwt.

COFFEE.—There is only a quiet movement in spot parcels, but prices remained steady at previous level.
COCOA.—Quiet, unchanged, on spot. Accra, F/F quality, March-May, sold, 35s 6d cwt, f.o.b. terms.

TEA.—In auction, 4,300 packages Java and Sumatra were offered, and met a generally good demand, though prices on balance disclosed some irregularity. Pekoe, sold, 1s 3d to 1s 4d; broken, 11½d to 1s 7½d; pekoe souchong, 1s 3d to 1s 3½d; broken orange pekoe, 11½d to 1s 3½d per lb, in bond.

SPICE.—Pepper market steady, though business was again kept down. Black Singapore, L.S., March-May, 4½d; Lampong, ditto, 4½d; Muntok, ditto, 7½d, sellers; April-June, buyers, 7½d. Zanzibar cloves, spot, 1s 2d, 1s 2½d; March-May, 1s 1d. Tapioca quiet, but steady. Singapore, fair flake, spot, 3½d; fine Java, 4½d per lb. Singapore, February-April, Havre, quoted 33s 6d; fair Penang, seed pearl, spot, 35s; March-May, steamer, 31s. Sago flour, January-March, quoted 16s 3d. Desiccated coconut slow. Fine cut, spot, 43s 9d; medium, 45s 9d; halves, March-April, 42s, buyers; 42s 3d, sellers. Ginger firm. F.W.R., Cochin, spot, 95s cwt.

JUTE.—This market hardened, on stimulating cable advices from Calcutta, where local mills continue to operate with marked freedom in loose jute. First grade, February-March, Continent, sold, £27 2s 6d; ditto, March-April, £27 15s; April-May, £28 5s ton. Hessians firm, quiet. 10 oz, April, sold, 29s 6d per 100 yards. Twills fully steady, though rather quiet of sale.

HEMP.—The market for Manila was again quiet, but steady, as sellers were not pressing. J grade, March-May quoted, £38; K ditto, £32; L, £31; and M, £28 5s. New Zealand, H.P.F., March-May quoted, £36 10s; fair, £34 10s. African Sisal No. 1 Tanganyika, March-May, sellers, £44; and No. 1 brushed Kenya ditto, £43 ton.

SHELLAC continued in a quiet state, Fair T.N. orange, spot, quoted 290s; March, 280s; May, 275s cwt.

COPRA.—Sellers were not unduly pressing, but buyers were by no means frequent, and a weaker tone predominated. F.M.S. Straits, January-March, Rotterdam, sold, £30 7s 6d; ditto, February-April, £29 17s 6d. Dutch East Indies, January-March, sold, £30; ditto, February-April, sellers, £29 13s 9d. F.M. Straits, February-March, Marseilles, quoted £29 17s 6d; mixed excluding Padang, £29 13s 9d. Ceylon, February-March to Rotterdam, quoted £32 15s. South Sea Islands, ditto, £29 7s 6d; Java ditto, £30 15s. Palm kernels, March-May, Liverpool quoted, £20 12s 6d; an April-June, sold, £20 10s ton.

RUBBER.—General course of trade moves very slowly, and the market is without new feature. Standard plantation, crepe and sheet, spot, also March, sold, 1s 1½d; April, 1s 1½d; April-June, 1s 2d; July-September, 1s 2½d; October-December, 1s 2½d. To New York, standard estate sheet, March-April, 1s 2½d; and ordinary, April-May, 1s 2d per lb, c.f. and i. terms. Wild sorts very quiet. Fine hard Para, spot, 1s; soft fine ditto, 11d. Caucho ball, 11d per lb.

EGG PRODUCTS.—This market remained in a quiet and featureless condition. Prime hen liquid yolk, spot, 92s 6d to 95s per cwt. Prime hen albumen, spot, 4s 10½d to 4s 11d; ditto, for shipment, 4s 6d; dried yolk, spot, new import, 1s; old, 10½d per lb.

LEAGUE OF NATIONS

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MENTHOL.—Spot lots quoted 58s 6d; forward, 53s. Japanese peppermint oil, spot, 14s; aniseed, spot, 1s 9d; slab camphor, 24 lbs, 3s 5d; crude camphor, 3s per lb.

OLSEEDS.—Lined, in fair demand but prices tended easier for Plate descriptions. Indian: Calcutta, afloat, £22 10s; February-March, £21 5s; April-May, £20. Plate, afloat, £19 10s; January-February, sold, £18 17s 6d to £18 16s 3d; April-May, £18 5s to £18 2s 6d. Rapeseed quiet. Toria, February-March, £19; March-April, £18 15s; Jamba, February-March, £15; and real bold Ferozepore, March-April, £18 5s; April-May, £17 17s 6d. Cottonseed steady. Egyptian, black, March, sold, £13 8s 4d. Sakellaridis, £12 7s 6d. Hull, Bombay, January-February, £11; February-March, sellers, £10 17s 6d. Gingly seed, steady. Chinese, afloat, £23 5s. Groundnuts quiet. Coromandel, machine-dried, March-April, £23 5s; Chinese, decorticated, f.a.q., March-April, £23; bold Bombay, February-March, £23 7s 6d. Soya beans dull. Manchurian, afloat, £13 5s; February-March, £12 15s. Castor-seed steady, Bombay, February-March, £24 5s per ton.

OILS.—Lined irregular and easier. Spot, net, naked, 46s; March-April, 40s 9d; May-August, 38s; September-December, 37s 3d. Rape quiet. Crude, spot, 48s; refined 51s. Castor-oil firmer. First pressure, spot, quoted 63s; second pressure, 62s; and pharmaceutical, 68s per cwt. Hull, with London 2s per cwt extra. Cotton steady. Crude Egyptian, spot, 45s; Bombay, 43s; common edible, 50s; deodorised (in barrels), 54s 6d. China-wood quiet. Hankow, spot (barrels), 94s; February-March, 95s. Coconut quiet. Ceylon, spot, 48s 6d; February-March, 47s; Cochin, ditto, quoted 59s. Soya quiet. Oriental, barrels, February-March, 43s 6d. Cod firm. English, spot, 36s 6d. Groundnuts steady. English, cru-hed, naked, spot, 53s; deodorised, barrels, 60s. Turpentine quiet. American, spot, 78s; March-April, 78s 3d. Rosin, firm. American, grades B to G, 13s 6d; WG, 17s 10d; WW,

19s per cwt. French WW, 17s per cwt. Petroleum steady. American, standard white, spot, 1s; and water white, 1s 1d per gallon.

TALLOW.—Messrs Colchesters and Woolner write on February 27th as follows:—The tallow market was steady during the week, and prices were unchanged to-day. It was not worth while holding auctions, but there has been a fair business doing. Quotations are:—Australian mutton: Fine, none; good to fair, 51s to 48s; dull to dark, 43s 6d to 41s 6d; hard, none. Australian beef: Fine, 48s; good to fair, 47s to 44s 6d; dull to dark, 43s to 41s 3d; sweet, none. Present shipment from Australasia: Good mixed, 46s. Present shipment from South America, 45s 6d to 44s. The market letter is unchanged. Town tallow, 41s 6d per cwt. Rough fat, per 8 lbs, 44d; melted stuff, 32s 6d per cwt. Quotations are:—Town, 43s, net cash, naked, ex works. Country: Frail casks, 43s; home melted, shipping casks, net, f.o.b., good coloured, 46s; fair to dull, 44s to 43s 6d. Bone fat: White, none; pale, none; benzine, 39s 6d; melted stuff, 39s, f.o.b.

METROPOLITAN CATTLE.—FEBRUARY 28.

British Beasts, per stone of 8 lbs to sink the calf. Sheep, per stone.					
	s	d		s	d
Beasts—Herefords	nominal		Beasts—Heavy Bulls		
Shorthorns	nominal		Canadian		nominal
Devons	nominal		Sheep—Downs		
Norfolks			Ewes		
Scottish	nominal		Crossbred		
Irish	nominal		Scottish		
Fat Cows			Lamb Downs		nominal

Prices nominal owing to restrictions imposed by foot and mouth disease regulations.

Prices nominal owing to restrictions imposed by foot and mouth disease regulations.

LONDON POTATO MARKETS.—FEBRUARY 28.

Per Cwt			
English	Arran	Majestic	Per Cwt
Chief	10 6	Blackland	8 6 to 10 6
King Edwards	11 6 to 11 6		

Commercial Times.—Weekly Price Current.

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

LONDON, FRIDAY.			
COCOA—Duty, British grown	40 10 0	COFFEE—British grown	110 0 0
Do, foreign, 1st class	40 10 0	Do, 2nd class	110 0 0
Do, 3rd class	40 10 0	Do, 4th class	110 0 0
Do, 5th class	40 10 0	Do, 6th class	110 0 0
Do, 7th class	40 10 0	Do, 8th class	110 0 0
Do, 9th class	40 10 0	Do, 10th class	110 0 0
Do, 11th class	40 10 0	Do, 12th class	110 0 0
Do, 13th class	40 10 0	Do, 14th class	110 0 0
Do, 15th class	40 10 0	Do, 16th class	110 0 0
Do, 17th class	40 10 0	Do, 18th class	110 0 0
Do, 19th class	40 10 0	Do, 20th class	110 0 0
Do, 21st class	40 10 0	Do, 22nd class	110 0 0
Do, 23rd class	40 10 0	Do, 24th class	110 0 0
Do, 25th class	40 10 0	Do, 26th class	110 0 0
Do, 27th class	40 10 0	Do, 28th class	110 0 0
Do, 29th class	40 10 0	Do, 30th class	110 0 0
Do, 31st class	40 10 0	Do, 32nd class	110 0 0
Do, 33rd class	40 10 0	Do, 34th class	110 0 0
Do, 35th class	40 10 0	Do, 36th class	110 0 0
Do, 37th class	40 10 0	Do, 38th class	110 0 0
Do, 39th class	40 10 0	Do, 40th class	110 0 0
Do, 41st class	40 10 0	Do, 42nd class	110 0 0
Do, 43rd class	40 10 0	Do, 44th class	110 0 0
Do, 45th class	40 10 0	Do, 46th class	110 0 0
Do, 47th class	40 10 0	Do, 48th class	110 0 0
Do, 49th class	40 10 0	Do, 50th class	110 0 0
Do, 51st class	40 10 0	Do, 52nd class	110 0 0
Do, 53rd class	40 10 0	Do, 54th class	110 0 0
Do, 55th class	40 10 0	Do, 56th class	110 0 0
Do, 57th class	40 10 0	Do, 58th class	110 0 0
Do, 59th class	40 10 0	Do, 60th class	110 0 0
Do, 61st class	40 10 0	Do, 62nd class	110 0 0
Do, 63rd class	40 10 0	Do, 64th class	110 0 0
Do, 65th class	40 10 0	Do, 66th class	110 0 0
Do, 67th class	40 10 0	Do, 68th class	110 0 0
Do, 69th class	40 10 0	Do, 70th class	110 0 0
Do, 71st class	40 10 0	Do, 72nd class	110 0 0
Do, 73rd class	40 10 0	Do, 74th class	110 0 0
Do, 75th class	40 10 0	Do, 76th class	110 0 0
Do, 77th class	40 10 0	Do, 78th class	110 0 0
Do, 79th class	40 10 0	Do, 80th class	110 0 0
Do, 81st class	40 10 0	Do, 82nd class	110 0 0
Do, 83rd class	40 10 0	Do, 84th class	110 0 0
Do, 85th class	40 10 0	Do, 86th class	110 0 0
Do, 87th class	40 10 0	Do, 88th class	110 0 0
Do, 89th class	40 10 0	Do, 90th class	110 0 0
Do, 91st class	40 10 0	Do, 92nd class	110 0 0
Do, 93rd class	40 10 0	Do, 94th class	110 0 0
Do, 95th class	40 10 0	Do, 96th class	110 0 0
Do, 97th class	40 10 0	Do, 98th class	110 0 0
Do, 99th class	40 10 0	Do, 100th class	110 0 0

CITY OF CALGARY

4½% DEBENTURES.

The City of Calgary announces that the COUPONS falling due 1st April, 1924, on the above-mentioned Debentures may be PRESENTED on and after the 17th March, 1924, between the hours of 10 and 2 o'clock (Saturdays excepted), at the Bank of Montreal, 47, Threadneedle street, E.C.2. Three clear days required for examination. Lists may be obtained on application at the Bank.

PROVINCE OF ONTARIO

4% REGISTERED STOCK, 1947.

For the purpose of preparing the Interest Warrants due 1st May, 1924, the BALANCES will be STRUCK on the evening of the 1st April, 1924, after which date the Stock will be transferred ex-dividend. For BANK OF MONTREAL, G. C. CASSELS, Manager, 47 Threadneedle street, E.C.2, 1st March, 1924.

The WORKS and LIFE of WALTER BAGEHOT

Edited by Mrs. RUSSELL BARRINGTON

LONGMANS, GREEN & CO., 39, Paternoster Row, London, E.C.

A Prospectus has been filed with the Registrar of Joint Stock Companies, which states amongst other things that Application will be made to the Committee of the London Stock Exchange for permission to deal in the Shares of the Company after allotment, and application for an official quotation will also be made. The SUBSCRIPTION LIST will OPEN on THURSDAY, the 28th day of February, 1924, and will CLOSE on or before MONDAY, the 3rd day of March, 1924.

HEPPELLS, LIMITED.

(Incorporated under the Companies Acts, 1908 to 1917).
BRITISH AND FOREIGN CHEMISTS, AMERICAN DRUGGISTS, PROPRIETORS OF "CLARK'S BATH SALTS," "URELLAC," AND LAMPOUGH'S SALINE.

CAPITAL £250,000

Divided into 150,000 7 per cent. Cumulative Participating Preference Shares of £1 each ... £150,000
95,000 Ordinary Shares of £1 each, and 100,000 Ordinary Shares of 1s each ... £100,000
of which the Ordinary Shares of 1s each have been applied for by and will be issued at a premium of 7½ per cent. to the Vendors, the 50,000 Ordinary Shares of £1 each have been applied for or underwritten by the Directors and their friends, at the same premium, viz., at 21s 6d each.

The Preference Shares are entitled to a fixed Cumulative Preferential Dividend at the rate of 7 per cent. per annum on the amount paid up thereon, and rank in respect of the surplus profits of each year pari passu with the Ordinary Shares after the latter have received a dividend at the rate of 7 per cent. for such year on the amount paid up thereon, until both classes of shares have received 10 per cent. dividend for such year on the amounts paid up. Ordinary Shares being entitled to balance of profits proportionately to amounts paid up on such shares. In a winding-up Preference Shareholders have priority in repayment of capital, and any arrears of fixed dividend, whether declared or not, up to the commencement of winding up, but no further right of participation in profits or assets.

ISSUE OF 150,000 7 PER CENT CUMULATIVE PARTICIPATING (up to 10 per cent.) PREFERENCE SHARES OF £1 EACH AT PAR, AND 95,000 ORDINARY SHARES OF £1 EACH AT 21s 6d PER SHARE. Preferential Allotment will be made so far as is possible to Customers on the Books, to the Trade, and Shareholders in their Companies.

Messrs. COUTTS and CO., of 15 Lombard street, E.C.3, 440 Strand, W.C.2, and 1 Park lane, W.1; and the NATIONAL PROVINCIAL BANK, Limited, Head Office, 15 Bishopsgate, E.C.2, and Branches, as Bankers of the Company, are authorised to receive subscriptions for the above issue, payable as follows:

2s 6d per Share on Application (in case of Ordinary Shares, including Premium).

7s 6d per Share on Allotment; 10s per Preference Share and 11s 6d per Ordinary Share, on 1st April, 1924.

If paid in full on allotment, or on any date thereafter in advance, interest will be allowed at the rate of 5 per cent. per annum on the amount prepaid. Fully-paid Letters of Allotment will be exchangeable for Share Certificates, which will be ready on or before 1st May, 1924.

DIRECTORS.
Sir ALAN HUTCHINGS, K.B.E. (Director, South Yorkshire Chemical Works, Ltd., North British and Mercantile Insurance Company (local)), 60 Eaton terrace, S.W.1.
JOHN FRIDRICK HALLS DALLY, M.D., M.A., 93 Harley street, W.1.
ROBERT MAXWELL TROTTER, M.D., D.P.H., 29 Belgrave road, S.W.1.
ALFRED ARTHUR ROBERTS, F.R.S., F.G.S. (Director, Benzol and By-Products, Ltd.), 16 Grosvenor place, S.W.1 (Technical Director).
GENERAL MANAGER.
FRANK ARTHUR RINGER, M.P.S., Pharmaceutical Chemist (by exam.), 164 Piccadilly, W.1.

BANKERS.—COUTTS and CO., 15 Lombard street, E.C.3.
SOLICITORS.—CLIFFORD TURNER and HOPTON, 81 to 87 Gresham street, E.C.2.
AUDITORS.—NEWMAN, OGLE, ASHWORTH and CO., Spencer House, 15 South place, E.C.2, Chartered Accountants.
BROKERS.—SHAW, LOEBL and CO., Pinner's Hall, Austin Friars, E.C.2, and E.C.2.

SECRETARY (pro tem).—T. S. REARDON, A.S.A.A., REGISTERED and TRANSFER OFFICES, SPENCER HOUSE, SOUTH PLACE, E.C.2.

ABBREGE PROSPECTUS.
The Company has been formed primarily to acquire and extend the well-known and important business of HEPPELLS, originally founded in Haymarket nearly half a century ago, British and Foreign Pharmacists, owners of the Empire rights in "CLARK'S BATH SALTS," "URELLAC," and "BOISSARD'S" Perfumes and other proprietary articles, and trade marks of the Wholesale and Manufacturing Chemists' business of FRANCOIS DRAKE and CO., and the Share Capital of PROPRIETARY ARTICLES, LTD., owners of the old-established proprietary rights of "LAMPOUGH'S PYRETIC SALINE," and other preparations.

The businesses and premises comprise those of De Castro Watson and Richards, 53 Knightsbridge, and 38 Wilton place, S.W. (Established 1838); the goodwill of Waugh and Co. (late of Regent street and Burlington arcade, who were Chemists by appointment to Her Majesty Queen Alexandra, and Hoppells' branches at 224 and 165 Piccadilly; 71 and 73 Knightsbridge; 5 Buckingham Palace road; 38 Chandos street, Strand; 77 and 78 Strand; 9 Bloomsbury street; 35 Haymarket; 106 King's road, Brighton; The Regent Palace Hotel Pharmacy, and the manufacturing and wholesale branch at Nos. 1, 2, 13, 14 and 15 Eden street, N.W.

Spencer House, South place, London, E.C.2. 21st February, 1924.
Gentlemen.—We have prepared Profit and Loss Accounts of the business of HEPPELLS from 1919, earlier figures not being available, and beg to report that the Turnover and Net Profits as shown by those accounts for the years 1920, 1921, and 1922, and the three months ending 31st March, 1923, after debiting all charges, but before providing for depreciation on fixtures and fittings, taxation, Bank interest, and Directors' fees and remuneration, are as follows:—

Turnover.		Net Profits.	
	£ s d		£ s d
12 mths. to 31st Dec., 1920	169,109 8 9	24,413 12 6	
" " " 1921	126,150 1 7	12,154 18 0	
" " " 1922	127,823 17 5	18,373 18 0	
3 mths. to 31st Mar., 1923	30,481 1 5	6,831 9 0	
or at the rate per annum of	121,924 5 8	27,325 16 0	

The turnover and profits above do not include those of the Brighton branch, which has only been recently established, or those of the Regent Palace Pharmacy and Lamplough's Saline, which have only been recently acquired.

The Assets acquired by the Company are:—

Freehold and Leasehold Buildings (as valued by Mr. J. Trevor, F.A.I. Surveyor) ... £ 48,000 0 0

Fixtures, Fittings, Plant, and Machinery (as estimated by Proprietor), subject to valuation Stock-in-Trade, as certified by Proprietor at last stocktaking (at cost or market price, whichever was the lower), subject to valuation as at 18th February, 1924 ... 99,225 0 5

Goodwill (as valued by Messrs Orridge and Co., Chemists' Valuers), including Trade Marks, &c. Share Capital of Proprietary Articles, Ltd., at cost ... 75,165 12 6

... 8,000 0 0

£ 249,390 12 11

To which must be added the balance of the proceeds of the issue of share capital after deduction of the purchase consideration ... 23,274 19 7

Net Assets ... £ 272,665 12 6

The Vendors discharge all liabilities up to 18th February, 1924. The subscription of this issue will, subject to expenses and valuation adjustments, provide the Company with £122,500 stock and working capital.

NEWMAN, OGLE, ASHWORTH AND CO., Chartered Accountants.
The General Manager estimates net profit for the year ended December 31st, 1923, to be upwards of £31,000 (subject to audit), current rate of profit to be on an increasing scale, and that from the business of Lamplough's Pyretic Saline an additional revenue should be derived of not less than £2,800 per annum, which should increase as have the important net profits from other proprietary businesses acquired in 1921—the revenue from which was in 1923 substantially double that of 1922—and is continuing to increase.

PROFITS.
The actual and estimated profits of the Company are summarised as follows:—
Heppells' average of net profits for 4 years ended 31st December, 1923, as shown by above-mentioned Report, and estimated by the General Manager £21,485 10 1
Lamplough's Saline estimated net annual profit 2,800 0 0

224,285 10 1
which is subject to administration expenses, sufficient to cover more than twice over the fixed dividend on the Preference Shares of this issue. In 1921 (the record year of universal trade depression) the profits were more than sufficient to pay the fixed Preference Dividend. On the basis of last year's actual and estimated profits of upwards of £31,000, with the estimated additional revenue, such dividend is over three times covered.

Application may be made on the accompanying form and lodged with Coutts and Co., 15 Lombard street, E.C.3, 440 Strand, W.C.2, or 1 Park lane, W.1; or with the National Provincial Bank Limited, 15 Bishopsgate, E.C.2; or any of their branches, with the amount payable on application. Prospectuses, upon the terms of which applications for shares will alone be entertained, can be obtained at the offices of the Company or of its Brokers or Bankers. Dated 27th February, 1924.

THIS FORM OF APPLICATION MAY BE USED.
This Form of Application should be sent to COUTTS and CO., 15 Lombard street, E.C.3, or 440 Strand, W.C.2, or 1 Park lane, W.1; or to NATIONAL PROVINCIAL BANK Limited, 15 Bishopsgate, E.C.2, or any of its Branches, with a remittance for the amount payable on Application.

HEPPELLS, LIMITED.
No.
To the Directors of HEPPELLS, Limited.
Gentlemen.—Having paid to your Bankers the sum of £..... being a Deposit of 2s 6d per Share on application for.....Preference shares of £1 each at par,.....Ordinary shares of £1 each at 21s 6d per share, of the above Company,
I request you to allot me Shares in accordance with such application upon the terms of the Company's Prospectus, dated 27th February, 1924, and of the Memorandum and Articles of Association of the Company, and I hereby agree to accept the same or any smaller number that may be allotted to me, and to pay the balance due from me by the instalments specified in the said Prospectus, and I authorise you to place my name on the register of members of the Company as the holder of the Shares allotted to me.

The application may be for Preference or Ordinary Shares or both.
Dated this1924.
Usual Signature
Name (in full)
(BLOCK LETTERS) (State if Mr., Mrs., or Miss.)
Address (in full)
Occupation
Please write distinctly.
Cheques should be drawn payable to "Bearer," and crossed "Not Negotiable."
Any alteration from "Order" to "Bearer" must bear the Drawer's signature.

PEARL

ASSURANCE COMPANY, LIMITED,

HIGH HOLBORN, W.C. 1.

Summary of the Sixtieth Annual Report FOR THE YEAR ENDING 31st DECEMBER, 1923.

The Directors have great satisfaction in submitting the Sixtieth Annual Report and Balance Sheet of the Company, recording all round progress.

INCOME.

The Premium Income for the year amounted to **£8,235,085 9s. 5d.**, an increase of **£522,910 12s. 4d.** over that of the previous year.

In the Ordinary Branch, the Premium Income amounted to **£2,648,478 15s. 0d.**, which is **£187,258 18s. 7d.** greater than that of the previous year. The number of Policies issued during the year in this Branch was 37,692, assuring the sum of £7,152,313, and producing a New Annual Premium Income of £427,737 18s. 4d.

The Industrial Branch Premium Income amounted to **£5,002,952 1s. 4d.**, and shows an increase for the year of **£313,139 10s. 10d.**

In the Fire Branch the Premiums, after deduction of re-insurances, amount to **£514,403 6s. 3d.**, and the Losses, less recoveries under re-insurances, absorb the sum of £293,848 19s. 6d. The Fire Fund of the Company now stands at **£262,023 4s. 2d.**

The Premiums in the Personal Accident, Employers' Liability and General Business Accounts amounted to £67,160 3s. 11d.

The Total Income for the year amounted to **£9,500,592 9s. 10d.**, being an increase of **£721,051 5s. 4d.** over that of the previous year.

CLAIMS.

The Life Claims and Matured Endowments paid and outstanding numbered 233,848, and amounted with Bonuses to £2,708,419 7s. 9d. In the Fire and Accident Branches the Claims paid and outstanding amounted to £326,581 7s. 2d. The Total Claims paid by the Company amount to **£35,470,787 5s. 3d.**

FUNDS.

The Total Funds amount to **£29,404,341 5s. 11d.**, which is an increase of **£3,676,661 4s. 9d.** over those of the previous year.

F. D. BOWLES,
Chairman.

CITY OF LEEDS. LOANS.

The Corporation is prepared to receive LOANS on Mortgage of all the Properties, Revenues and Rates of the City. The Mortgages will be repaid in full after six months' notice to be given by either side so as to expire on or after three, five or seven years from the date of the Loan. The Mortgages are a Trustee Security. Interest is paid half-yearly.

For further particulars apply to
J. MITCHELL, City Treasurer, Leeds.

IMPERIAL JAPANESE GOVERNMENT.

5% STERLING LOAN OF 1907.

Notice is hereby given that the COUPONS due 12th March, 1924, will be PAID on and after that date (Saturdays excepted) between the hours of 11 and 3, at the Yokohama Specie Bank, Ltd., where lists may be obtained. Coupons must be left three clear days for examination prior to payment.

For The Yokohama Specie Bank, Ltd.,
K. YANO, Manager.
9, Bishopsgate, London, E.C.2.
26th February, 1924.

WANTED "ECONOMIST," January, 1910, to December, 1917, and January to June, 1919 (all inclusive).—Write Barker and Howard, Sugar Loaf Court, E.C.3.

£20,000 WANTED

by large German Industrial Works in Hanover. Security by mortgage on property and bank guarantee. High interest solicited. Apply to: J. N., 6887, an Rudolf Mosse, Berlin, S.W.19.

THE
Investor's Monthly Manual
(Established 1864).
Post free 1s. 6d.
Annual Subscription £1 1s. 0d.
3 Arundel St., Strand, London, W.C.2

Try PLAYER'S NAVY MIXTURE



You'll find it a
better smoke.

If the tobacco you are smoking
at present does not give you
complete satisfaction, try
Player's Navy Mixture.

It is a skilful blend of finest
Virginia leaf and is so carefully
matured and manufactured that
every pipeful offers you the
utmost satisfaction and charm.

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DOUBLE BENEFIT POLICIES

COMBINING THE ADVANTAGES OF
Whole Life and Endowment Assurance.
Maximum income Tax Rebate and
Provision for Death Duties.

Apply for New Explanatory Leaflet
to the

**GRESHAM LIFE ASSURANCE SOCIETY,
LTD.,**
ST. MILDRED'S HOUSE, POULTRY, E.C.3
Founded 1848.

Payments already made to Policy holders, £40,000,000

**The Gresham Fire & Accident
Insurance Society, Limited,**
Transacts all classes of Fire and Accident Business.
Chief Office: St. Mildred's House, Poultry, London, E.C.

"Facts are Stubborn things"

OLD AGE CREEPS ON.
Dispel Anxiety by effecting a
deferred annuity with the

PRUDENTIAL ASSURANCE CO. LTD.
HOLBORN BARS, LONDON, E.C.1.

**REFUGE ASSURANCE COMPANY
LIMITED.**
Chief Office: OXFORD ST., MANCHESTER.

(For the year ending December 31st, 1923).
ANNUAL INCOME EXCEEDS £7,500,000.
ASSETS EXCEED £26,000,000.
CLAIMS PAID EXCEED £40,000,000.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:
A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCVIII

SATURDAY, MARCH 8, 1924.

No. 4,202

THE
**SCOTTISH PROVIDENT
INSTITUTION**
UNDER ITS
DISTINCTIVE SYSTEM
OF MUTUAL LIFE ASSURANCE
ISSUES
**THE BEST POLICY
FOR A
BUSINESS MAN**
FUNDS - - - £17,500,000

HEAD OFFICE - - - EDINBURGH.
LONDON: 3, Lombard Street, E.C.3; 17, Pall Mall, S.W.1.

BANCO NACIONAL ULTRAMARINO.
(National Overseas Bank.)

STATE BANK OF THE PORTUGUESE COLONIES.

Head Office: LISBON.

Established 1864.

Capital (paid up):
Eso. 24,000,000



Reserve Funds:
Eso. 30,200,000

Branches as Under.

88 offices in Portugal, ..
24 " " East and West Africa.
5 " " Brazil.
6 " " India and China.

Also branches in Azores, Madeira, Belgian Congo and Timor.
New York Agency—6, Liberty street.
Paris Office—8, Rue de Valenciennes.
London Office—9, Bishopsgate, E.C.2.

BANCA COMMERCIALE ITALIANA.

Capital, Authorised Lire 400,000,000
Capital, Paid Up " 348,786,000
Reserve " 180,000,000
Deposits " 5,516,000,000

Head Office - MILAN.

BRANCHES THROUGHOUT ITALY

Agencies in NEW YORK and CONSTANTINOPLE.

Auxiliaries:
BANCA COMMERCIALE ITALIANA (France), Marseilles, Nice, &c.
BANCA COMMERCIALE ITALIANA & BULGARA, Sofia.
BANCA COMMERCIALE ITALIANA & RUMENA, Bucharest.

London Office - 30a, THREADNEEDLE STREET, E.C.2.
Manager: E. CONSOLO.

CORRESPONDENTS TO THE ROYAL ITALIAN TREASURY
Every description of Banking business transacted.

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Quarterly, 14s 6d; Half-yearly, £1 9s 0d; Yearly, £2 18s 0d.
Colonies and Abroad, £3 15s 0d per Annum.
Single copies, post free, 1s 1d.

Cheques and Post-office Orders to be made payable to the
Proprietors of the "Economist."

Office: Granville House, Arundel street, Strand, London, W.C.2.

Copies of the Economist may always be obtained in the City at
Barker and Howard, 6 Fenchurch buildings.

P. W. Cooper and Co., 11 King street, Cheapside.
Davies and Co., 95 Bishopsgate.

Leathwait and Simmons, 34 Throgmorton street.
Pottle and Son, 15 Cullum street.

Willing and Co., Limited, 50 Cophall avenue, and 123 Moorgate.
Paris: Galignani Library, 224 Rue de Rivoli; Messrs Brentano's,
37 Avenue de l'Opera.

THE MONEY MARKET.

ONLY at the beginning of the week was any ease apparent as the result of the disbursement of the March 1st dividends, so well are large Government payments now balanced by offsetting charges by skilful management of the market's liabilities for Treasury bills, revenue collections, and other payments to Government account. Daily loans have been quoted at 2-2½ per cent., and weekly fixtures at 2½ per cent., without there being much margin

over requirements. On Thursday there was a large turn-over of money in connection with revenue payments, but despite this, the usual week-end ease began to show itself. Discounts have been quiet, with the rate for fine three months' bills steady at $3\frac{3}{4}$ per cent., while June Treasury bills have changed hands at $3\frac{1}{4}$ per cent.

	Mar. 7, 1924.	Feb. 29, 1924.	Feb. 22, 1924.	Feb. 15, 1924.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	5 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount/Call	2	2	2	2	1 (Jly. 5, '23)
Houses' Notice	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	1 $\frac{1}{2}$ (Jly. 5, '23)
Market rate (3 months' bills)	3 $\frac{1}{4}$	3 $\frac{3}{8}$	3 $\frac{7}{16}$	3 $\frac{1}{2}$	..

The Bank statement showed a further increase in the circulation to the extent of £441,100, and there was a loss of £4,500 in the bullion stock, so that the Reserve was £445,600 lower. Government disbursements on March 1st in respect of dividends were so well managed as not to be evident in any borrowing from the Bank, Government securities being actually £1,790,000 less than in the previous return, and Government deposits were only £348,200 lower. Other securities were £2,024,200 higher, though there has been no money market borrowing, and the expansion presumably means that securities have again been bought to ease the position during the heavy revenue collections. These transactions were so balanced as to leave Private deposits only £29,400 higher. The proportion was 0.3 per cent. lower at 17.7 per cent. There was an increase of £2,484,500 to £279,952,500 in currency notes outstanding this week, which includes £1,405,800 for notes called in but not yet cancelled. The fiduciary issue is £229,096,800, or £19,094,100 below the maximum.

THE STOCK MARKETS.

Business in the Stock Exchange this week has been fitful, and so far March has only brought a very moderate volume of trade. Changes in the gilt-edged market are slight, but French bonds are flat upon the renewed collapse of the franc. Home railway stocks are now quoted ex-dividend, and the market is idle, but there has been some activity in South American rails. Rubber shares attract no attention, and the oil market has thoroughly quietened down. The shares of London store companies have been good, and the insurance and banking group is slightly better. There appears to be little doing in the mining section, though Chartered shares have risen on hopes of an early repayment of 5s a share to shareholders.

THE COMMODITY MARKETS.

On the whole, the general tone of the commodity markets is better. Our Sheffield correspondent reports that the demand for steam coal rather exceeds the present output, and deliveries are in arrears. From Cardiff a slight improvement in the coal market is reported. Recent reductions in pig-iron prices have caused some improvement in the demand. The steel trade is quiet, and little new business is coming forward. Tin opened well, but was subsequently inclined to weakness; copper followed in similar fashion. Not much business is taking place in the cotton trade. Wool prices remain firm. There is no change in the sugar market, but brisk competition is shown for tea. Rubber is inclined to be slightly erratic, opening steadily, but closing quiet. The hide market is weak, and linseed oil has eased off in price. Details of markets and prices will be found on later pages from our special trade correspondents.

FOREIGN EXCHANGES.

Business has been dull during the week owing to the Continental holidays on Tuesday and Wednesday. During the last two days, however, interest has been especially focussed on the fall of the franc. The Paris rate of 102.60 last Friday recovered slightly on Monday morning on the publication of the MacDonald-Poincaré correspondence, but weakened again in the afternoon. The rate rose steadily till Wednesday, when the closing rate was 105.50, then soared to 107.90 on Thursday and 110.50

yesterday morning. The French and Belgian political situations, and the increase of nearly one milliard in the note issue, bringing it to within $\frac{3}{4}$ milliard of the legal limit of 41 milliards, have contributed to bring about this state of affairs. Nor can any sustained amelioration be looked for. The Belgian rate has followed the same unsatisfactory course, though perhaps the political crisis is more directly responsible, and stood yesterday at 127.25, as against 122 on Wednesday and 117.40 a week ago. Forward rates in Paris have jumped from 1.10 to 2.80f per month above spot, and in Brussels from 25 to 75c per month above spot, but even at these rates there are practically no buyers of forward francs on the London market. Another important movement of the week has been the continued depreciation of the Spanish peseta, which now stands at 35.25 as against 34.10 a week ago. This is to be attributed to the fresh outbreak of hostilities in Morocco, coupled with the unsettled political situation. The New York rate has not shown any marked tendency, but has moved between 4.29 $\frac{1}{2}$ and 4.30 $\frac{1}{2}$, standing slightly lower on balance at the former figure yesterday. Forward rates are steady at $\frac{1}{4}$ cent per month above spot. Italy is at 100 $\frac{1}{2}$, compared with 99 $\frac{3}{4}$ a week ago, while Berlin is also slightly weaker at 20 billions. Of the neutral currencies, Holland moved in our favour from 11.52 $\frac{3}{4}$ to 11.54, but reacted yesterday morning to 11.53 $\frac{1}{2}$, while Switzerland at 24.83 has moved slightly in our favour from 24.84 $\frac{1}{2}$. In the Scandinavian countries, Christiania, after recovering further from 32.50 to 31.40, relapsed slightly to 31.72. Copenhagen, where the situation is still somewhat obscure, after varying between 27.15 and 27.30, stood yesterday at 27.20. Finland remains steady round 171. In Central Europe, Warsaw shows little variation at 40 millions, while Vienna remains steady at 305,000. The Hungarian krone continues to depreciate, the rate having risen from 200,000 to 230,000 sellers on the week, while 250,000 was touched on Thursday. Prague has been steady at 148 $\frac{1}{2}$, while Bucharest has weakened slightly from 820 to 830. In the East the rupee has remained around 15 4 $\frac{1}{2}$ d, but the yen at 28 0 6-8d is $\frac{1}{2}$ d cheaper. The silver market has been quiet and the price steady, since there has been little New York or Continental selling. The report that Germany was about to buy silver for currency purposes has been denied on the ground that the Reichsbank holds sufficient. Hong Kong is $\frac{1}{4}$ d dearer at 25 4 $\frac{1}{2}$ d, while Shanghai, after touching 3s 3 $\frac{1}{2}$ d, is once more at 3s 3d. In South America, Rio is steady at 6 $\frac{1}{2}$ d, and Buenos Aires at 43 $\frac{1}{2}$ d, while Monte Video has risen slightly from 42 $\frac{3}{4}$ d to 43d. Valparaiso at 42 pesos compares with 42.50 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended March 1st:—

EXPENDITURE.		RECEIPTS.	
	£		£
Supply Services	10,019	From Revenue	26,643
Interest, &c., on Debt	10,734	Decrease in balances	326
Sinking fund	1,523		
Bond issues	247		
Reduction of Debt	4,446		
	26,969		26,969

Revenue was £1,545,000 higher at £26,643,000, for the week ending March 1st, compared with the corresponding period. Customs were down at £1,533,000, against £1,975,000, but Excise amounted to £1,333,000, against £1,164,000. Estate duties were £610,000 up at £1,430,000, and corporation profits tax yielded £720,000, against £480,000. Post Office receipts were £150,000 more at £1,000,000. Special receipts brought in £527,000, against nil. Property and Income-tax amounted to £13,384,000, and Super-tax to £2,990,000, against a combined total of £14,723,000 for the corresponding period. The week's operations reduced the National Debt by £4,446,000, and caused the following changes:—

(000's omitted.)		£	
	£		£
Public Departments	+ 9,600	Treasury Bills	- 13,206
Unemployment Insurance....	+ 110	National War Bonds	- 150
		Telegraph Money	- 600
		Saving Certificates	- 200
	+ 9,710		- 14,156

The floating debt was reduced by £3,620,000 to £793,080,500.

FINANCIAL YEAR, 1923-24 (April 1 to March 1, 1924).

Total Expenditure ..	£ 710,967,218	Raised by Revenue ..	£ 740,496,761
Net Repayments.....	32,541,404	Decrease in Balances	3,011,861
Total	743,508,622	Total	743,508,622

ESTIMATES for YEAR 1923-24.

Ordinary Expenditure ..	£ 801,013,000	Ordinary Receipts ..	£ 778,500,000
Special Expenditure..	15,603,000	Special Receipts....	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

THE WEEK IN PARLIAMENT.

MONDAY, MARCH 3RD.—Commons: Supplementary estimates and debates on British agriculture, Kenya railways, and Phosphate Islands. Legitimacy Bill read a second time.

TUESDAY, MARCH 4TH.—Lords: Debate on air policy. Commons: Debates on second readings of Local Authorities (Emergency Provisions) Bill, and Trade Facilities Bill. Consolidated Fund Bill (No. 1) read a second time. Mr Snowden announces rejection of the betting tax.

WEDNESDAY, MARCH 5TH.—Lords: Debate on Irish compensation. Commons: Trade Facilities Bill second reading resumed and passed. Second reading of London and North-Eastern Railway Bill.

THURSDAY, MARCH 6TH.—Lords: Committee stage of Legitimacy Bill concluded. Royal Assent given to Diseases of Animals Act. Commons: Debate on German Reparations Recovery Duty raised on Civil Service and Revenue Departments Vote on Account.

FRIDAY, MARCH 7TH.—Commons: Merchandise Marks Bill second reading.

Company Meetings of the Week.—On later pages of this issue will be found the annual report of the American Telephone and Telegraph Company, also the reports of the following companies:—Southern Railway, Underground Electric Railways of London, Britannic Assurance, Prudential Assurance, Refuge Assurance, Scottish Widows' Fund Life Insurance, Charing Cross Electricity Supply Company, Harrods, National Mortgage and Agency of New Zealand, British Automobile Traction Company, B. Morris and Sons, General Investors and Trustees and United States Debenture Corporation. At the Britannic Assurance meeting Mr. J. A. Jefferson reviewed a successful year's working, and said that the revenue exceeded the outgo by over a million sterling. Mr H. E. Richardson, at the Scottish Widows Fund meeting, said that the new business in the last quinquennium was a record. At the National Mortgage and Agency of New Zealand meeting, Mr Robert Logan spoke of the year as a prosperous and profitable one for New Zealand. Mr A. C. Thompson, at the Prudential meeting, in referring to the continued progress of the company, stated that the total income for the year exceeded £33,000,000. Lord Ashfield, at the Underground Electric Railways meeting, spoke strongly of unfair competition, and the necessity for omnibus control.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

THE NEW DIPLOMACY.

THE correspondence between Mr Ramsay MacDonald and M. Poincaré which was published last Sunday is a matter of some importance in the development of the European situation. On the surface it might appear that the correspondence leaves matters very much as they were. Mr Ramsay MacDonald's letter frankly enumerates the points on which British opinion is critical of French policy. Many of these comments have been made officially, and all of them have been conveyed unofficially to France many times before. M. Poincaré's reply is couched in

his usual friendly terms, and leads up to the reiteration of his usual refrain that the occupation of the Ruhr "will cease, as we have announced, on the day when Germany pays off her debt." But diplomatic documents are often less important for what they say than for their influence upon opinion. Mr Ramsay MacDonald's letter calls attention to the economic effect on Great Britain of the delay in settling the reparation question. It says that this country regards with anxiety what appears to be France's determination to ruin Germany. It expresses apprehension of France's military and air preparations, and anxiety caused by the French interest shown in the military organisation of the States of Central Europe, and finally comments critically on the fact that France is financing these new States while making no effort to pay even the interest on her debt either to England or America. But the Prime Minister's exposition of these points, and of the conditions under which Great Britain thinks France can get security and reparations, are couched in terms which have made a good impression in France, and, except in a small number of cases, appear to have given no offence. As a diplomatic document, indeed, Mr Ramsay MacDonald's note gets higher marks than the essays of the experienced diplomat who conducted a similar correspondence for the late Government. The very much more favourable impression which it has made is due partly to its frank, yet sympathetic, tone; but also, of course, to the more receptive frame of mind of those to whom it is addressed. We have said that we find in the French note nothing new which could contribute towards a settlement. But we should, perhaps, except the paragraph in which M. Poincaré speaks in extremely friendly terms of the League of Nations. Into this paragraph we may perhaps read that M. Poincaré himself is now drifting towards the view that the League must be entrusted to a considerable extent with the supervision of a settlement when it is finally made.

The correspondence has greatly enhanced Mr MacDonald's prestige in Europe, and has revived the hope that co-operation between England and France may again become possible in carrying out a policy which harmonises British and French interests. This is evident from Press notes in various countries. In Belgium, for example, the Socialist leader, M. Van der Velde, in commenting on the defeat of the Belgian Ministry, declared that his Party had not acted on anti-French motives, but was anxious to co-operate with the new effort that Mr Ramsay MacDonald was making to restore harmony and to produce a settlement in Europe. The same conviction that the diplomatic situation has changed is revealed in a different way by the not very friendly comment in some of the Italian Press, which fears that England and France are once more getting together, and that if they succeed they will between them control Europe, and that Italy will be left out of the picture. Whether the policies of France and Great Britain have really come closer together will be tested when the committees of experts report. The correspondence of last week, while it perhaps contributed nothing concrete, has produced an atmosphere in which any recommendations of these committees will have the most favourable consideration.

In the meantime, there are two currents which can be distinguished in the course of events. On the one hand M. Poincaré seems steadily to be losing ground in France. The crisis, possibly the last before the French General Election, will come on Tuesday. The Senate, always very jealous of any increase in the power of Ministers, is instinctively opposed, as we have previously pointed out, to those clauses in the Financial Reform Bill which confer upon the Government power to act by decree. This opposition has just been reaffirmed by the Finance Committee of the Senate, and M. Poincaré has declared his intention of resigning if the Senate does not yield by Tuesday next. This is probably the most serious storm that M. Poincaré has to face, for the dispute raises issues deeprooted in French history. On the other hand, the situation in Germany gets, if anything, more obscure. It was hoped in Germany that it would be possible to postpone the elections until after the French elections had taken place. But this has now proved impossible, and the elections

will probably take place in the middle of April, at which it is expected that the Socialists will lose considerable ground, and that there will be a marked drift to the right. It is not yet possible to forecast what effect this will have upon German policy. But it will certainly not make it easier to come to an understanding. A hint of the difficulties to come is given in the statement made on Thursday by the Foreign Minister in a speech to the Reichstag to the effect that Germany cannot agree to the setting up of a Committee of Guarantee for military control—the scheme which the Allies propose ultimately to substitute for the present Commission of Control. The proposal is favourable to Germany, for it will be a charge upon the Allies, and not upon Germany, and holds out hope that the supervision will ultimately be taken over by the League of Nations. But Herr Stresemann takes his stand on the letter of the Treaty of Versailles, and claims that Germany was practically disarmed a year. He suggests no way in which he would give France and Britain permanent safeguards. The German Foreign Minister also objected to the proposal for a Buffer State. But British opinion has never conceived of this as a solution. All it has proposed is military neutralisation of the territory on both sides of the Rhine. He would be a bold man who would prophesy what the next few weeks will bring forth. The only thing that can be said with certainty is that the situation is changing rapidly. We wish that Mr Ramsay MacDonald were free from Parliamentary duties and able to give his whole mind and time to this problem of supreme importance.

THE BUDGET OUTLOOK.

THE issue of the Army, Air, and Civil Service Estimates for the coming year and a forecast of the savings to be made in Admiralty expenditure enables us to form a fairly precise idea of the Budget problems with which Mr Philip Snowden will be faced. The Civil Service Estimates are £24 millions less than those issued last year, but during the twelve months the figures for the current year have been swollen by £13 millions of supplementary estimates, so that the present figures show a reduction of nearly £37 millions on the final estimated expenditure for 1923-4. The Army Estimates are £7 millions down; the Navy Estimates are expected to show a saving of £2½ millions, but the Air Estimates are £2½ millions up. An appreciable reduction in expenditure was to be expected, for a number of items fall automatically, while in many others the economy campaign of the last two years and a-half only takes effect gradually. We do not know whether the present Government will claim to have made any substantial cuts, and, if so, how much; but it is evident that in the main the present estimates are those of the late Government. Mr Stephen Walsh, for example, in his memorandum on the Army Estimates says: "On taking office I found the Army Estimates for 1924-5 in an advanced state of preparation, and in the time at my disposal it has not been possible to do more than to satisfy myself that they have been framed in accordance with the policy of the late Government, and with due regard to efficiency and economy." The reductions now proposed are considerably less than those of recent years, the estimates and expenditure having shown the following changes in the last four financial years:—

	Fighting Services.		Civil Services.	
	Estimated.	Actual.	Estimated.	Actual.
	Mln. £.	Mln. £.	Mln. £.	Mln. £.
1921-2	185	189½	590	530
1922-3	136	111	383	348
1923-4	122	..	314	..
1924-5	114½	..	290	..

It seems likely that the actual expenditure of the fighting services in 1923-4 may prove to be less than the estimate. That of the Civil Services may prove closer to the final figure, which may even be exceeded. As to the current estimates, they are a step in the right direction. But the amount of reduction is getting very small; they are very far from being the last word in economy. The chief items in the Civil Service figures in which reduction is being made in million £ are:—Pensions 6½, Royal Com-

missions 1½, Middle East 3, Colonial Services 7½, Ministry of Labour 2, liquidation of railway, shipping, and coal mine agreements 4½. A fuller comparison of the estimates class by class with those of previous years is given in a later column.

It is still not possible to forecast very accurately the balance that will be shown in the completed accounts on March 31st, for at the end of the year there is not only a rush of income, but there are very heavy payments in the last two weeks, which vary rather widely from year to year. Thus in the last fortnight of March, 1921, the Treasury paid out £109 millions, in the last fortnight of 1922 £93 millions, and in the last fortnight of 1923 £67 millions. It is probable that these very heavy payments will not be quite so big when there are no more war liquidation bills to be paid, but the last weeks will usually be abnormal. We anticipate, however, that the surplus will be at least £35 millions, with expenditure at about £800 millions and income at £835 millions, but this may be an underestimate of the surplus. It is hardly necessary to remind our readers here in parenthesis that the discussion which always arises in some quarters when a surplus is expected on the Budget as to "what the Chancellor will do with the surplus" is beside the point. This year's surplus is not and never will be available for the taxpayer, but has automatically gone in the redemption of debt. If there is a surplus of £35 millions this year in addition to the £45 millions which has been paid out regularly during the year under the Sinking Fund clauses of last year's Finance Act, we shall have redeemed £80 millions of debt through the current year. This, together with the £125 millions used in the redemption of debt in the last financial year, brings the total for two years of stagnant trade to the not insignificant total of over £200 millions. This sum, the repayment of which had automatically had its effect on the amount of interest to be paid in the future, has undoubtedly found its way back into the capital market. It does not mean, as some would have us believe, that industry has been handicapped by deflationist measures; but, on the contrary, it has coincided with a steady and substantial increase in the volume of production.

Apart from any new item of expenditure which the Government may decide to include in their Budget, the sum which the Chancellor will have to provide will amount to £785 millions, made up of £290 millions for the Civil Services, £115 millions for the Fighting Services, and £380 millions for the Consolidated Fund. The £380 millions for the Consolidated Fund, which includes £350 millions for interest and sinking fund on the debt, is entered at the same figure as a year ago, for although the Sinking Fund automatically rises under the Act of last year to £45 millions in the ensuing year, against £40 millions this year, the increase may be off-set by the saving in interest as the result of the redemption of debt. It is, indeed, possible that the Treasury may take a different view and make larger provision against the possibility that there may be an increase in money rates, which would mean that they would have to pay more on the floating debt. But the increase would certainly be very small.

What is the revenue that the Chancellor will have with which to meet this expenditure? Starting from the £835 millions which we have suggested will be the total revenue for the current year, we have first to deduct certain automatic losses of revenue resulting from last year's Budget. In a full year the Treasury estimate that the remissions made a year ago will cause a loss to the Treasury of £20 millions; but of this, £10 millions is in respect of corporation profits tax, which will not be felt until 1925-6. The immediate loss is £13 millions, so that on the figures of this year the Chancellor could count upon £820 millions for the coming year. There remain two other considerations; the first is the loss for which he must certainly allow under the heading of "special receipts," mainly the liquidation of war commitments. The other unknown factor is what view the Treasury will take of next year's revenue. The item Special Receipts may fall by anything up to £20 millions, and as for the forecast of future revenue it is possible to take very varying views. Unless there are very serious labour troubles, there is reason to anticipate improvement in the state of trade. But we gave reasons last week for thinking that this will not

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immediately affect Customs and Excise, while income- and super-tax will still be assessed upon years of very moderate prosperity. On the other hand, whether from increased efficiency of collection, or from the fact that the effect of the depression on profits has been exaggerated, the fact remains that the yield of the income-tax has been under-estimated considerably in the last two years by the Inland Revenue. There is also the consideration that the country appears to have been paying off some of its war and post-war arrears of taxation. On the whole, the Chancellor would not be guilty of unduly optimistic budgeting if he assumed a surplus next year of £20 to £30 millions. How he will make use of this margin is a matter on which it is at present hopeless to speculate.

THE FALL OF THE BELGIAN GOVERNMENT.

THE fall of the Belgian Government, of which M. Theunis was Premier, has caused important repercussions in Continental politics. However erroneous it may be to regard this defeat as an expression of Belgian disagreement with the French policy towards Germany which M. Theunis supported, it has, in fact, been regarded somewhat in that light by French public opinion, and therefore the event has assumed considerable importance in its bearing on the European situation. It is desirable, therefore, for the British public to be acquainted with the circumstances of the Government's defeat, of which our Brussels correspondent sends us the following review. Since our correspondent wrote, M. Theunis has, contrary to his original decision, been persuaded to form another Cabinet, and it is very significant of the future orientation of Belgian policy that he has appointed as Foreign Minister M. Hymans, Belgium's representative on the Council of the League, and President of the First Assembly, and a statesman who has been the protagonist of the League idea in Belgium. Our correspondent writes as follows:—

The Cabinet has fallen, defeated by a few votes—95 to 79, with seven abstentions—on a project for a commercial treaty. This proposed treaty, without being very favourable to Belgium, was not a bad one. France agreed to certain reductions on the minimum customs-tariff, which favoured Belgian exporters to some extent; but those who were to receive the concessions wanted more, and were not satisfied, while those who were to get nothing were naturally discontented. In short, the industrial and commercial world, of which each branch saw only its own particular interests, was dissatisfied. But that would have been the case whatever had been the text of the treaty. On the other hand, protectionist France had to overcome a fair amount of opposition in order to get the French Parliament to vote for this convention, which was certainly antagonistic to the principles of her customs policy.

But it is not because of the treaty alone that the Government was defeated, in spite of what was said by M. Van der Velde, the chief of the Belgian Socialist party, and by M. Van Cauwelaert, the chief of the Flemish—a new party in Belgium, composed mainly of Flemish

Catholics—which are the two groups which have brought about the fall of the Government. It must not be forgotten that the Belgian Cabinet was formed of Ministers chosen from among the Catholic and Liberal parties. These differ chiefly on religious questions, but as regards their programmes, especially in matters relating to foreign affairs, their views are not very dissimilar. The Socialists are the opposition party, and their chief mission is to try to turn out the middle-class Government. It is certain that whatever had been the terms of the Franco-Belgian treaty, which had already been settled and signed by the Minister for Foreign Affairs, the Socialists would have declined to vote for it on principle. In fact, any other measure proposed by the Government would have met with the same fate. Certain of the members of the "Right," known as the "droite flamigante" (the Catholic party is called the "Right"), have at their head a very ambitious man, M. Van Cauwelaert. By allying himself with the Socialists, he has succeeded in obtaining a slight majority on the Antwerp Communal Council, of which he is a member, and has been elected Burgomaster of Antwerp. This local success encouraged him to repeat the same manoeuvre in Parliament as soon as possible, without appearing to be unpatriotic; for he has insisted on the fact that in directing the vote of his party he did not vote against the foreign politics of the Government, but only against the economic treaty under discussion.

The two parties referred to above, allied with the "frontistes" (Belgian Communists), have thus succeeded in overthrowing the Government, but no one party is strong enough to assume the responsibility of governing the country; nor has either of them the necessary authority from the country to conduct foreign policy. Nevertheless, they are satisfied. M. Theunis is defeated, and all these parliamentarians are all the more satisfied because M. Theunis is not a parliamentarian. He was chosen by the King as Finance Minister in 1918 on account of his standing. An ex-Army officer, he resigned his commission to enter the financial world in partnership with Baron Empain (the creator of Heliopolis—a modern city in the desert), whose bank, now the Banque Industrielle, controls a number of other industrial concerns—particularly tramway and railway companies. M. Theunis was a director of many companies when the war broke out in 1914. He rejoined the Army, and was soon sent to London to assume control of supplies for the Belgian Army. As Minister of Finance in the Carton de Wiart Government in 1919, he quickly proved the extent of his abilities, and was chosen as Prime Minister in 1921. He is reproached with not having prevented the fall of the franc; but who could have done so, and where would the franc be to-day without the measures which have been applied under his administration?

According to his familiar expression, M. Theunis has dealt with the affairs of Belgium as he would have dealt with the affairs of "Belgium, Limited"; but a Parliament cannot be conducted like a joint-stock company. In a company, not all the shareholders aspire to become directors; but M. Theunis had to deal with his fellow members of Parliament—in other words, with the share-

holders of "Belgium, Limited"—who all think themselves suitable to take on his post, and are quite willing to replace him if necessary.

Thus the ex-Prime Minister could not always achieve what he would have liked to do as a business man and financier. He had to bargain for votes in Parliament, and sometimes to make concessions on questions of importance, in order to get a law passed. His task was all the more ungrateful because he was constantly asking for further sacrifices from those who had the means to pay, and because many members of Parliament in Belgium, as in most other countries, I presume, think of their seats before all else, and dare not displease their constituents.

For some time past these manoeuvres have hung heavily on the Premier, whose position in life in no way depends on the high office he holds in Parliament, and the last speech he made to rally the votes of the hesitating, before passing to the vote on the economic treaty with France, was full of energy. After briefly describing what has been done since 1918, he recalled that at a recent Cabinet meeting it was decided to reduce expenditure in the current Budget by one milliard francs (1,000,000,000). Further he said: "If Germany does not pay, are we incapable of coming through the crisis? No, certainly not. In such an eventuality we have already decided on several necessary measures, and more will follow."

It is stupid to say that the franc might easily follow in the footsteps of the mark. The printing press has never functioned in Belgium as in Germany. The Government has never asked for a single bank note from the Banque Nationale except to cover the heavy loan contracted in 1918 for the purposes of exchanging the marks left by the Germans at the Armistice. There is no State inflation in Belgium, and even in respect of this loan we have repaid 500 millions, i.e., 10 per cent., and that during the very difficult period of reconstruction.

Wishing to finish once and for all with these bargainings, Mr Theunis seized the opportunity which was presented in connection with the vote which was to take place, and I can do no better than give a textual translation of the concluding passage of his speech:—"You must in reality vote both on the reparations policy which we have pursued with the consent of the large majority of the House, and on the financial policy we have developed during the past three years. You must say whether the progress made is meritorious or insufficient, whether the plan I have just sketched is wise or not. At the present period, in the midst of the difficulties of which you are aware, and of those which you conjecture, a Government cannot successfully carry on in the uncertainty of a confidence which hesitates and hides itself. If the occasion to tell you this had not presented itself on the question of the vote on this economic treaty, I would have had to seek another. In the midst of the storm we are weathering, one thing only supports us—the assurance of having done our best. We have never endeavoured to delude you. We have never promised anything that we could not fulfil—no miracle, no prodigy, but hard work, good will, and devotion to the public cause—and I do not think that you can accuse us of having grudged that. If, however, you are not of that opinion, say so plainly by your vote as soon as possible, so that we can pass on to others the task of doing better. May they succeed! It is our most ardent wish."

The Belgian Government crisis is all the more unfortunate at the present moment because the experts are about to publish their conclusions on the inquiry they have instituted in Germany, and grave decisions, perhaps, may have to be taken. Mr Theunis has said that he would definitely refuse to form a fresh Ministry, and that his desire is to retire from political life. Nevertheless, some time has passed, and no solution has been arrived at; and it would appear that there are considerable difficulties in the way of forming a Ministry without him, even a business Ministry to govern during the period that must elapse before a general election. It is certain that many efforts have been made in the endeavour to get Mr Theunis to revoke his decision, but up to the present without success.

Finally, English readers should realise that the rejection by the House of the Treaty in question is in no way

anti-French, any more than the refusal to accept the English point of view on other questions means a break with England. As proof of this, it is the Walloon party (pro-French) who count the most members amongst the Socialists, who all voted against the Treaty through party discipline. The most typical example is that of M. Souplit, who has just founded in his district a branch of "Les Amitiés Françaises," which is incontestably a society for French propaganda in Belgium.

HOME RAILWAY RESULTS.

THE reports and accounts of the four great Home railway companies for 1923, which are the first to appear since the grouping provisions of the Railways Act of 1921 came into force at the beginning of last year, do not contain the usual comparative figures. They are presumably omitted owing to the fact that the overlapping which may have occurred in the statistics of the constituent and subsidiary companies would vitiate accurate comparison. We should have thought, however, that such inaccuracy would be small in relation to the advantages to be derived from comparative statistics. The London and North-Eastern Company has, throughout the past year, published a comparative figure with its weekly returns of gross receipts, and we can think of no reason why the other three companies should not have done the same; and if weekly comparative figures are available, surely annual figures should be obtainable without great difficulty—at least, so far as the main totals are concerned. Having thus drawn attention to the sins of omission of the accounts, we will now proceed to an examination of the results. Twelve months ago, in examining the reports of the British railway companies, we classified the figures of the constituent companies into the four new groups, and have now used the four aggregates then obtained for comparative purposes in the tables which follow. In so far as our totals for 1922 included only ten "constituent" and not the "subsidiary" companies, our comparative figures are inaccurate, and allowance has accordingly to be made. They should be, however, sufficiently accurate to show the general tendency of the figures. The Great Western Company, it should be added, published accounts a year ago which embraced the operating results as from the beginning of 1922 of the whole of the constituent companies and of certain of the subsidiary companies, and also, as from July 1, 1923, of some of the subsidiaries. The comparative figures for the Great Western Company are therefore probably more nearly accurate than those of the other three. In the table below we set out the gross receipts, expenditure, and net income of the four lines:—

(000's omitted.)

	Gross Receipts.		Expenditure.		Net Receipts (incl. Miscell. Receipts).	
	1923.	Dec.	1923.	Dec.	1923.	Dec.
£	£	£	£	£	£	£
London, Mid., & Scottish ..	87,317	— 4,934	71,019	— 2,803	19,712	— 1,322
London and North-Eastern ..	67,026	— 3,998	54,836	— 3,270	14,047	— 88
Southern ..	26,440	— 1,132	21,327	— 434	6,252	— 267
Great Western ..	36,723	— 1,800	29,778	— 1,325	8,237	— 39
	217,506	— 11,864	176,960	— 7,832	48,248	— 1,716

The feature of the table is the substantial decline in gross receipts (which include receipts from omnibuses, steamboats, canals, docks, &c., and hotels and refreshment rooms), and the smaller decline in expenditure. At the same time, however, there has been an increase in "miscellaneous receipts (net)"—principally rents and interest—sufficient to reduce very considerably the decline in total net income. The decline in gross receipts is to be ascribed entirely to the reductions in fares and freight rates. Passenger fares were reduced as from January 1, 1923, by over 14 per cent.—namely, from 75 per cent. to 50 per cent. above the fares in operation in 1919. The charges for parcels and perishable merchandise by passenger train were also reduced. As from May 1, 1923, goods train rates for commodities not already lowered were reduced from 75 per cent. to 60 per cent.

over the rates in operation in 1914, and as from August 1st a further reduction to 50 per cent. was made. The figures of the tonnage carried by the railways for December have not yet been published by the Ministry of Transport, but the statistics for the eleven months show a total of 319½ million tons for 1923, as compared with 293 million tons in the corresponding period of 1922, an increase of 9.1 per cent. The number of passengers carried also shows a considerable increase. Lord Lawrence of Kingsgate, in the course of his speech at the meeting of the London, Midland and Scottish, referred at some length to the question of freights, and said that if the company had carried the same volume of traffic in 1923 as in 1922, the gross receipts would have been £11 millions lower. The actual decline, however, was only £5½ millions (comparative statistics are, apparently, available!), so that traffic has improved to the extent of £5½ millions sterling.

The ratio of expenditure to gross receipts, including those from other businesses, shows a slight increase in three cases—the L.M.S. from 80 to 81.4 per cent.; the Southern from 78.9 to 80.7 per cent.; and the Great Western from 80.8 to 81.1 per cent.; but that of the L. and N.E. has dropped from 81.8 to 81.2 per cent. In the aggregate the ratio works out at 81.3 per cent., as against 80.6 per cent. for 1922 and 64.1 in 1913. A large proportion of the miscellaneous net receipts which have helped to swell net income consists of "general interest." The miscellaneous receipts of the Great Western, for example, amounted to £1,292,200, as compared with £856,200; "general interest" accounted for the bulk of this increase, amounting to £930,700 in 1923, as against £549,200 a year ago. Viscount Churchill explained at the Great Western annual meeting that the increase of £380,000 in this item was due "mainly to the second instalment of the Government compensation money having been received at the commencement of 1923." The miscellaneous receipts (net) of the London Midland and Scottish amounted to £3,414,100, of which £1,888,700 was "general interest." The increase is, of course, due to the expansion in the holdings of Government securities, shown in a later table.

We next show how net income has been appropriated:—

(000's omitted.)

	Net Income.	Fixed Charges &c.	Reserve, &c.	Guaranteed and Preference Dividends.	Ordinary Dividend.			Carried Forward.
					Amount.	Inc. or Dec. on 1922.	Rate, 1923.	
£	£	£	£	£	£	£	%	
London, Midland & Scottish ..	19,712	5,155 Dr	200	8,092	6,664	— 3,162	7	1
London and North-Eastern ..	14,047	4,620 Dr	550	6,925	3,011	— 1,600	24	41
Southern ..	6,252	1,736 Dr	250	2,335	2,428	— 25	24	3
Great Western ..	8,237	2,415 Dr	150	2,579	3,356	— 19	8	42
	48,248	13,926 Dr	1,150	19,931	15,499	— 4,768	..	+

* On deferred stock.

Each of the companies has drawn a small amount from reserves, and has thereby preserved almost intact the balance forward. The London Midland and Scottish appropriates £200,000 from reserve, the London and North-Eastern takes £550,000 from the "Compensation Fund," the Southern appropriates £250,000 from "Railways Compensation Account," and the Great Western takes £150,000 from "Reserve for Contingencies." The amount required for ordinary dividend shows a substantial decrease, but this arises to a considerable extent from the conversions of stock. The Great Western ordinary dividend is at the same rate as for 1922. The London and North-Eastern and the Southern distributions on the deferred stocks were quite up to market expectations, but some disappointment was apparently felt in the market with the London Midland and Scottish rate, London and North-Western ordinary stock, which was exchanged into an equal amount of L.M.S. stock, having received a dividend of 8½ per cent. for 1922. All the dividends paid at the end of 1922, however, were recognised as being of a special nature, and not a basis for a calculation of possible rates on the new stocks. Fixed charges show a drop in comparison with last year, and a glance at the two reports of the Great Western reveals a drop of over

£60,000 in rents of leased and worked lines and guaranteed interest. This is probably the case with the other companies, and illustrates at once one of the benefits of the grouping system.

In the next table we summarise the main items of the balance-sheets of December 31, 1922 and 1923:—

(000's omitted.)

	Capital Expenditure.	Reserve and Other Funds.				Cash in Hand and on Deposit.	Government Securities.	Stocks of Stores and Materials.
		General Reserve.	Depreciation Accounts.	Government Compensation.	Total (incl. Superannuation and Other Funds).			
£	£	£	£	£	£	£	£	£
London, Mid., & Scottish—								
1922	421,564	7,578	25,015	15,636	£ 480,222	7,668	97,681	9,763
1923	438,029	12,588	28,883	..	£ 479,500	8,709	38,205	8,984
London & N.E.—								
1922	325,741	2,700	16,270	15,269	£ 359,980	10,210	7,867	6,515
1923	338,788	1,978	16,665	12,754	£ 369,185	13,348	13,272	6,135
Southern—								
1922	143,458	444	6,228	2,948	£ 153,078	5,472	3,881	2,293
1923	148,308	1,750	11,857	..	£ 161,915	6,154	8,119	1,898
Gr. Western—								
1922	158,389	1,800	13,748	9,802	£ 183,739	6,460	14,378	3,573
1923	167,805	4,150	19,745	..	£ 191,700	4,240	21,920	3,282
Total—								
1922	1,049,152	12,522	61,261	43,655	£ 1,166,589	29,810	53,807	22,174
1923	1,090,930	20,466	77,150	12,754	£ 1,201,299	32,451	81,516	20,299

Stress should not be laid on the comparison of the figures of capital expenditure, as last year's figures are admittedly incomplete. The Government compensation accounts have disappeared from the balance-sheets, and been dispersed over other reserve accounts, except in the case of the L. and N.E. This company's balance-sheet shows that £2,356,200 has been expended during the year on arrears of maintenance, and £149,200 on expenses of amalgamation and compensation to retiring officials out of this fund. The investments in British Government securities have been very substantially increased, and the cash holdings are still on a very large scale. Big renewal and development works are, however, to be undertaken, which, as the chairman of the L.M.S. said, "will make a very serious inroad into our liquid funds." He went on to explain that "of the thirty-eight millions sterling held in Government investments, a considerable sum represents amounts placed in our keeping by the staff through our various savings banks and the balances of superannuation and pension funds, which in the course of years will be required to meet pensions towards which the staff themselves have contributed. I am anxious that the proprietors should be under no misapprehension in this matter, and I am dealing with it at some length in order to remove any feeling of doubt that they may have as to the board retaining any sums which might legitimately be divided amongst the shareholders. The money, which, as I have pointed out, is invested in the finest securities in the world, is earning good interest which ensues to the shareholders."

THE TEAPOT DOME SCANDAL AT WASHINGTON.

(FROM AN AMERICAN CORRESPONDENT.)

OIL, long a recognised ingredient of international politics, has now invaded the domestic arena at Washington, and to-day the politics of the United States are floating confusedly upon a very malodorous sea of this commodity. What is popularly known as the Teapot Dome scandal has stirred the whole country to an outburst of moral indignation, upset the plans and calculations of the managers of both the historic parties, and brought to the forefront the whole question of how, under a democratic system, the activities of great predatory corporations can be controlled in the public interest.

The history of the scandal is relatively simple. Under what were known as the "conservation policies" initiated by President Roosevelt and continued by President Wilson, certain oil-bearing areas, included in the nation's unalienated lands, had been set aside as permanent oil reserves for the Navy. One of these was the Teapot Dome reserve, in the State of Wyoming, so-

called from a curious eminence within its bounds, and another was the Elk Hills reserve in California. The Teapot Dome reserve, officially designated No. 3, has given its name to the scandal, but the volume of oil available in it, estimated originally at 25 million barrels, makes it comparatively insignificant in comparison with the Elk Hills Reserve (No. 1), whose resources have been put at 250 million barrels; at any rate, Mr E. L. Doheny, the petroleum magnate whose operations in Mexico and elsewhere are familiar to the oil world, testified that he expected to make a profit of 100 million dollars out of the Elk Hills field.

Apparently, under the Wilson administration, various abortive attempts were made to secure access to these fields for private corporations, and the argument was used that they might as well be leased to deserving friends of the Democratic Party, because the Republicans, as soon as they came to power, would, in the absence of a "conservation" champion like Roosevelt, soon dispose of them. These forebodings were all too speedily justified. Mr Harding had admitted to his Cabinet, amid the criticisms of many of his Press supporters, Senator Albert Fall, of New Mexico, a politician who had distinguished himself by his chauvinistic attitude towards Mexico. In his constant demands for intervention he was interpreted as voicing the views of powerful oil interests, but when he became Minister of the Interior he was able to render them a more practical service. The oil reserves were under the supervision of the Navy Department, and the first move was to urge their transfer to the Interior Department, on the ground that the latter possessed more adequate supervisory facilities. To this course Mr Denby, the Secretary of the Navy, and his assistant-secretary, Theodore Roosevelt II., assented, and the transfer was carried out by executive order of the President. Mr Fall lost no time in meeting the wishes of the oil interests. The discovery was suddenly made that private wells adjacent to the national reserves were threatening their serious depletion through drainage, and the Minister of the Interior reached the conclusion that the national interests could best be served by leasing the reserves. Eminent geologists, however, including the head of the U.S. Geological Survey and the chief of the oil and gas section of the Survey, have testified that the danger of serious drainage was very doubtful, and its reality could be proved by very simple measures. In any event, there is an accepted method of defence, the sinking of "offset" wells just inside the boundary of the area to be protected, directly opposite the wells exercising the drainage. In California the offending wells belonged to the Standard Oil Company, but as it was only operating opposite the boundary of the Elk Hills reserve for a distance of two miles out of a perimeter of 60, the threat was not of an alarmist nature. But Mr Fall called for competitive bids or a contract for defensive drilling, and in June, 1921, three months after Mr Fall assumed office, the contract was awarded the Pan-American Company, the chief corporation of Mr Doheny. Mr Doheny had made two alternative bids, and the one which was accepted embraced a preferential right to lease half the No. 1 Reserve. In December, 1922, Mr Doheny exercised this preferential right of lease, but Senator Fall generously leased him the whole reserve, amounting to 32,000 acres, on the ground that a more serious threat of drainage had occurred in the centre of the reserve. To this second threat there hangs a strange story. In 1914, local government officials informed Washington that the Standard Oil were claiming this part of the reserve under a grant from the State of California, and ouster proceedings against the corporation were commenced. But they were discreetly halted in their initial stages, and the Standard was allowed to pursue its designs unmolested; the excuse was that vital papers had disappeared. In 1921 an official in the San Francisco Land Office discovered the lost papers, which had been "inadvertently placed in the wrong file," and the lapsed proceedings were revived. There is a process of appeal in such cases to the Minister of the Interior, and Mr Fall gave a decision sustaining the Standard Oil Company's claim to this particular section. With the drainage menace thus increased by his own act, Mr Fall hastened to save the reserve by leasing it to Mr Doheny.

A similar excuse was alleged in the case of the Teapot Dome, which was, in April, 1922, leased to the Mammoth

Oil Company, a corporation organised for the special purpose of securing this reserve by Mr Harry F. Sinclair, the oil magnate, who is chiefly known outside America by his manoeuvres in Persia. For this lease there was no competitive bidding, the contract being signed after private conversations between Fall and Sinclair. It permitted drilling of the whole reserve on the basis of royalties on a graduated scale. Naval officers who protested were sent to sea. Under both the Sinclair and Doheny contracts the lessees were authorised to erect storage tanks for the royalty oil which they were to deliver, and were allowed to pay themselves for this construction out of the oil itself. Storage for a barrel of oil costs the current price of two barrels, and the estimate has been made that if Teapot Dome yielded 25 million barrels, and the royalty rate, which so far has averaged 17 per cent., were to reach 20 per cent., the State would only receive 1,666,666 barrels of oil. This contract was peculiarly disadvantageous, because the private wells threatening drainage in Wyoming were under lease from the Government on royalties averaging 25 per cent.

Any Minister might be guilty of an administrative error in such matters as leasing oil reserves, but suspicions were aroused by the fact that Mr Fall, after having been in such serious financial straits that taxes on his ranch in New Mexico were eight years in arrears, suddenly experienced a change of fortune; he paid his taxes, made expensive improvements on his ranch, put valuable new pedigree stock upon it, bought an adjoining property for \$91,500, and in general displayed signs of surprising affluence. However, he retired from the Harding Cabinet in the autumn of 1922, ostensibly on the grounds of ill-health, but the presumption now is that the late President had become apprised of something of the truth.

A large part of this truth has emerged within the last month at the sessions of the Public Lands Committee of the Senate, before which Senator Thomas J. Walsh, of Montana, an able Democratic lawyer, has now built up a colossal record of evidence to show that the country has been looted of enormous oil resources through a fraudulent conspiracy between Fall and the two oil magnates. Mr Doheny has admitted that in 1922 he lent Mr Fall \$100,000 on a note, not a cent of which has been repaid. Mr Archie Roosevelt, another member of the famous family, and other Sinclair officials, have testified that Mr Sinclair presented Mr Fall with some valuable pedigree stock for his ranch and \$25,000 in Liberty bonds. Mr Fall at first attempted an explanation of his sudden affluence, but its complete falseness was easily proved.

A nation which ought now to be inured to political scandals was profoundly shocked at the revelation that its affairs were in such feeble and corrupt hands, and that predatory wealth was at its ancient tricks. The parties involved were national figures. Mr Fall was an intimate of the late President Harding, Mr Doheny had been a candidate for the Democratic nomination as Vice-President, and Mr Sinclair was famous as the owner of the celebrated racehorse Zev. The threat to the easy victory which the Republicans were counting upon for President Coolidge in November was obvious. The President had, while Vice-President, attended all the meetings of the Harding Cabinet, and thereby was involved in partial responsibility for the leases, although not so directly as Mr Fall and Mr Denby. Democratic spokesmen also argue that the leases, in the absence of the authority of Congress, were quite illegal, and it is stated that eminent counsel connected with the oil companies have shared this view.

The President first met the crisis by issuing a public statement, in which he reviewed the transactions, admitted the need for complete investigation, and appointed two special counsel to examine the whole affair in its legal aspects, with a view to the cancellation of the leases and the prosecution of guilty parties. The senatorial inquiry is still proceeding, and further strange revelations are presaged. However, Mr Fall, whose health is alleged to be precarious, has refused to answer any questions of the committee on the ground that it lacks proper authority and that the case is now a legal one for the courts to determine.

Deeply embarrassed as the Republicans are, they find some comfort in revelations made by Mr. Doheny, who has obviously not relished the rôle played by his own party, the Democrats, in the business. Mr W. G. McAdoo, the former Secretary of the Treasury, is the leading candidate for the Democratic nomination for the Presidency, but Mr Doheny testified that soon after Mr McAdoo left the Wilson Cabinet in 1918 he induced him to accept a retainer of \$25,000 per annum, and has in the last four years paid him and his firm for law services about \$250,000. Mr McAdoo admitted to the Senatorial Committee the receipt of these huge fees, but contended that they were given for services which his special knowledge of Mexico and the South American Republics enabled him to render the Doheny interests, and that he had not concerned himself with their domestic difficulties. His defence is very reasonable, but the general impression is that, if the Democrats want to get the full use of the political capital available in the scandal, they must abandon the idea of nominating a candidate who has enjoyed such a profitable connection with the oil interests. The late Mr Franklin K. Lane, Secretary of the Interior in the Wilson Cabinet, retired from it to accept a huge salary from Mr Doheny, and Mr T. W. Gregory, Attorney-General in the same Cabinet, had to give up the brief given him as one of the special investigating counsel in the present *affaire*, because he had been lucratively employed by Mr Doheny and his associates. There is, accordingly, ample evidence that in one way or another the oil magnates have acquired great influence in the counsels of both the historic parties. Naturally, such a situation delights the heart of Senator La Follette, the leader of the insurgent radical group, and he has now at his command ample ammunition to destroy the power of both these parties in the Middle- and North-Western States, where his following is already strong. He has always taken a special interest in the oil problem, and it is probable that he will seize the opportunity to revive his old programme of rigid national control of all oil resources. Meanwhile the Senate, by a majority of 47, which included eight Republicans, to 34 has passed a resolution urging the dismissal of Mr Denby, whose acquiescence in the first transfer involves him deeply, but Mr Coolidge has categorically declined to take any cognisance of it on the ground that until some greater culpability than is now known can be laid at Mr Denby's door he must stand by his colleague. Mr Denby has not improved matters by declaring that the leases were sound and proper transactions, and refusing to contemplate resignation.* The inquiry is still proceeding, and Mr Sinclair has just sailed from Europe in obedience to a summons to give his story. From the *affaire* there has emerged some illuminating evidence about the incomes of executive officers of the great oil corporations. Mr Doheny gets an annual salary of \$1,000,000, and Mr H. G. Wylie, his second-in-command, \$81,666. Mr H. F. Sinclair is content with a modest \$75,000, but seven of his subordinates receive \$49,999.92, a figure which conveniently puts them in a lower income-tax grade. All the American papers are featuring prominently the developments of the scandal and the daily revelations at Washington, and the credit of the politicians, which was dangerously low already, has been further depressed. Oil stocks have naturally suffered an unfavourable reaction, and the Sinclair companies have been specially affected. But for the moment the political effects of the scandal are the most important. Mr Coolidge's prospects of reelection have been suddenly clouded, and a great impetus has been given to the movement of radical protest which has been slowly gathering headway in the Middle-Western States under the influence of agrarian depression.

CHANGES IN THE MATCH TRADE.

(BY A CORRESPONDENT.)

GREAT changes have been brought about in the match trade by the Great War. In the year 1913 our imports of safety matches—mainly from Sweden and Belgium—were 8,180,799 gross of boxes, valued at £404,028. This was slightly under 1s per gross, or 1d per dozen

boxes. There was then no tax on them, and foreign matches of good quality were retailed by the great majority of grocers at 1½d per dozen boxes. Boxes then contained 60 matches, or 720 per dozen boxes. At that time similar matches of English make were being sold at 2½d per dozen boxes. In 1923 imports of "safeties" amounted to 3,249,140 ten-thousands of matches, valued at £672,891, or a shade under 5d per thousand matches. The usual contents of a box of imported "safeties" is now 45 or 50—540 to 600 matches to the dozen boxes; so that the imported price of a dozen boxes is at present between 2½d and 3d. It will thus be seen that the landed price of imported safety matches has risen since the war by nearly 200 per cent.

We have now to consider the duty, imposed during the war. This is 5s 2d per 10,000 matches, or 3½d on a dozen boxes, containing 600 matches, and rather over 3½d on a dozen boxes containing 540 matches. It may therefore be said that the total cost of the imported matches, duty paid, would average about 6d per dozen boxes. This being the average cost, some qualities will be higher in value and some lower. For example, matches from Poland are entered at about half the cost of those coming from Sweden—the one cost being about 3 3-5d per thousand matches, and the other 7½d. Some of these cheaper brands are so low that after duty is paid and all intermediate expenses and profits provided for, they are sold to the public at 6½d per dozen boxes—usually containing only 540 matches. Manifestly, these must cost a good deal less than 6d per dozen landed and duty paid.

Incidentally, we have here a good illustration of the cumulative effect of import duties on retail prices. Before the war, goods landed at slightly under a penny per dozen boxes were sold at 1½d per dozen—an addition of 50 per cent. for intermediate expenses and profits. We have seen that the average cost now, landed and duty paid, is 6d per dozen boxes. Retail selling prices range all the way from 6½d to 10½d per dozen boxes, so that we may fairly assume the average to be about 8½d. This is an addition of about 41 per cent. to the cost price. But the 41 per cent. now means 2½d per dozen boxes, whereas the 50 per cent. before the war and before the duty meant only ½d per dozen boxes. In other words, the margin between cost and retail price has increased fivefold—for all the intermediate traders would aim at making profits on the duty as well as on the bare cost price.

Now let us inquire how these radical changes have affected English manufacturers in their competition with foreign producers. Here are the British exports since the early seventies of last century, contrasted with the net imports (goods retained for home consumption) since these have been recorded:—

BRITAIN'S OVERSEAS TRADE IN MATCHES OF ALL KINDS.

Five-year Averages.	(Thous. £; 000's omitted.)		Excess of Imports.
	British Exports.	Net Imports.	
1873-77	169 .....	.. .....	..
1878-82	154 .....	.. .....	..
1883-87	149 .....	.. .....	..
1888-92	137	208	71
1893-97	83	248	165
1898-02	89	295	206
1903-07	66	396	330
1908-12	105	426	321
1913-17	139	533	394
1918-22	119	989	870

Until the early 'eighties, while the safety match was still decidedly uncommon and even exceptional, our manufacturers appear to have held their own very well. But with the appearance of the "safety" things went against them. For the first 13 years of this century our makers progressed fairly in the manufacture of non-safety varieties, lowering imports very considerably during that period. But as regards "safeties," they seem never to have been able to put up a fight that counted much. Mostly, English safety matches are being retailed now at 10½d per dozen boxes. They are very little better than foreign ones sold at 7½d, and certainly no better than those sold at 8½d. This kind of thing won't do, and the sooner our manufacturers realise it, the better it will be for them.

Let us now glance at the overseas figures for safety

* He has, of course, since resigned.—ED., *Economist*.

and other matches since the two varieties have been entered separately by the Board of Trade:—

SAFETY and OTHER MATCHES.
(In Thous. £, 000's omitted.)

	Safety Matches.			Other Sorts.		
	British Exports.	Net Imports.	Excess of Net Imports.	British Exports.	Net Imports.	Excess of Net Imports.
1903-7.....	10	200	190	56	196	140
1908-12.....	29	284	255	77	142	65
1913-17.....	65	438	373	75	96	21
1918-22.....	42	717	675	77	271	194

It will be seen that there is a marked difference between the two groups. In "safeties" our makers have all along had the worst of it. Contrariwise, they made in "other sorts" excellent progress right down to the war. Since the great struggle, however, there has been a heavy increase of imports even in this department, which our manufacturers would do well to attend to at once. It is difficult to see that our own industry is handicapped in any way. We have to import our raw materials, it is true; but so does Belgium, which country sends us some of the cheapest matches we get from abroad. Some may urge that a depreciated exchange rate for the franc helps Belgian exporters. If it does, it also greatly increases the cost of raw materials imported by manufacturers of the matches.

Moreover, the point really does not arise at all, for Belgium enormously increased her shipments of "safeties" to us before the war, when there was no depreciation in the franc. In 1904 we received from her safety matches to the value of only £42,392, but in 1913 the value had grown to £101,079. Long before the great struggle she had become the second largest supplier, ranking after Sweden.

There seems to be no escape from the conclusion that our own manufacturers have only themselves to blame for the fact that matches imported and retained here for sale were worth £1,098,000 in 1920, £1,225,000 in 1921, and £1,347,000 in 1922 (gross imports were £1,225,000 in 1923, but exports and re-exports will not be published for some time yet). The leaders in the English industry have the freest access to all raw materials required, their goods bear a slightly lower duty than is paid on imported articles, and yet they cannot so far compete with foreign suppliers. It is a position that is not edifying to those who have been wont to look upon English business men generally as among the most efficient in the world.

THE RUBBER TRADE IN AMERICA.

(BY A NEW YORK CORRESPONDENT.)

NOTWITHSTANDING the present quiet market a more optimistic feeling on the outlook in the near future is gradually becoming apparent, mainly due to the belief that the consuming demand this year will show an improvement over 1923; moreover, the industry is now undoubtedly in a sounder position than for several years past. The better sentiment is not yet reflected in the price, which at about 25½c here and 1s 1¾d in London is only a little better than the lowest since restriction.

The sounder underlying conditions can best be appreciated by a comparison with 1923. It is not surprising that restriction should have misled the market last year. Certainly an exaggerated idea of its effect on available supplies caused manufacturers here to purchase their requirements in a hurry, and, as events proved, they also over-estimated the capacity of the public to absorb their manufactured goods. This resulted in unduly heavy inventories in the manufacturers' hands, whose principal efforts had to be devoted to realising their stocks and curtailing fresh output as far as possible. Even before the end of 1923 inventories had been reduced to such proportions as to justify many of the larger manufacturers in increasing their production, and this movement has since developed generally and to a satisfactory extent. The

public is now buying on a considerably larger scale than a year ago, and anticipations of the spring and summer demand are distinctly favourable.

Apart from other factors, it may be mentioned that the winter of 1922-23 was so protracted as to curtail motoring by two to three months, while this season the weather has been so mild that there has been little or no interruption in tyre consumption.

At the beginning of 1923 there were some 12,250,000 motor-cars and trucks in operation here, while on January 1, 1924, the number had increased to 15,250,000. The output of cars and trucks in 1923 had greatly exceeded anticipations at some 4,000,000, and far outstripped all previous production records. Almost without exception the motor and truck manufacturers have already increased their output over last year, and have prepared substantially larger production schedules for the remainder of this year. It is said that even on this basis public demand is ahead of supply, and some manufacturers have advanced prices.

Such a rapid and enormous increase in motor transportation naturally causes some questioning in the minds of thoughtful people. It is asked at what number "the saturation point" will be reached, and doubts are expressed as to what proportion of the industry can be looked on as extravagance rather than utility. Even a severe critic, however, after full investigation of conditions here, would find it difficult to give answers to these questions. It is perhaps satisfactory to know that the increased use of trucks for commercial purposes is even more marked than the increase in what are somewhat misleadingly described as pleasure cars. It should also be remembered that something like 50 per cent. of the latter are Fords, which are mainly in the utility class.

The rubber manufacturing industry here has grown so rapidly (for it is only within the last ten years that it has developed to its present magnitude) that manufacturers have been forced to lock up far too large a proportion of their capital in increasing their plants, and consequently have been to too great an extent dependent on temporary financing by the banks. In its rapid growth it has passed through many vicissitudes, and bankers are apt at times to look with somewhat over-doubtful eyes on providing funds for their business. This attitude became particularly marked last year in view of the heavy inventories carried, and manufacturers were thus virtually compelled to limit the buying of their raw materials, particularly rubber, to the smallest proportions, and were discouraged from carrying out their normal policy of securing their requirements by contracts for forward deliveries. They, therefore, adopted a "from hand-to-mouth" buying policy, and have shown so little interest in the market that prices have remained depressed, notwithstanding that the facts appear to justify more satisfactory levels for the producers.

The "hand-to-mouth" method of buying is not without its dangers, and may at any time develop considerable trouble for those manufacturers who have continued to purchase their requirements only for their actual needs for immediate consumption. Up to now they have succeeded in finding someone to supply their necessities, but the stocks carried by importers here are so comparatively small at the present time that a very little demand would absorb them and call for immediate shipment in volume from London. For the last three or four months a substantial tonnage has been drawn from London stocks, but this, with the normal direct imports from the East, is estimated as only sufficient to take care of about 65 to 70 per cent. of the current consumption. It is reported that one of the largest consumers recently stated that his sales to the public were now four times larger than those of a year ago, while his purchases of rubber amounted to less than one-half. It is not suggested that all the other manufacturers are in a similar position, but it does appear that at no time during recent years have consumers covered such a small proportion of their requirements.

Quite an important factor, in direct contrast to the position of last year, is that there does not appear to be any speculative interest in the market at present. In 1923 speculators sought to take advantage of restriction, and purchased heavily for the rise. The course that the market took involved them in heavy losses, and the liquidation of their interests did much to exaggerate the

decline in prices, but now no fears are felt on this ground.

Because American manufacturers were misled over the effects of restriction early last year, they cannot now be induced to take the subject very seriously. Yet a clearer understanding of what restriction has accomplished, and an appreciation of the facts which at times have appeared to falsify the results expected from it, might serve to cause them to revise their attitude, for it appears very probable, if not certain, that without an advance which will hold prices above 1s 3d in London for a continuous period of six months and permit additional exports from the restricted areas, the stocks available for consumption will, at some period of the year, be so seriously depleted as to cause dangerously high prices, with a subsequent inevitable slump. It is perhaps the most serious criticism of the whole plan of restriction that such results are within the bounds of probability. On the other hand, restriction may well receive some credit for the fact that, compared with last year, London and Liverpool stocks have been reduced by some 15,000 tons, and American stocks by about 17,000 tons. Moreover, some 30,000 tons held in the East before November 1, 1922, and therefore not subject to restriction, have gone into consumption. Consequently it appears fair to say that the world's visible supply at the end of 1923 was approximately 60,000 tons less than at the beginning, while all signs point towards an increase in consumption this year.

In view of the more favourable conditions outlined above, it may be asked why market prices have not yet responded, and remain at such depressed levels? The answer is that there is no effective or intelligent market balance-weight between producers on the one hand and consumers on the other; prices, marketing, and distribution are permitted to take their own course in a most aimless manner. The comparatively small number of merchants and importers existing in the rubber markets, actively competing with one another and, individually, of no great financial strength, cannot provide any such balance, and producers, as a body, have always proved quite incapable of protecting the value of their own commodity.

Seeing that British interests have a preponderating direct and indirect control over the rubber producing-end of the industry, it is to be regretted that so much of the benefit of its manufacturing should have been allowed to be diverted abroad, and that the British manufacturer has developed very slowly in comparison with others. But apart from this, it is surprising to consider how a great national asset, the annual export of which to this country is alone almost sufficient to provide for the interest and sinking fund on England's debt, to say nothing of its value on sterling exchange, should be so inefficiently administered. All the periodical crises to which rubber has been subject for so long are due to the same cause, and there is no doubt that, with any kind of broad business leadership in the trade, a much sounder solution of the troubles of 1920 to 1922 than restriction could have been formulated.

POLISH FINANCIAL REFORM.—II.

In a previous article on the financial reform now in progress in Poland it was shown that the foreign trade balance of Poland is favourable, and its success will therefore depend upon public confidence and upon the immediate covering of the Budget deficit. This latter is not theoretically difficult, since the cost of Government in Poland is small (about 32s per head), and can be further reduced. The Government's problem is chiefly to obtain and maintain twice its present revenue. Confidence will depend primarily on success in this attempt, though it will certainly be influenced by currency developments in Germany, to which Poland is very sensitive. It remains to examine M. Grabski's plan and to estimate his chances.

M. Grabski appreciates the rôle played by confidence, and has acted with courage. After one month in office he has stopped the printing of notes for Government needs,

and announced that he can balance the budget and see his way to instituting the Bank of Issue at an early date. This has naturally produced a great effect, which has been skilfully maintained by statements in the Press. The exchange has remained stable for over a month without, it is said, any support from the Government. This assertion is confirmed by the sight of queues of persons selling dollars at the banks.

Besides calling out confidence, M. Grabski is relying chiefly on the fact that the bulk of Polish taxes are paid in spring and autumn instalments. Any Polish Government should be in a strong position in March and April. M. Grabski counts on greater receipts than previous Governments in virtue of the fact that all taxes are now on a gold basis. This reform, initiated by M. Grabski in his last tenure of office, was the dying act of the previous Government, and took effect as from January 1st. Taxes are assessed in złote (gold francs), and are paid in Polish marks at the rate of the day, which is announced in each of the "Cassa" throughout Poland every day. Comparing the actual receipts from taxation in 1923 with the heavy fall in the exchanges (especially in October, when the autumn taxes are collected), there is reason to expect a great increase in the yield under this new "valorisation," but much will depend upon the administration, which is unfortunately far from perfect. So long as the exchange is stable the working of the new arrangement cannot be properly tested. The weak point of the present revenue system is that defects of administration may falsify the estimates and diminish the receipts precisely at the moment when, owing to a break in the exchange, the Budget position becomes unstable.

For a time, however, the Government can count upon a definite increase of receipts, and the next point in its programme is the acceleration of the payment of various taxes so as to tide over the period till the usual spring influx. Various arrangements are made to induce or compel payment of certain taxes in anticipation of the normal date. They would be inadequate, however, but for the first half-yearly payment of the property tax.

This is Poland's third capital levy, and is estimated to produce over 300,000,000 Swiss francs in each of three successive years. Its payment will be attended with great difficulties, especially by landed proprietors and those who cannot easily mobilise their revenues or sell property in a difficult market. Much has been made, too, of the difficulties which will be caused by the shortage of currency. It is pointed out that the total value of Polish currency, turned into dollars at the present rate of exchange, is about half of the total proceeds of the present instalment of the property tax which has to be paid within a period of about two months, and it is argued that the currency cannot circulate quickly enough to render these payments possible at a time when other large tax payments are in process. Such an argument finds ready reception in Poland, but it is rather theoretical, especially as other methods of paying taxes (by gold tax bonds and gold deposits in the national savings bank) are available. It seems probable, in fact, that M. Grabski will obtain a large part of the sum budgeted for, and this will enable him to carry on until the spring taxes come in.

Receipts from taxation may be supplemented by receipts from loans. Hitherto there have been practically no internal loans in Poland, which is the more surprising as all Poland seeks daily some stable values in which to invest surplus cash. M. Grabski is evidently conscious of the importance of calling out savings, though much may depend upon the persistence and skill with which plans are made, and, still more, carried into effect. Here, as elsewhere, indeed, it is clear that M. Grabski's success will depend far more on his ability as an administrator than on his technical financial skill.

By these various methods M. Grabski will probably, in spite of obstacles, obtain the bulk of the necessary revenue in the spring.

The dangers of the immediate future are to be expected more from the expenditure side of the Budget. To restrict the normal expenditure will be difficult—the Army, the railways, and education may all spend more than the Estimates, if not closely controlled, and though the various Ministers have probably the will, it is not certain that their Departments have the power to curtail in the right

places. And new expenditure may be created by the stabilisation of the exchange. The "valorisation" is now rapidly extending to all commercial transactions (bills may, in some cases, be drawn in gold francs), and this has been accompanied by a panic rise of prices. In the first few days of January, although the exchange moved little, all prices practically doubled. This wave of profiteering has now passed its height, but the effects upon industry and upon the Government finances will be felt for some time. Industry, especially in Lodz and Upper Silesia, suffered a severe shock and unemployment rose rapidly. Should it continue, as it may if the exchange remains steady, the Government may be involved in fairly considerable unforeseen expenditure. Moreover, since all official wages and salaries move with a fortnightly cost of living index, Government expenditure will continue to increase with the rise of prices for some time after the exchange has stopped falling.

In spite of these difficulties, however, it is probable that M. Grabski will be able to hold the position for some time. The critical month is February, and as this is drawing to an end without a break in the exchange, it is likely that the Budget will balance without aid from the printing press until the spring taxes are exhausted, i.e., till perhaps the end of May.

After this exhaustion, it is not impossible that M. Grabski may obtain certain further sums from various sources with which to face his crisis. For this crisis must come in the summer. Poland has before now kept herself afloat on the equinoctial tide of revenue. It is in the low water between the two half-years that previous efforts have gone aground. To meet this situation, M. Grabski may have certain resources which his predecessors had not. Chief of these will be the new Bank of Issue, which should be started at no distant date, with or without Government or foreign capital. Its efficiency will depend on many factors as to which it is still too early to prophesy, though the importance of one, namely confidence abroad, is perhaps not sufficiently appreciated in Poland. But it is evident that the Bank may be subjected to a very severe test almost as soon as it has been founded.

The summer months will be especially critical for another reason. As we have mentioned above, M. Grabski has obtained full powers from the Parliament for all financial action. By what seems to be a great mistake, these powers were limited to six months, so that they should expire about the time when the revenue falls off and the great testing period begins. Even if this Government of experts can avoid political questions for these six months it is doubtful whether in a country so politically-minded as Poland a crisis can be avoided as the full powers expire. If the financial difficulties foreseen above mature about the same time, the gallant experiment of M. Grabski may be endangered.

Should the Polish Government weather this storm and carry on until the autumn taxes flow in, the Polish exchange may remain stable and the Budget be balanced for nearly a year. Unfortunately this would not be the end of Poland's difficulties. The reduced Budget which is a condition of this achievement cannot be maintained for a long period. Poland's requirements for railway expenditure, education, social assistance of all kinds, and municipal finance will necessitate a considerable addition to the Government expenditure in the next few years and the salaries of her officials must be raised.

For her years of consolidation Poland must have a much larger budget than at present. But it is most doubtful whether, under present administrative conditions, such a total revenue could be collected. Owing to the many defects in the machinery of tax collection, the nominal rates of taxation required to yield the necessary amounts would have to be so high as to be disastrous to those who were compelled to pay them, even could a Parliament be found to impose them. Economic necessity indeed must compel Poland to concentrate upon financial policy for some years to come, but fully as important as policy is administration.

Even with stronger and more stable Governments, the difficulties of administration in the three parts of Poland, each for a hundred years separated and excluded from the functions of Government, would be gigantic. They have been rendered more difficult by the complete withdrawal of the best administrators, the Germans, and

Poland has had to make shift with a small number of Austrian officials, supplementing them as best she could. Such a machine is not calculated to succeed in the difficult task of extracting revenue from a largely agricultural country. In moments of patriotic excitement, as at present, it may obtain the moderate receipts which are essential at the moment, but a considerable improvement in the financial administration will be required before Poland can count upon the increased revenue which the future requires, or will in consequence be able to offer adequate securities for the foreign loans which the true development of this rich country necessitates.

Notes of the Week.

Civil Service Estimates.—The Civil Service Estimates for the financial year 1924-25, including those for the revenue departments, have been issued this week, and show a total of £289½ millions. This compares with £327½ millions, the total estimates for 1923-24, the actual decrease being £37,338,000. In the table below we show the reductions in the estimates for the various classes. The figures for 1923-24, it should be noted, include supplementary estimates:—

	ESTIMATES.		
	1924-5.	1923-4.	Inc. or Dec.
Civil Services—			
Class I.—Works, &c...	6,709,931 ..	7,533,621 ..	— 823,690
Class II.—Administrative Services	10,022,361 ..	13,803,888 ..	— 3,781,527
Class III.—Law & Police	11,645,562 ..	11,904,661 ..	— 259,099
Class IV.—Education ..	49,859,068 ..	49,894,118 ..	— 35,050
Class V.—Diplomatic Service	9,138,091 ..	20,331,634 ..	— 11,193,543
Class VI.—Pensions, &c.	95,608,266 ..	104,137,984 ..	— 8,529,718
Class VII.—Health and Labour	36,222,534 ..	38,447,409 ..	— 2,224,875
Unclassified	8,367,010 ..	18,696,826 ..	— 10,329,816
	227,572,823 ..	264,750,141 ..	— 37,177,318
Revenue Depts.—			
Customs & Excise.....	4,740,000 ..	5,009,000 ..	— 269,000
Inland Revenue	6,480,804 ..	6,582,211 ..	— 101,407
Post Office	51,081,100 ..	50,871,520 ..	+ 209,580
	62,301,904 ..	62,462,731 ..	— 160,827
Total	289,874,727 ..	327,212,872 ..	— 37,338,145

The principal reduction in the first class is one of nearly £400,000 in the estimate for public buildings. In Class II. the Board of Trade is responsible for a drop of £500,000, the Ministry of Agriculture and Fisheries for a decline of £2,700,000, and the Mint for a reduction of £450,000. Four out of the five votes for Scotland in this class show an increase. In Class V. Colonial Services have decreased from £8,951,300 to £1,263,400, Oversea Settlement from £1,206,200 to £886,000, and Middle Eastern Services from £8,673,500 to £5,719,000. In Class VI. Old Age Pensions at £24,201,000 show an increase of nearly a million, but the Ministry of Pensions requires £6½ millions less, and there is a saving of a million on Irish Sailors and Soldiers Land Trust. The saving in Class VII. is practically all under the Ministry of Labour. In unclassified services, grants in aid for Northern Ireland, which figure in 1923-24 for £3,393,300, have disappeared, as have also agricultural credits for £500,000, while Shipping Liquidation has dropped from £2 millions to £10. There is a reduction of £1½ millions on Railway and Canal Agreements Liquidation, and of a million in Coal Mines Deficiency.

The Army Estimates.—A reduction of £7 millions is shown in the Army Estimates for 1924-25, the total being £45 millions, as compared with £52 millions for the current year. The bulk of the reduction, namely £3,923,000, occurs under Maintenance of Standing Army. The number of men serving shows a reduction of 9,200 at 161,600. The Secretary for War's memorandum states that the numbers include 4,100 in 1924-5 and 10,500 in 1923-4 for Indian troops employed by the Air Ministry in Iraq, for which the War Office has no responsibility. The reduction in the War Office sphere is thus 2,800 men, and represents "administrative economies effected in ancillary

services, consistently with the announcement made in Parliament by my predecessor in June last, to the effect that while such economies would be continued, no policy of further reduction of the fighting armies was in contemplation." The Secretary for War incidentally mentions that recruiting for the Regular Army during the current financial year "has not been entirely satisfactory." Referring to the question of the supply of officers, he states that it has been definitely decided to introduce a new form of Army entrance examination in June, 1925, on the general lines recommended by Lord Haldane's Committee, and at the same time to raise the lower age limit for entry into the Cadet Colleges from 17½ to 18 years of age. Slight modifications in the present clothing of the men of the Army are to be adopted. These involve no alteration in the dress of officers, and no reopening of the question of a general return to the pre-war patterns of full dress. The present rule that the Army is to wear, on all occasions alike, service dress of uniform war pattern, with no concession to either smartness of appearance or to the attachment felt by the soldier to the national and regimental traditions embodied in the time-honoured emblems of his regiment, has led in practice to the adoption of unauthorised 'improvements,' with undesirable results."

The Indian Budget.—A year ago the laudable intention of the Indian Government to produce a Budget balance involved the doubling of the salt tax, the rejection of the tax proposals by the Legislative Assembly, and, finally, the use by the Viceroy of the emergency power of certification. This sequence of events has rightly been given a prominent place among the causes of Indian political unrest. Fortunately this year's Budget, introduced in the Legislative Assembly by Sir Basil Blackett on February 29th, is not likely to cause a repetition of last year's political storm. Thanks partly to the full adoption of the economy recommendations of the Inchcape Committee, and partly to a "windfall," Sir Basil contemplates a small surplus for next year on the existing basis of taxation, and proposes to use the margin for taking off a part of last year's increase in the salt tax and giving relief to the Provinces. The "windfall" referred to was an item of about £3½ millions sterling, representing the profits accruing to India from control of enemy ships. This sum has been in suspense, but is now definitely credited to India. Of this amount Sir Basil proposes to appropriate 244 lakhs (say £1,650,000) for the current year, and carry forward the rest to 1924-25. With the help of this he estimates a surplus of 3.86 crores (nearly £2½ millions) for next year, revenue, on the existing tax basis, being placed at 107.93 crores (£75 millions) and expenditure at 104.57 crores (£72½ millions). This prospective surplus it is proposed to apply in the first place to reducing the salt tax from Rs2 8a per maund (to which it was raised last year) to two rupees per maund (82 lbs). This will absorb considerably more than half the prospective surplus, but will leave rather more than £1 million sterling to be applied to meeting the claims of the Provinces for reduction in their contributions to the Central Government. Cabled reports of the first stages of the debate reveal the existence of some strong opposition and a demand for the further reduction of the salt tax to the level at which it stood before being doubled last year. But Sir Basil Blackett pointed out that, if that course were to be pursued, the whole of the prospective surplus would be swallowed up, and the possibility of giving any relief to the Provinces would be postponed for at least two years. Opposition may be mitigated by the fact that the giving of relief to the Provinces is a popular aim, and also by the statement of the Finance Member that the estimates for military expenditure next year had been reduced to a figure nearly £450,000 lower than the figure assumed by the Retrenchment Committee. Lord Rawlinson made it quite clear that the limit of reduction in combatant strength had been reached, and that further military economies were only possible in connection with subsidiary services. Sir Basil, we notice, made it clear that the decision of the disposal of the surplus would be left to the Assembly, which, presumably, is equivalent to a pledge that the overriding of the Assembly's authority by the Viceroy's emergency powers will not be repeated in

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any circumstances. Whatever happens, therefore, the Budget will not this year produce a political crisis comparable to that of a year ago. Among the important features of the Finance Member's statement was his discussion of a scheme for separating the railway finances from the Budget, framed on the lines suggested by the Acworth Committee. Of interest, too, was his reference to the substantial growth in the saving habits of the community.

The Abolition of the Caliphate.—The repudiation of the Caliphate by the Turks marks an epoch in the expansion of Western ideas over the non-Western world, for our Western principles of national sovereignty and self-government are the real forces to which the unfortunate 'Abdu'l Mejid Efendi has fallen a victim. Both by tradition and by theory, the Caliph is an absolute monarch over a united Islamic world, and it is therefore almost impossible to find a place for him in a national state (whether it be called a republic or a constitutional monarchy) in which the sovereignty is vested in the parliamentary representatives of the people. The banishment of even the "spiritualised" Caliph (as contrasted with the "temporal" Caliph-Sultan who reigned at Constantinople down to the autumn of 1922) is the logical consequence of the policy which has been steadily pursued by the Turkish Nationalist (or "Defence of Rights") Party since its foundation in the summer of 1920. Mustafa Kemal Pasha and his associates have always had two main ends in view: that the Turkish nation should be absolute master in its own house, and that it should retain neither pretensions nor liabilities outside what it regards as the proper boundaries of its own "national home." This policy has the merit of being definite in its purposes and limited in its aims, and it has undoubtedly arisen out of the Turkish nation's painful experiences in the past. Under 'Abdu'l Hamid—and, indeed, for a full century before that skilful exploiter of the Caliphate ascended the throne—the Ottoman Government had ruled over broad lands, both in Europe and in Asia, and over numerous peoples, both Muslim and Christian, outside the Turkish territories and the Turkish population which were the foundations of its power; and at the same time its rule was everywhere ineffective, its sovereignty imperfect, and its power a shadow. Between these two phenomena, the Turkish Nationalists are now convinced that there was a profound logical connection. The Ottoman Empire, they maintain, was top-heavy, and the Turkish nation was attempting an impossible task in trying to support it, like Atlas, on its unaided shoulders. The nation was bowed down, and its vitality was exhausted, while the Empire continued to crumble and crack. What is the use of sacrificing oneself for an unattainable object? The Turkish nation will only be able to stand erect and to exercise its limbs when it has flung the useless burden of empire from it, and it should therefore divest itself of Sultanate and Caliphate, and should thank its enemies for having relieved it already of the Arab provinces and Macedonia. On the other hand, for its proper national domain, and for the nation's complete sovereignty within that domain, it should fight to the last drop of its blood, for this is the national heritage on which depends the national future. This is the new orientation of Turkish Nationalism since 1920, in which it departs completely from the policy pursued by the Committee of Union and Progress between the Revolution of 1908 and the Armistice of 1918. The Union and Pro-

gress group, who are now in opposition, made the Revolution in order to save the empire; they differed from 'Abdu'l Hamid on questions of method and constitution, but not in ultimate aims. They pursued (and this far more actively than he had done) the policy of "Ottomanising" the Macedonians, Albanians and Arabs, and their opponents claim that their record during these ten years sufficiently proves the bankruptcy of their programme. The Nationalists are, therefore, not impressed by the present opposition of the Unionists to the repudiation of the Caliphate. They regard this as a continuation of the Unionists' general policy of grandiose "Ottomanism," as opposed to limited Turkish Nationalism, and as being just as wrong-headed as the other points in their programme. The Unionists, however, retort with some justice that the Nationalists are regarding the problem purely from the internal point of view, without considering its bearings upon Turkey's relations with the rest of the Muslim world. The banishment of the Caliph will not, perhaps, prejudice the friendship between Turkey and such countries as Egypt, Persia, or Afghanistan, where compact and fairly homogeneous Muslim peoples are just now awaking to national consciousness, and are following Turkey's example in reorganising their political life on national lines. For all these peoples the Western idea of nationality is in the ascendant, and the Caliphate is losing its power over the imagination. But what of the vast Muslim populations in India, Russia, China, and the African colonies of the Western Powers, who are "dispersed abroad among the Gentiles," and subjected to alien rule? For these Muslim subject minorities the spread of Nationalism throughout the world means submergence if not extinction, while the Caliphate carries a message of salvation through an international Muslim solidarity. This is the explanation of the Indian Muslim's distress at the Turkish Nationalists' action. We are possibly on the eve of a profound cleavage of policy within the Muslim world.

Liquor Traffic Convention with U.S.A.—In his last speech as Prime Minister, Mr Baldwin announced that an agreement was about to be signed with the United States. The text of this Convention has now been issued as a White Paper (Cmd. 2063, price 2d.). It accords with forecast. In principle the three-mile limit is upheld. But "His Britannic Majesty agrees that he will raise no objection to the boarding of private vessels under the British flag outside the limits of territorial waters by the authorities of the United States, its territories or possessions, in order that inquiries may be addressed to those on board and an examination be made of the ship's papers for the purpose of ascertaining whether the vessel or those on board are endeavouring to import or have imported alcoholic beverages into the United States, its territories or possessions in violation of the laws there in force. When such inquiries and examination show a reasonable ground for suspicion, a search of the vessel may be instituted." If the search provides reason for believing that an offence is contemplated, the seizure may follow. The distance from American territory within which these rights may be exercised is that "which can be traversed in one hour" by the suspected vessel. "In cases, however, in which the liquor is intended to be conveyed to the United States, its territories or possessions, by a vessel other than the one boarded and searched, it shall be the speed of such other vessel and not the speed of the vessel boarded, which shall determine the distance from the coast at which the right under this article can be exercised." This delimitation is vague enough, it may be feared, to lead to many disputes. But whether it proves workable or not depends on the spirit in which the rights are exercised. If the American authorities temper zeal with tact, reciprocated on the British side with a willingness to co-operate in putting down "bootlegging," troubles should be avoided. The Convention is subject to ratification, and is to remain in force for one year thereafter. In spite of the loopholes which it leaves for possible troubles, it is to be heartily welcomed as a means of removing what threatened to become a really serious cause of friction between this country and the United States.

Our Index Number.—Practically no change is shown in our Index Number of wholesale prices as at the end of February, the total being 6 points higher at 4668. There has been a fair number of changes in quotations in both directions, but it is not easy to trace any upward movement as directly due to the dock strike. The following table shows the changes in the five groups and in the total:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Tin, &c.).	Total.	%
Base (avg. 1901-5) ..	500	300	500	400	500	2200	100.0
End July, 1914	579	382	616	464	553	2568	116.6
" Dec., 1915	897	446	731	711	848	3634	165.1
" Dec., 1917	1286	686	1684	839	1348	5845	265.9
" Nov., 1918	1289	782	1848	903	1389	6212	282.6
" Mar., 1920	1508	914	2974	1246	1709	8352	379.6
" Dec.	1344	805	1284	1216	1275	5924	269.3
" Dec., 1921	921	636	1106	762	931	4357	198.0
" Dec., 1922	861	706	1184	705	807	4264	193.8
" Mar., 1923	824	752	1178	840	797	4392	199.6
" June	815	773	1177	773	761	4301	195.5
" July	819	756	1115	744	746	4182	190.1
" August	828	762	1119	734	744	4188	190.4
" Sept.	823	782	1214	732	745	4297	195.3
" Oct.	823	777	1220	756	743	4320	196.4
" Nov.	831	797	1393	770	749	4541	206.4
" Dec.	853	815	1382	774	755	4580	208.2
" Jan., 1924	909	845	1349	789	769	4662	211.9
" Feb.	899	859	1308	819	783	4668	212.9

Home-grown cereals have been in somewhat small supply, and prices are a little higher than a month ago, but there is no change in imported wheat. Potatoes have reacted slightly after the sharp advance in January, but beef and mutton show no change on the month. A sharp decline in pork more than counterbalances the rise in cereals. Among subsidiary foodstuffs, coffee and sugar are a little higher, but tea and butter have eased a little. The largest changes are shown in the textile group. Cotton prices are lower, both for the raw material and for yarn and cloth. Messrs Robt. Barbour and Brother, in their monthly circular, state that "more or less liquidation, rumours of curtailment of output by American mills, and the scarcity of replacements locally, each contributed its quota to the weakness and unsettlement. The improbability of any active speculative support until something more became manifest concerning the big expectations in respect of new crop acreage, and what sort of send-off it was to be favoured with, also tended in the same direction." Silk prices also show a decline, but wool, flax, hemp, and jute are all higher on the month. The rise of 30 points in the minerals group is entirely due to non-ferrous metals, for pig-iron is slightly lower, steel rails and iron bars are unchanged, and coal is slightly easier. In the miscellaneous section the principal change is an increase in petroleum. The table below sets out the changes in each commodity's index number in comparison with that for the end of January, the figure 50 representing in each case the average prices during the basic period 1901-5:—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.
Wheat—For.	84	— 7	Cotton, A	156	— 22	Copper	55	+ 3
English	84	— 7	Cotton, B	140	— 21	Minerals	819	+ 30
Flour	77	+ 1	Yarn	148	— 12			
Barley	91	+ 5	Cloth	142	— 11			
Oats	81	+ 4	Wool, Eng.	154	+ 5	Baltic timber	103	— 1
Potatoes	118	— 6	Do Aust.	143	+ 6	Amer. timber	85	— 1
Beef	117	— 1	Silk	130	— 8	Leather	60	+ 1
Rice	89	— 1	Flax	150	+ 15	Petroleum	100	+ 8
Mutton	89	— 1	Hemp	54	+ 5	Oilseed	78	+ 1
Pork	73	— 20	Jute	90	+ 2	Tallow	77	+ 1
						Indigo	87	— 1
Cereals & meat	899	— 10	Textiles	1,308	— 41	Crystals	85	— 1
Tea	145	— 2	Pig-iron	102	— 4	Rubber	12	— 1
Coffee	121	+ 8	Steel rails	75	— 1			
Sugar, cane	237	+ 5	Iron bars	92	— 1			
Sugar, beet	138	+ 6	Coal, steam	92	— 1	Miscellaneous	783	+ 14
Butter	99	— 1	House coal	91	— 4			
Tobacco	116	— 1	Lead	155	+ 2	Total	4,668	+ 6
			Tin	112	+ 14			
Other foods	869	+ 13						

These changes raise the increase over the level prevailing at the outbreak of war from 81.8 to 82 per cent., as may be seen from the following table:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	186	241	237.5
Dec., 1919	249	250	396	247	263	287.1
Mar., 1920	261	260	484	269	309	325.6
Dec.	233	229	209	261	230	230.9
Dec., 1921	159	180	180	164	168	169.6
June, 1922	174	192	184	149	160	171.1
Sept.	151	194	181	150	148	163.3
Dec.	149	200	193	152	146	166.2
Mar., 1923	143	214	191	181	144	171.2
June	141	220	191	167	137	167.7
Sept.	142	222	197	158	134	167.6
Dec.	148	231	225	167	136	178.6
Jan., 1924	157	241	219	170	139	181.8
Feb.	155	244	212	176	142	182.0

The last figure compares with 71.6 per cent. a year ago and 63.1 per cent. at the end of July last, the lowest point touched last year.

Irish Free State Finance.—Our Dublin correspondent writes:—The Revenue Returns, as published in the official *Gazette*, show receipts from April 1, 1923, to March 1, 1924, at £28,543,450, as against £23,949,478 under the old system, for the corresponding period of the previous financial year. This points to about £31,000,000 for the present year when completed. In this very substantial total there are included, it must be remembered, certain arrears both of income-tax and of land purchase annuities, as well as certain payments by Great Britain—a million and a-half or thereabouts—in respect of compensation for war damage. But, even so, the true revenue will show a handsome excess over the official Budget estimate. With business resumed under normal conditions, and the disappearance of the various dislocations due to civil commotion, the several heads of revenue should prove even more fruitful in the future. The balance to credit in the Free State Exchequer on March 1, 1924, was £7,032,966, and Irish Free State bills to the amount of £900,000 have been paid off. Whether or not any remissions of taxation may be looked for in the coming Budget remains obscure; the Free State still has a 5s income-tax, 2d postage, and beer duty at the 1922 British level. The Minister of Finance has expressed the opinion publicly that an abatement of income-tax would be good policy, and would probably lead to an increased yield in the near future. A difficulty in the way of this attempt to coax back *émigré* incomes into the Free State taxgatherer's sphere is to be found in the disproportion—from the British standpoint particularly—between direct and indirect taxation. Thus in the 11 months' revenue returns above referred to, Customs and Excise receipts amount to £16,445,000, while Income-tax (including super tax and mineral rights duty) stands at £4,593,000, in which a large sum of arrears is included. It is therefore difficult, when cost-of-living problems loom large and indirect taxation is voluminous, to increase the disproportion between the two by lowering direct taxation. The economy policy of the Government is pursuing its drastic course—Army, Civic Guard, Dublin Metropolitan Police, Teachers, and Old Age Pensioners all being subjected to "cuts," while the Civil Service has to work longer hours with weeded-out staffs at the previous rates of salary. So strong a passion for financial propriety and orthodoxy is heroic, but many are beginning to ask how far it is conducive to popularity. The General Election is still a long way off, but three by-elections are pending, of which one is in Dublin City and one in Dublin County, which will afford some reflection of the public mind. The Government is well supported in the Oireachtas, and, so far as retrenchment is anywhere criticised, that criticism concentrates on the reduction of old age pensions from 10s to 9s per week. Doubtless the calculation is that, with established credit—and the 5 per cent. National Loan still changes hands at 99, or 4 points above its issue price—and a balanced Budget, the Government will be able to embark upon reproductive outlays of capital which will set all the wheels of productive industry in motion,

and that in revival and expanding trade, and with a growing prosperity, the grudges and the bitter memories of the retrenchment period will be forgotten. But, unquestionably, Ireland is feeling the pinch to-day. Agriculture—the basic industry of the country—has been hard hit from every quarter—rates, taxes, high prices for buying, low prices and diminished facilities for selling, dear and unaccommodating transport, and labour troubles; it is obviously subsisting upon its savings from better years. The whole question of Ireland's fiscal policy is virtually in abeyance until agriculture wins through its temporary difficulties. That is publicly avowed by the Minister of Agriculture, who also stated that some minor measures of Protection are under consideration for fostering industry subject to that condition. The promised measure for bringing values and prices into some reasonable relationship, to paraphrase President Cosgrave's description, or, as the public regard it, the Anti-Profiteering Bill, is in an advanced stage of preparation but has not yet seen the light. It is coming none too soon, for, if it prove effective, it should help towards restoring reasonable wage-levels and normal industrial activity.

Stock Exchange Membership.—The Stock Exchange stands within a fortnight of the end of its financial year, writes a Stock Exchange correspondent, and notices are now posted in the House announcing the ballot to be held for election of thirty members to serve as the committee of the Stock Exchange for the year starting March 25th next. Two of the present members are resigning, and two fresh names, those of Sir Wilfrid Atlay, ex-chairman of the Stock Exchange Committee, and Mr W. F. Hadrill, are mentioned as likely to be candidates for the vacant seats. The number of new men elected to membership of the Stock Exchange in respect of the year which is now ending is 103. It is very likely that this number will turn out to be more than balanced by the deaths and resignations that have occurred during the period. This time last year there were 3,896 members. For the new financial year which begins on March 25th, about two dozen fresh names of candidates for membership are posted. The price of Stock Exchange shares, £25 paid, is about 101½, and a nomination costs, roughly, £50. Candidates for membership are required to provide themselves with three Stock Exchange shares, three sureties who shall guarantee their obligations for a period of four years up to £500 apiece, and to produce the necessary qualifications in respect of nationality, &c. The entrance fee for new members is 600 guineas, and the annual subscription a hundred guineas. Provided a man can find the three sureties already mentioned, and is able to satisfy the Stock Exchange Committee as to his eligibility for membership, the total cost of becoming a member of the House will not exceed £1,200, a sum that seems small in comparison with the money required nowadays for apprenticing lads to various professions or launching them in different branches of industry. As a rule, the prospective candidate for the House prefers to spend four years as a clerk in the Stock Exchange, because this will enable him to claim the right of admission for an entrance fee of 300 guineas only, provision of two sureties instead of three, and an annual subscription of fifty guineas. It is at this period of year when most of the changes take place in Stock Exchange offices, and therefore those who are contemplating a Stock Exchange career for sons, or others commended to their charge, will be well advised to make inquiries now as to the openings which may present themselves for the budding broker or jobber. Circumstances will probably determine whether the young fellow develops into a broker or into a jobber when he takes up the responsibilities of his membership. When business is brisk, there is something of a rush to acquire membership. This naturally reflects upon the prices of Stock Exchange shares and nominations, but when markets are as quiet as they have been during the past twelve months, taking the period as a whole, it usually happens that newcomers balance those who are retiring from the Stock Exchange, or who have been removed by death or other reasons. Every member of the Stock Exchange has to be re-elected annually. The Committee of the House have—and occasionally exercise

—the undisputed prerogative of refusing re-election to an applicant, and of declining to furnish any reason whatever for so doing. There are few semi-public bodies where the rights of the governing power are so autocratic as those of the Committee of the London Stock Exchange.

Index of "Free" Shipping Freights.—Our Freight Index registers a rise of 5.7 per cent. in February. The figure for the month is 144.01, representing a general level of freights for "free" shipping exceeding the average of either 1923 or 1922. The movements of the component parts of the index are shown in the following table:—

Date.	European Waters.	North America.	South America.	India.	Far East and Pacific.	Australia.	Total.
Basis (Average, 1898-1913).....	100	100	100	100	100	100	100
Average, 1913.....	110.03	113.09	123.37	106.29	117.38	127.89	116.34
February, 1920.....	814.31	529.89	757.52	744.81	587.02	712.16	690.95
December, 1920.....	268.90	277.17	244.10	256.79	286.72	347.18	280.14
December, 1921.....	160.06	164.07	163.72	144.43	141.25	166.47	156.67
December, 1922.....	137.09	135.15	129.19	122.61	136.08	159.34	136.57
July, 1923.....	132.42	107.20	118.67	122.44	126.10	114.83	120.28
August, 1923.....	124.79	109.11	114.33	117.70	117.51	115.73	116.53
September, 1923.....	129.83	112.36	116.28	117.77	118.44	124.63	119.88
October, 1923.....	133.66	125.46	114.03	119.38	124.40	136.05	125.49
November, 1923.....	141.24	135.32	114.64	122.68	124.49	137.89	129.38
December, 1923.....	134.03	132.72	120.09	124.35	125.07	144.21	130.08
January, 1924.....	130.69	137.49	128.33	124.88	139.45	156.68	136.25
February, 1924.....	138.11	146.26	145.36	129.28	142.17	162.91	144.01

The month's changes in the index of each group and sub-group are shown in the following table, the figure 100 representing in each case the average rate during the basic period 1898-1913.

	Index No.	Inc. or Dec.		Index No.	Inc. or Dec.
Home trade.....	124.26	+ 0.79	S. America—outwards.....	105.42	+ 11.81
Bay—outwards.....	148.62	+ 9.17	India—homewards.....	185.31	+ 22.97
Bay—homewards.....	158.06	+ 3.22	India—outwards.....	113.68	+ 4.20
Mediterranean—outwards.....	146.23	+ 22.36	Far East, &c.—homewards.....	144.88	+ 4.59
Mediterranean—homewards.....	127.21	+ 8.16	Far East, &c.—outwards.....	142.17	+ 2.73
North America.....	146.26	+ 8.77	Australia.....	162.91	+ 6.25

A satisfactory feature of the month has been the recovery of rates in European waters, and generally in outward coal freights. The dock strike may to some extent have contributed to this rise by keeping tonnage off the market, but the tendency, even with this qualification, seems to negative the conjecture which we made last month that an excessive quantity of idle tonnage was, perhaps, being re-commissioned. The month was again dominated by the strength of the River Plate market, where chartering proceeded in undiminished volume with fixtures extending as far forward as the end of May. Other routes homeward, in consequence of the absorption of tonnage by the Argentine, have a firmer tone than would seem to result directly from expansion in the volume of business. Spring prospects are clearly satisfactory save for the threatened trouble in the mining industry, but the further outlook when harvests in the Southern Hemisphere have been moved is still obscure. The relation of the index to the average for 1913 may be seen from the following table:—

Month.	1921.	1922.	1923.	1924.
January.....	194.59	131.60	114.05	117.11
February.....	164.54	135.76	112.73	123.78
March.....	162.17	135.53	115.23	..
April.....	147.48	129.46	115.45	..
May.....	158.42	125.12	114.55	..
June.....	165.73	117.45	106.82	..
July.....	169.87	114.52	103.39	..
August.....	170.60	113.16	100.16	..
September.....	154.47	110.37	103.04	..
October.....	141.85	114.42	107.86	..
November.....	136.47	119.43	111.21	..
December.....	134.66	117.39	111.81	..
Mean for year.....	158.40	122.02	109.69	..

The February figure is the highest for nearly two years.

The African Diamond Industry.—The diamond trade began to recover from its depression during the second half of 1922, and further and more rapid progress was made during 1923. The recovery was largely due to the

increased demand from America. That the African diamond industry reacted quickly to the improved trade position may be appreciated from the following figures of exports for the ten months of 1923, as compared with those of 1922:—

EXPORTS OF DIAMONDS FROM PRINCIPAL AFRICAN PRODUCING COUNTRIES FOR 10 MONTHS ENDING OCTOBER 1922 AND 1923.

	Carats		Values	
	1922.	1923.	1922.	1923.
Union of South Africa.....	1,066,028	2,010,406	3,517,333	5,894,321
Rhodesia.....	..	290	..	1,671
South-West Africa.....	106,994	344,997	249,433	1,131,606
Total.....	1,203,022	2,355,693	3,766,766	7,027,668

It will be seen that the exports for 1923 showed an increase of 95 per cent. in carats and 87 per cent. in values over the corresponding figures of 1922. The recovery was most marked in the case of South-West Africa. Here the increase was 222 per cent. in carats and 353 per cent. in values. The big four African producers are De Beers Consolidated Diamond Mines, Consolidated Diamond Mines of South-West Africa, Premier (Transvaal) Diamond Mining Company, and New Jagersfontein Mining and Exploration Company. The output of all these companies is sold through the London Diamond Syndicate. For 1922 this syndicate's sales were divided into the following quotas:—De Beers, 51 per cent.; Consolidated of South-West Africa, 21 per cent.; Premier, 18 per cent.; and Jagers, 10 per cent. The quota of the Consolidated Diamond Mines of South-West Africa, which company is the merger of the 10 principal German companies operating in South-West Africa before the war, will presumably have been increased in 1923. The diamonds of South-West Africa occur in alluvial deposits, can be produced more cheaply than the South African, and can be cut with the minimum of loss. This may explain the extraordinary increase in the South-West African exports. A coming producer is Portuguese West Africa (Angola). The Angola Government is interested as to 5 per cent. in the Companhia de Diamantes de Angola, which holds a diamond concession covering practically the whole of that colony, and is in the blessed position of being exempt from all taxation, present or future, and from import duties on plant and materials and from export duties on diamonds. Angola diamonds are of good quality, and costs of operation are low. The output of the Angola company is now to be handled by the London Diamond Syndicate, and it is a point worth remembering that the Anglo-American Corporation of South Africa, which is heavily interested, both in the Angola company and the Consolidated Diamond Mines of South-West Africa, has been admitted as a member of the London Syndicate since January of this year. The demand for diamonds is not yet back to its pre-war level, but is still recovering.

Brazilian Finance and Trade.—British investments in Brazil amount to nearly £270 millions—far more than those of all the rest of the world put together; and, pending the return of the British Commission, their holders may find comfort in the Report (to September, 1923) just issued by the Overseas Trade Department from the Commercial Secretary of our Embassy at Rio Janeiro. It contains much valuable information, but its main interest lies in its bearing on Brazilian public finance. It describes the situation as difficult, but the general condition of the country as sound; the leading export trades (except rubber) are prosperous; the low exchange stimulates home manufactures—textiles, clothing, matches, beverages, tobacco; exports in 1923 exceeded imports in value by £19,000,000. Exchange, indeed, fell from 18½d in 1920 to 5½d in 1923 (it has now recovered to 6½d), but though the fall, as affecting foreign investments, is specially emphasised by outside observers, the Report contends that a low exchange is less dangerous than a high exchange, which encourages over-importation. The effect of the export surplus is counteracted by the remittances for dividends and those of immigrants, the expenditure of rich Brazilians in Europe, and most of all by the commitments of the Government. President Bernardes took office three months after an abortive revolt (which had no great effect on business), and was faced by a low exchange, a large deficit, and heavy commitments abroad

and at home. After relaxing the restrictive supervision over banking and insurance, his Government set up a small Congressional Committee to frame and submit Budget proposals for 1924, and published a statement which inspired confidence; it also began to economise, and to collect the taxes much more carefully. Its estimates are now based on actual past revenue; and it has prevented the State of Amazonas from raising a loan to the detriment of its present creditors, and on onerous terms. Details are given of the new function of the Bank of Brazil as a bank of issue (based on entirely sound principles), of the new Federal Mortgage Bank, which is to help agriculturists, of the chief products of all the States, and of the leading industries. We can only mention that the coffee valorisation scheme is commended, that Brazil stands second in the world as a producer of tobacco, and produces the maximum of cotton fibre per hectare, but the American saw-gin must give place to the British roller-gin, and there is lack of labour and capital. New cotton land may be provided by the regulation of the Rio Sao Francisco. The iron and steel industry will probably require Federal aid in its establishment, and the lack of transport and of coal (which seems to be scanty, and of poor quality) may retard its development until the abundant electric power, now being slowly exploited, is applied more extensively. The chilled meat industry has disappointed expectation, partly through foreign competition, partly through inadequate attention to the breed of cattle used. While emphasising the movement towards sounder finance and the great resources of the country, the Report notes that there is no labour difficulty, and no reason to suppose that immigration will slacken. Japanese and negro immigrants are not desired; the 700,000 "Germans" (nearly all native born) are apparently not being reinforced from the Fatherland, and the immigrants will come, as heretofore, chiefly from Portugal, Italy, and Spain. With sound public finance and judicious expenditure on development, the prosperity of Brazil and her foreign investors should increase without interruption. And, as 83 per cent. of the public revenue is supplied by five States out of the total of 20, there is plenty of room for increase. But it is noted that some of the public works—especially the irrigation works in the north-east—are very costly and of doubtful value; and that the expenditure on the Army and Navy in 1922 was nearly 4s per head of population, and nearly 20 per cent. of the total. Possibly this is required by the national dignity; it certainly cannot be necessary for national defence.

Bank Deposits in Soviet Russia.—Some interesting commentaries on the difficulties experienced by private banks in Soviet Russia are made by Mr Dezen, of the Russian State Bank, in the *Moscow Economic Review* (*Ekonomicheskaya Obozrenie*) for January 10th last. He writes:—"The small part played by current accounts (nine-tenths per cent. of the total balance-sheet) in the Russian Commercial Bank (founded in December, 1922, by Aschberg, the Swedish banker, on Swedish and German capital) and in the Societies of Mutual Credit—that is to say, credit institutions organised on private capital—calls for a careful examination of the character of current accounts at the present time. The fact that deposits are greatest in the State, the Industrial and the Moscow Municipal Banks (all quasi-official institutions) finds its explanation in the flow of resources from State departments and State industrial and commercial enterprises into these banks. An analysis of the current accounts of the three banks mentioned above shows that in the case of the State Bank, 53 per cent. of current accounts are in the name of State departments, 27 per cent. in that of State industrial and commercial concerns, 13 per cent. in that of transport and ways of communications, and only 7 per cent. relates to other clients, including co-operative societies, private persons and credit institutions. In the Industrial Bank, 84.5 per cent. of the current accounts are represented by State industry, 9 per cent. by State departments, State trade and transport, and the rest by other clients. The Moscow Municipal Bank presents the same picture—for the month of September 93 per cent. of the current accounts are those of State departments or enter-

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MADE BY HAND, ONE AT A TIME.

prises." The writer adds that these State cash balances cannot be regarded as liquid resources in the sense which usually attaches to this expression. "A considerable part of the current accounts of pre-revolutionary banks consisted of the cash balances of industrial and commercial firms, and of these resources some portion, after lying a certain time on current account, would be utilised to buy shares—that is to say, became invested capital. At the present time our State industry and trade are experiencing an extremely acute shortage of working capital, and in such conditions it is obviously impossible to talk of their investing money on any important scale, and their current accounts thus remain cash balances and nothing more. This statement may seem to be contradicted by the circumstance that industrial and commercial concerns participate in forming the foundation capital of new joint-stock companies, and the example of the Industrial Bank—founded on the capital of State industry—may be quoted. But, in point of fact, the foundation capital of the Industrial Bank consisted almost entirely, not of the liquid monetary resources of State industry, but of remnants of State funds hitherto unutilised, or of goods which, in our conditions of continuous trade depression, is by no means the same thing. Thus current accounts, the vast majority of which are cash balances of State institutions and enterprises, show an extraordinary instability, far greater than was the case before the war." The general situation, which Mr Dezen thus describes, operates with peculiarly restrictive effect on private financial institutions like the Russian Commercial Bank and the Mutual Credit Societies. "As is common knowledge, the rôle of private capital in industry is negligible, and is chiefly confined to cottage industries which do scarcely any business with the banks. Even such private liquid capital as there may be finds its way very slowly into the banks, chiefly owing to the fear of taxation, connected with the uncertain guarantee of bankers' secrecy which is being violated in the provinces. Finally, when the discount rate in existing circumstances attains 10-15, and sometimes even 20 per cent., calculated in gold per month, the placing of available resources on current account is one of the most unprofitable forms of investment."

The Revolution in Honduras.—A Presidential election is due this year in Honduras, as in Mexico, and the three parties are conducting the campaign by the time-honoured methods of Spanish America. The capital is threatened; the three adjacent Republics are tendering mediation; American warships are protecting their nationals at the two chief ports on the Caribbean Sea, and American marines are on the Nicaraguan frontier to prevent the smuggling of arms. Yet, as the Council of Foreign Bondholders three weeks ago announced in these columns and elsewhere, the plan for the settlement of the External Debt arranged last year is supported by all the contending factions. Its ratification will be among the first acts of the new Congress, or of whatever legislative authority may be set up by the eventual victors. American intervention is improbable, and would not interfere with the settlement.

Argentine Bank Trouble.—It has long been known that all was not well with one of the largest banks in Argentina, and it is now possible to give details of the position. Under date of February 7th, our Buenos Ayres correspon-

dent writes:—"It is now public property that the Banco Español del Río de la Plata has, at an extraordinary general meeting, held on February 2nd, written down its capital by 75 per cent.—from \$100,000,000 Arg. paper to \$25,000,000—and admitted losses which at the lowest reckoning total \$103,000,000 Arg. paper, and are generally believed to be in effect nearly thirty million more than this sum. The tale of irregularities, to use the mildest term possible in this connection, probably constitute a record in the history of modern banking, and only to the Latin temperament would it be possible to condone a half of the evil done, and to prophesy a bright and prosperous future for a concern standing on what must still be reckoned a very shaky base. That a new directorate and a complete change of management has been provided for goes without saying, but it will be some time before one can safely say that all danger of disaster is past. Argentine trade would suffer, no doubt, were the concern in question to close its doors, but not to an undue extent at the present time, given the generally favourable prospects and the exceptionally powerful position of the Anglo-Argentine banks and the majority of their colleagues. Whereas, if the trouble does come to a head anew later in the year, to break when the export season is over, the ill-effects are still more to be dreaded, and may well be more far-reaching both in banking and mercantile circles." The "irregularities" to which our correspondent refers make astounding reading. It is difficult to know where to begin the story, or what instances to select from Argentine Press accounts of the report read to the shareholders at the meeting. We read of bank managers and employees engaged in clandestine gambling in sterling, dollars, pesos, and other currencies. These gambles, when discovered, had already realised a loss of \$7,000,000 m/n, and were ultimately responsible for a loss of \$24,800,000 m/n. A purchase of 140 million marks was made just at the moment when the mark was taking its great plunge, and a loss of \$5,000,000 m/n resulted. As far back as 1914 the bank, taking the view that to suspend the dividend would have led to closing down, decided to pay dividends out of "funds other than profits," i.e., presumably, out of capital. Being unwilling to repeat this performance in 1918, the bank indulged in the purchase of ships (trying by hook or by crook to obtain the necessary profits). But the Armistice came along, and the only result of the shipping speculation was a further loss of \$3,000,000 m/n. There is no need to prolong this catalogue of examples of the bank's troubles. It has been saved from complete disaster by the unstinted aid of the Banco de la Nación. Obviously, the entirely new directorate and management that has just been installed have a very stiff uphill task before them.

Prudential Assurance Company.—Both in size and in efficiency the Prudential continues to make substantial progress. It is an institution in which a very large proportion of the people of these islands is directly interested. In the ordinary branch there were in December 31st last 1,117,564 policies in force, assuring over 159 millions, and in the industrial branch the policies numbered no less than 23,668,404, assuring over 390 millions. It is no exaggeration to say that more than one-third of the entire population of Great Britain and Ireland is assured in the Prudential. We are glad to note that the directors of the Prudential, and also the directors of other important industrial life assurance companies welcome the coming into force on January 1st of the Industrial Assurance Act of 1923. This Act should purge industrial assurance of many of its defects in the past, and gradually squeeze out companies and collecting societies which are not up to a high standard of efficiency in working and of financial strength. In its valuation of both branches for 1923 the Prudential reveals ample surpluses which permit the bonuses on ordinary with-profit policies to be increased, and a scheme to be started of allotting reversionary bonuses to industrial policyholders. In the ordinary branch, with funds of £69,753,108, there was a surplus of £2,428,648, and in the industrial branch, with funds of £80,763,928, the surplus was £2,534,013. The industrial valuation was stiffened by adopting the

English Life Table No. 8, in place of the older Nos. 3 and 6, and the rate of interest throughout was taken at 3 per cent., though the actual rate earned was £4 13s 9d net, after deducting income-tax. The ordinary branch with-profit policyholders will receive a reversionary bonus on sums assured of £2 per cent. for 1923, as compared with 32s per cent. for 1922, and 26s per cent. for 1921. A scale is published under which industrial life policyholders also participate in the profits. As a pioneer in the "block system" of canvassing and collection in respect of industrial business the Prudential has made notable reductions in the rate of expenditure to premiums. The high rate of expense in this class of business was always a serious blot upon it. In 1920 the Prudential's expenditure in the industrial branch was 40.5 per cent. of the premiums, in 1921 it was 36.92 per cent., in 1922 32.12 per cent., and last year under 30 per cent. (29.74). A reduction of 10 per cent. in the course of four years represents a saving of many millions in working-class contributions. The improvement in the position, combined with the situation caused by the Industrial Assurance Act, has led the Company to prepare and issue a revised industrial branch prospectus, which, it is stated, "contains a set of weekly and monthly tables which embody industrial assurance policies in their simplest form, combined with more favourable benefits than it has hitherto been possible to grant under this class of life assurance policy." In the general branch the premium income has nearly reached a million sterling, and increased during last year by £121,979. The assets, which exceed 150 millions, have been revalued, and it is stated that the investments stand in the books at a figure which is below their market value. Any depreciation which may occur has been provided for by the building up of investment reserve funds of three millions in the ordinary branch, and of two and a quarter millions in the industrial branch.

United Kingdom Provident Valuation. This mutual life office has made a valuation for the three years ended December 31st last, and taken into account the appreciation in securities since December 31, 1920. Three years ago, when no bonus was declared, the sum of £1,350,798 was written off the value of the investments, and five years before that (December, 1915) £732,144 was written off. A revaluation as at December 31st last showed that an appreciation had taken place of £1,198,479, and this sum—less £300,000 transferred to an investment contingency reserve fund—has been added to the book values of the life funds, bringing them up to £12,976,501. The liabilities were valued at 2½ per cent. interest, and the surplus upon the assets as written up was £1,578,511. It has been decided to divide £1,417,689 among the with-profit policyholders, and to carry forward £160,822. It will thus be seen that, with the transfer to investment reserve, £460,822 of the surplus has been retained undivided. The system of distribution in bonuses is designed so that the policies issued before January 1, 1920, shall get the highest rate, those issued in 1920 the next rate, and the newer policies effected since December 31, 1920, a lower rate. The three rates of bonus on whole-life policies (Temperance section) are 54s per cent. per annum, 46s, and 38s. In the general section the corresponding rates are 51s per cent., 43s, and 35s. This method of differential rates of bonus has much to be said for it, because it gives the highest rates of addition to those who got no bonuses at all for the five years ended December 31, 1920, and who suffered from reduced rates of bonus in the previous five years. The report of the institution for last year shows new assurances of £2,081,979, under 4,691 policies, as compared with 3,975 policies in 1922, assuring £1,826,307. The average rate of interest earned was £4 10s 8d per cent. net, as against a valuation rate of 2½ per cent. The death rate, as usual, was very low. The total claims by death last year were 57.2 per cent. of the number and 62.5 per cent. of the amount expected.

British and Foreign Marine Insurance Co.—The underwriting account by this company for 1922 was closed by transferring £70,000 to suspense account for future claims, and the surplus was then £40,591 on a premium

income of £619,964. Interest yielded £131,813 net, so that the total profit was £172,404. A loss of £44,009 was shown on the sale of investments. The dividend cost £113,272, which was less than the net revenue from interest. The premium income for 1923 was £589,465, as against £619,964 for the previous year, the first year's claims £148,023, against £151,150, and the expenses £118,646, against £130,566. On December 31st last the reserve fund, the underwriting reserve, and the balance of profit and loss amounted to £1,629,137, or nearly three times the premium income.

American Telephone (Bell System).—Detailed particulars of the progress made by the American Telephone and Telegraph Company in 1923 have now reached us. This undertaking, after meeting all operating charges and making provision for depreciation and federal and other taxes chargeable against 1923 earnings, had available for interest and dividends \$95,389,918.03. Interest charges were \$13,697,736.66, a reduction of \$1,800,275.22 from 1922. Dividends paid to stockholders at the rate of \$9.00 per share per year, amounted to \$63,274,388.10; this was an increase of \$10,303,136.17 over 1922. The following figures show the state of the balance-sheet at December 31st last; figures of the previous year are appended for comparative purposes:—

ASSETS.		Dec. 31, 1922.	Dec. 31, 1923.
Stocks of associated companies ..	\$	662,529,358.73	756,463,932.11
Bonds and notes of and net advances to associated companies ..	\$	115,671,082.98	178,147,274.02
Stocks, bonds, and notes of and advances to other companies ..	\$	105,427,223.85	102,211,723.47
Long lines plant and equipment ..	\$	108,757,168.05	125,671,228.42
Telephones ..	\$	29,666,203.92	33,275,285.85
Real estate ..	\$	11,665,548.99	12,096,745.41
Office furniture and fixtures ..	\$	703,935.60	956,088.11
Accounts receivable ..	\$	9,831,006.15	10,443,626.03
Temporary cash investments ..	\$	93,162,766.73	62,218,588.55
Cash ..	\$	26,517,547.38	25,217,740.10
		1,163,931,842.38	1,306,702,232.07
LIABILITIES.			
Capital stock—			
Capital stock ..	\$	699,347,400.00	735,519,200.00
Capital stock instalments ..	\$	15,736,454.22	17,982,306.96
Total capital stock ..	\$	715,083,854.22	753,501,506.96
Funded debt—			
4% collateral trust bonds, 1929 ..	\$	78,000,000.00	78,000,000.00
5% collateral trust bonds, 1946 ..	\$	74,783,500.00	73,979,500.00
5% Western T. and T. Co. bonds, 1932 ..	\$	9,970,000.00	9,970,000.00
5½% debenture bonds, 1943 ..	\$	0	100,000,000.00
4% convertible bonds, 1936 ..	\$	2,589,000.00	2,589,000.00
4½% convertible bonds, 1933 ..	\$	7,191,800.00	5,200,700.00
6% convertible bonds, 1925 ..	\$	14,070,500.00	9,617,900.00
6% 5-year gold notes, 1924 ..	\$	40,000,000.00	30,468,400.00
Total funded debt ..	\$	226,604,800.00	309,825,500.00
Total capital liabilities ..	\$	941,688,654.22	1,063,327,006.96

During the year investments in stocks of associated companies increased \$93,934,573.38. This increased stock investment represents the acquisition of stock, by way of permanent investment, either direct or to replace notes of the associated companies previously held. Investment in bonds and notes of and net advances to associated companies shows a net increase of \$62,476,191.04, resulting in a balance of \$178,147,274.02 at December 31, 1923, which is made up almost entirely of outstanding advances by this company to the associated companies for the extension of their telephone properties. The number of stockholders on December 31, 1923, was 281,149, an increase of 32,224 during the year. In the space of three years the number has more than doubled, there being 139,448 at the close of 1920 and 281,149 at December 31, 1923.

Gopeng Consolidated.—Our mining correspondent writes:—As only to be expected, this Malayan tin enterprise fared better last year than in the twelve months ended September 30, 1922. The difference, however, is not great—an expansion of £10,400 in the working profit to £65,200. Of course, the big rise in the price of the metal did not commence until towards the end of 1923.

Moreover, although an increased quantity of ground was treated, the average yield fell off slightly. This partially offset the better price obtained for the product. No change is made in the dividend rate, the year's distributions again totalling 15 per cent.; but, unless a serious set-back should occur in the white metal, the shareholders may expect an enhanced return for the current session. It may be pointed out that the very low ratio of working expenditure, even as compared with other Far-Eastern producers—£27 5s per ton of tin ore, equal to about £40 per ton of metal—is due to the circumstance that the company operates by hydraulic instead of by dredging. Small profits were last year derived from two rubber estates. Prospects for the current period are described by the consulting engineers as "good."

The Swiss Industries Fair will be held at Basle from May 17th to 27th next.

The City of London College announces a lecture on New Zealand by the High Commissioner for New Zealand, Colonel the Hon. Sir James Allen, K.C.B., on Monday, March 3, 1924, at 5.30 p.m.

The Chartered Institute of Secretaries announces that the Right Hon. G. H. Roberts will give an address on "Co-operation in Industry and the Relation of Whitley Councils Thereto," on Tuesday, March 11th, at 5.30, at Gresham College, Basinghall street, E.C. 2.

Obersea Correspondence.

UNITED STATES.—INCOME-TAX REDUCTION BILL—AGREEMENT REACHED IN SOFT COAL INDUSTRY—WAGES AND COST OF LIVING.

(FROM OUR CORRESPONDENT.)

NEW YORK, February 21.

DEMOCRATIC members of the House of Representatives, aided by several Radical Republicans, succeeded this week in substituting their own income-tax reduction plan for the schedules proposed by Secretary of the Treasury Mellon, and strongly advocated by the Republican Administration. In many respects the Bill in its present form, and as accepted tentatively by the House, differs widely from the measure originally introduced and supported by President Coolidge and other Administration leaders. For instance, it would lower the normal taxes to 2 per cent. on incomes up to \$5,000, to 4 per cent. on incomes between \$5,000 and \$8,000, and to 6 per cent. on incomes above \$8,000. Exemptions would be raised from \$1,000 to \$2,000 for single individuals, and from \$2,500 to \$3,000 for heads of families. The so-called Mellon Bill called for a reduction in normal taxes from the present 4 per cent. and 8 per cent. to 3 per cent. and 6 per cent., allowing the exemptions to stand as at present, while the maximum surtax was cut to 25 per cent. The democratic measure, substituted this week, increases the maximum surtax to 44 per cent., that rate to apply to incomes exceeding \$92,000. The latter surtax maximum is much higher than the compromise rate which had previously been discussed, and which last week seemed likely to be accepted. The Democratic-Radical coalition further demonstrated its control over the tax Bill situation in the lower branch of Congress by adopting an amendment extending the proposed 25 per cent. reduction on earned incomes to small merchants and farmers, and another amendment that would tax profits from sales of stock dividends at regular income-tax rates. Evidently these drastic changes were designed to gain supposed political advantages. As it now stands it is unacceptable to the Administration, and in all probability would be vetoed by President Coolidge if enacted by Congress. What may happen in the Senate is uncertain. Any changes made by the Senate will necessitate consideration of the measures adopted by both branches, with the object of ironing out differences and agreeing upon a compromise Bill.

Apprehension of a soft coal strike this spring has been removed, and peace in that industry seems to be assured for at least three years as a result of the agreement reached this week by representatives of bituminous miners and operators in what is known as the Central Competitive Field. The agreement, which is to become effective on April 1st, and which provides for the renewal of the present wage scale, and all other features of the existing contract for a period of three years, is a compromise of the miners' demand for a four-year contract and the operators' offer of a renewal for one year. This settlement was unanimously approved by delegates at this week's conference; it must be submitted to a referendum vote of the United Mine Workers, but no doubt is entertained as to its acceptance by that body.

On January 15th of this year the cost of living in the United States had decreased two-tenths of 1 per cent. from the level of December 15, 1923, according to data compiled by the National Industrial Conference Board. During that period there was an increase in the average cost of clothing, and decreases for fuel and food, each of those changes being less than 1 per cent. Between July, 1920, when the peak of the rise was reached, and January of this year, the cost of living decreased 19.5 per cent., but the increase since July, 1914, has been 64.6 per cent. The same authority finds that the purchasing value of the dollar, based on the cost of living in January, 1924, was 60.8 cents, as against one dollar in July, 1914. Another interesting report, just prepared by the Industrial Board, shows that industrial activity at the beginning of the present year was at the same level as last November, according to results of the latest survey of wages, hours, and employment in 23 of the leading American industries. Average hourly earnings of all wage earners in December, 1923, were found to be 55.9 cents, or 11.1 per cent. above the figure of 50.3 cents for December, 1922. Unskilled male labour gained slightly in hourly earnings, while skilled labour and women registered a slight decrease. At the beginning of the current year, average weekly earnings of all wage-earners stood at \$26.94, or 7.2 per cent. higher than at the same time a year previously. Employment remained practically unchanged in December, as compared with November, but was 1.2 per cent. greater than in December of 1922.

FRANCE—THE FALL OF THE FRANC—PUBLIC OPINION—SANE PROPOSALS—IRON AND STEEL.

(FROM OUR CORRESPONDENT.)

PARIS, March 5.

WITH the exception of an extraordinary outbreak last Friday, which culminated in something very much like a free fight on the floor of the Chamber, Parliament has been to some extent marking time for the past few days, and active work will not be resumed until to-morrow. Meantime, the renewed drop in the franc, which has again reached fresh record levels, has focussed more closely than ever the attention of the whole nation on the financial situation. It is now becoming evident that public opinion, as a whole, is beginning to awaken, under pressure of soaring prices and progressively depreciating currency, to the essential factors of the situation, and to acquire the conviction that it is useless any longer to ascribe all the evils to which the franc is heir to spectacular "raids" by wicked British, American, German, and other "financial enemies" of France. Both the newspapers and ordinary private conversations show that the French, as a people, are now grasping the fact that the warnings that have been uttered for years past to the effect that no nation can afford to persist in living beyond its income without risk of speedy disaster, have good foundation in fact. The lesson, it is becoming clear, has gone home, and the leaders of all sections of the nation are now anxiously searching for the necessary remedies. The *Temps* to-night asks why it is that the pound has lost only 12 per cent. of its nominal value, while the franc has lost nearly four-fifths, in spite of the absence of unemployment in this country. The reason, it insists, is that Great Britain is not borrowing, while France has persisted down to the present in spending more than her income. There is still a marked tendency to expect

salvation to come from the reports of the two committees of experts, which it is anticipated will be ready next week, and which it is believed will be favourable to this country. Nevertheless, many recognised authorities are now urging that immediate steps should be taken, without waiting for the expected settlement of the reparations and inter-allied debt problems, to deal with the purely French financial problems that threaten the country with disaster.

The well-known economist, M. Georges Raphael Lévy, insists that the reason why the pound has now gone up from 50 to over 100, and the dollar from 12 to over 24f, is because the French Treasury, without counting the advances it has had from the Bank of France, or its English and American loans, owes between 70 and 75 milliards in short-term bonds, and is making no attempt to consolidate this debt, a part of which may be presented for redemption at any moment. (Nothing in the way of consolidation has been done, as a matter of fact, since M. François-Marsal by this means, in 1920, reduced the proportion of the floating to the consolidated debt, which was 104 per cent. at the end of 1919, to 70 per cent. at the beginning of 1921.) M. Lévy insists that if the public were now given the opportunity, it would readily absorb an issue of 50 milliards of 4 per cent. Rente, provided it were issued free of all present and future taxation and (for 25 years) succession duties. In view of the fact that some of the State's recent issues capitalise at 8 per cent., this would result in a gross saving of 2,000 millions, and in a net saving (after allowing for loss of taxation on the new stock) of 1,300 millions. Such a loan, he points out, would furnish the money necessary to complete the restoration of the devastated regions and enable the redemption of 25 milliards of floating debt. Incidentally, such a plan would probably render it possible to reduce the interest on the remainder of the floating debt, while it might also be expected to improve the market value of the Rente and give elasticity to the Treasury.

Another proposal which is giving rise to a good deal of controversy is that the paper franc should be stabilised at its present value, and that all commodity prices should be brought back to a gold basis. This suggestion to adopt the gold franc in place of the existing paper one is due, apparently, to the fear on the part of certain leading economists here that the Government may be tempted—in view of the arbitrary power given to it by the authority (if the proposal is approved by the Senate) to legislate by decree—not to re-establish the gold franc as a circulating medium. That such a proposal should have been seriously mooted is significant, and will perhaps convey, almost better than anything else, a pretty clear idea of the semi-panic that has been caused here by the persistent fall in the franc. Opponents of the gold-franc proposal insist that its application would result in worse evils than those it is sought to remedy. For one thing, they say, it would be impossible to fix on a gold basis values now counted in paper francs, while shopkeepers would find it impossible to calculate from day to day the selling price in paper of each article whose value was fixed in gold francs. If the prices prevailing in 1914 were taken as the basis of present gold values, it is asked, then the present rent of a flat let at 3,000f before the war would now be 15,000 francs-paper, whereas actual rents payable in paper have not risen to anything like this extent.

The statistics issued by the Comité des Forges show that the output during January last was again the most satisfactory since the Armistice, and that the French metallurgical industry is now in a much better position than it was either before the occupation of the Ruhr or even in 1913. The number of blast furnaces in operation on February 1st was 134, as compared with 125 on December 1, 1923, and 116 in January, 1923; while 42 others were ready to be started up, and 43 were either under construction or repair. The total output of cast iron in January was 585,978 tons, against 564,655 in December, 1923, and 513,288 tons in December, 1922. The output of steel was 541,022 tons in January last, or 15,513 tons more than in December, 1923, and 126,425 tons more than in December, 1922. The output of steel in the recovered portion of Lorraine during January was 187,810 tons, against 172,977 tons in December, and

of iron 227,911 tons, against 212,147 tons. The present situation of France, apart from the recovered provinces, so far as iron and steel production is concerned, as compared with pre-war circumstances, is that whereas the average monthly output in France of 1913 was 434,000 tons of iron and 390,000 tons of steel, the returns for January, 1923 (after deducting the tonnage for the recovered portion of Lorraine), are still 76,000 tons behind the 1913 mark in regard to iron, and 37,000 tons in regard to steel.

GERMANY.—RUHR AGREEMENTS—FINANCES—PRICES—BOURSE—INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, March 4.

THE subjugation of Germany's western industry is now pretty nearly complete. The *Frankfurter Zeitung* publishes a list of 34 agreements with the "Micum," or the Rhineland Commission, beginning with the Becker concern's agreement of November, and ending with a metal industry agreement of February 23rd. Apart from the heavy industry, including coal and iron, raw, and half-finished materials, the chief agreeing industries, in order of date, are chemicals, leather, Solingen steel (renewed in February), wine, cellulose and paper, textiles, shoes, sugar, wood, wire, cement, and bricks and tiles. The wood agreement is for one year, sugar until October 31st, and most of the other agreements for three months, or until April 15th. In general the underlying principle, as shown in the latest agreement with the metal industry, is a fusion of export duties with obligations to deliver goods without receiving compensation from the Federal Government. Supplements to the export duties (which include all duties on transport to unoccupied territory) go into a Reparations Fund, each sub-group paying its own percentage of supplement, the general calculation being that the payments should be about 2 per cent. of the total sales. This meant imposing the highest supplements on groups with low proportions of export and transport. The Fund will be spent on paying the deliverers. The ultimate burden on industry is very heavy, and must, if production is to continue, be transferred to consumers'—probably native consumers'—shoulders. The renewed agreement with the Solingen industry imposes similar conditions, from which this branch has been hitherto freed. In connection with plans for Reparations monopolies, the following facts about the tobacco industry are published:—In 1922 there were 6,721 tobacco factories, with 150,202 employees; or counting home factories about 8,000, with 200,000 employees. Most of the factories were very small concerns. In 1921 there were about 5,000 wholesale and 350,000 retail tobacco dealers. Including employees in accessory trades, about 1,000,000 persons depend from the tobacco industry.

A Bill transferring Posts, Telegraphs, and Telephones to an independent corporation to be called the "Deutsche Reichspost" has been submitted. In principle this reform follows the lines of the railways reform. Posts will be managed by a council of 25 members, five nominated each by the Reichsrat and Reichstag, one by the Finance Ministry, and 14 by the Minister of Posts. As with railways, no subsidies will be given to cover deficits, and the new corporation is allowed to borrow only in order to extend or increase its equipment. A reserve equalling 20 per cent. of annual expenditure is to be accumulated out of profits; after half of this reserve has been created the Republic will take half the net profits; after the whole of the reserve has been created, all net profits will go to the Republic. A Berlin court declared null the restriction by the Third Taxation Decree of "Aufwertung" of mortgages to 15 per cent. of the original gold value, the ground for the decision being Art. 153 of the Constitution, which guarantees inviolability of property rights. The Federal Appeal Court has since declared the limitation to be legal and constitutional. Despite the attacks of political parties upon this decree, and upon other features of the recent financial reforms, it seems almost certain that the reforms will not be rescinded. Business organisations have appealed to the Government to stand firm for its regulation of mortgages

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and bonds, declaring that a change would create new uncertainty and instability.

The second ten-day term of February shows in the Federal finances a deficit of 57,002,300 gold marks, intakings being 120,088,900 gold marks, of which only 225,100 gold marks came from sale of Gold Loan, while payments out were 177,091,300 gold marks. The deficit is due mainly to postponement of the date of payment of property tax, and to the fact that in expenditure was a fortnight's salaries. Though this is the second deficit in successive ten-days' terms, it caused no alarm, and the Government has enough cash in hand to meet several more deficits. The Reichsbank's statement for March 3rd shows a drop of 17 trillions in circulation to 536.6 trillions. The large demands for credit compelled the Bank to increase its debt to the Rentenbank from 350 to 400 million Rentenmarks. Private paper mark discounts increased by 25 trillions to 469 trillions; private Rentenmark discounts by 80.5 trillions to 508 trillions; paper mark advances by 1.5 trillions to 133 trillions; Rentenmark advances by 13 trillions to 182 trillions. The Bank held 172,501,931 Rentenmarks on its assets side.

The currency continues to hold. Prices are still slightly upward. The *Frankfurter Zeitung's* commodities index is, for February 28th, 147.25, against 144.58 on February 14th, and 164.96 on November 29th, 1923. The official commodities index for February 26th is 118, against 117.5 a week earlier; and the official cost-of-living index for February 25th, 105, against 104 a week earlier. Railway freight rates were reduced 10 per cent. on March 1st. The freight rates index (on basis of 100 in 1914) is now 151.56, against a maximum of 163.98 on January 3rd. Although prices of necessary foods, and of some other commodities for which there are large open markets, continue to be low, the most extravagant sums are still being charged for special goods and services. Nominal wages have, of late, been slightly downwards, but less downwards than prices, so that there has been an increase in the real wage. The official wage data show for January an average for skilled workmen of 28.81 Rentenmarks, and for unskilled 23.05 Rentenmarks,

against 24.27 Rentenmarks. For skilled workmen the real wage has risen to 73.6 per cent. of that of 1914, for unskilled to 88 per cent. Of 18 wage groups, nine skilled and nine unskilled, only the unskilled miner has a higher real wage (with 106.5) than in 1914.

The Bourse has, of late, been extremely dull. Since the beginning of the year the volume of transactions has been small and confined to speculators, while the general public has held aloof. The Bourse Visitors' tax, and the high stamp duties on transactions, have also depressed business. On February 29th the average price of all stocks quoted in Berlin was (in billions) 22.93, against a lowest point this year of 19.74, and 13.46 on November 30th last. The only strong bull factor of late has been the legal compulsion to issue gold mark balance-sheets; it is assumed that this involves ultimately gold mark dividends, which, however small, must be worth more than the paper mark dividends of recent years. Also it is expected that the first gold mark balance-sheets will show companies in strong positions. The Reichsbank has requested the private banks to return to the pre-war system of publishing balance-sheets once every two months, though for the present only the main totals will be required. The Reichsbank's own statements are now coming out fairly regularly. Bond prices to-day were (in millions): War Loan, 105.25; Fours, 550; Three and a Half per Cents., 350; Threes, 1,025; Colonial Fours, 3,600; Prussian Threes Consols, 615.

Business is still improving. The textiles position has so far improved that many mills have orders for months ahead, and in one branch, velvets, it is reported that orders are being refused. Textiles and boots usually lead any wave of German depression or revival. The iron and steel branches, which usually come fairly late in such movements, have now, as in the world-market, begun to recover; prices are slowly upward; some kinds of material are already short; scrap iron is again in demand, and there is active selling of bars, sheets, and wire-rods. In the railway construction branch stagnation still prevails. Present (dealers') prices are around (marks per metric ton): Bars, 133; construction forms, 128-130; thick sheets (over 5 mil.), 150; thin ditto (under 1 mil.), 185. The rolling-mill concerns in unoccupied territory have created a Rolling Mills Association, with the aim of fixing homogeneous prices daily. The Leipzig Fair promises to be a great success; the number of exhibitors is over 14,000, against 4,253 at the spring fair of 1914. As a result of the agreement to give eight months' credit to farmers, the potash industry has undergone a great revival. The Nitrates Syndicate is giving only 56 days' credit. Farmers are extremely short of working capital. Regarding bank credit conditions generally, the Federal Ministry of Industry has intervened, declaring that interest rates on loans of 6 to 10 per cent. (on some days of 30 per cent.) a day are unreasonable under present conditions, especially as they are sometimes charged on "valorised" loans, in which case the bank takes no risk of loss from currency depreciation. The Government refuses to attempt to regulate the private interest rate, but it promises to proceed against offending banks under the usury laws.

The railways are stated to have paid their way in January and to have yielded a small surplus. Herr Oeser, Minister of Communications, declares that the Government will not consent to international management of the railways.

O'N A D A.—PREFERENCE DISCUSSIONS WITH AUSTRALIA—ST LAWRENCE RIVER PROJECT—ECONOMY—TARIFFS—STATE OF TRADE.

(FROM OUR CORRESPONDENT.)

OTTAWA, February 12.

SENATOR WILSON, representing the Australian Government, and Major Oakley, chairman of the Australian Tariff Board, have arrived in Canada to discuss trade matters, make a survey of the trade relations of Canada and Australia, and, possibly, clear the way for reciprocal tariff arrangements. Last winter Hon. J. A. Robb, Minister of Trade and Commerce and now acting

Minister of Finance, went to Australia on behalf of the Government of Canada in the hope of bringing about reciprocal tariff arrangements between the two countries, but his efforts failed. At the last session of Parliament, Mr Fielding undertook to clear the way by placing raisins and currants on the free list under preference, and raising the intermediate and general duties on those articles from two-thirds of a cent to three cents a pound. This was in addition to the general offer made by Mr Robb, which was to extend to Australia the preference Canada now gives to Great Britain on condition that Australia would reciprocate. The change can be made effective by Order in Council whenever Australia accepts the Canadian offer. It is not likely that Canada can go much further at the present Conference, although the delegates in speeches which they have been making since coming here have been laying some stress on the cotton and wool production of Australia. Canada already has the balance of trade with Australia enormously in her favour. For the twelve months ended December, the imports from Australia to Canada were only \$1,121,646; the exports from this country to Australia were \$21,238,620, an increase of nearly 30 per cent. during the year, while imports remain almost stationary from year to year. Canada is not progressing in the Australian market, however, nearly as rapidly as the United States. It is estimated that during the present year American exports to Australia will amount to nearly \$120,000,000, an increase of nearly 50 per cent. in the past year. Much of the above total consists of goods which Canada could supply if preferential treatment were arranged. As it is, Canadian and American exporters are having a close race in the matter of automobile exports.

The great difficulty in arranging a reciprocal trade treaty between Canada and Australia is that Canada is not only a manufacturing but an agricultural country. Australia produces little, outside of dried fruits and a small quantity of cotton, that Canada does not itself produce. Last year Canada imported nearly \$31,000,000 worth of raw cotton from the United States, over \$5,000,000 worth of dried fruits, and about the same amount of raw wool. In those three items there is, conceivably, an opening for Australian exports to Canada. Much of the wool was Australian, although it came through American channels. The impression which prevails in Government circles here is that little is likely to come out of the present negotiations, although Australia may offer a partial preference in the hope of being able to take advantage of Canada's offer with regard to dried fruits.

The long-discussed question of the improvement of the St Lawrence river as an international project for the development of power and the extension of navigation to the great lakes for large vessels, was given an impetus this week, when the Canadian Government agreed to the appointment of an international joint engineering board to make a final report covering the engineering features and cost of the scheme. Two years ago, when the late President Harding approached the Canadian Government in the matter, he suggested either a treaty or the establishment of a joint Commission to prepare a plan of development acceptable to the people of both countries. The reply of the Canadian Government was that it did not appear to be expedient to deal with the matter at that time. Opinion in Canada is divided regarding the advisability of the project. Toronto and the province of Ontario is strongly in favour of it; Montreal appears to be about as strongly opposed, while the Maritime Provinces and the Prairies are generally in favour of the scheme. Apart from the development of enormous supplies of power, it would enable ships to penetrate, without breaking cargo, to the very centre of the American continent. In the United States opinion is divided also. Eighteen States, representing 40 per cent. of the population and 77 per cent. of the wheat growers of the United States, have passed formal resolutions favouring the

project. Opposition has been confined mainly to the big American ports, like New York, Baltimore, Philadelphia, which, like Montreal, fear loss of business and prestige.

For the past two or three months there has been going on all over Canada what would almost seem a concerted protest against extravagant expenditure by Governments and high taxation. The Government at Ottawa has responded by announcing that an energetic attempt will be made to clean up the Civil Service, which has long been notoriously overmanned and expensive. For this purpose it has appointed a new auditor-general, at a salary higher than that of the Prime Minister, and given him power to form an organisation and proceed to the work of reducing staffs and expenditures. It is also announced that heavy cuts will be made in the coming estimates, and an earnest attempt made to balance the budget; but it is difficult to see how this can be done so long as the annual deficits on the Government railways have to be made up, largely out of general revenue. The Government's announcement with respect to reduction of staffs and expenditure is about the most popular move it has made since assuming office.

The frequent prophecies that some pronounced cuts are to be made in the tariff at the coming session has stirred up various protected interests not only to protest against reductions, but to counter by asking for increased duties. The woollen manufacturers are particularly vocal, issuing announcements to the public showing how their industry is suffering under British competition. A recent announcement points out that there were \$112,444,724 worth of textile products imported into Canada last year, the bulk of which could be produced in Canada. "The reason why the bulk of these goods was not made in Canada," says one published statement, "is that the customs duties are so low that the low-paid workers in Great Britain and Europe have an advantage in our home market over the better-paid workers of Canada. The wage scale in Canada is determined by the wage scale in the United States. Goods partially or completely manufactured by workers in European countries can be shipped into Canada from Great Britain under the British preference. Depreciated currencies from Great Britain, France, Belgium, and Italy have the effect of actually lowering the already too low duties." The implement and other manufacturers have also been protesting against any decreases, but there is a strong impression that the duty on agricultural implements, in particular, will be heavily reduced.

Trade reports generally appear to be growing more favourable weekly, but the betterment appears to be more in sentiment than in actual volume of trade. Hon. T. A. Crerar, formerly leader of the Western farmers' party, and head of the wheat selling and other commercial undertakings, gave an optimistic interview a few days ago, in which he expressed the opinion that the West had turned the corner, and that with care and economy it should be in a sound position in a year or two. The heads of the large banks express similar views. Commercial travellers are reporting increased orders for spring delivery, with buyers exercising care. Wholesale prices have shown a slight rise during the past two months, and the general price level is higher now than at any time since the middle of last year, and shows an increase of 19 per cent. over the low point reached in 1921. They are about 58 per cent. over the pre-war basis. Recently issued figures show that wages have not followed the cost of living downward in Canada. The latter is to-day at 154, as compared with 100 before the war, while the average wage is at 178. The chief increase has come in coal mining, in which wages are nearly twice as high as before the war. Factory workers are almost equally fortunate, their wages being 196 per cent. of the pre-war figure; printers are 186, metal workers 174, lumbering 170, building trades 166, and railways 157 per cent. The index number of wholesale prices compiled by the Dominion Bureau of Statistics and weighted according to the commercial importance of the 238 commodities included, shows a rise of one point for 1923. The flour milling industry seems to be sharing with the pulp industry the greatest prosperity in Canada at present. Most of the flour mills in Canada are operating at capacity, the export market absorbing a very large part of the output.

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AUSTRALIA.—DEARER MONEY—GOLD PRODUCTION—GOVERNMENT STEAMERS—RAILWAYS.

(FROM OUR CORRESPONDENT.)

MELBOURNE, January 24.

THE monetary position in Australia has continued to show a hardening tendency, and a readjustment of banks' lending rates has been in progress during the last few weeks. The hardening is the result partly of the considerable pressure arising from Government competition to borrow locally, partly of the private demand for accommodation, which has continued active, and partly of the position of the currency. While bank figures are expanding with the growth of population and other circumstances, the total amount of currency in Australia has remained practically a fixed quantity after the reduction in the note issue effected during 1922, and the consequence is that the banks are working on smaller ratios than formerly. During the war period there was an arrangement by which additional notes could be obtained to enable the seasonal requirements of trade to be met, and if this were still in force the possibility would be sufficient for practical purposes without much actual use being made of it. As it is, the absence of some such arrangement has helped to produce more stiffness in lending policy than otherwise would have been necessary. Under pre-war circumstances the increase in the cash holdings of the banks took the form of an enlargement of their gold stocks in proportion to the growth of deposits from year to year, the ratio of cash to deposits being thus maintained in a manner not possible under the restrictive system now followed by the Note Issue Board of the Commonwealth Bank, gold being at the same time unobtainable by the ordinary banks owing to the premium. The idea of basing an increase in the note issue (to provide for seasonal fluctuations) upon assets in London has been rejected by the Board. During the past year an increase of about 1½ millions has been made in the gold reserve against the note issue, but this is practically without effect on the amount of currency, though it is a step towards ultimate return to gold. The total Australian note issue on December 31st amounted to £52,182,093½, of which £24,625,491 was in the hands of the public and £27,556,602½ was held by the banks (including the Commonwealth Bank issue department), while the gold reserve was £24,982,157.

The gold production of Australia and New Zealand for 1923 was approximately 835,431 ounces fine, value £3,548,681 (exclusive of premium), showing a decrease of £195,719 as compared with 1922. The 1923 total includes 708,261 ounces (or £3,008,499) in Australia, while New Zealand is reckoned at £540,182, or the same as for 1922, pending actual returns. The total value of £3,548,681 for 1923 compares with £10,836,072 for 1913, and £18,340,563 for 1903. Issues from the three branches of the Royal Mint at Sydney, Melbourne, and Perth during 1923 consisted of £3,051,024 in sovereigns and £167,615 in bullion, together £3,218,639, against £3,624,480 in 1922.

The accounts of the Commonwealth Government Line of steamers for the financial year ended June 30, 1923, shows that after providing £766,161 for depreciation, there was a loss of £1,789,651, against a loss of £1,171,569 for the previous year 1921-22. Setting these losses against the profits shown in earlier years, the net loss throughout is shown as £656,778, after providing for depreciation, partly at 10 per cent. and partly at 5 per cent. on various classes of steamers. These figures are arrived at after crediting earnings of requisitioned enemy vessels in the war period, amounting to a few millions sterling. On the other hand, the losses on working of the Commonwealth Government wooden vessels have not been debited. Provision has also to be made for loss on

realisation of those steamers which the Government has decided to sell, and on the writing down of capital value of those to be retained, these losses requiring between seven and eight millions sterling.

The reports in detail of the Government railway departments in Australia and New Zealand for the financial year 1922-23 show an improvement on the two previous years, gross revenue being larger than in 1921-22 by £1,390,019, and the final deficit smaller by £1,533,897, after providing for interest. The results for the last three financial years compare as follows:—

	1920-21.	1921-22.	1922-23.
	£	£	£
Gross revenue.....	42,743,932	44,743,803	46,139,822
Working expenses.....	35,791,544	36,254,832	35,224,020
Net revenue.....	6,952,388	8,488,971	10,915,802
Interest.....	11,878,757	12,925,936	13,818,870
Deficit.....	4,926,369	4,436,965	2,903,068

Interest is charged at varying rates, but the tendency has been upward of late years, owing to the high rates of interest paid both for new capital expenditure and conversion of old loans as they mature. In the above figures, the interest on the Commonwealth Trans-Continental railway is reckoned at 4 per cent., and on New Zealand railways at the same rate. Setting aside New Zealand, the railways in Australia earned 3.76 per cent. on capital during 1922-23, and the average rate of interest payable being 4.65 per cent., the deficit was equal to 0.89 per cent. In 1921-22 the net earnings were 3.25 per cent., and the deficit was 1.25 per cent.; and in 1920-21 the net earnings were 2.36 per cent., and the deficit 1.89 per cent.

Experience in individual cases was varied. During 1922-23 the New South Wales railway obtained a surplus of £84,056, and South Australia a surplus of £5,769, after meeting interest, thus breaking the monotonous record of deficits for several years past. The largest deficit for 1922-23 was Queensland, where the net earnings were £706,138, against interest £2,181,330, leaving a deficit of £1,475,192. The succession of heavy railway deficits in Queensland has been one of the principal causes of the high taxation in that State.

A study of the railway reports in detail tends to emphasise the need for a more rapid growth of country population and production, to promote which the railways have been built. During the last few years, however, an excessive proportion of the growth of Australian population has been in the capital cities, where the principal benefit to the railways is in suburban traffic in competition with trams and motor buses, the latter growing at a moderate pace. The total capital cost of the Government railways in Australia and New Zealand is now over 302 millions sterling, and the mileage open for traffic is 26,925 miles. The total train mileage for 1922-23 was 70,273,530 miles, against 68,454,517 miles for 1921-22.

HUNGARY.—TRADE RETURNS—CEREAL PRODUCTION—VALORISATION LAW.

(FROM OUR CORRESPONDENT.)

BUDAPEST, February 25.

THE trade returns for the year 1923 make interesting reading, and to Hungarians should bring considerable satisfaction. Both imports and exports have increased, but while the former are only 30 million gold crowns more in value, the latter show an increase of 160 millions. The figures are: 1922, imports, 548,037 millions, exports, 334,036 millions; 1923, imports, 578,908 millions; exports, 496,680 millions. The bulk of this increase in exports is, no doubt, due to the good harvest and consequent capacity to export cereals and sugar in greater quantity. But other things have contributed, especially textile manufactures, which show an increase of seven million gold crowns in value. With regard to the latter industry, which has lately made great strides, owing chiefly to the severe import restrictions, it may be admitted that, unprotected, it could not be expected to be in a position to compete with the industries of the West. Some anxiety has, indeed, been expressed lest the recommendation made by the League of Nations in connection with the now sanctioned foreign

loan should be followed too closely, and so bring this struggling manufacture to the ground.

The value of imported manufactured goods was 47 millions less than in 1922, the export value being about the same. Half-finished goods show a 30 per cent. increase both in import and export. Raw material imports were 70,003 millions, against 35,004 millions in 1922, exports some 20 per cent. more—29 against 24 millions. The deduction is that the bulk of the manufactured articles were used to supply the home market, the amount of textiles exported, in gold kronen, being 17 millions, as against 10 millions in 1922. There is a welcome increase in the import of heavy agricultural machinery, arguing a greater attention to intensive farming, and also in raw material generally. But the export to the amount of 250 millions—being an increase over the previous year of 117 millions—of cereals and other foodstuffs is the greatest sign of the capacity of the country to stand on its own feet if given a fair chance. It has been said that cereal production could be increased 30 per cent. by introducing new methods, and, if it be taken into consideration that far more land could be placed under cereals, there is little doubt that much more than 30 per cent. could be added to the yield. The Land Company now about to begin its practical work and issue its land bonds should, if properly managed, assist serviceably in this direction.

It is interesting to compare these trade figures of Hungary with the figures of Czechoslovakia for the same periods. There it will be found that exports have declined 33 per cent. in value from last year, which was, again, 33 per cent. less than the bumper year 1921. The total amount of the exports for 1923 was 12,518,613,000 Czech crowns, against 18,086,348,000 Czech crowns for 1922, the figures for 1921 being 27,311,585,000. This great falling off is explained by 1923 being the first year of the stabilisation of the crown, together with a new method of reckoning. The Czech crown in the year 1921 reached its lowest value as regards the English £, being at one time as much as 410. It dropped to 250 early in 1922, and dropped still further in July, and in September reached its highest level, being some 125 for a short period. It then rose to 160, and in the past year has been 150, or thereabouts. In 1922 came the industrial crisis, and exports were much curtailed. The high value of the crown caused the exports to diminish both in value and quantity in 1923, and once more showed the danger of a high exchange in a new country depending on its exports for prosperity.

The new Valorisation Law is now in force in Hungary, and should do much to relieve the commercial position, and also to stabilise the crown, or at least prevent its sinking. Its operation is simple. A sum of money—say, 10 millions—is lent to a business firm by a bank, for instance, at 10 per cent., the rate of the crown at the time being, say, 1.40 at Zurich. At the expiry of the six months when it has to be repaid, should the crown have fallen to .70, the debtor must pay 20 millions, should it have risen to 2.80, on the other hand, he will be responsible for five millions only. It appears to be a reasonable law, and the only thing that strikes one about it is wonder at its not having been brought forward earlier, in which case much loss would have been avoided.

Letters to the Editor.

COMPANY DEBENTURE REDEMPTION.

TO THE EDITOR OF THE ECONOMIST.

SIR,—It will be a matter of interest to investors who hold redeemable debenture stocks, and to the directors of companies generally, to know the attitude taken up by the Manchester Stock Exchange as to a company's right to redeem debenture stock by private treaty. The Manchester authorities suggest the following form of circular, to be sent to its debenture-holders by a company in the position to redeem part of its outstanding debenture debt:—

"The trustees for the debenture-holders, having a considerable amount of money in hand, are in a position to purchase a quantity of the company's debenture stock.

"Orders to purchase stock have been placed with the brokers to the company, and if you desire to sell any of your stock you can effect a sale by giving instructions to your own broker."

And it appears that Manchester intends to exclude from an official quotation in its list the debenture stock of any company which does not comply with this form—at least, I can only come to this conclusion from their recent action in removing the quotation of Union Cold Storage debenture stock from the Manchester Official List. This was done after an interview with me, and in spite of the fact that the form of circular which my company now uses has the approval of the London Stock Exchange authorities.

The only other Exchange to follow Manchester's example appears to be Liverpool, but the authorities of the Liverpool Exchange refuse to give any reason for the deletion, so I am unable to say whether Liverpool intends to follow Manchester in such matters generally, or whether this is an isolated case. I might add that the Liverpool Committee removed the quotation from the list without any previous communication with the company.

As examples of debenture redemption on similar lines to that of my company, I would quote Commercial Cable Company 4 per cent. debenture stock (Baring Brothers and Co., Limited's, circular) in 1920, and a recent offer made by the Olympic Portland Cement Company, Limited.

It seems a pity that any provincial exchange should differ on such an important point from London's practice, and I cannot help thinking that London's attitude is not only more broad-minded, but also more likely to serve the interests of the members of its Exchange in the long run. My experience, both as a stockbroker and a company director, is that a circular from a company offering to buy its debenture stock brings a good deal of business to brokers, for many holders wisely consult their broker before selling—and if a sale is decided on, get the broker to handle the business; but even if a sale is made direct, the broker probably benefits later on by earning a commission on the reinvestment of the money. In my opinion, anything which will interfere with a company's right to redeem debenture stock by purchase in the market, or by private treaty, or by asking for tenders, or by drawings, whichever may suit it best, is a retrograde step, and not in the interests of either the investing public or Stock Exchange business.—Yours, &c.,

ROGER P. SING,

Chairman of the Directors, Union Cold Storage Company, Limited.

Eastham, Cheshire, March 6th, 1924.

GREEK POLITICS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In your issue of January 12th, under the title "Greek Politics," you publish a letter from Lausanne of Professor Marcel Gauny about the return to Athens of Mr Venizelos.

I beg to hand you at foot the official figures I have obtained from the Home Office, showing the number of electors who voted during the elections of 1920 (which elections really recalled Constantine to the throne) and the number of electors who voted during the recent elections of December 16, 1923.

	No. of Electors who Voted Nov. 1920.	No. of Electors who Voted Dec. 1923.
Old Continental Greece	138,208	131,356
Peloponnesus	144,357	116,990
Cyclades	23,369	19,690
Ionian Islands	41,487	25,366
Negrepont	19,635	16,521
Thessaly	52,362	55,720
Arta and Epirus	31,684	29,814
Macedonia	119,603	149,954
Ægean Islands	35,517	49,079
Crete	55,140	61,503
Thrace	25,240	38,449
Total of votes	686,402	694,442

Mr Venizelos was elected at 18 centres all over the country out of 19 centres that put up his candidature, obtaining 80 per cent. to 97 per cent. of the numbers of

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votes. From these he resigned, retaining that of Athens and Piræus, where he came out first among 30 who were elected, obtaining 64,944 votes of 69,762.

On his return to Greece, Mr Venizelos was elected President of the Constituent Assembly by 345 votes out of 354 Deputies present.

The above numbers and facts certainly do not indicate that "three-quarters of the electors, as a protest, abstained from voting," nor "that Mr Venizelos is very unpopular in Greece," as Professor Gauny concludes in his letter to you.—Yours truly,

P. L. CHRYSOVELONI.

10 Neophytou Vamva street, Athens, February 21, 1924.

Books and Publications.

AN OPTIMIST ON CHINA.*

THIRTY-FIVE years of experience, consular and diplomatic, have given Mr Williams, now Professor of Oriental Languages at the University of California, peculiar opportunities for the study of China. He has held consular posts at Nanking and Shanghai; he has been American *chargé d'affaires* at Peking; he has travelled widely in districts rarely or never visited by foreigners; he has been in touch with eminent Chinese participants in the transformation of the country from a mediæval and Oriental empire into a modern and Westernising Republic. He can throw light on the process through their revelations to him. He is familiar with the language, the literature, the social life, and the history; he has the power of condensation, understanding, and sympathy. The result is an admirable compendium of the geography and social structure, the religion, and the history of the Chinese people, from the origin of its civilisation—probably in a now desert area in Central Asia, in company with the Assyrian Sumerians—through the complicated annals of its relations with the outside world, from the Indian campaign of Alexander the Great to the Nine-Power Treaty of 1922.

From so vast a field selection is difficult: we may note the account of the guilds, with their analogies in mediæval England, and of Chinese village life. But to-day the chief interest of China lies in her foreign relations. Her isolation was due to the misconduct of the earlier European traders—especially the Portuguese—which reversed the liberal policy of the Ming dynasty and set up unsuccessful efforts at exclusion. Then there followed a period of reciprocal misunderstandings, notably in Lord Macartney's mission of 1792, and in the Anglo-Chinese "opium war"—in which the opium traffic was only a small factor—of 1840-42. China's diplomatic isolation was broken down as a consequence of the Taiping rebellion, chiefly through the organisation of the Maritime Customs under British superintendence and the influence of Sir Robert Hart and Mr Anson Burlingame, the American Minister to Peking, whose mission to Europe as representative of China was cut short by his death. China's collapse before Japan in 1895 set up the period of attempted partition, intensified later by the construction of railways, and countered by the British and American demand for the "open door." Only the paralysis of the chief partitionist Powers in the world-war terminated these efforts, which, indeed, survived in the Japanese "Twenty-one Demands" of 1915. The Washington Conference, we may hope, has closed it for ever—unless China breaks up of herself. But Mr Williams, like some Englishmen with wide experience of China, does not believe she will break up. The present disturbances, he says, have had their parallels at the

* "China Yesterday and To-Day." By Edward Thomas Williams. (London) George G. Harrap and Co., Limited. 15s net

overthrow of every Chinese dynasty—the masses are doing their business as usual, in most places life is quiet, and American missionaries travel unmolested. The good sense of the people will end the strife of factions.

As a sample of the book's sidelights on the history, we may refer to the account (too long to quote), on Chinese authority, of the *coup d'état* of 1898, and to Professor Williams' discovery, after the Boxer rising, of the Guio-American Treaty of 1848 among the Chinese archives at Peking. Bound in purple, with a huge silver seal, it was evidently meant to appeal to the supposedly barbaric tastes of the Chinese Government—as if they were American Indians. We must also mention the author's full treatment of Chinese-American relations, and of the problem of Chinese emigration to the Pacific States.

BOOKS RECEIVED.

Income-tax in England (L'Impôt sur le Revenu en Angleterre). By A. Limpens. (Paris) Marcel Riviere, 31 rue Jacob. (Brussels) Emile Bruylant, 67 rue de la Regence. 15s.

Unemployment: Its Cause and Cure. By A. Hook. Cloth, 5s. Paper, 3s. 6d.

The 100 Best Investments. 14th Annual Volume. (London) British, Foreign and Colonial Corporation, Gresham street. 2s. net.

Unity in Industry. By James Kidd. (London) John Murray. 3s. 6d. net.

The Flaw in the Price System. By P. W. Martin. (London) P. S. King and Son, Limited. 4s. 6d. net.

Les Formes d'Entreprises. By Robert Liefman. (Paris) Marcel Giard, 16 rue Soufflot. 20f.

Le Grand Vol des Titres. By S. Goodman. (Paris) Marcel Giard, 16 rue Soufflot. 5f.

L'Angleterre et les Reparations. By William Bonnet. Extrait de l'Economie Nouvelle. Association France-Grande-Bretagne, 1 rue d'Astorg, Paris.

Financieel Jaarboek voor 1924. Nederlandsche Financier, Dageblyksche Beurscourant, Amsterdam.

Les Mouvements d'Opinion en Angleterre. By Sir Theodore Morison. Extrait de la Revue de Paris. Association France-Grande-Bretagne, 1 rue d'Astorg, Paris.

The Lordship of the World. By C. J. O'Donnell. (London) Cecil Palmer. 5s. net.

Statistics of the Iron and Steel Industries. National Federation of Iron and Steel Manufacturers, Caxton House, Westminster.

The Financial Position of Greece. By D. E. Protecdisos. (London) George Allen and Unwin, Limited. 1s. net.

This pamphlet presents a detailed statistical examination of the Greek public debt, and a review of the revenue position and the physical assets of the nation. The author is the secretary of the National Bank of Greece.

Gold Mines of Canada. Published by S. Straker and Sons, 36 Fenchurch street, E.C. 3. 6d.

Liberal Year-Book for 1924. (London) Liberal Publication Department. 1s. 6d.

A reference book indispensable to Liberal politicians, and containing much information useful to all students of politics. It gives the chief organisations of the party, lists of members of the two Houses of Parliament, brief biographies of Liberal members, detailed results of the last three general elections and of 1923 by-elections. There is a chapter on Parliamentary procedure, and much miscellaneous information.

International Press Review. Vol. I. No. 1. (London) International Press Cutting Bureau. 1s.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.	ACCOUNT.
March 19.	March 20.

BUSINESS has come to the Stock Exchange in mild gusts, and without any settled tendency. In some parts of the House activity became marked during the middle of the week, but the trade of the first part of March has certainly been moderate. The new issue of Union of South Africa 5 per cent. stock was left with underwriters to the extent of 36 per cent., but the discount at the opening was not more than $\frac{1}{2}$, and the price recovered to its par level of 99. The recently issued Southern Rhodesia and Westralia Fives rose to a small premium, to

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FOREIGN EXCHANGE TRANSACTIONS ARRANGED.

CHIEF FOREIGN BRANCH:

168 Fenchurch Street, London, E.C. 3.

lose it upon the underwriting of a New South Wales 5 per cent. stock at 97 $\frac{1}{2}$. Other new issues are generally strong, British Columbia Electric 5 per cent. tax-free debenture, for instance, being 6 premium bid, Japanese new Sixes 3 $\frac{3}{4}$ premium and Daily Mail debenture, issued at 99, rising to 106 upon very vague talk of its possible retirement before long at 110.

The War Loan maintains its price at about 101. People are already beginning to talk about its carrying four months' interest in the current quotation. In Conversion and other British Government stocks the changes are slight, but India Government securities, most of which were quoted ex-dividend on Tuesday, recovered the deductions. India stocks of all kinds are better, on the unexpectedly good showing made by Sir Basil Blackett's Budget.

French bonds are flat, upon the franc's further declines, and the French railway bonds also eased off, in spite of the statement that fares are now raised on the French railway systems. Brazilian bonds showed noticeable strength. There has been a little speculative buying of Chinese 8 per cent. issues. Several fresh borrowers are expected in the near future, Siam, Bolivia, and Peru all being mentioned in this connection. A feature is the strength of Austrian, Czechoslovakian, and Greater Prague bonds.

Quotation of the principal Home Railway stocks ex dividend had no particular effect upon the net prices. The fresh talk about a possible omnibus and tramway strike led to natural inquiries as to whether the strike might not affect the railways, too. The public are afraid to buy Home Railway stocks, and for this reason are turning more attention to Argentines and other foreigners, in which latter group United of Havana stands out especially. Brazilian Rails have spurred, hopes being current as to a possible better treatment being accorded the companies by the Brazilian Government.

Rubber has again receded in price, but the share market is so dead that movements in values are negligible. Tea shares have been marking time. The oil market is swayed more by speculative business on behalf of professional borrowers than by other considerations, though the expected rise in petrol is claimed as a point in favour of the companies' shares. Courtaulds continue dull, on disappointment with the dividend. The Stock Exchange was profoundly shocked at the death of one of its members at the Courtauld meeting on Thursday. The Whiteley, John Barker, and Harrods dividends combined to keep this market strong, and hotel shares also are firm. Breweries have moved upwards, under the leadership of Watney deferred. Sudan Plantations, after a sharp rise, reacted from the top, but other Egyptian land shares have not taken any part in the advance.

The iron and steel market shows a slightly duller disposition. Tobacco shares are, comparatively speaking, neglected; and textiles went back a trifle, in consequence of talk about labour difficulties in the trade. Shipping shares are steady. The insurance and banking groups are, if anything, better on balance, though there is not much business doing. In the electricity supply market Bournemouth and Poole spurred, on declaration of a share bonus to be distributed, but the London shares feel the effects of realisations which continue to be made on behalf of a big deceased account. In gas stocks there is not much doing.

The Kaffir market has fallen upon quiet times, but Rhodesians have remarkable vitality and strength in Cam and Motors to recommend them for their speculative attractions. Chartered are also better, on the hope of the early repayment of 5s. a share to the holders. De Beers and other diamond shares, after being better, went back on Paris selling. The tin markets again show hesitation in attaching too much importance to the extraordinary rise in the price of the metal; each timid advance in shares seems to bring out almost as many sellers as buyers; the various sections keep firm without attracting any noticeable amount of fresh buying. Russians have been a shade better. Canadians remain under a slight cloud of dullness.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£ ..	£ 27,707,730 ..	£ ..	£ ..

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED MARCH 1, 1924.

April 1, 1923, to Mar. 1, 1924, £12,400,000 .. Dr 200,000 .. Dr 200,000

To the Public— Karachi Port Trust, £333,000 5 $\frac{1}{2}$ % Deb. to bearer (resp. at par March 15, 1924), issued at 96 $\frac{1}{2}$	333,000 ..	321,345 ..	16,650 ..	304,695 ..
Total offered to public.....	..	321,345 ..	16,650 ..	304,695 ..

To Shareholders only— Copen Oilfields, 200,000 10% Ptg. Shares, 2s. at par.....	20,000 ..	20,000 ..	5,000 ..	15,000 ..
Total offered to shareholders ..	..	20,000 ..	5,000 ..	15,000 ..

Total offered for subscription to date

In— 1924	27,849,075 ..	1923	271,353,173 ..
1923	57,153,799 ..	1922	573,675,650 ..
1922	241,983,703 ..	1921	388,978,203 ..
1921	44,269,492 ..	1920	367,549,656 ..
1920	95,868,392 ..	1919	1,036,059,951 ..
1919	267,401,823 ..	1918	1,393,381,441 ..

Kingdom of Iceland National Bank.—Issue of £200,000

6 $\frac{1}{2}$ per cent. 20-year sterling bonds. Details of the Iceland National Bank (Landsbanki Islands) are given in the Bankers' Almanac. These bonds are a direct obligation of the Iceland National Bank (which belongs entirely to the State), and are guaranteed both as to principal and interest by the Government of Iceland. They are to be redeemed at par on or before February 1st, 1944. The bank undertakes that no further issue of bonds ranking *pari passu* with or prior to the present issue will be made during their currency. The Kingdom of Iceland is a free and sovereign State, united with Denmark, under one King. Budget figures for December 31, 1922, showed receipts amounting to 10,879,000 kr., against expenditure of 12,136,000 kr. Representatives of the Icelandic Government state that steps are being taken to arrange the national finances in the coming year so as to provide a Budget surplus in place of a deficit. The Customs receipts for 1923 are estimated at 3,800,000 kr., equivalent to £126,666 at exchange 30 kr. to the £. The only charge on these receipts is the 7 per cent. loan of 1921, the annual services of which require about £41,500. A fairly good Government security of one of the smaller States.

Karachi Port Trust.—Issue of £333,000 5 $\frac{1}{2}$ per cent.

debentures to bearer at 96 $\frac{1}{2}$ per cent. This issue is authorised by the Government of India under the Karachi Port Trust Act. The board of trustees of the Port have the exclusive right, under this Act, to levy tolls and charges for the landing, shipping, and storage of goods, and for the use of all wharves, quays, &c., vested in them under the Act, and no private wharves or landing places can be constructed without their permission. The Act also provides that the sanction of the Indian Government shall be obtained to all borrowing, and that all loans raised for the purposes of the Port Trust Act above referred to shall be raised on the security of (a) the property vested in the board, and (b) the tolls and charges leviable under the Act, less any sinking fund set aside for the purpose of paying off loans. The amount now owing by the board to the public at 1s. 4d. per rupee equals £1,902,333, against which the board have assets in the shape of lands, buildings, wharves, vessels, plant, &c., valued up to March, 1923, at £3,694,786. Under the orders of the Government, the liquidation of the board's capital debt to debenture-holders is provided for by the accumulation of sinking funds by annual appropriations from the board's revenues. A table of revenue and expenditure is given, which shows that gross revenue has varied from £427,817 six years ago to £272,760 for 1919-20, rising to £389,079 for 1921-22, but declining to £382,548 for last year. Deficits occurred in 1919-20 and 1922-23, "due to the general decline in trade and the abnormal cost of repairs to plant, &c." The bonds will be in the denomination of £100, with coupons attached, payable in sterling on March 15th and September 15th in each year at Lloyds Bank, London, where also the principal in sterling will be repayable in March, 1954. A reasonable investment in its class.

S.T.D. Motors, Limited.—Authorised capital £3,300,000

of which £3,224,408 has been issued and is fully paid. This is an offer for sale at £97 $\frac{1}{2}$ per cent. of £500,000 10-year 8 per cent. guaranteed notes, being part of an authorised issue of £700,000. S.T.D. is an important shareholding company in the motor world, and these notes will be guaranteed by four of the associated companies. In addition, the company is pledging its shareholdings as a specific first charge, and further, debentures will be given, specifically secured upon property and fixed assets of the four principal companies, subject to prior charges, amounting in value to £395,000. These debentures will contain provisions under which the companies concerned will be prevented from issuing further charges ranking

in priority or *pari passu*. According to a statement in the prospectus, surplus assets of the associated companies are given as £1,842,578. Stocks amount to over a million, while property and plant is shown at £740,626. The high rate of interest, 8 per cent., denotes the degree of risk involved, but against this must be placed the facts (1) that the associated undertakings turn out good cars with a world-wide reputation, and (2) that there is a good margin on assets for depreciation or wastage.

Littlehampton Gas Company.—Established in 1847 and incorporated by special Act of Parliament, 1909. Authorised share capital £59,025, of which £46,581 has been issued. The loan capital amounts to £29,512, of which £15,500 has been issued. This is an offer for sale by tender of £7,700 6 per cent. redeemable debenture stock. Interest on debenture stock, including that now offered, will require £1,469 per annum, and as the revenue for the year past was £4,272, a comfortable margin is left over for security.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.				
	Price	Week	Latest	Rise or
	Week	Price.	Fall.	Fall.
War (3 $\frac{1}{2}$), 1925-28 .. 95 $\frac{1}{2}$.. 95 $\frac{1}{2}$				
Loans (4 $\frac{1}{2}$), 1925-45 .. 96 $\frac{1}{2}$.. 96 $\frac{1}{2}$				
India 3 $\frac{1}{2}$ Stock .. 101 .. 101				
Do 7 $\frac{1}{2}$, 1926-31 .. 112 .. 111 $\frac{1}{2}$				
Do 5 $\frac{1}{2}$, 1933 .. 99 $\frac{1}{2}$.. 100 $\frac{1}{2}$				
Victory Bonds 4 $\frac{1}{2}$.. 91 $\frac{1}{2}$.. 91 $\frac{1}{2}$				
Conversion Loan 3 $\frac{1}{2}$.. 75 $\frac{1}{2}$.. 75 $\frac{1}{2}$				
Consols 2 $\frac{1}{2}$.. 55 $\frac{1}{2}$.. 55 $\frac{1}{2}$				
Irish Land Stock 2 $\frac{1}{2}$.. 58 $\frac{1}{2}$.. 58 $\frac{1}{2}$				
Local Loans 3 $\frac{1}{2}$.. 64 $\frac{1}{2}$.. 64 $\frac{1}{2}$				
Aust. 6 $\frac{1}{2}$ 1931-41 .. 104 .. 104				
Canada 4 $\frac{1}{2}$ 1920-25 .. 101 .. 101				
India 3 $\frac{1}{2}$ Stock .. 101 .. 101				
Do 7 $\frac{1}{2}$, 1926-31 .. 112 .. 111 $\frac{1}{2}$				
Do 5 $\frac{1}{2}$, 1933 .. 99 $\frac{1}{2}$.. 100 $\frac{1}{2}$				
Do 4 $\frac{1}{2}$.. 84 $\frac{1}{2}$.. 85 $\frac{1}{2}$				
N.S.W. 5 $\frac{1}{2}$ 1922-32 .. 101 .. 101				
Nigeria 6 $\frac{1}{2}$ 1949-79 .. 112 .. 112				
U. of S.A. 6 $\frac{1}{2}$ 1930-40 .. 105 .. 105				
Victoria 5 $\frac{1}{2}$ 1924-34 .. 100 .. 100				
W. Aust. 6 $\frac{1}{2}$ 1930-40 .. 104 $\frac{1}{2}$.. 104 $\frac{1}{2}$				

British Railways.				
	Price	Week	Latest	Rise or
	Week	Price.	Fall.	Fall.
Great Western, Ord. 111 $\frac{1}{2}$.. 108 $\frac{1}{2}$				
London & North-Eastern .. 84 $\frac{1}{2}$.. 84 $\frac{1}{2}$				
5% Pref. Ord. 84 $\frac{1}{2}$.. 84 $\frac{1}{2}$				
Do Def. Ord. 33 .. 32 $\frac{1}{2}$				
London, Mid., and .. 102 $\frac{1}{2}$.. 100 $\frac{1}{2}$				
Scottish, Ord. 76 $\frac{1}{2}$.. 74 $\frac{1}{2}$				
Metropolitan .. 55 $\frac{1}{2}$.. 53 $\frac{1}{2}$				
Southern, Ord. "A" .. 40 $\frac{1}{2}$.. 40 $\frac{1}{2}$				
Do Ord. "B" .. 11 .. 10 $\frac{1}{2}$				
Do Pref. Ord. 84 $\frac{1}{2}$.. 84 $\frac{1}{2}$				
Do Def. Ord. 45 $\frac{1}{2}$.. 45 $\frac{1}{2}$				
Underground Electric .. 2 $\frac{1}{2}$.. 3				
Do "A" (1/1) .. 10 $\frac{1}{2}$.. 10 $\frac{1}{2}$				
Do Inc. Bds. (£100) .. 99 $\frac{1}{2}$.. 99 $\frac{1}{2}$				

Banks.				
	Price	Week	Latest	Rise or
	Week	Price.	Fall.	Fall.
Barclays B. (£1, f.p.d.) .. 24 $\frac{1}{2}$.. 24 $\frac{1}{2}$				
Chartered Bk of India .. 20 .. 20				
Lloyds (£5 with £1 .. 24 $\frac{1}{2}$.. 24 $\frac{1}{2}$				
Midland (£12, with .. 84 .. 84 $\frac{1}{2}$				
£24 paid) .. 84 .. 84 $\frac{1}{2}$				
Nat. Bank of Egypt .. 24 $\frac{1}{2}$.. 24 $\frac{1}{2}$				
Nat. Bank of S. Africa .. 6 $\frac{1}{2}$.. 6 $\frac{1}{2}$				
National Provincial .. 11 .. 10 $\frac{1}{2}$				
Standard of S. Africa .. 11 .. 11				
Westminster Bank .. 17 $\frac{1}{2}$.. 17				

American Railroads.				
	Price	Week	Latest	Rise or
	Week	Price.	Fall.	Fall.
Chesapeake & Ohio .. 83 .. 84				
Erie .. 29 .. 29				
Do 4 $\frac{1}{2}$ 1st Pref. 36 .. 36 $\frac{1}{2}$				
Southern .. 57 .. 58				
Do Non-um Pref. 83 .. 84				

Foreign Government Securities.				
	Price	Week	Latest	Rise or
	Week	Price.	Fall.	Fall.
Argentine 5 $\frac{1}{2}$, 1886-7-100 .. 100 .. 100				
Austrian 6 $\frac{1}{2}$ Guar. 88 $\frac{1}{2}$.. 89 $\frac{1}{2}$				
Belgian 3 $\frac{1}{2}$.. 70 .. 69				
Brazil 5 $\frac{1}{2}$ Fund, 1914 .. 74 .. 74				
Chilian 4 $\frac{1}{2}$, 1886 .. 84 .. 84				
Do 7 $\frac{1}{2}$.. 106 $\frac{1}{2}$.. 106 $\frac{1}{2}$				
Chinese 5 $\frac{1}{2}$, 1912 .. 70 .. 70				
Egyptian 4 $\frac{1}{2}$.. 74 .. 74				
French 5 $\frac{1}{2}$.. 113 .. 113				
Do 4 $\frac{1}{2}$.. 17 $\frac{1}{2}$.. 17 $\frac{1}{2}$				
Greek 4 $\frac{1}{2}$, 1884 .. 45 $\frac{1}{2}$.. 45 $\frac{1}{2}$				
Japanese 4 $\frac{1}{2}$ 1910 .. 65 .. 65				
Do 5 $\frac{1}{2}$ 1924 .. 53 $\frac{1}{2}$.. 53 $\frac{1}{2}$				
Mexican Cons. 1898 .. 54 .. 54 $\frac{1}{2}$				
Peruvian Corp. Pref. .. 24 $\frac{1}{2}$.. 29				
P.L.M. 6 $\frac{1}{2}$.. 83 $\frac{1}{2}$.. 82 $\frac{1}{2}$				
Portuguese (New) .. 28 .. 30				
Russian 5 $\frac{1}{2}$, 1906 .. 11 .. 11				
Spanish 4 $\frac{1}{2}$.. 67 .. 67				
Serbia (Dep.) 7 $\frac{1}{2}$.. 97 .. 95 $\frac{1}{2}$				
Siamese 5 $\frac{1}{2}$.. 107 $\frac{1}{2}$.. 104 $\frac{1}{2}$				

Colonial and Foreign Railways.				
Antofagasta Cons.....	86 $\frac{1}{2}$	86	-	1
B.A. and Pacific	81 $\frac{1}{2}$	81 $\frac{1}{2}$	-	1
B.A. & Southern	88 $\frac{1}{2}$	89 $\frac{1}{2}$	+	1
Buenos Ayres West.....	80 $\frac{1}{2}$	82 $\frac{1}{2}$	+	2
Canadian Pacific	172 $\frac{1}{2}$	168 $\frac{1}{2}$	-	4
Central Argentine	76 $\frac{1}{2}$	77 $\frac{1}{2}$	+	1
Leopoldina	27 $\frac{1}{2}$	28 $\frac{1}{2}$	+	1
Mexican Railway.....	10	10	0	0
Do 1st Pref.....	26	26	0	0
Do 2nd Pref.....	15	15	0	0
San Paulo	151	151	0	0
United Havana.....	89	90	+	1

AMERICAN TELEPHONE AND TELEGRAPH COMPANY.

SUMMARY OF THE ANNUAL REPORT FOR THE YEAR ENDING DECEMBER 31, 1923.

Publication of the annual report of the American Telephone and Telegraph Company, which is the headquarters organization of the Bell Telephone System, has come to be a financial event of nation-wide interest, because there is a telephone for every seven of the population, while ownership of the company's stock is distributed among more shareholders than are represented on the books of any other American corporation.

President H. B. Thayer says that the habit of using the telephone grows steadily, and that with an annual increase of about 1,500,000 in the population of this country, the indications point strongly to an increasing demand for service. Since the telephone service was first installed, 46 years ago, the purpose has been to create and maintain a service available in any part of the country to furnish communication with any other part.

The Bell Telephone System comprises all the agencies through which this is accomplished. It consists of the American Telephone and Telegraph Company, which owns and operates the national system of long-distance telephoning, and the Associated Telephone Companies, in which the American Telephone and Telegraph Company is a stockholder, owning, directly or indirectly, all of the common stock of 14 companies, a majority in nine companies, and a minority in two companies. These associated companies operate the local lines in communities serving 10,400,000 stations. In addition, there are the connecting companies locally owned, and serving 4,600,000 stations. The American Telephone and Telegraph Company also owns 98 per cent. of the stock of the Western Electric Company, which serves as a manufacturing and supply agency to the Bell System. The American Telephone and Telegraph Company is a minority shareholder of the Bell Telephone Company of Canada, connecting with its lines and stations, and owns one-half of the stock of the company which operates the telephone cables between Florida and Cuba. All the stock of the Bell Telephone Securities Company, which was formed to facilitate a broad public investment in telephone securities by assisting and advising intending investors, is owned also by the American Telephone and Telegraph Company.

The company is, therefore, partly an operating company and partly a holding company, owning 91 per cent. of the voting stock of the companies that own and operate about 70 per cent. of the telephone stations of the United States. The American Telephone and Telegraph Company, President Thayer says, aims to concentrate its efforts and resources upon "the development and perfection of telephone service in this country, including connections with foreign services as improvement in the art may make such connections available; but that policy has not contemplated making them available by investment abroad, or by any other programme which would withdraw any of our resources, either in men or money, from this country."

President Thayer says that by new methods of economy and greater efficiency it has been possible to keep the increase in charges far below the increase in other items which contribute to the general increase in the cost of living and carrying on the business.

As of December 31, 1923, there were 281,149 holders of American Telephone and Telegraph stock. The authorized capital of the American Telephone and Telegraph Company last March was increased from \$750,000,000 to \$1,000,000,000, but only \$735,519,200 of the stock was outstanding at the close of last year.

REDUCTION OF FUNDED DEBT.

While three years ago, at the close of 1920, the company's funded debt represented 42 per cent. of the total capital obligations, there being only \$442,825,400 capital stock then outstanding, there is now, allowing for the \$40,000,000 note issue retired on February 1 last, a funded debt, comprising only 28 per cent. of the total capital obligations outstanding, the capital stock having been increased in the meantime to about \$753,500,000. The net assets of the company, after deducting current liabilities at the

close of 1923, aggregated \$1,274,239,000, a sum \$211,000,000 greater than the total capital obligations—stock and debt—outstanding. The company earned last year 11.35 per cent. on its average outstanding capital stock (compared with 11.14 per cent. the year before), not allowing for the equity in the undivided profits of the Associated Companies, of whose voting stock the American Telephone and Telegraph Company owns more than 90 per cent. Including working capital and other assets, with plant and equipment, and deducting current liabilities, the book cost of net assets used in the business and devoted to earning interest and dividends on the outstanding securities of the Bell System amounts to, approximately, \$2,287,000,000, or more than 139 per cent. of the aggregate amount of securities on which interest and dividends must be earned and paid. A sound financial structure has been created, so that the service may be furnished at as low a cost as is consistent with the maintenance of a high grade of service. The Bell System has always put back into the business a fair proportion of net profits, and this practice, together with the sale of securities at a premium, has resulted in the creation of a surplus which adds materially to the strength of the company's outstanding securities. Although dividends have been earned with a margin, the average rate of earnings on the book cost of the property of the Associated Companies last year was only 5.4 per cent.

Rate regulation during the past year has been for the most part satisfactory, and in all cases that have come to final decisions in the courts the companies of the Bell System have been successful.

RADIO TELEPHONY.

In order to keep in close touch with the practical development of radio broadcasting the American Telephone and Telegraph Company has operated a broadcasting station in New York since November, 1922. The Message of President Coolidge to Congress, delivered December 6th last, was broadcasted through six stations located at Washington, New York, Providence, St. Louis, Kansas City, and Dallas. The stations were connected by the long distance lines to the point where the address was delivered, in this way enabling the President of the United States for the first time on record to address in person several million citizens. As to trans-Atlantic messages, President Thayer says that: "Measurements indicate that, under most favourable conditions, a small amount of power such as is used in an amateur set will transmit speech so as to be heard sporadically in England. Atmospheric conditions, however, often change so greatly within only a few hours that 10,000 times as much power would not give audible speech. Engineers are actively engaged on the difficult problems presented by this extreme variability of radio telephone transmission over such distances. Much more scientific investigation and development work must yet be done before definite statements can be made concerning the prospects of dependable, day by day trans-oceanic telephone service."

RECORD USE OF TELEPHONE SERVICE.

The volume of telephone traffic last year which the companies of the Bell System were called upon to handle showed a substantial increase over preceding years, and the high standards of the service were fully maintained. The net gain of 891,342 stations meant the largest construction programme of the kind ever undertaken. A second trans-continental telephone line to take care of the continuous increase in such business was constructed last year along the route through Pueblo, El Paso, and thence to Los Angeles, so that there are now two complete trans-continental telephone routes, providing insurance against complete interruption of service from severe storm damage. The programme of extending the toll cable to the West has been continued, so that at the end of 1923 this service has been completed from the principal points of the Atlantic seaboard to Cleveland. It will be extended further to Chicago within the next two years.

THE BELL SYSTEM.

There are in the United States approximately 10,000 telephone companies, of which 9,169 companies connect for the interchange of toll traffic with the Bell System. There are also a large number of rural lines operated mainly on a mutual or co-operative basis and not rated as

companies. Of this group over 27,000 connected with the Bell System. The development of the Bell System on December 31, 1923, and its growth during the year, are shown in the following tables:—

TELEPHONE STATIONS.

	Number at End of Year.	Increase During Year.
Bell-owned	10,406,155	891,342
Bell-connecting .. .	4,593,946	58,194
Total	15,000,101	949,536

There is now one telephone station, Bell-owned or Bell-connecting, to each seven of the total population in the United States, as compared with one station to each 12 of the population ten years ago, and one to each 90 of the population in 1900.

TELEPHONE CONNECTIONS—BELL-OWNED EXCHANGES.

	Average Number Daily During 1922.	Average Number Daily During 1923.	Increase.
Exchange Connections .. .	36,831,000	41,109,000	4,278,000
Toll Connections .. .	1,523,000	1,683,000	160,000
Total	38,354,000	42,792,000	4,438,000

Continued on next page.

AMERICAN TELEPHONE AND TELEGRAPH CO.—Continued from preceding page.

MILES OF WIRE AT END OF YEAR—BELL OWNED.

	Aerial.	Underground.	Total.	Increase During Year.
Exchange	8,877,626	21,076,960	29,954,586	3,547,301
Toll	2,875,355	1,693,901	4,569,256	360,019
Total	11,752,981	22,770,861	34,523,842	3,907,320

On December 31, 1923, about 66 per cent. of the total mileage was in underground cable and more than 22 per cent. in aerial cable, with less than 12 per cent. in open wire. The percentage of the total wire mileage which is in cable steadily increases from year to year, thus adding to the stability of the plant through the lessening liability to storm damage. The year 1923 records the largest growth in plant in the history of the Bell System, the net additions for the year exceeding those of 1922 by \$64,000,000.

TELEPHONE EMPLOYEES.

Number on December 31, 1922 .. .	243,053
Number on December 31, 1923 .. .	271,987

The increase of approximately 29,000 employees during the year is comprised almost entirely of additions to the plant and traffic forces to construct, operate, and maintain the additional plant and equipment required for the business and to meet the increased demand for service.

INCOME STATEMENTS AND BALANCE-SHEETS.

The Bell System balance-sheet and income statement from which all inter-company duplications have been excluded, represent the business of the Bell System as a whole in its relation to the public. They consolidate the accounts of the American Telephone and Telegraph Company, the 25 Associated Companies, but do not include data for connecting companies or for such companies as the Bell Telephone Company of Canada and the Western Electric Company.

BELL SYSTEM INCOME STATEMENT FOR YEARS ENDING DECEMBER 31, 1922 AND 1923. (DUPLICATIONS EXCLUDED.)

	1922.	1923.
Exchange Revenues	374,718,580	412,009,426
Toll Revenues	163,097,837	178,427,051
Miscellaneous Revenues .. .	9,012,656	11,153,311
Total Operating Revenues .. .	546,829,073	601,589,788
Depreciation	80,081,280	87,484,693
Current Maintenance .. .	79,817,856	91,154,988
Traffic Expenses	152,948,539	170,993,441
Commercial Expenses .. .	49,650,397	53,406,861
General and Miscellaneous Expenses .. .	25,853,826	26,036,076
Total Operating Expenses .. .	388,351,898	429,076,059
Net Operating Revenues .. .	158,477,175	172,513,729
Uncollectable Revenues .. .	3,081,821	3,436,422
Taxes	41,215,441	45,648,727
Operating Income	114,179,913	123,428,580
Non-Operating Revenues—Net .. .	17,209,311	21,526,309
Total Gross Income	131,389,224	144,954,889
Rent and Miscellaneous Deductions .. .	6,897,106	7,578,970
Interest Deductions	37,869,366	37,751,447
Total Deductions	44,766,472	45,330,417
Net Income	86,622,752	99,624,472
Deduct Dividends	60,305,204	72,428,617
Balance	26,317,548	27,195,855

BELL SYSTEM BALANCE-SHEETS, 1922 AND 1923. (DUPLICATIONS EXCLUDED.)

	Dec. 31, 1922.	Dec. 31, 1923.
ASSETS—		
Telephone Plant	1,729,219,520	1,978,947,543
Supplies, Tools &c. .. .	50,744,200	59,761,345
Stocks and Bonds	146,834,400	150,059,850
Receivables	87,681,728	87,000,576
Temporary Cash Investments .. .	100,539,281	65,961,698
Cash	47,593,824	58,317,313
Total	2,162,522,971	2,400,048,325
LIABILITIES—		
Capital Stock (Including Instalments)		
Common—		
America Tel. and Tel. Co. .. .	715,083,854	753,501,597
Associated Companies .. .	61,535,743	63,094,513
Preferred—Associated Companies .. .	60,387,747	74,938,547
Total Capital Stock	837,007,344	891,534,657
Funded Debt—		
Mortgage Bonds—Associated Companies .. .	360,072,390	409,025,259
Collateral Trust Bonds—American Tel. and Tel. Co. .. .	162,750,500	161,925,500
Convertible Bonds and Notes—		
American Tel. and Tel. Co. .. .	23,851,300	17,487,600
Associated Companies .. .	25,180,100	222,000
Debentures and Notes—		
American Tel. and Tel. Co. .. .	40,000,000	130,443,400
Associated Companies .. .	34,178,875	33,636,775
Total Funded Debt	646,033,165	752,660,534
Bills Payable—Associated Companies .. .	426,164	248,294
Total Capital Liabilities .. .	1,483,466,673	1,644,443,395
Accounts Payable	38,116,351	50,809,771
Accrued Liabilities Not Due .. .	58,702,050	62,107,904
Employees' Benefit Funds .. .	18,655,184	20,552,875
Surplus and Reserves	563,582,714	621,853,180
Total	2,162,522,971	2,400,048,325

* Practically all now secured by mortgages.

AMERICAN TELEPHONE AND TELEGRAPH COMPANY. STATEMENT OF EARNINGS AND EXPENSES FOR THE YEARS 1922 AND 1923.

	1922.	1923.
Earnings—		
Dividends	44,972,928.91	54,078,663.11
Interest	12,281,954.46	12,998,157.47
Tel. phone Operating Revenues .. .	65,324,889.89	71,840,735.27
Miscellaneous Revenues .. .	227,946.41	373,405.65
Total	122,807,719.67	139,290,961.50
Expenses (including provision for depreciation and all taxes) .. .	41,139,279.67	43,501,043.47
Net earnings	81,668,440.00	95,389,918.03
Deduct Interest	15,498,011.88	13,697,736.66
Net income	66,170,428.12	81,692,181.37
Deduct Dividends	52,971,251.93	63,274,388.10
Balance	13,199,176.19	18,417,793.27
Carried to Reserve for Contingencies .. .	5,000,000.00	3,000,000.00
Carried to Surplus	8,199,176.19	15,417,793.27
Total	13,199,176.19	18,417,793.27

AMERICAN TELEPHONE AND TELEGRAPH COMPANY. BALANCE-SHEET, DECEMBER 31, 1922 AND 1923.

	Dec. 31, 1922.	Dec. 31, 1923.
ASSETS—		
Stocks of Associated Companies .. .	662,529,358.73	756,463,932.11
Bonds and Notes of and Net Advances to Associated Companies .. .	115,671,082.98	178,147,274.02
Stocks, Bonds, and Notes of and Advances to Other Companies .. .	105,427,223.85	102,211,723.47
Long Lines Plant and Equipment .. .	108,757,168.05	125,671,228.42
Telephones	29,666,203.92	33,275,285.85
Rail Estate	11,665,548.99	12,096,745.41
Office Furniture and Fixtures .. .	703,935.60	956,088.11
Accounts Receivable	9,831,006.15	10,443,626.03
Temporary Cash Investments .. .	93,162,766.73	62,218,588.55
Cash	26,517,547.38	25,217,740.10
Total	1,163,931,842.38	1,306,702,232.07
LIABILITIES—		
Capital Stock—		
Capital stock	699,347,400.00	735,519,200.00
Capital Stock Instalments .. .	15,736,454.22	17,982,306.96
Total Capital Stock	715,083,854.22	753,501,506.96
Funded Debt—		
4% Collateral Trust Bonds, 1929 .. .	78,000,000.00	78,000,000.00
5% Collateral Trust Bonds, 1946 .. .	74,783,500.00	73,979,500.00
5% West n T. and T. Co. Bonds, 1932	9,970,000.00	9,970,000.00
5 1/2% Debenture Bonds, 1943 .. .	.. .. .	100,000,000.00
4% Convertible Bonds, 1936 .. .	2,589,000.00	2,589,000.00
4 1/2% Convertible Bonds, 1933 .. .	7,191,800.00	5,200,700.00
6% Convertible Bonds, 1925 .. .	14,070,500.00	9,617,900.00
6% 5-year Gold Notes, 1924 .. .	40,000,000.00	30,468,400.00
Total Funded Debt	226,604,800.00	309,825,500.00
Total Capital Liabilities .. .	941,688,654.22	1,063,327,006.96
Dividend Payable January 15th .. .	15,719,753.25	16,539,124.50
Accounts Payable	6,465,453.16	7,754,816.30
Interest and Taxes Accrued, Not Due	7,630,585.97	8,168,929.43
Reserve for Employees' Benefit Fund	5,000,000.00	6,000,000.00
Reserve for Depreciation and Contingencies	68,514,833.29	75,985,328.99
Surplus (including Capital Stock Premiums)	118,912,562.49	128,927,025.89
Total	1,163,931,842.38	1,306,702,232.07

COMPANY MEETINGS, &c.

BRITANNIC ASSURANCE COMPANY, LIMITED.

MR J. A. JEFFERSON REVIEWS A PROSPEROUS YEAR.

TOTAL FUNDS OVER EIGHT MILLIONS.

WONDERFUL PROGRESS.

MR MURRAY LAING ON CONSERVATIVE VALUATION METHODS.

The fifty-eighth ordinary general meeting of the shareholders of the Britannic Assurance Company, Limited, was held, on February 29th, at the chief offices, Broad street corner, Birmingham, Mr J. A. Jefferson, F.I.A., chairman, presiding.

The assistant secretary read the notice convening the meeting and the auditors' report.

The Chairman, in moving the adoption of the report, said:—Ladies and gentlemen, since our last meeting death has once again invaded the precincts of our board room, and I am sure that, before we proceed with the ordinary business of the meeting, every shareholder present would desire to show his or her respect to the memory of our late chairman, Mr J. A. Patrick, who passed away on Saturday morning, January 26th. I, personally, have suffered a very deep loss, for when my late father died, Mr Patrick stepped into the breach in a two-fold sense, in that he became not only our chairman, but to me he took to some extent the place of my father, in a manner no one else could, and I shall never forget the kindly and personal interest he took in me. Our late chairman was typically a "Britannic" man, for he gave practically the whole of his life to the company's service. Starting right at the bottom of the ladder on a blank book, and rising to the highest rung, he is an undying example of what sound, honest, hard work can do in our business. By his kindly disposition he had endeared himself to every member of the staff, and he has left a memory which will be cherished by all who knew him. May I ask you, as a token of our deep sympathy with his widow, my colleague, Mr Albert Patrick, and all other members of his family, to stand in silence for a brief moment?

Ladies and gentlemen: It now devolves on me to move the adoption of the directors' report and the accounts for the 12 months ending December 31, 1923, and in doing so, however much I deplore the cause, I want to take the very first opportunity of saying how much I appreciate the honour the directors have conferred upon me in electing me to the proud position of chairman of this great company. In taking up my new responsibilities I realise that I labour under a disability, namely, that of a son seeking to follow in the footsteps of an extremely able and successful father, but as to this I can only say that I shall carry out my new duties to the best of my ability, and I believe that the whole-hearted co-operation I always receive from my colleagues and members of the staff will enable me to lead the "Britannic" to even higher achievements than those already accomplished.

FUNDS OVER EIGHT MILLIONS.

Turning now to the accounts, copies of which have been in your possession for some time, I will, with your permission, take same as having been read. In the directors' report you will see that our total gross income from all sources amounts to £2,987,997—an increase over the previous year of £201,054. The total outgo amounts to £1,974,902—leaving a balance in the year's accounts of well over one million pounds, and it is indeed with pride that on this, the first occasion I am called upon to take the chair at this meeting, I am able to report, for the first time in the history of the company, we have, in one year's operations, been able to save over one million pounds—another mile-stone in our forward march. You can imagine the interest with which I examined our accounts to find when the company was able to report its first million of funds, and I find it was in December, 1903. You will see, therefore, that in one year—1923—we have saved as much as was accumulated in the first 37 years of the company's existence. This feature, I am sure, must be as gratifying to the shareholders as it is to myself, since it affords great promise for the future prosperity of the "Britannic."

The total funds, you will note, now practically amount to eight and a-half million pounds—a truly imposing figure—and one that I hope to see go forward in leaps and bounds. Although income exceeds outgo by over one million pounds, an examination of the accounts shows that our total funds have not increased by this amount, and the reason is that the directors during the year launched a definite staff pension scheme, and, as stated in the report, the sum of £120,000 which had been accumulated for the purpose and which figured among our funds a year ago has been transferred to the trustees of the new staff pension scheme.

You will notice that the directors are recommending that £30,000 be again transferred this year to the trustees of this scheme, and I am sure it requires no words or arguments of mine to convince you of the desirability of the suggested transfer, for the "Britannic" has always been mindful of those worthy servants who have helped to build up this grand edifice, and who, by reason of advanced age or ill-health, find it impossible to carry on their duties any longer. The scheme, you will note, has been approved by the Commissioners of Inland Revenue.

INDUSTRIAL UNREST.

As I have mentioned on more than one occasion, the state of employment in this country is a factor which vitally affects the operations of a company such as this. Our late chairman and I dealt with this feature in our remarks last year, and perhaps you will remember I then stated that I saw distinct signs of trade improvement. Subsequent events have justified that view, for the improvement has been growing steadily though sometimes almost imperceptible. The unfortunate recurrence of trade disputes has had its depressing effect by tending to undermine that degree of confidence on the part of the trading community, which I believe is so necessary if this country is to return to the almost forgotten days of national prosperity.

You will remember last year I referred to the determined efforts made by your board to assist to the utmost limits those of our policy-holders in the industrial branch who were being hit by the unprecedented times through which we had been passing. As a result of our combined efforts, inside and out, I am convinced that a large amount of good sound business was conserved, and as a proof of this I may say that our remittance in this branch from the field force reached the excellent figure of 29.4 per cent., creating a new record, and showing that the business is sound, and that those policy-holders we helped in the past have appreciated our efforts and are gradually paying off their arrears of premium.

On previous occasions I have referred to the enquiry into the conduct of industrial assurance by Lord Parmoor's Committee, and I am pleased to say that during the past year an Act was placed on the Statute Book governing the activities of industrial assurance companies and societies. Allow me here and now to say that I welcome the new Act and believe it will have an uplifting influence on the business as a whole, which cannot but be beneficial to all concerned. I am also convinced that the great publicity given to the work we have for so many years been doing will remove to some extent the ignorance of the ordinary public on what is largely a technical subject, and which, heretofore, has made the business of industrial assurance one of the most vulnerable for ill-informed and prejudiced attack. One result of passing this Act has been to make us look even more closely into the whole of our administration, and in so doing we have been able to reorganise as to make further economies in administration possible—the beneficial effect of which is shown in the accounts now before you, and will, I hope continue to be shown in the future.

In view of the great importance of the new legislation, I may say that we have done all in our power to ensure that every member of the staff is conversant with the provisions of the Act, and it is the earnest desire of the directors that the business of this company shall be conducted in such a manner as will redound to the credit of everyone concerned. As a company, we have always done our utmost to carry on an honourable business in an honourable manner.

So much for past legislation, but as a board naturally our minds have been turning to the future, and to the rumours of further legislation dealing with old age pensions, widows' pensions, &c. Bearing, as they do, indirectly on our business, you can rely on your board watching carefully the interests of the company in these matters.

OUTSTANDING FEATURES OF THE ACCOUNTS.

With these general remarks I would now ask you to be good enough to bear with me whilst I briefly explain some of the outstanding features of the accounts we have presented to you.

The directors' report is, I think you will agree, self-explanatory, so, therefore, if you will kindly turn to the revenue account of the

ordinary branch you will notice that our premium income amounted to £614,228—an increase of £61,746 over the previous year—an increase, I submit, of which we can be justly proud, and which has only once been exceeded, viz., in the boom year of 1920. When we consider that in 1923, as compared with 1920, our claims by death were £18,000 more, and claims by maturity some £20,000 greater, and bear in mind the premium income cancelled by these increased claims, then we can, I think, be well satisfied with the progress made, especially in view of the times through which we have been passing, as compared with the abundant and, I am afraid, fictitious prosperity of 1920.

The net income from interest, dividends, &c., in this branch amounted to £169,000—an increase of over £25,000 on the previous year, and I am very proud indeed to be able to report that our net yield amounts to £5 5s 11½d—an achievement which I think will be reached by few and surpassed by none of our friendly rivals, and I am sure it will be apparent to you all what an important factor this interest yield is as to our future prosperity, for doubtless our esteemed actuary, Mr J. Murray Laing, will in due course be reporting to you that we value on a 3 per cent. basis in this branch, and the margin between the net rate assumed and that earned is a very potent factor indeed in the profit-earning capacity of the future.

On the other side of the account you will see that we have paid out in death claims £93,600, an item in excess of last year by just over £6,000, and in respect of matured endowment assurance policies a sum of no less than £154,533, which is just slightly greater than that paid last year. I would, in passing, like to draw your attention to a comparison of these figures—i.e., the amount paid in claims by death and the amount paid in claims by maturity, viz., £93,600 and £154,000 respectively. We are delighted, as a company, that so many of our policyholders live to reap the benefit of their earlier efforts of thrift.

There is a somewhat heavy increase in the amount paid by way of surrenders, but this is not to be wondered at, in view of the abnormal times to which I have already referred, and the generous terms offered by the company.

As compared with the previous year, the item of commission has increased, as also has the item of new business expenses, but these increases are the natural outcome of our expanding business, and in both cases there is a reduction in the ratio as compared with our premium income, the combined effect being a reduction of about 1 per cent. of the premium income of the year.

In the item of expenses of management there is an actual decrease of over £1,000, despite the large business handled, and, naturally, I am extremely gratified in being able to report such a satisfactory result. The net result is that the total expenses of the ordinary branch represented only 15.65 per cent. of the premium income, as compared with 16.75 per cent. a year ago.

THE TWO-MILLION MARK.

Our total funds in this branch, you will note, now amount to the substantial figure of approximately three and a half million pounds, showing an increase over the previous year of more than £392,000. Finally, I would like to thank all those representatives who helped us to reach the excellent figure of £1,901,802 in new sums assured in this branch last year. We have not yet reached our two million mark, and we are not satisfied that we are obtaining our fair share of this class of business; but I am convinced that, given reasonable conditions throughout the present year, it will not be necessary again to refer to the two-million mark as our aim, but rather to look hopefully to the two and a half million mark.

Before leaving this branch of our business, there is one matter bearing on the results to which, perhaps, I might refer. For many years we have, as you know, run a separate section of the ordinary branch, known as the special tables department. Under these tables we offered to the working classes particularly favourable terms for sums assured as small as £10, the premiums for which were payable yearly, half-yearly, or quarterly. In spite of our best endeavours, this branch has not been a success, and, in view of the excellent monthly prospectus, to which I referred last year, the directors reluctantly decided to withdraw the special tables prospectus as from the end of 1922. It is most gratifying to report that the new business of 1923 in the ordinary branch exceeded that of 1922, although the latter included the policies issued under the special tables.

I am delighted to say that our monthly tables have contributed very considerably to the increase made in the industrial branch, and am able to report that our monthly debit increased by over £3,300.

Referring now to the revenue account of the industrial branch, you will notice that our premium income amounted to £1,932,036—an increase over the previous year of £81,469—and this, although a considerably larger increase than we were able to report last

year, still shows the effect of the state of trade for the period under review.

Our net receipts from interest, dividends, &c., in this branch amounted to £224,548, an increase of approximately £36,000, and here again I am pleased to report that the net yield amounts also to £5 5s 11½d, and the remarks I made on this point when dealing with the ordinary branch apply similarly to this branch.

On the other side of the account you will notice that our death claims amounted to £529,958, a decrease of over £36,000 as compared with the previous year, but you will remember I explained last year that in 1922 we experienced a very heavy death-rate in the early part of that year owing to the influenza epidemic, and, fortunately, we enjoyed comparative immunity in 1923. Unfortunately, the epidemic which is now raging is taking its toll of our policyholders, so that we do well to take a long view when dealing with mortality comparisons.

Claims by maturity amounted to £155,683, an increase of practically £30,000, and as the surrender claims have increased by some £2,700, it means that our total claims under these three headings amounted to £701,557, and were, in fact, over £4,000 less than in 1922. The ratio of our total claims to our premium income for the year works out at 36.31 per cent., as compared with 38.13 per cent. for the previous year.

Of the other items of outgo, you will see that the commission amounts to £448,853, showing a natural increase of approximately £9,000, but the ratio to the premium income shows a decrease of over one-half of 1 per cent.

New business expenses amounted to £200,718, an actual decrease as compared with 1922 of over £9,000, the comparative ratios being 10.39 per cent. and 11.35 per cent.

Under the heading of management expenses, I am also pleased to be able to report a reduction. As in the case of the ordinary branch, our management expenses show a decrease, the saving in this instance being over £5,000. Taking our total expenses in this branch, there is an actual decrease of over £3,000, and our expenses ratio to premium income has dropped by over 2 per cent.—a fact that, I think you will agree, is eminently satisfactory.

THE BALANCE-SHEET.

Turning now to the balance-sheet, I would just like to point out one or two features which I think will be of interest to the shareholders. On the liability side, you will notice that the item of staff pension fund no longer appears, in view of the pension scheme already referred to. Our investment reserve fund remains at £200,000, and I am pleased to be able again to report that after a careful survey of our securities forming the assets side of the balance-sheet, the directors are satisfied that this fund is sufficient. Dealing quickly with the assets side of the company, you will notice that mortgages on property have increased by approximately £65,000, and this is mainly accounted for by our house purchase department, which, I am pleased to say, is still doing good work. A feature of this department is the way in which our borrowers anticipate the date for repayment of their advances, and during the year no less than 283 mortgages, amounting to £106,235, were repaid—15 by reason of the maturity of the endowment assurance policy, and eight by reason of the fact that death overtook our mortgagors—the policy moneys cancelling the mortgage, and in these latter cases we have the satisfaction of knowing that the widow was left a house free from encumbrance. An investigation has shown that in the remaining cases the policies taken out in connection with the mortgage have, in the majority of instances, been maintained in force, thus showing that, although our mortgagors have freed their houses, they still realise the benefit and cover that life assurance gives to them and their dependents. The total amount loaned under this scheme, which has been in operation since 1908, is well over one and a-half million pounds. You will notice that there is an increase of £25,000 in the item of loans on policies within their surrender value, but this only goes to prove that a life policy is an excellent asset readily available to help policy-holders in times of distress.

Two interesting items appear in the accounts for the first time—viz., deposit with the High Court under the new Industrial Assurance Act, 1923, and deposit with the Irish Free State. The latter deposit has arisen on account of the Irish Free State adopting the 1909 Insurance Act, and there is a committee at present sitting in Dublin considering the whole question.

Including the amounts on deposit, you will see that our total holding of British Government securities has slightly increased. Indian and colonial Government securities have increased by over £270,000, but there is a fairly substantial decrease in the Indian and colonial municipal securities. There are also substantial increases in the different classes of railway and debenture stocks, and I am sure you will agree that the company can find no safer class of security than sound railway debentures, preference and ordinary shares, and carefully selected industrial debentures. Foreign Government securities have increased by over £100,000,

but in all cases we have invested only in those countries where credit is high and the currency stable. The variations in the remaining classes are small, so I will not trouble you with the details.

RATE OF INTEREST EARNED.

I think I have covered most of the matters of interest, but there is just one point I would like to refer to again, and that is the rate of interest earned on our funds. As I have already stated, we are earning the excellent rate of £5 5s 11½d on the departmental funds, which is a slight increase over the rate earned last year. You will remember I then stated that I considered it would be increasingly difficult to maintain the high rate earned in 1922, and this has been correct in fact; but we have been favourably situated in acquiring some high-class well-distributed industrial debentures, which, of course, give a somewhat higher yield than purely trustee stocks, and, further, we have had to pay a lower rate of income-tax, or, to put it more correctly, we have received from the Inland Revenue authorities a much larger rebate of income-tax under the provisions of the Finance Act, 1918. These are the two main reasons for the small increase already referred to.

The directors' report concludes with a message of thanks to the inside and outside staffs for their loyal and efficient services, and I can only say that it is a sincere expression of the feelings of the board. In conclusion, I would like to take this opportunity of thanking my co-directors and chief officials for their personal loyalty and co-operation throughout a very strenuous period.

I now formally move that the report of the directors produced, together with the annexed statement of the company's accounts for the 12 months ended December 31, 1923, duly audited, be received, approved, and adopted.

THE ACTUARIAL VALUATION.

Mr Murray Laing, in seconding the resolution, said that, although the assets side of the balance-sheet of a life office was of paramount importance, and it was most gratifying to see large funds well invested, there was another aspect of vital importance—namely, the nature of the standards used by the actuary in estimat-

ing the extent of the company's liabilities. Not only was an estimate of future liabilities necessary to determine the adequacy or otherwise of the funds in hand, but upon the stringency of the actuarial methods employed depended very largely the future bonus prospects of the policyholders and shareholders. Dealing separately with the two main branches of the business, Mr Laing stated that in the ordinary branch the valuation had been conducted on a most conservative basis, namely, on table of mortality and the assumption of 3 per cent. interest. When regard was had to the fact that the net rate earned last year exceeded 5½ per cent., that the mortality experience had again been very favourable, and that an increased business had been conducted at a reduced rate of expense, it would be realised that the position disclosed was one of great strength, and one which should ensure the continuance of excellent bonus results in the future. The policies in force in this branch number over 132,000, assuring, with bonuses, over 12 million pounds, and a surplus of £171,951 had been disclosed, which had enabled the directors to recommend a reversionary bonus at the high rate of £1 16s per £100 assured in respect of all policies in the immediate participating class, and to carry forward to next valuation a balance of £57,868. This was the largest bonus ever declared by the company, and was 6s higher than that declared a year ago. In the industrial branch, the policies in force number over 2½ millions, and assured upwards of 29 million pounds. The valuation in this branch had been conducted on a basis even stronger than that employed a year ago (English Life table No. 6 at 3½ per cent. interest)—increased—and, despite the adoption of such a standard, a surplus had been disclosed of £99,423. Mr. Laing mentioned that in this branch new prospectuses came into force on January 1, coinciding with the date upon which the main provisions of the Industrial Assurance Act operated. Better benefits had been given under certain tables, and, in particular, in the case of juveniles, for the company had taken advantage of the increased limit sanctioned by the new Act to improve very considerably the benefits hitherto in force.

The report and accounts were unanimously adopted, and Mr J. A. Jefferson and Mr W. Roscoe were re-elected directors.

PRUDENTIAL ASSURANCE COMPANY, LIMITED.

SUCCESSFUL RESULTS OF YEAR'S BUSINESS. COMPANY'S CONTINUED PROGRESS.

The annual general meeting of the Prudential Assurance Company, Limited, was held on Thursday, March 6, 1924, at the chief office, Holborn Bars, London, Mr A. C. Thompson, the chairman of the company, presiding.

The secretary, Sir George May, K.B.E., having read the notice convening the meeting and the auditors' report,

The Chairman said: Ladies and gentlemen,—

It is my privilege to present to you this afternoon a record of the progress of the Prudential during the seventy-fifth year of its existence. As in previous years, questions and problems far-reaching in character have required careful and earnest consideration on the part of your directors, unremitting attention and foresight in administration by the management, as well as untiring effort and loyal co-operation by the staff both at chief office and throughout the country.

INCOME-TAX.

Another matter to which attention was drawn a year ago was the basis upon which industrial assurance companies were assessed for income-tax. It was urged that the injustice involved by the method of assessment then existing, which in effect required people with small incomes, who were entitled to substantial or even full relief, to pay a high rate of income-tax on that portion of their savings invested in life assurance, should be removed. I am glad now to be able to say that our hope in this matter has been largely realised by the special provisions of the Finance Act, 1923, although the full effect of the change is not immediately operative.

Coming now to the progress of the Prudential during 1923, it is within the knowledge of all of you that the general trade conditions in the British Isles have been far from satisfactory, unemployment being deplorably heavy; these factors have inevitably had an influence upon the new business done by the company. The position revealed, however, by a close survey of our accounts, will, I feel sure, prove very satisfactory to our policyholders, our staff, and yourselves.

TOTAL INCOME OF THE COMPANY.

The total income of the company during the year from all sources was £33,699,266, a considerable increase over that for 1922, and it is interesting to compare this total, the highest yet recorded by us, with that at the end of each 25 years of the company's history.

The figures are as follows:—

In 1873, after 25 years, the total income was £
In 1898, after 50 years, the total income was 477,355
In 1923, after 75 years, the total income was 9,029,192
These figures, I venture to think, indicate that the vitality of the company, far from diminishing with increasing age, is increasing, and that our record is one for which it is very difficult to find a parallel.

The analysis of the income for 1923 is as follows:—

Premiums, industrial branch	£
Premiums, ordinary branch	14,887,348
Premiums, general branch	9,728,511
Consideration for annuities granted	937,683
Interest and dividends	143,467
Payment received for administration of the approved societies	7,338,865
	663,392

INDUSTRIAL BRANCH.

In the industrial branch the increase in the premiums actually received was £500,760, this being equivalent to nearly £10,000 per week. When it is remembered that these premiums are collected weekly or monthly, the respective proportions being 57 per cent. and 43 per cent., as in 1922, and are paid in small sums of one penny and upwards, it will be realised how careful and efficient must be the organisation if the collection is to be done not only economically, but with the regularity necessary to conform with the requirements of the wage-earning classes.

ORDINARY BRANCH.

In the ordinary branch the increase in the premium income was £112,921, and the sums assured under new business reached the very high figure of £12,112,425. Although this amount falls short of that for 1922, it is almost double that obtained in the year before the war. The number of policies issued in 1923 was 73,831, producing an annual premium income of £888,806, and the average sum assured per policy is nearly twice as much as under the policies issued 10 years ago.

The interest income I have quoted is the gross amount earned by the company, and exceeds the corresponding figure for 1922 by about £600,000.

INTEREST INCOME.

The net interest income in the two branches represents on the life assurance funds a rate of £4 13s 9d per cent. for 1923, as against £4 9s 9d per cent. for 1922; the increase thus shown is a happy augury for future bonus prospects of participating policyholders.

CLAIMS.

Coming to the other side of the account, our total disbursements under our insurance contracts were nearly £13,500,000, this being about £500,000 more than in the previous year. In both the industrial and ordinary branches the mortality experienced was favourable, and, in spite of the fact that the sums assured at risk were greater, the death claims in each branch have appreciably decreased. In the industrial branch the amount paid to our policyholders under matured endowment assurances was in 1923 50 per cent. greater than in 1922, and in view of the growing popularity of this form of assurance, we anticipate considerable increases under this heading in years to come. The amount paid in the ordinary branch under matured endowment assurances exceeded for the second year in succession five million pounds; the increase in this item over the corresponding figure for the previous year is, however, more than counterbalanced by the decreased amount paid in death claims.

VALUATION REPORT.

Having dealt with items of the revenue accounts of the company, I now come to the valuation report. The total liability of the company under its contracts in all three branches, as ascertained at the valuation, is £146,480,836, which exceeds that of 1922 by nearly ten million pounds. This increase represents that portion of the excess of income over outgo, which, by the bases of our valuation, it is necessary to reserve in order that the company may be able to meet the claims as they emerge.

The distribution of the liabilities among the three branches is as follows:—

Ordinary branch	£67,324,460
Industrial branch	78,229,915
General branch	926,461

In the industrial branch the valuation basis has this year been materially strengthened by changing from the English Life Tables Nos. 3 and 6 to No. 8, which is the latest available exponent of population mortality. The rate of interest has not been altered, but remains at 3 per cent., which is considerably below that realised on the assurance fund. The reserves now held are beyond effective criticism, from whatever quarter it may be directed, and set a standard which previously has not been approached in industrial assurance in this country.

TOTAL SURPLUS.

The valuation report shows that the surplus in the ordinary branch is £2,428,648, the highest yet recorded, and in the industrial branch £2,534,013. The total amount of surplus to be dealt with in the two life branches was thus £4,962,661, and of this £1,000,000 has been transferred to the investments reserve funds—that is, £500,000 in each branch—and £250,000 has been added to the common contingency fund. Of the balance, £1,576,022 has been allotted to our ordinary branch policyholders as bonus on the original sums assured under with-profit policies, £906,650 has been allocated to industrial branch policyholders, £675,000 to holders of fully-paid shares, £227,642 to the outdoor staff, £179,152 has been carried forward in the ordinary branch, and £148,195 in the industrial branch.

ORDINARY BRANCH BONUS £2 PER CENT. PER ANNUM.

Last year, in commenting upon the increase of 6s per cent. in the ordinary branch bonus, thus making it up to the 32s per cent., which we were able then to allot to with-profit policies, I held out a modest anticipation that our pre-war rate of bonus would soon be reached. Our more sanguine hopes, however, have been realised, and we have been able this year further to increase the bonus by 8s per cent.—that is to say, from 32s per cent. to £2 per cent. This leaves the highest pre-war rate of 36s per cent. far behind, and marks the setting up of a fresh Prudential record. We have every confidence in being able to maintain this high rate of bonus distribution, and we are proud of the achievement, particularly in view of the fact that the Prudential is one of the few offices which allotted bonuses in respect of the war period and of each year since the war.

INDUSTRIAL BRANCH BONUS.

The amounts available as bonus to our industrial branch policies entitled to participate, and as bonus to the outdoor staff are items arising from the operations of the profit-sharing scheme. The largest amount previously distributed to policyholders under this scheme was £500,000, and the increased amount available this year for the purpose of bonus creates another record, which will be welcomed by all those who hold contracts in this branch, and who are entitled to participate. It may be remembered that last year I announced that we had decided to make a further and important development in industrial assurance by introducing a scheme of reversionary bonuses similar to that operating in the ordinary branch, in respect of all industrial branch policies effected on and after January 1, 1923. In accordance with this decision, we are able at the end of the first year's working of the scheme to give a reversionary bonus, vesting after 15 years, of 25s per cent. on the sum assured; should a claim arise after five years and before the elapse of fifteen years from the date of the policy, it will share in any interim bonus which may be declared. In regard to policies effected before January 1, 1923, we are able to increase the sum assured payable on a claim, either by death or maturity of endowment, arising between March 7, 1924, and the same date in 1929 by the following percentages:—

After 10 years' premiums paid	£5 per cent.
After 20	£7½ per cent.
After 30	£10 per cent.
After 40	£15 per cent.
After 50	£20 per cent.
After 55	£30 per cent.
After 60	£40 per cent.

These bonuses include those declared last year, but, as you will notice, are guaranteed for five years instead of for three years as was the case in 1923, or for two years as in 1922. This progressive increase in the period over which the bonus is guaranteed is in pursuance of the policy which, three years ago, we instituted in order that the bonus should, in the course of time, become permanent, and not be dependent solely upon the profits emerging in a particular year of account.

EXPENSE RATIO.

The surplus disclosed by the valuation has arisen partly from improvement in mortality, partly from the satisfactory rate of interest now being realised on the assurance fund, and lastly from the economies effected in the costs of administration. The reduction in expenses as expressed by the ratio of expenditure to premium income has been one of our chief concerns for the last ten years, and I am sure everyone who is interested in the development of industrial assurance will view with pleasure the success which has attended our efforts. This success, small at first, and hindered by the war, is now becoming more and more apparent, and finds an impressive reflection in our expense ratios, which for the last four years have been as follows:—

1920	40.50 per cent.
1921	36.92 per cent.
1922	32.12 per cent.
1923	29.74 per cent.

The main criticism which in the past has been directed against industrial assurance has been in respect of the cost of collecting the premiums and paying the benefits, but the improvement in our organisation, which has in no sense reached finality, has rendered such criticism meaningless so far as we are concerned. It is gratifying that these economies have not been achieved at the expense of the staff, for there has been a steady increase in their average earnings apart from the addition arising from the increased amount distributed under the profit-sharing scheme.

NEW INDUSTRIAL BRANCH PROSPECTUS—INCREASED BENEFITS.

To us the reduction in expense is, however, not only an ideal to be sought after for its own sake, but a business proposition, since it has become an integral part of Prudential practice to pass on to policyholders by way of profit-sharing or by way of increased policy benefits, or both, the advantages resulting from efficient and economical administration. The rate of expense is now for the first time below 30 per cent., and permits us once again to revise our benefits in favour of our clients. With the advent of the Industrial Assurance Act and the raising of the maximum benefits which legally can be granted in Great Britain under assurance contracts on lives under ten years of age, we have taken the opportunity completely to revise our industrial branch prospectus. This new prospectus is a considerable improvement on previous issues, and contains a set of weekly and monthly tables which embody industrial assurance policies in their simplest forms combined with more favourable benefits than it has hitherto been possible to grant under this class of life assurance policy. We believe that industrial assurance is destined to play an increasingly important part in establishing the economic welfare of the people by the continued encouragement and development of thrift, and it is the happy privilege of the Prudential to reinforce the self-denying efforts of

the people by an administration which with the intensive efficiency of the work of the staff eliminates unnecessary expenditure. We have every confidence that in this respect, and in others equally important for the benefit of our policyholders, the Prudential will continue to play the leading rôle.

GENERAL BRANCH.

Having dealt with the two life branches of the company's business, I will now deal with the results shown by our more recent development, namely, the general branch. I am again able to report still further extension in the business of this branch, the premium income having increased by £121,979 to £937,683; taking into account the general trade conditions, which have all been unfavourable to rapid growth of insurance business of this nature, I am of opinion that the increase, almost equalling as it does that for the previous year, cannot be regarded as other than satisfactory. We look forward to a continuous increase in the general branch premium income, so that before very long the Prudential habit of thinking in millions will be extended to this branch. I have at a previous meeting expressed our determination to accept only the highest class of risks, and have emphasised the difficulty of pursuing such a policy and at the same time of acquiring a substantial increase in premium income. You are aware that with trade conditions as they are at present there is a decided tendency for the claim ratio to move in an upward direction, and it is therefore particularly gratifying to me to be able to report that in 1923 our claim ratio was 40 per cent. as against 44 per cent. in 1922. The marine account again shows healthy development. At the end of the year the fund amounted to £501,806, and the results achieved justify in every way the arrangement with the Royal Exchange Assurance by which they underwrite these risks on our behalf. Everything that has happened during the past twelve months gives emphasis to the satisfaction I expressed last year with the ability being exercised in the management of this class of risk. It has again been thought advisable to carry to reserve the whole balance of premium income remaining after all disbursements have been made. We are of opinion that the policy of carefully husbanding the resources of the general branch is fully justified, since the building up of a substantial reserve fund is one of the first essentials of a successful general insurance business. Such a policy leads to an undoubted strengthening of the security of our insurance contracts, and at the same time leaves us free to take the fullest advantage of all opportunities for extending our business; in this way we consider that we are best serving the true interests of the holders of our "B" shares, and that the course pursued will be to their ultimate advantage.

INVESTMENT POSITION.

With regard to our investments, I am happy to be able to report an entirely satisfactory position. The whole of the Stock Exchange securities have been valued on the basis of market prices as at the end of the year, and you will be gratified to learn that the book values, in the aggregate, still stand at a figure which is below the market value, and this is true also of our total assets.

INVESTMENT RESERVE FUNDS.

In these circumstances, our investments reserve funds, which now amount to £3,000,000 in the ordinary branch and £2,250,000 in the industrial branch, are entirely available for meeting any depreciation which may occur in the future. The necessity for keeping these funds intact, and for making additions to them from time to time is, I think, self-evident. If any argument were needed, one has but to reflect upon the magnitude of the assets that we possess, and upon the experience of the past, which reminds us of the sensitiveness of prices to ever-changing political conditions at home, and to the international situation.

Although we are not yet free from the influence of substantial and sometimes obscure movements in the values of securities, the general position is now relatively much more stable than it has been for some time past; in fact, in spite of fluctuations during the year, prices at the moment are very similar to what they were twelve months ago.

YIELD ON NEW INVESTMENTS.

The result of our investment operations during the year has been to produce an average yield on the net new investments of over 6 per cent. before the deduction of tax. In selecting securities for purchase, we have never lost sight of that high standard of quality which it has always been our policy to maintain, and this being so, I think you will agree that the yield obtained is gratifyingly high.

Of our total assets, 77 per cent. is invested in home securities, 13½ per cent. in Indian and colonial securities, and 7½ per cent. in foreign securities. Of our Stock Exchange investments, 57 per cent. are represented by British Government loans.

BUSINESS IN AMERICA.

You will no doubt expect me to say a few words concerning our American subsidiary which started operations in May, 1922. I am pleased to be able to say that we have already obtained the substantial premium income of 1,500,000 dollars, and that so far as can be ascertained, the business generally appears to be of a satisfactory character.

PROFIT-SHARING SCHEME.

I should now like to deal with a matter which, although not of immediate importance, is one to which we may have to give attention at a later date. I refer to the scheme by which participation in the profits of the company was given to policyholders in the industrial branch, and to the outdoor staff. Your directors have on many occasions allocated large sums from the profits of the company for the benefit of the policyholders, and such actions and recommendations have always met with your cordial support. Until 1907 the method adopted had been to take these amounts from the profits before the dividend to shareholders was determined; in that year, however, it was thought desirable to systematise that which in previous years had been done in a more or less haphazard way. In consequence, we instituted our profit-sharing scheme, whereby the distributable surplus, after payment of 10s per share to the holders of fully-paid shares, is divided into six equal parts, of which four parts go to the industrial branch policyholders and one part each to the outdoor staff and to the shareholders.

Apart from the unavoidable interruption caused by the war, the scheme has worked well, but recently, mainly as the result of the policy pursued by your board, the position has changed to an extent that makes it desirable for consideration to be given to the question of modifying the scheme to the advantage of the policyholders. We have, as you know, as the result of an appreciable reduction of the expense ratio and the higher interest yield obtained on the new investments, considerably increased two of our main sources of profit. We feel that as there is every prospect of the increased profits from these sources continuing for some time to come, and as, in consequence, a fresh era of prosperity declared policy to give ultimately a greater proportion of the increases in profit to our policyholders. It is our intention that the policy adopted in 1907 whereby the outdoor staff participates equally with the shareholders in respect of the allocation of bonus future increases in profits, of which it is suggested a still larger proportion should be allocated to the industrial branch policyholders. It is, therefore, probable that in a few months' time the directors will call you together again and submit a revised scheme for your consideration.

THE FUTURE.

In regard to the future, I can with conviction express my confidence in the ability of the Prudential to uphold the position which it now occupies in the insurance world. It should in this connection be remembered that our fortunes are inseparably bound up with those of the nation, which is passing through an exceedingly troubled period. I have, however, a supreme faith that the people of this country will continue to display the same wonderful spirit of unity which has in the past always characterised their actions in the hour of emergency; given this spirit, a solution for our national difficulties will be found and nothing can then prevent the acceleration of Prudential progress.

This opinion, like others expressed at our previous meetings when the country has been passing through crises of one sort or another, is sufficient to indicate that here at Holborn Bars we are confirmed optimists. We feel we are justified in this optimism, and ties will melt away with no effort on our part, but we have found in the past that by facing our problems fairly and squarely, diligently seeking their solution, we have been able to secure a measure of success which has been exceedingly gratifying. It is in the same spirit that we face the future. Difficulties there will be again, but, fortified by the unswerving support of our staff, by the knowledge that our aims are just and in the belief that our efforts are wisely directed, we have every confidence in the continued progress and success of the Prudential.

Mr Edgar Horne (Deputy Chairman) seconded the resolution, which was carried unanimously.

The Chairman then proposed the re-election of Sir Thomas Dewey as president of the company, and Mr Edgar Horne having seconded the motion, it was carried with acclamation.

The Auditors having been re-elected, votes of thanks to the chairman and directors and to the management and indoor and outdoor staffs terminated the proceedings.

CHARING CROSS ELECTRICITY SUPPLY COMPANY, LIMITED.

SATISFACTORY PROGRESS—SHARE BONUS. COMPANY'S PARLIAMENTARY BILL EXPLAINED.

The annual ordinary general meeting of the shareholders of the Charing Cross Electricity Supply Co., Limited, was held, on the 4th instant, at the offices of the company, 60 St Martin's Lane, London, W.C., Mr W. F. Fladgate, M.V.O. (the chairman) presiding.

The secretary (Mr Cecil G. Stanesby, F.C.I.S.), having read the notice convening the meeting and the report of the auditors, The Chairman, in moving the adoption of the report and accounts, and the payment of the dividend recommended, said that the business for the past year, taken as a whole, showed satisfactory progress. Some 3,000,000 more units had been sold at a cost of £57,000 less than the previous year. Reductions in the prices charged had been made resulting in a saving to the company's customers of some £90,000, making with the reduction of the previous year no less than £152,000 in the two years.

In the West End undertakings, the gross revenue was £13,000 less, the reduction in price in this section of the business amounting to £49,000. As regards the City, owing again to reductions in price amounting to £41,000, the gross revenue was some £29,000 less. A provident fund had been instituted for the benefit of the company's employees, and the shareholders would no doubt gladly consent to the setting up of this fund. Coal and other fuel had cost £76,520, as against £95,500 for 1922, while a much larger amount of energy had been generated. Repairs were reduced from £45,900 to £24,280.

A dividend on the ordinary shares of the City undertaking of 10s per share, amounting to £35,000, had been paid, and this amount, passing through the hands of the Suppliers' Construction Company appeared in the net revenue account No. V. of the West End undertakings in the item of interest and dividends £49,900.

DIVIDEND AND ALLOCATIONS.

After setting aside in the West End undertaking the usual amount for depreciation, and paying interest on debenture stock, dividend on preference shares, and an interim dividend of 5s per share on the 80,000 ordinary shares, there was left a sum of £138,239, out of which the directors recommended that a final dividend of 9s 6d per share on the increased 96,000 shares should be paid; that £73,000 be carried to general reserve, and £19,639 carried forward. It is further recommended that £96,000 of the general reserve be capitalised and distributed in the form of fully-paid ordinary shares to the holders of the ordinary shares in the proportion of one share for every five held.

EARNINGS OF CITY UNDERTAKING.

The net earnings of the City undertaking were £204,130, out of which interest on the debenture stock, 6½ per cent. notes, loans, &c., had been paid, leaving a balance of £154,334. Out of this amount the dividend on the preference shares had been paid, and also a dividend of 10s per share on the City undertaking ordinary shares. £85,000 had been transferred to general reserve, and £16,334 carried forward.

CAPITAL EXPENDITURE.

Continuing, the Chairman said: As regards future capital expenditure, I am glad to say that the remodelling of the Bow Station is now approaching completion. In addition to the three steam turbines, having a total capacity of 24,000 kilowatts, to which I referred last year, a fourth machine, having a capacity of 13,000 kilowatts, is now in process of being installed. This machine, with two additional boilers, will complete our present extensions, although the rapid growth of load is likely to call for further extensions next year. If, however, the proposed alterations, to achieve which the bill to which I shall shortly call your attention should eventuate, the future additions to generating plant will be made by the combined companies, and we shall be relieved from expenditure on this head.

BILL EXPLAINED.

It will, I think, be convenient that I should at once address you, and I fear it must be at some length, on the subject of the circumstances under which the bill referred to in the notice convening the meeting is now put before you for your approval.

The improvement of the London electricity supply has been under consideration for many years, and last year I gave you some particulars as to what had happened since the passing of the Electricity Act of 1919. You will remember that a joint committee of nine of the London companies was formed and registered under the Joint Stock Companies Acts. Your company is a constituent member of that committee, which has since been strengthened by the addition of a tenth company. Last year I

stated that there was really only one important item which had emerged from the general wreckage which was suffered by various schemes which had been proposed and discussed.

That item consisted in the technical scheme which had been recommended by the joint report of the engineers of the London County Council, local authorities, and the committee company. This scheme dealt not only with the companies' areas of supply, but also with those of the local authorities, and it involved the placing under one control of a sufficient number of generating stations—a necessary arrangement if the cost of generation was to be materially reduced. This scheme may have to be modified, but I am confident that so long as in principle it is accepted it will ensure to the benefit of all interested, and need not necessarily be taken as a whole. In other words, provided our ten companies combine to deal with it in our areas, much will have been achieved.

JOINT ELECTRICITY AUTHORITY.

In the course of last summer a second item of value was added in the shape of certain resolutions which were passed by the Electricity Committee of the L.C.C., after discussion with the companies. I do not propose to trouble you with more than a brief statement of the purpose of these resolutions. A joint electricity authority is to be established for greater London. Provided a satisfactory sliding scale of prices and dividends can be agreed with the L.C.C., and accepted by the companies, they are to be given an extension of the tenure of the whole of their undertakings up to the year 1971.

ELECTRICITY COMMISSIONERS' SCHEME.

The third item of importance which has to be considered in dealing with this question is the scheme which the Electricity Commissioners propose to make for dealing with the whole district. I may remind you that they published a scheme last year which had many recommendations, but which, to my regret, it was necessary to challenge in the courts, as it appeared that the Commissioners had endeavoured to do what could only be done by Parliament itself. The Court of Appeal confirmed this view, and we have not yet received from the Commissioners a draft of their amended scheme, which, however, we are promised very shortly.

The fourth item to be dealt with is the Bill which is referred to in the notice convening the meeting, and which, in fact, has been deposited by us really as an enabling measure, so that, provided, as I hope will be the case, that the L.C.C., the Electricity Commissioners, and ourselves, are able to agree upon a scheme, our Bill, which has been deposited, will be the means, if Parliament approves, of confirming any parts of that scheme which do not lie within the competence of the Commissioners.

MEANS OF SUPPLYING CHEAP AND ABUNDANT ENERGY.

I have never admitted, nor am I now prepared to admit that the supply of London is either deficient or unreasonably dear, but the proposals made by the L.C.C., combined with the effect of the technical scheme to which I have referred, if finally approved by the Electricity Commissioners, and sanctioned by Parliament under the Bill which is now submitted to you, will, in my opinion, be the means of effecting a very great improvement in means of generating energy for the metropolitan area, and will place London as high as any other great city in its power to develop and supply a cheap and abundant amount of electrical energy.

I have occupied your time, but I trust at not too great a length.

TRIBUTE TO ENGINEERING AND SECRETARIAL STAFF.

Before moving the adoption of the report, I should like to testify to the very great satisfaction which the directors feel at the way in which their business has been conducted by their consulting engineer, Mr Highfield, their chief engineer, Mr Thorpe, and the whole of the engineering staff, and I would also like to testify to the very satisfactory work which has been undertaken by the secretary, Mr Stanesby, and the secretarial staff of the company.

Mr John M. Gatti, L.C.C. (managing director) seconded the motion, which was carried unanimously.

A resolution was passed approving the capitalisation of £96,000 of the general reserve, as suggested by the directors; the retiring directors, Mr W. F. Fladgate, and Mr J. M. Gatti, were re-elected, and Messrs Brown, Peet and Tilly were reappointed auditors.

An extraordinary general meeting was held subsequently, at which a resolution approving the Bill now pending in Parliament was passed.

A hearty vote of thanks to the chairman, directors, and staff concluded the proceedings.

REFUGE ASSURANCE COMPANY, LIMITED.

ANOTHER SATISFACTORY YEAR.

BONUS TO POLICY-HOLDERS INCREASED TO 38s.

The annual ordinary general meeting of the Refuge Assurance Company, Limited, was held on the 3rd inst., at the chief office of the company, Oxford street, Manchester, Mr James S. Proctor (the chairman) presiding.

The secretary (Mr John W. Moss) having read the notice convening the meeting and the auditors' report,

The Chairman, subsequent to referring to the death of Mr Robert Moss, a former director and secretary of the company, in moving the adoption of the report and accounts, said: I feel that I am again fortunate in being able to present accounts which reveal such an eminently satisfactory outcome of the company's operations during the year under review. When it is recalled that the general trading activity of the country displayed only some slight evidence of improvement compared with that of the previous year of abnormal commercial depression, I think you have very sound reason to be highly gratified by the results indicated. The aggregate income of the company amounted to £7,578,542, showing an increase of £447,874 over that of the previous year. The total assets on December 31st last amounted to £26,589,083, revealing an addition of £2,640,686 during the same period.

INDUSTRIAL BRANCH.

In the industrial branch the number of policies issued amounted to 765,150, assuring the sum of £12,840,878, and again constituted a record—viewed in relation to the new premiums incident to the business—during the past ten years, excluding the year 1920, which, it will be remembered, covered a period characterised by extremely active general trading conditions. The premium income amounted to £3,686,842, being £193,265 in excess of the corresponding item for 1922. The net income from investments—i.e., after deduction of income-tax—amounted to £318,863, which is equivalent to an effective yield of £4 12s 9d per cent. based on the total assets of this branch, whether invested or otherwise, and compares with a yield of £4 9s 8d per cent. produced in the previous year. An outstanding feature has been the exceedingly favourable mortality experienced, as a result of which the aggregate sum paid in death claims constitutes a reduction in actual amount—notwithstanding the substantial increase in business—of £60,536; the sum paid in consequence of death being £1,355,839. The survival claims amounted to £126,355. It has been considered prudent, in spite of the fact that the amount by which the aggregate value of the assets—taking market values as the basis—exceeds the amount at which they stand in the balance-sheet, has been considerably enhanced during the year, to take advantage of the more favourable results due to the light mortality experience to which I have referred, and to transfer to the investments reserve fund in this branch the sum of £100,000, this reserve as a consequence now amounting to £275,000. After making this provision and transferring £25,000 to the staff pension fund, the life assurance fund was augmented by the sum of £886,796 as the outcome of the year's operations, and after such addition amounted to £6,803,925.

I am extremely glad to be able to report that the highly important item of the expense ratio in this branch has again been appreciably reduced, the ratio of expense to premium income being 39.98 per cent., as compared with 40.81 per cent. for the preceding year.

Whilst dealing with the industrial branch it will interest you to know that in April, 1923, new industrial infantile whole life tables were issued, in addition to new infantile endowment assurance tables payable at age 14 or 16; and, further, while these remarks are more strictly applicable only to 1923, perhaps I may be permitted to allude to the new infantile tables which have been introduced in the industrial branch as from January, 1924. Advantage has been taken of the raising of the legal limit for assurances on children under age 10 to a maximum of £15, new whole life tables being issued which secure the full legal limit to a policy-holder. Parents who wish to effect assurances on the lives of their children have now a very wide choice of schemes of assurance from which to select the one most suited to their requirements.

ACTUARIAL INVESTIGATION (INDUSTRIAL BRANCH).

After transferring £125,000 to the funds to which I have referred and allocating a further sum of £250,000 to a special actuarial reserve for the purpose of strengthening the valuation basis—which reserve now amounts to £600,000—the actuary reports a surplus of £125,535, out of which it is proposed to allocate to the shareholders the sum of £12,203, and to declare a dividend of 7½ per cent., absorbing the sum of £22,500.

ORDINARY BRANCH.

The figures in the ordinary branch again emphasise the strong position of the company. The number of policies issued during the year was 41,478, assuring the sum of £4,769,542, showing an increase of £510,204 over the previous year, and creating a new premium income of £333,920, as against £309,446 in 1922. The aggregate premium income of this branch amounted to £2,745,831, an increase of £117,419, as against the amount collected in 1922. The net interest revenue—after deduction of income-tax—amounted to £822,204, equivalent to an effective yield of £4 12s 3d per cent. on the entire assets against £4 10s per cent. for the previous year. This further increase in the net yield is particularly gratifying when it is remembered that the profit—and consequently the bonus to policy-holders—depends to a substantial extent on the margin of yield between the assumed rate of interest on the assurance fund and the actual rate earned. The expenses in this branch have increased from 14.85 per cent. to 15.77 per cent.; this increase, however, is not unsatisfactory having regard to the substantial increase in the amount of new business written during the year.

The death claims amounted to £579,370, and the amount paid in respect of survivals was £665,171. After providing for all disbursements and the allocation of £25,000 to the staff pension fund, the life assurance fund of this branch amounted to £18,201,036, being an increase of £1,569,580, in respect of the year.

I may add that during the year a new 15-year endowment assurance scheme was introduced which gives the policy-holder the option of continuing his assurance after the expiry of the 15 years' term originally chosen.

ACTUARIAL INVESTIGATION (ORDINARY BRANCH).

In pursuance of the company's recognised practice of instituting annual investigations, an actuarial valuation was made of the liability incident to the contracts as at December 31st last, which, after transferring £25,000 to the staff pension fund, as stated above, revealed a surplus of £1,192,397, out of which the company's actuary advises the allocation of £652,967 to the policy-holders and shareholders. This sum admits of the declaration of a reversionary bonus of £1 18s per cent. based on the sum assured, which constitutes a record in the history of the company, and is an increase of 6s per cent. over the bonus declared for the previous year. When it is realised that, in spite of this very substantial increase in the bonus, the amount carried forward has been increased by £73,381—from the already exceptionally substantial amount of £466,049—to £539,430, I think the result may be regarded with the utmost satisfaction and confidence both by with-profit policy-holders and shareholders alike.

INVESTMENTS.

You will, quite rightly, expect me to make some allusion to the investments of the company. As I have already stated, the total assets of the company for the combined branches at December 31st last were £26,589,083. Of this amount invested funds represent £25,812,495, an increase during the year of £2,806,169. It will have been noticed that a small increase in our holdings of British Government securities, which now stand at £8,990,506, has occurred during the year, but by far the largest addition has taken place under the heading of Indian and Colonial Government securities and railway and other debentures and debenture stocks, in view of the slightly better yield afforded by these latter securities. I am again in the happy position to state that, in spite of the setback which occurred in the latter part of the year in the price of securities generally, the margin of appreciation over the amount at which they appear in the balance-sheets—taking market values at the end of the year as our basis—has, in the aggregate, again materially increased, liberal provision having been made for any impairment in other than Stock Exchange securities.

The total net amount of interest received last year was £1,141,068, representing a net yield on the aggregate assets of the combined branches of £4 12s 5d per cent., against £4 9s 11d per cent. for the preceding year, showing an increased yield of 2s 6d per cent. The corresponding yield on the invested funds was 2s 5d per cent. higher at £4 15s 9d per cent. These observations will, I think, convey to your minds the satisfactory position with respect to this highly important matter of the investments, and the care with which they are administered by the board.

TRIBUTE TO STAFF.

In conclusion, I am sure it needs no words of mind to remind you that the eminently satisfactory progress of the company, to which I have referred, is mainly due to the untiring efforts of

a staff whose unfailing loyalty to the company represents not the least of its many outstanding virtues. The depression in trade in many districts has again been such as to call forth the most strenuous endeavours on the part of our men if the best interests of the policy-holders and the company were to be maintained. These efforts, I need hardly say, have been forthcoming, and I desire, on behalf of the board, to convey to every member of the staff our very high appreciation of the services rendered. I am happy to observe signs which lead me to believe that—provided no further serious industrial upheavals occur—the trade of the country will gradually improve, and that, as a consequence, the endeavours of our staff will meet with a response even more encouraging than has been the case during the past year. In addition, the year 1924 commemorates the diamond jubilee of the company, and I have reason to know that the staff, no less than we ourselves, are particularly anxious that the outcome of the year's operations will provide a record which will be memorable in the history of the company.

Now, gentlemen, I have very much pleasure in moving the adoption of the annual report and accounts.

The report and accounts were adopted.

SCOTTISH WIDOWS' FUND LIFE ASSURANCE SOCIETY.

YEAR'S RESULTS "EMINENTLY SATISFACTORY."

QUINQUENNIAL RESULTS—NEW BUSINESS RECORD.

The hundred and tenth annual general court of the Scottish Widows' Fund Life Assurance Society was held in the society's head office, Edinburgh, on the 4th instant, H. E. Richardson, Esq., W.S. (chairman of the ordinary court of directors), presiding.

The Chairman, in moving the adoption of the report and accounts, said:

I shall mention first the new business, which I am glad to say largely exceeds that of the previous year. In 1923 we issued new policies for the gross sum assured of £2,493,000, of which £90,000 was re-assured, leaving a net new business of £2,403,000. This exceeds the previous year's net total by about £300,000, and we have no doubt that the excess would have been greater had not an election greatly disturbed the business of the country in general at the end of the year. During the past five years the new business has varied considerably according to general business conditions, but you will be interested to know that the total for the quinquennium is not only much greater than that of the previous period, which was one of war, but also greater than that of any previous five years in our history.

The death claims constitute a very important factor in the results of our business, and I am glad to say that we have again had a very favourable experience.

The life premium income was £1,611,000, or over £13,000 more than in 1922. The interest income also shows an increase, and for the first time exceeds one million sterling net. The gross rate of interest, namely, £5 4s 5d per cent., though satisfactory, is somewhat less than in the previous year. Owing, however, to the reduction in the rate of income-tax, the net rate of interest, namely, £4 7s 11d per cent., is slightly higher than that obtained in the previous year.

YEAR'S TOTAL INCOME.

The total income of the year was £2,746,000, and the total outgo £2,074,000, showing a surplus of income over outgo amounting to £672,000, which amount has been added to our funds. With the exception of one previous year, when the amount was but slightly greater, this is the largest amount ever added to our funds in a single year. Such a substantial addition to our funds is highly gratifying, as pointing to an expansion of our operations and resources.

As compared with the corresponding figures of five years ago, the annual premium income is now greater, in round figures, by £140,000, and the net annual interest income by £200,000, and the funds by about two millions sterling.

LIABILITIES UNDER LIFE ASSURANCE CONTRACTS.

In taking stock of our liabilities under our life assurance contracts, with the exception of some minor classes that have been specially dealt with, we have again used the combined Om and Om (5) tables, the most modern standard available. The valuation has been made according to the pure premium method—that is to say, only the theoretical risk premiums have been valued, and we have reserved as a provision for future expenses and profits the whole of the margin between those theoretical premiums and the actual premiums payable; and in the case of the non-profit policies where the natural margin is but narrow, a special reserve has been made to bring the margin up to 10 per cent. of the office premiums. The rate of interest adopted in the valuation, both for assurances and annuities, is as previously 3 per cent., that is, it is assumed that the funds and premiums as received will earn 3 per cent. net, the margin between that rate and the rate actually

earned forming one of the provisions made for the maintenance of future bonuses.

ASSETS-VALUE OF SECURITIES.

On the other side of the account we have the life assurance and annuity funds of over 24 millions. The assets making up these funds have been specially considered by a committee of the directors, and their report will, I am sure, be regarded as completely satisfactory. For the purposes of the investigation, the Stock Exchange investments have been taken at the prices at which they stood on the books at December 31st last, viz., at or under cost price. We have fortunately not to face any question of depreciation on this occasion. There have been many ups and downs in values during the past five years, and we shall doubtless have a similar experience during the current quinquennium. Prices on December 31st last, which were neither the best nor the worst of the quinquennium, were on the whole favourable, and I am glad to say that the aggregate market value of our securities considerably exceeded the value in our books.

QUESTION OF BONUS.

The directors have most carefully considered the question of the rate of bonus to be declared for the past five years, particularly with the desire to give some special rate on this occasion having regard to the disturbance of bonuses caused by the war. In order to preserve and protect the position of the holders of policies under which payments fell to be made during the past quinquennium, the directors, in pursuance of special powers which they sought and obtained from Parliament, allotted special intermediate bonuses in addition to those which would ordinarily have been payable in such cases. These special intermediate bonuses have partially absorbed the special reserve of £700,000 which was made in calculating the liabilities five years ago. Having regard to the position in which the society now stands, we feel that the balance of this reserve may now be applied to provide an addition to the ordinary rate of vested bonus to be allotted for the past five years to the participating policies remaining in force. This enables the directors to declare a bonus at the exceptional rate of £2 per cent. for each premium paid during the quinquennium, and calculated on the compound reversionary bonus principle, that is, on the existing bonus additions as well as on the original sums assured. This very high rate of allotment cannot fail to be gratifying to the members, but it is important to observe that it is declared in exceptional circumstances, and therefore is not one which can be expected to be our normal rate of bonus. We do, however, feel that in the absence of any unforeseen contingencies such as would affect offices in general, we are warranted in hoping that we may be able in the future to declare bonuses somewhat higher than our already high pre-war rate of 34s per cent. per annum, and for this reason we have fixed for the present the rate of contingent intermediate bonus to be allotted in respect of policies falling in before the next investigation at the increased rate of 35s per cent. per annum, calculated on sums assured and vested bonus additions.

SOCIETY'S SOUND POSITION.

In conclusion, I may say that the result of the quinquennial investigation into the state of the society's affairs has confirmed the directors in their conviction of its continued vitality and prosperity, and it is with confidence they expect that the members will receive their report as eminently satisfactory. Never before was the society in a stronger position than it occupies to-day. At the commencement of a fresh quinquennial period, with funds totalling over 24 millions, an annual income of over two and a half

SCOTTISH WIDOWS' FUND

LIFE ASSURANCE SOCIETY.

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millions, a favourable rate of mortality, and a low rate of expense, the society gives renewed evidence of the prudence of its policy and the undoubted security it affords to its policyholders.

The report and accounts were unanimously adopted. The retiring directors were re-elected, a vote of thanks was accorded to the directors and office-bearers, and the proceedings terminated with a vote of thanks to the chairman.

SOUTHERN RAILWAY COMPANY. A TRANSITION PERIOD.

ELECTRIFICATION OF SUBURBAN LINES.

The first annual general meeting of the Southern Railway Company was held, on the 7th instant, at the Cannon Street Hotel, London, Sir Hugh Drummond, Bt., C.M.G. (chairman of the company), presiding.

The secretary (Mr G. Knight) having read the notice convening the meeting,

The Chairman, in the course of his speech, said:

The year under review has been a difficult one. The four large railway companies and the numerous smaller lines which to-day form the Southern Railway, have been in a state of transition entailing great cost with little chance of cutting down expenditure on our part. A large number of the staff became redundant, and had to be compensated—which entailed very heavy and responsible work.

The total authorised capital of the new company is just under £160,000,000. Of this amount £149½ millions of stock has been created by the proprietors, and authorised for issue, leaving £10,300,000 still to be created, and, later on in the proceedings, we intend to ask you to create this amount, and to authorise the directors to issue it as and when it may be necessary.

The gross receipts from railway traffic amounted to £23,800,000. This, I may say, is a decrease of £1,713,000 compared with the receipts of the constituent and subsidiary companies in 1922. This decrease is entirely brought about by the various reductions in the rates and fares which were given effect to during the year. These reductions have undoubtedly given an impetus to trade—as they were intended to do—but up to the present the result to the railway companies has not been all we might have wished.

INCREASE IN PASSENGERS.

As a matter of fact, the number of passengers originating on the Southern Railway in 1923 was over 188,000,000, an increase of about 23,000,000 compared with 1913, and the number of season tickets issued shows an increase from 99,000 in 1913 to 159,000 in 1923. The receipts from other businesses come to £2,640,000, being an increase compared with 1922 of £158,000.

The result is that our total gross receipts from our various businesses show a decrease of £1,552,000. The railway expenditure at £19,254,000 shows a decrease of £781,500, as compared with 1922, and our expenditure on other businesses shows a decrease of £65,500, thereby bringing the total saving in expenditure to £847,000.

The net revenue from miscellaneous receipts—including general interest—shows a net increase of £56,000, and the result of the year's operation is that our net income amounts to £6,252,000, or a decrease of £653,000, as compared with the net revenue of the constituent and subsidiary companies in the previous year. If to this total £6,252,000 we add £250,000, which we proposed shall be taken from the railway compensation account, and the £247,000 brought in from last year's accounts, we have a total of £6,749,000 at our disposal. We recommend that you should declare a dividend of 3½ per cent. upon the deferred ordinary, and upon the ordinary "A" stock of the company, and that the sum of £250,000 be carried forward.

The total amount it is proposed to distribute in interest and dividends is £6,339,000, which is almost exactly the minimum amount that we are claiming as our standard revenue under the provisions of the Railways Act of 1921. The Railway Rates Tribunal is expected under the Act so to regulate the fares and charges as to enable us to earn this standard revenue, which is arrived at by taking the net revenue of all the constituent and subsidiary companies for the year 1913, and adding to it certain additions for interest on capital.

If by effecting economies, and by increasing our gross revenue we are able to augment our net earnings beyond that figure, the railway companies are entitled under the Act to retain 20 per cent. of such increased net revenue, and if this is achieved we should be enabled to increase the dividend on the deferred ordinary stock, and to pay a dividend on the "B" stock.

ELECTRIFICATION SCHEMES.

When the present electrification schemes now in hand are carried through—as I hope they will be by the end of next year—the Southern Railway Company will have electrified nearly the whole of its suburban area, and will have an electrified route mileage

greater than that possessed by all the other railways in the Kingdom put together. We have no doubt whatever as to the financial benefit that will result to the shareholders from this extended electrification scheme. The public will also benefit by the better services we shall be able to provide as compared with the existing steam services.

Then we have the floating dock which is being built for use at Southampton. Early last year the shipping companies told us that they must have facilities at Southampton for docking the largest vessels in their fleet, and they pointed out that it would be impossible for them to wait until a dry dock could be constructed.

We had, therefore, no alternative but to provide a floating dock, and it is expected that by the end of next month there will be installed at Southampton the largest floating dock in the world, capable of lifting 60,000 tons of dead weight. It will be, I am sure, a very valuable adjunct to our Southampton property. The arrangements we have been able to make with the shipping companies in regard to the use of this dock should ensure our getting a fair return on the money which is being spent in providing it.

We have given orders for the construction of five additional steamers, namely, two passenger vessels for the service between Southampton and St. Malo, or the Channel Islands—these boats will be larger than any existing on these routes, will be notable for the amount of sleeping accommodation installed, and will be equipped for burning oil fuel; two cargo boats for the service between Dover or Folkestone and France, and one paddle steamer for use between Portsmouth and the Isle of Wight. Instructions have been given for the construction of new stations at Margate, Ramsgate Exmouth, Wimbledon, Sutton, and Dover Priory, and for the construction of modern locomotive sheds at Dover and Exmouth Junction.

The work at Feltham has been completed, and is giving every satisfaction, enabling us to deal with any increased traffic that we are likely to get, and, at the same time, showing a very considerable reduction in working costs. A commencement has been made with the construction of the Totton, Hythe, and Fawley Light Railway on the West side of Southampton Water, and we expect to open that railway for traffic some time in 1925.

THE RAILWAY STRIKE.

So far as the railway strike is concerned, before the introduction of the Railways Bill in the House of Commons in 1921, an agreement had been arrived at between the railway companies and the trades unions as to the method of negotiation that should be set up to deal with all questions in dispute between the parties. This agreement was embodied in the Railways Act, and is now part of the law of the land. Under the agreement all questions affecting the variations in rates of pay and conditions of service are first of all to be made the subject of negotiations between the railway companies and representatives of the unions.

Failing agreement, the matter, or matters, in dispute are referred to the Central Wages Board, which is composed of eight representatives of the railway companies and eight representatives of the trade unions. Failing settlement at that Board, it is referred to the National Wages Board, which is composed not only of representatives of the railway companies and the trades unions, but also of four representatives of the users of the railways, with a independent chairman in the person of Sir William Mackenzie, who is also chairman of the Industrial Court. Every question that goes before this board is very thoroughly sifted, first at a public hearing, and secondly in camera, and although the decisions arrived at are not legally binding upon any of the parties, there is a guarantee that every point is carefully considered before any such decision is promulgated. The organisation established throughout the industrial community, and it is deplorable that a section of the men should repudiate the recommendation of their own leaders and withdraw their labour, thereby putting the public to the enormous inconvenience that they experienced towards the end of January last.

DOCKERS' STRIKE.

You, as shareholders of the Southern Railway Company, were, of course, involved in the dockers' strike that took place in the third week of February. At Southampton a large number of men of the dock class are employed, and, as far as possible, these men are given regular employment, but obviously owing to the fluctuating trade that is experienced in the port there is a certain amount of casual labour. These men—prior to the strike—were receiving 10s a day for an eight-hour day, as compared with 5s a day for at the rate of 12s a day for an eight-hour day. At Southampton alone this addition of 2s means an increase in our labour charges of no less than £40,000 a year.

We hear to-day of contracts being placed abroad, and various reasons are put forward except, in my opinion, the right ones. I am not afraid of high wages; but a man who receives high wages

must give to his employer of his best; he must put in an honest day's work, and employer and employee should help each other in their business, and the latter should not be guided by outside interferences. Throughout the year the officers of the company have all been busy reconstituting their departments, in order to bring the whole of the work of each individual department under one head. The work involved has been prodigious, necessitating, as it did, the study of the various practices of the different companies, and taking out and adopting the best features of each, and choosing the staff necessary to carry on the work. I am glad to say that everything is proceeding with commendable smoothness. Many of the departments have already got into their full stride, and we expect that within the next few months all difficulties will have been surmounted and the whole of the machinery will be running smoothly.

The Chairman concluded by moving the adoption of the report and accounts.

Brig.-Gen. the Hon. Everard Baring, C.V.O., C.B.E. (one of the deputy-chairmen) seconded the resolution, and, after some discussion, it was carried unanimously.

The directors were re-elected *en bloc*, the auditors were re-appointed, the resolution was passed approving the issue of further capital, and certain special business was approved.

UNDERGROUND ELECTRIC RAILWAYS OF LONDON. LORD ASHFIELD ON LONDON'S TRAFFIC PROBLEMS.

The annual meeting of the Underground Electric Railways Company of London, Limited, was held, on the 7th instant, at Caxton Hall, Westminster, London.

The Rt. Hon. Lord Ashfield, who presided, in moving the adoption of the report and accounts, said that in his recent speech to the shareholders of the principal operating companies he dealt at some length with the traffic situation which had arisen in London. Events had since then moved quickly, and the Prime Minister had promised the House of Commons that a Bill to deal with the matter should be introduced in Parliament immediately. Although certain negotiations had taken place, he (the chairman) could not profess to know what exactly would be comprised in the Bill, but he anticipated that it would, at any rate, include some machinery for dealing effectively with two serious and immediate

problems—namely, the obstruction of the streets for repairs and the congestion of the streets from ill-directed traffic operation. He could only venture the hope that it might prove effective in dealing with these problems. Of this he felt sure, that Parliament might be relied upon to frame a measure which would be fair and just, and he was content to leave the subject there, with just one word of moderation; he thought that, rather than risk an ambitious project, one step at a time in such a complex matter was the safest and wisest policy to follow if in the end they were to arrive at the safest and wisest solution.

BUS COMPETITION.

There was one thing arising out of his previous speech which seemed to have been misunderstood, and which he might take this opportunity of correcting. He freely admitted that the omnibuses placed upon the streets recently by numerous individual owners had just as much right there as the omnibuses of the London General Omnibus Company and its associates. Equally, if additional motor-omnibuses were required upon the streets the L.G.O.C. and its associates had as much right to supply them as any newcomers. There ought, therefore, to be no complaint that they had exercised this right. All he asked was that whoever supplied the omnibuses ought to be compelled to work them in a certain and reliable manner so as to serve the public requirements rather than, by chopping and changing routes and services, solely his own interests. The traffic problem, however—and this was the important point—was not confined to omnibuses; if it were, it would be a simple matter to solve. It embraced railways and tramways, and, because of their diversity of capacity and function, became complex. If railways and tramways constructed under statutory authority were to be subject to unrestricted omnibus competition, then a policy of expansion was at once impossible, and the maintenance of existing railway and tramway services exceedingly doubtful. If, therefore, London was to secure, what he for one thought it must have, a continually improving and expanding underground railway system, London must first secure in some form a measure of public control over omnibus routes and services. This was not a discriminating proposal—it was a general proposal, covering all omnibuses, and it was put forward as necessary in the public interest, and not as mere protection of a private interest. He trusted that, with this further word of explanation, there might be no controversy over his intention.

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Referring to the very large stake which this company had in London traffic, Lord Ashfield said that the railways comprised 68 route miles, with 11 route miles in addition under construction; the tramways 114 route miles, and the omnibuses 753 miles of roadways covered. The total capital invested in railways (including the power station) was £56,750,000, in tramways £6,500,000, and in omnibuses £5,500,000, or, altogether, £68,750,000.

RECORD BUS PASSENGERS.

The total number of passengers carried last year was 1,798 millions, or 204 millions more than in the preceding year. The total now represented much more than half the aggregate local travel in Greater London. Of these passengers, 1,214 millions were carried by the omnibuses of the established companies, and constituted a record. For the first time the omnibus passengers exceeded in number the passengers carried by all the tramway undertakings, both municipal and company owned, and thus the omnibus had become the principal means of transport. They had every reason to be proud of the service which they had helped to render to the public, and it was because they had rendered that service liberally and efficiently that they had been enabled to weld together into one system so large a group of transport undertakings. They had earned their pride of place.

In other respects the past year had not marked a record. The average receipt per passenger had been only 2d, or 17 per cent. less than in the preceding year. The public had enjoyed the benefit of lower fares. The average return on the capital of the operating companies was only 4.3 per cent., or slightly less than in the preceding year. The progress which had been accomplished in handling a large volume of traffic had not so far brought a more satisfactory remuneration to the shareholders—least of all to those of this company. He was not unmindful of the claim which they had for consideration when, after more than 20 years, no dividend had yet been paid upon the ordinary share capital of this company of over £5,000,000, and when the immense activities of their undertakings were reviewed he realised how difficult it was for the shareholders to understand why the financial results of this company year by year were so meagre and disappointing.

UNREMUNERATIVE TRANSPORT UNDERTAKINGS.

It was significant that all transport undertakings in Greater London, whether privately or municipally owned, constantly tended to be unremunerative. Taking the capital invested in all the Underground Railways, he found that in the years subsequent to the completion of electrification, and prior to the war, the average return ranged from 1.9 to 2.5 per cent., and in the few years subsequent to the war, in spite of an enormous development in the volume of traffic carried, from 3.2 to 3.7 per cent. Looked at from the narrower but more pertinent point of view of the ordinary capital only, the pre-war range of return was from .7 to 1.2 per cent., and the post-war range of return from 2.4 to 3.4 per cent. The total capital invested in London transport of all forms was approximately £116,000,000, of which £84,000,000, or 72 per cent., represented the railway share, so it could be realised what a burden the scanty return on the railway capital was. Yet he was sure that if the various transport facilities of London were worked harmoniously together, between them they could earn sufficient for their mutual support without increasing present fares or placing any further burdens on the passengers.

In conclusion, the Chairman moved the adoption of the report and accounts.

Mr H. A. Vernet (deputy-chairman) seconded the motion.

Sir Robert Perks drew attention to what he described as the excessive amounts which had been placed to reserve out of revenue by the companies of the group, and said that the board, by paying dividends on the ordinary stock, should endeavour to restore the credit of the undertaking and put it on a higher level.

The Chairman, in reply to Sir Robert Perks and other shareholders, examined the position in respect of reserves, and added that he did not intend his remarks with regard to the difficulties which stood in the way of a reorganisation of the capital to imply that it was not possible to pay dividends on the ordinary stock until the capital had, as a fact, been reorganised.

The report and accounts were unanimously adopted.

HARRODS, LIMITED.

THIRTY-FIVE YEARS' VIGOROUS GROWTH.

The thirty-fourth annual general meeting of Harrods, Limited, was held, on the 7th inst., on the company's premises, Brompton road, London, Sir Woodman Burbidge, Bart., C.B.E. (chairman and managing director), presiding.

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

The Chairman, in moving the adoption of the report and accounts, said that it was a very pleasant task for him to present the results of the past year's trading, which he ventured to think the shareholders would regard as satisfactory. The net profit for the

year amounted to £567,800, being an increase of £83,679. With the exception of the boom year 1919, that was the largest net profit earned in the history of the company. The business was established 75 years ago, and it was 35 years since its formation into a limited liability company. The net profit earned in the first year was £13,519, so that the net profit for the year under review of £567,800 showed 35 years' vigorous growth. During that period they had earned net profits amounting to £6,730,000, and had distributed more than £6,000,000 in dividends. That was a good record.

In the course of a detailed analysis of the accounts, the Chairman said that the stocks on hand, which at £1,049,173 showed a decrease of £42,079, were in a satisfactory condition. The rate of turnover was the highest reached during the last 10 years. Their merchandise was of high quality, and he ventured to say that there was no house in the kingdom where the choice was so ample and varied, or where the prices were so reasonable. The business would continue to be built upon those principles.

COMPANY'S STRONG POSITION.

Last year he had stated that the company's financial position had never been stronger. They were in an even stronger position this year, having practically a million pounds in liquid assets, apart from cash balances and investments held by Dickins and Jones, or Swan and Edgar, both of which companies kept their finances entirely separate from those of the parent company. It was proposed to pay a final dividend of 8 per cent. on the ordinary shares, making 11 per cent. for the year, to transfer £25,000 to the reserve fund, and to carry forward £41,488. With regard to their associated companies, last year he had stated that Dickins and Jones had been in occupation of their new premises in Regent street for 10 months, and that the increased trade and increased profits were considered quite satisfactory. He was able to give an equally satisfactory report regarding the year just ended. They were settled in their new premises; their trade had increased during the year, and their net profits showed a substantial increase over those of the previous year. He had every confidence that the future of that century-old business would be marked by a continuance of progress and prosperity, and that there was every reason to expect a larger return upon their investment in it in the near future.

With regard to Swan and Edgar, their net profits were satisfactory, showing an increase. The rebuilding of their premises would be commenced about next January. It was proposed to build in two sections, thereby enabling the business to be carried on with a minimum inconvenience to customers. That company would be in a position to finance the rebuilding scheme without recourse to the issuing of any additional share capital. With reference to Kendal, Milne and Co., Manchester, the results of the year's trading had been quite satisfactory, in view of the depression in trade which had been so acutely felt in that great commercial centre during last year. They were confidently anticipating the return of more prosperous times, and were making provision for the development of the business.

As to the Brompton road business, the name of Harrods had never stood higher for quality and value than it did at the present day. It was a satisfactory feature of the business that year by year and over a great many years they continued to record a large increase in the number of account customers.

THE OUTLOOK.

With regard to the outlook, after expressing his conviction that freedom from strikes was essential in order that the trade and industry of the country might be put upon a more favourable basis, he went on to say that he thought the prospects for 1924, both national and international, were more hopeful, and he believed that they would have an even more pronounced improvement this year than last; undoubtedly better times were ahead. There were various favourable features in the situation. An unusually large number of visitors was expected in view of the exhibition at Wembley, and Harrods hoped to get their share of the resulting extra trade. He was therefore hopeful of being able to present next year even better results than those for the financial year with which they were dealing that day.

The report and accounts were unanimously adopted.

NATIONAL MORTGAGE AND AGENCY COMPANY OF NEW ZEALAND, LIMITED. A PROSPEROUS YEAR.

The forty-eighth ordinary general meeting of the National Mortgage and Agency Company of New Zealand, Limited, was held, on the 5th instant, at Winchester House, Old Broad street, London. Mr Robert Logan (the chairman) presided.

The secretary and London manager (Mr A. St George Ryder) having read the notice convening the meeting and the report of the auditors,

The Chairman said that last year had been a very profitable and prosperous one for New Zealand. Wool, frozen meat and dairy

produce had given excellent returns—wool especially so, fine cross-bred having increased in value from 15 to 20 per cent., medium qualities 25 per cent., and coarse wools 50 per cent. B.A.W.R.A. stocks had been reduced to less than 200,000 bales, and it was expected would all be disposed of before the May series of London wool auctions began. Market prospects for the current year were good, particularly for growers of crossbred wools. The most striking feature in prices of the past year had been the upward trend in the value of the coarser sorts of wool.

Dairy farming continued to make good progress, and New Zealand was now the greatest exporter of dairy produce in the world. The market had fluctuated considerably, but the returns had been very satisfactory to the producer. With regard to frozen meat, the past year had been a difficult one from the London importers' point of view. Values at the beginning of last season were undoubtedly too high in the Dominion, and resulted in serious losses being sustained by buyers here. This season opening prices in New Zealand were more reasonable, but the position with regard to our home market was still somewhat obscure, although prices in the Dominion for prime fat sheep and lambs for export had been satisfactory to the growers. Mr Ritchie, the general manager, cabled as follows:—"Wool, lambs, mutton, dairy produce, excellent prices. Grain-growing not profitable; much smaller area under oats and wheat. Good lambing, but dry weather since November affects feed. If it continues much longer supplies of lambs will fall off and harvest will be light in consequence." The board had recently heard that there had been showers in New Zealand, but he was afraid they could not yet be certain that the drought was broken entirely.

The report and accounts were unanimously adopted, and a dividend at the rate of 7½ per cent. per annum, together with a bonus of 1s 6d per share, both free of income-tax, was declared for the half-year ended September 30th last, making 11½ per cent. for the year.

BRITISH AUTOMOBILE TRACTION COMPANY, LIMITED.

COMPETITION AND ROAD CONGESTION.

The twentieth ordinary general meeting of the British Automobile Traction Company, Limited, was held, on the 6th instant, at 88 Kingsway, London. Mr Sidney E. Garcke (the chairman) presided.

The Chairman, in moving the adoption of the report and accounts, said that the profits for the year were only very slightly down. Many of their undertakings served pleasure districts, and the improved railway facilities were found to benefit those services. On the other hand, in residential and industrial districts they had suffered from railway competition, but on balance they had benefited by the improvement in railway facilities.

A great deal had been said and written lately in regard to competition and road congestion. From the public viewpoint quite as much as from that of a shareholder, the effect of irregular competition was very unsatisfactory wherever it took place, but the problem in rural areas was in many respects quite different from that which existed in the Metropolis. In the rural areas the omnibus services were necessarily infrequent, and in such circumstances it would be obvious that a competitor could not hope to live if he ran his omnibus midway between those of the old-established undertaking, because the passengers at the villages along the route waited at the accustomed and advertised times for the regular service cars. It was not in the least surprising, therefore, to find that most of the competitors, who had sprung up during the last few years, habitually ran their cars just in front of the advertised times of the established service. Either the company had to abandon its time-table, which resulted quickly in a chaotic state, or extra cars had to be put out in front of the newcomer in order to prevent him from sweeping up all their regular patrons, who would be waiting for their time-tabled omnibus. That practice not only resulted in great wastage due to running three cars in procession where one was sufficient for the traffic, but it also meant that some of the cars were being run to advertised times and others were not, thus creating considerable confusion to the public, and a general sense of uncertainty. The revenue to be earned in the country was limited, and the division of the traffic between two or three cars resulted in the end in a poverty of the participants serious enough to compel them to raise fares.

He would admit that the finding of a cure presented a problem of extreme difficulty. Many suggestions had been made as to empowering a central or local authority to exercise a greater measure of control. He could not see how any form of control could succeed unless it included a strict limitation of the number of proprietors permitted to run on any particular route.

The resolution was carried unanimously.

UNITED STATES DEBENTURE CORPORATION, LIMITED. GRATIFYING RESULTS.

The ordinary general meeting of the United States Debenture Corporation, Limited, was held, on the 3rd instant, at Winchester House, Old Broad street, London, Mr Frank Chaplin (the chairman) presiding.

The secretary (Mr William George Lock, F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said he thought the board could congratulate themselves on the position which they were able to place before the shareholders. Such results had only been approached on one previous occasion. With regard to the balance-sheet, the investments stood at £2,078,455, against £2,130,865 last year—a diminution of £52,410. On the other hand, the cash at bankers was £56,347, against £11,943 last year, when they had loans of £19,000 from their bankers. The gross income from investments, commissions, &c., was £124,949, notwithstanding that the underwriting commissions included in this amount were only £1,852, as against £2,069 last year. This, of course, was a fluctuating item, but he was pleased to say that the gross income from investments, which, of course, was the sheet anchor of their business, had increased from £118,495 last year to £122,352 this year. To this latter figure had to be added the amounts which the corporation had earned from sundry commissions, trusteeship fees, transfer fees, and the above-mentioned amount of underwriting commissions, which brought the total up to £124,949. Adding to this the £25,496 brought forward from last year, there was a grand total to the credit of revenue account of £150,446.

After meeting the expenses of administration and interest on debenture stock, there was a balance to the credit of revenue account of £90,804, and, after paying the usual dividends on the 5½ per cent. and 4½ per cent. preference stocks, and allocating £1,000 to staff pension fund, the board had decided to recommend the payment of the usual 7½ per cent. dividend on the ordinary shares, making 12½ per cent. for the year, less tax, and in view of the excellent results which he had outlined, an additional bonus of 1 per cent., tax free. There then remained a balance of £30,679 to be carried forward, against £25,496 which was brought into the accounts. The changes which had been made in the securities held by the corporation during the year had resulted in a surplus of £20,699, which had been utilised in writing down the cost price of certain investments.

The report and accounts were unanimously adopted.

GENERAL INVESTORS AND TRUSTEES, LIMITED. STRONG POSITION—INCREASED DIVIDEND.

The seventeenth ordinary meeting of General Investors and Trustees, Limited, was held, on the 6th instant, at Winchester House, Old Broad street, London.

Sir J. S. Hammood-Banner, Bt., M.P. (the chairman) presided, and, in moving the adoption of the report and accounts, said the report was the best they had yet issued from every respect—from the points of view of capital and financial strength, gross revenue, and of net revenue. The board were amply justified in recommending an increase from 7 per cent. to 8 per cent. in the dividend on the ordinary stock, which was the highest dividend paid so far. With that distribution they would have made a total return in the seventeen years of the company's existence of exactly 102 per cent., in addition to which they had accumulated a reserve of £160,000. The revenue account with total receipts of

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1869.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - - - Fmk. 252,000,000

Deposits and Cheque Accounts
(30/6/23) - - - Fmk. 1,587,000,000

129 BRANCHES AT ALL IMPORTANT BUSINESS
CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

£67,000, showed an increase over last year's figures of approximately £8,000. He hoped and believed the Government would, by sound methods of economy and a ruthless cutting down of unnecessary expenditure, bring about a reduction of taxation. There was no doubt about the large surplus of the Budget, and with economy it would enable them to approach the question of the reduction of taxation in some form or other. It was difficult to suggest what form, but his opinion was that any reduction of taxation should be in a form so that it could be utilised to diminish unemployment. The first necessity was to remove the balance of the abominable corporation profits tax, and to reduce the excessive income-tax with which industry was burdened. Such a reduction would undoubtedly provide funds to encourage the lessening of the burden of unemployment, as it was out of savings that encouragement to spend proceeded. The future was still uncertain. Demoralised exchanges, labour unrest, unemployment, and heavy taxation were still with us, and though this country and her allies won the war, peace to us, at all events, was a mighty expensive business. He did not fear that the Labour party as at present constituted would do anything to injure the credit or the finances of the country, but it was the future—when the next contest came—that he feared. He considered they had to watch most carefully, as Labour would then, he was afraid, make most reckless promises. The prosperity of the country was built on a three-legged stool—one leg brains, one leg labour, and the other capital. Withdraw any one of them and the other two were hopelessly crippled, and would fall to the ground.

The report and accounts were adopted.

B. MORRIS AND SONS, LIMITED. SOUND FINANCIAL POSITION.

The annual general meeting of B. Morris and Sons, Limited, was held, on the 6th inst., at Winchester House, Old Broad street, London.

Mr W. Somers L. Schuster (the chairman) presided, and, in moving the adoption of the report and accounts, said that the profit on trading showed a decrease of £5,600. They were primarily a cigar house, and he might add that they were the first British cigar house in the trade. The cigar trade during the past year had been in a very bad state, and, if that had not been so, their profits would undoubtedly have been quite as good as those of the previous year, if not better. In regard to their other departments, cigarette and tobacco, their brands still found the same favour with both customers and consumers as they had done previously. He had now been head of this company for 35 years, and he could say that, taking the figures of the past year, they were in a way the most successful figures which he had ever been able to present to the shareholders. They had a balance-sheet which any chairman of any company would be glad to bring before his shareholders.

Mr Arthur J. May (managing director), in seconding the motion, said: I am hoping, ladies and gentlemen, you will be satisfied with the result of the past year's trading, especially when you consider the bad state of the British cigar trade throughout the country during 1923. This falling off in cigar smoking is partly due to the high rate of duty on raw material, but chiefly due to the removal, in the year 1921, of the 50 per cent. *ad valorem* duty on cigars entering this country from abroad. I might mention, when this duty was in force your company had a record year's output in cigars, and had this duty been maintained it would have been of great benefit to both the capital and labour employed in the British cigar trade.

I have made a few calculations in connection with our balance-sheet, and find our net assets show that the ordinary £1 shares are covered to the extent of £1 10s 6d per share. This seems to me very satisfactory. Our financial position is particularly sound, and with the ample resources at our command all the prospects for the future point to our being able to maintain dividends, and possibly increase them, once the country settles down to normal trading conditions. Before resuming my seat I should like to pay a tribute to the staff of the company, who have worked hard and given of their best during the last year.

The resolution was carried unanimously.

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

GOVERNMENT RETURNS, &c.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £30,000,000 in Treasury Bonds and Treasury Bills dated from Mar. 10-Mar. 15 were opened on Mar. 7, 1924, and the total amount applied for was £45,400,000. For bills at three months dated Monday to Friday at £99 4s 0d, about 86 per cent., above in full, Saturday at £99 4s 3d, and above in full. The amounts allotted were as follows:—In bills at 3 months, £30,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months, Average Rate.	4% Treasury Bonds, Average Price
Feb. 1, 1924.	35,000,000	45,115,000	3 5 7 3/4	nil
Feb. 8, 1924.	30,000,000	41,675,000	3 11 3 2/3	nil
Feb. 15, 1924.	30,000,000	43,620,000	3 10 5 1/2	nil
Feb. 22, 1924.	30,000,000	44,535,000	3 8 11 7/8	nil
Feb. 29, 1924.	30,000,000	44,400,000	3 6 4 3/4	nil
Mar. 7, 1924.	30,000,000	45,400,000	3 3 4 0/6	nil

Tenders will be received on Mar. 14, 1924, for Treasury Bonds and Bills to be issued to the maximum amount of £30,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from Apr. 1, 1923, to Mar. 1, 1924.	Total Issues out of the Exchequer to Apr. 1, 1923, to Mar. 1, 1924.	Receipts, Week Ended Mar. 1, 1924.	Issues, Week Ended Mar. 1, 1924.
Balances in Exchequer on 1st April:—					
Bank of England....	..	5,442,665	9,963,494	..	..
Bank of Ireland....	..	1,375,502	1,210,106	..	..
REVENUE.					
Customs.....	116,900,000	111,649,000	114,822,000	1,533,000	1,975,000
Excise.....	143,850,000	137,167,000	145,904,000	1,533,000	1,164,000
Motor Vehicle Duties ..	13,250,000	14,154,000	11,658,000	..	..
Stamps.....	52,000,000	52,960,000	52,960,000	1,430,000	820,000
Land Tax, House Duty & Mineral Rights Duty	20,000,000	18,120,000	18,462,000	640,000	770,000
Property & Income Tax	3,000,000	2,210,000	2,440,000	170,000	190,000
Super-Tax.....	22,000,000	22,650,000	22,650,000	14,384,000	14,384,000
Excise Profits Duties, &c.	12,000,000	12,000,000	964,000	2,990,000	18,733,000
Corporation Profits Tax	20,000,000	20,510,000	17,487,000	720,000	480,000
Post Office.....	52,600,000	48,600,000	49,550,000	1,000,000	850,000
Crown Lands.....	900,000	910,000	890,000	50,000	..
Interest on Sundry Loans.....	12,500,000	12,218,156	9,843,362	..	68,928
Miscellaneous.....	12,500,000	14,556,875	21,297,785	1,864,230	57,000
Special Receipts....	40,000,000	35,891,730	42,951,452	527,008	..
Revenue.....	618,500,000	740,496,761	807,092,599	26,643,238	25,097,928
Total, Inc. Balance ..	..	747,314,998	818,266,185	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion.....	..	165,000	800,000	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	..	73,782	169,818	..	..
Under the Unemployment Insurance Act, 1921	..	6,190,000	2,980,000	110,000	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1921 and 1922	..	5,580,000	5,310,000	..	..
Under the Post Office (London) Railway Act, 1913	..	10,500	..	..	..
Under the Housing Act, 1914	..	12,000	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	..	850,000	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	..	..	1,953,300	..	..
By Exchequer Bonds under the Cunard Agreement (Money) Act, 1924	..	520,000	..	..	..
(b) Under the Unemployment Insurance Act, 1921	..	820,000	4,540,000	..	..
(c) For Other Issues:—					
By Treasury Bills.....	2,287,153,000	2,661,032,000	41,134,000	40,339,000	..
By National Savings Certificates by Exchequer and National War Bonds	..	45,300,000	57,108,000	450,000	200,000
By Treasury Bonds—					
5-15 year, 1920-35	..	..	80	..	..
5%, 1927	..	61,655,154	..	..	..
4%, 1927	..	..	..	..	..
4%, 1933	..	91,229,350	..	3,978,195	..
4%, 1933-35	..	..	..	..	..
By Other Debt created under the War Loan Acts, 1914 to 1919	..	25,258	..	..	..
(d) Ways and Means Advances	753,716,500	838,425,500	14,880,000	22,960,000	..
Anglo-Persian Oil Company—					
Dividends on Shares acquired	501,335	1,017,976	..	..	..
Repayments—					
In respect of Suez Canal Drawn Shares	5,501	5,767	..	..	..
Do Cunard Loan	130,000	130,000	..	..	..
Do Issues under Land Settlement (Facilities) Acts, 1919 and 1921	273,045	291,829	..	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920	..	6,827,980	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920	..	168,485	..	..	..
Total	3,618,815,443	4,558,507,467	82,567,328	83,114,000	..

Note.—Budget Estimates as in H.C. No. 51 of 1923.

EXPENDITURE AND OTHER ISSUES

	Estimate for the Year 1923-24. (Including Supplementary Grants.)	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1923, to Mar. 1, 1924.	Week Ended Mar. 1, 1924.	Week Ended Mar. 3, 1924.
EXPENDITURE.				
National Debt Services—				
Interest, &c.....	310,000,000	299,439,000	316,090,325	10,734,185
Sinking Fund	40,000,000	36,699,135	1,522,809	16,454,264
Road Fund	12,650,000	13,553,044	11,318,999	..
Payments to Local Taxation Accounts, &c....	10,348,000	10,601,777	6,875,518	150,000
Payments to Northern Ireland Exchequer	3,000,000	3,481,914	2,133,548	47,162
Land Settlement	1,500,000	1,500,000	1,070,065	25,538
Other Consolidated Fund Services	2,972,000	2,631,761	2,538,101	20,591
Supply Services	440,565,000	344,045,902	401,062,858	9,388,000
Expenditure	821,035,000	710,967,218	741,689,414	25,945,493
OTHER ISSUES.				
Temporary Advances—				
Bullion.....	..	5,000	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	..	73,782	169,818	..
Under the Unemployment Insurance Act, 1921	..	820,000	5,980,000	100,000
Issues to Meet Capital Expenditure:—				
Under the Telegraph (Money) Act, 1921 and 1922	..	7,020,000	6,360,000	600,000
Under the Post Office (London) Railway Act, 1913	..	10,500	..	..
Under the Housing Act, 1914	..	16,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	..	950,000	..
Under Capital Expenditure (Money) Act, 1924	..	..	1,553,300	..
Under Cunard Agreement (Money) Act, 1924—Exchequer Bonds paid off	..	520,000	..	..
Unemployment Insurance Act, 1921—Repayment of amounts borrowed..	..	5,490,000	2,110,000	..
Redemption of Debt—				
Treasury Bills	2,288,210,000	2,870,404,000	54,340,000	65,715,000
Principal of National Savings Certificates	..	30,800,000	24,700,000	650,000
Principal of Exchequer Bonds paid off	..	24,900	19,887,122	..
Principal of National War Bonds paid off, £53,717,847, less Paid off by the National Debt Commissioners, £10,000,000	..	52,717,847	44,684,182	150,001
Other Debt under the War Loan Acts, 1914 to 1919	..	7,463,440	15,825,526	..
Ways and Means Advances Repaid	809,508,500	808,515,500	5,050,000	..
Anglo-Persian Oil Company—Issued to the National Debt Commissioners	..	501,335	1,017,976	774,964
Issues to National Debt Commissioners to Reduce Debt—				
Suez Canal Drawn Shares Repayments	..	5,501	5,767	..
Cunard Loan Repayments	..	130,000	130,000	..
Old Sinking Fund, 1910-11, issued under Section 34 of the Finance Act, 1923	..	118,000	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4)	..	..	5,000,000	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	..	55,214	136,304	48,239
Balances in Exchequer—				
Bank of England.....	..	5,442,665	9,963,494	10,734,185
Bank of Ireland	..	1,375,502	1,210,106	16,454,264
Total	..	3,806,306	3,961,558	326,454

Treasury, March 3, 1924.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Mar. 31, 1924.
Funded Debt	588	318	315	315	315	314	314	314
Term Annuities	30	23	20	19	18	16	14	14
4% War Stock	..	63	63	63	63	63	63	63
4% War Stock	..	16	13	13	13	13	13	13
4% War Stock	..	2,081	2,047	2,040	1,986	1,963	1,956	1,956
National War Bonds	..	649	1,509	1,476	1,413	1,301	963	994
4% Victory Bonds	..	..	409	409	406	401	400	400
4% Victory Bonds	..	..	360	357	348	335	325	325
5% Conversion Loan	..	..	..	..	..	..	..	..
5-year Treasury Bonds	..	..	..	..	..	..	..	..
5% Treasury Bonds	..	..	..	..	..	..	..	..
Do by tender 5%	..	..	..	..	..	..	..	..
Do by tender 4%	..	..	..	..	..	..	..	..
Do 4%, 1931-33	..	..	..	..	..	..	..	..
Treasury Bills	16	961	1,107	1,107	1,121	878	616	616
Exchequer Bonds	80	328	323	319	289	185	150	150
Nat'l. Savings Certs.	..	138	267	274	286	348	367	366
War Expend. Certs.	..	83	..	..	..	..	..	..
Other Debt	..	944	1,306	1,181	1,138	1,067	1,157	1,149
American Loan	..	61	61	61	..	..	..	..
Temporary Advances	1	204	243	205	154	147	194	208
Other Capital Liabilities	654	5,873	8,033	47	7,574	7,655	7,743	7,712
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,813	7,782

POSITION OF THE FLOATING DEBT.

	Week ended Mar. 3, '23.	Mar. 31, '23.	Mar. 1, '24.	Week ended Mar. 1, '24.
Ways and Means Advances	1,500,000	..	..	..
Outstanding—				
Advances by Bank of England	175,711,500	193,897,500	178,105,500	9,600,000
Advances by Public Deposits	672,695,000	616,046,000	614,976,000	13,220,000
Treasury Bills outstanding	..	..	..	..
Total Floating Debt	849,906,500	809,943,500	793,081,500	3,620,000

* Includes £23,000, the proceeds of which were not carried to the Exchequer within the period of the Account.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Redemption Account.					
				Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Govern- ment Secur- ties.	Balance	Bank of England.
1922.	£	£	£	£	£	%		£	£
Mar. 29	300,351	14,255	5,000	28,500	19,450	15%	261,479	177	177
June 28	295,374	13,338	5,000	28,500	19,650	16%	254,312	180	180
Sept. 27	289,127	12,648	7,000	27,000	21,150	16%	246,456	186	186
Dec. 27	301,337	12,872	7,000	27,000	21,150	15%	258,922	137	137
1923.									
Mar. 28	285,616	12,318	7,000	27,000	22,450	17%	241,294	190	190
June 27	286,503	12,516	7,000	27,000	22,450	17%	242,446	123	123
Sept. 27	282,784	12,401	7,000	27,000	22,450	17%	238,596	140	140
Dec. 26	299,070	12,571	7,000	27,000	22,450	16%	255,032	159	159
1924.									
Feb. 27	277,468	11,696	7,000	27,000	22,450	17%	232,607	107	107
Mar. 5	279,952	11,787	7,000	27,000	22,450	17%	235,117	172	172

PROVINCIAL CLEARING RETURNS.

	1923.	1924.	Inc. or Dec.
Aggregate Totals to March 1.	£ 21,765,100	£ 21,500,300	£ 264,800
BIRMINGHAM	10,628,000	10,511,000	117,000
DUBLIN	54,914,400	51,794,800	3,119,600
HULL	9,984,200	9,534,600	449,600
LEICESTER	10,172,700	10,265,200	92,500
LIVERPOOL	7,309,200	6,691,900	617,300
MANCHESTER	84,340,200	86,225,100	1,884,900
NEWCASTLE-ON-TYNE	140,002,100	134,125,200	5,876,900
NOTTINGHAM	19,222,000	18,495,700	726,300
SHEFFIELD	6,205,800	5,514,200	691,600
	10,915,400	9,410,500	1,504,900

OVERSEAS BANK RETURNS.

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

RESOURCES.	Feb. 29, 1924.	Feb. 22, 1924.	Feb. 15, 1924.	Mar. 2, 1924.
Total gold reserve	3,122,740	3,125,500	3,128,260	3,072,810
Legal tender notes and silver reserve	106,990	111,930	112,220	128,790
Bills discounted for member banks	531,590	496,130	546,350	595,760
Bills bought in open market	263,310	253,480	278,080	297,680
Government obligations owned	155,900	141,730	127,260	363,070
All other resources	76,820	76,690	74,850	64,970
LIABILITIES.				
Government deposits	38,440	39,470	36,960	43,400
Other deposits	1,947,390	1,912,080	1,935,250	1,908,920
Federal Reserve Notes in actual circulation	2,022,500	2,023,780	2,039,400	2,046,940
F.R.B. Notes in actual circulation	13,740	13,350	13,110	11,680
All other liabilities	331,800	331,780	331,270	347,230
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined	80.6%	81.4%	80.9%	76.2%

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

ASSETS.	Feb. 9, 1924.	Feb. 2, 1924.	Jan. 26, 1924.	Jan. 19, 1924.	Feb. 10, 1924.
Gold coin and bullion	549	549	549	549	423
Gold certificates	10,102	10,102	10,102	10,102	10,102
Subsidiary coin	75	75	100	100	250
Bills discounted	5,989	6,208	5,557	5,531	2,922
Loans and advances to the Government	17	17	17	17	1,300
Investments	1,000	1,000	1,000	1,000	1,000
LIABILITIES.					
Capital	40	40	40	40	2
Reserve	10,652	11,008	10,582	10,583	9,765
Notes in circulation	4,948	4,897	4,780	4,663	5,182
Bankers' deposits					
Ratio of cash reserves to liabilities to public	67.4%	69.9%	70.5%	72%	

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

ASSETS.	Feb. 8, 1924.	Feb. 1, 1924.	Jan. 25, 1924.	Jan. 18, 1924.	Jan. 11, 1924.	Feb. 9, 1924.
Total securities	11,673	11,761	11,764	11,704	11,776	9,630
Loans	21,462	20,606	18,674	20,494	17,730	19,310
Cash credits	42,064	41,621	39,441	37,651	36,084	43,033
Inland bills	14,163	13,965	14,419	13,545	13,261	7,456
Foreign bills	33,89	35,00	31,61	18,56	18,22	17,58
Dead stock	2,482	2,473	2,479	2,462	2,456	2,458
Balance with other banks	1,193	1,024	1,012	1,203	975	35,67
Cash	11,903	15,083	16,158	16,612	17,275	12,657
LIABILITIES.						
Capital paid up	5,620	5,620	5,620	5,620	5,620	5,620
Reserve	4,450	4,450	4,450	4,450	4,450	4,250
Total deposits	85,958	88,531	85,951	85,185	81,306	68,821
Loans from Govt.	9,000	8,000	8,000	8,000	8,000	
The above includes—						
Deposits in Lond'n	1,090	1,046	1,026	998	717	316
Adv'ces in Lond'n	449	448	472	445	445	585
Cash, &c., at other	796	683	676	801	651	233

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

ASSETS.	Mar. 6, 1924.	Feb. 28, 1924.	Feb. 21, 1924.	Mar. 8, 1924.	Position May 28, 1914.
Gold coin and bullion	5,541,409	5,541,304	5,541,204	5,535,868	5,730,628
Of which held abroad	1,864,321	1,864,321	1,864,321	1,864,345	1,864,345
Silver coin and bullion	297,629	297,527	297,407	290,828	328,690
Discounts and advances	6,685,460	6,680,450	6,681,938	6,681,938	6,681,938
Advances to the State	23,100,000	23,100,000	23,100,000	23,100,000	23,100,000
LIABILITIES.					
Notes	40,265,994	39,344,769	38,894,835	37,822,818	5,111,876
Government deposits	12,923	11,399	24,393	32,243	183,700
Private deposits	2,366,826	2,319,159	2,229,151	2,140,612	845,960

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

ASSETS.	Feb. 28, 1924.	Feb. 21, 1924.	Feb. 14, 1924.	Mar. 1, 1924.	Position May 28, 1914.
Coin (gold & silver and bullion)	359,372	364,973	364,477	365,102	322,650
Securities	1,372,628	1,349,134	1,289,345	1,276,131	697,600
LIABILITIES.					
Notes in circulation	7,651,830	7,560,960	7,553,337	7,533,126	934,150
Current accounts	367,399	432,791	369,702	361,043	112,186

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

ASSETS.	Mar. 3, 1924.	Feb. 25, 1924.	Feb. 18, 1924.	Feb. 11, 1924.	Mar. 5, 1924.	Position May 30, 1914.
Gold	581,716	581,718	581,718	581,717	581,709	163,092
Silver	10,321	11,051	11,109	10,130	6,394	8,436
Discounts & advances	424,230	396,322	409,385	416,074	368,325	153,504
LIABILITIES.						
Notes in circulation	1,016,502	985,016	988,235	1,012,523	959,098	161,633
Deposits	21,481	24,396	26,478	21,837	33,971	5,016

IMPERIAL BANK OF GERMANY.—In billions of marks.

ASSETS.	Feb. 23, 1924.	Feb. 15, 1924.	Feb. 7, 1924.	Jan. 31, 1924.
Gold and bullion	(a) 867	(a) 1,381	(a) 1,347	(a) 1,250
Treasury notes	9,845,999	9,845,999	9,845,999	9,845,999
Reserve bank notes	172,501,431	160,295,504	167,197,739	177,780,407
Bills of exchange and cheques	469,633,848	444,268,297	412,880,981	388,368,069
Reserve bank bills and cheques	538,115,893	517,603,239	428,858,516	367,497,935
Advances	131,492,228	129,998,308	138,739,764	138,739,764
Reserve bank discounts, &c.	13,990,739	195,729,590	194,621,300	197,780,720
LIABILITIES.				
Notes in circulation	18,377,000	55,198,597	520,487,965	483,674,521
Total deposits	536,667,346	537,180,637	728,318,705	714,305,017
Loan from Rekenbank	783,405,824	350,000,000	250,000,000	200,000,000

(a) Millions of marks.

BANK OF JAYA.—In florins (000's omitted).

ASSETS.	Mar. 1, 1924.	Feb. 23, 1924.	Feb. 16, 1924.	Feb. 9, 1924.	Mar. 3, 1924.	Position May 30, 1914.
Gold	219,750	215,250	217,500	214,250	158,748	22,971
Silver					60,154	29,785
Discounts, advances, and other investments	137,200	143,270	143,220	145,080	154,718	77,567
LIABILITIES.						
Notes in circulation	258,000	259,500	262,500	264,000	264,548	109,499
Deposits and bills payable	85,000	79,500	78,000	77,500	104,278	11,250

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

ASSETS.	Feb. 29, 1924.	Feb. 23, 1924.	Feb. 15, 1924.	Feb. 7, 1924.	Feb. 28, 1923.	Position May 31, 1914.
Gold	536,263	536,327	536,411	536,777	535,088	71,775
Silver	92,414	91,731	90,834	89,775	105,618	18,350
Discounts, advances, and other investments	11,897	11,894	11,894	11,892	12,337	103,000
LIABILITIES.						
Notes in circulation	878,208	827,499	837,033	860,025	883,832	875,926
Deposits	49,720	67,478	87,387	79,802	258,789	33,760

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

ASSETS.	Feb. 29, 1924.	Jan. 31, 1924.	Dec. 31, 1923.	Nov. 30, 1923.	Feb. 28, 1923.	Position May 31, 1914.
Coin and bullion	209,578	209,581	209,594	209,613	228,244	76,644
Loans & discounts	485,99	475,433	465,472	394,719	401,445	88,470
Debtors abroad	16,049	15,774	12,968	37,006	3,714	24,103
Securities	8,385	8,388	8,411	8,411	11,401	11,988
LIABILITIES.						
Circulation	450,132	446,152	472,625	472,905	447,946	157,266
Deposits	82,045	79,717	79,244	52,764	70,804	6,596

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

ASSETS.	Feb. 29, 1924.	Feb. 22, 1924.	Feb. 15, 1924.	Feb. 8, 1924.	Position May 31, 1914.
Coin and bullion—Gold	147,284	147,284	147,284	147,284	147,284
Balance abroad and foreign bills	15,978	15,988	16,119	30,685	33,533
Norwegian & Foreign Government securities	8,825	8,825	8,825	9,404	8,818
Discounts and loans	423,900	412,351	442,084	455,748	76,911
LIABILITIES.					
Notes in circulation	368,898	359,401	357,138	353,877	113,494
Deposits at notice	110,906	110,378	110,378	174,251	7,188

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

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

ASSETS.	Mar. 1, 1924.	Feb. 23, 1924.	Feb. 16, 1924.	Feb. 9, 1924.	Mar. 3, 1924.	May 24, 1914.
Gold	271,483	271,579	271,615	271,654	273,761	104,918
Balance abroad and foreign bills	26,016	29,328	25,095	37,179	107,576	112,178
Swedish and foreign securities	89,369	85,306	94,220	84,126	122,828	38,466
Discounts & loans	402,335	369,594	380,832	379,082	364,338	118,658
LIABILITIES.						
Notes in circulation	530,956	474,113	493,434	494,537	544,224	226,658
Deposits at notice	190,286	207,929	210,844	215,5	258,231	369,660

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

ASSETS.	Feb. 23, 1924.	Feb. 15, 1924.	Feb. 8, 1924.	Feb. 1, 1924.	Position May 31, 1914.
Gold	42,717	42,716	42,716	42,704	35,091
Balance abroad and foreign bills	941,514	1,011,408	961,274	873,047	90,379
Swedish and Foreign Government securities	516,744	528,744	528,744	586,342	21,226
Discounts and loans	625,523	613,383	637,227	611,437	106,151
LIABILITIES.					
Notes in circulation	1,314,269	1,308,958	1,295,728	1,457,729	123,941
Deposits at notice	690,411	754,843	669,187	400,598	21,226

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

ASSETS.	Feb. 27, 1924.	Feb. 20, 1924.	Feb. 13, 1924.	Aug. 29, 1923.	Nov. 22, 1923.
Total cash	12,823	11,610	13,228	15,578	13,085
Gold coin & bullion	20,100	19,920	16,770	15,794	12,195
Of which held abroad	4,871	4,793	3,046	3,744	
Foreign bank bills	49,380	49,380	49,380	60,736	22,466
Discounts and loans	47,824	46,742	44,969	21,425	9,551
LIABILITIES.					
Notes in circulation	23,000	23,000	23,000	23,000	4,005
Capital paid up	10,214	10,214	10,214	10,000	8,000
Government deposits	44,380	40,951	39,991	36,319	16,697
Other deposits	45,501	46,599	43,790	39,495	17,995

BANK OF CZECHO-SLOVAKIA.—In Cs. K. (000's omitted).

ASSETS.	Feb. 23, 1924.	Feb. 14, 1924.	Feb. 7, 1924.	Jan. 31, 1924.	Jan. 23, 1924.	Feb. 23, 1923.
*Liabilities of the Austro-Hungarian Bank to the Bank of the Czech Republic	10,096,966	10,096,965	10,096,965	10,096,965	10,096,965	10,096,965
Discounts & advances	1,432,518	1,467,506	1,601,341	1,510,217	1,512,826	1,823,172
Government securities	1,032,295	1,038,848	1,036,580	1,038,398	1,038,185	822,000
Foreign bills and balances abroad.....	892,032	982,990	1,051,708	1,126,409	1,224,442	457,900
Other assets.....	182,415	201,835	201,385	306,594	235,463	292,600
LIABILITIES.						
State notes circ'lat'm.....	8,047,808	8,219,888	8,455,372	8,110,093	8,341,493	8,554,774
Deposits.....	4,484,467	4,400,803	3,968,102	4,179,772	4,591,293	3,533,900
Other liabilities.....	1,110,941	1,168,053	1,136,598	1,073,078	1,172,666	1,408,800
* Resulting from banknotes, current accounts. Exchange.....						

Rates of Exchange.		Par Level.	Mar. 8, 1923.	Feb. 28, 1924.	Mar. 6, 1924.
New York on—					
London—					
60 days					
Cable					
Cheques					
Paris	Dollars for £1	4.8666	4.865	4.274	4.2687
Brussels	Cents for 1 franc	19.30	6.0524	4.92	4.937
Switzerland ..	Cents for 1 franc	19.30	5.2375	3.86	3.84
Italy	Cents for 1 lire	19.30	18.66	17.4	17.32
Vienna	Cents for 1 krone	19.30	4.76	4.3575	4.34
Madrid	Cents for 1 peseta	20.26	0.00485	0.014	0.014
Amsterdam ..	Cents for 1 guilder	19.30	15.54	12.77	12.66
Copenhagen ..	Cents for 1 kroner	40.195	39.53	37.45	37.32
Stockholm ..	Cents for 1 krona	26.80	18.05	13.43	13.20
Athens	Cents for 1 drachma	19.30	1.09	1.63	1.65
Montreal	Cans. cents for \$1	100	98.25	97.0	97.69
Yokohama	Cents for 1 yen	49.95	48.4	45.85	44.75
Hong Kong	Cents for H. Kong \$	..	54.5	51.2	50.75
Shanghai	Cents for 1 Shing. tal.	..	74.7	72.75	70.5
Calcutta	Cents for 1 rupee	..	31.75	30.5	29.74
Buenos Aires ..	Gold pesos for \$100	103.65	118.5	131.0	129.00
Rio de Janeiro ..	Cens for 1 milreis	32.42	11.35	12.15	12.00
Valparaiso	Cens for 1 peso	20.60	12.125	10.25	10.10

MOSCOW QUOTATIONS FOR CHERVONETZ.

According to advices received in London, the following are the Moscow quotations for chervonetz:—

One chervonetz equals 420,000 Soviet roubles.
£1,000 sterling " 895 chervontzai.
\$1,000 " 206.5 "

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

Union of South Africa.		Union of South Africa.	
From Feb. 18, 1924.		From Feb. 18, 1924.	
London on South Africa.		South Africa on London.	
Buying.	Selling.	Buying.	Selling.
T.T.	14% prem.	3% dis.	24% dis.
On demand ..	14% prem.	3% dis.	24% dis.
30 days	14% prem.	3% dis.	24% dis.
60 days	14% prem.	3% dis.	24% dis.
90 days	14% prem.	3% dis.	24% dis.
120 days	14% prem.	3% dis.	24% dis.

(a) No discount allowed on sales of T.T.s. or demand drafts under £100.
(b) No premium allowed on amounts under £100. † Plus ad valorem duty.

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

London on Australia and New Zealand.		Australia and New Zealand on London.	
Buying.		Buying.	
Aus. tralia.	New Zeal'nd.	Aus. tralia.	New Zeal'nd.
T.T.	..	..	..
On demand ..	99 1/2	101 1/2	99 1/2
30 days	98 1/2	101 1/2	98 1/2
60 days	98 1/2	101 1/2	98 1/2
90 days	97 1/2	101 1/2	98 1/2
120 days	97 1/2	101 1/2	98 1/2

INDIA COUNCIL DRAFTS.

There were no tenders invited on Tuesday, March 4th. Sales suspended pending further notice.

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Week ended March 5, 1924.

Imported into Great Britain and Northern Ireland.		Exported from Great Britain and Northern Ireland.	
From—	To—	From—	To—
British South Africa	£ 812,964	Belgium	£ 770
United States of America	600	Straits Settlements	11,040
British West Africa	29,304	British India	137,726
Other countries	380	United States of America	1,301,321
		Other countries	2,103
Total declared value of imports	843,248	Total declared value of exports	1,452,859

Messrs Samuel Montagu and Co. write on March 5th as follows:—

GOLD.

A good proportion of the substantial amount of gold on offer this week has been taken for India. Gold valued at \$10,080,000 has arrived in New York from London.

SILVER.

Again, the silver market has been quiet, and buyers and sellers disinclined to operate. Indian dealers have refrained from doing much business in this market. Sales have been made by China and the Continent, and support coming from

somewhat reluctant bear covering, prices have eased to some extent. The tone just now is inclined to be flat, but offerings of silver are so moderate that a better tendency would soon show itself if serious inquiry set in from India or China.

INDIAN CURRENCY RETURNS.
(In Lacs of Rupees.)

	Feb. 14.	Feb. 22.	Feb. 29.
Notes in circulation	18,644	18,606	18,619
Silver coin and bullion in India ..	8,059	8,021	8,034
Silver coin and bullion out of India ..	..	..	..
Gold coin and bullion in India ..	2,232	2,232	2,232
Gold coin and bullion out of India ..	..	..	..
Securities (Indian Government) ..	5,753	5,753	5,753
Securities (British Government) ..	1,400	1,400	1,400
Bills of exchange	1,200	1,200	1,200

The silver coinage during the week ending 29th ultimo amounted to 2 lacs of rupees. The stock in Shanghai on the 1st instant consisted of about 27,200,000 ounces in sycee, 47,500,000 dollars, and 920 silver bars, as compared with about 26,100,000 ounces in sycee, 40,000,000 dollars, and 940 silver bars on the 23rd ultimo. Statistics for the month of February, 1924, are appended:—

SILVER—Per Ounce Standard.		BAR GOLD.	
Cash.	2 Months' Delivery.	Per Ounce.	Per Ounce.
Highest price	34 1/2	96 3	96 3
Lowest "	33 1/2	95 1	95 1
Average "	33 5/8	95 10-1	95 10-1

GOLD AND SILVER PRICES.

1924.		Gold.		Silver—Per Ounce.		Silver.	
		s d	d	Cash.	Forward.	Cash.	Forward.
Mar. 1	95 11	33 1/2	33 1/2	Mar. 15, 1918..	43		
3	95 11	33 1/2	33 1/2	15, 1919..	47 1/2		
4	96 2	33 1/2	33 1/2	12, 1920..	70		
5	95 11	33 1/2	33 1/2	11, 1921..	31 1/2		
6	95 11	33 1/2	33 1/2	10, 1922..	33 1/2		
7	96 1	33 1/2	33 1/2	9, 1923..	32 1/2		

NOTICES.

We are informed that the series of international banks located at Amsterdam has been increased by the advent of the Hamburg Bank (L. Behrens and Son), which has founded a bank at Amsterdam with a capital of 10,000,000 guilders, 3,000,000 guilders (£250,000) being paid up fully, in which Messrs Guinness, Mahon, and Co. and other British interests are participating. One of the purposes of the bank is to finance Continental imports and exports.

Lloyds Bank, Limited, announce that, in anticipation of the rebuilding of their head office in Lombard street, the joint general managers and certain departments will move to the temporary premises at the corner of Gracechurch street and King William street (facing London Bridge) after the close of business on the 8th inst. The telegraphic address will still be Branchage, Stock, London, and the telephone numbers will be Central 5084 and 2006. The City office (72 Lombard street) will not be affected by the change, and the secretary's department will remain at 71 Lombard street, which will still be the registered office. The sub-branch of the bank at Soham has been transferred to new premises in High street, and is now converted into a full branch, under the management of Mr B. B. Saunders, of the Ely branch.

Barclays Bank, Limited, announce that they have opened a new sub-branch at Vine Cottage, Ham Common, under the management of Mr A. H. Etherington, who is also manager of 39 and 61 George street, Richmond, branches. They also announce that they have opened a new branch at New Milton, Hants, under the management of Mr W. J. Bond, who is also manager of Bournemouth branch.

A branch of the Queensland National Bank, Limited, has been opened at Woolloongabba, Brisbane.

The board of directors of the Banca Commerciale Italiana has decided to open a branch at Fiume, and to form auxiliary institutions in Egypt and Jugo-Slavia.

The Bank of Australasia has opened a branch at 71 Collins street East, Melbourne.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Feb. 23, 1924.		Week ended Mar. 2, 1924.			Aggregate 9 Weeks, 1924.		
(c) Week ended Mar. 1, 1924.	Miles Open.	Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Re- ceipts.
		£	£	£	£	£	£
Great Western	3,754	195,000	362,000	557,000	1,728,000	2,887,000	4,615,000
Do for 1923	3,679	202,000	376,000	578,000	1,920,000	3,314,000	5,234,000
London & North Eastern ..	6,703	345,000	769,000	1,114,000	2,892,000	5,910,000	8,802,000
Do same period 1923 ..	6,701	363,000	808,000	1,171,000	3,125,000	6,784,000	9,909,000
London, Mid., & Scottish ..	4,941	494,000	936,000	1,430,000	3,182,000	7,742,000	11,924,000
Do for 1923	4,940	514,000	1,004,000	1,518,000	4,598,000	8,500,000	13,098,000
Southern	2,146	252,000	123,100	375,100	2,178,000	955,300	3,133,500
Do for 1923	2,146	265,800	130,100	395,900	2,353,500	1,000,900	3,454,400
Metropolitan (c)	793	30,816	3,914	34,730	279,977	33,629	313,657
Do for 1923	793	31,074	3,962	35,036	283,303	35,314	318,657
Underground E.R. (c) ..				211,921			1,928,710
				6,423			77,106
Lon & Sub. Group (c) ..				34,451			320,878
				2,762			8,935
Belfast & Co. Down (b) ..	80	3,644	1,342	4,986	31,575	10,798	42,373
Dublin and S. East (b) ..	160	5,490	3,922	9,412	44,744	31,151	75,895
Gt. Northern (Ireland) (b) ..	562	16,050	22,350	38,400	146,270	181,210	327,480
Gt. Sth. & Western (b) ..	1,151	21,919	31,508	53,427	183,398	287,870	471,268
Midland Gt. West. (b) ..	538	8,467	11,959	20,426	70,851	110,315	181,146

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -
INDIAN.							
Assam Bengal	41 weeks	Feb. 2	1,072	Rs. 291,000	Rs. 7,436	Rs. 1,15,37,033	Rs. 5,70,469
Barsi Lk. Ry.	45 weeks	Feb. 2	118	42,900	13,200	14,81,300	31,800
Bengal & N. West. ..	19 weeks	Feb. 2	2,062	7,33,450	40,216	1,08,48,524	4,78,258
Bengal Nagpur	45 weeks	Feb. 2	2,738	17,24,000	61,000	6,42,21,189	3,00,871
Bombay, Bar., & C.I. ..	48 weeks	Mar. 1	2,994	29,65,000	253,000	10,73,24,000	15,33,000
Burma	14 weeks	Feb. 2	1,342	8,54,128	86,065	3,00,40,671	4,92,372
Delhi, Umballa, Kalka ..	21 weeks	Feb. 2	239	1,03,000	19,119	22,04,288	84,918
East Indian	48 weeks	Mar. 1	2,873	35,11,000	1,28,000	15,18,98,000	17,98,000
G. Indian Peninsula ..	47 weeks	Feb. 23	3,164	39,77,500	2,41,400	12,86,45,191	43,18,012
Madras & S. Mahr. ..	35 weeks	Feb. 2	5,029	15,60,000	13,191	6,33,74,453	90,000
Rohilk'd & Kumaon ..	18 weeks	Feb. 2	253	62,438	4,318	9,48,363	67,121
Do Lucknow-Breilly ..	9 weeks	Feb. 2	314	83,174	7,727	11,83,735	52,408
South Indian	44 weeks	Feb. 2	1,877	9,27,299	7,772	4,24,79,032	13,78,593
ARGENTINE (a).							
Argentine N.E.	35 weeks	Mar. 1	752	£ 13,400	£ 200	£ 399,500	£ 41,700
Argentine Trans.	35 weeks	1	...	4,270	180	135,091	27,813
B. A. and Pacific	35 weeks	1	3,324	241,000	16,000	5,487,000	62,000
B. A. Gt. Southern	35 weeks	1	3,918	249,000	16,000	6,879,000	559,000
B. A. Western	35 weeks	1	1,882	119,000	9,000	2,746,000	396,000
Central Argentine	35 weeks	1	1,882	121,000	19,000	3,040,000	370,000
Cordoba Central	35 weeks	1	1,882	121,000	13,000	3,037,000	17,000
Entre Rios	35 weeks	1	3,305	261,000	41,000	7,511,700	589,000
Cordoba Central	35 weeks	1	1,205	61,000	6,000	2,084,000	43,100
Entre Rios	35 weeks	1	729	30,000	3,500	772,400	77,900

CANADIAN.											
						\$		\$		\$	
Canadian National..	8 weeks	Feb. 29	22,680	4,276,639		\$	323,781	36,113,009		\$	1,153,727
Canadian Pacific....	8 weeks	29	13,622	3,502,000		\$	501,000	26,036,000		\$	1,727,000

BRAZILIAN (b).											
Gt. West. of Brazil..	8 weeks	Mar. 1	1,011	13,700	+	900	107,000	-	11,800		
Leopoldina	8 weeks	1	1,831	20,744	+	5,007	208,989	-	13,001		
San Paulo	8 weeks	2	1,534	44,389	+	15,455	391,184	+	119,454		

CHILEAN.											
Antofagasta	9 weeks	Mar. 2	838	36,610 +	3,500	370,425 +	62,555				
Nitrato (4-monthly)	8 weeks	Feb. 29	366	38,925 +	8,589	170,746 +	27,190				

DIVIDEND ANNOUNCEMENTS.—Continued.

				%	%
Swan, Hunter, & Co.	..	..	Tax free	8	8
Switzer and Co.	..	..	Tax free	8	12
T. Lyons and Co.	..	..	Tax free	10	7½
Telegraph Construction	7½%	..	Tax free	..	..
Tennant Brothers	24%	..	Tax free	..	..
Townbridge Water (1875)	5	..	Tax free	..	..
Do (1878)	3½	..	Tax free	..	..
Tynde Electrical, Ltd.	..	..	Tax free	6	6
United Tobacco Cos. (South)	..	..	Tax free	..	..
Ord. and Defd.	2½%	Mar. 31	Free S.A. tax	10	10
Walkers, Parker	1½ p.s.	..	Tax free	..	..
Wardle and Davenport	4%	..	Tax free	8	6
Waste Heat and Gas	..	..	Tax free	..	..
Wemyss Tramways	5½%	..	Tax free	..	..
Western Telegraph Company	5 p.s.	Mar. 25	Tax free	5	7½
Westman and Co.	2½%	..	Less tax	..	..

(a) Also scrip bonus.

(b) Also capitalised bonus of £1 share for every five shares held.

(c) Also 2½d per share returned to holders, making shares £1 paid.

BRITISH-AMERICAN CONTINENTAL BANK.—The liquidator announces that a dividend of 1s 3d in the £ will be paid on March 10th at 4 Broad street place, E.C. This makes the seventh distribution.

MARONIERE BROSSE AND BROS.—Directors announce that payment of preference dividend, due March 1st, is postponed.

TYNSMOUTH GAS.—Directors recommend dividend on Consolidated and New Ordinary stock of 5 per cent., less tax, for year, dividend on New Preference stock of 4 per cent., less tax, paying arrears of dividend on Consolidated and New Ordinary stock, less tax.

Reports and Notices.

Messrs R. Nivison and Co. announce that they have admitted into partnership Mr Arthur Ryder Bastard Owen, son-in-law of their senior.

Lieut.-Col. H. E. Verey, D.S.O., of the firm of Messrs Treherne, Higgins and Co., of No. 7 Bloomsbury square, W.C. 1, solicitor, has been appointed a director of the West-End board of the Phenix Assurance Company, Limited.

Baring Brothers and Co., Limited, notify that the transfer books of the Commercial Cable Company sterling 4 per cent. 500-year debenture stock will be closed from the 22nd to the 31st instant, both days inclusive, for the preparation of the warrants for the interest due April 1, 1924.

RAILWAYS.

SOUTHERN PUNJAB RAILWAY.—The following is a brief summary of the earnings for year ended September 30, 1923, together with figures for the preceding year:—

	Gross Earnings.		Net Earnings.	
	Year Ended Sept. 30.	Year Ended Sept. 30.	Year Ended Sept. 30.	Year Ended Sept. 30.
	1922.	1923.	1922.	1923.
	Rs.	Rs.	Rs.	Rs.
Main line and Keithal branch ..	73,40,653	92,39,879	35,24,672	44,35,207
Ludhiana Extension ..	16,92,674	22,61,493	8,12,484	10,78,376
Sutlej Valley Railway ..	..	..	6,89,000	6,89,000
Jullundur Doab Railway ..	6,55,282	7,01,492	3,14,536	3,36,717
Do Rebate ..	..	..	2,86,473	2,65,881
Total ..	96,88,609	122,02,864	56,27,165	68,05,181

The dividend on the ordinary stock is 12 per cent. for the year. The sum of £75,934 is carried forward.

BANKS.

B. W. BLYDENSTEIN AND CO.—The balance-sheet for 1923 just issued reveals assets to the total of £13,339,096. Bills receivable (including English Treasury bills) amount to £12,856,959 of the total assets. Cash stands at £83,116, and balances at bankers abroad amount to £87,942. National War Bonds at market value, which fell due February, 1924, stand in the balance-sheet at £234,185. Debtors stand at £49,379, and premises at £27,517. With regard to liabilities, the capital account stands at £625,000. Rebate on bills not due is at £106,926, and loans against securities, &c., stand at £12,607,170.

PUNJAB NATIONAL BANK, LIMITED.—The 58th 'balance sheet and profit and loss statement of the bank for the half-year ending December 31, 1923, shows that the total net profit, after meeting all ordinary expenses, amounts to Rs. 4,63,584, which works out a profit of about 34 per cent. per annum on the paid-up capital of the bank (including advance capital), and at about 1.40 per cent. per annum on its working capital. There was not much demand for money in the earlier part of this half-year, and it was in the latter part only that demand for money became very brisk. Out of the total profit of Rs. 4,63,584 the directors have written off bad and doubtful debts amounting to Rs. 35,975, thus leaving a balance of Rs. 4,27,608, which, together with the sum of Rs. 62,330 brought forward from last half-year, makes up the total sum available for distribution as Rs. 4,89,939. The directors recommend that the above sum of Rs. 4,89,939 may be appropriated as under:—

To a final dividend at Rs. 15 per cent. per annum for the half-year ending December 31, 1923, free of income-tax, payable on and after February 18, 1924 ..	2,03,332
To provision for balance of income-tax for the year 1923-24 ..	48,543
To provision for additional tax for the year 1922-23 ..	1,30,536
To be carried to reserve fund No. 1 ..	50,000
Balance carried forward to next half-year's account ..	57,528

SWISS BANK CORPORATION.—Some interesting particulars concerning the working of this bank during the year 1923 are given in the fifty-second annual report just issued. It is pointed out that the past year, like its predecessor, was under the influence of the after-effects of the war, and the normal development of trade and industry was constantly interfered with by political events. The total of the bank's balance-sheet, taken at 25½ to £1, has increased from £40,782,875 at the end of 1922 to £41,582,868 at the end of 1923. The principal assets are:—Cash, £2,858,537; banks and bankers, £5,209,957; bills receivable, £12,151,983; current accounts, £18,083,718; permanent investments, £318,154; Government, railway, and other securities, £2,110,231; bank premises and other property, £609,332. With regard to liabilities, the share capital is £4,800,000, reserves total £1,320,000, fixed deposits stand at £5,205,166, and current accounts are at £26,808,468. The net profit for 1923 is £430,681, as against £421,084 in 1922. The dividend on the paid-up capital is 8 per cent. for the year 1923, the same as for 1922. The carry forward is £40,874, against £40,201 brought in from preceding year. The board propose to allocate £20,000 to pension fund. The work on the new building for the London office at the corner of Gresham street and Coleman street is progressing, and it is expected that the building will be completed before the end of the current year.

INSURANCE.

BRITANNIC.—The annual valuation for 1923 showed a surplus of £273,786, of which £150,673 was divided among with-profit policies in the ordinary branch and shareholders. A bonus was declared for the year of 36 per cent. on sums assured, as compared with 30 per cent. for 1922. The dividend and bonus to shareholders cost £49,498. In the ordinary branch 11,856 new policies were issued, assuring £1,001,802, and the ordinary premium income increased by £61,746 to £614,228. In the industrial branch the premiums income increased by £81,460 to £1,932,036. There was an addition to the funds of £1,013,095.

REFUGE.—The valuation of the liabilities in the ordinary branch as at December 31st last showed a surplus of £1,192,398, including £466,050 brought forward. A bonus for the year on with-profit policies was declared of £1 18s per cent. (against £1 12s for 1922), and £539,431 was carried forward. In the industrial branch the valuation surplus was £125,535, after transferring £100,000 to investments reserve, £25,000 to staff pension fund, and £250,000 to the fund (now £600,000) for the future strengthening of the valuation basis. A dividend to shareholders was declared of 7½ per cent., absorbing £22,500. In the ordinary branch 41,478 new policies were issued, assuring £4,769,542, and in the industrial branch the new policies numbered 765,150 for £12,840,878. The company's operations are restricted to Great Britain and Ireland.

RUBBER, &c.

RATANUI RUBBER ESTATE.—This company has had a better year. The net profit for year ended September 30, 1923, at £7,083, compares with a net loss of £1,538 in preceding year. The ordinary shareholders are to receive a 5 per cent. dividend, against nothing in preceding year. The reserve fund is strengthened by the allocation of £5,000, and £5,311 is carried forward.

MISCELLANEOUS.

HUDSON'S BAY COMPANY'S LAND SALES.—For 10 months January 31, 1924:—

	1923.	1924.
Farm Lands—		
Acres ..	21,500	27,300
Sold for ..	£64,400	£77,900
Town Lots—		
Sold for ..	£10,500	£6,100
Total receipts ..	£351,500	£360,500

ISAAC WALTON AND CO.—This company has succeeded in maintaining its net profit during the year ended January 31, 1924, also its ordinary dividend, which is again 10 per cent., free of income-tax. The net profit is £17,833, against £18,301, and the carry forward is £10,460, against £11,027 brought in. The total assets are £384,662. Cash stands at £14,207. Goodwill at cost is £43,489, but £18,489 has been written off, making goodwill in the balance-sheet £25,000. Stock in trade is at £58,812.

JOHN BARKER AND CO., LIMITED.—Subject to final audit the net profit for the year ended January 31, 1924, after providing for all working expenses, depreciation, bad and doubtful debts, and all local and Imperial taxation, is £402,433, against £362,384 last year. The directors recommend the payment of the usual 20 per cent. on the ordinary shares (5 per cent. of which was distributed as an interim dividend in October last). £50,000 to the general reserve fund, £10,000 to the employees' pension and benevolent fund, £20,000 off goodwill, and after providing for the dividends on the 5½ per cent. and 6 per cent. preference shares, and interest on debentures and directors' fees, to carry forward the balance of £211,780, against £148,328 brought in. The dividend of 20 per cent. is the same rate as distributed for preceding four years. The premium on the recent issue of preference shares, less the expense of the issue, has been transferred to reserve, and is not included in the above figures.

SWAN, HUNTER, AND WIGHAM RICHARDSON.—The net profit of this concern has been fairly well maintained, as after payment of debenture interest, it amounted to £383,752 for 1923, as against £396,585 for 1922. The ordinary dividend is maintained at 8 per cent., free of income-tax. The sum of £100,000 is put to reserve, while £100,000 goes to reserve for equalisation of dividends, and £10,000 for the benefit of employees. The sum of £46,499 is carried forward. The total assets amount to £6,253,707. Cash and bills stand at £1,182,039. Investments at cost or under stand at £2,854,263. Debts due to the company stand at £674,499.

MINING OUTPUT STATISTICS FOR JANUARY, 1924.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Ounce Works.	Mill.	Ounce Works.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	£	£
Associated ..	5,340	..	..	..	6,369	..
Blackhat ..	3,350	5,530	2,377	235	2,612	..
Blackwater ..	2,751	..	..	..	(b) 5,705	1,724
Cam and Motor ..	16,000	..	..	..	8,256	35,019
Champion Reef ..	9,012	17,728	3,475	696	4,171	..
Menzies Consolidated ..	1,250	..	..	..	2,567	..
Mysore ..	15,705	32,388	8,948	1,348	10,296	..
Nippon Cons. ..	3,073	..	..	..	£50,200	..
Nundydroog ..	11,051	14,367	4,811	657	5,468	..
Oreum ..	14,000	4,000	8,605	307	8,912	..
Oriental Cons. ..	..	..	..	..	£112,300	..
Oroville Dredging ..	..	..	..	..	£26,017	..
Pato (19 days to Feb. 25th)	..	..	..	..	13,925	..
Rezeno ..	6,000	670	..	..	2,932	6,365
St John del Rey ..	..	..	..	..	35,000	..
Transvaal and Rhodesian ..	..	..	..	..	..	..
Fred ..	1,250	..	..	..	4,785	..

(b) 9½s per oz.

	Output.	Other Notes in Return.	
	Tons.		
Copper.			
Tanganyika ..	5,099	..	..
Tin.			
Bangrin ..	15	..	..
Chenderiang ..	19	Est. value, \$15,300.	..
Deebok Dredging ..	143	..	..
East Pool and Agar ..	38-1	Tin; arsenic, 35 tons. Est. total value, £8,139.	..
Ex-Lands Nigeria ..	35	..	..
Filani ..	19	..	..
Gopeng Cons ..	684	Est. value, £10,675; est. cost, £1,840.	..
Idris ..	143	Value, £2,100; cost, £730.	..
Ipo ..	513	..	..
Kamunting ..	46	Est. value, £60,400.	..
Keffi ..	50	Shipped 52 tons.	..
Kranat Pulai ..	..	Profit, including tribute, £2,231.	..
Lahat ..	213	Est. value, £3,521; est. cost, £2,398.	..
Malayan ..	104	Value, £16,909; cost, £7,835.	..
Monguna ..	7	..	..
Pahang Consolidated ..	203	Black tin; alluvial, 10 tons.	..
Pari ..	41	Est. value, £641; est. cost, £261.	..
Pengkalan ..	624	Est. value, £3,575; est. cost, £1,450.	..
Pusing ..	194	Gross mining profit, £127.	..
Rambutan ..	49	Est. value, £2,860; est. cost, £755.	..
Rayfield ..	383	Despatched, 44 tons.	..
Renong ..	134	..	..
Ropp ..	383	..	..
Southern Perak ..	54	Est. value, £5,139; est. cost, £1,700.	..
Sungei Besi ..	50	Est. value, £3,406; est. cost, £3,030.	..
Tekka ..	60	Est. value, £1,200; est. cost, £1,650.	..
Tekka-Tai Ping ..	60	Est. value, £8,750; est. cost, £2,405.	..
Tin Fields of N. Nigeria ..	4	Despatched, 5 tons.	..
Tongkah Harbour ..	36	..	..
Troboh ..	522	Value, £8,396; cost, £3,786.	..
Coal.			
Chinese Engineering ..	61,525	Week ending March 1st.	..
Clydesdale ..	17,715	Coalbrook; 19,858 Blackhill.	..
Dundee ..	41,804	..	..
Middlebrook Steam ..	21,620	..	..
Natal Navigation ..	42,416	..	..
Northern Natal ..	25,207	..	..
South African ..	56,758	..	..
Tweefontein ..	58,071	..	..
Vryheid ..	27,238	..	..
Wankie ..	20,823	Coke sales, 13,756 tons.	..
Miscellaneous.			
New Vael River ..	600	Diamonds, 825 carats; value, £5,818.	..
Rhodesia Broken Hill ..	..	Lead.	..
Transvaal Silver ..	..	29,556 ozs fine silver.	..

OIL OUTPUTS.

APEX (TRINIDAD) OILFIELDS, LIMITED.—The estimated gross production of crude oil for the month of February was 92,142 barrels, equal to approximately 13,000 tons, and the oil delivered to Trinidad Leaseholds, Limited, amounted to about 12,700 tons.

GENERAL PETROLEUM COMPANY OF TRINIDAD, LIMITED.—The estimated gross production of crude oil for the month of February was 86,432 barrels, equal to approximately 12,347 tons, and the oil delivered to United British Refineries, Limited, amounted to about 11,775 tons.

TRINIDAD LEASEHOLDS, LIMITED.—Oil produced during February, 21,250 tons; oil purchased during February from other companies, 13,100 tons. Of the oil produced, well No. 87 Forest Reserve Field contributed 6,841 tons. The oil from this well is of lighter quality than the general average of the field.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

With a spell of finer weather and periods of sunshine, farmers were able to push ahead with field operations, while improved climatic conditions will prove of great benefit to growing crops. Generally quiet conditions prevailed at market, and prices in most instances tended in buyers' favour. Native wheat was more freely offered, and values the turn easier, suitable milling samples being obtainable at 10s 6d to 10s 10d per 112 lbs, free on rail. Imported descriptions met with moderate support, and rates generally on a lower basis, though a slight improvement occurred towards the end of the week in sympathy with steadier c.i.f. offers. No. 1 Northern Manitoba afloat quoted at 50s, No. 2 ditto 49s 6d, No. 3 ditto 48s 6d, Rosafé 63½ lbs 47s 9d, and Australian 50s 6d

all ex ship, per 496 lbs. The floating and forward cargo section displayed more activity on improved inquiries both from home and Continental millers, and a generally firm tone resulted. Sales included steamers of Australian afloat at 48s ditto loading, 47s 9d to 47s 9d, No. 1 Northern Manitoba arrived 48s 3d, ditto No. 2 April 47s 3d, to 47s 4½d, Barusso 63½ lbs April 42s 9d, ditto afloat 44s. Rosafé 63½ lbs afloat 44s 4½d, loading 45s, all per 480 lbs c.i.f. Flour quiet, and rates easier. London standard straight run 38s 6d, patents 40s 6d to 41s 6d, town households 36s 6d per sack delivered in. All English country straights 35s to 35s 6d per sack, free on rail at London stations. Of imported, Manitoba patents range from 36s 6d to 38s 6d, and Australian 36s to 37s per 280 lbs ex store. Barley dull and week English malting ranges from 11s 6d-14s 6d, with feeders 11s-11s 6d per 112 lbs, free on rail. Of imported Californian 45s-49s ex store, Chilean brewing 41s 6d-45s ex ship, both per 448 lbs. No. 4 Canadian western 35s 6d landed, Algerian/Tunisian ex ship to arrive 32s, and Karachi ditto 34s per 400 lbs. Maize quiet at about late rates. Plate ex ship quoted 43s, landed 44s 6d, Bessarabian ex ship 44s landed, 45s 6d Red Karachi ex ship 43s 6d all per 480 lbs. Oats: English quiet and ranges from 9s 2d-10s 4d per 112 lbs free on rail. Imported tends easier. Plate f.a.q. ex ship 21s, landed 22s, No. 2 Canadian western 27s 6d, No. 3 ditto 26s 3d, No. 2 Canadian feed landed 24s 9d per 320 lbs. Millers' offers weak. Broad bran quoted 8s, ordinary ditto 7s 6d, middlings 8s 6d, fine ditto 10s, bags included ex-mill, light oats 7s 3d, powdered oat husks 7s 9d, feed oatmeal 9s 3d, ground oats 12s 3d, free on rail per cwt. Oatmeal in moderate demand at late rates. London made, flaked also rolled oats 16s 6d, medium and fine cut 16s 6d, coarse and medium pinhead 16s 6d, ordinary Scottish oatmeal 17s 6d, American 16s 6d-16s 9d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-1924	1922-1923	1921-1922	1920-1921
Estimated sales of home-grown wheat—				
1 week to March 1 ..	Cwts. 361,086	Cwts. 314,323	Cwts. 679,896	Cwts. 177,804
26 weeks to March 1 ..	9,332,335	11,612,082	11,520,666	8,521,099
Average price of English wheat per cwt.	s d 11 0	s d 9 5	s d 12 0	s d 16 10

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1920 to 1923:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
	Cwts.	Cwts.	Cwts.	s d	s d	s d
1924.						
Feb. 23 ..	340,560	188,845	85,285	11 0	11 9	10 2
Mar. 1 ..	361,086	150,723	73,976	11 0	11 9	10 1
1920 ..	351,459	132,536	55,695	16 11	27 3	21 1
1921 ..	177,806	202,671	61,573	16 10	14 8	12 9
1922 ..	673,894	155,325	92,185	12 0	11 6	10 9
1923 ..	314,323	188,659	49,848	9 5	8 9	9 9

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated March 6, is as follows:—Pig-iron: The recent reductions in pig-iron prices has brought out some demand for iron. The fact is, home consumers have been keeping their stocks as low as possible. The demand for export is, however, still very unsatisfactory, but although foreign pig-iron is quoted some shillings below our prices, the supply is not at all plentiful. Cleveland No. 3 G.M.B. is 93s per ton

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.			Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Prefer.	Ordinary.			
					Amount.	Amount.	Rate.		Dividend.
Breweries.									
Octagon	Dec. 31	8,714	12,353	21,067	2,000	4,200	12	6,000	8,867
Electric Lighting and Power.									
Bournemouth & Poole Electricity	Dec. 31	13,413	98,568	111,981	10,666	14,976	13(s)	78,398	7,941
Newcastle and District Electric	Dec. 31	14,034	32,270	46,304	..	13,722	6	18,000	14,582
Scarborough Electric	Dec. 31	6,316	19,666	25,982	..	7,742	6†	10,000	8,210
Tyneside Electrical	Jan. 31	625	3,805	4,430	3,000	300	6	500	630
Financial, Land, &c.									
Law Land	Dec. 31	6,174	53,558	59,732	12,595	16,800	6	19,660	10,677
River Plate Trust, Loan, & Agency	Dec. 31	176,103	264,432	440,535	75,000	156,000	(20 A)	20,000	189,535
Scottish Western Investment	Jan. 31	24,941	74,669	99,610	19,651	40,073	13	10,000	29,886
Hotels and Restaurants.									
Dolphin Hotel and Restaurant	Dec. 31	958	4,102	5,060	1,500	2,100	6	500	960
Iron, Coal, and Steel.									
Consolidated Cambrian	Dec. 31	40,532	29,944	70,476	42,062	..	..	28,414	27,362
Davis and Timmins	Dec. 31	29,185	19,566	48,751	3,600	11,750	24†	3,884	29,517
North British Locomotive	Dec. 31	109,243	Dr 43,404	65,839	37,500	62,500	5†	Dr 50,000	15,839
Swan, Hunter, and Wigham	Dec. 31	57,023	383,752	440,775	47,391	136,885	8†	210,000	46,499
Motors.									
Leyland Motors	Sept. 30	Dr 993,908	Dr 4,803	Dr 998,711	..	..	..	Dr 993,711	Dr 238,398
Oil.									
British-Borneo Petroleum	Dec. 31	..	19,981	19,981	..	14,000	10	..	5,981
Rubber, &c.									
Benar (Selangor)	Oct. 31	6,178	Dr 916	5,242	..	..	..	5,242	Dr 1,520
Glendon	Sept. 30	414	5,520	5,106	..	..	..	2,000	Dr 727
Ratanui	Sept. 30	8,078	7,083	15,161	..	4,850	5	5,000	5,311
Shipping.									
Lampont and Holt	Dec. 31	66,825	51,131	117,956	125,000	89,600	4	Dr 200,000	103,356
Shops and Stores.									
Isaac Walton and Co.	Jan. 31	11,027	17,833	28,860	8,400	10,000	10†	10,460	18,301
Liberty and Co.	Jan. 31	17,197	57,794	74,991	6,000	20,000	20†	30,000	18,991
Pim Brothers	Jan. 31	12,674	3,055	15,729	5,500	7,500	5	..	2,729
Textiles.									
Aberdeen Jute	Jan. 31	3,870	286	4,156	..	1,638	10	2,518	1,918
Fleming, Reid, and Co.	Dec. 31	43,329	153,881	197,210	8,072	87,500	25†	56,000	45,638
Trusts.									
Caledonian	Jan. 31	16,166	34,496	50,662	9,825	15,412	10	25,425	30,471
Gas, Water, and General	Jan. 28	151	7,137	7,288	..	7,187	24 B	101	6,164
Waterworks.									
Bexhill Water and Gas	Dec. 31*	10,144	3,198	13,342	446	4,213	(7 4/10)	1,000	7,683
Other Companies.									
British Metal Corporation	Dec. 31	14,010	179,528	193,538	..	78,480	8	100,000	15,058
Bruce, Peebles, and Co.	Dec. 31	7,025	51,546	58,571	3,830	25,645	15	20,000	9,096
Buttons	Dec. 31	14,468	43,628	58,096	6,333	35,210	20†	..	59,155
C. and E. Morton	Dec. 31	43,659	73,346	117,005	28,000	45,000	10	..	59,973
Dundee Floorcloth and Linoleum	Jan. 31	15,104	40,947	56,051	1,919	13,863	10	30,000	44,005
International Cold Storage, &c.	Dec. 31	11,507	7,428	18,935	3,530	4,434	10	10,269	58,713
John Oakley and Sons	Dec. 31	2,821	41,662	44,483	6,000	25,400	10	10,000	10,971
Manchester Royal Exchange	Feb. 29	73,741	45,401	119,142	23,003	6	..	3,483	8,261
Switzer and Co.	Jan. 31	9,551	9,002	18,553	1,500	4,800	6	2,000	95,739
Telegraph Construction and Maintenance	Dec. 31	114,085	128,714	242,799	..	89,640	10†	30,000	123,159
Walkers, Parker, and Co.	Dec. 31	48,563	33,534	82,097	..	26,000	10	6,000	50,097
Waste Heat and Gas	Dec. 31	14,018	24,776	38,794	..	25,600	8	13,194	20,196
Woolcombers	Dec. 31	30,541	141,615	172,156	65,750	22,500	11†	100,000	33,906

* Half-year.

† Free of tax.

(s) Includes bonus of 3 per cent., free of income-tax.

Owing to the severity of competition, makers earning a profit are very exceptional. The patents registered in France by the Sheffield inventor of stainless steel have been annulled by a French High Court on the ground that the invention was known and being worked in England before the patent was applied for. The action was brought by steel makers in France. The coal market is active and firm. The demand for steam coal rather exceeds the present output, and deliveries are in arrears. Exports are increasing. Prices tend upwards. There is a good market for all kinds of small fuel, and also for coke in the home market. Prices per ton at pits are:—Best hand-picked branch, 35s; Barnsley best silstone, 30s 6d; Tyne best steams, 26s; South Yorkshire steams, 25s; Derbyshire ditto, 24s; rough slacks, 12s 6d; smalls, 7s to 9s; blast furnace coke, 30s.

Our Glasgow correspondent writes as follows:—Dullness characterises the pig-iron market this week. Stocks are still increasing, and although prices for all grades have been slightly reduced, only small parcels have changed hands. The anticipated advance in Continental pig has not yet materialised, but remarkably few purchases of Continental material have been made, buyers holding off, as is usual in a weak market. The shipments from the Clyde last week were 671 tons.

Quiet conditions also prevail in the finished steel trades. Rolling mills have still sufficient work to keep them fully employed in the meantime, but some little anxiety is felt at the paucity of specifications for forward delivery. A few more shipbuilding contracts have been placed on the Clyde, but these do not amount to much in tonnage. It is also reported that the North British Locomotive Works at Springburn have secured an order for four locomotives for the East Indian Railway. Continental sheet bars have

been offered at little over £7 per ton delivered this district, and a parcel of Belgian angles has been bought at £7 12s 6d delivered. In spite of this competition, and the scarcity of buyers, prices for home manufactures may be said to be maintained at recent past week have booked some fairly good lines.

Sheetmakers are busy on existing contracts, and enquiries are numerous, especially for blacks. A feature of the past week has been the unusually large number of enquiries from Germany for both black and galvanised sheets. The orders placed this week are quite up to the average of the past few weeks, and the Indian market shows signs of picking up again, several fair-sized orders for galvanised sheets having been placed locally within the last day or two. Prices are unchanged.

Our Cardiff correspondent writes:—There has been a slight improvement this week in the position of the Cardiff coal market. In the early part of the week the scarcity of tonnage continued, and for prompt positions prices for all classes of coal were weak. Best Admiralties receded to the extent of about 6d per ton, and were obtainable for this week's loading at round about 28s 6d. On Tuesday and Wednesday chartering was exceptionally active, chiefly for March positions, and although these factors had no effect in relieving the immediate position they strengthened the market for backward positions, and for the end of March collieries were asking up to 30s per ton. The general outlook is better, in April. The current approximate quotations are as follows:—Best Admiralties, 28s to 29s; second Admiralties, 27s to 28s; best dries, 27s to 29s 6d; black veins, 28s to 29s 6d; Western Valleys, 27s to 28s; Eastern Valleys, 26s to 27s; best bunker smalls, 18s to

19s; ordinary cargo smalls, 16s to 17s 6d; coking smalls, 16s to 21s; anthracite big vein large, 41s to 45s; machine-made cobbles, 45s to 47s 6d; French nuts, 47s 6d to 50s; stove nuts, 50s to 52s 6d; rubbly culm, 14s to 14s 6d; coke for export, 55s to 57s 6d; inland blast furnace coke at ovens, 30s to 35s; patent fuel, 30s to 32s 6d; pitwood, ex ship, 29s to 29s 6d. There is no appreciable change in the tinplate market, but prices are firm, with an upward tendency, and both foreign and inland demand is active.

METALS.

Tin commenced with a firmer tone, due to higher advices from the East, combined with a good demand, though values closed below top points. Standard cash sold at £293 to £292 10s, and three months £288 to £290-£289 5s. Eastern exports reported sales on the basis of £289 10s, c.i.f. Subsequent movements were attended by irregularity and weakness, though a partial recovery occurred by the middle of the week. Cash sold at £291 10s to £291 15s, and three months £287 to £286 10s to £290, while finally at £289 15s. Further sales transpired in the East at £288, c.i.f. Values continued to exhibit irregularity on Thursday, while firmer on balance, with a good inquiry for both cash and forward positions. Cash sold at £293 to £294 to £292 10s to £293 10s, and three months £293 to £292 to £293 to £292 2s 6d. Market closed easier, with standard cash at £292 5s and three months £291 15s. English ingots quoted at £292 15s to £293 5s. Copper.—Market opened firmer, values responding to an active demand, especially for distant position, combined with higher advices from United States. Standard cash sold at £67 7s 6d to £67 5s, and three months fluctuating between £68, £68 10s, and £68 6s 3d. On Wednesday realisations resulted in a set-back. American cables being also weaker, though offerings were well absorbed. Cash sold at £67 to £66 15s, and three months £67 15s to £67 17s 6d to £67 11s 3d. On following day active trading ensued, though rates were without material change on balance. Cash sold at £67 to £66 15s to £67 to £66 18s 9d, and three months £67 15s to £67 17s 6d to £67 12s 6d to £67 17s 6d. Active and firmer at close, with transactions in cash at £67 12s 6d to £68 1s 3d, and three months at £68 10s to £68 15s to £68 5s to £68 18s 9d, while finally at £68 17s 6d. Electros, £73 to £73 10s; best selected, £71 to £72 5s; strong sheets, £100; wire bars, £73 10s per ton. Lead firmer, and quoted at £39 12s to £38 7s 6d, as to position. Spelter easier at £36 to £35 17s 6d, according to position. Aluminium steady. Home, £115; export, £120. Antimony, English (special brands), £59 10s to £60.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—February 29, 1924.

Description.	Com.	Same Period 1923.				Same Period 1922.			
		Med.	Good Med.	Med. Fine.	Extra Fine.	Med.	Good Med.	Med. Fine.	Extra Fine.
Sea Island	d	d	d	d	d	d	d	d	d
Florida do	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do	nm	nm	nm	nm	nm	nm	nm	nm	nm
American	Ord	G O L M	Mid G M F	G O L M	G M F	G O L M	Mid G M F	G O L M	G M F
Peruvian	1483	1533	1633	1713	1808	1569	1619	1669	1733
Brazilian	Mid	G M F	Fr. G F	Gd. Fne	M F	Fr. G F	Gd. Fne	M F	Fr. G F
Pernam, Macao, &c.	..	1688	1788	1873	..	1574	1624	..	..
Parahyba, Rio Grande, &c.	..	1688	1788	1873	..	1574	1624	..	..
Ceara, &c.	..	1688	1788	1873	..	1574	1624	..	..
São Paulo	..	1673	1723	1773	..	1559	1609	..	..
Egyptian	Fr. G. F.	Fr. G. F.	Fr. G. F.	Fr. G. F.	Fr. G. F.	Fr. G. F.	Fr. G. F.	Fr. G. F.	Fr. G. F.
Upper	1913	1980	2010	2045	2115	1845	1920	1950	2000
Sakellaridis	1910	2020	2050	2120	2280	1850	1930	1960	2000
Brown	1913	2020	2050	2120	2280	1850	1930	1960	2000
Peruvian	Mid	Fr. G F	Gd. Fne	M F	Gd. Fne	Mid	Fr. G F	Gd. Fne	M F
Rough	..	2250	2400	2450	..	1875	..	..	1300
Moderately Rough	..	2000	2100	2150	..	1600	1750	..	1050
Smooth	1823	1873	1948	1973	1998	1824	1899	1939	1958
Tangula	1848	1873	1898	1948	2023	1824	1899	1939	1958
Mitani	..	2025	2125	2225	2275	..	1500	1600	..
West Indian, &c.	..	2200	2400	2600	2700	..	2000	2200	..
Do	..	2200	2400	2600	2700	..	2000	2200	..
African, East, &c.	1430	1530	1680	1780	1845	1400	1415	1615	1775
Do	Mid	Fr. G M F	Gd. Fne	M F	Fr. G F	Mid	Fr. G M F	Gd. Fne	M F
East Indian	G F	Fr. G F	Gd. Fne	M F	Fr. G F	G F	Fr. G F	Gd. Fne	M F
Machine Ginned Surtee	..	1380	1420	1460	1500	1340	1380	1420	1460
Machine Ginned Broad	1125	1175	1225	1275	1325	1075	1125	1175	1225
Machine Ginned Bhowanggar	1125	1175	1225	1275	1325	1075	1125	1175	1225
Machine Ginned Oomra No. 2	1125	1175	1225	1275	1325	1075	1125	1175	1225
Machine Ginned Oomra No. 2	1125	1175	1225	1275	1325	1075	1125	1175	1225
Machine Ginned Khandelah	1125	1175	1225	1275	1325	1075	1125	1175	1225
Machine Ginned Omplah	1125	1175	1225	1275	1325	1075	1125	1175	1225
Machine Ginned Bengal	1125	1175	1225	1275	1325	1075	1125	1175	1225
Machine Ginned Bolide	1125	1175	1225	1275	1325	1075	1125	1175	1225
Tinnyelly	1125	1175	1225	1275	1325	1075	1125	1175	1225
Madras, Western	1125	1175	1225	1275	1325	1075	1125	1175	1225
Madras, Northern	1125	1175	1225	1275	1325	1075	1125	1175	1225
M. G. Coomada, Red	1125	1175	1225	1275	1325	1075	1125	1175	1225
China, Smyrna, &c.	1125	1175	1225	1275	1325	1075	1125	1175	1225

MANCHESTER, March 6.

The general tone of the market has been quieter, and less business has been done than in recent previous weeks. The falling off in the turnover has been very largely due to bearish sentiment in raw cotton circles, and owing to the possibility of still lower values buyers of yarn and cloth have operated sparingly. A considerable cloth inquiry has been dealt with for India and China, but sales of any importance have been isolated, the bulk of the buying being in light fabrics and fancies. A little more demand has been about for Egypt and the Near East. Some fair lines have been booked in cloths suitable for finishing for the Continent. The threatened lock-out has not caused any anxiety. Quotations in

American and Egyptian yarns remain firm, but spinners have only met with a restricted business in home counts, with occasional transactions in shipping descriptions.

(I) Comparative Statement of the Cotton Trade.

		Previous Weeks in 1924.					
		Price, Mar. 6, 1924	Price, Feb. 28.	Price, Feb. 21.	Price, Feb. 14.	Price, Feb. 7.	Price, Jan. 31.
Raw Cotton—Fully Mid. American	per lb	d 16/95	d 17/15	d 17/83	d 18/99	d 19/67	d 19/47
— Sakellaridis Fully Good Fair	per lb	20/45	20/35	21/60	22/90	23/15	23/15
— Egyptian	per lb	24/24	24/4	25/25	26/2	26/2	26/2
Yarns—32's twist	per lb	24/24	24/4	25/25	26/2	26/2	26/2
— 40's wets	per lb	25/24	24/2	25/25	26/2	26/2	26/2
— 60's twist (Egyptian)	per lb	32/32	32/3	33/3	34/3	35/3	35/3
		d s d s	d s d s	d s d s	d s d s	d s d s	d s d s
32-in. Printers, 116 yds, 16 by 16, 32's and 50's		36/0	35/3	35/6	37/0	37/9	37/9
32-in. Shirts, 75 yds, 19 by 19, 32's and 50's		39/9	39/6	40/3	40/9	41/6	41/9
38-in. ditto, 38 yds, 18 by 16, 10 lbs		21/0	20/9	21/3	21/6	21/9	22/0
39-in. ditto, 37 yds, 16 by 15, 8 1/2 lbs		18/9	18/9	19/0	19/3	19/6	19/9

trade was a significant feature of the sales, and this is the outstanding characteristic of colonial auctions, Bradford buyers giving good support to the sales at Adelaide, Melbourne, and Sydney. It is evident that French buyers have to a large extent retired from Australian auctions, due mostly to the sensible depreciation of the franc. It is well known that there is real concern among French textile people, and they feel that a hand to mouth policy will pay them best.

VEGETABLE OILS AND OILSEEDS.

With the resumed production of linseed oil on a substantial scale following the release of seed supplies held up by the recent dock strike, there has been a further easing in prices value of raw oil on spot, falling to £40, and even below, as compared with £50 a fortnight ago. This brought in buyers, and the market has steadied. Large quantities of linseed are still afloat for both the United Kingdom and the Continent, and shipments from the Plate continue at a good level, indicating that there should be from now onward a constant supply of oil to meet current demand and cover trade contracts. As to the probable future course of prices, it is difficult to say. Supplies of seed promise to be ample for world requirements, but much depends upon a revival of industry generally here and in Europe. Cotton oils have again been for the most part neglected, and crude Egyptian is lower, and sellers more disposed to meet the market.

HIDE AND LEATHER TRADES.

(BY OUR OWN CORRESPONDENT.)

The auctions for market hides and skins held in Bermondsey on Thursday found a further easing tendency in prices, and most classes of ox and heifers gave way by ½d per lb—top and bottom prices for these goods now being 8½d and 6½d per lb. Cow and bull hides were also on the weaker side, as was also the case with kip skins. Last week's downward tendency of calf skins was continued, the reductions ranging from ½d to ¾d per lb. Best light calf skins changed hands at 16½d per lb, while heavies made 7d. Wool skins realised from 8s to 16s, and hogs from 5s to 20s 9d.

The imported hide market has shown a slight improvement since last writing, but practically all of the sales taking place are for goods for immediate consumption. Tanners are not prepared to speculate in any way whatsoever, as there is a very pronounced opinion that values will decline yet further. For instance, in spite of sales of frigorific hides to the United States and this country, the market at origin continues to get weaker, and many other sorts of S. American hides are quoted lower in sympathy.

In upper leather, a moderate amount of glacé kid in the cheaper grades of both black and brown are being moved off, but the brighter-coloured glacés which were in vogue a short while ago seem to have fallen very flat. Common to medium grades of patent leather are also finding a fairly satisfactory outlet, so much so that several of the imported brands have advanced 1d to 2d per foot. Suede leathers maintain a ready sale, and it would appear as if this, together with patent leather, will be the predominant feature about spring and summer footwear.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, March 7.

SUGAR.—Prices remained without change in the case of all spot parcels of refined, but general course of trade is quiet, as buyers continue to follow a policy of reserve. Of British, Messrs Tate and Lyle's cubes, quoted, 66s 9d to 67s 9d, as to quality; granulated fine and coarse grain, 64s 7½d; No. 1, 64s 4½d; No. 2, also London and T.L., 64s 1½d; ditto, March, 64s; April, 64s 3d; May-June, 64s 6d; yellow crystals, spot, 59s 7½d; caster, 64s 9d to 66s 1½d; finest, 66s 10½d. Of imported, Czecho granulated, spot, sold, 62s; ditto, March, reopening, sold, 33s 9d; April-May, quoted, 34s; May-June, 34s, f.o.b., Hamburg. White Java, spot, 61s to 61s 3d; May-June, steamer, sellers, 28s 6d; June-July, 27s 6d, c.f. and i. terms, London. Dutch granulated, spot, 62s. J. Dutch, ready for shipment, 34s 6d, f.o.b., Rotterdam. Belgian granulated, spot, 61s 6d. Raw refining kinds firm, with sellers reserved. Cuban, basis 96 per cent., March shipment, quoted, 29s 3d, c.f. and i., U.K. White terminal market steadier, though attended by slight irregularity at times, and quite liberal trading ensued. March delivery, sold, 34s 1½d to 34s 6d to 34s; May, 32s 6d, 31s 6d, 33s, and 32s 6d; August, 30s 3d, 30s 9d, and 30s 3d; September, 28s 1½d; October, 25s 9d to 26s; November, 24s 6d; December, 24s 6d; and November-December combined, 24s 6d cwt.

COFFEE.—There was a fair movement in spot parcels during the week, the better liquoring descriptions claiming chief support, and these realised steady prices. Common on the other hand, moved against sellers. Bold sizes of new crop East India sold, 13s to 17s 6d. Costa Rica bold, 14s 6d to 18s 6d; with Nairobi, 11s 8d to 14s 6d.

COCOA.—Sellers of spot goods required steady prices, but there was not much response from buyers. Clayed Carapana sold, 62s 6d;

Accra, F/F grade, March-May, sold, 36s 6d; April-June, 36s 6d, f.o.b. terms.

TEA.—Indian auctions of 40,230 packages experienced brisk competition for the more attractive liquoring descriptions at full recent rates, but common and thin teas proved rather quiet and at times a shade easier. Pekoe sold 1s 4d to 1s 6½d; broken orange pekoe, 1s 5½d to 2s 3½d. Ceylon sales embraced some 14,460 packages which cleared to an active demand at steady rates. Pekoe sold 1s 4½d to 1s 10½d; broken orange, 1s 6½d to 2s 2½d. Java and Sumatra auctions totalled 6,200 packages, and all good liquoring qualities cleared readily at firm prices, but low, medium and common proved ½d per lb cheaper in most instances. Pekoe sold 1s 2½d to 1s 4½d; broken ditto, 1½d to 1s 4½d; pekoe souchong, 1s 2½d to 1s 3½d; orange, 1s 4½d to 1s 7d; broken orange pekoe, 1s 1d to 1s 8½d per lb in bond.

RICE.—Market without new feature, general tone being quietly steady. Two stars Rangoon, March-April, quoted 14s 9d; Spanish, for shipment, 21s, c.f. and i., London. Japanese peas and Rangoon haricot beans quiet of sale.

JUTE firm and dearer, with active support accorded partly on Calcutta account. First grade, January-February, Continent, sold, £27 5s; February-March, at £27 15s; March-April, £28 5s to £28 10s; April-May, £28 15s to £29; and May-June, £29 per ton.

HESSIAN firm. 10 oz, April-June, quoted 30s; 8 oz, ditto, 24s per 100 yards. A twills, April-June, 87s 6d; B, 77s 9d; sugars, 88s 6d; flour, 93s per 100 bags.

HEMP.—Manila easier, with a moderate demand. J grade, January-March, quoted £38 10s; K, ditto, £32; J, February-April, March-May, £37; K, £30 10s; L, £29 10s; M, £26 10s ton. New Zealand and African sisal unaltered.

SHELLAC quiet, but steady. T.N., spot, fair, 290s, 295s; May, 280s cwt.

COPRA again received but quiet attention, and some pressure to sell imparted a weaker tone to the market. F.M.S., Straits, December-February, to Rotterdam, quoted £30; ditto, January-March, sold, £29 15s, £29 13s 9d; February-April, £29 5s; March-May, £28 15s. Dutch East Indies, January-March, quoted £29 7s 6d; February-April, £29 2s 6d; March-May, £28 12s 6d. Ceylon, March-April, £32 5s; Java, January-March, sold, £29 13s 9d; South Sea Islands, ditto, quoted £28 15s. Palm kernels, March-May, Liverpool, sold, £20 8s 9d, and April-June quoted £20 3s 9d ton.

PEPPER.—Pepper quietly steady. Black Singapore, March-May, L.S., quote 1, 4½d; Lampong, ditto 4½d; Muntok, March-May, 4½d. Zanzibar cloves, spot, 1s 1d to 1s 2d, as to quality per lb. Tapioca steady, quiet. Singapore flake, April-June, to Havre, sold, 32s, c.f. and i. Sago flour, January-March, London-Liverpool, quoted 16s 6d; February-April, 16s; March-May, 15s 7½d. Desiccated coconut slow. Fine cut, spot, 43s 9d; medium, 45s 6d; halves, February-March, 41s 9d; March-April, 41s 6d cwt, c.f. and i., London. Ginger firm, unaltered.

RUBBER.—After opening steadily, the market assumed a quieter state of affairs. Standard plantation crepe and sheet, spot, also March, sold, 1s 1½d to 1s 1d and 1s 1½d; April-June, 1s 1½d to 1s 1½d to 1s 1½d; July-September, 1s 1½d to 1s 1½d to 1s 1½d; October-December, 1s 2½d to 1s 2d to 1s 2½d. To New York, standard estate sheet, March-April, quoted 1s 1½d; and ordinary May-June, sellers, 1s 1½d, c.f. and i. Fine hard Para, spot, 11½d; soft, fine, 11½d; and Caucho ball, 10½d per lb.

EGG PRODUCTS.—There is no new feature to note in this market, actual business being on a limited scale on about former terms.

FRUIT (Dried).—Business proved quiet throughout the week, but prices steady. Of currants, Australian quoted 54s; Pyrgos, 2-cases, 44s; Amalia, 5s; Patras, 52s; Vostizza, 63s to 70s; with finest, 73s to 75s. Valencia raisins, 4-boxes, 50s; quarters, 60s to 80s. Dates steady, with rather more inquiry. Hallowee, spot, 30s; Khadrowie, 20s to 21s; and Sair, 18s. Figs, genuine natural, in bags, 38s to 40s. Evaporated fruits remained firm, as stocks are on a limited scale. Californian apricots, choice quoted 85s; extra choice, 95s; fancy, 110s. Pears, extra fancy, 105s. Apple rings, 75s to 80s. French plums, 2-cases, 90/95, quoted 38s 6d; 81/86, at 41s; 72/77, 47s; Oregon, 30/40, at 73s; 40/50, 58s; and 60/70, 45s per cwt.

CANNED GOODS.—Quiet conditions prevailed, but the general tone of the market remains firm as supplies of most descriptions are only moderate. Of sardines, Portuguese 1-flats, quoted 2s 9d to 3s 3d; ditto clubs, 3s to 3s 6d; 12 oz, 5s 6d to 6s 6d; 18 oz, 9s to 11s per dozen tins. Lobster: Fancy halves, 130s to 135s. Crayfish, 96 flat reds, labelled, quoted 56s; ditto, tall, 43s 6d; 1 lb flat pink, 26s; ditto, tall, 26s 9d; and cases of 96 ½-lbs, 28s to 30s per case. Canned fruits firm with a steady demand. Singapore pines, 1½-lbs, on spot, 6s 9d for 48's. Californian apricots, 8s to 11s; ditto, 8s 6d; ditto, peaches, 9s to 9s 6d. Italian tomatoes, 7s per dozen tins. Canned meat: continue in small supply, and rates well maintained.

OILSEEDS.—Linseed market generally quiet, and prices displayed slight irregularity and weakness. Indian: Calcutta, afloat, £22 5s; February-March, £21 2s 6d; April-May, £19 12s 6d. Plate, afloat, £18 10s to £19 10s, as to position; January-February, sold, £18 15s; April-May, £17 15s to £17 17s 6d. Rapeseed easier. Toria, February-March, £18 10s; March-April, £18 2s 6d, paid; Jamba, February-March, £15; and real bold Ferozepore, March-April, £17 15s; April-May, £17 2s 6d to £17 7s 6d. Cottonseed steady. Egyptian, black, March, £13 3s 9d. Sakellaria, £12 1s 3d. Bombay, February-March, sellers, £10 10s; March-April, £10 2s 6d. Gingly seed quiet. Chinese, afloat, £26 5s. February-March, £26 10s. Groundnuts easier. Coromandel, machine-dried, March-April, £22 17s 6d; Chinese, decorticated, f.a.q., March-April, £22 15s; bold Bombay, February-March, £22 15s. Soya beans dull. Manchurian, afloat, £12 10s; February-March, £12 10s. Castor-seed firm, Bombay, February-March, £24 10s per ton.

OILS.—Linseed irregular and easier. Spot, net, naked, 42s; March-April, 39s; May-August, 37s 4½d; September-December, 37s 1½d. Rape dull. Crude, spot, 48s; refined, 51s. Castor-oil firm. First pressure, spot, quoted 65s; second pressure, 64s;

and pharmaceutical, 70s per cwt, Hull, with London 2s per cwt extra. Cotton easier. Crude Egyptian, spot, 44s; Bombay, 42s; common edible, 49s; deodorised, 51s. Chinawood quiet. Hankow, spot (barrels), 93s; February-March, 92s. Coconut quiet. Ceylon, spot, 48s; February-March, 46s 9d; Cochin, ditto, quoted 59s. Soya easier. Oriental, barrels, February-March, 41s. Cod firm. English, spot, 36s 6d. Groundnuts steady. English, crushed, naked, spot, 51s; deodorised, barrels, 60s. Turpentine lower. American, spot, 76s 6d; March-April, 76s 9d. Rosin firm. American, grades B to G, 13s 6d; WG, 17s 10½d; WW, 19s per cwt. French WW, 17s per cwt. Petroleum steady. American, standard white, spot, 1s; and water white, 1s 1d per gallon.

TALLOW.—Messrs Colchesters and Woolner write on March 5th as follows:—The tallow market was steady during the week, and prices were 6d dearer to-day. There has been only a moderate demand, but supplies are insufficient to meet it. The stock in London on February 29th, as returned by the wharves, amounted to 4,019 packages, showing a decrease during the month of 3,975 packages. There were also 3,977 packages which had arrived, and were in course of being landed or transhipped. At auction to-day 649 casks tallow were offered, and 487 were sold. Quotations are:—Australian mutton: Fine, 51s 3d; good to fair, 51s to 48s; dull to dark, 44s to 43s 6d; hard, 52s. Australian beef: Fine, 48s; good to fair, 47s 6d to 46s 6d; dull to dark, 43s 9d to 42s 9d; sweet, 48s. Present shipment from Australasia: Good mixed, 46s. Present shipment from South America, 45s 6d to 44s. The market letter is dearer. Tallow, 1s; stuff, 2s. Town tallow, 42s 6d per cwt. Rough fat, per 8 lbs, 5d; melted stuff, 34s 6d per cwt. Quotations are:—Town, 43s, net cash, naked, ex works. Country: Frail casks, 43s; home melted, shipping casks, net, f.o.b., good coloured, 46s; fair to dull, 44s to 43s 6d. Bone fat: White, none; pale, none; benzine, 40s; melted stuff, 40s, f.o.b.

METROPOLITAN CATTLE.—MARCH 6.

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

Beasts—Herefords	nominal	Beasts—Heavy Bulls	nominal
Shorthorns	nominal	Canadian	nominal
Devons	nominal	Sheep—Downs	nominal
Norfolks	nominal	Ewes	nominal
Scottish	nominal	Crossbred	nominal
Irish	nominal	Scottish	nominal
Fat Cows	nominal	Lamb—Downs	nominal

Prices nominal owing to restrictions imposed by foot and mouth disease regulations.

LONDON POTATO MARKETS.—MARCH 6.

English	Arran	Per Cwt	Majestic	Per Cwt
Chief	9 6 to 10 0	8 6 to 10 0	Blackland	8 6 to 10 0
King Edwards	10 6 to 11 6			



Inland Telegrams: Arcosarcos Ave. London. Telephone: London Wall 6426 (10 lines).

Cables: Arcosarcos. A.R.C. 5th & 6th Editions. Bentley's Marconi, Zebra.

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KHARKOV: 24 Rimarskaya.

TIFLIS: 38 Rustaveli Prospekt.

No. 3

THE STORY OF COAL

THE MINER'S WORKING DAY

Whether the working conditions in an industry may be considered good or bad depends, not only upon the rate of wages paid, but on the number of hours worked and the risk of unemployment.

The British miner now works seven hours a day underground, as compared with eight hours worked by his foreign competitors.

In January, 1924, there were employed in and about the mines 76,000 more wage earners than in 1913. In a period of acute unemployment in general occupations, the coal miner has, therefore, been practically immune from this great evil.

In 1913 the daily output per man was 21 cwts. In 1922 it was 18 cwts. In 1923 (September quarter) it was 17½ cwts.—a reduction of 17 per cent. on 1913.

Had the output per person employed been the same in 1923 as it was in 1913, some 18 million more tons of coal would have been produced, with beneficial effects upon wages and prices.

Wages in the Coal Mining Industry are paid by results. The actual getter or hewer of the coal is paid on piecework, and the earnings of every wage-earner are determined by the results of the collective effort of all the workers.

Of the proceeds of the sale of coal, after paying for stores, timber and other working expenses, at least tenpence in every shilling goes to wages and never more than 2d. to profits. If the proceeds are insufficient to give the miners their guaranteed minimum wage, they receive more than tenpence. They may even receive more than the shilling—out of the owners' pockets.

The minimum wage should never be regarded as a measure of what the miners can earn. By collective effort it is within the power of the workers to increase output and thus reduce the cost of production per ton. Wages will thereby be increased and the price of coal to the consumer can be reduced.

Prosperity depends upon Private Enterprise and Cheap Coal.

If you are interested in "The Story of Coal," cut this advertisement out and file it. It will be followed by others telling other parts of the Story. Look out for them. They are being issued on behalf of the Colliery Owners of Great Britain by PHILIP GEE, 40, King Street, Covent Garden, W.C.2., from whom further information about the Coal Mining Industry can be obtained.

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

ROBERT MILL, Manager

Chief Office: HOLBORN BARS, LONDON, E.C.1.

Presented at the Seventy-Fifth Annual Meeting
held on March 6th, 1924.

In respect of all policies issued before 1st January, 1923, which are entitled to participate under the bonus distribution scheme, on which ten years' premiums have been paid and which become claims by death or maturity of endowment between 7th March, 1924, and 7th March, 1929, both dates inclusive, a bonus addition will be made as follows:—

The four Prudential Approved Societies have during the year paid to or on behalf of their members benefits amounting approximately to **£5,261,700**, making a total of over **£21,458,700** since National Insurance was introduced. Included in the amount paid during the year is a sum of **£242,728** expended on additional (non-cash) Benefits granted as a result of the first valuation of the Societies and made up as follows:—
Dental Treatment **£115,582**. Hospital and Convalescent Home Treatment **£120,940**, Medical and Surgical Appliances **£1,582**. Optical Treatment **£3,704**, and Nursing **£3,115**. The numbers of persons admitted to membership of the Societies during the year was **315,049**, of whom **145,106** were men and **169,943** women.

Balance Sheet of all Branches on the 31st December, 1923.			
		LIABILITIES.	£ s. d.
Shareholders' capital.			
Nominal Capital:—			
1,000,000 shares of £1 each	...	£1,000,000	
This Capital is liable in respect of contracts in all branches of the Company's business, but is included in the Industrial Branch account, pursuant to Sec. 8 of the Prudential Assurance Co. (Amendment) Act, 1875.			
1,000,000 "B" shares of £1 each	...	1,000,000	
Issued capital:—		£2,000,000	
1,000,000 shares of £1 each, fully paid		<u>£1,000,000</u>	
1,000,000 "B" shares of £1 each, 4s. paid		200,000	
			1,200,000 0
Life assurance funds...	...		148,384 394 1
Fire insurance fund	...		208,881 17

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

No. 4,203

issued by the Company may be obtained on application from the Head Office or any of the Offices or Agencies of the Company.

Correspondents in all Norwegian places of any importance.

Telegrams: "Italcoredi, Cannon, London." Telephone: 7202-7203 City.

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Cheques and Post-office Orders to be made payable to the Proprietors of the "Economist."
Office: Granville House, Arundel street, Strand, London, W.C.2.

As the week has progressed, there have been many signs that the surplus of short money in the market was but small, and the Bank return clearly indicated that the excess over requirements was being swept up by permitting the tax collections to pursue their normal course. Hence the pre-week-end ease has been less in evidence, and whereas overnight loans were sometimes obtainable down to 1½ per cent. in the earlier part of the week, the rate hardened to 2 per cent., and occasionally more. Bill rates firmed

up slightly as a result, and while the bills allotted last week at just under 3½ per cent. were saleable at times at 3½ per cent., the rate hardened on Thursday to 3½ per cent. Yesterday's bills, however, went at a slightly less favourable rate to the market. The three months' fine Bank bill rate was inclined to be firmer on the Trade Returns, some houses not quoting below 3½ per cent., but yesterday the rate eased again.

	Mar. 14, 1924.	Mar. 7, 1924.	Feb. 29, 1924.	Feb. 22, 1924.	Previous Rate and Date Changed.
Bank Rate	4	4	4	4	5 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount/Call	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	2½	2½	2½	2½	1½ (Jly. 5, '23)
Market rate (3 months' bills)	3½	3½	3½	3½	..

The Bank return showed a sharp contraction in the circulation after the expansion of the last two weeks, the reduction amounting to £978,600. There was a decline of £3,600 in the bullion stock, and the gain in the Reserve therefore, was £975,000. Tax collections were presumably responsible for the addition of £6,512,400 to Public deposits, while Government securities were reduced by £1,225,000. Hence, though Other securities were increased by £1,912,200—probably the result of further special transactions—Private deposits suffered a loss of £4,868,400, which goes some way to explain the contraction of loanable supplies in the money market. On balance there was a small increase in the liabilities, but the increase in the Reserve resulted in an improvement of 0.5 in the proportion at 18.2 per cent. Currency notes outstanding increased this week by £638,300 to £280,590,800, which includes £1,404,500 for notes called in but not yet cancelled. The fiduciary issue is £229,736,300, or £18,454,600 below the maximum.

The monthly statement of average weekly balances for February, reproduced in detail on a later page, shows a drop of over £41 millions in deposits, presumably a reflection of revenue collections. At the corresponding date a year ago the decline in deposits was £49 millions. The table below shows the aggregate figures of the nine English banks:—

	Dec., 1922.	June, 1923.	Sept., 1923.	Dec., 1923.	Jan., 1924.	Feb., 1924.
Capital and reserves	116.0	116.3	115.3	116.3	116.5	117.8
Acceptances	72.8	73.8	72.7	76.1	103.6	102.5
Deposits (incl. undiv. profits, &c.)	1,684.7	1,637.7	1,609.6	1,673.1	1,674.4	1,622.7
Total liabilities	1,873.5	1,827.8	1,798.6	1,885.5	1,894.5	1,853.0
Gold, notes, balance at bank, and cheques in course of collection	253.0	240.7	230.2	254.2	241.8	235.9
Money at call	106.0	113.3	109.5	113.3	98.5	92.2
Investments	384.8	355.5	351.2	363.8	359.3	356.6
Discounts	298.3	270.8	260.4	278.3	297.5	261.4
Loans and advances	732.7	746.9	744.3	756.5	760.8	770.4
Over for accept., premises, &c.	99.0	100.6	100.0	123.4	130.6	129.5
Total assets	1,873.5	1,827.8	1,798.6	1,885.5	1,894.5	1,853.0

The drop in deposits has been met by reductions of £8 and £7 millions respectively in cash and money at call, while Treasury bills appear to have been allowed to run off to the extent of over £30 millions. Loans and advances have increased by nearly £10 millions, and are now £34 millions higher than in February of that year. The increase in capital and reserves is due to the Midland Bank figures, both items having risen from £10,861,000 to £11,448,000. The paid-up capital of the National Provincial Bank has risen from £9,339,000 to £9,429,000.

THE STOCK MARKETS.

The principal influence upon Stock Exchange movements this week has been the wide fluctuations of the franc exchange, but while prices have moved sharply in many departments, business throughout the week has been on a small scale. Gilt-edged stocks have remained steady, but French bonds have fluctuated with the movements in the exchange. Home Rails have been quiet though firm, and Argentine Rails have moved irregularly, but Brazilian Rails hold their rises. A fresh decline in raw rubber prices was without effect on the share market,

which is lifeless, while Oils have been affected by the franc movements. In the Industrial market Stores and Hotel shares have been good, but elsewhere there have been no prominent features. Mines were weak at first, but recovered from the worst.

THE COMMODITY MARKETS.

A tone of weakness is the dominant note in the commodity markets. In the Manchester cotton trade the amount of business done has proved disappointing in view of the firmness of prices, and the amount of inquiry. Our Bradford correspondent reports that business in the wool trade is quieter than a week ago. Coal prices are firm, house coal being in good demand. The market for pig-iron continues to be somewhat depressed, and our correspondent foreshadows a reduction in prices. Steel works keep going, but few new orders are coming in. Tin suffered a relapse, and copper moved in sympathy. Sugar is quiet, but tea is in demand. Rubber is steady. Wheat declined in view of better exchange rates and expected Argentine shipments. The hide market is weak; similar conditions are noticeable in markets for vegetable oils and oilseeds.

FOREIGN EXCHANGES.

In the foreign exchange market interest again has been concentrated almost entirely on the movements of the franc, business in other currencies being relatively small. After closing on the 7th at 112.20, the Paris rate continued to move up rapidly on Saturday and Monday, until at one time on the latter day the record quotation of 120.25 was reached. On Tuesday the reaction began on rumours of the raising of French credits in New York and London, and since then determined intervention and hurried covering by bears have brought down the rate with a run to a quotation of 94½ yesterday morning. With the assistance of short-term credits, it is, of course, quite possible to catch the speculators as they have been caught in the last few days, but it is not certain yet that this hustled recovery has brought reassurance to the French public in the attitude of which the real danger at present lies, and the central problem of financial reform has still to be met. In Brussels the movements have been even more violent, the rate rising from 127.55 on the 7th to 138½ at one time on the 10th, since when it has recovered to 115½ yesterday morning. The true indication of the feeling of the market is given by the forward quotations, which, in Paris, have moved from 1.10 fr. per month over spot to 6½ fr., in Brussels from 75 to 85 centimes. In sympathy with the franc, the value of sterling in New York moved down in the earlier part of the period from \$4.28½ on the 7th to as low as \$4.26 at one time on the 10th. After that, it made a steady recovery to about \$4.30 on the 13th. Yesterday morning the rate opened rather weaker, but was inclined to move upwards at \$4.29½. Forward quotations have narrowed considerably from ½ cent a week ago to ¼ cent per month above spot. The lira, after moving up to as high as 104½, in sympathy with the franc, has also shared the latter's recovery, and is now quoted again at 100. The peseta from 35.35 on Saturday last has moved steadily down to 33.05 yesterday morning, the result partly of stricter exchange control, but mainly of an improvement in the outlook in Spanish Morocco, and some increase in confidence in internal affairs. After a sharp movement in our favour over the week-end the Dutch rate reacted again, but yesterday morning moved up once more to 11.55, as against 11.53½ a week ago. Switzerland is quoted at 24.80½, as compared with 24.82 on the 7th. In Central Europe the German mark, after moving down ½ billion on the 8th, has remained steady at 19 billion undisturbed by the dissolution of the Reichstag or any fears as to the report of the expert committee. Vienna at 305,000 has moved 1,000 kr. against us. Warsaw at 40 millions remains much the same as a week ago. Prague has gone slightly against us, and Bucharest shows also an improvement to 805. In Scandinavia Stockholm, with the dollar, has appreciated from 16.42 to 16.33½. Copenhagen, after moving up to 28, stands at 27.60, as compared with 27.28½ a week ago, while Christiania is 31.87½, as compared with 31.62½. In the East the rupee stands at 15 4½d, much the same as a week ago. The yen, however, has dropped suddenly to 15 1½d

from 2s 0½d a week ago. The silver market has been quiet, prices being kept steady rather by the movement of the dollar than by any strong indications of demand. Hong Kong at 2s 4d is ½d cheaper, Shanghai at 3s 3d has fallen ½d. In South America Rio shows a slight falling off from its recent improvement from 6 23-32d to 6 15-32d, and Buenos Ayres has depreciated from 43 9-32d to 42½d. Monte Video is unchanged at 42½d, but Valparaiso has moved in our favour from 42 pesos to 43.20 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended March 8th:—

EXPENDITURE.	£	RECEIPTS.	£
Supply Services	10,253	From Revenue	26,042
Interest, &c., on Debt	5,079		
Sinking fund	2,165		
Road fund	300		
Reduction of Debt	9,840		
Increase in balances	405		
	26,042		26,042

Revenue was lower on the week ending March 8th at £26,042,000, against £26,783,000. Customs and Excise were both slightly higher at £2,209,000, against £2,158,000 and £1,169,000, against £1,078,000 respectively. Estate Duties brought in £3,320,000, against £3,120,000, and Post Office receipts were up £200,000 at £1,000,000. Property and Income-tax yielded £11,722,000, and Super-tax £3,500,000, against a combined total of £18,814,000 for the corresponding period. Ordinary miscellaneous receipts amounted to £591,000, against only £492, but Special receipts were much lower at £186,000, against £1,200,000. The week's operations reduced the National Debt by £9,840,000, and caused the following changes:—

	£		£
Public Departments	+ 5,200	Treasury Bills	- 14,152
Land Settlement	+ 42	Telegraph Monies	- 250
		Saving Certificates	- 200
		Unemployment Insurance	- 480
	+ 5,242		- 15,082

The floating debt was reduced by £8,950,000 to £784,130,500.

FINANCIAL YEAR, 1923-24 (April 1 to March 8, 1924).

	£		£
Total Expenditure ..	726,763,882	Raised by Revenue ..	766,538,221
Net Repayments	42,381,559	Decrease in Balances ..	2,607,220
Total	769,145,441	Total	769,145,441

ESTIMATES for YEAR 1923-24.

	£		£
Ordinary Expenditure ..	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts ..	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

THE WEEK IN PARLIAMENT.

MONDAY, MARCH 10TH.—Commons: Debate on unemployment raised on Vote for Civil Services. Statement by Premier on Reparations policy.

TUESDAY, MARCH 11TH.—Lords: Matrimonial Causes Bill read a second time. Commons: Debate on the Air Estimates.

WEDNESDAY, MARCH 12TH.—Lords: Debate on taxation of betting. Commons: Committee stage of Trade Facilities Bill. Second reading of Thames Conservancy Bill.

THURSDAY, MARCH 13TH.—Lords: Report stage of Legitimacy Bill. Debate on Singapore. Commons: Government defeated on motion to suspend 11 o'clock rule. Debate on Army Estimates.

FRIDAY, MARCH 14TH.—Commons: Trade Union Act (1913) Amendment Bill debated.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

THE RECOVERY OF THE FRANC.

THE result of M. Poincaré's interview last Sunday with the Governor, Deputy-Governors, and Council of the Bank of France has been very apparent in the course of the franc exchange during the past week. On Monday the franc touched 120; on Tuesday it became evident that support was forthcoming from London and New York, and the franc recovered during the day to 112½. On Wednesday the movement continued, bringing the closing quotation to 105½, on Thursday it closed at 98, and at the time of writing it is quoted at 93. This recovery has a simple explanation. It has long been evident that if at any time the Bank of France cared to use its very large gold reserve—which according to the last return amounted to £145 millions sterling, excluding gold "held abroad"—in order to support the fall of the exchange, it could do so, and hold the franc for a considerable time—though not, of course, indefinitely, unless in the meantime steps were taken to remedy the causes tending to produce the decline. At the same time the Bank of France has always shown at least as strong a disinclination as other central institutions to part with its gold reserves, being more obsessed with the idea of its own security than of the obvious consideration that a bullion reserve is useless unless it is used at the proper time. But a week ago the political situation in France was, and, indeed, still remains, critical. As we pointed out last week, M. Poincaré is in danger of losing his tax proposals in the Senate, and opposition to the Government in the country undoubtedly seems to be growing, largely under the influence of the exchange depreciation. If the decline had continued, a large section of the Government supporters intended to press very hard for a suspension of the Constitution, and for a postponement of the election for perhaps a year. Any such action would certainly arouse furious internal controversy. It is difficult for anyone accustomed to English traditions to understand how such a proposal could ever receive any measure of support, for in the difficult circumstances in which France finds herself, the natural issue would seem to British ideas to be an appeal to the country. But there remains in France a strong section of opinion which regards a dictatorship of some kind as the best resource in difficult times, though this doctrine arouses all the traditional fighting instincts of an even larger section of political opinion. We can, therefore, well imagine that the strongest possible pressure was put upon the Bank of France to use its gold reserve as the only possible means of preventing a very serious political crisis.

Loans were consequently negotiated in the early days of the week both in London and New York on the security of the Bank of France gold, and as soon as these dollar and sterling credits began to be used, the downward movement set in. It may be doubted whether the Bank of France intended, or if it did, whether it was wise to precipitate, so rapid a downward movement, for it advertised to the world the dramatic and abnormal character of the action taken. But the rate of movement almost certainly got beyond control, owing to the hurried efforts of those who had been speculating on the further fall of the franc to cover and save themselves from loss. On the whole, the predominant tendency in London circles has recently been to refrain from speculation in the franc. Those who have had dealings in the ordinary course of business have preferred to cover themselves by forward sales or purchases, as the case may be, and to have no open position in either direction—the same cautious policy, on the whole, being the predominant attitude also towards the dollar sterling exchange. But the course of the franc shows that many other persons speculatively inclined, who have developed the habit of making a profit out of fluctuating exchanges, have recently turned their atten-

tion to the franc, and we have no doubt that their action, following on that of the Bank of France, is responsible for the sharpness of the reaction. We may add here that some criticism has been raised against the method of the Bank of France in opening simultaneous negotiations in various quarters in London on different terms, and this attempt to sound the market in various directions, though perhaps not unnatural, has caused some doubt and confusion. We do not think the Bank of France need have feared that it would be pressed unduly hard.

The outstanding question at the moment is where will the franc be held, and how long is the Bank of France prepared to continue to control the market. In this connection there have for some time past been discussions in the case both of the franc and of other currencies as to whether there is a normal level to which these exchanges will tend, based not upon comparative price levels, but upon the state of the Budget. For example, it is argued that if a country is for any reason not prepared to tax itself sufficiently to balance its Budget, or from inexperience is unable to collect the necessary taxes, its internal debt will sooner or later be wiped out by inflation. The extent of the necessary inflation can be worked out on the assumption that the revenue side of the country's Budget will roughly increase with the inflation and the rise of prices, while expenditure on administration and government generally will also similarly increase, the charge for interest alone remaining fixed. Hence, if one-third of a country's Budget is expenditure on services in general, and two-thirds is interest, and if its tax revenue is only two-thirds of the total Budget, a course of inflation which will halve the value of its currency and double prices will produce a balanced Budget at a figure showing an increase of 33½ per cent. on its Budget. On any such calculations, *under present circumstances*, the franc would have to fall considerably further before equilibrium could be established, and in some centres, where it is doubted whether France will for some time to come secure anything from Germany, and where scepticism is entertained as to whether her tax reforms will, in fact, be carried through, it has been assumed that for these reasons the franc would continue to fall.

But these arguments are highly theoretical, and certainly the French Government could not look with complacency on any such downward drift as a solution of its difficulties. In the first place, the solution is only a way of writing down internal debt in order to make it fit into the existing basis of taxation. But in doing so it writes down all other forms of property. That would hardly be an acceptable policy in France, where the number of small property-holders is so numerous. An even more serious consideration is that after recent experiences elsewhere, no Government would consciously act on the assumption that it could, in fact, control an important inflationist movement at any given point; for the element of confidence plays a very big part, and it would be a very great risk to run in assuming that the scheme would work according to plan. We are, therefore, confident that France will make the greatest possible efforts to follow the harder road of increased taxation, and in this course she will have every sympathy in this country, both for her own sake and for the sake of the world of commerce in general, which would be seriously upset if another of the world's most important currencies were to go seriously downhill. But this other remedy requires a very great effort from France, the magnitude of which is to be measured not by comparative figures of how much income-tax Frenchmen and Englishmen respectively pay, but by considering what proportion of France's total national income must be taken by the tax collector. This figure alone gives anything like a proper idea of the burden which is borne by various nations. In this connection we would refer our readers to an article on a later page, which discusses the national

income of France and the proportion which the Budget bears to it. We would only add in this connection that the burden seems heavier and is more unpopular in France because so much larger a proportion of revenue is raised in France by indirect taxation, which is fairly evenly distributed over the whole country, than in this country, where much more is taken in graduated taxes, bearing heavily upon the wealthiest in the community.

Granted that France puts her financial house in order, it remains, however, that she would be burdening herself heavily if the franc returned, let us say, to 80. What the right figure should be is a point which will be determined by balancing prestige against present financial ease. The course of the market will shortly tell us the official view on this matter.

MR BALDWIN ON UNEMPLOYMENT.

THE abnormal extent of unemployment which this country has experienced in the depression that has followed the post-war boom, has given rise to the suggestion that the war has made a radical change in the position of Great Britain, and that, in consequence, a large amount of our present unemployment will be permanent, or, at all events, will last for a long period of years. Those who are inclined to this view point out the desire of many nations to manufacture instead of buying from Great Britain, and to keep out our products by tariffs. They suggest that the standard of living in this country, in certain vital employments at least, is placed so high that our goods are placed on the world market at too high a price to be able to meet competition; that the war violently distorted the proportion of workpeople in certain industries—far too many having been attracted to the metallurgical trades, while the building trades are depleted—and, finally, that we have to cope with an increasing adult population due to death rate, at a time when emigration is, and is likely to remain, lower than it was before the war. In last Monday's debate in the House of Commons, Mr Baldwin, though not definitely committing himself, was inclined to associate himself with this opinion. Indeed, he referred to a further handicap in regard to taxation. It is true he did not argue that income-tax upon divided profits increases the cost of production, but he thought that in so far as the income-tax falls upon profits which are set aside for depreciation and reserve, it was a burden on production. Whether the regulations and allowances of the Inland Revenue in this connection are the right ones or not is a matter open to argument, and it may be that the new Departmental Committee on taxation may find that some adjustments should be made in this matter. There is less room for doubt on the ex-Premier's statement that for certain types of businesses the high level of rates is a charge on production.

There are some very weighty arguments in favour of the view thus presented. In particular, the distribution of labour in the country between different groups of industries seems to be very abnormal. The results of an inquiry published a year ago under the title of "The Third Winter of Unemployment" brought out the fact that the increase in the numbers engaged in the metal group of trades, whether employed or unemployed, was nearly equal to the whole increase of the adult male population, the aggregate working forces of the other industries of the country having remained unchanged, although looked at in detail some had increased and some diminished. It would, however, be a mistake to jump to the conclusion that the metal trades are grossly over-manned, and that we can only solve the problem by gradually withdrawing men from those occupations. Taken as a whole, these industries are those which grew most rapidly up to the war, and must be expected to increase with the growth of the world's material prosperity. Between 1891 and 1911 there was a 50 per cent. increase in these trades. At the time of the investigation mentioned above, the numbers actually employed were about equal to those employed before the war, the surplus being unemployed. It is very difficult to generalise about so complex a group of trades as the metal and engineering group. But in most sections in which we have made inquiry, even in general engineering,

though not in shipbuilding or pig-iron manufacture, we find that the volume of production is to-day at least equal to the volume of output in 1913, and with recovery of trade it may be expected to follow the lead of the electrical industry, which is undoubtedly producing on a considerably larger scale. Given a recovery of trade and the checking of recruitment of these industries, the lack of balance would, we believe, be quickly remedied. In this connection we may venture, with all deference, to suggest that Mr Baldwin is exaggerating and thinking too exclusively of the iron and steel trades when he says that the present recovery of trade "is due principally, if not entirely, to the large orders which have been distributed throughout the country by the railway companies, and the orders which have been distributed under the Trade Facilities Act." Our monthly trade reviews have shown that conditions in this country have responded to the recovery which has been taking place in the distant countries of the world, and even, to some extent, in certain European countries. It has shown itself very markedly in such trades as the tin-plate industry and the galvanized sheet trade, neither of which have benefited appreciably by either of the causes mentioned by Mr Baldwin. Favourable reports have come from many minor industries, such as the boot trade and the potteries, while an encouraging recovery has been very definitely noticeable in buying from India, which has received practically no benefit from the Trade Facilities Act. A great deal was made recently of the fact that some orders for India were placed in Germany, but as we had occasion to point out at the time, these orders only represented one-twentieth of the total then placed, and the balance was all placed here.

Mr Baldwin touched upon a real difficulty when he called attention to the disproportion of wages among various classes here. He quoted four cases of sheltered trades. In building wages are 90 to 114 per cent. over pre-war wages, dockers 85 per cent., railwaymen 100 to 150 per cent., the labourers employed by local authorities 90 per cent. In the trades subject to foreign competition there is a very different story; for skilled men in the engineering trade the increase is only 42 to 45 per cent., shipbuilding 18 to 26 per cent., agricultural labourers 56 per cent., in the cotton trade 61 per cent., potteries 30 per cent., and in the tinplate trade 39 per cent.* These figures are for September last, and in some cases have improved since, but they reflect the fact that we have had to fight to regain our position by bringing prices to world levels, at the expense of both wages and profits. Nevertheless, Mr Baldwin pointed out that, in spite of these reductions, the average price of exports is 89 per cent. higher than before the war, whereas average import prices are only 53 per cent. higher. He added somewhat naively that these figures proved "that the remedy which I have sometimes seen put forward, that we can help unemployment by providing goods for consumption at home, is no remedy." This is one of those cryic observations of Mr Baldwin's which leaves us guessing. Surely no responsible person has ever suggested that our export industries could sell their products at home at any price? How could we use half a million tons of tinplate at home a year, or utilise four times the quantity of cotton goods in Great Britain that we annually consume? On this question of prices, however, Mr Baldwin has his finger on a question of vital importance, for it is evident that there will be neither industrial peace nor stability of employment until there is some equality of wages for equal effort between different trades. The level at which this adjustment will ultimately take place will inevitably be determined in Great Britain by the state of world trade, and the value that other countries are willing to give in exchange for British products. Mr Baldwin vaguely recognises this, but still hankers after Protection. He tells us, for example, that in the iron and steel trade "masters and men alike have made great sacrifices to maintain competition against world prices, and yet in spite of that the last figures I have been able to obtain from the *Labour Gazette* show unemployment to the extent of 23½ per cent. in that great industry. Are

* Mr Baldwin is unduly pessimistic. The *Labour Gazette* shows a 50 per cent. increase in the pottery trades, while in the cotton trade many operatives receive allowances in excess of the wage rates shown above.

you going to have recourse to the Safeguarding of Industries Act to protect that industry—because, owing to the fall in the franc, there is going to be competition now from France and Belgium such as this country has never had—or are you going to throw all the men of that industry on the dole?" But has Mr Baldwin considered that there are several branches of the iron and steel industry in this country which maintain their export marketing by buying cheap steel billets, and has he also considered that if he keeps prices up here by a 33½ per cent. duty, he will make it more certain that prices are lower in world competition? Yet the steel industry of this country exports directly or indirectly three-quarters of its production. He also omits to mention that Great Britain is the only country which has recovered anything like its pre-war export in iron and steel, and according to the latest figures, is sending abroad as much as America, France, and Germany put together. Mr Baldwin confines his reading too exclusively to the *Labour Gazette*; he should alternate it with a study of the trade returns.

The points raised by Mr Baldwin are too far reaching to have been dealt with by the debate in the House, much less in a short article in this journal. But we may say briefly that our own view is a considerably more optimistic one than that of Mr Baldwin. In the first place the Board of Trade Insurance figures are apt to give an exaggerated idea of the problem as compared with that before the war. We are now having a weekly census of unemployed—a thing which has never been done in any country before. It includes large numbers of people who, for various reasons, including that of old age, are getting beyond the possibility of employment on full wages, a difficulty which must ultimately be dealt with by adequate invalidity pensions on a contributory basis as suggested recently by Sir Wm. Beveridge. It includes the normal unemployed in a large number of industries not included in the Trade Union figures, on which we based our conception of unemployment before the war, and it, of course, includes the normal reserve of industry—a reserve required not merely to deal with cyclical ups and downs of trade, but also with the seasonal depressions in various industries, some of which occur in every month of the year. Our view is that, so long as all classes are quoted in the Board of Trade figures, it cannot be expected to drop, except in very exceptional times, much below four or five hundred thousand people. This means that the amount of abnormal unemployment still existing amounts to between six and seven hundred thousand workpeople as compared with one and a-half millions of abnormal unemployment two years ago. The absorption of some 800,000 workpeople, as well as the increasing population, is a very considerable achievement in circumstances which cannot, by any stretch of imagination, be called times of boom. In our opinion, there is good reason to expect that this steady absorption may continue during the next two years.

THE PROPOSED NEW GERMAN BANK.

THE discussion in the Reichstag about the plan for a new German Discount Bank has received less attention in London than its importance warrants. It has been evident from recent discussions that Dr Schacht, the new President of the Reichsbank, is anxious to press on with all speed and float his new bank without waiting for what may after all prove to be a long drawn-out discussion of the plans which the Committee of Experts may decide to recommend. In doing this, he has received some encouragement from financial circles in this country. There is, indeed, a very great desire here that there should be no new catastrophic slump in German currency, for the effects of this might prove to be very disastrous and far-reaching. Our Berlin correspondent sends us the following summary of the statement in question:—

"The Bill creating a gold credit bank, to bear the name 'Deutsche Golddiskontbank,' has been published, after a preliminary statement by the Reichsbank President, Dr Schacht, to the Reichstag. In the preliminary statement, Dr Schacht mentioned that the capital of the bank would be 200,000,000 gold marks. The Reichsbank will take up 100,000,000 gold marks of the shares, plus one share, thus acquiring control. The seat of the bank will be Berlin; the direction will be in the hands of the Reichsbank, and only Germans will take part in the manage-

ment. Dr Schacht gave the reason why the new credit institution could not be created actually within the frame of the Reichsbank, the chief reason being that with such an organisation the Reichsbank could not get foreign help. With the organisation as above, a foreign international syndicate will give the Reichsbank a credit of £5,000,000, which the Reichsbank will use for taking up the Gold-discountbank shares. Further, there is promise of a foreign rediscount credit of 200,000,000 gold marks. Finally, there is an arrangement with a German banking syndicate to provide £5,000,000 for taking up the second half of the Discount Bank's capital. The bank will have the right to issue notes to a limit of £5,000,000. The total resources of the bank will, therefore, be 500,000,000 gold marks, or £25,000,000. The notes are to be in denominations of pounds sterling. As reasons for choosing the pound, not the dollar, Dr Schacht mentioned Germany's dependence on the London money market, and, further, the help which she is receiving from London.

"The Bill provides that as long as the Gold Discount Bank retains its note-issuing right no new right to issue notes will be issued to any other bank. The bank is obliged to hold security for its note circulation to at least 50 per cent. in gold, notes, or cheques in foreign currencies, the remainder in discounted foreign currency bills, of not longer term than three months. For valuation of gold coins and bills, the current London mean exchange quotations will be valid. The bank is obliged, on demand, to convert its notes into drafts on London or Bank of England notes. The bank is obliged to publish its discount rate. Its note-issuing right terminates on December 31, 1934, but may be prolonged by law. The Reichsbank is entitled to liquidate the Gold Discount Bank at any time. The bank must not give credit to the Republic, States, or municipalities. The shareholders have a right to a cumulative dividend of 8 per cent.; of the surplus remaining, 50 per cent. goes to the Republic in return for the note-issuing concession. The bank is granted secrecy of operations; it is freed from all central and local taxes; and its dividends are exempt from interest and dividend tax. It is not bound by the exchange regulation laws and decrees. Its notes do not count as foreign currency in the sense of the exchange regulation laws and of the Capital-transactions Tax Law (i.e., stamp duties on exchange dealings, &c.).

"Simultaneously is published a Bill authorising the Reichsbank to acquire shares in the Discount Bank, and authorising and compelling the Reichsbank to conduct the affairs of the Discount Bank.

"In a further statement in the Reichsrat, the Government declared that the new credit institution had to be organised as a separate bank because the foreign credit-givers emphatically demanded that."

Two points emerge in connection with this statement. The first is that the President of the Reichsbank was in a position to declare that he had received assurances that he will get the necessary foreign capital, the course of the discussion making it fairly evident that the Bank of England is not unconnected with these assurances; and, secondly, that the President of the Reichsbank has committed himself to the policy of establishing not a gold bank, but a sterling bank. From which we may conclude that he expects to tie German currency to the £ sterling.

It seemed at one time as if these proposals might not, after all, go through in Berlin without challenge, for Dr Helferich criticised the scheme severely as unnecessary, inadequate, hasty and ill-drafted. But under the cloud of dissolution, the Reichstag hastily passed the project. This action does not, however, by any means ensure that the plan will receive the necessary support from German industrialists—especially since the Government, in order to secure the Bill, threw overboard the clause giving an amnesty to subscribers who might have transgressed the Flight of Capital Abroad Law. If, however, Dr Schacht succeeds in securing the necessary internal support, and the scheme is floated, it will be a factor of very great importance in the whole reparations discussion that important financial interests will have committed themselves to an attempt to hold and stabilise German currency without regard to whatever commitment Germany may have undertaken towards her creditors.

ACCOUNTS IN PUBLIC ADMINISTRATION.*

Six years ago the National Expenditure Committee of the House of Commons reported that, with a total expenditure on the war up to September, 1917, of 5,000 millions, increasing at the rate of 1,000 millions each half-year, the only checks in operation on further expenditure in any and every direction lay in such physical obstacles as the limits of man-power and shipping; and that it was high time that considerations of cost should again carry weight. The system of financial control had, in fact, broken down entirely, and neither the spending Departments, nor the Treasury, nor Parliament itself had any machinery for the purpose. At best, Treasury control inevitably rested on the personal attitude of Ministers to economy—a bruised reed in 1918—while Parliamentary control, resting entirely on the limitation of cash payments by annual estimates for each Department, had disappeared on the introduction of Votes of Credit. Even had the old forms of estimate and account been in full operation, the Committee realised that they gave no clue to the real cost of the various activities of Government or the standard of economy reached in administration, so that they were of little value for any purpose of control; and (as Sir John Bradbury put it in his evidence) "it must be borne in mind that the control of expenditure, in the sense of securing that the various public services are efficiently administered at a reasonable cost, was no part of the object which the framers of the system had in view."

The Committee found that the first step towards real control was to recast the Parliamentary estimates and accounts in such a form as to "bring to light extravagance and inefficiency, and enable criticism to be usefully applied." "The head of the Department and the Minister will be confronted with the actual results of their decisions. The Treasury will have an entirely new field of control open to it by comparing.....the relative cost per patient in Navy and Army hospitals, the cost per unit of Post Office, Navy and Army storekeeping, and so on. Parliament will be able to see that these comparisons are driven home and made effective, and will also be able to compare the official figures with the results obtained in commercial undertakings."

The then head of the War Office Finance Department (Sir Charles Harris), who had evidently been thinking along these lines, produced to the Committee a scheme for applying them to the Army; and so it fell to the lot of the War Office to pioneer the introduction of modernised accountancy into our public expenditure. The change was ordered to be made in the Army estimates of 1919-20, and other great spending Departments were to follow later; but when peace had come and the business men of the war period had again left Whitehall to the permanent officials, the pendulum began to swing back; and though the War Office has followed the new model from 1919 onwards, the reform has never received final approval, and no other Department has even tried the experiment. In 1922 the War Secretary (Sir L. Worthington Evans) appointed a Committee, under the chairmanship of General the Hon. Sir Herbert Lawrence—himself combining in unique degree both financial and fighting experience—with Sir Gilbert Garnsey as vice-chairman, to examine the War Office account system, and that use (within the War Department) of accounts for purposes of administrative control which was the main object of the whole scheme. The Report of this Committee, which has now been presented to Parliament, is divided into two main sections, dealing with administration and accountancy respectively. The latter part, which is highly technical, shows some difference of opinion between the professional and official accountants; not as to the sort of accounts to be produced but as to the best organisation, in the special conditions of Army life, of the accounting personnel and work—questions of machinery which we may leave to the Secretary of State and his advisers; but the first part contains completely unanimous recommendations of great importance, not only in their bearing on Army expenditure, but on public expenditure generally.

* Report of the Committee on Administration of, and Accountancy for, Army Expenditure. (Cmd. 2073.)

The "accounts" (so called) of the Army under the old scheme consisted almost entirely of voluminous masses of vouchers and certificates designed to prove that every penny of expenditure was authorised by some paragraph of equally voluminous regulations. The actual accounts themselves were incredibly elementary—a mere abstract of the cash payments of the year, classified under the votes, sub-heads, and items of the Parliamentary Estimates. These were so arranged that each payment made could be assigned at once to its proper head, and control consisted in securing that no excess took place under any one vote (or sub-head) without the formal authority of the Treasury, and ultimately of an Act of Parliament. Accordingly, the heads of account presented formal classes or "subjects" of expenditure, such as pay, wages of civilians, food, clothing, &c., without any reference to the "objects" or purposes for which the expenditure was incurred. The only account kept was at the War Office itself, and its scope was world-wide, so that it did not show the expenditure of any Command or area, while, as it took no account of liabilities or consumption of stores, it could not show the cost of any branch of the Army, activity or service. It merely proved the honesty of the paymasters and the observance by the War Office of the hundreds of separate compartments into which the Parliamentary grants were divided. "Where the account is," says the Report, "there also must the control of expenditure reside; and with an account which is available and has meaning only at the centre, any real local freedom is impossible." Thus general officers commanding-in-chief and other dignitaries with high-sounding titles were, in fact, the slaves of regulation, bound fast with red tape.

The new plan sets up on the spot, for each regiment, transport company, hospital, &c., an account of the ordinary business type, showing month by month its cost under all heads (including outstanding liabilities, consumption of stores, &c.), and reducing the return for the expenditure to some suitable economic unit, such as cost per man per day, car-miles run, patient-day; and the object of the scheme is to give the officer in local charge an effective control of the expenditure except where, like soldiers' pay, it must obviously be centrally controlled, and to hold him responsible for the efficiency and economy of his administration as disclosed by the account, thus realising that effective decentralisation in matters of expenditure which (as the Report states) all Army reformers have advocated for thirty years past and have failed to attain.

Here we have a choice between two conceptions of administration. Under the old system all intelligent interest in economy is withdrawn from the circumference (where the actual expenditure takes place) to the centre. It is not the business of the Army to know or care what anything costs or what return is obtained for expenditure. Regulations lay down in minute detail the scales on which the troops are to be supplied with food, clothing, furniture, ammunition, and other necessities of military life, and the regimental officer who keeps to these scales has done his duty; there is no incentive to economise. Financial officials in the War Office itself develop a special technique for keeping the cash payments within the limits of the Estimates, and Parliament accepts as a "saving" a balance that may arise from the mere postponement of a payment from March to April.

The new plan keeps the officer in charge of any establishment informed of its cost under all heads and of the work done in return. It encourages him to place himself in rivalry with other officers similarly situated, to think in terms of cost, to study economy and exercise the faculty of contrivance, and, generally, to regard himself as a responsible being. Instead of choking him with red tape, it offers him a real discretionary power over the expenditure of his establishment, with a corresponding liability to give an account of his stewardship.

The Committee has no hesitation in choosing this plan, not only because "it is proved to demonstration that by a proper system of accounting, economies to an extent at present quite unrealised can be effected," but also because "it is a well-known fact, and can be proved by statistics, that when, as in the case of an army in the field, control by scales practically disappears, the better disciplined a battalion, the more economical it is in con-

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sumption of stores. We think it will be found that the converse is also a fact, and that as discipline produces economy, so sound methods of administration will tend to improve discipline. "To obtain a sound body of administrators throughout the Army it is necessary to begin to train them early. The regimental officers of to-day, some of whom will be the administrative officers of the future, must from the beginning of their career regard accounts as a necessary part of the Army system of administration."

The Report makes it plain that the time has come for a definite decision. While it has remained doubtful whether the new plan has come to stay, the old and new systems have been running side by side, with separate accounting staffs, and inevitable overlapping and expense, and the full possibilities of simplified and improved administration have not been realised. The War Office must either go forward boldly on the new path or abandon the experiment and revert to the ancient methods. Parliament, which authorised the change, looks to the Treasury for its considered judgment; and we do not think that any man with a knowledge of the place of modern accountancy in business affairs can doubt what the decision should be. Nor is there any reason why this reform should be limited to the Army sphere.

AN ANALYSIS OF RAILWAY RECEIPTS.

WE have had occasion in a previous article to regret that the railway companies did not see their way to give comparative figures of previous years in presenting their accounts for 1923, seeing that the present groups only came into existence last January. But the companies could undoubtedly have given estimates in so important a matter. We, therefore, risked the reputation of those who rush in where angels fear to tread, and published last week a comparative statement based upon compilations which we made a year ago of the composite position of the companies included in the four big groups. In the following article we give some further figures compiled in the same way, with the proviso that the figures are only approximate and cannot be used to do more than indicate with fair certainty the direction of change, and only roughly the amount of change, in the detailed items of the companies' accounts.

The present article briefly analyses gross receipts. As we have explained, the comparison is not strictly accurate, but the margin of error does not appear to be very wide, judging by the L. and N.-Eastern figures of weekly traffics. This company gave a comparative figure throughout last year, and the difference in the total for the 52 weeks corresponds fairly closely with that shown in our comparison. In the first table we compare the various classes of receipts in 1922 and 1923 of the four companies:—

(000's omitted.)

	Passenger Trains.		Goods Trains (excluding Livestock).		Total Railway Receipts (including Livestock, &c.).		Total Gross Receipts (including other Businesses).	
	1922.	1923.	1922.	1923.	1922.	1923.	1922.	1923.
Lon., Mid., and Scottish	34,762	32,633	46,851	45,306	85,589	81,471	91,278	87,317
London and N.-Eastern	23,921	21,974	36,493	35,491	65,141	61,308	71,024	67,026
Southern	18,283	17,270	6,442	5,997	25,301	23,811	27,572	26,440
Great Western	14,741	13,705	18,403	17,755	31,111	32,391	38,523	36,724
	91,707	85,582	108,189	104,552	210,142	198,971	228,397	217,506

Passenger train receipts include receipts for the carriage of mails, parcels, parcels post, excess luggage, and other merchandise by passenger train. The L.M.S., for example, earned £1,007,033 from the carriage of mails last year, and £5,611,791 from parcels, other merchandise, &c. It may be mentioned that this company's earnings from mail carrying exceeded those of the other three companies combined by £46,000. Goods train receipts given in the table comprise revenue from merchandise (less expenses of collection and delivery), coal, coke, and patent fuel, and other minerals, while total railway receipts include revenue from live stock and from jointly-leased lines and miscellaneous receipts. In the final column are included receipts from omnibuses, steamboats, canals, docks, harbours and wharves, and hotels and refreshment rooms and cars. These operations, it will be seen, produced over £18½ millions in 1923. Passenger train revenue declined by 6.7 per cent., and goods train revenue by 3.4 per cent., the heavier decrease in the former being accounted for to some extent by the fact that passenger fares were reduced as from January 1st, whereas the lowering of freight rates in 1923 took place in May and August.

In the next table we compare the number of passengers carried, the receipts from passengers (season ticket holders being excluded), and the mileage run by loaded passenger trains:—

PASSENGER TRAFFIC.
(000's omitted.)

	Total Number Carried.		Receipts (from Ordinary Passenger.)		Average Fare per Passenger.		Coaching Train Miles (Miles Run in Relation to Receipts.)	
	1922.	1923.	1922.	1923.	1922.	1923.	1922.	1923.
London, Midland, and Scottish	329,682	353,037	23,659	22,252	s d 1 5 90	s d 1 3 25	76,995	80,782
London & North Eastern	235,811	240,291	15,859	14,575	1 4 12	1 2 50	53,399	55,720
Southern	184,409	197,380	12,987	12,186	1 4 90	1 2 82	37,582	40,175
Great Western	128,639	143,831	10,266	9,636	1 7 15	1 4 07	33,554	36,633
	878,541	934,599	62,771	58,649	1 5 15	1 3 11	201,530	213,310
	..	+6.4%	..	-6.6%	..	-11.9%	..	+5.9%

Thus while the number carried increased by 6.4 per cent., there was a decline of 6.6 per cent. in receipts from ordinary passengers, and at the same time an increase of 5.9 per cent. in the coaching train miles, the last-named being somewhat disappointing in view of the expected economies in this direction arising from the grouping arrangements. Fares were reduced as from January 1, 1923, by over 14 per cent., so that the average journey has apparently been slightly longer. Until we have passenger mileage and ton mileage statistics, however, there can be no certainty about these figures.

The next table shows goods traffic tonnage and receipts:—

GOODS TRAFFIC.
(000's omitted.)

	Tonnage.		Receipts.		Average Receipt per Ton.		Goods Train Miles (Miles Run in Relation to Receipts.)	
	1922.	1923.	1922.	1923.	1922.	1923.	1922.	1923.
London, Midland, and Scottish	156,211	163,077	46,852	45,306	s d 5 11 9	s d 5 6 75	48,501	53,375
London & North Eastern	156,670	156,902	36,500	35,494	4 7 9	4 6 25	35,325	39,319
Southern	19,642	17,968	6,443	5,998	6 6 7	6 8 11	6,377	6,730
Great Western	73,643	82,624	18,402	17,755	4 11 9	4 3 57	20,507	22,723
	406,166	420,571	108,197	104,553	5 3 94	4 11 72	110,710	122,147
	..	+3.4%	..	-3.4%	..	-6.6%	..	+10.0%

The increase in the total tonnage carried is, according to our figures, entirely accounted for by two lines, the L.M.S. and the Great Western, the latter showing the larger percentage increase. The tonnage of the Southern shows a substantial decline, which may actually have been greater than our figures show, since the 1922 total may well have been incomplete. The increase of 10 per cent. in the goods train mileage seems even more unsatisfactory than the increase in passenger train mileage, seeing that the percentage increase in tonnage carried was substantially smaller than the growth in the number of passengers. The size of the decline in the average receipt per ton points to a reduction in the length of haul, but in the case of the Southern, it will be observed, a reduction in tonnage carried is accompanied by an increase in the average receipt per ton.

In the next table goods train traffic is subdivided into the three classes:—

GOODS TRAFFIC.
(000's omitted.)

	Merchandise.		Coal, Coke, and Patent Fuel.		Other Minerals.	
	1922.	1923.	1922.	1923.	1922.	1923.
London, Mid., & Scottish—						
Tons*	19,267	21,817	70,710	79,862	18,883	26,801
Receipts	25,631	23,123	15,633	15,568	5,587	6,615
London & N.-Eastern—						
Tons*	18,503	21,066	74,088	86,554	16,392	21,479
Receipts	17,770	15,724	14,393	14,713	4,330	5,057
Southern—						
Tons*	3,736	3,933	901	1,075	2,059	2,421
Receipts	4,021	3,548	1,650	1,624	771	826
Great Western—						
Tons*	8,950	10,060	42,794	49,736	7,835	9,725
Receipts	8,572	7,748	7,194	7,203	2,637	2,804
Total—						
Tons*	50,456	56,876	188,493	217,227	45,169	60,426
Receipts	55,994	50,143	38,870	39,108	13,325	15,302

*Originating on the company's system.

The very large increase in coal and mineral tonnage has been accompanied by a slight increase in receipts in these categories, whereas the larger tonnage of general merchandise carried has produced a considerably smaller revenue. The explanation lies in the fact that some reductions in coal and some mineral rates were made before or during 1922, whereas the reduction in general merchandise rates was not made until last year. The tonnage originating on each company's system, namely, 334,529,000 tons, is 70 million tons less than the total given in the preceding table. In some cases there is a striking difference between the total tonnage carried and the amount originating on the company's system. For example, the Southern carried 8,359,000 tons of coal, &c., of which only 1,075,000 tons originated on the system. Similarly, the L.M.S. actually carried 97½ million tons of coal, the L.N.E. 102½ millions, and the Great Western 57 millions. The L.N.E., it may be mentioned, gives the equivalent tonnage for the livestock carried, the number being 7,540,700, and the tonnage 1,102,587. The average receipt per ton of livestock was 11s 9d.

The decrease of £11,864,000 in gross receipts was accompanied, as we showed last week, by a reduction of £7,832,000 in expenditure, and with this aspect of the accounts we hope to deal in a later issue. There was only a small decline in net income, thanks to an expansion in "miscellaneous receipts (net)," which, as may be seen from our final table, include rents and interest:—

MISCELLANEOUS RECEIPTS (NET).
(000's omitted.)

	1923.					In-crease.
	1922.	Rents.	Trans-fer Fees.	General Interest.	Total (Incl. Other Items).	
London, Mid. and Scottish	£ 2,605	£ 1,125	£ 11	£ 1,889	£ 5,610	+ 808
London & N. Eastern	1,217	838	11	883	1,957	+ 640
Southern	708	759	5	372	1,139	+ 431
Great Western	856	293	3	931	1,292	+ 436
	5,386	3,015	31	4,085	7,702	+ 2,316

The increase is probably largely due to the higher amounts received under the heading of "general interest," the final instalment of Government compensation money paid at the beginning of 1923 having helped to swell the reserves and the holdings of Government securities.

ENQUIRY BEFORE STRIKES—THE CANADIAN EXPERIMENT.

(BY OUR LABOUR CORRESPONDENT.)

IN industrial, as in political conflict, the decisive factor is public opinion. On the political side, this is, of course, a platitude; it is, however, as true, though less universally admitted, on the industrial. The third party, i.e., the public, really holds the balance. Of this truth the recent docks strike afforded a useful exemplification. Most people would agree that the decisive fact, which

made possible the settlement actually arrived at, was the effect on public opinion of the inquiry instituted by the Government so soon as the strike was declared. After the powerful speech on its opening day by Mr Bevin for the men, and the very weak speech for the employers by Sir Norman Hill, the man in the street and on the 'bus made up his mind. The dockers had won.

Credit, in all this, should be allowed where it is due. The Government's prompt action—both in making all necessary arrangements for safeguarding the national food supply, for restraining illegitimate profiteering in food, and in instituting the inquiry itself—removed any sense of public nervousness; instead, inspired a sense of confidence that they would see justice done all round. They were neither paralysed nor stampeded by the statements freely made in the Press to the effect that a big strike threatened their life; that a protracted one would bring them down; that just because they are a Labour Government they were exposed to peculiar and special difficulties. They acted firmly and temperately, and the result was not merely the settlement of an immediate crisis, but a promise, as the outcome of the work of the special committee instructed to devise means of putting the Shaw Report, as it recommended decasualisation, into operation, of a real forward move in a most unsatisfactory industry.

The peculiar and special difficulties are there. It is true that sectional impatience might jeopardise the general, political chance. At the same time, the existence of a Labour Government undoubtedly has a certain steadying effect. How far can that effect be pushed? Can the procedure adopted at a late stage in the docks case be generalised? Can advantage be taken of the fact that inquiry with a Labour Government in power means a sympathetic inquiry, to interpose such inquiry before action in any and every dispute? Can, in general, the principle of delay, suggested for international disputes in the League of Nations Covenant, be applied, in the sense that it is laid down that whenever an industrial dispute threatens, a period of suspension of hostilities be declared by the Government, during which no action may be taken by either side, but instead, the whole circumstances are investigated by an impartial tribunal? That is a question which is being very generally put. The *Daily Herald* has had a sort of symposium on the subject. It has revealed considerable differences of opinion within the ranks of organised labour, and a justified unwillingness to accept, because of special circumstances, a precedent that could hardly be confined to those circumstances. An inquiry with a Labour Government in power may be all right; an inquiry with an ordinary Capitalist Government in power all wrong. And who knows how long the Labour Government can last, or how far it can bind its successors? Procedure once accepted remains, however its conditions change. The problem is the same as that surrounding the builders' guarantees.

One point is clear. To anything of the nature of compulsory arbitration there is, of course, pretty unanimous opposition. That would take out of the hands of the Trade Unions their main fighting instrument, and undermine the effective strength of their organisation for all purposes. The Australian experiments have consolidated this feeling. Arbitration spells the industrial weakness of Labour. But compulsory investigation is rather a different proposition. It ought to have the advantage of mobilising public opinion behind a just claim, and effecting, without a strike, what is sometimes—but by no means always—secured through them. In any case, it does not, in fact, deprive the workers of the strike weapon. Investigation and arbitration are different things. An ounce of practice is worth a ton of theory—or would be if one could ever get at all the facts which practice reveals. In the one case open to inspection—the working of the Canadian Industrial Disputes Investigation Act of 1907 (the Le Mare Act), all the facts are not available. Those that are are worth considering, however. The substance of the Le Mare Act is contained in Sections 5 and 57:—

"5. Wherever any dispute exists between an employer and any of his employees, and the parties thereto are unable to adjust it, either of the parties to the dispute may make application to the Minister for the appointment of a Board of Con-

ciliation and Investigation, to which Board the dispute may be referred under the provisions of this Act. . . .

"57. Employers and employees shall give at least thirty days' notice of an intended change affecting conditions of employment with respect to wages and hours; and in every case where a dispute has been referred to a Board, until the dispute has been finally dealt with by the Board, neither of the parties affected shall alter the conditions of employment with respect to wages or hours, or on account of the dispute do or be concerned in doing, directly or indirectly, anything in the nature of a lock-out or strike, or a suspension or discontinuance of employment or work, but the relationship of employer and employed shall continue uninterrupted by the dispute, or anything arising out of the dispute. . . ."

Amendments in 1918 and 1920 gave the Minister of Labour power to constitute a Board of Conciliation, as here provided, on his own initiative, without waiting for an approach from the parties. Such Boards consist of three members, one nominated by each party to the dispute, with a chairman selected by these two nominees. Strikes entered into in contravention of the Act (i.e., while an investigation, to which the parties have agreed, is going on) are punished by fines, limited to a thousand dollars for a trade union or employer, fifty in the case of a worker. The actual procedure of the Ministry has been to leave it to the aggrieved party to initiate a prosecution for infraction of the Act; a line commended in the Report. Special research was made into the working of the Canadian Act by the U.S. National Insurance Conference Board in 1918, which expressed the view that "the Act might be quite as strong if the penalty provision were repealed." The restraint exercised, in their view, is a consequence not of any fear of penalty ("the few cases in which penalties have been imposed are responsible for much opposition to the Act"), but of "the fact of declaring a strike illegal." Investigations have "been most successful when most informally conducted." There has been, indeed, considerable opposition, indicated at recent Dominion and Provincial Congresses, to the power to prohibit strikes, but at the same time support for the principle of compulsory investigation, and a willingness to have it applied more widely.

How far has the Act been effective? Since its enactment, up to 1920, Boards have been established in 446 cases. In 1920, there were 72 applications for such Boards. Strikes were prevented in all but three cases.

Two main questions fall to be asked. How far, in the first place, has the Canadian machinery saved the Canadian public from strikes? How far, in the second, have the settlements actually effected been satisfactory? On the second point there is no available information. Indeed, it is a point as to which information is almost impossible to get, urgently desirable as it is to have it, about disputes in general. Nothing, for instance, could be more useful than a properly documented survey of the actual results of strikes, from the point of view of the changes in conditions secured. True, the material is available in detail, in the *Ministry of Labour Gazette*, no doubt; but it is available in too much detail. The belief in the strike is a vague belief; it is not an inference from known achievement. On the first point the evidence is not entirely encouraging. There was a considerable drop in the number of disputes in Canada in the years that immediately followed the introduction of Le Mare Act, but from 1917 to 1919 they steadily rose again, with a subsequent decline, as the following table shows:—

Year.	Number of Disputes.	Workers Involved.	Days Lost.
1907	149	36,624	621,962
1908	68	25,293	708,285
1909	69	17,332	871,845
1910	84	21,280	718,635
1911	99	30,094	2,046,650
1912	150	40,511	1,099,208
1913	113	39,536	1,287,678
1914	44	8,678	430,054
1915	43	9,140	106,149
1916	75	21,157	208,277
1917	148	48,329	1,134,974
1918	196	68,483	763,241
1919	298	138,988	3,942,189
1920	285	52,150	886,754
1921	145	22,930	956,461
1922	85	41,050	1,975,276
*1923	51	35,472	830,180

* Approximate.

Even these figures do not carry one very far, since one is unable to compare the disputes which did not take

place as the result of the interposition of the machinery of inquiry with those that did, in spite of it. One cannot probably go much beyond the view expressed in the American Report, already cited, that "The existence of the Act on the statute books has acted as a wholesome restraint both on employers and employees throughout a period of great industrial unrest; it has served in some degree to crystallise public opinion, and in particular cases to make it effective for the maintenance of industrial peace." An educated and informed public opinion, attentive to an investigation, can give to its findings a force more binding than that of any legal compulsion, but where such opinion does not exist, or cannot be mobilised, the report falls to the ground, and the disputants are left to fight it out. Is not the Report of the Royal Commission on Mines a case in point?

Here the real difficulty about the idea of compulsory investigation and delay comes in to sight. In so far as industry is—and from some points of view it certainly is—a battle, the power to strike, at a chosen time, is a vital element of strength, more vital to the workers than to the employers in most cases. Can they be expected, as things are, to consent to be deprived of it by the power of the employer to call for an inquiry so soon as he sees them ready to strike? If their acceptance of this demand on his part is to be a legal obligation, the distinction between investigation and compulsory arbitration becomes tenuous indeed. To accept the idea of preliminary inquiry in given cases and in special circumstances—such circumstances as those of the moment—is, however, another matter.

THE NATIONAL INCOME OF FRANCE AND THE BURDEN OF TAXATION.

THERE has been much controversy as to the burden of taxation imposed upon the French and British nations respectively. It is, however, by no means easy to make direct comparison. The best approximate idea can be obtained by considering the proportion of the total national income of each country which is taken in taxation, for this gets over much of the difficulty arising from differences of wealth and population. Even this comparison is not scientifically exact, for a country sunk in extreme poverty would find it much more difficult to pay taxes amounting to 10 per cent. of its income than a rich country would experience in paying 30 per cent. The comparison of national income and taxation is, however, a first step, and we have therefore procured an estimate from a French expert of the figures for that country, which may be compared with a proportion in Great Britain at the present moment of something like 18 per cent., excluding local rates. His estimate is as follows:—

Before the war the total of the national income of France was valued by the best statisticians at approximately 35 milliard francs. This figure was built up from direct estimates of the different classes of revenue (wages, profits, interest, &c.), which were themselves based on definite investigation. Since the war our sources of information have become much more uncertain. We do not know either the total wages bill or the revenue from property, still less that of industrial profits or of agricultural earnings. On the other hand, we have two sets of definite statistics which could serve as a basis of rough estimation, namely, the total investments of France since 1918 and the import figures.

The total of shares, debentures and National Defence Bonds subscribed by the public has been published regularly by the Office des Valeurs Mobilières. For the three years 1919-1920-1921 the total has amounted to 119 milliards. But in this total short term borrowings are included to the extent of about 40 milliards. Both the public and the banks have got into the habit of investing in National Defence Bills their floating capital. The remainder, that is to say, 79 milliards, represents the true permanent savings, and this represents 26 milliards a year. This figure is confirmed by the results published for 1922 and 1923. During these two years the new issues of Defence Bills have been balanced or even exceeded by the bills repaid. Consequently the figures of the Bureau show exclusively the true long-term savings, the latter amount-

ing to 26 milliards in 1922 and 12½ milliards for the first six months of 1923. Thus the savings for France, or rather those which can be separately identified, total about 25 milliards a year.

Clearly in this sum we should eliminate investments by foreigners in France, but the deduction to be made under this head would probably be balanced by the savings of French industrialists and agriculturists, which are made in their own business and do not appear on the market.

In 1913 the savings of France amounted to 5 milliards a year, that is, one-seventh of the national income. It seems likely that savings to-day form at least as large a proportion and possibly a larger proportion than before the war, for the depreciation of money means that prudent companies have had to enlarge their reserves. If you take the figure at one-sixth of the national income this would give us a total of 150 milliards.

Another estimate is that which can be deduced from imports compared to full income. From 1906 to 1913 French imports reached an average of 7 milliards, i.e., one-fifth of the national income. The average imports for 1921, 1922 and 1923 reached 26 milliards. On the not unreasonable assumption that these figures represent the same proportion of the national income as before the war, i.e., one-fifth, the national income would be 130 milliards. We may therefore assume that France's national income is somewhere between these figures of 130 and 150 milliards. Let us say for the sake of argument 140 milliards. This figure happens to be exactly four times the pre-war national income. The money in circulation is also exactly four times larger in 1924 than in 1913 (40 milliards of notes in 1924 against 9½ milliards of notes and gold in circulation in 1913). This is a further confirmation of the estimate.

What proportion of this revenue do French people pay to the State Budget? In 1913 the Budget receipts reached five milliards, i.e., about 14 per cent. of revenue. But these figures include about a milliard representing receipts from undertakings such as posts, telegraphs, and State domains, so that taxation revenue only amounted to 4 milliards in 1923. The total receipts actually attained for the general Budget in 1923 were 22,600 millions (this figure does not include special receipts arising from the liquidation of stocks; but, on the other hand, it does include the special receipts in regard to war profits which constitute a tax though a temporary one). These receipts amount to 16 per cent. of the national income of 140 milliards, as against 14 per cent. in 1913. As to 1924, the estimate of receipts for the general Budget amounts to 23,600 millions, i.e., an increase of one milliard. In addition to this the new taxes which will have to be imposed to cover in part the expenditure incurred in respect of "charges recoverable from Germany" should bring in 5,200 millions. The total estimated receipts will thus attain about 29 milliards.* The milliard of economies which will be made in order to establish complete Budget equilibrium do not bear upon the present question. A revenue of 29 milliards represents over 20 per cent. of a total national income of 140 milliards. (Both figures will, of course, rise with a general rise of prices.)

This percentage is a very high one if the two following points are borne in mind. In the first place, local taxation, which amounted to 1,350 millions in 1913 is not included in these figures, although these local taxes have very greatly increased. In the Department of the Seine, for example, they have quadrupled, having risen from 100 to 400 millions. The figures for other departments and communes are not known, but they appear to have increased in the ratio of 1 to 3. The second consideration is more serious. The increase of taxation in 1924 just covers the cost of pensions and the interest on loans already issued in respect of the "Budget of recoverable expenses." But this year the Government was already authorised to borrow either direct or through the Credit National a sum of about 8 milliards (the actual sum authorised is 12 milliards, but 4 milliards represents short-term loans in Treasury bills which are only needed for the temporary requirements of the Treasury). Loans of at least an equal amount are anticipated in the two following years. We must, therefore, anticipate under this head a further interest charge of about 1½ milliards,

* Report of M. Bokanowsky. Documents of the Chamber of Deputies No. 6980.

which must be found by the taxpayer. One or two years hence the Budget of the Central Government will not be less than 31 to 32 milliards.

Thus the policy of securing a real Budget equilibrium, which has been embarked upon in the last five weeks, will not be carried through without very heavy sacrifices being required from the people of France.

Notes of the Week.

The Government's First Defeat.—The Government met with their first defeat in the House of Commons on Thursday, when a motion to suspend the eleven o'clock rule was defeated by 234 votes to 207. It was not a snap division; but, on the other hand, it was a merely tactical defeat which involved no matter of important principle, and therefore by common consent came within the category of defeats, outlined by Mr. MacDonald at the opening of the session, which under existing circumstances do not call for the resignation of the Government. The Government courted their rebuff by insisting upon asking the House to follow the unpopular course of debating important military affairs at a very late hour. An alternative motion to take all the time of the House would rather obviously have been carried. But here the Government were in a difficulty owing to the demand of the strong group of mining members that the debate on a private Bill on Friday should not be interfered with. The defeat in itself is of minor importance; but it has its moral. It will forcibly remind the Labour Whips that a minority Government has got to study the wishes of other parties, and to indulge in give-and-take in the matter of Parliamentary procedure. Public business is in arrears, and the Government's desire to press on with it commands general sympathy. But it is no use trying to butt a brick wall, and if the Government repeats the faulty tactics of Thursday, it will find it increasingly difficult to reach the understandings with the Whips of other parties upon which the smooth progress of business depends. On the other hand, the national interest demands that the other parties should eschew pure obstruction and co-operate in the expediting of important national business. It is only on the basis of reasonable accommodation that the new experiment of three strong parties and a minority Government can possibly succeed; and, since the present strength and grouping of parties may last for a long time without essential variation, it is very important that the experiment should be given every possible chance.

The Westminster By-Election.—The by-election in the Abbey division of Westminster is of greater importance than the ordinary run of such contests, thanks to the appearance on the scene of that stormy petrel of politics, Mr. Winston Churchill, who, by his entry into the contest, has succeeded in splitting the Conservative Party, and possibly to some extent also the Liberal Party, in that division. Some of the high priests of Conservatism worked hard to obtain Mr. Churchill's adoption as official Conservative candidate. The local association refused to be coerced, and selected a candidate of its own, Mr. Nicholson; whereupon Mr. Churchill, still backed by many prominent Conservatives, decided to contest the seat as an "independent anti-Socialist." The Government party obviously had to contest the seat, too, so there is a Labour candidate; and since, although professing himself a Liberal, Mr. Churchill's candidature is avowedly an attack on Mr. Asquith's attitude towards the Government and an assertion that the Conservative Party is the only true opponent of Socialism, the entry of an official Liberal candidate was equally certain. Whatever be the verdict of the electors next Wednesday, this muddled contest will deserve the retrospective attention of the historian. Part of the interest is, of course, personal. Mr. Churchill is a man of wide experience and exceptional administrative ability, who, under a system of proportional representation would always be certain of a seat in Parliament. But we fail to see any solidity in the grounds on which he is basing his present

appeal to the electors of the Abbey division. At a time when other people are settling down to confidence, Mr. Churchill is still scared to death by the advent of a Labour Government. We wonder whether he remembers his own definition of a Liberal, to which he gave currency in 1909: "Above all, I think, a Liberal is a man who should keep a sour look for scaremongers of every kind and size, however distinguished, however ridiculous—and sometimes the most distinguished are the most ridiculous—a cold, chilling, sour look for all of them, whether that panic comes from the sea, or from the air, or from the earth, or from the waters under the earth." The italics are ours. We prefer the staunch Churchill of fifteen years ago to the scared Churchill of to-day, and the definition quoted above describes very prettily why the Liberal Party find it necessary to oppose the new Churchill to-day. Again, Mr. Churchill takes his stand on the ground that Conservatism is the only real trustworthy opposition to Socialism. In taking this line he makes, in our opinion, mistakes both of history and of political philosophy. In the first place, we can imagine no greater filip to Socialism than the attempt to divide the country into Socialist and anti-Socialist. In the second, it is easier to find theoretical affinity between Conservatism and Socialism than between Liberalism and Socialism. The real opposite to the Socialist is the individualist, and it is the charge of extreme individualism that for decades has been the favourite taunt to throw at the heads of Liberals. We recognise to the full Mr. Churchill's personal gifts, experience, and brilliant intellect, but should not be surprised to find that they are insufficient to lift him, with this load of fallacious political doctrine on his back, to the top of the poll on Wednesday.

Navy Estimates.—The total of the Navy Estimates for 1924-25 is £55,800,000, which compares with £58,000,000 for 1923-24. Towards this decrease of £2,200,000 naval armaments contribute £1,369,400 and victualling and clothing £484,400. There is an increase, however, of £788,850 under shipbuilding contract work. Of this, £683,000 appears under the heading of "propelling, &c., machinery" for ships, and there is also an increase of £419,800 in gun mountings, but there is a reduction of £225,000 in armour in the contract work section. The total includes a provision of nearly £1,800,000 for the commencement of five cruisers and two destroyers, this being the only new construction provided for apart from the completion or the progressing of vessels actually in hand. The explanatory statement of the First Lord of the Admiralty points out that, translated into pre-war figures by making allowance for difference in prices, the total of £55,800,000 would represent approximately £34,500,000, which is about equal to the expenditure of the year 1903-4. The First Lord also explains that in preparing the estimates, special regard has been had to the fact that in three successive years a substantial surplus has been realised on the provision made for naval requirements. "These under-spending have been due chiefly to the progress on contract work of various descriptions proving slower than was anticipated in the original estimates." For the coming year the Government have decided to discount these various causes of possible delay in advance, and the provision under the contract subheads has been correspondingly reduced. The estimate of personnel of the Fleet shows a reduction of 136. The numbers required for the existing Fleet are 99,100. The manning of ships already under construction or reconstruction would, under ordinary circumstances, require an additional 3,200 officers and men. "In view, however, of the urgent need for economy, only 1,400 of this 3,200 will be provided for by new entries. The remaining 1,800 will be found by reducing the existing peace complements of the Fleet."

Miners' Wages Negotiations.—An important step forward was taken early this week in the progress of the negotiations for the revision of the National Wages Agreement in the coal mining industry. But unfortunately the new hope was disappointed. Three main questions are under consideration, and on one, namely, the publication of fuller details as to costs of production other than wages, a

settlement appears already to be in sight. This is much to be welcomed, as a still greater publicity as to the real state of the industry should help to allay suspicion. The other points at issue are the guaranteed minimum wage and the ratio of wages to profits. In the former case, the present agreement guarantees a minimum of 20 per cent. above the "standard" wage (i.e., approximately the wage rates in force in June, 1914). At the same time, in districts where this minimum does not provide a subsistence wage to the lowest-paid workers, a so-called "subsistence" allowance is added. The miners' representatives demand that the minimum wage should be increased from 20 per cent. to 40 per cent. above "standard," in order to make the minimum equal to 1914, plus an addition based on the increased cost of living. The owners, on the other hand, are prepared to offer 30 per cent. above "standard" rates. In some areas, as, for example, South Wales, the lowest-paid workers are already in receipt of 40 per cent. above the standard, thanks to the subsistence allowance, and it is interesting to notice that the owners' new offer of a subsistence wage of 8s a day would in all cases mean that the lowest-paid workers would be in receipt of more than the 40 per cent. above standard which the miners' representatives are advocating for all grades of colliery workers. The other point at issue is, perhaps, slightly more complicated. Under the present arrangements the ratio between standard profits and standard wages is as 17 : 100, while any surplus which is available is distributed in the proportion of 83 to wages and 17 to profits. The "all through" ratio (i.e., the mean of these two ratios) is thus at present 85 to 15. While the miners are demanding that standard profits should be 13 per cent. of standard wages, and that the surplus should be distributed in the proportion of 87 (wages) to 13 (profits)—which means an "all through" ratio of 88.5 to 11.5—the owners claim an "all through" ratio of 87 to 13. It will be seen that the combined offers of the owners represent a very substantial concession to the miners' demands. The effect of these changes would, of course, be different in different parts of the country, and in some fields, at any rate, they would probably be welcomed by the men. From the depressed areas, such as South Wales, however, fresh demands continue to arrive. For our part, we cannot but hope that the negotiations will eventually succeed in maintaining the general outline of the National Agreement intact, particularly as the owners' offer would do much to ameliorate the position of those workers whose lot leaves most to be desired. Thursday's delegate meeting, at which a decision was expected, adjourned rather unexpectedly. The resumed meeting yesterday brought a severe disappointment. Most unexpectedly the Miners' Conference rejected the owners' terms, and passed a resolution urging the Government to pass the Minimum Wage Bill. A grave position, therefore, appears to have been reached. But since the present agreement does not expire until April 17th, there is still time for mediatory forces to avert a great disaster.

Cotton Wages Dispute Settled.—Our Manchester correspondent writes:—At the beginning of this week there was a rather remarkable development in connection with the wages dispute in the Lancashire cotton industry. The trouble arose at the Thornham Mill, Royton. Two women were employed at 27s 7d per week for attending to three machines in the cotton room. The management decided to erect a fourth machine. The trade union put in a claim for increased wages for the two women. The employers replied that there would not be any larger production or additional work, but they were prepared to make a small increase to compensate the workpeople for the time spent in cleaning the fourth machine. No agreement could be reached, and the mill was put on strike. Negotiations then took place in Manchester between the Master Spinners' Federation and the Card Room Operatives' Amalgamation, the employers making an offer of an increase of 2s 5d per week for each woman, which was later increased to 4s 5d. The claim of the trade union, however, was for 7s 8d per week for each woman. A fortnight ago there was a mass meeting of the members of the Master Spinners' Federation, when it was decided

that if the operatives at the mill did not return to their employment in seven days the whole of the members of the federation would issue lock-out notices, which would have the effect of closing over 500 spinning mills in Lancashire. The workpeople did not resume work, and lock-out notices were issued to come into effect at the end of this week. Negotiations between the two parties were resumed on Thursday in last week, and the meeting was adjourned until Monday. After further discussions, the representatives of the Card Room Operatives' Amalgamation stated that they had decided to withdraw from the dispute, and leave the management of the mill and the two operatives concerned to make their own arrangements. This was an extraordinary decision. The management of the mill approached the two women, and the latter agreed to resume work for an increase in wages of 2s 5d per week, which, of course, is 2s a week less than the representatives of the Masters' Federation finally offered in the course of the negotiations. Work at the mill was resumed on Tuesday, and the members of the Masters' Federation have withdrawn lock-out notices. It should be said that in connection with this dispute there has been an important principle involved, in that the employers have contended that an increase in wages must depend upon the amount of work involved, and not upon the number of machines attended by the operatives.

Indian Budget Trouble.—On a first reading of Sir Basil Blackett's financial statement, we ventured to express the hope that there would be no repetition this year of the political disturbance created a year ago by the Indian Budget debates and their sequel. For Sir Basil was able to show a prospective surplus, which he proposed to devote partly to the reduction of the salt tax and partly to giving some alleviation to the Provinces. Moreover, he left it open to the Legislative Assembly to take the final decision regarding the disposal of the surplus. But, although both the purposes to which the surplus was to be applied are dear to the native mind, the Swarajists have not been turned from their resolution to devote themselves to wrecking tactics. They have proved strong enough to secure the rejection in the Assembly of the estimates for Customs, administration, income-tax, opium revenue and salt tax. At first sight this would seem to mean chaos, and certainly a very difficult and dangerous position will be reached if the Swarajists carry out their intention of rejecting the Finance Bill *in toto*. But it is not yet certain that they will go to that length. Cables from Delhi indicate a possibility that, having made a demonstration of their power, they will eventually allow the Budget to pass with modifications; for the opposition is, of course, purely political, and is not really aimed at the Government's financial plans. It is greatly to be hoped that they will adopt this attitude; for should they go to the length of rejecting the Budget for the second year in succession, another serious aggravation of already grave political difficulties would immediately result.

Overseas Trade in February.—Those who expected to see a serious drop in our overseas trade in February because of the railway and docks strikes have had a pleasant surprise, for the February returns are in many respects better than those for January. They indicate a considerable increase in the trade turnover compared with a year ago, and contain elements of encouragement for future months. A summary comparison of value figures for February and the first two months of this year and last reads as follows:—

MONTH OF FEBRUARY.				
	1923.	1924.	Increase or Decrease in February, 1924.	
	£	£	£	%
Imports	83,890,976	96,705,489	+ 12,814,513	+ 15.3
British exports	57,509,904	67,974,911	+ 10,465,007	+ 18.2
Re-exports	9,823,323	13,230,764	+ 3,407,441	+ 34.6
Total exports	67,333,227	81,205,675	+ 13,872,448	+ 20.6
Excess of imports over total exports	16,557,749	15,499,814	- 1,057,935	- 6.4

FIRST TWO MONTHS.

	1923.	1924.	Increase or Decrease in 1924.	
	£	£	£	%
Imports	183,647,216	197,964,157	+ 14,316,941	+ 7.8
British exports	124,448,812	132,209,989	+ 7,761,177	+ 6.2
Re-exports	19,621,284	26,541,746	+ 6,920,462	+ 35.3
Total exports	144,070,096	158,751,735	+ 14,681,639	+ 10.2
Excess of imports over total exports	39,577,120	39,212,422	- 364,698	- 0.9

In making comparison with a year ago, three qualifications must be remembered. February this year had an extra working day; a year ago the Irish Free State figures had not been separated; and prices of some commodities are higher than this time last year. Nevertheless, when all allowances are made, the figures still emerge with credit from a close scrutiny. The rise in imports during the two months, as compared with a year ago, is mainly accounted for by raw materials. To some extent this is due to higher prices, as in the case of cotton and wool, but generally speaking there is evidence of an expansion in raw material imports, which may fairly be taken as an augury of increased manufacturing activity. On the other side of the account, the rise in exports has taken place in spite of a drop in coal shipments, which in recent months have played so large a part in rising exports. A year ago the beginning of the Ruhr occupation, and simultaneous Labour troubles in the United States, coincided to create a bumper demand for British coal. Last month coal exports (in spite of the fact that exports to the Irish Free State are now included) were 827,000 tons less than those for February, 1923. This may partly be the result of the strikes, and although the decline is geographically widespread, there is little indication of a drop in the demand from Germany and France, who now take nearly 40 per cent. of our coal exports. Towards the £8 million increase in exports of manufactures, which last month shows over February, 1923, nearly every class contributed, and although prices had something to do with it, quantity figures are by no means discouraging, as the following instances show:—

FEBRUARY.

	1922.	1923.	1924.
Cotton yarns	14,913,200	10,881,600	14,121,900
Cotton piece goods	251,954,800	342,558,500	397,070,200
Woolen tissues	7,755,300	11,621,800	14,591,600
Linen piece goods	7,217,900	6,792,600	9,962,500
Leather	18,457	18,027	27,684
Iron and steel and manufactures thereof	223,616	317,568	330,523

We venture to think that the March returns will be swollen by trade that was temporarily held up by the dock strike, and will consequently make a better showing than those for last month. Altogether the indications of an expansion in trade are encouraging, and, if only the menace of strikes in the coal and other industries can be averted, we look for the expansion to continue. Incidentally, the excess of imports in February was some £8 millions less than in January, and on the two months is slightly less than in the corresponding period of 1923. Detailed figures of imports and exports will be found in our commercial section on a later page.

Iron and Steel and Coal Output.—According to the statistics just issued by the National Federation of Iron and Steel Manufacturers, the production of pig-iron and steel was well maintained in February, for though the actual production of pig-iron fell from 636,600 tons in January to 612,700 tons in February, the daily output was slightly higher in February, owing to the shorter number of days in that month. Steel production rose from 694,300 tons in January to 767,600 tons in February, a great part of the increase occurring in Scotland, where the January output was low on account of the New Year holidays. The number of furnaces in blast, which, owing to the railway strike, had fallen by 14 in January to 190, rose to 202 by the end of February, so that the number of furnaces blowing is still two less than before the railway strike. Unfortunately, the outlook for a continuance of the present output is not bright, for, as Mr Baldwin re-

minded the House of Commons on Monday last, much of the present activity is due to the orders placed by the railways, and when these orders come to an end it is feared that production will again decline. Evidence of the keen Continental competition that is being experienced is found in the import figures, which, after averaging about 110,000 tons a month last year, rose to 141,600 tons in January and 190,400 tons in February, a figure higher than in any previous month since the end of the war, and slightly in excess of the monthly average imported in 1913. The chief items of import were pig-iron and ferro alloys, 31,900 tons (of which 17,730 tons came from Belgium), billets, blooms, and slabs, 65,600 tons (of which 27,300 tons came from Belgium), and 23,600 tons of sheet and tinplate bars (of which 13,600 tons came from Belgium). Exports of iron and steel in February declined slightly to 330,500 tons, compared with 337,700 tons in January and 354,900 tons in December. The output of coal in the four weeks ending March 1st averaged 5,785,000 tons per week, compared with an average of 5,389,000 in the previous four weeks, which were affected by the railway strike. Exports of coal fell for the fourth month in succession, and amounted to 5,070,000 tons, of which 1,296,600 tons went to France, 774,900 tons to Germany, 470,900 tons to Italy, 330,100 tons to Denmark, 308,700 tons to Belgium, and 245,700 tons to the Argentine. Exports of coke also declined, probably owing to the fact that France and Belgium are now receiving better supplies from the Ruhr, for neither of these countries figure in the export list. The exports of metallurgical coke amounted to only 156,142 tons, a figure lower than any month since February last. Of the total, 57,600 tons went to Sweden, 25,000 tons to Denmark, and 20,200 tons to Germany.

Anglo-Irish Finance.—Our Dublin correspondent writes:—A remarkable document, of which more will be heard in Anglo-Irish discussions, has just come to public knowledge here. It is the Report [Cmd. 2072] dated September 4, 1923, of what terms itself "the Northern Ireland Special Arbitration Committee," appointed pursuant to a Treasury Minute dated January 15, 1923, and consisting of Lord Colwyn (chairman), Sir Laming Worthington Evans, and Sir Josiah Stamp. The terms of the Minute are:—"The Chancellor of the Exchequer states to the Board that after consultation with the Prime Minister of Northern Ireland he proposes that a Committee shall be appointed to consider whether, in view of the ratification of the Constitution of the Irish Free State, any alteration is needed in the present scale of the contribution of Northern Ireland to the cost of Imperial Services." Now the ratification of the Constitution of the Irish Free State completed the ratification of the Anglo-Irish Treaty. What bearing it could possibly have upon the "Scale of the contribution of Northern Ireland to the cost of Imperial Services" no one not privy to the undisclosed negotiations between the Chancellor and the Prime Minister of Northern Ireland can surmise. The contribution, its scale and basis, the authority for fixing and for revising it, the method and priority of its payment were fixed by the Government of Ireland Act, 1920, and refixed with certain modifications after the Anglo-Irish Treaty by the Consequential Provisions Act of 1922. The Joint Exchequer Board was the authority created to deal with the matter on principles prescribed by statute. Why, then, a Treasury Departmental Committee? and why the "Special Arbitration" element introduced into its title? and how far have its recommendations been acted upon or anticipated by administrative act in derogation of the arrangements resting upon statute law? It is certain, for instance, that it formally [Para. 5] "recommends" the Joint Exchequer Board to fix the contribution for 1923-4 at the surplus of revenue over expenditure, subject to certain modifications in the revenue account—whereas the statutes directed that it should have such sums as the Board might think just, having regard to the relative taxable capacity of Northern Ireland and its larger neighbour, and that it should be deducted from the reserved taxes prior to the balance being paid over to the Northern Ireland Government. Now, how is the Free State interested in this—so long as the British taxpayer is

willing to make the sacrifice? The answer is that the Act of 1920 provided representation at Westminster for Northern Ireland and taxation of Northern Ireland to render it liable for its due proportion of the cost of the policies upon which the Northern representatives would be voting. To whittle down or abolish the contribution on the basis statutorily provided is to create a privileged status for Northern Ireland which is not the full British citizenship which she claimed, and, in effect, to subsidise Northern Ireland to resist the inducements of the Act of 1920 towards Irish reunion. And it must be remembered that the Act of 1920 is expressly made the basis of Northern Ireland's position by Article XII. and the Irish Free State's interest and qualified participation in the arrangements under that Act are expressly reserved by Articles XII. and XIII. as well as by the subsequent Consequential Provisions Act. In the Dublin view the Treaty was negotiated on the basis most clearly laid down a month earlier (November, 1921) by Mr Lloyd George in his published correspondence with Sir James Craig that there were only two alternatives open to Northern Ireland, viz., to form portion of the Irish Dominion and to contribute towards Imperial expenditure on a purely voluntary basis, if at all; or, alternatively, to form portion of Great Britain with representation at Westminster, and to contribute a full rateable proportion of Imperial expenditure. To change the latter alternative is to create a new status for Northern Ireland and, *pro tanto*, to defeat the Treaty provisions designed to promote the cause of Irish reunion. Such, substantially, is the Southern Irish contention in brief outline. The Free State Government is being assailed for not being sufficiently insistent on the Boundary issue—and it is at the moment hampered by some rather serious insubordination in its Army. The relative importance of the latter may easily be exaggerated, and its true significance can better be ascertained and described a week hence.

Great Britain and Mexico.—The negotiations for the British recognition of President Obregon's Government have been broken off, partly, according to the inspired account in last Saturday's *Times*, because Señor Nieto's credentials were insufficient, but partly also, as Lord Parmoor had intimated in the House of Lords three days earlier, because the Foreign Office is advised that that Government is too unstable even for *de facto* recognition. The negotiations may be resumed later in Mexico City, presumably after the Presidential election fixed for July 6th. The Foreign Office view, however, is not supported either by the news published in New York and London, or by the information received by British banks, railways, and land companies operating in Mexico. Recognition *de jure* will probably be delayed till after a satisfactory settlement of the claims of British subjects and companies for damage—including expropriation under the recent agrarian laws—and of British holders of Series C of the six per cent. Treasury bonds of 1914, and of the two bond issues of the Mexican National Packing Company guaranteed by the Huerta Government. Their claims are being pressed by the Council of Foreign Bondholders; but these issues, made to provide funds for President Huerta's reactionary Government, are probably regarded by the party now dominant much as the United States' Government regards Confederate bonds. Nevertheless, they are just as legal as any of the loans comprised in the pending settlement of the External Debt. Prompt British recognition has been advocated in the *Times* by Sir Thomas Holdich and Mr Vincent Yorke, chairmen respectively of the Chiapas Land Company and the Mexican Railway, as likely to hasten a settlement of the British claims. This would follow the precedent set in the case of Soviet Russia. On the other side it has been argued that this course would deprive the British negotiators of a potent argument, viz., that till their demands were satisfied there could be no recognition. Of course, recognition would imply British diplomatic support for British nationals, and might tend to attract the British capital that President Obregon professes to desire. But, especially in view of the ultra-*agrarianism* and *agrarianism* now dominant in Mexico, there is reason to doubt the efficacy of either the *recognition* or the *support*. And this week another infraction is announced of the rights of British investors. The

Mexico North-Western Railway, Canadian in domicile but owned chiefly in England, and already a claimant of \$7,000,000 for damage during the 13 years of revolution, is threatened with the loss of part of its timber lands conceded in 1882, and confirmed to it in 1922, and with the forfeiture of its whole Mexican property for non-payment of the tax of 10 per cent. on gross receipts, imposed on the railways to help the settlement of the External Debt. The railway is in the hands of a receiver, and is being worked at a loss; and as its freight consists largely of the timber from its own forests, it cannot, like other railways, pass on the impost to the public. Efforts to raise the money on Receiver's Certificates have failed so far, and thirty days' grace has been accorded by the Mexican courts. The threat may be merely departmental pedantry, but it suggests that the Mexican Government is not eager for recognition.

International Commercial Arbitration.—A Bill "to give effect to a Protocol respecting arbitration clauses in commercial agreements, signed on behalf of his Majesty at a meeting of the Assembly of the League of Nations held on September 24, 1923," introduced in the House of Lords by Lord Parmoor on February 27th, has now been printed. This measure is brought forward in pursuance of a scheme (the development of which was referred to in the *Economist* of September 15th last) for encouraging readier resort to arbitration in commercial disputes where the parties are of different nationalities. Some countries have, by their national laws or policy, prevented or rendered difficult the use by commercial men of the machinery of private arbitration for the settlement of disputes which is so common with us. Arbitration has proved so ready and usually satisfactory a method of adjusting business differences that a movement was started to facilitate its more extended use internationally, and led to the signing of the Protocol last September. Little change in our own law will be required to give effect to this international convention, because we already recognise fully the validity of an agreement to submit differences to the decision of arbitrators. While no steps can be taken in our courts to enforce the specific performance of such an agreement, the court refuses its aid to a party who applies to it in breach of an agreement to arbitrate, and thus, by staying legal proceedings, leaves him no other remedy than to proceed to arbitration. In staying proceedings the judges exercise a certain discretion. The Arbitration Act says that the court "may" stay the legal proceedings. In a few instances, where, for example, an Act of Parliament definitely requires a dispute to be determined by arbitration, the courts have held that they have no discretion, and that they are bound to stay proceedings. Under the measure which has been introduced with reference to international arbitration the courts will be in this last-mentioned position. The proposal is that, so far as concerns such agreements for arbitration in commercial matters as are within the Protocol, the court "shall" stay proceedings in respect of the matters agreed to be referred to arbitration in all cases except where the court is satisfied that the agreement or arbitration has become inoperative or cannot proceed. That is the purport of the single operative clause which the Bill contains. In a schedule is set out the Protocol itself, by which the contracting States have agreed mutually to recognise the validity of arbitration clauses in commercial agreements between parties subject to the jurisdiction of different States, and to facilitate arbitral procedure. The Bill is down for second reading in the Lords on March 20th.

Agricultural Prices in Germany.—A table published in the *Frankfurter Zeitung*, of February 2nd, reveals that German prices for wheat and rye are lower than world prices. On February 28th, while the price of foreign wheat at Bremen was 10.50 gold marks per zentner, the corresponding internal price was 8.30 gold marks. Similar prices of rye were 8.30 gold marks and 6.7 gold marks respectively. The explanation seems to be twofold. The immediate cause of the glut is apparently heavy taxation, the full weight of which is only beginning to be felt now that currency values are stable. In order to pay their taxes farmers are being forced to unload their stocks

instead of holding them for more favourable prices. In ordinary circumstances one would expect that if higher prices were to be obtained abroad sales would take place there, and taxes would be paid the more easily. The continued existence of the embargo on food exports, however, effectually prevents any such levelling up of prices. As no party would venture to remove this embargo, its existence is not often mentioned in current discussions on the subject. Instead, various specious explanations in terms of the general decline of purchasing power are given, and the usual cries for remission of taxes and lowering of railway rates—so familiar to English ears—are reiterated. Claims of national expediency, however, have so far proved too strong even for the relatively powerful German agricultural interest.

Shipping Sales in 1923.—The annual Commercial, Industrial and Financial Review of the *South Wales Journal of Commerce* contains some interesting statistics relating to the sale of second-hand ships. It is stated that in spite of the depressed condition of the shipping industry, unremunerative freights, and the laying up of a considerable percentage of the mercantile fleet, there has been no decline in the demand for second-hand ships. During 1923 no less than 300 vessels changed hands, of which 94 were launched in the nineteenth century. Selling competition has, however, brought down the average price per deadweight ton during the year, as shown by the following figures:—First quarter, £4 4s 7d; second, £3 10s 8d; third, £2 18s 5d; fourth, £3 19s 1d. "The increased average price of the last quarter is significant. It appears to suggest a delay in the ordering of new construction, or an attempt to make older vessels suffice. New construction means a much larger capital outlay and a doubtful return." The sales of 1923, compared with those of the three preceding years, were as follows:—

	Numbers		Amount.	Average per Dw. Ton.	
	Sold.	Dw. Tons.	£	s	d
1920 ..	287	970,000	26,431,000	27	0 2
1921 ..	372	1,694,000	10,332,000	6	9 1
1922 ..	313	1,186,624	6,073,000	5	3 1
1923 ..	300	1,380,752	5,116,000	3	13 2
	1,272	5,231,376	47,952,000		

On the assumption that the whole of the British mercantile fleet reaches 19 million tons gross, equal to nearly 29 million deadweight tons, then approximately one-sixth has changed hands in the last four years. The majority of the vessels were old, many very old, most of them competing with new construction. The vessels sold during the past year include 62 launched in the decade 1890-1900, 21 from 1880-1890, 7 from 1870-1880, 3 from 1860-1870, and one in 1859.

Agricultural Conditions.—The monthly report of the Ministry of Agriculture and Fisheries states that, with the drier weather conditions, a good breadth of land has been cultivated during February, and on the whole this work is now not so backward as a month ago. Little spring sowing has been done as yet in most districts, but in the south a fair amount of drilling has been done for the time of year, and the seed has gone in well, the land generally being in good tilth. Winter corn has made little growth during the cold weather of February. Early-sown wheat on dry land keeps healthy, but the later sown and that on wet land does not look well. In these cases there are many thin plants, and the crops are often a bad colour. On the whole, however, wheat, though backward, gives fair promise. White varieties of winter oats have suffered rather severely from the frosts, but black varieties have come through the cold weather well, and generally look better than wheat. Winter barley is in very fair condition on the whole, and beans are usually an even, strong plant, but backward. On the whole, potatoes have kept fairly well, but those which were caught by the November frosts, and any stored in dirty and wet condition, have kept badly. Ewes are healthy and in good condition. The progress of lambing varies considerably; in some districts it is finished, but in the north it is not general among the lowland flocks. The fall of

lambs so far has been about average on the whole, and with the ewes giving a good flow of milk, the lambs have done well, though the severe frosts experienced in some parts of the country have been trying to young lambs. Owing to the cold weather, winter keep has been heavily drawn on for the live stock during February. Both cattle and sheep have done well during the month, the drier weather being helpful, especially to sheep on turnips, but in the eastern counties, where there has been more rain, cattle have only about maintained their condition. The supply of labour is quite sufficient for requirements in practically all parts of the country.

Spanish Tax on Shipping.—In post-war years there have been many futile attempts by various States to get something for nothing at the expense of the foreigner. To the list of these attempts must be added the recently imposed Spanish tax on shipping. It would appear, from the terms of the Decree issued last December, and taking effect from the beginning of February, that the Spanish Government thinks it can obtain from the pockets of foreign shipowners reimbursement for Spanish shipowners of amounts lost during the war owing to freights being arbitrarily fixed by Government at less than the market rate. The tax is payable by ships of all flags in respect of passengers and cargo landed or taken on board at Spanish ports, and the proceeds are to be distributed in Spain by way of refund of war losses of shipowners. The new burden will, according to the preamble of the Decree, not be able to be passed on to the cargo because freights are competitive. In fifteen years, according to estimate, the outstanding balance of loss will have been made good. In much less than that time, despite preamble and estimate, the tax will have been passed on to the injury of Spanish trade. The idea, officially expressed, that the tax cannot serve as a pretext to increase freights, is illusory. International trade must inevitably be hampered, and, moreover, the imposition, while possibly not infringing the letter of the recent Geneva Convention prohibiting flag discrimination, is, on the face of it, discriminatory in operation. It makes waste paper of the Convention, and the move, to say the least of it, does no credit to the Spanish Government. A further objection is that, till matters have adjusted themselves, a substantial burden—which may amount to £100 on the inward and outward cargo carried on one voyage by a moderate-sized steamer—is placed on shipowners. The tax particularly affects the iron and steel trade. In the circumstances there is naturally a movement with the object of ensuring that suitable representations shall be made in the proper quarter. The Federation of British Industries and the Chamber of Shipping, in addition to the National Federation of Iron and Steel Manufacturers, are interesting themselves in the matter.

Japan's Trade and the Earthquake.—The monthly trade figures of Japan for August, September, and October have arrived together, having, of course, been delayed by the earthquake. A footnote, indeed, to the August return states that Yokohama has been omitted in the case of several commodities in that month owing to the loss of the "ordinal book" in the recent disaster. How the earthquake affected the figures may be clearly seen from the following table, which we have compiled from the official returns:—

	Imports.		Exports.	
	1922. 1,000 Yen.	1923. 1,000 Yen.	1922. 1,000 Yen.	1923. 1,000 Yen.
August	138,548	156,413	145,999	136,175
September	135,122	82,618	149,979	74,809
October	106,686	144,545	161,939	136,837
Total, 3 months	380,356	383,576	457,917	347,821
Total, 10 months	1,629,273	1,652,883	1,338,532	1,181,328
Excess of imports	290,741	471,555		

There was a very sharp recovery in imports in October, and for the three months it will be seen there is a slight increase in imports. Exports, however, although the August and October totals were well above the monthly averages of both 1923 and 1922, show a decline in the three months of 110 million yen, and in the ten months

of 157½ millions. Towards this reduction raw silk contributes 96 million yen, cotton yarn 26 millions, and silk tissues 18 millions.

Reaction in Minor Metals.—Early in the week there was a very strong tone in the non-ferrous metal markets, with active dealings. Standard copper sold up to £69 15s three months, and tin on Wednesday went up to £298 5s, this being the best seen since 1920. Prompt lead advanced to over £39, and spelter went well above £36. Copper was thus about £9 higher than the closing level of 1923; tin at one time showed an improvement of more than £60; soft foreign pig-lead was about £10 dearer, and zinc about £3 to £4 higher on the year. Copper was thus within six or seven pounds of the highest for all 1923, while tin was fully £58 above the highest, and lead was several pounds better than the best recorded last year, zinc being within £2 or so of 1923's highest record. Taking the group as a whole, substantial gains have thus been made, and the matter of a reaction was only a question of time. A very determined selling movement started on Thursday, and it took the market by surprise. Copper declined very sharply, notwithstanding reports of a better statistical position in the United States, where the stocks of refined have been substantially reduced, and tin showed a very weak undertone, with heavy selling, the cash price breaking £12 to £14 from the highest point. Lead exhibited remarkable weakness, and prices fell very quickly, zinc also being subject to various downward fluctuations, although not so violent as the movements in the other metals. Offers as a rule, however, were well absorbed, and it remains to be seen how far the selling movement can be carried. A moderate set-back will make the whole position much healthier, and enable users to cover some part of their requirements. There has been since the opening of the year a lot of speculative attention given to non-ferrous metals, especially tin and lead, the latter having been bought largely on German account, and possibly the upward movement has been carried too far. Metal supplies all over the world, just now, are on the short side, and there is no likelihood of any expansion for some time to come.

Canadian Pacific Results.—The London office of the Canadian Pacific Railway Company has received a cable from Montreal giving the preliminary results of the line for 1923. These compare with those of the three previous years as follows:—

	1920.	1921.	1922.	1923.
Gross earnings—railways and lake steamers	216,641,349	193,021,854	186,675,036	195,837,090
Working expenses	183,488,305	158,820,114	150,373,345	158,358,080
Net earnings	33,153,044	34,201,740	36,301,691	37,479,010
Fixed charges	10,775,409	11,519,072	13,348,906	13,470,653
Surplus	22,377,635	22,682,668	22,952,785	24,008,357
To pension fund	500,000	500,000	500,000	500,000
Net revenue	21,877,635	22,182,668	22,452,785	23,508,357

The increase in gross earnings has been very largely offset by an expansion in working expenses, which include all taxation. Fixed charges show a further slight increase, but the surplus available for dividends is over a million dollars higher than a year ago. After payment of all dividends for the year the surplus from earnings of the railway and lake steamers is \$1,633,347, compared with \$1,025,509 for 1922, \$755,400 for 1921, and \$450,359 for 1920. The special income for the year, after making allowances for contingent reserves, is \$11,391,052, as compared with \$11,092,355, \$10,987,199, and \$10,966,448 for 1922, 1921, and 1920 respectively.

Merchants' Marine Insurance Company.—The underwriting year of 1922 has been closed without yielding a surplus. The premiums were £464,476, the first year's claims £101,000, the second year's claims £209,620, and the expenses £46,192; the balance of £107,664 has been transferred to underwriting suspense account for future claims. The underwriting account of 1923 shows

premiums £446,401, first year's claims £134,292 (30.08 per cent.), and expenses £46,706. The first year's claims of 1923, 30.08 per cent. of the premiums, compare rather unfavourably with the first year's claims (21.75 per cent.) on the 1922 account. A sum of £30,000 has been carried from profit and loss to the reserve for insolvent reinsurers, making the reserve up to £130,000. The dividend of 12½ per cent. for the year, tax free, costs £15,625, against net receipts from interest of £21,408.

British Italian Banking Corporation.—Notwithstanding the unsettled conditions on the Continent, the British Italian Banking Corporation made good progress in 1923. It will be observed that the title is now the British Italian Banking Corporation, the word banking having been incorporated into the name. Profits for the year ended December 31, 1923, were £47,050, as against £41,016 a year ago. With the balance brought forward, the directors have an available balance of £71,386. There is a capital of £1,000,000 in ordinary shares of £20 each. The distribution is maintained at the rate of 4 per cent. per annum; this absorbs £40,000, and a balance of £31,386 is carried forward to next year. Changes in the balance-sheet are set out below:—

LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1922.	Amount.	Compared with Dec. 31, 1922.
Share capital .. 1,000,000 ..	..	Cash in hand & at banks	619,320 .. - 126,593
Reserve	233,418 ..	Bills receivable	966,858 .. + 550,687
Deposits	1,466,812 .. + 130,176	Investments at cost	256,586 .. + 82,475
Acceptances, &c. 4,966,262 ..	+ 1,357,518	Advances	89,712 .. - 370,144
Profit and loss .. 73,739 ..	+ 4,999	Cover for acceptances, &c.	4,966,262 .. + 1,357,518
		Premises	39,492 .. - 1,250
		Furniture	1 .. -
Total	7,740,231 .. + 1,492,693	Total	7,740,231 .. + 1,492,693

The acceptance business is increasing, the figures now reaching £4,966,262, as against £3,608,744 a year ago. Advances are £891,712, as against £1,261,856; this reduction is on account of the item "advances to Banca Italo-Britannica," which has been reduced from £803,332 to £127,931. Deposits are up from £1,336,636 to £1,466,812. A rather satisfactory picture when all is considered.

Employers' Liability Business in America.—The unprofitable nature of workmen's compensation business in the United States, at the rates fixed on the basis of conditions in 1918-1920, is shown strikingly in the accounts for last year of the Employers' Liability Assurance Corporation. The full effect of the inadequate rates was not felt until 1923. For that year the premiums in the general account of the corporation were £4,327,560, the claims paid and outstanding £3,024,949 (69.9 per cent. of the premiums), and the expenses £1,458,639 (33.7 per cent. of the premiums). After adjusting the reserve for unexpired risks on the basis of 40 per cent. of the premium income, there was a deficiency of £227,082 (5.2 per cent.) transferred to profit and loss. In the corporation's accident account, which includes workmen's compensation business in this country, there was a small surplus of £986, and in the fire account on premiums of £334,277 there was a substantial surplus of £40,986. The marine account, which is being wound up—the corporation now does marine business through its subsidiary, the Merchants' Marine Company—there was available £100,000 for transfer to profit and loss. The underwriting deficiency on the whole operations for the year was £85,110, against a surplus for 1922 of £446,550, and a surplus for 1921 of £718,446. Interest and dividends yielded £290,179, £275,180 was taken from the general reserve (leaving it at £2,544,930), taxes paid and outstanding amounted to £199,424, and the dividend for 1923 cost £287,818. It will be observed that the dividend is covered by the receipts from interest on investments. With regard to the future of workmen's compensation business in the United States, it is pointed out that the fixing of rates is controlled by the insurance departments of the various States. All the companies transacting this class of business have been suffering from the inadequacy of the rates, and the State Insurance departments have during the past year been conducting

an examination of the statistics of the companies, with the result that during the current year, 1924, the rates will be revised in practically all the States. The directors of the corporation "are confident that rates will be made adequate for the risks insured, and that the present loss is of a temporary character." The insurance moral to be drawn is the importance of building up ample reserves in profitable years to meet exceptional losses. This the corporation has done, and it is consequently able to meet a substantial loss in the United States without impairment to its financial strength, and even without reducing a dividend which is based upon interest earnings.

Ashanti Goldfields.—Our mining correspondent writes: Some time back the shareholders in this, the doyen of West African gold mining enterprises, enjoyed a high degree of prosperity; but of late the returns have been merely moderate—20 per cent. for 1919-20, and 25 per cent. for 1921-22. The report for the past financial period does not announce any distribution, the net profit of £32,900 leaving no more than a small surplus after providing for taxation. This disappointing result is attributed to the decline in the gold premium. The explanation, of course, is correct in itself. Still, obviously, a company whose ore reserves average over 90s per ton on the basis of the normal value of gold should be independent of the adventitious aid of the gold premium. The salient point in the situation is that the change effected in the treatment process has, on the whole, proved unsuccessful. It may be recalled that some two years ago the decision was arrived at, in view of the shortage of fuel, to adopt wet crushing in place of the roasting process. The management recognised that the percentage of the gold recoverable from the ore would not be so good as before, but it was believed that this disadvantage would be more than counter-balanced by regularity of output and economy in costs. The last-named anticipation has been to a large extent realised, a saving of 17s 6d per ton having been effected during the past two years. So many difficulties have, however, been found to arise in connection with the new process, that the consulting engineer recommends a combination of wet and dry treatment. The directors are of the opinion that a complete reversion to the old system would give the best results; moreover, it has been rendered practicable by the reductions which have taken place in the prime cost of and the freight on coal. Accordingly, a bulk test is to be made. Whatever was the case before, it may be presumed that on the present occasion no alteration will be made without the fullest experiment. At 502,400 tons, gross value £2,351,600, the ore reserves on September 30th last show a small decrease in quantity, and a rather more than corresponding decrease in value. As development work was confined to the existing levels, this position is quite satisfactory. The consulting engineer's forecast of the prospects does not suggest anything better than a 10 per cent. dividend for the current year. Altogether, it may be taken that the current price of 7s for the 4s shares represents in a measure a reflection of past glories.

Transvaal Gold Output.—There was a decline in output of gold in the Transvaal during the month of February, due to the shorter month. The figures are very good, and the two months of 1924 make a capital showing when compared with preceding years. The following table shows the output for every month since 1918:—

	1918.	1919.	1920.	1921.	1922.	1923.	1924.
	Fine Oza.	Fine Oza.	Fine Oza.	Fine Oza.	Fine Oza.	Fine Oza.	Fine Oza.
January	714,182	676,059	670,503	651,593	639,723	764,469	795,768
February	659,759	654,728	625,330	558,137	570,970	701,970	760,617
March	696,961	712,373	707,036	671,123	761,586	761,586	761,586
April	717,000	691,944	686,979	681,382	511,338	743,651	743,651
May	741,317	724,995	699,041	687,776	629,786	786,564	786,564
June	727,696	702,379	715,957	678,490	675,697	755,329	755,329
July	736,199	725,497	736,099	689,555	730,635	764,306	764,306
August	740,210	706,669	702,083	711,526	752,490	769,371	769,371
September	708,206	694,458	682,173	691,026	747,089	739,504	739,504
October	679,764	723,722	662,472	707,825	778,159	793,842	793,842
November	658,701	677,970	633,737	704,236	764,476	780,639	780,639
December	641,245	650,191	632,215	661,847	790,712	778,849	778,849
Total (12 months) ..	8,420,560	8,330,091	8,153,625	8,114,516	7,090,110	7,798,959	1,557,385

The following table shows the number of natives employed at the end of last month by members of the Witwatersrand Native Labour Association and Contractors:—

	July, 1923.	Aug., 1923.	Sept., 1923.	Oct., 1923.	Nov., 1923.	Dec., 1923.	Jan., 1924.	Feb., 1924.
Gold mines	166,443	167,600	174,406	177,047	177,674	177,779	181,659	182,056
Coal mines	16,020	16,156	16,225	16,216	16,246	16,142	16,109	15,958
Diamond	2,893	3,107	3,134	2,911	2,997	3,239	3,482	3,419
	18,356	186,863	193,765	196,174	196,917	197,160	201,250	201,432

More natives were employed at the gold mines during February, but there was a decline in the number employed at the coal and diamond mines.

South African Gold Trust.—Last year the operating subsidiary of this Kaffir finance undertaking earned £73,000—a substantial increase upon the 1922 amount; but as £15,600 is now required for depreciation, the dividend remains at 5½ per cent., tax free. The net profit of the holding company—at £57,400—shows a small decrease; nevertheless, the dividend rate is raised from 6¼ to 7½ per cent., the latter still leaving a surplus to be added to the carry-forward. On the basis of the 1923 rate, the ordinary shares give the attractive yield of 11 per cent., while the company's assets at balance-sheet value represent considerably more than the current market price after allowing for the preference shares at par. Very little change is shown in the portfolio.

At a meeting of the Royal Statistical Society, on the 18th inst., Mr A. W. Flux, C.B., M.A., will read a paper on "The Census of Industry." The meeting will be held in the Hall of the Royal Society of Arts, John street, Adelphi, W.C. 2, at 5.15 p.m.

WE are informed that the "Free Trade Union, North-Western Counties Branch," whose office is at 5 Cross street, Manchester, has decided to change its name, and will henceforth be known as the "North-Western Free Trade Union."

THE Fourth International Agricultural and Industrial Fair-Exhibition will be held on the Exhibition Grounds at Riga from July 20 to August 3, 1924.

Oversea Correspondence.

UNITED STATES.—COPPER AND OIL POSITION—TEXTILE PRICES—AID FOR AMERICAN SHIPS.

(FROM OUR CORRESPONDENT.)

NEW YORK, February 29.

OWING to recent suspensions of dividends by three well-known American producers of copper, more interest than usual is being taken in the domestic copper situation. In view of optimistic forecasts that had been made concerning the outlook, accompanied, as they were, by reports of rapidly increasing demand, the action taken this week by directors of the Anaconda Copper Mining Company in passing the regular quarterly dividend came as a distinct surprise to the financial community. It was not entirely unexpected, however, by persons familiar with actual conditions that have prevailed in the copper trade here for some time. Although demand has shown marked improvement, prices for copper metal, unlike those for iron, steel and some other commodities, have not advanced to any great extent in recent months. Though somewhat above the levels of last autumn, domestic copper prices are still below the average for either of the two years immediately preceding the war, while operating expenses have increased just the same as in other industries. Various companies, therefore, especially high-cost producers, have been unable to market their output at much, if any, profit. Another and important factor is considered responsible in a measure for the unsatisfactory situation in the domestic copper trade, namely, active

competition by South American companies which are able to produce copper at a lower cost than many concerns in the United States. The copper situation in this country is really better than the passing of dividends might indicate. Consumption is at the highest rate ever known. Authorities predict that it will be fully as high this year as it was in 1923, when it averaged 125,000,000 pounds a month.

The domestic petroleum industry has evidently turned the corner. For the month of January, according to the Geological Survey, deliveries of crude petroleum to American consumers, plus exports, exceeded production, including imports, for the first time since December, 1922, while total stocks decreased by 1,557,000 barrels—the first decrease for more than a year. All States, excepting Arkansas and Wyoming, reported lessened production in January, heavy decreases being reported. Gasoline production in the United States reached a new high record in 1923, when 7,555,945,143 gallons were produced, according to the Bureau of Mines of the Interior Department. That total represents an increase of 21.83 per cent. over the output for 1922. Demand showed an even greater percentage of increase. The indicated domestic demand amounted to 6,685,035,280 gallons. Including exports of 871,116,614 gallons, the total demand for the year was 7,556,151,894, or 26.64 per cent. more than in 1922. Gasoline stocks on hand at January 1, 1924, aggregated 1,074,899,650 gallons, representing an increase during the year of 191,106,789 gallons, or 21.62 per cent. This gain, from the refiners' viewpoint, compares favourably with the increase of 50.80 per cent. in stocks during 1922. The total new supply last year, production plus imports, was 7,747,258,683 gallons, or 23.67 per cent. over that of 1922. For the entire year the total new supply exceeded total demand by 2.53 per cent. The December production of gasoline established a new monthly record, amounting to 659,168,606 gallons, or 108,000 gallons above the previous record in October. The oil situation has shown further steady improvement this year, as indicated by the sharp recovery in prices of both crude petroleum and gasoline, and production of crude has continued to decrease. During the past week the daily average gross production of crude oil in the United States, according to the American Petroleum Institute, was 1,888,400 barrels, or 30,500 barrels less than in the preceding week. Oil shares in the stock market are reflecting the change for the better in the industry, and are no longer adversely affected by the Washington investigation of naval reserve oil land leases.

In marked contrast with the improvement that has taken place in other industries since the first of the year, textiles generally continue dull and depressed. Inactivity is pronounced, especially in cotton goods. This week witnessed further downward price revisions in both unfinished and finished cottons, due to efforts of mills and selling agents to stimulate demand, although the lower levels reached on printcloths and grey goods resulted largely from the drastic decline in raw cotton which fell to 29 cents, as against 37.65 cents, the high level of December 1, 1923. No broad buying movement has yet developed, but sellers feel hopeful that trade will expand if raw cotton remains steady when merchants more fully appreciate the intrinsic value of cotton goods at current low quotations in primary markets. Meanwhile, actual curtailment of production is heavy in New England, and is increasing among southern mills, owing to lack of forward business offered at prices which manufacturers can afford to accept. Producers of woollen and worsted goods have also found it necessary to quote very low prices to stimulate business. Prices named on worsted goods showed reductions ranging up to nearly 8 per cent., as compared with prices quoted for the last fall season.

Owners of American vessels are much encouraged over the action of the United States Shipping Board in adopting a resolution calling upon the Interstate Commerce Commission to extend indirect aid to such ships by putting into effect Section 28 of the Merchant Marine Act of 1920. That section grants preferential railroad rates on merchandise and commodities other than grain carried by American vessels between the United States and Great Britain and Ireland, Continental European

ports North of and including Bordeaux, the East coast of Asia, islands of the Pacific, Australia, and the East Indies islands, and ports of Central and South America. Since the passage of the Merchant Marine Act this section has been inoperative, the Shipping Board having certified to the Commerce Commission that adequate American shipping facilities did not exist. The Board now states, however, that ample tonnage under the American flag is now available, and that the operation of the preferential rate provision should no longer be suspended. As soon as the Commerce Commission takes the necessary steps to put that section into effect, shippers who use American flag vessels in foreign commerce will secure through rates, which, with some exceptions, will be materially lower than domestic rail rates to the seaboard, with the ocean rates added. They will thus have an advantage over merchants who use foreign flag ships.

FRANCE.—THE FRANC—THE SENATE AND TAXATION —FEBRUARY REVENUE—PRICES.

(FROM OUR CORRESPONDENT.)

PARIS, March 12.

THE spectacular fall and recovery of the franc, the curiously hesitating attitude of the Senate in regard to the new financial proposals, the question of whether the two Chambers shall be convoked for the purpose of extending the life of the present Parliament for another twelve months (in order to remove from the baleful influence of the pending General Elections the problem of immediately putting the national finances on a better footing), and a growing hope that the now imminent reports of the two committees of experts may prove distinctly favourable to this country, are the outstanding factors in the present situation. The great mass of French opinion, so far as can be gathered, is now in a much more conciliatory mood with regard to the future relations of this country with Germany than appeared to be possible six months ago. Any inclination that may have existed to presume on the fact of Germany's moral defeat in the Ruhr has undoubtedly been largely dissipated as the result of the sharp lesson France has just received as to the consequences that might result from a renewal of the disastrous fall of the franc. For the first time during the past week French opinion has seen with clear eyes the abyss in front of the country, and the lesson has proved invaluable.

The attitude of the Senate, in refusing to take up the work of discussing the new financial proposals, in spite of the insistence of M. Poincaré, has puzzled public opinion in several other countries, but everything tends to support the belief that before another week has passed the Premier will obtain his desires. The French Upper House, like all elected bodies in this country, is often tempted to a display of aggressive independence, and occasionally with exasperating results (as, for example, when it refused, on technical grounds, a few months ago, in its capacity as the High Court of Justice, to try certain militants whom the Government had accused of plotting against the security of the State). As a rule, however, its bark is worse than its bite, and in the end, for all practical purposes, agreement with the Lower House is arrived at. The report of M. Henry Bérenger, the *rapporteur* of the Senate Finance Commission, which is published this evening, suggests that, in spite of several apparent serious obstacles, the Upper Chamber is preparing to fall in with the views of the Government on all that really matters.

The principal objection raised by the Commission is in regard to the *décrets-lois*, by the operation of which the Government seek to effect economies in the various public services amounting to 1,000 millions per annum. The Premier's argument is that if he is empowered to effect these economies by decree, results will be attained much more speedily and effectively than if every detail has to undergo long discussion by both Chambers. The Senate Commission bluntly insists that such a method is unconstitutional, and refuses to allow the reforms the Premier desires to bring about to be taken out of the hands of Parliament. At the same time, although admittedly "without enthusiasm," and solely from a desire to attain

the object aimed at speedily, the Commission accepts the demand for an all-round increase of taxation by 20 per cent., and also the proposal for the creation of the *bondeureau de coupon*, the object of which is to enable the Treasury to obtain some kind of control over incomes derived from bearer bonds that now largely escape taxation. It refuses, however, to approve the suppression of the match monopoly, and it is probable its resistance may prove effective, as this proposal is not vital to the Bill. Its suggestion that persons who, for one reason and another, have been given time for the payment of the special tax on war profits (which expired long ago, although individual firms are alleged still to have left unpaid amounts which in certain cases are said to amount to sums in the neighbourhood of 100 million francs) shall be called on to pay interest at the rate of 10 per cent. is one that will meet with widespread approval. M. Bérenger concludes his report by insisting that "France will not have a financial policy which is worthy of her until it comprises these three objects: payment by Germany, the settlement of the question of the French foreign debts, and the consolidation of the floating debt."

The returns of the yield from taxation of all kinds during the month of February show that the total revenue from these sources was 1,980,335,500f, exclusive of the yield from the postal department (now detached, under the law of June 30 last, from the normal Budget). Of this total, 1,820,089,600f was from normal and permanent taxation, which thus registered an increase of 484,884,200f, as compared with February, 1923. The total increase from these sources for the first two months of the year, as compared with the corresponding period of last year, was 785,067,800f. Part of this exceptionally large increase was due, of course, to the fact that February this year included an extra day, while another factor to be taken into account is the increased price of all commodities, which resulted in a proportional yield from *ad valorem* duties. The importance of this latter factor may be gauged from the fact that the index figure of wholesale prices for January last (calculated on the base of 100 in 1914) was 505, as against 355 in January, 1923. Revenue for the month from indirect taxation and monopolies amounted to 1,334,038,000f, or 308,551,000f in excess of Budget Estimates. The yield from Customs was 1,355,000f below the estimate, which is easily explained by the high rate of exchange against this country, but the revenue from registration was 104½ millions (or over 33 per cent.) more than the Budget Estimate, while that from the tax on turnover was nearly 87 millions (or about 30 per cent.) more than was expected. Tobacco and other monopolies yielded 37 millions more than had been anticipated, while stamp duties on securities yielded over 70 millions, or about 40 per cent. more than the Finance Minister had estimated. "Exceptional resources" furnished 160,245,900f (including 142,072,800f from the special tax on war profits). Income-tax produced over 452½ millions, or 187 millions more than in February, 1923.

The Statistique Générale has now issued the index figure for wholesale prices for the month of January, which shows a rise of 37 points, as compared with the figure for December (which was itself 16 points above that for November). The detailed figures, which are as follows, are calculated now on the base of 100 in July, 1914 (the index figures for the greater part of last year and previous years having been on a base of 100 for the period 1901-1910):—

Categories.	End of January.	End of December.
General index figure.....	45	505
Foodstuffs	20	441
Veg. table foods.....	8	399
Animal foods	8	437
Sugar, coffee, cocoa	4	550
Raw materials	25	560
Minerals and metals ..	7	525
Textiles	6	693
Various	12	500

The only category of commodities which did not rise sharply during the month is butcher's meat, the wholesale price of which remained stationary. Retail prices in Paris during January (13 articles of common necessity) are represented by the index figure of 376, as compared

with 365 for December and 355 for November, or an increase of 274 per cent. as compared with 1914. The January retail figure, however, was appreciably below the level of November, 1920, which was equivalent to a rise of 326 per cent. in Paris and 352 per cent. for the whole of the towns of over 10,000 inhabitants, as compared with pre-war retail prices.

GERMANY.—BUSINESS—FINANCES—CURRENCY— TRADE.

(FROM OUR CORRESPONDENT.)

BERLIN, March 11.

THE Bill founding the provisional Gold Credit Bank, which is summarised elsewhere, has given general satisfaction. The plan has changed considerably since it was first discussed; then the chief stress was laid on the note issuing function; to-day this function is secondary, and credit primary. To some extent this change in programme is due to the continued success of the *rentenmark*, as a result of which gold-secured notes may perhaps be dispensed with at home; while for international purposes what is needed is a mechanism based on stable values, for regulating trade payments, and not actual gold notes.

The Reichstag is to be dissolved, it is believed, at the end of this week, and the General Election is expected on May 11th or one of the following Sundays. The business improvement continues. The Prussian Trade Ministry's monthly report shows greater activity in nearly all trades, the building and locomotive branches being the chief exceptions, while almost normally good conditions prevail in textiles, and something like boom conditions in cotton goods, the demand for which cannot always be met. Quite a number of concerns are now refusing to take orders, and some have orders for the whole of the year. The number of unemployed, however, continues to be very great, but, as usual, the statistics are belated. In unoccupied territory the publicly supported unemployed, on February 15th, numbered 1,302,270, against 1,582,852 on January 15th; the number of partly unemployed sank in the same time from 635,839 to 227,810. The last report for Berlin city shows a decline in fully unemployed in the week from 169,370 to 154,000. In the West German iron and steel branch there is increasing activity. The threat that large stocks accumulated on the Ruhr would depress the market when released will not be realised; most of the stocked material has already been sold. Bars now fetch 131-133 marks per metric ton, but are sold to abroad, report Essen newspapers, at 110-115 marks, or 10 to 15 marks below production cost. The lengthened working day has now in great measure been successfully put through, also the nine hours a day work for officials. An official memorandum states that as a result of the introduction of the eight-hours day 147,424, or 21.2 per cent. additional employees were taken into the railway service; into the postal services 51,521, or 14.5 per cent. more.

Some measures contained in the Third Taxation Decree, in particular the regulation of secured debts, are still being vigorously attacked, but the measures may now be considered safe. The right given to the States to impose a rents tax has been liberally taken advantage of; Prussia has suddenly imposed a tax at the rate of 25 per cent. of the pre-war gold rents, and at the same time increased the real property tax; as a result of which tenants from April 1st will pay 67½ per cent. of their pre-war rents, instead of 28 per cent. in March, and in former years anything between 2 and 10 per cent. This will send up the cost of living. Though 10 per cent. of the rents tax yield is to go towards building houses, it seems that very little building will be done; Prussia, for instance, undertakes to build only 20,000 dwellings; though the whole Republic is about 1,500,000 dwellings short. In connection with the disburdening of industrial debts through the prohibition against restoration of bonds and mortgages to more than 15 per cent. of their original value, the following figures are published for share companies only (not limited liability companies):—In 1913-14 against 19,954 million mark shares issued, were 3,871 millions of bonds, and 1,766 millions of industrial mortgages. Federal finances show a set-back in February, the month's deficit

being 138,500,000 gold marks. In the third decade term of the month the net deliveries of taxes by the Finance Bureaux were 140,360,000 gold marks, expenditure 188,000,000 gold marks. The expected yield in February of the property and bonds taxes was 138,000,000 gold marks, and had payments of these taxes not been postponed until March the account would have nearly balanced. Since November 15th, the date of the rentenmark reform, and the date at which Treasury bill discounting at the Reichstag ceased, deficits have totalled 707,500,000 billion paper marks, which is about £38,300,000 gold. Receipts from the sale of rentenmark Treasury bills, which is one means of meeting the deficits, were 192,804,307 rentenmarks, but this resource was adopted late in the day. In the last decade reported 16,285,625 rentenmarks more of these bills had to be met than new bills were sold. In February the subsidies to States and municipalities were exceptionally heavy. The prospect for March is fairly good, and there is no sign of any breakdown due to lack of cash.

The gold value of the whole note circulation on January 31st was 2,277,700,000 gold marks, against 2,273,600,000 gold marks on December 31st. The gold value of the purely paper currencies fell during the month from 607,900,000 gold marks to 550,200,000 gold marks. The gold values of all these currencies were entirely stable during the month, and the decline in gold value is mainly due to a reduction in the circulation of the Federal Railways Emergency issues by nearly half. The value of the "wertbeständig" currencies in circulation, that is, of rentenmarks, gold loan (scrip) notes, Federal railways stable notes and gold loan emergency notes, rose during the month from 1,665,700,000 gold marks to 1,726,500,000 gold marks, the main factor here being the increase in the rentenmark circulation. The Rentenbank's statement for February 29th shows a note circulation of 1,579,370,000 rentenmarks, and a rise during February of loans (for industry) to the Reichsbank from 200 to 400 million rentenmarks. The rentenmark mortgage bonds in circulation total only 178,500 rentenmarks; nobody wants to convert his rentenmark into this theoretical security, which bears only 5 per cent. interest, when he can get much more on Treasury bills. The mortgage bonds, as foreseen, are not effective cover for the rentenmark, which survives alone through limitation of its circulation and consequent maintenance of its home purchasing power. The Bill providing for silver coinage has been published. The one, two, three, and five mark coins will be half silver and half copper, and must be accepted in payment up to not more than 20 marks. In the Reichsbank's return for February 29th no more borrowings from the Rentenbank are shown; but circulation made the big jump of 51 to 588 trillions. The paper mark and rentenmark private discounts again largely increased. The Bank's total claims on the public rose to 1,472 trillion paper marks. Prices have a slight upward tendency.

The January foreign trade report shows a new heavy passive balance. The Government complains that since the abandonment of passive resistance the proportion of foreign trade which escapes Berlin's control has increased; therefore the figures are defective:—

IMPORTS.			
—Value in 1,000 Goldmark.—			
	December, 1923.	January, 1924.	Monthly Average, 1923.
Livestock	3,235	5,964	2,712
Food and beverages	139,641	175,239	100,310
Raw materials	230,938	237,470	258,907
Half-finished ditto	44,344	54,283	67,168
Manufactures	71,002	92,511	76,699
Gold and silver	3,207	2,695	987
Total	492,367	568,162	506,783
EXPORTS.			
Livestock	500	202	260
Food and beverages	10,741	11,643	10,947
Raw materials	37,652	23,357	30,625
Half-finished ditto	34,571	27,213	30,223
Manufactures	476,384	367,454	433,311
Gold and silver	1,267	1,152	1,230
Total	561,115	431,021	506,596

Reckoned according to pre-war values, January's imports were 451,920,000 gold marks, exports 363,475,000 gold marks. The table shows a great increase in food products

imported and a great decrease in manufactures exported. Nearly every class of manufactured export shows a decline. There is also a considerable increase in value of imported manufactured goods. Personal observation agrees with these figures; Berlin shops are crowded with foreign luxury goods of kinds not seen here for ten years; in particular of Southern fruits and expensive vegetables. The prices of these are extraordinarily high; but they sell readily. By weight January trade was:—

	Imports.			Exports.		
	Dec., 1923.	Jan., 1924.	Monthly Average, 1923.	Dec., 1923.	Jan., 1924.	Monthly Average, 1923.
Livestock	41	57	23	1	..	1
Food and beverages	4,219	4,697	3,089	780	450	843
Raw materials	21,176	18,013	30,646	4,401	2,617	4,046
Half-finished ditto	2,016	2,703	3,732	1,946	1,587	2,150
Manufactures	1,047	1,060	1,320	3,915	2,872	3,566
Gold and silver	1	..	..	..	..	..
Total	28,500	26,531	38,810	11,043	7,516	10,606

Ruhr coal production in February rose to 7,050,758 metric tons, against 6,187,481 tons in January, 6,371,451 tons against 5,485,040 tons being mined in occupied territory. The output per working day was 282,030 tons, against 237,980 tons. Coke production rose from 1,097,799 tons to 1,298,556 tons.

ITALY.—GENERAL ELECTIONS—BOOM IN STOCK EXCHANGES—CREDIT FOR EMIGRANTS—RENT RESTRICTIONS—STATE CONTROL OF TRADE UNIONS.

(FROM OUR CORRESPONDENT.)

TURIN, March 2.

ON February 26th the General Election campaign was officially inaugurated. There are 20 parties or candidates' lists in the field—13 national and seven purely local parties. No one, except the Fascist list, aspires to gain the majority (355 places out of total of 535). The 355 candidates placed on the Fascist list, and agreed by Signor Mussolini, are practically sure to be elected at April 6th, as no other list can contest the first place or hope to muster the 25 per cent. of the votes polled, which are necessary for victory. The change from 1919 and 1921, when the electors sent to the House over 150 Socialists and Communists, and over 100 Populists (Catholics) is indeed extraordinary. All the other 19 lists of candidates struggle only for the conquest of the 180 minority places. Fascists will have a share also of minority, as, in four electoral districts out of 15, they offer themselves in an additional minority list. Other parties are: Dissident Fascists (two districts), Democratic Liberals, friendly or neutral towards Fascism (nine districts), Democratic Liberals in the opposition (eight), Catholic Populists (15, or the whole of the districts), small agricultural proprietors and farmers (four), Republicans (12), Democratic Socialists (15), official Muscovite Socialists (13), Communists (14), Independents (five), Social Democrats (five). Among the seven local lists, the only worth mentioning are the Sardinian Party and the Slav-German Party.

The public interest in the electoral contest is, however, not very lively, perhaps in consequence of the absolute certainty of the victory of the Party in power. In economic circles, interest is centring around Stock Exchange quotations. There is developing, on the Italian bourses, a boom comparable in extent, if not as yet in violence, to the famous boom of 1905-6, when the motor-car securities went up from day to day in a frantic manner.

Almost all classes of securities shared in the rise; but textiles, navigation, land and housing, and electrical companies were easily first. The rise is explained, by professionals with a theoretical turn of mind, as a belated attempt of security quotations to adjust themselves to the depreciation of the lira. A great many securities were quoted, until recently, at prices not much higher than pre-war level. Political uncertainty, confiscatory taxation, and fear of Bolshevism co-operated to keep quotations down. As the economic and political horizon seems to-day

clearer, values are bound to rise until equilibrium with the general price level is reached. There is much to say in favour of this theory; but there is the risk that the rise is too indiscriminately affecting both old securities representing gold-lira investments and new securities, with depreciated lira investments and water at the back of them.

New economic and social legislation has been forthcoming during the month. A decree of December 15, 1923, published in the *Gazzetta Ufficiale* of February 2, 1924, creates a National Credit Institute for Italian work in foreign countries. Emigration is on the increase again: 400,000 in 1923, with an increase of 93,000 over 1921 and 104 over 1922. Of this number, 178,000 emigrated to transatlantic countries, 94,000 to Argentina, 58,000 to United States, 15,000 to Brazil, 6,000 to Canada, 2,800 to Uruguay, 1,150 to Australia, 1,100 to Central America. While in 1922 and previous years the greatest number were going to U.S., restrictive legislation diverted emigration currents to South America. The new Institute aims at financing Italian emigrants abroad, their industrial enterprises, colonisation plans, co-operative societies, &c. The Institute will be a semi-public bank, financed by savings banks and public insurance offices, and will cater for emigrants' savings. The State will nominate a part of the directors and guarantee a minimum interest of 3.50 per cent. on debentures issued by the institute, and a minimum dividend of 4.50 per cent. on share capital.

More interesting to the general public is a decree of February 21st on the housing problem. While the decree of January 7, 1923, declared that rents would be freely discussed between proprietors and tenants; and, in case of disagreement, allowed rents to be fixed up to June 30, 1926, by Arbitration Commissions, the new decree adds that Prefets—i.e., representatives of the Central Government in Provinces, have the authority to seize all vacant houses which the proprietor has not seen fit to let within a month after notice has been given. The Prefet will let the apartment to houseless people, according to needs and circumstances. Rents will be fixed by Arbitration Commissions. The requisition right applies to old vacant houses, and also to new houses which have been declared fit for habitation before October 27, 1922. Old regulated rents were much lower than free rents for vacant or new houses—frequently only one-fifth. The new decree aims at equalising the two types of rent; but it is uncertain if it will succeed in lowering permanently rents of new houses to the regulated level of old ones; for who will build new houses now the fear is abroad of being obliged to let them under cost?

Workmen's organisations (trade unions) are much concerned about a legislative decree, dated January 24, 1924, which subjects them to the local representative (Prefet) of the Central Government. Workmen's organisations are defined as those which are maintained by the working-men's contributions. If the "Prefet" supposes that the funds of trade unions are not spent in the interest and for the economic or moral benefit of workers, he can make inquiries, dissolve managing councils, dismiss presidents and secretaries, and entrust assets and management to an official commissioner. The commissioner, within the maximum term of a year, is bound to make a report. On the basis of this report the Prefet can restore the old officers, prolong up to another year the receivership, or dissolve the trade union and distribute assets among associates or hand them over to another institution with purposes akin to those which the dissolved organisation purported to possess. A few days ago the decree was put into force for the first time by the Prefet of Rome, who instituted inquiries into the management of the Agricultural Workers' Federation—i.e., the national organisation of Agricultural Workers' Trade Unions. It appears that the federation had made savings out of past years' contributions. As 1923 and 1924 are bad years for organisations of its political colour (Socialist), managers were using past savings for keeping alive the federation, whose membership was dwindling and whose remaining members were unwilling to pay. It seems that an inquiry will be started by the Prefet about the legality of using reserve funds towards defraying present expenses.

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SOUTH AFRICA.—RECORD RAND OUTPUT—GOVERNMENT AREAS' PROFIT—MINERAL RETURNS FOR 1923—BANK EXCHANGE RATES.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, February 11.

THE Transvaal gold industry has started 1924 remarkably well, as the output for January is the largest on record for a straight month, the total being 796,768 fine ounces. In March, 1912, the yield, as announced by the Chamber of Mines, was 830,723 ozs, but this included 70,142 ozs of accumulated gold reserves, which it was thought desirable to discontinue. The largest individual contribution was the 71,500 ozs of the Crown Mines, while the Government Arcas also yielded over 70,000 ozs. New Modder and Randfontein Central were each responsible for 55,000, and the City Deep for 40,000 ozs. The only other mine to produce more than 30,000 ozs was the East Rand Proprietary, which, in contradistinction to those just mentioned, is still entirely dependent on the currency premium on gold for its profits; but two mines, Brakpan and Modder B, closely approached that aggregate. The output represented over 33 Colonial or "short" tons, the Crown Mines and Government Areas each contributing about three tons. The profit of £202,000 made by Government Areas is a record for the Rand, or any other goldfield, as have been, indeed, the results of that company for some months past.

Though over a million sterling is being paid to the Union Treasury in respect of last year's profits of this mine, the controllers are entirely satisfied with their contract with the Government, as there is a very handsome margin. One must, of course, regard the Government participation in the light of the vendor interest in gold mines under the earlier and general system of company formation. Broadly, the Union Government receives about 50 per cent. of the profits of Government Areas, a relatively small percentage compared with that of certain Rand companies. For example, the Nourse Deep, out of a capital of £450,000, issued 237,500 shares to the Rand Mines for 241 claims, and 62,500 shares to the Henry Nourse Deep Level Gold Mining Company for 28 claims, a total of 300,000 shares as vendor consideration, or 66½ per cent. In the Ferreira Deep flotation, out of an original capital of £910,000, no fewer than 780,000 shares went to the vendors, representing over 85 per cent. The original capital of the Robinson was £50,000, 45,000 shares, equivalent to 90 per cent., being allotted to the vendor as purchase consideration. Originally, the capital of the Rose Deep was £400,000, of which the vendors received 200,000 fully paid shares. Of the initial issued capital of the City Deep, £450,000, the vendors received 380,000, or as much as 84 per cent. In the case of the Meyer and Charlton, 32,500 shares out of £40,000 capital went to the vendors, again about 80 per cent.

These figures are given as illustrations. It is rather a complex matter to trace vendor consideration right back to the commencement. There is another salient difference, these older companies were largely financed by issuing working capital shares at a premium of several

pounds, whereas in the case of areas wholly leased from the Government, all the working capital was subscribed at par, subject to a maximum underwriting commission of 10 per cent. Where areas additional to ground originally held were leased, e.g., by Brakpan and Springs Mines, the subscription was at a substantial premium, namely, at £5 and £3 per share respectively.

The value of the mineral production of the Union for 1923 is given at £51,902,264, inclusive of the currency premium on gold, the value of which metal is returned at £41,054,914. On the basis of the difference between standard value and the estimated increased value based upon the Chamber of Mines' monthly assessments, the gross currency premium was £2,216,200. But the cost of realisation, including heavy bank exchange charges in recent months, cut pretty deeply into the premium. In this connection it is significant that the working revenue, as shown by the Chamber, was only £920,000 in excess of the value of gold taken at standard valuation; of course, realisation and exchange charges apply to the whole of the gold output, except such as is retained in London for purchases of stores and payment of dividends, and not merely to the premium portion. The diamond output increased to over two million carats, valued at £6,038,200. This is an increase of £3,771,500 for the year, while the value is nearly twice that of 1921. Practically twelve million tons of coal were produced, selling for £3,714,500; the price realised in Natal has dropped less than in the Transvaal. At £394,500, the value of copper was ten times that shipped in 1922, owing to the restarting of the Messina copper mine. Tin more than doubled in output and trebled in value, owing to enhanced price, totalling £174,000. Silver is obtained from silver lead at the Transvaal silver property, and is also contained in gold; its value was nearly £200,000. Osmiridium valued at £43,500 was also recovered, chiefly in mines of the Far East Rand.

The Rand output of 8,898,731 ounces was only surpassed in 1916 with a yield of 8,971,359 ounces. But the currency premium makes the value of £39,061,604 the greatest in the field's history.

Here is an interesting comparison of results of producing mines in 1914 (for the most part the "pre-war" year) and in 1923:—

	1914.	1923.
Tons milled	25,701,954 ..	26,538,975
Gold recovered	8,033,570 ..	8,898,731
Value of gold recovered (including premium)	£ 34,124,434 ..	£ 39,061,604
Salaries and wages paid	£ 11,711,982 ..	£ 12,389,154
Expenditure on supplies	£ 9,532,360 ..	£ 12,028,882
Total working expenditure	£ 21,943,692 ..	£ 26,553,094
Total working cost	£ 17/1 ..	£ 20/
Total working profit	£ 9/ ..	£ 9/5
Dividends paid	£ 8,073,436 ..	£ 8,411,970
Direct Government revenue from those mines	£ 1,440,223 ..	£ 1,284,024

* In respect of the year's operations. † Estimate.

It will be observed that, although the tonnage is only 850,000 greater, the expenditure is £4,610,000 higher. Dividends are much the same, but the Government revenue is practically double, chiefly owing to the contribution of £1,000,000 by the Government Areas mine, which only commenced crushing in October, 1914.

Much attention continues to be directed to the high rate of bank exchange on London, increased on January 28th to 3½ per cent. on sight drafts. Mr J. P. Gibson, the senior general manager of the Standard Bank of South Africa, has issued a statement dealing with the various criticisms of present banking policy in the Union which have appeared in the columns of the *Rand Daily Mail* and elsewhere. Mr Gibson defended the high rate on the ground that the South African banks were accumulating large balances in London, which, if the Union goes back to the gold standard in June, 1925, would depreciate on transfer to South Africa in accordance with the difference in value between the British and the South African pound. This statement has met with much criticism in the Press. While it may be argued that the banks only make the difference between the buying and selling rate, subject to relative remittances to finance imports or exports, it must be confessed that a margin up to 1½ per cent. (e.g., selling rate £50-£500, 2½ dis., buying rate, 3½ dis.) seems large. In pre-war times there

was usually a difference of only ¼ per cent. or so. The public is by no means satisfied with the balance of trade argument, and suggests that the banks are bound to exploit sources of revenue more intensively now that the Reserve Bank has deprived them of the profits of the note issue, and that this is one of the results.

NEW ZEALAND.—THE GENERAL OUTLOOK—LOWER TAXES—COMPANY TAXATION.

(FROM OUR CORRESPONDENT.)

AUCKLAND, N.Z., January 26.

As some of my previous communications have been rather pessimistic, it is all the more gratifying to record that the New Year opens under the most propitious circumstances, as far as New Zealand finances and trade are concerned. Business for the last year has been good, prices of wool and other local products are rising, conditions in the labour world have been remarkably peaceful and promise to be even more so for the coming year; budget conditions are also improving, and as formerly predicted, the time when New Zealand requires to negotiate outside loans appears to be past.

Financial questions will again be an outstanding feature of the forthcoming session of Parliament. It can be definitely stated that there will be a further reduction in taxation, which has been scaled down in the past three years from £17 4s 4d per head of the population in 1921 to £11 17s 8d in the past year. The most substantial concessions in 1922-23 were in respect of land and income-tax, the aggregate reduction amounting to £929,100. The Prime Minister refused to give any definite answer as to the exact amount which would be deducted from company taxation, but it is believed that it will be substantial.

On account of the ease with which it could be collected, company taxation found favour with the Government. It took the form of an all-round impost of 8s 9d in the £ on the net income (quite irrespective of the capital employed in the business), and was the most crude and preposterous levy in the history of national taxation. By successive reductions this tax has been brought down to 5s 10d in the £, but still compares most unfavourably with the rates ruling in Australia. The tax has been found to have a crushing effect on the working of industrial companies, for though some of these have been able to pass the increased charges on to the consumer, this has not been found possible in every case. Many industries are run by municipal bodies, and such municipal enterprises are not, as in England, subject to the company tax, a differentiation which has further told against private enterprises. But these defects are being gradually remedied as the result of experience.

Mr Massey forecasts a very substantial surplus in the general revenue, though it is still too early to gauge its exact extent. The customs revenue, for example, for the nine months ending December 31st, totalled £5,329,545, an increase of £1,089,161 for the corresponding period of the previous financial year. There have also been large increases during the past year in the receipts from railways and income-tax. The prospect of a surplus in the railway earnings is confirmed by the accounts for thirty-two weeks of the financial year. Thus, after three years of dependence on subsidies, the department is again approaching a self-supporting basis. Nevertheless, it has been starved with regard to capital expenditure during the years of stress, and the general manager states that ten million pounds are required to bring the railways to a proper state of efficiency. Unless the growing congestion caused by increased traffic is relieved, the consequence may be disastrous; the Government, however, now appears to control sufficient funds to overcome this difficulty.

With regard to the distinction made in favour of debenture capital, this seems to be more defensible than the scheme of company taxation on net income. Before the war, corporations like the Auckland Harbour Board were able to borrow money locally at 4½ per cent. To make such loans now retrospectively subject to a confiscatory tax would be not merely unjust, but destructive of public confidence in the stability of what have been universally accepted as trust investments. Already the increased taxation upon corporation debentures has made it difficult

to borrow money locally for municipal undertakings, requiring loans to be placed in London for purposes which could more profitably be undertaken out of the country's own resources. This means swelling the exports of New Zealand produce to meet our external interest bill, which already exceeds six millions sterling upon State and municipal indebtedness.

LEAGUE OF NATIONS.—HUNGARY AND AUSTRIA —THE QUESTION OF ARMAMENTS.

(FROM OUR CORRESPONDENT.)

SWITZERLAND, March 4.

THE League's Hungarian reconstruction scheme goes ahead. The Reparation Commission, following its usual tendency to delay decision until it is just not too late, has eventually raised the liens on Hungary and accepted the average maximum reparation and treaty charge payments, as limited by the League scheme, for a period of 20 years. This was not done until a certain amount of financial panic had arisen in Hungary owing to the delays, but the decision had an immediate tranquillising effect. The League's delegation has gone to Budapest to collaborate with the Government in drawing up the preliminary measures, and the formal signature of the Protocols and the appointment of a Commissioner-General should not now be delayed. There was only one outstanding point remaining to enable the Protocols to be signed, and that, I understand, has now been cleared up.

At this moment there comes also the report of the League's Commissioner-General in Austria that the Austrian Budget is now balanced, some ten or eleven months before the end of the period fixed by the League scheme. But it is at the same time indicated that the balance is on too high a level; in other words, although the revenues from taxation are sufficient to meet current expenditure, this expenditure is beyond what it should normally be and taxation higher than what should normally be maintained. This obviously may be a debatable point, and it will be interesting to see what happens.

Finally, in the matter of reconstruction, comes the fact that Sir Arthur Salter, Director of the Economic and Financial Section of the League Secretariat, has been heard by the Budget experts' Committee appointed by the Reparation Commission on the League's reconstruction methods. There are accumulating signs of greater mental elasticity in the handling of the whole European problem, but it would be vain to live in a fool's paradise. There are some big snags in the way. I gather that the general reparation proposition contained in the *Economist* two or three weeks ago has been receiving close attention in Paris.

The question of armaments has occupied the attention of three League meetings, namely, those of the Temporary Mixed Commission, of the Permanent Advisory Commission, and of the naval experts in Rome. The chief point about the Temporary Mixed Commission, which has appointed a sub-committee to draft a convention on the control of the traffic in arms, was the attendance of the American Minister at Berne on the direct instructions of the American Government, to follow the proceedings and assure the Committee of America's collaboration. This is the nearest approach of America towards the League in any co-operation on political matters, for first and foremost, armaments must be regarded as a political problem. This also strengthens that party in League circles which is in favour of the leading part being played by the civil element, though the Permanent Advisory Commission, composed of military experts, naturally takes a somewhat different view. The meeting of the naval experts in Rome has shown that it is not wise to be optimistic about securing limitation plans by means of experts themselves. Although it was strictly expert, the political problem was always in evidence, and the meeting seems to have demonstrated that the Washington method is the better—namely, a political conference, with the experts at the elbow of each delegation. It is easy to argue that this meeting was a complete failure from the fact that, summoned ostensibly to limit naval armaments, a great many of the most important participating States concerned

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demand a limit, in some cases considerably higher than their existing forces—in some cases higher than their pre-war forces—and this despite the fact that it may be assumed that very few of them will ever attempt to build up to the limits for which they have asked. Therefore, to come to international agreement, which would have to fix limits considerably higher than already existing levels, would provide a convenient handle to all defence Ministers desiring to increase their naval armaments. Might it not, therefore, be better to leave the matter altogether alone, trusting to the facts of the situation rather than to theoretical bases for the future?

But it is not quite so simple as that. A good many of the excessive demands, especially that of Russia, were based on purely political considerations. States want their armament requirements to be part of their diplomatic bargaining. Russia, for example, puts up a high figure because she wants to talk about conditions in the Black Sea, in the Straits, and in the Baltic. Sweden naturally depends somewhat upon what Russia does; Greece depends upon what Turkey does; each of the three big South American States depends upon what the other two do, and so on. Spain takes a somewhat particular position, partly of pride, but it is not beyond the power of arrangement. What might, therefore, be possible, and more fruitful, would be a general diplomatic conference like that of Washington, which should then split up into regional committees and endeavour to come to regional agreements, taking in account all political and pride factors. For example, the naval tonnage of Russia has no relation to the naval tonnage of South American Republics, and the tonnage of Greece and Turkey in the Near East has no bearing upon the needs of the Scandinavian countries. Something useful might be done by taking together those countries which are closely related to each other in their naval interests and anxieties, but it is an attempt which perhaps should not be made too soon. There is too great a tendency to put the question of armaments on a purely moral and occasionally purely financial plane, and to separate it in this way from the political plane. In practice, this cannot be done, and the Rome Conference proved it, if proof were necessary.

The League Council meets next Monday. Included on its agenda are the report on the Hungarian scheme, the jurist's report on the interpretation of those parts of the Covenant which had application to the Corfu affair, the conclusions of the neutral commission appointed to examine the possibilities of a settlement on conditions at Memel, and the appointment of successors to the Dane and the Sarrois, who have resigned from the Saar Governing Commission. Lord Parmoor comes for the first time as British representative.

Letters to the Editor.

COMPANY DEBENTURE REDEMPTION.

TO THE EDITOR OF THE ECONOMIST.

SIR,—With reference to the letter signed by Mr Roger P. Sing, chairman of the directors of the Union Cold Storage Company, Limited, which appeared in your issue of March 8th, I am directed to inform you that my committee took exception to a letter sent by the secretary of the Union Cold Storage Company on September 10, 1923, to certain Debenture-holders, who were clients of members of this exchange, in the following terms:—

"Referring to your holding of £..... 4½ per cent. first mortgage debenture stock in this company, the company is in a position to purchase some of this debenture stock, and I am instructed to offer you £93 per £100 stock, which is the full market price for your holding. If you

will sell, please notify me and I will send you the necessary papers."

The debenture stock of this company was on that date quoted in the Manchester Stock Exchange Official List at £91 to £94, and it will be observed that in making the bid the secretary was making use of the current Stock Exchange quotation.

It has always been one of the conditions on which quotations are granted in the Manchester Stock Exchange Official List that the company and its officials should refrain from dealing in the securities of the company with stockholders direct.

My committee drew the attention of the directors of the Union Cold Storage Company to this condition, but the secretary of this company, at a subsequent date, again wrote to certain debenture-holders offering to purchase debenture stock direct at £94, and my committee then ordered that the quotation for the debenture stock should be removed from the Manchester Stock Exchange Official List, and a similar action was taken by the committee of the Liverpool Stock Exchange.

At the last meeting of the Council of the Associated Stock Exchanges, which represents 21 stock exchanges outside London, the Council recommended each exchange to pass the following resolution:—

"Any company acting as dealers in any of its securities through its officials, either officially or otherwise, shall be liable to exclusion from the Official List."

You will see that there is no intention on the part of the Manchester Stock Exchange to interfere with any company's right "to redeem the debenture stock by purchases in the market, or by asking for tenders or by drawings, which ever may suit it best," but the circular in question was not an offer of redemption, and it is surely an abuse of an official quotation for a company to use that quotation as a basis for fixing a price, and then to write direct to stockholders and endeavour to arrange a transaction direct with the stockholder at a price based on the Stock Exchange quotation.

In the event of a purchase neither the seller nor the buyer pays brokerage on such a transaction. It was the opinion of my committee that the Union Cold Storage Company was making an improper use of the official quotation in writing direct to the clients of the members of this and other stock exchanges, and endeavouring to secure stock from them on the basis of the Stock Exchange quotation without paying brokerage.

Incidentally it may be mentioned that it was stated by Mr Sing that the company had tried to buy stock on the Stock Exchange but had failed to do so. The natural inference is that there were no sellers at the quoted price, and it is a matter of common knowledge that the statement that £93 was a "full market price" for a well-secured 4½ per cent. debenture stock redeemable at par in 1928 was subsequently challenged in the Press (see the *Times*, September 20, 1923, City Notes).—Yours faithfully,

HORACE RICHMOND,

Secretary of Manchester Stock Exchange.
Manchester, March 11th, 1924.

SWISS RAILWAY ELECTRIFICATION

TO THE EDITOR OF THE ECONOMIST.

SIR,—Referring to above, and to the article on page 470 of your issue of March 1st, permit us to draw your attention to the fact that your Geneva correspondent appears not to be fully informed in this matter, in so far as he apporions at the end of the article mentioned the electric engines incoorrectly between the various Swiss electrical engineering firms.

To ensure the service on the lines now being electrified, the Swiss Federal Railways recently placed a contract for 57 electric locomotives—the largest number yet ordered by them at one time; the electrical equipment of 30 of these locomotives is being supplied by the Oerlikon Company. The locomotives in question are of the Ae 3/6 (2C1) type; they are intended for hauling express trains of 480 tons on gradients of 1 in 100 at a speed of 40 m.p.h. The Oerlikon Company has already been executing orders for 20 locomotives of this type, some of which have been delivered while others are still under construction.

It is interesting to note that with this great development of single-phase traction, the various designs of motors have been gradually tending towards an uniform type, and, now no longer differ in principle one from the other. The different methods of connection, which were once nearly as numerous as the makers of single-phase motors, have gradually been superseded by the simplest mode of connection where the motor is a plain compensated series machine, with auxiliary field displaced in phase—a design adopted by the Oerlikon Company already in 1904. In fact, single-phase traction motors are being built on this principle not only in Switzerland, but also in Norway, Sweden, Austria, Germany, and in the United States of America, now that manufacturers have abandoned their former motor designs, and adopted in place a type of machine such as produced by the Oerlikon Company for the last 20 years.

The many methods of speed regulation formerly encountered—regulation by means of induction regulators, by displacement of brushes on commutator, &c.—have also disappeared, the only mode of speed regulation normally used, at the present time, being that by means of tapplings on transformer—a method resorted to by the Oerlikon Company, already, for their trial locomotives on the Seebach-Wettingen line in 1905. It may, therefore, rightly be said that the Oerlikon Company have been the foremost pioneers in the field of single-phase traction.

As above few lines deal with matters of principle in the construction of single-phase electric locomotives, very likely same will be of interest to many of your readers.—Yours faithfully,

G. WUTHRICH

(General Manager and Chief Engineer of Oerlikon, Limited).

London, March 12th, 1924.

Books and Publications.

QUACK REMEDIES FOR UNEMPLOYMENT.*

It is as well that the author of "Unemployment: Its Cause and Cure" hopes to find his market among "those who have not had the benefit of a training in economics." It is only among such that his misconception of the economic organisation of society and his faulty logic could pass muster. An example of the first is his distinction between productive and non-productive labour. The former "is concerned entirely with the production of those things which enter into the standard of life of the mass of the people—simply food, clothing, and shelter, and probably little else." Secondary employments which the author stigmatises as unproductive "minister solely to the wants of the wealthy classes." They are depicted as building palaces, motor-cars, or warships. Mr Hook omits to tell us in which class he includes the listening-sets, of which the aërials are to be seen in enormous numbers on the roofs of any industrial town; the Ford cars and motor-bicycles which find so large a market among the working classes and the large population which ministers to popular entertainment. The author's confused and inaccurate picture of society naturally leads to muddled conclusions. As an example of the author's reasoning, he discusses under the heading of foreign trade what would happen if a monopoly secured control of America's raw cotton. Under present circumstances, it would mean we should have to give more products to America to purchase our raw material. But if Mr Hook's ideas were followed and "the production of the country were increased by transferring workers from unproductive to productive employments," he arrives at the conclusion that "the country would then be able to send to America the additional goods the cotton dealers there were able to extort, and would receive back a quantity of American goods equal to that received before the cotton 'ring' got to work. The net production left for division in England would then not be diminished." Our readers can judge from these two examples whether Mr Hook, in spite of his obvious sincerity, is a sound guide on this supremely urgent question.

* "Unemployment: Its Cause and Cure." By Alfred Hook. (London) The Labour Publishing Company. 5s.

EARLY ECONOMIC THOUGHT.*

PROFESSOR MONROE is right in thinking that a knowledge of the history of economic thought is an extremely valuable background for all who are concerned to understand modern economic theory, but for most people such knowledge is almost out of reach. We think, therefore, there is a place for a compilation, such as that before us, of a series of clearly substantial extracts from economic writers prior to Adam Smith. This volume includes translations from 16 writers, starting with Aristotle, Xenophon, and St. Thomas Aquinas, down to Hume, Turgot, and Von Justi. In order to preserve the character of the extracts, Professor Monroe has limited himself to extremely short biographical notes of these various writers, but to the ordinary reader the volume would be more illuminating if the editor had given himself a little more liberty in this respect. For example, in introducing Thomas Mun's "England's Treasure by Foreign Trade," his only comment is: "Though thoroughly mercantilist in spirit, it contains several qualifications of the greatest significance." It would only require a few lines to enable the general reader who is not an expert in early economic thought to find and appreciate what these qualifications are.

* "Early Economic Thought: Selections from Economic Literature prior to Adam Smith." Edited by Arthur E. Monroe, Ph.D. (London) Oxford University Press. 16s net.

HOME MANAGEMENT ON BUSINESS PRINCIPLES.*

A TEXT-BOOK applying business principles to the administration and finance of the household is a reversion to the original etymological meaning of the word economics. It is not every housewife who could read and understand Professor Andrews' 600-page text-book; but those who will devote the necessary time to the task will find much of interest in his analysis of the allocation of household income and expenditure and examination of forms of saving and how the process of saving may be put upon a business basis, guidance as to the value of various types of investment and of life insurance, the economics of food supply, clothing, housing equipment, and service. The reading of what is in the main a solid work is lightened by what appears to be a somewhat pontifical statement about the normal replacing of the household capital, the number of pairs of socks, for example, required by the average business man per year, or the life of the average office suit. Perhaps the most interesting chapter is that dealing with the various means of keeping household accounts. But we are intrigued to know what his reply was to the six out of thirty-eight account-keeping correspondents who reported that they had given up keeping them as "not worth while." We feel sure that Professor Andrews had a very convincing answer.

BOOKS RECEIVED.

Early Economic Thought. Selections from Economic Literature Prior to Adam Smith. Edited by A. E. Monroe, Ph.D. (London) Oxford University Press. 16s net.

European Bankruptcy and Emigration. By Helmer Key. (London) Methuen and Co. 6s net.

System of Financial Administration in British India. By P. K. Wattal. (Bombay) Times Press. Rs.10.

Economics of the Household: Its Administration and Finance. By Benjamin R. Andrews. (London) Macmillan and Co. 14s net.

The Foundations of National Industrial Efficiency. By Vanderveer Curtis, Ph.D. (London) Macmillan and Co. 10s 6d net.

Economics for Helen. By Hilaire Belloc. (London) J. W. Arrowsmith. 5s net.

Wider Aspects of Education. By J. H. Whitehouse and G. P. Gooch. Introduction by H. W. Nevins. (London) Cambridge University Press. 4s 6d net.

The Worker in Modern Economic Society. By P. H. Douglas, C. N. Hitchcock, and W. E. Atkins. (Chicago) University of Chicago Press. Cloth. \$4.50.

Social Credit. By Major C. H. Douglas, M.Inst.Mech.E. (London) Cecil Palmer. 7s 6d net.

* "Economics of the Household: Its Administration and Finance." By Benjamin R. Andrews. (London) Macmillan and Co. 14s net.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, March 19.	ACCOUNT, March 20.

The main source of inspiration to Stock Exchange prices this week has been the wild character of the movements in the franc. When the exchange touched 120 on Monday, general depression spread over the markets. Upon the franc rallying to 99, prompt recovery ensued. These vagaries in the French exchange have their effect upon general Stock Exchange business, in that they raise up in the mind of the speculator, more particularly, a fear as to vague and unknown possibilities. The consequence is that while prices have moved sharply in many departments, business throughout the week proved to be on a small scale.

The War Loan has held tenaciously to the neighbourhood of 101, and Conversion, after a dip to 75½, regained most of the fall. The Funding Loan is better, and Victory Bonds came into demand, the former on consideration that the price will look cheap when marked ex dividend at the end of this month, Victory Bonds being popular owing to the approach of the date for drawings. The New South Wales subscription lists for the new issue remain open until next Wednesday. The new scrip stocks in this market, Union of South Africa, West Australia, and Southern Rhodesia, continue at a small discount. India Government stocks reacted in consequence of a hesitation in regard to the favourable Budget figures.

Brazilian bonds have gone back after their recent steady rise, although the missionaries are expected back home almost at once. French Government bonds went acutely flat, taking with them the municipal, railway and shipping descriptions, though the rally in the franc, caused by rumours of substantial financial assistance being afforded to the Bank of France by outside institutions, served to bring about an equally abrupt rally. Germans are neglected. Austrian Sixes, Czechos Eights, Japanese Sixes, and other speculative stocks maintain their prices, and are being steadily spread amongst a wide circle of the public.

Home Railways are very quiet. Central London non-assenting stocks have risen within the past few days from 8 to 15 points, upon the renewed proposal made to holders of the stocks that they should accept the same terms as were offered in 1912, and which the majority of the proprietors accepted at the time. Fears of labour troubles tend to keep away the public from Home Railway stocks, both for investment and speculation, but the market is firm. Grand Trunk Pacific Debenture keeps dull. Mexican Rails are inclined to give way; Nitrate Rails are better. The Argentine railway group, after being good, turned easier, upon the apprehension that the Buenos Aires Western dividend may show a decline when announced next week. Brazilian railway stocks hold their rises, and United of Havana has lost but a little of its recent substantial advance.

There is nothing fresh astir in the rubber market, where the weakness of the raw material has little effect over share values, so dormant is the market. Oil shares have been played upon by the French exchange, prices moving up and down in consonance with the fluctuations in the franc. Industrials are strangely quiescent. The stores shares keep good, owing to the recent dividends, and the hotel shares are steady. Shipping shares hardly move. The changes in banking and insurance stocks are exceedingly small on the week. A number of Trust Companies' issues have risen. Hudsons Bays went better, on talk of oil discoveries in the company's territory. Sudan Plantations hold most of their recent gain.

Textiles are uninteresting. Not even in Courtaulds is there any particular volume of trade passing. Amongst iron and steel shares, Powell Duffryn improved on an excellent dividend

announcement. Baldwins gave way on a report, subsequently contradicted, suggesting possible reorganisation. The group as a whole is heavy. Cammell Lairds have passed their dividend. Amongst electric lighting shares, a rise in Charing Cross is the outstanding feature. Dunlops have gone back after their recent spurt. Gas stocks continue to droop. Wireless and cable descriptions fail to attract notice.

Kaffirs underwent a noticeable weakness a few days ago, but the falls were mostly recovered, on support from the Cape and from Paris alike. Selukwes gave a semblance of activity to the Rhodesian market, by rising from 8s 6d to 12s 6d, relapsing considerably from the best. Diamond shares have followed Paris, and so have Rio Tintos. The various tin markets looked on almost unconcerned when the metal touched £299 per ton. The amount of public interest aroused in tin shares is surprisingly meagre. Mexicans are generally better. Russians eased off. The Indian gold-mining shares, in spite of good dividends, are inclined to droop.

On Thursday next the annual election of the Stock Exchange Committee takes place. Two resignations have been sent in, and five new candidates are in the field. For the 30 seats there are, accordingly, 33 candidates.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscriptions.	First Payment.	Further Liability.
Amount previously recorded.....	£ 27,699,075	..	..	..
Revised figure.	£ 27,699,075	..	..	..

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED MARCH 8, 1924.

	April 1, 1923, to Mar. 8, 1924, £12,200,000	Dr 200,000	Dr 200,000
To the Public—			
New South Wales Government 5% Conversion Loan, 1935-1955 (rep. at par), issued at 97½%	500,000	487,500	25,000
S.T.D. Motors, Ltd., £500,000 10-year 8% Gld. Notes (rep. at 102½% in ten instalments from 1925 to 1934), issued at 97½%	500,000	487,500	25,000
Fairbanks Hotels, Limited, £150,000 7% First Mort. Deb. Stock (rep. at 103½% 1934-1949) issued at 95%	150,000	142,500	15,000
Do 1,000,000 Ord. Shrs., 5s, at par	250,000	250,000	50,000
The New Chemil Galleries, Chelsea, £24,000 £1 6% Cum. Prof. Shares	24,000	24,000	2,400
Do, 8,000 Ord. Shares, £1, as par	8,000	8,000	800
Total offered to the public ..	912,000	93,200	818,800
To Shareholders only—			
Electrical Distribution of Yorkshire, 100,000 Ord. Shares, £1, at 25s	100,000	125,000	125,000
United States and General Trust Corporation, 40,000 Ord. Shares, £5 (to be converted on allotment into Paid, and Deid. Shares), issued at £5 15s per share ..	200,200	230,230	40,040
Total offered to shareholders ..	355,230	40,040	315,190
Total offered for subscription to date in—			
1924.....	28,766,305	1923.....	271,351,173
1923.....	58,956,203	1922.....	573,675,650
1922.....	253,281,703	1921.....	388,978,203
1921.....	57,914,729	1920.....	367,549,656
1920.....	121,710,893	1919.....	1,036,059,951
1919.....	275,506,431	1918.....	1,393,381,441

New South Wales Government 5 per Cent. Conversion Loan, 1935-1955. Issue price, £97½ per cent.—This is an offer of conversion to holders of £16,419,003 New South Wales Government 3½ per cent. inscribed stock, due October 1, 1924, into an equal amount of 5 per cent. inscribed stock, 1935-1955, on the following terms:—Holders converting will receive a cash payment of £2 10s per cent. on October 1, 1924, being the difference between the nominal amount of the maturing stock and the issue price of the new stock, less 15s per cent. (less income-tax), being the difference between £2 10s, the interest on the new 5 per cent. stock, and £1 15s, the interest on the 3½ per cent. maturing stock. Subscriptions in cash are invited for 5 per cent. inscribed stock, 1935-1955, to an amount sufficient to make up, with the 3½ per cent. stock converted, the total of £16,419,003 at 97½ per cent. The 5 per cent. stock will be repayable at par on October 1, 1955, but the Government of New South Wales has the option to redeem at par, on or after October 1, 1935, on giving three months' notice. An excellent trustee security.

Card Clothing and Belting, Limited.—Authorised capital £650,000 in £1 shares, of which £522,675 is about to be issued. There are 450,000 ordinary and 200,000 preference shares. The issued capital consists of £347,675 ordinary shares, issued as fully paid to vendors in part payment of purchase price, and the present public issue of 175,000 7½ per cent. cumulative preference shares offered at par. In addition, there is now offered to the public £250,000 6 per cent. first mortgage debenture stock at 96½. The authorised debenture issue

is limited to £300,000. It will be secured by a trust deed constituting a first charge upon property and fixed assets. The stock will be redeemed by October, 1938, at 102 per cent. The company reserves the right to redeem the stock after October, 1929, at 105 per cent. This company represents a combination of firms engaged in the manufacture of "card clothing for worsted and woollen, silk, jute, flax, &c." Total assets are valued at £646,763. This sum includes property and fixed plant, £99,560. Thus the security provided by fixed assets is not very generous. The purchase price is £646,763, of which £299,088 is payable in cash and the balance in ordinary shares. Combined profits are given for six years. If the average is maintained, the debenture stock and preference share issue are well covered as regards interest and dividends. The prospectus, on the face of it, is an informative document, which does credit to its compilers.

Fairbanks Hotels, Limited.—Authorised share capital £250,000, divided in ordinary shares of 5s each. There is also 7 per cent. first mortgage debenture stock for £150,000. This is an issue of all the ordinary shares at par and the debenture stock at 95. The company has been formed to acquire the Grand Hotel, Harrogate; the Headland Hotel, Newquay; the Shakespeare Hotel, Stratford-on-Avon; and the Grand Atlantic Hotel, Weston-super-Mare. The company will have the right to redeem the debenture stock at 103 per cent. at any time after December 31, 1934, subject to six months' notice. Any stock not previously redeemed will be repaid at 103 per cent. on December 31, 1949. The company is acquiring the four hotels for £302,000, payable in cash. No intermediate profit, it is stated, is being made. A well-known firm has valued the hotels at £341,887, exclusive of goodwill. This is an interesting flotation, and some of the directors show that they possess the necessary qualifications. We see nothing unduly attractive from a shareholder's point of view in the profit figures set out in the prospectus.

Bukit Pulai Rubber Estate, Limited.—Authorised capital £160,000 in shares of 2s each. The prospectus states that over 600,000 shares of the present issue have been applied for by the directors and others, and will be allotted in full. The properties to be acquired are in the F.M.S., and are on the navigable River Kim Kim. They have a total approximate area of 6,228 acres. The planted area is stated to be 3,068, but has not yet been surveyed. The prospectus mentions that the Government grant for one section of 1,401½ acres has not yet been made out, but adds that the vendor company states that all preliminaries have been performed, and the grant should be issued forthwith. The authorised official restricted production of rubber for the quarter ended October 31, 1923, is 76,344 lbs, and the output for the six months to January 31, 1924, as given by the owner, was £28,000 in shares and the balance in cash. "Subject to survey," the property has been valued at £138,827. A speculative proposition.

Charles Chenil and Co., Limited.—Authorised capital, £35,000, divided into 25,000 8 per cent. cumulative preference shares of £1 each, 8,500 ordinary shares of £1 each, and 30,000 deferred shares of 1s each. The present offer is an issue at par of 24,000 preference and 8,000 ordinary shares. The venture is described as "An Artistic, Musical and the artistic world. But we do not quite understand the blend of commercialism with art. Little is told us about the old concern, except that "since its inception, dividends totalling the ordinary shares have been paid." The managing director will be in a happy position if the new company proves successful. With the 30,000 is deferred shares in his possession, he can exercise considerable voting powers, while after 8,500 he will be entitled to two-thirds of the profits. Frankly, we cannot see why capital to the extent of £1,500 should possess of the interests involved.

South-West Suburban Water Company.—This is "an offer for sale by tender" of 3,000 £10 ordinary shares or such number as will, including premiums, realise the net sum of £34,631. The minimum price is £11 10s per share. These shares rank for a maximum dividend of 7 per cent., *pari passu* up to that rate with the original shares, which are now receiving 9 per cent. per annum. The net revenue of the company for the year 1923 was £23,973, and after payment of balance of £13,729 available for dividends, there remained a share. Purchasers can reasonably expect to have a 7 per cent. distribution maintained.

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

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Week.	Latest Price.	Rise or Fall.		Price Week.	Latest Price.	Rise or Fall.
War (3½%, 1925-28) ..	95½	95½	+	Aust. 6% 1931-41 ..	104	104	+
Loans (4½%, 1925-45) ..	95½	95½	+	Canada 4½% 1930-35 ..	101	101	+
Consols (4½%, 1925-47) ..	101	101	+	India 3½% Stock ..	64½	64½	+
Funding Loan 4½% ..	102½	102½	+	Do 7% 1926-31 ..	111½	111½	+
Victory Bonds 4½% ..	87½	87½	+	Do 5½% 1932 ..	100½	100½	+
Conversion Loan 3½% ..	75½	75½	+	Do 4½% ..	85½	85½	+
Consols 2½% ..	55½	55½	+	N.S.W. 5½% 1922-32 ..	101	101	+
Irish Land Stock 2½% ..	52½	52½	+	Nigeria 6% 1949-79 ..	112	112	+
Local Loans 5% ..	64½	64½	+	U. of S.A. 6% 1930-40 ..	106	106	+
				Victoria 5½% 1924-34 ..	100	100	+
				W. Aust. 6% 1930-40 ..	104	104	+

British Railways.			
Great Western, Ord. ..	108½	108½	+
London & North-Eastern ..	108½	108½	+
5% Pref. Ord. ..	84½	84½	+
Do Def. Ord. ..	32½	32½	+
London, Mid., and ..	100½	100½	+
South-Eastern ..	74½	74½	+
Metropolitan ..	53½	53½	+
Metropolitan District ..	53½	53½	+
Southern, Ord. "A" ..	40½	41½	+
Do Ord. "B" ..	104	104	+
Do Pref. Ord. ..	84½	84½	+
Do Def. Ord. ..	43	43	+
Underground Electric ..	3	24½	+
Do "A" (1) ..	99½	99½	+
Do Inc. Bds. (£100) ..	99½	99½	+

Banks.			
Barclays B. (£1, f.p.d.) ..	24½	24½	+
Chartered Bk. of India ..	20	20	+
Lloyds (£5 with 10 paid) ..	24½	24½	+
Midland (£12, with 24 paid) ..	87½	87½	+
Nat. Bank of Egypt ..	24½	24½	+
Nat. Bank of S. Africa ..	68	62	+
National Provincial ..	10½	10½	+
Standard B. Africa ..	11	10½	+
Westminster Bank ..	17	16½	+

American Railroads.			
Chesapeake & Ohio ..	84	84	+
Do 4½% 1st Pref. ..	37	37	+
Southern ..	58	63	+
Do Non-um. Pref. ..	84	84	+

Foreign Government Securities.			
Argentine 5% 1886-7 ..	100	100	+
Austrian 6% Guar. ..	89½	89½	+
Belgian 3% ..	69	69	+
Brazil 5% Fund., 1914 ..	75	75	+
Chilian 4½% 1895 ..	84	84	+
Do 7½% ..	106½	106½	+
Chinese 5% 1912 ..	70	70	+
Egyptian 4% ..	74	74	+
French 5% ..	192	192	+
Do 4% ..	164	164	+
Greek 4% 1884 ..	454	454	+
Japanese 4% 1910 ..	65	65	+
Do 6% 1924 ..	29	28½	+
Mexican Cons. 1899 ..	54	54½	+
Peruvian Corp. Pref. ..	29	28	+
P.L.M. 6% ..	82½	83	+
Portuguese (New) ..	30	28	+
Russian 6% 1906 ..	11	11	+
Spanish 4% ..	67	63	+
Seine (Dept.) 7% ..	95½	96	+
Siamese 7% ..	104½	104½	+

Colonial and Foreign Railways.			
Antofagasta Cons. ..	86	86½	+
B.A. and Pacific ..	82½	82½	+
B.A. & Gt. Southern ..	87½	87½	+
Buenos Ayres West. ..	82½	78½	+
Canadian Pacific ..	168½	168½	+
Central Argentine ..	77½	76½	+
Leopoldina ..	291	27½	+
Mexican Railway ..	10	10	+
Do 1st Pref. ..	26	26	+
Do 2nd Pref. ..	15	15	+
Sanchez ..	153	153	+
United Havana ..	90	88½	+

Telegraphs.			
Anglo-American "A" ..	22½	22½	+
Marconi Wireless ..	13½	13½	+
Marconi Canada ..	13½	13½	+
Marconi Marine ..	13½	13½	+

Miscellaneous.			
Aerated Bread (1) ..	1½	1½	+
Amal. Consols (2) ..	3½	3½	+
Anglo Persian Oil (1) ..	3½	3½	+
Armstrong (Sir W.G.) ..	13½	13½	+
and Co. (1) ..	13½	13½	+
Ass. Paints Cement (1) ..	13½	13½	+
Barker, John (1) ..	24½	24½	+
Bham Small Arms ..	59½	59½	+
Brazil Traction (100) ..	59½	59½	+
British-American ..	54½	54½	+
Tobacco (1) ..	54½	54½	+
Burmah Oil (1) ..	54½	54½	+
Costs (J. & P.) (1) ..	54½	54½	+
Courtauld (1) ..	54½	54½	+
Ounard (1) ..	54½	54½	+
Dorman, Long (1) ..	54½	54½	+
Dunlop Rubber (1) ..	54½	54½	+
Fine Cotton Spinners ..	54½	54½	+
(1) ..	54½	54½	+
Forestral Land (1) ..	54½	54½	+
Furness, Withy (1) ..	54½	54½	+
Highlands and Low ..	54½	54½	+
lands Rubber (1) ..	54½	54½	+
Bratpan (1) ..	3½	3½	+
Broken Hill Prop. (1) ..	1½	1½	+
Chartered (1) ..	1½	1½	+
Cons. Gold Fields (1) ..	1½	1½	+
Crown Mines (1) ..	1½	1½	+
De Beers (1) ..	1½	1½	+
East Rand Prop. (1) ..	1½	1½	+
Geduld (1) ..	1½	1½	+
Gov. Gold Areas ..	1½	1½	+
Hudson's Bay (1) ..	5½	6	+
Imperial Tobacco (1) ..	5½	6	+
Linggi Plantns. (1) ..	5½	6	+
Lipson (1) ..	5½	6	+
Lever Bros. (1) ..	5½	6	+
Do 8% Cum. Pref. (1) ..	5½	6	+
Do 8% Cum. Pref. (1) ..	5½	6	+
Lobbs Oilfields (1) ..	5½	6	+
Lyons (J. & Co.) (1) ..	5½	6	+
Mexican Eagle (1) ..	5½	6	+
Pekin (1) ..	5½	6	+
Rubber Plantations ..	5½	6	+
Investment (1) ..	5½	6	+
Shell Transport (1) ..	5½	6	+
Smithfield Argentine ..	5½	6	+
Meat (1) ..	5½	6	+
United Dairies (1) ..	5½	6	+
United Serdang (1) ..	5½	6	+
United Tobacco (1) ..	5½	6	+
Vallambrosa (1) ..	5½	6	+
Vickers (1) ..	5½	6	+
Wayneside Bk. ..	5½	6	+

Mining.			
Knights ..	5½	6	+
Modderfont (10) ..	5½	6	+
Modderfont "B" (5) ..	5½	6	+
Modderfont, Deep (5) ..	5½	6	+
Premier Def. (2/5) ..	5½	6	+
Rand Mines (5) ..	5½	6	+
Selkwe ..	5½	6	+
Rio Tinto (45) ..	5½	6	+
Spring Mines (1) ..	5½	6	+

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Div.	Final Div.	Method of Payment.	Lat's Pre-Year without.
Banks.					
Banco de Chile ..	5 p.a.	..	..	Tax free	4
British Italian Banking ..	5 p.a.	..	..	Less tax in 3/9 &	9
Eastern ..	5 p.a.	..	..	Quarterly	..
Molsons ..	5 p.a.	..	..	Quarterly	..
Royal of Ireland ..	5 p.a.	..	..	Less tax	..
Yokohama Specie ..	12	..	..	..	..
Railways.					
Barel Light ..	3%*	..	..	(& bonus 2%)	..
Bengal Doonars ..	3%*	..	..	Less tax 2/3 in &	..
Natal Zululand ..	1%*	..	..	Less tax	..
Uruguay North Eastern ..	6½*	..	..	Less tax	..
Insurance.					
Northern Maritime ..	12½%*	..	..	Tax free	25
World Auxiliary ..	5%*	..	..	Tax free	35
World Marine and General ..	12 p.a.*	..	..	Tax free	..
Mining.					
Boulder Perseverance (Priority) ..	1/3 p.a.	..	..	Tax free	..
Lehat Mines ..	1/3 p.a.	..	..	Less tax	..
Pari Tin ..	5%*	..	..	Less tax	..

Tea and Rubber.				%
Alynnugger Tea	10 %*	Mar. 19	Less tax	..
Baracora (Syhet) Tea	7½ %*	..	Less tax 3/8 97 in £	10
Chersonese	..	..	Less tax 4/7½ in £	2½
Dimbula Valley Tea	15%	..	Less tax	2½
Golden Hope	..	..	Less tax 4/7½ in £	5
Harpden Rubber	..	..	Less tax	2½
Nedem Tea	7½ %*	Mar. 25	Tax free	..
Pataling	..	..	Less tax 4/7½ in £	5
Pathini Tea	10 %*	Mar. 24	Less tax	10
Pegoh Rubber	..	..	Less tax	15
Ragalla Tea	10 %†	(& bonus 5%)	Tax free	25
United Tea Beting	10 %†	..	..	15
Other Companies.				
Achille Berro	..	..	..	9½
African and Eastern Trade Corp.	4 %*	..	Less tax	..
Alnwick Brewery	..	..	..	10
Anglo Siam Corporation	7½ %*	April 1	Less tax	..
Bar Marche	6½ %† (& bonus 10%)	..	..	20
Beck's Pure Food Co.	9 %†	Mar. 31	Less tax	20
Bradley's (Chepstow Place)	..	..	..	20
British Assets Trust, Old	..	..	Less tax	20
Do New Ord.	..	..	Less tax	10
British Borneo Petroleum	5 %†	Mar. 29	Less tax	..
British Gas Light	3½ %*	April 4	Less tax	15
British Imperial, &c., Cables	5 %† (& bonus 5 %)	..	..	1/2 p.s.
Brompton Ferry Chemical	..	..	Less tax	10
Brompton and Kensington Elec.	..	..	Tax free	10
Cammell, Laird, and Co.	..	..	..	nil
Canada Landed Investment	2½ %	April 1	Quarterly	..
Cerebos	2/ p.s.	Mar. 20	Net	12
Chelsea Electricity	15†	..	..	10
City of Calcutta Woollen Manufg.	2½ %†	..	Tax free	5
City Safe Deposit	2½ %†	..	..	5
Coal and Shipping Exchange	..	..	..	25
Coliseum Syndicate	25†	..	Less tax	15
Collisons	..	..	Tax free	25
Coltness Iron Co.	5	April 15	..	10
Eastern Ext. Telegraph	5½ p.s.	April 15	Tax free	10
Eastern Telegraph	2½ %†	April 15	Tax free	10
Electro Bleach and By-Products	13 %†	..	..	20
Ferodo	1 p.s.	..	..	18
Gaskell and Chambers	14½ %	(& bonus 6 p.s.)	Less tax	..
G. D. Peters, Prof.	6	Mar. 31	Less tax	2½
General & Commercial Inv., Def.	13†	..	..	8
Goodman, Made and Costume	..	..	Tax free	44½
Grainger and Smith	..	..	Tax free	7½
Great Western Colliery, "A"	..	..	..	10
Do "B"	..	..	..	10
Hackney and S. Bush Empire	10†	..	Less tax	10
Harrisons and Crossfield, Cm. Pf.	6	Mar. 31	Less tax 4/6 in £	7
Heritable Securities	..	..	..	10
Hugon and Co.	..	..	Less tax	15
Imperial Continental Gas	(c)15 %	May 20	Less tax	20
James Pascall, Limited	..	..	..	5
Jay's	1/ p.s.	April 1	Less tax	ni
Jones and Higgins	..	..	..	12½
Kern River Oilfields	5*	April 14	Less tax	..
Law Land Co.	..	..	..	6
Leach's Avenue Estates, Prof.	3 %*	Mar. 21	Arrears	1
Leeds and Liverpool Canal	..	..	..	1
Leicester Palace	10†	..	Less tax	10
Liberty and Co.	..	..	Tax free	20
Liverpool Exchange	2 %†	..	..	4
Manchester Hippodrome	5*	..	Less tax	4
McBirney and Co.	4†	..	..	6 p
McDonalds, Limited	..	..	Less tax	4
Metropolis Gas	6/6 p.s.	..	..	8
Menx Brewery	£3 p.s.†	..	Less tax	46 1/3/4
Midland Electric Corporation	..	..	..	12½
Municipal Trust Co., Def.	5 %†	..	..	8
Mutamba Sugar	£1 p.s.	..	..	7
Neill and Co.	£1 p.s.	..	Tax free	..
North's Navigation Collieries	..	..	Less tax	10
Plummer, Roddiss	9½ %†	Mar. 21	..	12½
Pontypool Gas and Water, £12 "A"	..	..	..	7½
Do "B," "C," and "D"	..	..	..	12½
Powell-Duffryn Steam Coal	7½ %†	..	Tax free	12½
Prince Line	7/6 p.s.	..	..	7
Quebec Power, Prof.	£12 p.s.	April 15	Quarterly	6
Radiation	..	..	Tax free	6
Railway Investment, Defd.	£10/4 %	..	Subject to tax	£17/1
Raphael Tuck and Sons	5*	April 7	..	0½
Rhonda Shipping and Coal	1/ p.s.	..	Tax free	10
Salt Union	..	..	Tax free	10
Samuel Heath and Sons	..	..	Tax free	15
Samuel Webster	7½ %†	..	..	10
Scottish Iron and Steel	..	..	Less tax	6
Second Scottish Invest., Def.	4 %*	..	Less tax	..
Southall Bros. and Barclay	10 %† (& bonus 2½ %)	..	Tax free	12½
South London Electric	..	..	..	11
St. A. Parade Hippodrome	7½ %†	Mar. 17	..	2½ p.s.
Stewart and Lloyds, Defd.	10†	..	..	12½
Style and Winch	5 %†	..	Tax free	12½
Thomas and James Bernard	..	..	..	10
Turney Brothers	7½ %†	..	Less tax	15
United Alaska	7½ %†	..	..	6
United Carlo Gatti	7 %†	..	Tax free	10
United Dairies	5 %†	Mar. 31	Less tax	..
Venesta, Prof.	7*	Mar. 31	Less tax 4/6 in £	..
Ward and Goldstone	..	..	..	10
W. Canning and Co.	..	..	..	5
W. Hill and Sons	..	..	..	15
W. H. and Sons Book Cloth	1/6 p.s.† (& bonus 9 %)	..	Tax free	15½
W. of Scotland Amer. Invest.	5 %†	..	Less tax	10
Yeatman and Co.	2½ %†	..	Less tax	7

BRITISH EMPIRE STEEL CORPORATION, LIMITED.

REPORT OF BOARD OF DIRECTORS TO THE SHAREHOLDERS.

Your directors submit herewith the consolidated balance-sheet of the corporation and its constituent companies as at December 31, 1923, and the consolidated statement of profit and loss and surplus account for the year ending on that date, certified by the auditors of the corporation, Messrs Price, Waterhouse and Co.

BALANCE-SHEET.

The net increase in the cost of the properties of constituent and subsidiary companies during the year is \$1,280,712. This is the difference between the total expenditure, \$2,293,418 and \$1,012,706, the amount added to reserves for depreciation, depletion and renewals. The total amount of these reserves is now \$28,023,102, and the net cost of properties is \$134,201,384.

Against these properties there are funded and mortgage debts amounting in all to \$37,800,265, or slightly over 28 per cent. of their net cost, as shown on the balance-sheet. There has been an increase of \$1,154,774 in the amount of bonds outstanding. During the year the balance of the issue of Cumberland Railway and Coal Company bonds amounting to \$1,660,000 were sold and bonds of the par value of \$505,226 were redeemed through the operation of the several sinking funds.

The relation of current and working assets continues to be satisfactory, the proportions being nearly five to one, although the excess of assets over liabilities is less than it was a year ago. One reason for this is that in last year's balance-sheet there was a large amount of cash which had been received in December from the sale of bonds, which has since been disbursed, the greater part passing from current to fixed assets. The combined amounts of accounts receivable and cash items, \$6,045,775, exceeds the aggregate obligations of the companies and the corporation in respect to bank loans, accounts payable, accrued interest on bonds and dividends on first preference and preferred stocks by \$1,437,406, or more than 30 per cent.

PROFIT AND LOSS AND SURPLUS ACCOUNT.

The total amount available on this account, including balance carried over from last period as shown on the statement herewith, is \$5,468,544.67. After making provision for depreciation and exhaustion, there remained a balance of \$4,356,029.40, and after deducting payments for interest and discount on bonds and debenture stock a balance of \$2,377,555.30. After provision of amount required to pay all dividends accrued upon first preference stock of the corporation and the preference and preferred shares of constituent and subsidiary companies outstanding, there remained a balance of \$1,031,031.07 at credit of surplus account on December 31, 1923. This amount, added to surplus of constituent companies carried forward, \$21,784,870.32, makes the consolidated surplus \$22,815,901.39.

OPERATIONS AND BUSINESS.

The results of the operations of the constituent companies were more satisfactory in every way than they were in the previous year. The output of coal was increased 857,325 tons. This increase was general, and not confined to any particular operation. A considerable part was due to greater activity in the iron and steel trade.

This was an advantage to the coal business in two ways. The increased output had a favourable influence on cost of production, and the use of slack coal by the steel works furnished the companies with an outlet for any surplus of that grade which they had to dispose of.

Domestic business in iron and steel, though greater in volume than in the previous year, was still unsatisfactory both in volume and results. Competition with imported commodities is more difficult to meet than formerly, when the Customs duties afforded greater protection to Canadian producers. The specific duties upon imports of iron and steel were always lower in proportion to the value of such materials than the average *ad valorem* duty upon other materials, and now that commodity values have largely increased, this disparity in proportion has become very marked. In 1911 the average duty collected on all classes of dutiable goods was 26.713 per cent. The rates upon those classes of iron and steel imports which are dutiable varied

from 6 to 26 per cent., and when used for specific purposes, such as for shipbuilding, the manufacture of agricultural implements, and many other purposes, 99 per cent. of the duty collected is refunded. Several classes of manufactured steel are absolutely free. Last year the average rate of duty collected on all classes of dutiable goods was 24.92 per cent. The rate upon imports of iron and steel which were subject to duty varied from less than 1 per cent. to above 18 per cent. British pig-iron paid 7 per cent.; the maximum rate on steel plates was 7.6 per cent.; on structural steel not less than 35 lbs to the yard, 7.33 per cent.; steel rails paid 18.8 per cent. This condition is not only unfair to the manufacturers of iron and steel in Canada; it has also an adverse effect upon the revenues of the country.

Your directors have brought these anomalies in the tariff to the attention of the Government, and have urged the necessity of taking steps to remedy a condition which must be admitted is not in the best interest of the country. There is no reason why iron and steel should yield a lower percentage of revenue to the country than the average of all other classes of dutiable goods, and it is of the greatest concern to all classes in the community that the iron and steel industry in Canada shall have all the advantage that is incidental to the imposition of duties that are at least sufficient to produce a fair share of the customs revenue.

A considerable trade in wire and wire nails was done with Australia and New Zealand, where the corporation has some advantage in the way of transportation and preferential duties.

Owing to the occupation of the Ruhr by France early in the year, shipments of ore to Germany were greatly reduced. Some sales were made in the United States and Great Britain, but the shipments for the season did not exhaust the tonnage mined for export in the early part of the year.

CHANGES IN ORGANIZATION.

During the year, Mr D. H. McDougall resigned the office of vice-president, and Dr W. L. McDougall resigned from the board of directors. On December 19th, Mr J. E. McLurg, previously general manager of Halifax Shipyards, Limited, was appointed vice-president in charge of the operations of constituent and subsidiary companies.

Being convinced of the importance of strengthening the organisation of the steel-producing works, your directors arranged with Mr Geo. F. Downs, formerly president of the Lackawanna Steel Company to become a director of the corporation, and a member of the executive committee, and later secured the services of Mr Harry J. Kelly, formerly with Bethlehem Steel Company, who was appointed general manager of steel works, and entered upon his duties on January 23, 1924.

PENSION FUND.

Your directors have instituted a fund for the payment of pensions to employees who have given extended service to any of the constituent or subsidiary companies, and who through age or infirmity are no longer able to continue at work. Further means for the benefit of the working force are now under consideration.

INDUSTRIAL RELATIONS.

The necessity for readjustment of wages due to the changing conditions of industry has caused a larger amount of unrest than usual amongst wage earners everywhere, and your companies have had their full share of difficulty in connection with the problems which have arisen from this cause.

During the past year two serious disturbances occurred, which were the cause of much loss to both the companies and their employees.

Your directors are hopeful that better conditions have now been established, and that hereafter more sympathetic relations will exist between the management and the working force.

On behalf of the board of directors,
R. M. WOLVIN, President.
Montreal, P.Q., February 20, 1924.

March 15, 1924.]

THE ECONOMIST.

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

COMPANY MEETINGS, &c.

PINCHIN, JOHNSON, AND COMPANY, LIMITED.

SUBSTANTIAL PROGRESS DURING 1923.

The annual general meeting of the shareholders of Pinchin, Johnson, and Co., Limited (incorporating Wilkinson, Heywood and Clark), was held at the registered offices of the company, General Buildings, Aldwych, London, W.C. 2, on Wednesday, 12th inst.

Mr Edward Robson (chairman) presided.

The secretary (Mr A. A. Coldrey) read the notice convening the meeting, and the report and certificate of the auditors (Messrs. Gully, Stephens, Baillie, and Co., and Messrs. Broads, Paterson, and Co.) were also read.

The Chairman said: Gentlemen,—When I last had the pleasure of addressing you I may have been thought somewhat bold in anticipating that the result of our trading for the year 1923 would show a satisfactory advance over the previous year. Fortunately, I am in the very happy position of having my anticipations fully realised.

I would first, if I may, congratulate you upon the excellent showing we are able to present. I propose to take the report and accounts as read, and will first briefly refer to the results indicated therein. You will note that, after providing for all expenses and charges, including depreciation of leasehold buildings, plant, and machinery, also after providing for income-tax and corporation profit tax, the net profit for the past year comes out at £103,544 15s 1d. To this has to be added the sum of £16,905 5s 6d brought forward from 1922 accounts, giving us a total sum to the credit of profit and loss account of £120,450 0s 7d. From this has to be deducted the interim dividend on preference capital already paid, and an interim dividend of 6 per cent. actual already paid on account of the ordinary shares, leaving a net available balance of £94,221 18s 1d, which I am going to propose shall be dealt with as follows:—

DIVIDENDS AND ALLOCATIONS.

That we confirm payment of the half-yearly dividend on the preference shares paid January 1st last; also that we now declare a further dividend of 16½ per cent. actual, less tax, on the ordinary shares, making a total ordinary dividend for the year of 22½ per cent., less tax.

We also propose to deal with the item of preliminary expenses, and to write off the whole amount in our balance-sheet under this heading—namely, £10,415 19s.

We also propose to add the sum of £10,000 to our reserve, which will bring this item up to £50,945 3s 7d.

After making these allocations we propose to carry forward the sum of £23,159 1s 7d to the 1924 accounts, as against the sum of £16,905 5s 6d brought in at January 1, 1923.

I think it will be agreed that the results of the past year's trading, as indicated in these accounts, are a matter for congratulation to all concerned, and reflect the very substantial progress that our business has made during 1923.

There is not a single branch of trade or industry where one or more of our products cannot be employed, and during the past year the basis of our business has been broadened in a most satisfactory manner.

For some time past we have owned the whole of the share capital of the old-established business of Messrs. Wilkinson, Heywood and Clark, Limited, which has a very fine trading connec-

tion all over the world. During the past year your directors have considered it advisable to merge this business within the Pinchin, Johnson organisation. This has meant the voluntary liquidation of the former business.

This development adds materially to the efficiency of our control and administration of the business, and makes it capable of future development along increasingly profitable lines, and I can assure you that our business was never in a sounder or better condition than at the present time.

THE FUTURE.

I do not, of course, pretend for one moment at this date to be able to indicate what the results of our working for 1924 may be, but I can assure you that our business continues to prosper, and already results up to date show that there is every prospect of 1924 recording a further advance over the past year.

CASH RESOURCES.

You will note in the balance-sheet that our cash resources are still very substantial, amounting to no less than £137,000. Your directors are not unmindful of the possibilities of profitable investment of such cash resources, and in this connection all I can say at the moment is that prospects are under consideration.

THE RESOLUTION.

The resolution was then put to the meeting, seconded by Mr C. G. Heywood, and carried unanimously. On the motion of Mr A. R. Keates, seconded by Mr A. Symons, the retiring directors were unanimously re-elected.

Mr Lidstone proposed, and Mr Howard seconded, that Messrs Gully, Stephens, Baillie, and Co. (chartered accountants) be re-elected auditors of the company for the ensuing year. This was carried unanimously.

The Chairman expressed his thanks to his co-directors and his staff for their loyal co-operation, and Mr R. Paltridge (managing director) replied.

On the motion of Mr Percy Braby, seconded by Mr A. Jay, a hearty vote of thanks was accorded to the chairman and his co-directors for their able conduct of the company's business during the past year.

The Chairman having returned thanks, the meeting terminated.

RIVER PLATE TRUST LOAN AND AGENCY COMPANY, LIMITED.

DECREASED DEMAND FOR LOANS.

The forty-third ordinary general meeting of the River Plate Trust Loan and Agency Company, Limited, was held, on the 11th inst., at 52 Moorgate, London.

Mr James Anderson, who presided, said that the accounts under consideration were less favourable than usual. The company's business was of a twofold character—namely, the placing of money on loan in the River Plate and the conduct of trustee and agency business. The loan business had always been by far the most important branch. When the company started, and for long years afterwards, the demand for loans was keen and the rates of interest high. The high-water mark was reached in 1913, when their mortgage loans totalled £4,510,000. From that year a decline set in, until now the amount outstanding was only £2,300,000. The present indications pointed to a still further reduction in their outstandings. The other adverse factor with which the company had had to contend during the past year was the adverse nature of the exchange on England, which had resulted in a loss of £36,000. In addition, there was a depreciation in the value of the dollar assets in the balance-sheet arising from the difference between the figure at which the dollars stood in the books and the

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000

OFFICES IN ARGENTINA, CHILE, URUGUAY, PERU, MEXICO AND SPAIN.

Represented in U.S.A. by the

ANGLO-SOUTH AMERICAN TRUST COMPANY, NEW YORK,

(Incorporated under the laws of the State of New York);

and in FRANCE by the

BANQUE ANGLO-SUD AMERICAINE, Société Anonyme, PARIS.

Head Office:—62, OLD BROAD STREET, LONDON, E.C.2

AFFILIATED INSTITUTIONS:

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



rate of exchange ruling at the date of the balance-sheet. At the close of the year the difference was £172,000, which amount was covered by the balance carried forward. Since December 31st, however, the rate had improved, and it had now reached the book figure, so that all question of depreciation on their dollar assets had, for the present at least, disappeared. With the exception of the cattle-breeding trade the main industries of the country were on a prosperous footing and the outlook satisfactory. The mortgage loans in the balance-sheet were all perfectly good, and not likely to lead to any loss in realisation of the dollars lent. Of the investments, which amounted to £2,871,607, £885,919 was represented by British Government securities and £1,985,687 by investments of a general character. The general investments were of a high class, were well spread, and their market value at the close of the year was well in excess of the book figure. The profit for the past year amounted to £264,431, and the directors proposed to pay further dividends of 11 per cent. on the "A" shares, making 20 per cent. for the year, and 4 per cent. on the "B" shares, making 7 per cent. for the year, to place £20,000 to the reserve fund, and to carry forward £189,535.

The report and accounts were unanimously adopted.

ISAAC WALTON AND COMPANY, LIMITED. NEW PREMISES AT ILFORD AND WATFORD.

The twentieth annual general meeting of Isaac Walton and Co., Limited, was held, on the 14th instant, at the registered office, 169 Newington causeway, London, Mr Charles Stuttford (chairman of the company) presiding.

The Chairman said: Trading during the last three years has been one of great difficulty and prolonged anxiety to your directors. Unemployment and trade depression have been general, stock values have been continuously on the downward grade, and, consequently, we have been obliged to carry on business with extreme caution, and great care has been exercised over all buying contracts. We do feel, however, that we are now at the end of the lean years, and for this reason have maintained our dividend at 10 per cent. This has been done to a small extent at the expense of the carry-forward, which, after all, is surplus profit, and we consider that the ordinary shareholder is fairly entitled to it.

As you will see by the report, the trading profit amounts to £31,887, to which the sum of £11,027, the balance from last year, is added, making a total of £42,914, and, after deducting mortgage interest, repairs and renewals, &c., there is a balance of £28,860, which compares with £30,593 last year. The stock at £58,811 is £7,665 lower than last year, and at what we consider a very satisfactory figure. It is valued at cost or market value, whichever is the lower, and is a thoroughly clean and healthy stock.

Cash in hand and at the bank is £14,207, which is rather less than last year, but you will notice our freeholds are correspondingly higher. We have recently secured a freehold site in one of the best positions in that rapidly rising locality of Ilford and are erecting an up-to-date men's and boys' store there, which we hope to occupy in the near future. Whilst I am on this subject of extensions, I might mention we have also secured very valuable premises at Watford, there again in the best position in the town, and where we hope to commence business in time for the early summer's trade. We have great confidence in these new ventures, and feel they will add greatly to the prosperity of the company.

If you will refer to the appropriation account, on the first page, you will find we have a balance of £28,860 to be dealt with. The preference dividend amounts to £8,400, and to pay a final dividend of 1s per share on the ordinary shares, making 2s per share, tax free, for the year the sum of £5,000 is required, leaving a balance to be carried forward of £10,460.

The report and accounts were unanimously adopted, and the formal business having been transacted, a hearty vote of thanks to the chairman and directors terminated the proceedings.

GOVERNMENT RETURNS, &c.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £30,000,000 in Treasury Bonds and Treasury Bills dated from Mar. 17-Mar. 22 were opened on Mar. 14, 1924, and the total amount applied for was £38,735,000. For bills at three months dated Monday to Friday at 99 4/8 5d, about 45 per cent., above in full, Saturday at 99 4/8 5d, and above in full. The amounts allotted were as follows:—In bills at 3 months, £25,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months, Average Rate.	4% Treasury Bonds, Average Price
Feb. 9, 1924.	£ 30,000,000	£ 41,675,000	£ 4 11 3-29	nil
Feb. 12,	30,000,000	43,620,000	3 10 5-71	nil
Feb. 22,	30,000,000	44,535,000	3 8 11-79	nil
Mar. 7,	30,000,000	44,400,000	3 6 4-84	nil
Mar. 14,	30,000,000	45,400,000	3 3 4-05	nil
		38,735,000	3 1 5-43	nil

Tenders will be received on Mar. 21, 1924, for Treasury Bonds and Bills to be issued to the maximum amount of £30,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Dec. 31, 1923.	Mar. 8, 1924.
Funded Debt	588	318	315	315	315	314	314	314	314
5% Conversion Loan ..	30	22	20	19	18	16	14	14	14
Term Annuities	16	63	63	63	63	63	63	63	63
4% War Stock	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
4 & 5% War Stock	2,047	2,047	2,047	2,047	2,047	2,047	2,047	2,047	2,047
National War Bonds ..	649	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
4% Funding Loan	409	409	409	409	409	409	409	409	409
4% Victory Bonds	360	360	360	360	360	360	360	360	360
5-year Treasury Bonds ..	348	348	348	348	348	348	348	348	348
5% Treasury Bonds	34	34	34	34	34	34	34	34	34
Do by tender 5%	381	165	165	165	165	165	165	165	165
Do by tender 4%	8	70	70	70	70	70	70	70	70
Do 4%, 1931-33	110	110	110	110	110	110	110	110	110
Exchequer Bonds	80	392	392	392	392	392	392	392	392
National Savings Certs. ..	158	267	267	267	267	267	267	267	267
War Expend. Certs.	23	23	23	23	23	23	23	23	23
Other Debt	1,306	1,181	1,138	1,087	1,157	1,149	1,149	1,149	1,149
American Loan	1,107	1,107	1,107	1,107	1,107	1,107	1,107	1,107	1,107
Treasury Bills	15	861	1,007	1,121	878	616	652	652	652
Temporary Advances	1	204	243	205	154	194	208	183	183
Other Capital Liabilities ..	684	5,872	8,033	7,829	7,574	7,655	7,943	7,703	7,703
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,813	7,871	7,772

POSITION OF THE FLOATING DEBT.

	Mar. 10, '23.	Mar. 31, '23.	Mar. 8, '24.	Week ended Mar. 8, '24.
Ways and Means Advances Outstanding—	£ 176,311,500	£ 193,897,500	£ 183,305,500	£ 5,200,000
Advances by Bank of England	176,311,500	193,897,500	183,305,500	5,200,000
Advances by Public Deptms.	655,060,000	616,045,000	603,825,000	14,150,000
Treasury Bills outstanding ..	831,371,500	809,942,500	784,130,500	8,950,000
Total Floating Debt	1,662,743,000	1,610,285,500	1,571,261,000	14,150,000
* Includes £25,000, the proceeds of which were not carried to the Exchequer within the period of the Account.				

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from Apr. 1, 1923, to Mar. 8, 1924.	Total Receipts into the Exchequer from Apr. 1, 1923, to Mar. 10, 1923.	Receipts, Week ended Mar. 8, 1924.	Receipts, Week ended Mar. 10, 1923.
Balances in Exchequer on 1st April:—	£ 5,442,665	£ 9,963,424	£ 1,810,106	£ ..	£ ..
Bank of England	5,442,665	9,963,424	1,810,106	..	..
Bank of Ireland	..	..	..	..	..
REVENUE	6,818,187	11,173,530	..	..	..
Customs	116,900,000	113,858,000	116,900,000	2,209,000	2,158,000
Excise	143,860,000	138,336,000	146,894,000	1,169,000	1,076,000
Motor Vehicle Duties ..	13,250,000	14,534,000	12,180,000	378,000	312,000
Stamps, &c., Duties	52,000,000	54,180,000	53,411,000	3,320,000	3,120,000
Land Tax, House Duty & Mineral Rights Duty	20,000,000	19,290,000	19,702,000	1,170,000	1,340,000
Property & Income Tax	3,000,000	2,360,000	2,620,000	150,000	180,000
Super-Tax	261,000,000	237,812,000	261,000,000	1,722,000	1,722,000
Excess Profits Duties, &c.	58,000,000	61,060,000	336,636,000	3,000,000	18,814,000
Corporation Profits Tax	12,000,000	954,000	..	..	..
Post Office	20,000,000	21,000,000	17,847,000	490,000	360,000
Crown Lands	59,600,000	49,600,000	50,350,000	1,000,000	800,000
Interest on Sundry Loans	900,000	910,000	890,000	..	..
Miscellaneous	12,500,000	12,373,541	9,843,362	155,385	..
Ordinary Receipts	12,500,000	15,148,316	21,998,277	591,441	492
Special Receipts	40,000,000	36,078,364	44,151,604	186,634	1,900,152
Revenue	618,500,000	766,538,221	833,875,243	26,041,460	26,782,644
Total, Inc. Balance	..	773,356,388	845,048,773	..	..
OTHER RECEIPTS.	..	..	..	..	..
Temporary Advances Repaid:—	..	..	..	..	..
Bullion	..	165,000	800,000	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	..	73,782	169,818	..	..
Under the Unemployment Insurance Act, 1921	..	6,410,000	2,980,000	220,000	..
Money Raised by Creation of Debt:—	..	..	..	..	..
(a) For Capital Expenditure Issues:—	..	..	..	..	..
Under the Telegraph (Money) Act, 1921 and 1922	..	5,520,000	5,310,000	..	..
Under the Post Office (London) Railway Act, 1913	..	10,500	..	..	..
Under the Housing Act, 1914 ..	..	12,000	27,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922 ..	..	..	..	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	..	..	950,000	..	..
By Exchequer Bonds under the Cunard Agreement (Money) Act, 1904	..	..	1,553,300	..	..
(b) Under the Unemployment Insurance Act, 1921	..	520,000	..	..	..
(c) For other Issues:—	..	..	..	..	..
By Treasury Bills	..	2,397,896,000	2,703,179,000	40,543,000	42,147,000
By National Savings Certificates By Exchequer and National War Bonds	..	43,650,000	58,158,000	450,000	1,050,000
By Treasury Bonds—	..	..	..	..	..
5-15 year, 1923-35	..	..	61,655,154	..	..
5%, 1927	..	..	..	..	..
4%, 1932	..	..	93,716,580	..	2,487,350
4%, 1931-33	..	..	..	..	..
By Other Debt created under the War Loan Act, 1914 to 1918	..	..	..	..	..
Other	..	..	25,259	..	..

NOTE.—Budget Estimate as in H.C. No. 51 of 1923.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

CENTENARY YEAR, 1924.

ASSETS EXCEED £12,700,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, March 12, 1924.

ISSUE DEPARTMENT.

Notes issued	£ 146,024,905	Government debt	£ 11,015,100
		Other securities	8,734,900
		Gold coin and bullion	126,274,905
			146,024,905

BANKING DEPARTMENT.

Proprietors' capital ..	£ 14,553,000	Government securities ..	£ 48,182,455
Reserve	3,719,792	Other securities	72,157,996
Public deposits	19,270,772	Notes	20,983,195
Other deposits	105,597,418	Gold and silver coin ..	1,823,332
Seven-day & other bills ..	5,996		
	143,146,978		143,146,978

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

	Amount, Mar. 12, 1924.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	£ 3,719,792	+ £ 18,771	+ £ 46,324
Public deposits	19,270,772	+ 6,312,449	+ 3,677,616
Other deposits	105,597,418	+ 4,668,408	+ 3,897,701
Government securities ..	48,182,455	+ 1,225,000	+ 269,245
Other securities	72,157,996	+ 1,912,203	+ 1,508,016
Reserve	22,806,527	+ 975,017	+ 1,456,275
Note circulation	125,041,710	+ 978,595	+ 2,045,735
Coin and bullion	128,098,237	+ 5,578	+ 589,460
% of reserve to liabilities ..	18 1/2	+ 1/8	+ 1/8

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	% of Reserve to Liabilities.
1924.						
Jan. 23	£ 128,078,077	£ 125,143,180	£ 125,041,312	£ 121,413,965	£ 22,682,897	18 1/2
30	128,078,077	125,143,180	125,041,312	121,413,965	22,682,897	18 1/2
Feb. 6	128,081,178	125,143,180	119,999,141	116,125,510	21,950,308	18 1/2
13	128,081,178	125,143,180	119,999,141	116,125,510	21,950,308	18 1/2
20	128,081,178	125,143,180	119,999,141	116,125,510	21,950,308	18 1/2
27	128,081,178	125,143,180	119,999,141	116,125,510	21,950,308	18 1/2
Mar. 5	128,101,815	125,041,710	123,284,149	119,419,050	22,277,101	18 1/2
12	128,098,237	125,041,710	124,868,190	120,540,451	22,806,527	18 1/2

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1924.				
January 1 to February 27 ..	£ 5,599,345	£ 258,470	£ 464,946	£ 6,322,761
March 5	764,765	31,618	57,567	853,950
12	659,535	28,159	55,366	743,059
Total to date 1924	7,023,645	318,247	577,878	7,919,770
Do 1923	6,815,337	326,800	589,937	7,732,074
Increase or decrease in 1924 ..	+ 208,308	+ 8,553	+ 12,059	+ 187,936
= 3 0 %	= 2 6 %	= 2 0 %	= 2 4 %	
Total for year 1923	32,270,373	1,546,565	2,810,654	36,527,592
Total for year 1922	32,780,635	1,574,661	2,806,165	37,161,461
Increase or decrease in 1923 ..	+ 510,262	+ 28,096	+ 4,489	+ 533,869
= 1 6 %	= 1 8 %	= 0 2 %	= 1 4 %	

PROVINCIAL CLEARING RETURNS.

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MONTHLY STATEMENT OF LONDON CLEARING BANKS.

(000's omitted.)

Average Weekly Balances, February, 1924.	Bank of Liverpool and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills, Currie, and Co.	Lloyds Bank, Limited.	Midland Bank, Limited.	National Provincial Bank, Limited.	National Bank, Limited.	Westminster Bank, Limited.	Willis's Bank, Limited.	Total.
ASSETS.	£	£	£	£	£	£	£	£	£	£	£
Coin, bank and currency notes, and balances with the Bank of England ..	6,393	32,658	1,319	2,534	33,722	51,799	28,861	3,935	27,487	4,052	192,760
Balances with and cheques in course of collection on other banks in the United Kingdom ..	1,721	7,160	580	899	7,656	10,970	7,066	170	7,942	1,098	45,262
Items in transit ..	3,434	18,181	1,369	5,701	15,646	13,150	13,984	4,179	18,508	2,176	96,328
Money at call and short notice ..	4,895	44,187	1,209	1,210	51,909	48,159	44,830	63,100	1,946	264,310	264,310
Bills discounted ..	10,039	68,765	4,190	9,314	90,856	45,071	51,189	16,926	55,601	6,300	358,251
Investments ..	38,133	133,837	8,792	6,514	144,748	191,903	126,419	16,806	99,938	20,119	787,209
Advances to customers and other accounts ..	7,461	9,515	107	1,887	18,639	38,446	10,440	184	13,121	2,934	102,734
Liabilities of customers for acceptances, endorsements, &c. ..	1,491	5,153	346	445	5,112	5,491	4,272	705	3,963	725	27,703
Bank premises account ..	..	7,452	..	..	6,580	4,737	2,490	..	2,992	..	24,251
Investments in affiliated banks ..	73,567	326,908	17,912	28,504	374,868	409,726	289,551	45,770	292,652	39,350	1,898,808
Ratio of cash to current, deposit, and other accounts ..	10.28	11.12	8.13	10.19	10.16	14.86	11.07	9.75	10.51	12.15	11.52
LIABILITIES.	£	£	£	£	£	£	£	£	£	£	£
Capital paid up ..	1,600	8,250	800	530	10,000	11,447	9,000	1,150	9,004	1,875	67,430
Reserve fund ..	62,156	293,551	16,205	24,863	331,856	348,385	260,681	40,354	261,509	33,342	1,672,902
Current, deposit, and other accounts ..	7,462	9,515	107	1,887	18,639	38,446	10,441	184	13,120	2,933	102,734
Acceptances, endorsements, &c. ..	..	..	..	..	..	..	..	..	..	..	..
Notes in circulation ..	..	..	..	..	..	..	..	..	..	..	..
Reduction of bank premises account ..	..	..	..	..	..	..	..	..	..	..	..
	73,567	326,908	17,912	28,504	374,868	409,726	289,551	45,770	292,652	39,350	1,898,808

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

ASSETS.	Mar. 7, 1924.	Feb. 29, 1924.	Feb. 22, 1924.	Mar. 9, 1924.
Total gold reserve ..	3,116,760	3,122,740	3,125,500	3,082,640
Legal tender notes and silver reserve ..	106,060	106,990	111,940	117,630
Bills discounted for member banks ..	488,310	531,590	496,130	571,490
Bills bought in open market ..	259,740	265,310	253,480	218,890
Government obligations owned ..	184,070	155,800	141,730	344,890
All other resources ..	77,500	76,820	76,090	65,360
LIABILITIES.				
Government deposits ..	59,460	38,440	39,470	38,770
Other deposits ..	1,926,560	1,947,390	1,912,080	1,904,990
Federal Reserve Notes in actual circulation ..	2,019,770	2,022,300	2,023,780	2,056,300
F.R.B. Notes in actual circulation ..	400	400	400	2,790
All other liabilities ..	13,710	13,740	13,850	12,310
Capital and surplus ..	331,750	331,800	331,780	337,220
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined ..	80.5%	80.6%	81.4%	76.2%

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

ASSETS.	Feb. 15, 1924.	Feb. 8, 1924.	Jan. 25, 1924.	Jan. 18, 1924.	Feb. 16, 1924.
Total securities ..	11,76,42	11,67,73	11,76,71	11,70,43	11,70,43
Loans ..	22,76,96	21,46,24	20,60,86	18,67,04	17,54,85
Cash credits ..	41,60,59	42,06,49	41,62,81	39,44,31	37,65,12
Foreign bills ..	15,66,73	14,16,23	13,90,45	14,48,19	13,54,55
Dead stock ..	2,48,07	2,48,02	2,47,36	2,47,49	2,46,12
Bel. with other banks ..	1,34,34	1,19,33	1,02,48	1,01,28	1,20,03
Cash ..	13,14,78	11,90,36	16,08,53	16,15,48	16,61,22
LIABILITIES.					
Capital paid up ..	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve ..	4,45,00	4,45,00	4,45,00	4,45,00	4,45,00
Total deposits ..	86,99,37	85,95,28	88,53,61	85,95,41	85,15,85
Loans from Govt. ..	12,00,00	9,00,00	8,00,00	8,00,00	8,00,00
The above includes—					
Deposits in London ..	1,189	1,090	1,046	1,026	998
Advances in London ..	454	449	448	472	445
Cash, &c., at other Banks in London ..	896	796	683	676	801

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

ASSETS.	Feb. 2, 1924.	Jan. 26, 1924.	Jan. 12, 1924.	Jan. 5, 1924.	Position May 30, 1924.
Cash and bullion ..	1,110,503	1,108,797	1,112,457	1,115,138	1,089,531
Discounts ..	53,152	457,259	384,305	390,652	134,575
Advances ..	338,269	341,251	327,126	331,353	246,178
LIABILITIES.					
Notes ..	1,492,893	1,400,957	1,331,852	1,341,007	1,245,396
Govt. deposits ..	860,211	877,890	880,173	887,029	723,294
Other deposits ..	82,901	86,495	69,919	79,805	41,245

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

ASSETS.	Mar. 13, 1924.	Mar. 6, 1924.	Feb. 28, 1924.	Mar. 15, 1924.	Position May 30, 1924.
Gold coin and bullion ..	5,641,488	5,541,409	5,541,304	5,535,362	5,370,626
Of which held abroad ..	1,864,321	1,864,321	1,864,321	1,864,321	1,864,321
Silver coin and bullion ..	297,694	297,629	297,527	290,948	290,948
Discounts and advances ..	6,993,511	6,885,450	6,880,450	6,877,337	6,877,337
Advances to the State ..	23,000,000	23,000,000	23,000,000	23,000,000	23,000,000
LIABILITIES.					
Notes ..	39,929,862	40,265,994	39,344,769	37,555,474	5,811,876
Government deposits ..	17,051	12,923	11,392	38,247	87,340
Private deposits ..	2,405,797	2,366,826	2,319,159	2,067,040	845,960

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

ASSETS.	Mar. 6, 1924.	Feb. 28, 1924.	Feb. 21, 1924.	Feb. 14, 1924.	Mar. 8, 1924.	Position May 30, 1924.
Coin gold & silver and bullion ..	359,807	359,372	364,973	364,477	346,287	322,650
Securities ..	1,342,702	1,372,628	1,349,134	1,289,345	692,946	697,600
LIABILITIES.						
Notes in circulation ..	7,603,089	7,651,830	7,560,960	7,553,337	6,890,876	934,150
Current accounts ..	451,233	367,399	432,791	360,702	340,812	112,125

BANK OF JAYA.—In florins (000's omitted).

ASSETS.	Mar. 8, 1924.	Mar. 1, 1924.	Feb. 23, 1924.	Feb. 16, 1924.	Mar. 10, 1924.	Position May 30, 1924.
Gold ..	223,750	219,750	215,250	217,500	158,717	22,971
Silver ..	134,500	137,300	143,200	143,200	154,710	77,567
Discounts, advances, and other investments ..	79,000	85,000	79,500	79,500	268,905	109,499
LIABILITIES.						
Notes in circulation ..	79,000	85,000	79,500	79,500	100,286	11,250
Deposits and bills payable ..	79,000	85,000	79,500	79,500	100,286	11,250

IMPERIAL BANK OF GERMANY.—In billions of marks.

ASSETS.	Feb. 29, 1924.	Feb. 23, 1924.	Feb. 15, 1924.	Feb. 7, 1924.
Gold and bullion ..	(a) 792	(a) 867	(a) 1,381	(a) 1,347
Treasury notes ..	9,538,999	9,845,999	9,665,999	9,639,999
Reserve bank notes ..	15,590,559	17,250,931	160,295,204	167,197,798
Bills of exchange and cheques ..	498,432,685	469,639,848	444,268,927	412,880,981
Advances ..	667,215,834	596,115,892	517,603,239	428,858,516
Rentbank bills and cheques ..	121,490,914	131,590,719	131,488,228	129,998,308
Rentbank discounts, &c. ..	185,127,500	182,774,000	196,729,590	194,621,300
LIABILITIES.				
Notes in circulation ..	587,874,526	536,667,346	553,984,597	620,487,965
Total deposits ..	550,508,575	783,503,224	697,180,697	728,318,705
Loan from Rentenbank ..	400,000,000	400,000,000	350,000,000	250,000,000

(a) Millions of marks.

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

ASSETS.	Mar. 7, 1924.	Feb. 29, 1924.	Feb. 23, 1924.	Feb. 15, 1924.	Mar. 7, 1924.	Position May 30, 1924.
Gold ..	536,187	536,263	536,263	536,263	531,926	171,178
Silver ..	92,489	92,419	91,731	90,834	105,709	14,580
Darlehens-Kassen ..	11,907	11,897	11,894	11,894	12,347	..
Assets & advances ..	235,377	240,302	223,677	232,791	480,865	103,000
LIABILITIES.						
Notes in circulation ..	860,592	878,308	827,499	837,033	873,434	875,886
Deposits ..	61,136	49,720	67,478	87,387	283,516	33,795

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

ASSETS.	Mar. 8, 1924.	Mar. 1, 1924.	Feb. 23, 1924.	Feb. 16, 1924.	Mar. 10, 1924.	May 30, 1924.
Gold ..	871,399	271,483	271,579	271,615	273,716	104,914
Balance abroad ..	27,915	26,016	29,928	25,095	103,207	112,179
Swedish and foreign bills ..	84,071	89,369	85,306	94,270	122,828	28,468
Discounts & loans ..	391,740	402,335	369,594	380,832	333,269	113,688
LIABILITIES.						
Notes in circulation ..	508,697	530,956	474,113	493,434	524,694	228,555
Deposits at notice ..	190,878	190,286	207,929	210,844	252,325	338,660

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

ASSETS.	Feb. 29, 1924.	Feb. 23, 1924.	Feb. 16, 1924.	Feb. 9, 1924.	Position May 30, 1924.
Gold ..	42,717	42,717	42,717	42,716	30,379
Balance abroad ..	926,655	941,514	1,011,408	870,044	90,791
Finland and Foreign Government securities ..	500,681	516,744	528,744	586,340	11,235
Discounts and loans ..	631,374	625,233	613,389	601,642	105,181
LIABILITIES.					
Notes in circulation ..	1,376,307	1,314,269	1,308,958	1,512,933	121,941
Deposits at notice ..	610,623	690,411	754,843	569,072	21,265

BANK OF LITHUANIA.—In lt. (000's omitted).

ASSETS.	Feb. 29, 1924.	Jan. 31, 1924.	Jan. 15, 1924.	Dec. 31, 1923.	Feb. 28, 1924.
Gold ..	20,457	16,827	16,685	16,446	15,780
Silver ..	32	16	11	255	263
Dollars, & sterling, &c. ..	55,606	53,583	50,897	46,522	48,154
Discount and credit ..	22,294	19,010	17,259	16,525	15,448
LIABILITIES.					
Capital ..	12,000	12,000	12,000	12,000	12,000
Banknotes in circulation ..	68,078	63,141	62,119	60,074	62,166
Deposits ..	27,408	24,358	19,705	14,106	10,232

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

ASSETS.	Mar. 7, 1924.	Feb. 29, 1924.	Feb. 22, 1924.	Mar. 7, 1923.	Position, May 31, 1921.
Coin and bullion—Gold	147,284	147,284	147,284	147,289	44,224
Balance abroad and foreign bills	18,313	15,978	15,988	28,676	28,533
Norwegian and Foreign Government securities	9,007	8,825	8,825	9,404	8,816
Discounts and loans	421,279	423,800	414,251	453,247	76,911
LIABILITIES.					
Notes in circulation	365,863	368,898	359,401	353,571	113,484
Deposits at notice	112,273	110,905	110,378	171,575	7,188

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	Mar. 15, 1923.	Feb. 7, 1924.	Feb. 14, 1924.	Feb. 28, 1924.	Mar. 6, 1924.	Mar. 13, 1924.
Call money.....	5 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Time money (90 days mixed call)	5 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Bank acceptances (—)						
Members—eligible, 90 days	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Non-mem.—eligible, 90 days	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Ineligible, 90 days	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Commercial accept., 90 days	5	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2

Rates of Exchange.	Par Level.	Mar. 15, 1923.	Feb. 28, 1924.	Mar. 6, 1924.	Mar. 13, 1924.
London—					
80 days.....	Dollars for £1	4.8666	4.8666	4.8666	4.8666
Cable.....					
Overseas.....					
Paris.....	Cents for 1 franc	19.30	19.30	19.30	19.30
Brussels.....	Cents for 1 franc	19.30	19.30	19.30	19.30
Switzerland.....	Cents for 1 franc	19.30	19.30	19.30	19.30
Italy.....	Cents for 1 lire	19.30	19.30	19.30	19.30
Vienna.....	Cents for 1 krone	20.26	20.26	20.26	20.26
Madrid.....	Cents for 1 peseta	19.30	19.30	19.30	19.30
Amsterdam.....	Cents for 1 guilder	40.196	40.196	40.196	40.196
Copenhagen.....	Cents for 1 kroner	26.80	26.80	26.80	26.80
Christiania.....	Cents for 1 draachma	19.30	19.30	19.30	19.30
Stockholm.....	Can. cents for \$1	100	100	100	100
Athens.....	Cents for 1 yen	49.86	49.86	49.86	49.86
Yokohama.....	Cents for H. Kong \$	55.6	55.6	55.6	55.6
Hong Kong.....	Cents for 1 Shing-tai	75.75	75.75	75.75	75.75
Shanghai.....	Cents for 1 rupee	31.4	29.74	29.92	30.0
Calcutta.....	Gold pesos for \$100	103.65	129.00	128.75	130.75
Buenos Aires.....	Centr for 1 milreis	32.42	11.2	12.00	11.75
Rio de Janeiro.....	Centr for 1 peso	30.60	12.125	10.125	10.0
Valparaiso.....					

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	Year, 1924.	Rate.
Ecuador.....	10.00	Sight London	Dec. 29, 23	17.57
Venezuela.....	25.25	"	Mar. 8	22.1
Colombia (Bogota).....	100	"	Mar. 11	86
San Salvador.....	4.8666	"	Mar. 6	4.80
Guatemala.....	9.75	"	Mar. 6	8.70
Costa Rica.....	90.23	"	Mar. 8	256
El Salvador.....	10.45	"	Feb. 16	17.5
Bolivia.....	19.20	"	Feb. 14	18

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.	Union of South Africa.
	From Feb. 18, 1924.	From Feb. 18, 1924.
	Buying.	Selling.
	Buying.	Selling.
T.T.	3 1/2 prem.	3 1/2 dis.
Demand	2 1/2 prem.	2 1/2 dis.
30 days	2 1/2 prem.	2 1/2 dis.
60 days	2 1/2 prem.	2 1/2 dis.
90 days	2 1/2 prem.	2 1/2 dis.
120 days	2 1/2 prem.	2 1/2 dis.

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

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.	Australia and New Zealand on London.
	Buying.	Selling.
	Buying.	Selling.
T.T.	101 1/2	101 1/2
Sight	101 1/2	101 1/2
Cable	101 1/2	101 1/2
On demand	101 1/2	101 1/2
30 days	101 1/2	101 1/2
60 days	101 1/2	101 1/2
90 days	101 1/2	101 1/2
120 days	101 1/2	101 1/2

INDIAN TREASURY BILLS.

	March 31, 1923.	March 1, 1924.
Outstanding with public	21,58,90,000	2,18,30,000
In paper currency reserve	49,65,00,000	49,65,00,000
Total	71,23,90,000	51,83,30,000

India Office, March 7, 1924.

INDIA COUNCIL REMITTANCES.

The Government of India have announced that the total remittances to the Secretary of State for India from April 1, 1923, to February 29, 1924, are as follows:—Council Bills and telegraphic transfers, £8,738,000; sterling purchases in India, £12,475,000; sterling taken over in London, £1,303,000; transfer from paper currency reserve in England to Home Treasury, £5,848,000—£28,364,000. The total includes £12,000,000 remitted on account of the paper currency reserve.

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Week ended March 12, 1924.

Imported into Great Britain and Northern Ireland.	Exported from Great Britain and Northern Ireland.
From—	To—
Egypt.....	Netherlands.....
Belgian Congo.....	Egypt.....
British South Africa.....	United States of America.....
	British India.....
	Other countries.....
Total declared value of imports.....	Total declared value of exports.....

GOLD STANDARD RESERVE.

Statement showing the form in which the balance of the reserve was held on February 29, 1924:—

In India.....	£ Nil
In England—	
Cash at the Bank of England.....	1,882
British Government securities—	
Value as on September 30, 1923.....	9,702,048
British Government securities since purchased (cost price).....	30,717,152
	40,421,082
	40,421,082

SIDNEY TURNER, Accountant-General.

India Office, March 11, 1924.

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

GOLD.

A moderate amount of gold came on offer, of which India took a fair proportion. Gold valued at \$13,371,000 has arrived in New York from London, and 10,000,000 gold marks from Germany.

SILVER.

The tendency of the market has kept fairly good. There has been some China selling, but not of a persistent character, and supplies from other quarters have been intermittent, though America has been disposed to close with favourable offers. The buying has been composed of bear covering and a few orders from the Indian bazaars.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Feb. 22.	Feb. 29.	Mar. 7.
Notes in circulation	18,606	18,619	18,555
Silver coin and bullion in India	8,021	8,034	7,970
Silver coin and bullion out of India			
Gold coin and bullion in India	2,232	2,232	2,232
Gold coin and bullion out of India			
Securities (Indian Government)	5,753	5,753	5,753
Securities (British Government)	1,400	1,400	1,400
Bills of exchange.....	1,200	1,200	1,200

No coinage of silver is reported during the week ending 7th inst. The stock in Shanghai on the 8th inst. consisted of about 27,500,000 ounces in sycee, 42,500,000 dollars, and 925 silver bars, as compared with about 27,200,000 ounces in sycee, 41,500,000 dollars, and 920 silver bars on the 1st inst.

GOLD AND SILVER PRICES.

1924.	Gold, Per Ounce.	Silver—Per Ounce.	Date.	Silver, Cash.
		Cash. Forward.		
Mar. 8	96 1	33 1/2	Mar. 22, 1918..	43
10	96 8	33 1/2	22, 1919..	47 1/2
11	96 9	33 1/2	19, 1920..	70 1/2
12	95 11	33 1/2	18, 1921..	38 1/2
13	96 0	33 1/2	17, 1922..	33 1/2
14	96 3	33 1/2	16, 1923..	32 1/2

NOTICES.

The Banco Nacional Ultramarino announces that their New York agency has been transferred to a new company, the Trust Company of North America, which company will, in future, represent their interests in New York.

The London and Eastern Trade Bank, Limited, have been informed by Mercubank A. G. Vienna (established 1877) that confusion has arisen between their institution and a bank of a somewhat similar name (Deutsche Mercubank) located in Berlin. Mercubank Vienna wishes it to be known that no connection of any kind exists between the two institutions.

The Midland Bank announces the opening of a new branch at 142 Main street, Bingley, Yorks, under the management of Mr H. L. Atkinson.

The directors of Lloyds Bank, Limited, announce that the Right Hon. Sir George Lloyd, P.C., G.C.S.I., G.C.I.E., D.S.O., has been re-elected to a seat on the board of the bank. It will be remembered that Sir George was formerly a director from 1911 to 1918—and that he resigned in the latter year on appointment as Governor of Bombay.

Barclays Bank, Limited, announce that they have opened a new branch at Court buildings, Station street, Keswick, under the management of Mr B. A. Nuttall. They also announce that Sir John Meadows Frost, J.P., of Upton Lawn, Chester, has been appointed a local director of the bank for the Liverpool and Manchester district. A branch has been opened at 276-8 Scotland road, Liverpool, under the management of Mr R. S. Hume.

Mr C. K. ter Meulen, of Hope and Co., of Amsterdam, has been appointed a director of the Continental Handelsbank.

TRANSVAAL GOLD OUTPUT STATISTICS.

Name of Mine.	January, 1924.			February, 1924.		
	Ore.	Est. Yield.	Est. Profit.	Ore.	Est. Yield.	Est. Profit.
Aurora W. United (10s shares) ..	13,150	£ 2,042	12,400	13,150	£ 2,053	12,400
Brakpan	75,000	£ 135,303	57,000	75,000	£ 135,303	57,000
City Deep	100,000	£ 186,615	73,562	100,000	£ 186,615	73,562
Consolidated Main Reef	57,800	£ 87,293	18,641	57,800	£ 87,293	18,641
Crown Mines (10s shares)	225,000	£ 333,751	113,102	225,000	£ 333,751	113,102
Durban Roodepoort Deep	35,000	£ 54,307	6,376	35,000	£ 54,307	6,376
East Rand Proprietary	140,000	£ 146,508	10,121	140,000	£ 146,508	10,121
Ferdinand Deep	35,200	£ 39,394	5,018	35,200	£ 39,394	5,018
Geduld Proprietary	70,200	£ 115,686	50,932	70,200	£ 115,686	50,932
Goldenhuis Deep	64,600	£ 71,777	5,724	64,600	£ 71,777	5,724
Glyn's Lydenburg	4,470	£ 8,098	663	4,470	£ 8,098	663
Government Areas	155,000	£ 339,573	202,270	155,000	£ 339,573	202,270
Kleinfontein, New	51,000	£ 58,359	8,046	51,000	£ 58,359	8,046
Langlaagte Estate	103,400	£ 133,198	32,643	103,400	£ 133,198	32,643
Lupatla Deep	20,784	£ 20,085	2,645	20,784	£ 20,085	2,645
Meyer and Charlton	15,000	£ 21,094	2,104	15,000	£ 21,094	2,104
Modderfontein B.	68,000	£ 138,645	74,098	68,000	£ 138,645	74,098
Modderfontein Deep Levels	45,600	£ 114,246	76,750	45,600	£ 114,246	76,750
Modderfontein East	31,500	£ 47,261	10,087	31,500	£ 47,261	10,087
Modderfontein, New (£4 sha.) ..	120,000	£ 259,123	155,416	120,000	£ 259,123	155,416
New State Areas	51,000	£ 91,871	30,226	51,000	£ 91,871	30,226
Nourse Mines	52,000	£ 69,614	10,234	52,000	£ 69,614	10,234
Primrose, New	22,000	£ 20,217	1,788	22,000	£ 20,217	1,788
Randfontein Central	219,000	£ 267,536	66,053	219,000	£ 267,536	66,053
Robinson (£5 shares)	11,500	£ 12,851	3,615	11,500	£ 12,851	3,615
Robinson Deep	78,000	£ 112,790	42,197	78,000	£ 112,790	42,197
Rose Deep	67,000	£ 66,013	17,702	67,000	£ 66,013	17,702
Simmer and Jack	63,000	£ 73,041	10,778	63,000	£ 73,041	10,778
Springs Mines	63,000	£ 132,611	9,594	63,000	£ 132,611	9,594
Sub-Nigel	10,100	£ 29,269	8,857	10,100	£ 29,269	8,857
Transvaal Gold Mining Estates ..	16,650	£ 30,132	5,819	16,650	£ 30,132	5,819
Van Ryn	36,000	£ 10,056	3,400	36,000	£ 10,056	3,400
Van Ryn Deep	66,000	£ 139,464	77,081	66,000	£ 139,464	77,081
Village Deep	60,000	£ 87,631	17,013	60,000	£ 87,631	17,013
West Rand Consolidated	38,300	£ 5,003	35,200	38,300	£ 5,003	35,200
Witwatersrand Deep	41,810	£ 67,550	9,594	41,810	£ 67,550	9,594
Witwatersrand (Knight's)	49,000	£ 54,648	12,112	49,000	£ 54,648	12,112
Woluter	32,200	£ 36,578	3,690	32,200	£ 36,578	3,690

* Loss. † £4 13s 3d per fine oz net. ‡ £4 17s per fine oz. § £4 11s 9d per fine oz net. ¶ £4 15s per fine oz.

OIL OUTPUTS.

BRITISH BURMAH PETROLEUM COMPANY.—Production of crude oil by this company and the Rangoon Oil Company, Limited, for the month of February amounted to 58,025 barrels.

CALTEX OIL COMPANY.—Production for February, 8,767 barrels, or 1,391 tons.

KERN RIVER OILFIELDS OF CALIFORNIA, LIMITED.—The total production during February amounted to 123,821 barrels, or approximately 17,680 tons, including:—St Helen's Petroleum Company, Limited, 41,395 barrels (5,901 tons approx.); Kern Trinidad Oilfields, Limited, 33,874 barrels (4,839 tons approx.); Kern Romana, Limited, 2,681 barrels (383 tons approx.).

MEXICAN EAGLE OIL COMPANY.—Production for the week ended March 1, 1924, was 95,000 barrels. About 5,250 barrels daily were shut in, but wells are being gradually reopened as tankage permits. Production of well No. 3 Cacalilao, now 1,397 feet deep, has increased to 6,500 barrels daily, and is being deepened further.

STEAUA ROMANA (BRITISH), LIMITED are advised that the approximate fields gross production of the Steaua Romana Company (Bucharest) for the month of February was 19,570 tons.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Mar. 7, 1924.	Week ended Mar. 9, 1924.				Aggregate 10 Weeks, 1924.			
(c) Week ended Mar. 8, 1924.	Miles Open.	Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.	
		£	£	£	£	£	£	
Great Western.....	3,754	203,000	350,000	553,000	1,931,000	3,237,000	5,168,000	
Do for 1923.....	3,679	205,000	379,000	584,000	2,125,000	3,693,000	5,818,000	
London & North Eastern.....	6,703	332,000	722,000	1,054,000	3,228,000	6,632,000	9,856,000	
Do same period 1923.....	6,701	332,000	789,000	1,141,000	3,477,000	7,753,000	11,050,000	
London, Mid. & Scottish.....	6,941	497,000	920,000	1,417,000	3,679,000	8,662,000	13,341,000	
Do for 1923.....	6,940	519,000	996,000	1,515,000	5,117,000	9,496,000	14,613,000	
Southern.....	2,146	250,800	113,600	364,400	2,428,000	1,068,000	3,497,000	
Do for 1923.....	2,146	264,400	122,200	386,600	2,617,900	1,223,100	3,841,000	
Metropolitan (c).....	794	31,131	88,900	35,021	311,108	37,519	348,627	
Do for 1923.....	794	31,615	9,900	6,705	319,918	39,234	359,152	
Underground E.R. (c).....	..	..	..	22,344	..	..	23,034	
Lon & Sub. Group (c).....	..	..	..	36,172	..	..	37,506	
				2,445			11,380	
Belfast & Co. Down (b).....	80	3,438	1,014	4,452	35,013	11,812	46,820	
Dublin and S. East (b).....	160	5,954	4,731	10,685	60,638	36,882	97,520	
Dublin & Northern (Ireland).....	562	16,250	11,100	31,350	162,820	196,310	359,130	
Gt. Sth. & Western (b).....	1,151	20,481	32,042	52,523	303,879	319,912	523,791	
Midland Gt. West. (b).....	538	8,128	15,833	23,961	78,959	126,148	205,107	

MINING OUTPUT STATISTICS FOR FEBRUARY, 1924.

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Cyande Works.	Mill.	Cyande Works.	Total.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.	£	£
Abbotiakoona	6,180	..	..	..	(a) 11,978	..	..
Akoko	328	..	..	..	320	1,279	..
Ashanti	5,285	..	..	..	4,981	(a) 21,160	..
Associated Northern—	..	..	..	..	..	..	..
Iron Duke	581	..	..	..	..	1,250	35
Bo'lder Perseverance	3,393	..	..	..	(a) 13,239	101	..
British Platinum	..	..	506 (pltm)	..	143 (gold)	..	..
El Oro	35,450	..	..	..	\$142,400	1,050	..
Gehait Tributing	343	..	..	..	513	2,500	..
Globe and Phoenix	6,411	..	..	..	5,407	(d) 9,707	..
Golden Horse Bnc.	9,816	..	..	..	4,763	(b) 21,302	2,359
Great Boulder Prop.	9,086	..	..	..	(a) 23,623	..	..
Ivanhoe	11,000	..	..	..	5,008	..	..
Lake View and Star	5,891	..	..	..	12,388	1,976	..
Lonely Reef	5,360	..	..	..	3,866	(c) 9,000	..
Oroya Links	3,433	..	..	..	(a) 15,118	..	..
Shamva	51,200	..	..	..	34,737	10,160	..
Sheba	4,036	..	..	..	1,323	..	..
Sons of Gwalia	13,477	..	..	..	(a) 13,510	..	..
South Kalguli	7,149	..	..	..	(a) 13,314	2,512	..
Taquaah and Abosso.	7,300	..	..	..	3,747	(e) 17,891	..
Tomboy	18,000	..	..	..	..	\$59,000	..
Wady Oyo	180	..	..	..	196	848	..
Wahit Grand Junction	9,750	..	2,728 (gold)	..	4,112 (silver)	..	..

(a) Par. (b) 84s 11½d per oz. (c) 96s per fine oz. (d) 84s per oz. (e) 95s 6d per oz.

	Output.	Other Notes in Return.
Copper.	Tons.	
Messina	356	Copper, smelted copper ingots, 342 tons.
Namagua	212	Blister copper.
Poderosa	130	Metric tons, assaying 24% copper.
South American	320	Copper matte, assaying 23%.
Tin.		
Anglo-Nigerian	10	Tin; 115,000 ozs silver.
Aramayo	185	..
Bialohi	50	..
Boro	54	..
Geavor	37	Black tin; realised £6,754.
Jantar	24	..
Jos	164	..
Kaduna Prod.	18	..
Kaduna Synd.	40	..
Lower Bialohi	73	..
Mongu	45	..
Naraguta Ext.	9	..
Nigerian Consolidated	134	..
N. Nigeria (Branch)	60	..
Premier Hydraulic	4	..
Rukuba	3	Despatched 3 tons.
Savoy	424	Value, £8,320; gross profit, £6,340.
South Crofty	524	Black tin, value, £8,535; arsenic and sundries, £3,626.
Coal.	4,284	Week ended March 8th.
Miscellaneous.	..	Rubies valued Rs4,000; royalties, Rs13,000; slutes, Rs5,300.
Burma Ruby	..	7,632,823

BURMA CORPORATION.—During the month of February 24,850 tons of ore were mined. 23,050 tons of ore were milled in the treatment plant, producing 10,356 tons of lead concentrate. 10,157 tons of lead bearing material were smelted in the blast furnaces, producing 4,276 tons hard lead for treatment in the refinery. Refinery products were 3,976 tons refined lead, and 430,000 ounces refined silver. Of silver production, 12,000 ounces were recovered from treatment of copper matte. Experimental zinc plant produced 1,051 tons zinc concentrates, assaying 11 ozs silver, 6 per cent. lead, and 46 per cent. zinc. In addition to above, 114 tons copper matte were produced ready for shipment from the treatment of accumulated smelter by-products. Production of antimonial lead suspended pending accumulation sufficient stock smelter by-products.

NORTH BROKEN HILL. Feb.—North section—19,500 tons of crude ore were treated, producing 3,740 tons lead concentrates, averaging 65 per cent. lead, 31 ozs silver per ton, and 78 per cent. zinc; also 3,340 tons zinc concentrates, averaging 48½ per cent. zinc, 7 per cent. lead, and 8 ozs silver per ton. British section—14,900 tons of crude ore were treated, producing 2,530 tons lead concentrates, averaging 64 per cent. lead, 28½ ozs silver per ton, and 68 per cent. zinc; also 2,330 tons zinc concentrates, averaging 46½ per cent. zinc, 67 per cent. lead, and 77 ozs silver per ton.

SAN FRANCISCO MINES OF MEXICO.—Feb.—Ore treated, 6,556 tons; lead concentrates produced, 1,506 tons; zinc concentrates produced 1,522 tons. Estimated net smelter return on lead, \$94,695 (U.S. currency); on zinc, \$52,762; total, \$147,457. Operating expenses, \$0,888. Estimated operating profit, \$96,569. Capital expenditure, \$31,190.

ZINC CORPORATION.—February: Lead concentrator treated 15,372 tons of ore, producing 3,155 tons of lead concentrates and 4,350 tons of zinc middlings. Estimated gross profit, with lead at £24 per ton, £7,639. Increase (or decrease) for each £1 fluctuation in price of lead, £2,013.

Reports and Notices.

The Equitable Life Assurance Society has purchased the freehold of 19 Coleman street, comprising larger and more convenient offices. The society will vacate its present leasehold premises at Mansion House street, and move into the new premises within the next few months.

Consequent upon the death of Mr William Edward Mouldsdales, Messrs Cope Brothers and Co. inform us that Sir Benjamin Sands Johnson has been appointed chairman of the company, and also that Mr Arthur Edward Pattinson, of Liverpool—a director of Lloyds Bank, Limited, Royal Insurance Company, Limited, and the Liverpool Warehousing Company, Limited—has joined the board of directors.

We are informed that Lieut.-Col. the Viscount Downe, C.M.G., D.S.O., of Wykeham Abbey, Yorks, has been elected to a seat on the board of the Yorkshire Insurance Co., Limited, in succession to his father, who was a director for nearly 40 years.

We are informed that copies of the recent circular issued by the committee for the protection of bondholders of the Mexico North-Western Railway Company may be obtained from the secretary of the committee, 3 London Wall buildings, London, E.C. 2.

Mr L. E. B. Homan has joined the board of Port of Beira Development, Limited.

The Standard Bank of South Africa, Limited, 10 Clement's lane, Lombard street, announce the numbers of certain debentures of the City of Cape Town 4 per cent. Municipal Loan, drawn for repayment July 1st next.

RAILWAYS.

KANSAS CITY, MEXICO, AND ORIENT RAILROAD.—A general meeting of the British holders of two-year 6 per cent. Gold Notes and 4 per cent. first mortgage bonds of the Kansas City, Mexico, and Orient Railroad Company will be held at Winchester House, Old Broad street, London, on March 18th, at 2.30 p.m., to consider the situation arising from a decree of foreclosure and sale made by the Court in Kansas City, under which the property is to be offered for sale by public auction. The date fixed for the sale is March 27, 1924, and up to the present the committees have been unable to secure any postponement.

BANKS.

BANCO DE CHILE.—The first half-yearly report to December 31, 1923, just issued, shows a net profit of \$10,019,385, which sum, added to shareholders' fund of \$5,151,676, gives an available total of \$15,171,061. This sum is utilised as follows:—Dividend of \$9,000,000, or \$9 per share. The sum of \$667,622 goes to employees' saving and pension fund. Directors' remuneration, \$135,000. To shareholders' fund, \$5,368,438. If these proposals are accepted, the capital and reserves of the bank will be:—Capital paid up, \$100,000,000; reserve fund, \$58,000,000; shareholders' fund, \$5,368,438; reserve fund, in gold of 18d, \$13,333,333 = £1,000,000.

S. JAPHET AND CO., LIMITED.—Balance-sheet, December 31 1923:—

LIABILITIES.	£	ASSETS.	£
Share capital issued—750,000 shares of £1 each fully paid	750,000	Cash in hand and at bankers	329,838
Reserve account	100,000	Cash at call, and at short notice	1,077,343
Deposit, current, and other accounts	4,332,162	Treasury bills and other securities	988,346
Acceptances, &c.	2,450,661	Colonial, Foreign Government and other securities	185,288
	7,632,823	Bills discounted	385,963
		Advances	2,119,867
		Freehold premises	95,517
		Acceptances, &c.	2,450,661
			7,632,823

YOKOHAMA SPECIE BANK.—The net profit of the Yokohama Specie Bank for the half-year ended June 30, 1923, amounted to 10,092,411 yen. A balance of 5,015,825 yen was brought forward, the profit and loss account showing a total of 15,108,237 yen. It is again proposed to add 4,000,000 yen to reserve, raising that fund to 73,000,000 yen. The dividend is unchanged at 12 per cent. per annum, and there will be a balance of 5,108,236 yen to be carried forward. The capital is 100,000,000 yen. Reserve fund is 69,000,000 yen. Deposits stand at 479,365,051 yen. Bills payable stand at 424,264,976 yen. The total assets are 1,093,251,489 yen. Cash stands at 78,326,089 yen. Investments are at 154,216,498 yen.

INSURANCE.

BRITISH GENERAL.—The report for 1923 shows that in the fire department the premiums were £342,188, against £293,257 for 1922. Net claims absorbed 51.84 per cent. of the premiums, and, after allowing for unexpired risks, there was a surplus, including interest on the fund, of £39,438. The premiums in the three accident departments amounted to £313,123, as compared with £299,434. Net claims absorbed 46.99 per cent., and the surplus, including interest, amounted to £49,405, after providing for unexpired risks. In the marine account the premiums for 1923 were £380,120, against £294,143 for 1922. The account for 1921 has been closed with a profit of £13,238 from underwriting, and of £11,654 from interest. For the three years 1919, 1920, and 1921 the underwriting profits of £19,532 have been carried to profit and loss. The total free reserves of the company amount to £1,014,060, or nearly 100 per cent. of the fire, accident, and marine premiums, and there is, in addition, a subscribed capital of £700,000. The market price of the investments on December 31st last is stated to have been, in the aggregate, substantially in excess of the book value. The dividend for the year of 25 per cent., less tax, absorbed £33,613, as compared with net available interest earnings of £51,663.

PROVIDENT ASSOCIATION OF LONDON, LIMITED.—The forty-sixth year's report, just issued, shows that the total funds of the association had, at December 31st last, reached the sum of £8,257,144, having increased during the year by £440,914. The payments to policy-holders and certificate-holders during the year amounted to £316,711. The total for 1923 is slightly below the average for the last ten years, which was

£328,687. Advances to policy-holders and certificate-holders upon house property to the amount of £409,228 were completed during the year. The total of advances made by the company upon mortgages on house property is £12,140,429. The premiums for the year amounted to £566,487, and the interest for the year to £405,101 gross, and, after deduction of income-tax, to £341,724 net. The premiums received in the monthly payments branch, representing about 65 per cent. of the total premium income, are paid in small sums averaging about 10s; and more than one-half of the interest receipts is received from the borrowing policy-holders and certificate-holders in small quarterly sums, averaging under £4.

RUBBER, &c.

UNITED SERDANG (SUMATRA) RUBBER.—Good results have been secured by this company, whose report and accounts for the year ended August 31, 1923, has just been issued. The report discloses a net profit of £67,812, against £42,776 in preceding year. The ordinary dividend has been doubled, as shareholders are to receive 10 per cent. against 5 per cent. in preceding year. A credit balance of £12,526 is carried forward. The purchase of the Poelau Ramboeng Estate, announced by the chairman at the last annual meeting, has been duly completed, and the transfer to this company of the Siantar and Simarito Estates, acquired as reported to the shareholders by circular dated October 15th last, is now in course of completion. The acreage statement appended to the report has been brought up to date to include these new properties. As at August 31st last only 300,000 shares had been issued on account of these acquisitions, and the completion of the transactions will appear in the next balance-sheet.

TEA.

BRITISH INDIAN TEA COMPANY.—The directors, after very careful consideration, have decided to recommend to the shareholders that the existing £5 ordinary shares of the company shall be split into five £1 shares, and in addition, it is proposed to give, by way of bonus, two extra £1 shares for every £5 shares now held—that is, the shareholders will receive for each £5 ordinary share held by them seven of the proposed new £1 shares. To provide the sum requisite to pay this bonus, the capital of the company will be increased by transferring to capital account a portion of the company's reserves now employed as working capital, and which can be spared for the purpose.

DIMBULA VALLEY (CEYLON) TEA.—Improved results have been secured by this company. The ordinary dividend for 1923 is 27½ per cent., as against 20 per cent. for 1922. The net profit is £64,681, as against £43,290 in 1922, and £33,810 in 1921. The sum of £10,000 is now placed to estates purchase reserve account, making £20,000 at the credit of this account. The following tabulated results of the last eight years' working will be of interest:—

Year.	Tea Crop.	Rubber Crop.	Cost of Production.		Net Average.		Dividend.
			Tea.	Rubber.	Tea.	Rubber.	
	Lbs.	Lbs.	Cents.	Cents.	s d	s d	%
1916	1,591,629	340,740	34.87	52.06	0 9.54	2 4.37	30
1917	1,458,948	282,920	38.11	57.44	0 10.11	1 10.1	25
1918	1,523,077	273,625	35.43	51.30	0 9.23	1 4.00	15
1919	1,508,217	345,525	37.88	50.14	1 1.78	1 10.01	30
1920	1,510,107	342,290	45.53	51.23	0 10.90	1 2.34	nil
1921	1,510,107	342,290	45.53	51.23	1 2.64	0 8.38	15
1922	1,354,813	333,725	49.53	28.70	1 2.8	0 9.99	20
1923	1,565,215	427,570	51.70	27.12	1 5.25	1 0.98	27½
	1,706,729	262,817	50.81	41.70			

JHANZIE TEA.—The directors have decided to recommend to the shareholders that the existing £5 shares of the company shall be split into five £1 shares, and to give in addition, by way of bonus, two extra £1 shares for every £5 share now held—that is, the shareholders will receive for each £5 share held by them seven of the new £1 shares. To provide the sum necessary to pay this bonus, the capital will be increased to the necessary extent by the capitalisation of a portion of the company's reserves.

MISCELLANEOUS.

HARRODS (BUENOS AIRES).—An extraordinary general meeting of this company was held on March 10th, when the resolutions for the reduction of the capital, the funding of the arrears of dividend on the preference shares, and the alteration of the articles of association consequent thereon, passed unanimously at the annual general meeting, held on February 22nd last, were unanimously confirmed as special resolutions of the company.

LAMPART AND HOLT, LIMITED.—The profit for the year 1923 amounts to £51,131, to which must be added £66,825 brought forward from 1922, making a total of £117,956. The board has withdrawn £200,000 from reserve account, and after paying divi-

dends on the preference shares recommends the payment of a dividend of 4 per cent. on the ordinary shares and that the balance of £103,356 be carried forward. The passenger steamer "Voltaire," 13,248 tons, has been delivered by the builders during the year. The steamers "Virgil" (built 1896), "Sallust" (built 1898), and "Camoens" (built 1900), which were no longer suitable to the company's requirements, have been sold. The fleet consists of 47 vessels, besides sundry small craft, the total tonnage being 322,134 gross. Total assets are £8,672,435. Ships and shipping investments comprise £7,462,791. Of this amount general investments are at £948,323. Sundry debtors stand at £217,194, and cash is at £44,126.

POWELL-DUFFRYN STEAM COAL.—This company has had a good year. The net profit for year 1923, after charging debenture interest, corporation profits tax, and income-tax, &c., amounts to £523,762, against £235,803 for 1922. The ordinary dividend has been raised from 7½ per cent., free of income-tax, for 1922, to 12½ per cent. for 1923, free of income-tax. The sum of £100,000 is put to reserve, against nothing a year ago. The sum of £119,349 is carried forward, against £107,906 brought in. An interesting feature of 1923 was the output of coal from the company's collieries, which reached record figures at 4,760,591 tons. We have analysed the balance-sheet, which will be found in another column.

UNITED ALKALI CO.—In presenting their report, the directors say they are pleased to be able to revert to the usual period for the annual communication of results to the shareholders now that the difficulties of the war period have been overcome. After transferring £15,000 to debenture redemption account, and £100,000 to reserve (making a total of £850,000), the certified balance-sheet shows a total at credit of the profit and loss account on December 31, 1923, of £220,375. It is proposed to deal with the balance as follows:—Final dividend for 1923 on preference shares at the rate of 7 per cent. per annum (less income-tax) £76,016; final dividend of 6 per cent. on ordinary shares (less income-tax), £41,513; dividends payable April 11, £117,529; carrying forward to 1924, £102,846. In presenting the results for the year 1923, the directors congratulate the shareholders upon the fact that the demand for the company's products has been generally satisfactory; thus the company's works have been fairly well employed, and costs have, in consequence, been further reduced. The board are pleased to call attention to this fact, which has enabled them to effect reductions in the sale price of many of the company's products, with a corresponding benefit to the company's consuming customers.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Fine open weather conditions accompanied by spells of sunshine enabled farmers to push ahead with field work, and a large area has already been seeded to spring oats. With regard to winter crops early sowings present a healthy appearance, but the later sown is less satisfactory, while backward in growth. Native wheat moved off quietly, and prices displayed an easier tendency both here and at most provincial markets, owing to declining prices for imported varieties. Suitable milling grades quoted at 10s 6d to 10s 9d per 112 lbs, free on rail. Imported descriptions were in less request, and values moved in a downward direction in sympathy with lower c.i.f. offers. No. 1 Northern Manitoba, afloat, quoted 48s 9d, No. 2 ditto 48s, No. 3 ditto 47s 3d, Rosafe, 63½ lbs, 46s 9d, and Australian 49s 6d, all ex ship per 496 lbs. Dull conditions prevailed in the floating and forward cargo section, and prices marked a fairly sharp decline on selling pressure, particularly with regard to North American and Argentine descriptions. White kinds, however, were comparatively steady, owing to scanty offerings. A steamer of No. 2 Northern Manitoba, April shipment, changed hands at 47s 6d to Mediterranean, and Barusso, 63½ lbs, April, to Bristol Channel, at 42s per 480 lbs. Flour in quiet demand, and prices tend easier in sympathy with the wheat position. London standard straight run quoted at 38s 6d, patents 40s 6d to 41s 6d, town households 36s 6d per sack, delivered in. All English country straights 35s to 35s 6d per sack on rail at London stations. Imported dull and values weak. Manitoba patents range from 35s to 37s as to quality, and Australian 36s per 280 lbs, ex store. Barley easier. English malting ranges from 11s 3d to 12s 9d, with feeders 10s to 10s 9d per 112 lbs, free on rail. Imported dull. Californian 44s 6d to 48s 6d, ex store, Chilean brewing 41s 6d to 45s, ex ship.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Diven- ture Interest.	Amount Avail- able for Dis- tribution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.
					Prefce.	Ordinary.	Rate.				
		£	£	£	£	£	%	£	£	£	%
Banks											
British Italian Banking Corpn...	Dec. 31	26,689	44,697	71,386	..	40,000	4	..	£ 31,386	£ 38,965	4
Breweries.											
Meux's Brewery	Dec. 31	49,828	94,329	144,157	20,777	24,930	300	25,000	73,450	..	..
Style and Winch	Dec. 31	50,029	83,563	133,592	21,897	40,000	10	10,000	61,695	83,833	10
Canals and Docks.											
Regent's Canal and Dock	Dec. 31*	1,494	10,279	11,773	..	10,186	1½	..	1,587	9,031	1½
Electric Lighting and Power.											
Brompton and Kensington	Dec. 31	7,590	52,986	60,576	605	29,136	10½	22,381	8,454	50,752	12
Chelsea Electricity	Dec. 31	4,695	59,001	63,696	1,800	23,661	12	27,000	5,235	59,298	10
County of London Electric	Dec. 31	42,727	657,902	700,529	49,295	135,348	15	397,591	118,295	427,911	10
South London Electric	Dec. 31	9,609	100,852	110,461	1,800	39,000	15	55,000	14,661	89,348	11
Financial, Land, &c.											
Standard Property Investment ..	Dec. 31	770	4,618	5,388	..	1,844	8	2,609	935	3,030	7
Gas.											
Cardiff	Dec. 31	8,635	54,935	63,570	4,338	31,616	6	..	27,616	42,533	6
Sunderland	Dec. 31	14,607	15,120	29,727	..	17,072	6	..	12,655	22,657	6
Hotels and Restaurants.											
Hawthorn's Hotel (Bournemouth)	Dec. 31	4,431	9,981	14,412	646	3,075	12½	5,250	5,441	7,990	10
Iron, Coal, and Steel.											
Great Western Colliery	Dec. 31	3,034	119,526	122,560	5,000	111,250	10	..	6,310	15,656	2½
North's Navigation Collieries	Dec. 31	46,686	112,700	159,386	3,766	107,344	10	..	48,166	39,756	5
Powell-Duffryn Steam Coal	Dec. 31	107,906	523,762	631,668	15,656	396,663	12½	100,000	119,349	235,803	7½
Scottish Iron and Steel	Dec. 31	35,300	46,854	82,154	18,000	20,749	6	..	43,405	34,760	6
Motor and Cycle.											
Swift of Coventry	Dec. 31	3,434	Dr 7,861	Dr 4,427	..	..	..	..	Dr 4,427	10,125	..
Rubber, &c.											
Harpenden (Selangor)	Dec. 31	1,339	3,179	4,518	..	3,750	2½	..	768	5,993	3½
Rembia	Sept. 30	8,267	Dr 2,693	5,664	3,900	..	..	..	1,764	Dr 1,634	..
Sennah	June 30	13,728	11,710	25,438	..	..	..	..	25,438	Dr 9,263	..
United Serdang (Sumatra)	Aug. 31	8,317	67,812	76,129	..	63,603	10	..	12,526	42,776	5
Shops and Stores.											
Bon Marche	Feb. 15	65,117	64,691	129,808	12,000	28,000	20	22,000	67,808	..	..
Dickins and Jones	Jan. 31	52,814	41,998	94,812	13,542	24,500	7	..	56,770	59,482	7
Jay's	Jan. 31	9,257	18,193	27,450	10,599	7,708	5	..	9,143	10,940	nil
Plummer, Roddis	Feb. 7	15,820	33,469	49,289	3,855	16,867	12½	11,000	17,567	26,673	10
Tea.											
Augusta Estates	Dec. 31	80	1,346	1,426	489	500	10	..	437	1,062	nil
Dimbula Valley (Ceylon)	Dec. 31	3,243	64,681	67,924	3,784	49,548	27½	10,000	4,592	43,290	20
Textiles.											
Joseph Byrom and Sons	Dec. 22	Dr 2,711	40,476	37,765	..	..	..	15,089	Dr 52,554	Dr 26,379	..
Tramways.											
Bristol Tramways, &c.	Dec. 31	1,257	56,627	57,884	15,375	40,359	6	..	2,150	56,997	6
Trusts.											
General and Commercial Invest- ment	Feb. 29	21,295	31,537	52,832	11,594	19,709	8½	..	21,529	31,027	8½
International Investment	Jan. 31	12,589	53,118	65,707	20,812	18,500	6	13,751	12,644	44,080	6
Railway Investment	Jan. 31	49	76,072	76,121	52,416	23,658	27/10%	..	47	85,421	2½
South African Gold Trust	Dec. 31	19,083	57,364	76,447	23,062	28,828	7½	..	24,557	62,275	6½
Waterworks.											
Falmouth	Dec. 31	3,343	3,424	6,767	2,150	1,000	10	..	3,617	4,018	10
Other Companies.											
Achille Serre	Dec. 31	2,329	24,272	26,601	6,000	7,500	15	10,000	3,101	..	..
Bath and Portland Stone Firms	Dec. 31	24,432	33,443	57,875	..	31,250	12½	..	26,625	42,026	12½
Bradleys (Chepstow Place)	Jan. 12	61,877	96,726	158,603	16,500	60,000	20	5,000	77,103	92,829	20
Briton Ferry Chemical, &c.	Dec. 31	4,603	25,608	30,211	8,838	7,941	5	10,000	3,432	..	..
Cerebos	Nov. 30	32,565	66,135	98,700	..	30,000	10½	30,000	38,700	50,966	10½
City Safe Deposit	Dec. 31	905	4,154	5,059	1,300	1,250	5	1,775	734	..	..
Grainger and Smith	Dec. 31	18,721	38,049	56,770	9,075	17,260	7½	11,888	18,547	..	..
Hine, Parker, and Co.	Jan. 31	14,759	19,443	34,202	2,500	13,750	12½	750	17,202	17,099	12½
John Robertson and Son	Dec. 31	7,115	10,469	17,584	576	6,726	35	3,000	7,282	8,865	25
Liverpool Exchange	Dec. 31	..	26,248	26,248	..	16,000	4	10,248	..	22,582	4
Radiation, Limited	Dec. 31	50,120	169,153	219,273	50,163	92,734	6½	..	76,376	160,308	6½
Southall Bros. and Barclay	Dec. 31	20,932	33,157	54,089	5,500	13,419	12½	10,000	25,170	30,806	12½
United Alkali	Dec. 31	86,735	352,321	439,056	152,023	69,187	10½	115,000	102,846	..	..
United Carlo, Gatti, &c.	Dec. 31	19,069	30,202	49,271	5,500	20,000	10½	..	23,771	31,031	10½
W. Canning and Co.	Dec. 31	2,409	35,229	37,638	..	23,062	10	11,000	3,576	34,400	5

* Half-year. † Tax free.

both per 448 lbs. No. 4 Canadian western 35s, landed, Algerian/Tunisian, ex ship, 31s 9d, Karachi, landed, 33s, per 400 lbs. Maize dull and again easier. Plate, ex ship, 42s, landed 43s 6d, Bessarabian, landed, 45s, red Karachi, ex ship, 43s 3d, yellow Calcutta 42s 9d, ex ship, per 480 lbs. Oats.—English steady, and ranges from 9s 2d to 10s 4d per 112 lbs, free on rail. Imported easier. Plate f.a.q., ex ship, 21s 3d, landed 22s 3d, No. 2 Canadian western 26s 9d, No. 3 ditto 25s 9d, No. 2 Canadian feed, landed, 24s per 320 lbs. Millers' offals steady. Broad bran 8s 3d, ordinary ditto 7s 9d, middlings 8s 3d, fine ditto 10s, bags included, ex mill. Light oats 7s 3d, powdered oat husks 7s 9d, feed oatmeal 9s 3d, ground oats 12s 3d, free on rail, per cwt. Oatmeal steady. London made, flaked, also rolled oats, 16s, medium and fine cuts 16s 6d, coarse and medium pinhead 16s 6d, ordinary Scottish oatmeal 17s 6d to 18s, American 16s 6d to 16s 9d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-1924	1922-1923	1921-1922	1920-1921
Estimated sales of home-grown wheat—				
1 week to March 8	Cwts. 341,998	Cwts. 382,840	Cwts. 605,877	Cwts. 200,261
27 weeks to March 8	9,874,333	11,994,922	12,185,563	8,721,360
Average price of English wheat per cwt.	s d 11 1	s d 9 4	s d 12 5	s d 17 6
The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1920 to 1923:—				
	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.
	Wheat.	Barley.	Oats.	
1924.				
Mar. 1	Cwts. 361,086	Cwts. 150,723	Cwts. 73,976	s d 11 0
Mar. 8	341,998	111,899	75,264	11 1
1923.				
Mar. 1	326,121	124,575	44,307	s d 16 11
Mar. 8	200,763	172,468	51,232	17 6
1922.				
Mar. 1	605,876	141,832	78,261	s d 12 5
Mar. 8	382,840	181,334	54,211	9 4

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended February 29.		Two Months Ended February 29.	
	1923.	1924.	1923.	1924.
	£	£	£	£
I.—Food, Drink, and Tobacco—				
A. Grain and flour	7,267,688	5,619,750	17,801,338	11,305,014
B. Feeding stuffs for animals	484,825	510,737	1,252,681	1,129,749
C. Meat	9,344,594	9,221,914	19,844,549	16,199,126
D. Animals living, for food	99,075	1,567,642	181,191	3,401,061
E. Other food and drink, non-dutiable	11,744,701	14,163,861	24,617,806	25,884,227
F. " " dutiable	6,586,715	9,564,882	16,828,486	21,872,494
G. Tobacco	1,649,707	1,647,608	4,076,039	3,243,300
Total, Class I.	37,177,305	42,296,194	84,632,090	83,034,971
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	..	5,464	..	6,100
B. Other non-metallic mining and quarry products and the like	403,714	447,881	901,302	959,518
C. Iron ore and scrap	496,384	785,766	1,012,743	1,573,142
D. Non-ferrous metalliferous ores and scrap	951,598	1,213,594	1,888,075	2,223,697
E. Wood and timber	1,924,225	1,702,768	5,009,978	5,115,043
F. Raw cotton and cotton waste	8,712,305	12,514,162	17,583,680	31,758,393
G. Wool, raw and waste, and woollen rags	5,567,895	6,989,541	12,161,832	11,932,441
H. Silk, raw, knubs and noils	141,076	121,704	453,584	188,228
I. Other textile materials	1,072,481	1,735,471	2,821,215	3,147,044
J. Oil seeds, nuts, oils, fats, & oilseeds	3,713,317	3,487,080	6,930,740	7,245,311
K. Hides and skins, undressed	1,364,597	1,342,844	3,284,973	2,581,134
L. Paper-making materials	529, 54	425, 731	1,449,650	1,441,860
M. Rubber	982,272	943,987	1,842,301	1,872,251
N. Miscellaneous raw materials and articles mainly unmanufactured	881,109	823,320	1,825,357	1,720,111
Total, Class II.	26,740,827	32,539,313	57,365,430	71,747,273
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	2,045	963	3,865	2,047
B. Earthenware, glass, abrasives, &c.	550,371	555,175	1,172,654	1,145,805
C. Iron and steel and manufactures thereof	1,163,771	1,762,380	2,399,277	3,165,566
D. Non-ferrous metals and manufactures thereof	2,105,574	2,212,012	3,990,468	4,640,459
E. Cutlery, hardware, implements, and instruments	513,604	593,970	1,015,324	1,210,157
F. Electrical goods and apparatus	181,468	251,363	453,594	575,590
G. Machinery	682,776	704,815	1,504,162	1,497,126
H. Manufactures of wood and timber	323,915	347,238	699,607	706,176
I. Cotton yarns and manufactures	663,164	690,617	1,387,468	1,400,587
J. Woollen and worsted yarns and manufactures	961,462	1,123,102	1,874,353	2,244,878
K. Silk and silk manufactures	1,787,339	2,251,090	3,663,072	3,954,496
L. Manufactures of other textile materials	1,001,131	1,235,526	2,019,580	2,388,675
M. Apparel	1,072,481	1,271,269	2,547,416	2,331,342
N. Chemicals, drugs, dyes, & colours	1,145,697	1,221,583	2,332,510	2,340,500
O. Oils, fats, and resins, manufactured	2,275,303	2,347,435	5,448,648	4,696,392
P. Leather and manufactures thereof	928,515	862,370	2,011,677	1,760,556
Q. Paper and cardboard	884,242	989,348	1,914,968	2,029,523
R. Vehicles (including locomotives, ships, and aircraft)	726,125	562,606	1,490,059	1,319,089
S. Rubber manufactures	367,111	255,448	754,283	630,738
T. Miscellaneous articles, mainly wholly manufactured	1,911,911	1,759,307	4,565,335	4,013,89

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

		Per Cwt				Per Cwt	
		s	d			s	d
English	Arran	9	6 to 10	0	Majestic	9	6 to 10
Chief		10	6	11	0	8	6 to 10
King Edwards					0		0

LONDON, FRIDAY.

00000—Duty, British cargo

Shad. foreign E.L. cwt.

Trinidad, per cwt.

Guatemala, do.

Ceylon, plantation

Guayquil

Bahia, finest

OFFICE—British grown

Madras, fine, do. mdf.65

Do good to fine.

Costa Rica, ord. to mid.95

Central American, ord.

Ord. to mid.

Mid. to fine

High quality

Do good to low mid.100

Do mid. to fine

CHOCOLATE—

Acacia, extra

Cacao

Cashew

Starling, English

Alum lump—per ton

Do ground

Ammonia, carb.

Do carb. White

Sulphate

Argemine, lump

Powder

Do carb. per cwt

Peru do

Bleaching pwr. p. n

Borax, gran.

Do powder

Orange Tartar—

Do powder

Calceol.

Indine, ord.

Salts of Soda, p. ton

FRUIT—

Crane, Val. selected

Crane, Val. p. case

Do Naples, boxes

Lemons, Naples, cases

Do Sicilian boxes

Do Malaga cases

Green Anson, boxes

Almeria

HIDES—Wet salted—

Australian—per lb

West Indian

Cape

Labra

Oporo

Dry & Drysalted Cape

Ladagascar

Central American

Buffalos, Singapore.

Panang

Korea Hides—

Best hyr or sheller

Do light

End on heavy

Do light

End cow

End do

Best calf

DRUGS.

Alcay, fine E.L. p. ewt108

Cape, good to fine.

Balsam Peru . . . per lb.

Opa

Camphor—

Japan, refined

Cardamom, Ceylon

Cardamom, Chi. ord.

Castor oil, Chi. ord.

Gum Benjin, Sum. cwt

Oilbunum, drops.

Ipecacuanha

Jalap.

Kang poot, China

Assised

Peppermint, H.G.H.

Shatch, China, fr. H.

INDIA RUBBER—

India, fine hard spot

Plantation crops

INDIGO—per lb—

Bengal, good red vio-

lot to fine.

Madras, dry leaf, good

Do low to ord.

Korup, g.d. mid. to gd.

Low to ord.

HEMP—per ton—

Italian P.O.

Manila, March-May

"J" Grade

N. March-May

JUTE—

Native first marks

March-April

LEATHER—per lb—

Sole Bends

Do do 12 1/4

Do do 14 1/4

Do do 16 1/4

Do do 17 1/4

Do do 18 1/4

Do do 19 1/4

Do do 20 1/4

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Do do 95 1/4

Do do 96 1/4

Do do 97 1/4

Do do 98 1/4

Do do 99 1/4

Do do 100 1/4

METALS—R. Copper

Sheet

Standard

Lead—Brc. Fig. p. ton

Best—Korling

Broken G.O. Pearls

Tin—Englishing

Do do bars

Standard case

OILS—Fish, per ton—

Seal, pale.

Linsed, per ton net

Rape, refined

Orude

Edison seed, crude

Edison seed, light

Coconut, crude

Refined

Palm

Palm, American

Petrol. Oil, per 5 lbs

Water-White

Oil Cakes, Lond., Eng.

Oil Seeds—Linsed—

La Plate, April-May

Bombay, p.m. April-May

Calcutta, p.m. April-May

PORTLAND CEMENT—

Best English, per ton

PROVISIONS—

Butter—per cwt.

Irish creamery

Do factory

Australian

Argentine

Dutch

New Zealand

Do

Bacon

Danish

Canadian

American

Hams—

Canadian

American

Local, small blades

American, broken

Port—per 5 lbs

Best—per 5 lbs

Orange—ord—Canadian

New Zealand

Chesed, ord.

Dutch

Per 120—English

Irish

FLOUR—28 lbs—

Orange straight cut mill

KG—per cwt. 40 lbs

Bangoon No. 2

Broken 1 lb

ROBIN—per ton—

American

French

SAGO—Pearl, per cwt

SHELLAC—per cwt—

Orange, first

Second, fair fine

TN Orange

Good, fine

Blacky (T.N.)

SLIK—per lb.

China—Blue Elephant

Canton

Se-reated

Japan

Isan—Haw. fr. Milan

SHELLS—M.O. 5 P. per cwt.

Manila, bold

Grady

W. Australian

Bombay

SUGAR—per cwt duty

per cent. polarisation

Crystallised

Crash

Java alt. white, May/June 22 1/2

RAPIED—London—

Yellow Orzahn

White

Orange

Crystallised

Crash

Flour

SPICES—Pepper, lb—

Singapore, fair white

White

Pimento

Onion—1st sort.

Do 2nd

Do 3rd

Cassia Ligna

Olives—Zanzibar

Madagascar

Ginger—per cwt.

Cogin, small rough

Do factory

Japan

Jamaica, ord. to good

Mace

Macos

110 lb

Chillies—per cwt.

TALLOW—per cwt.

Good mutton

TAPIOCA—

1 lb. Flake, spot

Medium Pearl

Seed

TEA—

British

Indian and Ceylon

Pekoe

Broken Pekoe

French Pekoe

Broken Orange

Pekoe Bouchong

TIMBER—ac. yd.

Swedish 5 1/2 c. Pt. and

Do 2 1/2

Candin Spruce Dis.

Clutchpin, per load

Do do

Teak, per load

H drums Mag. log. cft.

African

American Oak Bds.

Do Ash

English Oak Planks

Ash

TOBACCO—

Duty 8/2—10/4 per lb.

Virginia leaf

Common to fine.

Kentucky leaf

Common to fine.

Strips

China

Borneo and Sumatra

Seedleaf

Havana

Crash

San Indico

Cuba duty 14/6 per lb

WOOL—TILB. p. cwt

English, Southdown, wahl

Lincoln hog

Constantin, red, sup. comb.

S.W. green

R.R. grey, 10 lb. 50-55

or from the Brokers to this issue, Messrs. Cohen,
Laming, Hoare, 14, Austin Friars, E.C.2.

London Bankers:—Hambros Bank, Limited; Westminster Bank Limited; Midland Bank, Limited; Cox & Co.

Send for **SPECIAL LEAFLET** giving Statistics of fatal accidents in British mines and those of other countries, and further information on the safety question. This leaflet is obtainable from PHILIP GEE, 40, King Street, Covent Garden, London. W.C.2.

PRELIMINARY NOTICE.

CARD CLOTHING & BELTING, Ltd.

Amalgamating the following businesses—
 TOM BRIGGS, Cleckheaton.
 CRITCHLEY, SHARP & TETLOW, Ltd., Cleckheaton and Huddersfield.
 A. DUCKWORTH & SONS, Ltd., Rochdale.
 FLEMING, BIRKBY & GOODALL, Ltd., Halifax, Fleetwood and Brighouse.
 JOSHUA LISTER & SONS, Ltd., Mirfield.
 W. V. MIDDLETON, Ltd., Cleckheaton.
 JAMES TAYLOR & SONS, Cleckheaton.
 W. H. WEBSTER (WIRECARDS), Ltd., Huddersfield.

Authorised.	CAPITAL.	About to be issued.
£450,000	Ordinary Shares of £1 each	£347,675
£200,000	7½% Cumulative Preference Shares of £1 each	£175,000
£300,000	6% First Mortgage Debenture Stock	£522,675
		£250,000

An issue will be made during the week-end of
£250,000 6% First Mortgage Debenture Stock at £96½% (redeemable at £102%)
 AND

175,000 7½% Cumulative Preference Shares of £1 each at par.

The Company is an amalgamation of the majority of firms manufacturing Card Clothing for worsted and woollen, silk, jute, flax, etc. The manufacture of card clothing is one of the oldest industries—carding being a key process in the production of all textile materials. Six out of the eight amalgamating firms were founded more than 100 years ago.

The Prospectus will show that:—

The assets to be acquired are nearly three times the amount of the Debenture Issue, after deducting which the Preference Shares are covered by the assets more than two and a-half times over.

Based on the average profits for six years the service of the Debenture Stock is covered nearly four times, after providing for which the balance remaining covers the Preference Dividend nearly four times.

Prospectuses and application forms may be obtained to-day (Saturday) from Lloyds Bank Limited, Head Office, Lombard Street, London, E.C.2, and Branches; Midland Bank Limited, Head Office, Threadneedle Street, London, E.C.2, and Branches; Coates, Son & Co., 61, Moorgate, London; J. E. Brearley & Son, 8, Crossley Street, Halifax; T. H. Carter & Wilkinson, Powell House, Powell Street, Halifax; from Members of the London and Provincial Stock Exchanges; and from E.S.T., Ltd., 3, Lombard Street, E.C.3.

THE PROVIDENT ASSOCIATION OF LONDON, Limited.

PROVIDENT HOUSE, BISHOPSGATE, LONDON, E.C.2.
 FOUNDED 1877.

Authorised by Act of Parliament, Intituled Provident Association of London Act, 1910.

INVESTED FUNDS EXCEED
EIGHT MILLIONS.

Total Advances upon House Property to Policy-holders and Certificate-holders
£12,140,429.

PROVIDENT HOUSE,
 BISHOPSGATE, LONDON, E.C.2.

R. S. JACKSON, Chairman.
W. W. BENHAM, Managing Director.

CITY OF CAPE TOWN.

FOUR PER CENT. MUNICIPAL LOAN OF
 £178,050.

Notice is hereby given that, in accordance with the conditions on which the above Loan was raised, DEBENTURES amounting to £4,000 were this day DRAWN by lot for payment at par, and that the same will be paid on the 1st July next upon the said debentures and all interest coupons not then due being left at the Standard Bank of South Africa, Limited, 10, Clements lane, Lombard street, London, E.C.4, three clear days for examination. NUMBERS AND PARTICULARS OF THE DRAWN DEBENTURES.

1	Debenture of £1,000	£1,000
234	230 245 331	—
4	Debentures of £500 each	£2,000
87	62 99 123 184	—
199	792 807 821 823	—
10	Debentures of £100 each	£1,000

15 Debentures amounting together to £4,000 For the Standard Bank of South Africa, Ltd., FRANCIS SHIPTON, Manager.

London, 15th March, 1924.
 Present: JOSH. D. WATTS, Notary Public of the firm of Duff, Watts & Co., 2, Nicholas passage, Nicholas lane, E.C.4.

THE EASTERN BANK LIMITED.

The TRANSFER BOOKS will be CLOSED from the 24th day of March to the 10th day of April, 1924, both days inclusive.—By Order of the Board.

R. CARTER, Secretary.
 4, Crosby Square, London, E.C.3.
 17th March, 1924.

SPANISH 4% EXTERNAL AND INTERNAL LOANS.

The coupons due 1st April, 1924, can be presented at the Bank of Spain, Bilbao House, New Broad Street, E.C.2, between 10 and 2 o'clock, Saturdays 10 and 12.

COUPONS of the 4% External Debt detached from Bonds duly sealed will be PAID according to the Royal Decree of 8th August, 1898.

COUPONS of the 4% Internal Debt will be PAID, less 20% discount, by orders on Madrid at 15 days after examination thereof. Lists in duplicate required, and the Bonds of the External Debt will have to be exhibited when the Coupons are presented.

NICASIO E. JAURALDE, Manager.
 London, 17 March, 1924.

BOOTS PURE DRUG CO. LTD.

The Directors of Boots Pure Drug Company have declared a DIVIDEND on the Ordinary Shares for the quarter ending March 31st, 1924, at the rate of 9% (less tax) making 36% (less tax) for the year.

Dividend Warrants will be posted March 31st to Shareholders registered on March 15th.

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Mrs. RUSSELL BARRINGTON

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The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCVIII.

SATURDAY, MARCH 22, 1924.

No. 4,204

THE SCOTTISH PROVIDENT INSTITUTION

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 Every description of Banking business transacted.

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P. W. Cooper and Co., 11 King street, Cheapside.

Davies and Co., 95 Bishopsgate.

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Pottle and Son, 15 Cullum street.

Willing and Co., Limited, 50 Cophall avenue, and 123 Moorgate.

Paris: Galignani Library, 224 Rue de Rivoli; Messrs Brentano's, 37 Avenue de l'Opera.

THE MONEY MARKET.

DESPITE the fact that the taxes are continuing to flow into the Treasury with little diminution in volume as the end of the financial year approaches, the money market has remained quite easy in tone. At times overnight money has been in demand, as the result of incidental transactions, such as the French credits arrangements, but as a rule 2½-2 per cent. has been the charge for day-to-day loans, and 2½ per cent. the general rate for fix-

tures. The discount market has shown a tendency towards even greater ease than was apparent in the previous week, the only explanation being the surmise that most of the Treasury bills allotted recently have gone to fill special requirements, thus leaving the market poorly supplied. This condition of affairs seems to have left a market but ill supplied with those fine bills of which the rapidly increasing number were reported to be responsible for the harder tendency of discounts only a few weeks ago. At the end of the week fine bank bills were no better than 3 per cent. at times, and the Treasury bill rate has been forced down below this figure.

	Mar. 21, 1924.	Mar. 14, 1924.	Mar. 7, 1924.	Feb. 29, 1924.	Previous Rate and Date Changed.
Bank Rate	4 $\frac{1}{2}$	4 $\frac{1}{2}$	4 $\frac{1}{2}$	4 $\frac{1}{2}$	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	1 $\frac{1}{2}$ (Jly. 5, '23)
Market rate (3 months' bills) ..	3	3 $\frac{1}{8}$	3 $\frac{1}{8}$	3 $\frac{1}{8}$	..

The Bank statement showed a decline of £136,300 in the circulation, and a gain of £6,800 in the bullion raised the Reserve by £143,100. Tax collections were reflected in a rise of £4,726,700 in the Public deposits, but Government securities showed an addition of £175,000. Private deposits expanded by the small sum of £197,700, and the chief offset to the addition to Public deposits was a rise of £4,590,000 in the Other securities, again suggesting that special influences have been brought to bear to prevent undue stringency from arising out of the heavy inflow of taxes, for ordinary market borrowing has not been in evidence. Although the Reserve was higher, the enlarged liabilities produced a fall of 0.6 in the proportion of reserve at 17.6 per cent. There was a further rise in currency notes outstanding this week amounting to £455,200. This brings the notes outstanding to £281,046,000, which includes £1,403,000 for notes called in, but not yet cancelled. The fiduciary issue is £230,193,000, or £17,997,900 below the maximum.

THE STOCK MARKETS.

Some trouble was expected this week in connection with the settlements both in London and in Paris, in view of the speculation which has been going on in certain stocks, and of the violent fluctuations of the franc. They were arranged, however, without any serious difficulty, and prices, on the whole, have remained remarkably steady. The volume of business, however, has been small, and there have been no particular features. A more detailed report of market movements will be found in a later column.

THE COMMODITY MARKETS.

There appears to be no consistency in market price movements this week. Coal at Cardiff has advanced during the week. The market for pig-iron is weak. The steel trade is quiet, and export orders difficult to obtain at current prices. Tin and copper declined heavily, but recovered part of the loss before the end of the week. Wheat prices are slightly easier. In the cotton trade prices tend to harden, and many inquiries have been received. Little change is noticeable in the wool trade. Copra fell again, and rubber after being dull developed a steadier tone. The hide market was weaker. Vegetable oils and oilseeds remain steady. Further details of markets and prices will be found on later pages from our special trade correspondents.

FOREIGN EXCHANGES.

In the foreign exchange market the French franc has continued its spectacular recovery, having moved down steadily during the period under review from 92.25 at the close on the 14th to 83.20 yesterday morning. The satisfaction at this "financial victory" remains, however, even in France itself tempered by considerable misgiving. On the one hand, so rapid a recovery has brought confusion and damage to large sections of the manufacturing interests, and the fantastic measures that have been taken to penalise overdrafts, such as 60 per cent. interest charges on delayed payments, is stifling most legitimate financial business. On the other, there is still an uneasy

feeling that it will not be possible to hold the rate for long at this relatively low level, and this fear continues to find expression in forward quotations, which remain at 4f above spot for one month up to 9f for three months. It is true that for political reasons the franc may be supported at its present level until after the elections announced for May 11th, but there is no guarantee that it can be continued much beyond that date, a point far too near to allow the new financial measures to bring any real relief. There should also be remembered the possibility, by no means to be disregarded, of a failure to reach agreement as to reparations policy on the reports of the Experts' Committee, a failure the sympathetic reaction of which would be serious and immediate. After sharing at first the recovery of Paris the Brussels rate has reacted again unfavourably, and yesterday morning stood at 104 $\frac{1}{2}$ as compared with 111 $\frac{1}{2}$ on the 14th and 99 $\frac{1}{2}$ at one time on the 18th. Forward quotations, however, have narrowed again a little to 2 $\frac{1}{2}$ f per month above spot. Dealings in dollars have remained on a small scale, but the rate, in sympathy with the general increase in optimism, has shown a firmer tendency, and has risen quietly on the week from \$4.28 $\frac{1}{2}$ to \$4.30 $\frac{1}{2}$. Forward quotations remain unchanged at 1 $\frac{1}{8}$ cent per month above spot. The lira, after some fluctuations, was quoted yesterday at 100 $\frac{1}{2}$, exactly the same rate as a week ago. In connection largely with franc operations the Dutch rate has moved irregularly, having been up to as high as 11.72 $\frac{1}{2}$ for a short time on the 19th, but relapsing again quickly and standing yesterday morning at 11.60, as compared with a closing rate of 11.54 $\frac{1}{2}$ on the 14th. Madrid, after running up to over 34 on Monday, has shown some recovery, and at 33.27 $\frac{1}{2}$ is now the same as a week ago. To some extent this may have been helped by further restrictions announced on the export of Spanish currency. Switzerland has moved slightly in our favour from 24.77 to 24.87 $\frac{1}{2}$. In Scandinavia Copenhagen, on the announcement of new measures for the assistance of the exchange, has recovered a little from 27.60 to 27.50 $\frac{1}{2}$. Stockholm at 16.29 $\frac{1}{2}$ is very much the same, but Christiania has recovered from 31.74 $\frac{1}{2}$ to 31.25 $\frac{1}{2}$. It is reported that Sweden intends to reintroduce the convertibility of its notes some time during the coming summer. In Central Europe Berlin remains steady at 18 $\frac{1}{2}$ billions, and Vienna is also about the same at 305,000, and Warsaw at 41 millions. Bucharest, after its recent recovery, is back again at 820, as compared with 800 a week ago. In the East the rupee at 15 4 $\frac{1}{2}$ d shows little movement, and the yen is only 1 $\frac{1}{2}$ d dearer at 18 1 $\frac{1}{2}$ d. The silver market has been featureless, with practically no movement in prices, being quoted on the 20th at 33 $\frac{1}{2}$ d spot. Hong Kong stood yesterday at 25 4 $\frac{1}{2}$ d, the same as last week, and Shanghai at 35 2 $\frac{1}{2}$ d, as compared with 35 3 $\frac{1}{2}$ d a week ago. In South America Rio has depreciated on the week, the result, it is suggested in some quarters, of Continental selling to cover franc commitments, and has moved down from 67 $\frac{1}{2}$ d to 57 $\frac{1}{2}$ d. Buenos Ayres, on the other hand, has appreciated from 42 $\frac{1}{2}$ d to 42 $\frac{3}{4}$ d, and Monte Video from 42 $\frac{1}{2}$ d to 43d. Valparaiso, however, has fallen sharply in value, from 43.30 pesos to 45.10 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended March 15th:—

EXPENDITURE.		REVENUE.	
(000's omitted.)		(000's omitted.)	
Supply Services	£ 13,873	From Revenue	£ 24,507
Interest, &c., on Debt	839		
Road fund	537		
Sundries	775		
Reduction of Debt	8,303		
Increase in balances	180		
	24,507		24,507

Revenue was lower on the week ending March 15th at £24,507,000, against £31,016,000. Customs receipts were £187,000 higher at £1,441,000, but receipts from Excise were greatly reduced at £1,386,000, against £5,724,000. Estate Duties yielded £1,450,000, against £930,000, and Stamp Duties showed a large increase at £1,160,000, against £170,000. Corporation Profits Tax yielded £1,020,000, against £470,000, Post Office receipts being maintained at £800,000. Ordinary and special receipts were considerably lower at £216,476,

against £1,795,497 and £640,000, against £3,117,187 respectively. Property and Income-tax at £13,064,000, and Super-tax at £3,020,000, are very slightly lower than the combined total of £16,464,000 for the corresponding period. The week's operations reduced the National Debt by £8,303,000, and caused the following changes:—

(000's omitted.)			
Public Departments	£ 4,050	Treasury Bills	£ 12,397
Unemployment Insurance	190	Saving Certificates	100
		War Bonds	46
	4,240		12,543

The floating debt was reduced by £8,350,000 to £775,780,500.

FINANCIAL YEAR, 1923-24 (April 1 to March 15, 1924).

£		£	
Total Expenditure ..	742,787,722	Raised by Revenue ..	791,044,697
Net Repayments	50,684,217	Decrease in Balances ..	2,427,242
Total	793,471,939	Total	793,471,939

ESTIMATES for YEAR 1923-24.

£		£	
Ordinary Expenditure ..	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

THE WEEK IN PARLIAMENT.

MONDAY, MARCH 17TH.—*Commons*: Debate on Army Estimates.

TUESDAY, MARCH 18TH.—*Lords*: Debate on Singapore decision. Committee stage of Criminal Justice Bill, and the Regulation of Advertisements Bill passed. Adoption of Children Bill read a second time.

Commons: Debate on Navy Estimates. Names of National Debt Committee announced.

WEDNESDAY, MARCH 19TH.—*Lords*: Debate on Government plans for unemployment.

Commons: On Civil Service Estimates debates were raised on the Wembley Exhibition, Grants to Northern Ireland, and Ministerial Salaries.

THURSDAY, MARCH 20TH.—*Lords*: Debates on Air Force, and on Northern Rhodesia. Committee stage of Public-house Improvement Bill.

Commons: Debates on Air and Navy Estimates. Questions to Premier on the Wembley Exhibition and Free Trade.

FRIDAY, MARCH 21ST.—*Commons*: Supplementary Estimates. Debate on Wembley Exhibition and Free Trade.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—British-Italian Banking Corporation, United Kingdom Provident Institution, the Employers' Liability Assurance, British General Insurance, Railway Investment, County of London Electric Supply, National Bank of Egypt, United Alkali, Radiation, Dickens and Jones, Ashanti Goldfields, and Dimbula Valley (Ceylon) Tea. The speeches at the British-Italian Banking meeting are referred to under "Notes of the Week." At the meeting of the United Kingdom Provident Institution, the Rt. Hon. Walter Runciman referred to the question of investment policy, and said that a revaluation of assets at the end of 1923 showed a very substantial net appreciation. Mr Nathaniel Spens at the Railway Investment meeting forecast a new trust to protect railway shareholders' interests. Sir Harry Renwick, in discussing the negotiations for reorganising London's electricity supply, advocated the group method as the only practical solution. Mr H. J. Yates at the Radiation meeting emphasised the necessity of arousing and educating public interest until the smokeless house is brought into being. Sir Max Muspratt, Bart., at the United Alkali meeting reported a year of steady progress.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

MONTHLY TRADE SUPPLEMENT.

We publish this week our Monthly Supplement, in which will be found an appreciation of the trade situation at home and abroad, together with statistical information on the foreign trade, price movements, currency, and production of the leading commercial countries of the world. Its contents include a review of the economic position and prospects of Czechoslovakia and a résumé of India's foreign trade in 1923.

"LET IN THE LIGHT."

THE Marquis of Salisbury, writing in the *Times* this week on the foundations of a sound policy for the Conservative Party, has run up, as all such inquirers must, against the root difficulty of our present industrial situation, namely, the lack of confidence between employer and employed, and the fact that each party, in consequence, tends to look too exclusively to its own interest rather than to the joint advantage of the trade as a whole. This suspicion he attributes mainly to lack of candour, and looks for solution to a policy which we have never ceased to advocate in these columns, namely, increased knowledge and publicity. Few will be found to quarrel with Lord Salisbury's indictment. "We have heard of revivals in trade, the knowledge of which has been kept back as long as possible from the workers lest they should claim to share in it. We have read of stock being watered so as to conceal from the men the amount of the profits which are being earned. We have even been told of the creation of a subsidiary distributing company, to which are credited the profits of a producing company, so that Labour may not be aware how profitable the production is. The motive of this concealment may have nothing to do with the worker or his wages, but the effect is the same. Moreover, whatever the motive, the great majority of employers are innocent of such practices as these, but unfortunately it is the misdeeds of the few that poison the atmosphere. Look at the other side. The picture is at least as sombre. We find in certain trades a practice amongst the men of deliberately scamping a full day's work, whilst nevertheless obtaining a full day's pay. But that is not the worst. It used to be said that an Englishman's word was as good as his bond; yet over and over again we have witnessed the spectacle of trade unions, which have promised through their duly accredited representatives to abide by particular conditions, throwing them over apparently without the slightest compunction. Here, again, these extremities are exceptional." Lord Salisbury then proceeds to put some very pertinent questions. "The workers are convinced that they are unfairly treated by the employers; that capital gets an undue share in the reward of industry; that by the concealment of the truth from them they are defrauded of what is due to them. Is there any foundation for the grievance? Is it the fact that capital gets an undue share of the reward, and that it gets it by concealment? Not always, certainly; not generally, I think; but sometimes I verily believe it to be true."

We have recently had a striking instance of the way this suspicion is engendered. Our readers will remember that from time to time we have ventured respectfully to draw attention to inadequate information in shipping companies' reports, and in particular we have mentioned the case of the P. and O. Lord Inchcape at the last meeting of this company referred to this matter, and declared that while some were demanding fuller information, he had no intention of giving it, as directors knew best what resources should be reserved and what resources should be divided among the proprietors, adding that to give fuller information might give rise to a demand for larger dividends. These assertions were seized upon in the recent dock dispute by Mr Bevin, who drew the natural conclusion that this company was making considerably larger profits than its balance-sheet and dividends suggested. It would be difficult to exaggerate the importance of this cause of unrest.

To the ordinary answer given to this kind of argument Lord Salisbury replies that special obligations may reason-

ably be imposed upon joint stock companies. "It may be said that to force a man even in this limited form to disclose the conditions of his business is a grave departure from all accepted principles. That may be true where the employer is an individual or a private firm, but nearly all production in these days is in the hands of limited companies. The law confers great privileges on limited companies. A capitalist is able, through a limited company, to earn dividends without personal trouble by means of the safeguards afforded to him by the law. He performs a very useful function, but the Legislature is entitled to exact some *quid pro quo*. It is not unfair to require that, in return for these advantages, there should be a full disclosure to the workers' representatives of the business conditions under which the work is carried on." We are not sure that this distinction between joint stock companies and private concerns in itself forms a justification for special legislation affecting the former, nor can the result desired be obtained by a simple statutory formula. We have several times suggested in these columns that the time is overripe for the revision of the company laws, but the truth of the matter is that the company form of business has come to embrace so wide a range that it is difficult to formulate rules suitable to gigantic businesses employing thousands of workpeople and to small concerns with two or three employees and a handful of shareholders.

These considerations, together with a large number of problems which arise more specifically on the financial side of the joint stock company's policy, in our opinion afford ample ground for at all events fresh enquiry into our company laws. The information that is required, however, to remove suspicion may not after all prove to be the facts and figures of particular firms, but rather summaries of figures for sections of industries such as the district returns now compiled for the information of the workers and the public in regard to the coal industry. The discussions that are now being carried on in that industry are marked by a much greater appreciation and understanding of the position by the workpeople than was the case a few years ago.

We would add that the policy of which Lord Salisbury speaks is one which is fully appreciated by the Labour Government of to-day. In connection with a series of articles which we published in October and November last year, we received a considerable volume of correspondence from which we may quote the following extracts:—Mr Ramsay MacDonald wrote, "In my opinion your proposal that there should be full disclosure of trading accounts, is good. I am perfectly certain that the more light that is thrown upon all these hitherto hidden transactions of business, the more will we all be in a position to face and settle its problems. Publicity has always been a terror when we have been accustomed to do things in private, but as it has been in our religion, our public health and every department from which at one time or another we have shut out the light of day, sunshine has been a wonderful physician. It will be found to be the same with counting-house transactions. There is only one word of warning I should like to write. When we get the figures, there will be no doubt a good deal of dispute as to what they mean. We need not only figures, but capacity to interpret them. You will remember that the Prime Minister said in the House of Commons a few months ago that, when he was engaged in the last Tariff Reform campaign, he found that figures meant anything or nothing. I am sure, however, in spite of this reservation, that if your suggestions were put into practice they would not be merely a ground for further bickering."

Mr J. H. Thomas said:—"It cannot be too strongly emphasised that in the constant negotiations between Capital and Labour there has in the past been too much secrecy, and my own experience in railway negotiations is that each of our successes has been the result of frankness and the placing of all the cards upon the table. How can workers be expected to trust employers or even their own leaders unless they know the whole truth? Experience proves that they are as willing to face facts as any other class. Mr J. R. Clynes also confirmed the view of these two letters, further adding that "the public would be more reassured if people could see reliable information

on those questions of prices and costs which concern them."

It is not, however, only information as to particular firms or particular trades that is required; if we are to have a sound economic policy we must have information as to the situation of the country as a whole. In a paper to the Royal Statistical Society, last Tuesday, in connection with the forthcoming census of production, Mr Flux called attention to the backwardness of this country in comparison with other Anglo-Saxon countries in securing comprehensive knowledge of production. There has only been one census of production in Great Britain—that of 1907. Our knowledge of the nation's production from that date is based upon estimate and guesswork. But it is extremely difficult to form any certain conclusion about post-war conditions from pre-war statistics. Last week we touched upon the question whether Great Britain was going to maintain her position in foreign competition; yet we know next to nothing about such vital facts in this connection as to the output per head in many of our chief industries. Mr Flux reminded his audience that since the war two false starts have been made in getting a census of production. We sincerely hope that this mistake will not be repeated.

THE GUARANTEE OF FRANCE'S SECURITY.

In recent months the financial crisis, reparations, and internal politics appear to have fully occupied public opinion in France. But we have only to look beneath the surface to realise that anxiety for her military security remains the permanent background of French political thought. We have been reminded of this by the recent publication in Paris of the documents which have passed between France and her Allies on this subject since the Armistice.*

But important and interesting though they are, they are not, perhaps, likely to produce any substantial change of opinion in either of the countries principally concerned. This is made improbable by what is the obvious merit of the collection, namely, that it offers a sufficient sheaf of papers from either side to give a clear notion of the opposing points of view. The historian will doubtless profit by their juxtaposition, but those Frenchmen and Englishmen who take a practical and immediate interest in international affairs, and who are conscious of the vast interests that depend upon these still unsettled issues, will be tempted to concentrate their attention upon the respective elements which harmonise with their own policy. Frenchmen of almost every shade of political opinion will find abundant evidence for the view that Great Britain's hesitancy and procrastination has made it almost impossible to do business with her, and they will take their text from M. Poincaré's remark in the Chamber on November 23, 1923: "La question n'a pas encore varié et depuis lors [March, 1919], chaque fois que nous avons demandé cette garantie, nous nous sommes heurté, je dois le dire, à la même force d'inertie de la part de nos Alliés." Similarly, most Englishmen will find here confirmed the view which has been gradually growing upon them that France is almost impossible to deal with because she refuses to realise that negotiations between equal and independent parties presuppose a readiness on both sides to give as well as to take.

For M. de Saint-Aulaire, hemmed in between the "inflexibility" of his own Government and the "inertia" of the Government to which he is accredited, the lay reader, whether French or English, will feel considerable sympathy. The truth is that the official negotiators have throughout been attempting to bridge a great gulf between the public opinions of their respective countries—a gulf of long standing, which was only temporarily effaced by the pressing common danger from Germany between 1904 and 1918. France, just smitten by a fresh invasion, takes a more uncompromisingly military and Continental view than ever before, while Great Britain will not be per-

* Ministère des Affaires Étrangères: Documents relatifs aux négociations concernant les garanties de sécurité contre une agression de l'Allemagne. (Paris, 1924, Imprimerie Nationale.)

sued that she has ceased to be an island, however much M. Briand and M. Poincaré may attempt to terrify the British Government with the latent possibilities of the aeroplane and the submarine, which cancel (they suggest) the advantages of our geographical position and place us, strategically, in a relationship towards the Continent only a little less exposed than that of France.

Two-hundred-and-seventy-one pages of diplomatic papers unhappily reveal no approach towards a reconciliation between these antithetical points of view, but they deserve study on both sides of the Channel for many reasons. Frenchmen will doubtless be interested to find positive proof that, in January, 1922, at Cannes, M. Briand, on the eve of his fall, had already insisted that Mr Lloyd George's renewed offer of an Anglo-French pact must be modified by making the guarantee bilateral, and by the addition of a technical military convention. Thus M. Poincaré can claim that the French objections, which eventually caused the negotiations to lapse, were not originated by him, and that he has merely been maintaining continuity in a foreign policy which is demanded from successive Governments by French opinion. Is it really the case, however, that French policy, on this question of guarantees, has been as continuous and unvarying as M. Poincaré would wish to persuade himself and his countrymen? Certainly it has approached no nearer towards British policy, but British readers of the Yellow Book may well obtain the impression that it has steadily and inflexibly—not stood still, but moved away. Chronologically, the documents fall into three groups:—(i.) January to December, 1919; (ii.) December, 1921, to July, 1922; and (iii.) July to December, 1923. Between the first and second groups there is an interval of 15 months, between the second and third an interval of 12 months, and French official policy shows signs of having travelled considerable distances when we pick up contact with it again across these relatively wide gaps of time.

During the first period in 1919 (when the dominating personality on the French side was evidently Marshal Foch, although his extreme view did not in the end prevail in the French councils) France was overwhelmingly impressed by two factors—the recent German invasion of her soil and the disappearance of her Continental military ally, Russia—and her formula for securing herself against the repetition of the one and compensating herself for the loss of the other was a military frontier along the Rhine. In Marshal Foch's opinion, the Rhine was so admirable a military barrier from the technical point of view that France could hold it until the tardy reinforcements of her new overseas Allies, with their peace-time voluntary service, could be brought upon the scene. "Ce fleuve règle tout. Quand on est maître du Rhin, on est maître de tout le pays. Quand on n'est pas sur le Rhin, on a tout perdu." Of such capital importance did the military line of the Rhine appear to Marshal Foch, and so eager was he to secure the maintenance of that line under the political, as well as the military, conditions which he prescribed, that he preferred to hold it under these conditions, even if that meant holding it with French forces alone, and sacrificing the military, diplomatic, and moral support of the British Commonwealth and America. This view of Foch's was avowed on September 2, 1919, by M. Tardieu, and he rightly plumed himself on the fact that M. Clemenceau's Government had chosen to accept a reduction of the Marshal's conditions rather than sacrifice Allied solidarity.

This, then, was the situation, as it was summed up by M. Tardieu, after the signature of the Treaty of Versailles, and of the British and American treaties of guarantee. A fresh invasion of her own soil was at that time France's overwhelming anxiety; the Rhine was her bulwark against it; but she still preferred a weaker Rhine bulwark to a Rhine manned only by French defenders without overseas support, and she regarded the support of Great Britain and America as more valuable than any Continental combination now open to her. "Qu'on me montre," said M. Tardieu, on this same occasion, "la puissance européenne qui, dans l'état actuel des choses, pourrait, dans le cas d'une guerre future, tenir à nos côtés la place qu'ont tenu dans la dernière guerre l'Angleterre et les Etats Unis." His challenge does not appear to have been taken up in the Chamber.

Yet when we skip 15 months, and turn to the next document, dated December 14, 1921, in which the French Ambassador in London is reporting to M. Briand a conversation with Lord Curzon, we become conscious on the French side of a very different atmosphere. Lord Curzon complains that non-official British overtures for a pact "n'avaient éveillé aucun écho en France, lorsqu'elles n'y ont pas rencontré un accueil glacial ou même hostile," and M. de St. Aulaire takes little pains to rebut the impeachment. A British guarantee, limited to the case of direct German aggression against France would, as he explains to the Foreign Secretary, be "complètement inutile," for Germany would certainly make her first move against Poland. "Sans doute la France ne le tolérerait pas, et prendrait les armes pour défendre la Pologne et l'équilibre européen sur le Rhin. Mais elle serait isolée, une alliance défensive franco-anglaise, limitée à l'hypothèse d'une agression directe, ne s'appliquant pas à l'hypothèse autrement à craindre de l'agression indirecte." A limited British guarantee will be worse than none at all, for it will simply deflect the German offensive towards the East.

What has happened in the interval? Simply that France has become herself again. The immediate terror of invasion has worn off, and she is once more thinking in the old terms of the balance of continental military power. The continent east of the Rhine is no longer for her a solid world of aggressive barbarians, from which France can only be saved by the Rhine frontier, or by an overseas alliance, or by a combination of the two. The new states born of the treaties, whose destinies seemed, in 1919, too uncertain to be taken into account, have meanwhile come to fill the place, in French calculations, of France's previous ally, Russia. They possess Continental armies which can collaborate with the French army in definite numbers at definite dates, and that is the species of guarantee which France has been seeking from the outset. As for the great British and America armies which were still in being in 1919, where, meanwhile, are they? To the French military mind, British military assistance has become a secondary factor, which is not worth while securing at any sacrifice unless it can be enlisted in support of France's principal allies in Central and Eastern Europe.

What is the next phase to be? In September last the Greek-Italian incident and the ensuing events at Geneva revealed that these client States have a European loyalty as well as a French loyalty. Is the military danger from Germany so imminent as to make it worth while laboriously to cultivate a bristling, but possibly not a very lasting, hedge of armed forces around Germany, if the price to be paid is financial hardship and the surrender of the very real advantages of an Anglo-French understanding? Is there not something to be said for returning to the old view, and securing an assurance of Britain's military support in the only form in which it could now be secured—namely, by the signature of the League of Nations' draft Treaty of Mutual Guarantees, to which Germany could also become a signatory? Recent events, and in particular the publication of these documents now, together with M. Poincaré's phrases about the League in his recent letter to Mr MacDonald, lead us to suspect that this may be the quarter towards which the wind is veering.

THE MONETARY POLICY OF THE SOVIET GOVERNMENT.

(BY A CORRESPONDENT.)

THE Soviet rouble is nearing the end of its stormy career. The work it was called upon to perform in the course of the last few months has proved too much for it, and brought about its utter collapse. In the system of double currency, established in Russia since the issue in 1922 of chervonetz bank notes, the rouble note has had to do the worst part of the work a currency medium has to perform in a country whose financial system is badly disorganised—that is, to fill the gaps of a Budget which stubbornly resists any attempts to make it balance. This was bad enough in itself, seeing that the deficit of the last financial year 1922-23 reached,

according to official sources, 40 per cent. of the total Budget Estimates. Yet this was not the only cause of the collapse of the rouble note. Its sudden fall has been precipitated mainly by its being sacrificed to save the chervonetz bank note from depreciation, of which it began to show clear signs in the autumn of 1923. Since advances in chervonetz bank notes were made by the State Bank mainly to industrial concerns, which accounted for over 70 per cent. of the bills and documentary credits, as distinguished from trade, which generally provides the best banking cover for notes, while the industrial crisis was growing ever worse, the chervonetz notes failed to return to the State Bank and stuck in circulation in continually increasing quantities. This produced inflation, and by the beginning of September last the chervonetz lost over 40 per cent. of its purchasing power in the home market. Measures had to be taken to prevent its further depreciation, which would be bound to affect its rate of exchange and its essential function of a standard of value. An attempt to reduce advances having proved abortive, especially on account of the severe crisis in which the trade of the country was involved, the State Bank used a peculiar expedient to secure the limitation of its issue and the return to its tills of bank notes already issued into circulation. That expedient consisted in making advances in rouble notes at their current rate of exchange in chervonetz, while claiming the repayment of loans in actual chervonetz bank notes. Besides bringing about a great dearth of chervonetz bank notes, which had to be bought at a high premium over the official rate, thus adding considerably to the already excessive cost of credit and to the difficulties of the trading community, this policy resulted in an enormous increase in the issue of rouble notes and their extremely rapid depreciation. The circulation of Soviet roubles, which was 1,994,500,000 millions in January, 1923, and rose to 22,701,900,000 millions in October, reached 178,000,000,000 million roubles on January 1, 1924. The chervonetz, which was quoted at about 12,000 million roubles in November last, rose to over 200,000 million roubles in February. The rouble lost its purchasing power at an appalling rate. Every week brought about a depreciation of over 30 per cent. as compared with the preceding week. Prices were rapidly rising to keep pace with the depreciation, and the market, already badly affected by the crisis, became utterly disorganised. Refusals to accept rouble notes became common, especially in the countryside, and the Government was faced with the necessity of urgent measures for the solution of the currency problem.

It is under these conditions of quite exceptional urgency that the decision has been taken by the Soviet Government immediately to proceed to the completion of the monetary reform, which was started by the issue, in November, 1922, of chervonetz bank notes.

The Decree of February 5, 1924, authorised the Commissariat of Finance to issue currency notes in denominations of one, three and five roubles, which are made legal tender throughout the Union of Socialist Soviet Republics. The total issue is limited to one-half of the amount of chervonetz bank notes in circulation on the 1st of every month, less the amount due to the State Bank by the Treasury. Returns of the currency notes issued are to be published on the first of each month. The notes are inconvertible, and no cover is provided for the issue. Neither is there any rate fixed for their exchange against chervonetz bank notes, which appears to be a wise precaution in view of the probable contingency of their eventual depreciation. Announcements are, however, made in the Press by the State Bank and other banks of their readiness to convert currency notes into chervonetz, and *vice versa*, at par.

The next step was to order the cessation, as from February 15th, of the issue of Soviet rouble notes and the destruction of their available stock. Soviet roubles, however, will remain legal tender pending their redemption at some later date, which is not yet fixed.

The third measure was the issue, in virtue of the Decree of February 22nd, of silver and copper coins. The coinage is generally similar to the former Imperial coins, the only difference being in design. The total amount of metallic

money to be issued in 1924 is fixed at 100 million roubles. In case of need, pending the actual minting of the necessary stock of coins, the Commissariat of Finance is authorised to issue provisional small notes in various denominations, from one to 50 copecks. These notes must be withdrawn from circulation in 1925.

Finally, the decree of March 7th ordered the withdrawal of Soviet roubles from circulation, in exchange for new notes and coins, at the rate of 50,000 Soviet roubles of the 1923 pattern (one rouble of the 1923 pattern is equivalent to one million original roubles) to one rouble in the new currency. The exchange is to close on the last day of April. Old notes are to remain legal tender at the rate fixed till April 10th. The State Bank and the Treasury are authorised to re-issue old notes into circulation up to March 25th.

How far the reform may be expected to succeed remains to be seen, though even Soviet experts admit that its carrying out presents great difficulties, and that it has been started too early. On the face of it, the moment appears to be hardly propitious for the reform. The Budget Estimates for 1923-24 anticipate a large deficit which, to the extent of 180 million roubles, is to be met by the printing of notes. While it is a general rule that Budget equilibrium must be attained and the currency stabilised before monetary reconstruction can be started, in this case the new money is being issued in a chaos of depreciated old notes and in the midst of unprecedented anarchy on the market. Old rouble notes, though their redemption has now been started, still circulate along with chervonetz bank notes, new currency notes and coins, thus creating extremely favourable conditions for speculation, especially in view of the great differences existing between the purchasing power of money in various localities. Particularly grave doubts are raised as to the expediency, under such conditions, of the issue of silver coins, which should, better, have been avoided. Until conditions are improved and stabilised, it would certainly have been better to keep to paper money, while devoting all energies to the restoration of State finance and the development of economic activities in the country. A sane financial and economic policy, with paper money supported by the chervonetz as standard of value, would certainly be less spectacular than the immediate transition to metallic money, but it would be sounder on the long run. As to the present reform, it is to be feared that it will fail to improve the position, and will only result in making the Treasury poorer by the amount of silver issued, which will be a free gift from the State to hoarders and speculators. That this is bound to be so would appear to be clear, and, according to recent reports in the Soviet Press, silver coins are already displaying in many localities a tendency to disappear from circulation. In Petrograd, silver coins are already at a premium of from 20 to 30 per cent., as against chervonetz or currency notes. Coupled with the Budget deficit, this early development is a bad omen for the successful carrying out of the monetary reform.

Apparently aware of the dangers of the situation, the Government descends on the market with drastic measures of control and repression, trying thus to avert the consequences of its own hurry. Regulations and repression, however, can hardly be expected to remove the difficulties, and are rather bound to aggravate them. It is certainly whole economic policy that conditions can be created in which the real restoration of sound currency will become practicable.

DECISIONS OF THE LEAGUE COUNCIL.

(BY A CORRESPONDENT.)

THE Council of the League of Nations concluded last Saturday night, having disposed of a big agenda in six days. Lord Parmoor, who represented the British Labour Government for the first time, was fairly successful on the whole, but it is doubtful whether he will be physically capable of meeting the strain involved in really big League issues. He was given a very friendly reception by the rest of the members of the Council, and his general declaration of the full League policy of the

British Government was noted with great satisfaction in the Press of nearly the whole world.

The two most important points of the Council were the settlement of the Memel question, and the approval of the Report of the Jurists' Commission on the interpretation of the Covenant on points arising out of the Corfu discussions at the Council last September. In disposing of the Memel dispute, and also in securing a settlement of the frontier differences between Poland and Czechoslovakia in the region of Javorina, the Council has once more cleared up two points of considerable importance which the Conference of Ambassadors had been unable to solve. The neutral commission for Memel, under the chairmanship of Mr Norman Davis, former Under-Secretary of State in Washington, after close and continuous application, has secured an agreed convention giving large autonomy to Memel, and applying practical solutions to the problem of the working of the harbour and of transit on the Niemen. This Convention, which is an improvement on the Convention drawn up by the Conference of Ambassadors, and which the Lithuanians declined to accept, should make considerable difference to the economic development of Memel and the hinterland, to which Memel is so important as an outlet to the sea.

The Jurists' report on the interpretation of the Covenant has been received with some criticism, but taking a broad view, it certainly gives a wide interpretation to the general competence of the Council, and the unequivocal adhesion of the Italian Government to its conclusions is significant. It knocks the bottom out of virtually all the arguments produced by the Italians at the time of the Corfu affair. It declares that no plea of national honour or vital national interest can prevent the Council taking up a question referred to it; that the Council is not called upon to inquire whether, in fact, a dispute "is likely to lead to rupture" before considering its substance, and that the responsibility of a State for the commission of a political crime in its territory is only involved if the State has failed to take reasonable precautions. It also declares, obviously within the terms of the Covenant, that when a dispute already forms the subject of arbitration or of judicial proceedings, the Council must refuse to consider it. The main criticism is devoted to the reply that coercive measures "not intended to constitute acts of war" may or may not be inconsistent with the Covenant. It is difficult to see what other answer could be given to an abstract question. It depends, as the reply states, upon circumstances, and what is important is that the Council has the right to recommend the withdrawal of any such measures of coercion as have been undertaken. It might have been possible to specify that no measures of armed force are compatible with the Covenant, but a broad reading of the answer seems to imply that.

At the end of the Council all the signatures were fixed to the Hungarian Protocols, and the scheme is now in force. There remains only the appointment of a Commissioner-General, who was to have been Mr Harding, formerly of the Federal Reserve Board in America, but I understand that he has been compelled to withdraw for reasons of health. The Council noted with satisfaction that the monthly deficit in Austria had diminished, and after hearing Dr Zimmerman, the Commissioner-General, gave a broad hint to the Austrian Government that it should continue reducing its expenses so that budget equilibrium may be established on a solid basis.

Mr Morgenthau, another American, formerly Ambassador in Constantinople and chairman of the Greek Refugee Settlement Scheme, also reported progress to the Council, and seemed to be hopeful that stable political conditions in Greece were not far off, and that by that time further loans might be negotiated to carry on the settlement work. Three million pounds have already been devoted to it.

On the report of the Rome meeting of naval experts in connection with the limitation of naval armaments of which I wrote in my last message, the Council decided to ask the members of the League to give their views on the matter before taking any further step.

Amongst other decisions, the Council voted about £2,000 for the relief of famine in Northern Albania, and made an appeal to the members of the League, to which

Lord Parmoor replied by an indication that the British Government would be prepared to give £5,000. Several difficult points were settled, and some were pushed well ahead towards settlement in connection with Polish-German differences on nationality and expropriation questions in Poland, and on administrative difficulties in Danzig and in the Saar. The Governing Commission of the Saar has certainly been strengthened by the new appointments in the place of the former Saar representative and of the Dane on the Commission, both extremely weak members who had resigned since the Council discussions on the subject last December. Despite somewhat disproportionate criticism in the English Press, the Saar people themselves are not dissatisfied.

These are the main features of a busy week in which, besides the ten members of the Council, ten other States participated.

RAILWAY WORKING COSTS.

In last week's issue we analysed the receipts of the four great British railway companies for the year 1923, using for comparative purposes the composite figures for 1922 of the companies included in the groups which we compiled twelve months ago. The aggregate gross receipts of the four companies for 1923 amounted to £217,506,000, representing a decline of 4.8 per cent. in comparison with the combined figures for 1922. Expenditure amounted to £176,960,000, a decrease of 3.8 per cent., the largest proportionate reduction, according to our figures, being shown by the London and North Eastern, as may be seen from the following table:—

	EXPENDITURE.			
	1922.	1923.	Decrease.	
London, Midland, and Scottish.....	£ 72,983,000	£ 71,019,000	£ 1,964,000	— 2.7
London & North-Eastern.....	58,106,000	54,836,000	3,270,000	— 5.6
Southern.....	21,761,000	21,327,000	434,000	— 2.0
Great Western.....	51,103,000	49,778,000	1,325,000	— 4.3
	183,953,000	176,960,000	6,993,000	— 3.8

While the London and North Eastern shows the greatest reduction in expenditure, an examination of the accounts discloses the fact that this company has transferred £1,523,400 from depreciation account for maintenance and renewal of way and works, locomotives and wagons. Thus the expenditure on wagons was £4,401,800, but only £3,394,500 was charged against revenue. Each of the other companies, on the other hand, has made transfers to depreciation accounts out of revenue, the net amounts being: London Midland and Scottish, £174,100; Southern, £653,800; and Great Western, £204,400.

The following table shows the principal items of expenditure for the four companies:—

	Maintenance and Renewal of Ways and Works.		Maintenance and Renewal of Rolling Stock.		Locomotive Running and Traffic Expenses.	
	Amount.	% of Traffic Receipts.	Amount.	% of Traffic Receipts.	Amount.	% of Traffic Receipts.
London M. & Scottish	£ 8,974,659	11.38	£ 11,310,287	14.34	£ 37,571,130	47.63
London & N. Eastern	6,725,908	11.57	8,984,561	15.46	27,339,936	47.07
Southern.....	3,383,703	14.48	3,050,072	13.05	10,028,368	42.89
Great Western.....	4,587,946	14.44	4,246,850	13.37	14,568,615	45.86
	23,672,216	12.3	27,591,770	14.4	90,108,149	46.9

Figures published by the Ministry of Transport last March show that in 1922 all the railways spent £28.5, £32.2 and £96.2 millions respectively on these three items. These figures represent 13.2, 14.8 and 44.5 per cent. respectively. The abstracts of expenditure show that the London and North Eastern has spent considerably more on maintenance and renewal of wagons than on locomotives and carriages. Each of the other companies, however, has spent considerably more on locomotives than on either carriages or wagons. The L.M.S. spent £5,710,700 on locomotives, but withdrew £470,400 from depreciation fund: its expenditure on carriages was £2,639,500, but a transfer of £538,500 to depreciation fund was charged to this account, while

£3,034,800 was spent on wagons, including a transfer of £28,700 to depreciation fund.

We have reclassified the amounts shown in the above table under the headings of wages, material and fuel, with the following result. The amount spent in rates and taxes has been added, the four items covering over 70 per cent. of total expenditure:—

(000's omitted.)

	Wages.		Materials.		Fuel.		Rates & Taxes.	
	1922.	1923.	1922.	1923.	1922.	1923.	1922.	1923.
London, Mid. & Scottish	34,092	34,494	7,485	6,899	6,305	6,520	2,823	2,835
Increase or decrease	+1.2%	+1.2%	-7.8%	-8.5%	+3.4%	+3.4%	+0.4%	+0.4%
Percentage of expenses	46.2%	46.2%	10.1%	9.7%	8.3%	8.7%	3.8%	4.0%
London and N. Eastern	26,929	27,194	5,545	5,712	4,441	4,757	2,219	2,042
Increase or decrease	+1.0%	+1.0%	+3.0%	+3.0%	+7.1%	+7.1%	-8.0%	-8.0%
Percentage of expenses	46.2%	46.2%	9.9%	10.4%	7.6%	8.7%	3.8%	3.7%
Southern	9,105	8,914	2,156	1,751	2,000	2,074	1,158	1,134
Increase or decrease	-2.1%	-2.1%	-18.8%	-23.0%	+3.7%	+3.7%	-2.1%	-2.1%
Percentage of expenses	41.9%	41.8%	9.9%	8.2%	9.2%	9.7%	5.3%	5.3%
Great Western	13,639	11,937	2,956	2,888	2,229	2,455	1,536	1,431
Increase or decrease	-12.5%	-12.5%	-2.3%	-2.3%	+9.9%	+9.9%	-6.8%	-6.8%
Percentage of expenses	43.9%	40.6%	9.9%	9.7%	8.1%	8.9%	4.9%	4.8%
Total	83,519	84,539	18,142	17,250	14,975	15,806	7,736	7,443
Increase or decrease	+1.2%	+1.2%	-4.9%	-4.9%	+5.4%	+5.4%	-3.8%	-3.8%
Percentage of expenses	46.4%	47.2%	9.8%	9.7%	8.1%	8.9%	4.9%	4.9%

The rise in the cost of fuel is common to all the companies, the aggregate increase being the substantial one of 5½ per cent. Wages, on the other hand, show an increase of less than 1 per cent. in the aggregate, there being a decrease of over 2 per cent. in the case of the Southern. At the meeting of the London and North Eastern, at the end of last week, the chairman stated that after making allowance for variations in the quantum of work performed in the two periods, "we estimate that by comparison with the year 1913 there has been an increase of not less than 148 per cent. in our railway wages bill, brought about by the higher rates of wages, reduced hours, and changed conditions of service." There is a very substantial decline in the total amount spent on materials used for renewals and maintenance, but the L. and N. Eastern is exceptional with an increase. Rates and taxes have contributed nearly £300,000 towards the reduction in expenses. Both wages and coal have absorbed a higher proportion of total expenses.

As we have previously explained, the comparative figures which we have given for 1922 are incomplete, and in all cases fall more or less short of the true figures, but we have thought it worth while to use them in the absence of official figures from the railway companies themselves. From the railway returns for 1922, published by the Ministry of Transport, in which estimates were given for each of the four groups, we gather that our figures for 1922 are within 3 per cent. of the correct total, the London, Midland, and Scottish figures showing the largest error, with a deficiency of about 1 per cent.

INSURANCE IN SOUTH AMERICA.

(BY A CORRESPONDENT.)

THE field for foreign insurance in South America has suffered during the past few years some disappointments and disillusion. While the general business carried on by British, American, and French companies seems to have aroused the jealousy of certain national offices, German interests have been so closely associated with those of Argentina that they have suffered considerably less, or not at all. While a large number of the national companies are undoubtedly well organised and carry on a sound progressive business, maintaining at the same time ample liquid reserves, others present balance-sheets which, in view of the character of their assets (largely composed of speculative building company shares), would hardly survive analytical examination in this country.

Hostile legislation against British insurance companies asserted itself as long ago as 1891. Propaganda (largely instigated by Teutonic-Argentine rivals) was largely resorted to, and was not without its effect. The doctrine preached was that, upon patriotic grounds, national, rather than foreign, assurance should be taken out. To

encourage the adoption of this suggestion, a tax of 7 per cent. (instead of only 5 per cent.) was imposed on all direct premiums charged by foreign fire insurance companies, against 1.40 per cent. recovered upon the premiums of national companies. Upon life insurance policies the premium income of foreign companies was subjected to 2 per cent., in comparison with 0.5 per cent. in the case of national life companies. Additional restrictions were imposed upon non-Argentine offices, such as a considerable increase in the stamp duties and an advance in deposits, thus serving to render foreign insurance business difficult and, in some cases, entirely unremunerative.

At the end of 1922 a clause in the Budget for the following year called for an increase in the taxation already in existence on the premium incomes of foreign insurance companies. The increase was to have been to as much as 15 per cent., and, had the proposal been carried into execution, it would have become impossible for British insurance companies to carry on business. Indeed, the withdrawal of those British companies established was threatened, the feeling being that, while reasonable taxation should be submitted to, the imposition of penal taxes must prove insupportable. Obviously foreign business, which had to pay three times as much in taxation as national enterprise of a similar nature, could no longer be maintained.

As an instance of the discrimination in taxation between national and foreign companies, the figures for 1921 (later statistics are not available) may be cited. For that period the total premium income shown by the national insurance companies was \$44,367,000 (approximately £3,857,000 at par rate of exchange), the taxation thereon coming to \$401,890 (approximately £34,000). On the other hand, foreign companies returning their premium income at \$19,316,820 (approximately £1,679,000) were subjected to a taxation of \$1,102,420 (approximately £100,000). On the face of it, it seems remarkable that foreign companies should meet with unfair treatment in a country which, from the commencement of its economic development, has been dependent upon the capital of European financiers, and, to a great extent, remains so. Moreover, such discrimination is contrary to the agreement providing for "equality of treatment in trading matters," entered into between Great Britain and Argentina a full century ago.

Owing to representations upon the part of British and other foreign interests, the additional taxation threatened was abandoned, the Argentine Minister of Finance, belatedly, arriving at the conclusion that the application of such a tax "would prove impracticable." But foreign insurance companies are not destined to be let-off entirely. Congress has again recommended that foreign insurance companies should be subjected to differentiating taxation. This, it is proposed, shall take the form of an increase in annual licences from the pre-existing rate of 4,000-10,000 pesos to 6,000-15,000 pesos. In the case of national companies the increase is to be raised merely from 2,000-4,000 pesos to 3,000-6,000 pesos. It will be observed that foreign business is to be mulcted to the extent of a 50 per cent. increase; this, if imposed, must prove as damaging as the increase in the taxation of the pre-seen whether the renewed protests from British interests will result in the obnoxious proposal being abandoned.

Brazilian insurance regulations are also being revised. Congress is considering the establishment of registers in which all policies of life, fire, accident, and marine loss insurance will be compelled to register. This enactment would have very serious consequences in the case of fire insurance, which forms an important proportion of the total risks undertaken by British companies in Brazil. The introduction of compulsory handling insurance, which are the essence of good service; business conducted under such conditions could not be carried on. Both British and American insurance interests are protesting against this innovation. Its returns of all policies are already made to the complete Inspection Department of the Brazilian Government, which is thus in possession of a "full register." In Chile, of some 130 insurance companies carrying on

business, 45 are foreign. They comprise 31 British, seven German, four North American, one Canadian, one Norwegian, and one Argentine. Whereas two of the four American companies confine their business operations to fire and two others to life business, the British companies accept all ordinary risks. At the present time there are 105 fire insurance companies operating in the country, 77 native and 28 foreign. Chile, indeed, would appear to be one of the most attractive of the South American countries for foreign insurance enterprise. Business offering has shown a fairly consistent profit for the companies engaged since the earthquake of 1906, when an immense amount of property, in addition to 2,000 human lives, were lost, the greater proportion being uninsured.

Bolivia is considering new insurance legislation, a Bill now before Congress seeking to amend Article I. of the law regarding the carrying-on of foreign insurance companies, promulgated about 20 years ago (September, 1904). The proposed alterations are to the effect that all national as well as foreign insurance companies, agencies, or offices now, or in future, established in Bolivia, must prove that the companies have been legally constituted with an individual capital of not less than 100,000 bolivianos actually invested in the country, the companies being also obliged to invest further in the Republic a minimum of not less than 40 per cent. of premiums collected on their policies in force.

INVESTMENT TRUST COMPANIES.

THE raw material of the Trust Company is the Stock Exchange security. Its task is by careful selection and suitable blending to build up a solid body of assets, which by averaging individual risks will in the first place yield a secure revenue, and in the second, be immune as far as possible from capital depreciation. In some years the latter consideration is a very serious one, but in 1923 there has been little change. The 365 representative securities listed by the *Bankers' Magazine* at the end of December were valued at £6,286 millions. By April the value had climbed to £6,599 millions, gradually to fall to just upon £6,347 millions in August; a rally sent the total value up to £6,407 millions, but by the middle of December the amount had dwindled to £6,256½ millions—a loss of only £29½ millions, or about one half of 1 per cent. in the twelve months. For the purposes of this article the movements of fixed interest securities are perhaps of more vital interest, as the greater part of securities held by these undertakings come under this heading. Taking the position of fixed interest-bearing securities, listed by the *Bankers' Magazine*, as 100 at December, 1921, we find that by January, 1923, a rise to 112.4 is recorded; in April the highest peak of the year was touched when the figures were 116.4. In August a dip to 113.7 is shown, only to rise to 114.8 in August. The closing figures of the year in December were 111.2, a fall of over 1 per cent. in the twelve months. It has to be remembered, however, that the figures for the end of December were calculated at a moment of temporary depression, due to political causes, which has subsequently been fully made good. The story of the year is thus substantially one of stability in security values.

But, though security values fell slightly on the average during the year, the revenues of investment trust companies were not affected. Indeed, it is obvious that whether securities rise or fall the income from fixed interest-bearing securities, which form the greater part of the holdings of these companies, remains constant. Profits made from the realisation of investments are usually transferred to capital reserve, or written off the book value of securities held. This is not necessarily always the case, but is likely to be so for the present, since in most cases the depreciation experienced after the slump of 1920 was so severe that the valuation on current

prices still shows a deficit below book value. Hence there is still a margin to be made good, whether by profit on sales or by appreciation in the value of stocks held, though the difference may be amply covered by a capital reserve fund. An examination of the accounts of 17 investment trust companies reveals the fact that revenue in 1923 totalled £1,481,637, as against £1,288,320 for the previous year. Moreover, as will be observed in the following table, these increases are evenly spread over the whole of the companies in our list:—

Company.	1913.		1921.		1922.		1923.	
	Net Rev'n'e.	%	Net Rev'n'e.	%	Net Rev'n'e.	%	Net Rev'n'e.	%
Trusts.								
Army and Navy	42,719	9%	34,886	10%	37,159	11%	41,621	17%
British Investment	188,940	14%	162,538	15%	158,116	16%	185,266	17%
Foreign and Colonial	145,939	8%	113,336	7%	108,785	7%	115,332	7%
Govt. Stock and Other								
Securities	69,011	7%	44,464	7%	44,361	7%	51,589	8%
Guardian	36,814	5%	33,407	7%	34,129	8%	41,575	9%
International	54,093	5%	41,563	6%	44,080	6%	53,118	6%
Mercantile Investment and								
General	194,293	7%	188,222	9%	187,954	9%	229,291	10%
Merchants	83,932	8%	86,739	9%	80,420	9%	92,461	10%
Metropolitan	63,115	13%	70,787	14%	72,490	15%	80,652	16%
Northern American	90,843	13%	74,154	14%	73,843	14%	81,239	15%
Omnium	38,318	6%	37,918	7%	37,515	7%	46,902	8%
Premier	42,074	7%	42,748	6%	43,224	6%	47,983	7%
Railway Debenture	65,577	7%	60,173	6%	61,666	6%	70,837	7%
Railway Share	48,907	5%	54,205	5%	54,225	5%	59,987	6%
River Plate and General	48,431	11%	47,441	10%	46,871	10%	56,267	11%
Scottish Amer. Invest.	160,927	18%	146,991	18%	154,809	18%	162,270	18%
United States Deb.	59,472	10%	59,302	12%	59,915	12%	65,307	12%
Total	1,433,406		1,298,874		1,288,320		1,481,637	

+1% of this is paid free of income-tax.

Dividends for 1923, it will be seen, are in nearly all cases at a higher rate than in 1913. The reasons for the increased revenues are by no means clearly stated. Mr Robert Flemming, at the general meeting of the Metropolitan Trust, referred to the "continued improvement in revenue and capital value," and said that "we have seized such opportunities as offered to make what we deemed to be judicious exchanges, but the character of our list has not undergone much change either in the class of investment—that is, whether bonds, preferred stock, or ordinary stock—or in the geographical distribution of same." The larger revenue shown by those companies which hold railway securities are the consequence of the exceptional dividends declared last spring. The Railway Share Trust states that the increased revenue shown is also partly caused by the proceeds of the new issue, which has been "profitably invested." As far as we can gather, directors are not inclined to make public the exact causes of the better revenue figures. But as most chairmen are obviously following a cautious policy, the general increase in the dividend list is perhaps significant.

The next table shows the amounts placed to reserve out of revenue and from profits on sales of investments, total reserves, the book value of investments and the margins earned on ordinary stock in each of the past two years:—

Company.	Placed to Reserve, &c.				Total Reserves.		Book Value of Investments.	
	From Revenue.		From Realised Profits.					
	1922.	1923.	1922.	1923.	1922.	1923.	1922.	1923.
Army and Navy ..	£ 7,000	8,000	8,087	5,875	£ 225,152	225,152	1,217,202	1,220,269
British Investment ..	..	..	..	..	1,130,000	1,130,000	5,428,222	5,468,532
Foreign and Colonial ..	10,000	7,500	632	13,129	735,000	735,000	3,144,866	3,194,266
Government Stocks ..	..	20,000	..	..	80,000	100,000	1,987,875	1,997,408
Guardian ..	3,462	9,359	..	..	..	..	1,140,511	1,114,607
International ..	4,636	13,751	8,387	6,533	..	..	1,801,377	1,805,915
Mercantile Invest. and General ..	25,000	50,000	..	..	375,000	400,000	6,532,383	6,470,162
Merchants' ..	..	..	..	..	303,750	303,750	3,109,919	3,147,554
Metropolitan ..	..	..	..	..	440,000	440,000	2,133,146	2,166,860
North American ..	11,500	10,000	..	..	525,000	525,000	2,622,053	2,630,699
Omnium ..	..	50,000	..	..	..	50,000	1,733,064	1,719,867
Premier ..	7,123	13,000	8,769	2,461	12,017	12,017	1,524,424	1,533,133
Railway Deb.	3,190	8,861	2,804	..	265,000	273,000	2,776,185	2,297,657
R. Plate & Gen.*	5,000	5,000	12,470	10,296	145,000	150,000	1,005,925	1,017,791
Scottish American Investment**	20,000	20,000	..	..	940,000	950,000	4,399,875	4,291,364
U. States Deb.*	1,000	1,000	25,672	20,699	315,000	315,000	2,130,865	2,067,465
Total ..	97,917	216,471	66,821	58,993	5,681,914	5,804,914	43,401,534	43,565,253

* No detailed list of investments published.

The last two companies in our list are nominally financial companies, but the distinction between these and investment trust companies is nowadays purely nominal.

Unfortunately, the usefulness of the above table is marred by the absence of a uniform method for treating balance-sheets. A standardised form of accounts for investment trust companies might easily be agreed upon. To illustrate our point we will take the item "Investments." In the balance-sheet of the British Investment Trust the item is shown as "Investments less contingent fund," £5,468,532. There is a reserve fund of £1,130,000; the report of the company says, "A valuation of the investments, made in the usual way, shows that the market value on January 1, 1924, is slightly in excess of the book value of £5,468,532." The Army and Navy Investment shows "Investments at cost, less amounts written off to date, £1,220,269." This is somewhat vague. The Foreign and Colonial Investment Trust returns its investments at cost, less amounts written off, but adds, "There is a depreciation.....at present prices which is more than covered by the capital reserve." The Government stock gives "Investments as standing in the books of the company, £1,997,409." The auditors comment upon this, saying, "Investments are stated in the balance-sheet at cost price, excepting where the cost has been written down, and their value is referred to in the directors' report." On turning to the directors' report we find that "According to a valuation based on prices current on December 31, 1923, there is a depreciation which is not covered by the amount standing to the credit of the revenue reserve fund." The Guardian contents itself with referring to investments "at cost price or under," £1,114,607. The International Investment follows this practice, but it is pointed out that "there is still a depreciation in value which the trustees hope by the application of surplus revenue will disappear." The Merchants' Trust leaves it to the auditors to point out that "Investments and advances are stated at their book values," but are "subject to existing depreciation." True, the directors in their report supplement this by stating that "Quotations still denote a depreciation of assets in relation to book cost." We could go on giving examples, but we feel sure that what we have already shown is sufficient to convince most people of the need for reform in this direction. Of course, it may be pointed out that the current value of these securities is not of paramount importance, that as long as the return from fixed-interest securities remains unchanged, investors have little or no need to worry about changes in capital values. But we do not think that the implication here is sufficient for obscuring the true position of an undertaking.

Our final table shows the movements of investment trust companies' stocks and shares during 1923, together with the yields at the end of February. Prices in July, 1924, are also appended for comparison purposes:—

Company.	Prices of 1923.		Price July 30, 1914.	March 26, 1923.		March 19, 1924.	
	Highest.	Lowest.		Price.	Yield.	Price.	Yield.
Army & Navy 5 % cum. pref.	93	88	106	89	5 12 9	90	5 11 6
Do def.	147½	133	177½	135½	8 2 3	143½	7 13 6
British Investment def.	315	267½	259½	290	5 10 3	320	5 6 3
Do 4 % and 5 % cum. pref.	97½	93½	103	93½	5 10 9	92½	5 8 0
Foreign and Col. Invest. 5 % non-cum. pref.	93	84	108	89½	5 12 0	91½	5 9 3
Do def.	102	89½	134½	106½	6 12 0	107½	6 10 3
Gov. Stock and Other Sec. 5 % non-cum. pref.	90½	78	100	79	6 7 3	84½	5 18 3
Do def.	96½	89½	113	91½	7 13 9	100½	7 19 3
Guardian Investment, 4½ % pref.	84½	72	91½	72	6 7 6	81½	5 10 6
Do def.	126	107½	97	111½	7 3 9	119½	7 10 9
International 4½ % cum. pref.	77½	74½	86	75½	6 0 0	74½	6 0 3
Do def.	91	75	73½	78½	7 13 9	85½	7 0 3
Merc. Invest. and General 5 % cum. pref.	98½	93½	108	96½	5 4 3	93½	5 7 0
Do ord.	165½	142½	129½	150½	6 6 3	155½	6 13 3
Merchants' 4 % cum. pref.	80	70	86	70	5 14 3	74½	5 8 0
Do ord.	137	128½	126	131½	7 4 6	135½	7 7 6
Metropolitan ord.	256½	227½	236½	228½	6 2 6	267½	5 19 9
Omnium 5 % cum. pref.	84½	79½	99	81½	6 2 9	81½	6 3 9
Do def.	93½	89½	103	90½	7 15 6	102½	7 16 9
Premier Investment ord.	85½	80	104	81½	8 0 6	81½	8 12 6
Do 5 % cum. pref.	81½	79½	92	77½	6 0 0	79½	6 5 0
Do 4½ % deb.	82	79½	99½	82	6 0 3	79½	6 4 0
Railway Deb. 4½ % cum. pf.	78½	73	93½	75	6 1 3	77	5 16 0
Do ord.	93½	86	105½	89½	6 14 9	93½	7 10 6
Railway Shre. 7½ % cum. pf.	112	104½	126½	105½	7 3 0	107½	6 19 6
Do ord. stock.	75	72	76	73½	6 17 0	78½	7 13 9
Silver Plate and General 4½ % cum. pref.	81	78	97	80	5 12 6	79½	5 11 0
Do def.	169½	137½	187	150½	7 6 3	165½	7 6 0
South Am. Invest. 4 % pref.	77½	76½	95	78	5 2 6	76½	5 6 0
Do ord.	64	54	64½	64	5 13 0	71½	5 10 0
U.S. Trust 5 % cum. pref.	85	80	106	90	6 3 6	95½	6 15 3
Do ord. stock.	3½	1½	1½	1½	9 10 0	1½	9 8 0

As compared with values a year ago, an all-round improvement is noticeable. The appreciation has affected ordinary and fixed-interest stock alike. But the outlook for the future is difficult to determine. The outstanding fact is that these investment trusts hold big batches of gilt-edged securities, while holdings of industrial ordinary shares are few and far between. If the international situation improves, and we have a revival of trade and a period of high money rates, which means that fixed-interest securities sooner or later are likely to fall. It will call for great skill to know how and when to avoid this depreciation.

TRUSTS AND ANTI-TRUST LEGISLATION IN THE UNITED STATES.—I.

FOR thirty-three years the Federal Government of the United States has been engaged in efforts to regulate and restrict the development of combinations which aim at or tend towards the elimination of competition in trade and industry. Before 1890 there were rules of the common law as to restraint of trade, and in some of the States of the Union constitutional provisions and legislative enactments against trusts and combinations, but the growth of such organisations had not been arrested. Judicial decisions were, indeed, making the device of the "trust" illegal, but the "holding company" had been adopted in its place, and even expressly legalised in New Jersey. Consequently more general and comprehensive action seemed to be required, and this took the form of the Sherman Anti-Trust Act of July, 1890, which prohibited under heavy penalties every contract or combination in restraint of inter-State or foreign commerce (which alone comes within the sphere of the Federal Government) and every attempt to monopolise such commerce. Thus acts which were at common law merely invalid were made criminal offences, so far as they related to inter-State or foreign commerce, and in addition private parties injured by combinations were given the right to sue for triple damages, and the Federal Government was empowered to bring suits in equity to restrain such combinations.

The Act was not very effective at the outset. In the first case decided under it by the Supreme Court (the Knight case, 1895) it was held that, though the evidence proved the existence of a combination of sugar manufacturers—the American Sugar Refining Company having obtained control by exchanges of shares—there was no violation of the Sherman Act, since "manufacture" was not "commerce." Two subsequent decisions (in the Trans-Missouri Freight and Addyston Pipe cases) declared agreements for the fixing of freights or prices, or for the delimitation of markets, to be illegal—the reasonableness or otherwise of the freights or prices so fixed was held to be immaterial. Attempts at elimination or mitigation of competition by price or marketing agreements were thus discouraged, whilst the Knight judgment appeared to encourage consolidation of manufacturing undertakings; and these decisions were, therefore, an important contributory cause of that rapid development between 1898 and 1901 of industrial consolidations (by the formation of holding companies or mergers) in the United States, of which conspicuous examples were the American Thread Company (1898), and the United Shoe Machinery Company and the United States Steel Corporation (1901).

This phenomenon led to the investigations of the Industrial Commission (1898-1902), whose main recommendations were as to the need for publicity and the equipment of the Federal Government with full powers in that respect. As the result there was established in 1903, in Mr Roosevelt's first administration, the Bureau of Corporations, as part of the Department of Commerce and Labour, to investigate the organisation and conduct of monopolies and combinations engaged in inter-State commerce, other than common carriers (who were subject to the control of the Inter-State Commerce Commission), in order to give information to the President and enable him to make recommendations to Congress.

Before the new Bureau could get actively to work the

decision in the Northern Securities case (1904) condemned the device of the "holding company," with the consequence that consolidation could be attained only by merger; and now the investigations of the Bureau of Corporations, the publication of its reports—of which probably the most notable were those on the petroleum industry (1907), the tobacco industry (1909), and the steel industry (1911)—and the proceedings taken by the Department of Justice as a result of those reports checked the movement towards consolidation. Some substantial victories were gained by the Government in the Courts, particularly in the actions against the Standard Oil Company and the American Tobacco Company, which were based in part on section 1 of the Sherman Act, which declared combinations in restraint of trade to be illegal, but in part also on section 2, which is directed against monopolies. In the Tobacco case, in 1911, a merger as a device for securing monopoly was held to be illegal, and in view of the nature of the business in question the Knight decision lost most of its importance. In this and the Oil case (decided in the same year) the court ordered the defendant companies to be reorganised so as to bring them into conformity with the law. This was done in respect of the Standard Oil Company by dividing up the stocks held in subsidiary companies by the principal company among the stockholders in that company, and as the controlling stockholders therein were few in number, it is doubtful whether the method adopted was effective. In respect of the American Tobacco Company, the Supreme Court required a scheme of dissolution to be prepared by the company and submitted to the Court below for approval; and that scheme, as adopted, provided for (1) the abrogation of numerous restrictive covenants by which various tobacco companies had bound themselves not to engage in the tobacco business; (2) the disintegration of certain subsidiary combinations in particular branches of the business..... (3) the distribution of the stocks of numerous subsidiary companies of the American Tobacco Company among the shareholders of that company; and (4) the transfer of a part of the property and business of the American Tobacco Company to two new companies to be organised," each of the three companies to have a large part of each branch of the tobacco business possessed by the American Tobacco Company. Various methods of combination, such as interlocking directorates, common management, price and marketing agreements, acquisition of shares in one company by another, increase of stock holdings by the principal stockholders, and voting trusts were prohibited by injunction either permanently or for a prescribed period.

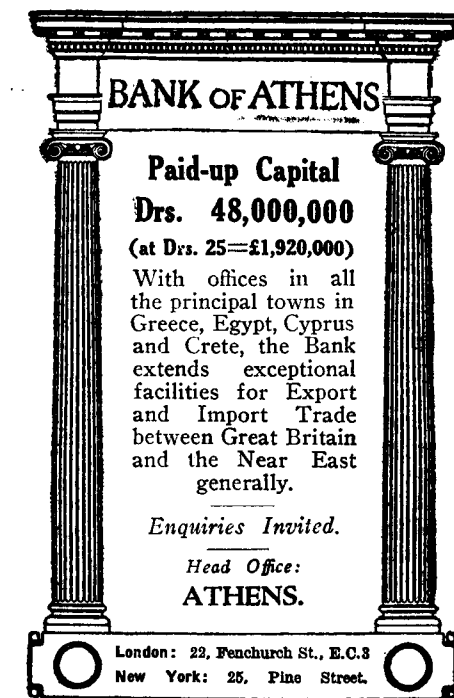
A prosecution of the Chicago meat-packers failed in 1912, and in the proceedings against the United States Steel Corporation, in which a decision was not given by the Circuit Court until June, 1915, and not finally confirmed by the Supreme Court until five years later, the Government was also unsuccessful, largely because, whilst the corporation was undoubtedly predominant in the steel trade of the United States, the growth of outside concerns had been so considerable and rapid that its quasi-monopolistic position had been appreciably weakened, and allegations as to price-fixing agreements with its competitors were held not to be made out. But as a whole the investigations of the Bureau of Corporations, which were conducted with much energy and generally with great competence, and the resultant action of the Government checked consolidation, and so the organisers of trade and industry in the United States then fell back on "gentlemen's agreements"—that is, tacit understandings and the exchange of information as to output and prices.

The Democratic administration of President Wilson, which took office in March, 1913, was not satisfied as to the scope of the existing Anti-Trust legislation or the powers of the Bureau of Corporations, and its policy found expression in two enactments of Congress in the autumn of 1914. The first of these was the Act establishing the Federal Trade Commission, whose functions, as described by the Commission itself in its last annual report (for the year ending June 30, 1923), are "to sustain those practices which support the competitive system, as opposed to monopoly, in furtherance of the fundamental object of Congress in the enactment of the Federal Trade Commission Act, the Clayton Act, and the Export Trade

Act," and to protect the public against (a) methods opposed to good morals because characterised by deception, bad faith, fraud or oppression, and (b) methods regarded as against public policy because of a dangerous tendency unduly to hinder competition or create monopoly. The Commission was empowered to investigate the organisation and business of corporations engaged in commerce (but not common carriers, which are under the Inter-State Commerce Commission, or banks, which are subject to the Federal Reserve Board); to require such corporations to furnish annual reports; to investigate, at the request of the President or either House of Congress, alleged violations of the anti-trust laws; to make recommendations to the Attorney-General as to the reorganisation of the business of any corporation alleged to be violating those laws; and to inquire and report as to the manner in which any decree to prevent or restrain violations of those laws is being carried out. The law further declared unfair methods of competition to be illegal, and empowered the Commission to investigate complaints and (subject to appeal to the Courts) to make orders requiring any persons practising such methods to desist therefrom.

The second enactment was the Clayton Act, which prohibited price discrimination in the internal trade of the United States and its dependencies, and leases, sales or contracts made, and prices fixed, on condition that the purchaser should not use or deal in the commodities of any other producer, where the effect of such discrimination or condition might be substantially to lessen competition or create a monopoly—the provision in respect of leasing being obviously directed against such proceedings as those of the United States Shoe Machinery Company. It sought further to prevent combinations in restraint of trade by the device of stock ownership, whether by means of holding companies or in any other way, and prohibited corporations engaged in commerce, any one of which has capital, surplus and undivided profits exceeding one million dollars, from having common directors if such corporations are or have been competitors (the object being to prevent interlocking directorates). It also provided penalties (imprisonment up to one year or a fine up to \$5,000, or both) for the violation of the penal provisions of the anti-trust laws, but left injunction as the sole remedy against violations of the particular provisions of the Act which have been summarised above.

Finally, the Export Trade Act mentioned above (generally known as the Webb-Pomerene Act), passed in 1918—when much attention was being directed in the United States to the need of a "big push" in foreign trade—laid down that nothing in the Sherman Act should be construed as making illegal an association entered into for the sole purpose of export trade, and actually so engaged, if its effect was not to restrain trade within the United



States or the export trade of any competitor, and also modified the Clayton Act by allowing any such association to acquire an interest in any similar association. Every organisation desirous of taking advantage of the Act is required to file particulars with the Federal Trade Commission, and up to June, 1923, 123 associations (of which eight had been formed during 1922-3) had done so.

Notes of the Week.

An Exciting By-Election.—Mr Winston Churchill was beaten by a short head in the Abbey Division of Westminster, the official Tory candidate getting home by 43 votes—with a poll of 8,184 votes against 8,141. Handicapped by a complete absence of organisation which had to be improvised, Mr Churchill, with the aid of the daily Press, made a spectacular and sporting fight, and though the Tory party machine proved too strong for him (in spite of unofficial support from several Tory leaders), the election will not be recorded against him in public opinion as one of his failures. If Mr Churchill had been successful it would have been an event of political importance, for he has cast himself for the rôle of a second Joseph Chamberlain, who is to lead into a Tory alliance a band of Liberals sufficient to put in a "Unionist" Government with an anti-Socialist programme. The scheme conceives of the leader of these reinforcements becoming the virtual—even possibly the titular leader of the new coalition. Whether Mr Churchill would have taken anything more than the merest handful of followers is highly doubtful; but that he would have become virtual leader of the Opposition is highly probable. As events have turned out, however, the situation in the House remains unchanged, while Mr Churchill lives to fight another day.

The Debt and Taxation Enquiry.—About a month ago the Chancellor of the Exchequer announced the appointment of a Committee "to consider and report on the National Debt and the incidence of existing taxation, with special reference to their effect on trade, industry, employment, and national credit." On Tuesday he announced the names of those who will compose the Committee. They are as follows:—Lord Colwyn (chairman), Sir Charles Addis, Sir Alan G. Anderson, Sir Arthur Balfour, Mr Henry Bell, Mr J. W. Bowen, Mr Fred Bramley, Mr W. L. Hichens, Mr J. A. Hobson, Mr H. B. Lees-Smith, Sir William McIntock, Sir Josiah Stamp, and Mrs Barbara Wootton. It is a strong team, and the choice of names has had a deservedly good reception in financial and industrial circles. Lord Colwyn has had a wide experience of presiding over investigations of this kind, including the income-tax inquiry. In Sir Josiah Stamp the Committee contains our foremost authority on taxation, a sound economist and an experienced business man. Banking is well represented by Sir Charles Addis and Mr Henry Bell, and industry equally well by Sir Alan Anderson, Mr Hichens, and Sir A. Balfour. The Labour representative embraces both the intellectual and the Trade Union elements. Committed protagonists of a Capital Levy are conspicuous by their absence, and altogether it is a body from which the business world has no fear of rash recommendations. Whether this well-chosen Committee will be able to produce any practical achievement is a different question. The field over which the terms of reference permits the members to wander is almost boundless. Perhaps we may hope that they will at least succeed in giving the *coup de grâce* to a few popular fallacies.

The Indian Budget Crisis.—When at the end of last week the Indian Government succeeded in passing the Estimates through the Legislative Assembly by means of the closure, it was hoped that the danger of a crisis had been averted. This hope was the stronger because in the debate the Swarajists so far departed from their obstructionist attitude as to indulge in criticisms of a constructive and practical nature. It came, therefore, as an extremely unpleasant surprise when on Monday, on the introduction of the Finance Bill, the Pandit Malaviya moved its rejection in its entirety. The rejection motion was carried by 60 votes to 57, and therefore for the second year in succession the Budget has provoked a first-rate political crisis. The Viceroy had only one possible course

open to him, namely, to exercise his emergency power of "recommending" the Finance Bill. The Bill as "recommended" will be introduced on Monday in the Council of State. It would seem probable that events will then take the same course as they did a year ago. On that occasion the "recommended" Bill was passed by the Council of State, and went back to the Legislative Assembly with a recommendation from the Viceroy to pass it in the form in which it was passed by the Council. The Legislative Assembly then rejected it again, and the Viceroy, using the power accorded to him by Section 678 (1) of the Government of India Act, "certified" the Bill, which thereupon became an Act. On this occasion, however, there seems to be some slight chance that, at the second time of asking, the Legislative Assembly may pass the Bill, for it only requires the turnover of two votes to secure its passage. We very much hope that this turnover may take place, for the exercise of the Viceroy's special powers provides powder and shot for the Swarajists. A year ago we frankly expressed the opinion that the Viceroy was ill-advised to exercise his emergency powers. This time he obviously has no alternative. Last year it was a question of a comparatively small amount of new revenue; this year it is a question of providing the means for carrying on the administration at all. Full comment on the debates in the Assembly which have led up to the present crisis must be deferred until the detailed official reports reach this country. But from the Delhi cables to the British Press we gather the impression that Sir Basil Blackett handled the Budget with considerable astuteness, and the decision to throw the Finance Bill out was only created at the last minute by outbursts in the extremist Press in India. Incidentally, the following analysis of the vital division in Assembly by the Delhi correspondent of the *Times* is worthy of notice:—"An analysis of last Monday's division list in the Legislative Assembly shows how predominantly Hindu is the Swarajist movement, for, of the 73 elected Indian members who voted in the division, 45 Hindus voted with 12 Moslems, two Sikhs, and a Burmese against the Government, while two Hindus voted with nine Moslems, one Sikh, and one Parsee for the Government. Moreover, of the two elected Hindus who voted for the Government, one represents a commercial 'special' constituency." In view of the prominence which problems of Indian finance receive, we may draw our readers' attention to a book on the "System of Financial Administration in British India," by Mr P. K. Wattal, which has just been published.* Here the student will find a detailed account of exactly how the financial machine works, not only in relation to the central Budget, but also to the Provincial Government and railway finances.

Wembley and Free Trade.—A storm in a tea-cup has been aroused by the news that a site at the Wembley Exhibition has been leased for a Free Trade exhibit, and by the publication of a letter signed by Lord Parmoor appealing for funds with which to finance it. Mr Baldwin questioned the Prime Minister about it on Thursday, and yesterday the subject was debated in the House of Commons. For our part, we see little justification for the outcry, which indeed collapsed ignominiously in the House yesterday, when the Premier made a notable Free Trade pronouncement. Free Traders are at least as anxious as the adherents of any other economic policy for the success of the Exhibition, and look to it to produce an expansion of trade within the Empire. But it will surely be helpful and conducive to better Imperial co-operation if the real trades are clearly understood by the hosts of visitors from the North-Western Free Trade Union, or any other organisation, proposed to use Wembley for the spreading of political or party propaganda, we agree that such intentions should properly be ruled out. But if, as we believe, and explanatory, it has a strong claim to occupy a space, that which will be taken up by the scenic railway and the house of mystery. An Empire Exhibition would hardly be complete without an exhibit explaining to Dominion

* *Times Press, Bombay.* Price Rs. 10.

visitors the facts of British trade, on which the British electorate has recently taken decisions which are inadequately understood in many parts of the Empire.

Army Troubles in Ireland.—Our Dublin correspondent, writing on Thursday, says:—Reference was made in these columns last week to manifestations of discontent in connection with Irish Free State Army affairs. The trouble has developed, and is not yet at an end. Although warranting grave disquietude, it does not appear to threaten the painfully achieved stability of the new institutions. It might best be described as an acute attack of growing pains, or, as one Minister has put it, an abscess developed in the body politic which has fortunately become ripe for lancing. Readers of the *Economist* have been apprised from time to time of the drastic steps taken by the Government in its pursuit of economy and of Budget equilibrium—steps so drastic as to have suggested a doubt whether they might cause acute popular discontent. The figures given yesterday show that since August 1, 1923, some 1,890 officers and 27,225 men have been demobilised—a relatively huge number when the total population of about 3,000,000 is taken into account. Last week two senior officers addressed something in the nature of a pronunciamento to the Government, and absented themselves from duty and evaded arrest. Debate in the Dail found Mr McGrath, Minister of Industry and Commerce, arraigning the Ministry of Defence for muddling and incompetent handling of the position, and tendering his resignation. Thereupon a Committee of Inquiry was appointed, and the debate held over until yesterday. It appears that during the week-end the President and Executive Council arranged a *locus penitentiae* for the insubordinate senior officers and those who were implicated with them—a short period during which they might surrender, and upon giving their parole be placed under open arrest pending the Inquiry and investigation of charges, &c. A retired officer, General O'Duffy, was placed in supreme command of the Defence Forces of the Free State, and the Minister of Defence appears to have notified his subordinates of the President's *locus penitentiae* arrangements. Then on Tuesday evening, before the expiration of the surrender period, troops surrounded a house, where certain of the insubordinate officers had been discovered in conference, with a view to effecting their arrest. Bloodshed was narrowly averted, and yesterday the matter was again before the Dail. It thereupon appeared that the troops had acted without the knowledge or authority of the new general officer in supreme command, but upon orders received from the Ministry of Defence and the Adjutant-General, Chief of Staff, and Quartermaster-General. The Executive Council had accordingly demanded the resignations of the three latter officers, and was about to request the Minister of Defence himself to resign when he tendered his resignation on the ground that his colleagues were condoning mutiny by delaying the arrest of the incriminated officers. His colleagues' complaint is, of course, that he was disloyal to their collective decision, and that his three chief officers were guilty themselves of insubordination in disregarding the authority of General O'Duffy, who had been specially appointed with supreme powers to deal with the crisis. It appears now that the Chief of Staff refused to resign, and has been dismissed, and there, for the moment, the matter stands. The Army is stated to be loyal, and the predominance of the civil power in the State is being steadily asserted by Mr O'Higgins, Minister of Home Affairs, who is acting Vice-President during the absence through illness of the President.

China and the Powers.—A correspondent in a later column gives a vivid account of the chaotic conditions prevailing in China even in the neighbourhood of the main ports of commerce. These difficulties obviously cannot be put right by European intervention, but something may be done by the Powers to assist in removing one of the stumbling-blocks—namely, the bankrupt condition of China's finances. Another move towards the end has recently been taken. A note last week from the Peking Government to the signatories of the Nine-Power Treaty of Washington asks them to call a Conference preparatory to that contemplated by the Treaty, but post-

poned through the refusal by France of ratification until the Peking Government consents to pay the French share of the Boxer indemnity in gold francs—a demand which should naturally be submitted to arbitration at the Hague or elsewhere. The postponed conference was expected to sanction the further increase of the Customs duties by a so-called "surtax" of 2½ per cent. *ad valorem*, primarily intended to replace the likin or internal Customs duties, which China is bound by treaty to abolish. But the likin has shrunk into comparative insignificance beside the irregular exactions of the provincial Governments and the Tuchuns, and the consolidation of the floating debt is now a more urgent problem. This debt, including the sums due to foreign firms for goods, chiefly railway material, nominally amounts to some \$800 millions, and the "surtax" is the only revenue available for the service of the Consolidated Debt which should take its place. But the estimated immediate yield of the "surtax" is only \$25 millions, which would be insufficient even after the drastic capital reductions which consolidation would involve. Still, the restoration of order would rapidly increase the yield, and consolidation is the most obvious preliminary step towards restoration. It would enable the Peking Government to borrow—probably from the Consortium—so as to satisfy the Tuchuns and pay off their troops. But it is doubtful if the Powers will consent to the diversion of the "surtax" from its original purpose; and Sir John Jordan, in Thursday's *Times*, contends that they should not do so. Still, the preliminary conference would clear up the situation, and would probably leave little for its successor to do except to agree to its conclusions. Much information should have been made available for it by the Commission, assisted by foreign advisers, appointed last autumn by the Peking Government. Should it negative consolidation, an alternative way towards internal peace has been opened by the visits, during the last three or four months, of Mr Schurman, the American Minister to various insurgent leaders and to the Tuchuns. The British Minister may be moved to follow his example, and should the leaders be persuaded to keep quiet pending a conference of the Powers, there may be some hope for a solution of the Chinese problem. The reply of the Powers to the Note will be awaited with interest, and there is reason to expect it soon.

The Results of Fascism.—On a later page will be found the report of the panegyric of Fascism and its leader pronounced by the managing director of the British Italian Banking Corporation at its meeting on Tuesday last. Most British students of Italian politics will discount his eulogy. Fascism has at best been a desperate and violent remedy for the disintegrating influence of Italian Socialism and the debility of Italian Parliamentary Government. From the first large sections of the electorate had always kept out of politics—the devout Catholics, till recently, through the Papal inhibition, many of the middle-class and peasants, especially in the South, through sheer indifference. Polls were almost always small, even in the enlightened North. Since the "transformism" of Depretis in the 'eighties of the last century, the old parties have survived only in name, the Ministries have been based on weak and unstable coalitions of groups at once of the "Right" and "Left," and until Fascism became political the only well-organised party was the "official" Socialists who repudiated Parliamentary action. Before the war the extravagances of foreign and colonial policy had aggravated the popular discontent, and helped to preclude effective agrarian and social reform; and the tyranny exercised by these Socialists in the State railway services, and in certain localities, chiefly the agricultural regions of Central Italy, was often intolerable, and occasionally brought about a temporary local disturbance approximating to revolution. After the war the cost of living, the popular disappointment, and the general unrest were exploited by the revolutionary sections of the Socialists; wages reached their upper limit, strikes multiplied, and no Government was strong enough to attempt a remedy. The workmen seized factories and controlled them, and Signor Giolitti, the arch-adjuster, temporised with them, so that they might learn their impotence by experience. Then the ex-soldiers, provoked

by Socialist insults, rallied in resistance, and the Fascist movement began. Local committees effectively combated Socialist tyranny; much blood was shed, but Italian quarrels had usually been sanguinary, and the Socialists seem to have been the most guilty. The successive Governments were more and more impotent, and ultimately Signor Mussolini mobilised the Fascists, marched on Rome, and seized the government, after a civil war had been averted by the King. Signor Mussolini has restored order, and eliminated the chief factors of disturbance, and we see no reason to question the sincerity of his patriotism. But the prospect is disquieting. His new electoral law seems designed to establish the tyranny of possibly a very small Parliamentary majority; the new Parliament, his panegyrist tells us, contains few politicians, but many men eminent in the war, in business, industry, and science; but that might stand for a description of the Italian Senate, which has always been politically negligible. And Dr Gorgolini's authorised statement of Fascist policy, reviewed in these columns on June 9, 1923, is a jumble of sound economics (with some inconsistent exceptions), suspicion (an old Italian vice) of Great Britain and other Great Powers, and of the "capitalism" of the League of Nations, militant Nationalism (in the new provinces, and possibly overseas), as Mr Manzi Fé states, repudiation of "internationalism," and coupled with efforts to secure a balance of power in Europe. And if the Fiume settlement is encouraging, the Corfu incident is very much the reverse. Fascism has done evil and brought good out of it, chiefly because its leader is a capable statesman. It does not follow that the good will predominate in the future, and the methods adopted are assuredly not a pattern for imitation.

Cost of Living.—The "cost of living" index number of the Ministry of Labour declined one point in February, after a rise of two points in the previous month. At the beginning of this month the figure was 78 per cent. above the level of July, 1914. How it has moved month by month over recent years is shown below:—

AVERAGE PERCENTAGE INCREASE OVER JULY, 1914.—All items.
(Food, Rent, Clothing, Fuel, and Light, &c.)

Month (beginning of)	1918.	1919.	1920.	1921.	1922.	1923.	1924.
	%	%	%	%	%	%	%
January ..	85.90	120	125	165	92	78	77
February ..	90	120	130	151	88	77	79
March ..	90	115	130	141	86	76	78
April ..	90.95	110	132	133	82	74	..
May ..	95-100	105	141	128	81	70	..
June ..	100	105	150	119	80	69	..
July ..	100-105	105-110	152	119	84	69	..
August ..	110	115	155	122	81	71	..
September ..	110	115	161	120	79	73	..
October ..	115-120	120	164	110	78	75	..
November ..	120-125	125	176	103	80	75	..
December ..	120	125	169	99	80	77	..

For food alone the percentage increase over July, 1914, was 76 at the beginning of March, as compared with 77 at the beginning of February. In retail food prices the principal movement during February was a further fall in the price of eggs, amounting to about $\frac{1}{4}$ d. each on the average; on the other hand the average price of sugar rose by about $\frac{1}{4}$ d per lb. Bacon, butter, cheese and fish became slightly cheaper, but there was a slight hardening in the average prices of potatoes, flour, bread and imported meat.

Employment in February.—The unemployment statistics for February given in the *Labour Gazette* provide further evidence that the two big strikes of the present year have not checked the absorption of labour into industry which has been progressing so steadily over a considerable period. Our official contemporary says:—"After the settlement of the railway dispute on January 29th employment quickly recovered from the decline caused by the shortage of transport, and there was a further and continuous improvement in February." On January 21st (the first day of the railway stoppage) the total number of registered unemployed was 1,253,000; by February 25th it had declined to 1,156,000—a striking fall of nearly 100,000 in under five weeks. The trade union unemploy-

ment percentage, of which the monthly movements over recent years are traced below, moved down from 8.9 per cent. at the end of January to 8.6 per cent. at the close of last month:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.								
	1913.	1918.	1919.	1920.	1921.	1922.	1923.	1924.
End of—	%	%	%	%	%	%	%	%
January ..	2.2	1.0	2.4	2.9	6.9	16.8	13.7	8.9
February ..	2.0	0.9	2.8	1.6	8.5	16.3	13.1	8.6
March ..	1.9	1.2	2.9	1.1	10.0	16.3	12.3	..
April ..	1.7	0.9	2.8	0.9	17.6*	17.0	11.3	..
May ..	1.9	0.9	2.1	1.1	22.2*	16.4	11.3	..
June ..	1.9	0.7	1.7	1.2	23.1*	15.7	11.1	..
July ..	1.9	0.6	2.0	1.4	16.7	14.6	11.1	..
August ..	2.0	0.5	2.2	1.6	16.3	14.4	11.4	..
September ..	2.3	0.5	1.6	2.2	14.8	14.6	11.3	..
October ..	2.2	0.4	2.6	5.3*	15.6	14.0	10.9	..
November ..	2.0	0.5	2.9	3.7	15.9	14.2	10.5	..
December ..	2.6	1.2	3.2	6.0	16.5	14.0	9.7	..

* Excluding coal miners.

Of all workers insured under the Unemployment Insurance Acts, the percentage unemployed at February 25th was 10.7, as compared with 11.9 on the last day of the railway strike.

Census of Scotland, 1921.—The second volume of the Report on the Census of Scotland in 1921,* which has recently been published, makes interesting reading. The total population of the kingdom on the last census day was 4,882,497, an increase of 2.6 per cent. as compared with 1911. The increase of females was, however, greater than that of males, and the ratio of females to each hundred males, which stood in 1911 at 106.2, had risen to 108.0 in 1921. The inter-censal increase in the male population amounted to 1.7 per cent., while that in the female population was 3.4 per cent. The estimated loss of population by migration in the period 1911-1921, while actually less than that of the previous inter-censal period, was relatively greater, and the migration of females exceeded that of males for the first time since 1871. The average ages of both males and females was greater in 1921 than in 1911, as the following table shows:—

	Average Ages.		
	Both Sexes.	Males.	Females.
1911	28.0	27.2	28.7
1921	29.6	28.9	30.3

One of the most interesting sections of the report, however, is that dealing with housing. The total number of occupied houses shows an increase, the number per 100 of the population being 21.7 in 1921, as compared with 21.3 in 1911. The number of houses building was more than double that registered at the preceding census. The number of windowed rooms has been increasing steadily since 1861, the total per 100 of the population being 70.3 in 1921, as compared with 68.9 in 1911, though the number per occupied house was the same at both periods at 3.24. While the largest actual increase is found in the case of three-roomed houses, the largest relative increase is registered in the case of four-roomed houses. The analysis of population by number enumerated per room is not, however, as satisfactory as might have been desired. Although the number of persons living not more than two per room has been steadily increasing since 1861, and was in 1921 56.7 per cent. of the total population, and although the number of persons living not more than three per room also has increased (from 78.1 per cent. in 1911 to 78.9 per cent. in 1921), the number of persons living more than four per room, which had steadily diminished from 1861 (18.7 per cent. of the total population) to 1911 (8.6 per cent.) has once more risen to 8.9 per cent. in 1921. At the last census, in fact, over 420,000 people in Scotland were living more than four per room.

The Chancellor on National Savings.—In a letter to the National Savings Committee, Mr Snowden records his sympathy with the objects of the Savings movement, and his appreciation of the public services rendered by the large number of men and women who continue to devote time and energy to furthering its objects. While de-

* Report on the Thirteenth Decennial Census of Scotland. Vol. II. H.M. Stationery Office. Price £1.

claring that "experience has shown that the accumulated small savings of the nation can be made an important factor in national finance," the Chancellor rightly emphasises the value of the Savings movement as an instrument of social welfare, tending to develop a sense of responsibility for the right use of wealth. The movement, originally inaugurated as a means of tapping the reservoir of small investment during wartime, was found in practice to have so beneficial an effect in encouraging thrift among large numbers of people, as to justify its continuance in time of peace for that one object. Its continued success seems to have been due to two main factors—the concentration of a large part of its forces on already existing local units, the school, the workshop, the small country village, &c., rather than the isolated individual, and the extraordinarily effective instrument which it found ready to its hand in the shape of the Savings Certificate. The backbone of the movement is the local association, more than 19,000 of which exist to-day. As recently as last month 525 new associations were formed. These bodies are run on a purely voluntary basis, the executive having the benefit of the advice in matters of accountancy, &c., of individual members of a small corps of expert officials of the National Savings Committee, who visit their areas from time to time. Local committees—at present 1,557 in number—whose areas are usually coterminous with those of the local authorities, exercise voluntary organising and administrative powers. Conferences of local workers are held annually, when representatives are elected to serve on the National Committee and to attend the annual assembly, at which matters of interest to the movement are discussed. The Savings Association allows its members special facilities for the purchase, by instalments, of National Savings Certificates, a security now familiar to most people, but none the less unique in British financial history. Its denomination is low, but, at 16s, sufficiently high to the small investor to make its acquisition a distinct personal achievement. Interest is paid, not annually, but monthly, and is automatically added to principal, tax free. No market exists in this security, and though the certificate is payable within a few days of demand, interest accrues in a manner which puts a premium on its being held for the full ten years of its life. Those responsible for its development seem wisely to have recognised that mere lowness of denomination is not in itself sufficient to attract the investor. Most people will agree with the Chancellor of the Exchequer that a movement which was formerly a promising social experiment, and is now a beneficent social institution, deserves every encouragement, and will note with satisfaction that the security of its chief instrument remains unaffected by any political doctrines which have sometimes been ascribed to the party now holding the reins of office.

Stock Exchange Government.—A Stock Exchange correspondent writes:—On Thursday in this week the Stock Exchange held its annual election for thirty members of the House to serve as the Committee for General Purposes in respect of the financial year which begins next Tuesday. The election resulted in the return of the 28 present members, and, in addition, Mr W. F. Hadrill, senior partner in a well-known firm of brokers, and Mr John C. Russell, member of a firm of jobbers in the Consol market. The surprise of the election is that Sir Wilfrid Atlay, who was defeated last March, has again failed to secure a place. Mr Hector Morison, the famous ex-M.P., is another of the candidates whom the House has not elected. Upon this occasion there was no question before the Stock Exchange of sufficiently pressing interest to cause the election to be fought on controversial lines, and it may be said that the result turned chiefly upon the personalities of the various candidates. There is, of course, no obligation upon the Stock Exchange member to vote, and when nothing of domestic consequence disturbs the House what usually happens is that a comparatively small proportion of men take the trouble to walk downstairs into the Settling-room in order to poll. The record of the present Committee, the members of which will go out of office officially on Monday, to return, most of them, to their duties on the following day, has not been of an inspiring character. The twelve months now ending have

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resulted in little fresh legislation of importance being placed upon the statute book of the House. The Committee have proceeded along a line of least resistance, and a great deal of their work during the past twelve months was negative rather than active, matters of routine occupying a prominent position in the councils of the Committee. This is not to say that the Committee did all that might have been expected of them. It is frequently urged that in their position of trust the Committee must walk with extreme circumspection in the alteration of existing laws, and in the making of new ones, lest they should inadvertently create precedents, or come into conflict with old ones, in a manner which would embarrass the House as a whole. There is a great deal of red tape still twined round the government of the Stock Exchange. The Deed of Settlement upon which the control of the House is still founded dates back over 120 years, and is admittedly full of absurdities which modern conditions demand should be swept away. Various alterations have been made in the Deed from time to time, but the Committee and the Managers are still to a large extent hide-bound by the tradition set before them, within the limits of which tradition there is not sufficient elbow-room for the government of the Stock Exchange to move freely and in accordance with the requirements of 1924 instead of those of 1801. The public interest claims, demands even, that the Stock Exchange Committee shall act with vigour, determination, energy, and none of these qualities shine very brilliantly in the legislation, for instance, of the past twelve months. The Committee might carry war into the ranks of dishonest share-pushers in the same way as New York has done. It could do much to disseminate a fuller knowledge of Stock Exchange affairs and the manner in which these conduce to the benefit of the public. It could, and ought to be, far stricter in examination into antecedents of companies, individuals, &c., brought within the purview of the Committee's jurisdiction, in order that shares may be quoted, members admitted, and so forth. It is rightly held that experience and knowledge are

amongst the essential qualifications for the office of a committeeman, and that, in order to possess these, men of middle age make the best candidates. But with a Committee of thirty men there is scope for at least a few of the younger generation, just as there is a call for the Stock Exchange, in the interests of the public, to take a more definite and aggressive stand against the swindles, misconceptions and the roguery which, alluringly presented, cause too many of the public to lose their money.

Ruhr Coal Production.—The *Moniteur Belge* has published the following figures of coal production in the occupied Ruhr districts, exclusive of mines under French administration :—

1923.	Metric Tons.	1923.	Metric Tons.
January	7,029,305	September	1,081,129
February	5,684,355	October	1,666,561
March	5,126,677	November	1,317,912
April	3,136,283	December	3,581,873
May	2,024,809	1924.	
June	1,420,015	January	5,485,040
July	1,107,485	February	6,371,451
August	955,274		

The increase in output since "passive resistance" came to an end is noteworthy, but the German Press naturally continues to view with disfavour the operation of the present *modus vivendi*. The *Berliner Börsen-Zeitung's* Essen correspondent characterises the new Ruhr Coal Distribution and Sale Association as a weak edition of the old Syndicate, possessing little more than the external semblance of its mighty predecessor. While Ruhr coal of good quality has not much difficulty in finding a market, the poorer sorts are less readily disposed of, partly because Rhenish-Westphalian industrial consumption is still below normal, and partly because the heavy charges borne by the trade and the inadequacy of available transport facilities tend to discount the ability of Ruhr producers to meet competition from foreign sources of supply. The position varies as between one mine and another. At the Thyssen, Arenberg, and one of the Krupp mines, for instance, the pre-war output is said to have been reached some time ago, but that of other concerns, whose coal is of lower quality, still lags as much as 40 per cent. behind pre-war.

Monetary Circulation in Germany.—The current *Bulletin* of the League of Nations contains some interesting particulars of Germany's currency position. The total circulation in terms of gold marks at the end of each month from October to January last is shown as follows :—

(Millions of Gold Marks.)

	1923.		1924.	
	Oct. 31.	Nov. 30.	Dec. 31.	Jan. 31.
I. Paper marks*—				
Reichsbank notes	144.6	400.2	496.5	483.6
Private bank notes	0.4	0.1	0.1	0.1
Railway emergency money...	25.7	114.8	109.0	64.6
Other legal emergency money..	5.5	3.4	2.3	1.9
Total	176.2	518.5	607.9	550.2
II. Fixed value currencies—				
Rentenmarks†	..	598.2	1,049.1	1,196.3
Gold loan scrip‡	78.0	216.4	240.0	240.0
Railway emergency currency..	..	35.4	141.9	144.2
Emergency currency covered by gold loan scrip	46.1	216.2	234.7	146.0
Total	124.1	1,066.2	1,665.7	1,726.5
General total	300.3	1,584.7	2,273.6	2,276.7
(1913=6,070.0=100)	4.95	26.11	37.46	37.51

* Converted at the dollar rate quoted on the date of the statement.
† Excluding amounts deposited at the Reichsbank.
‡ Small denomination.

When comparing this table with the figures of paper circulation for earlier months, it is necessary to take account not only of the Reichsbank notes and Reichs- and Darlehnskassenscheine, but also of the issues of the private banks of issue and of emergency currency. The relative importance of these different forms of currency

during 1923 may be judged from the following statement :—

(Paper Marks)—(000,000,000's).

	Jan. 31, 1923.	Aug. 31, 1923.	Sept. 30, 1923.
Notes of Reichsbank	1,984.5	663,200.1	28,288.816
Notes of private banks	1.49	5,491.3	15.590
Reichskassenscheine	0.21	0.20	..
Darlehnskassenscheine	13.4	11.1	..
Railway emergency currency	..	..	194,300
Other emergency currency	15.2	23,061.4	213,900

One Rentenmark equals 1,000,000,000 paper marks, according to the fixed rate of exchange now in force. The Darlehns- and Reichskassenscheine are no longer in active circulation, and it is proposed formally to wind up the Darlehnskassenscheine during the course of this month.

American Cotton Crop.—This week the Department of Commerce of the United States Government has published its final ginning report on the cotton crop for 1923-24, the number of bales being given as 10,160,000. A year ago the statement was 9,729,000 bales, the ultimate growth being 10,300,000 bales. On the basis of these figures, it is probable that the crop for this season will amount to about 10,700,000 bales. The figures published this week were much as anticipated, and have not caused any particular change in values. More interest is now being centred on the prospects for next season, as owing to small yields for three years supplies throughout the world have been considerably reduced, and a great deal depends upon a larger output in 1924-25. Farmers in the United States are now preparing the ground, and seed will be planted next month. There is some expectation of a slight increase in the acreage. According to some authorities the severe weather during the winter has had a vital effect upon the boll weevil, and there are anticipations of the plants not being injured in the coming season to the same extent as the last few years. Owing to the high prices, it may be taken for granted that farmers will make big efforts to produce a substantial yield, but the deciding factor will be the climatic conditions this summer.

Non-Ferrous Metal Movements.—Some very violent movements have been witnessed in the non-ferrous metal markets this week. The feeling for some time past has been a little too bullish, with sentiment all on one side. This had the effect of checking the consumptive demand, and near the close last week there were signs that the overdue reaction was coming. At the opening this week all metals were sensitive, and on heavy sales to realise, partly on German account, prices broke very badly. On Tuesday standard tin dropped no less than £20 per ton, and although some recovery ensued the following day, the undertone was still very weak, final rates being unaltered on balance. Later, however, a strong rallying movement set in, and on Thursday prices rose £10 per ton, with York at about £275. The best touched during the recent movement was £298 5s. three months, and at one time fell no less than £35 in about a week. The lower level brought along active buying for American account, and late in the week market leaders here were buying, while bears covered freely. The U.K. stocks at 3,175 tons and the market is all the better for the reaction. There is now talk of a further bull movement being started, but it is to be hoped that this, if attempted, will not be carried too far, as steady markets are more desirable both from the point of view of producers and of consumers. £275 is a very good proposition for most tin-producing companies, and while the statistical position is very sound, higher. Copper weakened considerably, owing to selling from the Continent, but later on the market showed a much better tone, and there should be further recovery. Both France and Germany will want more copper shortly, and the reduction in the American stocks,

with the curtailment of the refinery production in the United States, should help the market to recover still more. The consumptive demand for the commodity is good; Germany is bare of supplies, and the latest return reveals a big shrinkage in the Havre stocks. Lead, after moving last week well above £39 per ton, showed marked weakness, and this week May dropped to £33 17s 6d at one time, and March was no better than £34. From this point a strong upward movement set in, and later in the week March lead made over £36, with the undertone firm. Zinc weakened in unison with the other metals, but showed very little feature. At the worst March sold down to £33 17s 6d, but recovered and forward metal was not much offered.

Railway Tonnage Statistics.—The monthly return of railway statistics relating to December has been published by the Ministry of Transport this week, and we are now enabled to compile the following comparative table of tonnage carried :—

	1922.	1923.	Increase.
	Tons.	Tons.	%
Merchandise	59,884,633	62,825,011	+ 2,940,378 4.9
Coal, coke, &c.	217,474,340	232,199,571	+ 4,725,231 2.2
Other minerals	58,527,222	62,826,518	+ 4,299,296 7.3
	335,886,195	347,851,100	+ 11,964,905 3.6

In 1913 the total carried was over 366 million tons, general merchandise accounting for 69½ million tons. The monthly figures for last year and 1922 will be found in the statistical pages of the Monthly Supplement with this issue.

Cammell, Laird's Year.—In the report and accounts of Cammell, Laird and Co., Limited, for the year ended December 31, 1923, the directors state that, "after meeting the dividend for the year on the preference shares, there will not be a sufficient balance for the payment of a dividend on the ordinary shares of the company." The report proceeds to point out that it is well known that conditions of trade in 1923 were bad, and that, owing to keen foreign competition, prices were, generally speaking, unremunerative. The position was aggravated by the strike of the boilermakers, which lasted from April 30th to November 26th, and dislocated the work at the Birkenhead shipyard for the greater part of the year. Thus ordinary shareholders have nothing this year. In the report of the company published a year ago, the directors pointed out that "trade during the past year has been notoriously bad, and the engineers' dispute, which lasted three months, added to the difficulties experienced." The directors then went on to state that, in view of the large liquid resources of the company and the substantial sum standing to the credit of reserve account, they felt justified in transferring a sum of £50,000 from that account, in order to enable the payment of a dividend of 5 per cent. on the ordinary shares. Some surprise must be felt by shareholders over the optimism of directors. Perhaps this matter will come up for discussion at the annual meeting which is to be held in Sheffield on Tuesday next. The balance-sheet will be found analysed in our usual column. In this it will be noticed that cash and bills are down from £1,550,902 to £590,715; investments, however, are up from £2,066,512 to £2,684,050, these being taken "at their book value—in no case exceeding cost." Some critics may ask what is the market value. The 7½ per cent. five-year notes have been again reduced, and only £350,000 is now outstanding. How the company has fared since 1913 may be seen from the following table :—

	Net Profit.	Prof. Div.	Appropriations.	Ord. Div.	Rate.	Carried Forward.
	£	£	£	£	%	£
1913	169,126	91,892	68,602	28,692	2½	37,775
1914	237,899	61,261	100,000	86,075	7½	25,937
1915	303,841	61,261	100,000	114,768	10	51,460
1916	321,372	61,261	100,000	114,768	10	94,494
1917	308,123	61,261	120,000	114,768	10	74,689
1918	283,094	61,261	100,000	114,768	10	78,286
1919	333,026	61,261	80,000	175,033	10	93,639
1920	268,942	61,261	31,500	188,037	7½	71,471
1921	170,487	61,261	..	136,660	5	38,637
1922	145,808	61,261	Dr. 60,000	139,660	5	31,223
1923	70,064	61,261	..	Nil	Nil	38,016

The Salt Union.—A substantial recovery in the gross profits of the Salt Union is shown in the report for the year 1923, the total, including dividends, &c., having risen from £336,500 to £410,900. There was very little change in administration and other expenses, and there is a corresponding increase in net profits, namely, from £207,900 to £280,200. The report states that the quantity of salt delivered during the year showed a moderate increase, and that this improvement was due to the rather larger shipments to overseas markets; but, owing to keen competition, the prices realised in India remained very low. Results since 1910 are summarised below :—

	Gross Profits, Rents, and Dividends.	Reserve and Depreciation.	Dividends.	Balance Forward.
	£	£	£	£
1910....	242,937	30,000	25,000*	4,561
1911....	262,006	35,000	37,500*	3,957
1912....	226,333	25,000	nil	5,104
1913....	227,261	25,000	nil	8,896
1914....	232,710	20,000	15,000*	9,338
1915....	275,314	25,000	62,000	8,862
1916....	426,066	127,000	190,000	14,317
1917....	354,817	50,000	190,000	3,597
1918....	440,074	60,000	190,000	29,326
1919....	455,148	60,000	190,000	24,007
1920....	482,844	70,000	190,000	23,274
1921....	354,990	..	110,000	21,561
1922....	336,513	..	150,000	20,228
1923....	410,944	50,000	150,000	36,735

* Preference distribution only.

Debt interest absorbs £43,700, or £5,500 less, owing to a reduction of £26,100 in the total outstanding. The maximum dividend under the reconstruction scheme of 2s 4d per share on the preference capital requires £70,000, and the ordinary dividend is maintained at the rate of 10 per cent. to which it was raised 12 months ago. The reserve fund receives an allocation of £50,000 for the first time since 1920, and £20,000 goes to superannuation fund, as against £10,000 a year ago, leaving £36,700, or £16,500 more, to be carried forward. The company owns practically all the shares of the Mersey Power Company, and has guaranteed the principal and interest of the latter's debenture stock. The report of the Salt Union states that the Mersey Power Company has redeemed the outstanding balance of its 7½ per cent. debenture stock, the Salt Union having provided the necessary funds, and the latter has taken in exchange 6 per cent. debentures for £296,500, "thereby materially lightening the burden of interest for the Mersey Power Company, and obtaining for the Salt Union a higher rate of interest than otherwise obtainable." The guarantee now lapses. An analysis of the balance-sheet will be found in another column.

Savoy Hotel.—A further recovery in profits is recorded for 1923 in the accounts just issued of the Savoy Hotel, Limited. Again a 10 per cent. distribution on the ordinary capital is made, while £50,000 is placed to reserve, and £5,000 to the staff benevolent fund. A year ago £30,000 was placed to reserve, and £10,000 to the staff fund. The following table summarises the company's history for a number of years :—

Dec. 31.	Receipts.	Expenses.	Ratio.	Debt Interest.	Sinking Funds, &c.	Balance.	Ord. Dividend.
	£	£	%	£	£	£	%
1905.....	561,026	408,198	72.5	93,143	34,961	26,724	5
1906.....	567,026	407,985	71.9	93,331	32,314	33,397	5
1907.....	569,711	408,232	71.7	94,283	32,560	33,577	5
1908.....	565,735	403,739	71.3	95,309	33,012	33,676	5
1909.....	598,766	435,381	72.6	98,159	35,401	32,915	5
1910.....	621,781	455,231	73.2	97,558	35,501	33,050	5
1911.....	686,764	508,783	74.0	98,361	45,884	33,786	5
1912.....	696,907	517,619	74.5	97,365	48,102	32,820	5
1913.....	746,098	563,117	75.4	98,503	50,978	33,409	5
	Trading Profit.						
1914.....	171,316	..		97,547	83,118	nil	nil
1915.....	84,968	..		78,549	10,638	nil	nil
1916.....	116,707	..		62,759	..	53,948	nil
1917.....	178,057	..		70,016	..	108,041	nil
1918.....	201,116	..		69,940	..	131,176	nil
1919.....	316,098	..		597,451	..	Dr. 281,356	nil
1920.....	248,393	..		74,103	9,191	165,099	10
1921.....	220,057	..		72,682	10,987	136,368	10
1922.....	230,446	..		76,612	11,506	142,328	10
1923.....	240,080	..		74,568	14,015	151,497	10

The directors state that the properties have been "maintained at that high standard of efficiency with which the

company's name is associated." In the balance-sheet, which is fully analysed in another column, we notice that the reserve is but £130,000. This seems to be rather a small item when it is considered that the Savoy Hotel appears at £1,886,046 in the accounts. Total assets are £2,745,180, against which the net profit of £151,497 appears modest.

William Whiteley.—The accounts of William Whiteley, Limited, just issued, reveal no striking changes during 1923-24. Profits were slightly lower, but against this the directors had a substantial balance in hand, which, taken together with the better trading conditions in the latter half of the financial year, no doubt, encourage them to increase the distribution on the ordinary shares from 20 to 25 per cent. The table below shows results for a number of years:—

Year end Feb.	1914.	1918.	1919.	1920.	1921.	1922.	1923.	1924.
Trading profit...	129,478	136,325	219,239	331,874	329,339	219,820	268,961	244,152
Net profit.....	70,632	77,745	151,562	258,567	264,989	152,231	204,295	187,065
Brought forward.	13,917	12,345	19,651	54,808	210,016	171,961	203,834	260,582
Prof. dividend...	84,549	90,090	171,213	313,375	475,005	324,192	408,129	447,647
Ord. dividend...	20,250	20,250	20,250	20,250	20,250	20,250	20,250	20,250
Reserves, &c. ...	31,500	27,000	36,000	63,000	63,000	63,000	90,000	112,500
To man't shrs.	16,000	21,000	19,236	15,006	214,687	32,000	30,000	38,000
Carried forward	2,554	2,189	2,919	5,100	5,108	5,108	7,298	9,122
	14,245	19,651	92,808	210,017	171,961	203,834	260,581	267,774

The balance-sheet will be found analysed in our usual column. Deposits and current accounts keep remarkably even, the figures last year being £532,962, as compared with £532,342 at February 14, 1924. We are glad to find that liquid cash assets are higher. "Cash" has increased from £104,140 to £126,877, while investments are up from £264,135 to £297,442. A satisfactory feature of these accounts is the fact that investments are shown first at cost and then at market value.

William Hollins and Co.—The report for 1923 of William Hollins and Co., textile spinners and manufacturers, shows a net profit of £108,100, as against £125,100 for 1922. The ordinary dividend is maintained at 7½ per cent., and the balance forward increased by £3,000. The company has been particularly unfortunate in its internal politics, acute dissension having apparently been going on amongst the directorate for some little time. In November last Sir William Plender was asked to make an inquiry into the policy of the Board, including its action in removing Mr. A. R. Hollins from the position of chairman and managing director. Since the beginning of this year the latter, by means of circulars to shareholders, has freely ventilated his grievances, and the remaining directors have been obliged to make public the whole story, and to publish the findings of Sir William Plender. These support their action, but it is regrettable that the directorate should have been compelled to wash its dirty linen in public. In the circular to shareholders which the directors are sending with the report, some interesting figures are given which are not obtainable from past reports. They speak of "enormous losses sustained in trading in recent years, losses which would have crippled the company altogether but for the return by the Inland Revenue of Excess Profits Duty, and for the hidden and other reserves created in former years." The figures given in the reports show the following profits:—1920, £179,800; 1921, £103,300; and 1922, £125,100. The circular referred to gives the following figures.—Thirteen months to December 31, 1920, profit, £137,400; 1921, loss of £391,600; 1922, profit, £125,100, making a net loss for three years and one month of £129,100. We are here provided with a striking example of the way in which the true results of a company's trading can be obscured by the abbreviated form of profit and loss account which has become so popular in the last decade.

Rhodesian Mining.—The subject of gold mining in Rhodesia, writes our mining correspondent, has been much in the limelight during the past week.

There was a pyrotechnic display in the share market on the news as to the commencement of crushing by the Sherwood Starr—one of the Abe Bailey group. The profits are likely to be large for a time; but a purchaser of the shares at current price is paying heavily for possibilities. The annual report of the Globe and Phoenix—a concern possessing a most romantic history—has been issued. Owing to the decline in the gold premium, the net earnings fall somewhat short of those for 1922, but the dividends total 60 per cent. in place of 40 per cent. The explanation is that the directors previously followed a somewhat conservative policy in the distribution of profits, whereas on the present occasion they have drawn the carry-forward down to a small amount. These variations in procedure appear somewhat inexplicable, as the financial position has been good for years past. The performance of a considerably increased amount of development has been accompanied by a small increase in the ore reserves, which now stand at 117,000 tons, gross value £622,000. This quantity, however, represents no more than about 1½ years' supply for the mill; hence considerable importance attaches to the development prospects. The consulting engineer observes that "the results which will be obtained during the coming year will have an important bearing on the future of the mine"—an obvious truism—but adds that in his opinion they will be favourable. The Gaika—whose property is near by—reports the discovery of rich ore at and for some distance below the fourth level. For the precise significance of this development the outcome of further work must be awaited. In the meantime, the price of the shares has appreciated to the extent of about one-third. The Cam and Motor has reported a fresh strike of high-grade ore in the Petrol mine, and this has been reflected in the share market.

Ropp Tin.—Our mining correspondent writes:—The results of this company are of special interest by reason of the fact that it is far and away the largest producer in Northern Nigeria. The output is, however, subject to considerable fluctuations, last month's yield of 130 tons of tin concentrates comparing with 190 tons in November, and only 90 tons in September. The accounts for 1923 show a net profit of £93,000, as against £67,500 for 1922. The increase is not, perhaps, so great as might have been expected, but the output of 1,390 tons fell somewhat short of the total for the preceding year, while expenses—the directors intimate—were higher than before. Moreover, the advance in the price of the metal did not become marked until towards the close of the period. The final dividend of 35 per cent. now recommended makes a total of 50 per cent. On this basis the return to the investor is somewhat over 14 per cent., the 4s shares being quoted at 14s 9d. In respect of 1922, a total of 35 per cent. was disbursed. Last year's exploratory work did not open up fresh material fully corresponding to that extracted, the ore reserves being some 800 tons down at 8,590 tons. Still, this represents several years' work, and in the meantime fresh discoveries will doubtless be made on the leases at present held, while the company has applied for further areas.

THE Royal Colonial Institute announces a meeting at the Edward VII. Rooms, Hotel Victoria, Northumberland avenue, W.C. 2, on Tuesday, March 25, 1924, at 4 p.m., when a paper on "The Nile Route to Uganda" (with lantern illustrations) will be read by the Right Rev. Bishop Gresford Jones. Major Sir Humphrey Leggett, D.S.O., will preside.

SIR ALGERNON FIRTH, Bart., and Mr J. E. McCulloch have been appointed as British representatives on a delegation which will represent the views of the International Chamber of Commerce before the committee of experts which has been set up by the League of Nations to consider the question of double taxation, and which is meeting in Geneva on March 24th.

Oversea Correspondence.

UNITED STATES.—IRREGULAR TRADE AND INDUSTRIAL CONDITIONS—DROP IN COMMODITY PRICES—TAX REDUCTION—STOCK MARKET.

(FROM OUR CORRESPONDENT.)

NEW YORK, March 7.

TRADE and industrial conditions throughout this country show a great deal of irregularity. The total volume of business is being well maintained, as is evidenced by record loadings of railroad freight cars for this season of the year. Not all industries, however, are enjoying prosperity. Some are unusually active, doing a big business, and apparently securing a satisfactory margin of profit, while others are slack, operating on part time, and finding it difficult, if not impossible to move merchandise except at uncomfortably close prices, or at an actual loss. With the single exception of the automobile trade and industry, in which production and sales have reached new high records for this time of the year, there is nothing like the marked expansion of business that was witnessed a year ago. Extreme conservatism, if not caution, in purchasing anything beyond current or nearby needs, seems to be the outstanding feature in most lines. Various reasons are given for the lack of forward buying, so noticeable in distributive trades, including the comparatively mild winter, bad and in many sections almost impassable roads, which have curtailed country purchasing, poor returns to farmers in wheat-producing territory, and especially uncertainty regarding the future course of prices of both raw materials and finished products.

Of all the basic industries, none is confronted with such unsatisfactory conditions, or is so depressed, as is the textile industry generally. In primary markets for dry goods, trade in most quarters continues sluggish and light in volume. Competition for business is becoming sharper, and manufacturers find it hard to figure out any profit at prevailing levels. In cotton goods, particularly, hopes that the recent downward price revisions would stimulate demand have not been realised, except to a limited extent in a few directions. Individual orders placed with mills are numerous, but invariably for extremely small quantities. Although admitting that goods at current prices are intrinsically cheap, buyers persistently refuse to cover requirements more than a few weeks ahead, barring certain strictly seasonal lines. Even in the latter, such forward commitments as are being made are far below normal, and there is widespread complaint from manufacturers and selling agents that the piecemeal buying, frequent repetition of small orders, and constant requests for immediate shipments by express or fast freight, are greatly adding to the cost of doing business. The drastic decline in raw cotton—now amounting to 9 cents from the top of last December—has caused pronounced unsettlement in cotton goods markets, and is given as the main reason for the continued hesitancy of buyers, although uncertainty regarding the extent of consumers' demand for goods later on is undoubtedly a contributory factor. Meanwhile, production is being heavily reduced by New England mills, and curtailment is increasing in the South, especially among mills producing coloured cottons. Many plants in that section which have never lessened their output since their organisation are beginning to run on part time, either from lack of sufficient business, or because prices obtainable are ruinously low. The slump in cotton has wiped out the margin of profit for many mills, which purchased raw material early in the season at prices slightly above those now current. Cotton goods are not the only textiles in which trade is backward. Woollens and worsteds for the next autumn season are moving only in moderate volume.

During February, as in the two preceding months, prices of commodities responded to the numerous cross-currents noted in many lines of business this winter. While there have been marked advances in some products, and equally pronounced declines in others, the general trend of prices, on the average, has been downward for the past three months. Bradstreet's index number at March 1st is \$12.8957, representing a drop of 2.2 per cent

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from that of February 1st, and of 7.4 per cent. from March 1st a year ago.

The compromise Income-tax Reduction Bill, passed by the House of Representatives late on Friday of last week, provides for a cut in the normal tax rate on net incomes up to \$4,000 from 4 to 2 per cent., on incomes between \$4,000 and \$8,000 from 8 to 5 per cent., and on incomes above \$8,000 from 8 to 6 per cent. The Administration's Bill proposed to reduce the normal rate from 4 to 3 per cent. up to \$4,000, and 6 per cent. above that figure. The House measure also provides surtax rates ranging from 1½ per cent. on incomes of \$10,000 to \$12,000 to 37½ per cent. on those exceeding \$200,000. The so-called Mellon plan, on the other hand, proposed surtax rates ranging from 1 per cent. on incomes of \$10,000 to \$12,000, to a maximum of 25 per cent. on incomes in excess of \$100,000. Present surtax rates vary from 1 per cent. on \$6,000 to \$10,000 to 50 per cent. on those above \$200,000. In both the House Bill and the Mellon plan, personal exemptions are the same as at present. There is still much uncertainty regarding the final outcome of efforts to enact a tax-reduction Bill. Preliminary estimates by the Treasury Department placed the losses in revenue likely to result from the Bill as passed by the House (should that measure become law) at about \$446,000,000, which would entail a deficit of some \$116,000,000. The House measure must run the gauntlet of the Senate where Republicans have only a small majority.

While many new high, as well as new low, records for this year have been reached by individual shares in the stock market lately, the average price levels of representative railroad and industrial issues remain about the same as they were a fortnight ago, since the advances and declines have about balanced. Speculative activity has slackened considerably this week, the daily transactions being well below one million shares, and dropping to-day to about 500,000. Sentiment has been decidedly mixed, and price movements confusing, owing to the irregular conditions in trade and industry, special developments affecting different stocks, some favourable and others unfavourable, and uncertainty as to what may happen in Washington. The stock market community has lately shown a disposition to mark time pending a clearer political and business outlook. The further precipitate decline in French exchange to a new low record of 3.76½ cents, reached to-day, for cheques on Paris, has proved a disturbing factor in securities markets, and is causing much concern in financial circles here. There is a well-defined belief that a great deal of the recent selling of francs has been for the account of speculators, but the violent break in the past day or two is attributed chiefly to the unfavourable impression created by the heavy increase in note circulation, shown in this week's statement of the Bank of France.

FRANCE.—FRANC RECOVERY—THE SENATE AND NEW TAXATION — FLOATING DEBT — WAR LOSSES COMPENSATION AND RECONSTRUCTION —TRADE BALANCE.

(FROM OUR CORRESPONDENT.)

PARIS, March 19.

PUBLIC opinion is now even more confidently optimistic as to the immediate future than it was depressed a fortnight ago, when the franc for a brief period dropped to around 120 to the £. The sudden launching by the Government, as the outcome of a conference with the French bankers at the Elysée, of a vigorous counter-offensive in favour of the franc, and the revelation that this had the active support of the British and American financial leaders had an electric effect on all classes of the public. It has not only brought back the franc from 120 to the neighbour-

hood of 84 within the brief period of ten days, but has convinced the French people that, as the credits accorded by London and New York have not yet been drawn upon, the moral effect of the two great Anglo-Saxon Powers being behind the franc is regarded as an insurance against serious trouble in the future.

It must be admitted that the exchange crisis has proved a valuable factor in enabling M. Poincaré to force his financial proposals safely through the Senate, and on that score also all ground for alarm has been dissipated. Even in regard to the pending General Elections, the outlook is much more satisfactory than it was a week ago. It is now realised that the fact that the German elections are to take place immediately before those in this country is likely to prove a bull point of the greatest importance, as it is argued that if, as appears most likely to be the case, the German pollings result in appreciable gains by the Nationalists, the effect cannot be otherwise than enormously to increase the prospects of the Poincaré Government being again returned to power. M. Poincaré's victory in the Senate can only be regarded as greater than his success in the Chamber. Not only did the Finance Commission of the Upper House report strongly against two of the most important of the financial proposals—those concerning the *décrets lois* and the *double décimes*—but there was a very threatening Radical cabal against the Premier on general political grounds.

In banking circles it is understood that the Government is now considering seriously the problem of the consolidation of the floating debt, which, it is recognised, must be dealt with before the stabilisation of the franc can be accomplished. At the same time, the point at which stabilisation will eventually result is the subject of earnest study by the Bank of France and the other great banking organisations. For the moment, it may be accepted, there is a general opinion that the franc shall remain in the region of between 80 and 85, but for the moment only. With the new financial laws assured, the Government has now at hand possibilities of action whose availability will synchronise with the announcement which it is expected will be made by the end of the month of the plans proposed by the two committees of experts for the solution of the reparations problem. There is a consensus of opinion that in any case a too rapid deflation would be almost as harmful, in view of the general situation, as deliberate inflation, and that if the outlook continues to improve the greatest care will have to be taken to prevent untoward developments in this direction.

Figures announced by M. Charles Reibel, the Minister for the Liberated Regions, show that the total number of claims for compensation for war losses already dealt with by the various local organisations appointed to consider claims amount to 3,000,000, the total amount of compensation asked for being 140,000 million francs. Eighty thousand dossiers, representing claims for between 17 and 18 milliards francs, have still to be examined. The total amount of compensation actually awarded, or to be awarded, to private claimants is about 82,000 million francs, of which 54,000 million francs has been paid, leaving 28,000 millions to be disbursed. Claims by the State for damage done to roads, canals, railways, public buildings, and the telegraph and telephone services (which have now been almost completely restored) amount to about 18,000 million francs, making a grand total in round figures of 100,000 million francs. The Minister asserts that very strict supervision has been exercised over all claims, in proof of which he calls attention to the fact that 1,170 complaints have been laid before the judicial authorities in respect of claims that were regarded as fraudulent. In 310 of these cases convictions have been recorded against the guilty parties, and others have yet to be dealt with.

Out of 741,993 houses and agricultural buildings destroyed, 598,000 have been reconstructed, while 20,500 out of the 22,900 factories, &c., damaged or destroyed have been reconstituted. The population of the devastated regions, which had fallen from 4,690,180 in August, 1914, to 2,075,067 at the date of the Armistice, is now 4,310,000. Of 3,306,350 hectares of agricultural and pasture land rendered unfit for use, 2,915,000 hectares have been restored to cultivation, but about 55,000 hectares which was so badly damaged that it will be unfit

for cultivation for years and perhaps centuries to come, has been acquired by the State and will be utilised for afforestation.

The programme laid down in the Budget Bill for the current year, it will be remembered, provided for the work of reconstruction to be completed within the next three years, but it is now evident that this will be impossible. The credits provided for the current year amounted to 8,000 million francs, consisting of 5,000 millions in cash in the form of a Crédit National loan, 2,000 millions in 10-year bonds, and 1,000 millions payable in annuities spread over 30 years. Four-fifths of the credits in cash were this year to be allocated to reconstruction proper, and a special proportion was to be for *sinistrées* entitled to compensation of less than 80,000 francs each. The Crédit National loan issued at the beginning of the year, however, did not prove successful, owing to the fact that it synchronised with the upheaval due to the recent attack on the franc, and it is admittedly inadvisable to attempt another similar issue for the present, in view of the general situation. The problem of how to bridge over the interval is now under serious consideration.

The French foreign trade returns for the first two months of 1924, which are issued to-day, show that for the first time there is a trade balance in favour of this country. The detailed figures for the two months, as compared with the corresponding period of last year, are as follows:—

	First Two Months of		Inc. or Dec. in 1924.
	1923.	1924.	
Imports—			
Foodstuffs	1,005,758,000	1,177,487,000	+ 171,729,000
Raw materials	2,814,789,000	4,628,277,000	+ 1,813,488,000
Manufactured goods	655,880,000	795,957,000	+ 140,077,000
Total	4,476,427,000	6,601,721,000	+ 2,125,294,000
Exports—			
Foodstuffs	423,795,000	685,359,000	+ 261,564,000
Raw materials	1,340,855,000	1,827,997,000	+ 487,142,000
Manufactured goods	2,165,327,000	3,831,336,000	+ 1,666,009,000
Postal parcels	250,741,000	273,420,000	+ 22,679,000
Total	4,180,718,000	6,618,112,000	+ 2,437,394,000

The total imports during January were valued at 2,887,921,000f, against exports of 2,699,833,000f, while those for February amounted to 3,918,279,000f for exports, against 3,713,800,000f of imports, so that the transformation of the customary adverse balance into a favourable one of 16,391,000f is due to the substantial comparative increase in exports during last month. Exports in February, as a matter of fact, were 1,200 million francs in excess of those of January, and 800,000,000f more than in December. The value of the exports during the two months were 58 per cent. greater than during the corresponding period of 1923, while the imports increased by 47 per cent. Exports of manufactured goods during the two months had a value of nearly 77 per cent. more than in January-February, 1923. The comparative tonnage returns for the same periods are as follows:—

	First Two Months of		Inc. or Dec. in 1924.
	1923.	1924.	
Imports—			
Foodstuffs	Francs. 847,571	Francs. 757,125	— 90,446
Raw materials	6,865,691	7,333,121	+ 467,430
Manufactured goods	254,426	238,416	— 16,010
Totals	7,967,688	8,328,662	+ 360,974
Exports—			
Foodstuffs	185,833	247,508	+ 61,675
Raw materials	3,747,968	3,289,431	— 458,535
Manufactured goods	445,901	553,367	+ 107,466
Postal parcels	4,910	5,024	+ 114
Totals	4,384,610	4,095,330	— 289,280

The fact that exports of foodstuffs increased in tonnage by 33 per cent. and manufactured goods by 25 per cent., suggests that the increase in the value of these two great categories of exports was not due solely to the rise in prices, but, to some extent, to the fall in the franc.

GERMANY.—GOLD BANK—FINANCES—REICHSBANK
—INDUSTRY—PRICES—BOURSE.
(FROM OUR CORRESPONDENT.)

BERLIN, March 18.

The Gold Bank Bill has passed into law, and negotiations have been held between the private banks as to providing the half of the capital (£5,000,000) which falls to these banks. The big banks, which are organised in the *Stempelvereinigung*, will, it is understood, guarantee 56 per cent. of the £5,000,000, the remainder falling to the smaller banks, with the condition that no bank shall subscribe less than £25,000. The banks, it is understood, expect to sell the shares to the public at a small premium, the 8 per cent. dividend being a considerable inducement to private investors, but no inducement, in present money market conditions, to a bank. The striking out by the Reichstag of Dr Schacht's plan of an amnesty for persons who illegally sent capital abroad has not made easier the getting of the necessary money. The possibility of bringing back smuggled-out capital always played a big rôle in considerations of currency reform. It is expected that the banks will be required to pay down 25 per cent. of the money at once, guaranteeing to provide the remainder in quotas of 25 per cent. every three months.

The State financial situation continues to be tolerably good. The Government has reduced the penalty for belated tax payment to 18 per cent. in certain cases and 12 per cent. in others. In cases where the postponement of payment has been officially agreed to, the rate will be from 5 to 12 per cent. The Finance Ministry's return for March 1-10th shows a deficit of 11,887,700 billion paper marks, revenue being 150,094,800 billions and expenditure 161,982,500,000 billions. The deficit in the last preceding decade term was 47,694,500 billions; in the preceding decade 57,002,300 billions. Of expenditure 65,000,000 billions were payments to the States and municipalities, against 63,166,200 billions for Federal expenditure. The greatly varying ratio of these local payments to Federal expenditure accounts for the varying deficits. Thus, while in all February, as in the first decade of March, the two items were about equal, in all January only 94 trillions went to the local governments, while Federal expenditure totalled 222 trillions. Daily expenditure on mere Federal expenditure (with which is counted Peace Treaty mark liabilities) tends to decrease; in December it was 20 million gold marks, January 8½ millions, February 7.4 millions. These figures do not contain payments made by the Finance Bureaux directly out of revenue.

The Reichsbank's circulation continues slowly to increase. The return for March 7th shows an addition of 24,993,543 billions, bringing the total to 312,868,150 billions. The demand for credit continues acute, and the Bank was obliged to borrow another 50 million Rentenmarks from the Rentenbank, thus increasing its Rentenmark debt to 450,000,000 Rentenmarks. Paper mark discounts increased by 25 trillions to 525 trillions, Rentenmark discounts by 92 trillions to 759 trillions, and Rentenmark advances by 1.66 trillions to 187 trillions, paper mark advances slightly declining. The gold reserve, in connection with the gold deposits for credit purposes abroad, declined by 62,000 marks to 464,803,000 marks. It remains a curiosity why the Bank, which now both on assets and liabilities side books Rentenmarks at their real paper mark value, continues to book its gold at nominal value. How much of the increase in circulation is due to exchange of paper marks for emergency issues is not stated. At the close of January, 380 million gold marks worth of emergency money was in circulation, against 815 million gold marks worth at the end of December. Figures for the end of February have not yet appeared. The credit need of industry has increased in consequence of the revival. The vice-president of the Reichsbank has issued a warning, stating that any future credit demand ought to be met out of foreign loans; and it is understood that the question of raising the Reichsbank's discount rate has been discussed. The rates for day money are at present around ¼ to 1 per mille per day. The Berlin banks have raised the rate of interest

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on deposits of paper marks and Rentenmarks to 8 per cent. The amount that may be taken or sent abroad, other than through a bank, has been re-fixed at 60 gold marks. The Berliner Handelsgesellschaft, the first important private bank to report for 1923, announces gross profits of 3,396,579 billion marks, nett 1,218,860 billion marks, dividend 10 Rentenmarks per share, equal to 1 per cent.

The industrial situation continues to improve. The last weekly report for Berlin shows 116,301 publicly supported unemployed, against 138,134 persons a week before. In the metal and textile branches, in particular, there is a great demand for skilled workers. Also the building branch shows some improvement. In the West the worst unemployment prevails in the canton of Dusseldorf; but here, also, the rate of improvement is most rapid. Of the Foreign Trade Boards (*Aussenhandelsstellen*) there now remain only those for films, metal, oils and fats, wood, textiles, and rough pottery. Coal production is rapidly increasing; the output per man per day is about 840 kilos, against 890 before the war. Final official figures of coal production—those published formerly being estimates—in all three years in the present area of the Republic (Saar excluded) are:—

	1913.	1922.	1923.
Coal	140,753,158	119,144,522	62,224,535
Brown coal	87,228,070	137,072,707	118,248,735
Coke	31,667,515	29,113,070	12,703,002

At Celle, in Hanover, on the lands of the Deutsche Erdoel Company, has been bored an oil well yielding 300,000 kilos a day, which is more than is yielded by all other German oil sources. The shares of the company had, as a result, a rapid rise.

The increasing industrial activity has brought a tendency to a rise in the prices of certain goods, and this has been helped by the improvement in the French franc, as German iron and steel prices were for some time depressed by cheaper French selling. Bar-iron has been put up to 140 marks per metric ton, after having sold as low as 125 marks, construction forms to 135 marks, thick sheets (over 5 mill.) to 155 marks, and thin sheets (under 1 mill.) to 200 marks. The pig-iron syndicate has raised its prices to 100 marks for hematite, 90 marks for foundry pig No. I., 88 marks for foundry pig No. III. The official cost of living index for March 10th was 106, the same as a week before; the official wholesale index for March 11th 119.8, against 118.7 a week before. The *Frankfurter Zeitung's* index number for March 13th (on the basis of 100 in 1913-14) was 149.39, against 147 on February 28th, 148.4 on January 3rd, and 164.96 on November 29, 1923.

The Bourse last week experienced another sharp drop. Considering the elimination of currency instability as the chief factor formerly governing nominal stock prices, the German Bourse quotations have, during the past few months, undergone very large fluctuations. The *Frankfurter Zeitung's* index for dividend-payers on the 14th was only 697.06 (billions), against 723.30 a week earlier, and 896.35 on February 8th. Home loans have fallen more, to 59.85 on the 14th, from 86.75 on January 4th. Some declines last week were very sharp, reaching 10 or 12 per cent., and there was talk of trouble impending for certain big speculators. The financial newspapers speak of possible suspensions of payment at the end of the month. A reduction of the Bourse transfer stamp duty is being considered, and will probably be conceded. The Berlin Bourse was yesterday weak, but predictions of a new sharp fall to-day were not realised.

Shipping in Hamburg in February was:—Arrivals, 1,134,353 nett tons, against 1,000,256 tons; departures, 1,107,479 tons, against 1,073,155 tons. In Bremen: Arrivals, 340,147 tons, against (February, 1914) 328,457 tons; departures, 338,618 tons, against 338,864 tons. The report on internal shipping in 1923 shows a very great decline. Tons carried were 15,613,000, against 35,974,000

tons in 1922, or without the Rhine and Ruhr districts, 7,905,000 tons, against 10,201,000 tons. Coal carried was only 3,930,000 tons, against 17,280,000 tons.

INDIA.—POLITICAL OUTLOOK—PURCHASES FROM ENGLAND—RAILWAY FINANCES—METHODS OF TAXATION.

(FROM OUR CORRESPONDENT.)

CALCUTTA, February 21.

THREE days after the Government of India's refusal to accept the Swarajist proposal of a Round Table Conference to devise a new Indian Constitution, the Swaraj party in the Bengal Council were defeated on a motion of "no confidence" in the two Mahomedan Ministers, and, by implication, the Ministers' plea for a further trial of the present Constitution was endorsed. I quote the sequence as an index of the attitude of mild unconcern with which the somewhat theatrical defeat of the Government of India in the Delhi Assembly was received in political circles in the ex-capital, for had resentment been keen, this feeling would undoubtedly have been reflected in the critical debate, above referred to, in the Provincial Council. The Swarajist forces at Delhi were well organised, a total of 75 members having been collected in a so-called Nationalist Party pledged to take steps to enforce the early introduction of self-government in India, and in furtherance thereof, adopt a policy of obstruction by refusing supplies, a policy the Viceroy is equipped to neutralise by "certifying" supplies on his own responsibility. In essence the Swarajist conception of Responsible Government is an India wholly independent of Parliamentary control, excluding British goods by high tariffs, but dependent on the British army and navy for defence from external aggression. It might profit the National Council of the Independent Labour Party, which, according to cable messages, is urging full Indian self-government, to ponder the full implications of the foregoing conception. The net result, on the economic side, would be primarily a further extension of that close alliance between British capital and Indian labour which is even now increasingly evident, and which, behind an Indian tariff wall, would result in a measure of industrial growth here as yet hardly conceived. Cotton is heavily taxed; iron and steel, if recent representations to the new Tariff Board are accepted, will soon be more heavily penalised. It is the almost daily boast of Extremist journals that the political boycott of British goods is exerting its effect, and though the boast be vain, the attitude at least is plain, and indicates what will occur when new administrative and fiscal powers are conceded. Whatever political concessions may be made should surely be subject to the elementary condition that, so long as the British army defends India, her fiscal policy, at least, must be subject to some measure of British control.

Pending complete independence, the Indian Legislature is concentrating its efforts upon enforcing the maximum limitations upon the purchase of British goods that present administrative and financial circumstances permit. "Tariffs," the Swarajists are saying, in effect, "are good, but they can be supplemented. We can obstruct, if not abolish, the present system of purchasing official stores through the India Office." In that ambition the Swarajists are supported by the representatives of British commercial and industrial interests in this country. In the debate on this matter in the Legislative Assembly this week, when an Indian member moved that in future all official stores should be tendered for in this country, and that the Stores Department in London should be closed as soon as present contracts expire, Mr W. S. J. Willson, who represents the Associated British Chambers of Commerce in India, moved this amendment:—"That the present system of stores purchase for Government requirements is not in the interests of India, and should be done away with at the earliest possible moment; that in its place should be instituted a system of rupee tender for delivery in India, with publication of results in every case; that this new system should be administered under the supervision of the Government of India by a cadre of qualified officers, and that arrangements should be made in India

for the requisite tests and inspection of the goods purchased." This amendment was carried, despite official opposition, and as indicated by Sir Campbell Rhodes, quite apart from Indian views, it embodies the views "of the entire European commercial community in India." In this case, it will be noted, the principle of buying in the cheapest market is qualified by the determination to support Indian manufactures to the extent of modifying both the purchase rules and the tariff regulations in their favour. It remains to be seen to what extent the India Office will sanction the changes the legislators desire.

In urging in Parliament the necessity of a larger outlay on Indian railway extensions, Sir Philip Lloyd-Greame, consciously or unconsciously, reflected the opinion of the British and Indian commercial communities alike. In 1922-23, only 381½ miles of new lines were opened for traffic, while at the close of the year a total of 862 miles were under construction. At the end of last year, the total capital investment was 669 crores, representing, in terms of route mileage, 37,618 miles of railway. After providing for interest, annuity, and other similar charges, the working of State-owned railways resulted in a net gain of slightly less than Rs.122 lakhs, this result comparing with a net deficit of 9½ crores in the preceding year. This improvement in earnings was primarily the result of enhancements of fares brought into force during the year, the average rate charged for carrying a passenger a mile having risen from 3.32 pies to 3.81 pies, and the average rate for carrying a ton of goods from 5.37 pies to 6.11 pies. The capital programme may be summarised. In 1921-22, the Government of India decided definitely to allot Rs.150 crores for expenditure on the rehabilitation of railways in the succeeding five years. That was the programme, but as is customary with Indian railway programmes, it was not carried out. As a matter of fact, for reasons which, to the official mind at least, appear plausible, less than two-thirds of the annual quota was expended. In his yearly report just issued, the Chief Railway Commissioner recalls that in March, 1923, the Inchcape Committee recommended that, except in the case of commitments already entered into, no further capital expenditure should be incurred on certain lines classified as unremunerative, at any rate temporarily, and further, that if the full amount of the capital could not be immediately employed on remunerative works on open lines, it would be advisable to construct new lines promising adequate return. This recommendation involved recasting the whole railway programme, and it is now intimated that the continued fall in the price of railway materials, coupled with the insistence by the Railway Board on more adequate financial justification of the proposals of the railway administrations, have made it improbable that the whole of the Rs. 150 crores intended for rehabilitation could be economically expended on open line works alone within the period originally prescribed. This, with lower borrowing rates, makes possible a certain amount of new construction, and steps have been initiated to push on with the investigation of the more important projects. Even Government of India at an early date to separate railway finance from the general finances of the administration, a step urged by the Acworth Committee and many similar bodies before it. Subject to certain payments to the Government of India, it is intended to leave the railways free to apply their resources to the accumulation of reserves, development or reduction of rates, as circumstances render advisable.

Our Finance member is nothing, if not a reformer. Sir Basil Blackett announces that the terms of reference of the proposed committee on Indian taxation are:—

- "(1) To examine the manner in which the burden of taxation is distributed at present between the different classes of population.
- "(2) To consider whether the whole scheme of taxation, central, provincial and local is equitable, and is in accordance with economic principles, and, if not, in what respects it is defective.
- "(3) To report on the suitability of alternative sources of taxation.
- "(4) To advise as to the machinery required for the imposition, assessment, and collection of taxes, old and new.

"(5) To prepare rough estimates of the financial effects of the proposals.

"(6) To include in the inquiry consideration of the land revenue only, so far as is necessary for a comprehensive survey of the existing conditions.

"Local Governments have agreed to an inquiry on the lines indicated in the above terms of reference without prejudice to the claims of their respective Governments in regard to the distribution of total revenue. It is expected that the committee in course of their inquiries will find it necessary to examine the systems of federal finance as existing in other countries, and to consider their applicability to Indian conditions."

As financial arrangements are at the root of the acute discontent with the present Constitution, the importance of this inquiry can hardly be exaggerated.

CANADA.—THE GOVERNMENT'S PROGRAMME—THE POPULATION QUESTION—C.N.R. EARNINGS—BUSINESS CONDITIONS.

(FROM OUR CORRESPONDENT.)

OTTAWA, March 6.

WHEN the Federal Parliament met on February 28th, the Address from the Throne obviously reflected the precarious position of the King Government. With the elimination of Sir Lomer Gouin and Mr Fielding, who were indisposed to countenance serious tariff changes, Mr King now ventures upon an open bid for the support of the Progressives by promising in the Speech from the Throne a reduction in the costs of the implements of production. In some quarters this is interpreted as meaning free agricultural implements, and Mr Forke, the Progressive leader, evidently takes this view, as in an interview he pledged his support to the Government if the promise were adequately fulfilled. However, if agricultural implements were placed upon the free list, the raw material entering into their manufacture would have to be accorded the same treatment, and the disturbance of over 200 tariff schedules thereby involved would produce very serious confusion in many business circles. Under such circumstances it is possible that binders may be put upon the free list, but the reductions on the other schedules are not likely to be more than 2 or 3 per cent. The implement manufacturers, however, have taken alarm, and have begun a vigorous propaganda against any reductions; it is expected that the Liberal member for Brantford, one of the chief seats of the farm implement industry, will lead a protest from the Government benches against the changes, but if the Ministry secures the united support of the Progressives it can afford to face a few defections. The Government have also committed themselves to an exhaustive inquiry into the Home Bank *débacle*, which will be conducted by the Chief Justice of New Brunswick. The Speech also holds out the promise that the Budget for 1923-24 will be balanced, and forecasts that some reduction of taxation may be possible.

But the population problem to-day overshadows all others. The nine months of the current fiscal year, which constitute the immigration season, showed a great improvement over the previous year's figures, 124,680 immigrants entering the country, as against 60,247 in the parallel period of the previous year, which is an increase of 107 per cent. But the rate of the exodus is increasing almost as rapidly. In the year ending June 30, 1923, 117,011 residents of Canada paid the head tax to enter the United States, but in the six months ending December 31st the number of emigrants rose to 103,616. Since 1924 began the rate of exodus has been in excess of 20,000 per month, which is almost four times as high as it was in 1921. When it is realised that thousands of immigrants cross the boundary without paying the head tax, it is plain that even last year's immigration does not fill the gaps, and the situation is causing general disquietude. The Conservatives are disposed to attribute the exodus to the tariff reductions of the last two budgets, but other conditions must bear a greater responsibility. On the average wages are higher, and costs of living lower south of the international boundary than on its northern side, and the reductions in taxation, which the

U.S. Congress is now putting through, will intensify a spread in the rates of tax burden imposed in the two countries, which was sufficiently serious before. From every quarter in Canada there comes up a fierce cry for resolute economies at Ottawa, and reduction of taxation, and Ministers promise that they will give careful heed to it. But it is easier to talk economy than to practise it.

The earnings of the Canadian National Railways continue to be very satisfactory, and there is every prospect that the President's forecast of operating surplus of 20 million dollars will be fulfilled. For February the gross earnings exceeded those of the same month last year by a million dollars, and the net increase was substantial.

The index number for wholesale prices compiled by the Dominion Bureau of Statistics was almost unchanged for February, being 156.6, as compared with 156.7 in January. Vegetables, non-ferrous metals, anthracite coal and gasoline, were among the commodities which moved upward. Animals, animal products, wood products, fibres, textiles, and iron products, showed a decline.

The tone of business is reasonably good, and wholesale houses report a fair movement in seasonal spring goods. Freight traffic records show that 2,468,311,697 tons of freight moved on Canadian railroads in January, 1924, as compared with 2,093,039,296 tons in January, 1923.

The pulp and paper business continues to show amazing prosperity, and the expansion of newsprint production is phenomenal. In 1923 it was no less than 1,263,000 tons, an increase of 181,000 tons over 1922. Canadian newsprint production is rapidly overtaking the production of the U.S., which for 1923 was 1,485,000 tons. Yet ten years ago Canada only produced 250,000 tons, as compared with 1,305,000 tons in the U.S. The capacity of the Canadian mills is continually being increased, but leading forestry experts continue at intervals to express the fear that the forest resources of the country are being depleted at a dangerous rate. The Royal Commission appointed to investigate this problem is still continuing its sessions, but as it finds a great deal of opposition to the embargo on exports of pulpwood, there is little chance of its enactment. Negotiations have been in progress for some time for a huge merger of the leading pulp and paper companies in the St Maurice Valley in Quebec and its consummation is daily anticipated.

The motor business has been very prosperous, the great American corporations using their Canadian branches to fill their orders for British territories. In 1923 Canada exported 70,000 motor-cars, which is almost half the number of car exports from the United States.

Germany's contacts with Canada are beginning to revive. Germans have been buying freely Canadian food products like flour, packing house products, evaporated milk, boxed apples and canned salmon. German capital is reported to be evincing an interest in the lignite fields along the Saskatchewan-North Dakota border. There is also a prospect of a large influx of German immigrants. Several public bodies in the East have passed resolutions against their admission, but Western bodies, like the Regina Board of Trade, who are more sensible of the need of hardy peasant settlers, have taken an opposite attitude and offered a warm welcome.

HOLLAND.—INDUSTRIAL CONCERNS AND STATE AID—PUBLIC ECONOMY—TAXATION—MONEY AND STOCKS.

(FROM OUR CORRESPONDENT.)

AMSTERDAM, March 18.

THE events of the last few weeks show that the economic crisis in Holland is not yet at an end. In spite of the not inconsiderable orders which have recently been placed—some of which, such as the construction of large motor and steam boats, the building of railway bridges in Siam, and the manufacture of railway locomotives for China, are for foreign countries—there are still only too many concerns which made large extensions of plant during the boom period, and which, now that conditions are beginning to be more normal, are suffering from the heavy charges resulting therefrom. It has frequently happened

in recent times that concerns of the kind, when in difficulties, have received aid from the State or the municipality. Such assistance has only been given on condition that no profit should be made, and in order to afford them a chance of keeping on a large number of workers in such a manner as to enable them to seize any opportunity of work which may later on present itself. Something of this kind is now taking place in connection with the assistance which is to be given to the Royal Dutch Lloyd, the shipping line which runs vessels between Holland and South America. A Bill has been introduced enabling the Royal Dutch Lloyd to receive from the State credits not exceeding 5,250,000 florins, on condition that the municipality of Amsterdam is willing to provide a credit not exceeding 1,750,000 florins, thus making a total advance of 7,000,000 florins. These advances are to compensate the losses sustained by the company during the next five years, the total amount loaned being repayable with interest at the rate of 6 per cent. per annum. The State has made several stipulations in return for this assistance. A Government commissary is to be appointed, who is to exercise supervision over the company's management. A reorganisation of the company is to be put in hand. The bonded debt now amounts to 17 million florins, of which 5 million consist of 4½ per cent. bonds, and 12 million of 7 per cent. bonds. These bonds are for the most part covered up to 35 per cent. by a first mortgage, and on this first mortgage the Government only allows a maximum interest of 4 per cent. It has further been decided that the total charges for interest must not exceed 800,000 florins per annum, so that the interest payable on the remaining 12,500,000 florins of the company's debt (which has been advanced by Dutch bankers and British shipbuilders) cannot exceed 4 per cent. per annum. The share capital, which is now 30 million florins, will in all probability be reduced to 4½ millions. Of the profits obtained in any year, the first half has to be spent in repaying the loans received; the second half may remain in the possession of the company. This, of course, does not mean that this half can be disbursed as shareholders' dividends, since the book value of the vessels will still be too high, even after the amounts released have been used for the purpose of writing off this value. The book value as it stands at present is 47.7 million florins; the amounts which can be used for writing-off purposes are, first, the sum by which the capital will be reduced, namely, 25.5 millions, and secondly, the reserves, 3.3 millions; but from these must be deducted the loss balance, which was shown on the balance-sheet to be 5.3 million florins, so that the net amount available for writing off will be 23.5 million florins. The book value of other property will also have to be written off. Unless, therefore, there is a speedy change for the better in the fortunes of the company, it is probable that it will have to work for years before there will be any prospect of yield on the shares. But it is not the aim of the State to secure profits for individual shareholders. In this case the sole idea of the Government and the municipality is to safeguard the continued existence of a national enterprise which maintains direct communications with South America.

It is possible that the opponents of the Bill will argue that the proposal should be turned down on account of the retrenchment policy which is now going vigorously forward. The reduction in civil servants' salaries, which has already been referred to in these columns, will shortly commence. Strong pressure is being exercised on the municipalities. Parliament has recently decided that no financial aid must be given to municipalities for emergency expenditure; the municipalities will therefore be thrown entirely upon their own resources, and will have to weather the present crisis as best they can. This decision will, for instance, reduce the resources of Amsterdam Municipality by three million florins per year. The Netherlands Bank is co-operating to the same end. It persists in restricting to a low limit the amount of bills which it is willing to discount for the municipalities.

It is computed that the burden of taxation in Holland has increased since 1914 by 67 per cent. If it proves impossible to avoid fresh taxation the preference at the moment is for indirect taxes (tea and beer), although the incidence of these is disproportionately heavy in the case of persons with small incomes. Moreover, enquiries are

being instituted with a view to ascertaining whether it would not be possible to finance more economically social benefits (old age, disablement, and other pensions) without encroaching on the statutory rights of those who are entitled to these benefits. A Government Commission has already been nominated to conduct this investigation.

These plans have not yet exerted much influence on the investment market. The demand for good investments continues to be a large one. The success of that part of the Japanese Dollar Loan, which was issued on the Amsterdam Exchange, was highly satisfactory; there is likewise a great demand for the Japanese sterling loan issued in London. Less success has, however, attended the issue of the 10 million florins 6 per cent. bonds of the municipality of Amsterdam; the loan was not fully subscribed. This was due to the fact that there is a general desire to wait and see how the municipality will manage its finances, now that it can no longer count on State aid. In general, money is easily obtainable, provided that the security offered is of first-class quality.

The stock market presents a considerable reaction, which is largely due to the recent rise of the French franc. Important bear positions were established in francs, and this was especially notable in the case of the German bankers, who have settled at Amsterdam. Considerable sums of money were thus won for a time, these amounts being invested in all kinds of Dutch stocks, especially Oil and Tobacco shares. Now the tendency is the other way round; much of the money won has been swallowed up by more recent losses, and in many cases the newly purchased shares have had to be liquidated, which has had a very depressing effect upon the prices of stock. Fundamentally, however, the market continues to be steady, especially in the case of such stocks as feel the influence of the high prices ruling for Dutch colonial products.

AUSTRIA.—POLITICS AND STRIKES—BURDEN OF TAXATION—TRADE POSITION—PRICES.

(FROM OUR CORRESPONDENT.)

VIENNA, March 1.

THE fact that some industrialists have emphasised the necessity for Austrian workmen to intensify their work has caused the Social Democrat party to declare that they will never permit the revision of the Eight-hour Day Act, which they deem one of the main conquests of the revolution. At their instigation the bank employees, who have the best organised Trade Union, and large strike funds at their disposal, have now brought forward claims which have been rejected by the banks' corporation, and which have led to a general strike in all banks, and thereby to a complete stoppage of all banking business. The employees ask for a general increase in all salaries and wages, and for the definite appointment of all clerks who, up to the present, have been only temporarily engaged; the banks, on the other hand, are prepared to meet their employees in regard to salaries only on the condition that the present minimum work of 41 hours per week should be extended to 43½ hours, and that the cash offices remain open for one hour every afternoon, which condition has been declined by the employees as "anti-social." At present nearly all the bank employees have joined the ranks of the Social Democrats, and it will depend on the result of this strike whether the industrial employees and the State officials, who are both much worse paid than bank clerks, will also come out with new claims. The Social Democrat party can now boast that they have again succeeded in thoroughly disturbing social peace.

Much comment has been aroused by a controversy which has taken place between the Commissioner-General of the League of Nations, Dr. Zimmermann, and the Austrian Finance Minister, Dr. Kienböck. In his last report the Commissioner-General pointed out that the capacity of the Austrian population for paying taxes was strained to the

utmost, that it far exceeded the League of Nations' estimate, and that in future the main stress in the reconstruction work should be laid upon reduction in expenditure by methods for saving. He publishes in his report the following table, which compares the burden of taxation in 1924 with that in 1913:—

Million Goldkronen.			
Public Revenue (Without Monopolies).	Budget Estimate, 1924.	Budget, 1913.	Difference Between 1924 and 1913.
Customs duties	13.23	6.85	+ 6.38
Import and export duties	0.97	—	+ 0.97
Taxes on commodities	5.95	14.32	— 8.37
Direct taxes	16.20	14.77	+ 1.43
Taxes on railway traffic	0.26	0.97	— 0.71
Other taxes and fees (including taxes on turnover)	24.06	8.15	+ 15.91
	60.67	45.06	+ 15.61

The Finance Minister replied in a public speech, in which he stated that, in his opinion, the present burden of taxation is lighter than before the war, because he estimates the total of public taxes per head 121.25 goldkronen in 1913, against 76.69 goldkronen in 1924. Whilst the Commissioner-General in his report emphasised the impossibility of continuing to raise taxes, inasmuch as the actual income of the taxpayer is at present lower than before the war, the Finance Minister is optimistic enough to find the present burden of taxation so supportable that it could even be further increased.

The statements given by the various industries with regard to their business is considerably influenced by the conflict about the new Tariff Bill. Some industries, such as the iron and steel industries, motor-car, cement, glass, and textile industries, claim a higher protection, and are, therefore, interested in making their business appear worse than actually is the case. Some of them, as, for instance, the Alpine Montangesellschaft, were, in fact, compelled to dismiss workmen partly owing to the revival of German competition, partly owing to the high protective duties on their products in the neighbouring Succession States, which render export trade very difficult. In some way or other means must be found of increasing Austria's export trade because the import and export figures for the last three months show that the deficit of the balance of trade was considerably augmented in the last quarter of 1923, as compared with the first three quarters. Judging by the November figures just published, it is estimated that the deficit of the balance of trade for 1923 will amount to about 700 million goldkronen, as against only 544 million for 1922.

The last index figure (for the period January 15th–February 15th) again showed an increase of 2 per cent. in the cost of living. Whilst the index for August last was 94.7 per cent., it is now 107.7 per cent. It is also interesting to note the movement of the index figure for wholesale prices of commodities, which in November, 1923, was 17.795 (as against 1 in August, 1914), and since then is continuously rising; in December to 18.181, in January to 18.748, and in February to 19.158. The present very severe winter has postponed the restarting of the building activity, and thus caused a noticeable increase in unemployment—from 97,573 in January to 119,309 in February.

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NORWAY.—GREAT LABOUR DISPUTE—NEW BANKING PROPOSALS.

(FROM OUR CORRESPONDENT.)

CHRISTIANIA, March 11.

FOR two or three weeks the great labour struggle—partly lock-outs and partly strikes—has now been going on. Negotiations have been going on almost all the time between the parties, but so far without success. Between 60,000 and 70,000 men are involved in the dispute. It is not now a struggle for a reduction or an augmentation of wages, it is a fight for a principle. The practice had become more or less prevalent among the workers of leaving their work without any notice, in spite of agreements, and even contrary to the orders of their leaders. This, notably, is at present the case in the engineering trade. Employers are getting tired of this unsafe and unsettled state of things, and now demand certain guarantees from the trades unions that the agreements entered into with the workmen will be conscientiously adhered to until altered by a fresh agreement. These guarantees the leaders say they cannot furnish—and thus, so far, there is a deadlock. As the strike comprises the port labourers, the export trade naturally has been to some extent hampered, but much less so than might have been expected; there are many unemployed that are happy to have a chance, and also many principals and office-employees are doing cartage and loading and discharging work. In the Storting a new Bank Act is being discussed. It will in several ways introduce changes in the present system of control, &c. In a future letter I shall hope to give further details as to this matter, which is very important for traders.

Letters to the Editor.

COMPANY DEBENTURE REDEMPTION.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The letter in your issue of 15th inst., from the Secretary of the Manchester Stock Exchange, seems to require an answer from me, if only to correct its errors. I have no recollection of ever having stated "that the company" (i.e., the Union Cold Storage Company, Limited) "had tried to buy stock on the Stock Exchange but had failed to do so"! The exact contrary is the case, as purchases have been made continually, and more than 50 per cent. of the stock redeemed during the last six months has been purchased for the company by brokers.

The circular dated September 10, 1923, was sent to a few debenture holders, and contains no misstatement, as is proved by purchases made by London brokers both on September 12, 1923, and September 19, 1923, at 93 per cent. net. The brokers, to render contracts at this price net, must have bought below that figure. It is also evident that 93 per cent. was a full market price from the Manchester quotation of 91 to 94. On this quotation the Inland Revenue authorities would accept a price of 91½ per cent. as fair value for probate purposes, and it is not often that executors can rely on an immediate sale of stock at a substantial advance on probate valuation! So far as my experience goes, the Manchester Official List has the best reputation of all the provincial exchanges for the reliability of its quotations and for the accuracy of its notices and other information. In purchasing debenture stock for redemption purposes my company's endeavour has always been to offer the full economic value, no more, as that is unnecessary and no less, as that would not only be unfair, but would not be likely to produce any results. This being the case, I hold that to tell our debenture stockholders that the price we bid is "full market value" is quite unnecessary, and probably undesirable. I therefore arranged for those words to be omitted from any further circular. In order to make my company's offer secure from any criticism, as I hoped, I then sent to our London brokers a copy of our circular for approval, and, after submitting it to the Secretary of the Committee of the London Stock Exchange they reported to me as follows:—"The circular issued by the

Union Cold Storage Co., Limited, contains nothing contrary to the London Stock Exchange requirements."

This is the circular on which Manchester turned us down, and they appear to have gone to the Associated Stock Exchange meeting at Windermere last October, where, as they say, 21 provincial exchanges were represented, with the set purpose of getting other exchanges to do likewise. I would suggest a study of *Æsop's Fables*, and more especially of the fable called "The Fox Without a Tail." Liverpool, as mentioned in my previous letter, has followed Manchester's lead, but for what reason I am still unable to ascertain. I hesitate to accept hearsay evidence from Manchester as conclusive. As far as I am aware no other exchange has removed our stock from its list.

The resolution which Manchester quotes as having been recommended to each of the 21 exchanges concerned is surely an unnecessary piece of interference likely to bring ridicule upon those who framed it. Further, it is calculated to obscure the real matter at issue. I have never heard of any company offering to act as "dealers" in its own securities. A "dealer," according to the largest dictionary I can find in the library here, is "one who sells articles in the same condition in which he has bought them," and Webster's Dictionary of 1920 states that a "dealer" (as applied to the Stock Exchange) = jobber, and that a jobber is distinguished from the broker, who acts between him and the public.

Manchester knows quite well, and every debenture holder who has sold his stock to the company knows quite well, that the company's purchases are for redemption purposes, and all stock so purchased has been delivered by surrender of certificates with a discharge receipt, and not by an ordinary transfer deed.

To give up the right to approach its own debenture holders direct would be, in my opinion, too big a price for any company to pay to obtain a quotation in the Manchester List, and I can scarcely take seriously the statement that this is a condition on which quotations have hitherto been granted in Manchester. My company, for one, did not understand this when our quotation was obtained.

Manchester, of course, can take whatever line it thinks right, but I trust the authorities will reconsider the matter and see their way to bring their practice into line with London. It is now well over 40 years since I entered my firm's office; at first I was put to do the Clearing House work at a salary of 10s per week, and I am now senior partner, and although I have never had the privilege of attending Associate Stock Exchange meetings at Windermere, I believe I have as big an experience as anyone living of provincial Stock Exchange matters, and it is my considered opinion that Manchester's action, if persisted in, will inevitably drive away from our Northern exchanges business which ought to be done there, and will put the placing of new issues of our local companies more and more into the hands of London.

Cannot Manchester see that the Stock Exchanges exist for the benefit of the public, and not the public for the benefit of the Stock Exchanges!—Yours, &c.,

ROGER P. SING,

Chairman of the Directors,
Union Cold Storage Company, Limited.
United University Club, London,
March 18th, 1924.

THE CHAOS IN CHINA.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I happened to go into my comrade's office this morning to consult him on a matter of business, and found him engaged in earnest conversation with four elderly Chinese. They were undoubtedly of the "old school," and might have stepped out of one of the innumerable pictures of Chinese sages of days gone by. I, of course, withdrew and waited for the comrade to come to me, which he did very shortly after. I asked him who the old fellows were and he informed me: "Oh, they come from my country to ask me help pay for guns." Further interrogation drew forth the usual story of pillage and seduction which is so rife throughout China nowadays, as well we know from our newspapers, but the hideous-

ness of it was brought nearer home to me by a personal narrative. The scene of the tragedy lies about forty miles from here in the fertile district of Heungshan, which, from my home on the Peak, can be seen as a low-lying bank on the other side of the estuary of the Canton river. Nominally the place is within the jurisdiction of Admiral Chan Chak, who is an Admiral without a fleet and is, at the moment, on passable terms with Sun Yat Sen, the self-styled Generalissimo of the Constitutional Government of China. Sun incidentally is, technically speaking, a rebel, but with the aid of a mercenary army rules over a portion of the two Southern provinces of China, although by no stretch of imagination can he be considered to exert authority over this dominion. Well, the village or town in question was raided the other night by soldiers. Whose army they belonged to nobody knew, but they pretty successfully ransacked the place, seized what money they could, burned a few houses and departed with 63 women and girls as captives. One of my shroffs (or clerks) lost two of his daughters in this way, and as soon as the news reached Hong-kong he took the first steamer for Macao and thence by rickshaw to his village. Of course, when he reached his destination he could do nothing, nor was he able to trace any information as to the whereabouts of the troops or their captives. The wretches had swooped down, done their foul work, and departed. My shroff returned, and, poor fellow, has been going about like one in a dream ever since.

The comrade and his four friends considered that steps should be taken to arm some of the villagers, so that any further attacks could be met with some sort of resistance. They asked my advice. What could I say? I knew full well that the cost of a score of rifles was nothing to these four men who, having gained wealth under the protection of a British Colonial Government, had retired to spend their remaining years in their native districts, but I could pretty well guess that it would not be long before the village guardians disposed of the rifles at a good profit. Even if they retained them the chances were that they would do more harm than good through lack of skill. My reply was to the effect that it would be waste of money investing in arms, and that the better course would be to appeal for assistance from Admiral Chan Chak. The advice was received politely but without enthusiasm. Then flashed across my mind Lord Birkenhead's hideous but apposite phrase about the world's glittering prizes for sharp swords, &c.

The chaos which prevails throughout China is a matter which must be dealt with by the Chinese themselves. Undoubtedly it is of grave concern to the foreign nations which trade with China, but it is quite clear that external assistance will be of no avail. Foreign intervention might restore some sort of order in districts around about the Treaty Ports, but it will never be of effect in the interior. The root of the trouble appears to lie in the importation of arms and ammunition, and until the supply is dammed at the source the peaceful and industrious Chinese will be at the mercy of the militarist and his motley army of hired ruffians. As one of our local papers puts it, the Great Powers and the League of Nations are moving heaven and earth to restrict the dangerous drugs traffic with China, while all the time they are allowing and profiting by the trade in vulnerable weapons. Nearly every week there is a seizure of arms and ammunition on reaches Hong-kong. At every assizes Chinese, with a sprinkling of Europeans, are sentenced to terms of imprisonment ranging from six months to twenty years for bringing firearms into the Colony. Yet the wretched an infinitesimal portion of the vast quantity which reaches China through other channels.

Things have come to such a pass that it will take years and years to remedy matters, but if a humble business man might offer a suggestion it is this. Don't worry about the opium smoker, but give a thought to the women and children who are being slaughtered every day by the long before left an American or European factory.

Hong-kong, February, 1924.

PHILIP S. CASSIDY.

BELGIAN POLITICS AND PARTIES.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I have read with much interest your article about the fall of the Belgian Government in the *Economist* of March 8th. May I, however, point out to you that when your correspondent touches the questions connected with the Flemish movement, he does not always appear to be quite accurate?

I am at a loss to understand why he describes the Front-Party as "Belgian Communists." The Front-Party, or Flemish Nationalist Party, has nothing in common with the Communist programme; it is simply the party of the so-called "Radical Flemings," which asks Home Rule for the Flemish part of Belgium, and is mostly composed of Roman Catholics. Besides this party of Flemish Nationalists, which is very limited in number, we can trace more or less distinct Flemish groups in each of the three other great political parties (Liberal, Socialist, and Catholic)—the Flemish Catholic Group having a distinct existence in the midst of the Catholic Party, of which it forms a part.

Your correspondent is right where he states that the rejection of the Commercial Treaty with France by the Belgian Parliament is not due to the existence of a majority opposed to French reparation and Ruhr policy. Not only the Walloon provinces, but also a strong minority in the Flemish provinces is still—and is bound to be for a long time—subjected to French influence, and it is difficult as yet to foresee the moment when our foreign policy will cease to be a "succursale" (a branch office) of the Quay d'Orsay.

In the Walloon provinces the strong sympathy for France can be explained by the community of language. As to Belgian Flanders, the reason of the spread of French influence in that part of the country will quite easily be understood when one examines the constant policy of the Belgian Governments since 1830, which aimed at unification of Belgium to a French-speaking country, and resulted in favouring the French language and French influence.

French has always been, and is still, in fact, the official language of all State administrations, and this fact, coupled with the education policy which imposed during a long time the French as first language to the Flemish, has made the Brussels agglomeration, which fifty years ago was still Flemish, to a town where the larger half of the population are now speaking and feeling French. Even now, after nearly a century of existence as an independent kingdom, Belgium does not yet possess a complete Flemish university. When we add to the above the growing influence of French capital (e.g., in the new coal-fields of the Campine) it is not surprising that many Belgians begin to fear that our existence as an independent nation may be in the long run endangered by France. What renders the outlook in this respect more disappointing is the fact that, through the educational, economic and military policy of our Governments, a large percentage of Belgians are more and more feeling themselves as really belonging to France.

There is a growing opposition in the Flemish provinces against the Francophile Government policy, but this movement is bound to be very slow, as it lacks capable leaders, the intellectual and leading classes becoming more and more "de-nationalised" under the influence of their French university education, and of the completely French-speaking and French-feeling administration and Government machinery. As this process is going on, they will oppose less and less resistance to French absorption.

I do not hesitate in stating that, unless more account is taken of the language and feelings of our Flemish population, Belgium will simply become a French "department" before another century, and France will then hold the Channel from Calais to Zeebrugge and Antwerp. No Belgian, jealous of our national independence, wishes the interference of any foreign Power in our internal affairs, but it would, nevertheless, be a moral satisfaction to see that the Flemish movement is understood abroad as having a wider horizon than a mere "linguistic movement with a purely provincial outlook."

Lokeren, March 9th, 1924.

G. VAN DRIESCHÉ.

MR BALDWIN ON UNEMPLOYMENT.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Your article on unemployment, in your issue of March 15th, concludes with the surmise that the number of registered unemployed cannot be expected to drop, except in very exceptional times, much below four or five hundred thousand people.

That may perhaps prove to be the case. But it is important not to lose sight of the fact that the unemployment benefit and outdoor relief to able-bodied men are helping to perpetuate and accentuate this state of things. If occasional employment is made enduring by doles, quite a number will endure it without hustling themselves to get away from it.—Yours faithfully, M. F.

Leeds, March 18th, 1924.

[We sympathise with the view of our correspondent to the extent that the position of those wholly or partially out of work must be made less attractive than that of those who are in work, in order to preserve an inducement to find employment. But the day is long gone past for attempting to drive men into work at any price by starvation.—Ed. Econ.]

BOOKS RECEIVED.

International Commercial Policies. By G. M. Fisk, Ph.D., and P. S. Peirce, Ph.D. (London) Macmillan and Co. 12s net.

Disarmament. By Maj.-Gen. Sir F. Maurice, K.C.M.G., C.B. The "New Way" series. (London) The Daily News, Limited. 6d.

The Problem of the Coal Mines. By Arnold McNair. The "New Way" series. (London) The Daily News, Limited. 6d.

Standardized or Index Money? By Leonard Keesing. (New York) 52 William street.

The Annals of the American Academy of Political and Social Science. March. Raw Materials and Food-stuffs in the Commercial Policies of Nations. By Wm. Culbertson. (Concord, N.H.) Rumford Press Building. \$2 paper, \$2.50 cloth.

Das Neue Oesterreich. By Arthur Feiler. (Frankfurter a.M.) Frankfurter Societäts Druckerei G. m. C.H. Abteilung Buchverlag.

Directory for Russian and Foreign Business Men. (Petrograd) Chamber of Commerce for North-West Russia.

This business handbook deals with Russian foreign trade and concessions, and the legal conditions under which business can be carried on. It gives a résumé of taxes and transport, and is a valuable guide to anyone wishing to know more about Russia from the trading aspect.

Handbook for Members of Co-operative Committees. By F. Hall. Foreword by W. R. Rae, J.P. (Manchester) Co-operative Union, Limited. 7s 6d net.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET,	ACCOUNT,
April 2.	April 3.

The present week has heard a good deal of talk of possible trouble that was considered likely to arise in connection with the Stock Exchange settlements in London as well as in Paris. In the French centre it was deemed a practical impossibility for the extraordinary gyrations in the rate of exchange and in Rio Tintos to have occurred without causing very heavy losses, to meet which it would have been necessary for the operators to sell other securities at the best prices obtainable: in other words, that there has been a good deal of forced liquidation.

Some of the British provincial centres are said to have strayed into financial trouble in connection with bear operations in Rhodesians; nearer town, the gambling in base metals has resulted, according to rumour, in widespread losses. That the trouble is less serious than report claimed would appear evident from the fact of prices as a whole keeping tolerably steady in the face of disquieting influences at home and abroad. The continual menace of strikes in various industries, the insecurity of the present British Cabinet tenure, and the further fall in rubber contribute to the causes which make for restraint on the part of buyers and a little apprehension on that of holders.

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Liverpool Foreign Branch 45, Castle Street, Liverpool.
Manchester Foreign Branch 94, Portland Street, Manchester.
Bradford Foreign Branch 18, Market Street, Bradford.

Gilt-edged stocks rise superior to the malinfluences which dog the financial situation. The War Loan has remained at a trifle above 101, Victory Bonds and the Funding Loan have been in modest request, and small premiums prevail in the cases of the lately-issued Union of South Africa, Western Australia and Southern Rhodesia stocks. Home railway prior-charge issues have not moved.

Brazilians have given way, owing to the disappointing manner in which the milreis dropped back after its somewhat abrupt advance. French Government, railway, municipal and shipping bonds recovered to some extent with the value of the franc, but to the ordinary person the gambling character of these descriptions has rendered speculation extremely nervous. Japanese scrip keeps firm. Russians were better at the beginning of the week, to give way later on. Mexicans are mostly lower.

The home railway market has fallen into a jog-trot condition. The marking ex dividend of the Southern and North-Eastern preferred and deferred stocks on Thursday led to a little buying, but the fear of industrial trouble lays a chilling hand upon enterprise. Grand Trunk Pacifics are lower. Argentine Railway stocks, after a rally, went back a trifle on renewed nervousness in regard to dividend declarations, which should be forthcoming next week. The Central Argentine maintains its previous interim dividend. San Paulo stock is better, on the announcement of a dividend, making 9 per cent., free of tax, for the year. Leopoldinas fell back sharply, in sympathy with Brazilian Government bonds.

Rubber shares are a little lower, in consequence of the produce going under 1s per lb before it recovered again. Lobitos and Royal Dutch are the particular features of strength in oil shares, but the whole list maintains noticeable firmness. The tea market is generally steady, attracting a fair amount of business. The textile group shows a disposition to give way, and tobacco shares are similarly dull.

In the insurance market, Eagle Stars are again flat, on fears as to what the dividend will be. Other insurance shares hold their prices. The banking market is moving within very narrow limits, and shipping shares display a dull tendency, owing to the disappointing results recently disclosed by one or two of the leading companies. Paquin shares rose substantially, on the announcement of a dividend on the ordinary shares. Electric lighting shares keep good; there is nothing much doing in gas stocks. The iron and steel market is heavy because of the fears of strikes.

The new issue of Vickers 5½ per cent. debenture stock at 98½ was promptly subscribed. Armstrongs have lately placed an equal number of three-year notes at the same price. Stores, drapery, and catering shares merely mark time, the qualms expressed in regard to the success of the British Empire Exhibition serving to temper the optimism which had been felt previously. Trust companies' stocks, more especially the ordinary and deferred, have been going up by points per diem.

The Kaffir Circus is curiously inert. Business being so quiet, the natural tendency is for prices to sag. Some of the Rhodesians, however, redeem South Africans from the charge of stagnation. Cam and Motors, Gaikas and two or three others have been moving in lively fashion. De Beers and Tintos fluctuated according to the movements in the franc. Tin shares reacted, on the drop of £20 in the price of the metal. Indian mining shares are better, under the leadership of a brisk rise in Mysore Gold. Canadians failed to attract either interest or support. Neither Mexican nor Russian mines exhibit any appearance of vitality.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£ 28,766,305	£ ..	£ ..	£ ..

ISSUES OF THE WEEK.

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED MARCH 15, 1924.

April 1, 1923, to Mar. 15, 1924.	£12,100,000	Dr 100,000	Dr 100,000
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To the Public—

Card Clothing and Belting, Lim., £250,000 6% First Mort. Deb. Stock (red. at 102½ by ann. dwgs), issued at 96½	250,000	241,250	25,000	216,250
Do 175,000 7½% Cum. Pref. Shares, £1, at par	175,000	175,000	21,875	153,125
Sparrow, Hardwick, and Co., 200,000 7% Cum. Pref. Shrs., £1, at par	200,000	200,000	25,000	175,000
Hoffmann Manufacturing, 500,000 7½% Cum. Pref., £1, at par	500,000	500,000	62,500	437,500
Vickers, Limited, issue of £2,000,000 5½% 1st Mt. Deb. Stk., at 98½ (less £1,500,000 for redemption of 7% Notes)	500,000	492,500	25,000	467,500
Bukit Pulai Rubber Estate, 1,180,000 Shares, 2s, at par	118,000	118,000	29,500	88,500
Total offered to the public..	..	1,726,750	188,875	1,537,875

To Shareholders only—

American Trust, 12,500 Shares, £10, at par	125,000	125,000	12,500	112,500
Paterson, Laing, and Bruce, 100,000 "B" Pref. Shares, £1, at par	100,000	100,000	12,500	87,500
British Borneo Petroleum Syndicate, 70,000 unissued Shares, 10s, at 15s	35,000	52,500	..	52,500
Total offered to shareholders ..	..	277,500	25,000	252,500

Total offered for subscription to date in—

1924.....	30,670,555	1923.....	271,393,173
1923.....	70,967,616	1922.....	573,675,650
1922.....	268,381,161	1921.....	388,978,205
1921.....	60,910,979	1920.....	367,549,656
1920.....	130,240,045	1919.....	1,036,069,961
1919.....	285,741,322	1918.....	1,393,381,441

Vickers, Limited.—Authorised share capital £26,500,000 of which £20,679,290 has been issued. This is an issue of £2,000,000 5½ per cent. first mortgage debenture stock at 98½ per cent., redeemable on or before October 1, 1924, at 103 per cent. This £2,000,000 is part of a present authorised issue of £3,250,000, which is subject to an increase to not exceeding £6,000,000. A part of the issue is being issued in exchange for the existing 4 per cent. first mortgage debenture stock as 5 per cent. stock, repayable at par in 1937, with an option to the company to redeem earlier at 104 per cent. The holders of the 7 per cent. seven-year notes of the company, who will otherwise be paid off at par on July 1, 1924, will be entitled to preferential allotment of an amount of stock equal to the nominal amount of the notes surrendered. The note-holders will receive in exchange for each £100 of notes an equal amount of fully-paid 5½ per cent. first mortgage debenture stock (carrying interest from the due dates of the instalments) plus £3 8s 9d in cash, representing (1) £1 7s 1½d, being interest on the notes at the rate of 7 per cent. per annum from January 1, 1924, up to and inclusive of March 31, 1924 (after deduction of income-tax), (2) 11s 7½d, being discount at the rate of 5½ per cent. per annum on the instalments paid in advance (after deduction of income-tax), and (3) £1 10s, being the difference between the issue price of the stock and the par value of the notes. Property and fixed assets are valued at £7,660,149, and total assets amount to £35,282,620. This looks like a comfortable margin of security. A little more information might have been given about past profits. For 1922 these are given as £683,205. Based on these figures, the £2,000,000 of new borrowings are well covered.

The Hoffmann Manufacturing Company, Limited.—Authorised capital £750,000, divided into 250,000 ordinary and 500,000 2½ per cent. cumulative preference shares, all of £1 each. All of this capital has been issued, and this is an offer for sale of 500,000 preference shares at par. Debenture stock The company was formed in 1898, and has an excellent reputation for "Hoffmann" ball bearings. Profits are set out from According to the statement of assets and liabilities, a surplus of £1,001,371 is revealed, after deducting the sum of £394,656 for debenture stock. Thus the share capital appears to be well covered.

Sparrow, Hardwick, and Co., Limited.—Authorised preference £400,000, divided into 200,000 7 per cent. cumulative preference and 200,000 ordinary shares, all of £1 each. This is an issue at par of 200,000 preference shares. The company has been formed to acquire a business of the same name, founded in 1853, in Manchester, of warehousemen, &c. Profits are shown from 1915. These range from £20,500 in 1915 to £103,300 in 1919. The figures are struck before charging

interest and income-tax, but after deducting excess profits duty. Profits for 1920 and 1921 include refunds of this duty; but for this there would have been a loss in the latter year owing to the necessity for writing down stocks. Net profit last year was £78,700. Assets are taken at £422,878. The purchase price is £256,700, and the company assumes liability for obligations amounting to £166,100. The purchase consideration is payable in cash, but the vendors undertake to subscribe at par for the ordinary shares. There is no debenture debt, and none can be created without the consent of the preference shareholders. The net assets acquired as at December 31st last, according to the balance-sheet, amount to £404,800, and include nothing for goodwill. The preference shares are a reasonable industrial risk.

West Hampshire Water Company.—Incorporated by special Act of Parliament in 1893. This is an offer for sale by tender of 1,148 £10 5½ per cent. "redeemable" preference shares. The minimum price of issue is £9 13s per share, at which price the yield would be £6 os 8d per cent. The prospectus states that "the shares will be redeemed at par on June 30, 1933. The authorised share capital is £100,000, of which all will be issued when the present amount is considered. Loan capital for £35,635 is in existence. Interest on loan capital absorbs £1,085. As the income of the company for its last financial year was £6,234, and dividends on all preference capital only need £2,344, a reasonable margin is left for safety.

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

ACTIVE SECURITIES.

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

British and Colonial Government Securities.					
	Price Last Week.	Latest Price.	Rise or Fall.	Price Last Week.	Latest Price.
War 3½, 1925-28.....	95½	95½	..	Aust. 6½ 1931-41.....	104 .. 104 ..
Loans 4½, 1925-45.....	96½	96½	..	Canada 4½ 1920-25.....	101½ .. 101½ ..
4½, 1929-47.....	101½	101½	..	Do 3½ 1926-31.....	64 .. 63 ..
4½, 1929-42.....	102½	102½	..	Do 7½ 1926-31.....	111 .. 111 ..
Funding Loan 4½.....	87½	87½	..	Do 4½ 1932.....	100 .. 100 ..
Victory Bonds 4½.....	91½	91½	..	Do 4½ 1932.....	85 .. 85 ..
Conversion Loan 3½.....	75½	75½	..	N.S.W. 5½ 1922-32.....	101 .. 102 ..
Consols 2½.....	55½	55½	..	Nigeria 6½ 1949-79.....	112 .. 112 ..
Irish Land Stock 2½.....	58½	58½	..	U. of S.A. 6½ 1930-40.....	106 .. 106 ..
Local Loans 3½.....	64½	64½	..	Victoria 5½ 1924-34.....	100 .. 100 ..
				W. Aust. 6½ 1930-40.....	104 .. 104 ..
British Railways.					
Great Western, Ord. 100½.....	107½	107½	..	Southern, Ord. "A".....	41½ .. 38 ..
London & North-Eastern.....	84½	82 ..	..	Do Ord. "B".....	10 .. 10 ..
5% Pref. Ord.	84½	82 ..	..	Do Pref. Ord.	84 .. 84 ..
Do Def. Ord.	32½	29½ ..	..	Do Def. Ord.	43 .. 40 ..
London, Mid., and.....	100½	99½ ..	..	Underground Electric.....	21½ .. 21½ ..
Scottish, Ord.	75½	76½ ..	..	Do "A" (1) ..	99 .. 99 ..
Metropolitan.....	75½	76½ ..	..	Do Inc. Bds. (£100).....	99 .. 99 ..
Metropolitan District.....	53½	53 ..	..		
Banks.					
Barclays B. (£1, £pd.) 2½.....	2½	2½	..	Nat. Bank of S. Africa 6½.....	61 .. 61 ..
Chartered Bk of India 20.....	19½	19½	..	National Provincial.....	10 .. 10 ..
Lloyds (£5 with £1 paid) 2½.....	2½	2½	..	Standard of S. Africa.....	10½ .. 10½ ..
Midland (£12 with £4 paid) 2½.....	2½	2½	..	Westminster Bank.....	16½ .. 16½ ..
Nat. Bank of Egypt (£10) 2½.....	2½	2½	..		
American Railroads.					
Chesapeake & Ohio.....	84 ..	84 ..	..	Southern.....	63 .. 63 ..
Erie.....	39 ..	39 ..	..	Do Non-cum Pref. 84.....	84 .. 84 ..
Do 4½ 1st Pref.	37 ..	39 ..	..		
Foreign Government Securities.					
Argentina 5½, 1926-7.....	100 ..	100 ..	..	Japanese 4½ 1910.....	65 .. 65 ..
Austrian 6% Guar. 89½.....	89½	89½	..	Do 6½ 1924.....	31 .. 31 ..
Belgian 5%.....	69 ..	69 ..	..	Mexican Cons. 1899.....	54 .. 51 ..
Brazil 5% Fund. 1914.....	75 ..	74 ..	..	Peruvian Corp. Pref.	28 .. 28 ..
Obilian 4½, 1895.....	84 ..	85 ..	..	P.L.M. 6%.....	83 .. 83 ..
Do 7½.....	105½	105½	..	Portuguese (New).....	28 .. 29 ..
Chinese 5%, 1912.....	74 ..	74 ..	..	Russian 5%, 1906.....	11 .. 12 ..
Egyptian 4%.....	21½	22½ ..	..	Spanish 4%.....	63 .. 63 ..
French 5%.....	13½	14½ ..	..	Saine (Dept.) 7%.....	96 .. 96 ..
Do 4%.....	13½	14½ ..	..	Siam 7%.....	104 .. 104 ..
Greek 4%, 1884.....	44½	45½ ..	..		
Colonial and Foreign Railways.					
Antofagasta Cons.....	86½	86½	..	Leopoldina.....	27½ .. 26½ ..
S.A. and Pacific.....	82½	82½	..	Mexican Railway.....	10 .. 9 ..
S.A. & Southern.....	87½	88 ..	..	Do 1st Pref.	26 .. 26 ..
Buenos Ayres West.....	78½	78½	..	Do 2nd Pref.	15 .. 15 ..
Canadian Pacific.....	168½	168½	..	San Paulo.....	153 .. 157 ..
Central Argentine.....	76½	77½ ..	..	United Havana.....	88 .. 88 ..
Telegraphs.					
Anglo-American "A" 2½.....	22½	22½	..	Marconi Canada.....	1½ .. 1½ ..
Marconi Wireless.....	18½	18½	..	Marconi Marine.....	1½ .. 1½ ..
Mining.					
Brakpan (A1).....	3½	3½	..	Knights.....	8½ .. 8½ ..
Broken Hill Prop. (B).....	1½	1½	..	Modderfontein (10).....	4½ .. 4½ ..
Chartered (A1).....	1½	1½	..	Modderfontein "B" (5).....	1½ .. 1½ ..
Cons. Gold Fields (A1).....	1½	1½	..	Modderfontein, Deep (5).....	1½ .. 1½ ..
Crown Mines (10).....	3½	3½	..	Premier Def. (2½).....	5 .. 5 ..
De Beers Def. (A2).....	13½	13½	..	Rand Mines (5).....	3½ .. 3½ ..
East Rand Prop. (A2).....	3½	3½	..	Selkirk.....	3½ .. 3½ ..
Goldfield (A1).....	3½	3½	..	Rio Tinto (A5).....	34 .. 34 ..
Gov. Gold Mines.....	4½	4½	..	Spring Mines (A1).....	2½ .. 2½ ..

Miscellaneous.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Aerated Bread (£1).....	14½	14½	..	Hudson's Bay (£1).....	6 ..	6 ..	..
Amal. Cottons (£1).....	14½	14½	..	Imperial Tobacco (£1).....	4 ..	4 ..	..
Anglo Persian Oil (£1).....	3½	3½	..	Linggi Plantns. (£1).....	14½	14½	..
Armstrong (Sir W.G.).....	14½	14½	..	Lipton (£1).....	14½	14½	..
and Co. (£1).....	14½	14½	..	Liver Brs 7% Cum (£1).....	14½	14½	..
Ass. Pind. Cement (£1).....	14½	14½	..	Do 20% Cum Pref (£1).....	14½	14½	..
Barker, John (£1).....	24½	24½	..	Do 20% Cum Pref Ord (5).....	14½	14½	..
B'ham Small Arms (£1).....	14½	14½	..	Lister (£1).....	14½	14½	..
Brazil Traction (£100).....	59½	59½	..	Lobitos Oilfields (£1).....	7½	8½	..
British-American.....	14½	14½	..	Lyons (J.) & Co. (£1).....	14½	14½	..
Tobacco (£1).....	14½	14½	..	Mex. Eagle (£10).....	14½	14½	..
Burmah Oil (£1).....	54½	54½	..	Pekin (2).....	14½	14½	..
Coats (J. and P.) (£1).....	5½	5½	..	Rubber Plantations.....	14½	14½	..
Courtaulds (£1).....	3½	24½	..	Investment (£1).....	14½	14½	..
Conard (£1).....	14½	14½	..	Shell Transport (£1).....	14½	14½	..
Dorman, Long (£1).....	14½	14½	..	Smithfield Argentine.....	14½	14½	..
Dunlop Rubber (£1).....	14½	14½	..	Meat (£1).....	14½	14½	..
Fine Cotton Spinners.....	14½	14½	..	United Dairies (£1).....	14½	14½	..
(£1).....	24½	24½	..	United Serdang (2).....	14½	14½	..
Forestal Land (£1).....	14½	14½	..	United Tobacco (£1).....	34½	54½	..
Furness, Withy (£1).....	14½	14½	..	Valambrossa (2).....	14½	14½	..
Highlands and Lowlands Rubber (£1).....	14½	14½	..	Vickers (£1).....	14½	14½	..
	14½	14½	..	Watney Def. Stk.	183½	184½	..

ANALYSIS OF BALANCE-SHEETS.

CAMMELL, LAIRD, AND CO.

December 31, 1923.

LIABILITIES.	Compared with Dec. 31, 1922.	ASSETS.	Compared with Dec. 31, 1922.
Amount.	£	Amount.	£
Ord. shares.....	3,234,060 ..	Freehold land, buildings, &c.	2,967,151 ..
Pref. shares.....	1,225,225 ..	Stock-in-trade and work in progress.....	912,257 ..
Debentures.....	1,700,500 ..	Sundry debtors.....	582,002 ..
Interest accrued.....	26,710 ..	Investments in subsidiaries, &c.	2,684,050 ..
7½% notes.....	350,000 ..	Cash and bills.....	590,715 ..
Sundry creditors.....	421,034 ..		
Profit and loss.....	68,646 ..		
Total.....	7,726,175 ..	Total.....	7,726,175 ..

WILLIAM WHITELEY.

February 14, 1924.

LIABILITIES.		Compared with Feb. 14, 1923.	ASSETS.		Compared with Feb. 14, 1923.
Amount.	£		Amount.	£	
4½ % cum. pref. shares	450,000	..	Land, bldgs., &c.	1,377,210	.. + 20,654
Ord. shares	450,000	..	Leasehold, &c.	239,657	.. + 3,051
Management shares	100	..	Plant, &c.	149,092	.. + 1,956
4% deb. stock	900,000	..	Working plant, &c.	43,930	.. + 974
Int. accrued	16,620	..	Horses, vans, &c.	29,454	.. + 3,457
Deposits and cur- rent accounts	532,342	.. 620	Stock-in-trade	371,759	.. + 5,914
Sundry creditors	244,116	.. 1,265	Book debts, &c.	597,479	.. + 42,919
Reserve for cor- poration profits, &c.	—	.. 27,431	Investments	297,142	.. + 33,307
Nigeria 5% ..	—	.. 30,000	Cash	126,877	.. + 22,736
U. of S.A. 6% ..	—	.. 31,518			
Profit and loss	389,582	..			
Total	3,323,700	.. + 32,202	Total	3,232,700	.. + 32,202

COMPANY MEETINGS, &c.

THE BRITISH ITALIAN BANKING CORPORATION, LIMITED.

EXPANSION OF BUSINESS DURING PAST YEAR.

RECOVERY OF ITALY.

MANAGING DIRECTOR'S REVIEW OF CONDITIONS IN ITALY.

THE FASCISTA REGIME.

The eighth ordinary general meeting of the British Italian Banking Corporation, Limited, was held, on the 18th instant, at the offices of the company, 12 Nicholas Lane, London, E.C.

Mr J. W. Beaumont Pease (chairman of the company) presided.

The secretary (Mr A. R. Wheeler) having read the notice convening the meeting,

CHAIRMAN'S SPEECH.

The Chairman said: Gentlemen,—Before we proceed to the business of this meeting I wish to refer to the great loss we have suffered through the death of Sir Henry Babington Smith. He was a man of vast knowledge and experience in many directions, and his most kind and unassuming disposition made his valuable and weighty advice available to all his friends. He had been a director of this company since its foundation, and we greatly miss him as a friend and colleague.

Mr Michael Spencer Smith, a director of the Bank of England, having consented to succeed his colleague on our board, the directors have had much pleasure in electing him, and recommend him for final election by you.

RESIGNATION OF SIR GUY GRANET.

Since the distribution of the report to the shareholders Sir Guy Granet has told me, to my great regret, that his election to the chairmanship of the London Midland and Scottish Railway will compel him to resign most of his directorships, and among them that of our company, and that he is unable, therefore, to present himself for re-election. I should like to take this opportunity of expressing, on behalf of the shareholders as well as of his fellow-directors, our deep appreciation of the many services that he has rendered to the company during his long connection with it, and further to express the hope that, should it become possible in the future, we may welcome him once more to our board.

BALANCE-SHEET FIGURES.

If you agree, the report and balance-sheet shall be taken as read, as you have received them together with the notice of this meeting.

The figures of the balance-sheet which is before you give evidence of a considerable development of our business during the past year. Particularly noteworthy is the increase of our acceptances, which stand at—

	£	
As against on December 31, 1922	1,906,608	17 5
	713,438	1 2
An increase of	1,193,170	16 3
The contingent liability for our endorsement on bills negotiated amounts to—	£	
	809,460	10 8
The corresponding figure per December 31, 1922, being	329,804	0 0
An increase of	479,656	10 8
The guarantees, which, as you know, are mainly in respect of tonnage sold by H.M. Government to Italy, stand at—	£	
	2,250,192	5 4
As against per December 31, 1922	2,565,502	3 10
A decrease of	315,309	8 6

In this connection, I wish to say that since last May the four Italian banks who are jointly and severally responsible to us for these guarantees, instead of paying the instalments to the Treasury as they became due, have deposited the money provisionally with the Bank of England pending the result of certain negotiations which have been going on for some time between the Italian ship-owners, purchasers of the ships, and H.M. Government, in respect of the balance still due of the purchase price. Our guarantee to the Government for the instalments so deposited with the Bank of England, of course, still stands, but we hold the necessary indemnity from the Italian banks.

BANK'S LIQUID RESOURCES.

The liquidity of our resources is shown by the following items:—

	£	
Cash in hand, at call and short notice	220,149	
Balance with bankers in London	228,345	
Balance with bankers abroad	170,825	
	619,319	
Bills receivable	966,858	

In the aggregate	1,586,177
As compared with	1,162,083
On December 31, 1922.	

I wish to repeat my remarks of last year, that no exchange risks attach to any funds which are temporarily held in foreign currencies, and that we have no open positions in exchanges.

In accordance with the practice of most banks, and on the advice of our auditors, our engagements in forward foreign exchange contracts are not shown in the balance-sheet.

CLEARING ACCOUNTS.

The expansion of our business is shown by the turnover of our clearing accounts with our bankers:—

	In.	Out.
1917	£4,012,662	10 2
1918	£5,366,068	9 8
1919	£19,826,992	6 6
1920	£24,539,886	5 5
1921	£26,821,127	7 11
1922	£38,953,854	4 8
1923	£57,784,604	5 5
	£57,705,444	12 3

In the year under review we have handled a considerably greater amount of business representing exchange of merchandise between Italy and the British Empire than in the previous year, which indicates that the facilities of many kinds which our organisation is able to provide are better appreciated by the mercantile communities of both countries.

Along with the development of our own business has proceeded the expansion of the activity of our Italian auxiliary, the Banca Italo-Britannica. I shall cause its balance-sheet to be sent to you as soon as published, and you will see from the figures the satisfactory growth of its business. A dividend of 4 per cent. is being declared for 1923 as heretofore.

ITALY'S IMPROVED POSITION.

There is one thing I am anxious to say, because it gives me great satisfaction; that is, how completely events have justified the confidence in the recovery of Italy, to which we have repeatedly given expression even in the darkest hours of the last difficult ten years. It is only right that I should acknowledge on my own behalf, as well as on behalf of my colleagues, that that confidence was inspired by the first-hand knowledge and information which was open to us through our managing director (Mr. Manzi Fè), and his unshakeable faith.

There is nothing which I said last year about Italian affairs that I would not like to repeat to-day. The improvement and increased stability throughout the country are matters on which we can heartily congratulate our ally. I leave it to our managing director to give you a picture of her present political and economic position, and I feel certain that what he is going to say will be of interest to you.

SPIRIT OF CO-OPERATION AND CO-ORDINATION.

I wish also to add a word of congratulation to the Italians for the spirit of co-operation and co-ordination which we have frequently found to exist in many of their trades. There are some striking examples of the success achieved by these methods, quite apart from the co-operative movement in banking and agriculture, in which Italy has long had the primacy under the leadership of her venerable economist and statesman, Luzzatti; I would only refer to one outstanding example: the financial and commercial organisation which the wool spinners' industry set up a couple

of years ago, and which is known as the Istituto Commerciale Laniero Italiano. This institution is entrusted with the purchase, the distribution, and financing of the raw materials required by its members, and to a great extent also with the home and foreign marketing of their products. The advantages of such an organisation are obvious. An incomparably greater efficiency is achieved and great economy of costs.

I now call on our managing director to deliver his address, after which I shall proceed with the business of this meeting.

MANAGING DIRECTOR'S ADDRESS.

Mr George Manzi Fè: Gentlemen,—I very heartily thank our chairman for his kind reference to me, and I trust that the information which I propose placing before you may prove interesting as well as useful.

Everybody whom I come across here in business or socially invariably refers in one way or another to the events which have taken place in Italy since October, 1922, and in most cases I find that "Fascismo," the movement which has brought about so great a change in that country, is not quite understood here. As it may well not only mark a turning point in the history of Italy, but exercise an influence far beyond her frontiers, I believe it to be worth my while to dwell briefly on its origin and its character, and to give you my reading of the political thought which underlies it. The movement was made possible by the general dissatisfaction developed in the after-war period and by the peculiar conditions of Italian parliamentarism. Unlike the British, which is represented by three well-distributed parties with clearly defined characteristics and well-established traditions, Italian parliamentarism is divided into numberless subsections and *clientèles*.

PERSONALITY OF THE ITALIAN PRIME MINISTER.

I am anxious to make it clear at the outset that, in my remarks, I neither wish to take up any particular political attitude, which would be entirely out of my province, nor to make the apologia of one man, however much I admire him. My object is solely to enlighten the business community on this side as to actual facts, and if I am going to deal at some length with the personality of the Italian Prime Minister, it is because "Fascismo" cannot be understood without first understanding the man who is the soul of it.

Mussolini, the creator of "Fascismo," comes of very modest origin, but he is a son of that strong and fierce Romagna which has produced throughout past centuries a host of famous men in every line of human thought. His surroundings since boyhood and his start in life as a manual worker, after a short career as elementary schoolmaster, predisposed him to Socialism. His remarkable natural gifts, coupled with strong and somewhat mystic religious sentiment and an unquenchable thirst for knowledge, attracted him to higher culture, which was favoured by prolonged visits abroad on political grounds. On his return to Italy he devoted himself successfully to journalism. The honesty of his convictions and the power of fascination which he exercised upon the masses made him, in his middle thirties, the most influential leader of Socialism. However, he withdrew from the party soon after the outbreak of the Great War, because of its opposition to Italy's participation in it by the side of France and Great Britain, of which he was one of the strongest advocates. He went into the trenches as a private and was severely wounded; it was apparently there, when fighting, that the evolution of his political thought matured, and he became aware of the fallacies and shortcomings of the doctrines he had cherished. He realised that the violent materialistic teachings of Socialism, as well as excessive individualism, would fatally lead to disintegration of everything sacred, the destruction of all moral values and the abolition even of military discipline, and with it the negation of patriotism.

START OF "FASCISMO."

When, after the Armistice, demo-socialistic tendencies increasingly permeated public life, carrying in their trail the complete subservience of the State to every demagogic speculation, the corruption of Parliamentary customs by undignified compromises, the deliberate destruction of capital, and, on the other side, the vulgar extravagance and ostentation displayed by the new-rich became a provocation to the war-stricken, it dawned on him that nothing but a return to lofty ideals, to the highest conception of State authority, to stern civic discipline and self-sacrifice, to strenuous work and thrift, could save the nation from complete moral and economic disruption. He set out, at first alone, by word of mouth and in his writings, to arouse public opinion, and gradually formed around him a nucleus of deliberate followers, all of whom had fought in the war. This nucleus rapidly grew into the "Fascista" organisation.

The rapidity of the process shows that this line of thought was already deeply rooted in the public conscience; dissatisfaction and disgust were rampant all over the country, originated by the many moral disappointments which public opinion had suffered in its expectations from the magnificent effort and sacrifice of the war,

for which disappointments the weakness of the successive Governments was held responsible. "Fascismo" sprang, therefore, spontaneously into existence, not as a political party, but rather as a kind of gospel. To it rallied men of every calling in life, from the humblest workman to the bourgeois and the aristocrat, without distinction. A striking fact was the rallying *en masse* of socialistic organisations to "Fascismo," in spite of its declared hostility to the methods of extreme Socialism, the failure of which was so lamentably evidenced in 1920 by the seizure of factories and the attempt to run them on Bolshevistic principles.

LEADER'S STRENGTH AND FORESIGHT.

It would be unreasonable to expect that a movement such as this should not carry with it a certain amount of less reputable elements with their passions and ulterior motives, which explains why it is that the party has not been free, and is not even yet free from violent internal dissension which must have wrecked its great aims had it not been for the strength and foresight of the leader.

In order to achieve its final object of sweeping away the then existing state of things and the corrupted section of the body national with as little violence as possible, this organisation had to be armed, notwithstanding that it had little to fear from the Army and Navy, which, although purposely left alone, were sympathetic. This rendered possible the memorable march on Rome, which brought down the Government of the time without bloodshed, the King having refused to sanction the proclamation of martial law. Mussolini's first act was to place himself and his organisation at the orders of the King, who called upon him to form his Government. His second act was to obtain from a moribund Parliament a grant of full powers. The procedure acquired thus a constitutional aspect.

His political conception appears to be highly idealistic, and at the same time truly realistic. The authority and dignity of the State, the prestige of the nation, its spiritual and economic welfare, he places above party strife. Not forgetful of his past, he considers the advancement and well-being of the working-classes, coupled, however, with the formation and protection of capital, as the essential foundation for a modern State, and that it is a function of the State to enforce peaceful and equitable co-ordination of their reciprocal rights and duties, opposing a firm hand to any attempt of violence on either side, and, finally, that it is not the business of the State to carry on industrial undertakings of any kind.

DOMESTIC AND INTERNATIONAL POLICY.

A definition of his *régime* is difficult to express in a few words without appearing contradictory; it is in reality a combination of principles. I would call it strongly nationalistic, in no aggressive sense, however; though undoubtedly autocratic in method, it is decidedly democratic in its ultimate objects, and yet individualistic and capitalistic, not for the sake of capital as such, but for its functions, as the indispensable auxiliary of labour, the initiatives of which, in the shape of co-operative syndicates, he encourages with every assistance.

From an educational point of view, he strongly deprecates the relaxation of religious teaching and practice, and accordingly introduces reforms in this direction. Another moral principle for which he stands is the sanctity of the bonds of family as the cradle of patriotism and national unity. The abolition of all death and succession duties within the family circle, which his Finance Minister has introduced, is intended for the strengthening of these bonds as well as for the encouragement of thrift.

In international relations he represents the dignity and honour of his country, and supports mutual respect between great and small Powers. Although his action on a recent occasion was open to criticism as unnecessarily violent, his policy appears sincerely directed to the attainment of real peace, which is so much wanted.

He is guided by the idea that Italy should expect nothing from outside, and that she should ask for nothing but respect until she has made her greatest effort to put her house in order.

ECONOMIC AND FINANCIAL ACHIEVEMENTS.

As his programme was developed in his speeches and those of his eminent technical collaborators, and especially was finding expression in the actions and legislation of his Government, the consensus of opinion became gradually general. The achievements of this remarkable ruler's administration in less than 15 months of plenary powers are astonishing, more especially in matters which count from the economic and financial point of view.

In this respect some share of the credit pertains to the Governments which have gone before. The technique of Italian finance has always been on sound principles since the foundation of the kingdom; this tradition has seldom, if ever, been departed from, and to it is due the fact, never sufficiently made prominent, that Italy has refrained from resorting to the illusion of a double post-war Budget, as has been done elsewhere. She neither established a "recoverable Budget of expenditure" in respect of war damages, nor did she take credit for reparations except in so far as were actually received in cash or kind. The material damages

A decrease, therefore, of the adverse balance by 285,000,000 lire, as compared with the previous year. An interesting comparison is the following, in million lire:—

	1913.	1923.	
Imports	3,666	17,235	13,569
Exports	2,591	11,058	8,467

Adverse balance 1,075 6,197 5,122

Accounting for the depreciation of the lire, the increase of the adverse balance represents in terms of the pre-war value of the lire only 1,280 millions.

The trade with the United Kingdom included in the above figures:—

IMPORTS INTO ITALY. EXPORTS FROM ITALY

Value Lire 1,620,043,419. Lire 816,005,850, the principal items being, in quantity and value:—

IMPORTS.		Lire Millions.
Coal	Tons 4,784,460	970.3
Pig iron	Quintals 408,886	24.8
Iron and steel in sheets	" 150,063	35.7
Woolens and wool waste	" 41,923	67.0
Coconut oil and palm oil	Kilos 21,730	7.3
Textiles and manufactures of wool and horsehair	" 7,723	87.5
Cotton spun fabrics	" 4,219	19.3
Cotton woven fabrics	" 12,451	66.4
Machinery and parts	" 54,851	57.2
Fish	" 55,458	17.0

EXPORTS.

Silk stuffs and manufactures	Kilos. 598,935	179.5
Artificial silk	" 288,534	19.7
Hats of all kinds	No. 2,702,341	40.1
Woolen fabrics	Quintals 2,913	20.6
Cotton fabrics	" 4,442	14.3
Rubber tyres	" 25,372	55.6
Motor-cars	No. 2,001	38.8
Cheeses	Quintals 35,219	37.8
Acid fruits	" 198,774	16.2
Dried fruits	" 25,703	16.8
Tomato preserve	" 36,383	15.6
Raw hemp	" 74,500	27.1
Leather gloves	1,000 pairs 3,022	32.2
Undressed skins	Quintals 33,169	19.6
Rough marble	" 290,666	19.7
Sulphur	" 501,629	16.8
Eggs	Doz. 4,153,000	..

The exports of foodstuffs and fresh vegetables to the United Kingdom should develop very much by the new direct railway and ferryboat service (Zeebrugge-Harwich), via Switzerland, which will be inaugurated in the spring. By this means goods will be taken without transhipment from the South of Italy to Covent Garden in four days.

PORTS TRAFFIC.

	1922.	1923.
Italian flag—	Tons.	Tons.
Unloading	5,212,673	6,008,304
Loading	668,072	894,433
Foreign flags—		
Unloading	7,937,422	8,224,915
Loading	687,441	675,611

Total traffic 14,505,608 .. 15,803,263

of which 6,400,712 tons fall to the port of Genoa, being an increase of 946,792 tons over 1922.

Trieste, for 11 months 1923, shows an increase of 899,602 tons against the same period of 1922. The traffic of Trieste has now reached about 65 per cent. of its highest pre-war figure.

WINE PRODUCTION.

1922	34 million hectolitres.
1923	41 " "

WHEAT PRODUCTION.

	Quintals.
Average 1911-22	47,445,000
" 1922	44,000,000
" 1923	61,000,000

The latter figure is the highest for the last 15 years. The average wheat consumption amounts to 65 million quintals, plus 6 million quintals for seed.

SILK COCOONS PRODUCTION.

Has regained its pre-war figure of about 53 million kilos.

BEET SUGAR PRODUCTION.

Estimated at about 2,850,000 quintals, which approximately covers the consumption.

THE INDEX NUMBERS OF THE COST OF LIVING.

(Wholesale Prices.)

In the month of January, 1924, these show the following variations:—

	As Against Dec., 1923.	As Against Jan., 1923.	As Against the Aver. for 1913.
	Per Cent.	Per Cent.	Per Cent.
Foodstuffs	+ 4.39	+ 3.49	+ 458.89
Manufactured goods	+ 0.38	+ 3.84	+ 436.58

UNEMPLOYMENT.

Highest Figures.		Lowest Figures.	
Feb., 1922.....	606,819	Oct., 1922.....	321,011
" 1923.....	391,974	" 1923.....	199,694

STRIKES.

Working days lost:—

Period Nov. 1, 1921—Oct. 30, 1922	7,336,393
" Nov. 1, 1922—Oct. 30, 1923	246,975

The advent of the "Fascist" Government took place at the end of October, 1922.

CONSUMPTION OF ELECTRIC POWER.

1920—21	4 million K.W. hours.
1921—22	3.8 " "
1922—23	5.1 " "

THE EXCHANGE.

	1922.	1923.
Gold—Average	413.37	421.19 %
Dec. 31	379.60	416.60 %
Dollar—Average	21.434	21.82 to the \$
Dec. 31	19.675	23.15 " "
Sterling—Average	94.96	99.78 " £
Dec. 31	91.41	100.25 " £

THE EMPLOYERS' LIABILITY ASSURANCE CORPORATION, LIMITED.

PREMIUM INCOME INCREASE.

The 43rd ordinary general meeting of the Employers' Liability Assurance Corporation, Limited, was held, on the 19th instant, at Hamilton House, Victoria Embankment, London, Lord Claud Hamilton presiding.

The Chairman, in moving the adoption of the report and accounts, said that the total premium income from all departments for the year 1923 amounted to £5,022,103, showing an increase of £183,498, as compared with the previous year.

The net premiums in the fire account amounted to £334,277, showing an increase of £8,687, and from this there was transferred £40,986 to profit and loss account. The accident account, including the premiums amounted to £360,266, showed a decrease of £9,256, and, after providing for the outstanding claims, there was transferred to profit and loss account a comparatively small sum of £986.

During the past year the directors had been drastically revising this business, especially the health side of it, which accounted for the decrease, and consequently better results were anticipated during the current year. Coming now to the general States of America, the premiums amounted to £4,327,560, an increase of £184,067 over the previous year's figures, and, after providing for their losses and their unearned reserve, there was carried a debit of £227,082 to profit and loss account. The loss arose from the fact that for workmen's compensation insurance had prevailed in the United States for the last three years. The fixing of these rates was controlled by the insurance departments of the various States. New rates would become operative in practically all the States at various dates from January to July in the current year. They could, therefore, look forward with confidence to a considerable and increasing improvement in 1924.

Coming now to the profit and loss account, as a result of the various transfers to which he had referred, and after crediting the dividend, they had taken from the general reserve £275,180 to balance the account. The general reserve, after meeting the present call upon it, stood at the substantial figure of £2,544,930.

The investments amounted to £7,295,999.

The report and accounts were unanimously adopted.

THE NATIONAL BANK OF EGYPT.

SATISFACTORY RESULTS—INCREASED PROFITS.

POSITION IN EGYPT AND THE SUDAN.

The twenty-fourth annual general meeting of the shareholders in the National Bank of Egypt was held on March 19 at the head office of the bank in Cairo.

Mr B. Hornsby, C.B.E. (the Governor), presided.

The directors' report was as follows:—

The directors present to the shareholders the balance-sheet and profit and loss account for the year ending December 31, 1923.

The gross profit for the year, after providing for depreciation on the bank's buildings and furniture, for rebate of discount and for bad and doubtful debts, amounts to:—

After deducting from this sum:	£902,452 2 4
For directors' fees	£11,750 0 0
For current expenses	363,014 5 8

there remains 527,687 16 8

In conformity with Article 49 of the bank's statutes a dividend of 4 per cent. is payable on the share capital 120,000 0 0

After this statutory distribution there remains... 407,687 16 8

Adding to this the balance brought forward from last year 183,013 18 7

the amount available is 590,701 15 3

The directors consider it prudent to allocate to special reserve for contingencies a sum of ... 75,000 0 0

which leaves 515,701 15 3

From this amount the directors recommend the payment of an additional dividend of 11 per cent. on the share capital, which will absorb 330,000 0 0

and leave a balance to be carried forward of... £185,701 15 3

The total dividend for the year will thus be at the rate of 15 per cent., equivalent to £1 10s per share. An interim dividend of 8s having been paid on September 3, 1923, the balance remaining to be distributed will be £1 2s per share.

BALANCE-SHEET, DECEMBER 31, 1923.

	£E	MM	£ST	s d
LIABILITIES.				
Share capital—				
300,000 fully-paid shares of £10 each	2,925,000	000	3,000,000	0 0
Statutory reserve fund	1,462,500	000	1,500,000	0 0
Special reserve	804,375	000	825,000	0 0
Current deposit, & other accounts	12,792,402	401	13,120,412	14 4
Egyptian Government	11,011,074	150	11,293,409	7 8
Sudan Government	432,619	136	443,711	18 8
Mixed Tribunals	1,653,049	742	1,695,435	12 8
Bankers' account	348,246	270	357,175	13 3
Cheques and bills payable	220,414	109	226,065	15 1
Rebate of discount on bills not yet due	33,658	936	34,521	19 9
Dividends unclaimed	7,327	709	7,515	12 0
Provision for payment of final dividend at the rate of 11 % per annum	321,750	000	330,000	0 0
Profit and loss account balance....	181,059	218	185,701	15 3
	32,193,476	671	33,018,950	8 8
ASSETS.				
Government securities and securities guaranteed by the Egyptian Government	13,871,484	601	14,227,163	13 10
Sundry securities	242,415	426	248,631	4 2
Advances on merchandise	2,783,408	038	2,854,777	9 6
Advances on securities	2,168,970	685	2,224,585	6 4
Advances otherwise secured	282,423	215	289,664	16 9
Sundry other advances	1,017,522	924	1,043,613	5 1
Bills of exchange	6,661,530	467	6,832,338	18 10
Local bills discounted	133,933	077	137,367	5 2
Buildings, furniture, &c.	260,942	097	267,632	18 5
Money at call and at short notice..	1,092,000	000	1,120,000	0 0
Bankers accounts	1,196,222	868	1,226,895	5 0
Cash:				
Notes	£2,053,260,750			
Gold and silver coin, &c.	£429,362,523		2,482,623	273 2,546,280 5 7
			32,193,476	671 33,018,950 8 8

There is a contingent liability in respect of bills rediscounted of £395,467 7s 10d.

Under the heading "bankers' accounts" is included £568,621 15s 2d to credit with banks in Germany and Austria.

ADLY YEGHEN,
F. T. ROWLATT,
Directors.
B. HORNSBY,
Governor.

REPORT OF THE AUDITORS.

We have examined the books of the National Bank of Egypt, and in our opinion the above balance-sheet is properly drawn up so as to exhibit a true and correct view of the state of the bank's affairs as shown by the books. We have also verified the cash, notes, and securities at the head office and the Cairo and Alexandria branches, and have found the same correct. The London returns have been audited and certified by Messrs Deloitte, Plender, Griffiths, and Co., chartered accountants.

F. H. RUSSELL.
W. G. CARMICHAEL.

Cairo, February 18, 1924.

ISSUE DEPARTMENT.

	£E	MM	£E	MM
Notes issued	36,400,000	—	36,400,000	—
Gold	3,339,576	201	3,339,576	201
*British Treasury Bills	14,860,423	799	14,860,423	799
Securities:				
British Government Securities and Securities guaranteed by the Egyptian Government	420,849	780	420,849	780
British Treasury Bills and National War Bonds	17,779,150	220	17,779,150	220
	36,400,000	—	36,400,000	—

* By authority of the Egyptian Government these Treasury Bills are deposited in lieu of gold. (See *Journal Official* of October 30, 1916.)

PROFIT AND LOSS ACCOUNT.

Dr.	£E	MM	£ST	s d
Directors' remuneration	11,456	250	11,750	0 0
Current expenses	353,938	925	363,014	5 8
Inte im dividend at the rate of 4 % p.a.	117,000	000	120,000	0 0
Transferred to special reserve	73,125	000	75,000	0 0
Provision for payment of final dividend at the rate of 11 % p.a.	321,750	000	330,000	0 0
Balance carried forward	181,059	218	185,701	15 3
	1,058,329	393	1,085,466	0 11
Cr.				
Gross profit for the year ending December 31, 1923, after providing for depreciation of buildings and furniture, for rebate of discount and for bad and doubtful debts	879,890	813	902,452	2 4
Balance brought forward from last year	178,438	580	183,013	18 7
	1,058,329	393	1,085,466	0 11

GOVERNOR'S SPEECH.

INCREASED NET PROFIT.

STEADY GROWTH OF DEPOSITS.

The Governor said: Gentlemen,—You will see from the accounts in your hands that the gross profit for last year was £902,452, which is about £4,000 less than in 1922. On the other hand, expenses are down by £29,000, so that the net profit of £527,687 is about £25,000 more. We propose to place £75,000 to special reserve, as against £50,000 a year ago, and to distribute the same dividend of 15 per cent., requiring £450,000. The balance of £2,600 will be added to the carry forward, which will then amount to £185,000.

The total of our balance-sheet is £5,500,000 greater than in 1922, due in part to an increase in the amount of the Egyptian Government's balance, and partly to an increase in deposits of the public.

LIQUID ASSETS.

These increases are reflected on the other side of the accounts by a larger holding of Government securities, of which a considerable

part consists of short-term bonds. These bonds can be readily liquidated in case of need, and do not involve that risk of depreciation inherent to longer-dated securities. Our whole holding of Government securities appears in our books at a figure considerably lower than their market value, and we have thus a valuable reserve against the future.

The total of our advances does not show much variation. As usual, our accounts have been carefully examined, and full provision has been made wherever there appeared to be the slightest necessity for doing so.

Our holding of foreign bills, which, almost without exception, represent exports of cotton, is again larger than the preceding year, due in part to the higher price of cotton, and also to an expansion of our business in Alexandria.

EX-ENEMY DEBTS.

As we stated last year, we were obliged to institute legal proceedings for the recovery of the sums due to us in Germany and Austria, before the Mixed Arbitral Tribunals constituted in virtue of the Peace Treaties. In one case we arrived at a settlement by compromise; in another case we obtained a favourable judgment from the Anglo-Austrian Mixed Arbitral Tribunal, and the amount of our claim has been settled since the date of our balance-sheet. In the third, and most important, case our German debtors contested the competence of the Anglo-German Mixed Arbitral Tribunal, and a preliminary hearing on that point took place in London last December, but so far judgment has not been given. These long delays are very annoying, but they are due to causes entirely beyond our control. No effort has been lacking on our part to bring matters to a speedier conclusion.

NOTE ISSUE.

The note issue has shown the usual seasonal movement. At the beginning of 1923 the issue stood at £E33,200,000, falling gradually to its lower point of £E24,000,000 during the month of August. During the months of September and October the needs for financing a larger crop and at higher prices caused a rapid expansion, the highest point of £E38,700,000 being reached early in December.

The following figures show the maximum and minimum points of the issue during the last five years; this period still includes the two abnormal years which followed the war, but the last three years show a comparatively steady movement:—

	Highest. £E.	Lowest. £E.
1919	68,200,000	39,900,000
1920	66,000,000	39,400,000
1921	39,900,000	30,400,000
1922	37,300,000	26,300,000
1923	38,700,000	24,000,000

COTTON CROP.

The cotton crop of the season 1922-23 was disappointing as regards both quality and price. Nevertheless it is satisfactory to find, as the following statistics show, that the year 1922-23 showed a favourable trade balance of just over £E9,000,000, and in view of the larger crop this season and the better prices which have ruled, it may be expected that the current year will show even more favourable results.

IMPORTS AND EXPORTS.

September 1st to August 31st.	Imports. £E.	Exports (inc. re-exports). £E.
1918-1919	44,334,720	48,829,051
1919-1920	87,577,985	113,461,806
1920-1921	71,725,677	37,690,260
1921-1922	46,006,529	50,184,140
1922-1923	44,453,116	53,561,788

The steady influx of securities from abroad to which I made allusion a year ago has continued during the last 12 months. Judging from our own experience, these securities are not purchased with borrowed money, and they therefore indicate a real increase in the country's wealth. The steady growth of our deposits confirms this indication, and we can safely say that the financial and economic situation of Egypt compares very favourably with that of any other country.

THE SUDAN.

The following table gives the annual figures of the exports and imports of the Sudan from 1919 to 1923:—

	Imports. £E.	Exports. £E.
1919	4,805,745	3,029,569
1920	7,006,865	5,075,971
1921	5,806,070	2,318,533
1922	4,251,890	2,208,770
1923	4,669,004	2,753,425

The increase in the exports this year is due entirely to increased trade; that of imports is largely due to the resumption of work on the Sennar Dam, which had been suspended, and to the commencement of the work for linking up Kassala by rail with Port-Sudan. The completion of these two schemes, which should take place in 1925, will give a new impulse to the country from which all classes will profit.

The directors retiring this year are Mr M. Salvago and Sir Joseph Saba Pacha, who offer themselves for re-election.

The board desire to thank the sub-governors, the managers, and the staff for the services they have rendered during the year.

BRITISH GENERAL INSURANCE COMPANY, LIMITED. SATISFACTORY YEAR'S RESULTS.

The twentieth annual general meeting of the British General Insurance Company, Limited, was held, on the 19th instant, at the Cannon street Hotel, London, Mr Henry C. Walker, M.I.M.E. (the chairman), presiding.

The Chairman, in moving the adoption of the report and accounts said that, in spite of the difficult trading conditions, the results for 1923 might be regarded as quite satisfactory. The underwriting profits amounted to £83,632, as against £83,681 in 1922, and interest on investments had produced £67,204, as compared with £58,921. In other words, the total profits from all sources had amounted to £150,836, as compared with £142,602 in 1922. Each department had contributed to that result, and whilst there was a substantial reduction in the profit in the employers' liability department, the profits in the fire and general accident departments had considerably exceeded those of 1922. Fire premiums were £342,188, showing an increase of nearly £50,000, while the loss ratio at 51.84 per cent. was just below that of 1922. Premiums in the three accident accounts amounted to £313,123, being an increase of nearly £14,000. Claims had absorbed 46.99 per cent., which was some five points above the 1922 figures, but was still considerably below the average of other offices. The profit in the three accident accounts amounted to £49,405, as compared with £74,045 in 1922, the difference being due to the reduction in profit in the employers' liability department.

Net marine premiums amounted to £380,120, as compared with £294,143. The 1921 account had been closed as at the end of the third year, and the total profit was £24,892. He did not care to prophesy in marine matters, but from the figures before them up to date it was reasonable to assume that some profit would result when the 1922 and 1923 accounts were finally adjusted. The Scottish Temperance Company, to whom most of their new life business was passed, had had another successful year. New life policies had been issued for £1,285,410 gross sums assured, which was £25,086 in excess of the 1922 figure. Total income from all sources amounted to £618,875, whilst the funds had been increased in round figures to £4,000,000. In the British General life department new policies were issued for £467,000 sums assured, mainly as the result of an offer made to the ordinary life policy-holders of the City Life Company upon the liquidation of that office. The second quinquennial valuation had been made at December 31st last, when a surplus was disclosed of £20,076. The directors had declared a compound reversionary bonus of 32.5 per cent. for each year's premium paid during the quinquennium. For the first time in the history of the company their net premium income exceeded £1,000,000.

At the end of the first ten years their capital was £100,000, their premiums £110,000, their interest on investments under £4,000, and their total funds just £50,000. At the close of their second period of ten years their capital was £700,000, premiums £1,100,000, interest over £60,000, and their funds approximately £1 million pounds. In the first ten years premiums had totalled £396,194 and claims £203,147, while in the second period of ten years premiums had amounted to £5,381,448 and claims £2,884,254. He was glad that it had been possible to pay the shareholders an extra 5 per cent., making the dividend for the year 25 per cent., as against 20 per cent. for 1922.

The report and accounts were unanimously adopted.

NATIONAL PROVIDENT INSTITUTION

The Results for the Year 1923 show INCREASES in the Business transacted, the Premium Income received, and the Rate of Interest realised on Investments, and a DECREASE in the amount paid for Claims by Death.

Full particulars of the Office and the Policies it issues can be obtained from:—

48 Gracechurch Street, E.C.3.

UNITED ALKALI COMPANY, LIMITED.

IMPROVED FINANCIAL POSITION.

CHEAP RAW MATERIALS—ORGANIC CHEMICALS DEVELOPMENT.

The annual meeting of shareholders of the United Alkali Company, Limited, was held, on the 19th instant, at Liverpool, Sir Max Muspratt (the chairman) presiding.

The chairman, in proposing the adoption of the report and balance-sheet, stated that a year ago, when the balance-sheet for the two years 1921-22 was presented, he pointed out that the former year was exceptionally bad and the latter exceptionally good, expressing at the same time the opinion that the mean of the two years would probably represent the position for 1923. This forecast had practically been realised.

After providing £15,000 for debenture redemption, and after payment of debenture interest, the profit was £63,000 in excess of the average of the two previous years. The net balance of profit was £337,000. No further ordinary capital had been issued during the year, and the £300,000 debenture stock lodged with the bankers had been returned. The balance of debts owing to the company, coupled with cash at bankers, as against debts owing by the company, disclosed a considerable improvement in the financial position of the company. Stocks showed a reduction of £17,000, and investments in subsidiary and other companies were £30,000 higher, the latter representing the acquisition of controlling interest in a well-developed quarry in North Wales for the provision of the company's large requirements of limestone.

The general reserve fund, to which £100,000 was added from the profits, now stood at £850,000, and was to be divided into a general reserve of £490,441, and a depreciation reserve of £359,558. The latter would be added to in future years according to amounts allowed in respect of wear and tear by the Revenue authorities.

THE DIVIDENDS.

In August last interim dividends of 3½ per cent. upon the preference shares and 4 per cent. upon the ordinary shares were distributed. This, together with the transfer to reserve, absorbed £203,691, and after the inclusion of £86,734 brought forward, a net surplus of £220,375 remained to be dealt with in conformity with the proposals set out in the report.

The final dividends now recommended would make the dividends for the year 1923 7 per cent. on the preference shares and 10 per cent. on the ordinary shares, or at the same rate as for 1922, allowing for the increased ordinary share capital.

The chairman made a brief appropriate reference to the retirement of the chief accountant, Mr Thomas Clarkson, who had occupied the position since the company was founded, and who, prior to that, had had many years' service with Messrs. Golding Davis, of Widnes, one of the original vendors to the United Alkali Company. Mr Whynates had been promoted to occupy the post.

CHEMICAL DISPLAY AT WEMBLEY.

Generally speaking, the year had been one of steady progress, a feature of outstanding interest being the centenary of the inauguration in this country of the Alkali industry. The effect of the celebration of this event, which aroused expressions of the greatest interest and good feeling towards the company in all quarters of the world, was to be followed by a striking display at the British Empire Exhibition, where, under the auspices of the Association of British Chemical Manufacturers, a survey of the most advanced theoretical developments was being prepared, which was expected to be unique in the history of exhibitions.

The scheme of composite life assurance for the company's manual workers and lower-paid staff had now been in operation for a year. Not only had it proved of value to the dependents of workmen at the difficult period following the death of the breadwinner, but the institution of advisory works' committees had brought about additional benefits, not only in ensuring sympathetic treatment of beneficiaries, but in bringing the company's officials into very close personal touch with the workmen. For the recreation of employees at Widnes 70 acres of land had been purchased, and would be laid out for golf, football, cricket, tennis, and bowls. Shareholders would heartily concur in this as tending to cement the cordial relations existing between the company and its men.

The rates of wages agreed between the company and the men's representatives in October, 1922, were still in operation. There was so much instability about the cost of living that the company had not asked for further reductions.

TWO NOTABLE DEVELOPMENTS.

"From time to time I have referred to our mines in Spain," the chairman proceeded, "and especially to their great utility during the war. Much attention has been given to the close co-ordination of the mines and our consuming works, and the results

of the policy initiated some years ago, and the methods of dealing with our ores then adopted are now in full working order. These results entirely justify the policy of our board, and the company has now available very large quantities of pyrites at a cost much below the price at which this raw material for the production of sulphuric acid can be bought from any other source.

"In the production of organic chemicals we have continued to develop and extend our range of intermediate products. This has followed on the extensive research work which the company has carried out during many years. We have always maintained an efficient research organisation, and, with our large interest in the development of organic chemical business in this country, it has become necessary to increase our research facilities still further. Plans are now under consideration for this purpose.

DYESTUFFS: ANXIETY FOR CO-OPERATION.

"Your directors have watched with friendly interest and with some anxiety the progress of dyestuffs production in this country. They have always been desirous of co-operating with the dyemakers in their efforts towards the success on a great scale of this industry, and they regret that co-operation has not so far in all cases been as complete as, in their opinion, should be possible to great mutual advantage. The possibilities in connection with our own business of this branch of chemical manufacture have the constant attention of the board.

"With regard to the year on which we have entered, the times are still unsettled. Political conditions in Europe, with their financial reactions, still retard the attainment of industrial stability in this country. The great consuming industries at home are still suffering serious depression, but there are some signs of increased activity. The constantly changing circumstances continue to demand the closest attention of your directors, and I trust that next year they will again be able to place a satisfactory report before you."

The chairman, in addition to moving the adoption of the report and accounts, formally proposed the transfer of £15,000 to debenture redemption account, and £100,000 to reserve, and that dividends of 3½ per cent. on preference shares, making 7 per cent. for the year, and 6 per cent. on the ordinary shares, making 10 per cent. for the year, be paid, leaving £102,846 to be carried forward.

SUCCESSFUL FOOT-AND-MOUTH DISEASE PREVENTIVE.

Dr. G. C. Clayton, C.B.E., M.P., in seconding, expressed sympathy with the chairman in the loss of his father, Dr E. K. Muspratt, who was president of the company and a leading spirit in the heavy chemical industry for a great number of years. His knowledge of the industry was unrivalled, and they desired to acknowledge specially the debt they owed to him. Shareholders had every reason to be proud of the company's present position. During the last ten years practically every process employed had been modernised and modified—all resulting in improved costs of production and improved conditions of working for the employees. On the occasion of the centenary celebration visits last year those acquainted with the works in former times were astonished and delighted with the change effected. The company were fortunate in having on their chemical and engineering technical staffs experts capable of carrying out these changes, and to them and other employees who had so splendidly adapted themselves to the new conditions their thanks were certainly due.

Dr Clayton informed the meeting of wonderfully successful results achieved by their staff in recent efforts to protect cattle from infection by foot-and-mouth disease. The process consisted of scientific disinfection with chlorine disinfectant, based on their previous knowledge of their value in other cases. "Altogether" (said Dr Clayton) "some 500 farms holding about 20,000 head of cattle have been treated, and in only two cases—and those where the instructions were not followed—have outbreaks occurred. Bearing in mind that disinfection is only resorted to when the farms are in immediate proximity to an affected farm, I think we have every reason to be proud of the results achieved, and to congratulate the members of our staff, who so ably conducted this campaign."

The motion was carried unanimously.

On the motion of Mr J. A. E. Rayner, seconded by Mr W. A. Short, Sir Max Muspratt, Bart., Sir Edward A. Brotherton, Bart., and Mr James Tennant were unanimously re-elected directors.

The meeting concluded with an extremely cordial vote of thanks passed to the chairman on the motion of Sir Edward Brotherton, seconded by Mr L. Cappel. Sir Max, in acknowledgment, said he was delighted they had been able to present such a very good balance-sheet, and that the shareholders were all amply satisfied with it.

the food is put in no further attention is needed until the end of the cooking period. Now the "New World" Cooker is of so high a grade and made in such sizes as not to be adapted or intended for adoption universally in all classes and sizes of house, and we have been endeavouring to devise a method of embodying the outstanding valuable features of this cooker in a less costly type—in other words, to make cookers for the million at a price for the million. The plant for these less expensive cookers is now gradually being installed. This new gas cooker—which is named the "New World Junior"—has already been inspected by some of the greatest authorities on these matters, and we have every reason to believe from the voluntary encomiums it has received that it will bring to your company an enormous volume of business.

GREAT DEMAND FOR GAS FIRES.

Last year I referred at some length to our "Thermo-XX" Gas Fires and to the vital importance of the ventilation of the apartments to be heated. We have dealt with this in the Radiation advertisements, because we knew that if only the public could be brought to realise that in a gas fire it is possible to have all the advantages of a coal fire—in other words, radiation—and also that the apartment in which the fire was used would have as comfortable and as healthy an atmosphere as that in which a coal fire was used, the demand for gas fires would be enormously increased. Again, our success has been strikingly great. At no time during last year were we able—notwithstanding our vast combined productive capacity—to cope with the orders we received for our gas fires. The usual method of ventilating living-rooms in this country is by the chimney flue, and this is adequately done by the coal fire; but when a gas fire was placed in front of the existing coal grate the ventilation became restricted. The problem we set ourselves was that of evolving a gas fire which would ventilate the room as well as had been done by the coal fire in front of which it was to be placed. The result of our grappling with this problem was the invention embodied in our Radiation "Thermo-XX" Gas Fires, and known by the name of the "Injector-Ventilator." I know that a number of people have a certain notion that electrical heaters are a good thing to use, because, unlike coal fires or gas fires, they give off no products of combustion requiring to be removed, but in gas fires these products possess in themselves a great virtue, because they are a valuable means of ventilating the apartment. An electric heater does not assist ventilation as a coal fire or a gas fire does, and while electric heaters may have their use under certain conditions, yet if the British public want to sit in healthy and comfortable rooms it is difficult to imagine that they would ever become satisfied with this method of heating their rooms—to say nothing of the increased cost. It has to be remembered that one therm of gas equals 30 Board of Trade units of electricity, and if we were to assume that a unit of electricity could be used so as to give 100 per cent. efficiency, and a gas fire, say, only 60 per cent. (which is allowing a much larger margin than Radiation gas fires require for assisting the ventilation of the room), then one therm would still equal 18 Board of Trade units; and if you take into comparison the cost of an electrical unit and the cost of a therm of gas you will see that gas has no cause to fear competition from electricity for heating purposes.

HIGH STANDARD OF EFFICIENCY.

In Radiation we set a very high standard for our goods; and we intend they shall always be the best obtainable in the class of apparatus we make. Our research work has enabled us to produce goods that ensure the highest possible efficiency, and this means a daily saving of money to every user of our goods. It is our aim to make apparatus that shall not only give a higher efficiency than any other apparatus when it is first sent out, but continue to maintain this high efficiency indefinitely. Now all this naturally costs money, and there are people who do not hesitate to copy and use our ideas as far as possible; but the people who merely copy and do not spend money in research generally fail to find out the reasons why we have done things in a certain particular way, and so they are at a disadvantage in trying to produce a copy equal to the original, and while they may cut the price of their copy to some extent, the difference in cost between the article of the original scientific design and the imitation is saved many times over.

SERVICES RENDERED BY THE GAS INDUSTRY.

I am by no means sure that the public at large have any adequate knowledge or appreciation of the immense service which has been, and continues to be, rendered to the community by gas and by the gas industry—and in this connection I am referring more particularly to the gas undertakings. The significance of this and its value will be best interpreted by those who have had the opportunity of knowing the state of things in some other countries where the gas undertakings have shown none of that enterprise which is characteristic of our gas undertakings here; that close study of public requirements, and that strenuous leaving of no stone unturned to meet those requirements, and to develop to the utmost the

possibilities of gas as a means of promoting the convenience of the community. To witness the backward condition of things in some other countries is to realise how very differently the British gas undertakings have viewed their responsibilities and done their work, and to appreciate the state in which things might have been with us had this not been done. No doubt most of you will be visiting the British Empire Exhibition at Wembley during the next few months, and there you will have an opportunity of realising the foresight, energy, and enterprise which the gas industry have brought to the display upon a great scale of the capacities and possibilities of gas for rendering public service in a variety of ways. This Exhibition promises to be the greatest Exhibition the world has even seen, and I think the Englishman will be more than proud when he visits that Exhibition and realises what his countrymen can produce. Those of our shareholders who visit the Exhibition will also, I know, be gratified to feel that they are associated with a firm like Radiation, whose apparatus will be disposed there on an imposing scale. The "New World" Cooker will, of course, be on view, and so also will its consort, the "New World Junior."

As to the future, he who prophesies is generally unwise, but, given a continuance of anything like fair trading conditions, I have every confidence in the future of your company. Our ramifications are great. While the gas-stove business continues to be the larger part of our undertaking, yet we have other irons in the fire—not least amongst them being our Eagle Range business (and the name "Eagle Range" is a household word), and also our various foundry businesses. In some of our works we make a great quantity of materials that are required in all building schemes, and with the extensive building operations now going on and those in prospect, we know that we are receiving, and shall receive, our full share of orders for goods required for this work.

ASHANTI GOLDFIELDS CORPORATION, LIMITED. TREATMENT OF ORE PROBLEMS.

The twenty-seventh ordinary general meeting of the Ashanti Goldfields Corporation, Limited, was held, on the 18th instant, at the Holborn Restaurant, London.

The secretary (Mr Horace Morgan, A.C.I.S.) having read the notice calling the meeting and the auditors' report,

Mr Jeremiah Colman, J.P. (chairman of the company), who presided, in moving the adoption of the report and accounts, said that the profit earned was £36,767 less than was obtained in the previous financial period, which covered 15 months. The reduction was more than accounted for by the drop of £49,682 in premium on gold. Taking the value of gold at par, the mines actually made an increased profit of £12,915 in the 12 months, as compared with the previous period. Working costs per ton, including depreciation written off, showed a reduction of 11s 1d, and the reductions were general in every department.

ORE RESERVES.

Dealing with the consulting engineers' report, the chairman said that the conversion of the timber-way into a main haulage shaft was being proceeded with; the necessary headgear and new winding plant had arrived at the mines, and were in course of erection. The work of conversion was likely to be somewhat slow, as it had to be carried on with due regard for the requirements of current ore extraction. With this work going on, it had not yet been considered advisable to resume shaft sinking. Although the main shaft had not been deepened, and there had consequently been no new level opened up, lateral development had gone a long way during the period under review they had extracted from the mine 88,509 tons of ore, their existing reserve still stood at 502,400 tons, of a gross value of £2,351,600. The decreases were thus only pared with last year's estimate, the grade being about half a dwt.

TREATMENT OF ASHANTI ORE.

The metallurgical treatment of Ashanti ore had caused the management, both here and at the mines, much anxiety. The change-over to wet crushing was made somewhat reluctantly. It was expected that an extraction of about 80 per cent. would be obtained, but, after nearly two years' work, they had not been able to obtain a better average extraction than 74.7 per cent., which, notwithstanding a reduction in costs of 23s 7d, as compared with those of the technical year 1920-21, did not realise expectations. On at least three separate occasions during the year the extractions had approached the 80 per cent. mark very closely, but each time the improvement turned out to be only temporary. That being so, it was evident that the time had come to consider other means than all-wet treatment. Mr Feldtmann, the consulting engineer, referred in his report to a possible alternative, and this he had now further developed. As the treatment of the slime product had always been the most troublesome part of the process, and as the

material which formed the slime was mostly in the fines, he was of opinion that it would be possible, by screening, to separate the most refractory portions of the ore for roasting and subsequent wet treatment. Mr Feldtmann stated that during such months as it might be found possible to roast 100 per cent. of the primary ground ore, the reduction in residues, as compared with last year's results, would be about 17s per ton for an increase in cost of 7s per ton, leaving a balance in favour of the new suggestion of 10s per ton.

REVERSION TO DRY-CRUSHING POSSIBLE.

The advisability of reverting to the old dry-crushing and roasting process had been receiving the careful consideration of the board. Mr Feldtmann thought that the all-dry crushing process would give lower extractions than formerly on the present-day proportions of deeper level ore. In order to determine that point a bulk test of from 2,500 to 3,000 tons per month was now being carried out in two furnaces which had been reconditioned. Assuming the test proved that they could still obtain 93 per cent. extraction by the old process, they would get from the present average grade of the ore reserves an additional 17s per ton, at an increased cost which would not exceed 5s per ton, thus showing an extra profit of 12s per ton, or about £54,000 over last year's results.

The wet-crushing process, of course, could not be abandoned until every avenue had been explored. On the other hand, the board felt that the policy he had now enunciated was an important step towards the resumption of dividends.

It is a matter of much regret that the results have not been so good as we anticipated when I last addressed you, and this is undoubtedly due to the disappointing nature of the wet-treatment process.

Sir George Lawson Johnston seconded the adoption of the report, and it was carried unanimously.

COUNTY OF LONDON ELECTRIC SUPPLY COMPANY, LIMITED. REORGANISATION SCHEME—GROUPING METHOD.

The thirtieth ordinary general meeting of the County of London Electric Supply Company, Limited, was held, on the 18th instant, at Winchester House, London, Sir Harry Renwick, K.B.E. (the chairman), presiding.

The manager and secretary (Mr F. C. McQuown) read the notice convening the meeting and the reports of the auditors.

The Chairman, in moving the adoption of the report and accounts, said: The gross receipts from all sources amount to the substantial sum of £1,078,039, being an increase of over 20 per cent. for the year. The gross profit on the year's working, after deducting all working expenses and general charges, is £678,558, about 30 per cent. over the previous year. The net profit for the year, after providing for all fixed charges, but before providing for depreciation and other reserves, is £614,678, an increase of over 34 per cent. for the year. We are recommending a final dividend on the ordinary share capital of the company of 8 per cent., making 12 per cent. for the year, and, in addition, a bonus of 3 per cent. to the ordinary shareholders, and we are carrying forward £118,295, as against £42,727 brought into the account.

As to Parliamentary matters, early last year negotiations were opened with the London County Council which resulted in certain heads of agreement being come to between the Council and the London companies, which were finally approved by the full Council on July 31st last.

REORGANISATION OF LONDON'S ELECTRICITY SUPPLY.

The final agreement is now being negotiated, and the sliding scale has yet to be agreed. In settling the latter we must all strive for such terms as will enable us to raise our capital in future on the lowest possible terms; we must in fairness be given every encouragement to effect the greatest economies; and we must also be encouraged to develop our business in the widest possible way. In order to give legal effect to the proposed agreement with the London County Council it is necessary to obtain Parliamentary sanction, and your directors are promoting a Bill jointly with the other East End companies already mentioned in the present session of Parliament for that purpose. The aim of all parties, of course, is a reorganisation of the electricity supply of London, and the achievement, by this means, of a cheap and abundant supply. As to the method to be adopted, it is generally accepted that this must proceed by the grouping or combination of stations or undertakings. In the first place, there are the municipal authorities, who are already organised to form one group. Our friends the West-End companies are similarly organised under a joint committee to form a second group. The third, and what I may call the industrial group, includes the companies I have already mentioned—namely, the County of London, the City of London, the South Metropolitan, and the South London. You will note that these four companies operate over a very compact industrial area, and form quite naturally one group or combination, and when we have obtained

the necessary legislative sanction we shall then be in a position to submit to you our definite proposals, which will be largely determined by the Electricity Commissioners' scheme to be issued in draft form in the next few days, following which the usual formal inquiry will be held.

After many years' consideration of the problem, the group method has gradually evolved as the only practicable solution; personally, I feel that it is the right one. I am, indeed, convinced that it is eminently a workable proposition, that it can be put into operation immediately, and, above all that it should at once result in a cheapening of supply to the consumer and a broadening of the demand throughout the whole of London.

EFFECTS ON SHAREHOLDERS.

As to the shareholder, assuming that we are allowed to proceed with our scheme on the lines indicated, and we get what we want, then his position should be much improved—for there will be fixity of tenure in place of the present uncertainty, with a sinking fund for redemption of the existing capital expenditure. It is true that we shall not obtain a perpetual lease, but we shall get the next best thing—a long extension—40 years, and so far as we are concerned, we shall have settled the London problem which has been such a disturbing factor for so many years, and we shall be free to devote our whole energies to the development of our ever-growing business. Another matter of interest to you in connection with Parliamentary matters is that we are promoting a Bill for extension of the company's powers in the County of Essex.

With reference to the prospects of the electric supply industry, some of our good friends confess that they have been taken by surprise at the unexampled progress of electric supply, but that cannot be so with you, for you will recollect that I have expressed the greatest confidence when addressing you at these meetings during the last few years, and I think I may claim that events have justified every hope I then held out, and it is not necessary for me to produce figures to prove to you the correctness of this view, but I may now add that I am to-day even more confident than ever as to the assured development of our great industry. The report and accounts were unanimously adopted.

DICKINS AND JONES, LIMITED.

FURTHER PROGRESS DURING PAST YEAR.

The twenty-fourth annual general meeting of Dickins and Jones, Limited, was held, on the 21st instant, at 29 Argyll street, London.

Sir Woodman Burbidge, Bart., C.B.E., who presided, said that the general results of the past year's business must be considered distinctly satisfactory, for the period could hardly be regarded as a favourable one. There was no doubt that the fact of their having had a full year's trading in the new building had largely contributed to the improvement now shown. The hope expressed a year ago that the additional floor space would assist the further progress of the company had materialised, and while the company continued to hold the confidence of a large and valued clientèle, the general public were realising the advantages of purchasing at Dickins and Jones, as shown by the steady increase in the number of customers. Their policy in offering merchandise at the lowest prices consistent with quality was being continued; in fact, they were trading at a lower percentage of gross profit than had hitherto obtained.

Many of the departments had been considerably developed during the past year and new sections had been opened. The profit of £102,828 showed an increase of £16,665 on the previous year's figure. The directors recommended a final dividend at the rate of 10 per cent. per annum, making 7 per cent. for the year, and thus

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - Fmk. 257,000,000
Deposits and Cheque Accounts
(Dec. 31, 1923) over - Fmk. 1,600,000,000

132 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

maintaining the same rate of dividend as that paid during the last five years. The amount carried forward was £56,769, or nearly £4,000 more than a year ago. The reserve accounts, including this unappropriated balance, would now stand at £212,212, in which figure the special reserve for preference shareholders and the Hanover House employees' investment and bonus fund were not included. The building operations in Regent street were still in progress, but the past year had seen the completion of several of the new premises, and there was little doubt that when the street was finished in the near future it would be the finest shopping thoroughfare in London, and the old-established business of Dickins and Jones should undoubtedly benefit, particularly having regard to the maintained reputation for service and the value of merchandise offered. The current year was to be marked by the opening of the British Empire Exhibition at Wembley, and in most circles there was a forecast of a prosperous year for London as a whole consequent on the influx of visitors from the country and overseas. In this prosperity Dickins and Jones naturally hoped to share.

The report and accounts were unanimously adopted.

DIMBULA VALLEY (CEYLON) TEA COMPANY, LIMITED.

FAVOURABLE RESULTS—INCREASED PROFIT.

The twenty-eighth annual ordinary general meeting of the Dimbula Valley (Ceylon) Tea Company, Limited, was held, on the 17th instant, at 4 Lloyd's avenue, London, Mr T. C. Owen (chairman and managing director) presiding.

The Chairman, in moving the adoption of the report and accounts, said that the balance of the profit and loss account was £64,681, as against £43,290 for the previous season. In the appropriation account they brought forward the balance from last year £3,243, which gave them £67,924 to dispose of. They had paid the preference dividend, and had already declared an interim dividend of 12½ per cent., and they now proposed to place £10,000 to the estates purchase reserve account and to pay a final dividend of 15 per cent., making 27½ per cent. for the year, leaving £4,591 to be carried forward. Tea showed a profit per pound of 8.97d for the year, as against 6.7d last year, and rubber showed a profit of 6.34d this year, against 5.71d last year.

The present position of the tea market was a very favourable one. During 1923 the average price for Ceylon tea was substantially ahead of that of any other country, and if they continued the present system of careful plucking and attention to manufacture, there was every reason to believe that the present favourable condition of the tea market would continue. Rubber, on the other hand, had been a very great disappointment to them. In that company it was only a by-product, but in former years when rubber was giving the large profit it then did, it added very substantially to the dividends which the company were then able to distribute.

He had recently paid a visit to Ceylon, and when there had taken the opportunity of going over all the properties of the company. As regarded labour they were fully equipped everywhere. There had been some fresh legislation of late years, and many of those interested in the tea industry were a little bit afraid as to what the effect of that legislation would be. In their case there was not an estate that had not got the labour it required. Coolies at the present time were better paid and better looked after than they had ever been before, and he did not see any reason to fear any labour troubles in the future. Speaking generally, the company had got as fine a group of estates as any in Ceylon, and he doubted very much if any company of the same acreage as theirs had got as fine properties. They were in such fine condition and of such value that he believed they would be able to hold their own in future years when other companies might suffer from periods of depression.

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS, &c.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £30,000,000 in Treasury Bonds and Treasury Bills dated from Mar. 24-Mar. 29 were opened on Mar. 21, 1924, and the total amount applied for was £36,820,000. For bills at three months dated Monday to Friday at 99 53 rd, about 71 per cent., above in full, Saturday at 99 53 rd, and above in full. The amounts allotted were as follows:—In bills at 3 months, £30,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months, Average Rate.	4% Treasury Bonds, Average Price.
Feb. 15, 1924.	£30,000,000	£43,620,000	3 10 5-11	nil
Feb. 22.	30,000,000	44,535,000	3 8 11-79	nil
Mar. 7.	30,000,000	44,400,000	3 6 4-84	nil
Mar. 14.	30,000,000	46,400,000	3 3 4-06	nil
Mar. 21.	30,000,000	38,735,000	3 1 5-43	nil
	150,000,000	167,690,000	2 18 0-98	nil

Tenders will be received on Mar. 28, 1924, for Treasury Bonds and Bills to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

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

Date.	Notes and Coins Outstanding.	Investments Reserve Account.	Silver Coin.	Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at Bank of England.
Mar. 29, 1924.	300,351	14,255	5,000	28,500	19,450	15.4	261,479	177
June 28, 1923.	295,374	13,338	5,000	28,500	19,450	16.3	254,312	180
Sept. 27, 1923.	289,127	12,648	7,000	28,500	21,150	16.6	246,456	169
Dec. 27, 1923.	301,337	12,872	7,000	27,000	21,150	15.9	258,922	137
Mar. 28, 1924.	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190
June 27, 1923.	286,503	12,516	7,000	27,000	22,450	17.3	242,446	123
Sept. 27, 1923.	282,784	12,471	7,000	27,000	22,450	17.5	238,595	140
Dec. 26, 1923.	299,070	12,571	7,000	27,000	22,450	16.5	255,032	159
Mar. 12, 1924.	280,591	11,901	7,000	27,000	22,450	17.6	235,908	134
Mar. 19, 1924.	281,046	11,854	7,000	27,000	22,450	17.6	236,321	129

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £390,600,000, for 1921 at £317,555,200, for 1922 at £309,988,400, for 1923 at £270,183,500, and for 1924 at £248,190,300.

PUBLIC INCOME AND EXPENDITURE

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from Apr. 1, 1923, to Mar. 15, 1924.	Apr. 1, 1923, to Mar. 17, 1924.	Week Ended Mar. 15, 1924.	Week Ended Mar. 17, 1924.
Balances in Exchequer on 1st April:—					
Bank of England	..	5,442,665	9,963,494	..	..
Bank of Ireland	..	1,375,502	1,210,106	..	..
REVENUE.		6,818,167	11,173,530	..	..
Customs	116,900,000	115,299,000	118,234,000	1,441,000	1,254,000
Excise	143,860,000	139,722,000	152,705,000	1,386,000	5,724,000
Motor Vehicle Duties	13,250,000	14,891,000	12,321,000	159,000	141,000
Stamps, &c., Duties	52,000,000	55,620,000	54,371,000	1,450,000	930,000
Land Tax, House Duty & Mineral Rights Duty	20,000,000	20,450,000	19,872,000	1,160,000	170,000
Property & Income Tax	3,000,000	2,510,000	2,770,000	150,000	150,000
Super-Tax	261,000,000	250,876,000	353,100,000	13,064,000	16,464,000
Excess Profits Duties, &c.	58,000,000	12,000,000	54,080,000	3,022,000	..
Corporation Profits Tax	20,000,000	22,020,000	18,317,000	1,020,000	470,000
Post Office	54,600,000	50,400,000	51,150,000	800,000	800,000
Crown Lands	900,000	910,000	890,000	..	..
Interest on Sundry Loans	12,500,000	12,373,541	9,843,362	..	..
Miscellaneous	12,500,000	12,373,541	9,843,362	..	..
Ordinary Receipts	12,500,000	12,373,541	9,843,362	..	..
Special Receipts	40,000,000	36,718,364	23,093,774	216,476	1,795,497
Revenue	818,500,000	791,044,697	864,890,927	24,506,476	31,015,684
Total, Inc. Balance	..	797,862,864	876,064,457	..	..

OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bank of England	165,000	800,000	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	73,782	169,818	..	..	..
Under the Unemployment Insurance Act, 1921	6,000,000	3,050,000	190,000	80,000	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1921 and 1922	5,520,000	5,310,000	..	..	..
Under the Post Office (London) Railway Act, 1913	10,500	..	..	..	..
Under the Housing Act, 1914	12,000	27,000	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	960,000	..	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	..	1,553,300	..	..	..
By Exchequer Bonds under the Cunard Agreement (Money) Act, 1904	520,000	..	..	..	..
(b) Under the Unemployment Insurance Act, 1921	820,000	5,080,000	..	..	..
(c) For other Issues:—					
By Treasury Bills	2,370,884,000	2,751,201,000	43,188,000	48,022,000	..
By Exchequer and National War Bonds	44,200,000	59,158,000	650,000	1,000,000	..
By Treasury Bonds—					
5-15 year, 1925-35	..	125	..	105	..
5% 1927	..	..	..	..	..
4% 1932	..	61,655,154	..	..	..
4% 1931-33	..	94,512,430	..	795,850	..
By Other Debt created under the War Loan Act, 1914 to 1919	32,657,952	..	..	..	..
(d) Ways and Means Advances	809,166,500	25,259	852,225,500	10,250,000	9,100,000
Anglo-Persian Oil Company	..	..	..	..	..
Dividends on Shares acquired	501,335	1,017,976	..	..	..
Repayments:—					
In respect of Suez Canal Drawn Shares	5,501	..	..	..	..
Do Cunard Loan	130,000	5,787	..	..	..
Do Issues under Land Settlement (Facilities) Act, 1919 and 1921	314,890	291,829	..	..	..
Do Issues under Section 69 (4) of the Finance Act, 1920	..	6,827,960	..	..	..
Interest received under Section 69 (5) of the Finance Act, 1920	..	162,425	..	..	..
Total	4,069,444,324	4,720,238,030	68,684,476	90,013,639	..

NOTE.—Budget Estimate as in H.C. No. 51 of 1923.

EXPENDITURE AND OTHER ISSUES.						
	Estimate for the Year 1923-24 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1923, to Mar. 15, 1924.		—Issues— Week Ended Mar. 15, 1924.		Week Ended Mar. 17, 1923.
	£	£	£	£	£	£
EXPENDITURE.						
National Debt Services—						
Interest, &c.	310,000,000	303,356,353	318,731,746	838,753	1,013,731	
Sinking Fund	40,000,000	38,864,135	..	..	..	
Road Fund	12,650,000	14,090,044	11,772,043	537,000	453,044	
Payments to Local Taxation Accounts, &c.	10,348,000	11,644,195	8,823,720	742,418	1,898,202	
Payments to Northern Ireland Exchequer	3,000,000	3,481,914	2,245,222	..	111,674	
Land Settlement	1,500,000	547,323	1,177,119	32,638	..	
Other Consolidated Fund Services	2,972,000	2,631,761	2,538,168	..	..	
Supply Services	449,289,000	368,171,997	421,309,761	13,873,031	10,700,000	
Expenditure	829,759,000	742,787,722	766,597,779	16,023,840	14,176,651	
OTHER ISSUES.						
Temporary Advances—						
Bullion		5,000	..	..	..	
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		73,782	169,818	..	..	
Under the Unemployment Insurance Act, 1921		820,000	6,090,000	..	..	
Issues to Meet Capital Expenditure—						
Under the Telegraph (Money) Acts, 1921 and 1922		7,270,000	7,010,000	..	650,000	
Under the Post Office (London) Railway Act, 1913		10,500	..	..	..	
Under the Housing Act, 1914		16,000	27,000	..	..	
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922		..	950,000	..	..	
Under Capital Expenditure (Money) Act, 1904		..	1,553,300	..	..	
Under Cunard Agreement (Money) Act, 1904—Exchequer Bonds paid off		520,000	..	..	..	
Unemployment Insurance Act, 1921—Repayment of amounts borrowed ..		6,190,000	2,180,000	..	..	
Redemption of Debt—						
Treasury Bills		2,398,490,000	2,992,484,000	55,585,000	62,280,000	
Principal of National Savings Certificates		32,100,000	25,900,000	650,000	600,000	
Principal of Exchequer Bonds paid off		24,900	19,887,122	..	..	
Principal of National War Bonds paid off, £53,763,505; less Paid off by the National Debt Commissioners, £1,000,000		52,763,505	44,684,182	45,658	..	
Other Debt under the War Loan Act, 1914 to 1919		7,463,440	15,825,526	..	..	
Ways and Means Advances Repaid		815,708,500	826,215,500	6,200,000	12,100,000	
Anglo-Persian Oil Company—Issued to the National Debt Commissioners		501,335	1,017,976	..	..	
Issues to National Debt Commissioners to Reduce Debt—						
Suez Canal Drawn Shares Repayments		5,501	5,787	..	..	
Cunard Loan Repayments		130,000	130,000	..	..	
Old Sinking Fund, 1910-11, issued under Section 34 of the Finance Act, 1923		118,000	..	..	..	
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4)		..	5,000,000	..	..	
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911		55,214	136,304	..	..	
		4,065,063,399	4,715,864,294	78,504,498	89,806,651	
Balances in Exchequer—						
Bank of England		Mar. 15, '24	Mar. 17, '23	In. or Dec.	for '24	Week.
Bank of Ireland		2,137,973	2,210,506	+	13,978	132,662
Bank of Ireland		2,852,952	2,153,220	+	167,000	74,326
Total		4,390,925	4,363,726	+	179,978	206,988
Treasury, March 17, 1924.						

OVERSEAS BANK RETURNS.

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

Resources.	Mar. 14, 1924.	Mar. 7, 1924.	Feb. 29, 1924.	Mar. 16, 1924.
Total gold reserve	3,130,080	3,116,760	3,122,740	3,078,290
Legal tender notes and silver reserve	105,760	106,060	106,990	118,280
Bills discounted for member banks	483,400	488,310	531,590	613,060
Bills bought in open market	242,620	259,740	263,310	225,420
Government obligations owned	212,570	182,070	155,800	344,710
All other resources	78,560	77,300	76,820	65,750
LIABILITIES.				
Government deposits	54,220	59,460	38,440	42,440
Other deposits	1,964,630	1,926,560	1,947,390	1,953,350
Federal Reserve Notes in actual circulation	2,010,800	2,019,770	2,022,500	2,022,500
F.R.B. Notes in actual circulation	14,270	13,710	13,740	12,890
Capital and surplus	331,750	331,750	331,800	336,850
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined	80.3%	80.5%	80.6%	75.4%

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

Assets.	Feb. 23, 1924.	Feb. 16, 1924.	Feb. 9, 1924.	Jan. 2, 1924.	Jan. 23, 1924.
Gold coin and bullion	549	549	549	549	483
Gold certificates	10,102	10,102	10,102	10,102	10,039
Subsidiary coin	75	75	75	75	185
Bills discounted	6,148	5,911	5,989	6,208	2,368
Loans & advances to Govt.	250	17	17	17	17
Investments	17	17	17	17	17
LIABILITIES.					
Capital	1,000	1,000	1,000	1,000	1,000
Reserve	40	40	40	40	40
Notes in circulation	10,319	10,401	10,652	11,008	9,731
Bankers' deposits	5,676	5,115	4,948	4,897	5,233
Ratio of cash reserves to liabilities to public	67%	69.1%	68.7%	67.4%	69.9%

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

Assets.	Feb. 22, 1924.	Feb. 15, 1924.	Feb. 8, 1924.	Jan. 25, 1924.	Feb. 23, 1924.
Total securities	11,65,91	11,76,42	11,67,73	11,76,71	9,49,67
Loans	22,64,43	22,76,96	21,46,24	20,60,86	17,46,70
Cash credits	41,77,30	41,60,59	42,06,49	41,62,81	39,44,31
Overdrafts	16,30,43	15,86,73	14,16,23	13,90,46	14,49,19
Foreign bills	35,18	36,43	33,89	35,18	7,79,09
Dead stock	2,48,91	2,48,07	2,48,02	2,47,36	2,46,59
Balance with other banks	1,71,13	1,34,34	1,19,33	1,02,48	1,01,28
Cash	13,70,41	13,14,78	11,90,36	15,06,53	14,49,86
LIABILITIES.					
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	4,45,00	4,45,00	4,45,00	4,45,00	4,45,00
Total deposits	88,84,96	86,99,37	85,96,28	88,53,61	85,96,41
Loans from Govt.	12,00,00	12,00,00	9,00,00	8,00,00	8,00,00
The above includes—					
Deposits in London	1,482	1,189	1,090	1,046	358
Advances in London	463	454	449	448	429
Cash, etc., at other Banks in London	1,142	896	796	683	676

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

Assets.	Mar. 20, 1924.	Mar. 13, 1924.	Mar. 6, 1924.	Mar. 22, 1924.	Position May 28, 1924.
Gold coin and bullion	5,541,640	5,541,488	5,541,409	5,536,101	3,730,626
Of which held abroad	1,864,321	1,864,321	1,864,321	1,864,321	1,864,321
Silver coin and bullion	297,822	297,822	297,822	297,822	297,822
Discounts and advances	7,558,374	6,993,511	6,885,450	4,582,587	8,397,776
Advances to the State	29,900,000	23,000,000	23,100,000	23,300,000	23,300,000
LIABILITIES.					
Notes	39,905,981	39,929,862	40,265,994	37,221,438	5,811,876
Government deposits	56,957	17,051	12,923	19,004	183,700
Private deposits	2,896,493	2,406,797	2,366,826	2,080,639	845,950

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

Assets.	Mar. 13, 1924.	Mar. 6, 1924.	Feb. 28, 1924.	Feb. 21, 1924.	Mar. 15, 1924.	Position May 28, 1924.
Gold coin and silver	358,479	359,807	359,379	364,973	344,851	322,650
Securities	1,383,361	1,342,703	1,372,628	1,343,134	698,736	697,600
LIABILITIES.						
Notes in circulation	7,622,205	7,603,089	7,651,830	7,560,960	6,890,617	934,150
Current accounts	353,504	451,236	367,399	432,791	312,415	112,125

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

Assets.	Mar. 17, 1924.	Mar. 10, 1924.	Mar. 3, 1924.	Feb. 25, 1924.	Mar. 19, 1924.	Position May 28, 1924.
Gold	581,711	581,711	581,716	581,718	581,790	183,028
Silver	9,708	9,915	10,321	11,051	7,135	8,436
Debt and advances	401,634	410,127	424,230	396,322	367,892	183,504
LIABILITIES.						
Notes in circulation	986,058	1,000,541	1,016,502	985,016	936,934	216,638
Deposits	19,193	22,106	21,481	24,396	36,180	5,018

BANK OF JAYA.—In florins (000's omitted).

Assets.	Mar. 15, 1924.	Mar. 8, 1924.	Mar. 1, 1924.	Feb. 23, 1924.	Mar. 17, 1924.	Position May 28, 1924.
Gold	219,250	223,750	219,750	215,250	159,046	22,971
Silver	133,540	134,500	137,300	143,270	152,146	77,567
Discounts, advances, and other investments	261,500	263,000	258,000	259,500	264,411	109,499
LIABILITIES.						
Notes in circulation	71,000	79,000	85,000	79,500	100,875	11,250

IMPERIAL BANK OF GERMANY.—In billions of marks.

Assets.	Mar. 7, 1924.	Feb. 29, 1924.	Feb. 23, 1924.	Feb. 15, 1924.
Gold and bullion	(a) 870	(a) 792	(a) 867	(a) 1,381
Treasury notes	9,262,999	9,538,999	9,845,999	9,665,999
Bankenbank notes	35,260,424	15,990,559	172,501,531	160,295,204
Bills of exchange and cheques	525,174,814	436,432,685	469,539,848	444,268,927
Bankenbank bills and cheques	759,125,522	587,215,334	598,115,892	577,603,213
Advances	119,978,821	121,490,214	132,990,739	131,482,228
Bankenbank discounts, etc.	186,787,070	185,127,500	182,774,000	195,729,590
LIABILITIES.				
Notes in circulation	612,888,150	587,874,526	536,667,346	553,964,597
Total deposits	708,196,088	680,806,515	763,903,224	697,180,697
Loan from Bankenbank	450,000,000	400,000,000	400,000,000	350,000,000

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

Assets.	Mar. 15, 1924.	Mar. 7, 1924.	Feb. 29, 1924.	Feb. 23, 1924.	Mar. 15, 1924.	Position May 31, 1924.
Gold	536,157	536,187	536,263	536,327	532,579	171,175
Silver	93,808	92,489	92,419	91,731	105,752	18,350
Darlehens-Kassen	11,902	11,907	11,897	11,894	11,909	103,000
Assets & advances	338,690	335,377	340,302	343,677	478,448	103,000
LIABILITIES.						
Notes in circulation	849,096	860,592	878,208	877,499	856,295	275,925
Deposits	78,462	61,196	49,720	67,478	299,297	33,750

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

Assets.	Mar. 15, 1924.	Mar. 7, 1924.	Feb. 29, 1924.	Feb. 23, 1924.	Mar. 15, 1924.	Position May 31, 1924.
Coin and bullion—Gold	147,284	147,284	147,284	147,284	147,284	44,284
Balance abroad and foreign bills	20,243	18,313	15,978	24,887	28,533	28,533
Norwegian and Foreign Government securities	9,007	9,007	8,825	9,404	8,816	8,816
Discounts and loans	417,211	421,279	423,600	453,628	76,911	76,911
LIABILITIES.						
Notes in circulation	364,786	365,863	368,898	352,852	113,484	113,484
Deposits at notice	112,140	112,273	110,905	172,698	7,188	7,188

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

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

Assets.	Mar. 15, 1924.	Mar. 8, 1924.	Mar. 1, 1924.	Feb. 23, 1924.	Mar. 15, 1924.	Position May 24, 1924.
Gold	271,359	271,359	271,483	271,579	273,689	104,918
Balance abroad and foreign bills	26,714	27,915	26,016	29,928	102,396	112,172
Swedish and foreign Govt. securities	81,225	84,071	89,369	85,306	127,440	32,465
Discounts & loans	401,813	391,740	402,335	369,594	344,110	112,668
LIABILITIES.						
Notes in circulation	514,798	508,697	530,956	474,113	526,596	296,555
Deposits at notice	188,090	190,878	190,286	207,929	268,113	369,660

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

Assets.	Mar. 8, 1924.	Feb. 29, 1924.	Feb. 23, 1924.	Mar. 8, 1924.	Position May 30, 1924.
Gold	42,717	42,717	42,717	42,704	35,091
Balance abroad and foreign bills	888,043	926,655	941,514	881,811	80,379
Finland and Foreign Government securities	500,681	500,681	516,744	585,572	81,826
Discounts and loans	654,643	651,374	628,523	623,556	106,151
LIABILITIES.					
Notes in circulation	1,322,091	1,378,307	1,314,389	1,533,083	123,941
Deposits at notice	596,884	610,633	690,411	375,262	21,226

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

Assets.	Mar. 12, 1924.	Feb. 27, 1924.	Feb. 23, 1924.	Mar. 12, 1924.	Position May 22, 1924.
Total cash	12,616	12,823	12,823	12,823	12,823
Gold coin & bullion	19,846	20,117	19,846	15,739	3,006
Of which held abroad	4,944	4,871	4,084	15,798	12,188
Foreign banks	46,677	49,030	50,103	3,744	3,744
Discounts and loans	49,406	47,824	45,565	23,821	24,466
LIABILITIES.					
Notes in circulation	23,524	23,000	23,000	23,000	4,005
Capital paid up	10,214	10,214	10,214	10,080	8,000
Government deposits	45,821	44,380	41,564	38,338	16,897
Other deposits	45,032	45,901	43,428	46,581	17,995

BANK OF LITHUANIA.—In lt. (000's omitted).

Assets.	Feb. 29, 1924.	Feb. 15, 1924.	Jan. 31, 1924.	Dec. 31, 1923.	Position Feb. 28, 1924.
Gold	20,457	16,827	16,827	16,827	15,780
Silver	32	16,827	16,827	16,827	15,780
Of which held abroad	55,006	53,037	53,037	53,037	53,037
Discount and credit	22,494	20,566	20,566	20,566	20,566
LIABILITIES.					
Capital	12,000	12,000	12,000	12,000	12,000
Banknotes in circulation	68,098	68,098	68,098	68,098	68,098
Deposits	27,408	25,599	24,358	19,705	14,106

BANK OF CZECHO-SLOVAKIA.—In C. K. (000's omitted).

	Mar. 7, 1924.	Feb. 29, 1924.	Feb. 23, 1924.	Feb. 14, 1924.	Feb. 7, 1924.	Mar. 7, 1924.
* Liabilities of the Austro-Hungarian Bank to the Bank- ing Office	10,098,972	10,098,972	10,098,972	10,098,972	10,098,972	10,098,730
Discounts & advances	1,794,402	1,794,402	1,432,518	1,432,518	1,601,434	1,953,798
Gold & silver held ^a	1,039,381	1,039,378	1,039,396	1,039,438	1,039,580	833,795
Foreign bills and balances abroad.....	828,900	836,541	892,022	892,990	1,051,708	474,725
Other assets.....	190,645	274,537	182,415	201,335	301,385	291,486
LIABILITIES.						
State's circ ^b in.....	8,310,503	8,308,467	8,097,808	8,310,228	8,245,373	8,728,133
Deposits	4,297,847	4,132,737	4,484,467	4,483,103	4,304,102	3,622,459
Other liabilities.....	1,126,510	1,185,531	1,110,941	1,168,055	1,136,598	1,293,234

* Resulting from banknotes, current accounts, Exchange and Banker's bills issued by the Austro-Hungarian Bank and taken over by the Accounting Office.

HUNGARIAN BANK

[March 22, 1924.]

RATES OF EXCHANGE.

London on	Usance	Par.	Mar. 23, 1923.	Mar. 14, 1924.	Mar. 21, 1924.
Paris	francs to £1	T.T.	25-22½	71-90-95	92½-3
Berlin	marks to £1	T.T.	20-43	97000-38000	18-20-11½
Vienna	krone to £1	T.T.	24-03	325/350000	302/307,000
Frankfurt	krone to £1	T.T.	24-03	157½-158	148½-148½
Warsaw	zlotys to £1	T.T.	20-43	185/200000	148-148½
Reval	estons to £1	T.T.	25-22½	1630	1610-1640
Riga	latas to £1	T.T.	25-22½	22-07-32	22-18-45
Bukarest	lei to £1	T.T.	25-22½	nominal	820-830
Budapest	kr. to £1	T.T.	24-02	18000	285,000
Constantinople	piastres to £1	T.T.	110	690-710	825-835
Sofia	leva to £1	T.T.	25-22½	660-690	590-610
Belgrade	dinars to £1	T.T.	25-22½	435-445	340-355
Amsterdam	guilder to £1	T.T.	18-107	11-88-99	11-55-55½
Brussels	francs to £1	T.T.	25-22½	82-85-95	102½-103½
Christiania	kroner to £1	T.T.	18-155	25-90-93	31-70-75
Stockholm	kroner to £1	T.T.	18-155	17-63-64	16-28-31
Copenhagen	kroner to £1	T.T.	18-155	24-32-34	27-53-58
Helsingfors	marks to £1	T.T.	25-22½	173½-175½	171-171½
Greece	drachmas to £1	T.T.	25-22½	425-435	270-275
Italy	lire to £1	T.T.	25-22½	96½-97	100½-100½
Switzerland	francs to £1	T.T.	25-22½	25-38-39	24-76-79
Madrid	pesetas to £1	T.T.	25-22½	30-47-48	33-25-30
Barcelona	pesetas to £1	T.T.	25-22½	24-76-79	24-37-90
Alexandria	piastres to £1	T.T.	53-41	24-76-79	24-37-90
New York	dollars to £1	Cable	4-8-8	4-6-8-69½	4-28-28½
Montreal	dollars to £1	Cable	4-8-8	4-7-9-30	4-41-8
Buenos Aires	pesos to £1	T.T.	47-62½	43-4	42-42½
Sao Paulo	pesos to £1	T.T.	47-62½	43-4	42-42½
Rio de Janeiro	pesos to £1	T.T.	47-62½	43-4	42-42½
Manila	pesos to £1	T.T.	47-62½	43-4	42-42½
Cebu	pesos to £1	T.T.	47-62½	43-4	42-42½
Yokohama	yen to £1	T.T.	24-58½	24-58½	24-58½
Shanghai	yen to £1	T.T.	24-58½	24-58½	24-58½
Hankow	yen to £1	T.T.	24-58½	24-58½	24-58½
Harbin	yen to £1	T.T.	24-58½	24-58½	24-58½
Manila	pesos to £1	T.T.	24-58½	24-58½	24-58½
Mexico	pesos to £1	T.T.	24-58½	24-58½	24-58½

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	Year, 1924.	Rate.
Buenos Aires	pesos to £1	10-00	18th London	Dec. 29, 23
Colon	pesos to £1	10-00	18th London	Mar. 18
San Salvador	colones to £1	10-00	18th London	Mar. 18
Guatemala	quetzales to £1	10-00	18th London	Mar. 18
Costa Rica	colones to £1	10-00	18th London	Mar. 18
Honduras	lempiras to £1	10-00	18th London	Mar. 18
El Salvador	colones to £1	10-00	18th London	Mar. 18
Guatemala	quetzales to £1	10-00	18th London	Mar. 18
Costa Rica	colones to £1	10-00	18th London	Mar. 18
Honduras	lempiras to £1	10-00	18th London	Mar. 18
El Salvador	colones to £1	10-00	18th London	Mar. 18

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

T.T.	Union of South Africa.		Union of South Africa.	
	Buying.	Selling.	Buying.	Selling.
On demand	100	100	100	100
30 days	100	100	100	100
60 days	100	100	100	100
90 days	100	100	100	100
120 days	100	100	100	100

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.			
London on Australia and New Zealand.		Australia and New Zealand on London.	
Buying.	Selling.	Buying.	Selling.
Aus. tra.	New Zealand.	Aus. tra.	New Zealand.
T.T.	..	..	..
Sight	..	..	..
Cable	..	..	..
On demand	..	..	..
30 days	..	..	..
60 days	..	..	..
90 days	..	..	..
120 days	..	..	..

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Week ended March 19, 1924.

Imported into Great Britain and Northern Ireland.		Exported from Great Britain and Northern Ireland.	
From—	To—	From—	To—
Netherlands	£ 2,950	Netherlands	£ 35,700
British West Africa	20,996	Poland (incl. Danzig)	52,300
British South Africa	903,933	Belgium	5,500
Anglo-Egyptian Sudan	3,317	France	3,147
Other countries	2,795	Straits Settlements	27,000
		United States of America	920,844
		British India	388,875
		Other countries	550
		Total declared value of exports	1,440,428

Messrs Samuel Montagu and Co. write on March 19th as follows:—

GOLD.

A substantial amount of gold came on offer this week, and inquiry on India and Continental account absorbed a moderate proportion. Gold valued at \$6,500,000 has arrived in New York from France. The United Kingdom imports and exports of gold during the month of February, 1924, were as follows:—Imports, £3,293,246; exports, £7,156,899.

SILVER.

Silver has been a quiet and featureless market during the week under review. Sales on China account on the 13th inst. caused a fall of ½d in the prices, to 33½d and 33½d for cash and forward delivery respectively, but since that date the cash quotation varied only between 33½d and 33½d, whilst forward silver remained unchanged at 33½d.

INDIAN CURRENCY RETURNS.

(In Laos of Rupees.)

	Feb. 29.	Mar. 7.	Mar. 15.
Notes in circulation	18,619	18,555	18,541
Silver coin and bullion in India ..	8,034	7,970	7,956
Silver coin and bullion out of India ..	2,232	2,232	2,232
Gold coin and bullion in India ..	2,232	2,232	2,232
Gold coin and bullion out of India ..	5,753	5,753	5,753
Securities (Indian Government) ..	1,400	1,400	1,400
Securities (British Government) ..	1,200	1,200	1,200
Bills of exchange	1,200	1,200	1,200

No silver coinage was reported during the week ending 15th inst. The stock in Shanghai on the 15th inst. consisted of about 29,300,000 ounces in sycee, 43,500,000 dollars, and 2,000 silver bars, as compared with 27,500,000 ounces in sycee, 42,500,000 dollars, and 925 silver bars on the 8th inst.

GOLD AND SILVER PRICES.

1924.	Gold, Par Ounce.	Silver—Par Ounce.	Date.	Silver, Cash.
Mar. 15	96 3	33 ½	Mar. 22, 1918..	43
17	96 3	33 ½	22, 1919..	47½
18	96 4	33 ½	19, 1920..	70½
19	96 0	33 ½	18, 1921..	32½
20	96 1	33 ½	24, 1922..	33½
21	95 11	33 ½	23, 1923..	32½

NOTICES.

We understand that Lloyds Bank, Limited, have been appointed bankers to the British Empire Exhibition at Wembley, and in order to afford full banking facilities for visitors a branch of the bank will be opened at the Exhibition.

The necessary resolutions having been passed by the shareholders of the Guernsey Banking Company, Limited, the amalgamation of that bank with the National Provincial Bank, Limited, became effective at close of business on Tuesday, March 18, 1924. Their Guernsey office will be conducted as the Guernsey Old Bank office of the National Provincial Bank, Limited, and their offices at Alderney, St Sampson's (Guernsey) and St Peter's in the Wood (Guernsey) as agencies thereto.

Messrs Brown, Shipley, and Co. announce the following changes in their authorised signatures:—Mr C. W. Heath, their manager, who has hitherto signed for them "per pro-also granted full power of attorney to their chief accountant, Mr S. G. Smith, A.C.A., and limited powers of attorney to Messrs E. W. Jones and R. O. Griffiths, each signing singly. Mr F. S. Miller, who holds their limited power of attorney, will retire after 44 years' service on March 31st, after which date his signature will cease to be operative.

It is with deep regret that we have to announce the death of Mr W. B. Blydenstein, partner in the firm of B. W. Blydenstein and Co., which occurred at Maarn (Holland) on the 12th inst. The business of the firm will be carried on by the remaining partners as heretofore.

The Midland Bank announces the opening of new branches at King George V. Dock, Manor Way, North Woolwich, agement of Mr S. P. Meen and Mr A. F. Vick respectively. The Chartered Bank of India, Australia, and China announce that an agency of the bank was opened in Tokyo on March 17th.

March 22, 1924.]

MINING OUTPUT STATISTICS FOR FEBRUARY, 1924

Gold.	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyande Works.	Mill.	Cyande Works.		
Hampton Celebration	1,040	..	..	..	(a) 1,356	..
Hampton Props.	1,031	..	..	..	1,742	357
Mexico of El Oro	12,997	..	..	..	\$204,470	\$60,380
Ouro Preto	7,300	..	..	2,389	11,484	..
Oriental Cons. (Jan.)	21,130	..	..	..	\$113,736	..
Planet Auriferus	3,060	555	758	1,313	5,572	..
Santa Gertrudis	3,015	..	..	..	..	..
Do Inversiones	41,885	..	..	..	..	\$11,913

(a) Par value.

Copper.	Output.	Other Notes in Return.	
		Blister copper; 2,231 ozs gold; 5,336 ozs silver.	Black tin.
Falcon	2,479	..	..
Briseis	25	..	..
Gold Coast Cons.	6½	..	..
Gurum River	16	Despatched 32 tons.	..
Naraguta	35	..	..
Chinese Engineering	83,568	..	..
Witbank	62,417	..	..

BROKEN HILL SOUTH.—Four weeks ended March 8th.—16,415 tons of crude ore and 5,379 tons of dump slime were treated and produced 4,182 tons of lead concentrates, assaying 55 per cent. lead and 23 ozs silver per ton, also 2,596 tons of zinc concentrates, assaying 44 per cent. zinc.

ELECTROLYTIC ZINC COMPANY OF AUSTRALASIA.—Production during four-weekly period ended March 5th.—3,474 tons zinc, of which 115 tons used at the works. Silver-lead product for shipment to Port Pirie for realisation containing 450 tons lead, 55,000 ozs silver.

SULPHIDE CORPORATION.—During the four weeks ended February 23rd, 2,932 tons of Junction ore and 1,006 tons of slime were milled at the Central mine, producing 445 tons of lead concentrates, which assayed 40 ozs silver, 64 per cent. lead, together with 672 tons zinc concentrates, assaying 16 ozs silver, 13 per cent. lead, 45 per cent. zinc per ton, and 101 tons special slimes, assaying 27 ozs silver, 24 per cent. lead, 21 per cent. zinc per ton.

Reports and Notices.

Messrs Gordon, Leith, and Co. have taken Mr Harold Wooding into partnership.

The offices of Messrs Richard Thomas and Co., Limited, now situated at Caxton House, Westminster, are being removed to Bush House, Aldwych, on and from March 22nd. The City office of the company will remain at Equitable House, King William street, for a few weeks, when they will also concentrate at Bush House.

The next examination of candidates for admission into the Society of Incorporated Accountants and Auditors will be held on May 5th, 6th, 7th, and 8th. Women are eligible under the society's regulations to qualify as incorporated accountants upon the same terms and conditions as are applicable to men.

Messrs Coutts and Co. will pay on and after April 1st the coupons of the Peruvian Corporation first mortgage 6 per cent. debentures at the rate of 4 per cent. per annum, in accordance with the resolution passed at a meeting of holders on March 12, 1896, with the additional interest of ½ per cent., making a total payment of 4½ per cent.

We are informed that Mr O. Morgan Owen, of the Alliance Assurance Company, Limited, has been elected chairman, and Mr Geoffrey Marks, C.B.E., F.I.A., past-president of the Institute of Actuaries, of the National Mutual Life Assurance Society, has been elected deputy-chairman of the British Insurance Association.

Messrs Jourdan and Pawle (stock and share brokers) inform us that owing to the demolition of the present building in which they have been for the last 45 years, on and after to-day their offices will be removed to No. 36 New Broad street. The telephone numbers will remain unchanged.

For reasons of health Mr Herbert Morgan has resigned the chairmanship of the board of the English Sewing Cotton Company, Limited, and Mr T. F. Tattersall has been offered, and has accepted, the appointment. The above changes take effect from the end of the company's trading year at March 31st.

We are informed that the Right Hon the Viscount Pirrie, K.P., chairman of Messrs Harland Wolff, Limited, shipbuilders and engineers, and director of a large number of steamship companies, left by the Royal Mail steamer "Arlanza," which sailed from Southampton on the 21st inst., for a visit to South America.

BANKS.

BANK OF AUSTRALASIA.—The report and accounts for the year ended October 15, 1923, shows a net profit of £618,559, against £620,105 in preceding year. If the sum of £121,869 brought forward from preceding year is added there is £740,428 available.

The dividend and bonus for the year is 13 per cent., free of income-tax, which absorbs £520,000. The sum of £100,000, is added to reserve fund, the remaining £120,428 being carried forward. Since the date of the last report new branches have been opened at 71 Collins street East (Melbourne), and in the Melbourne suburbs of Coburg, Malvern, and Middle Brighton, and at 202 William street and Bondi Junction, Sydney. It is interesting to note that in October last a branch office was opened in the West-End of London at 17 Northumberland avenue, W.C. (next door to the Royal Colonial Institute). The new office is already proving useful and convenient to Australasian visitors in London.

CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA.—Little change is revealed in the net profit figures of this bank for 1923, as compared with 1922. The net profit amounted to £782,707, as compared with £789,531 for 1922, and £780,069 for 1921. The dividend and bonus is unaltered at 20½ per cent. for the year, free of income-tax. The sum of £100,000 is put to reserve, raising that fund to £3,900,000. The sum of £25,000 is put to officers' superannuation fund, and the directors propose to write off premises account £50,000, and to carry forward a balance of £222,408, which compares with £222,201 brought in.

COMMERCIAL BANK OF THE NEAR EAST.—The results of the first complete year's working of this bank for 1923 have just been issued. The net profit for the half-year amounted to £5,872, and, adding £1,008, the net profit shown in the balance-sheet of June 30, 1923, there is a total net profit for the period from November 6, 1922, to December 31, 1923, amounting to £6,880. This sum is utilised as follows:—To writing off one half of the preliminary expenses, which will absorb £1,229. To reserve, £1,000. Dividend at 4 per cent. per annum, less income-tax at 4s 7½d per £, absorbing £4,308, leaving £343 to go forward to next account. The total assets are £788,114. Cash in London totals £37,562. Cash in Constantinople amounts to £35,622. Money at call and notice is at £216,500. Balances with foreign bankers and correspondents amount to £66,322. Bills discounted are at £59,901. Investments are set out under two heads—i.e., British Government securities £99,500, and Colonial and foreign Government securities £70,691. Advances are at £138,505. With regard to liabilities, the capital paid up is £140,100, and current, deposit, and other accounts stand at £581,978.

EASTERN BANK LIMITED.—The net profit for 1923 amounted to £121,847, against £120,321 in preceding year, to which is added £31,501 brought forward from preceding year, making £153,348 available. The dividend of 9 per cent. for the year absorbed £90,000. The directors have added £20,000 to reserve fund, making it £340,000, and propose to write £10,000 off premises account, leaving £33,348 to carry forward. A branch of the bank has been opened at Karachi. Assets total £9,668,579. Cash amounts to £2,296,827. Investments amount to £2,077,800, valued at or under prices current at end of 1923. Bills receivable stand at £1,836,091. The paid-up capital of the bank is £1,000,000. Current and deposit accounts stand at £4,942,940.

MERCANTILE BANK OF INDIA, LIMITED.—The net profit of this bank for 1923 amounts to £258,706, against £267,434 in preceding year. The dividend on the A, B, and C shares is again 16 per cent. for the year. The sum of £50,000 is put to reserve, making that fund £1,250,000. The sum of £15,000 goes to officers' pension fund, and £20,000 is written off freehold banking premises. The sum of £157,812 is carried forward, against £152,105 brought in. Branches of the bank have been opened at Simla, Batavia, and Soerabaya.

NATIONAL BANK OF EGYPT.—The gross profit for the year 1923, after providing for depreciation on the bank's buildings and furniture, for rebate of discount, and for bad and doubtful debts, amounts to £902,452, against £906,870. Directors' fees absorb £11,750. Current expenses amounted to £363,014, against £392,839, leaving a net profit of £527,688, against £502,094, to which is added £183,014, making £710,702 available. The sum of £75,000 is allocated to special reserve for contingencies. The ordinary dividend is again 15 per cent. for the year, absorbing £450,000, and the balance of £185,702 is carried forward.

NATIONAL BANK OF INDIA, LIMITED.—The net profits for the year 1923, after providing for all bad and doubtful debts, amount to £534,799, as compared with £535,160 in previous year, and adding £159,256 brought forward, the available total is £694,055. An ad interim dividend at the rate of 20 per cent. per annum, free of income-tax, was paid on September 19th last, amounting to £200,000. The directors now recommend a further dividend at the same rate, and an addition of £50,000 to the reserve fund, raising it to £2,750,000. They propose to write £20,000 off house property account, and to add £25,000 to the officers' pension fund, leaving a balance of £199,055 to be carried forward. The paid-up capital of the bank is £2,000,000. Current and deposits accounts total £31,254,516.

INSURANCE.

EQUITY AND LAW LIFE.—The new assurances in 1923 amounted to £1,221,087 under 473 policies, of which £980,087 has been retained by the society. The gross new premiums amounted to £54,372. The amount of the total assurances in force at the end of the year was £13,417,609. The profit on reversions fallen in during the year amounted to £22,048. Excluding reversions, outstanding premiums and interest and cash at bank, the funds were invested at the end of the year to produce £5 2s 6d per cent. The claims by death under 181 policies assuring 113 lives amounted to £334,953, and 101 endowment assurances, amounting to £128,081, matured. The mortality has been favourable. The total funds amounted at the end of the year to £5,578,758. The expenses of management and commission amounted to £13 17s 6d per cent. of the premium income.

MARITIME.—The report for last year shows that the net premiums were £289,603, against £300,484 for 1922; the claims £269,620, against £301,519; and the expenses £55,417, against £60,230. After a transfer of £20,000 to profit and loss, the underwriting fund was reduced by £55,434 to £494,015. The dividend of 30 per cent., less tax, cost £22,680, against net receipts from interest on the funds of £46,661. The available funds on December 31st last were £1,017,236.

PROVINCIAL.—The report for last year shows that the net premium income was £383,583, as compared with £317,551 in 1922. The fire losses were 47.7 per cent. of the premium income, and after providing for unexpired risks, £9,979, was transferred to profit and loss. The employers' liability, &c., account, with premiums of £251,405, did not yield a larger transfer to profit and loss than £7,225. A dividend of 10 per cent., less tax, on the ordinary shares and the preference dividend cost £9,609, as compared with a revenue from interest of £12,867. The general reserve was increased by £10,000 to £60,000; the funds, exclusive of £140,000 paid-up capital, amounted on December 31st to £236,339.

MISCELLANEOUS.

BRITISH EMPIRE STEEL CORPORATION.—The report for 1923 shows a profit, including the balance brought forward, and after making provision for depreciation and exhaustion, of \$4,356,029. After deducting payments for interest and discount on bonds and debenture stock, there was a balance of \$2,377,555. After provision of the amount required to pay all dividends accrued upon first preference stock of the corporation and the preference and preferred shares of constituent and subsidiary companies outstanding, there remained a balance of \$1,031,031.07 at credit of surplus account on December 31, 1923. This amount, added to surplus of constituent companies carried forward, \$21,784,870.23, makes the consolidated surplus \$22,815,901.39.

COLISEUM SYNDICATE, LIMITED.—The total income for the year 1923 is £43,244, against £47,030 in 1922. The balance of £59,458, brought forward from last year, raises the credit side of profit and loss to £102,702. After charging ground rent on subsidiary properties, debenture and other interest, directors' fees, travelling expenses, general and legal charges, and depreciation, and deducting the interim dividend on the ordinary share at the rate of 25 per cent. per annum (less income-tax), paid in September last, also the dividend on the preference shares for the year to August 27, 1923, and the dividend on the "B" preference shares for the year to October 28, 1923, the net balance to be dealt with is £70,668. The directors now recommend that £3,852 be set aside for redemption of debenture stock, that a dividend be paid on the ordinary shares for the second half of the year at the rate of 25 per cent. per annum, less income-tax, absorbing £6,838, which makes 25 per cent. for the year (less income-tax), and that the balance of £59,077 be carried forward to the current year's accounts, subject to the managing director's remuneration according to his agreement, income-tax on final dividend and corporation profits tax.

LONDON AND THAMES HAVEN OIL WHARVES.—Profits on trading in 1923 of this concern have scarcely changed, amounting to £134,781, as against £131,417 in 1922. The dividend is unchanged at 10 per cent., free of income-tax. The sum of £20,000 has been allocated to reserve, which now stands at £495,000. The sum of £68,825 goes forward, against £67,469 brought in. The company's works have been maintained in good order, and the cost of upkeep and renewals has been charged to revenue.

MEADOW DAIRY.—In comparing results of this concern for the year ended January 5, 1924, with those of the preceding year, it should be pointed out that the ordinary share capital has increased from £175,000 to £375,000. The company has increased its profits from £212,210 to £375,839. Last year the ordinary dividend absorbed £131,250, or 75 per cent. of the capital. The ordinary dividend for the year ended January 5, 1924, absorbed £25,000 more at £156,250, the interim dividend of 4d per share being paid on 3,750,000 shares of 1s each, and the final dividend of 3d per share being paid on 7,500,000 shares. The sum of £21,067 goes to reserve fund, and £35,263 is carried forward against £18,169 brought in.

NEWCASTLE-UPON-TYNE ELECTRIC SUPPLY.—This company has had a prosperous year, despite the fact that the revenue of the

year was adversely affected by the dislocation of trade consequent upon the boiler-makers' dispute, which lasted seven months. The directors are to be congratulated on the way in which they show the 1923 figures. From these figures we learn that the connections horse power, as compared with 527,893 horse power at the end of 1922. The profit for 1923 at £619,665 compares with profit against £120,000 for 1922. The sum of £170,000 is put to reserves, 2½ per cent. to 6 per cent. The sum of £32,442 goes forward against £18,541 brought in.

PARENT TYRE CO., LIMITED.—The following is extracted from a circular issued by the company, dated March 19, 1924:—It is considered desirable to make a further change in the date of the company's accounts, in consequence of a similar alteration recently made by the Dunlop Rubber Company, Limited. The accounting period of that company has now been fixed permanently, it is hoped, at December 31st in each year, and in order that the accounts of those of the Dunlop Rubber Company, Limited, your directors have decided to close the financial year of this company in future an interim dividend at the rate of 5 per cent. per share of the company. It is pointed out that the business of the company continues to improve. Its working expenses, in view of increased business activities, have somewhat increased, but the directors estimate that the profits for the period to April 30th next, after payment of all expenses, will not be less than £150,000, of which approximately £100,000 will be represented by profit on new business and dividends on new investments, pany's holding in No. 2 D.R. Cotton Mills, Limited. No income has been received during the year on the company's holding of Dunlop rubber preference shares, and at April 30th next dividends years and five months, representing a gross sum of £506,326. Some changes have recently been made in the management of this company, which will be duly reported at the annual general meeting of the company.

SCHILL BROTHERS, LIMITED.—In submitting their report for 1923 the directors of this company point out that the opening set in owing to the very unsatisfactory state of European affairs, which resulted in the chaotic collapse of German currency and the heavy depreciation of the foreign exchanges in most of the com- to a two-fold result, namely, very severe competition for trade led business there still was to be obtained and further assistance to the company's clients, whose difficulties were naturally increased by the adverse economic conditions. Recently there have been signs of improvement, and provided that some reasonable solution velop to cripple the country's production, and labour troubles do not de- a better trading year. The results achieved in 1923 show a profit of £9,731, as compared with £16,227 in 1922. The dividend on the preference shares absorbed £18,750 gross. The sum of £11,040 is carried forward, against £20,059 brought in to the accounts.

SPILLERS MILLING AND ASSOCIATED INDUSTRIES, LIMITED.—This concern announces that negotiations have now been completed couver Terminal Grain Company, Limited, Vancouver. This elevator at Vancouver. The order for the foundations has already been placed, and the elevator should be ready in ample time to largely increase the facilities offered at that port for handling wheat via the Western route, and will also be an extremely im- William Edgar Nicholls, chairman of the controlling company. Sir- ciated Industries, Limited, has been elected chairman of directors directors of that company being Messrs R. H. Gale, W. B. Sifton, P. Lloyd Tanner, and D. E. Trehanne (managing director).

STEWARTS AND LLOYDS.—The report for 1923 shows that after providing £90,000 for depreciation, against £70,000 for 1922, there is a net profit of £459,426, against £70,000 for 1922. £150,132 is brought in, making £609,558 available. The sum of £50,000 is put to reserve fund, and £10,000 goes to employees' benefit reserve. The dividend on the deferred shares is again 12½ per cent., free of income-tax, and £101,795 is carried forward. The balance-sheet will be found fully analysed in another column.

MINES.

PANTI CONSOLIDATED.—At £33,000, the amount received last year by interest and dividends nearly doubled the 1922 total; but as there is very little difference between the profit and loss balances of the two periods. On the present occasion £30,000 over reserved for taxation is brought in, also a couple of small items, increasing the balance to £78,600. From this £15,900 is written off to de- recommended. A dividend of 9d per 10s share is again in- cent. The particulars supplied with reference to the company's interests—which are for the most part of a promising character— show a very large expansion in the output of the South African

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

Week ended Mar. 14, 1924.	Miles Open.	Week ended Mar. 16, 1924.			Aggregate 11 Weeks, 1924.		
		Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.
Great Western.....	3,754	208,000	378,000	586,000	2,139,000	3,615,000	5,754,000
Do for 1923.....	3,679	209,000	389,000	598,000	2,334,000	4,082,000	6,416,000
London & North-Eastern.....	6,703	353,000	772,000	1,125,000	3,577,000	7,404,000	10,981,000
Do same period 1923.....	6,701	257,000	815,000	1,072,000	3,834,000	8,385,000	12,219,000
London, Mid., & Scottish.....	6,941	505,000	910,000	1,415,000	5,194,000	9,572,000	14,766,000
Do for 1923.....	6,940	520,000	1,044,000	1,564,000	5,637,000	10,400,000	16,037,000
Southern.....	2,146	258,000	420,300	678,300	2,687,900	4,189,200	6,877,100
Do for 1923.....	2,146	261,800	428,100	689,900	2,879,700	4,351,200	7,230,900
Metropolitan (e).....	793	31,313	3,889	35,202	342,421	41,408	383,829
Do for 1923.....	793	31,715	3,900	35,615	346,633	43,134	389,767
Underground E.R. (e).....	..	..	..	..	..	..	..
Do for 1923.....	..	..	..	..	..	..	..
Lon & Sub. Group (e).....	..	..	..	..	..	..	..
Belfast & Co. Down (b).....	80	4,229	1,377	5,606	39,242	13,189	52,431
Dublin and S. East (b).....	160	5,067	4,427	9,494	55,765	40,329	96,094
Gt. Northern (Ireland) (b).....	562	15,500	24,350	39,850	178,020	220,660	398,680
Gt. Bth. & Western (b).....	1,151	20,076	32,527	52,603	223,955	352,439	576,394
Midland Gt. West. (b).....	538	8,482	17,306	25,788	87,441	143,454	230,895

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -
INDIAN.							
Assam Bengal	46 weeks	Feb. 16	1,072	Rs. 2,82,000	Rs. 2,874	Rs. 1,23,17,081	Rs. 8,06,250
Barri Lk. Ry.	47 weeks	23	118	57,300	+ 24,000	15,92,700	+ 10,600
Bengal & N. Western ..	21 weeks	23	2,062	7,70,590	+ 1,20,077	1,24,01,123	+ 2,39,575
Bengal Nagpur	46 weeks	16	2,738	17,72,000	+ 83,000	6,59,93,189	+ 2,17,400
Bombay, Bar., & C.I.	50 weeks	Mar. 15	2,994	28,91,000	- 49,000	11,32,53,500	+ 19,77,000
Burma	46 weeks	Feb. 16	1,342	8,90,313	+ 52,442	3,18,44,100	+ 6,20,000
Delhi, Umballa & Kalka ..	23 weeks	Mar. 8	239	35,35,000	- 38,000	1,59,26,000	+ 1,81,000
East Indian	50 weeks	15	2,873	32,86,300	+ 63,700	1,368,19,667	+ 26,63,000
G. Indian Peninsula	49 weeks	8	3,164	16,80,000	+ 35,225	6,69,10,383	+ 1,98,780
Madras & S. Mahr	49 weeks	Feb. 23	3,029	55,267	- 1,492	1,061,35,353	+ 94,850
Rohilk'nd & Kumaon	21 weeks	23	259	89,573	- 6,962	13,40,644	+ 20,700
Do Lucknow-Breilly	21 weeks	23	314	89,573	- 6,962	13,40,644	+ 20,700
South Indian	47 weeks	23	1,877	9,19,613	+ 36,977	4,52,82,129	+ 14,81,000

ARGENTINE (a).

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -
Argentine N.E.....	37 weeks	Mar. 15	752	14,100	—	2,800	426,300
Argentine Trans.....	36 weeks	15	2	3,766	—	1,091	135,857
B. A. and Pacific.....	37 weeks	15	3,324	243,000	—	8,000	5,929,000
B. A. Gt. Southern.....	37 weeks	15	3,948	258,000	—	34,000	7,386,000
B. A. Western.....	37 weeks	15	1,882	119,000	—	15,000	3,271,000
Central Argentine.....	37 weeks	15	3,305	213,000	—	7,000	7,965,000
Cordoba Central.....	37 weeks	15	1,205	62,000	—	5,000	2,206,000
Entre Rios.....	37 weeks	15	729	32,200	—	7,800	830,700

CANADIAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -
Canadian National.....	10 weeks	Mar. 14	22,640	4,736,446	—	705,554	45,699,847
Canadian Pacific.....	10 weeks	Mar. 14	13,622	2,383,000	—	361,030	32,613,000

BRAZILIAN (b).

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -
Gt. West. of Brasil.....	10 weeks	Mar. 15	1,011	10,800	—	1,500	128,000
Leopoldina.....	10 weeks	15	1,831	27,749	—	6,065	255,610
San Paulo.....	10 weeks	16	1,534	39,605	—	18,528	470,387

CHILEAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -
Antofagasta.....	11 weeks	Mar. 16	838	36,275	—	2,380	436,410
Nitrate (4-monthly).....	10 weeks	15	366	38,881	—	3,473	309,029

CUBAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -
Havana Central.....	36 weeks	Mar. 8	8	16,167	—	2,013	483,388
United of Havana.....	37 weeks	15	1,210	144,353	—	857	2,877,504

URUGUAYAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -
Central Uruguay.....	37 weeks	Mar. 15	973	30,832	—	619	1,001,260
C. Urug. (East Ext.).....	37 weeks	15	311	7,540	—	1,025	208,875
C. Urug. (North Ext.).....	37 weeks	15	185	3,547	—	174	111,540
C. Urug. (West Ext.).....	37 weeks	15	211	3,948	—	633	100,292

OTHER OVERSEAS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -
Alcoy and Gandia.....	11 weeks	Mar. 15	33	30,000	—	5,000	272,000
Egyptian Delta.....	47 weeks	Feb. 29	575	8,527	—	1,606	312,727
Gt. Southern of Spain.....	10 weeks	Mar. 8	104	£ 208,000	—	139,200	1,254,500
Chatham & District.....	10 weeks	14	432	£ 208,000	—	139,200	1,254,500
Egyptian Markets.....	10 weeks	13	..	£ 2,022	—	299	29,141
Mexican Railway.....	8 weeks	Feb. 23	205	2,876	—	73	23,284
New Cape Central.....	37 weeks	Mar. 15	274	3,490	—	1,240	132,000
Panama Central.....	37 weeks	15	100	6,667	—	105	135,014
Salvador.....	37 weeks	15	100	6,667	—	105	135,014

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.		
				1924.	+ or -	1924.	+ or -	
Anglo-Argentine.....	10 weeks	Mar. 11	329	£90,554	—	1,413	866,808	2.
Burnley Corporation.....	1 week	15	12	£130,937	—	9,789	..	+ 4,88.
Calcutta Tramways.....	11 weeks	15	364	£1,231	—	232	11,886	1.
Chatham & District.....	9 weeks	13	..	£2,022	—	299	29,141	..
Egyptian Markets.....	10 weeks	13	..	£2,022	—	299	29,141	..
Glasgow Corporation.....	41 weeks	15	106	£44,015	—	422	1,819,171	+ 54.
Ile of Thanet.....	23 weeks	12	..	£521	—	21	12,756	..
Liverpool Corporation.....	50 weeks	15	124	£23,565	—	3,714	1,296,250	150.
Tramways.....	50 weeks	15	163	£78,750	—	10,806	4,269,992	388.
L.O.O. Tramways.....	10 weeks	16	..	Rs 51,868	—	636	7,58,378	7.
Madras Elec. (C. Wks.)	10 weeks	7	..	£2,948	—	788	53,581	+ 11.
Tramways.....	10 weeks	7	..	£2,948	—	788	53,581	+ 11.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years.	Latent Pre-vious.
Railways.						
Bilbao River and Cantabrian	7%+	April 29	Less tax		10	6
Central Argentine	24%*	April 25	Less tax		10	6
Central Uruguay	2%*	April 25	Less tax		10	6
Central Uruguay Eastern	5%*	April 25	Less tax		10	6
Dublin and Kingstown	7%	April 24	Less tax		10	6
Entre Rios, Cum. Pref.	3%	April 24	Less tax		10	6
San Paulo (Brazilian)	5%+	May 1	Tax free		9	7½
Southern (U.S.A.)	14%	April 16	Less tax		10	6
Tatkal	4/ p.s.	April 16	Less tax		10	6
Banks.						
Agricultural of Egypt, Ord.	..	..	..	..	9½	8½
Do Def.	..	..	..	..	25/2/10p.s.	£45 p.s.
Bank of Australasia	..	..	Tax free		13	13
Bank of Nova Scotia	16	..	Quarterly		20½	20½
Chartered of India	14½	..	(£ bonus 6/3 p.s.)	Tax free	20½	20½
Commercial Bank of the Near East	4	..	Less tax		16	16
Mercantile of India (A, B, and C)	8%+	..	Less tax		15	15
National of Egypt	..	..	Less tax		20	20
National of India	..	..	Tax free		20	20
Insurance.						
Eagle Star and B. D.	5%*	April 1	Tax free		22½	30
Do	15%+	Mar. 29	Less tax		30	30
Maritime	..	..	Less tax		10	10
Provincial	..	..	Less tax		10	10
Tea and Rubber.						
Agusta Tea	..	..	Less tax		10	nil
Bah Lias	5%*	Mar. 31	Less tax		10	7½
Bajoe Kidool Rubber	40 %†	..	Less tax 4/6 in £		60	50
Battagalla Estate	10%*	..	Less tax 4/7½ in £		10	7½
Bukam Rubber	10%*	..	Tax free		..	..
Budla Beta Tea	10%*	..	Tax free		..	..
Buxa Doosar Tea	10%*	..	Tax free		..	..
Ceylon and Indian Planters	10%*	..	Tax free		..	..
Kuala Lumpur	10%*	..	Tax free		..	..
Levant Rubber, Pref.	15%†	..	Net		..	..
New Dimble Tea	10%*	..	Less tax		..	..
Panaval Tea	10%*	..	Less tax		..	..
Tekka-Taijing	..	..	Less tax		14 p.s.	13 p.s.
Mining.						
African	..	..	Less tax		7	8
Carthage Mining and Water	..	..	Less tax		5	5
Panti Consolidated	..	..	Less tax		9 p.s.	9 p.s.
Ferreira Deep	5%*	May 3	Subject to tax		..	..
Gopeng Cons.	19 p.s.	April 7	Less tax		..	..
Great Boulder Prop.	4 p.s.	April 30	Less tax		..	..
Kerr Lake	10 p.s.	April 15	Less tax		..	..
Kinta Tin	9 p.s.	Mar. 9	Less tax		..	..
Nipissing	10 p.s.	April 24	Less tax		..	..
Pengkalen	1 p.s.	(£ bonus 2/ p.s.)	Less tax		..	..
Rambutan	18 p.s.	April 21	Less tax		..	..
Robinson Deep A	5/6 p.s.	May 22	Arrears		..	..
Ropp Tin	35%†	..	Less tax		50	35
Shamva	5%*	April 17	Less tax		..	..
South Crofty	13 p.s.	Mar. 31	Less tax		..	..
Sungei Besi	1 p.s.	Mar. 28	Less tax		..	..
Tronoh	1 p.s.	Mar. 31	Less tax		..	..
Other Companies.						
A. D. Foulkes	..	..	Less tax		5	5
Albion Motor Company	..	..	Less tax		5	5
Albion Steam Coal	5½	..	Less tax		..	..
Alford (Linca) Gas	2½%	..	Less tax		..	..
Alliance and Dublin, &c., Gas	6	..	..		..	..
American Invest. and Gen., Def.	16	..	..		11	10
Ardoosan Harbour	1½%	Mar. 29	..		3	..
Asbestos Corp. of Canada, Frd.	1½%	April 15	Quarterly		..	..
Barry, Ostlere, and Shepherd	..	..	Less tax		25	25
Bath and Portland Stone	12½	..	..		12½	12½
Bell's United Asbestos	1/6 p.s.	..	..		10	10
Bennett Steamship	..	..	Tax free		12½	10
Beyer, Peacock	..	..	..		10	5
Binn and Co.	5%†	..	Tax free		10	6
Bristol Tramways	3%†	..	Subject to tax		7½	6
British Aluminium	10†	..	..		10	8
British L.M. Ericsson Mfg.	5%†	..	Less tax		10	10
British Portland Cement	2%†	..	..		..	..
Browett, Lindley	2%†	..	Arrears		..	..
Brown, Bayley's Steel, Pref.	24%	..	Tax free		32	32
Butterley Co.	1/4 p.s.	..	Tax free		15	10
Cannon Brewery, Deid.	10%†	..	Less tax		10	10
Cardiff Collieries	7½%†	..	..		15	10
Chamberlain, King, and Jones	34%†	..	..		15	15
Celtic Collieries, Pref.	10%†	..	..		13	13
City of London Electric	5%†	Mar. 29	Less tax		10	10
Constantinople Land	20/ p.s.	Mar. 26	Less tax		10	10
Daniells and Sons Brewery	15%†	..	Less tax		20	15
D. Davis and Sons	..	..	..		20	15
D. H. Evans and Co.	..	..	..		20	15
Direct Spanish Telegraph	..	..	Tax free		10	10
Dominion Tar and Chemical	10%	(£ bonus 3/ p.s.)	Tax free		15	10
Evans and Owen	23½	..	Tax free		15	10
Exploration Co.	9½	..	..		20	10
Frederick Goringe	2/6 p.s.	..	Tax free		10	10
Foreign, American Inv., Def.	3%†	..	Tax free		10	10
Gandy Belt Manufacturing	4%	April 9	Arrears		10	10
Gibbons (Dudley)	7½%†	..	..		12½	10
Godfrey Phillips, Cum. Pref.	..	..	..		10	10
Harris and Sheldon	..	..	..		10	10
Hawthorn's Hotel	..	..	..		10	10
Henry Bessemer	..	..	..		10	10
Henry Thompson and Sons	15%†	..	..		10	10
H. Holdron	7½%†	..	..		10	10
Hickleton Main Colliery	5%†	..	..		10	10
Higson and Co.	7½%†	..	..		10	10
H. J. Packer, P.	16 p.s.	..	Less tax		10	10
Howard and Bullough	..	..	Less tax		10	10
Howard and Wyndham	..	..	..		10	10
Howie, Pref.	..	..	..		10	10
Imperial Cold Storage	1½%*	Mar. 28	Free Union tax		10	10
Imperial Tobacco of Canada	..	..	Tax free		10	10
James Buchanan	..	..	..		10	10
John Baker (Rothemurtha)	10%	(£ bonus 1/3 p.s.)	Less tax		10	10
John Robertson and Son	..	..	..		10	10
Joseph Travers and Sons	..	..	..		10	10

DIVIDEND ANNOUNCEMENTS.—Continued.

Xyles of Bute Hydro	1/6 p.s.	May 1	Tax free	5	..
Lawson's	10%†	..	Less tax	17½	22½
Limmer and Trinidad Asphalt	5%†	..	Tax free	10	10
London and Thames Haven Oil	60%	..	..	£16/10p.s.	5/12/6
London Restaurants	..	..	..	£4/11 p.s.	5/18/9
Lowestoft Water and Gas	..	..	..	..	..
Do (Ad. lit'onal)	1½%	April 1	Quarterly	5	5
MacKay Companies	..	..	Less tax	15	15
Matador Land	..	..	..	7 p.s.	..
Mazawattee Tea	3 p.s.	..	Less tax	..	..
Meadow Dairy	3%	April 21	Quarterly	5	..
Mexican Petroleum	..	..	Less tax	10	10
Newbury's	..	..	..	10	9
New London Brewery	12½	..	..	..	..
Nicholsons, Limited	3%	April 1	Quarterly	8	7½
Ogilvie Flour Mills	..	..	..	3	5
Pacific Gas and Electric	..	..	..	..	..
P. and W. Maclellan	..	..	..	..	..
Pan American Petroleum, "A"	..	..	..	..	..
and "B"	2%	April 21	Quarterly	10	nil
Paquin	..	..	..	7½	5
Partridge, Jones, & John Paton	..	..	Tax free	10	8
Pennmans	1%	..	Quarterly	10	10
Peter Walker Property, No. 2	100%	..	..	..	..
Piccadilly Hotel	7½	April 1	Less tax	12½	..
Priest, Mariani	5%*	April 8	Less tax	..	..
Printing Machinery	10%†	..	Tax free	..	..
Pritchett and Gold	..	..	..	..	..
Queen Anne Mansions	..	..	..	..	..
Regent's Canal	..	..	..	..	..
Rock, Aile and Sons	..	..	Tax free	..	..
R. Wylie Hill	..	..	..	..	..
Rowton Houses	..	..	Tax free	..	..
S. African and Gen. Invest.	4	April 1	..	..	..
Sammaggar, Titaghar, and Vic-	20%†	..	..	30	30
toria Jute	7%†	..	..	10	10
Savoy Hotel	10/ p.s.	April 3	Less tax	..	..
Shanghai Waterworks	..	..	..	..	..
Shanks and Co.	..	..	..	..	..
Slough and Datchet Electric	..	..	..	..	..
Smith's Dock	24%†	..	..	..	..
Spencer River Pulp, Pref.	14%	April 15	Less tax	8	7
Standard Property Invest.	..	..	Tax free	2/6 p.s.	2/6 p.s.
Stewart and Lloyds, Deid.	..	..	..	15	15
Tarmac	11½%†	..	Tax free	..	..
Town Properties of Bulawayo	24%†	..	..	..	..
Welsh Navigation	..	..	..	..	..
Windsor Hollins	5%†	..	..	..	..
Windsor Electric	..	..	..	..	..
W. of Scotland Amer. Invest.	5%†	..	..	..	..
Wouldham Cement	10%†	..	..	..	..
Wright and Co.	(£ bonus 1/ p.s.)	..	Tax free	..	..
Yorshire (W.R.) Trams	..	..	..	..	..

(d) Also special dividend to pay final call of 5s on ord. shares.
 ENGLISH MARGARINE WORKS (1919), LIMITED.—The preference and ordinary dividends are again passed.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Fine open weather has continued throughout the week, which enabled farmers to make rapid progress with cultivation and seeding of spring cereals. Standing crops present a healthy appearance, growth being stimulated by recent spells of sunshine. With threshings on a more liberal scale, larger supplies of native wheat were available, both here and at the principal country markets. Trade, however, remained quiet, and prices tend in buyers' favour. Suitable milling grades quoted at 10s 4d to 10s 8d per 112 lbs, free on rail. Imported descriptions also meet with quiet support, and with some selling pressure, rates were easier inclined. No. 1 Northern Manitoba afloat quoted 48s 6d, No. 2 ditto 47s 9d, No. 3 46s 9d, Rosafe 63½ lbs 46s 9d, and Australian 49s 6d, all ex ship terms per 496 lbs. Dull conditions prevailed in the floating and forward cargo section, and with freer offerings, particularly of Plate descriptions, prices disclosed a weaker tendency. White sales, however, are maintained owing to scanty supplies on offer. Sales included steamers of Barusso 63½ lbs April 42s 9d net, Rosafe 63½ lbs afloat 44s 3d, and Pacific, half-white Western, and half-soft white ditto April 15th-30th at 46s 3d per 480 lbs. Flour in quiet request, and prices were further reduced respecting town made. London standard straight run quoted 37s 6d, patents 39s 6d to 40s 6d, town households 35s 6d per sack delivered. All English country straights 35s per sack free on rail at London stations. Imported dull, and tendency of prices against holders. Manitoba patents range from 35s to 37s as to quality, and Australian 36s per 280 lbs ex store. Barley quiet. English malting free on rail. Imported weak. Californian 44s 6d-48s 6d ex store, Chilean brewing 41s 6d-45s ex ship, both per 448 lbs. No. 4 Canadian Western 35s landed, Algerian-Tunisian 34s 6d, landed Karachi 31s, ex ship landed 32s 6d per 400 lbs. Maize quiet. Plate landed 42s-43s as to quality, red Karachi ex ship 43s 3d, yellow Calcutta landed 43s 3d per 480 lbs. Oats steady for English, and quoted at 9s 2d-10s 4d per 112 lbs free on rail. Imported tends firmer. Plate f.a.q. ex ship 21s 6d, landed 22s 6d, No 2 Canadian Western 26s 9d, No 3 ditto 25s 9d, No 2 Canadian feed landed 24s 3d per 320 lbs. Millers' offals steady. Broad bran quoted 8s 3d, ordinary 7s 9d, middlings 8s 3d, fine ditto 10s, bags included ex mill, light oats 7s 3d, powdered oat husks 7s 9d, feed oatmeal 9s 3d, ground

oats 12s 3d, free on rail per cwt. Oatmeal quiet. London-made flaked, also rolled oats 16s, medium and fine cut 16s 6d, coarse and medium pinhead 16s 6d, ordinary Scottish oatmeal 17s 6d-18s, and American 16s 6d-16s 9d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-1924.	1922-1923.	1921-1922.	1920-1921.
Estimated sales of home-grown wheat—	Owts.	Owts.	Owts.	Owts.
1 week to March 15	268,668	416,347	536,907	295,163
28 weeks to March 15	9,343,061	12,411,269	12,663,470	9,019,583
Average price of English wheat per	s d	s d	s d	s d
cwt.	10 10	9 5	12 6	20 4

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1920 to 1923:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1924.	Owts.	Owts.	Owts.	s d	s d	s d
Mar. 8	341,998	111,899	55,264	11 1	11 7	9 11
Mar. 15	268,668	106,661	59,228	10 10	11 8	10 0
1920	309,583	92,268	33,791	16 11	26 3	20 8
1921	295,161	199,182	54,948	20 4	14 8	12 9
1922	536,906	122,925	71,949	12 6	11 5	10 9
1923	416,347	165,613	53,900	9 5	8 9	9 7

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated March 20, is as follows:—Pig-iron: The market for pig-iron is weak and unsatisfactory. The current price is reported to be below cost, and a few orders are being placed by those consumers who think bottom has been touched. The following are the quotations: No. 3 Cleveland G.M.B. 6s 6d, East Coast hematite mixed numbers 99s. Manufactured iron and steel: Steel is very quiet and export orders very difficult to obtain except at prices which producers can hardly touch. Steel ship plates £10 5s, steel ship angles £10, iron bars £12, steel rails £9. Iron ore: Trade is practically dead for the moment. Hematite furnaces have been put out, as stocks of pig-iron were increasing too rapidly. Best Bilbao rubio ore is nominally quoted 24s, c.i.f. Tees.

Our Sheffield correspondent writes:—The market for pig-iron and various raw and semi-materials continues in a moribund state, and in spite of reduced production makers, having completed old contracts, cannot sell their output. The uncertainty of the outlook and the disturbing effect upon business of the movements of the French currency are supposed to be the principal causes of the present depression. Heavy deliveries of Continental iron and steel to this country are proceeding, but no fresh contracts have been fixed up lately. Belgian and French works are said to be fully booked for some time forward. British prices are weak, but not quotably lower. Work in finished steel is steadily increasing, as there are large orders on hand for railway rolling stock, rails, and stores of all kinds, besides public constructional work which consumes steel and tools. The export trade is also picking up. South America is buying local products on a rather more liberal scale than for a long time past. Small engineering work is increasing, and there is much activity at the rolling mills and drop-forges. The lack of business in engineers' small tools, however, is disappointing. Most firms interested in electrical engineering are fairly busy. Plate and cutlery makers are quiet. Unemployment is

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Prefce.	Ordinary.	Rate.			
		£	£	£	Amount.	Amount.	Rate.			Dividend.
Banks.										
Bank of Australasia	Oct. 15	121,869	618,559	740,428	..	520,000	13%	100,000	120,428	620,105
Chartered Bank of India, &c.	Dec. 31	222,201	782,707	1,004,908	..	607,500	20½	175,000	222,408	789,531
Commercial Bank of the Near East	Dec. 31	..	6,880	6,880	..	4,308	4	2,229	343	..
Eastern Bank	Dec. 31	31,501	121,847	153,348	..	90,000	9	30,000	33,348	120,321
Mercantile Bank of India	Dec. 31	152,105	258,706	410,811	..	168,000	16	85,000	157,811	267,434
National Bank of Egypt	Dec. 31	183,014	537,688	710,702	..	450,000	15	75,000	185,702	502,094
National Bank of India	Dec. 31	159,256	534,799	694,055	..	400,000	20½	95,000	199,055	535,160
Breweries.										
Cannon	Dec. 31	71,216	205,731	276,947	108,750	56,000	32½	32,000	80,197	178,517
James Shipstone and Sons	Dec. 31	22,378	103,828	126,206	22,845	38,500	10½	40,000	24,861	77,168
Electric Lighting and Power.										
City of London Electric	Dec. 31	30,230	275,664	305,894	36,900	92,250	15	143,262	33,482	284,286
Folkstone Electricity	Dec. 31	1,498	31,471	32,969	2,500	5,000	10½	23,971	1,498	25,645
Newcastle-upon-Tyne Electric Supply	Dec. 31	18,541	441,745	460,286	179,983	77,861	6	170,000	32,442	336,979
Slough and Datchet Electric	Dec. 31	3,572	13,848	17,420	..	4,612	10	8,500	4,308	10,272
Windsor Electrical	Dec. 31	2,576	12,580	15,156	905	3,844	10	7,500	2,907	9,497
Financial, Land, & Investment.										
Exploration Company	Dec. 31	12,338	19,175	31,513	..	17,963	5½	..	13,550	18,497
Matador Land and Cattle	Dec. 15	3,500	17,030	20,530	..	7,667	5	10,000	2,863	1,079
Hotels, Restaurants, &c.										
Rowton Houses	Dec. 31	6,246	17,227	23,473	5,902	10,166	5½	5,000	2,405	23,933
Savoy Hotel	Dec. 31	27,531	151,496	179,027	17,500	73,893	10	55,000	32,634	142,327
Iron, Coal, and Steel.										
Albion Steam Coal	Dec. 31	12,668	38,399	51,067	12,100	12,100	5	13,591	13,276	4,773
Beyer, Peacock, and Co.	Dec. 31	2,615	87,384	84,769	16,500	..	..	110,000	8,731	16,403
C. and W. Walker	Jan. 31	24,301	21,699	46,000	3,000	12,495	15½	5,000	25,505	30,170
Cammell, Laird, and Co.	Dec. 31	29,223	70,054	99,277	61,261	..	..	..	38,016	145,906
D. Davis and Sons	Dec. 31	69,484	95,532	165,016	4,650	90,770	15	..	69,596	48,543
Henry Bessemer and Co.	Dec. 31	Dr 9,104	Dr 22,251	Dr 31,355	..	..	..	..	Dr 31,355	Dr 10,950
P. and W. Maclellan	Dec. 31	27,352	27,750	55,102	18,000	6,300	3	5,000	25,802	23,813
Penrhyber Navigation Colliery	Dec. 31	22,971	64,193	87,164	15,000	45,000	7½	..	27,164	48,027
Stewarts and Lloyds	Dec. 31	150,132	459,425	609,557	33,000	85,000	10P.O.	60,000	101,795	522,078
Welsh Navigation Steam Coal	Dec. 31	Dr 8,788	16,237	7,455	5,765	..	..	..	1,690	Dr 45,506
Rubber, &c.										
Bah Lias	Oct. 31	40,241	31,925	72,166	..	35,121	10	..	37,045	25,471
Sungei Sayong	Dec. 31	Dr 10,520	740	Dr 9,780	..	..	..	..	9,780	1,286
United Sias Betong	Dec. 31	31,251	28,511	59,762	..	27,199	15	..	32,563	29,421
Wampoe Tobacco and Rubber	Oct. 31	Dr 21,597	9,346	12,251	..	..	..	Dr 12,500	249	4,241
Shops and Stores.										
D. H. Evans and Co.	Feb. 19	39,623	123,324	162,947	12,000	60,039	20	65,000	25,908	112,974
H. Holdron	Feb. 19	15,396	40,717	56,113	..	17,500	17½	20,500	18,113	..
Meadow Dairy	Jan. 5	18,169	235,839	254,008	41,428	156,250	58½	21,067	35,263	212,210
William Whiteley	Feb. 14	260,582	187,064	447,646	20,250	112,500	25	38,000	267,774	190,998
Tea.										
Battalgalla	Dec. 31	2,181	11,396	13,577	..	9,000	50	2,000	2,577	8,455
Panawal	Dec. 31	407	7,236	7,643	525	6,796	40	..	322	5,509
Textiles.										
William Hollins and Co.	Dec. 31	23,343	108,122	131,465	18,000	86,673	7½	..	26,792	125,093
Telegraphs, &c.										
Direct Spanish Telegraph	Dec. 31	1,056	16,042	17,098	3,000	6,466	10	5,000	2,632	2,844
Tramway and Omnibus.										
Thomas Tilling	Dec. 31	67,536	140,190	207,726	16,500	138,980	15	..	52,246	138,388
Trusts.										
Municipal	Feb. 29	9,860	23,576	33,436	11,508	10,726	8	..	11,202	21,652
Waterworks.										
Southend	Dec. 31	32,531	61,444	93,975	19,661	32,465	..	..	41,849	..
Other Companies.										
British L.M. Ericsson Manuf- turing	Dec. 31	43,157	28,302	71,459	5,999	10,001	10½	20,000	35,459	10,681
British Insulated and Helsby Cables	Dec. 31	391,675	306,198	697,873	30,000	150,000	15	105,000	412,873	304,452
Coliseum Syndicate	Dec. 31	59,458	27,615	87,073	7,581	15,661	25	3,853	59,978	31,023
Crossley Brothers	Dec. 31	Dr 190,448	Dr 89,057	Dr 209,505	..	..	..	..	Dr 209,505	Dr 68,236
Hackney & Shepherd's Bush Empire	Dec. 31	25,925	3,705	29,630	2,700	4,438	10	..	22,492	5,092
Howard and Wyndham	Feb. 29	1,515	13,918	15,433	1,156	10,117	12½	2,500	1,660	9,465
Leicester Palace Theatre	Dec. 31	19,944	5,541	25,485	..	3,018	10	..	22,467	3,496
London and Thames Haven Oil Wharves	Dec. 31	67,469	69,932	137,401	1,076	47,500	10½	20,000	68,825	93,553
R. and J. Pullman	Dec. 31	1,073	2,860	3,933	..	3,500	..	..	433	10,527
E. Wylie, Hill, and Co.	Jan. 31	2,635	14,690	17,325	..	10,500	10	3,000	3,825	10,321
Rivet, Bolt, and Nut	Dec. 31	7,398	67,719	75,117	13,750	33,000	8	20,000	8,367	15,052
Salt Union	Dec. 31	20,228	236,507	256,735	70,000	80,000	10	70,000	36,735	158,667
Schill Brothers	Dec. 31	20,059	9,731	29,790	18,750	..	..	..	11,040	16,227
St Augustine's Parade Hippo- drome, Bristol	Dec. 31	44,819	8,800	53,619	1,238	3,994	10	2,245	46,142	4,731
Withers and Co.	Dec. 31	915	1,888	2,803	2,160	..	..	..	643	..

† Free of tax.

to 22s 6d; ordinary cargo smalls, 19s to 20s; coking smalls, 22s to 22s 6d; anthracite Big Vein, large, 40s to 42s 6d; machine-made cobbles, 47s 6d to 50s; French nuts, 45s to 47s 6d; stove nuts, 50s to 52s 6d; rubbly culm, 14s 6d to 15s; coke, for export, 47s 6d to 52s 6d; inland blastfurnace coke at ovens, 30s to 35s; patent fuel, 30s 6d to 32s; pitwood, ex ship, 26s to 26s 6d.

Iron and steel prices showed no change this week, but business in the overseas market is more active, and shipments of tinplates are heavier than they have been for some weeks past. The dearth of tin is reacting on values, and it is anticipated that at an

early meeting of the manufacturers the minimum prices of tinplates will be increased.

CUMBERLAND IRON.

BY OUR WORKINGTON CORRESPONDENT.

The Cumberland and North Lancashire hematite pig-iron trade has grown steadily worse since it was known what is the attitude of the Miners' Federation to the employers' offer, and there is little hope that it will not become worse still before the industrial

situation clears. The damping down of furnaces in the Furness district may take place any time next week, and West Cumberland, too, is almost certain to be affected. Production is already in excess of demand. Stocks have begun to accumulate at several of the works' yards. The fact is that consumers have no confidence at all in the outlook, and, therefore, they refuse to do business on other than a hand-to-mouth basis, and even that business had dwindled in extent during the past few weeks. Overseas requirements have shrunk to vanishing point, Scotch needs are exceedingly small, and even the Midlands, which may be regarded as the largest consumer outside the district, is now taking little iron. The eleven furnaces in operation between Workington and Carnforth are smelting more iron than can be absorbed. The position would not be so bad were the steelworks at Workington and Barrow busy rolling railway material. In that case the iron output might have been maintained. But at Workington the mills are this week rolling rails for which it was not intended, except for the threat of a strike, to take delivery until May, and it is stated that when the mills close at the week-end they will remain idle for a considerable period to come. Barrow, also, is only lightly employed on railway material, and the order book is in a far from healthy condition. It may be seen, then, that the prospects of production being kept at the present level are not favourable. Prices are not, in the circumstances, a very important factor. They could not be lowered at a time when labour costs are more likely to increase than decrease, and when no one dare enter commitments far ahead. Bessemer mixed numbers, officially, are at £5 15s per ton, delivered at Glasgow and Sheffield, but are quotably lower. Low-phosphorus iron is in weak request, and is wanted only in the Midlands. Manganese alloys are dull, American as well as home business being lacking. Ferro stands at £17 per ton, f.o.b., and spiegel at £9 10s per ton. The iron ore industry in West Cumberland would be more poorly employed than it is were it not that owners are selling below the prices quoted of late to East Coast coke smelters. An order for 10,000 tons to be delivered at the rate of 1,000 tons per week has been received at one of the mines associated with a steelworks. Superior sorts of low phosphoric ore are quoted at 22s to 23s 6d per ton, and ordinary kinds at 17s to 19s per ton. East Coast coke supplies have dwindled this week to 4,050 tons, and next week the total will be considerably less.

The coal trade is steady, and doing fairly well. The Irish demand is so brisk that a larger output than is being raised at the pits, all of which are working full time, could be absorbed. Lancashire shippers are still in the market for Cumberland coal, but as local shippers cannot get landing dates nearer than three weeks ahead it need hardly be said that there is no coal to spare for them. Best round for shipment is quoted at 28s 6d per ton, but this is not the highest figure that is at command. House nuts are 27s 6d per ton, and steam nuts 26s 6d per ton. The local land-sale trade is picking up. Best house locally is 38s 2d at pit. Industrial fuel is not in sharp request. Best steam is 30s and washed steam 29s per ton, delivered.

The 390 coke ovens are all employed, though not at full capacity. The entire make is taken by the smelters of ordinary iron in the district at 25s to 26s 6d per ton, according to carbon content. Residuals are all a good trade. Sulphate of ammonia is in active demand.

METALS.

Tin suffered a sharp decline on heavy realisations, though a large business transpired at the lower range established. Standard, cash, sold from £285 to £286 to £271, and three months £285 to £262 10s to £263 5s. Eastern cables reported sales on the basis of £266, c.i.f. At Thursday's market values advanced sharply. Cash quoted at £273 to £273 5s and three months sold at £267 to £265 10s to £273 5s. The upward movement was continued on following day, standard, cash, being dealt in at £279 10s to £279 and three months £279 10s to £283 to £279 to £280, while finally registered at £279 10s. English ingots £280 to £281. Copper also declined on liberal offerings, combined with lower American advices. A good turnover resulted, including standard, cash, at £66 17s 6d to £64 and three months £68 2s 6d to £65. Continued in good demand on Thursday, and tendency of prices in sellers' favour. Standard, cash, sold at £66 7s 6d to £66 2s 6d to £66 5s, and three months £67 5s to £67 7s 6d to £67 2s 6d to £67 6s 3d. Electro £72 10s to £73 10s, best selected £71 to £72 5s, strong sheets £100, wire bars £73 10s. Lead easier, while quoted at £37 10s to £36 7s 6d as to position. Spelter lower at £35 10s to £35 2s 6d, according to position. Aluminium firm. Home £120, export £125. Antimony, English special brands, £64 10s to £65

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The course of trade at the London wool sales this week has revealed no new feature. Bradford and Continental buyers are active, but there is practically no support from America. Prices are ruling on the level generally expected after the last Liverpool sale, and as most topmakers had advanced their quotations for crossbreds in sympathy with the raw material position, there is little change in the general situation to-day. Demand for merinos remains restricted, and prices are still below the cost of replacement. On the other hand, a good business is being done in crossbreds, mainly medium and low qualities, and quotations show a hardening tendency. It is manifest that the price factor is all-important in the piece-goods trade, and as manufacturers cannot make remunerative prices for Botany fabrics, there is a pronounced leaning towards the cheaper goods. This explains the comparative activity in crossbreds. Most crossbred spinners have their order-books well filled, and while it is possible to pick up good weights of Botany yarns at quite cheap prices, the tendency in crossbreds is decidedly against the buyer. Good 64's tops are obtainable at quite 2d per lb below the price based on the cost of wool, while 2-48's yarn out of this quality can be picked up at all sorts of ridiculous prices, though the market quotation is nominally about 7s 1d per lb. There has been more doing in men's wear during the last few days, and if the good weather continues there should be a satisfactory turnover for the next few weeks. Wholesale fabric buyers, however, are not disposed to do much with the more expensive worsteds. Both on home and foreign account the demand favours the cheaper lines of woollens, and the outlook for the worsted industry is none too bright.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The event of the week has been the opening of the second series of Colonial sales, which took place in Coleman Street Wool Exchange last Tuesday. There was an unusually large attendance of buyers, the favourable turn in the value of the franc bringing together a

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very large number of French and Belgian buyers. It was very patent that a different spirit possessed the majority compared with what was seen at Liverpool a fortnight ago, and the results of the sales confirmed what we anticipated—namely, that France would be a fairly big buyer under favourable financial conditions. When the franc touched 120 to the £ it could not but seriously affect the temper of French buyers in particular, and the more favourable turn of events is all to the good of the raw material. Although France has been a big buyer in Australia and at the Cape, still, trade has been so good and consumption so large that stocks of raw wool are light, and with machinery to be kept running it is patent to everyone that a considerable buy must ensue, otherwise a serious state of affairs will obtain.

The offerings this series are around 119,000 bales, including 13,200 bales of South American crossbreds. Practically speaking there is about 105,500 bales of Colonial wool, and nobody entertains any difficulty in getting rid of these. The offering of Colonial wools for this time of the year has never been known to be so small, and many regard the outlook for the rest of the series this year as anything but inspiring. However, a good strong market will in all probability entice many importers to re-offer their wools, and we are not taking so gloomy a view of future supplies as some.

The series opened under most favourable conditions, merinos making values fully up to the close of last London sales. Of course the selection was very ordinary, and one expected a little more competition from the Continent. We fully expect France to launch out and operate extensively now that the franc has appreciated so materially. Crossbreeds met a particularly keen market, notwithstanding a marked absence of American competition. Bradford is proving to be very keen for 46's and below, while the Continent is giving excellent support for 50's. We consider that fine crossbreeds are a good 5 per cent. higher compared with the close of the first series, medium crossbreeds 10, and coarse crossbreeds 10 to 15 per cent. dearer. New Zealand scoureds and slips have fully participated in this advance.

Messrs H. Dawson and Co. in their "Outlook" stress the difficulty that home trade manufacturers are experiencing in passing on the rise to their customers, also calling attention to the fact that America is by no means participating in the buoyancy and the keen demand for raw wool. All the same, statistically, the position is one of great strength, and it now looks as if there is going to be at least 300,000 bales shortage in the current Colonial clips.

limits. In cloth for China there has been rather less demand, and only scattered sales have been reported in greys and whites. With regard to India, advices from Calcutta are somewhat disappointing, but bleaching, printing, and finishing cloths have moved off to a fairly encouraging extent for Bombay, Madras, and Karachi. Makers of grey shirtings cannot obtain any relief. A restricted business has been done for most of the minor outlets, but fine goods and fancies continue active for the Continent. Quotations in American and Egyptian yarns have gone against buyers, but home users and exporters have resisted the upward movement, and the turnover has not been important. A few more transactions have been put through in twofolds for Germany.

(I.) Comparative Statement of the Cotton Trade.

	Price, Feb. 7. 1924.	Previous Weeks in 1924.				
		Price, Mar. 13.	Price, Mar. 6.	Price, Feb. 28.	Price, Feb. 21.	Price, Feb. 14.
		d	d	d	d	d
Raw Cotton—Fully Mid. American . . . per lb	19 57	17 01	16 95	17 15	17 83	18 99
— Sakellaridis Fully Good Fair Egyptian per lb	33 15	20 60	20 45	20 35	21 60	22 90
Yarns—32's twist per lb	26 25	24 24	24 24	24 24	25	25 25
— 40's wuffs per lb	26 25	25 25	25	24 25	25 25	25 25
— 50's twist (Egyptian) per lb	35 35	35	32	32	33 25	34 25
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	37 9	36 36	36 36	35 35	36 36	37 0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	41 6	39 39	39 39	39 39	40 40	40 9
38-in. ditto, 38 yds, 18 by 18, 10 lbs.	21 9	21 21	21 21	20 9	21 21	21 6
39-in. ditto, 37 1/2 yds, 16 by 15, 8 lbs	19 6	18 9	18 9	18 9	19 3	19 3

(II.) Compared with Previous Years.

	Price, Mar. 19, 1924.	Corresponding dates in				
		1923.	1922.	1921.	1920.	1919.
Raw Cotton—Fully Mid. American . . . per lb	17.01	d	d	d	d	d
— Sekelaria Fully Good Fair	16.14	d	d	8.26	29.18	16.16
— Egyptian per lb	20.60	18.00	18.00	16.00	83.00	87.09
Yarns—32's twist per lb	24.4	23.1	22.0	17.0	62	25
— 40's wale per lb	25.1	22.7	17	16.1	57.2	25.1
— 80's twist (Egyptian) per lb	32	29	28	26	142	49
32-in. Printers, 116 yds. 16 by 16, 33's and 50's	36	0	32	5	d	d
32-in. Shirts, 76 yds. 18 by 19, 32's and 40's	39	35	9	28	57	61.00
38-in. ditto, 38 yds. 16 by 16, 10 lbs.	21	0	18	9	17	9
39-in. ditto, 37½ yds. 16 by 15, 8½ lbs.	18	9	17	6	18	0

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—March 14, 1924.

[illegible]

MANCHESTER, March 20.

Prices in the market have tended to harden, and spinners and manufacturers continue to present a firmer front to buyers. Inquiry has been of considerable dimensions, but a large part of it has been at unworkable rates, customers abroad being slow in raising

THE TIMBER TRADE.

Since the last report under the above heading appeared in *The Economist*, the timber market has assumed a more cheerful aspect, and the outlook appears promising for merchants. Stocks of building woods are still of good volume for the time of the year, but on the other hand the demand is on the upward grade, and, with a later opening of navigation, owing to the prolonged winter, the position is more favourable to holders of stocks than was the case a month ago.

The importation of building timbers in February was not so large as that in the second month of 1923, but the decrease last month was more than made up in January. Noticeable increases in our imports of building timbers are from Russia, Finland, and Poland.

Spot prices for building woods, with the exception of deals, which are still in small request, have shown a tendency to firm up over the month, in part due to the demand and also to the firmness in the free-on-board market. The building trade continues to be the principal buyer; the municipalities are building fairly freely, and builders are well in the market for timber for "immediate sale houses." It is interesting to note the wide margins of prices between the accepted tenders for edifices conducted by municipalities and those at which the would-be owners of small houses are asked to pay, but even in the former, tendered for in large quantities, it is reported that prices are advancing, owing to the increased prices of materials.

So far as timber is concerned, f.o.b. prices are a little under the highest rates of last year, and with the additional costs due to the dockers' increased wages to be paid by the consumer, there does not appear much hope of a great reduction in spot prices, unless the weight of supplies in the summer or autumn brings values to a level that will assist in lowering the cost of new houses, which is not unlikely, and Russian, Latvian, Polish and other mid-European timbers therefore should be encouraged as much as possible. In other sources of consumption of soft goods, in the making of packing cases, and for general work, the demand continues very moderate, and will remain so until trade generally is better.

In the hardwood trade supplies of furniture woods have been coming in very freely, and, considering the heavy supplies imported last year, the consumption of this class of material for furniture and general work must be heavy. The remarkable feature of this section of the trade is the very large quantities of oak, ash, walnut, and other hardwoods coming from the United States for furniture, agricultural implement and general work. In mahogany logs the demand continues good for the better quality wood, prices remaining very firm and also steady for the imported sawn mahogany, but for the latter the shippers' high ideas to some extent are restricting consumption.

In the pitwood section of the trade, imports have been lighter than of late. The imports from France still dominate our pitwood market in the South Wales coalfields.

VEGETABLE OILS AND OILSEEDS.

Markets on the whole have been quiet, but prices generally steady. Raw linseed oil at the lower range of values has met with a good demand from the consuming industries, and advanced at one time to over £38, since when it has eased to £37 10s spot, and £37 5s March-April delivery ex Hull mill. Thanks to ample supplies of seed, oil is plentiful and equal to all demands. Cotton oils for the most part have been weak and declining, but have improved towards the end of the week, crude Egyptian offerings at £41 and technical (soapmakers') grade at £43 5s per ton ex Hull mill. Other vegetable oils show but little change on the week except palm kernel oil, which has declined to £39 10s spot. In the oilseed section the tendency of linseed prices has been downward, with only a moderate trade demand. Current value of Plate on passage to Hull is £18 s 6d, while £18 has been paid for March loading to Hull or London. Cottonseed has rallied to the extent of 5s or more per ton. Demand for oilcakes is disappointing and prices easier. Consumers are evidently holding aloof in the hope of further reductions.

HIDE AND LEATHER TRADES.

(BY OUR OWN CORRESPONDENT.)

There was a further weakness in the Bermondsey hide market on Thursday, and little business was done, one class only of light

best ox selling at 63d per lb. Two classes of seconds sold at 73d and 78d, showing a drop of 4d on last prices. Cows remained unsold, and kips showed a drop of 4d. Best calf made from 7d to 153d, declines of 3d to 4d being noted. Wools were firm at 8s to 16s, hogs making 5s to 21s. Tanners are very cautious buyers of foreign hides in view of the weaker market, whilst the Continental demand has dropped off a good deal. Dry hides are also weaker, B.A. Americanos having been sold to the Continent at 10d, c.i.f. The Chicago hide market is still cabled as weak, with 14 cents being quoted for best heavy packers.

Business in sole leather has been rather quieter in Bermondsey this week, the demand for repairing bends being especially slow in view of the dry weather. Ten to 12 lbs average have been going out at full prices, English and wet salted selling at about 26d to 34d per lb. Offal is in a firm position, and light bellies for insole purposes difficult to obtain in bark tannages.

The upper leather position is rather better, and prices on all calf stock show advances in view of the lessened import of German and French box and willow leather. Black glacé kid is wanted as much as ever in the cheaper grades, and of late there has been a better demand for coloured kid. Patent is also very popular, and here again the advance in German and American stock keeps the market very firm. Suèdes are being asked for rather better, but it is even now uncertain whether this class of material will be popular with women this season.

The light shoe trade is improving, but Leeds and Bristol makers complain very much of the difficulty in obtaining orders for men's heavy boots.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, March 21.

SUGAR.—The general tone of the market is quiet, as manufacturers and distributors show no disposition to depart from the hand-to-mouth policy followed for some time past, in view of the near approach of the Budget. Of British refined, Messrs Tate and Lyle's cubes quoted 64s 9d to 65s 9d; crushed, 63s 3d; granulated, fine and coarse grain, 62s 7½d; No. 1, 62s 4½d; No. 2, also London and T.L., 62s 1½d; ditto, month forward, 62s; April, 62s; May-June, 62s 3d; yellow crystals, spot, 57s 7½d; caster, 62s 9d to 61s 1½d; finest 64s 10½d. White Java, spot, 59s 6d to 59s 9d; May-June, steamer 25s 9d; June-July, 25s; July-August, 24s, c.f. and i. terms London. Czecho granulated, spot, 60s 6d; April-May, 30s 6d; November-December, 23s 6d, f.o.b., Hamburg. Cuban basis, 96 per cent., March-April, 27s 6d, c.f. and i., U.K. Cane-jaggery, April-May London, sellers, 16s 6d, c.f. and i. White terminal market easier with transactions on a fair scale. March sold, 32s 6d; May, 29s 7½d; 28s 9d; 30s, 29s; August, 27s 4½d, 26s 9d, 28s, 26s 10½d; November 23s 3d; December, 23s 1½d, 23s 3d cwt.

COFFEE.—A generally quiet tone characterised this market during the week, and any change in prices proved against sellers, who showed some desire to meet buyers. Bold sizes of Costa Rica, sold 139s to 170s; with fancy blue, 181s; with peaberry, 166s 6d to 181s 6d. Nairobi bold, 112s 6d to 129s.

COCOA.—Only retail transactions occurred in spot parcels on former terms. Accra F/F grade, March-May, sold, 35s, f.o.b. terms Grenada, in auction, sold, 50s to 52s 6d; St Lucia, 48s to 50s 6d; low 28s to 30s; Trinidad, 56s.

TEA—A quiet condition of affairs was the salient feature during the week, with only small clearances being made from bonded warehouses, owing to the near approach of the Budget announcement. With the exception of a few fine liquoring qualities, prices were easier. 55,514 packages Indian, 20,600 Ceylon, and 6,500 packages Java and Sumatra were brought to auction during the week. Fine grades steady, but common marked a sharp decline.

RICE.—Quietly steady. Rangoon two stars, spot, 16s 6d. Japanese peas, spot, 21s 6d. Rangoon haricot beans, 10s 6d. - Madagascar butters, new crop, 34s cwt.

SPICE.—Pepper steadily held, but trade rather quiet. Black Singapore, March-May, L.S., quoted 5d; Lampong, August-October 4½d; Muntok, March-May, 4½d; April-June, 7½d; March-May, 8d; Zanzibar cloves, March-May, is ½d. Singapore flake Tapioca, fair quality, spot 3½d; fine Java, 4½d lb. Sago flour, January-March quoted 15s 10½d; February-April, 15s 6d; March-May, 15s. Desiccated coconut, fine cut, spot 41s 6d; medium, 43s 6d cwt. In auction 1,730 barrels St Vincent Arrowroot offered and bulk spot, good to fine, grocery 11½d to 1s 1d; good manufacturing, 10d to 10½d per lb.

JUTE.—This market exhibited quiet features and prices eased, though sellers were not unduly pressing. First grade, February-March, Continent, quoted £26 10s; March-April, £27 10s; April-May, done, £28 to £27 15s; May-June, £28 10s to £28. Hessians and twills quiet, but prices mostly unchanged.

HEMP.—Manila very firm, with few first-hand offers in the market, and a good inquiry was in force. J grade, February-April, quoted

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OILSEEDS.—Linseed irregular, but steadier, with a fair demand. Indian: Calcutta, afloat, £20 10s; February-March, £20 5s; April-

OILS.—Linseed irregular. Spot, net, naked, 39s; April, 37s 9d; May-August, 37s 3d; September-December, 36s 9d. Rape dull. Crude, spot, 48s; refined, 51s. Castor-oil quiet. First pressure, spot, quoted 65s; second pressure, 64s; and pharmaceutical, 70s per cwt. Hull, with London 2s per cwt extra. Cotton dull. Crude Egyptian, spot, 42s; Bombay, 41s; common edible, 49s; deodorised, 51s. Chinawood quiet. Hankow, spot (barrels), 93s; March-April, 91s 6d. Coconut easier. Ceylon, spot, 46s 6d; March-April, 44s 6d; Cochin, ditto, nominally 53s. Soya dull. Oriental, barrels, March-April, 41s. Cod firm. English, spot, 36s 6d to 37s 6d. Groundnuts quiet. English, crushed, naked, spot, 49s 6d; deodorised, barrels, 58s 6d. Turpentine firmer, with a better demand. American, spot, 78s 6d; March-April, 78s 6d. Rosin quiet. American, grades B to G, 13s 6d; WG, 17s 6d; WW, 18s per cwt. French WW, 17s per cwt. Petroleum steady. American, standard white, spot, 1s; and water white, 1s 1d per gallon.

	s	d	s	d		s	d	s	d
Beasts—Herefords			nominal		Beasts—Heavy Bulls				
Shorthorns					Canadian			nominal	
Devons			nominal		Sheep—Downs				
Norfolks					Ewes				
Scottish			nominal		Crossbred				
Irish			nominal		Scottish				
Fat Cows					Lamb—Downs			nominal	

Prices nominal owing to restrictions imposed by foot and mouth disease regulations.

		Per Cwt				Per Cwt	
		s	d			s	d
English	Arran			Majestic	9	6	10
Chief		9	6	Blackland	8	6	10
King Edwards		10	6	New Canary	16	0	0

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

LONDON, FRIDAY.			DRUGS—			INDIA RUBBER—			PROVISIONS—			SPICES—		
COCA—A. Duty, British grown			Alcocs, extra E.L.P., per cwt			Para, fine, 100 lb			Butter—per cwt.			Singapore, fair/white		
22x4d, foreign 22x, cwt.			Cape, good to fine, 40			Plantation crops			Irish—per cwt.			Black Singapore		
22x4d, per cwt.			Cape, 40			INDIGO—per lb			Do factory			White		
Grenada			Opavi			Bengal, good red vio			Australian			Pimento		
Ceylon, plantation			Camphor			Sole to good			Argentine			Cinnamon—lvs		
Seynauil			Japan, refined			Mid. ord. vici red			Danish			Do ind		
OFFEE—British grown			Canton, Ceylon			Low to good ord.			Bacon—eng. Irish			Cassia Lyras		
22x4d, foreign 22x, cwt.			Oaster-ord, Ceylon			Medium dry leaf, good			Danish			Clove—Zanzibar		
22x4d, 100 lb			Oaster-ord, Ceylon			Low to good ord.			Canadian			Panang		
Costa Rica, ord. to mid 100			Oilbann, drops			Kuprah, gd. mid. to gd.			American			Mace		
Good to fine			Japan, to food			Low to mid			Hawaii			Ginger—per cwt		
Ceylon, American, gd.			Indonesian			HERM—per ton			Canadian			Cochin, small rough		
Mid. to mid			Muak, good, China			Japan P.C.			American			Do, wormy		
Mid. to fine			Oil, Cassia			Malacca, B.M.			Lancashire			Jamaica, ord.		
Columbian, ordinary			Peppermint, H.G.H.			N.Z. high point, fair			American boxes, Galb			Narcotic		
Do mid. to fine			Eubrrh, China, fr to			JUTE			Fork—per 8 lbs			Mace		
OHEMIOALS—			DYE STUFFS, &c			Native first marks			Best—Prosen per lb			112s and 110s		
Alum, extra			Galls, China, per cwt			March-April			Cheese-cwt-Canadian			Onions—per cwt		
Ozale, net			Turmeric			LEATHER—per lb			New Zealand			TALLOW—per cwt		
Tartaric, English			Madras, finger			Sole Bends 60 lb			Eng, Cheddar			Good motion		
Foreign			Gambler, black			Do 10 1/2			Dutch			TAPIOCA—		

No. 4,205.

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Treasury bills has sent the market to the Bank fo

THE supply of short money in Lombard Street has again shown some signs of contraction under the influence of the tax collections, the comparative ease of the previous week giving way to more stringent conditions, up to 3 per cent. being paid for night money and $3\frac{1}{2}$ per cent. for loans until Tuesday. Subsequently the necessity of providing for the taking up of the favoured end-of-June Treasury bills has sent the market to the Bank for

a small amount, on the usual terms. Payments for June 30th Treasury bills will probably increase the demand for money next Monday, while on Tuesday the release of funds after the end of the quarter will be offset to some extent by payment for a line of £5,000,000 Commonwealth of Australia Government bills, which have been placed at $3\frac{1}{8}$ per cent., for the greater part of the proceeds of these will presumably go straight into the British Exchequer to meet the interest payment then due on the Australian Government's war debt to the Imperial Government. In spite of the firmer tendency of money, discount rates have remained at a low level in the expectation of easier money conditions in the coming months, and fine three months' bills have been taken at 3 per cent. Although Monday will provide the last opportunity for securing June maturities, there was not much demand for Treasury bills, and the average rate of allotment yesterday was 3 3-32 per cent.

	Mar. 28, 1924.	Mar. 21, 1924.	Mar. 14, 1924.	Mar. 7, 1924.	Previous Rate and Date Changed.
Bank Rate	4	4	4	4	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount/Call	2	2	2	2	1 (Jly. 5, '23)
Houses' Notice	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	1 $\frac{1}{2}$ (Jly. 5, '23)
Market rate (3 months' bills)	3 $\frac{3}{8}$	3	3 $\frac{1}{8}$	3 $\frac{1}{8}$	..

The Bank statement showed an increase of £497,300 in the circulation and a trifling increase in the bullion stock, which left the Reserve £496,600 lower at £22,453,100. The increasing weight of tax collections was reflected in a rise of £2,986,000 in Public deposits, while Government securities were paid off to the extent of £190,000, and Other securities were £1,602,800 lower, the movement, no doubt, being complementary to the expansion recently shown in this item. Private deposits consequently were down by £5,288,000, to a figure only slightly in excess of the £100 millions, which is now regarded by the market as the minimum working balance, and the movement has been reflected in rather higher charges for short loans. Despite the lower reserve, the proportion remained unchanged on the week at 17.6 per cent., owing to the reduction of the liabilities. Currency notes outstanding were increased this week by £492,000 to £281,537,900, which includes £1,401,900 for notes called in but not yet cancelled. The fiduciary issue is £230,686,100, or £17,504,800 below the maximum.

THE STOCK MARKETS.

Under the many unfavourable influences at work during the past week business in the stock markets has dwindled, and prices have become heavy. Gilt-edged stocks, however, have remained fairly firm, and there was a sharp improvement yesterday afternoon, but the foreign market has been very irregular, the further improvement in the franc having failed to help the prices of French bonds. Home Rails are depressed by fears of strikes, but prices rallied yesterday on bear covering. Disappointment with the interim dividend declared by the B.A. Western Co. depressed Argentine railway stocks. The oil market has been erratic, and dealings have been mostly of a professional nature. Industrials, as a whole, are very quiet, and Kaffirs are dull, being largely under the influence of developments on the Paris Bourse.

THE COMMODITY MARKETS.

In some quarters conditions in the commodity markets are under the influence of foreshadowed labour troubles. The possibility of a strike has continued to influence business on the Cardiff coal market. There is a little more inquiry about for pig-iron, but makers are obliged to cut prices. No. 3 G.M.B. Cleveland can be bought at about 90s per ton. The steel works are experiencing transport difficulties through truck shortage. Tin suffered a sharp decline, and copper was weaker. The markets for both oilseeds and oil and cake products have taken an easier turn. Steadier conditions are reported in the hide market at Bermondsey. Tea was in demand, and prices were firmer. Wheat is better on Continental buying. Although the wide fluctuations in raw cotton rates have rather disturbed conditions, a more active demand is noticeable in the trade. The demand for wool is well maintained, and prices remain exceedingly firm.

FOREIGN EXCHANGES.

In the Foreign Exchange market the dominating influence has again been the French franc, or rather the restrictive measures of the French Government, which has reduced business to a minimum and has produced under the present temporary appearance of stability a feeling of uncertainty and unhealthiness. With the forward market practically dead for the time being, it is useless to comment on prospects which can only be adequately judged when dealings on any scale are again made possible. From 82.30 on the 21st, the rate moved steadily, but more quietly down, until at one time, on the 24th, it stood as low as 76.20, after which, on the same day, there was a sharp temporary reaction to 80. Since that time movements, influenced hardly at all by the resignation of M. Poincaré, have been restricted to a range within 78.15 and 80.20, with less business, the quotation yesterday morning being 78.40. Forward rates, as was to be expected, have shown little response to the improvement in spot, being quoted at 2f per month over spot. The Brussels rate has shown a similar movement, following Paris from 102 $\frac{1}{2}$ on the 21st to 100 yesterday morning. Forward rates have again narrowed again considerably to 15 centimes per month over spot. The lira has again remained very steady, moving on the week only from 100 to 99 $\frac{1}{2}$. New York, which has again been very quiet, has moved only from \$4.30 $\frac{1}{2}$ on the 21st, down at one time on the 24th to \$4.28 $\frac{1}{2}$, but recovering again to just under \$4.30, and being quoted yesterday morning again at \$4.30 $\frac{1}{2}$. Although in the normal course the rate at this time of the year would be moving upward, monetary conditions in New York, the uncertainty as to the franc position, and the unsatisfactory industrial outlook, are likely to prevent any appreciable rise. Forward rates have narrowed to parity for one month, $\frac{1}{2}$ cent. above spot for two and $\frac{1}{2}$ cent. for three months. Among neutral currencies Amsterdam has moved rather sharply in our favour from 11.62 $\frac{1}{2}$ to 11.65 $\frac{1}{2}$. Switzerland is rather lower at 28.84 $\frac{1}{2}$, as compared with 24.88 $\frac{1}{2}$ a week ago, and Spain has continued its recovery from 33.02 $\frac{1}{2}$ to 32.80 $\frac{1}{2}$. In Northern Europe Stockholm has dropped away from last week's rise and stands at 16.25 $\frac{1}{2}$, as compared with 16.32, but Christiania has again depreciated from 31.17 $\frac{1}{2}$ to 31.52 $\frac{1}{2}$. Copenhagen, on the other hand, has recovered from 27.56 $\frac{1}{2}$ to 27.22 $\frac{1}{2}$, after being considerably lower. Helsingfors at 172 shows a slight tendency to rise. Riga has, as usual, moved with the dollar, and Reval remains practically stable at 1630 (marks to £). In Central Europe the German mark remains unchanged at 19 billions. It is now announced that the foundation of the gold discount bank proposed by Dr Schacht will take place in the middle of April, all preparations having been already completed. Vienna has risen slightly to 305,000, and Warsaw has again been surprisingly steady at 40 millions. Prague, on the other hand, has gone against us from 148 $\frac{1}{2}$ to 147 $\frac{1}{2}$. Bucharest at 820 remains much the same as before, but Budapest, in spite of the activities of the League of Nations Commission, continues to depreciate, and now stands at 280,000. In the East the rupee shows little change at 15 4 $\frac{1}{2}$ d, and Japan at 15 11 $\frac{1}{2}$ d is the same as a week ago. In the silver market there has been some selling from China, and a little buying from India, but movements have been small. The Hong Kong rate has fallen $\frac{1}{2}$ d to 2s 4 $\frac{1}{2}$ d, while Shanghai has moved from 3s 3 $\frac{1}{2}$ d to 3s 2 $\frac{1}{2}$ d. In South America, Rio from 6d a week ago has appreciated slightly to 6 $\frac{1}{2}$ d, but Buenos Ayres has dropped from 42 $\frac{1}{2}$ d to 42 $\frac{1}{4}$ d. Montevideo has moved from 43d to 43 $\frac{1}{2}$ d, while Valparaiso has appreciated from 44.80 pesos to 43.40 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended March 22nd:—

EXPENDITURE.		RECEIPTS.	
(000's omitted.)		(000's omitted.)	
Supply Services	19,161	From Revenue	23,363
Interest, &c., on Debt	1,045	Increase in Debt	210
Sinking Fund	1,109	Decrease in balances	194
Road fund	1,127		
Sundries	1,152		
	23,587		23,587

Revenue was nearly £2,000,000 down on the week ended March 22nd, at £23,253,000, against £25,293,000. Customs yielded £2,967,000, against £3,314,000, but Excise was £2,899,000 higher at £6,641,000. Estate Duties were lower, at £960,000, against £1,850,000, and Stamps only brought in £130,000, against £1,810,000. Ordinary miscellaneous receipts increased £75,000, but special receipts realised only £7,000, against £376,000. Property and Income-tax amounted to £7,629,000, and Super-tax to £2,990,000, against a combined total of £12,747,000 for the corresponding period. The week's operations increased the National Debt by £210,000, and caused the following changes.

(000's omitted.)		£	
Public Departments	+ 9,650	Treasury Bills	- 9,260
Unemployment Insurance	+ 220	Saving Certificates	- 100
Exchequer Bonds	+ 100	Telegraph money	- 400
	+ 9,970		- 9,760

The floating debt was increased by £375,000 to £776,155,500.

FINANCIAL YEAR, 1923-24 (April 1 to March 22, 1924).

£		£	
Total Expenditure ..	766,374,903	Raised by Revenue ..	814,297,573
Net Repayments	50,474,172	Decrease in Balances ..	2,551,502
Total	816,849,075	Total	816,849,075
ESTIMATES for YEAR 1923-24.			
Ordinary Expenditure ..	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

THE WEEK IN PARLIAMENT.

MONDAY, MARCH 24TH.—Commons: Army and Air Estimates. Adjournment debate on traffic strike.

TUESDAY, MARCH 25TH.—Lords: Third reading of Legitimacy Bill. Dogs' Protection Bill rejected. Commons: London Traffic Bill introduced. Debate on Singapore.

WEDNESDAY, MARCH 26TH.—Lords: Debate on Relations with Russia. Statement by Lord Arnold on Irish compensation. Commons: The traffic strike discussed in debate on Consolidated Fund Bill's second reading.

THURSDAY, MARCH 27TH.—Lords: Debate on agricultural policy. Commons: On third reading of Consolidated Fund Bill, the questions of Reparations and Anglo-French relations debated. Statement on the traffic strike, and Government plans by the Prime Minister.

FRIDAY, MARCH 28TH.—Commons: London Traffic Bill second reading.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Mercantile Bank of India, Eastern Bank, Norwic Union Life Insurance, Metropolitan Life Assurance, Newcastle Electric Supply, Midland Electric Corporation, United Serdang (Sumatra) Rubber, Coliseum Syndicate, Salt Union, Schill Brothers, London and Thames Haven Oil, William Whiteley, and British Aluminium. Mr J. S. Haskell at the meeting of the Eastern Bank said that the outlook for improved trade in the East generally is distinctly encouraging. Mr Haynes S. Robinson at the meeting of the Norwich Union Life Insurance Society reported a large increase in new business. Sir John B. Wimble at the meeting of the Metropolitan Life Assurance Society announced a 3 per cent. increase in the rates of demand for power. Mr Robert Sloan at the meeting of Newcastle-upon-Tyne Electric Supply Co. stated that, owing to increased demands, extensions to generating plant were being provided for. At the meeting of the Coliseum Syndicate Sir Oswald Stoll criticised modern exchange policies and the entertainment tax.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

THE STRIKE AND LONDON'S TRAFFIC PROBLEM.

The omnibus and tramway strike, which for the past week has caused much physical inconvenience to hundreds of thousands of London's workers, threatens to develop into a more serious affair. The tube locomotive men cease work to-night (Friday), and it is not possible to be certain that Mr Bevin may not have further successes in "calling out," as he is pleased to put it, his "reserves." So unless the new peace efforts produce an immediate result all the inhabitants of Greater London are to be deprived of transport facilities, and all those hundreds of thousands who live outside and work in the metropolis are to be gravely hampered in their attempts to reach the places where they earn their daily bread. Why? The main facts have been fairly clearly established by the emergency inquiry which sat last Saturday and Sunday, but which, unfortunately, failed to repeat the success of the recent dock strike inquiry in promoting peace. The Court of Inquiry, in their very succinct report, accept the dual contention, first that, on the basis of wages which are being paid in other industries, the men's claim for a wage increase is justified, and secondly that London's transport organisations, particularly the tramways, are financially unable to grant in full the wage increase demanded. It would, indeed, appear that the employer's have gone to the limit of their capacity in their attempt to secure peace by an offer of a five shillings wages increase, and the submission to arbitration of the question of the further three shillings demanded by the men. The only visible effect of this offer has been to arouse suspicion among the men that the employers, who have, after the strike was in full swing, advanced their terms from zero to five shillings, must be in a better financial position than they have made out. The suspicion is, perhaps, natural, but it is largely unfounded. The crux of the position is that the whole London traffic problem has got into a serious tangle. It is handled uneconomically, and until large alterations in the system have been made, and for some time afterwards, the industry will be unable to bear a level of wages to which the workers may fairly consider themselves entitled. It cannot be cured in the twinkling of an eye; the gordian knot will no more be dissolved by co-ordination proposals of the London Traffic Bill hastily introduced this week than a cancer is cured by a dose of medicine. Meanwhile the public suffer, and may have to suffer more, through the support of other unions to the fight of the traffic employees against a condition of things that cannot be speedily remedied.

The position is serious, and with a view to gaining an insight into orthodox Labour opinion regarding it, we have obtained from a well-informed Labour correspondent the following comments:—"About one aspect of the London Traffic strike there is pretty complete unanimity throughout the various sections that make up Labour opinion. Where any industry is in such a position that it cannot pay its workers adequately, the remedy is not for the workers to go on accepting bad conditions. It is to be found in a change in the organisation of the industry. It is from this point of view that Lord Ashfield's evidence before the Court of Inquiry is seen as holding the key to the entire problem. He was definite as to the failure of competition to grapple with London traffic, its incapacity to serve the public or pay the men properly: equally definite as to the impossibility, so long as that competition continued, of paying better wages to the men. The Government Bill, submitted for its first reading on Tuesday, while open to criticism in detail and not more than a transitional scheme, is designed to secure such a reorganisation, such a control and co-ordination, as, according to Lord Ashfield, will, in the end, enable the industry to meet as a first charge the payment of proper wages to its workers. But it will not bring those changes into operation at once. The men are out for an immediate 8s rise, which they claim as justified, partly by the rise in the cost of living, partly by the speeding up of work. For the sake of 3s, Mr Bevin puts it, the employers are holding London up. To secure this 3s, the Transport Union are now calling out their allies, and threaten a complete paralysis of transport. In doing so they are adopting the

normal tactics of industrial strife. Those tactics differ in an essential respect from the tactics of political Labour, and, in the given case, represent a threat which is resented in many quarters. The industrial and the political movement differ in the philosophy behind them. Labour, on its political side, is committed to democracy, the belief in the majority. It can proceed no faster than the public opinion behind it. The Government Bill, and whatever can be secured by negotiations, represent the limit to which political pressure can go. Industrially, however, Labour still employs, whether consciously or not, the method of minority action; strives to exert the lever of a physical hold-up. Industrially it would argue, it has a weapon which it can only be expected to drop if assured that the objects can be achieved by other means. With a majority Government they might rely upon political action; with a minority they cannot do so, nor would they, in so doing, be fair to that Government. Are they, however, being fair to it as it is? Adherence to direct action is a threat to the Government. It is an expression of impatience which, repeated often enough, cannot but undermine the confidence on which any Government has to rely, and which a minority Government has laboriously to create as it goes on."

Our correspondent is patently correct in saying that the strikers are taking the most effective course to undermine the position of the Labour Government which their votes and the support of their unions have placed in power. That is a serious matter, for another quick change of Government or even the weakening of the authority of the Government now in power is most undesirable at the present stage of international affairs. But the public is more interested in another aspect of the trouble, namely, that the constant recurrence of strikes and threats of strikes are already undermining the confidence of the business world, and are already showing signs of checking the trade expansion which has been progressing for many months and which, under conditions of industrial peace, would, doubtless, continue. As regards the immediate question of the particular struggle now going on the public will stand firmly behind the Government, even though they regard its actions as somewhat dilatory, in whatever measures it may take to maintain a skeleton of London's traffic service; and their support to the Government will be the more determined because they regard the present strike as unjustifiable. The existence of wage grievances is not denied; but a strike against a state of affairs that cannot possibly be mended by strike negotiations, which at the same time causes widespread public inconvenience, is not likely to gain the sympathy of the public.

We confess, however, that we have no great confidence in the Bill hastily introduced this week. There would appear to be three lines on which the problem might be approached:—(1) municipalisation, (2) the grant of a monopoly on condition, of course, of fare control, (3) free and unfettered competition. All are open to objection. As regards (1) we do not anticipate that the L.C.C. would handle the matter as successfully, either from the point of view of financial results or of public convenience, as Lord Ashfield and his colleagues. But on the other hand we doubt whether the present House of Commons would agree to the grant of a monopoly to existing private undertakings, even under strict conditions. The third course, free and unfettered competition, is in theory the most attractive. Anyone who could run a service at a profit would obviously be providing a service which the public finds useful. If he was not serving the public need, and merely encumbering the streets, he would be removed by the natural process of economic law. Services that do not pay will go under. That is all very well in theory, but in practice it is common ground that a real solution demands both some measure of unified control, and the elimination of wastefulness. The Kennedy Jones Committee said in 1920, and the Ullswater Committee repeated last year:—"London requires new tube railways, in all cases linking up with the main line railways; new tramway extensions that will make for greater carrying capacity; a more scientific development of omnibus traffic; and, above all, a just and true perception of the proper functions of each form of transit in order that wasteful competition may be avoided, and each used to its highest efficiency." The solution at present

proposed leaves matters very nearly as they are, except for an advisory body with quite inadequate powers. This intricate problem will not be satisfactorily solved by the strike; or, indeed, in the atmosphere of a strike, which militates against calm consideration. It is so easy to legislate in haste and repent at leisure. It is profoundly regrettable that the men did not return to work on the employers' last offer. The best we can hope is that their colleagues in other sympathetic unions may realise this and build a bridge over which Mr Bevin can retrace his steps before the damage to the public has assumed too grave proportions.

THE FRENCH CRISIS.

ON Wednesday morning the French Government was defeated by 271 to 264 on a motion which had been made a question of confidence by the Finance Minister, M. Lasteurie. The vote was on a comparatively minor issue relating to the proposal to economise on the pensions of Civil servants. M. Poincaré at once placed the resignations of the Cabinet in the hands of the President, and at first refused to consider the possibility of continuing as Prime Minister. But the Press, the political parties, and the President seem to have been unanimous that he should continue, and he has now definitely consented to form a new Ministry. The news of the crisis came as a surprise in London, and probably in most other centres, for though it has been appreciated that M. Poincaré has recently been having a most critical fight, it was thought that the danger had been past when the Senate, by a narrow majority, approved the proposal to give the Government power to impose their financial reforms by decree. Indeed, the decision seems to have come as a surprise to the members of the Chamber itself, which voted to a very large extent by means of proxies.

It is too soon to attempt to estimate what effect, if any, this defeat so soon before the elections will have upon French public opinion, or to gauge the trend of events from it. But there are certain reflections which the incident provokes. British Prime Ministers have not found in M. Poincaré a colleague easy to work with—indeed, it is rumoured that some of his own colleagues in his Cabinet may even be of the same opinion. Members of the British Government might, therefore, be excused for thinking that, with another Prime Minister, even though he held the same views and outlook as M. Poincaré, it would be possible to develop more rapidly a common policy. On the other hand, M. Poincaré, whether it be for his personal qualities or because of the consistency of his attitude in foreign affairs, is an immense political force in France, and if he had chosen to put himself in opposition to or to become strongly critical of the actions of a successor, he might have made his progress impossible. In other words, it is possible that M. Poincaré is the only Prime Minister with whom it is worth while to come to an understanding—a view which is apparently held in Germany, particularly by Herr Stresemann.

But it is often asked in this country whether we are not witnessing a similar movement of opinion in France to that which first undermined the immense prestige, and ultimately overthrew the Government, of Mr Lloyd George. Is there, in fact, going on a movement in France which is not apparent on the surface either in the Press or in the public speeches of politicians? To some of those who put the question the wish is perhaps father to the thought. But the course of events alone can supply the answer. There are, however, reasons for doubting whether the analogy holds good. After all, it is equally probable that M. Poincaré may have gained in prestige as the man who stopped the depreciation of the franc. Even this consideration, however, is double-edged. While the recent recovery in the value of the franc was promptly hailed in France as a great victory, there is another side to the picture. The way in which the appreciation has been carried out has produced difficulty not only for bear speculators abroad, but also for Paris financiers and investors.

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Restrictions have been placed on dealings intended chiefly to affect foreigners; but they have not only destroyed speculation, they have also seriously damaged legitimate business in foreign exchange and created the worst crisis which the Bourse has known for many years. These restrictions, as adopted by the French banks at the urgent request of the Minister of Finance, have prevented the granting of credit to a foreigner against any security whatever, and forced him to pay interest at the rate of 60 per cent. on overdrafts. On the Stock Exchange full cover is required from foreigners, and 25 per cent. from French citizens, for all purchases, while first-class securities are only accepted at 65 per cent. of their actual value instead of 80 per cent, as heretofore. The ensuing rush to cover the huge "bear" position which existed on the exchange market has resulted in very high forward rates. On Wednesday last, for example, the discount for one month forward was from 2 to 3½, and for three months from 5 to 6½. Such rates act as a severe check on legitimate business, since the English exporter will hesitate to sell his goods to France if payment is to be in francs, owing to the loss which he will incur if he covers himself by selling francs forward. In the same way, should payment be in sterling, the French importer will have to pay more in order to cover himself by a forward purchase of sterling. Moreover, the lack of credit is a serious hindrance to firms or banks with a large business in France, in view of the difficulty of having to estimate in advance their actual needs at a time when both the rate of exchange and prices are liable to violent fluctuations. Should they, through any unforeseen delay in the provision of cover, find themselves short of francs, they can only make good the position by borrowing at 60 per cent. It is probable that this provision, more than any other, has a deterrent effect on legitimate business.

On the Bourse, the sudden imposition of the restrictions on all transactions, including those already in existence, resulted in heavy sales. Foreign speculators had invested their holdings of French francs very largely in securities in order to escape the depreciation in value of the French currency. When the necessity arose of covering their "bear" position in the exchange market, a tremendous liquidation of these holdings commenced. In fact, though French Government stocks were only slightly affected, industrials fell on an average from 10 to 20 per cent. between March 9th and 25th, while the more speculative international securities—such as Rio Tinto, Royal Dutch, and De Beers—fell from 25 to 33 per cent. During the last few days the rush has eased, but it is not difficult to see the disastrous effects of such a crisis. In both markets the considerable anxiety still exists as to the settlement at the end of this month. One cannot but feel that the situation would have been dealt with more satisfactorily if the over-weighted "bear" position had been allowed to adjust itself without any restrictions on dealings and with even some assistance in the more serious cases.

The difficulties of the situation will not, however, be confined to financial circles, for the country as a whole finds itself faced with the sharp upward movement of

prices which followed the depreciation of the franc, but is unlikely to follow it in the opposite direction. This rise in the cost of living is felt by every voter. Moreover, if any attempt is made to hold the franc in the neighbourhood of 80, this means that the episode of the last few months will have had the net effect of adjusting the internal to the external purchasing power of the franc, and of doing away with the export bonus which has recently been assisting French industry in foreign competition. Such considerations as these make it extremely difficult to foretell what the ballot boxes will reveal in France two months hence.

A feature of the crisis has been the strong attitude taken by M. Millerand, who brought great pressure to bear upon M. Poincaré to remain in office. In this he reflected the immediate attitude, certainly, of Paris opinion. But if the statement in Thursday's *Matin* was, in fact, inspired by the President, as it claims to have been, it betrays a very remarkable conception of the duties of a constitutional President. The statement declares that except as the result of a general election, French policy cannot be changed. That policy is that France will not evacuate the Ruhr until the total payment of Reparations is completed, that she will establish Budget equilibrium, that she will abstain from loans and enter upon no expenditure not covered by receipts. The President will not accept a Prime Minister who stands for any other policy, and if the country at the elections turns it down, he will resign. Perhaps this remarkable manifesto, if authentic, is meant mainly for home consumption, especially as it represents a very radical departure from the accepted ideas of presidential duties. But in its statement about the Ruhr it is more uncompromising than anything we have had lately from M. Poincaré, and if it truly represents what is to be the future Reparation policy of France, it means an end of the hopes of an understanding with England.

THE DISCLOSURE OF ECONOMIC INFORMATION— THE EMPLOYERS' STANDPOINT.

THE hold up of the railways in January, the docks in February, London traffic in March, and possibly the mines in April—to say nothing of minor disputes—form a series which must make men think furiously about ways and means of avoiding industrial disputes. In a recent article on the Canadian investigation law we called attention to a fairly hopeful experiment which is on the lines along which opinion is surely moving in this country. The idea is that of the League of Nations in international affairs, namely, that there must be inquiry and investigation before and not after war is declared—at all events in the case of public services. We believe that the public is getting to the point where it would be prepared to see the fullest coercive powers of the State used to enforce this rule.

But it is equally clear that prevention is better than cure, and attention can, therefore, be directed with even

greater profit on to ways and means of improving industrial relations. One of these is undoubtedly a franker disclosure as to the facts of industry. In an article last week, we quoted letters we have received from leading members of the Labour Government showing how greatly they appreciate the importance of employers taking work-people into their confidence. It would be idle to pretend that the policy has not its difficulties. But in important cases in this country these difficulties have been overcome, notably in the coal trade, which combines with its policy of disclosure a scheme of product-sharing as a means of fixing remuneration. The iron and steel industries have not in a corporate sense gone so far. But the fact that wages are governed by a sliding scale, and that the prices on which the scale is based are certified from the books of the firms by accountants appointed by the employers and workpeople respectively, have been most valuable factors in securing confidence in the system.

Tentative efforts in this direction are being made by many firms and by some industries throughout the country, and it may be of interest to quote the views of two employers who have direct experience along these lines. The first is that of Mr. C. G. Renold, of Hans Renold, Limited, Manchester, who thinks our suggestions are on the right lines, and that "the effects of such publicity would be very far-reaching in improving relations between Labour and Capital. In our own business here we carry this publicity very far. I think it must be recognised that there are some very real difficulties in following this policy, quite apart from the question of secrecy. The presenting of information on which the policy of a business is settled to a committee of workers places a considerably greater strain on the management. Information which would enable directors, who are familiar through long handling with the details of the business, to arrive at a decision may be far from convincing to a committee of workers who have not the same background of knowledge. I am not, of course, suggesting that the policy of publicity necessarily involves obtaining the permission of a committee of workers, but the policy of explaining does, in the end, entail a need for convincing. This difficulty will, of course, vary from business to business, and will depend on the degree to which the workers are taken into the confidence of the management. I think it will usually be found that costing and accounting methods have to be developed to a greater degree of detail and perfection to enable the position to be put before the workers than would otherwise be necessary. This undoubtedly has its good side, provided it does not involve too great an increase in overhead expense."

The second case is that of Sir Peter Rylands, a director of Rylands Brothers, Limited, the Partington Steel Company, &c., and recently president of the Federation of British Industries. He writes as follows:—"There has been a great deal of talk about the importance of greater co-operation between the employers and the workers, but hitherto the results in actual practice have been somewhat disappointing. The fact is that underlying the workers' attitude is undoubtedly a spirit of suspicion, and the worker's idea of co-operation leads him to approach matters of discussion purely from the personal point of view, as distinguished from the broader interests of the industry in which he is concerned as a whole. In these discussions no doubt the employers also exhibit shortcomings, as in many instances they resent suggestions from the men, and at all events are inclined to think that with their experience of management suggestions put forward by the men from a narrow point of view are not likely to be fruitful. However this may be, the difficulty exists. At the same time, it is an ideal at which we should rightly aim, and as a first step I am satisfied that a fuller knowledge of the actual results achieved by the industry in which the worker is interested is most desirable, and might by gradual steps lead to the full co-operation which idealists desire. I myself have held this view for some years, and have on various occasions advocated the desirability of furnishing aggregate statistics by the employers, revealing fully the amount of profits, dividends, and other salient figures. My advocacy of the principle was successful so far as the wire trade was concerned,

and now for the past four years a considerable number of the leading firms have furnished such figures, which are audited by an independent accountant, and as a matter of interest I may say that in my agreement with the men they have been tabulated under the following heads:—

1. Total capital estimated on the principles laid down by the Finance Acts
2. Total wages, wages being defined as remuneration to all workers in the industry.
3. Salaries. This to include payment to all other employees in the industry, including directors.
4. (a) State and local taxation and payment under National Insurance Acts.
- (b) Amount of excess profits duty.
5. Amounts distributed amongst shareholders and debenture-holders, as interest upon capital.
6. Amount of taxed profit allocated to reserve and special depreciation.
7. Total amount paid for traffic purposes.
8. Aggregate tonnage sales output of the wire from factory.
9. Total coal consumption.
10. Units of electricity purchased.
11. Cubic feet of gas purchased for power purposes.
12. Total number of wage-earners as defined in Clause 2.

It is extremely difficult, for the reasons indicated in your articles, to obtain the acquiescence of employers voluntarily in all industries to furnish information of this kind. My own view is that a trade association is of value, and if properly run, tends to increase efficiency, and as a matter of fact to the actual advantage of the worker, and I think it would be desirable that trade associations should be recognised by law, and given corporate powers, and be in a position to sue and be sued. It is, however, manifest that if such recognition was accorded by the State, it would be desirable that such associations should be subjected to a measure of control, and the most obvious measure (and one which would become increasingly important, should the country decide to adopt a tariff) would be to enact that all such associations should return aggregate statistics of the kind under discussion. I believe that nothing would tend to wear down the suspicion of the workers more than exact information as to the profits earned, and the relation which they bear to wages paid, and gradually it might be that with the removal of that suspicion there would spring up in its place a desire to make the best of the economic conditions, and seek improvement in efficiency, appreciating that the result would be to increase the amount of the wages fund. I am satisfied that there could be no real objection to statistics of the kind suggested, except by industries which are making an undue margin of profit. The staple competitive industries are never in that position, and although during a portion of the period covered by the statistics produced by the wire trade the wire industry was enjoying a high measure of prosperity, there has been nothing in the figures to which the workers have been able to take any exception."

THE QUARTER'S NEW CAPITAL.

THE past quarter has the distinction of providing the smallest total of new capital applications in the first quarter of the year since the end of the war; this is partly accounted for by the fact that the borrowings of the British Government during the past three months have been confined to floating debt operations, and these figures are not included in our statistics. British Government borrowings, indeed, as shown in our figures, are a minus quantity for the past quarter, the repayments of National Savings Certificates during the period having exceeded sales by £1,300,000. The total of other issues in the quarter amounts to over £37½ millions, giving a net figure of £286½ millions in the corresponding periods of 1923 and 1922 respectively, or £42½ millions and £74½ millions, exclusive of British Government borrowings. The following table gives the totals for a number of past years, and for the first quarters of those years, showing the

amounts borrowed by the British Government separately:—

	(Million £'s.)			
	First Quarter.	Whole Year.	First Quarter.	Whole Year.
1912.....	nil	48.0	nil	210.9
1913.....	nil	50.3	nil	196.5
1914.....	nil	97.6	332.5	512.5
1920.....	7.5	135.1	37.5	367.5
1921.....	17.0	63.4	202.3	389.0
1922.....	211.9	286.2	369.6	573.7
1923.....	43.8	86.3	77.5	271.4
1924.....	Dr 1.3	36.0	..	..

In the first quarter of last year the British Government sold over £38 millions of 4 and 4½ per cent. Treasury bonds, and there was a net sale of £5½ millions of Savings Certificates. During the past quarter sales of the latter have exceeded repayments in only two weeks.

In the following analysis we give a classification of the quarterly totals since the beginning of 1919, from which it will be seen that foreign and colonial governments have been responsible in 1924 for more than half the new capital raised in London:—

	(In Million £'s.)									
	Total	British Govt.	Foreign and Colonial	British and Foreign Corpns.	Foreign Rail.	Finance, Mines, & Exploration.	Rubber	Oil	Balance	Mainly Home Industry.
1919—1st quarter.....	291.9	262.6	3.0	..	..	1.0	..	..	25.2	..
2nd ".....	93.9	61.5	..	..	..	4.7	..	..	27.9	..
3rd ".....	517.8	473.4	..	..	..	2.3	..	..	38.8	..
4th ".....	113.8	8.3	11.8	2.4	..	7.3	..	..	69.4	..
1920—1st quarter.....	135.1	9.2	5.5	4.7	1.1	2.2	..	..	107.6	..
2nd ".....	38.0	9.7	2.5	..	..	2.6	..	..	6.6	..
3rd ".....	61.2	4.9	..	14.2	..	3.3	..	..	31.0	..
4th ".....	73.2	15.5	4.0	..	..	4.6	..	..	39.9	..
1921—1st quarter.....	63.4	17.0	9.3	..	..	1.4	..	..	15.9	..
2nd ".....	65.3	3.1	23.7	..	..	8	..	..	24.1	..
3rd ".....	57.9	39.1	5.3	..	..	1	..	..	9.1	..
4th ".....	202.4	143.6	41.2	2.8	..	1	..	..	13.7	..
1922—1st quarter.....	286.2	211.9	20.1	8.4	14.7	1	..	..	21.9	..
2nd ".....	162.6	92.4	34.6	3.3	..	5.4	..	..	19.4	..
3rd ".....	61.9	42.5	..	..	..	1.6	..	..	17.5	..
4th ".....	63.9	22.9	18.2	1.2	..	0.3	..	..	17.8	..
1923—1st quarter.....	86.9	43.8	18.1	..	..	3.2	..	..	15.4	..
2nd ".....	95.1	20.0	47.3	..	1.4	3.7	..	..	21.6	..
3rd ".....	25.4	4.9	1.1	..	3.5	1.5	..	..	14.2	..
4th ".....	64.7	9.0	29.3	..	..	7.1	..	..	18.1	..
1924—1st quarter.....	56.0	Dr 1.3	19.1	3.2	..	3.4	..	..	11.3	..

* In 15 months after April, 1920, £80,000,000, mostly Housing bonds.

The amount taken for home industry in the past quarter, it will be seen, is the smallest in the period covered by the table, with the exception of the third quarter of 1921. Of the total raised this year by foreign and colonial governments, the former account for the bulk of the total, whereas in the first quarters of the three preceding years the position has been the reverse, as may be seen from the next table. This is accounted for by the big Japanese Government issue in February:—

Analysis of New Capital Applications.

	Total for First Quarters of Years.			
	1921.	1922.	1923.	1924.
British Government loans.....	17,073,800	211,833,100	43,775,200	Dr 1,300,000
Colonial Government loans.....	7,399,600	16,490,000	12,567,300	4,900,000
Foreign Government loans.....	1,930,000	3,574,600	5,594,000	14,210,000
Foreign Corporation and County loans.....	9,431,200	5,555,300	nil	780,000
Colonial Corporations.....	500,000	960,000	1,495,500	321,300
Colonial Corporations.....	nil	2,850,000	nil	2,412,500
Colonial railways.....	nil	nil	1,199,700	nil
Foreign railways.....	nil	14,687,500	523,000	nil
Foreign mines.....	233,700	35,000	522,500	nil
Australian mines.....	233,700	nil	773,600	150,000
South African mines.....	25,000	62,500	130,000	1,787,000
Other mines.....	..	..	..	..
Exploration, financial, and investment trust.....	1,157,500	nil	1,790,700	1,550,300
Breweries and distilleries.....	520,000	nil	3,480,000	81,000
Merchants, importers, &c.....	8,163,000	1,700,000	1,719,000	2,726,200
Manufacturing.....	1,000,000	1,170,500	990,000	nil
Stores and trading.....	380,300	100,000	684,800	29,800
State and land.....	273,400	30,000	1,593,900	152,100
Rubber.....	9,598,400	9,050,000	3,562,500	142,500
Oil.....	380,000	3,500,000	1,793,200	992,500
Iron, coal, steel, and engineering.....	..	..	..	..
Electric light, power, and telegraph.....	372,500	1,161,700	1,175,000	750,000
Tramway and manufacturing.....	92,500	232,500	..	731,500
Motor traction & manufacturing.....	705,700	806,600	53,400	nil
Gas and water.....	..	..	..	..
Hotels, theatres, and entertainments.....	1,383,900	978,900	50,000	392,500
Patents and proprietary articles.....	2,243,200	9,797,200	550,000	1,775,000
Ships, boats, and shipping.....	4,000	920,700	230,100	nil
Docks, harbours, and insurance.....	478,400	1,569,500	1,980,500	2,827,000
Miscellaneous.....	..	..	..	..
Total.....	63,382,100	286,207,100	86,251,500	35,012,800

Our figures do not include loans issued entirely for purposes of conversion, and the New South Wales and Union of South Africa 5 per cent. loans are thus excluded. The total under Colonial Government loans consists of the

Southern Rhodesian issue of £3 millions in 5 per cents. at 98, and the Western Australia £2 millions loan on the same terms. Of the Japanese loan in February for £25 millions, £12 millions was allotted for conversion from the 4½ per cent. loan of 1905. The terms were 6 per cent. at £87½, the figure given in our table for the remaining £13 millions being, therefore, £11,375,000. The Siamese Government loan this week for £3 millions in 6 per cents. at 95½ is the only other foreign government loan during the quarter. Newport (Mon.) is the first British corporation to borrow since the last quarter of 1922. The issue was in 5 per cent. stock at 97½. This week's City of Amsterdam 5½ per cent. loan of £2½ millions at 96½ is the only foreign corporation issue in the quarter. The bulk of the total in the mining group is accounted for by the National Smelting Company's issue of £1,500,000 7 per cent. debentures at 99. Under the financial and investment trust group there were five issues, all in ordinary shares, of which the largest was 50,000 £10 shares by the Caledonian Trust at a premium of 10s per share. The principal issue in the manufacturing group was the Anglo-Newfoundland Development issue of £1,250,000 in 6 per cent. second mortgage bonds at 98. Other important issues were made by the Hoffmann Manufacturing Co., £500,000 in 7½ per cent. preference shares; Vickers, Limited, £2 millions in 5½ per cent. debentures, of which £1½ millions were for redemption of 7 per cent. notes; Sheepbridge Coal and Iron Co., £500,000; United River Plate Telephone Co., £540,000 in ordinary shares; British Columbia Electric Railway, £731,500; S.T.D. Motors, £487,500; Bank Line, £1,775,000 in 5 per cent. debentures; J. Lyons and Co., £575,000; and James Finlay and Co., £1,337,500 in £1 ordinary shares issued at £2 10s.

Our next table shows the destination of the new capital raised in the first quarters of a number of past years:—

DESTINATION OF NEW CAPITAL.

	First Quarters of Years.					
	1913.	1920.	1921.	1922.	1923.	1924.
United Kingdom—Government.....	£ nil	£ 7,450,000	£ 17,073,800	£ 211,833,100	£ 43,775,200	£ Dr 1,300,000
Other.....	7,542,000	111,664,500	24,922,900	28,322,400	10,821,500	9,469,900
Brit. Possessions—Government.....	7,542,000	119,124,500	41,996,700	240,215,500	54,596,700	8,169,900
Other.....	7,626,600	5,470,000	7,399,600	16,490,000	12,567,300	4,900,000
Foreign countries—Government.....	14,327,500	7,518,300	2,373,900	2,357,000	7,711,500	5,562,700
Other.....	21,954,100	12,988,300	9,773,500	18,847,000	20,278,800	10,462,700
Foreign countries—Government.....	3,523,600	nil	1,930,000	3,574,600	5,594,000	14,240,000
Other.....	17,325,000	2,981,700	9,681,900	23,570,000	5,782,000	3,160,300
Grand total.....	20,848,600	2,981,700	11,611,900	27,144,600	11,376,000	17,390,200
Grand total.....	50,344,700	135,094,500	63,382,100	286,207,100	86,251,500	35,012,800

If the borrowings of the British Government be eliminated, we find that the proportion of new capital going overseas has been fairly steady in the past three years; but while the percentage is much higher than in 1920 and 1921, it is substantially below that shown in 1913.

The reception accorded to the various large issues made during the past quarter has been by no means uniform, and does not appear to have borne any very close relation to the actual terms of issue. Underwriters have been left in several instances with large proportions of the issues on their hands, but in the majority of cases prices have not gone to a very large discount. The Japanese loan stands at 3¼ premium, British Columbia Electric Railway debentures at 6¼ premium, Western Australia and Southern Rhodesia loans at ½ premium, and the 8 per cent. notes of S.T.D. Motors at 4 discount.

THE BRITISH LEATHER TRADES.

(BY A CORRESPONDENT).

ALTHOUGH the past year opened up badly for the leather trade, it has shown a gradual improvement, and 1923 closed with a much better feeling in the allied industries. The economy practised by all classes of the community had the effect of increasing the demand for the commonest grades of both sole and dressed leather, whilst the financial position was regarded as extremely weak, credits being restricted even to the largest consumers. Continental demand was also hampered by the fluctuation of the ex-

changes, and imports of American sole leather were affected by the same cause. Towards the half-year, however, an improvement set in, and higher grades of leather were gradually demanded; tanners pursued a cautious policy, and as they worked in only sufficient hides to cope with the demand, prices showed no tendency to fall, and both producers and consumers began to feel more confidence in the future of business. Chrome leather tanners have, however, had rather a bad time owing to the continuous supply of German box and willow calf which, in many cases, was offered at prices often below the cost of production in this country.

Turning to the overseas business done as shown by the Board of Trade figures for 1923, it is satisfactory to report a decided improvement in many directions. The imports of leather and manufactures thereof for last year amounted in value to £11,906,960, or an increase of £633,318, as compared with 1922. On the other hand, exports of leather and leather goods for 1923 were valued at £5,766,159—an increase of £646,796 as compared with 1922. It might be mentioned, however, that quite a large proportion of the value of imported leather is made up of rough tanned leather from India, Australia, New Zealand, and elsewhere, which is further finished, and provides work for thousands of skilled operatives, whilst some of it is, of course, re-exported. Judged by the test of imported hides, it is safe to assume that tanners are in a much better position; in 1922 the total weight of wet-salted hides amounted to 589,265 cwts, rising in 1923 to 791,283 cwts. Dry hides imported also show a decided increase from 521,054 cwts in 1922 to 606,101 cwts last year. Woolled sheep and lamb skins declined from 757,386 cwts to 556,319 for the two years under review, probably owing to the intense demand for sheepskins from America and the Continent. As re-exports of imported hides showed little difference last year as against 1922, it is clear that a good deal more raw material has been worked up by British tanners.

As regards imported leather, the total value in 1922 amounted to £10,727,025, increasing last year to £11,076,463, dressed leather accounting for £6,846,611 and £6,333,182 of the totals. Space will not permit of an exhaustive analysis of the figures, but it is important to note that the German bill for undressed leather was £7,215 in 1922, and advanced to £119,075 in 1923, America's showing a slight decline at £561,863 and £515,845 respectively. Rough leather (hides) sent from British India totalled 140,112 cwts (value £1,007,908) in 1922, advancing to 250,330 cwts (value £2,014,478) in 1923. Colonial heavy leather imports show little alteration on comparison, Australia and Canada sending rather more, whilst New Zealand showed a decline.

Imports of tanned goat skins for 1922-23 reached a total of 34,901 cwts (value £688,505) and 26,582 cwts (value £450,715), the bulk of the supply being of East Indian origin. Imports of tanned sheepskins for the same years were 68,518 cwts (value £918,876) and 68,374 cwts (value £921,057), India supplying tanned sheepskins in 1923 valued at £647,053, as against £600,919 in 1922.

Reviewing briefly the countries of origin of imported dressed leather, the main business has been done by the United States, whilst in certain classes France and Germany have increased their trade with Britain during the last year. The values of imported glacé kid for 1922-23 were £2,028,311 and £1,971,439 respectively, America accounting last year for £1,597,386, France £137,464 and Germany £85,487. Imports of patent leather for 1922-23 were valued at £1,110,472 and £1,078,945, America sending this class of leather last year to the value of £583,727 and Germany £115,875. Under the heading of "All Other Sorts" the value has dropped from £3,707,828 to £3,282,798 for 1922-23; this class includes chrome calf and side leathers, and the value of the German business amounted last year to £670,156, as against £598,841 in 1922, France's share in 1923 being £798,541 and America's £968,675. Boot and shoe imports show an advance from £1,036,234 to £1,147,951 for 1922-23, the bulk of the business being probably due to increased trade with Switzerland, America and Germany.

Imports of leather gloves continued on a larger scale, increasing in value from £1,206,898 in 1922 to £1,357,059 last year. The poor state of overseas trade

is plainly shown by the export figures relating to hand-wear, as the value of exports for 1922-23 amounted to £134,708 and £116,655 only, against the formidable import above mentioned.

Coming down to export business in other sections of the leather trades, the most satisfactory sign is the big increase in the export of boots and shoes during the past year. In 1922 the value of British exports of leather footwear amounted to £2,825,937, increasing in 1923 to £4,320,936. An analysis of the figures, however, shows that the increase is mainly due to Colonial trade, the chief outlets for 1923 being British South Africa with £848,736; East India, £125,341; Australia, £112,404; New Zealand, £821,046; and British West Indies, £135,349. Apropos of the Australian and New Zealand trade, some anxiety is felt here at the agitation now going on in those markets in connection with the rebate given to British-made boots and shoes containing German leather. France, by the way, bought British-made boots to the value of £73,264 only in 1923, as compared with £204,025 in 1922, whilst the trade with the Netherlands has fallen from £178,090 to £88,827 for the same periods.

Although the export in leather has been much hampered by the fluctuations in the various exchanges, yet the latest statistics give cause for satisfaction. In 1922 the weight of exported British leather totalled 230,201 cwts (value £3,752,800), as compared with 260,032 cwts (value £4,123,751) during 1923. The largest consumer of British leather during last year has been the United States with £1,304,727 to its debit, followed by France with £718,372, Germany £167,352, Belgium £145,449, and the Netherlands with £85,564. As leather to the total value of £4,123,751 was sent overseas last year, as against £3,752,800 for 1922; which speaks well for the enterprise of our tanners and curriers at a time when it is extremely difficult to obtain and finance business of any kind.

The less important items in export business include leather belting; the trade is fairly satisfactory, but shows little advance, as its value in 1922 was £519,830, and in 1923, £559,891. This section of the leather business is, however, greatly competed for by America and the Continent, whilst textile substitutes play an increasing part in this direction. In view of the rapid increase in mechanical transport and haulage, much progress in the export trade in saddlery and harness can hardly be looked for. Still, the value of the business done in 1922 has jumped from £184,461 to £289,197 in 1923. The chief customers include the United States with £57,078, South Africa £56,219, East Indies £15,306, Australia £21,461, and other countries £86,117. Under the heading of "Other Sorts," the British export business last year amounted to £793,320, as against £662,272 for 1922, and as this includes an infinite variety of leather goods, such as travelling requisites, fancy goods, &c., it is clear that our manufacturers are fully alive to the possibilities of export business.

So much for a brief review of leather trade conditions during 1923, and as trade at the end of February this year is quite good in most directions, it is to be hoped the efforts of tanners and dressers will be better rewarded than was the case in 1923. The fly in the ointment of the tanner is the high price of hides both here and overseas, and the immense difficulty in obtaining adequate advances for sole leather. Most boot manufacturers plainly state they are quite unable to pay more for leather owing to the lower price of footwear, and at once work in cheaper bends from dry hides if wet-salted are too dear. Still, the peak price of hides seems to have been reached, as there were slight declines at last week's Bermondsey auctions, several classes of best hides, in fact, not finding buyers. Calfskins remain very dear, the cause being—according to light leather tanners—the demand from the United States for them in this market. The prohibition on the export of French skins is also causing the position to assume a firmness which is not pleasing to chrome tanners.

All kinds of upper stock are meeting with a brisk demand, and prices of box and willow calf show substantial advances since the opening of the year. Imports of this class of leather are again shown under separate headings

in the official figures for January last, and it is significant to note that the value fell in January last to £19,220, as against £73,564 in January, 1923. It is, however, known that some of the German leather has been coming in via Holland, and is not therefore shown as of German origin. For the same periods, imports of glacé kid dropped from £202,479 in January, 1923, to £162,139, patent from £108,177 to £92,743, and other sorts from £206,023 to £120,690, so that it is evident our light leather tanners are meeting with less competition from overseas, owing partly to the American exchange, and the refusal in November last of the German Government to pay reparation duty. However, as this has now been brought down from 26 to 5 per cent., some of our chrome leather manufacturers are already prophesying a dump of leather from Germany. This, however, is not likely, as costs of production are advancing in Germany, and, furthermore, tanners are getting better prices on the Continent than is possible here.

Generally speaking, the allied trades seem confident of a better trade this year, and it is to be devoutly hoped no further labour troubles will crop up to destroy confidence.

DEBENTURES—I.—FLOATING CHARGES AND TRADE CREDITORS.

(BY A CORRESPONDENT.)

MR EDWARD MANSON, in his well-known book on Debentures, commenting on the immense sums companies have been able to borrow from the public, remarks that "the security which the company offers in the shape of debentures or debenture stock is one which covers the entire undertaking, property, and assets of the company—a security so advantageous to the holders as to constitute almost an injustice to the general creditors of the company."

A debenture—to adopt one of several judicial definitions that have been given—means a document which either creates a debt or acknowledges it. That is all. An I O U signed by John Smith would be a debenture. Usually the word is associated with an acknowledgment of indebtedness issued by a company, and the obligation or covenant to pay is in most instances accompanied by some charge or security, but these features, it is important to note, are not of the essence of a debenture. The term is not, either in law or commerce, a strictly technical one; it may be applied to any document which is a mere promise, by an individual no less than by a company, to pay, though, in modern parlance, it is most frequently used to denote a promise or covenant issued by a company, which, more often than not, is supplemented by a charge on property.

In some instances—as the sentence quoted at the commencement suggested—the advantageous position of debenture-holders, whose claims are well secured, contrasts markedly with that of the ordinary creditors of a company. This is often so much so in cases of winding-up on insolvency that restrictions have been proposed on the power of companies to charge their property, especially on their power (which is much more extensive than that of individuals) to charge after-acquired property by means of the form of security known as a floating charge.

This question—whether the power of a company to give a floating charge over its whole undertaking, including future property, ought to be abolished—is the main subject intended now to be discussed. At the outset let it be made clear that any proposal for a restriction of the charge-making powers of companies will be based not alone on the ground that the interests of trade creditors should be protected. Floating charges, curiously, are open to challenge not only from the point of view of ordinary creditors, but also from that of investors. The issue of unsecured debentures being unusual, many people assume, almost as a matter of course, that, if they buy debentures, they obtain an investment which is good because secured by an effective charge upon the property of the company.

The fact that there are many degrees of security receives much less attention than it should. Though the Committee of the London Stock Exchange rightly object to debentures being described as "mortgage debentures" unless there is a trust deed conveying the legal estate in the security to trustees for the debenture-holders, the words "debenture" and "debenture-stock" are too loosely used, and the degree of security or priority in the event of the winding-up of the company is too little considered. The public do not sufficiently appreciate that a debenture depending upon a floating charge may prove, in the event of the company's business not prospering, to be very ill-secured, and this false assumption of security is undesirable. The investment aspect will, however, be further discussed after dealing with the creditors' point of view.

In recent years the practice has greatly developed of issuing debentures secured by a charge which "floats" over all the assets, present and future, of the company, but does not specifically attach to any property until, in certain events, such as failure by the company to pay interest, or the passing of a resolution to wind up, the charge "crystallises" and becomes enforceable. A floating charge is, as is well known, a charge not on any specific property, but on the whole undertaking of a company, and in general on such assets as the company giving the charge may from time to time own. The company may freely mortgage or sell and buy afresh, despite the floating charge, so long as what it does is in the ordinary course of its business. If the company prospers, all is well, but, as the Report of the Company Law Amendment Committee of 1906 pointed out, "Cases of insolvency sometimes occur, and then the unsecured creditors very commonly find that they are postponed to creditors having floating charges, whether recently created or not, and that the assets are insufficient to meet such charges. There are, too, some cases in which a floating charge is framed and utilised for the purpose of entrapping unsecured creditors, as where the holder of a floating charge is in close touch with the company and deliberately watches the position, and then, if any unsecured creditor seeks to enforce payment, promptly applies for the appointment of a receiver."

The majority of the Committee thought that for the most part floating charges, while facilitating the raising of money, did not interfere with the general creditors of a company to such an extent as to justify a recommendation for their abolition. The power possessed by a company, as distinguished from an individual, to give a floating charge over its future property, is, it should be remarked, peculiar to companies subject to English law. Neither Scotland, France, nor Germany recognises such a right, and a minority of the Committee of 1906 (after referring to the hardship sometimes suffered, where the power to create floating charges is abused, by ordinary unsecured creditors who have supplied goods on credit) expressed the view that a company ought to be rendered incapable of charging after-acquired chattels, or future book debts, or other property not in existence at the time of the creation of the charge.

The contrast between a company and an individual is that a charge given by an individual is not effective against a trustee in bankruptcy unless possession is taken under the charge before the bankruptcy, whereas a floating charge given by a company is effective in the hands of the holder without seizure before the insolvency of the company. This anomaly has never been favoured by commercial men. The same contrast exists between English and Scottish companies. The latter have no greater power than individuals. In a recently published brochure on the distinctions between the laws of England and Scotland as to companies, Mr G. W. Wilton, K.C., remarks that "It does not seem right that companies should be allowed to trade in England in a way not open to the individual trader." He condemns the "iniquitous results" of floating securities, without which Scottish companies have no difficulty in obtaining financial aid.

If floating charges are not really needed to facilitate the raising of money, the suggestion that the power of a company to charge after-acquired assets should be cancelled can, in the interests of unsecured creditors, be urged on very strong grounds. The interests of investors remain for consideration. That side of the subject will be dealt with in a further article.

TRUSTS AND ANTI-TRUST LEGISLATION IN THE UNITED STATES.—II.

THE Federal Trade Commission has been extremely active since its formation, and its proceedings have given rise to considerable controversy. That it has done much useful work as regards both combinations and unfair methods of competition is beyond question; but it has been fiercely attacked, it appears not to be much in favour with the Republican administration (it was a Democratic creation), and it is evidently viewed with considerable jealousy by the Courts. As regards this last point the Commission, in its most recent annual report, refers to a decision (in the Gratz case) which held the term "unfair methods of competition" in the Federal Trade Commission Act to be inapplicable to practices not hitherto regarded as opposed to good morals or public policy, and thus limited the Commission's repressive powers to precedents established under common law and judicial decisions, and also, in the Commission's own words, "attached to the Commission's procedure a rule of pleading comparable in strictness to that governing a criminal indictment." From the establishment of the Commission to the end of June, 1923, there were 23 cases of appeals to the Federal Courts to set aside orders made by the Commission; in 13 the orders were sustained, and in 10 they were reversed. There had been eight cases in which the Commission's powers to require reports from corporations, and compel access to records, were challenged—they were all decided against the Commission, and all except one were under appeal at the end of June, 1923.

One of the most interesting illustrations of the work of the Commission and its general position is its investigation of the meat-packing industry, which has for many years past furnished the critics of combination with their main subject of attack. It was mentioned in the previous article that a prosecution of the meat packers had failed in 1912, but in 1917 the Federal Trade Commission made a new inquiry, as part of a larger one directed by President Wilson into the "production, ownership, manufacture, storage and distribution of foodstuffs." Its conduct of the inquiry aroused the fierce indignation of the packers; in "Supplying England's Meat," a defence of the packers published (1923) by Mr G. E. Putnam, who is attached to the Swift Company as "economic adviser," the Commission is attacked (p. 103) as "unfair, unjust, and unscientific," and (pp. 104-5) apparently "more concerned with the finding of evidence that would seem to establish a case against the packers than in ascertaining the real facts about their business." However that may be, the Commission did find (July, 1918) that five concerns had a monopolistic control over the American meat industry, and had secured control (similar in purpose though not yet in extent) over the principal substitutes for meat, such as eggs, cheese, and vegetable oil products; that they had extended their operations to meat supplies from other countries; and that a small group of individuals controlled the five concerns. The New Zealand Government then refused to grant a licence to one of the five to engage in the meat export trade from that country, and in reply to a protest by the United States Government it pointed to the Commission's report. The American Department of State then drew attention to the acquittal of the packers in 1912, and the fact that no further judicial proceedings had been taken, and observed that the New Zealand Government attached much greater weight to the report of the Federal Trade Commission than did the American departments charged with enforcing the anti-trust laws. Nevertheless, the five large packers voluntarily agreed with the U.S. Attorney-General in February, 1920, to dispose of their interests in stockyards and market newspapers, and to cease buying tinned fruits, vegetables, and some other products—though the decree giving effect to this formally stated that their consent in no way constituted an admission of

guilt. In 1921 the Packers and Stockyards Act transferred the investigatory powers of the Federal Trade Commission in respect of the packing industry to the Secretary for Agriculture, and practically made the stockyards "public utilities," and put them under his control. But the Commission had not yet done with the packers; in 1922-3 it made orders (now subject to appeal) requiring Armour and Company to divest itself of shares in the E. H. Stanton Company and Swift and Company to divest itself of shares in the Andalusia Packing Company and the Montrie Packing Company.

Another illustration of the Commission's activities is furnished by the iron and steel industry. In 1921 it was announced that arrangements had been practically completed for the consolidation of seven of the largest concerns in that industry outside the United States Steel Corporation. Those were the Midvale Steel and Ordnance Company, the Republic Iron and Steel Company, the Youngstown Sheet and Tube Company, the Brier Hill Steel Company, the Lackawanna Steel Company, the Steel and Tube Company of America, and the Inland Steel Company. But suddenly the Bethlehem Steel Company acquired all the properties of the Lackawanna Company, which withdrew from the proposed scheme; that was abandoned, but the Midvale, Republic, and Inland Companies proceeded to form a consolidation which also included the Cambria Steel Company. The Federal Trade Commission then intervened, and issued formal complaints against the Bethlehem and Lackawanna companies in respect of the acquisition by the former of the properties of the latter, and against the Midvale, Republic, Inland, and Cambria Companies in respect of the proposed consolidation. This seems to have caused the consolidation scheme to be dropped, but the Bethlehem Steel Corporation and Bethlehem Steel Company purchased the properties and assets of the Midvale and Cambria Companies. Finally (January, 1923) the Federal Trade Commission issued formal complaint against the Bethlehem companies and their associated concerns, alleging that the consolidation—of the only large and thoroughly integrated companies east of Pittsburgh—would lessen competition among them, unduly hinder competition in the industry, and put an unreasonable restraint upon trade, particularly in the north-eastern section of the United States. The case is still pending, but whatever the outcome it is evident that the schemes of consolidation have been seriously hampered, if they have not been entirely frustrated, by the action of the Commission—the economic wisdom of that action is another and much more debatable question.

Other examples of the Commission's work are the order, upheld by the Supreme Court, requiring the Aluminium Company of America to divest itself of its holding in the Aluminium Rolling Company; its action in a number of cases in respect of price-fixing among tobacco-wholesalers in combination with tobacco manufacturers (including the American Tobacco Company), the latter being charged with refusing to supply wholesalers who did not adhere to the agreed prices; and the proceedings (not concluded at the end of the report year) in respect of a powerful group engaged in the production, distribution, and exhibition of moving pictures, and charged with conspiracy to dominate and monopolise the industry in the United States. The Commission also receives large numbers of complaints as to various forms of unfair competition; during the year 1922-23 it dealt finally with 126, dismissing 48 and in 78 ordering respondents to cease and desist from the practices complained of (mostly false advertising or misbranding).

A recent case which has attracted considerable attention is that of the United States v. Trenton Pottery Company, *et al.*, which was tried in the Southern New York District Court of the United States in March last. It was a criminal indictment under the Sherman Act of 23 companies—representing about 85 per cent. of the total output of sanitary pottery in the United States—charging them with engaging in a combination and conspiracy in restraint of inter-State trade by forming the Sanitary Potters' Association, which fixed uniform prices. The indictment did not allege that the prices so fixed were unreasonable or detrimental to the public, and the Court held that any consideration of that kind was irrelevant,

Notes of the Week.

Greece a Republic.—Last Tuesday, March 25th, the Constituent Assembly of Greece, by a unanimous vote of all members present, proclaimed the dethronement of the Glücksburg Dynasty, and declared Greece a Republic, subject to the confirmation of this decision by a plebiscite. This is eminently an internal affair of the Greek nation, but the rest of the world is concerned in so far as the step may tend to promote tranquillity or unrest in Greece, and so, indirectly, in South-Eastern Europe as a whole. Foreign observers are to this extent bound to take an interest in the question, and they will be inclined to draw some distinction between the matter and the manner in what has been done. As regards the matter, the Greek Republicans are on strong ground—always supposing that they treat the royal personages concerned with fairness from the personal point of view, and on this point the resolutions are somewhat sweeping. The perpetual banishment of the whole family may be common sense, but the appropriation of their property is not accompanied by any assurance of equitable compensation. On the point of principle, however, it is arguable that a monarchy in Greece is an anachronism. The Greek Constitutional Monarchy was originally established (in 1830) not by the Greeks themselves, but by the Courts of Great Britain, France, and Russia, to whom the Greeks had referred the question after the ill-success of their first experiment in Republicanism under the presidency of Capodistrias. Constitutional monarchy reconciled the parliamentarism of Great Britain with the "legitimist" doctrine of the Continental Powers (who had sedulously abolished all existing Republics in Western Europe in 1815, and had no mind to patronise a new one in the Near East), and the successive occupation of their throne by members of two minor West-European dynasties was valuable to the Greeks themselves, inasmuch as it initiated their new State into the comity of Europe, at that time predominantly united through the personal relationships of sovereigns. During the intervening century, however, that link has become progressively less important, until it has lost almost all significance since "Crowned Heads" went down like ninepins in 1917 and 1918. Indeed, King Constantine's family connection with the Kaiser was extremely awkward for Greece during the War, for it drew a red herring across the King's policy of neutrality, which, if presented purely on its merits, might well have been regarded as the best course for the country. So much for the matter of the decision; but the manner is none the less regrettable, and may well lead to further trouble, for since 1915 the dynasty has become the focus round which the party politics of Greece have grouped themselves in battles. The weakness of Greek politics is that partisanship is carried to extremes, and that considerations of personality too often outweigh principles. After ten years of increasingly embittered vendetta the country's crying need is for an amnesty in the Ancient Greek sense of "oblivion." This can only be achieved if the dynastic question is put to sleep by some soporific which all parties can be brought to regard as wholesome and legitimate. A plebiscite, taken under scrupulously and demonstrably fair conditions, might have proved the remedy, and this was Mr Venizelos's policy. His recent withdrawal was due to his being overruled by the Extreme Republicans on this point in favour of the momentous political change being made by vote of an Assembly whose authority the Monarchists challenge as biased and unrepresentative. It is hardly a mitigation that the plebiscite should be tacked on to this as a sequel. If it records the same result as the Assembly's vote, the Monarchists will never accept it as unprejudiced, while if the opposite result occurs (and Greek politics are fertile in surprises) that will merely plunge the country into further confusion.

The Burden of Taxation.—In a recent issue we printed an estimate by a French expert showing the proportion which French taxation bore before the war and at present to the national income of France. In a comment upon this article a writer in the *Nation and Athenæum* contrasts the figures for France, which show an increase from 14 per cent. of the national income in 1913 to 16 per

any agreement to fix prices being illegal even if the agreement were to reduce them, since the power to reduce prices by collective action implies the possession of power to raise them. The defendants were convicted, a number of individual directors were sentenced to terms of imprisonment (ten months in one case, six months in seven others), various officials of the companies concerned were fined, and all the defendant companies were fined from \$2,500 to \$5,000 each. Appeal has been lodged.

Whilst the Federal Trade Commission and the Department of Justice have thus been engaged in enforcing anti-trust legislation, the Department of Commerce under Mr Hoover is actively occupied with promoting trade associations which shall confine their activities strictly within the law, and has recently issued a report on "Trade Association Activities," which may be described as a handbook for secretaries of such bodies. In an introduction to that report Mr Hoover writes:—

"The trade association as a facility for the promotion and self-regulation of industry and commerce has become, by reason of its scope and activity, an important American business institution....."

"The American Trade Association's Executive have defined a trade association somewhat as follows:—

"A trade association is an organisation of producers or distributors of a commodity or service upon a mutual basis for the purpose of promoting the business of its branch of industry or commerce, and improving its service to the public. Among the methods now in use for accomplishing this end are the compilation and distribution of information, the establishment of trade standards, and the co-operative handling of problems common to the production or distribution of the commodity or service with which they are concerned."

The great development of these associations came in the United States, as in Great Britain, during the war, and for much the same reasons. As the report points out, the War Industries Board in 1917 found it necessary to mobilise many industries, and the most convenient course was to organise each into a trade association; and the "spirit of co-operation rampant from 1917 to 1920, produced many a trade association of mushroom variety that soon died." In 1914 there were about 800 trade associations in the United States, in 1919 there were some 2,000, by 1923 the number had fallen to about 1,800. The questions with which they concern themselves are:—Trade relations, and relations with the Government, the employees, and the public, credit and collection, transportation, insurance, legislation, commercial research, industrial research, cost accounting, statistics, and simplification and standardisation, though admittedly few of the associations cover more than a small part of the field thus indicated. In order that those concerned with running such associations (who, we may remark, have come together in the American Trade Associations Executive) might have some guidance as to the legal position, Mr Hoover consulted the Attorney-General (Mr Dougherty) as to the legality of the activities set out above, provided that they were not used as a cloak for some agreement in restraint of trade. The Attorney-General's reply contains the following passage, which points to the inherent probability that association for one set of purposes may lead to co-operation, avowed or tacit, for other purposes and hints at the conflict which may arise:—"I can now see nothing illegal in the exercise of the other activities mentioned"—(he had expressed some doubts on two points)—"provided always that whatever is done is not used as a scheme to curtail production or enhance prices, and does not have the effect of suppressing competition. It is impossible to determine in advance just what the effect of a plan when put into operation may be. This is especially true with reference to trade associations, whose members are vitally interested in advancing, or, as they term it, stabilising prices, and who through the medium of the association are brought into personal contact with each other. Therefore, the expression of the view that the things enumerated by you.....may be done lawfully is only tentative; and if in the actual practice of any of them it shall develop that competition is suppressed or prices are materially enhanced, this Department must treat such a practice as it treats any other which is violative of the Anti-Trust Act."

cent. in 1923, and 20 per cent. if the present reforms are carried out, with the figures for England, which the writer states have risen from 8 per cent. of our national income to 20 per cent. at the present day. The figure for this country has, however, been higher, for in 1921-22 the national income slumped very heavily owing to trade depression, whereas taxation was kept on at a very high rate after the boom of 1920 was over. The percentage was probably as high as 23 or 24 per cent. But the national income has been recovering fairly rapidly, and taxation has been falling. Professor Bowley, in the "Bulletin of the London and Cambridge Economic Service," recently estimated the rate of production last year at about 93 per cent of pre-war. The present rate is undoubtedly much higher than this, and we think there are reasons for regarding Professor Bowley's figure as an underestimate. For the sake of argument we will, however, accept his figure and assume a 75 per cent. increase in the level of prices since 1913. Starting from a national income in the former year of £2,240 millions, this gives us approximately £3,700 millions at present. But to this has to be added the interest on the National Debt, which, though not income in the same sense as the rest, is subject to taxation, and must therefore be added for the present purpose. This gives a minimum figure of £4,000 millions for 1923; the taxation income in the current Budget is £740 millions, which gives a percentage of 18½ per cent. Unless anything untoward happens the national income for the current year will certainly be substantially greater than this figure, and unless taxation is increased the percentage figure should fall steadily towards 16 per cent. On the other hand, if France is to put her house in order she must collect in taxation 20 per cent. of her national income under the present reforms, and must be prepared to see this rise to a higher figure, unless she adopts a financial policy which will stabilise the franc on a cheaper basis than 75 to the £.

Irish Free State Affairs.—Our Dublin correspondent writes:—The week has been overshadowed by the Queens-town crime, which in wanton brutality and malignity of intention must be almost unprecedented. The object clearly was to precipitate a breach between the Free State and Great Britain—to create a wave of indignation in Britain in which the Free State and the Anglo-Irish Treaty and the new spirit of understanding and friendship between the two countries should be swallowed up. The crime has been repudiated by every section of the community, including extremist Republicans and the leaders of the insubordinate section of the Free State Army. The gorge of the public has risen at the crime, and there is very warm appreciation of the dignity and temperate judgment which has marked the public attitude in Great Britain. The correct attitude of the Irish Ministers is but a reflection of the public desire, and if the public will be translated into action the search for the criminals will be relentless and their punishment condign—so, too, will the compensation for the victims be prompt as well as lavish. The insubordination in the Army, to which reference was made last week, is being dealt with—not without misunderstandings and difficulties—but, still, is being dealt with successfully. Two Ministers out of the seven who compose the Executive Council have resigned, and have not so far been replaced—both were at odds with the majority of their colleagues, but even more were they at odds with each other. The cause of civil control over the military machine has been successfully maintained, and discipline has been enforced by the disappearance of the insubordinate group from the positions which they occupied. These results are of great importance—so, too, is the restraint shown by the protagonists on the side of the malcontents, who have been persuaded to submission and the surrender of purloined arms and munitions. It is even doubtful whether the further threatened resignations will now take place. The actual working out of the trouble has been obscure—but not so its cause. There survived in the Army and behind the Army the remnants of secret, or semi-secret organisations from the period of the anti-British struggle. These have been to some extent in conflict with each other, and to some extent with the State. The matter had to come to a head sooner or later. Viewed from this angle, the whole affair is but an episode

in the healthy development of the national life. The newspapers here to-day report figures given by Lord Arnold in the House of Lords as to the payment of compensation as awarded by the Woods-Renton Commission in respect of pre-truce damage. The number of claims submitted down to February 29th last was 39,475—inclusive of certain duplicate claims. In all, £5,596,488 (exclusive of costs and expenses) has been awarded. All awards are in the first instance payable by the Government here, which is subsequently reimbursed by the British Government in so far as the damage may have been done by the armed forces of the Crown. Down to February 29th last 9,473 awards, amounting to the above figure, have been issued, of which 8,000—amounting to £3,139,175—have been paid. Of this last figure the British Government has refunded to the Irish Government £2,083,024. The difference between the awards and payments is accounted for in part by the fact that £1,246,194 was awarded subject to reinstatement of the property destroyed, and was, therefore, not immediately payable. The other factor is that it is necessary to advertise somewhat elaborately for possible claimants before paying the awards—and the delay on this head works out, on an average, to some six or seven weeks. Allowing for these factors, the payment of awards is complete and prompt.

Conference on Unemployment.—The League of Nations Union has been holding an interesting series of conferences at the London School of Economics this week on various aspects of the unemployment problem. The subjects of discussion ranged from International Trade to Unemployment insurance, and, in spite of the traffic strike, each session was well attended. One of the most interesting events was the Tuesday afternoon session, when Professor Cannan, Mr Henderson, and Mr Keynes discussed the financial factor in unemployment. Mr Henderson and Mr Keynes put forward with much ingenuity and skill their now familiar arguments for a "managed" currency as a means of eliminating the more violent fluctuation of the trade cycle. But Professor Cannan, while admitting the enormous part played by currency inflation in the post-war situation, declared himself unconvinced that the financial factor played such a preponderating part in the causation of the normal trade cycle, and expressed the doubt whether we have yet the knowledge or capacity to enable us to "manage" a currency with any reasonable prospect of success. After what had happened in the last ten years, he was surprised that anyone should still feel any confidence in the likelihood of Governments resisting the temptation to inflate were they allowed a free hand with the currency, and for this reason he still supported the gold standard. The other outstanding feature was the discussion on Thursday of the effects of the disparity in wages in "sheltered" and "unsheltered" industries. This aspect of the economic situation, to which attention has frequently been drawn in these columns in the last two years, is bound to become one of the dominant issues of industrial politics. Mr P. J. Pybus, of the English Electric Company, did not hesitate to describe the basis of selling prices in "sheltered" trades as "economically unsound," and Mr W. L. Hichens, the chairman of Messrs Cammell, Laird, and Co., declared that however people might desire the levelling up of all wages to the "sheltered" standard, ultimately the conditions of our foreign trade would prove the governing factor.

Economic Conditions in Belgium.—The report of the Commercial Secretary at Brussels on economic and financial conditions in Belgium down to December, 1923, which has recently been published by the Stationery Office, bears witness to the great industrial activity of that country, which began in the autumn of 1922 and continued throughout the past year. The unemployment figures during the year, for example, were actually well below pre-war. The prosperity of the export trades is due mainly to the depreciation of the franc, though the elimination of German competition has also been a contributory factor. In certain cases, as, for instance, that of the plate-glass industry, there has been a real increase in world demand, which has been particularly beneficial to Belgian exporters; but in the main it appears to be

realised that this prosperity is somewhat artificial, and thus not likely to last. Attempts are therefore being made to meet the slump, which, it is felt, cannot be indefinitely postponed. Thus, despite the undoubted shortage of labour, the admission of foreigners is being strictly controlled; while manufacturers, for their part, are pursuing a very cautious policy. There is but little accumulation of stocks, and orders are being accepted, for the most part, for immediate or early delivery only. This absence of speculative activity will, of course, make it much easier for Belgian industry to weather the expected storm. Meanwhile the energies of the Government, and of private firms alike, are being devoted to greater and more efficient production. An agricultural policy has been adopted with a view more particularly to improving the quality of seed grain, and to increasing the milk supply. The Minister for Agriculture summed up the views of the Government twelve months ago in the following manner:—"We must," he said, "in order to assure the prosperity of our country, produce more, produce cheaper, export more, and consume less." With this end in view, efforts are also being made to centralise the production and distribution of electricity, while active propaganda is being undertaken abroad for the encouragement of the export trades. A noticeable feature in the development of the industrial equipment of the country is the rapid progress made during the last few years in the exploitation of the Campine coalfield. This basin provides a good coking coal, for supplies of which commodity the country was previously dependent mainly on imports. The daily output of this region was only some 450 tons in 1919, but this had increased to about 1,350 tons in 1922, and to approximately 2,500 tons last year. The "Report" states that it is estimated that this figure will have risen to 6,000 tons daily, or an average annual production of nearly two million tons in two years' time. Meanwhile, the long task of industrial reconstruction necessitated by the war is nearing completion, and Belgian factories are equipped with modern plant and up-to-date machinery. In many ways, therefore, the country seems well qualified to stand the heavy strain which is anticipated to arise when the present somewhat artificial prosperity of the export industries will be followed by the inevitable reaction. In the realm of public finance, however, the outlook is far from bright. The budgets for 1923 and 1924 together show a total deficit of four milliards of francs, even after credit is taken each year for one and a-half milliards on reparation account. The public debt is largely in foreign currencies, and this, of course, increases as the external value of the franc falls. Taxation, which is already very high, hardly brings in more than the amounts requisite to meet the debt service and the pensions charges. On September 30th last the total public debt (foreign debt being converted into francs at the rate then ruling—87.55f to the £) was nearly 40,000 million francs, of which only 16,512 million was consolidated debt. At that date the amount of debt per head of the population was 5,251f, an increase of 11 per cent. as compared with the figure at the corresponding date in 1922. For the current year taxation is estimated to yield 2,788 million francs, as against 2,011 million in 1923. The taxation per head now stands at some 370f, of which approximately one-third is raised by direct taxation. The burden is thus a heavy one, and there is evidence that the country is making every effort to rely on its own resources in the critical period through which it is passing.

Governments and Their Creditors.—The 50th annual Report of the Council of Foreign Bondholders shows a considerable improvement in the financial position of the States of Spanish America. Venezuela, whose default was exploited by the Kaiser to test the strength of the Monroe Doctrine, is now conspicuously solvent, orderly, and prosperous; Colombia, Costa Rica, Nicaragua, and Santo Domingo are fulfilling their obligations; Salvador, through American aid, has settled with her creditors, and is recovering her prosperity; and the half-century of Honduran default will be terminated by whatever legislative body emerges from the present revolution. Guatemala has been less regular in her remittances, but has not defaulted, and promises an eventual settlement of

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the arrears as arranged in 1914. Delay has occurred in the service of the Uruguayan sinking fund, of certain Cuban and Peruvian loans, and of the bonds of the City of Lima. Paraguay is still in default; so is Ecuador on all her external obligations, except the Guayaquil and Quito Prior Lien Bonds. New loans are being negotiated with an American syndicate, and the chronic confusion of the national finances is at last fully recognised by her Government, which is employing an American expert adviser to disentangle them. The Argentine State of Corrientes has settled with its creditors, the City of Rosario has paid its coupons punctually, and some improvement is noted on the part of the defaulting States—though not the defaulting cities—of Brazil. Elsewhere, Liberia shows signs of amendment; but China is in default on the Vickers and Marconi loans. In Europe Bulgaria is attempting to arrange a revised scheme of settlement, and the reapportionment of the debts of Austria and Hungary corresponding to the redistribution of their territories, which was outlined last year at Innsbruck, is not approved by the Council. In Greece, in spite of political troubles, the revenues administered by the Debt Commission have enabled the service of the old gold loans to be maintained as in 1922, with one slight reduction. Soviet Russia still repudiates the obligations it has inherited from the Empire, and the Treaty of Lausanne has made the outlook for Turkish bondholders considerably worse. The Syrian revenues assigned for the service of the Debt are returned by France; those from Irak and Palestine by Great Britain; those from present-day Turkey, excepting from Constantinople and its neighbourhood, are collected and kept by the Angora Government. The retention of the Syrian revenues is avowedly provisional; the eventual application of the rest is uncertain. The question of the payment at the pre-war rate of exchange of the sums deposited during the war in German and Austrian banks to the credit of the bondholders still awaits solution. And the Angora Government now proposes to suspend all payments on the External Debt till after the reapportionment between Turkey and the States which have acquired territory from her through the Balkan Wars and the Treaties of Peace. The Report contains, as heretofore, a list of the eight Southern States of the American Union certain of whose loans have been from 40 to 70 years in default. The stain on the national honour is recognised by many Americans; but the Federal Government has not responded to the suggestion that it should compensate the holders as a set-off to the payment by Great Britain of her American war debt.

The Delivery of Stock.—A Stock Exchange correspondent writes:—Investors, more than speculators, are a good deal puzzled nowadays to understand how it is that their brokers so often tell them in answer to inquiries for particular stocks and shares that the securities can be purchased provided the buyer will not press for delivery. As everyone knows, the Stock Exchange is now dealing for fortnightly settlements, except in the Consol market, where transactions take place for cash. The man who sells stock is aware that he will get the money for it within, at most, a fortnight from the date of his sale, and the buyer receives a contract to the effect that shares have been purchased for a certain date, generally within fourteen days from his bargain. That buyer, however, is constantly being asked whether he would care for his broker to do his business with the stipulation that no

pressure shall be exercised, within a reasonable time, to enforce delivery of the shares. The broker would have difficulty in explaining within the narrow compass of an ordinary letter the reason for this request on the part of the seller. It may be useful to state here that it arises principally from the fact of there being so little stock on offer that, as mentioned previously, jobbers are loth to sell unless they have the assurance of the buyer that more time than an ordinary settlement will be allowed them in order to look round in the hope of getting the shares back again. We have referred to the matter before, but this time would point out that the jobber is in a somewhat difficult position, in that, if he declines to make a price, he is promptly accused by the public of being unbusinesslike, while, if he makes a price in shares which he has not got and which he does not know where to obtain, and the broker buys them from him, the delay which inevitably arises in delivery is charged to his account as a financial crime. The Stock Exchange jobber desires to be as businesslike as anybody else in the City, and, in the majority of cases, dealers recognise that they have a duty to the community in being ready to buy or sell those particular securities in which they deal. This leads them to make prices when markets are flat, knowing that the chances are they will be saddled with stock which they do not want; on the other hand, in a rising market they can count fairly confidently upon having shares bought from them that they are not at all anxious to sell. The average client is inclined to be very aggrieved if his orders are not carried out on the basis of the prices which appear in the newspapers, and for the broker to tell him that no shares are obtainable, because none are on offer, is too often as provocative as waving a red flag in front of a bull. Why this should be the case it is difficult to say, because nobody feels aggrieved if, on entering a shop for a certain article, the merchant says that he has not got it in stock. It is different, however, in the Stock Exchange markets, and members recognise this to the extent that, as already mentioned, jobbers will sell even though they have none of the stock which is being bought, and do not know how long it may be before they can get it. They may have to wait for a deceased account to be realised, or for the arising of some financial crisis when securities are being slaughtered on all sides. Possibly, of course—and this is the jobber's hope—the shares may come in in the ordinary way of business. Experience alone can decide how particular shares are likely to be affected. In the circumstances of a very restricted supply of shares, the jobber, naturally enough, endeavours to protect himself by stipulating that if the broker buys the shares, the bargain shall be effected on the basis of "not to press." And scarcity of stock is so pronounced in a good many cases that the little phrase has become condensed into its initial letters only. If the client insists upon his customary right of having undelivered shares bought in against the seller until he gets his transfer, the jobber is put to what may easily prove to be a serious expense. This is why he, the jobber, in his anxiety to do the broker's business for the client, will often consent to sell only on the distinct understanding that he shall be given more latitude than a fortnightly account affords for completion of the deal.

Simplification of Income-tax Forms.—The Departmental Committee appointed "to consider any simplifications which may be practicable under existing law in the return forms, claim forms, and notices of assessment issued in connection with income-tax and supertax, and to make recommendations in regard thereto" has been unable to make any startling recommendations. In its report* the Committee says: "We may say at once that we are unable to recommend any far-reaching or fundamental recasting of the forms. It is perhaps easy for the individual taxpayer who knows his own circumstances to conceive that a form might be addressed to him which would meet all the requirements of his case for the purposes of the revenue, and which would be extremely simple. Looking at the matter from the point of view of the Board of Inland Revenue, who have to face a vast multitude of taxpayers whose circumstances vary infinitely and bring

them within a great number of separate and complicated provisions, the problem is far different." The Committee has, however, suggested some improvements in the forms, copies of which in the revised form proposed accompany the report, and is of opinion that it is under the head of clearness in spacing and printing, and possibly in the use of rather better paper, that "such improvement as can be achieved" must be looked for. We confess to some disappointment with these new forms. The effect of their introduction towards popularising the income-tax will, we fear, be very small, but there is some satisfaction to be derived from the fact that the total expenses of the inquiry are confined to the cost of publishing the report—namely, £30.

The Position in El Salvador.—A correspondent writes: Apart from the marked improvement in the transport position, economic conditions in El Salvador, which had shown a distinct advancement during the past year, continue. Late reports from the country show that a spirit of optimism prevails, based principally upon the promising coffee crop, which, even if belated, nevertheless affords indications of being both abundant and of an excellent quality. Everything, however, depends upon climatic conditions, for at this time of the year heavy rains and floods are not unknown; upon previous occasions these have considerably damaged an otherwise hopeful coffee crop. The Salvadorean berry, which represents 80 per cent. in the value of the country's total exports, has now become as much in demand as that of Brazil, and is even preferred in the United States (the principal customer for Latin American coffee exports) to that of any other country. By the placing of a \$6,000,000 loan in July last, although upon somewhat onerous terms, the Government succeeded in freeing itself from its most pressing obligations, and indirectly relieving the commercial community, especially the banks. The gold loan, which has a life of 25 years, was issued at 8 per cent., with an 8 per cent. sinking fund (operating semi-annually), interest being payable every January and July. Seventy per cent. of the Customs revenues have been pledged as security, made doubly reliable by the appointment of an American collector, who likewise exercises supervision over the general finances of the country. The Budget for the fiscal year ending in June next, estimates the revenues at 13,736,552 colones and expenditure at 13,606,823 colones, with a probable surplus of 129,728 colones. Of the expenditures the Administration absorbs the larger amount, namely, 2,998,185 colones, while public credit demands 2,900,000 and war and marine 2,543,879 colones. Economies appear to have been effected in several directions, such as the National Assembly, which will require only 69,905, while the General Ministry asks for no more than 200,000 colones. The largest item of revenue is naturally in the direction of customs, which are expected to yield 6,641,010 colones, while export dues are put at 1,614,870 colones. The liquor tax is expected to produce 2,788,000 and the public services 8,064,800 colones. Miscellaneous taxes are placed at 751,052, direct taxes at 535,000, and sealed paper and stamps at 516,500 colones. While by an amendment of the banking law valuable facilities have been provided by which the three principal monetary institutions of the country have received an extension of their note franchises, the arrears of debt owing to the principal railway system, which is British-owned, for unpaid subsidy has been extinguished. Moreover, traffic receipts have shown a satisfactory advance, while operating expenses have been substantially lowered. For the past fiscal year the working result has been the doubling of the railway's profits, a condition which may be contrasted with the previous year, when receipts were not only greatly reduced but expenses were largely increased.

Japanese Trade in 1923.—The statistics of Japan's foreign trade for 1923 clearly show the effects of the earthquake upon the country's overseas commerce. There is a very substantial increase in the adverse balance, which is a result of a shrinkage in exports rather than of an expansion in imports, as may be seen from the table below:—

	1922. Yen.	1923. Yen.	Inc. or Dec. Yen.
Imports	1,890,308,000	1,987,063,000	+ 96,755,000
Exports	1,637,452,000	1,447,749,000	-189,703,000
Excess of imports..	252,856,000	539,314,000	+286,458,000

The principal increase in imports is shown by raw cotton, which rose by over £85 million yen, and wool and woollen yarns, which are up by 52 million yen. Imports of iron and manufactures thereof declined by 31½ million yen, while food imports fell by over 38½ million yen. Raw silk accounts for 103 million yen of the decrease in exports, while cotton yarns contributed 36 million yen towards the decline.

Mixed Companies in Russia.—In view of the forthcoming conference in London with representatives of the Russian Soviet Government, practical interest attaches to the following note on the subject of Mixed Companies in Soviet Russia, which our Moscow correspondent sends to us. He writes:—Reference has already been made (*vide* ECONOMIST for February 16th) to the recent concessions granted in Russia. This list excluded the Mixed Companies said by Lenin on December 13, 1922, "to have no other object than the strengthening of the circulation of our goods and the real protection of our industry. This system alone will be able to improve the defective mechanism of our Foreign Trade Commissariat, for under it Russian and foreign business men work together." The Mixed Companies are administered by private traders or financiers, on the one hand, and representatives of the Soviet Commissariat for Foreign Trade (or in some cases by other State institutions), on the other. The manner of distribution of shares and dividends is contained in the Statutes of the Mixed Company, the general rule being that 51 per cent. of the shares are held by the Soviet Commissariat and 49 per cent. by the foreign business, the whole of the working capital being subscribed by the latter. The privileges of import and export contained in the Statutes of the Mixed Company are usually detailed in separate agreements between the Mixed Company and the Commissariat for Foreign Trade, which contains a list of the goods the company is authorised to export and import. If the company wishes to undertake the import of articles outside the list, a special licence giving no priority must be obtained. Mixed Companies are not restricted to trade in goods, but may by agreement engage in banking or other branches of commerce monopolised in Russia. The policy of monopoly of foreign trade naturally renders the development of purely commercial companies extremely difficult, the work of each being framed within rigid regulations as to restriction of imports, quotas, &c. The Commissariat for Foreign Trade is tempted to turn the general direction of the imports of the Mixed Companies in such a manner as not to interfere with the Commissariat's own interests, and to restrict the Mixed Companies in some measure to the import of goods which are at the moment rather difficult to realise on the internal market. Russian buyers, chiefly State industries and institutions, exact long-term credits which the Mixed Companies have difficulty in finding owing to the small amount of working capital at their disposal. In practice, a type of universal provider society, importing and exporting goods of the most varied character, has been created, but the Government is anxious to suppress as far as possible this type of company and to favour the granting of commercial concessions to societies engaged exclusively in particular branches of import or export. The present situation is in the nature of a permanent conflict between the Mixed Companies and the home industry. On the one side, the Mixed Companies concentrate their attention on articles which can easily be imported, and the sale of which gives large profits, and refuse to import goods which are difficult to realise but on which the V.S.N.K. (Supreme Council of National Economy) place importance, as the Council is aware of the great need in Russia of foreign machines and manufactured goods; on the other hand, the same institution (V.S.N.K.) suppresses the importation of goods which can be produced in home factories. The Mixed Companies were created to show to the West that the S.S.S.R. were embarked on a practical policy of

closer economic relations, and in some measure the Mixed Companies have fulfilled this object. It is highly doubtful, with improved relations between the S.S.S.R. and the commercial world, and the actual difficulties experienced in working companies with "mixed" control, whether the Mixed Company has any future, and foreign capital has recently (*e.g.*, in the case of the English-American Lena Gold Fields group) concentrated along the lines of pure concession.

British Portland Cement.—As revealed by the accounts published for 1923, the British Portland Cement Company Manufacturers, Limited, has maintained its profits. The following table shows how this undertaking has fared over a number of years:—

	1913-14.	1917-18.	1918-19.	1919.*	1920.	1921.	1922.	1923.
Trading profit.	£ 330,428	£ 328,889	£ 345,374	£ 379,446	£ 558,840	£ 479,762	£ 461,222	£ 449,419
Interest, &c.	79,328	97,353	82,178	53,343	62,146	85,800	84,479	83,200
Depreciation ..	51,756	63,050	78,000	123,537	173,287	179,750	156,165	167,550
Brought forward.	198,744	168,486	185,196	202,565	323,407	214,212	210,578	208,669
	32,568	72,994	87,723	91,509	136,264	181,478	186,628	188,144
Prof. dividend..	231,312	241,480	272,919	294,075	459,671	395,690	397,206	396,813
Ord. dividend..	70,324	70,800	70,800	47,200	70,800	70,800	70,800	70,800
	96,666	82,957	110,610	110,610	207,393	138,262	138,262	138,262
	(7 %)	(6 %)	(8 %)	(8 %)	(15 %)	(10 %)	(10 %)	(10 %)
Carried forward	64,322	87,722	91,509	136,264	181,478	186,628	188,144	187,751

* Eight months.

Figures for 1923 closely resemble those for 1922, and the 10 per cent. distribution is continued. The report states that "there was a slight improvement in the demand for Portland cement during the past year. Whilst lower prices were realised in both the home and export markets, reducing the company's trading profits from these sources, a better return from investments was received." This brings out rather an interesting point. With this undertaking we are told that trading profits were less, but yield from investments higher. In the balance-sheet there is an item, "Investments at Cost and Loans, £1,771,142." Is it to be assumed that these investments are mainly unconnected with the cement industry, or that the increased yield represents improved results of subsidiaries? The report proceeds to inform us that in "October last a considerable sum was advanced to an allied company to enable it to purchase the ordinary share capital of the Humber Portland Cement Co., Limited," and also mentions other financial activities. We confess that we should like to know more about these investments and to understand what progress the company is actually making it would be necessary to set out under three separate headings trading profit, revenue from trade investment, and revenue from investments of a reserve nature.

Royal Bank of Scotland.—At a general meeting of the Royal Bank of Scotland, held in Edinburgh on Wednesday, resolutions were passed increasing the capital stock from £2,000,000 to £2,500,000 by the issue of £500,000 of new stock. Of the additional stock, £60,000 is being allotted in part payment of the purchase price of the business and assets of Messrs. Drummond, which was recently acquired by the Royal Bank. The balance of £440,000 of the new stock has now been allotted to present stockholders at the rate of £22 of new stock for each £100 of stock at present held. The price will be payable in full on April 26th, except in the case of stockholders abroad, to whom an extension of time will be granted until May 15th. A feature of the issue is that the additional stock, when fully paid as above, will rank in all respects with the existing stock of the bank, and, in particular, will be entitled to the full half-year's dividend, which will become payable at midsummer, less income-tax. Apart from this special benefit, it may be pointed out that at the rate of distribution for the past year—namely, 14 per cent.—the new stock at the issue price of £250 per cent. gives a yield of £5 12s per cent., subject to deduction of income-tax. The premium on the £440,000 of stock now being issued to the proprietors will be available as an addition to the reserves.

* Cmd. 2019. 1s net.

The Gordon Hotels.—The financial year of the Gordon Hotels, Limited, now ends on December 31st. About 12 months ago accounts were issued for the seven months ended December 31, 1923, thus changing the financial year, which ended before this on May 31st. In our table below we have omitted the accounts for the seven months, these being of little value for comparative purposes. Here is a summary of results for a number of years past:—

	1913-14.	1916-17.	1918-19.	1919-20.	1920-21.	1921-22.	1923.
Trading profit	161,665	100,969	174,542	204,121	138,682	157,427	223,348
8% notes, interest, and sinking fund	8,650	12,417	8,641	8,553	10,495	39,343	36,552
Red. funds, fees, &c.	71,325	71,325	71,325	71,325	71,325	61,672	52,318
Debt interest	81,690	17,227	94,576	124,243	48,018	Dr 11,549	64,448
Net profit	4,927	Dr 8,017	35,743	24,170	30,838	25,781	30,091
Brought forward	86,617	9,210	130,319	148,413	78,856	11,233	94,539
Preference div.	53,075	..	106,150	106,150	53,075	..	53,075
Ordinary div.	28,950	..	..	..	..	..	..
Carried forward	(3%)	nil	nil	nil	nil	nil	nil
	4,592	9,210	24,169	42,263	25,781	11,233	41,463

* Dr 23,625 less £15,500 compensation for Hotel Metropole.

It will be observed that conditions are improving. The directors report that the hearing of the company's claim against the Government for loss of goodwill was concluded on January 22nd of this year, and it was hoped that the award would be made in sufficient time to enable the board to complete the scheme which they have prepared for dealing with the arrears of preference dividend and the re-organisation of the capital of the company. The award, however, has not yet been published, but as soon as it is received the scheme will be submitted to the shareholders. The balance-sheet is fully analysed in our usual column.

The Randfontein Amalgamation.—Official details are now in the hands of the shareholders as to the long-talked-of scheme for fusion of the Randfontein Estates Company with its operating subsidiary, the Randfontein Central. The latter has an issued capital of £4,750,500, with £1,779,100 debentures, and at the date of the last balance-sheet owed £1,399,000 to the Estate company. Of the Central company's securities the whole of the debentures and £2,980,500 of the shares are held by the Estate company. The proposal is that these shall be cancelled, and that outside holders of Randfontein Central shares shall receive new Randfontein Estate shares in the proportion of three for five. This corresponds very closely to the respective market values. Of course the balance of the loan is, in effect, also cancelled, although nothing is said on this point. The proposal, while approved in principle, has been the subject of much discussion on the part of the shareholders. There certainly appears ground for the contention that the terms are distinctly generous to the Central company. In the absence of any scheme for the funding of the debt the Central company's earnings for some three years would have been absorbed in repayment. It is at any rate to be hoped that the Randfontein Estate shareholders will—as expected in some quarters—receive, before the fusion, a distribution out of the £510,000 recovered by actions at law against Sir J. B. Robinson. The idea of amalgamation in itself is excellent. It will wipe out a substantial slice of the present burdensome share and debenture capital, besides making for economies in working.

Rose Deep.—The most important point in the annual statement of this Rand undertaking is the intimation that there are now practically no virgin areas remaining to be developed. It is owing chiefly to this circumstance that the ore reserves have declined 391,800 tons to 1,737,000 tons. The latter quantity represents about 2½ years' supply for the mill. Doubtless this period will be extended by the use of reclamation rock and by some further moderate discoveries; but the exhaustion of the property must be regarded as within sight. The balance-sheet shows surplus cash assets to the tune of £100,000, equal to nearly 3s per share, irrespective of what might be realised by the plant. Last year's dividends totalled 17½ per cent., and the consulting engineer expects operations during the current period to be on about the same scale as in 1923. In view of the position above indicated, the shares at over 13s appear to leave little scope for improvement.

Oversea Correspondence.

UNITED STATES.—RAILROAD EARNINGS—FRENCH CREDITS—GOVERNMENT FINANCING—STEEL ORDERS INCREASE.

(FROM OUR CORRESPONDENT.)

NEW YORK, March 14.

THE combined net operating income of all first-class railroads in January totalled \$51,281,200, equivalent to a return at the annual rate of 4.54 per cent. on their tentative valuation as fixed by the Interstate Commerce Commission. In the preceding month the same roads showed net operating income of \$69,694,744, equal to a return of 4.44 per cent. annually, while in January a year ago they reported \$61,128,970, or 5.58 per cent., on their property valuation. Gross earnings in January of this year amounted to \$468,976,600, according to figures compiled from returns filed with the Commerce Commission, that total representing a decrease of \$33,505,250, or 6.7 per cent., from the same month of 1923, and operating expenses of \$384,984,380 were \$33,993,100, or 5.9 per cent., less. An outstanding feature of the exhibit is the heavy reduction in expenditures last January for maintenance of equipment, the total being about \$12,000,000 less than in the same month of last year. This marked decrease plainly indicates that the carriers' rolling stock, generally, is in far better condition than it was a year ago. Another interesting feature is that the sharp falling off in operating revenues is at variance with the car loading statistics for the same month. For the five weeks ending February 2nd 4,292,000 cars were actually loaded with revenue freight, as against 4,239,000 in the like period a year ago, showing a gain of 1.2 per cent., whereas gross earnings, as indicated above, fell off 6.7 per cent. The only explanation seems to be that a larger volume of low-class freight was moved this year than last, with the result that the railroads suffered a corresponding decrease in revenue.

The United States Steel Corporation's unfilled orders at the end of February showed a larger increase during the month than had generally been expected. The total of 4,912,901 tons represented a gain of 114,472 tons over January 31st. While January's bookings showed a greater increase, namely, 353,000 tons, over those of December, the further substantial gain last month indicates that the heavy volume of business during January was well maintained in February, because shipments increased about 150,000 over January, and there were fewer business days last month. February shipments are estimated at 1,200,000 tons approximately, so that incoming orders probably exceeded 1,300,000 tons, or more than capacity production. During March thus far demand for steel has continued active, although buying, in most instances, has been to fill immediate or nearby requirements.

This week's official announcement that a group of American bankers, headed by J. P. Morgan and Co., had arranged to extend large credits—said to aggregate at least \$100,000,000—to the Bank of France has met with a highly favourable reception in financial circles here. While many banking interests knew that plans were under way to check the recent demoralisation in French exchange, traders in the foreign exchange market lacked definite information before the announcement yesterday. It is not surprising, therefore, that speculators who have been plunging blindly on the short side have rushed to cover their heavy commitments. Such repurchasing is believed to have been responsible mainly for the further spectacular recovery in French francs during the past two days, following sharp advances earlier in the week. But apart from the stabilising effect upon French exchange rates much significance is attached to this extension of American credits to the Bank of France, because the opinion prevails in banking quarters here that the arrangement foreshadows acceptance by the French Government of the findings and recommendations to be made by the Reparations experts headed by Charles G. Dawes.

Whatever doubt may have been entertained regarding a continuance of the great building activity in the United

States has been dissipated by preliminary returns of building permits applied for or granted in leading cities throughout this country during February. Reports received by Bradstreet's from 166 cities place the total value of building for which permits have been granted as \$270,045,981, as compared with \$217,337,774 at the same cities in January, and \$221,753,727 in February of last year.

The annual report of the United States Rubber Co. for 1923, which has been awaited with considerable interest, reflects last year's depression in the tyre industry, but makes a better showing in some respects than had generally been expected. The company's net income amounted to \$7,392,657, which after charges and payment of preferred dividends was equivalent to \$2.28 a share on the \$81,000,000 of common stock, as against \$2.65 a share in 1922. Sales for last year, totalling \$186,261,381, showed an increase of more than 10 per cent., but net income was approximately \$300,000 below that of the preceding year. The gain in sales was in commodities other than tyres, which furnished less than one-third of the company's business. Tyre prices in 1923 reached the lowest levels ever recorded, but since the beginning of this year have shown some recovery.

The Government's March financing took the form of a new issue of approximately \$400,000,000 one-year 4 per cent. Treasury certificates of indebtedness, dated March 15th, which were offered to banking institutions and investors this week. The entire issue was heavily oversubscribed in a few days. The 4 per cent. interest rate was a surprise to bankers and investment dealers, who had expected a 4½ per cent. rate. It is felt, however, that other money rates will not be affected to any material extent by the lower rate on Treasury certificates, which is in line with the generally smaller yields now obtainable from Government securities, as compared with last year. The present issue of certificates, together with income-tax receipts and balances already on hand, is expected to provide for all of the Treasury's requirements until June of this year, when additional financing will be necessary.

FRANCE.—THE POLITICAL CRISIS—REPARATION PAYMENTS—PARIS TRANSPORT.

(FROM OUR CORRESPONDENT.)

PARIS, March 26.

THE defeat of M. Poincaré in the Chamber on Wednesday gives him the opportunity to reconstitute his Cabinet without being in danger of giving rise, immediately before the elections, to complications that might militate against the chances of the Bloc National in the forthcoming contest. It is a matter of general knowledge that, for several reasons, it has become necessary for the Ministry to be largely reconstituted in the near future. The experience of the past year has shown that changes in at least two or three important Cabinet posts are advisable. M. Lasteurie has been much criticised for his financial policy, while fears are expressed that the failure of M. Chéron, the Minister of Agriculture, to cope with the problem of the high cost of living may cost the Poincaré party a good many seats in the urban constituencies. M. Maunoury, the Minister of the Interior, is also regarded as having fallen short of expectations. One of M. Poincaré's proposed reforms is to amalgamate the three existing independent Ministries of Agriculture, Commerce, and Public Works into one, to be known as the Ministry of National Economy. Another proposal is similarly to combine the existing Ministries of War, Marine, and Aeronautics into one, to be called in future the Ministry of National Defence. The advantages of such changes, from the point of view of efficiency, are obvious, and the importance of this factor in the present situation is equally so. The name of M. François-Marsal is universally mentioned to-night as the most probable successor of M. de Lasteurie as Finance Minister. M. François-Marsal, it will be recalled, passed direct from his post at the Banque de Paris et des Pays-Bas to the Treasury when M. Millerand formed his Cabinet in January, 1920, and retained his office as Minister of Finance in the Leygues Cabinet that followed M. Millerand's election to the Presidency of the Republic. As a practical banker, he devoted himself to the problem of the consolidation of the

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floating debt. This problem has recently become acute, and largely, it is held, because no effort at consolidation has been made since M. François-Marsal left office on the fall of the Leygues Ministry. It is understood that M. Poincaré's plans for the immediate future include an important measure for dealing with the problem in question.

The customary half-yearly statement that has just been issued by the Reparations Commission, showing the total amount of payments made by Germany on Reparations account since the Armistice, is chiefly interesting because it furnishes bulk figures that, by comparing them with those issued a year ago, enable us to arrive at the amount that has been received by France and Belgium since the German Government, after the occupation of the Ruhr, refused to continue Reparation payments to those countries. The statement shows that down to December 31st last Germany had made total payments amounting to 8,411,339,000 gold marks in cash (1,903,544,000 gold marks), shipping, cables, State property, and payments in kind, &c. Of this total, however, 2,719,093,000 gold marks remains undistributed or in suspense, and out of the balance of 5,692,246,000 gold marks that has been distributed among the Allies, 2,613,611,000 gold marks has been utilised for the repayment of the cost of the armies of occupation and the control commissions (without taking into account the 1,071,805,000 gold marks which is the estimated cost of the United States Army of occupation), in repaying the advances made to Germany for purchase of coal after the Armistice and other charges distinct from Reparations. Out of the amount which has actually been distributed among the Allies, France has received 1,804,192,000 gold marks (143,995,000 gold marks in cash, 1,358,155,000 gold marks in kind, and 302,042,000 gold marks in ceded property). Out of this total, however, the amount actually applicable to Reparation payments down to the end of 1923 was only 189,777,000 gold marks, the balance (including the repayment of 1,373,496,000 gold marks in respect of the cost of the army of occupation) having been disposed of in other directions.

The amounts distributed to the various Allied Powers during 1923, if the figures given a year ago be subtracted from those now issued, will be seen to be as follows:—

	Gold Marks.
France	13,389,000
Belgium	12,760,000
Great Britain	168,358,000
Italy	155,138,000
Serbia	111,815,000
Roumania	28,770,000
Czechoslovakia	1,963,000
Greece	9,551,000
Poland	415,000
Portugal	10,440,000
Japan	390,000
	507,989,000

The amount actually paid by Germany during the year was 470,913,000 gold marks (of which 462,480,000 gold marks was in kind and the rest in cash). The difference between this total and the total distributed was due to the fact that 37,076,000 gold marks was taken from the accounts previously in suspense. As the cost of the French army of occupation in the Rhineland (exclusive of the Ruhr) in 1923 amounted to 112,495,000 gold marks, it follows that France during 1923 received from Germany 99,106,000 gold marks less than her expenditure on her

army of occupation. The same figures also show that, whereas in the amount received by France down to the end of 1922 there was a balance of 291,031,000 gold marks available for passing to her reparation account, this had been reduced at the end of 1923 to 189,777,000 gold marks. In other words, France had in hand, out of her total receipts from Germany, on December 31, 1923, 101,254,000 gold marks less in actual reparation payments than she held at the end of 1922. It must not be overlooked that the Franco-Belgian receipts from the Ruhr during the past twelve months have not yet been handed over to the Reparations Commission. The bulk, if not the whole, of these, however, down to the end of 1923 were absorbed by the expense involved in the operations there, although it is stated here that the occupation now shows a steadily increasing balance on the credit side. The 13,389,000 gold marks received by France in reparation payments during 1923 represents payments made from January 1st to 11th, when the occupation of the Ruhr began, and from November 23rd, when passive resistance ceased and the Dusseldorf agreements were signed, down to the end of the year.

The chaos that prevails in the London public transport services affords a striking contrast to the apparently perfectly satisfactory manner in which these services are carried on in Paris. This is largely due to the fact that for some years past tramways, omnibuses and electric railways in the capital and surrounding suburbs have been operated under a unified scheme, and are under statutory control as to fares and limitation of profits. The war left the nine or ten Paris tramway and omnibus companies in a state of bankruptcy, with the result that the whole of the undertakings were taken over by the Conseil-General for the Department of the Seine (which closely corresponds to the London County Council). The shareholders in the whole of the old companies transferred their holdings to a new concern, known as the Société des Transports en Commun pour le Réseau de Paris, which received the sole right to operate the lines and rolling stock acquired by the Conseil-Général. The shareholders in the new company were guaranteed their interest of 6 per cent. by the local authority, which in return assumed the right to fix all fares and to receive a proportion of the profits after the share capital had received its guaranteed dividend. It also assumed the right to control the route to be covered by the various omnibus services. Under the Paris system, "pirate" omnibuses, competition between trams and omnibuses and competitive fares have been rendered impossible. The employees received regular monthly bonuses, equivalent to 4 per cent. of the gross receipts (equivalent to about 50¢ per month per head of the working staff), and also extra allowances of about the same amount for each child. The same principles govern the working of the Metropolitan electric railway system, except that in this case the governing authority is the municipality of Paris, which constructed the lines, the cost of which was met by loans guaranteed by the city's credit. Under the system in vogue the whole of the services are developing rapidly, and working with entire satisfaction. Fares are low (30 centimes for any distance on the electric railways, and 25¢ for distances of about a mile on the tramways and omnibuses), and the shares of both companies are undoubtedly sound investments.

GERMANY. — POLITICS — CURRENCY — PRICES — FINANCES — BOURSE — INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, March 25.

THE struggle of parties for the May Reichstag elections has begun. It is generally believed that the Socialists as a whole will lose. The Majority Socialists (most moderate wing) came out of the 1920 Reichstag election with only 113 members out of 466, as against 165 members out of 423 in the National Assembly; but the Independent Socialists, since reunited with the majority, came out with 81 seats, as against 22. The now dissolved Reichstag suffered mainly from the fact that, while having no Socialist majority, it could not provide a "bourgeois" majority without the help of the German-Nationals, whose incorporation in any Cabinet was possible only at the

cost of trouble with the Allies. If, as is expected, the extremists on the Right and Left gain in the coming elections, the prospect of a working Reichstag will be very small.

A strong influence on the result is likely to be exerted by Reparations developments during the next few weeks. The question of the renewal of the Ruhr agreements with France is still unsettled; the latest report is that if before April 15th the Experts' plans have not sufficiently developed to foreshadow the final settlement, the existing agreements will be renewed for a short period. It is impossible to conceive even a temporary condition of no agreement, and the great revival in the iron and steel trades makes the continuation of work a strong interest of employers. The latest semi-official estimate of the burden imposed by the agreements upon all Ruhr industry is 900,000,000 gold marks. No settlement will be satisfactory unless the burden is distributed all over Germany; the present theoretical condition—that the Ruhr employers can distribute the burden by higher prices, &c.—is highly unsatisfactory, and even if realised must result in an unfair, irregular incidence of burden.

Currency conditions remain unchanged. The negotiations between the association of leading private banks (*Stempelvereinigung*) and the Reichsbank as to the Gold Discount Bank are not yet concluded. Subscription for shares in the Gold Discount Bank will begin, it is understood, about the beginning of April. The shares are to be £10 each; and the subscription price, the "Frankfurter Zeitung" states, will be 104, the banks gaining 2½ per cent. in exchange for their guarantee, organisation work, &c. The number of guaranteeing institutions and firms will be about 120. Professor Riesser publishes a reply to certain objections raised in the Reichstag to the Gold Discount Bank plan. He does not think that the bank's proposed note-issue powers involve any serious new inflation; and he says that the notes, not being legal tender, must not be regarded as new money, but as a means of payment in international business. In reply to objections raised against the choice of the pound, itself an unstable currency, Professor Riesser argues that the new institution will not be a currency bank, but merely a credit bank, and that its notes will be handled abroad instead of bills and cheques, which would themselves be mostly in unstable currencies. Further, had sterling been rejected, the plan could not have been carried through at all. The bank is expected to give a strong impetus to import, coming as it will after the Rentenmark, which seems to have had that effect; at present there is a flood of foreign luxury goods, and large German buying at the Lyons Fair is reported. As a curious instance of the effect of the currency reform may be mentioned that four months ago the use of radios was entirely unknown here, being regarded as a special foreign luxury which Germany must not dream of; but in this short space of time the use of the radio has become common, and there is hardly a shopping street in Berlin where apparatus are not sold.

The Reichsbank statement for March 15th shows a decline in the rate of credit increase, but the increase continues, being mainly in Rentenmarks. Rentenmark discounts increased by 108 trillions, paper mark discounts by 38 trillions. Note circulation increased by the small sum of 307,976 billions. The debt to the Rentenbank remains unchanged at 450,000,000 Rentenmarks. Among its assets the Reichsbank holds 37,916,884 Rentenmarks. The Government has abolished the special courts which tried persons accused of charging extortionate prices. The grain market has of late been firm, owing to fear that the exceptional cold has damaged winter crops. Spring sowing will this year be very late. The cost of living index number for March 17th was 107, against a lowest point this year of 103; the official commodities index number for March 18th was 121.4. Under the influence of increasing demand, pig-iron prices have been raised, the new rate for foundry iron No. III. being 88 marks.

The Finance Ministry's report for March 11-20th shows the large surplus of 63 trillion paper marks, revenue from taxes being 197,564,972 billions, and expenditure 134,251,227 billions. Owing to the falling due of heavy tax payments, revenue increased as compared with the

preceding decade by 50 trillions, while expenditure fell, mainly owing to a decline in the subventions to states and municipalities to 35,000,000 paper marks, as compared with 65,000,000 paper marks. The total deficit between November 16, 1923, the date of the Rentenmark Reform, and March 20th was 716,080,000 gold marks, but practically all of this loss was suffered in the first weeks, before the reform had begun to influence favourably the real yield of taxation. Official salaries are being raised, but remain low, the lowest annual salary paid in the regular service being 684 gold marks, the highest 5,610 gold marks (about £280), the latter for a senior official in the 13th, or highest rank of the civil service, while the highest salary for an official outside these classes (minister, &c.) is 17,100 gold marks. These salaries are 13 per cent. higher than those now prevailing. The salaries (compensations, they are called) for Reichstag members, and the free travelling given, will this year cost about 2,500,000 gold marks. The Finance Minister, Dr. Luther, states that the national wealth, which before the war was 300 milliard gold marks, is now 150 milliards; national income before the war 37½, now 25 milliards; and that the total tax burden is 27.7 per cent., against 10.9 per cent. The Prussian Budget for 1924 shows revenue of 2,309,407,723 gold marks, recurring expenditure 1,938,604,686 gold marks, non-recurring 370,803,037 gold marks, all expenditure 2,309,407,723 gold marks, so balancing. A comparison with the paper-mark years is impossible. In 1913, the Prussian Budget was balanced only with the help of 234,100,000 net railways surplus. As compared with 1913, revenue has increased by 58,450,000 gold marks, expenditure decreased by 262,280,000 gold marks, the improvement in the ordinary Budget being 320,740,000 gold marks. Against this the extraordinary Budget has deteriorated by 86,640,000 gold marks. The total Budget for 1924 shows an improvement equal to the railways' surplus of 1913.

The new Rents Tax, which is to yield this year 320,000,000 gold marks, after deduction of 10 per cent. of the tax which is earmarked for encouragement of house-building, has made the balancing of the Budget possible. (The Federal Budget for 1924, which agrees generally with the schematic Budget prepared for the Experts Committee, and which was summarised in the *Economist* when issued, but which is this week reported in a confused, partly unintelligible form, will be dealt with next week.)

After prolonged dullness and weakness, the Berlin Bourse to-day had an improved aspect, with a good deal of buying in by short interests, especially in shipping, banking, metal, mining, and oil securities. The big selling orders, often forced selling, of the last few days suddenly ceased. The chief influence was apparently the new franc weakening. The dullness of the preceding weeks was also largely explained by franc fluctuations. At first the franc declines diverted international speculation to Paris, and created the impression that French industry would profit from cheap prices, to the advantage of French stocks. The franc's recovery hit international speculators, among them Germans, who had been bearing francs. German business men had contracted franc liabilities for goods, and, judging by their experience with the paper mark, expected to get off easily. It was yesterday reported that some Germans had heavy engagements for the end of March based on a franc exchange of as high as 150 to sterling, and some anxiety is felt on this score. The *Frankfurter Zeitung's* index for dividend-payers on March 21st was only 599.78, against 697.06 a week earlier, and 824.50 on January 4th; the index of the so-called "exchange stocks" (of companies with foreign currency earnings or interests) was only 134.36, against 214 on January 4th; and home loans 2.58, against 4.42. Home loans to-day quoted (in milliards), War Loan, 81.5; Fours, 480; 3½ per cents., 260; Threes, 925; Colonial Fours, 2,860 Savings and Premium, 150, Prussian Threes, 425.

To the improvement in the condition of industry there is no sign of a set-back. Though the latest figures are for Berlin only, they are typical of conditions everywhere. The Berlin weekly report shows a decline in the number of publicly-supported unemployed from 116,301 to 97,679

persons. Nearly all groups share in the improvement, particularly metal (foundry work excepted), textiles, clothing, and paper. The report for all Germany for March 1st shows 16.1 per cent. of organised workers fully unemployed, against 21.8 per cent. two months before; 12.9 per cent. of partly unemployed, against 30 per cent. The proportion of textiles fully unemployed fell in these months from 37.5 to 8.84 per cent.

ARGENTINA. — EXPORT SEASON — EXCHANGE — COMMERCIAL RELATIONS WITH BRITAIN — BANKING LEGISLATION.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, February 24.

ARGENTINA is in the full flood-tide of her export season, with grain and seed leaving the country at the rate of a million tons a month. Nor is there any sign of slackening in the demand for her general produce, though by the time these words are in print the bulk of the wool will have been sold, if not actually shipped. This briskness of movement in connection with almost every branch of export activity, coupled with the disappearance of the labour trouble, which seemed possible some six weeks ago, is naturally reflected in many directions, more especially in the traffic receipts of the railways, and the movement of sterling and dollar exchange. If one were to compare the gross receipts, the weekly receipts, and the receipts for each mile per week, for the 1923 and 1924 periods between July 1st and February 23rd, quite a sensational table could be compiled, and the Anglo-Argentine railways depicted as being in a position of remarkable prosperity. Such a conspectus would, however, be misleading, inasmuch as it does not take into account the important sums which all the lines have still to expend on outlay of a capital nature; capital, that is to say, in so far as its immediate effect on revenue goes, though not necessarily included as capital under the Argentine Railway law. That the improved state of sterling exchange comes as a welcome, if somewhat long-delayed, relief need not be laboured here. It would nevertheless be rash to assume that the Argentine dollar will shortly reach parity—47½d—nor, in the general interests of producers, is it altogether desirable that any such sharp movement should be registered, say, in the course of a couple of months. The import trade of the Republic, additional duties notwithstanding, is showing marked expansion, which means remittances, as does the service of the Republic's various foreign obligations. What the exact balance of trade may be none can say with exactitude, but from the recently published returns of the National Statistical Department, which cover 1922, it is evident that even this year's crops will scarcely do more than balance the debits which 1921 and 1922 both registered against Argentina, assuming that prices remain at a fairly remunerative level, though not of necessity those ruling at the present moment. In a word, though present conditions and prospects are good, both for general business and as regards a reasonable hope that the Argentine dollar will appreciate in London and New York, the complex state of the national and provincial finances, taken in conjunction with the uncertainty that must prevail as to the price obtainable for the latter half of the wheat and linseed, to say nothing of the coming maize crop, should act as a check on excessive optimism in the matter of exchange.

The trend of events is indeed moving more and more towards a strengthening of existing financial and commercial relations between Argentina and Great Britain, though it must in justice be added that American interest in Argentine commerce can no longer be viewed as negligible. Leaving the war years out of the reckoning, and also the boom period of 1919-20, one finds, on contrasting the figures of 1913 with those for 1922, that Argentina imported American goods to the value of \$152,597,000 gold, as against \$75,589,000 gold in 1913, this latter being the pre-war "record." Her exports to the United States, making the same comparison, rose from \$24,589,000 gold to \$79,789,000 gold for 1922. Seeing, moreover, that American shipments hither are

largely composed of what may be generally classed as American specialities, and that the 1922 figures do not cover any appreciable quantity of textiles—a line in which a recent U.S. Commerce Report admitted that American trade in Argentina was now virtually “dead”—and next to no coal and rough goods, such as building steel, it would be foolish to suppose that British manufactures will at once be able to compete on favourable terms even if the rate of exchange moves in their favour. They cannot reasonably hope to do so in lines such as harvesting machinery, automobiles, typewriters, and one or two other items in which America is first and the rest nowhere. And it is on this account that one follows with keen interest the course of financial relationships between Argentina and the two countries, America and Great Britain. It is common knowledge that the interpretation of various clauses in the agreements covering recent short-date loans contracted in New York has led to a certain amount of dissatisfaction among Argentine Treasury officials, and the issue of \$40,000,000 United States followed by the conversion of \$20,000,000 will barely be sufficient to meet principal and interest on the \$55,000,000 United States due on March 1st. No clear statement has yet been issued covering the actual amount of money which the Argentine Government disposes of in New York, but what is certain is that offers of money from American bankers will be much more closely scrutinised in future than was done in connection with the short-term loans accepted under the Irigoyen presidency. Far-seeing American business men openly regret the unwillingness of the New York market to undertake a long-term loan of importance for the Argentine National Government, knowing, as they do, that further foreign borrowing must come up when once the question of consolidating the Republic's short-date internal debts is seriously discussed by Congress. That body being in recess, and the holiday season still on, little is heard of the Government plans, though there is good reason to believe that before the sessions open in May the Minister of Finance will have outlined his plan for enforced investment by banks and others in long-term bonds bearing a low rate of interest— $3\frac{3}{4}$ per cent. per annum has been mentioned—together with a scheme for the flotation of an external gold loan which will, so it is said, prove sufficiently attractive to warrant the assumption that London tenders will be forthcoming, and that on terms with which New York is not likely to compete.

It is also generally known by this time that the proposal to combine the Banco de la Nacion and the Conversion Office into one institution, and to remodel the Argentine banking system on lines more or less akin to the Federal Reserve connections of American banking practice, will be brought forward at an early date. Should the project prosper, there will most certainly be a sharp distinction drawn between “national” and “foreign” banks established in this Republic, the effects of which may be left for discussion when the measure comes up in Congress. This trend of Argentine financial legislation has been clearly visible for the past five years, notwithstanding that the possibility of actual change has invariably been scoffed at by those most liable to be affected by it. Granted that the sound and eminently Argentine policy of the leading Anglo-Argentine banks has in the past been of the greatest service to the Republic, it does not follow that this record will be taken into account by the Legislature, which is quite capable of giving the same precipitant despatch to this matter as was characteristic of the Bank Pension Law, which has diminished the wages of the clerks by some 10 per cent. in exchange for future benefits that are now seen to be next to impossible of attainment. There is, indeed, some likelihood that the employees of the foreign banks may form a union for the purpose of putting forward their claims to consideration, though nothing in the nature of a strike is to be apprehended, for the simple reason that the foreign clerks realise that the law also affects the banks called on for their share of the monthly quota. If they have a complaint it is that no endeavours were made by the foreign banks to safeguard the rights of their foreign staffs, notwithstanding that the law itself lay two years before Congress as a “project” or Bill. And, unless every step is carefully watched and full use made of such political

and legal influence as is available, what has occurred in the case of the bank pensions will mark banking legislation in general; with very far-reaching results to the foreign banking interests working in this Republic.

POLAND.—FINANCES—AN ITALIAN LOAN—TOBACCO MONOPOLY—COAL AND IRON PRODUCTION.

(FROM OUR CORRESPONDENT.)

WARSAW, March 15.

On February 1st an official announcement was published by the Press in which the Government promised to discontinue the use of the printing press for covering its budgetary deficits. The return of the Polish National Bank for February 29th shows that the Government kept its promise. Though the circulation increased in February from 313,659 milliards to 528,900 milliards, the advances made to the Government remained unaltered. The additional amount of 215,000 milliards was exclusively devoted to commercial credits, and to the acquisition of foreign currencies. This great increase of circulating notes did not influence the stability of the mark, which remains at the level of 39 millions for the English pound. This stabilisation is not the result of an intervention of the Polish National Bank, which in February did not only diminish its stock of foreign currencies, but increased it by 40 million gold francs—from 52 to 92 millions.

The increase of the circulation, unaccompanied by depreciation of the mark, has brought some alleviation of the capital famine from which Poland was suffering. The real value of the paper mark circulation now exceeds 50 million dollars. A comparison with the situation in 1923 throws much light on the improvement which has taken place:—

CIRCULATION OF POLISH MARK.

	Polish Mark. Millions.	Average Dollar Exchange.	Expressed in Dollars. Millions.
End of December, 1920	49,362	580	85.1
“ “ 1921	229,538	2,950	77.8
“ “ 1922	795,438	17,800	44.6
“ January, 1923	909,160	33,000	27.6
“ May, “	2,733,794	53,000	51.5
“ June, “	3,566,649	101,000	35.3
“ July, “	4,478,709	168,000	26.6
“ August, “	6,871,776	249,000	27.6
“ September, “	11,197,738	319,000	35.1
“ October, “	23,080,402	1,685,000	13.7
“ November, “	52,217,495	3,414,000	15.3
“ December, “	125,371,955	6,257,000	20.0

The announcement of the conclusion of an agreement with the Italian Government for a loan of 400 million lire to Poland is a new success of Mr Grabski's financial administration. The loan will be floated by the Banca Commerciale Italiana, which will hand over to the Polish Government immediately after the delivery of the bonds 40 per cent. of the total amount of the loan. The remaining 60 per cent. will be paid two weeks after the opening of subscription, which will take place before the end of May. The price of issue has been fixed at 87 per 100, and the rate of interest at 7 per cent. The loan is guaranteed by the Italian Government, and is based on the receipts of the Polish tobacco monopoly.

The Italian loan, though not very large in itself, substantially assists the Polish financial position. It makes it certain that during the next few months Poland will be able to cover her expenditure without resorting to the printing press. Mr Grabski is gaining a respite which he can utilise for the consolidation of the Polish financial system.

Statistics which have just been published show that Poland's coal and iron production is steadily increasing, and surpasses partly the pre-war level. The production of coal has been as follows:—

	1913.	1923.	1913.	1923.
	Tons (000's omitted).	%	%	%
Former Congress Poland	6,819	6,875	100	109.4†
“ Austrian Poland	1,971	1,882	100	104.0†
Upper Silesia	31,753	26,480	100	83.4

The output of coal in Congress Poland 9.4 per cent., and in Austrian Poland 4 per cent. higher than before the war. Only in Upper Silesia has the level of 1913 not yet been reached.

SWEDEN.—SEVERE WINTER—TRADE CONDITIONS—WAGES AND PRICES—SOVIET RECOGNITION—BANK RESULTS.

(FROM OUR CORRESPONDENT.)

STOCKHOLM, March 12.

THIS winter has been, and is still, very severe. Such masses of snow and ice all over the country and around the coasts have not been seen for years. The ice-barrier along the coast has been very difficult to force, and although special measures have been taken in order to help shipping, several steamers have been stuck in the ice for weeks. It has even been difficult to keep up the regular service to Finland, as well as of the ferry-boats to the Continent via Trellborg-Sassnitz and Malmo-Copenhagen. The late opening of the shipping season is expected to raise freights, as the timber export will have to be executed within a shorter period. Timber sales are proceeding, and up till the beginning of March 300,000 standards were sold. It seems that Germany will again appear as a buyer in the Swedish market. The pulp market is showing an almost unexpected activity for this time of the year, and a great percentage of this year's output of sulphate-cellulose is already disposed of. The quantity sold at present is considerably higher than the quantity at this time last year. Most of the pulp quantities sold are purchased for U.S.A. The import and export figures for January showed a marked import surplus. An import surplus is a seasonal feature, but compared with January, 1923, imports have increased more than exports. The increase in imports is especially notable in the cases of corn and raw materials, the last item suggesting perhaps that confidence in industry is returning.

The situation in general seems to be a little more reassuring; on the labour market there are at present no great disturbances, but wages are still very high. According to some figures published by *Svensk Finansiell-mirz*, the real value of the wages is considerably higher than in 1914. For last year the increase was estimated to be about 25 per cent.; besides this the eight-hours working day is estimated to have increased labour costs by 10 per cent.; thus the industry has to deal with a not inconsiderable increase in the production costs. There has been an increased activity on the stock exchange lately. The price index figure issued monthly by the Board of Social Welfare, including foodstuffs, light and fuel, is showing a figure of 162 for February (July, 1917); the same figure for January was 163, the decrease thus being about 0.5 per cent.

Some more bank results have now been published, and as I mentioned in my last letter, it seems as if last year has been better than the year before. The very heavy depreciations and serious reconstructions, which in many cases took place last year, seem to have put the banks concerned on a sounder and better basis. For many of the banks the gross profits have not been as large in 1923 as in 1922, but the net profit has been much better. A bank, however, which shows both higher gross and net profits is the Stockholm Enskilda Bank, the net profit being 9.44 million crowns (7.36 last year).

DENMARK.—PROPOSALS FOR EXCHANGE REGULATION—ELECTIONS IN APRIL—BANKING AND TRADE.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, March 15.

THE public discussion of economic and political affairs still centres on the exchange question, which has not yet been clarified. Last week the Government informed the “Rigsdag” Committee of the main points of their exchange scheme, which are the following:—(1) To extend the term of the dispensation given to the Nationalbank from their obligation to redeem their notes with gold. (2) That a notice be published by the Nationalbank—according to previous negotiations with the Government—regarding the restriction of credit-giving, especially in connection with transactions in luxuries and instalment-purchase transactions. (3) That a number of taxes be in-

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creased and that new taxes of a similar description be imposed, i.e., (a) a stamp tax on motor tyres and tubes, (b) a temporary increase of the Customs duty on cut flowers, early vegetables and fruit, (c) an additional tax on benzine, (d) an increase of the excise duty on chocolate and confectionery in connection with an increase of the import duty on such goods. The proceeds of the taxes and duties specified under a to d were estimated at 10 or 11 million kroner, which, together with a tax on the sale of motor cars, previously imposed, were intended for part payment of the Home National Debt. In 1923 this amounted to 600 or 700 million kroner.

Further, the Government intended to propose an “exchange levy.” It was intended that for three successive years an annual levy of 3 per cent. of taxable income should be collected, the tax-free limit being 800 kr for unmarried people and 1,600 kr for married men, with the addition of 300 kr for each child. For the amounts levied receipts were to be given, which were to be non-negotiable and non-pledgeable. For the first three years no interest was to be paid, but after that time Government bonds should be issued for the receipts, such Government bonds to be for not less than 50 kr each, and to bear interest at not less than 4 per cent. per annum. After 10 years drawings were to commence, and the entire loan to be redeemed in the course of 30 years. The levy was estimated to yield 55,000,000 kr annually, and was calculated for the entire period of three years to aggregate 173,000,000 kr. This measure was likewise intended to bring about a reduction of the National Debt.

Further, it is proposed to establish a “Foreign Exchange Administration” with the object of watching developments in the exchange market. According to this Bill, the Minister of Commerce will be authorised to order any holder to give information to the Foreign Exchange Administration about the amounts of foreign exchange and credit balances in foreign exchange held by him, whether here or abroad. The Foreign Exchange Administration may demand that foreign exchange (including bonds) which has been acquired after January 1, 1924, shall be supplied to the Exchange Equalising Fund, unless such exchange is required within three months for payment of imports of goods by the holder or to fulfil engagements contracted in the course of his business. Purchase and sale of foreign exchange must take place only through the Exchange Equalising Fund, the Nationalbank, the four leading private banks and banks, bankers, &c., who are authorised by the Foreign Exchange Administration. Finally, there is a proposal to increase the taxation of foreign commercial travellers.

At present, however, it does not look as though the exchange scheme of the Government will be carried through, neither in its original form nor with modifications. The Socialists demand the establishment of an “Economy Council,” with far-reaching extraordinary powers, the task of this council being to stabilise and improve the krone rate and control trade. Further it is desired from this quarter that the exchange levy be altered to a capital levy, with rates increasing from 6 to 17 per cent. on capitals above 50,000 kr. The Radicals criticise the exchange levy proposal, and do not want

the "Foreign Exchange Administration" to regulate imports. Finally, the Conservatives maintain their proposal of the Gold Customs Duties, while they cannot agree to the exchange levy. As a consequence of the political situation which has arisen, the "Rigsdag" will now be dismissed earlier than was expected. The election for the "Folketing" will take place on April 11th, and the electors will have a chance to vote on the economic problems which the "Rigsdag" has not brought to a settlement.

In the actual economic situation no pronounced alteration seems to have taken place. The wholesale price index of the *Finanstidende* showed a rise from 223 to 227 points in the course of February, which is naturally connected with the weakening of the krone rate. The excess of imports in January was 20,000,000 kr., against 41,000,000 kr. in December. A number of annual reports by the principal companies have attracted attention. Of the leading private banks the Handelsbank and the Privatbank each pay 10 per cent. dividends for 1923. The Landmandsbank has during this year, in which it obtained a State guarantee for all depositors and creditors, had earnings amounting to 18,000,000 kr.—which, however, are absorbed by writings off. At the same time a further amount of 12,000,000 kr. has been written off on claims, &c.

ROUMANIA.—FOREIGN TRADE FIGURES— NATIONAL BANK REPORT—INDUSTRIAL BANK. (FROM OUR CORRESPONDENT.)

BUCHAREST, March.

THE official figures of Roumania's foreign trade during the year 1923, which are now becoming available, apparently furnish adequate justification for the improvement in lei exchange from its low point of 1,250 to the £ reached a little more than a year ago to its present value of 810.

A condensed table showing the total export of the principal commodities during 1923, in comparison with 1922, is given below:—

	Exported in 1922.		Exported in 1923.	
	Quantity in Metric Tons.	Value in Millions of Gold Lei.	Quantity in Metric Tons.	Value in Millions of Gold Lei.
Grain and foodstuffs....	1,277,705	142.8	1,844,724	195.5
Timber, raw and worked	1,792,879	53.7	2,048,468	67.5
Do (cubic metres)....	86,559		91,827	
Petroleum products....	435,736	76.6	384,317	66.3
Livestock (head).....	319,314	34.6	102,252	18.9
Plus export taxes.....	..	307.7	..	348.2
Total value of exports (gold lei)	..	54.3	..	126.3
Do (paper lei, milns.)	..	362.0	..	474.5
	..	9,950.0	..	18,615.0

In other words, the 1923 exports (with taxes) were valued at approximately £19 millions, against £14½ millions in 1922; and, if transport conditions had been anything like normal, it is reasonable to suppose that exports last year would have been even greater. It is understood that considerable quantities of grain and timber are still available for export on the re-opening of the Danube, but the rise in exchange during recent weeks will no doubt adversely affect the situation.

The latest import figures available are for the first quarter of 1923, and these are valued at (in round figures) 3,420 millions of paper lei; exports during the same period being valued at 3,983 millions—or an "active" balance of Lei 563 millions, equivalent to about £563,000. Imports for the entire year 1922 were valued at Lei 11,709 millions, with an "active" balance (the first since the war) of approximately 400 millions paper. The trend, therefore, has been running strongly in the direction of increased exports and decreased imports, but rising exchange—if it has not already done so—will soon begin to reverse this movement.

From figures recently made available by the British Commercial Secretary at Bucharest, it appears that exports from Great Britain to Roumania increased from £2,682,000 in 1922 to £2,847,000 in 1923, while Roumania's exports to Great Britain remained stationary at approximately £2 millions. The complete returns will

probably show that there was a great shrinkage in imports from Germany, as German manufacturers are steadily losing the dominant hold on the economic life of the country which they have held for so long.

The directors' report for the year 1923, read and approved at the annual meeting of the Banca Nationala, on February 17th, again sounded an optimistic note. Special emphasis was laid on the fact that there had been no new emissions of currency to cover Treasury deficits during the year. Intimating that currency inflation has definitely ceased, the report states that the directors are now faced with the problem of immediately "devalorising" the currency, or of gradually reducing the volume in circulation. As the actual metallic reserve held by the bank is probably only about Lei 600 millions, against a circulation of almost 18,000 millions, it is likely that only a very gradual deflation policy will be attempted. The report admits that the refusal to inflate the currency last year was certain to provoke a temporary financial crisis, but insists that such a refusal would not have been persisted in had not the directors realised that the active export of grain would greatly improve the country's trade balance and ultimately relieve the credit stringency. The bank reported a net profit for the year of Lei 28 millions on a total capital of 12 millions. Other bank profits already reported for 1923 are:—Banca Romaneasca, Lei 115 millions; Marmorosch, Blank and Co., 45 millions; Banca de Scont, 18 millions; and the Banca Viticola, 5 millions.

The new industrial bank ("Credit Industriel"), which commenced operations on January 1st last, reports that up to the end of February it had received applications for loans totalling Lei 2,650 millions, out of which it had granted 492 millions. Ninety-nine per cent. of the loans granted were to industrial enterprises in the Old Kingdom and Transylvania.

Letters to the Editor.

BELGIAN POLITICS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Your correspondent will no doubt himself answer Mr Van Driessche's criticisms of his excellent article. As, however, the letter published in your issue of March 22nd raises some points which were not dealt with in the article, I should like to be allowed to attempt to dispel any misapprehension which might follow.

Mr Van Driessche seems to believe that French influence has been increasing in Belgium since 1830, through the initiative of the various Governments which have succeeded each other since that date. He ought to know that the Flemish movement was unknown before 1850, and, even at that time, exerted a purely literary influence. The political movement is of more recent date, and has brought about a series of reforms destined to satisfy the legitimate claims of the Flemings. Through a recent law the two languages have been placed on the same footing in central administration, and Flemish is now the dominant language at the University of Ghent.

The appeal made by Mr Van Driessche in the last paragraph of his letter is not very clear. Before the Ruhr and since the Ruhr the policy of the various Belgian Governments has always been based on the maintenance and the strengthening of the Entente. In order to achieve this aim they adopted, in several circumstances, a policy independent of that of the French Government. The readers of the *Economist* will remember the circumstances in which, two years ago, the Belgian delegate on the Reparations Commission sided with the British, in order to allow the Bankers' Committee full scope for investigation. This attitude was consistently maintained during the negotiations started last summer by Lord Curzon, and is embodied in the Belgian Technical Studies submitted to the Dawes Committee. No critic having followed events more or less closely will agree with Mr Van Driessche that Brussels has become "a branch office of the Quai d'Orsay," or that the Belgians, whatever their party or language, are less anxious than in the past to maintain their complete independence.—Yours faithfully,
A BELGIAN CORRESPONDENT.

GREEK ELECTIONS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—With reference to the reply to my letter to you, published in your issue of the 8th inst., and concerning the recent Greek elections, I beg to point out, as an impartial foreign observer, that the "official figures" of "electors who voted" given to you are those of the Home Office of the military oligarchy that ruled Greece, and which after the blunder and crime of the execution of M. Gounaris, and his colleague, abolished the country's electoral laws, established by arbitrary decrees and shocking electoral regulations, which, by compelling its opponents to abstain from the polls, made it possible for the Government candidates to be elected unopposed.

I was in Athens during the December elections. A man has shown to me fourteen electoral booklets, all bearing his photo, but under various names, and boasted that, thanks to the assistance of the Home Office, he voted fourteen times, in Athens, for M. Venizelos and the Republicans! I also saw a great number of military lorries carrying all day through Athens this kind of "electors."

Under such conditions of appalling illegality the figures given by that Government of military dictators could hardly be taken into account.—Yours truly,

MARCEL GAUNY,
University Professor.

14 Avenue Juste Olivier, Lausanne,
March 20th, 1924.

COMPANY DEBENTURE REDEMPTION.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Mr Roger P. Sing, in his letter published in your issue of March 22nd, states that he has no recollection of ever having stated "that the company" (i.e., the Union Cold Storage Company, Limited) "had tried to buy stock on the Stock Exchange, but had failed to do so." His statement to this effect was made to the chairman and deputy-chairman of this Exchange in my office, and they remember very clearly that Mr Sing gave as the reason for communicating with individual holders of debenture stock, the fact that the company had failed to secure stock (i.e., sufficient stock for their purpose) through their brokers. Obviously the statement was not intended to apply to isolated purchases such as Mr Sing refers to.

Mr Sing's expression of scepticism on other points raised in my letter are as interesting as his life's history given towards the end of his letter, but they do not appear to my committee to call for comment.

His suggestion that "Manchester should realise that the Stock Exchanges exist for the benefit of the public" is answered in his own words—"the Manchester Official List has the best reputation of all the provincial exchanges for the reliability of its quotations, and for the accuracy of its notices and other information."

My committee believe that their action with regard to the principle involved in the question under discussion is in the best interest of the public, and the Union Cold Storage Company is the first company which has failed to agree to the conditions.

That the attitude of the Manchester Stock Exchange is sound and reasonable is proved by the acceptance of the resolution referred to in my previous letter by the experienced representatives of the Stock Exchanges who attended the annual meeting of the Council. I may say that when the Manchester representatives raised this matter at the council meeting they found that the Birmingham Exchange had already made a similar provision in their rules.—Yours faithfully,

HORACE RICHMOND (Secretary).

Manchester Stock Exchange, Manchester,
March 26th, 1924.

ELECTRIFICATION OF THE SWISS FEDERAL RAILWAYS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The rectification published by the manager and chief engineer of the Oerlikon Company with regard to the correspondence which appeared on March 1st in the *Economist* on this subject has suggested to me the follow-

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ing points which you will, I feel sure, allow me to make clear in the columns of your valuable newspaper.

It is absolutely true that the Oerlikon Company has been one of the pioneers of monophasic traction, and has contributed most efficiently to the progress made in that particular branch of electrical industry. The Oerlikon Company, moreover, has been supplying electrical locomotives for the Swiss Federal Railways from the very inception.

But, on the other hand, the statement that the Oerlikon Company obtained the order for 30 locomotives out of the 57 recently required by the Swiss Federal Railways is one which might perhaps give rise to a certain misunderstanding.

As a matter of actual fact, the orders for 1923 were given in two lots by the Swiss Federal Railways. When the railways gave the first order in the spring of 1923 the Oerlikon Company did not benefit by that order in any way, and only the Brown, Boveri Co. and Secheron supplied those particular locomotives.

This fact is probably the basis for the slight error which has been made in his report by the Geneva correspondent of your excellent newspaper, for, taking the spring order of 1923 into account, the Oerlikon Company only supplied 30 locomotives in all of the 81 covered by the entire order. Secheron are still among the contractors to the Swiss Government.

Pray pardon me for thus taking up your space, and believe me,—Yours very truly,

ERNEST LUBERBACHER

(Director of the Secheron Works).

47, Park Avenue, Palmers Green, London N. 13,
March 26th, 1924.

Books and Publications.

THE ECONOMICS OF CONSUMPTION AND FOOD SUPPLY.

It was for long a matter of complaint in certain quarters that economists paid insufficient attention to the important question of consumption. Judged by the number of books which have recently appeared—more particularly in America—on some branch or other of the subject it might seem that this criticism no longer holds good. Unfortunately, however, a rehash of economic doctrine from the point of view of the consumer does not exactly satisfy the need, while in the present state of knowledge it is hard indeed adequately to estimate the motives of consumption. Professor Comish's text-book* appears to be quite unsatisfactory in both respects. The field covered is of the widest, and the treatment for the most part of the slightest. The advantages of private property, for example, are given in two small pages, while sixteen pages are devoted to the reproduction of answers to a questionnaire purporting to explain the motives which led 200 junior women and 200 junior men in college to buy school dresses or suits. Very many aspects of American economic life are touched upon in the two divisions of this volume, which are entitled "Standards of Living and the Factors Affecting Them" and "The Immediate Sources of Consumptive Goods"—(a horrible term this)—"and the Present and Future Means of Acquiring Them." The need for Federal standardisation of containers for fruit and vegetables is urged pictorially, while the adjoining text examines the irrational manner in which young men determine to go to the "movies." "In such cases," we are solemnly told, "rarely, if ever, are the relative values of movies, theatres, and operas compared"—a proposition

* "The Standard of Living. Elements of Consumption." By N. H. Comish, Professor of Economics, &c., in the Oregon Agricultural College. (New York) Macmillan. xviii + 340 pp. Price 9s.

which we, for our part, would never have thought of controverting. Savings and investment are both treated, and a special chapter is devoted to the desirability, in certain cases, of investments in farm lands in the United States. The book, we are told, is intended for the college student, the statesman, and the general reader—a truly comprehensive audience for an all-embracing text-book. For our part we recommend this somewhat naïve and (unintentionally) humorous medley of statistics and opinions for the light it throws on the mentality of the Far West rather than as an authoritative treatment of the intricate problems connected with the "Standard of Living."

A more thorough-going treatment of one aspect of the question is Professor Hedrick's volume on "The Economics of a Food Supply."† An attempt is here made to tell the whole story of the way in which food comes to the consumer. Here, too, no previous knowledge is expected, and the author even thinks it necessary to define the word "pork," a name which, "together with the term 'lard,' is used to signify the chief foods which come from the widely known animal—swine." Pork, together with wheat, dairy products, and sugar constitute the "big four" of American "food-bearers." After an outline of the principal purposes and values of food, some account is given of the food supply resources of the United States, though the greater part of the book is devoted to the production and distribution of food in America. The typical unit of production is the medium-sized farm comprising some 80 or 90 acres of arable, and almost as large an area devoted to pasture, woodland and waste. The growth of tenant-farming, which is one of the interesting developments in American agriculture during the last twenty or thirty years, is examined from the point of view of the central problem of management. Despite the opposition of public opinion, 38 per cent. of American farmers to-day are tenants, as compared with some 25 per cent. three years ago. Tenancy is one of the rungs of the agricultural ladder, and comes next to the farm mortgage, this latter comprising about a third of all the farms in the country. The new Federal Land Bank system in turn makes it more easy to dispose of mortgages and thus helps the energetic farmer to become a full proprietor.

This volume contains a convenient summary of the agents of food distribution in America, and a special chapter is devoted to Governmental action. Professor Hedrick is inclined to hope for a bettering of market conditions and the cutting out of the private middleman in this manner and points to the war record of the principal belligerents in support of this view. "Food distribution by Government is, then, no longer a mere venture in Utopia. The thing has been done." It may, however, be doubted whether peace time conditions would call forth the energy and self-sacrifice of a sufficiency of men of the calibre of Mr Hoover.

THE SOCIALIST STATE—NEW STYLE.*

THOUGH new worlds stand somewhat at a discount nowadays, Mr Hughes's conception of the post-war Socialist State is calculated to interest many people to whom the vision of a better order—practicable or impracticable—is a welcome relief from too familiar realities; as famished Antarctic sledging-parties have sustained their cheerfulness by recounting the courses of hypothetical Mayors' Banquets. The writer places his Utopia, or, rather, "Equaland," in British East Africa (has he ever visited that rather provocative region?), its constitution being the outcome of an Enabling Act passed by the Imperial Parliament. One observes, however, that "much valuable assistance was rendered by some American business men" who happened to be hunting in that part of the country at the critical time. (Mr Hughes is himself a Western States lawyer.) To this Transatlantic influence was probably due the subsequent organisation of the State, which is neither more nor less than a vast business concern engaged in industrial and development work, every transaction of its citizen-employees being recorded in triplicate, checked and

audited, on the lines of the departmental store. All citizens are bound by law to perform a specified number of hours' work every year, and are provided with (1) housing accommodation in proportion to their earnings, (2) a minimum wage varying with the total income of the State, or, in other words, the net profits of the business, and (3) a "Special Needs" allowance of a certain percentage of their earnings above the datum line—this last an ingenious device for squaring State control with individual incentive which smacks somewhat of "agent's commission." Inheritance being unknown in Equaland, the death of a substantial citizen opens the way for "promotion" of some worthy subordinate, who takes over the property or goodwill of the deceased. All citizens receive a pension on retirement. The writer's case is expounded with much ingenuity, and with an obvious sincerity transcending the rather mundane nature of the expedients suggested. Much of the argument is illustrated by actuarial tables—a new and commendable departure in a work of this sort. Mr. Hughes' book deserves a place between Bellamy and Wells, as a business man's contribution to what has hitherto been the preserve of more imaginative and less "practical" literary architects.

THE STOCK EXCHANGE OFFICIAL INTELLIGENCE.*

THE Stock Exchange Official Intelligence for 1924 is now in our hands, and, as usual, it occupies a prominent position on our bookshelves. We are told that in this—the new volume—there are nearly 300 additional companies which have not appeared in previous volumes. Particulars are also given of 36 loans representing well over £180 million, which have been issued in London on behalf of various authorities since the publication of the preceding volume. This volume also includes a list of brokers who are members of the Stock Exchange, and further information is given regarding gas, water, and electricity supply companies. And, perhaps from the purchasers' standpoint, most satisfactory of all, in spite of the fact that this production has been enlarged, the price has been reduced from £4 to £3. It is to be hoped that the publishers will reap the benefit from this concession in the shape of increased sales. They certainly deserve it.

BOOKS RECEIVED.

The Agrarian Revolution in Roumania. By Ivor L. Evans. (Cambridge University Press), London, Fetter lane, E.C. 4. Price 12s 6d.

The Disinherited Family: A Plea for the Endowment of the Family. By Eleanor F. Rathbone. (London) Edward Arnold and Co. 7s 6d net.

The Stock Exchange Official Intelligence, 1924. Edited by the Secretary of the Share and Loan Department. (London) Spottiswoode, Ballantyne, and Co., Limited. 60s net.

Killik's Argentine Railway Manual, 1924. By Sir Stephen Killik. (London) Effingham Wilson. 2s 6d net.

Versicherungswesen I. and II. By Alfred Manes. (Berlin) Verlag und Druck von B. G. Teubner. Vol. I., gold marks 5; Vol. II., gold marks 7.60.

Directory of Shipowners, Shipbuilders, and Marine Engineers, 1924. (London) Directory Publishing Company, Limited, 33 Tothill street, S.W. 1. 20s net.

This Directory, which forms a handy desk companion, furnishes particulars of all the leading steamship companies, shipbuilders, ship repairers and marine engineering works throughout the world. It also gives the names of the directors and principal officials, and details of the fleets owned by the shipping companies. A supplementary section includes a list of societies, institutions, trade and labour federations, and a directory of consulting marine engineers and naval architects.

Seaborne Trade. Vol. III: The Period of Unrestricted Submarine Warfare. By C. Ernest Fayle. (London) John Murray. 21s net.

Official Year Book of the Commonwealth of Australia, No. 16, 1923. By C. H. Wickens, F.I.A., F.S.S.,

* "The Stock Exchange Official Intelligence for 1924." (London) Spottiswoode, Ballantyne, and Co., Limited. 60s.

Hon. M.S.S. (Paris.) Editor, John Stonham, M.A. (London) Commonwealth Offices, Australia House, W.C. 2.
L'Après-Guerre et La Politique Commerciale. By C.-J. Gignoux. (Paris) Librairie Armand Colin, 103 Boulevard St Michel. 5f.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, April 2. ACCOUNT, April 3.

One unfavourable influence after another has this week hung upon and worried the heels of cheerfulness. The bus and tram strike at home, the resignation of Monsieur Poincaré in France, disappointment with the Buenos Ayres Western dividend, the menace of American coal in the light of a possible coal strike, are a few of the outstanding factors that make for heaviness in prices, stagnation in Stock Exchange business. The public are not likely to be willing buyers of Stock Exchange securities at a time when upheaval in industry seems to be the established order of the day.

That gilt-edged stocks remain firm is due to the fact that money is always accumulating, and when financial disturbances are rife, much of the capital goes into safety and gilt-edged stocks. The recent heavy issue of New South Wales 5 per cents. at 97½ was taken by the public to the extent of 80 per cent., and the price opened on Thursday morning at a discount of about 5 per cent., rising later to ½ premium. The War Loan keeps firm, and the funding stock, quoted ex dividend early this week, recovered a small part of the deduction. In other gilt-edged stocks, the changes are few and unimportant.

Prices of Brazilian bonds gave way, after being a little better, on a rally in the milreis. Mexicans pursued an opposite course, being lowered early in the week and hardening up towards the close of it, on hopes of an April payment of interest. French issues were singularly little affected by the unexpected resignation of the French premier. Nor has the rise in the franc proved of much service to the quotations for French Government or railway bonds. Stock Exchange sarcasm suggested that the resignation of Monsieur Poincaré should be accounted a bull point for German bonds. Subscriptions lists to the new Siam and Amsterdam issues were very promptly closed.

Underground stocks in the Home Railway market were flat, owing to the statement of Lord Ashfield that the District and its four associated railway companies, together with the three tramway companies, are doing very badly. Holders became nervous, and freely sold their Underground incomes and District stock, but there was a recovery yesterday. The Home Railway steam companies' stocks are depressed by fears of strikes. Grand Trunk Pacific debenture has risen substantially by reason of the hope that some announcement will be made shortly of a modest cash return to the proprietors. Argentine railways gave way abruptly, the Buenos Ayres Western interim dividend of 2 per cent. being regarded as very disappointing, particularly as the Central Argentine and Buenos Ayres Great Southern had maintained their previous rates of 2½ per cent. and 3 per cent. respectively. But prices rallied from the worst. Nitrate railways are better, though nitrate-producing shares have scarcely moved. Brazilian railway stocks gave way to a moderate extent.

Raw rubber, remaining about 1s per lb all the week, offered no incentive to investment or speculation. The oil market has been erratic, notification of a new issue of Royal Dutch serving to put up the price of those shares with such a run as brought in profit-takers. Other members of the market enjoy a fair amount of activity, which, however, is largely professional. Tea shares are lower on balance. The Chubwa company is one of the latest to propose capitalisation of its reserves and to divide its £5 shares into others of £1 each. Gas stocks are lower. Electricity descriptions mostly maintain their values, and the companies likely to be affected

by the British Empire Exhibition are somewhat neglected, so far as their shares go, at the present time. Hudson's Bays, Sudan Plantations, and other land shares are mostly lower.

Textiles are moving narrowly, and attracting little trade. One jobber in this market, it may be observed, failed to do a single bargain in two days this week in Courtaulds, which, not long ago, were changing hands with greater freedom than the War Loan itself. Marconis hardened on buying from the north. The cable group is unchanged. Iron and coal shares are weak because of the fear of a coal strike, and the shipping market feels the effect of two or three unfavourable reports recently issued. The slump in Eagle Star shares became arrested, though there has not been much recovery. Other insurance shares, together with those in the banking list, present no fresh aspects of interest. London traction shares are mostly lower, and newspaper shares are flat. Vickers' new debentures are being dealt in on the basis of ½ discount. The tobacco shares show a heavy disposition. Trust companies' stocks are soaring upwards.

The Kaffir Circus is a good deal at the mercy of what is taking place in Paris, where losses on exchange and on base metal gambling are said to be extremely heavy. The tendency of the South African list is therefore dull, and, apart from a little liveliness in two or three speciality shares, Rhodesians are dormant. Diamonds have given way, and so have Rio Tintos. The tin markets, subject to the sharp fluctuations in the price of tin, are lower on balance. No interest has been taken in Russian mining shares, and the Dominion is giving the cold shoulder to shares in Canadian mining companies.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£	£	£	£
ISSUES OF THE WEEK—	£	£	£	£

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDING MARCH 22, 1924.

April 1, 1923, to Mar. 22, 1924.		£	Dr	£	To	£
£12,000,000		100,000	..	100,000	..	100,000
To the Public—						
Government of South Australia, 5% Conversion Loan 1932-42 (rep. at par), issued at 98%		To holders of £1,650,300 South Australian Government 4% Registered Stock and Bonds maturing April 1, 1924.				
Royal Siamese Government 5% Sterling Loan, £3,000,000, at 95% (March 27).....	3,000,000	..	2,865,000	..	150,000	.. 2,715,000
City of Amsterdam 5½% Sterling Loan, £2,500,000, issued at 96%.....	2,500,000	..	2,412,500	..	125,000	.. 2,287,500
Grigg (1924), Limited, 84,220 Ord. Shares, £1, at par.....	84,220	..	84,220	..	10,537	.. 73,683
Total offered to the public..	..	..	5,361,720	..	285,537	.. 5,076,183
To Shareholders only—						
Grout and Co., 75,000 ord. shares, £1, at £1 1s 6d....	75,000	..	80,635	..	24,375	.. 56,260
Total to shareholders only ..	..	..	80,635	..	24,375	.. 56,260
Total offered for subscription to date in—	£	Total offered for subscription for whole year—		£		
1924.....	36,012,900	1923.....		271,353,175		
1923.....	86,089,616	1922.....		373,676,620		
1922.....	286,207,067	1921.....		388,978,203		
1921.....	61,298,803	1920.....		367,549,656		
1920.....	136,094,550	1919.....		1,036,069,961		
1919.....	292,101,316	1918.....		1,393,361,441		

Government of South Australia 5 per Cent. Conversion Loan.—This is an offer of conversion to holders of £1,650,300 South Australian Government 4 per cent. registered stock and bonds, maturing April 1, 1924, the price of issue being £98 per cent. Holders of £1,597,200 South Australian 4 per cent. registered stock and £53,100 4 per cent. bonds due April 1, 1924, are offered conversion into an equal amount of South Australian 5 per cent. registered stock, 1932-1942. Holders of stock and bonds due April 1, 1924, will receive an immediate cash payment of £2 per cent., being the difference between the par value of the maturing stock and bonds and the issue price of the new stock (98 per cent.). The Commonwealth Bank of Australia is authorised to offer for subscription in cash at 98 per cent. South Australian 5 per cent. registered stock, 1932-1942, to an amount sufficient to make up, with the stock and bonds converted, a total of £1,650,300. The principal of the new stock is repayable at par on October 1, 1942, but Government of South Australia reserves the right of redemption at par on or after October 1, 1932.

Royal Siamese Government 6 per Cent. Sterling Loan of 1924.—This is an issue of £3,000,000 at 95½ per cent. The principal will be repayable at par within forty years from March 25, 1924, by drawings commencing in 1930, but the Siamese Government have the option of redemption at par at any time on or after March 25, 1934. The loan, both as regards capital and interest, is exempt from all present and future Siamese taxes. The Siamese Government have undertaken that, if any special security shall be given to any other foreign loan contracted in future, such security shall also be immediately and concurrently applicable to the present loan. The loan is required to recoup expenditure already incurred

* By W. O. Hedrick, Professor of Economics in the Michigan Agricultural College. xiv. + 336 pp. (London) D. Appleton and Co. 20s 6d.

* "State Socialism after the War." By Thomas J. Hughes. Second Revised Edition, 1924. (London) John Bale, Sons, and Danielsson. 4s.

Some interesting figures relating to Siam are given in the prospectus. The total national debt is now £9,723,933. It is satisfactory to find that debt redemption is being carried on, and that a surplus is shown in the Budget for 1921-22 (the latest figures given). Existing Siamese loans are in good favour with the investing public. On the most recent quotation the two pre-war issues yielded round about £5 7s per cent., while the 7 per cent. loan, issued at par, was quoted at 104½. The issue was well received.

City of Amsterdam 5½ per Cent. Sterling Loan.—This is an issue at 96½ of £2,500,000 bearer bonds. These bonds will be the direct obligation of the city, which has undertaken that it will not, during the currency of the present loan, create any charge on its assets or revenues without giving to the holders of the sterling bonds a similar charge *pari passu*. The bonds are redeemable not later than October 1, 1874, by means of a cumulative sinking fund, to be applied by yearly drawings at par; the first repayment will take place on October 1, 1925. The city has the right on October 1, 1935, and on October 1 in any subsequent year, to redeem at par these bonds upon giving six months' notice. Principal and interest will be payable in sterling in London, and are exempt from all taxes created in the Netherlands. The city has for many years owned and operated all the important public utility undertakings. The net revenue from these amounted in 1922 to £478,000. The city's revenue in 1922 exceeded its expenditure by £405,000; its total funded debt, excluding the present issue, is £21,380,000. We welcome a borrowing from this progressive city, and feel sure that investors will not regret participating in this loan. Quickly oversubscribed.

Allied Newspapers, Limited.—Authorized capital £2,000,000 in ordinary shares and £4,750,000 in 8 per cent. cumulative preference shares, all of £1 each. There is a debenture issue of £1,500,000 7 per cent. debenture stock. This is an offer for sale of 4,750,000 preference shares at par. This being an offer for sale, we are precluded from being furnished with much necessary information. The vendors, however, are very candid. The total purchase price is £4,400,000 cash, £1,500,000 debenture stock, and £2,000,000 ordinary shares. It is stated that the price payable by the *Sunday Times* to E. Hulton and Co. for that company's Manchester business is £4,000,000 in cash and £1,500,000 debenture stock, and it is added that "the greater part of the above consideration is payable for goodwill." The brokerage and underwriting terms are interesting. The preference shares now offered have been subscribed for a commission of 7½ per cent., payable in cash, out of which expenses will be paid, including a special overriding commission of 1 per cent. to persons who guaranteed the underwriting. In addition 510,000 fully-paid ordinary shares have been received, out of which are to be distributed to persons "who guaranteed the underwriting" 10 ordinary shares for every 100 preference shares guaranteed. We are told that the issued capital of the *Sunday Times* is 67,257 ordinary shares, and 30,000 preference shares; these are presumably £1 shares. Profits are given from 1918. After making provision for interest and sinking fund in connection with the debentures, if profits for 1923 are taken as a basis, a balance of £705,000 is available for the 8 per cent. dividend on £4,750,000 preference capital. This service requires £380,000 per annum. Thus a substantial margin is left. Newspapers as investments are speculative propositions, as far as the general public is concerned. A glance back at the fate of well-known papers over a long period of years will perhaps prove our point. The chief stock in trade is composed of goodwill and individual personality. There is, however, no reason why these should not be capitalised.

Sir W. G. Armstrong, Whitworth, and Co., Limited.—Share capital £10,012,500. The loan capital consists of £2,500,000 4 per cent. first mortgage debenture stock and £1,757,000 6½ per cent. second mortgage debenture stock, being part of an authorised issue of £5,000,000. Details are announced in the press of an issue of 5½ per cent. notes to comply with the requirements of the London Stock Exchange. This is an issue of £2,000,000 5½ per cent. three-year notes. The notes are to be dated April 7, 1924, and are redeemable at par on April 7, 1927. The notes will be secured by a trust deed in favour of the trustees, and constitute a first charge on £2,000,000 6½ per cent. second mortgage debenture stock of the company, which will be created and issued to the said trustees, and will rank *pari passu* with the second mortgage debenture stock at present outstanding, except that redemption payments on the former will commence to run only if and when the trustees require it. The company has sold these £2,000,000 5½ per cent. three-year notes for payment and delivery on April 7th at the price of £97 17s 6d per cent. These notes are good security in their class.

Anglo-Persian Oil Company, Limited.—A statement has been published in the press in connection with an issue of £2,000,000 6½ per cent. five-year secured notes of the Anglo-Persian Oil Company. The notes are dated March 1,

1924, and will be repayable on March 1, 1929, at par. The company reserves the right to redeem the notes on January 1 or July 1, 1925, on January 1 or July 1, 1926, at the price of 102, and accrued interest; on January 1 or July 1, 1927, at the price of 101½, and accrued interest; on January 1 or July 1, 1928, at the price of 101, and accrued interest. These notes are the direct obligation of the company, and are further secured by the deposit as collateral security with the trustees for the noteholders of £2,500,000 of the company's 5 per cent. first debenture stock, secured by trust deed dated May 25, 1909, and supplemental trust deed. This issue has been sold at the price of 99 to two well-known financial houses. If obtainable at par a fair investment opportunity.

The British Australian Cotton Association, Limited.—Incorporated in Queensland, Australia. Details are issued concerning this undertaking for information only, no shares being offered for subscription. The principal objects of the undertaking are to carry on business in Australasia as cotton ginners, warehousemen, and brokers; to manufacture cotton by-products, to grow cotton, to finance cotton growers, and generally to conduct all business associated with the development of the cotton industry in Australasia. The capital is £1,000,000, having been increased from £200,000 in January, 1923. It is divided into 200,000 8 per cent. cumulative participating preference and 800,000 ordinary shares of £1 each. Of the original 200,000 shares, 50,000 were issued as fully paid to the Australian Cotton Growing Association, Limited, of London, as reimbursement for moneys expended by it in the promotion of and for sums advanced to the British Australian Cotton Association, Limited. After the increase of capital an agreement was entered into for the issue of 91,000 fully-paid-up £1 shares in the capital of the Queensland company to the liquidator of the English company or its nominees.

The Worthing Gas Light and Coke Company.—Authorized capital £216,942, of which £138,000 has been issued. Loan capital for £65,441 has been issued. This is an offer for sale by tender of £20,000 5½ per cent. preference stock, the minimum price of issue being £95 per £100, which would give a yield of £5 15s 9d per cent. There is no preference stock in existence with the exception of this issue. The net revenue of the company amounted last year to £14,041; the interest on loan capital absorbs £3,583, leaving a balance of £10,458 available for dividends on preference stock. As this will only need £1,100 per annum, a wide margin is left for security. An excellent investment, but regard must be paid to the narrow market for such a small issue.

Grigg (1924), Limited.—Authorized capital £150,000, divided into ordinary shares of £1 each. This company has been formed to take over a business of the same name manufacturing motor cycles, power units, gears, &c. This is an issue of 84,220 shares at par, the remainder being part of the purchase price. The assets to be acquired are valued in the prospectus at £92,387. This sum will be satisfied as to £26,607 in cash, and as to £65,780 by the issue of fully-paid shares in the new company. The present issue is expected to give £45,613 for working capital. The vendor company was formed in 1919. According to the information provided by the prospectus, in the year ended June 30, 1922, net profits of the vendor company were 15 per cent. of the paid-up capital, and in the following year 22 per cent. per annum on the capital from time to time paid up. This, however, cannot be considered a satisfactory method of presenting past profits. In the circumstances, an investment in this company must be looked upon as "a leap in the dark."

Fabulosa Mines Consolidated.—Capital stock \$3,000,000 American gold, in shares of \$1 each. The company is incorporated in the Republic of Bolivia, and is the owner of approximately 12,600 acres of tin-bearing mining lands. Profits are given for 1923 as equal to £32,956. These and other details are given in connection with a statement in the Press, published to comply with Stock Exchange regulations. Investors will, however, require more information than that vouchsafed before taking an interest in the company.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
War 3½, 1925-28 .. 95½	95½	95½	..	Aust. 5½, 1931-41 .. 104	104	104	..
Loans 4½, 1925-46 .. 96½	96½	96½	..	India 3½, 1920-25 .. 101	101	101	..
4½, 1925-47 .. 101½	101½	101½	..	Do 5½, 1931-36 .. 109	109	109	..
4½, 1925-48 .. 100½	100½	100½	..	Do 7½, 1933-38 .. 100	100	100	..
Funding Loan 4½ .. 87½	87½	87½	..	Do 8½, 1933-38 .. 100	100	100	..
Victory Bonds 4½ .. 97½	97½	97½	..	Do 9½, 1933-38 .. 100	100	100	..
Conversion Loan 3½ .. 75½	75½	75½	..	N.S.W. 5½, 1922-28 .. 102	102	102	..
Consols 2½ .. 55½	55½	55½	..	Nigeria 5½, 1920-25 .. 112	112	112	..
Irish Land Stock 2½ .. 58	58	58	..	U. of S.A. 5½, 1930-40 .. 106	106	106	..
Local Loans 3½ .. 64½	64½	64½	..	Victoria 5½, 1924-34 .. 100	100	100	..
				W.Aust. 6½, 1930-40 .. 104	104	104	..

British Railways.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Great Western, Ord. ... 107½	107½	107½	..	Southern, Ord. "A" .. 38x	37½	37½	..
London & North-Eastern 5½ Pref. Ord. ... 82x	81½	81½	..	Do Ord. "B" .. 10x	9½	9½	..
Do 5½ Pref. Ord. ... 298x	298x	298x	..	Do Pref. Ord. ... 84x	81	81	..
London, Mid., and South-East, Ord. ... 99½	98½	98½	..	Do Def. Ord. ... 40x	39½	39½	..
Metropolitan ... 76½	75	75	..	Underground Electric (Ed.) ... 2½	2½	2½	..
Metropolitan District ... 55	50½	50½	..	Do "A" (1) ... 3½	3½	3½	..

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Barclays B (£1, f.p.d.) 28	28	28	..	Nat. Bank of S. Africa 62	62	62	..
Chartered Bk of India 19½	19½	19½	..	National Provincial, (Ed.) ... 10½	10½	10½	..
Lloyds (£5 with £1 paid) 24	24	24	..	Standard of S. Africa (£20, with £5 paid) ... 10½	10½	10½	..
Midland (£12, with £2 paid) 8½	8½	8½	..	Westminster Bank (£30, with £5 paid) 16½	16½	16½	..
Nat. Bank of Egypt (£10) 23½	23½	23½	..				

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Chesapeake & Ohio ... 88	84	84	..	Southern ... 63	63	63	..
Erie ... 30	29	29	..	Do Non-um Pref. 84	84	84	..
Do 4½ 1st Pref. ... 37	37	37	..				

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Argentine 5½, 1895-1900 ... 100	100	100	..	Japanese 4½, 1910 ... 65	65	65	..
Austrian 6½ Guar. 89	89	89	..	Do 6½, 1924, £50 pd. 53½	53½	53½	..
Belgian 3½ ... 69	69	69	..	Mexican Cons. 1899 ... 51	51	51	..
Brazil 5½ Fund. 1914 74	74	74	..	Peruvian Corp. Pref. ... 28	28	28	..
Chilian 4½, 1895 ... 85	85	85	..	P.L.M. 6½ ... 83	82½	82½	..
Do 7½, 1912 ... 106½	106½	106½	..	Portuguese (New) ... 29	28	28	..
Chinese 5½, 1908 ... 78½	78½	78½	..	Russian 5½, 1906 ... 12	12	12	..
Egyptian 4½ ... 74	74	74	..	Spanish 4½ ... 63	63	63	..
French 5½ ... 22½	21½	21½	..	Seine (Dept.) 7½ ... 96½	96½	96½	..
Do 4½ ... 18½	18½	18½	..	Siamese 7½ ... 104½	104	104	..
Greek 4½, 1894 ... 45½	45½	45½	..				

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Antofagasta Cons. ... 86½	86½	86½	..	Leopoldina ... 26½	26½	26½	..
B.A. and Pacific ... 82½	82½	82½	..	Mexican Railway ... 9	9	9	..
B.A. & Southern ... 87	87	87	..	Do 1st Pref. ... 26	25	25	..
Buenos Ayres Week. ... 168	168	168	..	Do 2nd Pref. ... 15	14	14	..
Canadian Pacific ... 77½	76½	76½	..	San Paulo ... 157	153½	153½	..
Central Argentine ... 77½	76½	76½	..	United Havana ... 88	87	87	..

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Anglo-American "A" 22½	22½	22½	..	Marconi Canada ... 1½	1½	1½	..
Marconi Wireless ... 18	18	18	..	Marconi Marine ... 1½	1½	1½	..

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Aerated Bread (Ed.) ... 1½	1½	1½	..	Hudson's Bay (Ed.) ... 6½	6	6	..
Anal. Cottons (Ed.) ... 3½	3½	3½	..	Imperial Tobacco (Ed.) ... 5½	5½	5½	..
Anglo-Persian Oil (Ed.) ... 3½	3½	3½	..	Linggi Plantations (Ed.) ... 1½	1½	1½	..
Armstrong (Sir W.G.) and Co. (Ed.) ... 3½	3½	3½	..	Lipton (Ed.) ... 1½	1½	1½	..
Ass. Plant. Cement (Ed.) ... 3½	3½	3½	..	Lever Bros. 7½, 1914 (Ed.) ... 1½	1½	1½	..
Barker, John (Ed.) ... 2½	2½	2½	..	Do 8½, 1914 (Ed.) ... 1½	1½	1½	..
B'ham Small Arms (Ed.) ... 2½	2½	2½	..	Do 8½, 1914 (Ed.) ... 1½	1½	1½	..
Brazil Tracoin (Ed.) ... 2½	2½	2½	..	Do 8½, 1914 (Ed.) ... 1½	1½	1½	..
British-American Tobacco (Ed.) ... 5½	5½	5½	..	Do 8½, 1914 (Ed.) ... 1½	1½	1½	..
Burmah Oil (Ed.) ... 5½	5½	5½	..	Do 8½, 1914 (Ed.) ... 1½	1½	1½	..
Coca (Ed.) ... 5½	5½	5½	..	Do 8½, 1914 (Ed.) ... 1½	1½	1½	..
Courtenay (Ed.) ... 5½	5½	5½	..	Do 8½, 1914 (Ed.) ... 1½	1½	1½	..
Cunard (Ed.) ... 5½	5½	5½	..	Do 8½, 1914 (Ed.) ... 1½	1½	1½	..
Dorman, Long (Ed.) ... 5½	5½	5½	..	Do 8½, 1914 (Ed.) ... 1½	1½	1½	..
Dunlop Rubber (Ed.) ... 5½	5½	5½	..	Do 8½, 1914 (Ed.) ... 1½	1½	1½	..
Fine Cotton Spinnings (Ed.) ... 5½	5½	5½	..	Do 8½, 1914 (Ed.) ... 1½	1½	1½	..
Forestral Land (Ed.) ... 5½	5½	5½	..	Do 8½, 1914 (Ed.) ... 1½	1½	1½	..
Furness, Withy (Ed.) ... 5½	5½	5½	..	Do 8½, 1914 (Ed.) ... 1½	1½	1½	..
Highlands and Lowlands Rubber (Ed.) ... 5½	5½	5½	..	Do 8½, 1914 (Ed.) ... 1½	1½	1½	..

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Brascan (Ed.) ... 5½	5½	5½	..	Knights ... 4½	4½	4½	..
Broken Hill Prop. (Ed.) ... 5½	5½	5½	..	London & North-Eastern 5½ Pref. Ord. ... 82x	81½	81½	..
Chartered (Ed.) ... 5½	5½	5½	..	Do 5½ Pref. Ord. ... 298x	298x	298x	..
Cons. Gold Fields (Ed.) ... 5½	5½	5½	..	Do 5½ Pref. Ord. ... 298x	298x	298x	..
Crown Mines (Ed.) ... 5½	5½	5½	..	Do 5½ Pref. Ord. ... 298x	298x	298x	..
De Beers Def. (Ed.) ... 5½	5½	5½	..	Do 5½ Pref. Ord. ... 298x	298x	298x	..
East Rand Prop. (Ed.) ... 5½	5½	5½	..	Do 5½ Pref. Ord. ... 298x	298x	298x	..
Gould (Ed.) ... 5½	5½	5½	..	Do 5½ Pref. Ord. ... 298x	298x	298x	..
Gov. Gold Areas (Ed.) ... 5½	5½	5½	..	Do 5½ Pref. Ord. ... 298x	298x	298x	..

ANALYSIS OF BALANCE-SHEETS.

BRITISH PORTLAND CEMENT.

LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1923.	Amount.	Compared with Dec. 31, 1923.
Prof. shares ... 1,180,000	..	Property, plant, &c. 2,414,624	.. 119,936
Ord. shares ... 1,382,622	..	Investments, at cost, and loans 1,771,142	.. + 645,202
5% deb. stock ... 1,556,661	.. + 28,347	Stock-in-trade ... 378,472	.. + 27,768
Creditors ... 450,876	.. + 117,041	Debtors ... 192,228	.. - 188,894
Deb. stk. red. acct. 2,930	.. + 2,930	Deb. discount, & issue expenses ... 112,905	.. - 192,018
Profit and loss ... 292,282	.. - 393	Cash ... 112,905	.. - 192,018
Total ... 4,867,371	.. + 91,231	Total ... 4,867,371	.. + 91,231

GORDON HOTELS, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1923.	Amount.	Compared with Dec. 31, 1923.
5½% pref. ... 965,000	..	Properties ... 3,594,158	.. - 121,315
Ord. shares ... 965,000	..	Trailsagar square property ... 11,212	..
Def. shares ... 1,633,991	.. - 2,986	Freehold property ... 8,582	..
Deb. stock ... 204,350	.. - 14,101	Requisitioned hotel ... 489,676	.. + 3,100
8% notes ... 34,469	.. + 573	Alterations, &c. ... 22,611	.. + 4,184
Deb. and note interest accrued ... 319,865	.. + 6,083	Unsettled issues ... 9,415	.. - 2,404
Bank overdraft ... 207,317	..	Investments, at cost ... 223,410	.. + 6,152
Creditors ... 319,865	..	Wines, &c. ... 97,716	.. - 21,205
Premiums ... 50,954	.. + 19,288	Linen, &c. ... 29,798	.. - 10,574
Notes in clearing fund ... 267,441	.. + 14,348	Debtors ... 35,081	.. - 8,862
Leaseholds redemption fund ... 94,538	.. + 64,448	Cash ... 222,196	.. + 179,955
Profit and loss ... 267,441	.. + 64,448	Total ... 4,743,855	.. + 28,501
Total ... 4,743,855	.. + 28,501	Total ... 4,743,855	.. + 28,501

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Year.	Dividend for Whole Year.
Railways.						
Bengal Dockers.	3 %*		April 15	Subject to tax	%	%
Buenos Aires Great Southern	3 %*		..	Less tax	..	..
Buenos Aires Western	2 %*		..	Less tax	..	..
Dublin and Dun Laoghaire	7½		..	..	..	..
Nizam's Gtd. State.	5		April 17	..	..	..
Banks.						
Bank of Scotland	..		..	Less tax	16	16
Hong Kong and Shanghai	..		..	..	£8 p.s.	£8 p.s.
Insurance.						
Atlas (bonus).	36½		..	..	..	..
Dominion	2½		..	Less tax	7½	7½
Reliance Fire and Accident	2½†		..	Less tax	4	..
Union Marine	9½ p.s.		..	Tax free	15 p.s.	..
Rubber and						
Ayer Kuning Rubber.	..		..	Less tax	10	10
Balmoral (Ceylon)	22½†		..	Less tax	42	32
Chersonese (F.M.S.)	..		..	Less tax	10	5
Cheviot	..		..	..	7½	3
Critchhead Tea	20½†		..	Less tax 4/7½ in £	7½	3
Goconda	..		April 30	Less tax	7½	nil
Golden Hope Rubber	..		..	Less tax	5	5
Highlands and Lowlands	..		..	Less tax	7½	7½
Kintyre Tea	5%*		April 1	Less tax	7½	7½
Lebu F.M.S.	..		..	..	7½	7½
Lochnagar (Ceylon)	..		..	Less tax	8	..
Padang Jawa Rubber	1 p.s.		..	Less tax	..	..
Pataling Rubber	..		..	Less tax	10	..
Rangalia Consolidated.	..		..	Less tax	5	..
Selaba Rubber	..		..	Less tax	10	5
Selangor Rubber	..		April 18	Less tax 4/7½ in £	12½	16½
Straits Rubber.	..		..	Less tax	5	5
Sungei Choh.	5%†		..	..	9	8
Sungei Way (Selangor).	..		April 18	Less tax	5	10.
Talavale Estates	15 %†		..	Less tax 4/7½ in £	..	..
Do bonus	1/p.s.		..	Tax free	..	..
Victoria Rubber	..		..	..	20	20
Mining.						
Broken Hill South	1/6 p.s.		(&bonus 1/p.s.)	..	..	..
Durban, Rodeoport	..		..	..	5	nil
Deep Pool and Far Reef	5 %*		April 15	Less tax	..	..
Mason and Barry	..		..	Less tax	17½	37½
New Jagersfontein.	2/6 p.s.		..	..	..	..
Siamese Tin.	10%*		April 15	Less tax 4/6 in £	..	..
Tharsia Sulphur, &c.	..		..	Less tax	10	12½
Transvaal G.M.S.	5 %		May 3	Subject to tax	..	..
Other Companies						
Aberdeen Coal and Shipping	2/p.s.		(&bonus 6/p.s.)	Tax free	..	..
Alliance Trust	..		..	Subject to tax	22	21
American Cyanamid	\$1½ p.s.		April 1	..	10	..
Austero, Birmingham	..		..	..	10	..
Australian Mercantile	5%*		May 5	Tax free	..	..
Bandruan Brothers	..		..	..	6	..
Ben Evans and Co.	4½ p.s.		..	Less tax	..	..
Do from dividend account.	1½ p.s.		..	Tax free	..	..
Borneo Company	2½%*		April 4	Less tax	..	..
Bombay Gas.	4½†		..	Less tax	8	8
British Portland Cement	5%†		..	..	10	10
British Tabulating Machines	5%†		..	Tax free	10	12
British United Shoe Machinery	..		..	Tax free	20	12
Cairn Line	..		..	..	5	nil
Canada Company	1/p.s.†		..	..	2	1/2 p.s.
C. and W. Walker	10%*		(&bonus 1/p.s.)	Tax free	..	..
Charles Baker and Co.	..		..	..	nil	5
City Gate Line	..		..	..	5	..
Cookshuttlow, Pref.	1%*		May 1	..	15	..
Collieries	..		..	Tax free	5	10.
County of Durham Electricity	..		..	..	6	6
Crowe and Co.	5%†		..	..	7½	..
C. Townsend, Hook, and Co.	..		..	Tax free	10	15
Curtis and Co.	..		..	Less tax	..	..
Dunlop, &c., Steam Packet	5*		..	..	10	15
Edinburgh Invest. Deftd.	5%†		(&bonus 2%*)	Less tax	12	10
E. Robinson and Sons	5 %*		April 1	..	10	10
Fleming and Ferguson.	5 %*		..	..	7½	..
Fletcher Hardware	9 p.s.†		..	Less tax	10	15
Fulkestone Electricity.	6%†		..	Tax free	15	15
Frederick Gorrings	..		..	..	15	15
Gill and Selgate, Pref.	8%*		..	Tax free (arrears to Dec., 1922)	..	..
Gray, Perverell, and Co.	..		..	Tax free	6	..
Hawthorn's Hotel(Bournemouth)	..		..	Less tax	12½	10
Henry Tomlinson	1/ p.s.†		..	Tax free	..	..
Imperial Tramways	..		..	..	nil	4
Jabez Johnson Hodgkinson, Def.	1/ p.s.*		..	Less tax	12	..
J. G. Mooney and Co.	12†		..	..	12	..
John Dickinson	6 %		April 8	Less tax	12½	12½
James and Higgins	..		..	..	30	15
J. R. Roberts Stores.	..		..	..	15	15
K. Redival Mail Steamship, Pref.	5½%		..	Less tax (18 months to Nov. 1923)	30, 1	923
Lafayette, Pref.	9/ p.s.		..	Tax free	24 p.s.	..
Lawsons.	1/6 p.s.†		..	Tax free	..	..
Lothboses Colliery, Pref.	4/6 p.s.†		..	..	nil	..
Madame Val Smith	..		..	..	1/2 p.s.	..
Manocheater Commercial Bldgs.	8 p.s.†		..	..	20	..
Martin Earle	..		..	Tax free	..	..
Maynards	10		April 2	Less tax	8	12
Metropolitain Dockers	..		..	..	10	10
Mirrless Watson	..		..	Less tax	10	10
National and Foreign Securities	6*		..	For 1922	8	8
Do, Pref.	..		..	..	..	..
Nestlé.	8		Jan. 1, 1925; first half, 1923.	..	50	..
Palace Hotel, Def.	..		..	..	..	..
Parker, Winder and Achurch	10†		..	Less tax	7½	7½
Pettigrew and Stephens	..		..	Less tax	10	10
Philadelphia Co.	\$1 p.s.		April 30	Quarterly	..	..
Property and Estates	3 %		(&bonus 2%*)	Tax free	7	..
Pyne Bros.	..		..	..	5	..
R. and J. Pullman, Pref.	..		..	..	8	5
Rhonda Tramways, Pref.	..		..	..	24	2½
Robey and Co.	..		..	Less tax	8	8
Rolls Royce	..		..	Tax free	17½	15
Royal Horticultural Hall	..		..	..	5	5
S. White and Sons	..		..	Less tax	nil	10
Sir William Arrol	..		..	..	40	40
Steel Brothers	..		..	..	10	10
Swanson United Breweries	..		..	Less tax	10	10
Swedish Match	7 %†		..	..	12	15
Thomas Tilling	1/6 p.s.†		(&bonus 1/p.s.)	Less tax	45	15
Thomas Wolfe and Son	10%†		..	..	15	..
Thos. W. Ward	3½%*		..	Tax free	..	..
T. J. Harries	..		..	Less tax	10	12½
Union State	8%*		(&bonus 1%*)	..	12	..
Warwicks and Richardsons	10		April 1	Less tax	..	..
Western Wagon and Property	..		..	..	10	10
Wm. Brown and Co. (Liverpool)	..		..	..	nil	..

COMPANY MEETINGS, &c.

THE MERCANTILE BANK OF INDIA, LIMITED.

CHAIRMAN ON POLITICAL AND INDUSTRIAL CONDITIONS IN INDIA.

INDIA'S FINANCIAL AND TRADE RECOVERY.

IMPROVED OUTLOOK FOR FUTURE.

The thirty-first annual general meeting of the shareholders of this bank was held at Winchester House, Old Broad street, London, E.C., on the 28th instant. Mr J. M. Ryrie presided in the absence of Sir Robert J. Black, Bart., the chairman.

Mr Ryrie: I will ask the chief manager, Mr J. Steuart, to read the notice convening this meeting and the auditors' certificate.

The chief manager read the notice and the auditors' certificate.

Mr Ryrie said: Gentlemen, if you will permit me I will, as usual, take the directors' report and accounts as read.

In the first place, I am sure I express the disappointment all present feel not to see our chairman here to-day, and our sincere regret that his absence is caused by ill-health. At the end of last year Sir Robert Black had a severe attack of influenza, and, as he did not make a good recovery, his doctor ordered him to Egypt early this year, and I am pleased to say he has just returned feeling much better, but not yet quite fit to take up his many duties in the City, and, indeed, we have begged him not to resume his arduous work at the bank without a further rest. I hope, however, that in a very short time his recovery will be complete, and that we shall continue to reap the benefit of his advice and guidance for many years to come.

It is under these circumstances that my colleagues have done me the honour of asking me to preside to-day, and though I appreciate what a poor substitute I am for our chairman, I consented, feeling that you will make full allowance for my shortcomings.

We would have been glad also to have Lord Carmichael with us to-day, but he is in the South of France, and regrets his absence as much as we do.

DEATH OF THE LATE CHIEF MANAGER.

In the next place, it is my painful duty to refer to the sad and untimely death, in November last, of Mr Percy Mould, our late chief manager, to which important post he was appointed in 1913. Mr Mould had been in the service of the bank since 1886, and previous to his appointment as chief manager he was manager at Calcutta, our most important branch. I know I can say without fear of contradiction that with all who came in contact with him, in or out of business, Mr Mould was not only popular, but respected for his ability and character. Your directors, one and all, lament the loss of a chief manager and a friend in whom they had complete trust, and who was always dignified and tactful under all circumstances.

We were, however, fortunate in having as our London manager and second in command Mr James Steuart, who has served the bank since 1889, having been appointed London manager in 1913, and acting chief manager in May last, and as from long experience your directors know that Mr Steuart's knowledge of the bank's business, at home and in the East, is unsurpassed, and that the interests of the bank always come first with him, they had no hesitation in appointing him to succeed the late Mr Mould as chief manager in December last, and in the confident belief that under his control the bank is in good hands.

NEW LONDON MANAGER.

Then we have cause for congratulation in that Mr James Murdoch, another old and able officer of the bank, who has been our Inspector of Branches in recent years, has consented to fill the position of London manager until such time as we can make other arrangements, and I take this opportunity of saying how much we are indebted to Mr Murdoch for agreeing to stand by us for the present.

I have also to mention with regret the death of Mr Scott Smith, who, after vacating the position of manager at Calcutta and carrying out a visit of inspection to our branches in the Far East, had just come home on leave. Mr Scott Smith was a popular and efficient officer of the bank, who will be much missed by a wide circle of friends.

THE PAST YEAR.

In attempting to review the events of last year in which we are interested, I find it difficult to know where to begin, as our operations and interests cover such a wide field, but as our profits depend largely upon the monetary policy of this country I will begin by referring briefly to events at home.

Money has been comparatively cheap, the Bank rate being main-

tained at 3 per cent. until July, when it was raised to 4 per cent., the rate to-day, and consequently rates of discount, which are of material interest to us, have been equally steady.

There have been large and successful issues of capital, indicating that London is still the centre of the money market of the world.

Prices on the whole have been steady, and our imports and exports increased, and, taking invisible exports into account, the balance of trade was in our favour, though the balance available for investment overseas was probably less than in the two previous years owing to payments in respect of our American debt.

TRADE IMPROVED.

Trade generally has improved, there has been some reduction in taxation, and unemployment has decreased, but prospects are overcast by strikes and threats of industrial war, with the result that orders are going abroad. The cost of production in this country is still high, and I noticed that in a recent speech Mr Baldwin said that whilst our imports cost us 53 per cent. over 1914 prices, we have to ask 89 per cent. more for our exports. This is an important point, and unless we can reduce the price of our exports, the cost of our imports must increase. The question of how to deal with the large amount of unemployment still existing is a serious problem, and I am afraid that until there is more self-help and self-reliance, and less looking to the State for assistance, this problem will always be with us. It will certainly not be solved by a settlement of the vexed questions of Reparations and inter-Allied debts or the recognition of Russia.

NEED FOR IMPERIAL PREFERENCE.

As the result of the last General Election it is clear that Protection for home industries is at least out of the question for some time to come, but I venture to say I hope Imperial Preference will survive, particularly in view of the restricted purchasing power of Europe brought about by inflation followed by depreciation of currency, with the result that we have France, Germany and Belgium dumping goods in this country at prices with which our manufacturers cannot compete.

The last Government were, I think, wise to settle the terms upon which our debt to the United States is to be paid, as, apart from the resulting maintenance of our credit abroad, I cannot but think a further result will be an increase in exports from the British Empire to the United States.

It is true the £ sterling as measured in dollars, which at present seem to be the common measure of the value of the currencies of the world, has not appreciated as we would like, but if as the result of our imports from America are checked and our exports to that country increase, there is perhaps not much cause for regret.

THE LABOUR GOVERNMENT.

It is too soon to indulge in remarks upon what we are to expect from the Labour Government, but on the whole they have made a good start upon more or less conservative lines, and if they can see their way to reduce the present high taxation, and thus help to bring down the cost of living, and cost of production, and at the same time devise better machinery than exists at present for the purpose of averting strikes and bringing about confidence as between Capital and Labour, they will deserve our congratulations and thanks.

We may not all agree with their decision to abandon the proposed extension of our naval base at Singapore, but it is satisfactory to know they adhere to the policy of the Cunliffe Committee, and do not intend to proceed with their idea of imposing a Capital Levy. But I confess to not understanding exactly what object they have in setting up an inquiry "to consider and report on the National Debt and on the incidence of taxation with special reference to their effect upon trade, industry, employment, and national credit." I hope there will be no attempt at nationalisation of railways, mines, &c., as if this were carried out political influences would always be at work, and as the motives which lead to success in private enterprise are absent in Government enterprise.

POLITICAL SITUATION IN INDIA.

In referring to India, I feel that I cannot ignore the political situation, which is giving so much trouble and causing some anxiety, as, if it continues, the credit and trade of the country

must suffer, but as a business man I do not like politics, and I will deal with this subject briefly. It is clear that, in spite of the large concessions made, the Montagu Scheme is not working well, as it seems to have done little to curb the ambitions of some of the English-educated Indians who, while demanding self-government at once, can hardly claim to represent the people of India. There are so many races with different languages and religious beliefs in India, that the British Raj must continue to hold the balance for some time to come, and until the time is ripe for self-government. At the moment the new Constitution is threatened, the extremists having stampeded the independents and moderates, and it looks as if the clock of reform has been put back; but it is a period of transition, which is always difficult, and I hope there will be no reactionary steps at present, and that the Government of India will be left to deal with the situation without any interference from this side, as I feel that our Indian friends will settle down and, in the interests of the country, see the desirability of exercising patience and restraint.

FINANCE AND TRADE IN INDIA.

So far as the financial position and trade is concerned, India has made a splendid recovery from the depression of previous years. The Budget for 1923-1924 has been practically balanced, and that for 1924-1925 is expected to show a surplus of over three crores of rupees, and permit of a reduction in the salt duty, this being the result of a good monsoon and economies in administration, and making it improbable that India will have to raise any external loan this year. On March 31, 1922, 54 crores of Indian Treasury bills were outstanding, this amount being reduced a year later to 22 crores, whilst on 31st inst. the amount outstanding will probably not be more than 2 crores. The total imports and exports of merchandise in 1923 amounted to 569 crores of rupees, or at 1s 4d exchange, say, £379,000,000, which is a "record" if the year 1920 is excluded (when the balance of trade was against India, and which proved a disastrous year for many), and the balance of this trade in favour of India was about £76,000,000. But in 1923 the net imports of gold exceeded £26,000,000, and those of silver £13,000,000, against about £20,000,000 and £11,000,000 respectively in 1922, these imports of bullion, of course, reducing the balance of trade and depressing exchange. India imported cotton goods and yarn in 1923 to the value of, say, £44,000,000, of which about £34,750,000 came from Great Britain, and no doubt the imports would have been larger but for the high price of cotton, which is at least three times higher than in 1913.

INDIAN EXCHANGE.

In regard to Indian exchange, the year opened with the rate for telegraphic transfers on London at 1s 4 5/32d and closed at 1s 5 3/32d, touching 1s 3 29/32d in August, which was the lowest point, and 1s 5 9/32d in November, this being the highest level of the year. It is interesting to note that in framing the Budget for 1924-1925 the Indian Finance Minister has adopted a rate of 1s 4 1/2d, which is about the rate to-day, against 1s 4d in the two previous years, but Sir Basil Blackett was careful to point out that he is not indulging in prophecy. As you know, the 2s gold rupee was adopted when conditions were abnormal, and prices generally inflated, and the Government of India have now, it appears, practically abandoned this rate, intending apparently to allow the rupee to find its own level until at any rate sterling is more on a parity with gold than it is at present.

The fluctuations in silver were very moderate, the year opening with the price at 31 1/4d, and closing at 33 7/8d, the highest and lowest points being 33 1/4d and 30 1/4d respectively, with consequently no violent ups and downs in rates of exchange in China. The price of gold, which is influenced by American exchange, touched 96s 11d, the highest point, in November, and 87s 5d, the lowest point of the year, in February. It is also interesting, in connection with Government of India remittances to this side, to observe that of the about £28,000,000 remitted, only £8,738,000 was realised from the sale of Council bills and telegraphic transfers in London, £12,475,000 representing purchases of sterling from the banks and T.T. in India, and the balance made up by remittances on account of the paper currency reserve, and a transfer from this reserve in India to the Home Treasury.

THE BALANCE-SHEET.

I will now turn to the balance-sheet and profit and loss account, but as these are drawn up in the usual form there is not much for me to say.

The total figures on the balance-sheet are very slightly less than at December 31, 1922, and the deposits show a small decline, but the figures disclosed indicate a very strong and liquid position, and, indeed, I would like to see more of our resources invested in our business. The cash in hand represents nearly 28 per cent. of our deposits, and if the investments in Government and other stocks are added to the cash the ratio is 65 per cent. The investments, I may mention, are made up of £3,021,083 in sterling securities, £1,513,957 in rupee securities, and £399,641 in Straits dollar

securities. The large reduction in the amount standing against bills receivable is explained by the fact that on December 31, 1922, we held about £1,000,000 of Indian Treasury bills in India, and none of these bills on December 31st last, our funds in India being then employed otherwise, whilst it is now largely the custom of merchants in India to draw against their shipments by telegraphic transfers rather than by usance bills. The decline of £441,378 in loans receivable and advances indicates less demand for accommodation from our customers, and to some extent the liquidation of old advances. The increase in the item banking premises is accounted for by the cost of our new building at Madras, the balance of the cost of our new premises at Rangoon, and the price paid for the building we have acquired at Simla, less the £20,000 written off last year.

NET PROFITS AND DIVIDEND.

The net profit for the year, after providing for all bad and doubtful debts, of which, I am pleased to say, there were very few, and the usual bonus to the staff, is less by £8,728 than for 1922, but we are able to make the regular allocations to reserve fund and officers' pension fund, and again write £20,000 off banking premises, and not only maintain our dividend for the year at 16 per cent., but carry forward £5,706 more than last year.

CURRENT YEAR'S PROSPECTS.

In regard to prospects for the current year, I can only hope there will be a further improvement in trade generally, and I think it is fair to expect this, but so far as India is concerned, much depends upon the coming monsoon, whilst in the absence of more stability in the exchanges of the countries of Europe to which India exports so much of her produce, we cannot expect a sustained demand from those outlets. Then, of course, the prevalent labour unrest stands in the way of an improvement in trade, and there must be no inflation of currency, which can only result in higher prices when lower prices and increased consumption are wanted, particularly as, so far as I can see, there is no restriction of credit at present. We are, at any rate, ready and anxious to provide all reasonable facilities for any sound development of trade with the East. The shipments of rice from Burma are not likely to be so large as in recent years, but higher prices promise to compensate for this, and as there will be large exports of rice from Siam, the chain of branches we have now completed connecting Singapore, Bangkok, Batavia, Soerabaya, and Hong Kong should benefit. Then at Singapore and Penang trade has improved, and if recent prices of rubber and tin are maintained, the results should be satisfactory, though there is still room for improvement in the price of rubber. But in China business is at a low ebb, and until some kind of order is established the development of that great country must be retarded. At Mauritius a good crop of sugar is expected, and with higher prices than last year, the island should do well. On the whole, therefore, and as stocks in consuming countries must be low, it is, as I have said, fair to look for an improvement in trade generally this year, and, in any case, the position of this bank is so sound that we can look forward to the future with confidence, and our new branches will, I hope, prove helpful.

I cannot sit down without referring to our staff at the head office and branches, from Mr Steuart downwards, and saying how much we owe them for their efficiency and devotion to the interests of the bank. The satisfactory working, and the results achieved, depend largely, if not entirely, upon the staff, and in the first place upon the chief manager, who, in turn, depends upon the London manager, the sub-manager, accountants, and other heads of departments in London, whilst last, but not least, we have to rely upon the judgment and tact of our managers in the East and their subordinates.

I have now to propose:—"That the report of the directors with the audited statement of accounts and balance-sheet at December 31, 1923, presented to this meeting, be and the same are hereby received, approved and adopted, and that a final dividend on the 'A,' 'B,' and 'C' shares of this bank of 8 per cent. be paid, making 16 per cent. for the year, less income-tax, as recommended in the report, and the same is hereby confirmed."

Sir David Yule seconded the resolution, which, in the absence of questions or comment, was put to the meeting and carried unanimously.

The Chairman: I have now great pleasure in proposing the re-election of Mr H. Melvill Simons and Lord Carmichael as directors. These gentlemen are both so well known to you that, in recommending their re-election I need only say that in them you have two directors who have the interests of the bank at heart.

Mr P. R. Chalmers seconded the resolution, and it was unanimously agreed to.

On the motion of Mr J. D. Wilson, seconded by Mr F. G. Jones, Messrs Cooper Brothers and Co. and Messrs W. A. Browne and Co. were reappointed auditors.

Mr E. J. Walker: Before we separate, it becomes us to propose a vote of thanks to the chairman and directors for their able c

duct of the affairs of the bank in the past year. The year 1923 must have been a difficult year for anyone engaged in banking and commerce, and I think the report which we have had put before us is an exceedingly satisfactory one. I shall therefore have pleasure in proposing a vote of thanks to the chairman and directors and staff.

The vote was unanimously accorded.

The Chairman: On behalf of my colleagues and myself, I thank Mr Walker for the kind remarks he has made, and I thank you all for the cordial reception which you have given to this vote of thanks. I have already said that it is to the staff our thanks are due chiefly for the satisfactory results, and I am quite sure that all at the head office as at the branches will appreciate your recognition of their work.

The proceedings then terminated.

EASTERN BANK, LIMITED.

SATISFACTORY RESULTS DESPITE DIFFICULTIES.

The fourteenth annual general meeting of the Eastern Bank, Limited, was held, on the 26th instant, at the office of the bank, 2 and 3 Crosby square, London, Mr J. S. Haskell (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, expressed the pleasure the directors felt at having initiated the holding of their annual general meeting in their own bank offices. He felt confident that the shareholders would agree that their new building reflected great credit on the architects, Messrs Blomfield and Driver, and he anticipated definite practical advantages from their improved surroundings. The report they were considering did not vary much from its immediate predecessor. Although, thanks to another good monsoon and bountiful crops, India had been prosperous, there were many factors that had not made it easy for profits to be earned commensurate with the turnover. They were still labouring under the effect of the great depression, and he thought they might congratulate themselves that the outcome of the bank's operations during the year was well up to the level of the preceding 12 months. They were able to recommend the payment of a final dividend of 5s per share, less tax, making, with the interim dividend of 4s paid last October, 9 per cent., less tax. They also proposed placing £20,000 to reserve, which would then stand at £340,000. The drop in current and deposit accounts of £490,000 was explained by the stringency in the money market in India at the end of the year.

INDIA'S TRADE FIGURES.

They had opened a branch of the bank at Karachi, which was one of the chief ports of India, and which of late years had become of steadily increasing importance. The conditions of Indian trade during the past year had been, generally speaking, of a favourable character, but while the exports showed an increase of something like £32,000,000 over the previous year, the imports were about £10,000,000 down. The balance of trade in favour of India, which amounted in round figures to £76,000,000, had been nearly offset by purchases of precious metals (gold to the value of £27,000,000 and silver £13,700,000), by the sale of Council drafts, purchases of sterling in India and transfers from the gold reserve. The £27,000,000 provided for in the Indian Budget for sterling requirements, which appeared such a formidable item, was more than covered long before the close of the financial year. For about six months of the year under review trade in India remained very slack, but towards the end of the year the great demand for currency to move the crops caused considerable tightness in the money market. Taking it altogether, it had been a very trying and strenuous year, and he thought great credit was due to the managers and staffs for the results attained.

IMPORTANCE OF MESOPOTAMIA.

As regarded Mesopotamia, the situation to day remained practically the same; the treaty with Turkey still awaited ratification by Parliament, whilst in Iraq the Constituent Assembly had not yet been formed. He trusted that H.M. Government were alive to the necessity of guarding and consolidating British interests in that region. The importance of keeping Iraq open and secure for British commerce and industry could not be sufficiently emphasised. Trade in that country during the year had been far from brisk. Owing to the strained relations between Iraq and Persia there had been practically no business doing between the two countries. This had seriously affected the imports of piece goods, North Persia having taken much larger quantities direct instead of obtaining her requirements mainly through Iraq as heretofore. A satisfactory feature was the increased exports of grain, amounting to £1,300,000, against £600,000 in the previous year, and the prospect of further expansion in this direction was considerably improved.

THE FUTURE.

Without attempting to prophesy as to the future, he had no hesitation in saying that the outlook of improved trade generally in the East, and more particularly in India, was distinctly encouraging. Stocks in warehouses showed satisfactory reductions. The accumulations in the "boom" years had been well distributed, leaving the market open for fresh business.

Another welcome feature was the financial position of India as revealed in the Budget for the fiscal year just closing. This, for the first time, after many successive years of deficits, showed a tangible surplus and relief in taxation.

These factors should tend to a trade revival, and, given a continuance of the favourable monsoons, there should be every prospect of increased activity in imports from this side, which was much to be desired after four years of more or less stagnation.

In conclusion, he might say that the bank had never been in a better position than it was to-day for taking full advantage of any such revival when it came.

The report and accounts were unanimously adopted, and the dividend recommended was declared.

NORWICH UNION LIFE INSURANCE SOCIETY.

YEAR'S RESULTS "EMINENTLY SATISFACTORY."

HIGH RATE OF INTEREST EARNED.

The one hundredth and sixteenth annual general meeting was held at Norwich, on Tuesday, March 25th, when the President (Mr Haynes S. Robinson), in moving the adoption of the report, said:—

It is my privilege to be able to inform you that the work carried on by the society has been eminently satisfactory in all respects, but before drawing your attention to the outstanding features of the year 1923, so far as they relate to our business, I desire to refer to the changes which took place in the management of the society on June 1st of last year following on the retirement of Mr Davidson Walker, who rendered to the office yeoman service over the long period of 30 years. He went with the good wishes of all and the hope that he might be spared many years to enjoy his well-earned rest—seized by unexpected and sudden illnesses both Mr and Mrs Walker died within a few days of each other; and this sudden and terrible event has cast a gloom over the whole office, especially among those who had known them best. I am sure you will all join with me in expressing our heartfelt and deepest sympathy to those he has left behind to deplore this irreparable loss.

THE NEW GENERAL MANAGER AND ACTUARY.

To succeed Mr Walker the directors unanimously appointed Mr Mackenzie Lees to the responsible post of general manager and actuary, and promoted Mr H. G. Wilton, who has been in the service for upwards of 27 years, to the position of secretary. Such important changes might have formed a good excuse for a reduction in new business, but thanks to the enthusiastic work of our branch managers and those associated with them, I am proud to be able to announce once more an increase, the first since the "boom" year in 1920, when the net life assurances reached the high-water mark at eight and a-half millions. In the two succeeding years we wrote seven and a-half millions and seven and a-quarter millions respectively, whereas in 1923 the grand total was £8,046,000, of which no less than £6,020,000 was obtained in the United Kingdom and the Colonies. Another feature is that a comparison of the net new sums assured with 1922 shows that our business in Great Britain and Ireland accounts for six hundred and twenty-seven thousand of the total increase of seven hundred and ninety thousand. This result is all the more remarkable when regard is had to the disturbed condition of trade in the early part of the year under consideration, because of the boiler makers' strike—a long drawn-out disaster which affected such industrial centres as Glasgow and Newcastle—while over practically the same period the whole of the cotton industry was in the throes of depression which affected the Lancashire area. The most gratifying part of the increase in new business is that the level expense ratio is only .3 greater than last year at 16.58, and even this increase is chiefly due to altered taxation in South Africa, which has resulted in our paying taxes for 1922 and 1923 in the present account.

RATE OF INTEREST EARNED.

Our funds, which have been growing apace in recent years, now amount to over £21,700,000, and show an increase in the year of more than £1,711,000, and on this large fund we have earned interest at the average net rate of £5 1s 8d per cent. For some years past the net rate of interest earned by the society has increased steadily, and especially during the present quinquennium, beginning at £4 15s 8d per cent. for 1921, £5 1s 3d per cent. for 1922, and £5 1s 8d per cent. for 1923, giving an average rate of

£4 15s 6d per cent. over the three years, and consequently there is a clear profit margin of £2 9s 6d per cent. so far as we have gone, which must of itself ensure a highly satisfactory rate of bonus. Meantime we are paying interim bonus on policies which have matured by death or survivorship at the highest rate we have previously declared, and these bonuses on whole-life policies range from £1 16s—at young ages to £3—per annum at old ages for each £100 assured.

INVESTMENTS.

The money we have for investment in a year not only consists of the surplus of income over outgo, but also of repayments which are made from time to time, and adding these together, we had to find a home for no less than £3,370,000. Some years ago I made reference to the care exercised by your directors in considering mortgage and Stock Exchange propositions, and you will recollect I then informed you that each mortgage or investment proposal is first fully considered by our finance committee, and in the event of practical unanimity being obtained, the matter is then submitted to the full board for final discussion. In this connection it may interest you to know that during the year no less than 566 applications for loans were considered by the finance committee, and 347 new mortgages totalling to £1,450,000 were eventually completed during that period. On the other hand, £1,870,000 was invested in Stock Exchange securities, of which £340,000 went into British Government issues, and smaller sums have been spread over other sections of our investment list, the balance going to policy loans, &c.

FRENCH BUSINESS.

As the question may arise in your minds as to how we stand in regard to our French business, in view of the recent depreciation of the franc, I think it well to explain that as the premiums on French policies are payable in francs, our corresponding investments are made in the same currency, and are controlled by the French Government, with whom the securities are placed on behalf of the French policy-holders. In this way you will see that so long as our assets and liabilities are in francs, there is no cause for anxiety from depreciation, because if the currency goes on depreciating, the effect is the same both in regard to our liabilities and our assets, and consequently all we have to do is to see that our investments in France are well made. It is with no small satisfaction that I am able to say that our investments in France have been so carefully selected, with the assistance of our experts in Paris, that our business there does not give us one moment's anxiety.

MORTALITY EXPERIENCE.

Coming now to the subject of mortality, our experience, as you will know from previous reports, has been relatively light, and although 1922 showed a slight increase at 69 per cent., the ratio this year is 67 per cent. of what was to be expected according to the O.M. mortality table, and this result we attribute to the care exercised by our medical directors in the selection of the lives assured, as is further emphasised by the fact that no less than 1,260 proposals for £1,170,000 were turned down by them during 1923.

MR KERNOT'S VISIT.

Before concluding my remarks, I feel I should like to refer to the pleasure with which we are looking forward to the forthcoming visit of our esteemed manager for New Zealand, Mr A. E. Kernot, who is due to arrive in this country in May, and who has represented the society since the establishment of our branch there in 1908 with most conspicuous success. Mr Kernot has been responsible for the building up of an excellent business in that splendid corner of the British Empire, which has produced highly satisfactory results; and our mortality experience has been up to

the present exceptionally favourable, even allowing for the fact that the branch is still a comparatively young one.

I have much pleasure in moving the adoption of the report.

Major F. Astley Cubitt, one of the vice-presidents, seconded the adoption of the report, which was duly carried.

METROPOLITAN LIFE ASSURANCE SOCIETY.

RECORD AMOUNT OF NEW BUSINESS.

RATES OF ABATEMENT INCREASED 3 PER CENT.

The ordinary general meeting of the Metropolitan Life Assurance Society was held, on the 27th instant, at Winchester House, London.

Sir John B. Wimble, K.B.E., who presided, said that the new business transacted during the past year consisted of 233 policies for a gross amount of £324,291, of which £30,500 was reassured with other offices, leaving a net amount of £293,791, producing a new premium income of £9,180. The new business showed an increase of £36,612, as compared with the previous year, and was greater than that transacted in any previous year. In his opinion, however, the amount of new business was still much smaller than the benefits given by the society merited, and he would again say that, in extending the business of the society, much might, could, and should be done by the members themselves. The claims by death had amounted to £122,422, a sum only 68 per cent. of that expected according to the table of mortality used in the actuarial valuation of the society's liabilities and assets under its policies. No less than one-quarter of the policies which became claims were on lives aged at death 80 and upwards, and a very satisfactory surplus had resulted from this favourable mortality experience. The gross rate of interest earned on the society's funds in 1923 was £5 7s 10d per cent., and the rate, after deduction of income-tax, £4 6s 4d per cent., an increase of 4s 2d per cent. on the net rate realised in 1922. The figure at which the society's investments stood in the balance-sheet was less than their market value on December 31st last, and, in addition, the whole of their investment reserve fund of £100,000 remained intact as provision against possible future adverse fluctuations.

INCREASED RATES OF ABATEMENT.

Summarising the results of the past year's working, the new business was the largest in the history of the society, the surplus derived from a favourable mortality experience was above the average, and, owing to the increase in the net rate of interest earned on the funds, the profit from that source was considerably larger than in many previous years. He took a very hopeful view of the prospects of the society, and felt that never before in its history had it been in such a good position to do so well for its policyholders as it was at the present time. In consequence of these satisfactory results, the directors were able to declare an increase in the rates of abatement of 3 per cent. and to increase slightly the amount carried forward. Full provision had been made in the valuation reserves for the future maintenance of the rates of abatement now declared, which for the year ending April 4, 1925, would range from 8s per cent. in the case of the First Series of policies to 40 per cent. for the Fifth Series. Only on one former occasion—namely, in 1868—had it been found possible to declare an increase in the rates of abatement of so much as 3 per cent. It would be remembered that last year an increase of 2 per cent. was declared, and during the past three years the rates of reduction of premium had been increased, in all, by no less than 6 per cent. The directors proposed, at the special meeting to be held at the close of this meeting, to terminate the Fifth Series of policies and to open a Sixth Series at a rate of abatement 5 per cent. less than that declared for the Fifth Series. This

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course was necessary in order to ensure that the older policyholders should receive their proper share of the surplus. The future progress and prosperity of the society depended not only upon the effort of the directors and staff, but also, to a large extent, upon the active interest and goodwill of the members and policyholders. He, therefore, would take this opportunity not only of thanking them for their past co-operation, but asking them to continue to recommend their friends to take out policies in this prosperous society.

The report and accounts were unanimously adopted, and at a special general meeting resolutions were passed terminating the Fifth Series of policies and opening a Sixth Series.

NEWCASTLE-UPON-TYNE ELECTRIC SUPPLY COMPANY, LIMITED.

SUBSTANTIALLY IMPROVED RESULTS. GOOD PROSPECTS FOR CURRENT YEAR.

The thirty-sixth annual general meeting of the Newcastle-upon-Tyne Electric Supply Company, Limited, was held at the Church Institute, Hood street, Newcastle-upon-Tyne, on the 25th instant, Mr Robert Patrick Sloan, C.B.E. (chairman and managing director) presiding.

The notice convening the meeting having been read by Mr M. Short, Joint Secretary, the Chairman said: As our output in the year 1923 exceeded that of 1920, I have not considered it necessary again to exhibit the chart which was shown on the occasion of the last two annual meetings.

PROFIT.

The profit for the year amounted to £619,665, which shows a substantial improvement on the previous year's figure.

Debiture and loan interests stand at practically the same figure as in the previous year, but the transfer from profit to depreciation and contingencies reserve has been increased by £50,000, namely from £80,000 to £130,000. The sum transferred to plant renewals and improvements reserve is again £40,000, which a little more than covers the actual expenditure incurred during the year on this account.

I am pleased to say that the general improvement in our position not only has enabled the directors to increase considerably the amount transferred to general reserve, but also to recommend the payment of a dividend on the ordinary shares at the rate of 6 per cent. for the year, and to increase the sum carried forward to the current year by about £14,000, bringing this up to a total of £32,442—a very desirable increase.

CAPITAL ACCOUNT.

The sum of £218,580 has been expended on extensions to our system, of which £65,487 represents expenditure on power stations and £153,093 on main transmission and distribution.

PROFIT AND LOSS ACCOUNT.

The only item of importance appearing in this account to which I have not already referred is that of interest and dividends on loans and investments. This figure shows a reduction of £11,160 compared with the previous year's receipts from these sources. The major portion of this difference is due to our having received less interest, owing to the sum we had on deposit having been reduced during the year, and the balance represents a reduction in interest received on our loan to the Cleveland Parliamentary Company—the rate of interest in this case being 1 per cent. above bank rate.

RESERVE FOR SPECIAL DEPRECIATIONS AND CONTINGENCIES.

A sum of £9,608 has been added to this reserve on account of contributions received from consumers against cost of connection. The total addition to this fund for the year, therefore, represents £139,608. We have written off the sum of £12,235, being a loss incurred on the sale of certain obsolete generating plant, and, as usual, we have deducted the sum of £30,000 from the balance in this account towards writing down the discount on and expenses of debenture stock issues. This latter is also shown in the general balance-sheet. After making these deductions there remains £604,822 to the credit of this reserve.

RESERVE FOR PLANT RENEWALS AND IMPROVEMENTS.

Our actual expenditure on renewals and improvements of plant amounted to £37,304, as against £25,091 during the previous year. Further, we have as usual maintained our plant in an efficient state out of revenue.

Investments in associated companies have during the year been increased by £24,380, of which £20,000 represents a further investment in the Tees Power Station Company, Limited.

PROSPECTS.

It is usual on these occasions to give some information as to the present position and prospects of the company.

Taking the latest date up to which we have any reliable information, our output shows a fairly substantial increase as compared with the corresponding period last year—during the first 10 weeks of this year the increase represents over 15 per cent.

The recent railway strike and dockers' strike, which, fortunately, were not of long duration, naturally had some adverse effect on this year's output, and, in view of these troubles the increase is, I think, very encouraging.

It is, of course, impossible to say whether, in view of the uncertain state of affairs, this improvement will be maintained throughout the year.

Our supplies to collieries, which, during the past year, returned to a more or less normal level, are still being well maintained.

So far there are no signs of improvement in shipbuilding and engineering, but, unless we have some similar occurrence during the current year to that of the boilermakers' dispute, our position in this section should show some improvement.

The horsepower connected to the system during the past year amounted to a total of 41,272 h.p., which approaches within a few hundred of the record connections made in any year in the company's history. The applications in hand at the commencement of this year represented 43,452 h.p., which is not far below what we had in hand at the beginning of the year 1923.

This rapid growth of the business is, I am sure you will agree, a most healthy sign, and from the steady flow of applications we continue to receive, all of which represent a profitable increase of business, there is every indication that this rate of expansion is likely to continue at least for some time to come. Personally, I think it may well be increased as there can be no doubt that the appreciation by the public of the advantages of the use of electricity is growing from day to day.

During the last five years the associated companies together necessarily have had to expend considerable sums solely for the purpose of providing for this rapid increase in business, and, from what I have just said, it will be clear that we must go on spending if we are to meet the large demands that the public continue to make upon us.

We anticipate that the business we have on hand at the present time will, by the end of the current year, load up the whole of the companies' generating plant, old and new, as well as its distributing system, and, therefore, provision is now being made for extensions. In this connection it has been decided to instal further generating plant at the North Tees Power Station, as it is there that this can be most economically and efficiently employed.

The development of our domestic supply business, to which I specially referred at our last meeting, has been more than maintained, and, in view of the number of inquiries we continue to receive, I confidently look forward to a very substantial growth in this section during the next few years.

You will be interested to hear that the number of new lighting consumers connected during the past year shows an increase of 94 per cent. over the number connected in 1922, and was nearly 160 per cent. in excess of the number connected five years ago.

These figures, I think, speak for themselves.

CHAIRMAN'S ANSWER TO MR GEMMELL.

The Chairman, in replying to the criticisms made by Mr Andrew Gemmell at the last annual meeting and which he has since published in pamphlet form, said that the criticisms made by Mr Gemmell are obviously so full of prejudice that I feel I would be justified in ignoring them, but in case any shareholder, not being fully acquainted with the facts, may have been influenced by them I have thought it well, with your permission, to deal with some of the points he has raised, and correct some gross mis-statements he has made.

I think I can fairly say that the casual reader of this pamphlet would get the following impressions. That much has been done by the directors which should not have been done, and much has been left undone which should have been done; that some of the actions of the directors have been illegal, some contrary to the interests of the shareholders, and others detrimental to the interests of the company's consumers; that there is a desire on the part of the directors deliberately to adopt a policy of systematic secrecy, by which, among other things, they can run up one company or run down another; and, further, that the directors have taken advantage of their position by awarding themselves excessive fees.

I wish to say, here and now, and as emphatically as I can, that the directors' sole endeavour in conducting the affairs of this great enterprise, is to further the interests of the shareholders, the large body of consumers on the North-East Coast, and the public generally. They have not adopted a policy of systematic secrecy. They cannot, in a large business like this, publish every detail of information, nor is it desirable in the interests of the company that this should be done, but, as far as I am aware, no reasonable information asked for by a shareholder has ever been withheld. The directors certainly have not in any way acted

contrary to the law, nor have they abused their position by over-paying themselves or in any other way and in no circumstances would they countenance any transactions of such doubtful character as those suggested by Mr Gemmell.

The Chairman then dealt with the various points raised by Mr Gemmell in detail, and concluded his remarks by saying:—In view of the full statement I have just made on the numerous points raised by Mr Gemmell—many of which have been dealt with on previous occasions—I wish to say that, whether Mr Gemmell is satisfied or not with what I have said, it is not my intention to go over the same ground again on any future occasion, and he must accept my statement as my final reply to the criticisms contained in his pamphlets.

The resolutions adopting the report and accounts and dividends as recommended were adopted, Mr Gemmell alone dissenting. At a subsequent extraordinary meeting a resolution adopting new articles of association was adopted.

MIDLAND ELECTRIC CORPORATION, LIMITED. INCREASED OUTPUT AND SALES.

POSITION AND PROSPECTS.

Mr James Taylor, J.P., chairman of the company, presided over the annual meeting of shareholders of the Midland Electric Corporation for Power Distribution, Limited, held, on the 24th instant, at the Exchange Hotel, Liverpool.

The secretary, Mr Gordon Saies, having read the notice convening the meeting, and the auditors' report,

The Chairman, in moving the adoption of the report and accounts, said: It will be noted that the net profits for the year amount to £149,550 4s 9d, to which has to be added £44,016 0s 3d, making a total of £193,566 5s. From this we have appropriated the sum of £128,682 2s 2d, as set out in the directors' report, leaving a balance of £64,884 2s 10d available for dividend.

BONUS DISTRIBUTION.

From this balance your directors recommend a further dividend upon the ordinary shares of 5 per cent., making 10 per cent. for the year. In addition they recommend a bonus of 2½ per cent., making a total distribution of 12½ per cent. for the year.

The usual percentage has been written off plant and machinery for depreciation, but in addition we have again written off a special item of £30,000 for the same reason as last year, that in the early days of the company we had not the funds to allow of adequate depreciation. The total depreciation fund now amounts to £193,520.

The directors have placed the sum of £25,000 to reserve fund account. This is a much larger amount than usual, and I am pleased that we are able to do it. In the past we have not been in a position to place much to reserve, and for a company 25 years old, of public importance, an adequate reserve is essential.

After placing these considerable sums to depreciation and reserve, paying a dividend of 10 per cent. and a bonus of 2½ per cent., and giving our customers a considerable reduction in charges, we carry forward the sum of £43,884 2s 10d, a slight decrease on last year.

LARGER SALES AND NEW PLANT.

During the year the demand for power supply steadily increased, particularly in the latter part of the year, the units sold being 42,584,116 as compared with 33,402,183 in 1922. Many inquiries and applications for additional power supply and lighting are still being received.

To meet this extra demand, we are installing another generating set of 5,000 k.w. capacity. This plant is expected to be in commission at the end of April next. In addition, we are spending a large sum of money on additional high tension feeder cables for the purpose of supply throughout the company's area.

The increased profits for the past year are due largely to the increased output, which has reduced our costs. During the year we gave our customers the benefit of a substantial reduction, and they will also receive a further benefit as from the first of next month. In money value the reductions to our customers for the previous year were £35,907, and in 1923 a further £55,004 over 1922.

Since the decision to give a reduction next month, the board are faced with a probable increase in the cost of fuel, and also are faced with the increased demand, and the installation of the new turbine previously referred to, will enable the company to bear the cost without increasing their charges to the public. The directors realise the necessity and importance of a cheap supply of energy for manufacturing purposes.

THE TRADE OUTLOOK.

In the past two years I have referred to our position under the supply of electricity in the North-West Midlands area. This

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matter is still under discussion with the Electricity Commissioners, but there are indications that a final arrangement will soon be arrived at between the various authorised undertakings which it is proposed shall be included in the Joint Authority, and the sanction of the Commissioners received. This company will be one of the principal members of the Authority, and your interests are being carefully watched, especially in view of the fact that the limits of our generating station have now been reached, and a decision as to whether to build another station, or take a bulk supply, in whole or part, from the new authority, will have to be shortly taken.

FUTURE PROSPECTS.

It is difficult to know what the future prospects are. The present position is that the Miners' Federation have given notice to the owners to terminate contracts. This in all probability means an increase in the cost of fuel. The employers of electrical undertakings have also received an application for an increase of 10s per week on basic wages. Both matters are being negotiated.

At present, there being no stabilisation of wages, it is impossible for a power company like ours to know what costs are going to be even for a few months ahead. Our customers are in the same position, and, therefore, not able to quote firm prices for a reasonable period. As one dispute is settled, another arises, and until some more permanent settlement is made, there cannot be business confidence and steady trade.

Sir Harwood Banner, Bart., M.P., seconded, and the motion was carried.

Mr D. Sinclair was re-elected director.

A resolution was carried sanctioning the payment of £12,000 from profits to a special reserve fund for the purpose of establishing a staff benevolent or pension fund.

The chairman and directors and also the staff were cordially thanked for their services during the year.

SCHILL BROTHERS, LIMITED.

RESULTS OF A DIFFICULT YEAR'S TRADE.

EXCHANGE RATES AND UNSETTLED LABOUR CONDITIONS.

The annual general meeting of the shareholders of Schill Brothers, Limited, was held at the registered office of the company, 16 Oxford street, Manchester, on Thursday, March 27, 1924, at 11 a.m. Mr Charles Henry Schill (the chairman) presided.

The Chairman said: The year under review opened in quite an encouraging way, and seemed to offer hopes of a steady improvement over the previous ones. You will remember that I told you at our last meeting, that orders had been and were still coming in quite satisfactorily, and that customers were paying off their old indebtedness by degrees. But I also warned you that it would not do to be too hopeful, as the international situation was still very delicate, and hitches in this connection, or further depreciation of exchanges, might very easily again bring about a period of stagnation and difficulties.

FALL IN EXCHANGES.

There seemed no reason to expect that in March, but unfortunately within a few weeks later the end of that improvement set in. The franc, the Brazilian milreis, the Argentine dollar, and other exchanges all began to fall, in some cases severely. All business became suspended, and customers in several countries again claimed our assistance to see them through. Our turnover dropped materially—at one time alarmingly—so that we began to wonder

whether at the end of the year we should have made our expenses, and so that we thought it wise to relinquish our intention of paying four quarterly instalments of preference dividend which would have been easily possible had the year continued as it began.

Fortunately, matters improved a little towards the end of the year, and have continued to do so since. In the meantime, however, we ourselves had lost quite an appreciable amount of money through the constant and steady fall of the exchanges, and had to write off another large amount in the aggregate, for assistance to our customers. We were, therefore, very much relieved when the year closed, and we found that there was still quite a fair margin of profit after paying expenses and providing for these losses.

IMPROVED CONDITIONS.

We are also pleased to note from reports that there is a more hopeful feeling gaining ground in many of our markets, and certainly of late our trade has again become steadier.

It becomes increasingly difficult to be optimistic about the future, when the hopes on which such optimism is based are constantly being shattered. But we are dealing with such improvement as there is, and are ready to deal with any further improvement, and we can do so with the single object of making and accumulating profits, because we have not, to our knowledge, any weak spots in our accounts that have not been adequately dealt with. There should be no further losses if the present situation remains steady, beyond a comparatively small figure for ordinary bad debts, which no firm can altogether avoid. But our actual bad debts are rarely more than a very small percentage, and that was the case even in this last year.

PREFERENCE DIVIDEND ARREARS.

The one black spot in the books is the preference dividend, which is now three half-years in arrear. Some of you may have noticed the remarks on our report in the *Manchester Guardian*, and may have felt a little sore when they read that we had paid "the arrears of preference dividend." That was, of course, an error on the part of the paper, and the report says no such thing. What we were able to do was to pay three half-yearly instalments of preference dividend, which still leaves three in arrears, including the two due June and December of last year. We intend to pay these off at the earliest possible moment, and we sincerely hope that the improvement in trade will now be maintained, and allow us to still further reduce these arrears, or better still, wipe them out altogether. Steady work can alone help to fulfil that hope, but the absence of disputes—international or labour—will go a long way towards it.

THE NEW PREMISES.

Another point in the balance-sheet, about which you will want to know something, is this new place of business, in which we meet for the first time to-day. We had to incur the expense of moving in spite of the unfavourable times, because our lease expired at Lloyds, and they would not renew it. We cast about most carefully with a view to renting other premises, but could find nothing suitable at all, and finally agreed with Messrs S. L. Behrens and Co. to buy this warehouse, which is very little larger than what we must have when times are normal. It is an old warehouse, as you know, and it required a certain amount of alteration and modernising. But we think the price paid for it was a very fair one, as prices go to-day, and we have made the alterations as economically as we could, with due regard to efficiency and good work, and we believe that we now have a place which will meet our requirements in every way and be well worth its price to us. We have divided off the front of some of the floors, and are in process of letting them to suitable tenants.

The price of the place and of the alteration was naturally a severe drain on us in such a year as last. But we got over the difficulty by raising a part of the money on mortgage, as you will see by the balance-sheet, and taking the rest from our bank, who very kindly facilitated the transaction in a most liberal spirit. The workmen were only finally cleared out during last month, though we actually moved in during November. So we really got no value out of the place for last year, and we have, therefore, dealt with the figures connected with it from the point of view of writing off in last year only such figures as were not represented by assets, such as lawyers' fees, removal expenses, &c., but the building, furniture, &c., we have left to be dealt with in this and future years, as we reckon that the prices paid for them and their repairs are what they are worth to-day. We now have a place entirely under our own control, as we used to have when we were in Portland street, and given a spell of normal trading we have no doubt that it will fulfil our requirements satisfactorily.

UNSETTLED TRADE CONDITIONS.

The times have, of course, changed radically since those days. On the one hand, the large combines have developed to the great detriment of private enterprise, and there is a danger that this

country may be rendered non-competitive through their power to regulate the supplies of goods as required by our customers and enforcing too high a price level. On the other hand, the constant succession of strikes, first in one section of the labour market then in another makes a settled commercial policy almost impossible, and finally plays into the hands of the people who maintain high prices, if for no other reason than the need to have a constant reserve of profit towards the next time when their trade is stopped.

It is to be hoped that some solution may be found to avert this danger to the country. The foreign trade is already difficult enough in these days of strongly fluctuating exchanges, as our own balance-sheet shows. Had it not been for the constant and heavy drop of exchanges in the markets with which we deal, we should even last year have shown a balance sufficient to pay not only preference dividend, but quite a good ordinary dividend. As it was, the losses—or rather loss of profit—of our own branches in having constantly to pay more money for their return remittances than they need have done with a steady exchange, and the same losses which our customers incurred, but which we had to share with them in order to secure at least some remittances and keep their further custom, have robbed us of the chance of showing such a result, which the actual trading of the company did in reality show.

As I said before, we are quite happy as regards the value of our assets and outstandings as they stand in the books, and only require a year of normal trade free from these adverse factors to put a satisfactory result before you.

The following resolution was then passed:—

"That the report of the directors produced, together with the annexed statement of the company's accounts to December 31, 1923, duly audited, be now received, approved, and adopted."

HALF-YEAR'S PREFERENCE DIVIDEND TO BE PAID.

Before going on to the next resolution, I should like to tell you that your directors have decided to pay another half-year's preference dividend immediately, i.e., as soon after this meeting as the warrants can be prepared. It may seem a curious decision in view of the small margin in hand. But there is quite enough in hand to pay this instalment, and we consider it inadvisable to allow this indebtedness to accumulate any longer than necessary, the more so as the increased activity in trade so far indicates a steady turnover for the year, and it is hardly conceivable that the profit should again be sapped by exchanges falling to a still lower level than the one they reached last year.

Mr T. W. Brown, the retiring director, was re-elected a director of the company.

Messrs David Smith, Garnett, and Co., chartered accountants, were re-elected auditors of the company for the ensuing year.

THE SALT UNION, LIMITED.

FEATURES OF YEAR'S TRADING.

HOME AND EXPORT TROUBLES OVERCOME.

IMPORTANT CHESHIRE ELECTRICAL DEVELOPMENTS.

Mr George Henry Cox, J.P., chairman, presided over the 35th annual meeting of shareholders of The Salt Union, Limited, held at Liverpool, on Tuesday, the 25th instant.

The Chairman, in moving the adoption of the report and statement of accounts for 1923, referred at the outset to two personal matters, the first being the retirement from the board of Mr John Rigby, former engineer and works manager, and director since 1903, whom he thanked for his long and useful service to the Union. His place had been filled by Mr. Alexander Miscampbell, manager of the Irish works and business at Carrickfergus, whose appointment to the board, he hoped, would satisfactorily meet the frequent requests of Irish shareholders for an Irish director to look after their interests. Secondly, he deplored the death of the late secretary, Mr Henry Bowman, who had served the Union throughout the whole of his business life. In his stead the board had appointed Mr E. C. Wickes, whose father was the first secretary of the company.

SATISFACTORY FINANCIAL RESULTS.

The board were glad to be able once more to lay before the shareholders a highly satisfactory balance-sheet. "As I shall presently show you," Mr Cox remarked, "we have continued our policy of conserving and strengthening the position of the Union in every possible way. We feel, therefore, entitled to look forward to the future with a reasonable amount of confidence, and we believe that whatever difficulties may arise we shall succeed in overcoming them."

The outstanding alteration in the balance-sheet was that under the heading of freehold, copyhold, and leasehold property. An excess provision having been made for E.P.D. settlement, the balance remaining had been prudently utilised in writing down the value of property, especially in view of changes in the

salt trade in recent years leading to the closing and dismantling of some old works and the concentration of others. Shareholders could feel fully satisfied that the amount of £1,838,572 actually represented the present values of the properties and goodwill.

Other points in the accounts were that investments showed an appreciation of £5,728; debentures amounting to £26,127 had been cancelled—a policy to be continued as opportunities offered; creditors and credit balances showed a considerable reduction; contingencies account remained at £100,000; insurance reserve accounts were up £10,464; and with the proposed addition of £50,000, general reserve was raised to the substantial figure of £450,000, while a grant of £20,000 was to be made to the super-annuation fund.

Gross profits showed the substantial increase of £74,454, and dividends and interest were practically the same.

EXPORT TRADE: AN OLD LESSON.

Dealing with the company's trade in the East, the Chairman pointed out that the high Salt Duty in India, coupled with uncertainty as to its reduction, had lessened consumption, besides which competitors had shipped freely from Germany, Spain, Port Said, and the Red Sea. The company's shipments had exceeded those of 1922, but were still only two-thirds of those of 1913. Coupled with the free shipments, the understanding among sellers as to prices broke down, the fall in values resulting in unprofitable trade for all parties. Of late there had been a rally, prices having advanced Rs. 24 from the lowest for English salt. It was lamentable that shippers had not learnt the old lesson, that when an article was in superabundant supply those engaged in its distribution could only profitably do so by coming to an agreement as to tonnage and prices.

The Viceroy's latest proposal to reduce the Salt Tax by half was calculated to be of great benefit to Indian salt consumers, and should facilitate trade. Shipments to Rangoon had been maintained, and those to Japan (13,000 tons) would have been greater had freight room at moderate rates been available. Considerably more would be sent this year if shipowners would accept moderate freight. Trade with West Africa was fully maintained, but competition from German and Solar salt—which fortunately promised to become less acute—had curtailed that with Scandinavia.

DOMINION TARIFFS.

With the exception of the company's specialities, efforts to ship to Canada and Australia, in spite of the small preference given to British salt, had been seriously crippled by high tariffs. "It is perfectly plain," the Chairman pointed out, "that the Dominions are determined to develop by means of high protective tariffs their own production of salt, which they are quite entitled to do if they think fit, but this policy necessarily raised the cost materially to their own consumers, and in many cases the native salt cannot compare in quality with ours. It follows that the users are obliged to take an inferior article and at a higher price."

HOME TRADE.

The Salt Manufacturers' Association has continued its useful work, and has been loyally supported by all its members, and thus a fair level of prices has been maintained. At the same time there has been a further development in outside competition on the part of several firms who have started new works, and resuscitated old ones. Hitherto efforts to bring them into line with the rest of the trade have not succeeded. There is no justification whatever for extensions of pannage on the part of either new or old makers, because it is notorious that the existing power of production is already far in excess of present requirements for both the home and export trade.

German and Solar salt competition has continued active, and their prices are still very low in spite of the improvement in the exchange. This state of things especially affects our large fishery trade, and we are compelled to meet it with prices which yield no profit to the manufacturer, in the hope that sooner or later our competitors will retire from the contest. I may say that our prices both for home and export trade are based upon the necessity of our maintaining the largest possible amount of tonnage procurable. This is only attained by accepting business for a portion of our output which leaves at best merely a small contribution towards overhead charges.

In order to acquaint the public with the supreme merits of their fine salt, unsurpassed as regards quality and methods of packing, an intensive advertising campaign had been started in the Press and by other means, by which they expected largely to increase their sales.

BIG ELECTRICAL DEVELOPMENT.

Speaking of the progress of the Mersey Power Company, Limited, an important subsidiary company, the Chairman announced that a contract for the supply of ten to twenty million units of electricity to the L.M. and S. Railway

engineering works at Crewe was on the point of being concluded. The railway company for some time had been anxious to obtain the supply at the earliest moment, but difficulty had arisen through the fact that Crewe was included by the Electricity Commissioners in the North Wales Power Company's area. "This is a purely arbitrary boundary (said Mr Cox), and when I tell you the North Wales Company is not in a position to furnish any current at Crewe, whereas ours is immediately available, you will understand what an unnecessary obstacle this has presented to the prompt supply by the Mersey Power Company. Instead of supplying direct we have been obliged by the Electricity Commissioners to pass the current through the North Wales Power Company. The railway company has, therefore, been compelled to wait for the power it so urgently needs, and we have meanwhile been debarred from earning a large revenue." Apart from the important load to Crewe a contract had been entered into to supply Northwich with a substantial amount of current. As trade improved, he anticipated a full load for the power station. It had taken some years for electricity supply companies to come into their own, but nearly all of them were now paying good dividends.

SALT TRADE OUTLOOK.

Concluding, the Chairman said: The immediate outlook for the salt trade is a rather uncertain one, owing to rising costs, on the one hand, and on the other to the additional number of pans and output of salt created by new manufacturers. The costs of production have already risen owing to the higher rates that we have to pay for coal, and will be further increased if the demands of the miners are granted, as they apparently will be. The wages of our salt makers have been stationary throughout the year, and we had hoped that they would have been satisfied with the present level, which is from 100 per cent. to 140 per cent. above 1914. But we received a short time ago notice of a demand for a 10 per cent. increase.

Employers maintain that the state of the trade does not warrant an addition to the wages bill. It is true that the cost of living is somewhat higher than a year ago, but that alone is not sufficient justification for raising wages, though it should be considered to some extent. The rates of wages paid to the makers of salt, or any other commodity, must be regulated by what the particular trade can itself provide, and they can only be permanently maintained so long as a reasonable profit is forthcoming on the exchange of its products. Even now much of our business has to be carried on yielding no actual profit, in the hope that later it may be procurable, and also in order to maintain the efficiency of the plant, which, if idle for any length of time, becomes useless. Nevertheless, under these conditions, Labour receives its full wages, while Capital forgoes its remuneration altogether.

LABOUR'S ATTITUDE TO INDUSTRY.

Perhaps the greatest danger that now threatens the existence of the leading industries of the country arises from the attitude that Labour has lately adopted towards them, by arbitrarily demanding rates of wages without reference as to whether the trades affected can be carried on at the higher costs thus imposed upon them. When these rates are not immediately forthcoming the whole country is held to ransom, by means of direct and sympathetic strikes, and immense losses are incurred, and hardships endured by the general public, which has no direct interest in the matters in dispute. This is a most unfair attack by well-organised sections of the community upon the nation as a whole, and if persisted in will bring about disastrous results, especially to our export trade, by unduly raising the costs of production and lessening our power to compete in the world's markets.

Mr F. W. Clark, deputy-chairman, seconded the motion, which was carried unanimously.

Dividends were agreed to at the rate of 2s 4d per share on the preference shares and 2s per share on the ordinary shares.

Mr Alexander Miscampbell was re-elected director.

The meeting cordially approved of a resolution granting increased fees to the directors. Mr G. Hewetson Nelson, who proposed it, mentioned that in the last three years the profits had been:—1921, £162,000 with 5 per cent. dividend; 1922, £207,000, with 10 per cent. dividend; and last year, £280,000, with 10 per cent. dividend.

A vote of thanks to the chairman concluded the proceedings.

UNITED SERDANG (SUMATRA) RUBBER PLANTATIONS, LIMITED.

GOOD CONDITION OF THE ESTATES.

The sixteenth ordinary general meeting of the United Serdang (Sumatra) Rubber Plantations, Limited, was held, on the 27th inst., in the council room of the Rubber Growers' Association (Incorporated), 2-4 Idol Lane, London, Mr C. Heath Clark (chairman of the company) presiding.

Mr James M. Kemp (representing the secretaries and agents, Messrs Harrisons and Crosfield, Limited) having read the notice convening the meeting and the report of the auditors,

Mr. Kysant, G.C.M.G. (the chairman), presided, and in moving the adoption of the report said that the accounts disclosed that the company was in a thoroughly sound and satisfactory position. The sum of £30,000 had been added to the reserve, and they were

This company may have many advantages over other entertainment companies, but that does not deliver us from economic evils made common to all through war finance. This is the sort of thing that we have to contend against. We may be willing to pay an artiste £100 per week. An American manager may be willing to pay that artiste exactly the same. But it pays an artiste better to accept it from the American manager. If the American manager has to pay it in sterling he can buy £100 for \$430, instead of

Persistence in exchange theories that events have now blown to the winds is responsible for all our own evil days and our gasping industrial problems. It made the war cost many hundreds of millions in sterling more than it need have done; it is causing the failure of every remedy that we try for our industrial troubles; it has made failures of the British Trade Corporation scheme, the T. Menlen credit scheme, the Trade Facilities Act, and all the emergency measures for the net abatement of unemployment. It will bring us down and keep us down. Statements have been made that £100 per week here is a better salary than £115 per week

The Chairman: I take pleasure in moving the re-election of H. J. Thomas and Mr Llewellyn Johns as directors of the company. Mr Thomas, as you know, has been a valued colleague for many years. Unfortunately at the present time he is not well enough to be here, but I have no doubt whatever that the general feeling of the company will be to re-elect him. Mr Johns has been in close personal association with me for 22 years. His efficient services long ago as my personal secretary was only a forecast of the efficient services he has since rendered to the company.

ency cultivated by him at every stage of his advancement. If I know bedrock necessities, practical impossibilities, and varied contingencies peculiar to the entertainment side of our business, I am sure Mr Johns knows them too. My colleagues and I have the fullest confidence that it is in the best interests of the company to raise his status to that of director.

Mr Gordon Michie seconded the motion, which was unanimously adopted.

Messrs Gillespie Brothers and Co. having been reappointed auditors, a vote of thanks to the Chairman concluded the proceedings.

WILLIAM WHITELEY, LIMITED.

COMPANY'S TWENTY-FIFTH YEAR—BONUS DECLARED.

The annual general meeting of members of William Whiteley, Limited, was held, on the 25th instant, at the company's premises, Queen's road, London, Mr John Lawrie (managing director) presiding.

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

The Chairman, in moving the adoption of the report and accounts, having informed the shareholders of the absence of Mr Wm. Whiteley owing to a bad riding accident, said: I feel sure, ladies and gentlemen, that on the whole you will consider the past year's results to be quite satisfactory. The actual net profit is really slightly more than last year when you take into consideration that in last year's accounts a sum of over £17,000 from profit on realisation of investments was included, whereas this year only £3,600 has been derived from that source. The past year has not been free from difficulties. Political and economic disturbances were both adverse factors to contend with, but, on the whole, I am glad to be able to say the trade keeps progressive and satisfactory.

PROFIT AND ALLOCATIONS.

Turning to the accounts, the net profit to which I have previously referred amounts to £299,064, and with the balance of profit brought in from last year the total available balance amounts to £489,646. We have set aside the sum of £6,000 to provide for corporation profits tax and have added to reserve the sum of £30,000, bringing the total reserve account up to a quarter of a million. The debenture interest for the year, the first half-year's preference dividend and an interim dividend on the ordinary shares have been paid. This being the 25th year of the incorporation of the company and the 25th annual general meeting, the directors felt that they were justified, from the strong financial position of the company, to mark the occasion of a quarter of a century's progress of successful trading by an extra dividend in the form of a bonus. They, therefore, now recommend payment of the dividend for the second half-year on the preference shares, a dividend of 16 per cent. on the ordinary shares, making, with the interim dividend already paid, 20 per cent. for the year, and a further dividend of 5 per cent. on the ordinary shares as a special bonus for the year. This still leaves the sum of £267,774 to be carried forward. You will observe that the balance carried forward and the reserve of £250,000 together amount to £517,774, considerably more than the ordinary share capital. This is, indeed, a position of which we may feel justly proud, and places the company in a very strong position. Amongst the assets the freeholds are somewhat increased by the addition of capital expenditure for providing new tea rooms, which have been built on part of the roof. The other assets are much the same. The stock is slightly higher, but is good, sound value, and has, as usual, been turned over many times during the year.

FAVOURABLE CASH POSITION.

The book debts are substantially lower. The cash position is distinctly favourable. We have purchased £30,000 more Government securities during the year, and our investments now stand at the substantial figure of £297,000, chiefly Government stocks, and the market value of these securities is over £12,000 more than they stand at in our books. The cash in hand is £22,000 more. On the debit side the deposits and current accounts are about the same, and the amount owing to trade creditors is less than last year.

I am sure the shareholders will agree that the accounts generally reveal the company to be in a very strong financial position, the liquid assets being very considerably in excess of the liabilities. This strong cash position is a particularly favourable one from a trading point of view, as it enables us to buy our goods to the fullest advantage for cash terms.

I have no doubt the shareholders will expect me to say a little more about the business and its future, and not so much about figures, which speak for themselves. Well, ladies and gentlemen, the trade is quite satisfactory, and, although last year was not one of the easiest in which to do business, especially the early part of the year, on the whole we did well; in fact, as far as volume of

goods sold, there is no doubt whatever that it was much larger than ever, but in these times of high taxation there is an inclination for customers to be somewhat economical and buy goods of less value. This, of course, makes it necessary to sell more goods to keep up and increase the trade figures.

We are looking forward this year, and making our preparations with confidence, to secure our share of the extra trade which should ensue from the influx of visitors to the British Empire Exhibition, and I feel sure we shall get it. Whiteley's name and reputation as "Universal Providers" are world-wide.

We shall continue our policy of giving the best value at the lowest prices, and we shall also continue to give our customers the best service and facilities it is possible to find in any store in London. This business has been built up on the principle of giving good value, and we shall continue that policy.

Mr Frederick G. Dann seconded the resolution, and it was carried unanimously.

BRITISH ALUMINIUM COMPANY, LIMITED. INCREASED PROFITS AND DIVIDEND.

The 14th ordinary general meeting of the British Aluminium Company, Limited, was held, on the 28th instant, at Winchester House, Old Broad Street, London, Lieut. Colonel Stephen H. Pollen (vice-chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said the net profit amounted to £362,704, compared with £229,235 for the previous year. At the commencement of the year the demand was increasing, but prices were low; as the year advanced the demand progressively improved, but prices for their larger contracts showed a relatively small increase until towards the end of the year. The net result was that though they marketed a larger tonnage the average prices were little in excess of the previous year. By the end of the year prices reached a basis more in accordance with the cost of manufacture, the demand showed no diminution, and there was a pleasing increase in the demand for the products of their rolling mills.

With regard to the interest acquired in a company in Norway having two factories, both these factories had been brought to full production, and this year they anticipated material benefit from the investment. The board had for a long time carefully considered the Lochaber water-power scheme, and was satisfied that the time had arrived to proceed actively with the undertaking. The Trade Facilities Act Advisory Committee had decided to recommend the Treasury to guarantee a loan of £2,000,000 for the purpose of developing the hydro-electric works. The intention was to complete the developments covered by the Act of 1921 in stages. The loan, together with further capital which would have to be provided for the aluminium works, would only complete the first stage. It would be necessary to form a separate subsidiary company to carry out the financial arrangements, and they proposed to give this company's guarantee that the service fund required to meet the annual interest and amortisation of the loan would be provided. They would also have to make arrangements for the capital required to erect the necessary factories.

They were recommending a final dividend on the ordinary shares of 10 per cent., making 7½ per cent. for the year. The accounts submitted and the profits which had been earned for the year 1923 justified the increased dividend on the ordinary shares which they recommended, and it was satisfactory that they had been able to make an increase in the appropriation to the depreciation and reserve accounts, and to inaugurate a staff benefit fund. With regard to the future, they were justified in hoping that next year they would be in a position to lay before the shareholders a statement of the company's operations at least equally satisfactory. The report and accounts were unanimously adopted.

GOVERNMENT RETURNS, &c.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £40,000,000 in Treasury Bonds and Treasury Bills dated from Mar. 31-April 5 were opened on Mar. 28, 1924, and the total amount applied for was £50,035,000. For bills at three months in full. The amounts allotted were as follows:—In bills at 3 months, £35,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months Average Rate.	4% Treasury Bonds, Average Price.
Feb. 22, 1924.	30,000,000	44,535,000	5 8 11-79	104 1-11
Feb. 29,	30,000,000	44,400,000	5 8 11-79	104 1-11
Mar. 7,	30,000,000	45,400,000	5 8 11-79	104 1-11
Mar. 14,	30,000,000	38,735,000	5 8 11-79	104 1-11
Mar. 21,	30,000,000	36,820,000	5 8 11-79	104 1-11
Mar. 28,	40,000,000	50,035,000	5 8 11-79	104 1-11

Tenders will be received on April 4, 1924, for Treasury Bonds and Bills to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

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

Date.	Notes and Certificates Outstanding.	Treasury Bills and Bonds.	Silver Coin.	Redemption Account.					
				Gold Coins and Bullion.	Bank of England Notes.	Notes of other Banks.	Notes of other Banks.	Notes of other Banks.	Notes of other Banks.
1923.									
Mar. 29,	300,351	14,255	5,000	28,500	19,450	159	861,479	177	
June 28,	295,374	13,338	5,000	28,500	19,450	159	861,479	177	
Sept. 27,	289,127	12,648	7,000	27,000	21,150	159	861,479	177	
Dec. 27,	301,537	12,872	7,000	27,000	21,150	159	861,479	177	
1924.									
Mar. 29,	285,616	12,318	7,000	27,000	22,450	173	861,479	177	
June 27,	286,503	12,516	7,000	27,000	22,450	173	861,479	177	
Sept. 27,	282,784	12,401	7,000	27,000	22,450	173	861,479	177	
Dec. 26,	299,070	12,571	7,000	27,000	22,450	173	861,479	177	
1924.									
Mar. 19,	281,046	11,854	7,000	27,000	22,450	173	861,479	177	
Mar. 26,	281,538	11,908	7,000	27,000	22,450	173	861,479	177	

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £30,600,000, for 1921 at £317,566,200, for 1922 at £309,988,400, for 1923 at £270,183,800, and for 1924 at £248,190,900.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from		Receipts.	
		Apr. 1, 1923, to Mar. 22, 1924.	Apr. 1, 1923, to Mar. 24, 1923.	Week Ended Mar. 22, 1924.	Week Ended Mar. 24, 1923.
Balances in Exchequer on 1st April:—					
Bank of England	..	5,442,665	9,963,424	..	..
Bank of Ireland	..	1,375,502	1,210,106	..	..
..	..	6,818,167	11,173,530	..	..
REVENUE.					
Customs	116,900,000	118,266,000	121,548,000	2,967,000	3,314,000
Excise	143,850,000	146,353,000	156,448,000	6,641,000	7,742,000
Motor Vehicle Duties ..	13,250,000	14,691,000	12,321,000	..	..
Stamp	62,000,000	56,590,000	56,221,000	960,000	1,850,000
Stamp	20,000,000	20,580,000	21,682,000	130,000	1,810,000
Land Tax, House Duty & Mineral Rights Duty ..	3,000,000	2,640,000	2,900,000	130,000	130,000
Property & Income Tax ..	28,000,000	28,505,000	28,847,000	7,629,000	12,747,000
Super Tax	12,000,000	12,000,000	954,000	..	..
Excise Profits Tax	20,000,000	22,710,000	18,717,000	690,000	400,000
Corporation Profits Tax ..	52,600,000	51,900,000	51,900,000	800,000	750,000
Post Office	900,000	910,000	890,000	..	..
Crown Lands	12,500,000	12,606,900	10,016,255	233,359	172,892
Interest on Sundry Loans	12,500,000	15,440,309	23,094,214	75,517	440
Miscellaneous	40,000,000	36,725,364	47,646,097	7,000	376,306
Ordinary Receipts	818,500,000	814,297,573	830,123,556	23,252,376	25,292,639
Special Receipts	..	..	..	..	..
Revenue	..	821,115,740	901,357,056	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion	255,000	800,000	100,000	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	73,782	169,818	..	..	..
Under the Unemployment Insurance Act, 1921	6,820,000	3,050,000	220,000	..	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1921 and 1922	5,520,000	5,310,000	..	..	..
Under the Post Office (London) Railway Act, 1913	10,500	27,000	..	..	..
Under the Housing Act, 1914 ..	14,000	..	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	950,000	..	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	..	1,553,000	..	..	..
By Exchequer Bonds under the Cunard Agreement (Money) Act, 1904	520,000	..	..	..	..
(b) Under the Unemployment Insurance Act, 1921	820,000	5,080,000	..	..	..
(c) For other Issues:—					
By Treasury Bills	2,405,819,000	2,790,480,000	34,935,000	39,279,000	..
By National Savings Certificates ..	44,750,000	60,058,000	650,000	900,000	..
By Exchequer and National War Bonds	45	135	45	10	..
By Treasury Bonds	..	61,655,154	..	..	..
5-15 Year, 1925-35	..	..	..	..	..
5% 1927	..	95,009,780	..	497,350	..
4% 1931-33	..	32,657,952	..	..	..
4% 1931-33	..	..	..	..	..
By Other Debt created under the War Loan Act, 1914 to 1919	824,966,500	979,987,000	15,800,000	127,761,500	..
(d) Ways and Means Advances ..	601,335	1,017,976	..	..	..
Repayments in respect of Suez Canal Drawn Shares	5,501	5,787	..	..	..
Do Onward Loan	130,000	..	..	..	..
Do Onward Loan	314,890	291,229	..	..	..
Do Finance Act, Section 59 (4) of the Finance Act, 1920	..	6,827,960	..	..	..
Do Finance Act, Section 59 (5) of the Finance Act, 1920	..	162,425	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920	4,144,302,245	4,913,564,519	74,867,521	193,730,499	..
Total	..	..	..	..	..

Notes.—Budget Estimate as in H.C. No. 51 of 1923.

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1923-24. (Including Supplementary Grants.)	Total Issues out of the Exchequer to meet Payments from		Issues.	
		Apr. 1, 1923, to Mar. 22, 1924.	Apr. 1, 1923, to Mar. 24, 1923.	Week Ended Mar. 22, 1924.	Week Ended Mar. 24, 1923.
EXPENDITURE.					
National Debt Services:—					
Interest, &c.	310,000,000	304,401,427	321,365,411	2,633,665	..
Sinking Fund	40,000,000	39,566,165	11,772,043	..	..
Road Fund	12,550,000	14,090,044	11,772,043	..	..
Payments to Local Taxation Accounts, &c.	10,348,000	12,770,759	10,211,325	1,126,564	1,387,605
Payments to Northern Ireland Exchequer ..	3,000,000	3,927,865	2,372,018	445,951	26,796
Land Settlement	1,500,000	1,196,534	1,198,850	649,611	22,731
Other Consolidated Fund Services	2,972,000	2,688,265	2,591,918	56,504	53,750
Supply Services	449,289,000	387,333,414	432,266,128	19,161,447	10,866,367
Expenditure	829,759,000	766,574,903	781,678,693	23,587,181	15,060,914
OTHER ISSUES.					
Temporary Advances:—					
Bullion	5,000	..	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	73,782	169,818	..	..	..
Under the Unemployment Insurance Act, 1921	820,000	6,090,000	..	..	..
Issues to Meet Capital Expenditure:—					
Under the Telegraph (Money) Act, 1921 and 1922	7,670,000	7,010,000	400,000	..	..
Under the Post Office (London) Railway Act, 1913	10,500	27,000	..	..	..
Under the Housing Act, 1914 ..	16,000	..	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922 ..	..	950,000	..	..	..
Under Capital Expenditure (Money) Act, 1904	..	1,553,300	..	..	..
Under the Cunard Agreement (Money) Act, 1904—Exchequer Bonds paid off	520,000	..	..	..	..
Unemployment Insurance Act, 1921—Repayment of amounts borrowed ..	6,190,000	2,180,000	..	..	..
Treasury Bills	2,442,685,000	3,041,584,000	44,195,000	49,100,000	..
Principal of National Savings Certificates	32,750,000	26,550,000	650,000	650,000	..
Principal of Exchequer Bonds paid off	24,900	13,887,122	..	..	..
Principal of National War Bonds paid off, £53,763,505; less Paid off by the National Debt Commissioners, £1,000,000	52,763,505	44,684,182	..	..	..
Other Debt under the War Loan Act, 1914 to 1919	7,463,440	15,825,526	..	..	..
Ways and Means Advances Repaid ..	821,858,500	955,027,000	6,150,000	123,811,500	..
Anglo-Persian Oil Company—Issued to the National Debt Commissioners	501,335	1,017,976	..	..	..
Issues to National Debt Commissioners to Reduce Debt:—					
Suez Canal Drawn Shares Repayments	5,501	5,787	..	..	..
Cunard Loan Repayments	130,000	130,000	..	..	..
Old Sinking Fund, 1910-11, issued under Section 34 of the Finance Act, 1923	118,000	..	..	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4) ..	..	5,000,000	..	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	55,214	136,304	..	..	..</

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.
CENTENARY YEAR, 1924.
ASSETS EXCEED £12,700,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, March 26, 1924.

ISSUE DEPARTMENT.

	£		£
Notes issued	146,033,130	Government debt	11,015,100
		Other securities	8,734,900
		Gold coin and bullion	126,283,130
	<u>146,033,130</u>		<u>146,033,130</u>

BANKING DEPARTMENT.

	£		£
Proprietors' capital ..	14,553,000	Government securities	48,167,455
Reserve	3,711,784	Other securities.....	75,145,213
Public deposits*	26,983,488	Notes	20,630,430
Other deposits	100,507,133	Gold and silver coin..	1,822,693
Seven-day & other bills	10,386		
	145,765,791		145,765,791

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

	Amount, Mar. 26, 1924.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Best	£ 1,784	+ £ 10,997	+ £ 7,152
Public deposits	26,983,488	+ 2,985,987	+ 8,694,241
Government securities ..	100,507,133	+ 5,287,965	+ 3,477,248
Other securities	48,167,455	+ 190,000	+ 186,745
Notes	75,145,213	+ 1,672,790	+ 4,686,394
Reserve	22,453,123	+ 496,525	+ 355,429
Notes in circulation	126,283,130	+ 497,132	+ 3,600,681
Gold and silver coin ..	126,283,130	+ 777	+ 600,681
% of reserve to liabilities ..	168%	+ 1%	+ 8%

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1924.						
Feb. 6	122,081,178	125,880,870	119,999,141	116,125,510	21,950,308	10 1/2
13	122,081,422	125,199,095	118,821,711	114,280,603	22,634,327	10 1/2
20	122,097,600	124,764,470	123,414,523	118,454,031	23,083,130	10 1/2
27	122,106,296	125,579,196	123,542,990	119,419,050	22,777,101	10 1/2
Mar. 6	122,101,815	126,020,306	123,229,149	119,653,248	21,631,510	10 1/2
13	122,098,237	125,041,710	124,340,451	119,340,451	22,808,587	10 1/2
20	122,105,823	125,042,700	127,490,621	123,312,668	22,453,123	10 1/2

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1924.				
January 1 to March 12	7,023,645	318,247	577,878	7,919,770
March 19	719,836	28,332	54,236	802,904
26	672,460	27,718	51,225	751,393
Total to date 1924	8,415,931	374,797	683,339	9,474,067
Do 1923	8,190,646	384,972	696,407	9,272,025
Increase or decrease in 1924 ..	+ 225,285	+ 10,175	+ 13,068	+ 258,528
%	+ 2 1/2	+ 2 1/2	+ 1 3/4	+ 2 1/2
Total for year 1923	32,270,373	1,546,565	2,810,654	36,627,592
Total for year 1922	32,780,635	1,574,661	2,808,165	37,163,461
Increase or decrease in 1923 ..	+ 510,262	+ 28,096	+ 4,489	+ 542,847
%	+ 1 1/2	+ 1 3/4	+ 0 1/2	+ 1 1/2

PROVINCIAL CLEARING RETURNS.

	1923.	1924.	Inc. or Dec.
Aggregate Totals to March 22.			
BIRMINGHAM	27,977,000	28,112,800	+ 135,800
Bristol	14,041,000	13,582,000	- 459,000
DUBLIN	73,367,600	67,886,800	- 5,480,800
LONDON	13,570,200	12,946,200	- 624,000
LIVERPOOL	13,133,000	13,130,400	- 2,600
MANCHESTER	9,652,800	9,174,100	- 478,700
NEWCASTLE	11,251,600	11,748,800	+ 497,200
NOTTINGHAM	18,404,400	18,390,800	- 13,600
Sheffield	33,594,200	34,813,100	+ 1,218,900
Wolverhampton	8,005,400	7,487,800	- 517,600
WYTHAM	13,565,400	12,943,000	- 622,400

OVERSEAS BANK RETURNS.

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

	Mar. 21, 1924.	Mar. 14, 1924.	Mar. 7, 1924.	Mar. 23, 1923.
RESOURCES.				
Total gold reserve	3,131,850	3,130,080	3,116,780	3,074,300
Legal tender notes and silver	101,350	105,760	106,060	116,320
Bills discounted for member banks ..	431,250	483,400	488,510	629,990
Bills bought in open market	194,200	243,620	259,740	237,970
Government obligations owned	296,680	212,370	182,070	291,910
All other resources	76,780	78,560	77,300	63,490
LIABILITIES.				
Government deposits	8,860	54,220	59,460	98,630
Other deposits	2,003,280	1,564,630	1,926,560	1,886,410
Federal Reserve Notes in actual circulation ..	1,989,850	2,010,600	2,019,770	2,231,490
F.R.B. Notes in actual circulation	390	390	400	2,370
All other liabilities	14,030	14,270	13,710	13,520
Capital and surplus	331,740	331,750	331,750	336,930
Ratio of total resources to gross deposits and Federal Reserve note liabilities combined ..	80.8%	80.3%	80.5%	75.7%

STATEMENT OF CANADIAN BANKS.—In \$'s (000's omitted).

	Dec. 31, 1923.	Nov. 30, 1923.	Oct. 31, 1923.	Sept. 30, 1923.	Aug. 31, 1923.
ASSETS.					
Cash and bank balances	484,518	458,288	506,742	442,523	509,830
Bank balances abroad	291,924	325,206	299,843	274,473	284,037
Call and short loans	426,271	409,733	434,316	416,944	340,588
Securities	1,117,338	1,136,340	1,180,048	1,159,120	1,148,681
Loans in Canada	171,299	167,831	174,763	162,408	157,657
Loans abroad	144,939	146,304	140,542	103,480	106,439
Other assets	180,246	181,265	185,495	184,117	176,201
LIABILITIES.					
Note circulation	113,295	106,094	235,316	91,521	98,583
Deposits	1,739,876	1,724,711	1,690,842	1,700,754	1,782,316
Government	299,780	307,137	298,899	296,503	288,450
Public in Canada	12,882	14,055	16,316	11,114	11,757
Bank balances—					
Foreign	34,076	45,834	42,257	42,338	38,645
Bills payable, &c.	56,305	58,920	52,594	26,644	28,774
Other liabilities	2,747	5,424	3,656	2,797	2,435
Capital and rest	247,034	247,034	247,034	247,032	255,966

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

	Mar. 1, 1924.	Feb. 23, 1924.	Feb. 15, 1924.	Feb. 8, 1924.	Feb. 1, 1924.	Mar. 1, 1923.
ASSETS.						
Gold coin and bullion	549	549	549	549	549	483
Gold certificates	10,102	10,102	10,102	10,102	10,102	10,039
Subsidiary coin	75	75	75	75	75	125
Bills discounted	6,193	6,148	5,911	5,989	6,208	3,192
Loans and advances to Govt. ..	250	250	250	250	250	250
Investments	17	17	17	17	17	17
LIABILITIES.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	40	40	40	40	40	40
Notes in circulation	10,810	10,319	10,460	10,669	11,000	9,860
Bankers' deposits	5,222	5,876	5,115	4,948	4,897	5,231
Ratio of cash resources to liabilities to public ..	66.9%	67%	69.1%	68.7%	67.4%	70.5%

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

	Feb. 29, 1924.	Feb. 22, 1924.	Feb. 15, 1924.	Feb. 8, 1924.	Feb. 1, 1924.	Mar. 1, 1923.
ASSETS.						
Total securities	11,674.71	11,655.91	11,776.42	11,677.73	11,776.71	12,415.97
Loans	24,915.6	22,644.3	22,765.9	21,462.4	20,608.6	17,812.77
Cash credits	43,000.89	41,773.30	41,605.59	42,065.49	41,624.81	29,322.80
Inland bills	17,044.85	16,904.43	16,867.73	14,162.3	13,904.45	8,193.93
Foreign bills	2,448.39	2,448.39	2,448.39	2,448.39	2,448.39	2,448.39
Dead stock	1,658.28	1,713.13	1,344.78	1,190.35	1,024.35	1,024.35
Balance with other banks	15,005.56	13,704.1	13,147.78	11,903.35	15,083.3	14,340.00
LIABILITIES.						
Capital paid up	5,625.50	5,625.50	5,625.50	5,625.50	5,625.50	5,625.50
Reserve	4,450.00	4,450.00	4,450.00	4,450.00	4,450.00	4,450.00
Total deposits	93,637.67	88,349.36	86,098.37	85,958.28	85,531.61	72,517.97
Loans from Govt.	12,000.00	12,000.00	12,000.00	9,000.00	8,000.00	8,000.00
The above includes—						
Deposits in London	1,446	1,482	1,189	1,090	1,046	372
Advances in London	460	462	464	449	448	403
Cash, &c., at other Banks in London	1,039	1,142	898	796	683	166

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

	Mar. 27, 1924.	Mar. 20, 1924.	Mar. 13, 1924.	Mar. 6, 1924.	Position Mar. 30, 1924.
ASSETS.					
Gold coin and bullion	5,541,796	5,541,640	5,541,488	5,541,336	5,541,336
Of which held abroad	1,864,321	1,864,321	1,864,321	1,864,321	1,864,321
Silver coin and bullion	7,997,987	7,997,987	7,997,987	7,997,987	7,997,987
Discounts and advances	22,700,000	22,900,000	23,000,000	23,000,000	23,000,000
Advances to the State	39,949,580	39,949,580	39,949,580	39,949,580	39,949,580
LIABILITIES.					
Notes	39,949,580	39,949,580	39,949,580	39,949,580	39,949,580
Government deposits	18,795	18,795	18,795	18,795	18,795
Private deposits	3,223,192	2,896,493	2,405,797	2,040,597	2,040,597

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

	Mar. 20, 1924.	Mar. 13, 1924.	Mar. 6, 1924.	Feb. 28, 1924.	Mar. 23, 1923.	Position Mar. 28, 1924.
ASSETS.						
Coin (gold & silver and bullion)	358,938	358,479	359,807	359,373	344,738	322,650
Securities	1,343,866	1,383,961	1,342,703	1,372,628	684,623	697,600
LIABILITIES.						
Notes in circulation	7,580,429	7,622,305	7,603,089	7,651,830	6,825,206	934,150
Current accounts	437,014	353,504	451,336	367,399	343,458	112,125

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

	Mar. 24, 1924.	Mar. 17, 1924.	Mar. 10, 1924.	Mar. 3, 1924.	Mar. 26, 1923.	Position Mar. 30, 1924.
ASSETS.						
Gold	581,711	581,711	581,711	581,711	581,711	581,711
Silver	9,777	9,708	9,708	9,708	9,708	9,708
Deots and advances	400,531	401,634	410,127	424,330	383,539	383,539
LIABILITIES.						
Notes in circulation	979,558	986,058	1,000,541	1,016,822	933,835	933,835
Deposits	28,082	19,193	28,168	31,461	33,507	33,507

BANK OF JAYA.—In florins (000's omitted).

	1924.	1924.	1924.	1924.	1923.	Position Mar. 30, 1924.
ASSETS.						
Gold	223,260	219,260	223,780	219,780	219,780	219,780
Silver	138,040	138,040	138,040	138,040	138,040	138,040
LIABILITIES.						
Notes in circulation	252,000	251,000	252,000	252,000	252,000	252,000
Deposits and bills payable	68,000	71,000	70,000	68,000	68,000	68,000

IMPERIAL BANK OF GERMANY.—In billions of marks.

</

Rates of Exchange.	Par Level.	Mar. 22, 1923.	Mar. 6, 1924.	Mar. 13, 1924.	Mar. 20, 1924.
London—					
80 days					
Cable					
Cheques					
Paris	Dollars for £1	4.8666	4.8731	4.2687	4.27375
Brussels	Cents for 1 franc	19.30	4.6956	4.3012	4.30375
Geneva	Cents for 1 franc	19.30	6.645	4.2387	4.2375
Switzerland	Cents for 1 franc	19.30	5.88	3.44	3.63
Italy	Cents for 1 lire	19.30	18.55	17.31	17.31
Vienna	Cents for 1 krona	20.26	4.93	4.2850	4.2825
Madrid	Cents for 1 peseta	19.30	20.26	0.0048	0.0044
Copenhagen	Cents for 1 guilder	40.195	15.44	12.22	12.97
Christiania	Cents for 1 kroner	19.30	39.47	37.28	37.25
Stockholm	Cents for 1 krona	19.30	19.30	15.80	15.81
Athens	Cents for 1 drachma	19.30	18.15	13.57	13.56
Montreal	Can. cents for \$1	100	1.10	1.65	1.545
Yokohama	Cents for 1 yen	49.86	97.87	97.69	96.62
Hong Kong	Cents for H. Kong \$	100	48.4	44.44	42.00
Shanghai	Cents for 1 Sheng, tao	100	55.5	50.75	51.00
Calcutta	Cents for 1 rupee	100	75.75	70.25	70.25
Buenos Aires	Gold pesos for \$100	103.65	31.4	29.92	30.0
Rio de Janeiro	Gold pesos for \$100	103.65	118.75	128.75	130.75
Valparaiso	Cents for 1 peso	100	32.48	11.05	11.75
			12.25	10.20	10.0

RATES OF EXCHANGE.

London on	Usance	Par.	Mar. 30, 1923.	Mar. 21, 1924.	Mar. 28, 1924.
Paris	francoes to £1	T.T.	71-20.30	82.20.25	78.45.48
Berlin	marks to £1	T.T.	25.224	18.20.00	18.20.00
Vienna	krona to £1	T.T.	24.02	304.00.000	304.00.000
Prague	krona to £1	T.T.	24.02	148-148.5	144.4-144.4
Warsaw	P. marks to £1	T.T.	20.43	\$40 millions	\$40 millions
Riga	Est.mks. to £1	T.T.	..	1610-1640	1615 1640
Bucharest	lei to £1	T.T.	25.224	22.18.45	22.16.42
Budapest	kr. to £1	T.T.	24.02	280.000	832-840
Constantinople	piastres to £1	T.T.	110	280.000	280.000
Sofia	leva to £1	T.T.	25.224	825-835	830-840
Belgrade	dinara to £1	T.T.	25.224	590-610	590-620
Amsterdam	guilder to £1	T.T.	12.10.07	345-360	345-355
Brussels	francoes to £1	T.T.	11.88.89	11.62.63	11.64.64
Christiania	kroner to £1	T.T.	18.159	102.1-103.5	102.1-103.5
Stockholm	kroner to £1	T.T.	18.159	31.15.20	31.60.65
Copenhagen	kroner to £1	T.T.	18.159	16.30.33	16.24.27
Oslo	kroner to £1	T.T.	18.159	27.57.60	27.10.15
Helsingfors	marks to £1	T.T.	25.224	171-171.4	171-175
Greece	drachmas to £1	T.T.	25.224	330-420	257-362
Italy	lire to £1	T.T.	25.224	95-35.5	95-99.9
Switzerland	francoes to £1	T.T.	25.224	100.4-100.5	99-99.9
Madrid	pesetas to £1	T.T.	25.224	24.87.90	24.80.83
Valencia	pesetas to £1	T.T.	25.224	33.00.10	32.33.38
Barcelona	pesetas to £1	T.T.	25.224	33.00.10	33.33.38
Alexandria	piastres to £1	T.T.	53.4	14.1-14.5	14.1-14.5
New York	dollars to £1	Cable	4.864-4.8	4.30.4	4.25.30.4
Montreal	dollars to £1	Cable	4.763-3	4.41.13	4.40-40.4
Rio de Janeiro	pence to peso	T.T.	47.62.40	42.42.13	42.42-42.6
Montevideo	pence to peso	T.T.	16.16	42.42-43	43-43.3
Valparaiso	pence to peso	T.T.	15.15	42.42-43	43-43.3
Lima	Eng. to Per. £1	90 days	12.33	44.80	44.80
Bombay	ster. to rupee	T.T.	10 to 1	62.42 prem	73.2 prem.
Madras	ster. to rupee	T.T.	10 to 1	62.42 prem	73.2 prem.
Hong Kong	ster. to dollar	T.T.	Scvn.	62.42 prem	73.2 prem.
Shanghai	ster. to tael	T.T.	..	62.42 prem	73.2 prem.
Singapore	ster. to dollar	T.T.	..	62.42 prem	73.2 prem.
Tokyo	ster. to dollar	T.T.	..	62.42 prem	73.2 prem.
Manila	ster. to dollar	T.T.	..	62.42 prem	73.2 prem.
Mexico	pence to dolrs.	T.T.	24.086	11.44-11.5	11.44-11.5

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distrib- ution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.
					Prefce.	Ordinary.	Rate.				
				Amount.	Amount.	Rate.					
		£	£	£	£	£	%	£	£	£	%
Breweries.											
Swansea Old	Dec. 31	1,046	4,217	5,263	1,845	..	..	..	3,418	717	..
Swansea United	Dec. 31	17,219	1,624	18,843	1,205	5,442	7	5,000	7,195	6,799	5
Electric Lighting and Power.											
Midland Electric Corporation	Dec. 31	44,016	108,568	152,381	14,000	35,000	12½	59,500	43,884	90,912	10
Financial, Land, &c.											
Canada Company	Dec. 31	4,108	4,292	8,400	..	6,933	10	290	1,117	5,617	10
Gas.											
Alliance and Dublin	Dec. 31	11,805	54,727	66,530	..	46,566	6	11,639	8,335	..	..
Rhymney and Aber	Dec. 31	801	15,505	16,304	957	10,780	7	3,219	1,348	13,117	6
Hotels and Restaurants.											
Gordon Hotels	Dec. 31	30,091	84,448	114,539	53,075	..	..	20,000	41,464	..	..
Iron, Coal, and Steel.											
Barrow Hematite Steel	Dec. 31	4,257	9,151	13,408	2,262	..	..	..	11,145	1,186	..
Mirrlees Watson Co.	Dec. 31	4,086	15,602	19,688	..	14,404	10	..	5,234	2,929	10
Scottish Tube	Dec. 31	11,336	31,913	43,249	15,000	..	..	15,000	13,249	38,460	5
Sir William Arrol and Co.	Dec. 31	10,622	Dr 67,229	Dr 56,604	21,312	..	..	Dr 85,000	8,684	79,393	10½
United Collieries	Dec. 31	..	161,470	161,470	24,000	30,000	5	50,000	57,470	..	..
Motor and Cycle.											
S. Smith and Sons	Aug. 4	Dr 468,320	7,035	Dr 461,285	..	..	..	..	Dr 461,285	..	..
Rubber, &c.											
Chersonese (F.M.S.)	Dec. 31	14,101	22,444	36,545	..	22,500	10	3,000	11,045	22,330	10
Golden Hope	Dec. 31	4,923	5,052	9,975	..	4,000	5	950	5,025	5,074	5
Higgoda	Dec. 31	1,727	2,361	4,088	420	1,700	5	..	1,968	2,518	5
Matale Ceylon	Dec. 31	2,517	1,183	3,700	..	..	..	2,517	1,183	967	..
Pataling	Dec. 31	10,834	16,716	27,550	..	11,250	5	5,000	11,300	14,136	5
Rangalla	Dec. 31	..	10,362	10,362	..	10,000	10	..	362	..	..
Siak (Sumatra)	Dec. 31	Dr 6,723	3,475	Dr 3,248	..	..	..	500	Dr 3,748	466	..
Straits Rubber	Dec. 31	21,411	51,521	72,932	..	52,500	5	..	20,432	42,209	5
Sungei Choh	Dec. 31	8,110	17,022	25,132	..	18,000	9	..	7,132	11,888	8
Teluk Piah	Dec. 31	1,842	2,198	4,040	..	2,000	5	..	2,040	1,262	nil
Shipping.											
Cairn Line of Steamships	Dec. 31	14,679	Dr 21,721	Dr 7,042	..	..	..	Dr 25,000	17,963	21,124	5
Shops and Stores											
Bobby and Co.	Feb. 10	20,303	70,285	90,588	44,250	12,500	12½	13,000	20,838	..	..
Charles Baker and Co.	Jan. 31	2,171	Dr 14,493	Dr 12,322	..	..	..	Dr 12,500	178	10,651	5
Frederick Gorringe	Feb. 10	21,538	61,158	82,696	14,000	30,000	15	10,625	28,071	57,464	15
Newbury's	Feb. 10	9,503	14,786	24,289	..	7,750	10	6,500	10,039	14,260	10
Tramways.											
Imperial Tramways	Dec. 31	187	12,864	13,051	9,300	..	..	..	3,751	30,784	4
Trusts.											
American Investment and General Foreign, American, and General	Mar. 15	61,467	73,776	135,243	19,339	42,546	11	..	73,358	64,837	10
Yorkshire (West Riding)	Dec. 31	39,280	80,897	120,177	29,009	40,612	7	5,000	45,556	67,069	6½
		7,780	45,258	53,038	10,669	7,875	5	34,134	360	48,723	nil
Other Companies.											
Barry, Ostlere, and Shepherd	Jan. 31	98,251	329,702	427,953	21,000	125,280	25	163,214	118,479	326,428	25
British Aluminium	Dec. 31	15,778	215,344	231,122	17,974	75,077	7½	120,000	18,071	109,012	5
British Portland Cement	Dec. 31	188,144	366,219	554,363	70,800	138,262	10	157,550	187,751	366,743	10
E. Robinson and Sons	Mar. 7	4,415	10,256	14,671	1,000	4,500	10	5,000	4,171	11,509	10
Fletcher Hardware Company	Dec. 31	6,334	17,424	23,758	4,612	5,477	7½	5,000	8,669	18,272	10
Gandy Belt Manufacturing	Dec. 31	6,650	38,423	45,073	4,500	25,000	20½	10,299	5,274	33,121	20½
Lawsons	Jan. 16	17,877	46,143	64,020	4,975	25,000	7½	12,000	22,045	29,312	10
Pettigrew and Stephens	Feb. 19	20,403	24,254	44,657	7,250	13,600	10½	..	23,807	30,126	10½
Preserve Manufacturers	Dec. 31	Dr 28,121	Dr 35,798	Dr 63,909	..	..	..	..	Dr 63,909	Dr 55,125	40½
Steel Brothers and Co.	Dec. 31	..	279,485	279,485	123,000	128,000	40½	28,485	..	448,866	40½
United Glass Bottle	Dec. 31	54,445	43,389	97,834	..	..	..	Dr 32,416	130,280	..	..
Western Wagon and Property	Dec. 31	1,717	12,088	13,805	..	10,762	10	1,500	1,543	10,822	10

* Half-year.

† Tax free.

Commercial Reports.

THE CORN TRADE

Mark Lane, Friday Evening.

Colder weather conditions were experienced in the United Kingdom during the past week, with rain in some districts, but the ground is working well after recent frosts, and spring operations are making good progress. Native wheat continues in moderate supply, but with only a limited demand, both for milling and feeding qualities. Rates displayed an easier tendency. Best milling samples now rule at 10s to 10s 6d per 112 lbs, free on rail, with inferior down to 9s 6d. Imported descriptions also dull of sale, and values moved in buyers' favour. No. 1 Northern Manitoba quoted 48s. No. 2 47s. No. 3 46s; Rosafe, 63½ lbs, 45s 9d; Australian, 48s 6d, all ex ship, per 496 lbs. Slow conditions prevailed with regard to floating and forward cargoes, and prices ruled easier in view of lower foreign advices, together with liberal offerings of Argentine qualities. Steamer of No. 2 Northern Manitoba. April shipment, changed hands at 46s 3d to Mediterranean. Maize cargoes also pressed for sale, and rates lower. A steamer of Odessa, expected to load early April, sold 39s 6d per 480 lbs, and a part cargo of Karachi barley afloat done at 30s 6d per 400 lbs to Bristol Channel. Flour in quiet request, and prices were further reduced for town made. London standard straight run quoted 37s, patents 39s to 40s, town households 35s per sack, delivered in. All English country straights 34s 6d per sack, free on rail at London stations. Of imported, Manitoba export patents

35s to 36s 6d, and Australian 35s to 36s per 280 lbs, ex store.
Barley dull. English malting ranges from 11s 3d to 12s 9d, with
feeder 10s to 10s 9d per 112 lbs, free on rail. Imported inactive.
Californian, 44s 6d to 48s 6d, Chilean brewing 41s 6d to 45s, ex
ship, both per 448 lbs. No. 4 Canadian Western 34s 9d, landed,
Algerian/Tunisian 34s, landed; Karachi 31s, ex ship; ditto,
landed, 32s 6d per 400 lbs. Maize quiet and easier. Plate, landed,
42s to 42s 6d, as to quality; red Karachi, ex ship, 41s; yellow
Calcutta, landed, 42s 9d, per 480 lbs. Oats quiet. English quoted
f.a.q., ex ship, 21s, landed 22s; No. 2 Canadian Western, 26s 3d.
No. 3 ditto, 25s; Canadian feed, landed, 23s 9d, per 280 lbs.
Millers' offals dull. Broad bran quoted 8s., ordinary 7s 6d; midd-
lings, 8s; fine ditto, 9s 6d, bags included, ex mill; light oats,
7s 3d; powdered oat husks, 7s 3d; feed oatmeal, 9s 3d; ground
oats, 12s 3d, free on rail, per cwt. Oatmeal unaltered. London
made, flaked, also rolled oats, 16s; medium and fine cuts, 16s 6d;
coarse and medium pinhead, 16s; ordinary Scottish oatmeal, 17s 6d
to 18s; American, 16s 6d to 16s 9d cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-1924.	1922-1923.	1921-1922.	1920-1921.
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to March 22	250,273	416,347	536,907	567,347
29 weeks to March 22	193,372	12,411,269	12,653,470	9,019,583
Average price of English wheat per	s d	s d	s d	s d
ows	10 9	21 9	12 6	12 6

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1920 to 1923 :—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1924.	Wws.	Wws.	Wws.	s d	s d	s d
Mar. 15	268,668	106,651	59,228	10 10	11 8	10 0
Mar. 22	250,271	76,074	40,679	10 9	11 2	9 9
1920	263,970	73,357	24,938	16 11	25 8	20 3
1921	241,826	159,111	50,254	20 8	14 4	12 10
1922	375,360	127,075	63,670	12 5	11 8	10 9
1923	412,801	133,667	51,834	9 5	8 5	9 8

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated March 27th, is as follows:—Pig-iron—There is a little more inquiry, but makers are obliged to cut their prices to secure any business, as stocks of pig-iron are still inconveniently large. No. 3 G.M.B. Cleveland can be bought at about 90s per ton, and mixed numbers E.C. hematite quoted 95s to 100s per ton. Manufactured iron and steel—The chief difficulty with our steel works is that of transport through truck shortage. The possible shipbuilding lock-out is also bound to have an adverse effect. Quotations remain at: Steel ship plates, £10 5s; steel angles, £10; iron bars, £12; steel rails, £9. Iron ore—Supplies have been plentiful, and new business is very hard to get. Best Bilbao rubio ore nominally 24s per ton, c.i.f., Tees.

Our Sheffield correspondent writes :—The present week has brought no relief to the acute depression of the iron and steel market, as there is an all-round unwillingness to buy and no forward contracts are being placed for raw and partly manufactured materials. Makers of hematite and basic pig-iron report that their order books are now practically bare, with the result that several furnaces have been damped down, and the closing of others cannot be long delayed. This state of things implies that producers of acid and basic steel are by no means well placed for business. Basic billets cannot be sold except below current quotations already unremunerative. The importation of Continental billets continues on a heavy scale, and so long as this competition exists British material must remain more or less out of the market. British prices cannot possibly be reduced, and will have to go up if the demands for higher wages in the steel and coal trades are conceded, wholly or in part, and such a movement would prove a further handicap to our producers. Large orders are on hand for cast iron pipes of large capacity, but the founders are feeling the competition of reinforced concrete pipes. The tube trade is also more active than of late. Tool and other special steels have not shared in the revival of other kinds of manufactured steel, as no business of any weight in such expensive materials is possible with the European markets. There is a distinct recovery in several branches of engineering, but agricultural machinery and machine tools remain depressed. Exports are expanding in some branches and falling off in others. Rolled steel for general agricultural purposes is experiencing a busy season. The plate and cutlery branches are unremunerative, and generally in an unhealthy condition, competition having brought down the prices of many articles almost to the pre-war level, whereas costs are 50 per cent above those of that period. The patents taken out in France several years ago by the British inventor of stainless steel have been declared invalid by a Court which recently heard an action for revocation brought by a group of steel makers in that country. The coal market continues active, with supplies on the short side and prices high. Railway traffic is still in arrears. Railway companies are taking a heavy tonnage of the best steam coals. Exports also keep up to a high level. House coal is selling freely. The output of coke is going away freely, but there is no scarcity. Prices per ton at pits are :—Best hand picked branch, 36s to 38s; Barnsley Best Silkstone, 34s to 35s; Yorkshire hards, 27s to 29s; Derbyshire ditto, 25s to 26s; rough slacks, 12s 6d to 14s 6d; smalls, 8s to 10s; blast furnace coke, 25s to 30s.

Our Glasgow correspondent writes:—The tone of the pig-iron market is rather better this week. The demand is not great, but sellers have not found it necessary to make any further reductions, and the tendency is to stiffen prices. Last week the shipments from the Clyde were fully 1,100 tons. Within the past few days one or two new orders are reported in this district. An order has been placed in Glasgow for about 500 tons of structural steel work for Burmah, and it is understood that Messrs John Brown and Co., of Clydebank, have contracted to build two Channel steamers for the Western Railway group. Apart from the above, no new business of any importance is reported in the steel trade this week. Makers' order books have not the healthy appearance they have displayed recently. Prices for plates, joists and angles are officially unaltered, but cuts are being made for export orders. French and Belgian competition is not causing any serious perturbation, as deliveries are still an uncertain quantity. Continental works seem to be well supplied with orders, and are refraining from giving quotations in consequence of the erratic movements of the exchange. Bar iron makers and iron and steel re-rollers are active on old orders, but new lines are difficult to secure. Prices are unchanged for home account. Export lines, of which a few for India and Canada have been met with, are being keenly competed for. Black sheets are a steady market, with several very fair orders coming from the Colonies. Canadian buying is becoming more pronounced as the season for direct navigation approaches, but

reports from United States of slackness in all the sheet mills are to hand, and keen competition from that quarter may be expected. Galvanized sheet makers continue to be well employed, and bookings for both home and export are well up to the average. Generally speaking, conditions in the iron and steel trades this week look somewhat more promising.

Our Cardiff correspondent writes:—On the Cardiff coal market this week spot supplies of coal have been exceedingly scarce. The possibility of a strike has continued to influence current business. The pressure of the demand for inland stocking purposes has been considerable, but quite as strong has been the demand for coal for depots, and most of the collieries have found practically the whole of their outputs absorbed by their contract deliveries. In a large number of cases deliveries are in arrear, and unless the wages dispute is definitely settled, the pressure for supply during the next few weeks will be even greater. Under these conditions prices have further improved. Best Admiralties are now ruling at 32s 6d per ton, f.o.b., and ordinary Monmouthshire large coals up to 31s, while best small steams are realising up to 22s 6d for bunkering purposes. The other feature of the market has been the collapse of pitwood, which at 24s, ex ship, was on Thursday lower than it has been at any time during the past two years. This market has been disorganised by the reports of the intention of the French Government to impose an export tax of 25 per cent. *ad valorem* on all pitwood. A decree to this effect was issued by the French Government on the 14th inst., but a few days later it was officially stated by the French Consul at Cardiff that an export tax on pitwood had never been contemplated by the Government, and that the report was due to a misunderstanding. The market found it difficult to reconcile this assurance with the specific inclusion in the Government decree of pit props, and the reproduction of that decree in the *Board of Trade Journal* of last week, but eventually it was explained that the tax applied only to peeled timber, and that the unpeeled timber normally exported from the French ports to South Wales was excluded from the scope of the Order. The disturbance to the market, however, was so great that prices fell and, as stated, touched 24s, ex ship, towards the end of this week.

The following are the current approximate quotations:—Best Admiralties, 31s to 32s 6d; second Admiralties, 30s to 31s; best drys, 28s to 29s; Black Veins, 31s to 32s; Western Valleys, 30s to 31s; Eastern Valleys, 27s 6d to 29s 6d; best bunker smalls, 21s 6d to 22s 6d; ordinary cargo smalls, 19s to 20s; coking smalls, 22s to 22s 6d; anthracite big vein, large, 40s to 45s; machine-made cobbles, 47s 6d to 50s; French nuts, 47s 6d to 50s; stove nuts, 50s to 52s 6d; rubble culm, 11s to 15s 6d; inland blast furnace coke, atovens, 30s to 35s; coke for export, 47s 6d to 52s 6d; patent fuel, 29s 6d to 32s; pitwood, ex ship, 24s to 25s.

The pig-iron market is depressed, but in the tinplate trade business continues active and shipments during the past week have been heavy. The minimum prices of tin plates and sheet bars are unchanged.

METALS.

Tin suffered a sharp decline due to heavy realisations and lower foreign advices, though offerings were well absorbed. Standard cash sold from £261 to £254, and three months £268 to £252 10s to £254. Eastern cables reported sales on the basis of £261 10s, c.i.f. At Thursday's market values ruled firmer. Standard cash sold at £256 5s to £256, and three months £257 to £256 to £256 10s to £255 5s. On the following day the tendency was firmer, though values closed below top points. Standard cash sold at £262 to £262 10s to £261 15s, and three months £261 to £262 to £260 to £261 7s 6d, while finally registered at £261. English ingots quoted at £263 to £264. Copper market displayed irregularity and weakness, dealings being on a smaller scale. Cash sold at £65 5s to £64 to £64 2s 6d, and three months £66 10s to £65 to £65 7s 6d. Very little change occurred on Thursday, while a good business transpired. Cash sold at £64 to £63 17s 6d to £64 2s 6d, and three months £65 to £64 15s to £65 2s 6d. At Friday's session values slightly firmer, but business on a reduced scale. Standard, cash, sold at £64 7s 6d to £64 2s 6d to £64 3s 9d, and three months £65 10s to £65 5s to £65 7s 10d to £65 2s 6d. Electros £70 to £71, best selected £69 5s to £70 10s, strong sheets £68, wire bars £71. Lead easier, and quoted at £35 to £34 15s as to position. Spelter in good demand, while easier on balance at £33 17s 6d to £33 15s. Aluminium, home trade, quoted £120; export, £125. Antimony, English special brands, £65.

THE COTTON TRADE.

MANCHESTER, March 27.

The more active demand in the market has been maintained, and although the wide fluctuations in raw cotton rates have had a rather disturbing influence, a fairly encouraging turnover has taken place. Cloth inquiry for India has broadened, and freer buying has been reported in grey staples, light bleaching descriptions and printed and dyed goods. Rather better support has also been given by China in greys, whites, and fancies. The Near Eastern outlets have been comparatively quiet, and financial difficulties in Egypt have caused some uneasiness. Fine goods and specialities continue in active request for the Continent and the United States. American yarns remain much firmer in quotation, and in small lots a very fair trade has been done. The finer counts in Egyptian spinnings have moved off fairly freely.

No. 6

RUBBER.—Market remained generally quiet, and without new feature. Plantation, spot, sold, is to is o½d; April, is o½d; April-June, is o½d to is o½d; July-September, is o½d; October-December, is 1½d. To New York, standard estate sheet, April-May, is o½d; first crepe, ditto, sold, is o½d per lb, c. f. and i.

MARCH-APRIL, 223 175 ed per ton.
 OILS.—Linseed irregular and easier. Spot, net, naked, 38s; April, 36s 10d; May-August, 36s 6d; September-December, 36s 3d. Rape dull. Crude, spot, 48s; refined, 50s 6d. Castor oil quiet. First pressure, spot, quoted 65s; second pressure, 64s; and pharmaceutical, 70s per cwt. Hull, with London 2s per cwt extra. Cotton easier. Seed Egyptian, spot, 41s 6d; Bombay, 40s; common edible, 48s; deodorised, 50s. Chinawood quiet. Hankow, spot (barrels), 92s 6d; March-April, 91s 6d. Cocoanut quiet. Ceylon, spot, 46s 9d; March-April, 44s 3d; Cochin, ditto, nominally 50s. Soya dull. Oriental, barrels, March-April, 41s. Cod firm. English, spot, 36s 6d; to 37s 6d. Groundnuts quiet. English, crushed, naked, spot,

are:—Australian mutton: Fine, 49s; good to fair, 48s to 46s; dull to dark, 42s to 41s; hard, 49s. Australian beef: Fine, 48s; good to fair, 45s 6d to 44s; dull to dark, 42s to 40s 6d; sweet, 48s. Present shipment from Australasia: Good mixed, 46s. Present shipment from South America, 45s 6d to 43s 6d. Tea: Market letter is unchanged. Tows: Tallow, 41s 6d per cwt. Rough fat, per 8 lbs, 43d; melted suet, 33s 6d per cwt. Quotations are:—Town, 42s, net cash, naked, ex works. Country: Frail casks, 42s; home-made, shipping casks, net, f.o.b., good coloured, 45s; fair to dull,

LONDON POTATO MARKETS.--MARCH 27.

		Per Cwt				Per Cwt	
		<i>s</i>	<i>d</i>			<i>s</i>	<i>d</i>
English	Arran			Majestic		9	6
Chief		9	6	Blackland		8	6
King Edwards		10	6	New Canary ....(case)		14	0
			0			0	0
			6			0	0

One Hundred and Eighth Report of the Court of Directors to the Ordinary Yearly General Meeting of Shareholders, held at the City Hall, Hongkong, on Saturday, the 23th February, 1924, at 11.30 a.m.

After making these transfers, deducting the Interim Dividend of £3 per share, paid on 7th August last, viz., £480,000 @ 2/3 = \$4,266,66.67, and Remuneration to Directors, there remains for appropriation \$10,267,206.82 out of which the Directors recommend the payment of a Final Dividend of Three Pounds Sterling per Share, viz., £480,000, and a Bonus of Two

Mr. E. V. D. PARR, Mr. G. M. DODWELL and Mr. A. M. BOWEN-SMITH resign their seats on leaving the Colony, and Mr. N. L. WATSON, Mr. A. H. COMPTON and Mr. J. P. WARREN were invited to join the Board.

These appointments require confirmation at this meeting.

Mr. G. T. M. EDMINS, Hon. Mr. A. O. LANG and Mr. H. P. WHITE retire in rotation, but being eligible for re-election, offer themselves accordingly.

rotation, but being eligible for re-election, offer themselves accordingly.

AUDITORS.

The accounts have been audited by Hon. Mr. A. R. LOWE and Mr. C. BERNARD BROWN, who offer themselves for re-election.

Hongkong, 11th February, 1924. A. O. LANG, Chairman.

[illegible]

		81st December, 1922.		OR.	
DR.		Dollars.	Dollars.		Dollars.
To Interim Dividend:				By Balance of Undivided Profits, 31st Dec., 1922	3,350,212.49
Paid on 7th August, 1923, of £3 per Share on				By Amount of net profits for the year ending	
160,000 Shares = £480,000 at 2/3 =	4,266,666.67			31st Dec, 1923, after making provision for bad	
To Remuneration to Directors	50,000.00			and doubtful debts and contingencies,	
To Balance to be Appropriated:—				deducting all Expenses and Interest paid and	
To Final Dividend:—				due	13,233,661.00
Of £3 per Share on 160,000 Shares					
= £480,000 at 2/3 =	\$4,132,735.42				
Bonus of £2 per Share on 160,000					
Shares = £320,000 at 2/3 =	2,755,156.95				
		\$6,887,892.37			
		1,000,000.00			
To Transfer to Silver Reserve		1,000,000.00			
To Transfer to Bank Premises Account		3,379,314.45			
To Balance forward to next year		12,267,206.82			
		\$16,543,873.49			
					\$16,563,873.49

	Sterling.		Sterling.
To Balance	£4,500,000 0 0	By Balance 31st December, 1922	£4,500,000 0 0
	<u>£4,500,000 0 0</u>		<u>£4,500,000 0 0</u>

		Dollars.			Dollars.
To Balance	..	..	..	By Balance, 31st December, 1922	\$24,500,000.00
				By Transfer from Profit and Loss Account 1923	1,000,000.00
					<u>25,500,000.00</u>
					\$25,500,000.00

A. G. STEPHEN, Chief Manager. F. H. RENTYECROSS, Chief Accountant. A. O. LANG, D. G. M. BERNARD, G. T. M. EDKINS, Directors.

We have audited the above Balance Sheet with the Books, Vouchers, and Securities at the Head Office, and with the certified Returns from the Branches and Agencies made up to 31st December, 1923, with the exception of certain distant offices where the year is closed on 31st October or 30th November.

We have obtained all the information and explanations we have required. In our opinion such Balance Sheet is full and fair, and properly drawn up so as to exhibit a true and correct view of the Corporation's affairs according to the best of our information and the explanations given to us and as shown by the Books of the Corporation.

Witness our hands and seals this 11th day of February, 1924.

A. R. LOWE, } Auditors. } Chartered
C. BERNARD BROWN, } } Accountants.

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

PROVISIONS—				e d s			
Butter—per cwt.				nom			
Do factory				nom			
Australia				23	0	145	0
Argentine				23	0	145	0
Dutch				180	0	181	0
New Zealand				130	0	155	0
Danish				81	0	89	0
Bacon—smoked—Irish				86	0	99	0
Do salted—Irish				81	0	89	0
Canadian				78	0	87	0
American				53	0	67	0
Hams—Irish				nom			
Do Canadian				76	0	85	0
Do American				76	0	85	0
Lard—Irish bladders				79	0	83	0

Securities and Coin amount
 £47,516,797.85 deposited with the
 Agents for the Colonies, their
 and the Hongkong Government
 Current Accounts
 Fixed Deposits
 Bills payable (including Call Lo
 Short Sight Drawings on London
 and Drafts on London Bankers)
 Acceptances on account of consti
 Profit and Loss Account
 Liability on Bills of Exchange
 counted, £5,100,264 9s. 0d., o
 £4,548,378 13s. 1d. have since run

Trustees ..	5,796,369	3 11	49,905,959.00
" ..	40,513.6	5 12	348,816,694.00
" ..	18,007,165	1 10	155,039,268.94
..	.	.	.
and office ..	503,635	12 5	4,335,234.96
agents ..	947,842	1 11	8,160,792.83
" ..	1,424,784	19 2	12,267,250.93
of which ..	.	.	.
off. ..	.	.	.
£76,890,928	12 2	\$662,020,551.97	

Bank premises	..	..	..	..	..	2,333,704	5	5	20,082,879.88
						\$76,890,328	12	2	\$662,020,551.27

9	Popper, H.G.H.	22	3	26	N.Z. badge
10	Marb., Onita, to in 3	5	5	5	March-May
11	DYE STUFFS, etc.				JUTE—
12	Galls, etc.	63	4	42	Native brass
13	Curio, Bani	nom			March-April
14	Hand, finger	nom			LEATHER—pe
15	Gambler, block	nom			Bole
16	Cham, etc. fair	40	15	0	Do do 10/1
17	DIYWOODS—				Do do 10/2
18	Brazil	12			Do do 10/3
19	Pastic, Jamaica	18			Bar Tanned
20	Onia	18			Whidin fr DS
21	Cuba	18			Do Eng or
22	Wood, food	36			Bellin fr DS
23	Honduras	10			Do Eng or
24	Jamaica	12			Dressing Hide

[illegible]

.....	per lb	8	3	6
.....	55	8	3	0
.....	110 and 80	1	11	42
.....	per cwt	52	6	70
ALLOW—per cwt.				
.....	Good mutton	48	0	0
.....	Best	45	6	0
CAPICOA—per lb.				
.....	1st Flake, fair, spot	0	34	0
.....	Medium Pearl	39	0	0
.....	Seed	36	6	4
EA—duy 6d, Brilab.				
.....	foreign 8d per lb.			
Indian and Ceylon—	s d			
Pekoe.....	1	3	1	11
.....	0	10	2	0
Orange Pekoe.....	1	4	2	2
.....	1	4	2	0
Broken Orange.....				

DR.

To Interim Dividend:—
Paid on 7th August, 1923, of £
160,000 Shares = £480,000 at 2/3
To Remuneration to Directors ..
To Balance to be Appropriated:—
To Final Dividend:—
Of £2 per Share on 160,000 Shares
= £480,000 at 2/3
Bonus of £2 per Share on 160,000
Shares = £320,000 at 2/3

GENERAL PROFIT	
	31st Decr
Dollars.	Dollars.
3 per Share on	
=	4,266,666.67
..	50,000.00
 \$4,132,735.42	
.. 2,755,156.95	
\$6,887,892.37	
	\$5,000.00

GROSS LOSS ACCOUNT.		CR.
	Dollars.	Dollars.
By Balance of Undivided Profits, 31st Dec., 1922	3,350,212.49	
By Amount of net profits for the year ending 31st Dec., 1923, after making provision for bad and doubtful debts and contingencies, deducting all Expenses and Interest paid and due	13,233,661.00	
		\$16,583,873.49

Sapang Cuni	.....	15	0	0	
FLAX—spot—C.I.F.	.....	0	0	0	
Riba Cuni	.....	118	0	0	
Pernau HD	.....	110	0	0	
Manaca Via Mediano	.....	130	0	0	
FRUIT—					
Grass, Val. selected	25	0	54	0	
Do Cases	10	6	15	0	
Do Naples, boxes	0	0	0	0	
London, Naples, cases	0	0	0	0	
Do boxes	6	0	0	0	
Do Sicilian boxes	6	12	0	0	
Do cases	0	22	0	0	
Case Malaga cases	0	0	0	0	
Grapes Lancia, boxes	0	0	0	0	
Almeria ....barrels	0	0	0	0	
HIDES—Wet salted—					
METALS—R.O.					
Best selected					
Sheet (strong)					
Lead					
Soft Foreign					
Spelter G.O.B.					
Tin—English					
Standard					
OILS—Fish, per					
Sea, per					
Lined, per ton					
Rape, refined					

Shrimp	8	11	13			
French				14/00	17/00	
SAGO—Pearl, per cwt	36	6	29	0		
SHELLAC—per cwt	50					
Oreoline, first marks	30	8	438			
—, second marks	28	8	438			
TIN Orange	820	8	285			
GARNET, LAC AO	285	8	285			
Button—Pure	350	8	8			
—, mixed	370	0				
SILK—per lb						
China—Blue Elephant	25	0				
—, Canton	27	0	28			
—, Fuzuh	12	18				
—, Se-rong	12	18				
Japan	32	3				
Italy—Raw, Ft. Milan	34	0	55	6		
SHELLS—M-O, per cwt						

Pekos Souchong ..	1	1	1	3
PIMBER, ex. yd.				
Swedish u/s 3 x 4 Ft. at.	27	0	0	0
Do 2 1/2 x 4 "	24	8	0	0
Do 2 x 4 "	22	10	8	0
Can. Spruce Dia.	22	0	0	0
Pitchpine, per std.	3	10	0	0
Rio Deals, per std.	8	0	0	0
Teak, per load.	20	0	0	0
H. duran Mang. logg, cft.	0	11	6	6
African "		8	6	6
American Oak Bda. "		0	8	0
" "		0	6	6
English Oak Planks "		0	6	6
Do Ash "		0	6	6
FOB AOOO-				
Buty 8 1/2-10 1/4 per lb.				
Virginia leaf-		d	d	d

To Transfer to Silver Reserve ..
To Transfer to Bank Premises Acco
To Balance forward to next year

To Balance

unt	1,000,000.00	
	1,000,000.00	
	<u>3,379,314.45</u>	
		12,267,206.82
		<u>\$16,543,873.49</u>
		Sterling Exchan
		STERLING
		Sterling.
		\$4,500,000 0 0
		\$4,500,000 0 0
		<u>\$4,500,000 0 0</u>
		SILVER
		Dollars.

	<u>\$16,583,873.49</u>
ge taken at 2 $\frac{3}{4}$.	
RESERVE.	
By Balance 31st December, 1922	Sterling. £4,500,000 0 0
	<u>\$4,500,000 0 0</u>
RESERVE.	
	Dollars.

[illegible]

ide	40	9	41 10
	40	9	50 0
e	45	47	0 0
	19	43	0 0
	65	74	8
	1	1	d
per cent Siles	1	2	9
Eng.			
41/15/0	412/0/0		
April-May	17	19	0
April-May	19	2	6
April-May	19	12	6

EMENT-			
per ton			

Manila, bold	.....	210/0	10/0
Macao	.....	150/0	10/0
Ceylon	.....	150/0	10/0
W. Australian	.....	210/0	10/0
Bombay	.....	51/0	9/0

SUGAR—per cwt duty 32s. ad.
per cent Polarisation, s d d
B.W.I. Cane, Goodcorno. 57 0 0
Crystallised .. 57 0 0
Jav. off white, May 1926 26/0

RUBBER—London—
Yellow Crepe-London .. 56 78 0
Cubex .. 53 9 0
S.S. .. 54 6 0
Granulated .. 51 14 0
Crete, No.3 .. 51 0 0
Castor .. 51 0 0
63 10 0

Common to fine.....	1	3	8	6
Stripes.....	3	9	8	3
Common to fine.....	1	8	1	0
Stripes.....	1	3	1	0
China.....	0	0	2	0
Borneo and Sumatra.....	1	0	8	7
Hawaii.....	1	6	4	0
Greek.....	1	18	1	0
East Indian.....	0	7	1	0
Quartz duty 15¢ per lb.....	2	4	0	0
CRUPTIME. C. duty 77 3 6				
WOOL—per lb.....				d
English, goodwoven, wabed.....				31
English, goodwoven, wabed.....				184
Goodwoven, wabed.....				26
Goodwoven, wabed.....				26
W. W. grey, super.....				26
W. W. grey, all-red, 50 lb.....				264

To Balance

A. G. STEPHEN, Chief Manager.
We have audited the above £
and Agencies made up to 31st Dec
We have obtained all the in-
so as to exhibit a true and correct
by the Books of the Corporation
Hongkong, 11th February, 19

.. .. \$25,500,000.00

\$25,500,000.00

\$25,500,000.00

F. H. DENTY-CROSS, Chief Accountant,
Balance Sheet with the Books, Vouchers, and
December, 1923, with the exception of certain
information and explanations we have required
view of the Corporation's affairs according

24.

By Balance, 31st December, 1922	.. .. .	\$24,500,000.00
By Transfer from Profit and Loss Account 1923	.. .. .	1,000,000.00
		<u>\$25,500,000.00</u>

cant. A. O. LANG, D. G. M. BERNARD, G. T. M. EDKINS, Directors,
 Securities at the Head Office, and with the certified Returns from the Branches
 distant offices where the year is closed on 31st October or 30th November.
 ed. In our opinion such Balance Sheet is full and fair, and properly drawn up
 to the best of our information and the explanations given to us and as shown
 A. R. LOWE,
 C. BERNARD BROWN, } Auditors. } Chartered
 } } Accountants.

The Subscription List will be closed on or before Monday, the 31st March, 1924.

Application will be made to the Committee of the London Stock Exchange for permission to deal after allotment, and in due course for an official quotation.

CITY OF AMSTERDAM

5½ per cent. STERLING LOAN OF 1924
for £2,500,000

In Bonds to Bearer of £100, £500 and £1,000

Authorised by a Resolution of the City Council dated the 26th March, 1924, No. 259, and ratified by a Resolution of the Committee of the Council of the Province of North Holland, of the same date, No. 76.

Messrs. ERLANGERS, 8, Crosby Square, London, E.C.3

offer for Public Subscription the above-mentioned Sterling Bonds, at the price of £96½ per cent., payable as follows:—

£ 5 on Application	£35 10s. on 12th June
21 on Allotment	
35 on 15th May	£96 10s. per £100 nominal

Payment in full may be made on allotment, or on any subsequent instalment date, under discount at the rate of 2 per cent. per annum.

The Bonds will be the direct obligation of the City of Amsterdam, and the City has undertaken that it will not, during the currency of the present Loan, give, create, or consent to any mortgage or charge on or hypothecation of any of its assets or revenues or any part thereof without giving to the holders of the above-mentioned sterling Bonds the benefit of such mortgage, charge or hypothecation, *pari passu*.

The Bonds are redeemable not later than the 1st October, 1974, by means of an accumulative Sinking Fund, to be applied by yearly drawings at par; the first repayment will take place on the 1st October, 1925.

The City has the right on the 1st October, 1935, and on the 1st October in any subsequent year, to redeem at par the whole or any part of the Loan (over and above that provided for by the Sinking Fund) upon giving six calendar months' notice.

Interest is payable on the 1st April and the 1st October in every year. The first payment being £2 1s. 2d. per £100 nominal, representing interest at the rate of 5½ per cent. per annum on the several instalments from their due dates, will be made on the 1st October, 1924.

Principal and interest will be payable in Sterling in London at the offices of Messrs. Erlangers, exempt from all stamps, duties, impositions or taxes created or to be created in the Netherlands, whether State, Provincial, Municipal or otherwise.

A copy of a letter from the City authorities giving information regarding the financial position of the City is set out below.

Provisional Scrip Certificates will be issued in exchange for Letters of Allotment, and will be exchangeable in due course for Definitive Bonds.

Applications must be for £100 or multiples thereof and must be made on the accompanying form and lodged with Messrs. Erlangers, 8 Crosby Square, London, E.C.3, together with a deposit of £5 per £100 nominal of Bonds.

If any application be not accepted in respect of the full amount of Bonds applied for, the surplus amount paid on application will be appropriated towards the amount payable on allotment and any balance will be returned to the applicant, and if any application be not accepted the amount paid on application will be returned in full. Failure to pay the amount due on allotment or any subsequent instalment will render the amount previously paid liable to forfeiture and the allotment to cancellation.

Interest at the rate of 6 per cent. will be charged on all instalments in arrear.

A brokerage of ¼ per cent. will be paid on allotments made in respect of applications bearing the stamp of a Banker, Broker or other approved agent.

The original of the letter attached hereto and a draft of the definitive Bond may be seen during business hours, whilst the Subscription List is open, at the offices of Messrs. Slaughter & May, 18 Austin Friars, London, E.C.2.

Prospectuses and Forms of Application may be obtained at the offices of Messrs. Erlangers, and also from Messrs. Panmure Gordon & Co., 1 St. Michael's Alley, Cornhill, E.C.3.
8 CROSBY SQUARE, LONDON, E.C.3. 27th March, 1924.

Copy of the Letter referred to above.

MUNICIPAL OFFICES, AMSTERDAM,
Messrs. ERLANGERS, LONDON. 26th March, 1924.

GENTLEMEN,
With reference to the £2,500,000 5½ per cent. Sterling Loan of 1924 of the City of Amsterdam, which you have purchased and which you are authorised to offer for subscription on the London Market, we have the honour to supply the following information.

POPULATION. The City of Amsterdam, the capital of the Kingdom of the Netherlands, had on the 31st December, 1923, a population of 706,199.

MUNICIPAL ENTERPRISES. The City has, for many years, owned and operated all the important public utility undertakings, including Gas, Electric Light and Power Works, Electric Tramways, Telephones, Water Supply, Docks, etc. These Municipal enterprises which have, since their acquisition, been operated with complete success, have been constantly extended and modernised and are up to date in every respect.

These undertakings with their plant, equipment, etc., represent an actual cash expenditure of over £18,800,000, of which approximately £7,725,000 have, under the City's system of amortisation, been written off out of their earnings.

For the year ended 31st December, 1922, the net revenue from the City's public utility undertakings, after meeting interest on and amortisation of loans in connection therewith and providing for the proper reserves, was £478,000.

The definite figures for 1923 will not be available until after the end of May, but the approximate net revenue from these sources for 1923 is £531,000, and the estimated net revenue for 1924 is £642,000.

MUNICIPAL LANDS. In order to meet the urgent and increasing demands for building sites the City has, particularly during recent years, purchased large areas of land and has prepared them for building purposes.

The City disposes of these lands under building leases—usually for a term of 75 years—and this policy has already proved successful in greatly relieving the congestion in the older parts of the town.

PROCEEDS OF ISSUE. The proceeds of the present issue will be applied to consolidate expenditure already incurred in connection with the acquisition and preparation of such lands.

FUNDED DEBT. The total Funded Debt of the City, excluding the present issue, is £21,880,800, more than three-quarters of which was incurred for productive purposes.

REVENUE AND EXPENDITURE. The Accounts for the year ended 31st December, 1922, summarised under the main headings, showed Revenue and Expenditure approximately as follows:—

REVENUE.		EXPENDITURE.	
	£		£
Rents	465,417	General Adminis- tration	352,583
Public Utilities	1,402,667	Roads, Drainage, etc.	732,500
Income Tax	3,023,583	Police, Fire, Public Lighting	828,667
Other Taxes	1,423,833	Sanitary	908,500
Government Contri- bution for Edu- cation, etc.	1,090,000	Education	1,576,334
Miscellaneous		Poor Law Adminis- tration, Hospitals, etc.	1,411,250
Revenue	800,000	Interest and Amorti- sation of Debt	1,703,500
		Miscellaneous	287,166
		Surplus	405,000
			£8,205,500
	£8,205,500		£8,205,500

All sterling figures in this letter have been calculated at the rate of 12 guilders to the £ sterling.

The Budget estimates for the years 1923 and 1924 show an excess of Expenditure over Revenue. Any balance required can be made up out of the accumulated surpluses available from 1922 and previous years, which are ample for the purpose.

All extraordinary expenditure incurred by the City owing to the European War was defrayed out of Revenue and during the years 1921, 1922 and 1923 the City reduced, by about one-third, the Municipal Income Tax, its largest source of Revenue.

The present issue is the only loan negotiated by the City in a foreign currency, and the City undertakes to make adequate provision in the ordinary annual Budgets for the regular payments of the interest and redemption of the loan in accordance with the terms of your Prospectus, and all the resources of the City are liable to meet such payments.

We are, Gentlemen,
Yours faithfully,

The City Treasurer (Alderman for Finance) de VLUGT.
The Secretary. FALKENBURG.

PRELIMINARY NOTICE.

ALLIED NEWSPAPERS LIMITED.

Amalgamating the following Newspapers and Periodicals:—

“SUNDAY TIMES” (London).
“THE DAILY DISPATCH” (Manchester).
“THE EVENING CHRONICLE” (Manchester).
“THE SPORTING CHRONICLE” (Manchester).
“THE SUNDAY CHRONICLE” (Manchester).
“THE EMPIRE NEWS” (Manchester).
“THE ATHLETIC NEWS” (Manchester).

In addition to a number of other Periodicals.

The combined weekly circulation of these newspapers and periodicals is over 8,000,000, and last year's gross revenue from sales and advertising exceeded £2,500,000.

CAPITAL:

4,750,000 8% Cumulative Preference Shares of £1 each £4,750,000
2,000,000 Ordinary Shares of £1 each ... £2,000,000
£1,500,000 7% Debenture Stock ... £1,500,000

AN OFFER FOR SALE

will be made during the week-end of the above

4,750,000 8% Cumulative Preference Shares of
£1 each at par.

Dividends will be payable half-yearly on the 31st March and the 30th September.

The amount required to pay the dividend on these Eight per Cent. Cumulative Preference Shares is £380,000 per annum. The profits for the year 1923 of the newspapers, periodicals and printing business which will be owned by the Company amounted to £855,000. After provision for interest on the Sinking Fund for Redemption of £1,500,000 Seven per Cent. Debenture stock, this leaves a balance of £705,000, which, subject to Corporation Profits Tax and Directors' and Managing Directors' remuneration, would be available to provide this Preference Dividend of £380,000.

DIRECTORS.

SIR WILLIAM EWERT BERRY, Bart. (Chairman), Chairman of the Sunday Times, Ltd.
JAMES GOMER BERRY (Deputy-Chairman), Deputy-Chairman of the Sunday Times, Ltd.
SIR EDWARD MAUGER ILIFFE, C.B.E., M.P., Chairman of Associated Iliffe Press, Ltd.
JOHN DANIEL JEREMIAH, General Manager of Hulton's Manchester Publications.
ALEXANDER PATERSON, Chief Editor of Hulton's Manchester Publications.
LEONARD REES, Editor of the "Sunday Times."
WILLIAM WILL, Managing Director of Graphic Publications, Limited.

Copies of the Offer and Application Forms may be obtained from Westminster Bank, Ltd., 41, Lothbury, London, E.C.2, and all Branches; Lloyds Bank Ltd., 72, Lombard Street, London, E.C.3, and all Branches; Barclays Bank, Ltd., 54, Lombard Street, London, E.C.3, and all Branches; Messrs. Erlangers, 8, Crosby-square, London, E.C.3; Linton, Clarke and Co., Pinners Hall, London, E.C.2; Myers and Co., 19, Throgmorton-avenue, London, E.C.2; Mewburn and Barker, 13, Pall Mall, Manchester; David Q. Henriques and Co., 13, Pall Mall, Manchester.

THE RANDFONTEIN CENTRAL GOLD MINING COMPANY, LIMITED.

(Incorporated in the Transvaal.)

NOTICE TO SHAREHOLDERS OF EXTRAORDINARY GENERAL MEETINGS. Notice is hereby given that an Extraordinary General Meeting of the Shareholders in The Randfontein Central Gold Mining Company, Limited, will be held in the Board Room, First Floor, Consolidated Building, Fox street, Johannesburg, Transvaal, on Monday, the 9th day of June, 1924, at 4 o'clock in the afternoon, for the purpose of considering and, if thought fit, of passing with or without modifications, as Extraordinary Resolutions under the Companies Act, 1909, Transvaal, the Resolutions following:—

(1) That it is desirable to wind up this Company and, accordingly, that this Company be wound up voluntarily, and that John Munro, Roderick Lamb Innes, James Huskisson Crosby, Geoffrey Joel, Fritz Leonard Marx and Sir Willem van Hulsteyn be and they hereby are appointed Liquidators for the purposes of such winding-up, with full power and authority for any two of them jointly to act without the concurrence of the others of them.

A Resolution fixing the remuneration of the Liquidators. That the Provisional Agreement entered into on the 15th day of February, 1924, between this Company and the Randfontein Estates Gold Mining Company, Witwatersrand, Limited, and submitted to this Meeting, be and the same is hereby approved, and the said Liquidators or any two of them be and they hereby are authorised to adopt the said Agreement and carry the same into effect pursuant to the provisions of Section 166 of the Companies Act, 1909, Transvaal Province, and to receive as compensation for the transfer or sale of the property and assets of this Company, as contemplated in the said Provisional Agreement, 1,062,005 new shares of £1 each, to be issued as fully paid up, in the Capital of the Randfontein Estates Gold Mining Company, Witwatersrand, Limited, after that Capital shall have been increased to £1,062,553, for distribution (in the proportion of three new Randfontein Estates shares for every five Randfontein Central shares) among the Members of this Company (who together hold 1,770,007 shares in this Company) other than the Randfontein Estates Gold Mining Company, Witwatersrand, Limited, itself, which Company shall receive no share in such distribution in respect of the 2,980,452 shares in this Company of which it is the owner. As further consideration of the whole of the Company's Debenture Issue, now standing at £1,779,100, but subject to reduction by redemption, shall be surrendered and cancelled, and the Shareholding of the Estates Company in the Central Company, amounting to 2,980,452 shares, shall also be surrendered and cancelled with, in each case, the consent of the Trustees for the Debenture Holders of the Randfontein Estates Gold Mining Company, Witwatersrand, Limited, in respect of their holding in terms of a Provisional Agreement dated 15th February, 1924, made between the Randfontein Estates Gold Mining Company, Witwatersrand, Limited, and the said Trustees.

Notice is also hereby given that a further Extraordinary General Meeting of the Company will be held at the same place on Thursday, the 26th day of June, 1924, at 4 o'clock in the afternoon, for the purpose of receiving a Report of the proceedings of the above-mentioned Meeting and of confirming, if thought fit, as Special Resolutions in terms of the said Act the above-mentioned Resolutions.

A copy of the Provisional Agreement aforementioned is open for inspection by Shareholders at the Registered Offices of the Company, Consolidated Building, Fox street, Johannesburg, and at the London Offices of the Company, 10 and 11 Austin Friars, London, E.C.2, during business hours, and the principal terms and conditions thereof are set forth in a circular attached hereto and forming part hereof which has this day been addressed by the Randfontein Estates Gold Mining Company, Witwatersrand, Limited, and by this Company to the Shareholders of both Companies.

The attention of Shareholders is also specially drawn to the fact that the Liquidators of the Randfontein Central Company will be instructed to apply to a competent Court for leave to sell all Randfontein Estate Shares unclaimed for 12 months by Randfontein Central Shareholders and which cannot be delivered to such Shareholders, and to pay the net proceeds to the Master of the Supreme Court.

The Share Transfer Books of the Company will be closed as follows:—

(a) At the Head Office: From 4th to 9th June, 1924, both inclusive.
(b) At the London Office: From 5th to 26th May, 1924, both inclusive.

Holders of Share Warrants to Bearer who desire to be present or represented, at the Meetings must deposit their Share Warrants either:—

(a) At the Registered Office, Consolidated Building, Fox street, Johannesburg, at least 24 hours before the times appointed for the holding of the Meetings, or

(b) At the London Office, 10 and 11 Austin Friars, London, E.C.2, at least 30 days before the dates appointed for the holding of the Meetings.

and shall otherwise comply with the "conditions" as to the issue of Share Warrants now in force.

Upon such production or deposit a Certificate with Proxy Forms will be issued under which such Share Warrant Holders may attend the Meetings either in person or by proxy.—By Order of the Board, Johannesburg Consolidated Investment Company, Limited (London Agents), T. HONEY, Secretary, 10/11 Austin Friars, London, E.C.2, 24th March, 1924.

THE RANDFONTEIN ESTATES GOLD MINING COMPANY, WITWATERSRAND, LIMITED.

(Incorporated in the Transvaal.)

NOTICE TO SHAREHOLDERS OF EXTRAORDINARY GENERAL MEETINGS.

Notice is hereby given that an Extraordinary General Meeting of the Shareholders in the Randfontein Estates Gold Mining Company, Witwatersrand, Limited, will be held in the Board Room, First Floor, Consolidated Building, Fox street, Johannesburg, Transvaal, on Monday, the 2nd day of June, 1924, at 3 o'clock in the afternoon, for the purpose of considering and, if thought fit, of passing with or without modifications the Resolutions following:—

(1) That the Provisional Agreement entered into on the 15th day of February, 1924, between this Company and the Randfontein Central Gold Mining Company, Witwatersrand, Limited, and submitted to this Meeting, for the absorption of that Company in this Company, be and the same is hereby approved, and the Directors of this Company are hereby authorised to carry the same into effect.

(2) That the Provisional Agreement dated the 15th day of February, 1924, entered into between this Company and the Trustees for the Debenture Holders of this Company, consenting to accept the modified security involved in the said agreement, be and the same is hereby approved, and the Directors of this Company are hereby authorised to carry the same into effect.

(3) That Article 29 of the Company's Articles of Association be and it is hereby amended by the addition of the following paragraph thereto:— "The Directors may, and they are hereby authorised and directed to increase the capital by an amount of not exceeding £1,062,005 (one million and sixty-two thousand and five pounds) to be divided into not exceeding 1,062,005 shares of £1 each, which shares shall be allotted and issued by them to the Randfontein Central Gold Mining Company, Limited, its Liquidators and/or their nominees for distribution among Shareholders of the Randfontein Central Gold Mining Company, Limited, other than this Company if and when the Provisional Agreement dated 15th February, 1924, between the Company and the Randfontein Central Gold Mining Company, Limited, and the further Provisional Agreement between the Company and the Trustees for Debenture Holders of its Debenture Issue dated 15th February, 1924, shall have become effective against transfer of the Randfontein Central Company's assets and upon the other terms set forth in the Agreement."

And notice is also hereby given that a further Extraordinary General Meeting of the Company will be held at the same place on Thursday, the 26th day of June, 1924, at 3 o'clock in the afternoon, for the purpose of receiving a report of the proceedings of the above-mentioned Meeting and of confirming, if thought fit, as Special Resolutions in terms of the said Act, the above-mentioned Resolutions.

The Provisional Agreements referred to in the Resolutions are open for inspection by Shareholders at the Registered Offices of the Company, Consolidated Building, Fox street, Johannesburg, Transvaal, and at the London Offices of the Company, 10 and 11, Austin Friars, London, E.C.2, during business hours, and the principal terms and conditions thereof are set forth in a circular dated 24th March, 1924, accompanying this Notice and forming part thereof, which has been addressed to Shareholders in both the Randfontein Estates Gold Mining Company, Witwatersrand, Limited, and the Randfontein Central Gold Mining Company, Limited.

The main provisions of the proposed amalgamation are as follows:— That this Company is to absorb the Randfontein Central Gold Mining Company, Limited, which is to go into voluntary liquidation.

Shareholders in the Randfontein Central Gold Mining Company, Limited (other than this Company itself), will receive three new shares fully paid in this Company for every five Randfontein Central Gold Mining Company, Limited, shares held by them.

This Company will increase its Capital to a sufficient extent (not exceeding 1,062,005 new shares of £1 each) to provide the new shares required, and will surrender and agree to cancellation of its holding in Randfontein Central Gold Mining Company, Limited, shares and Debentures.

The Share Transfer Books of the Company will be closed as follows:—

(a) At the Head Office: From 12th May to 2nd June, 1924, both inclusive.
(b) At the London Office: From 28th April to 10th May, 1924, both inclusive.

Holders of Share Warrants to Bearer who desire to be present or represented at the Meetings must deposit their Share Warrants either:—

(a) At the Registered Office, Consolidated Building, Fox street, Johannesburg, at least 24 hours before the times appointed for the holding of the Meetings, or

(b) At the London Office, 10 and 11 Austin Friars, London, E.C.2, at least 30 days before the dates appointed for the holding of the Meetings.

and shall otherwise comply with the "conditions" as to the issue of Share Warrants now in force.

Upon such production or deposit a Certificate with Proxy Forms will be issued under which such Share Warrant Holders may attend the Meetings either in person or by proxy.—By Order of the Board, Johannesburg Consolidated Investment Company, Limited (London Agents), T. HONEY, Secretary, 10 & 11, Austin Friars, London, E.C.2, 24th March, 1924.

THE RANDFONTEIN ESTATES GOLD MINING COMPANY, WITWATERSRAND, LIMITED.

(Incorporated in the Transvaal.)

NOTICE TO DEBENTURE HOLDERS. Notice is hereby given that a Meeting of the Holders of the outstanding Mortgage Debentures of the Company, forming part of a total issue of £2,000,000 (Two million pounds) Debentures constituted by a Trust Deed or Indenture dated the 19th February, 1909, and made between the Company of the one part and Jan Willem Stuckoris Langerman, M.L.A., and Charles Follett Carrington (as Original Trustees) of the other part, will be held in the Board Room, Consolidated Building, Fox street, Johannesburg, on Monday, the 19th day of May, 1924, at 3 o'clock in the afternoon, for the purpose of considering and, if thought fit, passing the following Extraordinary Resolutions:—

(1) That the amalgamation scheme as detailed in the Provisional Agreement produced to the Meeting, dated the 15th day of February, 1924, and made between the Company of the one part and the Randfontein Central Gold Mining Company, Limited, of the other part, for the amalgamation of the Randfontein Central Gold Mining Company, Limited, with the Company, be and the same is hereby sanctioned.

(2) That the Trustees for the Debenture Holders be and they hereby are authorised to surrender and to consent to the cancellation of certain 2,601,469 (Two million, six hundred and one thousand, four hundred and sixty-nine) shares in the Randfontein Central Gold Mining Company, Limited, and fifty-two thousand, five hundred pounds) Debentures in the Debenture Issue of that Company (at present pledged to them as security) against legal transfer to the Company of the Mining Titles and other assets specifically mortgaged by the Randfontein Central Company to the Trustees for its own Debenture Holders and also against simultaneous registration in favour of the Trustees of a Mortgage Bond or Bonds by the Company, effectively binding as a First Mortgage the said Mining Titles and other assets, in substitution for the said pledged shares and Debentures, and to execute all such deeds and documents as may be necessary in order to carry the said substitution of security into effect.

(3) That the Provisional Agreement dated 15th February, 1924, and made between the Company and the Trustees for Debenture Holders of the Company, embodying the foregoing arrangement, be and the same is hereby approved and confirmed.

This Notice is issued pursuant to the Trust Deed or Indenture, and the Resolutions, majority, shall take effect as Extraordinary Resolutions by virtue of the provisions of the Third Schedule to the said Deed and will be binding on all the Debenture Holders.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:
A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCVIII.

SATURDAY, APRIL 5, 1924.

No. 4,206.

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Every description of Banking business transacted.

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37 Avenue de l'Opera.

THE MONEY MARKET.

In spite of heavy disbursements by the Government at the end of the financial year, there was a strong demand for money on the last day of March, and a large sum was borrowed from the Bank of England. The 1st of April brought the usual interest payments, but the market was by no means flooded, and day-to-day loans have been easy

to place throughout the week at 2 to 2½ per cent. Discount rates were inclined to ease, and July bills could be placed at 3 per cent.

	April 4, 1924.	Mar. 28, 1924.	Mar. 21, 1924.	Mar. 14, 1924.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount/Call	2½	2½	2½	2½	1 (Jly. 5, '23)
Houses (Notice	2½	2½	2½	2½	1½ (Jly. 5, '23)
Market rate (3 months' bills)	3½	3½	3½	3½	..

The Bank return showed an increase of nearly a million in the note circulation, and a corresponding decrease in the Reserve, less an addition of £7,000 to the stock of gold. Market borrowings were reflected in an increase of nearly four millions in the Other securities, Government securities being slightly lower. Government disbursements had reduced the Public deposits by ten millions, and Other were thus thirteen millions higher. There was an increase of £3,700,200 in currency notes circulation this week, making the total notes outstanding £285,238,100, which includes £1,400,400 for notes called in but not yet cancelled. The fiduciary issue is £234,387,700, or £13,803,200 below the maximum.

THE STOCK MARKETS.

The announcement of the Government's conversion offer has been the dominant influence in the Stock Markets this week, and under the lead of gilt-edged stocks there have been rises in the various Colonial Scrips, in Home Railway prior charges, and in a number of other investment stocks. French bonds have been good on the further recovery in the franc, and Mexican Government bonds advanced on the announcement of a payment on April 15th. Home rails have hardened in sympathy with gilt-edged stocks, but Argentine Railway stocks, now quoted ex dividend, have been dull. In the oil market dealings were mostly professional, but the rubber market was a shade harder. Industrials, as a whole, have not received a great deal of attention, and there has been but little activity in mines, the principal feature of which has been the movements in tin shares.

THE COMMODITY MARKETS.

The Cardiff coal market has been entirely under the influence of the miners' wages dispute, and fears of a stoppage have restricted the volume of business. Improved values of French and Belgian currencies have assisted the market for Cleveland pig-iron, and instead of Continental pig-iron being offered here, there is a good inquiry for export. Business is quiet in manufactured iron and steel. Our Sheffield correspondent reports that the position of local industries is improving. The tin market opened easier, but a recovery took place; copper moved on similar lines. The cotton trade has witnessed increased values in sympathy with the higher rates of the raw material. In the wool trade a lack of activity in merinos is noticeable, but the position is otherwise satisfactory. A steadier tone prevails in the wheat markets. Rubber improved, and the hide position is steadier. Further details of markets, together with prices, will be found on later pages from our special trade correspondents.

FOREIGN EXCHANGES.

The foreign exchange market continues to be dominated by the movements of the franc. At the end of last week the rate remained very steady round about 78.45, but with Monday the downward movement in the quotation began again, and the rate fell rapidly until at one time, on the 2nd, it was quoted as low as 70.70, although the closing price was about 71. On Thursday there was a reaction up to 74.65, and yesterday morning the rate was quoted at 74.90. In the early part of the week there was considerable surprise that no effort was made on the French side to steady the pace of this recovery, but that instead any

sign of reaction was stopped by immediate intervention. By Thursday, however, it would seem that wiser counsels had prevailed, and the natural reaction was allowed for the time being to take its course. That the recovery has been too rapid is shown by the distress which is already being felt in many parts of the French export market; that it was hardly justified, at any rate to the extent to which it has been allowed to go, is suggested by this week's figures of the Banque de France, showing a further increase in note issue and in advances to the State. Whether an attempt will be made to drive the rate still lower, inadvisable as this would be, or whether it can be stabilised somewhere about this present level, it is impossible to say. On the whole, most signs would suggest a renewed rise in quotation in the not very distant future. This week the movement of the Brussels rate has been even more dramatic than that of Paris, the quotation falling from 98.64½ on Monday to as low as 82½ at one time on the 2nd, since when there has been a reaction to 89½ yesterday morning. At the time of the rapid fall in quotation there were many rumours of credits being arranged for Belgium in New York and London, but these have now been denied. Forward quotations have narrowed sharply during the week to 40 centimes per month above spot for Paris, and 10 centimes above for Brussels. Italy this week has been influenced somewhat by the franc recovery moving from 99.06 on the 29th to as low as 95½ at one time on the 2nd. Since then, however, it has reacted to 98½, and there is no indication of any real change from the present sensible policy of stationing. The dollar during the week has shown little movement, the closing rate of \$4.30½ on the 28th comparing with a quotation of \$4.30½ yesterday morning. Forward quotations have widened a little to ½ to 1 cent. per month above spot. Largely on New York demand the peseta had a sharp recovery in the middle of the week, moving from 32.45 on the 28th to as low as 31.65 at one time on the 1st. Since then, however, it has reacted again to 32.75. Amsterdam has gone against us from 11.64½ to 11.62, and Switzerland from 24.81 to 24.72½. In Northern Europe, Copenhagen has recovered on its new exchange regulations from 27.10 to 26.05, having been at one time as low as 25.70. Stockholm has moved from 16.23 to 16.28½, and Christiania has moved up again from 31.62½ to 31.69½. Helsingfors at 172½ is unchanged. In Central Europe Berlin for the first time for some weeks has depreciated a little to 20½ billion, and there is a growing anxiety whether the present stabilisation of the Rentenmark can be maintained. In Warsaw the rate remains steady at about 40 millions, and latest reports suggest a much improved internal financial position. Vienna, which is reported to have suffered heavily from the recent franc movements, is also unchanged at 305,000, but Prague has appreciated from 146½ to 144½. Bucharest, on the other hand, shows a reaction from 82½ to 84½. In the East the rupee after falling away a little is back again at 15 4½d, or about last week's figure. Japan at 11½d shows practically no change. The silver market has again been very sluggish, with a somewhat easier tendency. Hong Kong has moved from 2s 4½d to 2s 4½d, Shanghai from 3s 3½d to 3s 2½d. In South America Rio has depreciated a little from 6½d to 6½d, Buenos Ayres from 42½d to 42, and Monte Video from 43½d to 43½d. Valparaiso, however, has increased in value from 43.40 to 42.80 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the nine days ended March 31st:—

(000's omitted.)			
EXPENDITURE.		REVENUE.	
Supply Services	18,467	From Revenue	22,872
Interest, &c., on Debt	2,907	Increase in Debt	1,958
Sinking Fund	34		
Sundries	1,057		
Increase in balances	4,365		
	24,830		24,830

The total revenue for the last nine days of the financial year amounted to £22,871,700, which compares with £23,828,900 in the last week of the financial year 1922-23. Customs yielded £1,692,000, against £1,495,000. Receipts from Excise amounted to £1,607,000, against £827,000. Estate Duties brought in £1,210,000, against only £650,000. Property and Income-tax yielded £10,826,000 and Super-tax £3,570,000, the combined

total of these two items for the corresponding period was £14,198,000. The nine days' operations increased the National Debt by £1,959,000, and caused the following changes:—

(000's omitted.)			
Treasury Bills	9,177	Public Departments	10,850
Other Debt	2,208	Saving Certificates	100
Telegraph Money	2,150	Unemployment Insurance	630
Housing	4		
	+ 13,539		- 11,580

The floating debt was reduced by £1,680,000 to £774,475,500.

FINANCIAL YEAR, 1923-24.

£		£	
Total Expenditure ..	788,840,211	Raised by Revenue ..	837,169,284
Net Repayments	48,515,626	Decrease in Balances ..	186,553
Total	837,355,837	Total	837,355,837

ESTIMATES for YEAR 1923-24.

£		£	
Ordinary Expenditure ..	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

THE WEEK IN PARLIAMENT.

MONDAY, MARCH 31ST.—*Commons*: Second reading of National Health Insurance (Cost of Medical Benefit) Bill passed. West India Islands (Telegraph) Money Resolution passed.

TUESDAY, APRIL 1ST.—*Lords*: Church of Scotland Bill passes second reading. Marriages Validity (Provisional Orders) Bill read the third time. *Commons*: Debate on the Lausanne Treaty interrupted at 8.15 by discussion on Motor Taxation. On the adjournment, the Wembley Strike discussed.

WEDNESDAY, APRIL 2ND.—*Lords*: Debates on Territorial Army Recruiting and the recent League of Nations Council meeting at Geneva. *Commons*: Second reading of Rent and Mortgage Interest Restrictions Bill talked out. Motion carried condemning a Capital Levy. All night sitting on Army Estimates.

THURSDAY, APRIL 3RD.—*Lords*: Report stage of Public-house Improvement Bill passed. Performing Animals Bill passes second reading. *Commons*: Bill to amend the Unemployment Insurance Acts 1920-1924 read a first time. Debate on agriculture raised on Civil Service Estimates.

FRIDAY, APRIL 4TH.—Guardianship of Infants Bill debated.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—National Bank of Greece, Bank of Scotland, Chartered Bank of India, Australia and China, National Bank of India, Autocar Fire and Accident Insurance Company, D. H. Evans and Co., Bah Lias Tobacco and Rubber, Mazawattee Tea, Thomas Tilling, and Ceylon Consolidated Estates. At the meeting of the National Bank of Greece, the Governor, Mr A. N. Diomedes, exhaustively reviewed the financial conditions in Greece, and announced an increase in the bank's business. Sir Montagu C. Turner, at the Chartered Bank of India meeting, reported a far healthier state of business in the East. Sir Ralph Anstruther, at the Bank of Scotland meeting, criticised recent suggestions for substituting Bank of England for Scottish notes. At the National Bank of India meeting Sir C. C. McLeod gave an interesting account of Indian trade.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

SURPLUS AND DEBT.

ONCE again the official forecasts of public income and expenditure have been utterly falsified in the event, and instead of showing the minute surplus of less than £2 millions estimated by Mr Baldwin in his Budget of April last, or the deficit of £11 millions into which this was converted by subsequent supplementary estimates, the accounts for the financial year 1923-24 have disclosed a surplus of over £48 millions, which has been used to redeem debt, in addition to the £40 millions provided by sinking fund for this purpose. Twelve months ago, it may be recalled, the accounts showed a surplus of £126 millions, instead of the Budget estimate of less than a million. From one point of view it is all to the good that the Treasury should take a very conservative attitude in making forecasts of its possible revenue and expenditure, and we think that the country is fortunate to have redeemed £216 millions in two bad years in spite of the reduction in the rate of taxation. We believe this policy is even now benefiting British credit and British trade, and will certainly prove profitable in the future. This redemption has already saved us from £7½ to £10 millions in annual interest. At the same time, it is perhaps rather unfortunate that when the taxpayer is bearing a heavy burden, estimates and actual results should display such enormous discrepancies. It gives an opportunity to those who overlook the fact that such surpluses as are disclosed have already gone to the redemption of debt to raise a clamour for the relief of taxation which is altogether unjustified by the present position. We should prefer that the country should follow the financially sound policy with its eyes open.

A year ago Mr Baldwin estimated that revenue would automatically drop by £61½ millions, and granted concessions in taxation which he expected would cost another £34 millions, making a total decline in revenue of £95½ millions. The actual decline in revenue proves to be less than £77 millions, the actual figure being £837,169,000, or £18,669,000 more than was estimated. On the expenditure side Mr Baldwin budgeted for an increase of £5 millions in expenditure, and if the amounts of supplementary estimates since introduced are added to the Budget figure, a total increase of £17½ millions over the actual expenditure of 1922-23 was anticipated, the total figure of estimated expenditure being £829,928,000. The expenditure disclosed in the accounts is £788,840,000, or £41 millions less than the final estimate. In the table below we show how individual items in the completed accounts for the year 1923-24 have varied with the estimates:—

(000's omitted.)					
	Revenue.			Expenditure.	
	1923-24.	Above (+) or Below (-) Estimates.		1923-24.	Above (+) or Below (-) Estimates.
Customs	119,958	+ 3,058	National Debt Services ..	307,309	- 2,691
Excise	147,970	+ 4,120	Sinking Fund	40,000	..
Motor Duties	14,691	+ 1,441	Payments for N. Ireland ..	347,309	- 2,691
Estate Duties	57,800	+ 5,800	Road Fund	14,090	+ 1,440
Stamps	21,570	+ 1,570	Local Taxation Accts.	13,662	+ 3,314
Land Tax, &c.	2,760	- 260	Land Settlement	1,209	- 291
Income Tax	269,331	+ 8,331	Other Cons. F. Services ..	2,803	- 169
Super Tax	60,640	+ 2,640			
E.P.D.	nil	- 12,000	Total Cons. F. Services ..	383,040	+ 8,570
Corporation Profits Tax ..	23,340	+ 3,340	Army, Navy, & Air Force ..	105,800	- 16,445
Post Office	52,800	+ 200	Civil Services	239,366	- 25,384
Crown Lands	920	+ 20	Post Office and Revenue ..	60,634	- 1,839
Interest on loans	12,607	+ 107	Departments		
Miscellaneous receipts ..			Supply Services	405,800	- 45,658
Ordinary	15,981	+ 3,481	Total	788,840	- 41,088
Special	36,801	+ 3,159	Surplus	48,399	+ 58,797
	837,169	+ 18,669		837,169	+ 18,669

On the revenue side all items have exceeded expectation with the exception of a slight drop in the land tax, a deficiency of over £3 millions in special miscellaneous receipts, and an entire absence of receipts from arrears of excess profits duty. The authorities were apparently of the opinion that repayments under the head of excess

profits duty would be more than offset by collections of arrears, but their optimism has so far not been justified. On the other hand, income and super-tax receipts, which were expected to drop by £60 millions, have declined by only £49 millions. Motor-vehicle duties have produced £2,370,000 more than in 1922-23, and corporation profits tax £4,363,000 more. The savings in expenditure have practically all been achieved in the Supply Services, but the debt service, which, with the addition of the £40 millions Sinking Fund, was expected to rise by £26 millions, has increased by only £24 millions. The saving of £41 millions in expenditure, as compared with the final estimates and the receipt of £18½ millions more in revenue than was expected, has resulted in the surplus of £48½ millions, which is £59½ millions better than the estimate, since the final estimates pointed to a deficit of £11½ millions.

A simple analysis of the accounts shows what has already happened to the surplus:—

(000's omitted.)			
RECEIPTS.		EXPENDITURE.	
Revenue Surplus	48,329	War Bonds Repaid	52,764
Treasury Bond Sales	32,658	Other Debt Repaid	9,256
Savings Certificates (Net Sales)	11,900	Treasury Bills Repaid	27,689
Other Debt Created	4,000	Ways and Means A/c. Repaid	7,742
Billion	260	Ordinary Sinking Funds	173
Land Settlement Repayments	315	Exchequer Bonds Repaid	25
Reduction in Balances	187		
	97,649		97,649

Thus while there has been a redemption of £97½ millions of debt, including a reduction of £35½ millions in the floating debt, new debt has been created to the extent of just over £49 millions, and there has been a slight reduction in Exchequer balances. The present total of the National Debt is about £7,760 millions, of which £157 millions in the form of Five per Cent. National War Bonds and Five and Three-quarters per Cent. Exchequer Bonds mature in the current financial year. In the succeeding four years over £1,000 millions of internal debt in the shape of Treasury, Exchequer, and National War Bonds, and Three and a-Half per Cent. War Loan fall due for repayment. This is certainly a formidable total, but the amount is well spread over the period, and the problem of dealing with it will probably be left until maturity comes into view.

The problem of the Five per Cent. War Loan, however, of which there is at present about £2,100 millions outstanding, is a different one. This enormous total would automatically be increased during the next few years as certain bondholders exercise their rights of conversion, and the Treasury, we think, has done well to take advantage of present financial conditions to make an effort to reduce the total by £200 millions. The Five per Cent. War Loan is repayable between the years 1929 and 1947, and the offer now made is likely to appeal to those who do not wish to run the risk of having their capital returned in five years' time. Holders of Five per Cent. War Loan are offered conversion into 4½ Conversion Loan, redeemable 1940-44, at the rate of £103 Conversion Loan for every £100 of Five per Cent. War Loan. Those who take advantage of this offer will suffer a reduction in the yield on their security to about 4½ per cent., but will gain the advantage of holding a considerably longer dated security. We doubt whether the latter advantage will be regarded by the ordinary investor in Five per Cent. War Loan as outweighing the reduction in yield, but all that is needed is that £1 in ten should be converted, and we imagine that, in limiting the nominal amount of Five per Cent. War Loan to be converted under the terms of the present offer to £200 millions, the Treasury feels reasonably certain of the success of the operation; and it seems probable that further offers of a similar, but possibly less favourable, nature will be made during the next five years as the opportunity arises. The advantages to the national credit to be gained from a successful conversion operation to a lower rate of interest are obvious, while among the minor benefits is to be counted the fact that a beginning will be made in a reduction of the unwieldy amounts of interest payments which come to dislocate the money market on each June 1st and December 1st, interest on the new loan being payable on January 1st and July 1st. Full details of the conversion offer will be found in another column, from which it will be seen that the offer will, if necessary, remain open until April 26th. An innovation,

however, designed to speed up the operation has been introduced. This takes the form of offering a five shilling commission to bankers and stockbrokers up to April 12th, a half-crown commission in the succeeding week and no commission in the final week. We are glad that the Treasury are acting as opportunity offers, and not waiting for the result of the discussions which are about to take place before their Committee of Inquiry.

THE RUHR PROBLEM AND THE M.I.C.U.M. CONTRACTS.

Those who appreciate the critical point which we are approaching in Anglo-French relations must be anxious not to say a single word which might make Mr MacDonald's task more difficult. At the same time, if we are to escape from the palace of illusion, we feel bound to confess that M. Poincaré's statement, and the reception it received in the French Chamber on Thursday, leaves a very pessimistic impression. M. Poincaré declared that while it might be possible to agree to a change in the form of economic pledge which France is exploiting in the Ruhr, and to fall in with the expected recommendation of the experts that the economic unity of Germany must be restored, France stands to the view that military occupation must continue till the last gold mark has been paid. The presumption has recently grown in Great Britain that M. Poincaré's various speeches would ultimately be interpreted by him to mean that if the German debt were capitalised and some new form of guarantee for payment devised, the Ruhr could with safety to herself and without loss of prestige be evacuated by France. This course would be in keeping with the British interpretation of the Treaty of Versailles, according to which the Allies are entitled to devise, and, if need be, to impose stringent forms of economic or financial pressure, but are not empowered to extend military occupation which can only be regarded as an "act of war." M. Poincaré is now apparently prepared to relax the economic sanctions—or perhaps we should say to substitute for them more productive measures; but he is not prepared to modify by one iota his attitude on the military side of the question. On this basis there can be no possible agreement which would secure the support of either Labour or Liberal opinion in this country—unless indeed the French Government were prepared to submit the question of interpretation to the International Court of Justice and to abide by its decision.

In the meantime we are rapidly approaching the critical date when the situation in the Ruhr will once again be in the melting-pot through the lapsing of the M.I.C.U.M. contracts on April 15th. We are sometimes inclined to forget that, apart altogether from present events, the settlement of 1919 was dependent on the co-operation of private interests and not merely on the goodwill of the German Government. This aspect of the problem is in some ways a dominant one, and a good deal of light is thrown upon it by a German economist, who writes to us as follows:—

The Versailles Treaty expropriated the German iron and steel works in Lorraine. The people who had created them were ousted, whilst their French competitors were installed by the French Government, in many cases at a very cheap price. As they could not run the works without German coke, the German Government were bound by the Treaty to deliver to them considerable quantities of coke. The German Government were not in a position to do so from their own stocks; they had to get them from the coal mine owners, who of course demanded compensation. They had, moreover, no interest whatsoever in providing the French in Lorraine with their good coke at cheap rates so as to enable them to compete successfully with their own plant they had erected in the Ruhr. They and Spain, thus closing the only market open to the French ores from Lorraine. They had no interest whatsoever in foregoing the advantages of the natural conditions they enjoyed, and saw no reason why they should give their competitors cheap coal after they had got their steel works

at a very cheap rate. The obstruction of the German industrialists against the coal deliveries which became clearly visible at Spa was a natural outcome of the Peace Treaty, which had put the power of execution into the hands of private concerns. The dominating position of the industrialists is a logical outcome of this power given to them.

The French have been complaining about this all the time; they justified their invasion of the Ruhr by the necessity of breaking the industrialists' obstruction, which they themselves had made possible. When the struggle against the invasion of the Ruhr was over, industrial life in this densely populated district was practically at a standstill. Intricate negotiations were needed to start a resumption of work. The French Government refused to negotiate with the German Government. They were willing, however, to arrange terms with the owners of the industrial works. They would not allow them to sell their accumulated stocks if they did not comply with certain terms. They wanted to contest the sovereign rights of the German Government in the invaded area, but as they had to enter into negotiations in order to start work, they showed their willingness to negotiate with the industrialists. They chose as their partners the very same men who ought to have carried out the orders of the German Government, but who, according to the French view, had always obstructed that Government.

As the French Government exercised complete power in the invaded districts, they could press their terms upon the owners of the works. Assuming to themselves the rights of sovereignty, they insisted on heavy payments. The coal mining industry, for example, which has to bear 70 to 80 per cent. of the burden levied on the productive power of the district, had to agree to the following payments in order to get a right to do business again. They had to pay the coal tax to the French Government which was originally imposed by the German Government. It had not been paid during the Ruhr struggle as the French would have intercepted it. The mineowners were forced to pay up these arrears. An agreement was reached for the payment of a lump sum of 15 million dollars. Moreover, for every ton of coal newly mined, a tax of another 8f was payable. Last and not least, the mines must hand over to the Franco-Belgian Commission, which controls the economic life of the Ruhr (this is the so-called "Micum"), a considerable percentage of the coal production. For the month of November this percentage was to be 18 per cent. of the total output. It has now been raised to 27 per cent., or over a quarter of the total output. These deliveries have taken the place of the coal deliveries stipulated in the Treaty for which the German Government was responsible. They are considered as reparations payments, and as such they are not paid for by the French Government.

Similar agreements have been concluded by most of the important industries of the district. The establishments can only work if they are allowed to hand over part of their output to the Micum. The industries concerned have, of course, a claim against the German Government for all goods delivered. For it is not a stipulation of the Treaty of Peace that private people must directly defray the costs of reparation. The German Government, however, is not in a position to make such payments. The total costs per month have been estimated at £2½ million to £5 million. Assuming a delivery of two million tons of coal a month at a rate of, say, 25s per ton, this alone would account for a payment of £2½ million. If the German Government had refunded these sums it could not have brought about the balance of its budget, which it has provisionally attained at the present moment, and without which the maintenance of the stabilised currency is impossible. On the other hand, the works cannot be expected to carry such losses indefinitely. No doubt by cutting down wages and costs they have successfully diminished their losses, and thrown them on the shoulders of the working classes. They may have been able in some cases to raise their prices and to make the general public pay. They have drawn heavily on their resources at home and abroad. They have sold blocks of securities. They have sold their foreign exchange. They have gone heavily into debt. They are very near exhausting their resources, if they have not done so yet. Some of them may be owned by extremely rich people, and some of them may have



grown rich at the public expense. This is used occasionally as an argument that they ought to go on losing money as a kind of "moral atonement." The Micum is a business organisation with a distinct political bias, and as such is scarcely the right organ for the carrying out of distributive justice. What they are doing at present is making war on private property. The owners of the works are blackmailed for the permission to go on working. Even if this method is used against a man held up to public opprobrium by the French as is Herr Stinnes, it does not cease to be blackmail.

The agreements have been concluded for a limited time. They are running out on April 15th. The works say, and rightly say, that they cannot renew them without compensation, as their financial strength has been spent. The German Government rightly declares that it cannot pay compensation at present, for if it does, the Budget equilibrium would go to pieces, the currency would follow and the chaos from which Germany has just succeeded in emerging would start afresh. The French Government insist that the agreements must be renewed. In insisting upon this claim they are achieving two of their objects. They have gripped the throat of the German industrialists, hoping under pressure to bring them to an agreement with the French industrialists on terms suitable to the latter. By their short-sighted use of the provisions of the Treaty of Peace, they have cut asunder the iron industries of Lorraine from the coal industry of the Ruhr. They want to bring about a reunion—a reunion not carried out on natural lines of production and business interests, but under political pressure which gives the control of the Ruhr industries into the hands of the French. Having expropriated the iron industry in the Lorraine under the Treaty of Peace, they want to do some more expropriation in the Ruhr under the title of peaceful occupation.

By insisting on the delivery of goods as a price for letting production go on, they are, moreover, circumventing the Moratorium which Germany has been claiming, and which public opinion all over the world considers essential for the recovery of Central Europe. A delivery of goods wrung from oppressed industrialists which are not paid for by a foreign Government affects the balance of trade and balance of payments quite as adversely as does a delivery of foreign bills for a reparation settlement, and if these goods are paid for by the German Government, it affects its Budget in the same way as does the purchase of foreign bills for similar purposes. This being so, the question whether the Micum agreements will be renewed or not on April 15th is of the utmost international importance, for if they are renewed in the way in which the French insist upon renewal, they will prejudice the reparations settlement worked out by the experts to such a degree as to make its success more than doubtful.

THE FEDERAL RESERVE BOARD'S POLICY.

IN its tenth annual report the Federal Reserve Board of the U.S. takes the opportunity of reviewing, explaining, and defending its policy in a document which is thus of special interest, in view of the discussion that has lately raged, and is still continuing, on the subject of more scientific "management" of currencies. It begins its exposition by observing that the year covered by this report has been less influenced than any previous one by conditions arising out of the war. It considers that, for the U.S., after-war economic readjustment has been proceeding rapidly, and "is now nearing completion. The economic balance as between various industries and sections of the country is not yet fully restored, but during the past two years there has been rapid progress in the direction of a more stable equilibrium, and of a better alignment of prices between different commodity groups." From the Board's point of view, the chief feature of the year was the fact that the volume of reserve bank credit, amounting to over a billion dollars, showed little change between its beginning and its end. This was because the large industrial output, practically full employment, and the sustained consumers' demand for goods requiring a considerable increase in the volume of currency and credit, were successfully financed by the member banks—that is, by the ordinary banks of the country which are members of the Federal reserve system—by means of funds made available by the continued inflow of gold.

Being thus by the force of circumstances "stabilised" in the volume of its aggregate activities, the Board has had a good opportunity for considering and explaining its policy, and the means by which it carries it out. Its exposition is an interesting compromise, that will be probably described as highly sensible by most practical bankers, between the doctrines of those who would "manage" the currency solely with a view to steadiness of prices, and the old-fashioned belief, which was probably always confined to a small and straitlaced sect, that the monetary policy of a central bank should be confined to mechanically putting up the price of money when withdrawals of cash narrow the basis of credit, and lowering it when the tide runs in the other direction. "The Federal Reserve," in the opinion of its Board, "supplies the needed additions to credit in times of business expansion, and takes up the slack in times of business recession. It is its responsibility to regulate the flow of new and additional credit from its reservoirs, in accordance with solid indications of the economic needs of trade and industry. When production, trade, and employment are in good volume, and the credit resources of the commercial banks of the country are approximately all employed, and there are signs neither of speculative business expansion nor of business reaction, Federal Reserve Bank rates should be neither so low as to invite the use of credit for speculative purposes, nor so high as to discourage its use for meeting legitimate productive needs of the business community. It seems clear that if business is undergoing a rapid expansion, and is in danger of developing an unhealthy or speculative boom, it should not be assisted by too easy credit conditions. In such circumstances, the creation of additional credit by rediscounting at Federal reserve banks should be discouraged by increasing the cost of that credit—that is, by raising the discount rate. It seems equally obvious that if industry and trade are in process of recovery after a period of reaction, they should be given the support and encouragement of cheaper credit by the prompt establishment at the Federal reserve banks of rates that will invite the use of Federal reserve credit to facilitate business recovery."

Here we find the Federal Reserve Board definitely recognising the need for the use of Bank rate, not merely in order to protect the gold reserve (a preoccupation from which it is, at present, freed by the possession of an enormous stock of the metal), but in order to protect the business community, and the nation as a whole, which suffers from its vagaries, from the incurable tendency of enterprise to indulge in outbursts of ill-considered exuberance. It may be argued that this semi-ethical use

of Bank rate imposes a difficult and delicate task on those responsible for the policy of central banks, seeing that the line between speculation and legitimate business is often hard to discern; and that it consequently involves a danger that sound expansion may sometimes be checked, because a central bank, in a moment of ascetic fervour, may be wrongly convinced that the business community is being naughty. Such errors are inevitable whenever fallible human beings are put in control of one another's actions. All central banks have to exercise control, and to move their rates with discrimination, and apart from the mere arithmetical calculation of the proportion between reserve and liabilities. But the degree to which they should do so, and the number and extent of the mistakes that they make, seem likely to be a fruitful source of controversy, as long as central banks last.

An interesting and important point, to which the Federal Reserve Board calls attention in this report, is the extent to which it has found it possible to control credit without recourse to changes in its rediscount rate. This question is of especial moment in these times, when most central banks are obliged to finance their Governments to a large extent either by direct advances, or by selling Treasury bills on their behalf. In consequence of this state of things, alterations in Bank rate, designed to check the exuberance of the business community, have the effect of imposing an extra burden on the taxpayer, already staggering under his load (or believing himself to be so), and rises in Bank rate produce a double chorus of criticism. In old days, when Bank rate went up here, the bill brokers, especially those who had been caught with a full bill case, used to protest loudly that the trade of the country was being penalised, and everybody who wanted cheap credit joined in the objurgations. Now there is an antiphonal chorus, which cries out that the extra charge involved by the higher level of money rates for carrying the floating debt is a burden on the whole community, which suffers unfairly because the monetary system is at fault. This extra objection to rises in Bank rates will gradually vanish as floating debts are reduced to something like their pre-war dimensions; but since at all times there is a danger that a rise in Bank rate may hurt legitimate trade, it is interesting to find that the Federal Reserve Board has been able, from the results of last year's operations, to conclude that "open-market operations, when wisely timed and well conceived, are, in a larger measure than has hitherto been generally appreciated, capable of giving effective support to the discount policy of Federal reserve banks without an accompanying change of rates."

By "open market operations" the Board means the "purchase or sale in the general or open market of such classes of investments as it is authorised by the Act to buy or sell." These include cable transfers, bankers' acceptances, Government securities, "and certain types of obligations of minor political subdivisions." Evidently, by buying and selling such securities, any central bank can, within limits imposed by the willingness of the outside market to provide the other side of the bargain, contract or expand credit without making use of rate movements in order to effect its purpose. Measures of this kind, to prevent sudden jerks in the price of money owing to revenue collections or other reasons, have long been a common subject of gossip in Lombard Street, where they are referred to as the machinations of the "hidden hand." With a view to making such operations more generally effective, the Federal Reserve Board in April, 1923, took steps to co-ordinate them with discount business and the general credit policy.

On the subject of America's huge holding of gold, the Board observes that "it is the part of prudence for the United States, and for the Federal reserve banks in particular, as the holders of over \$3,000,000,000 of gold (that is, about three-fourths of the total estimated stock of monetary gold in the United States) to pursue a course which will enable them to part with such portion of this gold as Europe will need to reclaim for currency restoration with a minimum of inconvenience and disturbance to our internal financial and economic situation." In other words, it is apparently the intention of the Board to keep, frozen and unused, such gold as Europe may be expected to want, and to be able to take back.

OUR INDEX NUMBER.

THE general movement in prices in March was in a downward direction, and our Index Number has declined by 28 points to 4640. This total represents an increase of 60 points over the figure for the end of December last, and of 248 points in comparison with that for the end of March, 1923. Last month's decline is the first downward movement recorded since the end of July last, when the lowest point since the Armistice was reached. The turn cannot be attributed to any particular influence. At the same time, it may be said that had the improvement in trade fulfilled the promise of the early days of the year there would not have been the falling away which has been recorded in the quotations of some of the commodities in our list. It may be mentioned, however, that the past few days have shown an improving tendency. The table below shows the position of each of the five groups in comparison with the figures for preceding months:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Timber, Oils, &c.).	Total.	%
Basis (avg. 1901-5) ..	500	300	500	400	500	2200	100.0
End July, 1914	579	332	616	464	553	2544	115.6
" Dec., 1915	897	446	731	711	848	3634	165.2
" Dec., 1917	1286	686	1684	839	1348	5845	265.2
" Nov., 1918	1289	782	1848	903	1389	6212	282.6
" Mar., 1920	1508	914	2974	1246	1709	8356	379.6
" Dec., 1921	1344	805	1284	1216	1275	5924	269.3
" Dec., 1922	921	636	1106	762	931	4357	198.0
" Dec., 1923	861	706	1184	705	807	4264	193.8
" Mar., 1923	824	752	1178	840	797	4392	199.6
" June "	815	773	1177	773	761	4301	195.5
" July "	819	756	1115	744	746	4182	190.1
" August "	828	762	1119	734	744	4188	190.4
" Sept. "	823	782	1214	732	745	4297	195.3
" Oct. "	823	777	1220	756	743	4320	196.4
" Nov. "	831	797	1393	770	749	4541	206.4
" Dec. "	853	815	1382	774	755	4580	208.2
" Jan., 1924	909	845	1349	789	769	4662	211.9
" Feb. "	899	859	1308	819	783	4668	212.2
" Mar. "	897	843	1313	805	780	4640	210.9

Changes in primary foodstuffs were mostly downward last month, but owing to a sharp recovery in the quotation for pork to the end of January figure, the decline for the entire group is reduced to 1½ points. All cereals declined, but by small amounts only, and potatoes were lower, but there was a small increase in beef. In other foodstuffs the decline is almost entirely due to a seasonal drop in the butter quotation. In the textiles group movements were more pronounced, the largest being a drop of 20 points in silk, which was nearly offset by a rise of 18½ points in flax. The latter now shows a larger increase over the base figure than any other textile. Home-grown wool is unchanged, but there was a further increase in Australian wool. American cotton declined a little on the month, but Egyptian cotton is a trifle higher, and the price of yarn has advanced. With reference to cotton cloth, the quotation for which is unchanged, Messrs Robt. Barbour and Brother, Limited, write in their monthly circular: "Throughout the month inquiry has been persistent, not in great bulk in the way of individual transactions, but sufficiently large in the aggregate to allow many manufacturers materially to improve their position, and especially so, perhaps, in the case of Burnley, where the production of cloths for printing purposes has shown a very marked increase." In the minerals section, coal prices, after a small decline in February, have again risen a little, but there has been a reaction in non-ferrous metals after the very rapid rise which took place recently. Pig-iron is again lower, but there is no change in steel rails and iron bars. Since our figures were taken out a hardening tendency is reported in steel prices. In the miscellaneous group a further rise in petroleum was offset by a decline in oilseeds.

The table below sets out the changes in each commodity's index number in comparison with that for the

end of February, the figure 50 representing in each case the average prices during the basic period 1901-5:—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.
Wheat—For.	80	— 4½	Cotton, A	1504	— 5½	Copper	534	— 1½
English	804	— 4	Cotton, E	1414	— 1½	Minerals	805	— 14
Flour	72	— 5	Yarn	133	— 1½			
Barley	904	— 1	Cloth	142	— 1			
Oats	764	— 5	Wool, Eng.	154	— 1	Baltic timber	1034	—
Potatoes	116	— 2½	Do Aust.	148	— 5	Amer. timber	89	—
Rice	113	— 4½	Silk	110	— 20	Leather	504	—
Beef	864	— 5	Flax	1684	— 184	Petroleum	108	— 8
Mutton	89	— 1	Hemp	554	— 1	Oilseeds	82	— 1
Pork	934	— 20	Jute	90	— 1	Tallow	75	— 2
Cereals & meat	897½	— 1½	Textiles	1,313½	— 5½	Indigo	87	—
Tea	144	— 1½	Pig-iron	97	— 5	Crystals	85½	—
Coffee	122	— 1½	Steel rails	75	— 5	Rubber	12	—
Sugar, cane	237½	—	Iron bars	92	—	Miscellaneous	780½	— 2½
Sugar, beet	138	—	Coal, steam	143	— 64			
Butter	854	— 14	House coal	94	— 3	Total	4,640	— 28
Tobacco	1164	—	Lead	148	— 1			
			Tin	1024	— 10			
Other foods	843½	— 15½						

The only group to show an increase on balance is that for textiles. Subsidiary foodstuffs, however, in spite of last month's decline, still stand at a considerably higher figure above the pre-war level, as may be seen from the following table, in which the indices for July, 1914, are taken as 100:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	186	241	237.5
Dec., 1919	249	250	396	247	263	287.1
Mar., 1920	261	260	484	269	309	325.6
Dec. " "	233	229	209	261	230	230.9
Dec., 1921	159	180	180	164	168	169.6
June, 1922	174	192	184	149	160	171.1
Sept. " "	151	194	181	150	148	163.3
Dec. " "	149	200	193	152	146	166.2
Mar., 1923	143	214	191	181	144	171.2
June " "	141	220	191	167	137	167.7
Sept. " "	142	222	197	158	134	167.6
Dec. " "	148	231	225	167	136	178.6
Jan., 1924	157	241	219	170	139	181.8
Feb. " "	155	244	212	176	142	182.0
Mar. " "	155	240	213	173	141	181.0

The increase of 81 per cent. in the total over the pre-war level compares with 71.2 per cent. a year ago and 63.1 per cent. at the end of July last.

NATIONAL INCOME AND TAXATION.

THE renewed discussion of the reparation question will without doubt involve much controversy as to the ability of various nations in Europe to bear their respective tax burdens. The Treaty of Versailles itself brings this question into the picture, for in sub-section 12 B of the annex defining the duties of the Reparations Commission it is laid down that "in periodically estimating Germany's capacity to pay the Commission shall examine the German system of taxation first, to the end that the sums for reparation which Germany is required to pay shall become a charge upon all her revenues prior to that for the services or discharge of any domestic loan, and, secondly, so as to satisfy itself that in general the German scheme of taxation is fully as heavy proportionately as that of any of the Powers represented on the Commission." The word proportionately here can only be interpreted in practice to mean in proportion to Germany's annual income. But the application of this test is an extremely difficult one. Moreover, it has long since become apparent that there are other things to be taken into account than the burden of the nation's budget, and in particular the question of the ability of the country to make payments abroad without producing chaos in the exchange, a disturbance of international price levels, and an abnormal state of international competition. At the same time, there is no doubt in the mind of the taxpayer that a country which, for whatever reason, is able to reduce its budget burden to a very low level, may be at an advantage in international competition. The wiping out of debts by inflation such as that through which Germany has passed is not, however, to be regarded as a simple escape of in-

dustry from unnecessary burdens. Repudiation of private or of public debts can only be made at a heavy price. This is shown at the moment in Germany by the high costs which German industry is experiencing, and in particular by the shortage of capital and the high rate of interest which Germany is bearing, and is likely to bear for some time to come.

At the same time, the proposition in the Treaty of Versailles will need examination. In this connection, we would call attention to a reference by our Berlin correspondent to an interesting statement by the German Finance Minister, Dr Luther, who declares that the national income of Germany, which before the war was 37½ milliard gold marks (a figure which is generally accepted by statisticians) is now 25 milliard gold marks. Assuming that gold prices are about 50 per cent. above pre-war level, this would be equivalent to, say, 16 milliards at pre-war prices. In other words, the real national income of Germany, whose territory and population has shrunk by 10 per cent., is reduced to less than a half—a figure which is too low even in the present state of German industry to be accepted without very clear evidence. Dr Luther continues that the total tax burden, which before the war was 10.9 per cent., is now 27.7 per cent. excluding any payment for Reparations. We cannot attempt to check these figures until the Budget statistics are before us. But the statement is not quite as improbable as it appears at first sight, in view of the facts, first, that the State Budget now carries a large number of forms of expenditure which were formerly paid for by the separate kingdoms of the German Empire, and, secondly, that the burden of taxation has undoubtedly risen at a very rapid pace in the last five months as a result of the stabilisation of the mark. It has also to be remembered that on March 15th Germany had 16.1 per cent. of her organised workers fully unemployed, and 13 per cent. partly unemployed. If a settlement of reparations is reached the national production of Germany is certain to recover substantially from its present low level, and the present percentage burden, whatever it may be, will fall very considerably.

We need not repeat the figures for France recently quoted in these columns. They show that last year, on the basis of the estimate of national income made for us by a French expert, France is paying 16 per cent. in taxation, that she will pay 20 per cent. if the tax reforms are carried into effect, and will have to pay still more if she goes on borrowing for the further restoration of the devastated areas.

We would, however, add a word about the corresponding figures for Great Britain. Last week, quoting an incomplete summary, we credited Dr Bowley with the statement that our national production was 93 per cent. in 1923 of its pre-war amount. What Dr Bowley said was that he estimated production for the home market at from 90 to 93 per cent., production for export at 75 per cent., and total production at 87 per cent. We would, however, suggest certain reasons for thinking that these are underestimates. Dr Bowley arrived at the figure of 87 per cent. as follows:—Taking the population in 1913 as 100, the employable population has increased by 6½ per cent., and 12.3 per cent. of the whole were unemployed in September last, which gives 93½ per cent. in employment. In 1913 there were 2 per cent. unemployed, so that the numbers in employment were in the ratio of 98 to 93½, i.e., there are actually in work to-day slightly over 95 per cent. of the numbers in work before the war. But there has been about a 10 per cent. reduction in hours of labour, and Dr Bowley estimates that productivity has fallen in this ratio, which gives his 87 per cent. This last link in the argument seems to us at fault. There have been reductions of hours in a very large number of occupations, but it would be true to say that in the majority of cases they have not been followed by a corresponding reduction in output. The improvement in output per hour may be influenced to some extent by the worker's ability to produce more in a shorter working day; but it is due even more to the great mechanical developments and improvements in organisation of the last decade. It has been said that the Lancashire cotton trade is at such a stage of mechanical perfection that a reduction of hours cannot produce an increased output per hour.

This is open to doubt; but even if it is true, the cotton trade certainly stands almost alone in this respect. Certainly in all the metallurgical groups of trades the output per man hour is better than ten years ago.

There are two pieces of evidence which, we think, confirm our view that last year's production was better than Dr Bowley suggests. The first is that the total consumption of coal at home in 1923 amounted to 181 million tons, against 193 million tons in 1913, a reduction of 6 per cent. The consumption of fuel is closely related to the total production of the country; but in this particular comparison the figures exaggerate the fall in production, for there has been in the interval in various directions a saving in fuel consumption. For example, the consumption of coal per ton of product in the iron and steel trade, with its modernised equipment, has been reduced. The use of electricity is another influence of the same kind. (The London Electric Companies supplied 298 million Board of Trade units in 1922 compared with 188 millions in 1913.) The second piece of evidence is the general merchandise carried on British railways—leaving out coal and ore, the weight of which is so great as to swamp the figures in any combined total. The figures for Great Britain are 67½ million tons carried in 1913 and 62½ million tons carried in 1923, a fall of about 7½ per cent. But here again the figures exaggerate the decline, for in 1923 there is no doubt that a very large quantity of general merchandise which would have been put on the rail in 1913 was last year carried by road. This more optimistic view of production is in keeping with the individual impression gleaned from different business centres. If one excludes cotton and shipbuilding, there are not many industries in the country whose volume of output is less than in 1913, and there are a considerable number whose output is substantially greater. We, therefore, hold with some confidence that if we look at the national production as a whole it is true to say that the reduction of hours between 1913 and 1923 has been made good by improved methods, not, of course, in every industry individually, but in industry taken as a whole, and that the national output for 1923 was at least 95 per cent. of that before the war. Moreover, as compared with the average of 1923 there has been an improvement up to date, and there is little doubt that we are to-day producing as much as in 1913. This is, of course, quite inadequate. We have a larger population and rising ideas of what constitutes a decent standard of living. The problem of how to increase output, now as always, lies at the root of material advancement. But it will not help matters to get into currency too gloomy ideas of our situation. A 95 per cent. production would correspond with a national income of rather more than £4,000 millions, after adding interest on the debt. Our taxes last year amounted to 18½ per cent. of this sum. This is much lower than two years ago, and the figure is likely to fall. This and the preceding figures are only vague indications; but they may serve to correct the view that we are the only nation in Europe that is or is going to be burdened with heavy taxation.

THE STRUGGLE IN THE CEMENT TRADE.

BELGIAN competition has been a thorn in the side of our cement manufacturers for three years past. After the conclusion of the war, it took some time for the trade to re-establish itself in peace time channels, but excellent progress was made between 1918 and the end of 1920.

In the three subsequent years, however, the efforts of Belgium to extend her trade in the product were keenly felt here. Our makers could only retain their overseas business by considerable reductions in prices, with the result that some of the most important firms here were forced to reduce dividends by one-third or one-half. The struggle appears to be proceeding in our favour now, and this will be welcomed by those who have followed the history of the trade in the past, and perhaps offer encouragement to those who have been disappointed with the announcement this week of the passing of the Associated Portland Cement dividend for 1923.

For it should be realised that this is not the first time Belgian shippers have troubled our cement firms. During nearly 20 years down to 1913 competition from that quarter was so keen that some British companies could

frequently pay no dividends on large amounts of ordinary capital. Here is a brief indication of the struggle that then took place:—

	1897.	1904.	1913.
British exports	£ 647,000	£ 632,000	£ 1,273,000
Gross imports	£ 42,000	£ 393,000	£ 143,000
Excess of exports ..	605,000	239,000	1,130,000

For the first seven years our trade suffered, imports growing largely, while exports slightly declined. During the succeeding nine years, however, our makers improved their shipments by 100 per cent., while at the same time imports were lowered by more than 50 per cent. Once our manufacturers were aroused to the seriousness of the competition, they set to work with grim determination, and met with success all round. Not only did they supply all the increased home demand for those nine years, but also more than half of the amount previously used here from foreign sources, while they concurrently doubled their sales to foreign markets.

Contemplation of such a record should be quite sufficient to hearten our cement producers now. They have repulsed Belgian competition before, and there is no reason why they should not do it again. Indeed, they seem to have made very fair progress already. The following shows the severity of the slump after 1920 (due, of course, to the general trade paralysis), and the degree of subsequent recovery:—

	British Exports.			Gross Imports.		
	Tons.	£	Per Ton.	Tons.	£	Per Ton.
1920.....	618,000	3,724,000	6.0	38,000	220,000	5.0
1921.....	290,000	1,660,000	5.7	106,000	519,000	4.9
1922.....	386,000	1,253,000	3.2	133,000	440,000	3.3
1923.....	562,000	1,519,000	2.7	147,000	395,000	2.7

It will be seen that our shipments for 1923 were not far short of the 1920 level. Only the imports give grounds for concern, and even they are not so serious as in the early years of the present century, when they frequently exceeded 200,000 tons per annum.

At the same time, this little table makes it plain that a severe war of prices has been going on. Last year we sent abroad a much larger quantity than in 1922, but the price received was little in advance of that which the 1922 shipments brought. Concurrently, our competitors sent to us a larger quantity than in 1922 for a considerably smaller total price.

Comparison of the average yearly prices, however, shows that the greatest fall occurred in 1922. In that year the value of our shipments at £3 4s per ton was actually below that of the imports at £3 6s per ton. Last year prices of British and of foreign cement were about equal at £2 14s per ton, which seems to indicate that our manufacturers have now firmly established their industry on a competitive level. This is a remarkable achievement, considering that for some 15 years before the war shipments of British cement were always 4s to 6s per ton dearer than foreign cement landed here.

It will now be interesting to take a bird's-eye view of the trade over as long a period as the existing records permit. Here are the export figures for 70 years, and the imports for 25 years:—

BRITAIN'S OVERSEA TRADE IN CEMENT.

Averages for	Exports.			Gross Imports.		
	Thousand tons.	Thousand £.	£ per ton.	Thousand tons.	Thousand £.	£ per ton.
1854-58	42	121	2.9	..	..	..
59-63	81	212	2.6	..	..	..
64-68	118	296	2.5	..	..	..
69-73	180	465	2.6	..	..	..
74-78	237	631	2.6	..	..	..
79-83	312	746	2.4	..	..	..
84-88	460	938	2.0	..	..	..
89-93	553	1,060	1.9	..	..	..
94-98	379	636	1.7	..	..	..
99-03	344	629	1.8	207*	328	1.6
1904-08	572	915	1.6	178	236	1.3
09-13	689	1,063	1.5	86	112	1.3
14-18	397	939	2.4	15	25	1.7
19-23	448	2,041	4.5	85	317	3.7

* Four years only—1900 to 1903.

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The steady and satisfactory growth of exports during forty years down to the early 'nineties is notable. Of course, prices declined, but this was a period of falling prices in virtually all trades. It was towards the end of the 'nineties, as our first table shows, that Belgian competition began to be felt severely. Further reductions had to be made, notwithstanding that the index number of commodity prices in general had begun to move steadily upwards. In the five years immediately preceding the Great War, it will be noticed, the five-year average price of exports fell to the lowest point reached in the 70-year period—£1 10s per ton. Foreign imports landed here in that same period were valued only at £1 6s per ton. During the 15 years to 1913 our prices were a few shillings per ton above those of our competitors, yet our shipments were doubled in the 15 years, while imports were largely diminished. Quality of the British product was apparently the decisive factor.

It is to be hoped that the same factor will favour us in the present struggle. British producers have sometimes been blamed for persisting in the maintenance of quality, while their competitors flooded the market with cheaper and inferior imitations. There may be something in this, for the great masses cannot always afford to buy the best. But manufacturers can never err in aiming at production of the highest possible quality at any particular given price. It is this that has built up for Britain a foreign trade containing probably a larger proportion of high-grade goods than the foreign trade of any other country in the world.

Now let us see which overseas markets have contributed most to the recovery of our trade since the slump of 1921. The monthly returns specify only four foreign countries and four British Possessions, all other markets being included in the "other countries" group. It is these "other countries," at present unknown, which have done most towards the revival of our trade. Here are the particulars:—

BRITISH EXPORTS OF CEMENT.

	1921.	1923.	Inc. + or Dec. —.	1921.	1923.	Inc. + or Dec. —.
To—	Tons.	Tons.	Tons.	£	£	£
Holland	8,178	46,812	+ 38,634	46,611	72,488	+ 31,877
France	68	805	+ 737	1,204	2,110	+ 956
Brazil	17,458	28,533	+ 11,075	104,263	77,441	— 26,822
Argentina	6,254	7,117	+ 863	41,116	19,029	— 22,087
	31,958	83,267	+ 51,309	187,194	171,118	— 16,076
British South Africa ..	2,601	24,054	+ 21,453	14,228	60,194	+ 45,966
British East Indies ..	117,644	149,564	+ 31,920	6,605	416,418	+ 269,641
Australia	8,798	26,607	+ 17,809	50,436	72,868	+ 22,432
New Zealand	7,667	1,948	— 5,719	54,717	6,414	— 48,303
	136,710	202,173	+ 65,463	805,440	555,824	— 249,616
Other Countries	121,068	276,941	+ 155,873	667,215	791,693	+ 124,478
Grand total	289,736	562,381	+ 272,645	1,659,849	1,518,635	— 141,214

The fall in prices has been so heavy that it will be best to confine our attention to quantities. Out of a total increase, then, of 272,000 tons, the four European countries have taken 51,000, the four British overseas countries, 65,000, and all the unspecified countries about 156,000. It is satisfactory to find that Holland took so large an amount last year. Only twice before, in the last thirty years, has she bought larger amounts—in 1917 (48,900 tons) and in 1919 (58,600 tons). Brazil shows some recovery, but her purchases are still far short of what they were in pre-war days. In 1913 they reached 124,300 tons. Argentina, too, absorbed 97,700 tons in 1913—a remarkable contrast to the 7,117 tons recorded last year. The great jump from 121,000 to nearly 277,000

tons in the demands of "other countries" is the most encouraging feature of the table, and unfortunately it will be many months before these countries will be specified in the belated volumes of the Annual Statement of Trade. They should be interesting when they do appear.

DEBENTURES—II.—THE INVESTMENT ASPECT.

(BY A CORRESPONDENT.)

In a previous article reference was made to the question whether the power of a company to give a floating charge over its whole undertaking, including future property, should not be abolished in the interests of both trade creditors and investors. Unsecured creditors sometimes find, in cases of insolvency, that they are entitled to little or nothing because of the claims of creditors protected by floating charges, and, on the other hand, looking at the matter from the investment point of view, there is reason to think that debentures depending upon a floating charge are wrongly classed in the public mind with those more substantially secured by a charge upon specific property of a company. The investment aspect of the question was left for discussion in the present article.

The term debenture, it was pointed out, does not literally denote that the indebtedness acknowledged is secured by a charge on property, though, in the great majority of cases debentures issued by companies are accompanied by a charge of some kind. The kinds of charge, however, are numerous. They range from a legal first mortgage on immovable property to a mere floating charge on the trading assets of a company. Moreover, debentures may or may not be supported by a deed appointing trustees for the debenture-holders. The degree of security provided by the different forms of charge varies greatly, and is too little considered by investors. In consequence, there is a danger that the facility with which loans on debentures can be raised by companies may, if steps are not taken to shut out the weaker forms of security, result in ill-secured issues being held with a false sense of security. In turn, this involves the risk that, if some debentures are found to be less sound as investments than was assumed to be the case, a prejudice may be created against this form of security. An indiscriminate prejudice thus arising would militate against the raising of loan capital by means of debentures, and in that way the present unrestricted facilities might ultimately lead to a state of affairs in which legitimate business would be hampered.

If one examines the effectiveness of a charge on property given to secure debentures, the question what protection is afforded by the appointment of trustees naturally arises, along with a further question as to what are or should be the duties of trustees for debenture-holders. There can be no question* that, if there is a mortgage of specific property, a deed vesting the legal estate in trustees is required. The trustees become custodians of the documents of title, and should also exercise continuing watchfulness over the interests of the debenture-holders, and intervene if and when circumstances arise calling for active steps to protect those interests. If debentures depend on a floating charge trustees cannot hold documents of title, and, in that case, therefore, the only protection they afford is by their watchfulness. But do they, in practice, safeguard the interests of debenture-holders in that way? This protection, it is to be feared, is apt to be ineffective or illusory.

So far as debentures depend on a floating charge, they depend really on the prosperity of the business of the company as a going concern. That business, as Mr Manson remarks in his work on Debentures, is the most important interest of the debenture-holders, and "it is plainly the duty of the trustees to ascertain how such business is going." The trustees are usually paid for the discharge of their duties, but, under a common clause in trust deeds, they are not, while business is running its ordinary course, in any way bound or concerned to interfere with the management. They are passive, and though it is commonly and rightly considered that the trustees should be men of good business standing and experience,

it is curious and unsatisfactory that remuneration is usually (to quote again from Mr Manson) "calculated with reference rather to the social status and business credit of the trustees than the services required of them."

While the duties of trustees depend in each case on the terms of the deed appointing them, and are, in general, the same as those of any ordinary trustees who hold property for others, it is apparent, on considering the limitation on the protection trustees can afford where the security is a floating charge, that they cannot in actual fact do much to safeguard the interests of debenture-holders, so long as they stand, where they do and must usually stand, outside the active management of the business. By the time they can intervene it may and probably will be too late. Substantially debentures depending on a floating charge depend on the success of the business, and their holders are really in no better position than that of preference shareholders.

Debentures are even, in some instances, issued with certain profit-sharing rights, and the position of lenders at a fixed rate of interest, with security as far as possible for their capital, thus confused with that of shareholders. The two kinds of investment should be kept distinct for the sake of maintaining the estimation in which debenture issues are held. To attain this end the proposal in the minority report of the Company Law Amendment Committee, 1906, referred to in the previous article, should be carried into effect. That is to say, a company should have no greater facility for borrowing than an individual. It should be rendered incapable of charging after-acquired chattels or future book debts or other property not in existence at the time of the creation of the charge. Under existing conditions—which are unforeseen results of judicial decisions back in the seventies, and are not part of the deliberate scheme of company legislation—companies are, as the minority report pointed out, possibly tempted to exercise their borrowing powers to an unduly large extent. A restriction on debenture borrowing would be compensated for by the fact that companies would "obtain a larger general credit by reason of trade creditors no longer having the fear that the whole of the assets will be swept away by the debenture-holders."

Notes of the Week.

Rents and Unemployment.—The Government have allowed their Rent Restrictions Bill to lead them into a most difficult position, and to bring them very close to an overwhelming defeat, from which they were only saved by the timely loquacity of Mr Pringle, who "talked out" the Bill amid a scene of excitement. The whole trouble arose over Clause I. of the Bill, which reads as follows:—

Notwithstanding anything in the section which, by section four of the Rent and Mortgage Interest Restrictions Act, 1923, is substituted for section five of the principal Act (which substituted section is in this Act referred to as section five of the principal Act), a court shall not make or grant an order or judgment for the recovery of possession of a dwelling-house to which the principal Act applies, or for the ejectment of the tenant therefrom on the ground of non-payment of rent in any case where it appears to the court that the non-payment is due to the inability of the tenant to obtain employment, unless the court is satisfied that greater hardship would be caused by refusing to grant such order or judgment than by granting it.

In effect this meant that, where a man could not pay rent owing to unemployment, the loss was to fall upon the landlord. Not all the eloquence of the Minister of Health, who painted an appealing picture of Glasgow sufferings, could persuade the House of Commons to agree to the principle involved, which is nothing less than discrimination against a particular class of property owner. That was made quite clear at the outset of the debate by the speeches of Mr Asquith for the Liberals, and Mr Neville Chamberlain for the Conservatives. Both reflected the sympathy with the unemployed and the desire to safeguard their homes, of which it is quite futile for Labour to claim a monopoly. But both stood firm to the principle and clothing—for the unemployed should fall on the community, and not one small section. Towards the close of the debate Mr Clynes offered to substitute a new clause;

but, this proving to be contrary to the rules of procedure, he made no explicit promise to the Opposition, and came within an ace of leading the Government into a defeat which would have dealt a very great blow at their position. As it is, that position has been seriously shaken in the public esteem. For the discriminating clause of which Mr Wheatley made light is just precisely the sort of thing which the man in the street has feared from a Socialist Government. Having seen it, his suspicions, which the Premier has been at such pains to allay during the past few weeks, will inevitably revive. If, as Mr Clynes suggested, the Government are really ready to deal with unemployment and eviction on sounder lines, it was a gross mistake to allow any desire to placate the "left wing" to lead them into permitting the objectionable clause to form part of a considered measure. As a result, sane dealing with the housing problem has been postponed, and the Government's credit has suffered a severe blow—results for which the Cabinet has only itself to thank.

Strikes and Public Opinion.—It has frequently been demonstrated in the case of big strikes that the trend of public opinion is a factor whose influence on the issue is too strong to be ignored either by employers or by employees. On the low ground of expediency, therefore, we think that the coal miners and the engineers, and all the other numerous sections of workers who are contemplating strikes, will be wise to take careful note of the direction in which public opinion is tending to-day. The recent strikes have caused an exasperation, which arises chiefly from the view that they have been directed not so much against employers as against the public. Why, asks the man in the street, should I be terrorised, inconvenienced, thrown out of work, and almost blackmailed, by any section of workers who may take it into their heads to try and obtain a big rise in wages, even in cases where the industries in question cannot stand it? Having posed that question, he naturally seeks for a remedy, and in his search reverts to dangerous and fallacious ideas. It is not possible, for instance, to move very far just now without hearing loose and irresponsible, but earnest, talk about the necessity for a dictator, and for the suppression of strikers by force. In the similar strain the deeds of Mussolini, and the services of Fascism to Italy, are hymned and belauded even by men of ordinarily democratic mind, who in calmer moments would lecture eloquently on the Briton's innate loathing of dictators and love of democratic institutions. These mental results of jarred nerves and ruffled temper claim the most urgent attention of the Government, and of all parties in industry. Of the Government because the public (with dubious justice) attribute the present crop of strikes and strike threats to the psychological effect of the establishment in office of a Labour Ministry; and we doubt whether Mr MacDonald would deny that in a succession of industrial disputes lies the gravest threat both to his Government's tenure of office and to its position in the country at the next election. A record of continual disturbance during their term of office would, however unjustly, be tied like a millstone round their necks. Employers and employees, on the other hand, must see in the ruffled public temper a forcible reminder of the overwhelming duty to seek peace and ensue it, remembering that the public is not in the mood to forgive; that, if further serious cause for exasperation is given, constitutional dangers may arise; and that, unless both stoppages of output and sudden wholesale rises of wages and prices can be avoided, the basis on which the recent trade expansion has been progressing will be shattered. In their selfish interest, as well as in that of the nation as a whole, all sections of the community need to do a little hard and calm thinking. We hope that both miners and mineowners may be already indulging in this necessary exercise.

London Traffic Receipts During the Strike.—From the returns issued this week by various London traffic authorities, it is possible to form some idea of the effect on receipts of the tramwaymen's strike. This dispute involved a complete stoppage on the London General Omnibus routes and on all electric tramway systems of London from March 21st to 31st, a period of 11 days, including

two Sundays. Returns are available for (1) the Underground Group, which includes the District Railway, the "Tubes" and the General Omnibuses, (2) the four tramways operated by the same group, and (3) the London County Council Tramways. In the following table the receipts during seven days covered by the strike are contrasted with the average for the preceding 12 weeks:—

	Average, January 1 to March 22, 1924.	Week Ended March 29, 1924.	Differ- ence. £
Underground Group	215,653	95,940	— 119,713
Four Tramways operated by Underground Group	35,473	nil	— 35,473
L.C.C. Tramways	85,180	23,045	— 62,135
* Average of 50 weeks ended March 19, 1924. † Receipts, week ended March 26, 1924.			

The total decrease thus amounts to £217,321. In the week ended April 2nd, which included two days of resumed services, the L.C.C. trams showed total receipts of £20,028, which fall short of the average figure shown above by £65,152. If the Underground and the four suburban tramways' deficits be increased by, say, 50 per cent., as a rough allowance for the other four days of the strike (the figures given above cover seven days only), a total "loss" of about £360,000 is arrived at. This does not include the losses of municipal tramways which do not publish weekly returns. On the other hand, it is a gross figure, which does not take into account savings in the wages bill and in operating costs during the period of suspended activity. How far other means of transport benefited by the strike it is impossible to say. No figures are available covering taxicab and "pirate" omnibus earnings. Increased traffic on the "Tubes" and District Railway evidently failed to compensate for losses on the 'buses, as is shown by the figures already quoted. Receipts of the Metropolitan Railway and the four steam railway systems, on the same basis of comparison as previously adopted, come out as follows:—

	Average Jan. 1 to Mar. 23, 1924.	Week Ended Mar. 30, 1924.	Difference. £
Metropolitan Railway ..	35,143	48,154†	+ 13,011
Southern	356,100	411,600	+ 55,500
L. and N.-Eastern	1,010,000	1,136,000	+ 126,000
L. Mid. and Scottish	1,352,000	1,476,000	+ 124,000
Great Western	529,000	582,000	+ 53,000
† Week ended March 29.			

Obviously, not all the total increase shown can be accounted for by enhanced passenger traffic arising out of the strike. On the whole, however, one would seem to be fairly safe in assuming that the steam railways were the chief gainers by the dispute, as far as traffic receipts are concerned.

The Lausanne Treaty.—There was a certain unreality in last Tuesday's debate on the ratification of the Treaty of Lausanne. It would, indeed, be worse than useless to suspend the treaty with a view to its modification without a clear conception of the diplomatic path which we mean to follow and the sanctions which we are prepared, if necessary, to apply in order to obtain the changes which we desire. The principal objections levelled against the treaty were that the minorities and the foreign residents were left insufficiently protected, while the obligations into which we were entering in return for the demilitarisation of the Straits involved dangerous and indefinite commitments which the Dominions might not be prepared to sanction. On the first two counts, the Prime Minister's general answer was in line with his policy towards Russia and his preliminary attempts to create better feeling with France. "Until this treaty was ratified, there would be no re-establishment of the good relations between this country and Turkey." That is, the gesture of reconciliation must be allowed to introduce a better atmosphere before the concrete issues left open by the treaty could satisfactorily be solved. Mr MacDonald showed insight into the psychology of the Near East when he denied the efficacy of merely formal guarantees and controls. In the history of the relationship between Eastern and Western Powers, these formalities have never, in fact, been efficacious, except when they have been backed either by force on the Westerner's part or

by goodwill on the Oriental's; and, seeing that the use of force has been out of the question since the Nationalists restored Turkey's effective military power, the restoration of goodwill is the only practical alternative. The method indicated by the Prime Minister at the close of his speech was to demand a high standard of honour from the Turks in the execution of the treaty, while scrupulously observing an equally high standard in our dealings with them; and most Englishmen who have had personal relations with the Turks will agree with him that this is the right way to approach them. It is along these lines, if at all, that we can assist the minorities and our colony in Constantinople. People of all parties, inside the House and out of it, will share Mr Fisher's sympathy for the cruel sufferings of the minorities, but the problem is one of ways and means. The safeguards modelled on the Polish Minorities Treaty, which the Turks have accepted, were declared by Mr Fisher to be inadequate; but they can hardly be tested except by experience, depending, as they do, upon the diplomatic tact of the League of Nations secretariat and the moral authority of the Council. The only alternative is force, and, when force is brought into play, minorities are always its first victims. As with the minorities, so with the British and other Western residents. Their charter will consist in a good understanding between their home governments and Angora, not in a written substitute for the Capitulations. The British residents in Turkey are at this moment demanding, first and foremost, not the re-establishment of the Capitulations, but compensation for their losses through Turkish requisitions between the beginning of August, 1914, and Turkey's entry into the war. The case is too complicated for discussion here, but the financial claim is now preferred (on very good showing) not against the Turkish Government, but against the British Treasury. The most important issue, however, which the treaty raises is that of the Straits, which are not merely a Turkish matter, but still remain an international problem, with the broadest bearing and the greatest potential dangers. Mr MacDonald disposed of the doubts regarding the attitude of the Dominions, while Mr Ormsby-Gore showed that our guarantee of the demilitarised zones was a fair, and in any case a necessary, price to pay for the passage of warships through the narrows upon which we had insisted. It is an open question, however, whether the object for which we paid that price was in itself desirable. The policy meant the reversal of a long British tradition, and it was carried through in face of vehement opposition from Russia. The Straits Convention incorporated in the treaty may therefore well need to be revised, but to throw the treaty into the melting-pot would not be the right way to set about it. The Convention itself points the road, since it brings the status of the Straits within the purview of the League of Nations. Let the question be raised in the Council after the treaty has been ratified, and when both Turkey and Russia have become members of the League themselves.

Self-Determination in Iraq.—A correspondent writes:—The opening of the first Parliament of Iraq by King Feisal last Tuesday marks a fresh stage in the development of the new Arab State. The benefits of the internal peace provided by the provisional administration of Sir Percy Cox and Sir Arnold Wilson were beginning to be recognised by the Arabs even before the rising set up by Nationalist impatience and Shia fanaticism in the summer of 1920. The rising created a reaction in favour of stability, and this effect was confirmed by the commencement immediately afterwards of the organisation of the Arab Government. Self-determination has been secured by the establishment of a Parliament really representing the various localities, and of a native Administration taking its orders from the Arab Ministers at Baghdad. The present conditions were graphically described in *The Round Table* for December, 1923. British advisers assist the Ministers, and British inspectors have replaced the British political officers, but have no executive authority. The sheikhs and wealthy citizens travel, not as formerly on horseback with armed retainers, but by motor-car, motor-launch, or railway; the "robber-barons" on the Euphrates no longer levy tolls on passing boats, and the peasant goes to

work unarmed. Order is kept by native levies (loyal, even during the rising, to their British officers), native police, and a voluntary army, and in the last resort (but only under stringent safeguards) by the British Air Force. The Budget balances and the impending development of agriculture will provide for further expenditure on roads, sanitation, and schools. Peace and man-power are the great needs; the latter will come with the increase of the native population, the former with a satisfactory settlement of the Mosul boundary question. British expenditure on the country is steadily decreasing, and will cease with its independence, either four years after the Treaty of Lausanne is ratified, or sooner if Iraq enters the League of Nations.

The Finances and Trade of Portugal.—During its 13 years as a Republic Portugal has frequently suffered from revolution, and, especially since the collapse of the post-war boom in 1920, from a heavy fall in exchange. In 1914 the escudo stood at 48d; in 1923, for reasons to be given presently, at about 2d; now it is about 1½d. Yet, according to the Report (to January, 1924) from the British Consul at Lisbon, just issued by the Overseas Trade Department, the country is prosperous, and needs only improved transport, and the judicious application of capital at home and in its colonies, to make it one of the wealthiest of small countries, and to place its African possessions among the richest colonies in the world. The comparative quiet at present is largely due to Senhor Antonio Maria da Silva, Premier from February, 1922, to October, 1923; but though he provided fresh revenue, he could not reduce expenditure. Budget deficits have mounted up since 1914; so has the official pay roll. Four new direct taxes, and two revised forms of existing imposts, together amounting to 25 per cent. on income, were suddenly decreed in September, 1922; but the deficit for 1924 will be 375,000 contos, owing to the increased cost of the public debt service, the disappointing yield of the new taxes, and the increased pay of Government employees, owing to the higher cost of living. Other new taxes have been suggested, but drastic retrenchment is indispensable. But the fall in the escudo is no sign of impoverishment, and is only indirectly due to the largely increased issue of notes. Large sums, possibly £80 millions, have been placed abroad, chiefly in sterling; gold is hoarded by the illiterate peasantry; a large sum—possibly £2,000,000—is in Spain, as payment for smuggled cattle and tobacco; and the remittances from emigrants in Brazil fell to about £1,000,000 last year, owing to the coffee crisis. The monetary position was unexpectedly made worse by the withdrawal of bank deposits to purchase the new internal loan, and the provisions (which we have no space to describe) for the further issue of currency at home and in Angola may eventually prove dangerous. The multitude of small so-called banks tends to increase speculation in exchange, and the elaborate efforts of Senhor da Silva to steady it were not wholly successful. Its future depends, partly on the tendencies above described to hoard capital and place it abroad, partly on emigrants' remittances, and partly on the amount of wheat imports, mainly from the Argentine, but paid for in sterling. British import trade, however, though discouraged by the fall of the escudo and by the bad debts contracted during the post-war boom, and now exposed to competition from domestic manufactures, was 42 per cent. of the 1914 total. It holds its own, especially in textiles, and Great Britain is Portugal's best customer. But fresh openings abound, provided that they are locally and personally investigated, that advertisements are mainly pictorial, and catalogues and circulars in Portuguese. The descriptions of the vast mineral and agricultural resources of Portugal, largely unexploited (notably the coal and iron) for want of transport and labour, of the condition of the roads and State railways, of the hindrances to the utilisation of water power, and of the discouragement of maritime traffic by insufficiency of harbours and mismanagement of the State shipping and ports, indicate great possibilities of economic expansion. There is no unemployment; the population, 75 per cent. illiterate, is obtaining some sort of education through the cinema and (morally) through football; labour troubles are serious, but mainly in Lisbon, and unfortunately the numerous

emigrants, mostly to Brazil, now tend to remain abroad. The Report is full of interesting details, and specially deserves the attention of all who are interested in our relations with our oldest ally.

Australian Exchange.—According to a *Times* Melbourne telegram a debate on Tuesday in the House of Representatives in regard to the Imperial and Economic Conferences was notable for a speech by Mr. Pratten, "an acknowledged financial and commercial authority," strongly advocating that the Government Commonwealth Bank and private banks should devise a scheme by which the huge volume of imports might be checked by applying the surplus Australian credits in London to the reduction of the external public debt. The amount of Australian credit in London, he said, was estimated at £50 millions, and the exchange difficulties were so great as to be equivalent to an export tax on Australian products. His suggested remedies included "co-ordination of Commonwealth and State borrowings, and a cessation of further external loans, except renewals and conversions." We hear complaints on all sides of the extreme difficulty of making remittances from London to Australia even at exceptionally high rates, and the position appears to be rapidly becoming impossible. The trade balance for 1923 was adverse to the extent of £22½ millions, having been in Australia's favour in 1922 and 1921 for £6 and £8 millions respectively. As our Melbourne correspondent points out in a later column, the main reason for the large import excess in 1923 has been the heavy external borrowing of the past two or three years. Interest and other payments on public debt and foreign capital require fully £25 millions per annum.

Irish Free State Finance.—Our Dublin correspondent writes:—The current number of the official *Dublin Gazette* contains the figures showing, for the completed year April 1, 1923, to March 31, 1924, the receipts into and issues out of the Irish Free State Exchequer. The total revenue receipts for the first financial year of Ireland's independence appear (inclusive of a balance of £197,112 carried forward from the preceding year) at £31,611,367—a figure coinciding with the more hopeful forecasts given from time to time in this column—and other receipts, being money raised by the creation of debt, appear at £14,167,000—or £45,778,367 in all. The issues for central fund services and supply services are given at £38,639,355, while other issues, comprising temporary advances under the Telegraph Acts and the Unemployment Insurance Acts, repayment of floating debt or ways and means advances, are given at £3,744,500. The balance to credit on March 31, 1924, is given as £3,394,512. Thus the revenue has come in well for the whole financial year—surprisingly well considering all the after effects of the but lately subdued insurrectionary movements and the sabotage and business dislocation which followed in their train. Certain of the receipts, however, are not normal revenue; in particular, £2,310,000 was received in respect of "instalment of British contribution towards compensation" for pre-Truce damage done by Crown Forces. On the issue side, too, there was a "payment to Great Britain for adjustment of revenue" which is obviously a remanet from the previous period of joint collection of taxation before April 1, 1923. These two latter figures are not taken from the Exchequer returns in the *Gazette*, but from a White Paper issued from the Ministry of Finance, and bearing date March 28, 1924, entitled "Estimates of Receipts and Expenditure for the year ending March 31, 1925." This White Paper gives comparative figures for 1923-4 in parallel columns, with the estimates for 1924-5, and it describes them as being "revised according to the latest information available," that is, they appear to be a forecast, in the middle of March, 1924, of what the completed figures up to March 31, 1924, would prove to be. There seems to be some confusion in the public mind and in the Press on this head, but it also seems clear that the *Gazette* figures of Exchequer receipts and issues are the actual and authentic figures, and will remain so until the Comptroller and Auditor-General reports on the appropriation accounts for 1923-4, in accordance with his annual statutory duty. His report for the previous year, delayed

as it was by the difficulties and obstacles inseparable from a transition period, has just recently appeared—a salutary document dealing trenchantly and frankly with certain abuses which are not likely to recur in these more settled times. The estimates for 1924-5 are modestly framed on the revenue side—and wisely so, as the country is feeling the pinch of severe agricultural and industrial depression. Tax and non-tax revenue are estimated at £27,687,300, and "additional amount to be found by borrowing or otherwise to cover expenditure as hereinafter set forth" is estimated at £8,658,973, against which, presumably, the Exchequer balance to credit on March 31, 1924, of £3,394,512 may be set off. Estimated expenditure on the Army drops to £3,927,145 from £10,664,510 in 1923-4; public education is down by some £300,000, and Old Age Pensions by nearly £360,000; public works by nearly £600,000; and various other reductions show the operation of a spirit of drastic economy in administrative expenditure which augurs well for the future stability of Irish finance. The item of £1,717,365 for "Superannuation and Retired Allowances" is a reminder that a change of political system causing large changes of personnel involves not inconsiderable burdens. This, of course, is a charge which will gradually expire, and were it not for some eight and a-quarter millions to be paid in 1924-5 for Property Losses Compensation and for Personal Injuries Compensation, there would be an approximate balance between income and expenditure.

Egyptian Cotton Crop.—Our Manchester correspondent writes:—Owing to the fact that half of the exports of raw cotton from Egypt come to this country, Lancashire spinners are always particularly interested in the prospects for supplies. It is rather early for any definite information relating to the growth for 1924-25, but it is understood that planting preparations are well forward. For several years there has been a law in Egypt prohibiting growers from planting more than one-third of their land, but the Government has decided to abandon the restriction. For the current season the area under cultivation was estimated at about 1,600,000 feddans, but according to a cable received in Manchester this week it is likely that the acreage for next season will be nearly 2,000,000 feddans. This, of course, would be a record, and if the climatic conditions are favourable during the growing period, there is a probability of the crop being larger than ever known before. A development of this kind would be very satisfactory to Lancashire, as it would make up for the falling off in recent years in the growth of cotton in the United States.

Index of "Free" Shipping Freights.—For the first occasion since August of last year our freight index registers a reaction. The figure for March is 142.05, representing a fall of 1.4 per cent. on the month. The movements of the component parts of the index are shown in the following table:—

Date.	European Waters.	North America.	South America.	India.	Far East and Pacific.	Australia.	Total.
Basis (Average, 1898-1913).	100	100	100	100	100	100	100
January, 1913.	110.03	113.09	123.37	106.29	117.38	127.89	116.34
February, 1920.	814.31	529.89	757.52	744.81	587.02	712.16	690.95
December, 1921.	268.90	277.17	244.10	256.79	286.72	347.18	280.14
December, 1922.	160.06	164.07	163.72	144.43	141.25	166.47	156.67
December, 1923.	137.09	135.15	129.19	122.61	136.08	159.34	136.57
July, 1923.	132.42	107.20	118.67	122.44	126.10	114.83	120.28
August, 1923.	124.79	109.11	114.33	117.70	117.51	115.73	116.53
September, 1923.	129.83	112.36	116.28	117.77	118.44	124.63	119.88
October, 1923.	133.66	125.46	114.03	119.38	124.40	136.05	125.49
November, 1923.	141.24	135.32	114.64	122.68	124.49	137.89	129.38
December, 1923.	134.03	132.72	120.09	124.35	125.07	144.21	130.08
January, 1924.	130.69	137.49	128.33	124.88	139.45	156.68	136.25
February, 1924.	138.11	146.26	145.36	129.28	142.17	162.91	144.01
March, 1924.	143.72	147.62	145.92	132.08	135.20	147.77	142.05

The month's changes in the Index of each group and subgroup are shown in the following table, the figure 100

representing in each case the average rate during the basic period 1898-1913 :—

	Index No.	Inc. or Dec.		Index No.	Inc. or Dec.
Home trade.....	128.26	+ 4.0	S. America—outwards ..	108.05	+ 2.63
Bay—outwards	145.87	- 2.75	homewards ..	185.79	- 1.52
homewards	159.68	+ 1.62	India—outwards	126.32	+ 12.64
Mediterranean—outwards ..	165.72	+ 19.49	homewards	137.84	- 7.04
homewards	134.56	+ 7.35	Far East, &c.	135.20	- 6.97
North America	147.62	+ 1.36	Australia	147.77	- 15.14

The month was characterised by two divergent tendencies. In the Western Hemisphere a large volume of coal chartering, due to desire to accumulate stocks in provision against a possible stoppage in the British mines, was added to continued steady demand for grain space, particularly from South America. In the Eastern Hemisphere considerable tonnage appears to have been unable to find further employment in the Japanese trade (not included in our Index), and to have gone "seeking" unfixed to Australia and East Indian ports, with, as will be noted, a depressing effect on rates from those quarters. Apart from the release of tonnage from Japanese waters, the importance of which should not be overestimated, it must be remembered that purchases of grain on European account during the past quarter have been on a very large scale, and a temporary lull in buying, having regard to the difficulty of financing current shipments, may reasonably be expected. The Mediterranean trade further improved during March, and freights for ore cargoes, which have been abnormally depressed ever since 1920, are approaching nearer to remunerative figures. The relation of the Index to the average for 1913 may be seen from the following table :—

Month.	1921.	1922.	1923.	1924.
January	194.69	131.60	114.05	117.11
February	164.54	135.76	112.73	123.78
March	162.17	135.53	115.23	122.09
April	147.48	129.46	115.45	..
May	158.42	125.12	114.55	..
June	165.73	117.45	106.82	..
July	169.87	114.52	103.39	..
August	170.60	113.16	100.16	..
September	154.47	110.37	103.04	..
October	141.85	114.42	107.86	..
November	136.47	119.43	111.21	..
December	134.66	117.39	111.81	..
Mean for year	158.40	122.02	109.69	..

The instability of conditions since the war renders attempts to trace seasonal trends in freight movements somewhat questionable. There is evidence in 1920, 1922, and 1923 of a marked seasonal rise commencing in August-September, though this feature did not occur in 1921. Spring movements are even more doubtful. The first six months of 1923 were rendered abnormal by the Ruhr occupation, and in the case of 1921 alone was a fall in March-April, followed by a recovery in the early summer, i.e., before the normal autumnal improvement.

The Stock Exchange Report.—Next Tuesday, the nine trustees and managers of the Stock Exchange face their fellow-shareholders at the annual meeting, at which is to be presented the report of the Stock Exchange for the year ended March 25th last. Many companies might profitably copy the promptitude with which the Stock Exchange issues its accounts less than a week after the financial year has ended. The capital of the House is nominally half-a-million sterling, in addition to which there is an amount of £318,600 in 3 per cent. debentures outstanding, out of an original issue of £450,000. The two items make the total liability for capital £818,600. Last year's interest on debentures called for £9,566, and the item is included by the House in its expenditure and income account. These figures show that the House spent £144,983 last year and received £310,490. Out of the profit of £165,507 a dividend of £8 per share is to be paid on the 20,000 shares, which will take £160,000, the balance being included in the carry-forward of £150,213. Stock Exchange shares being of the nominal value of £25 each, the dividend is 32 per cent., less tax, making the third successive year in which this rate has been declared. There are 3,900 members of the House and 2,336 proprietors, the latter figure comparing with 268 in 1876 when the new deed of settlement took effect. Stock Exchange finance is as simple as it is successful. The

austere will notice with some astonishment that there is no reserve fund, and the investments, which are in Treasury bonds, stand at no more than £119,000. There is nothing to show in what manner the carry-forward of £150,000 is invested, and the liquid cash account looks very small at £13,500, about half, by the way, what it was this time last year. Yet the Stock Exchange is in an extraordinarily sound position financially. Its strength has been built up through the pursuance of a policy which, for a full century, has aimed at keeping the capital down as far as possible, and at increasing assets which are never written up. A few years ago the capital was raised from £240,000 to its present nominal half-a-million pounds, but this was done for the sake of book-keeping, and had no effect upon the price of the shares, or the amount of the dividend paid. The reserve is hidden in the institution itself. The carry-forward is invested in the same manner. Notwithstanding a slight diminution in the number of members, the House continues to flourish, and the receipts from entrance fees for the year just ended were £49,500, an increase of £4,700 over those of the previous twelve months. How greatly the Stock Exchange appreciates the efforts of its managers can be seen from the somewhat backhanded compliment which will be paid them at the meeting on Tuesday, for out of the 2,336 proprietors, it is doubtful if the odd 36 will appear at the meeting, so satisfied are the others with the conduct of their affairs as carried on by the present hands. By slow degrees the fusion between the two Stock Exchange sets, of proprietors and members, is being accomplished. Last year the number of shareholders rose by 67 members, but there are still 1,500 men who do not own a share, and dual control continues to-day, as it has done in the past, to fetter the steps of progress and clog the wheels of energy. Its effect makes itself felt in many directions, for without unification of interests it is impossible—there is no other word for it—for the Stock Exchange to go ahead as it would do otherwise. Members of the Committee take it hardly that their legislation should be deemed narrow or parochial. The criticism, however, readily acknowledges the amount of work which membership of the Stock Exchange Committee involves. There can be no question of the self-sacrifice that is demanded from busy men, who find that committee work takes up more time than even the average Stock Exchange member would think.

Unseaworthiness or Bad Stowage.—In a case recently before them the House of Lords gave an important decision on a question which often has led to dispute between shippers and shipowners. Exceptions in bills of lading, writes a correspondent, usually protect shipowners from liability for damage resulting from negligence of the master in the stowage of cargo, but not for that resulting from unfitness of the ship. Naturally, when damage has arisen shipowners contend that bad stowage caused the damage, and shippers that the ship was unseaworthy. Difficulties have arisen in respect to particular classes of goods; the juxtaposition of another kind of cargo has been urged to render a hold unfit for the carriage of the contractual cargo, as where pungent cheese was stowed next to chocolate; the peculiar nature of the contractual cargo has rendered the ship fittings unfit for its carriage, as where wet sugar filled the bilges with a treacherous mixture, rendering the pumps incapable; the stowage of other cargo in conjunction with the absence of fittings has damaged the contractual cargo, as in the case under discussion. In this case a ship, the *Grelwen*, proceeded under charter to West African ports to load produce, palm oil and palm kernels. She had not traded in such produce before, and did not carry the 'tween decks customary in that trade. The master loaded two or three tiers of barrels of palm oil in each hold and filled the holds up with sacks of palm kernels. Though the barrels were sound, the weight of the kernels crushed in the barrels before she left port. The shippers contended that the ship was unfit for the carriage of their barrels; the ship ought to have had 'tween decks to carry the weight of the kernels; though the master might have avoided the catastrophe by loading less kernels, the danger of an error in judgment on his part in itself made the ship unseaworthy. The shippers succeeded at the trial and before the Court of Appeal, but failed in the House of

Lords. The House of Lords decided, Lord Finlay dissenting, that the damage arose from bad stowage; clearly lack of 'tween decks did not make a ship unfit for the carriage of cargo; no inefficiency to carry palm oil in barrels, the contractual cargo, existed at the time when that cargo was placed on board; the addition of the kernels alone necessitated 'tween decks, and this addition in the absence of 'tween decks constituted bad stowage. The decision discloses and clarifies an underlying confusion of thought, for it confirms the view that the court has to consider, not the fitness of the ship to carry all its cargo when loaded, but its fitness to carry the particular cargo damaged at the time the master accepted it on board. The order of acceptance of cargo may thus affect the result; it may be bad stowage to stow cheese next to chocolate, but a hold half-filled with cheese may be unfit afterwards to receive chocolate. This case fails to decide whether a ship must be fit for the cargo, not only at the moment of loading, but at the moment of sailing, for here the damage occurred before sailing; had the damage occurred later, and had it been decided, that a ship must also be fit for the cargo on sailing, the court might well have concluded that the ship at that time was unfit, loaded as she then was, for the contractual cargo. This point apart, a shipper who endeavours to prove the unfitness of ship for his cargo must apparently direct his evidence to unfitness affecting his cargo only and existing at the moment of loading.

Sugar "Futures"—American Decision.—The result of the American Government's attempt to restrain dealings in "futures" on the New York Coffee and Sugar Exchange is an interesting example of the way in which bureaucratic action in a praiseworthy cause is often distinguished by zeal rather than perspicacity. Following violent fluctuations in the price of sugar futures in February, March, and April of last year, the Government applied to the Supreme Court for an injunction against future dealings on the Sugar Exchange, on the ground that this body was operating in violation of the Sherman Anti-Trust Laws. Speculative dealings are a most important feature of the work of all wholesale markets, and in attempting entirely to prohibit such contracts as an expression of dissatisfaction over the rise in prices last year, the Federal authorities would appear to have been extremely ill-served by their legal advisers. The Supreme Court refused to grant the desired injunction, and the case as a whole seems to justify the comment made by the New York Trust Company in its current bulletin that the application was in the nature of a demonstration of official care for the public welfare rather than a serious attempt to enforce the law.

Commercial Corporation of London.—The liquidator has just published a concise but unpleasant balance-sheet of that unhappy undertaking, the Commercial Corporation of London, Limited, as at October 2, 1923. This concern, it will be recalled, was the successor to the Commercial Bank of London. On the debit side of the balance-sheet the total of nearly £2½ millions is made up of share capital, £2,250,709, sundry creditors, £12,442; and due to Mr C. C. Hatry, £43,024. On the other side, book debts are £31,586; investments, £735,995; and finally a deficiency of £1,537,441 is shown. The liquidator in his report observes that "the directors, in common with many others, failed to appreciate the artificiality of the post-Armistice boom, to estimate its duration, and to gauge the severity of the reaction which was to follow." His further remarks provide an interesting commentary on the balance-sheet. "The book debts present considerable difficulty in realisation, and are not expected to produce the full amount at which they are stated." There is, however, a "possibility" of recoveries in respect of certain debts which have been written off, and a claim is being made for repayment of income-tax. Investments are shown (1) quoted securities at middle market price, £71,910, and (2) unquoted securities, £664,085. Apparently an unstated amount of quoted securities is in the hands of Mr Clarence Hatry, as a pledge. The liquidator is not in favour, at present, of the suggested holding

company, but considers that time should be allowed to dispose of the various holdings, pointing out that "the amount which the large holdings would realise on a forced sale is far less than the nominal market value." He significantly adds "in the absence of specific authority from the shareholders it may be regarded as my duty to sell the shares for what they will fetch." If an authority to postpone the sale is given, it is the liquidator's intention to invite several of the largest shareholders to form an advisory committee to confer with him in regard to realisation.

Lever Bros.—The report for the year 1923 of Lever Bros. shows a further increase in profits, the balance of profit and loss account, after providing for repairs, renewals, and alterations, depreciation and insurance, and it is to be supposed, debenture interest (though this is not mentioned in the accounts), amounting to £5,071,978, as against £4,625,018 a year ago. The following table shows the remarkable growth in the company's earnings since 1895 :—

	Profit Balance.	Depreciation, Reserve, &c.	Employees.	Prof. Div.	Ord. and Pref. Divs.
1895.....	158,576	46,076	..	37,500	75,000
1901.....	278,986	396	..	100,000	178,590
1907.....	405,331	86,555	32,245	138,531	148,000
1908.....	473,132	95,344	37,216	155,572	185,000
1909.....	545,482	106,796	42,436	165,000	231,250
1910.....	637,329	118,986	55,536	185,307	277,500
1911.....	720,748	127,266	39,959	276,023	277,500
1912.....	779,403	135,855	40,069	325,979	277,500
1913.....	988,258	145,493	41,272	402,604	397,869
1914.....	1,152,107	179,205	24,095	499,617	449,190
1915.....	1,265,933	164,278	42,947	529,994	528,714
1916.....	1,354,607	203,279	70,209	545,000	536,119
1917.....	1,608,778	276,241	130,834	562,045	643,658
1918.....	1,553,589	5,953	206,143	610,000	731,492
1919.....	2,439,067	504,038	271,299	740,000	923,730
1920.....	3,270,091	4,936	276,855	2,158,483	829,817
1921.....	4,035,516	250,000	219,715	2,886,080	625,593
1922.....	4,625,018	250,000	196,479	2,889,208	1,233,961
1923.....	5,071,978	250,000	197,427	2,924,503	1,402,355

* After providing for repairs, renewals, alterations, depreciation, and insurance.

The ordinary dividend remains unchanged at 10 per cent. It will be observed that the increase in profits is largely absorbed by the additional amounts required for the dividends on the preference and preferred ordinary shares. This is on account of the capital rearrangement of the previous year, and internal changes which have resulted in the raising of the dividend on the former 5 per cent. cumulative preferred ordinary shares to 8 per cent. It will be seen from the balance-sheet, which is analysed in another column, that the item £476,680 which appeared in the balance-sheet a year ago under the heading of "Discount on Debenture Stock and Expenses of Issue," has been written off the reserve fund. Total assets are now given as £67,915,593, as against £64,397,466 for 1922. Assets mainly consist of investments in associated companies, this item alone amounting to £54,016,556. A little more information here would be welcome. The report concludes with the statement that "The directors are satisfied, after careful consideration of the value of the whole of the assets of the company, that any depreciations in value are amply covered by the appreciation in value of the holdings of the company in associated companies."

British Dyestuffs.—The accounts of the British Dyestuffs Corporation, Limited, for the year ended October 31, 1922, were dated June 22, 1923. Accounts for the year ended October 31, 1923, are issued under date of March 28th. Progress has been made here. Profits are given as £251,423, which compares favourably with £102,657 for the previous twelve months. As before, profits are applied in reducing the debit balance. This now stands at £449,276. But in addition to this sum, preliminary expenses are still shown as £251,552. Although a holding company, the directors issue a summary of assets and liabilities of the associated concerns. The directors state that they "have continued the policy of conserving the financial resources of the company without impairing its efficiency, and at the date of this report there is in cash

THE REVENUE.

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

	Quarter from January 1 to March 31, 1924, compared with the corresponding Quarter of the preceding Year.				Year ending March 31, 1924, as compared with the preceding Year.			
	Quarter ending Mar. 31, 1924.	Quarter ending Mar. 31, 1923.	Increase.	Decrease.	Year ending Mar. 31, 1924.	Year ending Mar. 31, 1923.	Increase.	Decrease.
	£	£	£	£	£	£	£	£
Customs	24,398,000	27,844,000	3,179,000	3,446,000	119,958,000	123,043,000	..	3,085,000
Excise	39,146,000	35,967,000	1,499,000	..	147,970,000	157,275,000	..	9,305,000
Motor Vehicle Duties	10,221,000	8,722,000	1,499,000	..	14,691,000	12,321,000	2,370,000	..
Stamp, &c., Duties	16,440,000	13,050,200	3,390,000	..	57,800,000	56,871,000	929,000	..
Land Tax	6,730,000	7,460,000	..	730,000	21,570,000	22,222,000	..	652,000
Land Tax House Duty, and Mineral Rights Duty	2,190,000	2,330,000	..	140,000	2,760,000	2,980,000	..	220,000
Property and Income Tax	132,696,000	191,494,000	..	24,448,000	269,331,000	379,045,000	..	49,074,000
Super Tax	34,350,000	1,050,000	..	..	60,640,000	1,050,000	..	2,004,000
Excess Profits Tax	7,390,000	5,680,000	1,710,000	..	23,340,000	2,004,000	..	..
Corporation Profits Tax	9,490,000	8,820,000	670,000	..	32,840,000	34,150,000	4,363,000	1,310,000
Postal Service	1,770,000	1,700,000	70,000	..	5,570,000	5,500,000	70,000	..
Telegraph Service	3,650,000	3,280,000	410,000	..	14,390,000	13,550,000	840,000	..
Telephone Service	140,000	190,000	50,000	..	920,000	900,000	20,000	..
Crown Lands	1,988,378	1,708,536	279,842	..	12,006,900	10,016,255	2,590,645	..
Interest on Sundry Loans	..	..	..	..	..	..	..	..
Miscellaneous—	..	..	..	..	..	..	..	..
Ordinary Receipts	6,335,775	5,226,398	1,107,377	..	15,980,950	24,140,591	..	8,159,641
Special Receipts	6,909,069	13,925,789	..	7,016,719	36,801,434	51,017,606	..	14,216,172
	303,884,222	328,449,722	12,315,219	36,880,719	837,169,284	914,012,452	11,182,645	88,025,813
			Net Decrease, £24,565,500				Net Decrease, £76,843,168	

II.—An ACCOUNT showing the RECEIPTS into and ISSUES out of the EXCHEQUER in the Year ending March 31, 1924, as compared with the preceding Year.

RECEIPTS.	Year ending Mar. 31, 1924.		Year ending Mar. 31, 1923.	ISSUES.	Year ending Mar. 31, 1924.		Year ending Mar. 31, 1923.	
	£	£			£	£	£	£
Balance in Exchequer on April 1—				Expenditure—				
Bank of England	5,442,665	9,963,424		National Debt Services—	307,308,748	323,989,932		
Bank of Ireland	1,375,502	1,210,106		Interest, &c.	40,000,000	..		
	6,818,167	11,173,530		Sinking Fund	14,090,044	11,772,043		
Revenue, as shown in Account I.	837,169,284	914,012,452		Road Fund	13,662,631	10,471,016		
Temporary Advances Repaid—				Payments to Local Taxation Accounts, &c.	3,966,865	3,322,939		
Bullion	265,000	800,000		Payments to Northern Ireland Exchequer ..	1,209,128	1,235,874		
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 ..	73,782	169,818		Land Settlement	2,802,795	2,704,800		
Under the Unemployment Insurance Acts, 1921	7,210,000	3,200,000		Other Consolidated Fund Services	383,040,211	353,496,604		
Money Raised by Creation of Debt—				Supply Services—				
(a) For Capital Expenditure Issues—				Army, Navy, and Air Force	105,800,000	111,000,000		
Under the Telegraph (Money) Acts, 1921 and 1922	7,670,000	7,010,000		Civil Services	239,368,000	286,826,000		
Under the Post Office (London) Railway Act, 1913	10,500	..		Revenue Departments and Post Office ..	60,634,000	61,174,000		
Under the Housing Act, 1914	16,000	27,000		Total Supply Services	405,800,000	459,000,000		
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	950,000		Total Expenditure chargeable against Revenue	788,840,211	812,486,604		
By Exchequer Bonds, under the Capital Expenditure (Money) Act, 1904	..	1,553,300		Temporary Advances—				
By Exchequer Bonds, under the Cunard Agreement (Money) Act, 1904	520,000	..		Bullion	5,000	..		
Under the Unemployment Insurance Acts, 1921	820,000	6,290,000		Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 ..	73,782	169,818		
(b) For other Issues—				Under the Unemployment Insurance Acts, 1921	820,000	6,090,000		
By Treasury Bills	2,470,746,000	2,851,096,000		Under the Telegraph (Money) Acts, 1921 & 1922 ..	7,670,000	7,010,000		
By National Savings Certificates	45,200,000	60,808,000		Under the Post Office (London) Railway Act, 1913	10,500	..		
By Exchequer and National War Bonds ..	45	135		Under the Housing Act, 1914	16,000	27,000		
By Treasury Bonds—				Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	950,000		
5-15 Year, 1925-35	..	61,707,905		Under Capital Expenditure (Money) Act, 1904 ..	..	1,553,300		
5 per Cent., 1927	..	95,009,780		Under the Cunard Agreement (Money) Act, 1904 ..	520,000	..		
4 per Cent., 1931-33	32,657,952	2,070,000		Unemployment Insurance Acts, 1921 ..	..	..		
By Other Debt created under the War Loan Acts, 1914 to 1919	4,000,000	25,259		Redemption of Debt—	7,210,000	2,400,000		
(d) Ways and Means Advances	954,964,000	1,003,987,000		Treasury Bills—				
Anglo-Persian Oil Company	501,335	1,017,976		(a) Repaid by Issues under Sec. 33 (1), Finance Act, 1923	11,900,000	3,117,109,000		
Dividends on Shares Acquired	..	..		(b) Repaid otherwise	2,486,535,000	..		
Repayments—				Principal of National Savings Certificates—				
In respect of Suez Canal Drawn Shares	5,501	5,787		Repaid by issues under Sec. 33 (1), Finance Act, 1923	33,300,000	27,150,000		
Do Cunard Loan	130,500	130,500		Principal of Exchequer Bonds paid off ..	24,900	19,897,122		
Do Issues under Land Settlement (Facilities) Acts, 1919 and 1921	314,890	291,829		Principal of National War Bonds	53,763,505	..		
Do Issues under Section 59 (4) of the Finance Act, 1920	..	6,827,960		Less: Paid off by the National Debt Commissioners	1,000,000	..		
Interest received under Section 59 (5) of the Finance Act, 1920	..	162,425		Other Debt under the War Loan Acts, 1914 to 1919	52,763,505	44,684,182		
	4,369,082,456	5,027,326,156		Ways and Means Advances Repaid	9,255,894	17,299,896		
				Anglo-Persian Oil Company	962,696,000	957,391,000		
				Issued to the National Debt Commissioners ..	501,335	1,017,976		
				Issues to National Debt Commissioners to reduce Debt	..	..		
				Suez Canal Drawn Shares Repayments	5,501	5,787		
				Cunard Loan Repayments	130,000	130,000		
				Old Sinking Fund, 1910-11, issued under Sec. 34 of the Finance Act, 1923	118,000	..		
				Proceeds of National Savings Certificates—				
				Issued under Section 59 (4) of the Finance Act, 1920	..	5,000,000		
				Old Sinking Fund, 1910-11	..	..		
				Issued under Section 16 (1) (b) of the Finance Act, 1911	55,214	136,304		
				Balance in Exchequer—				
				Bank of England	5,069,613	5,442,665		
				Bank of Ireland	1,582,001	1,375,502		
					6,631,614	6,818,167		
					4,369,082,456	5,027,326,156		

MAR.—	1924.		1923.	
	Mar. 31, 1924.	Mar. 31, 1923.	Mar. 31, 1924.	Mar. 31, 1923.
Floating Debt outstanding March 31, 1923	809,907,500	..	809,907,500	..
Ways and Means Advances outstanding—				
Advances by Bank of England	186,155,500	..	191,897,500	..
Advances by Public Departments	588,330,000	..	616,010,000	..
Treasury Bills outstanding	774,475,500	..	809,907,500	..
Total Floating Debt outstanding	1,168,863,000	..	1,217,815,000	..
Net Decrease	35,432,000	..	..	..

Treasury, March 31, 1924.

or invested in realisable securities a sum of more than £2,600,000." In the balance-sheet "cash" shows as £169,808, but in the summary of assets and liabilities it is given as "Cash on Hand," £811. The report states that the trading results for the year under review show an improvement over those for the preceding year, "although the general trade of the country has not substantially changed, and selling prices of your products both in home and foreign markets have fallen." The dye-making plants in this and other countries have a manufacturing capacity greatly in excess of the present requirements of the colour-using industries, and until trade improves the undertaking cannot be worked with that advantage which a larger output would ensure. The directors make the interesting announcement that "Representatives of your company and of the German Interessen Gemeinschaft have on several occasions discussed various proposals with the object of securing a close working arrangement between the two undertakings. All interests concerned may be assured that your directors will not give their approval to any scheme which does not provide complete security for the progress of your undertaking both in research and manufacture. In this connection your directors have under consideration the question of reconstructing the capital of the company. These matters will be placed before the shareholders at the earliest possible date."

Wesleyan and General Assurance Society.—The idea that life assurance companies can give a Health Service to their policyholders, in the interests of both parties to the life assurance contract, has been developed in America though not as yet here to any marked extent. It was indeed not until last year that a few British offices become seized with the notion. It was due to no small extent to the Wesleyan and General, a Birmingham office, which transacts both ordinary and industrial life assurance that progress has been made on this side of the Atlantic. The directors despatched their general manager to investigate the American and also the Canadian practice, with the result that free periodical medical examination is now offered to policyholders of £1,000 and upwards, and a Health Service Bureau has been established for general welfare work. This Bureau is engaged upon health propaganda, and those pamphlets which have been issued by it, and which we have seen, are models of clear and simple exposition of how disease may be prevented. Though some may think it rather indelicate for a life office to try to make its customers live longer so that they may pay to it more premiums, that is not our view. Good health is of more value than long life, and if the Wesleyan and General can teach its working-class clients, and others too, to live more healthily and happily, it will be doing valuable work apart from any financial gain. The past year for the company has been successful. The new business in both departments amounted to £3,578,925, the assurance funds increased by £536,528 to £5,452,314, and a bonus of £1 16s per cent. has been declared for 1923 on ordinary life policies as soon as they shall be two years in force.

Rand Gold Mining Reports.—Our mining correspondent writes:—There have been issued this week the annual statements of several companies of the "Corner House" group, including that of the Crown Mines, the largest gold producer of the world. This company, also the Durban, Geldenhuis, and Village Deep, last year crushed a record tonnage. Important economies in costs were effected. In several cases a modification of the gold-recovery process was carried into effect, while good results were secured from the introduction of new mechanical appliances in development work. In the case of the Crown Mines the additional revenue due to the gold premium represented only 1s 4d per ton milled, as against 2s in 1922 and 6s 11d in 1921. But, thanks to the reduction in expenses and the increase in efficiency, in conjunction with the treatment of a largely increased tonnage of ore, the profit came out at a higher figure than ever before. The tonnage crushed last year exceeded 2½ million tons, while the cost ratio, at 19s 6d, showed a saving of nearly 3s per ton, following upon an economy

of 2s 6d in 1922. Although last year's earnings were of unprecedented extent, the dividend total of 67½ per cent. fell 10 per cent. below the rate for 1920. The explanation is to be found partly in the difference in the special appropriations. Last year the expenditure on property, plant, and debenture redemption totalled £262,200, while taxation absorbed £160,800. For 1920 the figures were £142,800 and £143,300 respectively. Moreover, £459,300 is now carried forward, as against £378,800 brought in from 1922. The ore reserve position is also stronger than before, both in quantity and value, as indicated by the following table:—

CROWN MINES.	1921.		1922.		1923.	
	Tonnage milled	2,177,000	..	1,924,600	..	2,583,000
Working costs per ton	25/-	..	22/5	..	19/6	..
Total working profit	£ 672,030	..	£ 561,320	..	£ 1,133,350	..
Dividends	£ 305,530	..	£ 369,280	..	£ 623,000	..
Do per cent.	32½	..	40	..	67½	..
Ore reserves	tons 8,511,200	..	8,882,100	..	9,076,000	..
Average value	dwt 61	..	61	..	64	..

The outlook for the company has been materially changed by the recent acquisition from the Government of additional ground. In this connection a third deep-level shaft is to be sunk in the south-western section of the property. On the basis of last year's dividends, the shares—which are of the par value of 10s—give the moderate yield of 11 per cent. For the current year the rate should, however, be increased. In the case of the Durban Roodepoort Deep, also, there has been an extension of the property, the company having acquired a large block of the claims formerly owned by the liquidated Princess Estate. This area, however, is not immediately available, the mine workings being at present flooded. It is believed on the Stock Exchange that the claims on the dip of the whole property will eventually be purchased; hence the spurt in the shares of the owning company, the New Steyn Estates. Last year, of course, the Durban Deep was provided with funds by a debenture issue, and was thus enabled to distribute a portion of the profits in a dividend of 1s per share—the first since 1918. The ore reserve position shows little change. As the result of milling a larger tonnage than ever before, in conjunction with economy in costs, the Geldenhuis Deep was able to re-enter the dividend list with a modest 5 per cent. At 935,800 tons, value 5.7 dwt, ore reserves display an expansion in quantity with a further decline in value—both features being due to the inclusion of ore which previously had to be classed as unpayable. In regard to the prospects, much importance attaches to the working-cost factor. The directors of the Robinson Gold Mining Company intimate that, while every effort will be made to extract all payable ore remaining in the mine, it is expected that operations will cease during the current year. Liquidation should yield something in excess of the current market price of the share. The surplus cash assets figure at £260,300; the amount includes 13,400 Crown Mines shares, taken at less than one-third the present price. The Robinson is a mine with a wonderful record. To date it has distributed nearly £12,000,000 in dividends, an average of more than £1 per ton of ore crushed. With the Village Deep saving in costs, plus the increase in tonnage milled, rather more than counterbalanced the shrinkage in revenue arising from decline in the grade of the ore and in the gold premium, the working profit figuring at £148,100, as against £88,200 in 1922 and £112,750 in 1921. The dividends—10 per cent.—leave a somewhat increased balance to go forward. The ore reserves have now fallen below the 2,000,000 level; they represent 2½ years' supply for the mill. This company is one of the oldest producers on the Rand, and its workings are below 6,000 feet.

Mason and Barry.—The sharp cut in the dividend from 7s 6d to 3s 6d does not more than reflect the decline in profits during 1923, the carry-forward of £36,200 being a little less than the amount brought in. Last year's revenue included £2,400 profit on sale of a portion of the company's investments; on the other hand, "balance of income-tax" figures at £4,800 in place of £13,700. The quantity of ore raised was less than in 1922, but the shipments were larger, while the price of copper averaged £65 18s, as against £62 3s. In the light of these figures the decline in profit appears to require elucidation. Further information will doubtless be given at the meeting.

Rio Tinto.—In their report for 1922 the directors referred to the "unduly low" price of pyrites. As this product is a very important one with the group of companies operating at Huelva, considerable significance was attached to a statement current in French financial circles rather over a year ago, that the principal undertakings concerned—the Tinto, Tharsis, and Huelva Copper—had come to a working agreement. In fact, a considerable advance occurred in the quotations of the several shares. In their report for 1923 the directors of the Tinto company on this subject merely remark that "the price of pyrites still continues excessively low." Hence it would seem doubtful if the statement above referred to was accurate. The course of the copper market proved disappointing during the second half of the year, although the average for the whole period exceeded that of 1922. The output of mineral continued to increase, although owing to conditions on the Continent, a greater proportion of the ore had to be reserved for local treatment. In the end a profit of £729,650 was made, as against £670,500 previously. The increase in the rate of dividend from 30s to 35s per share rather more than absorbs the extra earnings, the carry-forward of £440,100 being some £8,000 down. During the year 30,000,000 pesetas were redeemed of the 50,000,000 pesetas loan raised by the company on behalf of the British Government during the war. This transaction, of course, is one which does not really affect the shareholders. On the basis of last year's dividend, allowing for the amount included in the price, Rio Tinto £5 shares at 33 yield about 5½ per cent.

The National Bank of Bulgaria announces that the last date for exchanging Treasury bonds and bank notes of the old issue will be April 14, 1924, inclusive. After this date no exchange whatever will take place, and the value of the bonds and bank notes not given up will be put to the account of the Treasury at the State's benefit.

The Administrator of Bulgarian Property announces that a third and final dividend of 6s in the £, making a total payment of 20s in the £ on all British claims against Bulgarian nationals, in respect of which awards have been given by the Anglo-Bulgarian Mixed Arbitral Tribunal, together with interest to which claimants are entitled under the provisions of the Treaty of Neuilly-sur-Seine, or by virtue of the award of the Tribunal, is about to be paid.

Oversea Correspondence.

UNITED STATES.—DECLINE IN MONEY RATES—STOCKS AND BONDS—FEBRUARY TRADE.

(FROM OUR CORRESPONDENT.)

NEW YORK, March 21.

THE outstanding development in the financial situation here is the pronounced and unexpected decline in money rates this week. On the Stock Exchange, call loan rates, which for some time had ruled generally steady at 4½ per cent. to 5 per cent., fell to 3 per cent., and old demand loans were renewed at the latter figure—the lowest witnessed since the summer of 1922. In the outside money market, day-to-day funds were obtainable at 2 per cent., the lowest in a number of years. The immediate cause of the sudden drop in call money rates is the enormous accumulation of funds in connection with federal income-tax payments, which became due last Saturday. These large sums are in bank vaults awaiting withdrawal or disbursement by the Government. The excessive surplus, therefore, which has greatly increased the supply of funds available for call loans, is likely to disappear, or be materially reduced in the near future, with the probable result that call money rates will show a firmer tendency. The present plethora of funds also caused declines in time rates from the long-prevailing quotations of 4½ per cent. bid to 5 per cent. asked on Stock Exchange collateral for all maturities to 4 per cent. bid and 4½ per cent. asked for 30 to 90-day loans and 4½ to 4¾ for longer periods. Some loans, both call and time, were negotiated at the

lower rates, but borrowing was light in the aggregate, offerings greatly exceeding demand. Brokers' requirements, especially, for stock market purposes were very small. Rates for bank acceptances likewise eased off from 4½ per cent. bid and 4¾ per cent. asked to 4½ per cent. and 4 per cent. for all maturities up to 120 days, with some dealers quoting 4 per cent. and 3¾ per cent. for the same maturities. The decline in acceptances has attracted much attention, because the rate for such loans frequently has a bearing on the Federal Reserve bank situation, and the present open market rate for acceptances is more than one-half of 1 per cent. below the bank rate. Whether or not this fact foreshadows a lowering of Federal Reserve discount rates is uncertain, however. The market for commercial paper, in sympathy with the downward trend of money rates generally, displays an easier tone.

In addition to the temporary accumulation of money at this centre, the continued heavy inflow of gold imports has materially increased the supply of loanable funds, while the larger circulation of gold certificates by the Treasury has naturally lessened demand for other kinds of paper currency. Another factor which undoubtedly has contributed to bring about lower money rates is that demand for commercial purposes in many lines of trade and industry is not active at the moment, and agricultural requirements for seed, fertilisers, and implements have not yet developed to any extent.

This week's statement of the Federal Reserve system quite plainly reflects money market conditions. Total holdings of discounted bills decreased during the past week \$52,100,000, while acceptances purchased in the open market fell off \$48,400,000, and the amount of federal reserve notes in circulation showed a reduction of \$20,700,000. Outstanding note circulation has now dropped below two billion dollars for the first time since 1918. The system's ratio of reserves to note and deposit liabilities remains practically unchanged from that of recent weeks, namely, fractionally above 80 per cent., but the New York Federal Reserve Bank's reserve ratio has advanced to 89½ per cent., the highest level since the war, except in January, 1922.

As invariably happens, easier money rates have caused increased demand for bonds at rapidly advancing prices. Corporate and Government bonds have shared in the vigorous upturn, as have foreign Government issues, notably French bonds, although the principal reason for the recovery in the latter is found in the further sharp advance in French francs. Liberty Loan Third 4½'s this week reached the highest price witnessed since 1922, while United States Treasury 4½'s established a new high record. The stock market, on the other hand, has been considerably unsettled by aggressive and concerted bear attacks, directed mainly against industrial stocks, particularly those whose market position had become more vulnerable owing to unfavourable annual reports for 1923. The selling, which seemed to emanate principally from professional operators, was due to misgivings over the soldier bonus bill, which has just been passed in the House of Representatives, and uncertainty as to the final outcome of efforts to enact such legislation. Stock market sentiment has also been affected adversely by the unencouraging outlook for tax reduction, and by the uncertain political outlook in this country. Testimony before the Congressional Oil Investigating Committee continues to be featured with big and sensational headlines in the daily papers, but nothing has actually been proven yet with respect to charges made against various individuals, including present and former Government officials, and developments at the inquiry are receiving only passing interest in securities markets. The general feeling, so far as the public is concerned, appears to be one of growing disgust over the manner in which the investigation is being conducted.

In cottons, as in practically all other textiles, piecemeal buying is the outstanding feature, reflecting apparently a desire to secure quick and frequent turnover and to carry as small stocks as possible, pending further developments in the price situation. Exports of cotton in February, amounting to 482,146 bales, were 11½ per cent. below those of January, and the smallest reported for any month since September, although they were 34 per cent.

greater than in February, 1923. For the seven months ending with February, exports of the staple totalled 4,359,554 bales, as compared with 3,740,145 for the same period in the year before, representing an increase of 16 per cent. Whereas a year ago domestic consumption exceeded exports, this season exports have been far in excess of consumption. The total of exports and domestic consumption for the seven months of the present cotton year is 7,954,546 bales, against 7,579,740 last season, an increase of nearly 5 per cent. Active spindles last month decreased about 2 per cent. from January, and nearly 7½ per cent. from February of last year.

Foreign trade returns show that there were numerous cross-currents in February. Exports decreased last month from January, owing partly to the fact that it was a shorter month, but imports increased, the gain being attributed to more active operations by manufacturers, which were reflected in inflow of raw materials from abroad. February exports, valued at \$367,000,000, were 5.6 per cent. less than in January, while imports were \$335,000,000, showing a gain of 13½ per cent. over January. As compared with February a year ago, exports gained 20 per cent., but imports were only 10 per cent. greater in value. The excess of exports over imports last month was only \$32,000,000, the smallest since last July. Heretofore, the large exports of cotton at high prices have been mainly responsible for the gains shown in exports as a whole over corresponding months of last year. During February, however, the situation was mixed, since exports of cotton in quantity increased 34 per cent. over the same month in 1923, but the price was fully 6 cents a pound below that of January, and some 2 cents under the February, 1923, level.

FRANCE.—NEW CABINET—EXPERT COMMITTEES REPORTS—STOCKS AND THE FRANCO RECOVERY.

(FROM OUR CORRESPONDENT.)

PARIS, April 2.

THE new Poincaré Ministry, whose completion was announced on Saturday night, largely fulfilled the general forecast I was able to give last week. The real surprise in the crisis was that the Premier jettisoned no fewer than ten out of his twelve former collaborators, and retained only M. Maginot and M. Le Trocquer, his Ministers for War and Public Works respectively. The fact is of unusual significance, because these two Ministers, more than all others, except the Premier himself, have been responsible for whatever measure of success has attended the occupation and development of the Ruhr. Their inclusion in the new Cabinet emphasises the Premier's determination to continue his Ruhr policy at all costs. For the rest, the new Ministry may be summarised, to use an expression which one of its new members made use of in conversation with me this afternoon, as a "Ministry of Negotiation." Analysis of its political composition shows that M. Poincaré has skilfully extended his influence in the direction of the Left, for the support of which he is known long to have been angling, in view of the coming General Elections.

The return of M. François-Marshall to the Ministry of Finance is hailed with general satisfaction, and one of the new banker-Minister's first tasks will be to take up the problem of consolidating the floating debt, in regard to which nothing of this kind has been done since he left office in January, 1921. M. Loucheur's appointment to the Ministry of Commerce, Industry, and Posts is also regarded as satisfactory, from the fact that he also is practically acquainted with the needs of the trading classes. The acceptance of a Cabinet post by M. Bokanowski, the former rapporteur to the Finance Commission of the Chamber, is also regarded as an element of strength (although he takes merely the comparatively negligible portfolio of the Ministry of Marine) as he is generally regarded as possessing sound ideas in regard to the public finances. Another excellent appointment is that of M. Louis Marin as Minister for the Liberated Regions. M. Marin was the author a few months ago of an extremely well-worked-out plan for administrative reform, which is the basis of the extensive proposals which M. Poincaré has now been authorised to carry out under the

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much-discussed régime of the *décrets lois*. Another significant appointment is that of M. Henry de Jouvenel, one of the French delegates on the Council of the League of Nations, to the post of Minister of Education. It is understood that this appointment is an indication of M. Poincaré's future attitude to the Geneva organisation, which he expects will figure much more prominently in the coming months than in the past, and which will have in the near future to decide on the thorny question of admitting Germany to membership. For the rest, one cannot but recognise the able manner in which M. Poincaré has utilised an accidental defeat in the Chamber to strengthen enormously his position in view of the coming elections by getting rid of a large number of collaborators who would otherwise, through their failure to pull their full weight in the Cabinet, have caused him serious embarrassment during his forthcoming appeal to the electors.

The real task of the "Ministry of Negotiations" will begin next week, after the reports of the two committees of experts are made public. There is every reason to believe that the reports (which almost certainly will not be handed in until Saturday, and very possibly not before Monday) will prove satisfactory to the French as a working basis for a settlement of the whole reparations problem. So far as the payment of Reparations is concerned, it is believed the plan will be found both practicable and reasonable. There has been no attempt to fix the total amount Germany shall be called on to pay, as that would be outside the terms of reference under which the experts have worked. They have set down merely the figures they consider will be within Germany's capacity for payment, if she is accorded a semi-moratorium for three—or perhaps four—years, to give her breathing time. This amount, there is reason to believe, has been fixed at 2,500 million gold marks per annum, of which 1,000 millions are expected to be derived from the *gross* receipts of the German railways.

The term "semi-moratorium" is used because it is understood Germany will be expected to continue payments in kind from the moment the plan comes into opera-

tion, although for the first year no cash would be expected from her. Neither would she have to make direct Reparation payments in cash in the subsequent two (or possibly three) years, and only after that period would the full scheme come into operation. At the same time, it is proposed that the creditor nations shall be able to derive substantial cash benefit from the plan from the beginning of the second year, as it is hoped by that time they will receive a large total sum from the produce of the international loan which is to be issued on the security of the German railways. The railways are to be capitalised at 26,000 million gold marks, half of this share capital being handed to the Reparation Commission for disposal as it may decide. Six per cent. bonds (1 per cent. for sinking fund purposes) are also to be issued to the amount of 10,000 million gold marks on the security of a mortgage on German industrial and agricultural property, and of these 6,000 millions are to be handed over to the Reparations Commission, which will have the right to mobilise them as it thinks fit. These bonds will be issued for a period of forty years, it is believed. The plan is stated in certain quarters here to aim at providing a means by which, as an immediate result, it would be possible to mobilise an available sum of 125 millions sterling during each of the next three years. The French share (52 per cent.) of this, if the old proportions are adhered to, would be about 5,000 million francs a year, which would provide the greater part of the 7,000 millions a year which this country still has to furnish to complete the restoration of the devastated regions. As it is unlikely the French public could be prevailed upon to furnish this large amount under present conditions, it is not improbable the Government will hesitate a good deal before opposing the adoption of a plan which, if the details I have set forth above be founded on fact, would enable it to find a way out of a serious financial deadlock. Speaking generally, the experts' plan does not appear to differ substantially from the scheme proposed by Mr Bonar Law during the Paris Conference in January last year, which fixed the total amount Germany should pay at £2,500,000,000, including interest, spread over a total period of twenty years, which should begin with a four years' moratorium. The proposal (which the French declined to accept) was accompanied by an offer to cancel the French debt to Great Britain if this country would agree to the total of the German Reparations being reduced to the figure stated.

The following table will enable some idea to be obtained of the effect which the recent remarkable recovery of the franc (from 122.50 on March 8th to 73 on April 2nd) has had on the principal French and foreign descriptions on the Bourse:—

	March 11.	March 20.	April 2.
Pound sterling	115.93 ..	84.13 ..	73.35 ..
Dollar	27.18 ..	19.60 ..	17.05 ..
Banque de Paris	1,700 ..	1,592 ..	1,510 ..
Crédit Lyonnais	1,700 ..	1,602 ..	1,539 ..
Union Parisienne	1,043 ..	1,005 ..	888 ..
Rente Foncière	3,400 ..	3,055 ..	2,350 ..
Banque Nat. de Mexico ..	814 ..	758 ..	616 ..
Nord. Railway Co.	1,353 ..	1,360 ..	1,295 ..
Orleans Railway Co.	1,040 ..	1,050 ..	1,001 ..
Suez Canal	14,600 ..	10,950 ..	9,210 ..
Thomson-Houston	755 ..	733 ..	690 ..
Com. Générale Électricité ..	1,660 ..	1,560 ..	1,375 ..
Distribution Paris Elec.	882 ..	840 ..	787 ..
Metropolitan Railway	532 ..	520 ..	500 ..
Mines de Lens	454 ..	429 ..	407 ..
Courrières	681 ..	622 ..	601 ..
Rio Tinto	3,820 ..	2,795 ..	2,400 ..
Boléo	755 ..	669 ..	601 ..
Penarroya	1,630 ..	1,488 ..	1,210 ..
De Beers Ord.	1,500 ..	1,080 ..	915 ..
Rand Mines	350 ..	267 ..	219 ..
Royal Dutch	43,350 ..	31,600 ..	27,350 ..
Mexican Eagle	106.50 ..	92.75 ..	72.50 ..
Baku Naptha	2,935 ..	2,740 ..	2,190 ..
Raffinerie Say	3,190 ..	2,760 ..	2,315 ..
Sucreries d'Egypt	1,473 ..	1,121 ..	875 ..

From these figures it may be inferred with accuracy that the unexpectedly large recovery in the franc, and the heavy losses that have been incurred by many operators during the past month, have created a situation on the Bourse which will have a long and depressing effect. To-day's market was notable for heavy selling, for the purpose of securing ready-money resources to meet the pending settlement. It was reported this afternoon that

the consortium of French banks, which has had such a powerful influence recently on the exchange market, has intervened again to-day for the purpose of slowing down the too rapid recovery.

GERMANY.—"MICUM" AGREEMENTS—FINANCES—CURRENCY—PRICES—INDUSTRY—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, April 1.

NEGOTIATIONS concerning the "Micum" agreements have again been held in Berlin, this time with representatives of the Ruhr employees. The representatives submitted data to show that the condition of Ruhr workmen has become impossible, and that the agreements are responsible. The Finance Minister once more repeated that, as the avoidance of new inflation is a main aim of policy, it is impossible for the Federal Government to help with money. The representatives then declared unanimously that in view of the inevitable depression of the standard of living, they will oppose a renewal of the agreements. This does not quite agree with later reports from the spot, which describe the workmen as asking to be represented at the negotiations. It is reported that the "Micum" has decided to alter from April 1st the coal-delivery conditions, compelling instead of 27 per cent. of production (up to end of December 22 per cent.) the delivery of the full Reparations Commission demand, which is 1,800,000 tons a month. It is added that restrictions on the despatch of coal to unoccupied Germany will be imposed only upon concerns which have failed to deliver their quota. Coal production is increasing. The February output in the whole Republic, despite the short month, was 9,726,081 metric tons, against 8,787,393 tons in January, and 8,156,825 tons in February, 1923, the increase being all in occupied territory, but the brown coal production was only 8,327,469 tons, against 9,553,316 tons, and 11,538,032 tons respectively. In the week March 16th-22nd, Ruhr coal production reached 85 per cent. of that of 1913. Contracts for delivery of Ruhr coal to the Swedish State railways in the next three months have been concluded. Domestic consumption of fuel has heavily fallen, but it is likely to recover, as many houses are returning to central heating, which was suspended in the past winter.

The Budget for 1924 is compiled in gold marks. This, as long as the currency remains stable, means the same thing as Rentenmarks or billions of reichsmarks; but the Budget is now considered "valorised," and if new currency depreciation ensues, nominal taxation liabilities will automatically increase in proportion to the depreciation. The Budget has been prepared on the doubtful assumption of "restoration of the economic unity of the occupied and unoccupied territories, and restoration of the administrative and fiscal sovereignty of the Republic and of the States concerned." The ordinary Budget includes the following items from taxes of various kinds:—

	G. M.
Income-tax	1,344,000,000
Corporation income-tax	144,000,000
Property tax	376,000,000
Succession duties	30,000,000
Sale tax	1,440,000,000
Land purchase tax	150,000,000
Boys' transfers tax	62,000,000
Customs duties	160,000,000
Tobacco	320,000,000
Bee	126,000,000
Spirits monopoly	120,000,000
Sugar	232,000,000

Miscellaneous receipts are entered at 60 million gold marks. The other side of the balance-sheet of the ordinary budget includes the following items of expenditure:—

	G. M.
Service of debt	156,000,000
W. pensions and maintenance	810,000,000
Police	208,000,000
Economic and cultural aims	28,200,000
Unemployment support	500,000,000
Social aims	360,000,000
Financial administration	380,000,000
General administration	250,000,000
Subventions to States and Municipalities	1,800,000,000

The General Administration Extraordinary Budget shows revenue of 130,000,000 gold marks, and expenditure, repair of war damage, &c., 6,000,000; public constructions, mainly canals, 44,713,500; liquidation of war expenditure, 20,000,000; liquidation of Ruhr expenditure, 60,000,000. This Budget practically balances. The separate Budget "for execution of the Peace Treaty," shows expenditure of 640,000,000 gold marks, of which 360,000,000 gold marks are for maintenance of the occupying army, 52,000,000 gold marks for Reparations payments, and 34,000,000 gold marks for the Rhineland Commission.

The regulations for execution of the decree requiring compilation of gold mark balance-sheets have been issued. The minimum denomination of a share in a share company is put at 20 gold marks, this if on December 31, 1923, the share quoted on the Bourse at less than 40 billion paper marks per 100 marks nominal; shares which were quoted higher must be in denominations of 100 gold marks, or some multiple thereof. The demand for credit is undiminished; the demand for foreign currency increasing. The rationing of the supply of foreign bills by the Reichsbank has become severer, in most cases being only 1 per cent. of the demand. The reports of heavy German bear engagements in French francs for March 31st, on a basis of 140-150 to the pound, are stated to be untrue. The association of big Berlin banks has circularised clients that the banks will henceforth grant no "unvalorised" credits in any form, which means that the debtor will have to compensate the lending bank for any possible fall in exchange. This applies both to Rentenmark and paper mark credits. The Reichsbank, contrary to expectation, did not last week consider raising the discount rate. The bank's return for March 22nd shows an increase in the total of all discounts and advances by 82.6 trillion to 1,730.5 trillion paper marks. The bank borrowed a further 50,000,000 Rentenmarks from the Rentenbank, for accommodation of business, this bringing the total debt to the Rentenbank to 500,000,000 Rentenmarks. Paper mark discounts increased by 33 trillions to 596 trillions; Rentenmark discounts by 109 trillions to 977 trillions; but Rentenmark advances declined by 43 trillions to 128 trillions; and paper mark advances by 17 trillions to 28 trillions. Circulation declined by 6.6 trillions to 606.5 trillions. The minimum sum guaranteeable by a single bank towards the capital of the Gold Discount Bank has been reduced from £25,000 to £10,000.

The official wholesale index number on March 25th was 120.8, against 121.4 a week earlier; the official cost-of-living index on March 24th was unchanged at 107. Iron and steel prices still move slowly upwards. Wages are being gradually adjusted to the new longer hours of working, but there have been many strikes in the last weeks. The average wage in the metal industries in February for skilled workmen was 0.55 marks per hour, 29.02 marks per week; for unskilled workers 0.43 marks and 22.73 marks respectively. At the end of February the week's working hours in twenty centres varied from 51 to 57 hours, with the exception of one centre, where the 48 hours week remained in force. In all but three centres 54 hours or more were worked. Before the war, working hours in the same centres varied between 54 and 60 hours a week.

The trade improvement is uninterrupted. In mid-March the number of fully unemployed in unoccupied territory was 989,000. In August, 1923, when the industrial crisis first became serious, fully unemployed in unoccupied territory numbered 139,000, and this rose to a maximum of 1,534,000 on January 1st last. Partly-unemployed rose from 192,000 in August, 1923, to 1,800,000 on December 1st, and on February 15, 1924, had fallen to 258,000. Figures are still not available for occupied territory. The Kiel Northern Fair last week was a great success, but home buyers demanded long credit, and foreign visitors would not always pay the high prices asked. The movement in favour of Protection, both in the industrial and Agrarian ranks, continues, and in some quarters the abolition of the import-prohibition system is being opposed. Chief among the opposers are the motor-car manufacturers, who declare that the expected abolition of import-licensing will mean a flood of foreign cars. The rubber industry reports a good year in 1923. Imports of rubber wares totalled 256 metric tons, against 27 tons

STATE EXPRESS

VIRGINIA **555** CIGARETTES

MADE BY HAND, ONE AT A TIME.

in 1922; exports were 18,033 tons, against 16,076. Imports in 1923 were 1/10th of those of 1913, while exports were only 7 1/2 per cent. behind. Imports of raw rubber in 1923 were 19,749 tons, against 28,796 tons in 1922 and 20,500 tons in 1913. The number of share companies in the Republic at the end of 1923 was 16,472, against 5,486 in the same area at the end of 1913; the number of limited liability companies, 74,576, against 26,790. The increase in share companies is in great part due to new foundations in branches such as agriculture, clothing, and building, which were formerly not usually organised as companies; the increase in limited liability companies is largely due to new trading and banking foundations. Both increases are in the end mainly due to considerations of taxation. Shipping in the Kiel Canal in 1923 totalled 15,405,000 net tons, against 10,292,000 tons in 1913.

The downward movement in stocks ended last week, and yesterday also there was an upward movement in War Loan, due to a revival of hopes in a partial restoration of this State debt. The *Frankfurter Zeitung's* dividend-payers' index for March 28th shows 660.50, against 599.78 a week earlier and 824.50 on January 4th. Yesterday, loan quotations were (in milliards of paper marks per 100 marks nominal): War Loan, 108, Fours, 535; 3 1/2 per cents., 310; Threes, 1,010; Colonial Fours, 3,400; Prussian Threes, 480.

SWITZERLAND.—FOREIGN TRADE IN 1923—GENEVA MOTOR SHOW.

(FROM OUR CORRESPONDENT.)

GENEVA, March 24.

THE publication of official statistics makes it possible to take a rapid survey of Swiss foreign trade during 1923. The total value of imports reached 2,224 million francs—an increase of 330 millions over 1922, and of 324 millions over 1913; while exports reached a value of 1,716 million francs, an increase of 27 millions over 1922, and of 340 millions over 1913. These results are generally viewed with satisfaction, as it was expected towards the end of last year that exports would show a serious drop on the previous year's figures. Last year's import and export returns compare with 1922 and 1913 as follows:—

In Millions of Francs.			
Imports.		Exports.	
1923	2,244	1923	1,716
1922	1,914	1922	1,689
1913	1,920	1913	1,376

Compared with 1913—the last normal year—imports show an increase of 16 per cent., while during the intervening period prices have risen by 50 per cent. This comparatively small increase in the value of imports has been caused not only by the economic crisis, but also by the facts that coal consumption has been reduced as a result of the railways electrification, that the home production of wheat has increased, and that the silk industry is using smaller quantities of natural silk.

Coal imports amounted to 171 million francs, which represents the 83 per cent. of the 1913 imports; 44.6 million francs of coal were bought from France, 41.8 from Germany, 28.7 from Great Britain. Petrol imports reached 448,000 quintals, worth 22.7 millions, or three times more than in 1913. The number of motor-cars of every description imported in 1923 was 4,893, compared with 2,953 during the previous year.

As regards exports, their value shows an increase of 25 per cent. as compared with the 1913 returns, while prices have risen by 60 per cent.

The value of the principal export items, in millions of francs, was the following:—

	1922.	1923.
Watches	178	213.4
Silk	172.8	188.4
Embroideries	154.2	159.9
Machines	164.1	147.1
Cheese	68.8	66.8
Silk ribbons	69.5	52.1
Floss silk	37.4	51.9
Condensed milk and children's food ..	33.1	36.3
Chemicals	24.3	29.2
Chocolate	26.6	25.4
Shoes	25.2	25.2
Artificial silk	19.5	14.4

The watchmaking industry, which now occupies the first place among Swiss exports, has improved its position in the past two years, thanks to Government subsidies; on the other hand, the exports of machines, silk ribbons, cheese, chocolate, and artificial silk record important declines, which are mainly due to the high value of the Swiss franc.

The following table shows the trade from the five leading sources:—

	(In Millions of Francs.)			
	Exports to.	Imports from.	Exports to.	Imports from.
	1922.	1923.	1922.	1923.
Germany	192,591	123,443	365,586	416,935
France	240,186	214,192	302,598	394,957
Italy	92,569	100,783	224,464	231,945
Great Britain	347,947	363,385	173,917	181,991
United States	215,367	209,485	190,352	177,856

The above figures show the importance of British trade with Switzerland, as Great Britain comes out fourth among the countries exporting to Switzerland, and first among the countries importing from Switzerland.

The great event of the month was the Automobile Show, which took place at Geneva from March 14th to 23rd, and which met with the greatest success. This show was held for the first time last year, when the number of stands was 98, including 47 motor-car firms and 67 motor-cycle and supplies firms of all countries. This year the number of stands reached 198, representing 74 motor-car and 138 motor-cycle and supplies firms. All the important French, American, Italian, and Belgian motor-car and motor-cycle firms were exhibiting their newest models, while Switzerland was represented by the Martini and Pic Pic motor-car factories, and Great Britain by Rolls Royce, Sunbeam, and Wolseley, which have agents in Switzerland. Despite the economic crisis, very good business has been done this year, especially by the French and Italians, who, owing to the low rate of their currency in Switzerland, are in a position to sell their cars at very low prices with which the British motor industry cannot compete. If the rise of the French franc and of the Italian lire continues it will certainly benefit British exporters, whose prices are very much lower than they were at last year's Salon.

Prospects for the British motor-car industry are good in Switzerland, where there is an increasing demand for powerful and high-grade cars, but British exporters should make an effort with a view to meeting the particular needs of Swiss purchasers.

GREECE. — NATIONAL BANK'S MEETING—THE ECONOMIC SITUATION.

(FROM OUR CORRESPONDENT.)

ATHENS, March.

THE deficit of the Budget for 1923-1924 is expected by the Minister of Finance to reach only 1,700 million drachmæ, instead of the estimated amount of 2,900 million drachmæ. Taxation shows the following development since 1912:—

	(000's omitted.)		
1912	76,587	1920	275,086
1914	135,317	1922	506,663
1917	108,330	1923	1,104,594

Thus taxation increased since 1912 by 1,342 per cent. On the other hand, the depreciation of the drachma (taking the average rate of exchange on New York for 1923)

amounts to 1,147 per cent. The cost of living in Athens was 1,325 in January, and 1,313.6 in February, 1924, as against 100 in 1914, the basis year. The growth in bank deposits since 1912 appears from the following table:—

	(In Millions of Drachmæ.)		
1912	434	1921	3,112
1914	473	1922	3,681
1920	2,290	1923	4,586

The popularity of the Treasury bill has increased recently, absorbing a considerable part of the people's savings, which before were placed on deposit with the banks.

At the annual meeting of the shareholders of the National Bank of Greece, the Governor, Mr A. Diomède, stated that 1923 was an eventful year for Greece. Despite the conclusion of final peace by the signing of the Treaty of Lausanne, the uncertainty of the future, and various unforeseen external and internal events, produced reactions which influenced the monetary situation. The currency, offering the point of least resistance, was disturbed under the influence of impressions which were often superficial. Circulation of bank notes amounted at the end of the year to 4,681 million drachmæ, or an increase during the year of 1,532 millions. Whereas, he said, the increase in circulation in 1922 was due exclusively to the needs of the Treasury, only 750 millions were issued for account of the State during the past year, and this amount has since been reduced by 90 millions, while another amount of 50 millions has been withdrawn from circulation in redemption of older advances to the Treasury. The balance of increase is covered by short-dated credits to trade for productive purposes, and by sound foreign currencies purchased on the exchange market to be used as a defence of the home currency. This substantial change in the circulation has improved the quality of the whole circulation, and may be considered as the beginning of a healthier monetary period. The per capita circulation amounts to £2 12s 8d, a better figure than for many other countries, notwithstanding that the war period terminated for Greece only some months ago, that within a short time the population increased by one-fifth, and that the country had to pass through a series of eventful years and misadventures. The Treasury drew the money required to meet its needs from the following sources:—350 million drachmæ were advanced by the bank, being reduced until the end of the year to 176 millions. More than 600 millions were obtained by the sale of Treasury bills. The increase in the amount of Treasury bills sold is considered as a proof of growing confidence on the part of the public, and has been of great assistance to the State under the circumstances. Another source of assistance to the Treasury, though an indirect one, is the advance of £1,000,000 made to the National Bank of Greece by the Bank of England, on behalf of the refugees. All these sources, however, would have proved insufficient if a great fiscal effort was not made by the country, which increased the ordinary Budget revenue by 1,200 millions. Foreign exchanges were very erratic, reflecting the eventful history of the year, no obstacles having been put to the free movement of the rates. Under the influence of pessimism, of which advantage was taken by speculators, the rates were pushed higher and higher, until exchange on London reached on March 3, 1923, the record figure of 464 drachmæ. On the other hand, the crisis of the exchanges, which took the form of a panic during May, brought down the rate to as low as 125 drachmæ. Both extremes were equally harmful and dangerous, and the National Bank in either case did its best to prevent disaster from falling upon the country, which, however, showed staying power. The policy of the bank is to restrain the fluctuations of the rates within narrow limits, aiming at a slow and gradual improvement of the currency, keeping pace with a general improvement of the economic and financial situation of the country. Unless unforeseen obstacles should arise, the bank hopes to obtain a relative stability of rates. The stock of foreign exchange accumulated by the bank is very useful to that effect. Purchases of foreign exchange by the bank during 1923 amounted to £22,258,552, say £7,183,163 more than in 1922, and sales to £19,087,365, leaving a surplus of £3,168,187.

HUNGARY. — OFFICIAL SALARIES REDUCED — CURRENCY AND EXCHANGE—THE CONTROLLER.

(FROM OUR CORRESPONDENT.)

BUDAPEST, March 22.

THE first step towards economy has been taken by the Hungarian Government in announcing that from April 1st all the preferential rates granted to Government servants will cease. This means that whereas officials have been in the habit of purchasing their domestic necessities, food-stuffs, coal, &c., at a much lower rate than the ordinary public, the privilege will now stop. The consequent reduction in the purchasing power of their salaries will be about 20 per cent. It will be a hard blow, and heavily felt by many of the officials, whose incomes are already burdened with increased prices. A rise in their salaries will be a necessity. The latest increase in railway rates will find its sequel in still higher prices.

The printing press has ceased to function, and the new Bank of Issue is in course of formation. The fiduciary issue has been reduced by some 93 milliards, and is now, in sterling, not above 4 million pounds. The value of the crown remains more uncertain than ever, and the value of the "Sparkronen" has varied between 100 and 118 paper crowns. It is much regretted that Mr Harding has found himself unable to accept the position of Controller; another American is now named in connection with the post, but nothing has been settled yet, and certain objections have been raised by irresponsible persons to the latest nominee. However, before the duties of the latter commence seriously the loan has to be raised, and the atmosphere in Hungary cannot be said to be favourable at present.

Most of the delegates of the League have now left Hungary, their work being finished. Sir Henry Srakosch, before leaving, expressed himself optimistically as to the capacity of the country, but also stressed the point that the people of Hungary must show that they are capable of helping themselves. Once Europe is satisfied of that, there should be nothing to hinder the subscription of the loan and subsequent flow of foreign capital into the country. Steps towards setting up the Bank of Issue have already been started, and there is every reason to hope that the necessary legislation will be passed through the National Assembly by the end of next week.

AUSTRALIA.—IMPORTS AND EXPORTS—BORROWING—BANKING POSITION.

(FROM OUR CORRESPONDENT.)

MELBOURNE, February 23, 1924.

AUSTRALIAN official trade statistics run from July to June, but an unofficial compilation from the monthly returns shows the following totals of Australian trade for the last three calendar years:—

	1921.	1922.	1923.
Imports—			
Merchandise	119,891,647	122,266,693	136,258,283
Gold	20,670	32,441	18,038
Total imports	119,912,317	122,299,134	136,276,321
Exports—			
Merchandise	123,581,500	125,067,686	111,899,740
Gold (inc. premium)	4,098,243	2,945,459	1,952,009
Total exports	127,679,743	128,013,145	113,851,749
Principal exports—			
Wool and tops	31,338,531	57,530,351	55,293,440
Wheat and flour	46,574,302	22,547,193	15,481,400
Frozen meat	4,741,800	5,858,437	4,220,358
Hides and skins	2,429,104	5,480,660	6,246,982
Copper	1,182,383	458,177	1,228,298
Lead	788,642	2,322,525	2,680,462
Silver	492,965	952,590	1,066,765

In 1921 exports exceeded imports by £7½ millions, and in 1922 by £5½ millions, but in 1923 imports have exceeded exports by nearly £22½ millions. It should be noted that exports in 1921, 1922, and the early months of 1923 included wool bought and paid for much earlier by the British Government, and therefore not representing fresh payment at the time of shipment. On the other hand, the exports of wool of current clips have been supplemented by the Bawra payments representing the half-share of profits on the resale of wool purchased by the

British Government, and this factor has not yet ceased to contribute to Australian purchasing power. But the main reason for the large excess of imports during 1923 has been the amount of outside borrowing during the last two or three years, but for which Australian imports would require to be fully £25 millions per annum less than exports in order to provide for interest and earnings on public debts and private capital raised abroad.

At the present moment, unless fresh borrowing outside Australia is to be resumed on a large scale, a substantial reduction in imports is required. Large borrowing, however, is regarded in responsible business circles as undesirable, in view of the rapid growth during late years of the principal and interest of the existing public debts, the tendency to excessive growth of city population in contrast with that of the country, and the fact that country production is hardly more than stationary when the actual volume of production is looked at independently of gross value at high prices.

New Zealand imports for 1923 amounted to £43,486,544, against £35,005,440 for 1922, or an increase of £8,481,104; and exports, inclusive of gold, to £45,967,119, against £42,726,249, or an increase of £3,240,870. The excess of exports over imports has thus declined from £7,720,809 in 1922 to £2,480,575 in 1923. The principal exports from New Zealand compare as follows:—

	1922.	1923.
Wool	11,882,553	10,904,658
Butter	9,041,554	10,689,200
Cheese	4,686,850	6,870,397
Frozen meat	8,387,461	9,012,720
Gold	540,182	698,582

The Commonwealth Government is now offering within Australia a war gratuity redemption and conversion loan at 6 per cent. (subject to Commonwealth taxation, but free of State income-tax) at par, repayable in 1927, 1929, or 1934, at the option of the subscriber to be increased when making application. The amount of the loan is left open. Applications close on March 18th. It was hoped that arrangements could be made with the States to keep off the market while the Commonwealth loan was being issued, but the attempt was a failure, and the principal States are offering 6 per cent., subject to Commonwealth income-tax, but free of State income-taxes, for securities on tap at their respective Treasuries with currencies up to ten years. The Commonwealth issue is a necessary provision for the war gratuity bonds maturing next May, but the constant pressure of the States for loan money is disliked, being one of the principal reasons for the present tightness.

The quarterly average returns to December 31, 1923, of the banks in Australia and New Zealand (exclusive of the Commonwealth Bank) show that, as compared with a year ago, deposits are larger by £12,020,195, and advances by £23,331,553. London and other outside figures are not included in the returns. A comparison of the principal totals with those for the previous quarter and a year ago is as follows:—

	Dec. 31, 1922.	Sept. 30, 1923.	Dec. 31, 1923.
Deposits—			
Australia	221,714,510	230,771,010	231,741,642
New Zealand	44,429,434	48,983,798	46,422,497
Total deposits	266,143,944	279,754,808	278,164,139
Advances (inc. Govt. securities)—			
Australia	193,054,338	211,036,415	213,316,033
New Zealand	49,266,016	48,732,475	52,335,874
Total advances	242,320,354	259,768,890	265,651,907
Cash items—			
Coin and bullion (A. and N.Z.) ..	27,686,456	27,213,001	27,393,510
Australian notes	23,565,130	23,175,604	22,969,183
Legal tender notes of other banks (N.Z. only)	539,592	249,059	350,368
Total cash	51,791,178	50,637,664	50,713,055

Of the increase of £23,331,553 in total advances during the year, £20,261,695 has been in Australia, and £3,069,858 in New Zealand, these movements being somewhat in contrast with those during 1922, when an increase of £10,121,638 in Australia was accompanied by a decrease of £4,241,259 in New Zealand. Both

in Australia and New Zealand there has been a marked increase in imports during 1923, and this has meant an extra trading demand for accommodation to supplement the regular requirements of the country districts, and the requirements of some of the principal Australian capitals, where a good deal of building activity has been in progress, both for residential and industrial purposes. Any tendency to speculation in Australia, however, has been checked by the tightness prevailing during the last few months, and although proper requirements continue to be met, anything further is strictly discountenanced.

The wool export season has made exceptionally heavy demands upon available resources. As against the fact that the Australian clip shows a reduction, the high prices ruling have caused the value of shipments to run into a heavy total. The process of financing the export trade has not been assisted by the policy of currency restriction, which has had a cramping effect upon financial arrangements. The growth of deposits, based upon favourable producing seasons, and upon prices obtained outside Australia for wool and other articles, is accompanied by a practically stationary total amount of coin and Government notes available to constitute the cash holdings of the banks within Australia, and it is consequently impossible to maintain the ratios of cash to liabilities at the level formerly observed. In pre-war conditions, the cash holdings were increased by retaining gold out of current production, but at present the fresh production of gold goes abroad at a premium.

Letters to the Editor.

COMPANY DEBENTURE REDEMPTION.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I had hoped that my letter of the 18th ult. would be my last to you on the above subject, but the Manchester Stock Exchange letter in your issue of the 29th ult. can hardly be allowed to stand as the last word. I therefore venture to make the following observations, and can assure you that this will close the matter so far as I am concerned.

I went to the interview with the Manchester Stock Exchange authorities, to which their letter refers, for the purpose of trying to make reasonableness and common sense prevail, but I seem to have missed the mark badly, and now the Manchester authorities and I cannot agree even as to the upshot of our conversation! I regret this extremely, but, after all, what was said or not said on that occasion really does not affect the point at issue, which is this—whether a company has the right to redeem an officially quoted debenture stock by private treaty. I hold that the Stock Exchanges exist for the purpose of serving the public, and not for "butting in" where their help is not needed. In a previous letter I quoted two instances of companies whose practice is as nearly identical as it is possible to be with that of the Union Cold Storage Company, Limited, and these Manchester has disregarded. Issuing houses generally and companies which have made their own issues would bear me out in the statement that when a commission is offered to brokers for introducing capital, and is payable on allotments where the application form bears the broker's stamp, it is seldom that the commission earned by brokers is more than 50 per cent. of the total issue, and it often amounts to less than 25 per cent. If brokers can only earn this proportion on issue, why should Manchester insist on 100 per cent. on extinction?

Manchester's plan seems to be to compel submission to its terms, or failing that, to punish the company concerned by deleting or refusing the quotation of its stock, and thereby possibly injuring the company's credit. So far as my company is concerned, Manchester is not likely to achieve either of these results, and this is not the plan on which the reputation of the Manchester list has been built. A good deal might also be said concerning the stockholders' point of view, and Manchester seems to disregard them altogether. I will content myself with saying that I can quite well imagine a stockholder show-

ing considerable resentment at any interference between him and anyone he cares to sell his stock to, and objecting to Manchester instructing him through what channel he should realise his security.

As regards the allusion to Birmingham, I would draw attention to the fact that my company's debenture stock is still quoted in the Birmingham list. If there were any question of the quotation being removed, I take it that Birmingham would approach my company direct on this subject, and not take instructions from Manchester.

In conclusion, may I ask whether it would not be wise for all the provincial Exchanges to consider carefully London's example, and if they cannot follow it, then to suggest a joint conference with London, so that, if possible, a uniform practice may prevail in this important matter?—Yours, &c., ROGER P. SING,

Chairman of the Directors,
Union Cold Storage Company, Limited.
United University Club, London,
April 2, 1924.

Books and Publications.

A HUNDRED YEARS OF TRADING.*

ON March 29th the one hundredth anniversary of the founding of the Netherlands Trading Society was celebrated, and a handsome volume of its history has been issued. The vicissitudes both of history and policy, which the company has seen, are perhaps almost unequalled in the history of any other company. The company was founded on March 29, 1824, at the initiative of King William I. The king was anxious to see a revival of trade in the Indies, for the Dutch trade in these parts had declined in consequence of Napoleon's Continental System, and had fallen very largely into English hands. The capital of the company was originally fixed at 12 million florins, of which the King was to provide 4 millions. Public interest in the new enterprise was, however, so great (partly because the King guaranteed 4½ per cent. interest on the capital), that on the very first day fully 60½ millions were subscribed. Subsequently the capital was fixed at 37 millions, the King retaining his original number of shares.

The company was to act as trader, commission agent, forwarder and moneylender, but was expressly forbidden to do banking business. The first years were, however, unprosperous, for the Java war was in full swing, and a great economic crisis broke out in Great Britain in 1825. In 1827 the capital of the company had to be reduced to 27 million florins. Until 1830 the company continued to register losses; that was the first year in which there was no need to claim the guarantee offered by the King. When success came, it was at first largely due to the export of cotton goods, chiefly from Belgium, which was at that time united to Holland. Then in 1830 the Belgian Revolution suddenly broke out. The loss of Belgium meant the cessation of the export of cotton goods from Ghent, and the Netherlands Trading Society seemed to have lost its *raison d'être*. But the company went bravely on, helped by the schemes of Van den Bosch, the Governor-General of the Dutch East Indies, who subsequently became Colonial Minister. Van den Bosch introduced the system of Government plantations, based on forced Indian labour, the N.T.S. acting as agent for the sale of the products. Thus the company slowly developed into a Government banking agency. At first advances were only made on goods consigned; later on all the financial transactions between Holland and the colonies passed through the company's hands. Thus in 1839 the outstanding debt owed by the Government to the company amounted to 39 million florins. A Bill to authorise a loan of 56 millions to clear this debt was thrown out. At last it was arranged that an instalment of 5 millions should be paid yearly. In the meantime the Government gradually gave up its plantations, so that by 1870 none were left. Meanwhile, the N.T.S. was beginning to take part in Dutch industry. The loss of the Belgian cotton industry resulted in the establishment of a similar industry in Holland, in the founding of which help was given by an English expert,

* Netherlands Trading Company. A Brief History 1824-1924.

Rubber Plantations Investment Trust, Ltd.

Paid-up Capital and Reserves over £2,500,000.

TEA — RUBBER — COCONUTS.

EVERY DESCRIPTION OF EASTERN PLANTATIONS FINANCE AND INVESTMENT BUSINESS CONDUCTED. DEBENTURE TRUSTEESHIPS UNDERTAKEN.

1-4, GREAT TOWER STREET - LONDON, E.C.3.

country in the world—a fact which will perhaps come as something of a surprise to most of our readers.

Bohemian graphite is made into the world-famous Koh-i-Noor pencils, and the extraction of radium is also an industry of more than local importance. The engineering trades naturally take a very important place in this volume, though the brewing of *Pilsener Urquell* is not forgotten, nor many another industry less well known. Chapters on the Trade Union movement and on Industrial Organisations add still further to the comprehensiveness of this work, which is indeed indispensable to all interested in the economics of the new Central Europe.

BOOKS RECEIVED.

East Persia: A Backwater of the Great War. By Brig.-Gen. W. E. R. Dickson, C.M.G., C.I.E. (London) Edward Arnold. 15s net.

Statistical Abstract for British India from 1911-12 to 1920-21. No. 56. (London) H.M. Stationery Office. 10s net.

History of Indian Railways: Constructed and in Progress, corrected up to March 31, 1923. (Simla) Government of India Press. Rs. 5-12.

La Cassa di Risparmio delle Province Lombarde Nella Evoluzione Economica della Regione, 1823-1923. (Milan) Signor direttore della Cassa di Risparmio delle Province Lombarde.

Netherlands Trading Company: A Brief History, 1824-1924. Published in Commemoration of the Centenary of its Foundation.

Samuel Oldknow and the Arkwrights. By G. Unwin, A. Hulme, and G. Taylor. (London) Longmans, Green, and Co. 12s 6d net.

The Martyred Nation. By Alex. Devine. (London) Chapman and Hall. 1s net.

How to Form a Company. By Herbert W. Jordan. Sixteenth edition. (London) Jordan and Sons, Limited. 1s 6d net.

Private Companies: Their Utility and the Exemptions They Enjoy. By Herbert W. Jordan. Eleventh edition. (London) Jordan and Sons, Limited. 1s 6d net.

The Secretary and His Directors. By Herbert W. Jordan. Sixth edition. (London) Jordan and Sons, Limited. 2s 6d net.

The Advertiser's A.B.C. The Standard Advertisement Directory, 1924. Compiled and published by T. B. Browne, Limited, 163 Queen Victoria street, E.C. 4.

Nineteenth Century and After. (London) Constable and Co. 3s.

The Slavonic Review, March, 1924. Published by the School of Slavonic Studies in the University of London, King's College. 5s net.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, April 23. ACCOUNT, April 24.

At the beginning of the week the Government announced its scheme offering to holders of the 5 per cent. War Loan the option of converting part of the total amount of 2,000 millions into a new 4½ per cent. stock, dated 1940-44, of which £103 will be given for £100 War Fives exchanged. The immediate effect was to cause a substantial improvement in gilt-edged issues as a whole. This came about through prompt recognition of the fact that the Government have restarted the policy initiated when the 3½ per cent. Conversion stock was created—namely, of raising by steady degrees the credit of the country through the medium of offering stock at what is virtually a higher price with each instalment that is issued. The War Loan rose to 102½ at one time, and material improvements occurred in Consols, Irish, and all the stocks in the India Government catalogue, the existing 3½ per cent. Conversion Loan, various Colonial scrip stocks, a score or more of Home Railway prior-charges, and a number of others.

named Thomas Ainsworth. Great Britain's competition could be overcome by the exemption of the Dutch goods from the 25 per cent. import duty on cotton goods. In 1835, however, Great Britain made appeal to a commercial treaty of 1824, which provided that Dutch imports should pay an import duty of 12½ per cent. Still, the Dutch continued to compete successfully by means of a secret contract concluded by the N.T.S. with the Dutch Government; by this contract the Government consented to be responsible for all losses up to 12 per cent. of the invoice value. From 1835 this contract was constantly renewed until 1844, when it was abolished. In 1849, when the results of the Revolution were being felt by the company, new cotton contracts were made, but on considerably less favourable terms. Since then the links with the Government have slackened, and the N.T.S. has extended its activities into the sphere of private trading. The company worked for some time in Japan, from which country, however, it speedily withdrew. It also worked in the West Indies, but its chief sphere of operations continued to be the East Indies.

When it was no longer required to act as banking agent of the Dutch Government, capital was available to support all manner of enterprises, especially the cultivation of tobacco and sugar. The most characteristic change in its activities took place, however, in 1874, when it was decided that the company should be permitted to trade in securities and bills of exchange, which converted it into a bank as well as a trading company. The banking business really originated in Batavia, where the company began to accept deposits in 1883. In Holland its banking business did not develop to any considerable extent before 1900. In 1904 the balance-sheet showed for the first time a special item for deposits. The company has now developed into an enterprise with a capital of 80 million florins, and reserves of 42 millions. Its total balance-sheet for 1922 reached the huge figure of 520 million florins, and it is thus able to play a leading part in the economic life of Holland and her colonies. The volume makes most interesting reading.

THE INDUSTRIES OF CZECHOSLOVAKIA.*

SOME three-quarters of the industries of the former Austro-Hungarian Empire are situated in the territories now comprised in Czechoslovakia. Bohemia is noted for products as various as glass, sugar, and Pilsener beer, and the Skoda engineering works are known throughout the world. It is, therefore, quite appropriate that the first volume of the *Encyclopédie Tchecoslovaque*, which is published in Prague in French with the object of making this interesting country with an unpronounceable name better known to the outside world, should be devoted to "Industry and Commerce."*

The editors have enlisted a large number of specialists to write on the various subjects which fall under this comprehensive title, and the value of these six hundred pages of text is greatly enhanced by the inclusion of a large number of maps and illustrations. A welcome feature, too, is the fact that almost every contributor gives a short historical survey of the industry he treats, and this is usually sufficient for the reader to form some idea of the rapid development of large-scale production in the country during the second half of the nineteenth century. The textile industries, which before the war produced goods to the value of some £70 million annually, of which less than one-third were consumed at home, employ 38 per cent. of the industrial workers of the country, and naturally receive considerable attention. Coal mining is also very important, though post-war production is on the whole decidedly inferior to the 1913 level, despite the increase in the number of workers employed, as the following comparison shows:—

	1913.		1921.
Coal—			
Output (metric tons) ..	14,235,856	....	11,648,399
Number employed ..	62,407	....	75,893
Lignite—			
Output	23,017,096	....	21,050,712
Number employed ..	35,051	....	51,440

The Republic thus takes rank, after the U.S.A., Great Britain, and Germany, as the fourth coal-producing

* *Encyclopédie Tchecoslovaque.* Vol. I. Industrie et Commerce. (Prague: Orbis. Paris: Bossard, 43, rue Madame.)

The following communiqué was issued by the Committee of the London Stock Exchange on March 31st:—With reference to the information published in the Press on December 12, 1923, the Committee for General Purposes have given instructions for the quotations of the undermentioned loans to be automatically removed from the Stock Exchange Daily Official List of May 2nd unless the Chinese and Roumanian Governments fully resume the service in respect of the bonds in question: Chinese 5 per cent. 1896 loan, Chinese 4½ per cent. 1898 loan, Chinese Hukwang 5 per cent. 1911 loan, Roumanian 4½ per cent. gold loan of 1913.

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

	Nominal Capital. £	Cash Sub- scription. £	First Payment. £	Further Lia- bility. £
Amount previously recorded	100,000	20,000	10,000	0
Amount received	0	0	0	0
Amount paid	0	0	0	0
Amount outstanding	100,000	20,000	10,000	0

NET RECEIPTS INTO THE EXCHEQUER 9 DAYS ENDED MARCH 31, 1924.

To the Public—		Offered to holders of 5 % War Loan, 1929-47.	
£200,000,000 £4 10s	% Conversion		
Loan, 1940-44	rep. at par.)		
Auckland Electric Power Board			
5 % Loan, £250,000	Debs. to		
Beazer (rep. at par., 1945),			
issued at 97 %		250,000	242,500
Allied Newspapers, Limited,			12,500
4,750,000 % Cum. Pref.			230,000
Shares, £1, at par.....	4,750,000	4,750,000	593,750
			4,156,250
Total offered to the public..		4,992,500	606,250
			4,386,250

To Shareholders only—					
Manchester Royal Exchange, 95,360 £1 Shares, at £1 2s per Share	95,360 ..	104,896 ..	104,896 ..	..	..
Royal Bank of Scotland, £440,000 Ord. Stock, at £250 %	440,000 ..	1,100,000 ..	..	..	1,100,000
Total to shareholders only	..	1,204,896 ..	104,896 ..	..	1,100,000

Total offered for subscription to date	Total offered for subscription for whole
in— \$	year— \$
1924.....	1923.....
1925.....	1922.....
1926.....	1921.....
1927.....	1920.....
1928.....	1919.....
1929.....	1918.....

Treasury Bonds.—The Treasury announces that the current series of 4 per cent. Treasury bonds, 1923, will terminate on Saturday, April 12, 1924. Bonds issued after that date will be designated Series "C." The first dividend on holdings of these bonds will be due on October 15, 1924, and in the case of each bond will represent interest to that date from the date of the bond. In all other respects Series "C" bonds will rank *pari passu* with bonds of the current series; the series will be consolidated after the close of business on September 15, 1924.

£4 10s per Cent. Conversion Loan, 1940-1944.—Interest is payable half-yearly on January 1st and July 1st. The stock is an investment authorised by The Trustee Act, 1803. This is an offer of conversion to holders of £5 per cent. War Loan, 1929-47. Such holders may apply for the conversion of their holdings, in whole or in part, as on June 1, 1924, into £4 10s per cent. Conversion Loan, 1940-44, at the rate of £103 £4 10s per cent. Conversion Loan for each £100 of £5 per cent. War Loan converted. The total nominal amount of £5 per cent. War Loan of the Bank of England issue (including stock of that issue inscribed or registered in the books of the Bank of Ireland) to be converted in terms of this prospectus is limited to £200,000,000. When applications for the conversion of that amount of stock have been accepted no further applications will be considered. The half-year's dividend due June 1, 1924, on the £5 per cent. War Loan will be paid in respect of converted holdings. The principal and interest of the £4 10s per cent. Conversion Loan will be a charge on the Consolidated Fund of the United Kingdom. The loan will be redeemable at par on July 1, 1944, but his Majesty's Government reserve to themselves the right to redeem the loan at par on any half-yearly interest date on and after July 1, 1940, on three months' notice being given in the *London Gazette*. Interest on the loan will be exempt from corporation profits tax. Holdings may be in the form of (1) inscribed stock "transferable in the books," (2) registered stock "transferable by deed," or (3) bonds to bearer. We refer to this offer in our leading article this week.

Auckland Electric Power Board 5 per Cent. Loan.—This is an issue of £250,000 in debentures to bearer, at £97 per cent. The principal will be repayable at par on April 15, 1945, at the office of the Bank of New Zealand, London, where also the interest will be payable. This loan, which is the balance of the board's authorised loan of £600,000, is issued to provide funds in connection with the board's electricity undertaking in and around the City of Auckland. The present authorised loan capital of the board (including this issue of £250,000) amounts to £1,722,500. The authorised issue of £600,000 (of which this present issue forms part) is secured by a special rate of two-fifths of a penny in the £ on the rateable value of all rateable property in the Auckland Electric Power District. The rateable value amounts to £43,469,650, and the board is also empowered to levy an additional rate should the special rate referred to prove insufficient to cover expenditure in any year. A sinking fund of 2½ per cent. per annum will be provided. This loan is free from all New Zealand taxes, present and future. Zealand. A good investment, but not very attractive at the price offered.

Sena Sugar Estates, Limited.—Issue of £250,000 7 per cent. first mortgage debentures. The following details are extracted from a statement which has appeared in the Press to comply with the regulations of the London Stock Exchange. These debentures "will rank *pari passu* in point of charge with an existing issue of £500,000 7 per cent. first mortgage debentures of the company secured by trust deed dated October 6, 1922, and made between the company and the Law Debenture Corporation, Limited, and will be secured by the said trust deed and a deed supplemental thereto containing a specific charge on the company's lands, cane mills, sugar factories, and

refineries in Portuguese East Africa and Portugal, and on the fixed plant and machinery thereon, a covenant by the company to create similar charges under local laws, and a floating charge on the undertaking and other assets of the company for the time being. These series 'B' debentures will not participate in the sinking fund referred to in the said trust deed, but they will be redeemable on or before December 1, 1955, by purchase at or below par, exclusive of accrued interest, or by drawings at par by the operation of a separate cumulative sinking fund of 1 per cent. per annum, commencing in the year ended December 1, 1924, with power to the company to redeem the whole or any part on any interest date after 1935 on three months' notice at 103 per cent." The issue has been purchased by a London financial house at 88½, less ½ per cent. commission. The information given is insufficient for the outside investor.

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

		Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
	4 1/2, 1925-28	95 1/2	96 1/2	+	Aust. 5% 1931-41	102 1/2	105	
	4 1/2, 1925-45	96 1/2	99	+	Canada 4 1/2 1900-75	101	101 1/2	
War	5%, 1927-47	101 1/2	102 1/2	+	India 3 1/2 1926-31	62 1/2	65 1/2	3 1/2
Loans	4%, 1929-42	100 1/2	101	+	Do 7%, 1926-31	102 1/2	104 1/2	2 1/2
	4%, 1929-42	100 1/2	101	+	Do 5 1/2 1932	100 1/2	101 1/2	1 1/2
Funding Loan 4%	92 1/2	92 1/2	92 1/2	—	Do 4 1/2	85 1/2	88 1/2	3 1/2
Victory Loan 4%	75 1/2	78 1/2	77 1/2	- 2 1/2	N.S.W. 5 1/2 1922-39	103	101	- 2 1/2
Conversion Loan 3 1/2	55 1/2	57 1/2	57 1/2	+	U.S.G. 6% 1949-78	112 1/2	112	—
Consols 3 1/2	58 1/2	57 1/2	57 1/2	- 1 1/2	U.S.G. 4 1/2 1933-40	104 1/2	104 1/2	—
Irish Land Stock 2 1/2	58 1/2	60 1/2	60 1/2	+	Victoria 5 1/2 1924-34	100	101 1/2	1 1/2
Local Loans 3%	64 1/2	66 1/2	66 1/2	+	W.Aust. 6% 1930-40	104	105	1 1/2

Great Western, Ord.....	106	110	.. + 4	Southern, Ord. "A" ..	373	388	.. + 15
Land & North-Eastern				Do Ord. "B" ..	108	101	.. - 7
5% Pref. Ord.	812	844	.. + 32	Do Pref. Ord.	818	848	.. + 3
Do Def. Ord.	293	308	.. + 15	Do Def. Ord.	396	41	.. + 15
Land, Mid., and				Underground Electric			
Scottish, Ord.	994	1014	.. + 20	(£100) ..	23	23	..
Metropolitan	75	77	.. + 2	Do "A" (1) ..	95	98	.. + 3
District ..	505	528	.. + 23	Do Inc. Bds. (£100) ..	953	971	.. + 18

Barclays B (£1, l.p.d.)	28	24	16	Nat. Bank of S. Africa	62	62	..
Chartered Bk of India	192	198	..	National Provincial,			
Lloyds (£5 with 1				(£20, with £4 paid)	107	103	..
paid	282	218	32	Standard of S. Africa			
Midland (£12, with				(£20, with £5 paid)	102	102	..
£4 paid)	82	82	..	Westminster Bank			
Nat. Bank of Egypt	234	234	..	(£20, with £5 paid)	168	172	4

Chesapeake & Ohio .. 84	.. 87 .. + 3	Southern	63	.. 63x ..
Erie	29	.. 30½ .. + 1½	Do Non-cum Pref.	84
Do 4% 1st Pref.	37	.. 40 .. + 3		84x ..

Foreign Government Securities.

Argentine 5%, 1886-7	100	99x	+	Japanese 4%, 1910	55	56x	+ 1
Austrian 6% Guar. 1890	80	90x	+ 1	Do 6% 1904, 1950 pd.	52	54x	+ 2
Belgian 3%	85	85x	+	Maxican Conv. 1890	55	57	+
Belgian 4%, 1914	74	75x	- 1	P.L.M. Conv. Pref.	52	52x	+
Chilian 4%, 1886	85	85x	+	P.L.M. 6%	52	54x	+
Do 7%, 1914	68	67x	-	Peruvian (N.)	52	52x	+
Egyptian 5%, 1912	68	67x	-	Russian 6%, 1906	12	11	- 1
Do 6%	74	74x	+	Spanish 6%, 1907	53	55x	+
French 5%	218	218x	+ 2	St. Paul & N. E.	104	105x	+ 1
Do 6%	13	20	+ 2				
Greek 4%, 1884	454	484	+ 2				

Antofagasta Cons	86½	86	..	1	Leopoldina	26½	26½	..	1
B.A. and Pacific	82½	80x	..		Mexican Railway....	9	8½	..	1
B.A. & Gt. Southern ..	87	85x	..		Do 1st Pref.	25	25	..	
Buenos Ayres West ..	74½	75x	..		Do 2nd Pref.	14	14	..	
Canadian Pacific	168	169	+ 1		San Paulo	153½	153½	..	
Chilean Argentine ..	76½	74x	..		United Havana	87	87	..	

Anglo-American "A" ..	22 $\frac{1}{2}$..	22 $\frac{3}{4}$..	—	1	Marconi Canada	8 $\frac{1}{2}$..	1	—	3 $\frac{1}{2}$
Marconi Wireless	11 $\frac{1}{8}$..	11 $\frac{3}{8}$..	+	8	Marconi Marine	1 $\frac{1}{2}$..	1 $\frac{1}{2}$..	..	..

Aerated Bread (21).....	1 1/2	1 1/2	—	Hudson's Bay (21).....	6	6	—
Animal Costons (21).....	2 1/2	2 1/2	+ 1/2	Imperial Tobacco (21).....	3 1/2	3 1/2	+ 1/2
Anglo Persian Oil (21).....	2 1/2	2 1/2	—	Lehigh Valley (21).....	1 1/2	1 1/2	+ 1/2
Armstrong (Sir W.G.).....	—	—	—	Lipids (21).....	1 1/2	1 1/2	+ 1/2
Asa. Pine (21).....	2 1/2	2 1/2	+ 1/2	Liver B7% Cmp (21).....	1 1/2	1 1/2	+ 1/2
Asa. John (21).....	2 1/2	2 1/2	+ 1/2	Do 8% Cmp A P (21).....	1 1/2	1 1/2	+ 1/2
Barber's (21).....	2 1/2	2 1/2	+ 1/2	Do 20% Cmp P (Ord).....	1 1/2	1 1/2	+ 1/2
Barnham's Armies (21).....	—	—	—	Lister (21).....	1 1/2	1 1/2	+ 1/2
Brazil Traction (#100).....	5 1/2	5 1/2	+ 1	Lobitos Oilies (21).....	1 1/2	1 1/2	+ 1/2
British-American Tobacco (21).....	4 1/2	4 1/2	+ 1/2	Lois Co. (21).....	4 1/2	4 1/2	+ 1/2
Burmah Oil (21).....	5 1/2	5 1/2	+ 1/2	Mexican Eagle (#10).....	1 1/2	1 1/2	+ 1/2
Coats & Johnston (21).....	2 1/2	2 1/2	+ 1/2	Pekin (2).....	1 1/2	1 1/2	+ 1/2
Courtesy (21).....	2 1/2	2 1/2	+ 1/2	Rubber Plantations Investment (21).....	1 1/2	1 1/2	+ 1/2
Crown (21).....	2 1/2	2 1/2	+ 1/2	Shell Transport (21).....	4 1/2	4 1/2	+ 1/2
Dorman, Long (21).....	2 1/2	2 1/2	+ 1/2	Smithfield Argentine (21).....	1 1/2	1 1/2	+ 1/2
Dunlop Rubber (21).....	2 1/2	2 1/2	+ 1/2	United Dairies (21).....	1 1/2	1 1/2	+ 1/2
Fine Cotton Spinners (21).....	2 1/2	2 1/2	+ 1/2	United Serang (2).....	1 1/2	1 1/2	+ 1/2
Forestal (21).....	1 1/2	1 1/2	+ 1/2	United Tobacco (21).....	3 1/2	3 1/2	+ 1/2
Furness, Withy (21).....	1 1/2	1 1/2	+ 1/2	Valambrosa (2).....	1 1/2	1 1/2	+ 1/2
Higgins and Lowlands Rubber (21).....	1 1/2	1 1/2	+ 1/2	Vickers (21).....	1 1/2	1 1/2	+ 1/2
				Watney Del. Sx.	184 1/2	186 1/2	+ 1/2

Brakpan (Hill) Prop. (51)	38	34	+	Knights	4	4	+	+
Broken Hill Prop. (51)	1	1	+	Middortstels (10)	4	1	+	+
Chartersdorp (51)	1	1	+	Middortstels (5)	1	1	+	+
Cons. Gold Fields (51)	1	1	+	Middortstels (26)	2	2	+	+
Crown Mines (10)	2	3	+	Premier Def. (3/6)	5	6	+	+
De Beers Def. (25)	12	12	+	Rand Mines (5)	3	3		
East Rand Prop. (51)	3	3	+	Selukwe	3	3		
Geduld (51)	6	6	+	Rio Tinto (45)	32	33	+	+
	6	6	+	Spring Mines (51)	2	2	+	+

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.			Dividend for Whole Years.	
	Interim or Final.	Date of Payment.	Method of Payment.	Last Previous.	Pre-vious.
Railways.					
Argentine Great Western	2½%	May 2	Less tax	%	%
Assam Rylys. and Trading, "B" Stock	2 %*	Mar. 31	Less tax	..	..
Buenos Ayres and Pacific	3 %*	..	Less tax	..	..
Banks.					
Anglo-South American	5/ p.s.	April 30	Less tax	..	..
Insurance.					
British and European	12/ p.s.	..	Subject to tax	10	10
Caledonian	..	..	Less tax 4/7½ in £	42	(a)30
London	18/ p.s.)	..	Less tax	28/ p.s.	28/ p.s.
Provident Accident and G'tee. ..	..	..	Tax free	10	..
Uster Marine	..	..	..	..	..
Tea and Rubber.					
Batu Caves Rubber	..	..	Less tax	4	4
Bikam Rubber	..	..	Less tax	10	7½
Changkat Salak, Def.	2/ p.s.	..	Less tax	124	32
Damansara Rubber	..	..	Less tax	4	5
Devitural Estates	4½%	..	Less tax	4	6
General Ceylon	7½%	..	Less tax	15	5
Gula-Kalumpung Rubber	..	..	Less tax	10	10
Hanwella Rubber	..	April 30	Less tax	2½	nil
Higgoda Rubber	..	..	Less tax	5	5
Highland Tea	15%†	..	Less tax	22½	20
Kentworth	..	..	Less tax	4	..
Lower Perak Rubber	..	..	Less tax	4	nil
Portmore Tea	17½%†	..	Less tax	27½	..
Selasa Rubber	..	..	Less tax	6	7
Sena Sugar	7%*	April 15	Less tax	35	25
South Weyarajah Tea	10%†	(&bonus 5%)	Less tax	5	nil
Teluk Seliah Rubber	..	..	Less tax	12½	10
Trysane Tea	7½%†	..	Less tax	3	nil
Woodend (Kelani Valley)	..	..	Less tax	..	..
Mining.					
Central Provinces Prospecting ..	15 %	(&bonus 5%)	Tax free	30	25
Geduld Reef	..	..	..	27½	16½
Modderfontein "B"	..	..	..	110	85
Modderfontein Deep	..	..	..	140	120
Natal Steam Coal	..	May	..	5	8
Pabang Consolidated, Pref.	3½%*	May 1	Less tax 4/6 in £	35	30
Rio Tinto	25/ p.s.†	..	Less tax	..	..
Other Companies.					
African City Properties	6%†	..	Less tax	9	9
American Investment Trust	..	..	..	11	10
A. Reyrolle and Co.	..	..	..	12½	12½
Albion Motor Car	..	..	..	5	nil
Argentine Gas and Invest.	2½%*	April 28	Less tax	5	..
Associated Newspapers, Def.	40	April 7	Less tax	..	..
Associated Portland Cement	..	..	..	nil	5
Bell's United Asbestos	1/6 p.s.	..	..	10	10
Bobby and Co.	..	..	..	124	124
British United Shoe Machinery ..	..	..	..	20	12
Brown, Hopwood and Gilbert	1/ p.s.*	..	Tax free	..	..
Browne and Eagle, Cum. Pref.	10%*	..	To Dec. 31, 1923	..	..
Carlton Hotel	6*	May 1	..	12½	10
Chiswick Mansions	..	..	..	..	..
Clark Electric Trans.	3½%†	..	Less tax	5	nil
Culloden Consolidated	..	..	Less tax	5	7½
Cunard Steam Ship	..	..	Tax free	10	15
Debenhams, "A"	..	..	Tax free	10	15
Do "B"	..	..	..	5	..
Dwylais Gas and Coke	2½%†	..	Tax free	15	7½
Dwyer and Co.	10%†	..	Tax free	7	5
Edinburgh Collieries	10%†	..	Tax free	5	5
Elliot's Stores	..	May 15	Less tax	12½	..
English Electric	10/ p.s.	..	Tax free	5	7½
Forth and Clyde Iron	..	..	..	20	20
Freshold Assets	5†	April 30	Tax free	20	20
Furness, Withy	..	..	..	..	..
Gandy Belt Manufacturing	10%*	(&bonus 4/ p.s.)	Less tax	6	5
Grand Hotel, Bristol	5/ p.s.	..	Less tax	6	5
Hodgson's Kingston Brewery	..	..	..	5	5
International Linotype	3½%†	..	Tax free	15/ p.s.	15/ p.s.
Irrawaddy Flotilla	10/ p.s.†	..	..	..	..
James Cartland and Son	7½%†	..	Less tax	10	10
James Howell and Co.	12†	..	Less tax	10	10
J. G. Mooney	6%†	..	Less tax	12	10
John Dickinson and Co.	..	..	Less tax	6	5
John Groves and Sons	..	..	..	..	..
Kean and Scott	5*	April 20	Less tax	nil	6
Kenward and Court	..	..	..	10	10
Leamshire Iron	5%†	..	Less tax	7½	7½
London Brick Co.	6½%†	..	Less tax		
London Electric Wire	..	..	..	10	10
Lever Brothers	..	..	..	..	..
Lima Light, &c.	3%*	April 1	Less tax	..	..
London Marine Investment	4 %*	April 1	Less tax	6	5
Marshalls	..	..	..	10	..
M. B. Foster and Sons	10†	..	Tax free	10	..
Nant-y-glo Ironworks, Pref.	£2 p.s.	April 15	Less tax (arrears)	7	7
Natal Land and Colonisation	..	..	..	5	5
National Dwellings Society	..	April 12	Less tax	13½	13½
New Egyptian Co.	..	..	..	35	15
New Tamarugal Nitrate	25 %†	..	Less tax	7	7
Northern Electric	..	..	..	12½	12
Ocean Coal and Wilsons	3½%†	..	Tax free	2	8
Olympic Portland Cement	..	..	Less tax	10	..
Owen Green	..	..	..	6	15
Patent Enamel	3½%†	..	Tax free	3	6
Penarth Pontoon	7½%†	..	Less tax	16	7
Pool Shipping	..	..	..	17½	17½
Price-Jones	..	..	..	..	8
Ranases and Angler	..	..	Tax free	..	..
Reckitt and Sons	1/6 p.s.†	..	Subject to tax	..	..
Rolls-Royce	..	..	..	..	..
Scottish Trust (Ceylon)	10%*	..	Less tax	..	..
Second Edinburgh Invest., Def. ..	5%*	May 10	Less tax	..	..
Spears' Patents (America)	1/6 p.s.†	..	Less tax	13½	13½
Stagg and Mantle	19†	..	..	32	32
Stock Exchange	..	..	..	7½	7½
Trust and Agency of Australasia ..	1/ p.s.†	April 14	Tax free	32	24
Union Corporation	5 %†	..	..	9	8
United National Collieries	5½%†	April 23	Tax free	4	3
U.S. and B. American Invest.	..	..	..	6	6
Western Mansions	..	..	..	..	..
Workington Brewery	..	..	..	..	..
Wright, Layman, and Umney	15 %†	(&bonus 2/ p.s.)	Less tax 4/7½ in £	..	..

(a) Tax free

COMPANY MEETINGS, &c.

NATIONAL BANK OF GREECE.

A YEAR FULL OF EVENTS.

IMPROVEMENT IN CIRCULATION.

PUBLIC FINANCES AND FOREIGN EXCHANGES.

THE CREDIT OF THE COUNTRY RESTORED.

INTENSIVE BUSINESS NOTICEABLE EVERYWHERE.

INCREASE OF THE BANK'S BUSINESS.

A REAL ESTATE BANK.

The ordinary general meeting of the shareholders of the National Bank of Greece was held on March 3, at the head office of the bank, Athens, Greece.

The Governor, Mr A. N. Diomède, read, on behalf of the general council of the bank, the report for 1923, the chief points of which are given below.

THE PAST YEAR.

The year just drawn to a conclusion was, like its predecessors, full of events. Our trials have not come to an end, and notwithstanding that the signature of the Treaty of Lausanne signalled our entrance into a period of definite peace, the uncertainty of the future, together with unforeseen events at home and abroad, produced a reaction which had a direct influence upon the currency situation. Our monetary standard, the point of least resistance, was affected according to what were often uncritical impressions. For, unfortunately, people who lack sufficient coolness, are affected by changing influences and fall from the extreme of optimism to unjustifiable pessimism, without carefully weighing the real facts, which alone can restrain them within the limits laid down by reason.

CIRCULATION.

Our maximum right of circulation amounted on December 31, 1922, to 3,698,141,090 drachmæ, and on December 31, 1923, to 5,406,036,200 drachmæ, i.e., it presented an increase of 1,707,895,110 drachmæ. Deducing the disposable funds in the bank's coffers on December 31, 1923, or 724,836,140 drachmæ, the notes actually in circulation amounted to 4,681,200,060 drachmæ, against 3,149,446,274 drachmæ on December 31, 1923. The real increase during the year has thus been 1,531,753,786 drachmæ.

But, whilst in the year 1922 the increase of circulation, 1,150,000,000 drachmæ, was exclusively due to the needs of the Treasury, and supplied the financial requirements of the Treasury only, and consequently had nothing behind it but the credit of the State, in 1923, for the first time—and I call your attention to this point—out of the whole increase of 1,707,895,110 drachmæ the issue of 750,000,000 drachmæ only was provoked by monetary stringency on the part of the Treasury. But this amount also—and this too is worthy of note—commenced during the year to be reduced through the withdrawal from circulation of 40,000,000 drachmæ, to which, later on, a further 50,000,000 drachmæ was added. Besides these amounts, and in accordance with existing conventions, the State returned 49,500,000 drachmæ for cancellation, out of previous loans in forced currency, so that the debt of the Treasury to the bank in forced currency was reduced by 139,500,000 drachmæ.

The balance of the issues during 1923, or approximately 1,000,000,000 drachmæ, was demanded by the needs of the market. That is to say, this issue had behind it either short-dated credits, representing productive work of the community, or sound foreign exchange derived from the market, in order to serve as a strong

protection for the national currency. This substantial change in the conditions of issue is reflected on the quality of the whole circulation, and may with reason be considered as a commencement of a more healthy period.

A COMPARISON.

This change may be clearly seen by a comparison of the two years:—

	In millions of drachmæ.	
	1922.	1923.
Debts of the Treasury	2,074	2,802
In productive business	1,075	1,879

Total of actual circulation 3,149 4,681

Of course the extent of our circulation is not natural, especially as compared with the pre-war circulation. However, it is vain to go back to a period when business was done under altogether different economic conditions. That past can no longer serve as a safe standard of comparison. The only comparison that can enlighten us is one with the present monetary policy of other States, as we must not forget the close solidarity which the common origin of their economic straits has created between the various countries which have close economic relations. It does not seem possible, nor is it economically desirable, to return quickly and suddenly to low limits of circulation, which only a superficial view can represent as beneficial. For a dangerous stringency of money would be created, and money would become dearer owing to the rise in the rates of interest, whilst on the other hand local production would not be able to stand the expenses of cultivation, &c., and competition with foreign markets would become impossible. These evils would bring with them an increase in the cost of living instead of a reduction.

DESIRABLE POLICY.

What is most desirable, and should be the chief object of our efforts, is the qualitative improvement of the circulation with a gradual and systematic quantitative modification. For years to come we shall find ourselves struggling against difficulties which are the result of the complete upsetting of the equilibrium. We shall meet and diminish these difficulties if the active factors of the country—public and private economy—carefully avoid committing mistakes which would strike a heavy blow at the national economy, and would hinder the gradual recovery of the country through the strengthening of its whole economic organisation.

I think that, as Greece has been restrained in time from following the downward path of successive issues, to which countries which have suffered economically and politically so easily betake themselves, she is able without fear to stand comparison with most other States.

Notwithstanding the fact that it is barely six months since a period of war, entailing enormous expense to the country, has come to an end, and within a very short space of time her popula-

tion has been increased by so much as one-fifth; and that for years lamentable internal disturbances, which have impeded her economic restoration, have troubled her, nevertheless the note circulation in Greece amounts to an equivalent of £2 12s 8d per head of population.

The circulation of most other countries is less favourable, although they have for five years past re-entered into conditions of peace, and have been able in the meantime both to restrict their military expenses considerably, and to devote their energies unhindered to the work of rendering their currency sound.

POWERS OF INCREASE USED SPARINGLY.

It must be admitted, after an unprejudiced examination, that the means of increasing the money supplies of the State through increasing the circulation was resorted to during the past year with sparingness. But this was not easy, because both the need was urgent and the temptation to find funds by the issue of more notes was strong. But the consciousness was also strong of the disaster which would overtake the whole national economy unless every possible effort were made to put an obstacle in the way of easy financing. For nothing would then be able to check the fall of the drachma, and the soaring of foreign exchange and the cost of living to fresh inapproachable heights, from which I know not what favourable circumstances could ever bring them down.

METHODS USED TO MEET ENORMOUS EXPENDITURE.

The Government had also to meet enormous expenditure due to the continuance of the state of war, and to the necessity of strengthening the defences of the country in order to avert immediate danger, for the maintenance and settlement of a million refugees, and further to meet daily increasing ordinary expenditure, especially on account of the growing increase in the cost of living. This expenditure was met:—

1. By temporary advances by the National Bank out of its own disposable funds, according to the precedent set in past years. These advances amounted to 343,000,000 drachmæ, but declined by December 31st to 176,630,692 drachmæ in consequence of repayments from the surpluses of the public Treasury from time to time.

2. By the sale of National Defence Treasury bills. Investment in these Treasury bills commenced in 1918, but was of little assistance to the State during past years, amounting as it did in 1918-1919 to 148,000,000 drachmæ; in 1920, to 41,000,000 drachmæ; in 1921, to 119,000,000 drachmæ; in 1922, to 21,000,000 drachmæ. But in 1923 the amount suddenly jumped up to 603,000,000 drachmæ, and raised the balance of the Treasury bills disposed of on December 31st to 934,000,000 drachmæ. It is to be noted that investment in these Treasury bills has not ceased as one might have expected to be the case, owing to the fall of the drachma, seeing that during the last two months of the year a fresh amount of 251,000,000 drachmæ was invested.

INVESTMENTS BY THE PROVINCES.

This fact is an entirely satisfactory phenomenon, the more so as a detailed examination into the source of these funds shows that a large part of them, amounting to 299,911,100 drachmæ out of the 603,000,000 drachmæ invested in 1923, came from the provinces, that is to say, from sources which had not lately been considered favourable to such investments. The confidence which gradually was inspired by this investment, its regular service, and the fact that it was always easy to discount, attracted from its hiding place the formerly unproductive capital of the provinces, and offered it for utilisation by the public. The assistance thus rendered was most valuable to the State. In this manner the country contributed from its own resources, and spontaneously to cover a considerable portion of the deficit which extraordinary expenditure had caused in the Budget.

In other countries many people have considered the increase of the circulation of Treasury bills to show an increase of inflation because many of them were bought not out of disposable funds, but by credits granted by banks. But with us nothing of the kind has occurred, and I doubt if even one such bill has not been bought by free capital not otherwise disposable.

ADVANCES FROM BANK OF ENGLAND.

3. The Treasury has had considerable assistance also from the advance of £1,000,000 indirectly made to it through the Convention between the Bank of England and the National Bank. Owing to this advance, the heavy expense of settling the refugees in town and country had ceased to be drawn from the Budget of the State revenues. This satisfactory result has been achieved, thanks to the powerful intervention of the League of Nations, in the question of the protection of the refugees, and to the ready support accorded to us by the Bank of England. It is my duty here to express my thanks to the Governor of that bank for the ready manner in which he overcame the difficulties which the question encountered owing to the then prevailing conditions.

Of course, an advance of £1,000,000 does not settle the problem, and the decision of the League of Nations provides for a loan of £6,000,000 for fully carrying out the programme. We have, however, reason to hope that we shall obtain this assistance from abroad, even if at first in instalments.

INCREASED TAXATION.

4. All these means, however, would have proved inadequate from both a financial and an economic point of view, to permit the Government to meet the emergencies of the situation unless taxation had not been increased as well. That taxation should remain at its former level was impossible, both because the monetary basis on which it was first founded had radically changed, and no longer represented the ratios formerly laid down, and because production of all kinds, which was developing rapidly, and which found a ready market at high prices, would thus have remained practically almost immune from taxation. Further, so long as the State expenditure was increasing, even the regular and regularly recurring expenditure, it would have been an act of the greatest imprudence if the Minister of Finance should not have assured cover for this expenditure from regular sources derived from the existing and produced wealth. This was, in fact, the policy adopted by the Government. In this way it enriched the Budget by fresh regular revenue amounting to about 1,200,000,000 drachmæ, and gave the impression not only in the country, but especially abroad, that the country was making serious efforts to improve its finances, and to lay sounder financial foundations for the future.

EXCHANGE.

Foreign exchange rates were subject to great fluctuation during the year just drawn to a close, and gave a faithful reflection of the chequered history of the year, ranging from perfect confidence to the most imprudent suspicion. Rates being freed from the artificial restraint of State intervention, followed closely the inspiration of the market. If the regulation of prices had been based solely upon hard facts, harmful extremes would, of course, have been avoided, and the drachma would have acquired a more stable intrinsic value.

Careless observers believe that the evil of sudden fluctuations is exclusively due to dark designs cleverly manipulated by speculation. But it is wrong for them to throw the responsibility for periodical crises mainly upon speculation. Speculation is not the cause of the crises, it is the fatal, and up to a certain point, inevitable consequence of crises. Economic and monetary want of balance, from which not only Greece, but almost the whole world is suffering, favours the spirit of speculation, which is fostered still more by political uncertainty, and the complications and difficulties which such uncertainty threatens. Speculation is a phenomenon which appears at every excitation of the disease with which the currency is afflicted. Whenever the currency shows signs of improvement, as if by magic, the mania for speculation disappears, ready, however, to raise its head again directly fresh symptoms of the disease furnish a favourable ground for its cultivation. It is useless to hope that the evil can be got rid of by artificial means, because such means affect the symptoms only, and leave the cause of the evil untouched.

VIOLENT FLUCTUATIONS.

Under the influence of pessimistic psychological causes, which were purposely exaggerated still more by an unbridled tendency

towards speculation, the rates of foreign exchange mounted impetuously, and on March 3rd they reached the highest point, the pound sterling touching 464 drachmæ, and the dollar 98.61 drachmæ. Securities, even those which are not strong enough to stand a critical appraisal of their intrinsic value, rose in unison with this unreasonable movement. The excessive tension of prices and the overburdening of shoulders not strong enough to carry liabilities daily increasing by leaps and bounds, greatly contributed to the breaking out of a crisis which rapidly developed, especially in the month of May, into a panic. The rate of the pound sterling fell precipitately from 464 drachmæ to a constantly declining level, with still greater leaps, losing tens of units from day to day, until on June 1st it reached the lowest point, 126 drachmæ, *i.e.* within three months it lost 334 units, or, in other words, the drachma rose from five and a-half gold lepta to twenty gold lepta, thus quadrupling its value, more or less.

A convulsion of this extent from day to day upset the whole basis of values and calculation for the future. The forcing up of the rates of exchange to such high levels was clearly a diseased and artificial manifestation of want of confidence, which did not correspond with actual facts, that is, to the intrinsic value of drachma by virtue of the economic strength of the country. On the other hand, however, the sudden and great recovery beyond the limits of the most optimistic reasonableness equally manifested an unsound extravagance, capable quite well of causing irreparable disaster, which might have dealt a mortal blow to nearly every wealth-producing branch of the national economy.

Those who welcomed this unexpected and great improvement in the value of the drachma, as a sign of economic health, did not see that it was just this sudden change in the basis of the standard of every value in the country which was ruinous. For the whole economic synthesis of the country, the conventions concluded during that period, which affected the whole public, and which created a network of complicated interests, had been erected upon a definite value of the drachma. But when this was shaken to its foundations, the fundamental conditions of the transactions were overturned, and there followed a halt in the economic life of the country, the results of which would have been incalculable.

BANK'S AID DURING CRITICAL PERIOD.

During this critical period the National Bank was in duty bound to intervene with the whole weight of its influence. Orders were given that none of its clients should be harassed, and the bank unhesitatingly came to the aid of the market with funds in order to assist it to carry out its obligations intact, and thus to prevent suspensions of payment and threatened failures which would have carried with them a large circle of the working community.* The funds thus advanced in this critical period reached a total of 155,000,000 drachmæ. But the chief care of the bank was to strike at the cause of the evil itself, *i.e.*, the sudden fall of rates. With this object the bank endeavoured by its own resources to absorb as large a portion as possible of the abundantly offered exchange, in order to cover both its own requirements and the liabilities which had been created by the orders for foodstuffs during the immediately preceding months of embarrassment, and in agreement with the Government it set in work the provisions of the Decree-Laws of November 29, 1922, and April 23, 1923, according to which the National Bank on issuing notes was to purchase foreign exchange at current rates in order to return it to the market, against cancellation of the notes issued, when called upon to do so. Through this measure it was found possible really to stop any further decline in exchange, and on the other hand to strengthen the National Bank also by a reserve fund belonging to the State in order that it might be in a position in moments either of slackness of offers or of speculative exploitation, to intervene with the object of checking any manifestation of acuteness. To-day this reserve fund amounts to £2,400,000 in round numbers.

CORRECT EXCHANGE POLICY.

The policy which, in the opinion of the National Bank, ought to be adopted with respect to the course of exchange is that of

endeavouring to keep rates within limits as close as possible. An improvement of the local currency can only prove firmly advantageous if it is gradual and slow, and is accompanied by a simultaneous general improvement in the country with an equilibrium in the public finances, for only in such case would it not affect the equilibrium of values which is anyhow with difficulty achieved and maintained. This is the course of action which the bank has laid down, and it hopes that, unless unforeseen impediments are brought about by extraordinary events, it will be able to achieve a relative firmness in, and, given the conditions assumed, a gradual improvement of, rates. The actual facts warrant such an expectation. The requirements of the Government in exchange—foodstuffs, public debt, and other State liabilities—no longer compete with the demand, and are easily covered by the exchange, quietly derived from the 15 per cent. handed in by the banks on their purchases.

MOVEMENT OF EXCHANGE.

The purchase and sale of exchange effected through the National Bank during the past year shows an increased movement, chiefly due to the fact that from the end of the month of April, after many years of the operation of provisions impeding the freedom of exchange transactions, business began again to be carried out without restriction. But a contributory cause was the gradual return of confidence following on the definite termination of the state of war, and the hopes that quiet would return to the country. A comparison of the last two years will, I think, show this correctly.

Purchases of exchange by the National Bank during 1923 (all currencies being converted into pounds sterling) amounted to £22,255,552. The corresponding figure for 1922 was £15,072,389. (It is to be noted that in this latter amount is included the purchases of all the banks forming the syndicate, for 10 months.) In other words, during 1923 the purchases of the National Bank alone represent an increase of £7,183,163.

	£
Sales of exchange by the National Bank during the year reached	19,087,365
Sales in the year 1922 amounted to	17,702,170

Or an increase for 1923 of 1,385,195

Thus, although the year 1923 has to show sales superior to those of 1922 by £1,385,195 (notwithstanding that the sales of 1922 were effected during 10 months of the year by all the banks of the syndicate), it nevertheless leaves a surplus, owing to the abundance of purchases, as follows:—

	£
Purchases	22,255,552
Sales	19,087,365
Balance	3,168,187

OBSERVATIONS.

The figures which I have given respecting the purchase and sale of exchange during the past year allow of certain definite deductions being made.

There is no doubt that foreign exchange is relatively plentiful in the country, and that it comes from export trade, from foreign remittances (especially from America), and also from reserves in exchange held by Greeks in the country. Whenever confidence is restored, these otherwise concealed funds come to the surface and are invested in drachmæ or in drachma securities. But these waves of suspicion which are periodically caused by that scepticism which is innate in the Greek character, always add an additional demand to the regular demand for the settlement of liabilities incurred to foreign countries. Thus the greatest hindrance to the regular regulation of the price of exchange is the always observable nervous haste of those who wish to turn their funds in foreign currencies into drachmæ, in order to retain the value of their property or to increase it by speculation.

But there are some clear indications that this suspicion is no longer the rule, and the price of the drachma has begun to be

estimated in a more practical manner, and the drachma to cease to be an undesirable currency.

REMITTANCES FROM EMIGRANTS.

Remittances from emigrants are rightly considered as a reliable thermometer of opinion of the world outside Greece as regards the value of the local currency. In 1922 these remittances reached a lower figure than had been observed for years, and amounted to only £2,095,000 (for the National Bank). The year 1923 gave us the first sign of an upward tendency, with £2,809,000 reaching the country through the National Bank alone—*i.e.*, an increase of £714,000. From the data provided by the chief banks, we are able to calculate that funds imported from emigrants during 1923 exceed a total of £5,000,000, whereas during the previous year they barely reached £4,000,000.

RISE IN GREEK SECURITIES.

Another encouraging proof of favourable estimation is the figure to which Greek securities dealt with in England rose in comparison with 1922. Five per cents. rose from £40 to £45 in 1922 to £50 to £55 in 1923—*i.e.*, they approach in value foreign securities, the capitalisation of which takes place at 8½ per cent. or 9 per cent.

This tendency on the part of the London market to take a favourable view of Greek securities is a most valuable asset for our country. For in that market the factors of credit are subjected to a severe test. The economic power of resistance of a country, its social and political stability, are weighed with the measure of unequivocal reality, and the judgment is faithfully reflected in the value attributed to the local currency, and thence to the prices of securities as well. It is unnecessary for me to lay any stress upon the importance of a favourable judgment of this kind to Greece. The general improvement observable on the London Stock Exchange in the rates of Greek securities, the prices of which are steadily mounting, forms another proof of increasing confidence in the credit of the country.

MOVEMENT OF BUSINESS.

The movement of the bank's business presents entirely satisfactory results for the past year. An important improvement is to be noticed in all branches of productive business as compared with the previous year. In spite of the continued care exercised by the bank to assist the Government directly, as well as by undertaking the supply of foodstuffs for the nation, its purely banking action was in no way prejudiced thereby. As a matter of fact, in comparison with 1922, owing to the greater easiness of the Treasury, the amount of the bank's disposable funds absorbed by it was considerably less. For, whilst in 1922 the bank paid over to the Government as definite or temporary loans, a sum of 693,000,000 drachmæ and 50,000,000, and it immobilised a high percentage of its disposable funds in exchange abroad, in 1923 no definite loan was issued, and the temporary advances amounted to 343,000,000 drachmæ, to be restricted by December 31st to 176,000,000 drachmæ, and its disposable funds in exchange not only were not touched, but the circumstances of exchange even permitted it to recover whatever it had advanced in the past, and entirely to free its deposit in actual gold with the Bank of England and to create a strong reserve in exchange.

In this way, with greater freedom of movement, it was enabled to come to the assistance of various undertakings in the country, which required a plentiful supply of capital in view of the prevailing upward tendency, in order to increase their production in both commerce and industry and agriculture. The bank assisted all these branches, and disposed of a total capital exceeding by 528,000,000 drachmæ that of the former year.

The crisis in exchange which broke out in the spring did not disturb the business of the bank. Notwithstanding the important development of commercial investments, they constituted no danger for the bank. The importance of this fact is still more worthy of remark if one takes into consideration the fact that the crisis came upon trade at a moment of intensification in consequence of the regular resumption of business in Macedonia and Thrace following on the restoration of peace.

NEW BRANCHES.

The progressive development of business in both Athens and the provinces, and the need of paying more direct attention to various thickly populated districts with considerable productive trade, obliged the bank to establish an annexe at Athens, which will shortly commence business, and three branches in Macedonia—*i.e.*, at Verroia, Katerina, and Grevena. The management of the bank, however, is considering a programme for the gradual development of the network of branches, on the conviction that they will serve the needs of those populations which are entirely without banking assistance, as well as the interests of the bank itself. The really intensive business which is almost everywhere noticeable is a guarantee of the future productiveness of the branches to be established.

The subjoined table shows the amounts disposed in productive business by the bank during the year 1923 as compared with those of the foregoing year, with the difference for 1923:—

(In Thousands of Drachmæ.)

	1921.	1922.	1923.	Difference. 1923.
				%
Discounts	..	552,778	705,090	+ 27.5
Advances to agriculturists and proprietors	..	92,787	210,722	+ 127.1
Loans and current accounts on pledge of securities	228,668	508,562	387,971	- 23.7
Loans on pledge of merchandise	..	944,184	1,292,027	+ 36.8
Accounts of Ministry of Supplies from orders, of the Supreme Direction of Transport and of sulphur and sulphate of copper	..	677,606	1,211,452	+ 78.7
Loans and current accounts on mortgage	63,106	103,477	127,027	+ 22.8
Loans to municipalities, harbours and other legal persons	..	18,314	25,249	+ 37.7

* Comparison should be made with the figures for 1921, because in 1922 there intervened the granting of loans on the provisional bonds of the Forced Loan provided by law, which increases the amount disposed of during 1922 to 508,000,000. Meanwhile these loans have almost entirely been settled.

REAL ESTATE CREDIT.

Real estate credit, in the shape either of loans to private persons or to legal persons, it was only to be expected would show an unusual increase owing to the exceptional conditions of the greatly increased population.

This line, however, is destined to present a rapid increase in the future. The acute crisis on account of the lack of sufficient house room which is observable not only in Athens but in all the other towns of Greece, even the smallest, especially in the new territories—which deficiency those who know calculate at many tens of thousands of houses—gives rise to a question not merely of economic, but also of the highest social importance. The Government, with the knowledge of the needs, has endeavoured to help the solution of the question by beneficial legislation concerning cheap houses. But everybody looks to the National Bank to assist in solving the question, on account both of the low rate of interest with which the mortgage is burdened, and of the magnitude of the capital which is necessary for such work.

To these needs must be added the reasonable demands of the municipalities, ports, and other Government organisations which, in view of the works that must be executed without delay, apply in mass to the National Bank for the necessary advances.

In view of the intensity of these works, the management of the bank, in execution of a plan which it has been studying for years, came to an understanding with the Government to disconnect this business from the bank itself, and out of the bank itself to found a separate real estate bank. This independent institution, which will be devoted exclusively to the object of attending

to these needs, will be able, according to the example of what has occurred in all other States for a considerable time, to satisfy more completely the needs of the public. The requisite study has already commenced, and will be submitted to your approval as soon as it is ready.

• AGRARIAN CREDIT.

The National Bank followed during the past year the programme it had laid down regarding the assistance of agrarian credit. The capital which is employed for this subject is steadily increasing from year to year, according to a system which assures the productivity of the loans and their regular liquidation, and witnesses to the continual widening of the bank's action in this line of credit for which, on account of its more general importance, no limit as to the capital employed has been set by the bank.

But the National Bank must increase this branch of credit still more, in view of the problems which we shall have to meet in the future. The solution of the agrarian question in Thessaly and elsewhere, and the settlement of the agriculturist refugees make it necessary for the bank to contribute to rendering the settlement as small proprietors of landless agriculturists an economically productive work both for the settlers and for the whole country.

DEPOSITS.

Deposits showed a remarkable progress during the past year.

The following figures enable a comparison to be made between the results of the two years 1922 and 1923:—

	1922.	1923.
	In millions of drachmæ.	
Deposits at sight	925	1,362
Savings bank	197	221
Permanent and at fixed dates	951	944
Total	2,073	2,527

i.e., an increase in 1923 of 454,000,000 drachmæ.

BANK'S PROFITS AND DISTRIBUTION OF PROFITS.

During the year under review the profits continued to be absolutely satisfactory, and they arise exclusively from a strict estimation of the returns from the business of the year. The gross profits amounted to 278,870,749 drachmæ, as compared with 279,595,250 drachmæ for the year 1922.

The net profits of the year amount to 104,115,232 drachmæ. This figure enabled the management to propose this year again an increase of the dividend, which was raised from 800 drachmæ for 1922 to 1,200 drachmæ. The policy of strengthening the bank by reinforcing its reserves was followed faithfully by the management also during the past year. Nobody is unaware of the importance of this policy for the future of the bank. During this period when the profits, owing both to the exceptional conditions and to the fall in value of the drachma, show a substantial increase, it would be madness not to carry a portion of the profits realised to increase the reserve funds in order to render the position of the bank unassailably strong.

Induced by these reasons, the management has decided that 28.50 per cent. of the net profits, i.e., 30,000,000 drachmæ, shall be carried to reserves, which are thus increased to a total of 250,000,000 drachmæ.

The participation of the State in various forms absorbed during the past year as well a considerable part of the profits, amounting to 49,949,794 drachmæ, which corresponds to 47.97 per cent. of the net profits. If we add to this 15,000,000 drachmæ out of the funds carried to reserves in 1923 which fall to the State, the total participation of the latter reaches 64,949,794 drachmæ, or 62.38 per cent. of the net profits. This proportion of the bank's profit falling to the State shows in a practical manner how important is also the closer economic assistance which the National Bank accords to the Treasury, by contributing to it a percentage more than twice that which the shareholders enjoy.

The report was unanimously adopted.

CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA.

SATISFACTORY RESULTS OF YEAR'S BUSINESS. CHAIRMAN ON BUSINESS CONDITIONS IN THE EAST. INDUSTRIAL UNREST AND FOREIGN COMPETITION.

The seventieth ordinary general meeting of the shareholders of the Chartered Bank of India, Australia, and China was held, on the 2nd instant, on the bank's premises, 38 Bishopsgate, London. Sir Montagu Cornish Turner (the chairman) presided.

The chief manager (Mr W. E. Preston) having read the notice convening the meeting and the report of the auditors,

The Chairman said:—Gentlemen, I should like to explain, in regard to the concluding part of the auditors' certificate, that the reason why the full details of the Yokohama Agency have not been received is that nearly all our accounts and books were destroyed at the time of the earthquake in Japan. The earthquake occurred in the middle of the day, when business was in full swing. In the space of six seconds the bank's premises were destroyed. It is hardly to be wondered at that the books and papers which were then being used were destroyed by the earthquake and by the fire which followed it; but, thanks to the energy of our staff out there, we are pretty well prepared with all details and statements, so that there is no trouble arising from the destruction of our records.

Having expressed regret at the unavoidable absence of Lord George Hamilton and Sir John Jordan, through ill-health, and also of Sir Alfred Dent, the chairman proceeded:—

TRIBUTE TO LATE SIR DUNCAN CARMICHAEL.

Before dealing with the business before us, I would refer briefly to the loss sustained by the board of directors in the very sudden death of their much-valued and respected colleague, the late Sir Duncan Carmichael. With his long and varied business experience, added to a sound and impartial judgment, although a comparatively young member of the board, Sir Duncan proved himself to be of substantial assistance in the deliberations of the court of directors, especially in all questions connected with Eastern trade. Apart from that, he was to some of us an intimate and appreciated friend of many years' standing, and his passing away created a void which it is not easy to fill.

The vacancy on the board has been filled by the election of Mr Colin F. Campbell, of Messrs Forbes Forbes, Campbell, and Co., Limited, of London and Bombay. Mr Campbell has had a long and honourable business career in London and in the East, and has a deserved reputation as one of the leading figures in banking and commercial life in the City of London. I am sure you will agree with me we are fortunate to secure his services, and you will be asked to-day to confirm his election.

THE PAST YEAR.

Referring to the report and balance-sheet now submitted for your approval, I trust you will agree that, in view of all that happened in 1923 and all that did not happen in the way of revival of trade, and in spite of keen competition, the results shown are not unsatisfactory. The year 1923 was a year of disappointment, and, perhaps, of disillusion, in that we did not experience a substantial revival in trade, nor did we witness any marked improvement in the unsettled political condition or in the financial condition of Central Europe. This state of unsettlement permeated both East and West, and in consequence we experienced a period of great difficulty and, at times, no small anxiety. Thanks, however, to careful and capable management and unremitting attention on the part of our managers and staff, at home and abroad, we have emerged from that period of anxiety and perplexity with some profit and without any serious loss.

BALANCE-SHEET FIGURES.

Turning to our balance-sheet, our total figures at £58,765,547 11s 10d, showing a reduction of £1,387,835 4s as compared with those for 1922, merely reflect the general slacker state of trade during the past year. It is pleasing, however, to note that our current accounts and fixed deposits at £41,590,027 1s 2d compare so favourably with the £42,408,289 10s 11d of the preceding year. Our cash in hand and at bankers at £4,673,004 16s 1s 9d—19s 3d higher than the same item for 1922—viz., £4,515,804 16s 9d—19s 3d higher than in transit at £1,060,190 4s exceeded our whilst bullion on hand and at bankers at £1,060,190 4s exceeded our 1922 figure by £504,498 9s 5d. Our holdings of Government and other securities totalled £14,385,289 11s 4d., an excess of £2,226,275 13s 4d over our closing figures for 1922, due to the fact that we took advantage of a change from Treasury bills to somewhat longer-dated securities, giving a better return, which accounts for part of the decline of £3,987,842 6s 3d in our bills of exchange, including Treasury bills, from £17,932,445 in 1922 to £13,944,602

13s 9d at the end of last year. Our bank premises at £971,050 14s 9d show a small increase over our 1922 figures, but this year's allocation will bring that down.

The net profit is just about the same as in 1922, and enables us to pay the same dividend and bonus to shareholders and to make the same allocations to reserve, officers' superannuation fund, and premises account.

JAPANESE EARTHQUAKE.

The outstanding feature in the Far East has been the disastrous earthquake which visited Japan on September 1st last. No disaster of such a magnitude involving such an appalling loss of life and property, both in Tokyo and Yokohama, has, I believe, previously happened in our generation. Material damage, caused partly by fire resulting from the earthquake, to the extent of many millions sterling has resulted, but, thanks to the marvellous energy and indomitable courage of the Japanese nation, their Government at once took in hand the reconstruction of the two cities, and in a wonderfully short time business was resumed.

From a speech recently delivered in London by Mr Inoué, recently Finance Minister in Japan, it would appear that in Tokyo the number of lives lost was about 85,000, and the number of houses burnt 350,000; but against this loss about 150,000 temporary dwellings had been erected, and of the 1,000,000 people who had left the city during the earthquake about 600,000 had returned. Their energies were splendid.

It speaks volumes for Japan as a nation that the recent loans issued in London and New York—loans issued entirely on the credit of Japan and without any collateral security—met with such a wonderful response and such a success. It is a testimony to the honesty and high commercial standard of Japan as one of the Great Powers of the world.

LOSS OF MEMBERS OF STAFF.

As far as this bank is concerned, I regret to say that, although the material loss in Yokohama resulting from the earthquake was no more than might reasonably have been expected, and which has been fully provided for, we sustained a grievous loss in the most regrettable death of our manager, Mr A. H. Tait, unfortunately killed when a short distance from the bank building. Mr Tait had done excellent service in the bank. He was a man of great promise, an indefatigable worker, and a most faithful servant. His death is a distinct loss to the bank and to all who knew him as a friend. The board of directors and management have already expressed their sympathy with Mrs Tait, but I would take this opportunity of doing so publicly, and also expressing very great sympathy with Mr Nicoll, one of our assistants, in the disaster which befell him in the death of Mrs and Miss Nicoll. We would also sympathise with the relations of those members of our local staff—10 in number—who lost their lives when at their post of duty in the bank building.

BUSINESS AGAIN AT YOKOHAMA.

In spite of the disaster and all the consequences resulting therefrom, the bank's business, which had been transferred temporarily from Yokohama to Kobe, has been again transferred to Yokohama, where we have a temporary office, and an agency has also been opened at Tokyo to meet the requirements of our friends and customers. Our staff, both at Yokohama and Kobe, deserve the highest praise for the manner in which they carried on in circumstances of the greatest difficulty and danger.

As might be expected, the balance of trade is at the moment against Japan, partly due to national causes, such as the import of material necessary to reconstruct the cities of Tokyo and Yokohama, but also the importation of sundry goods, which would seem to have been due to speculation and not to the legitimate requirements of trade. This undoubtedly has caused the fall of the yen to a level below 25, and is only of a temporary character.

As regards other new branches, I may mention that we have recently opened at Samarang, in Java, and Zamboanga, in the Philippines.

CHINA.

The position in China, I regret to say, shows no signs of improvement. Civil war is rife, and huge sums are taken from the revenues of the country to maintain vast bodies of troops, who are a danger to all peaceable citizens, and who consume the revenues which are required for the economic development of the country, after due payment has been made of interest on foreign and domestic loans. Both imports and exports are suffering from the want of security in the transit of goods inland, and business,

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000

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

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

LANCASHIRE BRANCH:
39, Mosley Street, Manchester.

The Anglo-South American Bank, Ltd., is represented in U.S.A. by the
ANGLO SOUTH AMERICAN TRUST COMPANY, NEW YORK
(Incorporated under the laws of the State of New York):

and in FRANCE by the
BANQUE ANGLO-SUD AMERICAINE
Société Anonyme, PARIS.

Affiliated Institutions:
THE BRITISH BANK OF SOUTH AMERICA, LTD., and
THE COMMERCE BANK OF SPANISH AMERICA, LTD.

• BRANCHES OF THE ANGLO SOUTH AMERICAN BANK, LIMITED.
+ BRANCHES OF THE BRITISH BANK OF SOUTH AMERICA, LIMITED.
• BRANCHES OF THE COMMERCE BANK OF SPANISH AMERICA, LIMITED.

both in North China and in Hong Kong, is deplorably dull.

This state of things, I fear, will continue until China is blessed with a really powerful Government, determined to rule and to put an end to the disturbed state of the country.

SIAM AND THE STRAITS.

There was an improvement in trade in Siam during 1923 as compared with the previous year, and the prospects of the new rice crop are considered to be good. The shareholders will be pleased to hear that, in conjunction with the National Provincial Bank, Limited, we successfully issued last week the Royal Siamese Government 6 per cent. loan for £3,000,000. The amount was applied for over ten times, and this was due to the eminently satisfactory financial position of Siam, as evidenced by the table furnished in the prospectus of the revenue and expenditure of the country.

As regards the Straits, the position has much improved owing to the world-wide demand for tin and the comparatively improved position of rubber. The improvement is doubtless due to restrictions in the output, but it is clearly only a matter of time when the rubber industry will come into its own.

INDIA.

As regards India, too much importance should not be attached to the political troubles which at present exist and must cause some anxiety to the Viceroy and those responsible for the good and peaceful government of the country. India is sound at heart and loyal, despite the occasional blasts of hot air which at times cause a overheated atmosphere in the council chambers of our great Dependency. The financial position has much improved, and practically the deficit in her Budget no longer exists.

The tea industry is very prosperous, and jute holds its own. There have been good crops of wheat, cereals, and oil-seeds, but prices require adjustment, quotations from the East being above the level of those ruling in Western markets, and business is thereby restricted. It is interesting to note that the local consumption of certain seeds is on the increase, especially edible oil-seeds, and the quantity available for export is, therefore, not so large as usual.

INDIAN COTTON CROP.

The cotton crop of India at 5,000,000 bales was quite normal, and it is rather interesting to note that the total cotton crop of the world is about 17,000,000 bales. Of that America supplies 10,000,000 to 11,000,000; India comes next with 5,000,000; China supplies about 1,750,000, and Egypt 1,250,000, and now we have, as mentioned in the speech of Sir Charles McLeod yesterday at the meeting of the National Bank of India, East African cotton coming into the market to the extent of about 100,000 bales; that is most promising.

Out of the 5,000,000 bales grown in India, Europe takes about 1,050,000 and China and Japan 1,700,000 bales. Taking the ordinary current price of 10-day for 2,700,000 bales, it means about £65,000,000, and that sum has to be found chiefly by the exchange bankers for financing the export. In fact, owing to the additional price of cotton, the extra accommodation which the banks have had to provide this year has been about 35 crores of rupees.

STRIKES AND FOREIGN COMPETITION.

Taking everything into consideration, the general position of business in the East is in a far healthier state than it was 12 months or 18 months ago. The old stocks of goods have been gradually worked off, and when prices of commodities have been levelled between the producer, the exporter, and the consumer, there should be an improvement in business. How far we may look for an improvement in business in this country is really rather problematical in view of the incessant industrial unrest and the incessant strikes, which are really the heaviest cloud overhanging the horizon of our present and future trade. This increased cost of production, with no increase in the output of manufactured articles, makes it extremely doubtful whether we as a nation can hold our own with other competing countries, especially Germany, France, and Belgium. In any case we must hope for the best, and we can rely on our management and staff, at home and abroad, continuing to show that zeal, energy, and ability which have resulted in the success of this bank, and for which we directors beg to thank them.

The financial position of this bank is such that we are prepared to meet, at any point and at any minute, the increased demands of our friends and customers when the hoped-for revival of trade in the East and in the West has come to pass.

With these remarks, ladies and gentlemen, I beg to move, "That the report now presented, together with the balance-sheet and profit and loss account, be approved and adopted." I will call on Mr. Cuthbertson to second that motion.

Mr. Thomas Cuthbertson seconded the resolution.

Mr. Frederick Tomkinson said that he would like to associate himself with the remarks which the chairman had made regarding

the loss of life during the earthquake in Japan. The shareholders shared the sympathy felt by the directors for the relations of the victims. He congratulated the chairman on the interesting nature of his address, and expressed satisfaction with his expression of confidence in the stability of India.

The resolution was carried unanimously.

DIVIDEND AND BONUS.

The Chairman next proposed, "That a dividend at the rate of 14 per cent. per annum for the half-year ended December 31st last, together with a bonus of 6s 3d per share, free of income-tax, be now declared payable on and after the 9th instant."

Mr. W. Foot Mitchell, M.P., seconded the resolution, and it was unanimously adopted.

On the motion of the Chairman, seconded by Mr. L. A. Wallace, the election to the board of Mr. Colin F. Campbell was confirmed; and, on the motion of the Chairman, seconded by Mr. J. M. G. Proffit, the retiring directors, Mr. Colin F. Campbell, Sir William Henry Neville Goschen, K.B.E., and the Right Hon. Lord George Hamilton, G.C.S.I., were re-elected.

Mr. Robert F. Banks next proposed, Mr. H. B. Henley seconded, and it was unanimously approved, that Mr. D. C. Wilson, F.C.A., and Mr. H. C. K. Stileman, F.C.A., be reappointed auditors.

VOTE OF THANKS TO DIRECTORS AND STAFF.

Mr. Tomkinson, in proposing a vote of thanks to the directors and staff for their successful management of the business, said that, were it not for the able management of Mr. Preston and his staff in London and the managers and staffs abroad, the shareholders would certainly not be receiving a dividend of over 20 per cent.

Mr. B. R. Glover seconded the vote, and it was unanimously accorded.

The Chairman briefly acknowledged the compliment on behalf of the directors.

Mr. W. E. Preston (chief manager) replied on behalf of the staff. They had had, he said, some grey days in 1923, and they hoped that 1924 would provide a reaction.

A cordial vote of thanks having been accorded to the chairman, on the proposition of the Rev. H. A. Raynes, the proceedings terminated.

CEYLON CONSOLIDATED ESTATES (1920), LIMITED. IMPROVED RESULTS OF YEAR'S TRADE.

The third ordinary general meeting of this company was held, on the 31st ultimo, at the Cannon Street Hotel, London, Mr. H. J. Snowden presiding.

The managing director and secretary (Mr. W. Fenton Pugh) read the notice convening the meeting and the report of the auditors.

The Chairman, in moving the adoption of the report and accounts, said: The net trading profit for the year amounted to £3,211, against £130 for the previous season, the rubber having realised £9,076, as compared with £6,203, and, with the inclusion of transfer fees, &c., totalled £3,321. Against this has been written off the debit balance brought in and debenture interest, leaving a profit of £711 to be carried forward. The "standard production" fixed by the authorities was 255,283 lbs of rubber, of which 61½ per cent. was allowed to be exported under the restriction scheme—156,360 lbs of dry rubber. The whole was harvested and sold at an "all-in" cost of production of 8.62d per pound, while the average price realised—1s 1.65d per pound delivered Colombo—is conclusive proof that the smoked sheet manufactured on our estates is of high-grade quality. For the current season we hope to be allowed to export over 200,000 lbs. The view is strongly held that the restriction scheme worked inequitably as regards the younger estates, and it is hoped that, with the experience gained, adjustments will be made which will prove more satisfactory.

The first year's working of restriction was undoubtedly beneficial to the rubber industry. It is understood that the Dutch planters may yet decide that it is to their interest to restrict their output to some extent in order to obtain more remunerative prices for the product.

The satisfactory feature of the coconut estate is the large number of palms that have now reached the producing stage. So far this season there has been a 50 per cent. increase of crop, and the estimate of 200,000 nuts should certainly be obtained. Fortunately there is no restriction in the output of copra, and we can expect increasing yields from this source.

A further issue of the debentures has recently been made, and the list is still open, as several shareholders intimated that they preferred to see the report and accounts before sending in their applications; but the list will not be kept open indefinitely, as there would be no sense in paying interests on more than actual requirements.

The report and accounts were unanimously adopted.

BANK OF SCOTLAND. ANOTHER VERY SUCCESSFUL YEAR. SCOTTISH BANKS' NOTE ISSUE.

The annual meeting of proprietors of the Bank of Scotland was held within the head office, Edinburgh, on 1st instant, Sir Ralph Anstruther, of Balcaskie, Bart., presiding.

In submitting the directors' report, the Chairman said:—

I assume that, as usual, we may hold as read the report by the court of directors of the affairs of the bank as at February 29th last, a copy of which you have no doubt received.

TRIBUTE TO THE LATE COLONEL TROTTER.

Before passing to the balance-sheet, I wish to refer to the loss sustained by the death of our greatly esteemed colleague, Lieutenant-Colonel John Moubray Trotter, who had been a director of the bank since 1896. For more than a quarter of a century he had attended our meetings with the scrupulous regularity and zealous devotion to duty which he evinced during his long career, first as a distinguished Army officer, and later in county and other public offices. His unfailing courtesy to all those with whom he had been associated has left behind him a very pleasant memory.

I regret to state that the Governor, Mr. Mure, has been unable to travel from London on account of illness, which we hope will only be temporary; the deputy-governor, Lord Elphinstone, has been detained in London on account of special business in Parliament; and our director, Lord Henry Scott, is also unavoidably absent from our meeting to-day. I am sure it will be your wish that we should express our sympathy with him in his trying illness and our hopes for a speedy recovery.

INDUSTRIAL CONDITIONS.

When we met last year we had hopes that the disorganised state of the Continent and the depression of trade and industry at home would materially change for the better during 1923, but although there were numerous indications of improvement at home some months ago, these, owing chiefly to labour troubles, have not materialised to any extent, and the position on the Continent is not likely to show a substantial advance until the Reparations question has been satisfactorily settled.

The prolonged boilermakers' strike was succeeded by that of the dock workers, and these did a great deal to retard recovery. There can be no confidence until the threatened trouble in the coalfields and the shipyards is out of the way, and better relations are established generally between capital and labour.

FRENCH CREDITS.

On the Continent, France has been passing through a difficult period. The violent depreciation of the franc, which culminated a few weeks ago, has fortunately been checked, and a very substantial recovery made by the arrangements for credits in London and New York. These, however, can only be regarded as a means of temporary relief, and the finances of France cannot be put in order unless by adequate budget and fiscal measures, which will provide the surplus income necessary for the reduction of national debt, and enable a gradual deflation to be established, which will counteract the disastrous effects of prolonged Government borrowings. I am glad to see that steps in this direction have already been taken.

SCOTTISH BANKS' NOTE ISSUE.

In passing, I might also refer to the recent suggestion of the chairman of one of the English banks, when he favoured the currency note issue being made an issue of the Bank of England, and also the substitution of Bank of England notes for those of the Scottish and Irish banks. I do not propose to discuss the currency note question, but I may say that the proposal, so far as the note issues of the Scottish banks are concerned, will be most strenuously opposed. In pre-war days England had a wasteful currency of gold, and people there had no acquaintance with the £1 note. In Scotland it was quite different—the established currency was the £1 note of the Scottish banks, and a long and honourable record has shown that the confidence of the public was well founded.

It is difficult to see on what grounds the change can be advocated. The security of the £1 note issues of the Scottish banks is a first charge on their assets, so that the protection of the note-holder is of the most ample nature, and could not be improved by any change. The present practice of the Scottish banks having their till-money mainly in their own notes means a considerable saving in the expense of carrying on the widespread branch system, and the substitution of Bank of England notes would only

mean additional charges to the banks—in other words, a tax upon the shareholders without any advantage to the public.

I feel sure that you will agree with me that the Scottish people would resent the substitution of the issue of the Bank of England for what they regard as one of our national institutions, which has a reputation of which the banks are justifiably proud. It is to be hoped, therefore, that we shall hear nothing further of the proposal.

BANKING AMALGAMATION.

During the year the North of Scotland Bank has passed into the hands of the Midland Bank, which already owned the Clydesdale Bank, and the English bank having acquired practically the whole of the North of Scotland Bank shares, the number of the Scottish banks left free has been reduced to four institutions. The banks which retain their complete independence are the Bank of Scotland, the Royal Bank, the Commercial Bank, and the Union Bank.

THE BANK'S BALANCE-SHEET.

Turning now to the figures in our report, you will be pleased to see that the fall in our deposits during the year is only £1,462,437, which under the general banking conditions may be regarded as quite satisfactory. The Bank of England rate was raised in July, 1923, to 4 per cent. from 3 per cent., at which latter rate it had stood for about a year, and the better rate allowed on deposits has had a good effect. Our note circulation is down only £32,971, but the decrease was to be expected with less money required for wages and a lower level of prices. Drafts issued show an increase of £79,475, and our acceptances a decrease of £192,421, the latter mainly owing to the fact that our foreign credits are not being required to such a large extent as usual in the present condition of trade.

STRONG, LIQUID POSITION.

On our assets side, cash and bank balances and money at call and short notice amount to £8,646,670, representing close on 23 per cent. of our liabilities to the public. Bills discounted include £2,820,000 Treasury bills, which further increase our liquid assets by 7½ per cent., so that we have in cash or its equivalent 30½ per cent. of our liabilities to the public. Our investments, at £17,052,435, show an increase of £58,386, entirely in British Government securities. We have sold more than half of our holding of other investments during the year, and you will see that almost the whole of the bank's investments are now British Government stocks and bonds, a large portion of which mature between 1924 and 1932. I need hardly add that our investments show a very substantial surplus of market value over our book value.

Advances at £9,534,617 show a decrease of only £390,757. It is satisfactory that our advances, in spite of dull trade, have been so well maintained—the decrease being negligible. Our experience has been that our customers have to a large extent not been using anything like the facilities of normal times owing to business generally being so depressed, but if trade improves the bank is in the position of being able to satisfy all demands that may be made upon it for banking facilities.

A PROSPEROUS YEAR.

I am sure that you will be gratified to see that the bank has had another very successful year, resulting in net profits of £355,726 11s, an increase over last year of £10,548 14s 9d. With a balance from last year of £85,201 13s 10d, we have available £440,928 4s 10d. £125,000 is placed to the credit of the reserve fund, making it £925,000; £25,000 is allocated to bank premises; and £25,000 to heritable properties account. A dividend of 16 per cent. per annum, less income-tax, requires £163,778 16s 8d, and leaves us with the substantial balance to be carried forward of £102,149 8s 2d, an increase of £16,947 14s 4d. The reserve fund and the balance carried forward now amount together to £1,027,149 8s 2d. Every known bad and doubtful debt has been fully provided for.

PREMISES.

During the year various properties have been acquired in order to conserve our business and extend it. The plans for the reconstruction of the property at Renfield street and St Vincent street, Glasgow, purchased last year, have been approved, and the new building will be commenced at the end of May next.

BANK'S STAFF.

Once again I wish to express on behalf of the court of directors their appreciation of the excellent work which has been done by the executive, managers, agents, and staff throughout the service.

The very satisfactory results of the year have been obtained by the co-operation of all members of the staff.

I have pleasure in moving the adoption of the report and balance-sheet as submitted, and that a dividend for the past half-year at the rate of 16 per cent. per annum be now declared, payable on 15th inst., less income-tax, making with the dividend paid in October last for the previous half-year, 16 per cent. per annum, less income-tax.

The motion was agreed to.

Mr. William J. Mure, C.B., and The Lord Elphinstone were unanimously re-elected governor and deputy-governor respectively for the current year, and Mr. Alexander Wallace and Sir James H. Warrack, K.B.E., were re-elected ordinary directors.

Mr. H. L. Usher, C.A., and Mr. C. E. W. Macpherson, C.A., were reappointed to conduct the audit of the books for the current year, and a vote of thanks to the chairman terminated the meeting.

NATIONAL BANK OF INDIA, LIMITED.

SATISFACTORY RESULTS DESPITE DIFFICULT CONDITIONS.

POSITION OF GREAT STRENGTH AND LIQUIDITY.

INDIAN TRADE POSITION.

The ordinary general meeting of the shareholders of the National Bank of India, Limited, was held, on the 1st instant, at the Wesleyan Hall, Bishopsgate, London, E.C.

Sir Charles C. McLeod (the deputy-chairman) presided.

The Chairman: The general manager will read the notice convening the meeting.

The general manager (Mr. C. Nicoll) read the notice.

The Chairman: And also the auditors' report.

The general manager read the report of the auditors.

The Chairman: Gentlemen,—The report of the directors and the accounts for the year ending December 31, 1923, have been before you for some days, and I presume we may, as usual, take them as read.

Your chairman, Mr. Campbell, I am sorry to say, has not been able to come back as we fondly expected, but he is able to give most valuable assistance in the conduct of the bank's affairs. He receives our daily telegrams, and is keenly interested in everything that goes on from day to day. I also regret to say that Mr. Robert Miller is to-day absent owing to illness.

RESULTS OF THE YEAR.

We are glad again to be able to place before you results which we, and we trust you, will consider satisfactory, bearing in mind the times through which Eastern exchange banking has passed. Our net profit of £534,798 19s 11d is practically the same as a year ago. Adding the sum brought forward of £155,289 18s 1d, the total amount available for disposal is £694,054 18s, which is about £5,000 less than a year ago, owing to the fact that we brought forward that amount less to 1923 compared with 1922. I may add that our figures are arrived at after making full provision for all bad and doubtful debts.

We propose on this occasion to place £50,000 to credit of our reserve fund, raising it to the satisfactory total of £2,750,000, £25,000 to the officers' pension fund, and to write down house property account £20,000. We propose paying a further dividend at the rate of 20 per cent., free of income-tax, which, together with the interim dividend, absorbs £400,000, leaving £199,054 18s to be carried forward.

Turning to the balance-sheet, on the liabilities side the items of current, fixed deposits and other accounts, bills payable and acceptances all show a moderate falling off compared with the previous year, but you will agree that the total of current and fixed deposits is a satisfactory one.

STRONG CASH POSITION.

On the assets side our cash position remains strong, showing a total of £5,205,801, about the same as a year ago.

Our holdings of Indian Government, British Government, and other securities amount to the large total of £12,612,805, an increase on the previous year of nearly four millions. These securities, I may inform you, are all gilt-edged, and mostly short-dated, and stand in our books at or under market value.

Our bills of exchange, totalling £6,840,102, show a considerable shrinkage compared with the previous year, which reflects a smaller volume of bills passing through our hands. (As you are probably aware, a good deal of the business is now done by means of telegraphic transfer, which does not involve bills of exchange.) I would also point out that the reduction is further accounted for by the fact that a great part of our large holding of Indian and British Government Treasury Bills, held at December 31, 1922, and included in bills of exchange, has been converted into short-dated securities. This is reflected in the substantial increase in our holding of securities to which I have already referred. I may state that the Government of India discontinued the issue of Treasury Bills in the latter half of last year.

Our total liquid assets, consisting of cash, securities, and bills of exchange, amount to £24,657,000, against deposits of £31,254,516, which, I feel sure you will agree, indicates a position of great strength and liquidity. The only other figure to which I need refer is that of discounts, loans, &c., which show a reduction.

STATISTICS OF GOLD AND SILVER MOVEMENTS.

Last year your chairman gave you some interesting statistics about gold and silver movements, and I am able to add the 1923 figures. The Indian imports and exports of gold and silver for the year 1923 were as follows:—

Gold imported in 1923	£ 26,228,898
Gold exported in 1923	90,488

Surplus of imports

This is about one-third of the estimated world's production.

Silver imported in 1923	£ 15,620,535
Silver exported in 1923	2,306,149

Surplus of imports

The surplus imports of both metals in 1923 were, therefore, over £39,000,000, as against about £30,000,000 in 1922.

Furthermore, between November and February last, a portion of the bazaar demand was met by sales of gold by the Government of India out of the currency reserves to the extent of about £2,000,000.

The price of gold continues to be based on American dollar exchange, the fluctuations of which have not been so wide as in previous years. The highest price for gold in 1923 was on November 10th, namely, 96s 11d per fine ounce, and the lowest 87s 5d on February 21st.

The highest price for silver was on December 18th, namely, 33½d, and the lowest 30½d on February 8th.

During the current year (1924), the exports of gold to India amount to about £2,000,000 up to middle of March, and from South Africa to the same date they are estimated at about £1,000,000.

EXCHANGE FLUCTUATIONS.

Our old friend the rupee continues to fluctuate. The year started with a rupee rate of 1s 4 1-32d, and ended with the rate of 1s 5½d. The highest touched was 1s 5 9-32d on December 28th, and the lowest touched was 1s 3 29-32d on August 22nd.

The question of stability in exchange appears to be as far off as ever, but I am glad to note the sound attitude taken up by the present Finance Minister, Sir Basil Blackett, in addressing the Associated Chambers of Commerce of India and Ceylon, in Bombay, on December 4th last. He said:—

"The Government of India fully appreciate the immense advantages which would accrue from a stable exchange, not only to the trading community, but to the country as a whole. Whatever there may be to say against stabilisation, there can be nothing whatever to say against stability. Exchange fluctuations introduce into business an additional and extraneous risk, which leads almost inevitably to a diminution in the volume of trade. In business the breath of life is confidence; and what is required for confidence is certainty. In this matter of exchange, nothing short of certainty would be of any use. You require to know that unless something happens which shakes the financial system of the country to its foundations, the currency in which trade debts are paid will have a value that can only vary within known and narrow limits."

TRADE POSITION IN INDIA.

The balance of trade in favour of India continues to expand, and, with the exception of two months of the past year, February and October, when adverse balances were recorded, the increase has been considerable, showing a net total of just over 48 crores, or, say, £33,600,000, as against last year's figures of Rs. 11,35,00,000, or £7,600,000. This is a satisfactory feature, for it is an established fact that the greater the exports from India the more she will purchase from this side.

The monsoon has been, for the third year in succession, a favourable one, and increases are shown in cereals, jute, tea, and

various other crops which have greatly helped to restore the balance of trade in India's favour. American cotton continues at a high price, which militates against the export of Lancashire cotton goods.

The following figures are of interest:—

INDIAN IMPORTS OF MERCHANDISE.		Crores.
5 years' pre-war average.....	146	
5 years' war average.....	148	
1920	323	
1923	227	
INDIAN EXPORTS OF MERCHANDISE.		Crores.
5 years' pre-war average.....	224	
5 years' war average	224	
1920	292	
1923	342	

which latter figure constitutes a record export from that country in value.

DISCOUNT RATE.

The year 1923 opened with the Imperial Bank of India rate of discount at 7 per cent., which was further increased to 8 per cent. in the early part of that year. Our funds were in consequence well employed at remunerative rates at that time. The rate gradually came down to 4 per cent. in June, and remained at that figure until November. Bank funds during that period were difficult to employ, but in December the demand for money became more active, and a gradual advance to 9 per cent. was established, at which figure it now stands.

The want of stability in exchange and the uncertainties of the market have made it somewhat difficult to employ London funds in India, but the Indian Government has met the market freely as regards Council Bills and home remittances, and thereby afforded considerable relief in times of pressure.

CONDITIONS IN BRITISH EAST AFRICA.

Conditions in British East Africa have the appearance of becoming more favourable, and I am inclined to think we may see an improvement in that direction within the next few years. Cotton growing is expanding in Uganda, and with the proposed extension of the Mombasa Railway into the interior facilities for getting the cotton down to the shipping ports are calculated to stimulate the trade. The increase since 1904 is of a most encouraging nature. From Uganda the export figure was only 50 bales of 400 lbs each in that year. Ten years later it had reached 21,000 bales. In 1923 the substantial figure of 92,642 bales of 400 lbs each were exported, and 1924 is estimated to show a somewhat similar figure.

It is to be hoped that the Government may at some early date see their way to reduce or abolish the very heavy export duty on cotton, which at 6 cents per lb represents a sum of £111,171.

Coffee estates are coming into maturity and sisal exports are increasing. Maize shipments are also of importance, and, generally speaking, I am not without hope that conditions in that part of the world may show improvement.

TRIBUTE TO THE MANAGERS AND STAFF.

In concluding my remarks I desire to place on record on behalf of my colleagues and myself a warm appreciation of the zeal and loyal work of our managers and staff at home and abroad during the past year. To them is due great credit in being able to produce what I trust you will consider a satisfactory result attained under rather difficult conditions.

I beg to propose:—"That the report of the directors and statement of accounts for the year ended December 31, 1923, be received and adopted, and that a dividend for the six months to December 31, 1923, at the rate of 20 per cent. per annum be paid on the shares of the company registered at this date, the same to be payable, free of income-tax, on and after April 2, 1924."

After this resolution has been seconded by Mr. Williamson, if anyone wishes to ask any questions before I put it to the meeting I shall be pleased to answer them.

Mr. Robert Williamson seconded the resolution.

Mr. Frederick Tomkinson said that the result of the year's working was most satisfactory, and on behalf of himself and fellow-shareholders he wished to express thanks to the chairman for his very interesting speech. He would like the chairman to give the meeting his views on the present position and outlook in India.

The Chairman, in reply, said that he could not give more information on the political situation than was in the possession of all readers of the newspapers, but he might add that the directors were not without confidence that matters might right themselves in time.

The resolution was carried unanimously.

RE-ELECTION OF RETIRING DIRECTORS.

The Chairman next proposed the re-election of Mr. Robert Williamson to the board, adding that that gentleman's ripe experience and unrivalled knowledge of the affairs of the bank were a very

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valuable asset to them. He could say without fear of contradiction that there was no more conscientious director in the City of London or in any other city.

Mr. J. N. Stuart seconded the resolution, and it was unanimously approved.

The other retiring directors, Sir John P. Hewett, G.C.S.I., K.B.E., C.I.E., and Mr. Robert Miller were also unanimously re-elected.

On the proposition of Alderman Percy W. Greenaway, seconded by Mr. Alexander W. Martin, Messrs Cooper Brothers and Co., and Messrs W. A. Browne and Co. were re-appointed auditors.

VOTE OF THANKS TO THE CHAIRMAN, DIRECTORS AND STAFF.

Mr. J. Irwin Davis next proposed:—"That a vote of thanks be given to our chairman and directors for the care and prudence exercised in conducting the affairs of this bank during the past year, and to the general manager and staff for their valuable services." The shareholders greatly regretted, he said, the absence through illness and advancing years of their honoured chairman, but it was a great satisfaction to them all to know that his ripe judgment and vast experience were always at the services of the bank. In the circumstances, the onerous duties of the chairmanship had fallen on Mr. Robert Williamson, who had really performed a marvellous work for the past three or four years, which demanded their very special recognition.

It would be impossible to exaggerate their gratitude and indebtedness to the directors for the splendid results of the past most difficult year.

TRIBUTE TO THE STAFF.

The shareholders were so accustomed to yearly records of prosperity that they could hardly realise that with less skilful management any one of the last five or six abnormal years might easily have turned out a year of great disaster. On the contrary, it seemed that the greater the difficulties presented the greater had been the achievements, so that the bank stood that day in the very front rank of Eastern banks. Its continual prosperity was due in a very large measure to the conscientious discharge of their duties by the staff. The splendid record of the past year and the years that had gone before was also a record of the strenuous work, devotion, and loyalty of every branch of the service, both at home and abroad. They were, indeed, proud to have such a staff, and welcomed the opportunity of expressing their appreciation and gratitude.

Mr. James Sheriff seconded the motion, and it was unanimously passed.

The Chairman having acknowledged the vote the proceedings terminated.

THE AUTOCAR FIRE AND ACCIDENT INSURANCE COMPANY, LIMITED.

COMPANY'S SOUND FINANCIAL POSITION.

The fourth annual ordinary general meeting of the shareholders of the Autocar Fire and Accident Insurance Company, Limited, was held, on the 3rd instant, at the head office of the company, at 83-84, Queen-street, London, Sir Edward Iliffe, C.B.E., M.P., presiding.

The Secretary having read the notice convening the meeting, the minutes of the last meeting, and the report of the auditors.

The Chairman said:—

Before I move formally the adoption of the report and audited accounts of the company's operations to December 31st last, which I have now the pleasure of presenting to you, I think you will desire that I should make a few general observations in regard to the progress made by the company during the period under review.

After referring to the increase of £1,928 os 9d in the premium income, the Chairman continued:—

Despite the pruning which we are continually applying to this business—it is, I need hardly point out, extremely necessary in the case of companies as young as ours—we are yet able to show a margin on our purely underwriting account of £3,870 18s 10d, after charging up all expenses incurred not only in connection with the acquisition of business, but also in maintaining our organisation and in expanding it. It is to the directors, as I am sure it will be to you, a matter of pleasure that, notwithstanding the many expenses which are naturally incidental to the formation and building up of an insurance company, this company is able at this stage of its progress to present to you accounts which

are entirely free from any figures on its assets side which relate to such items.

CLAIMS PAID AND OUTSTANDING.

Claims paid and outstanding for the past year amount to £118,303 17s 11d, and show a ratio of 57.9 per cent. While on the face of it this would appear to be an increase over that which obtained in previous years, yet this is not, in fact, the case if the question is examined from the standpoint of reserves.

In each year of the company's operations we have provided a full 40 per cent. in respect of reserve for unexpired liability, and if the 1922 accounts are considered, it will be seen that the additional reserves required for that year on account of the increase in premium income absorbed quite a substantial sum, which is bound in turn to produce an increase in the claims ratio in the following year when the business is in the process of maturing. If to the item "Claims paid and outstanding" be added the additional reserve for increased premium income, it will be seen that these two items, when taken together, bear approximately the same relation to net premium income in respect of the years 1922 and 1923.

The Chairman pointed out the test given to the company's business by the income being virtually stabilised as compared with 1922, and stated the commission and expenses represented 39.7 per cent. of the premium income.

The marine account was mentioned, and the opinion expressed last year confirmed, viz., that the allocation then made to this account would be sufficient to enable it to be closed, and that no further transfer would be necessary.

The Chairman referred to the figures in the profit and loss account, and pointed out that the balance from last year amounted to £3,018 8s. 11d., whilst the amount carried forward at the end of 1923 was £8,253 9s.

Continuing, the Chairman remarked that the company was in the happy position of being able to record yet another increase in investments, which now amounted to £142,047, the cash balance at the bankers being £28,491 4s.

After referring to the new head offices, and to the fact that satisfactory arrangements had been made to let the old offices, Sir Edward Hiffe continued:—

TRIBUTE TO STAFF.

The directors desire to take this opportunity of expressing their appreciation of the close attention given to the affairs of this company by the managing director, and the staff, both at the head office and at the branches. I say this with a full personal knowledge of the loyalty and support which has been unstintingly given by everyone.

We are also indebted to our agents both at home and abroad, who are consistently working to ensure the success of this undertaking.

I beg formally to move the adoption of the report and accounts.

Mr Allan E. Messer, in seconding the motion, laid emphasis on the extremely satisfactory nature of the balance-sheet, the assets of the company in the fourth year of its existence being, he said, practically liquid.

The resolution was carried unanimously, and the usual formal business terminated the proceedings.

BAH LIAS TOBACCO AND RUBBER ESTATES, LIMITED. CHAIRMAN OPTIMISTIC OF THE FUTURE.

The thirteenth ordinary general meeting of the Bah Lias Tobacco and Rubber Estates, Limited, was held, on the 2nd instant, in the Council Room of the Rubber Growers' Association, 2, 3, and 4 Idol Lane, London, Mr C. Heath Clark (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said: The only new item appearing in the balance-sheet to which I might refer is the amount written off as depreciation on mature areas. Regulations have recently been adopted by the Netherlands East Indies Government whereby an allowance for depreciation on capital expenditure on areas now mature can be deducted for the purpose of local income-tax. The basis of this depreciation allowance for this company has not yet been definitely fixed by the Government authorities, but the provision which we have made in the accounts will, we believe, be acceptable to them.

COSTS OF PRODUCTION.

Although, on the face of it, the f.o.b. cost of production shows a fractional increase as compared with the previous year, the actual estate cost, notwithstanding the smaller crop, was lower, the difference being accounted for by the fact that, while in the financial year 1921-22 commission to staff was small, it was a substantial amount in the year under review, and we have also a liability for local income-tax for last year, against nothing for the previous year. It is doubtful whether we can expect to reduce our costs in future years beyond those of last year, and improved results will depend on obtaining a better selling price for our products.

During the year under review we voluntarily regulated the export of our rubber to the same rate as that allowed by legislation in British Malaya and Ceylon, and we have agreed to a further voluntary regulation for 12 months from November 1st last.

All the rubber areas are clean from end to end, and the upkeep of the terraces well attended to. Drainage has been kept in good order on all estates, but it will be necessary to do some heightening to sundry portions of the dyke on our low-lying Soengei Brohol estate, and this will be attended to in due course. The estates' roads have been given the usual attention during the year, and are in good condition. Full attention has been given to the important matter of thinning out, and this work is up to date for the time being. The areas are comparatively free from disease, and the usual strict supervision has been maintained for the detection and treatment of any cases met with.

A commencement was made to manufacture sole crepe, and provision is being made for the percentage of this grade being increased during the current financial year.

COCONUT AREAS.

Turning to our coconut areas, it was not found possible to complete entirely the cleaning-up of this during the year under review, as I had anticipated when I addressed you last year, but very considerable progress was made in this direction, and no unnecessary delay will occur in bringing the estate into a proper state of cultivation.

The crop of nuts harvested during the year under review was disappointing, and it is believed that this is, to a certain extent, due to the inadequate weeding of the area during a part of the year 1921.

Reverting to our rubber estates, I cannot do better than quote you a short extract from our head visiting agent's most recent report. Writing under date of December 19th last, Mr Doughty says: "Present restrictions of crop press very heavily on this company, with its exceptionally high yielding areas, which have always been very conservatively tapped and bark consumption kept below the average. With anything like normal conditions, there is no doubt both Bah Lias and Bah Enda estates would stand out very prominently in comparison with the average rubber property."

The labour forces on the estates are about the same as at the end of the previous year, and the health conditions were satisfactory.

After writing off £6,000 as depreciation on mature acres, the year's working resulted in a profit of £31,925 1s 7d. If we add the carry forward of undistributed profits from the previous year and deduct the small amount of Netherlands Indies war profits tax paid, we are left with an available total to-day of £72,105 10s 8d. The directors recommend that a dividend of 10 per cent., less income-tax, be paid, which will absorb £35,121 6s, leaving to carry forward to the current financial year a balance at credit of profit and loss account of £37,044 13s 8d.

I believe that by the end of the present year all surplus stocks of rubber will be exhausted, and the consumption will then provide for more satisfactory prices to the producer, together with a relaxation of the present restriction.

We have an estate consisting of some of the finest rubber anywhere in existence, and the cost per acre to the company is the exceptionally low one of about £27 per acre, our liquid resources amounting to about £172,000, so that we are in a very strong position to reap all the advantages from the improving prospects in the future.

Mr J. R. Gray seconded the resolution, which was carried unanimously.

At an extraordinary general meeting held later, resolutions increasing the remuneration of the directors and changing the name of the company were carried.

THOMAS TILLING, LIMITED. POLICY OF EXTENSION.

The 27th annual general meeting of the shareholders of Thomas Tilling, Limited, was held, on the 31st ultimo, at Caxton Hall, Caxton street, Westminster, London, Mr Richard S. Tilling, J.P. (the chairman), presiding.

The Chairman, in moving the adoption of the report and accounts, said: Although I see no reason to visualise any adverse circumstances in the future, I am not optimistic enough to think there is no possibility of such a thing happening again. Of this, however, you may be assured—the same knowledge and the same care will be exercised in the future as in the past, and by the same set of people.

On the assets side, in freeholds and leaseholds there is an increase of £5,455, accounted for by extra properties we have purchased. Vehicles and horses show a decrease of £89,070, which is largely depreciation and reduced number of horses and horse-drawn vehicles.

There is an increase in investments in allied and subsidiary companies of £168,000, due to an increase in our holding in con-

cerns in which we are interested and to our extending our operations. Included in this is our holding in the General Accident Insurance Company, which we shall retain. This is only valued at the original cost of our Road Transport shares, which were sold at a very substantial profit.

In cash there is a decrease of £51,200. This year we paid an interim dividend, and this, with the bonus, amounts to over £100,000 paid to the ordinary shareholders during 1923.

On the other side you will notice we have cancelled over £10,000 of our first mortgage debentures, which now only stand at £28,000, instead of £75,000. This puts the other classes of capital in a much better position.

There is only one other item that calls for notice—namely, trade creditors and reserves for contingencies, which shows an increase of £60,000. Our trading accounts are always paid monthly, and as our operations are larger this item is larger, but there is a considerable sum provided for taxation also included in this item.

In conclusion, I would like to say that our policy is to keep on extending the sphere of our operations. This now covers most parts of England. I think the wisdom of this is shown by the present condition of affairs, for, while London is seriously affected by a strike not arising out of any matter between our employees and ourselves, our provincial interests are not affected.

Mr J. H. Infield seconded the resolution, which was carried unanimously.

D. H. EVANS AND CO., LIMITED. SUCCESSFUL TRADING RESULTS.

The thirtieth annual general meeting of D. H. Evans and Co., Limited, was held, on the 4th instant, on the company's premises, Oxford street, London, Mr Ernest Webb (chairman and managing director) presiding.

The secretary (Mr R. Stannard) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: The past financial year has been very trying in more ways than one. Our business is essentially drapery and fashions, and as such is to a considerable extent affected by weather. It is common knowledge that the cold, wet summer season of 1923 restricted the sale of light summer goods, and, added to this, we had a further disappointment in that the railway strike in January last happened to begin on the date fixed for our well-known white sale, and our customers were unable to get to us. A strike of this magnitude naturally had the effect of hampering trade at this (to us) most important juncture. The decrease in our trade during the period of the strike was very great, and also helped to decrease our profits, which would otherwise have exceeded last year's figures.

Notwithstanding these drawbacks, I trust you will agree that the accounts we present to you to-day show a record of continued satisfactory trading and results.

PROFIT AND LOSS ACCOUNT.

Dealing with the profit and loss account, trade expenses for the year show a decrease of £4,394 compared with the previous year. The item of "repairs and depreciation" shows an increase of £5,020; this is partly accounted for by exceptional repairs to the outside and roofs of our premises, and partly by an increased writing-off of the fixtures and plant in the old or eastern block of buildings. When the rebuilding of this block is decided upon it will be refitted throughout, and it is the intention of your directors that by that time the old fixtures should stand in our books at no more than their scrap value.

On the credit side of the account, the gross profits show a reduction of £3,950. This reduction is principally due to the hindrance to trade during the railway strike period. The interest received shows an increase of £926. The final result is a net profit for the year of £123,324.

The balance of profit is carried to the appropriation account, which shows the interim dividends already paid, the reserves for taxation (£6,500 less than last year), the final dividends the directors now recommend, and the usual transfer to reserve account of the sum of £11,132 8s 2d, in accordance with the company's articles of association. After making these appropriations, there remained a balance of available profit of £64,775 19s 4d, compared with the sum of £39,623 1s 10d brought forward from last year. In pursuance of the policy which was referred to at the general meeting last year, and received the approbation of the shareholders, the directors propose that of this balance £38,867 11s 10d shall be transferred to reserve fund towards the cost of rebuilding the eastern block, making, with the sum of £11,132 8s 2d already appropriated, a total of £50,000, and leaving a balance of £25,908 7s 7d on profit and loss account to be carried forward to next year.

BALANCE-SHEET ITEMS.

Turning to the balance-sheet, the reserve fund stands at the substantial figure of £235,017, the sundry creditors stand at £93,453, and the staff benefit fund remains the same. On the assets side of the account properties show an increase of £18,701, mainly accounted for by the purchase of the lease of Bentinck House Buildings, Bolsover street. These comprise six houses rebuilt by the then owner, and equipped for our special requirements for sleeping and boarding our women assistants. There was a provision in the lease that at the end of 10 years we were to have the option of purchase, and we exercised that option in May of last year. We are informed by the architect who we employed that to-day it would cost us at least £12,000 to £14,000 more than in the war period to build and fit up these premises. The accommodation is good and up to date, and this purchase was decidedly a good bargain for the company. It is this transaction which accounts for the reduction in rent and the increased capital account.

During the past year £50,000 of 5 per cent. War Loan was purchased, and it is intended to invest the further sum of £50,000 during the present year. These investments will be available when it is decided to commence the rebuilding of the eastern block, and beyond this we have the balance of 19,806 ordinary shares already authorised but not issued, and thus, with any additional amounts we may be able to accumulate, it will not be necessary to increase the capital of the company or to create any further debentures for rebuilding purposes, and consequently your shares will be more valuable.

Sir James Boyton seconded the resolution, and it was carried unanimously.

MAZAWATTEE TEA COMPANY, LIMITED. SUCCESSFUL YEAR—BUDGET AND TEA DUTY.

The twenty-eighth ordinary general meeting of the Mazawattee Tea Company, Limited, was held, on the 31st ultimo, at the Cannon street Hotel, London, Mr Alexander Jackson (chairman of the company) presiding.

The Chairman, in moving the adoption of the report and accounts, said: You will see that the profit from trading account is £68,525, and I am sure you will all agree that this is a very satisfactory figure indeed, more particularly as present-day expenses are on such a very high level and competition is extremely keen.

As you know, we have various departments connected with our business besides tea, which include cocoa, chocolate, confectionery, coffee and coffee extract. The growing popularity of Mazawattee tea is proved by the fact that our sales of Mazawattee again show a very substantial increase. Our general tonnage output has been very heavy indeed, and our turnover for the year under review greater than that of the preceding year. All departments are well equipped, and capable of coping with any expansion of our business, and your directors are always on the look-out for opportunities of development.

Like all other businesses, we have to face the difficulties there are at the present time in connection with export trade, including the question of exchange, and your directors are of opinion that when the various exchange rates of the world become more normal we may look for a considerable increase in our export business.

Since the closing of our books on December 21 last we have had over three months' trading, and you may possibly expect me to say something about business since that date. All I can tell you is that during these three months we have had to contend with a

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

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Capital and Reserves - - - Fmk. 257,000,000

Deposits and Cheque Accounts
(Dec. 31, 1923) over - - - Fmk. 1,600,000,000

132 BRANCHES AT ALL IMPORTANT BUSINESS
CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

dock strike and a railway strike, and in order to keep our customers supplied with our goods we had to spend quite a large sum of money in inaugurating a system of road transport to the most important centres, and this, you will realise, must have meant a big loss to us.

Every year when the Chancellor of the Exchequer has a surplus, speculation is rife as to what he is going to do with it. The tea trade is then affected until the Budget statement is made. This year there is throughout the country a great anticipation that the Chancellor of the Exchequer will use some of his surplus in reducing the tea duty, and trade, therefore, is likely to be very quiet until his intentions are made known.

Mr Henry Rose seconded the resolution, and it was carried unanimously.

GOVERNMENT RETURNS, &c.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills dated from April 7-April 12 were opened on April 4, 1924, and the total amount applied for was £59,925,000. For bills at three months dated Monday to Saturday at £99 5s 5d, about 62 per cent., above in full. For Bonds at £94 12s 6d about 50 per cent and above in full. The amounts allotted were as follows:—In bills at 3 months, £30,000,000; in bonds, £500,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
1924.				
Feb. 29.....	30,000,000	44,400,000	3 6 4/8	nil
Mar. 7.....	30,000,000	45,400,000	3 3 4/8	nil
Mar. 14.....	35,000,000	38,735,000	3 1 5/43	nil
Mar. 21.....	30,000,000	36,820,000	2 18 9/8	nil
Mar. 28.....	40,000,000	50,035,000	3 1 3/3	nil
April 4.....	35,000,000	59,925,000	2 18 2/4	94 13 8/4

Tenders will be received on April 11, 1924, for Treasury Bonds and Bills to be issued to the maximum amount of £30,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

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

Date.	Notes and Coins Outstanding.	Investments Reserve Accounts.	Redemption Account.	Gold and Silver Coins.	Bank of England Notes.	Ratio to Government Securities.	Balance at Bank of England.
1922.							
Mar. 29.....	300,351	14,255	5,000	25,500	19,450	15/9	261,479
June 27.....	295,374	13,338	5,000	28,500	19,650	16/3	254,312
Sept. 27.....	289,127	12,648	7,000	27,000	21,150	16/6	248,438
Dec. 27.....	301,337	12,872	7,000	27,000	21,150	15/9	258,922
1923.							
Mar. 28.....	285,616	12,318	7,000	27,000	22,450	17/3	241,294
June 27.....	286,503	12,516	7,000	27,000	22,450	17/3	242,446
Sept. 27.....	282,784	12,401	7,000	27,000	22,450	17/5	238,595
Dec. 26.....	299,070	12,571	7,000	27,000	22,450	16/5	255,032
1924.							
Mar. 26.....	281,538	11,908	7,000	27,000	22,450	17/6	236,867
April 2.....	285,238	12,704	7,000	27,000	22,450	17/3	241,374

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £300,000,000, for 1921 at £317,555,300, for 1922 at £309,988,400, for 1923 at £270,183,800, and for 1924 at £248,190,900.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Mar. 31, 1924.
Funded Debt.....	588	318	315	315	315	314	314	314
Term Annuities.....	30	22	20	19	18	266	684	683
3% War Stock.....	63	63	63	63	63	63	63	63
4% War Stock.....	16	13	13	13	13	13	13	13
4% and 5% War Stock.....	2,091	2,047	2,040	1,995	1,953	2,095	2,095	2,095
National War Bonds.....	649	1,509	1,476	1,413	1,201	953	924	903
4% Funding Loan.....	409	409	406	401	399	400	400	400
4% Victory Bonds.....	360	357	347	335	325	325	325	325
Treasury Bonds.....	360	357	347	335	325	325	325	325
Exchequer Bonds.....	20	392	323	319	289	185	150	150
National Savings Certs.....	138	267	274	285	342	354	367	366
War Expenditure Certs.....	25							
Other Debt.....	944	1,306	1,181	1,132	1,087	1,157	1,149	1,151
America Loan (Anglo-French).....	51	51	51	51	51	51	51	51
Treasury Bills.....	15	973	1,107	1,107	1,121	878	616	588
Temporary Advances.....	1	192	243	205	154	194	208	186
Other Capital Liabilities.....	654	5,872	8,033	7,839	7,574	7,655	7,742	7,801
Total Liabilities.....	711	5,921	8,079	7,876	7,623	7,712	7,871	7,766

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	Mar. 31, '23.	Dec. 31, '23.	Mar. 31, '24.	9 Days Ended Mar. 31, '24.
Ways and Means Advances Outstanding—				
Advances by Bank of England.....	1,750,000	1,750,000	1,750,000	1,750,000
Advances by Public Deposits.....	206,422,500	186,155,500	186,155,500	186,155,500
Treasury Bills Outstanding.....	616,910,000	652,280,000	588,330,000	9,170,000
Total Floating Debt.....	824,182,500	804,455,500	774,475,500	1,680,000

HEAD OFFICES: LIVERPOOL AND LONDON

ROYAL

INSURANCE COMPANY, LIMITED

ALL CLASSES OF INSURANCE EFFECTED

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.

ASSETS £7,663,254
CLAIMS PAID £230,500,000

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

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

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, April 2, 1924.

	£	Government debt.....	£
Notes issued.....	146,034,360	Other securities.....	11,015,100
		Gold coin and bullion.....	8,734,900
			126,284,360
	146,034,360		146,034,360

BANKING DEPARTMENT.

	£	Government securities.....	£
Proprietors' capital ..	14,553,000	Other securities.....	47,782,455
Reserve.....	3,703,363	Notes.....	79,851,030
Public deposits.....	16,410,558	Gold and silver coin..	19,679,645
Other deposits.....	114,465,990		1,830,219
Seven-day & other bills	10,438		
	149,143,349		
			149,143,349

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

	Amount, Apr. 2, 1924.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Best.....	3,703,363	—	8,421
Public deposits.....	16,410,558	—	599,090
Other deposits.....	114,465,990	+ 13,958,857	6,201,777
Government securities.....	47,782,455	—	9,989,958
Other securities.....	79,851,030	—	811,745
Reserve.....	3,703,363	+ 4,706,817	6,836,410
Note circulation.....	126,284,360	—	1,646,085
Gold and silver coin.....	126,284,360	+ 952,415	2,259,110
% of reserve to liabilities.....	15/8	—	8/56
			613,025
			14/8

Date.	Coin and Bullion.	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1924.					
Feb. 13.....	128,063,422	125,193,095	118,821,711	22,634,377	18 1/2
20.....	128,097,600	124,764,470	118,454,031	23,083,130	18 1/2
27.....	128,106,296	125,579,126	118,542,990	23,277,101	18 1/2
Mar. 6.....	128,131,815	126,020,305	119,410,950	21,831,510	17 1/2
13.....	128,098,237	125,041,710	119,653,948	22,806,527	18 1/2
20.....	128,105,096	124,905,370	120,340,451	22,949,676	17 1/2
27.....	128,105,823	124,902,621	120,340,451	22,949,676	17 1/2
April 2.....	128,114,579	124,902,621	120,340,451	22,949,676	17 1/2

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1924.				
January 1 to March 19.....	7,743,481	347,079	632,114	8,722,674
March 25.....	672,460	27,718	51,225	751,393
April 2.....	815,585	32,590	52,840	901,015
Total to date 1924.....	9,231,516	407,387	736,179	10,375,082
Do 1923.....	8,822,772	409,192	736,912	9,968,876
Increase or decrease in 1924.....	+ 408,744	+ 1,805	+ 733	+ 410,282
%.....	+ 4.6	+ 0.4	+ 0.1	+ 4.1
Total for year 1923.....	32,370,373	1,546,565	3,810,654	37,727,592
Total for year 1924.....	32,780,635	1,574,681	3,810,654	38,165,970
Increase or decrease in 1924.....	+ 409,262	+ 28,116	+ 440	+ 437,818
%.....	+ 1.3	+ 1.8	+ 0.2	+ 1.4

PROVINCIAL CLEARING RETURNS.

	1923.	1924.	Inc. or Dec.
Aggregate Totals to March 29.			
BIRMINGHAM.....	30,501,600	30,295,100	- 206,500
BRISTOL.....	15,215,000	14,708,000	- 507,000
DUBLIN.....	80,391,000	73,555,800	- 6,835,200
HULL.....	14,810,700	13,950,700	- 860,000
LIVERPOOL.....	14,327,500	14,243,300	- 84,200
LEEDS.....	10,555,700	9,809,200	- 746,500
MANCHESTER.....	121,821,700	126,898,300	+ 5,076,600
NEWCASTLE-ON-TYNE.....	202,016,700	198,307,100	- 3,709,600
NOTTINGHAM.....	8,990,500	8,012,500	- 978,000
SHEFFIELD.....	15,469,000	14,207,100	- 1,261,900

OVERSEAS BANK RETURNS.

	Mar. 28, 1924.	Mar. 21, 1924.	Mar. 14, 1924.	Mar. 7, 1924.	Mar. 30, 1923.
RESOURCES.					
Total gold reserve.....	1,122,940	1,131,850	1,130,080	1,130,080	3,063,790
Legal tender notes and silver reserve.....	100,110	101,350	105,750	105,750	112,450
Bills discounted for member banks.....	482,510	431,950	483,400	483,400	700,000
Bills bought in open market.....	202,460	194,200	248,620	254,250	254,250
Government obligations owned.....	257,260	296,680	212,370	249,410	249,410
All other resources.....	77,370	76,780	78,560	62,630	62,630
LIABILITIES.					
Government deposits.....	75,190	8,860	54,220	85,430	85,430
Other deposits.....	1,931,930	2,003,280	1,964,630	1,890,840	1,890,840
Federal Reserve Notes in actual circulation.....	1,982,710	1,989,850	2,010,600	2,232,480	2,232,480
F.R.B. Notes in actual circulation.....	390	390	390	2,440	2,440
All other liabilities.....	15,180	14,030	14,270	14,450	14,450
Capital and surplus.....	331,750	331,740	331,750	336,990	336,990
Ratio of total reserves to gross deposits.....	80.8%	80.8%	80.3%	75.5%	75.5%
Federal Reserve note liabilities combined.....	80.8%	80.8%	80.3%	75.5%	75.5%

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

	Mar. 8, 1924.	Mar. 1, 1924.	Feb. 23, 1924.	Feb. 16, 1924.	Feb. 9, 1924.	Mar. 10, 1923.
ASSETS.						
Gold coin and bullion.....	10,102	10,102	10,102	10,102	10,102	10,102
Gold certificates.....	75	75	75	75	75	75
Subsidiary coin.....	6,123	6,193	6,148	5,911	5,989	5,307
Bills discounted.....	250	250	250	250	250	1,300
Loans & advances to Govt.....	17	17	17	17	17	17
Investments.....	1,000	1,000	1,000	1,000	1,000	1,000
Capital.....	40	40	40	40	40	2
Reserve.....	10,541	10,810	10,319	10,401	10,652	9,737
Notes in circulation.....	5,275	5,222	5,676	5,115	4,948	5,467
Bankers' deposits.....	67.8%	66.9%	67%	69.1%	68.7%	70.0%
Ratio of cash reserves to liabilities to public.....	67.8%	66.9%	67%	69.1%	68.7%	70.0%

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

	Mar. 7, 1924.	Feb. 29, 1924.	Feb. 22, 1924.	Feb. 15, 1924.	Feb. 8, 1924.	Mar. 9, 1923.
ASSETS.						
Total securities	11,633,92	11,647,71	11,655,91	11,776,42	11,677,73	9,264,04
Loans	24,802,67	24,915,56	22,643,43	22,776,36	21,462,24	17,597,47
Cash credits	42,889,90	43,009,89	41,777,30	41,609,59	42,066,49	29,213,96
Inland bills	17,180,60	17,047,85	16,940,43	15,867,73	14,162,23	8,627,37
Foreign bills	35,59	37,78	35,18	36,43	33,89	20,86
Dead stock	2,521,55	2,483,92	2,489,91	2,487,07	2,482,02	2,472,22
Bal. with other banks	1,628,85	1,658,36	1,711,13	1,34,78	1,19,33	71,85
Total	125,538	125,556	137,041	131,744	119,936	136,915
LIABILITIES.						
Capital paid up	5,62,50	5,62,50	5,69,50	5,62,50	5,62,50	5,62,50
Reserve	4,45,00	4,45,00	4,45,00	4,45,00	4,45,00	4,45,00
Total deposits	91,04,12	93,63,67	88,84,96	86,99,37	85,95,28	71,30,10
Loans from Govt.	12,00,00	12,00,00	12,00,00	12,00,00	9,00,00	...
The above includes—						
Deposits in Lond'n	1,440	1,446	1,482	1,189	1,090	654
Adv'nces in Lond'n	474	460	462	454	449	401
Cash, etc., at other places in Lond'n	1,085	1,038	1,142	896	796	474

NATIONAL BANK OF THE SERBS, &c.—In dinars (000's omitted).

ASSETS.	Mar. 22, 1924.	Mar. 15, 1924.	Mar. 8, 1924.	Mar. 1, 1924.	Mar. 15, 1923.
Gold	72,330	72,330	68,810	68,837	63,136
Other coin and notes	19,341	18,761	18,202	21,344	18,308
Foreign credits	358,314	351,314	345,335	346,022	267,632
Bills	1,227,771	1,234,331	1,232,553	1,252,362	1,412,871
Govt. advances	4,561,340	4,561,340	4,557,820	4,557,815	4,492,340
LIABILITIES.					
Notes in circulation	5,577,130	5,641,718	5,704,073	5,677,177	5,379,764
State credits	391,425	391,425	387,905	387,900	297,573
Deposits	480,865	408,260	366,402	457,645	739,310

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

ASSETS.	Apr. 1, 1924.	Mar. 16, 1924.	Mar. 1, 1924.
Gold in coin and bullion	8,784	8,754	8,754
Silver in bullion	111	111	111
Platinum	722	722	722
Foreign bank notes	7,744	7,391	7,375
Foreign bank notes in sterling (less 10%)	444	444	444
Bills (less 10% discount)	9,536	8,529	8,529
Securities covering advances on goods (less 10%)	7,359	7,557	7,572
LIABILITIES.			
Bank notes	33,800	33,300	32,800
Balance to which notes may still be issued	Nil	Nil	500

(Note: 1 Tchervonetz = 10 gold roubles.)

BANK OF SPAIN.—In pesetas (000's omitted).

ASSETS.	Mar. 29, 1924.	Mar. 22, 1924.	Mar. 15, 1924.	Mar. 8, 1924.	Mar. 1, 1924.	Position May 30, 1914.
Gold	2,528,304	2,528,399	2,528,230	2,528,126	2,525,441	521,775
Silver	659,547	656,896	654,854	653,230	658,261	728,600
Loans & discounts	2,148,168	2,158,438	2,179,875	2,204,010	1,843,113	800,725
Spanish 4% stock	344,474	344,475	344,475	344,475	344,475	344,475
Treasury bills	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,322,269	4,322,649	4,342,643	4,353,679	4,101,204	901,550
Deposits	1,020,859	980,589	1,003,266	1,002,359	1,079,010	477,500

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

ASSETS.	Feb. 13, 1924.	Feb. 6, 1924.	Jan. 30, 1924.	Jan. 23, 1924.	Feb. 14, 1924.
Gold and bullion	13,134	13,323	13,327	13,341	27,075
Of which gold	8,577	8,577	8,577	8,577	8,577
Loans & discounts	12,441	11,789	12,748	12,623	88,605
Discounts	163,493	163,739	159,593	159,588	171,350
Government loans	1,347,294	1,352,424	1,347,426	1,335,426	934,289
LIABILITIES.					
Notes in circulation	1,443,615	1,450,254	1,429,329	1,409,195	1,091,907
Deposits	40,357	39,408	39,447	44,627	54,070

LONDON RATES.

	Mar. 28, 1924.	Mar. 21, 1924.	Mar. 14, 1924.	Mar. 7, 1924.	Apr. 4, 1924.
Bank rate (changed from 3% July 5, 1923)	4%	4%	4%	4%	4%
Market rates of discount—					
60 days' bankers' drafts	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
3 months' do	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
4 months' do	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
6 months' do	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
Discount (Treasury Bills)—					
3 months'	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Loans—Day to day	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Short	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Deposits—allowances: Banks	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount houses at call	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
At notice	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

† Additional to those offered by tender in the preceding week.

Comparison with previous weeks:—

	Short	Bank Bills.	Trade Bills.
	3 Months.	4 Months.	6 Months.
Mar. 14, 1924.	2 1/2	3 1/4	3 1/2
Mar. 21, 1924.	2 1/2	3 1/4	3 1/2
Mar. 28, 1924.	2 1/2	3 1/4	3 1/2
Apr. 4, 1924.	2 1/2	3 1/4	3 1/2

OVERSEAS BANK RATES.

Changed.	%	Changed.	%
Amsterdam	Jan. 24, 1924 .. 5	Madrid	Mar. 23, 1923 .. 5
Athens	Jan. 14, 1923 .. 7 1/2	Paris	Jan. 17, 1924 .. 6 1/2
Belgrade	Jan. 14, 1923 .. 7 1/2	Prague	Mar. 10, 1924 .. 6
Berlin	Sept. 15, 1923 .. 90	Riga	Feb. 16, 1924 .. 5 1/2
Brussels	Jan. 22, 1923 .. 5 1/2	Rome	July 11, 1923 .. 8
Bucharest	Sept. 4, 1920 .. 6	Sofia	Nov. 9, 1923 .. 7 1/2
Budapest	July 5, 1924 .. 18	Stockholm	Nov. 9, 1923 .. 7 1/2
Calcutta	Nov. 10, 1923 .. 7	Swiss Bank	Nov. 9, 1923 .. 7 1/2
Christiana	Jan. 17, 1924 .. 7	Tokyo	July 14, 1923 .. 4
Copenhagen	Mar. 5, 1924 .. 9	Vienna	Sept. 2, 1923 .. 9
Helsingfors	Sept. 12, 1923 .. 9	Warsaw	(See note below)
Liabon			
New York Federal Reserve	Feb. 21, 1923 .. 4 1/2	Irish	July 5, 1923 .. 5

The Bank Rate of the South African Reserve Bank is 6% for first-class commercial bills (30 days), and 6 1/2% for agricultural bills (of not more than six months).

Warsaw (Poland).—From February 20, 1924, discount rate, gold francs, 12%; loans on collateral security, gold francs, 16%.

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	April 5, 1924.	Feb. 28, 1924.	Mar. 6, 1924.	Mar. 13, 1924.	Mar. 20, 1924.	Apr. 3, 1924.
Gold money	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Time money (60 days' mixed gold)	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Bank acceptances	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Bankers'—eligible, 90 days	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Non-eligible, 90 days	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Commercial accept., 90 days	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2

Rates of Exchange.	Par Level.	April 5, 1923.	Mar. 13, 1924.	Mar. 20, 1924.	Apr. 3, 1924.
New York on—					
London—					
60 days	4.8666	4.6412	4.27	4.27375	4.2737
Cable	4.8666	4.6687	4.30	4.30375	4.3037
Oblique	4.8666	4.6687	4.275	4.30125	4.3012
Paris	19.30	6.5175	4.44	5.48	5.7375
Brussels	19.30	5.62	3.63	4.31	4.81
Switzerland	19.30	18.42	17.33	17.31	17.44
Italy	19.30	4.98	4.2825	4.34	4.3775
Vienna	20.25	0.0047	0.014	0.014	0.014
Madrid	19.30	15.31	12.97	13.16	13.05
Amsterdam	40.196	39.29	37.25	36.97	37.00
Copenhagen	19.30	19.09	15.53	15.81	16.44
Christiania	19.30	18.08	13.48	13.56	13.64
Stockholm	19.30	18.59	16.3	16.48	16.49
Athens	19.30	11.8	1.945	1.69	1.75
Yokohama	49.85	48.50	42.00	42.00	42.00
Hong Kong	55.00	50.75	51.00	50.75	50.75
Shanghai	74.25	74.25	74.25	74.25	74.25
Calcutta	30.97	30.97	30.97	30.97	30.97
Buenos Aires	103.56	119.75	130.75	131.5	133.00
Rio de Janeiro	32.42	10.50	11.75	11.35	11.2
Valparaiso	20.60	12.125	10.0	9.75	10.12

RATES OF EXCHANGE.

London on	Usance	Par.	April 6, 1923.	Mar. 28, 1924.	April 4, 1924.
Paris	francs to £1	T.T.	25.22 1/2	70.35-45	74.90-75.00
Berlin	marks to £1	T.T.	20.43	37000-39000	19-20bills.
Vienna	krone to £1	T.T.	24.02	320/34000	302/327,000
Prague	krone to £1	T.T.	24.02	156-157	144 1/2-145 1/2
Warsaw	zlotys to £1	T.T.	20.43	190/20000	140 millions
Reval	estons to £1	T.T.	25.22 1/2	1615-1640	1630-1680
Riga	latas to £1	T.T.	25.22 1/2	22.16-42	23.16-42
Budapest	kr. to £1	T.T.	25.22 1/2	975-1000000	830-860
Constantinople	piastres to £1	T.T.	25.22 1/2	18000-22000	290/340,000
Sofia	leva to £1	T.T.	25.22 1/2	580-630	590-620
Belgrade	dinars to £1	T.T.	25.22 1/2	445-465	345-365
Amsterdam	florin to £1	T.T.	12.107	11-87 1/2	11-84-84 1/2
Brussels	francs to £1	T.T.	25.22 1/2	81-80.30	100-100 1/2
Christiania	kroner to £1	T.T.	18.159	25-83.88	31-60.65
Stockholm	kroner to £1	T.T.	18.159	17-55.58	16-24-27
Copenhagen	kroner to £1	T.T.	18.159	24-45.50	27-10-15
Helsingfors	mark to £1	T.T.	25.22 1/2	17 1/2-17 1/2	17-17 1/2
Oslo	krone to £1	T.T.	25.22 1/2	330-400	353-358
Switzerland	francs to £1	T.T.	25.22 1/2	934-334	99-99 1/2
Madrid	pesetas to £1	T.T.	25.22 1/2	25-40.45	34-80.33
Liabon	pesetas to £1	T.T.	25.22 1/2	30-45.50	32-35.38
Athens	drachmas to £1	T.T.	25.22 1/2	51	43-43 1/2
Yokohama	yen to £1	T.T.	4.868	4-62-67	4-22-30 1/2
Manila	pesos to £1	T.T.	4.868	4-75-75 1/2	4-40-40 1/2
Buenos Aires	pesos to £1	T.T.	47.62d	42 1/2-43 1/2	42 1/2-43 1/2
Rio de Janeiro	pesos to £1	T.T.	47.62d	42 1/2-43 1/2	42 1/2-43 1/2
Valparaiso	pesos to £1	T.T.	47.62d	42 1/2-43 1/2	42 1/2-43 1/2
Calcutta	rupees to £1	T.T.	10 to 1	1 1/2-4 1/2	1 1/2-4 1/2
Bombay	rupees to £1	T.T.	10 to 1	1 1/2-4 1/2	1 1/2-4 1/2
Madras	rupees to £1	T.T.	10 to 1	1 1/2-4 1/2	1 1/2-4 1/2
Hong Kong	dollars to £1	T.T.	10 to 1	1 1/2-4 1/2	1 1/2-4 1/2
Shanghai	dollars to £1	T.T.	10 to 1	1 1/2-4 1/2	1 1/2-4 1/2
Singapore	dollars to £1	T.T.	10 to 1	1 1/2-4 1/2	1 1/2-4 1/2
Yokohama	dollars to £1	T.T.	10 to 1	1 1/2-4 1/2	1 1/2-4 1/2
Manila	pesos to £1	T.T.	10 to 1	1 1/2-4 1/2	1 1/2-4 1/2
Buenos Aires	pesos to £1	T.T.	10 to 1	1 1/2-4 1/2	1 1/2-4 1/2
Rio de Janeiro	pesos to £1	T.T.	10 to 1	1 1/2-4 1/2	1 1/2-4 1/2
Valparaiso	pesos to £1	T.T.	10 to 1	1 1/2-4 1/2	1 1/2-4 1/2
Calcutta	rupees to £1	T.T.	10 to 1	1 1/2-4 1/2	1 1/2-4 1/2
Bombay	rupees to £1	T.T.	10 to 1	1 1/2-4 1/2	1 1/2-4 1/2
Madras	rupees to £1	T.T.	10 to 1	1 1/2-4 1/2	1 1/2-4 1/2
Hong Kong	dollars to £1	T.T.	10 to 1	1 1/2-4 1/2	1 1/2-4 1/2
Shanghai	dollars to £1	T.T.	10 to 1	1 1/2-4 1/2	1 1/2-4 1/2
Singapore	dollars to £1	T.T.	10 to 1	1 1/2-4 1/2	1 1/2-4 1/2
Yokohama	dollars to £1	T.T.	10 to 1	1 1/2-4 1/2	1 1/2-4 1/2
Manila	pesos to £1	T.T.	10 to 1	1 1/2-4 1/2	1 1/2-4 1/2
Buenos Aires	pesos to £1	T.T.	10 to 1	1 1/2-4 1/2	1 1/2-4 1/2
Rio de Janeiro	pesos to £1	T.T.	10 to 1	1 1/2-4 1/2	1 1/2-4 1/2
Valparaiso	pesos to £1	T.T.	10 to 1	1 1/2-4 1/2	1 1/2-4 1/2

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	Year, 1924.	Rate.
Buenos Aires	pesos to £1	10.00	Sight London	Dec. 23, 1923 .. 17.57
Valparaiso	pesos to £1	10.00	Sight London	Apr. 2 .. 22.22
Colombia (Bogota)	pesos to £1	10.00	Sight London	Apr. 1 .. 87.5
Managua	colones to £1	4.0005	Sight London	Mar. 18 .. 4.80
San Salvador	colones to £1	9.73	Sight London	Mar. 17 .. 87
Guatemala	pesos to £1	10.00	Sight London	Mar. 19 .. 86.5
Costa Rica	colones to £1	10.45	Sight London	Mar. 8 .. 17.40
Bolivia	pesos to £1	10.00	Sight London	Mar. 24 .. 17

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.	Union of South Africa.
	From Feb. 18, 1924.	From Feb. 18, 1924.
	Buying.	Selling.
T.T.	1 1/2	1 1/2
Demand	1 1/2	1 1/2
30 days	1 1/2	1 1/2
60 days	1 1/2	1 1/2
90 days	1 1/2	1 1/2
120 days	1 1/2	1 1/2

(a) No discount allowed on sales of T.T.s. or demand drafts under £100.
* No premium allowed on amounts under £10

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

b) Week ended Mar. 23, 1924.	Miles Open.	Week ended Mar. 30, 1924.			Aggregate 13 Weeks, 1924.		
		Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.
Great Western.....	3,754	320,000	382,000	702,000	2,543,000	4,382,000	6,925,000
Do for 1923.....	3,679	302,000	349,000	651,000	2,856,000	4,833,000	7,689,000
London & North-Eastern	6,703	367,000	769,000	1,136,000	4,299,000	4,956,000	9,255,000
Do same period 1923	6,701	350,000	729,000	1,079,000	4,708,000	5,951,000	10,659,000
London, Mid., & Scottish	5,941	533,000	943,000	1,476,000	6,223,000	11,820,000	18,043,000
Do for 1923.....	5,941	533,000	943,000	1,476,000	6,223,000	11,820,000	18,043,000
Southern.....	2,146	285,400	126,200	411,600	3,244,400	1,441,000	4,685,400
Do for 1923.....	2,146	285,400	126,200	411,600	3,244,400	1,441,000	4,685,400
Metropolitan (c).....	794	44,264	3,890	48,154	420,587	49,188	469,775
Do for 1923.....	794	44,264	3,890	48,154	420,587	49,188	469,775
Underground E.R. (e)	..	..	..	..	..	..	..
Do for 1923.....	..	..	..	..	..	..	..
Lon. & Sub. Group (e)	..	..	..	..	..	..	..
Do for 1923.....	..	..	..	..	..	..	..
Belfast & Co. Down (b)	80	3,546	1,435	4,981	46,756	16,173	62,929
Dublin and S.-East (b)	160	4,459	4,151	8,610	65,171	48,956	114,127
Gt. Northern (Ireland) (b)	562	14,650	24,800	39,450	210,250	268,100	478,350
Gt. Sth. & Western (b)	1,151	19,117	34,198	53,315	265,021	416,976	681,997
Midland Gt. West. (b)	538	8,299	15,702	24,001	104,811	175,623	279,434

* Tram and omnibus strike. † Good Friday week.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1924. + or -	1924. + or -

INDIAN.

Assam Bengal.....	48 weeks	Mar. 1	1,072	Rs. 2,76,000	Rs. 42,109	Rs. 1,28,72,081	8,45,471		
Bamali & Ry.....	49 weeks	8	118	43,200	15,200	16,78,300	30,700		
Bengal & N. Western	23 weeks	8	2,062	6,74,670	19,965	1,38,26,313	1,23,029		
Bengal Nagpur.....	49 weeks	8	2,738	16,70,000	13,000	7,15,66,282	6,75,713		
Bombay, Bar., & C.I.	52 weeks	29	2,994	27,40,000	..	11,84,85,000	17,24,000		
Burma.....	48 weeks	1	1,342	8,73,634	45,473	3,56,00,399	6,00,533		
Dahli, Umballa & Calcutta	26 weeks	22	239	1,02,000	..	15,35,300	24,000		
East Indian.....	52 weeks	29	2,873	35,91,000	29,000	16,59,98,000	17,49,000		
G. Indian Peninsula	51 weeks	22	3,164	29,34,200	7,11,900	14,29,19,267	32,63,446		
Madras & S. Mah.	49 weeks	8	2,059	16,85,000	53,904	7,02,80,383	5,70,668		
Madras & K. Mah.	23 weeks	8	269	65,326	17,643	11,92,013	89,656		
Do Lucknow-Breilly	23 weeks	8	314	85,781	9,549	19,19,053	29,420		
South Indian.....	48 weeks	1	1,677	9,44,771	1,85,856	4,61,50,737	15,90,911		

ARGENTINE (a).

Argentine N.E.	39 weeks	Mar. 29	752	14,300	4,100	454,700	50,400		
Argentine Trans.	39 weeks	29	3,024	4,002	558	50,000	24,000		
B. A. and Pacific.....	39 weeks	29	3,024	237,000	21,000	6,443,000	130,000		
B. A. Gt. Southern.....	39 weeks	29	3,948	261,000	46,000	7,883,000	68,000		
			Net	131,000	28,000	3,230,000	45,000		
B. A. Western.....	39 weeks	29	1,882	127,000	35,000	3,523,000	49,000		
			Net	61,000	25,000	1,286,000	34,000		
Central Argentine.....	39 weeks	29	3,305	235,000	35,000	8,415,000	60,000		
Cordoba Central.....	39 weeks	29	1,205	53,000	4,000	2,313,800	53,000		
Entre Rios.....	39 weeks	29	729	28,200	7,600	887,800	103,400		

CANADIAN.

Canadian National.....	11 weeks	Mar. 21	22,580	4,671,198	503,199	50,371,045	2,729,534		
Canadian Pacific.....	11 weeks	21	15,622	3,401,000	515,000	36,014,000	2,839,000		

BRAZILIAN (b).

Gt. West. of Brazil.....	12 weeks	Mar. 29	1,011	9,900	100	147,900	17,400		
Leopoldina.....	12 weeks	29	1,831	30,721	11,656	308,271	2,894		
Sao Paulo.....	12 weeks	30	1,534	44,817	25,041	551,740	188,115		

CHILEAN.

Antofagasta.....	13 weeks	Mar. 30	838	32,640	2,440	508,535	51,195		
Nitrato (4-monthly)	13 weeks	31	356	43,879	12,985	252,908	43,648		

CUBAN.

Havana Central.....	38 weeks	Mar. 22	..	14,712	1,252	494,125	71,269		
United of Havana.....	39 weeks	29	1,210	154,090	26,343	3,173,679	413,811		

URUGUAYAN.

Central Uruguay.....	39 weeks	Mar. 29	273	29,036	3,154	1,060,134	42,044		
C. Urug. (East. Ext.).....	39 weeks	29	311	6,007	569	223,344	16,415		
C. Urug. (North Ext.).....	39 weeks	29	185	3,426	174	118,431	7,803		
C. Urug. (West. Ext.).....	39 weeks	29	211	3,136	520	106,886	4,614		

OTHER OVERSEAS.

Alcoy and Gandia.....	13 weeks	Mar. 29	33	35,000	16,700	339,000	21,700		
Egyptian Delta.....	48 weeks	10	575	8,154	353	320,881	5,991		
Gt. Southern of Spain	12 weeks	29	104	85,679	27,276	1,180,945	182,632		
Mexican Railway.....	12 weeks	21	432	201,40	86,900	1,465,400	1,835,000		
New Cape Central.....	10 weeks	8	205	2,932	42	29,176	6,1		
Paraguay Central.....	39 weeks	29	274	3,890	1,760	139,680	70,980		
Salvador.....	39 weeks	29	100	6,647	2,040	148,902	6,126		

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.	
				1924.	+ or -	1924.	+ or -
Anglo-Argentine....	13 weeks	Apr. 1	329	£87,444	+ 5,760	1,129,543	73
Barnley Corporation	1 week	Mar. 29	12	£2,849	749	..	..
Calcutta Tramways.....	13 weeks	29	354	Rs124,462	+ 817	1,555,224	+ 4,91,985
Chatham & District	12 weeks	27	15	£1,210	357	15,552	2,624
Egyptian Markets.....	12 weeks	27	..	£2,367	6	33,872	+ 1,326
Glasgow Corporation	43 weeks	29	106	£43,333	842	1,906,177	+ 51,817
Ile of Thanet.....	24 weeks	19	..	£498	147	13,774	765
Liverpool Corporation	52 weeks	29	124	£24,240	4,144	1,343,767	+ 161,266
Tramways.....	52 weeks	31	163	£13,045	4,283,029	..	..
L.G.O. Tramways.....	52 weeks	31	163	£13,045	4,283,029	..	..
Madras Elec. (2 whs)	13 weeks	31	..	Rs 56,110	+ 1,224	3,16,488	+ 6,135
Pernambuco Trams.....	13 weeks	30	..	£4,408	+ 622	62,415	+ 12,437

MINING OUTPUT STATISTICS FOR FEBRUARY, 1924.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cy. or 90 tin	Mill.	Oss.		
Gold.	Tons.	Tons.	Oss.	Oss.	£	£
Cook's Pioneer.....	1,780	..	..	5,123 gold.	7,525	..
Frontino and Bolivia.....	260	..	..	..	1,510	..
Do Marmajito.....	1,660	..	..	408	..	412
Jumbo Tip-Top.....	2,175	..	..	..	1,242	..
London and Rhodesian.....	105,095	..	..	..	..	£92,289
Mexican Corp.....	21,130	..	..	..	£113,960	42,684
Oroville Dredging.....	..	..	..	..	..	..
Pato (26 days to Mar. 22)	..	..	..	..	..	..
Paringa.....	82	..	..	62	..	..
Prestea.....	5,635	2,384	..	(a) 12,688	..	..
Walhi.....	16,578	..	5,671 (gold)	32,932 (silver)	..	..
Walhi Grand.....	4,680	..	5,020 silver	1,188 (gold)	..	..

(a) Par value.

	Tons.	Other Notes in Return.	
		Est. value, £1,995.	..
Tin.	..	..	..
Chenderiang.....	18	..	..
Deebok Dredging.....	14	..	..
Filani.....	82	Est. value, £12,110.	..
Kamunting.....	40	Shipped 40 tons.	..
Rayfield.....	8	..	..
South Bukuru.....	40	..	..
Tongkah Harbour.....	..	..	..
Coal.	..	..	..
Chinese Engineering.....	106,878	Week ended March 29th.	..
Clydesdale.....	1,746	Coalbrook; 21,693 tons Blackhill.	..
Dundee.....	44,935	..	..
East Kent.....	4,733	Week ended March 29th.	..
Natal Navigat.....	44,133	..	..
Northern River.....	14,074	Brickwork sales, £5,514.	..
Vereeniging.....	32,220	..	..
Vryheid.....	..	..	..
Miscellaneous.	..	..	..
New Va. 1 River.....	575	Diamonds, 469 carats, valued at £3,392.	..
Rhodesia Broken Hill.....	..	..	..

BURMA CORPORATION.—Cable:—No. 7 level west crosscut 1,387 ft. south—From 35 ft. to 35 ft. 19 ozs silver, 23 per cent. lead, 29 per cent. zinc, nil copper. From 35 ft. to 55 ft. 14 1/2 ozs silver, 11 per cent. lead, 65 per cent. zinc, 67 per cent. copper; from 55 ft. to 75 ft. 7 1/2 ozs silver, 17 1/2 per cent. lead, 47 per cent. zinc, 19 per cent. copper; from 75 ft. to 85 ft. 19 1/2 ozs silver, 39 1/2 per cent. lead, 67 per cent. zinc, 61 per cent. copper; from 85 ft. to 90 ft. 35 1/2 ozs silver, 51 1/2 per cent. lead, 19 per cent. zinc, trace copper; from 90 ft. to 95 ft. 25 1/2 ozs silver, 34 per cent. lead, 21 1/2 per cent. zinc, 0 1/2 per cent. copper. Face in sediment.

MOUNT MORGAN.—Four weeks ended March 18th:—Treated 5,697 tons Mount Morgan ore, 70 tons Many Peaks ore, 4,801 tons concentrates, and 17 tons purchased ore and secondary products. Produced 355 tons blister copper, containing 351 tons copper and 6,621 ozs gold. Concentrator treated 13,104 tons ore for a production of 4,913 tons of concentrates, containing 229 tons copper and 3,290 ozs gold. In addition to above production, have made on hand, containing 70 tons copper and 1,044 ozs gold. Output has been affected by observance two statutory holidays.

SULPHUR CORPORATION.—During the four weeks ended March 22nd, 3,971 tons of Junction ore and 1,329 tons of slimes were milled at the Central mine, producing 603 tons of lead concentrates (including 118 tons from the de-leaching plant), which assayed 42 ozs silver, 63 per cent. lead; together with 876 tons zinc concentrates, assaying 15 ozs silver, 11 per cent. lead and 43 per cent. zinc per ton, and 154 tons of special slimes, assaying 22 ozs silver, 19 per cent. lead and 19 per cent. zinc per ton.

Reports and Notices.

The trustees of the International Investment Trust, Limited, report with very great regret the resignation through ill-health by Mr John Rathbone of his post as secretary, which he has held since the commencement of the Trust in 1888. They have elected, from May 1st, in his place, Mr Basil William Bloomer, at present in the employ of the Bank of England.

Mr H. A. Vernet, of the firm of Messrs Robert Benson and Co., of 24 Old Broad street, E.C., has been elected director of the River Plate Trust, Loan, and Agency Company, Limited, and of the Mortgage Company of the River Plate, Limited, in room of the late Mr E. Ross Duffield.

The Right Hon. Earl Buxton, P.C., G.C.M.G., and the Right Hon. Sir Robert S. Horne, P.C., G.B.E., K.C., M.P., have been appointed directors of the Union Corporation, Limited. Count d'Ayguessives, to the regret of his colleagues, has relinquished his position as a director, a position he has held since the inception of the corporation.

Sir Henry Dennis Readett-Bayley, K.B.E., D.L., J.P., of Nottingham, the coalowner and ironmaster, has joined the board of Low Temperature Carbonisation, Limited. Sir Dennis is managing director of the Digby Colliery Company, Limited.

BANKS.

BANK OF SCOTLAND.—The report and accounts for the year ended February 29, 1924, show a net profit of £355,727, against £345,178 in preceding year. To the net profit is added £85,202 balance from last year, making £440,929 available. The dividend of 16 per cent. for the year absorbed £163,779. The sum of £125,

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Prefe.	Ordinary.	Rate.			
Banks.					Amount.	Amount.	Rate.			%
Bank of Scotland	Feb. 29	85,202	355,727	£40,929	..	163,780	16	175,000	102,149	345,178
Breweries.										
Workington Brewery	Feb. 29	1,609	8,598	10,207	6,250	..	..	1,889	2,077	..
Electric Lighting and Power.										
Chiswick Electricity	Dec. 31	2,621	22,099	24,720	..	7,850	12½	12,500	4,370	20,501
Financial, Land, &c.										
Natal Land and Colonization	Dec. 31	20,247	33,568	53,815	3,962	23,823	7	7,000	19,030	..
Swan Land and Cattle	Dec. 31	3,691	16,831	20,622	..	..	..	14,135	8,769	..
Trust & Agency Co. of Australasia	Dec. 31	15,965	68,681	84,646	50,000	7,500	7½	10,000	17,146	67,949
Iron, Coal, and Steel.										
Coltess Iron	Dec. 31	29,363	21,315	50,678	12,875	10,938	5	..	26,865	..
Motor and Cycle.										
Albion Motor Car	Dec. 31	707	37,556	38,263	8,031	18,400	5	10,000	1,832	1,347
D. Napier and Son	Sept. 30	7,953	98,449	106,402	22,500	..	..	72,500	11,402	Dr 86,371
Rolls-Royce	Oct. 31	8,410	156,708	165,118	..	65,026	8	90,000	10,092	149,208
Vauxhall Motors	Dec. 31	64	54,072	54,136	..	..	..	..	54,136	Dr 76,710
Nitrate.										
New Tamarugal	July 31	93,492	26,546	120,038	..	95,535	35	..	24,503	22,744
Rubber, &c.										
Batu Caves	Dec. 31	10,964	6,977	17,941	..	8,640	4	1,000	8,301	10,922
Bikam	Dec. 31	5,961	24,545	30,506	..	8,000	10	2,500	20,006	6,027
Culoden Consolidated	Dec. 31	20,429	Dr 3,490	16,939	..	10,000	5	..	6,939	Dr 888
Damansara	Dec. 31	3,320	13,254	16,574	..	12,600	4	1,000	2,974	18,160
General Ceylon Rubber and Tea	Dec. 31	4,349	55,985	60,334	..	45,750	15	10,000	4,584	58,924
Gula-Kalumpang	Dec. 31	46,263	56,679	102,942	..	50,000	10	10,000	42,942	72,822
Selaba	Dec. 31	18,003	12,377	30,380	..	11,250	6	..	19,130	14,605
Shops and Stores.										
John Barker and Co.	Jan. 31	148,328	372,928	521,256	20,475	209,000	20	80,000	211,781	331,885
Owen Owen	Feb. 20	1,160	8,657	9,817	13,000	2,404	4	Dr 18,999	8,412	22,732
Tea.										
Hanipha Tea and Rubber	Dec. 31	3,584	23,555	27,139	..	21,000	35	2,500	3,639	17,631
Highland of Ceylon	Dec. 31	1,074	16,077	17,151	..	13,050	22½	2,524	1,577	6,890
Portmore Tea	Dec. 31	1,523	13,403	14,926	..	11,000	27½	1,000	3,926	..
South Wanaiah	Dec. 31	3,065	20,230	23,295	780	18,725	35	..	3,790	..
Textiles.										
British Dyestuffs Corporation	Oct. 31	Dr 700,699	251,423	Dr 449,276	..	..	..	Dr 449,276	102,657	..
Samnagar Jute	Dec. 31	84,280	221,787	306,067	9,000	118,350	30	90,000	88,717	194,120
Titagur Jute	Dec. 31	113,514	185,501	299,015	9,000	118,350	30	60,000	111,665	148,243
Victoria Jute	Dec. 31	46,469	114,014	160,483	9,000	78,553	30	20,000	52,930	153,402
Trust.										
Edinburgh Investment	Mar. 15	73,420	67,677	141,097	12,555	44,640	12	..	83,902	56,854
Waterworks.										
Stroud Water	Dec. 31	Dr 18,713	146	Dr 18,567	..	..	..	Dr 18,567	100	..
Other Companies.										
Bell's United Asbestos	Dec. 31	37,910	36,525	74,435	3,600	29,352	10	10,000	31,483	36,851
Browne and Eagle	Dec. 31	11,495	13,819	25,314	12,500	..	..	..	12,814	23,561
Dwyer and Co.	Jan. 31	21,907	4,201	26,108	1,237	5,500	10½	..	19,371	7,771
John Shannon and Son	Dec. 31	Dr 24,405	Dr 15,748	Dr 40,153	..	..	..	Dr 40,153	Dr 24,103	..
Joseph Travers and Sons	Jan. 26	39,226	70,564	109,790	6,250	35,000	17½	30,000	38,540	67,813
Lever Brothers	Dec. 31	..	4,874,551	4,874,551	2,924,504	1,402,354	(Pt. O.)	250,000	57,693	4,374,412
London Electric Wire Co. and Smiths.										
Marshall	Dec. 31	30,671	77,470	108,141	30,000	48,305	7½	..	29,836	64,431
M. C. Thomson and Co.	Jan. 31	21,912	35,566	57,478	..	17,022	6	8,500	31,956	..
Metropolitan Vickers Electrical	Dec. 31	8,865	32,787	41,652	3,000	9,375	12½	10,000	10,217	37,397
Olympic Portland Cement	Dec. 31	105,310	140,963	246,273	73,980	71,776	8	15,000	85,518	225,058
Western Mansions	Dec. 31	19,727	70,237	89,964	..	24,023	12½	46,157	19,784	..
		3,098	10,561	13,659	..	6,315	4	4,293	3,051	7,062

† Free of tax. (b) For five months.

455-495 6d, Chilean brewing 475 6d ex ship—both per 448 lbs. No. 3 Canadian Western 335 6d ex ship, Algerian-Tunisian 345 landed, Karachi 305 6d ex ship, ditto landed 325, Plate ex ship 335 3d per 400 lbs. Maize: Dull. Plate 475 3d-425 3d landed, as to quality, Red Karachi ex ship 475, Yellow Calcutta landed 425 3d per 480 lbs. Oats: Quiet. English quoted at 95 2d-105 4d per 112 lbs, free on rail. Imported steady. Plate f.a.q. ex ship 205 9d, landed 215 9d, No. 2 Canadian Western 255 6d, ditto No. 3 245 9d, Canadian feed landed 225 6d per 320 lbs. Millers' offals: Steady. Broad bran quoted 8s, ordinary 7s 6d, middlings 8s, fine ditto 9s 6d, bags included, ex mill; light oats 7s 3d, powdered oat husks 7s 3d, feed oatmeal 9s 3d, ground oats 12s 3d per cwt, free on rail. Oatmeal: In moderate demand at late rates. London made flaked, also rolled oats 16s, medium and fine cuts 16s, coarse and medium pinhead 16s, ordinary Scottish oatmeal 17s 6d-18s, American 16s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-24.	1922-23.	1921-22.	1920-21.
Estimated sales of home-grown wheat—				
1 week to March 29	Ow. 178,138	Ow. 473,494	Ow. 320,481	Ow. 153,745
26 weeks to March 29	10,371,410	13,297,554	13,359,313	9,416,093
Average price of English wheat per cwt	20 4	20 4	19 8	20 8

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1920 to 1923:—

	QUANTITIES SOLD.			AVERAGE PRICE PER QW.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1924.						
Mar. 22	250,271	76,074	40,879	10 4	11 2	9 4
Mar. 29	178,138	61,902	34,961	10 7	11 7	9 7
1920	247,520	48,157	17,809	16 11	26 3	19 11
1921	153,746	57,636	24,032	20 9	13 8	13 8
1922	320,481	93,925	51,795	12 0	11 9	10 8
1923	473,494	114,337	44,580	8 7	8 5	9 8

IRON, STEEL, AND COAL.

Our Middlesbro' correspondent's report, dated April 3rd, is as follows:—Pig-iron: The improved values of French and Belgian currencies have assisted the market for Cleveland pig-iron more especially. Instead of Continental pig-iron being offered here, there is a good inquiry for export, and the price of Cleveland No. 3 G.M.B. has been advanced by makers to 95s per ton. There has not been the same improvement in East Coast hematite pig-iron. Stocks are still considerable, and will have to be cleared before furnaces can be restarted. Mixed numbers are quoted 95s per ton, but this price could be shaded for definite business. Manufactured

iron and steel: Business is quiet. The threatened shipbuilding lock-out is an adverse factor. Quotations remain unchanged: steel ship plates, £10 5s; steel ship angles, £10; iron bars, £12; steel rails, £9. Iron ore: Business still very dull, and stocks of ore are ample. Best Bilbao Rubio nominally 24s per ton, c.i.f., Tees.

Our Sheffield correspondent writes:—The position of the local industries is improving as regards output and sales, but with increases of wages among steel workers imminent and a certainty of dearer coal there is a good deal of misgiving as regards the future. Producers are still unable to get prices up to a remunerative level, and further additions to costs will increase their difficulties. There is a better inquiry for hematite pig, indicating increased activity in acid steels, but the basic steel department is badly depressed. Rather more foundry iron is selling than of late. Trade remains flat in mild steel bars and rods and bar iron, but steel sheets sell readily, and the mills are well employed. Railway work and steel for motor construction are responsible for the major share of the trade being done in Sheffield to-day. Wagon building shops have booked all the business that they can deal with, and should be well employed until the end of the year, and this activity is benefiting the local axle, tyre, and spring plants. Export trade has improved in some directions and fallen off in others. The requirements of general engineering and shipbuilding are disappointingly small, and makers of engineers' small tools are quiet. The local quotation for soft basic billets has been increased from £8 5s to £8 15s this week. The financial stringency is acute almost throughout the Sheffield trades, and the increased sales accentuates the difficulty. Makers of cutlery and plate report unfavourably, and in a financial sense these trades are undoubtedly experiencing a very bad time. The boom following the armistice was responsible for the starting of several hundred manufacturing firms, mostly on a small scale, and to-day the business coming in, although relatively large, does not suffice to go round, and price cutting is rife. The pressure for deliveries of fuel continues as severe as ever, as the output of the pits is inadequate for consumption and shipments. Railways and other large users are increasing their stocks as a safeguard against the effects of a strike of miners. The demand for house coal exceeds the average for this time of year. Prices are firm all round. Quotations per ton at pits are: best hand-picked branch, 36s to 38s; Barnsley Best Silstone, 34s to 35s; Yorkshire hards, 27s to 29s; best Blyth ditto, 26s 6d to 27s 6d; rough slacks, 12s 6d to 13s 6d; smalls, 8s to 10s; coke, 25s to 29s.

Our Glasgow correspondent writes as follows:—The Continent having practically ceased to be a competitor in the British market, pig-iron is in greater demand, all grades being taken up from Scotch and English works. Prices are distinctly higher, and, with increased cost of fuel, there is no likelihood of a return in the near future to the dull tone of recent weeks. A feature of the market is the increasing sales to Continental countries. Shipments for the week ending March 29th were 3,300 tons. Steel works are not now so well supplied with orders. Most of the old contracts have been wiped out, and although quite a good demand is experienced, and fairly large orders placed, there is nothing in the way of forward or speculative buying. This is accounted for by the labour disputes in the coal and shipbuilding trades. Further shipbuilding, engineering and structural steel orders—although not on a large scale—are reported in this district, involving a considerable tonnage in the aggregate. French and Belgian steel products are not being offered owing to difficulties of exchange, but in any case, we learn that most of the works are fully booked, and are now refusing to quote for three months ahead. Bar iron makers and re-rollers are fairly well employed on home and export work, and both black and galvanised sheets are in good demand for the season's requirements. Overseas specifications coming on the market are being accompanied by low limits, and some makers are accepting cut prices, especially for galvanised sheets, which can now be bought 10s. per ton below March quotations. There is no change in the prices for black and galvanised sheets for home orders.

Our Cardiff correspondent writes:—The coal market this week has been entirely under the influence of the miners' wages dispute. The fears of a stoppage next month have restricted the volume of business. Shippers have been endeavouring to accelerate the delivery of the supplies due to them under contracts, and new business has been practically confined to orders, for which the collieries have been in a position to provide stems before the 17th inst. At the beginning of the week prices were very firm for all classes of coal, with Best Admiralty large coals ruling up to 32s 6d, f.o.b. Towards the middle of the week the position eased appreciably. On Monday the South Wales coal-owners made a further improvement in their offer to the workmen. Under the original offer the subsistence wage of the lower-paid adult workers was raised from 7s 6d to 8s 6d per shift, but that the increase was accompanied by certain disabling conditions. The 8s 6d was payable only to adults with dependents, and even these suffered the loss of their subsistence allowances if they were irregular in their attendance at work. All these disabling conditions have now been withdrawn, and the 8s 6d per day is to be paid to every workman over 21. This concession of the owners improved the outlook for a peaceable settlement, and this more optimistic impression was strengthened later in the week by the strong lead given in Northumberland and Durham in favour of the acceptance of the owners' offer. The consequence was that the buying pressure on the market relaxed, but although prices did not actually give way, the undertone was slightly easier towards the end of the week. The following are the current approximate quotations:—Best Admiralties, 31s to 32s 6d; second Admiralties, 30s to 31s; best drys, 29s 6d to 30s 6d; black veins, 31s to 32s; Western Valleys, 30s to 31s; Eastern Valleys, 27s 6d to 30s; best bunker

smalls, 22s 6d to 23s; ordinary cargo smalls, 19s to 21s; coking smalls, 22s 6d to 23s 6d; anthracite big vein, large, 41s 6d to 45s; red vein large, 32s 6d to 35s; machine-made cobbles, 50s to 52s 6d; French nuts, 50s to 52s 6d; stove nuts, 47s 6d to 52s 6d; rubbly culm, 15s 6d to 16s; inland blast-furnace coke at ovens, 30s to 35s; coke for export, 60s to 62s 6d; patent fuel, 29s 6d to 32s; pitwood, ex ship, 25s to 26s. In the iron and steel trade the position has improved. Eleven blast furnaces are now working, compared with five in February, and the tinplate industry continues very active. Prices are unchanged.

METALS.

Tin market opened easier, due to lower Eastern advices and a falling off in buying orders, though subsequent movements were attended by some irregularity, and the decline was fully recovered by the middle of the week. Standard cash sold at £254 to £261 15s, and three months £251 to £262, while finally at £260 5s. Eastern cables reported sales on the basis of £261 5s c.i.f. The upward movement was continued later with dealings on a moderate scale. Standard cash sold at £264 15s-£265 10s, and three months £263 to £264 10s. On Friday opened firmer but eased, while a fair business transpired. Standard cash sold at £267, and three months £268 to £264 to £265. English ingots quoted at £267 to £268. Copper: After commencing with a quiet and easier tone, the market displayed firmer features on buyers showing more disposition to operate. Standard cash sold at £63 15s to £65 12s 6d, and three months £64 15s to £66 15s to £66 7s 6d. No material change occurred on Thursday. Standard cash sold at £65 7s 6d, and three months at £66 5s to £66 10s to £66 7s 6d. Final business was on a fairly good scale, and prices after opening firmer closed the turn in buyers' favour. Standard cash sold at £65 12s 6d to £65 7s 6d, and three months £66 10s to £66 2s 6d. Electro's £71 10s to £72, best selected £69 15s to £71, strong sheets £68, wire bars £72. Spelter steady, and quoted at £33 17s 6d to £34 6s 3d as to position. Lead easier, and quoted at £34 7s 6d to £33 7s 6d, according to position. Antimony quiet; English £64 10s to £65. Aluminium, home £120, export £125.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—There is nothing spectacular about the market; but were it not for the continued absence of activity in merinos, the position would be very sound and satisfactory. As it is, the demand for merino tops and yarns is too restricted to enable sellers to make prices commensurate with the cost of replacement, and the present price of the raw material is maintained solely by the strong foreign demand for fine wool. In the crossbred section of the trade, however, there is a nice steady business, which extends right through to the finished article. While there is not much change in topmakers' quotations as compared with those ruling a week ago, all qualities are very firm, and medium and low sorts are against the buyer. It is interesting to note that warp 64's tops have been at about 6s for several weeks, having advanced 6d since the beginning of the year. Super 60's at 5s 5d show an advance of 4d in three months; 56's average, now quoted at 3s 11d, have advanced 4d in the same period; 46's carded at 28½d have advanced 5d since the beginning of January; and 40's prepared at 27½d show an advance of 6d in the three months. As regards yarns, 2-48's ex 64's are nominally quoted at 7s 1d, compared with 6s 7d three months ago, but considerable weights are available at lower figures. All crossbred yarns, however, are very firm at recent rates, and spinners are well booked up. In the Botany section particulars are irregular owing to the presence on the market of some fair weights of stock lots. The outlook in the piece goods trade has improved somewhat.

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and more inquiry is being encountered for the home trade in men's wear and in dress goods. A fair amount of export business is also being booked, but this trade is rather "spotty" at the moment. Wholesale fabric buyers still favour the cheaper lines, and demand is running more on woollens than on worsteds.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The second series of Colonial sales is over, buyers mostly returning home last Tuesday. The series has been the shortest on record for March—at least during the past 50 years, but what has been lacking in quantity has been made up to some extent in the very active demand, and the remarkable prices paid. The last few days of the series saw no important changes, but the series finished with values for everything at the highest point. Notwithstanding adverse factors, such as the political crisis in France, accompanied by violent fluctuations in the franc, and strikes at home, the market, as Messrs. H. Dawson and Co. point out, has been invulnerable, and prices have not suffered in the least. "The real cause of strength was not in the demand, but in the limitation of supplies." That sums up the situation, and we cannot see where any important supplies of wool are coming from to be sold in London this year. We are now at the end of the season in Australia, which has coincided with the finish of the second series of London sales. In pre-war times the May sales were always of considerable length, and usually around 200,000 bales were available, but nothing but a miracle will see anything like that quantity available this year. The comparative quietness of the home trade in its competition for merinos is to a large extent responsible for many second-hand parcels failing to find buyers, and that really is a disappointing factor. Topmakers, who would have been the biggest buyers, had there been the least encouragement, find themselves unable to get rid of their stocks of tops at a profit, and there is no encouragement for them to buy freely in face of such unprofitable prices for merinos in Bradford. In other words, the home trade is more or less handicapped by the strong opposition which is having to be daily encountered by manufacturers from wholesale fabric buyers, and the bitterness of the opposition shows clearly that all is not well with the ultimate buyer. This is all being reflected in the demand for merino wool on the part of the home trade, and instead of spinners being able to take up freely what they have bought, deliveries of 64's tops, which ought to have been made in February, are held up to-day. This is a serious matter where topmakers are landing considerable quantities of direct imports, and are having to meet drafts. However, Germany has been an active buyer during the course of the auctions, and it is patent that that country is finding itself with a considerably revived industry, all of which means that big supplies of raw wool will have to be obtained for some quarter.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—March 28, 1924.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1923.	Same Period 1922.
Sea Island.....	d	a	d	a	d	a	d	a
Florida do.....	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do.....	nm	nm	nm	nm	nm	nm	nm	nm
American.....	Ord	G	U	M	G	M	F	G
Brazilian.....	1366	1416	1516	1601	1631	1731	1431	1481
Peruvian.....	1566	1666	1751	1851	1951	2051	1551	1651
Paraguay, Rio Grande, do.	1566	1666	1751	1851	1951	2051	1551	1651
Omar, do.....	1566	1666	1751	1851	1951	2051	1551	1651
Sao Paulo.....	1551	1651	1751	1851	1951	2051	1551	1651
Egyptian.....	1910	1980	2010	2060	2130	2225	1975	1950
Supra.....	1920	2030	2060	2160	2305	2375	1975	1950
Sakellaridis.....	1910	2000	2070	2130	2225	2375	1975	1950
Brown.....	1910	2000	2070	2130	2225	2375	1975	1950
Peruvian.....	1910	2000	2070	2130	2225	2375	1975	1950
Bough.....	1701	1751	1826	1851	1876	1951	1751	1801
Moderately Bough.....	1701	1751	1826	1851	1876	1951	1751	1801
Smooth.....	1701	1751	1826	1851	1876	1951	1751	1801
Tanganyika.....	1701	1751	1826	1851	1876	1951	1751	1801
Mimani.....	1701	1751	1826	1851	1876	1951	1751	1801
West Indian, do.....	1701	1751	1826	1851	1876	1951	1751	1801
Do Sea Island.....	1701	1751	1826	1851	1876	1951	1751	1801
African, East, do.....	1701	1751	1826	1851	1876	1951	1751	1801
Do West.....	1701	1751	1826	1851	1876	1951	1751	1801
East Indian.....	1701	1751	1826	1851	1876	1951	1751	1801
Machine Ginned Surtee.....	1701	1751	1826	1851	1876	1951	1751	1801
Machine Ginned Brooch.....	1701	1751	1826	1851	1876	1951	1751	1801
Machine Ginned Bhowmgar.....	1701	1751	1826	1851	1876	1951	1751	1801
Machine Ginned Omar, No. 1.....	1701	1751	1826	1851	1876	1951	1751	1801
Machine Ginned Omar, No. 2.....	1701	1751	1826	1851	1876	1951	1751	1801
Machine Ginned Khandeish.....	1701	1751	1826	1851	1876	1951	1751	1801
Machine Ginned Compah.....	1701	1751	1826	1851	1876	1951	1751	1801
Machine Ginned Bengah.....	1701	1751	1826	1851	1876	1951	1751	1801
Machine Ginned Seinde.....	1701	1751	1826	1851	1876	1951	1751	1801
Timnively.....	1701	1751	1826	1851	1876	1951	1751	1801
Madras, Western.....	1701	1751	1826	1851	1876	1951	1751	1801
Madras, Northern.....	1701	1751	1826	1851	1876	1951	1751	1801
M.G. Cocanada, Red.....	1701	1751	1826	1851	1876	1951	1751	1801
China, Smyrna, do.....	1701	1751	1826	1851	1876	1951	1751	1801

MANCHESTER, April 3.

The market this week has been dearer, partly in sympathy with the higher rates in the raw material, and partly owing to spinners and manufacturers having recently improved their position, and there now being more determination to secure remunerative terms for fresh contracts. Inquiry in cloth for abroad has been exten-

sive. An increased turnover has taken place for India, although many offers lag behind the requirements of sellers. Operations for China have been patchy, and individual sales have not been important. A fair sorting-up business has been done for the several minor outlets, and there is no abatement in the activity in fancies and fine goods for quite a number of markets. The general prospects for makers of cloth are brighter. American yarns have been put up in quotation, and although it has been a struggle to secure top rates, a very fair turnover has taken place. Steady buying has again been reported in Egyptian spinnings, especially in the finer counts, there being special transactions in qualities suitable for thread manufacturing.

(I) Comparative Statement of the Cotton Trade.

	Price, April 3, 1924.	Previous Weeks in 1924.				
		Price, Mar. 27.	Price, Mar. 20.	Price, Mar. 13.	Price, Mar. 6.	Price, Feb. 28.
Raw Cotton—Fully Mid. American.....per lb	17.83	16.55	17.58	17.01	16.95	17.15
Sakellaridis Fully Good Fair Egyptian.....per lb	21.45	20.50	21.40	20.60	20.45	20.35
Yarns—32's twist.....per lb	26.3	25.3	25.4	24.3	24.3	24.3
— 40's twist.....per lb	27.3	26.3	26.4	25.3	25.3	25.3
— 60's twist (Egyptian).....per lb	33.3	32.3	33.3	32.3	32.3	32.3
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	37.6	36.6	36.9	36.0	36.0	35.9
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	41.3	40.3	40.6	39.9	39.9	39.6
38-in. ditto, 38 yds, 18 by 18, 10 lbs.....	21.3	20.9	21.0	21.0	21.0	20.9
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs.....	19.0	18.6	18.9	18.9	18.9	18.6

(II.) Compared with Previous Years.

	Price, April 3, 1924.	Corresponding dates in				
		1923.	1922.	1921.	1920.	1919.
Raw Cotton—Fully Mid. American.....per lb	17.83	15.74	10.60	7.78	29.13	17.80
Sakellaridis Fully Good Fair Egyptian.....per lb	21.45	17.40	17.50	17.00	86.00	26.59
Yarns—32's twist.....per lb	26.3	23.4	17.1	17.1	62	27.3
— 40's twist.....per lb	27.3	23.3	17.1	17.1	57	27.3
— 60's twist (Egyptian).....per lb	33.3	29.3	28.3	30.3	145.3	31.3
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	37.6	32.6	32.9	38.6	101.0	44.0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	41.3	36.3	36.0	35.0	96.0	43.0
38-in. ditto, 38 yds, 18 by 18, 10 lbs.....	21.3	18.6	18.3	21.6	51.0	25.0
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs.....	19.0	17.6	17.0	18.6	45.0	23.0

We are informed that as from March 31st last the old-established firm of cotton brokers, Messrs Wm. H. Cooke and Sons, of 83 Cotton Exchange buildings, Liverpool, is retiring from business. All debts due to or by the firm will be liquidated by Wm. H. Cooke and Sons (in liquidation) at the above address.

VEGETABLE OILS AND OILSEEDS.

Supplies of oilseeds, &c., at the mills are now ample, permitting of the production of oils on a substantial scale. Linseed oil towards the end of the past week eased off to £36 for spot and April-August delivery, but under the influence of a good demand from the trade and the consuming industries has hardened again to about £36 10s per ton naked, ex Hull mill. Foreign demand, however, is only small, supplies in the principal crushing centres on the Continent apparently being equal to requirements. Cotton oils have for the most part been neglected, and values have further declined, crude Egyptian now offering at £39 5s, and soap makers' grade of refined at £42 10s per ton naked, ex Hull mill. Soya oil is in good supply, and about 40s lower on the week, while castor oil (first pressure) has been reduced 20s to £64 (barrels included). Rape oil is also cheaper and in poor demand, with palm kernel oil barely steady round £40.

HIDES, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The hide position is steadier this week, slight advances having been obtained at a few provincial markets. Values at the Bermondsey auctions on Thursday were unaltered, best ox making 6½d to 8½d, and seconds 7½d, where sold. Heavy cows of best selection sold at 6½d, lights being withdrawn. Calf showed a weaker tendency, two classes only of best finding buyers at 7d to 14½d per lb, or declines of ½d to ¾d as against last prices. This was probably due to the heavy fall in the value of French calfskins at the recent Paris auctions, when values of raw hides and skins declined substantially. Wool skins sold in Bermondsey from 8s to 16s, and hogs from 5s to 21s each. The foreign hide market is firming up, River Plate prices being advanced. Business has been done with this country on a basis of 8½d to 8½d, whilst both Germany and the United States have again been buyers. Dry hides are also in better demand, Cape stock being an attractive line.

Reports vary as to the condition of the sole leather market; some merchants report a falling off in business, whilst others are busy. Germany is still a buyer of low-grade leather, and a fair amount of sole bands are being exported. Demand is still running on low-grade stock from shoe manufacturers, but repairers are cutting a better grade. Tanners are fairly firm on quotations, but here and there I hear of concessions offered to clear big lines of stock. Pinned offal is very firm, with stocks low.

Business in upper leather is moderate; curriers are rather busier, but are handicapped by the high price of E.I. kips, and the demand for low-grade finished leather. Patent is a good seller in the cheaper grades, whilst suede has again become a popular material for ladies' shoes. Glacé kid is wanted in the very best grades and in the lower selections, but medium grades are hanging fire.

The boot trade is improving, women's shoes and sporting goods being wanted in quantities. In men's boots trade is only moderate, although Northampton is doing better with the medium and best classes of goods.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, April 4.

SUGAR.—The market for actual parcels remained in the same quiet state as that previously recorded, as, apart from attending to immediate requirements, manufacturers and distributors alike have no interest in view of the approaching Budget announcement. Messrs Tate and Lyle's cubes, 62s 9d to 63s 9d; crushed, 61s 3d; granulated, fine and coarse grain, 60s 7½d; No. 1, 60s 4½d; No. 2, also London and T.L., 60s 1½d; ditto month forward, 60s; May-June, 60s 3d; yellow crystals, spot, 55s 7½d; caster from 60s 9d to 62s 10½d. Imported kinds dull at about previous rates. White Java, spot, 58s 3d; ditto May-June, steamer, 25s 9d; June-July, 24s 9d; July-August, 24s, c.f. and i., London. Czech granulated, spot, 59s; April-May, 30s 6d; June-August, 30s 6d; November-December, 23s 6d, f.o.b., Hamburg. Belgian granulated, spot, 58s 9d. Cuban basis, 96 percent., April, 26s, c.f. and i., U.K. With regard to the increased acreage to be sown in Europe, it appears that Hungary in particular has made every effort in this connection. White terminal market easier and attended by slight irregularity, but a fair amount of business was carried through. May delivery, sold, 29s 3d to 28s 10½d and 29s 4½d; August, 27s 1½d to 26s 7½d and 27s; December, 22s 10½d per cwt.

COFFEE.—The general tone of this market remained quiet, only moderate transactions being carried through mainly on home trade account, as continental requirements do not extend. Meantime, prices manifest weakness, particularly for the bold sizes of Costa Rica. Nairobi, bold, sold, 104s to 116s 6d; Costa Rica, ditto, 125s to 150s.

COCOA.—Of 10,935 bags offered in auction, about one-half consisted of Grenada descriptions. A slow demand prevailed, and only a restricted part found buyers, chiefly Grenada, at 1s to 1s 6d cwt. decline. Grenada, good to fine, 48s to 49s 6d; St Lucia, 45s to 48s; Jamaica, 47s; Panama fancy, 135s 6d; Accra, F/F grade, April-May, down to 32s, then 33s cwt, f.o.b. terms.

TEA.—Indian auctions during the week totalled 46,240 packages, and in the early part of the week brisk competition ensued at full to dearer prices, especially for the lower grades; but later a quieter tone became apparent, though no quotable decline was established. Some 19,775 packages Ceylon engaged but moderate support, and some 6,700 fine qualities were withdrawn. Others about steady. Some 6,700 packages Java and Sumatra were offered and met a somewhat

irregular market. All really good liquoring descriptions were fairly well competed for at a steady range of values, but inferior parcels manifested a weaker tendency. Pekoe sold, 1s 4d; broken ditto, 1s 7d; pekoe souchong, 1½d to 1s 3½d; orange pekoe, 1s 3½d to 1s 6½d; broken orange, 1s 0½d to 1s 4½d per lb, in bond.

SPICE.—Pepper unaltered for black, with white firm on sustained inquiries. Black Singapore, May-July, steamer, L.S., quoted 5½d; Lampong, August-October, 4½d; Muntok, spot, 8½d; May-July, steamer, 8½d. Zanzibar cloves, spot, 1½d to 1s 1d, as to quality, per lb. Tapioca steady but quiet. Sago flour quietly steady, March-May, quoted 14s 4½d; April-June, 14s 1½d; desiccated coconut, fine cut, spot 42s; medium, 45s; halves, March-April, 39s 0d cwt.

RICE.—All Eastern grain disclosed an upward tendency due mainly to comparatively large operations in the Burma market on Japanese account coupled with the fact of smaller quantities of "Paddy" coming to hand from up-country. Two Stars Rangoon, spot, 16s; afloat, 14s 7½d; April-May, 14s 7½d. No. 3 cleaned Rangoon, April-May, Levant, 14s 7½d double bags. 10,000 tons Japanese S.Q., April-June, sold 12s 3d to 12s 6d f.o.b. Spanish not offered from first hands, while Italian shippers indicate 22s 6d c.f. and i. London. Fancy Blue Rose, for shipment, 32s to 33s 6d c.f. and i. as to quality. Japanese peas, spot, 21s 6d; Rangoon haricots, spot, 9s 6d; Madagascar butter beans, 34s cwt. Rangoon bran, April-May, held for £6 2s 6d per ton ex-ship London/Liverpool.

JUTE firmer, being more sparingly offered, and a fair demand prevailed partially on Calcutta account. First grade, March-April, Continent, sold, £27 12s 6d; April-May, £28; May-June, £28 10s to £28 12s 6d. Reds assortment, April-May, Italian ports, sold, £31 10s per ton. Hessians and twills quite steady, despite slackness of demand, as available stocks are small.

HEMP.—Manila firmly held, and a fair inquiry predominated. J grade, afloat, sellers, £40; ditto, March-May, quoted £39 10s; K, April-June, sold, £33 to £34 10s; L, ditto, £32 to £33 5s; M, quoted £29 per ton. African sisal steady, unchanged.

SHELLAC quiet. T.N., spot, 2-5s; May, 270s per cwt.

COPRA.—Continued to meet with but slow support, and some pressure to sell imparted weakness to values. F.M.S. Straits, February-April, Rotterdam sellers, £27 17s 6d; March-May, sold, £27 10s; April-June, £27 6s 3d. Dutch East Indies, February-April, £27 12s 6d; March-May, £27 7s 6d. Ceylon, April-May, quoted £29 15s; Java, March-April, £27 15s; Cebu, ditto, £27 5s, mixed excluding Padang, March-April, Marssilles, £26 15s; South Sea, April-May, Rotterdam, £26 10s. Palm kernels easier. April-June, to Liverpool, sold, £18 13s 9d to £18 17s 6d per ton.

RUBBER was again accorded good support, and prices advanced while influenced by reports as to the formation of a central selling agency in order to better regulate supplies, also increased absorption by American manufacturers. Slight irregularity prevailed at times. Standard plantation crepe and sheet, spot, also April, sold, 1s 0½d to 1s 1d and 1s 0½d; May, 1s 1d to 1s 1½d and 1s 0½d; June, 1s 1d to 1s 1½d and 1s 0½d; July-September, 1s 1½d to 1s 1d and 1s 1½d; October-December, 1s 1½d to 1s 2d and 1s 1½d. To New York, standard estate sheet, April-May, sold, 1s 1½d to 1s 0½d per lb, c.f. and i. terms.

CARDAMOMS.—Market firm, with supplies generally found wanting.

OILSEEDS.—Linseed quiet but irregular. Indian: Calcutta, afloat, £20 7s 6d; March-April, £19 7s 6d to £19 5s and £19 10s paid; April-May, sold, £18 17s 6d to £19 5s. Plate, afloat, £17 12s 6d to £17 13s; March-April sold, £17 8s 9d to £17 13s 9d; April-May, £17 7s 6d to £17 12s 6d. Rape seed opened firm, but easier since. Toria, March-April, £17 7s 6d; April-May, £17 5s; Jamba, March-April, £13 15s; and real bold Ferozepore, April-May, £17; May-June, £16 17s 6d. Cottonseed: Egyptian, steady, but Indian easier. Egyptian, black, April, £12 2s 6d. Sakellaridis, £12. Bombay, March-April, sold, £9 18s 9d. Gingelly seed quiet. Chinese, afloat, £25 17s 6d; March-April, £26 5s Ground-nuts steady. Coromandel, machine-dried, March-April, £22 7s 6d; Chinese, decorticated, f.a.q., March-April, £22 2s 6d; bold Bombay, March-April, £22 7s 6d. Soya beans easier. Manchurian, afloat, £11 17s 6d; March-April, £11 15s. Castor seed quiet. Bombay, March-April, £23 17s 6d per ton.

OILS.—Linseed opened easier but improved. Spot, net, naked, 37s 9d; April, 36s 10½d; May-August, 36s 9d; September-December, 36s 6d. Rape dull. Crude, spot, 47s 6d; refined, 50s 6d. Castor-oil quiet. First pressure, spot, quoted 65s; second pressure, 64s; and pharmaceutical, 70s per cwt, Hull, with London 2s per cwt extra. Cotton easier. Crude Egyptian, spot, 41s; Bombay, 39s; common edible, 47s; deodorised, 49s. Chinawood quiet. Hankow, spot (barrels), 92s 6d;

(Continued on page 768.)

THE BANK OF TAIWAN, LIMITED.

(Registered in Japan, 1894.)

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

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

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

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

Commercial Times.—Weekly Price Current.

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

LONDON, FRIDAY.		DRUGS.—s. d.		INDIA RUBBER.—lb. s. d.		PROVISIONS.—s. d.		SPICES.—Pepper, lb.—s. d.	
COCOA.—Duty, British grown		Alto, fine E.L., p. cwt. 108		Para, fine hard spot 0 14 8		Butter, per cwt.		Singapore, fair White 0 8 0	
Duty, foreign 25.00		Cape, good to fine, 40		Plantation crepe 1 08 0		Inch creamery		Black Singapore 0 8 0	
Trinidad, per cwt. 50 0 0		Balsam Fern, per lb. 6		INDIGO.—per lb.		Do factory		Do 2nd 0 8 0	
Grenada 40 0 0		Capivi 1 4 0		Mid. good, red vici		Argentine 116 0 0		Do 3rd 0 8 0	
Ceylon, plantation 25 0 0		Camphor 3 3 4		Do 2nd, good to fine		New Zealand 118 0 0		Cassia Lignea 0 8 0	
Guayquil 70 0 0		Cardamom, Ceylon, 4 0 0		Low to good, ord.		Do 4th 0 8 0		Cloves—Zanzibar 1 1 2	
Bahr, finest 48 0 0		Cassia, refined 3 3 4		Madras, dry leaf, good		Danish 173 0 0		Do 7th 0 8 0	
COFFEE.—British grown		Cassia, China 4 0 0		Do low to ord.		Bacon, engd.—Irish 87 0 0		Do 8th 0 8 0	
No. 44, foreign 25.00		Cassia, India 4 0 0		Kemp, g.d. mid. to gd.		Canadian 74 0 0		Do 9th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		Do to mid		Do 10th 0 8 0		Do 11th 0 8 0	
Do good to fine 140 0 0		Cassia, Sumatra 4 0 0		HEMP, per ton—		Do 11th 0 8 0		Do 12th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		Italian P. per ton—		Do 12th 0 8 0		Do 13th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		Manilla, March-May, 1.00		Do 13th 0 8 0		Do 14th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		March-May, 39 10		Do 14th 0 8 0		Do 15th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		N.Z. dry point, leaf, 36 15		Do 15th 0 8 0		Do 16th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		March-May, 36 15		Do 16th 0 8 0		Do 17th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		JUTE.—		Do 17th 0 8 0		Do 18th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		Native first marks		Do 18th 0 8 0		Do 19th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		March-April 27/12 6		Do 19th 0 8 0		Do 20th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 20th 0 8 0		Do 21st 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 21st 0 8 0		Do 22nd 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 22nd 0 8 0		Do 23rd 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 23rd 0 8 0		Do 24th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 24th 0 8 0		Do 25th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 25th 0 8 0		Do 26th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 26th 0 8 0		Do 27th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 27th 0 8 0		Do 28th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 28th 0 8 0		Do 29th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 29th 0 8 0		Do 30th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 30th 0 8 0		Do 31st 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 31st 0 8 0		Do 32nd 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 32nd 0 8 0		Do 33rd 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 33rd 0 8 0		Do 34th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 34th 0 8 0		Do 35th 0 8 0	
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Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 36th 0 8 0		Do 37th 0 8 0	
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Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 38th 0 8 0		Do 39th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 39th 0 8 0		Do 40th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 40th 0 8 0		Do 41st 0 8 0	
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Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 43rd 0 8 0		Do 44th 0 8 0	
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Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 106th 0 8 0		Do 107th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 107th 0 8 0		Do 108th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 108th 0 8 0		Do 109th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 109th 0 8 0		Do 110th 0 8 0	
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Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 111th 0 8 0		Do 112th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 112th 0 8 0		Do 113th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 113th 0 8 0		Do 114th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 114th 0 8 0		Do 115th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 115th 0 8 0		Do 116th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 116th 0 8 0		Do 117th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 117th 0 8 0		Do 118th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 118th 0 8 0		Do 119th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 119th 0 8 0		Do 120th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 120th 0 8 0		Do 121st 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 121st 0 8 0		Do 122nd 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 122nd 0 8 0		Do 123rd 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/12 6		Do 123rd 0 8 0		Do 124th 0 8 0	
Do good to fine 140 0 0		Cassia, Java 4 0 0		May-April 27/1					

THE NATIONAL BANK OF INDIA, LIMITED.

Registered in London under the Companies Act of 1862 on the 23rd March, 1866.

ESTABLISHED IN CALCUTTA, 29th SEPTEMBER, 1863.

Subscribed Capital ... £4,000,000 Reserve Fund ... £2,700,000
Paid-up Capital ... £2,000,000 Number of Shareholders ... 2,397

HEAD OFFICE: 26, BISHOPSGATE, LONDON, E.C.2.

BRANCHES.
CALCUTTA. BOMBAY. MADRAS. KURRACHEE. CHITTAGONG. AMRITSAR. CAWNPORE. DELHI.
LAHORE. TUTICORIN. COCHIN. RANGOON. MANDALAY. COLOMBO. KANDY. NEWERA ELIYA.
ADEN. STEAMER POINT, ADEN. ZANZIBAR.
MOMBASA. NAIROBI. NAKURU. KISUMU.
ENTEBBE. KAMPALA. JINJA.
TANGA. DAR-ES-SALAAM.
Uganda. Tanganyika Territory.

AGENCIES.
Messrs. Clark, Spence and Co.
Messrs. Moncreiff and Horsburgh, 45, Castle-street.
Messrs. Mackenzie, Robertson and Co., 176, St. Vincent-street.

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ROBERT CAMPBELL, Esq., Chairman.
SIR JOHN P. HEWETT, G.C.S.I., K.B.E., C.I.E.
ROBERT MILLER, Esq.
J. D. NIMMO, Esq.
SIR CHARLES C. McLEOD, Deputy-Chairman.
J. N. STUART, Esq.
J. A. TOOMEY, Esq.
ROBERT WILLIAMSON, Esq.
General Manager—C. NICOLL, Esq.
London Manager—J. Y. MUNRO, Esq.

London Bankers.
BANK OF ENGLAND.
NATIONAL PROVINCIAL BANK, LIMITED.
NATIONAL BANK OF SCOTLAND, LIMITED.
Solicitors—Messrs. SANDERSONS AND ORR DIGNAMS.

Dr.	GENERAL BALANCE-SHEET, 31st December, 1923.	Cr.
The Rupee Assets and Liabilities have been converted at the rate of 1s. 4d. per Rupee.		
To Capital—		
Subscribed, 160,000 Shares of £25 each, £4,000,000.		
Paid-up £12 10s. per share	2,000,000 0 0	
To Reserve Fund	2,700,000 0 0	
To Current, Fixed Deposit and other Accounts, including provision for Bad and Doubtful Debts and Contingencies	31,264,516 3 9	
To Bills Payable	1,120,000 0 0	
To Acceptances for Customers	1,114,983 10 10	
To Profit and Loss Account, as under	494,054 18 0	
To Bills receivable, re-discounted, £3,678,493 9s. 10d., of which up to 18th March, 1924, £2,980,444 13s. 2d. have run off. Forward Contracts outstanding for the Purchase and Sale of Sterling Bills and Telegraphic Transfers, £12,530,120 7s. 3d.		
	£38,694,923 18 6	
		£38,694,923 18 6

PROFIT AND LOSS ACCOUNT for the Year ended 31st December, 1923.

Dr.		Cr.
To ad interim dividend at the rate of 20 per cent. per annum for the half-year ended 30th June, 1923	200,000 0 0	
To Expenses of Management at Head Office and Branches	551,809 10 7	
To Balance	494,054 18 0	
		£1,245,864 17 7
By Balance at 31st December, 1922		£490,258 16 1
By Cash on hand, at call and at Bankers	4,859,855 7 9	
By Bullion on hand and in transit	660,946 1 0	
By Indian Government Rupee Securities	5,308,801 5 8	
By British Government Securities, Indian Government Guaranteed Debentures and other securities (of which £16,350 War Loan lodged with Bank of England as security for Government Accounts)	4,772,569 16 8	
By House Property and Furniture	7,840,344 14 5	
By Bills of Exchange, including Treasury Bills	433,946 15 4	
By Discounts, Loans Receivable and other sums due to the Bank	6,840,102 8 4	
By Customers for Acceptances per Contra	12,487,514 4 1	
	1,114,983 10 10	
		£38,694,923 18 6
		£38,694,923 18 6

G. NICOLL, General Manager.
G. B. LINTON, Sub-Manager and Accountant.

REPORT OF THE AUDITORS TO THE SHAREHOLDERS.

We have audited the above Balance-sheet with the Books in London and the certified Returns from the Branches. We have obtained all the information and explanations we have required. In our opinion such Balance-sheet is full and fair, containing the particulars required by the Regulations of the Company, and is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us and as shown by the books of the Company.
London, 20th March, 1924.

C. O. McLEOD,
J. A. TOOMEY,
J. P. HEWETT,
Directors.
COOPER BROTHERS AND CO.,
W. A. BROWNE AND CO.,
Chartered Accountants,
Auditors.

THE CUNARD STEAMSHIP COMPANY, LIMITED.

Notice is hereby given that the ORDINARY SHARE TRANSFER BOOKS will be CLOSED until the 16th April, 1924.—By Order of the Board.
W. DRANFIELD, Secretary.
Offices: Cunard Building, Liverpool.
2nd April, 1924.

ST. JOHN AND QUEBEC RAILWAY COMPANY

FIRST MORTGAGE 4% DEBENTURE STOCK, 1922.

For the purpose of preparing the Interest Warrants due 1st June, 1924, the BALANCES will be STRUCK on the evening of the 10th May, 1924, after which date the Stock will be transferred ex-dividend.—For Bank of Montreal,
G. C. CASSELS, Manager.
47 Threadneedle street, E.C.2.
1st April, 1924.

CITY OF SASKATOON

4½% DEBENTURES.

The City of Saskatoon announces that the COUPONS falling due 1st May, 1924, on the above-mentioned Debentures may be PRESENTED on or after the 14th inst., between the hours of 10 and 2 o'clock (Saturdays excepted), at the Bank of Montreal, 47 Threadneedle street, E.C.2.
Three clear days required for examination. Lists may be obtained on application at the Bank.

BELDING PAUL AND CORTICELLI SILK COMPANY, LIMITED

5% FIRST CONVERTIBLE DEBENTURES.

Belding-Corticelli, Limited, announces that the COUPONS falling due 1st May, 1924, on the above-mentioned Debentures may be PRESENTED on or after the 14th inst., between the hours of 10 and 2 o'clock (Saturdays excepted), at the Bank of Montreal, 47 Threadneedle street, E.C.2.
Three clear days required for examination. Lists may be obtained on application at the Bank.

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THE Land and Agricultural Bank of South-West Africa, Windhoek, is able to offer splendid ranching propositions (developed farms, averaging 5,000 hectares), at reasonable prices and on exceptionally favourable terms.
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Land and Agricultural Bank of South-West Africa,
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THE STOCK EXCHANGE.

NOTICE.
Members of the Stock Exchange are not allowed to advertise for business purposes, or to issue Circulars or Business Communications to persons other than their own Principals. Persons who advertise as Brokers or Share Dealers are not Members of the Stock Exchange, or in any way under the control of the Committee. Members issuing Contract Notes are required to use such a form as will provide that the words "Member of the Stock Exchange" shall immediately follow the signature. A List of Members of the Stock Exchange who are Stock and Share Brokers may be seen at the Bartholomew Lane entrance to the Bank of England, or obtained on application to EDWARD SATTERTHWAIT, Secretary to the Committee of the Stock Exchange, Committee Room, The Stock Exchange, London, E.C.2.

HUMPHREYS, LIMITED.

Notice is hereby given that TRANSFER BOOKS of the Company will be CLOSED from the 7th April to the 21st April, inclusive.—By Order of the Board.
A. G. PARISH, Secretary.

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The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XXVIII.

SATURDAY, APRIL 12, 1924.

No. 4,207.

CENTENARY 1924.

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ASSURANCE COMPANY, LIMITED.

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2.

ASSETS EXCEED £25,000,000.

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ESTATE DUTYand
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O. MORGAN OWEN, General Manager.

Centralbanken for Norge

a/s under off. adm.

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Correspondent of the Royal Italian Treasury.

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OWING TO THE EASTER HOLIDAYS, "THE ECONOMIST" WILL BE PUBLISHED NEXT WEEK ON THE MORNING OF THURSDAY, APRIL 17th, INSTEAD OF SATURDAY, THE 19th.

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Barker and Howard, 6 Fenchurch buildings.

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Paris: Galignani Library, 224 Rue de Rivoli; Messrs Brentano's, 37 Avenue de l'Opera.

THE MONEY MARKET.

MONEY appeared to be very plentiful at the beginning of the week, with balances offered down to 1 per cent. on Monday, in spite of the repayment on that day of a large sum to the Bank of England. This ease, however, only lasted for a few hours. By Tuesday afternoon there was a fair demand for money, and on Wednesday the market had to go to the Bank again for a small amount. On

Thursday semi-official relief was given, through purchases of June Treasury bills, which were also wanted by one of the clearing banks at $2\frac{1}{8}$ per cent., but, nevertheless, 3 per cent. was occasionally paid for loans over the night. Yesterday the position was again easier. Discount rates, after being inclined to droop, stiffened with a jerk, and three-months' bills were not eagerly taken at $3\frac{1}{2}$ per cent., but yesterday rates declined with the ease in money.

	Apr. 11, 1924.	April 4, 1924.	Mar. 28, 1924.	Mar. 21, 1924.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount/Call	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$1\frac{1}{2}$ (Jly. 5, '23)
Market rate (3 months' bills) ..	$3\frac{1}{8}$	$3\frac{1}{8}$	3	$3\frac{1}{8}$	..

The Bank return showed a decrease of £612,000 in the note circulation, and a small increase in the stock of gold, which together left the reserve £613,000 higher, with its proportion 1.7 higher at 18.1 per cent. Repayments by the Government and the market were indicated by decreases of six and four millions respectively in the Government and Other securities, and the Public and Other deposits are thus $3\frac{1}{2}$ and $5\frac{1}{2}$ millions lower. A further increase, amounting to £2,977,500, is recorded in the Currency Notes return this week, making the amount of notes outstanding £288,215,600, which includes £1,399,100 for notes called in, but not yet cancelled. The fiduciary issue is £236,366,500, or £11,824,400 below the maximum.

The monthly statement of the London Clearing Banks of average weekly balances for March, printed in full in a later column, shows a further substantial decline in deposits, as may be seen from the following summary, which gives the aggregate figures of the nine English banks:—

	Dec., 1922.	June, 1923.	Dec., 1923.	Jan., 1924.	Feb., 1924.	Mar., 1924.
Capital and reserves	116.0	116.3	116.3	116.5	117.8	118.7
Acceptances	72.8	73.8	96.1	103.6	102.5	99.2
Deposits (incl. undiv. profits, &c.) ..	1,684.7	1,637.7	1,673.1	1,674.4	1,632.7	1,603.2
Total liabilities	1,873.5	1,827.8	1,885.5	1,894.5	1,853.0	1,821.1
Coin, notes, balance at bank, and cheques in course of collection ..	253.0	240.7	254.2	241.8	233.9	230.2
Money at call	106.0	113.3	111.3	99.5	92.2	93.5
Investments	384.5	355.5	363.8	369.3	365.6	361.7
Discounts	298.3	270.8	276.3	292.5	261.4	224.0
Loans and advances	732.7	746.9	756.5	760.8	770.4	785.5
Cover for accept., premises, &c.	99.0	100.6	123.4	130.6	129.5	126.2
Total assets	1,873.5	1,827.8	1,885.5	1,894.5	1,853.0	1,821.1

The decline of nearly £30 millions in deposits has been accompanied by a shrinkage of over £3 millions in acceptances. The decline in deposits in March of last year amounted to £47½ millions, the total falling to £1,596 millions. Cash and investments are a little lower, and a decline of £37½ millions is recorded in discounts, this item being at the lowest point touched for several years. Advances, on the other hand, with the rise of £15 millions now shown, are at the highest point for nearly three years.

THE STOCK MARKETS.

The Stock Exchange has been disturbed by such events as the Government defeat on Monday, the resignation of the South African Government, and the serious turn of labour affairs, but the report of the Reparations Experts has not excited much influence. The rise in gilt-edged stocks which followed the Conversion offer has been mostly maintained. In the foreign market a feature was the rise in French railway bonds, but Home Railways have fallen sharply. The oil market is better under the lead of Lobitos, but rubbers are still stagnant. Industrials have been irregular, and the Kafir market was disturbed by political events in South Africa.

THE COMMODITY MARKETS.

Business in the South Wales coal market is quiet, and under the influence of labour problems. Makers of Cleveland pig-iron have had good orders, and the price is well maintained. Our Glasgow correspondent reports that business in pig-iron is very brisk, but

that makers of iron and steel are experiencing some difficulty in keeping plants employed. Tin and copper have been steady. The feature of interest in the Manchester cotton trade this week has been the further rise in raw cotton prices, and though sellers of yarn and cloth have put up quotations, some buyers have not been prepared to agree. Our Bradford wool trade correspondent says that the market generally presents a rather quieter appearance, but values are steady. The sugar and tea markets are steady. Rubber disclosed weakness at first, but a steadier tone set in later. Wheat was easier towards the close of the week. Other details, together with prices, will be found on later pages from our special correspondents.

FOREIGN EXCHANGES.

During the week the Foreign Exchange market has been quieter than for some time past, and business has been restrained. Until Thursday the Paris rate continued to improve, falling quietly from 75 at the close of the 5th, with a rather sharper drop at the end to at one time as low as 71 on Thursday. In the afternoon there was a slight reaction to 72.80, and yesterday morning the rate stood at 73.65. The Bank of France figures show some improvement, but, on the other hand, the report of the Expert Committee has been welcomed in Paris with very mixed feelings, natural enough in view of the exaggerated expectations which have been encouraged among the French public for so long as to the sums to be obtained from Germany. Now that the experts have once more reduced the problem to the central question of how much can be actually transferred from Germany, the prospects become small of any considerable relief to the French Budget for a long time to come. Having reached a quotation of $83\frac{1}{2}$ at one time on Thursday, the Brussels rate has also reacted, and stood yesterday morning at $87\frac{1}{2}$, as compared with $89\frac{3}{8}$ a week ago. Forward quotations in Paris have widened slightly (some 5 centimes) to 45 centimes per month above spot; in Brussels they remain the same at 10 centimes per month above. The Italian rate has continued steady, and at $97\frac{3}{4}$ shows some improvement on the figure of $98\frac{1}{2}$ a week ago. Without any other obvious reason than the normal influences of this period of the year, the dollar rate during the week has shown a decided movement in our favour, the quotation rising from \$4.30½ at the close of the 5th to as high as \$4.34½ at one time on the 7th. From that figure there has been a slight reaction, but yesterday's quotation of \$4.33½ is still well above that of a week ago, and the market remains strong. Forward rates at $\frac{1}{4}$ per cent. per month above spot are unchanged. In general sympathy with the dollar, Amsterdam has moved in our favour from 11.61½ to 11.63½, after being higher, while Stockholm has moved up from 16.30 to 16.39½, and Vienna from 305,500 to 307,000. Madrid, after some improvement, has reacted again slightly, and stood yesterday at 32.27½, as compared with 32.30 a week ago. Switzerland, however, has moved somewhat against us from 24.77 to 24.68½. Christiania has again depreciated a little from 31.42½ to 31.54½, but Copenhagen shows the effect of the new measures of exchange assistance by falling from 26.14½ to 26.04½. Helsingfors has moved up from 172 to 173½. In Central Europe the German mark has shown a recovery from its recent weakness, and is back again at 19½ billions, a significant comment on the publication of the Experts' Report. Warsaw, from which city come increasingly favourable reports as to the budgetary position, remains steady at 40 millions. Prague, however, has reacted a little from its recent recovery, and stands at 146, as compared with 144½ a week ago. Belgrade, where the financial situation would now seem well in hand, remains steady at 350, and Bucharest has picked up a little again from 845 to 822½. Budapest, however, in spite of the proposals of the League of Nations Commission, has fallen away again slightly up to 350,000. In the East the rupee rate has been reduced in conformity with the normal movement at this time of the year from 9 per cent. to 8 per cent. The yen, however, is slightly cheaper at 15 11½d, as compared with 15 11½d a week ago. Silver has again been very quiet, with a strongish undertone. Hong Kong

has moved from 2s 4½d to 2s 4½d, but Shanghai has fallen from 3s 2½d to 3s 2½d. In South America, Rio, after being higher, has moved back again to 6½d., the same rate as a week ago. Buenos Ayres has also fallen back from 41½d to 41½d, but Monte Video is slightly higher at 43½d., as compared with 43d. Valparaiso, however, has appreciated somewhat from 42 pesos to 41.10 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the five days ended April 5th:—

EXPENDITURE.	£	RECEIPTS.	£
Supply Services	5,000	From Revenue	27,013
Interest, &c., on Debt	24,324	Decrease in balances	2,861
Sinking Fund	510		
Reduction in Debt	40		
	29,874		29,874

Revenue commenced the new financial year well, as the total for the first five days at £27,013,500 compares with £26,182,000 of the first seven days of the preceding financial year. The larger revenue was chiefly due to Property and Income-tax, amounting to £15,113,000, against £14,776,000, and the increased yield from Super-tax at £2,800,000, against £1,610,000. Customs yielded £1,411,000, against £1,218,000; and Excise £1,378,000, against £1,901,000. The five days' operations reduced the National Debt by £40,000, and caused the following changes:—

	£		£
Public Dept. Advances	+ 25,300	Treasury Bills	- 26,097
Unemployment Insurance	+ 420	Saving Certificates	- 100
Land Settlement	+ 437		
	+ 26,157		- 26,197

The floating debt was reduced by £780,000 to £773,695,500.

FINANCIAL YEAR, 1924-1925 (April 1 to April 5).

	£		£
Total Expenditure ..	29,834,009	Raised by Revenue ..	27,013,539
Net Repayments	40,045	Decrease in Balances ..	2,860,515
Total	29,874,054	Total	29,874,054

FINANCIAL YEAR, 1923-24.

	£		£
Total Expenditure ..	788,840,211	Raised by Revenue ..	837,169,284
Net Repayments	48,515,626	Decrease in Balances ..	186,553
Total	837,355,837	Total	837,355,837

ESTIMATES for YEAR 1923-24.

	£		£
Ordinary Expenditure ..	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

THE WEEK IN PARLIAMENT.

MONDAY, APRIL 7TH.—*Commons*: Government defeated on Rent Restrictions Bill.

TUESDAY, APRIL 8TH.—*Lords*: Second reading of Industrial Courts Amendment Bill. Debate on strikes and inquiries.

Commons: Second reading of Unemployment Insurance (No. 3) Bill. Debates on British East Africa, and West Indian cables. Premier's statement on Rent Bill position.

WEDNESDAY, APRIL 9TH.—*Lords*: Cadet regulations, and position of Indian officials, discussed.

Commons: Debate on Turkish treaty. Small holdings and Woolwich evictions discussed.

THURSDAY, APRIL 10TH.—*Lords*: Second reading of Agricultural Returns Bill. Queenstown murders discussed.

Commons: Free rail travel for members proposed, debated, and passed. Turkish Peace Bill passes committee stage.

FRIDAY, APRIL 11TH.—*Commons*: Summer Time Bill, second reading.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Hongkong and Shanghai Banking, Commercial Bank of the Near East, Scottish Provident Institution, Legal and General Assurance Society, Rio Tinto Company, and D. Napier and Sons. At the meeting of the Hongkong and Shanghai Banking Corporation the Hon A. O. Lang gave an interesting review of economic and industrial conditions in China and the East. Mr Alfred Shepherd, at the meeting of the Scottish Provident Institution, made an interesting comparison of the advantages of whole-life assurance as against endowment assurance. At the meeting of the Legal and General Assurance Society, Mr Romer Williams announced record new sums assured in both life and general funds.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

ANOTHER CHANCE.

THE eagerly awaited reports of the Expert Committees appointed by the Reparation Commission were officially presented on Wednesday morning, and their contents were made available to the British public on Thursday. We do not propose, after a few hours of study, to pass final or detailed judgment upon the conclusions, which represent the fruit of hundreds of meetings and nearly three months of arduous and unremitting labour. It is not, however, too soon to felicitate the Experts upon their achievement. Whether their recommendations are accepted or not, they have performed a very signal service. Their unanimity adds great weight in the eyes of the world to a document which makes a broad appeal through its obviously sincere pursuit of justice and practical common sense. The Reparations problem has been honestly faced as a business problem of legitimate debt recovery, and the result is a coherent and workmanlike scheme, advocated in unison by distinguished representatives of the United States, France, Great Britain, and Italy. That in itself is a step forward. Europe is given a new, and a final, opportunity of mending her worst trouble and retrieving her worst mistakes. It lies with the politicians to use and develop that opportunity or to abuse and destroy it.

The Committees worked under serious limitations. Questions of policy were naturally outside their purview, and they were precluded from fixing any new total of claims on Germany or from propounding any solution of inter-Allied debts, from which the Reparations problem is inseparable. It is with these limitations in mind that the report of the First, or Dawes, Committee must be read. It starts with the axiomatic assumption that the exaction of reparations on any satisfactory scale is conditional upon the stabilisation of the currency and the establishment of budget equilibrium. To achieve the first object, the chief measure proposed is the establishment of a new Bank of Issue in Germany, with a 50 years' charter and a monopoly of the right of note issue. The notes of this Bank will replace the existing paper money; and the new uniform single currency will be kept stable in relation to gold, and protected by a reserve of 33⅓ per cent. and other liquid assets, the reserve to be held largely in the form of deposits in foreign banks. The new Bank will be the Government's Fiscal Agent, but safeguards and limitations regarding its short-term loans to the Government are imposed, and the administration will be in the joint hands of a German President, a German Managing Board, and a General Board consisting of seven Germans and seven foreigners. We suggest that weighty Allied representatives on the Board, and not too rigid a constitution will provide the best chance of success. Given a stable currency on a gold basis, the Dawes Committee find that the two remaining conditions necessary for achieving budget equilibrium are as follows:—(1) the fixation (with temporary relief) of Treaty charges, and (2) the restoration of the fiscal and economic unity of the Reich. This

last-named condition is the most essential part of the basis upon which the whole scheme is built.

Having outlined these necessary conditions, the Experts proceed to figures of amounts which they think Germany can pay, and the methods by which they can be paid. The figures are as follows:—1924-25, £54 millions (1,000 million gold marks); 1925-26, £61 millions (1,220 million gold marks); 1926-27, £60 millions (1,200 million gold marks); 1927-28, £87 millions (1,750 million gold marks); 1928-29, £125 millions (2,500 million gold marks). By that time, it is assumed, Germany will have returned to normal conditions, and the sum of £125 millions is taken as the standard for future years—a standard which is, however, to be variable in either direction in accordance with the showing of an elaborate index of Germany's economic and financial prosperity. The sources from which these sums are to be derived are railways, industrial debentures, and ordinary budgets under the guarantee of assigned revenues. It is recommended that the German railways be converted into a joint-stock company. This company will issue 11 milliard gold marks of first mortgage gold bonds bearing 5 per cent. interest and 1 per cent. sinking fund, which will be handed to the Reparation Commission. The company is also to have 2 milliards of preference shares and 13 milliards of common stock. The proceeds of the sale of all the latter and 500 millions of the former are to go to the German Government. Reparation payments on account of interest should be 350 million gold marks in the first year, and rise in 1927-28 to a normal standard level of 660 millions. The company is to have eighteen directors, of whom it is suggested fourteen may be Germans. The proceeds of a transport tax are also to be made available two years hence and onwards. The Committee has also been impressed by the fairness and desirability of requiring.....from German industry a sum of not less than 5 milliard gold marks, to be represented by 5 per cent. interest and 1 per cent. sinking fund. This proposal, the Committee points out, is less than the actual industrial mortgage proposal made by Germany last summer, largely because the Experts exempt agriculture from the mortgage.

The broad effect of the proposals is, that so far as Germany's ordinary budget is concerned, it will not feel the weight of reparation cash payments at all for the first two years. In fact, the total payments for the first five years will be made up as follows:—

	(In Million Gold Marks.)				
	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
Railway bonds.....	200	595	550	660	660
Transport tax	nil	nil	290	290	290
Industrial debentures..	nil	125	250	300	300
Sale of railway shares..	nil	500	nil	nil	nil
Foreign loan	800	nil	nil	nil	nil
Budget contribution ..	nil	nil	110	500	1,250
Total	1,000	1,220	1,200	1,750	2,500

The major part of the first year's contribution is to be provided by an external loan of £40 millions—a practical sum, if the whole experts' plan is really accepted and put into operation with goodwill. The guarantees for the Budget contributions consist of the pledging of the revenues from Customs, alcohol, tobacco, beer, and sugar. Receipts from these are to pass directly into the hands of an impartial and effective control, the Treaty payments being first deducted by the controlling authority on behalf of the Allies, the remainder being handed to the German Government. All Treaty payments are to be paid in gold marks or their equivalent in German currency, into the new Bank of Issue to the credit of the agent whom the Reparation Commission will appoint. Having thus outlined plans for producing the money for Treaty payments, the committee proceed to discuss the machinery for transferring it to the Allies. The transfer is to be regulated by a Transfer Committee of five experts, representing five Allied and Associated Powers, who will also supervise the execution of the programme for deliveries in kind, which do not altogether cease. In converting bank balances into foreign currencies they will co-operate with the President and Commissioner of the bank.

This brief and rapid survey of the Dawes Committee's report (we refer to the McKenna Committee on a later page) is sufficient to show that there is much in it

which might be assailed with meticulous criticism. The Transfer Committee, for instance, is a possible target; it is easy to argue that the yield from the German railways will not be realised, while there will doubtless be scoffers at the "prosperity index." Again, the nature of the control suggested will appear slight in French eyes, and Paris may rightly demand assurance that a strong line will be taken if there is any risk of stabilisation being upset. These and many other points will be thrashed out in due course in the Press and Parliaments of the world. Meanwhile, the really important thing is that the experts have produced a plan which, generally speaking, is cohesive and watertight, recognises essentials, and avoids many stumbling-blocks. They have compiled it with an ingenuity and presented it in a spirit which should gain for it the most careful attention of all parties concerned. Their plan is a long way the best yet produced. It is far better than either the Bonar Law plan or the London schedule of payments fixed in 1921. On the one hand it does not produce a premature strain on the German Budget, and on the other it does not neglect the immediate needs of her creditors, to whom it gives assets that, if the plan as a whole goes through, should be readily realisable. It provides, for the first time, proper machinery for regulating the transfer of Treaty payments to the creditors. Berlin, too, will notice that it is more favourable to Germany than might appear at first sight, because the schedules embrace all payments, including the cost of the armies of occupation, the net amount available for reparation being less than the figures shown.

For three months the Reparations problem has been lifted out of the political arena. To that arena it now returns, bringing with it, we trust, a new atmosphere. It would, perhaps, be rash to hope that M. Poincaré will easily accept the change of Ruhr policy which the report builds upon, or that opposition will not develop from the growing forces of the Right in Germany, both against the scale of payments and against the moderate measure of control involved,—although from the German side, the death of Herr Stinnes improves the prospect of moderate counsels prevailing. Great problems, outside the purview of the experts, remain to be solved. There is, above all, the question of France's physical security; there is the fact that the experts' plan demands, as its very basis, the abandonment of Ruhr exploitation by M. Poincaré; there is the military occupation of the Ruhr, which we have condemned, and cannot now condone; there is the question of the division of the payments among the creditors, the stumbling-block which has wrecked previous attempts at settlement, and which M. Poincaré can hardly fail to raise immediately; there is the problem of inter-Allied debts. That is a formidable list of barriers, which can only be broken down by the supreme exercise of sagacity, tact, and goodwill by Allied and German statesmen. But there are new forces at work which neither M. Poincaré nor the German Right can afford to ignore. The United States Press has acclaimed the experts' proposals as just, as well as sound. The world sees that one more chance has been given to the statesmen of Europe, and world opinion will not lightly forgive the statesman, be he British, French, or German, who does not exert to the full his authority and goodwill to build upon the foundations which the Experts have given us the bridge which will lead Europe at last to peace, security, and settlement. Literally, it is now or never.

THE GERMAN FACTOR.

NATIONS, like individuals, have their proper weight and consideration in the society to which they belong, but the balance of nations in Europe, upset by the war, has not yet been restored. From August, 1914, till Prince Max of Baden's famous speech in the autumn of 1918 an undue preponderance lay with Germany. Since that moment upon the initiative first, for a brief season, of President Wilson, and since then, and for a much longer period, of France. Yet this effacement of Germany in the post-war period has been every bit as unnatural, and almost as undesirable during the war. Neither situation could be per-

manent, unless the ingrained tendency towards a balanced distribution of forces in Europe were to be eradicated. It is more likely, however, that the oscillations will eventually approach towards a balance again, for, after five and a-half years, there is now visible a strong movement on Germany's part to re-assert her will and to obtain a hearing for her opinions. Within due bounds this is desirable, but when a nation begins to recover itself after having been passed under the harrow, there is no knowing how far the movement may go. The immediate task for British statesmanship (a difficult task indeed) is to seize the psychological moment of equilibrium between the rising temper of Germany and the growing desire in France for a practical settlement in order to bring these perilously swaying Continental forces to an anchorage. The difficulty of the task lies in the probable brevity of the time during which this feat may be possible. The danger is that Mr MacDonald, conforming to the habit which successive British Governments have contracted since the Armistice, may keep his attention fixed exclusively upon France. In his anxiety to create an atmosphere of confidence between France and ourselves, and to draft proposals, on the basis of the Expert Committees' reports, which France may find acceptable, it may escape him that the psychology of France is no longer the only relevant factor. In attempting to gain the assent of France to his plans, he may make it inevitable that the new Government in Germany should reject them. Indeed, failure on behalf of the British Cabinet to appraise accurately the currents and temper of German politics might, more easily than anything else, jeopardise the new hope of European settlement with which the Expert Committees appear to have presented us.

This is one of the most serious dangers in the present situation, whatever the exact complexion of the new German Government may be after the May elections. On that question prophecies are of little value. It is too early yet to gauge the part that the Experts' Reports will play in determining the voting, or the weight of the influence that may be exerted by the death of the most powerful of all German industrialists, Herr Stinnes. Moreover, the absence of by-elections and the complicated method of proportional representation under the Weimar Constitution leave even the shrewdest German political observers very much in the dark as to the prospective strength of parties. Five years' experience has, however, resulted in certain general observations. The vast size of the constituencies, for example, makes electioneering prohibitively costly for independent candidates, and crippling for ordinary party funds, and this consequence of a theoretically ultra-democratic system of proportional representation tells in favour of the Industrialists, if they are willing (as they are) to spend heavily on the purchase of political power. On the other hand, the elaborately adjusted electoral machine returns the parties to the Reichstag in a proportion sufficiently close to their respective strengths in the country to prevent any single party from securing effective power. Disintegration into small groups has always been the weakness of German Parliamentary politics, and under the new system this has been accentuated. The nominal Government under the Weimar Constitution has always been at the mercy not merely of the groups in coalition with it, but of the opposition as well, and this has been reflected in the formless and fluctuating character of German foreign policy under the present régime.

As regards the now imminent elections, there appears to be agreement on all hands that there will be a notable shift of forces towards the right. The Social-Democrats are expected (at a guess) to sink from over 160 members to something like a hundred; the Democrats (corresponding to our more radical Liberals, and boasting themselves, again like British Liberals, to be a party not based on class) will be content if they lose only half their numbers and come back 25 strong; the People's Party (financed by the Industrialists, but drawing its voting power from large sections of the minor official classes and the lesser bourgeoisie) has been going through a tug-of-war between its left wing and its right, but the right wing seems now to have pulled Herr Stresemann over; the Conservative Party, based upon the landed interests and the higher officials, remains what it has always been: the Centre

Party, in which people of all but the most extreme political views are united by the bond of Catholicism alone, will presumably reflect the trend towards the right which is affecting the whole country. It is therefore likely that a much more Conservative Government will come into power in Germany next month than has yet emerged there since the Armistice; but, within the framework of the Constitution, that Government will be condemned to much the same paralysis as its predecessors, and this gives an opportunity, in the present national temper, for parties which believe in "direct action." The Communists, for example, will be returned in greater strength than before, but their influence is not expected to be important, and, moreover, the acute and prolonged foreign pressure in the Rhineland and the Ruhr appears to have had the same effect upon German Communists as the attacks of White Russian and Allied invaders had upon those of Russia. It has forced them along the path of Nationalism, and some of them even hover on the outskirts of the new German Fascist movement, which has also drawn recruits from the Social Democrats, and which possibly may profit from the reaction to a greater degree than the established Conservative parties. These "wild men" may find themselves fifty strong in the next Reichstag, and they are expected to make their presence felt by fair means or foul, for, like the Communists, they believe in the sacred right of an armed minority to override the will of the majority by violence. The power of these reckless forces to exercise pressure upon the new Government will probably count for more than the nominal complexion of the Government itself in determining its attitude towards the proposals in regard to "Reparations" and "Security." It is supremely important that British statesmanship should not play into these German extremists' hands through focussing its attention too closely upon France. In our anxiety to satisfy the French formula, "Not a jot or tittle less than the Treaty of Versailles," we must beware of the German formula, "Not a jot or tittle more." Therein lies the danger of the ambiguous word "Neutralisation."

DISCRIMINATION IN LENDING.

An interesting set of principles has lately been laid down by the *Times*, in its City article, for the guidance of those who are responsible for the placing abroad of British capital under the conditions now ruling. The subject was opened by our contemporary in its issue of March 29th, when it observed that since London cannot meet all the demands for capital made upon her, she must discriminate, and then proceeded to lay down the lines on which discrimination should be carried out. "Naturally," it said, "the requirements of the Empire constitute the first claim upon our resources—but Empire financing ought to be restricted to absolutely essential reproductive purposes and the funding of maturing external loans. They ought not to be used, in any event, for refinancing internal obligations. As regards foreign borrowers, loans required for exchange manipulation or stabilisation ought to be ruled out. Loans for reconstruction, if forming part of a sound scheme, are in a different category, while loans for sound reproductive enterprises, the spending of which will directly and immediately assist British trade, deserve sympathetic consideration, and should be satisfied up to the limits of our capacity." The *Times* then pointed the moral by saying that the City of Amsterdam loan was one which ought not to be financed here (the list of subscriptions had already been closed when this ban was published), on the ground that "we cannot afford the luxury of financing municipal building programmes in Amsterdam or any other foreign centre." On Tuesday last it returned to its text, recording, with disapproval, statements to the effect that two more Dutch cities, the Hague and Rotterdam, were negotiating for loans of the Amsterdam type, and that a drainage loan for a French city was also a possibility. It admitted that if there were a surplus of capital seeking investment there would be no need to say a word against these propositions, but went on to observe that the supply of capital—which has to be saved

before it can be lent—is less than the demand, and that “the fall in the sterling exchange last year was widely believed to have been due partly to overlending.” It then went on to repeat the lines that it had already laid down, as quoted above, on which London lenders ought to carry out the discrimination which it considers to be necessary.

It is certainly very desirable that this problem, so opportunely raised by the *Times*, should receive full consideration by those who handle our loan issuing machinery, and by the investors who finally supply the funds that are lent. But gratitude to our contemporary for having so definitely and clearly raised the point does not prevent our venturing to question some of the principles that it enunciates. In the first place, is it quite certain that “the requirements of the Empire constitute the first claim upon our resources”? The *Times*, very rightly, lays especial stress on “reconstruction” as being calculated “to restore the basis of a permanent improvement in international trade, which is urgently needed by this country,” and, we should like to add, by every country and person that is interested in the peace and prosperity of the world. Loans for reconstruction purposes are, consequently, placed next in importance by the *Times* after loans to the Empire. A definition of the word reconstruction would have made our contemporary’s argument clearer. It presumably means loans which will assist the recovery of countries whose finances and industry have been disorganised by the war, and whose power to produce and consume has consequently been disorganised, to the detriment of world trade. If our Dominions were now in that position, and if their needs were therefore as great, and as important to world prosperity, as those of the disorganised countries of Europe, most of us would agree that their claim should come first on our supply of capital. As it is, they are most of them in a comparatively flourishing condition, and with regard to one of them, Australia, it was recorded by our Melbourne correspondent in last week’s *Economist* that “large borrowing is regarded in business circles as undesirable, in view of the rapid growth during late years of the principal and interest of the existing public debts, the tendency to excessive growth of city population in contrast with that of the country, and the fact that country production is hardly more than stationary when the actual volume of production is looked at independently of gross value at high prices.”

A still more emphatic doubt is raised by the ban laid by the *Times* on loans for “exchange manipulation or stabilisation.” Here, again, we need definition, and manipulation is an ugly word which may be begging a question. But whatever it may be meant to mean here, there is surely a case to be made for stabilisation loans, as long as they form part of a well-thought-out scheme that is likely to secure permanent stability in one of the currencies, whose rocketings and collapses have been in the past five years so serious a bar to foreign trade, and the cause of so much internal misery, unrest, and demoralisation. The Austrian loan, which all good publicists blessed with so much fervour, was surely to some extent made for the purpose of exchange stabilisation. But it, presumably, was hallowed by coming under the reconstruction heading, and it will probably be found that the great majority of loans for reconstruction purposes, which the *Times* blesses, include provision for exchange stabilisation, which it damns.

A certain amount of scepticism may also be expressed concerning the belief, alleged by it to be widely held, that the fall in sterling exchange last year was partly due to overlending. If the *Times* is right in saying that capital “has to be lent before it can be saved,” over-lending seems to be hardly possible. But if capital of a fictitious kind can sometimes be lent by means of inflation, then it is surely necessary to show evidences of inflation during last year, which would be somewhat difficult to establish. The fall in sterling exchange last year was very reasonably attributed to a “flight from the pound,” caused in the first instance by Sir Montague Barlow’s historical indiscretion about a programme of inflation for the relief of unemployment, followed by Mr Baldwin’s plunge into Protection, the General Election, and the prospect of a Labour Government, with all the exaggerated apprehensions that followed therefrom.

There is also a certain inconsistency in the contention of the *Times*, that special consideration should be given to loans “the spending of which will directly and immediately assist British trade.” For it is our recollection that when, some months ago, it was urged in the House of Commons that those who borrowed in London should be obliged to spend at least part of the money in Britain, the *Times* was one of the few papers which argued against this restriction as being at once mischievous and wholly unnecessary, because any money that London lends must finally be spent in Britain, if not by the borrower, then by some other party to whom the borrower has passed on the claim on British production that the loan has called into being. In fact, the *Times* on that occasion advanced the very convincing contention, which seemed to clinch the matter, that anyone who borrows here borrows sterling money, which is not legal tender anywhere else and consequently must be spent here. On this point it seems to have some misgiving in enunciating its new doctrine, for in its homily of last Tuesday it went out of its way to admit that all loans made to foreigners involve an export sooner or later of goods or services from this country. But it added that “if a foreign loan is not immediately spent here, the sterling obtained is offered on the exchange market by the borrower, and the result must be to depress the pound until the circuit is completed, i.e., the export of goods or services takes place.” But this temporary depression of the pound would evidently have no permanent adverse effect, and in the meantime would tend to promote British exports.

A Communion Service for the cursing of bad issuing houses may be necessary, but the one drawn up by the *Times* seems to need a revised version. It may be very anomalous for Dutch cities, with the Amsterdam exchange against London, to be borrowing here, but the consequence is that somebody, on our contemporary’s own showing, has to take British goods or services. Discrimination in lending is certainly necessary, but unless it is carried out on the broadest and simplest lines, it is likely to tie up the discriminator in very uncomfortable knots. It may be suggested that (1) not a halfpenny should be lent to anyone that has any chance of being spent on armaments, and (2) no borrowers should be allowed to come here to raise money merely because they are too slack to balance their budgets by taxation. There are plenty of excuses in these times for unbalanced budgets, but a judicious moneylender will only lend to those who suffer from them, if he is convinced that they are determined, and have actually begun, to mend their ways and effect the necessary reforms.

TOWARDS ANNUAL LIFE BONUSES.

THE British life assurance offices are conservative institutions. And most properly, because, strictly speaking, they hold their funds in trust for their policyholders, and must on no account endanger that security upon which all life assurance rests. Any distribution of realised surpluses—which in practice means not an outlay of cash but the assumption of increased liabilities by way of reversionary bonuses on policies—must always be undertaken cautiously, with both eyes upon the uncertain future. During those years of war conditions and after-war disturbance, which caused severe depreciation in the investments of life funds, the majority of the life offices suspended their bonus distributions altogether. Surpluses, such as they were, were carried forward, and no bonuses were paid except “interim” bonuses added to policies which became claims during the period of general suspension. Now that depreciation has happily given place to improvement in values, and the prospects, both of life assurance business and of the earning of profits, are once more favourable, the problem has arisen how best to make up to with-profit policyholders for the suspension of bonuses in the past, and how to devise methods of distribution which will meet most equitably the changing circumstances of a still uncertain future.

The old standard system of a valuation and distribution of profits at intervals of five years suffers from an inelasticity which makes it no longer suited to the conditions of the present day. It involves too long a period of waiting between distributions. Policyholders who found themselves without any bonuses at a valuation have had to wait five years before coming into the fruit of their sacrifices in premiums paid. Several offices have realised this, and seeing surpluses accumulating in the welcome conditions of appreciating investments, low mortality, and higher interest earnings, have cut the five-year interval down to three years, and established a triennial in place of a quinquennial valuation period. Both triennial offices and those which have remained for the present quinquennial, are uneasily conscious that something must be done to allow policyholders who die between valuation periods to participate more adequately in the profits which their premiums have earned. Hence a tendency to raise the level of interim or intermediate bonuses on policies which become claims, by death or maturity, up to the full bonus rate of a favourable valuation. This increase in the rate of interim bonuses does something to restore equity, but since these bonuses are contingent upon a claim arising, they are not bonuses in the full and true sense of those declared at an annual valuation and an annual distribution.

This brings us to the subject of this article, which is a plea for a cut with the leisurely past, for the abandonment of the old-fashioned and outworn five-year, and even three-year, valuation periods, and for the frank acceptance of annual valuations and distributions as the simplest and best of all possible systems. There are no practical difficulties in the way. Life offices are not required by law to make the full Board of Trade valuations, as scheduled to the Assurance Companies Act, at intervals more frequently than every five years. They do, or most of them do, make an annual office valuation at present for the information and guidance of actuaries and directors. They take stock annually, though they may not publish the results to the world. All that we suggest is that the annual office valuation should be made with sufficient exactness to permit of the publication of the broad results, and the declaration of annual bonuses based upon it. Then at intervals of three years, or five years, the full valuation results may be deposited with the Board of Trade, in accordance with the scheduled forms. There is no need to depart materially from present office methods or to incur any serious expense. Modern mechanical devices are now so efficient that a continuous valuation may be made with the minimum of toil to hand and eye and brain. The great industrial life assurance companies, which have ordinary departments, value the whole of their immense business every year as a matter of standard routine. They declare simple reversionary bonuses year by year to their ordinary participating policyholders, and they vary these bonuses year by year in accordance with the profits earned and the outlook for the future. If the Prudential, for instance, can value 24½ million industrial and ordinary policies every year without making any fuss about it—and it has done this for the past 20 years at least—no smaller life assurance office can put in the plea that an annual valuation is impracticable.

In so far as the bulk of the life offices is concerned, other than the industrial companies, annual valuations and annual distributions are the exception. There is an increasing movement from the five-year to the three-year interval, yet the true logical step to an annual system has not been taken by many offices. The London Life Association, for so long as we can remember, always has valued annually. It began the system in connection with its annual reductions in premiums, and has applied it to the reversionary whole life and endowment assurance policies of recent years. The National Mutual, hitherto a five-year office, has announced its intention of making annual distributions in future. The action of several other companies in putting up their interim bonus rates shows that they are standing on the brink of a plunge into the annual pool. As soon as there is a little more movement in this direction there will be a rush. We are almost willing to prophesy that within five years from now the majority of the life assurance offices will have gone right over to annual valuations and annual distributions.

The advantages are considerable, both for the companies and societies themselves, and for their policyholders. An annual investigation does away with the long waits between a period of suspension and a period of bonus distribution, and enables offices to advance or reduce their bonuses according to changing circumstances. As a general rule they will be anxious to declare a rate which nothing except a cataclysm will cause to be subsequently reduced. It is worthy of notice that the offices which have adopted annual distributions have had comparatively brief periods of actual suspension, or no suspension, during the later years of financial stress. The London Life Association—protected by its very low expenses and very high reserves—maintained its rates of distribution and premium reduction all through the war. Most of the industrial companies made no distribution to ordinary life policyholders for three years, and then resumed them on a moderate scale. Since then their rates of annual distribution have rushed up year by year. The Prudential declared a bonus of £1 per cent., even for the melancholy war years 1915-1917, and has for 1923 gone up to £2 per cent.

There can be no question of the popularity of an annual distribution from the point of view of participating policyholders. They pay a specially high rate in order that they may share in the profits, and it is due to them—especially after the patience with which they have borne the five-year suspensions of war—that they should share as quickly as possible and as continuously as possible, in the comparative prosperity of the present days. There are no technical difficulties in the way of annual valuations and distributions, and no good reason why they should not come rapidly into general adoption.

LONDON ELECTRICITY SUPPLY COMPANIES.

THE most interesting points about the position of London electricity supply companies are set out in the words of Sir Harry Renwick, the chairman of the County of London Electric Supply Company. At the annual general meeting of this undertaking the chairman reminded us that “early last year negotiations were opened with the London County Council which resulted in certain heads of agreement being come to between the Council and the London companies, which were finally approved by the full Council on July 31st last.” He continued that “the final agreement is now being negotiated, and the sliding-scale has yet to be agreed. In settling the latter we must all strive for such terms as will enable us to raise our capital in future on the lowest possible terms; we must, in fairness, be given every encouragement to effect the greatest economies; and we must also be encouraged to develop our business in the widest possible way. In order to give legal effect to the proposed agreement with the London County Council it is necessary to obtain Parliamentary sanction, and your directors are promoting a Bill jointly with the other East End companies already mentioned in the present session of Parliament for that purpose. The aim of all parties, of course, is a reorganisation of the electricity supply of London, and the achievement, by this means, of a cheap and abundant supply. As to the method to be adopted, it is generally accepted that this must proceed by the grouping or combinations of stations or undertakings. In the first place, there are the municipal authorities, who are already organised to form one group. Our friends the West End companies are similarly organised under a joint committee to form a second group. The third, and what I may call the industrial group, includes the companies I have already mentioned—namely, the County of London, the City of London, the South Metropolitan, and the South London. You will note that these four companies operate over a very compact industrial area, and form quite naturally one group or combination, and when we have obtained the necessary legislative sanction, we shall then be in a position to submit to you our definite proposals, which will be largely determined by the Electricity Commissioners’ scheme, to be issued in draft form in the next few days, following which the usual formal inquiry will be held.”

In the following analysis of the results of representative London electricity supply companies we tabulate from those reports which give the information the amount of Board of Trade units generated and sold:—

B.T. UNITS SOLD (000's omitted).

	1913.	1917.	1918.	1919.	1920.	1921.	1922.	1923.
Charing Cross, W. End.	13,770	12,390	11,591	12,649	14,563	14,949	17,224	18,979
Do City	22,603	32,209	29,985	34,349	38,358	38,511	41,771	45,018
Chelsea	4,451	4,738	4,491	4,225	4,916	4,829	5,268	5,732
City of London	29,113	29,697	26,656	31,256	36,730	35,931	42,606	49,165
County of London	25,743	37,595	40,326	42,488	49,553	51,220	58,242	65,679
K'ning's & Knightsbridge	5,671	5,149	4,581	4,628	5,811	6,507	7,457	11,331
London	35,336	49,014	46,357	42,908	47,356	47,491	49,676	52,820
Metropolitan	18,109	28,446	26,761	25,127	27,799	26,945	29,624	35,541
St James' & Pall Mall	11,605	11,986	10,594	12,190	13,510	13,464	15,827	23,120
Westminster	21,906	27,813	25,211	24,676	25,659	25,254	30,261	34,890
	187,807	239,037	226,553	254,496	264,265	265,101	297,956	352,275

This is a remarkable record of progress, and illustrates the development of the industry. It is a pity, perhaps, that a little more information is not offered in these reports as to the prices charged to consumers for electricity. The Brompton and Kensington maintains its useful statistical record, which goes back to 1890; in that year the average price per unit was 7.43d, in 1914 it was 3.92d, while in 1921 it was 5.236d, moving to 5.09 for 1923. Also we find an interesting comparative statement issued by the City of London. This company reduced its charges from 4.37d in 1921 to 3.49d for 1923; in 1917 its average price per unit was 2.61d. In the report of this company it is added that: "In view of an application which it is understood the Corporation of London is about to make to the Electricity Commissioners, but more particularly in view of the negotiations with the London County Council . . . your directors feel that they cannot yet announce what further reductions they are prepared to make in the tariff charges."

The next table shows gross annual earnings of the principal London companies for the past seven years. The figures for 1913 are appended for comparative purposes:—

GROSS REVENUE.

	1913.	1917.	1918.	1919.	1920.	1921.	1922.	1923.
Brompton & Kensington	56,482	61,898	58,759	74,045	103,372	110,130	121,458	124,157
Charing Cross, W. End.	151,240	165,136	193,858	265,855	331,045	312,532	333,156	320,333
Do City	149,819	212,542	238,074	331,323	418,746	439,772	437,992	409,533
Chelsea	72,627	86,602	86,628	92,622	115,151	129,616	145,781	153,609
City of London	311,822	347,979	389,859	521,116	649,391	676,456	740,158	734,559
County of London	255,670	379,836	451,811	576,116	698,625	769,634	895,783	1078,040
Kensington & Knightsbridge	81,859	78,711	78,268	95,871	127,141	138,105	150,185	152,559
London	162,864	228,032	245,538	305,102	372,230	393,674	374,032	386,774
Metropolitan	217,626	318,216	346,728	413,054	516,524	538,471	567,086	631,724
St James' and Pall Mall	146,161	161,151	160,206	208,467	227,959	254,091	279,437	278,384
Westminster	256,800	306,184	286,712	363,839	404,010	437,093	458,683	463,363

This table of gross revenue does not reveal the full measure of prosperity which the companies are now enjoying. The gains on previous years set out above are, of course, welcome, but, in many cases, the more important addition to net revenue has been obtained from a comparatively substantial decrease in expenditure. This is shown in the following table:—

EXPENSES, INCLUDING REPAIRS AND MAINTENANCE.

	1913.	1917.	1918.	1919.	1920.	1921.	1922.	1923.
Brompton & Kensington	24,984	31,580	40,272	44,684	59,469	69,089	70,239	71,284
Charing Cross, W. End.	66,866	103,268	105,267	167,242	208,114	212,116	187,007	172,182
Do City	80,639	147,153	147,153	273,721	355,651	328,493	247,920	205,403
Chelsea	35,059	51,040	56,880	59,591	75,530	76,979	69,003	73,804
City of London	139,724	209,525	248,252	341,124	438,132	445,142	421,188	425,668
County of London	120,534	226,340	272,381	358,643	454,372	427,432	374,013	399,483
Kensington & Knightsbridge	47,679	50,194	53,228	73,172	97,107	104,099	107,495	103,768
London	91,301	163,239	167,563	209,968	272,743	291,388	283,993	252,222
Metropolitan	111,317	184,543	208,112	242,623	318,638	329,291	263,902	271,543
St James' and Pall Mall	94,010	123,306	130,551	170,441	187,012	203,951	198,733	203,874
Westminster	154,254	188,087	204,259	266,188	315,726	348,829	326,686	290,329

Profits have not increased at the rapid pace which occurred in the previous year. The Brompton and Kensington makes a profit of £52,872, as against £51,220 a year ago. The Charing Cross, West-End shows a profit of £148,151, as against £146,149 for 1922, these results having been contributed to by increased revenue and reduced expenditure; the City undertaking earned £204,130, as compared with £190,072, and for the first time a dividend has been paid on its ordinary capital. Chelsea, with a profit of £60,005, compares with £60,738. The City of London is slightly lower, with profits of £308,892, but the County of London records a surplus of £678,558, as against £521,769 for 1922. As this is the most prominent company in our group, a

closer examination of the accounts may prove of interest. The heavy increased earnings were the result of an increase from £895,783 to £1,078,040 in revenue, and a decrease from £427,432 to £374,014 in expenditure. For just under 65½ million units of electricity the company obtained £938,229, as against £858,317 for approximately 58½ millions. Kensington and Knightsbridge secured total receipts of £152,559; expenses are £103,768, and net profit £48,791. The Metropolitan is able to show a profit of £360,081—an excellent increase on £293,184 for 1922. The London Electric Supply records a profit of £154,452, as compared with £150,199. The St James' and Pall Mall £74,511, as against £80,704, and the Westminster £173,035 and £131,996 respectively for 1923 and 1922. In the concluding table we show the yields obtainable from the shares of these companies calculated on recent dividend distributions. Share prices are also appended over a period of years:—

PRICES AND YIELDS.

Name of Company.	Amount of Share.	Prices of 1923.		Price July 27, 1914.	Price Mar. 31, 1923.	Price End Mar., 1924.	Present Yield.
		Highest.	Lowest.				
Ch. Cross, W. E., and City	£ 1	(s) 14.8	(s) 7.8	(s) 5.4	(s) 10.4	2.4	6.4 0
Chelsea Supply	1	12.1	1.2	1.2	1.2	1.4	6.3 0
City of London	1	28.2	2.4	(t) 16.4	(s) 8.4	1.4	6.3 0
Do 6% Cum. Pref.	1	1.2	1.2	(t) 13.4	2.4	1.4	5.3 0
County of London	1	2.4	1.4	(t) 12.4	1.4	2.4	6.4 0
Do 6% Pref.	1	1.2	1.2	(t) 12.4	1.4	1.4	5.6 0
Kensington & Knightsbridge	5	10.4	8.8	7.4	9.4	10.4	6.18 3
London Electric Supply	3	5.4	1.2	1.2	4.4	4.4	6.4 6
Do 6% Non-Cum.	5	5.4	4.4	(s) 5.4	5.4	5.4	5.11 6
Metropolitan	1	1.2	1.2	(s) 3.4	(s) 6.4	1.2	5.15 0
Do 4½% Cum. Pref.	1	1.2	1.2	(s) 4.4	(s) 4.4	1.2	5.6 9
St James' and Pall Mall	5	12.4	9.4	9.4	10.4	13.4	6.13 3
Do 7% Non-Cum.	5	6.8	5.4	5.4	6.8	6.8	5.9 9
Westminster	5	10.4	8.8	8.8	10.4	10.4	6.19 6
Do 4½% Cum. Pref.	5	10.4	8.8	8.8	10.4	10.4	5.2 9

(s) 25 shares. (t) £10 shares.

There can be no doubt that in splitting high-value shares into denominations of the more humble pound, the electricity supply share market has been widened to a considerable extent. Apparently stockbrokers, in many cases, have found a difficulty in satisfying the demands of small investors; it is obvious that the value of these shares as a safe form of investment is beginning to be realised by the people at large.

HISTORICAL ASPECTS OF CORNISH TIN MINING.

(BY A CORRESPONDENT.)

ONE of the commonest misconceptions concerning tin is that mining operations have been carried on in Cornwall since the days of the Phœnicians. Such an idea, apart from its being entirely fallacious, has done positive harm when it has been put forward as an argument against the possibility of there being any metalliferous deposits still untouched in Cornwall to-day. In point of fact, it was not until the reign of Elizabeth, or even later, that mining proper began in Cornwall. If the Phœnicians ever traded for tin, and there is no reason to suppose that they did not, it was for the tin found in the alluvial deposits that they came and bartered their Eastern wares with the ancient Cornish.

The early miners in Cornwall, like those of nearly all the young mining districts of the world to-day, were not underground men, but streamers. Their work consisted in laying bare the alluvial deposits of rounded tin stones, which had originally been washed down into the valleys and low grounds from the standing veins or lodes which outcropped in the hillsides above. Throughout the Middle Ages the records show an ever-increasing trade in tin of this sort between Cornishmen and the English and foreign merchants. It was not till the latter decades of the sixteenth century, and more still in the seventeenth century, that the gradual exhaustion of the alluvial deposits led the tinners higher and higher up the valleys towards the lodes from which the alluvial tin had been broken away, till finally the discovery of the lodes themselves induced the tinners to follow them underground. After this point conditions changed more rapidly in the industry, periods of great prosperity interspersed with

times of depression following each other with singular regularity to the present day.

The first trouble the miners had to deal with underground was water. The usual method for draining these early mines by driving tunnels into the hillsides, and by bailing with windlass and buckets, was possible only for a short time, and as the mines increased in depth beyond three or four hundred feet from the surface, the difficulty of draining them became so acute that in the late seventeenth century many mines were forced to close down. Steam was coming to their aid, but its introduction into the Cornish mines was slow. In 1742 there was still only one steam engine to be found in Cornwall, though in the next 36 years more than 60 were erected, and more than half were rebuilt or enlarged. In spite, however, of the great numbers of mines at work at this time, and the skill of the miners, the output of tin remained surprisingly small, according to modern standards. Between 1750 and 1815 the production of tin rarely amounted to more than 2,500 tons a year. One of the chief reasons for this was that, in spite of the introduction of steam-power in many of the mines, the lack of mechanical knowledge of the miners caused it to afford far less benefit to production than might otherwise have been the case. The waste and extravagance connected with the pumping engines and pitwork alone was ruinous. The engines were badly made, and it was a rare circumstance ever to erect a second engine on a mine before the first had arrived at the full extent of its power, or even to provide a spare boiler in case of failure of the working boiler. Owing to bad pit work, in some cases as much as two-fifths of the water pumped to surface found its way back into the shaft. The lower levels of the deep mines were consequently almost always flooded at some period of the winter.

Added to all this, the last decade of the 18th century saw a hitherto unprecedented slump in Cornish tin-mining, produced, amongst other causes, by a falling off in the demand for tin, following on the substitution of chinaware for pewter in household use. Great poverty ensued amongst the tinners, who showed their resentment towards the newly-imported china, which they considered so prejudicial to their trade, by smashing all pieces which came within their way, and cargoes landed in Cornwall at this time had to be guarded by bands of soldiers.

The situation was at length relieved by an agreement of the East India Company to buy up all the surplus tin in Cornwall for exportation to China, where there was a brisk demand for it in the shape of tin paper, "which the people burn morning and evening as an offering to their idols."

In spite, however, of depression in the tin trade, multitudes of people still continued to find employment in mining, for the reason that by this time copper, and not tin, had become the staple commodity of the mines. This metal, which was hardly recognised in Cornwall before the year 1710, had in the space of 70 years become of such importance that tin was at one time actually rejected for it. From the end of the 18th century until the 'sixties of the 19th century Cornish mines bulked largely as copper rather than tin producers. The statistics of this period give a fair idea of the proportionate production of the mines. From 1750-1816 the annual output of tin scarcely amounted, on the average, to more than 3,000 tons. In 1838 the total amount of tin produced by more than 200 mines, employing an aggregate number of 30,000 work-people, amounted to scarcely more than 7,000 tons, as compared with over 151,000 tons of copper ore. By the middle of the century the value of the copper exported annually was over £1,000,000 sterling. During the 'sixties of the last century, however, signs were not wanting that the supply of copper was rapidly falling off, though in the bottoms of the majority of the mines (and this is a significant fact) tin was beginning to appear. Could these mines have continued sinking then and there many more of them would be working as large tin producers to-day. Being worked, however, on the cost book system, and having divided their profits almost to the last penny throughout the palmiest days of their prosperity, few of them had the necessary reserve of capital to do so. The result was that during the 'seventies numbers of Cornish mines which had had long and successful careers as copper producers, and which were

already making tin in their bottom levels, were forced to close down through sheer lack of reserves to enable them to carry over the period required for sinking on to the tin zone below. Others which found the money to do this were just beginning to produce tin when they were finally crushed out of existence by the phenomenal drop in the price of tin, which in 1891 fell from £100 to £86, and finally in 1894 to £64 per ton. At this figure it remained until 1898, when it suddenly recovered to £122 per ton, since which time until the war it never averaged less than £118 for the year.

A few mines only, more fortunate than the last, hung on through the lean years of 1894-1898, and became large tin producers. As such they are working prosperously to-day and are reaping the benefits of their good fortune and determination. From the published accounts of these modern Cornish tin mines we may gain some idea of the comparative smallness of the output of tin from Cornwall in the past, as compared with the possibilities of the future. In 1914, and again in 1916, the output for the year of some ten mines employing about 4,000 men averaged 6,500 tons of black tin, as compared with only 7,000 tons in 1838, when there were more than 200 mines at work.

Thus it has been shown that, in spite of the antiquity of the tin trade in Cornwall, tin-mining proper, owing to the lateness of its start, the inefficiency of its methods according to modern standards, and the lack of vigour with which it was prosecuted during the copper period, is still in its infancy in many districts. The position of the industry since the war, and the developments of Cornish tin-mining in the future, must furnish the basis of another article.

THE "JOHNNIES" GROUP IN 1923.

(BY OUR MINING CORRESPONDENT.)

WITH the group of companies under the ægis of the Johannesburg Consolidated Investment Company, the past year has proved a period of progress in many directions. Increased quantities of ore have been crushed, the total in several cases constituting a record; and while the revenue per ton has fallen off, owing to the decline in the gold premium, the treatment of lower-grade ore, or both, the expansion in the tonnage milled, coupled with reduction in costs, has resulted in the piling up of larger profits than before. It should be mentioned that the factors of grade and costs react one upon the other. During the inflation period of 1920 and 1921, considerable quantities of the material opened up had to be ruled out as unpayable. With the expense ratio six or seven shillings below the 1920 figure, freshly developed material of rather low value can be included in the ore reserve estimates, while blocks previously disregarded can be brought in. Hence—in a greater or lesser degree—arises the expansion shown in one or two of the latest ore reserve statements. As will be seen from the appended table, except with the Van Ryn Deep, the dividends disbursed in respect of 1923 exceeded those of either of the three preceding years:—

	Ore Crush'd	Results per Ton.			Work-ing Profit.	Divs.	Ore Reserves.	
		Yield.	Costs.	Profit.			Tonnage.	Value.
Govt. Areas—	Tons.				£	%		Dwt.
1920	1,515,000	44/9	22/2	22/7	1,709,160	50	10,291,000	8.2
1921	1,625,500	43/4	21/7	21/9	1,762,490	55	10,233,000	8.5
1922	1,357,000	40/11	18/8	22/3	1,508,030	50	10,324,000	8.8
1923	1,777,500	39/11	17/5	21/10	1,939,460	60	10,640,000	8.9
Langlaate Est.								
1920	465,300	33/3	26/9	6/6	152,350	10	1,016,800	6.4
1921	479,300	32/5	26/3	6/5	149,760	12	950,000	6.4
1922	487,760	29/7	22/5	7/2	163,730	7	830,800	6.3
1923	1,180,100	26/2	19/11	6/3	373,500	17	1,728,300	6.3
New State Areas								
1920	282,000	25/7	32/10	*7/3	*95,930	..	2,585,700	8.3
Randfontein—								
1920	1,560,000	29/6	27/6	2/	158,100	..	3,593,400	6.2
1921	1,461,000	31/1	27/9	3/4	245,320	..	4,142,100	6.2
1922	1,351,300	26/11	22/	4/11	328,430	..	4,274,000	6.5
1923	2,270,000	24/1	19/8	4/5	495,670	..	4,600,800	6.3
Van Ryn Deep—								
1920	583,550	58/8	25/7	33/1	964,880	65	3,960,000	9.7
1921	611,400	56/8	26/6	30/	722,920	60	3,317,000	9.2
1922	531,010	41/6	21/9	22/9	604,140	40	3,427,300	8.4
1923	735,400	40/2	19/10	20/11	747,210	52	3,505,300	8.0
Wit. Gold—								
1920	416,200	31/3	24/10	6/5	133,760	20	774,500	6.0
1921	448,300	27/10	23/9	4/1	91,020	25	541,300	5.8
1922	422,400	23/9	19/5	4/4	92,440	20	547,400	5.5
1923	528,300	22/5	18/5	4/	106,560	27	287,700	5.7

* Loss.

Last year's output of 768,200 ozs on the part of the Government Areas placed the company second in the list of the world's producers. The performance of a considerably increased amount of development work was reflected in the ore reserves, the value of which is again a little higher. No reference is made in the report to any intention of splitting the shares or enlarging the treatment plant. Rumours of such measures were not long ago responsible for an advance in the market price of the shares. It may be mentioned that the Union Government's share of the profits substantially exceeded that paid to the proprietors.

The figures relative to the Langlaagte Estate do not lend themselves to comparison, that company having in the course of the year absorbed the Consolidated Langlaagte. The New State Areas makes its bow as a producer. The company is longer in getting into its stride than had been anticipated, results still being somewhat poor. However, the consulting engineer predicts "a long and prosperous career." The balance-sheet shows loans totalling £220,000, in addition to the £500,000 debenture issue.

After providing for debenture and other interest, the accounts of the Randfontein Central company indicate a surplus of £337,500, all applied to capital expenditure and debenture redemption. The consulting engineer reports that "the reorganisation of this great mine" has been practically completed. The ore reserve computation includes 944,000 tons of Battery reef, to which particular attention was paid last year. In view of the projected fusion, little purpose would be served by further discussion of the position of this company *vis-à-vis* the parent undertaking, the Randfontein Estates. It may be pointed out, however, that of the latter's profit and loss credit balance of £1,172,650, only a small proportion is represented by actual cash.

In the case of the Van Ryn Deep, the fresh decline in the value of the ore reserves is attributed to the inclusion of 475,000 tons of 5.4 dwts stuff in the Western Section. It follows, nevertheless, that development did not fully replace the ore extracted. As regards the Witwatersrand Gold, the progressive shrinkage in the ore reserves indicates the approaching exhaustion of the mine. This event will be staved off for some time by the acquisition of claims formerly owned by the Knights Deep. The New Primrose—not included in our tabulation—is just living from hand to mouth, but may work some time longer.

Notes of the Week.

Germany's Foreign Assets.—The report of the Committee which, under the auspices of the Reparations Commission and the chairmanship of Mr Reginald McKenna, has been inquiring into the nature and extent of Germany's exported capital, is a document which will certainly provoke much interest and some amount of controversy. At the outset the committee rejected the idea of instituting inquiries through bankers and business men in foreign countries where German capital was said to be invested, and proceeded by the following stages:—(1) An estimate of Germany's foreign assets at the outbreak of war; (2) the net reduction in this total at the time of the Armistice; (3) developments between November, 1918, and December, 1923. The committee's conclusions under these three heads are:—(1) A figure of 28 milliard gold marks [about £1,400,000,000] may be accepted as representing German assets abroad in 1914. This total does not include the property of German nationals in foreign residence at the time. Securities have been taken in gold marks at their face value in the compilation of this estimate. (2) During the war Germany's import surpluses and loans to her allies totalled 15.2 milliard gold marks; approximately 16.1 milliards represents the reduction in German assets abroad as a result of depreciation, liquidation, and sequestration measures; the exploitation of occupied areas in Belgium, Northern France, &c., yielded from 5.7 to 6 milliards; one milliard was raised by the export of gold, and something not far short of a further milliard by sales of securities. The revenue derived by Germany from her assets abroad was also considerably

diminished. (3) In the post-war period Germany's efforts to cover her foreign trade deficits and to meet cash payments under the Treaty of Versailles cost her between 9 and 10 milliard gold marks. By the sale, in foreign countries, of mark credits and paper marks, the value of which subsequently depreciated in consequence of the collapse of the mark exchange, profits to the tune of 7.6 to 8.7 milliard gold marks were received. Sales of gold abroad amounted to 1½ milliards, and sales to foreigners of German real property and securities to a similar sum. A certain net gain accrued from the expenditure of foreign nationals inside Germany since the war, and of foreign troops occupying German territory. The committee also took note of income derived from foreign remittances, of the value of German private property in ceded territories such as Silesia, Posen, &c., and of foreign banknotes circulating in Germany (estimated at 1.2 milliard gold marks in December last). The committee's final conclusions may be given in the words of the report:—"After a close examination of all the factors which make up the total sum, we are of opinion that German capital abroad of every kind, including capital of varying degrees of liquidity and capital invested in participations in foreign companies and firms, and after taking into account all credit and debit items, was, at the end of the year 1923, not less than 5.7 milliard gold marks (£285,000,000), and not more than 7.8 milliard gold marks (£390,000,000), and we think that the middle figure of 6½ milliard gold marks (£337,500,000) is the approximate total." The committee records its opinion that artificial methods are quite ineffective in preventing the flight of capital or in bringing about its return. The only practical solution is the eradication of the causes which led up to the exodus, by permanently putting a stop to currency inflation. "Restrictive legislation.....becomes superfluous the moment there is no longer any inducement to evade the law." The report bears the marks of an ably-conducted scientific inquiry, and should serve as a corrective to some of the wild ideas concerning Germany's foreign assets which have lately been current. At the same time, the subject obviously offers much scope for divergence of opinion, depending as it does, for the most part, on a multitude of estimates rather than on verifiable statistical data, and debate is likely to range round this question in the near future.

The Rent Bill Muddle.—The Government entirely failed to take advantage of the respite accorded to them on the Rent Restrictions Bill by Mr Pringle's charity in "talking out time" last week. When the debate was resumed on Monday no new light, no plan for meeting the obvious wishes of the House was forthcoming. The Prime Minister intervened without success. He suffered under the disadvantage of not having been present at the first debate and of concentration on other matters, and showed himself to be out of touch with the House. His long statement really merited Mr Baldwin's epithet of "tenebrosity" and Mr Asquith's phrase "insipidated gloom." These two party leaders clearly indicated the willingness of the House to accept two of the three clauses in the Bill and to co-operate in solving the eviction problem; both appealed to the Government to withdraw the obnoxious Clause I., which threatened to throw on to the landlord the burden of unemployed workers' rents. But in spite of these warnings and offers, the Government sailed on to inevitable defeat, the actual voting of 221 to the entry of a group of Liberals into the Government lobby and the abstention of many others. The Government tactics are difficult to understand. We hesitate to accept the theory of a deliberate and diabolical plot to represent Conservatives and Liberals to the electorate as voting against the eviction of unemployed. But it is difficult to explain on any other ground, unless it be that of Mr MacDonald rightly decided to classify this defeat as conditions, do not imply the resignation of the Government, and proposes to round an awkward corner by adopting and amending Mr E. D. Simon's Rent Bill. In this way he escapes deadlock, but does not rid himself of

political embarrassment. In any case the Government has, through nobody's fault but its own, suffered a serious blow to its prestige at a moment when it needs to have behind it in its approach to European problems all the prestige it can muster.

March Overseas Trade.—The Overseas Trade returns for March, which appear as we go to press, show the following results:—

	(Million £'s.)		
	March, 1924.	February, 1924.	March, 1923.
Imports	103.7	96.7	90.0
Exports	61.1	68.0	60.9
Re-exports	12.7	13.2	9.1
Excess of imports	29.9	15.5	20.0

The import increase in comparison with March, 1923, of £13.7 millions is due mostly to food and raw materials, which increased by £6.8 and £4.4 millions respectively, the latter entirely on account of raw wool imports. The decline in exports in comparison with February is due mainly to iron and steel manufactures and textile goods. We hope to deal more fully with the returns next week.

The Fascist Victory.—The new electoral law in Italy made a victory for Signor Mussolini a certainty, but the result has surpassed the hopes of his followers. The poll was 62 per cent. of the electorate—the heaviest in Italian Parliamentary history, and the official Fascists have not only obtained the 355 seats which they could certainly count on, but will have the 14 votes of a group of "discontented Fascists," who are certain to support the Government. The remaining 161 members elected to the Chamber are split up into about a dozen groups which no pressure can combine. Of these the Catholic Popular party came first with 45, at least three groups of Socialists and Communists—all reciprocally hostile—make up 74, and 29 seats go to the two groups of the regular Parliamentary opposition. The rest consists of small local parties, with from two to seven members each. The Fascists were strongest in the South, where political activity has always been least, and were actually defeated by a majority of 10,000 in Lombardy (and notably in Milan), where it has always been keenest. But in both cases the Fascist vote is rumoured to have been increased by intimidation, and by disallowance of votes on technical grounds. How will Signor Mussolini use his victory? His followers have all but extinguished the local Socialist organisations—some of them deservedly—and incidentally have dealt a heavy blow at the co-operative movement by attacking several agricultural and distributive societies, and destroying or appropriating their goods. As a middle-class movement, Fascism makes for the support of the individual shopkeeper, the distribution (by voluntary sale) among peasant proprietors of the large estates in Southern and Central Italy, lower customs tariffs, the suppression of strikes, and the management of railways and "public utilities" by companies instead of the State. Signor Mussolini's foreign policy must depend largely on the results of the elections in France and Germany; but he is known to believe that peace may be best secured by establishing a "balance of power" in Europe. And he has succeeded, at any rate, in disposing of the question of Fiume. At present he is a despot, supported by the majority of the voters. Will he so use his powers as to conciliate his more moderate opponents, and will Italy develop under his rule into a really democratic nation? Those are the vital conundrums in Italy's position to-day.

The South African Crisis.—The dissolution of the South African Parliament has come as a surprise, but General Smuts has taken the natural course. The South African Party, now in office, absorbed the "Unionist" or British party in 1920, and "racialism" was formally abandoned. At the General Election of 1921 it returned to power with 80 members, while nine Labour members and 45 Nationalists under General Hertzog made up an incongruous Opposition. But the Government has lost seats since then to both these parties, which, moreover, entered into a definite coalition last autumn, though there has since been some friction. In the Wakkerstroom contest the Government candidate lost votes through the reductions it

had effected among the railway men and in the Civil Service, through its alleged substitution on the railways of coloured for white labour, through the cuts projected in teachers' salaries, and through the existing unemployment and heavy taxation. And, as he was the strongest candidate possible—the Administrator of the Transvaal, who had resigned his post in order to stand—both sections of the Opposition naturally did their very best to defeat him. The defeat left General Smuts with a Parliamentary majority of four, so he naturally decided to dissolve. It remains to be seen how the Opposition will fare at the polls, and whether they can hold together if they win. The postponement of the Prince's visit will not help them. South African mining securities have been only momentarily affected, and Union Government stocks not at all.

Safeguarding of Industries Act.—The statement, on Tuesday, made by Mr Sidney Webb, President of the Board of Trade, upon the Safeguarding of Industries Act may not be clearly understood by those to whom the intricacies of this Act are unfamiliar ground. The Act, though divided into two parts, really consists of three distinct parts. The statutory Part I., which applies import duties to wide categories of Key Industries—under which come some 7,000 commodities and chemicals—expires on October 1, 1926, unless extended by specific legislation. No statement has yet been made about the intentions of the Government regarding this Part I., probably because a decision is not a matter of urgency. Part II. deals with two contingencies:—The making of inquiries and Orders to meet foreign competition due to collapsed exchanges, and, secondly, the making of inquiries and Orders to meet "dumping" or sales in this country below cost of production abroad. The collapsed exchange portion of Part II. has given rise to several inquiries, and Orders have been made imposing import duties on fabric gloves and glove fabric, gas mantles, domestic and illuminating glassware, and enamelled and aluminium hollow-ware. This collapsed exchange portion of these Orders will come to an end on August 10th of this year unless continued by legislation. Mr Webb has stated that the Government do not intend to propose legislation, but to let the provisions of the Act lapse. The second portions of Part II., relating to "dumping," are permanent legislation, and are not subject to lapse, as are all the other sections of the Act. One inquiry has been made about alleged dumping, but no Order has been made. This dumping portion, though it has so far been practically a dead letter, will continue indefinitely unless repealed by legislation. It will therefore be seen that, so far, the Government has announced its intentions about one portion only of the Act—the collapsed exchanges. That will lapse on August 10th. The Key Industry provisions will continue until October 1, 1926, unless repealed in the meantime, and the dumping provisions of Part II. will be permanent unless a special Act is passed to put them out of action.

Irish Free State Trade.—For nearly a year the Board of Trade Returns of British overseas trade have lacked their proper value for comparison with previous periods, owing to the fact that last April the external trade returns of the Irish Free State were separated from the British accounts. Light on the effect of this separation is now provided, for the Saorstát Eireann has issued detailed trade returns for January. In brief, these show the following results:—

Country of Origin or Destination.	Imports. £	Total Exports. £
Great Britain	3,308,685	3,183,301
Northern Ireland.....	482,410	534,680
United States	302,424	17,787
Other countries	656,950	20,640
Total	4,750,469	3,756,408

If January be taken as a normal month, the annual external trade of the Free State consists of about £57 millions in imports and £45 millions in exports. Of this trade the preponderating part is done with Great Britain and Northern Ireland. We can now put our own trade

returns for January, 1923 and 1924, on a really comparable basis:—

	Jan., 1923.	Jan., 1924.	Jan., 1924.
	Min. £.	As Published by B. of T. Min. £.	(If Irish Figures had not been Excluded.) Min. £.
Imports	99.8	101.3	98.6
Exports	76.7	77.5	73.9

We hope that as time goes on the Free State officials will be able to produce their trade figures with a promptitude similar to that displayed by our Board of Trade. The most striking point about the Free State's export trade is that, of total exports in January of £3.7 millions, no less than £1.9 millions for "live cattle, sheep, pigs, goats" and £612,069 for "meat," and almost the whole of these exports go to Great Britain and Northern Ireland. The Free State has, indeed, so far as its export trade is concerned, got most of its eggs in one basket.

The Quarter's Shipbuilding.—Lloyd's Register Shipbuilding Returns for the quarter ended March 31 show that the tonnage under construction in Great Britain and Ireland—1,473,629 tons—is about 78,000 tons more than at the end of December, 1923, but there is still a decrease as compared with twelve months ago of about 19,000 tons. The present total, however, includes 101,000 tons on which work is suspended. Deducting this tonnage in order to enable a comparison to be made with figures for normal times, the tonnage actually under construction at the end of March amounts to about 1,373,000 tons. The average tonnage building during the twelve months immediately preceding the war was 1,890,000 tons—i.e., 517,000 tons more than the present total. A slight decrease is shown in the tonnage commenced during the quarter, namely, 227,786 tons, as compared with 244,506 tons during the last quarter of 1923. The tonnage launched during the quarter ended December 31, 1923, amounted only to 114,583 tons, whereas the total for the current quarter reaches 361,508 tons. The total merchant tonnage building in other countries, 1,042,875 tons, includes about 118,000 tons upon which work has been suspended, leaving about 925,000 tons actually under construction; the latter figure is 57,000 tons less than at the end of December, 1923. The figures for the leading countries abroad are:—Germany and Danzig, 299,021 tons; Italy, 130,743 tons; United States, 119,767 tons; France, 111,610 tons; and Holland, 106,505 tons. The total world tonnage under construction—2,516,504 tons—includes 219,000 tons on which work is suspended. The tonnage actually under construction is thus 2,297,000 tons, which total is 1,149,000 tons below the highest pre-war record reached on June 30, 1913, viz., 3,446,558 tons. There are at the present time under construction in the world 33 vessels of between 10,000 and 20,000 tons each, and seven of 20,000 tons and upwards. Twenty-one out of the 33 and all the larger vessels are building in Great Britain and Ireland. The returns show that there are at the present time 35 steamers and motor-ships, each of over 1,000 tons, with a total tonnage of 183,850 tons, under construction in the world for the carriage of oil in bulk. Of these tankers, 12 of 74,600 tons are under construction in Great Britain and Ireland.

Cotton Trade Short Time.—Our Manchester correspondent writes:—At the end of February spinners of American cotton in Lancashire decided to limit production for three months by running the mills only 26½ hours per week instead of the usual 48 hours. The scheme has had a marked effect upon yarn prices, and there has been a welcome improvement in the trade position. The Masters' Federation is very anxious to prevent any of their members increasing production, and on Monday last in Manchester there was a conference between a sub-committee of the federation and representatives of the local banks. After discussion, the banks unanimously decided to support the scheme of the federation, and they promised, as far as possible, to stop any mills breaking away from the regulations. This decision has resulted in a revival of demand for mill shares, and prices have appreciated, brokers reporting a freer buying movement than for a long time back. The optimism which now prevails

in Lancashire trade circles is largely due to the fact that supplies of cotton piece goods throughout the world are comparatively low. Some interesting figures have been received this week relating to the position in Shanghai. It is stated that the stocks of cloth at the end of last year in China were only 1,648,000 pieces, against 2,882,000 pieces at the end of 1922, and 6,828,000 pieces at the end of 1913. In view of these figures, freer buying for the Far East is anticipated at an early date, but trade conditions in China, of course, are affected at the moment by the absence of a settled government and the disorganised political situation.

U.S. Steel Corporation.—Our New York correspondent writes:—Although the combined quarterly statements had indicated that 1923 was a big year for the United States Steel Corporation, its annual report, issued a few days ago, attracted much attention in financial, steel trade, and investment circles, because the exhibit was in many respects one of the most remarkable ever made by the leading steel producer. Gross earnings of the corporation in 1923 amounted to \$1,571,414,483, an increase of nearly \$500,000,000 over 1922, and the largest total for any peace-time year in the corporation's history, with the exception of 1920, when prices were extraordinarily high. Net earnings, after depreciation, sinking fund, and other charges totalled \$128,176,519, or more than double those of 1922 and 1921, while the balance of \$108,471,875 available for dividends was the largest ever reported by the corporation, barring 1920, when the corresponding item was \$109,694,227. Payment of preferred dividends left \$83,487,387 applicable to the \$508,302,500 of common stock, or the equivalent of \$16.42 a share, as compared with \$14.433,778, or only \$2.83 a share in 1922. Last year two extra distributions were made to common stockholders, the first declared since 1918. After deducting both preferred and common dividends, there remained a surplus of \$54,259,994, as against deficits of \$10,981,347 in 1922 and \$14,017,785 in 1921. On December 31st last current assets aggregated \$588,595,473, which, with sinking fund and reserve fund assets, made a total of \$708,244,575. Current liabilities were \$137,403,027, leaving net working capital of \$570,841,548, an increase of some \$34,570,000, as compared with the close of 1922. Cash and security holdings, including those in the sinking and reserve fund account, totalled \$346,226,742 on December 31st, as compared with \$325,709,107 the year before. Expenditures for new construction and property additions during the year amounted to \$60,762,920. After allowing for depreciation thereon, the net addition to capital investment in 1923 was \$54,671,169, making the total of such outlays since the corporation was organised \$1,139,572,515, equivalent to more than \$224 a share on the common stock. The annual report showed that the average wage paid to employees last year was \$1,800, as against \$1,501 in 1922, \$1,736 in 1921, and \$2,175 in 1920, the peak year which marked the culmination of a steady advance in wages from the average of \$905 in 1913 and 1914, and the low record of \$677 in 1904. Elimination of the 12-hour day caused an increase of 17,117, or more than 10 per cent., in the number of employees; of the total increase in the pay-roll resulting from that change, about 60 per cent. was due to the employment of additional men, and 40 per cent. to increased wage allowances to employees whose hours of service were not changed from the 10-hour-day schedule. Unexpended balances for authorised additions, construction and improvements at the close of 1923, plus authorisations made since the first of this year, will call for an outlay on capital account during 1924 estimated at \$90,000,000.

The Cunard Report.—Disappointment at the reduction to 5 per cent. was tempered by the position shown by the accounts when they appeared, and some recovery in the price of the ordinary shares at once took place. Receipts for 1923 from freights and passage-money were £314,400 higher, but the total is still substantially below the receipts of the boom period. Expenditure increased by £321,400, and the profit was thus £7,000 lower at £748,600. The balance brought forward, moreover, was

£74,600 lower than the amount brought into the 1922 accounts, so that the available balance is £81,600 lower at £873,900. The following table shows how these figures compare with those of previous years:—

	1913.	1919.	1920.	1921.	1922.	1923.
Freight and passages	5,659,774	9,201,728	12,260,662	9,286,027	8,313,316	8,527,753
Working expenses	2,468,457	7,476,808	11,079,042	8,336,256	7,557,714	7,879,146
Repairs and renewals	271,207	..	..	..	..	..
Insurance premiums	66,736	..	..	..	..	..
Balance	853,374	1,724,920	1,181,620	949,771	755,602	748,607
Brought forward	88,964	173,237	144,187	169,075	199,890	128,262
Sundry receipts	63,249	..	..	..	..	..
Total	1,005,587	1,898,157	1,325,807	1,118,846	955,492	873,869
Deb. int., taxation, &c.	122,233	395,622	293,206	449,741	361,614	357,439
Depreciation	443,537	370,423	394,310	..	..	..
Insurance and reserve	188,528	407,238	..	..	..	..
Prof. dividend	56,750	135,000	135,000	135,000	135,000	135,000
(5 %)	(5 %)	(5 & 6 %)	(5 & 6 %)	(5 & 6 %)	(5 & 6 %)	(5 & 6 %)
Ord. dividend	64,002	445,621	334,216	334,216	334,216	222,811
(10 %)	(10 %)	(7 %)	(7 %)	(7 %)	(7 %)	(5 %)
Carry forward	130,578	144,187	163,075	199,890	125,262	158,619

* Including repairs and renewals and insurance premiums.

The reduced dividend requires £111,400 less, and the balance forward is increased by £33,400. The balance-sheet, a serious blot upon which is the lumping together of the fleet and shipping investments into one enormous composite item of £18 millions, shows a reduction of just over a million in sundry creditors, which now stand at £11,913,800, while the fleet and investments are valued at £1,350,900 less, but debtors have increased by £300,300 to £1,792,600. The report states that the company's West-bound passenger business generally showed an increase over 1922, in spite of the operation of the U.S. Immigration Restriction Law, but there was a falling off in the East-bound numbers. The directors point out that "American East-bound freight rates continued depressed, and on an uneconomic level throughout the year," but add that it has recently been found possible to place them on a somewhat more remunerative basis. An analysis of the balance-sheet will be found in a later column.

Associated Portland Cement.—Although an improvement in the demand for cement was experienced last year, lower prices were realised. This is reflected in the accounts and report of the Associated Portland Cement Manufacturers, Limited, for the year ended December 31, 1923. A summary of the company's financial history since 1901 is set out below:—

Year Ending June 30.	Profit.	Debtors & Mortgage Interest.	Preference Div.	Sinking Fund, Reserves, &c.	Balance.
	£	£	£	£	£
1901.....	226,707	84,694	91,213	20,096	30,704
1905.....	310,662	135,063	118,885	61,185	Dr. 4,471
1910.....	316,407	140,938	118,885	60,848	Dr. 4,264
1911.....	369,861	139,237	118,855	109,707	2,032
1912.....	355,507	186,974	122,324	51,751	Dr. 5,542
1913.....	585,645	235,114	124,220	116,292	109,817
1914.....	556,341	229,653	125,133	101,518	100,037
1915.....	450,712	222,335	125,660	101,262	1,455
1916.....	351,174	226,382	..	113,710	11,082
1917.....	367,612	221,381	..	126,641	19,590
1918.....	551,660	215,619	125,660	203,951	6,530
1919.....	683,761	209,859	376,979	161,478	Dr. 64,555
1919 (July to Dec.)	398,123	101,562	62,830	135,000	98,731
1920.....	947,306	200,016	125,660	328,849	292,781
1921.....	658,916	195,513	125,660	229,395	108,348
1922.....	670,116	221,516	125,660	208,881	114,059
1923.....	577,099	232,801	125,660	218,600	39

* Year ended December 31st.

After making provision for sinking fund and depreciation, the available balance is £39. But it should not be overlooked that £227,440 was brought forward from last year's accounts. However, the directors, in view of the position, very wisely we think, are not recommending any distribution on the ordinary shares, but intend to carry forward £227,479. The report states that the company's export trade, which represented nearly 40 per cent. of its aggregate deliveries, was carried on at little or no profit, owing to the severe competition of Continental manufacturers who enjoyed a favourable position by reason of the depreciation of their respective currencies. These factors resulted in a reduction of the profits earned, which at £582,328, including revenue from investments, compare with £675,396 in 1922. These results are ob-

ROTTERDAMSCH BANKVEREENIGING.

Rotterdam, The Hague, Amsterdam.

Capital ... fl. 75,000,000
Surplus ... fl. 36,500,000

Collections.
Letters of Credit. Foreign Exchange.
Purchase and Sale of Stocks and Shares.

Including its affiliated institution the Nationale Bankvereeniging, Utrecht, the Rotterdamsche Bankvereeniging is represented in about 100 places in the Netherlands.

tained after setting aside the sum required to meet the estimated liability for taxation. The balance-sheet will be found analysed in our usual column.

Eagle, Star, and British Dominions Insurance.—This company's report for last year has the merit of frankness. It is a considerable merit. The past year has been unfavourable to the operations of the company, yet no attempt is made to cover them up. A great deal of money was made during the war and after the war, very high dividends were paid; now money has been lost and the position is plainly put before the proprietors and the public. The broad result is that the general reserve fund, which had reached £2,000,000, is reduced by £650,000 to £1,350,000. Of this draft of £650,000 on reserve, £150,000 has gone to strengthen the marine fund and £300,000 to write off "possible losses in respect of bad and doubtful debts and adverse fluctuations in foreign exchanges, &c."; £200,000 has been taken to fill up the gap in the profit and loss account. The operations for 1923 in the various branches may thus be summarised:—In the life department, after taking credit for £102,894, balance of profit on securities realised, the Star fund contributed £86,892 to profit and loss account; the fire insurance account had a deficit of £61,141; the accident, employers' liability, and general accounts contributed between them £82,723 to profit and loss; the marine account took £150,000 from general reserve. The interest from investments, &c., applicable to profit and loss was £110,660, whereas the preference, preferred, and ordinary shares cost £259,132 in dividends during 1923. The moral is obvious. The drain of high dividends, in excess of "assured revenue from interest, has thrown too great a strain upon the trading departments of the company. This has involved too great a rate of expansion, and an effort to maintain in unfavourable conditions the high earnings of the exceptionally favourable years. The fundamental rule, observed closely by the old-established offices, has always been to base dividends upon the receipts from interest, and to advance them only as interest receipts advanced. Surpluses have been carried to reserve and employed for dividend payments only through their interest earnings. The Eagle, Star, and British Dominions Company will have to conform to this rule if the lesson of its misfortunes—we believe temporary misfortunes—is to be learned. The dividend for 1923 on the ordinary shares was 22½ per cent., tax free, against 30 per cent., tax free, for 1922. It was much too high, and that this is realised is shown by the reduction of the interim dividend in a recent announcement from 7½ per cent., tax free, to 5 per cent., less tax. Severe economy in dividends for the next few years is plainly called for by the present circumstances. If the directors prudently came down to an annual 10 per cent., less tax, the company could then meet its preference, preferred ordinary, and ordinary dividends out of receipts from interest and other assured income, and with reasonable good fortune re-establish its finances on a much firmer basis.

The National Railways of Mexico.—The report of this system for the year ending June 30, 1923, dated last October, but only now distributed in England, has been made rather ancient history by the recent Mexican Revolution. The company's own railways and leased lines, 8,440 miles in all, were (and still are) in the hands of the Government. The debit balance accumulated since the default on the company's obligations in 1914 was in-

creased in 1922-23 to 239,520,460 pesos, or \$119,760,230. The debit balance for the year was 23,265,560 pesos. Of this, 21,840,762 pesos represented interest on obligations, collateral trusts, and notes (the last-named, we believe, representing the interest unpaid during 1914), and 22,289,433 pesos the seventh instalment of the sinking fund on the 4½ per cent. prior lien bonds. The rest consisted of office expenses, taxes (chiefly French, on securities listed in Paris), "interest on sundry obligations," and a small debit balance on exchange; but against the total, amounting to 24,939,807 pesos, there were interest and dividends on securities owned by the company (616,602 pesos), interest on pending amounts spent on extensions (493,215 pesos), and miscellaneous earnings (564,489 pesos), chiefly from the rental of lands. This last item, however, had been kept down by the depression at Tampico, which reduced the rent of wharves, and by the encroachments of squatters, especially at Tampico and at Cardenas; in both places the State Governments intend, "as a measure of public utility," to expropriate the company. As its stockholders include both Mexican subjects and the Federal Government, the victims of Mexican rent-strikes and land-hunger are not all foreign. The company also suffers from the irregularity of the Government's payments for the coal it obtains to work the lines from the company's mines in Coahuila, and the lines will not be returned till "the concurrence of certain circumstances and conditions"—an event probably deferred by the revolution. Still, the company is building new lines and planning others, notably a direct line from the capital to Tampico, and will close duplicate lines built when the companies it now comprises or controls were in competition. It is also developing its other properties, and preparing to prospect on them for oil fuel. It has paid its Paris bankers the sum they had advanced for French taxes and is negotiating as to the balance claimed with the French Government. Reference is made to the application of the Inter-oceanic Company, whose lines it works, for their return; but the National Company is not favourable, holding that the claim should come from itself. The interest on the issues in default is included in the Lamont-de la Huerta settlement, as to which the report is hopeful. We may add that, according to an authoritative statement published some three weeks ago in New York, the delay in commencing payments under the settlement has been caused solely by the time taken in printing the various warrants, and that payment on six of the issues comprised will be made forthwith. The issues specified comprise State of Vera Cruz bonds, 1907; Pan-American Railway first mortgage, 1937, and various notes of that company, the Mexican Central, and the National systems. Possibly the printers prefer to get rid of the smallest items first; it may only be an accident that they are held chiefly in America.

Union Corporation Group.—Following close upon the heels of the annual statements of its two South African subsidiaries—the Geduld Proprietary and the Modder Deep—comes the report for 1923 of the Union Corporation. By the declaration of a final dividend of 3s per share, making a total of 4s., or 32 per cent. for the year, the shareholders in the last-named undertaking had been prepared for an increase in the profits; but the strength of the financial position will probably come as a surprise to many. The balance-sheet shows a surplus of practically £1,400,000 over the liabilities other than the final dividend; the amount represents 20s per share, of 12s 6d par value, now quoted at 35s. On the basis of the 1923 dividend, the return to the investor is the satisfactory one of 13 per cent. Appended is a tabulation of the results for the past three years:—

	1921.	1922.	1923.
Profit, dividends, &c. ..	280,360	284,400	336,400
Expenses, taxes, &c.	100,860	42,300	35,100
Net profit	179,500	242,100	301,300
Dividends	140,000	210,000	280,000
To reserve	30,000	30,000	20,000
Carried forward.....	77,870	80,000	81,300

The expenses for 1921 were swollen by an exceptional writing-off. Last year's growth in income is pretty well accounted for by the increased distribution of the two

Rand mining companies and the entry into the dividend list of the San Francisco Mines. The courage and judgment displayed by the directors of the Union Corporation in becoming associated with this Mexican undertaking have been richly rewarded. At the moment the "Frisco" concern is not quite fulfilling the best expectations of last year, the mine position entailing the restriction of the output to 400 tons per day, in place of the 500 tons the plant is capable of treating; but even now the earnings are on a very substantial scale. It is noteworthy that property on the extension of the vein has been acquired. In the case of the Geduld, there is the interesting feature that a fresh increase in the reduction works is to be made to a total capacity of 75,000 tons per month, the extra plant being expected to come into operation about the end of the year. Seeing that the ore reserves on December 31, 1923, totalled 7,500,000 tons, an enlargement of the rate of crushing is obviously warranted. After payment of 27½ per cent. in place of 16½ per cent., the increased balance of £152,000 is carried forward. The Modder Deep last year maintained its ore reserve position, and effected a fair reduction in working costs, although the latter were debited with certain special expenditure in connection with the installation of a minerals separation plant, &c. The dividends, of course, totalled 140 per cent., as against 120 previously. With both companies the saving in the expense ratio compensated both for the decline in the gold premium and a small falling off in yield per ton.

Transvaal Gold Output.—The latest figures of gold output in the Transvaal are satisfactory, showing a good increase on the February output. The figures for the three months to date make a capital showing when compared with the equivalent period of preceding years. The following table shows the output for every month since 1918:—

	1918.	1919.	1920.	1921.	1922.	1923.	1924.
January..	Fine Osa. 714,182	Fine Osa. 676,059	Fine Osa. 670,503	Fine Osa. 661,593	Fine Osa. 639,728	Fine Osa. 764,469	Fine Osa. 736,768
February..	659,759	636,728	625,530	558,137		704,970	720,617
March ..	696,281	712,379	707,036	671,123		761,586	795,671
Total (3 months)	2,070,222	2,025,166	2,003,069	1,880,853	639,728	2,231,025	2,353,066
April ..	717,000	694,944	686,979	681,382	511,338	743,651	785,561
May ..	741,317	721,995	699,041	687,776	629,786	786,564	816,564
June ..	727,696	702,379	715,857	678,490	675,697	755,309	754,306
July ..	736,199	725,497	745,099	689,555	730,635	769,371	739,504
August ..	740,210	708,206	702,083	711,526	752,490	793,442	793,442
September	708,206	698,598	682,173	681,026	747,089	780,639	780,639
October ..	679,764	733,722	662,472	707,825	778,159	790,712	778,849
November	658,701	677,970	633,737	704,236	764,476		
December	641,245	650,191	632,215	681,847			
Total (12 months)	8,420,560	8,330,091	8,153,625	8,114,516	7,090,110	7,798,959	7,798,959

The following table shows the number of natives employed at the end of last month by members of the Witwatersrand Native Labour Association and Contractors:—

	Aug., 1923.	Sept., 1923.	Oct., 1923.	Nov., 1923.	Dec., 1923.	Jan., 1924.	Feb., 1924.	Mar., 1924.
Gold mines	167,600	174,406	177,047	177,674	177,779	181,659	182,055	176,483
Coal mines	16,156	16,225	16,216	16,246	16,142	16,109	15,958	15,763
Diamond	5,107	5,134	2,911	2,997	3,439	3,482	3,419	3,170
Total	188,863	195,765	196,174	196,917	197,160	201,250	201,432	195,416

It will be noted that the number of natives employed shows a decline on the month.

At a meeting of the Royal Statistical Society, on the 15th inst., Sir A. Lowes Dickinson, M.A., F.C.A., will read a paper on "Publicity in Industrial Accounts, with a Comparison of English and American Methods." The meeting will be held in the hall of the Royal Society of Arts, John street, Adelphi, W.C. 2, at 5.15 p.m.

In accordance with section 9 (1) of the Census of Production Act, 1906, the President of the Board of Trade has appointed the following gentlemen, together with officials of the Home Office and the Board of Trade, to be a Committee for the purpose of advising the Board as to the preparation of the forms and instructions necessary for the taking of the Census, and the making of any rules under that Act:—Mr T. J. Arnold, J.P.; Sir Arthur Balfour, K.B.E.; Sir Hugh Bell, Bart., C.B.; Professor A. L. Bowley; Mr Stephen Easton, O.B.E., J.P.; Sir

Henry J. Gibson, K.C.B.; Mr Kenneth Lee; Professor D. H. MacGregor; Mr R. C. Perry, C.B.E.; Sir W. Peter Rylands; Mr Arthur Shaw. The Committee will hold its first meeting at an early date. The secretary of the Committee is Mr G. A. G. Stanley, Board of Trade, Great George street, London, S.W. 1, to whom all communications should be addressed.

Obersea Correspondence.

UNITED STATES.—SHIPPING BOARD'S LOSSES—CONTROVERSY OVER PREFERENTIAL RATES—MONEY AND STOCKS—BONDS.

(FROM OUR CORRESPONDENT.)

NEW YORK, April 1.

THAT the Government-owned merchant fleet was being operated at a heavy loss has long been an open secret, but it is only recently that official figures have become available, showing the extent of deficits incurred by the Emergency Fleet Corporation in operating its various routes and services. When the Committee on Appropriations in the House of Representatives issued its report last week on the pending Appropriation Bill for the fiscal year ending June 30, 1925, it published, among other things, a detailed statement, submitted by President Palmer, of the Emergency Fleet Corporation, revealing for the first time operating losses by routes and services, including insurance, repairs and administrative expenses, for the eighteen months ending with December, 1923, reaching the enormous sum of \$63,849,870.

President Palmer's testimony also disclosed that the eight voyages made by the s.s. Leviathan in 1923 resulted in a heavy net loss. The first voyage, in July, showed a profit of \$104,000, the second \$31,000 and the third \$138,000. There was a loss of \$6,000 on the fourth voyage, a profit of \$5,000 on the fifth, in September, but a loss of \$6,000 on the sixth, while the seventh and eighth voyages resulted in deficits of \$174,000 and \$164,000 respectively. The total net loss for the eight voyages, therefore, was \$70,898. Although no official figures are available, it is estimated that the recent repairs to the "Leviathan" cost approximately \$200,000.

In its report on the pending Appropriation Bill, the House Committee estimates that the cost of operating the fleet for the current fiscal year will be \$140,000,000, and for the 1925 fiscal year \$125,000,000. Of the latter sum the Committee expects that receipts from operations will provide \$90,000,000. An appropriation of \$30,000,000, the amount of the Budget estimate, and representing a decrease of \$20,000,000 from the sum appropriated for the present fiscal year, is recommended, besides an appropriation of \$6,000,000 for expenses of liquidation of assets, to make up the balance of the \$125,000,000 estimated cost of operations in the 1925 fiscal year. The Committee points out that, in order to keep expenses within the last-named figure, a consolidation of routes will have to be effected by placing certain routes under one operating manager—a policy now being carried out—and by reducing wherever possible the number of ships on such routes. At present, it is stated, the average loss for each cargo vessel on each voyage exceeds \$25,000. The Committee adds that the increase in the price of oil, not taken into consideration when the estimate of appropriations was prepared, may make it necessary to ask Congress for a deficiency appropriation during the next year on that account. During the year ended June 30, 1923, it is shown, the Government-owned fleet carried 131,684 passengers and 13,786,000 tons of freight, and in the first six months of the present fiscal year 102,580 passengers and 5,969,635 cargo tons, at the operating losses indicated. The Emergency Fleet Corporation is now maintaining 78 services, operating 379 vessels.

The proposed enforcement of section 28 of the Merchant Marine Act of 1920 has aroused a storm of protest from domestic shippers, manufacturers, and other interests concerned in all sections of this country. In substance, this section allows common carriers to grant through preferential rail rates on goods and commodities

THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15 Gracechurch St., London, E.C.3.
Capital Authorised ... £3,000,000
Paid-Up Capital ... 1,050,000
Reserve Fund and Undivided Profits 1,407,811

Branches: INDIA, BURMAH, SIAM, CEYLON, STRAITS SETTLEMENTS, CHINA, and PORT LOUIS, MAURITIUS. The Bank buys and sells Bills of Exchange, Issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application. Fixed Deposit Rates will be quoted upon application. On Current Accounts interest is allowed at 2 per cent. per annum on daily balances.

in foreign commerce, if such products are exported or imported in American ships. As previously stated, the United States Shipping Board recently certified to the Interstate Commerce Commission that adequate American steamship tonnage now exists to warrant the operation of preferential rail rates, as applied to shipments to and from various ports and countries specified by the Board. The Commerce Commission, as authorised by this statute, has ruled that reduced rail rates, allowed in section 28, shall become effective on May 28th. Critics dispute the Shipping Board's statement that there is sufficient ocean tonnage operating under the American flag to handle commerce in different trades. They claim, also, that such preferential rates will cause trade complications, both domestic and foreign, and have a decidedly unsettling effect in many directions. Numerous commercial and shipping organisations throughout the country have already strongly opposed the enforcement of section 28, and others are expected to take similar action, including, possibly, the New York Chamber of Commerce, whose standing Committees on Harbour and Shipping and Foreign Commerce have just prepared and submitted a report urging the repeal of section 28, and the rescinding of the action of the United States Shipping Board. The committee declares that "the mere fact that there are eight or nine hundred Shipping Board steamers laid up is not a conclusive indication that adequate shipping facilities are or can be afforded by American vessels, and certainly the Shipping Board vessels now in commission, together with those privately owned, are not sufficient to give adequate service to the countries named in the recent Shipping Board certificate. A mere supply of the given amount of tonnage is only one of the factors necessary in furnishing the exporters of this country with adequate service." The committees state that the putting into effect of section 28 will, in fact, not be of any real help in building up the American merchant marine, but, on the contrary, will lead to "a degree of chaos in the export and import trade of the United States, besides leading undoubtedly to reprisals from other nations." Members of the Shipping Board have recently issued statements warning American citizens to be sure of the source from which protests may be made against the application of this section of the Merchant Marine Act, and expressing the belief that much of the agitation against its enforcement is the result of propaganda by or in the interest of foreign steamship interests. They point out, furthermore, that the matter is one of statutory provision, rather than of executive function; that section 28 is as much a part of the law as any other portion thereof, and that the only discretionary power lodged with the Shipping Board is that of determining whether or not adequate American flag tonnage exists. The Board, after extended hearings, insists that such tonnage now in operation is ample, and that there are plenty of ships in reserve to meet any necessary addition to present services. Statistics prepared by the Shipping Board show that the 379 vessels of the Fleet Corporation now in service approximate 2,216,742 gross and 3,325,113 deadweight tons, while there are 866 vessels of 4,676,906 and 5,510,354 deadweight tons tied up. The figures show that in private operation under the American flag there are in active service 271 vessels of 1,389,817 gross tons, which will be affected by the application of section 28, while 178 privately-owned vessels of 546,550 gross tons are tied up. Summarised, the statistics indicate a total of 650 ships with a gross tonnage of 3,606,559 in active operation at

present under the American flag, and a total of 1,036 of 6,056,909 gross tons tied up. The law as it stands makes it obligatory upon the Interstate Commerce Commission to enforce section 28, or to suspend its operation, according to the facts as certified by the Shipping Board with respect to the amount of American flag tonnage available. Among owners of American steamships opinion seems to be divided as to the wisdom of putting preferential rail rates in effect, as provided in the section referred to. The Executive Committee of the American Steamship Owners' Association, at a prolonged meeting here to-day, adopted a resolution expressing no opinion as to the desirability of having the section presently enforced. That matter is still under consideration by a special committee of the association. The Executive Committee, however, urged the enactment of certain pending amendments to that section, and many shippers and commercial bodies throughout the country are also advocating proposed changes in the law. One of the amendments provided in a Bill now before the House of Representatives Committee on Merchant Marine would authorise the Interstate Commerce Commission to use its discretion in enforcing section 28 of the existing statute.

Money rates have recovered quickly from the extraordinary slump witnessed a fortnight ago. Call loan rates on the Stock Exchange are now ruling at 5 to 5½ per cent., while fixed-date funds are quoted at 4½ to 4¾ per cent., depending upon maturity. The heavy accumulation of idle funds at this centre has practically disappeared through Government disbursements and withdrawals by interior institutions, which were unwilling to loan at the extremely low levels recently prevailing here. Present indications are that money rates will continue fairly steady around current quotations for some time. Stock market prices declined sharply, and, in the case of many individual shares, violently, last week under more aggressive attacks by bearish operators, as a pretext for indiscriminate selling throughout the active list. They did not succeed in forcing much liquidation of real holdings; on the contrary, the short interest was considerably increased. But prices of leading industrial shares were forced down to 92.28 on the average—a new low record for this year. Rails, though joining in the reaction, were comparatively steady, the average price of representative issues falling to 80.95, which was nearly one point above this year's low. During the past day or two the market has rallied slightly, chiefly on covering by shorts. Irregular price movements, however, are considered likely for some time, pending a clearer outlook in trade and politics, and further developments at Washington, especially in the matter of tax-reduction and soldier bonus legislation. Despite the brisk recovery in money rates, the bond market continues active and generally firm. That there is still an excellent investment demand is evidenced by substantial buying of seasoned issues yielding satisfactory returns, and by the quick absorption of new issues of securities. A noteworthy instance of the latter is this week's prompt subscription to the \$30,000,000 Government of Switzerland 5½ per cent. external loan gold bonds, dated April 1, 1924, and maturing 20 years hence. These bonds were offered by a syndicate headed by J. P. Morgan and Co. at 97½ per cent., and accrued interest, to yield 5.70 per cent.

FRANCE.—THE EXPERTS' REPORT—FRENCH CRITICISM—THE "TRANSFER COMMITTEE."

(FROM OUR CORRESPONDENT.)

PARIS, April 9.

It is as yet too early to be able to gauge accurately how French opinion will mould itself in regard to the plan which the Allied experts recommend for the solution of the reparations problem, as the details of their report became known only this afternoon. Conversation to-day with many people in both official and unofficial circles, however, enables a fairly just conclusion to be arrived at as to what the French attitude is likely to be. In the first place, the utmost satisfaction is felt at the fact that the Dawes Committee has arrived *unanimously* at the opinion that Germany is certainly in a position to pay forthwith a substantial annual instalment of her debt.

Speaking generally, French opinion regards the experts' plan as a thoroughly praiseworthy effort on the part of an assemblage of men of widely differing political views to solve what is very largely a purely economic and financial problem by really practical business methods.

It now rests with the Reparations Commission to communicate the conclusions of the experts to the German and other Governments interested, and then to decide whether, by what means and to what extent the plan proposed shall be applied. According to present arrangements, it is practically certain that no further step in the matter is likely to be taken before Easter, in order to give world opinion time to digest the experts' plan. After the holidays, however, it is regarded as a foregone conclusion that the Reparations Commission will take the question up in earnest, although it is improbable that any definite action can be taken by that body for several weeks to come. What is most likely to happen is that, while the Commission is engaged in threshing out the details of its decision, the whole question will form the subject of earnest conversations between the various interested Governments, and will for the time being be dealt with entirely through diplomatic channels. The outcome of this policy is expected in official quarters here to be the calling together of at least one, and perhaps more, international conferences, which will for all intents and purposes amount to a revival of the meetings of the Allied Supreme Council, either with or without the presence of German representatives, but almost certainly with American delegates "sitting in." It is hoped here, however, that, before any of these pan-Allied gatherings there will be a personal conference, either in London or in Paris, between the British and French Premiers, at which the preliminary bases for a Franco-British security pact will be laid down, and a plan for dealing with inter-Allied debts sketched out, for the details to be filled in later. Once these two problems principally concerned, the way will be clear for the delegates to the Reparations Commission to receive definite instructions from their respective Governments, and to proceed with the discussion of definite proposals for the application of such portions of the experts' plan as may have met with the approval of the Allied Powers interested.

All this will obviously occupy many weeks, and already there are indications that, strong as is French approval of some of the general principles it enunciates, the experts' plan will evoke a good deal of opposition in regard to some of its essential details. It is recognised here that, now that the reports have been handed in, the period of real difficulty has begun. Politically speaking, the plan is acclaimed as acceptable to French requirements, because it does not rule out the principle of the military occupation of the Ruhr and the Rhineland. The fact that the experts have pronounced in favour of France relinquishing her economic grip on that area will meet with no serious opposition here, provided M. Poincaré can be satisfied that the experts' plan will place this country in possession of other equally effective guarantees. Doubts are already being expressed, however, as to whether the plan provides "equally effective guarantees." Theoretically speaking, the guarantees furnished by the mortgaging of the German railways and industrial plant should prove much more practically productive, in view of the vital interest the Germans would have in making them so, than the Ruhr could ever be under present conditions. Practically, nevertheless, the contrary may prove to be the case, by reason of the peculiar character of some of the safeguards which the experts propose should be set up.

A portion of the plan which is regarded here as unsatisfactory is the constitution and functioning of the proposed "Transfer Committee," which would have the duty of receiving and transmitting to Allied countries the money received in Reparation payments. On this committee of six members (including the chairman, to be selected from one of the neutral Powers) France would have only the same voting power, it is complained, as Great Britain, Belgium, Italy, and the United States, despite the fact that she is Germany's largest creditor. It is claimed that, as her debt amounts to 52 per cent. of the total, she

should be proportionately represented on this committee. It was pointed out to me this afternoon by one very highly-placed French official authority that the proposed Transfer Committee will have the right, in the event of exchange rates proving temporarily impracticable, to retain in Germany money that had accrued from Reparation payments, in which case levies on Germany would also be suspended. Such a possibility, my French informant insisted, would obviously offer a great temptation to Germany to do her best to hinder the work of the Transfer Committee, by so acting that the representatives on it of countries not personally interested to the same extent as France would show no anxiety to transfer German money abroad or any special regard for French claims. "The Germans," my informant continued, "will be quick to see the opportunity this Transfer Committee will afford them, and in the circumstances I shall expect to find that the Reich will not seriously oppose the conclusions of the experts, but will endeavour to escape payment by taking advantage of the peculiar mechanism of this Transfer Committee." The criticism is as interesting as it is typical of French mentality in such matters; particularly when it is stated that the same critic condemned the "unfairness" of the Versailles Treaty on similar grounds, namely, that France had been given only one delegate on the Reparations Commission, but totally ignored the fact that by reason of the fact that the President of that body is a French nominee, France can generally rely on having the casting vote of the chairman in favour of herself and Belgium, as against Italy and Great Britain.

A second and less particularist criticism of the experts' plan is that its practicability depends to a very large extent on the readiness of the foreign investor to absorb the proposed German industrial mortgage and railway issues, and to invest in the much-discussed international loan to Germany, the value of all of which securities would depend almost entirely on German good faith in carrying out the Reparation obligations of the Reich. If the German elections, as appears likely to be the case, result in proofs that extreme nationalism is making serious headway, the likelihood of the American and neutral investor absorbing a sufficient proportion of the German Reparation issues to render the experts' plan a success is extremely remote.

ITALY.—MINISTERS ON FINANCE AND BANKING—DEBT INCREASE CHECKED—FOREIGN EXCHANGES—BANKING FIGURES.

(FROM OUR CORRESPONDENT.)

TURIN, February 5.

IMPORTANT speeches were delivered, on the eve of the general elections, by two financial leaders, Signor De Stefani, Finance Minister, and Signor Stringher, Director-General of the Bank of Italy.

The former's speech was marked by the somewhat unexpected declaration that the financial year will close without any new internal debt: so we have improved from 11,864 million lire of new internal debt in 1920-21, to 6,283 in 1921-22, 2,265 in 1922-23, to nothing in 1923-24. This declaration goes a long way towards explaining the firmness of stock markets. While the sum total of internal debts is stationary, its composition is changing. The Treasury issued from July 1, 1923, to February 29, 1924, a sum of 2,704 million lire nine-years and 25-years' bonds, and has repaid 2,309 million lire of short-dated bills from three months to five years, which were falling due.

"No new internal debts" is not technically equivalent to a declaration of a Budget equilibrium, which external debts toward Great Britain and United States may gravely imperil. At the present rate of exchange, and at 5 per cent. interest, the sum annually required for the bare interest service of the external debt would probably reach 5,000 million lire, an unbearable burden for which neither of the two creditor nations will presumably ask. For a complete budgetary equilibrium, from the British point of view, are perhaps wanting also the means for paying sums left over by previous financial years, of which the true value is not completely known.

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The position of public finance is, however, sound. Italy can face the future without uncertainty as to how to make both ends meet. Some important problems remain to be solved; but they can be viewed with equanimity, as we are on a firm basis.

The Finance Minister also indicated that the proportion between "permanent" and "total" tax income is increasing: from 79.68 per cent. in the second half of 1922 to 87.03 per cent. in the first half of 1924. So we are less at the mercy of extraordinary sources of tax revenue. He also showed that the number of new industrial, commercial, and professional taxpayers was 39,813 in 1921, 47,822 in 1922, and 107,909 in 1923. The taxing-net is filling with new fishes, so that the burden is more equally distributed. Sales of war stores, which gave 1,611 million lire in 1920-21, 1,186 million in 1921-22, and 956 million in 1922-23, will yield only 200 million lire in 1923-24. The Budget is now almost free from this extraordinary non-tax revenue. The State railway deficit fell from 1,258 million in 1921-22 to 906 million in 1922-23, and to less than 374 million in the current financial year, and is estimated at 110 million lire for 1924-25, including in the latter figure the deficit of new provinces hitherto excluded. The total number of civil and military State servants has been lowered, between July 1, 1923, and January 1, 1924, from 509,145 to 477,028, and their total salaries and wages from 4,859 to 4,562 million lire, to which will be added, next year, 65 millions saved by new system of pensions to retired servants.

Signor Stringher dwelt more on monetary and banking subjects. The rates of foreign exchanges in 1923 were characterised by more restricted fluctuations:—

Rates on:	1922.	1923.
New York—		
Maximum	18.38	19.35
Average	21.20	21.74
Minimum	25.96	23.83
London—		
Maximum	81.01	90.18
Average	93.83	99.80
Minimum	115.46	108.82

Whether the two leaders are aiming only at stabilisation, or also at revaluation of the lira, is not wholly clear. Perhaps their policy is not definitely settled. They keep revaluation in the background, and say that it will come gradually; but they assert emphatically that stabilisation is the most urgent necessity. How one aim is to coincide with the other is not stated.

Banks of issue were busier than ever in 1923. The yearly averages for the Bank of Italy were as follows:—

(Millions of Lire.)

	Discounts.	Loans and Advances.	Total.
1914.....	580.3	125.9	706.2
1919.....	862.5	868.2	1,730.7
1920.....	2,432.6	2,123.4	4,747.0
1921.....	3,189.3	2,662.4	5,851.7
1922.....	4,440.7	3,043.0	7,483.7
1923.....	4,954.4	2,462.6	7,417.0
December 31, 1923 ..	6,020.4	3,324.2	9,344.6

The figure for December 31, 1923, is swollen by the inclusion of 2,564.6 million lire of credit granted to the Consortium for the salvage of Ansaldo concerns, Banca Italiana di Sconto, and Banco di Roma. This is a blot on a banking position which had been somewhat inflated

since 1919. Industrial concerns and banking societies are rediscounting at the banks of issue in a measure which previously would have been deemed perilous, and for sums much higher than would be warranted by the devaluation of the lira. Signor Stringher seems to feel that the mass of banking paper will come to a good end. From the net profits of the Bank of Italy a sum of 100 million lire was deducted in 1923 to face losses on the said 2,564.6 million lire granted for salvage purposes. An additional sum of 391.8 million lire was deducted to the same end from the extraordinary tax on excess issue, which should have been paid into the reserves against probable losses. The liquidation of the salvage consortium ought to be finished at December 31, 1932. A Royal decree of January 1, 1924, has formally forbidden the consortium to discount other paper. The State will no more come to the aid—through the agency of banks of issue—of falling concerns.

CANADA.—THE BUDGET AND TARIFFS—THE NATIONAL RAILWAYS—THE ST LAWRENCE DEEP WATERWAY—SIR E. WALKER.

(FROM OUR CORRESPONDENT.)

OTTAWA, March 17.

THE Federal Budget is now expected sometime in the week before Parliament adjourns for its Easter recess, and its contents are a subject of general speculation. The fiscal year ends to-day, and as the revenue for the first 11 months reached 363 millions, the expectation is that Mr Fielding's estimate will be realised, while expenditures are a little below the forecast. Apparently the Government have decided upon a policy of keeping the railway estimates in a separate compartment and meeting any railway deficit by loans. The business and financial world is clamouring for a reduction of taxation, but it will only be possible on a very modest scale.

It is, however, the tariff plans of the Government which are the subject of the keenest speculation, and behind the scenes a strenuous battle is being waged for the body and soul of the King Government. The Speech from the Throne raised high the hopes of the low-tariff Liberals and Progressives, but the Protectionist interests have bestirred themselves with their usual vigour, and, in face of the deluge of protests against tariff reduction which have been pouring into Ottawa through various channels from the industrial centres, there is a suspicion that the Government have abated their earlier fervour for tariff reform. Eastern Canada will, even after the redistribution now overdue, possess almost three-fourths of the seats at Ottawa, and with the steady growth of Protectionist sentiment in Quebec as the result of industrial development, a lot of spadework in fiscal education would have been necessary to convince the average voter in the East that his livelihood would not be adversely affected by serious tariff reductions. No such spadework has been done, apart from some spasmodic efforts by the Progressives, who are mainly a Western group and suspect also of sectional selfishness, and Protectionist arguments and propaganda have had almost a clear field. Under such circumstances, Mr King fears to trouble fiscal waters which might overwhelm him. Confirmation of this view is found in a recent statement of the acting Finance Minister to a deputation of anxious industrialists from Hamilton, to the effect that they need have no fear of serious tariff reductions. The surmise now is that the Government will attempt to liquidate their pledges by the abolition of the 6 per cent. sales tax on farm implements and mining and sawmill machinery, and will rely for the placation of the Progressives, who will claim that they have been fooled once more, on a programme of new branch lines for the C.N.R. It is an old maxim of Canadian politics that if you want to placate a restless constituency or its member, build a new railway through it.

Sir H. Thornton is able to show a very creditable record for his first full year of management of the C.N.R.

The gross earnings of the railway for the calendar year 1923 were \$254,926,456, as against operating expenses of \$234,689,892, which leaves an operating surplus of roughly 20 million dollars, as against an operating surplus of \$4,193,549 in 1922 and a deficit of \$11,847,818 in 1921. Thanks to the continuing outward movement of last year's large Western crop, the returns for February and March, which have heretofore always shown deficits, show a profit of \$262,376, and Sir H. Thornton predicts that the surplus for 1924 will reach 30 millions. But since on December 31, 1923, the fixed capital charges of the system were placed at \$2,101,695,487, which is an increase of 75 million dollars during the year, the country is by no means yet out of its railway morass.

The principle of public ownership of hydro-electric power has received almost unexpected vindication from the Gregory Commission, manned chiefly by avowed critics, which was appointed a year ago to investigate the operations of the Hydro-Electric Commission of Ontario. This body has covered the province of Ontario with a network of hydro-electric enterprises whose value is estimated at \$162,152,470, and waste, incompetence, and graft in its management had been charged. The Commission's summarised verdict is that the value to Ontario of the power developments under the Hydro-Electric Commission's management is inestimable. This report has given fresh stimulus to the demand that the water-powers on the St Lawrence should be reserved for development by the State, and the problem has come once more to the forefront by the simultaneous publication at Ottawa and Washington of correspondence concerning the St Lawrence deep waterway scheme. The Coolidge Administration is strongly favourable to the project, and urged the creation of a joint international committee to report upon the project. But the hostility of Montreal and the whole province of Quebec is unabated, and as their influence is very powerful at Ottawa, the King Ministry has been compelled to move cautiously.

Canada is not seriously perturbed by the recent increases in the duties on wheat and flour, which had been sanctioned by President Coolidge with a view to the placation of the Western American farmer. All the harm which could possibly be done to the trade in grain between the two countries had been achieved by the Fordney tariff of May, 1921, which cut the Dominion's export of wheat to the U.S. from 42,324,000 bushels in 1921 to 16,213,000 in 1922-1923. There is, moreover, a certain irreducible minimum of hard Canadian wheat which the American flour mills must have to grind along with the softer grades produced in the south, and this minimum seems to have been reached when the 30 cent duty, now raised to 42 cents, was imposed. Furthermore, American mills still enjoy the privilege of the 99 per cent. drawback allowed on duties on Canadian wheat which they grind for exported flour. Meanwhile, there is a temporary stimulus to southward exports, as the American mills obviously want to import their full quota before the new duty comes into effect. The general view in the Canadian trade is that if the new duties succeed in their avowed object of raising prices in the U.S., Canadian wheat and flour will enjoy an even greater advantage in foreign markets than it possesses to-day through lower costs of production, lower freight rates, and the exchange situation.

On March 27th the Canadian banking world lost its most outstanding figure in Sir Edmund Walker, the President of the Canadian Bank of Commerce, who died suddenly of pneumonia. His banking career began as long ago as 1861, when he was 12 years of age, and from 1868 he had been connected with the great bank whose upbuilding to its present position was his life-work. He became its general manager in 1886 and its president in 1909. In recent years he was recognised, both in Canada and the world outside, as the Dominion's outstanding banker, and he had to his credit a number of books on banking and economic subjects. But, apart from his banking activities, he was a very public-spirited citizen, whose great and versatile ability, backed by untiring energy, enabled him to render a wide variety of services to the community. At his death he was serving as Chancellor of Toronto University, and it was significant of his whole career that he caught his fatal illness while travelling with the Mendelssohn Choir of Toronto, of which he had been honorary president since its foundation.

INDIA.—THE BUDGET DISCUSSIONS—ANNUAL TRADE FIGURES—NEW IMPORT DUTIES.

(FROM OUR CORRESPONDENT.)

CALCUTTA, March 20.

THE debate in the Legislative Assembly, while taking a zigzag line, ultimately attained its intended objective of forcing upon the Viceroy the odious responsibility of certifying Sir Basil Blackett's financial proposals as essential to the economic welfare and good government of India. It has caused some surprise and resentment in non-Swaraj circles that Lord Reading has decided to sacrifice needed revenue by reducing the salt tax to Rs.1.4as, thereby stultifying his own Finance Member, who on February 29th declared categorically that: "If we reduce the salt tax to Rs.1.4as, we are, in truth, proclaiming to the Provinces that neither in 1924-25 nor in 1925-26 can we offer them any certain prospect of relief. We are at the same time postponing indefinitely the date at which we can foresee any reasonable possibility of reducing other onerous taxes or increasing our expenditure on beneficial services. It is a message of despair to all those who are looking to expenditure, whether by the Central Government or by the Provincial Governments, for the amelioration of the conditions of life, and for improved educational and sanitary services throughout India. The choice is clear and unambiguous. We can, if we like, reduce the salt tax to Rs.1.4as, but by so doing we do a definite disservice to the true interests of India's finances." I think this verdict remains sound. Lord Reading, without placating the irreconcilable Swarajists, has re-imposed for another three years the impossible financial handicap upon Provincial Ministers, which more than any other single factor has rendered the Montagu-Chelmsford Constitution so ineffective and political discontent so acute since the Reformed Councils came into existence.

The official review of the trade of India in 1922-23, issued this week, reiterates that the prospects of real improvement in Indian trade depend mainly on recovery in the purchasing power of Europe. The following figures indicate our trade totals in 1922-23 on the basis of declared values in 1913-14, in which year trade, by the way, was distinctly better than the pre-war normal (in crores of rupees):—

	1913-14.	1921-22.	1922-23.
Imports.....	183	124	138
Exports.....	244	182	214
Total trade in merchandise (incl. re-exports) ..	427	306	352

On the import side, cotton piece goods were an important exception to the general downward trend. The quantity imported increased by 500 million yards to 1,600 million yards, and the value by Rs.15 crores to Rs.58 crores. The total amount Indian buyers are prepared to spend upon imported piece goods is, it may be noted, curiously uniform, totalling 58 crores in 1913-14, 43 crores in 1921-22, and 58½ crores in 1922-23. While quantities vary, aggregate values remain within very narrow limits, making a restoration of pre-war yardage totals dependent entirely upon a much closer approximation to pre-war values than Lancashire has yet attempted or perhaps envisaged. After deducting piece goods, the total imports into India fell by 22 per cent., from Rs.223 crores to Rs.174 crores. While wheat imports disappeared and sugar dropped from Rs.27 to Rs.15 crores, the value of imported machinery and mill-work and railway plant and rolling stock decreased, "owing largely to lower prices," from Rs.34 and Rs.19 crores to Rs.23 and Rs.11 crores respectively, the value of iron and steel purchases declining for the same reason. Among exports, raw and manufactured jute realised Rs.63, against Rs.44 crores in 1921-22 and Rs.69 crores in 1920-21. Rice increased by 700,000 tons and Rs.10 crores to 2 million tons and Rs.35 crores, and wheat by 140,000 tons and Rs.2 crores to 220,000 tons, valued at Rs.3½ crores. Raw cotton exports increased in value by Rs.17 crores. Tea yielded an additional Rs.4 crores, despite a marked diminution in quantities. Oilseeds rose by Rs.10 to Rs.27 crores, though in this commodity a full revival of the export trade must await financial reconstruction and a restoration of settled conditions in Europe. It may not be wholly irrelevant to mention here that in 1922 total deposits in Indian banks

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TEA — RUBBER — COCONUTS.

ADVANCES UPON OR PURCHASES MADE OF DEBENTURES AND SHARES OF EASTERN PLANTATION COMPANIES. RECONSTRUCTION ISSUES UNDERWRITTEN. 1-4, GREAT TOWER STREET - LONDON, E.C.3.

reached Rs.210 crores, against 97 crores in 1913, an increase of 115 per cent.

In the same week in which it rejected the Finance Bill the Legislative Assembly decided to meet in May to consider the Tariff Board's recommendation of higher import duties on iron, steel and connected products, and no doubt is entertained that such duties will be endorsed by large majorities; industrial and political prepossessions coalescing to ensure to the Tata enterprise the protection its directors declare so vehemently to be in effect the sole alternative to bankruptcy, and the extinction (*pace* Indian Protectionists) of a vital national industry. It is claimed, in extenuation, that while jute and cotton manufacturers were allowed to make unrestricted war profits, the Tata works were controlled, thereby preventing accumulation of reserves; a handicap accentuated now, it is added, by dumping incited by the fact that (Great Britain apart) India has now the only unprotected steel industry in the world. Lord Chelmsford is quoted as a witness in favour, having declared at Jamshedpur in January, 1919, "I can hardly imagine what we should have done during these years if the Tata Company had not been able to give us steel rails, which have been provided for us, not only for Mesopotamia, but for Egypt, Palestine, and East Africa." As the Government of India and the Legislative Assembly, notwithstanding importers' protests, hold identical views on this issue, it is calculated that the Secretary of State will not be able to veto proposals suggested by the Indian Fiscal Commission as well as, more recently, by the Tariff Board, which held a public inquiry, and received evidence giving full and authoritative expression to all points of view.

Books and Publications.

WAR AND ARMAMENT TAXES OF JAPAN.*

EACH war in which Japan was engaged since the abandonment of the feudal system left the country with a larger debt, heavier taxation, and more costly armaments. Nearly half the Meiji Era (1869 to 1912) was spent, as Dr. Kobayashi tells us, "in a state of war"; nevertheless, "Japan's economic development after each war was remarkable." This volume, which continues the researches noticed in the *Economist* of June 9, 1923, "has to do with the establishment of new, and with the extension of old taxes, as means to meet the expenses of war and military preparations"; but Mr. Kushida, who carried out the investigations required, draws an arbitrary distinction by leaving out the cost of pensions, and the interest and sinking funds of war loans. At the beginning of the Meiji Era 1,605,734 yen covered the cost of the Army and Navy; at the end the expenditure amounted to 214 million yen, and the ratio of military expenses rose from 5.3 per cent. to 36 per cent. of the annual Budget.

Until the war with China in 1894 Japanese wars were more like faction fights, but now there began what Mr. Kushida calls frankly "contests for economic supremacy incidental to the development of national resources." An indemnity from the defeated Empire not only covered the Japanese expenditure, but provided 196 million yen for a ten-year programme of expanding armaments. Early additions to taxation proved disappointing, though the total revenue doubled in the ten years between the Chinese and the Russian wars. As a result of the victory over Russia, new war taxes were imposed, which were supposed to be temporary, but had, in fact, to be continued to meet increased military and naval expenditure, and be-

* By Ushisaburo Kobayashi, D.C.L. Printed for the Carnegie Trustees by the Oxford University Press, American branch, New York. Price \$2 25.

tween 1904 and 1907 the tax revenue again doubled. At the beginning of the Meiji Era, which Mr Kushida divides into four periods, all the war taxes were direct, the second and third periods added indirect taxation only, and the fourth period raised more than two-thirds by indirect taxation.

In Part II. Mr Kushida shows the remarkable rise in foodstuffs between 1901 and 1910, as a result of the war taxes; tables are given to show how production falls with each addition to taxation, and then gradually recovers. A table on page 56 must somehow have got wrong, for it gives the tax on breweries as yielding 1,609 million yen in 1907, whereas the total revenue for that year was only 527 million yen. Sugar replied to taxation by a decline in consumption and a rise in price. Gradually Protection crept in; a 5 per cent. Customs duty was imposed on wheat in 1904, on the ground that the land tax had been raised; next year it was increased to 15 per cent., and a 10 per cent. duty was put on rice. These taxes were almost doubled in 1911, when the Protectionist movement, stimulated by the record harvest of 1909, finally succeeded.

Working men in Japan have to pay heavy Excise duties as well as Customs, and we are told that the Excise duties on textiles raised the price and seriously reduced the output; the "Three Bad Taxes" which Japanese public opinion condemns most emphatically are the Excise on textiles, the travelling tax, and the salt monopoly. A Land Tax was the most ancient source of revenue, though the present form only dates from the Chinese war, but valuations were reduced, so that the yield was lower in 1898 than in 1873; even the increase of 1899 made the yield only 46½ million, as compared with the 45 millions of 1873. An income-tax was imposed in 1887 to supply the needs of the Navy; it was increased after the Chinese war, again in 1904 during the Russian war, and once more in the following year.

Although Mr Kushida's tables and arguments are sometimes difficult for an Englishman to follow, he seems to prove his contention that the taxation of the peasant proprietor is far heavier than that of the well-to-do professional men; later we are told that "the Japanese land owning, trading, and industrial classes shoulder rather a light burden of war taxation." Japanese Finance Ministers have shared the common delusion that direct and indirect taxation ought to be increased *pari-passu*, even when the indirect taxes were raising 64.2 per cent. of the national revenue. There was plenty of opposition to the Excise taxes, and especially to the Three Bad Taxes, but the Government could always carry its financial proposals.

GOLD AND CIVILISATION.*

MR KEMP holds that the development of "the precious metal standard of exchange" fulfils "a great world-purpose" by creating and regularising individual economic freedom, and endowing mankind with the power of peaceful mobility and intercourse. Gold, as a stable medium of exchange, facilitates trade, and so develops honesty. Silver requires to be refined, and so is only used much later; alluvial gold is widely distributed, pure in comparison with other metals, and easily made into rude vessels or ornaments; so it was probably the first article of individual exchange or personal property, and was specially desired for the ornamentation of the prehistoric woman (!) Thus it was readily exchanged, and also hoarded; the exchange was effected by the primitive trader (possibly also a wandering bard), while the search for it developed distinct classes of gold-seekers and (later) of craftsmen, the latter also supplying it to the traders. Thus it became a standard of value—first weighed, and then as coin. Thus Mr Kemp; and then, with the aid of much quotation from Greek and Roman writers, he sketches the history of money from Babylon and the Phoenicians through Greek and Roman history to the destruction of Jerusalem, which he regards as fixing the destiny of the Jews as the great money dealers of the world. His leading ideas are a refreshing contrast to the ancient lamentations that gold was ever discovered, and to the modern attacks on metallic money, and he writes with enthusiasm; but, unfortunately, he disregards

* "Precious Metals as Money." By William Kemp. (Paisley) Alexander Gardner, Limited. 12s 6d net.

everything that has been written about prehistoric society and about the actual history of early coinage. The first six chapters are purely fanciful, and so is much of the rest. And his style is so fluent, and so discursive, that his conclusions are not always easily understood. Such numismatists as Mr Barclay Head and Professor Ridgeway have fully described the transition from bullion to coin, and the early standards of coinage; other scholars (among them, if we remember aright, the late F. A. Paley) have suggested that gold and silver may have been prized originally from a supposed connection with the sun and moon; and prehistoric archaeologists, working on actual remains and analogies from existing savage tribes, have described primitive society very differently from Mr Kemp. One curious misinterpretation must be noticed. The twelve Apostles are directed (Matt. x. 10) to take neither coin "nor scrip" for their journey. The Revised Version substitutes "a wallet." Mr Kemp takes the word to mean "bills of exchange"!

BOOKS RECEIVED.

The Industries of the Clyde Valley during the War. By W. R. Scott, M.A., D.Phil., Litt.D., LL.D., and J. Cunison, M.A. (London) Humphrey Milford. 10s 6d net.

Economics of Fatigue and Unrest. By P. Sargant Florence, Ph.D. (London) George Allen and Unwin, Limited. 16s net.

Digest of Vols. 1 to 10 of Lloyd's List Law Reports. Edited by Charles W. Muir and P. Unwin Davis. (London) Lloyd's, Royal Exchange, E.C. 3.

Burke's Company Tables, 1924. Vol. IV. (London) The Winthorpe Press. 10s net.

Dollar Investment Securities. Published by the National City Co., 34 Bishopsgate, London, E.C. 2.

The Deadlock in Finance. A Simplified Explanation of the Famous Credit Theorem of Major C. H. Douglas. By Major Arthur E. Powell. (London) Cecil Palmer. 5s net.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET,
April 23.

ACCOUNT,
April 24.

Stock Exchange markets have been considerably flurried by the double defeat of the Government on Monday night, by the resignation of General Smuts' ministry, and by the serious turn which has developed in Labour circles owing to the threatened shipbuilding lock-out. The last-named was expected to be averted, but the clash of opinions which have arisen around it show that Labour remains in a condition of ferment, and this has its effect upon shares in the industrial markets. The strength imparted to gilt-edged stocks by the Government's offer to holders of the Five per Cent. War Loan, that they could partially convert into Four and a-half Conversion stock, suffices to maintain most of the prices in the Consol market. Considering the rises which took place just before, there was nothing surprising in a temporary reaction, which might have easily come whether the Labour Government had been defeated or not. The newly-issued scrip stocks hold their levels well, and Home Railway prior-charge issues show rises on balance.

In the foreign market, an outstanding feature is the way in which the bonds of the French railways have improved, gains of two or three points occurring on Monday, to be

partially wiped out on the next day, while resumption of the previous support led to a rally again on Wednesday. French issues are better on the whole. The report of the Reparations Experts has been discussed with a good deal of interest in the House, but it exerted no particular effect upon prices. Siamese and Japanese Sixes are a good market. On the other hand, Mexicans continue to dwindle. It does not seem to be certain even yet whether there will be a cash payment on Mexican bonds next Tuesday, in spite of the rumour to the effect that the money will be disbursed.

Metropolitans are the strongest member of the Home Railway group. Prices gave way sharply, on the spasm of flatness which overspread the House early in the week. There was, however, a fairly general recovery. Great Westerns have been popular. Nitrate rails are better, on the dividend announcement. Argentines have moved within fairly narrow limits, and show no marked changes on the week.

Rubber shares arouse no particular interest. A new scheme is afoot for securing closer co-operation amongst producers. The Oil market has had a particular star of its own in Lobitos; the price enjoyed sensational rise upon talk of a bumper dividend and bonus. Other oil shares are better as a whole, because the statistical position looks more favourable, American production being lower, while consumption continues to expand. Iron and Steel shares are moving irregularly. The new Vickers' Debenture stands at ½ discount. Banking, Insurance, and Trust companies' issues are mostly higher. The Banking shares attract a good deal of investment money. Insurance shares advanced, in consequence of the excellent dividends now being declared, and the scarcity of supply in the Trust list is the main reason for prices being put up in this department. The Cunard report neutralised the disappointment felt with the reduced dividend, and the shares consequently recovered. P. and O. improved, and the Shipping market as a whole keeps very steady. Textiles are uninteresting, and the Tobacco market, while firm, has lost its charm for the speculator. Cable stocks and shares hold their recently acquired strength. In Marconis there is nothing much doing, and the Brewery group is also tame. Electric Lighting shares and Gas stocks wait a little cautiously upon political events.

Kaffirs were badly shaken by the news of General Smuts' resignation. Nobody knows what kind of successors will come into office if the present Premier and his party are defeated at the polls. Upon the consideration, however, that whatever happened in politics the mining situation would not be greatly altered, there was a general rally, and the Cape sent a good many buying orders, more particularly in Randfontein, upon which a 2s dividend is declared. Amongst Diamonds, Consolidated keep flat, because of the disappointment felt at there being no dividend. A few Mexicans and Columbian mining shares are the merest turn better. Tin shares went back, in company with the metal, and Copper issues have been more affected by the financial sentiment in Paris than by the price of copper. In the Land shares, Sudans have reacted after their big advance. Hudson's Bays keep steady. Ashanti Goldfields, amongst West Africans, attracted moderate support.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£ ..	£ 42,109,396 ..	£ ..	£ ..
ISSUES OF THE WEEK—				

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHANGERS 5 DAYS ENDED APRIL 5, 1924.

	£	£	£
April 1, 1924, to April 5, 1924, Dr 100,000 ..	Dr 100,000 ..	Dr 100,000 ..	Dr 100,000 ..

To the Public—
Queensland Government 5½ % Inscribed Stock, red. at par, 1926-1929, issued at 99½ % .. This is an issue of £12,703,734, to provide for the redemption of 3½ % Stock and 4 % Stock on July 1, 1924.

Egham and Staines Electricity, 35,000 7½ % Cum. Pref., £1, at par (April 8) ..	35,000 ..	35,000 ..	3,500 ..	31,500 ..
Uganda Co., 50,000 Participating Pref., £1, at par ..	50,000 ..	50,000 ..	5,000 ..	45,000 ..
Total offered to the public ..	85,000 ..	85,000 ..	8,500 ..	76,500 ..

To Shareholders only— Bingo Gold Mines, 80,000 10% Cum. Prefd. Shares, £1, at par ..	80,000 ..	80,000 ..	10,000 ..	70,000 ..
Cadema Cafes, 76,440 Ord. £1 Shares, at £2 per share ..	26,440 ..	52,880 ..	52,880 ..	..
Do 12,100 Pref., £1 Shares, at 2½ per share ..	12,100 ..	13,310 ..	13,310 ..	..
Do 1,370 Employees Shares, at £2 per share ..	1,370 ..	3,940 ..	3,940 ..	..
Dominion Tar and Chemical, 50,000 Ord. Shares, £1, at par ..	50,000 ..	50,000 ..	25,000 ..	25,000 ..
Total to shareholders only ..	170,310 ..	200,130 ..	105,130 ..	95,000 ..

Total offered for subscription to date in—	£	£	£
1924 ..	42,204,596	1923 ..	271,393,173
1923 ..	86,375,812	1922 ..	573,675,650
1922 ..	348,615,381	1921 ..	388,978,203
1921 ..	67,388,095	1920 ..	367,549,556
1920 ..	152,912,475	1919 ..	1,036,659,951
1919 ..	310,101,848	1918 ..	1,393,381,441

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

Queensland Government 5½ per Cent. Inscribed Stock, 1926-1929.

—This is an issue at 99½ per cent. to the nominal amount of £12,703,734, to provide for the redemption of £4,704,734 3½ per cent. stock and £7,939,000 4 per cent. stock, due July 1st next. Holders of these maturing stocks may surrender their existing holdings, in whole or in part, to be exchanged for a like amount of the new stock. Those who convert will receive on July 1, 1924, a cash payment of 10s per £100 stock (being the difference between the issue price of the new loan and the redemption value of the stock surrendered), and a full half-year's dividend in respect of the 3½ per cent. or 4 per cent. stock converted. The new stock is redeemable at par on July 1, 1929, or, at the option of the Queensland Government, in whole or in part, at any time on or after July 1, 1926, on three months' notice. Queensland Government debentures and inscribed stock issued and payable in London and interest, the property of persons not domiciled in Queensland, are not subject to Queensland taxation. It will be interesting to learn the reception of this loan by the British public in view of the fresh undertakings given by the Queensland Government over pastoral leases.

Pan Ore Company, Limited.—Authorised capital £200,000, divided into shares of 10s each, of which 160,940 are issued and fully-paid, and 40,000 3s 6d paid. Last October the concern acquired from the New Callao Gold Mining Company for £80,000 two gold-mining concessions in Venezuela, with machinery and plant. There is, further, an option until October, 1928, to purchase for £75,000 two other concessions. The Pan Ore Company will also have the right until October, 1928, to the full use of a treatment plant and railway line belonging to the New Callao Company, subject to a royalty of one bolivar per ton of ore transported and crushed. These and other details are taken from a statement made in the Press to comply with London Stock Exchange regulations.

The Egham and Staines Electricity Company, Limited.—Authorised share capital £200,000, divided into 100,000 7½ per cent. cumulative preference and 100,000 ordinary shares, all of £1. Of these 40,000 preference and 40,000 ordinary shares have been issued. This is an issue at par of 35,000 7½ per cent. cumulative preference shares. The company is supplying electric light and power to an extensive district (in the counties of Surrey, Middlesex, and Buckingham). It has also been authorised to supply electric light and power to Feltham and Sunbury-on-Thames, and the necessary work will shortly be completed. Further extensions are also contemplated. It is stated that an agreement has been entered into under which the Metropolitan Electric Supply Company will supply electric energy in bulk to the Egham and Staines Company on favourable terms. The latter company has agreed to supply electrical energy in bulk to the Ascot District Gas and Electricity Company. The Government, under the Trade Facilities Act, arranged a loan under their guarantee of £50,000 to meet the cost of extensions in 1923, and, following the satisfactory completion of such extensions, they are now arranging to grant a further loan of £30,000 towards the cost of the further extensions. The prospectus shows that the gross profits have steadily increased from £4,309 in 1920 to £10,367 in 1923. Dividends of 7½ per cent. have been paid on both the preference and ordinary shares of the company for the past four years. An improving public utility concern.

The Uganda Company, Limited.—Authorised share capital £150,000. Of this, 100,000 ordinary shares of £1 each have been issued and 50,000 participating preference shares of £1 each are now offered, presumably at par. The holders of these participating preference shares are entitled out of the available profits of each year (1) to a non-cumulative preference dividend of 7 per cent. per annum; (2) to receive a further 5 per cent. per annum, payable out of one-third of the remaining profits available for dividend after the holders of ordinary shares have received 7 per cent. per annum. (3) They are also entitled, in the event of a winding-up, to priority of repayment of these shares, but not to further participation in the surplus assets. There are outstanding 6 per cent. mortgage debentures for £21,925, being part of an issue of £25,000. The company was formed in 1903, and is interested in cotton, coffee, rubber, &c., in Uganda. Profits are given from 1917, with the exception of the year 1921, when a loss of £11,500 was sustained. After deducting liabilities, including the mortgage debentures of £21,925 from assets, a surplus of £131,530 is shown, as against the £100,000 issued capital. No mention is made of a Stock Exchange quotation. Nor can we find the company mentioned in the Stock Exchange Official List. Unless a quotation is to be obtained, shareholders may experience considerable difficulty in selling their holdings should the need arise.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week	Price Latest Week	Rise or Fall		Price Last Week	Price Latest Week	Rise or Fall
War 3½, 1925-28..	96½	96½	..	Aust. 6½ 1931-41.....	105	105	..
Loans 4½, 1925-45..	99	99	..	Canada 4½ 1920-25..	101½	102½	+ 1
5½, 1929-47..	102½	102½	..	India 3½ Stock.....	65½	65½	..
6½, 1929-47..	101	101	..	Do 7½ 1926-31.....	111	111	..
Funding Loan 4½.....	88½	88½	..	Do 5½ 1932.....	101½	101½	..
Victory Bonds 4½.....	82½	83½	..	Do 4½.....	88½	88½	..
Conversion Loan 3½.....	77½	77½	..	N.S.W. 5½ 1922-32.....	101	101	..
Consols 2½.....	57½	57½	..	Nigeria 6½ 1949-79.....	112	113	+ 1
Irish Land Stock 2½.....	59	60½	+ 1½	U. of S.A. 6½ 1930-40.....	104	104	..
Local Loans 3½.....	66½	66½	..	Victoria 5½ 1924-34.....	100	100	..
				W. Aust. 6½ 1930-40.....	105	105	..

British Railways.

	Price Last Week	Price Latest Week	Rise or Fall		Price Last Week	Price Latest Week	Rise or Fall
Great Western, Ord.....	110½	110½	..	Southern, Ord. "A".....	38½	38	-
London & North-Eastern	84½	84½	..	Do Ord.....	10½	10½	..
5% Prof. Ord.....	30½	30½	..	Do Prof. Ord.....	8½	8½	..
Do Def. Ord.....	30½	30½	..	Do Def. Ord.....	41	40½	-
London, Mid., and	101½	101½	..	Underground Electric	2½	2½	..
Scottish, Ord.....	101½	101½	..	Do "A" (1).....	97½	97½	..
Metropolitan.....	77	78½	+ 1½	Do "A" (100).....	97½	96½	-
Metropolitan District.....	52½	52	-				

Banks.

	Price Last Week	Price Latest Week	Rise or Fall		Price Last Week	Price Latest Week	Rise or Fall
Barclays B. (£1, f.p.d.)	2½	2½	..	Nat. Bank of S. Africa	6½	6½	..
Chartered Bk of India	19	19	..	National Provincial	10½	10½	..
Lloyds (£5 with £1	2½	2½	..	(£20, with £4 paid)	10½	10½	..
paid)	2½	2½	..	Standard of S. Africa	10½	10½	..
Midland (£12, with	88	88	..	(£20, with £5 paid)	10½	10½	..
£24 paid)	88	88	..	Westminster Bank	17½	17½	..
Nat. Bank of Egypt	2½	2½	..	(£20, with £5 paid)	17½	17½	..
(£10)	2½	2½	..				

American Railroads.

	Price Last Week	Price Latest Week	Rise or Fall		Price Last Week	Price Latest Week	Rise or Fall
Chesapeake & Ohio.....	87	83	- 4	Southern.....	63½	63	-
Erie.....	30½	28	- 2½	Do Non-conv. Pref.	84½	84	-
Do 4½ 1st Pref.....	40	38	- 2				

Foreign Government Securities.

	Price Last Week	Price Latest Week	Rise or Fall		Price Last Week	Price Latest Week	Rise or Fall
Argentine 5½, 1886-7.....	92	100	+ 8	Japanese 4½ 1910.....	66	66	..
Austrian 6 % Guar. 80	90	91½	+ 1½	Do 6½ 1924, £50 pd.	54	54½	+ ½
Belgian 3½, 1905-10.....	70	70	..	Mexican Cons. 1893.....	57	56	-
Brasil 5½ Fund., 1914 75	74	74	..	Peruvian Corp. Pref.....	28	28	..
Chilian 4½, 1896.....	83½	84	+ ½	P.L.M. 6½.....	84½	86	+ 1½
Do 7½.....	106	106½	+ ½	Portuguese (New).....	28	28	..
Chinese 5½, 1912.....	67½	67	-	Russian 5½, 1906.....	11	11	..
Egyptian 4½.....	74	74	..	Spanish 4½.....	65½	65½	..
French 5½.....	24½	24½	..	Seine (Dept.) 7½.....	97½	98	+ ½
Do 4½.....	20	20½	+ ½	Siamese 7½.....	105½	106½	+ 1
Greek 4½, 1894.....	48½	48½	..				

Colonial and Foreign Railways.

	Price Last Week	Price Latest Week	Rise or Fall		Price Last Week	Price Latest Week	Rise or Fall
Antofagasta Cons.....	86	85½	- ½	Leopoldina.....	26½	26½	..
B.A. and Pacific.....	80½	79½	-	Mexican Railway.....	84	84	..
B.A. & Southern.....	85	85	..	Do 1st Pref.....	85	85	..
Buenos Aires West.....	75½	74½	-	Do 2nd Pref.....	14	14	..
Canadian Pacific.....	169	168	-	San Paulo.....	153½	153½	..
Central Argentine.....	74½	73½	-	United Havana.....	87	87	..

Telegraphs.

	Price Last Week	Price Latest Week	Rise or Fall		Price Last Week	Price Latest Week	Rise or Fall
Anglo-American "A".....	22½	22½	..	Marconi Canada.....	1½	1½	..
Marconi Wireless.....	1½	1½	..	Marconi Marine.....	1½	1½	..

Miscellaneous.

	Price Last Week	Price Latest Week	Rise or Fall		Price Last Week	Price Latest Week	Rise or Fall
Aerated Bread (1).....	1½	1½	..	Hudson's Bay (1).....	6	5½	-
Amal. Cotton (1).....	1½	1½	..	Imperial Tobacco (1).....	1½	1½	..
Anglo Persian Oil (1).....	2½	2½	..	Linggi Plantins (1).....	1½	1½	..
Armstrong (Sir W.G.).....	1½	1½	..	Lipton (1).....	1½	1½	..
and Co. (1).....	1½	1½	..	Liver Brs' & Co. (1).....	1½	1½	..
Ass. Phos. Cement (1).....	1½	1½	..	Do 8½ Cm A Pr (1).....	1½	1½	..
Barker, John (1).....	1½	1½	..	Do 8½ Cm P Ord (1).....	1½	1½	..
B'ham Small Arms (1).....	1½	1½	..	Lister (1).....	1½	1½	..
Brasil Traction (100).....	58	57½	- ½	Loebitz Oilfields (1).....	1½	1½	..
British-American				Lyons (J.) & Co. (1).....	4½	4½	..
Tobacco (1).....	5½	5½	..	Mexican Eagle (10).....	3½	3½	..
Burnham Oil (1).....	1½	1½	..	Pekin (1).....	1½	1½	..
Castle (G. and P.) (1).....	3½	3½	..	Rubber Plantations	16	16	..
Courtauld (1).....	3	2½	- ½	Investment (1).....	1½	1½	..
Cumard (1).....	1½	1½	..	Shell Transport (1).....	4½	4½	..
Dorman, Long (1).....	1½	1½	..	Smithfield & Argentine	4½	4½	..
Dunlop Rubber (1).....	1½	1½	..	Meat (1).....	1½	1½	..
Fine Cotton Spinners				United Dairy (1).....	1½	1½	..
(1).....	2½	2½	..	United Serdang (2).....	3½	3½	..
Forestal Land (1).....	1½	1½	..	United Tobaco (1).....	3½	3½	..
Furness, Withy (1).....	1½	1½	..	Vallambrosa (2).....	3½	3½	..
Highlands and Low				Vickers (1).....	1½	1½	..
lands Rubber (1).....	1½	1½	..	Wayney Def. Stk.	186½	186½	..

Mines.

	Price Last Week	Price Latest Week	Rise or Fall		Price Last Week	Price Latest Week	Rise or Fall
Brakpan (1).....	3½	3½	..	Knights.....	1½	1½	..
Broken Hill Prop. (1).....	1½	1½	..	Modderfontein (10).....	1½	1½	..
Chartereds (1).....	1½	1½	..	Modderfont. "B" (5).....	1½	1½	..
Cons. Gold Fields (1).....	1½	1½	..	Modderfont. Deep (5).....	1½	1½	..
Crown Mines (10).....	3½	3½	..	Premier Def. (2/6).....	5	5	..
De Beers Def. (12½).....	12½	12½	..	Rand Mines (5).....	3	3	..
East Rand Prop. (1).....	1½	1½	..	Selkwa.....	3½	3½	..
Goldfield (1).....	3½	3½	..	Rio Tinto (25).....	3½	3½	..
Gov. Gold Areas (1).....	6½	6½	..	Spring Mines (1).....	2½	2½	..

OIL OUTPUTS.

KERN RIVER OILFIELDS OF CALIFORNIA, LIMITED.—Total production during March amounted to 101,052 barrels, or approximately 14,46 tons, including St Helen's Petroleum Company, Limited, 40,341 barrels (5,703 tons approx.); Kern Trinidad Oilfields, Limited, 9,209 barrels (1,328 tons approx.); Kern Romana, Limited, 2,919 barrels (417 tons approx.).

UNITED BRITISH OILFIELDS OF TRINIDAD.—Combined production for the week ending April 2, 1924, amounted to 948 tons.

GENERAL PETROLEUM COMPANY OF TRINIDAD, LIMITED.—The estimated gross production of crude oil for the month of March was 28,205 barrels, equal to approximately 4,030 tons, and the oil delivered to United British Refineries, Limited, amounted to about 5,336 tons.

BRITISH BURMAH PETROLEUM CO.—Production of crude oil by this company and the Rangoon Oil Co. for the month of March amounted to 59,244 barrels.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Apl. 4, 1924.	Miles Open.	Week ended Apl. 6, 1924.			Aggregate 14 Weeks, 1924.		
		Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Re- ceipts.
(c) Week ended Apl. 5, 1924.							
Great Western.....	3,754	218,000	372,000	590,000	2,761,000	4,754,000	7,515,000
Do for 1923.....		3,679	281,000	289,000	570,000	3,137,000	3,829,000
London & North-Eastern	6,703	358,000	749,000	1,107,000	5,136,000	9,705,000	14,841,000
Do same period 1923		6,701	428,000	631,000	1,059,000	5,136,000	10,582,000
London, Mid., & Scottish	6,941	525,000	960,000	1,485,000	6,748,000	12,442,000	19,190,000
Do for 1923.....		6,940	616,000	764,000	1,380,000	7,586,000	13,231,000
Southern.....	2,146	294,200	126,000	420,200	5,538,600	1,567,000	5,105,600
Do for 1923.....		2,146	345,300	96,500	442,400	3,892,100	1,695,600
Metropolitan (c).....	79½	35,436	3,948	39,384	456,123	53,136	529,259
Do for 1923.....		33,099	3,956	37,051	443,205	54,886	498,091
Underground E.R. (c).....				184,822			2,888,593
Do for 1923.....				243,949			2,966,214
London & Sub. Group (c).....				25,462			451,135
Do for 1923.....				46,012			533,453
Belfast & Co. Down (b).....	80	3,943	1,474	5,417	50,699	17,647	68,346
Dublin and S.-East (b).....	160	7,010	3,533	10,543	72,181	51,789	123,970
N. of Northern (Ireland) (b).....	562	18,800	23,050	41,850	229,050	291,150	520,200
Gt. Sth. & Western (b).....	1,151	19,881	35,878	55,759	284,302	452,854	737,156
Midland Gt. West. (b).....	538	7,672	17,734	25,406	112,483	191,357	303,840

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -
INDIAN.							
Assam Bengal.....	49 weeks	Mar. 8	1,072	3,055,000	+ 23,410	1,311,770,081	+ 8,666,881
Barat L. Ry.....	50 weeks	15	2,062	15,000	+ 2,600	17,12,600	+ 28,100
Bombay, Bar., & C.I.	49 weeks	8	2,738	16,70,000	+ 56,985	1,45,43,413	+ 66,044
Burma.....	52 weeks	31	117,611	22,000	+ 13,000	7,15,66,282	+ 6,75,713
Delhi, Umbal., & Kalika	49 weeks	8	1,342	8,21,198	+ 10,309	3,44,21,597	+ 6,10,842
East Indian.....	5 days	Apl. 5	2,873	1,02,000	+ 15,336	25,80,758	+ 44,776
G. Indian Peninsula	52 weeks	Mar. 31	3,164	26,31,000	+ 1,710,000	26,31,000	+ 1,710,000
Madras & S. Mahr.	50 weeks	15	3,029	16,50,000	+ 8,54,300	1,48,99,978	+ 21,90,058
Rohilkh. & Kumaon	23 weeks	8	259	63,410	+ 4,394	12,55,483	+ 94,050
Do Lucknow-Benally	43 weeks	8	514	88,860	+ 5,655	16,07,913	+ 23,772
South Indian.....	50 weeks	15	1,877	9,82,335	+ 1,06,235	4,81,16,715	+ 17,38,230

† Two days.

ARGENTINE (a).

					\$	\$	\$	\$
Argentine N.E.	40weeks	Apl. 5	52	14,000	+ 200	468,700	+ 50,600	
Argentine Trans.	40weeks	5	4,118	412	154,128	+ 21,638		
B.A. and Pacific	40weeks	5	3,324	235,000	+ 22,000	6,678,000	+ 152,000	
B. A. G. Southern ..	40weeks	5	3,948	232,000	+ 28,000	8,115,000	+ 713,000	
B. A. Western	40weeks	5	1,882	102,000	+ 12,000	3,332,000	+ 466,000	
Central Argentine ..	40weeks	5	3,305	52,000	+ 15,000	5,332,000	+ 64,000	
Cordoba Central ..	40weeks	5	5,205	212,000	+ 7,000	8,627,000	+ 44,000	
Entre Rios	40weeks	5	1,205	57,000	+ 4,900	2,370,800	+ 58,500	
				25,500	+ 5,000	913,400	+ 108,400	

CANADIAN.

Canadian National...	13 weeks	Mar. 31	22,680	6,411,583	+	61,130	56,782,628	+	2,790,664
Canadian Pacific....	14 weeks	Apr. 7	13,657	3,083,000		28,000	44,670,000		3,006,000

BRIGANDAGE AND PIRACY.

In the neighbouring province brigandage and piracy are still rife, and, apart from the important silk industry, trade is very greatly hampered.

There have been many cases of successful piratical attacks in neighbouring waters on vessels flying the British flag. The efforts of our Navy and of the local police seem powerless to put a stop to them without the co-operation of the Chinese authorities on the mainland, which, so far, has not been forthcoming in any efficient form. It is very humiliating to have to undergo this flouting of the British flag. I am sure our Government must agree with me, and will use its utmost endeavours to devise means of dealing properly with a situation which is becoming intolerable.

In North China general export trade, handicapped by restricted markets abroad, political unrest at home, spasmodic and uncertain supplies, cannot be said to have been satisfactory. On the import side a considerable improvement is reported in piece goods and sundries, but there has been little doing in the engineering section.

CHINESE COTTON MILLS.

The year 1923 has been the worst experienced by cotton mills in China for years, and, with many Chinese mills short of working capital, and faced by severe losses, due to yarn values ruling far below manufacturing costs, it is not surprising that a number of such mills have either closed down altogether or are working short time. At the present level of cotton prices the outlook for 1924 is not at all favourable; we can but hope that a greatly increased demand for both yarn and cloth will restore the market values of these commodities to a reasonably profitable level.

The figures of China's trade for 1923 are not yet available, but it is fairly evident that there must have been a falling off of the totals of exports and imports.

JAPAN'S TRADE.

Owing to the disorganisation and loss caused by the earthquake, figures for the trade of Japan are not available to the same extent as usual, but sufficient is known to form a fairly accurate estimate of the course of trade in 1923, which was chiefly notable for the record-breaking adverse balances and the consequent drain on the country's accumulated wealth. The chief contributing factor to this state of affairs was, of course, the earthquake in September. The total adverse balance of trade for the year amounted to Yen 536,948,000, representing a heavy decrease of Yen 190,445,000, or 13 per cent., in exports and an increase of Yen 94,142,000, or 5 per cent., in imports, raising the unfavourable balance by Yen 284,587,000 as compared with the year 1922.

The main cause for the decline in the export trade is found in raw silk and for the increase of imports by the continued expansion in the principal lines of raw material, a condition which can only be rectified by a revival in the overseas markets—particularly China—accompanied by a real effort in Japan to get down production costs, beginning with raw silk.

After the disaster in September a rush was made for commodities needed in the restoration work, almost all of which are expected to arrive within the ex-duty period on March 31st next. The result was that Japan's exports, visible and invisible, and its available resources abroad were unequal to the strain, causing a serious depreciation in the value of the currency and consequent hardship to many industries dependent on foreign countries for their raw materials.

JAPANESE LOANS.

It was inevitable that the Imperial Japanese Government, while utilising its own internal reserves to the greatest extent, should have had to resort to borrowing abroad for rehabilitation purposes. She has an excellent basis for credit in the resources of the country and in the record she has established for a scrupulous observance of all her obligations. In July last we assisted in floating a loan for £4 millions in London for that great enterprise, the South Manchurian Railway, which, needless to say, was fully taken up. Last week we similarly assisted in the flotation of a loan for £25 million for the Government, which received a very flattering reception, the subscription lists remaining open for only a few hours.

That Japan has received a staggering blow is undeniable; there are very few countries to which such a stupendous catastrophe like the earthquake would not have meant a staggering blow. There may be difficult years ahead, but that Japan will get on her feet and meet the new situation in a spirit of courage, backed by the combined efforts of her people and a sound financial policy, is the hope and belief of her friends.

TRIBUTE TO YOKOHAMA STAFF.

I would like to mention here the appreciation of the directors of the gallant and efficient way our Yokohama staff coped with the appalling state of affairs during and after the great earthquake. The British Navy also rendered us invaluable assistance

in salvage work, and I wish to record our thanks to Admiral Leveson and his officers and men for their untiring efforts which saved a critical situation.

Although matters have not been altogether straightened out, we think our losses will be surprisingly small when the magnitude of the disaster is considered, but in any case a very liberal provision has been made for them.

The management at Yokohama is to be congratulated on having the affairs of the bank there in such a sound position.

STRAITS SETTLEMENTS.

Turning to the Straits Settlements, last year I stated that conditions, although still leaving much to be desired, were certainly brighter than they were a year ago, and the same remark applies this year. The prosperity of the two great ducts, rubber and tin—especially the former—may be considered the trade barometer of Malaya, and during 1923 both commodities have commanded considerably higher prices than during 1922; there has also been a slight improvement in the prices obtained for the next largest export, namely copra.

Rubber restriction has been in force during the whole of last year, and, although errors have been made, it has on the whole worked smoothly, and has undoubtedly served to keep prices on a more steady and profitable level. It can, however, never be an unqualified success without the co-operation of the Dutch Indies.

The tin industry has been prosperous, and prices have shown a steady and marked improvement during the year. Stocks held by the Federated Malay States Government, the Netherlands Indian Government, and the other signatories to the Bandoeng Agreement, have been largely liquidated, and the outlook seems to point to reduced stocks and an increased demand.

As regards imports, the demand during 1923 was better, but the lack of confidence in the local dealers prevented importers from increasing their commitments.

THE PHILIPPINES.

In the Philippines, trade has been prosperous owing to the high prices still obtainable for their principal exports—sugar and hemp. Should their political status remain as it is and their favoured position as regards the U.S. tariff be maintained, a few more years should see a complete rehabilitation of the finance of the Islands.

This favoured position is the mainstay of the export trade of the islands, and, should it be withdrawn for any reason, the outlook for merchants and agriculturists would be extremely disquieting.

CONDITIONS IN CHINA.

The record of events in China during the year 1923, continues to be one of anarchy and political intrigue, in which one searches in vain for any sign of a dawn of better things. On the contrary, the condition of the country politically, financially and economically, has grown appreciably worse. With the exception of the two provinces of Shansi and Chekiang, brigandage has become firmly established throughout the country, and the Lincheng outrage of May last has been followed by a series of similar outrages, at frequent intervals, in which the persons and property of foreigners, so far from receiving the protection to which they are entitled, are made the main object of the raids, while herds of defenceless peasantry are driven off to untold cruelties in the brigand strongholds until released by ransom or by death. At all this the Tu-chuns ruling over these infested Provinces, and with more than ample military forces at their command, look on with indifference. Their one concern and preoccupation is to obtain funds with which to carry on the struggle for military supremacy.

SPOILATION OF THE RAILWAYS.

Railways are robbed of all their accessible revenues and, owing to lack of funds for maintenance, and wanton destruction by troops, have, in several cases, deteriorated to an extent which renders traffic dangerous at anything but the lowest speed. This gradual destruction of the country's greatest potential asset, created by foreign capital, is a symptom of the general process of disintegration that is going on. While the spoliation of the railways happens to be particularly conspicuous by its results, it is but a part of the wholesale appropriation by rival military leaders of national revenues such as salt and wine and tobacco, which should go to support the administration of the Central Government. The latter has, in fact, become little more than an expression, and the groups of officials who function in Peking under the name of the Chinese Government, maintain that position mainly by virtue of the recognition of the Foreign Powers, while their sole monetary resource is the precarious residue of salt revenue after the demands of the militarists and clamorous creditors have been satisfied. Amid such conditions of political chaos, and absence of real central authority, the discussion of schemes for debt con-

solidation, industrial development, and the like can have no concrete results.

STABLE CENTRAL GOVERNMENT ESSENTIAL.

The first essential for giving effect to such schemes, namely, adequate security under the control of the Central Government, is wanting, and must continue to be wanting until there is a stable Central Government, able to assert its authority over the Provinces. Such a stable Government cannot be created or maintained until there has been disbandment of independent military forces and complete readjustment of national and provincial finances. The policy of the Powers towards China has ceased to have any relation to the facts. The scope of the Tariff Conference, whenever it meets, cannot now be limited to the mere consideration of a 2½ per cent. Customs surtax, which is of minor importance, beside the vast and complex problem now calling for solution, and it would be a useless tax on trade unless accompanied by measures for fiscal and administrative reform. The financial problem, which is the direct outcome of the prevailing military tyranny, and which in the minds of foreign creditors overshadows everything else, cannot be effectively dealt with except in conjunction with other reforms, and a Customs surtax of 2½ per cent. is now utterly inadequate for that purpose.

2½ PER CENT. CUSTOMS SURTAX INADEQUATE.

Indeed, it is difficult to see how anything short of the full 7½ per cent. surtax proposed by the Mackay Treaty will meet the case, accompanied by provisions for a just apportionment of revenue to the provinces in return for the abolition of all internal taxation on trade, and the relinquishment to the Central Government of what may be properly classed as national revenues. The price to be paid may seem at first sight large, but it is insignificant compared to the gain to foreign trade resulting from a restoration to peaceful conditions and good Government throughout the country, which must be the indispensable guarantee demanded.

MARITIME CUSTOMS.

Amidst the prevailing internal dissension and civil strife, the Maritime Customs still stands out as the symbol of honest and efficient administration, the bulwark of foreign trade relations with China, and her hope of financial salvation in the future as it has been the foundation of her credit in the past. Any measure which, by recognising the claims of seceding Provinces to a division of the Customs revenue after international obligations secured upon it have been satisfied, would be a retrograde step in the direction of further disunion. So long as the Peking Government continues to be recognised by the Treaty Powers as the "de facto" Government of the country, it must be held entitled to receive the whole Customs revenue. But if its claim to do so is to be challenged by provincial secessionists, and pressed by them to the point of endangering the present administration of the Customs service, as defined by international agreements and the prescriptive sanction of sixty years, then the remedy would appear to lie in withholding the Customs surplus from all contestants, to accumulate in reserve until they have composed their differences, and military operations throughout the country have ceased. Such a step would, I believe, have the approval of all who sincerely desire to see an end to the civil strife now disrupting and ruining a great country which, with no external enemies, and almost limitless potential resources, should be one of the most prosperous in the world.

LONDON MONEY MARKET.

The London money market ruled easy throughout the year, the only change in the Bank of England rate being an advance from 3 per cent. to 4 per cent. early in July, the exact reason for which is obscure, as it did not appear justified by monetary conditions at the time and meant dearer finance for the Government in the weekly renewal of Treasury bills.

The general level of discounts was now about ½ per cent. below the Bank rate, showing that there were ample and cheap facilities available for the finance of trade.

Sterling exchange in America, which is now a factor of far-reaching importance, remained steady during the first half of the year in the neighbourhood of 4.65, but weakened in the autumn owing to the seasonal demand for gold dollars to meet payment of exports from America to Great Britain and Europe. Towards the latter part of the year the weakness in this exchange was accentuated by the uncertain political situation in England and also to some extent owing to the unjustified fear that there might be inflation of the British currency. Although inflation was discussed in some quarters, the authoritative statements that no such policy was contemplated should remove any such fear. The effect on a country's exchange of unbalanced Budgets and unlimited note issues, or, which is practically the same, unlimited Government borrowings, is too apparent and disastrous to tempt British statesmen to follow such a course.

The decline in European productive and consumptive power continued its depressing effect upon British trade, and this has militated against any marked improved demand in Far Eastern and Indian exports, though the actual percentage of British exports to and imports from these places keeps about the same as they were in 1913, an increased monetary value corresponding to the general rise in prices.

RUSSIA'S TRADE.

It is satisfactory to notice amid the maze of contradictory reports that Russia is gradually trading more freely with foreign countries, Great Britain included, and it is to be hoped that the distinct recovery noticed in her exports and imports will continue. If only Europe can put its house in order, and as a result of settled conditions take more Indian and Far Eastern exports, an improved demand for British exports must necessarily follow.

EASTERN BANKS AND TRADING FACILITIES.

It cannot be too widely known to shippers at home that Eastern banks are always ready to extend facilities to traders abroad when markets show any stability. British Government trade credits cannot, we think, have been availed of to any great extent in connection with Far Eastern trade, and it is useless for the Government to advertise as they have done an extension of these credits. Salvation does not lie that way. The Eastern banks have abundant resources available to finance every sound proposal presented to them. Shippers can rely with confidence on these banks, who are in close touch with their customers abroad, to extend credit facilities, while giving every encouragement to open up business on sound lines without hidebound restrictions, which only serve to cripple it.

MR WALTER LEAF ON TRADE OUTLOOK.

It is reported that the speeches of the chairmen of the great London banks are optimistic in tone, but none of them have reached us yet, except a condensed excerpt from that of Mr Walter Leaf, the chairman of the Westminster Bank, whose pronouncements on all matters concerning business and finance command respectful attention throughout the world. We know that £130 millions of foreign and colonial loans were issued in London during 1923, and that London proved to be the best market for the foreign borrower. Mr Leaf's opinion is that these borrowings form the best foundation for an expectation of the expansion of British export trade, but while the outlook is good, any real advance would be conditional upon the absence of serious labour disputes, which constitute the darkest spot on the horizon. It was vain, however, to talk of prosperity while the shadow that veiled war hung over Central Europe. Those are the views of one of the wisest men in the financial world, and we may well subscribe to them.

I think, however, that, like the chairmen of the London banks, I can legitimately conclude with an optimistic note.

Amid all the political and financial disturbances in China and throughout the world the bank stands powerful and flourishing. No disorganisation of exchanges or dislocation of business seem to seriously affect its prosperous career, and I am confident that, as it has greatly grown in strength since the world went to pieces in 1914, it will continue to be equal to any fortune that the future may have in store for it.

TRIBUTE TO STAFF.

Before sitting down I would like to pay my tribute to the staff. In a banking business such as ours, with branches in London, New York, &c., whose transactions are all directed and controlled from one central office in Hongkong, great responsibility rests on the man at the head of your affairs, the Hon. Mr A. G. Stephen, and the accounts we have been able to place before you to-day must be a source of great satisfaction to him. During the last few years many of the senior members of the staff have gone into retirement, and their places have been taken by younger men, and we have found that the spirit of zeal and loyalty to the service has never been more in evidence than it is to-day. I am sure shareholders will agree that the bonus to staff of 10 per cent. on their salaries, which the directors propose to pay, is well merited.

Mr R. M. Dyer said: Mr Chairman and Gentlemen,—It is a great pleasure to second the proposal that the report and accounts of the bank for the year 1923 be adopted. As the chairman has said, the accounts call for little comment. They show a wonderful vitality considering the bad times we are passing through, and they indicate the solid foundations on which the bank has grown and prospered during the last 60 years.

The communities of the Far East may consider themselves fortunate in possessing a powerful bank whose policy is dictated from their midst, and to whom they can bring their troubles with the certainty that they will receive a sympathetic hearing and a decision without reference to the other side of the world, where the ever-changing conditions of business in the East are hard to explain and difficult to understand.

I must congratulate you on your interesting review of world and local affairs, and I think the optimistic note in which you concluded your speech was fully justified. The shareholders will, I am sure, agree with me that we should have every expectation that the bank will go on increasing in prestige and power, and will become more than ever the main foundation of international business and British prestige in China.

Your remarks about the staff will be fully endorsed by the shareholders. It is an asset of the greatest value to the bank, and it is pleasant to think that there is a sufficiency of rising men trained in the traditions of the bank who will in due course direct its fortunes. So long as that is the case, we can look forward with confidence to the future.

I now beg to second the adoption of the report and accounts. The motion was carried unanimously, and the meeting terminated with a vote of thanks to the directors, management, and staff.

EXTRAORDINARY MEETING.

The Chief Manager read the notice convening the extraordinary meeting.

The Chairman said:—

As a result of the natural expansion of our business and of the ever-increasing demand for our notes, it has been found necessary to approach the Government with the request for some modification of our ordinance. I may say that I anticipate no objection to our request from the Hongkong Government, nor from the Colonial Office, nor from His Majesty's Treasury, and if the resolution which

I am about to propose is passed by you, the Attorney-General will prepare a Bill embodying it for consideration of the Legislative Council.

The resolution is:—

That the directors of the Hongkong and Shanghai Banking Corporation be and they are hereby requested and authorised by and on behalf of the shareholders of the corporation to take the steps necessary for the introduction of an ordinance into the Legislative Council of the Colony of Hongkong, and for the enactment of the same by the Governor of Hongkong with the advice and consent of the Legislative Council thereof, to effect the amendments necessary to the ordinance under which the corporation is incorporated and carrying on business, so as to allow of the ordinary note issue of the corporation being increased from \$20,000,000 to \$30,000,000, and to modify the existing requirements as regards the deposit of security in respect of its note issue in the following manner:—

(a) So that the whole of the increase (namely \$10,000,000) of such ordinary note issue shall be secured by coin or bullion or approved securities.

(b) To provide that whatever the total amount of the note issue may be at any particular time the amount of coin as distinct from bullion or approved securities to be deposited by the corporation shall never be less than one-third of the total amount of the bills in actual circulation.

These resolutions were seconded by Mr H. R. B. Hancock, and unanimously agreed to.

The meeting then terminated.

THE SCOTTISH PROVIDENT INSTITUTION.

MUTUAL LIFE ASSURANCE.

GOOD RESULTS OF YEAR'S BUSINESS.

NET PREMIUM INCOME EXCEEDS £1,000,000.

RESULT OF QUINQUENNIAL INVESTIGATION AS AT DECEMBER 31, 1923.

The eighty-sixth annual general meeting of the Scottish Provident Institution was held in Edinburgh, on Wednesday, 9th instant, Mr Alfred Shepherd presiding.

The report for the year 1923 states that new proposals were received for amounts aggregating £3,217,982, in respect of which 3,601 policies were issued for £2,817,049, whereof £340,011 was reassured with other offices. The net new business completed was thus £2,477,038. The total premium income for the year, including the purchase price of annuities, but after deducting premiums on reassurances, was £1,124,776. The total receipts, including net interest, were £1,887,022. The total funds amounted to £17,810,858, showing an increase during the year of £257,001, after writing off £264,710 in respect of depreciation in investments. The claims arising under 985 policies by the deaths of 735 members amounted to £843,010, inclusive of bonus additions, and endowment assurances for £163,543 were also paid at maturity. The aggregate amount of the claims in the year, less reassurances, was thus £1,006,553.

The quinquennial investigation report shows the following state of affairs as at December 31, 1923. The funds, after providing for all existing claims, and excluding the investment reserve fund (now standing at £300,000), amounted to £17,510,858, and the liability for all prospective claims amounted to £15,848,086, showing a surplus of £1,662,772, after providing full reserves and paying intermediate bonuses during the quinquennium. Of this surplus, £1,409,683 belongs to the common fund, and £253,089 to the special endowment assurance fund.

CHAIRMAN'S SPEECH.

The Chairman, having referred to the loss which the board had sustained through the deaths of Colonel Trotter and Sir John Stewart-Clark, said:—

I do not suppose that any chairman of the "Scottish Provident" has had a pleasanter duty to perform than that which falls to my lot to-day. The report which you have in your hands is one which it must be as gratifying for the members to receive it as it is for the directors to present.

ANNUAL REPORT.

To deal first with the transactions of the year, you will see that the net new assurances completed amount to £2,477,000 in respect of 3,601 policies issued. The net new premiums totalled £92,135; while 160 annuity bonds were issued for £12,636. Each of these totals shows an increase over the corresponding figure for the previous year, a proof, I think, that the natural force of this institution has in no way abated.

The business reported in respect of the capital redemption fund is, you will see, not of great dimensions; but, as was explained

last year, this is a class of business which we do not specially seek after, and the *raison d'être* of this fund is really the conserving and extending of our existing connections.

NET PREMIUM INCOME.

The figures of the net premium income of the year, as shown in the revenue account, £1,015,861, mark a further step in the institution's progress, inasmuch as for the first time in our history we have crossed the million line. This is a specially notable achievement when it is remembered that, roughly speaking, three out of every four policies opened under our distinctive system of assurance are subject to premiums which cease after a specified number of payments. Each year, therefore, a large number of policies become free from premiums, and these have to be replaced from new business before any increase in the income can be registered. The popularity of our limited payment system is due to the low rates which are charged, enabling a proposer to secure a policy subject to terminable premiums at a rate that is often lower than is charged by other offices for the full term of life. It is pleasing to note that the mortality experience has continued to be favourable.

So far as the past year's working is concerned, therefore, we have every reason to be satisfied, and I shall not go into further details, as you will probably regard the result of our quinquennial investigation—with which I shall now deal—as being the subject of predominant interest to-day.

QUINQUENNIAL INVESTIGATION.

We can claim for this office to-day, after the searching test of the investigation, that it retains its place in the front rank. Its assets have been minutely scrutinised by the directors. Full provision has been made in respect of investments other than Stock Exchange securities where it was anticipated that a loss might possibly result. Any of the Stock Exchange securities (excepting approved terminable bonds maturing within fifteen years) standing in the books above middle market quotation as at December 31st last have been written down to that value. The approved terminable bonds referred to have been taken at ledger values which are adjusted annually so as to attain to redemption value on the basis of the natural increment. The sum written off is, as you will see, £264,710, and it is satisfactory that this is more than met by the transference of £300,000 from the investment reserve fund which since the end of 1920 had stood at £600,000. Strong as the present, and the directors have deemed it prudent to retain the balance (£300,000) of the investment reserve fund in its present

form, while the aggregate value of the assets is appreciably higher than the amount at which they stand in the balance-sheet. It is of interest to note that some 46 per cent. of the institution's invested funds is represented by British Government securities, while no less than 94 per cent. of these funds is invested within the Empire.

The valuation of the liabilities under the common fund was carried out on the same bases as at last investigation, with the exception that a special reserve has been made in respect of the annuity contracts. Recent experience has shown that annuitants are inclining more and more towards the habit of "centenarianism," which makes it not only advisable but necessary to provide against their increasing longevity.

DIVISION OF SURPLUS.

It will be seen that the available surplus arising under the common fund—embracing all contracts except with-profits endowment assurances—is £1,409,683, and this amount now falls to be apportioned amongst the whole-life policyholders in terms of Article 26 of the laws. First additions have been fixed by the directors, in conformity with the laws, at £1 8s per cent. on the sum assured for each complete year from date of entry (excluding the five war years), in respect of which the office has borne the risk at full tabular rate. The actual amount of first additions varies, of course, with the number of years any particular policy has been in force at December 31st last, and intimation of these amounts will in due course be sent to the policyholders. In cases where the "accumulation period" will not be completed until a date between the end of this year and December 31, 1928, outstanding shares at the above rate have been set apart which will attach to the sums assured at the proper time, and facilities will be given to policyholders to cover the amount of these additions by temporary assurances during the period of their contingency.

In the case of policies participating a second or subsequent time the directors have fixed the bonus at £1 10s per cent. on the sum assured for each year of the last quinquennium.

I have just referred to "first additions," and, theoretically speaking, that is correct; but we have to remember that when we opened our policies we obtained a much larger assurance than we could have obtained elsewhere for the same premium, unless we had been prepared to sacrifice what our report proves to be the valuable right to participation in surplus. In effect, therefore, we received handsome first additions on the day when we paid our first premium.

Intermediate additions to whole-life policies which have participated at this investigation and which become claims during this quinquennium may, in terms of the laws, be paid at a rate to be fixed by the directors from time to time. Such intermediate additions form a charge on the surplus of the quinquennium now current, and they will be allotted in respect of each complete year survived since December 31st last. It is proposed to fix the rate for the ensuing year on the common fund policies at a later date and to reconsider it annually thereafter during the quinquennium.

WITH-PROFIT ENDOWMENT ASSURANCES.

I would now address myself to the policyholders under our special fund for with-profit endowment assurances. The surplus arising under this fund is, as you will see, £253,089. This surplus is arrived at after calculating the liability in respect of the contracts on a 3 per cent. basis, using the British Offices Om tables, but 2½ per cent. has been deducted from the value of the tables, and 2½ per cent. has been deducted from the value of the net premiums taken credit for, thus strengthening the reserves and conducing to the maintenance of satisfactory bonuses in the future.

Bonuses under this fund are allotted on the compound system, and the rate has been fixed by the directors at £1 18s per cent. on the sums assured and existing bonuses in respect of each annual premium paid during the quinquennium. This will absorb £242,023 of the surplus, leaving £11,066 to be carried forward for future accumulation and division.

INTERMEDIATE BONUSES.

As regards intermediate bonuses, it is proposed to fix the rate of these annually as in the case of the common fund, and, the method of allotment under this special fund being in respect of each premium paid, the rate of intermediate bonus to be paid on policies entitled thereto, which mature or become claims during the current year, has been fixed at £1 16s per cent. on the sums assured and existing bonuses.

I have now traversed—I fear at some length—the course of our investigation, and in moving that the report be adopted I do so feeling that the members have indeed good cause for congratulation as regards the past and for confidence in the future. The institution, in company, I am glad to say, with its *confrères*, has emerged from a period of trials and troubles in a position which warrants the anticipation of future results as gratifying as those

reported to-day, and if the members will realise to how great an extent they can further their own interests and confer a boon on their friends by recommending the advantages offered by the Scottish Provident Institution, we shall no doubt report in 1928 figures exceeding the quinquennial records which have just been put before you.

WHOLE LIFE ENDOWMENT ASSURANCE.

I should like to add one word: Why do we wish to assure our lives at all? The obvious answer is, to obtain protection; protection for those dependent upon us; protection over some business transaction; protection or provision for ourselves in our later years of life. The reports of life assurance offices show the increasing popularity of this last form of protection—provision for ourselves in later years. It is effected by what is commonly known as endowment assurance, and I have been wondering whether, desirable and attractive as this mode of provision is, it is not being indulged in to an undue extent in comparison with whole-life assurance. I shall show you what I mean. Take a man at the age of 30 who contemplates a with-profit endowment policy for £1,000 maturing at age 60. This will cost him somewhere about £35 per annum. He may be quite warranted in indulging in this mode of assurance; but, on the other hand, he may now or later have a wife and family dependent upon him, and I would ask that man to put to himself the question whether his circumstances justify the adoption of endowment assurance as against the larger measure of protection, available for the same outlay, under a policy payable at death only. For thirty annual premiums of £35 he can secure a policy, payable at death only, for £1,400, giving those dependent upon him protection greater by 40 per cent. than would be secured by the endowment assurance. The £1,400 would not, of course, be paid to the policyholder at age 60, but it gives him lifelong cover for at least that amount; while under his £1,000 policy he would draw the proceeds at 60—with the temptation to spend them or to risk them in some investment which, should it turn out badly, might deprive those coming after him of the provision he originally designed for them. I do not desire to detract in the slightest degree from the advantages of endowment assurance; but I am inclined to think that it is in danger of becoming too much the fashion, and that there is a tendency in these days for it to supplant whole-life assurance, which in many instances is of more vital importance. I have only touched on this point as a matter of general interest; but I speak from personal experience. As a young man I asked myself the same questions as I have suggested, and as a result I have effected all my assurances on whole-life scale by limited payments—a decision I have never regretted.

The Chairman concluded by acknowledging the services rendered to the institution by the officials and staff at the head office and branches.

The motion for the adoption of the report was seconded by Mr Ernest M. Wedderburn, W.S., Professor of Conveyancing, University of Edinburgh, and carried unanimously.

COMMERCIAL BANK OF THE NEAR EAST, LIMITED. PROGRESS OF THE BUSINESS.

The second annual general meeting of the Commercial Bank of the Near East, Limited, was held, on the 8th instant, at 1 Broad street place, London, Mr C. H. D. Moberly (managing director) presiding.

The Chairman said: On behalf of the board I have to regret, and apologise for, the absence of our co-directors, Messrs Empeccles, Petrocchino and Merlin, who are unavoidably detained by their duties in Greece. We have now completed the first year of the bank's working, and, in view of this and of the difficult times we have been passing through, we trust you will agree that the results are satisfactory. You will observe from the balance-sheet that our total figures are now £788,113, and that our capital, subscribed privately, was increased during the year to £140,100. You will, no doubt, also observe that the balance-sheet shows a good liquid position. The net profits amount to £6,879, after allowing for depreciation on furniture, bad and doubtful debts, and for the considerable depreciation in the values of securities which followed on the results of the Parliamentary elections last December. We have also written off £800, the premium we had to pay for our lease of these premises. These last two items amount to over £4,000, which is a substantial amount for us, and such a charge is not likely to recur this year unless something unforeseen occurs. The development of our business has been such that already we find our present premises insufficient for our purposes, and we are endeavouring to obtain further accommodation, if possible in the same building. The support we have from the Commercial Bank of Greece and their friends is a great factor in the progress of our business. Business at our Constantinople branch has been greatly restricted owing to the unsettled

conditions there, and it is to the credit of the management that they have worked at a profit under such difficult circumstances. The position there appears to be very much in a state of flux, and it remains to be seen how far business will be assisted, or impeded, by Government and municipal action and taxation. Indeed, the Near East generally has been and continues unsettled, and I think I may say that everybody engaged in commerce is tired of it and would be glad to see things settle down, so as to give them a chance of getting on with their business. The Chairman concluded by moving the adoption of the report and accounts, and the payment of a dividend at the rate of 4 per cent. per annum, less income-tax.

Mr D. J. Cassavetti seconded the resolution, which was carried unanimously.

LEGAL AND GENERAL ASSURANCE SOCIETY, LIMITED. NEW SUMS ASSURED RECORD.

The annual general meeting of the Legal and General Assurance Society, Limited, was held, on the 8th inst., at 10 Fleet street, London, Mr Romer Williams, D.L., J.P. (the chairman), presiding. The Chairman, in moving the adoption of the report and accounts, said: Dealing with the most important part of the society's business, that transacted in the life and general funds, the number of policies issued in the past year was 5,221, against 4,645 in the previous year, an increase of 576. The gross sums assured were £3,895,305, as against £2,943,337, an increase of £951,968, and the new premiums £168,605, as against £181,269, a decrease of £12,664. Deferred annuities were granted for £30,985 per annum, as against £50,545 per annum in the previous year. These are gross figures—that is, before deducting reassurances, and the figures of the life and general funds have been combined for the sake of brevity. If we take the net figures, that is to say, the amounts retained by the society after the deduction of reassurances, we have in the combined funds total net sums assured of £3,691,305, with new premiums of £162,406 for 1923, as against £2,862,287 with premiums of £179,151 for 1922. It will be seen, therefore, that there is here an increase in the net new sums assured of £829,018, and reduction in net new premiums of £16,745. This at first may appear inconsistent, but the divergence is due merely to the decrease in the amount of assurances paid for by single premiums (exceptionally high in 1922) and the usual variation in the classification of the policies and ages of entrants. The single premiums in 1923 were £50,602, as against £69,151 in 1922.

If we take the figures in the life fund only we have the following comparison: In 1923, net new sums assured £2,941,868, as against £2,497,344 in 1922, an increase of £444,524; and net new premiums £150,956, against £162,628, a decrease of £11,672.

The total new sums assured for 1923 in the two funds represents a record for the society, taking both gross and net figures, and the business in the life fund only, gross and net, is very little below the highest figure in the society's history. I think you will agree, gentlemen, that this result may be considered highly satisfactory.

NET PREMIUM INCOME.

The total net premium income in the life and general funds was £1,376,740. This shows a trifling decrease of £116 on the income of the previous year, which is explained by the previously mentioned smaller amount received in single premiums and the loss of income from the large amount of endowment assurances that matured in 1922.

The total expenses and commission in these funds amounted to 14.51 per cent. of the net premium income, as against 14.99 per cent. in 1922. This reduction represents nearly one-half per cent., and, although not perhaps as large as could be desired, is a movement in the right direction, and follows a previous reduction upon 1921.

TOTAL NET CLAIMS.

The total net claims in the life assurance fund during the year amounted to £711,175, as compared with £983,203 in 1922. But the previous year's figures were augmented by the maturity of an exceptionally large number of endowment assurances, the figure then being £532,814, as against £265,153 for last year. The total net death claims caused by 302 deaths amounted in 1923 to £446,022, as compared with 286 deaths and claims of £450,389 in 1922. The society's mortality experience during the past year was again favourable, the amount of claims being only 62.9 per cent., and the number of deaths only 60.3 per cent. of the expectation by the Institute of Actuaries' Tables of Mortality. I venture to think that the society's continuously favourable mortality experience affords some evidence of the care with which the business is selected.

The net premium income from the fire and accident business amounted to £200,014, being an increase of £27,771 over the previous year.

In the fire department the loss ratio was 56.4 per cent. of the net premium income, and the expenses and commission were 34.6 per cent. The balance of £79,124 carried forward represents a reserve of 45 per cent. of the net premium income for unexpired risks and an additional reserve of £9,996.

In the accident department the loss ratio, including estimated liability under outstanding claims, was 46.8 per cent. of the net premium income, and the expenses and commission were 38.2 per cent.

The total net premium income of the society from all departments for 1923 was £1,576,754, as compared with £1,549,099 in 1922. The total net annual revenue for 1923 amounted to £2,097,637, as against £2,027,416 in the previous year, being an increase of £70,221.

The consideration received for immediate annuities was £57,331. The total funds of the society have increased during the year by the sum of £971,669, and this again, I think, constitutes a record.

The total assets on December 31st last amounted to £15,817,583. The report and accounts were unanimously adopted.

D. NAPIER AND SON, LIMITED.

IMPROVED RESULTS—FOUND FINANCIAL POSITION.

The adjourned annual meeting of D. Napier and Son, Limited, was held, on the 10th instant, at the registered offices of the company at Acton. The chairman, Mr H. T. Vane, C.B.E., in moving the adoption of the report and accounts, said: In the year under review a net profit of £98,448 10s 6d has been made, whereas the previous year showed a loss of £26,571 0s 2d.

The bank loan, which last year stood at £100, has entirely disappeared. In this connection I would remind you that our bankers, the Midland Bank, were of considerable assistance to us at a critical period of your company's existence, during 1920-1, when they advanced us up to a quarter of a million pounds sterling without any security whatever.

This was very much appreciated by your directors, but I mention it now because it is an instance of how one of our great banks supported an industrial engineering concern at the right time, and it also goes to show the excellent credit in which your company was held.

You will see by the accounts now presented, that instead of owing the bank money, our cash at bankers and in hand at the end of the financial year under review amounted to £172,622, and gilt edge investments at £101,102, which I think you will agree with me shows a good sound financial position.

As regards our aero engine production, we have practically been engaged on one type, namely the 450 h.p. "Napier Lion," and that has certainly earned for itself the reputation of being far and away the best aero engine in the world.

Our designers and engineers are constantly giving careful attention and thought to developing and improving the "Napier" aero engine, with a view to retaining its unique position.

We have other important developments in hand, but you will understand in a business like ours it is not desirable to disclose these publicly.

I would like to pay a tribute to the way in which our staff and workpeople have put their shoulder to the wheel during the past year, and right up to the present time. There has been a return of the old spirit of co-operation and pride taken in work, which goes so far towards making a business like ours successful, and I take this opportunity of recording the directors' appreciation of their efforts.

The motion for the adoption of the report and accounts was unanimously carried, and the meeting closed with a vote of thanks to the chairman.

RIO TINTO COMPANY, LIMITED.

IMPROVED RESULTS—BRIGHT PROSPECTS.

The fifty-first ordinary general meeting of the Rio Tinto Company, Limited, was held, on the 10th instant, at 3 Lombard street, London.

Viscount Milner, who presided, said that during the past year the peseta loan had been reduced from 50,000,000 to 20,000,000 pesetas. The outstanding amount was 20,000,000 pesetas, a little over £600,000 at the present rate of exchange. It caused no anxiety whatever; in fact, the company had money enough in hand to pay it off at once, but it suited them better to do this by instalments at such times as might appear most advantageous. The revenue account bore out the modest expectations of the forecast made at the last meeting. The main item, "Profit on sale of produce," showed an increase of £180,000, being £1,176,000, as compared with £996,000 in 1922. This result was all the more satisfactory because it was not due to any particular good fortune, but, on the contrary, had been achieved in spite of persistently low prices and adverse conditions of trade. The price of copper, which was showing such encouraging signs of improvement when they last met, soon tumbled down again, and in the course of the year even touched the low figure of £60 per ton. The average price of standard for the whole of 1923 was only £65 18s. At the same time, the position of the pyrites market until nearly the end of the year was deplorable. In spite of these adverse influences, however, the company had done considerably better than in the previous year.

While the profit on sale of produce showed this satisfactory development, the net profit was only £60,000 better than in 1922, the total being £729,649. This was due mainly to heavy taxation.

As regarded the future, he would take his stand, as he did last year, on the side of moderate optimism. He looked, though not very confidently, for a better price for copper, and felt pretty sure that the pyrites market would not always remain in its present depressed condition. While they could certainly maintain their present production, both in respect of quantity and quality, for many years to come, and increase it if occasion demanded, they were as yet very far from having exhausted all the possibilities either of reducing cost or getting better value out of the various ingredients of their ore. The prospects were thus undoubtedly bright. The directors proposed to increase the final dividend on the ordinary shares by 5 per cent., making the dividend for the year 35s per share, and to carry forward £440,000.

The report and accounts were unanimously adopted.

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

GOVERNMENT RETURNS, &c.

NATIONAL DEBT—(Million £.)

	Aug. 31, 1914.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Dec. 31, 1923.	Mar. 31, 1924.	April 5, 1924.
Funded Debt	588	315	315	315	315	314	314	314	314
Term. Annuities	..	..	..	266	266	684	683	683	683
34% Conversion Loan	30	20	19	18	16	14	14	14	14
31% War Stock	..	63	63	63	63	63	63	63	63
41% War Stock	..	13	13	13	13	13	13	13	13
4% and 5% War Stock	..	2,047	2,040	1,995	1,953	2,095	2,095	2,095	2,095
National War Bonds	..	1,509	1,476	1,413	1,201	953	924	903	903
4% Funding Loan	..	409	409	406	401	399	400	400	400
4% Victory Bonds	..	360	357	347	335	325	325	325	325
Treasury Bonds	..	..	..	..	453	411	444	444	444
Exchequer Bonds	20	..	..	289	185	150	150	150	150
National Savings Certs.	..	323	319	285	342	354	367	366	366
Other Debt	..	1,306	1,181	1,132	1,087	1,157	1,149	1,151	1,151
American Loan (Anglo-French)	..	..	..	..	..	..	..	..	..
Treasury Bills	15	51	51	121	878	616	588	588	588
Temporary Advances	1	1,107	1,107	154	147	194	208	186	212
Total Capital Liabilities	654	8,033	7,829	7,574	7,655	7,742	7,801	7,695	7,695
Total Liabilities	57	46	47	49	66	70	70	71	71
Total Liabilities	711	8,079	7,876	7,623	7,721	7,812	7,871	7,766	7,766

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

Ways and Means Advances	April 7, '23.	Mar. 31, '24.	April 5, '24.	April 5, '24.
Outstanding—	£	£	£	£
Advances by Bank of England	193,480,500	186,155,500	211,455,500	+ 25,300,000
Advances by Public Debt Office	588,320,000	588,320,000	588,320,000	— 25,000,000
Treasury Bills Outstanding	620,390,000	562,240,000	562,240,000	— 25,000,000
Total Floating Debt	813,870,500	774,475,500	773,695,500	— 780,000

* Includes £17,000, the proceeds of which were not carried to the Exchequer within the period of the account.

PUBLIC INCOME AND EXPENDITURE.

REVENUE AND OTHER RECEIPTS.

	Total Receipts into the Exchequer from April 1, 1924, to April 5, 1924.	to April 7, 1923.
Balances in Exchequer on 1st April:—	£	£
Bank of England	5,069,613	5,442,665
Bank of Ireland	1,562,001	1,375,502
	6,631,614	6,818,167
REVENUE.		
Customs	1,411,000	1,218,000
Excise	1,378,000	1,901,000
Motor Vehicle Duties	719,000	736,000
Estate, &c., Duties	810,000	1,030,000
Stamps	250,000	270,000
Land Tax, House Duty, and Mineral Rights Duty	110,000	90,000
Property and Income Tax	15,113,000	14,776,000
Super Tax	2,800,000	1,610,000
Excess Profits Duty, &c.	..	..
Corporation Profits Tax	460,000	730,000
Post Office	500,000	500,000
Crown Lands	..	..
Interest on Sundry Loans	2,263,020	2,287,196
Miscellaneous—		
Ordinary Receipts	871,328	1,011,480
Special Receipts	328,191	22,302
Revenue	27,013,539	26,181,978
Total, including Balance	33,645,153	33,000,145

OTHER RECEIPTS.

Temporary Advances Repaid—		
Under the Unemployment Insurance Acts, 1921	420,000	160,000
Money Raised by Creation of Debt—		
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1922	..	..
(b) Under the Unemployment Insurance Acts, 1921	..	..
(c) For other Issues: By Treasury Bills	25,138,000	51,549,000
By National Savings Certificates	500,000	800,000
By 4 per cent. Treasury Bonds, 1931-33	..	12,050,000
(d) Ways and Means Advances	32,000,000	23,450,000
Repayments—		
In respect of Issues under Land Settlement (Facilities) Act, 1919 and 1921	437,005	3,956
Total	92,140,158	121,013,101

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.



Capital and Reserves exceed £13,000,000
OFFICES IN ARGENTINA, CHILE, URUGUAY, PERU, MEXICO AND SPAIN.
Represented in U.S.A. by the

ANGLO-SOUTH AMERICAN TRUST COMPANY, NEW YORK,
(Incorporated under the laws of the State of New York);
and in FRANCE by the

BANQUE ANGLO-SUD AMERICAINE, Société Anonyme, PARIS.

Head Office:—62, OLD BROAD STREET, LONDON, E.C.2

AFFILIATED INSTITUTIONS:

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

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

CENTENARY YEAR, 1924.

ASSETS EXCEED £12,700,000
FIRE. LIFE. ACCIDENT. MARINE.Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

EXPENDITURE and OTHER ISSUES.

Total Issues out of the
Exchequer to Meet Payments
fromApril 1, 1924, April 1, 1923,
to April 5, 1924, April 7, 1923.

EXPENDITURE.

National Debt Services—		
Interest, &c.	24,323,988	27,032,998
Sinking Fund	510,021	6,000,000
Supply Services	5,000,000	33,032,998
Expenditure	29,834,009	33,032,998

OTHER ISSUES.

Temporary Advances—		
Under the Unemployment Insurance Acts, 1921	..	..
Issues to Meet Capital Expenditure—		
Under the Telegraph (Money) Act, 1922	..	..
Unemployment Insurance Acts, 1921—		
Repayment of Amounts Borrowed	..	..
Redemption of Debt—		
Treasury Bills	51,235,000	47,215,000
Principal of Nat. Savings Certificates	600,000	800,000
Principal of National War Bonds paid off	..	13,229,989
Other Debt under the War Loans Acts, 1914 to 1919	50	..

Ways and Means Advances Repaid	6,700,000	23,867,000
Balances in Exchequer—		
April 5, 1924, April 7, 1923.	88,369,059	118,144,987
Bank of England.. £1,997,197 .. £2,026,966		
Bank of Ireland.. 1,773,902 .. 841,148		
	3,771,099	2,868,114
Total	92,140,158	121,013,101

Treasury, April 7, 1924.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Govt. Savings Bills.	Ratio at Bank of England.
Mar. 25, 1924.	300,351	14,255	5,000	28,500	19,450	15.9	261,479	177
June 27, 1923.	296,374	13,338	6,000	28,500	19,850	16.3	254,312	250
Sept. 27, 1923.	289,127	12,648	7,000	27,000	21,150	16.6	246,456	169
Dec. 27, 1923.	301,337	12,872	7,000	27,000	21,150	15.9	258,922	137
Mar. 27, 1924.	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190
June 27, 1923.	286,503	12,516	7,000	27,000	22,450	17.3	242,446	183
Sept. 27, 1923.	282,784	12,401	7,000	27,000	22,450	17.5	238,595	140
Dec. 26, 1923.	299,070	12,571	7,000	27,000	22,450	16.5	255,032	159
Mar. 26, 1924.	281,538	11,908	7,000	27,000	22,450	17.6	236,867	130
April 9, 1924.	288,216	12,208	7,000	27,000	22,450	17.2	243,840	134

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,556,200, for 1922 at £309,988,400, for 1923 at £270,183,800, and for 1924 at £246,190,900.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £30,000,000 in Treasury Bonds and Treasury Bills dated from April 14-April 19 were opened on April 11, 1924, and the total amount applied for was £51,575,000. For bills at three months dated Monday to Thursday and Saturday at 99 4/8 rod, about 33 per cent., above in full. For bonds at 94 1/2 rod and above in full. The amounts allotted were as follows:—In bills at 3 months, £27,000,000; in bonds, £1,350,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price
1924.				
Mar. 7	30,000,000	45,400,000	3 3 4/5	nil
Mar. 14	30,000,000	38,735,000	3 1 5/43	nil
Mar. 21	30,000,000	36,820,000	2 18 0/98	nil
Mar. 28	40,000,000	50,035,000	3 1 3/3	nil
April 4	35,000,000	59,925,000	2 18 2/94	94 13 8/4
April 11	30,000,000	51,575,000	3 0 5/84	94 13 7/5

Tenders will be received on April 17, 1924, for Treasury Bonds and Bills to be issued to the maximum amount of £30,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, April 9, 1924.

ISSUE DEPARTMENT.

Notes issued	146,036,745	Government debt	11,015,100
		Other securities	8,734,900
		Gold coin and bullion	126,286,745
	146,036,745		146,036,745

BANKING DEPARTMENT.

Proprietors' capital	14,553,000	Government securities	41,517,736
Rest	3,126,891	Other securities	75,931,740
Public deposits	12,975,966	Notes	20,294,350
Other deposits	108,908,860	Gold and silver coin	1,829,111
Seven-day & other bills	8,220		

139,572,937 139,572,937

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

	Amount, April 9, 1924.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	3,126,891	—	—
Public deposits	12,975,966	—	—
Other deposits	108,908,860	—	—
Government securities	41,517,736	—	—
Other securities	75,931,740	—	—
Reserve	22,123,461	—	—
Note circulation	126,286,745	—	—
Coin and bullion	126,286,745	—	—
% of reserve to liabilities	18 1/2	14 1/2	14 1/2

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1924.						
Feb. 22	128,097,600	124,764,470	123,414,523	118,454,031	23,083,130	18 1/2
Mar. 5	128,106,296	125,579,106	123,542,990	119,419,060	22,777,101	18 1/2
12	128,101,815	126,020,305	123,224,149	119,553,248	21,831,510	17 1/2
19	128,098,237	125,041,710	124,868,190	120,340,451	22,806,527	18 1/2
26	128,105,046	124,905,370	125,765,589	125,106,458	22,949,376	17 1/2
Mar. 2	128,105,823	125,402,730	127,490,621	123,312,668	22,453,176	17 1/2
9	128,115,826	125,742,355	127,633,485	127,449,476	21,509,864	16 1/2

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1924.				
January 1 to March 26	8,415,931	374,797	683,339	9,474,067
April 2	815,585	32,590	52,840	901,015
9	815,972	34,558	69,480	920,010
Total to date 1924.	10,047,488	441,945	805,659	11,295,092
Do 1923.	9,540,733	442,721	803,916	10,787,370
Increase or decrease in 1924	+ 506,755	—	+ 776	+ 507,722
	= 5.3 %	= 0.1 %	= 0.2 %	= 4.7 %
Total for year 1923	32,270,373	1,546,565	2,810,654	36,627,592
Total for year 1924	32,780,635	1,574,661	2,806,155	37,161,451
Increase or decrease in 1924	+ 510,262	+ 28,096	+ 4,489	+ 538,846
	= 1.6 %	= 1.8 %	= 0.2 %	= 1.4 %

PROVINCIAL CLEARING RETURNS.

	1923.	1924.	Inc. or Dec.
Aggregate Totals to April 5.			
BIRMINGHAM	33,118,100	33,476,500	+ 358,400
BRISTOL	16,201,000	16,911,000	+ 710,000
DUBLIN	87,924,600	82,038,500	— 5,886,100
LONDON	15,762,200	15,289,500	— 472,700
LEICESTER	15,410,800	15,705,600	+ 294,800
LIVERPOOL	11,035,500	10,729,600	— 305,900
MANCHESTER	128,796,300	136,641,200	+ 7,844,900
NEWCASTLE-ON-TYNE	216,895,400	216,670,400	— 225,000
NOTTINGHAM	27,602,300	27,881,000	+ 278,700
SHEFFIELD	9,210,400	8,782,700	— 427,700
	16,799,900	16,099,900	— 699,900

OVERSEAS BANK RETURNS.

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

	Apr. 4, 1924.	Mar. 28, 1924.	Mar. 21, 1924.	Apr. 6, 1923.
Total gold reserve	3,091,770	3,122,940	3,131,850	3,069,500
Legal tender notes and silver reserve	99,560	100,110	101,350	104,520
Bills discounted for member banks	589,640	482,310	431,250	695,230
Bills bought in open market	213,770	202,460	194,200	258,880
Government obligations owned	264,860	267,260	296,580	239,150
All other resources	77,300	77,370	76,780	66,560
LIABILITIES.				
Government deposits	109,840	75,190	8,260	74,420
Other deposits	1,962,530	1,831,930	2,003,280	1,914,480
F.R.B. Notes in actual circulation	1,987,860	1,984,710	1,985,850	1,940,350
All other liabilities	14,420	15,160	14,030	14,570
Capital and surplus to gross deposit and Federal Reserve note liabilities combined.	331,770	331,750	331,740	337,020
	78.8%	80.8%	80.9%	75%

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

(000's omitted.)

	Bank of Liv'pool and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills, Currie, Holt, and Co.	Lloyds Bank, Limited.	Midland Bank, Limited.	National Provin- cial Bank, Limited.	National Bank, Limited.	West- minster Bank, Limited.	Willi'ms Deacon's Bank, Limited.	Total.
Average Weekly Balances. March, 1924.											
ASSETS.											
Coin, bank and currency notes, and balances with the Bank of England ..	6,036	31,877	1,408	2,355	33,219	51,917	27,725	3,889	26,835	3,912	189,173
Balances with and cheques in course of collection on other banks in the United Kingdom ..	1,786	7,638	598	1,151	7,968	9,632	7,267	168	7,629	1,257	45,094
Items in transit ..	2,975	19,696	2,071	5,577	14,679	13,325	14,595	3,601	19,183	1,411	97,113
Money at call and short notice ..	3,500	33,442	618	1,293	45,142	43,663	35,115	2,848	59,110	2,098	226,829
Bills discounted ..	8,622	69,233	4,178	8,781	90,317	43,466	50,538	16,927	55,589	5,741	353,392
Investments ..	39,605	138,777	8,325	6,685	148,321	194,623	127,380	16,976	101,052	20,679	802,423
Advances to customers and other accounts Liabilities of customers for acceptances, endorsements, &c. ..	6,294	11,292	136	1,826	16,648	38,013	9,964	184	12,588	2,399	99,344
Bank premises account ..	1,494	5,149	346	445	5,157	5,491	4,277	744	3,980	728	27,811
Investments in affiliated banks ..	..	7,452	..	..	6,580	5,730	2,490	..	2,992	..	25,244
	70,312	324,556	17,680	28,113	368,031	405,860	279,351	45,337	288,958	38,225	1,866,423
Ratio of cash to current, deposit, and other accounts ..	10.04	11.01	8.83	9.60	10.15	15.09	11.04	9.75	10.38	11.94	11.51
LIABILITIES.											
Capital paid up ..	2,349	15,592	800	1,060	14,372	11,938	9,442	1,500	9,004	1,875	67,932
Reserve fund ..	1,600	8,250	800	530	10,000	11,938	9,000	1,150	9,004	1,200	53,472
Current, deposit, and other accounts ..	60,069	289,422	15,944	24,531	327,010	343,971	250,944	39,859	258,347	32,751	1,642,848
Acceptances, endorsements, &c. ..	6,294	11,292	136	1,826	16,649	38,013	9,965	184	12,588	2,399	99,344
Notes in circulation ..	..	..	..	..	..	..	..	..	..	..	..
Reduction of bank premises account ..	..	..	..	..	..	..	..	..	..	..	..
	70,312	324,556	17,680	28,113	368,031	405,860	279,351	45,337	288,958	38,225	1,866,423

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

	Mar. 15, 1924.	Mar. 8, 1924.	Mar. 1, 1924.	Feb. 23, 1924.	Feb. 16, 1924.	Mar. 17, 1923.
ASSETS.						
Gold coin and bullion....	549	549	549	549	549	549
Gold certificates	10,102	10,102	10,102	10,102	10,102	10,039
Subsidiary coin	50	50	50	75	75	125
Bills discounted	5,868	6,123	6,193	6,148	5,911	3,077
Loans & advances to Govt.	..	..	250	250	..	2,300
Investments	17	17	17	17	17	..
LIABILITIES.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	40	40	40	40	40	2
Notes in circulation	10,333	10,541	10,810	10,319	10,401	9,720
Bankers' deposits	5,099	5,975	5,222	5,676	5,115	6,242
Ratio of cash reserves to liabilities to public ..	69.3%	67.8%	66.9%	67%	69.1%	66.6%

[April 12, 1924.]

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

Assets.	Mar. 31, 1924.	Feb. 29, 1924.	Jan. 31, 1924.	Dec. 31, 1923.	Mar. 31, 1924.	Position, Mar. 31, 1924.
Cash and bullion	209,567	209,578	209,581	209,594	228,237	76,644
Loans and discounts	468,808	465,099	475,433	465,472	409,785	88,470
Debtors abroad	24,602	16,049	15,771	12,968	1,732	24,102
Securities	8,300	8,385	8,388	8,411	11,347	11,988
LIABILITIES.						
Circulation	462,631	450,132	446,152	472,625	469,663	157,266
Deposits	73,513	82,045	79,717	79,244	66,082	6,696

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

Assets.	Mar. 31, 1924.	Mar. 22, 1924.	Mar. 15, 1924.	Mar. 31, 1923.	Position, Mar. 31, 1924.
Cash and bullion—Gold	147,284	147,284	147,284	147,289	44,224
Balance abroad and foreign bills	22,875	23,411	20,243	23,825	28,533
Norwegian and Foreign Government securities	9,007	9,007	9,007	9,004	8,816
Discounts and loans	412,860	416,650	417,211	463,959	76,911
LIABILITIES.					
Notes in circulation	380,281	366,133	364,786	374,773	113,484
Deposits at notice	96,291	112,700	112,140	157,665	7,188

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

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

Assets.	Mar. 31, 1924.	Mar. 22, 1924.	Mar. 15, 1924.	Mar. 31, 1923.	Position, Mar. 31, 1924.
Gold	42,741	42,741	42,741	42,704	35,091
Balance abroad and foreign bills	798,054	817,847	868,806	879,061	90,379
Finland and Foreign Government securities	500,497	500,497	500,497	585,533	21,826
Discounts and loans	710,880	690,400	707,681	705,017	105,151
LIABILITIES.					
Notes in circulation	1,399,552	1,370,182	1,382,741	1,555,128	123,941
Deposits at notice	512,197	550,230	605,840	405,261	21,225

BANK OF ESTONIA.—In Est. marks (000's omitted).

Assets.	Feb. 29, 1924.	Jan. 31, 1924.	Feb. 28, 1923.
Reserve of notes (cash)	1,005,248	1,230,235	743,238
Cash in foreign money, foreign bills, and deposits abroad	1,283,470	1,292,173	1,522,138
Discounts and loans	5,091,858	4,961,613	3,582,882
LIABILITIES.			
Capital paid up	250,000	250,000	250,000
Reserve fund	74,949	74,949	37,771
Banknotes issued	2,250,000	2,250,000	1,800,000
Deposits	3,611,006	3,744,156	2,347,711
Commercial credits	855,365	732,145	641,968

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

Assets.	Apr. 2, 1924.	Mar. 26, 1924.	Mar. 5, 1924.	Oct. 3, 1923.	Nov. 22, 1923.
Total cash	13,579	14,239	12,076	14,200	3,085
Gold coin and bullion	19,655	19,655	20,083	15,786	12,993
Of which held abroad	4,444	4,444	4,843	2,506	
Foreign banks	46,460	46,182	48,984	61,219	24,466
Discounts and loans	53,209	51,720	48,627	27,290	9,551
LIABILITIES.					
Notes in circulation	23,714	23,649	23,350	23,000	4,005
Capital paid up	10,214	10,214	10,214	8,000	
Government deposits	52,168	52,839	45,475	40,676	16,697
Other deposits	43,205	42,230	44,922	40,747	16,995

BANK OF LITHUANIA.—In lt. (000's omitted).

Assets.	Mar. 31, 1924.	Mar. 15, 1924.	Feb. 29, 1924.	Feb. 15, 1924.	Jan. 31, 1924.	Mar. 31, 1923.
Gold	24,124	20,659	20,254	20,254	16,827	15,818
Silver	59	40	32	24	16	102
Dollars and sterling, etc.	56,747	58,593	55,606	52,037	53,583	28,525
Discount and credits	25,488	23,882	22,294	20,566	19,010	12,887
LIABILITIES.						
Capital	12,000	12,000	12,000	12,000	12,000	12,000
Banknotes in circulation	71,247	70,391	68,098	65,896	63,141	42,362
Deposits	32,650	29,644	27,408	25,599	24,358	4,234

BANK OF DANZIG.—In Danzig gulden (000's omitted).

Assets.	Mar. 31, 1924.
Cash and bullion	586
Of which gold coin	586
Danzig subsidiary coin	586
Balance with the Bank of England, inclusive notes	14,624
Bills of exchange	1,231
Loans	4,696
Foreign exchange	1,009
Other balances on demand	
Other balances at notice	
LIABILITIES.	
Capital paid up	7,500
Reserves	
Notes in circulation	14,239
Deposits on demand	780
Deposits at notice	

BANK OF CZECHO-SLOVAKIA.—In Cz. K. (000's omitted).

Assets.	Mar. 31, 1924.	Mar. 23, 1924.	Mar. 15, 1924.	Mar. 7, 1924.	Feb. 29, 1924.	Mar. 31, 1923.
Liabilities of the Austro-Hungarian Bank to the Bank	10,096,972	10,096,972	10,096,972	10,096,972	10,096,967	10,096,817
ing Office	1,786,914	1,679,900	1,642,921	1,724,462	1,524,012	2,244,633
Discounts and advances	1,042,631	1,042,599	1,040,012	1,039,981	1,039,678	826,605
Gold and silver held	661,669	655,701	640,845	682,800	836,541	555,255
Foreign bills and balance abroad	405,916	378,229	290,503	190,645	274,537	361,529
Other assets	8,280,390	7,877,720	8,051,251	8,310,503	8,506,467	9,157,407
LIABILITIES.						
State notes circ'lin.	4,347,779	4,540,516	4,339,277	4,297,847	4,139,737	3,540,152
Deposits	1,365,933	1,335,165	1,320,725	1,126,510	1,125,531	1,388,370
Other liabilities						

* Resulting from banknotes, current accounts, Exchequer bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

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

Assets.	Mar. 31, 1924.	Mar. 23, 1924.	Mar. 15, 1924.	Mar. 7, 1924.	Feb. 29, 1924.	Mar. 31, 1923.
Gold	106,662,820	106,643,772	105,612,364	105,612,364	86,097,404	
Foreign bills	3,363,871,524	4,014,217,750	4,085,167,561	4,085,167,561	1,336,384,566	
Bills discounted	1,731,509,899	1,626,053,282	1,621,975,877	1,621,975,877	820,396,210	
Treasury bills	2,295,427,777	2,526,755,526	2,526,755,526	2,526,755,526	2,550,158,947	
LIABILITIES.						
Reserve fund	4,872,011	4,872,011	4,872,011	4,872,011		
Notes in circulation	7,144,900,739	6,648,983,430	6,864,020,177	6,864,020,177	4,459,117,216	
Deposits	752,813,819	1,435,094,486	1,275,679,366	1,275,679,366	329,108,615	

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

Assets.	Mar. 31, 1924.	Mar. 23, 1924.	Mar. 15, 1924.	Mar. 31, 1923.
Gold coin and bullion, bills	23,571	23,538	23,535	22,718
Silver coin, etc.	596	596	596	595
Bills, warrants, drafts, etc.	802,755,624	761,181,123	733,777,143	71,284,230
Loans	4,567,644	919,978	860,910	2,584,380
Government loans	824,000,000	794,000,000	774,000,000	29,000,000
LIABILITIES.				
Special reserve	Nil	Nil	6,750,000	
Notes in circulation	1,606,874,759	1,366,023,657	1,320,761,976	82,205,017
Deposits	253,934,741	346,439,909	350,861,815	11,152,134

NATIONAL BANK OF THE SERBS, &c.—In dinars (000's omitted).

Assets.	Mar. 31, 1924.	Mar. 22, 1924.	Mar. 15, 1924.	Mar. 8, 1924.	Mar. 31, 1923.
Gold	72,329	72,330	72,330	68,810	63,141
Other coin and notes	19,772	19,341	18,761	18,202	18,797
Foreign credits	347,420	358,314	351,314	345,935	265,984
Bills	1,227,771	1,234,931	1,252,553	1,252,553	1,369,582
Govt. advances	4,563,643	4,561,340	4,561,340	4,567,820	4,492,340
LIABILITIES.					
Notes in circulation	5,585,808	5,577,130	5,641,718	5,704,073	5,405,809
State credits	391,427	391,425	391,425	391,425	297,574
Deposits	490,865	408,260	366,402		69,624

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

Assets.	Feb. 29, 1924.	Feb. 14, 1924.	Jan. 31, 1924.	Jan. 15, 1924.	Feb. 28, 1923.
Gold and balances	1,938,642	2,061,749	2,142,349	2,133,785	1,439,245
Abroad	1,938,642	2,061,749	2,142,349	2,133,785	1,439,245
Other coin and notes	4,162,003	4,077,482	4,167,581	4,203,499	3,348,526
Loans and securities	1,828,880	1,789,861	1,788,358	1,807,216	1,289,983
Discounts and loans	4,512,716	4,538,905	4,592,794	4,649,156	3,553,530
LIABILITIES.					
Notes in circulation	255,703	276,924	213,644	261,141	244,067
Government deposits	1,686,852	1,644,603	1,845,993	1,683,014	1,142,769
Private deposits at fixed dates	1,030,954	1,022,295	1,014,207	1,010,423	1,017,888

BANK OF SPAIN.—In pesetas (000's omitted).

Assets.	Apr. 5, 1924.	Mar. 29, 1924.	Mar. 22, 1924.	Mar. 15, 1924.	Apr. 7, 1923.	Position, May 31, 1924.
Gold	2,528,525	2,528,304	2,528,399	2,528,399	2,525,455	521,776
Silver	656,145	659,547	656,896	654,854	652,400	728,600
Loans & discounts	2,180,173	2,148,358	2,158,498	2,178,875	1,884,782	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Treasury bills	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,396,599	4,322,269	4,322,649	4,342,643	4,139,543	901,550
Deposits	1,014,101	1,020,859	980,589	1,003,266	1,051,591	47,500

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

Assets.	Feb. 20, 1924.	Feb. 13, 1924.	Feb. 6, 1924.	Jan. 30, 1924.	Feb. 21, 1923.
Cash and bullion	13,140	13,134	13,134	13,137	27,064
Of which gold	8,577	8,577	8,577	8,577	8,577
Balance abroad	24,872	12,441	13,789	12,748	87,790
Discounts	167,385	163,493	163,729	159,503	172,499
Government loans	1,332,121	1,347,924	1,352,424	1,347,426	334,289
LIABILITIES.					
Notes in circulation	1,434,837	1,443,615	1,450,254	1,429,329	1,088,479
Deposits	41,032	40,357	39,408	39,447	56,201

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

Assets.	Mar. 10, 1924.	Feb. 29, 1924.	Feb. 20, 1924.	Feb. 10, 1924.	Mar. 10, 1923.	Position, May 31, 1924.
Total cash	1,878,562	1,604,265	1,620,582	1,585,292	1,328,066	1,221,875
Inland bills	5,980,251	3,194,467	3,173,533	3,198,487	4,289,661	418,400
Foreign bills	15,778	15,651	15,651	15,651	13,198	81,300
Advances to the Treasury	5,837,570	5,837,648	5,837,732	5,837,822	6,073,513	
Other advances	2,352,627	2,627,038	2,286,136	2,446,151	1,922,512	
Securities	406,130	418,928	416,764	415,095	407,012	
LIABILITIES.						
Notes in circulation	12,350,235	12,360,579	12,151,389	12,411,971	12,896,689	
Deposit & drafts	1,615,827	1,776,170	1,772,094	1,569,380	1,538,148	

NATIONAL BANK OF EGYPT.—In £m (000's omitted).

Assets.	Feb. 29, 1924.	Jan. 31, 1924.	Nov. 30, 1923.	Feb. 29, 1923.	Position, May 31, 1924.
Gold	3,360	3,367	3,369	3,361	1,571
Government securities	48,639	46,647	47,016	47,016	2,004
LIABILITIES.					
Notes in circulation	32,714	33,259	35,395	30,085	1,400
Government deposits	14,101	13,779	11,276	11,890	2,315
Other deposits	14,522	13,892	13,273	11,892	2

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Mar. 15.	Mar. 22.	Mar. 31.
Notes in circulation	18,541	18,555	18,585
Silver coin and bullion in India ..	7,956	7,970	8,000
Silver coin and bullion out of India ..	2,232	2,232	2,232
Gold coin and bullion in India ..	5,753	5,753	5,753
Securities (Indian Government) ..	1,400	1,400	1,400
Securities (British Government) ..	1,200	1,200	1,200
Bills of exchange	1,200	1,200	1,200

No silver coinage was reported during the week ending 31st ultimo. The stock in Shanghai on the 5th instant consisted of about 32,700,000 ounces in sycee, 46,000,000 dollars, and 1,600 silver bars, as compared with 32,400,000 ounces in sycee, 45,500,000 dollars, and 1,750 silver bars on the 29th ultimo.

GOLD AND SILVER PRICES.

1924.	Gold Per Ounce.	Silver—Per Ounce.	Date.	Silver.
		Cash.		Cash.
	s d	d		d
April 5	95 10	33 3/4	Apl. 17, 1918..	46 1/2
7	95 1	32 3/4	11, 1919..	48 1/2
8	95 3	32 3/4	9, 1920..	69 1/2
9	95 0	33 3/4	8, 1921..	33 3/4
10	95 2	33 3/4	7, 1922..	33 3/4
11	95 3	33 3/4	13, 1923..	32

NOTICES.

A branch of the Commercial Bank of Australia, Limited, has been opened at Murgon, Queensland.

Mr Frederick Charles Bowring, a member of the Liverpool and Manchester local board of Barclays Bank, Limited, has been appointed an advisory director of the bank.

The offices of the Bank of Roumania, Limited, are now at 16 Gracechurch Street, E.C. 3.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Date of Payment.	Final Div. of Cash.	Dividend for Whole Years.	Lat'ly Pre-vious.
Banks.					
Banque Nationale de Credit	10*	May 15	Quarterly	8 1/2	8 1/2
Queensland National	10*	..	Less tax	18	18
Union of Scotland	14%	..	..	..	..
Zivnostenska	14%	..	..	..	..
Railways.					
Madras and S. Mahatras	34%*	July 1	..	..	..
Nitrate, Ord. Uncon.	6 1/2%†	..	Less tax	10	nil
Do Pref. Con.	3 1/2%†	..	Less tax	7	nil
Do Def. Con.	..	..	Less tax	3	nil
Insurance.					
Abstainers and General.	..	..	..	15	13
Atlas	..	..	Tax free	13 p.s.	13 p.s.
City Fire Office	10%†	..	Less tax	20	20
Edinburgh	£4 p.s.	..	..	..	..
Legal and General	..	July 1	Tax free	3/	3 p.s.
London Provincial Mar. & Gen.	..	..	Tax free	12 1/2	12 1/2
National Guarantee & Suretyship	..	..	..	40	30
National of Great Britain	..	..	Less tax	25	18
Royal Exchange	17%†	..	Less tax	40	30
State	27 1/2%†	..	Subject to tax	16 p.s.	14 p.s.
Yorkshire, fully paid (d)	11 p.s.†	..	Tax free	8 p.s.	40 p.s.
Do part paid	5 1/2 p.s.†	..	Tax free	8 p.s.	7 p.s.
Tea and Rubber.					
Amalgamated Rubber	5%†	..	..	10	7 1/2
Bagan Serai Co.	..	..	Less tax	4	5
Balmoral Estate	..	..	..	40	32
Blantyre and East Africa	10%†	..	..	15	15
Bukit Sembawang	..	..	Less tax	6	3
Consolidated Estates	10*	May 7	..	..	..
Ellawatte Ceylon Tea	18 1/2%†	..	Less tax	28	15
Galaha Ceylon Tea	15 1/2%†	..	Less tax	20	12 1/2
Hanipha Tea	15 1/2%†	..	Less tax	25	25
Jugra Land and Carey	..	..	..	4	5
Kasintoe Rubber	..	..	Less tax 4/7 1/2 in £	6	nil
Kimanis Rubber	..	..	..	5	5
Klangang Produce	15%†	..	Less tax	20	20
Linggi Plantations	..	..	..	7 1/2	7 1/2
Lunderston Rubber	..	May 6	Less tax 4/7 1/2 in £	5	..
Malaysia Rubber	5%†	..	Less tax 4/7 1/2 in £	15	nil
Merton Rubber	..	..	Less tax	5	5
New Crocodile River	5%†	May 6	Less tax 4/7 1/2 in £	7 1/2	7 1/2
Panagula Rubber	..	..	..	12 1/2	25
Poonmudi Tea and Rubber	..	..	Less tax	27 1/2	25
Portmore Tea	17 1/2%†	..	Less tax	27 1/2	25
Rangoon Para	..	..	..	nil	4
Rubber Estates of Johore	..	..	Less tax	5	5
Selangor Rubber	..	..	Less tax	12 1/2	16 1/2
Sungei Way Rubber	..	..	Less tax	5	10
Sunnigama	10%†	..	Less tax	20	20
Talawakelle Estates	15%†	..	Less tax	25	25
Do (Bonus)	1 p.s.	..	Tax free	25	25
Talbedde Ceylon	35%†	..	Less tax	60	40
United Sumatra	..	..	..	10	8 1/2
Mining.					
Arizona Copper	1%	..	Quarterly	..	..
Idris Hydraulic Tin	6 p.s.*	April 30	Less tax	..	..
Randfontein Estates	10%	..	..	..	..
St John del Rey	1/3 p.s.	..	(& bonus 1/ p.s.) Less tax	15	12 1/2
Other Companies.					
Acme Tea Chest	7 1/2%*	..	Tax free	..	..
African City Properties	6 1/2%†	..	..	9	9
Alliance Trust	22†	..	..	22	21
Ardath Tobacco	25	..	(& bonus 25%) Tax free	50	50
Argentine Land and Investment	24%*	April 25	Less tax	..	..
Bath Electric, Pref.	5 1/2%†	..	..	23	..
Blyth, Greene & Jourdain, Ord.	5%† (& bonus 19%)	..	..	20	..
Do Def.	..	..	..	20	..
Borax Consolidated, Pref.	6	..	Less tax	..	..
Brighton West Pier	2 1/2%*	..	Less tax	..	..
Bristol Brewery (Georges)	12%*	May 15	..	..	..
British Canadian Trust	6*	April 17	Less tax	..	..

Bromley (Kent) Electric	6 1/2*	April 30	Tax free	10	10
Brush Electrical Engineering ..	6*	April 30	Less tax	10	10
Burnham Oil, Ltd. and 2nd Pref. ..	8*	April 30	Less tax 2/10 in £	10	10
Do Pref. ..	8*	April 30	Less tax 2/10 in £	10	10
Bushell, Watkins, and Smith ..	4 1/2*	April 30	Less tax	10	10
China Mutual Steam Navigation, Ord. ..	3 1/2*	April 30	Less tax	10	10
Do Ord. ..	3 1/2*	April 30	Less tax	10	10
City of Dublin Steam Packet ..	7*	April 30	Less tax	10	10
City of Santos Improvements ..	7*	April 30	Less tax	10	10
County of Durham Electric ..	7*	April 30	Less tax	10	10
Crane and Sons ..	7*	April 30	Less tax	10	10
Crescent, Robinson ..	7*	April 30	Less tax	10	10
Curtis Automobile ..	7*	April 30	Less tax	10	10
D. and W. Murray ..	10*	April 30	Less tax	10	10
Dickson and Benson ..	7 1/2*	April 30	Tax free	10	10
English China Clays ..	7 1/2*	April 30	Tax free	10	10
Farbairn, Lawson, & Co. ..	2 1/2*	April 30	Tax free	10	10
Gas Lighting Improvement ..	10 1/2*	April 30	Tax free	10	10
General Steam Navigation ..	5 1/2*	April 30	Tax free	10	10
George H. Leavey ..	5 1/2*	April 30	Tax free	10	10
Goldsmiths and Silversmiths ..	5*	April 30	Tax free	10	10
Groves and Whittall ..	5*	April 30	Tax free	10	10
Hadfield, Limited ..	5*	April 30	Tax free	10	10
Hammond's Bradford Brewery ..	7 1/2 p.s.	May 7	Less tax	10	10
Hardy's Crown Brewery ..	10 1/2*	May 7	Tax free	10	10
Highland Distilleries ..	10 1/2*	May 7	Tax free	10	10
Indo-European Telegraph ..	12 1/2*	May 7	Tax free	10	10
James W. Cook ..	12 1/2*	May 7	Tax free	10	10
J. and G. Wells ..	5*	May 7	Less tax	10	10
J. B. Brooks ..	10 1/2*	May 7	Less tax	10	10
J. J. Allen ..	10 1/2*	May 7	Less tax	10	10
John Walsh ..	7 1/2*	May 7	Tax free	10	10
Kansai-Osaki-Paniki ..	7 1/2*	May 7	Tax free	10	10
Kennaway and Co. ..	7 1/2*	May 7	Tax free	10	10
Lamson Paragon Supply ..	7 1/2*	May 7	Tax free	10	10
Leatherhead Electricity ..	7 1/2*	May 7	Tax free	10	10
Liverpool Land ..	7 1/2*	May 7	Tax free	10	10
London & Colonial Invest., Def. ..	7 1/2*	May 7	Tax free	10	10
London and S. Amer. Invest. ..	7 1/2*	May 7	Tax free	10	10
London Trust, Def. ..	7 1/2*	May 7	Tax free	10	10
Mappin and Webb ..	7 1/2*	May 7	Tax free	10	10
M. C. Thomson ..	7 1/2*	May 7	Tax free	10	10
Matlock Gas ..	7 1/2*	May 7	Tax free	10	10
Moore Smith's Stores, Cum. Prt. ..	7 1/2*	May 7	Tax free	10	10
Monte Video Water ..	7 1/2*	May 7	Tax free	10	10
Montevideo Telephone ..	7 1/2*	May 7	Tax free	10	10
Owen Parry ..	7 1/2*	May 7	Tax free	10	10
Patent Victoria Stone ..	7 1/2*	May 7	Tax free	10	10
Peterson, Laing, and Bruce ..	7 1/2*	May 7	Tax free	10	10
Phoenix Brewery (Heywood) ..	7 1/2*	May 7	Tax free	10	10
Pryce, Jones ..	7 1/2*	May 7	Tax free	10	10
Rhymney and Aber Gas ..	7 1/2*	May 7	Tax free	10	10
Richard Wheen and Sons ..	7 1/2*	May 7	Tax free	10	10
Robert Simpson & Co., Pref. ..	7 1/2*	May 7	Tax free	10	10
Roswell's Cardiff Brewery ..	7 1/2*	May 7	Tax free	10	10
Scottish Australian Investment ..	7 1/2*	May 7	Tax free	10	10
Scottish Investment, Def. ..	7 1/2*	May 7	Tax free	10	10
Scottish Malt Distillers ..	7 1/2*	May 7	Tax free	10	10
Second Scottish Amer. Trust ..	7 1/2*	May 7	Tax free	10	10
Second Scottish N. Investment ..	7 1/2*	May 7	Tax free	10	10
Sneyd Collieries ..	7 1/2*	May 7	Tax free	10	10
Solicitors' Law Stationery ..	7 1/2*	May 7	Tax free	10	10
South London Dwellings ..	7 1/2*	May 7	Tax free	10	10
Swansea Tramways ..	7 1/2*	May 7	Tax free	10	10
Tarapaca and Tocopilla Nitrate ..	7 1/2*	May 7	Tax free	10	10
Tarapaca Waterworks ..	7 1/2*	May 7	Tax free	10	10
Tayside Floorcloth ..	7 1/2*	May 7	Tax free	10	10
Thomas Donne ..	7 1/2*	May 7	Tax free	10	10
Twyfords ..	7 1/2*	May 7	Tax free	10	10
United National Collieries ..	7 1/2*	May 7	Tax free	10	10
Waldorf Hotel ..	7 1/2*	May 7	Tax free	10	10
Weardale Lead ..	7 1/2*	May 7	Tax free	10	10

(d) The directors also announce that the valuation reserves of the life department have been considerably strengthened, and they have declared a reversionary bonus on the basis of an increase of 68 per cent. per annum to the bonus declared in 1920 under a table of bonus declared throughout the war period. The directors also announce that the valuation reserves of the life department have been considerably strengthened, and they have declared a reversionary bonus on the basis of an increase of 68 per cent. per annum to the bonus declared in 1920 under a table of bonus declared throughout the war period. The directors also announce that the valuation reserves of the life department have been considerably strengthened, and they have declared a reversionary bonus on the basis of an increase of 68 per cent. per annum to the bonus declared in 1920 under a table of bonus declared throughout the war period.

ANALYSIS OF BALANCE-SHEETS.

ASSOCIATED PORTLAND CEMENT.

LIABILITIES.	December 31, 1923.	ASSETS.	December 31, 1923.
Amount.	£	Amount.	£
Ord. shares ..	2,257,215	Freehold and leasehold ..	7,199,508
Pref. shares ..	2,284,720	Stock-in-trade ..	589,318
4 1/2% deb. stock ..	2,017,606	Debtors ..	448,216
5% second deb. stock ..	2,017,606	Investments at or under cost ..	1,899,600
Tolteca 6% deb. stock ..	1,888,469	and loans ..	230,819
Kenilworth 6% deb. stock ..	1,888,469	Cash and bills ..	389,554
Mortgages ..	103,814		
Creditors ..	366,772		
Reserve ..	613,491		
Profit and loss ..	290,309		
Total ..	10,526,196	Total ..	10,526,196
LIABILITIES.	December 31, 1923.	ASSETS.	December 31, 1923.
Amount.	£	Amount.	£
Pref. stock ..	1,500,000	Fleet & shipping ..	17,936,806
2nd cum. pref. ..	1,000,000	Investments ..	1,350,876
Ord. shares ..	4,456,189	Properties, &c. ..	734,052
Govt. shares ..	20	Plant ..	126,599
Reserve ..	1,250,000	Stores, &c. ..	346,015
2 1/2% deb. stock ..	7,150	Debtors ..	1,792,581
Int. accrued ..	4,000,000	Investments ..	2,617,867
7% deb. stock ..	116,667	Discount on deb. stock ..	400,710
Int. accrued ..	106,018	Cash ..	1,603,849
Saving fund ..	10,018		
Creditors ..	11,913,800		
Profit and loss ..	448,929		
Total ..	25,558,479	Total ..	25,558,479

MINING OUTPUT STATISTICS FOR MARCH, 1924.

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.	Total.	£	£
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.	£	£
Ashanti.....	7,600	..	..	..	7,126	(a) 30,271	..
Associated ..	5,462	..	..	..	..	5,659	..
Associated Northern— Iron Duke ..	494	..	..	..	..	1,500	132
Bajaghat ..	3,400	7,550	2,391	338	2,729	..	..
Blackwater ..	4,487	..	..	..	..	(b) 6,959	2,734
Boulder Perseverance ..	..	..	..	..	..	(a) 16,745	2,551
British Platinum and Gold ..	..	..	469	(pltm)	140	(gold)	..
Champion Reef ..	9,548	18,805	3,511	806	4,317	..	..
El Oro ..	34,500	..	..	..	..	\$137,100	7,400
Globe and Phoenix ..	6,331	..	..	..	5,449	..	..
Golden Horse Shoe ..	2,444	..	..	..	4,928	(c) 21,085	2,261
Gt Boulder Prop. ..	9,411	..	..	..	..	(a) 24,468	..
Ivanhoe ..	10,846	..	..	..	4,194	..	..
Lake View and Star ..	7,100	..	..	..	..	16,854	..
Lonely Reef ..	5,640	..	..	..	3,952	..	(f) 9,443
Menzies Cons. ..	1,180	..	..	..	..	2,801	..
Nyore ..	19,014	33,247	9,308	1,373	10,681	..	..
Nunddydrog ..	11,500	11,536	4,954	556	5,510	..	..
Oreogium ..	14,000	4,000	8,641	259	8,900	..	..
Oriental Cons. ..	..	..	..	..	..	\$114,400	..
Rezende ..	6,200	664	..	..	3,010	14,455	6,769
Sheba ..	3,880	..	..	..	1,079	..	..
Sons of Gwalia ..	15,519	..	..	..	..	13,439	..
St John del Rio ..	..	..	..	..	..	38,500	..
Taguach and Abosso ..	7,300	..	..	..	3,722	(d) 17,772	..
Transvaal and Rhodesian— Fred ..	1,450	..	..	..	..	4,700	..
Vipond ..	3,412	..	..	..	..	\$57,806	..
Merican of El Oro ..	14,138	..	..	..	..	\$195,940	\$50,080
Shamva ..	58,500	..	..	..	..	36,373	11,052
Orava Linke ..	3,500	..	..	..	..	11,874	..

[April 12, 1924.]

WORLD AUXILIARY.—In the fire, accident, and general account for last year the premiums were £157,689 and the claims £94,090. The fire fund was increased from £67,803 to £72,058, which was carried forward as a reserve for unexpired risks. In the marine account the premiums were £149,671, and the total claims on 1923, 1922, and previous years £105,353. The marine fund increased from £191,392 to £199,734, after a transfer of £30,000 to profit and loss. Interest and commission yielded £25,029 and miscellaneous receipts £13,577. A sum of £10,000 was transferred to investment reserve, and £20,000 to the reserve fund (making it £40,000). The directors recommend a dividend of 5 per cent., tax free, for 1923.

TEA AND RUBBER.

GALAH Ceylon TEA ESTATES.—This company has had a good year. The 1923 report is just out, and shows a gross profit, after providing £1,500 for depreciation of machinery, of £77,693, as against £61,403 for 1922. The ordinary shareholders are to receive a 20 per cent. dividend, against 12½ per cent. for 1922. The sum of £5,000 is again put to reserve. The tea crop was 2,367,639 lbs, against 2,324,346 lbs in preceding year. The rubber crop was 138,638 lbs, against 180,595 lbs. The yield from cardamoms was 3,306 lbs, against 2,889 lbs. The net average price secured per lb for tea was 1s 4.88d, against 1s 2.08d for 1922; for rubber, 1s 1.36d per lb, against 9.78d; and for cardamoms, 3s 10.07d, against 1s 8.39d. The balance-sheet shows total assets of £564,096. Cash stands at £51,855. Stocks stand at £55,151. Debtors are at £29,979. Properties are at £420,809. With regard to liabilities the total share capital is £352,000. Of this sum, £292,000 is in ordinary shares and the remainder in 6 per cent. preference shares. The debenture debt is £96,300. The reserve fund is at £20,000. Creditors stand at £59,621.

KASINTOE RUBBER.—A better year has been experienced by this concern. The net profit for 1923 is £8,556, against £2,349 for 1922, and the ordinary shareholders are to receive 6 per cent., against nothing for 1922. The sum of £5,995 goes forward, against £4,549 brought in to the accounts. The cost of production, free on board at port of shipment (including depreciation of buildings and plant, staff bonus, and London administration), was 9.47d per lb, as compared with 8.92d per lb in 1922. The average net sale price, taking in at a valuation the portion of the crop unsold or not yet accounted for, was 1s 2.37d per lb, as compared with 10.09d per lb in 1922.

POONMUDI TEA AND RUBBER.—This company has increased its net profit from £8,002 for 1922 to £11,149 for 1923, also its dividend from 10 per cent. for 1922 to 12½ per cent. for 1923. The report points out that up to date a total amount of £22,765 debenture stock (10s paid) has been converted into 113,825 shares of the company, thus making the issued capital £64,689 10s, which ranks for the final dividend of 7½ per cent. The crops amounted to 609,224 lbs tea (against 660,861 lbs last year), which was produced at a cost of 7.90d f.o.b., and realised 1s 1.54d net per lb, and 57,896 lbs rubber (against 54,073 lbs last year), which was produced at a cost of 7.31d f.o.b., and realised 11.98d net per lb. The tea crop was adversely affected by the drought in the spring of the year and by the long spell of rain which followed, whilst attacks of mosquito blight were recurrent. The latest reports show that blight is quiescent, and prospects for crop are satisfactory.

UNITED SUMATRA.—The following table provides an interesting illustration of the results of this concern since the year 1912:—

	Crop.	Divs.		Crop.	Divs.
	Lbs.	%		Lbs.	%
1912	199,955	25	1918	868,723	16½
1913	354,348	33½	1919	1,110,063	39½
1914	473,417	20½	1920	1,077,610	nil
1915	648,155	33½	1921	860,211	nil
1916	841,128	41½	1922	715,397	8½
1917	997,105	29½	1923	835,086	10

The net profit for 1923 is £42,125, against £1,590 in 1922. The report states that "costs of production show a satisfactory reduction to 6.83d per lb, f.o.b., as compared with 9.89d per lb in the previous year, this improvement being due in part to the reorganisation of Serapoh and Tanah Abang Estates and the adoption of alternate day tapping thereon. The average price realised was equivalent to 1s 1.71d per lb net, as compared with 11.02d per lb for the previous year. For the year 1923 the crop of coconuts throughout the East was poor. The crop obtained on Serapoh Estate yielded 6,018 piculs of copra, 809 piculs less than in the previous year, but the cost of production shows a considerable decrease (£4 16s per ton) and a gross profit of approximately £1,500 was secured. The net price realised for the crop was £20 11s 10d per ton, London."

MISCELLANEOUS.

FAIRBAIRN, LAWSON, COMBE, BARBOUR.—This company has not done so well for the year 1923 as it did in 1922. Its net profits, after payment of debenture and note interest, have declined from £179,882 to £19,727, and its ordinary dividend has been reduced from 14 per cent. to 5 per cent. A balance of £185,204 is being carried forward, against £226,466 brought in to the accounts. The report points out that since the close of the year there has been a distinct improvement in the volume of orders. The total assets are £2,555,860. Cash stands at £117,643. Victory Bonds at cost are at £20,400, investments at cost stand at £165,400, debtors stand at £190,682.

GOLDSMITHS AND SILVERSMITHS.—This company has more than doubled its net profit during the year ended January 31, 1924. The net profit is £40,209, against £18,965, and the ordinary dividend

has been raised from 4 per cent. to 5 per cent. The sum of £20,783 is carried forward, subject to corporation profits tax. The total assets are £816,604, in four items—i.e., goodwill, lease, furniture, and fittings, £395,308; debtors, £99,091; stocks, £276,605; and cash, £45,600. With regard to liabilities, the share capital is £600,000. Creditors stand at £61,334. Reserve is at £115,000.

MAPPIN AND WEBB, LIMITED.—This company has experienced a rather difficult time during the year 1923. The report points out that it has been necessary to make a further provision to reduce the stocks to present-day values, and that profits have again been seriously affected by the continued fall in foreign exchanges. The profit and loss account shows that the gross profit amounted to £23,817, against £59,744 for 1922, and £125,265 for 1921. No dividend is being paid on the ordinary or the preference shares. For 1922 the ordinary shareholders received 2½ per cent., which was paid as an interim dividend. The 8 per cent. cumulative preference dividend has been paid to June 30, 1922. The sum of £19,850 has been transferred from the general reserve, leaving no general reserve in the balance-sheet. The sum of £14,271 has been written off plant, &c., while £33,475 has been utilised to provide for depreciation of stocks. The sum of £5,888 is carried forward. The directors report a considerable improvement in the financial position, together with a substantial reduction in the stocks. The company have acquired during the year the freehold of the new factory at Sheffield. The total assets amount to £1,785,939. Stocks now stand at £391,785, against £588,258 at the end of 1921.

Commercial Reports.**THE CORN TRADE.**

Mark Lane, Friday Evening.

Climatic conditions were less favourable to agricultural operations during the week, but with bright intervals farmers were able to push ahead on field work, and a considerable area is now laid down to spring cereals. General course of trade marked no improvement, buyers showing little disposition to operate owing to the uncertain course of prices. English wheat was in moderate supply, and suitable milling grades ruling up to 10s 6d per 112 lbs free on rail. Imported grades moved off slowly, and prices tend in buyers' favour in sympathy with lower c.i.f. offers. No. 1 Northern Manitoba quoted 47s 6d, No. 2 ditto 46s 6d, No. 3 ditto 45s 6d, Rosafé 63½ lbs 46s, and Australian 47s 6d, all ex ship per 496 lbs. A generally quiet demand prevailed for floating and forward cargoes, the demand being chiefly on Continental account, and prices for the most part ruled in buyers' favour. Rosafé 64 lbs afloat sold at 43s 9d, Barusso 63½ lbs. afloat 42s 6d, Baril ditto 42s 6d, and Australian afloat at 46s 10d to France. Flour moved off slowly at about late rates. London standard straight run quoted 37s, patents 39s to 40s, town households 35s per sack delivered. All-English country straights 34s 6d per sack free on rail at London stations. Imported steady. Manitoba patents range from 35s to 37s 6d as to quality, and Australian 35s to 36s per 280 lbs ex store. Maize cargoes dull of sale, and prices easier on liberal Plate offerings. Plate steamer, April 25th shipment, sold 37s 7½d, April 30th 37s 4½d per 480 lbs. Barley, English, firm, with a fair inquiry for malting descriptions at 11s 3d-12s 6d, with feeders at 10s-10s 9d per 112 lbs free on rail. Imported steady. Californian 48s-52s as to sample, Chilean brewing 44s-46s ex ship per 448 lbs. No. 3 Canadian Western 33s 6d ex ship, Karachi 31s ex ship, ditto landed 32s, Plate ex ship 31s 9d, all per 400 lbs. Maize quiet. Plate 41s 6d-42s 6d landed as to quality, red Karachi ex ship 41s, yellow Calcutta 42s landed per free on rail. Imported weak. Plate f.a.q. ex ship 20s 6d, ditto Canadian feed landed 23s 6d per 320 lbs. Millers' offals firm, with ordinary 7s 6d, middlings 8s-8s 3d, fine ditto 9s 6d, bags included, 9s 3d, ground oats 12s 3d per cwt, free on rail. Oatmeal steady. London-made flaked 16s 6d, rolled oats 16s, medium and fine cuts 16s, coarse and medium pinhead 16s, ordinary Scottish oatmeal 17s 6d, and American 16s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-1924.	1922-1923.	1921-1922.	1920-1921.
Estimated sales of home-grown wheat—				
1 week to April 5	Owts. 137,913	Owts. 264,548	Owts. 247,927	Owts. 180,264
31 weeks to April 5	1,059,323	1,356,102	1,367,240	9,595,357
Average price of English wheat per cwt.....	10 6	9 8	11 11½	20 7

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.			Corresponding Period Last Year	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Prefce. Amount.	Ordinary. Amount.			
Hotels, Restaurants, &c.									
Waldorf Hotel.....	Jan. 31	£ 2,470	£ 37,268	£ 39,738	£ 13,974	£ 12,350	10	£ 10,164	£ 3,250
Iron, Coal, and Steel.									
Fairbairn, Lawson, Combe, Barbour	Dec. 31	234,317	19,727	254,044	15,000	43,750	5	10,000	185,294
United National Collieries	Dec. 31	32,830	132,719	165,549	13,553	101,410	7½	50,586	131,829
Rubber, &c.									
Bagan Serai.....	Dec. 31	8,303	5,120	13,423	..	6,000	4	..	7,423
Ceylon (Para)	Dec. 31	10,611	17,220	27,831	..	14,000	20	..	13,831
Jugra Land and Carey	Nov. 30	19,150	52,833	71,983	..	53,680	4	..	18,303
Kasintoe	Dec. 31	4,549	8,556	13,105	..	7,200	6	..	5,905
Panagula	Dec. 31	1,471	9,894	11,365	..	7,000	7	2,643	1,722
Rangoon Para	Dec. 31	3,071	9,032	12,103	..	..	..	8,939	3,164
Rosehaugh (Ceylon)	Dec. 31	..	26,501	26,501	..	20,647	3	3,500	2,354
Selangor	Dec. 31	18,688	15,288	33,976	..	15,000	12½	2,000	16,976
Sungei Way	Dec. 31	13,752	12,608	26,360	..	11,733	5	2,000	12,627
United Rubber and Coffee	Dec. 31	..	7,981	7,981	..	..	..	..	7,981
United Sumatra.....	Dec. 31	10,528	42,125	52,653	..	22,000	10	..	10,653
Shipping.									
Cunard Steamship	Dec. 31	125,262	391,167	516,429	135,000	222,810	5	..	158,619
Shops and Stores.									
Goldsmiths and Silversmiths	Jan. 31	10,574	40,209	50,783	15,000	15,000	5	..	20,783
Mappin and Webb.....	Dec. 31	25,756 Dr	89,715 Dr	115,471	..	..	..	Dr 19,850	5,888
Tea.									
Galah Ceylon	Dec. 31	5,590	63,985	69,575	3,600	58,400	20	5,000	2,575
Poonmudi Tea and Rubber	Dec. 31	529	11,146	11,675	..	7,948	12½	2,500	1,227
Sunnygama.....	Dec. 31	4,490	18,344	22,834	900	15,000	20	..	6,934
Tramways.									
Birmingham District Power and Traction	Dec. 31	3,960	61,287	65,247	8,811	20,647	5	24,766	11,023
Pernambuco Tramways	Dec. 31	Dr 17,573 Dr	6,309 Dr	23,882	..	..	..	Dr 23,882	Dr 17,202
Trusts.									
African City Properties	Dec. 31	11,252	33,242	44,494	7,500	19,830	9	5,000	12,164
Alliance	Jan. 31	33,323	176,340	209,663	39,113	89,026	22	45,000	36,524
Second Scottish American	Mar. 1	27,414	45,163	72,577	..	30,917	10	5,000	36,660
Waterworks.									
Monte Video	Dec. 31	61,117	97,553	158,670	..	76,500	8	20,000	62,170
Other Companies.									
Associated Portland Cement	Dec. 31	227,440	344,299	571,739	125,660	..	..	218,600	227,479
Barker Bros. (Silversmiths)	Dec. 31	Dr 5,708	110 Dr	5,596	..	..	..	Dr 5,596	..
British Electric Transformer	Dec. 31	8,137 Dr	22,129 Dr	13,992	..	..	..	Dr 13,992	..
British Tobacco (Australia)	Jan. 31	39,118	776,535	815,653	89,084	685,844	12	..	40,725
Debenhams	Jan. 31	..	624,649	624,649	284,989	146,774	(10 A) 20 B	192,886	..
Dickson and Benson	Jan. 31	4,364	11,997	16,361	4,906	3,375	12½	1,000	7,080
Lamson Paragon Supply	Jan. 31	8,509	64,526	73,035	35,396	20,000	5	7,310	10,329
Provincial Cinema tograph	Jan. 31	17,564	146,433	163,997	25,000	..	..	89,823	49,174
Theatres	Nov. 30	1,940	5,263	7,203	5,000	1,000	1	..	1,203
Richard Wheen and Sons.....	Feb. 29	92,793	55,131	147,924	..	29,716	40	40,000	78,208
Tayside Floorcloth.....									83,613

† Free of tax.

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1920 to 1923:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1924.						
Mar. 29	Owts. 178,138	Owts. 61,902	Owts. 34,361	10 7	11 7	9 7
April 5	137,913	44,577	29,396	10 6	11 3	9 7
1920	150,831	30,946	12,012	16 11	25 1	19 9
1921	180,266	19,943	23,915	20 7	15 7	12 9
1922	247,929	70,907	32,652	12 0	11 5	10 6
1923	264,548	71,155	27,086	9 8	8 4	9 9

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated April 10th, is as follows:—Pig-iron.—Makers of Cleveland pig-iron are so well sold for the near future that the seller's price is generally maintained at 95s per ton for No. 3 G.M.B. Stocks of East Coast hematite pig-iron still weigh rather heavily on the market, and the price of mixed numbers is 99s per ton, at which they are sellers. Manufactured iron and steel.—The postponement of the shipyard lockout tends to make things more cheerful. Business, however, is still quiet. Steel ship plates, £10 5s; steel ship angles, £10; iron bars, £12 10s; steel rails, £9. Iron ore.—Until we get more hematite furnaces going the foreign ore trade must continue dull. Best Bilbao Rubio is nominally 24s per ton, c.i.f. Tees.

Our Sheffield correspondent writes:—While no general improvement in the market for raw and partly manufactured iron and steel can be reported, the continued absence of foreign competition has improved the outlook of the trade very considerably. Continental prices have now been advanced to a point which practically

shuts it out of the British market, and no business of any consequence has been placed for a long time, so that when existing contracts are completed users of billets and similar material will have no inducement to buy abroad. Home producers appear confident of a large buying movement in the course of a few weeks. Prospects of higher prices and the unsettled labour outlook continue to influence the general trade situation adversely, and the tightness of money constitutes a serious handicap to manufacturers. There is great activity in the building of railway rolling stock, and the manufacture of axles, tyres, and springs. Export trade is looking up in some branches, but is stagnant in others, and the European markets are buying nothing of any consequence from the makers of special steels. The motor industry continues to be a good customer for Sheffield steel, and the same may be said of the electrical industry. Iron foundry, while tending to improve in certain directions, is quiet as a whole. Crown bar iron has been advanced this week from £12 10s to £13 per ton. This material is in request for wagon building, but not much is being sold for other purposes. The plate and cutlery branches are quiet, and business generally unremunerative. The season for farm and garden tools started well, but is not expanding so much as was hoped for. In the coal market little free fuel is on offer, and the situation as regards delivery is still adversely affected by bad railway working. Home consumers of steam coal are pressing for deliveries, and the position is generally one of scarcity. Cokes are in moderate demand, with ample supplies. Prices per ton at pits are:—Best hand-picked branch, 36s to 38s; Barnsley best Silkstone, 34s to 35s; Yorkshire hard, 27s to 29s; Tyne steams, 27s 6d; rough slacks, 12s 6d to 15s; smalls, 8s to 10s.

Our Glasgow correspondent writes as follows:—Business in pig-iron is very brisk, and at advanced prices for all grades there is steady buying. Exports have been up to the average, and the demand for overseas trade is still in evidence. Makers of iron and steel generally are now experiencing some difficulty in keeping their plants employed on account of the scarcity of new orders of any consequence. Specifications for structural steel and for shipbuilding material against existing contracts have come

forward and helped the situation so far as the immediate needs of the mills are concerned, but the demand for forward delivery necessary to create confidence in the market is wanting. This is not to be wondered at in view of the shipbuilding crisis. If the lockout announced to take place this week is not averted, this industry, which was just showing signs of steady revival, will in all likelihood receive a set-back from which recovery will be a long and slow process. It is encouraging, however, to find that the following new contracts have been placed on the Clyde, viz., a twin-screw vessel with Scotts' Shipbuilding and Engineering Company, Limited, Greenock, and a large oil tank vessel to be built by Messrs. John Brown and Co., Limited, Clydebank, both of which are to be propelled by internal combustion engines. Export business is spasmodic, and the demand, although fairly steady from some quarters, is not what it might be at this season. Some merchants have been obliged to re-order steel bars and sheets from British works on account of the impossibility of getting their deliveries from Belgium and Germany, and are losing considerably thereby. For the general home and export trade the demand for black steel sheets continues good. Galvanised corrugated sheets are, however, being keenly competed for, and prices for good export lines have been cut 20s per ton below the quotations of a month ago. The tonnage of galvanised sheets exported last month was the largest for any one month for some considerable time.

Our Cardiff correspondent writes:—The South Wales coal market this week has been marking time. Buyers and sellers have been waiting on the course of events in connection with the miners' ballot. On Saturday last the principal leaders of the workmen advised acceptance of the employers' offer, but other leaders urged rejection, and the figures announced on Thursday gave a considerable majority against the acceptance of the proposed terms of settlement. The market realised that the ballot did not in itself involve the issue of a national strike; any case, that must be subject to a second ballot. But in view of the uncertainty of the position little forward business was done, and attention was directed chiefly to the shipment of contract coal before the Easter holidays. Best Admiralty large coals maintained a firm tone throughout the week, but the second and inferior qualities subsided slightly under the pressure of an increasing supply of free coal, and a still greater easiness is anticipated after the holidays unless the unexpected happens. The situation in the Ruhr is a disturbing factor. A renewal of conflict in that district would doubtless be followed by an increased demand for British coals; but while operators are acting cautiously, in view of possible contingencies, they incline to the view that neither France nor Germany desire to see another suspension of work in Westphalia, and that, therefore, some arrangement will be made that will avoid that calamity.

The following are the current approximate quotations:—Best Admiralties, 31s to 32s 6d; second Admiralties, 30s to 31s; best drys, 29s 6d to 30s; black veins, 31s to 32s; Western Valleys, 30s to 31s; Eastern Valleys, 27s 6d to 30s; best bunker smalls, 22s to 23s 6d; ordinary cargo smalls, 18s to 20s; coking smalls, 22s to 23s; anthracite big vein large, 41s 6d to 45s; machine-made cobbles, 50s to 52s 6d; French nuts, 50s to 52s 6d; stove nuts, 47s 6d to 52s 6d; rubbly culm, 15s 6d to 16s; inland blast furnace coke, at ovens, 30s to 35s; coke for export, 60s to 62s 6d; patent fuel, 29s to 32s; pit wood, ex ship, 25s to 26s.

In the steel and tin-plate trade prices are unchanged, but inquiries are less active, and the volume of exports declining.

METALS.

Tin lower at commencement, due to heavy selling pressure, though offers were fairly well absorbed. Values, however, marked some improvement by the middle of the week. Standard cash sold at £266 15s to £253 to £254 15s, and three months at £263 to £265 15s to £250, while finally registered at £254 15s. Eastern cables reported sales on the basis of £261, c.i.f. A moderate demand prevailed on Thursday, and values firmer, though closing below the best. Standard cash sold at £256 17s 6d to £257 15s to £256 10s, and three months £255 10s to £255 to £257 to £255 5s, while finally at £255 10s. Values suffered a sharp relapse at final market, standard cash being dealt in at £242 to £241, and three months £250 to £251 to £239 10s. English ingots quoted at £242 10s to £244. Copper ruled easier on liberal offerings and lower American advices. A good turnover resulted chiefly with regard to forward positions. Cash sold at £64 12s 6d to £63 18s 6d to £64, and three months £65 15s to £64 12s 6d to £64 15s. At Thursday's session dealings were on an active scale and tendency of prices in sellers' favour. Standard cash quoted at £64 7s 6d to £64 10s, and three months sold at £65 2s 6d to £65 10s. Copper was in good demand, and prices easier at close. Cash sold at £64 and three months £65 to £64 17s 6d. Electro's £69 10s to £70, best selected £68 5s to £69 10s, strong sheets £98, wire bars £70. Lead easier, and quoted at £32 10s to £31, as to position. Spelter lower at £32 to £31 17s 6d, according to position. Aluminium firm. Home, £120; export, £125. Antimony, English special brands, £57 to £57 10s.

THE COTTON TRADE.

MANCHESTER, April 10.

The feature of interest in the market this week has been the further rise in raw cotton rates. Sellers of yarn and cloth have been compelled to put up their quotations, but some buyers have not been prepared to follow the advance. A persistent inquiry continues to be met with in piece goods, especially for India. Light fabrics and fancy materials continue to attract more attention than standard grey makes. Stocks in China are very low, but shippers remain cautious. Advances from Egypt tend to improve, and rather more demand has been about for South America. Home trade buyers have displayed rather more interest in prices. Manufacturers as a body remain more favourably situated, but it is a struggle to obtain higher rates. American yarn quotations have been firmly held at the advanced figures, but a rather restricted trade has been done. Certain counts and qualities are scarcer than ever. Steady buying has continued to take place in Egyptian spinnings.

(I.) Comparative Statement of the Cotton Trade.

	Price, April 10, 1924.	Previous Weeks in 1924.					
		Price, April 3.	Price, April 10.	Price, April 17.	Price, April 24.	Price, May 1.	Price, May 8.
Raw Cotton—Fully Mid. American . . . per lb	19.28	17.83	16.55	17.58	17.01	16.95	
— Sakellaridis Fully Good Fair Egyptian . . . per lb	22.40	21.45	20.50	21.40	20.60	20.45	
Yarns—32's twist per lb	27 1/2	26 1/2	25 1/2	25 1/2	24 1/2	24 1/2	
— 40's twist per lb	28	27	25 1/2	25 1/2	24 1/2	24 1/2	
— 60's twist (Egyptian) per lb	34 1/2	33 1/2	32 1/2	33	32 1/2	32	
32-in. Printers, 116 yds, 16 by 16, 32's and 50's . . .	38	37 1/2	36	36 1/2	36	36	
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's . . .	42	41 1/2	40	40 1/2	40	39 1/2	
38-in. ditto, 38 yds, 18 by 18, 10 lbs	21	20 1/2	20	20 1/2	21	21	
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs	19	18 1/2	18	18 1/2	18 1/2	18 1/2	

(II.) Compared with Previous Years.

	Price, April 10, 1924.	Corresponding dates in				
		1923.	1922.	1921.	1920.	1919.
Raw Cotton—Fully Mid. American . . . per lb	19.28	16.10	10.46	7.78	29.15	17.80
— Sakellaridis Fully Good Fair Egyptian . . . per lb	22.40	17.75	17.50	17.00	26.00	26.59
Yarns—32's twist per lb	27 1/2	24	17 1/2	17 1/2	27 1/2	27 1/2
— 40's twist per lb	28	23 1/2	17	16 1/2	27 1/2	27 1/2
— 60's twist (Egyptian) per lb	34 1/2	29 1/2	28	30	145	31
32-in. Printers, 116 yds, 16 by 16, 32's and 50's . . .	38	33 1/2	29	38	6101	44
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's . . .	42	36 1/2	29	35	0	43
38-in. ditto, 38 yds, 18 by 18, 10 lbs	21	18 1/2	18	18 1/2	51	25
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs	19	17 1/2	17	18	45	23

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The market generally presents a rather quieter appearance, but values are steady, and, in the case of crossbred tops and yarns, against the buyer. Demand for merinos is still disappointing, and with the gradual accumulation of stocks of fine count yarns prices are more irregular. In some cases very low figures are being accepted, and it is becoming increasingly difficult for spinners to keep all their machinery running. Most top-makers, however, have full confidence in the raw material position, and are looking to the time when users will be more prepared to pay prices in keeping with replacement values. The active demand for crossbred yarns is keeping top-makers busy, and medium and low qualities continue to attract most attention. While there is hardly any quotable change on the week, all crossbreds are firm at recent rates. Some good orders have been booked in the hosiery trade. Business in piece-goods shows signs of improvement, more especially in the home trade. Deliveries of spring goods are being taken up with greater freedom, and wholesale fabric buyers are keeping in touch with makers' quotations. The demand, however, still leans strongly to crossbreds, and in the finer worsteds it is impossible to make prices based on current costs of productions. The woollen section is relatively better employed than the worsted, and the same tendency is pronounced in the American trade. All home-grown wools, both fleece and skin, are getting into small compass, all round. The recent spurt of activity in noils has apparently collapsed, and the extreme prices paid a fortnight ago are no longer obtainable. For definite business concessions can now be obtained for both merino and crossbred noils.

(Continued on page 810.)

CLERICAL, MEDICAL & GENERAL

Life Assurance Society

1824 — 1924

During 100 YEARS THE SOCIETY HAS PAID CLAIMS of OVER **£13,000,000**

DIVIDED SURPLUSES amongst its POLICY-HOLDERS of nearly **£6,000,000**

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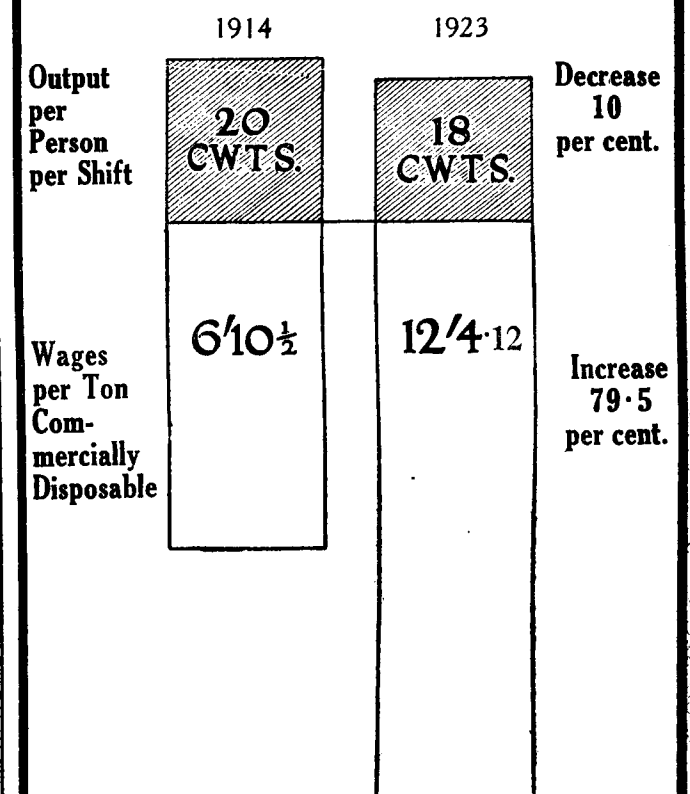
London Bankers:—Hambros Bank, Limited Westminster Bank, Limited; Midland Bank, Limited; Cox & Co.

THE STORY OF COAL

1914-1923:

The Real Comparison

Output per Person
Employed and Wage
per Ton



More miners are producing less coal. Each ton of coal costs more to get. Every addition to wages increases that cost. National Prosperity depends upon Cheap and Abundant Coal.

If you are interested in "The Story of Coal," cut this advertisement out and file it. It is issued on behalf of the Colliery Owners of Great Britain by PHILIP GEE, 40, King Street, Covent Garden, W.C.2, from whom further information about the Coal Mining Industry can be obtained.

No. 9.

		Per Owt					Per Owt		
		s	d	s	d			s	d
English	Arran					Majestic		9	6 to 10
Chief		9	6 to 10	0		Blackland		8	6 to 10
King Edwards		10	6	11	6	New Canary	(case)	14	0 15 0

[illegible]

UNION CORPORATION LIMITED.

(Incorporated in the Transvaal.)

ABRIDGED REPORT OF THE DIRECTORS.

In submitting to the Shareholders the Accounts of the Corporation for the year ended December 31st, 1923, the Directors state:-

The realised net profit for the year, after deducting all outgoings, including commissions and bonuses paid to the management and staff, is £301,299 3s 5d, to which £79,996 8s 10d brought forward from 1922 has to be added, making a total of £381,295 12s 3d. An interim dividend of one shilling per share, equal to £70,000, was paid on November 30th last. The Reserve Account has been increased by £22,375 16s. representing the premium on the re-issue of some of the ex-enemy shares in the Corporation acquired from the Custodian of Enemy Property as the result of war legislation, and the Directors have decided to set aside out of profits an additional sum of £20,000, making the

amount standing to the credit of the Reserve Account £222,375 16s. They have also declared a final dividend of three shillings per share, involving an amount of £210,000, and making a total distribution of four shillings per share, or 32 per cent. for the year. The balance of £81,295 12s 3d is carried forward to new account.

The working profit of the Modderfontein Deep Levels, Limited, which was 4d per ton higher than in the previous year, combined with an increase of 80,300 tons sent to the mill, enabled the company to increase its profit earnings by about 20 per cent. to a total of £812,369, with the result that the dividends declared during the year amounted to 140 per cent., as compared with 120 per cent. in 1922. The following table summarises operations for the last five years:-

	Tons milled.	Gold output and per ton.	Working costs and per ton.	Working profit and per ton.	Dividends.
1919	507,200	£1,224,384 (48/3)	£466,841 (18/5)	£757,543 (29/10)	£575,000 (115%)
1920	507,700	1,466,595 (57/9)	575,287 (22/8)	891,308 (35/1)	725,000 (145%)
1921	509,300	1,477,610 (58/0)	560,786 (22/0)	916,824 (36/0)	750,000 (150%)
1922*	444,700	1,102,456 (49/7)	423,345 (19/0)	679,111 (30/7)	600,000 (120%)
1923	525,000	1,268,414 (48/4)	456,045 (17/5)	812,369 (30/11)	700,000 (140%)

*Results affected by strike of white miners.

The feature of the year at the Geduld Proprietary Mines, Limited, was the extension of the mill which was put in commission on April 24th, thus increasing its capacity to about 800,000 tons per annum, the rate at which ore was treated during the last half of the year. Since the close of the year it has been decided to increase the reduction plant still further so as to enable it to treat 900,000 tons per annum, but it is not

expected that this extension will be available until late in 1924. With this addition, the milling capacity will have been doubled since 1917. The working profit was £469,319, or £168,377 higher than for the previous year, and the company was thus able to raise its dividend to 27½ per cent. The results of operations during the last five years may be summarised as follows:-

	Tons milled.	Gold output and per ton.	Working costs and per ton.	Working profit and per ton.	Dividends.
1919	516,000	£285,406 (33/1)	£531,327 (20/7)	£322,079 (12/6)	£187,397 (16%)
1920	526,700	1,023,354 (38/10)	635,280 (24/1)	388,074 (14/9)	205,296 (17½%)
1921	537,800	1,004,023 (37/4)	634,457 (23/7)	369,566 (13/9)	220,916 (17½%)
1922*	460,700	771,626 (33/6)	470,684 (20/5)	300,942 (13/1)	£15,808 (16½%)
1923	722,500	1,167,564 (32/4)	698,245 (19/4)	469,319 (13/0)	366,214 (27½%)

*Results affected by strike of white miners.

The mill of the San Francisco Mines of Mexico, Limited, has been increased to meet current and future requirements, and is now capable of dealing with 180,000 tons of ore per annum. Other equipment has been or is to be overhauled and enlarged. Development and shaft sinking is receiving due attention, while two adjoining properties have been acquired with the knowledge that one at least contains the extension of the San Francisco main vein to which operations are at present directed.

The main effect of the rebellion in Mexico has been to cause a shortage of labour which has reduced the scale of operations. The operating profit for the five months to February 29th has been £563,635, comparing with £840,253 for the whole of the year to September 30th. As a result of the exercising of options, the Corporation's share holding in this company has been materially increased.

Holders of Share Warrants to Bearer can obtain copies of the full report and accounts on application at the London Office, Pinners Hall, Austin Friars, E.C.2.

THE ROBERT SIMPSON COMPANY, LIMITED.

PREFERENCE SHARE DIVIDEND NOTICE.

Notice is hereby given that a DIVIDEND has been declared upon that portion of the Capital Stock of the Company consisting of Preference shares, being a half-yearly Dividend at the rate of 6 per cent. per annum upon the said Preference Shares, and that the same will be PAYABLE at the Midland Bank Limited, 5 Princes street, London, E.C.2, England, or, at the option of the Holder, at the office of the Union Trust Company, Limited, Toronto, Canada, on and after the 1st day of May, 1924, to Shareholders who appear on the register on the 16th day of April, 1924.

The Transfer Books will be closed from April 16th to April 30th, both days inclusive.

FRANK HAY, Secretary.
Toronto, 21st March, 1924.

RANDFONTEIN ESTATES GOLD MINING COMPANY, WITWATERSRAND, LTD.

(Incorporated in the Transvaal.)

Notice is hereby given that the Directors have declared a Dividend of ten per cent. (2s per share), payable to all shareholders registered at the 30th April, 1924. The TRANSFER BOOKS of the Company will be CLOSED from the 1st May to the 10th May, 1924, both days inclusive. The approximate date for payment of the Dividend will be announced later. By Order of the Board,

JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY, LTD.,
London Agents.

T. HONEY, Secretary.
10/11, Austin Friars, London, E.C.2.
10th April, 1924.

The WORKS and LIFE of WALTER BAGEHOT

Edited by

Mrs. RUSSELL BARRINGTON

10 Vols. (Works 9 Vols., Life 1 Vol.), 8vo. £3 15s net. The 'Works' only will also be supplied, £3 7s 6d net. Prospects Sent on Application.

* * The Life of Walter Bagehot. By his Sister-in-Law (Mrs. RUSSELL BARRINGTON). With Portraits and other Illustrations. (In the Original Binding.) 8vo. 14s net. (1914.)

LONGMANS, GREEN & CO.,
25, Paternoster Row, London, E.C.

MEYER AND CHARLTON GOLD MINING COMPANY, LIMITED.

(Incorporated in the Transvaal.)

Capital (authorised and issued), £200,000 in 200,000 Shares of £1 each.

DIRECTORATE.

SIR GEORGE ALBU, Bart. (Chairman and Managing Director).
LEOPOLD ALBU.
ARTHUR FRENCH.

Extracted from the Report for the Year ended 31st December, 1923, to be submitted at the Annual Meeting in Johannesburg on May 19th, 1924.

		Per ton milled.
Total Working Revenue...	£437,270 6 3	5.
Total Working Expenses	188,754 9 9	49.38
Working Profit	£248,515 16 6	21.32
		28.06

The Total Profit for the year was £261,666 7 1
Balance unappropriated at 31st December, 1922 151,559 13 2
£413,226 0 3

Less:-
Government Taxes, &c. £61,723 2 7
Provincial Council of the Transvaal 1,383 0 0
Dividends No. 67 of 50% and No. 68 of 50% 200,000 0 0

Leaving a balance unappropriated of 263,106 2 7
£150,119 17 8

Payable Ore Reserves (fully developed) at 31st December, 1923, were estimated at 256,750 mining tons, of an average value of 12.3 dwts. over an average stopping width of 58 inches. These reserves have been paid for out of past profits. Profit exceeded that for the previous year by £48,100.

The total Dividends and Bonuses paid by the Company aggregate £3,415,308 19 0

The full Report and Accounts may be obtained from the London Secretary, WILLIAM H. HARRIES, 170, Winchester House, Old Broad Street, E.C.2.

GOVERNMENT GOLD MINING AREAS (MODDERFONTEIN) CONSOLIDATED, LIMITED.

(Incorporated in the Transvaal.)

Issued Capital, £1,400,000 in 1,400,000 Shares of £1 each.

DIRECTORATE.

J. MUNRO (Deputy-Chairman). S. B. JOEL, J.P. (Chairman). G. J. JOEL, M.C.
G. IMROTH. D. CHRISTOPHERSON, C.B.E. J. H. CROSBY.
J. G. LAWN, C.B.E.

Extracted from the Annual Report to 31st December, 1923.

	Tons Crushed, 1,777,500.	Per ton, based on Tonnage Crushed.
Total Working Revenue (including estimated premium on gold)	£3,497,828 16 11	£1 19 4
Total Working Costs	1,558,364 2 7	17 6

Working Profit £1,939,464 14 4 £1 110
Rents, Interest and Sundry Revenue... .. 34,432 1 1
Balance unappropriated at 31st December, 1922 141,056 6 10

This amount has been dealt with as follows:-
Government of the Union of South Africa, share of profits £1,044,808 13 0
Income-Tax, Employers' Tax, Miners' Phthisis Sanatoria and Donations ... 13,581 16 8
Appropriated for Capital Expenditure ... 45,224 19 5
Dividends Nos. 12 and 13 of 30% each 840,000 0 0

Leaving a Balance unappropriated of £171,337 13 2

The Ore Reserves at the end of the year were estimated at 10,640,000 tons of an average value of 8.9 dwts. over a stopping width of 74 inches; they exclude ore of a value of under 4 dwts. over the stopping width.

The full Reports and Accounts may be obtained from the London Agents, The Johannesburg Consolidated Investment Company, Limited, 10/11, Austin Friars, London, E.C.2.

VAN RYN DEEP, LIMITED.

(Incorporated in the Transvaal.)

Issued Capital, £1,196,892 in 1,196,892 Shares of £1 each.

DIRECTORATE.

J. MUNRO (Chairman). S. B. JOEL, J.P. J. G. LAWN, C.B.E. SIR WM. DALRYMPLE, K.B.E.
J. H. CROSBY. SIR ABE BAILEY, BART., M.L.A., and G. J. JOEL, M.C.

Extracted from the Annual Report to 31st December, 1923.

	Tons Crushed, 735,400.	Per ton, based on Tonnage Crushed.
Total Working Revenue (including Estimated Premium on Gold)	£1,477,464 2 11	£2 0 2
Total Working Costs	730,249 4 3	0 19 10

Working Profit £747,214 18 8 £1 0 4
Rents, Interest, Sundry Revenue, &c. 11,519 9 11
Balance unappropriated at 31st December, 1922 217,158 0 10

This amount has been dealt with as follows:-
Income Tax, Dividend Tax, Employers' Tax, Miners' Phthisis Sanatoria, and Donations £106,966 12 1
Funds appropriated for Capital Expenditure ... 170,256 10 5
Dividends Nos. 20 and 21 of 25% and 27½% respectively 628,368 6 0

Leaving a Balance unappropriated of £70,301 0 11

The Ore Reserves were recalculated at the end of the year, and were estimated at 3,508,300 tons, of an average value of 8.0 dwts. over a stopping width of 80 inches

The full Reports and Accounts may be obtained from the London Agents, The Johannesburg Consolidated Investment Company, Limited, 10/11, Austin Friars, London, E.C.2.

NEW STATE AREAS, LIMITED.

(Incorporated in the Transvaal.)

Issued Capital £1,500,000 in 1,500,000 Shares of £1 each. Six per Cent. Debentures £500,000.

DIRECTORATE.

S. B. JOEL, J.P. (Chairman). J. G. LAWN, C.B.E. J. MUNRO (Deputy-Chairman).
J. H. CROSBY. Sir F. D. P. CHAPLIN, G.B.E., K.C.M.G. G. J. JOEL, M.C.

Extracted from the Annual Report to 31st December, 1923.

Tons Crushed, 282,000.		Per ton, based on
Total Working Revenue (including Estimated		tonnage crushed.
Premium on Gold...	£366,850 11 11	£1 6 0
Total Working Costs...	462,778 3 9	1 12 0
Loss for eight months...	£95,927 11 10	£0 6 10
Debiture Interest and Expenses of Issue, Stamp		
Duty, &c. ...	31,155 19 0	
Interest on Loans ...	6,558 18 11	
Employers' Tax, Miners' Phthisis Sanatoria,		
Donations, &c. ...	3,539 6 11	
	£137,181 16 8	
Less Rents and Sundry Revenue...	2,266 19 6	
Loss Carried Forward ...	£134,914 17 2	

The **One Reserves** were recalculated at the end of the year and resulted in an estimate of **2,585,700** tons of an average value of **8.3** dwts. over a stoping width of 64 inches. The ore reserves exclude ore valued at under 4 dwts. over the stoping width.

The erection of the Reduction Plant approached completion in May, 1923, and crushing commenced in that month.

The usual difficulties in starting up a new plant were somewhat accentuated, owing largely to the plant being of new design and strange to the builders and operators. These difficulties have been overcome, and the plant is now running satisfactorily.

At the end of the year the mine was making satisfactory progress, and the Company has now entered upon what promises to be a long and successful career.

The full Reports and Accounts may be obtained from the London Agents, The Johannesburg Consolidated Investment Company, Ltd., 10/11, Austin Friars, London, E.C.2.

LANGLAAGTE ESTATE AND GOLD MINING COMPANY, LIMITED.

(Incorporated in the Transvaal.)

Issued Capital, £1,519,833 in 1,519,833 Shares of £1 each.

DIRECTORATE.

S. B. JOEL, J.P. (Chairman). J. MUNRO (Vice-Chairman).
J. G. LAWN, C.B.E. J. H. CROSBY. F. L. MARX. G. J. JOEL, M.C.
and Sir WILLEM VAN HULSTEYN.

Extracted from the Annual Report to 31st December, 1923.

Tons Crushed, 1,180,100.		Per ton, based on
Total Working Revenue (including Estimated		tonnage crushed.
Premium on Gold) ...	£1,544,788 18 3	£1 6 2
Total Working Costs ...	1,178,417 4 0	0 19 11
Working Profit ...	£366,371 14 3	£0 6 3
Profit from treatment of Accumulated Slime ...	4,120 8 2	
Rents, Sundry Revenue, Interest, etc. ...	13,473 19 6	
Balance unappropriated at 31st December, 1922	55,752 5 1	
	£442,718 7 0	
This amount has been dealt with as follows:—		
Income-tax, Dividend Tax, Employers' Tax,		
Miners' Phthisis Sanatoria, Donations and		
Depreciation ...	£54,131 14 8	
Government's share of profits on Bewaarplaatsen		
Mining Rights ...	2,487 2 6	
Funds appropriated for Capital Expenditure ...	15,400 10 11	
Dividends Nos. 64 and 65 of 10% and		
7½% respectively ...	265,970 15 6	
	337,990 3 7	
Leaving a balance unappropriated of ...	£104,728 3 5	

The **One Reserves**, which were recalculated at the end of the year, were estimated at **1,728,300** tons, of an average value of **6.3** dwts. over a stoping width of 54 inches.

The full Reports and Accounts may be obtained from the London Agents, The Johannesburg Consolidated Investment Company, Limited, 10/11, Austin Friars, London, E.C.2.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCVIII.

SATURDAY, APRIL 19, 1924.

No. 4208

THE SCOTTISH PROVIDENT INSTITUTION

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DISTINCTIVE SYSTEM
OF MUTUAL LIFE ASSURANCE

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FOR A
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(National Overseas Bank.)

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Head Office: LISBON. Established 1864.

Capital (paid up):
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Reserve Funds:
Esc. 30,200,000

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5 " " India and China.

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Capital, Paid Up ... " 348,786,000
Reserve ... " 200,000,000
Deposits ... " 5,516,000,000

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Manager: E. CONSOLO.

CORRESPONDENTS TO THE ROYAL ITALIAN TREASURY
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THE MONEY MARKET.

MONEY was more plentiful in the early part of the week, though there did not appear to be any considerable margin of abundance. Discount rates showed an easy tendency, with commercial bills somewhat scarce.

	Apr. 16, 1924.	Apr. 11, 1924.	April 4, 1924.	Mar. 28, 1924.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount/Call	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice	2½	2½	2½	2½	1½ (Jly. 5, '23)
Market rate 3 months' bills	3½	3½	3½	3	3½

THE STOCK MARKETS.

The Stock Exchange has been influenced by the approach of the Easter holidays, and business has been slack. Gilt-edged stocks have drooped a little, but neither the Reparations developments nor the visit of the Russian delegation had much effect on the foreign market. French bonds are good on the improvement in the franc, but Russians and Germans are unchanged. Home Rails have been steady. Oil shares have been fairly strong under the leadership of Lobitos. Gas stocks have experienced some investment demand, and Bank shares have improved, but elsewhere in the Miscellaneous section there have been no features. Kafirs are out of favour at the moment, owing to the political situation in South Africa.

THE COMMODITY MARKETS.

In most cases the commodity markets have settled down to a period of quietness until the holidays have passed. The renewal of contracts for delivery of "Reparation coal" has deprived the Cardiff market of support, and prices are easier. Good business has been done in No. 3 Cleveland pig-iron, but the demand for East Coast hematite is not all that could be desired. The steel trade is still disturbed by Labour disputes. Our timber trade correspondent points out that the building woods market, "left to function without official interference," has been in favour of consumers. Developments in the cotton trade have been somewhat checked by the wide fluctuations in raw cotton rates; it is stated that many merchants appear to be afraid of depreciation in values. Our Bradford correspondent reports that business is quiet in the wool trade, in view of the holiday break.

FOREIGN EXCHANGES.

On the foreign exchange market the short period under review has again been one of relatively quiet business, with the further recovery of francs and of sterling as the outstanding features. From 73.50 on Friday last the Paris rate has shown a further steady recovery to 69.85 yesterday morning, and in Paris at least the quotation is talked still lower. To a large extent this improvement is a sentimental reaction to the rapid acceptance in principle of the proposals of the experts. It will be interesting to see the effect of M. Poincaré's latest pronouncement on this question, although the funds at the disposal of the Government may prevent the reaction which would naturally be expected. The recovery of Brussels, from 87 to 81½, has been even more marked. Forward quotations in Paris have narrowed sharply to 20 centimes per month above spot, from 45 centimes in the preceding week, while Brussels has moved from 10 to 5 centimes above. The dollar from \$4.33½ on Friday last has been as high as \$4.35½ at one time on Tuesday, and yesterday morning was firm at \$4.34½, also mainly on an optimistic appreciation of the Reparation question. Forward rates are ⅞ narrower at ⅞ cent per month above spot. Italy has remained very steady, as usual, moving only from 98.49½ on Friday to 97½ yesterday morning. On Tuesday the Amsterdam rate showed a remarkable jump upwards to 11.73½, and at 11.72 yesterday is still well above Friday's quotation of 11.63½. In part the movement is due to the change in the dollar rate, but it is probable that special operations are also involved. Berlin, in expectation of a settlement, shows an appreciation from 19½ to 18½ billions, and Austria, in sympathy with the dollar, has depreciated from 306,000 to 310,000 krone. Switzerland, at 24.69½, has appreciated slightly, and Spain has also moved down from 32.33 to 32.09½, after being rather better. In Scandinavia, Christiania and Copenhagen show little movement, while Stockholm, following the dollar, has gone slightly in our favour. In Central Europe, Warsaw remains fixed at 40 millions, and it is now announced, after the successful flotation of the new central bank and the remarkable financial recovery during the current year, that a conversion into the permanent zloty currency is shortly to take place at a rate of 1 zloty to 1,800,000 marks. Prague shows a slight depreciation, Belgrade no change, while Bucharest, at 830, is a

little higher than on Friday last. In the East the rupee, at 1s 4½d, is fractionally dearer than the 1s 4 9/16d quoted on Friday. The yen, on the other hand, has depreciated sharply from 1s 11½d to 1s 10½d, for reasons not yet explained. Silver has been quiet again, but a little firmer on some demand from China and the Continent. Hong Kong remains the same at 2s 4½d, Shanghai has moved from 3s 2½d to 3s 2¼d. In South America, Rio, at 6½d, compares with 6¼d on Friday, while Buenos Aires has recovered slightly from 41½d to 41¾d. Monte Video is unchanged at 42½. Valparaiso has again appreciated slightly from 41.10 pesos to 40.40 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended April 12th:—

EXPENDITURE.		RECEIPTS.	
(000's omitted.)		(000's omitted.)	
Supply Services	7,350	From Revenue	18,550
Interest, &c., on Debt	1,519		
Sinking Fund	250		
Sundries	260		
Reduction in Debt	9,000		
Increase in balances	151		
	18,550		18,550

Revenue was £2,698,900 higher than in the corresponding week last year at £18,550,400. Receipts from Property and Income-tax contributed largely to the increase, amounting, as they did, to £8,655,000 as compared with £6,306,000 in the corresponding period. Super-tax receipts also increased from £1,690,000 to £2,030,000. Special Receipts, however, declined by £500,000. Estate, &c., duties yielded £940,000, against £780,000. Customs yielded £2,018,000, against £1,830,000, and Excise £944,000, against £688,000. The week's operations reduced the National Debt by £9,020,600, and caused the following changes:—

(000's omitted.)		(000's omitted.)	
Unemployment Insurance	+ 350	Public Dept. Advances	— 365
4% Treasury Bonds	+ 473	Treasury Bills	— 3,84
		Saving Certificates	— 100
		Telegraph Money	— 250
	+ 823		— 9,844

The floating debt was reduced by £9,460,000 to £764,235,500.

FINANCIAL YEAR, 1924-1925 (April 1 to April 12).

£		£	
Total Expenditure ..	39,213,135	Raised by Revenue ..	45,563,945
Net Repayments	9,060,620	Decrease in Balances	2,709,810
Total	48,273,755	Total	48,273,755

FINANCIAL YEAR, 1923-24.

£		£	
Total Expenditure ..	788,840,211	Raised by Revenue ..	837,169,284
Net Repayments	48,515,626	Decrease in Balances	186,553
Total	837,355,837	Total	837,355,837

THE WEEK IN PARLIAMENT.

MONDAY, APRIL 14TH.—*Commons*: Supplementary Vote of £70,000 for M.P.'s' free railway passes debated and passed. School Teachers (Superannuation) Bill read a second time. Trade Facilities Bill considered in Committee. Conveyancing (Scotland) Amendment Bill read a second time.

TUESDAY, APRIL 15TH.—*Lords*: Unemployment Insurance (No. 3) Bill passed. Royal Assent given to that Bill, and also to the Army and Air Force (Annual) Act, and the Treaty of Peace (Turkey) Act. House adjourns for Easter.

Commons: Premier announces Cabinet approval of Experts' Reports. Committee stage of Trade Facilities Bill. Debate on India.

WEDNESDAY, APRIL 16TH.—Trade Facilities Bill third reading. Adjournment for Easter.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Eagle, Star, and British Dominions Insurance, Pekin Syndicate, Joseph Travers and Sons, World Auxiliary Insurance, Jugra Land and Carey, Rolls-Royce, John Barker, Birmingham District Power and Traction, British Electric Transformer, Godfrey Phillips, and Fair-

bairn, Lawson, Combe, Barbour. Sir E. M. Mountain, Bart., at the meeting of the Eagle, Star, and British Dominions Insurance Company, stated that with the conservative policy which the directors intended to pursue, the shareholders might look forward to the future with confidence. The chairman at the meeting of Jugra Land and Carey commented on the results of the rubber restriction scheme. Col. B. J. H. Fitzgerald, C.B., at the meeting of the Pekin Syndicate, dealt with criticisms of the board's policy in the French and Belgian Press. Lord Wargrave, at the meeting of Rolls-Royce, announced big aero engine contracts.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

ECONOMIST BUDGET SUPPLEMENT.

We publish this week a special Supplement, summarising the facts and figures connected with the forthcoming Budget. The statement covers the completed accounts of the past year, the Revenue situation, Expenditure, the National Debt, and some International comparisons.

LABOUR'S FIRST TERM.

To no one will the Easter holiday be more welcome than to the Government, whose first term of responsibility in the Parliamentary school has been at least as full of embarrassments as its enemies could reasonably have hoped. Of these embarrassments some have been sheer misfortune, but others, and among them the most serious, have been courted, if not created, by the Government itself. Among the fortuitous difficulties the strike epidemic has been the most formidable. A railway strike, a docks strike, a London traffic strike, a shipyard lock-out, and threats of trouble in other leading industries, including the coal mines (where, fortunately, the outlook is now much brighter)—that makes an almost unique list of industrial difficulties for any Government to handle within the first three months of its tenure of office. On the whole, it has faced them with courage and promptitude, and has succeeded in conveying the impression that, like Governments of other party colours, it was determined in all these crises to place the national interest first. Nevertheless, this unfortunate succession of industrial stoppages has damaged the Government's credit, for there is a tendency among the general public to attribute it, at least in some measure, to the mere fact of a Labour Government being in power. In the main, we believe that assumption to be unfair to Mr MacDonald and his colleagues. They found the railway strike actually in being when they took over the reins from Mr Baldwin. The docks, shipyards, and London traffic troubles had been looming on the horizon for some time, and would in all human probability come to a head whatever the Government in power. On the other hand, it is highly probable that the establishment in office for the first time of a Cabinet in which leaders of the Trade Union movement are so well represented has had some psychological effect upon the workers, and inclined them to the belief that the moment was very favourable for pressing their claims. To what extent this psychological influence has been, and is, at work, it is impossible to say.

If Mr MacDonald is to make the most profitable use of the Easter recess, it is on the Parliamentary mistakes, for which his Government and no one else is responsible, that he will devote the reflection of his leisure moments. When the new Parliament opened, we pointed out, and, indeed, it was obvious, that if the new system of three strong parties and a minority Government was to be successfully worked, Government tactics in the House of Commons would have to be based far more than in the past upon consultations with the leaders of other parties. The possession of so many platform planks in common with the Liberals made it in particular essential that con-

sultation with the Liberal leaders and whips should be frequent and frank. As it happened, Mr Clynes, who has proved himself an inadequate substitute for Mr MacDonald in the leadership of the House, has allowed an exaggerated *amour propre* to prevail against practical common sense in this vital matter. The result was seen first in the Poplar muddle, next in a perfectly unnecessary defeat on a motion to suspend the eleven o'clock rule on the Army estimates, and finally in the defeat on the Rent Restriction Bill. This defeat was the most serious blow to prestige which the Government has sustained, and how easily avoidable it was became immediately clear when, in place of the rejected measure, the Government promptly adopted the Bill of a private Liberal member. On several other occasions, such, for instance, as the debate on the five cruisers, disaster was only averted by the reluctance of a large body of Liberals to go to the length of inflicting actual defeat on a question where the broader issues were wrapped in unnecessary obscurity. Almost the final event before the adjournment has been a Liberal party meeting, at which the strongest resentment was expressed against the Government's contemptuous neglect of reasonable consultation. We believe that neither Conservatives nor Liberals wish to eject the Government at this juncture, but Mr MacDonald, unless there is a change of methods, may find that the exasperation of the Liberals has signed his death warrant. Having criticised the Labour tactics, it is only fair to recognise that there also appear to have been serious shortcomings in the management of affairs by the Liberal whips. But that fact is not a full excuse for the mistakes in Labour's conduct of business.

On the eve of the Easter recess the adopted Liberal "Evictions" Bill has passed the Committee stage. But even now it is by no means clear that a wise thing has been done. In its amended form it becomes similar in effect to the more or less uncontroversial Clause 2 of the original Labour Bill. But the amendment introduced makes it impossible for a landlord to obtain possession unless he can show that inability to obtain possession causes to him a greater hardship than that which the tenant would suffer through eviction. Surely the Attorney-General should realise that the legal interpretation of differences of hardship is a hopeless task for the county courts. The original intention of the Liberal Bill was to provide that purchase of a house after the passage of the Bill should not carry with it the right of possession. Purchasers of houses would then at least have known where they stood, and the plan was preferable to the one now adopted. We shall hear more of this clause after the recess, although it is probable that a Bill in something like the latest form will eventually go through. But in spite of many debates and ministerial speeches, and the lubrications of the Chancellor of the Exchequer in a New York paper, the Government's general principles on the questions of housing and rents still remain more or less of a mystery.

On a general view, the Government, largely from the causes mentioned, emerges from its first Parliamentary spell with its prestige distinctly impaired. From the original public uneasiness which followed the General Election the country, after the announcement of the names of the Cabinet, swung over to a very pronounced expression of confidence. The reasons enumerated above have caused that confidence gradually to ebb. Prophets are consequently disposed to shorten their estimates of the Government's probable life. Whether the prophets are to be confounded or not depends very largely on three things:—Firstly, the Premier's handling of the Reparations problem and of the Russian negotiations; secondly, the Budget proposals; and thirdly, the future tactics in the House of Commons itself. As regards the Budget problem, the large surplus for the past year makes the way much easier than was expected, and this is perhaps the only real slice of good luck that has come the way of the Government. In gauging the future, as in looking back, one of the most serious Parliamentary features from the Government's point of view is that, with, perhaps, the sole exception of Mr Wheatley, no new reputation has been made, and few, if any, old reputations enhanced. But, fortunately for the Government, the two older parties have equally failed to strengthen their Parliamentary position, or to turn the weakness of the Government to account.

DEBT.

PROF. ALLYN YOUNG, of Harvard, has written a thoughtful article in the current number of *Foreign Affairs* on the subject of War Debts, in which he examines the question, What are the essential differences, if any, between the external and internal debts of a country? With his final conclusion that in the long run the United States cannot stand apart and regard its claims upon Europe "as a separate and inviolable and sacrosanct item," and that "in this, as in other ways, the reparations problem is in part our problem," we are in hearty agreement. But in the course of his arguments, which contain a number of striking generalisations, we find ourselves at times in disagreement with his deductions, and with his presentation of recent history, as, for example, where he says that "the turning-point in Germany's financial fortunes came in the first half of 1922, following upon the adverse decision with respect to Northern Silesia late in the autumn of 1921." For our part, we should have put as the immediate cause of the turning the attempt to provide for the payment of the milliard gold marks of reparations which became due on September 1, 1921. Professor Young emphasises the points in common between external and internal debt, but he appears to omit one or two of the vital differences. If we asked an official of Somerset House to define the difference between the two, he would at once put his finger on the point that when interest is paid on internal debt it can be taxed, whereas when it is paid to a foreign government, and, indeed, often when it is paid to foreign private individuals, it cannot be taxed. This point, moreover, is of more significance than a mere Treasury matter, for it leads to the really important distinction that the interest paid on internal debt is spent within the country, whereas on external debt it is spent outside. Putting the matter another way, it means that interest on external debt requires a certain amount of the nation's produce to be exported without any return; on an internal debt it means that some of the national product is taken in taxation from those who produce it, but it is transferred to others who consume it in the country. There may be a disposition to argue that after all it does not much matter to the worker bees of industry whether they have to provide honey for the bee-keeper to take away or to feed the drones in the hive. But from the point of view of national economy this is a very false conception. In the first place, in so far as interest on an internal debt is paid to the well-to-do, it is fairly certain that this transfer of a part of the national income leads to larger annual savings than would otherwise be the case. But even in so far as it is consumed it enables a standard of consumption to be maintained in a country, whereas if it were paid abroad it would tend definitely to reduce that standard. Nor do we accept the common assumption that it changes consumption within the country in favour of the well-to-do. So far as Britain is concerned, the tax system of the country constitutes a graduated one, falling particularly heavily on the well-to-do, but the disbursement of interest has the widest ramifications, and cannot even be said off-hand to be paid mainly to the well-to-do. Indeed, most of it now forms an integral part of the money machinery—a chief means of investing the savings of the country. We have no precise data as to who holds the war debt, but we can pick out a number of very substantial items. According to the most recent table, the total of the war debt, after deducting £115 millions of assets, is about £7,650 millions nominal. But for purposes of analysis we will take it at £7,700 millions, which takes no account of assets, but excludes what the Treasury call "other capital liabilities," i.e., "items in

respect of which there is a liability, but in many cases a specific asset on the other side. The following is an estimate of the holdings of the largest creditors:—

	Mln. £
The Government of the United States	958
Colonial Debt	22
Debt to other Allied Governments (which is more than offset by the debts due to us)	128
	1,108
British Joint Stock Banks and Foreign Banks with offices in London (including an estimate of £100 millions of Treasury Bills)	750
Bank of England	70
Post Office Savings Bank (£285 millions less £125 millions in guaranteed or other securities not forming part of the deadweight debt), and Trustee Savings Bank (£80 millions, less £30 millions)	315
Government Securities purchased for depositors through the Savings Banks (£210 millions), and Trustee Savings Banks (£30 millions)	240
Treasury Note Reserve	240
Ways and Means Advances Public Departments £160 millions, less amount included under Treasury Note Reserve, say	70
Insurance companies, approximately (of which the Prudential holds £70 millions)	350
Railways	80
	3,323

These items total £3,223 millions, but as a number of the items are entered at market value or less, we must add, say, £275 millions to bring the statistics to a basis of nominal value—making approximately £3,500 millions in all. But in these items we have not taken full account of Treasury Bills, practically none of which are privately held. The amount included in the statistics from which the above are calculated will not exceed £300 millions. The balance of £300 millions is held by various concerns, bill brokers, and others needing liquid resources, largely as part of the floating money system of the country. These bring the above total to £3,800 millions nominal.

The second large section on which we have indirect information is the holding of private persons. The inland revenue records that in 1921-22 wealth passing at death included £63½ millions in the form of Government securities. The ratio of estates passing at death in a single year to estates in existence was calculated by Sir Bernard Mallet before the war at 1 to 30. This figure has been criticised as being too low, and, moreover, mortality has since tended to improve, and the high rates of death duty tended to encourage gifts *inter vivos*. We shall probably be near the mark if we put the amount of Government securities privately held at £2,200 millions—a figure which includes a part of the £240 millions invested for individuals through savings banks. But the death duty figures, in fact, omit the mass of very small estates, and there is probably not much overlap. This figure is, again, one of market value. It may be assumed that it represents, say, £2,350 millions of nominal debt. We have thus accounted for £6,150 millions. There remain £1,550 millions, to be allocated in the main between the holdings of British public companies other than those included in the above table; secondly, the endowments of colleges, hospitals, and other charities, and the investments of trade unions, friendly societies, and trusts of all kinds, and finally, the investments of foreigners and colonials. We know of no means of estimating these respective holdings. The second category must be very large indeed.

The above analysis contains many uncertain items, but it is sufficient to show that there is no reason to suppose that the taxation which is due to the necessity for paying interest on debt is a force tending to concentrate wealth into the hands of the well-to-do at the expense of the poorer members of the community, especially when it is remembered that the tax system itself is graduated to fall heavily on the wealthy. But it is evident that the burden on the community would be much heavier if a much larger proportion of the debt were payable overseas.

Prof. Young proceeds to draw a parallel between internal and external debt from the point of view that both tend to lead to inflation. Thus, he writes, "the history of the German mark illustrates and confirms the principle that a stable currency and an excessive external debt are incompatible," and, later, "an excessive internal debt makes it difficult to balance the Budget, and an un-

balanced Budget calls for further advances by the banks or for further sales of Government securities, attended by an increase in the volume of Bank credit. These new creations of purchasing power, as we know, exert a continued upward pressure on prices." As a matter of fact, in recent history it is true that internal debts have probably exerted a much more important influence in the direction of inflation through causing Budgets to be unbalanced than external debts have done, for very few of the latter have, in fact, been paid since the war. But Prof. Young's phrase "excessive" is, of course, a question-begging epithet, as to which an opinion can be based not on argument but only upon consideration of the facts. Prof. Young does not go into figures at all, but as an expert his opinion is of importance. He says: "I am convinced that the present debts of European nations, including reparations, inter-Allied debts, and internal debts, are so large that, as they now stand on the books, they cannot be paid in full. Moreover, no considerable part of them can be paid without perpetuating and perhaps increasing the disorders of the currency." He admits that they might be reduced within the next generation to manageable proportions by the persistent use of taxation of unprecedented severity. But he doubts whether this is politically practicable, or even worth the effort involved, since there would be "long periods of political depression, lowered standards of living, and new injustices in the distribution of wealth." We venture to think, however, that his view, at all events as far as Great Britain is concerned, is unduly pessimistic, and that our experience has shown the nations of Europe what can be done by determined effort. Prof. Young's arguments suggest, without categorically asserting it, that steady debt redemption out of revenue necessarily involves deflation, for he observes that "complete recovery will be delayed indefinitely if there are to be either further increases of debt and further inflation, or a steady general reduction of debt and deflation of currency."

But, as a matter of fact, redemption of debt by no means necessarily involves deflation if it is carried out by means of a sinking fund provided out of revenue. It is true that our national debt forms the basis of a great deal of the credit machinery of the country to-day, but it is not the only basis of credit. Most forms of wealth can be used for this purpose. Provided taxes are not paid at the expense of existing capital, a sinking fund means that it must be provided out of the margin between the nation's consumption and production. In other words, the national savings must be increasing at least by the amount of the sinking fund. Debt cannot steadily be reduced unless the nation's capital is growing at least as fast as the redemption. But where this is the case—and it certainly is true of Great Britain, who has redeemed over £200 millions of debt in the last two years—new forms of capital wealth are coming into existence, and they will be able gradually to replace Government debt as the basis of our credit structure.

We therefore do not feel disposed to take so pessimistic a view of the debt problem as Prof. Young. At the same time, the issues he raises are of great importance, and particularly at the present moment, when talk of capitalising reparations is in the air and all kinds of schemes are being mooted for the purpose. In this connection, there is one very relevant consideration, which we have mentioned in these columns before, but which cannot be too often repeated; it is that the capital for the restoration of the devastated areas has already been supplied for the most part out of French savings. The way to adjust the reparations problem with the least disturbance is by finding if possible some means by which the capital provided for this purpose may become a direct liability on the German Government instead of on the French Government. In other words, what is wanted in some form or another is a conversion operation for transferring the French Reparations Loans into German debt. Even if it were practicable, the raising of a vast German loan in the London or New York markets would be a new disturbing factor, for the transfer of either the capital or even of the interest to France would induce a new disturbance of the exchanges. The experts have evidently had this danger in mind in stressing the difficulty of transferring wealth from one nation to another.

INDUSTRIAL PROFITS.

OUR quarterly statistics of the profits of industrial companies, compiled from the weekly summary of profit and loss accounts, continue to show expanding profits, though the rate of increase is slowing down. During the past three months the reports of 419 industrial joint-stock companies have been analysed, and these show aggregate net profits, after payment of debenture interest, &c., of £40,382,901, as compared with £37,155,048 earned by the same companies in their preceding financial year, an increase of £3,227,853, or 8.7 per cent. In the last quarter of 1923 an increase of 11.4 per cent. was shown by 312 companies, and in the third quarter an increase of 65.2 per cent. by 209 companies. In the corresponding quarter of last year 405 companies showed an increase of 41.4 per cent. The actual figures for the past five quarters read as follows:—

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

	Number of Companies.	Reports published in		Increase.	
		1922.	1923.	£	%
First quarter	405	28,489,993	40,276,870	11,786,877	41.4
Second quarter	426	31,874,787	38,945,778	7,070,991	22.1
Third quarter	209	10,469,118	17,317,482	6,848,364	65.2
Fourth quarter	312	23,382,776	26,043,934	2,661,158	11.4
	1,351	94,216,674	122,584,064	28,367,390	30.6
		1923.	1924.		
First quarter	419	37,155,048	40,382,901	3,227,853	8.7

As we have pointed out before, the periods covered by the reports appearing in any one quarter vary considerably, but the great bulk of the 419 reports published in January, February, and March refer to the financial year ended December 31st or September 30th. The percentage increase in profits recorded during the last quarter is very much below that for the whole of last year, but the comparison in 1923 was with a period in which profits were on the downward grade. This may be seen from the following table, which sets out the quarterly increases or decreases shown since the beginning of 1918:—

	1918.	1919.	1920.	1921.	1922.	1923.	1924.
First quarter	-10	+10.4	+26.9	+35	-43.4	+41.4	+8.7
Second quarter	-5.8	-51	+37.8	-84	-33.7	+22.1	
Third quarter	+12.3	-42.9	+42.4	-23.5	+65.2		
Fourth quarter	+4.7	+10.5	+27.1	-52.9	+3.9	+11.4	

Thus, although there were increases in the first quarters of 1923 and 1924, these have not been sufficient to counter-balance the decline shown in 1922, and the level of profits according to these figures is still some 10 per cent. below the 1921 level. In the next table we classify the past quarter's figures into a number of groups:—

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

	Number of Companies.	Reports Published in Quarter Ended March 31.		Increase.		Decrease.	
		1923.	1924.	£	%	£	%
Breweries	16	1,225,974	1,263,278	37,304	3.0		
Electric light & power	30	2,786,512	3,446,814	660,302	23.8		
Gas	33	3,042,626	2,931,553			110,073	3.6
Hotels, restaurants, &c.	8	266,128	289,962	23,834	9.0		
Iron, coal, and steel	30	2,266,376	2,511,399	245,023	10.8		
Land, mortgage, &c.	18	849,643	896,478	46,835	5.5		
Motor and cycle	6	236,781	175,723			161,058	68.0
Rubber	35	944,748	385,410			559,338	59.2
Shipping	5	342,883	271,780			71,103	20.8
Shops and stores	31	2,861,348	3,372,330	510,982	17.5		
Tees	4	58,316	84,659	26,343	45.2		
Textile	18	4,375,052	4,689,968	314,916	7.4		
Tramways	11	505,596	525,307	19,711	3.9		
Trusts	33	1,851,141	2,131,194	272,053	14.7		
Water	12	470,553	477,182	6,630	1.4		
Miscellaneous	129	16,046,502	16,998,614	952,112	5.9		
	419	37,155,048	40,382,901	3,227,853	8.7		

Only two groups show lower profits than in the first quarter of 1923. The decline in the shipping group is due to two companies—the Cairn Line and Lamport and Holt. In the gas group increases and decreases are fairly evenly divided. The motor and cycle group has turned a debit balance into a net profit, substantial improvements being recorded by the S.T.D., Crossley and Leyland companies. The rubber and tea groups each show substantial increases, and the electricity group is prominent with an increase of nearly 24 per cent., which follows an expansion of 45 per cent. twelve months ago.

The method of distribution of profits in each of the past five quarters is set out in the next table:—

	Net Profits.		Ordinary Dividend.		Preference Dividend.		To Reserve, &c.	
	£	%	£	%	£	%	£	%
1923.								
First quarter	40,276,870	21.934,234	54.4	9,501,074	23.6	8,841,562	22.0	
Second quarter	38,945,778	21,038,627	64.3	7,734,685	19.9	6,172,466	15.8	
Third quarter	17,317,482	9,653,961	55.8	3,039,838	17.5	4,623,682	26.7	
Fourth quarter	26,043,934	16,422,422	63.1	4,592,984	17.6	5,027,521	13.3	
	122,584,064	73,019,252	59.5	24,869,581	20.3	24,665,231	20.2	
1924.								
First quarter	40,382,901	24,069,835	59.6	7,291,653	18.1	9,021,413	22.3	

The past quarter's allocations are similar to the average for the year 1923, but more goes to reserve and less to preference shareholders. The last column, it should be mentioned, includes, in addition to specific reserve allocations, the amounts by which balances carried forward are increased. An analysis by groups of the distribution of profits in the past quarter is given in the next table:—

	Net Profits.		Ordinary Dividend.		Pref. Dividend.		Carried to Reserve, &c.	
	£	%	£	%	£	%	£	%
Breweries	1,265,228	608.352	48.2	404,168	32.0	250,708	19.8	
Elec. light & power	3,446,814	1,101,015	31.9	541,807	15.7	1,803,992	52.4	
Gas	2,863,553	2,239,581	78.2	354,017	12.4	269,355	9.4	
Hotels, restaurants, &c.	289,962	137,577	47.5	31,518	10.9	120,837	41.6	
Iron, coal, and steel	2,511,399	1,913,381	76.2	455,542	18.1	142,476	5.7	
Land, mortgage, &c.	936,478	558,634	62.3	170,462	19.0	167,382	18.7	
Motor and cycle	1,75,723	9,000	5.1	63,243	38.8	98,480	56.1	
Rubber	385,410	352,274	91.4	4,324	1.1	28,812	7.5	
Shipping	271,780	215,225	79.2	145,625	53.5	85,252	26.7	
Shops and stores	3,372,330	1,546,848	45.9	958,230	28.4	14,017	16.6	
Tes	84,659	69,844	77.7	4,798	5.7	1,681,454	35.9	
Textile	4,689,258	2,510,333	53.5	497,481	10.6	123,229	2.4	
Tramways	525,307	307,025	58.5	95,053	18.1	361,623	13.4	
Trust	2,131,194	1,137,921	53.4	631,650	29.7	64,096	3.0	
Water	477,182	281,515	59.0	111,571	27.6	3,118,190	18.3	
Miscellaneous	16,998,614	11,083,310	65.2	2,797,114	16.5			
	40,382,901	24,069,835	59.6	7,291,653	18.1	9,021,413	22.3	

In the matter of reserve allocations, the motor and cycle group makes the best showing; but this is not surprising, in view of the bad period through which the industry has passed and the unsatisfactory state of many of the balance-sheets. The electricity group reserves over 50 per cent. of net profits, while the hotel and textile groups also make a good showing. The decrease in reserves in the shipping group is due to the accounts of the two companies mentioned above, which withdrew £225,000 from reserve funds. The very low percentages of profits going to preference shareholders in the rubber and tea groups is due to the fact that preference capital is rather a rarity in this class of company. Neither group, however, has been very conservative in profit distribution, and ordinary shareholders have taken a large slice of profits. The iron, coal, and steel group has also been more generous to shareholders than to reserves.

In the next table we show the ratio to total ordinary and preference capital of net profits, and of the amounts reserved:—

	Total Ord. and Pref. Capital.		Net Profits.		Carried to Reserve, &c.	
	£	%	£	%	£	%
1923.						
First quarter	406,793,000	40,276,870	9.9	8,841,562	2.2	
Second quarter ...	396,675,400	38,945,778	9.8	6,172,466	1.6	
Third quarter	195,420,900	17,317,482	8.9	4,623,682	2.4	
Fourth quarter ...	255,094,800	26,043,934	10.2	5,027,521	2.2	
	1,253,984,100	122,584,064	9.8	24,665,231	2.0	
1924.						
First quarter	390,545,500	40,382,901	10.3	9,021,413	2.3	

The percentages for the past quarter are slightly better than those for the last quarter of 1923, and appreciably higher than the averages for the whole year. A quarterly comparison of the average rate paid on the three classes of capital since the beginning of 1921 reads as follows:—

	On Debenture Capital.				On Preference Capital.				On Ordinary Capital.			
	1921.	1922.	1923.	1924.	1921.	1922.	1923.	1924.	1921.	1922.	1923.	1924.
1st quarter	4.43	4.70	4.61	4.62	5.0	5.3	5.7	5.3	10.3	8.5	9.2	9.6
2nd quarter	4.61	4.70	4.61	4.62	5.0	5.3	5.7	5.3	12.6	8.8	9.9	9.9
3rd quarter	4.45	4.51	4.90	4.90	5.0	4.5	4.3	4.3	9.7	7.6	7.9	7.9
4th quarter	4.52	4.83	5.03	5.03	5.1	5.6	5.1	5.1	7.6	8.6	9.6	9.6

The average rate on ordinary capital has been maintained at 9.6 per cent. This compares with an average of 9.3 per cent. for 1923 and 8.4 per cent. for 1922. The figures for the last quarter in each group are shown in the final table, the average rates relating to ordinary capital a year ago being given for comparison:—

	Deben- ture Capital.	Rate of Interest.	Prefer- ence Capital.	Rate of Dividend.	Ordinary Capital.	Rate of Dividend.	Rate a Year Ago.
Breweries	£ 6,741,569	5.1	£ 6,561,881	5.8	£ 5,408,329	11.2	11.6
Electric light and power	12,863,071	5.0	10,956,487	5.0	11,967,470	9.2	7.6
Gas	11,686,556	3.9	8,513,783	4.2	46,842,449	5.5	5.4
Hotels, restaurants, &c.	1,269,330	4.4	2,084,554	1.5	1,581,036	8.7	8.7
Iron, coal, and steel	5,264,536	5.5	8,700,817	5.2	24,360,358	7.9	7.4
Land, mortgage, &c.	4,309,223	4.1	4,229,207	4.0	5,353,083	10.4	9.3
Motor and cycle	146,000	4.7	3,939,800	1.7	4,156,568	0.2	1.5
Rubber	144,549	7.4	79,850	5.4	5,932,553	5.3	4.2
Shipping	2,950,000	5.0	2,375,000	6.1	5,065,000	4.3	5.1
Shops and stores	6,069,960	4.8	15,943,278	6.0	17,532,336	8.8	9.2
Tes	10,200	5.0	73,280	6.5	222,276	29.5	20.0
Textile	1,782,000	4.1	8,711,871	5.7	22,551,303	11.1	11.2
Tramway	3,411,087	4.5	2,283,325	4.2	4,366,017	7.1	5.9
Trust	21,419,171	4.3	15,863,792	4.0	18,004,255	6.3	6.3
Water	2,143,097	4.0	3,040,584	4.3	3,708,352	7.6	7.7
Miscellaneous	12,760,509	5.0	44,788,151	6.2	81,000,577	13.7	13.2
	93,075,854	4.6	138,493,560	5.3	252,051,962	9.6	9.2

The exceptionally low rates on preference capital shown in the hotel and motor groups are due to the passing of preference dividends by one or two large companies with a large amount of preference capital. Only five groups show a lower average rate of ordinary dividend than a year ago, but the only substantial increase is that recorded for the tea companies, whose average rate is exceptionally high at 29½ per cent.

LANCASHIRE COTTON TRADE.

(BY OUR MANCHESTER CORRESPONDENT.)

SINCE the beginning of the year cotton spinners and manufacturers in Lancashire have made some progress towards better times. Demand in most departments has been more active, and an increased business has been done. Spinners of American cotton have again had to resort to organised short time, but the smaller production of yarn has resulted in a distinct improvement in the prices ruling. There has been a tendency for cloth manufacturers to re-start idle looms, and unemployment has been reduced. Some labour disputes have arisen, and in connection with one case there was a danger of a general lock-out, but an agreement was reached without drastic action being necessary. Although it is now open for the employers to claim a general reduction in wages it is not thought likely that any move of this kind will be taken just at present.

During the three months wide fluctuations have occurred in raw cotton prices, and after a downward movement a rising tendency has shown itself. On December 29, 1923, the quotation for fully middling American on the spot in Liverpool was 21.06d. By the end of January the rate had fallen to 19.47d, and there was a further decline by February 29th to 17.63d. Values continued to favour buyers, and 16.46d was registered on March 28th. Since then a much stronger feeling has prevailed. By April 9th the price had advanced to 19.13d, and the quotation on the 14th was 19.13d. There are now indications of bullish sentiment during the remainder of this season as demand for the article has broadened, and owing to the small crop supplies are being depleted. A feature of the situation is that there is a difference of about 3d a lb between May and October futures, and merchants are afraid to commit themselves to contracts in manufactured goods, as anything bought now will not be ready to go into consumption until the autumn. Preparations for the new crop in the United States are somewhat backward, but reports during the last few days have been rather more favourable. A slight increase in the acreage is expected, and the purchases of fertilisers have been larger than a year ago. The extent of the yield will depend upon the weather conditions in the belt this summer. It is believed in most quarters that farmers will make big efforts to produce a substantial growth. With regard to Egyptian cotton, the quotation for fully good fair Sakellarisid on the spot in Liverpool on December 29, 1923, was 24.50d.

On January 31st the figure was 23.15d, and on March 3rd 19.65d. A rising tendency showed itself towards the end of the month, and 21.20d was quoted on the 29th, with 22d on April 7th, and 22.30d on the 14th. There has been a larger demand for Egyptian cotton during the quarter. Encouraging advices are being received relating to the growth for next season. There is a possibility of an acreage of nearly 2,000,000 feddans, against 1,600,000 feddans for the current year.

During the past quarter the feature of interest in the Manchester cloth market has been the revival of demand for India. Although business has ebbed and flowed there has been a big inquiry from week to week, and latterly an increased turnover has taken place. Dealers in the bazaars on the other side have been more anxious to replenish supplies. Extensive buying has occurred in light fabrics, especially for Calcutta, and producers of dhooties have extended their engagements. Although makers of grey shirtings are still doing badly, more trade has been done in this class of goods. Freer buying has taken place in fine goods and fancies, and Lancashire firms are doing more business in high-quality cloths. This development seems to indicate that the standard of living in India is improving. Operations for China have been irregular. Now and again we seem to have been on the point of a distinct revival, but buying has not been maintained for any lengthy period. Stocks in Shanghai, however, are very low, and immediately there are indications of a more settled Government, and a less disturbed political situation, there is every promise of a much larger trade. Dealers in Egypt bought heavily last November at high prices, and some difficulties have been experienced in effecting satisfactory clearances. Fresh business, therefore, has been of limited dimensions, but according to recent reports the position in Cairo is mending, and more offers are being received in Manchester. Some improvement has shown itself in the turnover for the outlets of Central and South America. Fine goods and fancies have attracted considerable attention for European countries, and further buying has taken place for the United States and several of our colonies. Manufacturers of special cloths such as warp satins, poplins, voiles, and brocades have experienced a healthy trade, and many producers are deeply sold. Although the process has not been very rapid, more looms are running in Lancashire than at the beginning of the year, and probably in this respect the most prominent improvement has been in Burnley and district, where printing cloths are produced. There has not been any general activity in home trade goods, and buyers seem to be afraid of committing themselves to contracts of weight at current prices.

The following is a comparative table of cloth shipments from the United Kingdom, the figures being given for the past three months, and for previous years:—

	Yards.		£	
	1913	1924	1913	1924
1913	1,773,424,100	....	24,040,540	....
1922	894,929,700	....	34,463,325	....
1923	1,079,958,200	....	35,991,088	....
1924	1,105,019,200	....	37,435,246	....

The event of importance in the spinning section of the industry has been the adoption of organised short time by the owners of mills using American cotton. It was decided at the end of February to run the factories only 26½ hours per week instead of the usual 48 hours. This drastic curtailment of output at once had a marked effect upon the trade position. Spinners were enabled to reduce their stocks very quickly, and during the last week or two there has been quite a scarcity of certain counts and qualities. It will be realised that in the circumstances prices have improved, and many companies have now a slight margin on the right side, even when allowance is made for the higher standing charges due to short-time working. Demand has broadened as a result of the increased activity in cloth circles. The local banks have decided to support the Masters' Federation in their policy, and it is understood that as far as possible the banks will prevent mills from increasing the output without the consent of the Federation. Quite an encouraging business has been done in yarns made from Egyptian cotton. Firms engaged on the finer counts have added to their engagements, and good profits are being made. Practically all the mills in the Bolton district are busy and

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fully employed. With regard to shipping yarns, a very fair business has been done for India, but recently the turnover has fallen off somewhat. Demand has broadened for certain Continental outlets, especially in two-fold descriptions. According to the reports published at the end of March by 67 cotton-spinning companies in Lancashire, the directors of 49 concerns were not able to declare any dividend on the ordinary shares. The ordinary share capital of these companies amounts to £8,653,450, and the dividends paid by 18 firms totalled £70,405.

The following is a comparative table of shipments of cotton yarn from the United Kingdom, the figures being given for the three months ended March 31st:—

	Lbs.		£	
	1913	1924	1913	1924
1913	53,067,000	....	3,725,282	....
1922	48,470,100	....	6,811,612	....
1923	36,726,500	....	5,129,987	....
1924	35,825,400	....	6,388,726	....

Lancashire traders are in a more cheerful frame of mind than for a long time back. Since the beginning of this year there has been a definite improvement in the cotton industry. It is not satisfactory for spinners of American cotton to have to curtail production by nearly 50 per cent. in order to make a profit, but this policy is a temporary expedient to relieve the situation. There are now indications of more looms being worked, and before very long there is every likelihood of an increased amount of yarn being required. Producers of fine yarns made from Egyptian cotton have nothing to complain about, and manufacturers of fancy piece goods are doing quite well. In the weaving section difficulty is being experienced in obtaining relief by manufacturers of "bread and butter" styles of cloth, but their turn will come in due course. The increased optimism which now prevails in Lancashire is very largely due to the fact that stocks of manufactured cotton goods throughout the world are comparatively low, and there is plenty of evidence for the belief that dealers are being compelled to replenish supplies. Values are on too high a level for a really big trade to be done. Leading authorities are of opinion that there is a chance of lower prices in the autumn, but, of course, everything depends upon the success or failure of the crop in the United States. If an opportunity could arise of selling yarn and cloth on the basis of 1s per lb, for American cotton there is every probability of a buying movement in manufactured goods of considerable volume.

THE QUARTER'S OVERSEAS TRADE.

THE March returns of Overseas Trade show signs of being affected by the strikes of the first two months of the year. Imports, at £103.7 millions, are £7 millions higher than in February last, while British exports, at £61.1 millions, are £7 millions lower. The substantial increase in imports is presumably due to the holding up of goods at the docks owing to the dockers' strike. It is accounted for very largely under the head of grain and flour and other foodstuffs. The decline in exports as compared with February occurred mostly under the head of manufactures, decreases being shown under almost every group. It should be borne in mind, however, that while import figures need not be returned

until fourteen days after arrival, export figures have to be returned within six days after the ship's departure. As compared with last March, imports are up by £13.7 millions, British exports are slightly higher, and re-exports are £3.6 millions up. The figures for March and for the first quarter are compared with those of last year in the tables below:—

MONTH of MARCH.				
	1923.	1924.	Increase or Decrease in March, 1924.	
Imports	£ 90,027,550	£ 103,728,633	+ 13,701,083	+ 15.2
British exports	60,920,690	61,102,767	+ 182,077	+ 0.3
Re-exports	9,085,642	12,700,756	+ 3,615,114	+ 39.8
Total exports	70,006,332	73,803,523	+ 3,797,191	+ 5.4
Excess of imports over total exports	20,021,218	29,925,110	+ 9,903,892	+ 49.7

FIRST THREE MONTHS.				
	1923.	1924.	Increase or Decrease in 1924.	
Imports	£ 273,674,766	£ 301,692,790	+ 28,018,024	+ 10.3
British exports	185,369,502	193,312,756	+ 7,943,254	+ 4.3
Re-exports	28,706,926	39,242,502	+ 10,535,576	+ 36.7
Total exports	214,076,428	232,555,258	+ 18,478,830	+ 8.6
Excess of imports over total exports	59,598,338	69,137,532	+ 9,539,194	+ 16.0

The bulk of the increase in imports for the quarter is in raw materials, which are over £19 millions higher, towards which cotton contributes £13.4 millions and wool £4.3 millions. Food imports are £5.2 millions higher, although grain and flour shows a decrease of £3.8 millions and meat a decrease of £4.3 millions. Sugar imports are £5 millions higher, but this was to a considerable extent a matter of higher prices. As a result of the exclusion of the Irish Free State figures there is a large increase (from £368,400 to £5,011,400) in imports of living animals for food. The following table shows the quantity figures for the quarter for a number of the principal items on the import side in comparison with those of the two preceding years:—

IMPORTS. Three Months Ended March 31.			
	Quantity.		
	1922.	1923.	1924.
Raw cotton.....centals	3,169,042	3,891,114	4,641,763
Sheep and lamb's wool ..	3,251,866	2,592,207	2,599,741
Flax, hemp, and jute.....tons	57,919	89,558	124,442
Rubber.....centals	365,698	431,240	392,222
Beef.....cwt	2,779,987	3,391,468	2,983,481
Mutton and lamb	947,132	1,872,593	1,356,677
Wheat	21,348,100	24,057,500	24,129,145
Sugar	8,295,883	6,838,867	8,625,217
Butter	1,311,200	1,401,451	1,333,901
Tea	121,089,565	120,822,560	129,295,993
Tobacco	50,252,120	56,128,529	52,755,057

Large increases in cotton and sugar imports are the principal features of this table. Wool imports, though slightly higher than last year, are considerably below the 1922 figure. Of the increase of £7.9 millions shown in the quarter's exports, £4.7 millions is in manufactures and £4.4 millions in food. Coal exports are down by £2.7 millions, the figures for France, Italy, and Germany showing a substantial decline. Among manufactured exports, machinery declined as compared with the March quarter of 1923 by £2.4 millions, while ships exported declined in value from £4.1 millions to £183,000. In the first quarter of 1922 the value was £13.2 millions. Exports of iron and steel and manufactures thereof increased in the quarter by £1.9 millions, and cotton yarns and manufactures rose by £2.7 millions. The quantity figures of some of the principal exports read as follows:—

EXPORTS (000's omitted). Three Months Ended March 31st.			
	Quantity.		
	1922.	1923.	1924.
Coal	13,236	18,694	15,706
Pig-iron and ferro-alloys ..	118	272	125
Railway material	159	91	121
Total of iron and steel and manufactures thereof	773	1,039	956
Textile machinery.....	50	42	25
Total machinery.....	119	114	104
Cotton yarns	48,470	36,726	38,285
Cotton piece goods.....sq. yds	894,930	1,079,958	1,105,019
Wool tops	98	98	116
Wool tissues.....sq. yds.	26,599	35,905	40,697
Worsted tissues.....	15,783	18,099	16,284
Linen piece goods.....	23,133	21,946	29,724
Boots and shoes.....doz. pairs	95	151	207
Leather	54	66	74
Paper and cardboard	404	1,022	1,087
Locomotives	13	7	8

Exports of coal in the first quarter of last year were exceptionally heavy, owing to the initiation of the Ruhr occupation. The decline this year was probably accentuated by the dockers' strike. The table as a whole does not make very cheerful reading. In the re-export list, increases are almost universal, the largest being shown by raw cotton and raw wool. Exports of bullion and specie in the March quarter were £21,447,100, against £18,697,600 a year ago, and imports were £12,152,900, against £15,543,900.

CORNISH MINING SINCE THE ARMISTICE.

(BY A CORRESPONDENT.)

In order to understand the position of Cornish tin mining since the Armistice, it is necessary to glance back over the war period and the years which directly preceded it. Ever since the slump of 1894-1898, which we mentioned in our last article, Cornish mines, though reduced in number, continued to hold their own successfully against foreign competition. In 1912, out of some six large mines at work in the central mining district of Camborne and Redruth, five were dividend payers, whilst others were operating equally successfully in different parts of the county. In 1914 the output of black (unsmelted) tin from Cornwall amounted to over 6,500 tons, which, though only a small part of the world supply, was nevertheless won at a profit to the owners, and gave a livelihood to some six or seven thousand persons directly connected with the mines. In 1915 and 1916 very nearly the same output of tin was maintained, whilst the production of wolfram (tungsten ores) rose from 180 tons in 1913 to 347 tons in 1916, and arsenic from 1,500 tons in 1913 to nearly 2,300 tons in 1916.

This largely increased production, in spite of enhanced prices, was regarded by those who knew the internal economy of the mines as a not wholly unmixed blessing. The demands of the Government, who called at the same time for many of the best miners for the army and an increased production of tin, wolfram, and arsenic from the mines, could only result in a policy suicidal to mining. It meant that the highest grade ore alone could be worked, the "eyes of the mines had to be picked," and the development and exploration of fresh ore reserves became almost an impossibility. It was not till later that the evil effects of this were felt. In the meantime the price of tin continued to rise till, in August, 1918, it touched £380 a ton. With the Armistice, however, a reaction set in. The price of tin dropped steadily day by day till within less than two years it had fallen to £40 a ton lower than it was in 1914, whilst coal, instead of being 15s a ton, was now more than 53s. Under these conditions the mines had either to cease working at once, or else to receive some form of subsidy to carry them whilst their ore reserves were being once more developed and working established on a normal economic basis. This help, however, which the Government granted to the coal miners when they struck, was refused to the Cornish miners who did not strike.

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The mines were accordingly closed down, some being allowed to flood altogether, others, who could afford to bear the pumping charges, keeping the workings drained in the hope of a return to normal conditions before long. Thus things remained for two dark years, during which time, though extreme distress resulted in the mining areas, the orderliness and good behaviour of the men won the tribute of all who knew them. It was not until the early months of 1923 that a rise in the price of tin and the gradual falling of the price of materials made it possible for the mines to resume production once more. Those mines which had managed to keep their pumps going were, of course, the first to resume operations and to reap the benefit from the high price of tin during the last year. Some six or seven mines are in this position to-day, and on certain other properties capital is being spent which will enable them to reach the producing stage before long. That Cornish mining has once more come back into existence is thus due solely to its own merits and the fact, still only partially realised outside the county, that the temporary failure of the industry was due, not to any sudden exhaustion of its great mineral deposits, but to the utterly abnormal conditions produced by the war.

This being the case, the reason why even more capital is not coming into Cornwall to-day seems to lie in the lack of any definite statement of policy for Cornish mining in the future, and the consequent idea, which was fostered by the late closing down of the mines, that existing ore deposits are no longer known in the county. This last conception is probably less true now than it has ever been in the history of Cornish mining. More valuable study has been given to Cornish ore deposits during the last twenty years than ever before, and one outstanding principle has emerged. This is that round the foot of the granite outcrops of West Cornwall the aureole of metamorphosed rocks, which produced the great copper deposits of the last century, contain tin in depth. In other words, the copper mines, which were becoming worked out about 1860 at a depth which rarely averaged more than 800 feet, have been proved conclusively to be rich in tin below this depth.

This fact was first made absolutely clear at the great Dolcoath Mine, which, after having produced over £2,000,000 worth of copper, became so poor about the forties of the last century that the shareholders were on the point of abandoning it. As, however, small quantities of tin were being won from the bottom of the mine, it was decided to sink some little way deeper, with the result that rich tin lodes were discovered, and the first new dividend paid in 1853. From then on until 1895 tin was extracted to the value of over £3,000,000 sterling. To quote other examples would be unnecessary; it will suffice to say that the same principle held good in East Pool and in Levant, both mines which have been working continuously for ninety or a hundred years, and that it led more recently to the successful reworking of South Crofty and Tresavean, all of them originally copper mines, and all working to-day. In addition to these, there are at this moment two new shafts, in the Camborne Redruth

district, sinking at a cost of over £100,000, with a view to working the tin deposits below certain other copper mines, whilst on the main run of lodes the mining rights have been taken up for seven miles east of Camborne for the same purpose. These, however, constitute only a part of one district. There still remain great numbers of old copper mines or groups of mines which, lying in the same geological formation, have equally sure prospects of becoming tin producers in depth. If examples were needed, one might quote the Gwennap mines, which for many years employed thousands of workpeople upon one square mile of country, which was said to be richer in metallic produce than any piece of ground in the Old World. Though nearly all of them showed traces of tin in depth, these mines were never worked below the copper zone, on account of insufficiency of capital, and the poor price which tin was fetching at that time.

The opening up of a large area such as this will form a big proposition, and though it will certainly be done one day, should not be attempted at all until it can be done adequately. Too often the failures of mining enterprises in Cornwall (as in all other areas throughout the world) have resulted from half measures or from the mismanagement of the capital at the disposal of the company. Under good management Cornish mines can and are being made to pay. The South Crofty mine is a well-known example of this. Whereas under the old management, or possibly mismanagement, a sum of over £130,000 was expended for a return of less than £5,000 in dividends over a period of about fifty years, since 1906, when the mine was taken over by the present manager, it has paid more than 360 per cent., free of income-tax, in dividends, in addition to sinking and equipping two large vertical shafts.

The revival of many more Cornish mines in this way is a question only of time. The loss of confidence in home mines which was engendered by the depressions of 1870 and 1894 and the subsequent direction of capital into foreign fields was natural enough at the time, but it is frequently forgotten that when many Cornish mines closed down at the end of the nineteenth century the price of tin averaged £87 a ton, whilst now it is fluctuating between £250 and £300. To-day it is no longer the home country which dictates the price of tin, but America, and her demands are greater than the world's production. The gradual revival of sound propositions, however, and the spread of a wider knowledge of the industry amongst the public, may be expected to remove a prejudice which has now become sufficiently out of date.

THE RAND MINES GROUP.

DISAPPOINTMENT was expressed at the absence of any further increase in the Rand Mines' dividend for the second half of 1923, although the total of 120 per cent. compared with 100 per cent. in respect of the preceding year. An explanation was put forward to the effect that the distributions were being restricted to the amounts received as dividends on the company's shareholdings, other

revenue being kept free for fresh business. The accounts for the past year show an increase of £207,100 in the dividend receipts, and a decline of £231,550 in the profits on realisation of investments. Expenses tend to become slightly less, but taxation in 1923 absorbed a substantially increased amount. There was, however, no further appropriation to bad debt reserve. Below is a contrast of the results of the past three years:—

	1921. £	1922. £	1923. £
Dividends on shareholdings	502,840	391,920	599,050
Sundries	66,630	74,770	86,010
Investment realisation profits	36,920	386,860	155,310
Total income	606,390	853,550	840,370
Administration expenses	30,260	27,170	25,610
Taxation	18,880	12,150	43,950
Bad debt reserve	21,910	20,780	..
Prospecting	16,670	4,980	5,750
Net profit	518,670	788,470	765,060
Dividends	372,050	512,540	614,190
Rate per cent.	70	100	120
To reserve account	..	441,780	187,190
From reserve account	274,520	..	341,940
Brought forward	627,770	300,000	842,130
Carried forward	499,420	842,130	1,147,750

* Including forfeited dividends.

Share interests—below market value—now figure at £2,075,400, as against £2,214,700 at the end of 1922. The principal variation in the items consist in a somewhat drastic reduction in the number of West Springs shares held, although the company has also cleared out its holdings in the Brakpan and the Robinson Deep—two undertakings whose future is generally regarded as promising. As a result of the re-financing of the Modder East, the debentures held in that concern now amount to only £39,500 in place of £150,350. But in like manner the company possesses £35,500 debentures in the Durban Deep as an outcome of the issue made last year. Nothing is said in the report with reference to embarking upon new enterprises, or the acquisition of new interests. On last year's dividends the shares give 10 per cent.—a yield which may be regarded as attractive, seeing that the risks are spread, and that no provision has to be made for amortisation.

The annual statements of two more of the company's more prominent subsidiaries are now in the hands of the shareholders. Next to the Crown Mines—although a long way behind—the City Deep is the most important producer of the Rand Mines group in the Central area. Last year witnessed the crushing of a record tonnage of ore for a record yield, and the performance of a record development footage. A modest increase in the ore reserves was accompanied by a further shrinkage in the average value. This is explained as due to the exhaustion of certain high-grade blocks in the upper levels of the mine, and to the somewhat lower value of the ore opened up during the year. Still, it seems clear that as greater depth is attained the gold contents of the ore diminish. At the end of 1920 the value of the reserves was given as 9.9 dwts, or nearly 2 dwts above the present average. Appended is a summary of the results for the past three years:—

	1921.	1922.	1923.
Tonnage milled	995,100	840,300	1,137,500
Working costs per ton	29/11	27/3	23/5
Total working profit	711,520	504,040	764,700
Dividends	485,630	337,230	551,720
Do per cent.	37½	27½	45
Ore reserves	2,428,300	2,815,000	2,963,900
Average value	8.8	8.4	8.0

Last year's distributions were conservative, a balance of £294,200 being carried forward, as against £227,300 brought in.

In the case of the Modderfontein "B" Gold Mines, developments are the crux of the position. The directors frankly report that no improvement has taken place in this respect, "excepting that indications point to the possibility of a block of high-grade ore being located west of the South-East shaft." The ore reserves show a small increase in quantity, but a decrease of nearly ½ of a dwt—fully 3½ per ton—in the average value. This will affect the returns of the current year. A summary of the results for the past three periods follows:—

	1921.	1922.	1923.
Tons milled	687,500	575,000	778,000
Yield per ton	10.53	10.75	9.95
Revenue per ton	55/6	51/3	44/3
Costs per ton	26/-	24/-	20/2
Profit per ton	29/6	27/3	24/1
Total working profit	1,012,730	782,220	939,050
Dividends	665,000	595,000	770,000
Per cent.	95	85	110
Brought forward	294,900	308,490	397,380
Carried forward	308,490	397,380	485,240
Ore reserves	2,773,300	2,609,600	2,683,400
Value	9.6	9.3	8.6

As with the City Deep, the distributions for 1923 by no means absorbed the whole of the profits, the carry-forward being £87,800 up at £485,200. The whole of this is represented by cash and cash assets, the bulk available. Such a balance seems a large one for a mining company to keep in hand unless the directors contemplate heavy expenditure of a special kind. It represents nearly two-thirds the capital of the company. On the basis of last year's dividend total of 110 per cent., the yield is the high one of 22 per cent. The uncertainties of the future are responsible for this position. Even now the shares are quoted in the market at about five times their par value.

Notes of the Week.

Russians in Downing Street.—The first concrete result of Mr MacDonald's recognition of the Soviet came to pass on Monday, when Moscow delegates visited the Foreign Office for the beginning of the long-projected conference on Anglo-Russian relations. The conference was opened by the Prime Minister in a speech, the tone of which was quite unexceptionable. After emphasising that his recognition of the Moscow Government was unqualified, he proceeded to classify under four heads the main subjects for discussion. These are: (1) "Liquidation of the past" (including the question of holdings of Russian bonds, claims of property holders in Russia, &c.), (2) previous treaties, (3) substitution of a commercial treaty for the trade agreement, (4) propaganda. The Prime Minister was exceedingly frank. He dwelt upon the difference in methods of government between Moscow and London, and as regards propaganda and "hostile activities," he remarked:—

It is my duty to make it plain that the people of this country will require more than formal undertakings, and, as you know, I myself have too intimate a knowledge of international movements to be deceived by false distinctions. This will have to be discussed firmly, but I hope in the most amicable spirit, and I also hope settled in the same spirit.

On more material questions there was nothing in his speech to offend the bankers who, in view of the conference, had forwarded to him a memorandum demanding as conditions of agreement the recognition of debts, restitution of property, freedom of trade without Government interference, and abandonment of propaganda. This memorandum outlined the needs of Russia, and the means of supplying her with credit, under proper conditions, and will doubtless receive from the conference the attention it deserves. In reply, M. Rakovsky, who leads the Soviet delegation, said: "We are ready to submit the question of pre-war debts and private claims to detailed discussion," and "thought that nothing stood in the way of solution." He talked of the need for the revision of peace treaties, and said that while the Soviet did not look with favour on the League of Nations, they "would be prepared to associate themselves with a plan of an international organisation which should exclude measures of coercion and reprisal." It was perhaps to be expected that in his preliminary speech M. Rakovsky should skate over difficulties and confine himself to vague optimism. But it is obviously too early to begin building up hopes of tangible results from the conference. All that can be said at this stage is that Mr MacDonald, by the frankness, commonsense and proper spirit of his statement, has given it as favourable a send-off as possible.

The Reparations Report.—The reports of the experts on Reparations have had a most favourable reception, and have undoubtedly succeeded in creating an atmosphere

highly favourable to a settlement of the questions which have held back the reconstruction of Europe so long. Mr Ramsay MacDonald announced on Tuesday that the British Government had promptly intimated to the Reparations Commission its adhesion to the plans of the Experts. The German Cabinet has given a general approval as a basis of discussion, though it is probable that attempts will be made to secure some modifications in her favour. Belgium and Italy approve. There is every indication that France is favourably inclined, and opinion in the United States evidently regards the scheme as likely to lead to concrete results. The Reparations Commission itself met on April 11th and approved the report. This decision means that on the Allied side there is not likely to be much quarrelling over the technical details of the report itself. It does not, of course, touch the political problems which must inevitably arise for discussion forthwith. But it has had a considerable effect in Germany and, in particular, in the occupied territories, for it has led to provisional renewal of the M.I.C.U.M. agreements, the negotiations of which had reached something like a deadlock. The German negotiators assume that a settlement on the financial issues is in sight, and for the sake of preventing complete stoppage of production will carry on under conditions which, if continued, would inevitably destroy the industry of the Rhineland. There is some disposition in Germany to complain that no final sum has been fixed, and Herr Schacht, the new President of the Reichsbank, who is showing much greater determination than his predecessor, considers that the new schedule of payments is too heavy, and that Germany should have been given a complete moratorium for several years. At the same time, he is conscious of the danger of the rising spirit of nationalism in Germany and the urgent need of a very early settlement with France. Repeated disappointments have developed a strong vein of scepticism in Europe. Nevertheless, the report has succeeded in reawakening some hope of a happy issue out of her affliction. Tangible evidence of this revival may be found in the all-round improvement of the foreign exchanges.

The Mines and the Shipyards.—There is, for the present at any rate, to be no miners' strike. The notices terminating the coal industry agreement, which fell in on April 16th, have been suspended, and the miners remain at work. For this happy avoidance of disaster credit must be apportioned between Mr Shinwell, the Minister of Mines, who has shown marked aptitude for the handling of delicate negotiations, and the leaders of both sides for the mutual forbearance shown. When the Federation Executive rejected the owners' revised offer, and recommended their members to do the same in the ballot taken last week, they coupled with this rejection the application, to the Government, for an enquiry into miners' wages, now, and in 1914; such enquiry to take into account the changes in the cost of living, and the relative wages of other workers. The Court of Enquiry has been promptly appointed, with Lord Buckmaster as chairman, and pending its report, owners and miners are meeting to decide the terms on which the industry shall be carried on for the time being. The miners believe that the disclosure of the actual facts as to their earnings will enlist on their side the powerful support of public sympathy. An analysis of the ballot, taken last week, reveals a difference of opinion between the districts on the owners' offer, which corresponds to the great and, sometimes, tragic difference in conditions. Thus, while Durham voted for acceptance by 7 to 1, and Northumberland by 3 to 1, South Wales voted against by 2 to 1, Scotland by 3 to 1, and Lancashire by 3 to 1. The votes of these three areas, in fact, accounted for the small majority—16,000 on a poll of 661,000—by which the proposals were actually turned down. The smallness of this majority surely means that a strike has not only been temporarily averted but may ultimately be prevented. In holding their hand, the miners have not only saved the Government from what would have been a very serious danger, they have really greatly strengthened their own position. Unfortunately, no such verdict can be passed in relation either to the Wembley strike, or to what has happened at Southampton. In both cases there has been an attempt at direct action of

the crudest kind, and the main result has been to undermine the disciplined co-operation upon which effective Trade Unionism depends. The Southampton case is an instance of the breakdown of Trade Union authority, and as such the General Council of the T.U. Congress has regarded it, rejecting, as has the Ministry of Labour likewise, the appeals for "intervention" put up to them by the Communist and Syndicalist leaders who have been exploiting the psychology of mass meetings. At present only boilermakers (who have, since the protracted lock-out of last summer, been outside the Shipbuilding and Engineering Trades Federation); shipwrights (whose Union expelled their Southampton members, eight weeks ago, when the trouble started), and woodworkers (whose union, late in the day, took the same line), are at work. This applies not only to Southampton, but to all the other ports working under the federated employers. In all of them, men in the other trades are locked out, in enforced sympathy with the action of Southampton. The employers have, from the first, taken the line that they would negotiate only when the men came back to work. Southampton has suffered the most; the removal of the "Mauretania" to Cherbourg means that weeks of work have been lost to Southampton. The members of the Amalgamated Engineering Union, and of the unions other than the Shipwrights and Woodworkers inside the federation (which is an affiliation of some five and twenty unions) have defied the authority of their leaders, and, whatever be the merits of their claim, dealt a deadly blow at the federation itself. It was severely shaken by the boilermakers' lock-out; the present emergency is a much more dangerous one. These events are, of course, serious in their effect on trade, but the cumulative damage which they cause is in no way comparable to that which would have resulted from a stoppage of the coal mines.

Co-operative Progress.—A correspondent writes:—The return of the Co-operative Wholesale Society to a dividend-on-purchases stage suggests a better condition of trade for retailers generally. Although the dividend recommended by the directors is only 2d in the £ it totals £263,914, rather more than half of the net profit of the last six months, after paying interest on capital and depreciating in accordance with the new rules as set forth in the *Economist* three months ago. The sales for the past half-year were £34,504,861, of which £10,683,308 were supplies from the society's own productive works. These totals represent increases of 2½ and 1½ per cent. respectively. The profit rose to £1,305,193; but, in accordance with the Co-operative policy, interest on capital, amounting to £549,100 (inclusive of £133,364 on shares) and depreciation on property £252,223, had first to be satisfied. This left a net profit of £503,870, the allocation of which is interesting as suggestive of the continued view of keeping the resources well intact. The dividend to society members at 2d in the £ absorbs £263,914; a similar distribution at 1d in the £ on non-members' trade accounts for £602; £54,529 is devoted to writing off buildings and fixtures; £34,824 added to the reserve fund, which now stands at £723,367, and the remainder £150,000 is transferred to next half-year's account. So that a dividend on the current year's trading is practically assured—a fact that is giving a new value to the loyalty of the retail societies. Reflection of the improved trading conditions is seen in the figures of the C.W.S. Bank; the deposits and withdrawals being £252,562,658, an increase of 3½ per cent. This section is dealing with a growing number of current accounts, including 8,533 trade unions and friendly societies; 3,264 clubs; 1,026 co-operative societies, and 4,646 individuals. The repayment of the Development Bonds occurring on July 1st, it has been decided to accept investments from societies for five years at 4½ per cent. The Northern and Midland areas have shown the more distinct trading recovery, and in the Tyneside area the trade has increased by 8 per cent., but in London and the west and south of England the grocery and provision trade has declined somewhat. The output of some typical co-operative works for the past half-year is interesting. From the tea blending department 25,240,213 lbs of tea were sent out; from the biscuit works at Crumpsall and Cardiff 54,287 cwt; the weekly average weight of soap sent out

was 787 tons; 1,522,809 sacks of flour and wheatmeal from the eight mills, as well as 1,279,536 sacks of offals; 283,138 cwt. of margarine and lard; 1,048,386 pairs of boots and shoes and substantial supplies from the woollen mills, weaving sheds, shirt and clothing factories, furniture works, &c. This is the year of the Diamond Jubilee of the C.W.S., and the directors are well satisfied, after the recent lean years, to have returned to a profit-distributing stage.

Who are the Unemployed?—The Ministry of Labour has recently carried out an investigation designed to answer this question, into the "Personal Circumstances and Industrial History of 10,000 Claimants to Unemployment Benefit." The Report, issued the other day by the Stationery Office (price 3s), contains a great deal of suggestive material, which, so the Director of Statistics assures us, can be regarded as a "reliable sample" of the whole field; the 10,000 may be taken as representative of the million and a half. They are here classified from various points of view. In the first place, an attempt was made to group the claimants from the point of view of their employability. It appears that 89.4 per cent. of the men and 88.2 per cent. of the women were normally in steady or fairly steady employment, while only 3.6 per cent. of the men, and 2.0 per cent. of the women were "verging on the unemployable." Of these, a heavy proportion suffered from poor health and physique (it is possible that throughout the health factor has been somewhat over-stressed by the investigations, important as it is), while the majority were elderly or aged. More than half of the men, and more than a third of the women, in this category were 60 or over. Of the whole body of claimants reviewed, less than half the males were under 35; over four-fifths of the women. Of special interest is the analysis of their education. All claimants under 30 were specially interrogated on this point. It appears that among them no less than 94.0 per cent. of the boys and young men, and 91.3 per cent. of the girls and young women, left school at or under the age of 14; only 5.5 per cent. of the boys and young men, and 7.4 of the girls and young women, had attended any sort of secondary school. Another surprising fact is the comparatively small proportion of claimants who were actually in receipt of poor relief. Contrary to the common belief, only 10.3 per cent. of the men and only 0.8 per cent. of the women were in receipt of poor relief. "The cases which most frequently occur among males in receipt of poor relief over and above their unemployment benefit are of men drawing from 20s to 24s a week in benefit (which means men with a dependent wife, or with a wife and from one to four dependent children), and in receipt also of poor relief ranging from 2s 6d to 12s 6d per week." Of the men in respect of whom dependents' benefit was being paid, 18.2 per cent. were drawing it in respect of four or more children.

Iron, Steel, and Coal Production in March.—The figures just issued by the National Federation of Iron and Steel Manufacturers show that pig-iron production in March (668,600 tons) was higher than in any previous month since June last, and that steel production (825,200 tons) was higher than in any month since September, 1920. Gratification at such records must, however, be tempered by the knowledge that, having regard to the cost of production, prices were far from satisfactory, and that the exports of iron and steel in March were lower than in any month since September, 1922. The first point is made clear from a study of the Board of Trade Wholesale Index Number, which shows that in March coal, which enters so largely into the cost of production of iron and steel, was 89 per cent. above 1913 prices, while iron and steel was only 47 per cent. above, the average for all commodities being 65 per cent. That exports were unusually low in March naturally results from the heavy sales made by France and Belgium in January and February, when the franc was at such a low level, and this is also reflected in the imports, which totalled 165,200 tons, which though less than in February, compares with an average of 110,000 tons per month throughout last

year. The explanation of the comparatively high production in March would therefore seem to be that it was the culmination of the stimulus afforded by the railway and other orders placed at the end of last year with a view to alleviating unemployment. Since the number of blast furnaces operating at the end of last month was only 194, compared with 202 at the beginning, the output of pig-iron in April will necessarily be less, while even if demand were maintained, and unfortunately it is not, steel production would be less in April on account of the Easter holidays. Fortunately, the competition from France and Belgium is hardly likely to be so acute as recently, as not only has the franc improved, but French and Belgian manufacturers cannot guarantee prompt delivery, but with the increased working hours and the increased wages recently agreed upon in Germany, increased competition from that quarter may be looked for. The production, imports and exports of iron and steel in the first quarters of 1913, 1920, 1923, and 1924 are given below:—

	1913.	1920.	1923.	1924.
	Tons.	Tons.	Tons.	Tons.
Production of pig-iron.....	?	2,009,000	1,744,900	1,917,900
" steel ingots & castings ..	?	2,392,000	2,143,700	2,287,100
Imports	585,300	217,200	362,500	497,200
Exports	1,186,200	772,800	1,039,000	956,400

The output of coal in the four weeks ending March 29th averaged 5,763,000 tons per week, compared with an average of 5,785,000 tons for the previous four weeks. The output for the first quarter shows an increase compared with the first quarter of 1923, the figures being 72,214,700 tons in 1924 and 71,042,500 tons in 1923. Exports of coal were slightly in excess of the previous month, and amounted to 5,190,300 tons, of which 1,381,500 tons went to France, 620,600 tons to Germany, 593,000 tons to Italy, 288,200 tons to Irish Free State, 274,000 tons to the Argentine, 255,000 tons to Denmark, 220,300 tons to Netherlands, and 205,700 tons to Belgium.

International Cotton Federation.—The International Cotton Federation has published its quarterly bulletin, which contains a mass of interesting information to those engaged in the industry. The half-yearly statistics show that the consumption of all kinds of raw cotton throughout the world during the six months ended January 31st was 10,434,000 bales, against 10,759,000 bales in the previous half-year, and 11,384,000 bales in the six months ended January 31, 1923. The stocks of raw cotton held by spinners on January 31st last amounted to 4,088,000 bales, as compared with 3,932,000 bales on July 31, 1923, and 4,851,000 bales at the end of January, 1923. During the past half-year Great Britain has increased her consumption of American cotton by only 22,000 bales, but during the same period she has increased her total consumption of all kinds of raw cotton by 113,000 bales. It is a matter of interest that, during the past six months, over 1,000,000 spindles in Lancashire have turned from American cotton to Egyptian. With regard to the extent of short time, statistics reveal the fact that Great Britain, France, Italy, Czechoslovakia, Belgium, Switzerland, Poland, Finland, Japan, Canada, and Mexico have curtailed production on a smaller scale during the past half-year than in the previous six months, but Spain, Holland, Sweden, and China have increased their stoppages of machinery. Arrangements are now being made for the holding of the twelfth congress of the International Cotton Federation at Vienna in June next. The chief subjects for discussion will be international courts of arbitration, the effect of the 48-hour week on the cotton industry, labour-saving appliances in cotton mills, damp in raw cotton, cotton-growing in Brazil, and cotton-growing in the Colonies and Dependencies of the countries affiliated to the International Federation. A year ago the Federation Committee made an important development in its work in that they appointed a mission to the United States for the purpose of reporting on the growing cotton crop, and the delegates supplied the members with valuable information. At the congress a review of this journey will be given, and it will also be decided whether this work should be undertaken each year.

Czechoslovakian Trade.—A correspondent writes:—In comparing the trade figures of Czechoslovakia and Hungary some weeks ago, it was recently shown in these columns that the exports of the former were 50 per cent. less than those of the year before, while Hungary for the same year had an export balance of several milliards of crowns. It would seem fair in the circumstances, therefore, to continue the examination of the figures for the ensuing months of the present year. In January, 1924, the exports of Czechoslovakia show a falling off of no less than 943,777,600 kc. from December, while the imports also declined by a value of 705,210,375 kc. About this striking difference there are several things to be said. In the first place, December was an extraordinarily good month, showing an increase of 50 per cent. over the average month of 1923. Secondly, there was in January a great difficulty in transport owing to the freezing of the rivers, especially of the Elbe, which interfered seriously with the export trade of the month. It has been suggested in addition that some merchants may have been waiting to take advantage of the lower railway tariffs coming into force on March 1st. Should this have been the case, the merchants would seem to have changed their minds, inasmuch as the trade figures for the month of February are as satisfactory as they were the reverse for January. In February the exports, both in bulk and value, show a striking improvement—957,376,175 kilograms and 336,193 pieces were exported, as against 729,322,700 kilograms and 405,894 pieces in January, the respective values being 1,254,172,930 kc. and 800,273,845 kc. The imports also show a remarkable increase in value, viz., 1,245,519,169 kc., as against 809,787,918 kc. for January. Of the increases in the exports for February, cotton and cotton goods were doubled; wood and coal were 40 per cent. more; wool and woollen goods 70 per cent. more; iron and iron goods 50 per cent. more; glass, &c., 30 per cent. more; fruit and vegetables nearly trebled in value; and flax, hemp, &c., more than doubled. Of the countries interested, Germany took 17.30 per cent. of the exports and supplied over 35 per cent. of the imports; Austria took over 25 per cent. of the exports, supplying nearly 70 per cent. of the imports; Italy came next to Germany in supplying imports with a value of 121,441,669 kc., taking about 6 per cent. of the exports; the United States came next, supplying 7.56 per cent. of imports, and taking exports to the value of 71,339,375 kc., or 5.69 per cent.; France and the United Kingdom between them took something over 6.50 per cent. of the exports, while France supplied about 42 million crowns' worth of imports, Great Britain no more than 30 million. Thus February showed an "active" balance of 8,653,751 kc. as a set-off to the passive balance of 9,514,073 kc. for the previous month, practically wiping it off, so to speak. The figures do not come up to those of December, but December seems to have been a good month for exports for other countries in Central Europe besides Czechoslovakia, as witness, even Hungary. Still, the February improvement is a hopeful sign for the progress of the country. Whether the financial state of the country is as good as would appear from these figures is a matter that does not require to be considered here. This much may be said. There is no sign of the fall in the currency which was persistently rumoured a short time ago, and these February returns should have some effect in giving the rumours their quietus.

Conditions in Cuba.—For the financial year 1924-25, the Budget of revenue and expenditure estimates receipts at \$76,719,000, and expenditure at \$66,400,282, or a surplus of \$10,318,718. If this should be realised, writes a correspondent, the Government will be asked to use the funds for paying bonuses to Government employees instead of it going to the paying-off of the island's internal debt. Strong opposition, no doubt, is expected from financial circles to this policy, since any modification would be deemed to prejudice both the guarantees enjoyed by foreign loans and the security of the internal debt. The economic position of the island being exceptionally good, however, at present it may not be necessary for the Government to adopt this method of satisfying the insistent demands of its employees. Provided no political upheaval occurs, Cuba should enjoy a period of renewed commercial prosperity,

especially in view of the sugar outlook; the crop is expected to be as good as, if not better than, that of last year. A halt has at length been called in the damaging operations of certain United States' speculators in the sugar market. Their huge profits, derived from compelling needy producers to accept very much reduced prices (as low, indeed, as about 1d per lb) had brought fresh speculators into the field. It has been pointed out that at the time that local sugar planters were receiving for their produce the low price of a fraction above 1d per lb, sugar was selling in England at between 8d and 10d per lb. Efforts are being made to cultivate closer relations with Europe, so as to overcome the obstacles offered by the Fordney tariff. A pronounced revival in the mahogany-timber trade with the United Kingdom is, for instance, to be noted, Cuban logs—like those from Mexico—finding a ready sale for medium to large pieces at the port of Liverpool. While it is but natural, owing to geographical proximity, and the preferential rates granted to the United States, that trade with Cuba should flow largely towards North America, the strong position held by British trade for something like a century is still regarded as a valuable asset. No effort should be spared, therefore, to maintain our position, secondary though it may now have become. In many directions British manufacturers are enabled to compete successfully with their keen American rivals, particularly in connection with textiles, steel manufactures, certain food-stuffs, and manufactured leather goods.

Competition for Latin-American Trade.—British trade with Latin America, writes a correspondent, continues to make progress, following upon a pronounced revival during the latter part of last year. The keenest rivalry now exists between Great Britain and the United States, running a neck-to-neck race to secure supremacy in some of the principal markets. From both these countries exports to Argentina, Brazil, and Chile are approximately equal in value on the current exchange basis; in regard to their imports, however, the proportion of increases for the first nine months of 1923 over the previous year showed greater variation. In the case of Argentina, the United Kingdom maintains its supremacy; exports to the premier South American State, in 1923, reached £19,854,971, compared with \$88,676,547 (£17,735,309) claimed by the United States. These figures show an increase of about 13 per cent. in favour of the United Kingdom over the previous year; but, on the other hand, the imports into the United States from Argentina increased by about 70 per cent. In the case of Brazil, the United Kingdom exported to the value of £7,545,476, while the United States claimed \$33,160,386 (£6,632,077). The export trade position of the United Kingdom in Chile was slightly less favourable, representing £4,714,949, while that of the United States was \$24,186,530 (£4,837,306). Taking the whole of the Latin American Republics, including the lesser West Indies and the Guianas, the total trade of the United States for the period mentioned was largely in excess of that of the United Kingdom, the figures being as follows:—U.S.A. exports, \$521,260,229 (£104,252,045), against £46,347,425 (say \$231,737,128). The total value of the trade of the United States with the 20 Latin American Republics for the whole of 1923, according to official statistics, came out at \$1,685,000,000 (£337,000,000), compared with \$1,315,000,000 (£263,000,000) in 1922, an increase of \$370,000,000 (£74,000,000), or 28.1 per cent. Both the United Kingdom and the United States are meeting with stronger competition from Italy. With a view to finding further markets in South and Central America, a syndicate of 25 leading manufacturing firms, representing the most important industries of the kingdom, have, with the practical assistance of the Government, despatched the Italian naval vessel "Italia" to 27 ports of Latin America, carrying an immense variety of sample goods. The voyage of this floating fair will occupy 210 days, covering a course of 23,000 miles.

Politics and Finance in Ecuador.—The approaching political elections in Ecuador, in which General Leónidas Plaza (President in 1901, 1912, and 1917) is expected to

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play an important part, are calculated to interfere still further with the economic progress of that country, already sufficiently disquieting. The Federal Government is said to be practically without funds, while the heavy adverse trade balance is little likely to be reduced within the near future. During the past year imports were largely in excess of exports, and the supply of export drafts requisitioned by the Administration proved insufficient to meet the demand of importers. Unliquidated accounts have considerably increased during the last few months. At the end of last year the banks at Guayaquil disclosed deposits exceeding 25,000,000 sucres (roughly £1,000,000), as collateral for undischarged accounts, to be used for the purchase of foreign drafts whenever they might become available. The monetary institutions held also about 4,000,000 sucres left upon deposit by foreign merchants and manufacturers, who were unable to find a field of investment deemed to be sufficiently safe. One hope upon which the country's economic future depends is its agricultural and pastoral richness, up till now unsystematically developed. Too much reliance has been placed upon the mineral wealth, which, while undoubtedly existing, defies successful exploitation owing to the remoteness of most of the deposits and the unrelieved difficulties of transportation. The Government is endeavouring to enlist the financial co-operation of foreign financial syndicates, with a view, not only to providing the country with increased railway tracks, but to develop upon an extensive scale the agricultural, horticultural, and pastoral possibilities of the State. As a preliminary, bananas and live stock have now been placed on the tax-free list. Cacao, which still forms the principal article of export, reached, during the first six months of 1923, 19,429,385 kilos, valued at 14,300,069 sucres. Initial attempts at cotton-growing have proved encouraging, the exports of this product showing a slow but steady increase. United Kingdom purchasers are apparently ready to take all the Ecuadorian cotton offering, and recently a sale of 121,000 kilos was effected. Another hopeful market is that for oil, in the development of which, notwithstanding some serious disappointments encountered, a considerable amount of British capital is becoming interested. Deeper drilling is contemplated, the two pioneer companies (the Anglo-Ecuadorian Oilfields, and the M.H. Oil Exploration Company) having decided to proceed with further experiments.

The Indian Cotton Crop of 1923-24.—The present crop is officially estimated as likely to produce 5,042,000 bales of 400 lbs, compared with the forecast a year ago of 5,196,000 bales, a decrease of 154,000 bales. But the actual amount brought into sight last season is officially shown to have been 6,270,000 bales, an excess of 1,074,000 bales, or 20.7 per cent., while commercially the present one is estimated at 5½ to 5¾ million bales.

AREA and YIELD in BALES of 400 lbs.
(000's omitted)

Years.	Acres.	Official Feb. Forecast	Approximate Crops.	Excess or Deficiency.	
		Bales.	Bales.	Bales.	%
1916-17	21,745	4,502	4,985	+ 483	10.7
1917-18	25,299	4,036	4,499	+ 463	11.5
1918-19	20,997	3,671	3,991	+ 320	8.7
1919-20	23,352	5,845	5,343	- 502	8.6
1920-21	21,341	3,556	4,941	+ 1,385	38.9
Mean of 5 years	22,547	4,322	4,752	+ 430	10.0
1921-22	18,454	4,479	5,972	+ 1,493	33.3
1922-23	21,792	5,196	6,270	+ 1,074	20.7
1923-24	22,941	5,042	..	..	..

The yield of Oomra descriptions, though less than last season, still accounts for more than half the crop (52 per cent.) and 8 per cent. more than the mean of the five years ending 1920-21. Over a million bales are looked for from Berar and the Central Provinces, the same quantity from Hyderabad and the Bombay Deccan, and over half-a-million from Khandeish and Central India. Of Bengal-Sinde, 850,000 bales (17 per cent.) are expected, 155,000 more than last year, but 137,000 less than the average. The decreased area has evidently been devoted to the production of Americans, of which the present outturn of

237,000 bales (4.7 per cent.) is the largest yet recorded, while the quality is very favourably reported upon. Drought accounts for the poor yields of Dholleras, only 288,000 bales (5.7) being looked for. The supply of Broach (203,000 bales, 4 per cent.) is 78,000 below the last crop, and 56,000 less than the five years mean. Comptas and Dharwars promise well, and the anticipated supply is larger than last season, but below the average. Westerns and Northerns (170,000) are expected to be about the same as last year, but 52,000 bales below the mean. It is satisfactory to see that the yield of Tinnevellys, Salems, and Cambodias is placed at 335,000 bales, compared with 294,000 bales a year ago, and the five years' average of 283,000 bales. With Americans the supply of the best stapled Indian cottons promises to exceed 572,000 bales, and with Broach 775,000 bales.

The distribution of last season's crop, that of the one before and the previous five years' average, is shown below:—

DISTRIBUTION in THOUSANDS of BALES.

	Bales.			Percentage.		
	1921-22.	1922-23.	(a) Average	1921-22.	1922-23.	(a) Average
Exports to U.K.	67	223	153	1.12	3.55	3.22
" Cont. of Europe ..	827	(b) 1,045	402	13.85	16.66	6.33
" Far East	2,197	2,135	1,401	36.78	34.05	29.47
" Other Countries ..	79	(b) 70	45	1.33	1.13	4.07
Total Europe	3,170	3,473	2,001	53.08	55.39	42.09
Home consumption—Mills ..	2,159	2,109	2,039	36.15	33.64	42.89
" Local	750	750	750	12.56	11.96	15.81
Total home consumption ..	2,909	2,859	2,789	48.71	44.59	58.70
Grand total	6,079	6,332	4,790	101.79	100.98	100.79
Less imports	107	62	37	1.79	.98	.79
Approximate crops	5,972	6,270	4,753	100	100	100

(a) Average 5 years ending 1920-21. (b) Subject to correction.

Of this 6,270,000 bales accounted for last season, 3,473,000 bales (55.4 per cent.) were exported, and 2,859,000 bales (44.6) retained for home consumption, compared with 3,170,000 (52 per cent.), and 2,909,000 bales (48) respectively, the year before. As was the case a year ago, the shipments to the continent of Europe have been wrongly entered. We have reduced the exports to "other countries" from 614,000 bales to 70,000 bales, and increased those to the Continent of Europe from 501,000 bales to 1,045,000 bales. Why the despatches to Germany and Belgium should be added to those of "other countries" and omitted from "Europe," we fail to understand.

The Ministerial Crisis in Denmark.—The composition of the new Folketing, elected last Friday, increases the uncertainty as to the solution of the Danish exchange problem. (The rival schemes of the various parties were fully set forth by our Copenhagen correspondent in our issue of March 29th.) The Conservative-Liberal Coalition, on which M. Neergaard's Ministry rested, has had its numbers reduced by Liberal losses from 79 to 72, while the Socialists and Radicals have increased theirs to 55 and 20 respectively, forming a bare majority of 75 in a House of 149. A recount may make the numbers 74 on each side, in which case the single German member from Slesvig will hold the balance. M. Neergaard's Ministry has resigned, and M. Stauning, the Socialist leader, is attempting to form a Government. The Socialists desire a capital levy, and an extended State control of exchange and foreign trade. The Radical attitude to both seems doubtful. Swiss experience has shown that the flight of capital set up by the proposal of a levy continues after its rejection, because it is found that a better return can be obtained abroad. In Denmark this effect seems likely to be intensified, because the undeveloped resources of the country are not nearly so extensive.

A New Rubber Move.—Details will be announced shortly, writes a Stock Exchange correspondent, and possibly this week, of one more effort that is to be made with a view to "saving" the rubber industry. It seems to owe inspiration, at least in part, to the recent activity of the Commission appointed by the U.S. Government, with power to spend \$500,000, and which has been diligently collecting exhaustive data with regard to the whole in-

dustry of rubber-growing. Besides this incentive, however, the sellers of rubber have also had to face a long-continued dwindling, by eighths of a penny at a time, in the price of the produce. Shareholders have exercised unusual patience. The invitation towards yet another reform has come mainly from within the trade, and half a dozen schemes have been but lately examined by people belonging to inner circles that are not satisfied with prevailing conditions. As is generally known, there exist groups of rubber companies, acknowledging one direction by particular houses, in much the same way as South African mining concerns are frequently controlled by the "shops," colloquially named. But whereas gold can always be sold, rubber, on the other hand, may become a drug in the market. This factor brings down the price, by reason of sales at competitive rates, on behalf of producers; some of them acting under restriction, some of them free; some of them private owners, and others unscrupulously extravagant in their output. At home, jealousy and suspicion have thwarted, time and time again, the efforts of well-meaning reformers who have laboured to reconcile the clash of jarring personal interests. Bitter adversity went some way towards helping to bring about consent to a restriction scheme, but the old trouble still rankles, and the task of uniting the sellers, as the buyers are united, would appear to be as hopeless as it is essential. Nobody has the courage to strike at the real root of the trouble; nobody dares to risk the certain failure which would attend the only scheme that promises success to the industry as a whole, at the expense of vested interests, jealously guarded and closely preserved. Agents for rubber-producing companies possess means of profit other than those of commission and brokerage upon the sale of the output. The companies require stores, machinery, insurance, freight, a score of other things, in the supply of which it would be surprising, and unbusiness-like, if agents were to find no source of profit. To throw the selling of all rubber into one set of hands, presents difficulties that will leap at once to the eye of an imagination which realises the quick fear of one company, or group, lest another may obtain more favourable treatment than is accorded to itself. Central selling might easily prove the first step towards a demand on the part of rubber shareholders for the same principle to be applied to other branches of the industry, such as those already enumerated. Amongst the schemes under present discussion, that proposal has the best chance of general acceptance which, while avoiding the dangerous ground of interference with special interests, will throw a gloss of unity over the sellers. That the present time for action is propitious may be willingly conceded. The American users are uneasy at their unofficial ring of rubber-buyers standing in danger of being deemed an association acting in restraint of trade. This is why they sent over to Europe and the Middle East the Rubber Commission that has lately returned to them. If the rubber sellers cannot—for reasons which shareholders may learn without enthusiasm—agree to the principle of fusion of interests for the common good, then some line of least resistance to the objections may yet be found before it is too late. It is to be hoped that the new movement will be managed by men of experience, freshness of ideas, and superiority to hide-bound prejudice, otherwise it will be doomed to disappoint the mild optimism that is ready to attend its advent.

Manganese Ore.—From an examination of available statistics, writes a correspondent, it seems impossible to escape the conclusion that a world shortage of manganese ore will develop before the end of this year. Manganese is an essential ingredient in the manufacture of high-grade cutting and resisting steel. The manganese ore is first smelted into ferro-manganese, and this alloy is then added in certain proportions to the molten steel. In this country about 2½ tons of manganese ore are used to make up one ton of ferro-manganese, which in turn is the amount required in the manufacture of 100 tons of steel. What proportion of the steel produced in the world in 1923 was steel containing manganese is unknown, but the total steel output of 72,573,000 tons was only 4 per cent. below the output in 1913, which was a record year, whereas the world production of manganese ore in 1923 (estimated at

under 1,000,000 tons) was about 56 per cent. below the 1913 figure. This is the basis of the manganese ore famine. Again, the world's production of steel in 1923 showed an increase of 15 per cent. over that of 1922, whereas the exports of manganese ore from the chief producing countries showed a decline of 22 per cent. over those of 1922. This was mainly due to the falling off in the output of Brazil, where heavy rains interfered with mining. The position in the United States, which is the chief steel manufacturing country, emphasises strongly the danger of a manganese ore shortage. The United States last year produced 44,400,000 tons (61 per cent.) of the world's total steel output. Its production of ferro-manganese in 1923 is estimated at 256,221 tons, and its imports of ferro-manganese at 95,000 tons, a total of 351,221 tons, which are equivalent to the manufacture of 35,122,100 tons of steel, leaving the quantity of steel produced without ferro-manganese at 9,277,900 tons. Now, for the production of 256,221 tons of ferro-manganese the United States domestic production, plus imports of manganese ore, should have been 640,552 tons. Its domestic production of manganese ore is small, so that it would be safe to estimate that 600,000 tons of manganese ore were required from abroad. In fact, only 200,000 tons were imported, so that 400,000 tons must have been withdrawn from stock. The invisible supply of manganese ore in the United States is, therefore, believed to have practically disappeared by the end of 1923. If the production of steel in America continues at its present pace, the shortage of manganese ore this year will be acute. For the first two months of 1924 the United States produced 7,500,000 tons, a monthly rate of output higher than the average for 1923. Even if the output of steel, both in the United States and in this country, slackens off in the course of this year, the production of manganese ore has a considerable gap to make good. The experience of companies in the manganese trade confirms this statistical impression of an approaching famine. Supplies of manganese ore for this year are practically sold out, and supplies for 1925 are already being contracted for. The only manganese ore company with which the London Stock Exchange is familiar is the Central Provinces Prospecting Syndicate, which showed an increase in net profits last year of 60.6 per cent., declaring total dividends of 25 per cent., plus 5 per cent. cash bonus, all free of tax. The outlook for manganese ore companies is distinctly promising.

Argentine Government's Oil Budget.—Few Governments, writes a correspondent, in framing their Budgets, have to estimate such incalculable items as the revenue to be derived from drilling for that most elusive of minerals—petroleum. The Argentine Government has, however, attempted the impossible, not lightly, but wholeheartedly. It has estimated not only the future production from its oil reserves over a period of four years, but the revenue to be derived from refining and disposing of that production. It has made out its oil budget as follows:—

	Production. Tons.	Net Profits. \$
1924	692,000 ..	(14,230,667 loss)
1925	1,140,000 ..	9,031,085 (paper)
1926	1,640,000 ..	14,885,245 ..
1927	2,240,000 ..	24,346,429 ..

Last year it produced 415,557 tons, out of a total for the country of 530,057 tons, so that for 1924 it has budgeted on an increase of 66 per cent. This calls for a very extensive drilling campaign, and an enormous increase in tank storage and tank steamships. On the Government reserve in the Comodoro Rivadavia field 81 wells are to be drilled this year, 106 in 1925, 156 in 1926, and 206 in 1927—in the Plaza Huincul reserve in Neuquen 18 wells this year, and so on. This year's addition to the tank storage is laid down at 156,000 tons. The tanker fleet is to be enlarged by the purchase over the next four years of nine vessels of 10,000 tons capacity. The much-discussed Government refinery at La Plata is now definitely decided upon, its construction is to be begun immediately, it is to be ready for the treatment of 1,000 tons of crude oil per day from the Comodoro Rivadavia field by the end of the year, and its capacity next year is to be 2,000 tons a day. A smaller refinery is to be built at Plaza Huincul. This extensive storage, shipping, and refining programme

covers the estimated requirements not only of the Government, but of the two private companies which are producing in Comodoro Rivadavia—the Astra Company (German) and the Cia Ferro-Carrilera de Petroleo. The production of the Government and of these two companies over the last four years has been as follows:—

	Government Production. Tons.	Private Companies. Tons.	Total. Tons.
1920	226,545	31,964	258,509
1921	277,725	44,330	322,055
1922	348,936	101,264	450,200
1923	415,557	114,500	530,057

Undoubtedly the Argentine Government has set itself a big task, and is keenly determined to carry it out. The success of its past drilling operations both in Comodoro Rivadavia and in Neuquen, and the high yields of its wells, justify its confidence. It only remains for the Government to win the confidence of private oil companies by greater wisdom in its oil legislation. The Bill it has put forward still leaves the granting of firm titles to oil lands in an unsatisfactory position.

The Scottish Provident's Valuation.—Five years ago this life assurance society was obliged to suspend its general distribution of bonuses, and to carry forward the surplus which was available after meeting depreciation of investments. A new investigation made at the end of last year shows a much improved position. After a full examination of the investments £264,710 was written off and £300,000 taken for the purpose from the investment reserve funds. The market value of the assets was then considerably in excess of the values in the balance-sheet, and £300,000 still remained in the investment reserve fund as a provision for the future. The life funds of £17,510,858 were £1,662,772 in excess of the ascertained liability under policies and annuities, and of this surplus £1,409,683 belonged to the common fund and £253,089 to the special endowment assurance fund. Whole life policies, participating for the first time, are to get a reversionary bonus at the rate of £1 8s per cent. per annum (excluding the war years 1914-18), and whole life policies, which have previously participated, are to be allotted reversionary additions of £1 10s per cent. per annum for the five years since December 31, 1918. The bonus on special fund endowment assurances is to be at the rate of £1 18s per cent. per annum on sums assured and existing bonuses in respect of each annual premium paid since December 31, 1918. Intermediate bonuses payable on endowment assurances maturing in the current year have been fixed at £1 16s per cent. In accordance with the society's system for whole life policies in the common fund, the policyholders pay very low rates of premiums, and do not participate in profits until they have earned their right by survival to do so. Under these circumstances the surplus earned and the bonuses declared are highly satisfactory. The new business done last year amounted to 3,601 policies assuring £2,477,038 net, and the funds increased by £257,001 after writing off £264,710 for depreciation. The mortality experienced was less than 72 per cent. of that "expected," and the net rate of interest earned was £4 8s 5d per cent., after deduction of tax.

British Oil and Cake Mills.—The twenty-fifth annual report and accounts of the British Oil and Cake Mills, Limited, will not be received by shareholders with any considerable degree of enthusiasm. Trading profits for the year ended December 31, 1923, "including dividends from allied companies, after adjustment of reserve for contingencies," amount to £267,571, as compared with £322,338 a year ago. In addition to this amount, under the item "interest," £22,039 is brought into the accounts, as against £11,202, while "dividends on investments" provide £50,149, as compared with £60,001 in 1922. Another item of £30,968, "profit on realisation of investments," brings the total of gross revenue up to £371,222, as compared with £399,939 shown in the previous accounts. This profit on realisation of investments, the gross amount of which is £105,968, is arrived at on the sale of £250,000 4 per cent. Funding Loan and £250,000 3½ per cent. Conversion Loan. The report states that "out of this sum £75,000 has been set aside to extinguish the

loss on the margarine business, which has been closed down, and of the balance, the sum of £30 has been transferred to the reserve account." This accounts for the substantial allocation to reserve given in our statistics. A comparative table of the company's results for the past six years, and for 1913, is given below:—

	1913.	1918.	1919.	1920.	1921.	1922.	1923.
Trading profit	£189,860	£333,552	£605,064	£425,267	£349,496	£322,338	£267,571
Net profit	£139,041	£222,008	£604,733	£446,994	£351,083	£335,872	£309,167
Depreciation res., &c.	£72,500	£104,441	£248,922	£32,530	£7,500	£40,000	£76,000
Preference dividend	£34,650	£40,871	£40,871	£40,751	£40,870	£40,870	£40,870
Ordinary dividend	£30,950	£174,766	£312,500	£372,898	£250,000	£251,140	£193,841
Carried forward	(5%)	(15%)	(25%)	(15%)	(10%)	(10%)	(7½%)
	+ 941	+ 1,930	+ 4,440	+ 696	+ 2,712	+ 862	+ 4,455

As will be observed, the dividend has been reduced from 10 to 7½ per cent. The report states that, "During the early part of the year trade was satisfactory and reasonably remunerative. The promise of the first six months, however, was not maintained, and a period of acute depression was encountered during the latter half of the year, when it became impossible to earn profits, and output suffered a considerable reduction." The report, however, concludes in a more hopeful tone, that, "Conditions generally have since shown signs of some recovery." The balance-sheet will be found fully analysed on another page. Investments are down from £999,915 to £626,432, but stocks are up from £691,320 to £954,065.

General Mining Group.—The producing companies under the aegis of this group have now shrunk to four. Of these, writes our mining correspondent, by far the most prosperous is the Meyer and Charlton, whose life, so far as the original property is concerned, is now becoming somewhat short. By the acquisition of the bulk of the City and Suburban area the period of operations has, however, been expanded, although future earnings cannot be expected to rival those of the past. At 256,750 tons, value 12.3 dwts, the ore reserves, as at the end of last year, show a decline of 70,050 tons in quantity and of nearly 1 dwt. in value, as compared with the position a year previously, although 42 per cent. of the ore milled here during 1923 consisted of reclamation material. To maintain the dividend at 100 per cent. for 1922—when, of course, the earnings were reduced by the labour trouble—the carry forward had to be drawn upon to an appreciable extent; hence an expansion of nearly £50,000 to £260,000 in the last year's earnings did not permit any increase in the rate of distribution. The financial position is extremely strong, the surplus liquid assets at the date of the balance-sheet being equivalent to about 15s per share. There seems no particular reason for keeping so large a sum in hand. Thanks largely to reduction in working costs, the Aurora West was able to pay dividends totalling 15 per cent. upon its sealed-down capital—the first returns the shareholders have received. Unfortunately, the prospects cannot be regarded with any degree of confidence. Although the present ore reserve estimate includes several blocks formerly below the limit of payability, the total figures at only 130,100 tons, or no more than nine months' supply for the mill. The West Rand Consolidated is a company whose prospects depend mainly upon ability to operate upon a large scale—for both the property and the capital are big. Last year, 427,800 tons were crushed for a working profit of £45,800, or about 2s per ton. After providing for debenture interest, £32,700 goes forward. This charge, by the way, was suspended for three years from September 1, 1920; two coupons have recently been paid. The ore reserve tonnage of 1,055,000 tons shows little change in quantity, but the value of 5.9 dwts is lower than before. The completion of certain development work should enable a better showing to be made in this year's statement. As to the fourth of the producing companies—the Van Ryn—its accounts are made up to June 30th. Work on the part of the New Goch and Roodepoort United was suspended during the past year. Shareholders in the former should have something to come; the latter is hopelessly in debt to the parent company. The Cinderella Consolidated continues in a state of suspended animation, but negotiations are proceeding with the East Rand Proprietary on the question of an amalgamation or a working agreement.

Oil Plots for Small Investors.—We have received a letter from the British Allied Estates, Limited, enclosing a copy of some printed matter concerning which the casual observer of these things will be mainly intrigued to decide the exact nature. It describes itself as "Oil-Lands News," and "Latest Edition" in bold type at the top helps to convey the impression that it is a newspaper. Other details, however, would suggest that it is perhaps distributed only as the owners think fit. The letter and the printed matter tell us all about an offer of oil plots. We readily admit that everyone has a right to sell oil plots. But the methods used to recommend these oil plots will not commend either the plots or the methods to cautious people. For an investment of £5 is linked up with a "yield of a fortune" in the covering letter. In the printed matter accompanying the letter the work of a master hand is discernible. "How a £5 speculation makes £6,000 in less than a year." To buy a plot "is a good, sound, straight business proposition, with a very small risk, and may make you a fortune." We are quite aware that our readers will smile as they read these lines. But we would remind them that this matter is being sent through the post all over the country; and that it falls into the hands of less experienced investors. Finally, the finishing touches are given in the intimation that "no individual can purchase more than ten plots." We wonder what happens to the applicant for eleven plots! On the letter the name of Sir Alexander Spearman is given as chairman of the British Allied Estates, Limited. Sir Alexander, however, informs us that he has severed his connection with the undertaking, and has requested those responsible not to use his name any further.

Agricultural Conditions.—The monthly report of the Ministry of Agriculture and Fisheries states that the dry weather has allowed cultivation and sowing to proceed rapidly, although on the heavy soils harrowing and sowing could not be begun early in the day owing to the frosts. In the extreme North the frosts of the first half of the month were sufficiently severe to hold up cultivation. The land has worked exceedingly well, and good tilths have been obtained, heavy land working better than for many years. Spring work is consequently well in hand, and sowing is more forward than usual in many districts. In the South and East many farmers have finished drilling corn, but in the North little seeding has been done as yet. With the cold weather germination has been very slow, and hardly any spring corn was showing at the end of March. The preparation of the land for potatoes is well advanced, but in most counties very little has yet been planted, although in the chief potato-growing districts in the Eastern counties planting was in full swing at the date of the reports, and some first earlies have been got in in most parts of the country. The frosts and cold winds have affected winter corn adversely, and the crops generally do not look so well as a month ago. Over the greater part of the country lambing is now well advanced, except among hill flocks. The fall of lambs has been about average, and losses have not been heavy, except in a few districts where the lambs have suffered from the severe cold. There has been no young grass for the ewes, and many have consequently been short of milk, with the result that their lambs have not made very good progress. As a rule, however, the lambs are healthy. Hill sheep have lost condition during the cold weather of March, and lambing prospects are consequently not so favourable as a month ago. Outlying stock have required much hand-feeding, as pastures have been brown and bare. Where the amount of fodder supplied has not been ample cattle have gone back in condition, while sheep have not done well in districts where roots have been scarce. On the whole, however, both cattle and sheep are healthy. In spite of the long winter there are still fairly good supplies of hay in most districts, but roots are about finished. The supply of labour continues ample for requirements. There is less unemployment than a month ago, casual workers being taken on for seasonal work, potato planting especially providing additional work in some districts.

Oversea Correspondence.

UNITED STATES.—TRADE AND INDUSTRIAL CONDITIONS—ADVANCE IN RAILROAD SECURITIES—TAX REDUCTION OUTLOOK—SHIPPING LEGISLATION.

(FROM OUR CORRESPONDENT.)

NEW YORK, April 4.

TRADE and industry in the United States are marked by irregularity, and business, as a whole, is only fairly active at present. Returns for the month of March show that there was some falling in the volume of business in various directions, as compared with February, or with March a year ago, notably in sales by mail-order houses, in pig-iron, and automobile production, car-loadings and bank clearings. Notwithstanding, trade and industry generally have not dropped very far behind the remarkable activity of the first quarter of 1923. Sales by two of the leading mail order houses last month totalled \$31,450,000, approximately, representing a gain of about 3 per cent. over February, but a decrease of nearly 4 per cent. from March of last year, while sales for the first quarter of this year, aggregating some \$92,425,000, show an increase of 7 per cent. over the like period in 1923. Car-loadings for the week ended March 22nd declined about 1 per cent. from a year ago, but for twelve weeks this year the increase is close to 3 per cent. The pig-iron output for March amounted to 3,461,132 tons, showing a gain of 12 per cent. over February, but a loss of 1.7 per cent. from that of March, 1923, while production for the first three months, 9,554,000 tons, is 2 per cent. below that of the corresponding period of last year. Estimates place the automobile output in March at 356,500 cars and trucks, a decrease of 10,900, or roughly 3 per cent. from February, but comparing with 355,030 in March of last year. The Easter season is later this year than it was in 1923, which accounts in a measure for the backward spring trade, notably in textiles and apparel lines. Bank clearings have shown irregularity during the first quarter. Moderate gains were recorded in January and February, but there was a slight decrease last month, as compared with a year ago. For the first quarter, total clearings show a gain of 2.8 per cent. over a year ago. Business failures in March numbered 1,652, an increase of 5 per cent. over February, but a decrease of 1.4 per cent. from March, 1923, and of 28 per cent. from March, 1922. Liabilities for last month totalled \$61,327,601.2, a decrease of 18 per cent. from February, and only 6,434.2 half of those for January, but 1.1 per cent. in excess of those of March, 1923. Failures for the first three months of this year numbered 5,455, showing a slight increase over the first quarter of 1923, but a decrease of 1 per cent. from the corresponding quarter of 1922. Agriculture, liabilities for the first three months, however, were \$259,070,323, breaking all records for that period, and were 70 per cent. larger than in the first quarter of 1922. One of the most encouraging features of the March economic general is the steady reduction in total liabilities, as compared with preceding months when there were numerous suspensions of banks in the North-West and elsewhere.

In the securities market the outstanding feature this week was the increased activity, at rising prices, of railroad shares, which for some time past have been comparatively neglected. Under speculative buying, and also steady accumulation by investors, sharp advances ranging from 1 to 4 or more points were recorded among the rails on different days, and at times that group became decidedly buoyant. The main factor responsible for this increased strength was the exceptionally large earnings which various carriers have reported for February. Returns thus far published indicated that the total net operating income of all Class I. railroads in that month will approximate \$60,000,000, as compared with about \$38,000,000 for the same month a year ago. Annual reports for 1923, which have been issued, also make unusually good exhibits, as a rule. The Pennsylvania Rail-

road system, for instance, showed gross earnings of \$721,397,408, an increase of 11.6 per cent. over 1922, and net income of \$51,538,078 after taxes and other charges. That sum was equivalent to \$5.16 a share earned on the company's capital stock, as against \$32,382,058, or \$3.34 a share, in 1922. As to the general railroad situation and outlook in this country, the views expressed by Samuel Rea, president of the Pennsylvania Railroad, in that company's annual report, published a few days ago, are interesting. With any certainty that the carriers will be given a chance to continue earning sufficient net returns to maintain sound credit, and freely to exercise their initiative and managerial skill, the public, he says, may be assured of a constantly higher plane of transportation service, and a continuance of the United States standard of giving "the most efficient and cheapest transportation service in the world, while paying the highest wages," and large amounts in taxes. However, such results, he warns, "cannot be continued under a policy of restrictive legislation and regulation, and returns even below the 5½ per cent. upon the investment in road and equipment fixed by law as reasonable, with provision for the recapture of one-half of any excess over 6 per cent., if a railroad system should exceed that return in any year. The exercise of this recapture provision on one year's results, and without any plan by which the deficiencies of prior or subsequent years can be made up, is also bound to prove unsatisfactory." The United States, Mr Rea declares, maintains a contradictory transportation policy, which business men and citizens, as a whole, apparently have not, as yet, fully appreciated. "On the one hand," he points out, "railroads have not been allowed freedom to earn a fair return on the investment in the railroads, equipment and facilities which their owners have provided for public use and benefit, while, on the other hand, hundreds of millions of dollars are appropriated for highways, waterways, and other improvements which have a relation to transportation, but their cost must be borne by the taxpayers, including the railroads. It is equally contradictory," he adds, "to find that, while the other provisions of the Federal Transportation Act of 1920 can be enforced, the 5½ per cent. return upon the value of the railroad property, fixed as a fair return for the railroads, has not been realised by over \$1,000,000,000 since the Act was passed."

The outlook for tax-reduction legislation by Congress is somewhat brighter. President Coolidge has strongly urged the speeding up of business, and leaders of both political parties in the Senate have given definite promises that some measure to lower taxes will be passed. Present indications are that the lower House will adopt a tax reduction Bill, which in pre-arranged features will closely follow the plan outlined by the Treasury Mellon, and supported by the Senate. However, even if the Senate passes such a Bill in the near future, that Bill and the one already passed by the House of Representatives, will have to be net, and by a conference committee of House and Senate, off a compromise Bill acceptable to both bodies. was less course, problematical how much time may be net rate, effect such an agreement, and it also remains to deduct whether or not the Bill as finally passed by Congress assuming that some tax-reduction measure will be net—will meet with the approval of President

Under the provisions of a Bill passed by the House of Representatives this week, the United States Shipping Board would be authorised to spend not more than \$25,000,000 for the conversion of Government-owned merchant vessels into Diesel-driven motor ships. This fund would be obtained partly from such money as may be appropriated for reconditioning, and the balance would come from the present construction loan fund. It is stipulated in the Bill that the Shipping Board must have a customer for the ships, the terms of the sale being set forth in the Bill, or a time charter for the ships of not less than five years, before the funds made available are used for the purpose indicated. The Board must also place the vessels in actual operation in foreign service. The conversion of ships into motor vessels has long been advocated by the Shipping Board. The Bill has not yet been passed by the Senate.

SPAIN.—THE DEFICIT—DEBT REPLACEMENT—CAPITAL ISSUES—EXCHANGE TROUBLE.

(FROM OUR CORRESPONDENT.)

MADRID, March 31.

THE financial year, which ended on March 31st, has recently been altered by the Government to finish on June 30th, undoubtedly with the object of finding the necessary time to prepare a new Budget. In the meantime, the information relating to the probable results of the present Budget is increasingly favourable, as, according to official statements, during the six months of Military Government the deficit has been reduced by 300 million pesetas, i.e., about one-third of the 1922-23 figure, which amounted to 930 millions on the wrong side. Morocco expenditure is the greatest unproductive burden which weighs upon the country, and has prevented, to a great extent, the balancing of the Budget; but this also shows an improvement in comparison with the two previous years, according to the following figures:—

	Nine Months.	Total Expenditure in Morocco.
1921-22 (April-December)	332,003,740	Pesetas.
1922-23	295,569,524	
1923-24	201,099,509	

If State finances look much better, foreign trade does not show any improvement. The official data is greatly in arrears, the latest figures being for September, 1923, but for the nine months up to September the adverse balance was 1,078 million pesetas. As the business outlook rather points to stagnation and increasing difficulties since September last, it is probable that our trade balance for the year will not be very short of last year's record of close on 1,600 millions.

In considering Spain's economic position one must bear in mind that it is not an industrial country, but an agricultural one, which is largely self-sufficient in the necessities of life. Spain has not to import wheat, meat, sugar; her main exports are wine, olive oil, fruits, and in the lesser amounts potatoes, rice, and vegetables. It has all the coal it wants (only having to buy the best qualities for special purposes), and very large mineral wealth, especially in iron ore. But in spite of these two essential factors, she has been unable yet to build great industries, and has to import all sorts of manufactures, even agricultural machinery. However, owing to the self-contained character of its economic structure, the foreign trade volume is small in relation to the national wealth; and favourable or adverse balance of trade, monetary depreciation, and other economic factors are of far less importance to the general internal welfare in Spain than in a country like England, whose food and very life are mainly dependent on foreign trade and world finance.

Large amounts of short term debt fell due in January and February last, and were renewed without difficulty. On January 1st Treasury Bonds for 1,254,893,000 pesetas matured, and were exchanged for new Treasury Bonds 5 per cent. at one year. On February 4th 1,095,406,500 pesetas fell due, and were replaced by two years Treasury Bonds, with 5 per cent. interest and a premium of 1 per cent. at maturity. After these operations the composition of the short term Debt is as follows:—

	Pesetas.	Due.
Treasury Bonds, 4½ % at 6 months....	356,202,000	April 15, 1924
Do 4½ % at 6 months	21,830,500	May 4, 1924
Do 5 % at 1 year.....	978,169,500	Nov. 4, 1924
Do 5 % at 1 year, without bonus.....	1,254,893,000	Jan. 1, 1925
Do 5 % at 3 years, 1 % bonus	1,095,406,500	Feb. 4, 1927
Total	3,746,501,500	

It is expected in financial circles that the coming maturities of April 15th and May 4th will be dealt with in similar manner, being replaced by four-years Treasury Bonds at 5 per cent., with a premium of 1 per cent. at maturity, so as to establish a gradation in the future maturity dates. Of course, no refunding into long term Debt is contemplated for the present, owing to the unfavourable position of the money market. When dealing with the coming renewals the Government will find itself in need of new funds to cover the Treasury requirements, so that there will probably be a fresh issue of bonds for about 300 million pesetas on the same terms.

In view of the absorption of the greatest part of the country's savings by the State, the following figures of capital issues in 1923, compared with previous years, are interesting:—

	Capital Issues.
In 1919 (nominal)	2,454,081,000
" 1920 "	1,825,622,000
" 1921 "	3,211,190,000
" 1922 "	940,237,000
" 1923 "	1,327,361,000

The year 1921 was the high-water mark, in respect of which last year's figure is only about 41 per cent., although 380 millions higher than in 1922, which was the worst year of the post-war period. Out of the total for 1923 the Government took, in Treasury Bond issues, 916.8 millions, i.e., 69 per cent., and Municipalities 61 millions, leaving only for private industry 349 millions, i.e., 26 per cent. The rate of interest was 4½ at 6 months and 5 per cent. a year for the State, 5.50 and 6 per cent. for local boards, and 6 per cent. nominal for nearly all industrials.

The recent trouble in peseta exchange was started here by absolutely false reports published in the foreign Press about great disasters in Morocco. This news was reported in the French newspapers to have been sent by radio from a small craft of unknown nationality outside Tangiers waters. Whatever the truth, the fact is that the pound rose from 33.77 pesetas in the middle of February to 35.22 on March 5th. After wild fluctuations the peseta then regained its level, the pound falling more than one point in one day, March 13th, from 34.40 to 33.31, and later on to 32.85. There came, naturally, the meddling intervention of the Government, who simply prohibited all time transactions and the buying of exchange unless it were to pay for goods imported. Only 5,000 pesetas can be paid on foreign letters of credit, and the same amount is the maximum that travellers can take with them in currency when leaving Spain. A commission has been appointed to authorise other exchange transactions, but has been unable to start real work, and finally the bankers have addressed a communication to the Government asking for a clear definition of the transactions that should be allowed as legitimate and necessary for business relations and intercourse with other countries, and it is expected that the confusion will be soon cleared up. But in the meantime exchange transactions within the country have been brought to a standstill, and practically nothing is done.

There is yet no explanation of the causes of this inroad on the peseta, as all the factors remain practically the same as before; we have no inflation; the deficit is getting better and the economic balance is about the same, so that only political factors add so-called technical opinions about the position of the country can account for it.

AUSTRIA.—DEFICITS COVERED—FINANCE AND TAXATION—INDUSTRIAL POSITION—STOCK MARKET SLUMP.

(FROM OUR CORRESPONDENT.)

VIENNA, April 1.

AFTER the resolutions passed in the recent session of the League of Nations, it can be taken for granted that the League's control will be extended after this year. The Social Democrats and the German party had pressed the Government to do its best to bring about the termination of the Commissioner-General's activity this year. Dr Seipel half-heartedly sounded the ground to this effect, and probably was very much relieved by the decision that the control shall for the present be maintained. Without the Commissioner-General the Government would have to endure much stronger attacks by the Social Democrats, and probably also the question regarding the payment of reparations would be much sooner broached if the completion of the Austrian reconstruction programme should be declared too early. At this moment Austria is passing through a very serious economic crisis, which is rendered still more acute by a crisis on the Stock Exchange, the reactions of which may endanger State finances. At such a time it may be felt as an advantage that the followers of the Social Democrat party should gradually become aware

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that their fate is closely connected with that of their employers.

In November and December, for the first time since the beginning of the reconstruction, it became possible to clear off the deficit, as is shown by the following items:—

	November, 1923.		December, 1923.	
	Estimate.	Actual.	Estimate.	Actual.
Revenue.....	486,859.7	608,841.3	494,728.3	688,735.4
Expenditure.....	596,265.6	564,058.6	578,018.9	652,301.2
Surplus	..	44,782.7	..	36,434.2

If it proves possible to maintain a surplus during coming months, the balance of the League of Nations' Loan might then be used not only for clearing off the deficit, but also for investments, especially for the construction of hydro-electric plants, and for the improvement of agriculture, which are the only means by which the present unfavourable balance of trade can be gradually improved.

It is some time since the general outlook of the economic situation was so dark as at the present time. General stagnation prevails not only in home trade, but also in export trade, and, in addition to this, the crisis, which has been hovering over the Stock Exchange for some months has, during the last two weeks, led to a serious slump. In view of the high deficit of the balance of trade (724 million goldkronen in 1923), the Government will try to cut down imports by issuing a new tariff bill. Higher tariffs will certainly hamper some imports; they will, however, not remedy the fact that production in Austria is very expensive. Owing to the pressure of the Socialists, the burdens on employers for social purposes, such as the different kinds of insurance funds, charity and sick funds, child maintenance, &c., have risen by leaps and bounds during the last two years, so that they now reach 26 to 30 per cent. of the wages actually paid. In spite of the fact that Austria is an impoverished country, the Social Democrats want it to lead the way in social reforms. Taxation has assumed such grotesque forms that an enterprise which would submit an honest tax record would be practi-

ally ruined. The income-tax for joint-stock companies, for instance, amounts in some cases to 89 per cent. of its earnings. For some time the present Finance Minister did not dare to take any regard of the position of industry and trade because he was afraid that the Socialists might reproach him with protecting capital. Now, however, under pressure of the heavy slump on the Stock Exchange, he is obliged to own that the Austrian companies must be placed in a position of paying higher dividends. The doubling of the stocks and shares turnover tax made last month was cancelled a fortnight later, and now the income-tax will be considerably reduced.

The result of the present negotiations for a new commercial treaty with Czecho-Slovakia will be of the greatest importance for the shaping of industrial conditions in Austria. The Austrian negotiators are endeavouring to obtain notable reductions in the Czecho-Slovakian Customs duties which, calculated in pre-war kronen, are about three to four times higher than those of the former Austro-Hungarian Monarchy. In the meantime, the situation of Austrian industry is becoming more and more serious. Some branches have already to sell under production costs in order to keep works going. The bi-annual fair held in March brought in remarkable orders, but only for a few branches of industry. The building activity has also fallen short of expectations, and the number of unemployed has again increased from 119,613 in February to 126,734 in March.

As already mentioned, the depression, which has for some months prevailed on the Vienna Stock Exchange, developed into a heavy slump during the last fortnight. Three factors were the direct cause of this turn: (1) The sudden rise in the French franc, (2) the doubling of the stocks and shares turnover tax, (3) the new Czecho-Slovakian foreign exchange regulations which render "arbitrage" between Vienna and Prague very difficult. In many cases quotations have fallen 50 per cent. as compared with the boom period. Although it can be said in general that the rumours spread by the Press about the losses are exaggerated, it is a matter of fact that the Vienna market has not for many years lost so much as during the last fortnight.

The money market last month was entirely under the influence of the speculation in French francs. Business was all the more brisk because orders from all the Succession States converged on the Vienna market. Speculators were, of course, badly hit by the rise in the French franc, but the Vienna banks greatly profited by the large amount of transactions. The English pound showed practically no fluctuation.

JUGOSLAVIA.—STATE FINANCE—MONEY MARKET—TRADE.

(FROM OUR CORRESPONDENT.)

BELGRADE, April 6.

THE passing of a regular Budget for 1924-25 on March 30th, after a long period of "twelfths," marks an important date in the consolidation of Yugoslav State finances, which have shown lately unmistakable signs of strengthening. State receipts continue to exceed expenditure, receipts for the period July-October, 1923, being 3,233 million, and expenditure 2,500 million dinars, giving a surplus of 665 million dinars. Further, the transfer of the last instalment of gold reserve from the late Austro-Hungarian to the Belgrade National Bank has increased the covering of the latter, which at the end of March amounted to 440 million gold dinars, as compared with 350 million a year ago. The minting of about 200 million dinars to replace small paper change is being contemplated by the Government. At the same time deflation is being vigorously pursued, and a steady contraction of the paper in circulation has been taking place ever since September, 1923. End-of-month returns for the last six months read:—September, 5,928 million; October, 5,880; November, 5,826; December, 6,790; January, 5,773; February, 5,697; March, 5,585 million paper dinars.

The lease for 50 years of the State domain of Belye has attracted considerable attention, and eight offers, three of which were foreign (one Anglo-Yugoslav), were made. Belye is an estate of 86,000 acres, which produces

cereals, sugar, cattle, wine, dairy produce, and fish, and possesses its own mills, sugar and other factories, slaughter-houses, railway, &c. If scientifically managed, Belye could yield a net profit of 300-500 million dinars per year. Since the State could never make a greater profit than 60-70 million, it has decided to lease it, in order to increase its revenue. The stabilisation of finances is also reflected in the firmness of the dinar, which improved after the conclusion of the Italian treaty from 370 to 350 to the £. At present it seems likely to stabilise around this figure for some time, because prices in the country (if we include freights and Customs) are very near world parity; unless a break in prices occurs, any large improvement in the currency would seriously affect export.

There are signs that the monetary shortage has passed its worst crisis. The rate of interest is now nearer 20-25 per cent. than 25-30 per cent., as it was six months ago. Negotiations with an American-Dutch-English group, conducted through Vienna, for a loan of £1,500,000 have failed, owing to the Government's refusal to give the required super-guarantee, and to sanction the rate of interest, which was 13 per cent. for the first year and subsequently 11 per cent. On the other hand, there is a steady influx of foreign money through Vienna and Prague, which is being invested in industry, and the State Mortgage Bank has succeeded in concluding its loan for building purposes with the Swiss Bankverein, and to increase the amount from 10 to 15 million Swiss francs. The rate of issue is 80 (the Swiss tax of 1 per cent. is paid by the Bankverein), interest is 7 per cent., and the loan is to be paid up by April 15th, while it is repayable within 12 years.

The money shortage is bringing about fundamental changes in the economic structure of the country. On the one hand, the small craftsman and artisan, the remnants of the feudal Turkish system, are unable to sustain the competition of large industry and beginning to die out. On the other hand, quite an advanced phase of capitalism, in the gradual concentration of big business and banks, is also taking place. The Jadranska (Adriatic) Bank is to fuse with the Podunavsko Drustvo (Danubian Company) into the Jadransko-Podunavska Banka with a joint capital of 120,000,000 dinars and a reserve of 32 million. Similar negotiations are taking place between several other banks, of which the most important are for the fusion of the Kreditna and Slavenska banks. In addition, the intended foundation by the State of an Agrarian Bank for providing credits for farmers and healthier financing of the villages, should be mentioned.

Trade statistics for 1923, as compared with those since the Armistice, throw interesting light on the development of Yugoslav commerce:—

Year.	Exports.		Imports.	
	Mil. Dinars.	Tons.	Mil. Dinars.	Tons.
1919	687	282,679	2,974	154,038
1920	1,321	915,186	3,419	418,673
1921	2,461	1,583,658	4,058	686,982
1922	3,691	2,313,881	6,331	1,093,982
1923	8,049	3,025,914	6,136*	782,000

* Nine months.

Export for 1923 shows an increase of 118 per cent. in value and 36.67 in tonnage over 1922.

NORWAY.—BANKING DIFFICULTIES—AUTUMN ELECTIONS—STOCKS AND EXCHANGES.

(FROM OUR CORRESPONDENT.)

CHRISTIANIA, April 10.

THE question that dominates the economic life of this country is the huge strike and lock-out, which has lasted for over seven weeks. There seem to be no signs of a settlement in view as yet; at any rate, work will be suspended till after Easter.

The liquidation of the financial difficulties of the banks is going on. Enormous sums have been written off since the process began in 1921, estimated at about 600 million kroner. Some of the biggest banks have been reduced to small dimensions, and in one case it is considered doubtful whether there will not have to be a winding up. As for the others, there is reason to believe that they will

be able to carry on in a modest, but safe way. These losses, coupled with a great augmentation of the State and municipal budgets and debts, certainly make the financial ship of the country struggle very hard to weather the storms, and the labour troubles which the country shares with the rest of the strike-smitten world do not make the voyage easier. But a sense of the need of economy and thrift no doubt has impressed the leaders of public affairs, as well as of a great deal of the public themselves, and this will go a long way to straighten matters.

Already signs are observed of the coming struggle for the power at the parliamentary elections next autumn. The Labour parties—which may be considered as numbering three—viz., the old Socialists, a Communist party of a somewhat nationalistic colour, and one absolutely subject to Moscow—are trying to unite so far as to show a common front at the campaign and at the elections; but so far they seem too hostile to one another for joint action.

The stock market, as might be expected, is dull, and though industrials—strange enough, considering the protracted strike—keep comparatively firm, the main level is lower. This is chiefly due to the reduction of bank values. The foreign exchange market shows little alteration; if anything, the krone has shown a little improvement lately as related to sterling and dollars.

The price-level for March is practically unaltered. The index of wholesale prices of the *Farmand* shows a gain of one point—viz., 260, as against 259 in February (1913 being 100).

UNION OF SOUTH AFRICA.—ALLUVIAL DIAMONDS AND MINED DIAMONDS—OLD MINES AND LEASE AREAS—RELATIONS OF UNION AND PROVINCIAL GOVERNMENTS.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, March 12.

MR P. ROSS FRAMES, who has succeeded Sir Thomas Cullinan as chairman of the Premier (Transvaal) Diamond Mining Company, devoted a considerable portion of his remarks at the annual meeting held last week to the increasing production of diamonds from the Congo and Angola, as well as from British Guiana. But regrettable as this may be from the South African diamond producers' standpoint, it is a state of things which cannot be prevented. It is otherwise with the growth in alluvial diamonds from the Cape, the Transvaal, and Orange Free State. At the De Beers meeting Mr Frames drew attention to the suicidal policy pursued by the Government of the Union "in proclaiming new diamond fields without due consideration or any reflection as to the effect on the diamond industry generally, and particularly on that very appreciable portion of the State's revenue derived from diamonds." Reiterating the same complaint at the Premier meeting, the chairman referred to the "anomaly that the Union Government was apparently competing against itself by constantly proclaiming new alluvial areas, notwithstanding its big interest in the Premier mine and the larger income in taxation from other mines." In January, he pointed out, the production of alluvial fields was valued at £171,622, being at the rate of something over £2,000,000 per annum. This is a substantial increase on the yield for 1923, which was returned at £1,657,839, representing about 12 per cent. of the total caratage. But as the value of alluvial stones was much higher, namely 135s 8d per carat, as against 48s 7d for mine stones, the alluvial production represented last year about 27½ per cent. of the value of the Union's production of diamonds. In 1914 the weight of alluvial stones was only about 5 per cent. of the total, and the value about 10 per cent.; in the boom year, 1920, alluvial production constituted about 9 per cent. of the total weight, and close upon 17 per cent. of the value.

Alluvial stones do not constitute so serious a competitor when markets are good, but the pinch is felt when the demand is restricted. From the Government's point of view it may be urged that it is necessary to obtain all the revenue possible from the export of stones. But too lavish proclamation of alluvial areas must tend to reduce the prices obtainable when the demand is "slow." The

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interests of the Government and producers are largely identical, and there is evidently scope for a modified policy. The share of 60 per cent. accruing to the Government of the profits of the Premier mine since its inception has amounted to £6,114,093, while income-tax since 1915 has amounted to £132,336, dividend tax since 1917 £145,862, registration and export duty on diamonds £662,251, or a total paid to the Union Government of £7,052,542, besides £3,298 in employers' tax paid to the Provincial Government. Mr Frames was careful to say that he was not complaining of the Government's getting a fair share out of the mineral wealth of the country, which was a perfectly sound policy. Sir Thomas Cullinan, the founder of the company, has resigned from the board, to the regret of his colleagues, and severed his connection with the company. No explanation has been vouchsafed.

We seem to be approaching an era of resuscitation, if, indeed, we have not already reached it. Most important of a series of similar acquisitions and arrangements is the leasing of 542 claims from the Government by the Simmer and Jack Company. This will extend the life of "profitable mining operations from about two and a half years to 17 or 18 years, which may be further extended by acquiring additional ground from the Government," if desirable. It is rather curious that the area should ever have been relinquished. Though it may have been necessary to have placed the Simmer Deep Company (the former owners) in liquidation, a modest holding syndicate might, one would have thought, have been formed to retain the claims. Instead of that, the Simmer Company will have to pay a royalty of 5 per cent. of the profits to the Government, which will amount to a considerable sum over the lengthy period. It is expected that the Geldenhuis Deep will, in similar fashion, take over the old Jupiter area. The Jupiter's recovery was 5.2 dwt, which is about ½ dwt better than the recent results at the Geldenhuis, but it must not be forgotten that, with a view to combating the ever-advancing range of working costs, selective mining was indulged in for some considerable time before the mine was obliged to close down. It was recently reported in the Senate that the under-mentioned companies had applied for leases of ground in terms of section 1 of the Transvaal Precious Minerals Act:—

Applicant.	Farm on which Area Applied for is Situated.
(a) Simmer and Jack Proprietary Mines, Ltd.	Elandsfontein No. 6 and Elandsfontein No. 11.
(b) Village Deep, Limited.	Turffontein No. 19 and Klipriviersberg No. 25.
(c) Modderfontein East, Limited.	Welgedacht No. 2.
(d) Rose Deep, Limited.	Elandsfontein No. 11 and Driefontein No. 12.
(e) Geldenhuis Deep, Ltd.	Doornfontein No. 24.

The application of the Modder East is for 300 claims, but, apart from the Simmer and Jack referred to above, the areas in other instances have not transpired. There are also revivals in the West Rand area.

Owing to opposition of the Provincial Executives, chiefly that of Natal, and to the fear of losing adherents and votes, the Union Government has decided not to carry out the Baxter-Aiken report on Provincial finances, but has introduced a very modest, not to say emasculated, Financial Relations Bill, which will do but little to curb the extravagances of these minor Parliaments. Heavy deficits continue to be the order of the day, that of the Transvaal being £258,400, of which it is proposed to provide £200,000 by loan, and to endeavour to meet the balance by reduced expenditure. Revenue has fallen by £87,000, and expenditure has been reduced by £106,450. It has been decided to spend £20,000 on the repair and maintenance of the Main Reef road, the chief artery between Randfontein, Johannesburg, Benoni, and Springs, the present state of which one of the East Rand members described as "a disgrace to any civilised community."

NEW ZEALAND.—HIGHER WOOL PRICES—GENERAL CONDITIONS.

(FROM OUR CORRESPONDENT.)

CHRISTCHURCH (N.Z.), February 11.

THE anticipated rise in the price of wool has been more than achieved throughout the season, and the prices for all varieties of wool remain high, and in some cases at a record level. Though wool is no longer the chief export of the Dominion, it still remains of tremendous importance, and the rise in its value means a great deal, not only to sheep farmers, but to the whole community. There are comparatively few farmers who do not have a few sheep at least, and there still remain great stations where the thousands and tens of thousands of sheep are the only assets. In greater or less degree, therefore, the farmers are reaping benefit all over the Dominion, and it is reported that in some cases past years' clips that have been in store are now being sold.

It is difficult to calculate in advance of official figures how much extra purchasing power will accrue to the Dominion through the rise in prices. In 1922 the export value of wool was £10,904,649, but the quantity exported in any year is difficult to estimate in advance, since variations in shipping and in weight of the wool make such estimates unreliable. During the present season there has been a great deal of dry weather, and in many districts a shortage of feed, so that the clips will probably be lighter. The extra prices may mean to the Dominion between two and three million pounds sterling, but it is probable that the indirect effects of the rise will be more important than the extra purchasing power brought into the country.

So far there has been no tendency for prices of the other exports to follow that of wool, and the very dry season has resulted in a diminution of production. A considerable shortage of wheat might have caused higher prices, but the guaranteed price has been extended to this season, and a rise averted in that way.

The chief exports in New Zealand at the present time are butter and cheese and their allied products. There has been a steady tendency during the last twenty years for dairying to gain at the expense of sheep-farming, and it is probable that that tendency will continue. During 1923 the total value of dairy produce exported was again considerably higher than that of wool, reaching £18,255,204, a figure considerably above that of 1922, though less than the year of boom prices, 1921.

The prices of butter, cheese, meat, hides and other pastoral products are for the most part stable, so that there is some danger of the higher wool values leading to an exaggeration of the optimism that always follows a rise in prices. During 1923 there was a considerable over-importation, particularly of such articles as motor-cars, where the agency system leads to regular importations under contract irrespective of the state of the market. In order to secure the agency of a well-known make of car, local firms must agree to take a minimum number of cars monthly over a period of perhaps years ahead. This is only one instance of the difficulty of adjusting imports and exports in an isolated country such as New Zealand. Where contracts enter more and more into commercial transactions, and buying has to be done by numbers of independent importers considerably in advance of the market, there is always a danger of miscalculating the probable demand. Especially is this the case where, as in New Zealand, that demand of the consumers depends directly and almost completely upon the export markets and the purchasing power which they make available. The trade figures for 1923 show a small balance of exports over imports of just over £2 millions, but this is inadequate to discharge the Dominion's obligations abroad, and it is clear that over-importation has taken place.

The heaping up of purchasing power during the boom and the subsequent over-importation resulting in stringency during 1921 are clear. Though the intervening quarterly figures for 1922 and 1923 show a contraction of advances (except for a seasonal drain at the end of the year) the trend of the advances in the later months of 1923 has undoubtedly been towards a loosening of credit and over-importation. The rise in the price of wool will probably be taken as justification for further imports, but

the amount of purchasing power which it will bring to the country is comparatively small, and there is real danger that the psychological effect will be harmful in the end by leading business men to modify the cautious policy that saved the Dominion from the worst effects of the slump.

Letters to the Editor.

DISCRIMINATION IN LENDING.

TO THE EDITOR OF THE ECONOMIST.

SIR,—May I ask a question about your article, "Discrimination in Lending"? You seem to suggest that the consequences of the flotation in London of a loan like the recent Amsterdam loan are in some way different from the nervous movement of British investors into American securities alleged to have occurred last autumn. Do I misunderstand you? If not, what is the difference?

Did you welcome the so-called "flight from the pound" last autumn on the ground that it would stimulate our export trade? If not, should you not have done so on the principles you now enunciate?

Personally, I think that there is a good deal of muddle in circulation about the supposed advantages of the prevalent type of foreign investment, and I believe that the City Editor of the *Times* was more nearly right than you allow.—Yours faithfully,

J. M. KEYNES.

April 14th, 1924.

[We will deal with the points raised by Mr Keynes next week.—Ed., *Economist*.]

BELGIAN POLITICS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The discussions about Belgian politics in your columns are inconclusive, because they do not sufficiently take into account that the Belgian interior and exterior politics are dominated by the central fact that Belgium is composed of two nationalities—Walloon and Flemish, the latter of which, owing to the constitution of Belgium, cannot attain a sufficient expression of its personality.

Amongst the Flemish representatives in Parliament, there exists a strong majority which would desire the Government to pursue a policy of more justice toward Flemings in interior politics, and a more independent line of action in foreign policy. However, this majority of Flemish opinion is always swamped in Parliament by the coalition of the minority Francophile-Flemish elements with the Walloons. This situation has caused certain radical Flemings to consider our present constitution as an instrument of oppression for the Flemish people. They advocate a thorough change in our internal organisation in order to give Flanders and Wallonia separate Parliaments, as in the present circumstances a very small minority of de-nationalised Flemings, by voting together with the Walloons, will always succeed in rendering impossible the realisation of the aspirations of the Flemings by parliamentary methods.—Yours truly,

VAN VARENBERGH.

Antwerp, March 31st, 1924.

Books and Publications.

DEFLATION IN PRACTICE.*

IN this interesting and careful study Professor Rist examines the monetary experiences of the past few years in England, the United States, France, and Czechoslovakia, in order to ascertain how far *a priori* conceptions of the working of deflation are confirmed in practice. He reaches the conclusion that the mechanism by which the value of the monetary unit is re-established in a country which has suffered from inflation is more complicated than was commonly supposed.

The popular theory of deflation counts on the reduction of the means of payment to lower the internal level of prices, and on this lowering in turn to raise the rate of exchange.

Experience shows that things do not work in this way. Deflation by itself does not act upon the level of prices, or only acts upon

* "La Déflation en Pratique." By Professor Charles Rist. (Paris) Marcel Giard. 1924. 15fr.

it with extreme slowness. It is an illusion, therefore, to count upon this method to raise the rate of exchange.

On the contrary, it is the rate of exchange which to-day exercises the most immediate influence upon the internal level of prices. And it is itself in close relation with the financial situation, the equilibrium of the Budget, and the stoppage of inflation.

The statement that "deflation by itself does not act upon the level of prices, or only acts upon it with extreme slowness," is certainly arresting. From the later discussion, however, it seems that the author is here using the term "deflation" not in the sense which he distinguishes in the first chapter as "radical deflation" (signifying destruction of purchasing power with prohibition of putting it into circulation again), but in the sense of what he calls "moderate deflation," in which the Government repays advances made by the banks, which the latter are at liberty to put into circulation again. Obviously, in so far as the banks make use of this power, there is no reduction of the means of payment, and prices need not fall. Some might even assert that there was in such a case no deflation, but this is a matter of definition.

Professor Rist maintains that there is an essential contrast between the *modus operandi* of inflation and of deflation, even in its broadest application. The need for symmetry which is part of human nature, he writes, establishes unconsciously a sort of parallel between the mechanism of a rise of prices brought about by inflation and that of a fall of prices brought about by deflation. Because an increase of the circulation causes a rise, it is said that to bring about a fall a reduction of the circulation is required. There is, he admits, a symmetry between the two mechanisms, but it has to be somewhat differently formulated. He concludes that:—

A rise of prices is brought about more quickly by increasing monetary incomes than by diminishing goods. A fall of prices is brought about more quickly by increasing the supply of goods than by reducing monetary incomes.

In Professor Rist's view a rise in the rate of discount is particularly effective in bringing about a fall of prices, because by restricting credit it brings about a forced sale or liquidation of stocks, the effect of which upon prices is much greater than would be produced by the direct restriction of the means of payment. Similarly, a rise in the rate of exchange is effective in reducing prices by restricting exports. It is undoubtedly true that a rise in the rate of discount, following a period of speculative activity, may lead to a "shake out" of speculative holdings, or a forced liquidation, such as Professor Rist has in mind. But it is only likely to do so if prices are expected to fall, and it is by tending to bring about a fall of prices that a rise of the discount rate operates to cause such forced sales. In other words, by restricting credit and purchasing power, a rise of the Bank rate tends to cause a fall of prices, and this, in turn, causes forced liquidation of stocks. At times when there has been no unhealthy speculation a rise of the Bank rate, it appears to us, may be useful in checking an incipient upward movement of prices, and at such times there need ensue no forced selling of stocks. We are inclined to question Professor Rist's view that "the raising of the rate of discount is an exceptional measure which has no justification except in time of crisis." It seems to us that a wise use of the rate of discount may do much to prevent a crisis from developing at all.

With regard to the effects of a rise in the exchange, it seems to us that this works upon the level of prices, not only by restricting exports, but also by stimulating imports.

Among the four excellent chapters in which the author describes the financial policy and experience of the countries which he has under special examination, particular interest attaches to the one on France. The aim of French policy, he says, is "resolutely to withdraw the value of the franc from the artificial influence of the needs of the State." For this purpose it was arranged, following the procedure adopted in 1871, that the State was to repay every year to the Bank of France two milliards. Repayment, in fact, began in 1921, being rendered possible by the readiness with which surplus money at that time sought investment in National Defence Bonds, but had later to be suspended because the Government had no surplus to devote to the purpose. The fall of the exchange, Professor Rist maintains, has been due to the fear of inflation rather than to actual inflation, and the

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fear of inflation has been caused entirely by the fact that the Budget does not balance. When equilibrium has been reached the problem will then be, as Professor Rist expresses it, to fix the "residuum" of inflation. That is to say, a definite devaluation will have to be undertaken, the value of the franc being fixed at a level not too high to enable the country to carry the burden of its debt.

SEABORNE TRADE IN WAR.*

MR FAYLE has now completed his history of seaborne trade during the war, dealing, in a third volume of nearly 500 pages, with the last two years of the struggle. The measures taken to counter the German submarine campaign are the main theme, and the author has handled a mass of details, uninteresting in themselves, with a good deal of literary skill. While confining himself mainly to the official documents on which the work purports to be based, he has, at the same time, maintained a wider outlook. Necessarily this is not impartial history: in parts it is not history at all—that is, it partakes more of the work of the annalist than of the historian—but, on the whole, the book is less official and inhuman than might have been the case.

Facts which during the war were camouflaged are now stated plainly. In Germany the work of the submarines "was exaggerated with calculated mendacity." Similarly, the returns and sailings officially issued in London were misleading. In reality the submarine campaign constituted at first a terrible menace, but by degrees the complicated problems involved in countering moves were tackled, and the convoy system, which ultimately brought about a great reduction in losses, was established, and extended to cover most of the routes of maritime communication. How these things were done is fully described here so far as the administrative side is concerned, other aspects having been dealt with under other parts of the scheme of the "official history."

The war machine expanded—a malignant growth, as events have shown—and as time went on the work (including that here described) was better co-ordinated, but there was also wasted effort. The national shipyards, for instance, under a military organiser whose administrative staff, we are told, grew to 600 in number, produced nothing, except immense expense. The Food Ministry involved other departments in great difficulties by mismanagement of bacon imports. Shipping, however, on the whole, was much better "controlled" than most activities, because it was less "controlled"—that is, management was left more in the hands of those who in the past had done the business and understood it.

Eventually nearly the whole mercantile shipping tonnage of the world came under Allied and American control, neutral tonnage having been, in the case of Holland, forcibly seized where not taken over by arrangement. The war was won, but it was war on the world's commerce. As Mr Fayle points out, "the growth of the world's tonnage during the period immediately succeeding the war easily outstripped the recovery of the world's commerce, in which alone it could find employment." We are still in this period, and suffering also from the economic insanity which is characteristic of the war-mind. "The health of international trade is still precarious," said Sir Alan Anderson in his presidential address to the Chamber of Shipping the other day, and he also referred to "the gradual return of nations to economic sanity." Sir Alan, as Mr Fayle's work reminds us, was a "controller" during the war. He knows both the war and the normal aspects of shipping. As a compendium of information valuable in the study of the disease from the

* "Seaborne Trade. Vol. III.: The Period of Unrestricted Submarine Warfare." By C. Ernest Fayle. (London) John Murray. 21s net.

effects of which the seaborne trade of the world is struggling slowly to recover, the three volumes now completed are welcome.

BRITISH TAXATION IN FOREIGN EYES.*

THIS is an excellent piece of work, which will be extremely valuable to foreign students of British taxation. It may also be recommended to English readers, for, though they will not find anything in it which cannot be found elsewhere, it brings together in convenient form a large amount of information which is scattered through many English books and official reports. Dr Limpens traces briefly the early history of the British income-tax, and, in greater detail, its development from 1914 to 1923. He traces also the development of opinion regarding it, as illustrated in Parliamentary debates, and in the reports of official commissions and committees. The second part of the book contains a very complete study of the administrative machinery by means of which the tax is assessed and collected. There follows a series of appendices containing copies of the chief "administrative documents" connected with the tax, i.e., the forms used by the Inland Revenue authorities, and statistics of the rates of tax from 1843 to 1923, and of the yield of the tax since 1798. Dr Limpens has done his work well. It is almost entirely a descriptive study, and he expresses few opinions of his own. But it is clear that he has a good deal of admiration for the methods of British public finance, and thinks that they might serve, to some extent, as a model for countries where a balanced Budget is a less common achievement.

* "L'impôt sur le Revenu en Angleterre." By A. Limpens. Brussels, Bruylant, and Paris, Rivière; 1923; pp. 192 + 50 appendices; 15s.)

THE REORGANISATION OF THE IRON INDUSTRY.*

THE volume before us explains the position of the British iron industry in relation to that of Germany and America before the war, describes the effects of the war upon the productive plant and organisation, and considers how far the industry may now be regarded as on a par with its foreign competitors. The author reaches the conclusion that the industry has been only very partially reorganised, and is still technically inefficient compared with its principal rivals:—

What has been achieved may be regarded as a remarkable success. But the reorganisation, the restoration of power to compete can only be looked upon as completely accomplished when the technical equality of the English iron industry with its principal competitors has been re-established. Up to the present this is not the case for the great majority of works. Individual exceptions make no difference. It is, therefore, only possible to repeat what has been said above: the future will have to decide whether the advantages of organisation which have been gained signify only a temporary relaxation of competition, or whether, with the help of scientific and technical efficiency, they will bring to the industry an assured future.

Few, we imagine, will question that the reorganisation of the industry was left unfinished in 1918 and is even now not yet complete.

During the war the industry made considerable strides in regard to plant and technique, thanks to the pressure of war requirements and the availability of funds to effect extensions. The Ministry of Munitions did everything possible to increase the output of material required for war purposes. But there could be no question of making a fresh start. It was mainly a matter of creating new steel furnaces, and this was done either by setting up steel-making plant besides blast furnaces which had hitherto possessed none (in which case there was a definite economy of manufacture), or by adding to existing steel plant. There was comparatively few cases of improvement in blast furnaces, or in those branches of the iron and steel industry which did not experience any particular pressure from the war demand. One important technical improvement to which Dr Niebuhr calls attention is the more extensive use of coking plant designed to recover bye-products, in place of the older

* "Die Reorganisation der Englischen Eisenindustrie." By Dr Niebuhr. (Berlin and Leipzig) Walter de Gruyter and Co. 1923.

bee-hive ovens. This was a consequence, of course, of the need for explosives. No less than 80 per cent. of furnace coke was produced in these more modern ovens in 1918, compared with 58 per cent. in 1913.

The activities of the Ministry of Munitions did not touch the question of business organisation. The movement towards concentration, which had, of course, made some headway before the war, gathered speed in 1916 and the following years, and reached a maximum in 1918-20. Dr Niebuhr brings together a lot of information carefully collected from published sources as to the nature and extent of the concentrations effected, and this section is perhaps the most valuable part of his book. Combination, in his opinion, has greatly strengthened the position of the concerns affected by it. Integration with raw material producers, which has led in many cases (e.g., in the case of Lysaght, or the Ebbw Vale Iron and Steel Company) to complete self-sufficiency, is bound to bring greater independence of market conditions and a cheapening of production. At the same time, the author considers, it will benefit the whole industrial and economic system, as the sources of supply of raw materials will be widened by the connection with foreign ore deposits.

RECENT ACCOUNTANCY LITERATURE.

AMONG works of reference useful to company secretaries may be mentioned the Eleventh Edition of "Reminders for Company Secretaries," by Herbert W. Jordan (London, Jordan and Sons, Limited, 1s). These Reminders have been compiled with a view to assisting secretaries of limited companies who find themselves in doubt as to the precise statutory obligations and other provisions which it is their duty to bear in mind. The book contains a conveniently arranged alphabetical summary of the principal statutory provisions sufficiently comprehensive to prevent the secretary who refers to them from overlooking any obligation imposed on him or his company. The title of another book is "Accountancy Simplified, and Your Financial Position Seen at a Glance," by Henry G. Purnell, corporate accountant, Dublin (London, Gee and Co. (Publishers), Limited, post free, 6s 3d). This work sets out a complete system of accounting to enable the owner of a small business to see his financial position at a glance monthly or weekly, with the minimum amount of work. The system is explained in detail with notes and charts, and should be in the hands of those employers who may be carrying on business hoping for the best, though really without knowing how they stand financially. Those who are considering the pros and cons of entering the accountancy profession will be interested in "Pupil to Practitioner; a Philosophical Discourse Concerning the Accountancy Profession," by Cyril H. Temple, F.S.A.A. (London, E. Marlborough and Co., Limited, 3s 6d net). This book contains chapters on: The period of articles; the period of service; the principal, the latter chapter being divided into several important heads discussing the duties of principals. Special attention is drawn to the additional work now offered to accountants by the enormous expansion and increase of taxation. The book is written in an easy, conversational style, and contains much good and sound advice.

BOOKS RECEIVED.

The Re-making of Russia. By Kurt Wiedenfeld. Introduction by Lt.-Com. the Hon. J. M. Kenworthy, R.N., M.P. (London) The Labour Publishing Company. 3s 6d.

Stabilisation de la Valeur de la Monnaie. Exposé Critique des Systèmes de Irving Fisher et J. M. Keynes. By Marc de Valette. (Paris) Librairie de la Cour d'Appel et de l'Ordre des Avocats, 13 Rue Soufflot.

The Freedom of the Seas in History, Law and Politics. By Pitman B. Potter. (London) Longmans, Green and Co. 10s 6d net.

The Edinburgh Review. Edited by Harold Cox. (London) Longmans, Green and Co. 7s 6d net.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, April 23. ACCOUNT, April 24.

Nobody in the Stock Exchange grumbles at business being slack during the short week that precedes Easter. The expected happens with a regularity that can be counted upon by those who want to get away to holiday haunts. Only the incidence of the carry-over caused the House to be tolerably well filled up to Thursday. In the anxiety to leave as little work as possible over until Tuesday, most members finished their contingents well in advance of the general carry-over. War Loan goes ex-dividend on Monday week, April 28th, but there has been a little selling of the stock, and the price is not at its recent best. The House waits with genuine inquisitiveness for official announcement as to how much stock has been converted into the newly-created 4½ per cents. National War Bonds of this year fell 2½ on Tuesday, upon expiry of the option-time fixed for converting them into War Fives. Newly-issued scrip stocks are noticeably good. A coming Kenya issue is rumoured, and New Zealand's next loan is anticipated after the Queensland 5½ per cent. lists are closed.

Neither the Reparations recommendations nor the visit of the Russian delegates had much effect in the foreign market. French bonds are good, Government, municipal, and railway descriptions following the rise in the franc value. Germans and Russians are unchanged; Greek bonds gained one to two points, and the new loans of Siam, Japan, Amsterdam, &c., have found their own circles of supporters. Home Rails are quietly steady. United of Havana and Antofagasta are higher. Argentines remain rather undecided. Americans, with Canadas, went back as exchange rose. Some of the Mexican nationals, like Mexican Government bonds, went up when it became known that coupons upon some of the latter were being paid in New York.

Rubber shares are in languid case, but demand has revived for tea shares. Prices advanced on the assumption that a Budget-reduction in the tea duty should prove a bull point for the companies. The oil market strengthened under the continued leadership of Lobitos. A substantial rise in Imperial Continental Gas followed the issue of the report, and British gas stocks are better on investment demand. The Eagle Star meeting left the shares unchanged, but other insurance shares have cordially responded to this week's excellent dividend declarations. Banking shares are also higher in most sections of this market. Sudan Plantations reacted sharply as the carry-over approached. Hudson's Bays have not moved. Textile and tobacco shares are quiet and uninteresting. Iron, coal and steel issues moved narrowly and irregularly. Nitrates declined a little. Catering and other shares that may be affected by the opening next week of the Wembley Exhibition are a shade stronger. The shipping market is hard, and there is a healthy demand for its fixed-interest stocks and shares. Wireless descriptions have drooped; cable descriptions continue to improve.

South Africans are out of favour on account of the uncertainty felt in regard to the issue of the elections next June. This has made people averse from doing anything, and Rhodesians are equally neglected. A dramatic slump in the price of tin caused tin shares to give way to a moderate extent, and it brought new business nearly to a standstill. Indians are unresponsive to the Mysore report. Canadians dwindled by reason of sales by tired bulls. Russians recovered partially after a drop, and other mining sections have failed to arouse public interest.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£	£	£	£
4% Treasury Bonds by public tender, £500,000, average price £94 13s 8½d, and £1,350,000, average price £94 13s 7½d	42,294,526	..	..	..
.. ..	1,751,622	..	..	..

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHESQUE WEEK ENDED APRIL 12, 1924.

April 1, 1924, to April 12, 1924 .. Dr 200,000 .. Dr 100,000 .. Dr 100,000

To the Public—				
Edinburgh Corporation, £1,500,000 4½% Red. Stock, 1940-60 (red. at par), iss. at 95%	1,500,000	1,425,000	75,000	1,350,000
Aero-Glydas, Ltd., 400,000 10% Cum. Pfg. Pref. Shares, 2s, at par	40,000	40,000	20,000	20,000
Madras Electric Tramways, £130,000 5½% (Reg.) Debentures (£50,940 to redeem First Mort. Deb. Stock outstanding), red. at par 1929-1964, issued at 95%	79,060	73,526	7,906	65,620
Total offered to the public	1,538,526	1,425,000	102,906	1,350,000
To Shareholders only—				
Alliance Trust, 50,000 Ord. Shares, at two New £2 Shares for £4 12s 6d	100,000	115,625	..	115,625
Jelting Valley Tea, 5,750 l.p. Ord. Shares, £1 at 35s	5,750	10,062	719	9,343
Tomlin-Espanola Proprietary, £25,000 10-Year 8% Conv. Red. and Secured Notes, at 80%	25,000	20,000	2,500	17,500
Total offered to shareholders	145,687	145,687	3,219	142,468
Total offered for subscription to date	1,684,213	1,570,687	106,125	1,494,468
1924	45,630,361	1923	271,393,173	
1923	96,178,962	1922	573,675,650	
1922	370,854,521	1921	388,978,203	
1921	76,241,145	1920	367,549,656	
1920	158,428,705	1919	1,036,069,951	
1919	314,038,342	1918	1,393,381,441	

Edinburgh Corporation 4½ per Cent. Redeemable Stock.—This is an issue at 95 per cent. of £1,500,000 4½ per cent. redeemable stock, 1940-60. The stock will be redeemed at par on May 15, 1960, but the Corporation retains the option to redeem at par at any time after May 15, 1940, on three months' notice. The yield on the stock is £4 14s 9d per cent. flat, or £4 15s 9d per cent. allowing for redemption at the latest date. The proceeds are intended to provide for general purposes, but mainly to replace maturing loans raised for capital expenditure in connection with its electricity, tramways, gas, water and housing undertakings. The gross annual valuation of the City of Edinburgh for 1923-24 is £5,253,231, the assessable rental being £4,597,202. A rate of a penny in the pound produces £19,000. The net debt outstanding amounts to £8,901,267. The present issue of stock and the dividends thereon will rank *pari passu* with all the other loans of the Corporation borrowed under the provisions of various Acts, and will have the security of the whole revenues of the Corporation. The powers of the Corporation as to rating under their Acts are unrestricted. The Corporation also have power, under the Edinburgh Corporation Stock Act, 1894, to levy a guarantee rate, unlimited in amount, over all lands and heritages subject to assessment within the city. An excellent trustee investment.

Madras Electric Tramways (1904), Limited.—Authorised capital £200,000, of which £175,000 has been issued. This is an issue of £130,000 5½ per cent. (registered) debentures at 93 per cent. There is in existence first mortgage debenture stock for £50,940, but this will be redeemed out of the proceeds of the present issue. These debentures will be secured by a first mortgage to trustees of the power house, car sheds, works and offices, and all other freehold property of the company at Madras, and by a floating charge on the undertaking. In the event of the purchase of the undertaking by the Local Authority of Madras, the debentures will constitute a first charge on the proceeds of sale. The trust deed provides for the redemption of the debentures at par in 35 years from January 1, 1929, by means of a cumulative sinking fund of 1 per cent., commencing on that date. The company was formed in 1904, and profits are shown from 1914. Dividends on ordinary shares varied from 5 per cent., less tax, in 1914, to 8 per cent., tax free, plus a bonus of 2½ per cent. for 1923. Surplus assets available as security are given as £338,043, including the proceeds of the present issue. The property account alone stands at £328,595. This is an informative prospectus; the debentures are well secured.

Aero-Glydas, Limited.—Authorised capital £80,000, divided into 400,000 10 per cent. cumulative participating preference shares and 400,000 ordinary shares, all of 2s each. This is an issue of the cumulative participating preference shares at par. The company has been formed mainly to

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

At this time last year our late chairman made special reference to the fact that our dividend of 17½ per cent. might be met with some criticism, in view of the fact that it was earned in the dis-

tribution of the food of the people. He pointed out that such dividend must be judged in relation to the capital really employed in the business, as distinct from the subscribed capital, and to the volume of business transacted. Further, my predecessor went on to say that our net profit in the year he was reviewing did not amount to 1 per cent. of our turnover, a disclosure which caused surprised comment in many quarters. I may say that I can repeat the statement on this occasion.

HOME TRADE.

In view of the special features with which I have had to deal, my explanation of the figures has been somewhat lengthy, and my remarks on the trading aspect must be curtailed correspondingly. The past year in the home trade has been characterised by a fortunate freedom from violent fluctuations in prices, while, as already mentioned, the tendency in some of our more important commodities has been upwards. Hence conditions, on the whole, may be said to have been favourable to our trading. The restoration of confidence in traders still proceeds, but with such severe depression in several industries, particularly in the North, the purchasing power of the people is still much impaired, and it looks as if we must wait some considerable time before this state of affairs will be remedied by a general trade revival. As regards the immediate future, I make no prophecy, but advise caution in your estimate of our possibilities in the current year. I have already alluded to the high prices ruling in certain classes of our goods at the date of the balance-sheet, and I have also referred to the absolute necessity of our carrying stocks, and thus exposing ourselves to the risk of markets. On the other hand, it is reassuring to reflect that our conservative financial policy has put us in a position strong enough, I hope, to meet eventualities.

FOREIGN TRADE.

With regard to foreign trade, I think it can be said without undue pessimism that the immediate future, as concerns the near Continent, is somewhat obscure.

The recent sensational movements of French exchange have rendered Continental trade very difficult. An unsettled and widely fluctuating exchange carries with it a feeling of mistrust and uncertainty, and it would be imprudent to look for any steady improvement until this much-discussed question is on a more stable basis. The Continent would probably buy from us on a greatly increased scale if confidence would be restored, by stability of exchange, even though a return to anything approaching par values is not attained.

Though the key to the situation has yet to be found, it is satisfactory to be able to tell you that we are doing an increasing trade with the near Continent, and I would like to mention our appreciation of the efforts made by our agents during a time of great difficulty.

I am glad to inform you that the close attention which we have been giving to our Colonial trade has already produced encouraging results. Our trade with the Colonies has grown considerably during the last year, and the prospects for the future are good. I am especially pleased to be able to say that our branch house in Singapore has done better than ever, and I look forward to that branch during the next few years becoming a more important factor in our business than it has been before.

BRITISH EMPIRE EXHIBITION.

Consideration of trade with our Colonies brings me to what I wish to say about the British Empire Exhibition. Before telling you of our own connection with this great project, I may, perhaps, say a few words concerning the light in which we have viewed it.

A year ago our late chairman mentioned on a similar occasion to this the fact that we were doing our utmost to foster relations with our Colonies, and the support with which we have met has greatly encouraged us. I think there is a closer sympathy in trade relationship within the Empire to-day than has existed ever before.

The idea of this great Exhibition appealed to us, therefore, as coming just at a time when it would do a maximum of good. Also I think it is worthy of attention that the criticism of the project, unlike much criticism, has proved to be creative rather than pernicious. I think there is no room for doubt, therefore, that from a propaganda point of view, as regards this country and our colonies, the Exhibition is a perfectly conceived instrument, and is placed into operation at a correctly estimated psychological moment.

The *pros* and *cons* of its own financial possibilities do not concern us at all, and we cannot consider here the loftier ideals of Empire which it symbolises. We are concerned with the best possible conduct of our business, and we decided that it was in this interest that we should be represented at Wembley.

We have procured a stand in a very excellent position close to the main entrance of the Palace of Industry, and there we hope we may have the pleasure of meeting many of our friends in this country and from overseas, and we shall welcome them at Cannon street also. We hope that our exhibit will be of a nature to interest not only the trade, but the general public.

I feel confident that I am voicing your unanimous feelings when I say that, even putting aside the material advantages we hope to procure, as the oldest house in the trade, it would have been wrong if we had not taken the step of being represented at the British Empire Exhibition.

TRIBUTE TO STAFF.

It only remains for me to express the warm thanks of the board to our staff in all its branches for their continued valuable help and loyalty, without which our personal efforts would be unavailing. I will now propose the following resolution:—"That the report and balance-sheet and profit and loss account for the year ended January 26, 1924, now laid before the meeting, be and the same are, approved and adopted, and that the payment of a dividend of 17½ per cent., less income-tax, on the ordinary shares of the company, as recommended by the directors, be, and the same is, hereby declared."

Mr R. J. Harford (deputy-chairman and managing director) seconded the resolution, which was carried unanimously.

The directors retiring in rotation (Mr W. F. Travers and Mr E. T. Dottridge, C.B.E.) having been re-elected, the election of Mr Frank Travers to the board was confirmed, and that gentleman briefly thanked the shareholders for this expression of their confidence in him.

A resolution was also passed authorising the directors to transfer £10,786 19s 9d, part of the sum standing to the credit of special reserve accounts, to a suspense account to form the nucleus of a pension fund.

THANKS TO CHAIRMAN AND DIRECTORS.

The auditors (Messrs Price, Waterhouse, and Co.) were re-appointed, and a cordial vote of thanks was passed to the chairman, directors, and staff.

Mr Whitmore replied on behalf of the staff, and expressed appreciation of the consideration shown at all times towards the staff by the directors of the company.

At the suggestion of Mr Beverley, the meeting passed a resolution expressing the sympathy of the shareholders with Lady Bowron in her bereavement.

The proceedings then terminated.

BRITISH ELECTRIC TRANSFORMER COMPANY, LIMITED.
CHAIRMAN OPTIMISTIC OF THE FUTURE.

The twenty-first annual meeting of the British Electric Transformer Company, Limited, was held, on the 15th inst., at Winchester House, London.

Mr A. F. Berry (chairman of the company) presided, and, in moving the adoption of the report, said that while the general charges had been decreased by about £2,900 only, the gross profit on trading had dropped by just over £44,000. This heavy fall was due to slackness of trade generally and the very low prices consequently ruling for their products. He remarked that there was still £44,419 left in the reserve account, which had been built up out of profits in the past; but for the reserve account they would be faced with a considerable loss to wipe off future profits before they could return to the dividend-paying stage. As it was, they had written off the past year's loss, still had a substantial reserve, and had started again to earn some profit.

In connection with the low prices that had been ruling, it should be remembered that the reductions which had been made had encouraged electricity supply undertakings to purchase plant and had helped them forward to better times. In turn, these customers of theirs would, it was hoped, with greater publicity, more uniform prices, and larger turnover, be spurred to greater efforts and so bring orders to the manufacturers in increasing quantities. Shareholders would have very tangible evidence this year of the increasing propaganda and publicity undertaken by the electrical industry at Wembley, where something like £1,000,000 was being expended to produce the greatest electrical show that they had ever engaged in. Shrewd observers had expressed a wonder whether specialist electrical manufacturers, among whom this company were prominent, would be able to cope fully with the demand which in due time must spring from all this development.

There was decided evidence of the improvement they foreshadowed last year for the present year's working. The second half of the year showed a loss of rather under one-tenth of that of the first half of 1923. Not only was the value of orders in hand at December 31, 1923, double that at December 31, 1922, and booked at better prices, but the orders received during the three and a-half months of this year were already practically equal in amount to those booked for the first seven months of 1923. They might hope again to see prosperous times return in spite of difficulties ahead.

Mr George Berry, the manager, seconded the motion, which was unanimously carried.

EAGLE, STAR, AND BRITISH DOMINIONS INSURANCE COMPANY, LIMITED.

TWENTY YEARS OF PROGRESS.

CONFIDENCE IN THE FUTURE.

The annual general meeting of the Eagle, Star, and British Dominions Insurance Company, Limited, was held, on the 14th instant, at the Moorgate offices of the company, 32 Moorgate, London.

Sir Edward M. Mountain, Bart., J.P. (chairman and managing director), presided.

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

The Chairman, in moving the adoption of the report and accounts, said the year under review had been a difficult one in the insurance world. Dealing with the various branches of the business conducted by the company, the life department, he said, continued to prosper, the life fund showing a further increase during the past year of £341,488. The sums assured under new policies amounted to £1,734,296, after deducting reassurances. The mortality rate had been favourable—the claims by death amounted to £551,044, a figure which was well within the expectation, and the lowest the company had experienced for many years. The yield on their life assurance and annuity invested funds was £4 14s 2d per cent., after deduction of income-tax. The quinquennial valuation of the Star and Sceptre closed funds, made on a very stringent basis, disclosed a divisible profit in the case of the Star fund of over £868,000, of which nine-tenths had been distributed among the with-profit policyholders. In the case of the Sceptre fund the divisible surplus was over £165,000, and nine-tenths had been distributed among the same class of policyholders.

BONUS ADDITIONS TO POLICYHOLDERS.

Bonus additions to policyholders of both these funds had been at a higher rate than on any previous occasion, and it was a matter of congratulation for all concerned that such satisfactory results should be shown at the end of the first quinquennium after the amalgamation with the present company. The records of the mortality of the Sceptre fund over a period of 40 years showed that in the general section the actual deaths over that period amounted to 3,882, whereas the number of deaths expected, according to the Institute of Actuaries Hm mortality tables, were 4,924, so that the actual deaths were barely 79 per cent. of the expected. In the temperance section there were 2,114 deaths, against an expected total, according to the same tables, of 4,195, or a little over 50 per cent. of the expected deaths. These figures, he thought, were remarkable.

In the life department the sum of £105,893 had been brought into account in respect of the balance of profits on securities realised. This item related solely to the Star and Sceptre funds. No credit, however, was taken for unrealised appreciation on securities, and he was pleased to inform the shareholders that at the close of the financial year there existed in each of those funds a substantial margin between the market and book values of the securities. This margin the directors regarded as a reserve against future depreciation and other contingencies and as a source of future profit. The outlook, therefore, for the policyholders in all their life funds, including the current series of policies, was very promising.

FIRE DEPARTMENT.

The premiums in the fire department amounted to £1,452,558, and the net claims to £900,408. The increase in the premium income amounted to £151,720. After carrying forward a full reserve of 40 per cent. of their fire premium, amounting to £581,025, there was a loss on the year's operations of £61,141. This loss was caused by the adverse results experienced by themselves, as well as by other companies operating in America and Canada. Up to three years ago their fire business in these countries had been profitable over a long period of years, and he was satisfied that the recent heavy fire wastage was caused by abnormal conditions. The accident business yielded a profit of £11,394.

GENERAL INSURANCE SECTION.

In the general insurance section, which included all their employers' liability outside of this country, the premiums amounted to £886,911 and claims to £388,062, and after providing a reserve of 40 per cent. of the premium income the sum of £71,700 was transferred to profit and loss account.

In the marine department, premiums (less reinsurances and commissions) amounted to £643,191; claims paid for 1923 and previous years, less reinsurance recoveries, salvages and refunds, amounted to £641,131. The board's practice in the past in dealing with this account was to carry forward in the marine fund a reserve equivalent to the sum required to wind up each year's account in accordance with their average experience. On this basis the fund carried forward in 1922 would have been amply sufficient. In the 1923 settlement many accounts that had been outstanding for some years had been finally adjusted, with the result that the

settlements considerably exceeded the average. While this experience was an exceptional one and not likely to recur, the directors thought it better further to strengthen the fund by the transfer to it of £150,000 from the general reserve fund. During prosperous years the department had made large profits, £800,000 of which, instead of being distributed, was carried forward to the general reserve fund. Their marine department was conducted with the utmost caution and skill, and, in the hands of their present underwriter, he thought they could look forward with confidence to the future.

BALANCE-SHEET.

Dealing with the balance-sheet, he said the directors had decided to utilise the sum of £300,000 from the general reserve fund, so as to eliminate from the accounts all possible bad and doubtful debts and possible losses on foreign exchanges.

In the former class was included an item of £100,000 due from Russian insurance companies. Apart from the nationalisation of Russian insurance by the Soviet Government, these companies were perfectly solvent, and there was no doubt that if the negotiations going on in London at the present time resulted favourably, the whole of this sum would be ultimately recovered. Meantime, however, it had been eliminated from the balance-sheet, thus rendering it all the stronger. For many years the company had been practically free from bad debts, and, as far as could be foreseen, this condition was likely to obtain in the future.

The question of the exchanges had been a very difficult one, as the company had considerable business for many years past in most European countries. As a consequence they had considerable balances outstanding, and as the fluctuations had been many and violent, the directors had decided this year to write down the whole of these balances to the market value at December 31st. Any improvement in the exchanges—and there had been considerable improvement in some directions since the beginning of the year—would be to their advantage.

DIVIDEND POLICY.

One of the problems before all insurance companies was the necessity to reduce expenses, which had increased so much in recent years owing to the enhanced cost of living. The directors were hopeful that considerable saving would be effected in this direction in the near future.

In reference to their dividend policy, the directors felt justified in declaring an interim dividend of 5 per cent., less tax, in respect of the first quarter of the current year, and they hoped to continue to pay that amount quarterly.

TWENTY YEARS' PROGRESS.

Reviewing their progress during the past 20 years, the company, he said, had an original capital of £200,000, of which £100,000 only was paid up, the premium income being approximately £100,000. It had practically no goodwill and no special reserve fund. To-day the company had a paid-up capital of £1,092,896 and uncalled capital of £1,905,529, and, after providing a full reserve in the marine account and in other departments the standard reserve of 40 per cent., it had a general reserve fund in addition of £1,350,000, and an established business producing a premium income of well over £4,000,000. The whole of the cost of creating their valuable goodwill, amounting to a large sum, had been written off previous profits, with the exception of one item—£475,240—which was a satisfactory income-producing asset. As would be seen by the report, which showed the resources of the company, their financial strength was impregnable, and, apart from life premiums and funds, they had against the other premium income of about £3,250,000 funds in hand of over £4,000,000. In other words, their available funds exceeded 125 per cent. of their premium income other than life, indicating financial strength of the highest order. With regard to the future, they had built up a very valuable business all over the world, the bulk of which had been very profitable in past years, and would be again in the future. He thought that with the conservative policy which it was the intention of the directors to pursue, the shareholders might look forward to the future with confidence.

Mr J. Douglas Watson, F.I.A., F.A.S. (deputy-chairman), seconded the resolution.

The Chairman, in reply to a question, said he had emphasised in his speech that the directors had had the expenses under their most careful consideration. Every step that could be taken would be taken to reduce their expenses at the earliest possible moment. He did not wish to give the impression, however, that efforts had not already been made to deal with that matter, and the result of those efforts would be shown for the first time this year.

The resolution was unanimously approved.

The dividends, as recommended by the board, were confirmed, and the retiring director (Mr Frank Rogerson) and the auditors (Messrs Edwin Guthrie and Co.) having been re-elected, a cordial vote of thanks was given to the chairman, directors, and staff, and the proceedings terminated.

PEKIN SYNDICATE, LIMITED.

COMPANY'S COLLIERY INTERESTS.

BANQUE INDUSTRIELLE DE CHINE LOSSES.

The ordinary general meeting of the members of the Pekin Syndicate, Limited, was held, on the 14th instant, at the Cannon street Hotel, Cannon street, London, Colonel Brinsley J. H. Fitzgerald, C.B. (the chairman), presiding.

The secretary (Mr Charles Price) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—Before dealing with the accounts, I should like to mention to you that your board have invited Major Nathan to fill the vacancy on the English side of your board. This seat on the board has been left open ever since the arrangement between the French and English shareholders was completed. This arrangement had, as I told you at the time, the entire approval of our Foreign Office. Major Nathan, I am happy to say, has accepted the invitation and is here to-day, and I will ask you to confirm his election. Before doing so, I will read a letter received by me from Mr Kenrick, your managing director:—

“Dear Colonel,—Thank you for your personally written letter, and for the very excellent news it contains. There is no one I should welcome more on the board than Major Nathan, who combines with a long and practical experience of the Chinese and their methods a great organising ability, as shown by the success he has made of the Kailan Mining Administration. Monsieur Jadot, although I only know him by reputation, will, I think, also be an acquisition; in fact, the arrangement you have made will greatly strengthen our position here.”

PROFIT AND LOSS ACCOUNT.

I will now turn to the report and accounts, which have been presented to you, and will ask you to consider them as read, but I think you will wish me to give you some particulars in regard to the more important items before formally moving their adoption.

Turning to the credit side of the profit and loss account, you will, no doubt, have noticed that for the period under review the profit of the collieries amounted to £100,621, and that from this amount the sum of £25,000 has been deducted and transferred to a reserve account for the redemption of capital expenditure on the coalfields, on which the life of your concession has still 43 years to run.

Interest on loans, deposit and current accounts, dividend on shares, and transfer fees, &c., amounted to £28,895. Therefore, taking into account the £25,000 transferred from profits to reserve account, the total receipts for the year are £120,516.

This year is, as you know, the first year that we have been able to show the earnings on the collieries as a distinct item. Therefore I would ask shareholders not to become too optimistic by comparing the receipts of the current year with those of preceding years, where the receipts from collieries were not shown.

At the same time the news from our collieries is not discouraging. The Li Feng section of our coalfield, to which I referred at a previous meeting, is fulfilling all our expectations, and on the adjoining section which we have been exploiting, the Wang Feng, we have quite lately struck what the telegram describes as good hard coal.

Neither the production of coal nor the demand offer any difficulties. Our great difficulty is transport, and we are taking steps to improve this. If we can succeed, our sales should show a big increase.

As to the immediate future I do not wish to be optimistic, but the figures up to the end of March would justify one in thinking that the results for the year ending June, 1924, will be, at least, quite as satisfactory as those for the year ended last June.

With regard to the debit side of the profit and loss account, I am pleased to be able to tell you that during the year under review the administrative expenditure has been reduced by £7,622.

The credit balance on profit and loss account of £79,029 has been carried to the balance-sheet, and, after deducting £33,849, being the difference in exchange in respect of adjustment of floating assets and liabilities in China, due to the fall in value of the Mexican dollar, there remains a net credit balance of £45,179 for the year.

The amount in respect of sundry creditors has been reduced from £46,041 last year to £27,057 this year. The amount under heading of sundry debtors has been reduced from £120,637 to £103,138.

BANQUE INDUSTRIELLE DE CHINE.

Turning to the debit side of the balance-sheet, you will observe that a general reserve account has been created amounting to £328,095. It will also be noticed that £200,000 has been transferred from the credit balance on profit and loss account to write down

the value of your company's shareholding and cash balances with the Banque Industrielle de Chine.

As I told you at a former meeting, your board have been for a long time anxious to show the shareholders, as far as it was possible, the actual losses incurred in connection with the Banque Industrielle, but I explained to you then why it was impossible to arrive at even an approximate estimate.

Things have, however, slowly developed, and we felt that the time had come when we could form an estimate as shown in the balance-sheet. Whether this estimate is correct or not depends very much on whether the French share of the Boxer indemnity is paid in gold dollars. As far as I can ascertain, the claim of the French Government that this should be so is perfectly fair and reasonable. We have, however, thought it right to create the general reserve account, to which I have already referred, in order to meet all possible contingencies.

At a former meeting I think I made it pretty clear to you that our losses in connection with the Banque Industrielle would be extremely heavy, and I went so far as to hint that there was a possibility of our losing everything. Therefore, all I can now say is that the result might have been worse.

In connection with this, and turning to the contingent liability of £12,500,000, I told you that the market value of the shares given as extra security for the repayment of the above sum was 4,000,000. Since then approximately one-quarter of these shares have been sold for very close on 3,000,000.

On the credit side of the balance-sheet the cash at bankers stands at £202,546, as against £57,308 last year, an increase of £145,238, and the railway loans in China have been reduced to £141,759 by the repayment of £30,110.

The next item, £133,732, the cost of the Honan Concession, has in this year's accounts been added to the amount of £677,142 capital expenditure on the coalfields as at June 30, 1922, and these two figures, together with £1,204 spent on the coalfields during the year ended June, 1923, make up the £812,078, the amount at which the coalfields have been capitalised by agreement with the Chinese Government.

As regards our interest in the Tientsin Wharf and Godown Company, I am pleased to say this company is making excellent progress. The net profits for the year ended June 30th last enabled the company, after liberal provision for depreciation, &c., to pay 10 per cent. and to place a substantial sum to special reserve.

The Fu Chung Corporation, in which we hold half the share capital, have made a substantial profit for the year ended March 31st last.

The agency agreement with the Yangtse Corporation, Limited, has been extended for a period, and this carries the option which we hold on a large block of shares.

BOARD'S POLICY.

I think I have dealt with practically all the points that affect the past, and I would like to say a few words about the future policy of your board.

I dare say most of you may have read some of the many articles that have lately appeared in the French and Belgian Press. In the ordinary course I would not take any notice of such wild and irresponsible statements as have appeared in these various articles, but there took place, simultaneously with the appearance of these articles, some very active dealings and big fluctuations in the prices of the shares of your company.

It was said in these articles that, as the result of negotiations, your board was to be entirely reconstructed, and that the control and management of the Pekin Syndicate was to be taken over by the Kailan Company and the Société Générale de Belgique. All this was absolutely untrue. The fact that Major Nathan, who now joins your board, was, and still is, connected with the Chinese Engineering and Mining Company does not in the least alter the position of the Pekin Syndicate.

Our company is in an absolutely independent position, but we are quite ready, provided we consider it is in our interests to do so, to consider any proposal for a joint working arrangement which we think may benefit both companies.

I do not wish to conclude without mentioning, as I have on previous occasions, the very great assistance the board have received from the staff in China, who have worked most satisfactorily during the past year. As regards the syndicate here, I want to say everything I can in gratitude of the work done by Mr Price and the London staff. I am glad to be able to tell you that Mr Price has now been promoted to secretary of the company, and nobody could work more loyally than he and his staff.

Comte de Segulier seconded the resolution, which, after the Chairman had replied to questions, was carried unanimously.

The Chairman then proposed the confirmation of the election of Major Nathan to a seat on the board, which was seconded by Comte de Segulier, and unanimously adopted.

Mr Paul Eugene Dutasta and Mr Jules Jadot having been elected directors, and the auditors having been reappointed, a vote of thanks to the chairman terminated the proceedings.

JOHN BARKER AND CO., LIMITED.

CONTINUED EXPANSION—20 PER CENT. DIVIDEND.

The thirty-first ordinary general meeting of John Barker and Co., Limited, was held, on the 14th instant, at the Town Hall, Kensington, London, Sir Sydney Martyn Skinner, J.P. (the chairman), presiding.

The secretary (Mr G. Wright Bellamy) read the notice convening the meeting and the auditors' report.

The Chairman, in the course of his speech, said: Ladies and gentlemen,—It is a great satisfaction to your directors to present for your approval a balance-sheet which speaks of a year of continued success and development. The year opened, indeed, quite auspiciously. February was a good month. It gave promise of a good season. Then, as many of you will remember, the weather underwent a drastic change. It was a most unseasonable spring—very cold, wet, and winter-like. Our buyers, purchasing in the markets of the world, made preparations which were cruelly spoilt by these conditions. However, a fine summer made amends, and the autumn fully restored the balance of things. The result of the year's trading is reflected in the figures set before you, a result which your directors feel will command your satisfaction. But for this early disappointment a record year would have presented features still more arresting and unprecedented.

The gross profit, with the interest received on the deposit account, shows an increase of £30,000. We thus arrive at the record sum of £402,000 as net profit, against our next best year—which was last year—of £362,000, or an increase of £40,000. With such a good showing shareholders may, perhaps, question why we do not recommend a larger dividend. The first aim of your directors has been, and always will be, the consolidation of the company's interests and finances. We believe in strengthening our resources by building up the already magnificent reserve fund to meet the needs of a continuing development, rather than paying away our surplus profits in heavier dividends. This is the fifth consecutive year in which we have declared a dividend of 20 per cent.

Subject to the confirmation of this meeting, it is proposed to pay a further 15 per cent. on the ordinary share capital, and to carry forward the sum of £211,780 to the credit of our next account, an increase of about £63,000 on the amount which was brought in last year.

FURTHER EXTENSIONS NECESSARY.

During the past year we have again carried out various structural and departmental alterations, which we believe have contributed to the comfort and convenience of those who have found it so much to their advantage to shop at Kensington. But the great volume of additional trade has made further extensions a matter of urgency. Many, many thousands more customers have been served during the past year. To meet this great public interest in the Barker group of businesses several important extensions are already in hand, and others are foreshadowed, which will lead to a still further improvement in the shopping facilities it is our duty to provide. The new store now being erected on the north side of the High street will, when finished, relieve to some extent the congestion at Barkers, and the administrative block to be put up in Ball street will lessen the pressure on the departments in the main building. But an extension of the furniture building is also vital. More room can be readily obtained here by building on the freehold site in Clarence mews at the rear of the present block. Equally pressing is the need for extension at Pontings to cope with the necessities of this rapidly growing business. Also at Derry and Toms alterations to certain shops are necessary. All the freehold land is in our possession necessary to open out these departments and provide a selling space for the convenience of the public, which would obviate the present very serious state of overcrowding.

The future of the Barker group of shops is a theme which your directors have very much at heart. We believe that we have every cause to be optimistic, and that our shareholders (and the public) share that optimism. The new emporia that is in contemplation will be a series of shops, linked up effectively, that shall be worthy of this great metropolis and of the Royal Borough in which it is situated. We have a great belief in the future of Kensington—a Kensington of broad, dignified thoroughfares and fine, commanding buildings. This, in our opinion, can only be brought about by the co-operation of the authorities and the business concerns involved, each taking large, far-sighted, and practical views in the development of the district.

Mr H. Tilbury (managing director), in seconding the resolution, spoke of the progress of Derry and Toms and Pontings, and the advantage which should be derived from the rebuilding and reorganisation operations.

The resolution was carried unanimously; the retiring director and auditors were reappointed, and the proceedings terminated with a cordial vote of thanks to the chairman, directors, and staff.

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ROLLS-ROYCE, LIMITED.**LARGE AERO ENGINE ORDERS.**

The seventeenth annual meeting of Rolls-Royce, Limited, was held, on the 14th instant, at Derby, Lord Wargrave presiding.

The Chairman, in moving the adoption of the report and accounts, referred to the paralysing burden of taxation, and said he hoped this year would see the total abolition of the insidious and unfair corporation profits tax. Though the engineering industry had happily been free from labour troubles during the past year, rumblings of agitation were becoming louder. Matters might come to a head pretty soon, but he trusted that reason and common sense would prevail on both sides. Failure to settle might lead to stoppage of output, which was one factor that induced the directors to recommend that the dividend should not be increased beyond 8 per cent.

Turning to the accounts, the Chairman pointed out that the issued capital in ordinary shares was unchanged, and the amount owing by the company had increased by only £4,000. The consolidated reserve funds had increased by £60,000. No credit was taken for goodwill, though no company had a better right to include in the assets a considerable sum under that heading. The property of the company showed a net decrease after depreciation of £7,800, due to the depreciation figure being higher than the additions. Stock in trade and work in progress showed an increase of £179,000, accounted for by the satisfactory demand for the company's manufactures. The production of the new model entailed the absorption of cash by increase of stock, &c., and this was an important consideration which influenced the directors not to recommend increased dividends. Cash in hand thus showed a decrease of £123,000. The amount owing to the company had increased by £25,000, the profit of £156,700 was £7,500 higher, and, including the carry forward from last year, there was £165,000 available for disposal. The directors proposed a dividend of 8 per cent., absorbing £65,000, and to place £30,000 to income-tax account and £70,000 to the reserve fund, carrying forward £10,000.

INCREASE OF AERO BUSINESS.

Orders received and in prospect for aero engines and aero-engine parts promised to show a bigger turnover than last year. The Condor engine, 650 h.p., had passed the Air Ministry's air-worthy test, and these engines were already being made for the British Air Service. This was another instance of Mr F. Henry Royce's genius and the excellent work of his technical assistants and experimental and works staff and the men who carried out his ideas.

In addition to orders from his Majesty's Government, the company's foreign aero business continued to expand, and they were at present carrying out important contracts for the Dominions, foreign Governments, and for transport companies at home and abroad. These orders might be attributed to world-famed reliability of Rolls-Royce and engines which had been successfully used in many long-distance flights.

The sales and profits of the American company for last year were satisfactory, but until the end of 1922 there were heavy losses connected with the commercial slump in the United States, which necessitated the temporary closing of the works. The profits must be devoted for a considerable time to making good these initial losses. No credit was taken in the balance-sheet for the share holding in the American company.

WORKERS' WELFARE SCHEME.

Having thanked the managing director, Mr Claude Johnson, for his able management, which secured the confidence of their splendid staff and the success of the concern, the Chairman dealt with the position of the company's welfare scheme, and read a letter of appreciation from a number of the workers. This stated that there was still a lot of suspicion in the minds of many workers concerning any form of welfare emanating from employers. Though Rolls-Royce employees were no exception, the suspicion was gradually, but surely, giving place to confidence and approval. Volumes could be filled with expressions of thanks and gratitude from those in the sick and benevolent section who had received benefits. The sports and social sections were also both doing wonderful work under the scheme. The cost of a works outing to Wembley Exhibition was to be defrayed, this marking a great step along the road to creating and cementing that feeling of confidence between employer and employee which, more than anything else, helped to make strife impossible and unity probable. The share purchase scheme was originally regarded with much disapproval, but now there was heart-burning and regret among those who did not avail themselves of the opportunity to purchase while they had the means. The letter concluded, "the success of those firms is most assured whose employees are happy, contented, and interested in the welfare of those for whom they labour, and this condition may be obtained more readily by the application of

such a comprehensive scheme, with all its possibilities, as the Rolls-Royce welfare scheme."

The motion for the adoption of the report and accounts was seconded by Lord Herbert Scott and carried.

JUGRA LAND AND CAREY, LIMITED.**RESTRICTION POLICY AND ITS RESULTS.**

The fourth annual general meeting of shareholders was held in the Hall of the Institute of Accountants and Actuaries, 218 St. Vincent street, Glasgow, on Tuesday, April 15, 1924, at 12 o'clock, noon—Mr Dougal, in the absence of the chairman, presiding.

Mr Clarke, for the secretaries, having read the notice calling the meeting, and the auditors' docket, the Chairman said:—Gentlemen, I am very sorry that Mr Wishart, our chairman, is not quite well enough to be with us to-day, but he is making progress, and we look forward to having him back at an early date. I can assure you that he continues to take the greatest interest in all the affairs of the company, and that all along we have had the benefit of his advice and experience. In his absence I propose to read the speech he would have delivered.

Before proceeding with the business I should just like to say how much we regret to have to refer to the death of our esteemed colleague, Mr W. W. Campbell. He attended a meeting of directors no later than March 5th, and we were all very grieved to hear of his passing away on March 15th. We have recorded in the minute book an expression of the sense of loss the company has suffered, and of sympathy and condolence with his widow and family.

The report and statement of accounts have been in your hands for more than the statutory period, and with your permission we shall, as usual, hold these as read.

CONDITION OF THE PROPERTY.

The visiting agent's reports regarding the island continue to be of a most gratifying nature, and although he had to report a certain amount of disease on Paradise Estate, his report on that property cannot be considered as otherwise than good. Our thanks are again due to Mr French and his assistants for the thoroughly efficient manner in which the estate has been looked after. You will observe from the directors' report that we have made a slight change in regard to the position of cultivation. The change is made in order to make the statement agree with the figures used in the Federated Malay States, and is accounted for by the increase in the coconut area and the elimination from the planted areas of the acreage required for roads and buildings. Generally speaking, I am not in favour of eliminating road and building areas from the cultivated area, but in an estate of the size of Carey Island, roads, and buildings take up such a considerable acreage that their elimination is justified.

RUBBER.

You will observe from the accounts that the effect of restriction has been to increase the cost of production by over 3d per lb. In ordinary circumstances the output of rubber would have been over 3,000,000 lbs, but the drastic restriction has had the effect of relatively increasing the cost. On the other hand, rubber realised 3½d per lb more than for the previous year, and I think that the policy of restriction must be credited with a considerable portion of this increase. At the same time, I think it is evident that restriction enables the manufacturer to carry lower stocks, as he knows that there is practically no risk of any company exporting less than its exportable amount, and consequently he knows exactly what is available month by month. As you are aware the terms of restriction have been altered recently, and this alteration favours the younger producer. Our actual exportable output has not yet been fixed for the current year, but we expect to obtain a considerable increase, which should have the further favourable effect of reducing costs. That restriction has been of service to the rubber plantation industry is admitted, but at the same time it cannot be denied that British companies have suffered grave disadvantages of which our Dutch friends have taken full advantage. I trust that those in authority will keep clearly before them the possibility of the drawbacks outweighing the benefits.

COCONUTS AND COPRA.

As to the crop of coconuts, as was stated in the report, it was somewhat disappointing, due to unfavourable weather conditions. You would notice in the accounts that, although actually more coconuts were gathered, the weight of copra was somewhat less, meaning, of course, that it took more nuts to manufacture a ton of copra. It seems that as trees grow older, the nuts, though more plentiful, are smaller. Last year was a poor one for coconuts all over the Federated Malay States, and we can only hope that during the present year better weather conditions prevail.

THE FUTURE.

As to the immediate future, it is very difficult indeed to make any statement. As you are aware, the price of rubber is regu-

lated to a very large extent by the demand from America, besides being artificially stimulated by the present restriction, and although prices have suffered a very substantial decline during the past few months, I shall be surprised if the average price that we obtain for the year is not somewhat in advance of the present market price.

As to copra, the demand for this is mainly Continental, and there has been a slight set-back recently here also. A settlement of the various causes of European unrest would be likely, in my opinion, to keep the price of this commodity at a favourable figure.

Shareholders of this company may, I think, congratulate themselves on being in a comparatively fortunate position. The properties are very efficiently managed, and the large area, even with restriction of output, permits of reasonably cheap production.

I am glad to state that Mr French is leaving again for the Federated Malay States in June of this year.

I now beg to move that the report and accounts be adopted, and that a dividend of 4 per cent., less income-tax, be paid.

I shall ask Mr Macdonald to second this resolution, but before putting it to the meeting I shall be glad to answer, to the best of my ability, any questions any shareholder may care to ask.

Mr Macdonald seconded the adoption of the report, which was carried unanimously.

Mr George A. Macdonald was re-elected a director and Messrs Gibson and Anderson, C.A., were re-elected auditors.

WORLD AUXILIARY INSURANCE CORPORATION, LIMITED.**GOOD RESULTS OF THE YEAR.**

The fifth ordinary general meeting of the shareholders of the World Auxiliary Insurance Corporation, Limited, was held, on the 16th inst., at Winchester House, Old Broad street, London, Sir John D. Wimple, K.B.E. (chairman of the company), presiding.

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

The Chairman said: The premiums written during 1923 in respect of the fire accident and general account amount to £157,689, showing an increase of £14,000 compared with 1922. The claims paid and outstanding amount to £94,090, and commission and expenses to £59,342, leaving a balance to be carried forward for unexpired risks of £72,058, or 45.7 per cent. of last year's premiums—a settlement which, I venture to suggest, is most satisfactory.

Taking the marine account next, the claims paid on 1923 account amount to £34,029, being 22.7 per cent. of the premiums written, and, after paying all claims on 1922 and previous years, and expenses, there remains a balance of £229,734. We have transferred from this sum £30,000, and placed it to the credit of profit and loss account, thus leaving the sum of £199,733 to be carried forward, or 133.4 per cent. of the year's income, an increase of 5.6 per cent. as compared with 1922.

Dealing with the profit and loss account, you will notice that the amount of interest and commission earned amounts to £25,029, and the profit on investments realised, transfer fees, and other miscellaneous receipts amount to £13,576, which, together with the amount brought forward and the £30,000 which I have referred to before as having been transferred from the marine account, gives an available total of £91,070.

After debiting sundry items we have made a reserve for Government taxation of £12,500, started an investment reserve account by transferring to it £10,000, and added a further £20,000 to our reserve fund, making that fund £40,000 in credit. These allocations having been made there remains a balance of £44,958, out of which we propose paying our first dividend of 5 per cent., free of tax, upon the paid-up capital of the company, which absorbs £15,000 and leaves £29,958 to be carried forward to the credit of next year's accounts, or over £7,000 more than that brought in.

It is always hard to forecast the future of underwriting, whether it may be fire or marine, and I will not attempt to make a forecast. I will say, however, that your directors feel that the company now has become firmly established, and in spite of the keen competition for business which exists ought to render a good account of itself in the future.

The Chairman concluded by moving the adoption of the report and accounts, and the resolution was adopted.

BIRMINGHAM DISTRICT POWER AND TRACTION COMPANY, LIMITED.**STRONG POSITION—INCREASED NET REVENUE.**

The fortieth ordinary general meeting of the Birmingham District Power and Traction Company, Limited, was held, on the 15th instant, at 88 Kingsway, London, Mr C. Shirreff Hilton (the chairman) presiding.

The Chairman said that the strong financial position of the company continued to be maintained. At December 31st last they had cash resources in liquid form of over £82,000, or £12,000 more

than the total renewals fund. The net traffic receipts, including interest and dividends on investments, showed an increase of £11,328. It was to be regretted that this increase was not the result of any additional traffic receipts from the tramway companies. On the other hand, it was a matter for congratulation that strict economies in the cost of operation had resulted in such a substantial increase in the net revenue. During the year the cars of the company and its subsidiaries carried over 48,000,000 passengers and ran nearly 4,000,000 car miles. These figures showed a substantial increase on those of last year, but would probably show a considerable reduction at the end of 1924, as the control of the tramways worked by the company and one of its subsidiaries in West Bromwich passed into other hands at the expiration of the lease.

As from March 31st last those lines would be worked by the Birmingham Corporation, and he was glad to say it had been possible to come to a satisfactory arrangement with regard to through running, so that the through services from the Black Country into the centre of Birmingham would not be broken. The directors recommended the payment of a dividend on the ordinary shares at the rate of 5 per cent. for the year, leaving £11,023 to be carried forward, against £3,959 brought in. It might seem unnecessary, having regard to the strong position of the company, to carry forward so large a sum, but the directors had in mind the claims made by the Inland Revenue authorities in respect of excess profits duty and corporation profits tax.

The good results shown in the balance-sheet had been achieved without any return on the large amount of capital invested in the Shropshire, Worcestershire, and Staffordshire Electric Power Company. During last year that company had continued to develop its business, and the directors confidently looked forward to receiving a satisfactory return on the quarter of a million of money which they had invested therein. The reports of the subsidiary tramway undertakings all showed fairly satisfactory results and in considering the future they had not been unmindful of the possibility of omnibus competition over the tramway lines. Undoubtedly, the motor omnibus had come to stay, and they were taking all the necessary steps to protect the interests of their Black Country undertaking from unnecessary and wasteful competition. The results of the Birmingham and Midland Motor Omnibus Company, Limited, of which their company owned the whole of the ordinary share capital, had not yet been published, but he was giving no secret away when he said that that company had maintained during 1923 the excellent position which it had made for itself in Birmingham and the Midland Counties.

The report and accounts were unanimously adopted.

FAIRBAIRN, LAWSON, COMBE, BARBOUR, LIMITED.**THE VITALITY OF THE BUSINESS.**

The twenty-fifth ordinary general meeting of Fairbairn, Lawson, Combe, Barbour, Limited, was held, on the 16th instant, at the Abercorn Rooms, Liverpool street Hotel, London. Mr J. Campbell Inglis (chairman) presided.

The Chairman said his task was not so easy or pleasant as it had been in recent years. It was the fact that on the three first occasions on which he addressed the shareholders, he had to deal with the adverse circumstances arising out of the Great War, but for 1918 the board were able to recommend the renewal of payment of dividends on the ordinary shares. For 1919 there was a substantial improvement in the amount of such dividend, while for 1920, 1921 and 1922 there was a succession of large dividends. In the past he had been careful to remind the share-

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ESTABLISHED 1889.

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Capital and Reserves - - - Fmk. 257,000,000

Deposits and Cheque Accounts (Dec. 31, 1923) over - - - Fmk. 1,800,000,000

132 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

holders that the circumstances of those three years were abnormal. He had never concealed the fact that those years of great prosperity could not be regarded as standard years, and that the time must come when they had to tighten their belts and pass through some of those periods of stringency which must from time to time prevail in the engineering industry; the company was now in one of those periods. It was in anticipation of this that they were careful in boom times to make provision for the future.

When he addressed them a year ago he referred to the improved prospects in trade. At that time not only were inquiries brisker, but they were booking orders more freely than for a long time past, though not as freely as they wanted. That was in April, and for the first half of the year their expectations to a reasonable extent were fulfilled. But after that they had a renewed period of depression, and it was not until the opening of this year that there was a revival in the volume of orders referred to in the report. For the first three months of 1924 their orders compared very favourably in total with those for the first three months of 1923, though, of course, prices were not so favourable as they were a year ago. No efforts to secure new business would be spared, and every possible market received their attention. Discussion on the wages question would shortly be proceeding, and he could confirm what had been stated in the Press that the Engineering Employers' Federation had taken the initiative in asking the unions to meet them and discuss the present position of the engineering industry, and how unrest could be avoided and the stability of the industry maintained. The board remained confident in the vitality of the undertaking, and looked forward at no distant date to the return of prosperity.

The report and accounts were unanimously adopted.

GODFREY PHILLIPS, LIMITED.

IMPROVED RESULTS—GOOD PROSPECTS.

The fifteenth ordinary general meeting of Godfrey Phillips, Limited, was held, on the 16th inst., at Winchester House, London, Mr M. David Phillips presiding.

The Chairman, in moving the adoption of the report and accounts, said that, as against a debit balance at the end of 1921 of £89,260, and of £4,237 at the end of 1922, they had a credit balance of £33,148, after covering the debit balance and paying £18,000 in preference dividends. They had every reason to congratulate themselves on their improved position. Since the date of the balance-sheet a dividend on the preference shares of 4 per cent. actual, amounting to £8,000, had been paid, making with the three months' dividend accrued to March 31st last a further reduction of £5,000, reducing the arrears to £19,000.

With so much unrest and unemployment it seemed doubly dangerous to prophesy, but trade for the year so far showed a satisfactory increase on the corresponding period of last year, and the directors hoped and believed that next year the arrears would be still further reduced. Should their hopes be realised, it would not be long before they were in a position to deal with the arrears on the "B" preference shares.

With Budget day so close, it was natural that their customers should be speaking of the duty on tobacco, which stood at the high figure of 8s 2d per lb on the unmanufactured leaf, with a preference on leaf imported from the Dominions. An ounce of tobacco packed in a tin and selling at 1s the ounce had to pay 6d in duty, leaving 5d for tobacco, labour, and package, so that the profit of the manufacturer and retailer was an item on which there was no room for reduction. With the cheaper lines the position was not so good. With cigarettes the position was practically the same, and it was only the vast quantity sold which enabled a manufacturing profit to be possible at all. It was, therefore, to turn-over that manufacturers must look for their profits. A high duty necessitating high selling prices must discourage sales. The consumption for 1923 was 3½ million pounds less than 1922 and 10,000,000 pounds less than in 1921. It must be patent to everyone that without a reduction in the duty there could be no general reduction in price. The quantity of Empire tobacco available was small, compared with the total used, so that the preference on the duty on Empire tobaccos could only play a very small part in price reduction, but the company was doing all that was possible to meet the public in that direction. If the preference was continued, and, as the colonies hoped, increased, larger quantities of Empire leaf would become available, to the benefit of their fellow-countrymen abroad and customers at home.

Mr Arthur I. Phillips (general manager) seconded the resolution, and it was carried unanimously.

HEAD OFFICES: LIVERPOOL AND LONDON

ROYAL INSURANCE COMPANY, LIMITED

ALL CLASSES OF INSURANCE EFFECTED

GOVERNMENT RETURNS, &c.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from	Receipts.	Week Ended	Week Ended
	Apr. 1, 1924, to April 12, 1924.	Apr. 1, 1923, to April 14, 1923.	Apr. 12, 1924.	Apr. 14, 1923.
Balances in Exchequer on 1st April:—				
Bank of England....	5,069,613	5,442,685	..	..
Bank of Ireland....	1,562,001	1,375,502	..	..
REVENUE.	6,631,614	6,818,187	..	..
Customs.....	3,429,000	3,048,000	2,018,000	1,830,000
Excise.....	2,322,000	2,589,000	944,000	688,000
Motor Vehicle Duties..	1,155,000	999,000	436,000	263,000
Stamps, &c., Duties.....	1,750,000	1,810,000	940,000	780,000
Land Tax, House Duty & Mineral Rights Duty	470,000	510,000	280,000	240,000
Property & Income Tax	210,000	150,000	100,000	60,000
Excise Profits, &c.	23,768,000	21,082,000	8,555,000	6,306,000
Super-Tax.....	4,830,000	3,300,000	2,030,000	1,680,000
Corporation Profits Tax	790,000	1,170,000	330,000	440,000
Post Office.....	1,500,000	1,500,000	1,000,000	1,000,000
Crown Lands.....	..	..	..	..
Interest on Sundry Loans.....	2,263,020	2,287,196	..	..
Miscellaneous.....	1,248,719	1,566,684	377,381	584,204
Ordinary Receipts..	1,828,206	2,022,614	1,500,015	2,000,312
Special Receipts....	45,563,945	42,733,494	18,556,408	15,821,516
Revenue	52,195,559	48,851,661	..	..
OTHER RECEIPTS.	..	..	..	..
Temporary Advances Repaid:—				
Under the Unemployment Insurance Act, 1920.....	770,000	280,000	350,000	120,000
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure:—				
Under the Telegraph (Money) Act, 1922.....	..	..	..	..
(b) Under the Unemployment Insurance Act, 1921.....	..	..	..	..
(c) For other issues:—				
By Treasury Bills.....	67,944,000	100,035,000	42,706,000	48,486,000
By National Savings Certificates	1,100,000	2,000,000	600,000	1,300,000
By 4% Treasury Bonds, 1931-33	473,425	13,001,037	473,425	951,037
(d) Ways and Means Advances.....	35,000,000	32,700,000	3,000,000	9,250,000
Repayment in respect of issues under Land Settlement (Facilities) Acts, 1919 and 1921.....	437,005	3,956	..	..
Total	157,819,889	196,871,654	66,579,831	75,858,553

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from	Issues.	Week Ended	Week Ended
	Apr. 1, 1924, to April 12, 1924.	Apr. 1, 1923, to April 14, 1923.	Apr. 12, 1924.	Apr. 14, 1923.
EXPENDITURE.	..	..	..	..
National Debt Services—				
Interest, &c.....	25,842,897	29,037,179	1,518,909	2,004,181
Sinking Fund.....	760,021	..	250,000	..
Road Fund.....	..	..	..	..
Payments to Local Taxation Accounts, &c.....	..	..	..	..
Payments to Northern Ireland Exchequer.....	..	..	..	..
Land Settlement.....	32,897	3,545	32,897	3,545
Other Consolidated Fund Services.....	227,320	227,320	..	..
Supply Services.....	12,360,000	12,100,000	7,350,000	6,100,000
Expenditure	39,213,135	42,140,724	9,739,126	8,107,726
OTHER ISSUES.	..	..	..	..
Temporary Advances—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	36,891	..	36,891
Under the Unemployment Insurance Act, 1921.....	..	..	..	..
Issues to Meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1922.....	250,000	..	250,000	..
Unemployment Insurance Act, 1921—				
Repayment of amounts borrowed.....	..	..	..	..
Resumption of Debt.....	..	..	..	..
Treasury Bills.....	97,785,000	108,135,000	46,550,000	60,920,000
Principal of National Savings Certificates.....	1,300,000	1,750,000	700,000	960,000
Principal of National War Bonds paid off.....	..	14,789,889	..	1,500,000
Other Debt under the War Loan Act, 1914 to 1919.....	50	15	..	15
Ways and Means Advances Repaid	15,350,000	28,117,000	8,650,000	4,250,000
Total	183,898,186	193,905,619	65,528,126	75,799,332
Balances in Exchequer—				
Bank of England.....	Apr. 12, '24. 1,562,001	Apr. 14, '23. 1,375,502	for Week. 1,500,015	for Week. 2,000,312
Bank of Ireland.....	1,306,901	1,005,144	1,334,899	1,005,144
Total	3,921,904	3,861,036	150,798	83,822

NATIONAL DEBT—(Million £.)

	Aug. 1, 1924.	Dec. 31, 1923.	Mar. 31, 1924.	Mar. 31, 1923.	Mar. 31, 1922.	Mar. 31, 1921.	Mar. 31, 1920.	Mar. 31, 1919.	Mar. 31, 1918.
Funded Debt.....	588	315	315	315	315	314	314	314	314
Term Annuities.....	..	..	..	..	..	..	..	..	..
3% Conversion Loan.....	30	20	19	18	16	14	14	14	14
3% War Stock.....	..	63	63	63	63	63	63	63	63
4% War Stock.....	..	13	13	13	13	13	13	13	13
4% and 5% War Stock.....	2,047	2,040	1,995	1,953	2,095	2,095	2,095	2,095	2,095
National War Bonds.....	1,509	1,476	1,413	1,201	953	924	903	903	903
4% Funding Loan.....	..	409	409	406	401	399	400	400	400
4% Victory Bonds.....	..	360	357	347	335	325	325	325	325
Treasury Bonds.....	..	..	..	..	..	..	..	..	..
Exchequer Bonds.....	20	323	319	289	185	150	150	150	150
National Savings Certs.....	..	267	274	285	342	354	367	366	366
Other Debt.....	1,306	1,181	1,132	1,087	1,157	1,149	1,151	1,151	1,151
American Loan (Anglo French).....	..	51	51	..	..	..	..	..	..
Treasury Bills.....	15	1,107	1,107	1,121	878	616	652	588	558
Temporary Advances.....	1	243	205	154	147	208	186	206	206
Other Capital Liabilities.....	654	8,033	7,829	7,574	7,685	7,742	7,801	7,695	7,686
Total Liabilities.....	711	8,079	7,876	7,623	7,721	7,812	7,871	7,766	7,757

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	Apr. 12, 1924.	Apr. 5, 1924.	Mar. 29, 1924.	Mar. 22, 1924.	Apr. 14, 1923.	Position May 30, 1914.
Ways and Means Advances.....	198,480,500	186,155,500	205,805,500	..	5,650,000	..
Outstanding.....	607,965,000	588,320,000	558,430,000	..	3,810,000	..
Advances by Bank of England.....	..	..	..	..	..	..
Advances by Public Deptms.....	198,480,500	186,155,500	205,805,500	..	5,650,000	..
Treasury Bills Outstanding.....	607,965,000	588,320,000	558,430,000	..	3,810,000	..
Total Floating Debt	806,445,500	774,475,500	764,235,500	..	9,460,000	..

* Includes £51,000, the proceeds of which were not carried to the Exchequer within the period of the account.

The Bankers' Gazette.

As the *Economist* goes to press earlier this week, in consequence of the Easter holidays, we are unable to print the returns of the Bank of England and other customary statistical matter.

PROVINCIAL CLEARING RETURNS.

	1923.	1924.	Inc. or Dec.
Aggregate Totals to April 12.			
BIRMINGHAM.....	35,184,600	35,571,600	+ 387,000
BRISTOL.....	17,307,000	16,980,000	- 327,000
DUBLIN.....	95,180,300	84,376,300	- 10,804,000
LONDON.....	16,866,400	16,422,000	- 444,400
LIVERPOOL.....	16,861,300	16,631,300	- 230,000
MANCHESTER.....	11,919,500	11,661,400	- 258,100
NEWCASTLE.....	12,786,200	12,641,200	- 145,000
NOTTINGHAM.....	231,586,500	233,104,500	+ 1,518,000
Sheffield.....	29,202,200	28,811,100	- 391,100
Sheffield.....	9,908,700	9,494,000	- 414,700
Sheffield.....	17,924,700	17,112,000	- 812,700

OVERSEAS BANK RETURNS.

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

	Apr. 11, 1924.	Apr. 4, 1924.	Mar. 28, 1924.	Apr. 13, 1923.
RESOURCES.				
Total gold reserve.....	3,103,450	3,091,770	3,122,940	3,085,760
Legal tender notes and reserve.....	97,980	93,560	100,110	98,680
Other deposits.....	59,660	59,660	48,310	82,650
Bills bought in open market.....	197,610	213,770	202,460	274,390
Government obligations owned.....	268,900	264,860	257,260	238,150
All other resources.....	78,430	77,300	77,370	63,530
LIABILITIES.				
Government deposits.....	98,840	109,840	75,190	45,220
Other deposits.....	1,956,220	1,852,530	1,931,930	1,896,910
Federal Reserve Notes in actual circulation.....	1,981,640	1,987,860	1,982,710	2,331,040
F.R.B. Notes in actual circulation.....	370	370	390	2,470
All other liabilities.....	14,780	14,420	15,160	15,380
Capital and surplus.....	331,750	331,770	331,750	327,650
Ratio of total reserves to gross deposit and Federal Reserve note liabilities combined.....	79.3%	78.8%	80.4%	76.3%

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

	Mar. 22, 1924.	Mar. 15, 1924.	Mar. 8, 1924.	Mar. 1, 1924.	Feb. 23, 1924.	Mar. 24, 1923.
ASSETS.						
Gold coin and bullion.....	10,102	10,102	10,102	10,102	10,102	10,039
Gold certificates.....	50	50	75	75	75	125
Subsidiary coin.....	5,787	5,868	6,123	6,193	6,148	2,636
Bills discounted.....	..	..	250	250	250	2,300
Loans & advances to Govt.....	..	..	..	..	..	..
Investments.....	17	17	17	17	17	..
LIABILITIES.						
Capital.....	1,000	1,000	1,000	1,000	1,000	1,000
Reserve.....	40	40	40	40	40	40
Notes in circulation.....	10,237	10,333	10,541	10,810	10,319	9,720
Bankers' deposits.....	5,093	5,099	5,275	5,222	5,676	5,863
Ratio of cash reserves to liabilities to public.....	69.8%	69.5%	67.6%	66.9%	67%	68.3%

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

	Apr. 10, 1924.	Apr. 3, 1924.	Mar. 27, 1924.	Mar. 20, 1924.	Apr. 12, 1923.	Position May 28, 1914.
ASSETS.						
Coin (gold & silver and bullion)	357,741	358,936	358,503	358,928	346,725	322,650
Securities	1,368,461	1,334,654	1,386,962	1,343,866	686,427	697,600
LIABILITIES.						
Notes in circulation.....	7,705,315	7,676,033	7,651,704	7,590,429	6,913,047	934,150
Current accounts.....	364,947	391,017	414,820	437,014	777,805	112,125

AUSTRIAN NATIONAL BANK.—In krone (000's omitted).				
Assets.	April 7, 1924.	Mar. 31, 1924.	Mar. 23, 1924.	April 7, 1923.
Gold.....	106,750,125	106,750,125	106,750,125	85,837,527
Foreign bills.....	3,938,339,410	3,953,871,524	4,014,217,750	1,340,228,141
Bills discounted.....	1,722,419,426	1,731,509,899	1,626,053,282	826,332,266
Treasury bills.....	2,294,471,348	2,295,427,777	2,586,755,526	2,550,158,947
Liabilities.				
Reserve fund.....	4,872,011	4,872,011	4,872,011	
Notes in circulation.....	7,031,494,388	7,144,900,739	6,648,983,430	4,310,074,307
Deposits.....	840,222,871	752,813,819	1,435,094,486	87,435,706

BANK OF SPAIN.—In pesetas (000's omitted).				
Assets.	Apr. 12, 1924.	Mar. 29, 1924.	Mar. 22, 1924.	Apr. 14, 1924.
Gold.....	2,528,878	2,528,525	2,528,304	2,528,399
Silver.....	654,448	656,145	659,547	657,251
Loans & discounts.....	2,198,569	2,180,173	2,148,168	2,158,438
Spanish 4% stock.....	344,475	344,475	344,475	344,475
Treasury bills.....	150,000	150,000	150,000	150,000
Liabilities.				
Circulation.....	4,385,662	4,396,599	4,322,269	4,136,616
Deposits.....	1,002,374	1,014,101	1,020,859	980,589

BANK OF ITALY.—In lire (000's omitted).				
Assets.	Mar. 20, 1924.	Mar. 10, 1924.	Feb. 29, 1924.	Mar. 20, 1924.
Total cash.....	1,605,591	1,578,562	1,602,265	1,620,582
Inland bills.....	3,057,014	3,099,251	3,194,467	3,173,533
Foreign bills.....	15,662	15,778	15,651	15,654
Advances to.....	5,837,499	5,837,570	5,837,648	5,837,732
Other advances.....	2,297,932	2,352,627	2,627,038	2,286,136
Securities.....	400,623	406,130	418,928	416,764
Liabilities.				
Note circulation.....	12,212,529	12,350,235	12,360,579	12,151,389
Deposits & drafts.....	1,703,040	1,615,827	1,756,170	1,772,094

LONDON RATES.

Bank rate (changed from 3% July 5, 1923)	Apr. 11, 1924.	Apr. 12, 1924.	Apr. 14, 1924.	Apr. 15, 1924.	Apr. 16, 1924.	Apr. 17, 1924.	Apr. 18, 1924.
60 days' bankers' drafts.....	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4
3 months' do.....	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4
6 months' do.....	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4
Discounts (Treasury Bills).....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
3 months' do.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Loans—Day to day.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Short.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Deposit allowances.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount houses at call.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
At notice.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

† Additional to those offered by tender in the preceding week.

Comparison with previous weeks:—

	Short Loans.	Bank Bills.						Trade Bills.							
		3 Months.		4 Months.		6 Months.		3 Months.		4 Months.		6 Months.			
		%	%	%	%	%	%	%	%	%	%	%	%		
1924.	2	3													
Mar. 28	2	3	3	3	3	3	3	3	4	4	4	4	4	4	4
Apr. 4	2	3	3	3	3	3	3	3	4	4	4	4	4	4	4
11	2	3	3	3	3	3	3	3	4	4	4	4	4	4	4
16	2	3	3	3	3	3	3	3	4	4	4	4	4	4	4

RATES OF EXCHANGE.

London on	Usance	Par.	April 20, 1923.	April 11, 1924.	April 16, 1924.
Paris	francs to £1	T.T.	25.224	70.00-05	73.90-74.00
Berlin	marks to £1	T.T.	20.43	115/-125.00	19.20-20.00
Vienna	krone to £1	T.T.	24.02	380/355.00	309/309.00
Brussels	francs to £1	T.T.	24.02	186/-187	146/-147 1/2
Warsaw	P. marks to £1	T.T.	20.43	\$220.00	140 millins
Stockholm	Sw. marks to £1	T.T.	25.224	..	1625-1650
Riga	latas to £1	T.T.	25.224	..	22.31-56
Buenos Aires	pesos to £1	T.T.	25.224	960-1010.00	815-835
Montevideo	pesos to £1	T.T.	25.224	1900-2400	324.00
Santiago	pesos to £1	T.T.	25.224	110	720-740
Colon	colons to £1	T.T.	25.224	590-640	805-815
San Pedro de Macoris	pesos to £1	T.T.	25.224	590-610	805-815
Amsterdam	florins to £1	T.T.	25.224	440-460	345-355
Brussels	francs to £1	T.T.	25.224	11.88-89	11.63-64 1/2
Copenhagen	crowns to £1	T.T.	25.224	81.00-05	80.81-81 1/2
Helsingfors	crowns to £1	T.T.	25.224	25.95-26.00	31.52-57
Stockholm	crowns to £1	T.T.	25.224	17.36-39	16.38-41
Copenhagen	crowns to £1	T.T.	25.224	24.60-65	26.02-7
Helsingfors	P. marks to £1	T.T.	25.224	167-168	173-174
Stockholm	fr. marks to £1	T.T.	25.224	395-405	250-255
Italy	lire to £1	T.T.	25.224	334-34	388-398
Switzerland	francs to £1	T.T.	25.224	25.63-66	24.71-74
Madrid	pesetas to £1	T.T.	25.224	30.34-37	32.35-40
Lisbon	pesos to escu.	T.T.	534	21-2	18-19
Alexandria	piastres to £1	Cable	97 1/2	97 1/2	97 1/2
New York	dollars to £1	Cable	4.868	4.86 1/2	4.86 1/2
Manila	dollars to £1	Cable	4.868	4.75-8	4.40-1 1/2
Buenos Aires	pesos to peso	T.T.	47.622	43-43 1/2	41 1/2-42
Rio de Janeiro	pesos to mile.	90 days	16	54 1/2	64 1/2
Montevideo	pesos to peso	T.T.	51	54 1/2	64 1/2
Valparaiso	pesos to peso	90 days	163 1/2	40-10	42-43
Colon	pesos to Per. \$1	T.T.	10	8 1/2 prem.	7 1/2 prem.
San Pedro de Macoris	pesos to rupee	T.T.	10 to	14 1/2-14 1/2	14 1/2-14 1/2
Bombay	ster. to rupee	T.T.	Gold	14 1/2-14 1/2	14 1/2-14 1/2
Madras	ster. to rupee	T.T.	Gold	14 1/2-14 1/2	14 1/2-14 1/2
Hong Kong	ster. to dollar	T.T.	..	25 3/4-4 1/2	25 3/4-4 1/2
Shanghai	ster. to dollar	T.T.	..	25 3/4-4 1/2	25 3/4-4 1/2
Manila	ster. to dollar	T.T.	..	25 3/4-4 1/2	25 3/4-4 1/2
Yokohama	ster. to yen	T.T.	24.582	25 1/2-4 1/2	25 1/2-4 1/2
London	ster. to dollar	T.T.	24.066	125 1/2-4 1/2	125 3/4-4 1/2
Mexico	pesos to dols.	T.T.	244-264	284	284

Rate for previous day.

\$ Sellers.

MISCELLANEOUS.

BENGAL IRON.—In a circular to shareholders dated April 15th, the company state that during the year ended March 31, 1924, the works have been fully employed, the blast furnaces have run well, the output of pig-iron having exceeded that of the previous year by fully 25 per cent. Four furnaces are at present in blast, while the fifth is being rebuilt on modern lines with larger capacity. The fourth battery of coke ovens, which was completed and put into operation in January this year, is operating most satisfactorily, and with the four batteries working the company is practically self-supporting as regards coke supplies. The new pipe foundry for the production of pipes of large diameter is nearing completion. Jitpur Colliery—comprising three shafts—is now equipped with steam and electric plant. Underground development work is in progress. The result of bores at this colliery and of the development work shows that the company has at moderate depths 24 million tons of good coal in this and the adjacent property of Noonodih. Adding to this the four million tons proved at Ramnagar, the company has, at the present rate of consumption, sufficient coal in its own properties to last for over 80 years, and this without taking into consideration quantities that may exist in deeper seams. The chairman visited the works, ore mines, and collieries during last cold weather, and was satisfied with the progress being made in all departments.

CITY OF SANTOS IMPROVEMENTS.—This company provides its shareholders with instructive comparative statistics in its annual report and accounts. The company's gasworks, tramways, water-works, electric light and power operations are shown separately year by year from 1914 to 1923, so that those interested are able to see what progress has been made over the past ten years. With regard to the year 1923, it is pointed out that the company's business continues to show satisfactory expansion, but Brazilian exchange has again adversely affected the results in sterling. The revenue in Santos has been converted into sterling at 5 13-32d, the average remittance rate of exchange for the year, as against 7½d in 1922, and the floating assets and liabilities in Brazil have been valued at 5 19-32d per milreis, the rate ruling at the end of the year 1923. The net revenue for the past year was £75,397, which, added to £10,053 brought forward from 1922, makes a total of £85,450, as compared with £68,923 in 1922. The ordinary dividend has been reduced from 5 per cent. for 1922 to 3½ per cent. for 1923.

ANALYSIS OF BALANCE-SHEETS.

BRITISH OIL AND CAKE MILLS.

December 31, 1923.

LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1922.	Amount.	Compared with Dec. 31, 1922.
Ord. shares	2,584,548 + 747	Properties	2,059,549 + 73,347
Prof. shares	743,103 ..	Expenditure on	32,905 + 31,698
Deb. stock	610,707 ..	millis	2,008,281 + 228,966
Loans & deposits	374,155 + 177,026	Investments	626,432 + 373,483
Allo. cos.	3,655 ..	Bills receivable	20,820 + 17,437
Sundry creditors	662,424 ..	Stocks	954,065 + 267,770
Reserve accounts	980,000 ..	Goods in transit	30,750
Profit and loss	115,784 ..	Sundry trade	292,455 ..
		debtors	24,214 ..
		Other debtors	36,648 ..
		Cash	43,591 ..
Total	6,074,446 + 156,202	Total	6,074,446 + 156,202

TRANSVAAL GOLD OUTPUT STATISTICS.

Name of Mine.	February, 1924.			March, 1924.		
	Ore.	Est. Yield.	Est. Profit.	Ore.	Est. Yield.	Est. Profit.
Aurora W. United (10s shares) ..	12,400	126,358	2,053	13,100	14,834	2,079
Barclay	91,500	189,087	52,243	76,000	138,058	31,193
City Deep	55,000	84,982	20,036	57,000	186,605	79,016
Consolidated Main Reef	210,000	399,057	90,624	223,000	387,176	109,187
Crown Mines (10s shares)	33,200	49,964	4,216	35,500	50,937	4,828
Durban Roadpoort Deep	131,514	136,483	7,050	139,000	146,230	10,712
East Rand Proprietary	33,400	37,276	2,961	32,900	37,506	3,434
Ferris Deep	67,500	110,636	45,443	71,000	116,123	51,619
Geduld Proprietary	62,600	67,864	4,544	65,600	71,109	5,127
Glenhush Deep	4,458	6,839	38	4,361	6,606	154
Glyn's Lydenburg	145,000	300,518	170,510	158,000	319,410	186,942
Government Areas	48,700	53,178	3,328	51,800	56,363	3,201
Kleinfontein, New	96,400	126,074	30,372	100,000	130,004	30,827
Langlaagte Estate	19,000	19,496	1,560	22,000	21,987	873
Langlaagte Vlei	14,400	128,945	67,072	68,500	138,704	70,720
Meyer and Charlton	42,800	106,512	72,158	43,800	109,619	74,309
Modderfontein B.	25,000	45,851	5,044	26,000	47,728	5,697
Modderfontein Deep Levels	111,000	237,339	139,031	117,000	264,487	163,597
Modderfontein, New (8s shares) ..	50,000	91,595	30,032	55,000	96,854	31,060
New State Areas	48,600	65,580	7,062	52,000	67,563	8,013
Nourse Mines	20,800	19,376	1,785	21,500	20,251	2,227
Primrose, New	238,500	380,538	65,139	219,000	275,999	75,135
Randfontein Central	10,000	11,572	1,804	10,800	10,968	3,012
Robinson (8s shares)	54,000	106,127	40,128	74,000	110,328	43,701
Robinson Deep	54,000	64,143	15,164	57,200	65,439	16,330
Rose Deep	76,000	71,510	10,238	79,700	75,039	14,182
Simmer and Jack	59,000	123,743	56,770	62,700	131,443	61,799
Spring Mines	10,000	23,225	8,591	10,600	30,593	8,919
Transvaal Gold Mining Estates ..	15,140	26,831	3,818	15,500	28,130	5,653
Van Ryn	34,400	64,346	11,206	31,100	43,711	10,069
Van Ryn Deep	62,500	129,895	67,586	64,700	140,418	74,069
Village Deep	58,500	84,673	17,017	61,000	88,780	18,626
West Rand Consolidated	36,500	49,912	9,945	38,300	43,748	5,079
Witwatersrand (Kangaroo)	48,000	64,346	11,206	43,800	45,217	2,227
Witwatersrand (Kangaroo)	28,300	33,922	3,107	34,000	36,349	3,549

* Loc. 1 1/2 lbs. 6d per ton on net. * 4 1/2 lbs. 6d per ton on net.
 * 2 1/2 lbs. 6d per ton on net. * 4 1/2 lbs. 6d per ton on net.

MONTHLY TRAFFIC RETURNS.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.

This table is extracted from the Commercial and Financial Chronicle of New York.

Date.	Miles of Road.		Gross Earnings.		Net Earnings.	
	1922.	1923.	1923.	Increase or Decrease.	1923.	Increase or Decrease.
April	235,839	234,970	\$21,387,412	+105,578,442	\$118,627,158	+38,240,343
May	235,472	235,186	\$45,503,898	+97,510,054	\$126,173,540	+32,573,715
June	236,683	236,739	\$40,054,165	+66,901,501	\$124,046,578	+14,427,896
July	235,813	235,477	\$34,634,552	+91,678,679	\$121,044,775	+18,362,282
Aug.	235,696	235,357	\$63,292,105	+90,181,967	\$156,519,553	+49,897,384
Sept.	236,525	235,611	\$44,770,235	+44,549,658	\$129,300,309	+37,441,385
Oct.	236,015	235,608	\$86,328,886	+37,248,224	\$141,922,971	+20,895,378
Nov.	235,748	235,589	\$30,106,708	+7,648,500	\$124,931,518	+7,307,781
Dec.	235,555	235,379	\$93,099,550	+19,212,804	\$16,248,158	+2,439,152
1923.	235,886	238,698	\$467,887,013	+33,610,824	\$83,953,867	+9,412,390

OVERSEAS RECEIPTS.

Name.	Period.	Ending	Receipts for Month.		Total Receipts.	
			1923-24.	+ or -	1923-24.	+ or -

INDIAN.

				Rs	Rs	Rs	Rs
Southern Punjab	3 mths	Dec. 31	717	11,72,239	+1,63,110	30,44,854	+ 3,60,608

CANADIAN.

Canadian National	2 mths.	Feb. 29	Gross		Net	
			1923-24.	+ or -	1923-24.	+ or -
			\$17,845,818	+17,281,900	\$6,115,709	+1,433,777
Canadian Pacific	2 mths.	29	\$13,068,000	+192,300	\$6,262,375	+3,532,427
Temiscouata	2 mths.	29	\$1,078,000	+582,000	\$2,675,000	+2,166,000
			\$46,829	..	\$1,598,000	..

BRAZILIAN.

Brazil Gt. Sothrn.	2	mths	Feb. 29	..	Ms.63,000	+	18,500	128,500	—	1,750
State of Bahia ..	11	mths	Mar. 31	52	£3,000	—	405	53,129	+	11,502

CHILE AND PERU.

Peruvian Corp...	9 mths	Mar. 31	1,066	\$1,452,900	+ 38,600	12,513,550	+ 1,099,045
Taital	9 mths	31	172	£18,870	— 1,553	188,235	+ 30,073

URUGUAYAN.

				£	£	£		£	
Midland Uruguay	9 mths	Mar. 31	319	17,234	—	1,004	148,267	+	457
N.-W. Uruguay ..	9 mths	31	113	5,744	—	256	61,085	+	2,133
Uruguay North ..	9 mths	31	73	2,713	+	343	24,503	+	2,097

OTHER OVERSEAS.

Algoma Cent. & Hudson Bay (a)	8 mths	Feb. 29	Gross	\$215,389	+ 74,968	1,618,224	+ 285,228
Beira and Maho-naland	1 mth	Jan. 31	810	104,121	+14,136		
Bilbao	3 mths	Mar. 31	15	2,488	+2,072	11,081	+2,226
Bolivar	3 mths	Mar. 31	136	22,500	+8,184	52,455	+13,652
Costa Rica	7 mths	Jan. 31	189	25,794	+523	168,233	+25,628
Dorado Extension	2 mths	Feb. 29	40	7,500	+5,000	24,000	+2,000
Dorado Rope, Ex.	2 mths	Feb. 29	45	5,750	+1,850	14,750	+2,250
International of Central America	2 mths	Feb. 29	Net	90,608	+10,855	34,738	+25,410
La Guaira & Car.	3 mths	Mar. 31	352	44,393	+6,202	93,739	+16,497
Mexican Railway	4 mths	Nov. 30	30	13,280	+1,770	41,060	+6,780
Mid. of W. Aust.	8 mths	Feb. 29	Gross	\$367,700	-199,100	4,082,200	+456,500
Nasajo Oscarsh.	1 mth	Jan. 31	35	15,334	+5,348	435,500	+435,300
Puerto Cabello, &c.	1 mth	Jan. 31	277	15,334	+253,300	106,079	+6,171
Rhodesia Rail'ys.	1 mth	Jan. 31	35	10,046	+1,547	7,750	+1,547
Samar & Siam	3 mths	Mar. 31	1,397	134,411	+6,615	5,750	750
Sante Fe Prov.	1 mth	Feb. 29	29	155,922	+4,989	14,020	+4,484
Zaira and Huelva	2 mths	Feb. 29	112	9,704	+262	18,648	..

(a) Including steamship receipts.

TRAMWAY & OTHER RECEIPTS.

RECEIPTS.							
Argentine Light and Power (a.)	11 mths	Feb. 29	Gross	40,043	5,525	435,463	42,855
Barcelona Trac.	2 mths	29	Net	4,337,626	442,515	9,936,722	586,147
repta. in ptas.	1 mth	Jan. 31	Gross	3,068,232	1,069,576	6,347,537	2,079,572
Brazilian Trac.	1 mth	Jan. 31	Net	\$2,128,185	102,705	2,128,185	102,705
repta. in \$.	8 mths	Feb. 29	Gross	\$1,345,070	77,761	1,345,070	77,761
Brit. Columbia Electric, &c.	8 mths	Feb. 29	Net	\$912,335	75,541	2,000,023	944,470
Burmah Electric	8 mths	Mar. 31	Gross	\$259,336	4,827	2,154,815	60,400
Trwys & Light.	8 mths	Mar. 31	Net	\$87,427	22,757	..	..
Cape Elec. Trams	1 mth	Feb. 29	Gross	\$33,266	..	..	..
Carthagenas and Herreras Trms.	3 mths	Mar. 31	1	\$80,323	32,038	159,996	21,631
Cities Service Co.	Year	Feb. 29	22	\$1,604,487	635	16,604,863	1,424,393
El Est. de Yct.	45 weeks	24	22	\$4,460	444	54,767	..
Havana Elec. Rl.	1 mth	Jan. 31	Net	\$1,208,652	80,818	1,208,652	80,818
Light & Power	1 mth	Jan. 31	Gross	\$22,863	14,241	596,864	14,241
Inter-national	6 mths	Dec. 31	Net	\$22,863	963	132,099	6,828
Light & Power	6 mths	Dec. 31	Gross	\$25,510	140	37,706	2,668
Kalgoolie Elec.	12 mths	31	Net	\$2,444	..	27,113	..
Tramways	12 mths	31	Net	\$874	..	..	..
Keystone Tele.	12 mths	Jan. 31	Gross	\$154,937	10,826	1,825,397	116,172
La Guaira Harb.	1 mth	Mar. 31	Net	\$68,658	6,529	836,301	105,581
La Plata Electric	3 mths	31	Net	\$10,534	1,435	23,512	1,705
Lima Light, Per	11 mths	Nov. 30	Gross	\$2,232	469	784,839	54,432
Manila Electric	2 mths	Feb. 29	Net	\$72,315	9,073	220,996	22,096
&c.	2 mths	Feb. 29	Net	\$20,988	3,037	79,332	7,933
Para Electric...	3 mths	29	Gross	\$338,674	22,504	680,812	30,915
Puebla Tram, &c.	3 mths	29	Gross	\$157,854	7,903	307,408	17,810
Rangoon Electric	1 mth	Jan. 31	Net	\$29,789	4,181	80,079	8,512
Shanghai Electric	1 mth	Jan. 31	Net	\$82,300	815	32,641	3,947
United Electric	1 mth	31	Gross	\$2,352,500	16,900	3,581,500	16,200
of Montevideo	3 mths	Mar. 31	Net	\$2,150,350	22,500	10,150,000	22,500
Veracruz	5 mths	31	Mex.	\$905,112	12,962	586,668	42,168
Victoria Falls & Transvaal Pwr.	2 mths	Feb. 29	Gross	\$59,755	3,771	292,944	14,157
Winnipeg Pwr.	2 mths	Feb. 29	Net	\$4,600	39,700	600	72,000
Winnipeg Pwr.	2 mths	Feb. 29	Gross	\$23,338	..	..	..
Winnipeg Pwr.	2 mths	Feb. 29	Net	\$475,509	19,372	988,703	21,793

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended March 31.		Three Months Ended March 31.	
	1923.	1924.	1923.	1924.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	7,955,660	10,666,229	25,736,998	21,971,213
B. Feeding stuffs for animals	467,000	682,493	1,719,681	1,812,242
C. Meat	9,761,028	9,067,950	29,605,577	25,267,077
D. Animals living, for food	187,236	1,610,307	368,427	5,011,368
E. Other food and drink, non-dutiable	11,865,835	13,168,553	36,513,641	39,052,780
F. " " dutiable	9,125,043	10,681,799	25,953,529	32,554,293
G. Tobacco	1,351,138	1,623,067	5,465,177	4,872,367
Total, Class I.	40,730,910	47,506,398	125,363,030	130,541,369
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	—	428	—	6,528
B. Other non-metallic mining and quarry products and the like	525,993	421,012	1,427,295	1,380,560
C. Iron ore and scrap	724,509	695,018	1,737,252	2,268,190
D. Non-ferrous metalliferous ores and scrap	979,799	1,442,554	2,867,874	3,666,251
E. Wood and timber	1,940,586	1,942,881	6,960,564	7,057,947
F. Raw cotton and cotton waste	8,551,609	7,799,545	26,135,289	39,557,938
G. Wool, raw and waste, and woollen rags	5,029,965	9,536,078	17,191,797	21,468,519
H. Silk, raw, knubs and noils	176,302	116,731	529,886	304,962
I. Other textile materials	762,637	1,119,200	3,583,872	4,246,244
J. Oil seeds, nuts, oils, fats, resins, and gums	5,138,976	4,808,552	12,069,716	12,053,863
K. Hides and skins, undressed	1,391,599	2,115,862	4,676,572	4,696,996
L. Paper-making materials	582,812	380,552	2,032,462	1,825,412
M. Rubber	1,117,021	901,002	2,959,322	2,775,253
N. Miscellaneous raw materials and articles mainly unmanufactured	806,338	852,867	2,631,755	2,572,978
Total, Class II.	27,738,226	32,132,348	84,833,656	103,879,621
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	1,655	325	5,520	2,372
B. Earthenware, glass, abrasives, &c.	573,766	614,289	1,746,420	1,760,094
C. Iron and steel and manufactures thereof	1,064,211	1,617,796	3,463,490	4,783,362
D. Non-ferrous metals and manufactures thereof	2,105,712	2,812,893	6,096,180	7,453,352
E. Cutlery, hardware, implements, and instruments	582,250	715,382	1,597,574	1,925,839
F. Electrical goods and apparatus	143,616	219,681	478,210	677,271
G. Machinery	734,156	815,604	2,338,318	2,312,730
H. Manufactures of wood and timber	340,429	359,580	1,040,046	1,176,756
I. Cotton yarns and manufactures	779,353	667,638	2,165,820	2,068,225
J. Woollen and worsted yarns and manufactures	921,679	1,407,379	2,796,032	3,652,257
K. Silk and silk manufactures	1,769,651	2,068,329	5,432,723	6,042,825
L. Manufactures of other textile materials	1,121,935	1,513,825	3,141,575	3,902,501
M. Apparel	1,579,376	1,629,954	4,126,792	3,961,236
N. Chemicals, drugs, dyes, & colours	1,246,500	1,157,525	3,579,010	3,498,025
O. Oils, fats, and resins, manufactured	2,695,504	3,054,217	8,144,152	7,750,609
P. Leather and manufactures thereof	1,151,764	1,088,770	3,163,441	2,849,325
Q. Paper and cardboard	929,325	893,218	2,844,293	2,922,741
R. Vehicles (including locomotives, ships, and aircraft)	755,119	796,896	2,245,774	2,115,985
S. Rubber manufactures	523,217	368,987	1,277,500	999,725
T. Miscellaneous articles, mainly or wholly manufactured	2,200,953	1,891,243	6,766,288	5,905,138
Total, Class III.	21,220,232	23,713,532	62,350,148	65,649,428
IV.—Animals, not for food	22,795	107,139	59,522	420,040
V.—Parcel post, non-dutiable articles	315,357	269,216	1,098,410	1,202,332
Total	90,027,550	103,728,633	273,674,766	301,692,790

said to be unremunerative. The export returns for March indicated a substantial drop on those of the previous month in regard to iron and steel manufactures, machinery, and vehicles. Imports of small tools and cutlery, however, were up. File makers are experiencing severe competition owing to existing output capacity being greatly in excess of the trade offering, and much of the work taken lately has been at prices which barely cover costs. Quietude is general in plate and cutlery, especially in business placed by shopkeepers. The demand for Sheffield razors has been stagnant ever since the Armistice was signed, nor are there any indications of early revival. Cutlery exports during the past three months were nearly level with those of the corresponding quarters of 1923 and 1922, but there was a moderate increase in shipments of hardware, tools and implements. The demand for fuel has eased a little with the improved labour position, but not much coal is available for the open market, and deliveries being on a heavy scale, the market remains in a very strong position. The call for house coal is less insistent, but fuel of good quality is in short supply. Quotations per ton at pits are:—Best hand-picked branch, 36s to 38s; Barnsley best silkstone, 34s to 35s; Yorkshire steams, 27s to 29s; Derbyshire ditto, 24s to 26s; 1½ in. ditto, 27s 6d; rough slacks, 12s 6d to 15s; smalls, 8s to 10s; coke round about 29s.

Our Glasgow correspondent writes as follows:—Pig-iron prices remain as they were a week ago, and the market has been rather quieter. The total shipments from Glasgow harbour last week amounted to 1,350 tons. Business in the iron and steel trade is being somewhat hindered by the possibilities of trouble in the labour world. Competition from the Continent is still negligible, but, unfortunately, notwithstanding this, the placing of new orders with the steel works is not what it should be. Makers are maintaining the agreed prices for home orders, but a few good orders have been booked for export at considerably below the home figures. Messrs Sir Wm. Arrol and Co., Limited, of Glasgow, have secured the order to supply and erect a bridge at Newport (Mon.), the contract price being £142,000. Some small contracts for structural work have been placed in this district, but very keen cutting is still the rule for this class of engineering work, and to secure business showing a margin of profit is said

EXPORTS OF PRODUCE AND MANUFACTURES OF THE UNITED KINGDOM (Value F.O.B.).

	Month Ended March 31.		Three Months Ended March 31.	
	1923.	1924.	1923.	1924.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	220,340	503,806	758,871	1,558,053
B. Feeding stuffs for animals	145,687	220,399	353,261	730,386
C. Meat	93,216	116,171	291,016	423,319
D. Animals living, for food	2,741	27,567	7,373	57,140
E. and F. Other food and drink	1,697,196	2,760,637	6,011,074	8,802,490
G. Tobacco	466,743	506,037	1,452,097	1,670,804
Total, Class I.	2,645,923	4,139,612	8,873,895	13,248,592
II.—Raw Materials and Articles Mainly Manufactured—				
A. Coal	8,817,851	6,390,574	21,961,486	19,270,422
B. Other non-metallic mining and quarry products and the like	121,562	156,417	432,536	521,884
C. Iron ore and scrap	52,140	46,868	144,827	136,834
D. Non-ferrous metalliferous ores and scrap	233,473	72,020	697,397	229,421
E. Wood and timber	20,527	44,383	86,710	149,011
F. Raw cotton and cotton waste	187,623	141,896	542,360	480,829
G. Wool, raw and waste, and woollen rags	921,920	1,055,636	2,542,396	3,276,383
H. Silk, raw, knubs and noils	6,481	11,765	30,229	58,385
I. Other textile materials	47,673	53,715	138,774	135,151
J. Oil seeds, nuts, oils, fats, resins, and gums	368,767	472,636	1,194,192	1,732,516
K. Hides and skins, undressed	222,746	293,786	815,599	876,435
L. Paper-making materials	134,606	144,558	403,719	458,415
M. Rubber	5,812	7,530	34,017	27,261
N. Miscellaneous raw materials and articles mainly unmanufactured	418,778	429,447	1,391,612	1,458,366
Total, Class II.	11,563,958	9,321,239	30,406,227	28,821,913
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	534,955	487,665	1,600,789	2,022,309
B. Earthenware, glass, abrasives, &c.	795,550	912,007	2,558,564	2,963,980
C. Iron and steel and manufactures thereof	5,828,933	5,936,592	17,005,138	18,901,615
D. Non-ferrous metals and manufactures thereof	1,214,844	1,147,405	3,570,448	4,226,532
E. Cutlery, hardware, implements, and instruments	494,171	556,558	1,608,672	1,835,234
F. Electrical goods and apparatus	652,333	689,127	2,066,313	2,335,867
G. Machinery	3,647,770	3,218,091	12,672,074	10,276,497
H. Manufactures of wood and timber	90,359	157,664	384,020	487,766
I. Cotton yarns and manufactures	14,488,863	15,807,106	45,594,253	48,269,693
J. Woollen and worsted yarns and manufactures	4,779,534	4,713,501	16,107,252	16,592,007
K. Silk and silk manufactures	127,279	168,910	435,260	531,162
L. Manufactures of other textile materials	2,020,534	2,145,002	5,927,953	6,137,088
M. Apparel	1,859,709	2,368,943	6,041,686	7,129,489
N. Chemicals, drugs, dyes, & colours	1,914,012	2,033,756	6,111,051	6,799,201
O. Oils, fats, & resins, manufactured	516,631	737,546	1,644,856	1,923,531
P. Leather and manufactures thereof	406,282	519,142	1,355,357	1,549,648
Q. Paper and cardboard	615,551	687,250	2,104,267	2,138,655
R. Vehicles (including locomotives, ships, and aircraft)	3,280,336	1,605,686	8,410,398	5,161,559
S. Rubber manufactures	436,768	444,906	1,394,087	1,370,511
T. Miscellaneous articles, mainly or wholly manufactured	2,229,730	2,378,391	6,870,488	7,484,565
Total, Class III.	45,934,804	46,715,218	143,392,936	148,158,877
IV.—Animals, not for food	48,489	122,115	200,464	501,737
V.—Parcel Post	727,516	804,553	2,495,960	2,581,637
Total	60,920,690	61,102,767	185,369,502	193,312,756

to be the exception. The position as regards bar-iron makers and steel re-rollers is practically unchanged, orders being only for immediate requirements. Black sheet makers are still busy, chiefly on export work, and inquiries from various overseas markets for good specifications are above the average. Japan is showing more interest, but is not placing much tonnage here as makers cannot give delivery earlier than July for the very light gauges. Several thousand tons of heavier sheets have, however, been booked locally. Galvanised sheets are less in demand, and prices still show a sagging tendency.

Our Cardiff correspondent writes:—The news of the conclusion of an agreement between the M.I.C.U.M. and the coalowners in the Ruhr for the renewal of the contracts for the delivery of reparation coal, has deprived the Cardiff market of its principal sentimental support, and in spite of the approach of the Easter holidays, prices this week have been easier than at any time

THE BANK OF TAIWAN, LIMITED.

(Registered in Japan, 1896.)

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

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

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

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

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.			Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Profes. Amount.	Ordinary. Amount.			
Canals and Docks.									
Oxford Canal	Dec. 31	£ 1,895	£ 4,213	£ 6,108	£ ..	£ 4,467	£ 600	£ 1,041	£ 5,597
Electric Lighting and Power.									
South Wales Electrical	Dec. 31	..	7,004	7,004	..	..	7,004	..	Dr 2,944
Rubber, &c.									
Cheviot	Dec. 31	8,266	14,117	22,383	..	12,750	7½	5,492	4,141
Golconda Malay	Dec. 31	211	9,265	9,476	..	8,475	7½	1,001	Dr 2,313
Grand Central (Ceylon)	Dec. 31	59,139	96,749	155,888	..	91,875	7½	1,000	63,013
Labu	Dec. 31	516	22,649	23,165	..	15,011	7½	4,000	4,074
Rubber Estates of Johore	Dec. 31	25,953	9,817	35,770	..	9,375	5	..	26,395
Sungei Kruit	Dec. 31	9,274	6,877	16,151	..	6,500	10	2,000	7,651
Tea.									
Hingurugama Tea and Rubber ..	Dec. 31	1,819	18,908	20,727	..	16,720	22	2,000	2,007
Rosehaug (Ceylon)	Dec. 31	2,451	31,589	34,040	..	30,000	15	2,025	2,015
Scottish Ceylon	Dec. 31	3,329	23,205	26,534	630	17,850	35	4,619	3,435
Trusts.									
London and South American Investment	Mar. 31	72,530	28,810	101,340	..	24,219	6½	77,121	28,176
Other Companies.									
British Oil and Cake Mills	Dec. 31	26,280	279,167	305,447	40,871	193,841	7½	40,000	30,735
City of Santos Improvement	Dec. 31	10,053	49,528	59,581	12,000	28,000	3½	11,000	8,581
D. Hill, Carter, and Co.	Feb. 19	740	6,615	7,355	3,000	2,500	5	..	1,855
General Steam Fishing	Mar. 1	110	Dr 4,320	Dr 4,210	..	698	3	Dr 5,728	820
John Shields and Co.	Dec. 31	619	966	1,585	5,000	..	..	..	585
Joseph Nathan and Co.	Sep. 30	48,287	11,486	59,773	31,560	..	..	28,213	20,763
Fenarth Pontoon, &c.	Dec. 31	6,046	3,474	9,520	..	3,054	6	6,466	3,168

* Half-year.

during the past six months. The pressure for prompt loading has been exhausted, and with the collieries producing a little in excess of the normal output, the supply of free coal has been daily increasing. Individual collieries are still fully stemmed, and these have been maintaining their quotations, but what little business has been passing has been taken up by less favourably positioned collieries at reduced prices. Buyers, however, are withholding their hands in the expectation that after the holidays they will be able to secure coals at still lower prices, for they are influenced by the view that current prices are determined less by costs of production—which must be increased under the terms of the wage settlement—than by the current demand. The fall in prices has been heaviest among the lower grades of small coals, and these, in some cases, are from 2s 6d to 3s per ton lower than they were a fortnight ago. The large steam coals are down to the extent of from 1s to 1s 6d per ton. The current approximate quotations are as follows:—Best Admiralties, 30s to 31s; second Admiralties, 28s 6d to 29s 6d; best drys, 28s to 29s; black veins, 30s to 31s; Western Valleys, 29s to 30s; Eastern Valleys, 27s to 29s; best bunker smalls, 20s to 21s 6d; ordinary cargo smalls, 17s to 18s; coking smalls, 21s 6d to 22s; anthracite big vein, large, 41s 6d to 45s; machine-made cobbles, 50s to 52s 6d; French nuts, 50s to 52s 6d; stove nuts, 47s 6d to 52s 6d; rubbly culm, 15s 6d to 16s; coke for export, 60s; inland blast-furnace coke at ovens, 30s to 35s; patent fuel, 29s to 32s; pitwood, ex ship, 25s 6d to 26s 6d. In the iron and steel trades business has been nominal, with prices unchanged.

METALS.

Tin opened firmer, with a good demand for all positions, but later a quieter tone ensued, and prices gave way on realisations. Standard cash changed

left to make calculations of their own, which are largely guesswork.

Another pre-war custom which needs reviving is that of announcing when the list of arrivals will be closed. We think the time has arrived when it could be safely announced by selling brokers that wool on vessels sighted at 4 p.m. eight days before the commencement of any series of sales would be included in that series. However many days of grace are allowed before closing the list of arrivals, the period should be made public, and now that B.A.W.R.A. wools will soon have all been disposed of there is no reason why a clear and definite statement should not be made. The long period between wools arriving in Coleman Street and the opportunity for them being included in the catalogues has been used against Coleman Street as a selling centre. It should be possible to revert to pre-war conditions as they relate to arrivals, wools being available for sale at the earliest possible moment.

Our Bradford correspondent, writing on Wednesday, says:—The market has presented a quiet appearance this week, and very little real business has been attempted in view of the holiday break. There seems to be a general tendency to mark time and await developments, and as there are no public wool sales in any part of the world, there is no outside influence to stimulate interest. The worst feature in this centre is the continued neglect of merino tops and yarns. Topmakers' quotations remain steady, but there is not enough business passing seriously to test the position. Holders feel, however, that the strong wool position is sufficient justification for them to maintain their prices, and they are apparently content to wait for prospective buyers to come into line. There is just a steady demand for crossbreds, and all quotations are firm at recent rates. Spinners of Botany yarns are badly off for orders, and difficulty is still experienced in getting particulars. Quotations in this section of the trade are very irregular, and some fair stocks of fine counts are beginning to accumulate. Activity in crossbred yarns is well maintained, demand both on home and export account having been very brisk in recent weeks. Most firms have enough orders on their books to keep their machinery employed for several months, and quotations remain very firm. It is manifest that a big potential market exists on the Continent, and anything that tends to stabilise exchanges and make for more settled conditions should react favourably on this market. There is not much change in the piece-goods trade. Buying on home account shows some expansion, but a marked improvement in the weather is needed in order to give this branch a fillip. Overseas demand is somewhat "spotty," but inquiries are fairly numerous.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—April 11, 1924.

Description.	Com.	Med.	Good Med.	Med. Fine	Fine.	Extra Fine.	Same Period 1923.			Same Period 1922.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	d	d	d	d	d	d	d	d	d	d	d	
Florida do.....	..	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	
Georgia do.....	..	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	
American.....	Ord	G O L M	Med G M	Med F	G O L M	Med F	G O L M	Med F	G O L M	Med F	G O L M	
Brazilian.....	Mid	M F	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	
Pernam, Macao, &c.....	..	1821	1921	2021	..	1505	1570	..	8-31	1031	..	
Parahyba, Rio Grande, &c.....	..	1821	1921	2021	..	1505	1570	..	8-31	1031	..	
Ocaia, &c.....	..	1821	1921	2021	..	1505	1570	..	8-31	1031	..	
Sao Paulo.....	..	1821	1921	2021	..	1480	1530	..	9-31	1031	..	
Egyptian.....	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	
Upper.....	..	2080	2150	2180	2230	2300	1605	1620	1735	2225	1325	
Sakellaridis.....	..	2080	2210	2240	2350	2480	1620	1735	1925	1425	1650	
Brown.....	..	2080	2220	2240	2350	2480	1605	1620	1735	1225	1475	
Peruvian.....	Mid	M F	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	
Rough.....	..	..	..	..	..	..	..	..	..	..	..	
Moderately Rough.....	..	..	..	..	..	..	..	..	..	..	..	
Smooth.....	..	1996	2046	2121	2146	2171	1570	1645	1745	981	1158	
Tangula.....	..	2046	2096	2121	2146	2171	1570	1645	1745	1008	1158	
Mitani.....	..	2025	2125	2145	2165	2185	1570	1645	1745	1100	1158	
West Indian, &c.....	..	..	..	..	..	..	..	..	..	..	..	
Do.....	..	..	..	..	..	..	..	..	..	..	..	
African, East, &c.....	1590	1690	1840	1940	2005	2360	1205	1380	1580	2300	2900	
Do.....	..	..	..	..	..	..	..	..	..	..	..	
East Indian.....	G F	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	
Machine Ginned Surtee.....	..	..	..	..	..	..	..	..	..	..	..	
Machine Ginned Broach.....	..	1460	1500	1540	1580	1620	1180	1220	1300	845	1015	
Machine Ginned Brownugar.....	1215	1265	1315	1365	1415	1465	975	1025	1125	770	820	
Machine Ginned Oomra, No. 1.....	1225	1275	1325	1375	1425	1475	985	1035	1135	780	830	
Machine Ginned Oomra, No. 2.....	..	..	..	..	..	..	..	..	..	..	..	
Machine Ginned Khandesh.....	..	1225	1275	1325	1375	1425	935	985	1085	730	780	
Machine Ginned Comptab.....	1480	..	..	..	..	..	..	..	..	..	..	
Machine Ginned Bengal.....	1190	1230	1270	1310	1350	1390	910	950	930	660	680	
Machine Ginned Solnde.....	1180	1220	1260	1300	1340	1380	830	870	920	650	690	
Tinnivelly.....	1615	1655	1695	1735	1775	1815	1378	1415	..	1015	1055	
American-Scinde Punjab.....	1515	1555	1595	1635	1675	1715	1150	1190	..	815	855	
Madras, Western.....	..	..	..	..	..	..	..	..	..	..	..	
Madras, Northern.....	..	..	..	..	..	..	..	..	..	..	..	
M.G. Coconada, Red.....	Fr.	1445	..	..	..	..	1190	1215	..	840	880	
China, Smyrna, &c.....	..	..	..	..	..	..	..	..	..	..	..	

MANCHESTER, April 15.

Trade developments in the market have been somewhat checked by the easier tendency and wide fluctuations in raw cotton rates. Many merchants seem to be afraid of depreciation in values. Cloth inquiry has continued extensive, but most of the demand is for early delivery. Shippers to India continue to give steady support in light bleaching and printing cloths. Rather more bids have been about in grey shirtings, but most of them have been too low. China has not been active, but something has been done in whites and fancies. News from Egypt continues rather better. Finishing cloths have been sold in fair quantities for the Continent and South

America. Manufacturers tend to strengthen their position. Quotations in American yarns have been well held, but spinners have had to shade prices to secure orders, and the turnover has been of moderate extent. Steady buying continues to take place in Egyptian counts, and full rates have to be paid for anything wanted.

(I) Comparative Statement of the Cotton Trade.

	Price, April 15, 1924	Previous Weeks in 1924.				
		Price, April 10.	Price, April 5.	Price, March 27.	Price, March 20.	Price, March 13.
Raw Cotton—Fully Mid. American.....	18.61	19.28	17.83	16.55	17.58	17.01
Sakellaridis Fully Good Fair.....	21.90	22.40	21.45	20.50	21.40	20.60
Yarns—32's twist.....	27 1/2	27 1/2	26 1/2	25 1/2	26 1/2	25 1/2
— 40's twist.....	27 1/2	28	27	26 1/2	27 1/2	26 1/2
— 60's twist (Egyptian).....	34 1/2	34 1/2	33 1/2	32 1/2	33 1/2	32 1/2
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	38 3/4	38 3/4	37 1/2	36 1/2	37 1/2	36 1/2
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	42 1/2	42 1/2	41 1/2	40 1/2	41 1/2	40 1/2
38-in. ditto, 38 yds, 18 by 18, 10 lbs.....	21 1/2	21 1/2	21 1/2	20 1/2	21 1/2	20 1/2
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs.....	19 3/4	19 3/4	19 1/2	18 1/2	19 1/2	18 1/2

(II.) Compared with Previous Years.

	Price, April 15, 1924.	Corresponding dates in				
		1923.	1922.	1921.	1920.	1919.
Raw Cotton—Fully Mid. American.....	18.61	15.57	10.38	18.02	27.02	18.11
Sakellaridis Fully Good Fair.....	21.90	17.35	17.50	17.75	85.60	26.59
Yarns—32's twist.....	27 1/2	23 1/2	17 1/2	18	61	28
— 40's twist.....	27 1/2	23 1/2	17 1/2	18 1/2	56	28
— 60's twist (Egyptian).....	34 1/2	29 1/2	28	31	145	52
32 in. Printers, 116 yds, 16 by 16, 32's and 50's.....	38 3/4	33 1/2	29	38	6101	45
32 in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	42 1/2	36 1/2	29	35	0 95	44
38 in. ditto, 38 yds, 18 by 18, 10 lbs.....	21 1/2	18 1/2	18	21	61	26
39 in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs.....	19 3/4	17 1/2	16 1/2	18	61	24

HIDES, LEATHER, AND ALLIED TRADES.

(BY OUR CORRESPONDENT.)

As no hide sales were held this week in Bermondsey, owing to the Easter holidays, prices quoted last week hold good. The tone, however, seems slightly weaker, as provincial prices have here and there declined a fraction. Calf skins remain steady, and as the chrome calf outlook seems better, home tanners are rather more anxious to get supplies. Wool skins are as firm as ever, as fell-mongers seem eager to obtain them, owing to the good prices obtainable for pelts and wool. Business in foreign hides has fallen away this week, as tanners are looking for lower prices in the River Plate; drys are steady, with tanners of cheap sole and upper stock ready to snap up any bargains on offer.

Cables from the United States report the Chicago position as weak, with best heavy packers now selling at 12 cents.

Trade in sole leather is fairly well maintained, although the general opinion is that business has fallen away a little this week. This is, however, usually the case before a holiday, and does not mean trade generally has slumped. Prices remain firm, but it is rumoured there are bargains to be had in bends, owing to a quantity being thrown on the market originally meant for the export trade.

The demand for box and willow calf has been quite good this week, and holders are very firm on prices, several advances having been obtained. Semi-chrome kips are wanted at very low prices, and as rough East India kips are still dear carriers are rather in a quandary. Glacé kid, suede, and patent are all good sellers, with prices advancing.

The shoe section seems to be moderately employed, the chief demand being for ladies' shoes and sports goods. The export is well maintained, the Irish demand being exceptionally good.

VEGETABLE OILS AND OILSEEDS.

Markets settled down for the holiday, quiet, but fully steady. Of late values have fluctuated very little, and a good business has been done in satisfying home consumers' demands. Raw linseed oil is steady at £36 10s to £37 for April delivery, and at rather less for May onward to December. Although there is some demand for shipment, it is mostly for places outside Europe. Cotton oils are about unchanged, crude Egyptian quoting at £40, and soapmakers' grade of refined at £42, naked, ex Hull mill. Other vegetable oils are featureless.

NATIONAL PROVIDENT INSTITUTION

The Results for the Year 1923 show INCREASES in the Business transacted, the Premium Income received, and the Rate of Interest realised on Investments, and a DECREASE in the amount paid for Claims by Death.

Full particulars of the Office and the Policies it issues can be obtained from:—

48 Gracechurch Street, E.C.3.

In the oilseed section linseed is quiet, but steady, Plate offering freely at £17 15s for afloat and all positions to the end of May. Egyptian cottonseed, however, has further eased in the absence of buyers.

The exports of vegetable oils from Britain to places abroad in the January-March quarter were in advance of a year ago, those of refined being 8,977 tons, against 5,353 tons, and of unrefined 30,535 tons, against 21,247 tons in the corresponding quarter of last year. Although linseed oil exported was only 5,806 tons, against 6,813 tons and 17,684 tons in the corresponding period of last year and 1922, the exports of cotton, soya, and palm kernel oils showed a considerable advance, notably the last-named, of which 10,962 tons were shipped, against 4,208 tons in the same quarter of last year. The increase in soft oils for edible purposes has been due to the heavy Continental demand.

THE TIMBER TRADE.

(FROM OUR OWN CORRESPONDENT.)

The very severe weather that has been experienced in the European wood shipping centres has had the effect of greatly curtailing our imports of building woods, which decline has been accentuated by the labour troubles in the Norwegian wood industry. However, the opening of the middle European ports has already commenced, and for the next month ice will gradually give way to clear seas for the transport of fresh supplies.

This late opening of navigation has been somewhat of a relief to the trade, inasmuch as stocks of imported timber are still of a bulky character, and the "exceptional demand" for wood anticipated for so long has not been justified by results. Spot prices have kept fairly firm on the whole, but there have been many anxious sellers who either have not been able financially to hold the whole of their stocks or doubt that, as many expect, prices will improve before very long. As a matter of fact, not only are European shippers asking higher prices f.o.b. than in January, but freight rates have shown a decided improvement, yet so far spot prices have not been able to firm up in accordance with shippers' and shipowners' ideas.

It will be gathered, therefore, that the building woods market, left to function without official interference, has been in favour of consumers, as we suggested would be the case in a previous article in the *Economist*. The report of the Government Housing Committee, which predicts a possible consumption of 125,000 standards of wood for housing, must have some significance on the market, and no doubt the news of 50,000 new houses in prospect for this year (to say nothing of 2,500,000 new tenements within the next 15 years) will add to foreign wood exporters' confidence, as we believe the glowing reports in the Press of "great housing schemes" have done in the past, but provided the trade is left to work out its own salvation this should not have such an effect on prices as European shippers and other interested sellers might imagine. Our imports of sawn soft woods in 1923 reached over 1,400,000 standards—true, not all for building purposes, but principally for that work, and provided the Continental consuming countries, like last year, are not too pressing in their demands this season, this call for additional timber for housing should not be so seriously felt as many believe, especially in view of the expected greatly increased supplies from Russia and the very probable larger imports from middle Europe to supplement the very large quantities coming from Sweden and Finland.

As regards the Canadian spruce market the demand for the lower qualities for packing-case work has been greatly curtailed in this country by the cheaper white wood obtainable from Central Europe; even on the Lancashire coast Canadian shippers cannot "get in" at their present asking rates. In American pitch pine timber prices are firm; the demand has improved, but the troubles in the shipbuilding yards will restrict business for this and good quality Canadian spruce, Oregon pine, teak, and other timbers for that industry.

In the furniture wood section of the trade the import of mahogany logs has shown a decline as anticipated; this is expected to continue, and the market for this description is firm for nice squared logs of good dimensions. In other hewn hardwoods the imports have been much larger than last year; but of this small branch of the wood trade the demand generally is only fair. In the sawn wood department of the hardwood trade mahogany planks and boards have shown a slight increase this year compared with the first quarter of 1923, and would have been larger but for rising c.i.f. prices. Other descriptions of sawn hardwoods have arrived in increasing quantities, particularly the various classes from the United States (described by sellers and consumers as American lumber), as well as hardwoods from the East Indies.

Pitwood is a disturbed market at the moment whilst work at the collieries is so uncertain in the early future, and imports are very much lighter compared with a year ago.

In the native timber trade the position is fairly satisfactory for all first-class wood, oak, ash, sycamore, &c., the railway companies being in the market for good-class oak. The poor class of material is hard to sell. Native timber, however, must necessarily compete with the large supplies of American, Canadian, and European hardwoods, for which this market is very attractive.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Wednesday, April 16.

SUGAR.—British refined in moderate request, and prices reduced 1s per cwt, spot, and 1s to 2s forward. Messrs Tate and Lyle's cubes, quoted 62s 3d to 63s 3d; crushed, 60s 9d; granulated, fine and coarse

grain, 60s 1 1/2d; No. 1, 59s 10 1/2d; No. 2, also London and T.L., 59s 7 1/2d; ditto, May-June, 58s 6d; yellow crystals, spot, 55s 1 1/2d. Imported easier. White Java, spot, 57s 6d; May-June steamer, 24s 6d; June-July, 23s 9d; July-August, 23s 3d, c.i.f. London-American granulated, April-May, 30s 6d. Czecho granulated, spot, 58s 3d; May-June, 29s 9d, f.o.b. Hamburg. Terminal irregular. White, May, sold, 28s 1 1/2d to 28s 4 1/2d, 28s 3d, and 28s 10 1/2d; August, 25s 1 1/2d to 25s 4 1/2d and 25s 9d; October, 23s 6d; November, 22s 3d; and December, 22s 1 1/2d per cwt. Cuban receipts for the past week totalled 181,894 tons against 157,696 tons at same time last year. Exports: 91,880 tons against 108,318 tons. Stock: 840,366 tons against 727,174 tons. Centrals working, 162 against 137. Weather fine.

COFFEE.—Spot market steady, with moderate inquiries for suitable home trade qualities. Futures quiet. May quoted 90s 9d; July, 86s 9d per cwt.

COCOA.—Spot parcels moved off slowly at late rates. Accra, F/F quality, April-June shipment, quoted 33s per cwt, f.o.b.

TEA.—Private contract market firm, with a fair demand. SPICE.—Pepper generally steady. Black Singapore L.S., April-June, quoted at 4 1/2d; Lampong, August-October, 4 1/2d; Muntok, white, April-June, 8 1/2d; May-July, 8 1/2d. Zanzibar cloves, spot, 1rd to 1s per lb, as to quality. Tapioca in quiet request at late rates. Sago flour, February-April, quoted, 14s 9d; April-June, 14s. Dried coconut, fine cut, spot, 41s; medium, 44s per cwt. Ginger remains firm.

RICE remains quiet on European account, but shippers required late rates, and offer sparingly. Japanese peas, spot, quoted 22s 3d; and Madagascar butter beans, new crop, spot, 34s 6d to 35s 6d per cwt.

JUTE quiet, but prices steady. First grade, to Continent, quoted, March-April, £27 2s 6d; April-May sold at £27 10s; May-June, quoted £28; and August-September, £29 10s per ton. Hessians and twills quiet, unaltered.

HEMP.—Manila steady. J grade, April-June, quoted £39; K, £34; L, £33; and M, £28 10s. New Zealand, also African sisal, unaltered.

SEELLAC steady. T.N., spot, quoted 280s; May, 270s; August, 265s per cwt.

COPRA quiet, and tendency easier. F.M.S. Straits, February-April, to Rotterdam, quoted £27 2s 6d; March-May, £27; April-June, £26 16s 3d. Dutch E.L., February-April, £27; March-May, £26 17s 6d. Ceylon, April-May, £29; South Sea Islands, £26. Palm kernels steady, quiet. April-June, Liverpool, £18 17s 6d per ton.

RUBBER quietly steady. Plantation, standard crepe and sheet, spot, also April, sellers, is 0 1/2d; May, is 0 1/2d paid; June, is 0 1/2d; July-September, sold, is 1d to 1s 0 1/2d; and October-December, is 1 1/2d to 1s 1 1/2d per lb. Wild sorts dull.

FRUIT (DRIED).—The market in a general sense remained fairly steady, and a moderate demand was experienced. Of currants, Calamata, 1/2 cases, quoted 43s; Pyrgos, ditto, 44s; Amalia, 48s; Panariti, 50s; Gulf, 52s; Vostizza, 63s to 70s. Greek sultanas, 1/2 cases, 52s; Smyrna (boxes), 60s to 65s; ditto, fine and finest, 75s to 80s. Raisins: Valencia, 1/2 boxes, 48s; quarters, 50s to 54s; Cape, new crop, 48s to 52s. Figs, genuine natural, in bags, good, 35s; fine, 38s to 40s. A small business in dates is almost entirely confined to Siar. Hallowee, quoted 28s; Khredrowie, 20s; Siar, 16s 6d. All evaporated fruits remain in very small supply. Californian apricots, standards, quoted 80s; choice, 90s; extra choice, 108s. Peaches, choice, 53s; extra choice, 60s. Apple rings, 88s. French plums, 1/2 cases, 90/95, quoted 38s 6d; 81/86, 40s; 72/77, 46s; Oregon, 30/40, 72s; 40/50, 52s; 60/70, 42s cwt.

CANNED GOODS.—A firm tone prevailed in all directions, though buyers at the moment are not anxious, having now mostly filled in holiday requirements, but prices in most cases manifest a hardening tendency for later trade. Sardines, Portuguese quarter flats, quoted 3s to 3s 3d; clubs, 3 1/2d to 4s; 12 oz, 5s 6d to 7s 6d; 18 oz, 9s 6d to 11s 6d per dozen tins. Fine qualities are very scarce. Lobster, fancy halves, 135s. Crayfish, 96 1/2 lbs, 74s. Salmon, 1 lb flat reds, labelled, quoted 55s; ditto, tall, 43s 6d; 1 lb flat pink, 27s; ditto, tall, 26s 6d; cases of 96 1/2 lbs, 28s to 30s per case. Canned fruits: Singapore pines, 1 1/2 lbs, spot, 6s 9d for 48's; Californian apricots, 8s to 11s; ditto, peaches, 10s 6d to 13s; pears, 13s to 15s 6d; Italian tomatoes, 7s to 7s 3d per dozen tins.

OILSEEDS.—Linseed generally quiet. Indian: Calcutta, afloat, £20; March-April, £19 15s; April-May, sold, £19 7s 6d. Plate, afloat, sold, £17 15s; March-April, sold, £17 15s; April-May, £17 12s 6d. Rape seed firmer. Toria, March-April, £17 17s 6d; April-May, £17 15s; Jamba, March-April, £13 15s; and real bold Ferrozepore, April-May, £17 10s; May-June, £17 7s 6d. Cottonseed: Egyptian, quiet. Egyptian, black, April, £12. Sakellaridis, £12. Bombay, March-April, £10. Gingly seed quiet.

	Apr. 23, 1924.	Apr. 16, 1924.	Apr. 11, 1924.	Apr. 4, 1924.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount/Call	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice	2½	2½	2½	2½	1½ (Jly. 5, '23)
Market rate 3 months' bills)	3½	3½	3½	3½	..

The Bank return showed a decrease of £621,000 in the note circulation, and an increase of £11,000 in the stock of gold and till money, making the Reserve £632,000 higher. Government securities expanded by £1,320,000, and Other declined by £350,000. Public deposits declined by £4,698,000, and Other deposits were thus £6,309,000 higher, standing at 108½ millions. Currency notes outstanding show an increase of £276,000 to £292,428,800, which includes £1,396,600 for notes called in but not yet cancelled. The fiduciary issue is £241,582,100, or £6,608,800 below the maximum.

THE STOCK MARKETS.

The volume of business in the Stock Exchange since the Easter holiday has not been up to expectations. Gilt-edged stocks have remained firm, and there has been some speculative demand for stocks and shares in the companies likely to benefit from the British Empire Exhibition, but elsewhere there has been little activity. French bonds have improved with the value of the franc, but the decline in the yen adversely affected Japanese bonds. Home Rails are a little better, and Metropolitans have again moved up. The oil market has been the principal feature among industrials on rumours of a working arrangement between the Shell, Burmah and Anglo-Persian companies. The mining market is languid, and has not attracted the attention of the public.

THE COMMODITY MARKETS.

Holiday influences have restricted trading in many directions in the commodity markets. In the cotton trade, although there was a good demand for piece goods, little business was actually transacted. Business is quiet in the wool trade. The wheat market is dull and inclined to droop. Linseed oil is easier. Hides are a shade weaker. The position in the pig-iron market remains without incident, and prices are unchanged. The same remark applies to manufactured iron and steel. Conditions are varied at Sheffield; while some firms are closed, others are busy. Tin is slightly lower, while copper is weak. Rubber met with increased attention, but demand dwindled away. Sugar is lower. Further information about markets and prices will be found on later pages from our special trade correspondents.

FOREIGN EXCHANGES.

After the holidays there was a sharp increase in activity on the foreign exchange market, which, especially on Wednesday and Thursday, was busier than for some weeks past, interest centring mainly round the rapid movements of the franc and the appreciation of sterling in New York. From 69.60 on the 17th and 19th, the Paris rate moved down rapidly on Tuesday and Wednesday, being at one time on Wednesday morning as low as 63.30, or not far short of half the rate of 120 quoted so short a time ago as March 10th. In the afternoon, however, there was a reaction on the falling off of American demand, and the closing rate on Thursday had reacted to 68.77½, with a slight recovery yesterday morning to 68.60. The main factor in this week's appreciation would seem to be optimism as to the progress of the Experts' proposals, a dangerous basis for an improvement which has already been carried much too far for the comfort of French export interests, and unless the Government is determined for political reasons to keep the rate at the present level, a further reaction may be expected. The Brussels rate has followed in the main the same course as that of Paris, moving from 81.25 on the 17th down to as low as 73.75 at one time on the 23rd, and up again to 80¾ yesterday morning. Forward quotations in Paris have widened slightly to 25c per month over spot from 20c a week ago. In Brussels they have moved from 5c above to 1c below.

The same growth of optimism is responsible to a large extent for the rapid improvement in the dollar, which moved from a closing rate of \$4.35½ on the 17th to as high as \$4.40½ for a short time on the 23rd, after which it has fallen away again quietly to \$4.37½ yesterday morning. Although the improvement in the middle of the week was at too rapid a pace to last, there would seem to be no reason why a somewhat quieter appreciation should not continue for at least a few more weeks to come. Forward quotations at ½ cent per month above spot are slightly wider than the ¼ quoted a week ago. Another currency which has moved rapidly during the week has been the yen, which, under the cumulative pressure of imports to make good the earthquake devastation and of the recent sharp restriction of import credits, has continued its fall from 15 10½d on the 17th to 15 9½d yesterday morning. The lira has remained comparatively steady, and shows even a slight depreciation, being quoted at 98½ yesterday, as compared with 97.70 on the 17th. The Amsterdam rate, following mainly on the dollar, jumped from 11.70½ on the 17th to 11.87 for a short time on the 23rd, since when it has reacted again to 11.76½. Switzerland, after moving in our favour, is back again at 24.69½, as compared with 24.75½ a week ago. Madrid, after a sharp improvement down to 30.90, has reacted again somewhat, but, at 31.52½, is still below last week's figure of 31.67½. In Central Europe the German mark remains steady at 19 billion, and Warsaw continues fixed at 40 million, pending the definite conversion into the new zloty currency. Vienna, following the dollar, has moved up a little from 308,500 to 310,000 kronen. Budapest, in anticipation of League of Nations control, has steadied considerably. Prague has depreciated slightly from 147½ to 148½. Belgrade remains steady, and Bucharest is slightly better at 837½. In Northern Europe, Christiania and Copenhagen both show improvement from 31.55½ to 31.47½ and from 26.27½ to 26.10½ respectively. Stockholm, however, has reacted from 16.52½ to 16.67½, and Helsingfors from 173½ to 175½. In the East, the rupee is somewhat dearer at 15 4½d, as compared with 15 4¼d. The silver market has been very quiet over the holidays, and prices have eased away owing to the recent improvement in sterling. Hong Kong stands at 25 4½d, as compared with 25 4¼d, Shanghai at 35 2½d as compared with 35 2¼d. In South America, Rio has fallen away a little from 6½d to 6 5-32d, while Buenos Ayres has moved down from 41 9-32d to 40d, and Monte Video from 43d to 42½d. Valparaiso, however, has appreciated from 40.50 to 39.10 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended April 19th:—

(000's omitted.)		Receipts.	
EXPENDITURE.		From Revenue	
Supply Services	7,600		17,395
Interest, &c., on Debt	4,974		
Sundries	554		
Reduction in Debt	4,019		
Increase in Balances	249		
	17,395		17,395

Revenue amounted to £17,395,800, against £20,813,200 in the corresponding period of the preceding year. Customs yielded £1,053,000, against £2,417,000, and Excise £6,301,000, against £8,908,000. Estate, &c., duties produced £1,290,000, against £860,000. Property and Income-tax yielded £3,163,000, against £2,144,000, and Super-tax £1,470,000, against £1,770,000. The week's operations reduced the National Debt by £4,018,700, and caused the following changes:—

(000's omitted.)		Receipts.	
EXPENDITURE.		From Revenue	
Unemployment Insurance	200		7,610
4% Treasury Bonds	1,378		200
Public Dept. Advances	2,350		37
	3,928		7,847

The floating debt was reduced by £5,305,000 to £758,930,500.

FINANCIAL YEAR, 1924-1925 (April 1 to April 19).

£		£	
Total Expenditure ..	52,341,478	Raised by Revenue ..	62,959,730
Net Repayments	13,079,311	Decrease in Balances	2,461,069
Total	65,420,789	Total	65,420,789

FINANCIAL YEAR, 1923-24.

£		£	
Total Expenditure ..	788,840,211	Raised by Revenue ..	837,169,284
Net Repayments	48,515,626	Decrease in Balances	186,553
Total	837,355,837	Total	837,355,837

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Law Union and Rock Insurance, Indo-European Telegraph, Nestlé and Anglo-Swiss Condensed Milk, Monte Video Water Works, and James W. Cook and Co. At the meeting of the Law Union and Rock Insurance, Mr C. G. Hamilton stated that there were very good prospects for the quinquennium. Mr H. L. M. Tritton, at the meeting of the Indo-European Telegraph Company, said their through route for international traffic was now open, and they were carrying good traffics.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

MONTHLY TRADE SUPPLEMENT.

We publish this week our Monthly Supplement, in which will be found an appreciation of the trade situation at home and abroad, together with statistical information on the foreign trade, price movements, currency, and production of the leading commercial countries of the world. Its contents include a statistical article analysing the sources of our wheat supply.

THE REPARATION REPORT.

A FURTHER study of the report of the Reparation experts fully confirms the observation of President Coolidge that the production of this document is the most important event in international affairs since the Armistice. In spite of political differences and long-lived illusions, experience remains the greatest of teachers, and the world has moved a long way towards a common point of view as to what is and what is not practicable in this problem of reparations. The Dawes Report is built up on the lessons of the last five years, and embodies principles which are agreed between economists, and to which even politicians now give their adhesion. But we should be doing injustice to the experts if we implied that the report is merely a corollary of the past history of the reparation question. The report is a constructive piece of work of the highest order of merit, which has laid the whole world under a deep debt of gratitude to its authors. We have no desire to penetrate behind the secrecy of a unanimous report which is obviously the result of laborious discussions ending in the reconciliation of varying points of view. But one or two points are evident from the text itself. Thus, the report marks a considerable advance towards the French standpoint in the matter of specific guarantees, if we compare it with the discussions, let us say of the autumn of 1922, when the disposition on the part of Great Britain was to stress the point that the Allies should not interfere with German economic activity. In this specific development of the proposals, the report obviously owes a great deal to the continuous work that has been done for the last year or so by Belgian experts in the direction of working out the means of exploiting certain definite German assets. Elsewhere those who are familiar with the public work of Sir Josiah Stamp on public finance will have no difficulty in recognising his hand at many points of the report.

The outstanding feature of the scheme is that it makes no attempt to fix the ultimate sum payable by Germany. The Germans themselves are not decided as to whether to quarrel with this omission or not. To some extent it emerges from the limitation put upon the terms of reference by M. Poincaré, who objected

to the writing down of Germany's final debt. There is more, however, in the omission than this, for it emerges as a natural conclusion from the arguments brought forward in the report itself. If the experts had been asked to fix a sum they might conceivably have agreed upon a figure, but to the question, What is the most that Germany can ultimately pay without undermining the incentive to restore her economic life? the answer of the experts must have been, "We do not know." They have, therefore, produced a practical working programme for the next five years. They propose thereafter to apply a working index of Germany's capacity to pay, and both before and after the index comes into operation they provide that there shall be machinery set up which will prevent the payment abroad of sums so large as to imperil the stability of the German exchange and her new currency system. The problem has thus been approached as a practical business proposition, and as such differs profoundly both from the fanciful arrangements of the London Conference of 1921, and from the hand-to-mouth proceedings of the Reparation Commission in 1922, which could do no more than fix limited payments for a few months ahead.

When we come to detail, there is room for very considerable discussion on the merits of particular proposals. One point which is being considered with much heart-searching in France is the device for setting a limit to the amount of reparation to be paid according to the state of the exchanges which reflects the ability to make payments abroad. We do not think the difficulty of making foreign payments will be as serious a limitation as might at first sight appear; for if the scheme succeeds at all, it is certain to be followed by a considerable influx of capital into Germany, which at present is very short of circulating capital. This will come partly from foreigners who will resume investment in that country, and to a less extent possibly by the return of some of the capital held by Germans abroad—though the McKenna Report shows that this is not very great in amount, and enormously less than before the war. This influx is likely to continue through the period of restoration. It is a not unnatural suspicion in France that the Germans might wreck the scheme by an attempt to smash the exchanges, or, at all events, to make such large payments abroad on commercial account as to make it impossible to get payments for reparations over the exchange. But the situation is protected in this respect by the constitution of the Gold Bank, which will largely have in its hands the means of controlling finance and foreign trade, and on this bank the creditors of Germany have the means of checking a wrecking policy in regard to exchange. There is also the power in reserve of increasing payments in kind.

Another important criticism is that the scheme provides no control for the general German Budget, and only contains advice to the German Government on items of taxation and expenditure which lie outside the scheme itself. It will be remembered that the reparation revenue is made dependent on the mortgage on railways and on industry, and on certain payments out of the Budget to be covered by assigned revenues. It is argued that without general control the remaining items of the Budget may be handled in such a way as to prejudice the financial position of the Government. This is a criticism of substance, and the weakness of the position is brought out in one very important section of the report itself which deals with the relation of the Reich to the separate States. The Budgets of the latter are still in a chaotic state, and are not yet framed on a gold basis. The experts observe that the importance of the question may be seen from the fact that "the Reich Budget, after allowing for the subsidies, contains little more than one-third of the total expenditure, one-third being met by the States and one-third by the Communes." It would be quite possible for the Communal Budgets to be enjoying considerable prosperity at the same time that the Reich Budget is in serious difficulties." In this connection the experts observe that "if our recommendations are accepted in their entirety, self-interest alone may almost confidently be relied upon to force the German Government to make provident arrangements with the States, and it has already given us an assurance that the régime of increased subsidies has come to an end and will not be revived." It will be readily agreed that, if the new régime is to be established, the expenditure of the component States cannot be allowed

to become a constant drain on federal resources. In considering this problem, the experts are clearly right in insisting on the self-interest of Germany, and the world must recognise as one of the basic facts of the situation that the German people are determined not to go through another period of financial chaos such as that of the autumn of 1923. But the experts do not rely only upon German good-will, for they observe that, while it is desirable that the machinery of control which they propose should be of such a nature as not to involve the assumption of responsibility by the Commissioner for German administration, they also recognise that "this principle cannot be adhered to in case default in the plan arises." In other words, some further steps may conceivably have to be taken. In this connection it would perhaps ease the path to complete understanding with France on the whole subject if Great Britain would give an assurance that we would co-operate with France in any additional measures that might be needed in this connection. After all, such steps are authorised by the Treaty of Versailles, which specifically refers to the possibility of taking such economic and financial measures as may be necessary to enforce payment. The clause is a wide one, and includes measures even to the extent of economic blockade, though, in British opinion, it does not include military measures.

The question of the moment is whether any immediate progress can be made on the lines of the report without waiting for the final settlement of other questions, such as the division of Reparation receipts, inter-Allied debts and French security. On the question of the division there are several first charges on the schedule produced by the experts, notably the cost of occupation—though whether this includes the cost of the Ruhr occupation will be one of the first and most difficult decisions. But in any case the net payments for some time to come will be small. Great Britain took the line last August that she would not ask for any Reparation payments except the 14 milliard of gold marks which she is paying to America. But this is itself larger than her share of the net payments that Germany is ever likely to make, and certainly the interest upon it would be a very large proportion of Germany's early payments. On the other hand, we could not now ask France to start repaying her debt out of her own resources without imperilling her own budget situation. It is improbable that America will take any steps towards cancelling the debt of France and Italy for some time to come, and certainly not during a presidential campaign. The only possible immediate step seems to be a definite arrangement by England and America for a moratorium on the European external war debts. If M. Poincaré, however, speaks the mind of his country it seems that France is not willing to leave the problem in this unsettled state, and what, therefore, seems to be needed at the moment is to associate with this moratorium a formula indicating that the creditors of the European Allies will limit their requests after the end of the period of moratorium in accordance with some "prosperity index," or test of ability to pay. We adhere to our view that in return for a settlement both America and England should cancel their claims, but in view of the political position in the United States we think more headway might be made on the lines we have suggested.

On the security question the general lines are fairly clearly laid down, for there is little likelihood that this country would agree with any undertaking by France other than that indicated by the Mutual Guarantee in the League of Nations.

These larger questions are now beyond the power of negotiation. But we confess that the situation is not free from anxiety. It is possible that Germany would be more likely to accept the report before rather than after the elections, and the outlook would be greatly improved if the report were definitely accepted, not as a basis for discussion, but as an agreement in principle. M. Poincaré, however, seems to be in no great hurry, and there is a very real danger that once more the favourable opportunity may be missed. This is a moment when a very great responsibility rests upon the Press and those who create opinion in France and Germany, no less than on the respective Governments.

WEMBLEY.

THE British Empire Exhibition at Wembley, which the King opened with imposing ceremonial on Wednesday, is probably the biggest effort of its kind that the world has seen. It covers 220 acres, and on it has been spent £12,000,000, of which less than £2 millions has been spent by the Governments of the Empire and more than £10 millions by private bodies and concerns. Its amusement park alone, a mere adjunct of the real Exhibition, covers double the area occupied by the whole Exhibition of 1851. But Wembley's main claim to the world's attention does not rest upon a statistical comparison with the great exhibitions of the past, at Paris, Chicago, or San Francisco. Its unique interest rests on different grounds. It is the first attempt to present to the world a comprehensive picture in miniature of the resources, the productive power, the industry, the art and the skill of the many countries and peoples that go to build up the British Commonwealth of Nations. One may see there the products of one-quarter of the globe, and the uses to which they are put by the varied talents of hundreds of millions of British subjects. No one who is not devoid of business instinct, of the desire for enlightenment and instruction, and also of curiosity, will miss the opportunity of a visit.

In the huge task of preparation and organisation necessary to stage so great a show, it is inevitable that mistakes should be made, and targets exposed for the shafts of critics. Thus one hears glib, if irresponsible, gossip about methods of handling contracts and concessions, and many other matters; one hears also a rumbling of complaints from manufacturers and traders of the costliness of displaying their wares. This is not the time to probe into these complaints, or to assess the responsibility for such errors as may have been committed. The time for that is either past, or will come later. At the moment grumbles and cavillings are drowned in the universal wish to bring success to this great undertaking. It is, however, most desirable that we should regulate the extent of our hopes of success not in accordance with the fervour of enthusiastic sentiment, but by sober economic fact and human probability. To predict fantastic achievement is no more helpful than to cavil and belittle. In fact, the severest critics of the Exhibition will do it no more disservice than those who proclaim its magic potentialities for reviving trade and replacing old markets by new. There are those who still hug the illusion that we can make up for the loss of trade in European war-impooverished markets by a vastly increased trade with the Empire, and that Wembley will provide the impetus necessary. We do not doubt that there is room for an increase in the trade of Great Britain with the Dominions and colonies, and we yield to no one in our desire to see our trade not only with the Empire, but with the rest of the world increased. Nor do we wish in this connection to trespass at this moment upon controversial fiscal ground. But we would remind our readers of the abundant facts and figures which we have in recent times produced in these columns to show the remarkable steadiness in the direction of our overseas trade, and the immense difficulties in the way of diverting the natural trade stream. Kaleidoscopic changes in the orientation of external trade cannot be created either by Wembley or by any other instrument.

Not until these facts have been squarely faced can one reach a mental attitude suited to the task of gauging the potentialities of Wembley. These we believe to be considerable. Wembley will for the next six months be a meeting place of producers, traders, and manufacturers of the old country and her partners. Personal contact, first-hand information of needs, conditions, methods and powers of supply—these should surely bring tangible result. And that result need not be confined to the trade of different parts of the Empire with each other. One of the accepted beliefs of to-day is that advertisement pays. Thousands of business men from all countries in the world will come to Wembley, and there they will see a unique and arresting advertisement of the industrial and commercial possibilities of Britain and her sister nations. If modest business follows ordinary advertising, big busi-

ness should follow the greatest trade advertisement that the world has seen. Moreover, the conscientious visitor to Wembley, be he Briton, Colonial, or foreigner, will become familiar with resources and trade possibilities of which he has never heard; and this is a case where familiarity should breed, not contempt, but new ideas, new business plans, and new openings for enterprise. Thus it should be within the power of this great Exhibition to make some contribution towards the expansion not only of British Empire trade, but of world trade. There will no doubt be exhibitors who will not enjoy the immediate recoupment of their expenditure on display. But, in general, trade volume should derive ultimate benefit; and that is alone a sufficient reason why we join most heartily in the chorus of good wishes with which the Exhibition has started on its way.

The King, as usual, struck the right note in his speech at the opening ceremony, which the development of electrical science allowed millions of his subjects to hear. Referring to the famous Exhibition of 1851, and its aims, His Majesty said: "Our object here is not so ambitious, and for that very reason, perhaps, more hopeful of attainment." The Exhibition of 1851 aimed at nothing less than the establishment of peace among all nations, and was followed in a very short space by the Crimean War. The aim of Wembley is "the co-operation of brothers for the better development of the family estate," and that, to quote the Royal words, "can hardly fail to promote family affection." Again, in the King's closing words, the aims and possibilities of Wembley are succinctly and soberly summed up. "No nation or group of nations can isolate itself from the main stream of modern commerce, and if this Exhibition leads to a greater development of the material resources of the Empire, and to an expansion of its trade, it will at the same time be raising the economic life of the world from the disorganisation caused by the war."

THE MOTOR INDUSTRY AND McKENNA DUTIES.

WHEN Mr Baldwin raised the issue of Protection last autumn, and challenged the country to deliver judgment upon it, he ran the risk of destroying the results of all those efforts at piecemeal protection which previous Governments had achieved. The present Government has already declared that it does not propose to renew those provisions of the Safeguarding of Industries Act which expire in August next, and in some quarters the Chancellor of the Exchequer is expected on Tuesday to drop out of his Budget those McKenna duties on certain classes of imports which were imposed as a war measure in 1915, and continued annually since for other reasons. The industry chiefly affected by the abandonment of these duties is that of manufacturing private motor-cars, and we are warned by employees and trade unionists in Coventry that much unemployment must result from removing the duty of 33½ per cent. which is levied upon the imports of private motor cars, their chassis, components and accessories. The fears of Coventry may be well founded, though we find it difficult to believe for the reasons which we shall give that the abandonment of the duties will make much difference to the industry, one way or the other.

Although the McKenna duties were originally put on in the Finance Act of 1915, they had no protective effect upon the motor-car industry until the year 1921. The duties of one-third *ad valorem* were imposed upon private cars, clocks and watches, musical instruments, and cinema films, to check the imports of luxuries, and to save shipping space. Commercial vehicles and motor tyres were excluded from the operation of the duties because the country needed them for war purposes. It had no great need for private cars, and the firms which had been making them before the war were put on to munitions. After the Armistice and demobilisation, an immense demand set in for private motor cars which the British industry was quite unable to meet—partly because it had been disorganised by the war, partly because the demand was far beyond its utmost capacity to supply. The

McKenna duties, which their author had declared to be temporary, were retained by his successors, in order that the British motor industry might be assisted to get upon its feet. It cannot be claimed that the existence of these duties in 1919 and 1920 impeded at all the importation of foreign motor-cars. The public demanded cars so vigorously, and were willing to pay such high prices for them, that the duties became inoperative as a measure of protection. It may now be recalled that second-hand pre-war cars were selling in 1919 and 1920 at prices far in excess of their original cost, and that the theft, doping, and sale of motor-cars to uninquisitive purchasers rose almost to the rank of a recognised, though unlawful, industry.

It followed that from 1915 until the beginning of 1921 the McKenna duties upon private motor-cars, components, and accessories yielded revenue, but had little or no protective effect. In the two following years, however—those of 1921 and 1922—there was a protective operation of the duties which considerably assisted the industry of making private motor-cars. We distinguish between motor-cars and motor-cycles because, though the duties applied to imported motor-cycles, the British trade in them is so firmly established, both for home use and export, that imports of motor-cycles do not seriously compete with the British industry. By 1921 the manufacture of British motor-cars had become re-established, and imports were considerably checked by the McKenna duties. In 1920 23,807 complete foreign cars were imported and retained, while in 1921 the retained imports fell to 4,325 complete cars. The first stage of the duties was a check upon luxury imports, the second stage was a revenue tax, the third stage was the partial protection of a British industry.

This third stage, which may now be considered to be passing into a fourth stage, was of considerable interest. A great demand arose for small, highly-efficient cars, and the British makers developed rapidly a type of their own. The principal foreign competitors in this type (one French and three American) set up works in this country, and American makers also put up establishments in Canada, so that they might import cars and components under the Imperial preference provisions of the British Finance Acts. The fourth stage, upon which the industry has now entered, was reached. British makers began to compete severely with one another, especially in the market for popular low-power cars, and prices came down at the end of last year to a level which compared favourably with those ruling before the war. It was, one is disposed to believe, more the work of British manufacturers in perceiving and catering for a new class of motorist that gave them a predominance last year and early this year in the home market, than any direct effect of a tax on imported foreign cars. The chief foreign competitors for the custom of this new motoring class do not now import many complete cars; they bring in parts from France or from Canada and build them up into cars in their branch establishments in this country. That is what we have called the fourth stage in the operation of the duties, and it is one which an abandonment of the duties will be slow in affecting adversely. In 1922 retained imports were 12,992 cars, of which 7,122 came from Canada. In the course of last year, upwards of 80,000 new private motor-cars were licensed, of which about 65,000 were built or assembled here and 14,620 represented retained imports of complete cars, a large proportion again coming from Canada, and obtaining the benefit of preferential rates of duty. Of those built or assembled here, a considerable number contained foreign or Canadian parts imported by the Ford, Citroën, and General Motor companies.

We are disposed to think that the chief anxiety of British makers of the more popular types of cars is the problem of making a profit at present prices. The industry of making private motor-cars is at present very active, but not very profitable. Few of the companies concerned in motor-car manufacture are paying dividends to their shareholders. They have cut prices resolutely to get command of the new market, and have been looking to a continuance of the McKenna duties in order that they may be relieved of the stress of foreign competition while they try to get prices back to a more remunerative level. At present prices the best of the makers can compete with anybody, duties or no duties, but there may be diffi-

culty in advancing prices if the McKenna duties are wholly removed. In price competition with that remarkable product, the Ford car, British makers have no chance at all, duties or no duties. By importing a few vital parts and constructing their cars here, the Ford Company laughs at import duties. But, however useful the Ford may be in a rough country, the new type of British motorist does not like it; he or she wants a small high-speed economical engine and car, paying a small tax, and giving a long mileage per gallon of petrol. This type of car is now being turned out here in huge quantities at very low prices. If a removal of the duties threatened a serious and immediate falling off in the production of British cars, and unemployment in Coventry and elsewhere, we should be disposed to advocate that the remission should come by stages rather than by sudden total abolition. But so far as can be seen at present the duties are no longer protective, their protective work was done in 1921 and 1922, they are largely supererogatory, and should be allowed to disappear forthwith at a moment when the change can be made with a minimum of disturbance. The subject cannot be dismissed without mention of two facts. The first is that the motor-car is essentially a commodity in which the progress of science may be expected to produce relative cheapening. The second that this country is far behind the United States in the popular use of the automobile, and will only catch up to that level of popularisation in proportion to the lowering of the prices at which cars are obtainable.

THE CANADIAN BUDGET.

(BY OUR OTTAWA CORRESPONDENT.)

WITH Mr Fielding still incapacitated, it fell to Mr J. A. Robb, the acting Minister of Finance, to introduce, on April 10th, the Federal Budget for 1924-25. No Budget of recent years has been awaited with so much speculation and anxiety, and the results are in many respects surprising. The Budget is obviously dictated by political considerations, for it has been plain for some months that unless the King Government went, in this Budget, some way to meet the fiscal demands of the Progressives, its life might come to a summary end. Faced by this exigency, the Government, by the strange subterfuge of a policy of semi-segregation of the finances of the Canadian National Railways, claim that last year's financial operations yielded a surplus permitting a reduction of \$30,409,109 in the national debt. They propose to use some \$24,000,000 of the surplus for reduction of taxation; but the illusory character of such surplus can be demonstrated from the fact that to the charges of the Canadian National Railways there were added in the fiscal year 1923-24 two bond issues, one in August, 1923, for \$22,500,000, and another in February, 1924, for \$50,000,000. It is scarcely arguable that in the long run these sums will not be just as definite a charge upon the Canadian people as what Mr Robb calls the Net Public Debt, and it will be hard to convince the financial world that during 1923-24, instead of a surplus of \$30,000,000, there was not a real deficit of some \$42,000,000.

Mr Robb was unable to submit definitely accurate accounts for the year, but he estimated that when they were complete, the total revenue would reach about \$396,000,000. Which is an increase of \$1,500,000 over last year's revenues. The following are the main items:—

	Yield.	Increase.
Customs	121,800,000	3,700,000
Excise duties	38,200,000	2,500,000
Excise taxes	121,000,000	14,500,000
Income taxes	53,750,000	6,000,000
Business profits' taxes	4,650,000	8,381,000
Interest on investments ..	4,700,000	11,700,000

Mr Robb placed the ordinary expenditures as follows:—

	328,250,000
Ordinary Consolidated Fund expenditure	328,250,000
Capital expenditures, for Marine Department, and other public works	12,170,000
Demobilisation account	740,000
Special funds for discount and loan flotations ..	7,650,000
Railway loans	23,781,684
Loan to Government Merchant Marine	1,500,000
Other advances	1,121,987

He therefore placed the total charges at \$375,213,651, and claimed that the surplus of ordinary revenue over these was \$20,786,349. To this he added \$8,305,760 obtained by adjustment of book debts from the British Government and \$1,317,000 secured through the cancellation of sundry outstanding indebtedness, and announced that the net public debt since March 31st had been reduced by \$30,409,109.

If this calculation had any substantial basis there would be general rejoicing at the alleviation of taxation which he proposes. The main relief will come from a decrease in the general Sales Tax rate from 6 per cent. to 5 per cent. In addition, the exemption list for the Sales Tax is increased by the additions of cereal foods, macaroni and vermicelli, sago and rice, meats salted and cooked. On boots and shoes, including rubber footwear, biscuits, canned vegetables, canned fruits, jams and preserves, the Sales Tax is cut to 2½ per cent. Manufacturing establishments of various kinds, chiefly textiles, get a concession of exemptions for material consumed in the production of goods subject to the Sales Tax. Of the total loss of revenue of \$24,000,000 which Mr Robb allows for, the decreases in the Sales Tax will be responsible for \$19,000,000 or \$20,000,000.

The tariff reductions are sectional in character, and do not affect the general fabric of the protectionist system, but they realise the worst fears of certain manufacturers, especially those engaged in the production of farm implements. The duties on mowing machines, harvesters, &c., under the general tariff, are cut from 10 per cent. to 6 per cent., and under the preferential tariff from 7½ per cent. to nothing. On the average there is a reduction of about 1s 3d of the existing duties on all lines of farm implements. Shovels and spades now come in under the preferential tariff at a duty of 10 per cent. instead of 20 per cent. as before, and in this line there ought to be a good opening for British manufacturers to increase their exports. Fertilisers are also made completely free of duty, but, apart from these items, as Canada imports practically none of the larger farm implements from Britain, little benefit from these changes will accrue to British trade. By way of consolation to the agricultural implement manufacturers, they are given a small concession the way of free entry of, pig-iron, bar iron and bar steel when used in the manufacture of mowers, binders, and reapers in place of the present drawback of 99 per cent. Other materials utilised by them will be entitled to entry at 7½ per cent. under all tariffs, and will be exempt from the Sales Tax. Almost parallel cuts in the tariff are made to help fruit growers, dairymen, and poultry men to secure cheaper equipment; and the same principle has been applied to tariff schedules which affect the mining, lumbering and fishing industries. Under the preferential tariff the duties on rock drills are cut from 15 to 10 per cent., and on sawmill machinery to the same extent; in each of these cases the general rates are reduced to 20 per cent.

One interesting change is that the British preferential rates are extended to any territory administered under a mandate by a British country which already enjoys the benefit of the British Preferential Tariff. It is also provided that in computing the *ad valorem* rate of duty on tea purchased in bond in the U.K. the value for duty shall not include the amount of duty payable on tea for consumption in the U.K. There are no changes in the income or corporation taxes.

It is too early as yet to ascertain the considered verdict of the country, but the Budget seems certain to attain its main object, the placation of the Progressive party and the consolidation of a parliamentary majority behind the King Government. The tax reductions ought to fulfil the promise of the Speech from the Throne that the cost of the implements of production would be reduced, and people engaged in the basic national industries will welcome the concessions. The manufacturers, however, who are affected by the tariff changes are bitterly enraged, and others who for the moment have suffered no diminution of their protection fear that the triumphant agrarians will merely have their appetites whetted by the present taste of blood, and will next year force the Government to further changes. The expectation is that a number of protectionists on the Liberal side will join the Conservatives in opposing the Budget, but their loss will easily be

made good by the solid reinforcement of the Progressive party and the small group of independents. The volume of insurgency which the Ministry will have to face in Parliament will largely depend upon the actions of Sir Lomer Gouin, who resumed his seat in the House on Budget day. If he takes the field in person against the Budget the general prediction is that he will be followed by most of the members for industrial constituencies in Quebec, and the result will be a complete realignment in Canadian politics with a General Election on the fiscal issue at no distant date.

If the King Government had not embarked on flagrant subterfuges for the production of a fictitious surplus, and if they had taken the courageous step of introducing a system of Federal death duties to provide the revenues necessary for an honest balance of the national accounts their position would to-day be extremely strong. But so dubious is the outcome of the present manoeuvres, that Mr Robb made the strange omission of offering no forecast of the national balance-sheet for 1924-25. There are signs, that although the foreign trade returns continue to be very satisfactory, all is not well with the domestic situation, and the last week's return of bank clearings reveals the ominous fact that for every city which shows an increase as compared with the corresponding week of 1923 almost three show a decrease. If, however, a good crop and a betterment of internal trade come to the help of the Government, the fiscal concessions offered by the Budget to the farmers and others may prove very profitable from a political point of view, but if adverse winds blow up and a huge deficit has to be faced next year there will be a bitter day of reckoning with the electorate.

THE PROFITS OF LONDON STORES.

THE enterprise shown by our big London stores is bearing good fruit, as will be seen by perusing the figures of representative companies which we give below. We have been told the story of the humble reel of cotton ordered by telephone from a big London store and delivered by motor-car the following day a distance of 20 miles. Another store delivered a parcel of wool value eightpence a distance of 12 miles to a lady who was not on its books, and opened an account for this amount. This attention to detail and organisation must inevitably bring the big store into the province of one of the necessities of life.

In our first table we show the net profits of 15 selected London stores companies over a period of years:—

NET PROFITS (after Payment of Debenture Interest).							
Company.	1913.	1918.	1919.	1920.	1921.	1922.	1923.
Army and Navy	192,739	251,889	335,521	296,047	14,348	133,582	195,387
Civil Service Supply ..	44,911	54,434	70,987	48,330	51,761	54,065	59,223
D. H. Evans	60,406	100,198	126,252	105,779	69,574	86,163	57,337
Dickins and Jones	33,222	43,144	61,947	49,331	48,359	57,464	61,159
Frederick Gorrings	295,181	352,042	583,635	536,042	200,268	484,120	567,800
Harrods	40,857	33,870	94,229	21,658	12,028	10,940	18,193
Jay's	63,907	103,772	263,867	291,509	306,103	331,885	371,928
John Barker	61,534	99,047	129,154	118,515	30,105	41,482	57,795
Liberty and Co.	206,930	463,159	473,038	447,195	95,834	275,415	216,489
Maple and Co.	54,250	66,975	86,962	105,689	79,427	17,340	Dr 89,719
Mappin and Webb	112,396	305,895	355,735	358,821	326,722	304,655	316,718
Selfridges and Co.	37,194	74,578	107,396	80,856	7,289	67,831	69,116
Spencer, Turner	23,118	58,761	77,769	47,994	22,274	30,578	15,807
Thomas Wallis	70,632	155,568	263,566	269,989	152,231	240,295	229,064
William Whiteley	11,368,102	257,511	3,199,249	2,851,929	1,496,281	2,260,487	2,314,454

On the whole, a successful year for 1923 is reflected in these figures. Harrods leads the way in the group, both in total and in the amount of increase. Barkers continue its steady climb; it will be noticed that this company has not deviated from an upward course, even in the year following that of the boom period. Over a period of 10 years the company has made extraordinarily rapid strides. The gross profit, together with the interest received on the deposit account, shows an increase of £30,000. This gives £402,000 as net profit, against the next best year—£402,000 as net profit, against the next best year—which was last year—of £362,000. The sum of £211,780 is carried forward to the credit of next account, an increase of about £63,000 on the amount which was brought in.

Selfridges is able to show a distinct recovery, but Maples follows an irregular line. Whiteley's profits were



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slightly lower, but against this the directors had a substantial balance in hand from last year.

Our next table provides an analysis of the chief assets and liabilities over the past three years:—

Name of Company.	Principal Liabilities.				Principal Assets.			
	Total Share & Deb. Capital.	Creditors.	Re-serves.	Properties, Plant, &c.	Stocks.	Cash.	Investments.	Debtors.
Army and Navy Sep. 30, 1921. Jan. 31, 1922. Jan. 31, 1923.	1,047,800 1,047,780 1,047,060	874,684 805,340 855,345	288,173 353,732 348,723	931,430 944,806 1,035,189	933,733 740,064 742,650	151,508 149,954 67,641	396,453 612,885 666,545	173,475 175,458 181,901
Civil Service Supply— 1921..... 1922..... 1923.....	353,920 353,920 353,920	255,375 233,804 233,804	108,863 166,868 166,868	209,090 288,174 307,740	421,215 363,345 346,443	61,022 66,063 62,795	935 935 935	48,649 43,991 47,557
D. H. Evans— Feb. 19, 1922. Feb. 19, 1923. Feb. 19, 1924.	650,194 650,194 650,194	154,467 167,999 93,453	176,847 188,087 250,704	655,362 651,221 664,993	187,911 182,639 190,062	92,416 143,963 116,270	40,267 40,267 90,897	88,929 84,788 83,380
Dickins & Jones Jan. 31, 1922. Jan. 31, 1923. Jan. 31, 1924.	600,000 600,000 1,600,000	61,895 121,723 79,192	217,024 204,100 205,442	1,404,952 1,573,831 1,570,050	137,640 145,352 143,034	25,394 22,401 26,851	90,627 93,918 124,226	134,868 141,078 133,401
Frederick Gorrings Feb. 20, 1922. Feb. 20, 1923. Feb. 20, 1924.	400,000 400,000 400,000	33,259 35,187 30,100	110,000 110,000 110,000	231,020 228,920 226,820	121,237 222,852 131,497	41,969 47,338 51,243	35,714 56,708 58,082	79,874 69,977 71,971
Harrods— Jan. 31, 1922. Jan. 31, 1923. Jan. 31, 1924.	5,915,000 5,915,000 5,915,000	1,788,574 1,634,306 1,742,863	669,097 669,097 669,097	4,519,244 4,571,381 4,496,425	1,299,983 1,091,252 1,049,173	570,997 361,167 585,912	1,665,964 1,831,028 1,806,832	1,096,883 984,142 975,108
Jay's Jan. 31, 1922. Jan. 31, 1923. Jan. 31, 1924.	450,000 450,000 450,000	20,096 7,227 6,488	149,534 130,350 126,022	351,090 365,803 407,862	93,530 87,828 95,838	18,606 6,627 9,483	64,599 57,427 6,909	83,248 81,811 76,993
John Barker— Jan. 31, 1922. Jan. 31, 1923. Jan. 31, 1924.	1,780,000 1,780,000 2,314,229	719,123 718,820 775,619	651,299 651,299 651,299	1,746,563 1,837,081 2,020,673	669,831 684,733 684,733	396,326 371,376 801,410	65,173 43,574 46,075	494,772 43,574 588,875
Liberty and Co. Jan. 31, 1922. Jan. 31, 1923. Jan. 31, 1924.	200,000 200,000 200,000	127,445 90,662 108,093	605,000 605,000 605,000	294,525 252,828 444,019	357,233 286,383 272,383	80,519 105,538 20,805	148,572 137,744 116,833	90,311 76,394 70,242
Maple— 1921..... 1922..... 1923.....	3,800,200 3,800,200 3,800,200	353,972 396,046 334,710	903,000 683,000 783,000	1,160,744 1,177,739 1,183,415	1,764,648 1,628,974 1,662,208	290,673 458,869 458,826	153,778 94,694 95,443	179,145 1,680,200 1,665,077
Mappin & Webb 1921..... 1922..... 1923.....	1,375,000 1,375,000 1,365,000	529,686 470,306 370,631	50,000 19,850 nil	378,012 413,989 458,111	588,259 501,779 391,785	34,440 24,336 33,067	851,736 785,645 719,788	106,522 84,188 63,187
Selfridges— Jan. 31, 1922. Jan. 31, 1923. Jan. 31, 1924.	3,175,188 3,172,680 3,171,803	560,045 592,527 432,453	281,500 287,708 270,421	2,731,350 2,784,922 2,832,906	593,617 521,882 497,093	80,580 62,443 63,636	541,596 605,106 631,636	363,632 387,456 404,035
Spencer Turner & Boldero Jan. 15, 1922. Jan. 15, 1923. Jan. 15, 1924.	636,500 636,500 636,500	30,247 25,779 20,912	139,965 140,690 141,594	229,027 224,654 225,495	207,335 199,569 199,569	83,418 92,491 92,491	31,446 60,776 77,905	350,793 346,543 323,252
Thomas Wallis Jan. 31, 1922. Jan. 31, 1923. Jan. 31, 1924.	350,000 350,000 350,000	200,000 200,000 200,000	80,615 55,061 55,061	490,850 488,041 496,598	176,055 162,138 150,838	6,175 6,486 6,550	..	63,866 50,375 58,228
Wm. Whiteley Feb. 14, 1922. Feb. 14, 1923. Feb. 14, 1924.	1,800,100 1,800,100 1,800,100	745,187 778,342 776,458	255,886 247,431 250,000	1,775,675 1,793,266 1,809,887	394,104 365,845 371,759	60,240 104,140 126,877	367,426 264,185 297,442	656,581 640,198 597,279

As Harrods is the biggest of all the undertakings in our list, a detailed analysis of its accounts may be useful as showing the trend of figures during the year. Net profit was £567,800, being an increase of £83,679. With the exception of the boom year 1919, this is the largest net profit earned in the history of the company. The profit earned in its first year as a company was £13,519. Stocks on hand, at £1,049,173, showed a decrease of £42,079.

The rate of turnover was the highest reached during the last 10 years. Deposits and current accounts amount to £956,635, as against £921,763 a year ago. On principle, we have in the past taken exception to the practice of combining the business of banking with that of a large commercial store, but we must admit that the directors have made good provision for the item of deposits according to the figures shown in the balance-sheet. Cash at hand and with bankers amounts to £585,912, while under investments, which total £1,806,832, we notice trustee stocks worth approximately £400,000.

The net profits of Whiteley's were £229,064, which with the balance brought forward from last year amounted to £489,646; the company set aside £6,000 to provide for corporation profits tax, and has added to reserve £30,000, bringing the total of this item up to a quarter of a million. Book debts are substantially lower, and the cash position is favourable. Investments now stand at the substantial figure of £297,000, chiefly Government stocks, and the market value of these securities is over £12,000 more than they stand at in the books. On the debit side the deposits and current accounts at £532,342 are about the same, and the amount owing to trade creditors less than last year. We are glad to find that liquid cash assets are higher, "cash" having increased from £104,140 to £126,877. A satisfactory feature of these accounts is the fact that investments are shown first at cost and then at market value.

In the case of Selfridge's, it is pointed out that depreciation, reserve fund, excess profits duty, and corporation profits tax have in 10 or 12 years absorbed £1,200,000. The directors have also during these years retired about £100,000 in debentures.

Our final table shows dividends together with share quotations and yields obtainable from representative shares in this group :—

Company.	Dividend	Dividends for Past Six Years.						Price April 30, 1923.	Price April 24, 1924.	Present Yield.
		1918.	1919.	1920.	1921.	1922.	1923.			
Army and Navy.	10/6	350%	350%	350%	350%	350%	350%	18	14	6 13 3
D. H. Evans.	1	15	20	20	17½	18	20	2½	24	8 0 0
Dickins & Jones.	5	6	7	7	7	7	7	4½	4	6 17 6
Fredk. Gorrings.	1	9	15	15	15	15	15	14	2	7 10 0
Harrod's.	1	17½	20	17½	5	8	11	2	1½	5 14 6
Jay's.	1	6	17½	10	NIL	NIL	5	4	2½	5 6 9
John Barker.	1	11	20	20	20	20	20	2½	2½	7 0 6
Liberty and Co.	10	20	20	20	20	20	20	19½	19½	16 3 0
Maple and Co.	1	15	20	17½	7½	10	10	1½	1½	6 9 3
Mappin & Webb.	1	10	15	15	10	2½	NIL	1½	1½	NIL
Selfridge and Co.	1	7	10	10	10	10	10	1½	1½	6 16 0
Spencer, Turner.	1	12	14	11	8	8	8	1½	1½	9 12 6
Thomas Wills.	1	13	16½	14	10	10	10	1½	1½	7 12 6
Wm. Whiteley.	1	8	14	14	14	20	25	2½	3½	17 16 0

* Yield on 5½ % cum. pref. † 6 % cum. pref. ‡ Paid on 1s shares.
(a) Free of tax.

This is an instructive table. Harrod's, Barker's, and Whiteley's all show fairly generous yields on their ordinary shares. Selfridge's only place their preference shares before the public, but even here a yield of £4 16s per cent., free of tax, is a reasonably good industrial return on preference capital.

The current year should prove profitable for these undertakings. The British Empire Exhibition, bringing a large influx of people into London, will no doubt help to increase profits both immediately and in the future. The immediate result should be a stream of purchases made by visitors for use here and to take back with them. The future benefits should be the extension of overseas business to many people, who will learn to appreciate the excellent services rendered by these institutions.

INDIAN JUTE MILL PROFITS.

(BY A CORRESPONDENT.)

IN its ample supplies of jute, considered either as a raw material or in its manufactured form, Bengal is fortunate in the possession of one of the most unassailable and profitable monopolies to be found in any part of the world. While competition is often threatened, actually it never materialises. Outside Bengal and the neighbouring provinces, it seems, indeed, to be impossible to produce either jute, or an effective substitute for it. Consequently, while the supremacy of the Indian industry has been long maintained, it promises to endure, and even, as mills

multiply in and around the city of Calcutta, to be accentuated. Alike in its agricultural and manufacturing aspects, the advance of Indian jute production has been continuous. Under normal conditions, as it would not be difficult to adduce statistical evidence to prove, jute is, in proportion to acreage, the most valuable crop in India, one incidental, yet important, advantage being that jute exerts the minimum effect in impoverishing the soil. While the wheat tracts of the Punjab maintain a population varying from 63 to 500 per square mile, cotton in Bombay from 151 to 396, cotton in the Central Provinces from 93 to 193, the jute districts of Bengal maintain a population of from 580 to 1,086 to the square mile. Jute, raw and manufactured, represents, on the average, 55 per cent. of the exports of Indian merchandise from Calcutta to foreign countries, while of the total exports of Indian merchandise from the whole of India, the jute trade represents an average of 25 per cent. During the war the Calcutta mills supplied enormous quantities of jute materials, including about 1,400 million bags; chiefly sand-bags, and over 700 million yards of cloth to the Allied Governments. While war conditions thus enabled Calcutta producers to secure enormous profits and to strengthen their financial position in every respect, jute mills abroad, especially in Continental Europe, were, for various reasons, less advantageously circumstanced, their domestic handicaps being added to later, owing to financial exigencies in India, by the post-war imposition of an export tax on raw jute. It is safe to conjecture that, outside India, jute manufacture has more or less reached its maximum development, leaving India to supply additional requirements as and when international trade recovers, and brings, with its recovery, a revival of the world's demand for jute products.

It needs but a cursory investigation to establish that no country in the world is so favourably situated for the manufacture of all forms of jute products as Bengal, and no city is so favourably situated as Calcutta—raw material, labour, fuel, transport, and capital all being available in abundance, and combining to ensure production under the most favourable and profitable conditions. Comparative figures of Indian mill consumption of raw jute indicate the rapid extension of local manufacture. In thousands of bales, Calcutta mills in the quinquennium 1908-12 attained an average consumption of 4150, as against 4348 exported. Since 1913, however, Calcutta, *contra mundum*, has maintained an unchallenged supremacy, the figures for that year being 4499 utilised locally against 4193 exported, rising in 1915 to 5770, against 3107; in 1919 to 5227, compared with 3358; and in 1922 to 4747, as against 2902. The largest export of raw jute ever recorded was 894,000 tons in 1908-09. The pre-war export of Indian manufactured jute products may be summarised thus :—

Year.	Gunny Cloth.	Bags.
	Yards.	Number.
1887-88	13,604,204	73,866,774
1897-98	242,951,051	197,619,914
1912-13	1,021,816,869	311,707,646

The subsequent improvement in the position of the Calcutta mills, financially and technically, will be found to be clearly indicated in the figures we will now proceed to quote. We may take, in the first instance, the enormous relative growth in loom power. In 1877, according to the figures placed at our disposal, there were 2,948 sacking looms and 910 hessian looms, total 3,858. By 1885, aggregate of 6,700. Appended are the figures of expansion since 1905 :—

Year.	Sacking.	Hessian.	Total.
	9,786	11,409	21,195
1905	15,751	22,603	38,354
1915	17,452	28,111	45,563

Adding mills not reckoned in these figures, it is calculated that the aggregate number of looms now available for production is approximately 48,000. Official statistics for 1920-21 allude to 74 mills on the banks of the Hooghly, containing 41,292 looms and 863,339 spindles, giving employment to 285,881 workers. It is possible that the present check to construction of new mills is not altogether unfortunate, inasmuch as over-production has again and again in the history of Indian mills led to short-time work-

ing and the temporary disappearance of profits, and there was more than a possibility, in the immediate post-war period, that manufacturing facilities would be so expanded as to exceed any possible demand. It was in December, 1921, that the Calcutta mill-owners returned to a period of restricted output by working only four days a week, while paying full-time wages, and from the mills' point of view this arrangement has worked so satisfactorily that it is likely to remain operative until fundamental changes in world trade render it unprofitable. Dividends remain satisfactory, though, of course, no longer on the fabulous scale which made Calcutta temporarily in 1918-20 the Golconda of the East. As the chairman of the Indian Jute Mills' Association has observed, although last year was uneventful (surplus stocks, however, being liquidated, and raw jute remaining cheap), nevertheless the industry has reason to congratulate itself on the results. Profits are again on the upward trend, and though these are unlikely to return to recent levels, the vitality and general prospects of the industry have never, in a normal sense, been better. The following figures, taken from the files of *Capital*, indicate the profits of Indian jute mills in the last decade :—

Year.	Profits Before Paying Debenture Interest.
	Rs.
1913	2,45,97,553
1914	96,18,694
1915	4,21,48,960
1916	6,48,71,041
1917	4,23,92,573
1918	12,29,25,767
1919	11,64,53,696
1920	12,53,82,066
1921	4,95,86,331
1922	3,58,35,863
1923	4,95,33,808

If there is a weak spot in the industry, viewing the position from the broadest possible outlook, it is to be found in the present not very remunerative prices being obtained by the growers of the raw material, a position which is lending plausibility to the contention of political agitators that the growers, like the mills, should protect their interests by sowing, temporarily, less jute. The better way, as the Agricultural Department is showing cultivators, is, by using improved types of seed, and more up-to-date methods of cultivation, to obtain larger yields of jute per acre, and it is in this direction that most progress is now visible. As pointed out in the *Indian Textile Journal*, assuming that manufacturers and shippers require 80 lakhs of bales next season—and it is not an inflated estimate—the trade ought to make sure of the inducement to the ryot to maintain the raw outturn at the present level; full allowance being made for the fact that while the margin of real profit for the ryot is low, the purchasing power of the rupee is barely half what it was before 1914.

THE TRUST POSITION IN GERMANY.

WHILST in the United States the movement of industrial organisation during the three decades before the Great War was towards permanent combinations, i.e., consolidations, of both the "horizontal" and "vertical" types, the dominant tendency in Germany was towards terminable combinations of a "horizontal" kind. Vertical consolidations were, of course, of substantial importance there, chiefly in the iron and steel industries; but the characteristic feature of German industry before 1914 was the "Cartels," combinations of concerns engaged in the same branch of production and formed for a definite term of years (or subject to withdrawal of membership at will) and for prescribed purposes, the constituent concerns retaining complete independence in all other respects. These Cartels were very numerous—there are reported to have been between five and six hundred in existence in 1914, ranging from bodies whose avowed objects hardly extended beyond those of the most ordinary "trade associations" in the United Kingdom to such elaborate organisations as the *Stahlwerksverband*, with its fixed allocation of a standard production among its members, its central selling agency, and its consequential control of production and marketing.

This development had encountered little opposition, either from the State or from public opinion. Sporadic criticism of the general movement there had been, and occasional adverse comment on the proceedings of particular Cartels, but that was all. An exhaustive inquiry into the operation of the Cartels was held by an Imperial Commission in the years 1903-6, but its findings were in substance that the economic advantages of such industrial organisations—and particularly their ability so to regulate production as to mitigate trade fluctuations—more than outweighed any possible disadvantages, and gave no support to suggestions for any special legislation with a view to their control. Under the ordinary law of the Empire agreements establishing combinations or Cartels were repeatedly held to be valid in principle, though they might be illegal if abuse could be proved in any particular case. As far back as 1897, in the case of the Saxon Wood-pulp Cartel—which, it was admitted, had been formed "in order to prevent for the future a destructive competition between the Saxon wood-pulp manufacturers, and to make possible the attainment of higher prices than would be reached by unrestricted competition"—the Court observed that :—

"If in any branch of industry the prices of products sink too low, and if the thriving of the industry is thereby made impossible or endangered, then the crisis which occurs is destructive not only for individuals but also for the social economy in general, and it lies, therefore, in the interest of the whole community that unduly low prices in a branch of industry shall not permanently exist."

A specific application by the Government of the doctrine thus judicially enunciated was the Potash Sale Law of 1910, which, making compulsory a previous voluntary Cartel, forced all potash mine owners to enter a syndicate which should regulate their quotas for production and sale, and fixed home and foreign selling prices so as to prevent excessive competition and secure that the foreigner should pay higher prices than the domestic consumer—and not the other way round, as was not infrequently the case in other industries owing to the operations of the Cartels and particularly the system of export bounties which had been adopted in the iron and steel trades.

The first effect of the Great War was to stimulate the Cartel movement. When in Germany, as in all the other principal countries engaged, the Government was forced to call upon the whole industrial resources of the nation, and to regulate production and distribution alike, the most readily available machinery was that of the Cartels; where these existed their activities were widened, where they did not exist they were established at the instigation of the State, as was the case with trade associations in the United Kingdom and the United States. The economic confusion in Germany after the Armistice affected industrial organisation in two different ways. In the first place, the current set in motion during the war—of State regulation of production and distribution by and through the Cartels—was continued, partly of necessity and partly because it harmonised with the doctrines of the dominant political parties. The result was what many even of the strongest advocates of Cartel organisation regarded as an excessive and over-hasty development, actions on the part of some of the Cartels which gave rise to much adverse public criticism, and conflict between the various interests so organised. A consequence was the establishment in 1920 by the German Industrial Union (*Reichsverband der deutschen Industrie*) of the Central Cartel Bureau (*Kartellstelle*), whose primary purpose seems to be to act as a friendly guide to the Cartels, to warn any one of them from any course of action likely to have an adverse effect upon public opinion, and to adjust disputes between combinations of producers and consumers (whether of half-finished or finished goods). The second development after the war was that side by side with the extension of Cartels and the growth of "pools" or "community of interest" arrangements, consolidation, both vertical and horizontal, began to play a much more important part in German industry than it had hitherto done, both the holding company and the merger being adopted for the purpose. The loss by Germany of a very large part of her iron-ore deposits and coalfields, and (partly in consequence of this) the breakdown of the old pig-iron and steel Cartels made the great iron and steel works and the manufacturers of

finished products extremely anxious as to the security of their supplies, and so hastened the formation of vertical consolidations, which have resulted in the dominance of the iron and steel industry by seven groups—the Stinnes, Thyssen, Phoenix-Wolff-Rheinstahl-Van der Zypen, Haniel, Kloeckner, Krupp and Stumm interests, whose wide ramifications and range of production are set out in Messrs Thelwall and Kavanagh's latest report on *Economic and Financial Conditions in Germany*, 1923 (Appendix XIV., pp. 134-148; and also pp. 82-6). That report, like its two predecessors, contains much valuable information as to the nature and extent of the whole movement, which is manifest so far chiefly in the iron and steel, constructional and electrical engineering, non-ferrous metal, and chemical industries.

The attitude of the German Government and of public opinion gradually underwent a marked change, and for some time past there has been a movement towards some form of state regulation of the Cartels, whose unrestricted activities are not regarded with the same optimism as formerly. The first result is the decree against abuse of economic power (*Verordnung gegen Missbrauch wirtschaftlicher Machtstellungen*) which was promulgated by the Stresemann Government on November 2nd last, and came into operation on November 20th.

The new decree prescribes that all agreements (syndicates, cartels, conventions, &c.) seeking to regulate production, marketing, trade conditions, or prices must be in writing; unless so made they are not enforceable at law. If any agreement so made, or any arrangement for giving effect to it, is deemed contrary to the public interest, the Imperial Minister for Economic Affairs may move the Cartel Court which is constituted under the decree to declare the agreement void, in whole or in part, or to prohibit the particular method of giving effect to it; or he may make an order enabling any party to the agreement to withdraw from it without notice, or directing that any arrangements to give effect to it shall be notified to him before becoming operative. Similar orders may be made by the Court in any case, in lieu of annulment. Agreements shall be deemed to be against the public interest if—in a manner not warranted by sound economic principles (*in volkswirtschaftlich nicht gerechtfertigter Weise*)—they restrict production or sale, increase or maintain prices, limit freedom of buying or selling, or impose any unreasonable discrimination. If an agreement is declared void by the Court, or is the subject of any judicial or administrative order of the kind indicated above, the Minister may require the notification to him, before it is put into operation, of any agreement of the kind to which the decree relates, if made by the same parties or a majority of them, or if the persons responsible for carrying it out were similarly concerned in the agreement already dealt with, or if it relates to the same kinds of goods or services. Further, the decree empowers any party to an agreement to withdraw from it at any time, without notice, on sufficient ground (defined as unreasonable restriction of the individual's economic freedom in respect of production, marketing, or price-fixing), but subject to appeal by the other party to the Cartel Court within two weeks. There are also provisions whereby the Court, if it holds that the trade conditions imposed or methods of regulating prices adopted by any concern or combination of concerns are against the public interest, can, on the application of the Minister, issue a general declaration releasing from the relevant agreements persons adversely affected thereby. It should be added that the decree is apparently not applicable to agreements relating to export trade.

The preceding brief summary is probably sufficient to indicate the significance of the new enactment, the difficulties with which those charged with its administration will be confronted, and the many legal problems that it will present—there are already signs that the ingenuity of the legal advisers of Cartels, whose attitude is that they will do their best to assist the Government in a reasonable application of the Act, but remain strongly opposed to it in principle, will be exercised to the full in order to mitigate its effect. Its operation will be watched with the greatest interest by all who are concerned with what is perhaps the most difficult problem of the state in relation to industry.

Notes of the Week.

President Coolidge's Pronouncement.—On Tuesday last the President of the United States made a speech in New York which indicates the renewed interest which is now being taken on the other side of the Atlantic in European affairs. Starting from the proposition that the principle of service was the basis of financial no less than of moral health, President Coolidge indicated that the state of Europe was of vital import to America. The long delay in entering the war was due to lack of proper information, and to the mistaken belief that the issues involved did not concern her. When once she realised the true facts of the case, however, she did not hesitate to make her sacrifice for what she believed to be the cause of righteousness. There was a certain parallel in the present situation. The refusal to join the League of Nations must be regarded as final, but this did not imply the doctrine of isolation. Between the two lay the middle course of "frequent international conferences suited to particular needs." The first problem, however, was the definite solution of the reparations problem, and, for this, the Dawes report showed a broad comprehension of the requirements of the situation. If success were achieved, credit would be due to Mr Hughes, the originator of the scheme, to President Harding, and to the American members of the committee. But President Coolidge went further. Not only had America already lent assistance for the solution of the reparations tangle, but sound business reasons now justified the financing of peace in Europe. He therefore hoped that private American capital would support the loan for Germany. This would lay the foundations of an enduring peace, and, once carried through, should lead to a reconsideration of the problem of armaments. The Hague Tribunal and the World Court were useful auxiliaries, but could not alone guarantee peace. President Coolidge therefore stated that when a certain and definite settlement of German reparations had been firmly established, he would favour the calling of a new conference similar to the Washington Conference. Proposals of this nature from a statesman so reserved as the present President of the United States, especially when they form part of an electoral campaign, are of more than domestic interest. They indicate clearly that the whole weight of American official support is thrown on the side of the Experts' Report, that even the Republicans, who were formerly regarded as the exponents of "isolationism," are now taking an active interest in European affairs; and that some more permanent form of world government is needed than that of diplomatic negotiations supplemented by occasional international conferences.

Irish Boundary Deadlock.—Fears of a deadlock over the Irish boundary question seem to have been justified. The conference between the Ministers of Great Britain, the Irish Free State, and Northern Ireland, which has been sitting in order to endeavour to find some common ground, broke up on Thursday, when the laconic announcement was made that "no agreement was reached." The members of the conference are remaining in London for the present, but no mention is made of a resumption of discussions. If this deadlock persists, a serious position will arise, and the British Government will be faced with a very awkward problem. The failure of negotiations would presumably be followed by a demand from the Free State Government that the provisions of the Treaty should be acted upon and a Commission appointed to define the boundary. It is equally certain that, unless an entirely unexpected change occurs in the attitude of Sir James Craig and his colleagues, they will refuse either representation on the Commission or recognition of its decisions. The definite danger therefore arises that the British Government will be forced into a position in which it must either try to coerce Northern Ireland or become guilty in the eyes of the Free State of a breach of faith. It is the old Irish dilemma in a new form, and it will tax the powers of MacDonald and his Cabinet to find a way

out. But since the parties to the negotiations are still in London, hopes of some accommodation between them are perhaps not quite dead.

Irish Free State Budget.—Concerning the Irish Free State Budget, the provisions of which will be known by the time these words are in print, our Dublin correspondent, writing on Thursday, says:—To-morrow will see the introduction of the Irish Free State Budget for 1924-5 by Mr Ernest Blythe, Minister of Finance. The Dail meets for this purpose, and will adjourn forthwith for about a fortnight. The occasion is not very convenient, since Mr Cosgrave, the President, and Mr O'Higgins, the Vice-President, of the Executive Council, are both absent in London attending the Conference on the Ulster Boundary question. The selection of the date is supposed to have been dictated by the apparent convenience of anticipating the Budget statement of Mr Snowden at Westminster, for Mr. Blythe, with no surplus to dispose of, would find his task less easy if following the Chancellor of the Exchequer who may be conferring substantial benefits on his taxpayers. The estimates for the year 1924-5 show a deficit of over £8,500,000—which is roughly the amount payable during the year in respect of compensation for damage to property and personal injuries during the insurrectionary episodes of recent years—against which may be set off the sum of £3,394,512, the balance standing to credit in the Exchequer on April 1, 1924. It is, too, not unfair to recall that for the past two years the estimates substantially understated revenue and overstated expenditure—doubtless with the praiseworthy object of keeping on the safe side amidst factors unsuited to exact treatment. Thus the present estimates mark down the produce for 1924-5 of Customs and Excise by some 10 per cent. from the figure collected in 1923-4. There have been drastic economies, and public accountancy methods are being tightened up in every direction. The taxpayer will reap the reward of this strenuous cultivation of financial orthodoxy later on in improved figures on both sides of the account. Nothing is known of proposed alterations of taxation, but rumour talks of remissions of income-tax and beer duty to make our Irish rates conform with the British rates as reduced last year. Certainly, Mr Blythe some two months ago expressed the opinion publicly that a diminution in the rate of income-tax would probably lead to an increased yield. The Minister of Agriculture at about the same date stated that the Government was considering carefully how far it might be possible to make certain minor and experimental essays in protective duties which would not dislocate existing business nor injure the farming industry, which is experiencing a critical time. The idea is also in the air that it might be well to remit portion of the duties on tea and sugar—articles of universal consumption which cannot be produced in Ireland—and to levy an equivalent sum by duties charged on boots, clothing, furniture, and the like, articles also of universal consumption which are to some slight extent, and could be to a much larger extent, produced in Ireland. But the discussion of this has not yet gone far. Those who are interested in Irish economics are anxious that the necessary data should be made available; the new trade returns rendered accessible in accurate figures by the new Custom Houses, valuable as they are, require to be supplemented by a census of production such as we have not had for some 17 years. And the word census is a reminder that those who deal in Irish statistics have still to work on the census returns of 1911; in 1921 it was impossible to take the usual decennial census, and the omission has not yet been supplied.

The Trade Balance of the United States.—Mr Hoover, the secretary of the United States Department of Commerce, has issued an estimate of the final trade balance of the United States, including "invisible" items, for 1923. This he presents in tabular form, as follows:—

(In Millions of Dollars.)			
	Credit.	Debit.	Balance.
Merchandise	4,208	3,819	Credit 389
Current invisible items, interest, and dividends	567	150	Credit 417
Ocean freights	65	73	Debit 8
Governmental payments	19	19	Debit 19
Services to tourists	100	500	Debit 400
Charitable and missionary expenditures	60	70	Debit 10
Immigrants' remittances	792	1,162	Debit 370
Total current invisible items	5,000	4,981	Credit 19
Total current items			
Movement of capital (i.e., investments and debt payments)—			
New foreign loans, exclusive of refunding loans	32	377	Debit 345
Sale and purchase of outstanding securities	339	33	Credit 306
Foreign bonds paid off	23	..	Credit 23
Principal of interallied debt	91	..	Credit 91
U.S. currency	50	..	Credit 50
Total capital items	535	410	Credit 125
Gold and silver—			
Gold	29	323	Debit 294
Silver	72	74	Debit 2
Total gold and silver	101	397	Debit 296
Total balance all items			
			Debit 152

The merchandise figures are straightforward, the only point of interest being an allowance of \$30 on the import side for smuggled liquors. The estimate of a final balance of \$152 millions against the United States in 1923, compares with an estimate of \$752 millions against that country in 1922, so that 1923 showed a very marked improvement. As regards gold movements, it will be seen that last year imports exceeded exports by little short of \$300 millions. Mr Hoover's explanatory remarks on the movements of capital are worthy of quotation:—"During the year there were large movements of capital. In this movement of capital, foreigners apparently bought \$394,000,000 of our securities and \$50,000,000 of our currency, and paid \$91,000,000 on debts due to our Government, or an estimated total of \$535,000,000. On the other hand, our citizens bought foreign securities to the net extent estimated at \$410,000,000. In other words, during the year the net interchanges of capital show that we received, as estimated, \$125,000,000 more than we placed abroad." As regards the item for interest on foreign investments, Mr Hoover explains that this increased largely, owing chiefly to payments by the British Government on its debt. He continues:—"And although we did not maintain our position as the chief lending country of the world by the same volume of investment as the year before, that was due not to lack of capital on our part, but to the unsettled conditions abroad, making foreign investment less attractive to American investors." This is only the second time that an official estimate of this kind has been made for the United States, but we are glad to read of Mr Hoover's intention that it should be produced annually, and his hope that next year it will be issued at an earlier date.

Discrimination in Lending.—In last week's *Economist* Mr J. M. Keynes, commenting on an article on this subject which had appeared in our issue of the previous week, accused us of seeming to suggest that the consequences of the recent Amsterdam loan are in some way different from the "nervous movement of British investors into American securities alleged to have occurred last autumn." He proceeded to argue that if there is no difference, we ought to have welcomed the "flight from the pound" on the ground that it would stimulate our export trade. On the actual point of effect on export trade, we agree that nervous purchases of foreign securities, owing to political fears, are just as efficient as deliberate investments made on judicious grounds. But that is surely an insufficient reason for welcoming a flight from the pound. The flight that occurred last autumn was a discreditable exhibition, started by an unwise utterance and continued owing to baseless fears of what might happen if a Labour Government came into power. It was consequently disliked by all who are jealous for the credit of Britain, in spite of its incidental stimulus to our export trade. The difference between thus investing abroad in a panic, and so making capital for home purposes dearer than it need have been if people had reasoned sensibly, and subscribing out of our accumulated funds to well-secured foreign loans after

deliberate consideration of their merits as compared with investments at home, is surely so obvious that it is not only possible, but necessary to disapprove of one course and approve of the other.

Cost of Living.—The "cost of living" index of the Ministry of Labour recorded in March the largest fall seen in any month for over two years, the percentage increase over July, 1914, having been reduced by five points, namely, from 78 to 73. This fall has brought the figure a trifle below the level of a year ago. Monthly movements since the beginning of 1918 are shown below:—

AVERAGE PERCENTAGE INCREASE OVER JULY, 1914.—All items. (Food, Rent, Clothing, Fuel, and Light, &c.)							
Month (beginning of)	1918.	1919.	1920.	1921.	1922.	1923.	1924.
January ..	85-90	120	125	125	92	78	77
February ..	90	120	130	151	88	77	79
March ..	90	115	130	141	86	76	78
April ..	90-95	110	132	133	82	74	73
May ..	95-100	105	141	128	81	70	..
June ..	100	105	150	119	80	69	..
July ..	100-105	105-110	152	119	84	69	..
August ..	110	115	155	122	81	71	..
September ..	110	115	161	120	79	73	..
October ..	115-120	120	164	110	78	75	..
November ..	120-125	125	176	103	80	75	..
December ..	120	125	169	99	80	77	..

For retail food alone the percentage increase over the July, 1914, level was 67 on April 1st, as compared with 76 a month ago. The decline was mainly due to seasonal reductions in the retail prices of butter, milk, and eggs. These were of a substantial nature, eggs, for instance, falling in price by about 1d and butter by 2½d per lb, on the average. Potatoes, on the other hand, became dearer, as is usual at this time of year.

Employment in March.—The decline in unemployment which has continued unchecked month by month since August, again made some progress in March. The current issue of the *Ministry of Labour Gazette* shows that the Trade Union percentage of unemployment at 7.8 has now reached the lowest level recorded since February, 1921. Monthly movements of this percentage over a period of years, with comparative pre-war figures, are shown below:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.							
	1913.	1918.	1919.	1920.	1921.	1922.	1923.
End of—	%	%	%	%	%	%	%
January ..	2.2	1.0	2.4	2.9	6.9	16.8	13.7
February ..	2.0	0.9	2.8	1.6	8.5	16.3	13.1
March ..	1.9	1.2	2.9	1.1	10.0	16.3	12.3
April ..	1.7	0.9	2.8	0.9	17.6*	17.0	11.3
May ..	1.9	0.9	2.1	1.1	22.2*	16.4	11.3
June ..	1.9	0.7	1.7	1.2	23.1*	15.7	11.1
July ..	1.9	0.6	2.0	1.4	16.7	14.6	11.1
August ..	2.0	0.5	2.2	1.6	16.3	14.4	11.4
September ..	2.3	0.5	1.6	2.2	14.8	14.6	11.3
October ..	2.2	0.4	2.6	5.3*	15.6	14.0	10.9
November ..	2.0	0.5	2.9	3.7	15.9	14.2	10.5
December ..	2.6	1.2	3.2	6.0	16.5	14.0	9.7

* Excluding coal miners.

The unemployment percentage for all workers insured under the Unemployment Insurance Acts in Great Britain and Northern Ireland has at last fallen below 10 per cent., being quoted as 9.9 on March 24th, as compared with 10.7 at February 25th, and 11.5 a year ago. Labour demand is brisker in the coal mining, tinplate, steel sheet, carpet, jute, and coachbuilding industries, and most of the skilled sections of the building trades; while a very large number of branches of industry contributed slightly to the unemployment decline. The total number of registered unemployed fell notably from 1,156,000 at February 25th to 1,057,000 at March 31st—a reduction of nearly 100,000 in five weeks.

Chilean Finance and Trade.—A correspondent writes:—While no complete official figures have as yet been issued, it seems clear that the finances of Chile remain in an unsatisfactory condition. Whereas last summer the Executive was enabled to announce that the deficit in the

Budget "had been reduced to \$27,000,000 (paper)," and that "the 1924 Budget would balance," it now appears that the deficit for the year 1922-1923 amounted to \$47,500,000 (paper), and that this sum, added to the general deficit for the previous year of \$107,485,000 (paper), brought up the general deficit at the end of December last to approximately \$155,000,000 (paper), of which current liabilities represent \$110,000,000 (paper). Towards covering this deficit the Government has proposed the issue of bonds to the value of \$60,000,000. A disquieting factor in an otherwise not unpromising economic situation is the shortage of labour, especially in the nitrate and agricultural industries. In some districts this amounts to as much as 25 per cent. of the normal supply. But the lack of labour has created an unprecedented demand among landowners for agricultural machinery and implements, especially harrows, ploughs, and light tractors. Herein British manufacturers should benefit. It is satisfactory to learn that there is under consideration a proposal for the improvement of the statistical service of the country, especially that section relating to commerce. When plans have further matured, commercial statistics should become available in the form agreed upon in the Brussels Conference. Other legislation to be brought forward, and which may be passed into law this year, includes authority to establish a Central Bank, which will be the only financial institution permitted to issue foreign drafts, modification of the present stamp-tax law, and an ordinance affording further protection to certain native industries, such as iron and steel manufactures.

Swiss Finance and Trade.—The long and very interesting Report (to February, 1924) from the Commercial Secretary to the British Legation at Berne, just issued by the Overseas Trade Department, shows that 1923 was for Switzerland a year of recovery. Though the voters refused to extend the alcohol monopoly and the hours of labour, the Budget deficit for 1924, without the imposition of new taxes or increasing import duties, has been reduced by drastic reductions of subsidies, wages and salaries to 37.8 million francs. But fresh revenue, obtainable only by taxing luxuries, must be found, and "extraordinary expenditure" on railway electrification, unemployment relief, and agricultural and industrial subsidies, must cease. The Federal railway and postal receipts are greater, the expenditure less; the cost of fuel is lower, and electrification will reduce the consumption. The extended motor services on the Alpine routes—though precluding the completion of the Brieg-Dissentis railway, and possibly entailing the closing of its completed section—have carried 148,000 passengers without an accident, profited the postal revenues, and helping the isolated villages and mountain hotels. The flight of capital abroad in search of better returns—which the fear of a levy stimulated, but did not initiate—depreciated the Swiss franc relatively to the Dutch guilder, the dollar, and sterling, and adversely affected the money market and the rate of interest on capital. The stringency was increased by the withdrawal, on the occupation of the Ruhr, of German capital, to pay for increased imports from Great Britain and the United States. The National Bank counteracted it by increasing the rate of discount, selling dollars, and rediscounting Treasury bills, but this did not restore the conditions of 1922. Stock Exchange business was satisfactory; industrial and banking shares were higher, stocks and bonds generally lower. Before the war eight milliards of Swiss francs were invested abroad four milliards have been lost in Germany, Austria, Hungary, and Russia, and one by the depreciation of the French, Italian, and other exchanges; but Swiss capitalists, reversing the pre-war current, are obtaining a hold on industrial enterprises in Germany, and also in Austria, Hungary, and Roumania; a trade mission is investigating openings in Turkey, and "holding companies," international in composition, are being formed to participate in various enterprises elsewhere. From the 42 pages dealing with trade, we can only select a few salient facts. The trade balance in 1923 was more unfavourable, but the increased imports consisted largely of coal, raw materials, food (especially Canadian wheat), and timber and steel for the building boom. The exports of watches, silks (with some excep-

tions), chocolate, and condensed milk were larger, though the values of the two last were less; the exports of embroidered goods declined. Swiss finished goods find their chief market in England; their material comes mainly from the British Empire. The efficient British Chamber of Commerce in Switzerland merits greater support. The aluminium industry prospers. The Government favours the export of electric power under licence, but at prices not below those charged to the Swiss consumers. The hotels have been better filled, but their financial recovery is slow; the influx of Germans is ascribed to a rise in hotel charges in Germany. The new draft Customs tariff will shortly be ready for the legislature; the rates will probably be more modifiable by treaty, and lower, at least on coal and food. The number of unemployed has fallen from 56,000 to 27,000; but trade union membership is some 14 per cent. less than in 1921. House shortage is still generally acute in the large towns. Emigration has increased considerably, for the most part to Canada. The Report has two blemishes: it leaves the false impression that the Federal monopoly of alcohol has ceased to exist, and, like its predecessors, it calls German-Swiss towns by their French names.

English Electric.—Practically no change in profits is shown in the accounts for 1923 of the English Electric Company, Limited. The gross profit of £261,800 compares with £262,700 for 1922, while the net profit, after payment of interest on debentures and notes, of £112,400, compares with £111,400. The table below compares results since the company's inception at the end of 1918:—

	YEAR ENDED DECEMBER 31.				
	1919.	1920.	1921.	1922.	1923.
	£	£	£	£	£
Gross profit	410,835	266,936	317,423	262,665	261,793
Net profit	253,848	128,052	164,530	111,403	112,439
Brought forward ..	..	45,302	46,236	55,599	68,983
	253,848	173,354	210,766	167,002	181,422
Reserve	100,000	60,000	60,000	60,000	60,000
Prof. dividend	28,703	41,914	41,914	41,914	50,464
Ord. dividend	79,843	85,204	53,253	56,105	61,244
	(8%)	(8%)	(5%)	(5%)	(5%)
Carried forward ..	45,302	46,236	55,599	68,983	69,714

A slight increase in the paid-up capital accounts for the larger amounts required for the 6 per cent. preference dividend and the dividend of 5 per cent. on the ordinary shares. The item in the balance-sheet for interests in subsidiary companies exceeds that of the previous year by £654,500. The report states that this mainly represents the effect of exchanging debentures in a subsidiary company for junior securities in the English Electric Company. During the year the directors, taking advantage of favourable financial conditions, redeemed £1,250,000 8 per cent. notes (maturing on January 1, 1927), by issuing 6 per cent. convertible debenture stock. The result has been an immediate reduction as from 1924 of not less than £41,100 per annum in debenture charges. The directors state that "the orders taken during the year under review were very considerably in excess of the previous year, although the general level of prices left much to be desired." An analysis of the balance-sheet will be found in a later column.

Birmingham Small Arms.—This year the directors of the Birmingham Small Arms Company, Limited, are able to show a more favourable position in the accounts of this undertaking for the 12 months ended January 31, 1924. Indeed, it may be that the corner has been successfully turned, for a clear profit of £125,060 is shown after payment of interest on the 6½ per cent. 12-year notes, this alone absorbing £125,260. A year ago the report pointed out that, as against a deficit of £356,000 for 1921-2, a loss of £46,204 was recorded. But these figures were arrived at without including any allowance for interest on the 12-year notes. This figure has been added to the deficits mentioned by the directors for the years 1921-2 and 1922-3 in the table which follows:—

	a 1914.	a 1917.	a 1918.	a 1919.	1920-21*	1921-22.	1922-23.	1923-24.
Net profit	£190,429	£427,976	£435,207	£373,091	£566,881	Dr. 469,168	Dr. 106,672	£125,060
Prof. div.	19,684	21,118	20,649	19,710	113,347	21,534	25,134	15,981
Ord. div.	115,047	230,094	230,094	239,511	140,759	Nil	Nil	Nil
To reserve	50,000	150,000	155,473	100,000	..	..	..	..
Carr. fwd.	+ 5,698	+ 26,764	+ 28,991	+ 18,876	+ 29,265	- 291,002	- 189,805	101,017

* 18 months ending January 31, 1921. + Including £100,729 interest on short-term notes. Year ended January 31st. a Year ending July 31st.

The current report states that—"Our guarantee given to the bank in respect of the overdraft of the Aircraft Manufacturing Company, Limited (in liquidation), has been cancelled without any expense whatever falling on this company. With regard to the guarantee in respect to the overdraft of Peter Hooker, Limited (in liquidation), your directors repeat what they have said in previous years, viz., that in their opinion no charge in respect of this contingent liability is likely to fall upon this company." Once more we must draw attention to the item in the balance-sheet under assets of "Shares in and loans to subsidiary companies," £4,259,370. This entry is followed by the significant note that "these investments are brought forward on the same basis as in previous years." A year ago the note was a little longer, the words "and no adjustment in view of existing trade conditions has been made" being appended.

Babcock and Wilcox.—Prosperity continues to be maintained by the well-known engineering undertaking, Babcock and Wilcox, Limited. In the accounts for 1923, now issued, profits are just a little below those for 1922. The following table shows the progress made by this company since 1907:—

	Manufacturing Profits (Less Depreciation).	Net Profits.	To Reserve.	Pension Funds.	Divl. dends.	Ord. Rate.
1907	£318,261	£309,769	£125,000	£..	£172,000	%20
1908	311,046	301,615	125,000	..	172,000	20
1909	355,733	350,004	125,000	10,000	205,200	24
1910	366,240	362,360	125,000	10,000	221,800	26
1911	387,029	379,224	130,000	10,000	238,400	28
1912	438,300	426,147	150,000	10,000	271,600	16
1913	452,004	446,075	150,000	10,000	276,252	16
1914	421,017	402,947	150,000	10,000	247,950	14
1915	434,246	396,551	150,000	10,000	263,918	15
1916	521,991	438,323	150,000	10,000	263,963	15
1917	618,664	444,513	150,000	10,000	263,963	15
1918	541,264	438,986	150,000	10,000	263,963	15
1919	570,071	465,089	150,000	10,000	263,963	15
1920	683,201	497,468	150,000	10,000	358,765	16
1921	693,514	490,181	150,000	10,000	358,765	16
1922	974,428	787,601	200,000	10,000	444,718	20
1923	990,640	753,063	200,750	30,000	530,671	12

It may be recalled that last year a share bonus was declared by doubling the ordinary capital and giving shareholders two shares in the place of one previously held; thus the 12 per cent. dividend and bonus for the year to December 31 last is equivalent to 24 per cent. on the capital as it stood in the previous balance-sheet. In the balance-sheet investments, which are £1,973,481, compared with £1,958,172 at the end of the preceding year, are still taken "at cost." This probably means that the valuation is on a conservative basis, but it does not convey all the information that one would wish. One item of £1,534,837 embraces freehold land and leasehold property, plant, buildings, patents, and shares and debentures in subsidiary companies. A little more detailed information under these heads might be desirable. As a whole the balance-sheet, which will be found analysed in our usual column, shows the company's affairs to be in a remarkably prosperous condition.

Atlas Assurance Company.—The first report to be issued by one of the old fire insurance offices is that of the Atlas, which shows fire results for 1923 very similar to those of the previous year. In the fire department the premiums were £2,271,494, as compared with £2,136,188; the net claims 50.2 per cent. of the premiums, as against 50.4 per cent.; and the expenses 42.3 per cent., as against 43.4 per cent. After making provision for unexpired risks on the basis of 40 per cent. of the increase in premiums, the surplus was £115,842 (5.1 per cent.), as compared with a surplus for 1922 of £128,158 (6 per cent.). The employers' liability, accident, and general account yielded a surplus of £5,864 on premiums of £280,145. In the marine account the funds were increased from £97,877 to £141,217. Net interest receipts available for divi-

dends amounted to £121,542, against £115,662 for 1922, debenture interest being deducted in each case. The dividend of the past year of 13s a share, tax free, costs £143,000, and the credit balance at profit and loss, after provision for this dividend had been made, was £153,242, against £145,262 brought forward. A valuation of the assets and liabilities of the life department was made as at December 31st last. The total surplus was £121,056, of which £53,376 was applied to writing down securities, £21,183 applied to strengthening the valuation, £11,864 carried to profit and loss as the proprietors' percentage of premiums in lieu of profits, and £33,436 carried forward. The interim bonus payable on sums assured and existing bonus which become claims, was increased to 36s per £100 per annum.

Royal Exchange Assurance.—After several years of extreme moderation in dividends, this old corporation has made a substantial increase in its distribution to shareholders, though still keeping within the assured receipts from interest upon invested funds. For 1923 the dividend is 25 per cent., less tax, which will cost £133,537, against net interest receipts of £139,418; a year ago the total dividend was 18 per cent., less tax, costing £93,044. In the fire department the premiums were £1,414,548, against £1,480,013, and the claims 47.5 per cent., as compared with 46.1 per cent. The expenses and commission absorbed 46.5 per cent., against 46.6 per cent. After taking credit for the reduced liability for unexpired risks, the fire surplus was £110,528, or 7.8 per cent. of the premium income. In the marine department there has been an expansion in premiums after the severe cutting-down of recent years. For 1920 the marine premium income was £1,070,952, for 1921 £248,364, for 1922 £369,068, and for 1923 £517,806. The marine fund was raised to £750,249, against £724,479, by means of a net transfer from profit and loss of £40,000. The general accident account, with premiums of £726,985, yielded an underwriting surplus to profit and loss of £56,610. The profit and loss balance (general reserve fund) was increased during the year from £1,015,403 to £1,056,892, after providing £63,602 for income-tax and corporation tax. The increase in dividend is more than met out of the net interest earnings of the funds.

London and Lancashire Insurance Company.—This insurance company, conspicuous for several years in the skill of its management, has achieved during 1923 one of the most successful underwriting records in its history. In what may be called an average year for most offices, it has made exceptional profits. The total premium incomes in the fire, marine, and accident department amounted to £5,769,875, against £5,496,326 during 1922. In the fire department, thanks partly to a favourable experience in the United States, the premiums of £3,015,995 yielded an underwriting surplus of £404,906, or 13.4 per cent. of the premiums. In the marine department, with premiums of £1,209,124, the underwriting surplus was £150,970, or 12.4 per cent., and in the accident department, with premiums of £1,544,756, the underwriting surplus was £189,307, or 12.2 per cent. The total surpluses, apart from interest, and after providing for liabilities under unexpired risks, amounted to £48,887. Interest receipts, less tax and less debenture interest, amounted to £383,113. After providing £219,771 for income-tax on profits, and corporation tax, and the dividend for 1923, and increasing the reserves of the fire and accident accounts by £400,000 and £100,000 respectively, the balance of profit and loss carried forward was £1,091,055. The shareholders' dividend for the year of 13s a share, less tax, will cost £376,517, the whole of which is met out of the net revenue from interest on the reserve fund of £383,113. The interim dividend for the current year is to be increased by 1s a share, less tax.

The London Assurance.—In the fire department last year the premiums were £1,601,505, against £1,480,153 for 1922, the claims 46.4 per cent., against 51.4 per cent., and the expenses 45.5 per cent., against 45.3 per cent. Pro-

vision for the increase in unexpired risks cost £48,541, and the underwriting surplus was then £80,745 on 5 per cent. of the premiums, as compared with £82,399, or 5.6 per cent. in the previous year. The fire reserves were increased by £100,000 to £1,400,000. In the marine account the premiums were £944,601, against £869,279, and after increasing the reserves by £50,000 to £900,000, the sum of £160,771 (including £39,631 from interest) was transferred to profit and loss. A year ago the marine transfer to profit and loss was £163,236 (including £33,813 from interest). In the combined accident accounts the premiums were £286,235, and the reserves were increased by £49,143 to £204,923. The total transfers to profit and loss on account of underwriting were £167,469, and the total interest receipts available for dividends were £236,385, making together £403,854. After transferring £25,000 to contingencies account (making it £450,000) and £50,000 to general reserve (making it £1,300,000), and writing £25,000 off premises account, there was a balance at profit and loss of £251,385, against £249,745 brought forward. The dividend on the ordinary shares for the year is 10s 6d a share, less tax, which will cost £202,876 net, against £186,982 paid in dividend during 1923. Including the preference dividends of £15,000, the dividend payments on account of the past year will be £217,876, as compared with net available receipts from interest of £236,385.

Three Accident Insurance Companies.—The Ocean Accident (owned by the Commercial Union), the London Guarantee and Accident (owned by the Phoenix), and the General Accident Companies have all issued their reports. These companies do a very considerable "casualty" business, as it is called in the United States, and we see its effects upon their reports. At the annual meeting recently of the Employers' Liability Assurance Corporation, it was explained that the readjustment of premiums to experience had lagged behind the unfavourable claims ratios of most offices, but that the various State insurance departments were now revising the rates which it was permissible to charge for American workmen's compensation business. In respect of last year the Ocean had premiums in its accident department of £5,506,015, as compared with £5,133,482 for 1922. The claims paid and outstanding were 59 per cent. of the premiums, and the expenses and commissions were 36 per cent. After making provision for the increase in liabilities for unexpired risks on the basis of 40 per cent. of the increased premium income, the Ocean shows a surplus of £121,410, or little more than 2 per cent. of the premium income. The London Guarantee and Accident Company in its general insurance revenue account for last year had premiums of £4,469,631; the claims paid and outstanding were 57.4 per cent. of the premiums; and the expenses and commissions were 39 per cent. After provision for unexpired risks, there was an underwriting deficiency of £62,680, or 1.4 per cent. of the premiums. The General Accident Assurance Corporation shows premiums in the accident and general account of £4,184,209, as compared with £3,517,415 in 1922; the claims paid and outstanding were 57.3 per cent. of the premiums; and the expenses and commissions 33.3 per cent. The underwriting surplus, after the company's own adjustments for unexpired risks, was £235,755, or 5.6 per cent. of the premiums. If, however, the basis of 40 per cent. of the premiums be taken, the surplus works out at £117,258, or 2.8 per cent.

East Rand Proprietary.—It is somewhat curious that following the issue of what must, on the whole, be regarded as a disappointing report, the shares of this company should have been—and continue to be—the subject of speculative activity. This was at first attributed to unofficial information of improved developments. The directors, in their annual statement, mention the continuance of "promising values" in the Driefontein area, but add that these continue to be erratic. Hence the outcome of further work must be awaited before definite conclusions can be drawn. The quarterly report just to hand intimates that "good values are being exposed in limited areas in the Driefontein and Angelo sections." Last year no less than 45,000 feet of development were per-

formed, or more than double the toll of any recent period. Nevertheless, the ore reserves only expanded by 376,300 tons to 2,100,600 tons. This quantity, although considerable in itself, is, the consulting engineer remarks, "quite inadequate to provide for the present scale of milling operations." The point of this observation will be apparent when it is realised that 1½ million tons of ore were taken out of the mine during 1923. In other words, not very much more than one year's supply is available. The alternatives before the management are to decrease the scale of crushing or increase the scale of underground operations. They have chosen the latter. If results are satisfactory, well and good; in the contrary case there will be no possibility of materially prolonging the life of the mine. Last year a small working profit was made—£6,300, equal to 1d per ton. This compares with a loss of £92,600 in 1922 and a profit of £78,300 in 1921. It may be noted, however, that the whole of the additional development was last year charged against revenue, swelling the expenses by £93,300, or 1s 2d per ton. This procedure is difficult to understand in view of the fact that the company had a fund of £306,400 accumulated some years ago for the purpose of covering special development expenditure. In view of the position of the mine, the directors consider there is no necessity to continue the reserve in question; it has accordingly been transferred to the appropriation account. The latter now shows a credit of £461,700, mainly represented by cash assets. Such sum will not be available for distribution amongst the shareholders. The liability in respect of debentures not yet redeemed stands at £430,800, while on the termination of operations a large contribution will become payable under the Miners' Phthisis Act. The possibility of an arrangement with the Cinderella Consolidated, which owns an extensive adjoining property, was referred to in last week's "Note" on the General Mining group.

Consolidated Diamond Mines.—Our mining correspondent writes:—There has been a considerable amount of heart-burning in connection with the affairs of this enterprise, which took over the properties in South-West Africa formerly owned by German concerns, and subsequently acquired other interests. The latter, it may be worth while to point out, include practically all the shares in the South-West Electric Power Co., possessing a fully equipped plant at Lüderitzbucht, which supplies electric light and power to the mining companies and to the township. The Consolidated Company also owns the entire capital of the South-West Finance Corporation, formed to hold the royalty rights in respect of the Pomona area, with landed property and other assets. To this undertaking advances totalling £588,200 have been made by the Consolidated Company. In view of the improvement which took place in the diamond trade during the early part of 1923, it had been expected that the Consolidated Company would be able to make a maiden distribution in respect of that year; and the absence of any announcement occasioned much disappointment. The accounts now in the hands of the shareholders in this country show that the expectations above referred to were fairly well founded. As against an insignificant sum in 1922, the profits—after allowing for a heavy non-recurring taxation charge—came out at £270,700. It is true that of this amount £138,700 was required for debenture redemption sinking fund, but the balance would easily have provided 5 per cent. Possibly the key is to be found in the financial position. The latter appears strong, for after providing for liabilities the cash surplus comes out at £496,000. Included in the liquid assets, of course, is the loan of £588,200 to the South-West Finance Corporation. The sum in question, it is semi-officially stated, is lent out against first-class security; nevertheless, it presumably cannot at the moment be drawn upon by the Consolidated Company. Diamonds on hand, at cost of production, figure for £98,500, not included in the surplus above mentioned. Some surprise has been expressed by shareholders at the non-application of any portion of the debenture redemption fund. The position is this. Until the end of September, 1929, the holders of the bonds have the right to convert them into shares at par. This right is responsible for the considerable premium at which the de-

bentures are quoted. But according to the "Stock Exchange Official Intelligence," the debentures are redeemable at par in 1929 or earlier by means of a sinking fund to be created by setting aside out of the yearly profits a sum equal to 7½ per cent. of the debentures outstanding. It is obvious that people would not have paid 120 to 140 for these bonds if they considered there was any possibility of repayment at par in the near future. Obviously, need exists for an authoritative statement. By the way, the amount of the bonds outstanding is £1,849,900. Last year the company sold to the London Diamond Syndicate 400,700 carats, for which £1,461,100 was received. The directors state (under date March 5th) that negotiations for a renewal of the sales agreement are in train. Presumably they have been concluded ere this. Even should the company's contribution to the pool remain at the old level, there would seem to be every prospect of a dividend in respect of the current year.

A Quarter's Fishing.—The deep-sea fisheries during the first quarter of the year have been attended with a fair amount of success. The landings of wet fish by British-owned fishing vessels at ports in England and Wales, according to the returns of the Ministry of Agriculture and Fisheries, reached 2,098,269 cwts, comparing with 2,137,864 cwts in the corresponding period of last year, while the first-hand value (including shell fish) is returned at £3,305,519, against £3,441,861. The landings at Scottish ports were 1,563,280 cwts, against 938,761 cwts, and the values £1,052,757, against £806,487, thus recording much improved conditions in the Scottish fishing industry. In addition, foreign-owned vessels landed in Great Britain direct from the fishing grounds 432,831 cwts, against 393,859 cwts, the respective values being £319,643, against £344,855. It is interesting to record that these landings at Grimsby and Hull, in March, fell off considerably as compared with January and February, and to some extent affected the total for the whole of Great Britain. Nevertheless, the figures are regarded as still too high, and continue to exercise the minds of those engaged in the industry here. Imports of wet fish from abroad in the quarter amounted to 486,656 cwts, against 479,767 cwts in the January and March period last year. Norway alone contributed to the total 322,864 cwts, principally fresh herrings, which are now arriving in substantial quantities by special steamers at Hull and other ports for the purposes of the British curing industry, which annually exports the salted or smoked product on an extensive scale to Poland, Germany, and the Baltic States.

Japanese Trade and Finance.—Cabled advices from Tokyo regarding financial and trade conditions in Japan in the first half of the present month record the maintenance of high rates for short loans, the latest quotation being 7 to 7½ per cent. Causes contributing to this result were the settlement of import bills, collection of taxes, and the slow return of credits from the provinces. In addition, there is no sign of cessation of new issues of debentures, although borrowers are finding increasing difficulties in appealing to investors. Prices are still tending downwards, but in anticipation of increased exports this tendency has been checked to some extent. Building materials, for instance, after heavy falls, have become steady. Spot quotations of rice are steady. There has been some buying of cotton, while some business has been passing in raw silk. Stock markets are idle. On April 15th the note issue of the Bank of Japan was 1,203 million yen, as compared with 1,094 millions a year ago, while discounts and advances at 574 million yen compare with a figure of 266 millions on April 15, 1923.

THE forty-second annual meeting of the London Chamber of Commerce will be held at Skinners' Hall, Dowgate Hill, London, E.C., on Wednesday, April 30th, at 2.30 p.m. Lord Kysant, G.C.M.G. (president) will occupy the chair.

Oversea Correspondence.

UNITED STATES. — INDUSTRIAL INDICATORS — COMMODITY PRICES AGAIN DECLINE—RECORD COPPER SHIPMENTS—BUILDING COSTS.

(FROM OUR CORRESPONDENT.)

NEW YORK, April 15.

FURTHER evidence of a slackening of activity is found in reports from various trades and industries. The United States Steel Corporation's statement of unfilled orders on its books at the end of March, for instance, showed a reduction of 130,094 tons during that month, bringing the total amount of unfinished business down to 4,782,807 tons, as against 4,912,807 tons at the close of February, 4,798,429 tons on January 31st of this year, and 7,403,332 tons on March 31st of 1923. Last month's decrease was the first since November, the volume of unfilled orders having been steadily increased, and showing a total gain of some 544,300 tons during the three months ending with February. The reduction proved somewhat larger than most interests had expected. Based on last month's reduction in unfilled orders, it is estimated that new forward business placed during March totalled about 1,165,000 tons, or in the neighbourhood of 45,000 tons daily on the average. The statistics indicate that incoming business last month was close to 90 per cent. of deliveries. The Corporation maintained an unusually high rate of operation, production at one time being nearly 99 per cent. of capacity, while the average output for the month was approximately 96 per cent. of capacity. The present volume of business on its books is sufficient to keep the corporation's plants well engaged for a number of months, irrespective of any additional orders. In the past few months, and especially in recent weeks, most of the orders placed have called for prompt delivery. Consumers, as a rule, have shown no disposition to buy far ahead, and this fact has made it difficult for steel producers to build up a "back-log of business." Present indications point to a further decrease in the corporation's unfilled orders during the current month, since demand for steel products has been diminishing lately.

Another indication of lessened activity in many directions, and possibly of lighter consumption, to some extent at least, is furnished by the latest figures of car-loadings for the entire country. For the week ending March 29th the number of cars loaded with revenue freight on all railroads was 907,548, or 28,726 less than in the corresponding week of 1923, and representing the fourth successive decrease in the weekly totals. As compared with a year ago, the larger part of the falling off was in coal, 154,680 cars of which were loaded, as against 181,648 in the same week of last year. Loadings of miscellaneous freight decreased 10,222 cars to a total of 329,171. On the other hand, cars loaded with merchandise freight aggregated 251,201, showing an increase of 478 over the preceding week, and of 15,898 over the like period of 1923. Notwithstanding the steady decrease during March, more cars were loaded with paying freight from January 1st to March 29th than in any like period on record.

Complete reports of February railroad earnings make a much better exhibit than preliminary returns indicated. The combined net operating income of the Class I. carriers amounted to \$71,191,600, equivalent to an annual return at the rate of 6.28 per cent. on their tentative property valuation. This is the largest February net operating income ever recorded, while, with only two exceptions, the rate of return shown on their valuation is the highest reported at any time since such percentages began to be recorded. Net operating income for April of last year was equal to a return at the annual rate of 6.50 per cent., and for May 6.33 per cent. The total for February of this year compares with \$51,281,000, or 4.38 per cent., in January, and with only \$39,274,900, or 3.76 per cent., in February of 1923. Gross earnings for February aggregated \$478,914,250, representing a gain of \$31,965,380, or 7.2 per cent. over the same month of 1923, while operating costs of \$374,699,900 showed a decrease of \$1,306,700, or three-tenths of 1 per cent. The

increase in net, therefore, was due not only to larger revenues, but also to smaller operating expenses. Better weather, as compared with a year ago, and the greatly improved condition of rolling stock, were important contributory factors.

March was the fourth month in succession during which the average level of commodity prices declined. Bradstreet's index number of \$12.6574 on April 1st showed a drop of 1.8 per cent. from that of March 1st, 5.7 per cent. from December 1, 1923, and 9.1 per cent. from the April 1st number a year ago. As compared with the low point touched on June 1st during the 1921 deflation, the present figure is 18.3 per cent. higher. The April 1st index number is the lowest recorded since October, 1922; it represents a decline of 39 per cent. from the peak reached on February 1, 1920, and an advance of 45 per cent. over August 1, 1914. An outstanding feature of the changes in March is that the downward trend of commodity prices was more general than in some of the preceding months. Only three groups of staples showed advances, while ten groups declined.

Statistics, recently published, showing the domestic and export movement of copper last month, have attracted more attention than usual. Shipments of the red metal by North and South American producers in March totalled 271,000,000 lbs, the largest in the history of the industry, surpassing the previous record of 234,000,000 lbs in February, and the third highest record of 224,000,000 lbs in November of last year. Shipments for the first quarter of 1924 aggregated 720,000,000 lbs, averaging 240,000,000 lbs a month—the largest movement for any three consecutive months ever recorded. Domestic shipments last month reached 160,000,000 lbs, a new record, and comparing with the previous highest of 149,000,000 lbs in March, 1923. March exports totalled 111,000,000 lbs, against 92,000,000 in February and 70,000,000 in January. Production by refineries amounted to 220,000,000 lbs, all of which came from ores, excepting 10,000,000 lbs from scrap copper and brass returned to furnaces. The March output of North and South American mines is figured at 190,000,000 lbs, approximately. Stocks of refined copper were reduced last month by some 51,000,000 lbs, the heaviest monthly decrease ever shown in peace time, and brought producers' stocks of refined copper down to 240,000,000 lbs on April 1st, the smallest total in six months. Germany and France took one-half of all the copper exported last month, shipments to Germany amounting to 30 per cent. and to France 20 per cent. of the total output.

Despite the abnormally high costs of labour and materials, there is no slackening of building activity throughout the United States. On the contrary, reports on building permits and expenditures thus far received make it practically certain that the totals for March and for the first quarter of this year will exceed those of any like periods in the country's history. In this connection, the National Industrial Conference Board has just completed a comprehensive survey showing that building costs in the United States, in the midst of what is described as this country's greatest construction boom, have doubled in the last ten years.

FRANCE.—ELECTRIC PROSPECTS—OVERSEAS TRADE —THE NEW TAXES: WHOLESALE PRICES.

(FROM OUR CORRESPONDENT.)

PARIS, April 23.

THE point to which the question of applying the experts' plan has now been brought has had a distinctly favourable effect on the prospects of the Poincaré Ministry in the pending General Elections, and little is now heard of the predictions that were so generally made a few months ago to the effect that the contest would result in a marked trend to the Left. Owing to the serious modifications that have recently been made in the electoral machinery, all parties have on this occasion been remarkably slow in selecting their candidates, and only a small proportion of these have yet definitely taken the field. Now that the holidays are over, however, the electoral campaign may be regarded as definitely opened, and the next three weeks will be strenuous ones for all concerned. So far as can

be seen, the fight will lie between the Right and Right Centre, on the one hand, and the rest of the parties (ranging from what remains of the now divided Radical and Socialistic Radical party, to the Revolutionary Communists) on the other. M. Poincaré's effort more or less to ignore the Extreme Right, and secure a stronger hold on the more conservative section of the Radical and Radical Socialist Centre has apparently proved successful. The result is likely to show that he is now substantially stronger with the moderates who form the centre of the Chamber than the Bloc National was at the last election, and has gained much more in that direction than he has lost by dropping, to a great extent, that section of the Royalists who persist in running candidates of their own.

The French foreign trade returns for March are now available, and they disclose that the total exports during the month had a value of 4,354,695,000f, while the value of the total imports amounted only to 3,622,604,000f, or a balance in favour of this country of 732 million francs. This is the second month, it will be noted, in which French exports have shown a surplus over imports, the favourable balance for February having been 201,300,000f. The returns of French foreign trade had always previously shown an excess of imports over exports, the deficit in January having been over 188 millions and in December 750 millions. The total figures for the first three months of the present year, as compared with those for the corresponding period of 1923, are set forth as follows:—

	First Three Months of		Increase in 1924.
	1924.	1923.	
Imports—	Francs.	Francs.	Francs.
Foodstuffs	1,937,893,000	1,612,011,000	+ 325,882,000
Raw materials	7,023,725,000	4,324,065,000	+ 2,699,658,000
Manufactured goods	1,262,709,000	1,019,351,000	+ 243,358,000
Total	10,224,325,000	6,955,427,000	+ 3,268,898,000
Exports—			
Foodstuffs	1,101,041,000	687,314,000	+ 413,727,000
Raw materials	3,024,576,000	2,088,748,000	+ 935,828,000
Manufactured goods	6,381,842,000	3,411,383,000	+ 2,970,459,000
Postal parcels	465,548,000	373,703,000	+ 91,845,000
Total	10,972,807,000	6,561,148,000	+ 4,411,659,000

The totals for the three months show a net favourable balance of 748,482,000f. That these increases in value are not merely due to a fall in value of the franc is evident from the fact that exports of manufactured goods had an increased tonnage of 43 per cent., and of foodstuffs 30 per cent. Exports of raw materials, however, although nearly 936 millions greater in value, were over 7,000 tons less in weight.

Many of the new taxes, including those on cheques (stamps on which have been increased from 10 centimes to 20), auction sales (17½ per cent. to 19½ per cent.), and postal and telegraph rates, have already come into operation. It is significant, however, that the increased duties on tobacco (the price of the commonest quality of which has been increased from 1f 10c to 1f 50c per 40 grammes) and other articles of common consumption have not yet been brought into effect. The reason for this is undoubtedly the proximity of the General Elections, and it is expected that, in spite of the new Finance Act having become law a month ago, care will be taken not to obtrude the new taxes too prominently on the attention of the mass of the voters until the contest is over.

The return of the yield from taxation during March shows that the total revenue from all sources (exclusive of posts, telegraphs, and telephones, which department now possesses an autonomous budget) amounted to 2,110,642,950f, as compared with 1,980,335,500f during February. A statement issued by the Ministry of Finance expresses the opinion that although the revenue for March has benefited from the fact that the 20 per cent. increase of taxation came into effect as from March 24th, so far as certain indirect taxation is concerned, this made a difference only to the practically negligible amount of about 15,000,000f. The increased revenue arising from the new taxes, it is considered, will make itself visible only during the next seven months of the year. Out of the total revenue for the month, 1,960,639,100f was derived

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from normal and permanent sources. Direct taxation yielded 388,368,700f during March (including 368,368,000f from income-tax, or 56,450,600f more than in March, 1923). The total yield from direct taxation during the first quarter of 1924 was 1,263,012,300f (of which over 1,193 million francs was from income-tax), or 262,081,700f more than during the corresponding period of 1923. The total yield from indirect taxation and monopolies during March was 1,555,063,000f, or 373,208,500f more than in March, 1923. Nearly one-half of this increased yield was from registration duties, which yielded 420½ millions, or over 157½ millions more than was expected. The tax on turnover, which produced over 302½ millions during the month, yielded over 77 millions more than Budget estimates, and nearly 85 millions more than in March last year. With the exception of the duties on salt and sugars, every category of impost more than came up to expectation, even the yield from Customs, for the first time for some months, being 13 millions more than had been anticipated (and 14 millions more than in March, 1923).

The Statistique Générale has now caught up on the delay that has recently characterised its monthly index figure statement, and has this week issued at the same time the figures for wholesale prices for both February and March. These (on a base of 100 in 1914) are summarised as follows:—

	Cate- gories.	End Mar. (Provisional.)	End Feb. (Corrected)	End Jan. (Corrected)
General Index Figure	45	510	555	505
Foodstuffs (as a whole)	20	455	484	441
Vegetable foods	8	434	441	399
Animal foods	8	430	444	437
Sugar, coffee, cocoa	4	563	682	550
Raw materials (as a whole) ..	25	558	617	560
Minerals and metals	7	488	592	525
Textiles	6	678	745	693
Sundries	12	529	555	500

(At the end of 1922 the index figure of wholesale prices, which was then calculated on the base of 100 as representing the mean for the period 1901-1910, was 418.4, which corresponds to 355 on the base of 100 in 1914, which has been the method adopted since the beginning of the present year.) The sharp rise in all wholesale commodity prices during February synchronised, of course, with the remarkable fall in the exchange value of the franc, which began at the end of January, when it stood at 93.33 to the pound. By the end of February the franc had dropped to 102.35, and by the middle of March to around 120, from which it spectacularly recovered in three or four days to 84.05 on March 19th and to 73.075 on April 1st. The index figures for the three months show that, whereas the franc at the end of March was, roughly speaking, 20 points stronger than it had been on January 31st, when the "raid" began, commodity prices at the end of March were, if anything, appreciably higher than they were when the fall of the franc commenced.

For the first time this month, the Statistique Générale has issued no index figures for retail prices at the same time as the wholesale price figures. Whether this is due to a complete change of system or to the fear that the disclosure of official index figures at this juncture may have a prejudicial effect on the prospects of the Government at the pending elections, it is impossible to say. What is certain, however, is that during the past few weeks profiteering has again been rampant in practically every category of trade throughout France, in regard to both imported products and those of purely French origin.

**GERMANY.—REPARATIONS—FINANCES—CURRENCY—
PRICES—INDUSTRY—FOREIGN TRADE—CROPS—
STOCKS.**

(FROM OUR CORRESPONDENT.)

BERLIN, April 22.

THE first optimism as to the Dawes report has been followed by a reaction, which is due more to political considerations than to defects discovered in the plan of payment itself, though in the latter respect also there is some criticism which seems to be well-founded. The last days' indications are that from the French side the smooth putting in force of the plan may hit upon difficulties, particularly in regard to the immediate economic evacuation of the Ruhr, or, as the French put it, the surrender of the existing—very tenuous and unpromising—pledges before the more substantial pledges provided by the experts yield substantial results. This means difficulty. Not only is the only substantial *quid pro quo* offered to Germany the complete stoppage of Franco-Belgian interference with industry, foreign trade, and transport, but also anything like an attempt to combine a modified Ruhr economic regulation with the system devised by the experts would certainly fail. Even if these apprehensions are not fulfilled, the effective putting in force of the plan by Germany cannot be considered assured. The Marx Cabinet, it is true, has accepted the plan, but the motive for this is partly psychological; to reject or even criticise a scheme of settlement which the whole world seemed resolved to approve of in advance was out of the question. The composition of the Reichstag which will be elected on May 4th is doubtful; but even if a Reichstag which in principle favours the Dawes plan is elected, the execution of the plan by normal legislative methods will probably—in view of party dissensions, and of the great power of pocket interests—not be easy.

The State-financial situation continues to be satisfactory, and early in May will be received large payments for property tax, which originally fell due this month. The deficit system seems now to have been finally overcome; the Government has considerable sums in hand, and it has not borrowed back the 100,000,000 Rentenmarks which it repaid, after its first borrowing, to the Rentenbank. This resource is therefore in reserve. In March gross receipts from taxation totalled 595,258,243 gold marks, of which 514,581,040 gold marks were direct taxes or taxes on business, and 76,227,085 gold marks Customs and Excise, against 418,029,549 gold marks and 63,057,920 gold marks respectively in February. Since the currency stabilisation the ratio of direct tax yields to indirect tax yields has naturally greatly increased. The last three decade reports show (the revenue here being the net taxation yield after deduction of expenditure directly paid by the Finance Bureaux):—March 11-20th, revenue 107,564,900 gold marks, expenditure 134,251,200 gold marks, surplus 63,313,700 gold marks; March 21-31st, revenue 179,124,000 gold marks, expenditure 189,338,000 gold marks, deficit 10,214,000 gold marks; April 1-10th, revenue 134,088,847 gold marks; expenditure 150,749,855 gold marks, deficit 16,661,008 gold marks. The total deficit between the currency reform date (November 15, 1923) and the end of the financial year (March 31st) was 726,300,000 billion paper marks, equal to (allowing for the paper mark instability, which continued until November 20th) 750,000,000 gold marks, but this deficit was wholly incurred in the first weeks after the reform, before the reform could take full effect. The sum raised by sale of Rentenmark Treasury bills up to April 10th was 163,823,886 Rentenmarks. The total gross taxation receipts in the past financial year was 1,862,171,854 billion paper marks, but, owing to the enormous disparity in the mark's value at different dates, this figure has no meaning. Railway finances are rapidly improving. As the result of longer working hours and of other measures, the number of employees has fallen from its post-war maximum of 1,080,000 to 750,000 men.

The Deutsche Golddiskont-Bank, Herr Schacht's creation, was formally founded on the 7th. The German private banks, which guaranteed to raise £5,000,000, or half the capital, have been called on to pay in 25 per cent. of their quota at once. The bank is entirely under the

management of the Reichsbank, and in addition to the Reichsbank President, Herr Schacht, among its directors is the Reichsbank Vice-President, Herr von Glasenapp. The new bank's discount rate, like the Reichsbank's, is 10 per cent. The bank announces that its programme is to finance imports of raw materials for production of exportable manufactures, but not to finance imports for home consumption. Interest-bearing deposits will for the present not be accepted. Credits will in general be given in English pounds, this being the bank's own currency.

The last Reichsbank report, for April 7th, shows a continuation of the credit demand in shape of paper-mark and Rentenmark bills, but a decline in advances. Paper-mark discounts totalled 710,520,211 billion paper marks; Rentenmark discounts 1,156,716,570 billion paper marks. In the week the total of all the Bank's discounts, loans, and advances rose by 88,800,000 billion to 1,999,900,000 billion marks. Note circulation was 683,700,000 billion marks. The Reichsbank's borrowing from the Rentenbank for purpose of financing industry, which doubled in March from 400 to 800 million Rentenmarks, remain unchanged at the latter figure. The Rentenbank's return for March 31st shows circulation of 1,985,675,000 Rentenmarks, against 1,579,371,000 Rentenmarks on February 29th. The Bank's loans to the Republic are:—non-interest-bearing, 200,000,000 marks (out of the maximum allowable 300,000,000 Rentenmarks); interest-bearing, 900,000,000 Rentenmarks, which is the maximum allowable. Apart from its 800,000,000 Rentenmarks loan to the Reichsbank, the Rentenbank has a claim for 200,000,000 Rentenmarks lent temporarily to the Railways and Posts.

The currency continues to hold well. Prices are, however, again rising, partly under the influence of the trade revival, partly owing to the sharp rent increases owing to the imposition of the Rents Tax, recently described; the tax in Prussia is 16 per cent. of the pre-war gold rent. Iron and steel prices have gone up. The Pig-Iron Syndicate last week raised prices by between 3 and 6 marks per metric ton; and bar iron, ex works, has reached 160 marks. Producers affirm that these prices still do not cover production cost; and as the franc rise has once more set French and Belgian gold prices over German, and so killed competition, a further rise in German prices would be likely were it not for the fact that an over-supply of steel and iron is expected within a short time. Already producers who a few weeks ago rejected orders are offering to deliver within six or eight weeks.

The death of Herr Stinnes has so far produced no visible effect. Stinnes' natural successor as big organiser and fuser, and perhaps as international bogey, is Herr Otto Wolff, of Cologne, who first became internationally known by his campaign against importation of English tin-plates, later by his comprehensive but since repudiated agreement with Soviet Russia. Unlike Stinnes and the other Western combiners of industry, who started as producers, Herr Wolff began as an iron and steel trader, first entering into relations with the important Phoenix concern, later becoming directly or indirectly associated with the Rhenish Steelworks, van der Zypen, the Reiherstieg Shipyard, the General Electricity Co., Kloeckner, Thyssen, and Krupp. Wolff now controls a whole network of trading concerns, and of producers of raw materials, of half-finished materials, and of finished goods, including machines, motors, boilers, and automobiles.

The official cost of living index for the 15th was 112, against a minimum this year of 103 on February 11th, the official wholesale index 124.1. The *Frankfurter Zeitung's* wholesale index figure for the 15th is 152.34, against a minimum this year of 143.06 on January 31st. Of the five groups in this index, only the textiles and leather group (with 207.83) is more than 100 per cent. above the pre-war figure. Unemployment continues to decline rapidly. Between March 15th and April 1st the number of publicly supported unemployed in unoccupied territory fell from 978,000 to 712,000, and is now only 40 per cent. of that of December, 1923. Bankruptcies are increasing slowly, having numbered 62 in March against a month's minimum of 7 in November last. Considering the dislocation of last year, the coal output is satisfactory. Ruhr production in March (omitting three regie mines) was 8,254,499 tons,

against 8,763,201 tons in March, 1923, and 8,939,855 tons in March, 1913. Scattered reports indicate that per capita production is in general increasing. Figures published by the *Frankfurter Zeitung* for two big engineering and electrical concerns show that the per capita productivity of actual manual labour is about the same as before the war, and that the unfavourable figures which often appear are attained by reckoning also the clerical and technical staffs, which have increased since 1913 far more than the manual staffs. Thus, in the Borsic locomotive works, the number of manual employees increased in 1913-22 from 2,740 to 3,271, but the number of non-manual employees increased from 1,003 to 2,306. The reason is that the Eight Hours Day restriction reduced the working hours of the so-called "unproductive" employees much more than it reduced the hours of the manual "productive" employees, so that the number of the former had to be disproportionately increased. The Scandinavian newspapers have begun an agitation against German so-called "social dumping," based on long hours, as successor to "exchange dumping." The leading Daimler and Benz motor-car concerns have entered into a semi-fusion, with the aim of standardisation and differentiation of production and exclusion of competition; both concerns have certain affiliations, and a fusion of the whole national motor-car industry, with the main aim of fighting American competition after the expected abolition of the present import-prohibition, is being talked of.

The passive foreign trade balances seem to have returned for good. After January, February shows a considerable import excess. Import value was 718,587,000 gold marks, against 568,162,000 gold marks in January; exports, 466,399,000 gold marks, against 431,021,000 gold marks. Food imports declined from 175,239,000 gold marks to 154,448,000 gold marks; raw materials imports increased from 237,470,000 gold marks to 359,051,000 gold marks. The chief change in exports was a decline from 367,454,000 gold marks to 333,871,000 gold marks in manufactured goods. As usual, owing to lack of data from occupied territory, these figures are defective. The Government has authorised the export of 4 million centners of sugar, of which 50 per cent. may be raw sugar, in 1924-25, as against a maximum allowable export of 2,600,000 centners in the current sugar year. The aim of this increase is to facilitate the financing of the sugar-beet crop.

Bad crops in the present year are feared as a result of abnormally prolonged cold weather. In Prussia, according to the official index, the condition of all winter crops on April 1st was materially below that of April, 1923, and the most important winter crop, rye, is much worse than in the bad year 1922. The Bourse to-day was weak; considerable French franc bear commitments for the end of April and May are known to exist, and money is extremely hard to get, as much as 90 per cent. being demanded by banks, although the borrower is now always required to accept the risk of currency depreciation. The banks last week raised their interest rate on deposits, subject to withdrawal notice, to 15 per cent. The issue of the Dawes report induced some foreign buying of industrials, mostly by Hollanders, but there is no sign of a general Bourse revival, and Western mining-metal stocks to-day fell heavily.

**BELGIUM.—THE RECOVERY OF THE FRANC —
EFFECT ON INDUSTRY AND SECURITIES.**

(FROM OUR CORRESPONDENT.)

BRUSSELS, April 22.

It was not expected that the reaction of the franc would have been as brutal as it has been during these last few weeks, and further accentuation is far from being desired. Evidently it was officially wished to exterminate the foreign gambler. But it must not be forgotten that a victory must not be paid for too dearly. For the mere sake of the moral satisfaction in bringing to justice those who attacked the franc, one must not menace the existence of Belgian industry in suddenly killing outright the

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country's export trade, to say nothing of the worries resulting from disturbances to commercial exportations and importations necessarily consequent upon exchange fluctuations, which sent the pound sterling from 90f to 135-140f in a few weeks, and back again in less than a month to 80f.

There has been much talk in Belgian papers recently of possible large loans that Belgium had contracted abroad as an explanation of the franc's improvement. There would not appear to be so far any justification for such a presumption, in spite of the fact that many papers, English and American as well as Belgian, have gone so far as to mention figures such as 500 millions of dollars and one milliard of Swiss francs. Perhaps if a small—very small—loan is in course of negotiation in New York, its proportions will be far from the importance that is rumoured. It is possible, even, that it may never come to light, as it might probably be a credit from one bank to another, perhaps the mere renewal of certain existing credits now approaching maturity.

One may be mistaken, but I am of the opinion that the Belgian franc has simply followed the French franc because of that sympathy which exists between Belgium and her more powerful neighbour. It followed in the campaign of those desirous to bring about a serious fall; it followed during the rise. The fact that Belgium has the reputation abroad for more or less following France in her political standpoints may also have great bearing on the subject, for it was not Belgium, but France alone, that obtained foreign credits to fight the speculators and the fall of her franc. In both Brussels and Antwerp a very uneasy situation is created by the sudden rise of the Belgian exchange; in the capital principally to financiers, in Antwerp both to finance and commerce. Those who are called in Belgium "the optimists of the franc," and who foresaw and wished for its amelioration, probably find now that their ideas have been realised much too suddenly and much too artificially. Provoked by manoeuvre, the rise of the Belgian franc must not be considered as the outward sign of any improvement in the country's stability. It is just due to the improvement of the French franc, which it follows so closely on foreign markets; and this French franc improvement is quite possibly only encouraged by the French Government to further the ends of their Parliamentary elections. Shrewd indeed is he who can predict what the French franc will be worth in London at the end of May. If the French Government and their friends the Belgian Government feel themselves strong enough to dominate the exchange markets, and keep their master-ship definitely, they will have done well in routing those who planned the fall of the franc; but if later they find they are forced to abandon the market, and thereby deliver it again into the hands of the speculator, then they will have done as much harm to their respective countries as those who attacked the franc in March last.

On the Brussels Stock Exchange the major portion of industrial securities have fallen from 30 to 50 per cent. It is remarkable that the Brussels bourse has been able to stand up against such a blow; and that it has done so suggests that the position of things in Belgium is far from being as unhealthy as some would try to make out.

HOLLAND.—BORROWING POLICY—FLOATING DEBT —EFFECT OF GERMAN RAILWAY TARIFF CON- CESSIONS.

(FROM OUR CORRESPONDENT.)

AMSTERDAM, April 18.

THE loan policy of the public bodies of Holland (State and municipalities) has been the subject of widespread discussion. This is especially the case in regard to the sterling loan of the municipality of Amsterdam, to the amount of £2,500,000, which has been placed on the London market at 96½ per cent. This has called forth some sharp criticism. In Holland it was urged that the municipality should have refrained from issuing a loan in London in view of the risk of a rise in the exchange rate of sterling. But, quite apart from this technical consideration, there is opposition to the idea of the municipalities (Rotterdam, for instance, has also arranged for a loan to be placed in New York) obtaining to an increasing degree from foreign countries the money which either cannot be obtained in Holland at all, or can only be obtained with difficulty. Men of solid judgment are said to be anxious that the municipalities, recognising that the tide has turned, and that money is no longer available in unlimited quantities for all kinds of purposes, should limit their activities in every direction, and should endeavour to make ends meet with the resources obtainable in the country itself, either from taxes or loans. This, of course, does not mean that the municipalities now do work that is wholly unnecessary, but merely that under present circumstances these activities might be somewhat narrowed.

In the meantime, the Dutch Government has issued an internal loan. Here, too, there was serious discussion of a foreign loan. It was reported that the Government was on principle unwilling to apply to New York. Experience has shown that the loans previously issued in New York again reverted to Holland by means of sales to Dutch subjects, so that the whole transaction was substantially equivalent to an internal loan, with the disadvantage of being in a foreign currency—a currency, moreover, which, compared with the Dutch guilder, is above gold parity. This reflux into Holland of the loans issued in America is due to the eagerness of many Dutch investors to buy dollar stocks. In order to avoid this, the Government preferred to deal with London, in case it should require a foreign loan. Eventually, however, the Dutch bankers made a very reasonable offer, which has been accepted. Consequently, on April 11th a Government 6 per cent. loan was issued in Holland, to the amount of 85 million florins, at the price of 97 per cent. Of this 85 millions, 25 was subscribed before the public issue by various public bodies, so that only 60 millions was actually offered to the public. Of this, 59 millions has been subscribed, so that the success of the loan, although not brilliant, is nevertheless satisfactory in view of the state of the money market, which is still somewhat strained.

The loan is intended to consolidate the floating debt. This floating debt consisted on April 7th of the following:

	Fl.
Treasury-bills	588,591,000
Silver treasury notes	31,647,939
Credit balance of national cheque service	106,558,196
Overdraft of Netherlands Bank	10,296,150
Total	737,093,285

From this amount the following deductions must be made:—

	Fl.
Advances to Colonies	124,967,406
„ „ Municipalities	76,790,423
„ „ Foreign Countries:—German Credit	106,204,356
„ „ „ French	24,200,000
„ „ „ Poland	13,300,000
„ „ „ Belgium	42,200,000
Disbursements to holders of accounts in national cheque service	95,203,215
Total	482,865,400

The balance, therefore, remaining as a floating debt, amounts to fl 254,227,885. This amount must again be reduced by 50 million florins, the profit balance which is owed to the Government by the company formed during the war for export purposes (the Netherlands Export Company), so that the final balance of the floating debt

amounts to about fl 204,000,000. Of this, 84 millions is now funded, so that there only remains 120 millions, which, as the Minister of Finance said recently, need not give any cause for uneasiness or fear of inflation. Of course there is still a good deal of temporary expenditure to be met; some of this, for instance, is connected with the fact that the above-mentioned loans to foreign countries, even if assumed to be perfectly safe, will not be repaid for a long time to come, while yet other expenditure will arise out of the present deficit on the budget. But no effort will be spared to retrench, and, moreover, the 1923 deficit has turned out to be only 30 million florins, instead of the original estimate of 50 millions.

The above-named amount of fl 106,204,356 in credit to Germany is a consequence of the Dutch-German Agreement, according to which Germany has the right to dispose of Dutch credit to the amount of fl 140,000,000. On April 7th, Germany had taken advantage of this arrangement to the extent of the above-named amount. In this connection it has aroused great indignation in Holland that the German railways have recently fixed special tariffs for the export of German goods to non-German countries through German ports. The special tariffs affect, amongst other goods, iron, steel, railway carriages, beer, linoleum, cement and piece goods. The reduction of freight resulting from these special tariffs ranges from 11 to 60 per cent., according to the goods. The tariffs to the Dutch frontier and to the Rhine ports have only benefited by the general reduction of tariffs which was effected, first, on January 20th to the amount of 8 per cent., and, secondly, on March 1st to the amount of 10 per cent. As a result of these special tariffs, there cannot but be a considerable diversion of traffic in favour of Hamburg and Bremen, to the detriment of Rotterdam and Amsterdam. Moreover, special tariffs have also been introduced for import into Germany and for transport through Germany, and also for import and export from and to overseas countries, exclusively for German seaports, for jute, cotton and cotton waste, wooden manufactured goods, rice, &c. These special tariffs give a reduction varying from 15 to 55 per cent., as a result of which all traffic through Holland is made practically impossible.

This very serious prejudice to Dutch trade will, perhaps, cease if the recommendations of the Dawes Commission are acted upon and if a bonded loan is thus levied upon the independent German railways. In that case it will be essential that there should be good practical administration. In the meantime, however, Holland is by no means pleased that Germany should have acted in this way, inasmuch as Holland has from the very beginning assisted in the economic reconstruction of Germany. Many Dutch are urging that sharp protests shall be made, and, if necessary, measures taken to combat this policy on the part of Germany.

ROUMANIA.—PARLIAMENTARY ACTIVITIES— PRIVATE EXPLOITATION OF PUBLIC ENTER- PRISES—BUCHAREST LOAN.

(FROM OUR CORRESPONDENT.)

BUCHAREST, April 16.

ALMOST the entire activities of Parliament during the past two months have been devoted to, first, the passage of a new rent law in another attempt to stave off by legislation the inevitable economic and social effects of a dearth of new construction; secondly, a series of bitter debates on foreign relations, brought about by the receipt of successive Notes from the Italian and Spanish Governments, which resulted in the Roumanian Sovereigns cancelling their projected official visits to Rome and Madrid; and, thirdly, the passage of a Bill for the so-called "Commercialisation of State Enterprises."

This law (assuming that it passes the Senate) seems likely to open up an interesting phase in Roumania's economic development, although the Opposition charges that it is merely an attempt to divert to certain financial institutions that are supposed to be supporting the present Government the exploitation of profitable public enterprises. Briefly, while the new law stipulates that the railways, the posts and telegraphs and the tobacco monopoly are to be "commercialised," private capital is not to be "let in" on these undertakings. In other

enterprises, however, that are at present owned or controlled by the State (notably mining and metallurgical, navigation, forestry, mineral waters, &c.) private capital is to be permitted to co-operate with the Treasury—and under the control of Government officials—in their exploitation.

This law is the natural development of the present Liberal Government's so-called "Prin Noi Insine" (Through Ourselves Alone) policy—i.e., the exploitation of the country's natural resources by Roumanian capital—or, at least, under Roumanian control—for the national well-being. An excellent policy, no doubt, except for the important fact that there is not available within the country itself the working capital necessary for the proper exploitation of these enterprises. The railways alone furnish an excellent example. If they could only be brought back to their pre-war condition Roumania would easily be able to produce and export twice the amount of grain and lumber she has so far been able to move in any post-war year. It is generally admitted that the re-conditioning of the entire transportation system of the country is vitally necessary before any real economic progress can be made, and, judged by the results achieved during the past five years, this re-conditioning cannot be accomplished for many years "through ourselves alone."

Parliament recently granted the municipality of Bucharest authority to contract a foreign loan of \$10,500,000, or its equivalent, to be used mainly for re-conditioning the public services of the capital, and it is announced that negotiations have been started for floating this in London.

UNION OF SOUTH AFRICA.—REVENUE—TAXES ON MINES—SOME LESSONS IN PROTECTION.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, April 2.

ACCORDING to the report of the Commissioner of Inland Revenue, Mr. A. P. McLoughlin, there was, for the year ending June 30, 1923, a net decrease in such revenue of £2,295,000, the largest declines being £1,760,230 in income-tax and £1,438,030 excess profits duty. The mining revenue collected for the year was £2,664,374, of which gold mining accounted for £1,769,600. Some 52 mines paid £835,000 under the Income-tax Act. From diamond mines the revenue was £536,570. In the years 1919-20 and 1920-21 the mining revenue approached five millions. A very handsome revenue was derived from State ownership of gold mines, namely, £934,700, inclusive of £191,000 from *bewaarplaatsen* receipts. Government Areas alone paid £737,839, or 53.4 per cent. of its profit. For the last calendar year, thus overlapping with some of the figures given above, the Union Treasury received from this one mine £1,044,809, or 54 per cent. of the profit, which brings up the total to £4,832,122 since the commencement of the lease. Brakpan Mines paid £79,210 on account of Government ownership revenue, but in its case, as in that of Springs, which paid £128,655, only a portion of the area was leased. New States and West Springs are in similar circumstance to Government Areas.

Mr Gawith, retiring president of the Pretoria Chamber of Commerce, again took occasion when presiding at the annual meeting to point out that "the cost of living in South Africa is far too high; the married man with a family earning £30 per month (and there are thousands) has a continuous and bitter struggle to make ends meet, much less save even a little for the rainy day." Wages cannot be increased, but the cost of living can be reduced, "cheaper living means cheaper farming and cheaper mining," absorbing our unemployed whites and increasing exports and railway traffics. The ensuing expansion would lift the cloud of depression which has so long settled over the country. But the ambition for local industries is leading to a policy of extreme protection, "which, if persisted in, will strangle the primary national industries by increasing their cost of production to an impossible extent. We are close to that position." Farmers must produce (for export) in competition with world's prices, but they have to pay a fancy price for many articles in daily use to promote and protect local industries which can never have a hope of becoming export members of the

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family; many local industries are thus a drag and tax on the whole community.

Both the Government and public failed to grasp that traders in practice charged a profit on the Customs tariff imposed. "When a duty of 33½ per cent. is imposed, that duty is in reality more like 44 per cent.; and when it is considered that about £9,000,000 is collected in duty in the Union of South Africa each year, it is seen how it affects the public, who pay another £2,000,000 or £3,000,000 on that item of duty to the storekeeper. This is an aspect of the tariff seldom thought of or recognised. Practically every Budget increases the tariff. In 1902 the tariff was raised from 7½ per cent. to 10 per cent., subsequently increased by the Customs Union to the general tariff to 15 per cent.; since 1914 we have gradually crept up to about 20 per cent. Duties have been increased on boots, silks, linens, cotton and woollen goods, stationery, hardware, enamelware, &c., tea, sugar, spirits, and—most unwarrantable, unreasonable and unnecessary of all—flour. The family man is savaged with a vengeance." In addition to these, the last Budget increased the duty on condensed milk, matches, confectionery, medicines. So we go gaily on.....It is said that leather goods and boots, which now pay 33½ per cent., will be dealt with in the next Budget. Protection and corruption, it is said, are synonymous terms. It was sheer folly to allow local ambitions to blind them to economic facts. If a high tariff wall shuts in, it also shuts out. Local industries were protected on a basis of 100 per cent. white labour, while they employ only 33½ per cent. white labour, the rest coloured or native. With the exception of printing and bookbinding, very largely white, the whole community was being exploited for the benefit of the South African manufacturer.

Mr Gawith gave a striking illustration of what the tariff had done in respect of wheat or flour, which we have to import to make up the quantity we cannot produce. The policy of the Government has been to encourage importations of wheat instead of flour, as the following duties will show:—1913: Wheat, 1s per 100 lb; flour, 2s 3d, British; 1923: Wheat, 1s per 100 lb.; flour, 2s 11d, British. In addition to this, flour is charged with a dumping duty of about 1s per 100 lb. Total duty, flour, 3s 6d to 4s per 100 lb. Briefly, therefore, the farmer who grows the wheat has a protection of 1s per 100 lb. The miller, who only grinds the wheat, has a protection of 3s per 100 lb.

He compared the Government's policy to a man living in a mansion furnished on the instalment system with no money to meet recurring payments. Mr Gawith's remedy for what a prominent financier only yesterday characterised to me as "a wilting lack of expansion" is the drastic reduction of the oppressive and ever-growing tariff.

Letters to the Editor.

INTERNAL DEBT.

TO THE EDITOR OF "THE ECONOMIST."

SIR,—May I express a doubt whether, in your article "Debt," you have really disposed of the case of those who maintain that the internal debt in this country is a force tending to increase inequality of income? That case, stated very crudely, rests on the following grounds:

1. During the war the Government had to get command over a huge amount of resources in a very short time. The presumption is that the only available resources to meet this abnormal demand were distributed on an extremely steep graduated scale from zero among the poor to a large amount among the rich.
2. The above scale must have been much more steeply

graduated than is the ordinary tax system, out of which interest and Sinking Fund charges due to war debt are paid. Hence it would seem that the descendants of those who, during the war, had few available resources beyond absolute necessities for physical efficiency will have to pay a tribute to the descendants of those who held large resources during the war.

Against this you assert that interest on war debt "cannot even be said offhand to be paid mainly to the well-to-do." You then try to estimate how a large proportion of War Loan is distributed.

Assuming that your estimate is accurate, does it represent anything like the position when War Loan was originally subscribed? If so, it follows that the well-to-do, who had most resources to spare, lent least resources as compared with other classes. But it may be that present distribution of War Loan does not at all correspond with the way in which it was originally subscribed. As you say, "most of it now forms an integral part of the money machinery." Is it the case that much of it has changed hands through the money market and passed from the well-to-do to less wealthy investors? If so, have these changes of ownership removed the danger of the debt-increasing inequality in the ways suggested above?

Let us suppose that each original subscriber to the loan was taxed in such a way that that part of his tax payments which went to pay interest on debt was equal in value to the interest he received on War Loan in his possession. Then obviously future distribution would have been unaffected. But suppose a rich subscriber to have paid less than this proportion of taxes to interest receipts. Then obviously someone else must have paid more than this proportion. In every similar case a force is at work tending to alter the distribution of income between individuals. Now, suppose our subscriber, after a time, decides to sell his War Loan and reinvest the proceeds in some industrial shares which promise an even better return. That War Loan will come on the money market, and we will suppose that it is bought by a relatively poor man. Have these transactions done anything to correct the original tendency to mal-distribution of income arising out of the existence of the war debt? The rich man is certainly not a bit worse off, if we assume that his new investment is sound.

The following factor seems relevant. If, instead of raising a loan, the Government had secured its resources by a drastic tax levy, our rich subscriber would have had no piece of paper which he could sell in the money market and buy other income-yielding securities with the proceeds of his sale. Under the loan method of securing resources his future income and that of his descendants will, barring accidents, be greater than it would have been if a tax levy had been imposed on him. This is surely relevant to the concentration "of wealth in the hands of the well-to-do at the expense of the poorer members of the community."—Yours faithfully,

E. F. PENROSE.

30 Hinton Avenue, Cambridge.

Books and Publications.

EAST PERSIA.*

By the terms of the Anglo-Russian Agreement of 1907 Britain acquired a sphere of influence in a small corner of South-East Persia. The unsettled condition of this wild borderland led soon after to the dispatch of British troops to safeguard important commercial interests, and to endeavour to stop gun-running into Afghanistan. With the outbreak of the World War the Seistan area (on the Baluchistan frontier) acquired additional importance in view of German activities in the adjoining neutral zone of Persia, and arrangements were made for co-operation with the Russian troops who occupied Khorasan (in the north). Such, in brief, is the origin of the East Persian cordon, which General Dickson, who was Inspector-General of Communications in this area during the war, has now described for the British public in a book which gives a very clear and readable account of one of the most

interesting of the many "sideshows" of the Great War.

The building of a road from Duzdab, the terminus of the British Indian Railway from Baluchistan, to Askhabad, nearly 850 miles away in Russian Transcaspia, was no small task. The maintenance of communication with a small force through wild and, for the most part, barren country, along a line as far as that from Boulogne to Vienna, called for much administrative ability, while, as General Dickson remarks, "the position of a military force of a belligerent on the soil of a neutral in time of war is, from the point of view of international law, a delicate one." Moreover, a great part of the supplies had to be brought up from India, and, curiously enough, things like beer barrels not infrequently got mixed up with "technical" stores.

The Russian Revolution, of course, greatly complicated the task of the British troops in East Persia, but the collapse of the Tsarist régime and the disorganisation of the economic life of the country also removed our greatest trade rival in this part of the world. General Dickson considers that the prospects for Anglo-Indian traders are therefore bright. East Persia has a population of about two millions. The sheep of Khorasan produce wool of excellent quality, and Meshed rugs are world famous; while the mineral wealth of the country would seem to be considerable. The military operations have made this hitherto almost unknown region much more accessible, and although the figures of imports and exports are still far from big, they appear to be increasing; while the local inhabitants, we are told, would welcome any genuine trading activities which were free from all political taint.

RISK AND RISK-BEARING.*

In the essential parts the book is good and interesting, and the reader should not let himself be put off by the introductory chapters, which, with a display of scientific method, elaborate the obvious and emphasise the commonplace. Once the author has emerged from the realm of generalisations and platitudes, so pleasing to the latter-day classical economist, and has got to grips with the live problems of his subject, the book becomes intensely practical, interesting even in the detail of its illustrations and argument, and commendable for the sane common-sense which it shows in judging intricate questions. An analysis is given of the nature and forms of business cycles, followed by an excellent account of the various methods employed in forecasting their course; the results which can thus be attained are examined, and the unavoidable limitations of such attempts are stated. The chapter on "Risk and the Management of Capital" is again of an introductory, more general character, but does not suffer of the defects of the first part; even obvious propositions, such as, e.g., that speculation is not a form of gambling, but gambling a form of speculation, deserve the space given them by the author and the attention of the reader. The chapters on "The Security Markets," with its interesting account of the New York Stock Exchange and of its organisation, and on "Stock Speculation as a Business Enterprise," should prove of the greatest interest to business men, and even to private investors; still more so to the latter, the "Analysis of Securities," with its simple and clear explanation of how to go about the business. A discussion of "Speculation in Commodities" and of "Hedging," and three chapters on the various forms of insurance, conclude the most valuable part of the book. The penultimate chapter on the "Risks of Labour" is perhaps a tribute to certain dominant interests of the future, just as the introductory part is to certain mental predilections of the past.

The one important limitation of the book is that it deals with risk and speculation in more or less normal circumstances, i.e., where, in the main, they are entered into by the free choice of the principal. But the aftermath of war and peace on the European Continent has given us experience of conditions under which every single member of the community, in the absence of a sound currency measure of values, is forced into speculation, most disastrous if he remains unconscious of his

* "Risk and Risk-Bearing." By Charles O. Hardy, Professor of Economics, State University of Iowa. The University of Chicago Press, Chicago, Illinois.

* "East Persia. A Backwater of the Great War." By Brig.-Gen. W. E. R. Dickson. Arnold, 15s.

position. In such circumstances hedging of a kind which imperceptibly merges into speculation becomes imperative; in the water, with no firm ground under one's feet, one has to carry out movements which would be, to say the least, eccentric in the street. But where everybody is drawn into speculation, and yet a vast number of people remain more or less ignorant of their own situation, whilst others, though conscious, do not know how to save themselves, the chances of the professional speculator are very much increased, and the general picture of risk and risk-bearing differs profoundly from that drawn in Mr Hardy's book.

THE ECONOMICS OF OVERHEAD COSTS.*

This volume contains a bit of useful modern research work. The first two chapters lucidly set forth the gradual "discovery" of overhead costs and the scope of the problem. Overhead costs are costs that cannot be traced home to particular units of output in the same direct and obvious way in which, for example, leather can be traced to the shoes made from it. There is another test of overhead costs—namely, that an increase or decrease in output does not involve a proportionate increase or decrease of such costs.

Every manufacturer needs to know his unused productive capacity and "idle overhead"—the great industrial sin, which is simply the expense side of unused capacity. This suggestive study of overhead costs is largely a study of unused powers of production. It was long ago suggested that the larger installations of fixed capital would make long hours of work desirable, and that with increased use of machinery the motives to long hours of work would become greater as the only means by which a large proportion of fixed capital could be made profitable. But the effect of overhead costs on hours of labour is not so simple as was supposed; witness Lord Leverhulme's argument that a six-hour day with two shifts is more profitable than one eight-hour shift, if only the overhead costs are heavy enough. The substitution of machine for hand-labour has meant nothing less than the introduction of a new species of creature which has rapidly become the dominant personality in industry, especially in the physical work of manufacture and transport. Formerly the labourer was the central figure; he worked according to the laws of his being, and his tools worked as he required their services. Now, however, the machine is the central figure, and the labourer follows the laws of the machine's being, and works as it requires his services.

There are special chapters devoted to such questions as—How and Why Large Plants Bring Economy; Economies of Combination; What is a Business Unit?; Labour as an Overhead Cost, and many other important subjects, all discussed in an interesting way, which stimulates thought and may lead to the birth of useful ideas. We recommend this book to those interested in the principles of business efficiency, and who wish to master the economic laws governing our present complicated business organisation.

BOOKS RECEIVED.

- Payment by Results.* By J. E. Powell. (London) Longmans, Green and Co. 21s net.
- La Politica Economica E Finanziaria del Governo Fascista.* By Lello Gangemi. (Italy) Nicola Zanichelli, Bologna. 40 lire.
- Le Coton: Sa Disparition Prochaine et Irremediable l'Erreur de sa Culture.* (Paris) Siège, 45 Avenue Trudaine. 3f.
- La Question du Change en Belgique.* By Prof. B. S. Schlepner. (Brussels) F. Larcier, 26-28 Rue des Minimes.
- Oil Facts and Figures.* (London) F. C. Mathieson and Sons, 16 Copthall Avenue, E.C. 1s 6d.
- Nitrate Facts and Figures, 1924.* Compiled by A. F. Brodie James, F.S.S. (London) F. C. Mathieson and Sons, 16 Copthall Avenue, E.C. 5s net.

* By J. Maurice Clark, Professor of Political Economy, University of Chicago. (The University of Chicago Press, Chicago, Illinois.)

BARCLAYS BANK LIMITED.

Head Office: 54 Lombard Street, London.

AUTHORISED CAPITAL . . . £20,000,000
ISSUED CAPITAL . . . £15,592,372
RESERVE FUND . . . £8,250,000
DEPOSITS (31st Dec., 1923) . . . £301,549,963

FOREIGN EXCHANGE TRANSACTIONS ARRANGED.

CHIEF FOREIGN BRANCH:
168 Fenchurch Street, London, E.C. 3.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, May 7. ACCOUNT, May 8.

Stock Exchange members admit some disappointment at the volume of post-Easter business. There was certainly no marked increase of activity when the House re-assembled on Tuesday, but as the holiday effect wore off, so animation tended to revive, and amongst oil shares, in particular, an increased amount of public attention is apparent. Next week is again broken by the incidence of the May-day holiday on Thursday. The opening of the British Empire Exhibition led to speculative demand for stocks and shares in the companies that are most likely to benefit from the success of the undertaking.

The War Loan will be ex dividend when the market opens on Monday, but the price discounted in advance the deduction, and remained hard up to the close of business last night. Curiosity is agog to know the result of the Government's offer to convert two hundred million pounds of the existing 5 per cent. War Loan into a new 4½ per cent. conversion stock, on the basis of 103 of the latter for £100 of the former. The recently issued Colonials are stronger, and the new Edinburgh scrip, the price of which opened about ½ premium, quickly rose 10s.

Japanese bonds have given way, in consequence of the fall in the value of the yen caused by the strained diplomatic relations between Japan and the United States. The main feature in the foreign market, however, is the substantial recovery in French bonds, owing to the rise in the value of the franc. All classes of French issues have joined in the upward movement, which had an effect also upon Rio Tintos, De Beers, and other inter-bourse issues. Other foreign bonds are quiet. The new Siamese Sixes keep firm at ¾ premium.

Home Railway stocks benefited moderately from the brilliant Easter weather, and, as regards the Undergrounds, from the opening of the Wembley Exhibition. Rumour is again busy with guesses at what is likely to happen to Metropolitan Consolidated stock. San Paulos and United of Havana (on the increased dividend) went ahead amongst foreign rails, where Argentines have been somewhat listless. Nitrate rails are better; nitrate-producing shares attract a good deal of attention, but movements in prices are mostly small.

Rubber hardened up a trifle, causing some of the leading shares to gain a few pence. This week's dividends and reports are not very encouraging. The oil market, however, is the centre of attraction amongst industrials. An idea is abroad that some kind of working arrangement may be announced by the Shell, Burmah, and Anglo-Persian companies, the shares in all of which have gone ahead in consequence. Mexican Eagles rose to £1, on the belief that next month's dividend on the first preference shares will be duly paid. A number of other oil shares are better, and public interest appears to be widening. Banking and insurance shares are good—the latter particularly so, by reason of the excellent dividends and reports of the past week or two. Trust companies' stocks can scarcely be bought, but prices are advanced with steady regularity. Indo-China Steamship deferred fell £2 on the passing of the dividend, but a prompt recovery ensued. Tea shares are buoyant, thanks to dividend expectations. Budget hopes, and the American campaign for popularising tea. Brazilian Warrants drooped on the dividend announcement.

Textiles are steady, it being said in the market that Bolton and other Lancashire centres are experiencing a busy and a profitable time. Lyons have advanced on the opening of the Exhibition, which had a strengthening effect upon shares in

other catering, as well as stores shares. Marconis improved, because of the advertisement that the company received through the broadcasting of the King's speech last Wednesday. Margarine shares are heavy, the Maypole dividend announcement being anticipated with a little anxiety. Electricity supply shares continue dullish, while home gas stocks are unchanged. Imperial Continental Gas is better. Tokyo Electric bonds gave way abruptly, on the fall in yen already noticed. Tobacco shares are mildly better; iron and steel issues show trifling gains on balance.

No fresh vitality has stirred the languor of the Kafir market. A rise in De Beers was due to Paris purchases. Rhodesians have been a tepid market, and in the three important tin groups the changes on the week are unimportant. The Canadian section is stagnant, and mining shares as a whole fail to attract any particular public notice.

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

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£ 45,630,361	£ ..	£ ..	£ ..
4 % Treasury Bonds by public tender, April 17, 1924, £875,000, average price £94 13s 2 1/2d.....	£ 875,000	£ 828,251	£ ..	£ ..

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDING APRIL 19, 1924.

April 1, 1924, to April 19, 1924	Dr £400,000	Dr 200,000	Dr 200,000
To the Public—			
City of Sydney (New South Wales), £1,000,000 5% Debts, at 97 1/2%, red. at par June 1, 1939	1,000,000	975,000	50,000
Total offered for subscription to date in—			
1924.....	47,233,612	1923.....	271,393,173
1923.....	105,418,675	1922.....	573,675,650
1922.....	383,029,330	1921.....	388,378,203
1921.....	76,706,145	1920.....	367,549,656
1920.....	164,386,738	1919.....	1,036,059,951
1919.....	322,448,296	1918.....	1,393,381,441

City of Sydney.—Issue of £1,000,000 5 per cent. debentures. The Commonwealth Bank of Australia has been authorised to receive subscriptions at 97 1/2 per cent. for £1,000,000 5 per cent. debentures, 1939, of the City of Sydney. The principal is repayable in London at par on June 1, 1939. The proceeds of the loan will be used to provide funds for the purposes of covering existing loans. The loan is secured upon the rates and revenues of the city. The city of Sydney has a population within the Metropolitan area of 981,400. The unimproved capital value of lands is £36,026,193, and the average annual value £4,825,799. The Municipal Council has power to levy a rate up to 2s in the £ on the average annual value, and 3d in the £ on the unimproved capital value. Or, in the alternative, the rate may be 6d in the £ on the wholly unimproved capital value, the present rate being 4 1/2d per £. The total debt of the Council on December 31st last was £10,514,324. The revenue of the city last year amounted to £2,590,495 and the expenditure to £2,378,474, including annual interest and sinking fund payments. The annual sinking fund is £98,073, the accumulation at credit of the sinking fund to December 31st last being £1,326,695. An excellent investment, but, in view of the fact that it is not a trustee security, the yield is rather low. Nevertheless it was quickly oversubscribed.

The Dominion Tar and Chemical Company.—Authorised capital £750,000, of which £500,000 has been issued in shares of £1 each. Particulars have appeared in the Press to comply with Stock Exchange regulations, from which we take these details. The issued capital consists of 200,000 7 1/2 per cent. preference and 300,000 ordinary shares. Of the latter number 50,000 are in course of issue at par to the existing ordinary shareholders. The company is an offshoot of Burt, Boulton, and Haywood, Limited, and carries on its business in Canada. No debentures have been issued, and borrowing powers have not been exercised except for the purposes of a bank loan of \$220,000 against stock-in-trade. The 200,000 7 per cent. cumulative preference shares issued have been purchased at par by a firm who are to be paid 1s 7 1/2d per share. They have paid about 1s 3 1/2d per share of this amount for commissions and expenses. We notice that a table is given showing the dividends paid during the past 16 years on its capital, but most cautious investors will not regard this as a satisfactory substitute for actual profits earned.

Southend-on-Sea and District Gas Company.—Incorporated by special Act of Parliament. This is an offer for sale by tender of £45,000 5 per cent. perpetual debenture stock at a minimum price of 96 1/2 per cent. At this price the yield would be £5 3s 8d per cent. The authorised stock capital is £594,843, of which £218,243 remains to be issued. The authorised loan capital is £299,646, and £169,116 remains to be borrowed. The net revenue of the company for the year ended December 31, 1923, was £34,519, and as the interest on loan capital absorbs but £7,871, there is a fairly good margin left over for contingencies. The prospectus informs us that application will be made to the Stock Exchange to allow dealings. A reasonable investment in its class, but it will be interesting to know if the money can be obtained at just over 5 per cent.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price	Week	Latest	Price	Week	Latest	Price	Week	Latest
War 3 1/2% 1925-28.....	96 1/2	96 1/2	96 1/2	96 1/2	96 1/2	96 1/2	96 1/2	96 1/2	96 1/2
Loans 4 1/2% 1925-45.....	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2
4 1/2% 1926-42.....	100 1/2	100 1/2	100 1/2	100 1/2	100 1/2	100 1/2	100 1/2	100 1/2	100 1/2
Funding Loan 4%.....	87 1/2	87 1/2	87 1/2	87 1/2	87 1/2	87 1/2	87 1/2	87 1/2	87 1/2
Victory Bonds 4%.....	92 1/2	92 1/2	92 1/2	92 1/2	92 1/2	92 1/2	92 1/2	92 1/2	92 1/2
Conversion Loan 3 1/2%.....	77 1/2	77 1/2	77 1/2	77 1/2	77 1/2	77 1/2	77 1/2	77 1/2	77 1/2
Canada 2 1/2%.....	56 1/2	56 1/2	56 1/2	56 1/2	56 1/2	56 1/2	56 1/2	56 1/2	56 1/2
Irish Land 4 1/2%.....	60	60	60	60	60	60	60	60	60
Local Loans 3%.....	65 1/2	65 1/2	65 1/2	65 1/2	65 1/2	65 1/2	65 1/2	65 1/2	65 1/2

British Railways.

Great Western, Ord.....	110 1/2	111 1/2	111 1/2	111 1/2	111 1/2	111 1/2	111 1/2	111 1/2	111 1/2
London & North-Eastern	84 1/2	84 1/2	84 1/2	84 1/2	84 1/2	84 1/2	84 1/2	84 1/2	84 1/2
5% Pref. Ord.....	84 1/2	84 1/2	84 1/2	84 1/2	84 1/2	84 1/2	84 1/2	84 1/2	84 1/2
Do Def. Ord.....	30 1/2	31 1/2	31 1/2	31 1/2	31 1/2	31 1/2	31 1/2	31 1/2	31 1/2
Midland, Mid., and	100 1/2	100 1/2	100 1/2	100 1/2	100 1/2	100 1/2	100 1/2	100 1/2	100 1/2
Scottish, Ord.....	100 1/2	100 1/2	100 1/2	100 1/2	100 1/2	100 1/2	100 1/2	100 1/2	100 1/2
Metropolitan.....	79	82 1/2	82 1/2	82 1/2	82 1/2	82 1/2	82 1/2	82 1/2	82 1/2
Metropolitan District.....	52 1/2	54 1/2	54 1/2	54 1/2	54 1/2	54 1/2	54 1/2	54 1/2	54 1/2

Banks.

Barclays B. (A.L.P.).....	83	83	83	83	83	83	83	83	83
Chartered Bk of India	19 1/2	19 1/2	19 1/2	19 1/2	19 1/2	19 1/2	19 1/2	19 1/2	19 1/2
Lloyds (£5 with £1 paid)	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Midland (£12, with £2 paid)	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2
Nat. Bank of Egypt (£10)	23 1/2	23 1/2	23 1/2	23 1/2	23 1/2	23 1/2	23 1/2	23 1/2	23 1/2

American Railroads.

Chesapeake & Ohio.....	82	84	84	84	84	84	84	84	84
Do 4% 1st Pref.....	28	28	28	28	28	28	28	28	28
Do 4% 1st Pref.....	37	37	37	37	37	37	37	37	37

Foreign Government Securities.

Argentine 5%, 1886-7.....	100	100	100	100	100	100	100	100	100
Austrian 6% Guar.....	91	92 1/2	92 1/2	92 1/2	92 1/2	92 1/2	92 1/2	92 1/2	92 1/2
Belgian 3%.....	70	70	70	70	70	70	70	70	70
Brazil 5% Fund., 1914.....	74	75	75	75	75	75	75	75	75
Chilian 4 1/2%, 1895.....	84	84	84	84	84	84	84	84	84
Do 7 1/2%.....	107	107	107	107	107	107	107	107	107
Chinese 5%, 1912.....	66	66	66	66	66	66	66	66	66
Egyptian 4%.....	74	75	75	75	75	75	75	75	75
French 5%.....	26 1/2	26 1/2	26 1/2	26 1/2	26 1/2	26 1/2	26 1/2	26 1/2	26 1/2
Do 4%.....	20 1/2	21 1/2	21 1/2	21 1/2	21 1/2	21 1/2	21 1/2	21 1/2	21 1/2
Greek 5%, 1894.....	53 1/2	54 1/2	54 1/2	54 1/2	54 1/2	54 1/2	54 1/2	54 1/2	54 1/2

Colonial and Foreign Railways.

Antofagasta Cons.....	87	87 1/2	87 1/2	87 1/2	87 1/2	87 1/2	87 1/2	87 1/2	87 1/2
B.A. and Pacific.....	79 1/2	77 1/2	77 1/2	77 1/2	77 1/2	77 1/2	77 1/2	77 1/2	77 1/2
B.A. & G. Southern.....	85	86	86	86	86	86	86	86	86
Buenos Ayres West.....	74 1/2	73	73	73	73	73	73	73	73
Canadian Pacific.....	167	169	169	169	169	169	169	169	169
Central Argentine.....	72 1/2	72	72	72	72	72	72	72	72

Telegraphs.

Anglo-American "A".....	22 1/2	23 1/2	23 1/2	23 1/2	23 1/2	23 1/2	23 1/2	23 1/2	23 1/2
Marconi Wireless.....	14	14	14	14	14	14	14	14	14
Marconi Marine.....	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2

Miscellaneous.

Aerated Bread (£1).....	14	14 1/2	14 1/2	14 1/2	14 1/2	14 1/2	14 1/2	14 1/2	14 1/2
Amal. Costons (£1).....	36	36 1/2	36 1/2	36 1/2	36 1/2	36 1/2	36 1/2	36 1/2	36 1/2
Anglo Persian Oil (£1).....	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Armstrong (Sir W.G.) and Co. (£1).....	83	83	83	83	83	83	83	83	83
Ass. Filad. Comen (£1).....	24 1/2	24 1/2	24 1/2	24 1/2	24 1/2	24 1/2	24 1/2	24 1/2	24 1/2
Barker, John (£1).....	24 1/2	24 1/2	24 1/2	24 1/2	24 1/2	24 1/2	24 1/2	24 1/2	24 1/2
B'ham Small Arms (£1).....	57	57	57	57	57	57	57	57	57
Brazil Traction (£100).....	57	56 1/2	56 1/2	56 1/2	56 1/2	56 1/2	56 1/2	56 1/2	56 1/2
British-American Tobacco (£1).....	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Burmah Oil (£1).....	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Coats (J. & P.) (£1).....	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Courtauld (£1).....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Cunard (£1).....	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2
Dorman, Long (£1).....	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2
Dunlop Rubber (£1).....	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2
Fine Cotton Spinners (£1).....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Forestal Land (£1).....	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
Fumes, Wily (£1).....	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
Highlands and Lowlands Rubber (£1).....	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2

Mines.

Brakpan (£1).....	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Broken Hill Prop. (£1).....	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
Chartered (£1).....	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
Cone Gold Field (£1).....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Crown Mines (10/1).....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
De Beers Def. (£24).....	12 1/2	12 1/2	12 1/2	12 1/2	12 1/2	12 1/2	12 1/2	12 1/2	12 1/2
East Rand Prop. (£1).....	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Gold (£1).....	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Gov. Gold Areas (£1).....	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2

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

COMPANY MEETINGS, &c.

INDO-EUROPEAN TELEGRAPH COMPANY, LIMITED.

COMPANY'S ACTIVITIES RESUMED.

RECONSTRUCTION OF LINE.

The fifty-seventh ordinary general meeting of the Indo-European Telegraph Company, Limited, was held, on the 24th instant, at the offices, 18 Old Broad Street, London, Mr H. L. M. Tritton (chairman of the company) presiding.

The secretary (Mr John I. Bethell) read the notice convening the meeting and the auditors' report in connection with the 1922 accounts.

The Chairman, in moving the adoption of the report and accounts, said:—

Before I proceed to comment on the report I have to refer to the great loss this company has sustained by the death of Mr J. Herbert Tritton.

I cannot do better than repeat the notification which was issued to shareholders on November 1, 1923:—"The board of the company have to announce to the shareholders with the deepest regret the death of the chairman, Mr Joseph Herbert Tritton, on September 11, 1923.

Berg, who, as you are aware, was confirmed in his appointment as managing director as from August 3rd last, devotes himself with untiring energy to the business of the company, and his services are highly appreciated by his co-directors. In Mr Cook, the chief engineer, the company has a man who, in spite of great difficulties and dangers, has succeeded, with the loyal assistance of his staff, in bringing back the line to a state of efficiency, which at one time appeared an almost impossible task in the time at his disposal. I do not mean to imply that our line is as good as he or we should wish to make it; there is still a great deal of work to be done, and considerable sums of money to be spent on renewals and improvements, but I do desire to emphasize the fact that it is to-day carrying satisfactory traffics.

COMPANY'S EXHIBIT AT WEMBLEY.

There is one further item of interest which I would wish to mention. The company has a stand at the British Empire Exhibition, Wembley, in the Bengal Court of the Indian Section, where not only will demonstrations be given, with the latest type of apparatus, of through automatic working, but actual telegrams to and from India and the Far East will be dealt with—that is to say, received from the public for outward transmission and received homeward for delivery at the stand. I have no doubt you will all be visiting the Exhibition. I trust that you will take the opportunity of making yourselves familiar with our methods of working.

Sir William R. Brooke, K.C.I.E., seconded the resolution. Mr George Chauvin (managing director of Siemens Brothers and Co., Limited) said: I should like to refer for one moment, sir, to the remarks you made in reference to the late chairman. I knew him for a long period, and I have more than once attended the annual meetings of the company under his able and genial guidance. The loss which we have suffered by his death is, of course, a serious one. Looking at the general position of the company, and at what you have told us to-day, I think I may say that its affairs have been navigated through all sorts of difficulties and dangers with extreme good fortune, and no doubt the company has been guided by extreme ability. There are not many companies that can look on the war period, and the immediate period following the war, with such satisfaction as this one can. I have a very strong feeling of devotion to the Indo-European Telegraph Company. One portion of the line along the Black Sea was built by myself, and therefore I am not absolutely an outsider. I wish to congratulate you gentlemen on the other side of the table, and to point out to my fellow-shareholders that the position of the company is an excellent one, and we are indeed beholden to our board and to the able staff for their valuable work and continuous devotion.

The resolution was carried unanimously, and the formal business having been transacted, a vote of thanks to the chairman, directors, and staff terminated the proceedings.

LAW UNION AND ROCK INSURANCE COMPANY, LIMITED. GOOD RESULTS—INCREASED PROFIT. PROMISING QUINQUENNIAL PROSPECTS.

The annual general meeting of the Law Union and Rock Insurance Company, Limited, was held, on Thursday, the 24th instant, at the head office, 7 Chancery Lane, London, W.C., Mr Charles G. Hamilton (chairman of the company) presiding.

Mr James Stirling (secretary and actuary) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—Before I deal with our accounts

I must refer to the great loss this company and the directors have sustained by the death of our colleague, Mr Clayton.

Mr Clayton joined the board when the London and Lancashire acquired our shares. He was a very regular attendant at our meetings, a charming colleague, and his sound judgment and advice were always most valuable. We shall miss him greatly.

Coming to our accounts and dealing with our trading operations other than the life department, to which I will refer later, I am glad to say that the results of the past year were quite satisfactory.

FIRE AND ACCIDENT DEPARTMENTS.

In the fire department the figures are good. Our premium income was £461,748, an increase of £33,000 over the figures of 1922. The loss ratio was only 41.11 per cent., and the expense ratio 37.52 per cent. The corresponding figures for 1922 were 43.13 per cent. and 38.07 per cent. So there was an improvement under both headings. The fire reserves have been increased to £484,700—an amount larger than our premium income—and £102,315 was carried to profit and loss.

In the accident and general accounts the results were also satisfactory. The reserve fund has been increased by £30,000, and £3,072 carried to profit and loss. In this account also the reserve fund is larger than the premium income.

I have mentioned our experience in fire and accident and general insurance business, but I purposely do not refer to the general aspect of these businesses during 1923, because this phase will, doubtless, be dealt with exhaustively on a later occasion, when the affairs of the London and Lancashire and its allied companies—including ourselves—are reviewed.

The profit and loss account shows that, after payment of the usual dividend and interest on our debenture stock, and after payment of income-tax and corporation profits tax, the result of the year's trading has been to increase the undivided profit by nearly £29,000, and this without bringing into the account any profit in respect of our life business.

LIFE DEPARTMENT.

I will now refer to our life department. Here, too, the figures are quite satisfactory. The net new business amounted to £1,405,470, an amount which has only been exceeded in the abnormal boom years of 1919 and 1920. The net new premium income amounted to £47,853, and the total premium income was £626,967.

The expense ratio was 17.15 per cent.—a slight decrease on the ratio of the previous year.

The claims by death were only £446,021—a decrease of more than £64,000 on the figure of 1922, notwithstanding the fact that the amounts assured are an ever increasing sum.

The claims by death were well within the expectation. £186,923 was paid in respect of endowment policies maturing. These are, of course, definite expected liabilities, and every one of these maturing policies shows a profit to the company.

We have during the last year embarked on the policy of accepting approved lives without medical examination. The experience of offices who have conducted this class of business for many years seems to have been satisfactory, and the scheme no doubt appeals to some insurers who, while believing themselves to be quite good lives, dislike being medically examined.

This is the last year of the current quinquennium, and at the end of 1924 there will be an actuarial valuation of the life fund assets and liabilities. Now there are four factors in life assurance on which surpluses and consequently bonuses depend:—

1. That the mortality should not exceed the expectation.

2. That the net interest earned should exceed the rate at which the liabilities are calculated.

3. That the expense ratio should not be excessive, and

4. That there should be no substantial depreciation in the investments.

Now, in our case the answer to all these questions in respect of the current quinquennium up to date is very satisfactory. Our mortality has throughout been well within the expectation. The net rate of interest earned has exceeded 4½ per cent., while we calculate our liabilities on a 3 per cent. basis. Our expense ratio is reasonable, and is not increasing; and, finally, not only has there been no depreciation in our investments, as a whole, but a substantial appreciation.

BONUS PROSPECTS.

From these facts it is evident that, unless something very unforeseen happens, the outlook for the declaration of good bonuses at the end of this year is very promising. So I urge all who are contemplating insuring their lives not to delay, but to take out a Law Union and Rock with profit policy as soon as possible, so as to share in the prosperity which I am anticipating will be revealed at the end of 1924.

I do not think there is anything further that I need refer to in the accounts.

The results of the current year up to date are normal, so the outlook is satisfactory.

I now beg to move the adoption of the report.

Mr F. W. Pascoe Rutter seconded the motion, and it was carried unanimously.

The Chairman then proposed "That, in accordance with the recommendation of the directors in their report now adopted, a dividend of 8s per share, less income-tax, be paid to the shareholders for the financial year ending December 31, 1923, the dividend to be payable as usual by half-yearly instalments on May 31st and on November 30th next."

The Rt. Hon. the Earl of Strafford seconded the motion, which was unanimously approved.

The Rt. Hon. the Earl of Midleton, K.P., proposed that the retiring directors (Mr Charles G. Hamilton and Mr F. J. Coverdale) be re-elected, which was seconded by the Hon. E. C. G. Cadogan, and agreed to unanimously.

On the motion of Mr F. W. Mills, seconded by Mr Bernard Arnold, the auditors (Messrs W. B. Peat and Co.) were re-appointed.

The Chairman then proposed a vote of thanks to Mr Stirling, the staff and agents of the company, both at home and abroad.

The vote was seconded by Mr F. W. Pascoe Rutter, and unanimously accorded.

On the motion of Mr Francis Scott, seconded by Mr Busick E. Pemberton a cordial vote of thanks was given to the chairman, and the proceedings then terminated.

NESTLE AND ANGLO-SWISS CONDENSED MILK COMPANY. SATISFACTORY RESULTS OF THE YEAR. CONFIDENCE IN THE FUTURE.

The fifty-seventh annual general meeting of the above company took place on the 23rd inst., at Cham, Switzerland.

The chair was taken by Mr W. C. Escher, who, after referring sympathetically to the serious illness from which the company's esteemed president—Mr Gustav Aguet—was recovering, remarked that, as the report of the directors, which was already in the hands of the shareholders, was so exhaustive, his task was thereby considerably lightened.

TRADING CONDITIONS.

The results of the year could be looked upon as being satisfactory. These results were entirely derived from the company's trading, and contained no fortuitous nor exceptional profits, and the company therefore looked forward with confidence to the future. At the same time, he had to point out how, with the increase in competition and the tardy recovery of Europe from the effects of the war, they were working under conditions that were very different from those prevailing in pre-war times.

THE STAFF'S SERVICES.

The Chairman referred to the zeal and devotion displayed by the whole of the company's staff, and remarked that, during the past year, all the branches and depots in Europe, the United States, South America, and the Far East had been visited, and it was hoped to make a visit to Australia in the near future.

DIRECTORS' PRUDENT POLICY.

As mentioned in the report, the results of the year 1923 were arrived at after considerable amortisation had been provided in respect of the assets of the company, and of those companies in which they had important interests, including provision for losses suffered in the Japanese earthquake. The directors were confident that this prudent policy would enable them in a com-

paratively short period to build up their reserves again, and to contemplate with equanimity any difficult times that might eventuate in the future.

DIVIDEND AND PROSPECTS.

The available balance of the profit and loss account was sufficient to pay the cumulative preference dividend for the year 1922, to set aside the dividend for the first half-year of 1923, and to carry forward a balance of about 5,000,000 francs. It was hoped that if the results of the current year were equal to those of 1923, the company would again be able to make similar provision for its cumulative preference dividend, and that they would soon be in a position to consider the remuneration of the ordinary shareholders, while at the same time building up the reserves.

The meeting duly passed the resolutions contained in the notice convening the meeting.

Dividend warrants on the preference shares in respect of the year 1922 will be posted on the evening of April 30th to all shareholders registered on the company's books as at the date of closing the transfer registers, viz., April 9th.

JAMES W. COOK AND COMPANY, LIMITED. DIVIDEND OF 10 PER CENT. FOR THE YEAR.

The twenty-seventh annual general meeting of James W. Cook and Co., Limited, was held, on the 17th instant, at 130, Minorities, London, E., Mr W. J. Clarke (chairman and joint managing director) presiding.

The Secretary (Mr Alfred E. Pike) having read the notice convening the meeting and the auditors' report and certificate,

The Chairman proposed: "That the statement of accounts, the balance-sheet and the report of the directors for the year ended December 31, 1923, be and the same are hereby received and adopted, and that a dividend at the rate of 12 per cent. per annum for the half-year on the ordinary shares of the company, making 10 per cent. for the year, less income-tax, be now sanctioned and declared, and that the balance of £88,678 19s 8d be carried forward to the credit of the year 1924."

Mr E. L. W. Cook seconded the resolution, which was carried unanimously.

On the proposition of Mr F. Devitt, seconded by Mr H. Robottom, Messrs Lescher Stephens and Co. were re-elected auditors of the company.

Mr Grubb proposed a cordial vote of thanks to the chairman, directors and staff, which was seconded by Mr Hay, and unanimously accorded.

The proceedings then terminated.

MONTE VIDEO WATER WORKS COMPANY, LIMITED. CONTINUED STEADY EXPANSION.

The forty-fifth ordinary general meeting of the Monte Video Water Works Company, Limited, was held, on the 22nd instant, at the offices of the company, 52 Moorgate, London.

Mr James Anderson (the chairman of the company) presided, and, in moving the adoption of the report and accounts, said that the figures showed a continuance of the steady expansion of the business that had been manifest for many years past. The services had increased by 2,565 to a total of 45,650; the gross revenue had reached the record figure of £295,194—an increase of £14,200—and the net income for the year, taking currency at par, had amounted to £167,408—again a record in the history of the company. The net receipts would have left a large surplus over the amount required to pay the usual dividend of 8 per cent. but for the heavy loss of £33,800 which the company had had to bear in remitting those profits to this side. Even allowing for that, the surplus permitted the payment of 8 per cent., placing £20,000 to reserve, and adding £2,100 to the carry forward. That was highly satisfactory in a year which from many points of view had been unfavourable.

An important matter for the company was the growing necessity for a large addition to its plant. Some four years ago the board had drawn the attention of the Government to the necessity of augmenting the supply, but before they spent more money on capital account it had been necessary to make sure that another undertaking which threatened competition with their company was not likely to materialise. A year ago they had received assurances that there was not the least likelihood of any attempt being made to pipe the streets of the city in competition with themselves, and the board thereupon made application to the Government for leave to proceed at once with the most pressing part of the work, which was the laying down of a steel main of 36 in in diameter. Despite



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the urgency, necessary permission had not yet been granted. The delay was occasioned through demands being made on the company for reductions in the tariff which, under present circumstances, it was not possible to concede. Negotiations were at a critical stage, and he would say no more than that he hoped that a settlement would soon be arrived at which would permit of their proceeding with the work with every confidence in the future of the undertaking.

Mr A. L. Isaac seconded the motion, and it was carried unanimously.

GOVERNMENT RETURNS, &c.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from	Receipts	Week Ended	Week Ended
	Apl. 1, 1924, to April 19, 1924.	Apl. 1, 1923, to April 21, 1923.	April 19, 1924.	April 21, 1923.
Balances in Exchequer on 1st April	£	£	£	£
Bank of England	5,069,613	5,442,665	..	..
Bank of Ireland	1,562,001	1,375,502	..	..
	6,631,614	6,818,167	..	..
REVENUE.				
Customs	4,482,000	5,465,000	1,053,000	2,417,000
Excise	8,643,000	11,497,000	6,301,000	8,908,000
Motor Vehicle Duties	1,155,000	1,118,000	..	119,000
Stamps	3,040,000	2,670,000	1,290,000	860,000
Land Tax, House Duty & Mineral Rights Duty	230,000	210,000	20,000	60,000
Property & Income Tax	26,931,000	23,226,000	3,163,000	2,144,000
Super-Tax	6,300,800	5,076,000	1,470,000	1,770,000
Excise Profits Duties, &c.	1,200,000	1,490,000	410,000	320,000
Corporation Profits Tax	2,000,000	2,400,000	500,000	900,000
Post Office	..	..	..	..
Own Land	..	..	..	..
Loans	2,434,947	2,287,196	171,927	..
Miscellaneous	1,416,996	2,090,947	168,187	525,163
Ordinary Receipts	4,496,877	4,632,614	2,668,671	2,600,000
Special Receipts	62,969,730	62,846,667	17,395,785	20,813,162
Revenue	69,591,344	69,664,824	..	..
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Under the Unemployment Insurance Act, 1921	970,000	500,000	200,000	220,000
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure under the Telegraph (Money) Act, 1922	..	..	..	..
(b) Under the Unemployment Insurance Act, 1921	..	..	..	..
(c) For other issues:				
By Treasury Bills	105,179,000	143,960,000	37,335,000	43,925,000
By National Savings Certificates	1,550,000	3,150,000	450,000	1,150,000
By 4% Treasury Bonds, 1931-33	1,751,625	14,917,943	1,278,200	1,916,886
(d) Ways and Means Advances	46,850,000	44,800,000	11,850,000	12,100,000
Repayments—				
In respect of issues under Land Settlement (Facilities) Act, 1919 and 1921	437,005	3,956	..	..
Total	226,328,974	276,996,703	68,508,995	80,125,049

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from	Issues	Week Ended	Week Ended
	Apl. 1, 1924, to April 19, 1924.	Apl. 1, 1923, to April 21, 1923.	April 19, 1924.	April 21, 1923.
EXPENDITURE.				
National Debt Services—				
Interest, &c.	30,817,196	37,006,412	4,974,299	7,969,233
Sinking Fund	760,021	..	..	..
Road Fund	564,044	398,044	554,044	398,044
Payments to Local Taxation Accounts, &c.	..	..	..	..
Payments to Northern Ireland Exchequer	..	..	..	..
Land Settlement	32,897	9,729	..	6,184
Other Consolidated Fund Services	227,320	18,100,000	7,600,000	6,000,000
Supply Services	19,950,000	55,514,185	13,126,343	14,373,461
Expenditure	52,341,478	..	..	..
OTHER ISSUES.				
Temporary Advances—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	36,891	36,891	36,891	..
Under the Unemployment Insurance Act, 1921	..	..	..	..
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1922	250,000	..	..	..
Unemployment Insurance Act, 1921	..	..	..	..
Repayment of amounts borrowed..	..	..	..	..
Redemption of Debt—				
Treasury Bills	142,730,000	167,295,000	44,945,000	59,160,000
Principal of National Savings Certificates	1,950,000	2,450,000	650,000	700,000
Principal of National War Bonds paid off	..	15,479,989	..	750,000
Other Debt under the War Loan Act, 1914 to 1918	50	15	..	..
Ways and Means Advances Repaid	24,850,000	32,967,000	9,500,000	4,850,000
Total	222,158,419	273,743,080	68,260,234	79,833,461
Balances in Exchequer—				
Bank of England	5,069,613	5,442,665	..	..
Bank of Ireland	1,562,001	1,375,502	..	..
Total	6,631,614	6,818,167	..	..
Treasury, April 26, 1924.				

NATIONAL DEBT—(Million £.)

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Dec. 31, 1923.	Mar. 31, 1924.	Apr. 19, 1924.
Funded Debt	588	315	315	315	315	314	314	314	314
Term Annuities	30	20	19	18	16	14	14	14	14
3% Conversion Loan	..	..	..	..	266	684	683	683	683
3% War Stock	..	..	..	..	63	63	63	63	63
4% War Stock	..	..	..	..	13	13	13	13	13
4% and 5% War Stock	2,047	2,040	1,995	1,953	2,095	2,095	2,095	2,095	2,095
National War Bonds	1,509	1,476	1,413	1,201	953	924	903	903	903
4% Funding Loan	..	409	409	401	399	400	400	400	400
Treasury Bonds	..	360	357	347	335	325	325	325	325
Exchequer Bonds	20	323	319	289	185	150	150	150	150
National Savings Certs.	..	267	274	285	342	354	367	366	366
Other Debt*	..	1,306	1,181	1,132	1,087	1,157	1,149	1,151	1,151
American Loan (Anglo-French)	..	51	51	..	..	..	..	..	..
Treasury Bills	15	1,107	1,107	1,121	878	616	652	588	551
Temporary Advances	1	243	205	154	147	70	70	71	71
Other Capital Liabilities	654	8,033	7,829	7,574	7,655	7,742	7,801	7,695	7,682
Total Liabilities	711	8,079	7,876	7,623	7,721	7,812	7,871	7,766	7,753

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	Apr. 21, '23.	Mar. 31, '24.	Apr. 19, '24.	Apr. 21, '24.
Ways and Means Advances	£	£	£	£
Outstanding	205,730,500	186,155,500	208,155,500	2,350,000
Advances by Bank of England	592,680,000	588,320,000	550,775,000	7,655,000
Advances by Public Deptts.	..	..	..	..
Treasury Bills Outstanding	798,410,500	774,475,500	758,930,500	5,305,000
Total Floating Debt	1,596,821,000	1,468,951,000	1,457,861,000	15,310,000

* Includes £6,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills dated from April 28-May 3 were opened on April 25, 1924, and the total amount applied for was £46,150,000. For bills at three months dated Monday to Wednesday and Saturday at £99 4s 11d, and above in full. Thursday and Friday at £99 4s 9d, about 7 per cent. above in full. The amounts allotted were as follows:— In bills at 3 months, £35,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied.	Treasury Bills at 3 Months.	4% Treasury Bonds.
Mar. 21, 1924.	£30,000,000	£36,820,000	2 18 0-98	nil
Mar. 28, ..	40,000,000	50,035,000	3 1 3-3	nil
April 4, ..	35,000,000	55,925,000	2 18 2-94	94 13 8-4
April 11, ..	30,000,000	51,575,000	3 0 5-84	94 13 7-5
April 17, ..	30,000,000	40,140,000	2 17 3-3	94 13 2-7
April 25, ..	35,000,000	46,150,000	3 0 0-55	nil

Tenders will be received on May 2, 1924, for Treasury Bonds and Bills to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Govern. Sec.	Mean Sec.	Balance of Bank of England.
Mar. 29, 1923.	300,351	14,255	5,000	28,500	19,450	15-9	261,479	177	177
June 28, ..	295,374	13,339	5,000	28,500	19,450	15-9	254,313	180	180
Sept. 27, ..	288,197	12,848	5,000	27,000	18,150	15-9	244,651	189	189
Dec. 27, ..	301,337	12,879	5,000	27,000	18,150	15-9	258,323	137	137
Mar. 28, 1924.	285,616	12,318	7,000	27,000	22,450	17-3	241,294	190	190
June 27, ..	285,503	12,616	7,000	27,000	22,450	17-3	242,446	133	133
Sept. 27, ..	282,784	12,401	7,000	27,000	22,450	17-3	238,596	140	140
Dec. 27, ..	299,070	12,571	7,000	27,000	22,450	17-3	255,039	159	159
Mar. 26, 1924.	281,538	11,908	7,000	27,000	22,450	17-6	236,867	130	130
April 9, ..	288,216	12,308	7,000	27,000	22,450	17-2	243,940	134	134
16, ..	292,153	12,331	7,000	27,000	22,450	17-0	247,858	167	167
23, ..	292,499	12,376	7,000	27,000	22,450	17-0	246,177	178	178

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £380,000,000, for 1921 at £317,555,200, for 1922 at £309,908,400, for 1923 at £370,183,600, and for 1924 at £248,190,900.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, April 16, 1924.

ISSUE DEPARTMENT.

Notes issued	146,037,835	Government debt	11,015,100
		Other securities	8,734,900
		Gold coin and bullion	136,287,835
	146,037,835		146,037,835

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

CENTENARY YEAR, 1924.

ASSETS EXCEED £12,700,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

BANKING DEPARTMENT.

Proprietors' capital	14,553,000	Government securities	40,917,755
Res.	5,111,148	Other securities	74,843,131
Public deposits	18,402,551	Notes	20,560,790
Other deposits	102,066,466	Gold and silver coin	1,824,256
Seven-day & other bills	12,767		
	138,145,932		138,145,932

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

Week ended Wednesday, April 23, 1924.

ISSUE DEPARTMENT.

Notes issued	146,041,545	Government debt	11,015,100
		Other securities	8,734,900
		Gold coin & bullion	126,291,545
	146,041,545		146,041,545

BANKING DEPARTMENT.

Proprietors' capital	14,553,000	Government securities	42,237,755
Res.	3,103,084	Other securities	74,493,323
Public deposits	13,704,388	Notes	21,185,955
Other deposits	108,375,986	Gold and silver coin	1,831,369
Seven-day & other bills	11,944		
	139,748,402		139,748,402

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

	Amount, April 23, 1924.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Res.	£3,103,084	£8,064	£20,714
Public deposits	13,704,388	4,698,163	301,717
Other deposits	108,375,986	6,309,580	265,084
Government securities	42,237,755	1,320,000	5,967,292
Other securities	74,493,323	349,808	6,888,114
Notes	21,185,955	632,278	1,472,774
Gold and silver coin	1,831,369	621,455	2,076,365
Ratio of cash reserves to liabilities	18 1/2%	18 1/2%	18%

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	
1994.	\$	\$	\$	\$	\$	%
Mar. 5	128,101,815	126,020,305	123,234,149	119,653,948	21,831,510	17%
12	128,098,237	125,041,710	124,888,190	120,340,451	22,806,527	18%
19	128,106,046	124,906,370	129,796,589	125,106,458	22,949,676	17%
26	128,105,823	125,002,750	127,480,821	123,312,668	22,453,123	17%
April 2	128,114,579	125,354,715	130,876,548	127,835,485	21,568,864	18%
9	128,115,856	125,742,395	131,584,826	127,949,740	22,143,461	18%
16	128,119,091	125,477,040	120,469,017	115,760,886	22,385,046	18%
23	128,122,914	124,855,905	122,080,374	116,711,078	21,037,394	18%

[April 26, 1924.]

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

Assets.	Apr. 22, 1924.	Apr. 14, 1924.	Apr. 7, 1924.	Mar. 31, 1924.	Position May 30, 1924.
Gold	543,992	556,564	556,564	569,138	165,092
Silver	9,575	8,868	8,767	9,267	8,436
Depts. and advances	423,984	414,655	425,963	435,130	153,504
LIABILITIES.					
Notes in circulation	1,001,598	1,001,385	1,008,594	1,019,983	940,988
Deposits	28,026	20,351	20,641	17,317	316,632

BANK OF JAVIA.—In florins (000's omitted).

Assets.	Apr. 19, 1924.	Apr. 12, 1924.	Apr. 5, 1924.	Mar. 29, 1924.	Apr. 21, 1924.	Position May 30, 1924.
Gold	217,000	221,750	219,750	223,250	160,612	22,971
Silver	149,890	143,330	146,990	140,780	156,509	77,567
LIABILITIES.						
Notes in circulation	259,000	263,000	260,000	257,000	263,501	109,499
Deposits and bills payable	85,500	79,500	83,500	83,500	110,305	11,950

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

Assets.	Apr. 15, 1924.	Apr. 7, 1924.	Mar. 31, 1924.	Mar. 22, 1924.	Apr. 14, 1924.	Position May 31, 1924.
Gold	536,269	536,291	536,224	536,308	553,624	171,175
Silver	96,413	95,395	94,507	94,679	104,623	18,350
Depts. and advances	11,614	11,614	11,614	11,614	10,220	10,220
LIABILITIES.						
Notes in circulation	248,175	270,156	248,745	238,347	457,380	103,000
Deposits	844,229	870,709	900,925	838,815	872,215	275,925
Deposits at notice	103,096	97,054	51,361	67,061	296,117	33,750

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

Assets.	Apr. 18, 1924.	Mar. 31, 1924.	Mar. 22, 1924.	Apr. 7, 1924.	Position May 30, 1924.
Gold	42,741	42,741	42,741	42,704	35,081
Balance abroad and foreign bills	779,161	798,054	817,847	859,321	90,379
LIABILITIES.					
Notes in circulation	500,497	500,497	500,497	585,533	11,898
Deposits	739,006	710,880	690,400	737,645	106,151

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

Assets.	Apr. 16, 1924.	Apr. 9, 1924.	Mar. 19, 1924.	Oct. 17, 1923.	Nov. 22, 1923.
Gold coin & bullion	12,390	13,574	11,242	13,794	5,085
Of which held abroad	19,609	19,670	19,663	15,788	12,993
Foreign bank notes	5,882	4,844	4,844	2,506	24,466
LIABILITIES.					
Notes in circulation	55,006	54,070	50,635	29,123	9,551
Capital paid up	24,400	23,940	23,584	23,000	4,005
Notes in circulation	10,214	10,214	10,214	10,214	8,000
Government deposits	60,106	59,849	47,356	41,821	16,697
Other deposits	36,997	35,566	44,154	41,228	16,996

BANK OF DANZIG.—In Danzig gulden (000's omitted).

Assets.	Mar. 31, 1924.	Apr. 15, 1924.
Gold and bullion	586	1,133
Of which gold coin	586	1,133
Danzig subsidiary coin	586	1,133
LIABILITIES.		
Notes in circulation	14,624	15,607
Deposits on demand	1,231	4,592
Deposits at notice	4,696	5,159
Capital paid up	1,009	1,009
Reserves	7,500	7,500
Notes in circulation	14,239	13,874
Deposits on demand	780	5,545
Deposits at notice	780	5,545

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

Assets.	Apr. 15, 1924.	Apr. 7, 1924.	Mar. 31, 1924.	Apr. 15, 1923.
Gold coin and bullion, bills	24,073	24,058	23,571	22,876
Silver coin, &c.	596	596	596	596
LIABILITIES.				
Notes in circulation	974,134,856	883,419,355	802,755,526	75,636,581
Deposits	6,004,131	5,923,743	4,587,641	2,762,101
Government loans	884,000,000	854,000,000	824,000,000	35,000,300
LIABILITIES.				
Special reserve	Nil	Nil	Nil	Nil
Notes in circulation	1,771,340,113	1,685,309,719	1,606,874,759	92,061,469
Deposits	318,204,338	322,124,442	255,934,701	10,065,490

NATIONAL BANK OF THE SERBS, &c.—In dinars (000's omitted).

Assets.	Apr. 15, 1924.	Apr. 7, 1924.	Mar. 31, 1924.	Apr. 15, 1923.
Gold	72,335	72,330	72,330	63,151
Other coin and notes	18,080	20,919	19,772	13,341
LIABILITIES.				
Notes in circulation	350,394	349,416	347,420	358,314
Deposits	1,228,840	1,236,778	1,228,594	1,227,771
Govt. advances	4,563,054	4,563,643	4,563,643	4,561,340
LIABILITIES.				
Notes in circulation	5,599,680	5,556,132	5,585,808	5,577,130
Deposits	390,838	391,427	391,425	297,574
Deposits at notice	415,697	372,081	439,811	480,865

BANK OF SPAIN.—In pesetas (000's omitted).

Assets.	Apr. 19, 1924.	Apr. 12, 1924.	Apr. 5, 1924.	Mar. 29, 1924.	Apr. 21, 1924.	Position May 30, 1924.
Gold	2,529,426	2,528,878	2,528,525	2,528,304	2,528,473	2,528,473
Silver	653,607	654,448	656,145	659,547	660,028	738,600
LIABILITIES.						
Notes in circulation	2,462,923	2,188,569	2,180,173	2,148,168	1,814,377	800,726
Deposits	344,475	344,475	344,475	344,474	344,474	344,475
Govt. advances	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Notes in circulation	4,367,894	4,385,662	4,396,599	4,322,269	4,117,219	901,560
Deposits	984,015	1,002,374	1,014,101	1,020,859	1,030,087	477,500

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

Assets.	Mar. 5, 1924.	Feb. 27, 1924.	Feb. 20, 1924.	Feb. 13, 1924.	Mar. 7, 1923.
Gold and bullion	13,152	13,148	13,140	13,134	27,100
Of which gold	8,577	8,577	8,577	8,577	8,577
LIABILITIES.					
Notes in circulation	22,862	25,319	24,872	24,411	33,042
Deposits	166,651	167,372	167,385	163,493	178,963
Govt. advances	1,242,303	1,333,380	1,332,121	1,347,994	923,377
LIABILITIES.					
Notes in circulation	1,498,471	1,498,694	1,434,237	1,443,615	1,125,973
Deposits	40,468	27,268	41,038	40,397	61,813

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

Assets.	Mar. 14, 1924.	Feb. 29, 1924.	Feb. 14, 1924.	Jan. 31, 1924.	Mar. 15, 1923.
Gold and balance abroad	1,938,755	1,938,642	2,061,749	2,142,349	1,503,094
LIABILITIES.					
Notes in circulation	4,098,031	4,162,003	4,077,482	4,167,581	3,847,465
Deposits	1,612,000	1,828,880	1,789,861	1,788,358	1,388,336
LIABILITIES.					
Notes in circulation	4,636,468	4,512,716	4,538,905	4,592,791	3,617,897
Deposits	271,799	265,703	276,924	213,644	338,459
Private sight deposits	1,586,938	1,686,852	1,644,603	1,845,923	1,124,451
Private deposits at fixed dates	1,041,359	1,030,954	1,022,295	1,014,207	1,021,283

RUSSIAN STATE BANK.—Note-Issuing Department.

(In Tchernovets—000's omitted.)

Assets.	Apr. 16, 1924.	Apr. 1, 1924.	Mar. 16, 1924.
Gold in coin and bullion	8,784	8,784	8,754
Silver in bullion	111	111	111
Platinum	742	742	515
Foreign bank notes	8,289	7,744	7,391
LIABILITIES.			
Notes in circulation	441	444	444
Deposits	9,650	9,536	8,529
Private sight deposits	7,183	7,359	7,567
Bank notes	34,880	33,800	33,300
Balance to which notes may still be issued	Nil	Nil	Nil

(NOTE: 1 Tchernovets = 10 gold roubles.)

LONDON RATES.

	Apr. 18, 1924.	Apr. 19, 1924.	Apr. 22, 1924.	Apr. 23, 1924.	Apr. 24, 1924.	Apr. 25, 1924.
Bank rate (changed from 3% July 5, 1923)	4%	4%	4%	4%	4%	4%
Market rates of discount—						
60 days' bankers' drafts	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
3 months' do	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
6 months' do	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Discount (Treasury Bills)—						
3 months' do	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
6 months' do	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Loans—Day to day	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Short	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Deposit allowances: Banks	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount houses at call	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
At notice	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

† Additional to those offered by tender in the preceding week.

Comparison with previous weeks:—

	Apr. 18, 1924.	Apr. 19, 1924.	Apr. 22, 1924.	Apr. 23, 1924.	Apr. 24, 1924.	Apr. 25, 1924.
Bank Bills.						
3 Months	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
4 Months	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
6 Months	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Trade Bills.						
3 Months	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
4 Months	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
6 Months	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2

RATES OF EXCHANGE.

London on	Usance	Par.	April 27, 1923.	April 16, 1924.	April 25, 1924.
Paris	francs to £1	T.T.	25-23 1/4	67-90-00	69-55-60
Berlin	marks to £1	T.T.	20 43	130/140000	139-134-00
Vienna	krona to £1	T.T.	24 02	320/335000	327/315,000
Prague	krona to £1	T.T.	24 02	155 1/2	147 1/2
Warsaw	P. marks to £1	T.T.	20 43	210/220000	210-140
Reval	Eest.mks. to £1	T.T.	25 23 1/4	..	1640-1650
Riga	latas to £1	T.T.	25 23 1/4	..	1670
Budapest	kr. to £1	T.T.	25 23 1/4	350-1000mms	22-43-68
Constantinople	piastres to £1	T.T.	110	8000-10000	820-840
Sofia	leva to £1	T.T.	25 23 1/4	1330,000	1330,000
Belgrade	dinars to £1	T.T.	25 23 1/4	600-650	805-820
Bombay	rupees to £1	T.T.	12 10 1/2	600-650	600-620
Brussels	francs to £1	T.T.	18 11 1/2	11-84-85	11-69-70
Christiania	kroner to £1	T.T.	18 11 1/2	78-75-85	80-81-1
Stockholm	kroner to £1	T.T.	18 15 1/2	17-28-31	31-45-50
Copenhagen	kroner to £1	T.T.	18 15 1/2	24-68-71	16-47-50
Greece	drachmas to £1	T.T.	25 23 1/4	166 1/2-167 1/2	173-174
Italy	lire to £1	T.T.	25 23 1/4	385-400	387-400
Switzerland	francs to £1	T.T.	25 23 1/4	24-24	22-33
Madrid	pesetas to £1	T.T.	25 23 1/4	50-48 1/2	98-98
Katow	pesetas to escu.	T.T.	25 23 1/4	30-30-33	34-69-71
Montreal	dollars to £1	Cable	97 1/2	21-75	31-66-71
New York	dollars to £1	Cable	97 1/2	11-1	11-1
Buenos Aires	pesos to £1	Cable	97 1/2	4-35-3	4-37-3
Rio de Janeiro	pesos to milis.	90 days	16	4-43-4	4-45-2
Sao Paulo	pesos to milis.	90 days	51	5-6	39-40
Valparaiso	pesos to peso	90 days	51	4-43-4	4-45-2
Lima	soles to Per. \$1	90 days	13-33	43-43	39-10
Calcutta	ster. to rupee	T.T.	10 to 1	8 1/2 prem.	7 1/2 prem.
Bombay	ster. to rupee	T.T.	10 to 1	8 1/2 d. d.	7 1/2 d. d.
Madras	ster. to rupee	T.T.	10 to 1	8 1/2 d. d.	7 1/2 d. d.
Hong Kong	ster. to dollar	T.T.	10 to 1	8 1/2 d. d.	7 1/2 d. d.
Shanghai	ster. to dollar	T.T.	10 to 1	8 1/2 d. d.	7 1/2 d. d.
Singapore	ster. to dollar	T.T.	10 to 1	8 1/2 d. d.	7 1/2 d. d.
Yokohama	ster. to yen	T.T.	10 to 1	8 1/2 d. d.	7 1/2 d. d.
Manila	ster. to dollar	T.T.	10 to 1	8 1/2 d. d.	7 1/2 d. d.
Mexico	pesos to dol.	T.T.	24-06 1/2	12-24-06	12-24-06

The Midland Bank, Limited, announce that Mr. H. A. Astbury, formerly an assistant general manager, has been appointed a joint general manager; and that Mr. J. A. Baker, formerly a general managers' assistant, has been appointed an assistant general manager.

Lloyds Bank, Limited, announce that a branch of the bank is now open at 118 Commercial street, Spitalfields, under the management of Mr. A. R. Geren, the hours of business being the usual London banking hours.

Brigadier-General Arthur Maxwell, C.M.G., D.S.O., has been elected to a seat on the board of directors of the Union Bank of Australia, Limited.

A branch of the Commercial Bank of Australia, Limited, has been opened at Neutral Bay (New South Wales).

The directors of the Royal Bank of Australia, Limited, have appointed Mr. H. Le M. Latreille, who has been manager of the London office, 18 Bishopsgate, for the last ten years, to the position of assistant general manager at the head office in Melbourne, and Mr. George Kyd is now the London manager.

ANALYSIS OF BALANCE-SHEETS.

BABCOCK AND WILCOX.

December 31, 1923.		December 31, 1923.	
LIABILITIES.	Amount.	ASSETS.	Amount.
Sundry creditors, 2,225,576 ..	2,225,576	Cash	2,619,805
8% pref. shares ..	100,000	Investments ..	1,973,481
5% pref. shares ..	179,056	Bills receivable ..	14,168
Ord. shares ..	4,297,656	Debtors ..	776,137
Premium on shares ..	545,069	Expenditure on orders ..	109,829
Reserve fund ..	96,250	Stock, &c. ..	108,505
Dividend fund ..	245,000	Land, plant ..	1,534,837
Profit and loss ..	724,829		
Total	7,868,367	Total	7,868,367

BIRMINGHAM SMALL ARMS COMPANY, LIMITED.

January 31, 1924.		January 31, 1924.	
LIABILITIES.	Amount.	ASSETS.	Amount.
"A" pref. £5 ..	203,150	Properties and plant ..	2,622,680
"B" pref. £1 ..	350,580	Stocks ..	834,323
Ord. shares, £1 ..	2,815,172	Sundry debtors ..	834,319
8% notes ..	2,500,000	Investments ..	4,294,597
Sundry creditors ..	694,103	Cash and bills ..	284,088
Loans ..	350,000		
Assets reserve ..	1,343,688		
General reserve ..	300,000		
Profit and loss ..	143,114		
Total	8,669,807	Total	8,669,807

ENGLISH ELECTRIC COMPANY, LIMITED.

December 31, 1923.		December 31, 1923.	
LIABILITIES.	Amount.	ASSETS.	Amount.
6% cum. pref. £1 ..	983,565	Properties ..	1,100,910
Ord. shares, £1 ..	1,864,023	Intest in sub-sidiaries ..	1,921,440
5% deb. stock ..	821,820	Stocks, &c. ..	1,354,920
8% notes ..	1,303,422	Debtors ..	1,502,182
Reserve for premium on note repayment ..	316,004	Deposit 8% notes ..	316,004
Capital reserve ..	125,000	Discount, &c. ..	90,067
Creditors ..	851,544		
Profit and loss ..	160,465		
Total	6,285,983	Total	6,285,983

THE UNION BANK OF SCOTLAND, LIMITED.

April 2, 1924.		April 2, 1924.	
LIABILITIES.	Amount.	ASSETS.	Amount.
Deposits, &c. ..	29,334,378	Gold and silver coin, &c. ..	3,177,930
Current drafts ..	147,064	Money at call and notice ..	4,187,000
Acceptances ..	583,549	British Govt. securities ..	12,318,856
Notes in circulation ..	2,516,933	Other investments ..	945,108
Capital paid up ..	1,000,000	Loans ..	2,139,420
Reserve account ..	1,250,000	Bills under discount ..	5,685,233
Profit and loss ..	301,198	Advances ..	5,687,499
		Acceptances ..	523,548
		Bank offices ..	255,164
		London property ..	110,260
		Heritable property ..	163,104
Total	35,073,122	Total	35,073,122

OIL OUTPUTS.

STEUA ROMANA (BRITISH), LIMITED, are advised that the approximate fields' gross production of the Steua Romana Company (Bucharest) for the month of March was 20,760 tons.

THE MEXICAN EAGLE OIL COMPANY, LIMITED.—The production for the week ended April 12, 1924, was 51,000 barrels, and for the week ended April 19, 1924, 44,000 barrels. About 14,000 barrels daily were shut in owing to a strike at Tampico Refinery. Well No. 12 Cacalilao came in during the week at 6,000 barrels daily, depth 1,555 feet. Wells Nos. 3 and 11 Cacalilao had a small showing of salt water, and are now together producing 2,500 barrels daily.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(For traffic for week ended April 12, 1924, see under "Reports and Notices.")

(b) Week ended Apr. 18, 1924.	Miles Open.	Week ended Apr. 20, 1924.			Aggregate 16 Weeks, 1924.		
		Passen- gers, &c.	Goods, &c.	Total	Passen- gers, &c.	Goods, &c.	Total
Great Western	3,754	288,000	335,000	623,000	3,278,000	5,460,000	8,738,000
Do for 1923	3,679	235,000	293,000	528,000	3,611,000	5,880,000	9,491,000
London & North-Eastern ..	6,703	506,000	631,000	1,137,000	5,543,000	11,085,000	16,628,000
Do same period 1923 ..	6,701	407,000	530,000	937,000	5,363,000	12,212,000	18,175,000
London, Mid., & Scottish ..	6,942	751,000	777,000	1,528,000	8,036,000	14,622,000	22,198,000
Do for 1923	6,940	565,000	1,042,000	1,607,000	8,712,000	15,280,000	23,992,000
Southern	2,146	409,700	109,800	519,500	4,250,500	1,795,800	6,046,300
Do for 1923	2,146	298,400	125,800	424,200	4,491,300	1,941,000	6,432,300
Metropolitan (c)	794	35,459	3,501	38,960	387,500	60,381	586,485
Do for 1923	794	31,459	3,054	34,513	354,653	60,793	565,152
Underground E.R. (c) ..	..	..	..	..	330,251	..	330,251
Do for 1923	..	..	..	..	223,439	..	223,439
Lon. & Sub. Group (c) ..	..	..	..	..	38,971	..	38,971
Do for 1923	..	..	..	..	38,237	..	38,237
Belfast & Co. Down (b) ..	80	4,083	1,539	5,622	58,996	20,562	79,558
Dublin and S. East (b) ..	160	4,765	3,864	8,629	81,657	60,925	141,882
Gt. Northern (Ireland) (b) ..	562	16,000	20,050	36,050	260,600	332,450	593,050
Gt. Bth. & Western (b) ..	1,151	20,509	30,505	51,014	324,268	516,587	840,852
Midland Gt. West. (b) ..	538	7,852	17,313	25,165	128,486	224,556	353,045

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1924. + or -	1924. + or -
INDIAN.					
Assam Bengal	51 weeks	Mar. 22	1,072	255,000	1,378,182
Barri Lt. Ry.	52 weeks	31	118	41,600	20,220
Bengal & N. Western ..	22 weeks	2,062	6,418,500	42,119	1,508,915
Bombay Nagpur	51 weeks	22	2,738	15,310,000	752,620
Bombay, Bar., & C.I. ..	51 weeks	Mar. 22	1,342	26,810,000	82,000
Burma	51 weeks	Mar. 22	1,342	8,674,000	56,513
Delhi, Umballa & Kalika ..	26 weeks	31	239	1,511,420	27,319,000
East Indian	3 weeks	Apr. 19	2,873	32,700,000	94,540,000
G. Indian Peninsula ..	23 weeks	19	3,164	32,690,000	88,700
Madras & S. Mahr.	51 weeks	Mar. 22	1,342	16,650,000	83,210
Mysore & K. Mahr.	22 weeks	22	259	56,517	4,554
Do Lucknow-Breilly ..	25 weeks	22	314	73,905	26,514
South Indian	50 weeks	22	1,877	9,800,000	59,238

ARGENTINE (a).

Argentine N.E.	42 weeks	Apr. 19	754	1,900	1,000	497,700	51,600
Argentine Trans.	42 weeks	Apr. 19	754	1,900	1,000	497,700	51,600
B. A. and Pacific	42 weeks	Apr. 19	754	1,900	1,000	497,700	51,600
B. A. Gt. Southern	42 weeks	Apr. 19	754	1,900	1,000	497,700	51,600
B. A. Western	42 weeks	Apr. 19	754	1,900	1,000	497,700	51,600

CANADIAN.

Canadian National ..	15 weeks	Apr. 15	22,680	4,474,235	356,745	65,598,643	2,013,043
Canadian Pacific	15 weeks	Apr. 15	22,680	4,474,235	356,745	65,598,643	2,013,043

BRAZILIAN (b).

Gt. West. of Brazil ..	16 weeks	Apr. 19	1,011	7,000	2,100	171,200	23,905
Leopoldina	16 weeks	Apr. 19	1,011	7,000	2,100	171,200	23,905
San Paulo	16 weeks	Apr. 19	1,011	7,000	2,100	171,200	23,905

CHILEAN.

Antofagasta	16 weeks	Apr. 19	838	27,605	7,230	609,210	43,420
Nitrato (6-monthly) ..	15 weeks	Apr. 15	366	36,935	10	289,843	43,420

CUBAN.

Havana Central	42 weeks	Apr. 19	1,249	118,131	1,595	552,239	78,268
United of Havana	42 weeks	Apr. 19	1,249	118,131	1,595	552,239	78,268

URUGUAYAN.

Central Uruguay	42 weeks	Apr. 19	973	24,767	4,026	1,145,086	39,345
C. Urug. (East. Ext.) ..	42 weeks	Apr. 19	973	24,767	4,026	1,145,086	39,345
C. Urug. (North. Ext.) ..	42 weeks	Apr. 19	973	24,767	4,026	1,145,086	39,345
C. Urug. (West. Ext.) ..	42 weeks	Apr. 19	973	24,767	4,026	1,145,086	39,345

OTHER OVERSEAS.

Alcoy and Gandia	16 weeks	Apr. 19	33	25,000	5,000	414,500	39,345
Egyptian Delta	52 weeks	Mar. 31	575	9,086	485	338,485	5,303
Gt. Southern of Spain ..	15 weeks	Apr. 12	104	44,570	4,466,281	314,742	3,174
Mexican Railway	15 weeks	Apr. 12	432	322,900	34,400	2,492,000	1,825,100
New Cape Central	13 weeks	Mar. 29	205	3,702	28	38,568	316
Paraguay Central	42 weeks	Apr. 19	274	3,920	1,900	151,310	74,080
Salvador	42 weeks	Apr. 19	100	4,886	95	166,970	8,374

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.	
				1924. + or -		1924. + or -	
Anglo-Argentine.....	16 weeks	Apr. 22	329	284,110	380	1,399,136	+ 2.7
Burnley Corporation ..	1 week	19	12	43,597	468	..	..
Calcutta Tramways	16 weeks	Apr. 19	354	1,214,374	5,155	..	+ 619,970
Chatham & District ..	15 weeks	17	15	21,397	109	19,338	+ 1.5
Egyptian Markets	14 weeks	10	..	21,397	109	38,341	+ 3.8
Glasgow Corporation ..	46 weeks	19	106	243,573	391	2,038,445	+ 54.5
Ile of Thanet	27 weeks	9	..	4546	188	14,800	+ 1.3
Liverpool Corporation ..	3 weeks	19	124	23,732	3,460	68,744	+ 2.8
L.O.C. Tramways	3 weeks	19	124	23,732	3,460	68,744	+ 2.8
Madras Elec. (2 wks) ..	15 weeks	15	..	881,131	6,383	261,592	+ 33.0
Pernambuco Trams	16 weeks	30	..	24,442	760	76,222	+ 15.1

RUBBER OUTPUTS AND DIVIDENDS.

In the table below we give the March outputs, and dividends for four complete years of a number of Rubber Companies, while the latest reports of Rubber Companies are analysed under our Summary of Profit and Loss Accounts each week. The latest dividends declared appear under Dividend Announcements, and the Rubber Share Market is dealt with in our Stock Market section. Particulars as to the Market Price of the Commodity and other information will be found in our Produce Market Section.

Name. Year ended December 31, Except where Stated.	Outputs.			Output Month Mar., 1924.	Increase or Decrease on 1923.	Output 3 Months 1924 Except Where Otherwise Stated in Brackets.	Increase or Decrease on 1923.	Dividends paid in Past 4 Complete Years.			
	Year 1920.	Year 1921.	Year 1922.					1920. % nil	1921. % nil	1922. % nil	1923. % nil
Allagar	Lbs. 354,250	Lbs. 329,300	Lbs. 372,300	Lbs. 206,900	+ 800	Lbs. 622,100	+ 48,900	nil	nil	nil	..
Anglo-Java	2,101,424	1,752,499	1,780,811	65,219	+ 9,437	199,163	+ 50,932	nil	nil	7 1/2	..
Anglo-Malay	1,430,807	814,209	1,199,767	65,219	+ 9,437	199,163	+ 50,932	nil	nil	7 1/2	..
Anglo-Sumatra (May 31) ..	1,058,735	520,074	658,184	37,016	+ 14,500	141,500	+ 35,500	nil(20-21)	5(21-22)	20(22-23)	..
Ayer Kuning	943,803	812,127	858,670	46,927	+ 39,491	441,113	+ 98,352	nil(20-21)	7 1/2(21-22)	12 1/2(22-23)	..
Bah Lias (Oct. 31)	1,561,555	1,129,038	1,245,416	46,927	+ 39,491	441,113	+ 98,352	nil(20-21)	7 1/2(21-22)	12 1/2(22-23)	..
Bajoe Kidol (Mar. 31) ..	1,029,608	729,467	963,945	117,296	+ 1,178	1,191,900(12)	+ 245,978	nil(20-21)	7 1/2(21-22)	12 1/2(22-23)	..
Bakap (June 30)	230,300	164,080	215,600	..	..	..	..	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Bandar Sumatra (July 31) ..	618,867	523,967	414,711	32,502	- 1,498	321,500(8)	+ 54,300	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Bekoh Consolidated (June 30) ..	1,131,516	713,192	580,343	..	..	..	..	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Batang (Belangor) (April 30) ..	571,172	467,802	461,700	93,170	- 610	326,200(11)	- 109,440	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Batang Consolidated	399,686	296,140	303,819	21,083	- 7,380	..	..	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Batu Caves	647,153	534,893	537,616	27,761	- 9,139	100,046	- 20,637	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Batu Tiga	765,100	510,500	609,767	69,000	+ 11,500	176,000	+ 4,000	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Berkoh Consolidated (June 30) ..	1,131,516	418,745	433,773	28,499	- 5,415	256,948(9)	- 160,669	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Bertram Consolidated (March 31) ..	1,534,416	1,269,877	1,504,498	..	..	1,160,045(10)	- 5,400	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Bukit Cloh	342,250	277,730	326,254	..	..	..	..	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Bukit Kajang (June 30) ..	881,671	756,638	655,540	2,967	+ 37,467	479,217(9)	- 2,136	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Bukit Mertajam (March 31) ..	442,362	602,326	676,119	25,197	+ 25,197	780,939(12)	+ 104,787	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Bukit Sembawang	1,636,380	1,010,169	1,065,856	..	..	206,000(2)	..	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Ceylon Para	1,214,645	975,490	1,153,790	..	..	..	..	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Chersonese	653,267	504,891	503,741	..	..	73,985(2)	- 16,669	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Chivoit	875,814	867,033	728,000	96,400	+ 15,600	148,500	- 5,400	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Cloely Ordinary (March 31) ..	636,372	647,688	723,361	..	..	..	..	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Consolidated Malay	1,070,987	842,805	903,300	64,600	+ 15,400	200,000	+ 23,450	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Danang	664,897	664,897	603,204	..	..	..	..	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Dennistown	436,210	392,048	464,401	15,600	+ 9,600	70,414	- 9,440	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Dusun Durian	1,053,163	698,408	959,420	..	..	..	..	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Eastern Sumatra (June 30) ..	454,740	443,900	366,000	29,000	- 2,000	407,000(9)	+ 51,000	nil(20-21)	5(21-22)	7 1/2(22-23)	..
F. M. B. Planters	835,000	900,300	907,000	44,000	- 2,700	214,000	+ 44,500	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Golconda (June 30)	1,247,524	1,063,642	1,153,166	..	..	102,400(2)	..	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Golden Hope	612,403	473,041	483,452	..	..	..	..	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Grand Central (Ceylon) ..	461,824	233,446	343,759	31,022	+ 4,543	61,360	- 5,426	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala-Kampong	5,217,447	4,379,972	5,063,897	..	..	..	..	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kandam	1,618,987	1,023,601	1,183,280	..	..	..	..	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kandam	494,966	320,861	326,353	..	..	..	..	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kenneth (May 31)	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
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Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
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Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
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Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	- 44,650	nil(20-21)	5(21-22)	7 1/2(22-23)	..
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Kuala Lumpur (June 30) ..	1,533,919	1,215,776	1,171,977	81,250	- 15,850	248,750	-				

RIO DE JANEIRO CITY IMPROVEMENTS.—The sixty-second annual report for year 1923 shows that the total number of drainage rents stated in the last report as standing on the company's books on January 1, 1923, was 74,804. During the year 1923 1,251 additional rents were obtained from new houses drained, 162 which had fallen out of revenue were recovered, and 199 were deducted by the Fiscal Department for demolitions, fires, &c. The total number of drainage rents on the company's books on January 1, 1924, was therefore 76,018. The Rio managers report that the service has been carried out during the period under review to the complete satisfaction of the Government. The revenue for the year was paid by the Government with their usual punctuality. The balance of revenue

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefee.	Ordinary.	Rate.				
Banks.											
Colonial Bank.....	Dec. 31*	28,905	51,468	80,373	..	(s) 36,900	8	..	28,473	53,130	8
Union Bank of Scotland	April 2	52,550	328,648	381,198	..	180,000	18	105,000	96,198	326,362	18
Breweries.											
Booth's Distillery	Dec. 31	8,126	24,514	32,640	7,505	18,858	10	..	6,277	38,182	10
Canals and Docks.											
Sharpness New Docks	Dec. 31	..	14,878	14,878	8,225	..	..	6,653	..	..	..
Financial, Land, &c.											
Alto Parana Development	June 30	Dr 13,231	Dr 4,456	Dr 17,687	..	..	..	..	Dr 17,687	Dr 3,731	..
Iron, Coal, and Steel.											
Babcock and Wilcox	Dec. 31	194,126	753,063	947,189	14,953	m) 515,718	12†	228,750	187,768	787,601	20†
Motor and Cycle.											
Birmingham Small Arms	Jan. 31	30,010	125,061	155,071	24,044	..	..	..	131,027	Dr 166,672	..
Nitrate.											
Salari del Carmen	Dec. 31	16,218	78,053	94,271	..	50,737	30	27,040	16,494	58,204	25
Rubber, &c.											
Anglo-Malay	Dec. 31	26,538	21,297	47,835	..	22,500	6	5,500	19,835	21,840	7‡
Ayer Kuning (F.M.S.)	Dec. 31	13,446	17,119	30,565	..	14,000	10	..	16,565	14,703	10
Edinburgh	Nov. 30	280	4,498	4,778	..	..	..	..	4,778	3,689	..
Glenshiel Estates	Dec. 31	9,722	5,196	14,918	..	4,375	2‡	2,500	8,043	2,578	4
Hanwell Estates	Dec. 31	811	5,040	5,851	..	4,000	2‡	1,000	8,051	3,044	nil
Hidden Streams	Dec. 31	841	2,605	3,446	..	1,320	5	..	2,126	1,788	10
Highlands and Lowlands	Dec. 31	32,511	31,918	64,429	..	23,211	7‡	..	41,217	23,419	7‡
Kurau	Dec. 31	2,439	4,067	6,506	..	3,375	3	..	3,131	3,497	2‡
Lunderston	Dec. 31	2,249	6,063	8,312	..	2,882	5	1,000	4,430	1,182	nil
New Crocodile River	Dec. 31	8,343	15,504	23,847	..	8,321	7‡	5,000	10,526	2,414	nil
Peacock and Nilambe	Dec. 31	3,406	23,590	26,996	..	23,882	20	2,000	1,114	11,805	nil
Shops and Stores.											
Army and Navy Co-operative	Jan. 26	16,973	195,386	212,359	..	164,000	20	16,264	32,095	133,583	15
Hope Brothers	Feb. 29	26,649	81,012	107,661	16,500	40,000	10	23,732	27,429	76,486	10
Parke's Drug Stores	Feb. 29	428	8,280	8,708	2,380	4,500	7‡	594	1,234	7,730	7‡
Tea.											
Borbbel	Dec. 31	7,078	20,741	27,819	..	15,540	70†	4,500	7,779	21,507	75
Bordubi	Dec. 31	4,951	41,903	46,854	..	30,000	50†	11,000	5,854	33,483	40
Borjan	Dec. 31	3,498	16,027	19,525	560	12,378	50†	3,500	3,087	13,791	40
Eastern Produce and Estates	Dec. 31	8,867	151,268	160,135	3,600	116,550	35	27,000	12,985	104,762	23
Kacharigaon	Dec. 31	2,129	13,214	15,343	193	9,473	22‡	3,000	2,677	..	..
Koomsong	Dec. 31	4,744	28,687	33,431	..	12,000	30†	17,000	4,431	27,131	10
New Sylhet	Dec. 31	3,862	21,731	25,593	..	8,400	60†	13,000	4,193	16,320	40
Telegraphs, &c.											
Cuba Submarine	Dec. 31	6,629	20,477	27,106	6,000	8,000	5†	6,000	7,106	17,297	7†
Tramways.											
Tynemouth and District Electric	Dec. 31	4,454	4,713	9,167	1,525	4,641	10	..	3,001	4,143	10
Worcester Electric Traction	Dec. 31	1,903	3,805	5,708	..	1,908	2	1,000	2,800	3,642	2
Trusts.											
London Trust	Mar. 31	50,442	76,813	127,255	20,344	34,875	6	45,000	27,036	65,330	6
United States & South American Investment	April 4	34,856	69,157	104,013	19,374	34,875	9	15,000	34,764	60,498	8
Waterworks.											
Consolidated of Rosario	Dec. 31	23,092	61,308	84,400	8,400	24,000	8†	21,696	30,304	58,556	8
Other Companies.											
Brazilian Warrant	Dec. 31	63,605	209,628	273,233	35,000	75,000	7‡	100,000	63,233	231,320	7‡
English Electric	Dec. 31	68,983	112,439	181,422	50,464	61,244	5	..	69,714	111,404	5
International Linotype	Mar. 31	1,881	30,367	32,248	..	30,562	5‡	..	1,686	27,774	5
J. Mandelberg and Co.	Dec. 19	66,939	55,074	122,013	4,900	12,000	P.O.	3,500	54,679	67,683	10
Jurgens	Dec. 31	41,445	194,293	235,738	175,000	..	..	..	60,738	168,261	..
Macfarlane and Robinson	Dec. 31	Dr 23,552	8,015	Dr 15,537	..	..	..	..	Dr 15,537	Dr 6,454	..
Rio de Janeiro City Improvements	Dec. 31	24,957	120,077	145,034	..	71,566	6†	45,000	28,468	..	..
Spiller's Milling and Associated Industries	Jan. 31	152,705	326,756	479,461	43,415	174,487	12‡	108,000	153,293	308,051	12‡
Stoll Picture Productions	Dec. 31	1,024	23,724	24,748	23,872	..	..	..	876	..	..

(m) Babcock and Wilcox.—Paid on a larger capital. The dividend of 20 per cent., free of income-tax, paid for 1922 absorbed £429,765.
 (s) Includes £9,000 relief to shareholders in respect of repayment of Dominion income-tax for year ended March 31, 1923.
 ‡ Half-year. † Tax free.

account is £120,076 19s 11d, which, added to £24,956 19s 8d brought forward from last year, makes a balance of £145,033 19s 7d. Out of this sum the directors paid an interim dividend in October last of 2s 6d per share, absorbing £29,819 7s 6d, and having transferred £25,000 to reserve account and £20,000 to exchange contingency account, they recommend a final dividend of 3s 6d per share, absorbing £41,747 2s 6d, making, with the interim already paid, 6 per cent. per annum (free of income-tax), leaving £28,467 9s 7d to be carried forward to the next account.

SPILLERS MILLING AND ASSOCIATED INDUSTRIES.—The accounts for the year ended January 31, 1924, show a profit, before providing for taxation, of £326,756, against £308,051 in the preceding year. The amount reserved for taxation is £108,000, against £105,000. The dividend for the year on the ordinary shares is unchanged at 12½ per cent., less tax, and a dividend of 8½ per cent., less tax, is to be paid on the co-partnership shares. The amount to be carried forward is £153,293. The report points out that some of the claims arising out of the war have been agreed, and the amount collected credited to profit and loss. There are, however, many other claims awaiting agreement. The company has acquired control of the Vancouver Terminal Grain Company, and the erection of a two million bushel elevator has been commenced. Negotiations in respect to other enterprises are in progress, and for the purpose of co-ordinating these concerns a new company has been registered under the name of Spillers Overseas Industries, Limited.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Climatic conditions during the week were favourable to agricultural pursuits, periods of forcing sunshine followed by light rains proved very beneficial to cereal crops. Spring seeding has now been completed in most parts of the country, and a good seed bed obtained. Spring oats already above ground are showing a healthy plant, but winter wheat and oats are generally backward in growth. Quiet conditions prevailed at market, holiday influences being apparent, and prices in most cases tended in buyers' favour. Very little trading occurred in English wheat, but prices were nominally steady at 10s 4d to 10s 8d for suitable milling grades per 112 lbs, free on rail. Imported dull and easier. No. 1 Northern Manitoba 47s 9d, Rosafe, 63½ lbs, 46s 3d, Barusso, 63½ lbs, 45s 6d, and Australian 48s 6d, all ex ship, per 490 lbs. Quiet conditions prevailed in the floating and forward cargo section, and with shippers inclined to press, values marked a decline for most descriptions. Sales include steamers of West Australian, April, at 47s 3d, South Australian, March bill of lading, 48s 6d, No. 1 Northern Manitoba, March 17th, 46s 6d, No. 1 and No. 2 ditto, April 11th, at 46s and 45s respectively. Rosafe, 64 lbs, afloat, 44s 9d, and Barusso, 63½

lbs, April, 43s 6d per 480 lbs. Maize cargoes were pressed for sale at lower prices, with buyers holding off. Shipments of wheat are well maintained, while further additions will shortly be made from Canada, where navigation is about to be resumed. Crop prospects are fairly satisfactory in most of the principal exporting countries. Flour quiet. London standard straight run quoted at 37s, patents 39s-40s, town households 35s per sack, delivered in. All English country straights 34s 6d per sack, free on rail at London stations. Imported: Manitoba patents range from 35s 6d-37s as to quality. Australian 35s to 36s per 280 lbs. Barley steady. English malting ranges from 11s 3d-12s 6d, with feeders 10s-10s 9d per 112 lbs, free on rail. Imported: Californian 48s-52s, as to sample. Chilean brewing 44s-46s, ex ship, per 448 lbs. No. 4 Canadian Western 41s 9d, ex ship, ditto landed 32s 9d. Karachi, ex ship, 31s 6d, ditto, landed, 32s 6d. Plate, ex ship, 31s 9d per 400 lbs. Maize dull. Plate, old, 40s 6d-41s 6d, landed, as to quality. Red Karachi, ex ship, 41s. Yellow Calcutta 41s 6d per 480 lbs. Oats: English quiet, and quoted 8s 6d-10s per 112 lbs, free on rail. Imported easier. Plate, f.a.q., ex ship, 19s 9d, ditto, landed, 20s 9d. No. 2 Canadian Western, 25s 3d, No. 3 ditto, 24s 3d. Canadian feed, landed, 23s 3d per 320 lbs.

Millers' affairs steady. Broad bran quoted at 8s 6d, ordinary 7s 9d-8s, middlings 8s 3d, fine ditto 9s 6d, bags included, ex mill. Light oats, 7s 3d, powdered oat husks, 7s 3d, feed oats, 9s 3d. Ground oats 12s 3d per cwt, free on rail. Oatmeal steady. London made flaked 16s 6d, rolled oats 16s, medium and fine cuts 16s, coarse and medium pinhead 16s, ordinary Scottish oatmeal 17s 6d, and American 16s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-1924.	1922-1923.	1921-1922.	1920-1921.
Estimated sales of home-grown wheat—				
1 week to April 19.....	Cwts. 102,904	Cwts. 349,357	Cwts. 159,310	Cwts. 296,726
33 weeks to April 19.....	10,724,930	14,193,044	13,958,819	10,259,293
Average price of English wheat per cwt.....	s 10 7	s 9 11	s 8 11	s 8 20

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1920 to 1923:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1924.						
April 12	Cwts. 112,703	Cwts. 34,064	Cwts. 19,871	s 10 6	s 11 4	s 9 6
April 19	102,904	25,341	22,309	10 7	11 5	9 7
1920	179,576	34,868	21,985	16 11	23 9	20 3
1921	384,736	65,907	32,903	20 4	13 0	13 2
1922	159,309	32,081	21,079	11 11	11 3	10 7
1923	349,357	82,613	26,440	9 11	8 5	9 10

IRON, STEEL, AND COAL.

Our Glasgow correspondent writes:—The spring holiday in the Glasgow area was the occasion for general suspension of business over last week end. The news that the shipyard lockout was to come to an end was received with the greatest satisfaction in iron and steel circles, and the opinion is general that had common-sense not prevailed over stubbornness the consequences to the steel and kindred trades would have been very serious indeed. As a result of the settlement, merchants and manufacturers are looking for a revival of business, and a return of confidence is already evident in the market for steel plates and sections. The North British Locomotive Company received intimation last week that their tender for ten locomotives for Western Australia had been accepted, the value of the contract being £76,000. The demand for bar iron is falling off. This is attributable chiefly to the very low price at which steel bars can be bought. Business has been rather quiet all round since works resumed, steel makers having not much on their books to fall back on, although the orders placed with shipyards recently and the railway carriages placed with Motherwell firms are hopeful signs. Sheet makers are well employed, and fresh inquiries for home and export are numerous. In the galvanized section, corrugateds are keenly cut, prices as low as £17 5s being common for the cheaper export grades. The large contract for galvanized sheets for the Argentine Government has not yet been placed. Several makers in this country have tendered, but it is learned that quotations have now been asked from U.S.A. and Continental makers. This is a line, however, which British makers are more competent to deal with than their foreign rivals. There is a brisk demand for pig-iron for export and home trade, and prices are unaltered. The shipments of all grades from the Clyde last week were only about 900 tons.

Our Middlesbrough correspondent's report, dated April 24th, is as follows:—Pig-iron: Owing to the Easter holidays the usual pig-iron market was suspended on Tuesday last. Several of the local steel works are closed for the whole week, whilst others have been stopped for only two days. Generally, the position remains quiet, and prices are unchanged at 92s 6d for No. 3 Cleveland quiet, and 99s for East Coast Mixed Numbers Hematite. Manufactured iron and steel: Prices remain the same, viz., steel ship plates, £10 5s; steel ship angles, £10; iron bars, £12 10s; steel

rails, £9. Iron ore: No new business is reported, but deliveries are fairly good against old contracts. The nominal quotation for best Bilbao Rubio is 24s per ton, c.i.f., Middlesbrough, on the usual bases and scales.

Our Sheffield correspondent writes:—The absence of anything like uniformity in the duration of the stoppage at the local works for the Easter holidays reflects the very mixed conditions which obtain. While some large firms are so busy that the holiday was limited to only two days, others, and probably the majority, set down for three, four, and even five days. In the absence of active business since our last report, it is not possible to gauge the trend of business, and so far as can be seen the position is much the same as a week ago, but with a firmer tendency of prices. The demand for raw and semi-materials continues poor, and makers of pig-iron, in the belief that costs of production are certain to rise, will not entertain forward contracts at current prices. The home demand for steel material is fairly good, and the overseas markets still constitute the weak spot of the situation. The trade prophets talk in a minor key, and predict a shrinkage of trade in a good many departments as the year advances, as there are no signs of increased buying from the Continent, South America, or the various British possessions. Whilst Continental competition is less keen in partly manufactured steel, it is becoming formidable in the more finished materials, and it should be remembered that a large proportion of the cheap steels imported into this country from Belgium and France is re-shipped abroad in the form of manufactured goods. In the tool section the local saw trade has completely recovered from a period of acute depression, and at the moment the demand exceeds output. Large quantities of the best quality circular saws are going abroad. Hand tools generally are selling freely, but there is severe competition from abroad in what are known as engineers' small tools. The cutlery, electro plate, and silver branches are in a very unsatisfactory condition, and the firms in these trades who can manage to earn their expenses are quite exceptional. Conditions in the coal trade continue to favour the producer, as there is very little fuel to be bought on the home market, and the current high prices are readily obtained from consumers who did not contract for supplies several months ago. Railway and works requirements are heavy, but the demand for house coal is lower. Prices are the same as were quoted last week. Quotations per ton at pits are:—Best hand-picked branch, 36s to 38s; Barnsley best Silkstones, 34s to 35s; Yorkshire hards, 27s to 28s; Tyne steams, 27s 6d; rough slacks, 12s 6d to 14s; smalls, 8s to 10s; cokes, 30s.

METALS.

Tin commenced the week with an easier tone, though dealings were on a fairly liberal scale. Subsequent movements were attended by slight irregularity, and values partially recovered under sustained buying orders. Standard cash sold at £247 to £246 15s to £247 10s, and three months £247 to £248 to £246 15s to £247 17s 6d. Eastern cables reported sale on the basis of £248 15s, c.i.f. Prices were again easier at Thursday's market, standard cash quoted at £246 to £246 5s, and three months sold at £248 10s to £245 10s to £246. The market closed the week with a quieter tone, standard cash being sold at £240 5s to £240 7s 6d, and three months £243 10s to £240 2s 6d. English ingots quoted at £241 to £242. Copper market firm on stimulating advices from United States, combined with a good demand. Standard cash sold at £64 10s, and three months £65 7s 6d to £65 12s 6d to £65 7s 6d. Values continued in good request at Thursday's session, while easier on balance. Standard cash sold at £64 2s 6d, and three months £65 5s to £65. Copper closed lower. Cash sold at £63 12s 6d, and three months £64 10s to £64 12s 6d to £64 10s. Electro, £69 10s to £70; best selected, £67 15s to £69; strong sheets, £68; wire bars, £70. Lead easier, and quoted at £30 15s to £29 10s, as to position. Spelter lower at £32 to £31 15s to £32 7s 6d, according to position. Aluminium, home trade, £125; export, £130. Antimony, English special brands, £52 to £52 10s.

THE COTTON TRADE.

MANCHESTER, April 24.

Holiday influences have prevailed in the market during the past week. On the resumption of business, however, quite a considerable demand in piece goods was met with, but the bulk of the offers have proved unworkable. Our customers abroad apparently do not realise the real strength of Lancashire producers, for when raw cotton declines 1d a pound, the bids are lowered proportionately, whereas spinners only drop their quotations ¼d a pound at the most. With regard to actual business, the inquiry for India has been persistent and rather more demand has been met with in grey shirtings. Sales, however, have been isolated. There have been rather fewer transactions in light cloths. Staple makes have been wanted for China at low prices. For the outlets generally a steady business has been done in all kinds of fancy materials. A quiet turnover has taken place in American yarns for home use. Spinners,

(I.) Comparative Statement of the Cotton Trade.

	Price, April 24, 1924.	Previous Weeks in 1924.				
		April 15.	April 10.	April 3.	March 27.	March 20.
Raw Cotton—Fully Mid. American . . . per lb	17.90	18.61	19.28	17.83	16.55	17.58
— Sakellaridis Fully Good Fair Egyptian . . . per lb	22.80	21.90	22.40	21.45	20.50	21.40
Yarns—32's twist . . . per lb	27	27½	27½	26½	25½	25½
— 40's twist . . . per lb	27½	27½	28	27	25½	26
— 50's twist (Egyptian) . . . per lb	35	34½	34½	33½	32½	33
32-in. Printers, 11½ yds, 16 by 16, 32's and 50's . . .	37	38	38	37	36	36
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's . . .	41	42	42	41	40	40
38-in. ditto, 38 yds, 18 by 18, 10 lbs.	21	21	21	21	20	21
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs.	19	19	19	19	18	19

(II.) Compared with Previous Years.

	Price, April 24, 1924.	Corresponding dates in				
		1923.	1922.	1921.	1920.	1919.
Raw Cotton—Fully Mid. American . . . per lb	17.90	15.77	10.35	18.28	27.62	17.55
— Sakellaridis Fully Good Fair Egyptian . . . per lb	22.80	17.35	17.50	17.75	86.50	26.59
Yarns—32's twist . . . per lb	27	23½	17½	18½	60½	29
— 40's twist . . . per lb	27½	23½	17½	17	58	28½
— 50's twist (Egyptian) . . . per lb	35	29½	27½	32	140	52
32-in. Printers, 11½ yds, 16 by 16, 32's and 50's . . .	37	33	28	38	102	46
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's . . .	41	36	28	35	96	45
38-in. ditto, 38 yds, 18 by 18, 10 lbs.	21	18	17	21	61	25
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs.	19	17	16	18	64	24

LIVERPOOL OFFICIAL QUOTATIONS—April 16, 1924.

Description.	Com.	Good					Extra Fine.					Same Period 1923.					Same Period 1922.				
		Med.	Med.	Med.	Med.	Med.	Med.	Med.	Med.	Med.	Med.	Med.	Med.	Med.	Med.	Med.	Med.	Med.	Med.	Med.	Med.
See Island	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Florida do	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Georgia do	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
American	Ord	G	O	L	M	M	M	M	M	M	M	G	O	L	M	M	M	M	M	M	M
Brazilian	1614	1654	1754	1815	1914	2014	2114	2214	2314	2414	2514	1443	1493	1543	1643	1743	1843	1943	2043	2143	2243
Pernam, Macao, &c.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Parahyba, Rio Grande, &c.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Ceara, &c.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
São Paulo	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Upper	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Sakellaridis	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Brown	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Peruvian	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Rough	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Moderately Rough	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Smooth	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Tangut	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Mitad	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
West Indian	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Do	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
African, East, &c.	1540	1640	1790	1890	1990	2010	2110	2210	2310	2410	2510	1310	1305	1305	1305	1305	1305	1305	1305	1305	1305
Do	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
East Indian	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Series	G	F	rev	G	F	rev	G	F	rev	G	F	rev	G	F	rev	G	F	rev	G	F	rev
Machine Ginned Broach	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Showings	1165	1215	1265	1315	1365	1415	1465	1515	1565	1615	1665	1115	1145	1175	1205	1235	1265	1295	1325	1355	1385
Machine Ginned Oomra. No. 1	1175	1225	1275	1325	1375	1425	1475	1525	1575	1625	1675	1175	1205	1235	1265	1295	1325	1355	1385	1415	1445
Machine Ginned Oomra. No. 2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Khandelah	1175	1225	1275	1325	1375	1425	1475	1525	1575	1625	1675	1175	1205	1235	1265	1295	1325	1355	1385	1415	1445
Machine Ginned Comph.	1430	1470	1510	1550	1590	1630	1670	1710	1750	1790	1830	1430	1460	1490	1520	1550	1580	1610	1640	1670	1700
Machine Ginned Bengal	1140	1180	1220	1260	1300	1340	1380	1420	1460	1500	1540	1140	1170	1200	1230	1260	1290	1320	1350	1380	1410
Machine Ginned Soinde	1130	1170	1210	1250	1290	1330	1370	1410	1450	1490	1530	1130	1160	1190	1220	1250	1280	1310	1340	1370	1400
Finally	1565	1605	1645	1685	1725	1765	1805	1845	1885	1925	1965	1565	1595	1625	1655	1685	1715	1745	1775	1805	1835
American-Scinde/Punjab	1290	1330	1370	1410	1450	1490	1530	1570	1610	1650	1690	1290	1320	1350	1380	1410	1440	1470	1500	1530	1560
Madras, Western	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Madras, Northern	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
M.G. Coomada, Red	Fr.	1395	..	..	..	..	..	..	..	..	..	1115	..	..	..	..	..	..	..	..	..
China, Smyrna, &c.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—There has been a general slackening in demand during the past week on account of the holidays, and the market to-day is quiet. The demand for merino tops is really insufficient to test values, but although users are apparently determined not to pay full rates, top-makers are not disposed to make any real concessions. They feel that the wool position is so sound that ultimately users will be obliged to come into line and pay prices in keeping with production costs. Crossbred tops continue to move steadily into consumption, and the lower qualities, in particular, are very firm. Generally speaking, however, there is no quotable change in prices on the week. The raw material position will again be tested next week, when the last of the B.A.W.R.A. wool will be offered at Liverpool. The following week the London auctions will be resumed, the offerings for the series amounting to only 93,500 bales—a small offering for this season of the year. No improvement can be recorded in the demand for Botany yarns, and as stocks are accumulating prices are very irregular. Sales are reported from time to time at very low prices, and the position is most unsatisfactory. The demand for crossbred yarns, however, is well maintained, both on home and export account, and prices are firm at recent rates. In the piece goods trade rather more activity is noticeable on home account, and deliveries are being taken up freely. There are fewer cheap stock lots on the market, and manufacturers are endeavouring to make prices more in harmony with the cost on replacement. The export trade is uncertain, and most of the business lacks bulk. All home-grown wools are firmly held at recent rates, and the finer sorts are becoming very scarce.

COLONIAL WOOL.
(FROM A CORRESPONDENT.)

The Importers' Committee and the selling brokers will now be getting busy arranging the programme for the next series of London sales. The first step will be the announcement of the quantity which is to be available for sale, and as we said a week ago, it is high time they began to state definitely when the list of arrivals will be closed. We see nothing to prevent the pre-war order obtaining, namely, cargo on vessels sighted at 4 p.m. eight days before the opening of a series of sales, being the last to be included in the catalogues. That worked well, and seldom were any wools on vessels sighted eight days previously excluded from the ensuing auctions. As far as we can gather, there is every likelihood of there being around 100,000 bales available, including 30,000 bales of South American, Falkland Island, and Puntas. This is a small quantity for a May series, but quite as much as one can expect under conditions such as obtain to-day. It is useless ignoring the fact that Australian, New Zealand, and South African wool growers are as a body now supporting the sale of their clips locally. This programme will very largely obtain in the future, notwithstanding the colossal profits made this season out of imports already sold. Speculation is bound to take place on even a bigger scale than we have seen during the past two or three years, when fortunes have been made out of growers. We know that very plausible arguments have been employed in persuading pastoralists to sell on the spot. The fish has been landed splendidly, but during a period of ten years growers selling in Coleman street would do infinitely better than selling on the spot. However, we have no desire but to state the case fairly and frankly. Last series scoured Queensland wools were sold which showed a gross profit of anything from 12d to 18d per lb, and as the wools were bought so recently as last December, it shows clearly that Brisbane must have been a very cheap market at the time, or else London has been very dear.

Shearing was due to begin in the middle of last March on several stations in Queensland, chiefly those belonging to the Milo Pastoral Company, and we may expect the first consignment of these wools to come to hand for the London July series. We do not anticipate the bulk of the clip for that series of sales, although there should be to hand a few hundred bales. We have no knowledge as to the character of the clip, but as decent rains fell about Christmas, as well as January and February, in all probability the clip will be rather lighter than usual, but the staple will be in all probability no more than average length. However, the wools are certain to meet with a good reception, and at the next series of sales in Brisbane, when 40,000 bales will be available, it is certain that there will be many new clip parcels available for sale. Queensland pastoralists are gradually shearing earlier, and autumn sheds are becoming fairly numerous. We are not looking forward to very much change in merino values, and a healthy, steady demand for wool looks like being maintained.

Since writing the above the Colonial Wool Merchants' Association has made the announcement that the list of arrivals has been closed.

THE STANDARD LIFE
ASSURANCE COMPANY

ESTABLISHED 1825.

TRIENNIAL INVESTIGATION

AS AT 15th NOVEMBER, 1923.

THE TRIENNIAL VALUATION HAS JUST BEEN CONCLUDED,
AND THE DIRECTORS HAVE DECLARED THE FOLLOWING

RESULTS:—

A Reversionary Bonus of 35/- PER CENT. per Annum for the Three Years.

An Interim Bonus of 35/- per Cent. per Annum for all Policies becoming Claims by Death or Maturity.

The Valuation made on a 2½ per Cent. basis, thus greatly strengthening the Reserves, and ensuring a continuance of good Bonus results for the future.

THE STANDARD has a new reduced non-profit table for good lives, specially suitable for DEATH DUTIES, MARRIAGE SETTLEMENTS, FAMILY PROVISION, &c.

Its Annuity Rates are particularly favourable.

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The "ACME" POLICY, including Disability Benefits.

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THE STANDARD LIFE ASSURANCE COMPANY

Head Office: 3, GEORGE STREET, EDINBURGH.
LONDON: 110, CANNON STREET, E.C.4, and 18a, PAZL MALL, E.W.1.

for the next series of sales which begin on May 6th. The net quantity available is 93,500 bales, which includes 15,000 bales of Puntas, &c., and 15,000 bales held over from the second series. It was also decided that the remaining series for the current year should open on September 16th and November 25th, making six series for the year.

VEGETABLE OILS AND OILSEEDS.

Linseed oil has had an easier tendency all the week, and has again fallen to £36 per ton naked, ex Hull mill, for spot and to August, the consumptive demand being small and seed prices lower. Cotton oils of all descriptions have been dull and inactive, and are offering at lower prices, crude Egyptian being quoted £39 10s, and soap makers' grade of refined, £41, naked, ex Hull mill. Other vegetable oils are quiet, and demand on limited lines. In the oilseed section Plate linseed has eased, and offers at £17 10s for seed afloat, and March-April loading, with the same figure paid for April-May and May-June. More attention is now being paid to Indian linseed, Calcutta to London having been done at £19 to £19 2s 6d for shipment April to June, while Hull has been a good buyer, paying £19 7s 6d for April shipment, and £19 5s for April-May. Egyptian cottonseed is steadier, but only a moderate business is passing. Soya beans, on passage to Hull, have been bought at £11 2s 6d.

HIDES, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

Hides were a shade weaker at the sales held in Bermondsey on Thursday, best ox selling from 6½d to 8½d per lb, two classes showing a reduction of ½d on previous rates. Seconds, when sold, made 7d, also a drop of ½d per lb. Calf, on the other hand, were firmer, best selling from 7d to 15½d, advances being shown from ½d to ¾d per lb, both in first and second selections. Wools sold from 8s to 16s, and hogs from 5s to 21s. The imported hide market is also easier, fregorifics being quoted nominally at 7½d to 8½d for ox, and 7d for cows. A cable from the River Plate, however, reports that 45,000 Argentine steers have been sold on a basis of 7½d, and 8½d for Montevideo steers. Dry hides are quiet, with a weaker tone. This week's cables report the Chicago position as weak, with 1½ cents being taken for best heavy packer hides, and 9d for native cows.

Shoe manufacturers have hardly got into their stride since the holidays, but reports from the manufacturing centres are encouraging, as large sales have been made by retailers which will mean business later on. This week the Federated Associations of Boot and Shoe Manufacturers have issued a notice drawing attention to the increased cost of leather, particularly skins and lining leathers, and its effect on the production of boots and shoes. They state that buyers are informed that there must be a general revision of costings in order to maintain a due relation between manufacturers' costs and selling prices.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, April 25.

SUGAR.—The market for spot parcels developed a weaker tone, and with regard to British descriptions, a moderate clearance was effected at a general decline of 1s per cwt. Messrs Tate and Lyle's cubes now quoted 6½s 3d to 6½s 3d; crushed, 5½s 9d; granulated, fine and coarse grain, 5½s 1½d; No. 1, 5½s 10½d; No. 2, also London and T.L., 5½s 7½d; ditto, April, 5½s 6d; first half May, 5½s 6d; second half, ditto, 5½s, and June, 5½s; yellow crystals, spot, 5½s 1½d; caster, 5½s 3d to 6½s 4½d, according to quality. Imported kinds sold quietly at easier rates. White Java, spot, quoted 5½s; Czecho granulated, 5½s 10d to 5½s; White Java, May-June, steamer, 2½s; June-July,

OILSEEDS.—Linseed quiet and easier. Indian: Calcutta, afloat, £20; March-April, £19 7s 6d; April-May, sold, £19 2s 6d. Plate, afloat, sold, £17 12s 6d; March-April, sold, £17 10s; April-May, £17 10s to £17 5s to £17 7s 6d. Rape seed steady. Toria, March-April, £17 12s 6d; April-May, £17 10s; Jamba, May-June, £13 7s 6d; and real bold Ferropore, April-May, £17 7s 6d; May-June, £17 5s. Cottonseed: Egyptian, quiet. Egyptian, black, April, £13 2s 6d. Sakellaridis, £12. Bombay, April-May, £9 17s 6d. Gingelly seed neglected. Chinese, afloat, £25 12s 6d; March-April, £25 15s. Groundnuts quiet. Coromandel, machine-dried, May-June, £22 10s; Chinese, decorticated, f.a.q., May-June, £21 7s 6d; bold Bombay, March-April, £22 2s 6d. Soya beans quiet. Manchurian, afloat, £11 10s; April-May, £11 17s 6d. Castor seed firm. Bombay, April-May, £25 2s 6d per ton.

OILS.—Linseed quiet and easier. Spot, net, naked, 37s 3d; April, 36s 14d; May-August, 36s 14d; September-December, 35s 9d. Rape dull. Crude, spot, 47s 6d; refined, 50s 6d. Castor-oil firm. First pressure, spot, quoted 66s; second pressure, 64s; and pharmaceutical, 71s per cwt. Hull, with London 2s per cwt extra. Cotton steady. Crude Egyptian, spot, 41s; Bombay, 38s; common edible, 47s; decorticated, 49s. Chinawood quiet. Hankow, spot (barrels), 90s; April-May, 76s. Coconut steady. Ceylon, spot, 46s 6d; March-

April, 44s; Cochin, ditto, nominally 50s. Soya dull. Oriental, barrels, March-April, 40s 6d. Cod quiet. English, spot, 36s to 37s. Groundnuts quiet. English, crushed, naked, spot, 47s; decorticated, barrels, 56s. Turpentine easier. American, spot, 72s; May-June, 71s 6d; July-December, 69s 6d. Rosin steady. American, grade B, 13s 6d; C, 13s 6d; WG, 17s 6d; WV, 18s 6d per cwt. French WW, 17s per cwt. Petroleum steady. American, standard white, spot, 1s 1d; and water white, 1s 2d per gallon.

METROPOLITAN CATTLE.—APRIL 24.
British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.
Beasts—Herefords nominal
Shorthorns nominal
Devons nominal
Norfolks nominal
Scottish nominal
Irish nominal
Fat Cows nominal
Prices nominal owing to restrictions imposed by foot and mouth disease regulations.

LONDON POTATO MARKETS.—APRIL 24.
Per Cwt.
English King Edwards 14 6 to 15 0
Majestic 13 0 to 13 6
Evergoods 11 0 to 11 6
New Canary 17 0 to 17 0

Commercial Times.—Weekly Price Current.

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

LONDON, FRIDAY.		DRUGS.		INDIA RUBBER.—lb		PROVISIONS.		SPICES.—Pepper, lb	
Cocoa—Duty, British grown	£ 128 6	Alum, fine E.L., p. wt. 100	£ 128 6	Para, fine hard spot	£ 114 8	Butter—per cwt.	nom	Singapore, fair White	£ 8 8
Do—foreign, 2nd cut	£ 48 6	Cape, good to fine	£ 48 6	Balam Peru, per lb	£ 6 9	Do factory	nom	Black Singapore	£ 8 8
Trinidad, per cwt.	£ 48 6	Opivi	£ 1 4 1	Plantation crepe	£ 1 02 0	Irish creamery	nom	White Siam	£ 8 8
Grenada	£ 48 6	Campor	£ 3 3 4	INDIGO—per lb	£ 1 15 8	Do factory	nom	Do 2nd	£ 8 8
Oeylon, plantation	£ 75 100 8	Japan, refined	£ 3 3 4	Bengal, good red vici	£ 6 8 7	Argentine	£ 126 0 140 3	Cinnamon—1st sort	£ 1 04 0
Guaymas	£ 70 85 0	Cardamom, Ceylon	£ 4 0 8	Do to fine	£ 6 8 7	Do 2nd	£ 126 0 140 3	Do 2nd	£ 1 04 0
Bahia, 1st	£ 48 6	Cantharid, China prib	£ 4 0 8	Low to good ord.	£ 1 15 8	Do 3rd	£ 126 0 140 3	Cassia Lign	£ 50 0 100 0
COFFEE—British grown	£ 128 6	Castor-oil	£ 5 0 8	Madras, dry leaf, good	£ 1 15 8	Danish	£ 174 0 176 0	Olive—Santal	£ 11 1 1
Do—foreign, 2nd cut	£ 48 6	Oil, Camellia	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 2nd	£ 174 0 176 0	Madagascar	£ 11 1 1
Do good to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Kurpah, good mid. to gd.	£ 1 15 8	Do 3rd	£ 174 0 176 0	Ginger—per cwt.	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 4th	£ 174 0 176 0	Do small rough	£ 8 8 8
Central American, 2nd	£ 128 6	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 5th	£ 174 0 176 0	Do 2nd	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 6th	£ 174 0 176 0	Do 3rd	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 7th	£ 174 0 176 0	Do 4th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 8th	£ 174 0 176 0	Do 5th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 9th	£ 174 0 176 0	Do 6th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 10th	£ 174 0 176 0	Do 7th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 11th	£ 174 0 176 0	Do 8th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 12th	£ 174 0 176 0	Do 9th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 13th	£ 174 0 176 0	Do 10th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 14th	£ 174 0 176 0	Do 11th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 15th	£ 174 0 176 0	Do 12th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 16th	£ 174 0 176 0	Do 13th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 17th	£ 174 0 176 0	Do 14th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 18th	£ 174 0 176 0	Do 15th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 19th	£ 174 0 176 0	Do 16th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 20th	£ 174 0 176 0	Do 17th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 21st	£ 174 0 176 0	Do 18th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 22nd	£ 174 0 176 0	Do 19th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 23rd	£ 174 0 176 0	Do 20th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 24th	£ 174 0 176 0	Do 21st	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 25th	£ 174 0 176 0	Do 22nd	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 26th	£ 174 0 176 0	Do 23rd	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 27th	£ 174 0 176 0	Do 24th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 28th	£ 174 0 176 0	Do 25th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 29th	£ 174 0 176 0	Do 26th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 30th	£ 174 0 176 0	Do 27th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 31st	£ 174 0 176 0	Do 28th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 32nd	£ 174 0 176 0	Do 29th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 33rd	£ 174 0 176 0	Do 30th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 34th	£ 174 0 176 0	Do 31st	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 35th	£ 174 0 176 0	Do 32nd	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 36th	£ 174 0 176 0	Do 33rd	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 37th	£ 174 0 176 0	Do 34th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 38th	£ 174 0 176 0	Do 35th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 39th	£ 174 0 176 0	Do 36th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 40th	£ 174 0 176 0	Do 37th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 41st	£ 174 0 176 0	Do 38th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 42nd	£ 174 0 176 0	Do 39th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 43rd	£ 174 0 176 0	Do 40th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 44th	£ 174 0 176 0	Do 41st	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 45th	£ 174 0 176 0	Do 42nd	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 46th	£ 174 0 176 0	Do 43rd	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 47th	£ 174 0 176 0	Do 44th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 48th	£ 174 0 176 0	Do 45th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 49th	£ 174 0 176 0	Do 46th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 50th	£ 174 0 176 0	Do 47th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 51st	£ 174 0 176 0	Do 48th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 52nd	£ 174 0 176 0	Do 49th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 53rd	£ 174 0 176 0	Do 50th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 54th	£ 174 0 176 0	Do 51st	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 55th	£ 174 0 176 0	Do 52nd	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 56th	£ 174 0 176 0	Do 53rd	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 57th	£ 174 0 176 0	Do 54th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 58th	£ 174 0 176 0	Do 55th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 59th	£ 174 0 176 0	Do 56th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 60th	£ 174 0 176 0	Do 57th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 61st	£ 174 0 176 0	Do 58th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 62nd	£ 174 0 176 0	Do 59th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 63rd	£ 174 0 176 0	Do 60th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 64th	£ 174 0 176 0	Do 61st	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 65th	£ 174 0 176 0	Do 62nd	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 66th	£ 174 0 176 0	Do 63rd	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 67th	£ 174 0 176 0	Do 64th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 68th	£ 174 0 176 0	Do 65th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 69th	£ 174 0 176 0	Do 66th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 70th	£ 174 0 176 0	Do 67th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 71st	£ 174 0 176 0	Do 68th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 72nd	£ 174 0 176 0	Do 69th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 73rd	£ 174 0 176 0	Do 70th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 74th	£ 174 0 176 0	Do 71st	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 75th	£ 174 0 176 0	Do 72nd	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 76th	£ 174 0 176 0	Do 73rd	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 77th	£ 174 0 176 0	Do 74th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 78th	£ 174 0 176 0	Do 75th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 79th	£ 174 0 176 0	Do 76th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 80th	£ 174 0 176 0	Do 77th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 81st	£ 174 0 176 0	Do 78th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 82nd	£ 174 0 176 0	Do 79th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 83rd	£ 174 0 176 0	Do 80th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 84th	£ 174 0 176 0	Do 81st	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 85th	£ 174 0 176 0	Do 82nd	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 86th	£ 174 0 176 0	Do 83rd	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 87th	£ 174 0 176 0	Do 84th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 88th	£ 174 0 176 0	Do 85th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 89th	£ 174 0 176 0	Do 86th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 90th	£ 174 0 176 0	Do 87th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 91st	£ 174 0 176 0	Do 88th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 92nd	£ 174 0 176 0	Do 89th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 93rd	£ 174 0 176 0	Do 90th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 94th	£ 174 0 176 0	Do 91st	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 95th	£ 174 0 176 0	Do 92nd	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 96th	£ 174 0 176 0	Do 93rd	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 97th	£ 174 0 176 0	Do 94th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 98th	£ 174 0 176 0	Do 95th	£ 8 8 8
Do to fine	£ 135 8	Oil, Sesame	£ 5 0 8	Do low to ord.	£ 1 15 8	Do 99th</			

dency of the market was hardly tested; 3 per cent. was still the usual quotation for three months' bank bills, though transactions were reported at 2½ per cent.

	May 2, 1924.	Apr. 23, 1924.	Apr. 16, 1924.	Apr. 11, 1924.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	2½	2½	2½	2½	1½ (Jly. 5, '23)
Market rate 3 months' bills)	3	3½	3½	3½	..

The Bank return showed a decrease, almost entirely due to expanded note circulation, of £763,000 in the Reserve. Movements in the securities were small and insignificant. Public deposits declined by 3 millions, and Other advanced by 2½ millions. Currency notes outstanding were reduced this week by £2,313,100 to £290,115,700, which includes £1,395,800 for notes called in but not yet cancelled. The fiduciary issue is £239,270,000, or £8,920,900 below the maximum.

THE STOCK MARKETS.

The Budget came as a pleasant surprise to the Stock Exchange, both the abolition of the Corporation Profits Tax and the absence of increased Death Duties and Super-tax being unexpected. The volume of business has not shown much expansion, but the tone all round is better. Gilt-edged stocks have improved, and the strength has spread to the Home Railway market. Industrials are better, especially those likely to be affected by the reduction in the tea and sugar duties, but motor shares were marked down on the proposed withdrawal of the McKenna duties. Mining shares are quiet.

THE COMMODITY MARKETS.

Sugar prices have been revised in accordance with the reduction in duty payments. Of British makes, Messrs Tate and Lyle's "white goods" were marked down 14s per cwt and "yellows" 11s 6d. Brisk support was noticeable in the tea market; prices moved from ½d to 1d upwards. Coffee prices were stable; the halving of the duty payment is not expected to have an appreciable effect on the demand. Wheat prices were maintained. Prices of pig-iron are rather easier, but no large sales are being effected; our Sheffield correspondent mentions that the outlook is believed to be improving. Tin was weaker, and copper prices moved in the buyers' favour. The hide market is a shade firmer. Vegetable oils are in slightly better demand. Inquiry in the cotton market at Manchester has been well maintained, but the actual business done has been less. From Bradford we receive similar information; a moderate amount of business has been done in a quiet way.

FOREIGN EXCHANGES.

After the temporary activity following the Easter holidays business on the foreign exchange market fell off again rapidly, and during the period under review has been quieter than for a long time past. The dollar has shown the quiet appreciation suggested a week ago. Having during the week been up to \$4.39½, it was quoted yesterday morning at \$4.39, as compared with the closing rate of \$4.37½ on the 25th. Up to the present little effect has been felt from the reduction in the Federal Reserve discount rate. Forward quotations are ½ cent narrower than a week ago at ½ cent per month above spot. The Paris rate has also been relatively steady, with little business, in spite of the heavy end of month settlements. From a closing rate of 69.65 on the 25th the quotation sank as low as 66.75 at one time on the 28th, from which, however, there was a sharp reaction to over 68. Since then the rate has been very steady round 68, but yesterday morning at 67.50 showed some signs of falling. Brussels, on the whole, has shown the same movements, except for a sharp temporary break to 82½ at one time on Thursday, and was quoted yesterday morning at 80½ centimes, as compared with 81.70 a week ago. The lira has, as usual, been steady, with a slight tendency to improve the rate of 97½ yesterday morning, comparing with 98½ on the 25th. Among neutral currencies, Amsterdam, after reaching just below 11.80 on Saturday, moved rather sharply

against us on Thursday down to 11.68½, and at 11.70½ yesterday was considerably below last week's figure of 11.74½. Switzerland at 24.67½ shows little movement from 24.66 on the 25th, and Madrid, after somewhat erratic movements, is 31.72½, as compared with 31.71½. Berlin, where the new gold discount bank is now in operation, shows an improvement from 19 to 18½ billion marks on the expectation of the acceptance of the expert's report. Warsaw, whose new bank of issue began operations on the 28th, remains at 40½ millions for Polish marks, while the new zloty currency (one zloty equals one gold franc) was quoted in London for the first time at the beginning of May at 22.70 to the £ sterling, or the same rate as the Lat, the currency of Latvia, which is also the equivalent of the gold franc. Reval, which has depreciated somewhat in the last few months, is now fairly steady again at about 1665. Helsingfors, after a slight recovery, is much the same at 175½. In Scandinavia Stockholm shows little change at 16.63½, but Christiania has depreciated again from 31.52 to 31.69½, while Copenhagen shows a recovery from 26.10 to 25.90½. In Central Europe, Vienna has followed the dollar to 311,000, Budapest remains unchanged at 370,000, Prague has moved from 148½ to 149½, after being rather higher, Belgrade remains fairly steady about 350, but Bucharest has moved up again from 835 to 845. In the East, the rupee has moved down slightly from 1s 4½d to 1s 4¼d. The yen, after rising as high as 1s 10½d on the 29th, has improved again to 1.9½d, as compared with 1s 9 13-32d a week ago. The silver market has been quiet, and though there has been Continental buying demand has not been strong enough to balance offerings from India and China, so that prices look rather weaker. Hong Kong has moved from 2s 4½d to 2s 4¼d, and Shanghai from 3s 2½d to 3s 2d. In South America, Rio has remained steady, the quotation of 6½d yesterday being the same as that of the 25th. Buenos Aires has continued rather weak, although the rate recovered on the following day from the sharp fall to 39½d on the 25th, and yesterday morning moved up to 41d. Monte Video shows little movement from 42½d on the 25th to 42½d on the 1st. Valparaiso has reacted slightly from 39.30 pesos to 39.40 pesos, after being higher.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended April 26th:—

EXPENDITURE.		REVENUE.	
	(000's omitted.)		(000's omitted.)
Supply Services	5,647	From Revenue	10,686
Interest, &c., on Debt	499	Taken from Exchequer Balances	252
Sinking Fund	1,734		
Sundries	126		
Reduction in Debt	2,532		
	10,938		10,938

Revenue amounted to £10,686,200, against £13,821,400 in preceding year. Customs yielded only £1,916,000, against £4,366,000, and Excise £732,000, against £1,833,000. Estate, &c., duties produced £1,850,000, against £1,370,000. Property and Income-tax yielded £1,909,000, against £2,362,000, and Super-tax £1,030,000, against £1,310,000. Special receipts amounted to £1,500,100, against £200,000. The week's operations reduced the National Debt by £2,931,700, and caused the following changes:—

EXPENDITURE.		REVENUE.	
	(000's omitted.)		(000's omitted.)
Unemployment Insurance	80	Treasury Bills	5,490
4% Treasury Bonds	828	Saving Certificates	100
Public Dept. Advances	1,750		
	2,658		5,590

The floating debt was reduced by £3,685,000 to £755,245,500.

FINANCIAL YEAR, 1924-1925 (April 1 to April 26).

EXPENDITURE.		REVENUE.	
	£		£
Total Expenditure ..	60,348,017	Raised by Revenue ..	73,645,922
Net Repayments	16,011,023	Decrease in Balances ..	2,713,118
Total	76,359,040	Total	76,359,040

ESTIMATES for YEAR 1924-25.

EXPENDITURE.		REVENUE.	
	£		£
Ordinary Expenditure ..	786,848,000	Ordinary Receipts ..	764,050,000
Special Expenditure ..	3,178,000	Special Receipts	30,000,000
Total	790,026,000	Total	794,050,000
		Surplus	4,024,000

THE WEEK IN PARLIAMENT.

TUESDAY, APRIL 29TH.—*Commons*: House reassembles after Easter recess. Mr Snowden opens the Budget.

WEDNESDAY, APRIL 30TH.—*Commons*: Budget debate. Discussion on position of agriculture.

THURSDAY, MAY 1ST.—*Commons*: Budget debate continued.

FRIDAY, MAY 2ND.—*Commons*: Proportional Representation Bill debated.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—P.L.M. Railway, Union Bank of Scotland, Royal Exchange Assurance, London Assurance, Ocean Accident and Guarantee Corporation, Phoenix Assurance, Licences and General Insurance, Army and Navy Co-operative Society, London Trust Company, English Electric, Anglo-American Oil, Consolidated Waterworks of Rosario, Booth's Distillery, Pullman Car, Birmingham Small Arms, Hope Brothers, Consolidated Mines Selection, and Mysore Gold Mining. The Duke of Atholl, K.T., at the annual meeting of the Union Bank of Scotland, criticised severely suggestions for the nationalisation of banking. Mr C. F. Campbell, at the London Assurance meeting, reported the formation of an American company, under the name of the Manhattan Fire and Marine Insurance Company.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

A FAIR WEATHER BUDGET.

MR SNOWDEN secured a great personal success in the presentation of the first Labour Budget to the House of Commons on Tuesday last. In some other spheres the Labour Government has had only a qualified success, but in the sphere of finance—one of the two most important branches of public affairs—the Chancellor of the Exchequer gave a display which challenges favourable comparison with that of any of his predecessors. Indeed, we think that he fully earned the very high compliment paid to him by Mr Asquith, who expressed extreme satisfaction "not only at the admirable lucidity and cogency—which I have rarely heard surpassed during a great many Budgets—of the introduction of this most complicated and difficult of all tasks, but also on the fact—so far as I can form a judgment—that the Budget proceeds upon thoroughly sound financial lines." Mr Snowden showed himself possessed of all the necessary technique for his task. He was heard perfectly in all parts of the House. He showed that he had the gift of exposition. He handled his complicated mass of figures without confusion, and he showed that he was master of the problems of public finance. The soundness of his proposals is shown by the fact that, with the exception of the two fiscal issues, his Budget has been very favourably received. His tax remissions are popular, industry being particularly pleased with the abolition of the Corporation Profits Tax and the Stock Exchange has shown its appreciation in a hardening of security prices. This friendly reception may perhaps owe something to a reaction from fear of the worse things that might have been done by a Labour Government; but, on the whole, we think this approval is due to the Budget on its merits.

It is unnecessary to recall to readers of the *Economist* the substance of the earlier part of the Budget speech, as it was mainly an exposition of facts and figures which were already public property, and had been published and commented on in our columns. The only uncertain items on the expenditure side were the amount to be provided

for debt charges, for which Mr Snowden assigned the amount suggested a fortnight ago in our forecast, namely, £350 millions, and the amount for other Consolidated Fund Services, which he put at nearly £35, instead of £30, millions. Estimated expenditure for the year, therefore, amounts to £790 millions. The prospective revenue on the existing basis of taxation, which is the Chancellor's chief secret to be revealed on Budget day, he estimated at £828 millions, compared with last year's receipts of £837 millions. Thus he had a surplus of £38 millions to dispose of. We are inclined to agree with those who think that this estimate is framed in a more sanguine spirit than has actuated Mr Snowden's immediate predecessors. The figures include £8 millions of receipts from excess profits duty. The experience of the last two years has made us a little sceptical of ever getting any more out of this tax. But the Inland Revenue Department knows the causes of recent disappointments, and we are not altogether inclined to jump lightly to the conclusion that these gentlemen are bitten with incurable optimism. However, this item is clearly a rather speculative one. Special receipts are entered at £30 millions; we expected to find a larger reduction here, but it is known that a large number of disposal contracts provided for regular payments over a period of years. If trade does well the receipts may be secured in full, but the story of disposals includes a very large number of contracts which have had to be modified in favour of purchasers. Something may be lost here in respect of doubtful or bad debts. Mr Snowden's assumption of a 2½ per cent. rise in Customs and Excise is also on the whole rather a sanguine one, but it may well be realised if trade continues on its present upward swing. The income-tax estimate, which assumes receipts of £265 millions against £269 millions last year, although the latter included considerable payments of arrears and a certain proportion of payments on the basis of 5s in the £, has been considerably criticised in some quarters as being too optimistic. But our figures of industrial profits show that the year which will be brought into the assessments is markedly better than the preceding one, thanks to the recovery in the volume of trade. It will be remembered that the various tax remissions made last year were expected to cause a shrinkage of an additional £13 millions of revenue in the current year. In our opinion, the Chancellor has strong arguments for his present figures, in view of the under-budgeting of recent years, but it seems clear that the revenue is more likely to be below than above the Budget figure. On the other hand, we are disposed to think that the expenditure estimates are equally likely to prove once more on the high side. In particular, the estimates for armament expenditure, while showing a fall of £7 millions compared with last year's estimates, are nevertheless £9 millions higher than the actual expenditure of last year. This applies to all three services, the Army figures being £1½ millions up, those of the Navy £3 millions up, and those of the Air Force nearly £5 millions up. The Civil Service Estimates are down by nearly £12 millions as compared with current expenditure, but most of this is covered by the automatic fall in pensions. We fully expect to see actual expenditure well below present estimates. Even, therefore, if the revenue falls short of expectations the anticipated surplus is likely to be achieved.

The House was, however, a little surprised that with the exception of a margin of £4 millions the Chancellor proposed to dispose of the whole of this surplus by tax remissions. By doing this he leaves himself very little margin to pay for the social legislation to which the Labour Party stands committed. On this point the Chancellor was not communicative, and contented himself with enunciating the excellent doctrine that the Government, which has had to present estimates prepared by its predecessors, expects and intends to make very substantial economies, and that in this way he will secure a margin for social expenditure. He also doubtless took into account the fact that the Parliamentary machine is not working very quickly, that it will take considerable time to prepare and carry through legislation, such as overhauling various forms of social insurance, removing the means limit on old-age pensions, and financing new education, housing and public health measures, and that under the most favourable conditions comparatively small ex-

penditure could possibly be incurred on these objects in the present financial year. We are inclined to accept this view, and to think that his anticipations will be realised for 1924-25. But the outlook of future years is more obscure. The remissions made this year will cost a further £10 millions to the Exchequer next year, and the item of "special receipts" will steadily dwindle. On the other hand, the plans of the Labour Party may involve quite large figures of new expenditure. These might quite easily amount to £30 or £40 millions next year. Mr Snowden left this problem alone. If trade continues to recover there will be considerable elasticity in the revenue, which will be assisted by the substantial remissions made in the last three Budgets; but if by any mischance matters take a turn in the wrong direction, the financial situation would be very difficult. It is for this reason that we must on the whole regard this as a fair weather Budget.

But if we grant Mr Snowden's implied assumption as to the future, we have very little quarrel with the actual remissions of taxation which he made. It is true that out of the relief granted £30 millions was in respect of indirect taxation and £4½ millions only in direct taxes. But we think that the Chancellor was to a considerable extent justified by the consideration that in the two preceding years the remissions made amounted to £54 millions of direct taxes and only £21 millions of indirect. Moreover, much the largest remission was in respect of the sugar duty, which is going to cost the Exchequer £17½ millions. This tax has a special claim for consideration, since sugar is to a very large extent a raw material of British manufactures, and consequently a very undesirable commodity from which to collect a large revenue. It is true that the net result leaves the proportion of direct taxes in the total tax revenue of the country much higher than before the war (at 60 per cent. against 48 per cent. in 1913), but, on the other hand, if we consider the incidence as between classes, it must not be forgotten that the income-tax net now reaches a number of persons, wage-earners and small salary receivers, who before the war escaped taxation.

From another point of view the remissions made are excellent. A Chancellor of the Exchequer is often tempted to placate as many interests as possible by making small reductions over a very large field. Mr Snowden adopted the much sounder principle of making several clean cuts and a number of very substantial cuts in duties which for that very reason are more likely to benefit the consumer than if he had adopted a policy of tinkering. Inhabited house duty, which is an irritating and bad tax, the burden of which is mostly felt by the lower middle classes, is to go altogether. The corporation profits tax, the small duty on sweetened mineral waters, the additional dried fruits duty, and last, but not least, the McKenna duties are to go altogether. It is in his handling of these tax remissions that we think Mr Snowden showed the real instincts of a real Finance Minister. Our only quarrel is in regard to the entertainments tax, which we think should have been maintained until the finances of the country are in smoother water. On the debt Mr Snowden said singularly little, but what he did say showed that he appreciates to the full the importance of maintaining British credit and the difficulty which he will have to face in dealing with a large volume of maturing debt. He leaves the sinking funds as he found them, a course obviously dictated by the fact that the Committee which he has appointed to explore the whole field of debt and taxation is now engaged in its deliberations. It happens that Mr Snowden's Budget success coincides with the publication of his previous views on taxation, to which we refer in a later article.

AN ANALYSIS OF THE ACCOUNTS.

THE financial statement which the Chancellor of the Exchequer has circulated in connection with the Budget adds little to our information regarding last year's accounts, except in so far as it enables a slightly fuller analysis to be made of the expenditure of 1923-24. From the figures there presented, it is, however, possible to compile tables which compare the estimates of this year's revenue and expenditure with the detailed experience of 1922-23. This we proceed to do in the following tables, which also com-

pare last year's Budget estimates with actual results. We begin with expenditure:—

(000's omitted.)				
Service.	Estimate, 1923-24.	Actual, 1923-24.	Estimate, 1924-25.	Estimate for 1924-25, More (+) or Less (-) than Actual Expenditure in 1923-24.
CONSOLIDATED FUND SERVICES.				
National Debt Services:—Interest, &c.	310,000	307,309	305,000	- 2,309
Sinking Funds, &c.	40,000	40,000	45,000	+ 5,000
Total National Debt Services	350,000	347,309	350,000	+ 2,691
Road Fund	12,650	14,090	15,000	+ 910
Payments to Local Taxation Accounts, &c.	10,348	13,662	13,150	- 512
Land Settlement	1,500	1,209	750	- 459
Payments to Northern Ireland	3,000	3,967	3,500	- 467
Other Consolidated Fund Services	2,972	2,803	2,440	- 363
Total Consolidated Fund Services	380,470	383,040	384,840	+ 1,800
SUPPLY SERVICES.				
Army (including Ordnance Factories), &c.	52,000	43,600	45,000	+ 1,400
Navy	58,000	52,600	55,800	+ 3,200
Air Force	12,011	9,600	14,511	+ 4,911
Civil Services	251,670	239,766	227,373	- 11,793
Customs and Excise & Inland Revenue	11,591	10,823	11,221	+ 398
Post Office Services	50,874	49,811	51,081	+ 1,270
Total Supply Services	436,146	405,800	405,186	- 614
Grand total	816,616	788,840	790,026	+ 1,186

The second line in the above table reveals Mr Snowden's non-interference with Mr Baldwin's sinking fund plan, under which the allowance rises to £45 millions this year and eventually to £50 millions. Another important point to notice about the above table is that 1924-25 estimates for the Army, Navy, and Air Force are over £9½ millions in excess of the amount actually expended on these services in the last financial year. In addition, the reduction in the figure for the Civil Services does not look large in view of the amount of automatic saving under the head of pensions.

We give next the details of the Chancellor's estimates of revenue yields on the basis of the previous year's taxation, compared with the estimates and actual receipts for 1923-24:—

(000's omitted.)				
	Estimate for 1923-24.	Actual Receipts in 1923-24.	Estimate for 1924-25 on Basis of Taxation of Preceding Year.	Estimate for 1924-25, More (+) or Less (-) than Actual Receipts in 1923-24.
Customs	£ 116,900	£ 119,958	£ 127,500	+ £ 7,542
Excise	143,850	147,970	140,000	- 7,970
	260,750	267,928	267,500	- 428
Motor Vehicle Duties	13,250	14,691	15,600	+ 909
Estate, &c., Duties	52,000	57,800	56,000	+ 1,800
Stamps	20,000	21,570	21,000	+ 570
Land Tax, House Duty, and Mineral Rights Duty	3,000	2,760	3,000	+ 240
Income-tax	261,000	265,331	265,000	+ 4,331
Super Tax	50,640	61,000	61,000	+ 360
Excess Profits Duty, &c.	12,000	nil	8,000	+ 8,000
Corporation Profits Tax	20,000	23,340	22,000	+ 1,340
Total receipts from taxes	426,000	435,441	436,000	+ 559
	700,000	718,060	719,100	+ 1,040
Postal Service	33,200	32,840	33,250	+ 410
Telegraph Service	5,250	5,570	5,500	- 70
Telephone Service	14,150	14,390	15,250	+ 860
Crown Lands	52,600	52,800	54,000	+ 1,200
Interest on sundry loans, &c.	900	920	900	- 20
Miscellaneous	12,500	12,507	12,250	- 257
Ordinary receipts	12,500	15,981	11,850	- 4,131
Special receipts	40,000	36,801	30,000	- 6,801
Total receipts from non-tax revenue	118,500	119,109	109,000	- 10,109
Total revenue	818,500	837,169	828,100	- 9,069

Since the income-tax will be collected in two instalments at the 4s 6d rate instead of one at 5s rate and one at the 4s 6d rate (as it was last year), the decline of £4 millions odd in the estimate under this head looks a trifle small. But there are also influences the other way, as is pointed out in the previous article. Of the anticipated surplus of £38 millions on last year's basis of taxation, Mr Snowden gives away £34 millions in tax remission, leaving himself with a surplus of only £4 millions, which will obviously need supplementing by retrenchment of prospective supplementary expenditure. The concessions that will cost £34 millions this year will cost nearly £48 millions

in a full year, as will be seen from the details set out below:—

ESTIMATED LOSS DUE TO THE PROPOSED ALTERATIONS IN TAXATION AND POST OFFICE TELEPHONE RATES.

	Estimated loss in 1924-25.	Estimated loss in a full year.
Customs:		
Tea	5,000,000	5,400,000
Cocoa	580,000	600,000
Coffee	180,000	200,000
Chicory	40,000	43,000
Sugar, molasses, glucose and saccharin	17,200,000	17,880,000
Raisins, figs and plums	200,000	250,000
Table waters and herb beer		
New import duties	2,500,000	2,750,000
Total Customs	25,700,000	27,123,000
Excise:		
Chicory		
Coffee substitutes		
Sugar, molasses, glucose, & saccharin	500,000	520,000
Table waters and herb beer	200,000	300,000
Entertainments	3,400,000	4,000,000
Total Excise	4,100,000	4,820,000
Total Customs and Excise	29,800,000	31,943,000
Motor vehicle duties		500,000
Inland Revenue—		
Corporation Profits Tax repealed	2,000,000	12,500,000
Inhabited House Duty repealed	1,750,000	2,000,000
Total Inland Revenue	3,750,000	14,500,000
Post Office	500,000	1,000,000
Total estimated loss	34,050,000	47,943,000

* The loss in these cases is negligible.

Out of the £34 millions of tax concession £23 millions go to foodstuffs. The loss on the repeal of the corporation profits tax does not become heavy until next year. The final balance-sheet for 1924-25 works out as follows:—

FINAL BALANCE-SHEET (after Alterations proposed by Mr Snowden). (In Million £.)

ESTIMATED REVENUE.		ESTIMATED EXPENDITURE.	
		CONSOLIDATED FUND SERVICES.	
Customs	101.8	National Debt Services	350.0
Excise	136.9	Payments to Northern Ireland	3.5
	237.7	Road Fund	15.0
Motor Vehicle Duties	15.6	Payments to Local Taxation Accounts, &c.	13.1
Estate, &c., Duties	56.0	Land Settlement	8
Stamps	21.0	Other Consolidated Fund Services	2.4
Land Tax, House Duty, and Mineral Rights Duty	1.2	Total Consolidated Fund Services	384.8
Income-tax	265.0	SUPPLY SERVICES.	
Super Tax	61.0	Army	45.0
Excess Profits Duty	8.0	Navy	55.8
Corporation Profits Tax	20.0	Air Force	14.6
Total receipts from taxes	685.5	Civil Services	227.6
Post Office	53.5	Customs and Excise and Revenue Departments	11.2
Crown Lands	9	Post Office Services	51.1
Interest on Sundry Loans	12.3	Total Supply Services	405.2
Miscellaneous	11.8	Total expenditure	790.0
Special receipts	30.0	Surplus	40
Total receipts from Non-Tax revenue	108.5		
Total revenue	794.0		

It is of interest to show over recent years and in the last pre-war year the amounts received from taxation and the amounts disbursed in those years for debt interest and for the supply services respectively. This we show in a final table:—

	(Million £'s.)		Supply Services (Excluding Post Office and Special Payments).	
	Tax Revenue.	Debt Interest.		
1913-14	162.3	19.1	135.6	
1920-21	1,031.7	341.7	682.6	
1921-22	856.7	322.4	557.6	
1922-23	774.8	302.0	406.6	
1923-24	718.0	307.3	355.0	
1924-25 (estimated)	685.5	305.0	354.0	

The figures for debt interest include amounts for payments in respect of the debt to the United States. In spite of shouldering the obligation to the United States, the debt interest charge has fallen by over £36 millions since 1920-21, in which period the expenditure on the supply services has dropped by £328 millions.

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OUR INDEX NUMBER.

THE net change in wholesale prices of commodities in April was very small, our Index Number dropping by 3 points to 4637. There were fairly wide movements in some of the groups which neutralised one another; there was an increase, for example, of 50 points in textiles and a decrease of 41 points in subsidiary foodstuffs. Both these changes, however, were accounted for by movements in a few individual commodities, and in the main the month's record is one of moderate stability. The table below shows the position of the various groups:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Timber, Oils, &c.).	Total.	%
Basis (avg. 1901-5) ..	500	300	500	400	500	2200	100.0
End July, 1914	879	382	816	484	853	2865	118.6
" Dec., 1915	897	446	731	848	3634	2657	165.1
" Dec., 1917	1286	686	1684	839	1348	5845	265.8
" Nov., 1918	1280	782	1848	903	1389	6212	282.6
" Mar., 1920	1508	915	2974	1246	1709	8352	379.6
" Dec., 1920	1344	805	1284	1216	1275	5924	269.8
" Dec., 1921	921	638	1106	762	931	4357	198.0
" Dec., 1922	861	706	1184	705	807	4264	193.8
" Mar., 1923	824	752	1178	840	797	4392	199.6
" June, 1923	815	773	1177	773	761	4301	195.6
" July, 1923	819	756	1115	744	746	4182	190.1
" Sept., 1923	823	782	1214	732	745	4297	195.8
" Dec., 1923	853	815	1382	774	755	4580	208.2
" Jan., 1924	909	845	1349	789	769	4662	211.9
" Feb., 1924	899	859	1308	819	783	4668	212.9
" Mar., 1924	897	843	1313	805	780	4640	210.9
" Apl., 1924	904	802	1364	788	778	4637	210.8

The increase in primary foodstuffs was due largely to a seasonal increase in the price of potatoes. Rice was also higher, but there was a drop in mutton and pork. The sharp decline in other foodstuffs is largely due to a substantial drop in sugar, to which a seasonal fall in butter and a decline in coffee have added a few points. We refer in a Note of the Week to the effect on the sugar market of reduction in the duty. Cotton is largely responsible for the increase in the textile group, both American and Egyptian cotton being substantially higher on balance, although the highest point was reached a few days before the end of the month. There was a further decline in silk, but the rise in flax continued, that commodity being now easily the highest above the basis figure. In the minerals section declines in non-ferrous metals are responsible for the decrease of 17 points, lead falling by 16 points and tin by 7 points. Iron and iron bars were a little higher, but steel rails were unchanged. In the miscellaneous group trifling reductions in oils and oilseeds were the only changes. The table below sets out the changes in each commodity's index number in comparison with that for the end of March, the figure 50 representing in each case the average prices during the basic period 1901-5:—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.
Wheat—For...	79½	—	Cotton, A....	160½	+ 10	Copper	53	— ½
English	82	+ 1½	Cotton, E....	160½	+ 19	Minerals	788	— 17
Flour	72	— 2	Yarn	165½	+ 3½			
Barley	88½	— 2	Cloth	146	+ 3½			
Oats	77½	+ 1	Wool, Eng....	159	+ 5	Baltic timber	103½	..
Potatoes	131	+ 15	Do Aust....	148	—	Amer. timber	89½	..
Rice	118½	+ 5½	Silk	102	— 8	Leather	59½	..
Beef	87½	+ 1	Flax	180	+ 11½	Petroleum....	108	..
Mutton	83	— 6	Hemp	54½	—	Oils	76½	— 1½
Pork	84½	— 9	Jute	90	—	Oilseed	81½	..
						Tallow	75	..
Cereals & meat	904	+ 6½	Textiles	1,364	+ 50½	Indigo	87	..
						Crystals	85½	..
Tea	150	+ 6	Pig-iron	99½	+ 2½	Rubber	12	..
Coffee	116½	— 5½	Steel rails	75	—			
Sugar, cane ..	203½	— 34	Iron bars	95	+ 4	Miscellaneous	778½	— 2
Sugar, beet ..	135	— 3	Coal, steam ..	143	—			
Butter	81	— 4½	House coal ..	94	— 16	Total	4,637	— 3
Tobacco	116½	—	Lead	132	— 7			
			Tin	95½	—			
Other foods ..	802½	— 41						

The decline in other foodstuffs and the increase in textiles bring these two groups, which for some time have been highest above the pre-war figure, fairly close to one another, as may be seen from the table appended, in which the index number for July, 1914, is taken as 100:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	186	241	237.5
Dec., 1919	249	250	396	247	263	287.1
Mar., 1920	261	260	484	269	309	325.6
Dec., 1920	233	229	209	261	230	230.9
Dec., 1921	159	180	180	164	168	169.6
June, 1922	174	192	184	149	160	171.1
Sept. "	151	194	181	150	148	163.3
Dec. "	149	200	193	152	146	166.2
June, 1923	141	220	191	167	137	167.7
Dec. "	148	231	225	167	136	178.6
Jan., 1924	157	241	219	170	139	181.8
Feb. "	155	244	212	176	142	182.0
Mar. "	155	240	213	173	141	181.0
Apr. "	156	228	221	170	141	180.8

The increase of 80.8 per cent. in total over the pre-war figure compares with 63.1 per cent. at the end of July last, and 73.1 per cent. at the end of April, 1923.

THE COAL MINING INDUSTRY IN 1923.

IN view of the inquiry which is now taking place into wages in the coal mining industry, the complete statistical returns for the past year, which are now available, are of considerable interest. The desirability of more publicity with regard to the situation of the various industries of this country has frequently been stressed here, and the ascertainments for the coal mining industry which are published quarterly by the Mines Department might very well be copied in other important industries.*

The outstanding feature of the coal mining industry in the year which has just passed is certainly the welcome increase in production, especially during the last few months, when the output was actually comparable to that of the record pre-war year, 1913. The following table gives a number of total figures which together throw considerable light on the general situation of the industry in 1923:—

	First Quarter.	Second Quarter.	Third Quarter.	Fourth Quarter.
Tonnage disposable	61,335,892	60,094,456	56,863,078	62,053,820
Wages	£35,441,768	£35,921,946	£37,733,759	£39,261,510
Stores and timber	£6,358,536	£6,571,958	£6,413,744	£6,732,766
Other costs	£7,331,354	£7,671,295	£7,896,861	£8,177,266
Royalties	£1,613,156	£1,599,007	£1,531,347	£1,573,676
Net costs	£50,663,203	£51,724,937	£53,566,626	£55,661,970
Commercial disposals	£58,156,716	£61,400,723	£56,463,071	£61,744,941
Credit balance	£7,493,513	£9,675,786	£2,896,445	£6,082,971

It will be observed that the total wages bill of the industry increased steadily from quarter to quarter. The item "other costs," which includes such things as management, salaries, insurances, repairs, office and general expenses, and depreciation also increased, but it is very difficult to decide from the returns as pub-

lished whether this figure is, or is not, excessive. The difference between net costs, i.e., total costs less proceeds of sale of miners' coal and commercial disposals, shows a balance on the right side for each quarter. It is, perhaps, hardly necessary to remind our readers that this surplus is not all profit, but that part of it is available for wages in an ensuing period. The general situation, however, is best appreciated by a perusal of the following table, which gives the various items calculated on a tonnage basis:—

	s	d	s	d	s	d	s	d
Wages	11	6-68	..	11	11-46	..	13	3-26
Stores & timber	2	0-88	..	2	2-25	..	2	3-07
Other costs	2	4-69	..	2	6-64	..	2	9-33
Royalties	0	6-31	..	0	6-38	..	0	6-47
Net costs	16	6-24	..	17	5-21	..	18	10-09
Commercial disposals	18	11-56	..	20	5-21	..	19	10-31
Credit balance ..	2	5-32	..	3	2-64	..	1	0-22

For the first three quarters of the year, when total production was declining, the wages cost per ton was increasing. The marked increase under this heading for the second half of the year is, of course, in part due to the higher rates paid in consequence of the large credit balance in the first half. With regard to stores and timber, the figures help to emphasise the extent to which the relative importance of these items depends upon the total output.

The average selling price of coal rose during the first six months, and has been on the whole remarkably stable in the second half of the year. The credit balance rose in the first half of the year; touched its lowest point in the third quarter, and rose again in the fourth quarter, thanks to the fall in cost of production.

In order to appreciate the general labour position, it is necessary to consider figures of output and earnings per man-shift worked:—

	LABOUR.			
Number of men employed ..	1,087,733	1,102,380	1,108,259	1,120,204
Number of manshifts worked ..	73,504,058	73,205,708	71,196,686	76,400,692
Number of manshifts lost ..	6,163,833	6,291,749	6,402,572	6,637,733
	Cwt	Cwt	Cwt	Cwt
Output per manshift worked ..	18-25	17-90	17-42	17-76
Earnings per manshift worked ..	9-7-72	9-9-77	10-7-20	10-3-33

The number of men employed has been steadily rising during the year, and was throughout considerably in excess of the 1913 figure. Earnings per man-shift worked rose during the first three quarters, but fell off again during the last three months of the year. It is interesting to note that the output per man-shift worked fell during the first three quarters and rose again slightly in the fourth quarter. In addition, the ratio between the number of manshifts lost—an item which gives some rough measure of the extent of absenteeism in the industry—and the total number of manshifts that might have been worked, rose during the first three quarters and fell off again during the last quarter. Whether a coincidence or not, it is thus certain that during the year under review, the output per man-shift varied inversely as the earnings, while absenteeism varied directly as the earnings.

In general, the returns for 1923 compare favourably with those of the other post-war years, and the industry appears to be settling down to increased production, which alone can lead at once to a cheapening of coal and to the increased prosperity of the industry itself. Employment has been on the whole very regular throughout the year, and we can only hope that means will be found to increase the individual output of each worker in the industry.

BRITISH FIRE OFFICES IN AMERICA.

So large a proportion of the premium income of the British fire insurance companies is derived from the United States, that America, for good or ill, plays a dominant part in their annual underwriting fortunes. The past year was, taken as a whole, reasonably favourable, and in contrast with 1922 which was generally unfavourable. The particulars which we give in this article of American fire business in 1923 are taken from the official

returns made by British fire offices and their numerous American subsidiaries to the State Insurance Departments. The business of British or American subsidiaries is combined with that of the leading company in each group, with one exception. Thus the figures of the Phoenix include those of the Norwich Union and of the subsidiaries of both. But the Royal group is distinguished from the allied Liverpool and London and Globe group for two reasons; first because both are so very large, and secondly because a combination of the figures would have concealed the interesting fact that the alliance has not prevented the Royal group from being much more successful than the "Globe" group in both 1923 and 1922. The official figures have been converted into sterling at 4s 2d to the dollar, a rate adopted last year when we gave the results for 1922. By maintaining a formal rate of exchange the results of one year may be directly compared with those of another. The underwriting surpluses or deficits have been determined after allowance has been made for liabilities under unexpired risks on the basis of 40 per cent. of the increase or decrease in the premium income. This brings the American results into line with the total results as issued by the fire insurance companies in this country.

Taken as a whole, the 21 British companies or groups have done fairly well, much better than in 1922. The total premium income was £33,939,869, an increase of £4,126,224. The claims paid and outstanding amounted to £16,288,291 (48.1 per cent. of the premiums), as compared with £15,801,076 (53 per cent.). Expenses and commissions were £14,644,484 (43.1 per cent.), as against £13,195,313 (44.2 per cent.). The apparent surplus of premiums over outgoings was thus £3,007,094, as compared with £817,256 in 1922. But in order to ascertain the actual underwriting profit or loss we must allow 40 per cent. of the increase in premiums each year as a reserve against the increased liabilities. This adjustment brings out the profit for 1923 as £1,356,525, or 4 per cent. of the premiums, against a fractional loss for 1922 of £15,212. Fire insurance business on the grand scale is conducted on fine margins, and 4 per cent. on the average was compatible with a substantially higher rate of profit for those companies which were more fortunate or better managed than their competitors. It was also compatible with losses in some instances.

If we take the individual companies or groups in the table given below, we see that 15 showed surpluses and six showed deficits. The largest amount of profit was made by the Royal group with £393,049, or 7 per cent. of the premiums. The highest rate of profit was made by the London and Lancashire with £181,613, or 11.3 per cent. of its premiums. The London Assurance ran the London and Lancashire close with its profit of £106,373, or 11 per cent. It is of interest to compare the 7 per cent. profit of the Royal group with the 2.9 per cent. profit of the allied group of the Liverpool and London and Globe; these two groups differ rather widely both in their claims and expense ratios to premiums. The North British and Mercantile has done fairly well with a surplus of £243,650 (6.1 per cent.), and though the rate of profit of the Commercial Union group is not high (3.9 per cent.), its huge business has brought to it the substantial surplus of £209,058.

Some of the deficits call for a little comment. The British Dominions had a very high loss ratio of 61.4 per cent., especially when one observes that its premium income increased during the year by over 37 per cent. This high loss ratio resulted in a small apparent surplus of £31,406, which was turned by the provision for increased liabilities into an underwriting deficiency of £109,971 (8.4 per cent.). The premiums of the Employers' Liability were for the most part new—the business for the year showed an increase of 184 per cent.—and the apparent surplus of £58,936 was turned into a deficit of £15,967 (5.5 per cent.) by the liabilities for unexpired risks. The Prudential in similar fashion more than doubled its premium income in the year, and the apparent surplus of £62,640 became a deficit of £5,216 (1.7 per cent.). The State Company, a small and reputable Liverpool office, was crushed by its expense ratio of 55 per cent., and showed a deficiency of £22,322 (15.3 per cent.); in 1922 the American expenses of this

office ran up to the impossible figure of 71 per cent. of the premiums, and the deficiency was £25,189 (26 per cent.). The average expense rate of all the companies of 43.1 per cent. of the premiums is already higher than most of them like, and is a very material factor in reducing the margin of profit. With this rate of expenditure it is necessary for the claims ratio to be kept well below 50 per cent. if a respectable profit is to be earned at all.

FIRE BUSINESS IN THE UNITED STATES.

Company or Group (including Subsidiaries).	Pre-miums.	Claims.	Ex-penses.	Surplus or Deficit.
	£	%	%	£
Atlas	1,026,989	55.0	44.5	Def. 10,880
British Dominions	1,301,234	61.4	36.2	Def. 108,971
British General	136,969	50.3	37.9	8,807
Caledonian	725,517	46.1	42.3	43,671
Century	113,762	57.2	37.3	10,047
Commercial Union	5,314,826	48.2	42.8	209,058
Employers' Liability ..	288,828	35.1	44.4	Def. 15,967
London Assurance	968,395	41.0	45.1	106,373
London and Lancashire ..	1,602,307	40.6	44.4	181,613
N. Brit. and Mercantile ..	4,023,067	47.6	43.6	243,650
Northern	1,471,338	52.5	42.2	19,106
Phoenix	2,831,577	43.5	46.7	95,660
Prudential	312,596	44.8	35.2	Def. 5,216
Royal	5,619,763	46.9	43.8	393,049
L. L. and Globe	3,294,465	50.3	40.7	96,351
Royal Exchange	600,048	52.0	45.2	19,788
Scottish Union	824,826	46.5	44.9	44,852
State	145,916	46.7	55.1	Def. 28,322
Sun	1,085,845	41.7	47.3	65,010
Union of Canton	1,828,925	53.3	40.4	Def. 37,323
Yorkshire	422,676	46.8	43.1	20,669

VEGETABLE OIL PRODUCTION IN EUROPE.

GREAT BRITAIN easily holds the first place among the oilseed crushing countries of Europe, in that it deals with in its mills considerably more oilseeds, nuts, and kernels in the aggregate than either France, Germany, or Holland. What, however, is equally notable is the large and increasing extent to which vegetable oils, both edible and non-edible, are entering into consumption. In the four countries named no less a quantity of oilseeds, &c., than three and a-half million tons imported from abroad went into the mills, and gave a production of vegetable oils of approximately a million and a-quarter tons, a very considerable proportion of which went into the manufacture of margarine and compound or imitation lard. Moreover, there were large imports of crude oils, such as palm, coconut, and soya oils from non-European countries which, with local supplies, went to the making of soap, &c., while the linseed oil crushed from seed in European mills contributed one of the principal raw materials of the paint, varnish, oilcloth, and linoleum manufactures. The total, however, does not represent the entire consumption, for there was an excess of about 30,000 tons of imports over the exports. Although the quantity of oilseeds, &c., re-exported or transhipped by each of the four countries is small, the position is best elucidated by the figures of the net imports, or the quantities retained for the production of oil, and these, according to the latest figures available, are as under over a series of years:—

	1920.	1921.	1922.	1923.
	Tons.	Tons.	Tons.	Tons.
Great Britain ..	1,343,892	1,296,799	1,327,810	1,571,115
France	643,591	564,048	780,817	909,646
Holland	238,757	415,342	482,139	478,719
Germany	..	454,590	856,896	556,727
	2,226,240	2,730,779	3,447,662	3,516,207

Imports into other countries in Europe are small by comparison, Denmark, for example, crushing soya beans at mills at Esbjerg and Horsens. It is curious to note how different countries seem to specialise in particular kinds of oil-bearing materials. In Great Britain oilseeds, principally cottonseed and linseed, represent 65 per cent., and nuts and kernels something under 35 per cent. In France the position is reversed, what are understood here as "nuts and kernels" comprising 75 per cent., and linseed, cottonseed, rapeseed, and soya beans less than 20 per cent. In Holland the proportions are 66 per cent. nuts and kernels, and 34 per cent. oilseeds, while in Germany they

* For 1923, vide Cmd. 1949, 1972, 2043 and 2111.

appear to be about equal. Notwithstanding the higher oil yield of such articles as copra, ground nuts and palm kernels more largely utilised on the Continent, the production of oil in Great Britain exceeds that of any other of the countries in Europe, the total for this country last year being 463,950 tons (see *Economist*, February 16th), while that for France now revealed is 349,602 tons, Germany 218,553 tons, and Holland 198,315 tons, the basis being the usually accepted commercial yield. Except in the case of Holland, which does a large export trade in refined oils and margarine, the home production is supplemented by an excess of imported oil over exports. So that in Great Britain, France, and Germany the actual consumption of vegetable oils for all purposes is somewhat greater than that produced in the mills. In France the vegetable oil position is shown as follows:—

	1920. Tons.	1921. Tons.	1922. Tons.	1923. Tons.
Home production	244,853	202,383	297,439	349,602
Imports....gross	113,470	76,293	78,509	83,286
Exports, including re-exports	358,323	278,676	375,948	432,888
Net remaining.	299,533	198,399	321,882	364,728

In the case of Holland the figures are:—

	1920. Tons.	1921. Tons.	1922. Tons.	1923. Tons.
Home production	100,494	161,695	204,739	198,315
Imports....gross	96,248	98,048	47,367	61,138
Exports, including re-exports	196,742	259,743	252,106	259,453
Net remaining..	103,392	117,388	188,262	99,764

A similar, though incomplete analysis, gives the position of Germany as under:—

	1920. Tons.	1921. Tons.	1922. Tons.	1923. Tons.
Home production..	..	231,312	360,413	218,553
Imports, gross	..	98,432	134,042	98,910
	..	329,744	494,455	317,463

The figures for last year are, however, not exhaustive, full returns of imports of oilseeds and oils not being available owing to the occupation of a large number of Customs houses by the French and Belgians. Those engaged in the trade incline to the view that the imports last year were not only equal but most probably in excess of those of 1922. Germany does not appear to have been in a position to export vegetable oils since the war, owing to the great scarcity in that country of oils and fats of all kinds. At least two-thirds of the German production consists of oil crushed or extracted from copra and palm kernels. The figures of production from imported oilseeds, &c., require to be supplemented by that from home-grown oilseeds, the average yield from which before the war was about 30,000 tons and in 1922 was put at 39,300 tons. A recent report by the American Agricultural Commissioner in Berlin showed that the German supplies of vegetable oils and animal fats taken together in 1922 were only 70 per cent. of the average of 1912-13, and assuming a reduction of the population from 68,000,000 to 60,000,000 indicated a per capita supply of 80 per cent. of pre-war. The American Commissioner comments on the enormous decrease in the German consumption of animal fats and the substitution of vegetable oils in their place. According to figures given by the German Department of Agriculture, the consumption of butter in 1922 was only 9.70 pounds per head of the population, against 15.2 pounds per head before the war, while on the other hand the consumption of margarine and vegetable cooking fats increased to 14.7 pounds per head, as compared with only 7.3 pounds nine years before. The Commissioner attributes the change over partly to the shortage of butter supplies and the lower purchasing power of the German people. A similar phenomenon was witnessed in this country until the shortage of butter was overcome and imports reached pre-war level, though there is reason to believe that the consumption of margarine is still above what it was ten years ago.

It is, however, a very interesting fact that the oil and fat trade is more than ever dominated by the demand for edible purposes. Regarding the immediate future, Messrs Frank Fehr and Co., in their annual report, suggest that a survey of the statistical position indicates that there will not be a shortage during the present year. Last year, they point out, the production of oilseeds, &c., in the world

was in advance of the previous year, and it is felt that this year should show a further increase, principally in linseed, cottonseed, and copra. At the same time, we have apparently to contemplate a steadily increasing consumption of vegetable oils. Continental conditions, it is hoped, will improve, but the progress towards normal trade again, it is felt, must necessarily be slow. The same authority remarks that in considering the level of prices of oils and fats we need to bear in mind that, while the average price of all food commodities had advanced in December last, as against July, 1914, from 100 to 178, the average price of oils and fats had advanced only as from 100 to 138. Butter moved in the same period from 100 to 185, and lard from 100 to 130. The rise in vegetable oils and fats is therefore small when compared with the average of all other food commodities, and particularly when compared with butter. Since July, 1914, the principal advance has been in fluid oils, viz., linseed oil, cotton oil, soya oil, and whale oil, which have risen 60 to 70 per cent. While copra had advanced 20 per cent., and palm kernels only 8 per cent., coconut oil and palm kernel oil moved up 27 and 20 per cent. respectively. Apart from the Western European countries, Russia before the war had an annual production of over 400,000 tons of vegetable oils, but it is uncertain as to how much is being produced to-day. Spain, Italy, and Greece are, of course, the principal countries producing olive oil.

MR SNOWDEN AND THE CHANCELLOR.

"My desire," said Job, in one of his effective debating speeches, "is that the Almighty would answer me and that mine adversary had written a book." The Leaders of the Opposition, whether or not they have Job's skill in catching the ear of the Almighty, have had a better fortune than his in the literary output of their adversary and the commercial enterprise of his publisher. For not only has the first Labour Chancellor written a book to set forth the finance of Socialism, but Messrs Cassell* with wicked irony have republished it in all its revolutionary fulness on the very morrow of his Gladstonian Budget. We can imagine the enthusiasm with which his opponents of the right and his dissatisfied supporters of the extreme left will open the new volume to search for the deadly parallel and the embarrassing quotation, and who can grudge them the amusement to be extracted from this innocent old-fashioned sport? It is a game that every journalist learns to play in his professional youth, and Mr Snowden in the hour of his very real success will not grudge us the enjoyment of playing off the aspirations of the prophet against the performance of the statesman.

The chapter in Mr Snowden's book which expounded and anticipated the financial policy of the Labour Government carries the ominous title of "The Instrument of Taxation," suggesting, to our nervous ear, the mechanism of the torture chamber and Budgets designed for punitive rather than for fiscal purposes. If that is Mr Snowden's ultimate objective, he has certainly concealed it in his first Budget, and, to be just, he does not avow it in his book. He declares that:—

Though the aim of Labour is ultimately to absorb by taxation all unearned incomes, no Labour Government would be justified in levying taxation for penal purposes. Taxation can only be justified when the revenue derived thereby is spent by the State in a way which will confer greater social benefits than have been derived from the private expenditure of the income.

Happily for all of us who have any invested capital, the Chancellor has not so far tried his hand at "absorbing all unearned incomes," but he has certainly kept to his promise that Labour will not levy taxes for penal purposes. The wildest critic could not claim that a Budget which puts no new taxes on to anybody is a penal instrument, and in this respect the Chancellor undoubtedly follows the line marked out by himself in the freedom of opposition. On the question of expenditure he is perhaps less consistent, for in his days of authorship he had little

* "Labour and the New World." By the Rt Hon Philip Snowden. First published 1921. Revised edition April, 1924. Messrs Cassell and Co., Limited. 5s net.

fear of bloated Budgets or respect for an over-all reduction in spending:—

The first duty, he said, of a Labour Government will be to ruthlessly prune the estimates of the various departments, eliminating all expenditure which was not giving an adequate return. But there would be no reduction, but probably a considerable increase, in the total national expenditure under a Labour Government.

With this alarming prophecy, the Budget speech and the Budget figures make a very pleasant comparison, for the impression left on the mind when reading the speech is of a Chancellor orthodox and zealous in his desire for retrenchment; so zealous, in fact, that his critics accuse him of having framed his Budget with the secret resolve to improve his anticipated surplus by undisclosed schemes of economy.

On the National Debt, Mr Snowden's speech was music to the ear of the orthodox believer, and no part of it was better received than his summary of the reductions already made, or his obvious approval of the conservative policy of his predecessors. Here the Chancellor is supported by the authority of the author, who does not measure language in denouncing an enormous debt:—

The most urgent of the problems in connection with national finance is the reduction of the National Debt.....So long as this burden of interest remains any Chancellor of the Exchequer will be severely handicapped in raising revenue for the improvement and extension of public services which are not directly remunerative. The existence of this debt is a monument to the criminal folly or cowardice of our statesmen.

So far speech and book agree, but when we come to the proper method of making the reduction the book far outstrips the speech, for Mr Snowden in 1921 was an enthusiastic advocate of the Capital Levy, which happily finds no place in his 1924 programme. He believed then (and perhaps he still believes) that the only suggestion for reduction of debt, which is imperatively necessary, is a special Capital Levy, and that we cannot be content to extinguish the debt by the slow process of a sinking fund. He appears to have had in mind when he wrote the book a 14 per cent. levy, which would produce a sum of £3,000,000,000, so let us hope that the conversion from his old belief is permanent, not temporary, and that his remedy of 1921 is for ever discarded.

On the subject of indirect taxes, Mr Snowden is consistency itself, and here his Budget closely follows his book:—

The abolition of the breakfast table taxes, says the book, was an ideal of progressive politicians in pre-war days, and not even the financial embarrassment caused by war expenditure must stand in the way of giving this much-needed relief to a class upon whom this burden falls with great weight.....The duties upon liquor and tobacco stand in a different category.

It must be very gratifying to Mr Snowden to-day to feel that he has done more than any Chancellor of this century to bring about the free breakfast table, and that here, at any rate, he has been able in his first Budget to fulfil the promises and the policy of his book. Even on tobacco he follows his own lead, and the overburdened but non-complaining smoker of pipe tobacco must go on paying the old exorbitant prices without hope of relief or expectation of sympathy. Here, doubtless, we must be content to shoulder the burden, but when we come to Mr Snowden's views on death duties we are filled with foreboding, and can only pray for death before the Chancellor shall have caught up with the author. Inheritance, in Mr Snowden's book, is treated as contrary to all democratic principles, and the right of passing on accumulated wealth must be drastically limited or abolished, for it is nothing less than the right of the dead to "continue to rule the living." It creates a class that is able to live "not on the accumulations of ancestors, but by the exercise of a legal right to appropriate the product of contemporary labour." The sufficient reward of labour is the joy derived "from activity, adventure, enterprise, and the honour which comes from success." Let us humbly return thanks for the discrepancy in this department between the book and the Budget.

The followers of the Duke of Northumberland who read this book of Mr Snowden's will doubtless refuse to be reassured by the comparatively harmless nature of his Budget, but will find in the contradictions and differences fresh proof of the Machiavellian character of Labour politics. They will think of Mr Snowden as some wild

beast lurking in the thicket, waiting to pounce on a victim lulled by delay into a foolish security. Others, perhaps, will figure him as one who has had his dangerous talons extracted by the skilful chiropody of his permanent officials. We feel disposed to leave the problem unsettled and simply congratulate him on having produced at least one sound and workmanlike Budget.

Notes of the Week.

Stock Exchange and the Budget.—A Stock Exchange correspondent writes:—Stock Exchange markets, philosophically prepared for trouble in the Budget, were taken by surprise at the Chancellor of the Exchequer's moderation in the matter of increased taxation. The great bull point was the abolition of the corporation tax. Nobody seemed to have thought of this as likely, and the immediate effect was to bring about a general advance amongst the industrial sections. The particular markets affected by the reductions in the tea and sugar duties were aflame with buoyancy from the start of business. Tea, catering and brewing issues promptly responded. The few cinematograph shares that are dealt in were put up automatically. Then other industrials joined in the rise. Iron, coal, steel, shipping, hotel, stores gained ground. Motor shares went back because of the proposal to withdraw the protective duties in three months' time. Sharp rises in tobacco shares were the sequel to the Chancellor's statement that the revenue from the tobacco tax substantially exceeded the previous estimates. The home railway market developed strength as a reflex of that which ruled in gilt-edged securities. The principal factor resulting from the Budget became apparent in the prompt way in which investment stocks and shares hardened all round. With 150 million pounds of 5 per cent. War Loan converted into the new 4½ per cent. stock, it was immediately recognised that this meant a real step towards raising national credit on to a basis which is likely to reach 4½ per cent. or less. Consols, Victory bonds, and a few other stocks yield under 4½ per cent. on the money already, and anticipation looks for the new 4½ per cent. conversion to start off on the basis of 98 ex dividend, when dealings begin in about a month's time. Investment is much quicker to notice such tendencies nowadays than it was when the tide set in the opposite direction at the time of the 4½ per cent. War Loan's issue in the earlier years of the war. Six per cent. preference shares are in such request that in all the best companies the yields range from 5½ to 5¾ per cent. In some cases, the shares, especially those of the 5 per cent. variety, give no more than 5¼ per cent., and are none too easy to buy. Preferred stocks have moved in the same direction, and trust companies' deferred issues are 2 to 20 points higher since the Budget. Foreign Government bonds are affected by the same influence, but the curious point, so far, is that Stock Exchange business shows little signs of expansion. Members of the House found, upon comparing notes on the eve of their May Day holiday, that they had done little more business than usual, but consoled themselves with the idea that the real effect of the Budget will be apparent next week. The Chancellor's optimism is readily forgiven for the greater cheerfulness that these have infused into the markets. His hopes in regard to increased activity in trade are accepted as being pious politics. No allowance is thought necessary for the chance of such a trade revival as might cause a stream of sales in the stock markets in order to finance industrial undertakings. The public appetite for new stock is keen; any issue that offers a fair rate of interest upon security of sound character is readily taken, and there is no present indication of a reversal of the tendency which has been the main feature of Stock Exchange markets for several years past—with occasional spasms of apprehension lest the selling should start in earnest. The result of the Budget relieved anxiety in several directions, and encouraged hopes in others. It may be that one Stock Exchange member echoed the unspoken thoughts of many brokers and jobbers in saying that a Labour Budget ought to have been much worse.

The Liberal-Labour Quarrel.—The mental refreshment of the Easter recess, the platform duel between the Prime Minister and Mr Lloyd George, and the introduction of a Budget which commends itself to both progressive sections have alike failed to bring the Liberal-Labour quarrel any nearer to settlement. This quarrel has, in fact, reached a more bitter stage, and it is exceedingly unfortunate that the breach between the two parties is being discussed and handled, not from the point of view of differences regarding great national problems, but from that of party dignity and *amour propre*. In effect, the Labour party say, "We will not be bullied by the Liberals," while the Liberals reply, "We, who put you into office, and are responsible for maintaining you there, refuse to be insulted and ignored." We have in these columns expressed our view that Mr Macdonald's marked failure to establish a system of consultation with the Liberal officials is a profound mistake; and it is a mistake that becomes more glaring and ludicrous when the two parties are obviously in unison over the Budget. Then, again, P.R. is surely just one of those projects on which consultations should obviously take place. Unhappily, the exacerbation of the party squabble is in one respect a real danger to the national interest. It lessens Mr MacDonald's prestige and security of office just when a strengthening of his Parliamentary position would give him a much-needed addition to his authority in dealing with the Reparations problem on behalf of Great Britain. This consideration alone ought to be sufficient to induce the leaders to spurn the littleness of party bickering.

The Return to the Gold Standard.—Sir Felix Schuster's speech on Wednesday to the Liverpool Chamber of Commerce contained some observations of exceptional interest. He made, for example, an interesting observation on the transfer to the Bank of England after the Armistice of gold previously held by the big joint stock banks. This centralisation of reserves was, of course, known in the City, and has been commented upon in our columns. But we have generally assumed the figure to have been under £30 millions. Sir Felix estimated it as between £35 and £40 millions, and he justly claimed credit for the banks by pointing out that the transfer was made, not on the basis of bullion value, but on the assumption that the gold pound was equivalent to the pound sterling, whereas, in fact, the gold value of the pound sterling had at that date already considerably depreciated. The most striking point in his speech, however, was the assertion of his belief and his reasons for thinking that a return of the £ sterling to parity with the dollar may be possible before very long. Sir Felix calls attention to the large gold reserve which this country holds—£153 millions, against £38½ millions before the war—and to the fact that this is not likely to be required again for use as circulation in the country. He thinks that the currency notes, which have come to stay, could now be transferred to the care of the Bank of England, and that while the prohibition on the export of gold should not be rashly or hastily withdrawn, licences might gradually be granted more freely until the free flow both in and out is once more restored. "It may take a year or two before this takes place, or even more, but I am convinced that the time has come to work in this direction; nor do I see that any great demands can be made upon us except from the United States, and it is not likely that such demands will be made from that country with its overflowing stock of gold. The cordial and confidential relations which are known to exist between the Bank of England and the Federal Reserve Board could be depended on to work in such a way as to prevent movements that might be injurious to either country." Sir Felix rightly realises that the psychology of credit which is liable to cause great movements of capital from one country to another is largely responsible for recent movements of the exchange. An improvement in the European situation, combined with the knowledge that a policy of this kind was being pursued, should cure the recent flight of capitals and make it much less likely that such violent movements, involving undue difficulties in the management of the gold reserve, would occur in the future. These are weighty arguments, but it must be recognised that there are difficulties in changing the balance of capital

movements. Mr Hoover's estimate of the United States trade balance, which he published last week, shows that in 1923, which included one period when the sterling was appreciating and another when it was depreciating considerably, there was a net movement *into* the United States of 125 million dollars, in spite of the large foreign loans raised in the New York market. As the £ approaches par this condition is likely to continue, for there is a large field in which the return to capital invested in the United States is greater than on this side of the Atlantic, both in regard to long and short term borrowing. The reduction of the re-discount rate of the Federal Reserve Board this week from 4½ per cent. to 4 per cent. is, however, a step in the direction hoped for by Sir Felix Schuster, since it will tend to equalise interest rates in the two countries.

The Mines Inquiry.—The Court appointed by the Government (Lord Buckmaster, Mr Roscoe Brunner, and Mr A. G. Cameron) to inquire into miners' wages has been meeting day by day since Thursday of last week, and is, at any rate, in a position to appreciate the extreme complexity of the problem. Statistics, calculations, algebraic and arithmetical formulae, and arguments have rained upon it from both sides. When it is realised that there are well over a million men employed in the mining industry, and that, apparently, everyone of them is entered separately and has his earnings entered separately (with the deductions for materials, &c., that often make so important a difference in the actual amount of those earnings taken home) in the owners' books, it is no wonder that the problems of accountancy are baffling to the outsider. The miners' case, as stated by Messrs Herbert Smith, A. J. Cook, and T. Richards, is based upon the dangerous character of the industry (on an average five men are killed on every working day in the year), on its normal hardships, on the poverty of the miners in many areas, and on the general admission, made by the Sankey Commission, that, in 1914, miners' average earnings were too low. Mr Smith put their case in a nutshell when he reminded the Court that in 1923 profits were round about 2s per ton, whereas earnings were below the 1914 standard. The owners' reply, as given by Messrs Evan Williams and W. A. Lee, is that wages are fixed by what the industry can bear; that profits are not really so high as they state; that the seven-hours day has increased costs of production. Into the details of offers and claims it is not necessary to enter; the miners' present claim, which has been varied in some important particulars since the handing-in of notices three months ago, may be summarised as follows:—A minimum wage equal to real wages in 1914, plus the 2s a head allowed under the Sankey agreement; standard profits, instead of being fixed in ratio to standard wages (£17 to £100 of standard wages, and £17 to £83 of wages above the standard), to be a uniform rate per ton corresponding to the pre-war profits per ton; subsidiary enterprises run by coal owners to be taken into account in determining the profits of the industry. The miners estimate pre-war profits per ton at 9.9d; the owners say that this figure should be 11.38d—a discrepancy typical of those that run through the whole gamut of matters in dispute. Under the miners' terms, according to Mr Evan Williams, not one in four of the collieries now being worked could hearing of evidence, has now retired to consider it. It is hoped that their report may be available before the end of next week, since the temporary agreement expires on May 14th. A meeting of the Miners' Executive has, in fact, been fixed for Friday. Meantime, the Secretary for Mines, Mr Shinwell (to whose handling the fact that another most useful line of inquiry. He is trying to get to the bottom of the big gap between the price of coal consumer. The first replies to the questions he submitted to the Coal Merchants' Federation were anything but illuminating, and, as he said, not calculated to reassure the public; on Friday a reply was put in to one average net profits (certified by accountants) for 1922 were 9.08d per ton, for 1922-3 9.03d per ton.

Irish Free State and the Boundary Crisis.—By far the most important element in the general situation, telegraphs our Dublin correspondent, is the development of the N.E. Ulster boundary controversy last week. The deadlock in the preliminary talks at the conference was announced this week. Some of the influential journals in Great Britain have been clamouring editorially for the violation of the Anglo-Irish Treaty—if and in so far as its provisions, if carried into effect, might annoy "Ulster." By "Ulster," of course, Northern Ireland or N.E. Ulster is meant, for three out of the nine counties of Ulster proper are included in the Irish Free State. The British Government announces that it will abide by the Treaty in the letter and in the spirit. But its correct attitude does not wholly allay the suspicion excited by the journalistic clamour for international ill-faith. If the Treaty were suffered to go, the Free State, whose stability has been hardly achieved through blood and tears, would almost certainly go also, and the last state of Anglo-Irish relations, with all their complicated and far-reaching reactions on Imperial and international affairs, would be worse than the first. The Earl of Birkenhead, one of the signatories of the Treaty, has added fuel to the flames by announcing that the position of "Ulster" is theoretically that of a Dominion, which it quite obviously is not, and by alleging that two out of the five Irish signatories—two who have since died, and whose version of the transactions is not available—assented expressly or implicitly to his construction of Article 12 of the Treaty, which is wholly repudiated by their surviving colleagues. Public feeling is not unnaturally depressed, and whether it be attributable to this cause, or whether it be attributable to the trouble of some weeks back with the Army, or to a combination of the two, it is significant that the new National Loan, which a while back was quoted at 99, was yesterday quoted at 92 ex div., while there has been an equally extensive shrinkage in the public investments in the P.O. Savings Bank, and in the purchase of National Savings Certificates. These are signs which cannot be ignored. The Irish Free State Budget for 1924-5 was in the hands of readers of the *Economist* last week at the same time as the preliminary speculations as to its provisions in this column. Unfortunately the Minister of Finance did not feel himself able to remit even 6d off the 5s income-tax, though there was a substantial reduction of super tax in the higher level of incomes, which unfortunately will not benefit a large number of taxpayers. On the other hand, while remitting 3d per pound off the tea duty, he ventured on certain minor experimental essays in protective duties, such as 2s 6d per pair on imported boots and varying duties on imported confectionery, bottles, soap, and candles and commercial motor bodies. The varying dates (some as late as July 1st) at which the several new duties are to come into operation are so deferred as almost to invite merchants to accumulate large stocks in advance. If they are as prompt to avail themselves of this chance as they are to increase the price of the dutiable articles before the duty has become operative, it is to be feared that while the consumer may be hit the national revenue at least will reap but little benefit in the current year. Indeed, the public has been solemnly assured by the tea trade that the remission of the tea duty will probably lead to an increased price owing to the probable increase in demand, but it is noteworthy that no boot merchant has announced a fall in his prices, for the parallel reason that the duty will lead to a smaller demand. One fact is clear, and that is that the Government must produce promptly its legislation for the restriction of profiteering. Otherwise the remissions may never reach the consumer, and the new duties may be passed on to the public at an increased level.

Recovery in Mexico.—Two important steps have been taken this week towards the restoration of order in Mexico. The American Bankers' Committee has announced that payment of interest will shortly be resumed on portions of four of the most important of the 28 loans comprised in the settlement negotiated in 1922—the Five per Cent. External Loan of 1899 (deposit receipts 1 to 200), the Six per Cent. Treasury Bonds of 1913 (deposit receipts 4,001 to 4,200) the City of Mexico Five per Cent. Loan of 1899 (deposit receipts 1 to 900), and the National Rail-

ways Four per Cent. Guaranteed 70-year General Mortgage (all the bonds deposited up to January 16, 1924). The bonds, with the cash warrants payable during the five years (ending with 1928) covered by the scheme, and other documents as provided for by it, are now ready for return to the holders, and the interest up to and including January 1, 1924, will be paid on presentation of the warrants to the respective agents of the loans. Warrants maturing subsequently should not be presented till the Committee announces receipt of half the minimum sum for the current year which the Mexican Government has undertaken to provide. Notice will be given when further bonds of these or other series are ready for return. We recently noted that payments were to begin in New York on some of the least important of the loans, all of them held in America; the present announcement of impending payments on the most important will be welcomed by holders in Europe. On what principle the selection is made we do not know, the delays have been semi-officially attributed to difficulties in printing the various warrants; at any rate, payment is going to begin. The second step is the appointment of Sir Thomas Hohler, K.C.M.G., whose varied diplomatic experience includes that gained as Chargé d'Affaires in the Mexican capital for various periods during the first seven years of the revolution, and subsequently as Councillor of the British Embassy at Washington, to report on the state of the country. A report is needed; the New York papers and the information possessed by various British companies operating in the country tend, on the whole, to an optimism which is not shared by the British Government, nor is it supported by well-informed private advices from Mexico. We share the hope of the *Times* that Sir Thomas Hohler, or some other British diplomat, may be sent, with a Canadian colleague, to attempt a settlement of the existing differences between the British and Mexican Governments. Canadian enterprise in Mexico is sufficiently varied and important to justify special representation for Canada.

The Situation in the Milling World.—The conference of the Milling Federation on April 30th, writes a correspondent, was of a confidential character, but the situation in the milling world is confessedly critical, and the Federation is not acting up to what is expected of its high record when it takes early cognisance of difficulties that may be of the utmost gravity two months hence. The Federation has been conducted with a skill altogether exceptional since the close of control. Mr Humphries, for the employers, Mr Bevin, for the operatives, have had a liaison officer of remarkable efficiency in Captain Leonard Green, the secretary, and there has been set up at King's road, Chelsea, the headquarters of the Federation, a tone in most happy contrast to that in all too many trades and at all too many industrial conferences. A really high sense of duty to the public whose "staff of life" is involved prevails, and anything like a "lightning strike" is as unthinkable at Chelsea as, shall we say, any bad case of "sneaking" or delation at a public school. It is now two clear months to the end of the milling year, and for that end of the existing contracts all classes of workers in British mills have "denounced" such contracts, giving therefor twelve reasons. One of these is a gross anomaly, and may be, one supposes, written off as remedied for July 1st. It is difficult to understand how youths of 18 and on, doing work of equal character and for the same hours, have come to be paid 3s per week less than young women similarly employed. These be mysteries. The mere economist would have expected the plan to have resulted in youths displacing female workers in these branches of the mill, but apparently this has not happened. The matter, however, is one of curiosity rather than of practical importance. The eleven remaining reasons are of great interest. They strike one as singularly well presented, and while it would be a breach of confidence to cite actual terms which may constitute the basis of careful negotiation, it may at once be stated that intellectually they are revolutionary, and show with absolute clearness that the settlement of the future when it comes will be on new lines of thought. The milling operatives begin, for instance, by repudiating the Index Number. The spirit with which the skilled workers indispensable to the modern ultra-complex mill

throw their agis over the unskilled is very striking, but it raises issues of privilege which may be grave. At present the farmer's unskilled man who loads the sack of wheat up to go to the mill gets 25s to 30s a week, but the miller's unskilled man who receives it at the mill and carries up to the mixing floor or the conditioning room gets 40s to 50s. He is, it seems, apprehensive of an influx of brother young men workers, but the skilled operatives undertake to safeguard him against this as also against any reduction of payment within the mill to its mere market value. Both masters and operatives are united in excellent schemes whereby unskilled youths may acquire technical education. The operatives' case is presented so fully and so argumentatively, in a good sense seeing that to argue originally must be made clear, that one feels a certain reaction on turning to the question of hours. A working week of 48 hours hurts no man, and British impoverishment since 1914 allows of no slackness to-day. Yet it appears from the record that the mill workers at first obtained an hour off, that 47 hours fell to 44, and that there is now a cry for a 42-hour week. Saturday for pleasure is the demand. With respect to wages, a 10s per week advance is insisted upon not only for skilled mechanics, but also for the hands simply engaged in transport. Youths' and girls' salaries are to rise *pro rata*. The men repudiate the idea that wages in the mills affect the price of bread, however indirectly, and their insight into working has evidently convinced them that, as a whole, mills are uneconomically managed. Against this one must set common knowledge of the chief controllers of the leading mills being among the very ablest business men in London, Liverpool, Hull, Leeds, Swansea, Cardiff, and elsewhere. *Quousque tandem?* That is not to be answered now. The opening of a new debate between Capital and Labour is, however, to be noted, and its opening, moreover, on new lines. The fact that the wrestlers enter the arena with no unworthy gesture is at least a matter for very real satisfaction. But a grave element is that millers' profits have been declining for about a couple of years, and are now virtually nil. Futures for wheat are lower than spot prices, and the wheat in mills has been bought at prices likely, one fears, to absorb all profits on the grist.

Shortage of Juvenile Cotton Operatives.—Our Manchester correspondent writes:—Now that there are signs of improvement in the Lancashire cotton industry more attention is being centred on the shortage of operatives, and it is feared if a definite revival shows itself a considerable amount of machinery will have to stand idle owing to the inadequate supply of workpeople. The situation has been discussed this week at the annual conference of the Textile Institute in Manchester, and three papers were read, one from the point of view of the spinning employer, one from the attitude of the worker, and the other from the standpoint of the manufacturer. It was pointed out that in Bolton at the present time there was a shortage of nearly 300 little piecers. If all the spindles were started in Ashton-under-Lyne, 10 per cent. would be found understaffed. In the Oldham area there are 16,596,000 mule spindles. To work them efficiently would require approximately eight thousand minders, eight thousand big piecers, and eight thousand little piecers. The number of minders available was about 8,683, but the total number of piecers was only 7,081. With regard to possible remedies, it was urged that no further attempt should be made to raise the age at which children could enter the mills. Many reasons have been given for the shortage. It was said that mill life was not attractive enough, that the rooms were hot, that they were not clean enough, that the work was hard, and that the moral atmosphere was not good. Another speaker stated that the shortage of juvenile labour in the whole of the cotton industry amounted to 21,000 persons.

Sugar and the Budget.—The announcement that the duty on sugar is to be reduced from 2½d per lb to 1½d was immediately followed by a rush of orders in Mincing Lane, the market on Wednesday showing considerable animation. New York on Tuesday advanced the price of raw sugar, and this was followed by a rise here, white sugar futures advancing rather smartly, although afterwards the

market both here and in New York seemed inclined to fluctuate. The British refiners at once adjusted their terms to meet the cut in the duty, and white refined sugar was put down 14s per cwt, with yellow crystals marked down 11s 6d per cwt. There has been very little sugar purchased during the past month or two; thus it was not at all surprising to see a rush to buy. There were eager inquiries for prompt deliveries, which suggested that stocks stood in urgent need of replenishment. White sugar futures immediately after the reduction in the duty became known were firm and dearer, with May done at 29s 6d, August at 26s 9d, and December at 22s 6d. There is considerable difference of opinion regarding the future of sugar. Supply and demand this season will be so closely balanced, that there is very little room for any expansion in the consumption without bringing about a rise in values. A well-known American authority estimates the production at 19,886,000 tons, and possible consumption 19,808,000 tons. The stocks brought forward were very small; thus there is a very slender margin to work upon, although later on there is bound to be a big expansion in the European beet crops, which would do much to offset the stringency in cane supplies. The supplies of raw sugar here are very moderate, and it remains to be seen whether the reduction in the selling price to the public will stimulate the demand to any appreciable extent. Cuban stocks now stand at a little over 900,000 tons, and there is no doubt that the statistical position of the commodity all over the world is very healthy from the producers' point of view. The consumptive demand in the United States has been checked by the high level of prices there, and this up to quite recently has had effect in this country and on the Continent. Altogether a very interesting position looks like developing; meantime, Mincing Lane is experiencing a very busy time.

The U.S. Oil Position.—The rise in crude oil prices in the United States from the middle of December last to the beginning of April has been practically unbroken, and has reflected the prevailing sentiment that the decline in production would continue for some time, while the rate of increase in consumption recorded last year would be repeated in the course of this year. The weather, however, has largely upset the oil industry's calculations. A long-drawn out winter kept back the opening of the "gasoline season." The gasoline markets are, in fact, distinctly easier, and prices have been shaded. The belated statistics for the month of February, which have only just reached this country, now show clearly to what extent the restoration of the balance between supply and demand was checked by the unseasonal decline in consumption. The following are the figures of the American Petroleum Institute:—

(In Barrels of 42 U.S. Gallons.)			
	January.	February.	
Domestic crude oil production	56,455,000	55,027,000	
Imports (all oils)	7,651,292	8,070,345	
Total production and imports	64,106,292	63,097,345	
Indicated domestic consumption	51,782,569	38,932,747	
Exports (all oils)	8,423,948	9,389,476	
Bunker oil (vessels in foreign trade)	3,159,496	3,144,597	
Surplus (being excess of production and imports over consumption and exports)	63,366,013	51,466,820	
	740,279	11,630,525	

The small surplus created in January was in some measure due to the abnormally low imports, which are subject each month to wide fluctuations. Even so, the enormous surplus created in February is above even the average monthly surplus created in 1923, which was 8,133,335 barrels, and is entirely due to the remarkable drop in consumption. It will be seen that domestic consumption was 24.8 per cent. lower, and the total consumption, plus exports, 18.5 per cent. lower than in January. This must supply and demand which January had seen almost restored. Whether the summer consumption will make up for lost time may be considered doubtful, in view of the slowing down of American trade generally, and the disturbing effects of a Presidential year, and it must be regarded as positively unlikely that crude oil production

will continue to decline. Already the higher prices for crude have led to such an intensive drilling campaign that the output of the mid-Continent field has been rising, and for the week ended April 12th is reported by the American Petroleum Institute to have increased by 19,700 barrels a day. As drilling is many months ahead of production, a further gradual increase in supply is to be anticipated, although nothing like the flush production from the Californian fields last year is in sight. In these circumstances, some reaction in crude oil prices is probable.

Peace Efforts in Honduras.—Three weeks ago President Coolidge tendered the friendly assistance of the United States in effecting a settlement between the contending factions respectively supporting the three candidates for the Presidency of Honduras, none of whom had obtained the majority of votes constitutionally necessary for election. He has now invited the four other Central American Governments, who had already offered mediation, to take part in a peace conference at Amapala with representatives of the rival factions. We believe that difficulties have arisen as to the appointment of these latter; meanwhile Tegucigalpa, the capital, was captured by revolutionists last Monday, after air raids, which killed many native women and children and endangered the lives of American residents through bombs aimed at the prison. All the factions, as we have previously noted, favour the settlement of the external debt arranged last year, and, as this can only be effected with the aid of American financiers, the conference, when it is able to meet, will probably be successful.

A Bank Amalgamation.—Provisional arrangements, for which Treasury sanction has been obtained, have been made for the absorption of the Guernsey Commercial Banking Company, Limited, by the Westminster Bank, Limited, as from January 1st last, subject to the consent of the Guernsey Bank shareholders in general meeting. The arrangement between the two banks contemplates that the shareholders in the Guernsey Commercial Banking Company, Limited, will receive in exchange for their 8,000 shares of £25 each (£5 paid up) 48,000 £1 fully-paid shares of the Westminster Bank, Limited (being at the rate of six Westminster Bank shares for each Guernsey Bank share, with half-year's dividend to June 30th, payable August 1st next), and, in addition, £160,000 (nominal) inscribed 5 per cent. War Loan Stock, 1929-47 (which is equivalent to £20 stock for each share held), carrying the half-year's interest due June 1st. The present members of the board of the Guernsey Bank will, after the amalgamation, act as the local board of the Westminster Bank, which will also continue to have the services of the present manager, sub-manager, and the staff. The Westminster Bank has been the London agent of the Guernsey Bank, and the arrangement, therefore, makes permanent a connection which has long existed.

London Life Association.—This mutual life office, which pays no commission for the introduction of business, nevertheless secured 1,304 new assurances last year, amounting to £1,625,006, an increase of £55,000 over the figures for 1922. The total premium income (including that of the Clergy Mutual) was £1,132,202, an increase of £91,223, and the expenses were 5.45 per cent. of the premiums, as compared with 5.82 per cent. in the previous year. The net yield from interest on the funds was 4.7s 5d per cent. As the result of the annual valuation, the percentage rates of reduction of premium have been increased by two, instead of by the usual one, and will range from the equivalent of 131 per cent. in the First Series to 52 per cent. in the Eighteenth Series. Participating policies under the reversionary bonus system get their invariable addition of 35s per cent. on sums assured and existing bonuses, a rate of bonus which has been declared every year since the system was introduced in 1914. The funds increased during the year by £548,646 to £12,874,932. The market values of the Stock Exchange securities on December 31st are stated to have exceeded the book values by £402,408.

Phoenix Assurance Company.—The accounts of this company for last year (which include those of the Norwich Union Fire and the London Guarantee and Accident companies) show that substantial profits were earned in the fire and marine departments. The fire premiums were £5,478,432, as compared with £4,747,557, and the claims paid and outstanding were 47.8 per cent. of the premiums, as against 57.3 per cent. Expenses were £40.5 per cent., against £42.2 per cent. After providing for the increase in unexpired risks there was a surplus transferred to profit and loss of £348,859 (6.4 per cent.), as compared with £18,337 in 1922. In the marine department the net premiums were £1,257,277, against £1,438,838. The account for 1922 was closed with a profit of £140,007, which was carried to profit and loss. The net premiums in the accident department were £6,157,389, as compared with £5,374,329. Claims paid and outstanding amounted to 58.1 per cent., as against 55.6 per cent., and the expenses were 38 per cent., against 40.2 per cent. After making provision for the increase in liabilities for unexpired risks on the basis of 40 per cent. of the premiums, there was an underwriting deficiency of £70,740, against a surplus for 1922 of £156,506. Net interest receipts (less debenture interest) were £419,144, and the net underwriting profits carried to profit and loss were £433,127. The sum of £156,628 was received as a refund on balance of income and other British taxes. Colonial and foreign taxes absorbed £252,330, and £250,000 was written off the cost of businesses acquired (leaving a balance of £222,000). The dividend of 12s a share, less tax, will cost £467,325.

Equitable Life Assurance Society.—This old society's list of death claims under whole life with-profit policies is of much interest. It is set out in full in the report for last year, and shows that the original sums assured were £130,980, in addition to which bonuses were paid of £123,250. Bonus additions of £22,688 previously commuted raised the total sums assured and bonuses to £276,918, so that on the average every £1,000 of original assurance was increased by bonuses to £2,114. The new assurances last year amounted to £605,269, against £600,386 for 1922. The premium income was £302,691 as compared with £296,140, and the expenses (the society pays no commission) were 6.9 per cent. of the premiums. The life funds increased by £173,651 to £5,555,045.

Scottish Union and National Insurance.—Steady progress has been maintained by this company, which celebrates its centenary this year with a special bonus to shareholders. In the fire department the net premiums were £1,121,269, against £1,091,095 in 1922. Claims were 48.5 per cent. of the premiums, against 53.9 per cent., and expenses took 40.6 per cent., against 38.1 per cent. After making the usual 40 per cent. provision for unexpired risks—the company reserves 50 per cent. in its accounts—the fire surplus was £109,266, or 9.8 per cent., as compared with £85,733, or 7.9 per cent. The total underwriting surpluses (exclusive of interest) carried to profit and loss were £151,289, and net interest receipts were £117,949, after deducting tax and interest paid on "accident" bonds. Imperial, Colonial, and foreign taxes took £118,914. The dividend will absorb £92,250, and the centenary bonus £23,250, as compared with £88,500 expended in dividends last year.

Caledonian Insurance Company.—In its fire department, which is the principal branch, this company has shown good results for last year. The net premiums were £880,853, as compared with £767,951, and the claims were 49.8 per cent. of the premiums, as against 61 per cent. Expenses were slightly lower at 38.7 per cent., against 38.9 per cent. The result, after providing for unexpired liabilities, was a surplus of £86,805, or 9.8 per cent. of the premiums, as compared with £31,988, or 4.1 per cent. in 1922. In the accident and general departments the premiums of £313,091 yielded £29,000 to profit and loss. The total transfers from underwriting accounts to profit and loss were £120,805, and the allocations—£27,264 for outstanding taxes, £30,000 to reserves of the general insurance account, and £30,284 to general

reserve fund. The earnings from interest amounted to £65,336, and the dividend of 12s a share on the old shares, less tax, will cost £49,568, against £35,652 paid in dividend last year.

Northern Assurance Company.—In the fire department of this company last year the premiums were £2,533,300, as compared with £2,384,138 in 1922. The claims were 54.83 per cent. of the premiums, as against 55.7 per cent., and the total expenses were 41.45 per cent., as against 42.9 per cent. The company's fire account shows a surplus of £19,613, after reserving 50 per cent. of the premiums for unexpired risks; the reserve of 40 per cent. adopted by most of the fire offices brings out a surplus of £34,528 (1.4 per cent.), as compared with £110,967 (4.9 per cent.) in 1922. The marine premiums for 1923 were £1,511,726, the claims £478,091, and the expenses £65,088, the balance of £968,547 being carried forward. The marine account for 1922 yielded an underwriting profit of £147,301, which was transferred to profit and loss. An interim valuation of the assets and liabilities in the life department was made as at December 31st last, instead of waiting for the usual five-year period to close. At the last two valuations as at December 31, 1920 and 1915, no bonuses were declared owing to the depreciation in securities. The valuation showed a surplus of £376,502, and the directors recommend a reversionary bonus of £2 15s per cent. per annum for each of the three years 1921, 1922, and 1923 on original sums assured. The prospective bonus on policies which become claims in 1924 and 1925 will be at the rate of £2 per cent. per annum. The next valuation will be as at December 31, 1925; the bonuses now to be declared are stated to be at a special rate, which is not to be regarded by policyholders as normal. The dividend for the year on the ordinary shares entitled to participate will be 17s a share, less tax; the cost of the ordinary and preference dividends provided for in the accounts is £260,938, as against net interest receipts, less debenture interest, of £248,155.

State Assurance Company.—The accounts of this Liverpool company for last year show considerable changes, due to the acquisition of the British Equitable Company. In the fire department the premiums were £598,111, against £474,343 for 1922; the claims 51.8 per cent. of the premiums, against 48.6 per cent., and the expenses 44.8 per cent., against 44.5 per cent. After providing for unexpired risks on the usual 40 per cent. basis, there was an underwriting deficiency of £29,584 (5 per cent.), as compared with a surplus for 1922 of £22,492 (4.7 per cent.). The British Equitable fire fund of £79,736 was brought into account, and by this means £35,000 added to the fire reserves and £20,151 carried to profit and loss. British Equitable funds of £15,979 were brought into the accident account, and of £21,179 into the marine account. The life accounts are those of the British Equitable Company; the valuation showed a surplus which allows a reversionary bonus of £1 12s per cent. per annum for five years to be added to participating whole life and endowment policies. Interest receipts applicable to dividends were £32,795; income and corporation taxes took £14,595, and £20,000 was written off the cost of business acquired. The balance of profit and loss was then £59,396. The total dividend, less tax, will cost £30,750, against interest earnings of £32,795.

London and Lancashire Insurance: A Correction.—We regret that owing to a printer's error in our note on this company in last week's issue (p. 872) we gave the total underwriting surpluses as £48,887. This figure should have been £748,887.

Cornish Tin Results.—Our mining correspondent writes: Following close on the heels of our historical survey of the Cornish tin-mining industry come the annual reports of several of the more important companies. Of these, two resumed production last year—the South Crofty in May and the East Pool towards the end of the autumn. Although the revenue of the first-named company had to bear the charges for the whole period, a net profit of

£8,150 resulted. Out of this a dividend of 3d per 5s share was paid, absorbing £5,040; an interim distribution of like amount has lately been disbursed. The tin recovered totalled 406 tons (of oxide), having a value of £47,200, or £115 11s per ton; the arsenic, 390 tons, value £28,500, or £63 2s per ton. Wolfram—of which the company has a large stock severely written down—remained at an unprofitable price, but should recover when the absorption of the war accumulations has been completed. The company has repaid the £30,000 borrowed under Treasury guarantee, and is proceeding slowly to build up its cash reserve—a factor which proved of such great assistance in the difficulties of the past. At the annual meeting the manager made it clear that the future of the mine depends mainly upon the new lodes, which have so far given encouraging results. The East Pool and Agar shaft falling in some years ago, those behind the enterprise—with courage and foresight—arranged for the sinking of a new shaft in fresh ground, an issue of preference shares being made for this purpose. Work is proceeding with part of the old mill, which should be in full commission ere long; but a scheme is afoot for a modification of the treatment plant with a view to securing a higher extraction—for which there is room. At the meeting it was announced that the remaining 90,000 preference shares had been issued, the premium on the whole 100,000 allotted since the end of 1922 averaging about 100 per cent. It is calculated that the company's earnings, on the basis of existing conditions, should represent approximately £60,000 per annum. Of this, the fixed dividend on the preference shares would absorb £10,000, the balance being divisible equally between the two classes of shares. The preference capital stands at £100,000, and the ordinary at £150,000; an interim dividend of 5 per cent. has recently been paid on the former. Developments on the famous Rogers lode in new ground and on a lode named the Moreing have proved of highly favourable character, the former so far averaging 84 lbs black tin and 97 lbs arsenic per ton, while the latter at the deepest level—1,227 feet—averages 99 lbs tin and 17 lbs arsenic. The available reserves represent about a year and a half's supply. There is some three years' ore in the old workings, whose unwavering is to be left until such time as it may be convenient. The property of the Tolgus Mines adjoins that of the East Pool, and has been proved to contain the continuation of one of the lodes from that mine; it is thought several others will also be found—possibly junctioning in depth. At present the company is only in the shaft-sinking stage; owing to the wetness of the ground the Francois cementation process is used. The erection of a central reduction plant for these two companies is projected. With a fresh board and additional resources the Gwinear Tin Mines have resumed operations. New areas acquired include the celebrated Ding Dong mine, near Penzance, upon which large dumps have accumulated. Arrangements have been made for the experimental treatment of these residues by a new process, which will, it is claimed, give an extraction of 85 per cent. Results will be awaited with interest.

Consolidated Mines Selection.—At Tuesday's meeting of this Kaffir finance undertaking the chairman added considerably to the summarised information given in the report for 1923. The latter showed a net profit of £87,050, as compared with £57,900 in 1922. The expansion arose from additional receipts, more particularly under the heading of dividends, and a substantial reduction in the outgoings, which amounted to only £11,000 in place of £26,300. Payment of 17½ per cent., as against 12½ per cent., leaves the slightly reduced balance of £17,800 to go forward. Through the Anglo-American Corporation of South Africa, to which the company in 1922 sold its South African holdings, the C.M.S. Company is largely interested in the Brakpan, Springs, West Springs, and Consolidated Diamond undertakings. The two first-named should further increase their dividends this year, the scale of operations being in process of renewed expansion. Their development position is strong. The West Springs has just started crushing, but can scarcely be expected to distribute any profits in the near future. The position of the Diamond Company was discussed at some length in a "Note" last week. As to the

Anglo-American Corporation, it paid 10 per cent. for 1923, or 2½ per cent. more than in respect of the preceding year. Of the miscellaneous assets held by the C.M.S. Company, the only one referred to in the report is the Itabira Mines, in regard to which, it is stated, negotiations are proceeding. This company, it may be recalled, owns enormous hematite iron ore deposits in Brazil; transport and finance are the difficulties in the way of exploitation. It is calculated three C.M.S. shares are equivalent to two Anglo-Americans; hence, at the relative prices, the former are the cheaper purchase. The return on the basis of last year's dividend is the attractive one of 11 per cent.

Waihi Gold.—Thanks to the treatment of a somewhat increased tonnage for a higher yield, this notable New Zealand enterprise last year secured a larger profit than in 1922. The surplus has been mainly utilised in restoring the £15,000 taken from mine development account and in writing back £11,100 of the £50,000 taken from dividend equalisation account; but after payment of another 1s per share, tax free, making a total of 2s as before, the slightly enhanced balance of £16,100 goes forward. The financial position continues strong, the gilt-edged investments having a value of £319,400, or more than the equivalent of the issued capital. The optimistic views in regard to the future of the mine, founded upon the Government geologist's report issued about 18 months ago, have not been verified by events so far; but the exploratory work has opened up almost sufficient ore to maintain the reserves.

The fourth Liberal Summer School is to be held at Oxford from July 30th to August 6th. Particulars can be obtained from 16 Princess street, Manchester.

Oversea Correspondence.

UNITED STATES.—PREFERENTIAL RAIL RATES—COTTON CONSUMPTION—LIVING COSTS—EMPLOYMENT.

(FROM OUR CORRESPONDENT.)

NEW YORK, April 22.

SECTION 28 of the Merchant Marine Act, which allows preferential rail rates to be given to goods and commodities, excepting grain, imported or exported in American ships, will not become effective until May 20th. The Inter-State Commerce Commission originally set that date for putting the section into operation, after the Shipping Board had certified that sufficient American vessels were in service in various overseas trades, which it specified, to warrant application of the preferential rate provision. As a result of hearings on the matter, the Commerce Commission has postponed enforcement of the section until June 20th. In the decision, from which one member dissented, the Commission pointed out that the statute in question does not confer upon it any power to review the findings of the Shipping Board as to the adequacy of American shipping facilities, or to determine the facts on that point independently or otherwise than as certified to it by the Board. The Commission explained, however, that under Section 28 it was authorised to fix a reasonable effective date, so as to enable the railroads to comply with its provisions and those of the Inter-State Commerce Act in an orderly manner, and "to avoid violations of the law by bringing their tariffs into conformity with Section 28, in so far as that may be done, while observing the mandates of the Inter-State Commerce Act." The Commission expects that this additional period will be utilised by the rail carriers to adjust their schedules so that the rates which will be adopted in compliance with the section will conflict as little as possible with the outstanding provisions of the Commerce Act, and minimise the disturbance and controversy as to the application of the respective statutes. The Commission's order granting this extension was based on representations made by shippers and allied interests, as well as by railroads, that

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the application of Section 28, by creating preferential rates, would result in discriminations against various ports and between certain goods and commodities, and cause a great deal of confusion. Those who attended the hearings asked for an extension of at least six months in which to readjust railroad rates and to prepare their trades and industries for the proposed change. Whether they will be able to accomplish this in the comparatively brief additional period now allowed by the Commission remains to be seen. It is quite possible that developments before June 20th may completely change the situation and outlook. Legislation, for instance, is pending in Congress which, if enacted, would postpone enforcement of Section 28 until June 1, 1925, or would give the Inter-State Commerce Commission authority to use its discretion in applying that provision of the Merchant Marine Act. As previously mentioned, the Commission, under the existing law, must apply the section, or suspend its operation whenever the Shipping Board certifies to the adequacy or inadequacy of American shipping facilities.

As was quite clearly foreshadowed by the steadily increasing curtailment of cotton goods production since the first of the year, there was a further heavy decrease in cotton consumption during March. The census figures show that only 483,928 bales were consumed in that month, as against 507,876 bales in February and 624,264 bales in March of last year. The falling off as compared with the latter month, when the peak of consumption up to the present was recorded, is very striking, the decrease amounting to more than 22 per cent. For the eight months of the current cotton year the total consumption has been 4,078,920 bales, representing a drop of 8½ per cent. from that of the corresponding period of the preceding year. Exports of cotton last month, amounting to 332,146 bales, were 31 per cent. less than in February, but nearly 4½ per cent. larger than in March of 1923, while for the eight months the exports totalled 4,691,770 bales, an increase of 15 per cent. over a year ago. Consumption this year thus far about equals exports for the like period of the preceding year, while this year's exports have exceeded last year's consumption by 250,000 bales. The aggregate of exports and consumption this year is 8,770,690 bales, according to the census figures, showing a gain of 3 per cent. over the previous year. Combined stocks of cotton in manufacturing establishments and in warehouses at the end of March, excluding linters, amounted to 3,481,810 bales, as against 4,063,281 bales at the close of February and 4,413,534 bales on March 31, 1923. At the end of last month the number of spindles active was 32,392,171, the smallest total recorded since July, 1922. No improvement is reported in the cotton goods trade and industry in this country.

Last month the cost of living in the United States showed a decrease, as compared with the figures for February, although the reduction was slight, namely, four-tenths of 1 per cent. The cost of filling the family market basket was somewhat less than in February, while rents continued to soar, and are now 85 per cent. higher than in the pre-war month of July, 1914, an increase of nearly 3 per cent. having taken place since the 1923 holiday period. The net result, however, taking into consideration the latest reductions in clothing, fuel, and light, shows that there has been some lowering of household expenses as a whole. The National Industrial Conference Board's survey, just completed, indicates that food prices have declined 4.6 per cent. since last November, fuel has been reduced 3.1 per cent. in the same period, but rents

have advanced as indicated. The combined net decrease for all items, between November and last month, was 1.3 per cent. Monthly statistics compiled by the same authority from 23 major industries reveal an upward tendency in employment. The latest survey, covering some 850,000 workers in 1,700 manufacturing plants throughout the United States, shows that the downward trend of employment this year has been checked, a slight gain—one-half of 1 per cent.—having occurred between January and February. Thirteen of the 23 industries shared in this gain, while in eight employment decreased, and in one it remained unchanged. Average earnings increased slightly during February, and hours of work declined somewhat. For all workers, average hourly earnings rose from 55.9 cents to 56.2 cents. The net conclusion reached is that while the pay envelopes of the country show a slight bulge, the hours of work are a little less than at the opening of the year.

FRANCE. — THE ELECTIONS — REPARATIONS — WEALTH PER HEAD — PRICES.

(FROM OUR CORRESPONDENT.)

PARIS, April 30.

THE time for sending in nominations of candidates for the French General Elections (on May 11th) expired last night, and it became known this morning that there are no fewer than 2,754 candidates in the field for the 584 seats to be filled, or practically five candidates for each seat. The candidates are divided into 428 lists (which in some of the larger constituencies comprise as many as 12 to 14 names each), so that the electors in the 95 constituencies will have an average of between four and five lists of names to select from. The complexity of the present system of voting may be gathered from the fact that in Paris each voter will have before him in his own constituency a total of 80 candidates from which to choose the dozen or so to whom, and to whom alone, he can give his votes. The stipulation that no party shall put forward a fewer number of candidates than there are seats to be filled was laid down by the Chamber recently in order to prevent the multiplication of individual candidatures, but its result, in practical application, has been largely to increase both the number of aspirants to Parliamentary honours and the perplexities of the elector. There are over a dozen distinct parties in the field, including two mutually antagonistic Communist parties and two similarly disunited Socialist groups. So far as can be seen, however, the conflict is resolving itself into one between the supporters of M. Poincaré on the one hand and the probably much smaller number of adherents of all the other parties on the other. As the Poincaré party is undoubtedly by far the largest single party in the country, little doubt is really felt as to the result of the contest, and very few people now venture to predict (as was common a few months ago) that the elections would reveal a marked trend towards the Left.

One outcome of the contest is likely to be a universal condemnation of the bogus system of proportional representation which is now in vogue. Under the old system of *scrutin d'arrondissement*, the worst of the evils inherent in the majority principle of election were checked by the stipulation that no candidate could secure election (except after a second ballot) unless he obtained an absolute majority of the votes cast. The present system, as the result of the recent modifications, has for all practical purposes abolished the proportional element, except in name, and has given an enormous additional advantage to the list which, although not securing an absolute majority of the votes, yet receives a larger number than are given to any other party. The most curious feature of the new system is that the voter who "plumps" for any given candidate will actually commit the mistake, as the system works out, of making a present of the rest of his votes to his opponents!

For the time being, the reparation problem may be regarded as in a state of latent activity only. Opinion here is distinctly inclined to accept the report of the experts as probably the best solution that can be arrived at, and is content to await the slow working out of the details of its application that is now proceeding. Meanwhile, some exceptionally interesting figures setting forth the manner

in which the various methods that have been suggested for settling the reparation question would affect the average wealth per head of the inhabitants of the various countries interested, have been worked out by Signor Mario Alberti, one of the members of the Experts' Committee. Signor Alberti, who is one of the directors of the Credito Italiano, bases his work on the idea that the estimates of losses incurred through the war which have been submitted to the Reparation Commission by the interested Powers, constitute rather an inventory of the losses submitted—such as would be presented by a claimant to an insurance company—than a statement of the effect the war had upon the effective wealth of the various nations. He considers, in fact, that the effect of the war on average wealth per head cannot be measured in its relation to the increase in the public debt, as the increase in the latter represents less a destruction of wealth than a modification in the distribution of the national income. Further, the degree to which the war has modified the wealth per head of the people must depend to a substantial extent on the amount ultimately received by the various countries in the form of reparation payments from Germany. The total amount originally fixed, for instance, was 132 milliards of gold marks. This, as everybody knows, is unlikely ever to be paid. The French share of this sum would be 68.62 milliards of gold marks. In his Note to the British Government on August 20th last, M. Poincaré fixed at 26 milliards of gold marks the value of the actual loss incurred to the people of France through the war, exclusive of their loss of investments in Russia and other countries. The Belgian reparations have similarly been fixed at a minimum of five milliards gold marks, and those of Italy at 6.3 milliards, while Great Britain has fixed hers at the amount of her debt towards the United States, or 14.2 milliards. Basing on these and other elements of the kind, Signor Alberti has drawn up the following table, showing (in dollars) the wealth per head of the inhabitants of the various nations before the war, and setting forth how the respective amounts would be modified according to whether one or another of the various solutions of the reparation problem is applied, and whether the problem of the inter-Allied debts is included in the settlement:—

	Wealth per Head Prior to the War.	Wealth per Head in Each Country.		
		Less War Losses and Foreign and Inter-Allied Debts.	Less Foreign and Inter-Allied Debts, but Plus Modified Reparation Payments.	Less Foreign and Inter-Allied Debts, but Plus Full Reparations of 132 Milliards Gold Marks.
United States....	\$ 2,000	\$ 3,600 (1)	\$ 3,600	\$ 3,600
Great Britain....	1,550	1,431	1,487	1,573
France.....	1,657	1,211	1,370	1,626
Italy.....	630	487	517	597
Belgium.....	1,240	966 (2)	766	436

(1) The National City Bank of New York estimates that from 1912 to 1920 American wealth increased 100 per cent. (2) Germany's losses are based on estimates of the value of the territory taken from her and other cessations, deliveries, &c.

The figures drawn up by Signor Alberti set forth in a striking manner the wide disparity of interests which exists between the various Allies. They also show that for Great Britain, France and Belgium the most advantageous settlement would be that which would follow the carrying out of the Versailles Treaty. The following table shows the effect that would follow respectively from (1) the maintenance of the inter-Allied debts, or (2) from their annulment (in this case no account being taken of the various internal debts):—

	Pre-War Wealth per Head of Population.	Increase or Decrease of Wealth per Head	
		If all Inter-Allied Debts are Maintained and Full Reparations are Paid.	If all Inter-Allied Debts are Annulled and German Reparation Payments are Reduced to 35.3 Milliards g.m.
United States....	\$ 2,000	\$ 3,701	\$ 3,597
Great Britain....	1,550	1,690	1,528
France.....	1,657	1,726	1,637
Italy.....	630	567	630
Belgium.....	1,240	1,596	1,467
Germany.....		436	836

Signor Alberti is Italian, therefore it is excusable that he should emphasise the fact that Italy's debts to her Allies considerably exceed the amount due to her from Germany. She would obviously prefer the annulment of the inter-

Allied debts, to the execution of the Treaty of Versailles.

The Statistique Générale has now issued the index figures for retail prices for the months of February and March, which show that, as usual, retail commodity prices during those months did not immediately respond to the sharp rise in wholesale prices that occurred during the same period under pressure of the drop in the purchasing power of the franc. The index figure covers the retail prices of thirteen articles of food, and is calculated on the basis of 100, as representing the prices that ruled in July, 1914. The figure for Paris is returned at 384 for February, and 392 for March, as compared with 376 in January. The index figures returned in respect of the expenditure of a working-class family of four persons, as established by the local commissions, shows that the cost of foodstuffs during the first quarter of the present year has been substantially higher in most of the great towns than in the capital. The figure for Marseilles (middle of March) is returned as 476, for Toulouse (March) as 459, for Lille (October, 1923) 446, for Nancy (February last) 381, for Grenoble (January) 426, and Bordeaux (December) 397, as compared with the mean of 378 for Paris during the first three months of the present year. So far as the cost of food is concerned, Lyons (with 371 on March 1st) and Rouen (365 in January) alone come below the Paris figure for this category of necessities. Toulouse also figures as the dearest of the great towns for lighting and heating, the index figure under this heading being returned as 474, against 356 in Paris. The dearest city in France for the working classes, so far as the cost of living in general is concerned (food, heating, lighting, rent, clothing, &c.) is apparently Lille, the great textile centre, the figure for which is returned as 445, as compared with 365 in Paris.

GERMANY.—REICHSTAG ELECTIONS—REPARATIONS — FRANC CRISIS — FINANCES — STOCKS — BUSINESS.

(FROM OUR CORRESPONDENT.)

BERLIN, April 29.

THE Reichstag Elections, which take place on May 4th, have practically become a test whether the Marx Cabinet's already declared favourable attitude towards the Experts Commission's report is to be translated into fact or not. Utterances by the Chancellor and by other members of the Cabinet emphasise this, holding out the inducement of national liberation as compensation for the sacrifices required. While therefore inviting votes for the three parties represented in the Cabinet, the Centre, People's Party, and German Democratic Party, the Government speakers practically recommend the Social Democrats because this party also stands for settlement on the basis of the Dawes report, and because there is practically no chance of the three Cabinet Coalition parties gaining a majority in the Reichstag. The Cabinet has taken the field against (apart from some small unfriendly parties among the 23 groups which claim that rank) the German Nationals, the new German-Populist-Freedom Party (General Ludendorff and his friends), and, at the extreme Left, the Communists. The peril from the two Right parties is considerable; Government speakers even talk of the possibility of their getting an absolute majority, a result which would certainly wreck the chance of a Reparations settlement, and perhaps provoke an open conflict with the Allies. "The destruction of Germany" is the result predicted by the Chancellor. Even without this, the possibility, after the Elections, of an alliance between the Right and the Communists must be admitted.

At best—even if a favourable Reichstag is elected—it is believed that the Dawes Reparations plan will be an object of prolonged negotiations, firstly between the Ally Governments, later or simultaneously between them and Germany. The prospect of a Report which because it was almost unanimously well taken would therefore be speedily realised—at least on paper in the shape of the necessary German legislation—has faded. The attitude here, however, remains favourable, outside of those parties which were from the first certain to have rejected any plan of solution. This applies to the two Right parties. Representatives of Labour on the railways have expressed them-

selves against the proposed system of management, and complained that the design of certain German interests (in particular the Stinnes group) to de-nationalise the railways is now to be realised through the intervention of foreigners. The Minister of Industry declares that the Report underestimates Germany's weakening as compared with before the war, and overestimates the prosperity of industry and agriculture. Absolutely necessary, added Dr Hamm, is the maintenance of Germany's sovereignty in the currency and railway rate questions. The Transfer Committee and the index of prosperity continue to be criticised. Against one item in the latter, the combination of exports and imports, it is argued that an increased volume of trade in a given year might be caused by bad conditions, e.g., a failure of crops, which would certainly increase imports and might compel the forcing of exports in payment. It is certainly true that a mere increase of imports, taken alone, would on the one hand check the Transfer Committee's ability to convert German internal payments into foreign currency, and thereby ultimately in certain conditions, tend to reduce her payments, while in estimating her ability to pay it must be taken as a favourable factor.

The menace of the franc bear commitments of financiers, manufacturers, and mere speculators for the end of April and May obscures all other questions. The losses to be suffered are large and spread all over the country. Reports of trouble among the small banks come in every day, and talk of a general financial crisis of a very severe kind is heard. The franc crisis is partly the cause of a credit crisis and an abnormal collapse of stock quotations; and this has placed in a difficult position certain interests which did not themselves deal in francs. Money is extremely hard to get. Companies and firms owning properties worth millions of marks are stated not to be able to raise sums as small as 50,000 or 100,000 marks; and forced realisations of stocks, which are now at around one-third of their quotations immediately after the November currency stabilisation, would cause very heavy losses, and bring quotations still lower. The position of the big banks as lenders on badly depreciated securities is not pleasant. The bank's plan to intervene on the Bourse had no effect. The *Boersen Zeitung* predicts that if the Bourse position does not improve even big banks will get into difficulties. The franc bear commitments were in the end almost all purely speculative, though, for obvious reasons, among which was the Exchange Regulation law, most of them took the form of deals in commodities. Thus, lead and chemicals were bought against franc payment at the end of April, May or June, in the expectation that the franc's exchange would be 150 or even more to sterling. In nearly all cases these, and other purchases of goods for francs, were mere difference transactions, delivery not being counted on. Also metals were bought for future payment in francs, and simultaneously sold for pounds. That Germans, who knew from their own experience that nearly every heavy exchange fall is followed by at least a partial recovery, should have entered upon these speculations at a time when the franc had already very heavily fallen, only shows that speculators will not learn. It has been judicially decided that operations of the above kind, including sham dealings in wares, for payment in exchange, violate the Exchange Regulations, and therefore may be repudiated by the losing party at the cost possibly of a small fine for the violation; but the financial newspapers declare with reason that such repudiations would probably only make the crisis worse, and shake again the already shaken faith in business stability and honesty.

The Reichsbank director, Dr Schacht, has protested against attempts to discredit the Rentenmark, denying a report that it was shown in the Reichswirtschaftsrat that this currency is depreciated 40 per cent. at home. The real meaning was that the Rentenmark, while in home buying power equal to a gold mark, may perhaps buy 40 per cent. less than a gold mark in peace time, this owing to the general rise in gold prices. This opinion, in light of the German price indexes, is reasonable. Prices are rising very slowly. The Reichsbank has again protested against the unduly high interest (here including commissions) charged by the banks for credit, and has threatened to withhold its own credit from offenders.

These protests have little effect. The Reichsbank's statement for April 15th shows that the measures already taken to restrict credit have had some effect. The total of outstanding discounts and advances rose by only 31.6 trillions (against 88.8 trillions in the preceding week) to 2,031.5 trillions. The main credits given were to agriculture. Outstanding discounts and advances on December 31st last totalled 591.1 trillions. Note circulation declined by 5,396,463 billions. The Reichsbank's borrowings from the Rentenbank for the purpose of giving credit to industry remain unchanged at 800,000,000 Rentenmarks.

The Finance Ministry's returns for the ten days April 11th-20th shows a surplus of 19,280,700 gold marks, revenue being 100,742,700 gold marks, and expenditure 81,461,900 gold marks. This more than wipes out the deficit of the first April ten days' term. Berlin Municipality, which is to be followed by other local governments, has reimposed the tax on profits from sale of houses where the house was bought after December 31, 1919. The motive in fixing the limitary date, as newspapers declare, is that thereby mainly foreigners will pay the tax. Since the currency stabilisation houses have slightly risen in value, though not sufficiently to compensate for the loss of rents and the deficits suffered by buyers in the last five years, and though past losses, suffered entirely owing to Governmental abolition of rents, make it practically impossible for any persons to sell at a real profit, the municipality demands 30 per cent. of the excess of the sale price over the purchase price. It is over a year since the unfair exactions and breaches of law and treaty practised by Germany against foreigners were given prominence in the English Press, and in late 1922 Parliament was promised that measures had been taken. Since then conditions have not improved. The system practised is the same; instead of mulcting "foreigners" as such, the laws and ordinances fix dates which are chosen solely in order to catch foreigners and to exempt Germans. The new federal law protecting tenants refuses protection to persons who settled in Germany after 1914, and in order to make sure that no German shall suffer, special protection is given to Germans who arrived after that date as war refugees. There are numerous other recent abuses of the same kind. The Press declares that no foreigner has a right to make any profits in Germany, because these profits are always due to the past currency instability; a special tax, from which those Germans who profited in the same way are exempted, is at once devised. The fact that many foreigners (the Experts' Report is only the last proof) have been ruined by German currency depreciation is not considered a reason why they should be compensated. It is remarkable that while countries which have entirely free hands do not practise these extortions, Germany, which is supposed to be tied hand and foot by the Versailles Treaty, practises them without even receiving a protest. The newspapers are now agitating against allowing foreigners in business in Germany to borrow on security of mortgages, &c., pointing out that State banking institutions always reject foreigners' appeals for credit, and demanding that foreigners be forbidden by law to borrow. There is no reason why a foreigner doing business in Germany or owning property there should not be allowed credit if he can find a credit-giver.

POLAND.—THE NEW BANK OF ISSUE—NEW CURRENCY SYSTEM—INCREASED REVENUES—TRADE BALANCE.

(FROM OUR CORRESPONDENT.)

WARSAW, April 18.

WHEN, a few months ago, it was announced that Mr Grabski intended to create the new bank of issue without resorting to the aid of foreign capital, the plan was considered by many as fantastic. It was pointed out that during recent years Poland has been suffering from a severe capital famine, which made the development of industrial and commercial undertakings impossible. How, then, could the Government expect to find in the home market a capital of 100 million gold francs, at a moment when the resources of the country were strained to the utmost by new and very heavy taxes? Mr Grabski, himself, did not believe that subscriptions would yield more than

60 per cent. of the capital, and expected that the Government would be obliged to cover the remaining 40 per cent. The results of the subscription surpass the most optimistic estimates. 82 million gold francs have been subscribed by private capitalists; the remaining 18 millions were taken over by the Ministry of Finance, which is ceding a part of it to the Upper Silesian mining industry. The share of the Government will not exceed 10 per cent. This favourable result is due to the fact that the foundation of the Polish Bank (Bank Polski) was treated by the whole population, not as a purely commercial undertaking, but as a national affair, and the number of subscribers exceeds 50,000.

On April 28th the first zloty will be issued by the Polish Bank, and the mark will shortly disappear from circulation. The original plan of introducing a double standard similar to that existing in Prussia has been abandoned. From June 1st the mark will be exchanged against zlotys, and after several weeks the zloty alone will remain in circulation. Until July 1st it will be possible to make all payments in both currencies, one zloty being equal to 1,800,000 marks. In the autumn, metal coins will be put into circulation. The gold zlotys are, as far as their fineness and weight are concerned, equal to gold francs. The other coins are different. The fineness of silver coins has been fixed at 0.750, and not, as in France, at 0.835 and 0.900. The question if it is desirable to introduce silver coins into the Polish monetary system was much debated here. It was pointed out that nickel coins, which have replaced in Belgium the silver francs, are much cheaper, and that the coinage of silver is a useless luxury. Mr Grabski, however, was of the opinion that the coinage of silver is necessary for giving a convincing proof to the large masses of the population that the régime of inflation has ceased. The Polish coins are to be minted partly abroad and partly in Warsaw.

Since February 1st the Government has been balancing its Budget without resorting to the printing press. During the first quarter tax revenue has increased very rapidly, as compared with the same period in 1922 and 1923. This may be seen from the figures below:—

	FIRST QUARTER.—(000's omitted.)		
	1922.	1923.	1924.
Total revenues	120,455	40,065	194,985
Direct taxes	53,435	8,141	102,155
Indirect taxes—			
Customs duties	8,992	7,931	26,385
Stamp duties	8,023	6,971	12,399
Monopolies	19,750	1,919	15,962

The revenues of the State were in 1924 nearly five times greater than in 1923. In comparison with 1922, the increase surpasses 60 per cent. This increase is due, in the first instance, to direct taxes, while indirect taxes, as compared with 1922, reveal a comparatively smaller improvement. The bulk of the increase is due to the capital levy.

The foreign trade statistics for 1923 show that Poland's trade balance gave an excess of exports over imports of 79 million gold francs. This is a very great improvement in comparison with 1922, as may be seen from the figures below (in million of gold francs):—

	Imports.	Exports.	Excess of Imports (—) or Exports (+).
1922	844.5	655.2	— 189.3
1923	1,116.5	1,195.6	+ 79.1

Polish foreign trade was composed in 1923 of the following groups:—

	Imports.		Exports.	
	Million Gold Francs.	% of Total.	Million Gold Francs.	% of Total.
Live animals	1.7	0.15	1.5	0.13
Food	157.4	14.13	107.5	8.29
Raw materials	366.7	32.83	421.6	35.86
Semi-manufactured goods	74.6	6.67	232.2	19.44
Manufactured goods	516.0	46.21	432.7	36.29
Not specified	0.1	0.01	0.1	..
	1,116.5	100.00	1,195.6	100.00

Among imports and exports manufactured goods rank first and raw materials second. The exports of food are smaller than the imports. The most important items in Polish exports are:—Coal (327.1 million gold francs), textiles (150.7), metal goods (119.7), timber, raw and half-manufactured (114.7), oil and oil products (75.1), sugar

(52.3 zinc (45.6), yarn (33.4). Among the imported articles, metal goods (234.8 million gold francs) rank first, cotton (146.7) second, wool (82.7) third. Poland imported in 1923 textile goods for 53.1, hides and skins for 45.7, and yarn for 40.6 gold francs.

DENMARK.—THE ELECTIONS—A SOCIALIST GOVERNMENT—THE TRADE BALANCE—PRICES.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, April 20.

ECONOMIC and financial conditions during the past month have to some extent been affected by the general election. This resulted in serious loss to the Moderate party, to which the Neergaard Government belonged, and the election therefore entails a change of Cabinet. Immediately after the election, Mr Neergaard handed in his resignation, and the King sent for Mr Stauning, the chairman of the Socialist party, who declared himself willing to form the first Socialist Cabinet in Denmark. The composition of the new "Folketing" (the House of Commons) is as follows:—Socialists 55, Radicals 20, Moderates 44, Conservatives 28, Independent 1, and Slesvig party 1. Accordingly, the Radicals and Socialists have a majority of at least one vote. In the former Folketing, Moderates and the Conservatives numbered 79, against 66 Socialists and Radicals. Mr Stauning will make it his first task to endeavour to bring about an improvement of the exchange situation. Later on he will appoint a committee to make an investigation of the entire tax system. At this moment it has not been decided who is to take over the individual portfolios, but this will presumably be settled soon after the holidays.

Generally speaking, the tone of the exchange market has been more favourable lately, and the speculative element has been somewhat suppressed. This may be due partly to the concentration of the entire exchange trade into a few hands as a consequence of the establishment of a foreign exchange administration, the "Valuta Central," which has authorised a number of banks and bankers to deal in foreign exchange. In accordance with the Act, the Minister of Commerce has issued a notice requiring any person, company, or other concern who on March 31st was a holder of foreign exchange—including bonds and credit balances in foreign exchange, whether held direct or through the intermediary of banks or bankers—to give information to the "Valuta Central" as to the amounts or credit balances held at home or abroad. Exemption from the obligation to report is accorded to holdings and credit balances which, on the basis of the rate in force on March 31st last, did not amount to 5,000 kr.

The statistical department has recently published the summary figures of Denmark's foreign trade in February. From this it appears that the deficit of the balance of merchandise trade was appreciably less than that of the previous month, which likewise showed an improvement as compared with 1923. In January the imports aggregated 165,000,000 kr, and the exports of Danish and foreign goods 147,000,000 kr, the deficit being 18,000,000 kr only. In February imports increased to 169,000,000 kr, while at the same time exports increased to 167,000,000 kr, the deficit being only 2,000,000 kr, an amount which is easily covered by means of other items in the financial balance. The quantity statistics show that the exports of bacon amounted to 30,700,000 kilos in January-February, as against 26,600,000 kilos for the corresponding two months period last year. At the same time, the exports of butter increased from 15,500,000 kilos to 20,400,000 kilos. The United Kingdom imported nearly the entire quantity of bacon and 14,500,000 kilos butter, as against 11,800,000 kilos during the corresponding two months last year. In January-February imports of coal totalled 560,128 tons, which was about 45,000 tons more than during the corresponding period of 1923. Nearly all these imports emanated from the United Kingdom.

A summary of the unemployment during 1923 is now available, and this covers, for the twelve months of the year, an average total number of 257,000 workers. It appears that the number of unemployed, which early in 1923 was more than 57,000, was reduced to 19,000 in July, through the usual decrease during the spring and summer months, and that at the end of the year the num-

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ber was about 50,000. The average number of unemployed workmen for the entire year was 32,000-33,000, or 12.7 per cent. In 1922 the percentage was 19.3. At April 15th the number of unemployed was 34,000, or 3,000 less than last year at the same time.

The wholesale price index of the *Finanstidende* shows a rise during the first three months of the year from 210 to 228 points. Of this, however, the rise during January amounts to as much as 13 points, and the subsequent rises have been 4 points during February and 1 point during March.

Letters to the Editor.

DISCRIMINATION IN LENDING.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I thank you for your explanations about foreign investment in this week's *Economist*. I had thought from your article of a fortnight ago that there might perhaps be some philosophy of foreign investment in relation to the national interest behind your conclusions. I gather, however, that you were merely approving of all flights of capital from this country which are in the interest of the individual investor, and that your only reason for discriminating between investments in American securities last autumn and investments in such as Dutch, Japanese, Czechoslovak, Indian, Queensland, Brazilian, &c., securities this spring and summer is that the former were unwise, being made hastily and without the midwifery of issue houses and underwriters, whereas the latter are wise and considered. Myself I differ doubly. I doubt if the general interest and the interest of individuals always coincide in this matter. I also doubt whether, assuming an individual is going to invest abroad, all dollar investments have been inferior in recent months (having regard to relative rates of interest and relative security) to the mixed bag mentioned above.

May not convention have more to do with these matters than it should? May we not be investing abroad in greater quantity than is in the public interest, and at lower rates in proportion to the risk than is in the interest of the individual investor? I did not welcome the movement towards dollar securities last autumn, and I do not welcome all the foreign investments currently offered to us now.—Yours faithfully,

J. M. KEYNES.

King's College, Cambridge, April 29th, 1924.

[We may, perhaps, leave the risk premium on foreign investments to look after itself, but we should very much like to know from Mr Keynes on what standard he would decide how much foreign investment in any year is "in the public interest."—ED. *Economist*.]

Books and Publications.

PAPER MONEY AND THE EXCHANGES.*

THIS is a readable and essentially sound explanation in short compass of the problem of currency and exchange depreciation which has latterly so exercised the mind of France, as also of other countries. The author traces with admirable clearness the causes of the recent exchange depreciation in France, and its effects upon the general level of prices, upon foreign trade, the stock markets, and the public finances. In discussing how to stop the fall of the franc he insists upon the necessity for reducing expenditure with a view to balancing both the ordinary budget and the budget of recoverable expenditure. Curiously

* *La Monnaie de Papier et le Change*. By Georges Lachapelle (Paris) G. Roustan, 1924. 2f 50c.

enough, he does not consider the possibility of making both ends meet by increasing taxation. He would abolish the attempt to control the exchanges artificially, and would enlighten the public in France and abroad as to the true state of public finances. The existing haze which the Government cultivates by the publication of "more or less optimistic and more or less exact but often contradictory figures," merely plays, he thinks, into the hands of the bears. He also has some salutary remarks about the "fatal errors" contained in the financial clauses of the Treaty of Versailles, and in the scale of payments drawn up in May, 1921; and urges the desirability of a definite and complete settlement of the problem of Reparations.

STOLEN BONDS.*

THIS little book is described as a "legal and financial novel." The author, who was formerly an official in the postal service in British India, has interested himself in the question of the protection given by the laws of different countries to the owners of lost or stolen securities, and has in this volume blended the fruit of his researches with his earlier experience in the Post Office. To those desiring the stimulus of a detective yarn, the book can, we fear, hardly be recommended. The weary stockbroker, with his feet upon the mantelpiece, will need stronger meat than the account of an investigation into a missing postal bag, and cannot fail to be exasperated at finding in the middle of the story a lengthy explanation (given to the detective by a banker) of the legal position in various countries. But those who are seriously interested in the problems connected with stolen bonds will find a good deal to think about.

* *Le Grand Vol des Titres.* By S. Goodman. (Paris) Marcel Giard, 1924. 5 fr.

EUROPE AND EMIGRATION.*

THIS book is more than a translation of the articles which appeared last summer in the *Svenska Dagbladet* from the editor's pen. The author's pre-occupation is with the future of the white race as a whole, so that it is natural that he should wish to present his views in their most complete form in English, the language of the two peoples who respectively possess the colonial experience and the financial strength necessary if Dr Key's views are to prevail. Considering, as he does, that reparations are never likely to be paid, that the reparation discussions are a continuing source of trouble, that Russia can only import rather less than she can borrow fresh abroad, and that economic nationalism is disastrous and increasing, the author naturally seeks a solution in emigration. Even in England, which he recognises to be more independent than the Continent, he takes the view (p. 70) that "it is only too likely that this superfluous stock of labour cannot hope for work in the future, even if the economic conditions were to return to a pre-war level." Granted such assumptions as these, and having regard to the different density of the white and other populations on either side of the Pacific, the suggestion for the colonisation of Mexico and South America by white men follows naturally, and if, as M. Clemenceau said, and as Dr Key for different reasons seems to agree, there are 20 million too many Germans in the world, the nationality of the colonists to be sought is clearly indicated, and the white nations interested in the Pacific will have an inducement to support the plan. An interesting introduction to a difficult subject.

BOOKS RECEIVED.

Labour and the New World. By the Right Hon. Philip Snowden. (London) Cassell and Co., Limited. 5s. net.

Indian Politics. By J. T. Gwynn. Introduction by Lord Meston. (London) Nisbet and Co., Limited. 12s 6d net.

The London Money Market. By W. F. Spalding. Third Edition. (London) Sir Isaac Pitman and Sons, Limited. 10s net.

* "European Bankruptcy and Emigration." By Helmer Key, D.Ph. (London) Methuen.

The Money Market. By E. E. Spicer. Fourth Edition. (London) H. F. L. Publishers. 8s 6d net.

The Indian Fiscal Problem. By J. C. Coyajee. (London) P. S. King and Son. 7s 6d net.

Dr John Clifford, C.H. Life, Letters, and Reminiscences. By Sir James Marchant. (London) Cassell and Co. 12s 6d net.

The Inter-Ally Debts: An Analysis of War and Post-War Public Finance, 1914-1923. By Harvey E. Fisk. Published by Bankers' Trust Company.

People's Guide to Free Trade. By G. F. Emery, LL.M. (London) Effingham Wilson. 1s net.

The "Resources of the Empire" Series. Under general editorship of the Federation of British Industries. Containing Foreword by H.R.H. the Prince of Wales, K.G., and General Introduction by the Rt. Hon. Sir Eric Geddes, G.C.B. Published by Ernest Benn, Limited, 8 Bouverie street, London. Seven guineas net, 12 volumes, or 21s net each.

Non-Ferrous Metals. Edited by N. M. Penzer, M.A., F.G.S., F.R.G.S. Introduction by Sir Richard Redmayne, K.C.B.

Meat, Fish, and Dairy Produce. By J. R. Ainsworth-Davis, M.A., M.Sc. Introduction by Sir Gordon Campbell, K.B.E.

Crops and Fruits. By J. R. Ainsworth-Davis, M.A., M.Sc. Introduction by Stanley Machin, J.P.

Ferrous Metals. By M. S. Birkett. Introductory Review. Arthur Dorman.

Chemicals. By A. W. Ashe and H. G. T. Boorman, A.I.C. Introductory Review, Sir Max Muspratt, Bart., and R. G. Perry, C.B.E.

Oils, Fats, Waxes, and Resins. By E. R. Bolton, F.I.C., and R. G. Pelly, F.I.C. Introductory Review by J. H. Batty.

Communications. By W. T. Stephenson. Introductory Review, Sir Frederick W. Lewis, Bart.

Rubber, Tea, and Cocoa, etc. By W. A. Maclaren. Introductory Review, H. E. Millar.

Leather. By E. C. Snow, M.A., D.Sc. Introductory Review, Sir Samuel Barlow.

Fuel. By G. W. Andrew, M.Sc., F.I.C. Introductory Review, Sir Robert A. Hadfield, Bart., D.Sc., F.R.S., M.Inst.C.E.

Textiles, Fibres, and Yarns. By J. S. W. Ward, B.A., F.S.S., F.R.Econ.S. Introductory Review, Lord Barnby and H. W. Lee.

Timber and Timber Products. By S. J. Duly, M.A. Introductory Review, Major-General Lord Lovat, K.C.M.G., K.C.V.O., D.S.O.

The Law of Joint Stock Companies. By J. W. Smith, LL.D. (London) Effingham Wilson. 3s 6d net.

Principi di Politica Commerciale: La Teoria Generale Degli Scambi Internazionali. By Attilio Cabiati. (Genova) Stabilimento Grafico Editoriale, via Francesco Sivori, 3. Lire 40.

Our Centenary: Being the History of the First Hundred Years of the Clerical, Medical, and General Life Assurance Society. By A. D. Besant, General Manager and Actuary. Published by the Society at 15 St James's square, London.

The Directory of Directors for 1924. By Thomas Skinner. (London) Thomas Skinner and Co.

An excellent handbook. We are told in the preface that the number of names in this edition of "The Directory of Directors" is upwards of 27,000. Each year "The Directory of Directors" grows in size. This is the result of the increasing popularity of the Companies Acts.

Procedure at Meetings. By A. Crew. Eighth Edition. (London) Jordan and Sons, Limited. 5s net.

The Nineteenth Century and After. May, 1924. (London) Constable and Co. 3s.

The United States of Europe: How to Make War Impossible. By Sir Max Waechter, D.L., J.P. 2d.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, May 7. ACCOUNT, May 8.

It is unnecessary to say that the Budget made the principal factor which has operated in Stock Exchange markets this week. The House had been looking for increased taxation in the shape of additional death duties, and possibly super-tax. It had not expected abolition of the corporation profits tax. The Chancellor's speech came, therefore, as a pleasant surprise, and markets were quick to respond to the hopefulness engendered by his optimism. Business was not greatly quickened, but a better feeling spread throughout the markets. All investment stocks are thought likely to harden when the Budget has become fully digested.

The War Loan and other British Government stocks are better, and attract a good deal of money. The new Queensland loan is now being dealt in. The price opened at 1 premium went back a trifle on a volume of sales by stags, and started to go ahead again after the Budget speech. A new Kenya loan is expected to come out about the same time as a fresh New Zealand issue. Several new trade facilities stocks are to make their appearance in the near future.

Mexican Government bonds have advanced, on the news that coupons on certain of the issues can be exchanged for cash and scrip. Brazilian bonds, after being down, strengthened towards the end of the week, and Chileans are mostly higher. The later-issued Foreign Government 6 per cent. stocks are being absorbed, and the market in French issues has for its principal feature a rise in the French Government-guaranteed railway bonds.

Underground Railway stocks experienced a drop in the early part of the week, to recover, however, in sympathy with the other Home Railways, which enjoyed reflection of strength from the Consol market. Argentine railways are a decidedly better market, in consequence of the improvement in exchange. San Paulo rose 5 points, as the persistent buyers failed to secure all they wanted, and Leopoldinas advanced with San Paulo. Mexican Rails are a little better, and nitrates hold their strength, nitrate-producing shares also being firm, without attracting a great deal of public attention.

The rubber market is quiescent. Oil shares gained ground, on the cheerfulness imparted by the Budget provisions and the abolition of the corporation tax. Industrials all round are better, with the solitary exception of motor shares, in whose case the proposed withdrawal of the McKenna duties from August 1st had a depressing effect. Reduction of the tea and sugar duties caused a number of rises. Tobacco shares spurted, by reason of the inference that the companies must be doing extremely well, considering the way in which the revenue derived from the tobacco tax has exceeded the last Chancellor's estimates. Banking and insurance shares are good, and the tea-market enjoyed a boomlet on its own account. Mr. Snowden's hopefulness in regard to the outlook for trade caused rises in shipping shares and small improvements in a good many iron and steel descriptions.

The Kaffir Circus continues to be very quiet, but assurances from the Nationalist Party in South Africa to the effect that, if returned to power, they will not take drastic measures against the mining industry, have served to keep prices tolerably steady. Rhodesians are moving within narrow limits. Selling from Canada caused declines in a number of Canadian mining shares, but the falls were partially wiped out on averaging purchases. Russian mining shares are weak, owing to the attitude adopted by the Soviet Government. The price of tin offers no fresh encouragement to speculation in tin-mining shares, the market in which is stagnant. The diamond group keeps fairly firm, and amongst copper shares so little business passes that prices fluctuate scarcely at all. Mining shares have no especial reason to be influenced by the Budget, though Kaffirs draw adventitious aid from the cheeriness imported into other markets by Mr. Snowden's performance.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£ .. 47,233,612	£	£	£
4 % Treasury Bonds by public tender, April 25, 1924	£	£	£	£

(ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.

NET REVENUE INTO THE EXCHEQUER WEEK ENDING APRIL 26, 1924.
April 1, 1924, to April 26, 1924 .. Dr500,000 .. Dr 100,000 .. Dr 100,000

HARRISONS & CROSFIELD, LTD.

EASTERN MERCHANTS.

AGENTS AND SECRETARIES OF TEA AND RUBBER ESTATES. GENERAL EXPORTERS AND IMPORTERS.

1-4, GREAT TOWER STREET, LONDON, E.C.3.

To the Public—					
Mutamba Sugar Factory, £30,000					
7% Profit-sharing Debentures, at par.....	30,000	..	30,000	..	30,000
Total offered to the public..	..	..	30,000	..	30,000
To Shareholders only—					
Cawnpore Electric Supply, 78,507					
7% Prof. £1 Shares, at par	78,507	..	78,507	..	58,880
Total offered to shareholders only	..	..	78,507	..	58,880
Total offered for subscription to date ..					
in—					
1924.....	47,233,612	1925	271,331,173		
1925.....	112,484,455	1926	573,675,650		
1922.....	398,619,140	1921	388,978,203		
1921.....	79,151,145	1920	367,549,656		
1920.....	169,718,526	1919	1,036,059,951		
1919.....	330,728,769	1918	1,393,381,441		

South Essex Waterworks Company.—Incorporated 1861. Authorised stock capital £835,700, of which £566,437 has been issued. The authorised loan capital is £414,396, of which £258,846 remains to be borrowed. This is an offer for sale by tender of £57,237 ordinary stock, the minimum price of issue being par. For the company's last financial year ended December 31st, the net revenue was £62,492. Interest on debenture stock amounted to £8,163, and dividend on preference stock £13,925. This left an available balance of £40,404 for ordinary stockholders. Dividends on ordinary stock, including that now offered, will amount to £24,129, if the maximum rate of dividend—6 per cent.—is to be maintained. Based on last year's figures, this can be accomplished, and a comfortable margin will remain for contingencies. The company supplies water in a district extending to 150 square miles, and one boundary is within eight miles of the City of London. A good utility investment.

Mutamba Sugar Factory, Limited.—Authorised capital £80,000, divided into 800,000 shares of 2s each, of which 500,000 shares have been issued and are fully paid. The 300,000 shares remaining will be issued in part payment of the land and cane plantations now being acquired. This is an offer for subscription of £30,000 7 per cent. profit-sharing debentures at par, being part of an authorised issue of £60,000. Of the balance, £20,000 debentures will be issued in part payment of the land and cane plantations now being acquired, and £10,000 will be held in reserve for future issue. The interesting feature about these debentures is the fact that in addition to carrying interest at the fixed rate of 7 per cent. per annum, they will participate *pari passu* in one quarter of the profits of the company. The company was formed in May, 1922, and owns a sugar factory in Portuguese East Africa. An attractive table is supplied, which shows that if profits are £38,000 in 1926, additional interest on debentures will be 19 per cent. Cautious investors will notice that we have interposed the word "if."

Caroni Sugar Estates (Trinidad), Limited.—Authorised capital £450,000, divided into 400,000 7½ per cent. cumulative preference shares of £1 each, and 1,000,000 ordinary shares of 1s each. This is an issue of 400,000 7½ per cent. preference shares at par, and 400,000 ordinary shares at 2s per share. Ordinary shares alone are not offered, but applicants for preference shares have the right to apply for ordinary shares. The company has been formed to acquire sugar estates in Trinidad, together with factories and plant. The purchase price has been fixed at £413,506. If this is payable in cash, it is not clearly stated. Assets are valued at £457,712. The prospectus points out that "these assets, together with the available working capital, amount to over £480,000, i.e., more than 24s for each preference share now offered for subscription at par. The italicised words are printed in block type in the prospectus. But as the subscribers for preference shares will, we presume, subscribe for the ordinary shares, the greater part of the 4s cover vanishes. Indeed, this appears to be a case where preference share-holders are in actual fact merely ordinary shareholders. But with this important drawback. The preference shareholders of this company have not the right to vote at general meetings of the company except when dividends are in arrears and in a few other cases. Moreover, the position of subscribers may be materially altered if the option given in contract 3 outlined in the prospectus is carried out. The company have granted an option to a concern to subscribe at par for the unissued ordinary shares (we presume 600,000). Thus control vanishes. A little information is afforded us about the Trinidad Estates Company, Limited, from which the new company is acquiring the assets. This latter undertaking has a total capital of £250,000, divided into 7,000 5 per cent. cumulative preferred ordinary shares of £5 each, and 43,000 ordinary shares of £5 each, of which 5,790 and 35,000 respectively are issued. Apparently this undertaking prospered as a result of

the war. Profits are given from 1914. For that year these were £36,491 for 9,046 tons of sugar made. For 1920 8,966 tons of sugar were made, and profits advanced to £297,427. Next year Government control was abolished; 8,256 tons of sugar were made and a loss of £136,627 was sustained. In the following year the output was 9,112 tons of sugar, and profits were £11,231. Frankly as an investment proposition the company does not attract us.

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

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price	Yield	Price	Yield
War 5%, 1925-26	97 1/2	5 1/2	97 1/2	5 1/2
Loans 5%, 1925-26	97 1/2	5 1/2	97 1/2	5 1/2
Victory Bonds 4 1/2%	88	5 1/2	88	5 1/2
Conversion Loan 4 1/2%	77 1/2	5 1/2	77 1/2	5 1/2
Consols 2 1/2%	57 1/2	5 1/2	57 1/2	5 1/2
Irish Land Stock 2 1/2%	60	5 1/2	60	5 1/2
Local Loans 3%	66 1/2	5 1/2	66 1/2	5 1/2

British Railways.

Great Western, Ord.	111 1/2	4 1/2	111 1/2	4 1/2
London & North-Eastern	85 1/2	4 1/2	85 1/2	4 1/2
Do Def. Ord.	31 1/2	4 1/2	31 1/2	4 1/2
London, Mid. and	100 1/2	4 1/2	100 1/2	4 1/2
Scottish, Ord.	100 1/2	4 1/2	100 1/2	4 1/2
Metropolitan	82 1/2	4 1/2	82 1/2	4 1/2
Metropolitan District	54 1/2	4 1/2	54 1/2	4 1/2

Banks.

Barclays B. (Ld.)	23 1/2	4 1/2	23 1/2	4 1/2
Chartered Bk. of India	19 1/2	4 1/2	19 1/2	4 1/2
Lloyds (Ld.)	37 1/2	4 1/2	37 1/2	4 1/2
Midland (Ld.)	81 1/2	4 1/2	81 1/2	4 1/2
Nat. Bank of Egypt	23 1/2	4 1/2	23 1/2	4 1/2

American Railroads.

Chesapeake & Ohio	84	4 1/2	84	4 1/2
Erie	28	4 1/2	28	4 1/2
Do 4% 1st Pref.	37	4 1/2	37	4 1/2

Foreign Government Securities.

Argentine 5%, 1886-7	100	5 1/2	100	5 1/2
Austrian 5% Guar.	94 1/2	5 1/2	94 1/2	5 1/2
Belgian 3%	70 1/2	5 1/2	70 1/2	5 1/2
Brazil 5% Fund.	194 1/2	5 1/2	194 1/2	5 1/2
Chilian 4%, 1896	84 1/2	5 1/2	84 1/2	5 1/2
Do 7 1/2%	107 1/2	5 1/2	107 1/2	5 1/2
Chinese 5%, 1912	66 1/2	5 1/2	66 1/2	5 1/2
Egyptian 4%	75 1/2	5 1/2	75 1/2	5 1/2
French 5%	264 1/2	5 1/2	264 1/2	5 1/2
Do 4%	214 1/2	5 1/2	214 1/2	5 1/2
Greek 5%, 1884	54 1/2	5 1/2	54 1/2	5 1/2

Colonial and Foreign Railways.

Antioquia Cons.	87 1/2	4 1/2	87 1/2	4 1/2
B.A. and Pacific	77 1/2	4 1/2	77 1/2	4 1/2
B.A. & Gt. Southern	86 1/2	4 1/2	86 1/2	4 1/2
Buenos Ayres West.	74 1/2	4 1/2	74 1/2	4 1/2
Canadian Pacific	169 1/2	4 1/2	169 1/2	4 1/2
Central Argentine	72 1/2	4 1/2	72 1/2	4 1/2

Telegraphs.

Anglo-American "A"	23 1/2	4 1/2	23 1/2	4 1/2
Marconi Wireless	14 1/2	4 1/2	14 1/2	4 1/2

Miscellaneous.

Aerated Bread (Ld.)	14 1/2	4 1/2	14 1/2	4 1/2
Amal. Costons (Ld.)	34 1/2	4 1/2	34 1/2	4 1/2
Anglo-Persian Oil (Ld.)	34 1/2	4 1/2	34 1/2	4 1/2
Armstrong (Sir W.G.)	88 1/2	4 1/2	88 1/2	4 1/2
Do Co. (Ld.)	88 1/2	4 1/2	88 1/2	4 1/2
Ass. Plant. Comm. (Ld.)	88 1/2	4 1/2	88 1/2	4 1/2
Barker, John (Ld.)	24 1/2	4 1/2	24 1/2	4 1/2
B'ham Small Arms (Ld.)	88 1/2	4 1/2	88 1/2	4 1/2
Brazil Traction (Ld.)	56 1/2	4 1/2	56 1/2	4 1/2
British-American Tobacco (Ld.)	56 1/2	4 1/2	56 1/2	4 1/2
Burnham Oil (Ld.)	56 1/2	4 1/2	56 1/2	4 1/2
Costs (J. & P.) (Ld.)	24 1/2	4 1/2	24 1/2	4 1/2
Courtauld (Ld.)	24 1/2	4 1/2	24 1/2	4 1/2
Cusack (Ld.)	88 1/2	4 1/2	88 1/2	4 1/2
Debenham, Long (Ld.)	18 1/2	4 1/2	18 1/2	4 1/2
Dunlop Rubber (Ld.)	38 1/2	4 1/2	38 1/2	4 1/2
Fine Cotton Spinners (Ld.)	24 1/2	4 1/2	24 1/2	4 1/2
Forestal Land (Ld.)	14 1/2	4 1/2	14 1/2	4 1/2
Furness, Withy (Ld.)	14 1/2	4 1/2	14 1/2	4 1/2
Highlands and Lowlands Rubber (Ld.)	14 1/2	4 1/2	14 1/2	4 1/2

Mines.

Barkham (Ld.)	34 1/2	4 1/2	34 1/2	4 1/2
Broken Hill Prop. (Ld.)	14 1/2	4 1/2	14 1/2	4 1/2
Chatterton (Ld.)	14 1/2	4 1/2	14 1/2	4 1/2
Cong. Gold Fields (Ld.)	14 1/2	4 1/2	14 1/2	4 1/2
Crown Mines (Ld.)	14 1/2	4 1/2	14 1/2	4 1/2
De Beers Def. (Ld.)	14 1/2	4 1/2	14 1/2	4 1/2
East Rand Prop. (Ld.)	14 1/2	4 1/2	14 1/2	4 1/2
Goldfield (Ld.)	14 1/2	4 1/2	14 1/2	4 1/2
Gov. Gold Mines (Ld.)	14 1/2	4 1/2	14 1/2	4 1/2

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Year.
Railways.					
Bolivar, Pref.	..	..	..	Less tax	5 2
Do Pref.	..	..	..	Less tax	5 2
Banks.					
Bank of Montreal	3 %	June 2	Quarterly	..	..
Royal of Australia	10 %	..	..	..	..
Insurance.					
Commercial Union (£2 10s)	6 1/2 p.s.	..	..	Tax free	13 p.s. (d)
Excess	21 1/2 %	..	..	Tax free	22 1/2 p.s.
Liverpool and London Globe	9 1/2 p.s.	May 22	..	Less tax	18 1/2 p.s.
London and Provincial	..	..	..	Less tax	4 p.s. 10
North British and Mercantile	..	May 15 (Nov. 1)	..	Less tax	14 p.s. 13 p.s.
State	27 1/2 %	..	..	Less tax	40 40
Tea and Rubber.					
Alor Pongu Rubber	..	..	..	Less tax	5 8
Badak Rubber	..	..	..	Less tax 4 7/8 in £	15 7 1/2
Baligan Tea	..	..	..	..	40 40
Bandarapola (Ceylon)	..	..	..	Less tax	30 25
Ceylon Tea Plantations	25 1/2 %	..	..	..	40 30
Ceylon Timber and Rubber	8 1/2 %	..	..	..	12 10
Cheras Rubber	..	..	..	Less tax	10 12 1/2
Delienne (Ceylon) Tea	..	..	..	..	12 12
East India and Ceylon Tea	20 1/2 %	June 4	..	Less tax	30 15
Hawagani Rubber	..	..	..	Less tax	15 6
Kall (Java) Rubber	..	..	..	Less tax	5 5
Kimanis Rubber	..	..	..	Less tax	2 1/2
Klabang Rubber	..	..	..	Less tax	7 1/2
Leventy Tea	..	..	..	Less tax	12 (e) 6
Nicolaos Tea	..	..	..	Less tax	12 15
Lower Perak Rubber	..	..	..	Less tax	10 10
Mapalaguna Rubber	..	..	..	Tax free	10 6
Nagalla (Ceylon)	6 1/2 %	..	..	..	10 5
Panawatee Tea and Rubber	..	..	..	Less tax	27 1/2
Pundaloys Tea	17 1/2 %	..	..	Less tax	15 6
Rubber Estates of Bentota	..	..	..	Less tax 4 7/8 in £	50 30
Sapong Rubber	..	..	..	Less tax	7 1/2
Standard Tea of Ceylon	15 1/2 % (& bonus 1 1/2 %)	..	..	Tax free	12 1/2
Sungei Batu Rubber	..	..	..	Less tax	6 1/2
Sungei Pusu Rubber	7 1/2 %	..	..	Less tax	12 1/2
Sunrid Mile (F.M.S.)	..	..	..	Less tax	12 1/2
Winder Rubber	..	..	..	Less tax	5 10
Yatiantota Tea	..	..	..	..	15 10
Mining.					
Anglo-Continental	6 p.s. (bonus 1 p.s.)	..	..	Less tax	12 1/2
Gold Coast Amalgamated	1 p.s. (bonus 1 p.s.)	..	..	Less tax	12 1/2
Gold Fields Rhodesian	..	..	..	Less tax	12 1/2
Hyderabad (Deccan)	1 1/2 p.s.	..	..	Less tax	3 p.s. 3 p.s.
Kaduna Prospects	10 1/2 %	..	..	Less tax	30 11
Kaduna Syndicate	..	..	..	Less tax	45 11
Miami Copper	30 1/2 p.s.	May 15	..	Quarterly	12 1/2
Nundurood	9 p.s.	..	..	Less tax	12 1/2
Ouro Preto (Brazil), Ord.	7 1/2 %	May 28	..	Less tax	12 1/2
Do Pref.	7 1/2 %	May 28	..	Less tax	22 1/2
Premier Transvaal Diamond	150 %	..	..	Less British tax	..
Rezenide	..	..	..	..	40 40
Wahli Gold	1 p.s. May 15	..	..	Tax free	..
Other Companies.					
Abdulla and Co.	2 1/2 %	..	..	..	..
Aerated Bread	9 p.s. June 2	..	..	Less tax	..
Amalgamated Trade Publications	7 1/2 %	..	..	Tax free	15 16
Andrew Knowles	6 1/2 %	..	..	..	8 9
Anglo-American Debenture	6 1/2 %	..	..	Less tax	10 9
Anglo-American Oil	9 1/2 p.s.	..	..	Tax free	17 1/2
Anglo-Chilian Nitrate	2 p.s. May 22	..	..	Tax free	15 15
A. W. Gamage	..	..	..	..	(a) 5 (b) 5
Barlows, Limited	..	..	..	Less tax	8 8
Bombay Gas	4 1/2 %	..	..	Less tax	..
Bradleys (Chester)	7 1/2 %	..	..	..	..
Buenos Aires Tramways	8 1/2 %	May 16	..	Less tax	..
Consolidated Trust, Def.	15 1/2 %	..	..	..	30 16
D. Jones Dickinson	3 1/2 %	..	..	..	..
Ever Ready Company	6 1/2 % June 2	..	..	Less tax 4 1/2 in £	10 10
Grand Hotel, Eastbourne	5 1/2 %	May 15	..	Less tax	..
Harford Ore	5 1/2 %	May 28	..	Tax free	..
Horden Collieries	5 1/2 %	May 28	..	Tax free	..
Ind. Coops.	7 1/2 %	May 28	..	Less tax	..
Joshua Hoyle and Sons	5 1/2 %	May 31	..	Less tax	..
Kaministiquia Power	8 1/2 p.s.	May 15	..	Quarterly	..
Lancashire Waggon	10 %	..	..	Tax free	..
Liverpool Storage	..	..	..	..	10 10
London and Provincial Trust	..	..	..	..	6 6
Mathew Brown and Co.	1 p.s.	..	..	..	..
Melbourne City Properties	1 1/2 p.s.	..	..	Less tax 2 1/2 in £	12 10
Metallic Seamsless Tube	5 %	..	..	..	..
Metro Industrial Dwellings	..	..	..	..	..
Montreal Light, Heat, Cons.	8 1/2 p.s. May 15	..	..	Quarterly	7 1/2
Northern General Transport	..	..	..	..	5 5
Oxford Canal Navigation	7 1/2 %	May 31	..	Less tax	..
Pan de Azucar Nitrate	..	..	..	Less tax	..
P. & O. Steam Navigation, Def.	5 1/2 %	May 16	..	Less tax	..
Pease and Partners	5 1/2 %	May 20	..	Tax free	..
R. and J. Dick, Pref.	5 1/2 %	May 28	..	Tax free	..
Robert Stevenson	10 %	May 21	..	Less tax 1 1/2 in £	4 5
S. and W. Bedford	4 1/2 %	June 1	..	Subject to tax	..
Schwebes, Ord.	..	..	..	..	9 9
Do Def.	..	..	..	..	7 7
Scottish-American Trust, Def.	4 %	June 2	..	Less tax	..
Tasmanian (Ld.)	..	..	..	Less tax	12 1/2
Val de Travers Asphalt	..	..	..	Less tax	7 1/2
W. B. Dick and Co.	..	..	..	Tax free	7 1/2
William Dixon	..	..	..	Less tax	8 5
Wilson's Breweries	6 1/2 % (& bonus 2 1/2 %)	May 1	..	Tax free	12 1/2
Wm. Longmore	10 %	May 1	..	Tax free	..

(d) £5 shares.

(a) 11 months.

(b) 13 months.

MEXICAN EAGLE OIL.—Dividend of 7s for each 10 shares (less tax) on the first preference share capital, payable in London on April 30th.

BANCO NACIONAL ULTRAMARINO.—The payment of the third and final dividend for the year ending Dec. 31, 1923, of 16 per cent., i.e. escudos 14940 per share of 30 per cent. for the year, free of Portuguese taxes. Coupon No. 87 of bearer shares will be paid at the London office of the Banco Nacional Ultramarino 9 Bishopsgate, E.C. 2, at the current rate of exchange of the day, less income-tax at the rate of 4s in the £.

P.L.M. RAILWAY COMPANY.

(Compagnie des Chemins de Fer de Paris à Lyon et à La Méditerranée.)

Extract from the Report of the Board of Directors presented at the Ordinary General Meeting held on April 11, 1924.

GENTLEMEN,
You are met in ordinary general meeting, in conformity with the Statutes, to hear the results of our operations during the year 1923 and to fix the dividend.

During the period under review, traffic has progressively increased.

Passenger receipts show an expansion of 11 per cent., as against 4.4 per cent. the previous year, while the average annual increase in the 10 years immediately preceding the war was only 3 per cent. Goods traffic, measured in metric tons, has increased by 19 per cent., as against 7 per cent. in 1922. In the 10 years immediately preceding the war the average annual increase was from 3 to 3.5 per cent., and the greatest expansion, recorded in 1912, did not exceed 7 per cent.

Goods receipts, however, do not show a proportionate growth; last year's expansion is only 7.7 per cent., of which 7.4 per cent. occurred in the case of slow-train traffic. This result is a consequence of the reductions in traffic effected in the course of the two years 1922 and 1923.

So great an expansion in traffic has naturally brought with it, in the conduct of the service, difficulties which were otherwise increased by our co-operation in the occupation of Rhineland. At the request of the Government more than 3,000 members of the P.L.M. staff of all grades have, in effect, left in order to secure the working of the lines in the Trèves region. The honour belongs to the large French railroads of having made possible the re-organisation and maintenance of transport in the occupied territories.

Side by side with the expansion in traffic the 1923 accounts show a heavy addition to expenses. Prices of fuels and raw materials, which had fallen heavily in 1921 and 1922, by comparison with the peak point of the spring of 1920, rose again in the course of last year. This increase is reflected by our working expenses, and, owing to the movements in our markets, the effect of the rise will weigh still more heavily on the 1924 accounts. Thus, the increase shown by our receipts is still insufficient to cover our expenses, and the deficit, which was 253 millions in 1922, amounts to nearly 195 millions for 1923.

And yet the new régime for the railways had been planned in order to assure the financial stability of the lines grouped together to this purpose

COMPANY MEETINGS, &c.

ROYAL EXCHANGE ASSURANCE.

SUCCESSFUL RESULTS OF THE YEAR.
DIVIDEND INCREASED TO 25 PER CENT.
PROGRESS OF VARIOUS DEPARTMENTS.

The annual general court of the Royal Exchange Assurance was held, on the 30th ultimo, at the head office of the corporation in the Royal Exchange, London.

Mr Vivian Hugh Smith (the governor) presided.

The secretary (Mr Percy F. H. Hodge) having read the notice convening the meeting and the report of the auditors,

The Governor said:—

Gentlemen.—The report and accounts have been circulated and you now have copies in front of you, so I assume that you will take them as read.

LOSSES ON THE DIRECTORATE.

I deeply regret to have to announce that the corporation has sustained by death two heavy losses. Mr Charles Seymour Grenfell, who had been our sub-governor since 1904, died early this year, and Mr George Forbes Malcolmson, our deputy-governor, in the middle of last year.

Mr Grenfell had been a director since 1871 and he succeeded his father, who in his turn followed Mr Seymour Grenfell's grandfather, as a director of this corporation, so that there has been a direct connection between his family and this office since 1789, that is for 135 years.

Mr Malcolmson, who was elected the deputy-governor in 1907, was appointed a director in 1864, thus occupying a seat on the court for 59 years, the longest period of any director in the history of the corporation.

Both these gentlemen gave unstintingly of their best to the service of the corporation; their interest in its affairs was whole-hearted and unflinching, and their loss is deeply regretted by their colleagues on the board of directors and also by the officials and staff.

You will be interested to hear that the connection of Mr Malcolmson's family with the corporation has been continued by the election of his son, Mr Norman Malcolmson, to the court.

To succeed these gentlemen in the governorships, Sir Charles Eric Hambro, K.B.E., and Mr Charles L. Dalziel were elected sub-governor and deputy-governor respectively.

PREMIUM INCOME AND ASSETS OF COMBINED COMPANIES.

I will now comment briefly on the results of the various departments, but before doing so I should like to draw your attention to the statement of the premium income and assets of the Royal Exchange Assurance and its affiliated companies, which is this year published for the first time.

It will be seen from this statement, which is appended to the report, that the total premium incomes of both the fire and accident departments exceeded £1,500,000, while the total assets of the combined companies closely approached 12½ million pounds. The accounts now being submitted to you are those of the Royal Exchange alone. You will probably remember that, as I have informed you on previous occasions, the dividends declared in respect of the shares in our associated companies are included in the accounts in the revenue from interest.

LIFE DEPARTMENT.

Despite the condition of industry during the past year it is gratifying to see that in the life department the new sums assured at £1,877,000 considerably exceeded the new business in the previous year, while the total premium income at nearly £595,000 showed an increase of some £30,000 over that of 1922.

The rate of interest earned on the life fund was at the very satisfactory figure of £5 19s 4d per cent. gross, while the mortality profit during the past year was greater than we had anticipated. There is thus a very considerable reduction in the amount of the total claims paid and outstanding, which amounted to £296,000. The experience of the life department so far is such that we may look forward to a satisfactory position at the end of the present quinquennium, which closes on December 31, 1925.

Those stockholders who are thinking of increasing their existing life insurance may like to know that we have recently revised our non-profit rates, and that they now compare most favourably with those of other first-class offices and are well worthy of their consideration.

The life fund increases steadily, and at nearly £5,260,000 it shows an increase of over £400,000 on the figures of the preceding year.

In the annuity department also an increase in the new business is shown, and the fund now stands at £778,000, being more than £30,000 higher than in 1922; while the capital redemption fund shows an addition of over £20,000.

In the trustee and executor department there is a considerable expansion in the fees received. You will notice that £8,756 has been transferred to profit and loss, which is more than £6,000 over the balance transferred in 1922. It is evident from the growth of the department that it is supplying a public want, and that the manner in which it is being conducted meets with approval.

FIRE DEPARTMENT.

Gentlemen, I think we may congratulate ourselves on the results of our fire department, in which our largest business is done. Although the net premium income showed a reduction of £66,000, we have been able to transfer, including interest, the sum of £137,000 to profit and loss account. This is nearly 10 per cent. of the premium income. You will remember that last year we carried slightly over £200,000 to the profit and loss account, but, as I pointed out in my remarks at our last general meeting, this included £70,000 received from the Enemy Debt Clearing House, which, of course, is not a recurring item. Making an allowance for this figure, the profit is practically the same as in 1922, although it is made on a reduced premium income. I should like, if you will allow me, to congratulate the management of our fire department on this satisfactory result.

In connection with the marine department, the revenue figures are still being affected by the winding-up of previous years, when the premium income was more than double that now being written. The liabilities on past years have been estimated as carefully and as closely as possible, but the directors have decided to transfer back to the account the sum of £60,000 to provide for any unexpected shortage, should one occur.

MARINE BUSINESS.

The marine fund is now nearly 150 per cent. of the premium income, the position thus being, I think you will consider, very satisfactory.

The outlook for marine insurance business in the near future, however, is unsatisfactory, extensive competition having forced the rates down to a basis on which I am afraid it will be difficult to make profits. The corporation is fortunate in having in its underwriter one whose experience will prove invaluable in these difficult times, and the proprietors may rest assured that the business will continue to be written on sound and conservative lines.

Our management of the marine business of the Prudential Assurance Company still continues on the most cordial terms.

ACCIDENT DEPARTMENT.

Now, gentlemen, I should like to draw your attention particularly to the results of our accident department, as we are this year celebrating the 25th anniversary of its foundation. To have built up a premium income of nearly three-quarters of a million after such a short life, and to be able to carry a sum equal to 10 per cent. of the premium income to profit and loss account as we do this year, is, I think you will agree with me, a distinct achievement.

When I add that more than £700,000 has been transferred to profit and loss account during this period of 25 years, I am sure you will agree that this reflects the greatest credit on the management.

As I have pointed out, these figures are only those of the Royal Exchange, and do not include the results of the Car and General or the Local Government Guarantee Society, the former of which also has a somewhat similar premium income to that of our own accident department. Both these companies have shown satisfactory results during the past year.

PROFIT AND LOSS ACCOUNT.

Now that I have referred to the departments individually, I will turn to the profit and loss account, which shows how the various transfers which I have mentioned have been dealt with.

In addition to the transfers, amounting to £238,500, from the departmental accounts, we have net interest of £81,000, as against £73,000 last year, so that there is a total of £319,500 to be dealt

With. You will see that the dividend paid to the proprietors was £98,000 last year, while general expenses and income-tax amounted to a further £120,000. As I have already told you, the marine fund has been strengthened by a transfer of £60,000 from profit and loss, which leaves the balance of the profit and loss account at nearly £1,057,000, being an increase of over £40,000 on the balance at the end of the previous year.

If we turn to the balance-sheet you will see that the total assets of the corporation have increased £400,000 during the year. The balance-sheet takes its usual form, with the exception that the staff pension fund has been separated from our other miscellaneous reserve funds in order to take advantage of the provisions of the Finance Act of 1921, under which a considerable relief of income-tax should be obtained for the corporation.

DIVIDEND INCREASED.

I should like now to allude to the dividend which we recommend should be paid in respect of last year. In 1922 we paid 18 per cent. This year our interim dividend was increased by 1 per cent. to 8 per cent., and we now recommend to the court that a final dividend of 17 per cent. be paid, making 25 per cent. for the year. This is a substantial increase of 7 per cent. for the year, and it calls, I think, for some special comment on my part. Your directors decided to make this recommendation not because the trading results for 1923 have been exceptionally good, but because they consider that the reserves, which have been greatly strengthened during the last few years, now justify a more generous distribution to the proprietors. I should like particularly to point out to you that the amount necessary to pay this increased dividend is within the amount we bring into account for interest, and does not encroach on the trading profits of the Royal Exchange or its allied companies.

Gentlemen, I think you will agree that in these difficult times the accounts we have been considering are both satisfactory and encouraging, and I gladly testify that such good figures would have been impossible without the hearty co-operation of the various officials at the head office, the branch managers throughout the world, the staff generally, and our large army of agents both at home and abroad. I should like, therefore, in your name to thank all those who by their loyalty and zeal have helped to bring about such an excellent result.

CHANGE IN DIRECTORS' QUALIFICATION HOLDING.

In addition to the triennial election of directors, which under our regulations takes place this year, you will be asked at this meeting to pass a resolution authorising a reduction in the amount of stock required to be held by a director. When our first charter was granted in 1720 it was laid down that no person who did not hold at least £1,000 of stock should be elected a director, and this has remained unaltered until to-day. In our early days this was an entirely reasonable amount, but at its present price the qualification now represents an investment of nearly £5,500. I am sure you will agree that such a sum is out of proportion to the usual qualification required, and in certain cases it might well prevent the election to the court of a person who was eminently fitted to occupy the position, but who was disinclined to incur so considerable an outlay. It is, therefore, suggested that the holding of stock should be reduced to £500, and a resolution to this effect will be submitted later.

Before putting to the meeting the formal resolution that the printed report and accounts in your hands be adopted I will ask any proprietor who wishes to do so to put any questions, which I shall be happy to answer to the best of my ability.

No proprietor rising to address the meeting,

The Governor said: I beg to submit: "That the printed report and accounts for the year 1923 be adopted," and I will ask Sir Charles Eric Hambro to second that.

Sir Charles Eric Hambro, K.B.E. (the sub-governor), seconded the resolution, which was unanimously carried; and the proposed further dividend of 17 per cent., less income-tax, making 25 per cent., less income-tax, on the capital stock for the year 1923 was also agreed to.

On the motion of the Governor, seconded by Mr Charles L. Dalziel (deputy-governor), a resolution was adopted that the words "£1,000 stock" in regulation No. 9 be cancelled, and the words "£500 stock" be substituted therefor.

The Governor then formally announced the retirement from office of the court of directors, and a resolution was passed re-electing them for the coming three years.

Mr F. E. Marshall, in moving the election of Sir Nicholas E. Waterhouse as auditor for 1924, said that although he was not the oldest member of the corporation he had the pleasure and pride of holding some of the original stock, which had been handed down to him.

Dr T. Duncan Smyth seconded the motion, which was carried.

The court then adjourned.

THE UNION BANK OF SCOTLAND, LIMITED.
SATISFACTORY RESULTS OF YEAR'S BUSINESS.

The annual meeting of shareholders was held, on the 30th ultimo, in Glasgow, his Grace the Duke of Atholl, K.T., chairman of the bank, presiding.

The Chairman, in submitting the directors' report, said: The period covered by our accounts has again been one of a depressing nature, but on balance we can say that trade conditions show some slight improvement. The unemployment figures, which one regrets to see so high, are lower than they were a year ago, but, unfortunately, there is not yet that confidence which is a necessity for any real trade revival. During the past few months we have had a number of industrial disputes, and a continuance of these is bound to prove disastrous, not only to the trade of the country, but to the workers themselves. A number of our important industries, such as shipbuilding and the iron and steel trade, have had an unprofitable year, and if there is any further material increase in production costs we may actually lose definitely, and beyond hope of recovery, a substantial portion of our trade.

I do not think that it is realised by the public generally the extent to which employers, in order to keep their staffs together and provide employment, have been taking work at prices that yield them less than no return on their capital. If there is to be no outlook for these employers they will, however public spirited, be forced to face the question of whether it would not be better to scrap their works and go out of active business. That would be disastrous, but it is a problem which undoubtedly faces a number of employers to-day. As a bank, we have no politics, but I do feel that the facts I have referred to should be considered very seriously by politicians of all parties and by trade union leaders. If this country proceeds recklessly on the path leading to higher costs, with resultant loss of foreign trade, it will be faced with the fact that it cannot indefinitely satisfy the needs of the relatively large population contained in these islands.

Turning to the nation's finances it is satisfactory to note that during the past year there has been a further substantial reduction in the floating debt, and, although the path is a difficult one and progress may be slow, we seem to be going on sound lines in gradually reducing the heavy burden of national indebtedness. The money market is still in an artificial condition, and special operations make it difficult to take a reasoned view.

NATIONALISATION OF BANKING.

From time to time I observe that suggestions are made that banking should be nationalised, and that it is essential this should be carried out as the first step towards larger measures. I must say I cannot conceive of any sphere of business activity where nationalisation could be worse for the country as a whole than in banking. I should be the last person to criticise the Civil Servant, for whom I have the highest respect and admiration, but the taking of responsibility for rapid decisions which is so essential in banking at every branch bank in the country, in varying degrees it is true, is scarcely in keeping with the traditions or training of Government officials. Then as regards policy, is the money deposited with the banks to be used by Governments for any schemes which they may choose, or is the test to be, as is so largely the case at present, the capacity, character, and personality of the individual borrower? If the nationalisation of all banking is to come, it must surely come as the last stage after all other forms of individual effort have been nationalised. Individual effort is the mainspring of our foreign trade, and, if we are to exist without foreign trade, we must as a deliberate policy agree to have in these islands only a tithe of our present population—in other words, we can only keep alive such numbers as we can feed and clothe without importing.

YEAR'S RESULTS.

If you will now turn to our balance-sheet, you will observe that we have had satisfactory results, propose to pay the same dividend, and have once more increased our reserve fund, bringing it up to one and a-quarter millions as against the paid-up capital of one million pounds. We have increased the allocations to property accounts, and we suggest that the sum of £25,000 should again be set aside in respect of the bank's liability for pensions. We have very materially increased the amount to be carried forward, as we feel that in these uncertain times this is a desirable step to take.

Mr Peter Rintoul, C.A., in moving the adoption of the report and accounts, dealt at length with the balance-sheet figures.

The resolution was carried, and the formal business having been transacted, at an extraordinary general meeting held subsequently it was resolved to alter the number and denomination of the bank's shares from 100,000 shares of £50 each (£10 per share paid up) to 1,000,000 shares of £5 each (£1 per share paid up), and this will come up for confirmation at the meeting called for the purpose on May 21st.

THE LONDON ASSURANCE.

DIVIDEND INCREASED—FUNDS EXCEED TEN MILLIONS.

The annual general court of the London Assurance was held, on the 30th ultimo, at the offices of the corporation, 1 King William street, London.

Mr Colin Frederick Campbell (the governor), in the course of his speech, said:—The life department of our business has again had a satisfactory year, and the fund has been increased by £278,000, and now stands at £3,659,000. The increase in the fund during the past three years has amounted to over £700,000. The new life business shows a considerable advance on the figures of 1922, and the mortality has also been favourable. The market value of the securities in this fund has been maintained, and the rate of interest earned was £5 9s 10d per cent., against £5 13s 9d per cent.

We have now had three favourable years in this quinquennium, and we hope that the next two will not in any way spoil the present satisfactory outlook.

FIRE ACCOUNT.

Turning next to the fire account, I am able to report a distinct improvement. The net premium income, which last year fell a little below one million and a half, now exceeds £1,500,000, and the profit on the account is considerably higher than was experienced a year ago. We have been able to add £100,000 to the fire fund, which now stands at £1,400,000, included in which is an additional reserve of £759,000, after setting aside 40 per cent. of the premium income for unexpired risks. £89,700 has been transferred from this account to profit and loss account. All branches of the business contributed to the increase of premium and profit, although the improvement abroad was more marked than was the case at home.

Outside competition for home business continues to be very keen, but the companies are taking what steps they deem to be necessary to protect their interests.

As regards our business in the United States, we are indebted to the energy of our managers there for the gratifying results which have been obtained.

In the foreign field depreciated exchanges have seriously reduced the volume of our foreign agency profit, and it is, I think, a matter for congratulation that the results have been so satisfactory. We are satisfied that our business abroad is steadily developing, and Mr Durham, one of our joint fire managers, again visited several of the foreign fields last year.

MANHATTAN FIRE AND MARINE INSURANCE COMPANY.

Before passing from this department of our business I have to inform you of an important step that we took at the end of last year in the establishment of an American company under the name of the Manhattan Fire and Marine Insurance Company, with a share capital of \$400,000 and a surplus of \$600,000. We have had this step under consideration for a long time, and we came to a final decision in the matter at the end of last year. Most British companies operating in the United States have found it desirable to organise an American subsidiary, and we felt the time had come for us to take a similar step. Powers have been taken to transact both fire and marine business, but it is not our present intention that the Manhattan Company shall enter the marine field.

The marine account is once again an exceedingly good one, and is even better than that of 1922. As a result we have again added £50,000 to the marine fund, bringing it up to £900,000, and have transferred £160,700 to profit and loss account.

The competition for Hull business, which was so pronounced in 1922, continued until August of last year, when underwriters generally made a determined attempt to stop any further reductions. The situation had become so serious that it was obvious to all concerned that, unless something was done to check reductions in both rates and values, the prospects of making future Hull business pay were becoming more and more remote. A general understanding was eventually arrived at to refuse further concessions in terms for renewals, and this verbal agreement was well maintained, and accomplished the purpose for which it was conceived until quite recently, when, owing to the strenuous competition already referred to, the market composed of underwriters who were not parties to the agreement became broadened to such an extent that it has most regrettably been found necessary to abandon the understanding already mentioned.

During the summer we entered into an arrangement with the Automobile Insurance Company of Hartford, Connecticut, an American company of high repute, to represent them and to underwrite for them in the London market. This arrangement is very similar to that we made a few years ago with the London Guarantee and Accident Insurance Company, which has resulted in profitable business to both parties, and I am hopeful that we may be equally fortunate while acting for the Automobile Company.

The accident insurance and the employers' liability insurance accounts call for no special comment, but I am glad to be able to

report a considerable increase in the premium income of the general accident insurance account. We are quite satisfied with the steady progress being made in this department of our business, and as you will observe the funds are being steadily built up.

PROFIT AND LOSS ACCOUNT.

If you will turn now to the profit and loss account, the interest and dividends received have amounted to £130,000, or about £17,000 in excess of the sum received last year. The transfers from the different accounts, with the balance brought in, bring the total up to £662,700. When considering the amount of interest and dividends received in relation to the sum paid to the shareholders in dividends, you will bear in mind the substantial sums received from interest and dividends which appear at credit of the fire, marine, and accident accounts in addition to the £130,000 shown in the profit and loss account.

On the other side of the profit and loss account the principal items are the amounts paid in dividends, totalling £202,000, and the transfers of £25,000 to contingencies account, £50,000 to general reserve, and £25,000 to premises. You will also notice that this year we have thought it necessary to provide £70,000 for income-tax and corporation profits tax, leaving in the account the slightly increased balance of £251,300.

The directors again propose to increase the dividend, and in so doing to alter the method of distribution. Hitherto our dividends have been paid free of tax, but the directors propose in future to declare the dividend gross. We recommend, therefore, that the dividend in respect of the year 1923 shall be 10s 6d per share, less tax, which represents an increase net of 2½ per cent., while income-tax remains at 4s 6d in the £, or, in other words, a return of 42 per cent. gross. In making this change we think we are conforming to what is becoming the more usual practice, as the shareholders are better able to realise exactly what the income-tax deducted from the dividend amounts to. Nevertheless, we should not have made the change now had we not been in a position at the same time to increase the amount of the dividend, so that the net result to the shareholders will be distinctly more than a year ago.

BALANCE-SHEET FIGURES.

Finally, we come to the balance-sheet, the figures of which do not call for any special comment, except that you will notice that the total funds now exceed ten millions. The investments are worth substantially more than the figures at which they appear in the balance-sheet, and the contingencies account is, therefore, an entirely free reserve.

I sometimes hear it said that the London Assurance, with its record of over 200 years, is rather old-fashioned, but I cannot resist pointing out that the total assets, which are now 10 millions, were in 1914, 10 years ago, only five millions, and this increase has been secured by a steady growth of business and not by a series of amalgamations.

The figures of the "British Law" are merged with those of the London Assurance, but this is not the case with the figures of the "Vulcan Boiler," and as the Manhattan Company did not commence operations until this year, there are no figures belonging to that company included in the present accounts.

The British Law Company controls a large volume of valuable home business, and our thanks are due both to the directors of the company in London and to the local directors throughout the country for their continual efforts both to retain and to increase this important business. I can only hope that the greatly increased strength given to the company through its association with the London Assurance renders their task less difficult than it might otherwise be.

The Vulcan Boiler Company transacts a highly organised and technical business of a special kind, and the success of this company is largely due to the personal attention given to its affairs by the Chairman and the board of directors, supported as they are by a very efficient staff specially trained for this particular business.

The balance-sheet of the Reinsurance Company deserves some notice, as it is a particularly good one, and this company is now establishing itself in the market as a sound concern possessed of substantial reserves.

THE FUTURE.

As regards the business of insurance as a whole, I do not know that on this occasion I can say very much. We are still faced with severe competition in all departments, so that we have to rely increasingly on the efficiency of our management and staff to produce a profit at the end of a year.

There has been, to some extent, a revival in trade, and given a continuance of this revival our task should be relatively easier, but until the political situation in foreign countries becomes more normal, I cannot hold out much hope of any material increase in the general business we are able to do.

The absorbing interest this morning is, of course, the Budget,

and probably a great many of you, like myself, have only had time to hurriedly read the main provisions.

I am extremely glad, however, to see that the corporation profits tax is to be finally done away with—(hear, hear)—as, in addition to the fact that the corporation will benefit materially, I have always thought that the tax as a means of raising revenue was an inequitable and unfair one.

The report and accounts were unanimously adopted.

PHOENIX ASSURANCE COMPANY, LIMITED.

GOOD RESULTS—STRONG FINANCIAL POSITION.

The annual meeting of the Phoenix Assurance Company, Limited, was held, on the 30th ultimo, at Phoenix House, King William street, London, Sir Gerald H. Ryan, Bt., presiding.

The Chairman, in the course of his remarks, said: I recall that I have repeatedly impressed upon you two things: first, that a widespread and comprehensive business is the best safeguard against those passing fluctuations which the history of insurance proves to be an inherent feature of the business, and next, that with a business subject to such vicissitudes the wise and prudent course is to strengthen your reserves wherever you can. The record of 1923 abundantly confirms these views.

The income from fire premiums has increased from £4,747,557 to £5,478,432, partly the result of an expansion of our business in the United States. The loss rate works out at 47.8 per cent. of the premiums, compared with 57.8 per cent. in 1922 and 55.4 per cent. in 1921. We have to set aside an additional amount of no less than £292,000, being 40 per cent. of the increase in our income, as a reserve for unexpired liability.

With our expenses kept at the rate of 40.5 per cent.—quite a moderate ratio for these times—a profit balance is shown of £348,859, or about 6½ per cent. of the premiums. Unfortunately, however, a considerable share of the sum of £252,329 paid away for colonial and foreign taxes would have to be deducted before the true outcome of the fire business is arrived at, and this would reduce the percentage of profit to about 4 per cent. of the premiums. We have a large and sound business in this department, and for these unfavourable times I do not think we have much to complain of.

The premiums in this department amounted to £1,257,277, as compared with £1,438,838, the decrease being due partly to a fall

in the rates at which risks are being accepted under pressure of competition, and partly to a wise restriction of the business. The 1922 account has been closed with a profit of £140,007, which works out at nearly 10 per cent. of the premiums of that year. This is a much higher profit than we have shown for the last few years, and reflects much credit on our underwriters. I think I ought to sound a note of warning that our shareholders should not expect such a handsome contribution from our marine account in the current year.

ACCIDENT DEPARTMENT.

In the accident department our premiums have advanced from £5,374,328 to £6,157,389, and are again this year the largest contribution to the company's premium revenue. The chief expansion has taken place in the United States, where our desire is rather to control or restrict than to expand our business under present conditions. The claims were at the rather high level of 58.1 per cent. of the premiums, expenses were somewhat less than normal at 38 per cent., and as a result we find that we require a sum of £70,740 out of profit and loss to maintain our full reserve of 40 per cent. of the total premiums. This is the first time, for many years at least, that we have had to draw upon our profits to make good our reserves in the accident branch. In many individual branches of our business we have done well, but in the United States we have suffered, in company with other offices, in our experience of workmen's compensation business.

Our life department's progress can be regarded with complete satisfaction. New policies were completed for £1,863,399, and claim payments were well within the expected amount. The funds increased from £11,718,965 to £12,136,921, and yielded a net rate of interest of £4 12s 6d per cent., as compared with 3 per cent., assumed in the calculations of our liabilities. The assets have increased in value concurrently with the rise in the quotations of high-class securities, but this increase is not brought into account, and there is a large margin of value untouched. A valuation of the non-participating fund has been made, and a profit of £15,000 carried to profit and loss.

PROFIT AND LOSS ACCOUNT

As regards the profit and loss account, it will be seen that the interest on shareholders' funds amounted to £511,414, dividends paid amounted to £444,712, and adding interest on debenture stocks, namely, £92,270, we get a total of £536,982. We can therefore say that our dividend is practically secured by our free

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000

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

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

LANCASHIRE BRANCH:
19, Spring Gardens, Manchester.

The Anglo-South American Bank, Ltd., is represented in U.S.A. by the **ANGLO SOUTH AMERICAN TRUST COMPANY, NEW YORK** (Incorporated under the laws of the State of New York); and in FRANCE by the **BANQUE ANGLO-SUD AMERICAINE Société Anonyme, PARIS.**

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

BRANCHES OF THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

BRANCHES OF THE BRITISH BANK OF SOUTH AMERICA, LIMITED.

BRANCHES OF THE COMMERCIAL BANK OF SPANISH AMERICA, LIMITED.

income, quite apart from trading results. This is a very strong and most satisfactory position for an insurance company to be in. So long as this continues we need not be unduly concerned about any wayward experience in our fire, marine or accident departments. A recovery of £156,628 from over-payments of excess profit duty and other taxes in past years, fortunately increases the sum we have at disposal this year to £337,628, and thus enables us to write £250,000 off the "Cost of business acquired," and to deal with the item of office premises account and commutation of pensions by writing £25,000 off in each case.

I think I have now touched upon the salient features in our accounts, and there is but little left for me to say. One important advantage we can properly claim is that our financial position is stronger than ever at the end of 1923. Not only have we written off £300,000 out of profits, but we have also a considerable surplus of value in our marketable securities. This increment is a concealed further reserve, and makes our position unassailable.

As to the mortgages and properties, I am happy to say that they are well secured and of good value.

The report was unanimously adopted.

LICENSES AND GENERAL INSURANCE COMPANY, LIMITED. GOOD RESULTS—INCREASED DIVIDEND.

The ordinary general meeting of the Licenses and General Insurance Company, Limited, was held, on the 1st instant, at the head office, Moorgate, London, Mr A. W. Ruggles-Brise presiding.

The general manager and secretary (Mr Victor Thomson) read the notice convening the meeting and the report of the auditors.

The Chairman said that the figures now presented, if not fully attaining the board's expectation, showed even better than might have been anticipated. He felt sure that shareholders would agree that it was a matter for congratulation that the directors were able to record an advance in retained premium income of no less than £18,461, that the claims were over all no more than normal, that the invested funds had increased by £25,930, and that the total assets of the company, which now stood at £614,958, had been so substantially added to in the sum of £47,663.

FIRE DEPARTMENT.

That the increase of income recorded was mainly found in the fire department must prove satisfactory in enabling them for the first time since their entry into the general field to show six figures of net fire premium income in the sum of £100,231 recorded. The ratio of losses followed very closely the previous year's experience, after allowing for claims in suspense, in an actual percentage of 49 per cent., and the consistent maintenance of such a level would be a happy achievement, and one for which they would strive.

He had to record a very slight improvement in personal accident business. The account for employers' liability showed a reduction in premium of a little over £2,000, undoubtedly due to trade conditions, and, consequently, much reduced sums paid in wages. In the general account there was a small reduction in income of £6,000, but it was interesting to note that the number of proposals dealt with in this particular section, and, indeed, by the company as a whole, was in excess of the number handled in the previous year, and when the trade of the country improved, there was no doubt that this particular account would reflect such improvement.

As regarded the licence department—the original reason for their existence—there was not a very great deal to say, but it had not been an uninteresting year. It had been proved to the directors that there were aspects of licence insurance and of licence claims which might even be new to them, for they had had some extremely delicate and interesting problems placed before them by their brewery connections. This was a class of business in which they specialised, and they intended, by such a happy interpretation of the needs of the trade, to continue to retain consistently the fullest respect of this great industry.

The marine section of the business continued normal and gave the directors no concern.

With regard to management expenses, it was still their desire to attain a lower ratio by combining economy—or rather wise spending—with efficiency; but progress had been a little retarded by continued high costs and by the added expenditure following their occupation of the new head office premises, and as a consequence the total expenditure had increased by some £6,000. The ratio, however, remained constant at 28 per cent.

THE DIVIDEND.

The directors recommend a final dividend of 8½ per cent., free of tax, making, with the interim dividend, 13½ per cent., free of tax, for the year. This was an increase of 1 per cent. over the previous year. It would be welcomed as an indication of progress and as reflecting also the increase attained in the total interest

earned on the funds, this dividend being provided, in accordance with their previous principles, within the margin of such interest earnings. By the continuance of this policy, while the increase in dividend might be a gradual one, it should also acquire some merit of stability, and, so far as the directors could see, the dividend should not, in the ordinary course of events, be subject to retrogression—a state of affairs they hoped to avoid by discouraging any too rapid increase of distribution.

As to reserves, they had continued this year their principle of maintaining that of unexpired risks at the full 45 per cent., which had been their practice so far, and which was generally accepted to be slightly in advance of requirements; and, having made most conservative provision for all outstanding claims, they were able to show a total reserve to policyholders equalling 101.7 per cent. of the premium income. Too much attention could not be paid to the virtue of reserves in an insurance company, and he could not think that the shareholders would grumble in any way at the pursuance of a course of action which demanded the fullest maintenance of that strong arm.

The report and accounts were unanimously adopted.

OCEAN ACCIDENT AND GUARANTEE CORPORATION, LIMITED. CONSIDERABLE INCREASE IN PREMIUM INCOME.

The 53rd annual general meeting of the Ocean Accident and Guarantee Corporation, Limited, was held, on the 29th ultimo, at the offices of the corporation, 36 to 44 Moorgate, London, Mr E. Roger Owen (the chairman) presiding.

The Chairman, in moving the adoption of the report, said: The assets stand at £8,048,905, as against £7,663,254, an increase of £385,651. For the first time in the corporation's history the revenue for the year has exceeded £6,000,000, the actual figure being £6,078,383, an increase of £383,836. The total premium income, after deduction of reinsurances and bonus to assured, amounted to £5,777,601, an increase over 1922 of £362,060. The claims paid, including provision for all outstanding losses, amounted to £3,391,183, representing a loss ratio of 58.7 of the premium income, against 56.5 in 1922. Commission to agents and expenses of management (exclusive of taxes) accounted for £1,995,579, being 34.5 per cent. of the premium income, against 36.2 per cent. in 1922. In taxes we paid during 1923 £266,040, a sum equal to 4.6 per cent. of our premiums. This is a charge that continues to represent a heavy burden upon our undertaking.

A DIFFICULT YEAR.

The year 1923, having regard to adverse economic conditions, was a difficult one for casualty insurance companies, and consequently it is satisfactory to be able to report a considerable increase in our premium income, especially as the increase represents expansion in practically all of the countries in which the corporation is doing business. The loss ratio has increased by 2 per cent. This is due to adverse experience of workmen's compensation business in America, which we in common with the other offices interested in that business have suffered. Rates in the majority of the States have hitherto been inadequate, but a determined effort is now being made to improve them, and while this may not result in immediate profits, it is a favourable feature, which, added to a continuance of the most careful underwriting on our part, gives us reason for looking for better results in the future. No stone is being left unturned in the direction of improving the results of this important section of our business.

In the United Kingdom, also, workmen's compensation business plays a large part in our figures, and 1923 has seen some important developments in connection with this section of our business. The new "Workmen's Compensation Act, 1923," came into force on January 1, 1924. The Act extends the liability of employers very materially, and without entering into a detailed comparison between the present and previous benefits, a striking feature is the increase in the maximum compensation, payable in the case of a fatal accident, from £300 to a sum which may be in excess of £600 according to the number of dependents left by the deceased workman.

During the three years ending 1923 our income in this department has shown a very substantial decline from £712,737 in 1921 to £467,785 in 1923, and this despite the fact that at the end of 1923 we were insuring nearly 1,000 more employers than in 1922.

TRADE AND INDUSTRIAL CONDITIONS.

These premium figures tell an eloquent but sad story of British industry and trade generally during the past two years. A slight improvement is noticeable this year, but in view of the industrial unrest which unhappily still exists it is not possible to say whether this will be maintained. Needless to say, we sincerely hope it will be. Diminished values and shortage of stocks again had the effect during 1923 of limiting expansion in our income in the fire, burglary, and some other departments in the United King-

dom, although in each case at the end of the year we had many more policies on our books than at the beginning.

The increase in the use of motor-vehicles, both for private and commercial purposes, led to a satisfactory expansion of our income in this important department. A gratifying increase was also registered in the engineering department, which insures and inspects boilers, lifts, cranes, and electrical plant of all kinds, &c.

We have a great and very complete world-wide organisation, however, to maintain at the high pitch of efficiency which we have adopted as the "Ocean" standard of service to our agents and policyholders, and this must be kept unimpaired.

THE FUTURE.

As to the future, I do not care to prophesy, but you will be interested to know that our income again shows an increase to the end of March, 1924, and this increase is not drawn from any one country, but applies to every branch of our business throughout the world.

Of course, it is too early to draw any conclusions from this, but I can safely say it is certain that the fully equipped organisation of the "Ocean" and the "Columbia Casualty" will enable us to reap the maximum of advantage following in the train of improvement in the business conditions of the countries where we are established.

The report was unanimously adopted.

CONSOLIDATED WATER WORKS COMPANY OF ROSARIO, LIMITED.

STEADY AND SATISFACTORY PROGRESS.

The twenty-ninth ordinary general meeting of the Consolidated Water Works Company of Rosario, Limited, was held on the 29th ultimo, at the offices of the company, 52 Moorgate, London, Mr James Anderson (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said that the business of the company continued to make steady and satisfactory progress. The number of services in operation had increased by 1,710, or about 6 per cent. The extension of the business reflected in the income, gross revenue showing an increase of £7,933 and the net £4,068. The only unsatisfactory feature in the accounts was the loss in the remittance of profits to this side, which amounted to £9,349. That was a matter over which the board had no control, and their only consolation was that their profits were otherwise so satisfactory that they were able to meet that loss, pay their usual dividend and also add to the reserve and carry-forward.

All through the war years they were able to maintain the 8 per cent. dividend, and this year they were able to do a bit better by paying the final part of the dividend tax free. That was equal to a bonus of nearly 1½ per cent., and they had thought it better to give the shareholders the benefit in that form rather than by giving a cash bonus or increasing the dividend. The business was looking very well just now, and they hoped they might be able to again resume their original practice of paying dividends tax free, but that would depend on circumstances, and on the profits they had at their disposal. The amount at credit of reserve fund for redemption of capital at the close of last year was £144,845, and of that there was represented on the other side of the balance-sheet investments to the value of £97,516, so that it would be seen that they were short invested by the sum of £47,329.

The reason for that was that the business of late years had been calling for capital expenditure, and times were very unfavourable for raising fresh capital. The money, therefore, that should have been employed in adding to investments held for capital redemption had been employed in the business temporarily. The directors were of opinion that the time had now come when that matter should be put right, and they proposed doing so by the issue of £100,000 of share capital, for which the directors were asking powers that day. As to the prospects for the current year, the Chairman observed that the outlook was quite satisfactory.

The report was unanimously adopted.

ENGLISH ELECTRIC COMPANY, LIMITED. INCREASED AMOUNT OF ORDERS.

The fifth ordinary general meeting of the shareholders of the English Electric Company, Limited, was held, on the 30th ultimo, at the Connaught Rooms, Great Queen street, London, Sir Charles E. Ellis, G.B.E., K.C.B., chairman of the company, presiding.

The secretary, Mr E. D. Johnson, A.C.A., having read the notice convening the meeting and the report of the auditors, the chairman said, in moving the adoption of the report and accounts, that in spite of the admittedly difficult trading conditions of the year under review, the net profit of £261,793 was practically equal to that shown in the previous year. In all the circumstances this result was one on which they had every reason to

congratulate themselves. The board, during last year, had been able to refund the whole of the issue of £1,250,000 8 per cent. short-date notes for an equal number of 6 per cent. 40-year convertible debentures. This operation had the very gratifying result of reducing their fixed debenture charges by no less than £41,449 per annum.

The orders received during the year under review were much in excess of those for the previous year, and contracts were obtained from all parts of the world. Their satisfactory progress in water-power development had been more than maintained. Over 200,000 h.p. of water turbines, with the appropriate generating plant, were sold during the year, and they secured orders for the largest units ever manufactured in this country, both for high and low falls.

"English Electric" motors and control equipment were thoroughly established on the Midi Railway of France. A very large order for electric locomotives for the Japanese Government Railways was delivered partly before and partly after the earthquake, and it was a tribute to their many friends in Japan that in spite of the appalling disaster which overtook that country, the majority of the locomotives were installed and ready for operation. Work on the equipments for the electrification of the Great Indian Peninsula Railway was well on towards completion. Their largest traction contract for the year at home was for the electrification of the South-Eastern section of the Southern Railway; that order comprised 508 motors, each of 300 h.p., and 19 1,500 k.w. rotary converters.

The whole of the active productive units of the company were working full time, and this happy state of affairs was likely to continue for some time to come. The future was by no means free from anxiety. The competition of countries with depreciated currencies and lower production costs was acting continuously as an obstacle to a really fair price being obtained.

ARMY AND NAVY CO-OPERATIVE SOCIETY, LIMITED. RECORD OF PROGRESS—INCREASED DIVIDEND.

The annual general meeting of the Army and Navy Co-operative Society, Limited, was held, on the 30th ultimo, at Caxton Hall, Westminster, London.

The Right Hon. Lord Ebury, D.S.O., M.C., the chairman of the company, who presided, said: Ladies and gentlemen,—I think you will readily agree that the results disclosed show a very marked improvement—so much so that they may almost be said to speak for themselves. These results have determined your directors to recommend an increase in the dividend amounting to £41,000. They admit also of the provision of the £9,264 required to maintain our debenture redemption fund policy, and after reserving the sum of £7,000 for corporation profits tax there remains £32,995 to be carried forward, as against £16,972 in 1923. I venture to hope that you will regard this as a satisfactory record of progress. You are no doubt aware that the trading conditions prevailing in the past year have been anything but favourable—very much less favourable than the results would appear to indicate. Trade in the early part of the year was very dull generally owing to unseasonable weather. In January last the country experienced a railway strike, and in December there was the General Election—which, by the way, creates a far greater disturbance in this kind of business than people realise—and, coming as it did during the busiest season, it naturally had an adverse effect upon our results. Notwithstanding these considerations the society's policy of improvement of its facilities and expansion of its membership has resulted in a considerable increase in its London business.

I feel you will be interested to know that the honorary membership scheme has brought the society no fewer than 45,000 potential customers—and your directors hope that this extended association will provide the society with a fresh and richer vein of custom. The extensive alterations which have been in progress inside the premises have, I regret to say, necessarily rendered shopping conditions anything but ideal.

BUSINESS IN THE EAST.

Dealing with the net profit there is an increase for the year of £61,805, and after taking into account the amount brought forward from 1923, and deducting the interim dividend of £41,000, we have left for disposal a sum of £171,359, or an increase of £63,886 upon the amount available in the previous year's balance-sheet. I am very glad to be able to state that reports from Bombay show a marked increase in the volume of business done, and signs are not lacking that in Calcutta the same condition will shortly prevail. The society's financial secretary and general manager has just returned from a visit to both depots, and you will I know be glad to hear that he confirms my reports as to the value and condition of our assets out there. He also reports most hopefully as to future prospects, and he has testified to the spirit of loyalty and goodwill prevailing amongst our staff in India. The improvement in business and the outlook is in large measure due

to their efforts and their determination to further the society's interests, which I feel confident you, together with myself as controller of Indian branches and my colleagues on the board, will be only too glad gratefully to acknowledge. You will have gathered from the reference in my speech of last year to Indian trading conditions, that the society's business in the East had been passing through very difficult times; that altered conditions presented fresh problems towards the solution of which the earnest consideration of your board was being directed, I am glad to be able to tell you with confidence that our efforts show every indication of proving successful, and notwithstanding the fact that conditions there remain exceedingly depressed and difficult, we have high hopes that the corner has been turned.

HOME PROSPECTS.

In regard to home prospects, you will no doubt share my hopeful confidence concerning the future of the society having regard to the story told by the progressively satisfactory balance-sheet which has been placed before you. We are continuing to make progress—and when our alterations are complete we may reasonably hope that the improved facilities and the solid advantages we provide in the matter of quality and value will ensure prosperity for the society. But this is always subject to the provision that means may be found to allay the spirit of social unrest which from time to time menaces the interest of trade in this country and the welfare of all concerned in it, whether as investors, producers or distributors—both employers and employed. In recent years conditions in British industry have become increasingly influenced by political and legislative considerations. Influences are at work which are very detrimental to trade prosperity, and which are a source of grave anxiety to responsible persons engaged in it. I do not propose to discourse upon the complex and various factors which constitute the social and economic problems with which we are faced to-day, nor is it within my province to allocate responsibility for the existing state of affairs or to suggest remedies, but after reflecting upon those problems, I invariably arrive at the same two conclusions: firstly, that until some constitutional method of settling trade disputes is made a condition precedent to direct action by either side, the trouble will continue and the much-needed impetus to the trade of the country will be retarded, and, secondly, we need to create a less bitter atmosphere and a more charitable spirit of goodwill.

The report and accounts were adopted after some discussion.

LONDON TRUST COMPANY, LIMITED.

SHARE BONUS DISTRIBUTION.

The 35th annual general meeting of the London Trust Company was held, on the 29th ultimo, at Winchester House, London, Mr William Douro Hoare, C.B.E., presiding.

The Chairman said that the trust had had another satisfactory year, and the revenue account showed an increase in the dividend receipts. After allowing for the fixed charges for interest, preferred dividend, and expenses there was a balance of £56,470, as compared with £45,641 in the previous year, an increase of nearly £11,000. The board recommended the payment of a dividend on the deferred stock of 12 per cent., the same as last year, and that £45,000 be placed to the general reserve account, as compared with £10,000 last year, leaving a balance to be carried forward of £27,036, against £50,441 brought in.

The value of the investments exceeded the amount at which they stood in the balance-sheet, and the reserve accounts were intact. The investments showed an improvement in value as compared with last year, which was satisfactory. The directors were of opinion that the position the company had now attained justified them in recommending that a portion of the general reserve account should be capitalised. Stockholders would receive an allotment of one £10 share in respect of very £25 deferred stock held on that date. The allotment letters relating to these shares would after June 2nd next be exchangeable for certificates of the relative amount of preferred and deferred stocks, viz., £3 preferred stock and £7 deferred stock in respect of each share, and these amounts of stock would be added to stockholders' accounts and rank for dividend as from April 1st last. To those stockholders interested in the trust since its inception it would come as a compensation for the losses sustained prior to the reconstruction in 1907, and allowing for the enhanced value of the stock the bonus would make up for the capital lost at the time of the reconstruction.

After the new shares had been divided into the respective amounts of stock the trust's issued capital would stand at £1,050,000, in £570,000 5 per cent. cumulative preferred stock and £480,000 deferred stock. He could not forecast the future, so was unable to foretell what the dividend on the deferred stock would be next year, but provided there was no serious falling off in the revenue he hoped they would be able to recommend the payment

of 12 per cent. Allowing for the increased stocks issued it would take next year £11,500 more to meet the dividend on the preferred stock and maintain the dividend on the deferred stock at 12 per cent.

The report was unanimously adopted.

MYSORE GOLD MINING COMPANY, LIMITED. LARGE REDUCTION IN COSTS.

The forty-fourth ordinary general meeting of the Mysore Gold Mining Company, Limited, was held, on the 28th ult., at Cannon street Hotel, London, the Hon. Lionel Holland (chairman of the company) presiding.

The assistant secretary (Mr W. H. Skilton) having read the notice convening the meeting,

The Chairman, in moving the adoption of the report and accounts, said that what they might term the campaign of intensive economy, commenced in 1921, had fully justified itself by the results now shown. The company crushed during the past 12 months 20,500 tons less than they did in the preceding 12 months. Their total fine gold output was less by about 3,000 ounces. Their revenue receipts were down by over £26,000. Nevertheless, their profit for the year exceeded their last year's profit. There was a reduction approaching £40,000 in the revenue expenditure. The outstanding feature of the year's accounts was the quite remarkable reduction in costs realised following upon a substantial saving already effected during the preceding year. Although the tonnage stoped was materially larger than that of the year before, their actual mining costs decreased by over £18,000.

The profit, including the balance carried forward from the last accounts and the dividend from the Kolar Power and Brickmaking Companies, totalled over £207,000. The interim dividend paid out last October absorbed £45,750. They were left with a disposable balance of £107,426, as against £93,282 in 1922. Out of this balance the directors had declared for distribution a dividend of 1s 6d per share, making the total dividend for the year 2s 3d per share—equivalent to a dividend at the rate of 22½ per cent. The balance-sheet figures were evidence of a healthy financial position. Although the year's operations at depth had as yet given no definite assurance of result, the mine at the deepest levels reached was beginning to give signs of renewed vitality and animation. Forty years ago their great mine was on the point of being shut down, but thanks to the insistent optimism of Sir Charles Tennant and Messrs John Taylor the workings were carried deeper, and within two years the Champion lode was proved at depth, and the company since then had distributed in dividends alone over £9,000,000. This had been the history, again and again repeated, of the Kolar field. Another reason for optimism was the encouraging developments which had been made in the adjoining Champion Reef property.

Mr Henry Taylor seconded the resolution, which was unanimously adopted.

CONSOLIDATED MINES SELECTION COMPANY, LIMITED. SUCCESSFUL RESULTS AND PROSPECTS.

The twenty-eighth ordinary general meeting of shareholders of the Consolidated Mines Selection Company, Limited, was held, on the 29th ultimo, at Winchester House, Old Broad street, London, Mr Walter McDermott (chairman of the company) presiding.

The Chairman, in moving the adoption of the report and accounts, said that the profit for the year was £87,048, and they recommended a dividend of 17½ per cent. Although the sale of their former South African interests to the Anglo-American Corporation had changed the form of their shareholdings, the basis of their assets and the prospects of their future dividends depended upon the same mining interests as they formerly held direct.

The accounts of the Anglo-American Corporation were of prime interest to the shareholders, and he thought they would be satisfied with the general position shown. The year's earnings allowed of the payment of a 10 per cent. dividend, and the placing of £200,000 to reserve, with a substantial balance forward. Besides the large interest of the corporation in the group of gold mines, the strong position secured by the corporation in the mining and marketing of diamonds had made that industry a very important element in all estimates on the position and prospects of the corporation. The demand for diamonds remained better and steadier than people expected, so that there was every reason to believe that the capital invested in this side of the corporation's investments would secure a good return during the present year.

As regarded the Brakpan Mines, Limited, two dividends were paid for 1923 at the rate of 20 per cent. and 22½ per cent. The quantity of ore crushed was a record figure, giving a working

Gross profit of £611,448, including premium on gold. The working costs were 6s per ton less, and there was a large increase in ore reserves, while the amount of development done was very large. As regarded the future, there was the encouraging feature of the long distance still to be opened on down to the West Springs Mine, where good development had been made. The first quarter of this year showed an aggregate return of 221,500 tons milled for a yield of £400,319, including premium on gold, and the consulting engineer anticipated crushing about 900,000 tons in 1924. Further good development could be safely counted on.

The Springs Mine had made a very good showing, and had paid two dividends during the year of 12½ per cent. and 17½ per cent. respectively.

The resolution was carried unanimously.

HOPE BROTHERS, LIMITED. SOUND AND SATISFACTORY POSITION.

The twenty-fourth annual general meeting of Hope Brothers, Limited, was held, on the 30th ultimo, at the Cannon street Hotel, London.

The secretary (Mr F. L. Brayne, F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

Mr. T. Edward Goodyear (the chairman) presided, and, in moving the adoption of the report, said that the past year was a difficult one for business, and the continued unsettlement in industrial affairs and the cold and unseasonable weather of the spring and early summer had had a detrimental effect on their trade. He thought it would be agreed, however, that the report submitted was a satisfactory one. In the early part of the year they were able to dispose of the remaining shares which were offered to the shareholders in 1920, and which were not then subscribed. This had enabled the company to finance its increased business with less assistance from their bankers than had been possible for some years. A small premium was obtained on these shares which, with a further sum from profit and loss, making in all £20,000, the directors proposed to apply to the reduction of goodwill account. With the provision of this capital the directors had felt justified in acquiring further premises for the extension of their business, and branches would be opened at Plymouth and at Cardiff as soon as the necessary alterations were completed.

This year they celebrated the completion of 50 years since the business was founded by Mr Peacock in a small shop on Ludgate-hill. At the present time, including the branches shortly to be opened at Plymouth and Cardiff, they had 37 branches, in addition to two thoroughly well-equipped and up-to-date factories. The company had never been in a sounder or more satisfactory position than it was to-day. The balance-sheet showed an absolutely healthy position; their cash resources were adequate, their stock was clean and well purchased, and their premises and plant were worth far more than the valuation in the balance-sheet. The revenue account also showed a satisfactory result. During the past six years they had not only paid an average dividend of 10 per cent. per annum, but had set aside for reserves and in reduction of goodwill account upwards of £10,000, and provided more than £20,000 for the benefit of the staff.

The formal business having been transacted, the report was unanimously adopted.

ANGLO-AMERICAN OIL COMPANY, LIMITED. SATISFACTORY RESULTS AND GOOD PROSPECTS.

The thirty-seventh annual general meeting of the Anglo-American Oil Company, Limited, was held, on the 30th ultimo, at 36 Queen Anne's gate, Westminster, London, S.W. 1, Mr F. E. Powell (the chairman) presiding.

The secretary (Mr A. H. Hewett) having read the notice convening the meeting,

The Chairman, in the course of his speech, said that during the early part of 1923 there were indications of considerable trade revival, but that this had not continued. In spite, however, of the lessened activity, the results of the year's business show that the total was considerably larger than the previous year, and the trading profits were also larger. Lubricating oil trade also continues to improve. Owing to a heavy fall in American exchange, which at the close of 1922 registered 4.63½, while at the end of December, 1923, had fallen to 4.32, there was considerable debit to the profit and loss account on account of the sterling liability for the American gold notes still outstanding.

PROFIT AND DISTRIBUTION.

The value of the inventory of products on hand, owing to lower values, is somewhat less than the previous year. The directors have made the usual provision for depreciation on plant, equipment, and the tanker fleet amounting to £756,641. They have also

made provision for income-tax and corporation tax of £419,786, and for interest and premium on gold notes and loss of exchange amounting to £369,605. This then leaves a net profit of £621,888.

The directors proposed that a final dividend of 2s 6d per share be paid, which will make, with the interim dividend of 1s per share paid in December, 1923, a total dividend for the year of 3s 6d per share, free of tax.

The general reserve fund and surplus fund stands at £2,531,000, which is larger than a year ago. Since the date of the balance-sheet the trading conditions have improved, and unless some unforeseen circumstance arises the balance of the year gives every indication of satisfactory profit.

The full amount required for the sinking fund for the gold notes, viz., \$2,500,000, was paid over to the trustees in New York during the past year, and a further instalment of \$1,250,000 has been paid this year. The final payment on these notes is due April, 1925.

INTEREST ON PREFERENCE SHARES.

The directors took authority at a subsequent extraordinary general meeting (subject to confirmation to be obtained at a confirmatory meeting to be held on May 15th) for a modification of the interest on preference shares when issued. This is to be fixed by the directors at a figure to be decided later, but at not exceeding 8 per cent. per annum. This action is being taken simply to clear up a condition that might have forced the company to pay 8 per cent. when the shares could be floated at a lower rate of interest. The Chairman stated, however, that there was no necessity for, and, therefore, they had no intention of issuing, any preference shares at present.

IRISH-AMERICAN OIL COMPANY.

The new company formed in the Irish Free State last year—the Irish-American Oil Company, Limited—has proved quite satisfactory, and from the company's holdings in that company a dividend of 10 per cent. in 1923 has been received, which will appear in the 1924 accounts.

The Chairman then concluded by moving the adoption of the report and accounts. Mr James Hamilton (vice-chairman) seconded the motion, which was carried unanimously.

BOOTH'S DISTILLERY, LIMITED. CONTINUED EXPANSION.

The twenty-seventh ordinary general meeting of the members of Booth's Distillery, Limited, was held on the 1st instant, at the registered offices of the company, 55 Cowcross street, London, Sir Charles Cottier (the chairman) presiding.

The secretary (Mr W. F. Wildsmith) read the notice convening the meeting, and Mr Holroyd read the report of the auditors (Messrs Holroyd, Northcott and Co.).

The Chairman, in moving the adoption of the report and accounts, said: I think you will be in accord with me in my opinion that the balance-sheet may be considered satisfactory. The board in December last secured the old-established and well-known grain distillery at Wandsworth of Messrs John Watney and Co., where the business, which has been carried on for upwards of 80 years, is being continued and extended. Your directors feel that in making this acquisition they have effectively secured the company's supplies of grain spirit both present and future—spirit which the whole industry will freely admit stands high for its purity and general excellence. The board, from their experience of Mr Bertram Watney's high competency as a distiller and his general devotion to duty, consider themselves fortunate in securing

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - Fmk. 257,000,000

Deposits and Cheque Accounts
(Dec. 31, 1923) over - Fmk. 1,600,000,000

132 BRANCHES AT ALL IMPORTANT BUSINESS
CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

that gentleman's services in the firm of John Watney and Co., Limited, at Wandsworth, of which firm he has been duly appointed managing director. The purchase marks a further step forward in the security and advancement of Booth's.

It is intended at an early date to change the name of Booth's Distillery, Limited, to Booth's Distilleries, Limited, which will more fittingly express the comprehensiveness of your company's business, as now carried on in Cowcross-street, at Wandsworth, in Scotland, and elsewhere.

Taxation still continues to bear very heavily in the burden it imposes upon our particular trade, and it should be a matter for grave consideration by any Chancellor of the Exchequer whether such taxation should not be moderated. No industry can hope to thrive and extend when the burden enforced contravenes all economic laws. It is interesting in this respect to note that the amount paid by way of excise duties by the total trade in the revenue year ending March 31, 1921, amounted to the vast sum of £177,301,526; in 1922 the sum fell to £137,342,126. If by reason, on the one hand, of oppressive taxation, or, on the other hand, of fanatical legislation, this large revenue were seriously jeopardised, I see no source from which we can replace this vital credit.

The report and statement of accounts were unanimously adopted.

BIRMINGHAM SMALL ARMS COMPANY, LIMITED.

MCKENNA DUTIES AND BRITISH INDUSTRY.

The annual general meeting of the Birmingham Small Arms Company was held, on the 29th ultimo, at the company's works, Small Heath, Birmingham.

Sir Hallowell Rogers, chairman, in moving the adoption of the report, said the present year's accounts showed a credit balance of over a quarter of a million, without leaving the accounts of any subsidiary company in debit. This good showing—sufficient for a 5 per cent. dividend on the ordinary shares—had been made possible by the increased turnover in each of the separate undertakings.

The more successful trading of the company turned mostly on the progress of the Daimler Company and the B.S.A. Cycle Company. Both had increased their sales in 1923 over their 1922 record, and the Cycle Company had done more. It had beaten its best past sales by more than two and a-half times, and both companies had in the current year, as indeed had all their undertakings, a marked increase in trade over the previous year.

Sir Hallowell Rogers continued: "Thus, if I could take last year's record and our present trading, as shown by the returns for all the subsidiaries to date, and judge the future by the past, it would be difficult to put a limit to legitimate optimism. But can the future be so easily forecasted? While we meet here the House of Commons is listening to the first Budget brought in by a Labour Government. Is capital to be further penalised? Is industry to bear fresh burdens? Are the McKenna duties to cease? The future depends upon the answers to these questions.

"If the Americans, the Italians, and the French—who either by mass production or by depreciated currencies have the advantage over us of lower manufacturing costs—are allowed to compete freely in this market, where wage-charges, taxation, and rates are higher, the blow to British industry, and especially to those making the more popularly priced cars, must be severe. It may well be less injurious to us than to others, because our cars have qualities that foreign makers have not yet incorporated, and because the scale of our manufacture enables us better than most to meet any price-cutting that may result. Indeed, our whole re-organisation of the last two years has prepared us in a sense for the danger. But it is not an attractive prospect, and if it comes it must, temporarily at least, check our progress."

Sir Edward Manville, M.P., seconded the resolution, which was carried unanimously.

PULLMAN CAR COMPANY, LIMITED.

DEVELOPMENT OF THE SERVICES.

The ordinary general meeting of the Pullman Car Company, Limited, was held on the 29th ultimo, Sir Davison Dalziel, Bart., chairman and managing director, presiding.

The Chairman, in moving the adoption of the report and accounts, stated that the Harrogate-Pullman—as this train was known—had given the fullest satisfaction to the very large number of passengers who patronised it. It had been their ambition to make their service in every respect one of the most attractive means of transport in this country, and he thought he was justified in saying that their efforts in this direction had been crowned with complete success. This train ran through all the dull months of the winter with very satisfactory results, so much so, indeed, that it would gratify them to know that it had been decided to extend its activities as from June and next to Bradford.

Apart from that, he had satisfaction in announcing further developments of the company's services. It had been decided by the London and North-Eastern Railway Company, as from June and next, to run a new entire Pullman, Limited, train on exactly similar lines to the Leeds-Harrogate-Newcastle train between Sheffield, Nottingham, and London.

He did not believe that in these difficult times it was wise to give way to too much optimism. At the same time, he thought he was justified in forming a very hopeful opinion of the company's operations. They were out to help the development of railway traffic, and their co-operation was gradually proving itself to be of growing value to the railway companies. He was, therefore, very hopeful that before long he would be in a position to announce to them that several of the negotiations he was now carrying on for the further development of their services had been brought to a satisfactory conclusion, and that further important complete Pullman trains would be running to various parts of the country.

There were possible satisfactory results which might arise from the contract their company had entered into with the International Sleeping Car Company for the development of Pullman day services on the Continent. Such of these services as might be introduced would be put into traffic under the International Sleeping Car Company itself, but their company would have a partnership interest in the result. He hoped that before their next annual meeting he might be able to announce some important developments in this direction.

Their relations with the railway companies remained good, and the tendency was to increase the activities of the company on the lines with which they were on working terms.

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS, &c.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Mar. 31, 1924.	Apr. 26, 1924.
Funded Debt	588	315	315	315	315	314	314	314
Term Annuities	30	90	19	18	14	14	14	14
3% Conversion Loan	..	..	..	266	684	683	683	683
4% War Stock	..	63	63	63	63	63	63	63
4% and 5% War Stock	..	13	13	13	13	13	13	13
National War Bonds	..	2,047	2,040	1,995	1,953	2,095	2,095	2,095
4% Funding Loan	..	1,509	1,476	1,413	1,301	953	903	903
4% Victory Bonds	..	409	409	406	401	399	400	400
Exchequer Bonds	..	360	357	347	336	325	325	325
Exchequer Bonds	..	..	..	453	411	444	444	447
Exchequer Bonds	..	20	323	319	289	185	150	150
National Savings Certs.	..	..	267	274	285	342	354	367
Other Debt	..	1,306	1,181	1,132	1,087	1,157	1,149	1,151
American Loan (Anglo-French)	..	..	51	51	51	51	51	51
Treasury Bills	..	15	1,107	1,107	1,121	878	616	558
Temporary Advances ..	..	1	243	205	154	147	194	208
Other Capital Liabilities ..	..	654	8,033	7,829	7,574	7,655	7,742	7,695
Total Liabilities	..	711	8,079	7,876	7,623	7,721	7,812	7,750

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	Apr. 26, 1924.	Apr. 26, 1924.	Apr. 26, 1924.	Apr. 26, 1924.
Ways and Means Advances ..	£ 201,850,500	£ 186,155,500	£ 209,905,500	£ 1,750,000
Advances by Bank of England ..	£ 588,550,000	£ 588,320,000	£ 585,340,000	£ 5,435,000
Treasury Bills Outstanding ..	£ 790,380,500	£ 774,475,500	£ 755,245,500	£ 3,685,000
Total Floating Debt	£ 1,580,781,000	£ 1,558,951,000	£ 1,545,491,000	£ 10,870,000

* Includes £61,000, the proceeds of which were not carried to the Exchequer within the period of the account.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from	Receipts.	Week Ended	Week Ended
	Apr. 1, 1924, to April 26, 1924.	Apr. 1, 1923, to April 28, 1923.	Apr. 26, 1924.	Apr. 28, 1923.
Balances in Exchequer on 1st April:—	£	£	£	£
Bank of England	5,069,613	6,442,685	..	..
Bank of Ireland	1,568,001	1,375,502	..	..
REVENUE	6,631,614	6,818,167	..	..
Customs	6,398,000	9,831,000	1,916,000	4,366,000
Excise	9,356,000	13,330,000	732,000	1,833,000
Motor Vehicle Duties	1,264,000	1,118,000	109,000	..
Stamps, &c., Duties	4,890,000	4,040,000	1,850,000	1,370,000
Land Tax, House Duty & Mineral Rights Duty ..	840,000	1,450,000	190,000	760,000
Property & Income Tax	290,000	250,000	60,000	40,000
Super-Tax	28,840,000	25,588,000	1,909,000	2,369,000
Excise Profits Duties, &c.	7,330,000	6,336,000	1,036,000	1,510,000
Corporation Profits Tax	1,470,000	1,780,000	270,000	290,000
Post Office	3,000,000	3,150,000	1,000,000	750,000
Crown Lands	120,000	100,000	120,000	100,000
Interest on Sundry Loans	2,434,947	2,287,196	..	..
Miscellaneous	1,417,034	2,541,242	138	450,366
Ordinary Receipts	5,996,941	4,822,614	1,500,000	200,000
Special Receipts	72,645,992	70,888,753	10,888,199	13,891,356
Revenue	80,642,933	75,711,367	12,388,199	14,091,356
Total, inc. Balance ..	86,777,548	82,489,532	..	..

	Total Receipts into the Exchequer from	Receipts.	Week Ended	Week Ended
	Apr. 1, 1923, to April 26, 1923.	Apr. 1, 1922, to April 28, 1922.	Apr. 26, 1923.	Apr. 28, 1922.
OTHER RECEIPTS.	£	£	£	£
Temporary Advances Repaid:—	1,050,000	750,000	86,000	250,000
Under the Unemployment Insurance Act, 1921	..	..	..	..
Money Raised by Creation of Debt:—	..	..	..	..
(a) For Capital Expenditure Issues:—	..	..	..	..
Under the Telegraph (Money) Act, 1922	..	..	..	..
(b) Under the Unemployment Insurance Act, 1921	..	..	..	..
(c) For other issues:—	148,769,000	185,765,000	43,590,000	41,805,000
By Treasury Bills	2,100,000	4,100,000	550,000	950,000
By National Savings Certificates ..	2,579,913	16,775,623	828,288	1,857,700
By 4% Treasury Bonds, 1931-33 ..	..	..	..	..
(d) Ways and Means Advances	52,950,000	47,400,000	6,100,000	2,600,000
Repayments—	..	..	..	..
In respect of issues under Land Settlement (Facilities) Acts, 1919 and 1921	437,005	3,956	..	..
Total	288,163,454	338,260,799	61,834,480	61,284,096

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from	Issues.	Week Ended	Week Ended
	Apr. 1, 1924, to April 26, 1924.	Apr. 1, 1923, to April 28, 1923.	Apr. 26, 1924.	Apr. 28, 1923.
EXPENDITURE.	£	£	£	£
National Debt Services:—	31,316,740	38,134,844	499,544	1,128,432
Interest, &c.	2,494,221	1,734,200	..	..
Sinking Fund	554,044	398,044	..	..
Road Fund	..	..	..	..
Payments to Local Taxation Accounts, &c.	..	..	..	..
Payments to Northern Ireland Exchequer	72,411	96,822	72,411	96,822
Land Settlement	72,758	9,729	39,861	..
Other Consolidated Fund Services	246,843	11,325	13,523	11,325
Supply Services	25,597,000	24,339,000	5,647,000	6,239,000
Expenditure	60,348,017	62,969,764	8,006,539	7,475,579
OTHER ISSUES.	..	..	..	..
Temporary Advances:—	..	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,891	36,891	..	..
Under the Unemployment Insurance Act, 1921	..	..	..	..
Issues to meet Capital Expenditure under the Telegraph (Money) Act, 1922	250,000	..	..	..
Unemployment Insurance Act, 1921—	..	..	..	..
Repayment of amounts borrowed ..	191,810,000	213,250,000	49,080,000	45,935,000
Treasury Bills	..	..	..	..
Principal of National Savings Certificates	2,600,000	3,200,000	650,000	750,000
Principal of National War Bonds paid off	..	15,979,989	..	500,000
Other Debt under the War Loan Act, 1914 to 1919	50	15	..	..
Ways and Means Advances Repaid ..	29,200,000	39,467,000	4,350,000	6,500,000
Treasury Bills	284,244,558	334,903,659	68,086,539	61,160,579
Balances in Exchequer:—	..	..	..	..
Bank of England	1,338,255	2,000,530	237,648	22,339
Bank of Ireland	1,980,241	1,376,210	14,411	101,178
Total	3,918,496	3,377,140	252,068	123,517

Treasury, April 28, 1924.

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

	Notes and Certificates Outstanding.	Investments in Assets Account.	Silver Coin.	Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Governor's Reserve.	Balance at Bank of England.
1923.	£	£	£	£	£	%	£	£
Mar. 30	300,351	14,255	5,000	28,500	19,450	15.9	261,479	177
June 28	295,374	13,338	5,000	28,500	19,650	16.3	254,318	250
Sept. 27	289,127	12,848	7,000	27,000	21,150	16.6	248,456	189
Dec. 27	301,337	12,672	7,000	27,000	21,150	15.9	258,923	137
1924.	£	£	£	£	£	%	£	£
Mar. 22	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190
June 27	286,503	12,516	7,000	27,000	22,450	17.3	242,446	143
Sept. 27	282,784	12,401	7,000	27,000	22,450	17.5	238,595	140
Dec. 26	299,070	12,571	7,000	27,000	22,450	16.5	255,034	159
1924.	£	£	£	£	£	%	£	£
Mar. 26	281,538	11,908	7,000	27,000	22,450	17.6	236,867	130
April 16	292,153	12,331	7,000	27,000	22,450	17.0	247,868	167
23	292,429	12,376	7,000	27,000	22,450	17.0	248,177	178
30	290,116	12,436	7,000	27,000	22,450	17.1	245,565	149

Since July 21, 1920, notes and certificates outstanding include notes called in Maximum fiduciary issue for 1920 fixed at £300,000,000, but not yet cancelled. For 1921 at £309,988,400, for 1922 at £270,183,800, and for 1924 at £248,190,900.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills dated from May 5 to May 10 were opened on May 2, 1924, and the total amount applied for was £53,625,000. For bills at three months and above dated Monday to Friday at £99 5s, about 25 per cent., and above in full. Saturday at £99 5s 2d, above in full. The amounts allotted were as follows:—In bills at 3 months, £33,000,000; in bonds, £2,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months, Average Rate.	4% Treasury Bonds, Average Price
1924.	£	£	£ s d	£ s d
Mar. 28	40,000,000	50,035,000	3 1 3/3	94 13 8/4
April 4	35,000,000	59,925,000	3 1 2/4	94 13 7/5
April 11	30,000,000	61,575,000	3 0 5/4	94 13 2/1
April 17	30,000,000	40,140,000	2 17 8/3	94 13 8/7
April 25	35,000,000	46,150,000	3 0 0/55	94 13 8/1
May 2	35,000,000	53,625,000	2 18 11/3	94 13 8/1

Tenders will be received on May 9, 1924, for Treasury Bonds and Bills to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.

ASSETS £28,048,905
CLAIMS PAID £23,813,270

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

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

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, April 30, 1924.

ISSUE DEPARTMENT.

	£		£
Notes issued	146,043,715	Government debt	11,015,100
		Other securities	8,734,900
		Gold coin & bullion ..	126,293,715
	<u>146,043,715</u>		<u>146,043,715</u>

LONDON RATES.

BANK OF LITHUANIA.—In lt. (000's omitted).							
ASSETS.	Apr. 16, 1924.	May 31, 1924.	Mar. 15, 1924.	Feb. 28, 1924.	Feb. 14, 1924.	Apr. 17, 1923.	
Gold	24,171	24,124	20,659	20,497	20,284	15,232	
Silver	82	59	40	38	94	10	
Collars, & metals	59,488	56,747	58,823	55,626	56,257	56,559	
Discount and credit	27,458	20,488	23,582	22,291	20,566	14,613	
LIABILITIES.							
Capital	12,000	12,000	12,000	12,000	12,000	12,000	
Reserves in circulation	73,592	71,947	73,941	73,000	72,500	73,500	
Reserves	24,294	23,697	23,600	23,000	22,599	24,000	

BANK OF ITALY.—In lire (000's omitted).						
	Mar. 31, 1894.	Mar. 20, 1894.	Mar. 10, 1894.	Feb. 28, 1893.	Mar. 31, 1893.	Position May 31, 1911
ASSETS.						
Total cash	1,992,864	1,626,851	1,876,852	1,649,965	1,338,266	1,221,191
Inland bills	3,144,387	3,087,014	3,099,251	3,194,467	4,553,396	418,400
Foreign bills	15,761	15,662	15,778	15,651	15,362	81,300
Advances to						
Treasury	5,746,705	5,837,499	5,837,570	5,837,648	6,065,263	79,175
On advances	4,428,751	2,997,932	2,352,637	2,637,033	1,870,223	75,719
Securities	378,507	400,623	406,130	418,928	407,081	806,700
LIABILITIES.						
Note circulation	14,588,119	12,212,529	12,356,235	19,350,579	13,065,790	1,556,925
Deposits & drafts	1,869,119	1,703,040	1,815,227	1,756,170	1,709,068	193,976

RATES OF EXCHANGE.					
London on	Usance	Par.	May 4, 1923.	April 25, 1924.	May 2, 1924.
Paris	franco to £1	T.T.	25-22½	69-45-30	69-68-73
Berlin	marks to £1	T.T.	30-43	160/170000	184-48½
Venona	trone to £1	T.T.	24-02	320/330000	368-51½
Brague	trone to £1	T.T.	24-02	148-143	148-143
Warsaw	P. marks to £1	T.T.	20-43	215-430000	440 millions
Reval	Eestmarks to £1	T.T.	..	..	1050-1680
Riga	lats to £1	T.T.	25-22½	..	22-62-80
Bukarest	lei to £1	T.T.	25-22½	950-390000	840-855
Budapest	forints to £1	T.T.	25-22½	20000-200000	340-350
Constantinople	piastres to £1	T.T.	110	745-765	805-820
Sofia	leva to £1	T.T.	25-22½	606-635	600-620
Belgrade	dinars to £1	T.T.	25-22½	425-455	350-360
Amsterdam	florin to £1	T.T.	12-107	11-82-83	11-76-76½
Brussels	franco to £1	T.T.	25-22½	80-10-15	81-8½-81½
Christiania	trone to £1	T.T.	18-159	27-15-37	31-17-77
Stockholm	trone to £1	T.T.	18-159	17-34-37	16-63-65
Copenhagen	trone to £1	T.T.	18-159	24-70-75	26-17-10
Helsingfors	P. marks to £1	T.T.	25-22½	167-168	175-175½
Greece	draohmets to £1	T.T.	25-22½	375-385	218-290
Italy	lire to £1	T.T.	25-22½	944-3	98-984
Switzerland	franco to £1	T.T.	25-22½	25-68	24-69-71
Madrid	pesetas to £1	T.T.	25-22½	30-36-39	31-75-75
Lisbon	pesce to £1	T.T.	53-42	2-4-3	1-11-11
Alexandria	piastres to £1	Sight	97½	97½	97½
New York	dollars to £1	Obis	4-82½-4	4-37½-4	4-38½-4
Montreal	dollars to £1	Obis	4-66½	4-71½	4-66½
Buenos Aires	pesos to £1	Obis	47-62½	142-13	404-14½
Rio de Janeiro	milreis to £1	Sight	16-5	6-6	6-6
Montevideo	pesos to £1	Sight	51	42½-43	42½-42½
Valparaiso	pesos to £1	Sight	13-33	38-50	39-10
Santo Domingo	pesos to £1	Sight	30 days	8½ prem.	7½ prem.
Santiago	pesos to £1	Sight	10 to 30 days	8½ prem.	7½ prem.
Bombay	ster. to rupee	T.T.	Gold	1s 4½d-4d	1s 4½d-4d
Madras	ster. to rupee	T.T.	Sovn.	1s 4½d-4d	1s 4½d-4d
Hong Kong	ster. to dollar	T.T.	..	2s 4½d-4d	2s 4½d-4d
Shanghai	ster. to dollar	T.T.	..	2s 4½d-4d	2s 4½d-4d
Yokohama	ster. to dollar	T.T.	..	2s 4½d-4d	2s 4½d-4d
Yokohama	ster. to yen	T.T.	24-583	2s 1½d-1½d	1s 8½d-8½d
Manila	ster. to dollar	T.T.	24-066	12s 1½d	12s 2½d
Mexico	pesos to £1	T.T.	24-066	24-265	28-200

OVERSEAS BANK RATES.			
	Changed.	%	
Amsterdam	Jan. 24, 1924	5	Madrid
Athens	Jan. 14, 1923	7 $\frac{1}{2}$	Paris
Belgrade			Prague
Berlin	Sept. 15, 1923	90	Riga
Brussels	Jan. 17, 1924	8	Rosario
Bucharest	Sept. 4, 1920	6	Sofia
Budapest	July 5, 1923	18	Stockholm
Calcutta	Apr. 10, 1924	8	Swiss Bank
Christiansia	Nov. 10, 1923	3	Warsaw
Copenhagen	Jan. 17, 1924	7	
Danzig	Mar. 17, 1924	12	
Helsingfors	Mar. 5, 1924	9	

	Changed.	%	
Madrid	Mar. 23, 1923	2	
Paris	Jan. 17, 1924	6	
Prague	Mar. 10, 1924	8	
Riga	Feb. 16, 1924	8	
Rosario	July 15, 1923	5	
Sofia		7	
Stockholm	Nov. 9, 1923	5	
Swiss Bank			
Warsaw	July 14, 1923	4	
	Nov. 12, 1919	2	
	Sept. 2, 1922	9	

(See note below)

New York Federal Reserve .. Apl. 30, 1924 .. 4 Irish..... July 5, 1923 .. 5

The Bank Rate of the South African Reserve Bank is 6% for first-class commercial bills (90 days), and 6½% for agricultural bills (of not more than six months).

Warsaw (Poland).—From February 20, 1924, discount rate, gold francs, 12 % loans on collateral security, gold francs, 16 %.

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	May 2, 1924.	Mar. 20, 1924.	Apl. 3, 1924.	Apl. 10, 1924.	Apl. 24, 1924.	May 1, 1924.
	%	%	%	%	%	%
Call money.....	4½ ..	4½ ..	4½ ..	4½ ..	4½ ..	4½ ..
Time money (90 days) mixed coll)	5½ ..	4½ ..	4½ ..	4½ ..	4½ ..	4½ ..
Bank acceptances:—						
Members—eligible, 90 days	4½ ..	4½ ..	4½ ..	4½ ..	4½ ..	4½ ..
Non-mem.—eligible, 90 days	4½ ..	4½ ..	4½ ..	4½ ..	4½ ..	4½ ..
Ineligible, 90 days	5 ..	4½ ..	4½ ..	4½ ..	4½ ..	4½ ..
Commercial acceptce, 90 days ..	5½ ..	4½ ..	4½ ..	4½ ..	4½ ..	4½ ..

Selling Rates.

Members—eligible, 90 days	4½ ..	4½ ..	4½ ..	4½ ..	4½ ..	4½ ..
Non-mem.—eligible, 90 days	4½ ..	4½ ..	4½ ..	4½ ..	4½ ..	4½ ..
Ineligible, 90 days	5 ..	4½ ..	4½ ..	4½ ..	4½ ..	4½ ..
Commercial acceptce, 90 days ..	5½ ..	4½ ..	4½ ..	4½ ..	4½ ..	4½ ..

SWISS NATIONAL BANK.—(In francs ('000's omitted).)						
	Apr. 23, 1924.	Apr. 15, 1924.	Apr. 7, 1924.	Mar. 31, 1924.	Apr. 8, 1923.	Posi- tion May 31, 1923.
Cash	\$24,306	\$26,269	\$36,491	\$36,224	\$36,224	\$36,224
Receivables	1,000	985	985	947	104,494	104,494
Debitors—Banks	11,623	11,614	11,614	11,695	6,365	6,365
Amalg. & advances	246,505	243,175	270,155	248,745	440,101	103,031
Loans—Banks						
Loans—In circulation	\$24,441	\$44,220	\$70,700	\$90,225	\$62,322	\$75,722
Deposits	\$24,441	103,026	97,921	51,321	\$28,046	\$28,046

	Apr. 15, 1924.	May 1, 1924.	Mar. 15, 1924.	Feb. 29, 1924.	Feb. 15, 1924.	Apr. 1, 1923.
Assets.	24,171	24,124	20,552	20,457	20,324	15,823
or.	52	59	40	32	34	16
and	59,824	56,797	56,659	53,037	52,599	36,559
ment and credits	27,458	26,488	31,828	32,290	30,566	15,637
LIABILITIES.						
13,000	13,000	13,000	13,000	13,000	13,000	13,000
Notes in circulation	7,100	7,100	7,100	7,100	7,100	7,100
34,994	33,880	30,644	27,048	25,599	24,557	14,513
and						

BANK OF ITALY.—In lire (000's omitted).						
	Mar. 31, 1894.	Mar. 20, 1894.	Mar. 10, 1894.	Feb. 28, 1894.	Mar. 31, 1893.	Position Mar. 31, 1911
Assets.	1,992,864	1,605,211	1,876,627	1,649,965	1,338,266	418,401
Cash	3,144,387	3,005,414	3,099,251	3,194,467	4,552,396	61,300
and bills	15,761	15,662	16,778	15,651	13,362	81,300
gold bills						
Treasury	5,746,705	5,837,499	5,837,570	5,837,648	6,065,262	79,175
Government	4,428,751	2,997,932	2,352,637	2,637,038	1,870,228	71,715
Rentes	374,507	400,523	406,130	418,928	407,081	806,700
Rentes						
LIABILITIES.						
Circulation	12,583,190	12,212,529	12,356,235	12,360,879	13,065,790	1,556,925
Bills and drafts	1,689,119	1,703,040	1,815,327	1,756,170	1,709,068	193,975

RATES OF EXCHANGE.					
London on	Usance	Par.	May 4, 1923.	April 25, 1924.	May 2, 1924.
Aria	franco to £1	T. T.	25-22½	69-25-30	69-68-73
Berlin	marks to £1	T. T.	20-43	150/170000	182-24bills
Vienna	krone to £2	T. T.	24-02	320/330000	368-51-60
Warsaw	zloty to £1	T. T.	24-02	115-156	148½-163
Veraval	P. marks to £1	T. T.	20-43	215/230000	640 millions
Lyons	Est. mks. to £1	T. T.		..	1670
Algiers	late to £1	T. T.	25-22½	..	22-66-80
Buenos Aires	peso to £1	T. T.	25-22½	950-990000	800-850
Calcutta	rupee to £1	T. T.	24-02	200-220000	350-360
Chongking	taels to £1	T. T.	110	745-765	800-820
Canton	taels to £1	T. T.	25-22½	600-635	680-720
Cebu	pesos to £1	T. T.	25-22½	425-455	350-360
Hankow	dinars to £1	T. T.	25-22½	11-82-83	11-76-76½
Harbin	taels to £1	T. T.	12-107	11-82-83	11-76-76½
Hongkong	franco to £1	T. T.	25-22½	80-10-15	81-8½-91
Manila	pesos to £1	T. T.	25-22½	10-15-30	31-70-71
Peking	taels to £1	T. T.	18-153	17-34-37	16-63-65
Shanghai	taels to £1	T. T.	18-153	24-70-75	26-10-10
Tientsin	franco to £1	T. T.	25-22½	167-168	175-175½
Yokohama	P. marks to £1	T. T.	25-22½	175-175½	174½-176½
Amoy	drachmas to £1	T. T.	25-22½	375-385	218-220
Batavia	gilders to £1	T. T.	25-22½	944-4	98-98½
Bombay	rupees to £1	T. T.	25-22½	25-68	97½-97½
Calcutta	rupees to £1	T. T.	25-22½	30-36-39	31-66-71
Canton	taels to £1	T. T.	25-22½	2-3-4	1-11-11
Cebu	pesos to £1	T. T.	25-22½	2-3-4	1-11-11
Hankow	taels to £1	T. T.	25-22½	2-3-4	1-11-11
Harbin	taels to £1	T. T.	25-22½	2-3-4	1-11-11
Hongkong	franco to £1	T. T.	25-22½	2-3-4	1-11-11
Manila	pesos to £1	T. T.	25-22½	2-3-4	1-11-11
Peking	taels to £1	T. T.	25-22½	2-3-4	1-11-11
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OVERSEAS BANK RATES.			
	Changed.	%	
Amsterdam	Jan. 24, 1924	5	Madrid
Athens	Jan. 14, 1923	7 $\frac{1}{2}$	Paris
Belgrade			Prague
Berlin	Sept. 15, 1923	90	Riga
Brussels	Jan. 17, 1924	8	Rosario
Bucharest	Sept. 4, 1920	6	Sofia
Budapest	July 5, 1923	18	Stockholm
Calcutta	Apr. 10, 1924	8	Swiss Bank
Christiansia	Nov. 10, 1923	3	Warsaw
Copenhagen	Jan. 17, 1924	7	
Danzig	Mar. 17, 1924	12	
Helsingfors	Mar. 5, 1924	9	

	Changed.	%	
Madrid	Mar. 23, 1923	2	
Paris	Jan. 17, 1924	6	
Prague	Mar. 10, 1924	8	
Riga	Feb. 16, 1924	8	
Rosario	July 15, 1923	5	
Sofia		7	
Stockholm	Nov. 9, 1923	5	
Swiss Bank			
Warsaw	July 14, 1923	4	
	Nov. 12, 1919	2	
	Sept. 2, 1922	9	

(See note below)

	May 2, 1924.	Mar. 20, 1924.	Apr. 3, 1924.	Apr. 10, 1924.	Apr. 24, 1924.	May 1, 1924.
Cell money.....	42	42	42	42	42	42
Time money (90 days/mixed coll.)	52	44	44	44	42	42
Bank acceptances:—						
Maturity—eligible, 90 days	42	42	42	42	42	42
Non-mat.—eligible, 90 days	42	42	42	42	42	42
Ineligible, 90 days	5	42	42	42	42	42
Commercial accept., 90 days	52	42	42	42	42	42

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefee.	Ordinary.				
					Amount.	Amount.	Rate.			
Breweries.										
Wilson's	Feb. 29	£ 66,525	£ 92,519	£ 159,044	£ 8,300	£ 44,375	12½	£ 32,155	£ 64,214	87,278
Gas.										
Bombay	Dec. 31	33,023	26,973	59,996	..	22,400	8	2,545	35,051	31,081
Southampton	Dec. 31*	3,457	20,090	23,547	..	19,432	5	3,109	1,006	24,140
Iron, Coal, and Steel.										
Clayton and Shuttleworth	Dec. 31	42,445	Dr 40,249	2,196	..	..	..	2,196	Dr 2,469	..
East Kent Colliery	Dec. 31	Dr 6,546	Dr 18,897	25,443	..	..	..	..	Dr 25,443	..
Nitrate.										
Tarapaca and Tocopilla	Dec. 31	54,682	43,634	98,316	..	38,438	12½	30,000	29,878	14,644
Oil.										
Anglo-American Oil	Dec. 31	409,112	621,889	1,031,001	..	525,000	17½	..	506,001	747,063
Rubber, &c.										
Changkat Salak	Dec. 31	28,111	Dr 2,146	25,965	..	15,180	Pf. Od. 12½	2,000	8,785	9,059
Tea.										
Hewagum	Dec. 31	2,850	7,910	10,760	..	4,800	2	2,200	3,760	10,154
Igalkande	Dec. 31	Dr 126	3,256	3,130	..	1,760	4	..	1,370	2,919
Kimani	Dec. 31	1,179	12,867	14,046	..	6,415	5	3,000	4,631	3,613
Lower Perak	Dec. 31	16,792	2,039	18,831	..	2,276	4	12,375	4,180	555
Nagalle Rubber and Tea	Dec. 31	7,332	19,190	26,522	..	18,514	10	200	7,808	13,950
Panawatte Tea and Rubber	Dec. 31	906	19,150	20,056	..	17,250	10	1,500	1,306	8,405
Sungei Batu (Malaya)	Dec. 31	10,240	3,597	13,837	..	6,188	7½	..	7,649	833
Tangga Batu Rubber	Dec. 31	1,730	122	1,852	..	..	..	..	1,852	833
Windsor (F.M.S.)	Dec. 31	10,122	6,287	16,409	..	10,312	12½	..	6,097	13,887
Other Companies.										
Alliance Investment	April 15	22,195	41,541	63,736	20,925	12,400	8	8,000	22,411	37,324
Other Companies.										
A. W. Gamage	Jan. 31	13,143	36,473	49,616	9,625	23,750	5	6,800	9,441	36,903
Henry Clay and Book and Co.	Dec. 31	37,470	12,306	49,776	13,560	..	..	..	36,212	50,600
Kassala Cotton	Dec. 31	..	Dr 17,878	Dr 17,878	..	..	..	..	Dr 17,878	..
Lancashire Waggon	Mar. 31*	1,532	3,564	5,096	1,210	590	10½	1,500	3,015	10½
Salinas of Mexico	Nov. 30	3,389	Dr 112	3,277	..	..	..	..	3,277	Dr 9,215
Schwepes.										
Sentinel Waggon Works	Dec. 31	27,398	132,883	160,281	15,000	52,500	7 Ord 7 Def	60,000	32,781	101,334
Val de Travers Asphalte Paving ..	Dec. 31	8,211 (t)	45,469	53,680	45,000	..	..	..	8,680	..
William McIlroy	Feb. 20	12,597	21,448	34,045	..	14,700	7½	..	19,345	20,655
W. P. Lawrie and Co.	Mar. 31	56,805	38,036	94,841	4,800	10,000	25	11,700	68,341	60,624
		118,918	119,922	238,840	18,000	50,000	25	25,000	145,840	103,628

* Half-year.

† Tax free.

(t) Three years.

premium income was £490,208 as compared with £498,875. The life and annuity funds increased from £4,471,952 to £4,582,536, and earned on the average £4 7s 9d per cent. interest after deducting tax. In the fire department with premiums of £256,038 the claims were 48.6 per cent. of the premiums. The underwriting surplus was £1,410. In the marine account the premiums were £607,997, and the claims on 1923 and previous years amounted to £744,706. Expenses were £70,702; the marine funds were reduced from £948,623 to £741,212. Interest receipts available for dividend amounted to £46,959. A dividend of 25 per cent., less tax, is declared.

MUTUAL PROPERTY INSURANCE CO.—The directors state in their twenty-fifth annual report that the accounts are now presented in detail, with departmental revenue accounts, actuary's valuation, and auditor's certificate, the latter showing that a continuous audit is in operation. The paid-up capital now stands at £61,545, against £61,296 for last year. The total assets have been increased by £54,280, from £241,970 to £296,259. With regard to the house purchase department the total premiums collected amounted to £82,712, as compared with £69,657 for the previous year, an increase of £13,054. These premiums do not include payments made by policyholders who have obtained loans and commenced repayment, as, under the company's equitable system the premium ceases and all further payments are credited to loan account when a policy on which a loan has been made is five years in force. During the year advances to the amount of £103,910 were completed, the company being in a position to meet all loan applications from available funds. The total advances made now amount to £376,035. The profit and loss account balance is £3,576, and the directors recommend a dividend on the paid-up capital of the company at the rate of 5 per cent. per annum, less tax.

NORTH BRITISH AND MERCANTILE.—The following are the results for the year 1923:—Net premiums—fire, £3,002,031, an increase of £155,678. Railway Passengers Assurance Company, £95,541, an increase of £14,175. Ocean Marine Company, £373,880, an increase of £34,346. Fine Art and General Insurance Company, £327,870, a decrease of £6,884. Profit, exclusive of interest, Fire £344,588, Railway Passengers £122,855, Fine Art and General £44,541. The whole balance of the 1922 account of the Ocean Marine has been carried to the reserve for claims of 1922 and previous years. It is not thought desirable to make any estimate at present of the profit which is believed to have been earned on this account in 1919 and subsequent years. Total interest of the fire account and three subsidiaries, £373,694. New life

policies were issued insuring net £2,925,763, and £227,158 was received for the purchase of annuities. On the combined profit and loss account, after providing for preference and ordinary dividends (£318,575) and income and corporation taxes (£102,585), a balance is carried forward of £3,680,635, an increase of £339,648. The directors recommend a dividend for the year 1923 of 14s per share, less tax, payable half on May 15th and half on November 15th. The dividend for the previous year was 13s per share, less tax.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Liberal soaking rains together with a mild temperature has improved agricultural prospects in this country, cereal crops and grass lands now presenting a very healthy appearance. Wheat in particular is a strong plant, though late sown is rather thin and patchy in some districts. Spring sowings are completed, and plants are well above ground in the principal growing areas. Supplies of native wheat continue in small compass, and prices firm at 10s 6d to 10s 9d for best samples for 112 lbs free on rail. Imported descriptions were in fair request, and trend of values in sellers' favour. No. 1 Northern Manitoba quoted 48s 6d, No. 3 ditto 46s 6d, Rosafe, 63½ lbs, 47s 6d, Barusso, 63½ lbs, 46s 6d, and Australian 49s per 49½ lbs, ex ship terms. In the floating and forward cargo section a firmer tone prevailed, sellers being more reserved in face of improved inquiries, particularly on Continental account. Steamers of Australian, April 12th bill of lading, sold 48s 6d to Mediterranean, ditto, March 27th, 47s 3d, Rosafe, 63½ lbs, April, 44s 4½d, Baril, 64 lbs, afloat, 44s 7½d, to Continent. Rosafe, 64 lbs, afloat, 44s 6d, Barusso, 63½ lbs, June, 42s 4½d, and Baril, 63½ lbs, April, 44s 1½d, to United Kingdom. Crop prospects in the principal exporting countries continue favourable. Of maize cargoes only a quiet demand was in evidence, but prices were firm owing to dearer freight rates from the Argentine for early loading. Steamers of Dan-Gal-Foxanian, April, sold at 39s 6d, and yellow La Plata, May 10th, 34s 7½d per 48½ lbs. Flour firm. London

standard straight run quoted at 37s, patents 39s to 40s, town households 35s per sack, delivered in. All English country straights 34s 6d per sack, free on rail at London stations. Imported Manitoba patents range from 35s to 37s 6d, as to quality, Australian 35s to 35s 6d per 280 lbs, ex store. Barley firm. English malting ranges from 11s 3d to 12s 6d, with feeders 10s to 10s 9d per 112 lbs, free on rail. Imported, Californian 48s to 42s, as to sample, Chilean brewing 44s to 46s, ex ship, per 448 lbs. No. 4 Canadian western 31s 6d, ex ship, ditto, landed, 32s 9d, Karachi, ex ship, 31s 6d, ditto, landed, 33s 3d, Plate, ex ship, 32s 6d, landed 34s 3d, Persian, ex ship, 28s 6d per 400 lbs. Maize firm. Plate, old, 40s 6d, landed, new, ex ship, 40s, yellow African 41s, landed, per 480 lbs. Oats—English steady at 8s 6d to 10s per 112 lbs, free on rail. Imported firmer. Plate f.a.q., ex ship, 20s 3d, ditto, landed, 21s 3d, No. 2 Canadian western 25s 9d, No. 3 ditto, 24s 6d, Canadian feed, landed, 23s 9d, per 320 lbs. Millers' offals firm. Broad bran quoted 8s 9d, ordinary 8s 3d, middlings 8s 9d, fine 9s 9d, bags included, ex mill. Light oats 7s 3d, powdered oat husks 7s 3d, feed oats 9s 3d, ground oats 12s 3d per cwt, free on rail. Oatmeal steady. London made flaked 16s 6d, rolled oats 16s, medium and fine 16s, coarse and medium pinhead 16s, ordinary Scottish oatmeal 17s 6d, American 16s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-24.	1922-23.	1921-22.	1920-21.
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to April 26	86,701	315,445	213,913	379,580
34 weeks to April 26	10,811,634	14,508,489	14,172,732	10,351,922
Average price of English wheat per cwt.	10 8	10 3	12 2½	20 2

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1920 to 1923:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1924.	Cwts.	Cwts.	Cwts.	8 d	8 d	8 d
April 19	102,904	25,341	22,309	10 7	11 5	9 7
April 26	86,701	16,100	13,517	10 8	11 4	9 8
1920	151,273	28,936	20,522	16 11	23 6	20 3
1921	317,336	54,161	24,127	20 3	13 4	13 5
1922	213,913	37,525	23,957	12 2	11 4	10 7
1923	315,445	84,415	30,386	10 3	8 7	10 0

IRON, STEEL, AND COAL.

Our Middlesbro' correspondent's report, dated May 1st, is as follows:—Pig-iron: Prices are rather easier for the moment, and the market for pig-iron is quiet. No large sales of makers' pig-iron seem to have been effected recently. The price of No. 3 Cleveland G.M.B. is 92s per ton. Hematite is also a quiet market, but some sales have been put through lately. There is no immediate prospect, however, of more furnaces going in. The price of mixed numbers E.C. hematite is 99s per ton. Manufactured iron and steel: There is no change to report. Works can just keep going, but short of full output. Steel ship plates, £10 5s; steel ship angles, £10; iron bars, £12 10s; steel rails, £9. Iron ore: No demand yet. Consumers have sufficient ore, and will not buy for forward meantime.

Our Sheffield correspondent:—While buying of pig-iron and semi-steel continues quiet the outlook is believed to be improving, as a demand from abroad has sprung up, and doubtless there would be a substantial general revival if it were not for the clouds on the labour horizon. An encouraging event is the re-starting of the plate mills at the Parkgate works, which have been standing for some considerable time, owing to the depression in shipbuilding. Iron prices are firm, with the exception of instances where makers have offered a low quotation in preference to putting material into stock. Higher rates in the near future are foreshadowed. Bookings of open-hearth steel have been unsatisfactory for six or seven weeks, with the result that makers have little or nothing to cover future outputs, but there has been no reduction of melting plant. There is scarcely any sale for billets. The receipt of orders for railway steel material does not keep pace with execution, as overseas orders are on a small scale, and output facilities are double what they were before the war. Tools are in good demand. Nothing favourable can be said of plate and cutlery, and local industry as a whole is unremunerative. The coal market is less brisk than of late, although the best classes of manufacturing fuel find a ready market. Very little coke has been bought during the last fortnight. Previously users had stocked heavily as a safeguard against a stoppage of the coal industry. Durham foundry coke is quoted at 42s 6d at ovens, and blast furnace coke at 24s. Quotations per ton at pits are:—Best hand-picked branch, 36s to 38s; Barnsley best Silkestone, 45s to 35s; best Yorkshire steams, 27s; Tyne ditto, 26s; rough slacks, 12s 6d to 14s; smalls, 8s to 10s.

Our Glasgow correspondent writes:—There is a steady demand for pig-iron from Continental buyers, but in general the quantities are not large. Home consumers are taking increasing supplies at recent prices, which are held firm. The shipments from the Clyde last week amounted to about 1,600 tons. There is an improvement

in the tone of the iron and steel markets. The news this week that Messrs The Fairfield Shipbuilding and Engineering Company are to build and engine a light cruiser and that Messrs Beardmore have been given the contract for the engines for another cruiser has produced a buoyant feeling in the trades concerned. The value of these contracts is now understood to be approximately one and a-half millions. With the exception of an odd line here and there Continental competition is hardly felt in this district. Specifications for sections and light plates usually keenly sought by Belgian works have been placed with local makers. Consumers are still ordering only in small quantities, and some steel works having large capacity are working considerably under their full output. Bar iron makers and re-rollers keep going with home orders at current prices. Keen cutting is the order of the day for export business in all branches. For black and galvanised sheets the demand is moderate, with prices slightly on the downward grade. Japan has not bought any thin sheets for several weeks, but, in view of the large weekly shipments still going from the United Kingdom and the known heavy requirements, it is expected that real business in this line will come over shortly. Recent inquiries for large tonnages have evidently been for the purpose of testing the market.

METALS.

Tin commenced the week with a firmer tone, but subsequently became irregular and easier on pressure to sell and lower advices from the East. Standard, cash, sold at £241 15s to £244 to £238, and three months £243 to £244 5s to £236 5s. Eastern cables reported sales on the basis of £242 10s, c.i.f. At Thursday's session values moved in an upward direction, though closing below top points. Standard, cash, sold at £237 5s, and three months £240 to £236 2s 6d to £237. Rates were again firmer at the close. Standard, cash, sold at £237 10s-£238 10s, and three months £237 10s to £238 10s to £238, while finally registered at £238 15s. English ingots quoted at £240 to £241. Copper was in good demand throughout the week, and despite occasional irregularity prices on balance moved in buyers' favour. Standard, cash, sold at £63 7s 6d to £63 15s to £63 3s 9d, and three months £64 7s 6d to £64 13s 9d to £64 2s 6d. Values opened fully steady on Thursday, but subsequently eased slightly while in good demand. Standard, cash, sold at £63 3s 9d to £63 2s 6d, and three months £64 5s to £64. At final session rates ruled rather firmer. Standard, cash, sold at £63 7s 5d to £63 2s 6d, and three months at £64 to £64 5s. Electro's £68 15s to £69 5s, strong sheets £96, wire bars £69 5s, and best selected £67 5s to £68 10s per ton. Lead easier, and quoted at £30 7s 6d-£29, 4s to position. Spelter lower at £30 11s 3d-£30 13s 9d, according to position. Aluminium, home trade, £125; export, £130. Antimony, English, special brands, £52 to £52 10s.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—A moderate amount of business is being done in a quiet way, but there is no real activity in any section of the trade at present. Apparently, users are determined to wait for the raw material position to be tested before adding to their commitments, and the course of events in the immediate future will be largely governed by what takes place at the auctions which open in London next Tuesday. The last of the B.A.W.R.A. wool is being sold in Liverpool to-day and to-morrow, so that it has taken just over three years to dispose of the huge surplus of Government-bought wool, the sale of which was entrusted to B.A.W.R.A. From now the world will be entirely dependent on the seasonal production. Recent sales of fine crossbred and merino tops in this centre have shown that sellers are willing to make a slight concession with the object of influencing actual business. Average 64's tops are quoted at 5s 9d, and average 70's can be picked up at about 5s 11d. An actual selling price for 56's super is about 50d, with 48's carded at 29½d to 30d, and 46's 28d to 28½d. New business in crossbred yarns is not so plentiful, recent rates having apparently checked demand to some extent. Spinners are well booked ahead, however, and machinery is well employed. The demand for botanics is still disappointing, and price-cutting is having a bad effect upon the market. Generally speaking, quotations are nominally unchanged, but the actual price of fine count yarns is entirely governed by the position of the seller. Export orders are more restricted, currency difficulties in Germany interfering with the normal course of trade. The piece-goods trade is steady, but the Far Eastern markets are not developing as was expected.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

Since last writing the London selling brokers have issued a detailed list of the quantity of wool available for the sales which begin next Tuesday. The total available is 115,000 bales, Australia being represented by about 43,000 bales, New Zealand 46,500 bales, South Africa 6,200 bales, the balance being made up of South American wools from various quarters. The total is larger than the majority expected, and if one reckons the 44,700 bales of B.A.W.R.A. wools sold at Liverpool on Thursday and Friday of this week, it will be seen that there is practically 160,000 bales of wool to be absorbed by the trade in the short space of three weeks. The task should not be too great, although we frankly admit that

the wool available is fully as much as the trade can comfortably deal with at the present. Everything will depend upon the course of the auctions as to whether the last two selling days are abandoned, and the wools carried forward to the July auctions, when presumably the quantity available will be less than is the case to-day. It is to be hoped that the Continent will be a vigorous buyer, and so strengthen the hands of the home trade. America occupies a most unusual position in the wool trade, for instead of being a buyer, she has lately been a large exporter. A reliable authority estimates that something like 50,000 bales have been shipped to England and Europe for resale during the past seven months. The quantity seems to us to be rather too much, but 10,000 bales is neither here nor there. The very fact of America being an exporter is significant, and clearly shows that holders across the Atlantic are seizing the opportunity to sell their stocks at a profit in Europe rather than carry them forward indefinitely and run risks. Just at present it seems as if buyers at home and on the Continent are finding their financial resources heavily taxed by large direct imports, and that is the reason why the trade will have every reason to feel satisfied if last sales' values are maintained. We are expecting no important change, and it will be a most satisfactory series if merinos and crossbreds continue to sell readily at last sales standard of values. We think this should be seen, for there is nothing to indicate any setback. Some seem to think that we might see a slight ease in merinos and fine crossbreds, largely due to the poor time being experienced by West Breders, topmakers. We frankly admit that these wools are dear. The opposition to the rates being demanded by manufacturers is bitter and sustained. It is also useless trying to disguise the fact that where merino tops have been lately sold, even big topmakers have had to shade their quotations considerably. There is also a fair amount of financial pressure in Bradford, due to drafts having to be met on direct arrivals, and this is bound to continue for the next two months. All the same, so long as there is a turnover, we think values are not going to vary a great deal. Hence, the ensuing series is likely to demonstrate a very sound wool situation.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—April 25, 1924.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1923.			Same Period 1922.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	d	d	d	d	d	d	d	d	d	d	d	d
Florida do.....	d	d	d	d	d	d	d	d	d	d	d	d
Georgia do.....	d	d	d	d	d	d	d	d	d	d	d	d
American.....	1535	1585	1685	1770	1885	1965	1471	1521	1571	891	976	1065
Brazilian.....	Mid	M F	Fr	G F	Gd	Fne	M F	Fr	Gd	M F	Fr	Gd
Pernambuco, &c.....	..	1715	1815	1915	..	..	1446	1511	..	841	1041	..
Paraguay, Rio Grande, &c.....	..	1715	1815	1915	..	..	1446	1511	..	841	1041	..
Ceara, &c.....	..	1715	1815	1915	..	..	1446	1511	..	841	1041	..
Rio Paulo.....	..	1715	1765	1815	..	..	1421	1471	..	916	1016	..
Egyptian.....	Fr	G F	Fr	Gd	Fne	..	Fr	G F	Gd	Fr	G F	Gd
Upper.....	..	2150	2275	2385	2475	2540	1550	1665	1855	1450	1650	2025
Sakellariadis.....	..	2150	2280	2330	2360	2455	1545	1620	1720	1278	1400	1625
Brown.....	..	1890	1940	2015	2040	2065	1511	1586	1686	991	1166	1316
Peruvian.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
Rough.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
Moderately Rough.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
Smooth.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
Tanganyika.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
Midland.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
West Indian, &c.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
Do Sea Island.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
African, East, &c.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
Do West.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
East Indian.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
Machine Ginned Surtee.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
Machine Ginned Brooch.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
Machine Ginned Showings.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
Machine Ginned Oomra, No. 1.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
Machine Ginned Oomra, No. 2.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
Machine Ginned Khandesh.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
Machine Ginned Comptah.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
Machine Ginned Bengal.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
Machine Ginned Seinde.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
Tinnivelly.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
American-Scinde Punjab.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
Madras, Western.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
Madras, Northern.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
M.G. Coconada, Red.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366
China, Smyrna, &c.....	..	1890	1940	2015	2040	2065	1511	1586	1686	1016	1166	1366

MANCHESTER, May 1.

Although inquiry in the market during the week has been well maintained, business has not been active, and on the whole the tone has been quieter. There is a feeling in many quarters that values may be on a lower level in the near future, but in this connection everything depends upon the progress of the new crop in the United States. India has provided an extensive inquiry in piece goods, and a fair turnover has taken place in grey staples, light bleaching descriptions and printing and finishing cloths without individual contracts being at all important. Operations for China have been patchy, and fancies have attracted more attention than standard makes. Not more than a sorting up trade has been done for most of the minor outlets, but a slightly improved demand has been experienced in goods suitable for home consumption. Manufacturers continue to present a stiffer front to customers. American yarn quotations have been firmly held, but only a moderate business has been done. The prices ruling in coarse counts are unsatisfactory, but producers of medium and fine numbers continue to do better. Egyptian yarn quotations have been stiff, with a healthy undercurrent of demand.

(I.) Comparative Statement of the Cotton Trade.

	Price, May 1, 1924.	Previous Weeks in 1924.				
		Price, April 24.	Price, April 15.	Price, April 10.	Price, April 3.	Price, Mar. 27.
Raw Cotton—Fully Mid. American .. per lb	17.71	17.90	18.61	19.28	17.83	16.55
— Sakellariadis Fully Good Fair Egyptian .. per lb	23.15	22.80	21.90	22.40	21.45	20.50
Yarns—32's twist .. per lb	27	27	27	27	27	27
— 40's twist .. per lb	27	27	27	27	27	27
— 60's twist (Egyptian) .. per lb	35	35	34	34	33	32
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	37	37	38	38	37	36
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	41	41	42	42	41	40
38-in. ditto, 38 yds, 18 by 16, 10 lbs.	21	21	21	21	21	20
39-in. ditto, 37 yds, 16 by 15, 8 1/2 lbs.	19	19	19	19	19	18

(II.) Compared with Previous Years.

	Price, May 1, 1924.	Corresponding dates in				
		1923.	1922.	1921.	1920.	1919.
Raw Cotton—Fully Mid. American .. per lb	17.71	15.24	11.8	8.17	27.59	17.56
— Sakellariadis Fully Good Fair Egyptian .. per lb	23.15	16.75	18.00	17.00	86.50	26.59
Yarns—32's twist .. per lb	27	23	23	18	60	23
— 40's twist .. per lb	27	23	23	18	60	23
— 60's twist (Egyptian) .. per lb	35	29	28	32	138	52
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	37	33	33	37	61	46
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	41	36	36	37	62	46
38-in. ditto, 38 yds, 18 by 16, 10 lbs.	21	17	17	21	51	25
39-in. ditto, 37 yds, 16 by 15, 8 1/2 lbs.	19	17	16	18	45	24

VEGETABLE OILS

Market conditions on the whole have improved, and generally steady. Raw linseed oil has fluctuated only very slightly for some time past, and the result has been to bring in a good demand from consuming industries, principally in this country. The Continent appears to be pretty well supplied with this commodity from its own mills, and America has not felt the pinch of supplies on the eastern seaboard sufficient to cause a demand for the English product such as there was a year ago. Nevertheless, there is a demand, though not very large, from Northern Europe and South America. Current value for raw oil is about £36 10s per ton naked, ex Hull mill, spot to August. Cotton oils are steadier under the influence of an improved demand, crude Egyptian now



ARCOS LTD
Capital £1,000,000
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TIMBER, FLAX, PETROLEUM SPIRIT, OIL, METALS, ORES, CHEMICALS, CRUDE DRUGS, Etc., Etc.

ARCOS EXPORTS TO RUSSIA

MANUFACTURED GOODS OF ALL KINDS.

Turnover since Autumn 1920 £36,400,000

BRANCHES:

NEW YORK: 136 Liberty Street
CONSTANTINOPLE: Rue Vairade, Galata, etc., etc.
MOSCOW: Tverskaya 1 (Uspol Ploshchad Revolutsii).
LENINGRAD: Ul. Gorkozna 24.
KHARKOV: 24 Rimarskaya.
TIFLIS: 38 Rustaveli Prospekt

offering at £39 15s, and soapmakers' grade of refined at £41 naked, ex Hull mill. Edible oils generally are in only moderate demand on home account, but find a good market abroad.

HIDE, LEATHER, AND ALLIED TRADES.

BY OUR OWN CORRESPONDENT.

The hide market seems a shade firmer, as prices of best ox hides at the Bermondsey sales on Thursday slightly advanced 1d to 1d in three classes. Prices ranged from 6 1/2d for lights to 8 1/2d for heavies, seconds making from 5 1/2d to 7d per lb. Best cows sold from 6 1/2d to 6 3/4d, and best kips at 6 1/2d. Calf, on the other hand, were slightly weaker, best selling from 7d for heavy to 15d for lights. Wools sold from 8s to 16s, and hogs from 8s to 21s each. Tanners have been more interested in S.A. frigorific hides, and sales up to 150,000 are reported, the prices paid by home tanners ranging from 7 1/2d to 8 1/2d. All classes of wet salted hides are going into consumption, and as high as 10d has been paid for Liebig ox. Dry River Plate hides are weaker, and dry African hides hang fire, as buyers are waiting for a decline.

There is a much improved business passing in sole leather, and regular deliveries of bends, both dry and wet salted, have gone to the various boot trade centres. Consumers are evidently of the opinion that the market is firm, as they have shown a disposition to book forward at current rates, a policy tanners do not seem to adopt. Inquiries for leather have also come to hand in volume from overseas markets, the Continent taking much interest in certain classes.

There is also a great improvement in uppers leathers, and quite a good business has been done in calf and side leathers, so much so that some tanners are already increasing their input of skins. Prices are very firm all round, and willow calf has lately advanced by 2d to 3d per foot. Patent leather is also very firm, and a well-known German make has advanced by 2d per foot. Both black and coloured kid is selling better, and here again sellers are obtaining higher prices for the prime selections. In fancy goods quite a fair business has passed in snake and lizard skins for women's wear, price apparently being no object. All sorts of light leather are being inquired for from Continental buyers, Germans raiding the market for chamois and similar materials.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, May 2.

SUGAR.—Prices of spot parcels were revised in accordance with reduction in duty payments. Of British makes, Messrs. Tate and Lyle's white goods were marked down 14s per cwt, and yellows 11s 6d. Cubes now quoted 47s 3d to 48s 3d, as to quality; crushed, 45s 9d; nibs, 48s 6d; granulated, fine and coarse grain, 45s 1 1/2d; No. 1, 44s 10 1/2d; No. 2, also London and T.L., 44s 7 1/2d; ditto, first half May, 44s 6d; second half May, 44s; yellow crystals, spot, 42s 7 1/2d; caster, finest, 47s 4 1/2d; A. 46s 7 1/2d; B. 45s 3d. Lyle's golden syrup, in tins, reduced 12s cwt; casks, 11s 6d, with Tate's refined syrup in metal drums and casks, 6s 6d lower. Imported kinds were offered at proportionate declines. White Java, spot, 42s 6d to 42s 7 1/2d, as to sample; ditto, May-June steamer, sellers, 24s 9d; June-July, 23s 9d; July-August, 23s, c.f. and i., London. Czecho, granulated, spot, 43s 9d; ditto, May-June shipment, 29s 6d; November-December, 22s 9d, f.o.b., Hamburg. Dutch, granulated, spot, 43s 6d to 43s 9d. American granulated, May, 29s 9d, c.f. and i., London. White Mauritius, spot, 42s 3d. Numerous inquiries circulated, with considerable stress laid upon immediate delivery, and which is the sequel to stocks having been worked down to a disappearing level in anticipation of some substantial reduction in the duty. Certain quantities in bond are now eagerly sought after in order to replenish empty cupboards, while it is quite an open question in the near future as to what extent dealers will operate in the matter of replacement. Some interest is afforded by the fast approaching consuming season, with prospects of the fruit crop roseate. Raw refining kinds steady, quiet. Cuban, basis 96 per cent., May shipment, quoted 23s 9d, c.f. and i., U.K. Madras cane-jaggery, May-June, steamer, sold, 16s 9d, c.f. and i., London. White terminal market disclosed moderate activity, but proved unsettled. May delivery sold, 29s 6d to 28s 3d; August, 26s 9d to 26s 4 1/2d, 26s 6d, 25s 7 1/2d; December, 22s 4 1/2d to 22s 1 1/2d.

COFFEE.—Spot market disclosed general stability for all mild descriptions, and which continue in demand both on home and export account. The halving of the duty payment is not calculated to lead to any appreciable increase in consumption, which has remained quite stationary for some years past. Of East India, Mysore, bold, sold, 12s 9d to 150s 6d; Costa Rica, bold, 12s 4d to 143s 1d; Maragopipe, 195s.

COCOA.—Business during the period under review proceeded on quiet lines, but sellers required steady prices. Accra, F/F grade, April-June sellers, 32s 3d; June-August, 31s 6d, f.o.b. terms.

TEA.—Indian auctions of 20,000 packages met with brisk support, especially teas for price, and in the main a firm tone governed the market, being 1d to 1d up. Pekoe, sold, 1s 3 1/2d to 1s 6 1/2d; broken orange, 1s 5d to 1s 1 1/2d. Ceylon sales of 18,220 packages also aroused active support at a full range. Broken orange pekoe, sold, 1s 6 1/2d to 2s 3d per lb, in bond. In auction, 9,200 packages Java and Sumatra were catagued, and soon disposed of to a brisk demand, at 1 1/2d to 1d per lb advance. Pekoe, sold, 1s 2 1/2d to 1s 4 1/2d; broken ditto, 9 1/2d to 1s 4 1/2d; pekoe souchong, 1s 1 1/2d to 1s 3 1/2d; orange pekoe, 1s 3 1/2d to 1s 6 1/2d; and broken orange, 1s 2 1/2d to 1s 8 1/2d per lb, in bond.

RICE. remained dull, and trend of values weaker in forward positions. Two stars Rangoon, spot, quoted 16s; afloat, 14s 9d; and May-June, 15s, c.f. and i., London. Spanish quietly steady. Japanese peas, spot, 22s 6d cwt.

SPICE.—Pepper quiet, and prices barely steady. Black Singapore, L.S., April-June, quoted 4 1/2d; Lampong, August-October, buyers, 4 1/2d; Muntok, spot, 8 1/2d; May-July, buyers, 8d for L.S. Zanzibar cloves, spot, 11d to 1s, as to quality, per lb. Tapioca dull. Singapore flake, April-June, Havre, sellers, 26s 9d; Penang seed, May-June, London, 20s. Sago flour, March-May, 14s 9d. Desiccated coconut dull. Fine cut, spot, 40s; medium, 41s; halves, March-April, 38s; April-May, 37s 6d cwt. Ginger steadily held on spot, but slow of sale.

JUTE.—Sparingly offered, and with fair inquiries in force, a firm tone predominated. First grade, April-May, continent, sold, £26 15s; ditto, May-June, £26 12s 6d; new crop, August-September, £27 7s 6d per ton. Hessians unaltered.

HEMP.—Manila steadier, and a moderate demand prevailed. J grade, April-June, quoted £37 10s; K, ditto, £32 10s; L, £31 10s; M, £27 10s; K, March-May, sold, £32 15s per ton. New Zealand and African sisal unchanged.

SHELLAC.—Market quiet. T.N., spot, 25s; May, 24s; August, 24s 5s per cwt.

COPRA.—Buyers were rather reticent, and with sellers more inclined to meet the market, prices took a downward turn. F.M.S. Straits, February-April, Rotterdam, sellers, £27 2s 6d; March-May, sold, £26 17s 6d; April-June, £26 13s 9d; May-July, £26 12s 6d. Dutch East Indies, February-April, done, £26 17s 6d; March-May, sellers, £26 15s; April-June, £26 10s, value. Ceylon, April-May, nominally, £29; South Sea Islands, £26. F.M. Straits, May-June, to Marseilles, £26 5s. Palm kernels easier. February-April, Liverpool sold, £19 1s 3d; March-May, £18 15s; April-June, £18 13s 9d to £18 12s 6d per ton.

RUBBER. steady, and business proved of moderate dimensions. Standard plantation crepe and sheet, spot, also May, sold, 1s 0 1/2d to 1s 0 1/2d; June, 1s 0 1/2d; July-September, 1s 0 1/2d; October-December, 1s 0 1/2d to 1s 1d. To New York, standard estate sheet, April-May, quoted 1s 0 1/2d; May-June, sellers, 1s 0 1/2d, and first crepe, May-June, sold 1s 0 1/2d per lb, c.f. and i. terms. Wild descriptions unaltered, with business on a retail scale.

FRUIT.—Dried—Business during the week was on a moderate scale, and a steady condition of affairs resulted. Of currants, Calamata, 1-cases, quoted, 43s; Pyrgos, ditto, 44s to 45s; Amalia, 48s; Patras, 50s; Gulph, 52s; Panariti, 56s; Vostizza, 63s to 70s. Raisins: Cape, new crop, quoted 48s to 52s. Sultanias, Greek, 1-cases, 52s; Smyrna boxes, 50s to 60s; ditto, fine, 67s; finest, 72s to 80s. Figs, genuine naturals, in bags, good, 35s; fine, 38s. Dates steady, but at the same time slow of sale with business mainly restricted to Siar. Evaporated fruits: Californian apricots, standards, quoted, 80s; choice, 90s; extra choice, 108s. Peaches, choice, 48s; extra choice, 53s; fancy, 58s. Apple rings, 78s to 82s. Oregon plums, 30/40, quoted, 72s; 40/50, at 52s; 60/70, 42s cwt. French, 1-cases, 90/100, quoted, 38s

centual, 71s per cwt, Hull, with London 2s per cwt extra. Cotton dull. Crude Egyptian, spot, 41s; Bombay, 38s; common edible, 46s; deodorised 49s. Chinawood quiet. Hankow, spot (barrels), 86s; April-May, 74s. Cocoon quiet. Ceylon, spot, 46s 6d; March-April, 44s; Cochin, ditto, nominally 50s. Soya dull. Oriental, barrels, March-April, 40s 6d. Cod quiet. English, spot, 36s to 37s, Groundnuts quiet. English, crushed, naked, spot, 47s; deodorised, barrels, 56s. Turpentine after being easier improved on a better demand. American, spot, 74s 9d; May-June, 73s 6d; July-December, 69s 3d. Rosin steady for pale grades. American, grade B, 13s 6d; G, 13s 6d; W, 17s 6d; WW, 18s 6d per cwt. French WW, 17s per cwt. Petroleum steady. American, standard white, spot, 1s 1d; and water white, 1s 2d per gallon.

TALLOW.—Messrs Colchesters and Woolner write on April 30th as follows:—The tallow market was flat during the week, and prices were 2s lower to-day. Supplies are coming to hand in excess of requirements, and prices have been falling fast without the demand showing improvement. Shipments of tallow from Australasia during March amounted to 3,600 tons, against 5,400 tons during the corresponding month last year. At auction to-day 978 casks tallow were offered, and 216 were sold. Quotations are:—Australasian mutton: Fine, 46s; good to fair, 45s to 44s; dull to dark, 38s 6d to 37s 6d; hard, 46s. Australian beef: Fine, 46s; good to fair, 43s to 40s;

dull to dark, 38s to 37s; sweet, 46s 6d. Present shipment from Australasia: Good mixed, 43s. Present shipment from South America, 41s to 39s 3d. The market letter is lower—tallow, 2s; stuff, 2s. Town tallow, 39s 6d per cwt. Rough fat, per 8 lbs, 34d; melted stuff, 30s 6d per cwt. Quotations are:—Town, 39s 6d, net cash, naked, ex works. Country: Frail casks, 40s; home melted, shipping casks, net, f.o.b., good coloured, 41s; fair to dull, 40s to 39s. Bone fat: White, none; pale, none; benzine, 36s; melted stuff, 36s, f.o.b.

METROPOLITAN CATTLE.—MAY 1.

British Beasts, per stone of 8 lbs to sink the offal.		Sheep, per stone.	
s	d	s	d
Beasts—Herefords	nominal	Beasts—Heavy Bulls	nominal
Shorthorns	nominal	Canadians	nominal
Devons	nominal	Sheep—Downs	nominal
Norfolks	nominal	Ewes	nominal
Scottish	nominal	Crossbred	nominal
Irish	nominal	Scottish	11 0 to 11 4
Fat Cows	nominal	Lamb—Downs	13 0 14 0

LONDON POTATO MARKETS.—MAY 1.

Per Cwt		Per Cwt	
s	d	s	d
English King Edwards	15 0 to 17 0	Evergoods	12 0 to 12 6
Majestic	13 0 14 0	New Canary	23 0 24 0

Commercial Times.—Weekly Price-Current.

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

LONDON, FRIDAY.		INDIA RUBBER.—MAY 1.	
s	d	s	d
COCAO—Duty, British grown	40 0	Para, fine hard spot	11 0 11 8
11.4d. foreign 14.6c.	40 0	Plantation crepe	1 0 0 0
Trinidad, per cwt.	40 0	INDIGO—per lb.	nominal
Ceylon, plantation	40 0	Bengal, good red vio-	nominal
India, best	40 0	let to fine	6 0 7 0
COFFEE—British grown	40 0	Mid. ord. vio. to good	6 0 6 0
11.4d. foreign 14.6c.	40 0	low to good ord.	6 0 6 0
India, best	40 0	Madras, dry, best, good	6 0 6 0
COBALT—per cwt.	40 0	Do low to ord.	6 0 6 0
COBALT—per cwt.	40 0	Acappah, mid. to gd.	6 0 6 0
COBALT—per cwt.	40 0	Low to mid	6 0 6 0
COBALT—per cwt.	40 0	Italian P.C.	6 0 6 0
COBALT—per cwt.	40 0	Manilla, May-July	6 0 6 0
COBALT—per cwt.	40 0	N.Z. Grade	37 10
COBALT—per cwt.	40 0	April-June	36 10
COBALT—per cwt.	40 0	JUTE	nominal
COBALT—per cwt.	40 0	Native first mark	26 12 1/2
COBALT—per cwt.	40 0	May-June	26 12 1/2
COBALT—per cwt.	40 0	LEATHER—per lb.	nominal
COBALT—per cwt.	40 0	Sole Bonds 6/8 lb.	nominal
COBALT—per cwt.	40 0	Do 10/12	nominal
COBALT—per cwt.	40 0	Do 12/14	nominal
COBALT—per cwt.	40 0	Do 14/16	nominal
COBALT—per cwt.	40 0	Do 16/18	nominal
COBALT—per cwt.	40 0	Do 18/20	nominal
COBALT—per cwt.	40 0	Do 20/22	nominal
COBALT—per cwt.	40 0	Do 22/24	nominal
COBALT—per cwt.	40 0	Do 24/26	nominal
COBALT—per cwt.	40 0	Do 26/28	nominal
COBALT—per cwt.	40 0	Do 28/30	nominal
COBALT—per cwt.	40 0	Do 30/32	nominal
COBALT—per cwt.	40 0	Do 32/34	nominal
COBALT—per cwt.	40 0	Do 34/36	nominal
COBALT—per cwt.	40 0	Do 36/38	nominal
COBALT—per cwt.	40 0	Do 38/40	nominal
COBALT—per cwt.	40 0	Do 40/42	nominal
COBALT—per cwt.	40 0	Do 42/44	nominal
COBALT—per cwt.	40 0	Do 44/46	nominal
COBALT—per cwt.	40 0	Do 46/48	nominal
COBALT—per cwt.	40 0	Do 48/50	nominal
COBALT—per cwt.	40 0	Do 50/52	nominal
COBALT—per cwt.	40 0	Do 52/54	nominal
COBALT—per cwt.	40 0	Do 54/56	nominal
COBALT—per cwt.	40 0	Do 56/58	nominal
COBALT—per cwt.	40 0	Do 58/60	nominal
COBALT—per cwt.	40 0	Do 60/62	nominal
COBALT—per cwt.	40 0	Do 62/64	nominal
COBALT—per cwt.	40 0	Do 64/66	nominal
COBALT—per cwt.	40 0	Do 66/68	nominal
COBALT—per cwt.	40 0	Do 68/70	nominal
COBALT—per cwt.	40 0	Do 70/72	nominal
COBALT—per cwt.	40 0	Do 72/74	nominal
COBALT—per cwt.	40 0	Do 74/76	nominal
COBALT—per cwt.	40 0	Do 76/78	nominal
COBALT—per cwt.	40 0	Do 78/80	nominal
COBALT—per cwt.	40 0	Do 80/82	nominal
COBALT—per cwt.	40 0	Do 82/84	nominal
COBALT—per cwt.	40 0	Do 84/86	nominal
COBALT—per cwt.	40 0	Do 86/88	nominal
COBALT—per cwt.	40 0	Do 88/90	nominal
COBALT—per cwt.	40 0	Do 90/92	nominal
COBALT—per cwt.	40 0	Do 92/94	nominal
COBALT—per cwt.	40 0	Do 94/96	nominal
COBALT—per cwt.	40 0	Do 96/98	nominal
COBALT—per cwt.	40 0	Do 98/100	nominal
COBALT—per cwt.	40 0	Do 100/102	nominal
COBALT—per cwt.	40 0	Do 102/104	nominal
COBALT—per cwt.	40 0	Do 104/106	nominal
COBALT—per cwt.	40 0	Do 106/108	nominal
COBALT—per cwt.	40 0	Do 108/110	nominal
COBALT—per cwt.	40 0	Do 110/112	nominal
COBALT—per cwt.	40 0	Do 112/114	nominal
COBALT—per cwt.	40 0	Do 114/116	nominal
COBALT—per cwt.	40 0	Do 116/118	nominal
COBALT—per cwt.	40 0	Do 118/120	nominal
COBALT—per cwt.	40 0	Do 120/122	nominal
COBALT—per cwt.	40 0	Do 122/124	nominal
COBALT—per cwt.	40 0	Do 124/126	nominal
COBALT—per cwt.	40 0	Do 126/128	nominal
COBALT—per cwt.	40 0	Do 128/130	nominal
COBALT—per cwt.	40 0	Do 130/132	nominal
COBALT—per cwt.	40 0	Do 132/134	nominal
COBALT—per cwt.	40 0	Do 134/136	nominal
COBALT—per cwt.	40 0	Do 136/138	nominal
COBALT—per cwt.	40 0	Do 138/140	nominal
COBALT—per cwt.	40 0	Do 140/142	nominal
COBALT—per cwt.	40 0	Do 142/144	nominal
COBALT—per cwt.	40 0	Do 144/146	nominal
COBALT—per cwt.	40 0	Do 146/148	nominal
COBALT—per cwt.	40 0	Do 148/150	nominal
COBALT—per cwt.	40 0	Do 150/152	nominal
COBALT—per cwt.	40 0	Do 152/154	nominal
COBALT—per cwt.	40 0	Do 154/156	nominal
COBALT—per cwt.	40 0	Do 156/158	nominal
COBALT—per cwt.	40 0	Do 158/160	nominal
COBALT—per cwt.	40 0	Do 160/162	nominal
COBALT—per cwt.	40 0	Do 162/164	nominal
COBALT—per cwt.	40 0	Do 164/166	nominal
COBALT—per cwt.	40 0	Do 166/168	nominal
COBALT—per cwt.	40 0	Do 168/170	nominal
COBALT—per cwt.	40 0	Do 170/172	nominal
COBALT—per cwt.	40 0	Do 172/174	nominal
COBALT—per cwt.	40 0	Do 174/176	nominal
COBALT—per cwt.	40 0	Do 176/178	nominal
COBALT—per cwt.	40 0	Do 178/180	nominal
COBALT—per cwt.	40 0	Do 180/182	nominal
COBALT—per cwt.	40 0	Do 182/184	nominal
COBALT—per cwt.	40 0	Do 184/186	nominal
COBALT—per cwt.	40 0	Do 186/188	nominal
COBALT—per cwt.	40 0	Do 188/190	nominal
COBALT—per cwt.	40 0	Do 190/192	nominal
COBALT—per cwt.	40 0	Do 192/194	nominal
COBALT—per cwt.	40 0	Do 194/196	nominal
COBALT—per cwt.	40 0	Do 196/198	nominal
COBALT—per cwt.	40 0	Do 198/200	nominal
COBALT—per cwt.	40 0	Do 200/202	nominal
COBALT—per cwt.	40 0	Do 202/204	nominal
COBALT—per cwt.	40 0	Do 204/206	nominal
COBALT—per cwt.	40 0	Do 206/208	nominal
COBALT—per cwt.	40 0	Do 208/210	nominal
COBALT—per cwt.	40 0	Do 210/212	nominal
COBALT—per cwt.	40 0	Do 212/214	nominal
COBALT—per cwt.	40 0	Do 214/216	nominal
COBALT—per cwt.	40 0	Do 216/218	nominal
COBALT—per cwt.	40 0	Do 218/220	nominal
COBALT—per cwt.	40 0	Do 220/222	nominal
COBALT—per cwt.	40 0	Do 222/224	nominal
COBALT—per cwt.	40 0	Do 224/226	nominal
COBALT—per cwt.	40 0	Do 226/228	nominal
COBALT—per cwt.	40 0	Do 228/230	nominal
COBALT—per cwt.	40 0	Do 230/232	nominal
COBALT—per cwt.	40 0	Do 232/234	nominal
COBALT—per cwt.	40 0	Do 234/236	nominal
COBALT—per cwt.	40 0	Do 236/238	nominal
COBALT—per cwt.	40 0	Do 238/240	nominal
COBALT—per cwt.	40 0	Do 240/242	nominal
COBALT—per cwt.	40 0	Do 242/244	nominal
COBALT—per cwt.	40 0	Do 244/246	nominal
COBALT—per cwt.	40 0	Do 246/248	nominal
COBALT—per cwt.	40 0	Do 248/250	nominal
COBALT—per cwt.	40 0	Do 250/252	nominal
COBALT—per cwt.	40 0	Do 252/254	nominal
COBALT—per cwt.	40 0	Do 254/256	nominal
COBALT—per cwt.	40 0	Do 256/258	nominal
COBALT—per cwt.	40 0	Do 258/260	nominal
COBALT—per cwt.	40 0	Do 260/262	nominal
COBALT—per cwt.	40 0	Do 262/264	nominal
COBALT—per cwt.	40 0	Do 264/266	nominal
COBALT—per cwt.	40 0	Do 266/268	nominal
COBALT—per cwt.	40 0	Do 268/270	nominal
COBALT—per cwt.	40 0	Do 270/272	nominal
COBALT—per cwt.	40 0	Do 272/274	nominal
COBALT—per cwt.	40 0	Do 274/276	nominal
COBALT—per cwt.	40 0	Do 276/278	nominal
COBALT—per cwt.	40 0	Do 278/280	nominal
COBALT—per cwt.	40 0	Do 280/282	nominal
COBALT—per cwt.	40 0	Do 282/284	nominal
COBALT—per cwt.	40 0	Do 284/286	nominal
COBALT—per cwt.	40 0	Do 286/288	nominal
COBALT—per cwt.	40 0	Do 288/290	nominal
COBALT—per cwt.	40 0	Do 290/292	nominal
COBALT—per cwt.	40 0	Do 292/294	nominal
COBALT—per cwt.	40 0	Do 294/296	nominal
COBALT—per cwt.	40 0	Do 296/298	nominal
COBALT—per cwt.	40 0	Do 298/300	nominal
COBALT—per cwt.	40 0	Do 300/302	nominal
COBALT—per cwt.	40 0	Do 302/304	nominal
COBALT—per cwt.	40 0	Do 304/306	nominal
COBALT—per cwt.	40 0	Do 306/308	nominal
COBALT—per cwt.	40 0	Do 308/310	nominal
COBALT—per cwt.	40 0	Do 310/312	nominal
COBALT—per cwt.	40 0	Do 312/314	nominal
COBALT—per cwt.	40 0	Do 314/316	nominal
COBALT—per cwt.	40 0	Do 316/318	nominal
COBALT—per cwt.	40 0	Do 318/320	nominal
COBALT—per cwt.	40 0	Do 320/322	nominal
COBALT—per cwt.	40 0	Do 322/324	nominal
COBALT—per cwt.	40 0	Do 324/326	nominal
COBALT—per cwt.	40 0	Do 326/328	nominal
COBALT—per cwt.	40 0	Do 328/330	nominal
COBALT—per cwt.	40 0	Do 330/332	nominal
COBALT—per cwt.	40 0	Do 332/334	nominal
COBALT—per cwt.	40 0	Do 334/336	nominal
COBALT—per cwt.	40 0	Do 336/338	nominal
COBALT—per cwt.	40 0	Do 338/340	nominal
COBALT—per cwt.	40 0	Do 340/342	nominal
COBALT—per cwt.	40 0	Do 342/344	nominal
COBALT—per cwt.	40 0	Do 344/346	nominal
COBALT—per cwt.	40 0	Do 346/348	nominal
COBALT—per cwt.	40 0	Do 348/350	nominal
COBALT—per cwt.	40 0	Do 350/352	nominal
COBALT—per cwt.	40 0	Do 352/354	nominal
COBALT—per cwt.	40 0	Do 354/356	nominal
COBALT—per cwt.	40 0	Do 356/358	nominal
COBALT—per cwt.	40 0	Do 358/360	nominal
COBALT—per cwt.	40 0	Do 360/362	nominal
COBALT—per cwt.	40 0	Do 362/364	nominal
COBALT—per cwt.	40 0	Do 364/366	nominal
COBALT—per cwt.	40 0	Do 366/368	nominal
COBALT—per cwt.	40 0	Do 368/370	nominal
COBALT—per cwt.	40 0	Do 370/372	nominal
COBALT—per cwt.	40 0	Do 372/374	nominal
COBALT—per cwt.	40 0	Do 374/376	nominal
COBALT—per cwt.	40 0	Do 376/378	nominal
COBALT—per cwt.	40 0	Do 378/380	nominal
COBALT—per cwt.	40 0	Do 380/382	nominal
COBALT—per cwt.	40 0	Do 382/384	nominal
COBALT—per cwt.	40 0	Do 384/386	nominal
COBALT—per cwt.	40 0	Do 386/388	nominal
COBALT—per cwt.	40 0	Do 388/390	nominal
COBALT—per cwt.	40 0	Do 390/392	nominal
COBALT—per cwt.	40 0	Do 392/394	nominal
COBALT—per cwt.	40 0	Do 394/396	nominal
COBALT—per cwt.	40 0	Do 396/398	nominal
COBALT—per cwt.	40 0	Do 398/400	nominal
COBALT—per cwt.	40 0	Do 400/402	nominal
COBALT—per cwt.	40 0	Do 402/404	nominal
COBALT—per cwt.	40 0	Do 404/406	nominal
COBALT—per cwt.	40 0	Do 406/408	nominal
COBALT—per cwt.	40 0	Do 408/410	nominal

THE EXCESS INSURANCE CO., LTD.

Registered Office: WATERLOO HOUSE, 25, BIRCHIN LANE, LONDON, E.C.3.

CAPITAL, FULLY PAID UP £500,000
GENERAL RESERVE FUND (including Reserve for Taxes) £200,000
RESERVE FOR UNEXPIRED LIABILITY £585,186

Directors: CUTHBERT E. HEATH (Chairman); ARTHUR BURNS; MONTAGUE EVANS.
Auditors: TURQUAND, YOUNGS, & CO., 19, Coleman Street, London, E.C.2. **Secretary:** F. E. JOHNSON.
Underwriting Office: 10, ROYAL EXCHANGE, LONDON, E.C.3.
MOTOR CAR AND PERSONAL ACCIDENT DEPARTMENT: 1, ROYAL EXCHANGE AVENUE, LONDON, E.C.3.
Underwriter: E. MERRICK TYLOR.

DIRECTORS' REPORT.

In presenting the 31st Annual Report, the Directors greatly regret to report to the Shareholders the loss sustained by the Company in the death of their late colleague, Mr. George Heath, who was one of the original Directors.
 The 1921 Underwriting Account is now closed with an Underwriting Profit of £80,049 3s. 5d. This sum is carried to Profit and Loss Account, and represents 11 per cent. of the Premium Income for that year.
 On the 1922 Underwriting Account there is a balance in hand of £172,781 7s. equal to 30 per cent. of the Premium income, the whole of which is carried forward to meet Third Year Settlements. This should be ample for the purpose and leave a satisfactory profit, the whole of the Premium Income for the 1923 Underwriting Account is £599,655 18s. 1d., showing a slight increase on the Premiums for the previous year. The Claims settled amount to £197,076 5s. 1d., equal to 31 per cent. This percentage is somewhat higher than the First Year Settlements for the previous year, but there is no reason to suppose that the ultimate results of the year's trading will not show a satisfactory result. As mentioned in last year's Report, the question of taxation is still having the most careful consideration of your Directors. Taxes to the amount of £208,787 17s. have been paid during the year. £200,000 of this sum has been met out of the Reserve Fund as foreshadowed in last year's Report. Our dispute as to the correctness of these Taxes is not yet settled, and your Directors have strong ground for hoping that there will eventually be a considerable sum to be returned to the Company.
 The Directors will propose to the Shareholders that Mr. A. J. L. Circuit be appointed a Director of the Company to fill the vacancy on the Board.
 It is proposed to pay a final Dividend of 2½ per cent., free of Tax, which, together with the interim Dividend of 5 per cent., free of Tax, paid in June last, makes a total of 7½ per cent., free of Tax, for the year. This is the same dividend as last year.
 The Auditors, Messrs. Turquand, Youngs, & Company, retire, but offer themselves for re-election.

C. E. HEATH (Chairman),
 ARTHUR BURNS,
 MONTAGUE EVANS. *Directors.*

Dr. UNDERWRITING ACCOUNT, 1921.				Cr.			
	£	s.	d.		£	s.	d.
To Claims and Returns settled during 1923, less additional Premiums and Salvages	164,413	9	8	Premiums (less Returns) received in 1921	715,119	11	9
„ Transfer to Profit and Loss	80,049	3	5	Claims paid in 1921 (1st year)	198,830	17	3
				Claims paid (after deduction of additional Premiums and Salvages) in 1922 (2nd year)	516,288	14	6
				By Balance at the end of the year 1922 brought forward	271,826	1	5
	£244,462	13	1		244,462	13	1
					£244,462	13	1

Dr. UNDERWRITING ACCOUNT, 1922.				Cr.			
	£	s.	d.		£	s.	d.
To Claims and Returns settled during 1923, less additional Premiums and Salvages	249,148	5	9	Premiums (less Returns) received in 1922	574,243	15	0
„ Balance Reserve carried forward	172,781	7	0	Claims paid in 1922 (1st year)	132,314	2	3
	£421,929	12	9	By Balance at the end of the year 1922 brought forward	421,929	12	9
					£421,929	12	9

Dr. UNDERWRITING ACCOUNT, 1923.				Cr.			
	£	s.	d.		£	s.	d.
To Claims settled	187,076	5	1	By Premiums, less Returns	599,655	18	1
„ Fire Brigade Tax	175	0	0				
„ Balance Reserve carried forward	412,404	13	0				
	£599,655	18	1				
					£599,655	18	1

Dr. PROFIT AND LOSS ACCOUNT for the Year ended 31st December, 1923.				Cr.			
	£	s.	d.		£	s.	d.
To Income Tax, Excess Profits Duty, and Corporation Profits Tax	208,787	17	0	By Balance brought forward from last year	17,775	14	11
„ Donations	421	18	9	Less Final Dividend paid in April	12,500	0	0
„ Lloyd's Subscriptions	500	0	0	Transferred from Underwriting Account, 1921	5,275	14	11
„ Branch Offices and other Expenses	15,257	14	0	Interest and Dividends received	80,049	3	5
„ Notarial Fees and Law Costs	126	2	5	Transferred from Reserve Fund	47,276	6	1
„ Audit and Accountancy Fees	525	0	0		200,000	0	0
„ Bad Debts written off	130	13	10				
	225,749	6	0				
„ Management Expenses for 1923 and Commission on 1921 Underwriting	38,004	18	4				
„ Balance carried to Balance Sheet	68,847	0	1				
	£332,601	4	5				
					£332,601	4	5

Dr. BALANCE SHEET, 31st December, 1923.				Cr.			
	£	s.	d.		£	s.	d.
To Capital	500,000	0	0	By Investments at Cost	1,074,768	12	10
„ General Reserve Fund (including Reserve for Taxes)	200,000	0	0	Less Reserve for Depreciation (After providing for Loss on realisation of Investments.)	188,099	14	8
„ Underwriting Accounts—1922—Reserve carried forward	172,781	7	0	„ Mortgages on Property in the United Kingdom	886,668	18	2
„ 1923—Reserve carried forward	412,404	13	0	„ Loans to Limited Companies and others	47,452	17	4
	585,186	0	0	„ Sundry Debtors	190,088	13	11
„ Sundry Creditors	88,406	6	1	„ Business Premises	180,246	12	0
„ Profit and Loss Account	68,847	0	1	„ Building in Milan	2,500	0	0
„ Less Interim Dividend paid June, 1923	25,000	0	0	„ Funds Deposited Abroad	35,276	15	10
	43,847	0	1	„ Cash at Banks and in hand	10,550	14	10
NOTE.—The Contingent Liability for uncalled Capital on Bank and Insurance Shares amounts to £120,000.				„ Cash Deposited with Assessors	54,654	14	1
	£1,417,439	6	2		10,000	0	0
					£1,417,439	6	2

AUDITORS' REPORT.

We report to the Shareholders that we have obtained all the information and explanations we have required. We have examined the foregoing Accounts with the books and vouchers of the Company and with the Returns from the Agencies abroad, and assuming the sufficiency of the amount standing to the credit of the Underwriting Accounts to meet outstanding liabilities, viz., £585,186, we are of opinion that the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us, and as shown by the books of the Company.

C. E. HEATH (Chairman),
 ARTHUR BURNS,
 MONTAGUE EVANS. *Directors.*
 F. E. JOHNSON, *Secretary.*

TURQUAND, YOUNGS & Co., *Auditors.*
 19 COLEMAN STREET, LONDON, E.C.

15th April, 1924.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCVIII.

SATURDAY, MAY 10, 1924.

No. 4,211.

CENTENARY 1924.

ALLIANCE

ASSURANCE COMPANY, LIMITED.

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2.

ASSETS EXCEED £25,000,000.

The Alliance grants Insurances of all kinds.

LIFE DEPARTMENT.

Full information respecting
ESTATE DUTY

and
**CHILDREN'S EDUCATIONAL
 POLICIES**

issued by the Company may be
 obtained on application from the
 Head Office or any of the Offices
 or Agencies of the Company.
 O. MORGAN OWEN, General Manager.

Centralbanken for Norge

a/s under off. adm.

CHRISTIANIA, NORWAY

TRANSACTS ALL KINDS OF
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 of any importance.

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London Branch: 22 ABCHURCH LANE, E.C.4.

Managers { D. A. HORNER.
 F. N. SCHILLER.

Transacts a general Foreign Banking Business, having
 correspondents in all Countries, and is specially pre-
 pared to grant facilities for the development of trade
 between the British Empire and Italy.

Correspondent of the Royal Italian Treasury.

Telegrams: "Italocredi, Cannon, London."

Telephone: 7802-7803 City.

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Pottle and Son, 15 Cullum street.

Paris: Galignani Library, 224 Rue de Rivoli; Messrs Brentano's,

37 Avenue de L'Opera.

THE MONEY MARKET.

MONEY was very plentiful early in the week, and then not quite so abundant, presumably because the Ways and Means advances borrowed from the Bank of England for the May dividends had been partly or wholly repaid. Discount rates were easy, and then rather steadier, with three months' bank bills quoted at 2½-3 per cent.

	May 9, 1924.	May 2, 1924.	Apr. 23, 1924.	Apr. 16, 1924.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	5 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount/Call	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice	2½	2½	2½	2½	1½ (Jly. 5, '23)
Market rate 3 months' bills)	3	3	3	3	..

The Bank return showed a decrease of £399,000 in the note circulation, an increase of £52,000 in the stock of gold, making the Reserve £451,000 higher. Government securities expanded by £1,395,000, and Other dwindled by £785,000. Public deposits were half-a-million lower, and there was thus an increase of 1½ million in Other. There was a reduction of £765,400 to £289,350,300 in currency notes outstanding this week, which includes £1,395,000 for notes called in but not yet cancelled. The fiduciary issue is £238,505,300, or £9,685,600 below the maximum.

The statement of the average weekly balances of the clearing banks for April, printed in full on a later page, shows a small increase in deposits and a decline in acceptances, as may be seen from the following table, which compares the monthly aggregates of the nine English banks:—

	Dec., 1922.	June, 1923.	Dec., 1923.	Feb., 1924.	Mar., 1924.	Apr., 1924.
Capital and reserves.....	116.0	116.3	116.3	117.8	118.7	119.0
Acceptances	72.8	73.8	92.1	102.5	99.2	95.2
Deposits (incl. undiv. profits, &c.) ..	1,684.7	1,637.7	1,673.1	1,627.2	1,603.2	1,614.7
Total Liabilities	1,873.5	1,827.8	1,885.5	1,853.0	1,821.1	1,828.9
Coin, notes, balance at bank, and cheques in course of collection	253.0	240.7	254.2	233.9	230.2	236.7
Money at call	106.0	113.3	111.3	92.2	93.5	97.6
Investments	384.5	355.5	363.8	366.5	361.7	357.1
Discounts	238.3	270.8	276.3	261.4	224.0	224.6
Loans and advances	732.7	746.9	756.5	770.4	785.5	790.6
Cover for accept., promises, &c.	99.0	100.6	123.4	129.5	126.2	122.3
Total assets	1,873.5	1,827.8	1,885.5	1,853.0	1,821.1	1,828.9

The expansion in advances has continued, and cash and money at call have together risen by £10½ millions, but investments have been reduced by £4½ millions, while bills discounted are practically unchanged.

THE STOCK MARKETS.

The settlement this week proved to be a satisfactory one from the point of view of the investment markets, the Budget statement having induced a good deal of business. There appears to be some hesitancy in gilt-edged prices, but declines are of small importance. The foreign market has been more active than of late, and prices, with the exception of the French group, have improved. Changes in the Home Railway market are slight, but Argentine and Mexican rails are better. Attention in the oil market has been monopolised by the animation in British Controlled; rubber shares have been weak. The tendency in the industrial market generally is good, shipping, hotel, stores, insurance, and banking shares showing a fair number of rises. Kaffirs have given way, and other mining shares have shown a tendency to droop.

THE COMMODITY MARKETS.

The sugar market generally is in a quiet state, with signs of weakness here and there; there is a persistent downward movement in the American market on account of higher estimates of the Cuban crop, coupled with slackness of demand. There was a fair amount of business done in coffee, and prices were steady. Brisk competition was noticeable at the Indian tea auctions, and prices were occasionally dearer, especially for common qualities. Wheat was better on the week, although weak towards the close. Raw cotton rates do not show much change, but here and there spinners and manufacturers have been rather more disposed to grant price concessions. Our Cardiff correspondent reports that coal prices continue to sag, foreign demand being inactive. The pig-iron market is quiet, although the general undertone is good, and there is a fair business doing in steel, "the steady French and Belgian exchanges assisting to keep foreign steel out of our markets." Tin prices gave way under selling pressure, and copper was easier. There has been a fair amount of activity in linseed oil, while the seed itself is dearer.

FOREIGN EXCHANGES.

Until Wednesday business in the Foreign Exchange market was particularly dull, dealers apparently hesitating in view of the approaching French Elections. In particular, the Paris rate was very steady between 67 and 68. On Wednesday morning, however, the rate had been pushed down to 66.60 through heavy overnight purchases in New York. But during the afternoon there was a sudden swing round in the opposite direction, and on Thursday the quotation was at one time as high as 74.10, recovering at the close to 71.25. On Friday morning the rate was very erratic at 73.50. Various causes—the German Elections, the Labour troubles in the Ruhr, and rumoured attacks by the Turks on the French in Syria—are suggested as explanations for this reaction; but the surprising feature is the apparent absence, up to the present, of intervention by the Bank of France. There has been much criticism of the policy of allowing so rapid a recovery in the value of the franc instead of stabilising at least for the time at a higher level, but it was certainly to have been expected that the rate would have been held, if possible, at least until after the French Elections to take place on Sunday. Brussels has followed the same course, the rate moving up from 81.50 on the 2nd to as high as 90½ at one time on the 8th, and being quoted yesterday morning at 89½. Forward rates in Paris show a growing uneasiness, having widened rapidly to 65 centimes per month over spot, while in Brussels they have moved to 12 centimes over spot. The lira, departing from its recent steadiness, has been carried upwards a little in sympathy, moving from 97½ on the 2nd to 98½ yesterday morning. Sterling also has suffered from the reaction of opinion in America, the rate, which closed at \$4.38½ on the 2nd and reached as high as \$4.39½ at one time on the 7th, being down at one time to \$4.35½ at one time on the 8th and closing at \$4.37½. Yesterday morning, however, it was quoted lower again at \$4.36½. There would seem no particular reason for this movement beyond a sentimental reaction, but it should not be forgotten that American price-levels still show a tendency to fall more rapidly than our own. Forward quotations have widened from ½ cent to ½ cent per month over spot. In spite of the election results and the Ruhr troubles the German mark has remained remarkably steady, having moved up only on Thursday from 18½ to 18½ billions, at which rate it is still quoted. In sympathy with the dollar, the Dutch rate has moved against us on the week from 11.70 to 11.68, and Switzerland from 24.69 to 24.55½, while Stockholm has appreciated from 16.62 to 16.49½, Copenhagen from 25.90 to 25.66½, and Christiania from 31.70 to 31.36. Madrid, after a marked recovery from 31.72 to 31.56½, has climbed up again slowly to 31.71½. Among the Northern States, Helsingfors at 175 shows little movement, Revel has improved slightly from 1,665 to 1,657, Riga has appreciated with the dollar to about 22.70. Warsaw, since the 7th, has discarded the mark quotation in favour of the new zlotz (equal to one gold franc), which was given yesterday morning at 22.75. In Central and Eastern Europe Vienna has moved with the dollar from 310,500 to 309,500; Prague, after depreciating slightly, has improved to 148½, Belgrade has remained very steady, while Bucharest has moved up slightly to 855. Budapest, at 350,000, shows a slight appreciation in anticipation of assistance through the League of Nations loan. Athens, at about 200, shows a further improvement. In the East the rupee is slightly more expensive at 1s 4½d, as compared with 1s 4 47-64d, while the yen shows a further recovery from 1s 9½d to 1s 10 1-32d. The silver market has been quiet, sales from America being absorbed by some bear covering from China. On the whole, there would seem to be a growing undertone of confidence. Hong Kong is unchanged at 2s 4½d, Shanghai, after being higher, is ½d lower at 3s 2d. In South America, Rio has fallen away a little from 6½d to 6 5-32d, but Buenos Aires has recovered from 41 to 41½, after also being rather higher, and Monte Video has moved from 42½d to 42½d. Valparaiso has further appreciated from 39.40 to 38.60 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended May 3rd:—

EXPENDITURE.	(000's omitted.)	REVENUE.	£
Supply Services	6,659	From Revenue	13,766
Interest, &c., on Debt	8,997	Amount borrowed	2,235
Sundries	100		
Increase in Balances	245		
	16,001		16,001

Revenue amounted to £13,766,500, against £14,560,900 in the corresponding period. Customs yielded £1,647,000 and Excise £1,720,000, against £2,705,000 and £1,485,000 respectively. Estate duties brought in £500,000 more than a year ago at £1,420,000. Property and Income-tax receipts were higher by about £250,000 at £3,592,000, but Super-tax receipts were lower by £320,000 at £1,110,000. Special receipts yielded £1,800,000, against £2,256,200. The week's operations increased the National Debt by £2,235,000, and caused the following changes:—

(000's omitted.)			
		£	
Treasury Bills	+ 704	Public Dept. Advances	— 2,850
Bank of England Advances .	+ 4,750	Saving Certificates	— 150
		Sundries	— 219
	+ 5,454		— 3,219

The floating debt was increased by £2,585,000 to £757,830,500.

FINANCIAL YEAR, 1924-1925 (April 1 to May 3).

	£		£
Total Expenditure ..	76,104,818	Raised by Revenue ..	87,412,391
Net Repayments	13,776,008	Decrease in Balances	2,468,435
Total	89,880,826	Total	89,880,826
ESTIMATES for YEAR 1924-25.			
	£		£
Ordinary Expenditure	786,848,000	Ordinary Receipts ..	764,050,000
Special Expenditure..	3,178,000	Special Receipts....	30,000,000
Total	790,026,000	Total	794,050,000
		Surplus	4,024,000

THE WEEK IN PARLIAMENT.

Monday, May 5th.—Commons: Prevention of Evictions Bill, report stage. West Indian Islands (Telegraph) Bill, committee stage. Second readings of War Charges (Validity) Bill and Protection of Birds Bill. Discussion on procedure for vote of censure on McKenna Duties repeal.

Tuesday, May 6th.—Commons: Budget resolutions; tea, cocoa, and sugar duties discussed.

Wednesday, May 7th.—Lords: Statement by Lord Arnold on Transjordan. Committee stage of Agricultural Returns Bill. Bulgaria Reparations and agricultural wages discussed.

Commons: Third reading of West Indian Islands (Telegraph) Bill. Second reading of County Courts Bill. First reading of Bill to amend the Education (Scotland) Superannuation Act, 1922. Debate on National Expenditure.

Thursday, May 8th.—Lords: Discussion on Indian affairs.

Commons: Navy Estimates.

Friday, May 9th.—Scottish Home Rule Bill talked out.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Friends' Provident and Century Life Office, London and Lancashire Insurance, Norwich Union Fire Insurance, Equitable Life Assurance, Northern Assurance, State Assurance, Scottish Union and National Insurance, Spillers Milling and Associated Industries, Rio de Janeiro City Improvements, Salar del Carmen Nitrate, Brazilian Warrant, Champion Reef Gold Mines, Ooregum Gold Mining of India, Nundydroog Mines, and Schweppes. The chairman of Friends' Provident and Century Life Office gave valuable advice to the public by pointing out the inadequate use they made of life assurance protection. He drew attention to the discrepancies between life assurance effected *per capita* in the United Kingdom and in the United States, and said that his office had inaugurated

the "Ten Years' Option Policy" as the happy medium between the very short-term endowment and the old-fashioned whole-life assurance. The chairman of the London and Lancashire Insurance pointed out that the bulk of their profits was derived entirely from abroad, and that if an insurance company were confined to home business there would be very poor prospects of progress. The chairman at the meeting of the Equitable Life Assurance Society reported an appreciable increase in funds and a premium income of over £300,000. At the meeting of the State Assurance the chairman said that the directors were considering the equalisation of the half-yearly dividend payments. The chairman at the meeting of the Scottish Union and National Insurance pointed out that income-tax amounted to £113,000, or no less than 37 per cent. on their paid-up capital.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

THE GERMAN ELECTIONS.

ACCORDING to the latest figures, which may be accepted as substantially correct, the parties have been returned in the following strength to the new Reichstag:—

Freedom Party (Fascisti).....	32
Nationalists	96
Land Unions	9
German People's Party (Industrialists)	44
Zentrum (Catholics)	65
Democrats (Radicals)	28
Social Democrats	100
Communists	62
Minor groups—	
Bavarian People's Party	16
Bavarian Peasants	10
Hanoverian Autonomists	5
German Socials	4
	35

In these results there are no very great surprises, for, while the two anti-Parliamentary parties on the extreme right and left wings have gained even more seats than had been prophesied, both the losses of the Social Democrats and the gains of the Nationalists are rather smaller than had been expected. In fact, the Nationalists can only claim the Presidency of the Reichstag, as the largest party, if they are allowed to count the nine representatives of the Land Unions as belonging to them. This concession, however, will probably be made, since the psychological effect of the elections has undoubtedly been to place the Nationalists in the ascendant; and it is already clear that their attitude towards the Report of the Dawes Commission will determine its reception in Germany. One hopeful feature in the situation is the marked decrease of violence in the tone of the Nationalists during the progress of the elections—an illustration of the familiar phenomenon that political parties become more moderate, or at any rate more reserved, as they approach nearer to the assumption of responsibility. The agitation in the *Kreuzzeitung* and other organs of the party against any watering down of the party programme, which has been started since the results of the polling were declared, is not necessarily a bad sign. It may mean that the party organisation is moving towards acceptance of the Dawes Report, and that the more violent elements feel that they are losing ground. More serious is the hostility which the Nationalists are still displaying towards the other *Bourgeois* parties, and particularly towards the People's Party, which stands immediately to their left. Their denunciations of Herr Stresemann's foreign policy are as strong as ever; yet any genuine acceptance of the Dawes Report would mean the virtual endorsement of the policy pursued by the late Foreign Minister, and unless the Nationalists can secure the co-operation, not only of the People's Party, but of the Catholic Zentrum, they cannot obtain a working Parliamentary majority even if they are called to office.

Some light is thrown upon their official attitude by a cautious statement of their leader, Herr Hergt, in the *Lokal-Anzeiger*. He lays down a "point of honour" and a principle. The point of honour is that "in no event will a Government influenced by the German Nationalists ever lend itself to cover with its signature undertakings if, after strict honest examination, it is convinced that they cannot be fulfilled." The principle is that the party "do not at once answer the Report of the Experts with a flat 'unacceptable,' but do oppose to it reservations which [they] absolutely cannot renounce."

It is already certain, then, that the new German Government will not be able to accept the Report unreservedly, whether the Nationalists are in power or in opposition, and this cannot but cause anxiety to people of good-will who wish for a settlement of the Reparations problem in the common interest of all the countries concerned. The Nationalists seem inclined to assume that their advent to power would strike terror into the Allied peoples and force their Governments to beat a retreat all along the line. The danger of this fallacy is obvious to anybody who has studied the temperament and policy of M. Poincaré. It would give him reason in his present attitude of reserve, even if it did not stiffen his demand for the retention of guarantees to a point which would make it incompatible with the Experts' postulate that the economic unity of the German Reich is to be restored. The hopeful factors on the other side are the moderation of the French Press in its comments upon the German election results, and the evident anxiety of the Belgian and Italian Governments to prevent the opportunity offered by the Dawes Report from falling through.

For the moment, the initiative lies with Germany, and there is an important unsolved question as to the size of the majority in the Reichstag which an acceptance of the Dawes Report would require. If the Report involves amendments to the constitution of the Reich, these can only be passed by a two-thirds majority, and the Constitution is undoubtedly affected by the experts' railway scheme. "The railway experts," the Dawes Report states, "arrived with considerable reluctance at the conclusion that it would be useless to expect anything approaching the full measure of improvement which is possible, so long as the railways remain in the control of the [German] Government.....We accept their conclusions, and we recommend the conversion of the German railways into a joint-stock company." The new German Government will have to examine this recommendation in the light of Articles 89-96 of the Weimar Constitution, under which all railways serving public communication are to be administered by the Reich, or, at any rate, to be subject to its supervision. "The Reich shall acquire..... all sovereign prerogatives in connection with the railway system. In case of dispute, the Supreme Court of Judicature shall decide the extent of such rights. The National Government shall, with the consent of the Reichrat, issue all regulations concerning building, running, and traffic of the railways."

In themselves these articles are categorical, but they are overridden by Article 178, which provides that "the conditions of the Peace Treaty signed at Versailles on June 28, 1919, are not affected by this constitution." Article 178 was added to the text of the constitution in order to meet the objections of the Supreme Council to Article 61, which assumed (contrary to Article 80 of the Versailles Treaty) that the Austrian Republic was to be incorporated in the Reich. Does it also cover the discrepancy between the text of the constitution and the recommendations of the Experts in regard to the German railways? That depends upon whether the execution of the Experts' recommendations falls within the scope of the Versailles Treaty. In Clause 18 of Annex II. to the Reparations Chapter of the Treaty, it is provided that "the measures which the Allied and Associated Powers shall have the right to take, in case of voluntary default by Germany, and which Germany agrees not to regard as acts of war, may include economic and financial prohibitions and reprisals, and in general such other measures as the respective Governments may determine to be necessary in the circumstances." If the fate of the Dawes Report in the Reichstag were to turn upon the difference between a two-thirds majority and a bare majority, a strong Government anxious to accept the Report as it

stands might make effective use of these overriding provisions.

However, the actual political situation in Germany makes it improbable that the issue will be decided by nice points of constitutional law. To strain the interpretation of the Treaty of Versailles in favour of the rights of the Allied Powers would be an invidious line for any German Government to take, and the Nationalists, whether in power or in opposition, would hardly consent to it. Their main contention against the Report has been that it constitutes "a second Versailles Treaty," encroaching further than the Peace Treaty upon Germany's independence. If they change their attitude now, this will hardly be on constitutional grounds, but after consideration, at close quarters, of what the alternative means for Germany's future. Considering how dark that alternative is, it is not unreasonable to expect that the Nationalists, in their new position of responsibility, will go to great lengths in order to avoid it.

THE REPEAL OF THE MOTOR DUTIES.

It is a universal experience that when a protected industry is in danger of losing its privileged position its members raise a chorus of exaggerated lamentation. But we cannot recall an instance of employers talking quite such nonsense as that which we have heard from the motor manufacturers in the last few days. Mr Morris has recently had such brilliant success in the large scale production of the most popular of our low-priced cars, that his views will naturally be listened to by a very large public, and he will therefore excuse us if we single him out for special mention. In a letter to the *Daily Mail* of Tuesday last he writes:—

Removal of the McKenna duties will, in any case, mean loss of employment for approximately 1,000,000 workmen in this country. I base this figure on the fact that, although 300,000 workmen are directly engaged in the production of British motor-cars in the factories from which they emanate, 4,000,000 men are engaged in the production of the materials from which motor-cars are made. This is taking the whole of the processes involved in the making of motor-cars from the absolute raw material as mined or grown. I have already cut down my production schedule 25 per cent., and other British manufacturers will have to do the same, or take even more drastic measures. This means ultimate loss of employment for at least 1,000,000 British workmen in the various trades of the country.

Mr Morris does not say that all the labour engaged in producing his cars from the mine or field upwards is British. It obviously is not. But he implies as much in the last sentence. Let us recall a few facts. The total number of males in insured trades (practically all the wage-earners in the country except domestic servants and agricultural labourers) is eight and a-half millions. The suggestion is that nearly half of these are directly or indirectly dependent on the production of motor-cars in this country! Again, the number of private cars manufactured in this country last year was about 65,000. Let us put it at 100,000 this year. Let us take them at the average export value of cars, namely, £300, which gives £30 millions as the gross value of the output at the assumed rate of production in 1924, against £20 millions in 1923. (The *Motor Trader*, on a more elaborate computation, puts the retail sales value of private cars produced in this country in 1923 at £24 millions.) If every penny of this were taken by labour, earning an average of £125 a year—and Mr Morris would hardly put it lower—the maximum number of workers who would be employed, *directly or indirectly*, in the manufacture of pleasure cars would be 240,000 to-day and 160,000 last year. Every reader will realise that our assumptions have ridiculously exaggerated the figure. We are afraid Mr Morris has gravely over-estimated the credulity of the British public.

Let us examine the available statistics a little more closely. At the outset we are faced with the difficulty of knowing how many people are engaged in this industry. The only direct evidence bearing on this question is the statement in the *Labour Gazette* of the numbers of insured persons engaged in the "construction and repair of motor vehicles and aircraft." According to this authority, the number, both male and female, in these employments in July, 1923, was 194,420; the numbers unemployed in

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March of this year were 14,843. We can think of no means of estimating how many of these were employed in the garages and cycle repair shops throughout the kingdom, but the number must be very large. It is also to be observed that the category includes not only the manufacture of the humble "push-bike," and of aeroplanes, but the production of motor-cycles, commercial vehicles, and motor-omnibuses. It is not at all easy to ascertain what proportion of the trade is engaged in the production of cycles, and cars other than private motor cars, but some idea of the importance of the various branches may be gathered from the statistics of licensed vehicles. The figures for the quarter ending in February of this year are below the full total, owing to the fact that at the end of February very considerable numbers of cars licensed on a quarterly basis are laid up for the winter. We will, therefore, quote the figures for the quarter ending November 30, 1923. The number of licensed vehicles of different classes may be estimated from the figures of the Ministry of Transport as follows:—

Cars taxed on horsepower	384,000
Motor hackneys (cabs and omnibuses)	86,000
Motor-cycles	430,000
Commercial goods vehicles	181,000
Tramcars	14,000
Road locomotives	2,250

The first of these items, and part of the second, are affected by the McKenna duties, motor-omnibuses being exempt from but taxi-cabs subject to duty. The motor-cycle trade, it is true, is also a protected one, but it is admitted even by the trade—and the fact is amply confirmed by statistics—that the British motor-cycle is well able to hold its own on equal terms not only on the home market, but in the overseas markets of the world. With these considerations in mind, it would be difficult to place at more than fifty or sixty thousand the number directly engaged in the manufacture of private cars. The *Labour Gazette* figure excludes those engaged in the production of accessories. The only indication we can give of what proportion this bears to the total is that the value of accessories produced, and engineering work, by outside firms at the time of the census of production of 1907 was about one-fourth of the total value of the output of the motor industry. We cannot get to closer grips with this problem of numbers without a fairly complete census of production, the absence of which is the most serious handicap in discussing all such economic questions. We are, however, convinced that our readers will not be seriously misled if they have in mind the figure of 100,000 as the number of people directly or indirectly engaged in the production of private motor-cars in this country. It might conceivably prove this year to be as high as 125,000. It is a proportion of this number whose employment is at stake.

This is, however, a sufficiently large and important body of workpeople to make it incumbent upon those who desire the removal of the duty to indicate what they conceive to be the probable effect upon employment. The argument falls under the two heads of the effect upon the employment of those directly engaged, and secondly, the

effect upon alternative employments. We will deal with the second point first.

For the purpose of the argument we will assume that a certain amount of unemployment is caused in the motor industry through a reduction in the production of British cars on account of low prices and an increased importation of cheaper foreign cars. But such imports must be paid for, and the increased importation will result in the increased export of British goods or services. We need not go over this ground again, as it is very familiar to our readers. We need only repeat that the export which in such circumstances would occur will be one in which we have natural competitive advantages, and that, therefore, in the long run the nation will be richer, and not poorer, by this diversion of trade. It is, of course, easy for the Protectionist to point to the people who may be unemployed, and to ask who will be the people who will be drawn into employment. Naturally, it is only possible to answer this question in general terms by pointing to figures such as those which show that at times when our imports of manufactures are high our exports are also high. In this particular case, however, it is easy to put our finger on the first industry that will feel the benefit. It would be the shipping trade, if, as Mr Morris' argument implies, at least 25,000 additional foreign cars will come into this country as a result of the repeal of the duty. On his assumption, the number would, in fact, probably be much more, since it has to be assumed that prices would be lower than at present, and that this cheapness would stimulate the volume of purchases; 25,000 complete cars, most of them coming across the Atlantic, represents no mean addition to the shipping business of the year.

It is also clear that cheaper cars mean more motoring and more employment in repair work, petrol supplies, and all the trades ancillary to the use of cars. In this connection it is worth noting how very far behind some other countries we are in the use of cars. The latest figures we have on this point are for the year 1921, but they are worth recalling:—

	Population.	Number of Cars.	Number of Persons per Car.
United States	105,683,108	9,211,295	11
Canada	8,370,000	403,111	31
Australia	5,000,000	78,000	64
Great Britain and Ireland	46,080,000	420,000	110
France	41,500,000	202,500	205
Germany	55,000,000	75,000	733

These figures are taken from the Industrial Year Book of 1922, and are given on the authority of the National Automobile Chamber of Commerce. The figures appear to exclude omnibuses, but include commercial vehicles. We assume, however, on the authority named, that care has been taken to make the figures comparative. It is obvious that the proportion of cars in Great Britain is capable of very great extension indeed, and if in a few years the number of private cars is doubled under the stimulus of low prices, the workers engaged in their maintenance must very greatly increase.

But there are many reasons for thinking that the repeal of the McKenna Duties will not reduce the number of

British cars sold at all. In the first place, the market is a rising one; the numbers of cars sold are increasing fast, and prices are tending to rise. Mr Morris, for instance, gave notice several weeks ago that he would not guarantee his present advertised prices, while the price of a popular Canadian car was raised last month. Then, again, the chief imported cars are being assembled here, and an increasing quantity of the work in foreign cars sold in the British market is being actually done here. The three chief lines are Fords, General Motors Products (Buick, Chevrolet and Oakland) and Citroën cars. It is said that the Ford car as sold in England to-day only pays about £3 of tax, as only £10 or so of its material is foreign. It is certain that the employment afforded by these British activities of foreign firms will continue. The Ford car sold here is different from the American Ford (e.g., it has a right-hand drive, &c.), and the tendency of American firms to exploit their products in British factories is one which is based upon very fundamental influences, the effects of which may be seen in the case of non-protected as well as protected products. Among the many illustrations of this fact which might be cited is the case of the Goodrich company, which has recently acquired a factory in Lancashire for the manufacture of tyres, &c., hitherto made in the United States. The chief reason for this movement of American industry is, of course, the high costs, particularly labour costs, in the United States.

Another point which should be remembered is that the exchange situation is against foreign importers. The franc, for instance, at the moment, is too dear in proportion to French wages; yet the new Minister of Finance is determined to keep up its price. Again, the British pleasure car is in any case a different product from the imported car, and sells on its quality. We may give an example near home of its ability to hold its own on equal terms with imported cars. In the Irish Free State British cars pay 22 per cent. duty, i.e., the same as Canadian cars. In January the Free State imported 357 touring cars from Great Britain, 24 cars from France, and 9 cars from other countries. The British figure doubtless includes re-exported cars of Canadian and other origin, but the total re-exported by Great Britain in that month to all destinations only amounted to 190 cars. Clearly, therefore, the bulk of Ireland's imports were British made. The streets and the motor showrooms of Dublin confirm the impression that the British maker is keeping his end up against the Canadian car even on equal terms, and with the French and American with only an 11 per cent. advantage.

These are some of the reasons that make us confident that British motor manufacturers are unduly fainthearted, but that, in fact, they will do what so many other British trades have done before them, and prove that British enterprise can hold its own against the world.

There remains one other argument to which we must briefly refer. The motor industry was so completely diverted to war work during the war that there was an argument of considerable force for the Government continuing special measures to assist them during the period of change-over. In this connection it is worth recalling that in 1918 a Committee of the Ministry of Reconstruction, on which there were eight representatives of the British motoring trade, included among its recommendations that "the British motor industry should be assisted by the imposition of an import duty on foreign motor vehicles and parts for a period of at least three years after peace. The committee claim that the industry is an 'essential' industry from the national point of view, and, having regard to the great dislocation suffered by the industry and the loss of its goodwill abroad during the war, such a measure of temporary assistance is desirable in order to enable it to recover its position and to extend its scope." The trade has, in fact, had five and a-half years of protection in which to set its house in order. We may add that the duties cannot now be defended on the ground of fostering what is called an "infant industry" by means of protection. In the first place the argument is only valid for countries which have to create a skilled labour supply, accumulate machinery, and acquire technical staffs, &c. It has hardly any force in a highly developed country where the kind of economic

equipment in question already exists. Secondly, the motor trade has had its protected "infancy" in recent years, and has not only amply secured the physical conditions mentioned, but has also a large and rising market and an established "goodwill." And finally, experience of other countries shows that no infant industry ever admits that it has grown up, though it often acquires sufficient political power to bring great pressure to bear upon Governments. The motor trade is now trying to do this here by raising the fear of unemployment. We have endeavoured to show, on the other hand, that conditions are as favourable as they are ever likely to be for taking off duties without involving a big transfer of employment.

Whether the Government has done wisely in maintaining the duty until the particular date of August 1st is a question on which much might be said on both sides. Mr Morris now declares that if the duties are to go they had better have gone at once rather than create a period of uncertainty. On the other hand, the trade is getting such benefit as the duty confers for the greater part of the present season, and Mr Snowden has done his best to consider the interests of those dealers who have purchased imported cars or parts under the duty. He can hardly have failed to consult the trade on this question of date.

In conclusion, a word may be said as to the financial position of the trade. This, as will be seen from the review of the reports of several motoring companies in another column, is by no means satisfactory. The survey which we make is very far from complete, since many of the makers of the best known cars are not public companies publishing reports, and it is, therefore, not possible to generalise about the trade as a whole. But the position of the companies whose figures we analyse may be briefly summarised by saying that while nearly all of them are now making a profit on their trading account, they still have a serious financial position to liquidate as a result of over-capitalisation or bad finance during the boom. These difficulties they share in common with a large number of trades of the country, and it can hardly be argued that they constitute a ground for giving the trade a special protection.

THE FINANCIAL SITUATION IN AUSTRIA.

(FROM A CORRESPONDENT.)

FINANCIAL Vienna is in a sad mood. When Dr Seipel in 1922 signed the Geneva Protocol, the State had succeeded in mulcting the ordinary citizen of 14,000 times his pre-war kronen holdings. Everybody dreamed in millions, and nobody knew what he really had. Banks and industry had their affairs hopelessly muddled. The banks had practically lost all their former reserves, but made money fast on the depreciating exchange. Industry was selling out its products on increasing kronen prices, but without making provision either for the renewal of machinery or the replenishment of stock. In the world of finance a host of people had appeared who by living entirely on the inflation, quickly amassed great fortunes. The repudiation of the State debt of 40 milliard kronen odd had greatly impoverished its holders. Capital left the country as fast as it could, and money rates reached fantastic heights. On the stock exchange the old gilt-edged securities had disappeared, and the industrial shares lay almost forgotten since speculation on the exchange extracted all the money available. The wages of the workers lagged far behind the rapidly rising price-level. Taxes were paid months after assessment. The relationship between capital and labour was as bad as it possibly could be, and there was a gulf of hatred and contempt between the rich and the poor.

In 1922 the krona to all intents and purposes became stabilised once more, and, by the Geneva Protocols, Austria in return for the League of Nations loan, undertook to stabilise its budget under the supervision of a commissioner-general. In Vienna itself the establishment of the League of Nations scheme had somewhat unexpected results. The Protocols imposed upon Austria complete reorganisation of the old methods of taxation; the Commission of Experts made it clear that the burden would be heavy, and it could only be borne by greatly

reducing the standard of living, coupled with the strictest official and private economy. It would have been prudent to realise that under these circumstances the dividend-earning capacity of trade and industry would be further diminished. Further, the krona now having been stabilised, it would have been imperative to order a revaluation of all companies' balance-sheets, so as to show assets and liabilities—at present a hopeless muddle of paper and gold crown items—in their real values. But nothing of this kind happened. Instead of this, somebody started on the stock exchange the cry "Back to pre-war valuations." It was pointed out that shares which were priced in 1913 at ten or twelve pounds, could now be picked up for a few shillings; it was said that such a thing was ridiculous considering the actual prices of machinery, stocks and goods. The papers joined in, and the whole of Austria took up the scent. The old exchange speculators, deprived of their old hunting-grounds, partly emigrated to Berlin or turned their activities towards industrial shares. The impoverished middle-class sought speculation on the stock exchange as its last resort to make up for the loss of its income. The State, which had to pay relatively great sums of money to the civil servants which it began dismissing under the reconstruction scheme, further indirectly supported this development, which, after a slight setback in January, 1923, rapidly increased in strength under the effects of the breakdown of German industry after the Ruhr invasion. Within six months the stock exchange index rose from 502 to 1,479.

In the meantime, the State and the Municipality of Vienna, acting under pressure from within and without, made great attempts to bring order into their balance-sheets. In the first half-year, 1923, State taxation per head was raised from 31.56 gold crowns to 45.32, reached 55.1 by the end of the year, and will stand at 60 in 1925. It is impossible to estimate the exact rise in the additional burden thrown upon the taxpayer by the rise in the municipal rates of Vienna, but it may be mentioned that the Town Council still keeps in force all the levies which it imposed to safeguard itself against the depreciation of the krona.

Vienna has greatly increased the salaries of its employees, who receive now about three times more than the civil servants, has repaired roads and trams, and is erecting magnificent buildings for the workers. The latter action, at least, has done much to alleviate the lot of the workers.

It is more difficult to justify the actions of the Government. The task before it was clear: it had to balance its budgets according to the provisions of the Treaty. It could not increase its debt, but nevertheless it decided to embark upon a policy of large investment, chiefly in water-power stations, which are bound to benefit Austria ultimately; but it may well be doubted whether they and other expenditure, chiefly in the so-called *gemischtwirtschaftliche Betriebe* (joint enterprises between State, Labour, and private individuals), could not have been postponed or wiped out altogether. Much has also been said by Dr Zimmermann about the expenditure on civil servants and State contributions to the railways. As facts went, however, despite this expenditure, Austria has more than complied with the conditions of the Protocol, and the year 1923 shows a deficit of only half the sum allowed by the reform plan. In achieving this the Government almost entirely resorted to an increase in taxation. It was only natural that "capital" was to become the chief source of revenue. Religious and racial feeling against the new rich and the animosity of the Socialists against the "accumulation" of capital made the taxation of capital naturally the line of least resistance.

It has already been mentioned that, despite the stabilisation of the krona, no revaluation of company balance-sheets was ordered. Shares were still issued in the old denominations of 400 to 600 kronen apiece, only to be sold at once in the market at ten to a hundred times these values by the lucky issuing syndicates. The difference the State now declared as taxable profits, and in order to "protect the investor" it gave the Minister of Finance authority to fix the price of issue for the syndicate. The stock exchange index, now also under the influence of foreign investments, rose from 1479 to 2586, and the Minister of Finance did his level best to fix the price of new issues "in accordance with the market valuation."

Dr Zimmermann excepted, there were but few who predicted the inevitable crash, once the public would feel the necessity of getting some return on its investments, which hardly paid more than a few hundred or thousand kronen at the best. The note inflation had been stopped, but was, in fact, replaced by a credit inflation. There is no outside evidence that the English, American, and French bankers on the boards of the Viennese banks tried to restrain their colleagues. At the end of 1923 daily money rates in Vienna fluctuated round about 25 per cent. to 30 per cent., while the yield on investments can hardly be said to have exceeded 2 per cent. per annum on the average. Despite the influx of foreign monies capital was still scarce, since all the money was bound up in the stock exchange, where it was also artificially directed by the fact that banks refused to grant more than 8 per cent. to 9 per cent. per annum on ordinary investments.

It is obvious that an equilibrium would have to be found in any case. As a matter of fact, in 1924 the value of shares began gradually to decrease. Unfortunately, however, Vienna had also started to speculate on the depreciation of the franc. The commitments were by no means too heavy for the market—if it had been otherwise sound. It was not. When the franc was stabilised stock exchange values came down with a crash; in the course of time 68 banks had sprung up in Vienna, all speculating on the exchange or buying shares. In a few days they were drained of their resources. It is the declared policy of the big Viennese banks—which have not for a moment ceased to meet every demand upon them—that none of these distressed institutions will fail.

For the British investor the position is this: There can be no doubt as to the absolute security of the Austrian loan, the interest on which is many times covered by the revenue from Customs and tobacco. The security of the krona also stands unimpaired, since under the present management inflation will be impossible, and the open and secret reserves of the Nationalbank can be trusted to withstand any strain likely to be expected in the future. The foreign speculator in Austria will, of course, have to take his risks. Given a gradual relief from the pressure of the Customs barrier of the Succession States, the internal position of Austrian industry can be regarded as inherently sound. The relation between capital and labour has much improved of late, and many works report great increase in the efficiency of their workers. On the other hand, high taxes will have to be borne for a long time to come. What is, however, urgently needed is a speedy and immediate reorganisation of all balance-sheets on the lines of the German Aufwertungsgesetz. Before this is done it will be impossible to gauge the exact incidence of taxation, to redistribute its burden, and to readjust expenditure.

MR SNOWDEN AND IMPERIAL PREFERENCE.

THOUGH the Chancellor of the Exchequer has so far refused to be drawn into a general discussion upon Imperial Preference—on the ground that special facilities are to be provided for a debate—he has not concealed his own views. It is clear that he declines to give effect to the basic principle of the late Mr. Joseph Chamberlain—that if we want to give preference to the Dominions we must put taxes on food. That principle was adopted circumspectly at the Imperial Economic Conference of last year, when it was agreed by Mr Baldwin's Government to put, if the House of Commons consented, additional taxes on certain food products, so that a preference by remission of duties might be given to Dominion products. Mr Snowden will have no truck with the Tariff Reformers' notion of making the consumers of this country pay, directly or indirectly, a subsidy to producers in the Dominions. So far is he from putting on taxes in order to give a preference to Empire products, that in his Budget he has lowered the duties on several dutiable foods, and, in proportion, lowered the amount by the preferential rebate which has since 1919 been allowed to those foods when imported from the Empire. The Imperial Preference resolution which was adopted in 1919 declared that a preference by rebate of duties—usually of one-sixth—

should be granted to Empire products in respect of all duties then levied or afterwards to be levied. That system of preferential rebate has been followed ever since, and Mr Snowden does not propose to disturb it during the lifetime of the present Government.

In his speech introducing the Budget on April 29th, the Chancellor declared that the Labour Party had "never believed that the interests of the Empire would be best served in the long run by a system of tariff preference," and had expressed these views by their votes on several occasions. He refused to give support to the last Government's proposals at the Economic Conference, which are to be submitted to the House of Commons for "free and unfettered decision." Nevertheless, he added, "So long as we remain in office we do not propose, in all the circumstances, to ask Parliament to abolish the preferences now accorded, which, we suggest, should remain on their present statutory basis. But we wish it to be clearly understood that we reserve full liberty to propose to Parliament whenever we deem it expedient, in the general or financial interest, the reduction or the abolition of the duties on all the commodities to which preference now applies." Mr Snowden then proceeded to propose substantial reductions of duty on tea, cocoa, and coffee, chicory, sugar and dried fruits, to all of which the statutory Imperial preference of one-sixth of the duty applies. It is obvious that one-sixth of the new rates of duties will give the Dominions, India, and the West Indies much smaller preferential rebates than did one-sixth of the previous rates of duties. And it was this reduction in the preference—in amount, though not in proportion—which brought down upon Mr Snowden the wrath of the whole-hearted advocates of Imperial Preference by tariff duties. They charged him with maintaining the preference in principle while whittling it away in fact. Which was exactly what he had done; he declined to permit the existence of a preferential rebate to prevent him from reducing the rates of duty—and hence the cost to the consumer in this country—upon tea, coffee, cocoa, sugar, and dried fruits.

So far the battle waged by the Unionist Tariff Reformers against Mr Snowden has not given much satisfaction to the Tariff Reformers. They have attacked him this week on the tea, cocoa, coffee, and sugar resolutions, and came off rather badly. The duty on non-Empire tea of 8d a lb is to be reduced to 4d a lb, and the corresponding duty on Empire tea of 6½d (a remission of one-sixth) is to be reduced to 3½d a lb. An amendment moved by Sir Henry Croft proposed to make the duty on Empire tea 2d a lb, while leaving that on non-Empire tea at Mr Snowden's 4d. The purpose of this amendment was to make the preferential rebate on Indian and Ceylon tea one-half instead of the statutory one-sixth (in money, 2d a lb instead of 1½d last year and ¾d this year). Mr Snowden's reply was devastating. He pointed out that since 88 per cent. of the tea imported into this country comes from India and Ceylon, there is no effective preference to the Imperial producer. The consumer here gets the reduction of duty, whatever it may be, and that the Croft amendment would take five millions from the Exchequer without benefitting the India or Ceylon grower by one farthing. There was, he explained, so little that was Imperial or preferential about the one-sixth rebate on the tea duty, that the India and Ceylon tea growers were quite indifferent about it, and would like to see it wiped out. As everyone knows, the tea grown in India and Ceylon, by its own qualities, drove China tea out of the British popular market years before Imperial preference had ever become fashionable.

After a gentle skirmish over coffee and cocoa, the Unionists plucked up heart to tackle Mr Snowden over sugar. Here the circumstances are the exact opposite to those of tea. Tea already comes from the Empire to so overwhelming an extent that the preference does not operate in aid of the Imperial growers; it is a direct factor in the price to the British consumer. On the other hand, the sources from which we buy sugar are overwhelmingly foreign, and the preferential rebate in duty on Empire sugar goes partly to the Empire growers and partly, we suspect, to the big wholesale importers. The consumer in this country pays the full foreign rate of duty for Empire supplies. The preferential one-sixth on the standard rate of duty on the pre-Budget scale was 4s 3½d a cwt; on Mr Snow-

den's new reduced scale it will be 1s 11½d per cwt. The purpose of the Unionist amendment moved by Sir William Mitchell-Thompson was to continue the amount in money of the preference at 4s 3½d per cwt. The former Parliamentary Secretary of the Board of Trade made an excellent speech (he was at one time a grower of sugar), but he could not escape from the fact that his proposal—unlike the tea amendment—would be of no benefit to the British consumer. It would give somebody—the West Indian planter, or perhaps the middleman—a handsome subsidy at the cost of the British Exchequer. Mr Snowden's case was that the rebate would go to the West Indian planter, who did not need a subsidy at the cost of the taxpayers of this country. He produced figures to rebut the contention of the Opposition that the preference in operation since 1919 had increased the production of Empire sugar. Both sides hurled figures at one another's heads, as Tariff combatants always do, and neither side accepted the other side's figures; they never do in Tariff controversies. Mr Snowden's conclusion—which must have been the conclusion of his skilled and impartial advisers—was that the preferential duty had done nothing meritorious except to increase the profits of the West Indian planters. "It has," he concluded, "not encouraged Empire production, but, on the contrary, if these figures mean anything at all, it has had the disastrous effect of reducing the production of Empire sugar by 25 per cent." Mr Snowden's figures certainly were striking, though we scarcely think that the preference had anything to do with them, one way or another. In 1919-20, when Imperial preference began to operate, the West Indian production of sugar was 191,000 tons. In 1922-23, after five years of preference, the West Indian production had fallen to 159,000 tons.

THE SECURITY OF A LLOYD'S POLICY.—I.

LLOYD'S, in its essence, is an association of men who gather in a market-place and do business together in various kinds of insurance. The brokers who bring the business from outside may be either individuals, or firms, or limited companies, but the underwriters—the men who constitute the market by accepting the risk—accept it as individuals, and as individuals only. They do not, indeed, as they did within living memory, sign their own names on the policies with their own right hands, and most of them, being "written for" by an agent, have no detailed knowledge of the risks they write; but, for all that, they have the same personal individual liability to the policy-holders that their predecessors accepted in Mr Lloyd's coffee house, and in the old jargon of their trade they are "contented to bear and do take upon them each for his own part and not one for another." Whatever changes have been made in the scheme of Lloyd's business, and whatever safeguards it has been necessary to provide for the due fulfilment of the policy, this unescapable individual liability to the full extent of all the man's resources remains the foundation-stone of the business. Without it Lloyd's would have little or nothing to offer to the insuring public, but with it Lloyd's, as a place of free judgment and individual underwriting, provides the business world with a market that nothing but this system can supply. And while everyone but a fanatic will admit that there are limits to the usefulness of this kind of market, no one but a fanatic would deny that, within its proper sphere, it has a real value.

But if the principle of individual liability is inherent in every Lloyd's policy, and essential to the maintenance of a free market, it is obvious that under modern conditions you cannot have a big insurance market in which every member is at liberty to accept whatever risks he likes and to any extent that may seem good to him without regard to his resources and his ability to pay. To Mr Lloyd in his coffee-house it probably mattered very little whether an underwriting customer met the claims on a policy or not, and we can imagine that, as the proprietor of the house, he was more concerned to see that he himself was paid for the drinks than that the policy-holder was paid for the losses. But to the present Corporation of Lloyd's, and to the committee which manages it, it is

a matter of supreme importance that the men who sign the policies should pay their claims, and for years past the vital work of the committee has been to safeguard the credit of the members without destroying the freedom of their market. No one would claim that the problem has been a simple one, but—apart altogether from contentious questions about the proper scope of Lloyd's underwriting—it may fairly be claimed that the problem has been tackled bravely and successfully.

What, then, are the safeguards that the committee have provided for the security of Lloyd's policy-holders and the solvency of the members? They are numerous and varied, and, briefly, without over-elaboration, may be described as follows:—

(1) Every applicant for underwriting membership of Lloyd's must submit to the committee, through an existing member, a full statement of his resources, and prove to them that he is a man of sufficient wealth to take on the liability which will arise from a business of the size that he will engage in. He must also deposit with the committee securities which will be held in trust, and will be available only in the event of his insolvency. These securities are never less than £5,000 per man, and in proportion to the size of the account that he is permitted to write, they rise sharply in amount. The total of these securities held in trust by the committee is believed to amount to over £10,000,000.

(2) All premiums received by the underwriting member are held in trust, and may not be distributed to him until the profit has been earned. They constitute a trust fund for the settlement of claims and expenses, and on most accounts the balance of profits is not struck or distributed until the end of the third year. Thus the premiums of 1918 are not distributed as profit till the beginning of 1921, and the premiums of 1919 till the beginning of 1922.

(3) The members provide and deposit with the committee policies written by their fellow members guaranteeing their solvency. No member is allowed to accept a greater risk than £200 on the solvency of any one other member, so that a guarantee policy of £10,000 must carry the signature of at least 50 members. This is intended to prevent the effects of one insolvency, if it should occur, from affecting too seriously another underwriting member.

(4) As regards business other than marine, the securities provided must by law amount to at least one hundred per cent. of the last year's premium income.

Apartment from the official audit, which will be dealt with later, these in rough outline are the securities demanded. But it has been felt that effective as the individual safeguards undoubtedly are, situations might arise in which the Corporation would want to supplement from its own corporate funds the resources of some individual member. Until the year 1911 the Corporation had no power to use its funds for this purpose, but in that year an Act of Parliament dealing with Lloyd's was passed, empowering the committee "where in the opinion of the society or the committee it is to the interest of the society so to do," to use the corporate funds in paying claims on Lloyd's policies. This Act was an empowering Act only; it involved no departure from the principle of individual liability; it simply said that if ever a member should fail so badly as to exhaust all his individual securities and guarantees and still leave a deficiency, the society may in its discretion decide to pay his claims. The law, in fact, having prescribed the defences that must be set up, gave permission for another last line of defence that in case of need may be set up. That in simple language is the legal position, and the recent lawsuit, in which the question of corporate liability bulked so largely, turned not on whether the Corporation has a general liability to policy-holders, but on whether it had in regard to a particular claimant undertaken to exercise its power of paying claims.

But all these securities and safeguards, valuable as they are in themselves, derive their greatest value and their full strength from being linked up to the central safeguard—the audit. The history of this audit is connected so closely with the history of Lloyd's in the past sixteen years that it may be said to have done more than anything else to shape the growth and development of the society and to alter the outlook of its members. Until the year 1908 there was no official audit of Lloyd's underwriters'

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books, and members were free to have their accounts certified or not, as they saw fit. But in or about 1908 the committee instituted the official audit by inviting members to submit certificates, and publishing a list of those whose certificates had been accepted. This was tantamount to an order that the accounts of all underwriters should be audited, for no broker would do business with an underwriter whose name was not on the list of the chosen, and since the audit was begun no member ever has continued to underwrite without obtaining from one of the officially recognised firms of auditors a certificate in accordance with the committee's requirements. In the early days those requirements were comparatively simple, and all that an underwriter had to show was that, judged by his own past results, he had in hand sufficient funds to meet claims on all outstanding policies. Steadily and surely in the past sixteen years the demands of the audit have grown more exacting. No longer is the member allowed to be tested by his own results, for now the committee supply the auditors with elaborate instructions as to the funds every member must hold in respect of every class of business that he undertakes. For the insurance of cargoes his resources must reach a given percentage of his premium income for each unclosed year; for the insurance of hulls for time he must reach another and a much higher one, because the liability is slower in running off. For general non-marine business he must have in hand a given percentage for each year; for special insurances, such as motor-cars, which at present are considered unprofitable, he must have a much larger percentage. The audit, in fact, is based on an assessment of unexpired liability corresponding to the allowance which fire companies put aside each year for the liability not run off. It is an assessment that grows more stringent year by year as the committee raises the height of the fence that underwriters have to clear.

BRITISH MOTOR MANUFACTURING COMPANIES.

IN view of the Chancellor's proposal to terminate the McKenna duties in August, our annual review of companies representative of the British motor manufacturing industry acquires peculiar interest. Unfortunately, the figures we give are not fully representative of the British motor trade, as many concerns, including the most successful firm in the country, are not public companies, and their figures cannot therefore be included. In order to present such results as are available in a comprehensive manner, we have compiled a table, which shows at a glance the financial anxieties which have beset many of our motor manufacturing concerns in the last few years. It will be recalled that for various reasons, including some serious labour disputes, the motor industry was too slow in getting back into its stride to take full advantage of the great demand for cars in 1919 and 1920. But it—or at all events a large part of it—was in time to take part in the orgy of capital inflation of those years.

The following statement shows net profits or net losses of a number of companies during the past three

years. We also append particulars concerning the distribution of the available balance:—

	Net Profits after Payment of Debenture Interest.			Distribution of Available Balance.
	1921.	1922.	1923.	
Austin	Dr 618,731	£ 78,564	205,459	Debit balance forward reduced from £1,805,337 to £1,599,578. Prof. div. paid absorbing £24,044. £131,027 carried forward, against £30,010 brought in.
Birmingham Small Arms	1921-22. Dr 469,168	1922-23. Dr 168,671	1923-24. 125,061	Debit balance forward reduced from £321,879 to £266,514. £20,000 to reserve. Ord. div. and bonus unchanged at 13%, absorbing £65,107. Carry forward £19,315, against £17,137.
Crossley	Dr 294,965	Dr 97,584	1922-23. 56,366	£60,000 to reserves. Prof. div. £19,990. Ord. div. unchanged at 10% £29,288. £72,838 carried forward, against £58,088.
Dennis Bros. ...	73,449	73,677	87,285	Debit of £998,710 carried forward, against debit of £993,908. Prof. div. £22,500. £74,500 put to reserve. £11,402 carried forward, against £7,953.
Humber	103,999	108,249	123,928	Ord. div. unchanged 8%, £65,026. To reserves, £90,000. Carried forward £10,093, against £8,410. Ord. div. reduced from 10% to 5%, absorbing £39,812. £50,000 taken from reserve. £23,688 carried forward, against £50,252.
Leyland Motors	Dr 789,873	Dr 298,392	Dr 4,803	Interim dividend of 3½% paid on pref. ord. shares, absorbing £284,043. £170,373 carried forward, against £132,237.
Napier	79,099	Dr 76,571	98,449	Debit of £4,427 carried forward, against a credit balance of £3,434.
Rolls-Royce....	107,326	119,208	156,708	Credit balance increased from £4 to £54,136.
Rover	102,320	146,754	Dr 36,758	Debit balance forward reduced from £73,261 to £71,956.
S.T.D.	151,382	56,017	102,178	
Swift of Coventry	Dr 87,735	10,124	Dr 7,861	
Vauxhall	Dr 221,759	Dr 76,710	54,132	
Willys Overland	Dr 96,486	11,014	1,305	
Crossley				

† Two years. (t) Nine months to Sept. 30, 1923.

The figures in this table are not without redeeming features. Rolls-Royce, Humber, and Rover are in a good position—the latter company notwithstanding its debit, which represents to a considerable extent a non-recurring expense. Dennis is of special interest, not so much on account of big profits, but because of the fact that it is an undertaking engaged in making commercial vehicles. We need hardly remind our readers that makers of commercial vehicles have not had the benefit of a protective tariff to nurse them through troubled times; some other companies, however, engaged in making commercial motors have not been so successful. The Austin Company, we are glad to see, is turning the corner. The report states that "The company's productions continue to grow in favour, the sales from September 30, 1923, to date, being in excess of the programme laid down." This undertaking, it may be recalled, quickly got to work after the Armistice, and did actually carry out an excellent programme of mass production. The difficulties of Sir Herbert Austin appear to have been in the field of finance rather than in that of engineering. The fact remains, however, that at the end of the third year a profit of £205,459 is shown, as against earnings of £78,564 for 1922 and a loss of £818,173 for 1921. The B.S.A. undertaking has many activities, and it would be difficult to adduce any conclusion from its accounts as to the present state of its motor business. Crossley Motors have also turned the corner, and a loss of £97,584 has been converted into a profit of £55,366; there is still, however, a debit balance of £266,514 to be reckoned with. Dennis Brothers we refer to later. Humber have made excellent progress, but this is a company also making motor-cycles—a section of the industry in which this country plays a leading part. This part of its business may perhaps be largely responsible for the satisfactory state of the accounts. The position of Leyland Motors is certainly not a happy one. Profits are given as £132,253. From this falls to be deducted interest on loans, including bank interest, £80,200. Another item, "Depreciation on buildings, plant, and machinery, £62,395," is brought forward. After balancing various items, a loss for the year under review of £4,803 is recorded. A total debit balance of £998,710 is shown. In this case it is evident that some measure of capital reorganisation will be brought forward, for the company has an excellent reputation for its productions. Napier accounts show an improvement in the position of the company, and we are glad to learn from the report that there has been an increase in sales, both of cars and "Aero" engines. Rolls-Royce presents its reports

and accounts in keeping with the reputation enjoyed by its cars. Rover has had to make a payment of £25,000, as "compensation paid to the late managing director." This internal trouble, to which some reference has been made in the Press, has doubtless interfered with the year's work as well as costing the company a considerable sum of money. But for this setback a different story might have been shown. S.T.D. and Vauxhall both present improved results, but Swift and Willys Overland take a turn for the worse.

Our next table shows the principal liabilities and assets of a number of the leading motor manufacturing concerns over the past three years:—

Name of Company.	Principal Liabilities.			Principal Assets.					
	Total Share and Debenture Capital.	Reserves.	Creditors.	Properties, Plant, &c.	Investments.	Stocks.	Cash.	Debtors.	
Austin—									
Dec. 31, 1921	£ 3,487,428	..	£ 1,412,051	£ 1,910,956	212,441	850,721	55,834	104,324	
Dec. 31, 1922	5,041,355	..	2,971,145	1,867,923	226,719	791,986	191,063	60,849	
Sept. 30, 1923	5,070,010	..	249,754	1,823,067	225,313	956,392	243,790	73,575	
Birmingham Small Arms—									
Jan. 31, 1921	5,868,752	1,928,080	544,956	3,100,096	1,889,398	1,434,994	293,954	725,079	
Jan. 31, 1922	5,868,752	1,758,553	400,386	3,199,885	4,059,300	891,082	355,152	455,765	
Jan. 31, 1923	5,868,752	1,758,553	545,034	2,659,014	1,577,075	883,156	236,628	410,832	
Jan. 31, 1924	5,868,752	1,643,688	664,103	2,622,680	4,294,597	834,323	284,068	634,119	
Crossley—									
Oct. 31, 1921	1,151,299	402,672	155,077	264,048	581,705	108,894	259,615		
Oct. 31, 1922	1,151,299	296,843	154,855	264,048	438,592	159,589	139,848		
Oct. 31, 1923	1,151,299	287,565	161,688	264,048	438,592	160,061	162,088		
Dennis Bros.—									
Sept. 30, 1921	500,825	40,000	103,999	199,242	218,371	131,803	78,733	85,285	
Sept. 30, 1922	500,825	50,000	49,523	201,476	200,747	105,786	103,340	56,222	
Sept. 30, 1923	500,825	70,000	85,426	194,139	250,747	103,318	115,342	62,103	
Humber—									
Aug. 31, 1921	624,376	164,787	182,635	297,727	69,235	515,459	94,309	57,398	
Aug. 31, 1922	624,376	225,063	126,153	312,780	228,578	302,957	122,866	54,751	
Aug. 31, 1923	624,376	285,316	148,951	332,097	272,842	322,633	115,344	59,324	
Leyland—									
Sept. 30, 1921	1,849,969	..	1,779,196	1,273,537	4,671	1,477,841	7,278	395,560	
Sept. 30, 1922	1,849,969	..	1,483,086	1,215,634	6,639	1,015,381	5,567	270,079	
Sept. 30, 1923	1,849,969	..	1,442,668	1,165,630	8,172	939,165	13,421	399,276	
Napier—									
Sept. 30, 1921	896,688	236,249	152,108	240,748	304,42	676,309	3,327	107,994	
Sept. 30, 1922	896,688	205,309	88,533	222,475	112,377	493,007	23,341	107,994	
Sept. 30, 1923	896,688	156,716	71,767	209,087	109,253	343,268	172,622	90,475	
Rolls-Royce—									
Oct. 31, 1921	811,202	241,027	891,859	420,271	..	901,000	159,686	579,304	
Oct. 31, 1922	812,137	269,277	877,886	468,535	59,858	835,797	137,571	314,876	
Oct. 31, 1923	813,519	329,277	582,025	460,690	59,858	1,015,057	14,394	30,010	
Rover—									
July 31, 1921	1,050,000	287,768	116,916	665,761	328,370	442,055	110,821	34,818	
Aug. 5, 1922	1,050,000	268,600	153,406	733,994	57,805	433,771	386,936	40,809	
Aug. 3, 1923	1,050,000	270,744	73,548	762,982	86,342	348,155	134,666	76,550	
S.T.D.—									
Sept. 30, 1921	3,223,448	568,594	76,519	58,650	2,063,774	..	231,383	1,654,988	
Sept. 30, 1922	3,223,448	568,594	97,422	57,637	2,350,286	..	40,397	1,574,340	
Sept. 30, 1923	3,223,448	568,594	121,922	46,570	2,350,286	..	31,714	1,720,773	
Swift of Coventry—									
Dec. 31, 1921	375,495	40,793	105,741	237,454	100	191,747	1,500	30,546	
Dec. 31, 1922	375,495	..	91,742	219,997	100	170,258	25,908	26,333	
Dec. 31, 1923	375,495	..	75,511	220,638	100	218,540	3,090	20,700	
Vauxhall—									
Dec. 31, 1921	794,010	284,279	126,054	709,741	90,571	258,453	310	97,508	
Dec. 31, 1922	794,010	66,562	118,322	509,390	90,556	191,671	15,372	36,771	
Dec. 31, 1923	494,010	6,305	85,006	498,774	..	216,230	12,532	51,002	
Willys Overland—									
Dec. 31, 1921	1,500,000	..	223,168	609,392	245,606	348,602	206,251	146,437	
Dec. 31, 1922	1,500,000	..	138,112	587,387	245,606	371,191	121,097	63,455	
Dec. 31, 1923	1,500,000	..	137,186	561,361	245,606	376,181	217,435	92,913	

These balance-sheets in many cases reflect the financial difficulties of the firms concerned. We have already mentioned Austin's deficit of £1½ millions, but there are other items under assets on which we should like further information. "Expenses of issue, &c.," which appear as £189,926, investments at cost £212,441, and goodwill £284,122, are among these. We have referred to the figures of the B.S.A. in a previous issue. Dennis Brothers present an excellent balance-sheet, but one item might be elucidated—viz., the first, which represents purchase of business and goodwill in 1913, £102,597. It may be that the whole item is goodwill. Indeed, no one could complain if it were. But the wording is ambiguous. The Humber company omits to state how its Government securities, returned as worth £272,842, are valued. Leyland Motors follow the sound practice of showing the previous year's figures for comparative purposes. We confess that we should like to see the item, "Bank overdraft, trade and other creditors," totalling £1,433,665, separated into two items at least. Napier turned by Rolls-Royce which call for no comment beyond the fact that prosperity is reflected on both sides of the accounts. The Rover Company's balance-sheet has always appealed to us on account of its lucidity.

The S.T.D. is a holding company which we trust next year will present us with a "composite" balance-sheet showing exactly what assets are owned by the company—

The Vauxhall figures are not very informative; we notice a bank overdraft of £139,082, to secure which £200,000 mortgage debentures were issued and pledged to the bank.

Our final table shows a comparison of share prices and yields over the past three years:—

Name.	Share.	End April, 1922.		End April, 1923.		End April, 1924.	
		Price.	Yield.	Price.	Yield.	Price.	Yield.
Austin, 7% Cum. Pref. ...	1	£ 4	Nil	£ 4	Nil	£ 4	Nil
Do 6% Cum. "B" Pref. ...	1	1 1/2	Nil	1 1/2	Nil	1 1/2	Nil
Birmingham Small Arms, Ord.	1	1 1/2	Nil	1 1/2	Nil	1 1/2	Nil
Crossley, Ord.	1	1 1/2	Nil	1 1/2	Nil	1 1/2	Nil
Dennis Brothers, Ord.	1	1 1/2	9 0 9	1 1/2	8 0 0	1 1/2	8 0 0
Humber, Ord.	1	1 1/2	10 6 6	1 1/2	8 0 0	1 1/2	8 0 0
Napier (i.), Ord.	1	1 1/2	Nil	1 1/2	Nil	1 1/2	Nil
Rolls-Royce, Ord.	1	1 1/2	6 14 9	1 1/2	5 6 9	1 1/2	6 8 0
Rover, Ord.	1	1 1/2	9 8 3	1 1/2	8 17 9	1 1/2	6 13 0
S.T.D., Ord.	1	1 1/2	Nil	1 1/2	Nil	1 1/2	Nil
Vauxhall, Ord.	10/	1 1/2	Nil	1 1/2	Nil	1 1/2	Nil

† £1 shares.

This is certainly not a very attractive table. It will only show a general resumption of ordinary dividends as the deficits bequeathed from 1920 and 1921 are wiped out during the next two or three years. But perhaps the quickest road back to prosperity will prove to be by a process—of which there are already signs throughout the trade—of amalgamation and concentration on the more successful models.

AN IMPRESSION OF WEMBLEY.

(By A CASUAL VISITOR.)

I WENT to Wembley one day this week, and went, I confess, through a sense of duty and with forebodings of disappointment. By a cautious mind the broadcast advertisements of its wonders had been discounted; while the still small voice of grumbling and complaint lingered in a critical ear. I left Wembley with the determination to return as often as possible. When I return I shall go, as before, through a sense of duty (for no thinking man is doing duty to himself if he fails to study the marvels there collected), but also with a knowledge that the performance of this duty will be attended by a growing fascination.

To those who have not yet seen the Exhibition, and particularly residents afar off who are planning their visit, one or two impressions of a first visit may be useful. First and foremost, it is a profound mistake to suppose that you are going to see one great, compact, homogeneous exhibition. It is not an exhibition, but a whole host of exhibitions, many of them on the colossal scale, almost all of them worthy individually of as much time as the average visitor can give to the whole of Wembley. Take, for instance, the Palace of Engineering. One may easily stroll for an hour through its avenues and bays before discovering—in a wing, huge in itself, but small in relation to the whole building—a comprehensive show of the British motor industry. I did so myself, and the incident struck me as a measure and an illustration of the vastness of Wembley. Every British industry is holding its own great exhibition. Every Dominion (except the new Irish Free State), India, every Crown colony and protectorate, reveals separately its resources and industry, its life, its people, and its activities. Here a variety and a wealth of interest is presented which defy exhaustive study in a hundred visits. The visitor of one day can but gather a bewildering mass of sketchy recollections. At one moment he is marvelling at the unlimited preparedness of British engineering to provide the motive force for any industry in the world; at the next he is learning the story of cotton from the plantation to Lancashire and from Lancashire to the weaver; at the next descending the shaft of a coal mine to examine the work and conditions of the miner, realistically presented, or viewing on the figures of live mannequins the fashion designs with which Bradford challenges Paris. Then he may set out on a world tour. From the rolling wheat fields of Canada he may pass in a few moments to the vineyards of Australia, to the tea estates of India, and the rubber lands of Ceylon or Malaya, strolling by the way through African villages; and back in one moment he may come to the Palace of Arts, which

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one visitor aptly described as "the National Gallery and the Royal Academy combined, with some of the British Museum thrown in." Then, on a scale with the rest, there are the tremendous provisions of amenity and amusement. That is a bare and sketchy idea of the scope of the adventure.

Of the myriad changes of colour, scene and atmosphere no ordinary pen can paint a picture. But this, at all events, can be said. On the whole, the task of presenting to the public, as well as to the man of special knowledge, the picture of economic facts has been handled with a most impressive wealth of resource and imagination. The knowledge to be derived from Wembley would fill a thousand text-books. Every exhibit is a text-book in itself. Yet it is true of many of the chief exhibits to say that the dullness of the text-book is completely removed by vivid and ingenious methods of appeal. One or two instances stand out in the memory. The function of the building of His Majesty's Government is obviously to epitomise the links of Britain with the Empire and the rest of the world. No sooner is the visitor inside the building than this theme is ingeniously presented to him. Only a few steps inside, and he looks down on a representation of the world, the countries standing up out of the blue sea, across which British ships scurry from London and Liverpool to all the distant ports on the Seven Seas. The same imaginative method runs through other exhibits in this building. Again in Canada and Australia one sees the scenery, the people, the products, and the activities in a picture. In the case of Canada, the wheat is taken before our eyes from the fields to storage, to the train, along the railway, into the elevator, on to the ship, and on board ship out of the harbour of Montreal.

To see Wembley in one day is to emulate the feat of the globe-trotter who "did" Rome between two trains. If I can give to intending visitors any hint that will save them from the mental and physical weariness entailed by a one-day rush, I shall be repaid for my pains. The best advice I can give is this:—Limit your aim at the first visit to taking a bird's-eye view and making a careful plan for a series of visits in which you may see thoroughly the things that interest you most; reserving several visits for a more rapid survey of the rest. There are many methods of making a plan. You may, for instance, allot a visit to one Dominion, one great industry, or perhaps one continent. Or you may take a raw material and trace it through its history and stages of use. In this matter a careful study of the official guide will assist. But if I might, as one who has suffered, make a humble suggestion to the Exhibition authorities, it is that they should ponder over methods of showing more clearly to the visitor how he can make the best use of his time, without waste of effort. Something more than the present facilities would seem to be needed. For Wembley is a great and bewildering city.

One last impression. Surely the great British industries should tell the world more clearly and loudly (I had almost said more boastfully) of the wonders of the wares they show at Wembley. Here is probably the greatest show of industrial power and resource that has ever been concentrated in one picture before the public gaze. The world—not merely the British Commonwealth of Nations—should be told of it. Personally, I can only say to all who are not intending to visit Wembley, that they will never know what they have missed, and plead with those who are coming to extend the proposed length of their

visit. It is worth while. Those who associate Wembley only with mistakes, complaints, and grumbles should go there at once, and criticism of detail will be swallowed up in admiration for the whole.

Notes of the Week.

The Anglo-Belgian Conversations.—Although nothing of importance has been officially divulged regarding the conversations which took place last week-end at Chequers between Mr MacDonald and M. Theunis, the visit of the Belgian Prime Minister is a hopeful and significant event, on which Mr MacDonald is to be congratulated. On too many previous occasions British Ministers have shown a disposition to disregard the views of any other Government except France when approaching the problem of a Reparations settlement. In establishing personal contact with the Belgian Premier, Mr MacDonald has taken a step which is essential to the thorough explanation of the avenues towards a settlement on the basis of the Dawes Report. Nor can the visit have wounded French susceptibilities, since M. Theunis visited the Quai D'Orsay on his way to London, and the gist of the Chequers conversations were promptly communicated to M. Poincaré. In their methods of "feeling the way" the British Foreign Office appears on this occasion to be deserving of all commendation. Interviewed on his return by a *Times* correspondent, M. Theunis said: "The indispensable goodwill is evident. We are returning with a favourable impression." M. Hymans, who accompanied him, is also reported as saying: "There will be an Inter-Allied Conference on the day when there is a certainty of being able to arrive at an agreement. Judging from the conversations I have had with Ministers, it seems to me that such a conference is nearer than may be thought." In view of the German elections, the French Press has reason for its deprecation of undue haste on the part of the Allies, and, although the importance of the time factor must not be overlooked, it is all to the good that the oft-repeated mistake of plunging into a conference without thorough preparation of the ground beforehand shows no signs of being repeated.

The Irish Boundary Question.—The Irish Boundary Conference having failed to reach agreement, the Free State Government has requested the British Government to constitute the Boundary Commission as provided for by the Treaty. The Free State has appointed its Commissioner, the British Government, as Mr Thomas told the House of Commons on Monday, is taking steps to appoint a qualified person as chairman, but the Premier of Northern Ireland has refused to appoint a representative. This would appear to take the Irish position a serious stage nearer to a crisis. Commenting on the position, our Dublin correspondent writes:—The Boundary question is still the predominant element overshadowing all others in the public mind. The Prime Minister of Northern Ireland has definitely refused to appoint a Commissioner pursuant to the terms of Article XII.—the Article which alone enabled it to avoid becoming part of the Irish Free State. Suggestions reach Dublin from England that under the circumstances the British Government can call upon the Governor-General of Northern Ireland to make the necessary appointment. In any case it has been made clear that the refusal to nominate will not be suffered to hold up the Commission. A good deal of nonsense is talked by partisans and propagandists to the effect that Article XII. is *ultra vires*. The doctrine of *ultra vires* is well known in British law, but it has no possible conceivable application to the legislative acts of a Sovereign Parliament. The Act of 1920 created a Northern Ireland consisting of six counties; the Act of 1922 which gave to the Anglo-Irish Treaty the force of law, provides for the readjustment of the boundaries of Northern Ireland by the award of a Commission consist-

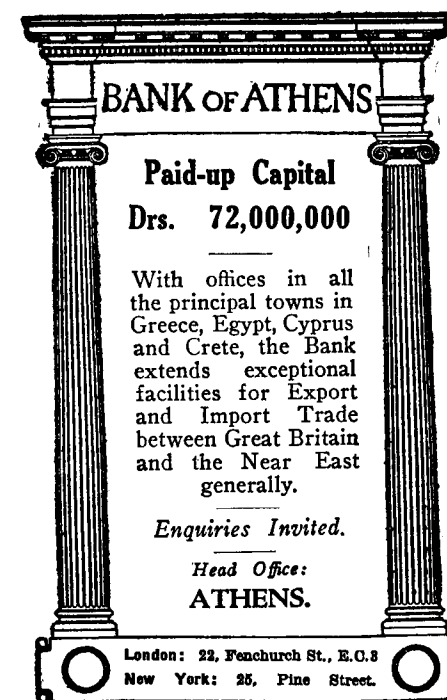
ing of representatives of the Irish Free State, of Northern Ireland, and of Great Britain—the latter to act as chairman. The later Act—in accordance with a thousand precedents—alters and amends the former. Its validity is not open to question. An influential section of the British Press insists that there should be exacted a public admission that only a very limited interpretation will be placed upon the terms of Article XII., and that this should be a condition precedent to its establishment—it also argues that the very limited interpretation is the true one. It would be on stronger ground if it advocated preliminary agreement after discussion by trained jurists as to the true interpretation—but nothing is farther from its desire. The advocates of this view—that boundary revision is to be restricted to shifting the line from one side of a culvert to the other, or from the centre of the bed to the bank of a stream, or to preventing its separating a farmer's house from his barn—overlook not only the words of the Treaty and Act, but also its scheme, scope and obvious purpose. The Commissioners "shall determine in accordance with the wishes of the inhabitants so far as may be compatible with economic and geographic conditions," &c. And Article XIV. provided that if Northern Ireland did not "contract out" under Article XII. it should retain its Parliament and powers under the Act of 1920, and should preserve its boundary unchanged. If the Boundary Commission related solely to petty changes for administrative convenience, why is it omitted in Article XIV. after insertion in Article XII.? The true significance of the distinction is that if the line were merely to be an internal boundary of the Irish Free State, it might fairly remain unchanged. But if, by reason of Northern Ireland contracting out, it became an international boundary, different considerations would apply, and the line should be redrawn so as to group, as far as practicable, the people in the areas contiguous to it under the Governments of their respective choice. It is for the Commissioners to devise their own tests and methods of ascertainment, and they are in no way bound to proceed by county units.

The New Irish Duties.—Our Dublin correspondent writes:—The comment in this column last week on the advisability of the Government producing its Bill for the control or regulation of prices with special regard to the effects of its tariff experiments found an echo in a question in the Dail this week; but President Cosgrave's reply gave little cause for hope that such a Bill, though long promised, would be produced soon or that he thought it would be an effective Bill when it did make its appearance. The deferred dates for the imposition of some of the new Customs duties is, as might have been expected, leading to a tolerably profuse filling up of stocks to forestall the duties. The Minister of Finance has agreed to remit two-thirds of the duty on tinned fruit, which under the manufactured sugar or confectionery tax was very hard hit. The tax on imported boots is at 15 per cent. *ad valorem*—roughly 2s 6d on the poor man's boots per pair. On the whole, the public approves of the experimental attempt to use Irish fiscal independence to create or encourage Irish industry. There are many critics, but it is very generally admitted that the problem in Ireland is of a wholly different character from what it is in Great Britain. The revenue continues to come in well, though there is a temporary drop in Excise receipts, as compared with the corresponding figure for last year. The Monthly Trade and Shipping Statistics for the Free State show the February figures for imports at £5,274,097, as against £4,741,509 for the preceding month, and exports at £3,833,064, as against £3,691,617 for the preceding month, re-exports being £72,160 and £64,791 respectively. Of the imports, all but about £750,000 come from Great Britain and Northern Ireland, and of the exports less than £100,000 worth goes elsewhere.

Great Britain and Iraq.—A correspondent writes:—The Protocol and Agreements subsidiary to the Treaty of 1922, which is now before the Iraq Parliament, have been

published as a White Paper (Cmd. 2012, 9d). In Baghdad, according to the letter from its correspondent published in the *Times* last Wednesday, they have stimulated the anti-Treaty agitation, which is promoted, as in India, largely by young barristers, and has culminated in the attempted murder, on April 20th, of two pro-Treaty members of the Parliament, who are also powerful sheikhs. The crime, and its possible consequences, have alarmed the Moderates, and even most of the agitators, but the Agreements, though they have been greatly mis-interpreted, may temporarily strain the financial capacity of the Kingdom. The Financial Agreement limits British financial aid to the provision either of an Imperial garrison or, alternatively, of native forces under British officers, and to a vote by the Imperial Parliament of half the salaries of the British High Commissioner and his staff. It provides for the purchase by the Iraq Government of the irrigation works, roads, bridges, telegraphs, and telephones for Rs. 94.09.540, payable, with 5 per cent. annual interest, by a 20-year terminable annuity, and for the transfer to it of the working of the railway system, which, until the Treaty and Agreements are terminated by Iraq independence, will remain the property of the British Government. Any profits are to be used for capital expenditure, so that the Iraq Government gets at best a deferred profit, and may make a loss. The Port of Basra is to be transferred to a Port Trust on terms to be arranged hereafter. Iraq agrees to devote 25 per cent. of its annual revenue to increasing its own army, so far as its financial capacity permits, according to a specified scheme; the British Government provides the equipment (including aeroplanes), for which Iraq pays. As the native army is strengthened, the British is to be progressively reduced; the native army is subject to British inspection and control. The two armies act in co-operation, and only with the approval of the British Government, and in joint operations a British officer commands both. The British forces are legally protected against defamation or incitement to mutiny, and their British members have certain immunities from arrest and trial by native courts, which are customary when a foreign army occupies friendly territory, but have been grossly misinterpreted by the Nationalist agitators. Similarly, according to the *Times* correspondent, the provisions enabling the British Government to acquire land for military purposes are attacked as a preparation for British or Indian military colonies—though British colonists could not stand the climate, nor Indian colonists the Arab dislike of their race. A judicial Agreement provides for the trial of cases in which British and other foreigners (including certain Asiatics) are concerned by predominantly British courts, and the Agreement as to the engagement and pay of British officers and officials (many of whom are being engaged for long periods by the Iraq Government) specifies terms which, though not too liberal considering the climate and the necessity of proficiency in Arabic, may offer further ground for Nationalist attack. That Iraq, left to itself, would be invaded by the Turks and the Wahabi followers of Ibn Saud, does not trouble the Nationalists, nor do they realise the certainty that the expenditure entailed by the Agreements will be repaid many times over through the peaceful development of the country. The Treaty and the Agreements last only till 1928, and may terminate earlier by the entry of Iraq into the League of Nations. But the Protocol contemplates a fresh agreement thereafter, and the Nationalists believe that in Iraq, as in Egypt, Great Britain intends to remain. We were kept in Egypt by the pressure of Russia and France on Abdül Hamid; we may have to stay in Iraq to save it from the Turks. To most British readers, however, the present documents will exhibit chiefly our readiness to withdraw from Iraq as soon as it can stand alone.

Shipping Freights Index.—Reaction in the demand for "tramp" tonnage on "earthquake account," resulting in easier rates throughout the Orient, and particularly from Australia, was sharply reflected in our freight index



for April, which fell by 4 per cent. to 136.37. The movements of the various groups are shown below:—

Date.	European Waters.	North America.	South America.	India.	Far East and Pacific.	Australia.	Total.
Basis (Average, 1898-1913).....	100	100	100	100	100	100	100
Average, 1913.....	110.03	113.09	123.37	106.29	117.38	127.89	116.34
February, 1920.....	814.31	529.89	757.52	744.81	587.02	712.16	690.95
December, 1920.....	268.90	277.17	244.10	256.79	286.72	347.18	280.14
December, 1921.....	160.08	164.07	163.72	144.43	141.25	166.47	156.67
December, 1922.....	137.09	135.15	129.19	123.61	136.08	159.34	136.57
July, 1923.....	132.42	107.20	118.67	123.44	126.10	114.83	120.28
August ".....	124.79	109.11	114.33	117.77	118.44	124.63	119.88
September ".....	129.83	112.36	116.28	117.77	118.44	124.63	119.88
October ".....	135.66	125.46	114.03	119.38	124.40	136.05	125.49
November ".....	141.24	135.32	114.64	122.68	124.49	137.89	129.38
December ".....	134.03	132.72	120.09	124.35	125.07	144.21	130.08
January, 1924.....	130.69	137.49	128.33	124.88	139.45	156.68	136.25
February ".....	138.11	146.26	145.36	129.28	142.17	162.91	144.01
March ".....	143.72	147.62	145.92	132.08	135.20	147.77	142.05
April ".....	141.67	146.28	142.35	127.36	128.79	131.75	136.37

The month's changes in the index of each group and sub-group are shown in the following table, the figure 100 representing in each case the average rate during the basic period 1898-1913:—

	Index No.	Inc. or Dec.		Index No.	Inc. or Dec.
Home trade.....	124.40	+ 386	S. America—outwards ..	102.36	- 569
Bay—outwards	148.62	+ 275	homewards	183.34	- 145
homewards	154.94	- 434	India—outwards	126.32	—
Mediterranean—outwards ..	163.46	- 226	homewards	128.40	- 944
homewards	134.29	- 227	Far East, &c.	128.79	- 641
North America	146.28	- 134	Australia	131.75	- 1602

It will be noted that changes in direction of the curves of our commodity and freight indices have once more coincided; the relatively greater reaction in the freight index since February, while affording the useful reminder that world-trade recovery must not yet be taken as completely assured, need not be regarded at present as indicating more than a limited setback to the better conditions which "tramp" shipping has recently enjoyed. As in the two previous months, the dominant market in April was the Plate, whose grain shipments absorbed again a large volume of tonnage at rates well maintained. North American demand for cargo space showed signs of broadening, with no material net change on the index for the group. In Europe traffic remained fairly active, but a slightly ampler supply of tonnage caused freights to shade downwards. Coal freights to South America were weaker, but elsewhere little changed. The East and Australia required little space beyond that provided by the regular "liners," and rates for whole cargoes were heavily depressed. Recent tendencies illustrate the need

for (though not the practicability of) a system of variable "weights" in freight indices. Thus last month, while the bulk of the distant fixtures concluded were from the Plate at rates 82 per cent. above the pre-war base period (the net rise for the Western Hemisphere, as a whole, being roughly 43 per cent.), the average figure for the Orient, 29 per cent. approximately, carried a comparatively small weight of actual business. It should be borne in mind that our freight index is intended to act as a pointer to changes in sea-borne trade as a world whole, and that while the index should reflect accurately enough the gross revenue of "tramp" shipping over, say, half-yearly periods, no freight index yet constructed can safely be taken as precisely indicating the comparative profits earned by this class of vessel for any one country's mercantile marine in any one month. The relation of the index to the average for 1913 may be seen from the following table:—

	(1913 = 100.)			
Month.	1921.	1922.	1923.	1924.
January	194.59	131.60	114.05	117.11
February	164.54	135.76	112.73	123.78
March	162.17	135.53	115.23	122.09
April	147.48	129.46	115.45	117.22
May	158.42	125.12	114.55	..
June	165.73	117.45	106.82	..
July	169.87	114.52	103.39	..
August	170.60	113.16	100.16	..
September	154.47	110.37	103.04	..
October	141.85	114.42	107.86	..
November	136.47	119.43	111.21	..
December	134.66	117.39	111.81	..
Mean for year	158.40	122.02	109.69	..

The figure for April is 7 per cent. above the average for 1923, and 4 per cent. below that for 1922.

International Shipping Conference.—A conference of shipowners representative of all the principal maritime countries, and similar to a gathering held three years ago, will take place in London during the greater part of next week. The earlier meeting, being the first of its kind, was admittedly an experiment, but proved serviceable, and so the present reassembly has been arranged by the Chamber of Shipping of the United Kingdom and Liverpool Steamship Owners' Association. Delegates from France, Belgium, Italy, the United States, Spain, Denmark, Japan, Norway, Sweden, Holland, Germany, Canada and Australia are expected, as well as from the Baltic and White Sea Conference and other shipping associations. A number of subjects discussed at the previous conference will come up again for further consideration, and considerable progress will be reported in some instances. Thus the Hague Rules, which before were approved, are now, as revised and scheduled to the Sea Carriage Bill, within sight of the Statute Book in this country, and awaiting similar treatment elsewhere. Certain draft international conventions have not advanced much in the interval, and only a beginning has been made in doing away with multiple taxation of shipping profits by overlapping national action. Certain technical matters, such as deck cargoes, load line and lifeboats, have been inquired into by international committees appointed by the first conference, and reports will be presented. An important report is also expected from a British Committee which has been studying port facilities in this country in view of recent critical comments by Scandinavian shipowners. International questions which have called for action since the previous gathering, and will now figure on the agenda, include flag discrimination (the subject of a convention recently signed at Geneva), immunity from liability of State-owned ships, and Rules of General Average. Other matters expected to receive attention are uniform tonnage, measurement of ships, fumigation of ships for rat destruction, and compulsory insurance of passengers. The course of events in relation to a number of these problems has been noted from time to time in the *Economist*. They are all matters requiring treatment on the broadest international basis, and the importance of the gathering should be considerable.

Another Bank Amalgamation.—It was announced at the end of last week that, "owing to the death of the late Earl of Jersey, arrangements have, with the approval of the Treasury, been completed, subject to the sanction of

the Court of Chancery, as required by the will of Lord Jersey, for the acquisition by Messrs. Glyn, Mills, Currie, Holt and Co. of the business of Messrs. Child and Co." This amalgamation appears to be a thoroughly suitable alliance in every way. Messrs. Glyn, Mills, Currie, Holt and Co. are the largest private firm of bankers, having been established in 1753, and registered in 1885 as a company with unlimited liability. The business of Messrs. Child and Co. was acquired as from January 1, 1923. The bank is a member of the London Clearing House, and at December 31st last had deposits of £27½ millions. Messrs. Child have the distinction of being the oldest private bank, the date of establishment being somewhere in the sixteenth century. In July last—the date of the latest balance-sheet—deposits figured at £2,717,100, so that the combined balance-sheet should show total deposits of over £30 millions.

Bawra Accounts.—The accounts of the British Australian Wool Realisation Association, Limited, for the year 1923 show that sales of wool during the year amounted to £4,587,100, as against £7,185,400 in 1922 and £6,424,000 in 1921, while £314,000 was received as interest, £108,500 as commission on sales from the British Government, and £108,800 as sundry receipts. Freight, storage, port dues, &c., absorbed £280,500, as against £639,500 twelve months ago, and after payment of administration expenses, £143,000, the cost of exchange on London remittances, £105,000, and other items, and making a provision of £500,000 for contingencies, there was a surplus for the year of £1,322,500, which compares with £1,210,900 for 1922. Stocks of wool on hand, valued as at the date of acquisition (cost, less 40 per cent.), were reduced during the year from £3,718,000 to £968,400. The value of the assets acquired by the Association as at December 31, 1920, less liabilities, amounted to £22 millions, the consideration for which was the distribution to nominees of the Commonwealth of Australia Central Wool Committee of 11,848,036 fully-paid shares of £1 each and priority certificates £9,902,267, and the retirement of small interests and fractional payments, £249,697. On July 30, 1921, 47.5 per cent. of the priority certificates were repaid, and the balance were redeemed during 1922. In May last a resolution was passed at a meeting held in Melbourne to reduce the 10s shares to 1s shares by returning 9s per share to the holders. The balance-sheet now shows a capital of £592,400, but there is also an item of £5,331,600, representing the amount payable to shareholders on February 12, 1924. The exceptionally liquid position of the balance-sheet has been maintained. The bank balances stand at £5,213,400, British Government securities at £2,105,700, and Victorian Government securities at £1,783,100. Debtors figure at £229,300, and creditors at £408,500. In an interesting *résumé* of the history of wool control in the *Times* of April 29th, three days before the last bale belonging to the British Government was sold, Sir Arthur Goldfinch, Director-General of Raw Materials from 1917 to 1921, and Governing-Director of Bawra from 1921 to 1924, gave some striking statistics. Under the wool scheme 9,895,000 bales of Colonial wool were handled, selling for about £380 millions, and yielding about £70 millions profit, divided between the British Treasury and the Dominions. The aggregate sales of British wool were about £40 millions, the net profit being £5 millions. From first to last the accounts were handled on strict commercial lines, interest and every other appropriate charge being debited. Administrative charges, incidentally, on these large transactions have not exceeded ½ per cent. of the sale price, or, say, under 2d in the £.

The Decline in Base Metals.—The base metals this week have shown marked weakness, the exception possibly being copper, but even this commodity gave way in unison with the others. Copper, however, is well spoken of, and once the forced liquidation in metals generally comes to an end, there should be a smart upward reaction based on a better European demand, restricted production, and reduced stocks. Tin has been subject to further pressure, accompanied by bear selling, and the undertone at one time was extremely weak. On Thursday, three

months' standard tin sold down to £221 10s, or more than £75 per ton under the high level ruling in the first half of March. There was a smart rally from this—the lowest level of the present year—but the market is still very sensitive. The world's visible supply is down 3,329 tons on the month at 16,293 tons; stocks everywhere are light; and obviously the Eastern pooled supplies will not be released at the low level seen this week, as the tin actually cost more. Once the liquidation is over there is bound to be a recovery, as the statistical position must count when trade buying again appears. The selling has been overdone, just as the previous rise was overdone, and if the fall went on much more the Cornish tin-mining industry would find things difficult. Production in other directions would also be curtailed. The market received active support at the lower level, with America again buying, and the undertone was much harder in the late trade. Lead has been sold down, and the talk of supplies being short this month circulated some time back has not materialised into anything more substantial. As a matter of fact the market is well supplied, and the American news is all against producers. Trade users here have been buying actively at the lower level, and a large business has been done this week. Late in the week foreign lead for August shipment was sold down to below £27. The market for zinc has been depressed, and Continental smelters have been offering spelter here. Values dropped below £30, with the pressure against May and June, but there was more business doing for galvanisers and other users at the lower level. All non-ferrous prices have now been greatly reduced, and well-informed metal opinion regards all markets as oversold. Thus there should be an upward reaction in the near future, although confidence has been badly shaken by recent events.

White Star Line.—The report of the Oceanic Steam Navigation Company, Limited, for the year 1923 states that the period "has been one of exceptional difficulty, and the result of the year's working is much less favourable than previous years." This impression had, of course, already been conveyed by the reduction in the dividend from 12½ to 5 per cent., but it is disappointing to find that the actual decrease in profits has been deliberately cloaked in the accounts. In the 1922 accounts the profit for the year was stated before allowing for depreciation, which amounted to £512,700. The 1923 accounts merely state that after providing for depreciation, and including the balance brought forward, the profit was £610,704. Comparison is thus completely vitiated. We have, however, added a line to the comparative table of results:—

	Profit.	Interest, &c.	Depreciation.	Reserve, &c.	Dividend.	Balance.
1908	£ 306,242	103,605	410,882	..	75,000 (10 %)	-283,245
1909	620,345	118,890	366,932	..	150,000 (20 %)	-5,477
1910	1,070,374	105,222	370,016	360,626	225,000 (30 %)	+ 8,410
1911	1,102,756	137,580	414,141	..	450,000 (60 %)	+ 101,035
1912	919,033	146,040	527,649	100,000	225,000 (30 %)	-73,656
1913	1,121,268	166,445	437,168	..	487,500 (65 %)	+ 30,155
1914	887,548	255,151	398,967	..	262,500 (35 %)	-29,070
1915	1,168,385	256,904	628,712	500,000	487,500 (65 %)	+ 95,169
1916	2,402,758	258,138	440,752	810,000	750,000 (30 %)	+ 143,868
1917	1,534,261	401,702	318,940	210,000	750,000 (20 %)	-146,380
1918	1,541,542	419,469	317,793	100,000	637,500 (17 %)	-133,220
1919	1,746,624	387,627	397,521	128,000	750,000 (20 %)	+ 83,476
1920	1,372,158	307,675	388,112	..	750,000 (15 %)	-73,627
1921	1,630,037	346,510	438,967	25,000	750,000 (15 %)	+ 69,560
1922	1,448,899	349,090	512,723	..	625,000 (18 %)	+ 37,914
1923	548,153	236,613	?	..	250,000 (15 %)	+ 61,580

* After allowing for depreciation.

Income-tax and corporation profits tax require only £125,500, as against £221,500 a year ago, and there is a saving of £11,600 in debenture interest and of £7,500 in general interest. The balance-sheet, which is analysed in a later column, shows a reduction of £181,600 in debentures outstanding, and of £509,400 in trade bills and bank overdraft, but creditors are £319,300 higher. Trade investments have been increased by £201,400, but general investments are £249,000 lower, and the book value of the fleet shows a decline of £131,100. The directors remark that the Australian service has proved disappointing, conditions affecting exports from Australia having been unsatisfactory, and "this has been accentuated by an over supply of tonnage consequent upon a lack of co-operation on the part of steamship companies engaged in the trade. The other services in which the company is

engaged have given fair results, and it is to be noted with satisfaction that freights in several directions have improved slightly during the last few months, but there is nothing in the immediate outlook to justify any sanguine expectations."

Pease and Partners.—A substantial improvement in results is disclosed in the report for the year ended March 31st last of Pease and Partners. The directors describe the year as one of great fluctuation in prices and variation in demand for the company's products. "The abnormal prices for coal and coke resulting from the developments in the Ruhr raised the price of fuel to such an extent that it was impossible during the greater part of the year to manufacture iron and steel profitably." Nevertheless, gross profits rose from £323,100 to £421,600, and net profits from £185,000 to £275,400. The following table shows the company's financial history since 1908:—

April 30.	Gross Profit.	Net Profit.	Dividends paid.	Rate.		Special Expenditure.	Reserve, &c.	Carry Forward.
				Ord.	Def.			
1908	£ 288,624	£ 216,779	£ 125,000	12½	12½	£ 47,291	£ 35,000	£ 25,437
1909	160,389	97,782	80,000	8	8	34,278	Dr. 16,000	24,940
1910	207,759	135,417	100,000	10	10	23,917	12,372	32,060
1911	233,833	158,033	90,000	8	8	27,351	30,000	41,753
1912	18,850	90,365	92,000	8	4	34,662	Dr. 20,000	25,458
1913	417,005	314,802	156,000	12	12	86,384	50,000	47,871
1914	412,110	315,154	156,000	12	12	25,036	115,000	66,989
1915	285,069	171,100	130,000	10	10	45,845	..	62,245
1916	490,518	356,467	195,000	15	15	25,469	115,000	83,241
1917	544,151	407,046	227,500	17½	17½	17,949	150,000	94,839
1918	519,496	401,989	227,500	17½	17½	24,750	140,000	104,547
1919	465,686	348,747	191,250	12½	12½	30,852	125,000	106,192
1920	679,258	493,633	275,400	18	18	34,249	165,000	125,175
1921	657,398	505,312	308,096	14	14	69,166	110,000	145,226
1922	Dr 77,864	Dr 97,955	109,320	5	5	..	Dr 18,000	117,951
1923	323,123	185,031	131,184	6	6	49,670	..	122,128
1924*	421,621	275,436	176,309	8	8	59,328	237,500	124,427

* March 31st.

A sum of £200,000, being surplus provision made for excess profits duty, a final settlement of which has now been made, is added to the net profit, and with the balance brought forward the amount available is £475,400. Discount on the issue of 5 per cent. debenture stock absorbs £112,500, depreciation reserve account is credited with £75,000, and £50,000 is placed to reserve for liability under the Workmen's Compensation Act. Special expenditure at the collieries, mines, and ironworks absorbs £59,300, and the ordinary dividend is raised from 6 per cent. to 8 per cent., in both cases free of income-tax, leaving a slightly larger carry forward. The balance-sheet shows overdraft at bankers for £526,300, while creditors have been reduced by £131,800, and unpaid purchase moneys by £298,800. The property item has expanded by £487,700 to £3,450,600, while stock-in-trade has risen by £266,100 to £452,400. Investments in subsidiary companies, including loans, which are taken at cost, less depreciation written off or provided, stand at £1,098,600, against £1,490,500 a year ago. Cash at £3,700 compares with £64,700 a year ago. An analysis of the balance-sheet will be found in a later column.

Bryant and May.—Another prosperous year is revealed in the accounts of Bryant and May, Limited, for the year ended March 31, 1924. The following table gives results for the past seven years:—

YEAR ENDED MARCH 31ST.							
	1918.	1919.	1920.	1921.	1922.	1923.	1924.
Net profits	£ 127,233	£ 149,556	£ 226,692	£ 215,324	£ 223,135	£ 323,521	£ 345,674
Reserves, &c.	25,000	25,000	45,000	45,000	45,000	102,500	110,000
Preference div.	67,200	67,200	67,200	67,200	67,200	67,200	67,200
Ordinary div.	48,000	52,000	88,000	88,000	88,000	111,721	118,579
To employees	(12 %)	(9 %)	(11 %)	(11 %)	(11 %)	(12 %)	(12 %)
Carried forward	-12,967	+ 5,356	+ 2,441	- 9,293	+ 8,081	+ 3,462	+ 8,019

† Free of tax.

Shareholders obtain an extra ½ per cent. this year, the dividend figure moving up to 12½ from 12, while the employees' proportion of profits has increased from £38,620 to £41,895. This co-partnership scheme appears to be working well. The number of £1 partnership shares issued to employees during the year was 10,300, bringing the total of partnership shares up to 27,543. The report states, "Notwithstanding very heavy imports of matches from foreign countries, particularly those with depreciated exchanges, your company's sales have been maintained at a high level." It is also mentioned that

"The Colonial and other factories in which your company is interested continue, on the whole, to show satisfactory results."

Edward Lloyd.—Even if profits are not up to the standard set in 1919, shareholders have no reason to be dissatisfied with the accounts for 1923 of Edward Lloyd, Limited, the well-known paper and wood pulp manufacturers. The following table giving the results for 1913, which are included for purposes of comparison, and the past seven years, shows how the company has fared:—

	1913.	1917.	1918.	1919.	1920.	2 Years 1921-22.	1923.
Trading profit	£ 152,363	£ 151,536	£ 177,941	£ 225,033	£ 119,876	£ 194,219	£ 186,639
Brought forward	23,629	37,195	39,923	52,690	10,977	21,364	19,654
Management exps., &c.	175,992	188,731	217,864	275,723	130,853	215,683	215,293
	9,869	24,183	40,549	5,121	7,201	11,530	7,149
Reserve, &c.	166,123	164,548	177,315	270,602	123,652	204,153	208,144
Preference dividend	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Ordinary dividend	37,125	37,125	37,125	37,125	42,188	94,500	47,250
Rate	(11½ %)	(11½ %)	(11½ %)	(13½ %)	(5 %)	(7½ % for 1922)	(10 %)
Carry forward	41,498	39,923	52,690	130,977	21,464	19,654	33,894

The gradual process of recovery from "boom" conditions can be better understood perhaps if a comparison is made of some balance-sheet items with previous figures. In 1920 stocks were valued at £1,406,882. A year ago these were priced at £583,596, while in the accounts now issued the figure is given as £565,968. Cash has increased from £85,901 in 1920 to £128,593. Property and plant total £1,462,346, as against £1,042,326 then. Investments have improved from £603,076 to £812,587 in the period, and book debts are steady at round about £377,000.

Commercial Union Assurance Company.—This company, which has passed the seven million mark, both in its fire and accident premiums, added considerably to its resources during the past year. The fire premiums were £7,084,093, as compared with £6,742,172, and the claims were 51.5 per cent. of the premiums, as against 49.1 per cent. Expenses were lower, at 39.1 per cent., as compared with 40.6 per cent. The fire underwriting surplus, after making the usual allowance for unexpired risks, was £525,283, or 7.4 per cent., as against £442,856, or 6.6 per cent., in 1922. The sum of £350,000 was carried to profit and loss. In the marine department the premiums were £424,557, as against £388,388, and the claims, £218,268, against £208,514; £100,000 was transferred to profit and loss, as compared with £50,000 in the previous year. In the accident department the premiums of £7,047,450 increased by £427,485. The claims were 56.5 per cent. of the premiums, as against 55.1 per cent. in 1922, and the expenses were 38.9 per cent. against 40.5 per cent. After allowing a 40 per cent. reserve for unexpired risks, the accident surplus was £149,736 (2.1 per cent.), as compared with £408,785 (6.2 per cent.) in the previous year; £100,000 was carried to profit and loss. The total underwriting transfers to profit and loss were £572,262, and net interest receipts were £743,080. Against these amounts income and corporation taxes took £434,942. The dividend for the year is 13s a share, tax free, costing £767,000.

Liverpool and London and Globe Insurance Company.—Though now allied with the Royal, this insurance company continues its separate existence and accounts. In the fire department the premiums of £4,761,038 increased by £531,018. Claims amounted to 49.7 per cent. of the premiums, as against 60 per cent., and the expenses to 40.8 per cent., as against 42.4 per cent. The fire underwriting result was a surplus of £238,154 (5 per cent.), as compared with a deficiency of £32,821 in 1922. The combined accident premiums were £3,862,665, an increase of £450,032, and the net result was a profit of £79,148, against £133,220 a year before. In the marine department, with premiums of £340,712, against £353,688, there was a profit of £43,185, against a deficiency of £54,457 for 1922. The total transfers for insurance accounts to profit and loss were £381,686, and the net interest receipts, less debenture interest, were £364,720. The dividend for the year cost £369,411. A

valuation of the life department for the five years ended December 31st last permitted a reversionary bonus of £1 15s per cent. per annum to be declared in the participating class, the same rate as has been declared since the participating class was instituted in 1875. The intermediate bonus on claims during the current five years has been fixed at the same rate. The sum of £313,361, undivided life profits, was carried forward. The funds, exclusive of capital, amounted on December 31st to £16,319,014.

Alliance Assurance Company.—The Alliance celebrates its centenary this year with a special bonus to its shareholders, and, incidentally, has produced a very favourable report on the operations of the past year. The comparatively small fire business is of high quality. The fire premiums for 1923 were £1,877,392, as compared with £1,908,611, and the ratio of claims to premiums was 41.5 per cent., as against 46.8 per cent. Expenses were unchanged at 43.9 per cent. The result, after allowing for unexpired risks, was an underwriting surplus of £285,934, or 15.2 per cent. of the premiums, as compared with £196,754 in 1922, or 10.3 per cent. of the premiums. The marine account, with premiums of £494,752, yielded £49,324 as an underwriting profit, and the marine fund at the end of the year was £1,013,439. The accident, employers' liability, and miscellaneous branches, with a premium income of £602,226, yielded £94,014 net to profit and loss, and in the life assurance account the shareholders' portion of the quinquennial profit was £170,469. The actual net transfers from the insurance accounts to profit and loss amounted to £693,938. The sum of £279,065 was repaid by the Economic Life Fund, and £77,331 net came from excess profits duty refunded. On the other side of the account, £250,000 was written off the cost of the shares of the National Boiler and General Company, leaving £486,797. The dividend of 14s a share, less tax, and the centenary bonus of 6s a share, less tax, will cost £542,500, as compared with net receipts from interest of £324,884. The valuation of the life department for the five years ended December 31st last showed an available surplus of £1,412,956, exclusive of interim bonuses amounting to £107,409. The policyholders' share was £970,011; this permitted a compound reversionary bonus to be declared to Alliance new series policies at the rate of 34s per cent. per annum (as against 30s before the war), and higher bonuses to the three closed series. The sum of £272,476 of the valuation surplus was carried forward. The funds, exclusive of capital, amounted to £25,788,000.

North British and Mercantile Insurance Company.—This company has an excellent habit of setting out clearly the business which it transacts itself and that done by its subsidiary companies. The underwriting results and interest earnings are shown in each case, so that misunderstanding is scarcely possible. For the feeble brethren a consolidated profit and loss account is provided as a key. In the fire department the premiums last year were £3,902,031, as against £3,746,353 for 1922, and the claims were 49.6 per cent. of the premiums, as compared with 49 per cent. in 1922. Expenses were 39.9 per cent., against 41.1 per cent. The result was an underwriting surplus of £344,588 (8.8 per cent.), against £282,471 (7.5 per cent.). In the accident department (Railway Passengers Company) the premiums were £895,541, against £881,366, and the underwriting profit was £122,856, as compared with £131,690. In the marine department (Ocean Marine Company) the premiums were £373,889, as against £339,544, and the whole balance of the 1922 account, £89,912, was carried to reserve. The Fine Art and General Company, with premiums of £327,870, as compared with £334,754, showed an underwriting profit of £44,542. The total underwriting profits of the year, after providing for unexpired risks, were £511,986, and interest yielded £373,694. Income and corporation taxes took £102,585, £58,000 was carried to the contingency fund, and the loss on investments realised was £39,922. The ordinary and preference dividends will cost £325,145, leaving £2,138,574 to be carried forward in the profit and loss account.

Yorkshire Insurance Company.—This company also reaches its centenary this year, and celebrates it both by an increase in dividend to its shareholders and by granting a bonus of 10 per cent. on salaries to the members of its whole-time staff. In the fire department the premiums were £872,957, as compared with £834,455, and the underwriting surplus was £37,715 (4.3 per cent.), as against £41,479 (4.9 per cent.), after providing for reserves against unexpired risks. The accident department, with premiums of £866,749, yielded an underwriting profit of £87,171, and the marine department, with premiums of £442,966, contributed £20,000 to profit and loss, including interest of £17,161. The dividend of 16s, tax free, on the £1 shares, and 8s, tax free, on the £5 shares (10s paid), costs £105,928, against net receipts from interest of £91,809. In addition to providing £30,000 as a centenary bonus to the staff, £50,000 was carried to the superannuation and guarantee fund. The funds, including £132,410 of capital paid up, amounted to £7,246,178.

Central Mining.—The showing made by the 1923 report of this, the premier Kafir finance undertaking, proves fully up to market expectations; indeed, the results constitute a record. The balance dividend of 6s, plus 6s bonus, makes a total for the year of 20s, tax free, on the £8 shares. For 1919 the distributions aggregated 18s per share; this is the nearest approach to the present amount. Commenting upon the statement for 1922, we inferred the increase in the profits—despite the labour troubles—to arise from realisations. This time it may be attributed mainly to the enhanced dividends received from the concerns in which the corporation is interested and to the reduced allowances necessary for depreciation. Appended is a comparison of the accounts covering the past three years:—

	1921.	1922.	1923.
Shares, investments, &c.	£ 5,736,470	£ 6,244,850	£ 7,151,780
Debtors, less reserves	55,420	149,030	118,850
Creditors	2,565,380	4,369,100	5,332,450
Loans	936,450	1,983,240	2,475,190
Cash	77,330	334,820	81,850
Dividends, profits, &c.	444,490	650,570	802,320
Management, &c., expenses	41,320	68,630	41,930
Taxes	88,820	53,920	75,810
Net profit	314,360	528,030	684,580
Dividends	255,000	340,000	425,000
Do per share (tax free)	12/	16/	20/
To reserve fund	65,000	65,000	150,000
For income-tax	100,400	90,300	92,850
Brought forward	90,300	92,850	95,210

* After deduction of directors' percentage.

In the main the fresh expansion in the portfolio occurs chiefly in the gilt-edged securities, but moderate additions have been made to the holdings in gold and diamond mining companies, also in land companies and properties. A departure is the segregation of the "oil, coal, industrial, and sundry interests," which in the 1922 balance-sheet figured for £932,100, into "oil and coal, £371,800," "banking, industrial, and sundry, £824,800." It will be noted that an increase is shown in the two entries combined. The holdings have been taken at or under market prices ruling at the end of December last; unquoted interests, representing about 25 per cent. of the total, have been "conservatively valued." The directors report that "practically all branches of the business were productive of revenue last year." Apparently the principal new acquisitions comprise shares in a company formed for the purpose of investigation and development in Canada, the Rand Mines and the Mond Nickel Company participating, and shares in the Kassala Cotton Company. On the basis of last year's dividends, Central Mining shares yield 9½ per cent., tax free. The price of 11 compares with 7½ when attention was directed in these columns to the strength of the position two years ago.

Anglo-American Group Results.—Our mining correspondent writes:—In connection with the operating subsidiaries of this group, there are the interesting points that two of them—the Brakpan and the Springs—last year put up records, while a third Far Eastern Rand under-

taking, the West Springs, has just lately commenced crushing. With the Brakpan, the treatment of a substantially increased tonnage at a reduced cost ratio much more than offset the effects of a moderate decline both in the average gold yield per ton and in the gold premium. An interesting table in the report of the consulting engineer illustrates the incidence of this factor during the past five years. In 1923 the premium value represented 4s 7d per oz, comparing with the maximum of 27s in 1920, when no less than 63 per cent. of the working profit was thus accounted for. Additional plant, raising the capacity to 80,000 tons monthly, has just been installed. It should be pointed out that a corresponding growth in the profits must not be expected, as during the past few years "over-mining" has been carried out for the purpose of providing funds towards the development and equipment of the "Lease" area. Hence the decrease in the value of the ore reserves. The performance of a largely increased development footage was accompanied by a fresh expansion in the payable percentage, and in the average value. Much attention was given last year to the Eastern or virgin area of the company's property, the results being of a reassuring character. For the current year, an increase to 900,000 in the tonnage milled, with an average yield of 32s to 33s, is foreshadowed. The realisation of this forecast should permit some increase in the rate of dividend. Appended is a contrast of the salient results for each of the past three years:—

	1921.	1922.	1923.
Ore crushed	659,800 tons	549,750 ..	786,100
Yield per ton*	34/	37/4 ..	34/9
Cost per ton	27/2	23/10 ..	21/5
Profit per ton	6/10	13/6 ..	13/4
Working profit	£ 490,250	£ 439,840 ..	£ 611,450
Dividends	255,000	170,000 ..	433,500
Rate per cent.	30	20 ..	42½
Carried forward	59,300	41,430 ..	43,300
Ore reserves	2,423,200 tons	2,459,300 ..	2,552,830
Value	8/61	8/23 ..	8/00

	1921.	1922.	1923.
Ore crushed	484,750 tons	424,090 ..	648,600
Yield per ton*	37/2	38/ ..	39/5
Cost per ton	29/8	24/2 ..	22/6
Profit per ton	7/6	13/10 ..	16/11
Working profit	£ 397,800	£ 406,640 ..	£ 621,840
Dividends	197,600	213,110 ..	438,980
Rate per cent.	15	15 ..	30
Carried forward	73,400	45,900 ..	44,150
Ore reserves	3,066,200 tons	3,146,220 ..	3,255,350
Value	8/92	8/79 ..	8/91

* At standard value. † Including a special clean-up. Except that the ore reserves display an increase in value as well as in quantity, the general features of the Springs Mines position bear so close a resemblance to those of the Brakpan that detailed reference is scarcely necessary. The Union Government's participation in the profits is estimated at £128,700, or 20.7 per cent. There still remain 24,200 shares to be taken up at £3 by the guarantors; the proceeds of 13,000 are earmarked for debenture redemption, and will clear off the bulk of the £47,800 bonds outstanding. As regards the West Springs, developments have shown a progressive improvement; the ore reserves at the end of last year were computed at 2,099,500 tons value 7½ dwt over a stoping width of 63 ins. The funds raised by the working capital shares and the debenture issue have been exhausted, and a loan is shown in the balance-sheet. It is intimated that arrangements have been made with the parent company for further financing to the extent of a total of £300,000. Dividend prospects depend largely upon whether the lender will accept shares or debentures in liquidation. The Daggafontein continues in a state of suspended animation, conditions being unfavourable to the execution of any scheme of reorganisation. Nevertheless, interest and other charges last year increased the general expenditure account by £43,200 to £206,600, or £187,600 net. Loan and interest now stand at £540,800. The Anglo-American Corporation of South Africa has large interests in the four undertakings above named; also in the Consolidated Diamond Mines, the Angola Diamonds, the Transvaal Coal Corporation, and owns shares in the associated Rand Selection Corporation and the New Era Consolidated. Last year's profit of £511,300 compares with £325,200 in 1922, and 10 per cent. has been paid in place of 7½ per cent. Of the profit and loss credit £200,000 is allocated to reserve; hence the expansion in the surplus

cash assets to £804,450. By the way, it would be an improvement if the appropriation accounts were drawn up in such a manner as to reflect the year's transactions in full. The Rand Selection Corporation—the bulk of whose shares have been acquired by the Anglo-American Corporation, largely through an exchange—for 1923 paid 30 per cent., as against 22½ per cent. in respect of 1922.

THE Royal Colonial Institute announces a meeting at the Edward VII. Rooms, Hotel Victoria, Northumberland avenue, W.C. 2, on Tuesday, May 13, 1924, at 8.30 p.m., when a paper on "Australia and the Pacific" will be read by Sir Hugh Denison, K.B.E. The Right Hon. Lord Denman, G.C.M.G., K.C.V.O., will preside.

Oversea Correspondence.

UNITED STATES.—FOREIGN TRADE—PRODUCTION OF DYES — COAL INDUSTRY DEPRESSED — SOLDIER BONUS LEGISLATION.

(FROM OUR CORRESPONDENT.)

NEW YORK, April 25.

THE exports of the United States during March, according to preliminary official returns, were valued at \$341,000,000, as compared with \$366,134,434 in February, and slightly less than in March a year ago. The decrease of some \$26,000,000 from February was due chiefly to the decline of about \$29,000,000 in the value of raw cotton exported last month, while the failure of export trade to show an increase over the total value for March of 1923 is explained by the smaller shipments of foods, principally grains, and by the falling off in exports of cotton goods. The value of March imports was \$319,000,000, approximately, as against \$332,539,705 in February and \$397,928,382 in March of last year. The excess of exports over imports last month was the smallest since June of 1923, amounting to only \$22,000,000 in round figures, as compared with an export excess of \$33,594,729 in the preceding month, \$99,689,435 in January, and an excess of imports to the value of \$56,551,718 in March of 1923. The balance of foreign trade has undergone some interesting and striking changes during the past twelve months. The excess of imports, which began to appear in March of last year, rapidly decreased in succeeding months until the excess for June amounted to only about \$1,200,000. The trade balance turned in favour of this country in the following month, July, when exports exceeded imports by more than \$15,500,000, and the export excess showed a pretty steady increase thereafter, reaching \$138,700,000 last December. So far in the current calendar year there has been a rapid decrease in the excess of exports. Total exports for the nine months of the present fiscal year, on the other hand, amounting to \$3,324,263,974, were \$672,771,994 greater in value than imports, whereas in the corresponding period of the previous fiscal year the excess of exports was valued at only \$270,991,245. Higher prices that prevailed in the past nine months accounted largely for the wide difference.

The report recently issued by the United States Tariff Commission on the domestic production of coal-tar dyes contains valuable information regarding the industry in this country, and testifies to the heavy loss in that direction suffered by Germany as a result of the war. The total output of such dyes in the United States last year, according to the Commission's figures, was 92,000,000 pounds, valued at \$50,000,000—the greatest production in the history of the domestic industry. The 1923 output was 42 per cent. larger than that of 1922, and exceeded

even that of 1920, when this country had a big home trade in dyes and exported large quantities. There has been a tremendous increase in production here in the past ten years, the output in 1914 having totalled only 6,619,729 pounds, valued at \$2,470,096. Indigo headed the list in the production of dyes, totalling about 28,000,000 pounds, as compared with 15,850,752 pounds in 1922. Sulphur black ranked second with an output of approximately 16,000,000, against 12,877,649 in the preceding year. Many new domestic dyes were manufactured here for the first time last year, including fast colours, for the dyeing of silk, wool, and cotton. The domestic industry, however, is still deficient to some extent in the production of a number of vat and other dyes, which are now imported. Before the war about nine-tenths of the dyes consumed in this country was imported, whereas more than nine-tenths of the domestic consumption is now produced in the United States. Exports of coal-tar dyes last year totalled 17,924,200 pounds, valued at \$5,565,267, as against 8,344,187 pounds, having a value of \$3,996,443, in 1922.

Among the principal industries, textiles, especially cotton goods, continue depressed, and curtailment of production is increasing in both New England and southern manufacturing centres. Reports of marked depression come also from the coal, and especially the bituminous mining districts, where many thousands of workers are unemployed. Production of soft coal has dropped to the lowest point since 1921. In the week ended April 12th, production of bituminous coal fell to a new low level. The total output, according to the United States Geological Survey, was 6,742,000 net tons, representing a decrease of 84,000 tons from the previous week, and of 3,659,000 tons, or 35 per cent., from the corresponding week of last year. From the average daily production of 1,800,000 in the latter part of February, the output has declined to 1,124,000 tons daily. Total production of soft coal in March is estimated at 39,909,000 net tons, a decrease of 5,816,000 tons, or nearly 13 per cent., from February. The anthracite output of 8,114,000 net tons was 6 per cent. larger than in February, but the present rate of production is about 10 per cent. less than it was a year ago.

Trade and industry in many directions show a further slackening of activity. The decline from a year ago, however, is not pronounced; bank clearings, in fact, indicate that a larger volume of business is passing. Statistics of production, employment, car loadings, and retail trade, and other items usually figuring in calculations, show that there is an exceptionally free movement of goods into consumption, and that stocks of merchandise are not accumulating. With respect to the slowing down in various industries, it would perhaps be well to bear in mind that in most cases curtailment of production is merely a reduction from high records, and therefore does not warrant undue pessimism. Much of the hesitancy now seen in many lines of trade in making any extensive commitments for the future is no doubt due largely to the unfavourable political conditions in Washington, the uncertainties of a presidential campaign, the numerous Congressional investigations, and the unsatisfactory character of some Bills that have been passed, or seem likely to be enacted, in Congress. Such factors will probably continue to have a restraining influence upon business generally for some time, although the political situation and outlook should become clearer after the party conventions are held in June. As to legislation in Congress, present indications are that one of the pending measures, which is attracting widespread interest—namely, the soldier bonus proposal—will be passed. The Senate has adopted a bonus Bill embodying a 20-year insurance plan, instead of cash payments, and a similar measure has already been passed by the House of Representatives. The two Bills are now being considered by a conference committee, and a compromise Bill is likely to be adopted by both branches of Congress. Whether or not it will be vetoed by President Coolidge, and, in that event, repassed over his veto, remains to be seen. Both Bills are evidently political expedients. Since the cash bonus plan has been abandoned, less apprehension is now felt over the proposed legislation, because there is no likelihood of a big Government bond issue. The latter fact is mainly responsible for this week's activity and strength of Liberty loan bonds, most of which established new high records for this year.

FRANCE—THE NEW REICHSTAG—FRENCH ELECTION PROSPECTS—GOVERNMENT ECONOMIES—STATE MONOPOLIES.

(FROM OUR CORRESPONDENT.)

PARIS, May 7.

THE result of the German General Elections has had a somewhat disappointing effect on a certain section of French public opinion, as it had been expected that the Ultra-Nationalist Party would have secured a much greater measure of success. The increase in the seats won by both the Extreme Left and the Extreme Right, however, has been sufficiently large to act as a stimulus to the French Nationalists to spare no effort to emphasise, for election purposes, the danger in which any cleavage in the unity of French opinion, as the outcome of next Sunday's voting, would involve this country, in face of an apparently more recalcitrant Germany than ever. At the same time, there is an inclination to welcome the fact that the German Ultra-Nationalists have gained ground. It is better, it is argued, for France to be faced with a German Government that makes no pretence to be willing to pay Reparations, than with one that is neither sincere in its desire to pay nor strong enough openly to resist.

At the time of writing the outcome of next Sunday's French elections is difficult to forecast. An enormous amount of capital is being made by the Bloc des Gauches and their Socialist and Communist semi-allies out of the present Government's alleged failure to repress profiteering and to reduce the cost of living. It is questionable, however, whether there is any real discontent on this score. Commodity prices are undoubtedly vastly higher than before the war, but so, on the other hand, are working-class incomes. The great majority of French working people, there is good reason to believe, are in a more favourable position to-day, so far as real wages are concerned, than they were before the war, in spite of the enormous rise in the price of everything. Unemployment is non-existent; strikes are very few and far between; trades unionism is weaker as a fighting force than it was 40 years ago, although the skeleton outlines of most of the unions remain; and there appears to be, at bottom, on the part of the average working man, a distinct readiness to recognise the community of interest of capital and labour. Notwithstanding the outcry in the newspapers of the Left as to the high price of commodities and the scandalously high rate of profit that rules in many industries, both wholesale and retail, it is significant that there is no sign of any organised popular movement of protest, such as would appear to be inevitable in this country if the present régime of high prices were not compensated for by correspondingly high wages. A great deal of Socialism and Communism is undoubtedly being preached throughout the country at present, but the barking of the French Communists and Socialists is far less a menace to established order than is that of their British comrades, because undoubtedly less inspired by regrettable economic conditions, and also because the average Frenchman and Frenchwoman has the ineradicable instinct to save, whatever his or her wage may be, and is thus unconsciously transformed into a possessor, and a defender of the existing social system.

The first fruits of the operation of the Government's policy of economies, under the system of the much-discussed *décrets-lois* (by which it is hoped to effect a saving of 1,000 million francs a year in the expenditure of the various Government departments), have taken the form of the promulgation by the *Journal Officiel* of three decrees, one of which suppresses a large number of services connected with the Ministry for the Liberated Regions. The new head of this department is M. Louis Marin, who is the author of the able and comprehensive report and recommendations concerning the reform of the French Government departments on which M. Poincaré based the plan which is now being carried out. It is characteristic that M. Marin has first applied the reforms of which he is the author to his own Ministry. Part of the measures that have now been brought into operation are due to the fact that the work of this Ministry is now progressively coming to an end. The Offices of Reconstitution Industrielle and of Reconstitution Agricole have already been wound up, and other sections have been drastically simplified. Other

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similar decrees concerning the Ministries for War, Marine, Public Works and Justice are expected to be promulgated very shortly. The reform of the judicial service, which is to involve a sweeping reduction in the number of provincial tribunals, and the doubling up of many of the minor judicial posts, is also reported to be approaching completion.

The movement against the continuance of State monopolies appears to be steadily growing in strength. Among the resolutions passed by the general meeting of French Chambers of Commerce, which took place yesterday, and at which 140 chambers were represented, was one insisting that the present deplorable condition of the French telephone service has proved that the State is powerless to exploit it on an industrial and commercial basis, and urging the Government to bring in a Bill as soon as possible retroceding the undertaking to French private industry. The indications suggest that, except in the unlikely event of a sweeping Socialist victory on Sunday, the French telephone services will shortly, following the lead recently set in connection with the match monopoly, return to private hands. One of the difficulties facing both supporters and opponents of the remaining State monopolies, when considering their real situation, is the impossibility, owing to the extraordinarily complicated methods adopted by the Government in its account keeping, of arriving at the exact facts. Thus a recent critic, writing in regard to the tobacco monopoly, remarks that "the real situation of the undertaking, in the commercial sense of the word, is unknown to the administration. The statistics that are published annually show that profits have been made, but apparently the administration is not familiar with commercial accounting. It ignores the capital invested in its undertaking, takes no account of the first cost of establishing the industry, and includes nothing in its accounts for sinking fund or reserve, because it can always replace its plant by means of new credits and utilise it gratis as long as it will last. The most serious fact, perhaps, is that since 1913 the administration of the tobacco monopoly has never made known the cost price of its product. The yield from it is therefore impossible to ascertain, and Parliament is unable to exercise over this part of public expenditure the right of control which is its essential mission."

It should be noted that, in last week's issue—through an error in copying, an obvious blunder was made in setting forth the tabular results of the interesting estimates drawn up by Signor Alberti in regard to the effect of the various proposals for the settling of the Reparations problem, so far as the wealth per head of the population of the principal belligerent countries is concerned.* The correct figures put forward by Signor Alberti are as follows:—

	Wealth per Head in Each Country.			
	Before the War.	Less War Losses and External Debts.	Less Foreign Debt, but Plus Reduced Reparations.	Less Foreign Debt, but Plus Full Reparations of 132 Millions.
United States.....	\$ 2,000	\$ 3,600	\$ 3,600	\$ 3,600
Great Britain.....	1,550	1,431	1,487	1,573
France.....	1,977	1,211	1,370	1,626
Italy.....	630	487	517	597
Belgium.....	1,494	1,274	1,397	1,598
Germany.....	1,240	966	766	436

* The method adopted in compiling these estimates was criticised in the *Economist* of February 2nd.

GERMANY.—NEW REICHSTAG — FINANCES — CURRENCY AND BANKS—FOREIGN TRADE— INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, May 6.

ALTHOUGH final reports from some centres have yet to come in, the general result of the elections and the party composition of the new Reichstag are approximately known. As expected, the extremists on both wings have gained largely, at the expense of the four moderate parties which constructed Cabinets and dominated policy during the last five years; and further, also as expected, the new Reichstag looks even less practicable than the old, having more parties in it, and not showing any possibility of creating a strong and lasting Government coalition. The Reichstag will probably contain 471 members, divided into 13 parties, the other parties of the 23 which competed not getting even one seat.

The Finance Ministry's report for the third decade of April shows revenue 217,300,000 gold marks, expenditure 240,000,000 gold marks, deficit 22,700,000 gold marks, but as the expenditure contained 24,100,000 gold marks for buying back Gold Loan, there was no real deficit. In all April revenue was 452,100,000 gold marks, and expenditure 472,100,000 gold marks, the latter figure including 76,000,000 gold marks spent on buying back of Gold Loan. Revenue fell behind that of March, which was 526,800,000 gold marks. February revenue was 340,100,000 gold marks. In January-March inclusive there was a surplus of 240,100,000 gold marks, but as 339,500,000 gold marks were spent on buying back Gold Loan, the accounts show a deficit of 99,400,000 gold marks. These figures must be considered satisfactory. The Federal Debt on March 31st was as follows:—

	Millions of Gold Marks.
I. Paper mark debts	0.0
II. Stable debts:	
A. In dollars:	
Dollar Treasury bills	210.0
6% repayable 1935	281.9
Do do 1932	250.1
	742.0
B. In Rentenmarks:	
Rentenmark interest-bearing	200.0
Do non-interest-bearing	900.0
Do Treasury bills	147.8
	1,247.8
Total	1,989.8

The Rentenmark liabilities are all Floating Debt. The total debt, including 2.2 million gold marks' worth of paper-mark debts, on December 31st last was 2283.7 million gold marks. Railway and post receipts are increasing. Railway receipts in March were 301.1 million gold marks, against 258.4 million gold marks in February, and 231.4 million gold marks in January. Posts and Telegraphs in March yielded 153.0 millions, against 115.1 millions. The Prussian Finance Ministry announces an impending reduction of annual expenditure by 274,000,000 gold marks, mainly by means of cutting down the number of officials.

The credit strain somewhat relaxed last week, but it is still severe. The Prussian State Bank (*Seehandlung*), which, though seldom heard of, plays a dominant rôle in the money market, has raised its rate from 8½ to 12½ per cent. per annum for deposits at one day's notice of withdrawal. The Reichsbank is still severely restricting credit, the rule being to give no firm higher discount credits than it had on April 7th, and the Bank is trying to reduce existing large credits in order to set money free for firms which have hitherto made small demands. Owing to the operations of the new Gold Discount Bank, the supply of exchange has increased. There have been considerable offers of foreign credit, for long terms, at a rate of about 25 per cent., and for even longer terms at 16 to 18 per cent., but little or none of this business has been done, as Germans hesitate to agree to such high rates for long terms. The franc commitments problem is not cleared up, and there are daily reports of banking and other failures or compositions. Even municipal savings banks have got into trouble through forbidden ex-

change speculations. The total currency in circulation on March 31st is returned at 2,824,300,000 gold marks, or 46.54 per cent. of the 6,070,000,000 gold marks circulating in 1913. Of the former total, 717,500,000 gold marks was in the shape of paper marks, including 26,600,000 gold marks of State railway emergency issues. This 717,500,000 gold marks of paper marks is *de facto* stable, but its stability is not guaranteed. The circulation of coins was 25,500,000 gold marks. New silver one and two mark coins have appeared. The circulation of technically stable (*wertbeständig*) money consisted of 1,760,300,000 Rentenmarks, 146,600,000 gold marks of gold-loan currency, 123,600,000 gold marks of railway emergency money, and 50,400,000 gold marks of gold-loan emergency. The last money must be distinguished from the "gold-loan currency." The gold-loan currency is actual loan scrip, the gold-loan emergency currency being notes issued on security of gold loan. The Reichsbank's return for April 23rd shows a decline of 4,214,207 billion paper marks in circulation. The total of outstanding discounts and advances increased during the week by only 18,700,000 billion paper marks, against 31,600,000 billions and 88,800,000 billions in the two preceding weeks. As a result of the taking up of shares in the Gold Discount Bank, the item "Securities" in the Reichsbank's report rose by 91,350,395 billion paper marks to 91,910,549 billions. This increase represents the £5,000,000 borrowed in London; and it reappears among "Other Liabilities," which increased by 96,754,070 billions to 287,208,038 billions. Through sale of gold in New York for payment of liabilities dating from war times the gold reserve declined by 17,991,000 gold marks to 441,815,000 gold marks. The first monthly statement, for April 30th, of the Gold Discount Bank balances at £10,050,001. The assets chiefly consist of £5,644,307 claims on abroad, £585,189 bills and cheques, and £3,806,000 (German) capital not yet paid up; liabilities are: capital £10,000,000, deposits £36,657, other liabilities £13,344. The Bank has so far no reserve, and it has issued no notes. The Dresdner Bank's annual report for 1923 shows net profits of 9,408,934 billion paper marks. No dividend is declared. In the balance-sheet the items: securities, interests in other banks and syndicates, and buildings, are each written down to 1 billion paper marks. The Reichsbank's director, Dr Schacht, assures your correspondent that rumours of possible difficulties in the big and old established banks as a result of the new depreciation of securities are unfounded. Owing to the high interest rates prevailing, the capital market is dull. In April 99 new share companies with capital of 16,828,000 gold marks were founded, against 179 companies, capital 35,896,000 gold marks, in March. Total increases of capitalisation were 3,564,000 gold marks, against 4,943,000 gold marks.

Foreign trade totals for March differ little from those of February, the passive balance being repeated:—

Imports.				
(In 1,000's of Gold Marks.)				
	March.	February.	Jan.-Mar.	
Live animals	8,208	5,502	19,683	
Food and drinks	163,575	154,448	493,267	
Raw materials	309,310	359,051	905,382	
Half-finished materials ..	63,579	62,984	181,048	
Manufactured goods	146,337	132,227	369,289	
Gold and silver	4,136	3,775	10,606	
Totals	695,145	718,587	1,979,275	
Exports.				
	March.	February.	Jan.-Mar.	
Live animals	313	463	978	
Food and drinks	23,642	21,997	57,282	
Raw materials	28,248	27,740	79,345	
Half-finished materials ..	37,710	30,687	85,564	
Manufactured goods	375,886	383,871	1,127,211	
Gold and silver	760	1,440	3,352	
Totals	456,559	466,198	1,353,732	

Imports of wheat and rye increased, and of flour and fodder stuffs decreased. Imports of cotton, wool, and hides also decreased, and ore imports fell to about 1 per cent. of the monthly average of 1922, more iron ore being exported than imported. Imports of textiles increased, exports decreased. Exports of iron and steel goods and of rolling mill products increased slightly, but remained little more than half the monthly average of 1922. The export of machinery was 20,600 metric tons, the monthly average

of 1922 being 39,900 tons. Weight totals are:—Imports, March, 2,481,900 metric tons, against 2,749,600 metric tons in February; exports, 860,400 tons, against 793,300 tons.

Unemployment is still declining rapidly. The number of fully unemployed in unoccupied territory fell from 703,000 on April 1st to 476,000 on the 15th, and is now under a third of that of December last. In Berlin the number of fully unemployed has fallen to 98,328, which is about the pre-war average. The Prussian Trade Ministry's monthly report is favourable, but it repeats, as usual, that credit stringency retards the industrial recovery. Coal production in all Germany in March totalled 10,825,484 metric tons, against 7,783,994 tons in March, 1923, and 11,364,020 tons in the same area in March, 1913. The Roheisenverband has raised foundry pig prices by between two and nine gold marks per metric ton, according to district, declaring that the former prices involved a loss of 10 per cent. The bar-iron market is dullish, and this is considered to foreshadow a decline in the present activity of all sorts of iron and steel. New contracts have been made for import of Canadian (Wabana) iron ore.

GREECE.—AN EXCHANGE PANIC—THE REFUGEE LOAN—COST OF LIVING—RELATIONS WITH RUSSIA.

(FROM OUR CORRESPONDENT.)

ATHENS, April 22.

THE confirmation by the people through the plebiscite of the establishment of the republican régime, and the unconditional adherence to that decision by the Royalist parties, have produced an atmosphere of confidence. For the first time since 1915 political passions have shown signs of appeasement. The dawn of internal peace seems to have at last come. The psychological effect of this change on the exchange market has been great. Early in the last week offers of exchange began to pour into the market from everywhere. In one or two days this movement took the form of a panic like that of last year. Fortunately, this time the National Bank, in virtue of the law authorising it to issue banknotes for the purchase of foreign exchange, swept from the market all the exchange offered. In this way, on the one hand, a collapse of the rates, with its ensuing disastrous effects, was avoided, while on the other, the Bank's stock of exchange was considerably strengthened. The pressure brought to bear upon the Bank by holders of foreign bills was so intense that it was with great difficulty that the Bank succeeded in keeping the rates from sinking to very low levels. For the moment, exchange on London went down to 215 drachmæ. Had the Bank abstained from buying, as it did in May, 1923, exchange on London would have sunk as low as 150 drachmæ in a day or two. In view of this tendency of the market, it is believed by responsible persons that, unless unforeseen events should happen, offers will continue to come in in large numbers, replenishing the coffers of the Bank, whose stock is now more than £5,500,000, and is expected to reach £10,000,000. The policy followed by the Government and the Bank has not only saved the country from a new crisis, but has also enabled the Bank, by reinforcing its stock of foreign exchange, to control the market, and, other circumstances remaining unchanged, to obtain a stabilisation of the rates, the usefulness of which is now duly appreciated. It should be remembered, moreover, that with the currencies of the other Balkan countries greatly depreciated as they are at present, Greek export trade and industry are already handicapped. A further sudden rise of the drachma would, therefore, deal them a very severe blow. This is especially true of tobacco.

The Chairman of the Refugee Settlement Commission and the Governor of the National Bank are leaving Athens shortly for London, where they will confer with the Governor of the Bank of England upon the possibility of a second advance against the Refugee loan, which is intended to be issued on the London and New York markets in autumn. It is reported to-day in the Press that Mr Diomède, during his stay in London, will carry on negotia-

tions with a group of British capitalists for the installation of electric power stations. This is one of the very many utility works of which the country is badly in need.

The index number for the cost of living in Athens for the month of March has reached the record figure of 1,359.2, as against 100 in 1914 (the basis year).

Following upon the example of Great Britain, Greece is about to resume normal diplomatic relations with the Soviet. Greece was before the war a good customer of Russia, especially for cereals. On the other hand, the Greek merchant marine was carrying Russian products to various Western ports, while of nearly a million Greeks formerly settled in Russia, a great number still remain there. Therefore, the resumption of friendly relations, to be followed by a commercial agreement, on the lines of that concluded between Great Britain and Russia, is expected to benefit both countries.

HUNGARY.—THE RECONSTRUCTION LAW—FINANCE MINISTER'S STATEMENT.

(FROM OUR CORRESPONDENT.)

BUDAPEST, April 24.

THE speech of Baron Koranyi, the Finance Minister, made on April 16th, a few days before the passing of the Reconstruction Law, gave a thorough account of the position of Hungary. He began by saying that those outside Hungary really are better acquainted with that position than Hungarians themselves, owing to the fact that they are uninfluenced by the sufferings of the last four years, as also by the hostile propaganda which has been so rife. In 1919 Hungary's agricultural produce had been reduced 35 per cent., and her industrial output by 50 per cent. Finance Ministers were in a deplorable position; all that they could do was endeavour to lay the basis of a sounder condition. A foreign loan could not be compassed owing chiefly to the Reparations question and the seclusion of Hungary. A loan was the only chance for Hungary, because that alone could cause the danger of inflation to be avoided, and bring about stabilisation. Without stabilisation, taxation was useless for reasons that are obvious. The capitalists were intent upon a solution of the Reparations question through the League of Nations, the League being the best security for the safety of their capital. Control could be accepted in peace and confidence, especially where the Controller is an American responsible to the League.

Mentioning figures, he said that the present internal loan was expected to bring in 1,000 milliards of paper crowns; such a sum as 4,000 milliards, the amount of the foreign loan, could only be raised internally at the expense of the ruin of all industry. Taxation would be raised to 50 gold crowns per head, whereas in Austria it is 76. The result of a loan would be the stabilisation of the crown and the placing of credit on a sound basis. He ended with the statement of his belief that the responsibility for the law could be tranquilly undertaken.

AUSTRALIA.—BRITISH TENDERS REJECTED— ECONOMIC CONDITIONS—CONVERSION LOAN RESULT—IMPORTS AND EXCHANGE—THE NEW SEASON.

(FROM OUR CORRESPONDENT.)

MELBOURNE, April 3.

THE Commonwealth Government has finally decided that, notwithstanding the wide difference between the lowest English and the lowest Australian tender for fourteen railway locomotives, the contract is to go to the Australian tenderer at £136,200. The lowest British tender is that of Armstrong, Whitworth, and Co., at £83,099. Duty would have been about £22,067 extra. The subject was in suspense for some time, pending the return of Mr Bruce, and, in the meantime, the Protectionists were conducting an agitation, fearing that the supposed Free Trade leanings of the country section of the Government would lead to the British tender being accepted. In announcing the award to the local manufacturers, Mr Bruce stated, with regard to manufacturing industries generally, that if they are to progress, it is imperative that they should be

financed, managed, and controlled upon the most economic and efficient basis, and that "efficiency in methods, management, and labour must be the essential basis for the establishment of Australia's secondary industries, and will prove the best safeguard of Australia's Protectionist policy." The decision has been welcomed in Protectionist circles, but criticism from another point of view is that, apart from the burden of extra cost, it was unfair that British manufacturers should have been invited to tender for such a result. The practice of most of the State Governments is to purchase or manufacture engines locally, and the Victorian Railway Department has announced that tenders are invited from overseas only "when important departures from existing standards are contemplated, and sample locomotives are required, as patterns."

The incident, however, has tended to emphasise the divergence of feeling between country and town interests, and while the country party is somewhat restive at the effects of the high tariff, the political difficulties of separate action render any opposition of little effect under present circumstances, as dissension between country and town anti-Labour parties plays into the hands of the Labour Party. The increased concentration of population in the cities has tended to weaken the influence of the country, especially as the heavy Government expenditure of loan money tends to produce activity in trade and employment of a sort independent, for the time being, of the state of country production. At the present moment, however, against the extremely high prices obtainable for wool, the prices for wheat and butter are not much above pre-war levels, and the frozen meat export industry is depressed. A slackening in external borrowing and in Government expenditure would therefore necessitate a considerable readjustment in Australian affairs, together with a reduction in the scale of imports as a whole.

The result of the Commonwealth War Gratuity Conversion Loan is that cash applications from the public amount to £6,710,000, and conversions of war gratuity bonds, £3,590,000, together, £10,300,000, out of £12,780,000 to be dealt with, leaving a difference of £2,480,000 to be provided for out of revenue. These figures do not include £6,000,000 due to the banks for advances made to enable part of the war gratuity to be paid to soldiers in cash about three years ago, this portion of the gratuity being now provided for by an increase in the note issue.

The new season is making a favourable start, owing to the rainfall during the last few weeks, which will go a long way to promote a good lambing, and will also enable the farmers to plough early. The autumn production of butter is much heavier than a year ago, and owing to the lower prices obtainable in London, the Australian market has declined, the Melbourne quotation for choicest being 140s per cwt, against 215s twelve months ago.

Letters to the Editor.

THE STATE ASSURANCE COMPANY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—We are very much concerned to notice in your comments on this company's accounts appearing in your issue of May 3rd, the statement that:—

"After providing for unexpired risks on the usual 40 per cent. basis there was an underwriting deficiency of £29,584 (5 per cent.)."

We are quite at a loss to understand how this figure is arrived at, as full provision has been made for the increased liability arising out of the incorporation of the figures of the British Equitable, out of the reserves brought into the account for that purpose. The accounts for 1923 show the losses of the State as well as of the British Equitable, not only in respect of contracts entered into in 1923, but also in respect of contracts of the previous year, which had still to be run off in 1923. The reserves of the two companies at the beginning and end

of the year are stated separately hereunder for your information:—

	Beginning of Year.					End of Year.			
40 per Cent.—	£	s	d			£	s	d	
State	189,737	6	6	....		188,809	10	11	
British Equitable	52,019	7	8	....		50,434	15	10	
	241,756	14	2	....		239,244	6	9	
Additional—									
State	45,000	0	0	....		45,000	0	0	
British Equitable..	27,716	5	5	....		30,000	0	0	
	314,472	19	7	....		314,244	6	9	

As the remark alluded to above coming from a journal of high standing such as the *Economist* is calculated to have a very prejudicial effect, we hope you will be able to find space in your next issue to correct the unfortunate impression conveyed.—Yours faithfully,

ALBERT H. HEAL, Manager.

Liverpool, May 3rd, 1924.

[If the combination of the reserves of the British Equitable with those of the State Assurance Company had been set forth as clearly in the published accounts as it is in Mr Heal's letter, no difficulty of interpretation would have arisen. The fire premiums were £598,111 in 1923, as against £474,343 in 1922. The claims paid and outstanding were £399,951, and the expenses £268,237. Following the recognised practice, we took 40 per cent. of the increase in premiums as representing the increase in liabilities for unexpired risks, and brought out an underwriting deficiency of £29,584. Mr Heal now makes it clear that with the British Equitable reserves brought in the liabilities under unexpired risks decreased during the year by £2,513, instead of increasing as we had judged from the accounts as published. We accept, of course, Mr Heal's detailed figures, and bring out with their aid an underwriting surplus for the year 1923 of £22,436 (3.7 per cent.), instead of a deficiency. We are obliged to Mr Heal for giving us this opportunity of getting the figures for the State Company accurately presented.—Ed., *Economist*.]

Books and Publications.

THROUGH FRENCH SPECTACLES.*

WHETHER we can see ourselves as others see us depends, perhaps, as much upon ourselves as upon the others. Where the eye of the observer is as highly trained to notice and his pen as skilled to present the results of observation, as is the case with M. Andre Siegfried, there is much to be learned. Those who remember his illuminating earlier volume, "Le Canada," will need no further recommendation for his new book. He looked at England just before the 1923 General Election, and the best proof of the accuracy of his general judgments is to be found in the fact that he had so little difficulty in fitting in an additional section, describing its results and commenting upon the new Government. The one substantial correction which he does find himself compelled to make refers to his passage on the declining influence of the House of Commons. He notes that the existence of three parties and the fact of a minority Government is likely to redress the overweening influence of the Executive, and give back to the deliberative Chamber not only its prestige and its hold over public interest, but a large measure of its power.

His discussion of our financial situation is acute and candid; when he turns to inspect the economic bases of prosperity he is equally perspicuous. He notes the extraordinarily different problems presented in the aftermath of war to England and to France. France, essentially dependent upon its agriculture, is anxious about a declining population; England, on the contrary, asks how a steadily increasing one can be supported. Are the conditions that have made that increase possible, that have enabled the country between 1820 and 1914 to triple its people, to continue—and, if not? "If the rest of the world refuses to go on doing what it has done throughout a century, supplying raw materials to England and buying manufactures from it, then it is no longer a question of

* "Angleterre d'Aujourd'hui." Andre Siegfried. (Paris) Cres & Cie.

a temporary crisis, but of the beginning of an economic decadence—a decadence that will be terrible, so narrow is the margin, for England, that separates prosperity from very existence. The threat is tragic, for, if realised, this great nation must sink to a fifth-rate Power." M. Siegfried, indeed, sees looming a fearsome analogy between the position of this country and of Vienna. In that fear he finds the explanation of the nervousness that has, apparently, struck him among leading men of all classes. In it, too, he discerns the explanation of the phenomenon strange to a Frenchman—the desire, as he puts it, to "lift up Germany." "The Englishman's power of forgetting is enormous." On the morrow of the war he is ready, even anxious, to resume his former trading relations with his one-time enemy. He sees that there is in this no sort of sympathy for Germany. The "semi-mystical" feeling about peace which he notes in England has, he thinks, its roots in self-interest. A further explanation is the Englishman's incapacity to put himself in anyone else's place. There is sincere friendship for France, but no real understanding of a point of view arising out of a set of circumstances totally different from those in which the Englishman himself is involved.

THE AGRARIAN REVOLUTION IN ROUMANIA.*

IN the future history of our days of social and political changes, one of the most important chapters will be that dealing with the Great Agrarian Revolution in Eastern Europe, which is now rapidly changing the social and economic organisation of the countries involved in the movement. Throughout Eastern Europe, with its predominantly agricultural economy, the agrarian problem has played an outstanding part in political life for many decades, and the way in which the Gordian knot has been cut, without shattering the whole social system, as has been the case in Russia, is certainly bound to be a matter of interest to the historian, the economist, and the politician alike. In his book, which reads like a novel, Mr Evans gives an interesting account of the solution adopted in Roumania. A considerable part of the book is devoted to the history of the agrarian problem and of the legal and economic condition of the peasantry in the various provinces of the now united Greater Roumania, which for centuries have been subject to foreign domination. These conditions were naturally quite different in Bukovina, Transylvania, and Bessarabia, which owed allegiance to Austria, Hungary, and Russia respectively, on the one hand, and in the Old Kingdom, on the other, and these differences necessitated some slight variations in the actual execution of the reforms in the several provinces. The essential feature of the reform, which was certainly revolutionary in character and partly in origin, in so far as it was inspired by the Russian precedent, was that the area of land required for the settlement of peasant farmers and the all-round increase in the peasants' holdings, whenever these were below a certain minimum, was obtained by means of the expropriation of large estates belonging to private individuals or corporate bodies. This principle was applied throughout Roumania, though the quotas left to the former owners, as well as the minimum sizes of peasants' holdings and the methods of application of the laws, varied according to the province. Up to the present the net result of the reform was that the percentage of land in estates exceeding the maximum size of small holding, fixed at 142 to 270 acres, according to locality, was reduced from 48 to 14 per cent. in the Old Kingdom, from 25 to 15 per cent. in Bukovina, from 26 to 14 per cent. in Transylvania, and from 40 per cent. to zero in Bessarabia, where expropriation was most ruthlessly applied. Former latifundia have completely disappeared, while about 11 million acres have been made available for the settlement of the peasants and, in the greater part, already transferred to the new owners. As to the ultimate effects of the reform, both social and economic, Mr Evans is very cautious in drawing definite conclusions from the available data for the last few years, although these would appear to suggest that, on the whole, the change has been for the better, since agriculture and cattle-breeding are showing signs of rapid recovery. Seeing

that, before the reform, by far the greater part of large estates was leased to peasants and worked by their primitive methods, the fact that the expropriation has not brought about a decline in production is not surprising. Much more important is another problem, which is that of how far the new agrarian régime will contribute to raising the technical standards of Roumanian farming. Since expropriation cannot be repeated, the improvement of technique will be the only means of meeting the pressure of growing population and maintaining the position of the country as exporter. This raises the question of progressive farming on a moderately large scale, which, in a country like Roumania, whose technical standards of cultivation are notoriously low, possesses a high educational and economic value. While the reform leaves some scope for such farming, as far as the necessary area is concerned, except in Bessarabia, it is to be feared that with regard to its financial position, its prospects are very gloomy indeed, since the depreciation of currency, which reduced the landowners' compensation to very nearly zero, left the owners of moderately large estates no capital to invest in their cultivation. This point would appear to have missed the eye of the author, who considers the results of monetary depreciation only in so far as they bear on the peasant's balance of immediate profit and loss.

In reading Mr Evans's book, interesting and full of suggestion as it is, the student of economics cannot help feeling, however, that the economics of the Roumanian countryside and, especially, the condition and prospects of the co-operative movement, might have been less summarily treated, in view of the insight their analysis would enable the reader to acquire into the future of peasant Roumania. Objection may also be raised to the parallel drawn between the recent progress of farming in Roumania and Hungary, which does not appear very convincing in view of the great difference in the economic conditions and political developments in the two countries. These remarks are, however, by no means intended to detract from the value of Mr Evans's work, which may be emphatically recommended to all those interested in the subject.

BOOKS RECEIVED.

- Human Nature in Politics.* By Graham Wallas, M.A., D.Litt. Third edition. (London) Constable and Co. 7s 6d net.
- Factory Management.* By H. P. Dutton, B.E.E. (London) Macmillan and Co., Limited. 14s net.
- Minerals of the Empire.* British Empire Exhibition, Wembley, 1924. Imperial Mineral Resources Bureau, 2 Queen Anne's Gate buildings, Dartmouth street, Westminster, S.W. 1. 5s net.
- Land Value Policy.* By J. D. White, M.A., LL.D. (London) United Committee for the Taxation of Land Values, 11 Tothill street. 2s net.
- Registration of Business Names.* By Herbert W. Jordan. Sixth edition. (London) Jordan and Sons, Limited. 1s net.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, May 21.	ACCOUNT, May 22.
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The mid-May settlement which concluded on Thursday proved to be a satisfactory one from the point of view of the investment markets, the Budget statement having induced a good deal of business. Rises in Stock Exchange prices over the fortnight were due to a substantial increase in business, and not simply to a mechanical marking-up process. Speculative departments came off less well, and in mining shares the volume of orders from the public has diminished to a marked extent. The public are taking little interest in South African or tin shares. Towards the end of the week the Franco-Turkish developments exerted a rather depressing effect.

New Zealand allotments of the new 4½ per cent. loan offered at 95 appeared on Thursday morning, and, the lists having closed on the previous day, the Bank of England has again done remarkably well in the promptitude with which its work as issuing-house was discharged. The price drooped at first

* By Ilor L. Evans, Fellow of St John's College, Cambridge University Press, 1924. IX. 197 pp. Price 12s 6d.

to $\frac{1}{2}$ discount, but soon went to $\frac{1}{4}$ premium. On the new Queensland scrip the premium, at $\frac{1}{4}$, is not quite so good as it was. More large borrowers are expected to appear in the immediate future. This knowledge, added to the friction between France and Turkey, plus a little hesitation caused by the result of the German elections, tends to keep back prices in the gilt-edged list, although the declines are of small importance, and there is an exceedingly large turnover of War stock every day.

The foreign market is busier than it has been of late. Daily rises in Brazilian bonds followed publication of a Presidential message. A string of Chilean prices is better to the extent of 1 to 2 points. The Chinese Eights came into demand and put on several points. Argentines are good, and a few improvements in Mexicans came about as a result of notification that further bonds are being included in the distribution of cash and certificates. The French group is, of course, heavy. New issues, Austrian, Japanese, Siamese, &c., continue to be steadily taken by the speculative investor. Austrian Sixes, it may be observed, now stand at 4 points above their issue price.

The Home Railway market attracts a moderate amount of attention, but changes on the week are comparatively slight. Mexican Rails are a little harder. Antofagasta advanced on hopes of an increased dividend. The Argentine railway market is distinguished chiefly by gains in the pre-ordinary stocks, the supply of which is now scanty. Brazilian Railway stocks are better. Suez Canal shares are substantially higher.

Rubber shares weakened as the price of the produce went below 1s per lb. The feature in the oil market has been lively animation, largely professional, in British Controlled shares. It is estimated that at least a million changed hands on Wednesday. The prices of both preferred and common are materially better on the week. The Swedish Match Company issued its allotments of new shares on Thursday, and the price of the latter rose to 7s premium. Shipping shares are firm, on the Royal Mail dividend maintaining its previous 6 per cent. distribution. Increased insurance dividends are responsible for a fair number of rises throughout the group, and banking shares keep hard, although the tendency to improve is checked by the modest range of return offered at the current prices by the London banking shares. Hotels, stores, and catering shares stand generally higher. The boomlet in tea shares continues, and good rises have accrued to a score or more of shares in this department.

The iron and steel market is somewhat irregular. A good Peace and Partners dividend served to create a favourable impression. On the other hand, Vickers are lower, though the debentures, now that the underwriters' sales have ceased, recovered to 5s premium. Electricity and gas issues are marking time. Sudan Plantations rose, on the notification of a new issue of shares: one new share at $3\frac{1}{2}$ is to be issued for every three shares at present held. Textiles are generally firm, because of the impression that the trade is prospering, and the tobacco market, after another display of strength on the Budget figures, subsided a trifle as profit-takers took advantage of the rise. Trust companies' stocks mount hand-over-fist.

South Africans gave way on a little selling by people who fear the result of the forthcoming Transvaal elections. Chartered have been a better market ex the 5s return of capital; Globe and Phoenix are also a good spot. A violent rise in Selukwes followed upon the posting of a good development cable, but other Canadians tend to droop. Mining Corporation of Canada shares being lower, on the report showing that the expected dividend is not declared. Base metal prices afford no assistance to the shares in companies which deal with tin, copper, &c., and Russians are weak, owing to the disappointment felt with the failure of the Soviet Government to negotiate on reasonable lines. The diamond share market remains listless, and the disposition of the mining markets as a whole is heavy. Two or three Mexicans relieved, with a show of strength, the monotonous dullness of mining descriptions as a whole.

The Stock Exchange Derby Sweepstake, comprising 100,000 tickets of £1 each, of which 10 per cent. is to be allocated to charity, was closed yesterday, the whole of the tickets having been taken up. The first prize is £50,000.

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

NEW ISSUES.
The new issues of the week and the current year have been as follows:—

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	..	.. 47,242,119	..	..
4% Treasury Bonds by public tender, May 2, 1924, 2,000,000, at £94 13s 8d.....	..	.. 1,893,675	..	..

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED MAY 3, 1924.				
April 1, 1924, to May 3, 1924.....	Dr £650,000	Dr £150,000	Dr £150,000	
To the Public—				
New Zealand Government £5,000,000 4% Ina. Stock, 1944 (rep. at par (iss. at 95%)	5,000,000	4,750,000	250,000	4,500,000
Swedish Match Co., 271,500 "B" Shares of 100 Crowns each (£6), at £7 4s per share	1,629,000	1,954,800	271,500	1,683,300
Caroni Sugar Estates (Trinidad), Ltd., 400,000 7½% Cum. Pref. Shares, £1, at par	400,000	400,000	50,000	350,000
Do 400,000 Ord. Shares, 1s, at 2s	24,000	40,000	20,000	20,000
Fergusos, Pailin, 32,219 7% Cum. Pig. Pref., £1, at par	32,219	32,219	4,027	28,192
Do 41,109 Ord. Shares, £1, at £1 3s per share	41,109	47,275	5,138	42,137
Total offered to the public..	..	7,224,294	600,665	6,623,629
To Shareholders only—				
Eastern and General Trust and Development, 200,000 10% Pig. Pref., 2s, at par	20,000	20,000	5,000	15,000
Jeram Rubber Estates, 11,887 Shares, £1, at £1 2s 6d	11,887	13,373	7,330	5,943
Sudan Plantations Syndicate, 150,000 Ord. Shares, £1, at £3 10s	150,000	525,000	225,000	300,000
Total offered to shareholders only.....	..	558,373	237,430	320,943
Total offered for subscription to date in—				
1924.....	56,768,461	1923.....	271,393,173	
1922.....	11,634,543	1922.....	575,675,650	
1921.....	406,589,037	1921.....	388,978,203	
1920.....	84,365,725	1920.....	367,549,666	
1919.....	186,123,843	1919.....	1,035,059,363	
1918.....	341,891,249	1918.....	1,383,381,441	

Swedish Match Company.—Incorporated in Sweden. Share capital 900,000 "A" shares and 900,000 "B" shares of 100 Swedish crowns each. The "A" shares have been issued and 900,000 "B" shares are being issued. This is an offer for sale in London of 271,500 "B" shares at £7 4s per share. At the exchange of 16.66 crowns to the £1, 100 Swedish crowns are worth £6. As from January 1, 1925, these shares will rank *pari passu* with the existing "A" shares, in all respects other than voting, but will not participate in dividends declared in respect of 1924. In lieu thereof, holders will receive a stated amount (approximately 7 per cent.) until the date for fusion arrives. In the past the company has paid dividends annually in April or May, but it is the intention in future to pay interim dividends. The company has outstanding the following funded debt:—20,000,000 Swedish crowns 7 per cent. mortgage debentures, repayable in whole or in part at the company's option, between 1932 and 1946, and 12,800,000 Swedish crowns (balance of 15,000,000 issued) 7½ per cent. mortgage debentures, repayable by annual instalments by 1931. The company also guarantees jointly and severally with two of its subsidiaries the principal and interest in respect of £15,000,000 6½ per cent. bonds of the International Match Corporation of America. The prospectus states that the company controls 20 match factories in Sweden, and 42 match factories outside Sweden. The production of the Swedish factories represents over one-fifth of the cent. is exported, and of this, 80 per cent. is shipped or financed through London. The proceeds of the shares now being offered here and in Sweden will be used for the erection of factories in India, and for the extension of existing and the acquisition of additional interests in Europe and other countries. The expenditure of the Indian factories is estimated to result in a saving of Rs. 8,600,000 per annum. Profits are given from 1910. Dividends, which are paid without deduction of Swedish taxes, have averaged over 12 per cent. since 1918, and it is anticipated that this rate of dividend will be maintained on the exchange 16.66 crowns to £1, the yield on the issue price of £7 4s is 10 per cent. A good foreign industrial offer.

Falmouth Water Works Company.—Incorporated by special Act of Parliament. Authorised capital £74,994, of which £52,994 has been issued. The authorised loan is 17,750, all of which has been issued. The authorised loan is an offer for sale by tender, at the minimum price of par., of £7,000 ordinary stock. The new capital is required for the purpose of adjusting the capital account, which showed an over-spent balance at December 31, 1923, of £6,116. This had been utilised for extensions of shipping in the harbour. The capital now offered for sale is the first of its class to be issued, and the stock ranks for a maximum dividend of 6 per cent. per annum. The original

stock has received the maximum dividend for the last six years. Investors should notice that this stock has a maximum and not a minimum dividend of 6 per cent. This is, of course, not unusual.

New Zealand Government 4½ per Cent. Inscribed Stock, 1944.—Issue of £5,000,000 at £95 per cent. The principal is repayable at par on March 1, 1944. Of the proceeds, the sum of £3,000,000 is required for the construction of and additions to railways, rolling stock, telegraph extensions, and other public works. As the total expenditure on public works is estimated at £4,000,000 for the current year, the Government will provide the remaining £1,000,000 from last year's surplus. The prospectus states that the gross public debt of the Dominion at March 31, 1924, was £221,600,000, against £218,953,324 on March 31, 1923. The increase is due to considerable amounts lent for state advances account out of the accumulated surplus. The accrued sinking funds on March 31, 1923, amounted to £11,879,257. Against the public debt are tangible assets approximating to £222,000,000. Assets consist of about £150,000,000, which are interest-earning, £52,000,000 which are not directly interest-bearing, and £20,000,000 indirectly productive, such as roads, &c. Redemptions of debt carried out during the year ended March 31, 1924, amounted to over £4,100,000, of which £1,660,000 was provided out of surplus revenue, £3,280,000 from other accounts, and £200,000 from sinking funds released. New Zealand Government stock issued and payable in London, and the interest, the property of persons not domiciled in New Zealand, are not subject to New Zealand taxation. A good trustee investment.

Brighton Corporation.—This is an issue of £450,000 4½ per cent. redeemable stock, 1940-1960. With the sanction of the Ministry of Health. It is authorised by the provisions of the Public Health Acts Amendment Act, 1890, the Stock Regulations, 1891 to 1921, and a consent order of the Minister of Health dated April 29, 1924. Interest is payable half-yearly, January 1st and July 1st, the first full half-year's interest being payable January 1, 1925. The stock is redeemable at par on July 1, 1960, or at the option of the corporation on or after July 1, 1940, on giving three calendar months' notice to the stockholders unless it shall have been previously cancelled by purchase in the open market or by agreement with the holders. The stock will be inscribed in the books kept by Westminster Bank, Limited, 41 Lothbury, London, E.C. 2, and will be transferable free of stamp duty. It will be charged upon all the revenues of the corporation. The proceeds of the issue will be applied for the purposes of the corporation's housing schemes, electricity and waterworks undertakings, street improvements, and other public works. The population of the Borough of Brighton is 135,000, and the present rateable value £971,269. Total average rates for 1923-24 were 10s 9d in the £, and a rate of 1d in the £ will produce £3,850. The total outstanding debt at March 31, 1924, was £2,428,115, of which £1,843,733 was in respect of reproductive undertakings. Finally, from an advertisement we learn that the corporation is negotiating for the sale of the stock at the price of £95 per cent. These details are advertised in compliance with the regulations of the Committee of the London Stock Exchange, in connection with an application for leave to deal in this stock. They are for information only. Thus we are introduced to a prospectusless corporation issue.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price	Latest	Rise or		Price	Latest	Rise or
	Week.	Week.	Fall.		Week.	Week.	Fall.
War 4½% 1925-28.....	97	97	..	Aust. 6% 1931-41.....	105	105	..
Loans 4½% 1925-45.....	97½	97½	..	Canada 4½% 1920-25.....	100	100	..
5% 1925-47.....	100½	100½	..	India 3½% Stock.....	654	654	..
4½% 1925-49.....	101½	101½	..	Do 7% 1926-31.....	1104	1111	..
Funding Loan 4%.....	82½	82½	..	Do 5% 1932.....	101½	101½	..
Victory Bonds 4%.....	82½	82½	..	N.S.W. 5½% 1922-32.....	101	101	..
Conversion Loan 3½%.....	78	77½	..	U. of S.A. 6% 1924-34.....	104	104	..
Consols 2½%.....	57½	57½	..	Victoria 5½% 1924-34.....	102	102	..
Irish Land Stock 3½%.....	60	60	..	W. Aust. 6% 1930-40.....	105	105	..
Local Loans 3%.....	66½	66½	..				
British Railways.							
Great Western, Ord.....	111½	110½	..	Southern, Ord. "A".....	40½	40½	..
London & North-Eastern 5% Pref. Ord.....	85	85½	..	Do Ord. "B".....	104	111	..
Do Def. Ord.....	31½	30½	..	Do Def. Ord.....	86	86	..
Midland, Ord.....	100½	99½	..	Underground Electric (A).....	2½	2½	..
Metropolitan, Ord.....	80½	80½	..	Do "A" (1).....	97	96	..
Metropolitan District, Ord.....	53½	53½	..	Do Ind. Def. (A100).....	97	96	..
Banks.							
Barclays B. (£1, l.p.d.).....	23	23	..	Nat. Bank of S. Africa 6½.....	64	64	..
Chartered Bk of India 192.....	198	198	..	National Provincial, (£20, with 4 paid).....	11½	11½	..
Lloyds £5 with £1 paid.....	3½	3½	..	Standard of S. Africa (£20, with £5 paid).....	10½	10½	..
Midland (£12, with £3 paid).....	84	82	..	Westminster Bank (£20, with £5 paid).....	17½	17½	..
Nat. Bank of Egypt (£10).....	24	24	..				
American Railroads.							
Chesapeake & Ohio.....	85	86	..	Southern.....	60	61	..
Erie.....	28	28½	..	Do Non-cum Pref. 90.....	82	82	..
Do 4% 1st Pref.....	37	38	..				

Rubber Plantations Investment Trust, Ltd.

Paid-up Capital and Reserves over £2,500,000.

TEA — RUBBER — COCONUTS.
EVERY DESCRIPTION OF PLANTATIONS FINANCE
AND INVESTMENT BUSINESS UNDERTAKEN.

1-4, GREAT TOWER STREET - LONDON, E.C.3.

Foreign Government Securities.

	Price	Latest	Rise or		Price	Latest	Rise or
	Week.	Week.	Fall.		Week.	Week.	Fall.
Argentine 5% 1886-7.....	100	100	..	Japanese 4% 1910.....	66	66	..
Austrian 5% Guar. 94½.....	31½	31½	..	Do 6% 1924, £70 pd. 74½.....	74½	74½	..
Belgian 3%.....	71½	71	..	Mexican Cons. 1899.....	57	55	..
Brazil 5% Fund., 1914 75½.....	77	77	..	Peruvian Corp. Pref.....	27½	27½	..
Chilian 4½% 1895.....	85	85	..	P.L.M. 6%.....	89	87½	..
Do 7%.....	107	107½	..	Portuguese (New).....	27	27½	..
Chinese 5% 1912.....	67	67	..	Russian 5% 1906.....	84	84	..
Egyptian 3%.....	73½	74	..	Spanish 4%.....	68	69½	..
French 5%.....	26½	24½	..	Seine (Dept.) 7%.....	101½	101	..
Do 4%.....	19½	19½	..	Siamese 7%.....	106½	107	..
Greek 5% 1884.....	54½	53½	..				

Colonial and Foreign Railways.

	Price	Latest	Rise or		Price	Latest	Rise or
	Week.	Week.	Fall.		Week.	Week.	Fall.
Antofagasta Cons.....	88½	89½	..	Leopoldina.....	27	28½	..
B.A. & Pacific.....	79	79½	..	Mexican Railway.....	9	9½	..
B.A. Gt. Southern.....	88½	88½	..	Do 1st Pref.....	26	28	..
Buenos Ayres West.....	74½	74½	..	Do 2nd Pref.....	14	15	..
Canadian Pacific.....	168	170	..	San Paulo.....	168	164½	..
Central Argentine.....	74½	73½	..	United Havana.....	87	85½	..

Telegraphs.

	Price	Latest	Rise or		Price	Latest	Rise or
	Week.	Week.	Fall.		Week.	Week.	Fall.
Anglo-American "A".....	23½	23½	..	Marconi Canada.....	1½	1½	..
Marconi Wireless.....	1½	1½	..	Marconi Marine.....	1½	1½	..

Miscellaneous.

	Price	Latest	Rise or		Price	Latest	Rise or
	Week.	Week.	Fall.		Week.	Week.	Fall.
Aerated Bread (£1).....	1½	1½	..	Hudson's Bay (£1).....	5½	5½	..
Amal. Cottons (£1).....	45	45	..	Imperial Tobacco (£1).....	38½	38	..
Anglo Persian Oil (£1).....	35½	35½	..	Linggi Plains (£1).....	18	18	..
Armstrong (Sir Wm) & Co. (£1).....	88½	88½	..	Lipton (£1).....	18½	18	..
Ass. Ind. Cement (£1).....	18	18	..	Lever Bros. 7% Cum. Pref. (£1).....	1½	1½	..
Barker, John (£1).....	3½	3½	..	Do 8% Cum. A. Pref. (£1).....	1½	1½	..
Bham Small Arms (£1).....	18½	18½	..	Do 20% Cum. Pref. Ord. (£1).....	1½	1½	..
Brazil Tracton (£100).....	57½	57½	..	Lister (£1).....	18½	18½	..
British-American Tobacco (£1).....	5½	5½	..	Lobnitz Oilfields (£1).....	9½	9½	..
Burmah Oil (£1).....	5½	5½	..	Lyons (J.) & Co. (£1).....	5½	5½	..
Corns (J. and P.) (£1).....	3½	3½	..	Mexican Eagle (£10).....	8½	8½	..
Courtaulds (£1).....	28½	28½	..	Pekin (£1).....	8½	8½	..
Cum gratia (£1).....	18½	18½	..	Rubber Plantations Investment (£1).....	1½	1½	..
Dorman, Long (£1).....	18½	18½	..	Shell Transport (£1).....	48½	48½	..
Dunlop Rubber (£1).....	8	8	..	Smithfield & Argentine Meat (£1).....	18½	18½	..
Fine Cotton Spinners (£1).....	24½	24½	..	United Dairies (£1).....	18½	18½	..
Forestal Land (£1).....	18½	18½	..	United Serang (£1).....	38½	38½	..
Furness Withy (£1).....	18½	18½	..	United Tobacco (£1).....	38½	38½	..
Highlands and Lowlands Rubber (£1).....	1½	1½	..	Vallambrosa (£1).....	18½	18½	..
				Vickers (£1).....	8½	8½	..
				Watney Def. Ssk. 1924.....	194½	194½	..

Mines.

Brakpan (£1).....	34	34	..	Knights.....	1½	1½	..
Broken Hill Prop. (£1).....	1½	1½	..	Modderfontein (107).....	3½	3½	..
Chartereds (£1).....	18½	18½	..	Modderfontein, "B" (6).....	1½	1½	..
Cons. Gold Fields (£1).....	28	28	..	Modderfontein, Deep (6).....	28½	28½	..
Crown Mines (107).....	28	28	..	Premier Def. (6).....	6	6	..
De Beers Del. (224).....	12½	12½	..	Rand Mines (6).....	2	2	..
East Rand Prop. (£1).....	12½	12½	..	Selkwe.....	98	98	..
Gaduid (£1).....	58	58	..	Rio Tinto (25).....	32½	32½	..
Gov. Gold Areas (£1).....	68	68	..	Spring Mines (£1).....	28	28	..

COMPANY MEETINGS, &c.

THE LONDON AND LANCASHIRE INSURANCE COMPANY, LIMITED.

RECORD OF PROGRESS IN 1923.
SUCCESSFUL RESULTS IN ALL DEPARTMENTS.
INSURANCE COMPANIES' PROFITS.

The sixty-second ordinary general meeting of the above company was held at London, on the 7th instant, Mr F. W. Pascoe Rutter, governor, presiding over a full attendance of shareholders.

In moving the adoption of the report and accounts, Mr Rutter said:—

My Lords and Gentlemen,

Before commencing the proceedings to-day, it is my sad duty to refer to the death, only six weeks ago, of our deputy-chairman, Mr John Henry Clayton. He had enjoyed a remarkable life of business activity and physical well-being. Having completed his three-quarters of a century, a warning note was struck, and his end came suddenly, but, possibly, as he would have desired it, for he fell in harness.

His last work for this company, on the day before he died, was his usual annual examination of our securities, which he always appreciated, and which formed the basis of the auditors' certificate. We have all sustained a great loss, and I am bereft of a very dear friend. I beg you to rise and stand with me for a moment, as a testimony of our deep respect to his revered memory.

I presume that, as usual, you will take the report and accounts as read.

I will, then, first direct your attention for a moment to the report, in which we state that Lord FitzAlan has joined the board. He was formerly a director of the "Law Union and Rock," and when we found that the freedom from his State appointment enabled him to resume his business ties, we welcomed his joining us.

Whilst, as a rule, it is not wise to take things as a matter of course, you have come to regard a good account in the case of the "London and Lancashire" as a moral certainty, and, considering the circumstances in various parts of the world, there can be no doubt in any of your minds that the report and accounts which you have before you are eminently satisfactory; indeed, better than any of us had expected.

There are some features of the account which are particularly pleasing, and these I will point out to you as we go along.

UNDERWRITING RESULTS.

Our fire premiums, having passed the three million mark, show an increase of £111,586, and the surplus on the account, exclusive of interest, and before deducting Imperial taxation, is £404,771.

The accident premiums are over a million and a-half, showing an increase of £97,237, and the surplus, arrived at similarly, in this case is £188,922.

The marine premiums are a little over £1,200,000, showing an increase of £64,725, and the surplus, deducted in the same way, is £151,081.

In summarising these three accounts, you will be struck by the uniformity of their progress and their profit. The percentage of increase in income ranges in each separate case from 4 per cent. to 6 per cent., and the percentage of net profit is almost exactly identical, approximating 9 per cent. for each separate department. Considering the circumstances, that ranks with our most brilliant achievements.

FIRE.

In the fire arena we have not, candidly, found much to disturb us, beyond the lack of vitality in the home field.

You will notice that, in allocating the profits of our underwriting accounts, we have transferred £400,000 to fortify the additional reserve in the fire account, thus bringing the total fire reserves to £2,606,500. This is still less than the premium income, and you will fully appreciate the desirability of being thoroughly protected in this department.

ACCIDENT.

In the accident field our advanced income comes entirely from abroad, and the profits are less than in 1922, but that was quite an abnormal year, the best which we have ever had. The additional reserve in this account has been increased by £100,000.

MARINE.

Our marine operations have turned out quite satisfactorily. You are aware that we have a nicely-balanced business, controlled by our underwriters in London and Liverpool respectively, and, as they have both well contributed to the result, I consider they deserve our congratulations.

ALL-ROUND PROSPERITY.

From this brief summary of our underwriting results during the past year, you will have easily gathered that each of our great departments has prospered, and as we know also that the life business has been equally flourishing, you have thus the evidence that each of our four profit-producing factors has contributed.

And it must be a satisfaction to the shareholders who have followed our fortunes so intimately for many years past, that, in the first place, we have attained a position of such well-balanced stability, and that, secondly, and even more important, our new management has so amply justified itself. This could not be absolutely established in the first year or two, but time is passing, and, in my judgment, the excellence of our account for 1923 is a true index to the assiduous and thorough work of the managers since their appointment.

HOME VERSUS FOREIGN BUSINESS.

Now, that record looks like progress. And it is progress. It indicates a turn in the tide of premium income which had, ever since the end of the war, set against us. But, consider for a moment what that progress means and where it comes from. Entirely from abroad, and almost entirely from the United States. At home, there is practically no advance whatever. And can it be wondered at when we look around us and see how the industrial activities of the country are being thwarted and crippled by the continued unrest.

Now permit me to enlighten you a little further as to our profits—how and where they are made. An insurance company is really quite typical of the British Empire itself. We live on a small island, or couple of islands; we have insufficient resources for our own population; and we are thus greatly dependent upon our influence over, and contact with, the distant quarters of the world, through the medium of our overseas trade. And so, if an insurance company were confined to its business in this country, it would be, comparatively, a small thing, with a very poor prospect of progress.

We generally make fair profits in the United Kingdom, but the bulk of our profits, certainly in 1923, comes from abroad. Not only from the Dominions and Dependencies constituting the British Empire, but quite as much, if not more, from our operations in foreign countries, which have no connection whatever with this country.

UNITED STATES OF AMERICA.

Last year it happened that one of our most productive sources of profit was the United States of America—that great country where we have for so many years cultivated and retained the most amicable associations, and where, by very able management, we have built up a prosperous business. That experience of ours in the States was, however, exceptional, even for us. So far together twenty-five or thirty of the most prominent companies operating in that great field, their profits did not exceed 4 per cent., whereas in our own case they were more than double that ratio.

I would like to emphasise, therefore, this important fact which cannot be too widely known—that if a British insurance company, such as this, is able to produce a handsome account, it is not now because of the prosperity and progress of our own country, but rather, in spite of the discouraging conditions at home, and because of our efforts to compensate therefor by our persistent activities abroad.

INSURANCE COMPANIES' PROFITS.

Figures such as we have to-day reported are apt to give to those who have not been intimately acquainted with our affairs the idea that the profits of insurance companies are excessive, which, if it were true, would mean that the premiums charged to the public are too high. That is not an unfair assumption—for anybody who is not conversant with the real facts.

I have, however, had summarised the actual experience of 20 of the very best insurance companies in this country, and have taken ten typical years, viz., the five years before the war—1910 to 1914—a period subsequent to that devastating year of San Francisco—and the last five years 1919 to 1923, including for 1923 the 16 companies which have so far reported. Thus, we avoid, not only San

Francisco, but the abnormal years of the war, which constituted no true criterion.

Now then, totalling those ten years for all those companies representative of the best insurance administration in this or any other country, we find that, after deducting all charges of every kind, and taxation, there remains a net residue, available to the companies for their own use and benefit, of actually not more than 4.78 per cent.

The natural reflection from this is: how then have insurance companies, taken as a whole, become reputed for such regular prosperity? Mainly because of their wise finance; putting by year after year their profits from the actual working; and the growing interest thereon has afforded the means for the growing dividends. I am thoroughly convinced of the wisdom of approximately restricting the dividends to the interest earned—a sound policy which has been emphasised more than once during the past month or two in the financial columns of our premier journals.

DIVIDEND.

You will have seen from the report that we propose to increase the interim dividend, on account of the current year's business, by another 1s a share, which will bring up the interim dividend equal to the final dividend, making 14s per annum in all. This may mean a temporary draft upon our underwriting profits, but we anticipate that the difference will be fully covered by the accruing life profits, to be presented this time next year.

INVESTMENTS.

The value of our investments remains, as I informed you last year, much in excess of the values as stated in the accounts. There was some moderate falling-off towards the end of the year, when trade seemed to be getting more brisk, but that diminution has since been recovered. This appreciation in market values which has taken place during the last two years or so constitutes a valuable buffer, or first line of defence, in case anything unusual happens. But one must not overlook the unfortunate fact that the increase in security values is mainly due to the chronic state of unemployment which has existed for the past four years. The result of that is that vast sums of money, instead of being used in enterprise and the development of British trade, have perforce had to be locked up in investments, especially in "gilt-edged" securities, always easily saleable when required.

If only we could see, and ourselves get the benefit of, a real trade revival, we would cheerfully welcome a drop in market values, which would incidentally enable us to invest any surplus profits we may make in higher-yielding securities.

Now, it is my pleasure to move:

"That the report, accounts, and balance-sheet be received, adopted, and entered on the minutes."

And I will ask Mr Hamilton to second that. You may have seen the announcement that Mr Hamilton was appointed to be deputy-chairman in place of Mr Clayton, and I think you may feel very pleased and confident in regard to this appointment, which was made by a unanimous and cordial vote of the board.

Then, before putting the resolution, I shall be glad to respond to any inquiries or remarks which may be offered in connection with the accounts.

The deputy-chairman (Mr Charles G. Hamilton) seconded the motion, which was supported by Mr John Hedges and carried unanimously.

The retiring directors were re-elected; Viscount FitzAlan of Derwent, P.C., G.C.V.O., was elected a director on the head office board, and Messrs Harwood, Banner, and Son were reappointed auditors.

Thanks were voted to the boards of directors in the United Kingdom and the Overseas Dominions, to the United States trustees, and to the representatives and agents of the company at home and abroad.

VOTE OF THANKS TO MANAGERS, OFFICERS, AND STAFFS.

Lord Middleton moved, and Mr W. B. Duckworth seconded, a vote of thanks to the managers and the officers and staffs of the company for their zeal in its service.

Mr F. W. Mills, one of the managers, in replying, said, no one could describe 1923 as having been an easy year, and it was becoming each year increasingly difficult to attain—let alone improve upon—the standard set by previous results. The company had, however, an excellent and untiring staff, each member of which was doing his utmost to pull his weight in the boat.

THANKS TO GOVERNOR, DEPUTY-CHAIRMAN, AND DIRECTORS.

A vote of thanks to the governor, the deputy-chairman, and directors, proposed by Mr J. D. Nimmo, and seconded by Mr B. E. Pemberton, was carried with great cordiality.

Mr Rutter, in reply, thanked the shareholders for the compliment, and said the main thing, particularly for an insurance company, was management and the work done by the staff. He could speak emphatically for the keenness of his colleagues and their constant interest and watchfulness over the company's affairs, and of the harmony with which they worked together.

The proceedings then terminated.

SCOTTISH UNION AND NATIONAL INSURANCE COMPANY.
COMPANY'S HUNDREDDTH YEAR.
STRONG FINANCIAL POSITION.

The annual general meeting of the Scottish Union and National Insurance Company was held, on the 7th instant, in Edinburgh, the Earl of Mar and Kellie presiding.

The Chairman, after referring to the loss which the directors and the company had sustained through the death of Sir Thomas Mason, said:—

In presenting to you the report upon the operations of the company for the 99th year of its existence the directors do so with confidence, and in the hope and belief that it will be regarded with satisfaction by the shareholders. The year 1923 was, in some respects, a difficult and disappointing one, but I think you will agree that the figures now before you indicate that much of the trouble has been satisfactorily overcome.

LIFE DEPARTMENT.

In the life department the new business secured has shown a pronounced forward movement, there being 272 more policies issued than in the previous year, and the net sums assured showing an increase of over £200,000. This increase we attribute in no small measure to the resumption of the bonus a year ago, and to the excellent bonus prospects for the future revealed by the investigation made at the end of 1922. The total premiums received in the life account at £608,000 show a decrease of £34,000, but this decrease is more than accounted for by rupee premiums being brought into account at the rate of 1s 4d, against the rates of 2s at which they were entered in those years when the Indian exchange was so adverse to sterling. The life funds, however, continue to grow rapidly by an addition during the year of £177,000, and they now amount as shown in the account to well over £9,000,000.

FIRE ACCOUNT.

The fire account reveals an increase in premium income of £30,000, and in interest of £22,000. This latter increase is due to the transfer of £500,000 to the fire funds a year ago. The claims show a decrease of £32,000, notwithstanding an aggregate loss of about £20,000 in a conflagration amongst dwelling-houses in Berkeley, California, in September last, when the company's loss was exceedingly heavy on a class of business which is generally regarded by underwriters as gilt-edged. Commission and other expenses, unfortunately, show an increase of £27,000. This, to us, is a matter of disappointment, but the increase is due partly to conditions in the United States of America and Canada, where, by legislation of local tariff organisations, the rate of remuneration to agents has been steadily on the increase. Expenditure other than commission has the constant care and attention of the management. A transfer from the fire account to the profit and loss account of £156,000 is better than a year ago by nearly £43,000.

ACCIDENT, EMPLOYERS' LIABILITY, AND MISCELLANEOUS ACCOUNTS.
The accident, employers' liability, and miscellaneous accounts call for little comment. They, in the aggregate, show a profit of £5,000 less than in 1922. I would here remind the shareholders, however, of the amendment to the Workmen's Compensation Act, which came into force at January 1st last. The liabilities upon employers have been substantially increased, and what the result of this section of our business may be in the immediate future it is impossible to forecast. It has been arranged with the department of the Government concerned that the rates of premium for workmen's compensation business will automatically be adjusted in relation to the claims experience, and it is safe to predict that in future years the margin of profit to the insurance companies will be of the most meagre description.

The sinking fund account had, during 1923, to meet some substantial payments in respect of policies maturing, hence the reduction of £13,000 in the amount of the fund.

MARINE BUSINESS.

A year ago I ventured to predict that in respect of marine business a diminution in profits was to be anticipated, and this you will have observed is confirmed in the reduction of these from £30,000 to £20,000. The account, generally however, is one which continues to give us great satisfaction.

PROFIT AND LOSS ACCOUNT.

I would now ask you to turn with me to the profit and loss account on page 13 of the print. Beginning with the balance brought forward of £426,000 you will find the interest is nearly £66,000, or £3,000 more than in 1922. The profit realised is £205,000, against £311,000 a year ago, but no doubt you will have observed that in 1922 we benefited by the profits of the life department, which will not again appear in this account until after the next investigation into the life results. Comparing like with like, the £205,000 in the present account as against corresponding items of profit in the 1922 account shows there is really an improvement of £28,000. We have now been able to close our account for the bad debts con-

sequent upon the war, and out of £30,000 provided we have, last year and this, been able to bring back to our credit no less than £22,000, £20,000 last year and £2,000 this. On the other side of the profit and loss account there is the dividend paid to shareholders, the interest paid on bonds, and the provision of nearly £119,000 for taxes, Imperial, colonial, and foreign.

STAFF BENEVOLENT FUND.

I would now draw your attention to a new item. The directors find it necessary to consider cases of hardship which arise from time to time. These are of widows and children of members of the staff who have died, and the board have resolved to establish a fund, the revenue of which can be utilised for meeting such cases and others calling for special consideration. Hence the provision of £20,000 now set aside as the "staff benevolent fund." The balance of the profit and loss account, you will notice, now amounts to over £470,000, or £44,000 greater than at the beginning of the year. On page four of the report you will have observed how it is proposed to deal with this balance, and which, I venture to hope, will have your complete approval.

As to the balance-sheet itself I do not know that there is any occasion for special comment, but as indicating the financial position of the company, I would like here to point out to the shareholders that, leaving out the paid-up capital of the company, the funds specially earmarked for life and capital redemption policy-holders and the benevolent fund, the various reserves of the com-

pany now represent about 150 per cent. of the year's premiums, a measure of strength exceeded by very few companies in the country.

BURDEN OF TAXATION.

It will probably be of interest to the shareholders if I also mention that in respect of the funds in which they are particularly interested the income-tax, paid or provided for in the accounts now being dealt with, payable to the British Government, amounts to nearly £113,000. This sum represents no less than 37 per cent. on the paid-up capital of the company. We are pleased in a sense to think that the prosperity of the company imposes such large obligations upon us, but, on the other hand, you will recognise what such a large sum means as an inroad upon the balance available for distribution amongst the shareholders.

COMPANY'S HUNDREDDTH YEAR.

And now I come to the fact that we are now running the last year in the company's centenary, a position of which we are naturally very proud. You will have observed that in addition to paying a bonus to the shareholders we propose to distribute a handsome bonus amongst the officials and staff, to whom, for the results now before you, we are much indebted, and I have no doubt the action of the directors will meet with your cordial approval.

May I, in closing, express the hope that the shareholders will do all in their power to help us to make this, our hundredth year, a year of great progress and prosperity. In this we are anticipating with confidence the equally whole-hearted support of our directors, officials, and staff throughout the world.

FRIENDS' PROVIDENT AND CENTURY LIFE OFFICE.

CONTINUED EXPANSION OF BUSINESS.

PUBLIC AND LIFE ASSURANCE PROTECTION.

The annual general meeting of the Friends' Provident and Century Life Office was held, on the 7th instant, at the Connaught Rooms, London.

Mr Alfred Holmes (the chairman) said: During the four years now expired of the current quinquennium the new life business has averaged about £1,200,000 per annum, and for the quinquennium the net total should be about £6,000,000, as compared with £1,250,000 for the previous complete five-year period 1913 to 1917. The annual new business is therefore now nearly five times the figure to which we were accustomed only a few years ago.

The annuity purchase money received, viz., £54,000, is substantial, and recent experience has shown the value which our members place upon the benefits offered by the office to annuitants.

The sinking fund assurances issued during the year amount to £281,000, being £139,000 in excess of those for 1922.

The members are accustomed each year to learn that the mortality experience has been favourable, and 1923 was no exception in this respect, the amount of the claims being 66 per cent. of that expected by the table of mortality used in the valuation.

REVENUE ACCOUNTS.

The life premium income has advanced by £24,000, and now amounts to £400,000, an increase of £118,000 during the last four years. During the same period the annual interest income, after deduction of tax, has increased by £49,000, the excess for 1923 over 1922 being £23,000. The net rate of interest is £4 11s, being an increase during the four years of 9s 6d per cent., of which 4s 4d per cent. was secured during 1923. Unremitting attention is given to the distribution and oversight of the investments. During the past year considerable sums becoming available for investment were placed in Stock Exchange securities yielding on the average 5½ per cent., while a further sum of £90,000 was placed in mortgages in Canada, at an average rate of 7 per cent. These mortgages continue to give excellent results.

Commission and expenses of management were in amount almost identical with those items in 1922, but on the larger premium income the ratio was reduced by 1.90 per cent. to 18.75 per cent. This ratio, in the opinion of the directors, is distinctly moderate considering the rapid development of business.

The increase in the funds of £252,000 is the largest actual advance made in any single year in the history of the office.

ACCIDENT INSURANCE.

Members will note with interest from the report the commencement by the office of accident insurance and the appearance for the first time of an accident account. This new departure has arisen out of the demand by the public for special benefits in the case of physical injury by accident or disablement by disease, in addition to the benefits normally included in a life policy. Under the provisions of the Assurance Companies Act, 1909, the premiums relating to these special benefits must be dealt with in the ac-

counts separately from the life fund, and, therefore, an accident account has necessarily been opened.

CENTURY INSURANCE COMPANY.

We will now make some review of the progress achieved by our associated company, the "Century."

The life and annuity account is practically closed to new business, and the premium income therefore will gradually diminish. The mortality experience in 1923, whilst not so good as in 1922, was quite favourable. The fund increased by £54,000.

In the fire department the premium income increased by £44,000, i.e., by over 20 per cent. The loss ratio of 56.2 per cent. and the expenses of 36 per cent. were 2.3 per cent. and 2.6 per cent. less respectively than in 1922. The gross profit was £23,000, of which nearly £18,000 was applied to increase the reserve for unexpired risks, and the balance of £5,000 was transferred to profit and loss.

The marine premiums received, at nearly £88,000, are only £6,000 more than in 1922. The conditions of marine underwriting are still generally regarded as unsatisfactory, but the members will observe that after providing for all claims and expenses, the marine fund increased during 1923 by nearly £26,000. After transferring £5,000 to profit and loss account, the fund remaining, of £74,000, is equal to 85 per cent. of the year's premiums, as compared with a ratio of 65 per cent. in 1922. The 1923 account has opened in a promising manner with first year's settlements of 15.7 per cent., as compared with 25.6 per cent. for the 1922 account.

The accident and general account, which also includes employers' liability, showed an increase in premiums of £12,000. The loss ratio of the account was 43.6 per cent., which compared with 41.2 per cent. for 1922, while the expenses were reduced by 1.5 per cent. to 38.1 per cent. With the exception of the year 1912 the profit of £16,000 is the highest in the history of the company.

PROFIT AND LOSS.

The profit and loss account balance of £59,000, brought forward from 1922, has been augmented by the profits transferred from the accounts already dealt with, also by £10,000 net interest not otherwise allocated, such interest being £4,000 more than the corresponding item in 1922. After making provision for British, foreign, and Colonial taxes, and transferring £70,000 to strengthen the fire fund, a balance of £34,000 remains to be carried forward.

The net profit of the "Century" in the year was £44,000. The funds at the close of 1923 amounted to £2,236,000, being an increase of £138,000 over 1922.

We will now turn to the balance-sheet of the Friends' Provident and Century Life Office. The value of the Stock Exchange securities at the end of 1923 was again considerably in excess of the book value, and the margin had appreciably increased during

1923. The Stock Exchange securities now form about 43 per cent. of the total investments.

At the close of the current year, 1924, the valuation of assets and liabilities for the five years then ending will fall to be made, and from the preliminary investigation undertaken, it is evident that, subject to financial conditions remaining reasonably stable in the meantime, a large surplus will be shown which will justify a division of profits on a liberal scale.

During the past year or two it has become evident that the position of life offices has become so favourable that life assurance has become pre-eminently the most profitable first-class investment.

LIFE ASSURANCE PROTECTION.

It is regrettable that so far the public have taken inadequate advantage of this state of affairs, and this will become evident if a comparison be made of the life assurance effected *per capita* in the United Kingdom with that in the United States or in some of the great self-governing Dominions of the Empire. Further, I venture to suggest that even those who effect substantial assurances do not always exercise an entirely wise discrimination in deciding upon the type of policy to effect. We deal almost every day with life proposals from men with families and of ages between 25 and 40, whose idea of provision for their dependents appears to be limited to the effecting of an endowment assurance for a term of 15 or 20 years. In consequence of the relatively high rate of premium for a short-term endowment assurance, the total sum which can be spared from the family budget provides not more than one-third or one-half of the sum assured which would be provided under a whole-life assurance; and the sum payable in the event of death represents an utterly inadequate protection.

In reality, the wife and children in such instances are involved by the well-intentioned head of the family in a speculative risk—the premium in excess of that required for whole-life assurance being wholly lost in the event of the death of the breadwinner during the selected term; and this just at the time when the dependents can least afford any financial loss. Furthermore, the sum assured, when paid to the survivor at the end of the term, often comes at a period of life when his earning capacity is the greatest, and when he has least need of such a payment. It may also have transpired that by the time the endowment assurance matures the assured has become ineligible for further assurance, while he may have as great need of continued assurance as in the earlier years.

TEN YEARS' OPTION POLICY.

The exaggerated extent to which short-term endowment assurances are effected is no doubt a revulsion of sentiment from the old-fashioned whole-life assurance with premiums payable throughout life, with the consequent weariness and oftentimes financial inconvenience of paying premiums in extreme old age. The most advantageous type of policy for the average person is no doubt a mean between the two extremes, and we have endeavoured to contribute towards pointing to a better way by devising a contract known as the "ten years' option policy."

There is an alternative scheme which, although somewhat more costly at the outset than the ten years' option policy, is deserving of attention, viz., whole-life assurance with payments limited in number.

However, whether the policy effected be a short-term endowment assurance or one of the types of assurance which I venture to consider preferable for the average person, in all instances the investment is one which cannot be equalled in any other direction.

I have now completed the review of the year 1923. On the whole, the results have been satisfactory, and the profits are substantial.

The resolution was seconded by Mr R. H. Marsh (deputy-chairman) and carried unanimously.

Sir Nicholas Waterhouse said: In rising to thank you, gentlemen, for re-electing me as auditor, I would like to assure you that the principles underlying your balance-sheet are sound and conservative. The fact that your investments, as standing in the balance-sheet are lower than the market price, instead of the middle price, speaks for itself.

EQUITABLE LIFE ASSURANCE SOCIETY.

PREMIUM INCOME EXCEEDS £300,000.

The 162nd annual general meeting of the Equitable Life Assurance Society was held, on the 7th instant, at the registered office, Mansion House street, London, Sir Evan Spicer (the president) presiding.

The actuary and manager (Mr W. Palin Elderton) having read the notice convening the meeting and the report of the auditor,

The President, in moving the adoption of the report and accounts, having paid a tribute to the late Sir Thomas Devitt, said:

YEAR'S RESULTS.

Gentlemen,—I may now turn to the more ordinary matters of the accounts, and you will see that the new business has been kept at the high figure which we reached in 1922, and that the claims continue to be light. The funds show an appreciable increase, and the premium income has exceeded £300,000. If you compare this figure with the premium income we were receiving ten years ago, you will find that it was then only £210,000, so that the increase has been over 43 per cent. It is largely owing to this increase that the ratio which expenses bear to the premium income has remained the same. As a result of the war expenses have necessarily increased, and in our case they have been further increased because, as you know, we have opened two branches. Although these branches have only been opened for a few years, we are satisfied that the innovation was a good one. Our new business has been helped, our premium income has been increased, and the extra expense has not disturbed the ratio of expenses to income.

As you will see from the report, the only changes in our important holdings in the Reversionary Interest Society and the Equitable Reversionary Interest Society have been due to small purchases of debenture stock. We already held the whole of the ordinary shares or stock of these societies, and, as stated in the report, they are showing satisfactory results.

NEW OFFICES.

There is one other item in the report to which I feel sure you will expect me to refer in some detail. It is the new offices of the society. On the back of the annual report you will find a note of the offices which the society has occupied. We began in Nicholas lane 162 years ago, and we went from there to Blackfriars, to a house formerly known as the Swan Tavern, where we remained for nearly 100 years. The Chairman here mentioned that on November 6, 1869, he was present at these temporary offices to see the procession when Queen Victoria opened Blackfriars Bridge, and it was on that occasion that he met his wife for the first time. He felt that he should express his indebtedness to the Equitable for the introduction! We came here in 1870, paying £22,000 for a 60 years' lease (and rental of £100), and we could still stay on for about five years, but we recently had the opportunity of buying, on what we are sure was a satisfactory basis, freehold offices at 19 Coleman street. Just before the war we purchased a site elsewhere, but circumstances have changed. The site



The Anglo-South American Bank Ltd.

Head Office: 62, Old Broad Street, London, E.C. 2.

Authorised Capital . . . £10,000,000	Issued and Paid-up . . . £4,367,330
Subscribed Capital . . . £8,734,660	Reserve Fund . . . £4,000,000

The Bank, in addition to having 6 branches in SPAIN, has, with its
APPROPRIATE INSTITUTIONS
THE BRITISH BANK OF SOUTH AMERICA, LTD., and
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.
85 offices in the principal countries of LATIN AMERICA.

AUXILIARIES:
ANGLO SOUTH AMERICAN TRUST COMPANY, NEW YORK
(Incorporated under laws of State of New York) and
BANQUE ANGLO-SUD AMERICAINE, Soc. Anon., PARIS.

in question has improved considerably in value, and will in a few years' time, we are informed, give us a satisfactory profit. This site is, as mentioned by my predecessor in 1915, situated at the corner of Moorgate and Lothbury.

The choice before us lay between waiting for that site to become vacant and then arranging for rebuilding, which would have been a large undertaking, or buying what seemed to us an entirely satisfactory freehold site in Coleman street, which we could occupy at once, and have immediately the greater comfort and convenience which permanent offices give. We shall, of course, be on the ground-floor in our new offices.

We shall be in a quiet street, where people may perhaps see our name more readily than they do here, where they seem to have to look at it at the peril of their lives, or, at any rate, with the uncomfortable interference of excessive traffic. I can see little advantage to a life office in being in a busy, noisy thoroughfare. I can see a great many advantages in being in a quiet street, provided the street is well chosen, and it is, perhaps, appropriate that so old an office as the Equitable should find its permanent abode in so old a street as Coleman street. These offices will be convenient in another way. They will enable us to house the two **reversionary companies** and yet obtain a substantial rental from the top floors which are let.

After next month I hope we shall have said good-bye to Mansion House street. From the office point of view it will not be a wrench to do so. We have only been here a little over 50 years, which is not a very large proportion of 162 years.

I will not detain you any longer. All I need say in conclusion is that the report shows that we have been doing very well, and everything points to a most satisfactory position when we make our next quinquennial valuation at the end of 1926.

Mr H. Leslie M. Tritton (one of the vice-presidents) seconded the resolution, and it was carried unanimously.

THE STATE ASSURANCE COMPANY, LIMITED. RESULTS OF QUINQUENNIAL INVESTIGATION. DIVIDEND OF 40 PER CENT.

The thirty third annual meeting of the State Assurance Company, Limited, was held on Monday, May 5, 1924, at the Law Association Rooms, Liverpool.

Sir Charles H. Morton, J.P. (chairman of the company), who presided, said: Gentlemen,—When I had the pleasure of addressing you a year ago I announced that we had entered into an agreement with the directors of the British Equitable Assurance Company, Limited, with a view to the acquisition of a majority of the shares of that company, and, thereby, the control of an organisation which we believed to be capable of development, with mutual advantage. The company had been established 70 years, and was engaged in the transaction of life and annuity, fire, accident, and marine business. The accumulated funds for the satisfaction of claims under life and endowment policies of assurance amounted at that time to £1,479,286, the capital redemption fund to £26,136, and the fire, accident, and marine reserves amounted to £117,000. These funds have since been increased. The transaction has been carried through without imposing any burden upon our capital account.

QUINQUENNIAL BONUS.

I am glad to say that the quinquennial investigation into the affairs of the life department reveals a sufficient surplus over liabilities to justify the distribution of the satisfactory bonus of £1 12s per cent. per annum upon the sum assured under participating policies. Moreover, the share of the surplus to which we as shareholders are entitled has been brought into our account for the year.

FIRE-RESULTS.

Proceeding to the consolidated accounts, the combined fire revenue for the year amounts to £598,110. The losses by fire, less recoveries under reinsurance, absorb £309,950. After deducting commission and expenses, and making the usual provision of 40 per cent. for unexpired risks at the close of the year, there remains a profit of £20,151.

ACCIDENT AND GENERAL DEPARTMENT.

In the accident and general department the premiums, after deduction of reinsurance, amount to £116,162, and the losses, less recoveries, to £51,692. Deducting commissions and expenses, and making the usual provision for unexpired risks at the close of the year, there is a profit of £11,181.

MARINE BUSINESS.

The marine premiums, less reinsurances, amount to £46,657, and the claims paid and outstanding to £50,403. This year provision is made to cover all outstanding or expected claims up to December 31st, which is the practice we have adopted all along in our fire and accident accounts. The underwriting operations for 1922 show a small profit, and the settlements so far made in 1923

account induce us to hope for a similar result when that year comes to be closed.

PROFIT AND LOSS ACCOUNT.

Proceeding to the profit and loss account, the balance brought forward, after deduction of the final dividend and directors' fees, amounted to £37,651. To this falls to be added from the fire department £20,151, from the accident and general department £11,181, and from the life department £6,425. Interest, dividends, and rents amount to £32,795, and transfer fees to £27, leaving a balance to credit of £108,231. Out of this the directors have written off £20,000 from the cost of businesses acquired, and after deducting income-tax and corporation profits tax of £14,595, and debiting various items of depreciation and other charges, there remains for disposal the sum of £69,005. An interim dividend was paid in October last amounting to £9,609, so that the net sum at the credit of the profit and loss account is £59,395.

The funds of the company, including capital, amount to the not inconsiderable sum of £2,670,105. They are represented by securities enumerated on the other side of the statement. Those securities are all good.

I thank the directors of the British Equitable Assurance Company and also the members of the London and other boards of the State Assurance Company, and the United States Trustees, for the benefit of their services during the year. To the company's officers and agents, at home and abroad, I also offer a warm expression of thanks.

EQUALISATION OF HALF-YEARLY PAYMENTS.

Coming to the dividend, which you will observe is more than covered by the combined interest of £32,795, I ought to tell you that it has been suggested to us that steps should be taken with a view to the equalisation of our half-yearly payments, and the directors have this under consideration. If the conditions appear to justify the maintenance of the present annual rate, the necessary adjustment may be made with the interim payment due in October next. For the moment, I content myself with submitting to you the recommendation of the board.

On the motion of the Chairman, seconded by the deputy-chairman, Mr A. W. Willmer, the report and accounts were formally adopted, and a dividend of 27½ per cent. (making 40 per cent. for the year) was declared on the paid-up capital of the company.

NORWICH UNION FIRE INSURANCE SOCIETY. "NEVER IN A MORE SOLID POSITION."

The annual general meeting of the Norwich Union Fire Insurance Society, Limited, was held, on the 5th instant, at the head office, Surrey street, Norwich, Sir Gerald H. Ryan, Bart. (the chairman), presiding.

The secretary (Mr C. R. Bignold) having read the advertisement convening the meeting, and the annual report of the directors and the accounts being taken as read,

The Chairman, in moving the adoption of the report and accounts, said: Our income in the fire and accident departments is well maintained, indeed is higher than in 1922, and we show a larger profit in the fire department than last year. Against this we have to put a diminished contribution to profit from our accident department, to which item I shall call your closer attention later on. Taken as a whole, our results enable us to pay our full dividend and add over £50,000 to our balance of profit and loss.

FIRE DEPARTMENT.

Taking the several departments in the accustomed order, it is gratifying to find that in the fire department our premium revenue recovered from the falling off that took place in 1922, and amounted to £2,115,068. It is well to point out that the fluctuations in this respect do not necessarily denote any change in the productive power of our organisation, but often depend solely on the market price and volume of the commodities in which our manufacturers and importers deal. Trade being slack, market values low, and stocks not abundant, there will naturally be a reduction in the insurable value of commercial commodities which is reflected in the aggregate insurance carried. We have no reason to think that our connections have shown any diminution of zeal or energy, but they cannot, of course, contend successfully against adverse conditions.

The loss rate is quite favourable at 50.55 per cent., and normally there should be a satisfactory margin of profit, but the drawback of heavy foreign and colonial taxes, and the necessity for providing the unexpired-liability reserve for an increase of income, reduce the profit to about 4 per cent., or say, £89,000 net. We have done and can do much better than this, but our experience is the common experience of nearly all our friendly competitors, and the moral is that we are passing through lean years. But the horizon is brighter in several respects.

Our American business is steadily improving, and we are entering upon a more hopeful stage in regard to Canadian Insurance

affairs, which have been far from satisfactory lately, and we are therefore not at all despondent.

ACCIDENT AND WORKMEN'S COMPENSATION.

In our accident department there has been a moderate increase in our premium revenue, accompanied by a reduction in our profits from £83,613 to £33,688. The decline in our profits is mainly to be accounted for by the unfavourable experience we have suffered in workmen's compensation business in the United States. There the conditions have been unsatisfactory for all companies. During the last three years the current premiums have been inadequate to meet the liability owing to changes in labour conditions and remuneration. It is admitted that the ruling rates are too low to enable companies to make both ends meet, and revisions have been authorised by several States which will come into force during the present year. Thanks to this, our results should show an improvement, but we do not indulge the hope that an early return to a prosperous state in this class of business will be quickly established.

In our marine department there has been a slight reduction in the premium income, the figures being £345,602, against £386,673. We do not regard this as an unsatisfactory feature. Looking at the difficulties of the time, our marine profit of £28,213, which compares with £30,797 in the previous year, is quite satisfactory. The board wish to express their appreciation of the skill and judgment shown by their underwriters in this emergency.

PROFIT AND LOSS ACCOUNT.

There is but little on which I need detain you in the profit and loss account. Our free interest, to which we always look mainly for our dividend, amounted to £164,918 against £166,837 last year, and our dividend payments with debenture interest came to £209,438. We therefore had to draw upon trading profits to the extent of £44,520, but as our total profits are shown to be £197,201 there was plenty to spare. Even reducing the trading profits by the amount we had to find for foreign and home taxes, there was still rather more than £100,000 left in the profit account. As a final result, we are able to pay our dividends with £57,000 to spare, which has been added to the balance carried forward. Thus, at the end of the year our financial position was somewhat stronger than at the beginning.

Summing up these scattered views and comments, I think I may confidently say that the old Norwich Union Fire Office has never been in a more solid position. We have ample funds, computed on a very cautious and strict basis, to provide for all our departmental obligations, large additional reserve funds, and a considerable margin of value in the prices at which we take our securities in the balance-sheet.

The vice-chairman, Mr J. H. F. Walter, seconded the resolution, which was carried.

NORTHERN ASSURANCE COMPANY, LIMITED. PROFIT IN ALL DEPARTMENTS.

The annual general meeting of the Northern Assurance Company, Limited, was held, on the 7th instant, at Aberdeen, Mr Alfred Martineau presiding.

The Chairman referred to the death of Mr L. E. Chalmers, of the London board, and to the election of the Right Hon. James Fitzalan Hope, P.C., M.P., to fill a previous vacancy thereon; also to the sad loss which the company had sustained through the deaths last year of its joint general managers, Mr J. Robertson and Mr H. S. Gayford; to the appointment of Mr W. Eneas Mackay as general manager, and Mr K. K. Peters as assistant general manager, and to the acquisition of the shares of the London and Scottish Assurance Corporation, Limited. This purchase had necessitated the issue of 51,500 new "Northern" ordinary shares, the dividend on which, however, appears to be more than provided by the interest on the proprietors' funds of the "London and Scottish."

RESULTS OF THE YEAR.

An underwriting profit was shown in all departments totalling £308,280, while interest receipts amounted to £284,603, an increase of £15,000 over the previous year. The fire premiums at £2,533,300 showed an increased of £149,162, necessitating an additional unearned premium reserve of £74,500, and the profit for the year amounted to £19,613. It had to be borne in mind that the "Northern" reserves 50 per cent. of the fire and accident premiums to provide for unexpired risks, as against the common practice of other companies to reserve only 40 per cent. of the premiums.

INCREASED ACCIDENT PREMIUMS.

The accident premiums (£974,202) had increased by £66,763, a profit of £141,367 resulting, to which the "White Cross," "Provident Accident" and "National Guarantee" had contributed satisfactorily.

Marine premiums amounted to £1,511,726, a decrease of about £100,000 on 1922, and the surplus of £147,301 had been transferred to profit and loss.

LIFE POSITION.

Sums assured on new life policies were £807,169, an increase of nearly £80,000 over 1922. A special interim investigation into the position of the participation branch had been made as at December 31, 1923, and a reversionary bonus declared at the rate of £2 15s per cent. upon the original sums assured for each year's premium due in the three years 1921, 1922 and 1923. The prospective bonus to be paid on claims arising during the next two years would be increased to £2 per cent., against 30s per cent. declared in 1921, while it was the intention of the directors to make the next investigation as at December 31, 1925, with a view to declaring a reversionary bonus for the last two years of the quinquennium. The Chairman pointed out that the present distribution must be taken as an exceptional one, and that policyholders must not regard the rates of bonus now declared as normal.

PROFIT AND LOSS ACCOUNT.

The profit and loss account opened with a credit of £246,939, whilst on account of the operations of the past year £562,983 had been added, making a total of £809,922, out of which debenture interest, preference dividend and interim ordinary dividend had been paid. Income-tax and provision for corporation profits tax absorbed £65,046. A final dividend of 9s per share, less tax, was declared on the 350,000 ordinary shares of the company entitled to participate, and a corresponding payment of 7s 1.97d per share, less tax, on the preference shares, the same as for 1922. £20,000 was voted to the staff pension fund, and the carry forward amounted to £375,103, as against £246,939 last year.

The report and accounts were unanimously adopted.

SPILLERS MILLING AND ASSOCIATED INDUSTRIES, LIMITED. SUCCESSFUL RESULTS—DIVIDEND MAINTAINED. DEVELOPMENT SCHEME FOR WESTERN CANADA.

The thirty-seventh annual ordinary general meeting of Spillers Milling and Associated Industries, Limited, was held, on the 3rd instant, at Cardiff, Sir William Edgar Nicholls presiding.

The Chairman, in moving the adoption of the report and accounts, said that the balance of profit and loss account, subject to income-tax and corporation profits duty, was £326,755 15s 10d, compared with £308,051 9s 9d last year. Adding the amount brought forward from last year there was a disposable balance of £479,460 6s 5d. From this figure it was necessary to deduct the amount to be reserved for taxation purposes, £108,000. Ordinary and preference dividends already paid amounted to £78,312 5s, thus leaving a balance of £293,148 1s 5d. He was extremely gratified that this balance enabled the directors to recommend a repetition to the ordinary shareholders of the dividend paid last year, viz., a final dividend of 10 per cent., making 12½ per cent. for the whole year. The amount required for this payment, less tax, was £139,589 13s 4d, and after payment of dividend at the rate of 8½ per cent. on the co-partnership shares the carry forward would be slightly higher at £153,292 15s 8d, against £152,704 10s 7d.

BALANCE-SHEET ITEMS.

The issued share capital of the associated companies was now £6,276,550. This appeared in the balance-sheet at £4,484,804. Of this latter figure £2,891,502 represented the amount at which the capital of the milling companies stood in the company's books.

The book value of the flour mills, including plants, silos, and warehouses, was only £989,000, which might be compared with the cost of erecting the whole of the associated milling companies' plants to-day, estimated at £2,750,000.

Excluded from these figures was the investment in the British Oak Insurance Company, Limited, which was shown in the balance-sheet at the actual invested amount of £230,700, i.e., 922,800 shares of £1 each, 5s paid.

In regard to general investments the total amount invested taken at or below market value at the close of the year was over £375,000 higher than last year, viz., £1,345,785, of which practically £800,000 was in British or Colonial Government securities. Of the other investments and loans totalling £546,251, their realisable value was well in excess of the figure stated.

CANADIAN ENTERPRISES.

With regard to the proposed Canadian enterprises, shortly after the annual meeting last year a definite proposition had been submitted to the company, and since last June the directors had availed themselves of every channel of information. Three of the directors, with other officials, had spent many weeks in Canada making personal inspection and inquiries, and the board had arrived at the decision, after the most exhaustive consideration, that the policy of extending the company's activities to Western Canada was one which should be adopted. Two factors which contributed to this decision were the intense competition in the flour milling industry in this country, and the progressive development in the

production of wheat in Western Canada, such wheat being generally recognised as the best in the world.

The increase in the production of wheat in the three Western provinces had been steady and continuous, and showed every prospect of so continuing for some time to come. This was clearly demonstrated by the fact that the production of wheat in Canada for 1923 was more than double that in 1913, and the exports of wheat had increased in similar proportion.

To provide bread for the 46 millions of population in the United Kingdom it was to Canada, the granary of the Empire, we must look.

The scheme for development in Western Canada included several enterprises. The only definite agreement arrived at was that in regard to the Wheat Elevator Proposition at Vancouver. By this agreement the company obtained a controlling interest in the Vancouver Terminal Grain Company, Limited, who were now erecting a two million bushel elevator at Vancouver.

Other portions of the scheme had not yet been definitely arranged, and the shareholders would therefore be informed by means of official statements in the Press. Should, however, all the interests which the board were considering be acquired, it was probable at some later date that a portion of the unissued capital of the company would have to be issued.

COMPETITION IN FLOUR MILLING TRADE.

Highly competitive conditions in the flour milling trade had continued throughout the year. This competition was still of a shortsighted character, and consisted largely in each miller dumping his surplus outside his economic area. Unless some co-ordinated effort was made by the trade, others must inevitably join the ranks of those who had already dropped out of the business.

Under present conditions the return on capital invested in the milling trade was not anything like a reasonable one, as the figures of the associated companies showed that the margin of profit was only 1.23 per cent. on turnover, which was obviously altogether insufficient.

The continued serious unemployment in the country might be mitigated by a settlement of the Continental war debts question. This alone, however, would not enable the manufacturers of this country to reach their economic outputs. The leaders of industry were seriously discouraged by heavy taxes, and there could be little question but that unemployment was largely due to the strangling grip of these liabilities of industry.

CO-PARTNERSHIP SCHEME.

He expressed his very genuine regret that the company's proposals in regard to co-partnership for the workpeople had as yet come to nothing. Last year the scheme had been approved, and one of the conditions of the scheme was that the men should be called upon to give one month's notice to terminate service instead of the usual week. This provision was considered by the joint committee of the employers and employees in the milling industry, and the latter would not agree to any alteration of the terms of employment. The company had, therefore, no alternative but to refrain from pursuing the scheme for the time being.

In conclusion, the Chairman offered to every member of the staff, both from the directors and also on behalf of the shareholders, their grateful thanks for their valuable services during the year.

The report and accounts were adopted, and a resolution confirming the policy of the company's extension to Western Canada was carried.

The retiring directors and auditors were re-elected.

RIO DE JANEIRO CITY IMPROVEMENTS COMPANY, LIMITED. STRONG FINANCIAL POSITION.

The sixty-second ordinary general meeting of the Rio de Janeiro City Improvements Company, Limited, was held, on the 5th instant, at Winchester House, London.

The secretary (Mr Henry Haggett) having read the notice convening the meeting and the report of the auditors,

Lord Hunsdon (the chairman), in moving the adoption of the report and the declaration of a final dividend of 3s 6d per share, making 6 per cent. for the year, free of income-tax, congratulated the shareholders on the very strong financial position disclosed by the balance-sheet, which, he said, was entirely due to the self-denying support which the shareholders had consistently given to the conservative policy of the board. The average gross dividend paid to the shareholders since the inception of the company in 1862 had been only £4 19s per annum, which was obviously a very low price for the Government to have paid for the efficient and useful work performed by the company. They had made no less than five issues of debentures in the 27 years ended in 1908, but during the last 15 years they had made no issue at all, although during that period they had spent no less than £569,000 on constructing up new houses with their system and other capital expenditure. In spite, however, of this heavy capital expenditure they

showed as on December 31st last investments and cash of a value of £353,000, after deducting the sinking fund of £104,700 on the other side of the balance-sheet. Contract obligations in regard to the revision of drainage installations were liable to form a considerable charge, though the directors were not in a position at present to estimate this liability with accuracy, nor could they say how soon this expenditure might become necessary. Then, again, a thorough revision of their pumping stations would certainly have to be undertaken, as in an important matter like drainage they should not be dependent on one supply for their motive power, which was almost the case at present. The item of £16,000 interest arose from investments held against liabilities, and when those liabilities were met the cash and investments corresponding to them would cease to bear interest. Therefore, they had obviously no right to regard this interest as a permanent source of revenue. It seemed to the board, in view of the uncertainties of the future, that it would be wiser to use this interest in helping to form a reserve against those uncertainties. They had, therefore, placed £20,000 to exchange contingency account, and they had chosen that name for the account because exchange was the most uncertain factor in their future profits. The new Brazilian income-tax of 8 per cent. on profits might reduce their profits in future, but they would obtain small relief from the abolition of the British corporation profits tax of 2½ per cent. on profits.

The resolution was carried unanimously.

BRAZILIAN WARRANT COMPANY, LIMITED. COTTON CULTIVATION IN BRAZIL.

The annual general meeting of the Brazilian Warrant Company, Limited, was held, on the 6th instant, at Winchester House, London, the Earl of Bessborough presiding.

The Chairman first referred to the visit he had paid to Brazil since his appointment in succession to the late Colonel C. E. Johnston, remarking that he had been able to make the personal acquaintance of the staff of the company in Santos, Rio and Sao Paulo. He also had the honour of an audience with the President of the Republic.

In the balance-sheet the reserve had been increased by £100,000 out of the profits of the year, and the fund was now back to the total of £250,000, at which it figured on December 31, 1919. The investments in subsidiary and connected companies stood at the same figure as last year, and British Government and other Stock Exchange securities at £914,642 were almost £100,000 up. They stood at cost price, which was below market valuation at December 31st last. The profit for the year was £209,627, as against £231,320 in 1922, the reduction being accounted for in part by the lower value of the milreis. After payment of the dividends recommended they would carry forward £63,233, compared with £63,605 brought in.

Mr Edward Greene (managing director) said that 1923 had been for the company a very busy year. At the last meeting he referred at length to the part they had been called upon to play in realising, on behalf of the Brazilian Government and the London bankers, the large stocks of coffee which served as security for the Brazilian Coffee Security Loan of 1922. Practically speaking, that great operation had now been successfully completed and the 4,500,000 bags of coffee disposed of. He was proud to inform the shareholders that the company had carried through their duties to the satisfaction of those who employed them.

Another article was coming into prominence in Brazil—namely, cotton. The first words which Mr Montagu, head of the British Financial Mission to Brazil, publicly uttered on his return to this country were: "Brazil can produce crops of great importance to the world in cotton." With the present high prices ruling for cotton and the desire of cotton spinners in this country to enlarge the sources of supply there was no doubt that there existed enormous possibilities for Brazil in the cultivation of cotton, and these were being carefully watched by the board.

The report and accounts were unanimously adopted, and final dividends were declared, making a total distribution for the year of 7 per cent. on the cumulative preference shares and 7½ per cent. on the ordinary shares.

SALAR DEL CARMEN NITRATE SYNDICATE, LIMITED. ENCOURAGING PROSPECTS FOR THE INDUSTRY.

The twenty-seventh annual general meeting of the Salar Del Carmen Nitrate Syndicate, Limited, was held, on the 8th instant, at Winchester House, Old Broad street, London.

Mr H. W. Sillem presided, and, in moving the adoption of the report, said that taking into consideration the unsettled economic conditions which continued to exist throughout the greater part of the world, the position of the nitrate industry might rightly be described as encouraging. It was estimated that the total nitrate consumption in the twelve months ending June 30th next would be

about 2,180,000 tons, as compared with 2,150,000 tons in 1923, 1,550,000 in 1922, and 1,430,000 in 1921.

The highest pre-war record was 2,630,000 tons, in the year ended June 30, 1914, but they then had the German market available, which absorbed about 850,000 tons annually. The United States had, to some extent, made up for the loss of the German market, but it had not, by any means, replaced it. Pre-war consumption in the States was approximately 550,000 tons; during the current year it was estimated to amount to about 600,000 tons, so that taking the two markets together there was a net loss on balance of 500,000 tons.

This sense of satisfaction was all the more justified when one considered the many economic difficulties which were the legacy of the war. Unquestionably slackness and depression had existed during the last two or three years, yet, in spite of it, the nitrate industry had done exceedingly well. They had reason, therefore, not only for present satisfaction, but for future encouragement. They might reasonably look for a progressive demand for nitrate of soda, especially if some of the troubles which had afflicted Europe since 1914 were soon to be dealt with on the lines of the Experts' recommendations. It was sincerely to be hoped from every point of view that a settlement of this matter would be speedily arrived at.

In that event French, Belgian, and Italian exchanges might be expected to become steadier, and German currency would no doubt be more stable. As a consequence, they ought to see important market developments, particularly in the case of Germany, because agriculturists there much preferred Chilean nitrate to synthetic sulphate of ammonia and cyanamide. There was room for immense expansion in the United States market, and both China and India might become important buyers in the course of a few years. With regard to synthetic nitrogen in its various forms, the German output in the year ended April 30, 1924, was considerably reduced as compared with the previous year. Demand in Germany for nitrogen products had been greater than the supply, but dealers in Chilean nitrate of soda could do very little business with the German buyers, owing to the difficulty of converting the Rentenmark into sterling.

Referring to the accounts, the Chairman said that the net profit for the year amounted to £78,053, and the directors recommended a final dividend of 25 per cent., making a total distribution of 30 per cent.

The report was unanimously adopted.

CHAMPION REEF GOLD MINES OF INDIA, LIMITED. IMPORTANT ORE DISCOVERIES.

The ordinary general meeting of the Champion Reef Gold Mines of India, Limited, was held, on the 6th instant, at the Cannon street Hotel, London, Major the Hon. A. T. J. Fraser, D.S.O. (chairman of the company) presiding.

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

The Chairman, in moving the adoption of the report and accounts, said: The year under review has been one of great importance for the company. In the first place, it was signalised by two very bad rock-bursts in May and June, which delayed work very considerably. On the other hand, we have this year definitely proved the existence in the lower levels of the mine of ore bodies whose presence last year were only indicated.

Turning to the accounts, you will see that our balance-sheet is a very simple statement, and requires little comment. Sundry creditors, chiefly outstanding from the last few months' work, are rather more than balanced by stocks of gold in hand—won during a similar period and since realised. Sundry debtors are higher than usual at £55,000, but all except £1,000 or so is represented by gold sold and, since paid for. The net capital expenditure incurred amounts to just on £17,000. This is chiefly for plant, but a certain amount represents development dead-work—that is to say, necessary work done off the reef. You will see that our liquid assets amount to over £165,000. Last year they stood at £209,000. In this connection I would remind you that last year I pointed out to you that, though our financial position was then strong, the bulk of the capital expenditure, especially on development, was then still ahead of us. In view of that fact, I consider the present figure by no means unsatisfactory.

In the income and expenditure account you will see that we have made a loss on the year of £37,000 odd, and this, in the profit and loss account, turns our credit balance of £10,658, with which we started the year, into a debit of £21,289. In view of the necessary reduction in tonnage milled, which we made about March last year, we had scarcely anticipated making anything but a loss, but had it not been for the heavy rock-bursts last year, we should just about have made both ends meet. I am glad to say that, since the end of November, we have been working at a profit—a small

one, certainly, but still a profit—and doing good development footage at the same time.

As foreshadowed last year, our working costs per ton have increased considerably. This was expected, owing to the reduced tonnage. Other reasons were the welcome increase in development footage, and the much-to-be-regretted rock-bursts. These three factors conceal a very real saving effected in nearly all departments. The development footage amounts to 9,600, and the management estimates that another 3,000 would have been done, but for the rock-bursts.

You will have seen in the report that excellent results have been obtained both north and south of Carmichael's shaft, in the lower levels of the mine. I am glad to say that, since the end of the year, both these ore-chutes have continued to open up extremely well. Now, gentlemen, I do not want you to go away with the idea that all is plain sailing. It is probable that in the immediate future we shall be able to take a small tonnage per month from the top of the new chute north of Carmichael's, but this will not represent more than a small proportion of the monthly tonnage milled. As regards the more important chute south of Carmichael's, it is clear that it will be necessary to sink a subsidiary shaft from the 51st level to the present bottom of the mine before we can stoop with safety from this section. For the time being, therefore (until, in fact, this shaft has been put through), we are not likely to increase our output of gold to any very considerable extent. With the exception of this shaft, however, we have not any serious expenditure, outside of normal working costs, to provide for, always excepting more trouble from rock-bursts.

As you have already heard, we are now working at a small profit on ore from stopes in higher levels, assisted by development rock only from the new discoveries at depth. It has recently been decided that the monthly tonnage can now be safely increased by about 750 tons, and it is probable that a further increase of the same amount can be made in six months' time. It can, therefore, safely be said that, although we have not yet reached the stage of paying dividends, that stage cannot be very long postponed.

The report and accounts were unanimously adopted, and the usual formal business transacted.

OOREGUM GOLD MINING COMPANY OF INDIA, LIMITED. RECORD GOLD RECOVERY.

The ordinary general meeting of the Ooregum Gold Mining Company of India, Limited, was held, on the 5th instant, at the Cannon street Hotel, London, the Hon. Lionel Holland (chairman of the company) presiding.

The Chairman, in the course of his speech, said: You will see from the balance-sheet that capital expenditure during the past 12 months absorbed £126,861. Of this amount £74,873 was for work on the circular and auxiliary shafts, all of which, in accordance with the policy that was approved when this work was started, we have charged against revenue. Then we have allowed £20,000 for depreciation of the buildings and machinery account, and have allocated, in addition, £35,000 out of revenue to deep-mining equipment.

The work of sinking the new circular shaft from the surface to the 52nd level is completed this month, and the sinking of the auxiliary shaft on down from that level, or rather from the 50th level, to the 66th level will be finished, unless something unforeseen occurs, by next July.

In accordance with the policy that I indicated in my remarks last year, we increased the tonnage stoped and milled during the 12 months and the total production of fine gold, in order to meet the extraordinary expenditure that I have referred to and at the same time maintain the rate of dividend. The fine gold recovered and sold creates a new record in the company's history—108,233 ounces—an increase of 6,387 ounces on last year's return. Our revenue, then, from sales of gold and other minor sources, as you will have seen from the income and expenditure account before you, amounts to £477,160, which is larger than last year's revenue by over £18,000, while our revenue expenditure is materially reduced—by over £45,000.

Our profit for the year, then, including the balance carried forward from last year, as shown by the profit and loss account, is £278,194, as compared with £210,954 last year. We paid an interim dividend last October on the preference and ordinary shares that absorbed £39,057. After meeting this payment, and the allocations to depreciation and special expenditure that I have referred to, a disposable balance of £61,860 remains. The directors now recommend a final dividend of 1s 3d per share on both the preference and ordinary shares, making the total dividend for the year 3s per share on the preference and 2s per share on the ordinary shares, or a dividend at the rate of 30 per cent. and 20 per cent. respectively—the same as the preceding year.

There are just a couple of entries in the balance-sheet to which I should refer. We have spent during the year on exploration in

India—that is, in continuing the work of proving the copper deposits in our large area under option at Kharsawan—a sum of about £8,000. This expenditure has produced as yet no conclusive result. A lode of copper, of good value, has been disclosed, but the discovery is not by itself sufficient at present to render the mine a commercial proposition.

The other entry is our investment in the Anglo-Canadian Explorers, Limited, which is shown at £15,000. We hold 20,000 shares out of that company's total issued share capital of something under 150,000 shares of £1 each. The Anglo-Canadian Explorers Company is interested, as you are aware, in gold mining options in Northern Ontario.

The Anglo-Canadian Explorers Company has carried out a good deal of work, with the object of proving properties that have been offered to it, which, on a preliminary examination, seemed of promise. Some of these have been given up on further investigation, but if, as a result of its activities, it can find but one mine of real commercial value in the field, it will, of course, be well rewarded.

I think we may regard with a good deal of hopefulness the issue of our investment in this mining venture in Canada.

Mr Henry Taylor seconded the motion, which was carried unanimously.

NUNDYDROOG MINES, LIMITED.

DECREASED WORKING COSTS—INCREASED DIVIDEND.

The annual general meeting of the Nundydroog Mines, Limited, was held, on the 9th instant, at Cannon street Hotel, London, Mr V. H. Smith presiding.

The secretary (Mr W. L. Bayley, F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that the total production for the period under review was 65,606 ozs of fine gold of a value of £301,107, to which must be added £697 in respect of sales of silver, and £199, an adjustment of the 1922 gold sales account, the total amount being £302,003. It had again been found advantageous to sell in India the whole of the production of gold, as not only had higher prices been obtained there during the year, but shipping and insurance charges were thereby saved. The average price realised by gold sales was £4 11s 9d per fine oz, whereas in the previous year £4 14s 2½d had been obtained.

The profit and loss account showed that the total credits came to £91,265, and the debits to £62,268, leaving a credit balance of £28,997, out of which a further dividend of 9d per share, less income-tax, was paid on April 15th. With the interim dividend of 6d per share paid in September, the total distribution for the year was 1s 3d per share, equal to 12½ per cent., an increase of 2½ per cent. over that for the previous 12 months. The average working costs had amounted to £1 3s 5d per ton, mine development 9s 3d per ton, and accumulated tailings 4d per ton, making together £1 13s per ton, which showed the substantial reduction of 4s 5d per ton, when the whole of the company's expenditure was taken into account, and compared, on the same basis, with 1922.

That favourable position was attributable to the larger tonnage milled, to a drop in prices of certain materials and stores, to the elimination of steam plant, and to the unremitting efforts of all concerned to reduce working costs in every direction to the lowest level consistent with efficiency. Important alterations and improvements had been made at the reduction plant, bringing about excellent working results—the final residual value of the ore for the year 1923 being 5.45 grains of gold per ton. The total extraction of gold from the ore had averaged 97.74 per cent., which must be considered a highly satisfactory record. The further substantial reductions in costs were largely due to the energy and ability of Messrs John Taylor and Sons, the managers. The success achieved in that direction was very gratifying, and was a welcome offset for the lower selling price of the gold produced during the year.

The report and accounts were unanimously adopted.

SCHWEPPE, LIMITED.

RECORD PROFITS.

The twenty-seventh annual general meeting of Schweppe, Limited, was held, on the 8th instant, at Marble Arch House, 1 Connaught place, London, Sir Ivor Philipps, K.C.B., D.S.O. (the chairman) presiding.

The secretary (Mr W. McMillan) having read the notice convening the meeting, and the report of the auditors,

The Chairman said the accounts showed that the company had again made the largest profit in their history, a result which re-

flected great credit on all concerned with the administration and management of its affairs. Since the last annual meeting certain foreign and colonial rights in the goodwill and trade marks of the company had been sold to a new company called Schweppe (Colonial and Foreign), Limited, for the consideration of 100,000 deferred shares of £1 each fully paid in that company.

The whole of the issued capital of Schweppe (Colonial and Foreign), Limited, was held by the parent company. It was too early yet to give any idea as to the benefit the parent company would derive from this subsidiary, but Schweppe (Colonial and Foreign), Limited, had already formed a company to trade in Belgium under the name of Schweppe (Belgium), Limited. This company only started operations on January 1st, and the result so far satisfied the board that the business was likely in time to be a profitable one. Schweppe (Colonial and Foreign), Limited, had other schemes in view for developing business in other countries. The gross profit for the year showed an increase of £45,000, while the net profit of £132,000 showed an increase of £31,000 over that of last year. The directors recommend that the preference and ordinary shareholders should receive their full dividend, as in previous years, and that the deferred shareholders should receive 7 per cent. in place of 5 per cent. last year. This was the first occasion since the company was formed 27 years ago that the deferred shareholders had received their full dividend, and he thought the directors were entitled to congratulate themselves on the successful result when it was borne in mind that this dividend could be paid without in any way injuring the financial stability of the company. The value of all the shares was increasing year by year by the careful and sound system of finance which they had adopted. He was glad to see that in this year's Budget it was proposed to remove the remaining half of the mineral water tax on sweet waters, and that they were also to be relieved of the remaining half of the corporation profits tax on all profits made after July 1st this year. If the present Budget proposals passed into law the Board had decided to give a reduction to the trade in excess of the benefit derived from the remission of the mineral water tax on sweet waters, and it was hoped that the trade would be able to reduce the selling price of their goods to the public, and by that means increase sales.

Mr C. Williamson Milne (deputy-chairman) seconded the resolution, which was carried unanimously.

GOVERNMENT RETURNS, &c.

PUBLIC INCOME AND EXPENDITURE

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from	Total Issues out of the Exchequer to	Receipts	Issues
	Apr. 1, 1924, to May 3, 1924.	Apr. 1, 1923, to May 3, 1923.	Week Ended May 3, 1924.	Week Ended May 3, 1923.
Balances in Exchequer on 1st April—				
Bank of England.....	5,069,613	5,442,665	..	..
Bank of Ireland.....	1,568,001	1,375,502	..	..
REVENUE.	6,631,614	6,818,167	..	..
Customs.....	8,045,000	12,536,000	1,647,000	2,705,000
Excise.....	11,075,000	14,815,000	1,720,000	1,485,000
Motor Vehicle Duties ..	1,264,000	1,565,000	..	447,000
Stamps, &c., Duties ..	6,310,000	4,960,000	1,420,000	920,000
Land Tax, House Duty & Mineral Rights Duty	1,220,000	1,620,000	380,000	170,000
Property & Income Tax	340,000	290,000	..	..
Super Tax.....	32,422,000	28,934,000	50,000	40,000
Excess Profits Duties, &c.	8,440,000	7,810,000	3,592,000	3,346,000
Corporation Profits Tax	7,810,000	1,116,000	1,430,000	..
Post Office.....	1,790,000	2,110,000	320,000	330,000
Crown Lands ..	4,600,000	4,500,000	1,500,000	1,350,000
Interest on Sundry Loans ..	120,000	100,000	..	..
Miscellaneous.....	2,513,845	2,362,276	78,898	75,080
Ordinary Receipts.....	1,565,604	2,547,807	148,570	6,664
Special Receipts.....	7,795,942	7,078,791	1,800,001	2,256,177
Revenue.....	87,412,331	91,228,974	13,766,469	14,560,921
Total, Inc. Balance ..	94,044,006	98,047,141	..	..
OTHER RECEIPTS.				
Temporary Advances Repaid—				
Under the Unemployment Insurance Act, 1921.....	1,220,000	750,000	170,000	..
(a) For Capital Expenditure (Money) Act, 1922.....	..	..	..	..
(b) Under the Unemployment Insurance Act, 1921.....	..	..	..	..
(c) For other Issues:				
By Treasury Bills.....	200,328,000	236,579,000	52,059,000	50,814,000
By National Savings Certificates	2,600,000	4,950,000	500,000	830,000
By 4% Treasury Bonds, 1931-33	2,579,913	21,064,560	..	4,288,937
(d) Ways and Means Advances ..	73,800,000	60,900,000	30,850,000	13,500,000
Repayments—				
In respect of issues under Land Settlement (Facilities) Acts, 1919 and 1921 ..	448,020	36,059	11,015	32,105
Total.....	375,519,936	422,326,760	87,356,484	84,046,961

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from	Week Ended May 3, 1924.	Week Ended May 3, 1923.
	Apr. 1, 1924, to May 3, 1924.	Apr. 1, 1923, to May 3, 1923.	Apr. 1, 1923, to May 3, 1923.
EXPENDITURE.			
National Debt Services—			
Interest, &c.....	40,314,250	47,196,932	8,997,510
Sinking Fund	2,494,221	..	..
Road Fund	554,044	398,044	..
Payments to Local Taxation Accounts, &c.....	..	..	..
Payments to Northern Ireland Exchequer ..	147,411	171,822	75,000
Land Settlement ..	85,752	48,676	12,994
Other Consolidated Fund Services	253,140	26,441	12,297
Supply Services	32,256,000	32,739,000	15,116
Expenditure	76,104,818	80,580,915	15,756,801
OTHER ISSUES.			
Temporary Advances—			
Interest Exchequer Bonds under the Capital Expenditure (Money) Act, 1924.....	36,891	36,891	..
Under the Unemployment Insurance Act, 1921.....	..	30,000	..
Issues to meet Capital Expenditure—			
Under the Telegraph (Money) Act, 1922.....	650,000	..	400,000
Unemployment Insurance Act, 1921—			
Repayment of amounts borrowed..	..	750,000	..
Redemption of Debt—			
Treasury Bills.....	243,165,000	267,925,000	51,355,000
Principal of National Savings Certificates ..	3,250,000	4,100,000	650,000
Principal of National War Bonds paid off	..	16,104,989	..
Other Debt under the War Loan Act, 1914 to 1915.....	50	15	..
Ways and Means Advances Repaid	48,150,000	49,267,000	18,950,000
Balances in Exchequer—			
May 3, '24, to May 3, '23.....	371,356,759	418,794,810	87,111,801
Bank of England.....	1,993,368	2,064,682	55,113
Bank of Ireland	2,169,811	1,467,268	189,570
Total	4,163,179	3,531,950	244,683
Treasury, May 5, 1924.			

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Dec. 31, 1923.	May 3, 1924.
Funded Debt	588	315	315	315	315	314	314	314
Term Annuities	30	20	19	18	16	14	14	14
3% Conversion Loan.....	..	..	..	266	684	683	683	683
4% War Stock	..	63	63	63	63	63	63	63
4% and 5% War Stock ..	..	2,047	2,040	1,953	2,095	2,095	2,095	2,095
National War Bonds.....	..	1,509	1,476	1,413	1,201	953	924	903
4% Funding Loan	..	409	409	406	401	399	400	400
4% Victory Bonds	..	360	357	347	335	325	325	325
Treasury Bonds	..	323	319	289	185	150	150	150
Exchequer Bonds	..	267	274	285	342	354	367	365
National Savings Certs.....	..	1,306	1,181	1,132	1,087	1,157	1,151	1,151
Other Debt*	..	..	..	..	..	..	..	..
American Loan (Anglo-French)	..	51	51	..	..	..	..	..
Treasury Bills	15	1,107	1,107	1,121	878	616	652	588
Temporary Advances ..	1	243	205	154	147	74	208	186
Other Capital Liabilities ..	654	8,033	7,829	7,574	7,655	7,742	7,801	7,695
Total Liabilities.....	711	8,079	7,876	7,623	7,721	7,812	7,871	7,756

* Includes debt to American Government.

	May 5, '23.	Mar. 31, '24.	May 3, '24.	Week Ended May 3, '24.
Ways and Means Advances ..	790,195,500	774,475,500	757,830,500	2,585,000
Outstanding—				
Advances by Bank of England ..	4,750,000	4,750,000	4,750,000	..
Advances by Public Deptts. ..	205,530,500	186,155,500	207,065,500	2,850,000
Treasur. Bills Outstanding ..	584,665,000	588,320,000	546,025,000	685,000
Total Floating Debt	790,195,500	774,475,500	757,830,500	2,585,000

* Includes £42,000, the proceeds of which were not carried to the Exchequer within the period of the account.

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

	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coins.	Gold and Bullion.	Bank of England Notes.	Notes in Circulation.	Balance of Bank of England.
Mar. 29, 1922.....	300,351	14,255	5,000	88,500	19,460	159	261,479
June 28, 1922.....	296,374	13,338	5,000	88,500	19,650	163	254,313
Sept. 27, 1922.....	289,127	12,648	7,000	87,000	21,150	166	246,466
Dec. 27, 1922.....	301,337	12,672	7,000	87,000	21,150	159	258,922
Mar. 26, 1923.....	285,616	12,318	7,000	87,000	22,450	173	241,394
June 27, 1923.....	286,503	12,516	7,000	87,000	22,450	173	242,446
Sept. 27, 1923.....	282,784	12,401	7,000	87,000	22,450	175	238,595
Dec. 26, 1923.....	299,070	12,571	7,000	87,000	22,450	165	255,032
Mar. 26, 1924.....	281,538	11,908	7,000	87,000	22,450	176	236,867
Apr. 30, 1924.....	292,429	12,376	7,000	87,000	22,450	170	248,177
May 7, 1924.....	290,116	12,439	7,000	87,000	22,450	171	245,956
May 7, 1924.....	289,350	12,353	7,000	87,000	22,450	171	245,172

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum statutory issue for 1920 fixed at £320,600,000, for 1921 at £317,550,000, for 1922 at £309,385,400, for 1923 at £270,183,800, and for 1924 at £248,190,900.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills dated from May 12-May 17 were opened on May 9, 1924, and the total amount applied for was £52,445,000. For bills at three months dated Monday to Friday at £99 5s, about 26 per cent., and above in full. Saturday at £99 5s 2d, above in full. The amounts allotted were as follows:—In bills at 3 months, £32,000,000; in bonds, £3,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months, Average Rate.	4% Treasury Bonds, Average Price
April 4, 1924.....	35,000,000	59,925,000	2 18 2 94	94 13 8 4
April 11, 1924.....	30,000,000	51,575,000	3 0 5 84	94 13 7 5
April 17, 1924.....	30,000,000	40,140,000	2 17 8 3	94 13 2 7
April 25, 1924.....	35,000,000	46,150,000	3 0 0 55	nil
May 2, 1924.....	35,000,000	53,625,000	2 18 11 3	94 13 8 1
May 9, 1924.....	35,000,000	52,445,000	2 18 6 8	94 13 10 8

Tenders will be received on May 16, 1924, for Treasury Bonds and Bills to be issued to the maximum amount of £30,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

CENTENARY YEAR, 1924.

ASSETS EXCEED £12,700,000

FIRE. LIFE. ACCIDENT. MARINE.

Edinburgh: 35, St. Andrew Square.

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

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, May 7, 1924.

ISSUE DEPARTMENT.

Notes issued	146,095,760	Government debt	11,015,100
		Other securities	8,734,900
		Gold coin & bullion ..	126,345,760
	146,095,760		146,095,760

BANKING DEPARTMENT.

Proprietors' capital ..	14,553,000	Government securities ..	44,027,755
Reserve	3,105,666	Other securities	73,560,504
Public deposits	10,054,807	Notes	20,879,205
Other deposits	112,573,564	Gold and silver coin ..	1,826,886
Seven-day & other bills ..	7,313		
	140,294,350		140,294,350

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

	Amount, May 7, 1924.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.		
	\$	\$	\$		
Rest	3,105,666	+	17,164	—	48,697
Public deposits	10,054,807	—	331,781	—	454,706
Other deposits	112,573,564	+	1,581,280	+	10,570,179
Government securities	44,027,755	—	935,000	+	1,806,575
Other securities	73,560,504	—	785,041	—	9,946,633
Reserve	22,706,091	—	451,574	—	789,723
Notes and bullion	125,216,555	—	399,540	+	1,840,425
Total	228,172,546	—	53,114	—	650,702
% of reserve to liabilities	18 3/4	+	3 1/2	—	1 1/2

MONTHLY STATEMENT OF LONDON CLEARING BANKS.
(000's omitted.)

Average Weekly Balances, April, 1924.	Bank of Liverpool and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills, Currie, and Co.	Lloyds Bank, Limited.	Midland Bank, Limited.	National Provincial Bank, Limited.	National Bank, Limited.	Westminster Bank, Limited.	Willi'ms Deacon's Bank, Limited.	Total.
ASSETS.	£	£	£	£	£	£	£	£	£	£	£
Coin, bank and currency notes, and balances with the Bank of England ..	5,894	32,492	1,340	2,652	33,419	52,654	27,656	3,959	27,454	4,021	191,541
Balances with and cheques in course of collection on other banks in the United Kingdom ..	2,013	6,978	553	1,244	9,004	10,727	8,553	170	9,009	1,020	49,271
Items in transit ..	2,876	19,159	3,114	6,050	14,119	14,138	15,017	3,785	21,159	1,969	101,386
Money at call and short notice ..	3,155	32,570	868	1,675	44,539	47,489	31,807	2,795	60,286	2,202	227,386
Bills discounted ..	8,499	69,402	4,171	8,864	88,979	41,501	49,629	17,199	55,584	5,038	348,866
Investments ..	39,994	141,508	7,247	6,444	151,459	195,143	127,183	16,837	100,852	20,772	807,439
Advances to customers and other accounts ..	5,454	11,359	137	1,962	15,572	36,734	10,394	176	11,628	1,977	95,393
Liabilities of customers for acceptances, endorsements, &c. ..	1,493	5,147	346	445	5,206	5,491	4,297	744	4,013	732	27,914
Bank premises account ..	..	7,452	..	..	6,580	5,769	2,648	..	2,992	..	25,441
Investments in affiliated banks ..	69,378	326,067	17,776	29,336	368,877	409,646	277,184	45,665	292,977	37,731	1,874,637
Ratio of cash to current, deposit, and other accounts ..	9.82	11.17	8.35	10.35	10.15	15.08	11.14	9.89	10.42	12.30	11.58
LIABILITIES.											
Capital paid up ..	2,349	15,592	800	1,060	14,373	11,957	9,479	1,500	9,004	1,875	67,989
Reserve fund ..	1,600	8,250	800	530	10,000	11,958	9,180	1,150	9,004	1,200	53,672
Current, deposit, and other accounts ..	59,974	290,866	16,039	25,618	328,932	348,997	248,130	39,998	263,326	32,680	1,654,559
Acceptances, endorsements, &c. ..	5,455	11,359	137	1,962	15,572	36,734	10,395	176	11,628	1,976	95,394
Notes in circulation ..	..	..	..	..	..	..	..	2,841	16	..	2,857
Reduction of bank premises account ..	..	..	..	..	..	..	..	..	..	..	166
	69,378	326,067	17,776	29,336	368,877	409,646	277,184	45,665	292,977	37,731	1,874,637

PROVINCIAL CLEARING RETURNS.

	1923.	1924.	Inc. or Dec.
Aggregate Totals to May 3.			
BIRMINGHAM ..	42,779,800	42,128,700	- 651,100
Bristol ..	21,394,000	19,970,000	- 1,424,000
DUBLIN ..	11,623,500	10,614,400	- 1,009,100
LIVERPOOL ..	30,486,200	18,985,900	- 11,500,300
LEEDS ..	19,732,100	19,423,100	- 309,000
MANCHESTER ..	14,806,200	13,575,800	- 1,230,400
NEWCASTLE-ON-TYNE ..	165,168,900	170,903,800	+ 5,734,900
NOTTINGHAM ..	277,168,400	276,029,000	- 1,139,400
SHEFFIELD ..	36,048,800	35,276,700	- 772,100
	11,749,400	11,082,600	- 666,800
	21,767,700	20,163,800	- 1,603,900

OVERSEAS BANK RETURNS.

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

RESOURCES.	May 2, 1924.	Apr. 25, 1924.	Apr. 18, 1924.	Apr. 11, 1924.
Total gold reserve ..	3,120,390	3,113,890	3,104,890	3,080,580
Legal tender notes and silver reserve ..	102,320	100,940	100,400	93,810
Bills discounted for member banks ..	447,190	472,840	469,570	730,340
Bills bought in open market ..	124,490	140,420	176,680	275,430
Government obligations owned ..	301,650	274,300	265,870	184,770
All other resources ..	79,050	78,620	77,950	64,420
LIABILITIES.				
Government deposits ..	32,500	44,570	49,710	49,080
Other deposits ..	1,972,880	1,956,290	1,961,870	1,934,770
Federal Reserve Notes in actual circulation ..	1,926,010	1,940,830	1,966,360	2,437,510
T.R.B. Notes in actual circulation ..	340	340	350	2
All other liabilities ..	14,160	14,860	14,150	15,970
Capital and surplus ..	331,840	331,780	331,780	327,190
Ratio of total reserves to gross deposit and Federal Reserve note liabilities combined ..	82.0%	81.8%	80.6%	75.2%

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

ASSETS.	Apr. 12, 1924.	Apr. 5, 1924.	Mar. 29, 1924.	Mar. 22, 1924.	Mar. 15, 1924.	Mar. 8, 1924.
Gold coin and bullion ..	549	549	549	549	503	503
Gold certificates ..	10,102	10,102	10,102	10,102	10,102	10,069
Subsidiary coin ..	50	50	50	50	50	125
Bills discounted ..	5,182	5,635	6,450	5,767	5,868	3,377
Loans & advances to Govt. ..	1,000	1,000	..	..	1,200	8
LIABILITIES.						
Capital ..	1,000	1,000	1,000	1,000	1,000	1,000
Reserve ..	40	40	40	40	40	40
Notes in circulation ..	10,512	10,770	10,845	10,333	9,559	5,464
Bankers' deposits ..	5,227	5,408	5,147	5,093	..	..
Ratio of cash to public ..	67.9%	66%	66.8%	69.8%	69.3%	71.0%

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

ASSETS.	Apr. 11, 1924.	Apr. 4, 1924.	Mar. 28, 1924.	Mar. 21, 1924.	Mar. 14, 1924.	Mar. 7, 1924.
Total securities ..	11,74,98	11,71,71	11,81,54	12,03,77	11,74,34	9,55,58
Loans ..	27,00,47	27,23,25	27,20,58	26,57,04	25,89,59	19,35,56
Cash credits ..	43,61,96	43,09,97	43,07,24	42,96,68	43,01,67	29,97,72
Inland bills ..	15,97,90	14,51,62	15,24,45	15,61,11	16,91,85	7,88,94
Foreign bills ..	35,67	21,96	15,03	20,30	34,58	14,52
Dead stock ..	2,52,43	2,52,18	2,52,04	2,50,84	2,50,52	2,48,94
Bal. with other banks ..	1,80,63	1,62,60	1,63,76	1,69,45	1,48,04	13,33
Cash ..	14,41,97	17,48,08	18,20,29	14,37,02	13,46,91	12,87,21
LIABILITIES.						
Capital paid up ..	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve ..	4,45,00	4,45,00	4,45,00	4,45,00	4,45,00	4,22,50
Total deposits ..	94,40,12	95,56,72	97,22,95	93,35,98	92,86,49	70,50,28
Loans from Govt. ..	10,00,00	12,00,00	12,00,00	12,00,00	12,00,00	..
Deposits in London ..	1,435	1,435	1,435	1,435	1,435	319
Advances in London ..	450	436	431	428	474	809
Cash, &c., at other Banks in London ..	1,388	1,383	1,398	1,130	987	84

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

ASSETS.	May 8, 1924.	May 1, 1924.	Apr. 24, 1924.	Apr. 17, 1924.	Apr. 10, 1924.	Position May 11, 1924.
Gold coin and bullion ..	5,542,529	5,542,449	5,542,354	5,538,965	5,538,965	5,538,965
Of which held abroad ..	1,864,321	1,864,321	1,864,321	1,864,321	1,864,321	1,864,321
Silver coin and bullion ..	238,836	238,836	238,836	238,836	238,836	238,836
Discounts and advances ..	6,929,973	7,488,069	7,177,698	7,177,698	7,177,698	7,177,698
Advances to the State ..	22,800,000	22,800,000	22,800,000	22,800,000	22,800,000	22,800,000
LIABILITIES.						
Notes ..	39,928,860	40,020,828	39,824,094	36,964,007	36,964,007	36,964,007
Government deposits ..	19,396	16,720	17,666	18,138	18,138	18,138
Private deposits ..	1,943,179	2,280,547	2,415,339	1,986,658	1,986,658	1,986,658

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

ASSETS.	May 1, 1924.	Apr. 24, 1924.	Apr. 17, 1924.	Apr. 10, 1924.	May 3, 1924.	Position May 8, 1924.
Coin (gold & silver and bullion) ..	357,571	357,921	357,921	357,741	347,079	347,079
Securities ..	1,336,291	1,379,148	1,379,148	1,368,451	699,690	699,690
LIABILITIES.						
Notes in circulation ..	7,697,576	7,622,338	7,656,576	7,705,315	6,846,949	6,846,949
Current accounts ..	363,540	382,938	345,467	354,247	309,343	309,343

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

ASSETS.	May 5, 1924.	Apr. 28, 1924.	Apr. 21, 1924.	Apr. 14, 1924.	Apr. 7, 1924.	Position May 11, 1924.
Gold ..	531,407	543,979	543,979	556,554	581,790	581,790
Silver ..	9,541	9,791	9,791	9,858	7,832	7,832
Depts. and advances ..	463,675	430,106	423,964	414,655	408,996	408,996
LIABILITIES.						
Notes in circulation ..	1,038,151	1,002,862	1,001,698	1,001,385	978,098	978,098
Deposits ..	28,921	22,451	22,451	20,351	25,494	25,494

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

ASSETS.	May 1, 1924.	Apr. 24, 1924.	Apr. 17, 1924.	Apr. 10, 1924.	May 3, 1924.	Position May 8, 1924.
Gold ..	213,750	213,750	217,000	221,750	161,182	22,971
Silver ..	..	..	..	..	61,675	22,971
Discounts, advances, and other investments ..	150,760	149,230	149,890	143,330	165,649	77,567
LIABILITIES.						
Notes in circulation ..	258,500	256,500	259,000	263,000	269,364	109,499
Deposits and bills payable ..	82,000	89,000	85,500	79,500	106,753	11,260

IMPERIAL BANK OF GERMANY.—In billions of marks.

ASSETS.	April 30, 1924.	April 23, 1924.	April 16, 1924.	April 9, 1924.	April 2, 1924.	Position April 15, 1924.
Gold and bullion ..	1,252,000	1,252,000	1,252,000	1,252,000	1,252,000	1,252,000
Foreign banks ..	242,335,795	242,335,795	242,335,795	242,335,795	242,335,795	242,335,795
Reisenbank notes ..	772,392,307	772,392,307	772,392,307	772,392,307	772,392,307	772,392,307
Bills of exchange and cheques ..	114,577,395	114,577,395	114,577,395	114,577,395	114,577,395	114,577,395
Advances ..	24,298,087	24,298,087	24,298,087	24,298,087	24,298,087	24,298,087
LIABILITIES.						
Notes in circulation ..	776,948,638	776,948,638	776,948,638	776,948,638	776,948,638	776,948,638
Total Deposits ..	800,000,000	800,000,000	800,000,000	800,000,000	800,000,000	800,000,000
Loan from Rentenbank ..	800,000,000	800,000,000	800,000,000	800,000,000	800,000,000	800,000,000

(a) Millions of marks.
GERMAN GOLD DISCOUNT BANK.

ASSETS.	April 30, 1924.	April 23, 1924.	April 16, 1924.	April 9, 1924.	April 2, 1924.	Position April 15, 1924.
Gold reserve ..	8,000	8,000	8,000	8,000	8,000	8,000
Foreign banknotes ..	5,605	5,605	5,605	5,605	5,605	5,605
Daily bills abroad ..	5,644,307	5,644,307	5,644,307	5,644,307	5,644,307	5,644,307
Bills and cheques ..	585,189	585,189	585,189	585,189	585,189	585,189
Unpaid stock capital ..	3,806,000	3,806,000	3,806,000	3,806,000	3,806,000	3,806,000
LIABILITIES.						
Capital ..	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Current obligations ..	36,657	36,657	36,657	36,657	36,657	36,657
Other liabilities ..	13,944	13,944	13,944	13,944	13,944	13,944

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

ASSETS.	Apr. 30, 1894.	Apr. 23, 1924.	Apr. 15, 1924.	Apr. 9, 1924.	Apr. 30, 1923.	Position May 3, 1914
Gold.....	536,291	536,306	536,269	536,291	534,352	171,175
Silver.....	96,586	96,385	96,413	95,995	104,525	18,350
Darlehens-Kassen.	10,974	11,623	11,611	11,557	6	
Assets & advances	279,321	245,605	248,175	270,156	449,806	103,000
LIABILITIES.						
Notes in circulation	885,532	836,491	844,229	870,709	915,059	275,925
Deposits.....	111,671	102,944	103,096	97,054	227,858	33,750

OVERSEAS BANK RATES.

Changed.	%	Changed.	%
Amsterdam	Jan. 24, 1924 ..	5	
Athens	Jan. 14, 1923 ..	79	
Belgrade	Sept. 15, 1923 ..	90	
Berlin	Jan. 22, 1923 ..	54	
Buenos Aires	Sept. 4, 1920 ..	6	
Budapest	July 5, 1923 ..	18	
Calcutta	Apr. 10, 1924 ..	8	
Christiania	Nov. 10, 1923 ..	7	
Copenhagen	Jan. 17, 1924 ..	7	
Danzig	Mar. 17, 1924 ..	12	
Hankow	Mar. 5, 1924 ..	9	
Helsingfors	Sept. 12, 1923 ..	9	
Liban	Apr. 30, 1924 ..	4	
New York Fed- eral Reserve	Apr. 30, 1924 ..	4	
Osaka	Jan. 17, 1924 ..	12	
San Francisco	Mar. 5, 1924 ..	9	
Shanghai	Sept. 12, 1923 ..	9	
Singapore	Jan. 17, 1924 ..	7	
Stockholm	Nov. 10, 1923 ..	7	
Tokio	Mar. 5, 1924 ..	9	
Vienna	Sept. 12, 1923 ..	9	
Warsaw	Apr. 30, 1924 ..	4	
Yokohama	Jan. 17, 1924 ..	7	

The Bank Rate of the South African Reserve Bank is 6% for first-class commercial bills (90 days), and 6½% for agricultural bills (of not more than six months).
Warsaw (Poland).—From February 20, 1924, discount rate, gold francs, 12% loans on collateral security, gold francs, 16%.

RATES OF EXCHANGE.

London on	Usance	Par.	May 11, 1923.	May 2, 1924.	May 9, 1924.
Paris	francs to £1	T.T.	25.22½	69.90-95	69.68-73
Berlin	marks to £1	T.T.	20.43	180/190,000	184/191,000
Vienna	krone to £1	T.T.	24.02	320/330,000	308/313,000
Prague	krone to £1	T.T.	24.02	155-156	148½-149½
Warsaw	zloty to £1	T.T.	24.02	155-156	148½-149½
Reval	Est. mks. to £1	T.T.	25.22½	1650-1680	1650-1680
Riga	latas to £1	T.T.	25.22½	940-980	22-28 85
Buenos Aires	pesos to £1	T.T.	24.02	20000-25000	350,000
Budapest	kr. to £1	T.T.	24.02	20000-25000	350,000
Constantinople	piastres to £1	T.T.	25.22½	550-600	595-615
Sofia	leva to £1	T.T.	25.22½	425-445	350-355
Belgrade	dinars to £1	T.T.	25.22½	11-11 794-804	11-11 794-804
Amsterdam	florins to £1	T.T.	25.22½	80-93.98	81.20-30
Brussels	francs to £1	T.T.	25.22½	18-159	27-75.85
Christiania	kroner to £1	T.T.	25.22½	17-31.35	16-63.58
Stockholm	kronor to £1	T.T.	25.22½	18-159	24-60.65
Copenhagen	kroner to £1	T.T.	25.22½	18-159	24-60.65
Helsingfors	f. marks to £1	T.T.	25.22½	167-168	174-175
Geneva	francs to £1	T.T.	25.22½	330-340	207-212
Italy	lire to £1	T.T.	25.22½	952-96	978-974
Switzerland	francs to £1	T.T.	25.22½	25-67.70	24-65.68
Madrid	pesetas to £1	T.T.	25.22½	30-28.31	31-75.78
Barcelona	pesetas to £1	T.T.	25.22½	30-28.31	31-75.78
London	pence to £1	T.T.	25.22½	30-28.31	31-75.78
San Francisco	dollars to £1	Cable	4.868	4.868-51	4.383-51
New York	dollars to £1	Cable	4.868	4.868-51	4.383-51
Manila	pesos to £1	Cable	4.868	4.868-51	4.383-51
Yokohama	yen to £1	Cable	4.868	4.868-51	4.383-51
Shanghai	taels to £1	Cable	4.868	4.868-51	4.383-51
Singapore	dollars to £1	Cable	4.868	4.868-51	4.383-51
Calcutta	rupees to £1	Cable	4.868	4.868-51	4.383-51
Bombay	rupees to £1	Cable	4.868	4.868-51	4.383-51
Madras	rupees to £1	Cable	4.868	4.868-51	4.383-51
Other countries	to £1	Cable	4.868	4.868-51	4.383-51

* Zloty. † Rate for previous day. ‡ Sellers.

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

May 9, 1923.	Apr. 3, 1924.	Apr. 10, 1924.	Apr. 24, 1924.	May 1, 1924.	May 8, 1924.
Call money	4½	4½	4½	4½	4½
Time money (90 days) mixed call	5½	4½	4½	4½	4½
Bank acceptance	4½	4½	4½	4½	4½
Members—eligible, 90 days	4½	4½	4½	4½	4½
Non-mem.—eligible, 90 days	4½	4½	4½	4½	4½
Ineligible, 90 days	5	4½	4½	4½	4½
Commercial accept., 90 days	5½	4½	4½	4½	4½

Rates of Exchange.	Par.	May 9, 1923.	Apr. 24, 1924.	May 1, 1924.	May 8, 1924.
London—					
£100		4.959	4.375	4.36	4.3375
Cable		4.605	4.375	4.39	4.3675
Cheques		4.605	4.38	4.3875	4.365
Paris	Cents for £1 franc	19.30	6.595	6.32	6.05
Brussels	Cents for £1 franc	19.30	5.635	5.36	4.95
Switzerland	Cents for £1 franc	19.30	17.97	17.74	17.79
Italy	Cents for £1 lire	19.30	4.76	4.45	4.46
Vienna	Cents for £1 krone	20.26	0.0014	0.0014	0.0014
Madrid	Cents for £1 peseta	19.30	15.21	13.86	13.8
Amsterdam	Cents for £1 guilder	40.195	39.04	37.22	37.43
Copenhagen	Cents for £1 kroner	18.67	16.8	16.83	17.05
Stockholm	Cents for £1 kronor	26.57	26.33	26.4	26.45
Athens	Cents for £1 drachma	19.30	1.40	2.005	2.165
Montreal	Can. cents for £1	100	98.032	98.25	98.28
Yokohama	Cents for £1 yen	49.95	49.12	49.5	49.12
Hong Kong	Cents for £1 Hong Kong	54.5	51.87	51.75	52.00
Shanghai	Cents for £1 Shing. tael	74.15	50.5	50.35	50.75
Calcutta	Cents for £1 rupee	30.90	30.87	30.6	30.7
Buenos Aires	Gold pesos for £100	103.65	122.25	136.5	130.00
Rio de Janeiro	Cents for £1 milreis	32.42	10.45	11.23	11.35
Valparaiso	Cents for £1 peso	30.50	12.45	11.5	11.25

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	Year, 1924.	Rate.
Buenos Aires	1000	Sight London	Apr. 12	17.18
Colombia (Bogota)	100	"	May 6	88
Costa Rica	100	"	Apr. 26	8.9
San Salvador	100	"	May 5	8.9
Guatemala	100	"	May 3	27.6
El Salvador	100	"	Apr. 10	17.35
Honduras	100	"	Mar. 24	17

MOSCOW QUOTATIONS FOR CHERVONETZ.

According to advices received in London, the following are the Moscow quotations for chervonetz:—

£1,000 sterling equals 848 chervonetz.
\$1,000 " " equals 193½ " "

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

Union of South Africa.	Union of South Africa.
From May 10, 1924.	From May 10, 1924.
London on South Africa.	South Africa on London.
Buying.	Selling.
Buying.	Selling.
T.T.	T.T.
Demand	*1% prem.
30 days	2½% dis.
60 days	3½% dis.
90 days	4½% dis.
120 days	5½% dis.

(a) No discount allowed on sales of T.T.s. or demand drafts under £100.
(b) No premium allowed on amounts under £100. † Plus ad valorem duty.

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

London on Australia and New Zealand.	Australia and New Zealand on London.
Buying.	Selling.
Buying.	Selling.
T.T.	T.T.
Demand	100
30 days	99½
60 days	99
90 days	98½
120 days	98

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Week ended May 7, 1924.

Imported into Great Britain and Northern Ireland.	Exported from Great Britain and Northern Ireland.
From—	To—
Ethiopia	Finland
Netherlands	France
France	Spain
British West Africa	United States of America
British South Africa	British India
Other countries	Other countries
Total declared value of imports	Total declared value of exports

GOLD AND SILVER PRICES.

1924.	Gold Per Ounce.	Silver—Per Ounce.	Date.	Silver.
		Cash.	Forward.	Cash.
May 3....	94 0	32½	32½	May 17, 1918...
5....	94 1	33	32½	16, 1919...
6....	94 1	33	32½	14, 1920...
7....	94 1	33½	33	13, 1921...
8....	94 3	33½	33½	12, 1922...
9....	94 7	33½	33½	11, 1923...

Messrs Samuel Montagu and Co. write on May 7th as follows:—

GOLD.

The Bank of England gold reserve against its note issue on the 30th ultimo amounted to £126,295,715, as compared with £126,291,545 on the previous Wednesday. The larger portion of the fair amount of gold available this week has been taken for the East. Gold valued at \$5,350,000 has arrived in New York—\$3,500,000 from London and \$1,850,000 from Germany.

SILVER.

Since we last addressed you, the market has been disposed to be quiet. Most of the support has come from bear covering on Eastern account. Fresh purchases for India or China are not practicable owing to the prices being so much above parity with both quarters. America has sold almost daily, but supplies from elsewhere are "scanty." The undertone, notwithstanding want of animation on the part of buyers, is fairly good.

INDIAN CURRENCY RETURNS.

Notes in circulation	April 15.	April 22.	April 30.
Silver coin and bullion in India ..	18,285	18,223	18,135
Silver coin and bullion out of India ..	7,900	7,838	7,749
Gold coin and bullion in India ..	2,232	2,232	2,232
Gold coin and bullion out of India ..	5,753	5,753	5,753
Securities (Indian Government) ..	1,400	1,400	1,399
Securities (British Government) ..	1,000	1,000	1,000
Bills of exchange	1,000	1,000	1,000

No silver coinage was reported during the week ending 30th ultimo. The stock in Shanghai on the 3rd instant consisted of about 35,300,000 ounce in sycee, 46,000,000 dollars, and 4,760 silver bars, as compared with about 35,400,000 ounces in sycee, 46,000,000 dollars, and 3,050 silver bars on the 26th ultimo.

NOTICES.

We regret that owing to a printer's error in our Banking Supplement, the notes in circulation of the Bank of Taiwan were given on page 68 as £35,425,911. The correct figure is £35,245,911.

The board of the Mercantile Bank of India, Limited, have appointed Mr J. M. Ryre, one of their members, to be deputy-chairman of the bank.

The National Provincial Bank, Limited, announce that Mr J. Denny Bright, one of the joint managers of the City office, 15 Bishopsgate, E.C., is retiring from active service on the 31st inst., having completed 43 years' service in the bank.

Barclays Bank (Overseas), Limited, announce that for the convenience of visitors they have opened a branch at Aix-les-Bains in the Place Carnot, for the season. They also announce that they have opened a new branch at 30 Sloane square, S.W. 1, under the management of Mr W. Errington Smith.

ANALYSIS OF BALANCE-SHEETS.

BRYANT AND MAY.

LIABILITIES.	Compared with Mar. 31, 1923.	ASSETS.	Compared with Mar. 31, 1923.
Amount.	£	Amount.	£
Debitures	480,000	Cash	150,330
Ord. shares	10,300	Sundry debtors	284,010
Deb. stock	930,000	Advances against timber p'ch's	171,439
Reserve fund	260,000	Stocks	307,124
Insurance reserve	42,567	Investments, at cost or under	1,530,997
Sundry creditors	491,897	Pre-mises, good-will, &c.	967,191
Profit and loss	248,064	Discount on 5% debts	52,500
Total	3,411,091	Total	3,411,091

OCEANIC STEAM NAVIGATION COMPANY.

LIABILITIES.	Compared with Dec. 31, 1922.	ASSETS.	Compared with Dec. 31, 1922.
Amount.	£	Amount.	£
Share capital	5,000,000	Plant	228,927
Debitures	12,600	Trade investments	1,064,843
General reserve	430,000	General investments	295,750
Insurance fund	200,000	Debtors	1,311,812
General purposes fund	697,409	Cash	16,023
Trade bills, &c.	111,454		
Creditors	3,174,256		
Profit and loss	124,091		
Total	11,007,110	Total	11,007,110

PEASE AND PARTNERS, LIMITED.

LIABILITIES.	Compared with Mar. 31, 1923.	ASSETS.	Compared with Mar. 31, 1923.
Amount.	£	Amount.	£
Ordinary shares	2,203,857	Minerals, land, &c.	3,450,567
4% deb. stock	400,000	Rolling-stock, &c.	640,987
8% deb. stock	985,000	Coal, coke, &c.	453,365
Deb. int. accrued	31,292	Debtors	724,827
5% deb. sinking fund	787	Short workings	47,647
Unpaid purchase money	7,881	Investments	384,320
Employees' deposits	207,679	Discount on issue of 5% debts	112,500
Creditors	748,393	Cash	61,011
Bills payable	4,520	Spec. expenditure	59,328
Wages outstanding	49,454		
Bankers' overdraft	526,317		
Inc. & pensions fund	165,403		
Reserve	250,000		
Dep. res. account	525,256		
Res. for renewals	230,865		
Res. for div.	100,000		
Employees' fund	23,375		
Fund for employees	6,640		
Profit and loss	418,948		
Total	6,885,668	Total	6,885,668

EDWARD LLOYD, LIMITED.

EDWARD LLOYD, LIMITED.

December 31, 1923.

LIABILITIES.		Compared with Dec. 31, 1922.	ASSETS.		Compared with Dec. 31, 1922.
	Amount.	£		Amount.	£
7 % cum. pref. shares, £1	675,000	..	Freehold land, &c	192,083	.. + 192,083
Ord. shares, £1	1,200,000	..	Freehold build- ings, &c.	1270,263	.. + 283,117
Creditors	691,825	..	Stores and stocks	565,968	.. + 22,111
Bills payable	197,480	..	Debtors	377,278	.. + 128,593
Pref. div.	18,309	..	Bills receivable		
Unclaimed divs.	222	..	Investments	812,587	.. + 76,011
Bank overdraft		..	Cash	128,593	.. + 42,250
Pension contribution	14,250	..			
Depreciation account	433,793	..			
	51,352	..			
Profit and loss	115,893	..			
	21,239	..			
Total	3,346,772	..	Total	3,346,772	.. + 185,517

[May 10, 1924.]

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim div.	Method of Payment.	Dividend for Whole Year.	Previous.
Banks.					
Anglo Egyptian	5/6 p.a.	June 2	Tax free	30	30
Banco Nacional Ultramarino	16 1/2 p.a.	May 5	Free Port tax	10	10
British of South America	10/1 p.a.	May 16	Less tax	20	20
Credit Industriel	12 1/2 p.a.	..	Free French tax	18	18
Hambros	12 1/2 p.a.	..	Tax free	18	18
Royal of Scotland	14	..	Less tax	..	..
Railways.					
Canadian Pacific	4 1/2 p.a.	June 30	Quarterly	..	..
South Indian	3 1/2 p.a.	..	Less tax	..	..
Insurance.					
Life Association of Scotland	11 1/3 p.a.	May 15	Less tax	50	50
Motor Union	6 p.a.	May 31	Less tax	64	64
Pioneer	7 1/2 p.a.	May 23	Less tax	15	15
United British	16 p.a.	..	For 1922	..	..
Union Society (Canton)	24 p.a.	..	20% for 1923	..	..
Do (Contrib. Premiums)	..	..	Tax free	15	15
Mining.					
Arizona Copper	1 p.a.	..	Tax free	2/ p.a.	2/ p.a.
Central Mining and Invest.	6 p.a.	..	6 1/2 p.a. Tax free	2/ p.a.	2/ p.a.
English Crown Spelter	..	..	Less tax	30	22 1/2
Rand Selection	..	..	Less tax	17 1/2	10
Scottish Australian	7 1/2 p.a.	..	7 1/2 p.a. Less tax	..	..
Sinal Mining	..	..	Tax free	..	..
Tekka-Taijping	6 p.a.	..	..	..	..
Zinc Corporation, Pte.	2 p.a.	June 19	Less tax	..	..
Tea and Rubber.					
Alliance Tea	..	..	..	40	25
Amsterdam Rubber	..	..	..	12	..
Anglo Java Rubber	..	..	Tax free	10 p.a.	..
Anglo-Sumatra Rubber	5 1/2 p.a.	May 31	Less tax	15	7 1/2
Badek Rubber	..	..	Less tax	2 1/2	..
British Malay Rubber	..	June 7	Less tax	5	7 1/2
Bukit Badang	..	..	Less tax	5	7 1/2
Bukit Panjong	..	..	Tax free	6	3
Bukit Sembawang	..	..	Less tax	6	3
Caledonian (Ceylon) Tea	5 1/2 p.a.	May 20	Less tax 4/6 in £	10	15
Carnarvon (Belangor)	..	..	Less tax	25	..
Ceylon Prop. Tea	15 1/2 p.a.	..	..	12 1/2	22 1/2
Changkat Salak, Delid.	10 1/2 p.a.	..	Less tax	15	10
Craig Tea	..	..	Less tax	5	..
Darjeeling Tea	..	..	Less tax	30	17 1/2
Djapora (Sumatra)	..	..	Less tax	10	..
Ederapolla Tea	22 1/2 p.a.	..	Less tax	10	..
Gudek Rubber	..	..	Less tax	25	40
Gingia Tea	15 1/2 p.a.	..	Less tax	20	..
Halem Tea	20 1/2 p.a.	..	Less tax	18 1/2	15
Haydella Tea	..	..	Less tax	4	..
Hunagaria Tea	15 1/2 p.a.	..	Less tax	15	..
Igikande Rubber and Tea	..	..	Less tax	15	..
Imperial Ceylon Tea	10 1/2 p.a.	May 23	Less tax	30	20
Kandapolla Tea	20 1/2 p.a.	..	Less tax	5	4
Kajang	..	..	Less tax	12 1/2	10
Kapari Para Rubber	7 1/2 p.a.	..	Less tax	2 1/2	..
Kelani Valley	..	..	Less tax	6	..
Klabang Rubber	..	..	Less tax	32	30
Java Amalgamated	..	..	..	7 1/2	7 1/2
Labong Tea	25 1/2 p.a.	..	..	6	7 1/2
Linggi Plantations	..	..	Less tax	70	50
Mahawie Rubber and Tea	..	..	Less tax	35	(d) 22 1/2
Maturata Tea and Rubber	10 1/2 p.a.	..	Less tax	..	..
Mooloya Estates	30 1/2 p.a.	..	Less tax	..	..
Nedem Tea	15 1/2 p.a. (& bonus 5%)	..	Tax free	..	..
Negombo (Ceylon) Coco-nut.	..	..	Less tax 4/7 1/2 in £	..	..
Cum. Pref.	..	..	Less tax 4/7 1/2 in £	..	..
Ordnal Rubber	..	June 7	Less tax	25	12 1/2
Oruh Ceylon	17 1/2 p.a.	..	Less tax	30	32 1/2
Parambe Rubber and Tea	7 1/2 p.a.	..	Less tax	5	10
Palmdadilla Rubber	12 1/2 p.a.	..	Less tax	5	10
Sampang (Java)	..	..	Less tax	5	10
Seaford Rubber	..	..	Less tax	50	35
Spring Valley (Ceylon)	35 1/2 p.a.	..	Less tax	15	15
Sungel Buloh Rubber	10 1/2 p.a.	..	Less tax	10	10
Sungel Matang	..	..	Less tax	5	..
Un Rantau Rubber	..	..	..	15	..
United Kingdom Tea	..	..	..	..	..
Wanarajah Tea	10 1/2 p.a.	..	Less tax	..	..
Waverley Plantations	..	..	Less tax	..	..
Other Companies.					
Anglo-American Debenture	10	..	Tax free	10	9
Ansell Brewery	6 1/2 p.a.	..	..	8	7
Andrew Knowles	5 1/2 p.a.	..	Tax free	30 1/2 p.a.	..
Ass. Leas.	20 1/2 p.a.	..	..	14	14
Barrow, Hepburn, and Gale, P.	4 1/2 p.a.	..	(Arrears to Sept. 1922)	33	3
Brampton Brewery	..	..	Less tax 4/6 in £	10 1/2	11
British and Foreign Securities	14	..	Tax free	8	8
Brunner, Mond	..	..	..	25	30
Bryant and May	10 1/2 p.a.	..	..	11	11
Buchanan-Dewar, Limited	10 1/2 p.a.	..	..	11	11
Calm Line of Steamships	5	May 21	..	5	..
Calcutta Electric Supply	7 1/2 p.a.	..	Less tax	30	15
Caledonian and British Mort.	2 1/2 p.a.	..	..	2	2 1/2
Chester Northgate Brewery	2 1/2 p.a.	..	..	15	15
Chloride Electric Storage	5 1/2 p.a.	..	..	..	..
Clan Line Steamer	2 p.a.	..	..	..	..
Colombo Electric Traction	..	..	Tax free	..	..
Consolidated Gas, & Co., Baltimore.	8 1/2 p.a.	July 1	..	..	..
Com. and Pref. "A"	5 1/2 p.a.	July 1	Less tax	12 1/2	12 1/2
"Coventry" Chain	..	..	..	7 1/2	..
Craigpark Electric Cable	8 1/2 p.a.	..	..	10	7 1/2
Debenure Securities Invest.	8 1/2 p.a.	..	..	..	..
Eastman Kodak of N. Jersey	\$1.25 p.a. (& extra \$0.75 p.a.)	..	Tax free	..	..
Edward Lloyd	5 1/2 p.a.	..	..	8	5
Express Dairy	..	..	..	..	..
Glenfield and Kennedy	1 p.a.	May 15	Less tax	12 1/2	11
Hurst, Nelson	..	..	Less tax	10	6
Industrial and General Trust	8 1/2 p.a.	..	Less tax	5	5
International Auto. Telephone	..	May 31	Less tax	10	10
J. and E. Atkinson	..	..	Less tax	10	10
Johnson and Phillips	8	May 28	..	10	10
Kerr, Stuart, and Co.	7 1/2 p.a.	..	..	10	10
Lescolles Ticker	1 1/2 p.a.	May 27	Less tax	10	10
Liverpool Nitrate	10 1/2 p.a.	..	..	30	20
Lloyd and Yorath	3 p.a.	..	Tax free	25	15
Lloyd's Packing Warehouses	5 1/2 p.a.	..	..	..	..
Lothian Coal Co.	..	..	..	..	..
Manor-Powis Coal	..	..	..	..	..
Melbourne Electric	..	..	..	..	..

(c) Increased capital.

(d) Less tax.

Melbourne Trust	..	..	Less tax 2/11 1/2 in £	8	8
Montreal Tramways	2 1/2 p.a.	..	Quarterly	..	..
New Paocha Nitrate	..	..	..	..	..
Northern General Transport	..	..	..	..	..
N.Z. and Australian Land	3 1/2 p.a.	June 10	Tax free	7 1/2	5
N.Z. Loan & Mercantile, Cum. Pr.	2 1/2 p.a.	June 20	Less tax	..	..
R. and J. Hill	..	..	..	..	..
Rangoon Electric	..	..	..	..	..
Royal Mail Steam Packet	4 1/2 p.a.	..	Less tax	Rs 1 1/2 p.a.	1 1/2 p.a.
S. and W. Berisford	10 1/2 p.a.	..	Subject to tax	..	..
Smallman's	..	..	Less tax 4/6 in £	3	3
Steel Coulson	..	..	..	..	..
Strand Hotel, Pte. Prefd.	7 1/2 p.a.	..	..	..	..
Sun	10 p.a.	July 1	Less tax	19 p.a.	19 p.a.
Ten Sire and Mort.	12 1/2 p.a.	..	..	20	15
Texas Land and Mort.	12 1/2 p.a.	..	..	10	10
Thomas Brown and Sons	12 1/2 p.a.	..	..	10	10
Triumph Cycle	2 1/2 p.a.	..	Tax free	..	..
Tweedales and Smalley	25 p.a.	..	Subject to tax	25	30
Urban Electric Supply	9 p.a.	..	..	4	..
Wailarah Coal	8 1/2 p.a. (& bonus 2 p.a.)	..	Tax free	4 1/2 p.a.	3 p.a.
Warner Estate	5 1/2 p.a.	..	..	10	7 1/2
Wharfedale Silkstone Colliery	5 1/2 p.a.	..	..	11 1/2	10
Whiteway, Laidlaw, and Co.	5 p.a.	..	..	3 1/2 p.a.	3 p.a.
Wilson and Clyde Coal	2 1/2 p.a.	..	Less tax	..	..

DENT, ALLCROFT, AND CO.—Directors regret they are unable to recommend payment (or any arrears) of dividend on 7 1/2 per cent. cumulative first preference.

MINING OUTPUT STATISTICS FOR APRIL, 1924.

Gold.	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyande Works.	Mill.	Cyande Works.		
Gold.						
Akoko Main Reef	482	..	..	..	1,750	..
Ashanti	6,810	..	..	..	27,101	..
Associated N. Blocks—	5,437	..	..	..	6,082	..
Iron Duke	450	..	..	..	..	..
Balaghat	3,300	7,600	2,344	348	2,692	1,113
Blackwater	2,600	..	..	..	..	..
British Platinum	..	..	368 (plm)	..	92 (gold)	1,215
Cam and Motor	16,800	..	..	..	8,361 (b)	41,601
Champion Reef	9,110	19,360	3,615	730	4,345	20,125
Golden Horseshoe	9,048	..	..	..	4,853	20,803
Great Boulder Prop.	8,830	..	..	..	2,332	2,367
Ivanhoe	10,119	..	..	..	3,990 (a)	22,532
Lake View and Star	7,296	..	..	..	..	..
London and Rhodesian	1,900	..	..	..	15,913	..
Menzies Cons.	990	..	..	..	2,311	1,795
Mysoore Gold	19,100	28,576	9,562	1,185	10,748	2,264
Nundydroog	11,749	15,777	4,952	764	5,716	..
Oregeum	13,500	4,000	8,601	220	8,821	..
Oroville Dredging—Pato	..	..	..	..	\$121,200	..
Rezende	6,200	794	..	..	\$34,744	..
South Kalgurli	6,740	..	..	..	2,971 (b)	14,115
St. John del Rey	..	..	..	..	13,456	6,411
St. Mary's	17,500	..	..	..	39,500	2,515
Transvaal and Rhodesian	..	..	..	..	\$60,000	..
Fred	1,560	..	..	..	..	..
Vipond	3,546	..	..	..	4,300	..
(a) Par value.					\$52,500	..
(b) Including premium.					92s per oz.	..

	Output.	Other Notes in Return.
Copper.		
Tanganika	Tons.	
	6,305	
Tin.		
Aramayo	207	Silver, 142,000 ozs.
Bangrin	324	
Chenderiang	163	Value, £1,808.
Debrook Dredging	24	
Ex Lands Nigeria	35	
Gopeng	80	Est. value, £11,810; est. cost, £2,070.
Idris	16	Est. value, £2,543; est. cost, £752.
Iphoh	62	
Joh	134	
Kamunting	85	Est. value, \$101,000.
Kinta	354	Value, £5,390; gross profit, £4,282.
Kem	45	Shipped 43 tons.
Kramat Pulai	27	Profit (including tribute), £4,142.
Lahat	6	Est. value, £4,130; est. cost, £2,704.
Lower Bisiohi	834	Value, £12,689; cost, £6,819.
Malayan	7	
Monguna	221	Black tin, 17 tons alluvial.
Pahang Consolidated	34	Est. value, £508; est. cost, £276.
Parl	624	Est. value, £9,180; est. cost, £1,570.
Pengkalan	18	Gross mining profit, £144.
Pusing	528	Est. value, £2,836; est. cost, £780.
Rambutan	102	
Remong	2	
Ropp	1062	
Rukuba	514	Black tin, value, £8,822; arsenic and sundries, £2,974.
Siamese	232	Est. value, £3,368; est. cost, £1,877.
South Crofty	54	Est. value, £9,184; est. cost, £3,361.
Southern Perak	513	Valued at £9,350; gross profit, £7,040.
Sungel Besi	31	Est. value, £3,990; est. cost, £1,570.
Tavoy	624	Est. value, £9,310; est. cost, £2,650.
Tekka	694	Est. value, £8,944; est. cost, £4,195.
Tekka-Taijping		
Tongkah Harbour		
Tronoh		
Coal.		
Chinese Engineering	121,749	Week ended April 26th.
Chislet	5,042	Week ended May 3rd.
Dundee	43,242	
East Kent	4,751	
East London	23,012	Week ended May 3rd.
Midland Navigation	42,796	
N. Natal Navigation	27,000	
South African	62,840	
Vereeniging	19,584	Brickworks sales, £5,867.
Vryheid	32,366	
Wankie	26,012	Coke sales, 14,210 tons.
Miscellaneous.		
Akim		Gold, 265 ozs.
Kesley Silver		150,478 ozs silver.
New Vaal River		Diamonds registered, 510 carats; value, £4,289
Rhodesia Broken Hill	575	Lead.

possible with steam traction, in the conditions existing on the railway. With this end in view the board have set aside the sum of £100,000 on account of the new expenditure involved.

TEA AND RUBBER.

BUKIT SEMBANG RUBBER.—The total revenue for the year 1923 was £61,560, and the total revenue expenditure £45,860, resulting in a profit of £15,693, which, added to the balance of profit brought forward, amounts to £41,596, out of which the directors propose to pay a dividend of 6 per cent., less income-tax, which will absorb £15,403, and to carry forward the balance of £26,192, subject to income-tax and corporation profits tax. During the year the Straits Government expropriated 1,150 acres of the company's land, of which 947 acres were planted with rubber, awarding compensation, which amounted, less expenses, to £65,027 19s 5d, or at the rate of £71 per planted acre. Arrangements have since been made to lease some 700 acres of this area from the Government until required by the Admiralty. The company's property now consists of 6,097 acres, of which 4,840 acres are planted. Since the close of the year the company has taken an interest of £57,785 in the Bukit Pulau Rubber Estate, formed to acquire the Kim Kim Rubber Estate in South Johore. The property consists of over 6,000 acres, of which some 3,000 acres are planted, the price paid by Bukit Pulau Rubber Estate, Limited, being £35 per planted acre. The directors have good reason to believe that this investment will prove remunerative.

WINDSOR (F.M.S.) RUBBER ESTATE, LIMITED.—The directors report and statement of accounts for the year ended December 31, 1923. The figures compared with 1922 are as follows:—

	1922.	1923.
Profit	£7,309	£6,566
Tax refund	£4,904	£1,310
Balance brought in	£9,447	£8,811
Dividend recommended	15 per cent.	Final 7½ per cent. (making 12½ per cent. for the year).

Corporation profits tax	£475	£279
Carry forward	£8,811	£6,096
Crop	418,178 lbs.	396,950 lbs.

SUNGRI BATU (MALAYA) RUBBER ESTATES, LIM.—The directors' report and statement of accounts for the year ended December 31, 1923. The figures compared with 1922 are as follows:—

	1922.	1923.
Profit	£1,289	£3,780
Excess Profits Duty Refund	£8,765	£6,495
Balance brought in	£6,495	£10,240
Dividend recommended	7½ per cent.	7½ per cent.
Corporation Profits Tax	£122	£184
Carry forward	£10,240	£7,648
Crop	384,289 lbs.	337,148 lbs.

MISCELLANEOUS.

CLAYTON AND SHUTTLEWORTH.—The annual report for 1923 has now been issued, together with an explanatory note from the directors to shareholders, giving particulars of a contract into which they have entered (subject to the approval of shareholders) with Babcock and Wilcox, Limited, whereby the latter company will acquire the "Clayton" boiler works, and certain other departments. The balance-sheet shows a loss of £40,000 on trading for 1923. The position has been seriously aggravated by losses abroad, due to war and revolution, a loss of £442,000 (more than half the paid-up capital) having had to be borne under this head, in spite of a cutting down of foreign commitments to the extent of £800,000 by the present management, on taking charge a short time previously to the outbreak of the Balkan War. They have, therefore, dealt with a most difficult position by entering into a working agreement with Babcock and Wilcox, Limited, under which the latter will acquire and operate an important section of the Clayton Works. Clayton and Shuttleworth, Limited, retain their goodwill and all trade connections, and will continue their business without interruption or dislocation, and they likewise retain their threshing machine works and machine shops ready to take advantage of a revival of demand in their standard products whenever it arises. Babcock and Wilcox, Limited, are to pay £250,000 cash for the works they will take over, together with a further substantial sum for stocks. The proceeds will enable the company's indebtedness arising primarily from the loss of foreign debts to be substantially reduced in such manner as best to strengthen its future.

JOSEPH NATHAN AND CO.—The proprietors of Glaxo have issued their accounts for the year ended September 30, 1923. The available profit is £11,486, against £20,763 in preceding year. The balance brought in is £48,287, against £86,075. Consequently the available balance is reduced from £106,838 to £59,773. The dividend is being paid on the 7 per cent. "A" cumulative preference, and £28,213 goes forward to next account. No dividend is being paid on the 8 per cent. cumulative participating preferred ordinary shares or on the ordinary shares. With regard to assets, these total £1,498,207, against £1,705,248 in preceding year. Stocks of goods are now at £340,544, against £524,623. Cash is at £73,076, against £47,982. Debtors stand at £257,563, against £337,394. With regard to liabilities, creditors stand at £143,540, against £264,805. Advances from bankers stand at £209,214, against £320,204.

KASSALA COTTON.—The first annual report, together with balance-sheet and profit and loss account for the period from November 30, 1922, to December 31, 1923, points out that under the terms of its concession the company's management of cultivation in the Gash delta does not begin until July 1, 1924. The period covered by the report has been devoted to the study of local irrigation problems, to organisation and to development work, including the improve-

ment of existing water channels, the excavation of a new canal and the clearing of new areas. The first cotton crop to be grown under the company's auspices is due to be sown this autumn, and to be picked during the early months of 1925. Consequently there can be no earnings from this source until the year 1925. The approximate area under cultivation in the Gash delta in the season 1923-4 is estimated to have been 9,000 acres. Under the concession agreement this area is taken over by the company, and the directors anticipate that it will be added to considerably during the coming season as the result of the development work now in hand. Satisfactory progress has been made in the building by the Sudan Government Railways Department of the railway line from Haiya (on the Atbara-Port Sudan line) to Kassala. It is expected that railroad will reach the Kassala terminus by the end of the present month. After payment of debenture interest the debit balance to profit and loss is £17,278.

LAUTARO NITRATE.—The following figures have been received by cable from the local board in Valparaiso:—The balance of profit and loss brought forward from 1922 was £100,714; profits obtained from the sales of nitrate and iodine, and dividends in 1923, £230,292, making together £331,006. From which the following have to be deducted:—Loss on 40,000 tons in Nitrate Pool and compensation paid to Nitrate Pool, £128,631; general expenses, interest, commissions, and depreciation, £47,434; shutting down expenses at Oficinas Lautaro and Ballena, £7,564, leaving a net profit of £147,377, which the directors propose to carry forward to 1924. The first interim dividend for the year 1924 of 5 per cent., or 5s per share, on the issued capital of £2,500,000, was paid on March 1st last. The company acquired in the second half of last year 1,500,000 shares of the Lastenia Nitrate Company, on which we received a dividend in October, 1923, of £75,000, which sum is included in our 1923 profits. The local board advise having purchased the oficina "Alianza" of Taltal, now named oficina "Caupolican," with plant, grounds and stocks, for the sum of £60,000, and after effecting certain repairs, the oficina should be in a position to start producing. The directors consider this purchase very advantageous as the company possesses nitrate grounds in the immediate neighbourhood, and it is hoped to produce nitrate on equal terms with our existing oficinas. The 40,000 tons of nitrate which the company held in the Nitrate Pool formed in 1921 during the world crisis, have now been liquidated, and the loss on this nitrate has been written off the 1923 figures of profit, consequently there will be no further writings off under this heading. The payments of compensation to the Pool also terminated in March last. The oficinas "Ballena" and "Lautaro" restarted manufacture in April and May respectively last year and have continued working.

SCHWEPPES.—This company has had a better year. The net profit for 1922 was £101,334. This has been increased to £132,883 for 1923. The ordinary dividend is again 7 per cent., the deferred dividend is 7 per cent. against 5 per cent. for 1922. The sum of £32,781 is carried forward, against £27,308 brought in. The directors have set aside £60,000 to reserve fund, making total reserve £80,000. The sum of £20,000 is applied in reduction of goodwill, which now stands at £680,000. The reserve fund is thus brought back to £60,000. Total assets are £1,747,266. Properties are at £345,166. Plant is at £43,137. Horses, vans, and motors are at £25,790. Stocks stand at £176,543. Investments at cost or under stand at £12,879. Investment in and loan to subsidiary company, £128,885. Cash amounts to £122,540. Debtors amount to £201,179. Creditors amount to £146,906.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

With favourable climatic conditions cereal crops in the United Kingdom continue to make steady progress, and show a fine healthy plant, though a higher temperature and more sunshine would be welcome. The ground is now being prepared for root planting, which is expected to be carried out under ideal conditions, the soil being in good tilth. English wheat continues to be sparingly offered, and rates tend firmer in sympathy with imported varieties. Best grades rule at about 10s 10d to 11s 2d per 112 lbs, free on rail, with inferior descriptions at 10s 4d to 10s 6d. Imported descriptions opened firmer on higher forward offers, and a fair business transpired, but closed quieter. No. 1 Northern Manitoba quoted 48s 6d, No. 2 ditto 47s 6d, No. 3 ditto 46s 3d, Rosaf, 63½ lbs, 48s, Barusso, 63 lbs, 47s, and Australian 49s 9d, all per 490 lbs, ex ship. In the floating and forward cargo section prices hardened in view of a better demand both from home trade and on Continent account, and a fair number of cargoes were disposed of, including No. 1, also No. 2 Northern Manitoba due out to load 11th inst. at 46s 3d and 45s 3d respectively, choice white Karachi, June 15, 46s, Barusso, 63½ lbs, May, 43s 9d, white Western Pacific, shipping/shipped, 47s, and several sellers of Australian, afloat, at 48s to 49s, according to position, all per 480 lbs. Flour prices were and a fair business resulted. London standard straight run quoted 38s, patents 40s to 41s, town households 36s per sack, delivered in. Imported steady, with a moderate demand. Manitoba patents range from 35s 6d to 37s 6d, and Australian 35s 3d to 35s 9d, ex store, per 280 lbs. Maize cargoes were more firmly held, owing to

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.						Corresponding Period Last Year.		
					Dividend.			Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.		
					Prefce.	Ordinary.	Rate						
					Amount.	Amount.	Rate						
Banks.		£	£	£	£	£	%	£	£	£	£	%	%
British Bank of South America ..	Dec. 31	106,781	109,965	216,746	..	100,000	10	10,000	106,746	110,883	10	10	18†
Hambros Bank ..	Mar. 31	83,501	301,969	385,470	..	180,000	18†	120,000	85,470	359,088	..	..	..
Electric Lighting and Power.													
Electric Supply Corporation ..	Dec. 31	3,363	32,661	36,024	1,962	15,000	10	13,455	5,607	..	..	..	..
Urban Electric Supply ..	Dec. 31	4,599	74,262	78,861	18,140	9,600	4	41,250	9,871	56,335	..	..	..
Breweries.													
Brampton ..	Mar. 31	45,285	34,323	79,608	4,123	18,878	15†	5,000	51,607	31,486	15†	15†	15†
Financial, Land, &c.													
Levant Company ..	Dec. 31	..	10,368	10,368	..	24,750	20	9,000	1,368	..	..	..	..
Texas Land and Mortgage ..	Mar. 31	6,948	34,275	41,223	..	24,750	20	9,000	7,473	29,188	20	20	20
Warner Estate ..	Mar. 31	2,985	43,313	46,298	12,500	18,125	7½	13,000	2,673	39,919	6	6	6
Iron, Coal, and Steel.													
Andrew Knowles and Sons ..	Mar. 31	36,390	69,535	105,925	..	60,000	8	..	45,925	38,995	7	7	7
James Dunlop and Co.	Dec. 31	9,795	38,851	29,056	..	..	..	Dr 30,000	944	Dr 27,432	..	..	..
Pease and Partners ..	Mar. 31	122,128	475,435	597,563	..	176,308	8†	296,828	124,427	185,031	6†	6†	6†
Wilson and Clyde Coal ..	Feb. 29	28,903	158,308	187,211	3,500	60,750	15	90,000	32,961	104,823	10	10	10
Nitrate.													
Anglo-Chilian ..	Dec. 31	69,984	151,718	221,702	..	135,000	15†	..	86,702	19,721	15†	15†	15†
New Paccha and Jazpampa ..	Dec. 31	1,017	6,824	7,841	..	4,122	6	..	3,719	188	5	5	5
Rubber, &c.													
Badek ..	Dec. 31	1,509	21,734	23,243	..	12,950	15	5,000	5,293	7,280	7½	7½	7½
Bukit Sembawang ..	Dec. 31	25,902	15,694	41,596	..	15,400	6	..	26,192	Dr 1,455	..	..	..
Djapoera (Sumatra) ..	Dec. 31	3,480	6,316	9,796	..	6,500	5	..	3,296	1,800	..	..	..
Kajang ..	Dec. 31	5,511	2,923	8,434	..	2,883	5	..	5,551	1,079	4	4	4
Kapur Para ..	Dec. 31	11,716	13,662	25,378	..	18,750	12½	..	6,628	7,887	10†	10†	10†
Kelani Valley ..	Dec. 31	1,437	5,228	6,665	420	4,375	12½	500	1,370	8,570	20	20	20
Klabang ..	Dec. 31	261	5,075	5,336	..	2,500	2½	1,270	1,566	6,056	..	..	..
Linggi Plantations ..	Dec. 31	20,775	46,351	67,126	700	34,500	7½	2,000	29,926	29,099	7½	7½	7½
Mahawale Rubber and Tea ..	Dec. 31	5,595	9,932	15,527	..	9,600	6	1,750	4,177	12,316	7½	7½	7½
Marawan (Java) ..	Dec. 31	31	2,115	2,146	..	..	..	..	2,146	..	..	..	..
Pelmadulla ..	Dec. 31	22,028	37,717	59,745	..	34,560	30	5,235	19,950	38,557	32½	32½	32½
Seafield ..	Dec. 31	3,331	17,369	20,700	..	12,000	3	3,000	5,700	25,998	5	5	5
Sungei Matang ..	Dec. 31	3,596	4,472	8,068	..	5,660	10	..	2,408	3,221	10	10	10
Tarun (Malay) ..	Dec. 31	Dr 3,758	387	3,371	..	..	..	..	Dr 3,881	Dr 1,476	..	..	..
Trolak Estates ..	Nov. 30	Dr 52	1,020	968	..	..	..	..	968	3,261	..	..	..
Ulu Rantau ..	Dec. 31	7,298	3,447	10,745	..	3,293	5	..	7,452	469	..	..	..
Waverley Plantations ..	Dec. 31	7,754	9,791	17,545	..	7,688	10	5,000	4,857	Dr 193	..	..	..
Shipping.													
Oceanic Steam Navigation ..	Dec. 31	62,531	311,560	374,091	..	250,000	5	..	124,091	587,086	12½	12½	12½
Tea.													
Alliance Ceylon ..	Dec. 31	16,051	39,842	55,893	..	30,000	40	10,000	15,893	31,817	25	25	25
Ceylon Proprietary ..	Dec. 31	7,734	27,957	35,691	1,306	22,500	25	7,000	4,885	23,594	18	18	18
Darjeeling Co.	Dec. 31	3,322	30,208	33,530	..	20,313	15	7,000	6,217	26,324	10	10	10
Ederapola ..	Dec. 31	547	9,906	10,453	..	8,700	30	1,026	727	5,153	17½	17½	17½
Imperial Ceylon ..	Dec. 31	4,038	21,984	26,022	..	13,500	15	7,500	5,022	17,776	5	5	5
Mayfield (Dumbla) ..	Dec. 31	1,393	11,514	12,907	1,980	7,662	25	1,500	1,765	..	..	..	..
Telegraphs, &c.													
Anglo-American ..	Mar. 31	66,663	202,727	269,390	153,528	9,885 38 Ord.	..	..	67,595	193,866	38 Ord.	38 Ord.	38 Ord.
Automatic Telephone ..	Dec. 31	6,487	78,667	85,154	12,000	10,800	3	46,599	15,755	27,288	..	..	..
International Automatic Telephone ..	Dec. 31	2,755	26,621	29,376	11,853	8,616	4	3,198	5,709	15,894	..	..	..
Tramways.													
Rangoon Electric ..	Dec. 31	18,228	48,269	66,497	15,000	25,000	10†	10,000	16,497	55,258	10†	10†	10†
Trust.													
Anglo-American Debenture ..	Mar. 31	10,678	73,906	84,584	22,762	36,000	10	10,000	15,822	64,531	9	9	9
Waterworks.													
Antwerp ..	Dec. 31	13,751	11,981	25,732	..	..	..	14,220	11,512	47,043	6	6	6
Other Companies.													
British and Bennington's ..	Dec. 31	238	Dr 1,878	1,635	..	..	..	..	Dr 1,635	..	..	..	..
Bryant and May ..	Mar. 31	24,312	305,692	330,004	77,200	160,473	12½†	60,000	32,331	273,523	12	12	12
Craigpark Electric Cable ..	May 31	1,552	9,893	11,445	2,850	4,687	12½	2,000	1,908	10,842	12½	12½	12½
Edward Lloyd ..	Dec. 31	19,654	188,489	208,143	47,250	120,000	10†	10,000	30,893	..	..	..	..
Johnson and Phillips ..	Dec. 31	18,114	28,715	46,829	..	21,875	5	..	24,954	35,298	5	5	5
Liverpool Storage ..	Mar. 31	8,103	9,324	17,427	..	8,996	10†	..	8,431	8,151	10	10	10
R. and J. Hill ..	Mar. 31	5,211	29,860	35,071	4,750	13,097	10	10,000	7,224	19,905	7½	7½	7½
Thomas Brown and Sons ..	Jan. 31	..	43,929	43,929	7,425	13,500	10	8,243	14,761	64,975	10	10	10
Whiteaway, Laidlaw, and Co.	Feb. 29	11,141	167,202	178,343	41,500	66,305	11½†	36,661	33,877	106,271	7½†	7½†	7½†

† Free of tax.

scarcity of available tonnage for early loading, also higher freight rates, but buyers were less in evidence at the higher prices asked, and the market subsequently displayed a weaker tone. A steamer of yellow Odessa, April 30th bill of lading, sold to the Continent at about 40s per 480 lbs. Flour in fair demand and rates steady. London standard straight run quoted 38s, patents 40s to 41s, town households 36s per sack, delivered in. Of imported,

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1920 to 1923:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1924.	Cwts.	Cwts.	Cwts.	s d	s d	s d
April 26	86,704	16,100	13,517	10 8	11 4	9 8
May 3	109,260	15,002	16,336	10 9	11 3	9 8
1920	128,970	22,723	15,625	16 11	23 7	20 8
1921	379,581	55,975	30,531	20 2	13 6	13 7
1922	278,379	40,393	34,512	12 7	11 3	10 11
1923	332,687	98,621	55,099	10 8	8 11	10 9

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated May 8th, is as follows:—Pig-iron: The market remains quiet, and this is likely to continue for a time. The undertone, however, is quite good, and it would not take much buying to send prices up, as stocks of pig-iron are very light. The present quotations are:—No. 3 Cleveland G.M.B., 92s per ton; East Coast hematite mixed numbers, 99s per ton. Manufactured iron and steel: There is a fair business doing in steel. The steady French and Belgian exchanges help to keep foreign steel out of our markets. Steel ship plates, £10 5s; steel ship angles, £10; iron bars, £12 10s; steel rails, £9. Iron ore: Still no revival in the demand for imported iron ore. Business practically limited to a few prompt cargoes. Best Bilbao Rubio is nominally 23s 6d per ton, c.i.f., Tees.

Our Sheffield correspondent writes:—Extreme quietude prevails in the market for pig-iron, steel billets, and scrap, but prices are no lower, and makers of pig-iron do not want forward business at the quotations now current, owing to the belief that costs are going up. The absence of orders for billets cannot be attributed to foreign competition, as prices of Continental material are almost prohibitive, and no business is passing for them. Deliveries under old contracts, however, continue to arrive. Several departments of local trade, particularly tools and other finished products, are now as busy as in normal times, and the output of saws and cold-rolled strip is scarcely equal to the demand. There is also a better inquiry for files and tools used by contractors and quarrymen. Engineers' requirements continue quiet, although tending towards improvement. The revival in the above lines is mainly in the home market, and is less marked in sales overseas. The crucible steel industry is rather more active, but is far below normal. Dealers in ferro-alloys used for steel making report business to be in a stagnant condition, and competition has brought the prices of some of these materials down to the pre-war level. The coal trade is quieter in all departments, but especially in house coal. The demand for the latter from London and the South of England has dropped off considerably, nor is the enquiry for manufacturing fuel so brisk as it has been. Prices are distinctly easier. Gas coke is strong, but other classes of coke weaker in the home market. Current quotations per ton at pits are:—Best hand-picked branch, 34s to 36s; Barnsley, best Silkestone, 32s to 33s; Yorkshire hards, 25s to 27s; Derbyshire ditto, 24s to 25s; Tyne ditto, 24s to 25s; rough slacks, 11s 6d to 12s 6d; smalls, 7s 6d to 9s.

Our Glasgow correspondent writes as follows:—The improvement in the iron and steel trade foreshadowed last week is distinctly evident in several branches. Although plate orders for shipbuilders are not forthcoming in sufficient quantity to keep the larger works in full operation, there is a much better general demand, arising from the structural, wagon building, and general engineering contracts recently secured. Among the contracts placed locally is one for the L. and N.E. Railway Company for extensive reconstruction work at Berwick Station, amounting to several hundred thousand pounds. No alteration in steel prices is noted this week, and little is being heard of foreign competition, but some isolated purchases have been made by merchants of odd lots of bars and sheets at about £1 per ton below local prices. Bar iron makers are fairly steadily employed, and re-rollers are busy on chiefly export work. Makers of sheets are finding business for forward delivery more difficult to secure, and very keen cuts have been made against export inquiries, which are very numerous. Prices for home trade remain at the association rates. Galvanised corrugated sheets are in moderate demand, and makers are offering special terms to clear stocks. There is a good demand for hematite pig-iron, the value of which is maintained around 100s per ton. Other grades are in steady request at late rates. For the week ending Saturday last the shipments from Glasgow Harbour totalled 2,754 tons.

Our Cardiff correspondent writes:—There has been no improvement this week in the position on the Cardiff coal market. The May Day demonstrations on Monday were responsible for a decrease in output of from 100,000 to 150,000 tons, but the loss of even that large quantity had, no hardening effect on prices, which have continued to sag. Foreign demand is inactive, and unless the industrial trouble in the Ruhr is prolonged, there is no

prospect of an early improvement. Moreover, the collieries are faced with the certainty of an increase in costs under the report of the Court of Inquiry appointed by the Ministry of Labour to inquire into the wages dispute. Under these circumstances, it has been decided to revive the group committees of colliery sales agents, which were formed during the depression of 1922. The functions of these committees are consultative with a view to the avoidance of unnecessary underselling. They are to meet once a week, and if possible agree on the lowest price at which business shall be taken, but as they are on a voluntary basis, they have no effective power, and production will continue unregulated. Co-operation is not difficult in the case of those groups that are financially associated, but where this tie does not exist, colliery salesmen, and particularly those of the larger and more efficient colliery properties, are primarily concerned with the regularity of work at their own pits, and this conflict of interest prevents any agreement in regard to the enforcement of minimum prices. Towards the end of the week, the lock-out in the Ruhr had a steady effect on market quotations, but even if the dispute between the Rhenish Westphalia mineowners and miners over the seven-hour question is prolonged, the South Wales coalfield will be the last to profit from it. The weakness of the coal market is accompanied by a still greater relative weakness in the outward freight market, where this week the rates for some of the French ports have fallen to levels even lower than those ruling in 1913-14.

The following are the current approximate quotations:—Best Admiralties, 27s 6d to 28s; second Admiralties, 26s 6d to 27s; best dries, 26s 6d to 27s; black veins, 26s 6d to 27s; Western Valleys, 26s to 26s 6d; Eastern Valleys, 25s to 26s; best bunker smalls, 18s to 18s 6d; ordinary cargo smalls, 16s to 17s; coking smalls, 18s to 18s 6d; anthracite big vein large, 41s 6d to 42s; machine-made cobbles, 47s 6d to 50s; French nuts, 40s to 52s 6d; stove nuts, 47s 6d to 50s; rubbly culm, 15s to 15s 6d; inland blast furnace coke at ovens, 30s to 35s; coke for export, 57s 6d; patent fuel, 29s to 30s; pitwood, ex ship, 24s 6d to 26s. The situation is easier also in the iron and steel trade. The minimum prices of tinplates and steel bars are being maintained, but current market values are a shade lower than they were a week ago. The output remains high.

CUMBERLAND IRON.

(BY OUR WORKINGTON CORRESPONDENT.)

There is rather a better feeling in the Cumberland and North Lancashire hematite pig-iron market than for several months past, makers being inclined to believe that the worst is over, and that within the next few weeks some signs of recovery will be witnessed. Certainly this week there is more inquiry than has been noted since the labour disputes following upon the coming in of a Labour Government first started, and if confidence can be established among consumers, it is more than likely that the old hand-to-mouth methods of buying may be deserted, and that production may begin to get back to normal level. At present the position is that only ten furnaces are in full blast between Workington and Carnforth, and that some 25,000 tons of iron are lying in stock in the Furness district. Demand is barely sufficient to keep the furnaces going, the local absorption having fallen considerably since the steelworks at Barrow ceased activity; it is only this week that the rail mill at Workington resumed operations. What Midland and local consumers require will not maintain more than ten furnaces in draught. Until Scotch and South Wales steel makers are in the market again, and until the Continent is also a buyer, the relighting of additional furnaces will not become necessary. Prices have little if anything to do with the stagnation in trade. In any event, they are as low as circumstances will permit, and Bessemer mixed numbers continue to be quoted at £5 12s 6d per ton delivered at Glasgow and Sheffield, and £5 17s 6d at Birmingham. There is a quiet but steady demand from the Midlands for low-phosphorus iron. Manganese alloys are dull, with ferro at £17 per ton, f.o.b., and spiegel at £9 per ton. The steel trade is sluggish, new business being hard to come by. The rail mill at Workington will be busy until Whitsuntide only, because customers are asking for delivery on orders booked several months ago. Native hematite ore is mostly for local consumption, East Coast. Superior sorts are 22s to 24s per ton, and ordinary kinds from 17s to 18s per ton. There is a considerable diminution in the volume of business reaching Cumberland coal owners from Irish merchants, and trade, after two months' feverish activity, is likely to have a quiet time this summer. There is still an accumulation of orders to clear off, and so, meantime, prices are firm, with best round for shipment 28s to 30s f.o.b.; house nuts 27s 6d and washed nuts 26s 6d. Best steam is 30s delivered, and best house in the local landsale market 38s 2d at pit. Coke is a substantial make for the smelters of ordinary iron at 25s to 26s 6d, according to carbon content.

METALS.

The market for tin displayed quieter features, and values gave way under selling pressure, combined with lower Eastern cables and a slow consumptive demand. Standard, cash, sold from £237 10s to £276, and three months £239 10s to £224 5s. Sales in the East occurred at £242 10s to £236 10s. Copper displayed slight irregularity, but prices on balance slightly easier, while business was on a fair scale, standard, cash, fluctuating between £63 10s and £62 17s 6d, with three months £64 5s to £63 12s 6d. Best selected, £67 5s to £68 10s; strong sheets, £96; electro,

£69 to £69 10s; and wire bars, £69 10s. Lead in slow demand, and prices easier, good soft foreign pig quoted at £28 15s to £27 12s 6d, and English at £30 5s. Spelter also weaker on liberal offerings, though a fair business was effected. Quotations £30 8s 9d to £30 12s 6d, as to position. Aluminium firm. Home trade quoted at £125, export £130 ton. Antimony quiet. English specials £49 10s to £50. Quicksilver quiet, and spot quoted £13 10s to £13 15s per bottle. At Friday's market a much firmer tone prevailed for tin. Cash sold £225 10s, three months £227 15s. Copper easier, cash sold £62 12s 6d, three months £63 11s 3d.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—May 2, 1924.

Description.	Cott.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1923.			Same Period 1922.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island	d	d	d	d	d	d	d	d	d	d	d	d
Florida do	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do	Ord	G O	L M	Mid	G M	M F	G O	L M	G M	G O	L M	G M
American	1500	1550	1550	1735	1830	1930	1403	1453	1498	965	1050	1145
Brazilian	Mid	M F	Fr	G F	Gd	Fne	M F	Fr	Gd	M F	Fr	Gd
Pernambuco, Macao, &c.	..	1670	1770	1870	..	..	1373	1438	..	905	1105	..
Parahyba, Rio Grande, &c.	..	1670	1770	1870	..	..	1373	1438	..	905	1105	..
Ceara, &c.	..	1670	1770	1870	..	..	1373	1438	..	905	1105	..
São Paulo	..	1670	1770	1870	..	..	1373	1438	..	905	1105	..
Egyptian	Fr	G F	Fr	Gd	Fne	Fr	G F	Fr	Gd	Fr	G F	Fr
Upper	..	2150	2250	2350	2450	2550	1485	1590	1780	1475	1675	2000
Bakellaria	..	2150	2250	2350	2450	2550	1485	1590	1780	1475	1675	2000
Brown	..	2150	2250	2350	2450	2550	1485	1590	1780	1475	1675	2000
Peruvian	Mid	Fr	G F	Gd	Fne	Mid	Fr	Gd	Mid	Fr	Gd	Mid
Rough	..	..	2225	2375	2425	..	..	1550	1700	..	1025	1275
Moderately Rough	..	..	1900	2000	2050	..	..	1425	..	..	1100	1500
Smooth	..	1870	1930	1980	2020	2045	1438	1513	1613	1055	1230	1380
Tanzania	..	1895	1945	2045	2120	2220	1438	1513	1613	1080	1230	1430
Midland	..	..	2075	2175	2300	2400	..	1600	1700	..	1100	1500
West Indian, &c.	..	..	..	1800	1850	1900	..	1425	..	..	1100	1500
Do	..	..	..	2300	2500	2700	..	2000	2500	..	2300	2900
African, East, &c.	1495	1555	1745	1845	1910	1955	1080	1255	1455	850	1025	1225
Do	..	1720	1730	1740	1820	1880	..	1313	1388	..	955	1030
East Indian	G F	Fr	Gd	Fr	Gd	Fne	Fr	Gd	Fr	Fr	Gd	Fr
Machine Ginned Surtee	..	..	1540	1580	1620	..	..	1150	1250	..	925	1055
Machine Ginned Broach	..	1310	1310	1330	1430	1470	1080	1120	1200	845	925	1055
Machine Ginned Showrunner	1080	1130	1180	1240	1280	1330	890	940	1040	810	860	940
Machine Ginned Comra. No. 1	11090	1140	1190	1240	1290	1340	900	950	1050	820	870	950
Machine Ginned Comra. No. 2	..	..	1165	1215	1265	1315	..	925	1025	..	845	925
Machine Ginned Khandesh	1090	1140	1190	1240	1290	1340	850	900	1000	770	820	900
Machine Ginned Comphab	1305	..	1345	..	1415	..	..	1115	..	..	925	..
Machine Ginned Bengal	1055	1093	1135	1175	1215	1255	790	830	910	700	740	820
Machine Ginned Soinde	1045	1085	1125	1165	1205	1245	780	820	900	690	730	810
Timbally	1440	1480	1520	..	..	..	1275	1315	..	1055	1095	..
American-Scinde Punjab	..	1365	1440	1515	1565	..	..	1050	1090	..	855	895
Madras, Western	1165	1205	1245	1285	..	..	..	1115	..	..	920	..
Madras, Northern	..	1290	..	..	..	..	..	1090	..	..	880	..
M.G. Oconada, Red	Fr	1270	..	..	..	..	..	..	..	..	..	..
China, Smyrna, &c.	..	..	..	..	..	..	..	..	..	..	..	..

MANCHESTER, May 8.

A quieter feeling has continued to prevail throughout the market. Raw cotton rates do not show much change, but here and there spinners and manufacturers have been rather more disposed to grant slight price concessions when firm offers have been made. Leading buyers of cloth have provided to meet their requirements for the next few months, and there is a tendency to look on until the outlook is clearer, there being some expectation of lower values. A miscellaneous business has been done for India, chiefly in light fabrics. Only scattered sales have been mentioned for China, mostly in fancies. The Near Eastern outlets have given very little support, but a few more orders have been booked for South America. Fine goods continue to be sold for the Continent. Quotations in home American yarns have been rather more irregular, and a limited trade has been done. Egyptian spinnings have been very stiff, with a fair amount of business passing.

(I.) Comparative Statement of the Cotton Trade.

	Price, May 8, 1924.	Previous Weeks in 1924.				
		Price, May 1, 1924.	Price, May 8, 1924.	Price, April 24, 1924.	Price, April 10, 1924.	Price, April 3, 1924.
Raw Cotton—Fully Mid. American .. per lb	17-62	17-71	17-90	18-61	19-28	17-83
— Sakellaridis Fully Good Fair .. per lb	23-95	23-15	22-80	21-90	22-40	21-45
Yarns—32's twist .. per lb	27	27	27	27	27	26
— 40's twist .. per lb	27	27	27	27	27	27
— 60's twist (Egyptian) .. per lb	36	35	35	34	34	33
32-in. Printers, 118 yds, 16 by 16, 32's and 50's ..	s d	s d	s d	s d	s d	s d
32-in. Shirtings, 76 yds, 19 by 19, 32's and 40's ..	37	37	37	38	38	37
38-in. ditto, 36 yds, 18 by 18, 10 lbs ..	41	41	41	42	42	41
39-in. ditto, 36 yds, 18 by 18, 10 lbs ..	21	21	21	21	21	21
39-in. ditto, 36 yds, 18 by 18, 10 lbs ..	19	19	19	19	19	19

(II.) Compared with Previous Years.

	Price, May 8, 1924.	Corresponding dates in				
		1923.	1922.	1921.	1920.	1919.
Raw Cotton—Fully Mid. American .. per lb	17-62	14-72	11-66	8-27	7-79	17-88
— Sakellaridis Fully Good Fair .. per lb	23-95	15-90	18-00	16-50	85-50	26-59
Yarns—32's twist .. per lb	27	23	18	18	60	30
— 40's twist .. per lb	27	22	17	16	55	29
— 60's twist (Egyptian) .. per lb	36	28	28	32	136	53
32-in. Printers, 118 yds, 16 by 16, 32's and 50's ..	s d	s d	s d	s d	s d	s d
32-in. Shirtings, 76 yds, 19 by 19, 32's and 40's ..	37	32	29	29	34	46
38-in. ditto, 36 yds, 18 by 18, 10 lbs ..	41	35	31	30	61	27
39-in. ditto, 36 yds, 18 by 18, 10 lbs ..	19	17	16	17	61	25

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—After the activity shown by home and Continental buyers at the Liverpool sales last week, it was hoped that competition in London this week would be equally keen, and that trade in the consuming centres would receive an impetus from the raw material market. Unfortunately, the auctions in Coleman Street Wool Exchange this week have been overweighed with speculators' offerings on which high reserve limits have been placed, and the withdrawal of many of these lots has rather detracted from the value of the sales as an indication of the true position. However, full confidence is still expressed in the future of wool values, and some members of the trade believe that prices will be higher later in the year, especially if financial conditions on the Continent become easier. The large if not the merinos nor in crossbreds is business really brisk, and it is not possible to obtain any advance on quotations ruling a week ago. The trade is apparently marking time and waiting for the final verdict from the London sale room. Botany spinners are at sixes and sevens as regards prices, and some firms are accepting ridiculously low prices for fine counts. This undercutting is always in evidence during a period of depression, and sales are made regardless of the cost of replacement on to-day's wool values. There is also less doing in crossbred yarns, the financial conditions in Germany hampering the export trade, but spinners have plenty of work in hand, and their quotations are practically unchanged. There is some improvement in the demand for piece goods on home account, but the export demand is irregular and orders mostly lack bulk.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The event of the week is the opening of the third series of sales of colonial wool in London. As we anticipated, the market is intact, and it is to be sincerely hoped that it will remain so to the end of the current series, because both home and Continental markets need a strong tonic. The home trade during the past month has lapsed into quietness such as has not been witnessed since last September, due, we think, to the halting attitude of wholesale fabric buyers, whose strong opposition against to-day's values has certainly influenced manufacturers who buy yarns and spinners who buy combed wool. However, the very fact that the B.A.W.R.A. sales at Liverpool last Thursday and Friday were so pronouncedly strong paved the way for a sound opening in London on Tuesday, and we are glad that values are steady. Conditions in the manufacturing section favour a steady market without any further upward movement of values, and we certainly think that none is desirable. It is necessary for the general welfare of the trade that the shortage of wool should not be any more seriously felt than is the case at the present time, and that there should be an improvement in trade among manufacturers. We have said for weeks that the present is a testing period. If the current auctions go through without any setback in values, it will be the strongest argument that spinners and manufacturers can have to enforce their demand.

The usual large number of home and Continental buyers were present at the opening, but apparently America is going to be another blank. The position of the American textile trade, and the wool section in particular, is nothing less than farcical, when Boston, boasting of being the biggest market for wool in the world, finds itself unable to give any support to the primary distributing centre of the world, and, moreover, must export wool in order to realise profits which cannot be made in a highly protected country. We say frankly and candidly the anomaly is too pronounced to be passed without comment. Even from the mere point of view of sentiment, it seems unsatisfactory that America should not be in the market as a buyer of wool, and though profits may be made by the present reselling policy, it is not likely that the industry will benefit as a whole by what is being done. The sooner America takes her place in the London wool market, the better will the majority here be satisfied.

BARCLAYS BANK LIMITED.

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And over 1,700 Branches in England and Wales.

Executor and Trustee Business Transacted.

SPICE.—The forward market for pepper reacted, buyers being

1400 COA.—General trade continued slow, and of 12,261 bags offered in auction only a small part sold, mainly Grenada at 6d to 1s cwt decline. Fine Trinidad realised 61s; Grenada, good to fine, 46s to 49s; St Lucia, 45s to 48s; Accra, F/F grade, April-June, sold 31s 6d, 30s and 30s 6d; June-August, 20s 6d f.o.b. terms.

London Bankers:—Hambros Bank, Limited Westminster Bank, Limited; Midland Bank, Limited; Cox & Co.

CELLS.—Linseed former, but irregular. Spot, net, naked, 30s 3d

LONDON, 22 MAR.				DRUGS—				INDIA RUBBER			
COCOA—Duty, British grown				Alaba, fine E.L., per cwt	4	4	4	Pars, fine hand			
9c.4d. foreign 14a. cwt.	5	4	4	Cape, good to fine	40	128	8	Plantation crop			
Trinidad, per cwt.	5	4	4	Bahian Para . . . per c.	4	4	6				
Creole, per cwt.	50	49	9								
Oeylon, plantation . . .	78	10	0	Campor . . .							
Guayaquil	70	10	0	Campan, reduced . . .	3	3	44				
Peru	80	47	0	Campor, Ceylon . . .	4	8	9				
				Canth. riv., China prb							
OFFICE—British grown				Castor-oil, Ceylon . . .	5	0	0				
4d. foreign 14a. cwt.				Cassia, dry leaf . . .	5	0	0				
Do good to fine	135	8	0	Oilbanun, drops . . .							
Do middle to fine . . .	180	8	0	fair to good	66	108	8				
Costa Rica, ord. to mid g	150	8	0	Isosmantha							
Good to fine	136	148	8	Mustak							
Central American, ord.	90	112	8	Malap, good, China . .	60	86	8				
Mid to fine	115	139	0	Oil, China	3	7	2				
Columbian, ordinary . .	85	119	0	Pepper, H.G.H. . . .	33	8	8				
Do good to fine	120	95	8	Pepper, China, for to	3	3	8				
Do mid. to fine	115	140	8								
				DYE STUFFS, &c.							
CHEMICALS—				Black, China							
Add, citric	1	5	1	China, Bengal . . .							
Bitric	1	24	8	Madras, finger . . .	75	8	0				
Calcic, per cwt	6	8	54	Mercuric, black . . .							
Tartric, English . . .	1	14	1	Onch, ord. to fair . .	35	4	6				
Foreign	1	14	1								
Alum, lump, per cwt . .	12/0	12/0	0	DEXWOODS—							
Do ground	21/10	18/0	0	Brazil	18	8	0				
Ammonia, carb. ton . .	57	8	58	Fustic, Jamaica . . .	18	8	0				
Marble, White	35	11	15	Onba	18	8	0				
Salphate	415	16	8	Do Eng or	18	8	0				
Argenti, lump, per ton	80	85	0	Logwood, Campeachy	9	8	0				
Powder	57	8	0	Honduras	10	10	0				
Asst. fine, per cwt . .	70	86	0	Red Sanders	12	8	0				
Feas. do do				Sapag, Ceylon	15	8	0				
Bleaching powd. p. ton	9/0	9/10	0								
Borax, gr. per cwt . .	28	0	0	FLAX—spot—G.L.							
Do totals	26	0	0	Biga Zee	8	118	8				
Do powder	26	8	8	Portug. H.P.	124	0	0				
Oream Tartar	83	85	0	Blancets O/A Medium	30	0	0				
Calomel	3	4	0	FRUIT—							
Yodine, dry	3	4	0	Apple, light	31	52	8				
Sulfate of Soda, p. ton	12/10	11/8	0	Do	3	5	0				
				Do Napies, boxes	0	0	0				
Chlorate, net	8	34	8	Lemons, Napies, cases	0	0	0				
Formate	10	10	11	Do	0	0	0				
Sulphate	15	8	17	Do	6	15	6				

	Per Cwt					Per Cwt				
	s	d	s	d		s	d	s	d	
English King Edwards	16	0	to	17	0	Evergoods	12	0	to 12	6
Majestic	13	0		14	0	New Canary ....(case)	22	0	23	0

[illegible]

SPRINGS MINES, LIMITED.

(Incorporated in the Transvaal.)

REPORT OF THE DIRECTORS for the Year ended 31st December, 1923. To be submitted at the Fifteenth Ordinary General Meeting of Shareholders, to be held in the Board Room, "The Corner House," Johannesburg, on Monday, the 26th May, 1924, at 12 noon.

To the Shareholders, SPRINGS MINES, LIMITED.

Gentlemen,—Your Directors beg to submit their Report and the Audited Financial Statements for the year ended 31st December, 1923, accompanied by the Reports of the Consulting Engineers and the Mine Manager.

CAPITAL.—Of the shares to be issued under the provisions of the Mineral Lease Agreement, 79,264 remained unissued at the end of the year 1922. During the year 1923 your Company was called upon by the Guarantors to issue 55,059 of these shares at £3 per share, and the proceeds were dealt with in terms of the provisions of the Lease Agreement. The unexpended portion is retained for Capital Expenditure. There remain 24,205 ordinary £1 shares to be taken up by the Guarantors at £3 each, of which 11,191 are earmarked for capital purposes and 13,014 for Debenture redemption.

The Capital of the Company, therefore, is now as follows:—
Registered ... £1,500,000
Issued ... 1,475,795

DEBENTURES.—Owing to the amount of Debentures purchased being in excess of the amount required to fulfil the Company's obligation under the Redemption Clause of the Trust Deed, holders were notified that no drawing of Debentures for redemption would take place during 1923. At the end of the year the balance still to be purchased or drawn for redemption was £48,710.

PROPERTY.—No change has taken place during the year in your Company's holdings, which are as follows:—
Mynacht No. 68, in extent 1,675.693 acres, equal to 1,140.09 claims.
Railway Area (leased from the Government) ... 20.63 "
Discoverer's Rights ... 171.60 "
Claims on Farm Rietfontein No. 8 (leased from the Government) ... 2,235.60 "
3,567.92 claims.

Twenty freehold stands in Springs Township, on which are erected quarters for the Company's Employees.

OPERATIONS.—Technical matters are dealt with in the Reports of the Consulting Engineers and Mine Manager.

FINANCE.—From the Working Expenditure and Revenue Accounts it will be seen that the profit from operations for the year, based on the standard value of gold, amounted to ... £548,936 2 4
Add—Premium on Gold ... 72,900 11 2

Deduct—Debenture Interest and Donations ... £616,594 16 0
Add—Dividends on Shareholdings, Interest and Commission, and Sundry Revenue ... 4,776 17 11

Leaving a Net Balance of Revenue over Expenditure for the year of ... £921,871 13 11
Add—Balance to credit of Appropriation Account at 31st December, 1922 ... £45,904 1 1

Unexpended Balance of Reserve for Re-organisation of Plant and Equipment written back ... 27,000 0 0
72,904 1 1

Making a total available Credit of ... £694,275 15 0
Against which the following amounts have been appropriated:—
Government Taxes ... £68,218 3 10
Government Participation in Profits ... 129,155 10 2
Stores Depreciation ... 13,771 6 4
Dividend No. 8 ... 180,717 0 0
Dividend No. 9 ... 258,264 2 6

650,126 2 10
Leaving a Balance unappropriated at 31st December, 1923, of ... £44,149 12 2

The net Capital Expenditure for the year amounted to £60,958 10s 4d, made up as follows:—
Shaft Sinking and Equipment, as per Schedule attached to Balance Sheet ... £66,826 17 4
Less—Shares and Interests in other concerns realised ... 5,868 7 0

£60,958 10 4

The liability to West Springs, Limited, under the Agreement renewed in 1922, amounted at 31st December, 1923, to £952 10s 8d.

The net premium realised on gold sales was £72,900 11s 2d. Advantageous arrangements have been made under which a considerable portion of the Company's output is sold f.o.b. Durban.

The Union Government's participation in the profits of the Company, in terms of the Mineral Lease, is estimated at £128,655 8s 2d. This sum is equivalent to 20.705 per cent. of the profits of the Company for the year.

Stores and materials on hand at the end of the year, in excess of standard stock, were valued at £15,150 1s, of which £4,859 13s 6d represented stores and materials in stock in connection with capital construction work in progress on the Lease Area. The balance of £10,290 7s 6d representing current stock, shows a reduction of £22,025 4s 4d as compared with the corresponding figure at 31st December, 1922. An amount of £13,771 6s 4d has been appropriated to bring down stores on hand at 31st December, 1923, to current prices.

Expenditure on development for the year amounted to £158,728 3s 2d which has been charged to Working Expenditure and Revenue Account.

DIVIDENDS.—Two dividends were declared during the year, namely, No. 8 of 12½ per cent. and No. 9 of 17½ per cent. The former was distributed in respect of an issued capital of 1,445,736 shares, absorbing £180,717, whilst the latter was in respect of an issued capital of 1,475,795 shares, absorbing £258,264 2s 6d.

You are requested to confirm the action of the Board in this matter.

DIRECTORATE.—During the year Mr. A. F. Lyall resigned his seat on the directorate, and Sir F. D. P. Chaplin, G.B.E., K.C.M.G., was appointed to fill the vacancy thus caused. You will be asked to confirm this appointment.

In terms of the Articles of Association, Sir Ernest Oppenheimer and Mr. W. L. Honold retire from the Board by rotation, but are eligible and offer themselves for re-election.

AUDITORS.—You are requested to fix the remuneration for the past audit, and to appoint Auditors for the ensuing year. The Auditors, Messrs A. E. Page and F. W. Diamond, retire, but are eligible and offer themselves for re-election.

Directors.
F. R. LYNCH, Chairman, E. S. LANGERMAN,
P. M. ANDERSON, E. OPPENHEIMER,
F. D. P. CHAPLIN, L. A. POLLAK,
W. L. HONOLD,
ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED,
Per J. H. GRATTON, Secretaries.
Johannesburg, 24th March, 1924.

BALANCE SHEET at 31st December, 1923.

To Capital—
Registered: 1,500,000 Shares of £1 each ... £1,500,000 0 0

Issued: 1,420,736 Shares of £1 each, as per Balance Sheet, 31st December, 1922 ... £1,420,736 0 0

Add—55,059 Shares of £1 each issued during the year ... 55,059 0 0

1,475,795 Shares of £1 each fully paid and issued.

Note.—Under the Agreement in connection with the acquisition of the Lease Area, The Consolidated Mines Selection Company, Limited, undertook to purchase 500,000 Shares of £1 each in the Capital of the Company at £3 per Share, of which 475,795 have been taken up. The Rights and obligations under this Agreement have since been taken over by the Anglo American Corporation of South Africa, Limited.

„ Premium on Shares ... 1,074,430 16 5
As per Balance Sheet, 31st December, 1922 ... 964,812 16 5

Add—Premium of £2 per Share received during the year on 55,059 Shares ... 110,118 0 0

„ Six per cent. First Mortgage Debentures ... 48,710 0 0
As per Balance Sheet, 31st December, 1922 ... 54,420 0 0

Less—Purchased during the year ... 5,710 0 0

„ Funds Appropriated for Expenditure in Excess of Original Working Capital provided ... 379,273 19 8

„ Unexpected Balance of Lease Area Capital brought down ... 119,769 18 10

„ Sundry Shareholders' Unpaid and Unclaimed Dividends ... 259,180 17 0

„ Sundry Debenture Holders' Unclaimed and Accrued Interest to date ... 941 9 7

„ Debentures drawn for Redemption—not surrendered ... 125 0 0

„ Government of the Union of South Africa Taxation under Income Tax (Consolidation) Act, 1917 ... 50,052 1 6

„ Participation in Profits under Mineral Lease ... 128,655 6 2

„ Sundry Creditors and Credit Balances ... 143,523 13 9

„ West Springs, Ltd.—Development Loan ... 952 10 8

„ Debenture Purchase Suspense Account ... 8,187 2 9

„ Balance of Appropriation Account CONTINGENT LIABILITIES ... 44,149 12 2

Shares and Interests in Other Concerns £10,544 13 6

Machinery Orders and Construction Contracts Outstanding 5,052 14 3

£15,597 7 9

Cr. By Property ... £208,793 19 8

„ Shaft Sinking, Permanent Haulage Ways and Equipment, at cost (As per attached Schedule.) ... 2,272,105 14 4

„ Development (As per Balance Sheet, 31st December, 1922.) ... 242,429 15 4

„ Shares and Interests in Other Concerns, at or under Cost ... 10,110 7 6

„ Stores and Materials—Standard Stock ... 25,000 0 0

„ Unexpended Balance of Lease Area Capital carried down ... 119,769 18 10

„ Stores and Materials on Hand in Excess of Standard Stock ... 15,150 1 0

General ... 10,290 7 6

Construction ... 4,859 13 6

„ Sundry Debtors and Debit Balances ... 32,203 7 5

„ Gold in Transit ... 171,804 17 3

„ Cash ... 538,879 6 9

„ On Deposit with Interest Accrued ... 2,407 0 8

At Bankers and in Hand ... 708,184 4 0

£2,788,747 8 1

F. R. LYNCH, Chairman, E. OPPENHEIMER, W. E. HUDSON, } Directors.
ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED,
Per J. H. GRATTON, Secretaries.

SPRINGS MINES, LIMITED.
We report that we have examined the above Balance Sheet with the Books and Vouchers of the Company, and the audited returns from the London Office, and certify that it is in accordance therewith. We have obtained all the information and explanations we have required. In our opinion such Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us and as shown by the Books of the Company.

Johannesburg, 31st March, 1924.

A. E. PAGE, R. W. DIAMOND, } Auditors.
(Incorporated Accountants.)

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCVIII.

SATURDAY, MAY 17, 1924.

No. 4,212.

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(National Overseas Bank.)

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Reserve Funds:
Esc. 24,000,000

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Capital, Paid Up ... " 345,786,000
Reserve ... " 200,000,000
Deposits ... " 5,601,000,000

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ies and Co., 95 Bishopsgate.

hwait and Simmons, 34 Throgmorton street.

e and Son, 15 Cullum street.

THE MONEY MARKET.

Money was scarce in the middle of the week, and on Tuesday the market narrowly escaped borrowing from Bank of England. The figures of the Bank return explained this stringency, with private deposits ten pence lower at £102½ millions. On Thursday, however, funds were rather more plentiful, though the discount market remained firm, with three months' bank bills at 4½, and only placed a shade below, 3 per cent.

Business in bills was described, as it so often is, as more stagnant and uninteresting than it has ever been before.

	May 16, 1924.	May 9, 1924.	May 2, 1924.	Apr. 23, 1924.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '2)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '2)
Discounts Call	2	2	2	2	1 (Jly. 5, '2)
Houses (Notice	2½	2½	2½	2½	1½ (Jly. 5, '2)
Market rate 3 months' bills)	3	3	3	3	2½

The Bank return showed a decrease of £675,000 in the note circulation, and an increase of £10 millions in the stock of gold and till-money, making the Reserve £685,000 higher. Repayment of Ways and Means advances, and other liquidation, had reduced Government and Other securities by £2½ millions, and £1 million respectively. At the same time, no less than £7½ millions had been added to the Public deposits, presumably with a view to the War Loan interest payment on June 1, and the Treasury deposits were thus more than £10 millions lower. There was a reduction of £971,500 in currency notes outstanding this week to £288,378,800, which includes £1,393,500 for notes called in but not yet cancelled. The fiduciary issue is £237,535,300, or £10,655,600 below the maximum.

THE STOCK MARKETS.

The opening of dealings in the new 4½ per cent. Conversion Loan at round about 97½ had no effect upon other gilt-edged stocks, which have been fairly steady. Business suffered to some extent from the fall in the franc which followed the defeat of M. Poincaré at the French elections, but with the franc's recovery there was some improvement. Foreign bonds have been fairly good, but the Home Railway market has not attracted any particular attention. Rubber shares were weak on the further decline in the price of the raw material, and the cut in the price of crude oil had a similar effect upon oil shares. Tea shares have maintained their activity, but industrial shares as a whole have been uninteresting. Mining shares have been steady.

THE COMMODITY MARKETS.

Sugar prices were again marked down; at the low range of prices steady buying took place. Coffee was steady, and brisk competition prevailed at tea auction. Rubber prices moved with some irregularity. Wheat parcels were in fair request. Quieter conditions continued to prevail throughout the cotton trade, and buyers were inclined to adopt a waiting policy. In the wool trade a better tone towards the end of the week was noticeable. The Cardiff coal market suffered both from the threat of a strike of coal trimmers and from the uncertain course of negotiations in London over the wages agreement. Business in pig-iron is quiet, but our Middlesbrough correspondent reports that a "slow but steady improvement may be expected." There is a rather better inquiry and more business in shipbuilding steel. Tin open firm, but finished weak. Copper was easier on substantial offerings. Further details and prices relating to the commodity markets will be found on later pages from special trade correspondents.

FOREIGN EXCHANGES.

In the foreign exchange market interest has again the greater part been concentrated on the Paris. From the closing quotation of 73.20 on the 9th, there was some recovery on Saturday, but the election on Monday brought up the rate at one time to as high as 78.10, while on the following day there was a fall to 80.15, from which at the close it recovered to 73.5. By Wednesday evening it was down again to 73.5 after keeping low on Thursday morning, jumped up during the afternoon to 76.25. Yesterday morning the rate was quoted at 76.05. The unexpected election

resulting in the fall of Poincaré has accounted in part for this uncertainty, but the market this week has been much puzzled by the spasmodic appearance and withdrawal of support. Whether this erratic action is intended to confuse the speculator, or whether it is an indication of difficulty in the continuance of the policy of intervention, it is impossible at present to say. That some confusion of counsels exists is obvious. Forward rates, after being wider, are now quoted at 50 centimes per month above spot. Brussels, as usual, has followed Paris fairly closely, having moved during the week from 89 to 90.75, after being considerably higher. Forward rates are 10 centimes per month over spot. The lira has also depreciated rather more than recently from 97.95 to 98.25. The dollar rate, in spite of the adverse influence of the franc, has shown considerable power of resistance, and yesterday morning's quotation of \$4.36½ compares fairly favourably with the \$4.37 a week ago. At the same time, it should be remembered that preparations for the pressure of autumn purchases are likely to make themselves felt in the not distant future. Forward rates are ½ cent narrower at ½ cent per month above spot. Among neutral countries, Amsterdam, with the dollar, has moved somewhat against us from 11.67½ to 11.66, while Switzerland has risen slightly from 24.59 to 24.61. Spain, on the other hand, moved against us, from 16.48½ to 16.43½; in Scandinavia, Stockholm, with the dollar, has moved against us from 16.48½ to 16.43½; while Christiania has reacted from 31.32½ to 31.52½, and Copenhagen from 25.71 to 25.80½. Helsingfors has appreciated slightly to 173½. Reval, where conditions are still difficult, has moved up again a little, to 1,670. In Central Europe Berlin remains quoted at 18½ billions, but the credit strain and the probabilities of further delays in the Reparation settlement make the outlook for the Rentenmark increasingly uncertain. Warsaw, at 22.70 zloty, has moved against us with the dollar, but Vienna has exceptionally depreciated a little, on fears of the economic position resulting from the recent crisis, from 307.500 to 310.000. Prague, at 148½, shows a slight appreciation. Belgrade is very steady at 353, but Bucharest, for reasons not yet clear, has moved up sharply from 860 to 885. In the East, the rupee is much the same at 15 4½d; the yen, after being higher, is 10 10½d, as compared with 10 10 3/4d a week ago. In spite of the absence of demand from India and China, the silver market has been strong on Continental buying, and the undertone remains firm. Hong Kong has moved down a little, from 25 4½d to 25 4½d, Shanghai from 35 3½d to 35 2½d. In South America, Rio, at 6 3-32d, is 1-32d lower, Buenos Ayres is 41 1-32d, as compared with 41d, after being up to 41½d; Monte Video, after also being higher, is unchanged at 43d, while Valparaiso has depreciated a little, from 38.60 to 39.10.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended May 10th:—

EXPENDITURE.		REVENUE RECEIPTS.	
(000's omitted.)	£	(000's omitted.)	£
Supply Services	6,250	From Revenue	11,254
Interest, &c. on Debt	887	Decrease in Balances	833
Sinking Fund	550		
Sundries	20		
Reduction of Debt	4,380		
	12,087		12,087

Revenue was about £600,000 lower than in the corresponding period at £11,254,000. Nothing came in from Special Receipts, as compared with £1,500,000. Property and Income-tax yielded £2,092,000, and Super-tax £1,450,000, against £2,198,000 and £1,090,000 respectively. Customs at £2,650,000, shows a reduction of £245,000, but Excise yielded an increased revenue of £664,000 at £1,765,000. Estate duties yielded £890,000, against £860,000 in the corresponding period. The week's operations reduced the National Debt by £4,380,300, and caused the following changes:—

(000's omitted.)		(000's omitted.)	
	£		£
Treasury Bills	3,716	Bank of England Advances	4,500
4% Treasury Bonds	1,894	Public Dept. Advances	3,800
		Saving Certificates	60
		Sundries	1,140
	5,610		9,490

The floating debt was reduced by £5,080,000 to £752,750,500.

FINANCIAL YEAR, 1924-1925 (April 1 to May 10).

£		£	
Total Expenditure ..	83,812,176	Raised by Revenue ..	98,666,391
Net Repayments	18,156,333	Decrease in Balances	3,302,118
Total	101,968,509	Total	101,968,509

ESTIMATES FOR YEAR 1924-25.

£		£	
Ordinary Expenditure ..	786,848,000	Ordinary Receipts ..	764,050,000
Special Expenditure ..	3,178,000	Special Receipts	30,000,000
Total	790,026,000	Total	794,050,000
		Surplus	4,024,000

THE WEEK IN PARLIAMENT.

MONDAY, MAY 12TH.—*Commons*: Budget Resolutions concluded. Finance Bill brought in. Discussions on relief for Albania, and Poor Law Reform. Question of privilege raised.

TUESDAY, MAY 13TH.—*Commons*: Debate on McKenna Duties. Government majority of 65 against Mr Baldwin's motion. *Lords*: Second reading of Companies Amendment (Co-partnership) Bill. Third reading of Trade Facilities Bill and Industrial Courts Amendment Bill.

WEDNESDAY, MAY 14TH.—*Commons*: Premier's statement on the airship service. Increased guarantee for Wembley passed. Labour conditions in India debated. *Lords*: Debates on the position in Persia, London street accidents, and housing policy.

THURSDAY, MAY 15TH.—*Commons*: Home Office vote. *Lords*: Criminal Responsibility (Trials) Bill debated and rejected. Agricultural Returns Bill passes report stage. Royal assent to Trade Facilities Act and Poor Law Emergency Provisions and Continuance (Scotland) Act.

FRIDAY, MAY 16TH.—Nationalisation of Mines and Minerals Bill rejected.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Liverpool and London and Globe Insurance, Alliance Assurance, London Life Association, Yorkshire Insurance, United British Insurance, Scottish Equitable Life Assurance Society, Incorporated Accountants, Edward Lloyd, Anglo-American Debenture Corporation, La Guaira Harbour Corporation, Melbourne City Properties Trust, Electric Supply Corporation, and Bryant and May. The chairman at the meeting of the Liverpool and London and Globe Insurance Company dealt with criticisms of insurance companies' profits and suggestions for the nationalisation of all kinds of industry. At the centenary meeting of the Yorkshire Insurance Company the chairman gave an interesting record of the company's progress. The chairman at the meeting of the Alliance Assurance Company announced that, in order to mark the centenary, it was proposed to pay a bonus dividend to shareholders and a generous bonus to staff and employees. At the United British Insurance Company meeting the chairman said that every department showed an increase on the figures of last year save the marine department, which the board wished should be decreased. The chairman at the meeting of the London Life Association spoke of the good record of the reduction-of-premium system for with-profit policyholders.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

THE NEW SITUATION IN EUROPE.

THE experts' report on Reparations issued last month has been described not altogether without reason as the most important political event since the Armistice. An even more important one occurred last Sunday, when the French electors sprung a surprise on Europe by rejecting the supporters of the Bloc National, and returning a substantial anti-Poincaré majority. What the effect will be in terms of ministries and coalitions it is difficult to say, for the French party system does not present such simple lines of division as in this country. Doubts are expressed as to whether the opposition will show the same cohesion in government as it has done in attack during the elections. There are even those in London who wonder whether, after all, we may not see M. Poincaré in office once more at the head of a new coalition of parties. Indeed, it is very doubtful whether the new Government will be built up from a combination of the radical groups with the left of the bloc national or of the radicals with the socialists. But the drift of events during the week does not seem to be in M. Poincaré's direction. According to present plans, the present Government will go out of office on June 1st, and all discussions between England and France are for the time in suspense.

There is perhaps only one conclusion that can be drawn from the elections with absolute certainty, and that is that the Paris Press, which always tends to keep its eyes too closely fixed on the Government, and to rely on the news gleaned from official sources, has once more completely failed to keep its finger on the pulse of provincial France. In the present state of uncertainty it is not possible to look ahead. It will perhaps be more profitable to our readers to give the impressions formed by skilled observers of France and Germany. A French economist, representing what we should call a liberal standpoint, writes as follows:—

The meaning of the French elections is plain; France is that at long last we must have peace. The majority which has come into power is not a new one, but was created by M. Waldeck Rousseau. It was continuously in power after 1902. It had just been re-elected when the war broke out. Only the exceptional circumstances of the war, combined with a new and absurd electoral system, substituted for it the majority of the Right, which for four years has directed affairs, and of which Monsieur Poincaré has been the ablest representative. As an illustration of the anomaly of the situation, it is sufficient to recall that M. Leon Daudet, who does not command 10,000 supporters in France, has been able to exercise over the Government an undeniable influence. The result is that the whole of France (including many of his partisans) has levelled at M. Poincaré is that he has never known how to bring any matter to an issue. Even his occupation of the Ruhr did not lead to anything after a year of resistance had ceased. The problem of France's integrity is as unsettled as it was two years ago. It is at the last moment, after twelve months of falling intrigues, that any attempt has been made to balance the Budget. Even the reports of the experts have up to the present only seemed to afford a pretext for delay instead of for a definite solution. In a word, the Prime Minister, with the irresolution characteristic of his temperament, has never been able to bring himself to put an end to the many uncertainties of the situation. The late which the elections have just given to the new majority is to create stability, to put an end to uncertainty, and above all, to solve the perpetual problem of reparations.

The new Government will have the good fortune of making the experts' plan ready to hand. The difference between the new and the old Cabinet is the spirit in which the plan will be applied. To subordinate the question of reparations to positive results, to regard the financial and moral support of England and the United States as a necessary instrument of success than military occupation, and to commercialise at the earliest possible moment the Inter-Allied debt, will be its leading ideas. Clearly the success of this method and its continuation greatly depends upon England. The elections should have convinced English opinion that France repudiates all idea of

imperialism. On the other hand, it is necessary that France should feel secure that England as well as herself is determined that Reparations should be paid to the full extent that the experts have believed possible. On the basis of this mutual confidence, the Ministry of the Left will be able to treat the problem of Reparations on purely economic grounds. It will be sufficient for it to be assured that in case of refusal Germany will find herself faced with a united Franco-British policy. But there must be no misunderstanding. The Ministry of the Left will be as concerned to carry out a practical Reparations scheme as will be to show that it is reasonable in its methods and its aims. The outgoing Government has often seemed to take more pleasure in talking about Reparations than in obtaining them. The new majority will take the opposite line. Its prestige is at stake on this issue, and its whole preoccupation on this question, as on others, will be to secure positive results.

Further, it will be compelled by urgent necessity to straighten out the financial situation. Doubts have been expressed about the policy of a Government of the Left on financial questions. Undoubtedly it will be strongly pressed to embark upon certain kinds of social expenditure, but we can be certain that it will shield itself at least as determined as its predecessor, if not more so, to rehabilitate French finance. On monetary policy it will certainly be opposed to inflation. The rise of prices supplied to the recently elected members one of their most powerful electoral arguments. They will shun like a plague any action which might still further increase it. To the exchanges, the Chamber will be disposed to stabilise the franc rather than to raise its value. At the present moment, even in official circles, the number of supporters of stabilisation is much greater than is commonly supposed. The advocates of a return of the franc to par are often actuated by the desire to resist inflationist tendencies rather than by the conviction that the return to par is possible. Moreover, most of the economists and financiers in the new Chamber have already pronounced against attempt to return to par. Their influence will be thrown into the scale on the side of stabilisation.

There remains the question of Budget equilibrium. The new Chamber is in danger of being tempted to increase social expenditure, on the other side it will be much easier for it than for the old Chamber to reduce military expenditure and even expenditure on the devastated regions—since the deputies for these regions are for the most part in Opposition and not in the Majority. As to the receipts of the Budget, it will naturally seek to raise revenue by other ways than the Bloc Nationale would have done. The place of whittling away the income-tax, which the late Government desired to do, it will enforce it and strengthen its administration. It will retain State monopolies instead of handing them out to private enterprise. Some of its members will demand a capital levy, but it is very unlikely that the Government will attempt this. Under present circumstances, the two or three milliards of taxation which may be raised will be more readily secured by direct taxation or by securing definite contributions from Germany, than by the dangerous expedient of a capital levy. In the new Chamber will find its principal task—a matter of urgent necessity—in the restoration of international confidence in both the financial and political policy of France. Statesmen like MM. Heriot, Painlevé, Briand have the sagacity to perceive the conditions needed to restore this confidence. Let us hope that they will have the energy necessary to realise it.

This statement may be supplemented by the view of an observer representing a similar political position in German politics. He writes as follows:—

“Whether the result of the French Elections is to a realisation by the French people of the state of foreign affairs, or whether it is merely the result of a revolt against their Government on home issues, clearly setting the stage for a reasonable solution of the Reparation problem. The policy of President Millerand in many respects was the policy of ‘big business’ as represented by the Comité des Forges, has certainly received a rebuff. So has the policy of M. Poincaré, was at the bottom a purely political policy, quite unable to use big interests, but not desiring to be dominated by them. It was the greatest obstacle to a reasonable settlement not merely because of M. Poincaré’s obstinate

adherence to the retention of the Ruhr as ‘political collateral’ until other equivalent collaterals were forthcoming, though he must have known that this retention cut the ground from under all financial proposals for substituting really valuable pledges; but also because it provided German Nationalists with the best argument against an acceptance of any far-going Reparation proposal. ‘France,’ they said, ‘is out for the destruction of Germany. She does not want Reparation payments. She uses her claims merely to get the sympathy of the world in general and some cash besides. She will never accept such terms as can be fulfilled, for she always wants to be in a position to use the non-fulfilment of agreed terms as a proof of Germany’s bad faith and as a pretext for a lengthened occupation or a new encroachment of German sovereignty.’ This reasoning, by no means quite unfounded, has had a good deal of weight with successive German Governments, and prevented them from making clear-cut far-going proposals. It has been used as the strongest argument against Germany’s accepting the Dawes Report.

“There is hope that for the time being, at least, this line of reasoning has become obsolete, and that a Government may be formed in France willing to achieve French security by a settlement producing goodwill, and no longer by a policy of seeking peace and permanent national safety in the systematic propagation of unrest. Given such a Government in France, it is up to the German people and its Government to do their part in the policy of reconstruction. Is that possible after the German Elections?”

“The Coalition Government in power in Germany was a minority Government, consisting of the Centre party, the People’s party, and the Democrats. They appealed to the country on no clear issue, as far as home affairs were concerned, but they had one plank in their election programme on which no misunderstanding was possible. They stood for the acceptance of the Dawes Report. On that issue they had a huge majority in the old house, for as the Socialists were for its acceptance, the Nationalists and their stray allies—including even the Communists—could scarcely have numbered one hundred members among 459. A two-thirds majority necessary for certain fundamental changes in legislation could easily be secured.

“The new house will consist of 471 members. The Government can count on 137 seats, the Socialists on 100. This would give them a clear majority of just three votes. The Nationalistic opposition, consisting of the German National party (96), the German Freedom party (32), and several small groups they can rely on, may have about 150 seats, to which perhaps some Bavarian votes may be added. If the Communists, who got 62 votes, were willing to go in for constructive policies, instead of waiting and preparing for world revolution, there would be an anti-Nationalist majority of over 300 against 150-160 in the House. Now, it might be feasible that the Communists would support the Government in an anti-militaristic policy; it is, however, out of question at present that they would systematically support such Government legislation as must be passed by a two-thirds majority.

“On the other hand, even before the result of the French elections was known, the Nationalists have been trying to veer round, and have announced their willingness to discuss the Dawes Report in a reasonable frame of mind, and even to accept it, with certain reservations, provided they got a chance of forming a Government. They say they are the victors, and insist that to the victor the spoils must go. They do not longer deny parliamentarism; they wish to profit by it. They dreamt of a bourgeois coalition which they would lead. But even if the present Government parties were all willing to enter it (which is very doubtful) they would not get a clear majority without their satellites. And they would certainly embroil themselves with the Freedom party, who are rather nationalistic Bolsheviks than Conservatives.

“So the parliamentary situation is very involved indeed, the more so as nobody knows what the small groups really mean to do. But it is by no means critical as far as the Reparation settlement is concerned, if it is handled firmly. Two-thirds of the Reichstag are willing to accept a settlement; if the moderate wing of the Nationalists were included the percentage is even higher. Notwithstanding the effect of the many humiliations Germany has had to

go through, and the influence of inflation, Nationalism has by no means become the dominant factor in German politics. If it had not been for Communism, the situation would be quite easy. As it is, there are very great parliamentary troubles ahead for the German Government. But if France is really willing to settle the Reparation problems on a reasonable basis, the necessary majority will be found in Germany, whether in this Parliament or in a new Parliament or by way of a referendum.”

If these two views succeed in France and Germany, the future is bright with hope. But time is short. The present M.I.C.U.M. agreements expire on June 15th, and have only been carried on since April by very exceptional measures. Rhineland industry cannot go on paying Reparations without getting something back from Berlin; but the German Government cannot pay without breaking the Rentenmark and upsetting the basis of the Dawes report. It is urgently necessary that some temporary arrangement should be made to tide over these difficulties for the first few weeks after the new French Government comes into power, and give time for the necessary negotiations for bringing the Dawes Report into effect.

THE NEW MINERS' WAGE AGREEMENT.

In the report of Lord Buckmaster's Court of Inquiry, appointed to investigate the wage position in the mining industry, and the points in dispute between the coal owners and the miners, when the negotiations were interrupted on March 28th last, it was suggested that “the resumption of negotiations between the parties with a view to a modification of the terms of the agreement of 1921 appears to offer an immediate and practical means of effecting a new wages agreement.” This opinion was probably based on the narrowness of the differences between the coal owners and the miners when the Miners' Federation submitted the issue to a ballot vote of the industry. At that time there was disagreement only on two or three fundamental points, but even in regard to those points the differences were comparatively small. They were chiefly these: The owners were prepared to increase the minimum wage from 20 per cent. on the standard to 32½ per cent. on the standard, but the workmen demanded a minimum of 35 per cent.; the owners were willing to reduce their standard profits from 17 per cent. to 15 per cent. on the standard wage, but the workmen asked them to be satisfied with a standard profit of only 14 per cent.; while in regard to the distribution of the surplus remaining after the deduction of standard wages, costs other than standard wages, and standard profits, the owners were agreeable to a 13 per cent. share to capital, and 87 per cent. share to labour, as against the workmen's claim that labour should receive 88 per cent., and capital only 12 per cent.

At the Court of Inquiry the workmen's representatives abandoned their provisional offers of March 28th, and submitted a demand for a wage equal in purchasing power to that of 1914, plus the 2s per shift flat rate conceded by Justice Sankey, in 1919. When the negotiations were resumed the Miners' Federation practically adhered to the claims for which they had fought ineffectively before the Court of Inquiry, but they ultimately came to grips with the problem on the basis of the terms which were offered before they took the ballot vote of their members, and on Thursday afternoon they entered into a provisional agreement with the owners to cover another period of two years.

Under the new agreement nearly all the advantages rest with the workmen. Their minimum wage is increased from 20 per cent. to 33½ per cent. on the standard wages, they concede a standard profit of 15 per cent., compared with 17 per cent. of the standard wage under the old agreement, and will take 88 per cent. of the surplus and the owners 12 per cent., as against 83 per cent. and 17 per cent. respectively. The new agreement also improves the position of the lowest paid day wage workmen. It was the position of these men that supplied the chief driving force to the agitation that ended in the termination of the agreement of 1921. It is now provided that

in no district shall the wages of any adult able-bodied day wage workman fall below a figure of 40 per cent. above the standard wages of the lowest-paid class of day wage workmen in the district, and in addition the amounts of the existing maximum subsistence wages and allowances are to be increased by one-eighth. Moreover, certain disabling conditions governing the payment of these subsistence wages have been removed.

The only important gain to the coal owners is an increased security against the loss of deficiencies in standard profits due to the payment of the minimum wage when the proceeds were not large enough to allow of the payment of that wage and of the retention by the owners of the whole of their standard profits. Under the old agreement, the owners could not recover these deficiencies when the proceeds under any periodical audit were equal, or in excess of, the amount required to pay the standard wages, costs other than standard wages, and the standard profits. The right of the owners to be recouped in respect of these deficiencies is now fully conceded by the workmen. The recovery of the total deficiency from the surplus of one audit, however, might have the effect of preventing the workmen benefiting immediately from an improvement in trade and the consequent increase in the proceeds of the industry. To meet the workmen on this point, the owners have agreed to take only one-third of the surplus proceeds for recoupment purposes, and to the distribution of the remaining two-thirds in the proportion of 88 per cent. to labour and 12 per cent. to capital.

While the agreement has thus settled the wage question, it not only fails to solve the economic difficulties of the industry, but is likely to accentuate them under the prevailing conditions of trade. Its incidence will be very unequal. In those coalfields where the general wage rate today is considerably above the minimum, the wage concessions to the workmen will have no immediate appreciable effect. The higher minimum in those districts will only affect the cost of production and the competitive power of the coal owners when the present favourable trade conditions will have disappeared. In South Wales, North Wales, Lancashire, and in some of the smaller coalfields, the agreement will involve an immediate increase in the cost of labour. No coalfield will probably suffer more in this respect than that of North Wales. The audit in that coalfield in January and February certified a general wage rate actually below that of the minimum in the old agreement. The new minimum will raise the general percentage on the 1915 standard rates in South Wales from 28 per cent. to about 33 per cent., and it is estimated that this increase will mean a difference in labour cost of at least from 1s 6d to 2s per ton. Then, again, since February prices in South Wales have fallen heavily, and the volume of trade has declined. It is thus a financial impossibility for that district as a whole to meet the cost of the agreement out of the present rate of revenue, and the only hope of a solvent position is an increase in price to the consumer, or a decrease in costs of production other than wages. The event alone will show to what extent it will be possible for the coal owners to attain these objects. Eventually the industry will doubtless adjust itself to the new conditions, but the immediate prospect is that of the curtailment of work at the most unremunerative of the collieries and increased unemployment in the coalfield. For the moment, however, the country will heave a sigh of relief at the removal of any immediate danger of a disastrous strike.

THE DIRECTION OF OVERSEAS TRADE.

April trade returns contain the usual quarterly statistics showing the countries of origin of imports and the destination of exports and re-exports, for the first six months of the current year. Total imports during the quarter, at £301.7 millions, showed an increase of 5.5 millions, as compared with the corresponding period of last year. Last year's figures, however, are those of the Kingdom, including those of the Irish Free State. 1924 figures are put on the same basis as those of 1923, deducting British exports to the Irish Free State

and adding Irish imports from other countries (estimating the March figures), the total imports for the first quarter of this year become £293 millions, an increase of less than £20 millions over last year. In the table below we show the first quarter's trade of the United Kingdom, the second column being the official figure for Great Britain and Northern Ireland for the three months of 1924, and the third column the adjusted figures, which compare faithfully with the official 1923 totals:—

	JANUARY to MARCH.		1924	
	1923.	1924.	(Adjusted).	1923.
Imports	273.6	301.7	293.0	293.0
British exports	185.4	193.3	182.7	182.7
Re-exports	28.7	39.2	36.9	36.9
Total exports	214.1	232.5	219.6	219.6
Excess of imports	59.5	69.2	73.4	73.4

Thus the apparent substantial increase shown in British exports in the quarter is entirely due to the inclusion of exports to the Irish Free State, the adjusted figure showing a small decline.

Turning to the figures of the direction of trade, we find that towards the increase in imports into this country the Continent of Europe contributed less than £4 millions:—

	JANUARY to MARCH (000's omitted).				1924			
	1914.	1922.	1923.	1924.	1914.	1922.	1923.	1924.
France	12,454	12,280	15,159	16,761	8,464	14,037	14,948	274
Italy	2,294	2,627	3,527	4,107	3,979	6,863	4,839	330
Switzerland	2,819	5,728	6,050	4,444	1,063	2,292	1,827	621
Spain	4,099	5,927	6,479	5,710	2,431	3,785	3,739	993
Portugal	811	1,581	1,437	1,775	1,498	1,815	1,968	317
Belgium	5,947	6,025	6,947	9,169	3,415	7,252	6,317	359
Germany	20,054	5,475	8,643	6,731	9,383	5,410	8,540	1,014
Czechoslovakia	1,286	1,851	2,123	2,123	208	133	328	328
Austria	1,902	361	419	556	1,108	314	236	556
Hungary	109	205	88	88	26	46	81	88
Greece	346	784	1,146	486	1,633	1,114	841	280
Romania	871	453	495	848	832	265	616	302
Turkey (European)	358	225	346	394	807	725	541	787
Russia	6,748	543	900	2,263	3,371	714	647	309
Sweden	2,430	3,328	3,892	3,959	1,804	2,293	3,071	222
Norway	1,868	2,644	2,991	2,203	1,718	3,364	2,299	374
Denmark	6,037	8,055	10,456	10,374	5,565	5,338	4,990	490
Netherlands	6,760	9,960	10,752	12,585	1,840	12,190	10,316	339
Finland	879	1,305	1,469	247	753	753	753	397
Total	75,818	68,278	82,002	85,945	44,261	66,079	65,077	746

There are no very striking changes in this table on the import side in comparison with 1923. Eleven out of 19 countries show small increases in the value of goods sent to us, the most prominent being Russia, our imports from that country being valued at £2,263,300, as against £899,700 in the first quarter of 1923. Imports from Germany show a decline of nearly £2 millions, but those from Belgium have risen by nearly £2,200,000. Our imports from Scandinavia show very little change, but Holland has sent us nearly £2 millions' worth more.

Our exports to the Continent have dwindled in value by a million and a half, although there is a small increase in the case of a dozen countries. Exports to France have dropped by over £2½ millions, to Spain by nearly a million, and to Holland by a million and a half. It will be observed that while exports to Europe are 43 per cent. higher than in 1914, imports from Europe have increased by only 13 per cent.

In the next table we show imports from and exports to other foreign countries:—

	JANUARY to MARCH (000's omitted).				1924			
	1914.	1922.	1923.	1924.	1914.	1922.	1923.	1924.
United States	43,443	53,967	59,458	64,788	10,261	13,248	16,242	63
Cuba	960	2,806	1,469	2,713	488	276	577	62
Mexico	438	2,220	1,055	1,175	278	540	577	62
Argentina	8,337	13,743	18,596	17,836	5,209	6,079	7,310	49
Brazil	3,016	3,291	1,865	2,478	2,164	2,226	3,020	29
Chile	1,095	816	1,446	2,097	1,404	1,294	1,955	72
Peru	676	1,609	1,594	1,356	402	366	712	72
Uruguay	477	838	1,491	1,950	592	704	739	62
Japan	1,062	1,394	2,189	1,718	2,650	794	5,941	136
China	567	1,681	3,710	3,043	4,944	6,908	4,294	34
Turkey (Asia)	1,007	97	295	350	1,331	25	105	33
Egypt	7,428	11,107	12,475	2,582	2,582	3,811	3,811	29
Other countries	2,861	5,839	7,744	10,096	6,729	4,714	4,575	106
Total	71,757	88,911	111,949	122,735	39,038	44,385	49,284	350

Our imports from the United States show an increase of over £5 millions, while British exports to that country

have declined by £2 millions. Re-exports to America are nearly a million lower, and the visible adverse balance has therefore increased from £34.8 millions in the first quarter of 1923 to £43 millions. Other important increases on the import side are shown by Cuba and Egypt, and from each of the South American countries enumerated we have imported more. Our takings from both Japan and China have declined, but our exports to these two countries show some expansion, the increase of over £2 millions in the case of Japan being accounted for by imports of materials for reconstruction. Our exports to South America are on a lower scale than they were a year ago.

Our next table shows trade in the Dominions, including the Irish Free State:—

	JANUARY to MARCH (000's omitted).				1924			
	1914.	1922.	1923.	1924.	1914.	1922.	1923.	1924.
Canada	4,854	8,903	9,765	10,877	4,964	5,973	6,658	6,544
Australia	12,405	15,013	19,123	14,701	9,384	15,510	15,561	14,194
New Zealand	6,745	12,002	11,580	13,981	2,373	3,978	5,350	4,683
India and Ceylon	12,368	14,739	21,534	22,260	20,015	26,185	24,398	23,531
South Africa	4,278	5,953	4,525	6,209	5,785	6,942	6,510	7,914
Egypt	1,708	9,494	3,501	2,937	3,963	2,959	2,099	2,099
West Africa	3,986	1,953	2,358	2,602	1,343	2,043	1,768	1,935
Straits Settlements	500	621	920	976	602	733	626	611
West Indies	1,197	1,197	1,197	1,197	1,197	1,197	1,197	1,197
Irish Free State	2,575	5,060	6,321	7,273	3,754	7,222	6,973	7,704
Other possessions	49,420	76,521	79,627	93,013	50,288	75,619	71,008	80,217
Total	101,414	141,414	141,414	141,414	101,414	141,414	141,414	141,414

The increase in the totals is, of course, accounted for by the inclusion of the Irish figures. The Australian totals are noteworthy, our imports from Australia showing a sharp decline. Imports from the other large Dominions show some expansion, South Africa being prominent with an increase of £1½ millions. The same country took slightly more from us than at this time last year, but in other directions our exports to the Dominions are lower.

The final table gives re-exports to the principal countries:—

	RE-EXPORTS—JANUARY to MARCH.							
	1914.	1918.	1919.	1920.	1921.	1922.	1923.	1924.
France	3,155	4,336	6,679	15,982	2,359	5,409	5,153	5,313
Italy	269	1,048	1,065	1,863	461	430	438	724
Belgium	2,410	2	1,285	6,611	1,773	2,931	2,468	3,041
Germany	5,669	9	399	5,450	5,747	4,708	4,061	9,370
Russia	2,580	73	1,489	1,489	14	123	159	677
Sweden	195	5	269	1,194	406	276	368	397
Norway	150	29	207	335	167	800	149	158
Denmark	128	5	738	1,119	265	251	776	349
Netherlands	1,330	237	3,118	4,097	2,057	1,959	1,254	2,095
United States	8,642	1,322	2,340	24,916	6,115	6,382	8,357	7,497
Japan	53	239	307	706	236	118	70	60
Other countries	1,871	494	820	4,350	3,764	2,081	2,259	2,866
Total to foreign countries	26,052	7,886	17,300	69,041	23,364	24,872	25,112	32,347
British possessions	3,310	1,236	1,329	6,059	3,481	3,914	3,595	6,896
Total	29,362	9,122	18,629	75,100	26,845	28,786	28,707	39,243

The feature of this table is the increase in re-exports to Germany from £4.1 to £9.4 millions. An examination of the March returns shows that towards this increase of £5.3 millions, coffee accounted for £227,000, cotton for £326,000, wool for £1,631,000, and hides and leather for £170,000. Re-exports to the Dominions include, for the first time, re-exports to the Irish Free State amounting to £3,207,000. The total for Australia is £1,335,300, and for Canada £657,100, these comparing with £919,900 and £809,800 a year ago respectively.

THE SECURITY OF A LLOYD'S POLICY.—II.

We described in outline last week the elaborate system of safeguards and securities which protect the credit of a Lloyd's underwriter and the interests of his assured. To anyone reading that description, the question may well have occurred: "If the safeguards are so elaborate and the underwriter's solvency is so hedged about with deposits and guarantees and audits, how do you account for the scandal of a failed underwriter which has been notorious in banking circles for the last six months, and only ten days ago came before a court of law?" That is a perfectly fair question to which there is a short and simple answer—fraud. By the fraud and folly of an

underwriting member the defences set up by the committee were dodged, and the members of an underwriting syndicate were brought to insolvency.

Some years ago a man of the name of Harrison, who had been employed at Lloyd's in a not very exalted capacity, was able to pass the tests for membership and induce four men to join a syndicate for which he was to underwrite. From no point of view was he a good underwriter, and there can never have been a prospect of his making much money for his names. But if he had been a reasonably modest or reasonably honest man, there was no reason why he should not have had the moderate degree of success to which his abilities were suited. Unfortunately, Harrison was neither modest nor honest. Carried away by a post-war optimism, he conceived (wrongly) that he had a genius for finance and business, and he surmised (correctly) that if he restricted himself to the ordinary procedure of underwriting the scope of his genius would be confined and hampered by an unsympathetic committee. So he started the simple but ingenious plan of keeping two sets of books, one for his legitimate, if unskilful, underwriting of ordinary risks, and another for the more spectacular risks out of which he proposed to make his own and his names' fortunes. Those risks were the guaranteeing of bills, bills which arose out of the motor trade and the purchase of cars on a system of easy payments borrowed from the ex-poriums of the Tottenham Court-road. Tom, Dick, or Harry bought a car that he could not afford, and had it delivered to him in England or Africa or wherever he happened to live, against a promise to pay; and that promise Harrison, without knowledge, experience, or organisation, guaranteed to make good. It seemed an excellent plan for the purchasers, who got cars without paying ready money for them; for the motor salesmen, who found their work made easy; for the discounters of the bills, who had the security of a Lloyd's policy; but for Harrison and his names it was madness and folly.

This was the business that Harrison recorded in a separate set of books, which were concealed from his accountants and never came within the purview of the audit. At best credit insurance and insurance connected with deferred payments is a difficult thing to run successfully, and from what can be gathered of Harrison's temperament, it is difficult to believe that anyone less suited to it ever lived. But for some time, by the help of his system of double book-keeping, and by exercising a certain economy of truth, he kept his head above water, until in March of last year he seems to have realised that some desperate steps would have to be taken if he was to avoid the unpleasant experience of laying the facts before the committee, who would, he knew, force him to give up underwriting. Unhappily, instead of going to the committee, he went for advice to an outsider, with whom he devised an easy way of raising the wind. Why not get accommodation bills accepted by a few of those gentlemen whose name is always at your disposal for a consideration, guarantee the bills with a policy signed by his own syndicate, discount them on the strength of the policy, and make use of the proceeds? That was the scheme that Harrison adopted, and for six months it appears to have worked and kept him in funds. All sorts of bills were put out with Harrison's certificate attached to them; all sorts of interest rates were charged by discounters, and an appalling liability was built up like a snowball, with no chance of its ever being met out of the syndicate's funds. Beyond a six months' respite, it is not clear what good Harrison could get from the scheme, for catastrophe was certain; and in October it came. The position could no longer be concealed, and the Committee of Lloyd's realised that by the treachery of a member who had signed and issued policies that he knew must every one bring a total loss to his syndicate, the credit of Lloyd's had been deliberately, and on a great scale, abused. So they had to grapple with the effects of a scheme that had been begotten in sin and conceived in iniquity, and had ended in a first-class scandal.

In view of these facts one cannot avoid making comparisons between the careers of Harrison and of men whose recklessness has ruined insurance companies in the past. The cause of disaster in both cases the same

—abuse of trust and power. But between the crash of the insurance company and the crash of the underwriter there is one all-important distinction, for whereas the creditors of the company are left to whistle for their money and content themselves with such dividends as might be paid out of the company's depleted resources, the underwriters' creditors had an enormous advantage in the anxiety of Lloyd's Committee and Lloyd's members to protect the good name of a Lloyd's policy.

On an examination of the accounts it was decided to treat the claims arising on Harrison's policy in different ways. On the normal business, the business which had been revealed in the audit, and which was covered by the securities and assets, all claims should be paid in full, and they are in fact being settled as they come along exactly as though no trouble had occurred. On the bill claims some discrimination was necessary, for while it was obviously desirable that bona-fide holders of the bills should be paid, it was equally desirable that people who had benefited, or had hoped to benefit, from what they knew or suspected to be a conspiracy, should not benefit. The first step to be taken was the provision of funds, which were obtained partly by a contribution of a very large sum (about £100,000) from the resources of the Corporation itself, and partly by a still larger contribution from individual members of Lloyd's, who had no liability on Harrison's policies, but agreed to contribute for the sake of the credit of the society. From these two sources about a quarter of a million sterling was obtained and devoted to the payment of Harrison's guarantee policies. Settlement was in the discretion of the committee, and to all bona-fide holders an offer was made of the full sum advanced without interest. In this way every bona-fide policyholder had an opportunity of receiving the whole of hisbursements, and only those who rejected the offer had lost anything of what they originally laid out. The recent action against the Corporation of Lloyd's was brought by a company whose director had floated the accommodation bills with Harrison, and now claimed that the Corporation, through the committee, had accepted liability on the policies. The action failed on the ground that it was not an honest claim, but had originated in fraud.

The net result of this deplorable affair is that after an orgy of reckless underwriting and fraudulent business on the part of one member, recklessness and fraud that no reasonable man could have anticipated or suspected, the holders of Lloyd's policies have been paid by the voluntary action of the remaining members about a quarter of a million of money, for which the members had no liability, and for which they received no consideration. It would be difficult, in fact impossible, to find any other case of the members of a society taking upon themselves a burden of this kind simply because they valued the good name of the society to which they belong, and it is only right that in the face of much misunderstanding the action of the members of Lloyd's should be understood and appreciated. Given a clear understanding and appreciation of what has happened, Lloyd's as a society should stand higher to-day than ever before. There is no general corporate liability, and, but for an unfortunately worded pamphlet, on which the recent case against the Corporation was based, there never would have been any suggestion of a specific corporate liability; but there is a strong corporate feeling, the value of which has been abundantly proved in this affair.

Have any steps been taken to prevent the recurrence of such a scandal in the future? Steps have been taken and if ever another black sheep of the Harrison type should creep into the fold he will not be able to play the Harrison tricks. Since the beginning of this year, all Lloyd's policies have been signed at a central bureau, and each of them bears an official seal they have no claim on underwriters' trust funds and securities. By this means all the premiums automatically come within the purview of the auditors, and it will never be possible again for a member to conceal from them the extent of his business. The audit itself, for other reasons, will be most difficult to evade, and if any rascal manages in years to come to find his way into underwriting membership, he will find it a matter of the greatest difficulty to abuse, as Harrison abused the general credit of the community.

THE RUBBER TRADE IN AMERICA.

(FROM A CORRESPONDENT.)

NEW YORK, May 12.

IN a contribution on this subject in the *Economist* of March 8th an attempt was made to summarise the conditions which apparently justified a more optimistic outlook for the industry. That article was written about three weeks earlier, and even before it appeared the situation here showed signs of changing in an important respect, which has since developed to proportions calling for reconsideration of the whole subject, at all events for some months to come.

Apart from the facts which seemed directly favourable for rubber, it was pointed out that the general business sentiment had changed to one of confidence, both as regards the industrial outlook and the European political situation. Domestic politics were regarded as being on an unusually settled basis, and it was anticipated that the normal uncertainties of a presidential election year were this time likely to be absent, or at least considerably modified. Unfortunately the domestic political situation has undergone a complete change, and now seems to have entered a period of bitter controversy, complicated by many cross-currents.

Of course, it would be quite out of place to speak of politics in any party sense, but it should be clearly understood that the high reputation of President Coolidge for personal integrity and wise leadership remains unchallenged. Nevertheless, skilfully directed public clamour has succeeded in forcing the resignation of two prominent members of his Cabinet, the results of which are likely to become more pronounced as the campaign proceeds. Moreover, there is much public dissatisfaction with the present Congress, and the President's own party supporters are accused of deliberately running counter to his well-known views on two important matters. They have obstructed the passing of the plan for reducing tariff (a relief to the taxpayers of some \$300,000,000 per annum), and on the other hand have insisted on passing the so-called soldiers' bonus, which, it is conservatively estimated, will involve an expenditure of at least \$3,000,000,000. Another measure now before Congress, known as the McNary-Haugen Bill, ostensibly designed to benefit the farming interests, contains provisions of a reaching and highly controversial nature which undoubtedly excite much discussion throughout the campaign.

These matters have already had marked effects on business in general and finance in particular; caution is the watchword impressed on all; hand-to-mouth buying is extended to all businesses, even to the public for necessities; no one wants to carry stocks of manufactured goods or raw materials; the Stock Exchange seeks to establish new low levels each week, and almost every branch of industry is disappointed over what was expected to have been a favourable year.

About the first business to feel the effect of any pronounced change in conditions or sentiment is motor manufacturing, which, of course, quickly extends to rubber. From recent investigations it appears that about 75 per cent. of the cars sold here are bought on the instalment plan, while a large proportion are only disposed of on condition that the dealer accepts a used car in part payment. Now, mainly as a result of the circumstances outlined above, it has been found that many buyers of last year's record car output have been unable to pay their instalments and have had to return their purchases. To add to the dealers' difficulties, they now find that, deceived by what only recently looked like a strong demand, they are over-stocked, and there has been a notable slackening in public demand. Consequently the motor manufacturers have had to curtail, instead of increasing, production, and this situation has, of course, reacted on the tyre manufacturers.

It is always difficult to obtain reliable information as to what is actually doing in rubber factories, but it is certain that many are reducing output, some are simply postponement of rubber deliveries already contracted for, while others have resold their purchases. These factors are nothing like so pronounced as they were about a year ago, but the situation will bear close watching. The important fact remains that nothing so far has occurred to make consumers question the wisdom of hand-to-mouth buying, and the consequent dullness in market transactions does more to keep prices depressed than any real change in fundamental conditions of supply and demand. It is still believed that consumption here will be on about the same basis as in 1923, and unless the Dutch production continues to increase, or consumption in the rest of the world is substantially less, it is estimated that the visible stocks will be materially depleted by the end of the year.

Two somewhat unfavourable points in the outlook should perhaps be noted. Though the winter has been an unusually open one, the spring has so far been wet and cold, and this has had an appreciable effect in reducing normal tyre consumption. Again, it was believed that the London speculative position for a rise had been almost entirely liquidated, but unfortunately subsequent events seem to show that this was too optimistic a view. It is, of course, impossible to say to what extent the "bull" position is still open, but certainly this market at all events does not at the present time appear to have the sustaining influence of any "bear" interest—quite an unusual condition here as the majority of trading is generally on the short side. That this market is "long" is shown by the fact that future positions still command a premium, which is now only maintained by the desire of those liquidating spot and nearby rubber to postpone their interest to a later date in the hope of then recouping their loss.

It has been frequently remarked that producers have never apparently appreciated the importance of marketing and distribution as a principal factor in affecting prices. Absurd methods of selling have been introduced, and it is well known in the trade that the whole system has long been in urgent need of reform in many respects. It is certainly not flattering to the intelligence of British business men to see an industry of such great potential value so conducted as to produce the minimum results for those engaged in it. It would be laughable, if the results were not so serious, to see the extent to which the value of the whole year's crop is sometimes affected by some obscure individual with an insignificant market interest, and practical experience of this affords a good indication of the manipulative power which can be exercised by the larger houses.

In this connection it might be instructive for producers, and others, to read the story disclosed in the examination in bankruptcy of a former large market operator, which appeared in the Press early in February. There were liabilities of upwards of £400,000, and a previous large failure had involved the debtor in a suspended discharge for three years because of "rash and hazardous speculation." Though this fact was well known in Mincing lane, and in spite of his having had no practical experience in the trade, he was welcomed in the market with open arms, and for about two years may be said, with little exaggeration, to have dominated prices by the boldness and magnitude of his operations, partly for outsiders' account and partly for himself. If, to the Press report, could be added a short history of his market transactions, a startling example of the manner in which the trade is permitted to be conducted would be shown.

This market was recently amused to learn that Mincing lane was disturbed over the rather superficial suggestion that a buyers' combination should be organised, under Government auspices, to protect American consumers from the powers of the wicked foreigner who grows rubber and "controls" prices. To any experienced member of the trade the idea was grotesque, to be opposed by no one so strenuously as the consumer himself! Yet the suggestion was considered sufficiently seriously in London to cause the revival of the old story of a central selling agency, in which the Dutch producers were to be asked to join. No one here gives much attention to this proposal, for it appears obvious that such an agency cannot now be expected to provide an effective method for dealing with rubber's periodical troubles. Even if furnished with very large financial facilities in order to maintain market prices during particular periods, it is regarded

as almost inevitable that such an organisation would quickly become top-heavy, and, in any event, would be a target for the rest of the world to "gun for." The trade undoubtedly needs drastic reforms, new methods, and, above all, bigger people to guide it towards greater stability and prosperity, but it is difficult to believe that these can be provided by any such combination of sellers as appears to be contemplated.

LIGHT RAILWAYS.

(BY A CORRESPONDENT.)

THE subject of light railways is again coming forward after several years' interval, and on this occasion not so much in the interests of the countryside, nor because a system of rural communications is many years overdue, but rather as a possible means of reducing unemployment. Our home experience of light railways is undeniably discouraging, and the results attained are not conducive to further expenditure in that direction. The reason for this is that a light railway as understood in this country is of standard gauge, namely, 4 feet 8½ inches, and is too costly, and has a capacity greatly in excess of requirements. Nothing exists between road transport on the one hand, and the standard gauge railway on the other.

As long ago as 1875* the Belgian Government felt the need of some form of cheaper transport than could be provided with the standard gauge railway, and an Act was passed to encourage the construction of a secondary system, but nothing was accomplished until 1881, when the Government decided that an experiment must be made from which true deductions as to the value of a secondary system might be formed, not only as a public benefit, but as a financial proposition. Success† was immediate, so much so that from the small beginnings of 1881 the secondary system had expanded by 1908 to over 4,000 kilometres, or practically the same extent of line as had been reached by the standard gauge.‡ The local benefit resulting made the county and district authorities keen advocates of the principle, and capital was forthcoming from those sources for more lines than the Government considered it expedient to construct. It was not the intention § to allow the light railways to absorb the standard gauge traffic because of their lower rates, and it was found that rates had to be raised when competition between the two became effective; to avoid this the Government disallowed the construction of many systems proposed by county and district authorities. They realised the fact that the proper function of a secondary system of light railways is to act as a feeder to standard gauge, and in no way as a competitor.

It must be apparent to any observer that a light railway capable of carrying such rolling stock as we see passing along our main lines is not essential for the limited requirements of a countryside, and the question arises what gauge would be best for the purpose. It has been ascertained that the metre gauge adopted in France and in Belgium for many local lines is unnecessary, and that a 2 feet 6 inches gauge would be equally suitable and far cheaper. A single line light railway of this gauge constructed with adequate passing places, is capable of carrying, as has been proved in practice, over 2,000 tons daily in each direction.

Two assumptions seem always to be made which would appear to preclude even the consideration of narrow gauge railways. One of these is that it is taken for granted that any railway of a gauge less than 4 feet 8½ inches must necessarily be laid on the public roadway. In Belgium the secondary system was in its original inception laid along the roads, but with the development of the area, and the consequent increase of traffic, it was found expedient frequently to withdraw from the roadway, and in many cases the site of the hedge and ditch was utilised. In

considering whether a light railway shall be of standard or narrow gauge, the question of road use only arises in that where there exists an ample margin a narrow gauge line could be laid thereon. Surely this fact should not rule out consideration, but rather invite it.

It has been asserted that at one station on the London and North-Eastern Railway over 1,000 cart-loads carrying agricultural produce enter the station yard daily at certain seasons. A county road surveyor expressed the opinion that the transfer of agricultural produce from road to rails would, over a considerable area of his charge, effect a saving of over £100 a mile yearly for maintenance costs. It can be readily seen, therefore, why the Belgian county and district authorities were so anxious for the development of the secondary system, because any such saving would amount to more than a normal interest on the capital invested in the railway.

The second argument commonly brought forward against light railways is the break of gauge; that is, where two railways effect junction, but over which waggons are not interchangeable. This is anathema to a purely transport expert, and when such a proposal is placed before a body of railway men it receives instant condemnation, but a decision on the question of the adoption or otherwise of a secondary system is not one for transport experts only, or even chiefly, but for the economist and commercial man. Sir Charles Owens, in giving evidence on behalf of the railway companies before the Royal Commission on Railways just before the war, stated that on the London and South-Western Railway it took over 100 average consignments to fill a standard waggon. That means that over 100 individual consignments have necessarily to be handled, checked, weighed and otherwise dealt with by the station staff before one 10-ton waggon receives its economic load. That, again, means that each of those individual consignments has to bear a considerable charge over and above actual transportation. The number of times this same waggon has to stop en route to pick up its 100 lots is also a factor. This is what now occurs without a break of gauge, but with the break of gauge consignments will join the many others already in the narrow gauge waggon, and when delivery is made to the standard gauge for the long haul, the 100 lots are consigned in one lot as one waggon load, and the rate will be lessened considerably. As things now are with through-running vehicles, each farmer consigns individually, but with the break of gauge co-operation in receipt and dispatch will be almost automatic.

An argument used against this is that it is unreasonable to assume that farmers in any given area will consign to one and the same destination. It is true that as things now stand they may not do so, but with the assistance of the light railway organisation, which would be in touch with markets all over the country, and with the help of the local Farmers' Union, together with the incentive of a considerable reduction in rates, every inducement will be given to dispatch produce to a common destination. Under any circumstances, the system must be an improvement on that outlined by Sir Charles Owens, whose 100 lots are picked up all along the railway consigned to widely divergent destinations, and hailing from various areas incapable of combining into any system of co-operation.

Another consideration is that it is more economic for a railway company to run fully loaded waggons a long distance than partially loaded waggons which have to pick up their load en route, as was shown in the case, *Mansion House Association v. L. and S.W.R.*, and it might be found that a small consignment costs more for part of the distance than a larger lot for the whole journey. Hence the much-criticised low rates charged on foreign produce running from port to destination in full truck loads. The same low rates must by law be granted to farmers were they in a position to consign in a similar manner. This the break of gauge would effect. In fact, it would appear, after careful consideration, that in the secondary system lies the germ of real agricultural co-operation. It was found in Belgium that increased prosperity in the country districts through the improved transport added considerably to the direct taxation returns, and that ultimately the return derived from the light railway receipts was but a fraction of the real financial increment.

* Report to Board of Trade on Railways in Belgium (Cd. 5106), page 82.

† Report to Board of Trade on Railways in Belgium (Cd. 5106), page 83.

‡ Report to Board of Trade on Railways in Belgium (Cd. 5106), page 84.

§ Report to Board of Trade on Railways in Belgium (Cd. 5106), page 113.

INDIAN GOLD MINING RESULTS.

(BY OUR MINING CORRESPONDENT.)

As a whole, the outcome of operations last year on the part of the British-owned group of gold-mining companies at Kolar was satisfactory to the shareholders, although in one or two cases it is necessary to look below the surface in order to grasp the true inwardness of the figures. The Champion Reef disappointed those who had been expecting its re-entry into the dividend list; but of the four others, three improved upon their 1922 dividends, while with the remaining company the rate remained at the reduced level of 1922. Features—more or less general—on the working side are the extended or exclusive use of electrical power, and the endeavour to effect economies in costs; on the financial side, the addition to interests already held in other fields by some of the companies. The Mysore now owns 20,000 shares in the Anglo-Canadian Explorers, a company testing properties in Ontario and elsewhere; it has also some shares in the Indian Mines Development Syndicate, which is prospecting in Burmah, and in a syndicate operating in Sumatra. The Nundydroog holds 45,000 shares and £75,000 bonds (entered in the balance-sheet at a total of £30,000) in the Indian and General Mining Trust, and is also interested in the Anglo-Canadian Explorers. The Ooregum owns 20,000 shares in the last-named undertaking, also a participation in the Indian Mines and other undertakings, and a prospecting licence over an extensive copper area in the State of Kharsawan, India.

The desirability of looking ahead is indicated by the fact that the gold output of the Kolar field is decreasing, albeit very gradually. This is shown by the following statistics for recent periods:—

	Ozs.		Ozs.
1920	442,470	1922	387,500
1921	390,850	1923	382,000
First quarter, 1923			Ozs.
" " 1924			96,560
			95,290

Last year's entire output was sold in India, the price, although lower than in 1922, being above that ruling elsewhere.

The following tabulation contrasts the salient features of the results of the past three years:—

	1921.	1922.	1923.
BALAGHAT.			
Tons of ore milled.....	38,750	42,550	45,550
Mill yield per ton.....dwts	12	11½	14½
Working profit.....£	36,530	36,340	43,570
Dividends	20,280	18,920	24,380
Rate per (ordinary) share	1/3	1/	1/6
Carried forward*.....£	4,820	4,160	5,860
Ore reserve tonnage	80,290	116,140	115,606
CHAMPION REEF.			
Tons of ore milled.....	..	142,240	113,640
Mill yield per ton.....dwts	..	6½	6½
Working profit.....£	..	10,050	137,420
Carried forward	..	10,660	121,290
Ore reserve tonnage	..	209,040	222,640
MYSOORE.			
Tons of ore milled.....	202,290	218,080	197,140
Mill yield per ton.....dwts	8½	6½	10½
Working profit.....£	207,800	186,720	197,900
Dividends	152,500	122,000	137,250
Rate per share	2/6	2/	2/3
Carried forward*.....£	17,340	17,030	15,930
Ore reserve tonnage	837,000	712,000	643,530
NUNDYDROOG.			
Tons of ore milled.....	105,680	115,090	125,290
Mill yield per ton.....dwts	10½	9½	9½
Working profit.....£	105,420	68,320	81,190
Dividends	42,400	28,300	35,380
Rate per share	1/6	1/	1/3
Carried forward*.....£	16,720	8,850	7,770
Ore reserve tonnage	175,200	191,300	208,400
OOREGUM.			
Tons of ore milled.....	154,000	155,000	168,500
Mill yield per ton.....dwts	11½	11½	11½
Working profit.....£	246,400	205,080	270,080
Dividends	93,170	84,150	84,150
Rate per (ordinary) share	2/3	2/	2/
Carried forward*.....£	17,180	16,340	16,760
Ore reserve tonnage	419,240	420,770	397,840

* Subject to corporation profits tax and directors' percentage. † Loss.

No explanation is given of the sharp advance in the average yield secured by the Balaghat company. A similar feature, by the way, occurs in the Mysore statistics. Development having failed to result in any discovery of importance, a programme has been drawn up for the exploration of the northern section of the mine "below

where valuable shoots of ore were previously worked at the shallower levels." Meantime, the output is to be slightly restricted. A marked improvement is reported in the Champion Reef mine, and a further small increase is to be made in the capacity of the treatment plant. The financial position is strong, but the company has considerable capital expenditure still to face. It was reconstructed, of course, in 1921, since when the financial year has been brought into line with that of the other companies of the group.

Progressive decrease continues in the Mysore ore reserves. No fresh ore shoot was opened up last year, but encouragement is derived from the conditions at some of the deepest points, and from the fact that in the adjoining Champion Reef mine good ore has been found at a depth of 1,000 feet below the bottom level of the Mysore. The net liquid assets on December 31st exceeded £500,000. As regards the Nundydroog, the features are the substantial reduction (4s 5d per ton) effected in the working costs (to 33s), and a small increase in the ore reserves. The former feature is mainly the fruit of the important alterations effected in the treatment works, and the entire elimination of steam power. In the position of the Ooregum, an important factor is the policy followed for several years past of somewhat forcing the output for the purpose of providing for capital expenditure. Hence the disparity between earnings and distributions. Last year's special appropriations totalled £135,000, as against £75,000 in 1922. The programme being within measurable distance of completion, the production will be gradually brought back "to a scale consistent with the present-day reduced capital costs."

Appended is a comparison of market prices a year ago and now, and the return to the investor on the basis of the 1923 dividends:—

	Price of 10s Share.		
	May, 1923.	May, 1924.	Yield per Cent.
Balsghat Pref.	13/-	12/-	20½
Do Ordinary	8/-	6/6	23
Mysore	10/-	12/6	18
Nundydroog	8/6	8/6	14½
Ooregum Pref.	20/-	22/-	13½
Do Ordinary	13/-	14/-	14½

The exceptionally high yield afforded by the shares of the Mysore Company does not appear to be accounted for by any exceptional degree of risk.

Notes of the Week.

The Government's Housing Policy.—In matters of housing policy the Government has, to borrow a metaphor from the knitting needle, dropped one and made one stitch this week. The dropped stitch was the killing in Committee of Mr Gardner's Rent Restriction Bill, to which the attitude of the Government had been one of irresponsible but benevolent neutrality. The new stitch is made by the declaration from Mr Wheatley of the general lines of his housing subsidy proposals. The financial aspect of the proposals is summarised in the following statement (*Hansard*, May 14th, p. 1384):—

- (i.) The Government will propose a subsidy of £9 a house for 40 years for houses to be provided for letting, on the understanding that local authorities will be prepared to provide a further subsidy of £4 10s a house for 40 years.
- (ii.) The aim of the present scheme is to secure rents in each locality equivalent to the rents now prevailing there for working-class houses built before the war.
- (iii.) Until these rents can be reached local authorities will charge such rents as will be remunerative after allowance has been made for the total subsidies of £13 10s a year for 40 years mentioned in (i.).
- (iv.) If in any district the rents to be aimed at, as described in (ii.), can be secured for a smaller total subsidy than £13 10s for 40 years, the local authority's contribution shall be reduced accordingly until wiped out.

Mr Wheatley propounds a 15-year programme to build 2,500,000 houses. Should this aim be achieved, the burden on the taxpayer will mount up apparently to £22½ millions and the ratepayers' burden to £11½ millions per annum, at which levels they will remain over a long period of years. A proposal of this magnitude is obviously one that must be examined very thoroughly; for it is of the

utmost importance that the State should not be committed to another great and costly blunder in the matter of housing. At the first glance it appears entirely undesirable to commit the country to a 15-years' programme, entailing burdens that will not cease for 55 years, that is, until the last of the houses under the 15-years' programme has run through its period of 40 years of subsidy. While the proposals are disconcerting in their financial aspect, they appear to hold out no hope that they will cause more houses to be built than will be built under existing arrangements. Their effect would be simply to subsidise rents for new houses, which will in any case be built, and from this point of view they are open to serious economic objection. Mr Wheatley's plan appears to us also to have this grave disadvantage, that for the whole period of the subsidy the building trade is to be maintained as a sheltered industry. His proposals, if carried into effect, would indirectly subsidise an unsatisfactory output, whereas the crux of the problem lies in obtaining both from employers and employed in the building trade full value for money spent. The whole housing problem is so intricate that Mr Wheatley's outline and the Government Bill to be based upon them will call for long and careful consideration. But we cannot say that first impressions of Mr Wheatley's statement are reassuring.

The Motor Duties Debate.—We devoted so much space last week to the presentation of what in our opinion is an overwhelming case for the removal of the import duties on motor-cars, that we do not propose to follow in any detail the debate in the House of Commons on Tuesday which preceded the rejection of Mr Baldwin's condemnatory motion by a majority of 65. One feature of the discussion was Mr Snowden's exposure of the "colossal humbug" of the raging propaganda of some of the manufacturers, whose plaint the Conservative Party espoused, and his refusal to bend before the storm. Another was the mildness of Mr Baldwin's indictment, and his objection to allowing his motion to be described as a vote of censure. The Government emerged with flying colours from an ordeal which had been advertised as a great embarrassment. Only a mere handful of Liberals failed to support the Government in their determination to redeem the Free Trade pledge given to the electorate in December. So there will expire, on August 1st, a series of duties never intended for peace time, which would certainly never have been imposed by the Parliament of 1915 had they been proposed with a protectionist purpose. Mr Baldwin attempted to lift the discussion out of the sphere of the Free Trade versus Protection controversy, and Mr Snowden's pertinent question, "Have the Party opposite abandoned the idea of a general tariff?" received no answer in the House. Mr Snowden may, however, read his answer in a letter by Mr Amery in the *Times* on Thursday. This gentleman, at any rate, has not allowed his enthusiasm for Protection to be damped by the last General Election. In pleading for the revival of the policy and spirit of the late Mr Joseph Chamberlain, he amiably refers to Free Trade as "this detestable and ridiculous superstition"—a phrase which may be filed for future reference. Mr Snowden's Budget he finds to be marked by "pedantic vindictiveness and incredible folly," while Free Traders, in his judgment, are "wholly outside any possible mandate they may have received," when they work on Free Trade lines. Mr Amery is an ex-Minister, and in the inner counsels of his Party. He has, moreover, this week been delivering speeches backing and defending Mr Baldwin's leadership of that Party. In view of these facts, Free Traders must, in the absence of a repudiation of Mr Amery by Mr Baldwin, work on the assumption that in the matter of tariffs the Conservative Party are not even yet content to bow to the oft-repeated verdict of the country.

The Roumanian Royal Visit.—On Monday last the King and Queen of Roumania came to London on their first official visit to this country. Their arrival was the occasion of one of those popular demonstrations compounded of cordiality and curiosity which are so dear to the heart of the Londoner, while their reception in the City on the

following day was no less enthusiastic. Memories of Roumania's participation in the Great War, and of the agony of her people under the systematic exploitation of the German occupation, combined with the fact that Queen Marie is herself an Englishwoman to ensure a cordial reception. Of greater significance, however, is the fact that the Royal visit has brought once more into prominence the importance of the Black Sea and the Near East. Modern Roumania is a country nearly as large as the British Isles, with a population of over seventeen millions. Her situation at the mouth of the Danube, together with her proximity to Soviet Russia, gives her a geographical position of the greatest political importance. A member of the Little Entente, Roumania has not imitated her Czechoslovak ally by concluding an alliance with France, despite the overtures which have recently been renewed by that country. Indeed, only a few months ago the bait of a loan of 100 million francs held out by Paris was definitely declined at Bucarest. Now that Yugoslavia has concluded an alliance with Italy, Roumania remains the only State of the Little Entente with no definite political commitments to a Great Power, while negotiations recently carried on at Vienna with Soviet representatives broke down completely over the question of Bessarabia. Modern Roumania, however, is a "satiated State," and the prime need is for an economic policy which will enable the vast natural resources of the country to be properly exploited. It is from this angle that the recent royal visit to London should be regarded, for although it is understood that there have been no definite proposals on either side, whether of an economic or of a political character, Great Britain cannot but be interested in a country of great potentialities, where the need of the moment is above all things the co-operation of foreign capital. This aspect was stressed by King Ferdinand in his speech at the Guildhall, on Tuesday—

We are fully aware of the fact that our economic independence requires a close co-operation with foreign capital and trade, and that by such a co-operation with Great Britain we could obtain from our economic independence the greatest benefit.....

The presence of M. Duca, the Foreign Minister, who paid a short visit to London a week ago, and returned with their Majesties this week, was the occasion of discussions with political leaders in this country, and may well have led to the establishment of a better understanding here from the Roumanian point of view. Economic ties are, of course, of long standing between the two countries, for, before the war, at any rate, London was the principal market for Roumanian cereals, while the rich oilfields of the country have naturally not escaped the attention of British finance. Recently an English firm has co-operated in the equipment of a factory for explosives in Sighisoara, while negotiations for the development by British interests of the iron and steel industry of Transylvania, especially at the important centre of Reshita, are believed to be progressing favourably. Of almost equal significance, perhaps, is the fact that a British firm recently obtained the contract for 60 aeroplanes for the Roumanian army. But what has been accomplished hitherto is as nothing to what might be done to develop Anglo-Roumanian economic relations, provided always that a formula could be arrived at which would permit of the active co-operation of British capital on terms consistent with the dignity of both parties. The advent of the King of Roumania and his consort at this juncture on a "courtesy visit" to the British Court will, we hope, be followed up by a further exploration of the economic and political factors which would in King Ferdinand's words "help to the economic recovery of Europe with the riches with which a merciful providence has blessed our country."

Germany's New Standard.—Some weeks ago, in describing the new Discount Bank for Foreign Trade which Herr Schacht has organised in Germany, we called attention to the important fact that its operations would be conducted on a sterling basis. This fact has attracted attention in the United States, and has given rise this week to a statement by the Advisory Council of the Federal Reserve Board. This document, after setting forth the desire of America to assist in financial reconstruction, emphasises the desirability of Germany going on to a gold basis, and not attaching its currency to sterling. It is urged that gold

is the only practicable way in the long run for restoring exchange stability, and it suggests that if Germany goes on to a gold basis it will render it easier for Great Britain to restore her exchange to par and return to the gold standard. Whereas if Germany and possibly other European countries adopt arrangements for retaining a parity in sterling, it may delay the date when these currencies get back to par with the dollar. There is force in this argument, and it is noteworthy that the experts, in putting forward their plan for a bank of issue, have in mind a gold standard, and not a sterling one, for Germany. At the same time, it would mean that there would be disadvantages for Germany in having considerable exchange fluctuations in terms of sterling, which is the dominating currency in her external transactions. The ideal, though difficult, solution is clearly to devise a plan by which Germany and England could concert joint measures with the United States for restoring the gold standard at the same time in the two countries.

Overseas Trade in April.—It was in April, 1923, that the Irish Free State trade figures were separated from the returns for Great Britain, so that for the first time for a year the Board of Trade returns afford the opportunity for a true comparison with a year ago, although the comparison of the four months' figures is still vitiated. A summary of the value figures for April and the first four months of this year and last reads as follows:—

MONTH OF APRIL.				
	1923.	1924.	Increase or Decrease in March, 1924.	
	£	£	£	%
Imports	86,448,012	86,165,549	— 282,463	— 0.3
British exports	62,871,102	62,866,926	— 4,176	—
Re-exports	12,428,500	11,770,921	— 657,579	— 5.3
Total exports	75,299,602	74,637,847	— 661,755	— 0.9
Excess of imports over total exports	11,148,410	11,527,702	+ 379,292	+ 3.4

FOUR MONTHS ENDED APRIL 30TH.				
	1923.	1924.	Increase or Decrease in 1924.	
	£	£	£	%
Imports	360,122,744	387,858,339	+ 27,735,595	+ 7.7
British exports	248,240,604	256,179,682	+ 7,939,078	+ 3.2
Re-exports	41,135,426	51,013,423	+ 9,877,997	+ 24.0
Total exports	289,376,030	307,193,105	+ 17,817,075	+ 6.2
Excess of imports over total exports	70,746,714	80,665,234	+ 9,918,520	+ 14.0

The figures for last month are very similar to those of a year ago, British exports having almost exactly the same value for the two Aprils. Among British exports, however, there are three items in which the change, as compared with April, 1923, is striking. Coal exports are down by over £2½ millions, a drop in value which represents a falling off of 1.8 million tons. In the four months the drop in coal exports has reached 4.7 million tons, Germany having taken from us only about one-half of the 6.3 million tons taken in the similar period of last year. Then, again, exports of ships and boats reached a value of only £137,037 last month, as compared with over £4 millions in April, 1923. Towards making up this drop of £6½ millions in exports of coal and ships, exports of cotton manufactures make the largest contribution, while a majority of the classes of British manufactured exports are also higher. The rise in cotton goods exported is £3.3 millions, as compared with April, 1923. Exported cotton yarns rose from 10.9 to 16.1 million lbs, and exported piece goods from 316 to 377 million square yards. On the four months yarn exports are 6.7 million lbs up, and piece goods exports by 84 million square yards. In the cotton piece goods figures the recovery of exports to Germany is a feature. Germany took 10.1 million square yards in April, and 25.7 million square yards in the four months, as compared with 1.4 millions in April, and 9.1 millions respectively in April and the four months of 1923. Germany, it should be noted, also figures prominently in the re-export figures. From an article on a previous page it will be seen that our total re-exports to Germany in the first quarter of this year were more than double those of the first quarter of last year, and

the April figures suggest that the larger scale is continuing. A notable point about the April returns is that, while exports are slightly higher than in March, imports are £17½ millions lower. Presumably, since imports are on the same level as in April, 1923, the March total was swollen by arrears owing to the February strike of the dockers. On the merchandise figures the import balance for the past four months is £9.9 millions higher than in the corresponding period of last year. But most of this is wiped out by an increase of £8.3 millions in the excess of bullion and specie exports over imports. Detailed comparative value figures for imports and exports will be found in the commercial section of this issue.

Iron, Steel, and Coal Production in April.—As forecast in these columns when considering the iron and steel production for March, the figures issued by the National Federation of Iron and Steel Manufacturers show that production, both of pig-iron and steel, declined considerably in April. Pig-iron production amounted to 618,400 tons, compared with 668,600 tons in March and 652,200 tons in April last year, while the production of steel ingots and castings amounted to 711,500 tons, compared with 816,900 tons in March and 749,400 tons in April, 1923. The reduced output of pig-iron is partly due to there being one less day in April than in March, but also to the fact that the eight furnaces which went out of blast during March, and therefore contributed some production to the total in that month, remained idle throughout the whole of April, the number of furnaces in blast being 194 at the end of April as at the end of March, compared with 202 at the end of February. The decline in steel production is partly the result of the Easter holidays. Imports of iron and steel amounted to 198,900 tons, the highest figure since September, 1921, and included 32,000 tons of pig-iron, 63,700 tons of blooms, billets and slabs, and 26,200 tons of sheet and tinplate bars. Exports of iron and steel amounted to 336,800 tons, a rise of nearly 50,000 tons compared with the previous month, the biggest items consisting of galvanised sheets (59,000 tons) and tinplates and sheets (49,500 tons). The output of coal in the four weeks ending April 26th averaged 5,210,000 tons, compared with an average of 5,763,000 tons in the previous four weeks, the decline also being due to the Easter holidays. Exports of coal again decreased, and amounted to 5,062,900 tons, the lowest figure since July, 1922. Of the total, 1,281,000 tons went to France, 651,800 tons to Italy, 517,600 tons to Germany, 283,000 tons to Argentina, 281,100 tons to Sweden, 252,700 tons to Denmark, and 203,600 tons to Belgium. Exports of metallurgical coke further fell to 116,700 tons, compared with 131,700 tons in March, and 264,300 tons in January; of the total, 31,300 tons went to Germany and 25,100 tons to Sweden.

The International Shipping Conference.—The representative shipowners from all the principal maritime countries who have been meeting in London during the week, and discussing matters of business, have, in talking over their own affairs, dealt at the same time with various questions of considerable public interest. Indeed, stress was laid by the chairman, Sir Alan Anderson, upon the fact that the interests of shipowners and of the public are the same. Very sensibly he pointed out that only by convincing the public of that can shipowners hope to have their proposals universally adopted. Most of their proposals are universal in scope, for shipping is nothing if not international. The problems of the industry, even those arising out of the ordinary everyday routine, need to be considered in relation to the conditions prevailing not in any one but in every country, and many of the difficulties of shipowners result from the existence of divergent regulations in the ports to which their ships trade. Since meeting in a similar conference three years ago, the shipowners, through international committees which they set up, have, with the help of technical advisers, worked out a scheme of new regulations on various matters connected with the safety of life at sea, such as sub-division of passenger ships, loadline, deck cargoes, boats and wireless telegraphy. These, they propose, should be made to apply everywhere with a view to attaining a high standard of safety, plus uniformity. Accord-

ingly the conference resolved to urge the maritime governments to hold a diplomatic conference as a step towards giving effect to the shipowners' proposals. In the matter of taxation of shipping profits, relative positions are somewhat different. Shipowners strongly object to the unanimity with which Governments tax foreign shipping at ports of call on assumed profits that, if made anywhere, are made on the high seas. The competition in taxation of this kind, which has developed in post-war years—a competition in which the governments of our own Dominions are keen participants—is mainly the reflex result of British fiscal policy and practice, but the United States opened the door to reciprocal exemption. Our own Government responded, and shipowners desire "the conclusion of a series of reciprocal arrangements for the mutual exemption of shipping profits from taxation which will embrace all the maritime countries." As Sir Ernest Glover pointed out, the taxation is really futile in operation. In theory it falls on the shipowner, but actually it goes back on the producer of the goods. Residence, he urged, is the only proper basis, meaning by that the country where the ship is controlled. On another question of wide concern, namely, flag discrimination, the shipowners' conference emphasised the fact that other business men have the same interests as they themselves. "To abolish and prevent policies or acts of flag discrimination," ran part of their resolution, "is primarily the interest of merchants and manufacturers representing international trade in general." Some other problems, such, for instance, as those of attaining uniformity in the tonnage measurement of ships (on which port charges are levied) and of revising the York-Antwerp Rules with a view to simplifying and cheapening those curious anachronisms known as general average adjustments, were more limited in their interest to the particular section of the business community whose purposes the conference was intended to serve. These also were dealt with, however, from the international standpoint, and therefore on a broad basis. The proceedings were marked by unanimity and an evident desire to attain practical results. In that last respect the gathering, there can be little doubt, quite justified itself. One item on the agenda which belonged to a different category from the rest should be mentioned. Advantage was taken of the presence of the foreign delegates to render some account of the special inquiry which has been in progress into the facilities at British ports in consequence of criticisms by Scandinavian shipowners. Sir Frederick Lewis, chairman of the committee of investigation, made a general statement, but the report itself was not circulated. Its issue is anticipated within a few days, and any comment may therefore be reserved till necessary information is available.

Lancashire Cotton Goods in America.—Our Manchester correspondent writes:—During the last twelve months there has been a substantial increase in the shipments of cotton-piece goods from this country to the United States. Manufacturers in America are somewhat alarmed at the situation, and in some quarters appeals are being made for a higher tariff. It is pointed out that in 1919 the imports of cotton cloth into the United States were only 48,000,000 square yards, but by 1922 they had reached 95,000,000 square yards and in 1923 175,000,000 square yards. Lancashire manufacturers are of opinion that this big advance is due to the increased prosperity of the United States and the larger demand for fancy goods of high quality that so far have not been produced in America, the bulk of the business being in warp satens, voiles, shadow stripes, cambrics, and similar fabrics. It is a remarkable fact that, despite the steady extension of spinning and weaving machinery in the United States, that country seems unable to develop its foreign trade, and in the nine months ended March last the exports of cotton cloth were less than 312,000,000 square yards. Even at a time like the present, when Lancashire is doing a much smaller export business in quantity than in pre-war years, the shipments in any month are larger than the total for nine months of the United States.

Turkey and Her Creditors.—The Angora Government has now exhibited its utter disregard alike of its obligations to its foreign bondholders, and of its inevitable need of foreign financial aid. Since the war it has appropriated the revenues formerly collected in its remaining Asiatic dominions for the Debt Council, though for some time it acknowledged its liability for them by giving receipts; and it has suppressed the Council's agencies except in and about Constantinople. As France and Great Britain have respectively retained, for the present at any rate, the revenues formerly collected by the Council in Syria, Palestine and Iraq, the only revenues still coming in to the Debt Council since the war have been those from Constantinople and the immediate neighbourhood. About three weeks ago these revenues also were appropriated by the Angora Government, which also notified the Debt Council that the expenditure of that body must for the future form part of the Turkish Budget, and decreased the amount by 60 per cent., so that, even after all possible reductions have been made, there will not be enough left to pay the Council's staff. The Turkish Press has for some time been demanding an alteration in the composition and status of the Debt Council, and the Turkish Government proposes to subordinate this body to itself. Its action flagrantly violates the pledges to the bondholders, given in 1881 by the Decree of Muharram, and the promises that existing obligations would be respected made by the Turkish delegates at Lausanne. It affects not only the Unified Debt, now about £36,400,000, and the Lottery Loan (held chiefly in France) of about £10,000,000, but also the eleven loans secured primarily on the surplus of the revenues administered by the Debt Council, together amounting to nearly £55,000,000. These are not quoted in London, with one exception, the Ottoman Bank 4 per cent. loan of 1908, of about £4,500,000. And even of the Unified Debt by far the largest amount is held on the continent of Europe. For the moment the bondholders can only protest vigorously through their respective Governments; and possibly the Turkish action accounts for the delay in the ratification by Great Britain of the Treaty of Lausanne. That action, which contrasts sharply with the honesty of pre-war Turkish Governments since 1881, will bring its own punishment in the inability of Turkey to obtain further financial aid. But that result is probably not realised at Angora. The British loss, however, is far less than that which falls on the bondholders in Germany and France. Germany bought Turkish support in the war, and French subjects helped Turkey to recover. Both countries now have their reward.

Recommendations of the Indian Tariff Board with Regard to Iron and Steel.—In view of the report of the Indian Fiscal Commission of 1921-22, and the subsequent resolution of the Legislative Assembly adopted on February 16, 1923, "that this Assembly recommends the Governor-General in Council that he accepts in principle the proposition that the fiscal policy of the Government of India may legitimately be directed towards fostering the development of industries in India," it came as no surprise that the Tariff Board, which was set up on July 10th, also as a result of the resolution of February 16th, should report in favour of protection. In accordance with the recommendation of the Fiscal Commission, the Board considered first the question of extending protection to the manufacture of steel in India. Hitherto tariffs had been imposed for purely revenue purposes, though the financial needs of India have rendered it necessary to increase these to rather substantial proportions in recent years. On the ground that duties on railway material, machinery, and iron and steel would be likely to impede the development of the country, duties on these articles have been less than on most other commodities; in 1894 an import duty of 1 per cent. *ad valorem* was first imposed on iron and steel; in 1916 this was raised to 2½ per cent., and in 1922 to 10 per cent. The Tata Company, which is the only company at present manufacturing steel in India, though others are contemplated, asked that an all-round duty of 33½ per cent. *ad valorem* should be imposed on all kinds of steel manufactured by the company at Jamshedpur. The report of the Tariff Board, though frankly protectionist, is not uncritical, and the Board's refusal to accept the statement of the Tata Company's principal witness,

that "rolled steel was likely to enter India at a price without duty of rupees 150 per ton, and that 'the company could sell at a reasonable profit at or about rupees 200 per ton,' without very close investigation, and the results of their investigation make very interesting reading. At the same time the report contains some rather remarkable statements, such as, "If the end in view is to secure to the domestic manufacturer a reasonable price, the causes which have enabled the foreign manufacturer to send his steel into India at lower prices are really irrelevant," while the Board is also "satisfied that the rate on ordinary shares cannot be put at a lower figure than 10 per cent." The result of their investigations was to satisfy the Board that India possessed great natural advantages for the manufacture of steel, but that unless protection were given there was no hope that the steel industry would develop for many years to come, and might even cease altogether. The Board therefore recommend that to bridge the differences between the price at which steel is likely to enter India without a duty, and the price which gives the Indian manufacturer a fair return on his capital, protective duties should be imposed, and, in the case of rails, bounties also granted. The duties proposed for the principal products, compared with those previously in force, are as follows:—

	Price at which Steel is likely to enter India without Duty.		Present Tariff.		Proposed Tariff.	
	Rs. per Ton.		Rs. per Ton.		Rs. per Ton.	
Bars	140	....	13.8 to 15	....	40	
Angles, beams, channels....	145	....	15	....	30	
Rails, 30 lbs and over	140	....	14	....	14 plus bounty.	
Plates, ordinary	150	....	15	....	30	
Sheets, black	200	....	17.8 to 40	....	30	
Sheets, galvanised	300	....	30 to 42.8	....	45	

The effect of the proposals is practically to double the present duty, the *ad valorem* incidence being now generally 20 per cent. instead of 10. The apparent exception in the case of sheets, where the specific duty approximates to an *ad valorem* duty of 15 per cent., compared with a previous duty of 10 per cent., is due to the fact that the tariff valuation on which the levies were imposed has been unduly high. In the case of medium and heavy rails, the recommendation is to convert the present *ad valorem* duty into a specific duty of rupees 14 per ton, and to grant bounties for the next three years as follows:—

	Rupees per Ton.
1924-1925	32
1925-1926	26
1926-1927	20

In the case of wrought iron, duties of rupees 20 per ton are proposed on angles and channels, and rupees 35 per ton on common bars, the necessity for imposing duties, although wrought iron is not manufactured in India, being explained by the fact that the commoner qualities of wrought iron would be likely to displace steel if there were an appreciable difference in the price. The proposals are limited to a period of three years because of the uncertainty of the future course of world prices, and the probability of a fall in the cost of production. The Board indicates that a fresh inquiry will probably be necessary in 1926 or 1927.

Russian Manganese Ore.—A Moscow correspondent writes:—Attention has been drawn in the *Economist* for April 19th to the threatened shortage of manganese ore, but specific mention was not made of the Russian production. In the Soviet Federation the most important mines are at Tchiatoury, in Transcaucasia; at Nikopol, in the Ekaterinoslav Government (where new reserves have recently been discovered), and in the Urals; the small production of the last is, however, absorbed by the Urals metal industry. The important Tchiatoury mines (75 per cent. of pre-war Russian production and 38 per cent. of pre-war world production) are situated in Georgia, in the Government of Kutais, 42 versts from Tcharopans station. It is estimated that the ore reserves amount to 100 million tons of manganese. It is characteristic that in spite of the world importance of Tchiatoury, no important mining enterprise was founded in this region, and it was not until 1902 that two German companies (Gelsen-

kirchen and the Caucasian Mining Company) commenced work in the district; the activity of the first of these companies was confined to the purchase of land, of ore in the hands of groups of artisans, and the export of ore to Germany. In 1913, 967 thousand tons of manganese ore were produced in the Tchiatoury mines, and 246 thousand tons in Nikopol; in 1922 the Tchiatoury production was practically nil, and Nikopol 4,900 tons. Since the revolution the monopoly of the Tchiatoury export has been placed in the hands of the Tchemo Company, which in September, 1922, made an agreement for foreign sales with the firm of Pfeissing. The export is done through Poti and Batoum, and is stated in 1923 to have amounted to 36 million poods—this included the export of all former stocks. In 1913 manganese ore was sold f.o.b. Batoum at about 20 kopecks a pood. At present the estimated value of a pood of washed manganese ore (50 per cent.) is 65-70 kopecks f.o.b. Poti, which allows a considerable margin of profit over the American price. A recent article in the *Economist* suggests that a manganese union should be created, with the help of British and American capital, for placing manganese on the American and European markets, and that capital should be attracted for the construction of hydro-electrical stations in the Caucasus for use in the manganese industry. It remains to be seen what precise suggestions will be made in London in this connection, and the arrangements it is proposed to make with the former concessionaires.

Crop Prospects.—The monthly report of the Ministry of Agriculture and Fisheries states that all winter corn is still backward, but there has been a great improvement since the warmer weather arrived. The crops now appear healthy, having regained colour, and are growing well. Wheat is a very fair plant where sown early, but some crops on heavy land and late-sown crops generally are thin and patchy. On the whole, however, little re-sowing of wheat land has been done. Black winter oats are usually a good plant, but many of the white winters have been ploughed up. Autumn-sown barley is variable, but is mostly fair, and beans are generally an even plant, except in some parts of the south-eastern and east-midland counties, where there are a fair number of thin and patchy crops. The sowing of spring corn was practically completed at the end of April in all parts of the country. Drilling was done with the land in splendid condition. The seed has germinated well, and so far the young crops have come up evenly, and are strong and healthy. The planting of potatoes was well forward at the end of April, though the rains of the last few days caused some delay. Early crops are backward, and few were showing through at the date of the reports. In south-west Cornwall some of the earlies were cut by frosts. The preparation of the land for root-sowing is more forward than usual, and a good breadth of man-golds has been sown, with the land in good tilth. With the warmer weather of the last ten days of April, seeds have improved considerably, and now look fairly well. The crops are still backward, and owing to the shortage of grass have often been grazed by sheep to a later date than usual. Owing to the severe cold there were heavy losses of lambs in the North of England and in some parts of Wales, but elsewhere the season has been fairly satisfactory.

Industrial Preference Shares.—Investment and speculative business has fallen away this week, owing, according to the generally-accepted Stock Exchange explanation, to the defeat of the French Premier and the consequent uncertainty into which the foreign political outlook is further plunged. The issue of the French elections would not perhaps have had this effect by itself, but, being accompanied by a fall in the value of the franc, it caused a feeling of nervousness, particularly as further selling set in from Paris of such representative inter-bourse stocks and shares as those of the French Government, Rio Tintos, Shell Transport, De Beers, and a few South African gold shares. On the top of the hesitation produced in the mind of investment by the unexpected events in France, new issues have been offering stock at prices that look tolerably high. It might be supposed

that such a policy would throw into favourable relief the temptations of existing securities, but experience has shown that the opposite effect is produced, and that the offer of a new stock at a high level tends to induce caution in the mind of the prospective buyer. The trustee finds it difficult to get anything to pay him a level 5 per cent. on the money, and the new 4½ per cent. Conversion stock, dealings in which started last Monday at 97½, declined a trifle on the refusal of the public to accept the newcomer on a basis of yield which works out to £4 12s per cent. on the money. Many people still hold that the 5 per cent. War Loan at 100½ must be regarded as the cheapest stock of its kind in the market. The investor with modest sums to put by asks for safe preference shares that shall yield 6 per cent. on capital spent in them, and this rate is not always available from the best class. Even amongst preference shares, a wide diversity of character prevails. It will be of service to set out a list, issued by a Stock Exchange firm, giving details of a number of preference shares in well-known industrial companies, and showing what is to be obtained in this group:—

PREFERENCE SHARES.

Company.	Rate.	Dividend Payable.	Approx. Price.	Yield.
Aerated Bread	6½	June Dec.	23/	£ s d 5 13 0
Associated Cement	5½	March Sept.	16/9	5 19 5
African and Eastern	6	June Dec.	18/9	6 8 0
Armstrong	6½	April Oct.	17/3	7 10 0
Anglo-Persian Oil	8	Jan. July	23/6	6 16 2
Anglo-American Telegraph	1½	Feb.	23/6	6 6 6
British Portland Cement	6	March Sept.	21/	5 14 3
Brunner, Mond	7½	May Nov.	27/9	5 8 1
Bryant and May	14	May Nov.	48/	5 16 8
British American Tobacco	5	March Sept.	20/	5 0 0
Baldwins, Ltd.	5	Jan. July	18/3	5 9 7
Burmah Oil	8	April Oct.	26/	6 3 1
Cook, Son and Co.	7	March Sept.	23/6	5 19 2
Debenham	6½	Jan. July	23/6	5 11 6
Harrods Stores	7½	Feb. Aug.	25/	6 0 0
Imperial Tobacco	5½	Feb. Aug.	22/6	4 17 9
International Tea	7	Jan. July	25/	5 12 0
Lever Bros.	7	June Dec.	21/9	6 8 9
Liebig	5	April Oct.	95/	5 5 3
Lyons, J.	7	March Sept.	24/9	5 13 2
Maple and Co.	6	Jan. July	22/	5 9 1
Peter Robinson	7	March Sept.	24/	5 16 8
Selfridge	6	April Oct.	25/3	* 4 15 1
Savoy Hotel	7	April Oct.	23/	6 1 9
Strand Hotel	7	June Dec.	24/	5 16 8
Shell Transport	7	Feb. Aug.	24/6	5 14 3
Union Cold Storage	6	April Oct.	20/6	5 17 1
United Dairies	6	June Dec.	20/9	5 15 8
Vickers	5	Feb. Aug.	16/9	* 5 19 5

* Tax free.

The above list does not, of course, pretend to be more than representative, but it affords a useful guide to the yield on his money that is offered to the investor to-day, and it will be found, in the majority of cases, that shares enumerated in the above list can be obtained by the buyer. It is perhaps scarcely necessary to add that the security varies according to the rate of return which the shares offer, and that those which pay the most on the money afford, as a rule, less security than others from which more modest yields are available.

Fine Cotton Spinners.—A further substantial increase in profits is shown in the report for the year ended March 31st last of the Fine Cotton Spinners' and Doublers' Association, the total, including amounts recovered in respect of excess profits duty and enemy debts, but after charging £180,000 for depreciation, being £1,038,600, which compares with £943,500 for 1922-23, when the same amount was charged for depreciation. After payment of debenture interest, and preference and preferred ordinary dividend, the distribution on the ordinary shares is raised to 14 per cent. The following table summarises results since 1906:—

Year Ending March 31.	Profit.	Deb. Interest.	Pref. Dividend.	Pref. Ord. Dividend.	To Reserve &c.	Ord. Dividend.	Ord. Div. Rate.	Carry Forward.
1906	£ 402,442	£ 110,000	£ 125,000	£ ..	£ 40,000	£ 80,000	% 8	£ 15,507
1907	683,837	110,000	125,000	..	150,000	140,000	10	114,344
1908	800,076	110,000	125,000	..	200,000	240,000	12	239,420
1909	357,317	110,000	125,000	..	nil	160,000	8	201,736
1910	433,220	110,000	125,000	..	50,000	160,000	8	189,957
1911	501,845	110,000	125,000	..	100,000	160,000	8	196,801
1912	497,957	110,000	143,705	..	50,000	173,996	8	206,475
1913	588,802	110,000	150,000	..	100,000	180,000	8	255,477
1914	609,584	110,000	150,000	18,750	150,000	180,000	8	256,310
1915	391,057	110,000	150,000	22,500	50,000	180,000	8	134,868
1916	535,853	110,000	150,000	22,500	70,000	180,000	8	136,222
1917	710,077	110,000	150,000	22,500	200,000	225,000	10	140,730
1918	701,132	110,000	150,000	22,500	170,000	237,000	10	152,431
1919	893,659	110,000	150,000	22,500	300,000	294,000	12	169,591
1920	1,247,541	110,000	150,000	43,201	265,000	490,000	20	358,930
1921	122,816	122,358	150,000	47,000	Dr 391,026	367,500	10	185,907
1922	613,339	110,000	150,000	47,000	294,000	294,000	8	198,246
1923	943,460	110,000	150,000	47,000	165,000	459,375	14½	210,331
1924	1,038,574	110,000	150,000	47,000	160,000	514,500	14	267,406

* Including £12,358 for expenses of new issue of shares.

The reserve for equalisation of dividends is credited with £100,000, and £50,000 goes to pension fund, the same as last year, while £10,000, as against £15,000, is transferred to the welfare fund. The balance-sheet shows an increase of £466,900 in creditors, while investments have risen by £160,600, and stock-in-trade by £380,700. The report of the auditors contains some interesting items. It states that "with regard to the association's investments in France, the companies registered under the French laws have received from the French Government considerable sums in respect of reparations during the period of reconstruction. The company registered in England has, as yet, received a sum of only £50,000. The position of the association with regard to excess profits duty is now practically determined. Of the amount recovered, £100,000 has been credited to profit and loss account, and after providing for income-tax and for expenditure on reparations to which the association is already committed, the balance of the amount recovered is retained in reserve pending a final settlement of the reparations question, and is included amongst sundry creditors."

Armstrong, Whitworth, and Co.—It is a great pity that such a highly respectable and sound undertaking as Sir W. G. Armstrong, Whitworth and Co., Limited, should not set a better example to less fortunate companies, in the matter of publishing detailed accounts. Even if it overlook the absence of a separate profit and loss account, we still have to grope in the dark for figures. The directors do not trouble to state the rate of dividend on the ordinary shares, but merely give the total amount paid to preference and ordinary shareholders together. Here is a summary of results since 1910:—

	Profit.	Interest and Expenses.	Pref. & Ord. Div.	Ord. Div. Rate.	To Reserve &c.	Carried Forward.
1910	£ 597,637	£ 119,772	£ 361,000	10	£ 50,000	£ 184,997
1911	627,227	119,401	441,250	12½	50,000	201,573
1912	798,547	123,020	443,250	12½	100,000	335,850
1913	856,673	167,626	568,122	12½	133,059	323,716
1914	940,195	138,309	591,563	12½	200,000	334,038
1915	1,055,620	303,272	615,000	12½	100,000	461,387
1916-19 ..	4,053,605	?	2,465,093	12½	1,000,000	1,049,899
1920	675,180	?	803,750	10	..	921,329
1921	666,060	227,172	528,125	5	..	832,092
1922	691,895	224,345	528,125	5	..	771,516
1923	655,652	?	528,125	5	..	679,768

Three years ago the amount of debenture interest was not stated, and comparison is therefore vitiated. The £1,000,000 of three-year notes guaranteed by the Belgian Government have now matured, but cash and bills are down from £1,093,766 to £706,623; creditors have increased from £3,027,491 to £3,594,130; property and plant are up from £14,170,583 to £14,899,697; total assets are over £600,000 lower at £20,722,642. The report states that the directors regret that the dispute with the boilermakers, which lasted till the end of November, seriously affected the profits of the company, not only by reducing the output of work, but also by leaving a larger part of the standing charges to be borne by other orders. There is an increased amount of work in most of the departments, and this has resulted in the employment of a larger number of men, but prices are still very

low, and it is becoming more and more difficult to secure new work with any margin of profit. On the other hand, the civil engineering department has obtained satisfactory contracts in different parts of the world, and the prospects of some of the allied companies are more encouraging.

Slubbers' Report.—The report for the year ended March 31st last of the British Cotton and Wool Dyers' Association, Limited, shows a decline in gross profits of £42,000. The net profit, after allowing £65,800 for repairs and renewals, as against £79,400 a year ago, and after payment of interest charges, &c., is £175,200, as compared with £201,500 for the previous year. The financial record of the company for the past six years and for 1913-14 is set out in the following table:—

	1913-14.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.
Gross profits	£110,419	£240,719	£300,221	£270,803	£258,318	£316,144	£276,185
Renewals, &c.	31,163	84,007	106,136	130,648	71,449	79,412	65,788
Expenses	13,810	21,558	7,994	17,146	12,228	12,185	10,165
Balance	65,446	135,154	186,091	123,009	174,641	226,547	200,234
Brought forward ..	19,488	43,813	38,160	33,753	21,599	22,928	37,132
Total available ..	84,934	178,967	224,251	156,762	196,240	249,475	237,366
Interest	31,156	25,000	25,000	25,000	25,000	25,000	25,000
Depreciation fund ..	25,000	25,000	33,644	25,000	25,000	25,000	25,000
Reserve, &c.	50,000	50,000	68,541	25,000	60,000	70,000	65,000
Ordinary dividend ..	16,051	38,708	58,052	58,052	58,052	67,093	77,417
(5 %)	(10 %)	(10 %)	(10 %)	(10 %)	(10 %)	(10 %)	(10 %)
Carried forward	12,727	40,459	39,003	23,700	28,176	42,532	44,949

The depreciation fund is raised to £215,000 by a further allocation of £25,000, the reserve is credited with £50,000 as before, £5,000 goes to investment contingency fund, raising it to £35,000, and £10,000 is transferred to employees' benefit fund, as against £20,000 a year ago. The dividend on the ordinary capital, which has been increased by £193,500, capitalised from the reserve fund, is maintained at 10 per cent., but the bonus of 5 per cent. paid last year is not repeated. In his usual separate report upon the balance-sheet, the auditor remarks that "the financial position of the association, so far as liquid assets are concerned, was, on March 31st last, in a satisfactory state; these assets then amounted to the substantial sum of £617,132, against which trade and loan creditors' claims existed for £162,293." The balance-sheet, which is analysed in a later column, shows no striking changes. The reserve, owing to the transfer mentioned above, is £143,500 lower, and stands at £31,500. The property item has been increased by £74,400, but debtors and cash are £33,000 and £39,600 lower respectively.

Brunner, Mond, and Co.—The report of Brunner, Mond, and Co., Limited, for the year ended March 31st last shows some reaction in profits after the previous year's sharp increase. Both gross and net profits were about £100,000 lower than in the preceding year, but some £525,000 higher than in 1921-22. The report is silent as to the past year's trading. There was a saving of over £3,000 in administration expenses, but the allowance for bad and doubtful debts is £900 higher at £6,000. The following table gives a summary of financial results in recent years:—

	1913-14.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.
Paid-up capital	£4,031,870	£4,063,940	£4,070,378	£11,077,841	£13,647,041	£13,649,651	£13,697,591
Reserves	1,388,000	603,906	2,817,680	3,032,680	2,802,785	3,002,785	3,276,985
Gross profits, investment receipts, &c.	851,290	1,199,040	1,319,389	1,182,271	1,220,310	1,845,412	1,745,327
Charges, &c.	81,947	186,959	190,239	243,754	198,310	195,117	192,753
Net profit	769,343	1,012,081	1,129,150	938,517	1,022,000	1,650,295	1,552,574
Brought forward ..	120,179	117,072	136,315	123,703	138,308	90,293	88,911
Prof. dividend	889,522	1,129,153	1,265,465	1,062,220	1,160,308	1,740,588	1,641,485
Reserve, &c.	105,000	105,000	105,000	105,000	245,312	300,000	300,000
Ord. dividend	2,500	100,000	50,000	50,000	50,797	287,215	238,615
(27½ %)	(10 %)	(11½ %)	(8 %)	(8 %)	(8 %)	(11 %)	(10½ %)
Balance	110,920	138,400	126,241	141,308	93,293	91,911	86,481

Investment and loan revenue produced £619,800 last year, as compared with £632,200 in 1922-23, and rents brought in £37,800, against £44,100. The special allocations include £150,000 to Suspense Account, against £225,000 a year ago, and £88,015 to general reserve,

against £62,215. The ordinary dividend, reduced from 11 to 10½ per cent., is paid on a slightly larger capital. Twelve months ago the report mentioned a proposal to issue, from time to time, to the staff and workpeople, ordinary shares not exceeding 100,000. The latest balance-sheet shows that £22,200 had been received by March 31st on account of such shares allotted on April 7th last. There are no striking changes in the debit side of the balance-sheet, but on the credit side debtors have declined by £1,638,900, while investments and associated company balances have increased by £1,140,100. Additions to the property item during the year amount to £450,400, and cash has been increased by £537,400, but stocks show a reduction of £212,500.

Crosses and Winkworth.—About a year ago we published in these columns a short review of the report and accounts of Crosses and Winkworth Consolidated Mills, Limited. We then pointed out that, "from a loss of £539,323 for 1922 to a profit of £274,148 for the year ended March 28, 1923, is the striking change shown in the accounts issued by Crosses and Winkworth. It should be noticed, however, that their figure of earnings, amounting to £274,148, includes a 'transfer from reserve for contingencies.' A year ago 'reserve for contingencies, including taxation,' was £363,235." Last year the item disappeared, but we noticed that its place was taken by a reserve for excess profits duty shown as £125,000. In the auditors' report it was stated that "the profit and loss account includes £100,000, taken from 'cotton stock reserves for depreciation.'" Thus exactly what the trading profit was during that year was not made clear. But still, the payment of the 10 per cent. half-year dividend on the cumulative preference shares, which absorbed £150,000, was recommended, leaving £155,076 "balance available for liability to income-tax and carry forward." Profits for the year ended March 26, 1924, according to the report and accounts just to hand, amount to £139,254. This sum, added to the amount brought forward, totals £294,331. Depreciation is estimated at £130,000, and a balance is stated to be available of £164,331, but subject to a liability to income-tax "not yet ascertained." The directors state that they regret profits "on the year do not permit of any payment on account of arrears of preference dividend." We are also informed that Sir Edward Mackay Edgar and Sir John Esplen have retired from the board. The balance-sheet is a document which students of finance will regard with mixed feelings, and at the meeting to be held at Bolton on Wednesday, it is to be hoped that shareholders or directors will unravel the year's transactions, which are reflected in the changes shown in the balance-sheet. Total assets have increased from £6,322,284 to £7,505,187. This is mainly accounted for by fresh acquisitions of shares. A year ago shares and stock held totalled £381,500. Now we find this item £1,903,642. The increase consists of 972,000 £1 ordinary shares in John Bright and Bros., Limited. These are valued or taken at £1,534,725. But there are two facts that must raise doubt in the investor's mind as to whether this is a reasonable valuation. The first is that the debenture stock of John Bright and Bros. is quoted at about 76 per cent. The second is a laconic remark in the present report, which observes that "No dividend has been received from Crosses and Heaton's Associated Mills, Limited, or John Bright and Brothers, Limited." As the whole of the ordinary shares in John Bright and Bros. are held by this company, there is no quotation by which to check the value inserted in the balance-sheet. The balance-sheet will be found analysed in our usual column.

Royal Insurance Company.—With its very large fire business the underwriting profits of the Royal tend to yield good average results rather than exceptional rates in proportion to the premium income. During last year the fire premiums were £6,709,350, as compared with £6,427,122, the claims paid and outstanding were 48.9 per cent. of the premiums, as against 53.2 per cent., and the expenses were 40.9 per cent., against 40.8 per cent. The surplus, after providing for unexpired liabilities, was

£563,578, or 8.4 per cent., as compared with £382,480, or 5.9 per cent., in 1922. In the marine account the year 1922 was closed with a profit of £112,148 on premiums of £1,031,681. For 1923 the marine premiums were £1,023,019, the first year's claims £246,513, and the expenses £204,901. The accident, employers' liability, and general insurance accounts yielded £4,255,476 in premiums. The claims, paid and outstanding, amounted to 48 per cent. of the premiums and the expenses to 40.9 per cent. After provision had been made for unexpired risks the surplus was £136,865, or 3.2 per cent. of the premiums. Interest receipts, less income-tax and debenture interest, were £968,443, and the transfers from the underwriting departments to profit and loss amounted to £775,726. A sum of £200,000 was brought in from the general contingencies fund, and £400,000 carried to the fire fund. Provision for income and corporation taxes absorbed £170,000. The dividend of 25s a share, less tax, will take £1,081,973, as compared with £955,053 for 1922. The balance carried forward was then £824,549, as against £710,621 brought in. The total funds of the company amount to £30,732,675.

San Insurance Office.—This, the oldest of the fire insurance companies, has had a very good year. The fire premiums last year were £2,304,940, as compared with £2,202,438 in 1922. The claims were 43.39 per cent. of the premiums, against 49.3 per cent., and the expenses were 42.85 per cent., against 43.8 per cent. After making the necessary reserve for unexpired risks, there was an underwriting surplus of £357,582 (15.5 per cent.), as compared with £155,071 (7 per cent.) in 1922. In the marine department, with premiums of £219,828, the surplus was £27,773. The employers' liability account yielded a surplus of £23,810, and the personal accident account a surplus of £3,356, but there was an underwriting deficiency in the burglary and general account of £26,573. The total net transfers to profit and loss on account of underwriting were thus £385,948, and interest receipts were £162,693. The total dividend of 19s a share, less tax, will absorb £175,275, income-tax on profits took £55,804, £40,000 was reserved for outstanding taxes, £70,000 was carried to reserve in the burglary and general account and £40,000 transferred to pension fund. The balance at profit and loss was then £527,254, as compared with £486,838 a year before, and the total funds £4,762,722.

Arizona Copper.—It is desirable that shareholders in this Edinburgh undertaking should realise that the greater proportion of recent distributions has been provided by appropriations from reserve. The report for the year ended March 31st last showed receipts (dividends on holdings in the Phelps Dodge Corporation and sundries) £52,000, less £16,500 expenses. To the surplus of £35,500 was added £110,000 transferred from reserve. The dividends of 2s per share, tax free, of which 1s has been paid as interim, will absorb £152,000, leaving the reduced balance of £9,750 to go forward. In the half-year ended March 31, 1923—to which date the accounts were made up in view of the change in the position—a profit of £22,400 was realised; £50,000 was added from reserve. Payment of a dividend of 1s per share, tax free, needed rather more than this total. The transfers from reserve represent the balances set free by the settlement of taxation questions with the Inland Revenue. This business has now been practically concluded. The appended report of the Phelps Dodge concern shows an output of 147½ million lbs of copper, nearly 6½ million lbs of lead, 610,700 lbs of zinc, over 2,000,000 ozs of silver and 25,850 ozs of gold, the company operating at 60 per cent. of its capacity. The dividends again totalled 4 per cent. Last year's Western taxation totalled no less than \$1,627,000, giving ample ground for the complaint as to the increased burden under this heading. The president's statement includes a useful summary of the copper position. His conclusion is: "With Western European countries able to purchase the copper they require and must have for their logical industrial development, there will not be any too much copper in the present known deposits to supply the demand at prices which will permit of a reasonable return on the capital invested."

Prizes for a Peace Plan.—Prizes, ranging from £1,000 to £10 are offered by the British Peace Award Committee for the best short answer to the question, "How can peace and prosperity be restored in Great Britain and in Europe through international co-operation?" The competition is open to all British citizens, and details of the conditions under which plans may be submitted are obtainable from Dr Albert Mansbridge, 13 John street, Adelphi. June 28th is the closing day for the submission of plans.

Transvaal Gold Output.—Gold production in the Transvaal has been improving for some time past. A very satisfactory showing is made by the output figures of the first four months of the present year as compared with those for the corresponding periods of preceding years. The output during the month of April amounted to 768,923 ounces of fine gold, which compares with 795,671 ounces produced during March. The production in April, 1923, was 743,651 ounces. The following table shows the output for every month since 1918:—

	1918.	1919.	1920.	1921.	1922.	1923.	1924.
January..	Fine Ozs. 714,182	Fine Ozs. 676,059	Fine Ozs. 670,503	Fine Ozs. 651,593	Fine Ozs. 639,728	Fine Ozs. 764,469	Fine Ozs. 736,768
February..	659,759	636,728	625,330	558,137	639,728	704,970	760,617
March ..	695,281	712,379	707,036	671,123	761,586	795,671	795,671
April	717,000	694,944	686,979	681,382	511,338	743,651	768,923
Total (4 months)	2,787,222	2,720,110	2,689,848	2,562,235	1,511,069	2,974,676	3,121,979
May	741,317	704,956	699,041	687,776	689,786	786,564	786,564
June	727,696	702,379	715,957	678,490	675,697	755,309	755,309
July	736,199	725,497	736,099	689,555	730,635	746,306	746,306
August	740,810	706,669	702,083	711,526	752,490	769,371	769,371
September	708,205	698,558	688,113	681,026	747,089	739,504	739,504
October ..	679,765	723,722	662,472	707,825	778,159	793,842	793,842
November	658,701	677,970	633,737	704,236	764,476	780,639	780,639
December	641,245	650,191	632,215	681,847	790,712	778,849	778,849
Total (12 months)	8,420,560	8,330,091	8,153,625	8,114,516	7,020,110	9,133,060	9,133,060

The following table shows the number of natives employed at the end of last month by members of the Witwatersrand Native Labour Association and Contractors:—

	Sept., 1923.	Oct., 1923.	Nov., 1923.	Dec., 1923.	Jan., 1924.	Feb., 1924.	Mar., 1924.	Apr., 1924.
Gold mines	174,406	177,047	177,674	177,779	181,659	182,056	176,483	173,023
Coal mines	16,225	16,216	16,246	16,149	16,109	15,968	15,763	15,800
Diamond	3,134	2,911	2,997	3,239	3,482	3,419	3,170	2,762
Total	193,765	196,174	196,917	197,160	201,205	201,438	195,416	191,584

It will be noted that the number of natives employed at the gold mines again shows a decline.

At the meeting of the Royal Statistical Society, on the 20th instant, in the Hall of the Royal Society of Arts, John street, Adelphi, W.C. 2, at 5.15 p.m., Major Greenwood, F.R.C.P., will read a paper on "The Mortality Statistics of Sweden and of England and Wales: an Essay in International Comparison."

Oversea Correspondence.

UNITED STATES.—REDUCTION IN NEW YORK REDISCOUNT RATE—HIGH EARNINGS OF STEEL CORPORATION—PREFERENTIAL SHIPPING RATES—TAX-REDUCTION LEGISLATION.

(FROM OUR CORRESPONDENT.)

NEW YORK, May 6.

THE most important financial event of the past week was the lowering of the New York Federal Reserve Bank's rediscount rate from 4½ to 4 per cent. The reduction came as a surprise. Bankers generally believed the rate would be cut later on, probably before midsummer, but few expected such action at this time. The change is variously interpreted. In some quarters it is taken to foreshadow a period of business depression; in others an era of quickening activity. Neither view is warranted by experience. Any change in the Bank rate is invariably the result rather than the cause of trade movement and credit demand. It merely reflects seasonal expansion or contraction of money requirements. Therefore, it cannot be regarded as a new factor in the general situation, and whatever influence it may have upon trade

and finance is likely to be more sentimental than otherwise. In the present instance the reduction was made in order to bring the Federal Reserve rate in the New York district into line with open market quotations, which lately declined to pre-war levels. Since the early part of this year money has rapidly been piling up in New York City. From all sections of the country local banks have been receiving heavy deposits, on which they have paid interest based on the prevailing rediscount rate. As the result of banks' efforts to keep their funds employed by investing in Liberty bonds, Treasury certificates, and bankers' acceptances, prices of those securities have advanced sharply, thus narrowing the margin between the interest paid by banks on deposits and the return or yield received for money loaned. Factors immediately responsible for the heavy surplus of funds at this centre were the steady influx of gold, and the releasing of money, due to the slowing down of business. In its latest monthly report the New York Federal Reserve Bank shows that more than \$34,000,000 of gold was imported during March, bringing the total for the first quarter of this year up to \$112,966,000. The bank's statement last week plainly testified to the plethora of idle funds here. It showed total gold reserves of \$1,018,932,000, as against \$991,574,000 the week before, and \$1,081,640 a year ago. Total holdings of bills discounted dropped to \$47,861,000 from the preceding week's aggregate of \$61,938,000, and a total of \$211,574,000 for the corresponding week of 1923. Bills purchased in the open market disclosed a moderate increase, amounting to \$27,165,000, as compared with \$25,728,000, but were only about one-half of the total for the same week of last year, when such purchases reached \$54,373,000. The total of United States securities held by the local Federal Reserve Bank, which represented the employment of funds not required for commercial uses, totalled \$65,547,000, as against \$57,481,000 the week previous, and only \$3,739,000 for the corresponding week of 1923. The New York bank's ratio of reserves to note and deposit liabilities very clearly reflects present conditions; last week the ratio stood at 91.3 per cent., the highest level recorded since the United States entered the war, and comparing with 74.9 per cent. in the statement of condition for the week ended February 14, 1923, which was the last report before the advance in the rediscount rate on February 23rd of last year to $\frac{1}{2}$ per cent.—the rate that obtained until Thursday of last week.

The recent report of the United States Steel Corporation for the first three months of this year attracted more than usual attention, because net earnings were the largest recorded for any peace-time quarter in its history. After Federal taxes, the total for the quarter ended March 31st reached \$50,075,445, as compared with \$49,958,980 for the preceding three months, and \$34,780,069 for the corresponding quarter of 1923. In commenting on the steel situation and outlook, Judge Gary, chairman of the board, expressed the opinion that business would increase immediately after the Presidential election next autumn, and probably a month or so before. He stated that new business around May 1st was about 20 per cent. less in volume than it was about two months ago, but called attention to the fact that the corporation's business is diversified, as compared with some other steel manufacturers, and that frequently depression in some lines does not apply to many others.

A further postponement of the operation of the section of the Merchant Marine Act which grants preferential rail rates on goods carried to and from the United States in ships of American registry seems likely. The Interstate Commerce Commission, as previously mentioned, deferred enforcement of this provision one month until June 20th. The House of Representatives Committee on Merchant Marine has now recommended that May 1st of next year be made the effective date, and has decided to report favourably the Bill introduced for that purpose, although, as originally drawn, the measure would have postponed operation of this troublesome statute until July 1, 1925. There is good prospect of the Bill being passed by the House, but it is apt to encounter some opposition in the Senate, where there appears to be objection to legislative postponement of the application of the preferential rate clause. Should Congress fail to enact the necessary legis-

lation, it seems not improbable that some way will be found to delay enforcement of the section. The action of the House Committee was evidently the result of vigorous protests from shipping, commercial, and railroad interests throughout the country against its application, and such protests have become even more emphatic in the past week or two. Washington advices indicate that President Coolidge and other administration officials strongly favour a postponement for one year, and believe that the matter of applying the section should, in the meantime, be given further consideration by the executive and legislative branches of the Government.

The outlook for tax-reduction legislation by Congress, in a form acceptable to the Administration and to the great majority of financial and business interests, is anything but bright at present. The Senate has made many changes in the Bill which it has under consideration. The House amendment, which proposed to tax gains from the sale of stock dividends, held for more than two years, at regular income rates, was eliminated, a rate of $12\frac{1}{2}$ per cent. being adopted. The Senate also rejected the Treasury recommendation limiting capital losses to $12\frac{1}{2}$ per cent. It adopted a 14 per cent. tax on corporations instead of the existing $12\frac{1}{2}$ per cent., and repealed the capital stock tax of \$1 per \$1,000. The tax of 2 cents on drafts, cheques, and promissory notes was restored. Automobile truck chassis sold for \$1,000 or less by manufacturers were exempted from tax, but a tax of 3 per cent. was imposed upon those costing more than that figure, while the tax on other automobiles was lowered from 10 to 5 per cent., and that on tyres and accessories was fixed at $2\frac{1}{2}$ per cent. The Senate adopted the Mellon proposal to cut taxes on earned incomes 25 per cent., but reduced from \$20,000 to \$10,000 the maximum amount on which reductions should be made. This week a coalition of Democrats and Radical Republicans in the Senate unexpectedly defeated the Mellon tax plan by adopting the Democratic substitute for higher surtaxes, as well as the Democratic normal tax substitute. Just what further changes may be made in the Bill before it is finally passed by the Senate, or what kind of a compromise tax-reduction measure may be agreed to by the conference committee of both branches of Congress, cannot be predicted. But there seems little likelihood that the main provisions of the Mellon tax plan, which received such popular support when it was originally proposed, will be found in the Bill which Congress finally passes. From Washington advices, it is evident that President Coolidge regards some of the amendments which the Senate has adopted as very undesirable.

FRANCE.—THE ELECTION SURPRISE—REVENUE RETURNS—COAL PRODUCTION—PRICES.

(FROM OUR CORRESPONDENT.)

PARIS, May 14.

THE result of last Sunday's General Elections came not only as an unqualified surprise to every foreign observer in Paris, but also to the political parties concerned. It was generally regarded as an open question whether M. Poincaré would return with the same or with a slightly diminished or perhaps with even a slightly increased majority; but his overwhelming defeat was foreseen by nobody.

Now that the shouting is over, and the Poincaré Ministry has announced its intention to make way for its successors at the end of May, it is beginning to be realised that, in spite of the change in the personnel of the Government, it is very unlikely that the new Cabinet will be inclined to modify to any substantial extent the foreign policy which this country has pursued since the war.

The principal planks in the platform on which the anti-Poincaréists appealed to the country were the high cost of living, the 20 per cent. increase in taxation, the threatened suppression of State monopolies, the unpopularity of the tax on turnover, and the resumption of diplomatic relations with the Vatican. A large number of votes were undoubtedly obtained from the large army of minor Government servants, under the guise of a protest against the dictatorial nature of the *décrets lois*, but really

by playing on the alarm that has been created among this class of the electorate at the prospect that large numbers of them will lose their posts under the scheme by which it is hoped to save 1,000 millions a year by drastically cutting down expenditure on the public services. It is difficult to realise how the new majority will be able to find the means to fulfil any appreciable portion of their election pledges, except in so far as, like Mr Snowden, they are able eventually to benefit from the measures put into force by their predecessors. If the tax on turnover, which is admittedly, and in the nature of things, extremely unpopular with the trading classes, be abolished, it will be necessary to find from other sources some 4,000 millions a year, which is the amount the tax is now yielding. Any substantial reduction in indirect taxation would have to be compensated for by large increases in the income-tax, which already, according to French experts, approximates fairly closely to English rates, (although, as a matter of fact, the French working man as a rule flatly refuses to pay this impost). Taken all round, it is apparent that the task of the new Government will be no easier than that of their predecessors, while they will have the additional handicap of having behind them a far less homogeneous body of supporters.

The revenue returns for April show that the total yield from taxation of all kinds during the month was 2,196,400,100f, of which 1,831,115,600f was from "ordinary and permanent" sources, the balance consisting of money received from "exceptional" sources, and including 161,987,200f from the outstanding amount still due in respect of the special tax on war profits. The total yield from indirect taxation and State monopolies was 1,870,907,000f, which is the largest amount ever received from these sources in the history of the country, over 198½ millions in excess of the amount received from them in January last (which was until April the record month), and 420 millions more than the amount received in April, 1923. The total yield from these sources for the month was 292 millions in excess of Budget estimates, and nearly 100 millions more than was expected from registrations, and over 85 millions more than was anticipated from duties on securities. The tax on turnover produced the record yield of 345,871,000f during the month, or 65½ millions more than the estimate. The total yield from taxation of all kinds during the first four months of the year was 8,057,700,200f, of which 6,432,639,000f was derived from indirect taxation and monopolies, 1,576,354,300f from direct taxation, and 48,706,900f from the State domains. The figures indicate that the Government's efforts to place the nation's finances on a sounder footing are meeting with success. The record figures for April are, of course, partly due to the facts that (1) the new *double décime*, which came into effect on March 23rd, has begun to be applied to the greater part of the indirect taxes on monopolies (although the 20 per cent. increase in the price of ordinary tobacco has not yet come into effect); and (2) that the recent high commodity prices have had an appreciable effect in increasing the yield from *ad valorem* duties.

The production figures of the French collieries are the highest that have been registered since the war, and indicate that the total output of coal during March was 3,772,734 tons. The production of metallurgical coke from the plants attached to the collieries, which totalled 131,994 tons in January, 1923, rose to 196,939 tons in January, 1924, to 200,782 tons in February, and to 222,979 tons in March. The average daily output of coal in 1913, from the collieries within the then French frontiers, was 136,147 tons. In January, 1924, including the coal received from the recently recovered Lorraine pits, the average daily output was 144,680 tons, the figures for February being 145,955 tons, and for March 145,105 tons. The work of reconstituting the devastated mines in the Pas de Calais field is proceeding with such success that the average daily output for that area, which amounted to 60,239 tons in January, 1923, amounted in March last to 145,105 tons, reducing the deficit for the whole basin, as compared with the 1913 figures, to one of 10,076 tons per day. As the daily average from the mines in the centre and the south of France amounted in March to 47,433 tons, or 2,538 tons more than in 1913, the present average daily yield from pre-war France is only 7,493 tons less than in 1913, notwithstanding the damage done

to the northern mines. This deficit is more than compensated for by the daily average output from the Lorraine mines, which now amounts to 16,451 tons. The total number of miners employed in the French collieries in March, 1924, was 290,375, as compared with 242,566 in January, 1923, and 203,208 in 1913.

The French index number for wholesale prices at the end of April, which has just been issued by the Statistique Générale, indicates a further drop of 51 points in commodity prices, as compared with that for March, which was 45 points below that for February. The detailed figures, which are based on that of 100 as representing prices in 1914, are as follows:—

	End of Month of		
	April.	March.	Feb.
General index figure (45 categories)	459 ..	510 ..	555 ..
Foodstuffs (20 categories)	423 ..	455 ..	484 ..
Vegetable foods (8 categories)	392 ..	434 ..	441 ..
Animal foods (8 categories)	424 ..	430 ..	444 ..
Sugar, coffee, cocoa (4 categories)	491 ..	563 ..	682 ..
Raw materials (25 categories)	491 ..	558 ..	617 ..
Minerals and metals (7 categories)	431 ..	488 ..	592 ..
Textiles (6 categories)	594 ..	678 ..	745 ..
Sundries (12 categories)	466 ..	529 ..	555 ..

As will be seen, the fall is much more substantial in regard to raw materials, where the drop during the month was equivalent to 67 points, than in regard to foodstuffs, in respect of which the figure is only 32 points lower. The reason for this difference is to be found in the recent remarkable recovery in the exchange value of the franc. The drop of 84 points in the figure for textiles is especially notable. The index figure for retail food prices in Paris at the end of April (which is based on 100 as representing prices in July, 1914) is returned as 380, as compared with 392 at the end of March and 384 at the end of February.

GERMANY.—POLITICS—FOREIGN MARK INTERESTS—PRICES AND WAGES—INDUSTRY—STOCKS—CROPS.

(FROM OUR CORRESPONDENT.)

BERLIN, May 13.

THE political results of the Reichstag Election are not yet clear. The German-Nationals, having gained 5,764,628 votes, are, if their Agrarian allies are counted with them, the strongest party, the Socialist vote being 5,991,547. If the Populist-Freedom Party is added, which would probably only be the case if the German-Nationals remained in opposition, the Socialists would be very largely outnumbered. The Communists, who gained 3,728,089 votes, naturally cannot be counted as possible Socialist allies. The Socialists do not seem anxious to take office in coalition with other parties. At present, indications point towards the German-Nationals taking the lead. The result of the French elections has gratified opinion on the whole, it being thought that a Left French Cabinet may come more easily to an agreement with England; but there are sceptics who affirm that French diplomacy is governed by traditional influences, and who therefore hold that Franco-German relations will not be improved by a change of government in Paris. On the Bourse to-day the French elections had little effect, but stocks were somewhat firmer.

Some interest has been awakened by the Reichsbank President, Dr Schacht's statement to a South American newspaper that compensating foreigners for their mark losses will in no case be considered. This decision, said Dr Schacht, is "on imperative grounds of justice..... the first claim for compensation belongs to the millions of Germans who, through the paper mark collapse, lost their all." Dr Schacht referred to the "gigantic profits reaped by citizens of the same foreign countries from the 'selling-out of Germany'" (buying German goods cheaply). It is certain that neither Germans nor foreigners will be compensated; and that even if the resources for compensation existed it would not be practicable to attain "imperative justice," because in most cases it is impossible to determine whether an individual person won or lost through the currency depreciation—e.g., often the person who lost his all through depreciation of war loans got it back, or more than got it back, by paying his own debts in worthless money. Certain points, however, call for notice. The first is that there is no evidence of "gigantic

profits" by foreigners from Germany's "selling out." During the currency depreciation period Germany sold goods to high-exchange countries, not at her own low gold prices, but at the highest gold prices that could be asked for without risking the loss of orders, and an elaborate official machinery was called into existence for this. To low-exchange countries Germany simultaneously sold at low gold prices (invoicing in paper marks at more or less home paper mark prices), and thereby undersold high-exchange countries' exporters. While the very large losses of foreigners from mark and mark-security operations are a fact and have often been approximately estimated by Germans and foreigners (e.g., the McKenna report), the gains of foreigners are problematical, and on the whole account between Germany and abroad seem to be of little importance. Further, the German State expropriation of loans and the expropriation of mark-currency values was at home only a transfer of wealth from one German pocket to another, whereas the expropriation of foreigners was a transfer of foreign wealth into the German collective pocket. Probably the best thing would be for foreigners to forget their losses, remembering that what happened with German currency is only what has happened with other European currencies in varying degrees; but the German Government will not allow foreigners to forget. While denying them, as is inevitable and even right, compensation for currency losses, it loses no chance of expropriating their currency gains, even when these are small. The whole German fiscal system, particularly that of the states and municipalities, is based on the theory that no foreigner has a right to make profits in or in connection with Germany, and this theory is almost daily expressed by men in authority. A foreigner who, having seen his German loan-stock or German marks dwindle in gold value to one-tenth, tries to save the remainder by buying some German real value, is told, if the value bought rises somewhat as a result of the currency stabilisation, that he is a currency profiteer, and at once laws or local statutes are passed which, while ingeniously exempting Germans by various devices, expropriate the foreigner a second time. The whole German system here is unscrupulous; and it escapes international protest only because the subterfuges practised are so refined that they elude even the attention of the victims, and are discovered only when German newspapers begin to boast about the skill with which foreigners are plucked. It should be said that all Germans do not approve of these methods; the trade journals often expose and oppose them, and last week a German resident abroad published here a detailed complaint of the damage which is being done to Germany's reputation for good faith.

The Reichsbank's return for April 30th shows a moderate increase of discounts and loans by 23.7 trillion paper marks to 2,165.3 trillion paper marks, but circulation increased by the large sum of 102.9 trillions to 776.9 trillions, and deposits underwent considerable declines. The Rentenbank's return for April 30th shows little change, the chief being the reduction of temporary credits to the Reichsbank for the opening of Rentenmark accounts from 200 million to 100 million Rentenmarks. Credits to industry via the Reichsbank remain at 800 million Rentenmarks. Cash held by the Rentenbank rose from 5.4 million Rentenmarks to 63.5 million Rentenmarks, owing to receipt of the first interest on the mortgage and bond securities. The circulation of Rentenmarks fell during the month from 1,985.6 millions to 1,951.6 millions. The Gold Discount Bank issues weekly returns. That for May 7th balances at £10,119,336. The total of unpaid capital has fallen to £3,750,000. The bank's liabilities, other than for £10,000,000 capital, total only £119,336. Credits to business increased during the week by £413,503 to £998,695. The bank is pursuing a cautious policy in regard to granting credits for imports, but its operations have materially mitigated the strain in the exchange market.

General prices are still slowly rising. The official wholesale index for May 6th is 125.2, against 124.6 a week earlier; the official cost-of-living index for May 7th is 115, against 114 a week earlier. The *Frankfurter Zeitung's* index for May 1st is 151.89, against 152.34 on April 15th. The highest point of this index since the mark stabilisation was,

on November 29th, 164.96; the lowest, on January 17th, 145.47. On May 1st manufactured goods were 144.09, textiles and leather 210.47, food 148.87, minerals 142.23, miscellaneous commodities 133.59. The average wage in March, since when there has been little change, was, in eight leading industries, for skilled workers, 28.16 gold marks a week, equal in buying power to 26.27 gold marks before the war; in concerns where hours have been prolonged beyond eight under the new law, the average was 29.56 gold marks and 27.57 gold marks respectively, the real wage being 75 and 78.7 per cent. respectively of the pre-war figure.

The credit strain continues to affect industry, but the recovery proceeds. The textiles branch, which led the recovery, may, however, soon have to face a new crisis owing to the too high prices. Inquiry indicates that, apart from the general factor of greatly increased raw material prices, the textiles manufacturers, counting on the increased public buying-power which followed currency reform, are exploiting the public need for goods; among other things, keeping to the practice, learned during mark-depreciation times, of calculating in round numbers and of adding "depreciation risk supplements," though in the pricing of other branches depreciation risk no longer plays any rôle.

Imports of raw cotton, wool, and jute reached a high point in February, but are still considerable; imports of raw flax and hemp continued to rise in March; imports of most kinds of manufactured or partly manufactured textiles—in particular, cotton and woollen yarn—rose very much in March. The wool industry is fully occupied. Conditions in the iron and steel branches are so far satisfactory; prices of the heavy iron sorts rose slightly in April; the demand for pig-iron was strong, for wire and thin sheets also active, but for thick sheets weak. As for months past, the railway rolling-stock manufacturers complain of getting insufficient orders.

Last week, after a recovery in the former week, stock averages fell below their low record of April 25th. The main influences were the shortage of money and the unsettled home political situation. The *Frankfurter Zeitung's* index of dividend-payers was 408.51 on May 9th, against 446.68 on May 2nd, and 421.26 on April 25th. Stocks on the 9th were under 50 per cent. of the 824.50 of January 4th.

Home Loans to-day quoted, War Loan, 78; Fours, 435; Three and a-Half per Cents., 215; Threes, 876; Colonial Fours, 1,425; Prussian Threes, 270; Dollar Treasury Bills quoted 78.30, having fallen from 92½ on March 31d; while Gold Loan quoted at par (4,200). The difference is an anomaly, because the 6 per cent. Dollar Bills are redeemable on April 15, 1926, at 120, in gold or cheques on New York, while the 5 per cent. Gold Loan is redeemable in 1932 in paper marks.

Crop conditions are bad. On May 1st (on the basis of two "good," three "middling," and four "low") the winter wheat condition was 3.1, against 2.7 a year ago; winter rye, 3.4, against 2.9; winter barley, 3.3, against 2.8. Owing to frost-damage, 5.5 per cent. of the wheat area has been reploughed, against 0.8 per cent. last year; 9.5 per cent. of rye, against 0.7 per cent.; and 7.1 per cent. of barley, against 0.7 per cent.

German emigrants in 1923 numbered 115,416, against 36,527 in 1922, and 25,843 in 1913.

AUSTRIA.—FINANCIAL CRISIS—PUBLIC FINANCE—BALANCE OF TRADE.

(FROM OUR CORRESPONDENT.)

VIENNA, May 1.

DURING the month of April the events on the Vienna market and their economic consequences have put the political events completely in the background. The Vienna Stock Exchange has suffered one of the most serious crises which has befallen this market. The slump which began in the middle of March has grown to such an extent that not only have some firms got into difficulties, but small investors have lost a considerable part of their fortunes. As a contrast to former crises, the present depression is not so much due to rash over-speculation by the public as to a rather natural result of last year's sudden boom; most of the new bankers and small banks

which came into existence during the inflation period had acquired large blocks of securities, hoping that the "writing-up Bill," repeatedly promised by the Government would cause a further rise; they were then taken aback when the Government dropped the Bill. (The "writing-up Bill" was a Bill by which companies would have the right to revalue their assets on a gold basis and rearrange their capital to correspond to the gold value.) Further, the impossibility of placing new issues and of reducing the onerous rates for money had a paralysing effect on the market, which was finally completely upset by the unfortunate result of the bear speculations in francs. The big banks have now decided to form a syndicate to intervene to avert a *débacle*, and thus prevent a further unjustified fall of values. In this way this syndicate, in which also the Government, with the consent of the Commissioner-General of the League of Nations, Dr Zimmermann, has taken a participation succeeded in controlling the slump to some extent, but it did not prevent the failure of several firms, and some of the smaller banks suffering serious losses; one of them may have to wind up its affairs. The fact that the big banks were sufficiently strong to support the market, and the assistance given by the Government and the Commissioner-General have effected a certain return of confidence, inasmuch as the compulsory registration of the forward liabilities in francs has proved that their size has been much exaggerated. The settlement of the franc liabilities will be done by a clearing office, purposely formed by the National Bank, and this gives a guarantee that no further difficulties will arise from this source. The general situation, however, still remains uncertain, as it is not yet clear whether the worst is really over.

Some instances may be quoted to show the enormous fall of values caused by the recent slump:—

	Market Price—	
	in Summer, 1923.	April 30, 1924.
	Kronen.	Kronen.
Credit-Anstalt shares	359,000 ..	185,000
D.D.S.G. shares	2,700,000 ..	1,100,000
Nordbahn ..	25,300,000 ..	12,000,000
Staatsbahn ..	1,100,000 ..	513,000
Leykam (paper) shares	1,200,000 ..	275,000
Alpine shares.....	890,000 ..	502,000

As a consequence of the economic depression which set in in January, the number of insolvencies has greatly increased as compared with last year; during the period from January 1 to the middle of April there were 69 bankruptcies (as against five during the same period last year) and 493 arrangements with creditors (as against 46 last year). Dealers in leather articles, in textiles and ready-made clothing and provision dealers are chiefly affected. The number of unemployed has slightly decreased, from 126,734 in March to 106,264 in April, owing to the usual revival of the building activity in spring.

The differences between the Government and the Commissioner-General regarding the State employees' problem continue; whilst the latter thinks that a further reduction of the number of State employees is possible, the Government and public opinion are unwilling to take further measures. At the same time the necessity of increasing the salaries of State officials (at present ridiculously low) becomes more and more urgent. Under the pressure of public opinion the Government have, therefore, decided to prepare a readjustment of the salaries and also temporarily to stop the dismissal of officials. In consequence of this the Austrian Commissioner for Public Economy, Dr Hornik (whose main business it was to apply the "axe" against the officials) has retired.

The returns of public revenue have been very satisfactory during the last three months. According to the League of Nations' programme the deficit must not exceed 51.1 milliard paper kronen per month during the third period of reconstruction, i.e., from January 1 to June 30, 1924. As the actual deficit amounted to 79.1 milliard in January, 70 milliard in February, 43 milliard in March, and 32 milliard in April, and the Treasury's estimate for May shows a deficit of only 10 milliard, the average monthly deficit for the first five months amounts to only 39 milliard, i.e., an average per month of 12.1 milliard less than estimated.

National Bank of Commerce in New York

Chairman of the Board
JAMES S. ALEXANDER

President
STEVENSON E. WARD

Capital Paid up	\$25,000,000
Surplus	\$25,000,000
Undivided Profits	\$13,000,000

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But as against these good results the adverse balance of trade makes an increasingly gloomy prospect, the deficit for the two first months of this year amounts to 189.5 million gold kronen, as against 99.8 million for the same period last year. It is true that the large excess of imports is partly due to the laying in stores of goods from France owing to the depreciation of the French franc during January and February, so that an improvement of the balance of trade may be hoped for the next months.

CANADA.—THE BUDGET AND TARIFFS—TRADE RETURNS—CROP AND BUSINESS CONDITIONS—IMMIGRATION AND POPULATION—PRICE LEVELS—ABOLITION OF McKENNA DUTIES.

(FROM OUR CORRESPONDENT.)

OTTAWA, April 26.

THE Budget debate, which was interrupted by the Easter recess, has now been resumed at Ottawa, and is unlikely to terminate till the middle of May. The early glow of approbation with which the Progressives and low tariff Liberals greeted the Budget has now abated with the discovery that by a subterfuge the Government have probably increased the totality of protection available to Canadian manufacturers. In the original measure of 1907 the price standards connected with the dumping clauses were very loosely defined, but in 1914 the Borden Government effected some stabilisation by an amendment which provided that the dumping duty would not apply "when the difference between the fair market value and the selling price to the importer in Canada does not exceed 5 per cent. of their fair market value." Especially at a time when there is great difficulty in finding profitable markets, this 5 per cent. differential margin was made extensive use of by British and American exporters, and was a welcome source of relief to the Canadian consumer; but for these very reasons it became an object of great distaste to Canadian manufacturers. Before the late Budget was produced the manufacturers had promised

wholehearted hostility to the King Ministry, if any serious tariff reductions were made, and apparently one of those secret bargains, which are very common in the history of protectionist countries, was struck. At any rate, the 5 per cent. differential was summarily wiped out by an administrative order (Circular No. 321-C of the Department of Customs), which bears the date of April 8th, just two days before the Budget speech was delivered. The vital passage in the order reads as follows:—"From and after April 15, 1924, special or dumping duty shall apply without exemption allowance, under the provisions of section 6 of the Tariff Act, except in respect to goods *bona fide* purchased before April 15, 1924, provided such goods are entered for consumption on or before June 1, 1924." The effect of the change is patent. Formerly British or American goods priced at \$100 for domestic sale could be offered for Canadian import at \$95.10 without incurring the dumping penalties, but henceforth a cut of a single cent will bring the latter into operation. In many lines of goods, especially textiles, there will result an increase of 3 or 4 per cent. in the protection available to local manufacturers, and the sudden abatement of the desperate campaign against the Budget which the Canadian Manufacturers' Association was expected to stage is now intelligible. They have passed some *pro-forma* resolutions of protest, but they have shown no signs of deploying for a pitched battle with the Government. On the other hand, the Progressives, who were at one time ready to give almost unanimous support to the Budget, are now in a very critical mood, and think they have been the victims of a hoax. However, they are very anxious to avert an early election, and although a large element of the party will now vote against the Budget, a sufficient number of the Progressive Party will support it to give the Government a good majority.

Close study of the public accounts reveals that during 1923-24 there was a net addition of \$42,090,690 to the public obligations; this sum compares very favourably with the \$1 million dollars which were added in 1921-22, but is a retrogression compared with 1922-23 when the addition was only 31 millions. Since the earnings of the national railways have lately been showing a sharp downward curve, and the revenues show a parallel tendency on a lesser scale, the prospect of a termination for national deficits is not bright. However, the foreign trade returns for the year are not unsatisfactory. During the last fiscal year ending March 31, 1924, Canada imported goods to the value of \$893,335,491, an increase of 91 million dollars; and exported \$1,045,056,000, an increase of 110 million dollars. For March itself there was a decrease of 5 million dollars in imports, and an increase of 16 millions in exports.

The promise of an early spring has not been maintained. Fine weather at the beginning of April was followed by fierce blizzards and snowstorms both in the East and West. The moisture thus produced will be good for the crops, but in many areas the farmers find the land too wet for cultivation; very little seeding has been done so far in the West, and within another fortnight the limit which makes seeding of wheat a risky enterprise in face of autumn frosts will be reached.

General business is not in a very prosperous condition, and retail merchants declare that their spring trade has been the dulllest experienced for many years. The southward exodus has materially lessened the population in many towns and country districts, and storekeepers have felt the loss of customers. There is a fairly steady stream of immigration pouring into Canada, but a considerable number of the immigrants merely intend to use Canada as a backdoor to enter the United States. At any rate, the American Consul at Toronto recently stated that to his office there had come from Britishers who could not qualify as *bona-fide* Canadians, and thereby escape the quota rule, sufficient applications for passports to fill up the old British quota for July, which was about 15,400. This situation means that many British emigrants are simply making use of Canada as a convenient backdoor to enter the U.S. Moreover, it happens that the new U.S. immigration law increases the British quota by about 48,000 souls, and the fear is now expressed that Canada will thereby lose this number of potential British settlers, and be compelled more and more to rely for the

increase of population which she so badly needs upon foreign blood. Meanwhile the loss of population is a constant subject of discussion. In the calendar year 1923 there entered Canada from all sources 137,320 people, and the American immigration officials collected head-tax from 182,369 Canadians. But this official loss of 45,049 people does not represent anything like the total loss, and measures that will check it are hard to devise. But under the circumstances there should be a careful reconsideration of the immigration policies now pursued for the transplantation of Britain's surplus population to Canada, or a great deal of public money may be wasted for the benefit of the United States.

The price levels are practically stationary. In March the number for exports fell from 151.19 to 150.30, due mainly to declines in the price of dairy products, wood pulp and silver. The number for exports rose from 165.92 to 166.04 as a result chiefly of increases in the values of wool, tin, and coke. The combined index number was 158.17.

The announcement that the MacDonald Government has decided to abolish the McKenna duties is not received with any enthusiasm in certain industrial towns like the border cities, and Oshawa, in Ontario, where the advantage conferred by them had resulted in the expansion of the branches of American corporations located there. The fear is expressed that as the market for motors in the United States shows some signs of saturation, great firms like the Ford Company and General Motors, Limited, when the special preference available to Canadian-made motors disappears, will prefer to reserve all their export orders for their American plants and cut down their Canadian production. There is, however, little concern expressed in Canada about the fate of the preferences offered at the last Imperial Conference by the Baldwin Government, for they offered scant material benefits to Canada.

INDIA.—LORD LYTTON'S TRIUMPH—POSSIBLE FURTHER REFORMS—COAL AND STEEL PRODUCTION.

(FROM OUR CORRESPONDENT.)

CALCUTTA, April 17.

THE irreverent journalist who described the Swarajist Party, in its present plight, as "all dressed up in *khaddar* and nowhere to go," has epitomised the political situation with complete accuracy. Outside the Central Provinces, where the transferred departments have reverted to official control, Swarajist effort has been theatrical, but ineffective. In the case of the Government of India's Budget, "certification" was expected, and provoked no resentment. In Bengal, however, it was both intended and expected to destroy "Dyarchy" wholly and finally. Lord Lytton has risen appreciably in public estimation, and won the reluctant admiration even of his opponents, as a result of his skill and *finesse* in defeating this wrecking policy, the frustration of which, as already hinted, has so bewildered the Gandhi evangelists as to leave them temporarily unpossessed of any definite plan of action. A reversion to the original and unsuccessful policy of boycotting the Reformed Legislatures is, at this stage, neither likely, nor, indeed, practicable. On the other hand, the alternative policy adopted last December of electing a party pledged to paralyse the Constitution by the process of "obstruction" has failed likewise, so much so that it is confidently forecast that when a supplementary estimate is brought forward at the next session of the Bengal Legislature restoring the Ministers' salaries, the former rejection of this item will be cancelled. The triumph is the more noteworthy because it has been based, as far as Lord Lytton was concerned, on a rigid adherence to the spirit, as well as the letter, of the Reformed Constitution, which, in the event, has been discovered to confer greater power upon the Legislature than extremist critics had understood.

It remains to be seen whether an outlet from the political impasse will appear as a result of the inquiry into the working of the Reforms Act promised by the Government of India. For my own part, I would suggest three steps: (a) Provincial Governors to be encouraged to exercise their discretion in transferring further departments to Indian control, as allowed under the present Act; (b) a definite promise of general and complete provincial autonomy not later than 1929, in which year an inquiry with a view to further reforms is already provided for; (c) the inquiry in 1929 to be, in consequence, confined to the investigation of possible reforms in the Government of India, which meanwhile would have its hands full in supervising the transition from Dyarchy to full provincial autonomy. It is obvious that simultaneous reforms in the provincial and central governments would be attended with considerable difficulties. It is equally clear that the result of the impending inquiry cannot be to leave the present distribution of authority unchanged. In such circumstances the above proposals probably represent the maximum advance immediately possible without imperiling India's political stability or hindering its steady economic progress. Reliance on the tactical triumph gained by Lord Lytton would be shortsighted, and might, indeed, revive a latent belief that Constitutional action must inevitably be fruitless, a risk the greater because Swarajist imitation and admiration of the methods of the Irish Sinn Feiners are almost slavish. This is indicated by the course of events. Taking the defeat of the Indian Moderates at the last election as corresponding to the elimination of the old Irish Nationalist Party from the Imperial Parliament, it is not fanciful to discern in "Swarajist obstruction" conduct analogous to the refusal of the Sinn Feiners to take their seats at Westminster. An Indian extremist, perhaps reluctantly, will be apt to argue: "Non-co-operation having failed, obstruction by Constitutional means likewise having failed, there remains, as was the case in Ireland, only the final weapon, *viz.*, force." I merely suggest a possible outlook.

It is highly improbable that there will be any strong opposition to the new import duties on steel which the Government of India will submit to the Legislative Assembly at the May session. Protests will, of course, be registered on behalf of importing interests and consumers generally, but as their chief political champions have fled to London to escape the hot weather, apparently the objections will be perfunctory. The official-cum-Swarajist-cum-Independent alliance on this issue is irresistible, and renders opposition futile. The present duty is 10 per cent., and it has been suggested that an additional 5 per cent. would satisfy the Tata interests provided the yield of the additional duty was devoted to bounties. But to judge from the official invitation issued this week to a number of industries to lay their views before the Tariff Board, the aim of the Government of India is to apply Protection as intensively and extensively as their powers permit.

The coal industry is to be the subject of another inquiry, deficient transport facilities, as usual, forming the provocation—a regularly recurring complaint applicable to almost every industry in India in varying degrees, but to coal most of all. Partly, but not wholly, as a result of this constant inability to send away coal as produced, out of 146 coal companies only 63 are paying dividends. An incidental technical consequence is wasteful mining, lack of funds entailing old-fashioned methods of working. A complication of an inter-imperial character is the heavy importation of subsidised coal from South Africa, the suggestion here being that India should impose an import duty equal to the bounty. As, however, both the cost of producing Indian coal, and its price, have risen about 150 per cent. since 1913, the desirability of rendering coal still dearer by import duties can be viewed by consumers only with dismay. So poor in quality is much Indian coal that 75 per cent. of the Bombay mills now rely on electricity or oil, the remainder, as far as possible, using Natal coal. Other industrial centres, however, are less fortunately situated.

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ARGENTINA.—POLITICS—PUBLIC FINANCE—THE GENERAL OUTLOOK—CROP SURPLUSES.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, April 3.

PERPLEXING in a sense though the depreciation of the Argentine dollar must appear, viewed from outside the Republic, it is nevertheless correct to maintain that improvement in the general condition of Argentine affairs is not only constant, but promises to be cumulative. If the sterling quotation remains in the neighbourhood of 42d, many Anglo-Argentine enterprises will be defrauded in their hopes as regards the rate at which they expected to receive remitted profits, but it is not too much to say that improved local movement in business promises to compensate for the loss in exchange. The slight rise in the value of Argentine currency which marked February and the first fortnight of March could not, in the very nature of things, presage anything like the return to par rates so freely predicted by various leaders of important undertakings when addressing their shareholders at the annual general meetings. The wish was father to the thought, and, more remarkable still, the belief that Argentina would in a few months or so be able to remit to Great Britain at or near par frequently accompanied an expression of approval at the decision of this Republic to maintain its prohibition of gold exports. Only by repealing the prohibitive measures can exchange be adjusted, but one hastens to add that the possibilities of such repeal are slight, notwithstanding that the recent addition to the strength of the Socialist Party in the Chamber of Deputies—where they now number some 30 in all—will certainly bring the matter more to the fore during the next session of Congress. The success of this party at the recent polls has been remarkable. It has secured all the available seats vacant for the city of Buenos Aires—thirteen—leaving the Radicals the half-dozen minority vacancies secured to them under the system of proportional representation. At the same time, paradoxical though the statement may appear, this does not mean that the Argentine general public is gradually becoming permeated by the doctrines of Karl Marx and his successors. The inertia and lack of interest in their legislative duties which marked the majority of the Deputies during the last sessions of Congress was so patent as to throw into high relief the assiduous Labour and legislative efforts of the few Socialist members. Their conduct in debate, the manner in which their subjects were prepared, their ability to quote chapter and verse, figures and precedents, made their opponents look foolish to the point of ludicrousness on more than one occasion. In a word, they were, despite their reduced numbers, a most effective opposition, and this year should see a still more striking exhibition, which public opinion undoubtedly hopes will eventually end in forcing the sluggards to bestir themselves for the public benefit. One of the main planks in the Socialist programme is this self-same question of re-opening the Conversion Office and permitting the export of gold, this party holding that the depreciation of the Argentine currency connotes dear living, given the immense sums that this country must pay for its imports and for the service of its foreign debts. Indeed, one is safe in saying that the coming sessions will be marked by the introduction of many important financial measures. Further modification of the Customs dues, the introduction of the tax on incomes, and the early presentation of balanced Budget estimates for the year 1925, are all unofficially promised, though it must be remembered that all can be held up indefinitely by Congressional inertia.

In anticipation, Dr Molina, the Minister of Finance, has published two highly important statements or reports, one dealing with the floating debt and the other with the results of the Treasury's financial year, which was officially closed on March 31st. The former stands at

\$778,444,000 paper, which amount is less by \$96,201,000 paper than the total for December 31, 1923. Consolidation of \$40,000,000 U.S. accounts for the bulk of the reduction. In the matter of the 1923-24 Treasury accounts, the Ministerial statement shows a deficit of \$35,345,000 paper, but—and this is the important point—this is based on actual receipts and expenditure, takes no account on the credit side of the sums due to the National Treasury in the shape of loans made to the Public Works Department, and does not include as a fictitious asset the appropriations authorised by Congress, for which no actual funds were or are available. In a word, it is an honest balance-sheet of the Republic's current finances for the year, and, conjointly with the floating debt statement, has made a highly favourable impression in financial and commercial circles here. Provided that total, or even partial, consolidation of the short-date loans can be satisfactorily arranged, and the balance of Argentina's payments brought within some measure of control, prospects are decidedly bright.

Collaborative evidence is also afforded by the recently published banking statistics giving the totals for February 29th, the last previous publication by the Ministry of Finance being those covering the position on September 30, 1923. In the interval there has been a slight drop in deposits, just a million dollars paper, while cash in hand shows a drop of \$19,000,000 gold and \$223,000,000 paper. Discounts and advances, on the contrary, rise by \$1,200,000 gold and \$266,000,000 paper, all these changes being directly traceable to the rearrangement of the affairs of a local institution which has lost \$197,000,000 paper in deposits between the dates named. And while it is perhaps hazardous to say that all danger is past, the general impression is that the Argentine banking position has come very well out of what might easily have proved a most serious set-back to credit and the movement of trade in general. That there is greater firmness in the local money market to-day is true, 7 per cent. for single name advances and 5½ to 7 per cent. for the discount of lists of commercial acceptances being readily obtained; but with the profitable position of producers before one, and the decided revival in the import trade beyond all dispute, a slight check on what people are already beginning to refer to as a coming boom is eminently desirable. If the Government do manage to pass their measures for local consolidation by insisting on the banks holding a certain amount of national bonds against their deposits, this stringency will certainly be still more pronounced, but, one repeats, it will even so connote a far more healthy position than would a continuance of the recent glut of funds—dangerous at any time, and doubly so when the country is preparing for a new period of productive activity with the proceeds of an exceptionally large and well sold harvest, figuratively speaking, in its pocket. Latest estimates of exportable surpluses are: Wheat, 4,800,000 tons; maize, 5,500,000 tons; linseed, 1,250,000 tons. Of these, 1,650,000 tons of wheat, 150,000 tons of maize, and 565,000 tons of linseed have been shipped, leaving available for shipment 3,150,000 tons of wheat, 5,350,000 tons of maize, and 685,000 tons of linseed.

Letters to the Editor.

SHORTER HOURS AND NATIONAL PRODUCTION.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I have re-read with great interest Professor Bowley's article in the *Nation* of April 19th, and his comments on the views expressed in the *Economist* as to the rate of national production in 1923 as compared with 1913.

The issue raised, i.e., how far in industry generally the reduction in hours in the last decade has been counteracted by other tendencies, is, in the lamentable absence of a census of production, extremely difficult to determine. In some industries it is maintained that a reduction in hours has been accompanied by a corresponding reduction in output; in others, that this has not been the case. The problem to be dealt with is, therefore, the rela-

tive number and importance of those industries which fall in the first group or in the second.

It appears to me that the tendencies counteracting the effects of a reduction in hours may be roughly divided into three groups:—

1. Increased effort.
2. Better organisation and management in the widest sense of the term.
3. Mechanical development.

The point to be decided is how far any or all of these lines of advance (regardless of whether they are the result of normal progress and research, or whether they have been stimulated by shorter hours and other post-war conditions) have made good in general output the reduction in hours.

Professor Bowley says: "Where machinery..... is little used, as in building and an infinity of small industries..... in railway and road transport, it is very difficult to believe that output per hour has seriously increased."

On the ground that I speak from experience of an organisation which, though employing about 10,000 people, belongs to one of the "small industries," that in it there is a large proportion of people engaged on entirely hand work, and also that distribution and transport are an important part of our functions, I should like to make the following comments:—

No. 1.—*Comparison of effort per Hour between 1913 and 1923.*

In this period our hours have been reduced from 47 to 44. It is difficult to submit actual statistical evidence, but I attach one or two figures which show, what I believe is our general experience, that effort under certain circumstances has increased output almost in proportion to the reduction in hours. These circumstances are—

- (a) That the output of each operative is dependent on his or her own individual effort, and is not governed by any mechanical process.
- (b) That payment by results on an individual piece-rate system operates.
- (c) Confidence that if workers "open out" and produce to the maximum of their ability piece rates will not be cut.

Although the tendencies to increase output have been roughly divided into three groups, it is almost impossible in practice to find examples of the isolated effect of any one of them by itself unaffected by either of the other two. I have tried to find instances where No. 1 predominates, but even in the most conspicuous cases it will be noticed that the other two groups have a very marked effect.

There is one further point to be noted in this connection. In some cases the present output has involved increased effort rather than caused it; it has been the result of and consequent upon improved organisation rather than an original cause, but a necessary condition for the increased output to be forthcoming.

No. 2.—*Better Organisation and Management.*

Under this I include such things as more careful routine, planning of work, vocational selection and scientific training of new employees, motion study, time study, &c. As with No. 1, it is difficult to give an example unaffected by either of the other two tendencies.

No. 3.—*Mechanical Development.*

During the last 10 years in this direction, rather than either of the others, I should say that progress will have varied most widely from industry to industry. It has been obviously much more marked, for instance, in automobile engineering than in textiles. In regard to cocoa and chocolate, as an example of the usually unclassified trades, I should say that mechanical development during the last decade has been at least equivalent to 10 per cent. In the output figures I attach I have again tried to find examples where mechanical development has played a predominant part.

Examination of the following figures shows very varying rates of increase in hourly output, and one would hesitate to say what the average for this firm as a whole has been. It is also necessary to take into account a certain increase, necessarily involved by closer organisation, in non-direct producing wages. But allowing for this, I am

fully convinced that the three tendencies enumerated have, over the last ten years, more than counterbalanced the reduction in hours.

Operation.	General Increase per Employee per Hour, 1913-23.	1. Due to Increased Effort.	2. Due to Improved Organisation.	3. Due to Mechanical Development.
Distribution by road transport.....	27	15	12	18
Cocoa process.....	47	15	12	20
Chocolate process.....	39	15	18	6
Chocolate wrapping.....	27	10	12	5
Chocolate (hand).....	27	12	12	3
Chocolate (machine).....	15	5	5	5

Finally, may I say a word on the subject of remedies. For increased effort (which, in my opinion, necessarily entails individual payment by results, &c.), for better organisation (time and motion study, &c.), and even, in some trades, for the adoption of improved mechanical processes, a new attitude on the part of several trade unions is necessary. The problem of increasing the national income is therefore by no means one for capital alone to face; almost equal responsibility rests with organised labour, particularly where craft lines of demarcation are most pronounced.—Yours truly,

L. J. CADBURY.

Bournville, May 7th, 1924.

WEMBLEY AND ROME.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Your Casual Visitor to Wembley is mistaken in thinking that it was a globe-trotter who did Rome between two trains. It was that distinguished scholar, William Johnson (afterwards Cory), accompanied by a pupil who has since been Prime Minister. They had six hours at their disposal, and to save time employed neither guide nor guide-book. When they got home, Mr Johnson consulted Baedeker, and was unable to discover that they had missed anything. This, of course, was in the 'sixties.

The only thing that Mr Johnson thought remarkable about the feat was that they visited the grave of Keats twice.—Your obedient servant,

HUMPHREY PAUL.

Reform Club, Pall Mall, S.W. 1, May 10th, 1924.

HOME RAILWAY DECREASES.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Having regard to the large decreases up to date on the three heavy groups, it seems time for shareholders to attempt to stir up directors to make some move to bring down working expenses, and as coal is an important item, it seems to me it would be a step in this direction if the railway companies would devote half of their old reserves (which amount to 60 million pounds) to purchasing coal areas, with powers to sell to the outside public. They could doubtless earn 10 per cent. on this venture. In this way not only would the railway companies effect large savings, but a considerable impetus would be given to trade all round by a substantial reduction in the exorbitant price of coal—a monstrous swindle, and drain on our pockets.

RICHARD VARLEY.

100 Vaughan road, Harrow-on-Hill, Middlesex,
May 13th, 1924.

Books and Publications.

HOLDING COMPANIES.*

THE term "holding company" describes a company whose function it is to hold the shares or stock of one or more concerns with the intention of controlling their operations. A holding company is thus clearly distinguishable from the ordinary trust or investment company; the latter holds investments chiefly as an investor in order that it may receive the dividends. A holding or parent company acquires the whole or a controlling interest in the share capital of one or more distinct businesses, thus for practical purposes effectually amalgamating them and consolidating their interests, while at the same time each of the separate undertakings continues its own sphere of

* "Holding Companies and Their Published Accounts." By Sir Gilbert Garnsey, K.B.E., F.C.A. (London) Gee and Co. (Publishers), Limited.

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operations and retains its existence as a separate entity. These separate concerns are known as subsidiary or constituent undertakings.

Holding companies were almost unknown in this country until recent years. Some present-day examples are British-American Tobacco Company, Limited, Courtaulds, Limited, Underground Electric Railways Company of London, Limited, and many others. The property of some of these holding companies runs into many millions sterling, and this book is particularly concerned with the important question of the proper method of presenting the figures in the annual balance-sheet issued to shareholders. The subject is full of difficulties. In this country it is usual to publish only the holding company's balance-sheet and profit and loss account, showing the interest in subsidiary companies as an investment, and this is all that is legally necessary for the directors to publish. But it is certain that this legal balance-sheet, unaccompanied by any further particulars concerning the general position of the allied undertakings, really does not give the shareholders the information to which they are fairly entitled. Sir Gilbert Garnsey writes with special knowledge of the subject, and he thinks—and we agree with his view—that the legal balance-sheet should be supplemented either by an aggregated statement of the assets and liabilities of all the undertakings, including the holding company, or by a statement of the total assets and liabilities of all the subsidiary enterprises, whichever may seem the most appropriate in each particular case; and clear examples of the various forms are presented. The shareholders would then be able to see the financial position of the parent company in its relationship to shareholders and creditors, and also the combined results as a single organisation.

Large sums representing nothing but goodwill are often included in the cost of shares acquired by holding companies, but it is seldom that any reference to goodwill is found in a holding company's balance-sheet. Goodwill is nothing but the present value of expected future super-profit—namely, annual profit expected to be earned over and above the normal reward of the necessary services of management and material capital, and the cost of goodwill should be suitably written down out of that future super-profit as it is received. Sir Gilbert Garnsey is content, however, to suggest that a note should appear in the holding company's balance-sheet against the shares in subsidiary companies stating that the figure includes goodwill to an amount specified. This work presents a particularly clear and valuable study of the subject, and it should be in the hands of all interested in this type of undertaking.

NATIONALISM IN INDIA.*

THIS book is profoundly interesting, full of information and anecdote, and decidedly discouraging. After sixteen years of experience as an official in Southern India, Mr Gwynn came home, and was sent out in 1922 by the *Manchester Guardian* to travel in the most actively Nationalist districts, and ascertain the feelings of their people. He deals very fully with the many features and elements of the Swaraj movement, with native business opinion in Bombay and popular sentiment among the Mahrattas and in Gujerat, with the agitation in Bardoli, Mr Ghandi's special field of action, and Ahmedabad, his headquarters; with the discordant elements in the Punjab, the United Provinces, and Oudh; with the native Christians, of whom the younger generation is now violently Nationalist; and (rather cursorily) with Bengal, whose population has recently become tougher and has developed a Nationalism of its own; and with Mohammedan opinion everywhere. Invariably among the educated classes and the townspeople, and also in large rural areas, he finds acute resentment against British rule and im-

* "Indian Politics." By J. T. Gwynn. Introduction by Lord Meston, K.C.S.I. (London) Nisbet and Co., Limited, 1924. 12s 6d net.

patience with the alleged inadequacy of the reforms. Since 1922, of course, the situation has developed, though not for the better, except so far as Mohammedan feeling, which jealousy of the Hindus renders less acutely Nationalist, may have been modified by recent developments in Turkey and possibly in Iraq; but the prospect is not encouraging, and the damage done to education by the withdrawal of pupils from the Government schools to Swaraj schools, where students waste part of their time in counteracting British industry by spinning and weaving, is very grave indeed. India, he concludes, would be saved by a British "change of heart," suppressing the sentiment of racial inequality; but though provincial autonomy and the Indianisation of the services would satisfy the Moderates and many "Non-Co-operators," it would be ineffective unless the army, of whose feelings little is known, could be also nationalised—a dangerous course both for Britain and for India; while "Indianising" the Services, with native control of the police, is regarded even by many Indians as a change for the worse. Yet India, with her many divergent components, social, racial, religious, and political, cannot at present stand alone. He expects an interval of passive resentment, followed by renewed and more vigorous agitation; and he propounds a plan for so using the respite as to avert a catastrophe. The book leaves the reader with a sense of the tremendous responsibility which will be incurred by any official or non-official Englishman who aids by speech or action in widening the breach between Great Britain and India.

ARBITRATION IN THE NEW WORLD.*

THIS handsome volume contains 228 arbitration treaties or arbitral clauses of other treaties signed by or between American Powers and duly ratified from 1822 to 1910 inclusive. The translations have either been specially made or carefully revised, and there are many useful footnotes. The editor, who is attached to the Latin-American division of the U.S. State Department, invites criticism and further information, especially as to whether some of the treaties were actually ratified; but even should some correction be required, the book will be of the highest value to publicists and students, especially those concerned with the obscure history of Spanish-America.

BOOKS RECEIVED.

- Equipment Obligations.* By Kenneth Duncan, Ph.D. Introduction by I. L. Sharfman, Ph.D. (London) D. Appleton and Co. 16s net.
- Arbitration Treaties Among the American Nations to the Close of the Year 1910.* Edited by W. R. Manning. (New York) Carnegie Endowment for International Peace. (New York) Oxford University Press, American Branch. \$3.50.
- The Irresistible Movement of Democracy.* By John Simpson Penman. (London) Macmillan and Co., Limited. 21s net.
- Politique Parlementaire, Politique Atavique.* By Yves Guyot. (Paris) Librairie Felix Alcan. 12f 50c.
- Economic Position of the Married Woman.* By Mrs H. A. L. Fisher. (London) Oxford University Press. 1s 6d net.
- Canada's Balance of International Indebtedness, 1900-1913.* By Jacob Viner. (U.S.A.) Harvard University Press. \$3.50.
- The Statesman's Year-Book.* Edited by Sir John Scott Keltie, LL.D., and M. Epstein, M.A., Ph.D. (London) Macmillan and Co. 20s net.
- Anglo-American Year-Book, 1924.* Joint editors H. R. Amory and B. M. Gardner. (London) American Chamber of Commerce. 15s net.
- A well-compiled reference book, which is useful to American visitors to England and English visitors to the States, and to all who are interested in the close relations between the two countries. This, the twelfth issue, contains new features and amplified information.
- Putting Socialism into Practice.* By Clifford Allen. (London) Independent Labour Party. 6d.

* "Arbitration Treaties Among the American Nations at the Close of the Year 1910." Edited by William R. Manning. (Carnegie Endowment for International Peace). (New York) Oxford University Press, American Branch, 1923. \$3.50.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, May 21. | ACCOUNT, May 22.

Dealings started this week in the new 4½ per cent. Conversion stock, which is the outcome of the offer made at the beginning of last month by the Government to holders of 5 per cent. War Loan that they should exchange £100 of their stock for £103 of the new issue. The price of the 4½ per cent. Conversion opened at 97½, declined a trifle, and then rallied. Its advent has had no effect upon other securities in this market, the prices of which continue to maintain a tolerable steadiness, although there has not been a rush during the past few days to buy investment securities.

The New Zealand 4½ per cent. stock offered at 95, and promptly subscribed, is quoted just over par. The North Wales Power 4½ per cent. debenture, which came out at the comparatively high price of 95½, was subscribed in advance of the full time to which the lists could remain open. Money is available in fairly large amounts for investment, but business in this direction suffered a check by reason of the result of the French elections, the resignation of Monsieur Poincaré, and the consequent fall in the value of the franc. As the French exchange recovered, so the temper of Stock Exchange markets improved. Most members of the House will admit, however, that less interest has been shown in stocks and shares than in the drawing for the £100,000 Stock Exchange Derby Sweepstake, the results of which were announced on Thursday morning.

Foreign bonds make a good market, with rises in Argentine, Brazilian, Siamese, Chilean, Japanese, and a fair number of foreign municipal bonds. Chinese 8 per cents. of both issues have advanced substantially. French bonds moved upwards, after a dip on the drop in the French exchange. Russians are lower, and interest in Germans remains dormant. A new Czechoslovak loan is expected.

Home Railway stocks fail to attract any particular amount of public attention, Metropolitans being the only stock in the list to show noticeable improvement on the week. Other stocks are moving languidly. The traffic returns are too discouraging to cause buying of the stocks. Pre-ordinary descriptions keep very steady. Various Brazilian rails are better, while Argentines have shown a sagging tendency for lack of interest. The Nitrate market is tolerably hard, but dealers confess that the public are paying no particular attention to their list, in spite of the cheerful prospects which the industry carries.

Another drop in the price of raw rubber caused weakness throughout the share price-list, though without bringing in many sellers. The Rubber Trust dividend of 7½ per cent. is regarded as fairly satisfactory. The names are published of the committee which is to formulate a scheme for the inauguration of a central selling agency, but the slump in the price of rubber is causing widespread uneasiness and perplexity. In the Oil market, the lively gamble in British controlled shares of both classes was resumed, taking prices higher, but a cut in the price of crude oil rather damped the list as a whole. Lobitos suffered a sharp fall on Thursday. The Tea market has been again booming, although here and there a tendency is noticeable to take profits. The Eastern Assam is paying 50 per cent. dividend for the year, the same rate as that for 1922, but is distributing a bonus of share for share. The defeat of Mr. Baldwin's motion, that it is inexpedient to remove the McKenna duties, led to depression in the motor share market. Tobacco shares are uninteresting.

Crosses and Winkworth preference fell back, on the report, and textiles as a whole are not very bright, business in the shares running on strictly retail lines. Insurance, banking and trust companies' issues forge steadily ahead. The Shipping market is firm. Vickers gave way, on the announcement that there will be no dividend on the ordinary shares for last year. This exercised an unfavourable effect upon the iron and steel group as a whole. Exhibition shares, including those in hotel, catering and stores companies, remain in favour, and gas stocks are better, while the electrical market

shows scarcely a change. Marconis remain dull, in contrast to the strength shown by cable stocks and shares.

The Kafir market has resigned itself to the probability of doing little business until the Transvaal elections in June are out of the way. Prices are moderately steady. There is no outstanding feature. Canadian mines went better, upon an advance in Huronian Belts. Mexicans hardened a trifle, upon a mild inquiry for some of the principal shares. No recovery worth mentioning has occurred amongst the tin share markets. Diamond and copper shares have leaned, as usual, upon Paris, the prices moving up and down in sympathy with the fluctuations in exchange.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£ ..	£ 56,768,461 ..	£ ..	£ ..
4 % Treasury Bonds by public tender, May 9, 1924, 5,000,000, at £94 15s 10d ..	£ ..	£ 2,840,850 ..	£ ..	£ ..

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED MAY 10, 1924.				
	£	£	£	£
April 1, 1924, to May 10, 1924 ..	Dr 7700,000	Dr 50,000	Dr 50,000	
To the Public—				
North Wales Power Co. £1,500,000				
4½ % Deb. Stock, Red. 1930				
1953, at par, issued at 95½ (guaranteed by Imperial Government under Trade Facilities Act)	1,500,000	1,432,500	75,000	1,357,500
Trade Indemnity Co., Ltd.				
15,000 Shares, £10, at par ..	150,000	150,000	7,500	142,500
The Blue Bird Motor Co. (1924), 160,000 8 % Cum. Pfg. Pref. Shares, £1, at par ..	160,000	160,000	20,000	140,000
Do 64,000 Ord. Shares, 1s, at par ..	3,200	3,200	3,200	..
Total offered to the public ..	..	1,745,700	105,700	1,640,000
To Shareholders only—				
Northern Banking, 50,000 "A" Shares, £10, at £4 per share	500,000	200,000	100,000	100,000
Mount Lyell Mining and Railway, 213,695 £1 Defd. Ord. Shares in Electrolytic Zinc Co., at 16s per share ..	213,695	170,956	170,956	..
Total offered to shareholders ..	..	370,956	270,956	100,000
Total offered for subscription to date ..	..	2,116,656	376,656	1,740,000
In—				
1924.....	61,675,967	1923.....	271,353,173	
1923.....	140,927,543	1922.....	573,675,260	
1922.....	407,891,223	1921.....	388,978,203	
1921.....	88,032,418	1920.....	357,549,466	
1920.....	189,153,762	1919.....	1,435,069,951	
1919.....	349,616,862	1918.....	1,393,381,441	

Eastbourne Corporation.—Issue of £250,000 4½ per cent. redeemable stock, 1945-1960. This loan is with the sanction of the Ministry of Health, and is authorised by the provisions of Parliament. Interest is payable half-yearly June 1st and December 1st. The stock is redeemable at par on March 31, 1960, or at the option of the corporation on or after March 31, 1945, on giving three calendar months' notice. The stock will be registered in the books kept by the Borough Treasurer, Town Hall, Eastbourne, who has been appointed registrar of this stock. It will be transferable by deed, free of stamp duty, and will be charged upon all the revenues of the corporation. The proceeds of the proposed issue of stock will be applied to meet new capital expenditure for the extension of the electricity undertaking, new parks and pleasure grounds, sewage works, street improvements, housing, &c. The population of the county borough of Eastbourne was 62,030 at the last census, and the present rateable value is £516,245. The total rates for the current financial year to March 31, 1925, are 9s in the £. A rate of one penny in the £ will produce £2,100. The outstanding debt at March 31, 1924, after allowing for sinking fund in hand, was £720,104. The corporation is negotiating the sale of the stock at the price of £95 per cent. These details are taken from a newspaper advertisement headed: "This statement is advertised in compliance with the regulations of the Committee of the Stock Exchange, London, in connection with an application for leave to deal in the stock mentioned below, and is for information only, and is not an invitation to subscribe for stock." But when shall we see the prospectus?

North Wales Power Co., Limited.—Authorised share capital £1,000,000, of which £705,185 has been issued. The total authorised loan capital is £1,979,530, of which £279,530 has already been issued in the form of 8 per cent. "B" debentures. This is an issue of 4½ per cent. guaranteed debenture stock at 95½, being part of an issue of £1,700,000. Principal and interest are guaranteed by his Majesty's Government under the Trade Facilities Acts. The stock will be repayable over the years 1930 to 1953 by the operation of a cumulative sinking fund to be applied in purchasing stock at or under par, or redeeming at par stock chasing stock at or under par, or redeeming at par stock selected by drawings. Power is reserved to the company to redeem the stock outstanding at par, on or after May 1, 1934, subject to three months' notice. Stock not previously

redeemed will be repaid at par on November 1, 1953. The company, formerly known as the North Wales Power and Traction Company, Limited, was incorporated in 1903, and operated under statutory powers in England or Wales. Its area of distribution is now approximately 4,000 square miles. The revenue of the company is not shown in the prospectus, but this, perhaps, is only of secondary importance in the case of an issue which has secured the protection of the Trade Facilities Acts. An excellent investment.

Beira Town Sites, Limited.—Authorised capital £50,000 divided into 200,000 shares of 5s each, all of which have been issued, of which 148,028 are fully paid and 51,972 are 6d paid. Permission is being applied for to deal on the London Stock Exchange in the 148,028 fully paid shares of the company. The following details are taken from the public press in connection with this application. The company was formed in 1903, and acquired a tract of land of an area of 335 hectares or 836 acres at Beira adjoining the port. Through the land run two good main roads, along one of which two light railways have been laid by the Government. Fully paid shares to the nominal value of £37,000 were allotted in consideration for the transfer of the land and the payment of £1,000 in cash to the company under an agreement dated October 13, 1903. The company sold none of its land until 1921. Since that date 30 acres have been sold for £17,075 (which sum represents 34 per cent. of the capital of the company), leaving still in its hands over 800 acres. Of the 30 acres sold, 17 1-3 acres have been sold for £10,500 since the beginning of last December. When the uncalled balance on the partly-paid shares is called and paid up, the company will have additional cash funds to the amount of £11,600 representing 23 per cent. of the capital. But we have no prospectus to guide us further.

The Devon and Cornwall Farmers' Bacon Factory, Limited.—Estimated capital £25,000, in shares of £1 each. This is a proposed co-operative society, controlled by agriculturists, for establishing a bacon-curing and pig by-product factory. "All profits accruing to the society after payment of general expenses and other outgoings will belong to its farmer members." It is estimated that the cost of the factory will absorb £16,500, and that £8,500 will be needed for working capital. The £1 shares will carry interest at the rate of 6 per cent., and members are invited to subscribe up to a limit of 200 shares each. There are many interesting details in the prospectus, and the scheme proposed is ingenious. The organiser of this undertaking, in a letter to the *Economist*, states that "This society is being formed in accordance with a scheme of mine, having for its object the establishment of Farmers' Co-operative Bacon Factories to serve certain wide areas in England and Wales, in which the pig population is large enough to afford the factories the supplies they require." He adds that "it is anticipated that these farmers' factories, whilst maintaining their individuality, will be federated into one body, marketing their produce and purchasing their requirements collectively." We wish the organiser success in his task.

The Hesse Gas Company.—Authorised stock capital £50,000, of which £30,000 has been issued. Of the borrowed capital, £15,000 has been issued, as against £25,000 authorised. The stock capital includes £13,994 6 per cent. preference stock. The net revenue of the undertaking for its last financial year was £6,412, which was sufficient to cover the debenture interest, dividend on the preference stock, and to provide a dividend at the rate of £10 16s per cent. This is an offer for sale by tender of £10,000 additional capital stock at the minimum price of £137 10s per £100. This stock ranks for a standard dividend of 8 per cent., subject to the sliding scale. The minimum price is based on the dividend of £10 16s per cent. already mentioned. The sliding scale might work, it is pointed out, so that stockholders became entitled to a dividend of £13 8s per cent. For a public utility undertaking, the offer must be regarded as not without the speculative element.

The Blue Bird Motor Company (1924), Limited.—Capital £175,000, divided into 160,000 8 per cent. cumulative participating preference shares of £1 each and 300,000 ordinary shares of 1s each. This is an issue of 160,000 8 per cent. cumulative participating preference shares and 64,000 ordinary shares, at par. Subscribers of preference shares are entitled to have two ordinary shares for five preference shares allotted. The company has been formed to acquire the Blue Bird Motor Company, which carries on the business of hiring out motor cars and supplying petrol and oil. Assets are valued at £50,500, payable as to £11,800 in ordinary shares, and the balance in preference shares or cash, at the option of the directors. Those responsible for drawing up the prospectus apparently do not appreciate the necessity for showing what past profits have been. The undertaking was established in 1913, yet no profits are given. In the absence of such information, the appeal to the public is based upon "expectations." Catering for the needs of motor users in this country is clearly a rapidly growing business. This company believes that it will attract a large trade by cutting the price of petrol. Whether this can be kept up in competition

Finally, the directors had decided to increase the rate of interim bonus until further notice. This, under ordinary tables, is to be

at the same rate as the bonus now declared. Thus they would place the policyholders of the company in a not less favourable position than if an annual valuation were made and a bonus declared.

HUNDRED YEARS OF PROGRESS.

Briefly detailing the development of the company in its hundred years' existence, he said that the figures for each quarter-century of their history were interesting. In 1849 the income was £77,000 and the funds were £290,000; in 1874, income £128,000, funds £580,000; in 1899, income £256,000, funds £1,102,000; in 1924, income £3,109,000, funds £7,113,000. As the income increased and with it a corresponding liability, so had the funds. A point that had always had the careful consideration of the company—and during the last quarter of a century representing the greatest growth of the company—the reserves had kept pace with the liability, broadly speaking. He did not include the life department fund, which is calculated on a scientific actuarial basis.

Sir George Duncombe, Bart., seconded; the resolution was carried unanimously.

LONDON LIFE ASSOCIATION, LIMITED. WITH-PROFIT POLICIES.

The annual general meeting of the London Life Association, Limited, and of the Clergy Mutual Assurance Society was held, on the 14th instant, at 81, King William Street, London, Mr Reginald B. Jacob (the president) presiding.

The actuary and manager (Mr Harold M. Trouncer, M.A., F.I.A.), having read the notice convening the meeting and the report of the auditors,

The president, in the course of his speech, alluded to the increase of the total funds by £548,000, the strong reserves, the very satisfactory new assurances of £1,625,000, being an increase of £55,000, and the reduction in the expense ratio to £5 9s per cent. He then passed on to the consideration of the results of the year as affecting with-profit policyholders, and proceeded to deal first with the reduction-of-premium system of the London Life.

REDUCTION-OF-PREMIUM SYSTEM.

He said: I would remind you that this is the main system on which the prosperity and popularity of the London Life were built up. It is no exaggeration to say that the elasticity of this provides one of the greatest safeguards that any office possesses. Let me emphasise this point. Rates of reduction are declared for the year only, and, if urgent necessity demanded it, they could be decreased in the future (except where they have reached 100 per cent.). Our predecessors were, however, wise in not declaring rates of reduction without making provision in the valuation for their continuance throughout the life of every policy concerned. As a consequence, when the Great War broke out we held as a reserve for the continuance of the then current rates of reduction no less than £2,670,000. For many years a steady policy of strengthening reserves had been carried out, and we actually had in view the prospect of larger annual increases in the rates of reduction when we were suddenly faced with the financial problems of the war. We could, of course, have met the depreciation in the value of securities by decreasing rates of reduction. That would have been a strong measure, but would it have been fair to our older members? We thought not, and we decided that we would do nothing dramatic, but rather endeavour to help our members by maintaining the gradual increase in rates of reduction and use part of the reserves, which our predecessors had built up, to meet the emergency of the moment. I look back with pride on our history during the war. We were not only successful in increasing the rates of reduction, but during the last few years we have gradually replaced the reserves, and you will notice in the report that we have once more been able to make provision in the valuation for the continuance of the full rates of reduction declared. Our position is now stronger than ever, and it is with great pleasure that the directors have been able to declare an increase of two, instead of one, in the rates of reduction. From what I have said you will understand that the larger increase in the rates is in no sense to make up for any deficiency in past years; it is carrying out what was looked forward to before the war.

REVERSIONARY BONUS SYSTEM.

I am glad to say that the reversionary bonus system of the London Life furnishes another example of the benefits of continuity. In each year since it was started in 1914 a compound reversionary bonus of 35s per cent. of the sums assured and existing bonuses has been declared. This is, indeed, no mean achievement, especially when the lowness of the premiums charged is taken into account. This system was started in troublous times, and we watched its development with anxiety, but it has now grown to manhood, and we are proud of its strength and success.

Turning to the consideration of the position of the members

of the Clergy Mutual, I do so with very great pleasure. Their future prospects are well assured, and the directors hope that the substantial increases in the rates of bonus which they have been able to declare will be appreciated. From the time the two companies became associated the directors had full confidence in the future prospects of the Clergy Mutual, but it is one thing to be confident of the future and another to justify that confidence. Happily, success has come sooner than we anticipated. The problem was not only the declaration of bonuses, but of making as sure as we reasonably could of being able to continue to declare bonuses and gradually to increase the rates. By the system of valuation which we adopted we made, as we believed, adequate provision for the declaration each year of the same rates of bonus during the continuance of every policy. Time has justified our expectation, and we are able this year to declare a reversionary bonus on whole-life policies of 34s per cent. of the sums assured for all ages up to 65 (increasing for each age over 65, as set out in the report), and on endowment assurances a reversionary bonus of 38s per cent. of the sum assured. At the same time, the basis of the valuation is a strong one, and we do not regard the declarations of bonuses as having yet attained the maximum.

The report and accounts of the respective institutions were unanimously adopted, and a cordial vote of thanks was passed to the president and directors.

ALLIANCE ASSURANCE COMPANY, LIMITED.

CENTENARY YEAR—BONUS TO SHAREHOLDERS AND STAFF.

The annual general court of the Alliance Assurance Company, Limited, was held, on the 14th instant, at the head office, Bartholomew Lane, London.

Mr Charles Edward Barnett, chairman of the company, presided.

The secretary (Mr Sidney T. Smith) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that in the life department the new net business during 1923 amounted to £2,058,620, at annual premiums of £78,345 and single premiums of £24,993. The claims by death were exceptionally light, and generally the year was a very profitable one in this department. The results of the 20th quinquennial valuation, made at the close of the year, showed that the position of the department was stronger than ever before in the history of the company. Notwithstanding the increased reserves made, the available surplus amounted to the large sum of £1,412,956. After transferring the shareholders' proportion—namely, £170,469—to the profit and loss account and allotting bonuses to the policyholders at substantially higher rates than in the past, there was a balance of £272,467 to be carried forward to the next valuation.

In the fire department there had been some falling off in income, accounted for by the fall in the value of commodities and the still unsatisfactory condition of trade. The loss ratio had been very satisfactory, and there had been a slight reduction in the ratio of expenditure. The additional reserve had been strengthened by £136,853, making it £1,650,000, and £272,828, which included the interest earned on the fire fund, had been carried to profit and loss account.

The premium income in the marine department showed a reduction, due to caution in restricting acceptances until the outlook for marine insurance became more promising. At the beginning of the year there was a balance on 1921 account of £181,162, which had been reduced by further payments during the year to £124,324; £75,000 of this had been set aside as a provision for further claims for that year, and £49,324 had been transferred to profit and loss account, together with £47,301, interest on the marine insurance fund. At present it was difficult to estimate the results for 1922 and 1923, but the directors had no reason to expect that they would be unfavourable.

ACCIDENT PREMIUM INCOME A RECORD.

The premium income of the combined accident accounts was £602,225—the highest figure recorded since the department was inaugurated in 1907—and, having regard to the industrial conditions existing throughout the year, the increase of over £26,000 might be considered satisfactory. The income from employers' liability business had again declined, but he hoped that the low-water mark had been passed, and that, with reviving trade, the volume of business in this section would recover. The other classes of business transacted in the accident department—such as motor-car, burglary, fidelity guarantee, &c.—were being steadily developed, and as a result of the year's working a satisfactory profit had been made.

PROFIT AND LOSS ACCOUNT.

With regard to the profit and loss account, they had brought in from the various underwriting accounts the following sums, derived from profit and interest on the funds:—Fire, £472,828; marine, £96,626; miscellaneous, £55,377; employers' liability, £98,636. The shareholders' proportion of the quinquennial profit

of the Alliance life department amounted to £170,469. The quinquennial valuation of the economic fund showed a surplus sufficient to provide the usual bonus, at the rate of £1 6s per cent., to the participating policyholders, and to repay the amount advanced by the Alliance in 1918. A sum of £250,000 had been applied in writing down the cost of the shares of the National Boiler and General Insurance Company, which would now stand in the books at £486,797. The business of that company was progressing satisfactorily, and the directors were satisfied that the acquisition would prove of permanent value to the Alliance. The balance carried forward on profit and loss account amounted to £1,463,561, as compared with £1,025,422 a year ago. To mark the centenary it was proposed to pay a bonus dividend to the shareholders, and also a generous bonus to the staff and employees of the company.

The total assets of the company amounted to £27,862,027, and each of the Stock Exchange securities stood in the books at or below the market value on December 31st last. He was happy to say that the market values were now considerably higher than the book values.

The report and accounts were unanimously adopted, and a final dividend, making 14s per share for the year 1923, was declared, together with a special bonus dividend of 6s per share, both less income-tax.

UNITED BRITISH INSURANCE COMPANY, LIMITED. GRATIFYING INCREASE OF BUSINESS.

The ordinary general meeting of the United British Insurance Company, Limited, was held, on the 14th instant, at the Caxton Hall, London, S.W., Mr C. H. Dodd (the chairman of the company) presiding.

The Chairman, in moving the adoption of the report and accounts, referred first to the change which had taken place in the directorate since the last meeting. Dealing with the accounts of the various departments of the business, the Chairman said that the premium in the fire insurance account had risen from £262,000 to £271,000, which was a fairly substantial increase considering present conditions. The loss ratio had fallen from 64.7 per cent. to 58.6 per cent., commission and expenses were slightly down, and, after making the usual reserve of 40 per cent. for unexpired risks, the sum of £3,381 was transferred to profit and loss account. That was not such a large figure as in the previous year, but for that year there had been a very big fall in income over the preceding year, and a lesser sum had had to be carried then to reserve. The main feature of the account was that the ratio of claims was considerably lower than the year before.

RESULTS OF VARIOUS DEPARTMENTS.

Premiums in the employers' liability insurance account showed an increase of about £500; the ratio of claims was 39.5 per cent., as against 37.7 per cent., but savings had been made in commission and expenses of management, and, after making the usual reserves, there was a transfer to profit and loss account of £1,284, as against £977 last year. The account, though small, was showing steady and continuous progress. The motor and general insurance account also showed better figures, the premiums being £99,000, as against £96,000. The claims ratio was, however, rather more than last year at 51.5 per cent., as against 48.2 per cent. Savings in commission and management had been effected, and the result was a transfer to profit and loss account of £4,081, as against £4,724 last year. The premiums in the marine account were considerably lower than last year, in accordance with the expressed wish and desire of the directors, who had felt that in present conditions the safest

thing to do was to write a small but safe account and not to attempt to go out for premium income. The board had thought it wise to make no transfer to profit and loss account. The life insurance and annuity account showed steady increase; the total funds were now £41,000, against £36,000 last year. That account was necessarily slow of growth, but in due course would, no doubt, increase to big proportions. The balance-sheet was very much the same as a year ago. The funds were lower, but that was accounted for by the fall in the marine premium income.

PROFIT AND LOSS ACCOUNTS.

The profit and loss account showed that they had a balance from the previous year of £76,284. In addition to the transfers from the various accounts to which he had referred, they had received the sum of £49,892 in interest, dividends, rents, &c., and also £52,651 as refund of overpaid excess profits duty. On the other side of the accounts, dividend for 1922 had absorbed £51,625, there was an addition to tax reserve fund of £60,000, a loss on exchange of £2,495, and a small transfer of £700 to the accident fund, to which he had already referred. That left a balance of £78,231; out of that an interim dividend of 7½ per cent. had already been paid, and the board now recommended a final dividend of 7½ per cent., making 15 per cent. for the year. That would enable them to carry forward the sum of £32,106, as against £24,659 last year.

The board would like to have maintained or even to have increased the dividend paid in the previous year, but they had come to the conclusion that, in all the circumstances, it was wiser to keep the dividend within the amount received by way of interest and dividends on the invested funds of the company, and not to encroach in any way upon the earnings of the different accounts. He felt sure that shareholders would agree with the board that, in view of the present conditions, a conservative policy was the best.

As a fact, the figures disclosed were, in the circumstances, very satisfactory; save in the case of the marine department, which the board wished should be decreased, every department showed an increase on the figures of last year, and it was very encouraging to feel that the company had been able to hold its own in the face of the very severe competition now to be faced for all classes of business. It was gratifying to be able to say, also, that since the close of the year both the motor and the accident branches had shown quite a substantial increase over last year's figures.

Mr W. Rees Jeffreys seconded the motion, which, after some discussion, was carried.

The remaining formal business was then transacted.

SCOTTISH EQUITABLE LIFE ASSURANCE SOCIETY. A VERY PROSPEROUS YEAR.

The ninety-third annual meeting of the Scottish Equitable Life Assurance Society was held, on the 8th instant, in Edinburgh.

The Chairman (Mr D. A. Stevenson), in moving the adoption of the annual report, said:—The total business shown cannot be considered anything but satisfactory, exceeding, as it does, the amount for the corresponding year of last quinquennium by nearly £400,000, or an increase of 40 per cent. on what was then a record new business for the society. The quality also of our new business has been good, inasmuch as it has, unlike that of many of our competitors, been subjected to the same severe tests before being placed on the books, as has always been the case with the business of the society.

The average rate of interest realised upon our investments, after deduction of tax, remains practically steady at very nearly 4½ per cent., and thus provides a margin for accumulation of profit



The Anglo-South American Bank Ltd.

Head Office: 62, Old Broad Street, London, E.C. 2.

Authorised Capital . £10,000,000	Issued and Paid-up . £4,367,330
Subscribed Capital . £8,734,660	Reserve Fund . £4,000,000

The Bank, in addition to having 6 branches in SPAIN, has, with its
AFFILIATED INSTITUTIONS
THE BRITISH BANK OF SOUTH AMERICA, LTD., and
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.
55 offices in the principal countries of LATIN AMERICA.

AUXILIARIES:
ANGLO SOUTH AMERICAN TRUST COMPANY, NEW YORK
(Incorporated under laws of State of New York) and
BANQUE ANGLO-SUD AMERICAINE, Soc. Anon., PARIS.

of nearly $\frac{1}{2}$ per cent. over the rate employed in the valuation of our liabilities.

The life assurance fund for the first time in our history passes the seven million mark. The greater part of these seven millions continues to be invested in the safest of all securities—those of the British Government. The market value of the society's assets is largely in excess of the amount at which they stand in the accounts.

Our payments to members whose policies have matured during their lifetime are this year exceptionally large—viz., £230,140, or not far short of 40 per cent. of the total claims. You will find if you inspect the figures of other offices that this is a remarkable feature and one that shows the popularity of the society's endowment policies. Many of those receiving these payments have shown their satisfaction and confidence in the society by again taking out a policy to replace the maturing one.

The younger members of the society who have been wise enough to avail themselves of the benefits given by our "Perfect Policy" will not require in later life to go through the trouble of arranging a new policy or run the risk of their health being then unsatisfactory, since under that scheme the maturing endowment is replaced automatically by another policy payable at death, and no further premiums are required. The great advantages of this scheme should be brought under the notice of their friends by all the members of the society.

The report was adopted.

EDWARD LLOYD, LIMITED. GREAT NEW DEVELOPMENTS. RECORD OUTPUT.

The thirty-fourth ordinary general meeting of Edward Lloyd, Limited, was held on the 15th inst., at the head office of the company, 4-7 Salisbury court, Fleet street, London, Mr Frank Lloyd, the chairman and governing director, presiding.

DIRECTORS' REPORT.

The report of the directors for the year ending December 31, 1923, states that:—

The profits for the year, after allowing for depreciation, bad and doubtful debts, income-tax, estimated Corporation Profits Tax, and contingencies, amount to	£	s	d
195,038	10	7	
Making, with the balance brought forward from December 31, 1922	10,653	15	11

A total of	215,292	12	6
Deducting—			

Interest on pension account, directors' and auditors' fees, head office and transfer office expenses	7,149	5	5
	208,143	7	1

Dividend on the preference shares for the year to December 31, 1923 £47,250 0 0			
Interim dividend on the ordinary shares for the year 1923 at the rate of 9d per share (free of income-tax), paid October 1, 1923 45,000 0 0			
	92,250	0	0

There remains a balance as per balance-sheet of ...	115,893	7	1
---	---------	---	---

The directors now recommend the declaration of a final dividend for the year 1923 on the ordinary shares at the rate of 1s 3d per share (free of income-tax), making 10 per cent. for the year

The directors also recommend that the sum of £10,000 be placed to pension account	10,000	0	0
Carrying forward to the next account	30,893	7	1
	115,893	7	1

The profits for the year, after making provision for company expenses, show a decrease of £20,421 19s 11d, as compared with 1919, the only year since the termination of the war which can be considered as approximating to normal conditions, 1921 and 1922 having been seriously disturbed by the writing down of the stocks.

The Secretary (Mr T. Gerald Denison) having read the notice convening the meeting and the report of the auditors, The Chairman, in moving the adoption of the report and accounts, said:—

As you will have seen in the report, the profits for the year show a decrease of £20,421 19s 11d as compared with 1919, the last year which can be considered a normal one.

As I anticipated, we obtained a record output of paper, exceeding the previous year's production by no less than 13,244 tons.

But for the losses we sustained by reason of the failure of Becker and Co., Limited, in October last, which have all been written off, we should have done even better than in 1919 whilst the prospects for this year are very encouraging.

THE PREFERENCE ON NEWSPRINT.

The preference on newsprint so generously granted to this country by Australia and New Zealand materially assisted the British newsprint industry during the period of reconstruction, and helped to reduce unemployment at a time when it was very acute. Prices of raw materials now seem to be approaching an economic basis, and I feel confident that in the near future British newsprint makers will be able to bring their prices for export down to a competitive level. We have to thank our friends in Australia and New Zealand, with whom we have had such pleasant relations for so many years, for the confidence they have shown in the early recovery of the British manufacturers from the difficulties of the post-war period.

EXTENSIONS AT KEMSLEY.

The important extensions to which I referred at the last annual meeting are now nearly completed, and it is hoped that the first of the two new wide machines will be put into operation in the course of ten days, and that the second will follow some three weeks later. This new mill embodies many interesting new features which will enable us to achieve even greater economy and efficiency than hitherto. Whilst this great development has been in progress at Kemsley we have introduced many improvements to the machines at Sittingbourne Mill, bringing them up to date in every respect, and we are now erecting a new power house with a 6,000 k.w. turbo generator, and a new boiler house with all the latest methods of economic steam production and utilisation. We are scrapping three of the narrow paper machines and two ranges of steam boilers, all of which have done good service in the past and have now been written completely off our books.

THE ACCOUNTS.

A careful examination of the balance-sheet will show an even stronger financial position than last year. Stocks and book debts have decreased by £242,614 2s 11d. Cash in hand has increased by £42,691 19s 10d, whilst creditors, credit balances, and bills payable have increased by £115,325 0s 4d. Investments show an increase of £76,011 14s 2d, now amounting to £812,587 6s 8d, a large part of which will be required for the extensions now in hand, and for the garden village we have planned for the accommodation of the employees at Kemsley. No less than £310,456 5s 7d was expended at Kemsley and Sittingbourne during the year.

THANKS TO THE STAFF AND EMPLOYEES.

I am glad to have this opportunity of expressing our best thanks to the staff and employees at Sittingbourne and in Norway for the loyal and efficient way in which they have worked during the year. It is specially gratifying to find that, in spite of the tremendous amount of additional work the new extensions at Kemsley have thrown on our staff, there has not been the least sign of any falling off in efficiency in the Sittingbourne Mill, so clearly proved by the record output and improved quality of our product.

Mr F. N. Lloyd seconded the motion, which was unanimously adopted, and a final dividend of 1s 3d per share (free of income-tax) was declared on the ordinary shares, making, with the interim dividend already paid, 10 per cent. for the year 1923. The sum of £10,000 was also placed to pension account.

The retiring directors, Mr Harry Lloyd and Mr Herbert W. Clarke, were re-elected, and Messrs Turquand, Youngs, and Co. were reappointed auditors.

The meeting concluded with a vote of thanks to the chairman, directors, and staff.

ELECTRIC SUPPLY CORPORATION, LIMITED. IMPROVED RESULTS—DEBENTURE ISSUE REDEEMED.

The twenty-second annual general meeting of the Electric Supply Corporation, Limited, was held, on the 12th instant, at Winchester House, Old Broad-street, London. Mr John G. B. Stone (chairman of the corporation) presided.

The Chairman, in moving the adoption of the report and accounts, said: During the year under review the directors decided that it would be a benefit to the company to take advantage of the favourable money market and make an issue of preference shares for the purpose of redeeming the debenture issue. These debentures had to be paid off in 1920, and we could not, of course, foretell what conditions might then obtain. The operation was facilitated by our having purchased some of our debentures, from time to time, at a considerable discount, and we were enabled to provide out of this discount the whole of the 5 per

cent. premium payable to the debenture-holders and also transfer a sum of £2,300 to general reserve.

As the result of this operation we now present to you a balance-sheet free from any debenture debt. The company is in the strong position of having large borrowing powers, which can be used, should the necessity arise, at any future time.

The gross earnings have been increased by $11\frac{1}{2}$ per cent. This was due to the sale of 7,402,218 units, against 6,187,274 units sold in the previous year, an increase of 20 per cent. The bulk of this increase was due to improved trade conditions in Dumbarton. The profit, including dividends on investments, amounts to £38,879, against a figure of £29,563 in 1922.

On July 5, 1923, the company obtained the Exmouth Electricity Special Order, 1923, which, in effect, transfers the Order of 1900 from the Urban District Council of Exmouth to the company. Under this special order the company obtained powers to increase their rates.

Capital account shows an increased expenditure of £15,676, chiefly on mains, but we are now beginning to spend money on additions to our generating plant.

The improved result shown in the revenue account is largely due to the fact that, though our revenue has increased, our working expenses show a reduction of some £450. Interest on investments shows a slight reduction from £6,383 to £6,000. The explanation is that in this figure last year we included interest on that portion of our debenture stock which we had purchased but not cancelled.

The balance-sheet sets forth the new state of affairs which I have already dealt with. Our repairs and renewals fund remains at the old figure of £10,000. The new depreciation fund, which stands at £10,000, will be increased, I hope, by to-day's resolution, bringing it up to £20,000, and in the same way we are to see the nucleus of a general reserve fund brought up to £5,000.

The report was unanimously adopted.

LA GUAIRA HARBOUR CORPORATION, LIMITED.

IMPROVED RESULTS AND PROSPECTS.

The ordinary general meeting of the La Guaira Harbour Corporation, Limited, was held in the 14th instant, at Winchester House, London, Mr J. G. B. Stone, the chairman, presiding.

The Chairman said the earnings, £36,684, showed an increase of £12,090, and with interest and sundries the total profit was £37,567. Deducting first debenture interest and taxation, £13,371 net remained, whereas in 1922 they were short of the first debenture interest by £3,281. The profit admitted of a distribution of £2 6s per cent. to the second mortgage stockholders; this distribution had to be made before any payment on account of the deferred interest warrants could be made. He desired to refer to the benefits derived from the collection of dues by measurement instead of by weight. Since the date from which the Venezuelan Government granted permission to collect these dues, April, 1921, they had added to their receipts a total of £14,238, the amount for 1923 being £6,210. An interesting and favourable feature was the increase in the number of tourist steamers calling at the port. In the current year to the end of March the receipts had increased by £5,377, and the net profit for the three months more than half covered the sum required for London charges and first debenture interest.

Mr J. H. Wall, the general manager, said that certain points should be borne in mind in connection with the company's business. The excessively salt air and spray eat away metal in an incredibly short time, while woodwork, such as piles and that used in warehouse construction, &c., was eaten away by marine worms and white ants. Large expenditure on maintenance was therefore absolutely necessary. Wooden piles were being gradually replaced by reinforced concrete, galvanised roofs by asbestos, cement and concrete wherever it could be used in place of metal and timber.

In the early history of the company the percentage of foreign tonnage to the whole was about 80, whereas in late years the coasting tonnage had gradually grown to about 50 per cent. As the dues in the coasting trade were 50 per cent. lower than those in the foreign, and as the tonnage in the foreign trade had remained more or less stationary, the receipts per ton handled had been adversely affected, and the ratio of expenses to receipts had grown correspondingly higher.

In the course of discussion, Mr T. H. Evans (managing director) said that the gross receipts in the current year to the end of April amounted to £37,223, being an increase of £7,114, while the net receipts for the four months were £19,000, an increase of £5,107.

The report and accounts were unanimously adopted.

INCORPORATED ACCOUNTANTS. CONTINUED PROGRESS OF THE SOCIETY.

The thirty-ninth annual general meeting of the Society of Incorporated Accountants and Auditors was held, on the 13th instant, at Cordwainers' Hall, London.

Mr George Stanhope Pitt (President) occupied the chair, and, in the course of his address, referred to the continued progress of the society. He said that 339 new members were added during the year, bringing the membership at the close of 1923 to 3,876. At the present moment it was over 4,000. During the year 1,500 candidates presented themselves for the examinations, of whom 918 passed.

The President offered his congratulations to Sir Charles Wilson, LL.D., of Leeds, and Mr Thomas Keens, of Luton, members of the council, upon their election as members of the House of Commons, and said he believed that professional accountants could render particularly useful service in Parliament at the present time. He also referred to the appointment of Sir James Martin, Past President, as a member of the Treasury Committee on Accounting Methods of Government Departments, and to his work as chairman of a committee of the Association of British Chambers of Commerce appointed to consider whether the losses sustained by the trading community in connection with bankruptcy and other insolvency were swollen by fraudulent, hazardous and speculative trading; upon which the Committee reported in the affirmative. This report was brought to the notice of the Board of Trade, and had subsequently been embodied in a Bill now before Parliament.

In referring to domestic matters of the society, Mr Pitt submitted proposals by the council for the acquisition of appropriate premises for the society's headquarters, which he regarded as important, having regard to the continued expansion of the society. Dealing with overseas matters affecting the profession, the President stated that a Bill had been introduced into the Parliament of the Union of South Africa to provide for the incorporation of the South African Society of Accountants and generally to regulate the profession in the Union. There were, however, certain features of the Bill which, in the opinion of the council, were open to criticism.

The question of a measure of statutory registration for the accountancy profession in this country had been consistently advocated by the society, and this policy met with his unqualified approval.

He looked forward with confidence to the future of the profession, and particularly to the expansion of the Society of Incorporated Accountants and Auditors.

The report and accounts were unanimously adopted.

MELBOURNE CITY PROPERTIES TRUST, LIMITED. INCREASED DIVIDEND.

The seventeenth annual general meeting of the Melbourne City Properties Trust, Limited, was held, on the 15th instant, at 20 Coleman street, London.

Mr G. S. Pawle, who presided, said that the profits for the past year showed an expansion of nearly £7,000, enabling the directors to increase the dividend from 10 per cent. to 12½ per cent. Owing to the proportion of income-tax paid locally by the company, only 2s 3½d was deducted for income-tax payable on this side. The prosperity of the company was mainly bound up with the success of the Carlton and United Breweries. The property held by the Trust was originally a debenture debt of

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1869.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - - - Fmk. 257,000,000
Deposits and Cheque Accounts
(Dec. 31, 1923) over - - - Fmk. 1,600,000,000

132 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

£500,000 at 4½ per cent. on McCracken's City Brewery, Melbourne, so the net income of approximately £20,000 this year was still £2,500 below the sum they should receive from their original investment. The Carlton and United Breweries, now on a firm and progressive basis, was in a position to earn steadily increased dividends, provided business in Australia continued to expand.

FURTHER EXPANSION.

It was fortunate that the presence in Melbourne of their esteemed chairman, Mr R. H. Caird, coincided with a movement for a further expansion of business in connection with the Carlton and United Breweries, including the purchase of an old-established brewery and twenty-one freehold hotels at Geelong. To finance this purchase a further issue of £100,000 participating preference capital was expected to be made, allotted *pro rata* to existing shareholders. The company's proportion would probably be £14,500, and it was suggested that these shares would probably be issued at a premium of 5s. They carried a preference dividend of 7½ per cent., and shared equally with the ordinary shares in any further profits. The company was paying 15 per cent. on its entire issued capital and carried large sums to reserve! it had no debenture debt. The directors proposed to take up any portion of shares allotted to the company.

With regard to the general aspect of affairs in Australia, wool was bringing in big prices and the season generally was promising, so one might expect to see a continuance of the prosperity with which Australia had been blessed, provided that the demands of labour were not excessive and the tendency to borrow on the London market was not indulged in to an undue extent.

The report and accounts were unanimously adopted.

ANGLO-AMERICAN DEBENTURE CORPORATION, LIMITED. RECORD REVENUE—DIVIDEND INCREASED.

The thirty-fourth ordinary general meeting of the Anglo-American Debenture Corporation, Limited, was held, on the 15th instant, at Winchester House, London.

Mr Richard S. Guinness (the chairman), having paid a tribute to the late Sir Vesey Holt, said: It was largely due to his efforts that the directors were able to-day to place the ordinary stock of the corporation upon a 10 per cent. dividend basis, and at the same time to show the investment account intact and the reserves so strong. They had also to deplore the death of Mr L. E. Chalmers, whose sound judgment and expert knowledge had been of great assistance to the board. The directors had invited him (Mr Guinness) to take the chair, and he was glad to say that Sir Reginald MacLeod had accepted the responsibilities of deputy-chairman. They had co-opted Mr Martin D. V. Holt (son of the late chairman and a partner in Messrs. Glyn, Mills, Currie, Holt, and Co.) to a seat on the board.

Dealing with the accounts, the Chairman said that the interest and dividends received during the past year totalled £106,000, which was about £9,000 more than in the preceding year, and represented the largest revenue that the corporation had received in any one year. The directors had come to the decision that they could recommend an increase in the dividend from 9 to 10 per cent., and after transferring £10,000 to reserve account they were able to increase the amount carried forward by about £5,000 to £15,821. Before recommending this increase the directors had carefully considered the revenue which was likely to be received during the current year, and, provided conditions did not change materially, a conservative estimate showed that the present revenue should be maintained. With regard to the holdings of the corporation, four-fifths were represented by investments bearing a fixed rate of interest. During the year several changes had taken place, and the balance resulting therefrom, together with the underwriting commissions earned, had been utilised to write down the book cost of the investments, which now stood at a lower figure than their market value. The improvement in the valuation during the last few years, and the fact that there now no longer existed any depreciation, were, he thought, confirmation of the statement made from time to time by the late Sir Vesey Holt that, in view of the abnormal conditions caused by the war, the directors had viewed the depreciation which had existed as being only temporary.

The report and accounts were unanimously adopted.

BRYANT AND MAY, LIMITED.

"EXCELLENT RESULTS OF YEAR'S TRADING."

The fortieth annual ordinary general meeting of Bryant and May, Limited, was held, on the 14th instant, at Fairfield Works, Bow, London, Mr William Alexander Smith (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said that he could again congratulate the shareholders upon the excellent results of the year's trading. It was beyond all question the most profitable year ever enjoyed by the shareholders in the company. A further considerable amount of £40,000 had been carried to reserve account, bringing it up to £300,000. In the previous year £74,480 had been divided equally between the shareholders, and this year the amount so divided was no less than £83,790. Since the last meeting he had had an opportunity of visiting the company's timber plantations in Scotland, and had been amazed at the splendid start which had been made.

Outside of the company, Mr Paton's strenuous work for the welfare of his fellow workers had been lately recognised by his having been invited to become the president of the United Kingdom Commercial Travellers' Association, and preside at their annual conference next month, and to take the chair at the Commercial Travellers' Schools festival dinner in December next. The schools were excellently managed, and largely supported by voluntary contributions, and he suggested that it would be a nice thing if Mr Paton's purse at the forthcoming dinner were made a record one.

Mr George W. Paton (deputy-chairman and managing director), in seconding the resolution, said that the splendid results shown were largely due to the friendly relations with their workpeople and to the co-partnership and other schemes. Last year he had mentioned that the pressing problem of the industrial system was unemployment, and that that was aggravated by disputes for which no settlement could be found until a strike or lock-out had brought about a crisis from which both sides lost financially, and otherwise, and, in most cases, the general public suffered also. The only cure for that state of affairs was a partnership between capital and labour. Before co-partnership was introduced into their company they had had a very big turnover in labour. To-day that was a thing of the past, with the result that the wastage from learners and inexperienced workers was practically eliminated, and the quality of their product was correspondingly improved. On the other side, their relations with the unions representing the workpeople had not only been maintained, but improved and strengthened. Their exhibit at the British Empire Exhibition was attracting a great deal of attention, and they had received many distinguished visitors.

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS, &c. PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from	Receipts, &c.	Week Ended May 10, 1924.	Week Ended May 12, 1923.
	Apr. 1, 1924.	Apr. 1, 1923.	May 10, 1924.	May 12, 1923.
Receipts into the Exchequer on 1st April:				
Bank of England ..	5,069,613	5,442,665	..	..
Bank of Ireland ..	1,568,001	1,375,502	..	..
REVENUE.	6,637,614	6,818,167	..	..
Customs ..	10,695,000	15,431,000	2,650,000	2,896,000
Excise ..	12,940,000	16,916,000	1,765,000	1,101,000
Motor Vehicle Duties ..	1,811,000	1,679,000	547,000	114,000
Salts, &c., Duties ..	7,800,000	5,820,000	890,000	860,000
Stamp ..	1,380,000	1,300,000	160,000	310,000
Land Tax, House Duty & Mineral Rights Duty ..	370,000	630,000	30,000	40,000
Property & Income Tax ..	34,524,000	31,132,000	2,092,000	2,198,000
Excess Profits Duty, &c. ..	9,890,000	8,900,000	1,456,000	1,090,000
Corporation Profits Tax ..	2,140,000	2,640,000	353,000	530,000
Post Office ..	5,700,000	5,700,000	1,800,000	1,200,000
Crown Lands ..	120,000	100,000	..	..
Interest on Sundry Loans ..	2,513,845	2,362,276	..	..
Miscellaneous ..	1,685,604	2,548,271	120,000	364
Special Receipts ..	7,793,942	8,578,791	..	1,500,000
Revenue ..	98,666,391	103,067,338	11,254,000	11,839,364
Total, Inc. Balance ..	105,398,005	109,885,506	..	..
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Under the Unemployment Insurance Act, 1921 ..	1,380,000	750,000	160,000	..
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues:—				
Under the Telegraph (Money) Act, 1922 ..	..	..	..	..
Under the Unemployment Insurance Act, 1921 ..	..	..	..	..
(b) For other Issues:—				
By Treasury Bills ..	255,894,000	290,689,000	55,036,000	54,000,000
By National Savings Certificates ..	3,180,000	5,900,000	550,000	950,000
By 4% Treasury Bonds, 1931-33 ..	4,473,588	22,494,110	1,893,675	1,499,550
(c) Ways and Means Advances ..	78,850,000	82,680,000	5,060,000	1,750,000
Repayments in respect of issues under Land Settlement (Facilities) Act, 1919 and 1921 ..	448,000	38,000	..	..
Total ..	448,000	38,000	..	..
Total ..	448,000	38,000	..	..

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from	Issued	Week Ended May 10, 1924.	Week Ended May 12, 1923.
	Apr. 1, 1924.	Apr. 1, 1923.	May 10, 1924.	May 12, 1923.
EXPENDITURE.				
National Debt Services:—				
Interest, &c. ..	41,201,262	47,701,079	887,012	504,147
Sinking Fund ..	3,044,221	..	550,000	..
Road Fund ..	554,044	398,044	..	..
Payments to Local Taxation Accounts, &c. ..	..	..	..	..
Payments to Northern Ireland Exchequer ..	147,411	171,822	..	..
Land Settlement ..	106,098	57,574	20,346	8,898
Other Consolidated Fund Services ..	253,140	254,317	..	227,875
Supply Services ..	38,506,000	39,589,000	6,250,000	6,850,000
Expenditure ..	83,812,176	88,171,836	7,707,358	7,590,921
OTHER ISSUES.				
Temporary Advances:—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 ..	36,891	36,891	..	..
Under the Unemployment Insurance Act, 1921 ..	..	30,000	..	..
Issues to Meet Capital Expenditure:—				
Under the Telegraph (Money) Act, 1922 ..	900,000	..	250,000	..
Unemployment Insurance Act, 1921:—				
Repayment of amounts borrowed ..	1,050,000	750,000	1,050,000	..
Redemption of Debt:—				
Treasury Bills ..	294,985,000	318,265,000	51,820,000	50,340,000
Principal of National Savings Certificates ..	3,850,000	4,900,000	600,000	800,000
Principal of National War Bonds paid off ..	..	16,354,989	..	250,000
Other Debt under the War Loan Act, 1914 to 1919 ..	50	15	..	..
Ways and Means Advances Repaid	61,500,000	60,017,000	13,350,000	10,750,000
Other Issues ..	446,194,117	488,525,731	74,777,358	69,390,921
Balances in Exchequer—				
Bank of England ..	May 10, '24.	May 12, '23.	Inc. Dec. for week.	..
Bank of Ireland ..	1,956,685	2,209,675	— 36,683	+ 144,993
Total ..	1,372,811	1,649,268	— 797,000	+ 182,000
Total ..	3,329,495	3,858,913	— 833,683	+ 326,993

Treasury, May 12, 1924.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Dec. 31, 1923.	Mar. 31, 1924.	May 10, 1924.
Funded Debt ..	588	315	315	315	314	314	314	314	314
Term Annuities ..	30	20	19	18	16	14	14	14	14
5% Conversion Loan ..	..	..	..	..	266	684	683	683	683
3% War Stock ..	..	63	63	63	63	63	63	63	63
4% War Stock ..	..	13	13	13	13	13	13	13	13
4% and 5% War Stock ..	2,047	2,040	1,995	1,953	2,095	2,095	2,095	2,095	2,095
National War Bonds ..	1,509	1,478	1,413	1,201	963	984	903	903	903
4% Funding Loan ..	..	409	409	401	399	400	400	400	400
4% Victory Bonds ..	..	350	357	347	332	326	326	326	326
Treasury Bonds ..	..	..	..	453	411	444	444	449	449
Exchequer Bonds ..	30	323	319	289	185	150	150	150	150
National Savings Certs. ..	..	267	274	285	342	354	367	366	365
Other Debt ..	..	1,308	1,181	1,132	1,087	1,157	1,149	1,151	1,151
American Loan (Anglo-French) ..	..	51	51	..	..	..	..	..	..
Treasury Bills ..	15	1,107	1,107	1,121	878	616	652	588	549
Temporary Advances ..	1	243	205	154	147	194	208	186	203
Other Capital Liabilities	654	8,033	7,829	7,574	7,655	7,742	7,801	7,695	7,677
Total Liabilities ..	717	8,079	7,876	7,623	7,721	7,812	7,871	7,766	7,748

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	May 12, '23.	Mar. 31, '24.	May 10, '24.	May 10, '24.
Outstanding ..	..	..	..	..
Advances by Bank of England ..	250,000	..	4,500,000	..
Advances by Public Deposits ..	196,530,500	186,155,500	203,255,500	..
Treasury Bills Outstanding ..	588,415,000	588,320,000	549,245,000	+ 3,220,000
Total Floating Debt ..	784,945,500	774,475,500	757,755,500	+ 5,080,000

* Includes £46,000, the proceeds of which were not carried to the Exchequer within the period of the account.

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

	Notes and Coins Outstanding.	Investments Reserve Account.	Silver Coins.	Gold and Coin Bullion.	Bank of England Notes.	Ratio of Gold and Coin Bullion to Bank of England Notes.	Government Securities.	Balance at Bank of England.
1922.								
Mar. 23 ..	300,361	14,265	5,000	88,500	19,480	15.9	261,479	177
June 28 ..	296,374	13,338	6,000	88,500	19,650	16.3	264,319	860
Sept. 27 ..	289,127	12,848	7,000	27,000	21,150	16.6	246,456	189
Dec. 27 ..	301,337	12,872	7,000	27,000	21,150	16.9	258,923	137
1923.								
Mar. 26 ..	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190
June 27 ..	286,503	12,516	7,000	27,000	22,450	17.3	242,446	143
Sept. 27 ..	282,784	12,401	7,000	27,000	22,450	17.5	238,595	120
Dec. 26 ..	299,070	12,571	7,000	27,000	22,450	16.8	255,032	159
1924.								
Mar. 26 ..	281,538	11,908	7,000	27,000	22,450	17.6	236,867	130
Apr. 30 ..	290,116	12,439	7,000	27,000	22,450	17.1	245,956	149
May 7 ..	289,350	12,353	7,000	27,000	22,450	17.1	245,172	111
May 14 ..	288,379	12,294	7,000	27,000	22,450	17.2	244,120	103

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. * Maximum fiduciary issue for 1923 fixed at £380,000,000, for 1924 at £317,656,200, for 1925 at £305,328,400, for 1926 at £293,183,800, and for 1927 at £280,190,800.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £30,000,000 in Treasury Bonds and Treasury Bills dated from May 19-May 24 were opened on May 16, 1924, and the total amount applied for was £56,750,000. For bills at three months dated Monday to Friday at £99 5s, about 36 per cent., and above in full. Saturday at £99 5s 2d, above in full. The amounts allotted were as follows:—In bills at 3 months, £28,800,000; in bonds, £1,200,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months, Average Rate.	4% Treasury Bonds, Average Price
1924.				
April 11 ..	30,000,000	51,575,000	3 0 5.84	94 13 7.5
April 17 ..	30,000,000	40,140,000	2 17 8.3	94 13 2.7
April 25 ..	35,000,000	46,150,000	3 0 0.55	nil
May 2 ..	35,000,000	53,625,000	2 18 11.5	94 13 2.1
May 9 ..	35,000,000	52,445,000	2 18 6.8	94 13 10.8
May 16 ..	30,000,000	56,750,000	2 19 2.8	94 13 11

Tenders will be received on May 23, 1924, for Treasury Bonds and Bills to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

HEAD OFFICES: LIVERPOOL AND LONDON ROYAL INSURANCE COMPANY, LIMITED ALL CLASSES OF INSURANCE EFFECTED

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, May 14, 1924.

ISSUE DEPARTMENT.

	£	Government debt ..	£
Notes issued ..	146,104,060	Other securities ..	8,734,900
		Gold coin & bullion ..	126,354,060
	146,104,060		146,104,060

BANKING DEPARTMENT.

	£		£
Proprietors' capital ..	14,553,000	Government securities ..	41,532,755
Real	3,144,144	Other securities	72,589,177
Post deposits*	17,359,039	Notes	2,628,536
Other deposits	102,440,759	Gold and silver coin ..	1,328,732
Seven-day & other bills	6,257		
	137,503,199		137,503,199

PROVINCIAL CLEARING RETURNS.

	1923.	1924.	Inc. or Dec.
Aggregate Totals to May 10.			
BIRMINGHAM	45,255,200	44,189,300	-1,065,900
Bristol	22,611,000	21,087,000	-1,524,000
DUBLIN	120,760,200	107,757,600	-13,002,600
LIVERPOOL	21,718,300	20,479,300	-1,239,000
LEEDS	20,680,500	20,307,000	-373,500
MANCHESTER	14,903,200	14,274,600	-628,600
NEWCASTLE-ON-TYNE	14,511,800	14,222,800	-289,000
NOTTINGHAM	292,458,300	291,087,500	-1,370,800
Sheffield	38,275,800	36,741,500	-1,534,300
Sheffield	12,463,300	11,720,000	-743,300
Sheffield	22,691,600	21,129,500	-1,562,100

OVERSEAS BANK RETURNS.

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

RESOURCES.	May 9, 1924.	May 2, 1924.	Apr. 25, 1924.	May 11, 1923.
Total gold reserve	3,129,610	3,120,390	3,113,890	3,088,860
Legal tender notes and silver reserve	10,102	10,102	10,102	10,102
U.S. Government bonds	440,290	440,290	440,290	440,290
U.S. Government bonds in circulation	87,290	124,490	140,420	265,990
Government obligations owned	316,890	301,660	274,300	185,810
All other resources	80,300	79,050	78,620	64,160
LIABILITIES.				
Government deposits	18,390	32,500	44,570	22,620
Other deposits	1,975,970	1,972,880	1,956,290	1,915,050
Federal Reserve Notes in actual circulation	1,927,030	1,926,010	1,940,820	2,241,820
F.R.B. Notes in actual circulation	340	340	350	2,070
All other liabilities	14,590	14,160	14,560	16,830
Capital and surplus	332,150	331,940	331,780	327,400
Ratio of total reserves to gold deposit and Federal Reserve note liabilities combined.	82.4%	82.0%	81.6%	76.1%

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

ASSETS.	Apr. 19, 1924.	Apr. 12, 1924.	Apr. 5, 1924.	Mar. 29, 1924.	Mar. 22, 1924.	Apr. 21, 1923.
Gold coin and bullion	549	549	549	549	549	503
Gold certificates	10,102	10,102	10,102	10,102	10,102	10,069
Subsidiary coin	50	50	50	50	50	125
U.S. Government bonds	5,077	5,182	5,635	6,450	5,767	3,245
U.S. Government bonds in circulation	1,000	1,000	1,000	1,000	1,000	1,000
Investments	17	17	17	17	17	8
LIABILITIES.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	40	40	40	40	40	2
Notes in circulation	10,435	10,512	10,770	10,845	10,737	9,552
Bankers' deposits	5,195	5,227	5,408	5,147	5,093	5,513
Ratio of cash reserves to liabilities to public	68.4%	67.9%	66%	66.8%	69.8%	71.0%

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

ASSETS.	Apr. 18, 1924.	Apr. 11, 1924.	Apr. 4, 1924.	Mar. 28, 1924.	Mar. 21, 1924.	Apr. 23, 1923.
Total securities	11,850	11,743	11,711	11,814	12,037	9,637
Loans	27,000	27,000	27,000	27,000	27,000	27,000
Cash credits	43,625	43,625	43,625	43,625	43,625	43,625
Inland bills	14,102	13,970	14,512	15,245	15,611	15,611
Foreign bills	39,19	35,67	21,96	15,03	20,30	12,77
Dead stock	2,537	2,524	2,524	2,524	2,524	2,484
Balance with other banks	1,307	1,803	1,620	1,637	1,637	1,610
Cash	12,044	14,419	17,408	18,202	14,370	14,702
LIABILITIES.						
Capital paid up	5,620	5,620	5,620	5,620	5,620	5,620
Reserve	4,450	4,450	4,450	4,450	4,450	4,250
Total deposits	91,750	94,402	95,562	97,225	93,358	70,806
Loans from Govt.	10,000	10,000	10,000	10,000	10,000	2,000
The above includes—						
Deposits in London	1,613	1,436	1,422	1,400	1,423	325
Advances in London	453	450	436	431	428	682
Cash, &c., at other Banks in London	1,274	1,205	1,083	1,092	1,130	102

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

ASSETS.	May 15, 1924.	May 8, 1924.	May 1, 1924.	May 18, 1923.	Position May 28, 1924.
Gold coin and bullion	5,542,613	5,542,529	5,542,449	5,537,107	5,730,828
Of which held abroad	1,864,321	1,864,321	1,864,321	1,864,321	1,864,321
Silver coin and bullion	899,022	899,022	899,022	899,022	899,022
Discounts and advances	6,986,307	6,986,307	6,986,307	6,986,307	6,986,307
Advances to the State	22,700,000	22,700,000	22,700,000	22,700,000	22,700,000
LIABILITIES.					
Notes	39,739,206	39,739,206	39,739,206	39,739,206	39,739,206
Government deposits	13,229	13,229	13,229	13,229	13,229
Private deposits	1,916,623	1,943,179	2,280,547	2,098,751	2,098,751

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

ASSETS.	May 8, 1924.	May 1, 1924.	Apr. 24, 1924.	Apr. 17, 1924.	May 10, 1923.	Position May 28, 1924.
Coin (gold & silver and bullion)	356,396	357,571	357,571	357,571	347,633	322,650
Securities	1,281,258	1,336,291	1,379,148	1,349,476	714,265	697,600
LIABILITIES.						
Notes in circulation	7,656,374	7,697,576	7,622,338	7,655,576	6,843,230	934,150
Current accounts	288,558	363,540	382,938	345,467	269,643	112,125

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

ASSETS.	May 12, 1924.	May 5, 1924.	Apr. 28, 1924.	Apr. 22, 1924.	May 14, 1923.	Position May 30, 1924.
Gold	531,407	531,407	531,407	531,407	581,790	581,790
Silver	9,438	9,541	9,791	9,575	7,938	8,436
Discounts and advances	421,954	463,675	430,106	423,984	383,356	153,504
LIABILITIES.						
Notes in circulation	1,013,578	1,038,151	1,002,862	1,001,598	962,528	316,632
Deposits	33,794	28,921	24,451	28,026	23,601	5,016

BANK OF JAYA.—In florins (000's omitted).

ASSETS.	May 10, 1924.	May 3, 1924.	Apr. 26, 1924.	Apr. 19, 1924.	May 12, 1923.	Position May 30, 1924.
Gold	214,000	213,750	213,750	217,000	161,218	22,971
Silver	9,438	9,541	9,791	9,575	7,938	8,436
Discounts and advances	421,954	463,675	430,106	423,984	383,356	153,504
LIABILITIES.						
Notes in circulation	264,500	258,500	256,500	259,000	271,806	109,499
Deposits and bills payable	77,000	82,000	89,000	85,000	97,769	11,260

IMPERIAL BANK OF GERMANY.—In billions of marks.

ASSETS.	May 7, 1924.	Apr. 30, 1924.	Apr. 23, 1924.	Apr. 15, 1924.
Gold and bullion	(a) 442	(a) 443	(a) 443	(a) 527
Treasury notes	1,192,000	1,252,000	1,758,000	1,975,000
Reitenbank notes	284,223,778	242,835,795	322,590,816	259,780,688
Bills of exchange and cheques	763,663,026	772,392,307	757,176,931	736,323,431
Reitenbank bills and cheques	1121,078,434	1144,577,395	1142,502,304	1163,893,777
Advances	24,298,087	24,298,087	24,298,087	24,298,087
Reitenbank discounts, &c.	114,155,600	132,963,800	118,833,530	108,087,500
LIABILITIES.				
Notes in circulation	786,857,438	776,948,638	674,040,273	678,254,480
Total Deposits	823,809,423	804,971,387	943,337,447	849,987,871
Loan from Reitenbank	800,000,000	800,000,000	800,000,000	800,000,000

GERMAN GOLD DISCOUNT BANK.

ASSETS.	May 7, 1924.	Apr. 30, 1924.
Gold reserve	9,000	9,000
Foreign banknotes	5,555	5,505
Daily bills abroad	5,353,971	5,644,307
Bills and cheques	998,695	585,189
Unpaid stock capital	3,750,000	3,806,000
LIABILITIES.		
Capital	10,000,000	10,000,000
Current obligations	90,379	36,657
Other liabilities	28,957	13,344

GERMAN REITENBANK.—In Rentenmarks.

ASSETS.	Apr. 30, 1924.	Mar. 31, 1924.	Feb. 28, 1924.
Mort. on industry, agriculture, &c.	3,200	3,200	3,200
Loans to the Reich not bearing int.	200	200	200
Loans to the Reich bearing interest	900	900	900
Loans to the Reichsbank	800	800	800
Loans to other note issue banks	71,534	70,005	70,005
Temporarily transferred to Reichsbank and Post Office	100	200	300
LIABILITIES.			
Credits at other banks	Thousand.	Thousand.	Thousand.
Furniture, &c.	6,470	5,404	4,156
Original capital	2,400	2,400	2,400
Reserve	800	800	800
Rentenmark notes in circulation	1,951,618	1,985,675	1,579,371
Rentendeeds in circulation	233	230	178

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

ASSETS.	May 7, 1924.	Apr. 30, 1924.	Apr. 23, 1924.	Apr. 15, 1924.	May 7, 1923.	Position May 31, 1924.
Gold	531,111	536,291	536,291	536,291	534,586	171,175
Silver	86,662	86,586	86,586	86,586	86,586	16,550
Darlehens-Kassen.	10,977	10,974	11,623	11,614	6,371	103,000
Assets & advances	294,396	279,321	245,605	248,175	343,033	103,000
LIABILITIES.						
Notes in circulation	863,128	885,532	836,491	844,229	888,802	975,925
Deposits	142,632	111,671	102,944	103,096	155,081	33,750

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

ASSETS.	May 7, 1924.	Apr. 30, 1924.	Apr. 23, 1924.	Apr. 15, 1924.	May 7, 1923.	Position May 31, 1924.
Coin and bullion—Gold	147,884	147,884	147,884	147,884	147,884	44,224
Balance abroad and foreign bills	18,448	19,500	20,800	24,058	28,533	28,533
Norwegian and Foreign Government securities	9,007	9,007	9,007	9,007	9,007	8,816
Discounts and loans	424,328	424,283	420,301	501,074	76,911	76,911
LIABILITIES.						
Notes in circulation	374,875	379,861	381,988	404,302	113,484	113,484
Deposits at notice	111,219	104,075	99,906	163,108	7,188	7,188

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

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

ASSETS.	May 10, 1924.	May 3, 1924.	Apr. 26, 1924.	Apr. 19, 1924.	May 12, 1923.	May 24, 1924.
Gold	247,630	262,680	265,008	270,238	273,349	104,918
Balance abroad and foreign bills	25,881	27,853	22,769	20,608	35,423	112,172
Swedish and Foreign Government securities	75,677	75,899	87,650	90,975	148,240	32,465
Discounts & loans	444,975	457,427	413,431	417,321	348,399	112,668
LIABILITIES.						
Notes in circulation	495,391	519,918	478,854	500,884	529,314	266,555
Deposits at notice	207,204	214,035	221,103	222,828	220,124	369,660

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

ASSETS.	Apr. 30, 1924.	Apr. 23, 1924.	Apr. 15, 1924.	Apr. 7, 1924.	Position May 30, 1924.
Gold	42,844	42,741	42,741	42,704	35,091
Balance abroad and foreign bills	655,927	692,237	750,264	827,620	90,379
Finnish and Foreign Government securities	500,497	500,497	500,497	500,497	500,497
Discounts and loans	766,361	737,711	700,497	584,902	11,826
LIABILITIES.					
Notes in circulation	1,384,528	1,365,259	1,385,764	1,490,811	123,941
Deposits at notice	384,841	460,106	476,480	438,799	21,225

BANK OF LITHUANIA.—In lt. (000's omitted).

ASSETS.	Apr. 30, 1924.	Apr. 15, 1924.	Mar. 31, 1924.	Mar. 15, 1924.	Feb. 29, 1924.	Apr. 30, 1923.
Gold	24,210	24,171	24,134	24,057	20,457	15,778
Silver	64	62	59	59	32	108
Dollars, & sterling, &c.	60,010	59,834	56,747	58,593	55,606	31,469
Discount and credits	27,364	27,458	25,488	23,882	22,994	14,217
LIABILITIES.						
Capital	12,000	12,000	12,000	12,000	12,000	12,000
Banknotes in circulation	71,684	73,994	71,247	70,391	68,098	44,232
Deposits	36,965	34,254	32,692			

OIL OUTPUTS.

BRITISH BURMAH PETROLEUM COMPANY, LIMITED.—A cablegram has been received from Burma reporting that the production of crude oil by this company and the Rangoon Oil Company, Limited, for the month of April amounted to 53,997 barrels. The large decrease is mainly due to several derricks at Singu having been seriously damaged by a cyclone which occurred there on April 7, 1924.

KERN RIVER OILFIELDS OF CALIFORNIA, LIMITED.—The total production during April amounted to 154,286 barrels, or approximately 23,041 tons, including St. Helen's Petroleum Company, Limited, 30,087 barrels (approximately 5,712 tons); Kern Trinidad Oilfields, Limited, 7,761 barrels (approximately 1,109 tons); Kern Romana, Limited, 2,646 barrels (approximately 378 tons); Kern Mex Oilfields, S.A., 57,008 barrels (approximately 8,144 tons).

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, May 7, 1924, amounted to 964 tons.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Div.	Date of Payment.	Method of Payment.	Dividend for Whole Year.	Let's Pre-Year vicous.
Railways.						
Alabama Great Southern	4%	June 28	Quarterly	..	..	..
Pennsylvania	14%	May 31	Quarterly	..	..	..
Bombay, Baroda, and C. L.	3%	July 1	Less tax	..	6	6
Southern Pacific	14%	July 1	Quarterly	..	..	..
Banks.						
Banco Commerciale Italiana	8%+	June 13	Less tax 4/6 in £	..	12	12
Bank of London and S. America	4%+	..	..	..	..	..
Commercial of Scotland, "A"	16	..	..	..	..	..
Insurance.						
Consolidated	4/ p.s.	June 30	Subject to tax	..	7/ p.s.	7/ p.s.
Motor Union	6/ p.s.	..	Less tax	..	10/ p.s.	10/ p.s.
Reliance Marine	124/ p.s.	..	..	..	25	30
Sun	..	..	Less tax	..	19/ p.s.	19/ p.s.
Western Alliance	3%+	..	Less tax	..	6	6
Mount Lyell	1/ p.s.	June 27	Less tax	..	..	..
Transvaal Estates	..	..	Tax free	..	25	25
Tea and Rubber.						
Aibheel Tea	17 1/2%	..	Less tax	..	25	15
Amalgamated Tea	25%	..	..	..	8	8
Amstman Tea	..	..	..	..	12	8
Anglo-American Direct	..	..	..	..	20	10
Bookman Tea	..	..	Less tax	..	8	5
Cluny Rubber	..	..	Less tax	..	5	25
Consolidated Tea and Lands	40%+	..	..	..	12	..
Deltenne (Ceylon) Tea	..	..	..	..	40	..
Derby Tea	25%+	..	Less tax	..	9	6
Doloswell	5%+	..	..	..	6	6
Dorankande Rubber	..	..	Less tax 4/7 1/2 in £	..	25	10
Duckworth Tea	15%+	..	..	..	7	10
Dusan Durian	..	..	..	..	5	7
Eastern Assam Tea	40%+	..	Less tax	..	75	..
F.M.S. Rubber Planters	..	..	Less tax 4/7 1/2 in £	..	..	..
Hagutale Company	69%+	..	Subject to tax	..	..	..
Hornsey Tea	5%	May 22	..	..	30	30
Ira Bheel Tea	20%+	..	Less tax	..	30	30
Jaipur Tea	20%+	..	Less tax	..	6	10
Jasin (Malacca)	..	..	..	..	..	..
Jhazie Tea	20%+	..	(& bonus) 10% Less tax	..	43	40
Jokal (Assam) Tea	10%+	..	(& bonus) 20% Less tax	..	40	40
Kampung Kuan	..	..	..	..	30	30
Kanan Devan Hills	25%+	..	..	..	10	10
Kepong (Malay)	6%+	..	Less tax	..	8	4
Kombok Rubber	4%+	..	Less tax	..	5	7
Lansdon	..	..	Less tax	..	7	7
Ledbury	..	..	Less tax	..	30	..
Leesh River Tea	..	..	Less tax	..	30	..
Long Valley Tea	20%+	..	Less tax	..	8	..
Lookan Tea	..	..	Less tax	..	15	..
Madulseea Coffee	..	..	Subject to tax	..	25	20
Mayfield Tea	10%+	..	..	..	30	25
Noyapara Tea	..	..	Less tax 4/7 1/2 in £	..	4	5
Rubber Plantations Investment	..	..	Less tax	..	17 1/2	10
Serebman	..	..	Less tax	..	5	nil
Stagbrook Rubber and Tea	10%+	..	..	..	7 1/2	5
Tanom (Borneo) Rubber	3%+	..	Less tax	..	..	..
Yataderia Rubber and Tea	5%+	..	..	..	..	..
Other Companies.						
A.R.C. Coupler and Engineering	..	..	Less tax	..	5	7
African Steamship	24%+	..	Less tax	..	75	75
Agua Blanca Nitrate	50%+	..	Less tax	..	20	20
Anchor Cable	10%+	May 14	Less tax	..	3	nil
Automatic Telephone Mfg.	11%	..	Less tax	..	7	7
Bankers' Investment Trust, Ltd.	..	..	Tax free (6 mths. to Dec. 1918)	..	15	10
B. Ayres Waterworks, Cum. Prof.	5	June 7	..	..	10	10
Birmingham and Midland Motor Omnibus	..	..	..	..	10	10
Bolands	..	..	Less tax	..	10	10
Bristol College Green Hotel	..	..	Tax free	..	10	10
British Automatic Co.	1/ p.s.	May 31	Less tax	..	10	10
British Cotton and Wool Dyers	..	..	..	..	10	10
British Thomson-Houston	..	..	Less tax	..	10	10
Brunner, Mond	..	..	Less tax	..	10	10
Buchanan-Dewar	10%+	..	Tax free	..	10	10
Calcutta Electric	8%+	..	(& bonus 1%)	..	15	15
Callender's Cable	..	..	Less tax	..	30	30
Cape Town Gas	4%+	..	..	..	7	7
Commonwealth Edison	8 1/2 p.s.	..	Quarterly	..	20	16
Consolidated Trust, Ltd.	15%+	..	..	..	..	..
Continental Union Gas, Prof.	34%	July 4	Less tax	..	..	..
Craig and Rose	..	..	Tax free	..	6	6
C. Taylor and Brothers	1/ p.s.	..	Tax free	..	..	..
Dorman, Long, Prof.	8	June 30	..	..	..	..
Dunville and Co.	5/ p.s.	..	Less tax	..	5	24
Extract Wool and Merino	..	..	Tax free	..	14	12 1/2
Fine Cotton Spinners	20%	May 15	..	..	12 1/2	12 1/2
Gerard Brothers	7	..	Less tax	..	7	5 1/2
Horne Bros., Prof.	..	..	..	..	..	..
House Property and Investment	..	..	..	..	..	..

DIVIDEND ANNOUNCEMENTS.—Continued.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Div.	Date of Payment.	Method of Payment.	Dividend for Whole Year.	Let's Pre-Year vicous.
India General Navigation.						
Indian & General Invest., Defd.	..	..	Tax free	..	12 1/2	10
Industrial and General Trust	..	..	..	..	12 1/2	12
International Lighting	..	..	Less tax	..	24	..
Irvine and Johnson	..	..	Free S.A. taxes	..	8	..
James L. Denman and Co.	..	..	..	..	6	..
J. and E. Hall	6 p.s.	May 21	..	..	..	..
John I. Thornycroft and Co.	..	..	..	..	..	..
Cum. Prof.	3%+	..	Less tax 4/6 in £	..	12 1/2	10
John Howell and Son	10%	..	Tax free	..	..	..
Kapp and Peterson	10%	..	(& bonus 1/ p.s.)	..	..	..
Knightsbridge and Bradford Estate	..	..	..	..	..	..
Lanston Monotype	2%	May 28	Less tax 4/6 in £	..	6	6
Lincoln Brick	..	..	Less tax	..	..	..
Liverpool Warehousing	1/3 p.s.	..	..	..	2 1/2	..
Maguire and Gatchell	..	..	..	..	..	..
Mirreles, Bickerton, and Day	..	..	..	..	7 1/2	7 1/2
Portraits and Spencer	2/ p.s.	..	..	..	12 1/2	12 1/2
Posterior Electric Traction, Prof.	6%+	June 5	Less tax	..	11	5
Rosario Nitrate	..	..	Subject to tax	..	15	10
Santa Rita Nitrate	..	..	..	..	5	5
Scottish and Canadian Invest.	..	..	Less tax	..	15	10
Second Mercantile Trust	24%+	..	..	..	15	15
Shelton, Def.	20%+	..	Less tax	..	15	15
Southampton Gas Light	16% p.s.	..	..	..	26 1/2	10
South Hutton Coal	..	..	..	..	..	..
Springwell Brewery	11%	..	..	..	..	..
Third Edinburgh Invest. Trust, Def.	5%+	June 5	Less tax	..	..	..
Trust and Loan of Canada	6%	..	Tax free	..	25	30
Twoed and Smalley	25%	..	Less tax	..	15	15
Vickers	10%+	..	Tax free	..	15	15
Wales	7 1/2%	..	..	..	15	15
Wm. Cory and Son	10%+	..	..	..	15	15
Wyman and Sons	10%+	July 1	Less tax	..	15	10

(a) Increased capital. (c) It is also proposed to sub-divide existing £5 shares into 5 shares of £1 each, and to distribute a bonus of share for share. (d) 15 months, tax free. (e) Tax free. (f) Increased capital.

NOTE: INDUSTRY.—The directors have now received particulars of the results of the Constituent and Associated Companies for the year 1923, which will enable them to declare a dividend on the ordinary shares as at July 1st, payable on that date, on account of the year ended December 31, 1923, of 8 per cent., less income tax at 4s 7d in the £. They will, in due course, recommend this distribution as final for 1923, and submit proposals for dealing with the balance by way of increasing the special investment reserve account from £400,000 to £500,000, and an addition of £140,000 to the balance brought forward, making the total sum to be carried forward £650,000.

ANALYSIS OF BALANCE-SHEETS.

BRUNNER, MOND, AND CO.

LIABILITIES.	Compared with Mar. 31, 1923.	ASSETS.	Compared with Mar. 31, 1923.
Ord. shares	9,697,591 .. + 47,940	Properties	7,105,678 .. + 450,371
Prof. shares	4,000,000	Investments	8,644,937 .. + 1,140,092
Amount received, employees' ord. shares	22,210 .. + 22,210	Patents account	1,000 ..
Capital reserve	1,000,000	Stocks	1,548,873 .. - 212,467
Reserve	911,985 .. + 74,200	Debtors	3,384,964 .. - 1,638,947
Depreciat'n acct.	1,365,000 .. + 200,000	Cash	1,127,342 .. + 537,397
Suspense account	47,216 .. + 38,197		
Savings bank de- partment	118,114 .. + 11,048		
Creditors	2,494,584 .. - 41,523		
Divs. unclaimed	2,826 .. - 228		
Profit and loss	1,153,328 .. - 75,398		
Total	20,812,854 .. + 276,446	Total	20,812,854 .. + 276,446

CROSSES AND WINKWORTH CONSOLIDATED MILLS.

LIABILITIES.	Compared with Mar. 31, 1923.	ASSETS.	Compared with Mar. 31, 1923.
Ord. shares	3,000,000	Land, bldgs., &c.	4,611,879 .. - 108,965
Prof. shares	1,000,000	Debtors	462,443 .. + 127,277
Amount	750,000	Rates, &c.	1,987 .. + 1,987
2nd mort. debts.	205,046 .. + 205,046	Stock	523,689 .. - 346,443
3rd mort. debts.	940,000 .. + 940,000	Cash	340 .. + 5
Loans	39,533 .. + 89,533	Shares and share of reserve fund	2,266 .. - 13,041
Creditors	81,560 .. - 635,527	Investments, at cost	1,903,643 .. + 1,522,143
Unclaimed divs.	487 .. + 487		
Bills payable	517,627 .. + 517,627		
Owing to bankers	630,005 .. + 79,884		
Reserve excess	83,083 .. + 83,083		
Reserve income & corporations	43,516 .. + 43,516		
Profit tax	164,330 .. - 140,746		
Total	7,505,187 .. + 1,182,903	Total	7,505,187 .. + 1,182,903

FINE COTTON SPINNERS' AND DOUBLERS' ASSOCIATION.

LIABILITIES.	Compared with Mar. 31, 1923.	ASSETS.	Compared with Mar. 31, 1923.
Ord. shares	3,000,000	Properties, &c.	5,649,051 .. + 134,584
Prof. ord. shares	940,000	Investments	4,345,975 .. + 160,608
Amount	3,940,000	Furniture, &c.	12,453 .. + 901
4% deb. stock	2,000,000	Stock-in-trade	4,150,483 .. + 380,730
4% ext. deb. stk.	750,000	Debtors	1,445,086 .. + 81,030
Deb. interest	42,625 .. + 1,375	Cash	297,776 .. - 27,583
Reserves	1,724,959 .. + 100,000		
Insurance	160,128 .. + 5,851		
Pension fund	170,306 .. + 52,997		
Research fund	10,000		
Welfare fund	17,929 .. + 2,929		
Superann. fund	36,856 .. + 632		
Loans	208,142 .. - 12,655		
Creditors	2,162,813 .. + 465,943		
Profit and loss	533,406 .. + 112,199		
Total	15,800,763 .. + 730,870	Total	15,800,763 .. + 730,870

BRITISH COTTON AND WOOL DYERS' ASSOCIATION.

LIABILITIES.	Compared with Mar. 31, 1923.	ASSETS.	Compared with Mar. 31, 1923.
Ord. shares	774,165 .. + 193,541	Land, plant, &c.	1,363,906 .. + 74,396
4% deb. stock	620,000	Stocks	146,513 .. + 7,656
Deb. int. accrued	6,206	Debtors	220,453 .. - 33,036
Reserve	31,459 .. - 143,541	Cash	102,076 .. - 39,637
Depreciat'n fund	215,000 .. + 25,000	Trusts for debts	39,245
Investment fund	30,000	Investments	148,090 .. + 61,028
Contingency	156,023 .. + 7,517		
Creditors	187,566 .. - 12,110		
Profit and loss	2,020,283 .. + 70,407		
Total	2,020,283 .. + 70,407	Total	2,020,283 .. + 70,407

SIR W. G. ARMSTRONG, WHITEWORTH, AND CO., LIMITED.

LIABILITIES.	Compared with Dec. 31, 1922.	ASSETS.	Compared with Dec. 31, 1922.
Ord. shares	5,514,500	Properties and investments	14,899,697 .. + 729,114
4% 1st pref.	1,000,000	Work in progress, stocks, &c.	3,172,022 .. + 158,880
5% 2nd pref.	1,000,000	Debtors	1,253,401 .. - 163,524
6 1/2% 3rd pref.	2,500,000	Trade and other investments	690,899 .. + 14,034
4% deb. stock	2,500,000	Cash and bills	706,623 .. - 387,143
6 1/2% deb. stock	1,757,000 .. - 78,000	Security for 3-year notes	.. - 1,000,000
General reserve	1,400,000		
Share premium	326,357 .. - 1,950		
Creditors	3,594,130 .. + 566,639		
Employees' deposits	188,824 .. - 43,581		
Three year notes	943,831 .. - 1,000,000		
Profit and loss	20,722,642 .. - 648,639		

TEA AND RUBBER.

LINGGI PLANTATIONS.—The net profit has risen from £29,099 for 1922 to £46,351 for 1923, but the dividend is unchanged at 7½ per cent. The carry forward is increased from £20,775 to £29,926. The output (restricted) for year amounted to 2,235,315 lbs compared with 2,256,547 lbs for 1922.

MISCELLANEOUS.

ANGLO-CHILIAN NITRATE.—The net profit has increased from £19,721 for 1922 to £151,718 for 1923. The dividend on the share capital is again 15 per cent., free of income-tax. The sum of £86,702 goes forward, subject to corporation profits tax for 1923. The comparative figures of railway traffic for the last four years are as follows:—

	1920.	1921.	1922.	1923.
Traffic carried	Tons. 373,503	Tons. 221,896	Tons. 238,494	Tons. 301,653
Passengers carried	39,298	23,822	16,285	25,601
Train miles run	205,061	131,323	119,720	160,927

BRITISH THOMSON-HOUSTON COMPANY.—The net profit for 1923, after payment of interest on debentures and loans, is £332,492, against £375,079 for 1922. The sum of £185,440 is appropriated for depreciations, &c., against £162,511. The ordinary dividend for 1923 is 6 per cent., less tax, against 6 per cent., free of income-tax, for 1922. The sum of £210,863 is carried forward, against £236,671 brought in. We learn from the report that the buildings and machinery at all the works of the company have been maintained in good condition throughout the year. The expenditure for additions during the year amounted to £227,000. Further works at Coventry have been acquired.

BUCHANAN-DEWAR, LIMITED.—This important Scotch whisky undertaking has had a good year. The profit and loss account for year ended March 31, 1924, shows a credit balance of £1,102,657, against £958,740 on March 31, 1923. For the year ended March 31, 1923, the ordinary dividend was 30 per cent., free of income-tax. For the year just terminated the dividend is 17½ per cent., free of income-tax, which was paid on an increased capital. It can be best illustrated by stating that for 1922-23 the ordinary dividend absorbed £564,762, whereas in the year just closed it absorbed £700,000. The reserve fund is again strengthened to the extent of £150,000. The carry forward is increased from £96,589 to £98,516. Turning to the balance-sheet we find total assets have jumped from £7,744,012 to £10,134,992. A new item comes in, i.e., advances to constituent companies, amounting to £4,519,728, but sundry debtors and loans last year stood at £2,768,021, whereas sundry debtors stand at £650,554 in the latest balance-sheet. Cash has dropped from £72,019 to £61,638. War and conversion loans remain at £800,000. With regard to liabilities, ordinary shares issued amount to £4,000,000. Preference shares issued total £4,767,038. Reserve fund is at £600,000, against £450,000 in previous balance-sheet. Creditors stand at £6,183.

CALLENDER'S CABLE AND CONSTRUCTION.—This company has enjoyed a prosperous year, the results for 1923 showing a net profit, after payment of debenture interest, of £220,086, which, it is pointed out, is a record, against £207,788 for 1922. The ordinary dividend is again 15 per cent. The carry forward is increased from £226,901 at end of 1922 to £315,087 at end of 1923. We gather from the report that the factories of the company have been well employed during the year, and cost of production has been lessened. Overseas business has improved, and the new branch in China is making headway. Labour conditions at Erith and Leigh are satisfactory. Total assets are £2,700,620. Cash is at £163,857. Investments are at £427,081. Stocks are at £274,143. Nothing is in the balance-sheet for goodwill.

HARRODS (BUENOS AIRES) LIMITED.—We are officially informed that funding certificates for the gross amount at the rate of 16 per cent., being two years' arrears of dividends accrued to August 31, 1923, upon the £2,350,000 8 per cent. cumulative preference shares, will be issued (as early as possible in June) to the holders of preference shares, whose names are registered in the share registers of Harrods (Buenos Aires), Limited, on May 1, 1924.

MAYPOLE DAIRY COMPANY.—The net trading profit has fallen from £472,600 for 1922 to £438,429 for 1923. The directors state that this reduction is mainly due to the continued and severe competition, and consequent reduced margin of profit obtainable on the speciality goods in which the company is principally interested. The dividend on the deferred shares has been reduced from 25 per cent. to 12½ per cent., but the carry forward has been increased from £3,426 to £49,577. The sum of £10,000 has again been put to reserve. The board have considered it necessary to provide out of the company's reserve funds a sum of £250,000 for the purpose of writing off losses incurred in their West African business. This has reduced the suspense reserve fund from £750,786 to £500,786. Total assets are reduced from £5,033,830 to £4,072,334. Cash is down from £336,306 to £118,572. Investments in Government securities have been reduced from £501,201 to £280,761. Stocks have risen from £571,027 to £722,115. Goodwill and trade marks remain at £422,000.

R AND J. HILL.—The balance from profit and loss account for the year ended March 31, 1924, after charging debenture interest and providing for corporation profits tax for the year, is £32,718, which, with the amount brought forward, £5,212, gives a total to be dealt with of £37,930; after providing for dividends on the preference share capital accrued to date, and depreciation of plant, machinery, &c., there is left a balance of £30,321, which the directors recommend should be appropriated as follows:—Dividend of 10 per cent. on ordinary shares £13,097, to reserve fund £5,000, to contingency fund £5,000, carrying forward to next account £7,224. It is pointed out that the sales of the company's productions show a very satisfactory increase, in spite of the demand for better grade goods being restricted by prevailing conditions.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

A spell of warm, showery weather has improved agricultural prospects in the United Kingdom, but more sunshine is needed for cereal crops, which are still backward in growth. Supplies of native wheat continue on a limited scale, and prices remain firm, best samples ruling at 10s 8d to 11s 2d per 112 lbs free on rail. Imported descriptions move off quietly, but holders somewhat reserved, and required full rates. No. 1 Northern Manitoba quoted 47s 6d, No. 2 ditto 46s 9d, No. 3 ditto 45s 6d, Rosaf 63½ lbs 47s 6d, Barusso 63½ lbs 46s 9d to 47s, and Australian 49s 6d, all ex ship, per 496 lbs. In the floating and forward cargo section a generally firm tone prevailed, with sellers exercising reserve, but buyers showed little inclination to operate, and only limited sales occurred, including Barusso 63½ lbs July shipment to France at 42s 4½d and Australian early June at 47s 10d to Ireland per 480 lbs. Maize cargoes were more firmly held on improved inquiries, and a fair business transpired in Plate April 30th bill of lading sold 39s 9d, ditto May 16th shipment 36s, April-May 35s 3d, May-June 33s to 35s 6d, as to size, per standard straight run quoted 38s, patents 40s to 41s, town house-holds 36s per sack delivered in. Of imported, Manitoba patents range from 35s to 37s 6d, Australian patents 35s 3d to 35s 6d, soft Pacific 35s, ex store, per 280 lbs. Flour, steady. London standard straight run quoted at 38s, patents 40s-41s, town house-holds 36s per sack delivered. Imported: Californian 47s 6d-52s, from 35s 6d-38s and Australian 35s 3d-35s 9d per 280 lbs, ex store, barley, steady. English quoted at 11s 3d-12s 6d for malting and seed per 112 lbs free on rail. Imported: Californian 47s 6d-52s, Chilean brewing 43s-49s per 44½ lbs, ex ship. No. 4 Canadian 31s 6d, landed 33s, Plate, ex ship 32s 6d, landed 34s 3d per 496 lbs. Maize, firmer. Plate new ex ship to arrive 41s, Hickory King 46s, landed, Karachi landed 42s per 480 lbs. Oats, quiet. Plate f.a.q. ex ship 21s 9d, landed 22s 9d, No. 2 Canadian Western 25s 9d, No. 3 ditto 24s 9d, No. 2 Canadian feed landed 23s 9d per 320 lbs. English ranges from 9s 3d-10s 3d per 112 lbs, free on rail. Millers' offals, unaltered. Broad bran quoted 8s 6d-9s, ordinary 7s 3d-7s 6d, middlings 8s 6d-8s 9d, fine ditto 10s, bags included, ex mill; light oats 6s, powdered oat husks 7s 3d, feed oatmeal 9s 3d, ground oats 12s 3d all per cwt, free on rail. Oatmeal, steady. London-made flaked 16s 6d, rolled oats, 16s, medium and fine cut 16s, coarse and medium pinhead, 16s, ordinary Scottish oatmeal 17s 6d, American 16s-16s 6d per cwt.



ARCOS LTD
Capital £1,000,000
49, Moorgate, London, E.C.2.

*Sole purchasing and selling
Agency in Great Britain for
the Government of the U.S.S.R.*

ARCOS IMPORTS FROM RUSSIA
TIMBER, FLAX, PETROLEUM
SPIRIT, OIL, METALS, GRES,
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ARCOS EXPORTS TO RUSSIA
MANUFACTURED GOODS OF ALL KINDS.
Turnover since Autumn 1920 £36,400,000

BRANCHES:
NEW YORK: 136 Liberty Street
MOSCOW: Tverskaya 1
(Usof Ploshchad Revolutsii)
LENINGRAD: Ul. Gorky 24
KHARKOV: 24 Rimarskaya
TIFLIS: 38 Rustaveli Prospekt
CONSTANTINOPLE:
Rue Vairade, Caliste
etc., etc.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefce.	Ordinary.				
					Amount.	Rate.				
Breweries and Distilleries.										
Buchanan-Dewar	Mar. 31	96,589	1,102,657	1,199,246	250,730	(b) 700,000	17½	150,000	98,516	958,740 30½
Financial, Land, &c.										
House Property and Investment	Mar. 31	18,911	12,872	31,783	7,258	12,703	7	..	11,822	..
Scottish and Canadian General Investment	Mar. 31	4,935	13,436	18,371	5,231	2,325	3	6,000	4,815	..
Iron, Coal, and Steel.										
Hadfield's, Limited	Dec. 31	128,412	54,905	177,323	13,500	57,188	4	..	106,635	112,250 5½
Sir W. G. Armstrong, Whitworth, and Co.	Dec. 31	771,516	436,377	1,207,893	252,500	275,625	5	..	679,768	467,550 5
Tweedales and Smalley	Apr. 30	129,127	61,459	190,586	..	112,500	25	..	78,086	447,453 30
Nitrate.										
Agua Blanca	Dec. 31	27,141	20,529	47,670	..	38,917	75	..	8,753	30,930 75
Santa Rita	Dec. 31	6,933	20,672	27,605	..	15,000	15	..	12,605	Dr 10,241 10
Rubber, &c.										
Cluny	Dec. 31	6,734	3,827	10,561	..	3,500	5	500	6,561	4,463 5
Doloswell Rubber and Tea	Dec. 31	2,706	22,114	24,820	..	20,736	9	200	3,884	21,275 5
Dusan Durian	Dec. 31	9,858	19,303	29,161	..	18,750	7½	..	10,411	17,611 nil
F.M.S. Rubber Planters	Dec. 31	2,210	8,385	10,595	..	7,500	5	..	3,095	7,986 7½
Jasin (Malacca)	Dec. 31	4,849	3,472	8,321	..	3,318	6	..	..	2,193 10
Kampong Kuantan	Dec. 31	12,831	8,123	20,954	..	8,806	20	3,000	9,148	4,096 10
Kepong (Malay)	Dec. 31	2,611	11,127	13,738	..	10,000	10	..	3,738	7,494 10
Kombok (F.M.S.)	Dec. 31	19,140	7,355	26,495	..	9,600	8	6,500	10,395	6,095 4
Lanadron	Dec. 31	24,052	18,633	42,685	..	18,000	5	4,000	20,685	19,644 6
Ledbury	Dec. 31	17,752	11,712	29,464	..	8,145	7½	1,000	20,319	8,736 7½
Lubok	Dec. 31	1,112	2,043	3,155	..	..	..	..	3,155	933 ..
Madulosema Coffee, &c.	Dec. 31	(a) 21,866	(a) 21,866	6,000	10,200	15	..	5,666	5,003	..
Pernambang Rubber	Dec. 31	9,848	19,528	29,376	..	7,042	2½	..	12,486	9,794 nil
Sapong Rubber and Tobacco	Dec. 31	6,212	16,063	22,275	..	12,569	15	3,000	6,706	2,080 6
Sepang Selangor	Dec. 31	..	7,874	7,874	..	..	..	7,874	..	..
Seremban Rubber	Dec. 31	4,922	15,385	20,307	..	16,000	4	..	4,306	11,121 5
Stagbrook Rubber and Tea	Dec. 31	1,810	14,867	16,677	..	13,475	17½	1,630	1,572	10,514 10
Tenom (Borneo)	Dec. 31	11,319	17,103	28,422	..	15,370	5	..	13,052	14,413 nil
Yataderia Rubber and Tea	Dec. 31	1,408	16,304	17,712	..	10,500	7½	5,000	2,212	11,334 5
Shipping.										
India General Navigation	Dec. 31	9,312	47,407	56,719	12,201	19,667	4½	3,500	21,351	34,466 4½
Shops and Stores.										
Horne Brothers	Feb. 29	..	67,263	67,263	29,218	..	..	38,045	..	..
Maypole Dairy	Dec. 29	3,426	183,442	186,868	17,500	(90,000 20P.O. 269,792 12½Df.)	..	Dr 240,000	49,576	357,636 (20 25)
Tea.										
Haputale Co.	Dec. 31	..	22,974	22,974	9,558	6,625	75	6,791	..	12,186 42
Noyapara	Dec. 31	13,771	15,300	29,071	..	12,500	30	..	16,571	11,465 25
Textiles.										
British Cotton and Wool Dyers' ..	Mar. 31	37,132	175,233	212,365	..	77,416	10	90,000	44,949	201,548 15(m)
Crosses and Winkworth Consoli- ated Mills	Mar. 28	155,076	9,255	164,331	..	..	..	..	164,331	274,148 ..
Fine Cotton Spinners'	Mar. 31	210,331	928,574	1,138,905	197,000	514,500	14	160,000	267,405	833,460 12½
Tramways and Omnibus.										
Potters Electric Traction	Dec. 31	5,376	18,261	23,637	12,250	..	..	..	11,387	10,753 ..
Trusts.										
Bankers' Investment	Apr. 30	22,920	102,636	125,556	31,388	52,312	7½	18,000	23,856	98,286 7
Consolidated Trust	Apr. 15	22,507	39,064	61,571	18,038	19,530	20	..	24,003	33,127 16
Egyptian and Foreign	Dec. 31	Dr 27,503	1,248	Dr 28,751	..	..	..	Dr 26,861	Dr 298	..
Industrial and General	Mar. 31	29,339	157,854	187,193	40,978	119,108	12½	..	37,107	16,683 12
Other Companies.										
British Thomson-Houston	Dec. 31	236,671	197,051	433,722	80,609	92,250	6	50,000	210,863	263,467 6½
Brunner, Mond, and Co.	Mar. 31	88,911	1,552,574	1,641,485	300,000	1,016,989	10½	238,015	86,481	1,650,295 11
Calleender's Cable	Dec. 31	226,901	250,586	477,487	56,000	75,000	15	30,500	315,987	238,288 15
Orr and Rose	Mar. 31	6,291	14,094	20,385	5,000	6,000	6½	3,000	6,385	10,076 6½
Ever Ready Co. (Great Britain) ..	Mar. 31	15,472	63,839	79,311	13,464	24,900	10	25,000	15,947	48,685 10
International Lighting	Dec. 31	1,145	1,380	2,525	849	197	2½	..	1,479	1,290 2½
Ocean Salvage and Towage	Dec. 31	Dr 106,051	Dr 14,639	Dr 120,690	..	..	..	..	Dr 120,690	Dr 49,479 ..
United Kingdom Tea	Dec. 29	9,056	15,976	25,032	7,210	3,750	15	3,994	10,078	..

† Tax free. (a) 18 months. (m) Paid on a smaller capital. This dividend absorbed £87,093.
(b) Buchanan-Dewar.—For year ended March 31, 1923, ordinary dividend of 30 per cent. absorbed £564,762, being paid on a smaller capital.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-1924.	1922-1923.	1921-1922.	1920-1921.
Estimated sales of home-grown wheat—				
week to May 10	Owts. 155,958	Owts. 342,617	Owts. 273,827	Owts. 289,212
36 weeks to May 10	10,976,852	15,183,783	14,723,937	11,241,134
Average price of English wheat per cwt.	s d 10 10	s d 10 10	s d 12 11	s d 10 10

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1920 to 1923:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1924.	Owts.	Owts.	Owts.	s d	s d	s d
May 3	162,260	18,136	18,136	10 9	11 3	9 8
" 10	155,958	18,172	28,077	10 10	11 3	9 7
1923.						
May 3	82,761	17,948	17,500	16 11	23 11	21 10
" 10	289,213	48,000	28,077	20 1	18 11	15 10
1922.						
May 3	342,617	31,489	43,950	12 11	11 6	11 4
" 10	342,617	70,524	29,597	10 10	9 0	10 6

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended April 30.		Four Months Ended April 30.	
	1923.	1924.	1923.	1924.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	6,520,135	6,422,086	32,257,133	28,993,329
B. Feeding stuffs for animals	388,021	511,064	2,107,702	2,323,306
C. Meat	10,147,847	7,762,137	39,753,424	32,029,213
D. Animals, living, for food	1,231,935	1,230,480	1,600,362	6,241,848
E. Other food and drink, non-dutiable	12,391,577	10,594,371	48,905,218	49,647,151
F. " " dutiable	10,026,307	12,435,395	35,979,802	44,989,688
G. Tobacco	1,097,466	1,053,222	6,562,643	5,925,589
Total, Class I	41,803,288	40,008,755	167,166,284	170,550,124
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	1,125	592	1,125	7,120
B. Other non-metallic mining and quarry products and the like	485,155	364,231	1,912,450	1,744,791
C. Iron ore and scrap	869,999	609,630	2,607,251	2,877,820
D. Non-ferrous metalliferous ores and scrap	942,544	1,403,603	3,810,418	5,069,854
E. Wood and timber	2,029,743	1,689,184	8,989,648	8,747,111
F. Raw cotton and cotton waste	4,271,043	3,419,109	30,406,532	42,977,047
G. Wool, raw and waste, and woollen rags	6,276,633	8,022,076	23,468,430	29,490,595
H. Silk, raw, knubs and noils	104,443	133,926	634,329	438,888
I. Other textile materials	819,743	850,077	4,009,615	5,095,321
J. Oil seeds, nuts, oils, fats, resins, and gums	3,552,089	3,586,708	15,621,805	15,640,571
K. Hides and skins, undressed	1,303,527	1,505,114	5,980,099	6,202,110
L. Paper-making materials	554,842	519,560	2,587,304	2,344,972
M. Rubber	835,215	734,141	3,794,537	3,507,394
N. Miscellaneous raw materials and articles mainly unmanufactured	896,980	647,069	3,528,735	3,220,047
Total, Class II	22,941,422	23,485,020	107,745,078	127,364,641
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	29	755	5,549	3,127
B. Earthenware, glass, abrasives, &c.	587,507	661,426	2,333,927	2,421,520
C. Iron and steel and manufactures thereof	1,160,736	1,769,556	4,624,226	6,552,918
D. Non-ferrous metals and manufactures thereof	2,313,004	2,095,674	8,409,184	9,549,026
E. Cutlery, hardware, implements, and instruments	679,572	572,015	2,277,146	2,497,854
F. Electrical goods and apparatus	223,563	226,329	891,588	963,600
G. Machinery	921,474	845,981	3,159,792	3,158,711
H. Manufactures of wood and timber	386,693	387,353	1,426,729	1,453,109
I. Cotton yarns and manufactures	688,154	701,177	2,854,974	2,769,402
J. Woollen and worsted yarns and manufactures	730,724	1,202,757	3,526,390	4,855,014
K. Silk and silk manufactures	1,430,520	1,925,328	6,863,243	7,965,153
L. Manufactures of other textile materials	1,184,845	1,227,516	4,326,420	5,130,017
M. Apparel	1,517,855	1,496,224	5,644,647	5,467,500
N. Chemicals, drugs, dyes, & colours	1,184,826	1,157,752	4,763,836	4,655,777
O. Oils, fats, and resins, manufactured	3,070,942	2,682,308	11,215,094	10,432,917
P. Leather and manufactures thereof	382,456	1,124,405	4,045,897	3,973,728
Q. Paper and cardboard	983,247	1,162,801	3,827,540	4,085,611
R. Vehicles (including locomotives, ships, and aircrafts)	646,186	805,662	2,891,960	2,127,647
S. Rubber manufactures	644,223	432,878	1,921,723	1,432,603
T. Miscellaneous articles, mainly or wholly manufactured	2,206,914	1,838,056	8,973,202	7,743,194
Total, Class III	21,443,470	22,316,030	83,793,618	87,965,458
IV.—Animals, not for food	104,599	105,253	164,121	525,293
V.—Parcel post, non-dutiable articles	155,233	250,491	1,253,643	1,452,823
Total	86,448,012	86,135,549	360,122,744	387,858,339

year. Makers of pig-iron and steel billets have had very lean times of late, and the finished branches, although distinctly busier, have to deal with such a multitude of small orders that profitable working is out of the question. Very little confidence in the future is abroad, and the uncertainty militates against giving out orders except to cover immediate requirements. The Board of Trade returns for April show a substantial increase on the month in the export of iron and steel products, chiefly due to large shipments of pig-iron to the Continent and an improved demand for tin-plates. Motor exports were better, whereas the figures relating to engineering and locomotives continue on the down grade. Wire drawers are nearly on full time, and a considerable tonnage of wire rope is being shipped abroad and consumed in British coal mines. Conditions are sluggish in the tool steel branch, although it has emerged from the acute slump of last year. Continued progress is reported in hand tools used in numerous trades, but the orders are individually small, and involve time, labour and expense in dealing with them, altogether disproportionate to their aggregate value. The plate and cutlery branches continue in a very unsatisfactory state, and the position compares unfavourably with last year. Except cheap lines, sales are at a low ebb. The weakness in the coal market previously reported has developed further, and prices are on the down grade. The demand for house coal has dropped so much that fuel of this kind can now be bought freely for manufacturing purposes. The demand and consumption of coke has also fallen off considerably. Steam coal is holding its own fairly well. The export demand is quiet. Current quotations per ton at pits are:—Best hand-picked branch, 34s to 35s; Barnsley best silkstone, 31s to 32s; Yorkshire hards, 25s to 26s; Derbyshire ditto, 23s; Blyth steams, 23s 6d; Durham steams, 25s 6d; rough slacks, 12s to 13s; smalls, 8s to 9s; coke, 24s to 29s.

Our Glasgow correspondent writes as follows:—Business in the iron and steel market continues dull, the reluctance of buyers to purchase forward being more pronounced than ever. This tendency may be accounted for by persistent rumours of cheap Continental material coming on the market. We have definite knowledge, however, that anything like competition to any con-

EXPORTS OF PRODUCE AND MANUFACTURES OF THE UNITED KINGDOM (Value F.O.B.).

	Month Ended April 30.		Four Months Ended April 30.	
	1923.	1924.	1923.	1924.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	311,703	588,277	1,070,577	2,146,330
B. Feeding stuffs for animals	155,792	318,227	509,053	1,048,613
C. Meat	95,050	127,497	386,066	556,816
D. Animals living, for food	4,346	30,228	11,719	87,368
E. and F. Other food and drink	2,134,624	2,425,025	8,145,898	11,227,915
G. Tobacco	522,060	574,647	1,974,157	2,243,451
Total, Class I	3,223,575	4,061,901	12,097,470	17,130,493
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	8,914,748	6,326,197	30,876,234	25,596,619
B. Other non-metallic mining and quarry products and the like	134,995	165,838	567,531	687,732
C. Iron ore and scrap	54,789	24,591	199,616	161,425
D. Non-ferrous metalliferous ores and scrap	258,191	115,580	955,588	365,001
E. Wood and timber	53,382	38,466	125,176	104,363
F. Raw cotton and cotton waste	148,398	178,534	889,028	659,363
G. Wool, raw and waste, and woollen rags	842,745	1,139,340	3,585,131	4,416,333
H. Silk, raw, knubs and noils	19,625	11,235	39,917	69,620
I. Other textile materials	56,690	34,251	195,464	169,402
J. Oil seeds, nuts, oils, fats, resins, and gums	438,455	591,905	1,632,647	2,327,421
K. Hides and skins, undressed	207,286	208,531	1,022,885	1,084,366
L. Paper-making materials	140,756	145,397	444,515	603,812
M. Rubber	14,065	11,541	48,082	38,802
N. Miscellaneous raw materials and articles mainly unmanufactured	450,659	450,670	1,842,271	1,919,036
Total, Class II	11,717,868	9,479,992	42,124,095	38,301,905
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	737,243	456,333	2,318,032	2,478,642
B. Earthenware, glass, abrasives, &c.	906,156	973,954	3,464,702	3,937,334
C. Iron and steel and manufactures thereof	6,014,735	6,368,495	23,019,873	25,270,110
D. Non-ferrous metals and manufactures thereof	1,255,162	1,279,874	4,825,610	5,506,406
E. Cutlery, hardware, implements, and instruments	589,041	663,156	2,197,713	2,498,390
F. Electrical goods and apparatus	711,080	891,588	2,777,393	3,227,447
G. Machinery	3,708,884	3,521,800	16,380,358	13,798,257
H. Manufactures of wood and timber	353,580	350,256	1,427,600	1,453,109
I. Cotton yarns and manufactures	13,229,373	16,597,778	58,823,826	64,837,471
J. Woollen and worsted yarns and manufactures	4,080,045	4,496,390	20,187,297	21,048,397
K. Silk and silk manufactures	143,270	148,058	578,530	681,230
L. Manufactures of other textile materials	1,704,717	1,938,545	7,632,670	8,125,633
M. Apparel	1,541,382	2,041,724	7,154,068	9,171,213
N. Chemicals, drugs, dyes, & colours	2,049,335	1,865,154	8,160,406	8,664,355
O. Oils, fats, and resins, manufactured	574,456	768,932	2,219,312	2,694,471
P. Leather and manufactures thereof	416,827	572,831	1,772,194	2,122,479
Q. Paper and cardboard	673,706	638,344	2,777,973	2,836,939
R. Vehicles (including locomotives, ships, and aircrafts)	5,655,246	1,928,312	14,065,644	7,089,871
S. Rubber manufactures	404,233	502,371	1,728,320	1,874,882
T. Miscellaneous articles, mainly or wholly manufactured	4,433,866	2,453,304	9,304,354	9,937,869
Total, Class III	46,990,557	48,277,191	190,313,493	196,436,068
IV.—Animals, not for food	72,616	101,564	273,080	603,301
V.—Parcel Post	936,486	946,278	3,432,466	3,527,915
Total	62,872,102	62,866,925	248,240,604	256,179,682

siderable degree from abroad is extremely unlikely to be heard of for a long time. Numbers of specifications for bars, light plates and sheets are being received from Eastern European markets which customarily draw their supplies from Belgian and German sources. This is further proof that the Continent is not a serious competitor. Inquiries are in the hands of local firms for two large constructional schemes for the South Indian Railway Company, and among contracts placed this week is a passenger steamer for Clyde service; a large steel building secured by Messrs. Alex. Findlay and Co., Motherwell, for an Indian railway and an extensive structural steel contract for Hong Kong. Bar iron works here have not followed the example of English makers by increasing the price by 10s per ton, and Scotch bars are selling at the old rates. Steel bars are in brisk request for home consumption, but export orders can only be secured at cut prices. Demand for black sheets is poor, and business is being taken at cut prices. Some good lines have been booked for Canada. Japanese light sheets, owing to adverse exchange conditions and financial difficulties, are still absent from the British market. One or two fishing inquiries have been received, but serious business is unobtainable. Galvanised sheets are in very moderate request, and prices this week are still further depressed. Shipments have been fairly large, but as regards new business, conditions are very

NATIONAL PROVIDENT INSTITUTION

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slightly improved on those existing a week ago. Owing to a wages dispute, about 1,500 men are idle in the Blochairn works of the Steel Company of Scotland, Limited. The trouble is confined to the employees of this firm, and is not likely to last for any length of time. Pig-iron prices remain unchanged, and the Clyde shipments last week amounted to 1,473 tons.

Our Cardiff correspondent writes:—The Cardiff coal market this week has suffered both from the threat of a strike of coal trimmers and from the uncertain course of the negotiations in London over the wages agreement. Happily, the threatened strike was averted, and terms have now been provisionally arranged for a new agreement for the regulation of wages over the next two years. These events gave a more hopeful tone to the market towards the end of the week. The volume of business, however, was comparatively small, but prices, though unstable, were generally well maintained. The position in the iron and steel market was unaltered, and manufacturers are continuing to realise prices just above the minimum figures.

METALS.

Tin opened the week with a firmer tone, due to higher cables from the East, and a good demand for distant positions. Subsequent selling pressure and lower foreign advices led to irregularity and weakness. Dealings comprised standard cash at £230 to £223 to £225 15s, and three months, £228 5s to £229 5s to £222 to £224 15s. Eastern cables reported sales on the basis of £225 5s, c.i.f. Values suffered a sharp relapse on selling pressure on Thursday, though offers were only moderately absorbed. Standard cash quoted at £219 10s to £219 15s, with business in three months at £223 to £218 17s 6d. The downward movement was continued at final market. Standard, cash, sold at £212 to £215 10s, and three months fluctuating between £211 to £210 10s to £215, while finally at £214 5s. English ingots quoted at £216 to £217. Copper ruled easier on liberal offerings, which, however, were well absorbed. Standard cash sold at £62 7s 6d to £61 10s to £61 17s 6d, and three months £63 10s to £62 10s to £62 12s 6d. At Thursday's market rates were again the turn easier. Standard cash sold at £61 5s to £61 2s 6d, and three months £62 10s to £62 2s 6d to £62 5s. Copper continued in active demand on following day, with rates again tending in buyers' favour. Cash sold at £60 16s 3d, and three months £62 to £61 10s to £61 17s 6d. Electros, £66 10s to £67 10s; strong sheets, £65 to £66 5s; wire bars, £67 10s per ton. Lead firmer, and quoted at £29 10s to £28 10s, as to position. Spelter dealer at £30 17s 6d to £31 2s 6d, according to position. Aluminium home trade, £125; export, £130. Antimony, English special brands, £49 10s to £50.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Some uneasiness was caused last week by the reports on the opening of the London wool sales, but the improvement recorded in Coleman street during the last two days has helped very materially to bring about a better tone here. It is realised that the withdrawals are due to high reserves placed on second-hand lots by the owners, and the prices required cannot be made to-day in the existing state of the market for tops and yarns. However, faith in the future of wool values is still unshaken, and as the Continent is expected to be a big buyer as soon as the financial situation becomes a bit clearer, most holders are prepared to await developments rather than make any real sacrifice. Business in tops has been too restricted to afford a really useful guide to prices, but sales made this week have been on a slightly lower level. Warp 64's tops are now quoted at 70d to 71d, and a decline of about 1d is seen in super and ordinary 60's at 64d and 61d respectively. In crossbreds, practically all qualities from 56's downward show a slight ease on the week, 56's average being quoted at 46d, 50's average at 35d to 36d, 46's carded at 27d to 28d, and 40's prepared at 27d. There is no real change in the yarn trade. Spinners of Botany yarns are finding great difficulty in doing business, and keen competition is resulting in extreme price-cutting. So much is this in evidence that it is almost impossible to say what fine counts are worth to-day, everything depending on the position of the seller. A moderate turnover is being done in crossbreds, though it is not easy to make current quotations. Hosiery requirements are fairly large, but the export trade is being interfered with on account of the financial difficulties in Germany due to the restrictions on the purchase of sterling.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The current series of wool sales have gone on long enough to show clearly the standing of the raw material. There is a general feeling of disappointment at the poor show of life and activity, though it is quite easy to exaggerate this aspect of the sales. One has been so accustomed to seeing red hot markets for the past six months, with values all the time rapidly advancing, that when there is a halt many think prices and markets are going to fall to pieces. Such a thing is not likely to happen. It is the heavy withdrawals of dearly bought, second-hand wools which is responsible for the quieter aspect seen in connection with the sales. One must admit being disappointed with the competition of France, Belgium, and Germany. Had there been as much buying done by the sections named as we have seen since last October, the majority of second-hand offerings would have found buyers. Freight, exchange, insurance, and sale charges are so heavy that

at least 3d above first cost is needed for the owner to get out whole, and while in many cases something above first cost has been bid, yet another 1d to 2d has been needed to enable the bulk of the wools to be moved into users' hands. On the wool sold, particularly fine crossbreds and merinos, the prices paid are about as high as those ruling in March, only the numerous lots taken in give a false impression of the actual standing of the raw material. French buyers last week were waiting to see the election results, and when they became fully known last Tuesday on the resumption of the auctions, it seemed to confirm them in their attitude to go slow, and act with considerable reserve. That is actually what happened, and we expect the current series to finish next Tuesday with values all round 5 per cent. under the close of the March auctions. The decision of the Association of London Selling Wool Brokers to close the series a day earlier is the right thing. It will give the home trade in particular the opportunity of digesting large direct imports.

Values have not materially altered this week compared with the opening. Naturally, selling brokers and importers are a little disappointed at the quieter turn of events, but it is really wonderful the faith which is expressed in the future of values. That the market to-day needs a tonic goes without saying, but we are certain that the world's consumption of wool to-day is larger than twelve months ago, and any reasonable settlement of the differences between France and Germany would immediately release big amounts of sterling, and lead to an improvement of trading conditions. At the moment the Continent holds the key to the situation, and any free movement of trade in Europe would certainly be good for the entire industry. Apparently, the United States is passing through a difficult period, largely the result of the forthcoming Presidential election, there being the same opposition across the Atlantic to high textile prices as in this country. All the same, we cannot see where cheaper wool is coming from, and any marked falling off in values would only bring into operation on a still larger scale speculative buying, which is not needed at present.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—May 9, 1924.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1923.		Same Period 1922.	
							Med.	Fine.	Med.	Fine.
	d	d	d	d	d	d	d	d	d	d
Sea Island	4	4	4	4	4	4	4	4	4	4
Florida do	4	4	4	4	4	4	4	4	4	4
Georgia do	4	4	4	4	4	4	4	4	4	4
American	1502	1552	1652	1737	1832	1932	1332	1382	1422	1108
Brazilian	Mid	M	F	F	G	F	M	F	G	M
Peranan, Macao, &c.	1677	1777	1777	1777	1777	1777	1303	1368	1368	943
Parahya, Rio Grande, &c.	1677	1777	1777	1777	1777	1777	1303	1368	1368	943
Oeara, &c.	1677	1777	1777	1777	1777	1777	1303	1368	1368	943
Sea, Paulo	1677	1777	1777	1777	1777	1777	1293	1328	1043	1148
Upper	F	G	F	F	G	F	F	G	F	G
Skariadris	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Brown	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Upper	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Skariadris	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Brown	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Upper	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Skariadris	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Brown	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Upper	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Skariadris	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Brown	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Upper	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Skariadris	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Brown	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Upper	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Skariadris	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Brown	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Upper	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Skariadris	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Brown	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Upper	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Skariadris	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Brown	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Upper	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Skariadris	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Brown	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Upper	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Skariadris	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Brown	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Upper	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Skariadris	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Brown	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Upper	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Skariadris	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Brown	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Upper	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Skariadris	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Brown	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Upper	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Skariadris	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Brown	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Upper	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Skariadris	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Brown	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Upper	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Skariadris	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Brown	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Upper	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Skariadris	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Brown	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
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Brown	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Upper	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Skariadris	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Brown	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Upper	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
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Upper	2150	2350	2390	2455	2525	2525	1400	1475	1530	1375
Skariadris</										

[illegible]

BLUE BIRD CO.'S No. 1 PETROL NOW SELLING AT 1s. 4d. PER GALLON.
 NO PART OF THIS ISSUE HAS BEEN UNDERWRITTEN. The SUBSCRIPTION LIST will CLOSE on or before the 21st day of May, 1924.
 The special permission of the Committee of the London Stock Exchange for dealing in the shares now offered will be applied for after allotment.
 A copy of this Prospectus has been filed with the Registrar of Joint Stock Companies, which states, inter alia,

THE BLUE BIRD MOTOR CO. (1924) LTD.

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

CAPITAL - - - £175,000

160,000 8% Cumulative Preference Shares of £1 each	£160,000
300,000 Ordinary Shares of 1/- each	15,000
There will be allotted to the Vendor Company, in part payment of the purchase price, 236,000 Ordinary Shares.	
	£175,000
THERE ARE NO DEBENTURES, MORTGAGES, OR CHARGES OF ANY KIND.	

160,000 8% Cumulative Participating Preference Shares of £1 each.

AND
64,000 Ordinary Shares of 1s. each.

Are now offered for subscription at par,
 PAYABLE AS FOLLOWS:—

PREFERENCE.—On Application, 2s. 6d. per Share; on Allotment, 7s. 6d.; on 15th July, 1924, 10s. 0d.—£1 0s. 0d.
ORDINARY.—1s. 0d. per Share on Application—1s. 0d.
 Subscribers of the Preference Shares are entitled to subscribe for and to be allotted 2 Ordinary Shares of 1/- each in respect of each 5 Preference Shares applied for and allotted.
 It is proposed to pay the Preferential Dividend half-yearly, on the 1st January and the 1st July in each year, and the first dividend, calculated as from the due dates of the respective instalments, on the 1st January, 1925.
 Payment may be made in full on allotment, and interest will be allowed on the amount prepaid at the rate of 5% per annum.
 The Preference Shares are entitled, in addition to the fixed Cumulative dividend at the rate of 8% per annum, to one-third of the surplus divisible profits in any year, the balance being payable to the Ordinary Shares. The Preference Shares also carry the right of priority of repayment of Capital and of arrears (if any) of the fixed dividend in the event of a winding up.

DIRECTORS.
 REGINALD BRANDON TRYE, Esq. (Chairman and Managing Director) (Chairman and Managing Director of the Blue Bird Motor Co., Ltd.), Merivale, East Horsley, Surrey.
 FRANK GRIFFITHS, Esq. (Chairman and Managing Director of William Griffiths Sons and Cromwell, Ltd.), 22 Upper Duke Street, Liverpool.
 PETER GEORGE CLARKE, Esq. (Managing Director of the Gwydyr Granite Quarries, Ltd.), Danesbury, Woodbourne Avenue, London, S.W.
BANKERS.
 BARCLAYS BANK LIMITED, 78 Victoria Street, Westminster, London, S.W.1. or their Head Office and Branches.

SOLICITORS.
 CAVE, DARCH, CRICKMAY AND RUNDLE, 20 Eastcheap, London, E.C.3.
 J. R. WHITE, 78 Coleman Street, E.C.2 (Solicitor to the Vendor Company).
BROKERS.
 E. W. MEYERSTEIN AND CO., 4 and 6 Throgmorton Avenue, London, E.C.2, and Stock Exchange, London, E.C.2.
AUDITORS.
 C. L. KETTRIDGE AND CO., 1 London Wall Buildings, London, E.C.2.
SECRETARY AND REGISTERED OFFICES.
 FRANK C. LORANG, 67 Moorgate, London, E.C.2.

ABRIDGED PROSPECTUS.

OBJECTS.—The Company has been formed for the purposes expressed in its Memorandum of Association, and in particular:—(a) To acquire and take over as a going concern, free of all liabilities, as from 21st May, 1924, the well-known and important business of the Blue Bird Motor Co., Ltd., carried on at Ebury Mews, Ebury Mews East, Eaton Mews South, Kersley Mews, and at 330 to 340, King's Road, London, S.W. (b) To complete the erection at 330 to 340, King's Road, London, S.W., of one of the largest and most up-to-date garages in the world, now in course of construction from plans prepared by Mr. Robert Sharp, Licet.R.I.B.A., and (c) To further develop the business by concentrating it at 330 to 340, King's Road, London, S.W., by the provision of a very complete and luxurious Motor Hire Service of Rolls-Royce and Daimler Cars and the extension of facilities for the supply of Blue Bird Co.'s Petrol.

The Blue Bird Motor Co., Ltd., was established in 1913, and its name signifies all that is best in respect of Motor Hire Service and the supply of Petrol and Oil.
HIRE SERVICE.—The existing fleet of Daimler Cars, well known and in great demand as one of the best-equipped Motor Hire Services, will be increased by an additional service of Rolls-Royce Cars.
 The efficiency of its Motor Hire Service is further endorsed by the fact that, in open competition, the Company has secured an order from the British Empire Exhibition Authorities to provide cars required for the conveyance of officials and guests to and from the Exhibition grounds at Wembley.

The rapid development of the business has urged the provision of a more modern and spacious garage, which is now being erected at a cost of about £60,000, and, when completed, will be one of the largest and best equipped structures of its kind in the world. It will embody the latest and most modern ideas in every branch of Motor Service and be carefully adapted to the most exacting motorist's requirements.

"Service" will continue to be the foremost feature of the Company's policy, and in conformity therewith, the new garage will provide a day and night Service in all departments. There will be facilities for reading, writing, resting, etc., other notable features including extensive repair shops, showrooms for new cars, a large motor-cycle depot, separate lounges and clubrooms for ladies, owner-drivers and visiting chauffeurs.

On each of the three floors provision will be made for repairs to the private car, the commercial motor and the motor-cycle, and large steel turntables will be installed to economise time in the parking of cars. The enormous area of the ground floor will be free from pillars or stanchions, and electrically operated Air Compressors will supply pressure to about 60 automatic tyre inflation points.

The site covers an area of nearly three-quarters of an acre, and the garage will have a total floor space on the three floors of about 2½ acres. It has a commanding frontage of 170 feet to one of the main arterial roads of London, the Portsmouth Road being the outlet to the South-West of England and extremely popular with London motorists, thousands of cars passing daily. It is admirably situated to cater for the extensive motoring requirements of Chelsea, Kensington and the West End.

PETROL.—Blue Bird Co.'s petrol is now selling at 1¼ per gallon, as compared with 1/11 per gallon charged elsewhere, and is claimed by the Directors to be equal in quality to the best on the market, such claim being supported by many thousands of users.

The Company's Petrol Service Station was opened in March, 1923, and the policy of providing supplies of high-grade Petrol and Oil at popular and yet remunerative prices has been reported on extensively and most favourably in the trade and general Press.

The Vendor Company is in a position to make definite arrangements for continuity of supplies to this Company, ensuring the maintenance of its completely independent position in the Petrol industry, and, at the request of large numbers of the motoring public, the Directors are now considering the advisability of acquiring additional sites and opening further Stations for the supply of Petrol and Oil in the Metropolis and Provincial Centres.

VALUERS' REPORT.—The following is a copy of the report of Messrs. Leopold Farmer & Sons, the well-known Surveyors and Valuers, on the value of the assets to be acquired by the Company:—

46, Gresham Street, Bank, London, E.C.2.
 12th May, 1924.
 To the Directors, THE BLUE BIRD MOTOR CO. (1924) LTD.,
 King's Road, Chelsea, S.W.

Dear Sirs,—Acting on your instructions we have valued the assets of The Blue Bird Motor Co., Ltd., and beg to report as follows:—
 The Petrol Service is situated in King's Road, Chelsea, which is the main road. It is complete with the most up-to-date plant for petrol and oil storage and supply, having a storage capacity of about 11,000 gallons. The whole site on which the Petrol Service Station is situated has a frontage of about 169 feet to the King's Road, a return frontage of about 125 feet to Vale Avenue, and a frontage of about 50 feet to Beaufort Street, the whole site area being nearly three-quarters of an acre. This property is held under an agreement to grant to you a term of 80 years from 24th June, 1922, and that document provides for granting this holding when the site is covered and ready for occupation, previous to 25th March, 1925, and that the rent is not to exceed £350 per annum. We consider that you have here a very valuable site, on which steps are now being taken to erect a most up-to-date motor garage with every possible convenience for the expeditious handling of operations of great magnitude. The rental of the whole site is exceptionally moderate, and there is a considerable value in your holding. The existing Petrol Station, fronting on to the King's Road, is planned so that a large number of vehicles can be filled at the same time, the size of the Station now being 110 feet long by 40 feet wide, with separate entrance and exit.

Included with the assets is a fleet of motor vehicles, comprising 35 Daimler cars, all in good running order and condition, also the plant and machinery, fixtures and fittings, stock of petrol, oil, tyres, spares, etc., and we consider the present value of the assets, as a going concern, namely Plant and Machinery, Fixtures and Fittings, Stock, Office Furniture and Utensils of Trade, to be £50,500 (Fifty thousand five hundred pounds). We were very considerably impressed with the whole undertaking, and there appears to be a very big future for an organisation such as the Blue Bird Motor Co. (1924), Ltd.

Yours faithfully, LEOPOLD FARMER & SONS.

RESULTS AND ESTIMATED PROFITS.—The Blue Bird Motor Co., Ltd. (the Vendor to and Promoter of this Company), was established under Mr. R. Brandon Trye's able management, the business has grown at £50,000, no sum whatever being included for goodwill, which, in a business of this nature, is obviously of considerable value.

On the basis of the above results the Directors estimate that the yearly net profit from the Motor Hire Service Department alone should not be less than £10,000.

The profits now being earned at the Petrol Service Station of the Vendor Company are very considerable, and attention is drawn to the following:—(1) The present net profits on Petrol and Oil are considerably more than 1d. per gallon, and the Directors feel confident not only of maintaining this rate of profit, but of exceeding same. (2) Orders and enquiries from new customers reach the Vendor Company daily, and the Directors estimate that this Company's yearly turnover of Petrol and Oil should be at least 50,000,000 gallons.

But on a basis of a yearly minimum turnover of only 10,000,000 gallons the net profits at the low rate of 1d. per gallon from this Department alone should be at least £40,000 per annum.

Having regard to the above, the Directors have no hesitation in putting forward the following estimated net profits as being in every respect conservative, being confident that the actual profits will exceed the estimates:—

From the Sale of Petrol and Oil	£40,000
From the Motor Hire Service	10,000
From Rents, Lock-up Garages, Flats, General	8,500
From Repairs, Sales of Motor Cars, Insurance, etc.	10,000
Estimated Net Profits	£68,500

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCVIII.

SATURDAY, MAY 24, 1924.

No. 4,213.

CENTENARY 1924.

ALLIANCE

ASSURANCE COMPANY, LIMITED.

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2.

ASSETS EXCEED £25,000,000.

The Alliance grants Insurances of all kinds.

LIFE DEPARTMENT.

Full information respecting

ESTATE DUTY

and

CHILDREN'S EDUCATIONAL

POLICIES

issued by the Company may be

obtained on application from the

Head Office or any of the Offices

or Agencies of the Company.

O. MORGAN OWEN, General Manager.

Centralbanken for Norge

a/s under off. adm.

CHRISTIANIA, NORWAY

TRANSACTS ALL KINDS OF
 BANKING BUSINESS.

Correspondents in all Norwegian places
 of any importance.

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Capital Fully Paid Lire 300,000,000
 Reserve Lire 110,000,000

Head Office of the Bank: MILAN.

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London Branch: 22 ABCHURCH LANE, E.C.4.

Managers (D. A. HORNER,
 F. N. SCHILLER.

Transacts a general Foreign Banking Business, having correspondents in all Countries, and is specially prepared to grant facilities for the development of trade between the British Empire and Italy.

Correspondent of the Royal Italian Treasury.

Telegrams: "Italocredi, Cannon, London."

Telephone: 7802-7803 City.

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Leathwait and Simmons, 34 Throgmorton street.

Pottle and Son, 15 Cullum street.

Willing and Co., Limited, 50 Copthall avenue, and 123 Moorgate.

THE MONEY MARKET.

THERE was still a decided scarcity of money, as seemed to be inevitable in view of the big transfer last week from Other to Public deposits, and on Wednesday a considerable amount was borrowed from the Bank of England. In these conditions, the Glasgow Corporation was fortunate in being able to place £500,000 three months' bills at 2½ per cent. Business in discounts remained stagnant, with the rate for three months' bank bills between 3 and 3½ per cent.

	May 23, 1924.	May 16, 1924.	May 9, 1924.	May 2, 1924.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount/Call	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice	2½	2½	2½	2½	1½ (Jly. 5, '23)
Market rate 3 months' bills)	3½	3	3	3	..

The Bank return showed an increase of £22,000 in the Reserve, notes having returned from circulation to rather more than this extent. A decrease of nearly a million in Other deposits was balanced by an increase of over a million in Public, and small movements in the securities also offset one another, Other being noticeably half-a-million lower, in spite of borrowings by the market. There was a reduction of £1,979,100 to £286,399,700 in currency notes outstanding this week, which includes £1,392,200 for notes called in but not yet cancelled. The fiduciary issue is £235,557,500, or £12,633,400 below the maximum.

THE STOCK MARKETS.

The bulk of Stock Exchange business this week has been concentrated in the markets for gilt-edged and investment securities, the demand for such stocks being only slightly affected by the flood of new issues, which were for the most part rapidly absorbed. The amount of speculative business is very small at present. Among foreign stocks, Chinese 8 per cents. rose swiftly. The Home Railway market lacks attention, while Argentines are steady. The rubber share section remains in the doldrums, while in the oil market the activity of British Controlled was the main feature. Banking, insurance, and cable shares are well supported. The iron and steel group remain under the unfavourable influence produced by the passing of the Vickers' dividend. Labour trouble on the Rand has damped the South African mining market.

THE COMMODITY MARKETS.

There has been a slight improvement this week on the Cardiff coal market, buyers showing more inclination to conclude contracts in the belief that prices have touched bottom. Continental inquiry for Cleveland iron has fallen off, but steel producers have been assisted by the placing of several shipbuilding orders. The Manchester cotton market is without pronounced movement, and some rather depressing features have developed in the wool market. Tin suffered a sharp decline, but partially recovered the loss. Copper received good support. Wheat closed the week firm. The sugar market is steady—moderate demands were in evidence for tea and coffee. Conditions are easier in the vegetable oil market. Detailed reports from our trade correspondents will be found on later pages.

FOREIGN EXCHANGES.

In the foreign exchange market, apart from the erratic movements of the franc, the week has shown no outstanding features, business being quiet but fairly steady. The Paris rate has continued its recent puzzling course, moving up and down in jerks as the result of apparently quite spasmodic official intervention. Although the new Government, as foreshadowed, would seem to offer very satisfactory promise of careful finance, its opponents would seem to carry their dislike to the point of crying down the franc and doing their best to create general uncertainty. From 75.35 at the close of the 16th there was a sharp jump up at the beginning of the present week, as high as 83.20 being reached at one time on Tuesday. At this point came intervention, bringing down the quotation to a closing price of 81.40 on the same day and 78.70 at the close of Wednesday. A new reaction on Thursday brought up the rate to 79.35, and yesterday morning it was quoted at 80.70. Brussels on its higher level has followed much the same course, being quoted at one time as high as 96½ and standing yesterday morning at 94½, as compared with 89.62½ a week ago. Forward rates in Paris are about the same at 50 centimes per month above spot; in Brussels at about 11 centimes above spot they are 1 centime wider. After showing signs of appreciation on very optimistic budget reports the franc relapsed again a little, and at 98½ yesterday morning is exactly the same as a week ago. In sympathy to some

extent with the franc, and under pressure perhaps of the beginning of autumn requirements, the dollar rate moved down quietly from \$4.36½ on the 16th to \$4.35½ on the 22nd. Yesterday morning, however, there was a sharper drop to \$4.34. Forward rates are again slightly narrower at ¼ to ⅜ cent per month above spot. In sympathy with the dollar, the Dutch rate has gone against us from 11.66½ to 11.61, Stockholm from 16.46½ to 16.35½, while Vienna is rather lower at 308,000, and Warsaw has also moved down to 22.65. Most of the neutral currencies show a similar movement, Switzerland from 24.62 to 24.54½, Christiania from 31.42½ to 31.27½, and Copenhagen from 25.81 to 25.75½. Madrid, however, at 31.56½, as compared with 31.53, is higher than last week, and Finland, after being higher, is unchanged at 174. Berlin has fallen ¼ to 18½ billion marks. Prague has gone against us from 148½ to 147½. Bucharest, however, apparently on the possibility of a crisis in internal politics, has moved up from 880 to 915. In the East the rupee is slightly dearer at 1s 4½d, as compared with 1s 4 55-64d; the yen, after a temporary relapse, stands at 1s 10½d, as compared with 1s 10 7-8d. On a growing Continental demand and some bear covering in India and China, the silver market has been firm with rising prices, and it would seem probable that a further increase may be expected. Hong Kong has appreciated from 2s 4½d to 2s 4 8-8d, after being 2s 4½d, Shanghai from 3s 3½d to 3s 3 1-2d. In South America, Rio has relapsed from 6½d to 5 27-32d, while Buenos Aires has appreciated from 40½d to 41½d, and Montevideo from 43d to 43 7-8d, Valparaiso falling back a little from 39.10 to 39.20 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended May 17th:—

(000's omitted.)		
EXPENDITURE.	\$	RECEIPTS.
Supply Services	7,000	From Revenue
Interest, &c., on Debt	3,966	13,488
Sinking Fund	100	
Road Fund	774	
Reduction of Debt	1,539	
Added to Exchequer Balances ..	229	
	13,488	13,488

Revenue, at £13,488,000 was about £2,000,000 lower than in the corresponding week last year. Excise was practically responsible for this decline, the yield amounting to £5,170,000, against £7,167,000. Customs produced £1,552,000, against £2,180,000. Property and Income-tax yielded £1,318,000, against £2,071,000, and Super-tax £1,840,000, against £770,000. Special Receipts amounted to £500,000, against £5,922 a year ago. The week's operations reduced the National Debt by £1,540,000, and caused the following changes:—

(000's omitted.)		
	£	£
Treasury Bills	+ 4,940	Bank of England Advances . — 250
4% Treasury Bonds	+ 2,840	Public Dept. Advances — 9,300
Saving Certificates	+ 50	
Unemployment Insurance....	+ 180	
	+ 8,010	— 9,550

The floating debt was reduced by £4,630,000 to £748,120,500.

FINANCIAL YEAR, 1924-1925 (April 1 to May 17).

£		£	
Total Expenditure ..	95,531,965	Raised by Revenue ..	112,154,391
Net Repayments	19,695,483	Decrease in Balances ..	3,073,057
Total	115,227,448	Total	115,227,448

ESTIMATES for Year 1924-25.

£		£	
Ordinary Expenditure ..	786,848,000	Ordinary Receipts ..	764,050,000
Special Expenditure ..	3,178,000	Special Receipts	30,000,000
Total	790,026,000	Total	794,050,000
		Surplus	4,024,000

THE WEEK IN PARLIAMENT.

MONDAY, MAY 19TH.—*Commons*: Money resolution for increase of pre-war pensions debated and withdrawn. Second reading of the Administration of Justice Bill.

TUESDAY, MAY 20TH.—*Lords*: Second readings of London County Council (Tramways and Improvements) Bill,

and Prevention of Evictions Bill. Agricultural Returns Bill and National Health Insurance (Cost of Medical Benefit) Bill read a third time and passed. *Commons*: Second readings of Unemployment Insurance (No. 2) Bill, and Protection of Animals Bill.

WEDNESDAY, MAY 21ST.—*Lords*: Statements on Airship Policy, and Ottoman Public Debt. *Commons*: Second Reading of Auxiliary Air Force and Air Force Reserve Bill. Debate on British export trade.

THURSDAY, MAY 22ND.—*Lords*: Second reading of School Teachers (Superannuation) Bill. Debate on proposal for a new London bridge. *Commons*: Debate on unemployment.

FRIDAY, MAY 23RD.—*Commons*: Second reading of Blind Persons Act (1920) Amendment Bill.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Central Mining and Investment Corporation, Gresham Fire and Accident Insurance Co., Motor Union Insurance, Hambro's Bank, Lanadron Rubber Estates, Kepong (Malay) Rubber Estates, Cluny Rubber Estates, Ledbury Rubber Estates, Pernambang Rubber Estates, Calcutta Electric Supply, Buchanan-Dewar, Callander's Cable and Construction, and Whiteaway, Laidlaw. Sir Lionel Phillips at the meeting of Central Mining and Investment Corporation gave an exhaustive review of the position and prospects of the mining industry in South Africa. The chairman of Whiteaway, Laidlaw reviewed general trading conditions in the East. At the meeting of Calcutta Electric Supply Corporation the chairman reported a record sale of current. At the meeting of Lanadron Rubber Estates the chairman urged the necessity of adhering to the Stevenson Scheme. The chairman at the meeting of Kepong (Malay) Rubber Estates announced the acquisition of new properties.

MONTHLY TRADE SUPPLEMENT.

We publish this week our Monthly Supplement, in which will be found an appreciation of the trade situation at home and abroad, together with statistical information on the foreign trade, price movements, currency, and production of the leading commercial countries of the world. Its contents include a review of Indian trade in 1923-24.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

UNEMPLOYMENT POLICY.

IN spite of the steady absorption of workless into industry over the past two years, the problem of unemployment remains the whirlpool which threatens to engulf successive Governments. The continuance of large-scale unemployment drove Mr Baldwin to his ill-considered proposal of protection as a "remedy," and so to his downfall. The Labour Government, profiting by this folly, stepped into his shoes, but they are now confronted with menacing attacks from those who with cruel effect contrast glittering promises of the platform with meagre performances in office. Mr Shaw says that he cannot produce rabbits out of a hat; critics reply that when mountains have been in labour, something better than a mouse is expected. The mouse in this case represents little more than the taking over and extension of the Trade Facilities Act. Such criticisms are perfectly sound as far as they go. But the deduction is not so much that the Government should be doing something heroic, but that politicians should not hold out false hopes. The Government is learning that there is no short cut to the abolition of unemployment, and the Liberal party naturally refused to vote against the Government for not doing the impossible, though its spokesmen added some trenchant criticisms to Thursday's debate.

While the Labour Government has thus disappointed its adherents by its failure to produce schemes for the encouragement of trade and the reduction of unemploy-

ment, its proposals for the relief of those who are unemployed have equally failed to secure general approval. The Unemployment Insurance (No. 2) Bill, which passed its second reading in the House of Commons on Tuesday, thanks to promises of amendment in committee, calls for serious criticism from many angles. Briefly summarised, the main proposals of this Bill are as follows:—

(1) To make uncovenanted benefit a legal right and an integral part of the permanent scheme. (2) To raise the rates of benefit. (3) To change the provisions disqualifying workers from benefit in cases of stoppage through trade disputes. (4) To reduce the age for entry into the unemployment insurance scheme from 16 to 14. (5) To increase the allowance for children of unemployed. (6) To remove the remaining gap in benefit periods. On broad lines we think that these proposals should be tested by the application of three main principles. In the first place, it is desirable that the overlapping between insurance benefit and poor law relief should be removed. Secondly, any scheme is disastrous which destroys or impairs the incentive to work. Thirdly, any scheme must be financially sound. As regards the third condition, we have the assurance of the Minister of Labour that, "so far as it is possible to compute, the present contribution will not only bear the expense of the scheme, but will actually pay off the deficit which now exists." This statement is based on the report of the Government Actuary, whose calculations in one important respect would appear to have a margin of safety, for they are framed on the assumption of the Minister of Labour that the registered unemployed will average 1,100,000 up to the end of the present benefit year (October 15th), 1,000,000 from then up to the end of March, 1925, and 800,000 thereafter. It is surely not unreasonable to hope that trade recovery will be sufficiently good to produce much better figures than this. For the moment, therefore, we may consider the Bill to pass the third of our tests, although it should be noticed in passing that the Government Actuary finds "unsusceptible of calculation" the cost of removing the disqualification in the case of workers affected by trade disputes—a measure which on other grounds requires very careful scrutiny.

As regards the first principle, namely, that overlapping with the Poor Law should be obviated, some increase in the rates of benefit is required. The Bill proposes to raise the rate in the case of a man from 15s to 18s, and of a woman from 12s to 15s, while the allowance for children is raised from 1s to 2s. This benefit is to be given for the existing contributions until the debt to the Treasury is repaid, after which the combined premium will fall from the present 2s 1½d per week per adult male to 1s 6d. From the same point of view the bridging over of the gap is not open to objection, for hitherto the incidence of the gap has merely transferred the beneficiaries at the end of a benefit period on to the books of the Poor Law authorities. Nevertheless, we regret that in this Bill, which is a far-reaching attempt to overhaul the whole system, the flat rate of benefit is maintained for the whole country, and that no effort is made to differentiate benefits and contributions in accordance with variations in wages and living costs in different parts of the country. The present opportunity should have been taken to attempt some equalisation of the real value of benefits and the real burden of contributions under varying conditions. The effect of the present system is that if the flat rate of benefit is suitable in country districts and for unskilled labour, it is inadequate for other workers. On the other hand, to raise the rate to a suitable figure for skilled London workers would undoubtedly destroy the economic equilibrium elsewhere.

The second principle is, however, the most difficult of all to apply. From this point of view the making of uncovenanted benefit a permanent statutory right is likely to prove a retrograde step by weakening the incentive to work. The first interest of the nation is efficient and economical production, and industrial policy should be centred on this objective. Everyone must recognise that there is serious danger that lax administration of the insurance system may make things too easy for men to get along without making a real effort to get work or to adapt themselves to changing demands. It is from this end that the problem ought to be approached, and in this connection we would recall the important suggestions

made by Sir Wm. Beveridge in his recent pamphlet on "Insurance for All and Everything":—

The conditions upon which unemployment benefit can be drawn should change progressively with the length of time for which it has been drawn. For a limited period only—whether 15 or 25, or more weeks in a year—benefit should be available on conditions at least as favourable as those now in force; the workman should be allowed to hold out for work in his own trade and district without forfeiting his claim to benefit. After that time it becomes reasonable to say that his chance of finding work on those terms appears so small that he must acquiesce in other terms; he may be required to take suitable work outside his proper trade, or to move more readily to another district. Finally, a point may be reached when demoralisation through idleness has begun or is threatened; it becomes reasonable to give further benefit only on condition of some form of training either mental or physical, of further education either general or technical, which may help to improve the unemployed man's physique or intelligence, and which will at any rate give him something to do with his day. Some such progressive change of benefit conditions is the proper alternative to reducing the pay to an obviously inadequate pittance or to breaking it by meaningless "gaps."

Third, unemployment benefit must end at last, and leave the recipient to the infirmary, the asylum, or the labour colony. It can be justified only as a means of tiding over temporary unemployment, not as a pension for life.

The conditions in the Bill on which uncovenanted benefit will be payable are altogether too vague and general to form the basis of such a policy.

On the proposal to reduce the age of entry to 14 we find ourselves in serious opposition to the Government Bill. We are not forgetting the money which Mr Shaw proposes to draw from the insurance fund to pay for instructional classes when we say that this age reduction will tend to decrease the number of cases in which a child's education is continued after 14. The Bill in this respect is working on exactly the wrong lines, and in theory we greatly prefer the suggestion made during the debate that the school age should be raised to 15. As Mr Fisher said in the House of Commons on Tuesday, "If children from the age of 14 onwards are insured, and are capable of receiving insurance benefit, that consideration will certainly weigh in the balance on the industrial side and against the educational side." The fact that juveniles will not qualify for benefit until after the payment of 30 contributions goes only a little way towards removing the objection. If the Bill goes through in its present form the State will regard children of 14 as regular members of the industrial community. The tendency should be the other way. The juvenile influx into the labour market will increase, and will aggravate the unemployment problem. Worst of all, the payment of benefits to these children (even on the 5s and 4s scale proposed by the Bill) will impair the incentive to learn a trade at a low initial wage. All this is deplorable, and we trust that the clauses affecting the age of entry will be drastically amended in committee. As they stand they are entirely unacceptable.

There are, therefore, reasons why some of the provisions of this Bill should be submitted to drastic revision. But it will be a thousand pities if the criticism, which will inevitably come from both Conservatives and Liberals, is purely destructive, or if any section seeks to make of unemployment insurance a party question. For, whatever the political future may hold in store, all parties must recognise that it is imperative in the national interest that social insurance should be a success. Not only has special insurance come to stay; it is also bound to be developed. Big national issues depend upon whether it is wisely developed on sound lines; and in this task all parties should be willing to co-operate in a non-partisan spirit.

THE PRESENT ECONOMIC POSITION IN GERMANY.

(BY A CORRESPONDENT.)

THE outstanding feature in the economic life of Germany during the last five months has, of course, been the stabilisation of the mark, which was effected in November. Following the long period of inflation which, by the middle of last year at any rate, had become so excessive as to make normal production absolutely impossible, the establishment of a stable exchange has necessitated a readjustment of values, and above all of the mental attitude of the people to the new conditions. This process appears to have been accomplished with less difficulty than

might have been expected. A fall in the general price level has not taken place: the volume of production was, until week or so ago, almost certainly as great as it has been at any time since the war, and in one or two industries there has actually been a small boom. The ease with which stabilisation has been accomplished is not easy to explain, though it seems reasonably certain that a final solution of the underlying difficulties has been postponed, rather than already achieved.

In view of the statement made by the Finance Minister, Dr Luther (quoted in the *Economist* of March 29th last, p. 685), that the national income of Germany is to-day only 25 milliard gold marks, as against 37½ milliards before the war, the present writer has made a number of inquiries in well-informed quarters in Berlin as to the probable present volume of production in the country. It will be noted that Dr Luther's estimate only represents 66 per cent. of the pre-war gold income, or, after allowance is made for the depreciation of gold itself, a total production less than half that of the pre-war territory of the country. If this estimate relates to the 1923 position, it is probably not far wide of the mark, but very considerable changes have taken place since then. The fine mechanical trades are now very near their pre-war level and toys, chemicals, and textiles are not far behind. Coal-mining and agriculture, though better than last year, appear still to be under two-thirds of pre-war, while steel and electrical products are probably both over 70 per cent. of the 1913 level. It is, of course, impossible to dogmatise on a subject of this kind, but everything seems to show that, before the recent outbreak of industrial strife in the Ruhr, production was in the neighbourhood of 70 per cent. of the pre-war figure, while an adjustment for territorial losses would bring the total production of modern Germany up to somewhere about 78 per cent. of the 1913 production of the same territory.

The strong position of the fine mechanical trades (optical glass, &c.) is explained by the fact that Germany still enjoys what is very nearly a world monopoly in this industry. The relative strength of toys and chemicals is also due to the export trade. In textiles a small boom has recently taken place on account of an increase in home demand, which can only be explained by considering the present position of the German working classes.

The real remuneration of labour is, of course, the principal source of home demand. In spite of the rapid readjustments of wage rates during the period of inflation, real wages at that time were exceedingly low, and barely sufficed to provide such absolute necessities as food. Last year, therefore, it was almost impossible for the working classes to purchase articles of clothing and apparel. At the present time, on the other hand, though wages are still very low when compared with those ruling in pre-war Germany or in other countries to-day—the present earnings throughout the whole country vary from a minimum of about 20 gold marks a week to a maximum of some 45 gold marks—they are nevertheless considerably in excess of those in force six months ago. The people have become accustomed to a lower standard of living in matters of food, and therefore have a small margin available for the purchase of clothes and boots. This fact thus offers us an explanation of the small boom in certain industries following immediately upon the stabilisation of the currency.

The above considerations should not, however, be allowed to conceal the fact that labour is very underpaid at the present moment. Money wages (in gold marks), as we have seen, are actually below the pre-war figures, while the general level of prices is from 45 to 50 per cent. above the pre-war level. It follows that the real wages of labour in Germany to-day cannot be more than about 60 per cent. of those ruling in 1913. In the first days of stabilisation—which, be it remembered, followed an insane process of currency devaluation—the new wage rates were regarded with considerable favour by the working classes. As time goes on, however, the real nature of the situation is becoming slowly apparent, and the very improvement in wages is itself tending to stress the hopeless inadequacy of the present remuneration of labour.

The employers, for their part, appear to be in a very arrogant mood. They are, indeed, the spiritual heirs of

the old military caste, and at the present moment are fully conscious of the superiority of their position in matters of bargaining. The working classes are without proper leaders, and seem to have lost faith in the Socialist slogan which made such an appeal five years ago. Workers' councils have almost always proved themselves docile instruments in the hands of the capitalists, and the trade unions are to-day practically penniless. For the moment, then, with the exception of the rather special case of the Ruhr area, there seems to be no immediate prospect of labour unrest on a large scale, but, unless the capitalists adopt a more conciliatory attitude, it seems probable that the day of reckoning will come—and perhaps sooner than many people at present expect.

Even assuming that the Rentenmark remains stable, the financial outlook for the near future is far from bright. In consequence of the long period of inflation, the circulating capital of the country has been steadily reduced. As a result, it is at present by no means easy to obtain accommodation from the banks, and, in any case, from 25 to 30 per cent. per annum is the normal rate which is paid. Under circumstances such as these, it is therefore very difficult for all save the strongest and largest firms to finance production in a satisfactory manner. This important factor in cost of production will, of course, only be successfully reduced when the people acquire sufficient confidence in the currency to resume savings. In the absence of assistance from abroad, the process of obtaining a sufficient surplus of production over consumption will certainly take a considerable time. At present the habit of saving is only being resumed very slowly, and the demoralising effects of windfall profits from speculation during the period of inflation are still making themselves felt. The very complete manner in which German bears of francs were recently caught out has, however, certainly served as a very sharp lesson to certain sections of the German public. Incidentally, it has proved an important contributory factor in bringing about the bankruptcy of several unsound concerns.

In this connection it must not be forgotten that one of the most important results of the inflationist period was to increase beyond all reason the number of middlemen of every conceivable kind. There are in Germany to-day somewhere about 3,000 so-called banks, or, to give them their proper English term, "bucket shops," which perform no useful function whatsoever. The sooner these are cleared away the better for the economic health of the country. Accordingly, one of the most hopeful signs in present-day Germany is the growth in the number of bankruptcies. The "new rich" are now perhaps more "new" than "rich," and the decline in the ostentatious display of wealth in Berlin to-day, as compared with that of, say, 18 months ago, is very noticeable.

The advent of stabilisation has done very little to facilitate reconstruction work, though a large number of repairs and extensions to existing works which should have been carried out long ago are now being taken in hand. It is, unfortunately, impossible to obtain adequate statistics for work of this kind, but it seems probable that, for the most part, only repairs of the most urgent kind are actually being undertaken. Thus, for example, something is being done to improve the surface of Berlin streets, which had been very sadly neglected hitherto.

The housing problem is certainly acute, but it is important to remember that the total population of the country in 1919 was actually less than that of the same territory in 1914 (59.9 millions on October 1, 1919, as against 61 millions on August 1, 1914). Since the war there has been no adequate housing programme, while the following official statistics show the extent to which building was affected by the chaos of last year:—

	1922.	1923.
Houses	40,309	5,960
Factories	4,607	3,062

Although these statistics are not complete, since they do not take account of extensions and repairs, they, nevertheless, show what was undoubtedly the main tendency during the last year.

It is quite impossible to attempt any forecast of events in Germany until it is clear whether the new currency will be maintained. If the Rentenmark were now to collapse the consequences would certainly be exceedingly serious. If, on the other hand, the new atmosphere of qualified

confidence in the currency, which is based very largely upon the hope of the restoration of the economic unity of Germany in accordance with the terms of the Experts' Report, can be maintained, it seems reasonably certain that Germany will gradually return to normal. Progress, however, is bound to be slow, and the situation is almost certain to be complicated by the outbreak of serious strife in the world of labour. Without the influx of foreign capital, however, reconstruction work has very little chance of being taken in hand on a large scale in the near future.

The German people themselves are in a very nervous state, and until the Reparations tangle is finally cleared up this mentality is likely to continue. In any case, however, the advantages of the work of industrial reconstruction (railway rolling stock, electrification, &c.) which was actually accomplished between the Armistice and the invasion of the Ruhr can hardly be regarded as adequate compensation for the serious disorganisation of the national economy which has resulted from the devaluation of the currency.

SITUATION IN THE COAL EXPORT TRADE.

A GREAT and disquieting change has taken place in the coal export trade of the United Kingdom during the past few months. The total quantity exported as cargo to foreign destinations in April was the smallest in any month since June, 1922. It amounted to only 5,062,941 tons, compared with a monthly average last year of 6,625,000 tons, and with a maximum month's trade in that year of 7,684,405 tons. In the average f.o.b. price of the total quantity exported there has been nothing like a corresponding reduction; on the contrary, the price variations since last August have been very small. They have ranged between 24s 5d and 25s. Values declined steadily between August and December, 1923, from 25s 3d to 24s 5d. Last February the general tendency was towards a still lower level, but that tendency was checked by the exceptional stimulus to demand that arose out of fears of a stoppage of work on the expiration, on April 17th, of the notices of the miners to terminate the general wage agreement. In March the average f.o.b. price was 24s 7½d, and in April 25s. Still, with the exception of that in the short month of February last, the total f.o.b. revenue of the foreign cargo and bunker export trade of the United Kingdom in April was the lowest in any month since December, 1922, and was nearly £2½ millions less than the average monthly export revenue in 1923.

This reaction in quantity and value is due chiefly to the resumption of work in the Ruhr, but partly to the very slow progress of the recovery of the more distant world export markets. The prosperity of the coal export trade of the United Kingdom in 1923 was wholly artificial. It began with the occupation of the Ruhr in January, and ended with the collapse of the passive resistance of the German colliery owners and workmen in the autumn. It was not until after the M.I.C.U.M. Agreement had been entered into that the increasing deliveries of Reparation coal to France, Belgium, Italy, and Luxemburg relieved those countries of their dependence on British supplies, but since last November these deliveries have been greatly increased. During 1923 the total quantity delivered to France and Luxemburg of coal, coke, and patent fuel was only just over 5 million tons, or about 420,000 tons per month, and the extent of the improvement which has since taken place may be gathered from the fact that in April last the total quantity of coal, coke, and patent fuel delivered by Germany to France and Luxemburg exceeded 1,300,000 tons. That is in excess even of the monthly rate of delivery provided for under the Spa Agreement of July, 1920. But while the supply of these Reparation coals has been increasing at the rate represented by these statistics, the production of coal on the Continent has also been expanding. In Holland and Belgium the output of coal to-day is appreciably greater than it was in 1913; in the Rhenish Westphalia coalfield the output has been restored to approximately 90 per cent. of the pre-war figure; while even in France the production of the Nord and Pas-de-Calais coalfields is again practically equal to that of 1913.

Under these conditions a diminution in the demand for British coals was inevitable. Last year we exported to Germany, France, Belgium, Holland, and Italy 54.5 million tons, compared with 37.8 millions tons in 1922 and 35.4 million tons in 1913. These exports showed an increase of 54 per cent. on those in 1913, but to all the other markets our exports were 35 per cent. less than they were in that year. The reaction from that abnormal distribution has been as violent as it has been unavoidable. In the first four months of the current year our shipments to Germany, France, Italy, Netherlands, and Belgium were 5,572,000 tons less than they were in the corresponding period of 1923. Proportionately, that represents a rate of contraction equivalent to the total increase in our exports to those countries last year compared with 1913. The actual position, however, is worse than that, for in April the exports to these five countries were 2,200,000 tons less than they were in April, 1923, and it is certain that the decrease in the June quarter of the present year will be a great deal more than that in the March quarter. In the more distant markets the returns show a slight improvement compared with the volume of trade in the early part of 1923. This improvement has been more marked in the South American market than in any other, but the total volume of the extra European trade is considerably less than it was in pre-war years, and at the present rate of progress that pre-war volume of trade will not be recovered for another couple of years.

In the light of all these facts, a pessimistic view is taken of the course of the export trade in the immediate future. With the West Coast of Africa, British South Africa, and the East Coast of Africa our coal export trade to-day is only about one-tenth what it was twenty years ago; with the Indian Continent only a little more than one-half; with the Far East only a little over one-third; and with Central America and the United States Pacific ports less than one-tenth. These markets are now supplied chiefly from native or nearer sources of supply, and the capacity of those competing sources is increasing and not diminishing. The demand for bunkering purposes is also a relatively declining quantity. It was estimated by the late Lord Rhondda that of the total quantity of coal exported from the United Kingdom in pre-war days, at least 50 per cent. was for navigation purposes, and probably two-thirds of the total quantity exported from the Bristol Channel ports. The navies of the world were then coal-driven; they are now oil-driven; and the use of liquid fuel in the mercantile marine is also increasing rapidly. In 1913 very little of this fuel was supplied to merchant vessels at home ports, but in 1923 220 million gallons of oil were supplied as bunkers at British home ports, and in the first four months of the current year over 79 million gallons. It is this increased consumption of oil fuel for marine navigation purposes that accounts for the fact that, notwithstanding the great increase in the world tonnage, the quantity of coal supplied as bunkers at home ports for the use of vessels engaged in the foreign trade has this year averaged only 1,436,000 tons, compared with a monthly average in 1913 of 1,750,000 tons.

These facts will show the extent of the contraction that has taken place in the scope of our foreign markets. But there are other unfavourable factors. The world markets have become more competitive, and the competition even among British coals has become more acute. The diminished bunker demand for South Wales coals is driving those coals to foreign industrial markets, while the great decrease in the Continental demand for English or Scottish coals and the relatively lower cost of the production of those coals, are increasing the rivalry of the Scottish, Newcastle, and Humber exporters with those of the Bristol Channel in the more distant markets. The Bristol Channel ports still claim the lion's share of the foreign coal trade of the United Kingdom. Thus, in April last, its proportion of the total foreign cargo exports was 44 per cent., compared with 40 per cent. in 1913; that of the North-Eastern ports 35 per cent., compared with 31 per cent.; of the Humber ports 5 per cent., compared with 12 per cent.; and of the Scottish ports 13 per cent., compared with 14 per cent. Under the new wages agreement, however, the competitive position of the Bristol Channel ports will be injured by the greater comparative increase in the cost of production. Prices have already fallen to a level that has

compelled the indefinite suspension of work at a number of pits, but the increased wages to be paid under the new agreement will represent an additional labour cost of anything from 1s 3d to 1s 8d, and this means that for large coals the owners must get from 2s to 3s per ton more to maintain the same rate of profit. No one can see how the attainment of that higher price will be possible under the prevailing depressed conditions of trade. A severe system of output regulation could secure a remunerative price for a smaller quantity of coal, but the colliery companies are at present opposed to such artificial regulation, and it is certain that the antagonism of the workmen to such a proposal would precipitate another crisis in the industry. Considered as a whole, the position in the coal export trade of the country is nearly as bad as it was during the acute depression of June, 1922.

THE STANDARDISATION OF RUBBER ACCOUNTS.

FROM time to time we have dealt in these columns with the standardisation of accounts and accounting presentation. On each occasion we have been forced to confine our remarks to standardisation of the accounts of rubber companies; the conclusions drawn have been the particular conclusions arising from a study of the problem as it affects the rubber industry only. This is not because the standardisation movement is directed towards the full publication of the results of rubber companies alone; it is a circumstance which arises from the fact that in no other industry has any attempt been made to consider the matter seriously. No effort has been made in any class of joint stock enterprise—except that concerned with rubber production—to introduce a standardised balance-sheet which can be adopted by every company within the class. It is the only industry in which any movement has been set afoot for providing the shareholder with a complete knowledge of production costs of his company, and it is the only business in which an honest attempt has been made to overcome the abuses to which condensation of accounts lends itself. It is on account of these circumstances that any reference to the progress of the standardisation movement must necessarily be confined to rubber accounts. The latest company report bearing upon the subject is of particular importance in that it raises a new issue. It is the report and speech of the fourth annual general meeting of the Straits Rubber Company, Limited. Some few months ago the directors circularised the shareholders asking them to express an opinion on the practice of publishing the cost of production in full and the prices realised for rubber. In the words of the chairman, the result of the referendum "clearly indicates that the shareholders approve the policy adopted by the directors (i.e., of non-publication), and that being so, there is nothing more to be said." Considerable publicity was given to this report a few weeks ago, particularly in the form of a conclusion to the effect that an overwhelming majority had been obtained against standardisation of rubber accounts. We were inclined to the belief that this conclusion was arrived at before the text of the chairman's speech had become public property, for with the text in front of us we were unable to subscribe to the opinion that the vote could be regarded as indicative of the general feeling of rubber shareholders. In view of the fact that the original conclusions have not been modified in that section of the Press which set them afoot, we feel constrained to comment upon the actual results of the referendum.

In response to the directors' circular, only 26.4 per cent. of the shareholders voted. The balance of 73.6 per cent. consisted of 21.6 of independent shareholders and 52 per cent. of directors or shareholders controlled by the directors. Of the 26.4 per cent. who voted we find that 14.7 per cent. were in favour of leaving the matter to the discretion of the directors, and that 7.4 per cent. were definitely opposed to publication. The fact that the remainder who voted in favour of publication amounted to no more than 4.3 per cent. does not induce us to the conclusion that the result may be taken as an overwhelm-

BREWERY PROFITS.

THE chief event of 1923 in the brewery industry was the change in the beer duty made in the Budget. The duty of 100s per standard barrel was not altered, but a rebate of 20s was granted on each bulk barrel of 1,024 degrees or over, the rebate being graded down in the case of beers of less gravity. Messrs White, Tomkins, and Courage, writing in their annual review, state that:—"The estimated cost of the rebate was £13,000,000 in the current year and £16,600,000 in a full year. Being of opinion 'that the trade might fairly be asked to bear part of the cost' to the Exchequer, the difference between the rebate of 20s and 24s, the equivalent of a penny per pint in the barrel, was left to be borne by the trade." Retail prices were lowered on the morning following the Budget statement, and the pre-Budget gravities were, on the whole, not decreased.

According to the United Kingdom Alliance, an association not friendly to brewing concerns, the reduction in the price of beer, which came into operation in April, stopped the existing decline in consumption and increased the demand. The following table, supplied to us by the United Kingdom Alliance, gives figures for beer production in Great Britain during 1922 and 1923:—

	(000's omitted.) Standard Barrels.		Bulk Barrels.	
	1922.	1923.	1922.	1923.
March quarter	4,215 ..	4,007 ..	5,376 ..	5,092 ..
June quarter	5,097 ..	5,075 ..	6,625 ..	6,509 ..
September quarter	4,968 ..	5,528 ..	6,491 ..	7,203 ..
December quarter	4,486 ..	4,885 ..	5,724 ..	6,185 ..
	18,766 ..	19,495 ..	24,216 ..	24,989 ..

This table shows that while there was a decline of 400,000 selling barrels in the first half-year, there was an increase of over 1,100,000 barrels in the rest of the year.

We have already dealt with the recent results of a number of representative brewery concerns (see the *Economist*, November 10, 1923, page 823). But as brewery accounts are issued at such varied intervals and dates, we have analysed the accounts of a second group. In the table which follows we show net profits, after payment of debenture interest, and amounts carried forward for past three years, of 14 other leading London and provincial breweries:—

Name of Company.	Net Profit, after Payment of Debenture Interest.		Carried Forward.		
	1921.	1922.	1921.	1922.	1923.
Samuel Allsopp and Sons	57,825	57,791	90,141	19,394	19,394
Bea's	31,866	34,568	39,348	33,211	33,211
Boddington's	70,731	68,539	68,276	7,284	6,125
Bristol United	69,369	65,539	55,031	35,077	37,631
Cannon	157,040	178,517	205,781	67,448	71,216
City of London	144,244	168,815	175,611	34,374	37,754
Huggins and Co.	32,464	34,973	46,011	29,051	32,973
Ind. Coope	176,232	176,638	189,994	106,345	104,482
James Shipstone	77,142	77,168	103,898	22,504	22,578
Leaux	70,887	5,970	94,329	4,792	55,247
Newcastle	43,835	30,793	34,589	73,303	52,395
P. Philips	76,557	80,794	85,571	63,202	68,827
Style and Winch	81,661	83,833	83,663	38,093	50,029
Peter Walker & Robert Cain	..	417,545	392,235	..	20,545

The Cannon Brewery's year has been an excellent one. On the £25 deferred ordinary shares a dividend of 16 per cent., free of tax, and a bonus of £4 per share, also free of tax, were declared. It is only fair to add, perhaps, that this dividend and bonus represents but 8 per cent. on the company's deferred ordinary capital before it was reduced. The City of London, after paying a 20 per cent. dividend on its ordinary shares, added £20,000 to reserves and carried £48,830 forward, as against £37,754 brought into the accounts. In passing we should like to say that these accounts are concise but clear. Ind. Coope, and Co. distributed 15 per cent. on its ordinary capital, and placed £50,000 to reserves. Samuel Allsopp and Sons show considerably increased profits. Peter Walker (Warrington) and Robert Cain and Sons, Limited, was formed in September, 1921, to acquire, firstly, the brewery business of Robert Cain and Sons, Limited, which included the share capital of Harding and Parrington, Limited, and, secondly, the ordinary share capital of a brewery company known as Peter Walker and

ing majority against standardisation. Taken in conjunction with the analysis of the votes against the proposals, we are inclined to suggest that the result cannot be regarded as an expression of opinion on the question except in so far as it affects the Straits Rubber Company alone. The suggestion which gained currency as the result of the earlier Press comments, to the effect that it is indicative of the opinion of all shareholders in the industry, rather savours of prenotation.

It must not be thought that we have any fault to find with the action of the Straits Rubber directorate. In view of the fact that a majority of the shares were already under the control of the board, there was really no obligation on the directors to consult the outside shareholders. That they did so only provides a further instance of the efficient and wholehearted interest which the board of that company always displays towards those who place their property under their charge. The example of the Straits Rubber Company's directors is one that might well be followed by the boards of companies in which the interests of the outside shareholders are greater than those of the board. Further, we do not suggest that the directors' original circular was couched in any terms which would influence the recipients in one direction or the other. As a matter of fact, we believe that a real attempt was made to ascertain the views of the independent shareholders upon the postulates of the Rubber Shareholders' Association itself. Our reason for hesitating to regard the result as an indication of the opinion of rubber shareholders generally is that so large a majority did not vote at all, and that so small a percentage as 7.4 voted unequivocally against the proposals. The percentage of shareholders who were either apathetic or who were so undecided as to leave the matter to the discretion of the directors, is sufficiently high to show that the importance of the referendum was under-estimated. Until this apathy is dispelled, then the conclusions to be drawn from a poll are apt to be misleading. It is the lethargy of the shareholder with which the Rubber Shareholders' Association is confronted. The members of that association need not be disheartened by the result of this referendum. It should only serve to instil additional enthusiasm in the movement, and to lead the present members to recruit more rubber shareholders to the association. Until a majority of shareholders have joined the association and apprised themselves of the abuses to which their apathy contributes, then the "overwhelming" results in individual cases should be accepted cautiously and not taken as rebuffs. The average unsympathetic shareholder in rubber companies may afford to rely upon the discretion of efficient directors of such well-managed companies as the Straits Rubber Company; his lack of interest is dangerous in the case of the badly controlled concern. He must be made aware of the evils accompanying the abuses of the Commercial Agency system which exist in many rubber companies to-day. This one aspect alone, which permits the partners in the agent firm to control the board of the rubber company itself, is sufficient to cause all rubber shareholders to take an active interest in their property—were they aware of the dangers which lurk in its trail. The Rubber Shareholders' Association has done much to enlighten proprietors on the system which permits directors to receive two classes of remuneration—agency commission as partners in the commercial agency firm and salaries as directors of the company for which they act only one class of which is usually known to the shareholders and published in the accounts. The Association has also made strenuous efforts to apprise the rubber shareholder of the way in which estate managers have to regard the Eastern house of the agents as their real employers instead of the principal company. It has also endeavoured to acquaint the member of the manner in which long-term contracts for commercial agency are arranged without his knowledge. It must continue in its difficult task until the majority of shareholders have been aroused and made to understand the necessity for displaying a constant interest in their property. When it has succeeded then any referendum must be taken as a general indication of the wishes of the investors in the industry. The results which attend any such polls will be awaited with the greatest interest by all concerned in this most important branch of our imperial trade.

Son (Warrington and Burton), Limited. The profits recorded above for the undertaking are not very large when it is considered that assets amount to £6,535,193. This, however, was a boom-time flotation. The ordinary shares receive a distribution of 9 per cent., as against 10 a year ago, which leaves £25,470 to be carried forward—the latter sum being slightly larger than the £20,544 brought into the accounts.

In our next table we analyse the chief assets and liabilities over the past three years:—

Name of Company.	Principal Liabilities.			Principal Assets.					
	Total Share and Dividend Capital.	Re-serves.	Creditors.	Properties, Plant, &c.	Stocks.	Investments.	Cash.	Debtors.	
Samuel Allsopp & Sons	£	£	£	£	£	£	£	£	
Sep. 30, 1921..	2,774,667	236,821	673,490	1,570,778	464,320	409,533	339,972	246,577	
Sep. 30, 1922..	2,774,667	236,821	536,827	1,557,046	346,039	422,824	364,568	172,978	
Sep. 30, 1923..	2,788,165	236,821	489,492	1,603,026	284,623	420,658	362,090	155,626	
Bent's									
Dec. 31, 1921..	1,133,530	198,000	208,372	1,397,572	170,733	60,000	1,678	22,478	
Dec. 31, 1922..	1,133,530	200,000	149,997	1,381,515	143,199	10,000	2,648	22,126	
Dec. 31, 1923..	1,133,530	202,000	121,708	1,369,415	116,360	10,000	1,287	20,980	
Boddington's									
Dec. 31, 1921..	887,250	99,000	182,635	905,528	143,269	135,784	11,288	37,904	
Dec. 31, 1922..	887,250	100,000	135,467	888,429	128,903	117,513	22,901	23,248	
Dec. 31, 1923..	887,250	105,000	94,787	908,661	109,048	106,982	4,992	21,331	
Bristol United									
Sep. 30, 1921..	714,500	166,689	177,026	845,192	70,601	89,855	64,974	55,035	
Sep. 30, 1922..	714,500	167,307	145,536	842,598	76,855	43,239	93,106	42,550	
Sep. 30, 1923..	714,500	169,890	125,609	838,118	64,941	98,773	47,006	33,321	
Cannon									
Dec. 31, 1921..	3,510,665	184,323	401,391	3,607,848	206,607	406,302	20,698	103,201	
Dec. 31, 1922..	3,510,000	258,609	326,063	3,592,869	149,794	242,803	83,148	104,954	
Dec. 31, 1923..	3,510,000	278,157	317,995	3,573,960	144,942	258,948	34,066	96,022	
City of London									
Dec. 31, 1921..	1,850,320	227,043	363,715	1,563,294	90,427	796,100	75,698	105,075	
Dec. 31, 1922..	1,838,473	255,174	234,079	1,594,369	81,617	632,691	121,938	90,409	
Dec. 31, 1923..	1,820,815	290,235	214,971	1,605,843	61,862	680,795	89,554	94,428	
Huggins & Co.									
Dec. 31, 1921..	767,500	87,954	192,478	777,042	41,565	130,209	52,490	29,894	
Dec. 31, 1922..	767,500	105,662	237,563	801,689	32,721	138,636	58,445	28,879	
Dec. 31, 1923..	767,500	124,439	225,398	839,329	32,330	127,980	72,039	25,602	
Ind. Coope									
Sep. 30, 1921..	2,239,887	440,000	503,961	2,020,273	308,716	1,077,260	133,637	355,886	
Sep. 30, 1922..	2,241,627	450,000	398,763	2,055,622	274,999	870,801	175,678	328,557	
Sep. 30, 1923..	2,242,498	510,000	308,369	1,777,721	193,688	855,568	166,570	254,430	
James Shipstone & Sons									
Dec. 31, 1921..	1,010,883	150,000	296,491	1,282,719	96,169	5,000	70,148	92,552	
Dec. 31, 1922..	1,283,051	180,000	361,548	1,375,019	86,541	244,399	95,311	107,769	
Dec. 31, 1923..	1,319,201	200,000	372,486	1,431,278	97,812	256,947	103,490	126,639	
Meux's Brewery									
Dec. 31, 1921..	1,411,188	90,000	408,847	1,223,814	78,293	88,787	8,673	83,785	
Dec. 31, 1922..	1,411,188	65,000	406,071	1,438,161	80,451	52,200	308,850	100,198	
Dec. 31, 1923..	1,411,188	nil	351,068	1,534,894	74,278	43,217	180,589	89,796	
Newcastle Breweries									
Oct. 31, 1921..	1,200,000	273,000	292,064	1,259,931	390,143	176,290	30,862	47,578	
Oct. 31, 1922..	1,200,000	305,400	265,197	1,301,167	358,411	190,522	12,749	34,321	
Oct. 31, 1923..	1,200,000	325,000	201,519	1,299,521	341,406	194,370	20,014	35,732	
P. Phipps & Co.									
Sep. 30, 1921..	1,339,095	162,613	253,496	1,501,926	148,412	129,347	138,006	32,628	
Sep. 30, 1922..	1,339,095	163,478	206,012	1,504,655	88,631	129,197	178,507	27,925	
Sep. 30, 1923..	1,339,095	164,470	164,333	1,509,053	85,291	128,044	157,101	22,054	
Style & Winch									
Dec. 31, 1921..	1,337,930	30,000	362,409	1,380,777	106,847	191,945	27,390	156,779	
Dec. 31, 1922..	1,337,930	97,637	360,394	1,408,526	106,847	390,623	232,342	111,037	
Dec. 31, 1923..	1,337,930	113,321	434,721	1,457,676	122,200	393,103	283,584	84,083	
Peter Walker & Robert Cain									
Sep. 30, 1921..	6,305,000	10,000	350,421	6,028,643	120,514	..	102,498	46,693	
Sep. 30, 1923..	6,284,125	40,700	127,697	6,076,040	31,370	..	191,308	77,159	

Shareholders will notice with satisfaction that in the above figures capital is practically stationary, while reserves in most cases are on the upward trend. Even Meux's Brewery, which a year ago took its last thousands from the reserve to pay arrears of dividends, has this year, after making a substantial profit, re-opened reserve account with an allocation of £25,000. The Cannon Brewery has added to properties, having purchased 80 licensed houses during the year. It may be recalled that Ind. Coope, and Co. was reconstructed under an arrangement sanctioned by the court in 1912; this company holds all the issued capital of the Leeds and Batley Breweries, and has a controlling interest in Bindley and Co., Robinson's Brewery, and B. Grant and Co. The chairman of Ind. Coope, and Co., at the general meeting, after pointing out that properties showed an increase of £99,000, accounted for by the fresh purchases, &c., proceeded to state that sundry debtors were less by £64,000, "due almost entirely to the decreased selling price of 24s per barrel brought about by the last Budget." He went on: "Cash and War Bonds are practically identical with last year. You will notice that stocks on hand show a considerable decrease. At the close of the financial year 1921-22 there were some rather heavy commitments for materials, which have since been liquidated, and we are carrying considerably smaller stocks this year, which, together with the reduced duty on stocks of beer, accounts for the difference." Investors will duly appreciate the desire of the board of directors

to increase reserves, and notice that total reserves now amount to £450,000. Sir William Peat, chairman of Allsopp's, pointed out that "until 1916, they were unable to make the interest on the debenture stock, and it was frequently said that 'Allsopp's' as a concern could never do more than pay the interest and sinking fund on its prior liens, a condition of things circumstances had shown to be inaccurate, because they had not only paid all the interest charges and all their redemption on the prior lien stock, but had also paid what might be called fair dividends to the preference stockholders and to the ordinary stockholders. The first dividend they paid on the ordinary stock was in 1919. Further, their cash and their reserves had all been created during the 10 years which had elapsed since the present board took office." A striking record of guardianship.

In the balance-sheet of Peter Walker and Robert Cain the reserve is given as £20,000. Fortunately, however, this is one of the more enlightened holding companies which publish in addition a consolidated balance-sheet. In this, total items on the assets side amount to £11,963,983, while reserves are given as £530,000. We are still, however, somewhat in the dark as to the true state of affairs, for the main item of £10,568,585, representing freeholds, goodwill, and investments, like the corresponding item in most of these companies' accounts, is stated to be "less depreciation and reserves" of an unknown amount. An item, "Company formation," £328,480, has been cleared off during the year.

Our final table shows present dividends, prices, and yields compared with a year ago:—

Name.	End of April, 1923.			End of May, 1922.		
	Div.	Price.	Yield.	Div.	Price.	Yield.
Allsopp (Samuel) and Sons, ord., £1 ..	5	62	8 1/8	5	78	6 3/8
Do 5 % pref. stock ..	5	88 1/2	5 14 0	5	91 1/2	5 3 9
Bent's, ord., £1 ..	15	14	13 6 9	15	14	10 17 0
Do 6 % cum. pref., £1 ..	6	14	6 17 3	6	14	6 17 3
Boddington's, ord., £1 ..	14	14	11 4 0	14	14	6 14 8
Do 5 % cum. pref., £1 ..	5	14	6 3 0	5	14	6 3 0
Bristol United, ord., £1 ..	15	14	11 6	15	14	8 11 6
Cannon, 5 % cum. pref., £10 ..	5	69	8 3 3	5	64	8 13 9
City of London, ord., £1 ..	20	14	10 13 3	20	24	9 2 9
Huggins and Co., ord., £1 ..	10	14	8 0 15	10	14	8 0 15
Ind. Coope, ord., £1 ..	20	14	11 8 6	20	14	10 17 0
Meux's, 5 % cum. pref., £7 ..	5	52	6 2 0	5	52	6 2 0
Newcastle, ord., £1 ..	5	14	5 14 3	5	14	5 14 3
Phipps (C.), ord., £1 ..	10	14	6 8 0	10	14	7 2 9
Style and Winch, ord., £1 ..	10	14	8 8 6	10	14	8 8 6
Walker (P.) & Robert Cain, ord., £1 ..	10	14	8 8 6	10	14	9 18 6

† Free of income-tax.

It is perhaps only natural that yields on brewery stocks and shares should be big. The uncertainty of the future and the aversion to purchase by a section of the community combine to keep the market within limits. It must not be overlooked, however, that those who hold shares in brewery undertakings belong to the conservative part of the people, and are *bonâ fide* investors without inclinations to speculate. Many shares only change hands when an estate is to be divided. On the other hand, occasional small bargains are effected at low prices. Thus it often happens that the marked dealings in these securities are not a true index to their value. This has been the case in the brewery share market for some years past.

LINOLEUM AND COMPETITION.

THE linoleum and oilcloth industry has been basking in great prosperity for the past two or three years. Most of the companies engaged in it have paid enormous dividends, and those with wise managements have taken the precaution to place handsome sums to reserve. Directors endowed with foresight and caution are quick to realise that spells of abounding prosperity cannot be relied on permanently, and may be followed at no distant date by spells of equally pronounced adversity. It is then that sums set aside for the rainy day prove extremely useful in the fight against foreign competition or other adverse factors that may have developed.

Hitherto, it must be admitted, the linoleum trade has not had much to complain of in the way of adversity. The war, of course, disorganised it considerably, but right up to the outbreak of the great struggle its record for

forty years was one of virtually unchecked progress. Here are the export figures for the last fifty years, and the imports for the past twenty years:—

BRITAIN'S OVERSEA TRADE IN LINOLEUM AND OILCLOTH.

	Exports.			Gross Imports.		
	Thous. Sq. Yds.	Thous. £	Shillings per Sq. Yd.	Thous. Sq. Yds.	Thous. £	Shillings per Sq. Yd.
1874-78 ..	6,036	358	1.2	..	..	..
1879-83 ..	7,818	476	1.2	..	..	..
1884-88 ..	12,996	674	1.0	..	..	..
1889-93 ..	17,495	771	0.9	..	..	..
1894-98 ..	22,838	921	0.8	..	..	..
1899-03 ..	28,899	1,356	0.9	..	..	..
1904-08 ..	43,266	1,974	0.9	1,568	94	1.2
1909-13 ..	51,989	2,595	1.0	1,371	90	1.3
1914-18 ..	27,968	1,800	1.3	561	26	0.9
1919-23 ..	30,528	4,874	3.2	2,463	271	2.2

It will be seen that for the forty years to 1913 each lustrum witnessed a substantial growth of exports. In that period our sales abroad rose from 6 million square yards to very nearly 52 million square yards per annum. The value, despite a fall in the value per yard continuing for the first 25 years, rose from little more than a quarter of a million to over 2½ millions sterling per annum.

It must not, however, be assumed that all this was achieved without any spur from foreign competition. In the early years of this century, it will be noticed, about 1½ million square yards were landed here annually. This came principally from Belgium and Germany. The latter country then made a cheaper and somewhat inferior grade of inlaid linoleum, which was apt to be preferred here if the price of the superior English article were too much above it. This acted as a very efficient check on price manipulation by our manufacturers, and was altogether favourable to the industry's healthy development. It was met without serious trouble on our part, and did not hinder the steady growth of the trade.

We should do well, however, to bear in mind continually the imminence of foreign competition. The figures for the five years to 1923 show that it has begun to increase again—though this time it comes from a different source. But the averaging for five years obscures the seriousness of the movement. Let us examine the individual years.

In 1920 the Board of Trade reclassified both exports and imports. This enables us to give one table dealing with linoleum and cork carpet, and another covering oilcloth of all kinds. A glance at that for linoleum and cork carpet will at once show where the red light gleamed for the trade:—

LINOLEUM AND CORK CARPET.

	British Exports.			Gross Imports.		
	Thous. Sq. Yds.	Thous. £	Shillings per Sq. Yd.	Thous. Sq. Yds.	Thous. £	Shillings per Sq. Yd.
1920..	18,477	3,939	4.2	228	30	2.6
1921..	13,082	2,695	4.1	370	44	2.4
1922..	18,649	3,122	3.3	869	86	2.0
1923..	20,899	3,106	3.0	4,228	416	2.0

There is nothing in the exports to cause particular uneasiness, but it is far different with the imports. In the short space of three years landings of foreign linoleum and cork carpet have been swollen from a quarter of a million square yards to no less than 4½ million square yards, values going up from £30,000 to £416,000. Each year registered an increase, but it was reserved for last year to show the enormous jump of 400 per cent. Note, too, the difference in prices. Those of exports have been steadily falling, but even at 3s per square yard they still are 50 per cent. dearer than imports at 2s per square yard.

Some difference of price is doubtless justified by the superior quality of British goods. But the excess here shown appears to be too great. In the absence of some remedial measures taken by our manufacturers, imports might be expected to become even more troublesome to them.

INTERNATIONAL BANKING
IN ALL ITS BRANCHES
**BANKERS TRUST
COMPANY**
16, WALL STREET, NEW YORK
PARIS OFFICE
3 & 5, PLACE VENDOME
CABLE ADDRESS: BANKTRUST, PARIS

The threat comes mainly from the United States, as the following comparison proves:—

GROSS IMPORTS OF LINOLEUM AND CORK CARPET.

	Thousand Square Yards.			Thousand £.		
	From U.S.A.	Other Countries.	Total.	From U.S.A.	Other Countries.	Total.
1920.....	193	35	228	28	2	30
1921.....	354	16	370	38	6	44
1922.....	804	65	869	75	11	86
1923.....	3,916	312	4,228	365	51	416

In all these years, receipts from the United States consisted mainly of linoleum that was not inlaid, and in 1922 they were entirely of this material. In 1923 we received from that source only £75 worth of inlaid linoleum. Of cork carpet the United States sent us about £4,000 worth in 1921, but none in the two subsequent years.

It is not in cork carpet or inlaid linoleum, then, that our makers have to fear competition, but in linoleum other than inlaid. This is the vulnerable point for them; and, happily, there are grounds for believing that they are now adequately attending to the threat. These grounds are to be found in the Board of Trade returns for the first four months of 1924, thus:—

slightly less than 15 rod—of course, when differences of quality are taken into account. The slight rise in average value of imports last year, too, seems to indicate that our competitors have reached their limit of price-cutting. If so, the position of British producers in this section of the industry is probably very favourable. Their competitive power is likely to prove quite strong enough for the strain it may have to bear during the next few years.

To sum up, it is manifest that an industry which during the forty years preceding the great war raised the volume of its overseas trade nearly ninefold has done extremely well. The reduction since the disastrous struggle is but natural, and will probably only be remedied after the general settlement of world relations. Competition from abroad is less serious than in many other industries; but it is there, and is ever ready to grow rapidly if our own firms allow themselves to become supine. The price of success is eternal vigilance, and so long as our manufacturers remember this they should be safe.

Notes of the Week.

Irish Boundary Problem.—Our Dublin correspondent writes:—The suspense as to the boundary question continues. The Irish Free State still takes its stand upon the Treaty, and Northern Ireland having refused to appoint a Commissioner in pursuance of Article XII., throws out hints that if Article XII. were abandoned, something, a rather indefinite something, might be arranged by consent between itself and the Free State. Now this is not very promising or helpful, inasmuch as the Free State would have to begin by abandoning its vantage ground of the Treaty which is assured to it by the covenanted faith of Great Britain, and would be inferentially accepting Northern Ireland as having an equal status, contractually and constitutionally, with itself—and it would have no guarantee that these sacrifices would result in any concession from the intransigence of the North, nor that if Sir James Craig made any such concession he could carry his organised extremists with him. This last is no remote contingency. The advocates of "Ulster" are extremely frank, save in utterances for publication, as to the impossibility of controlling their wild men, and the argument is freely used for purposes of negotiation. Is it any wonder that the Free State adheres to its unassailable position under the Treaty? In an interview with an American paper Sir James Craig is reported to have suggested an interchange of border districts, and that, if this were agreed to, he would request the British Government to forgo its claim to a financial contribution from the Irish Free State under Article V. The suggestion does not seem to have been repeated elsewhere, nor in such a form is it very helpful. Dublin believes that Belfast has always misunderstood Anglo-Irish financial relations, and in its zeal for a Unionist triumph over the Liberal policy of Home Rule, made a very bad bargain for itself in accepting the financial arrangements—by which it is now bound—of the Act of 1920. Successful as he has been so far in obtaining subsidies from the British Treasury, Sir James Craig is not, in the Dublin view, competent to promise financial concessions by the Treasury to the Irish Free State. Nor, in point of fact, does Dublin believe that when the accounts contemplated by Article V. are taken there will prove to be any serious contribution to be made by the Free State—but that is another day's argument. Impartial folk will realise the difficulty of expecting the Free State, in the face of a challenge to its rights under the Treaty, to forgo those rights for the purpose of entering into another negotiation with a view to another settlement as to which there is no guarantee that it may not be wrecked on the same rock as the first. Secure in its position, the Free State Government is most anxious that no possible incident should occur that might lead to the matter being removed from the plane of reason to that of violence. It is not unlikely that, emulating the example of France in July, 1914—when she did not want war, and feared frontier "incidents" as a means thereto—the Government may order a withdrawal of all its uniformed men to some distance behind the border. This

would be at once a sensible precaution, a gesture of peacefulness, and a guarantee of good faith. There is some resentment felt here at the attitude and suggestions of some of the more august and some of the more pretentious organs of the British Press which have espoused the cause of Northern Ireland. The refusal of audience to every publicist who seeks to explain the basis, in reason or in law, of the Free State case is held to be inconsistent with fair play and the honourable traditions of British journalism. Fortunately the British Government has stated quite clearly that the Treaty, which, by the way, Great Britain ratified as a Treaty, will be honoured in the spirit and in the letter. But if the wreckers were to have their way, it is as well to realise that hell might be let loose once more in Ireland. A notable event of the week has been the supersession of the Dublin Corporation by administrative decree, and three Commissioners have been nominated to manage the affairs of the Municipality.

The Turkish Debt.—The repudiation of the Decree of Muharrem on the ground that it was not confirmed at Lausanne completes the series of breaches of faith with the bondholders committed by the Angora Government. Unfortunately, Great Britain is not free from blame. Sir Adam Block's Special Report on the Ottoman Public Debt gives its history as follows. In 1875, the External Debt exceeded £200 millions sterling, and the sum required for interest and sinking fund was over £12,000,000. In October of that year Turkey reduced the last-named amount by 50 per cent., and in April, 1876, suspended payment altogether, in consequence of the risings which led to the war with Russia. That war made the outlook so bad that the bondholders formed defence committees, and put their case before the Congress at Berlin. Eventually Turkey was induced to establish an Administration, under Sir Hamilton Lang, of the revenues from stamps, fisheries, spirits, silk tithe, salt, and tobacco. The results were so satisfactory that in 1881 Turkey ceded these revenues, with some slight modifications, to a Debt Council of seven members, respectively representing the British, French, German, Austrian, and Turkish bondholders, the Galata bankers, and the Turkish Government. The nominal capital of the loans placed under the Council's control was reduced by 44 per cent.—from £T.191,000,000 to £T.106,000,000; the Council's administration was carefully made independent of Turkish control, and the Turkish Government was required to accept the Council's annual budget and incorporate it in its own. The arrangement was enacted by the Decree of Muharrem (December 20, 1881). Till 1903 the ceded revenues produced only about 1 per cent. on the capital, instead of the 4 per cent. originally expected; but in that year the "Décret-Annexe" reduced the sinking fund, rearranged the capital of the loans controlled by the council, and cut down that of the Unified Debt, the most important of them, by 58 per cent. This and the Lottery Loan ("Lots Turcs") were made a first charge on the ceded revenues; of the surplus one-fourth went to an additional sinking fund, and three-fourths to the Turkish Government, which used its share as security, in whole or in part, for other loans amounting to about £T.54,000,000. The council's administration set a good example to Turkey, whose share of the surplus, at first trifling, reached, in 1911-12, £T.1,671,404. Since 1919, however, the Angora Government has withheld the ceded revenues bit by bit from the council, and taken over its agencies; the spirit revenue has been annihilated, perhaps not permanently, by prohibition; the tobacco revenue has been modified without its consent; and various other revenues have been withheld either by the Angora authorities or by the mandatory Powers in Iraq, Palestine, and Syria. At the end of the fiscal year 1922-23 it retained only the ceded revenues collected in and near Constantinople, about £T.3,960,000. After deducting expenses, the net revenue was approximately £T.1,810,000 paper, or about one-tenth of the annuity of the Unified Debt and Lottery Bonds. Now these revenues also have been withheld, and the Angora Government will not allow payment on account till it is settled what currency it is to be made in, and will

not resume payment of interest till the readjustment of the capital between Turkey and the Balkan States. And it appears from Lord Arnold's speech in the House of Lords on Wednesday that the Debt revenues collected in Iraq and Palestine since the British occupation will be permanently withheld likewise.

Cost of Living.—Another fall, this time of two points, is recorded in the *Ministry of Labour Gazette's* cost of living index number during April. The figure for May 1st is 71 per cent. above the level of July, 1914, or one point higher than a year ago. There has been a drop of six points in the present calendar year. How the index figure has moved month by month over a series of years is shown below:—

AVERAGE PERCENTAGE INCREASE OVER JULY, 1914.—All items.
(Food, Rent, Clothing, Fuel, and Light, &c.)

Month (beginning of)	1918.	1919.	1920.	1921.	1922.	1923.	1924.
January ..	85-90	120	125	165	92	78	77
February ..	90	120	130	151	88	77	79
March ..	90	115	130	141	86	76	78
April ..	90-95	110	132	133	82	74	73
May ..	95-100	105	141	128	81	70	71
June ..	100	105	150	119	80	69	..
July ..	100-105	105-110	152	119	84	69	..
August ..	110	115	155	122	81	71	..
September ..	110	115	161	120	79	73	..
October ..	115-120	120	164	110	78	75	..
November ..	120-125	125	176	103	80	75	..
December ..	120	125	169	99	80	77	..

For food alone the advance on the pre-war level is now 63 per cent., as compared with 67 per cent. a month earlier. The April decline in food prices is attributable to the effect of the Budget, tea falling 4d per lb and sugar about 1½d per lb. These falls were partially balanced by a rise of 2d per 7 lbs in potatoes.

Employment in April.—There was a slight further improvement in April in the demand for labour. According to the *Ministry of Labour Gazette*, the percentage unemployed among workers covered by the Unemployment Insurance Acts fell from 9.9 on March 24th to 9.7 on April 28th. The trade union percentage (mainly skilled workers) also fell from 7.8 per cent. at the end of March to 7.5 per cent. at the end of April. This compares with 11.3 a year ago and 17 per cent. in April, 1922. Monthly movements of the trade union percentage over a number of years are shown below:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.

	1913.	1918.	1919.	1920.	1921.	1922.	1923.	1924.
End of—	%	%	%	%	%	%	%	%
January ..	2.2	1.0	2.4	2.9	6.9	16.8	13.7	8.9
February ..	2.0	0.9	2.8	1.6	8.5	16.3	13.1	8.1
March ..	1.9	1.2	2.9	1.1	10.0	16.3	12.3	7.8
April ..	1.7	0.9	2.8	0.9	17.6*	17.0	11.3	7.5
May ..	1.9	0.9	2.1	1.1	22.2*	16.4	11.3	..
June ..	1.9	0.7	1.7	1.2	23.1*	15.7	11.1	..
July ..	1.9	0.6	2.0	1.4	16.7	14.6	11.1	..
August ..	2.0	0.5	2.2	1.6	16.3	14.4	11.4	..
September ..	2.3	0.5	1.6	2.2	14.8	14.6	11.3	..
October ..	2.2	0.4	2.6	5.3*	15.6	14.0	10.9	..
November ..	2.0	0.5	2.9	3.7	15.9	14.2	10.5	..
December ..	2.6	1.2	3.2	6.0	16.5	14.0	9.7	..

* Excluding coal miners.

The total number of registered unemployed dropped only slightly, from 1,057,000 to 1,052,000.

A Swiss View of World Trade.—The "Financial and Commercial Review" for 1923 of the Swiss Bank Corporation, though belated, contains some extremely interesting figures, together with some penetrating observations on world trade. Thus, after observing several favourable factors, and noting that stocks of raw material and manufactured goods have to a large extent been absorbed, the report observes, "A gratifying reduction of unemployment in countries such as England, Switzerland, &c., is balanced by a large increase in Germany, as appears from the table given below, showing the

number of unemployed in various countries at the end of the last three years:—

	1921.	1922.	1923.
Great Britain	1,726,000 ..	1,358,000 ..	1,137,000
Switzerland	80,692 ..	73,892 ..	39,673
Holland (a)	65,570 ..	49,800 ..	52,000
Germany	263,383 ..	276,871 ..	1,793,448
Austria (b)	16,713 ..	117,891 ..	75,775
Czecho-Slovakia	78,312 ..	437,841 ..	197,644 (Oct.)
Sweden	132,000 ..	45,900 ..	13,800 (Nov.)
Belgium	19,659 ..	14,302 ..	10,516

(a) Members of trade unions employed. (b) Number in receipt of benefit.

The figures given above would rather suggest that there has been a more even distribution of unemployment in Europe, as a result of the partial distribution of the dumping, rendered possible by the depreciation of exchanges. Speaking of the labour situation generally, the report calls attention to the fact of the reduced output of labour throughout Europe, largely caused by lower hours of work. On this the report observes: "Although figures are difficult to obtain, it would seem that there has been a definite improvement in the efficiency of labour in the last year or two, but the pre-war standard has not yet been reached." We have space for only one other quotation. The report speaks of the consumption of non-ferrous metals as a good index of the economic situation, and quotes the following figures:—

WORLD CONSUMPTION OF NON-FERROUS METALS.
(metric tons; 00's omitted.)

	Lead.				Copper.			
	1913.	1921.	1922.	1923.	1913.	1921.	1922.	1923.*
Europe	725.6	338.1	492.2	480.0	644.2	283.5	349.3	412.0
Asia	25.4	50.3	60.8	70.0	41.7	86.0	95.1	100.0
Africa	6.2	4.0	5.0	5.0	7.2	7.0	8.0	10.0
America	434.5	428.1	498.7	570.0	344.9	223.5	527.6	640.0
Australia	9.6	9.8	10.0	12.0	14.0	3.8	6.0	8.0
	1,201.3	830.3	1,066.7	1,137.0	1,052.0	603.8	986.0	1,170.0
	Zinc.				Tin.			
	1913.	1921.	1922.	1923.	1913.	1921.	1922.	1923.*
Europe	696.6	231.6	360.6	469.0	70.1	36.5	51.4	52.0
Asia	16.3	28.2	51.7	60.0	8.7	8.0	8.9	8.0
Africa	0.6	1.0	1.5	2.0	0.5	0.5	0.5	0.5
America	283.1	186.7	345.1	400.0	48.4	36.4	68.4	70.0
Australia	4.4	5.1	5.0	5.0	1.4	1.2	1.0	1.5
	1,001.0	452.6	763.9	927.0	129.1	82.6	129.8	132.0

* Estimated.

Thus, while a consumption of most of these is 'approaching or exceeding the pre-war level, the distribution has greatly changed, Europe only producing and consuming about two-thirds of the pre-war quantity, whereas America's consumption has in every case immensely expanded. This is true of the other Continents, with the exception of Australia, which has been affected by particular difficulties.

The Public Trustee.—The report of the Public Trustee for the year ended March 31st last shows a surplus on the year's working of £29,300, which compares with a surplus of £74,500 for the previous year and a deficit of £41,300 for 1921-22. The drop in the surplus is due principally to the reduction of fees in January of last year. The aggregate value of new business, including accretions to old trusts, during the year was £15,463,100, as compared with £15,332,300 for the previous year. The number of new cases accepted during the year has increased to 1,013, as compared with 955 for the previous year. The probates and the ordinary trusteeships each showed an increase. The average value of the probates accepted during the year was £15,170, and of the trusts £9,983, as compared with £17,286 and £11,891 respectively during the previous year. The number of cases under administration at the end of the year was 15,899, having an estimated value of approximately £175,760,000, apart from large quantities of settled land which have not at present been valued. Three claims for breach of trust, amounting to £11,600, have been met out of revenue during the year, but two of these arose out of transactions in 1913 and 1917 respectively, and the third, involving only £11, was due to a misunderstanding. The

stocks and shares of the trust funds under administration at the head office and Manchester branch amounted to £158,669,500 at March 31st last, as against £152,126,700 12 months ago. The former total includes British Funds, £55,777,600; British Corporation stocks, £12,065,100; Colonial Government and Colonial and Foreign Corporation stocks, £17,810,300; foreign stocks, £4,451,500; Home Railways, £21,836,200; Colonial railways, £7,520,700; foreign railways, £6,625,400; and commercial and industrial, £15,058,200. With regard to the question of fees, the Public Trustee says that under normal circumstances he would have recommended an immediate further reduction, "but the bonus has just risen owing to recent rises in the cost of living index figures; the index figure itself is the subject of much discussion, and may possibly be subjected to a systematic review, and economic conditions generally are by no means stable. I have, therefore, though with considerable reluctance, deferred my recommendations until I can forecast my future expenditure with rather more accuracy."

Investment Stocks on Offer.—The success which continues to attend upon the issue of gilt-edged stocks will no doubt encourage the advent of others of the same class. Up to the present, moreover, the lists of existing securities show no weakening in their prices. On the contrary, a number of Colonials have improved during the past few days. The market for Home Railway prior-charge stocks is also stronger. This is seen in the manner in which supplies of stock are snapped up week by week. Industrial debentures and good-class preference shares shrink into insignificance so far as the supply of them is concerned. A number of the preference shares quoted in the catalogue which we gave last Saturday in the *Economist* (page 1004) have risen in price; the difficulty with others is not so much with prices, but with the amount of supply available. Consols, Local Loans, India 3½ per Cent., 3 per Cent. and 2½ per Cent., the L.C.C., and Irish stocks are taken for Stock Exchange purposes as being virtually irredeemable. Consols can be repaid, of course, at any time now at the option of the Government, but the stock would have to be redeemed at 100, and, as the interest is only 2½ per cent., it is not likely that the Treasury will hasten to repay, at 100, a Government security bearing so low a rate of interest. It is the same with Local Loans, where the redemption date is 1912 or after. The three India Government stocks mentioned have definite redemption dates followed by the words "or after," and the 3½ per Cent. Conversion stock is repayable in 1961 or after. Repayment or redemption can only be effected at 100 in these cases, which is the natural reason for the Stock Exchange opinion that the stocks are, to all intents and purposes, irredeemable until such time as money shall become a drug in the market, and the aftermath of war shall be forgotten. Continuing the list of stocks actually on offer, we may set out the following selections taken from lists of Stock Exchange jobbers. The proviso must be added that, while all these securities were obtainable when the lists were made up, it cannot be guaranteed that stock will still be on offer next week. The interest yield should be studied, of course, in relation to the final column which allows for the repayment of the stocks, in every case at 100, and at the earlier of the dates mentioned where two are given:—

Description.	Dividends Due.	Date of Redemption.	Price.	Yield.	
				Interest Only.	With Redemption.
War 5%.....	1 J. & D.	1929-47	101½d	£ s d	£ s d
War 3½%.....	1 M. & S.	1928	97½	4 19 0	4 16 0
Funding Loan 4%.....	1 M. & N.	1960-90	88½	3 12 6	4 18 0
Victory 4% Bonds.....	1 M. & S.	Aver. 38 yrs.	92½	4 10 0	4 11 0
Conversion 4½%.....	1 J. & J.	1940-44	98½d	4 7 0	4 8 6
Local Loans 3%.....	5 J.A.J.O.	1912 or aft.	66½	4 11 9	4 13 3
India 5½%.....	15 J. & J.	1932	103½	4 11 0	5 5 9
India 4½%.....	15 M. & N.	1950-55	88½	5 2 0	5 5 9
Bank stock.....	5 A. & O.		250	4 16 0	
Water Board "B" 3%.....	1 M. & S.	1934-2003	66½	4 10 6	4 12 0

Colonial stocks available for trustee investment will receive a useful addition when the new Australian Fives come to be dealt in, provided that stock can be bought at 100 or under. How narrow is the existing area can be

observed by reference to the small number of trustee stocks offered in this group:—

Description.	Dividends Due.	Date of Redemption.	Price.	Yield.	
				Interest Only.	Allowing for Redemption.
New South Wales 4½%.....	1 J. & J.	1935-45	96½	£ s d	£ s d
New Zealand 4½%.....	1 M. & S.	1944	95½	4 14 6	4 17 0
New Zealand 4%.....	1st Div. 14s, Sept. 1, 1924			4 14 0	4 17 0
Nigeria 4%.....	1 J. & J.	1933-43	91½	4 9 0	4 16 0
Queensland 3%.....	15 A. & O.	1963	87	4 12 0	4 15 0
South Africa 4%.....	1 J. & J.	1922-47	73½	4 3 6	5 1 0
Victoria 3%.....	1 M. & S.	1943-63	89½	4 10 0	4 12 6
West Australia 4½%.....	1 J. & J.	1929-49	75	4 1 0	4 16 0
	1 J. & J.	1935-65	96	4 15 0	4 16 0

A few others there are, besides the above, but this list is representative and tolerably full. Home Railway debenture stocks afford a trustee 4½ per cent. on the money, the choice at his disposal being very limited. The guaranteed yield a few pence higher, and trustee preference stocks give barely 4½ per cent. on money invested at today's prices. It seems a little surprising that the recent fairly heavy issues, which are known to be forerunners of further borrowings, should have had no unfavourable influence over the prices of existing securities. This shows that the 5 per Cent. War Loan is no longer accepted as setting the standard of yield for investment. Its place has been taken by the new 4½ per Cent. Conversion stock, 1940-44, which, at 98½, yields £4 11s 9d per cent., and the price of which is not unlikely, given continuance of cheap money and sluggish trade, to touch three figures.

Finance in Finland.—A correspondent writes:—Owing to the demand for foreign currency occasioned by an excess of imports over exports—a consequence of the hindrances to the export of timber products during an exceptionally severe winter—the Bank of Finland's "valuta" reserve had fallen on March 31st to 552.9 million marks. The bank has, however, at its disposal in addition to the reserve fund a cash credit of 244.8 million marks. It is anticipated, therefore, that the bank will have no difficulty in meeting the requirements of the spring imports. In an interesting paper, the economist, Dr E. Nevanlinna, has adduced some remarkable figures in connection with the recent history of Finnish national finance. The total expenditure of the Finnish State is 75 per cent. higher (60 per cent. per head of the population) than was that of the Grand Duchy of Finland in association with the Russian Empire. Comparing the period 1913-1924 with 1902-1913, Dr Nevanlinna shows that the increase in ordinary expenditure was higher in the earlier than in the later period, whilst the increase in total expenditure was smaller. The extraordinary budget is now twice as large as in 1913. State functionaries are now paid at a lower rate in pre-war marks than before the war, the State benefiting from the change in the value of Finnish currency at the expense of its servants. Thus many departments of the public service are administered at less cost in pre-war marks than in 1913. Of the eighteen commercial banks, ten have declared higher dividends and two lower dividends than for 1922. The sums distributed in dividends amount to 143.6 million marks, as against 124.5 millions for 1922. Three banks have declared no dividend, and one is paying a dividend of 18 per cent. The average dividend is 7.98 per cent., as against 6.92 per cent. for 1922. The Finland Steamship Company, Limited, in spite of the fall in freights and other adverse factors which unfavourably affected the working of the line in 1923, has declared a dividend of 10 per cent. The gross traffic surplus amounted to 17.3 million marks (against 20.0 millions for 1922). The company's fleet at the end of 1923 consisted of 31 steamers, totalling 33,889 gross reg. tons. Companies in liquidation.—The general trade depression has adversely affected not a few important commercial enterprises, and more than one well-known firm has gone into liquidation. The Leppäkoski Company, a carefully managed concern, found itself in difficulties some months ago as the result of the low prices ruling on the paper market. The Nordiska Föreningsbanken, which had given the firm credit, filed a petition in bankruptcy, but this has now been withdrawn, the company having agreed on March 10th to a conditional proposal made by the bank. The Laskela Mills Company are to take over

the mills, &c., at Leppäkoski at an agreed price of 14 million marks, and the bank is to assume responsibility for all the debts of the Leppäkoski Company on conditions acceptable to the bank.

Financial Conditions in Peru.—A correspondent writes:—The somewhat difficult financial situation from which Peru has been suffering of late, in common with several other Latin-American States, appears to have cleared. While foreign capital is still shy, the situation of the Treasury has sensibly improved, and administration funds appear to be more abundant. What threatened to become a regrettable controversy between the Peruvian Treasury and the Guaranty Trust Company, of New York, has been explained away as due to "a misunderstanding," and settled, at least temporarily, to mutual satisfaction. But something further is doubtless likely to be heard of the matter when Congress comes to discuss the alleged claim of the American company to hold something like "an option in perpetuity upon the financial resources of the Peruvian Government." There seems to be no doubt that some such claim (arising out of a small loan of \$2,500,000, bearing an interest of 8 per cent., and raised for certain harbour improvement works in Peru, which had been underwritten by the Guaranty Company) created consternation in native economic circles, necessitating, indeed, prompt action upon the part of the Peruvian State Department in the form of a protest against what was described as "an unwarranted and irregular action by the Guaranty Trust Company in warning other financial houses off the field." Under the terms of the contract with the Peruvian Government, the well-known United States financial institution was thought to claim an option on any future loan that the Peruvian Government would attempt to negotiate. A small loan seems to have become necessary now, in order to wipe out the deficit on the 1922 Budget; but this may be raised almost as easily at home as abroad. The general trade situation in Peru has also become more favourable. The improvement to be noted in 1923, showing a trade balance of £P9,818,680, appears likely to be at least equalled during the current year, notwithstanding the unpromising commencement occasioned by the shortage of water in the cotton districts and the temporary closing of a number of sugar mills. Unfortunately, in the distribution of Peru's foreign trade, Great Britain can claim no more than 20 per cent. of the imports against 41 per cent. provided by the United States. But in regard to exports the figures are less unfavourable, Great Britain claiming 33 per cent., against 40 per cent. by the United States.

Universal Cotton Standards.—Our Manchester correspondent writes:—Last July important conferences took place in Washington on the question of universal standards for raw cotton, and ultimately the United States Government and the cotton exchanges of the world reached an agreement. It was decided that the new standards should come into operation on August 1st, the beginning of the 1924-25 season. This week further conferences have been held in Manchester and Liverpool which have been attended by Dr Henry Taylor, the chief of the United States Bureau of the Department of Agriculture, and other officials of that Department. It is understood that some difficulties have arisen with regard to the boxes of samples on which disputes on the question of grade have to be settled. It is not an easy matter to provide the cotton exchanges in the United States and throughout Europe with identical samples. On Wednesday last Dr Taylor was entertained to luncheon by the Manchester Cotton Association, and in his address he pointed out that the success of the new standards depended upon them being made up properly and upon the sets of standards that went to one exchange being identical with the sets that went to the others. He admitted there had been some criticism, but America did not intend to be partisan, and their desire was to inspire confidence in the standards arranged. It is anticipated that the differences which exist will be amicably arranged. It may be pointed out that there is still considerable antagonism between the Liverpool Cotton Association and the Manchester Cotton

Association, and in the discussions on this important question the jealousies which exist between those two important industrial centres are rather pronounced. On raw cotton questions Liverpool has had all her own way for a long number of years, but Manchester is now determined to exercise her rights as a port and an important market for raw cotton.

The Rise in Silver Prices.—The Continental buying of silver, writes a correspondent, that was noted last month has this week made further progress, and bars at mid-week moved well over 34d. This is the best seen in the London market for silver since 1922, and well-informed opinion in bullion circles anticipates that the rise, which is somewhat overdue, will make further progress. At the opening of the year, ready bars stood at 33 11-16d per oz., and changes during the first quarter of the year were very moderate, the figure reaching 34d during February, but falling back to a little below this by the end of March. Last month the market was somewhat uncertain, with a lot of Eastern selling, but this month there has been a steady upward movement, which lifted the spot price up to 34½d by the 21st. The improved tone is due to quite active Continental buying, coupled with a demand to cover short sales from Eastern operators, especially in China. It is reported that two or three countries, including Austria, are employing silver again for their subsidiary coinage, and this is quite a good move for the producers, who thought that the market would suffer through the changes brought about by the expiration of the buying under the Pittman Act in America. There was at one time a very heavy selling movement from the Continent, this metal being obtained from melted down coins, but this has now stopped, and the bulk of the silver has been absorbed. The U.S. production last year was on the full side at 72½ million fine ounces, against 56½ million in 1922, and this has no doubt helped to keep the market down. There is a fairly big Eastern bear account open at the present time, and this will have to be adjusted if the rise goes on under the stimulus of further buying for coinage purposes. It has been reported that Germany is a buyer of silver, but there is no record of any important business for that destination coming through London recently. India has not been doing much lately owing to the big stocks carried there, and China has been more of a seller than a buyer, but the change of sentiment, if it lasts, may bring along further Eastern business, and this would certainly create an interesting position. Silver after the war terminated had an extraordinary rise, which lifted prices up to 89½d per oz in 1920; but the market fell to 30½d in 1921, and last year moved between 33 11-16d and 30½d. Coinage business has been absent for a very long time, and further buying under this heading may be expected. The United States has been selling fair quantities recently, and incoming supplies are on quite a full scale, but actual supplies in London at the present time are only moderate, with certain commitments to be met from them. Brokers have had quite a busy week of it, and the importance of the Continental business will be revealed when the Board of Trade figures are issued for the current month.

British Overseas Bank.—In December the system of dual control by a "governing council" and a "board of directors" was abolished by the British Overseas Bank in favour of a board of directors of not less than seven or more than 15 directors. With a view to a further simplification of working, it is now proposed to reduce the number of interests in the bank, and some of the "B" shareholding are to be acquired by the remaining holders. Under this arrangement the Union Bank of Scotland, Williams, Deacon's Bank, and the Prudential Assurance Company, who have all been shareholders since the inception of the bank, will acquire the share interests of the Anglo-South American Bank, Dominion Bank, Glyn Mills and Co., Charles Hoare and Co., Imperial Ottoman Bank, and Northern Banking Company. All these banks had "B" shares, ownership of which will now be vested in the three institutions named above, and in them only. By reducing the present holders of the "B" shares to three it is proposed to remove all restrictions on the transfer of the "B" shares, and the special provisions

relating to the appointment of directors by the "B" shareholders will be rescinded. The existing rights of the "A" shares will therefore be unaffected, that is, they will still be entitled to a cumulative dividend of 6 per cent. per annum, with rights as to surplus profits after the "B" shares have received non-cumulative dividends of 6 per cent. It is difficult for the outsider to judge of the merits of such a proposal, which is largely a matter of domestic politics. Simplification of control, however, cannot but add to the efficient working of any concern, and especially of a bank.

Vickers' Report.—The passing of the dividend for 1923 on the ordinary shares of Vickers, Limited, is partly explained by the accounts, which show a drop in net profits from £683,204 to £499,555. After payment of preference dividends there is a balance of £98,727, as compared with £284,739 at this time last year. This is added to the amount brought forward, giving £802,634 to be carried to the next accounts. For 1921 and 1922 a dividend of 5 per cent. was paid, absorbing over £450,000. The profit and loss account is again omitted, but the report itself is more explanatory than those issued by the majority of the large industrial companies. Last year, it points out, was one of keen competition and low prices, and while the company's works were mostly free from labour troubles, the boiler-makers' dispute caused serious disorganisation in the shipyard at Barrow, with the inevitable effect of disorganising other departments. Substantial orders by the railway companies at the end of 1923 improved prospects, and since the turn of the year the company has obtained an order for one of the new 10,000 ton cruisers with its machinery, as well as a repeat order for a liner from the Orient Company, and a ship from Furness, Withy and Co., Limited. "The outlook is at present rather better for the company than at any time during the last few years." The following table summarises the balance-sheets since 1912. No accounts were issued for 1916, 1917, and 1918:—

Dec. 31.	Ordinary Capital.	Prof. Capital.	Reserves	Property, Plant, &c.	Subsidy Cos.	Stock-in-Trade.	Cash and Bills.
1912.....	3,700,000	1,500,000	Nil	3,757,020	4,095,502	1,120,739	264,396
1913.....	4,440,000	1,500,000	1,070,000	4,096,481	4,029,413	1,656,701	269,689
1914.....	5,549,262	1,500,000	1,764,000	4,243,326	4,706,097	914,899	792,828
1915.....	5,549,784	1,500,000	2,064,261	5,724,487	5,448,734	785,003	875,426
1916.....	12,311,548	8,351,640	6,669,159	7,314,095	17,236,517	3,911,685	3,361,958
1917.....	12,315,483	8,363,943	6,495,871	7,570,660	18,076,591	3,481,572	700,388
1918.....	12,315,483	8,363,943	6,495,871	7,570,660	18,076,591	3,481,572	700,388
1919.....	12,315,483	8,363,943	6,495,871	7,570,660	18,076,591	3,481,572	700,388
1920.....	12,315,483	8,363,943	6,495,871	7,570,660	18,076,591	3,481,572	700,388
1921.....	12,315,483	8,363,943	6,495,871	7,570,660	18,076,591	3,481,572	700,388
1922.....	12,315,483	8,363,943	6,495,871	7,570,660	18,076,591	3,481,572	700,388
1923.....	12,315,483	8,363,943	6,495,871	7,570,660	18,076,591	3,481,572	700,388

The sharp decrease in reserves is explained by the following paragraph from the report: "The directors had hoped that by now trade conditions would have so far settled down as to allow of a review of the company's assets, and a definite allocation from the company's very ample reserves against items that might appear doubtful in the light of post-war experience. Conditions, however, are still so far from normal that it is not possible to do this with regard to lands, buildings, plant, &c., the reserve against which remains at £3,200,000; but the directors have decided to write off altogether in a few cases, and in others make specific reserves against, certain investments in subsidiary and connected companies, chiefly in respect of works taken over during the war period, against doubtful debts owing to the company, and against possible liabilities and unsettled claims. Time may show that a substantial proportion of these reserves may not be required." The amount thus appropriated is £1,742,594. This has been written off premium on shares reserve account, and the balance of £300,000 has been added to general reserve. No reference is made in the report to settlement of accounts with Government Departments. These were expected to be completed during 1923. The reserves against unsettled claims spoken of in the paragraph quoted may refer to these matters, and perhaps afford some explanation of the passing of the ordinary dividend.

R.M.S.P. Profits.—The accounts of the Royal Mail Steam Packet Company for the year 1923 show a further recovery in profits. The directors' report says that "the general conditions of the various overseas trades in which the company's vessels are engaged show signs of im-

provement, and in many instances freight rates have become more stable, with consequent better results reflected in the earnings of the vessels concerned, although business continues to be restricted on account of adverse economic conditions." The profit and loss account, unfortunately, only shows the balance of profit, "including dividends on shares in allied and other companies, less depreciation of fleet, &c." This amounts to £779,100, as compared with £725,300 a year ago. Including rents and transfer fees, the total profit is £819,400, as against £771,800 for 1922. The following table summarises results since 1905:—

	Profit.	Deb. Int., &c.	To Inacc. Fund.	To Reserve Fund, &c.	Prof. Div.	Ord. Div.	Rate.	Carried Forward.
1905.....	57,558	13,750	35,000	..	9,000	..	%	£ 2,076
1906.....	96,845	17,566	47,000	..	23,815	..	%	16,340
1907.....	138,146	33,588	58,000	..	30,000	25,500	2 1/2	16,398
1908.....	135,206	43,982	33,500	20,000	30,000	18,000	2	2,979
1909.....	180,369	45,193	41,792	30,000	30,000	27,000	3	3,968
1910.....	176,683	66,983	40,000	30,000	30,000	36,000	4	4,039
1911.....	291,211	107,500	40,000	32,899	45,000	55,000	5	8,840
1912.....	431,540	155,588	47,073	130,000	45,000	97,343	6	7,570
1913.....	436,470	187,011	37,113	45,000	151,299	..	6	23,900
1914.....	98,232	249,865	8,945	Dr 200,000	45,000	..	nil	18,921
1915.....	808,731	312,332	..	225,000	45,000	198,000	6	46,719
1916.....	791,097	242,037	..	225,000	45,000	273,536	7	58,502
1917.....	784,446	218,000	..	225,000	45,000	287,000	7	58,066
1918.....	706,472	218,000	..	180,000	45,000	287,000	7	45,541
1919.....	953,600	218,000	..	360,000	45,000	328,000	7	51,141
1920.....	928,224	218,000	..	270,000	62,162	312,375	7	110,888
1921.....	710,935	314,536	..	103,500	300,000	..	6	103,927
1922.....	771,752	281,651	..	168,500	300,000	..	6	125,528
1923.....	819,442	280,936	..	233,500	300,000	..	6	130,534

No allocation is made to reserve out of profits, but the insurance fund in the balance-sheet shows an increase of £80,400, as compared with this time last year. An increase of £2 millions in the preference capital accounts for the larger amounts required for dividend in the past two years. The balance-sheet is in the usual shipping company style, with an item of over £19 millions (out of total assets of less than £22½ millions) comprising the fleet, and investments in allied steamship companies. It is true that debtors are shown separately, and there are a number of small items shown separately, but cash balance, bills receivable, and accrued interest on investments are given as one item of over half a million. It is high time that the mysteries of the balance-sheets of some of our great shipping companies were cleared up. An analysis of the balance-sheet appears in a later column. Sundry creditors, it should be mentioned, include a loan of £350,000 from bankers. The report states that two mail and passenger motor vessels of approximately 22,000 tons gross register each are under construction by Messrs Harland and Wolff at Belfast.

Guardian Assurance Company.—The business of this company is not large measured by present-day standards, but it is good in quality, and shows profitable results for last year. The fire premiums were £898,324, as compared with £964,199 in 1922; the claims were 48.03 per cent. of the premiums, against 54 per cent., and the expenses 44.49 per cent., as against 42.9 per cent. The net result, after providing for unexpired risks, was a profit of £99,228, or 11 per cent. of the premiums. After increasing the general reserve fund in the fire account by £61,000 to £721,000, £88,102, including interest, was carried to profit and loss. In the accident, burglary, and general department the premiums were £475,238, against £475,765 in 1922. The claims were 40.96 per cent. of the premiums, against 43.8 per cent., and the expenses 44.01 per cent., against 42.5 per cent. There was a trading profit of £71,094, or 14.9 per cent. of the premiums. The general reserve in this account was increased by £20,000 to £160,000, and £71,758, including interest, transferred to profit and loss. In the marine department the account of 1922 was closed by transferring £14,000 to suspense account, and £18,870, including interest, transferred to profit and loss. There was a loss on exchange of £12,500. The trading accounts yielded in underwriting profits less loss on exchange, a total of £180,618, and, in addition, the interest receipts were £127,069. Taxes on profits took £50,029. The dividend of 7s a share, less tax, on the ordinary and staff shares and the preference dividend will absorb £145,306, leaving £114,958 to be carried forward, as against £104,934 a year before. The total funds on December 31st last amounted to £8,725,912.

Eagle Oil Transport.—The intimation in January last of a revision of the chartering agreement in favour of the Mexican Eagle Oil Company had prepared the way for a drop in the profits of the Eagle Oil Transport Company for the year 1923. The report shows a decline of nearly £320,000 in gross profits, and of over £300,000 in net profits. The ordinary shareholders having, for the present, waived their right to any dividend, the sum of £750,000 has been set aside for depreciation, as against £617,800 a year ago, and the carry forward is increased by £26,200. The following table shows results for the past five years:—

	1919.	1920.	1921.	1922.	1923.
Issued share capital	£2,240,000	£4,000,000	£5,000,000	£5,000,000	£5,000,000
7 1/2 per cent. notes	..	..	3,000,000	3,000,000	2,458,300
Gross profits	349,523	530,844	1,066,440	1,502,363	1,183,473
Net profits	323,592	473,201	944,316	1,237,277	936,240
Reserve and deprec.	153,232	250,244	536,042	692,838	750,000
Preference dividend	160,000	160,000	160,000	160,000	160,000
Ordinary dividend	19,200	51,224	172,756	300,000	nil
Rate	(8 %)	(8 %)	(8 %)	(10 %)	..
Carried forward	8,840	11,734	75,517	84,440	26,240

The balance-sheet, which is analysed in a later column, shows that £541,700 of the 12-year 7 per cent. notes have been purchased and cancelled, while the report states that the amount set aside for repairs during the year has shown an excess over actual expenditure, and "repair and other reserve accounts" show an increase of £167,200 at £508,500. Total reserve and depreciation funds amount to £3,153,400, while the property item (fleet and investments in subsidiary companies combined as one entry, in the unsatisfactory manner now almost universal with shipping companies) amounts to £10,016,100, out of the total assets of £11,718,800. The tonnage of the fleet is given as 436,558 deadweight tons. This represents an increase in the year of 16,340 tons, two vessels which were under construction at the date of the last accounts having now been delivered.

Roumanian Oil Companies' Compensation.—A correspondent writes:—A circular has been issued by the Phoenix Oil and Transport Company which raises an important question. It states that certain of the companies in which the Phoenix Oil holds a controlling interest have received from the British Government a total sum of £75,568 on account of their claims for damage sustained in Roumania during the war. If payment can be made to certain companies, it can, and should, be made to all the rest. The Roumanian Consolidated Oilfields, of the Phoenix group, has a claim for about £500,000, the Steaua Romana, in which British capital is heavily interested, one for over £1,000,000, the Astra Romana, of the Royal Dutch-Shell group, one for £1,700,000, and the Romano-Americana, of the Standard Oil group, one for £2,000,000. The amounts of all these claims have been agreed between the companies and a commission appointed by the Reparations Commission. The total amounts to about £10,000,000. The French Government advanced money on account of similar claims to all French companies involved, but the British Government took up the unaccommodating attitude that it would set off the claims of British oil companies against the debt due to Great Britain from Roumania. This meant, in view of financial conditions in Roumania, that the settlement of these undisputed claims would be indefinitely postponed, and neither the Coalition nor the Conservative Government gave any hope to the oil companies that this attitude would be modified. It is to be hoped that the Labour Government will see its duty differently, but why, at this stage, have these Phoenix companies been singled out for favour and out of what funds has the payment been made? These are questions which should clearly be asked in the House of Commons.

Southern Pacific Report.—The report for the year 1923 of the Southern Pacific Co. shows that an expansion of 9.4 per cent. in railway operating revenue was accompanied by an increase of 7.6 per cent. in operating

expenses, which resulted in an increase in railway operating revenue of 16.24 per cent. Gross income increased by 21.1 per cent. Results for the past two years are compared in the following table:—

	1922.	1923.	Inc. or Dec.
Operating revenue	\$262,519,169	\$287,204,635	+ 24,685,465 + 9.40
Operating expenses	\$193,664,456	\$207,166,588	+ 13,502,132 + 6.97
Net operating revenue	\$68,854,713	\$80,038,047	+ 11,183,333 + 16.24
Railway tax, &c.	\$18,986,949	\$20,365,328	+ 1,378,379 + 7.58
Operating income	\$46,222,847	\$54,228,024	+ 8,005,177 + 17.32

The report states that "conditions affecting railway operations were more nearly normal in 1923 than in any year since 1917, barring the higher costs of labour and materials, and the rise in living cost above pre-war standards. A volume of traffic close to the highest in the company's history was handled expeditiously and without substantial equipment shortage, there were no major disturbances incident to labour conditions or other causes, yet the net railway operating income, while comparing satisfactorily with recent years, represents the very modest return of but 4.81 per cent. upon the book investment in road and equipment." This figure, however, compares with 4.29 per cent. for 1922 and 3.36 per cent. for 1921. The volume of freight traffic handled by the company showed an increase of 20 per cent. over 1922, but revenue from freight increased by only 10 per cent. owing to the 10 per cent. reduction in rates which came into force in July, 1922. There was an increase of 7.4 per cent. in revenue passengers carried one mile, and passenger revenue increased by 5.4 per cent. Failure of passenger revenue to increase correspondingly with the number of passengers carried one mile is due to the ratio of increase being greater in long haul excursion travel than in the number of local short haul passengers—the latter being carried in increasing volume by motor vehicles. Maintenance expenses increased by 7.78 per cent. and transportation expenses by 6.60 per cent., although there was an economy in fuel to the extent of \$605,000. Deductions from gross income were \$158,100 less than in the preceding year, but non-operating income increased by \$3,789,050. Net income was consequently \$11,952,300 higher at \$44,552,500. The 6 per cent. dividend absorbs \$20,663,100, the same as for 1922, and the balance at the credit of profit and loss account is increased by \$11,542,900. The report mentions that in May, 1923, complete and final settlement was made with the Interstate Commerce Commission of the company's claims under the guaranty provision of the Transportation Act of 1920, the company receiving in such settlement a balance due of \$4,738,900.

Rubber Plantations Investment.—Again we have to record a marked improvement in the figures of the Rubber Plantations Investment Trust, Limited. It will be recalled that in November last 2,831 shares were issued at a premium of 5s 9d per share, thus bringing the total capital of the company up to £2,000,000. The following table gives the results of the past seven years:—

	1917-18.	1918-19.	1919-20.	1920-21.	1921.	1922.	1923.
Dividends, Int., &c.	£44,299	£29,652	£58,384	£46,632	£11,020	£13,963	£27,316
Produce account, &c.	31,820	Dr 106,640	152,216	749	5,558	91,507	170,939
Transfer of taxation reserve	..	..	..	..	..	12,900	..
Expenses	76,119	Dr 76,968	210,600	50,381	16,578	118,770	198,255
	15,344	37,107	35,678	62,531	11,980	10,208	10,207
Brought forward	60,775	Dr 114,072	174,922	Dr 19,160	4,598	206,568	187,928
	56,004	117,375	3,300	106,471	94,321	96,918	42,620
Dividend	117,375	3,300	178,222	94,321	98,919	207,488	230,548
Directors	..	..	62,753	..	..	68,371	115,318
Depreciation and re-serve	nil	nil	(6 %)	..	..	(6 %)	(6 %)
Carried forward	117,375	3,300	106,471	94,321	98,919	73,500	58,997

* £121,233, less £104,641 transferred to reserve. + £57,125, less £525 in donations to war charities.

Assets now total £2,866,411, as against £2,750,158 a year ago. Properties and interests are now given as £1,162,874, as against £1,564,424, but investments have increased from £750,460 to £1,367,664. These changes are on account of the company selling some part interest

for shares in undertakings. The directors' report is, as usual, an informative statement of affairs. The report states that the restricted rubber crop for the eight months to August 31, 1923, was 537,632 lbs; the f.o.b. cost (including depreciation 0.66d) was 7.70d per lb, as compared with 7.12d per lb for the previous year. The average net price realised, including the estimated value of the unsold portion of the crop, was 1s 1.90d per lb, as against 1s 0.66d per lb for the 1922 crop.

Rezende.—Our mining correspondent writes:—The report for 1923 of this Rhodesian proposition, due to be presented at the meeting called for yesterday in Salisbury, S.R., shows a distinctly improved ore reserve position. The tonnage immediately available at the end of the year was placed at 181,200, as compared with 148,400 twelve months previously, the grade being a shade off at 9.7 dwts. Even now, however, the reserves do not represent much more than two years' supply, so that the situation in this respect can scarcely be described as strong. At £63,400 the net profit is up by £8,300. This is due partly to some increase in the gross receipts, despite a further decline in the gold premium, and partly to decrease in the expenditure, notwithstanding the treatment of a larger tonnage of ore and of enhanced requirements for taxation. After providing for dividends totalling 40 per cent, the balance carried forward is virtually unchanged at £12,800. The expansion in the available tonnage would appear to be irrespective of the proving of a large ore body west of the circular shaft on the 7th and 8th levels. This discovery, the consulting engineers report, "will materially increase the ore reserves when further development warrants its inclusion." The option on a property known as the Elgin has been abandoned and the outlay written off.

Oversea Correspondence.

UNITED STATES.—TAX REDUCTION—IMMIGRATION BILL—SHRINKAGE IN STEEL ORDERS—COMMODITY PRICES—PREFERENTIAL SHIP-RAIL RATES ABANDONED.

(FROM OUR CORRESPONDENT.)

NEW YORK, May 13.

FURTHER changes made in the tax-reduction Bill by Radical and Democratic members of the Senate lessen the prospect of such legislation being enacted which will be satisfactory to the Administration and the public generally. Many of the substitute rates and provisions adopted by the upper branch of Congress are known to be regarded by President Coolidge and Administration Republicans as decidedly objectionable. Among the features considered most undesirable is the increase in the maximum surtax rate of 40 per cent., as compared with 37½ per cent. carried in the House Bill and 25 per cent. proposed in the original Mellon plan. Another amendment strongly objected to provides that income-tax returns upon which taxes have been determined by the Commissioner of Internal Revenue shall constitute public records, and shall be open to examination and inspection, as are other public records under the same rules and regulations as govern the examination of public documents generally; furthermore, that all claims for abatement or refund of taxes, including the decisions thereon, shall likewise be subject to public inspection under similar rules. Such publicity would be an abandonment of a policy that has characterised all income-tax legislation in the United States up to the present, and, as one authority points out, would "open the way to a train of abuses, affecting individuals and business organisations, from which the income-tax system has been free." Many other amendments have been adopted in both the Senate and House measures, so that in their main features the two Bills differ radically from the plan advocated by President Coolidge, Secretary Mellon, and others. The Bills as passed by the Senate and House of Representatives will shortly be considered by a conference committee with a view to agreeing on a compromise

tax-reduction Bill. Unless some very drastic revisions are made in conference—which now seems wholly unlikely—the Bill as finally passed will bear little resemblance to the plan urged by the Administration. In that event, it would not be surprising if the President vetoes the measure, rather than approve legislation which not only falls far short of giving adequate relief from excessive taxation, but also, according to estimates by experts, would result in a big deficit, and possibly cause an increase in taxation.

The new Immigration Bill as agreed upon by the Conference Committee of the House and Senate fixes the admissible quota at 2 per cent., computed upon the basis of the number of the foreign-born population in the United States under the census of 1890. That arrangement is to continue only until July 1, 1927, after which admissions will be limited to a total of 150,000 aliens annually under the so-called method of national origin. The Bill contains provisions admitting, outside of the quota, wives of American citizens, unmarried children thereof under 13 years of age, professors, ministers, students in accredited schools, and returning aliens, all of whom must be provided with certificates. Provision is made for the selection of immigrants at the source, and for immigration visas by American consuls abroad, and the law gives preference within the quotas to parents of American citizens and to skilled farm labourers, although in no case exceeding 50 per cent. of a nation's quota. The Conference Committee, at the suggestion of President Coolidge, postponed the date of Japanese exclusion from July 1st next to March 1, 1925, with the understanding that in the meantime an arrangement would be negotiated with Japan to abrogate the "gentlemen's agreement." The House, however, refused to accept the amendment fixing March 1, 1925, as the effective date, and had the Bill recommitted to the Conference. What the final outcome will be is problematical at the moment.

Although the financial district was prepared to learn that unfilled tonnage of the United States Steel Corporation had decreased heavily during April, the actual falling off, reported by the corporation, of 574,360 tons in the volume of forward business on its books April 30th, as compared with March 31st, was much greater than had been expected. It was the largest monthly shrinkage recorded since the big decline in the latter part of 1920 and early in 1921. Unfilled orders on hand at the end of last month, namely, 4,208,447 tons, were the smallest total reported for any month since February, 1922, when the aggregate was 4,141,069 tons. On April 30th of last year the total was 7,288,509 tons. Production reached a new high record early in April, but steel mills operated on a diminishing scale of activity later in the month. From the marked reduction in unfinished orders it is evident that the slackening of demand for new products was more extensive than had been supposed, and that there were substantial cancellations of contracts.

Commodity prices, on the average, continued to decline in April, although the reaction was less extensive than in any of the preceding four months, excepting one. Bradstreet's index number at May 1st was \$12.5568, representing a decrease of eight-tenths of 1 per cent. from that of April 1st, of 6.5 per cent. from the last high point on December 1, 1923, and of 8.1 per cent. from May 1st of last year. As compared with the low level of June 1, 1921, the latest number shows a gain of 18.2 per cent., but a drop of 39.8 per cent. from the peak index figure of February 1, 1920, and an advance of 43 per cent. over August 1, 1914. Seven groups of commodities sagged, while five rose, and one remained unchanged.

According to statistics prepared by the Bureau of Railway Economics, the combined net operating income of Class I. railroads of the United States for March amounted to \$80,239,885. This total compares with \$84,124,812 in March of last year, and represents the month's proportion of an annual return at the rate of 5.27 per cent. on a tentative property valuation of \$19,744,000,000, as against 5.84 per cent. in March, 1923, on a somewhat smaller valuation. In February of this year the carriers' net operating income was equivalent to a return at the annual rate of 6.28 per cent. Gross earnings in March totalled \$505,124,921, a decrease of

\$30,701,470, or 5.7 per cent. from the corresponding month of 1923, while operating expenses of \$390,273,909 were \$27,653,080, or 6.6 per cent. less. The shrinkage in net operating income, therefore, was due largely to the falling off in gross earnings, although most of that loss was offset by the decrease in operating costs. For the first three months of this year the railroads had a net operating income of \$202,776,047, equivalent to an annual return of 4.61 per cent. on their own valuation of property investment, which is much higher than the tentative valuation fixed by the Interstate Commerce Commission, as against \$184,603,374, or 4.56 per cent. for the same period of 1923.

As previously foreshadowed in this correspondence, section 28 of the Merchant Marine Act, under which preferential rail rates are allowed on merchandise and commodities, excepting grain, shipped to or from the United States in American vessels, will not be enforced on June 20th. The Shipping Board at a meeting last week withdrew its original resolution, which certified to the Interstate Commerce Commission that adequate American tonnage was in operation in certain specified trades and routes to warrant the putting into effect of section 28, limiting the application of export and import rail rates to cargoes transported in American ships. The Board indicates that the withdrawal of its certification was due largely to protests, from all over the country, at the recent Congressional hearing, to the effect that enforcement of the preferential rate clause on such short notice would disorganise trade and transportation, unsettle well-established trade practices, discriminate against some ports of the United States, and unduly favour others. In many quarters it is considered highly improbable that any further effort will be made to put that provision of the Merchant Marine Act into operation. Other ways may be found to aid American shipping, but even should adequate tonnage become available, the establishment of American flag preferences would unquestionably lead to undesirable complications.

FRANCE.—POLITICS AND THE FINANCIAL SITUATION—MINISTERIAL CHANGES—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

PARIS, May 21.

As the end of the month, and the day on which the new majority will be called upon to assume power approaches, it is becoming more and more evident that the disappearance of the Poincaré Cabinet and its replacement by one in which MM. Herriot and Painlevé will almost certainly be the most prominent figures, will lead to little real modification of either the home or foreign policy of France. The series of unofficial declarations that have already been made by the politicians mentioned fully confirm this view, and the renewal this week of the exchange crisis has given only a further opportunity for emphasising it. The financial situation, as to-day's developments have shown, still dominates all parties, and it is now practically admitted by the leaders of the new majority that they will find it impossible to carry out the alluring promises they made in their election speeches substantially to reduce the burden of taxation imposed upon them by the Chamber their supporters are now to replace. The semi-official communiqué issued this evening at the conclusion of the conference which MM. Herriot and Painlevé had this morning with the President of the Republic, in the presence of M. Poincaré and his Finance Minister, M. François-Marsal, states that the first-named two leaders "affirmed their conviction that a strict balancing of the Budget by no matter what Government comes into power is imperative." The new majority promised in their election addresses (1) the suppression of the 20 per cent. increase in taxation recently imposed (which will render it necessary to find elsewhere the 4,000,000,000 which this measure is estimated to produce, (2) the suppression of the tax on turnover (estimated also as likely to yield 4,000,000,000 during 1924), (3) the allocation of additional remuneration to public servants, which it is estimated would require the raising of a further sum of 1,500,000,000 a year from taxation, and (4) the abolition

of income-tax on working men's earnings, which represents a sum it is difficult to estimate. As a matter of fact, few working men in the large towns pay income-tax as it is, in spite of the law. To sanction this failure by legal enactment would probably eventually result in the entire abolition of this form of taxation for all classes. The carrying out of these promises would obviously render the balancing of the Budget impossible.

Another factor which is tending to clarify the situation is that the Socialist Party in the new Chamber is apparently tending more and more towards a definite refusal to accept portfolios in any Cabinet that may be formed by their election-allies, the Radicals and Socialistic Radicals, and that the so-called Bloc des Gauches is likely to cease to exist as a practical entity as soon as it actually becomes a question of forming a Cabinet. The position in the Chamber of the Radical Socialists, who triumphed at the recent elections, is obviously approximating more and more closely every day to that of the Labour Party in the British House of Commons, with the important difference that at the Palais Bourbon the largest individual Party appears much more likely to find support from the Right, in the event of a conflict with its Socialist allies, than would the Labour Party at Westminster if it fell out with its Liberal comrades. The one outstanding fact of the elections is the failure of the modified system of proportional representation to give the desired results. Analysis of the figures shows that whereas the Bloc National lost and the Bloc des Gauches gained barely 3 per cent. of the votes cast, as compared with the previous elections, they lost and gained respectively no less than 33 per cent. of the seats that were transferred.

Another development that may probably be expected to occur in the near future is the inclusion of one or more members of the defeated Poincaré Cabinet in the new Government. Even before the elections M. Loucheur was freely spoken of as likely to be offered and as prepared to accept a portfolio in any Radical Socialist Government that might come into office, and this view has been strengthened by recent events. An order which the retiring Minister of Commerce has issued to-day prohibiting foreigners from having access to the Bourse de Commerce or belonging to the French sugar trade syndicate is regarded as likely to further the chance of his inclusion in the new Government, while his known leanings towards closer industrial co-operation between France and Germany also renders him more acceptable to the new majority than certain of his present colleagues would be.

The French trade returns for the month of April show that the total exports had a value of 4,027,041,000f, while imports were only 3,292,151,000f, there being therefore a surplus of no less than 734,890,000f in favour of this country. The total volume of foreign trade for the first four months of 1924 now shows a balance in favour of this country of 1,483,372,000f, on a total volume of exports and imports amounting to 28,516,324,000f. The figures show an increase of 67 per cent. in the value of the exports, as compared with the corresponding period of 1923, and of 42 per cent. in imports. The increase is most strikingly marked in regard to manufactured goods, which show an increase during the four months of 88 per cent., as compared with the figures for January-April last year. The detailed comparative figures are as follows:—

	First Four Months of		Increase in 1924.
	1923.	1924.	
Imports—	Francs.	Francs.	Francs.
Foodstuffs	2,188,980,000	2,606,502,000	+ 417,522,000
Raw materials	5,948,979,000	9,187,410,000	+ 3,238,431,000
Manufactured goods	1,367,051,000	1,722,564,000	+ 355,513,000
Total	9,505,010,000	13,516,476,000	+ 4,011,466,000
Exports—			
Foodstuffs	963,710,000	1,448,189,000	+ 484,479,000
Raw materials	2,835,522,000	4,096,602,000	+ 1,261,080,000
Manufactured goods	4,681,743,000	8,834,932,000	+ 4,153,189,000
Postal parcels	521,695,000	620,125,000	+ 98,430,000
Total	9,002,670,000	14,999,848,000	+ 5,997,178,000

The figures for April, taken alone, show an appreciable falling off, amounting roughly to about 330 millions, in the value of both exports and imports, as compared with those for March, although exports were considerably

larger than during February. The effect of the high exchange rate was less than might have been supposed, but was apparently responsible for a drop of 232 million francs in the value of the imports of raw materials and of 92 millions in foodstuffs. The weight of imported raw materials, however, was larger by 135,000 tons than in March, while the tonnage of imported foodstuffs fell off by 6,000 tons, and that of manufactured goods by about 27,000 tons.

GERMANY.—POLITICS—REPARATIONS—FINANCES—CURRENCY AND PRICES—INDUSTRY—BOURSE.
(FROM OUR CORRESPONDENT.)

BERLIN, May 20.

THE Cabinet question is not yet cleared up. The Marx coalition parties have rejected the German-Nationals' demand that the Cabinet resign, and seem to reject also in principle the claim that the largest Reichstag party should be given a first chance to form a Cabinet when an existing coalition of parties is numerically stronger. No progress has been made towards taking the German-Nationals into the coalition, though this solution remains possible, but the Nationals show a desire to exclude the Democrats. The only alternative seems to be the maintenance of the present Cabinet, which might perhaps count upon the support of the Left parties in essential questions. Meantime, the Cabinet continues to prepare measures embodying recommendations of the Dawes Report. From Conservative industrial quarters, and to some extent from non-party experts, the Dawes scheme is being increasingly attacked. A "German Industrial Union" (*Deutsche industrielle Vereinigung*) of predominantly Nationalist colour has been organised *ad hoc*, and at its meeting yesterday sharp attacks were made on the main items of the Dawes scheme, and also upon the *Reichsverband des deutschen Industrie*, for accepting the scheme in principle. Some of the criticism might be justified, but the statements of the chief speaker that "the motive power is American capital.....the chief idea is to exclude an independent German economy from international production and trade" indicate a desire for agitation rather than for amendment of the recommendations. The former Prussian Minister of Railways, Baron von Rheinbaben, now a member of the Reichstag (German People's party), writes that the Report must be accepted as a basis, but suggests certain guarantees. The final Election returns show the chief parties as follows:—Socialists, 100; German-Nationals, 96; Centre, 65; Communists, 62; People's party, 44; Populist-Freedom party, 32; Democrats, 28; Bavarian People's party, 16. The Hanoverian Separatists were last week locally defeated on the issue of founding a separate State from Prussia.

The financial situation continues to be satisfactory. Revenue received in April totalled 523,784,558 gold marks, against 595,258,243 gold marks in March. The larger March revenue was due to certain special taxes—e.g., property tax yielded in March 111 millions, in April only 23 millions. Of the total in April, 429 millions came from direct taxes and taxes on business and 92½ millions from Customs and Excise; in March the corresponding figures were 514½ millions and 76 millions. The sales tax, apparently owing to the trade revival, yielded 156½ millions in April against 118½ millions in March, while the yield of the Bourse tax, owing to the stagnation and the fall in quotations, declined by nearly a third. Railway receipts in March were 301 millions against 258½ millions in February, and 231½ millions in January; receipts from posts, telegraphs, and telephones in March were 153 millions against 115 millions in February. A report on the Debt (omitting paper mark debts, which have practically no gold value) shows outstanding on May 14th 50 million dollars in dollar Treasury bills, 140 million gold marks in Treasury bills of 1923 (so-called "Gold Loan"), 30 million gold marks in 6 per cent. Treasury bills (1932), 77 million gold marks of compensation bills, and 1,100 million Rentenmark debt to the Rentenbank. Since November 15th the Government has been able to redeem out of revenue 360 million gold marks of gold loan and 370 millions of 6 per cent. Treasury bills, so that the net increase of debt is much less than the 1,100 millions

borrowed from the Rentenbank. A report, originally prepared for the Dawes Committee, shows gold revenue from taxation and gold value of receipts from floating debt operations in the four past financial years (April to March) as:—

	(Millions of Gold Marks.)		
	Taxation.	Floating Debt.	Real Burden of Taxation.
1920.....	3,178.1	6,053.6	4,090.8
1921.....	2,927.4	3,675.8	5,235.7
1922.....	1,488.1	2,442.3	3,529.1
1923.....	2,411.4	6,538.3	2,912.5

That nominal receipts were higher in 1923 than in 1922, when the mark decline was much slower, is due to the stable currency of the last four months, December-March, of the last financial year. Taxation yield fell from 150 million gold marks in April, 1923, to 14½ millions in October, and thereafter rose to 595 millions in March, 1924. As shown by the table, the real burden of taxation, calculated on the basis of the gold mark cost of living, was in all four years higher than the nominal gold burden, the disparity being greatest in 1922, and smallest, owing to the great rise in gold prices which accompanied the adoption of gold mark calculation, in 1923. The Prussian Budget for 1924-25 balances at 2,309,000,000 gold marks. A memorandum of the Prussian Council of State doubts whether the promised equilibrium will be attained, on the ground that the State's share of the federal income-tax and the yields of the land and rents taxes will be smaller than is estimated.

Money last week was much more plentiful, interest rates fell; at times more short-time money was offered than the market would absorb. Long-term credit is still difficult to obtain. The Gold Discount Bank's discounts increased in the week ending May 15th from £998,695 to £2,280,378. The official cost of living index number on May 14th was 116.

The condition of industry is not quite so promising, and some judges see signs of a reaction. The Ruhr coal-owners have accepted the recent arbitration court decision, but protested against the recognition in principle of the seven hours day; the miners have rejected the decision, which, however, the Government has power to declare binding. About 425,000 miners are idle. In Berlin last week unemployment continued to decline; but stoppages of or reductions of production are reported from various quarters, in some cases owing to difficulty in selling, in others owing to shortage of coal or materials, and in many cases owing to lack of working capital. Ruhr coal production in April was (omitting three *regie* mines) 8,124,319 metric tons, against 7,297,741 tons in April, 1922, and 9,707,784 tons in April, 1913. The boot and shoe industry reports good home business, but a continuing decline, due to high prices, of exports. The textiles branch is kept well occupied, and has home orders sufficient to last until the end of the year, but, except in stockings, for which English orders have been received, export activity is small. Despite the great home production, large quantities of high-quality textiles are being imported. Trade papers predict a crisis in textiles as soon as the home market is saturated; and the large imports of finished textiles and of textiles raw materials without any correspondingly large export is considered a threat to the exchange market.

No settlement has yet been arrived at in regard to the franc bear commitments of the metal industry, and some anxiety is felt as to developments at the end of the month. The estimate of the amount of francs due for delivery at the end of May is 50,000,000f, with still higher engagements for the end of June. The amount to be raised to rescue the losers was £300,000, but difficulties have so far been met in raising it. The French elections, coming together with easier money, operated on stocks as a bull factor, and all last week saw heavy buying, a big rise in averages, and in single stocks rises of as high as 80 per cent. The *Frankfurter Zeitung's* index number for dividend-payers on May 16th was 512.52, against 408.51 a week earlier, and 824.50 on January 4th. A good annual report by the Deutsche Erdöl Company, which, however, declared no dividend, encouraged stock buyers, and foreigners bought considerably. Buying from England was reported, but nothing further has been heard of the English Syndicate which was alleged to have put up

£1,000,000 for purchasing German stocks. The *Frankfurter Zeitung* thinks that the bull movement last week was merely a temporary fluctuation, and holds that a lasting rise will not take place until the May-end liquidations are over, and until the credit supply has materially improved. Yesterday the Berlin Bourse was weak on profit-taking and owing to the Becker failure, and to-day was again weak on reports of further impending industrial failures.

ITALY.—BANKING AFFAIRS—STOCK EXCHANGE BOOM.

(FROM OUR CORRESPONDENT.)

TURIN, May 12.

BANKING affairs have been prominent during the past month. In mid-April a sudden burst of buying sent up the prices of Credito Italiano's shares from about 900 lire to 1,100 lire and more. It appears that a competition in buying had been started between the board of directors of the bank and a group of industrial Turinese magnates. A generation of rivals of the late German industrial leader, Herr Stinnes, is growing up in Italy. The Turinese leaders are Senator Agnelli, chief of the Fiat motor-car company, Signor Gualino, head of a gigantic artificial silk concern, with 600 million lire capitalisation, and Signor Abegg, a leading cotton man. They complained of credit difficulties, and strove to obtain the majority of the shares in Credito Italiano, so as to be able to control this great fountain of credit, with over 4,000 million lire deposits and current accounts. Five years ago, Credito Italiano and Banca Commerciale Italiana were made the object of a similar attack. On that occasion the banks saved their independence by the device of two financial holding companies, to which were entrusted the majority of shares of the banks, and which were ultimately controlled by bank directors. Signor Nitti, then Premier, induced, by moral pressure and promise of credit facilities, the two attacking groups to sell their shares at a profit to the holding companies. It appears that the Banca Commerciale Italiana has never lost control of its holding company, so that directors are sure of a majority in the shareholders' annual meetings. Not so with the Credito Italiano directors, who, having persuaded themselves that all peril of losing control of their bank was past, let their shares be freely negotiated on the market, with the result that in the first ten days of April directors awoke to the painful truth that the Turinese group had almost gained control of a majority of shares. At this point began a fierce struggle between bank directors and would-be conquerors of the bank; of which few particulars are known. The ultimate result was that the Government, by a decree of April 15, suspended the right of buyers of banking shares to call on sellers for immediate surrender of shares sold for end-of-month settlement. This right, called "*diritto di sconto*," was invented in 1907 to oblige speculative bears, who had sold securities for end-of-month settlement in the hope of covering themselves before settlement at a lower price, to buy precipitately the securities of which immediate surrender was called. In the present case, however, buyers of Credito Italiano shares who hoped to get, in virtue of the "*diritto di sconto*," immediate possession of bought shares, were prevented, by the suspension of the same right, from obtaining material possession before May 2nd. In the meantime, directors of the Credito Italiano called for an extraordinary meeting of shareholders at April 28th. At this meeting the old directors easily persuaded the assembly to vote an increase of capital from 300 to 400 million lire, of which 50 were to be offered to shareholders and 50 were left at the disposal of the board of directors. It seems that the Turinese group, when they saw that their manœuvre had failed, sold their shares with a good profit to a reconstituted holding company, and received a new promise of credit facilities. All is well which ends well, but this strange episode of a banking fight gives an instructive glimpse into methods of obtaining credit facilities. Credito Italiano is a most conservative and trusted bank, and we can be sure that credit facilities will be given to the Turinese group with the utmost care for the interest

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of depositors. In future, bank directors will take great care not to let a similar attack develop.

While this drama was being acted in Milan and Turin, another banking drama was recited before the Senate acting as the High Court of Justice. Two Senators and many banking men, all connected with the late Banca Italiana di Sconto, were tried before the High Court of Justice under the accusation of having issued in 1921 a false balance-sheet, with the purpose of distributing to shareholders and among themselves profits not truly gained. By virtue of the Statute of the Kingdom, when a Senator is accused of some criminal offence, he and all his accomplices are not sent to ordinary Courts of Justice, but appear before the Senate as High Court of Justice. Senator Marconi, who was president of the Banca Italiana di Sconto, did not appear, because he was found, in the preliminary stage of the proceeding, entirely innocent and unaware of balance-sheet malpractices conducted in his absence. After a week of abundant eloquence proceedings were suspended, as the High Court of Justice resolved to call an investigation into the true state of the Banca Italiana di Sconto at December 31, 1921, so as to ascertain whether the Banca was truly in default, or whether, with a little courage, the bank could have been saved. The affair has thus, from being a trial of the men responsible for the fateful end of the Banca di Sconto, been turned into an investigation against past Ministers (Bonomi and Belotti), who dared not save the bank.

Amid these banking turmoils Italian Stock Exchanges continue to be highly optimistic. The campaign for the so-called valorisation of securities in consequence of the depreciation of the lira is as yet in full swing. For a week, towards the end of April, it appeared as if the upward movement had come to stay; banks endeavoured to restrict prolongations, and increased very strongly the charges for speculative accounts up to 7, 7½, and even 8 per cent., but all in vain. Money is too abundant, and is anxiously seeking investment. *Bonâ fide* investors are sending up prices of 5 and 3.50 per cent. Consols, the first reaching 99 and the second 87. What a long way from the prices of 67 and 62 quoted in 1920! The Treasury is planning, it is said, an issue of nine-year bonds at 4½ per cent., and they will find an easy market.

General commodity prices and the cost of living are being maintained at a high level.

SPAIN.—EXCHANGE RESTRICTIONS—FLOATING DEBT—THE PAST YEAR'S ACCOUNTS—RAILWAY RECEIPTS—PRICES—SUGAR BEET.

(FROM OUR CORRESPONDENT.)

MADRID, May 5.

THE emergency restrictions enforced in March last have been given definite shape by the Royal Decree of April 9th, and will be applied by three Exchange Commissions in Madrid, Barcelona, and Bilbao, each composed of one representative of the Bank of Spain, another of the Spanish banks, and a third of the agents of the respective bourses. These regulations are drastic, but no hope is entertained in financial circles as to their practical results. On the contrary, it is urged that the Government should attack the roots of the evil by fostering exports and definitely balancing the Budget. Notwithstanding, the peseta improved its position in April, the rate for sterling falling

from 33.35 to 31.14, and closing at 31.94. The dollar fell from 7.72 to 7.10, ending the month at 7.27.

As was anticipated in my last letter, the Government have offered for subscription 700 millions pesetas in four-years 5 per cent. Treasury bonds, with 1 per cent. bonus payable at maturity, at par. The 396,202,000 pesetas $\frac{4}{5}$ per cent. six months' bonds, which matured on April 15th, had the right of conversion into the new issue, and, for the most part, have been so converted, only the negligible sum of 798,500 pesetas being presented for repayment. Therefore the call for fresh money amounted to 304,595,500, and was covered over eight times, the total subscribed being 2,488 millions. Of course, this great total was arrived at owing to the competition between banks which inflated the subscription so as to get the amount wanted; but, anyhow, the result is good for the credit of the State. The 21,830,500 pesetas Treasury bonds, $\frac{4}{5}$ per cent., which fell due on May 4th, have been repaid, without being allowed the right of conversion. The volume of the short-term debt has been increased by 282,766,000 pesetas as the net result of these operations.

The liquidation of the Budget for the year ended on March 31st reflected the improvement that was anticipated, the deficit being reduced to 669.20 millions. The following are the previous years' figures:—

Year	1919-20	1920-21	1921-22	1922-23	1923-24
Deficit.	482,413,000	872,753,000	1,101,440,000	920,325,000	669,199,000
	pesetas.				

For the first quarter of the present year the more important railway lines show appreciable traffic increases, as follows:—

	Receipts.	Increase.
	Pesetas.	Pesetas.
North of Spain	74,265,000	2,676,000
Madrid, Zaragoza and Alicante ..	59,136,000	2,521,000
Andalucía	14,032,000	1,231,000
South of Spain	2,115,000	333,000
Madrid, Cáceres and Portugal	3,173,000	56,000
Plasencia Astorga Oeste	2,370,000	246,000
Total	155,091,000	7,063,000

It is expected that the two largest companies will distribute this year the same dividend as last year—i.e., the North of Spain, 24 pesetas, less tax, and the M.Z.A., 22 pesetas, free of taxes. The shares of both have been during the month the bright spot in our bourses, rising from 317.25 to 344.75 the North, and from 317.50 to 344 the M.Z.A., on the favourable outlook, for the companies, of the discussions that are in progress by the special commission appointed by the Government to settle the railway question.

The following are the latest index numbers statistics:—

	Foodstuffs.	Industrial Produce.	Total.
1923—October	168	174	171
November	171	176	174
December	173	178	176
Whole year	168	176	172
1924—January	176	179	178
February	180	181	180

The rise in prices which started during the last quarter of 1923 was more pronounced in the first two months of 1924, specially in foodstuffs, and is becoming an urgent problem for the Government. There are indications that the level of wages, which has been fairly steady for some time past, is beginning to be disturbed. The coal miners of Asturias have demanded an increase of 20 per cent. in their wages.

The area contracted to be sown with sugar beet this year exceeds previous records, as the price fixed of 85 pesetas per ton is very remunerative, and, provided there is no misfortune with this crop, it may yield over 2,000,000 tons of beet, which would give 250,000 tons of sugar. As the consumption last year was 201,000 tons, there should be a considerable surplus. The present stock of about 85,000 tons will cover the requirements until the new sugar comes in.

SWITZERLAND.—UNEMPLOYMENT DECLINES—ECONOMIC CONDITIONS—OVERSEAS TRADE.

(FROM OUR CORRESPONDENT.)

GENEVA, May 13.

THE Swiss Federal Council has decided to stop, as from April 1, 1924, the grant of subsidies to relief work for the unemployed. It has also decided to put an end to the relief action on behalf of the partially unemployed, as well as to the grant of subsidies to private industries, and to relieve employers from their obligations under the law for relief of unemployed. The Cantons are, however, entitled to maintain unemployment relief to partially unemployed, but only for a period which shall not exceed 120 days a year. The motives of this decision may be found in the fact that unemployment has very much decreased during recent months, and that the economic situation of the country has decidedly improved in the course of the first quarter of the present year.

From December 31, 1923, to March 31, 1924, the total of wholly and partially unemployed decreased from 39,673 to 29,544, a net reduction of 10,129 in three months. The aggregate number of totally and partially unemployed registered on the official records had slowly risen from March, 1920, to March, 1922, when it reached its maximum; it then fell as follows:—

End of March,	1920	Unemployed.
" " 1921	4,246	
" " 1922	131,971	
" " 1923	129,414	
" " 1924	64,688	
	29,544	

The number of persons employed in trade and industry was 1,087,953 male and female in 1921, but had decreased by nearly 100,000 between that date and the present, 1924.

At the end of 1923 Switzerland had spent a total sum of £19,669,440 for unemployment relief, £11,059,360 being spent by the Federal Government, £7,914,680 by the Cantons and Communes, and £695,400 by the employers. £13,366,200 were spent on public works undertaken with the sole purpose of occupying the unemployed, £4,400,960 was paid to the unemployed in the form of unemployment allowances, £304,680 was used for special courses of education, and training for out-of-work workers, and £597,600 was paid in the various unemployment insurance funds. This represents an average expenditure of £4,917,360 a year, or nearly £1 5s per head of population.

Apart from the decrease in unemployment, and the revival of the building trade, and of agriculture in consequence of the coming of the fine weather, other signs of a general improvement may be found in the accounts of the Federal services, and in the foreign trade returns for the first quarter of 1924.

The receipts of the Federal Post Office reached a total of £1,028,800, as against £972,335 during the corresponding period of 1923, leaving a net profit of £36,000 compared with a deficit of £41,200 in 1923; these good results have encouraged the postal administration to reduce from 25 to 20 centimes, as from May 15th, the postage on foreign post cards, and from 40 to 30 centimes, as from October 1st, the postage on foreign letters. The accounts of the telegraph and telephone service show a net profit of £269,320, compared with £215,670 last year, the receipts being £578,672 for these first three months, as against £526,292 in 1923. During the first quarter of the present year the Swiss Federal railways transported 2,108,408 passengers more, but 222,784 tons of goods less than during the corresponding period of 1923. Despite a reduction in the transport taxes for passengers, the receipts reached £3,194,720, as against £3,068,452 in 1923, the net profit being this year of £805,520, that is, £182,222 more than for the first quarter of 1923.

As for the quarterly foreign trade returns, they are very gratifying indeed, as they clearly show that there is a definite move towards a trade revival. Imports reached a value of £23,509,200 (£87,730,000f), compared with £21,201,520 (£30,038,000f) in 1923, while the value of exports reached £21,561,560 (£39,039,000f), as against £17,653,040 (£41,326,000f) during the first quarter of 1923. Nearly all export items show an increase, and this

increase is particularly important in the chocolate, condensed milk, cotton goods, silk goods, machines and vehicles, aluminium and watchmaking industries. The Swiss export trade is now benefiting from a slight reduction in production and transport costs, and also from the rise of the French and German exchanges.

CANADA.—BUDGET DEBATE—FISCAL MANŒUVRES—PROTECTIONIST ALARMS—LABOUR AMENDMENT—DECLINE IN REVENUES—BANK ACT REVISION—SEEDING CONDITIONS—PRICES—TRADE CONDITIONS—IMMIGRATION.

(FROM OUR CORRESPONDENT.)

OTTAWA, May 12.

IT is nearly five weeks since the Federal Budget was introduced, and the tide of fiscal oratory is still flowing at Ottawa. In view of the possibility that the fortunes of the Government, especially if the sharp decline now visible in the revenues continues, may dictate a general election this autumn, members wish to lose no opportunity of securing evidence for their electors that they have battled valiantly for fiscal truth and righteousness. The debate will probably last another week, as only one important leader has spoken, and before it ends probably one half of the Commons will have unfolded their fiscal views. From the controversy there has been a singular absence of the heat which was anticipated, and most of the speakers confined themselves to hackneyed arguments. But behind the scenes the curious battle for the body and soul of the King Government has been proceeding, and there have been some illuminating manœuvres. The Government, while posing to the West as zealots for tariff reduction, had made sedulous efforts to soothe the ruffled feelings of the manufacturers, and in some supplementary Budget resolutions they offered a number of concessions intended for the relief of manufacturers who had been affected by the tariff changes. As a result, the Massey-Harris Company, the chief agricultural implement firm, issued a statement to the effect that it accepts the Budget, and will be able to continue operations under it. This statement has aroused great wrath among the other manufacturers, especially firms like the Steel Company of Canada, who sold large quantities of material to the implement firms, and may lose this trade to American competitors, and there are signs of a cleavage of interest among the industrialists which may have important consequences. It will be politically impossible to bring back to their old level the implement duties, and it will henceforth be to the interest of the implement firms to keep the duties on iron, steel, and other primary commodities at as low a level as possible. The Government naturally welcomed this statement, and have made the most of it.

On the other hand, whatever early enthusiasm the Progressives had felt for the Budget vanished with the discovery of the very valuable concessions which the Government had made to the manufacturers by the removal of the 5 per cent. dumping differential, and the subterfuge by which it was achieved destroyed their faith in the Government's honesty of purpose. They strongly attacked the dumping change in the debate, and many of them bluntly intimated that unless it was cancelled they would vote against the Budget. Faced with the disappearance of their promised majority, the Government took fright, and on May 7th the Minister of Customs announced that the operation of the circular would be suspended pending inquiry by a Board which is to be constituted to report upon taxation problems. This promise, however, does not satisfy the Progressives, for they fear the reinstatement of the circular as soon as Parliament is prorogued, and are demanding a definite pledge that no further change be made without the authority of Parliament. If this pledge is not given, a certain element of the party will vote against the Government as a protest.

As long as the dumping concession stood there was nothing much in the Budget to disturb seriously the main body of protectionist manufacturers, but they now take serious alarm at the continued tendency of the Government to capitulate to Progressive demands, and they are bringing severe pressure to bear upon the representatives of industrial constituencies. Up to date three Liberal mem-

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bers, one from Quebec and two from Ontario, have announced their opposition to the Budget, and at least one other will follow their example. A number of French-Canadian Liberals who have spoken have warned the Government sternly that the Liberal party must go no further in the direction of Free Trade, and one of them inveighed forcibly against the evil effects of the British preference, but if Sir Lomer Gouin remains inactive there will be no serious mutiny among the French-Canadian Liberals. But the industrial elements in Quebec have begun to transfer definitely their allegiance to the Conservative party on the ground that the Liberals have ceased to be reliable champions of Protection, and a realignment of forces is now inevitable.

The Conservatives intended to introduce an amendment reaffirming the merits of Protectionism for Canada, but the rules only permit one amendment to the Budget, and they were forestalled by a Labourite, who moved an amendment demanding a reduction in the duties on all the necessities of life, and the imposition of special taxes on unearned income and of inheritance and land value taxes. All these reforms are embodied in the Progressive platform, but for some mysterious reason the Progressive leader declines to support this amendment, although a third of his party will probably support it. In the end the Government will probably secure a large majority for their Budget, but their manœuvres have lost them the confidence both of the low tariff and high tariff forces. They had provided for a decline of some 2½ million dollars per month in revenue, but in April the decline on Customs and Excise revenues alone was over 3½ millions, and the returns from the new sales tax schedules are very disappointing.

The Banking and Commerce Committee at Ottawa have begun to reinvestigate the Bank Act, in view of the disclosures made in connection with the Home Bank. A representative of the Treasury at Washington will give evidence on the system of bank inspection in the U.S. A whole series of amendments to the Bank Act will be proposed, and the expectation is that some form of independent inspection will be recommended. The Federal Senate has before it a motion calling for a committee to investigate the financial and other practices followed by the management of the Canadian National Railways. One senator made very serious charges of graft and mismanagement, and there are subterranean rumours which ought to be dispelled, if untrue.

The latest index number of wholesale prices compiled by the Dominion Bureau of Statistics shows the most substantial decline for many months, the April figure being 151.1, as compared with 154.3 for March. Of 226 commodities, 71 showed a decline in price, 14 an increase, and 141 were stationary. The chief decline was under the head "animals and their products," where the index fell from 127.3 to 120.3. Wood, wood products, and paper fell from 173.5 to 170.4. Building material showed a slight drop in price, as did non-ferrous metals and chemicals. Grain prices remained stable.

Business and trade are reported as disappointingly quiet, and in many quarters there is a disposition to blame the Budget proposals for a disturbing effect. With the reopening of navigation up the St. Lawrence, very large shipments of British goods have been received for distribution, and local manufacturers are loud in their complaints that their own products are being displaced. It is claimed that never in the history of Canada have so many British commercial travellers been abroad in the land.

A steady influx of immigrants continues, but unless they are ready and able to tackle farm work, great difficulty is found in securing employment for many of them. There is an abnormal amount of unemployment in Toronto and Hamilton, and the council of the former city has made strong demands upon Ottawa for a change in immigration policies to check the influx of skilled labourers from Britain. However, the agricultural districts are receiving and absorbing a stream of very valuable settlers; of these a certain number are British, but there are useful contingents of Swedes, Danes, Germans, Dutch, and other European races who have been bred to farm work.

British coal exporters are evidently going to make a determined attempt to capture the Canadian market. Last week a large shipment of Scotch anthracite was unloaded at Montreal, and Welsh colliery interests are also sending big consignments. They claim to be able to meet the American prices and make a profit.

NEW ZEALAND.—BANKING FIGURES AND TRADE IMPROVEMENT.

(FROM OUR CORRESPONDENT.)

CHRISTCHURCH, N.Z., April 12.

THE close of the financial year brings with it important indications of the economic well-being of the Dominion, not only in the publication of the financial returns, but even more in the banking returns which are published at the end of every quarter. Like banking returns in other countries, the figures leave a great deal unsaid, and the bare totals which are required by banking law do not really throw much light upon many important aspects of the banking situation. If we could know the extent of the bank balances in London in particular, we should be in a much better position to gauge the situation. Those balances depend largely upon the relation between imports and exports. Normally, in the March quarter, heavy exportations build up considerable balances in London, which are reduced later in the year to pay for heavy importations. This seasonal movement of the balances would, in countries with a free exchange system, be reflected in movements of the exchange rates; but in New Zealand the rates of exchange do not normally move in accordance with the balance, but are fixed for long periods at a time, and are only altered when the inconvenience of an abnormal situation calls for emergency measures.

Ordinarily the banks prefer to bear the fluctuations of exchange themselves, so that their London balances act in the now popular phrase as a "shock-absorber." The supply of credit in the Dominion is regulated not so much by the rates charged for it, as by what amounts to a system of rationing. Advised from London, the banks determine not so much the price as the quantity of credit they will issue from time to time. Having been caught with greatly extended advances by the recent slump, the banks are apparently being cautious, and refusing to commit themselves too far in the present revival.

The quarterly figures just published show on the surface a very favourable banking situation. The short table printed below indicates the recovery that has been achieved since 1921:—

Quarter.	Advances.		Deposits.		Excess	
	Miln. £.		Miln. £.		Miln. £.	
1920—March.....	32	.....	51	.....	19	.....
June	35	.....	55	.....	20	.....
September	39	.....	53	.....	14	.....
December	47	.....	49	.....	2	.....
1921—March.....	52	.....	47	.....	5	.....
June	54	.....	46	.....	8	.....
September	48	.....	43	.....	5	.....
December	48	.....	41	.....	7	.....
1922—March.....	46	.....	40	.....	6	.....
June	46	.....	41	.....	5	.....
September	43	.....	42	.....	1	.....
December	43	.....	41	.....	2	.....
1923—March.....	43	.....	43	.....	1	.....
June	42	.....	46	.....	4	.....
September	43	.....	44	.....	1	.....
December	46	.....	43	.....	3	.....
1924—March.....	44	.....	47	.....	3	.....

There are several points that may be noticed in this table besides the piling up of deposits during the boom, and the strain on advances caused by heavy importation and

domestic difficulties in the slump. There is first of all quite a definite, though not a regular, seasonal fluctuation, which may be roughly summarised as a piling up of deposits in the early part of the year, and a strain on advances in the latter quarters, which are periods of heavy importation. The favourable position of the present quarter's returns must therefore be discounted somewhat. That of discounting must be increased by reason of the fact that a far larger proportion of the wool clip was this year sold in New Zealand, so that the receipts were available earlier than usual and have gone to swell the deposit returns.

Moreover, March is always a quarter of light importations and somewhat interrupted domestic trade, so that advances in normal times are not as heavy then as at other periods. What has happened obviously is that advances have been reduced partly because the Christmas trade has realised on some of the goods for which advances were so heavy in the December quarter, and that part of the extra wool prices have gone also to pay off advances, while part have gone to swell deposits. If, however, subsequent quarters should show a continuance of heavy importations such as developed in September and December, 1923, the strain on the bank credits may well be renewed. The end of 1924 will, in fact, be a critical period for the Dominion. Importations based upon the present expectations of export prices and consequent prosperity are likely to come in considerable volume; at the same time the disturbed and uncertain prospects for export prices make one look with a certain degree of apprehension towards the next season, while the expiration of the moratorium will leave any unsound or doubtful enterprises without the shelter of legal protection. If next season's prices should after all be higher than this season's, and if, in the meantime, the Dominion goes carefully and does not fall into the mistake of over-importation once again, there need be no difficulties; but the dangers are hidden while the fair prospects are advertised in the usual interpretation of such indications as the bank returns.

Letters to the Editor.

REPEAL OF THE MOTOR DUTIES.

TO THE EDITOR OF THE ECONOMIST.

SIR,—You have given a very full statement of the arguments in favour of the repeal of the motor duties, but as the objections have not been so fully dealt with in your article, perhaps you would allow me as briefly as possible to expose the other side of the question.

We may agree that imports must be paid for by corresponding exports of goods or services. Following your argument, even if we were to import the whole of our requirements in motor-cars, our natural competitive advantages would enable us to make corresponding exports, which would leave us better off than before. Incidentally, one may remark that a good many of our customers take very good care that these natural competitive advantages shall not assert themselves in our international trade. We may deal with the point raised, however, on broader grounds. The workpeople who will be displaced by the repeal of the duties will immediately become entitled to doles as unemployed, and under the system by which unemployment pay is granted, will not be expected to turn their hands to trades in which they have no experience. The productive capacity of the country will, therefore, be lowered to that degree; and it needs little analysis to show that the surplus production available for export varies with the increase or diminution of that productive capacity. This is as true of manufactured products as of the crops. A bountiful crop means a large export. A deficient crop may reduce the export to nil. The result of the decreased production in this country would, therefore, inevitably be a lowering in the volume of export, necessitating a corresponding lowering in the volume of import, and that lowering of imports might take the form of very necessary food and raw materials.

The assumption that production will be maintained by employment passing from one form to another, breaks

down under present conditions; in other words, unprotected industry postulates unprotected labour as a means of carrying out the process of transferring labour from one form of activity to another, and the present moment certainly seems a most unfavourable one for leaving to natural causes the process of labour finding its own level and converting itself to the necessities of the hour. The principles on which unemployment relief is paid do, as a matter of fact, create immobility of labour. For example, there are nearly one in eight persons receiving unemployment relief under the heading of "hotel, boarding-house, and club services," though everyone knows that the demand for domestic servants would easily absorb more than all the unemployment in this section. The dole has rendered this labour immobile. Obviously any increase of the dole means a very considerable deduction from the national wealth, apart from the decrease in productivity, which must more than counterbalance any saving that may be effected by buying cheap cars from abroad.

You also raise the point about the exchange situation at present being against foreign importers, but this is not a permanent condition, and is already changing; indeed, it is one of the principal reasons why it is necessary to make some effort to create more stable conditions for our industry. Your journal is certainly an advocate of a stable monetary standard. It is only logical that we should do our best to preserve British industry from suffering the worst effects of the unstable foreign exchanges, which make future calculations almost impossible and thus add very materially to the cost of production, through the necessity of writing off a certain proportion of profit to cover risks of this kind, i.e., losses due to the widely fluctuating prices at which foreign houses can market their cars here.

Your optimistic forecast, that the repeal of the motor duties is not likely to reduce the number of British cars, is neither accepted by the trade nor confirmed by your own review of the trade. As you yourself point out, nearly all the motor firms have a serious financial position to liquidate. The members of that industry may have been ill-advised to rely upon the permanence of the duty, but they would certainly never have embarked upon their present plans had a warning been put in definite form. Not only must we now contemplate the dissipation of much of the capital that has been invested in the industry in order to make way for foreign importations, but we must be prepared for a further emigration of skilled employees which has been such a serious feature of the last few years in other trades, especially in Scotland. The effect in many industrial districts is known to the writer from personal observation. The loss of valuable workmen is by no means a negligible set off against any hypothetical profits that may be made through the admission of untaxed imports.

In conclusion, I would point out that the Free Trade principle breaks down when the British manufacturer, who is subject to the heaviest taxation in the world, has to compete with countries where the taxation is half the amount or less, countries which can market their goods freely here without any contribution to the Imperial Exchequer, not even their own obligations to ourselves, and which have none of the numerous internal obligations which our own manufacturers have to bear. The British buyer of such goods is thus neatly able to assist in evading the national responsibilities. Even gifts from our foreign friends which should destroy our economic life would be dearly bought!—Yours faithfully,

May 12th, 1924. FREDERICK WIGGLESWORTH.

[We do not share the view that the repeal of these duties will mean the import of more cars, but less food. But Mr Wigglesworth raises too many points to be dealt with in a footnote.—Ed. *Economist*.]

SECURITY OF A LLOYD'S POLICY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I have read with interest your articles on "The Security of a Lloyd's Policy."

You are certainly right in saying that, "given a clear understanding and appreciation of what has happened" (i.e., during the recent action), "Lloyd's as a society should stand higher to-day than ever before."

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The only unfavourable criticism I have met with was that a new committee might not be inclined to follow the precedent of the present and past committees.

This is a criticism deserving attention. It is a fact, not previously dwelt upon, that it is the committee, not the members, of Lloyd's who decide whether the deficiencies of a failed underwriter are to be made good out of corporate funds.

This power was placed in the hands of the committee by the members in 1921, and made a bye-law.

The decision of the committee to make good all honest claims for losses incurred by reason of the Harrison failure was emphatically approved by the members, who voluntarily put up a large sum to emphasise that approval, but everything was in the hands of the committee alone.

Your articles do not make this point quite clear, and it is a most important one.

The resolution established a settled principle that it is not left to the caprice of the members whether the corporate funds are to be used for this purpose or not.

Some official pronouncement to this effect would, I think, be advisable. The action taken by the committee in this Harrison affair has been received with such general approval that it is inconceivable that in future any different course would be adopted. To do so would be tantamount to sailing under false colours. Lloyd's should make it clear, by nailing those colours to the mast, that they cannot be hauled down.—Yours truly,

SIDNEY BOULTON.
Canford Cliffs Hotel, Dorsetshire,
May 20th, 1924.

P.S.—Perhaps enough has been said on this matter. "What the public wants" is not columns of stuff, but a short summary of what actually emerges from this miserable case. I suggest this: Many years ago Lloyd's decided that neither Lloyd's nor their policy-holders should suffer through members defaulting. Certain measures were taken to this end, which proved effectual, and in 1921 the committee were empowered to use the corporate funds to meet unforeseen contingencies. Harrison succeeded in evading the vigilance of the committee, and his defalcations amounted to nearly half a million. Owing to the precautions referred to all genuine losses have been promptly paid. Some others have been kicked out of court as being fraudulent. Lloyd's policy-holders will realise that over and above the individual liability of the underwriter, Lloyd's recognise a corporate responsibility that is not limited to the extent of the corporate funds. Therefore, Lloyd's to-day stands higher than ever before.—S. A. B.

DEPRECIATED EXCHANGES.

TO THE EDITOR OF THE ECONOMIST.

SIR,—You were good enough to publish a letter from me on this subject in your issue of March 5, 1921, in which I endeavoured to demonstrate that the foreign trade of countries suffering from depreciated or appreciated currencies was not fundamentally affected by this cause. The Government was then about to introduce the Safeguarding of Industries Bill, which shortly afterwards passed easily through Parliament. Thereby the Board of Trade was empowered to levy an import duty of 33½ per cent. on any foreign article offered for sale in this country "at prices which by reason of depreciation in the value in relation to sterling of the currency of the country in which the goods are manufactured are below the price at which similar goods can be profitably manufactured in the United Kingdom."

As my letter provoked no comment in your columns, I was left to doubt whether my argument was unanswerable or beneath criticism. To-day the belief is common that exports are stimulated from a country with a depreciated currency, and it has been offered as a truism time and again by chairmen of limited companies to their share-

holders as an excellent excuse for bad results. However, an ounce of fact is worth a ton of theory. Three years have passed. I am not aware that a single order has been made under this clause, yet where is the deluge of underselling imports?

Here are the figures of Germany, our greatest rival, with a currency depreciated to almost nil:—

"STATESMAN'S YEAR-BOOK," 1924, p. 948.

GERMANY'S EXPORTS. VOLUME.			
	Double Cwts.		Double Cwts.
1913	737,142,752	1922	215,647,647
1920	198,377,710	1923	127,266,180
1921	138,042,809		

GERMANY'S TRADE with the UNITED KINGDOM.

(In Terms of the Gold Mark of 1913.)

Exports to U.K. Imports from U.K.

	£	£
1910.....	61,825,590	37,020,568
1911.....	65,280,739	39,283,683
1912.....	70,048,152	40,362,767
1913.....	80,411,057	40,677,030
1914.....	46,928,000	23,075,000
1919.....	993,154	14,693,113
1920.....	30,251,806	21,706,660
1921.....	20,513,801	17,861,350
1922.....	26,523,377	32,110,750
1923.....	35,000,916	42,570,066

Down to 1914 Germany's exports to us exceeded our imports to her by £144,078,490. From 1919 our imports to Germany exceeded her exports to us by £15,658,885. What is the inference?—Yours, &c.,

Manchester, May 19th, 1924. ALFRED E. LEAF.

BURDENS ON AUSTRIAN EMPLOYERS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In the number of your gazette of April 19th, which was unfortunately delayed in transit, your Austrian correspondent erroneously asserts that the burden on employers for social purposes has reached 26 to 30 per cent. of the wages actually paid.

The amount paid by the employers for sick insurance is 6,000 kronen, for unemployment insurance 7,500 kronen, and for employment bureau 180 kronen per week. The child maintenance is included in the above sums.

On the whole the contribution by the employers to the social welfare insurance of their workers amounts to 13,680 kronen per week. These payments are made on behalf of the best-paid workers, who, as a rule, earn on an average 400,000 kronen a week (£1 5s). The contribution, therefore, by the employer amounts to 3.4 per cent. of the wage paid. This amount is reduced in the case of higher-paid workers. To this must be added the insurance against accidents, which is graded according to the amount of risk involved in the different factories in which the workers work, and which amounts on the average to 2.5 per cent. of the wage paid.

In Austria, a worker is entitled to one week's leave on full pay for every year he has worked uninterruptedly in the same factory, and two weeks' leave after five consecutive years. This amounts to 2 per cent. on the average, because the great unemployment in the last years has interrupted generally the continuance of employment.

According to Section 1154b of the Civil Code, a worker is entitled to be paid by his employer for the first week he is sick. On an average, it can be supposed that a worker is only sick once every two years. This, therefore, reduces the amount due for "sick allowance" to 1 per cent.

These different sums amount to, roughly, 9 per cent. of the wage paid, to which the employer is liable.

Employers count the so-called "care tax" in addition to their social burdens. This is wrong. The care tax is levied, in truth at the rate of 4½ per cent. of the wage sum from each employer, but it is no social burden in the proper meaning of the word. Its deceiving name is due to its original introduction by the municipality of Vienna, in order to liquidate the expenses of care purposes. To-day it is a tax levied by all separate States and Communes in order to cover the general expenses of administration. It is, therefore, a tax like every other tax. But if the care tax is even put among the social burdens, these amount on the whole only to 13½ per cent.

of the wage, therefore only half the sum quoted by your correspondent.

Asking you, in justice to the social administration of Austria, to give publicity to this letter, in order to avoid any misunderstanding, which, through the possible mis-information of your Austrian correspondent, may have been made public through the offices of your esteemed paper, I beg to remain, dear Sir, yours faithfully,

D. ALLAY,

First Secretary of the Chamber
Vienna, May 16th, 1924. of Labour in Vienna.

Books and Publications.

SOCIAL INSURANCE.*

FRANCE does not possess any such arrangements for compulsory insurance as have existed for more than a generation in Germany, and for the past 12 years in this country. In 1921, however, M. Millerand, then Commissioner-General of the Republic at Strasburg, prepared a scheme based upon the legislation in force in the restored provinces. A Bill was introduced into the Chamber, and was submitted to a committee for detailed examination and report. The scheme provided for compulsory insurance against sickness, invalidity, maternity, death (funeral benefit), and old age, and was to be financed by equal contributions of 5 per cent. of the employee's wages from the employer and the employee.

The main object of this volume appears to be to provide the material necessary for understanding and criticising the scheme. After two introductory chapters discussing the principles and methods of insurance, and the various forms of social insurance, the author gives a very full analysis of the scheme of 1921 as introduced into the and in shorter compass an account of the principal schemes of social insurance abroad—omitting, however, in all cases unemployment insurance, which is to be dealt with in a subsequent volume. He then gives a detailed analysis of the scheme of 1921 as introduced into the Chamber, and of the amendments made by the Committee, and winds up with a criticism of the whole project. While the scheme "presents the beautiful harmony of a work of art," it is essentially an adaptation of the legislation of Alsace-Lorraine (which is only a modification of the German law), and does not take account of the French national temperament. He questions the financial soundness of the scheme, and expresses the view that the economic repercussions of a proposal which would impose a charge equivalent to 10 per cent. of wages would be much greater than is expected. The scheme he considers is much too massive to be applied all at once; it will have to be broken up and applied piecemeal.

* "Les Assurances Sociales." By H. Gleize. (Paris) Félix Alcan 1924. 8 frs net.

A SOLDIER WITHOUT ARMS.*

To those who knew him, Dr Clifford's journey through life was an epic of the triumph of will over adverse circumstances. At nine years of age he went to a spinning factory as jacker-on, "to work at times not ten hours a day, but often sixteen, and sometimes twenty, and occasionally beginning on Friday morning at 5 o'clock and not ceasing to work until 6 o'clock on Saturday night." He preached his first sermon when fifteen and a-half, and passing from Leicester to London, he continued his studies at University College, where he took four first-class degrees in five years. Immersed in many of the great educational and social movements of his time, Dr Clifford was closely associated with many great contemporaries. The reader will find in these pages unpublished letters and reminiscences of Gladstone, Morley, Stead, Bannerman, Parker, Spurgeon, and other leaders of thought and action; personal recollections of many political campaigns and social reforms; religious controversies, together with many piquant incidents from diaries and letters. His courage, vitality, and devotion to duty made his life an inspiration to those who came under his influence, and won the respect even of those

* "Dr John Clifford, C.H.: Life, Letters, and Reminiscences." By Sir James Marchant. (London) Cassell. 12s 6d.

who differed from him on the political and social questions into which he threw himself with so much zeal. In that frail body the spirit of Cromwell, his hero and mentor, abode. A book which the old might read to the young, and both derive profit therefrom.

A SHIPPING DIGEST.*

THE digest which has now been issued of the cases in the first ten volumes of the "Lloyd's List Law Reports" will be very useful to subscribers to that series, though covering only the period down to Hilary Sittings, 1922. Issued without any kind of preface or explanatory note, except an intimation that no prize cases are included, the digest appears, on examination, to be very well done. Summaries of the decisions contained in the volumes of reports are arranged under an alphabetical series of headings, and there are many added cross references which will be useful. These summaries or headnotes are new, for the reports themselves are deficient in not being provided with the headnotes usual in other similar publications. Such notes, giving concisely the main points of each case, require, of course, very skilled preparation, but they are valuable to the point of necessity as a means of gathering readily the substance of that which is laid down at large in the full judgments. The more, therefore, that the digest is found to deserve welcome, the greater is the emphasis laid on the defect—which continues in current issues—of the reports themselves. A reviewer is thus handicapped in expressing appreciation of the work of the compilers of the digest. Nevertheless, praise is due to them. Apart from the full reports, the digest presents in a conveniently condensed form the shipping, insurance, and commercial decisions of the Courts during the period to which it relates, and a successor to the present volume, bringing the summary more nearly up to date, may perhaps be looked for in due course.

* Digest of vols. 1-10 of "Lloyd's List Law Reports," edited by C. W. Muir and R. U. Davis, Barristers-at-Law. (London) Lloyd's, 1924.

THE STATESMAN'S YEAR-BOOK.*

THIS is the 61st issue of the *Statesman's Year-Book*. Special attention has been given to recent constitutional changes in various countries. It will be recalled that new Constitutions have been adopted in China, Egypt, and Russia, and that fundamental innovations have been introduced into the Constitutions of Greece, Italy, Spain, and Turkey. These changes are all set out in detail in the *Year-Book*. The section relating to the last-named country has been brought up to date to accord with the arrangements made in the Treaty of Lausanne, the territorial changes of which are also indicated in a first map accompanying the volume; and it has been found possible to collect together some statistics concerning Ireland.

The introductory tables contain, as usual, a number of world surveys, including comparative statistics in regard to taxation, revenue and expenditure, and debt charges; a conspectus of the League of Nations; and a list of the more important recent Treaties, and also of the more important international organisations.

BOOKS RECEIVED.

- The National Debt.* By F. W. Pethick Lawrence, M.P. (London) Labour Publishing Co. 2s 6d.
Journal du Droit International. (Paris) Marchal and Billard, 27 place Dauphine. 6f.
Annual Report of the Controller of the Currency. 1923. (Washington) Government Printing Office. \$0.75.
Co-operative Movement in Russia. By Elsie Terry Blanc. (London) Macmillan and Co. 12s net.
New Zealand Official Year-Book. 1924. (London) New Zealand Government Office, 415 Strand, W.C. 2. 7s 6d.
Journal of the Royal Statistical Society. March, 1924. (London) Royal Statistical Society, 9 Adelphi terrace, W.C. 2. 7s 6d.

* "The Statesman's Year-Book." (London) MacMillan and Co., Limited. 20s.

The Annals of the American Academy of Political and Social Science, May, 1924. Edited by Clyde L. King. (U.S.A.) The Rumford Press Building, Concord, N.H. \$2.00 paper, \$2.50 cloth.
Cyprus. (London) Crown Agents for the Colonies, 4 Millbank, S.W.1. 2s 6d, postage 4d.

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Liverpool Foreign Branch 45, Castle Street, Liverpool.
Manchester Foreign Branch 94, Portland Street, Manchester.
Bradford Foreign Branch 13, Market Street, Bradford.

STOCK EXCHANGE NEWS. SETTLING DAYS.

TICKET, ACCOUNT,
June 11. June 12.

The bulk of the business transacted in the Stock Exchange this week has been in gilt-edged and investment securities. The rapidity with which sound stocks are absorbed is counteracted to some extent by the outpouring of new issues, which is a welcome enough factor in the Consol market, having regard to the pronounced appetite of the public for high-class stocks in the present absence of signs of a healthy trade revival. A slight tightness in money caused a little hesitation to develop in the middle of the week, but this was regarded as likely to be temporary only. Abundance of capital is available for investment, and the public are wisely intent upon safety, speculation being relegated to a very secondary position.

Notwithstanding the appearance of a substantial Australian 5 per cent. issue at 100, a price which evoked gentle criticism, Colonials are on the rise, and a number of improvements have occurred this week. The War Loan has changed hands frequently at 101. It looks as though some proprietors are investing in advance the interest cheques which they will receive next Saturday. The new 4½ per cent. Conversion, business in which started at 97½, rose above 98. A feature is a substantial rise in many Government and Indian Railway securities, a score or more of these stocks gaining from 1 to 3 points. Home Railway trustee securities are in active request; a number of prices show rises on the week.

The subscription lists of the new Czecho-Slovakian Loan were closed promptly, and on this the existing issue rose to 99. French bonds are better. Chileans remain a good market, and at rising prices. The swift rise in Chinese 8 per cent. bonds, of both classes, sustained a check on a mild rush to sell, and part of the previous advance was lost. Mexican Government bonds weakened, in consequence of fears in regard to the ability of the country to maintain regular payments of the coupons. Brazilians have been irregular. A dramatic rise in Riga 4½ per cents. suggests that negotiations are again afoot for dealing with the overdue interest on the bonds of the city.

The Home Railway market suffers from want of public interest, and the carry-over last Tuesday showed that the open account is now reduced to negligible proportions. Prices are dull and the market is languid. Holders of Grand Trunk Pacific Debenture stock are becoming restless at the continued silence in regard to what is happening in connection with their security. Mexican Railways are heavy, and Brazilians went back. Argentines keep tolerably steady. The Antofagasta dividend, making 7 per cent. for the year, is the lower of the two market estimates, and the price eased off at first, to rally later. The stiffening in United of Havana has dividend expectations for its impulse. Nitrates have been neglected during the week now ended.

Rubber dropped to 9½d per lb before it recovered to 10d, and the share market is in a more or less parlous condition. The oil market has been distinguished by the activity in British Controlled shares, prices being higher on the week. A rather better tone crept into the market as a whole, on hopes that the recent cut in crude oil will prove to be short-lived. Tea shares are tolerably good, in consequence of another batch of excellent dividends. Animation, however, is not quite so marked as it has been lately, and the Lungla dividend disappointed the market. The iron and steel group remains under the unfavourable influence produced by the passing of the dividend on Vickers ordinary shares.

[illegible]

Foreign Government Securities.

Price Last Week.	Price Last Week.	Price Last Week.	Price Last Week.
Argentine 5%, 1885-7...	100	100	100
Austrian 6% Guar. 1914...	94 1/2	94 1/2	94 1/2
Belgian 3%...	71	71	71
Brazil 5% Fund., 1914...	77	77	77
Chilian 4 1/2%, 1895...	86	87	87
Do 7 1/2%...	107 1/2	108	108
Chinese 5%, 1912...	68	70	70
Egyptian 4%...	74	74	74
French 5%...	243 1/2	243 1/2	243 1/2
Do 4 1/2%...	193	193	193
Greek 5%, 1884...	54 1/2	56 1/2	56 1/2

Colonial and Foreign Railways.

Price Last Week.	Price Last Week.	Price Last Week.	Price Last Week.
Antofagasta Cons...	88 1/2	88 1/2	88 1/2
B.A. and Pacific...	78	78 1/2	78 1/2
B.A. Gt. Southern...	87 1/2	87 1/2	87 1/2
Buenos Ayres West...	73 1/2	73 1/2	73 1/2
Canadian Pacific...	170	171	171
Central Argentine...	72 1/2	72 1/2	72 1/2

Mines.

Price Last Week.	Price Last Week.	Price Last Week.	Price Last Week.
Broken Hill Prop. (A.I.)...	3 1/2	3 1/2	3 1/2
Chartered (A.I.)...	1 1/2	1 1/2	1 1/2
Cons. Gold Fields (A.I.)...	1 1/2	1 1/2	1 1/2
Crown Mines (A.I.)...	2 1/2	2 1/2	2 1/2
De Beers Def. (A.I.)...	12 1/2	12 1/2	12 1/2
East Rand Prop. (A.I.)...	4 1/2	4 1/2	4 1/2
Geduld (A.I.)...	3 1/2	3 1/2	3 1/2
Gov. Gold Areas...	6 1/2	6 1/2	6 1/2

ANALYSIS OF BALANCE-SHEETS.

ROYAL MAIL STEAM PACKET COMPANY.

LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1922.	Amount.	Compared with Dec. 31, 1922.
Ord. stock	5,000,000	Fleet	19,004,115
5% pref. stock	900,000	Coal	64,826
6% cum. pref.	2,500,000	Premises	35,377
4% deb. stock	1,400,000	Plant	1,158,600
5% deb. stock	3,100,000	Stores	52,000
Debt, unsecured	174,227	Unex. insurances	106,567
Div. unclaimed	1,360	Debtors	15,119
Reserve fund	1,600,000	Investments	269,516
Insurance acct.	1,177,605	Freights	241,627
Bills payable	1,033,747	Pending voyages	117,310
Sundry balances	4,843,516	Cash, bills rec., &c.	191,028
Profit and loss	330,533		592,842
Total	22,460,988	Total	22,460,988

VICKERS, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1922.	Amount.	Compared with Dec. 31, 1922.
Ord. shares, £1. 12,315,483	..	Land, buildings, machinery, &c.	19,004,115
5% cum. pref., £1. 6,863,807	..	Interest in sub.	64,826
5% pref. stock	750,000	sidary cos.	35,377
5% pref. stock	750,000	Marketable securities	1,158,600
4% deb. stock	1,400,000	..	52,000
Int. accrued	3,291	..	106,567
7% notes	1,500,000	..	15,119
Int. accrued	40,688	..	269,516
Creditors	4,743,530	..	241,627
Reserve acct.	4,755,487	..	117,310
Profit and loss	802,635	..	191,028
Total	33,774,921	Total	33,774,921

EAGLE OIL TRANSPORT COMPANY, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1922.	Amount.	Compared with Dec. 31, 1922.
7% cum. pref., £5 2,000,000	..	Cost of steamers, &c.	10,016,129
Ord. shares, £5 3,000,000	..	Stock of repair stores	9,112
7% 12 yr. notes	1,821	Debtors	317,344
Depreciation	2,644,934	Cash and loan	1,376,256
Repair and other reserve	508,461	..	58,483
Prof. shareholders for dividend	47,142	..	167,197
Noteholders for interest	37,043	..	34,554
Sundry creditors	866,551	..	231,138
Profit and loss	156,410	..	402,760
Total	11,718,841	Total	11,718,841

RUBBER PLANTATIONS INVESTMENT TRUST, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1922.	Amount.	Compared with Dec. 31, 1922.
Ord. shares	2,000,000	Investments	1,367,664
Reserve	500,000	Properties	1,162,873
Temporary loans	60,000	Sundry debtors	44,102
Sundry creditors	109,860	Loans & advances	80,858
Profit and loss	196,551	Stocks of produce	95,461
		Stores & materials	13,003
		5% War Loan at cost	99,286
		Cash	5,174
Total	2,866,411	Total	2,866,411

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

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended May 16, 1924.	Miles Open.	Week ended May 18, 1924.			Aggregate 20 Weeks, 1924.		
		Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Re- ceipts.
Great Western.....	3,754	230,000	361,000	591,000	4,260,000	6,798,000	11,058,000
Do for 1923.....	3,754	230,000	376,000	606,000	4,615,000	7,378,000	11,993,000
London & North Western.....	6,703	384,000	716,000	1,100,000	7,230,000	13,845,000	21,075,000
Do same period 1923.....	6,701	461,000	736,000	1,197,000	7,552,000	15,380,000	22,937,000
London, Mid., & Scottish.....	6,942	576,000	903,000	1,479,000	10,403,000	17,635,000	28,038,000
Do for 1923.....	6,940	735,000	923,000	1,658,000	11,177,000	19,114,000	30,291,000
Southern.....	2,146	298,100	119,300	417,400	5,524,900	2,249,500	7,774,400
Do for 1923.....	2,146	361,400	119,300	480,700	5,777,700	2,423,600	8,201,300
Metropolitan (a).....	79	38,744	3,821	42,565	686,251	75,152	761,403
Do for 1923.....	79	32,934	3,600	36,534	637,946	77,772	715,720
Underground E.R. (c).....	..	..	..	251,670	..	..	4,303,358
Do for 1923.....	..	..	..	30,241	..	..	688,361
Lon. & Sub. Group (c).....	..	..	..	40,878	..	..	84,673
Do for 1923.....	..	..	..	2,569	..	..	104,522
Belfast & Co. Down (b).....	80	4,111	1,326	5,437	78,304	26,218	104,522
Dublin & S. East (b).....	160	5,147	3,279	8,426	104,040	75,459	179,499
Gt. Northern (Ireland) (b).....	562	17,850	20,000	37,850	336,050	409,650	745,700
Gt. Sth. & Western (b).....	1,151	21,285	30,131	51,416	414,479	633,110	1,047,589
Midland Gt. West. (b).....	538	8,142	15,865	24,007	164,679	283,321	448,000

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1924. + or -	1924. + or -
INDIAN.					
Assam Bengal.....	3 weeks	Apr. 19	1,072	Rs. 2,38,000	Rs. 6,17,000
Barri Lt. Ry.....	4 weeks	26	118	43,700	1,57,400
Bengal & N. Western.....	3 weeks	19	2,062	7,37,650	77,119
Bengal Nagpur.....	3 weeks	19	2,738	17,22,000	1,39,520
Bombay, Bar., & C.I.....	7 weeks	May 17	1,000	25,10,000	1,94,000
Burma.....	52 weeks	Mar. 31	1,342	12,97,552	2,07,136
Delhi, Umballa & Kalka.....	6 weeks	May 10	239	1,00,000	1,501
East Indian.....	7 weeks	17	2,873	36,49,000	3,28,000
G. Indian Peninsula.....	7 weeks	17	1,643	31,88,900	5,56,700
Madras & S. Mahr.....	4 weeks	Apr. 26	3,029	17,00,000	59,745
Rohilkhand & Kumaon.....	3 weeks	19	259	65,319	708
Do Lucknow-Brelly.....	3 weeks	19	314	84,654	898
South Indian.....	4 weeks	26	1,877	10,71,001	20,341

ARGENTINE (a).

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1924. + or -	1924. + or -
Argentine N.E.	46 weeks	May 17	754	15,000	1,500
Argentine Trans.	45 weeks	10	1,324	3,804	1,154
B.A. and Pacific	46 weeks	17	3,943	20,000	22,000
B. A. Gt. Southern	46 weeks	17	3,943	21,000	28,000
B. A. Western	46 weeks	17	1,882	103,000	17,000
Central Argentine	46 weeks	17	3,305	225,000	1,000
Cordoba Central	46 weeks	17	1,325	60,000	4,000
Entre Rios	46 weeks	17	729	27,000	8,300

CANADIAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1924. + or -	1924. + or -
Canadian National.....	19 weeks	May 14	22,680	4,325,346	452,886
Canadian Pacific.....	19 weeks	14	13,657	3,087,000	83,000

BRAZILIAN (b).

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1924. + or -	1924. + or -
Gt. West. of Brazil.....	20 weeks	May 17	1,011	7,900	100
Leopoldina.....	20 weeks	17	1,831	27,409	8,440
San Paulo.....	20 weeks	18	1,534	43,048	17,909

CHILEAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1924. + or -	1924. + or -
Antofagasta.....	20 weeks	May 18	15	368	36,315
Nitrate (4-monthly).....	19 weeks	15	366	37,408	10,209

CUBAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1924. + or -	1924. + or -
Havana Central.....	46 weeks	May 17	10	1,249	12,616
United of Havana.....	45 weeks	10	1,249	107,096	39,605

URUGUAYAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1924. + or -	1924. + or -
Central Uruguay.....	46 weeks	May 17	273	28,377	2,758
C. Urug. (East. Ext.).....	46 weeks	17	311	6,820	1,022
C. Urug. (North. Ext.).....	46 weeks	17	185	3,478	444
C. Urug. (West. Ext.).....	46 weeks	17	211	3,192	363

OTHER OVERSEAS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1924. + or -	1924. + or -
Alcoa and Gambia.....	20 weeks	May 17	33	15,000	3,000
Egyptian Delta.....	1 week	Apr. 30	104	6,333	542
Gt. Southern of Spain.....	19 weeks	May 10	104	13,376	16,263
Mexican Railway.....	19 weeks	May 10	432	255,800	1,833,330
New Cape Central.....	17 weeks	Apr. 26	205	2,155	383
Paraguay Central.....	46 weeks	May 17	274	4,620	840
Salvador.....	46 weeks	17	100	4,463	65

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.	Total Receipts.
				1924. + or -	1924. + or -
Anglo-Argentine.....	20 weeks	May 20	329	489,312	5,211
Isle of Thanet.....	1 week	Apr. 30	12	2,344	305
Calcutta Tramways.....	20 weeks	May 17	354	125,458	6,465
Chatham & District.....	19 weeks	15	15	21,491	37
Egyptian Markets.....	19 weeks	15	..	1,976	886
Glasgow Corporation.....	50 weeks	17	106	246,547	2,618
Tramways.....	31 weeks	7	..	4789	129
Liverpool Corporation.....	7 weeks	17	124	524,760	1,687
L.C.C. Tramways.....	7 weeks	21	163	478,683	12,446
Madras Elec. (2 wks).....	19 weeks	15	..	49,943	2,198
Pernambuco Trams.....	20 weeks	18	..	44,100	641

COMPANY MEETINGS, &c.

CENTRAL MINING AND INVESTMENT CORPORATION, LIMITED.

SUCCESSFUL RESULTS OF YEAR'S TRADE.

INCREASED PROFIT AND DIVIDEND.

RESIGNATION OF SIR LIONEL PHILLIPS, BART.

SIR SOTHERN HOLLAND THE NEW CHAIRMAN.

The nineteenth ordinary general meeting of the Central Mining and Investment Corporation, Limited, was held on the 21st instant, at No. 1 London Wall Buildings, London, Sir Lionel Phillips, Bart. (the chairman), presiding.

The assistant secretary (Mr R. A. Macqueen) having read the notice convening the meeting, and also the auditors' report,

The Chairman addressed the meeting as follows:—Gentlemen,—Every speaker of experience endeavours to get upon good terms with his audience as soon as possible. Acting upon that excellent principle, I will make the most telling point in my address at once—namely, that the profits for 1923 exceeded those of the previous year by £156,000. That announcement, coupled with the recommendation that you should sanction an increased dividend and add £150,000 to the reserve fund, might satisfy all requirements, especially as the audited accounts now before you are so clear, but the time-honoured custom of making some analysis of the accounts and comparing the results with those of the preceding year (which I do not think is a good one, as it relieves indolent shareholders of the labour of making calculations for themselves) impels me to detain you a little longer.

BALANCE-SHEET ITEMS.

Turning to the balance-sheet, we find an increase in liabilities of £920,000 to creditors and credit balances, and of £42,000 in respect of the increased distribution now recommended. Against this we have in gilt-edged securities an increase of £490,000 and in loans of £492,000, or a total of £982,000. On the other hand, there is a decrease in debtors of £30,

organised for the output of a large tonnage, and the reduction of that tonnage has exactly the same effect upon them as a reduction of output in a very large factory. In view of the general outlook having improved, this mine was encouraged to acquire further deep level areas, partly from the Government and partly from other holders, and in consequence it has been decided to sink a third deep level vertical shaft in the south-western portion of the property in order to expedite development in that section of the mine. The ore reserves now amount to over 9,000,000 tons, having a value of 6.4 dwts. The development position is, therefore, satisfactory. It is difficult to envisage what 9,000,000 tons mean in space. Let me give you an illustration. A ton of basket ore in the solid occupies twelve cubic feet. Try to picture a block of buildings two miles long, 100 feet high and 100 feet deep, and you would still be a little short of the cubical space occupied by the 9,000,000 tons. That gives some idea of where the money goes in development. In a mine the ore reserves are not in a solid block, like the block of houses, but adjoin tunnels, galleries, winzes and raises scattered over an enormous area.

DURBAN ROODEPOORT DEEP.

Durban Roodepoort Deep, Limited.—There is perhaps a greater change for the better in this mine than in any other under our administration. Alterations in the plant enable a bigger tonnage to be dealt with; thus, last year was a record in that respect. Working costs, compared with 1921, are less by 7s 8d per ton. The circular shaft now sunk to the final depth at present contemplated is connected up with the workings on the 17th level. Ventilation and working conditions have benefited greatly, and an additional compressor has been installed, which will permit the substitution of jack-hammers for hammer-boys in almost every case and materially decrease the number of natives required. I believe that further reductions in working costs are to be expected. One hundred and twenty-nine claims purchased from the Princess Estate and Gold Mining Company, Limited, are now in process of de-watering and will add considerably to the life of the mine.

MODDERFONTEIN B.

Modderfontein B, Limited.—This mine has had a very satisfactory year from the standpoint of the extent of its operations and working profit. A very extensive programme has been carried out and a considerable tonnage developed, but the value of the ore is less than that of the present ore reserves. In recent months there has been an improving tendency both in the value and percentage of payability of the ore exposed, and it is hoped that some of the considerable areas still unexplored will yield good results. The value of the gold contents of the ore sent to the mill will gradually be lowered to conform with the value of the present ore reserves. Some slight reduction in the grade of ore milled may, therefore, be expected during the present year.

MODDERFONTEIN EAST.

Modderfontein East, Limited.—At this mine the outlook has greatly improved, which is mainly due to working conditions. Indeed, the outlook is such that we felt justified in recommending the board of this company to raise a large amount of working capital in order to provide their own crushing plant. I feel no hesitation in saying that, under present conditions, the outlook of the mine fully justifies the course decided upon. The area of the property is very large and a good deal of low-grade ore has been developed. In that respect this mine differs considerably from some of its neighbours, where, as a rule, the deposit is either quite rich or almost barren. But in addition to the low-grade ore there is a section of the mine which has always produced high-grade ore, and this section has, on the whole, continued to give satisfactory indications during the year, and, in a portion of the property in which development has until quite recently exposed ore of a medium grade only, another considerable patch of high-grade ore, the extent of which cannot yet be determined, has been encountered. This is certainly an encouraging feature, and I think the outlook for this company, with its reduced capital, and plant capable of crushing 50,000 tons per month, is quite promising.

NEW MODDERFONTEIN.

New Modderfontein, Limited.—I need say very little about this mine, which maintains its almost unique reputation, and its great ore reserves. It has been decided to sink a new circular shaft in the south-west corner of the property, where development will then be actively prosecuted. Sand filling will be resorted to in some of the wide stopes in order to guard against a possible contingency of caving and consequent loss of valuable ore. These steps will no doubt have the desired effect. I do not think it is necessary to detain you longer on the subject of the gold mines.

DIAMOND INDUSTRY.

As stated in our report, the demand for diamonds improved last year and evinced power to absorb increased production. During the first few months of the present year business continued on a

satisfactory scale, but inquiry has slackened somewhat during the last few weeks. The diamond trade differs in many respects from any other trade and requires careful watching and handling at all times. The highly efficient organisation which deals with it to-day has been built up gradually over more than thirty years, and during that period has always adapted itself to the varying nature and volume of demand and supply. Throughout there has been close co-operation and a good understanding between the trade and the producers. It was at a critical period in 1888 that the pioneers of South African mining concluded the fusion of the great Kimberley mines and laid the foundation for the steady progress and prosperity of the diamond industry. The discovery of new fields led, after some years, to conferences of producers, and arrangements were eventually made which proved eminently suitable for a good many years. More recently further new diamond fields were discovered and new interests created. These constitute fresh problems which I am confident will be successfully solved if they are faced courageously and approached in the light of long experience gained in dealing with similar problems. Holding in view the increased buying power of the world, and the successful achievements of the past, there should be no doubt that appropriate steps will again be taken to safeguard the interests of the producers, the trade, and the respective Governments concerned.

TRANSVAAL CONSOLIDATED PLATINUM DISCOVERY.

Before passing from South African affairs, there are two subjects to which I should like to refer. During my last visit to South Africa I took the opportunity of proceeding to the Waterberg district, where a discovery of platinum has been made. I refer to this matter because of the interest awakened by the new discovery in South Africa. The Transvaal Consolidated Land and Exploration Company, Limited, has a substantial participation in the Transvaal Platinum, Limited, formed to exploit the discovery on one of its leased farms. The work upon their property was being done by hand, and, therefore, was necessarily slow, but in a lateral distance of about 1,200 feet some very interesting and rich samples have been found. Indeed, the general impression I formed, without, of course, being able to look into the ground, was that that particular property had quite a good chance of being successful. Platinum has hitherto been won from alluvial deposits; it has, I believe, been located in reefs, but never consistently or sufficient in quantity to be worked at a profit. The area I have just referred to seems to be an exception. The formation in which the metal occurs is extremely strong, and traverses the country for something like a hundred miles. On your behalf we have acquired options on a considerable number of farms, but prospecting by crosscuts has not, up to the present, given any encouraging results on these latter areas. Considering the extent of country in which the vein is found, it is, of course, impossible to form any idea of the potentialities.

COTTON CULTIVATION.

I have just referred to the Transvaal Consolidated Land and Exploration Company in its connection with the platinum enterprise. I may now refer to its very extensive holding in land. Cotton-growing unquestionably affords a field for further expansion in a good many localities in South Africa, and I took the opportunity of visiting a number of places where cotton is being grown. There are no doubt some areas in which its culture is proceeding where the prospects, for climatic reasons, are not too favourable, but there are others, and notably the low country from Zululand up to the boundary of the Union in the north, where conditions appear to be quite promising. In that region I saw some flourishing cotton fields. I may say that the Transvaal Consolidated Land and Exploration Company, in which we hold a considerable interest, possesses a good deal of land in the region referred to. I was told that along the banks of the Orange River cotton is being successfully produced, but the length of my stay did not allow me to travel so far.

OIL.

The improvement in the outlook for the Trinidad Leaseholds has been very marked. Production for the financial year which is approaching completion will be the highest in the history of the company, and the quantity of oil purchased from other companies is also likely to exceed the previous record. The larger quantities handled had their natural effect on profits, and the outlook is very promising.

We continue to hold a very optimistic view of the future of the North Venezuelan Petroleum Company. Notwithstanding the fact that mechanical difficulties necessitated the cessation of drilling in the first test well before oil in commercial quantities was reached, the information obtained during drilling operations is regarded by the experts as very encouraging: the oil obtained from the small shows encountered was of a high quality, similar to the best so far found in Venezuela. It is hoped that during the present year wells

will be completed in two areas, about 18 miles apart, between which exists an almost continuous structure with favourable indications. Owing to the nearness of deep water, the transport of oil will not present the difficulties which restrict the rapid development of the oilfields in the Maracaibo basin.

Shareholders will have seen that an important step has been taken by the board of Messrs Williams, Foster, and Co. and Pascoe, Grenfell, and Sons, Limited, in the amalgamation of their interests with those of Messrs Vivian and Sons, Limited. Under this arrangement it is proposed to form a new company, which will pursue a progressive policy under strong management. It has long been felt that some such step was necessary in the interests of the copper trade of this country in order to meet growing competition in overseas markets. We look forward with confidence to the benefits which will accrue from the added strength thus secured.

BERNHARD SCHOLLE AND CO.

With regard to our connection with Messrs. Bernhard Scholle and Co., Limited, I may say that the relations are of a very cordial character. Our representative on their board acts as chairman of the company; he keeps closely in touch with its current affairs and takes an active share in discussions of policy. The directors of the company are pursuing the conservative policy of building up reserves, thus strengthening the present position and providing for expansion.

MOND NICKEL COMPANY.

You will see in the report the announcement that we have associated ourselves with the Mond Nickel Company, Limited, in the investigation of mineral prospects in Canada. I have watched for a good many years the growth of mining enterprise in that country, and have felt it was a sphere which we should not ignore. We were offered a property which seemed to have prospects, and, in consequence, our consulting engineer paid a visit to that country. The business in question came to nothing because we considered the terms too unfavourable. When the opportunity occurred, however, to join with a company of the highest standing, having in Canada a skilled staff, we decided to embrace it, and we have added an eminent engineer of our own to the organisation. Certain propositions are under consideration, but, pending negotiations, there is nothing that I can advantageously tell you of possibilities to-day.

SOUTH AFRICA.

Passing from immediate business matters, I should like to make some general remarks upon affairs in South Africa, whence I returned quite recently, but, as a general election is impending there, and as it is impossible to avoid subjects upon which political parties differ, it is perhaps wise to curb my inclinations. I can only hope that the true welfare and progress of the Union may dictate the policy of the future Government, and that some of the ideas and theories enunciated may find no place in enactments—legislative or administrative—because I am quite sure they would in practice produce consequences of a disastrous nature. There I must leave the matter.

TRADE QUESTIONS.

In the world at large some of the well-proven laws of economy are still being flagrantly violated. But an awakening consciousness is visible (a) that debts are debts and will not settle themselves, and (b) that "outrunning the constable," pleasant pastime as it may be, cannot proceed indefinitely. I do not wish to labour that subject to-day, but think a few observations may be profitably made upon trade questions. Do the fierce champions of Free Trade or Protection, for instance, realise that there is no virtue in either label? Trade, in the big sense, is so complex that no fixed principle can govern all cases. Problems in chemistry or metallurgy are resolved by experiment. Trade problems are susceptible of similar treatment. Cheapness may be dear, and dearness cheap. Potent arguments can be adduced in support of either Free Trade or Protection, but the extreme divergence of opinion is good ground for suspecting the accuracy of either theory. I would not venture into this thorny subject upon theoretical grounds only, but I have witnessed in a new country the establishment of two great industries which in turn were the sole source of wealth. In the early days of the diamond mines and the gold mines, money for their development was supplied from the outside, but the time came in both instances when each industry had to depend solely upon its own production. There were no other industries or sources of wealth to sustain the population. On more than one occasion I had calculations made to discover the amount remaining after paying for stores supplied from overseas and despatching the dividends due to non-resident shareholders. The residue, in each case, divided among the white population alone, was insufficient to sustain it. These are simple facts. There were no auxiliary trades, distributing industries, or other sources of support. How did the people live? Upon the fertilising value of past production, doing duty over and over again. That is the conclusion I came to, and its correctness has

never been challenged. It has led me to the conviction that anything produced from the ground in one's own country is infinitely more valuable than what is commonly regarded as wealth produced in any other way. Production from the surface of the soil, or below it, has a value to the country transcendently greater than its market price. Is it not possible that, in spite of all the literature upon economics, the subject still holds secrets which have not been disclosed? Besides, we live in a world of change, and the laws of economy which may fit one set of conditions may be, and must be, unfitted to another.

FACTORS TO BE CONSIDERED.

The extreme Free Trader would admit all commodities free of duty. He stands for cheapness, and argues that money saved by importing commodities cheaper than home industries can supply them releases money to be spent otherwise. It is obvious that no country could sustain its people and find work for them if all its commodities were imported. The extreme Protectionist would set up a tariff wall against all articles that can be made at home, even though the country was not well suited to sustain the particular industry, and the cost to the consumer would be greater. Are they not both wrong? Is there not a sound central course which expert investigation could find? Without attempting to decide whether the McKenna duties are sound or unsound economically, their abolition apparently without full inquiry must be condemned. Such procedure is not business. The real test as to whether a home industry is worth creating or defending depends upon its scope. By this I mean the amount of employment it can give, the amount generally it is able to spend in the homeland, and the sale price of its product in relation to the total working cost. The study of these factors and the comparison of the cost of home production versus importation enables a rational basis to be arrived at. £1,000 earned in a foreign business and brought home adds £1,000 to the wealth of the nation. But the £1,000 earned entailed the payment of wages, as well as outlay and profit on raw materials, and may indeed have resulted from a turnover of many thousands. Those items remain abroad, and benefit the people there. Spent at home, they would stimulate trade, and add something to the £1,000 of final profit. Scientific tariffs presuppose a careful review of all the conditions involved. That capable and honourable men could frame them is indubitable; and the well-known danger of corruption need not be apprehended if party politics were rigidly banned. That is asking a good deal, of course, but the prospective benefits would be so great that any party securing them would be in high favour. Last year I endeavoured to expose the fallacy that, in the present-day standard of civilisation, a dividing line can be drawn between the essential and the non-essential. I am touching upon the trade question to-day, because it behoves us all to contribute our mite on such vital subjects.

I regret to announce the retirement from the board of Mr T. J. Milner, who was associated with us for so long, and of one of our French directors, Monsieur Le Vicomte G. de Breteuil.

CHAIRMAN'S RETIREMENT.

Now, gentlemen, I have come to the end of my address, but I have a personal communication to make to you this morning. It is now ten years, or rather over, since I accepted the chair of the Central Mining and Investment Corporation, and the time has flown in a most wonderful manner. It has been a strenuous time, I agree, but it has been also absorbingly interesting, and I must admit also that there have been anxious moments, and there have been unpleasant moments. In a reorganisation of any concern one has to take a very cold-blooded view of everyone, and to subordinate even one's personal friendly feelings to a sense of duty. Thanks also to the staunch and skilful support of my colleagues here, and good fortune also in our judgment, the corporation has prospered well, and is in a sound and growing position. I feel that the time has arrived to-day when I can with confidence relinquish my office, and I propose to do so at the end of this year. Perhaps I should make this statement—which is a fact—that I am a considerable holder, and intend to remain one, in the shares of the Central Mining and Investment Corporation. I cannot claim, gentlemen, that I am retiring because of decrepitude, but I am conscious of the fact that by the time I leave at the end of this year I shall be in my seventieth year, and I do not suppose that the scythe of Time, kind as it has been to me up to the present, will go on everlastingly failing to cut off a little bit of my vitality. I have another reason also, and that is, that I really do feel that I should now have a little more leisure to attend to my own affairs and to pursue my own tastes than has been possible while I have been chairman of this corporation. I do not suppose you know that, beyond journeys to South Africa and back, I have never had a holiday—except for one month, I think, some years ago, when I was not very well—since I have been in this chair, and it will be very strange to me to find myself at liberty. Well, I am rather like the old mule with the harness on; I do not

know how I shall feel when it is thrown off. However, I think I can face the future with some equanimity. It will be a great wrench to me to part with my friends here in London wall, with whom I have worked on such kindly terms, and I have no doubt that I shall at times miss the trammels of a fixed occupation. Well, so much for the personal side.

SIR SOTHERN HOLLAND THE NEW CHAIRMAN.

The Central Mining and Investment Corporation will be left in a most favourable condition, and, I am satisfied, in very safe hands. Sir Sothern Holland will succeed me in the chair, and I should like to say much about him, but I will not offend his modesty by saying anything that might bring a blush to his cheeks. There are, however, one or two things which you, as shareholders, will be pleased to hear from me. I have had experience of him. He is capable, he is sound, and he is cautious. He is strictly honourable from every standpoint. He is pleasant in manner and persuasive in discussions, and he is equally pleasant in dealing with subordinates as he is in dealing with people who are his equals or even superiors. We have another executive director here, who has been with the company since its inception, in Mr Heim, who is enormously industrious, is absolutely thorough in everything that he undertakes, and has, above and beyond that, real business talent. I am satisfied, therefore, that you have two very good men there. We have also a very old associate with us as an ordinary director in Mr Ffennell, and Colonel Pollen also, who is of real assistance when it comes to discussing new questions and throwing new light upon subjects as they arise. That is an invaluable thing—to have a man with a critical mind capable of putting his finger on weak spots, perhaps, in something new that comes before us. Then we have in France two distinguished gentlemen on our board—M. Maurice de Verneuil and M. Octave Homberg. I am sorry that their engagements prevent their being present to-day. I regret that our business in connection with France has been far less extensive in these days than it was in days gone by, but we need not despair about a revival in time.

EFFICIENT ORGANISATION IN SOUTH AFRICA.

In South Africa we have two very capable directors, one of whom happens to be my own son, so that I can say very little about him. The other is Sir Evelyn Wallers. I am, therefore, sure that the organisation there, with which I am closely acquainted, is good. In addition to the directorate, we have in our service a staff here and in South Africa of which I am really proud. I do not think we can better it. The service they render, from the managers at the top to the junior clerk, is always given with good will and with a desire to further the interests for which they are engaged, and I hope they will accept from me an expression of my heartfelt regret in parting with them.

When I leave the chair my successor, Sir Sothern Holland, will find that his time, now much occupied, will be taken up with a lot of things which may not be regarded always as being strictly business. You have to see people; you have to hear all kinds of propositions which are put before you, but which take up a lot of time, and are frequently not worth the labour you have to give to them. Still, that is part of the duty of a chairman. I feel, therefore, that he will not be able to do the amount of detail work which he has done hitherto, and on that account we have now arranged to secure another ordinary director, in the first instance, who is a man of outstanding ability, and as I hope he will be here some time before I leave, the transition should be able to take place smoothly.

THE RESOLUTION.

It now only remains for me to wish the shareholders every success in the future and to move the following resolution:—

"That the report and accounts for the year ended December 31, 1923, as printed and circulated among the shareholders, be and they are hereby received, approved and adopted; and that the payment of a final dividend of 6s per share and a bonus of 6s per share, both free of income-tax, to shareholders registered on the books of the company at the close of business on May 14, 1924, and to holders of Coupon No. 24 attached to share warrants, in respect of the year ended December 31, 1923, be and the same is hereby sanctioned."

I will call upon Sir Sothern Holland to second the resolution.

TRIBUTE TO THE CHAIRMAN

Sir R. Sothern Holland, Bart.: Gentlemen, in rising to second the motion before the meeting, I make no excuse for asking your indulgence while referring to the loss which the corporation will sustain by the retirement of our chairman. To speak of the work of Sir Lionel Phillips on behalf of shareholders would be to review the history of the Central Mining and Investment Corporation from its inception, and, indeed, from the very earliest days of Messrs Wernher, Beit and Co., from which it received its origin. That great firm was composed of men of marked distinction, whose success in the mining and business world is so

well known to the people of South Africa, and to those associated with that country. To mention only some of the former leaders of this corporation, the names of Wernher, Beit, Eckstein and Phillips stand out as men who played a big part in the creation of South Africa's greatest industry. Your corporation is now about to lose the services of the last of these founders of our business, and this loss certainly makes those of us who are left to conduct the affairs of this corporation conscious of the responsibilities and the traditions which we inherit. Fortunately, the traditions which have grown up, and the sense of service which has characterised the lives of our former leaders, are so deeply rooted in the personnel and the organisation in all its branches that shareholders may rest assured that their interests will continue to be served by a singleness of purpose and a close application to business.

Sir Lionel Phillips first went to South Africa in the year 1875, with the intention of proceeding to the diamond mines at Kimberley. It was not long before his ability and energy brought him to the front, and he was for some years engaged in managing important mining interests there. In 1884 he became managing director of the Griqualand West Diamond Mining Company, and later joined the firm of Messrs H. Eckstein and Co., the local partners of Messrs Wernher, Beit and Co., of London. Without attempting to trace his strenuous and successful career, I need only say that from those early days in a mining camp, working long hours in shirt-sleeves under a baking sun, up to the present day, Sir Lionel has laboured and devoted his life to the development and welfare of South Africa's mining industry. What a store of knowledge and experience he has gathered during those years is best known to those of us who have been privileged to work under his leadership.

DETAILS OF AN EVENTFUL CAREER.

I understand that there is some prospect, when Sir Lionel has more leisure, of a larger circle being brought into closer touch with his life by the publication of his memoirs. For instance, it would be interesting to read of the emotions and experiences of a man under sentence of death, told in his own words after having escaped the ordeal. This forms one remarkable incident in his eventful career.

At a later date Sir Lionel fell the victim in the streets of Johannesburg to the bullet of a man who entertained some imaginary grievance against the mining industry. After a severe operation the need for convalescence brought Sir Lionel to England, and the date of his home-coming coincided with the outbreak of war, and led to his assuming the chairmanship of this corporation in 1915.

At this time, owing to industrial disturbances on the Rand, the business of all mining houses had suffered unparalleled difficulties, with the result that the corporation's reserve fund and the profits of the year had been absorbed in order to meet the heavy depreciation of assets. Sir Lionel took two important steps. He announced that he and certain of his colleagues had decided to surrender a founder's share of 25 per cent. of the profits after 5 per cent. had been paid. He then brought about the reduction of the capital of the corporation by cancelling £4 per share of the paid-up capital which had been lost or which was unrepresented by available assets. Shareholders have since derived benefit from this sound policy, which has contributed to our shares approximating more closely to their intrinsic worth. At the time of which I speak the shares of the corporation stood in the market at under £6, while to-day they are quoted at over £11, and, generally speaking, are firmly held. Our reserve fund stands to-day at £1,000,000; moreover, our assets are very conservatively valued. This is a record of which we are justly proud, and Sir Lionel must derive great satisfaction from the fact that an improvement so marked occurred during the tenure of his chairmanship.

I speak on this occasion with feelings of personal emotion, as it foreshadows not only parting with a distinguished colleague, but it must mean the loss of daily touch with a close and valued friend. Sir Lionel, I voice the feelings of all my colleagues when I say how very much we shall miss you.

MR M. W. HENTY ON THE BOARD.

Before concluding, I wish to take shareholders into our confidence regarding our intention of strengthening the board. We have been fortunate in securing the services of a very able business man in Mr M. W. Henty, who formerly was a member of the firm of Messrs Topham, Jones, and Railton, Limited, and who is at present a managing director of Messrs Vivian and Sons, Limited. As Sir Lionel intimated to you in his address, this firm has recently amalgamated its interests with those of Messrs Williams, Foster, and Co., and the prolonged negotiations which have resulted in this amalgamation have afforded us ample opportunity of getting to know Mr Henty and of appreciating his strong personality and high business qualities. Mr Henty will join our board after the incorporation of the new copper company, which we expect will take place within the next three months.

I now beg to second the adoption of the report of the directors and of the statement of accounts.

SIR OTTO BEIT'S SUPPORT.

Sir Otto Beit: Gentlemen, on occasions like this it is usual to give preference to pure matters of business of the company, but the chairman's announcement of his intention to retire at the end of this year is one of such importance that I am sure you will allow me, following Sir Sothern Holland, to say a few words about it in its personal aspect from the shareholders' point of view, as distinguished from that of his colleagues. As Sir Lionel has told us, it is now over ten years that he has guided our destinies, but those ten years have included those most difficult years of war, and, having been here in this building throughout the whole time, I know personally what it must have meant to carry on. It was, indeed, difficult. During those ten years Sir Lionel, I can assure you, has given us of his ability and of his time in a way which is quite beyond praise, and which we can only appreciate most thoroughly. There are indeed few men who, in their experience, have gone through vicissitudes such as our chairman has had to go through. I also should like to recall that occasion when, owing to his close—very close—connection with the mining industry, he was in real danger of his life. I want to assure Sir Lionel that his friends are not likely to forget the dastardly attack upon his life in 1913, when he was already a director of this company.

Now, of the successful operations of the corporation under Sir Lionel's chairmanship I do not think I need say very much. I think that facts—and, perhaps, also dividends—speak for themselves; but to Sir Lionel himself I should like to say that we want him to know that, although we understand and appreciate the motive which prompts him to lay down his office at the end of the year, we deeply and sincerely regret his decision, and we can only hope that, although he will not be here to guide his colleagues, he will not lose touch altogether with them and with us, but will remain a kind adviser in the future.

For the future itself I have no fear whatever. We have, as Sir Lionel has himself told you, a very able board of business men, and I, as a very substantial shareholder myself, am for my part perfectly satisfied to leave the administration in their hands. Now, Sir Lionel, may you still be spared to enjoy many years of life and good health, and may you find contentment in the knowledge of the work you have done. Perhaps some other shareholder would like to say a few words in this connection.

OTHER TRIBUTES.

Mr F. Eckstein: As a former colleague and as an old friend, I would like, with your permission, Mr Chairman, just to say a few words. First, I wish to associate myself with every word which Sir Otto Beit has expressed in such felicitous terms. We shall all miss seeing you presiding at our annual meetings, and we shall all miss hearing your masterly address on these occasions. In relinquishing this position at this juncture, however, you will do so with the supreme satisfaction—and perhaps the greatest reward that you could have is in the knowledge—that you leave the corporation in an absolutely sound, healthy, and prosperous condition. I should like to add—just as Sir Otto Beit has said—that I, for one, have the fullest confidence that, under the chairmanship of Sir Sothern Holland, the business of the corporation will be conducted, as hitherto, on safe and sound lines. You and I, sir, have worked together for more years than I like to recall, as we were a good deal younger when we first became associated. During all those years there has always been among all our associates, of whom, alas! most have gone—and it is exactly 12 years to-day that our good friend Sir Julius Wernher died—throughout all this time there has existed the most perfect harmony and the most absolute trust. On your retirement, in bidding you "Good-bye," we wish you—and I am sure everybody in this room joins me in wishing you—a happy and prolonged evening to your life.

Mr L. Breitmeyer: I will not keep you, gentlemen, but I wish to say a few words. I am a very old friend of Sir Lionel. I think we first met in Kimberley in 1876, and we worked together there, and later, as partners in the old firm of Wernher, Beit, and Co., and even to-day we are working together, as Sir Lionel is a partner in my firm. I echo the sentiments just expressed by Sir Otto Beit and by Mr Eckstein. That is all I have to say.

Mr F. J. Dormer: Mr Chairman, all this is very sudden, and I may say it is very sad. I am delighted to hear the assurances that have been given by various speakers that your retirement, while it must be felt, will not lessen the careful administration which has hitherto been the keynote of success.

SHAREHOLDERS' APPRECIATION.

There is only one thing that I should like to add to what has been said, Mr Chairman, and that is that I think there ought to be some substantial tribute from the shareholders. I do not mean a substantial tribute in the sense in which you are frowning upon me at the moment, sir, but a substantial acknowledgment of our appreciation of the tremendous work you have done for this company

and the great success with which your efforts have been attended. I beg, therefore, to propose that your portrait be painted at the expense of the corporation—that is, at the expense of the shareholders—by any painter who may be selected by yourself or by your friends, and that it be presented to you as a token of our sincere appreciation of the very great and good work which you have done both for this company and for South Africa.

Mr R. W. Ffennell: As one of the original directors of this corporation, I should like to add one word to the many and well-deserved tributes which have already been paid to our chairman. We are losing an active, fearless, and big-hearted leader; but Sir Lionel Phillips, while he can look back with satisfaction to the past, can also, as he has told you, look forward with the greatest confidence to the future. He knows, among other things, that his successor in the chair will receive the same unswerving and loyal assistance from his colleagues that he himself has received. He knows that his own son in South Africa is following in his footsteps. He knows, and we all know, that the omens of success are good for this great corporation, whose destinies he has guided for so many years.

The Chairman having expressed thanks for the kind references made to him, and no questions having been asked, the motion was put to the meeting and unanimously carried.

CHAIRMAN'S PORTRAIT TO BE PAINTED.

Mr Dormer then proposed that the portrait of the chairman be painted and presented to him on behalf of the shareholders, with every indication of their appreciation of his valuable services to the company, and also that a replica of the portrait should be painted to be placed in the board room.

Mr J. L. Bergson seconded the proposition, which was carried amid applause.

The Chairman, in thanking the shareholders, said that he appreciated very much indeed what they had decided to do.

The Chairman then announced that the dividend warrants would be posted that evening, and would be payable on the following day (22nd instant).

On the proposition of the Chairman, seconded by Sir Otto Beit, the retiring directors, Mr F. R. Phillips and M. Octave Homberg, were re-elected.

Mr J. L. Bergson proposed the reappointment of Messrs Cooper Brothers and Co. as auditors of the corporation, which was seconded by Mr W. Dereham and passed unanimously.

The proceedings then terminated.

HAMBROS BANK, LIMITED.

CONTINUED EXPANSION—DIVIDEND 18 PER CENT.

The twelfth annual ordinary general meeting of Hambros Bank, Limited, was held on the 22nd instant, at the registered office, 43 Bishopsgate, London, Sir Everard Hambro, K.C.V.O. (the chairman), presiding.

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

The Chairman, in moving the adoption of the report and accounts, said: Gentlemen,—Before proceeding with the business I should like to say how much we regret the death of our esteemed colleague, Mr H. Hunter. He attended a meeting of directors on December 20th last, and we were all very grieved to hear of his death on December 31st. We have recorded in the minute book an expression of the sense of the loss the bank has sustained and of sympathy with his relatives.

You will find laid on the table the directors' report and the statement of accounts for the year ending March 31st last, and I will assume that, according to our usual custom, we may take them as read.

After payment of all expenses, making provision for rebate on bills discounted, bad and doubtful debts, income-tax, and corporation profits tax, the accounts show a profit of £301,969 6s 7d, to which falls to be added the balance brought forward from last year of £83,501 0s 1d, making an available total of £385,470 6s 8d.

After setting aside the sum of £120,000 to contingency reserve account, and allowing the sum of £60,000 for the interim dividend of 6 per cent., free of income-tax, paid on October 23, 1923, the directors now recommend the payment of a further dividend of 12 per cent., making a total of 18 per cent. for the year, free of income-tax, and that the balance of £85,470 6s 8d be carried forward.

From the figures you will see that the business of the bank continues to expand.

In the accounts for the previous year—to March 31, 1923—shareholders will recollect an item of £25,000 allocated in our profit and loss account to staff pensions fund. After very careful consideration, and after your directors having taken advice of counsel upon their powers in administering a pensions fund, it is considered to be to the advantage of both the bank and the staff that the pensions fund should continue for the present upon its original basis, and not be made into a separate legal trust. The

£25,000 referred to will consequently disappear under the head of pensions fund, and will be added to the bank's contingency reserve.

Mr H. Bendixon seconded the motion, which was carried unanimously.

GRESHAM FIRE AND ACCIDENT INSURANCE SOCIETY, LIMITED.

CHAIRMAN'S REVIEW OF THE PAST YEAR'S RESULTS. CONTINUED STEADY PROGRESS.

The fourteenth annual general meeting of the Gresham Fire and Accident Insurance Society, Limited, was held, on Tuesday, the 20th instant, at the head office of the society, 188-190 Fleet street, London, E.C., Sir Reginald MacLeod of MacLeod, K.C.B. (the chairman), presiding.

The general manager and secretary (Mr T. Brand Miller) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—There is a good deal of business before us to-day, so I will at once proceed to pass in review the accounts which are in your hands. The fire premium income amounted to £157,365, which is £16,447 more than in the previous year. The fire claims required £77,750, the ratio being 49.4 per cent., or 8.2 per cent. less than in 1922. The commission and management expenses taken together amount to 42.8 per cent., against 42.4 per cent. for 1922. After providing the usual reserve for unexpired risks a balance of £6,391 is carried from the fire account to the credit of the profit and loss account.

ACCIDENT BRANCH.

In the accident account the premium income also shows an increase, standing at £117,659, against £111,186 for the previous year, the increase being £6,473. The claims at £55,239 have been heavier, amounting to 46.9 per cent., compared with 42.1 per cent. for 1922. The increase in the accident claims occurs entirely in our foreign accident business, but the higher ratio of 46.9 per cent. is one which is really very satisfactory, on the whole, as compared with the experience of other companies doing a general accident business. The commission and expenses of management taken together in this department are 46.1 per cent., compared with 46.2 per cent. for 1922. The directors would like to see this ratio reduced, and the subject is always before them, and no opportunity is lost in effecting desirable economies which do not hamper the efficiency of the working of the business. Combining the results of the society as a whole, the total income from all sources amounted to £287,054, an increase of nearly £20,000 over the previous year. The claims paid and outstanding, amounting to £132,990, represent 48.35 per cent., against 50.74 per cent. for 1922, a reduction of close upon 2½ per cent. The expenses of management and commission represent 44 per cent., compared with 43.82 per cent., which shows a trifling increase over the previous year.

The excess of receipts over expenditure is £26,572 19s 3d, and to this amount must be added the sum of £10,020 standing at the credit of profit and loss account at the beginning of the year, and the balance of the contingency reserve, amounting to £2,500. This reserve was held to meet possible losses through non-payment of enemy debts. These have now been fully liquidated, and it is no longer necessary to retain this reserve in being. After providing for the usual reserve for unexpired risks there is an available balance of £31,071 15s 5d, against £30,870 in 1922.

Our income from investments is now over £12,000, which is an increase of £2,000 over 1922, and the directors recommend the payment of a dividend of 6 per cent., less income-tax, which is the same as last year, and will absorb £9,225. We have also applied a sum of £12,362 7s 2d for the further reduction of the establishment of business account in pursuance of our recognised policy in this matter, and the balance remaining, viz., £9,484 8s 3d, is carried forward. I referred last year to the burden of taxation, with special reference to the corporation profits tax. One moiety was removed last July, and complete repeal will take effect from next July.

RESULTS EMINENTLY SATISFACTORY.

Looking at the accounts as a whole, we are of opinion that the results are eminently satisfactory. Steady progress has been made under most adverse conditions. When I addressed you a year ago I expressed a hope that the financial and commercial difficulties of the country would gradually, but surely, be overcome. At the end of 1923 no one could point to any great improvement in the trading conditions over those of the previous year, and it is on that account all the more gratifying that the premium income of the society shows a substantial increase of close on £23,000, or nearly 10 per cent. over that of the previous year. We are also glad to see a reduction in the claims ratio to 48.35 per cent. The expense ratio is practically the same as in the previous year. All outstanding liabilities which can be foreseen have been provided for, and the

society has weathered the periods of extreme stress in the general conditions of trade at home and abroad with considerable success. The year now past has undoubtedly been one of difficulty for assurance business, and it is with a real sense of obligation that I wish to say on behalf of the board how we realise and appreciate the competence and devotion shown by our general manager and by his staff at home and abroad. I now move: "That the directors' and auditors' reports be approved and adopted, and that a dividend at the rate of 6 per cent., less income-tax, be paid upon the paid-up capital of the society." I shall ask the deputy-chairman to second the resolution.

Mr Courtenay C. S. Fooks (deputy-chairman) said: Gentlemen,—Since my colleagues on the board paid me the honour of electing me as deputy-chairman of the board two years ago it has been my practice at the annual general meetings merely to second the resolutions proposed by the chairman that the report and accounts be adopted. But on the present occasion I have been asked, and I willingly comply with such request, to add a few sentences to merely and formally seconding the resolution so ably and with such clarity proposed by the chairman. It is not necessary for me to enter into any detail on the accounts. From an insurance point of view, and having regard to the troublous and hazardous times trade has experienced for some lengthened period, I am of opinion that our position is one of which the directors and management may well be proud. Our society was started when we had no idea of the possibility of a world war. We have come through many anxious times, but with a full faith in our gradual progress and ultimate success. I think that, if we carry out the policy hitherto pursued, it will be recognised by everyone with insurance experience that such a policy has been justified. We do not aim at high figures, which mean speculative risks. But we do aim at, and I think we may fairly claim to have attained, a gradual and progressive advance in our figures on sound lines. I beg to second the resolution which the chairman has proposed.

The resolution was carried unanimously.

Immediately following the annual meeting an extraordinary general meeting was held to consider a proposal to alter the society's memorandum of association. The Chairman briefly explained the intention of the directors, which, he stated, was merely to bring the statutes of the society into line with those of other companies transacting a similar composite business. The resolution embodying the proposed alteration was put to the meeting and carried.

MOTOR UNION INSURANCE COMPANY, LIMITED.

"VERY SATISFACTORY POSITION."

The seventeenth ordinary general meeting of the Motor Union Insurance Company, Limited, was held, on the 20th instant, at the head offices, 10, St. James's street, London.

Mr C. H. Dodd (chairman of the company) presided.

The general manager and secretary (Mr H. F. Baker) read the notice convening the meeting and the report of the auditor.

The Chairman, in moving the adoption of the report and accounts, said that in the fire insurance account the premium income at £446,714 was about £6,000 less than last year. Claims paid and outstanding had amounted to £238,940—a ratio of 53.4 per cent., as against 55.3 per cent. in the previous year. Commission and expenses of management were somewhat lower, with a ratio of 44.1 per cent., against 46.1 per cent., and after making the usual reserve of 40 per cent. for unexpired risks, they had transferred to profit and loss £8,194, as against £15,086 the year before. Looking at the figures only, shareholders might come to the conclusion that the fire account was going the wrong way, as the premium income was smaller, but that was not the case. The fire account was in a very healthy condition, and the actual number of direct policies issued was far in excess of any previous year; the fall in the actual income was due to a reduction in values, which had given the company a smaller average premium per policy. The great feature was that the company's direct connection was not only being maintained in very difficult circumstances, but, in spite of keen competition, increased at all the places where the company was doing fire insurance throughout the world. The accident insurance account was only a small one, and last year it had suffered a few fatal accidents which had naturally had a severe effect, and the result was that they had had to transfer from profit and loss account the sum of £1,278. As to the employers' liability insurance account, after making the usual reserves, they were able to transfer to profit and loss £4,067, as against £5,974. The account was growing slowly, but owing to recent legislation he was afraid that employers' liability insurance was not going to show any very great profit in the future.

MOTOR AND GENERAL INSURANCE DEPARTMENT.

The main feature of their business was, however, the motor and general insurance account. The premiums there had risen from £1,030,000 to £1,092,000—a very satisfactory increase of £62,000. Claims paid and outstanding amounted to £538,775, as against

£541,960, with a ratio of 49.3 per cent., as against 52.6 per cent. After making the usual reserves they transferred to profit and loss £44,336, as against £40,814. The increase in premiums shown was a very satisfactory feature, and was really cause for more gratification than the figures themselves would actually indicate, because, here again, the fall in values had had an effect upon the account, the average premium for the insurance of cars being lower than in the previous year. They were still in the position to claim that they were doing the biggest direct motor insurance business in the world.

The marine account showed the considerable drop in the premium income from £484,071 to £343,181, but that decrease was in accordance with the desire of the directors, as marine insurance at the present time was a very difficult proposition. The board did not think, in the present circumstances, that it was advisable to transfer any sum to profit and loss from that account.

LIFE ASSURANCE AND ANNUITY ACCOUNT.

The life assurance and annuity account was in a very healthy condition; 331 life assurance policies had been issued, assuring £160,593, at annual premiums of £6,231, and single premiums of £139. After deducting reassurance premiums, the life premium revenue had amounted to £25,358. At the end of the year there were 1,555 policies in force, the sum assured and bonuses under which amounted to £732,456, of which amount £88,389 had been reassured, leaving £644,067 at the company's risk, with an annual net premium income of £25,833. The life assurance and annuity funds at the end of the year amounted to £106,422. Considering that the life assurance department had only been in existence for a few years, he thought shareholders would agree that the figures were eminently satisfactory. Dealing with the profit and loss account, the Chairman said that, out of the balance of £190,370, the year's dividend on the cumulative preference shares and an interim dividend of 4s per share on the ordinary shares had already been paid, and the board proposed that a final dividend of 6s per share should be paid on May 31st next, making a total of 50 per cent. for the year, or the same as had been paid for the past four or five years. After granting £2,000 to the staff pension fund, there would remain to be carried forward £104,116, as against £81,848 last year. Taking all things into consideration, and the difficulties of the times through which they were passing—keen competition and the cutting of rates, especially in the marine

department—he thought the shareholders would agree that the position disclosed was very satisfactory.

Mr S. D. Hollingsworth seconded the motion, which was carried unanimously.

LANADRON RUBBER ESTATES, LIMITED.

POSITION AND PROSPECTS OF THE INDUSTRY.

The sixteenth ordinary general meeting of the Lanadron Rubber Estates, Limited, was held, on the 19th instant, at 1-4, Great Tower street, London, Mr Eric Macfadyen, M.P. (chairman of the company), presiding.

Mr J. McInnes, on behalf of the secretaries (Messrs Harrison and Crosfield, Limited), having read the notice calling the meeting,

The Chairman, in moving the adoption of the report and accounts, said that last year they earmarked £8,000 for special depreciation, and this year they had further depreciated on ordinary lines. As a result, their buildings, machinery, and similar items now stood at a very conservative valuation. They had taken into the trading account 1,098,150 lbs, that being the amount they were permitted to export under the regulations for controlling export. They actually produced a crop somewhat in excess of that figure; the surplus was in the factory at the end of the year, and the profit on that surplus would be taken into the accounts for 1924. That surplus had been taken into the balance-sheet as an asset valued at the bare cost of collection and curing. That was the explanation of the item which appeared in the balance-sheet for the first time, "Advance expenditure on account of 1924." There was no other item in the balance-sheet which he need refer to, except that their liquid resources were in excess of a sum equivalent to a quarter of their paid-up capital.

PRODUCTION COSTS.

As regarded the cost of production, the f.o.b. cost, including depreciation, rose during the year to 8.05d per lb, as against 7.99d per lb last year, a rise of .06d. Part of that increase was due to the export duty payable to the Government under the Stevenson scheme. The remainder was due to the heavier incidence per lb of a fairly constant figure of general charges on a crop reduced by one-eighth as compared with the previous year. They were not, of course, producing anything like the crop they



The Anglo-South American Bank Limited.

Head Office: 62, Old Broad Street, London, E.C. 2.

Authorised Capital	- £10,000,000	Issued and Paid-up	- £4,367,330
Subscribed Capital	- £8,734,660	Reserve Fund	- £4,000,000

Northern District Office - 69, Market Street, Bradford.
Lancashire Branch - 19, Spring Gardens, Manchester.

The Bank, in addition to having 6 Branches in SPAIN, has, with its
AFFILIATED INSTITUTIONS,
THE BRITISH BANK OF SOUTH AMERICA, LTD., and
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.,
55 Offices in the principal countries of LATIN AMERICA.

AUXILIARIES:
ANGLO SOUTH AMERICAN TRUST COMPANY, NEW YORK
(Incorporated under laws of State of New York), and
BANQUE ANGLO-SUD AMERICAINE, Soc. Anon., PARIS.

might produce; in fact, they produced last year only three-fourths of that in 1920, and he would like to bring these facts to the attention of those who were disposed to criticise the Stevenson scheme as having favoured unduly the old producers as compared with the young producers. This was one of many instances which could be adduced to show that there was no justification for thinking so.

POSITION AND PROSPECTS OF THE INDUSTRY.

There was a disposition at the present moment when prices were disappointingly low to undervalue what the Stevenson scheme had done for the industry. It should be remembered that before that scheme was adopted rubber was selling at under 7d per lb, and that although the scheme had been robbed of much of the efficacy that it might have had but for the refusal of non-British producers to join in, there was no question that it had held off the market in 1923, at the lowest estimate, at least 40,000 tons of rubber, and it was only necessary to consider what would have been the effect if the overstocked market had been glutted with that additional weight of rubber.

According to the best authority he knew, the absorption of rubber by the trade during the last four years was as follows:—In 1920, 330,000 tons; in 1921, 265,000 tons; in 1922, 385,000 tons; and in 1923, 405,000 tons. That steady progress was the justification for endeavouring so to maintain the price of rubber at such a level that the existing area might be kept in existence for the time when the whole of the produce would be wanted by the market. It was only necessary to compare those figures of absorption by the trade with the potential output of the plantation industry to-day to realise the necessity for adhering to the scheme adopted for reducing exports to meet the actual demand. How soon all the rubber they could produce would be required it would be rash to prophesy. The hopes entertained by producers a year or 18 months ago had proved over-optimistic; they had, in fact, been adjusting themselves to a revolution in the tire industry. The bulk of the rubber went into tires, and as every motorist would agree, they were now getting better value in tires than a few years ago. The effect on demand of the increased life of the tire was an interesting subject for speculation. Ultimately, the resulting cheapening of car-running costs would bring a return of prosperity to both the producing and manufacturing side of the industry.

In the case of Lanadron, they could produce much greater crops, but if they had done so, in the absence of the Stevenson scheme, they would have produced it at a loss. As it was, their actual profit for the year was £18,632. They were proposing to distribute practically the whole of that in a 5 per cent. dividend, and in spite of the uncertain outlook for the industry they felt that the strong financial position of the company, built up by years of conservative control, justified them in that course.

In conclusion, the Chairman referred to the debt that the shareholders owed to the staff and agents in the East.

The report and accounts were unanimously adopted.

KEPONG (MALAY) RUBBER ESTATES, LIMITED. INCREASED PROFIT—NEW PROPERTIES ACQUIRED.

The nineteenth annual general meeting of the Kepong (Malay) Rubber Estates, Limited, was held, on the 22nd instant, at the Abercorn Rooms, Great Eastern Hotel, Bishopsgate, London, Sir Francis Voulès, C.B.E. (chairman of the company), presiding.

The secretary (Mr W. B. Gauld) read the notice convening the meeting and the auditors' report.

The Chairman, in moving the adoption of the report and accounts, said: As you will see from the accounts, the net profit for the year was £11,127, as compared with £7,404 for 1922. The amount brought in from last account was £2,611 15s 10d, making a total to profit and loss of £13,738, from which we have to deduct the interim dividend of 4 per cent., less tax, paid on December 20th last, leaving an amount of £9,378 to be dealt with. The directors recommend a final dividend of 6 per cent., less tax, making 10 per cent. for the year, leaving a sum of £3,378 to be carried forward.

The profit for the year was earned on the amount of rubber we were entitled to export during 1923, viz., 542,542 lbs, against 683,840 lbs in 1922, when restriction was only in force for the last two months.

The average gross price realised for the crop was equivalent to 1s 2d per lb landed in London. This compares with an average gross price of 9.08d per lb in 1922.

CAPITAL COST.

The company has not yet settled with the authorities the amount of its production under the new rules of assessment. The capital of the company has been increased during the year from £72,500 to £100,000. During the year a further sum of £28,700 16s 8d has been written off the administration and development account, representing the balance from share premium account for the year. Last year an amount of £24,711 was similarly written off. The

total amount thus applied during the last two years is £53,412 15s 6d, and the amount now outstanding on administration and development account is only £1,813 3s 3d.

It will be observed that the capital of the company is now practically represented by the book cost, or original purchase price, of the various estates. As the company has 3,412 acres of planted rubber this gives an average cost of £31 per planted acre, or, taking the whole area of the estate, viz., 3,831 acres, £26 per acre. That, I think, is a position which the shareholders will regard as very satisfactory.

POLICY OF EXTENSION.

The board have continued their policy of acquiring new areas, and the Sungei Gapi estate, situated at Sungei Tampayan, was taken over in June, 1923. No time was lost in getting the estate into good order, and providing it with the necessary equipment of machinery and buildings. A property at Sungei Buloh was also acquired during the year for the sum of £11,700. This has an area of 207 acres of rubber, three to four years old, and 100 acres of good jungle land. It is situated on the side of the railway opposite our Bujong estate, of which it now forms part, bringing the Bujong division up to a total of 1,400 acres. The board are satisfied that the purchase of these estates was advantageous to Kepong.

The board are in favour of a policy of extension, and are always open to consider favourably the acquisition of adjoining estates or estates that can be worked as an independent unit. Several propositions were considered during the year, but the negotiations did not materialise, and the only properties actually acquired were as above. The general manager, Mr Fraser, in his report, states that all the divisions are in good order, and that he has been well supported during the year by the divisional managers, Mr Barwise and Mr Bell, as well as by the assistants, Mr Martin, Mr Beith, and Mr Donald.

The company is installing machinery for the manufacture of crepe rubber soles. The manufacture will begin shortly, and good results are anticipated.

The general manager reports that there is actual evidence of deposits of tin on part of the estate. The board have authorised a modest expenditure in putting down bores on the low-lying land in the Bujong Division.

We meet to-day under trying conditions, with rubber at a very low price, notwithstanding the sacrifices made by this and other British-owned estates in the way of restriction.

On the whole, however, the experiment has been successful, though it looks as though the restriction must become more drastic automatically.

One very important feature that has to be taken into account is the extended life of the tyres now manufactured.

A committee of the Rubber Growers' Association have also under consideration a scheme for the establishment of a central selling institution. In common with other companies, we await with great interest the result of their labours, and shall give their proposals our most earnest consideration.

We are going through troublous times, and the outlook is uncertain, but of this I am assured—that a sound, well-managed estate like Kepong is bound in the long run to give a good account of itself, and I am gratified to think that this view is held by shareholders generally, as the sales of our shares have been few.

Mr. T. M. C. Stewart seconded the resolution, which was carried unanimously.

CLUNY RUBBER ESTATES, LIMITED. ESTATE IN GOOD ORDER—CENTRAL SELLING SCHEME.

The fourteenth ordinary general meeting of Cluny Rubber Estates, Limited, was held, on the 19th instant, at the registered office, 1 to 4 Great Tower street, London, Mr Charles McArthur (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said: The directors' printed report gives most of the salient facts in regard to production costs and sale price of crop for the year, and we hope you will regard these as satisfactory under existing circumstances. The estate and property generally are reported to be in good order. Health conditions on the estate have been good, as, fortunately, they have always been.

Turning to the balance-sheet, it will be noted that debentures stand at £4,700, having been reduced by the customary annual redemption of £1,000. Against the balance of £4,700 still to be redeemed, we have £4,000 in general reserve, and to this we now propose to add £500. By this course we wish to ensure the ultimate redemption of the remaining debentures without being dependent upon future profits to meet this liability. On the assets side of the balance-sheet the estate stands at the same figure as last year, capital expenditure of £235 2s 4d, incurred during the year, having been debited to revenue account. Buildings,

furniture, and plant and machinery have been reduced by depreciation on the usual scale. You will note that the total cost of fixed assets, including the estate, is £74,227 10s 7d, which is £4,072 0s 5d less than the amount of the company's capital, plus reserve, after increasing the latter by £500, as we propose to do. Even after providing for ultimate redemption of all debentures it will thus be seen that we have a trifling balance of available capital, which, supplemented by the annual writing off for depreciation, may reasonably be expected to meet future capital requirements of the estate.

With regard to the profit and loss account, assuming that you adopt the recommendation of your directors, we shall carry forward a balance of profit to new account of £6,561 1s 7d. From my remarks regarding capital you will appreciate the fact that this is not required to meet prospective capital expenditure. Nevertheless, it is necessary, more especially in difficult times like the present, as a working capital to carry stocks of rubber and to ensure the continued solvency of the business till the more prosperous times come that we all hope for.

The actual profit for the year amounts to £3,826 17s 11d, or about £636 less than the previous year. This is due in part to conservative stock valuation, in view of unsatisfactory market conditions, but is in the main a direct reflection of restricted output.

With regard to the future, it is practically certain that the crop this company will be permitted to export in 1924 under restriction will show a further material reduction, and, though every possible economy will be exercised, an increased cost per pound of rubber produced is an inevitable result of the reduced crop. What price our rubber will fetch in the market no one can possibly predict. I can only assure you that every effort is being made to keep expenditure at the lowest possible limit, consistent with efficient upkeep. The dominant factor in regard to rubber is that production has gone well ahead of consumption. Restriction, limited as it is to British colonies and dependencies, has at least materially reduced unwanted stocks, and helped producers generally to obtain a very modest profit, and that without hardship to consumers.

The Rubber Growers' Association are at the present time attempting to devise a practicable scheme for co-operative selling of rubber. Your directors are giving what support they can to all such efforts calculated to stabilise the industry, but in any case satisfactory results must of necessity be slow and gradual.

Mr S. Leonard Hunt seconded the motion, which was carried unanimously.

LEDURBY RUBBER ESTATES, LIMITED.

BOARD IN FAVOUR OF CO-OPERATION FOR SELLING PURPOSES.

The fifteenth ordinary general meeting of Ledbury Rubber Estates, Limited, was held, on the 19th instant, at the registered office of the company, 1-4, Great Tower street, London, Mr Eric Macfadyen, M.P. (the chairman), presiding.

The Chairman, in moving the adoption of report and accounts, said: The crop accounted for represents the quantity of rubber exportable at the minimum rate of duty under the restriction scheme for the regulation of exports. We had a surplus of 20,157 lbs over the amount we were licensed to export, and this we dealt with by taking it into the balance-sheet as an asset at the bare cost of collection and manufacture. This explains the heading of "Advance expenditure on account of 1924." That rubber will be exported against 1924 licenses, and the profit attributable to it will be taken into the current year's trading account. Our crop and cost of production were both on a level with the 1922 figures, though I am glad to say that the sale price averaged nearly 1½d per pound more, resulting in an increase in our net profits of almost £3,000. We propose to place £3,000 to taxation reserve and recommend a similar dividend to the one for 1922—namely, 7½ per cent. If approved, these proposals will mean an increase in our carry forward from £17,751 to £20,318, and in view of the uncertainty of the outlook and the instability of the market I feel sure you will agree that our policy is a sound one.

The estates are all in good order and well managed. Labour presented no especial difficulty, and health was fairly good. Mr M. Sharpe Smith, who has been in charge of Kinrara estate for some 15 years past, retired in March last, and we have appointed Mr Clyde Jeavons general manager of the company. Mr Jeavons was formerly in charge of Sione estate, but for the past year or two his services have been lent to the Lanadron Company, whose Lanadron estate he has managed. The crop we shall be allowed to export this year is still an unknown quantity. Standard outputs for estates which were fixed when restriction was brought into force are under revision at the moment, and we have not yet been advised of our figure under the new rules laid down by the F.M.S. Government.

With regard to the prospects of the industry, I went into the position fairly fully at the Lanadron meeting this morning, and

do not propose to cover the same ground again. I may here merely say that your board are in favour in principle of taking a further step in the organisation of the industry by co-operating for selling purposes with other producers, and are hoping that in the near future the Rubber Growers' Association Committee, which has this matter in hand, will be able to place before us a combined selling scheme which the whole industry may be able to accept.

The report and accounts were carried.

PERNAMBANG RUBBER ESTATES, LIMITED. SATISFACTORY FORWARD SALES.

The fourth ordinary general meeting of the Pernambuco Rubber Estates, Limited, was held, on the 21st instant, at the registered offices of the company, 1-4 Great Tower street, London, Mr Eric Macfadyen, M.P. (chairman of the company), presiding.

The Chairman, in the course of moving the adoption of the report and accounts, said: Our planted area now stands at a capitalisation of £79 per acre. Liquid assets, in which I include the working capital employed in our business, amount to £46,271, in addition to which there is £10,043 uncalled capital, making a total of £56,314, or nearly £12 per planted acre, against which we had outstanding liabilities of £14,812. The acreage statement shows that we still have a considerable immature area upon which future capital expenditure has to be met.

The planted area is now 4,800 acres. Mr Stothard has recently visited all our estates, and informs us that he was favourably impressed with all he saw.

The crop for the past year was 544,645 lbs, of which 514,645 lbs, representing approximately the exportable allowance at the minimum rate of duty under the regulations for control of export, is taken credit for in the accounts. The balance of 30,000 lbs has been taken into the balance-sheet as an asset at the bare cost of collection, manufacture, and distribution. This accounts for the new item, "Advance expenditure on account of 1924."

The cost of production was 9.30d per lb, being an increase of 0.80d per lb when compared with the previous year. This increase is chiefly due to the export duty payable under the Stevenson scheme. As the scheme for the regulation of exports from Malaya is now under revision, no reliable estimate for the current year can be given, but we anticipate that our standard production will be slightly increased.

We sold forward for delivery during January-December, 1924, 24 tons at what looks now the satisfactory price of 1s 5d per lb f.o.b.

The profit for the past year was £9,680 12s 3d, which, added to the amount brought forward, makes a total of £19,528 13s 11d, from which has to be deducted the interim dividend of 2½ per cent. paid last May, leaving a balance of £12,486 3s 11d, which it is proposed should be carried forward subject to income-tax liability, if any.

As your directors considered that before the new shares were issued, which were payable as purchase price for the two estates most recently acquired, it was fair that the old shareholders should receive some distribution out of the profits previously accrued, a dividend of 2½ per cent. was paid last May. You will agree that we ought not to deplete our cash resources by the payment of any further dividend at the present time.

The report and accounts were unanimously adopted.

CALCUTTA ELECTRIC SUPPLY CORPORATION, LIMITED. SALES OF CURRENT RECORD.

The twenty-seventh annual general meeting of the Calcutta Electric Supply Corporation, Limited, was held, on the 19th instant, at 3, Clement's Inn, London, the Right Hon. Lord Meston of Agra and Dunottar, K.C.S.I. (chairman of the company), presiding.

The Chairman, in the course of his address, said: The capital position is practically unchanged. The addition of £300,000 to our liabilities represents nothing more than the completion of the £500,000 loan which was raised in 1922, guaranteed by His Majesty's Treasury. There was a corresponding increase in our assets, which was still further supplemented after the close of the year in the shape of additional generating plant and distribution mains. Our sales of electric current reached the record figure of 66½ million units, and our gross receipts advanced accordingly, touching £606,000, or £87,000 more than in the previous year. Our operating costs rose from £234,000 to £276,000, and there was thus a gratifying improvement in our gross profits. This being so, you would naturally ask why our net profits available for distribution are not higher than last year. The answer lies partly in the growth of our capital charges, which will not reach their apex until the sinking fund on our second debentures opens at the end of this year, and partly in the higher reserve for depreciation necessitated by the steady growth of our plant.

THE DIVIDEND.

The free balance of profits being £107,391, we transfer £15,000 to our general reserve, and we recommend once again a dividend of 6 per cent., plus a 1 per cent. bonus, for the half-year, making an all-over dividend of 11 per cent. for the year. The year has not been exempt from vicissitudes or anxieties. Our chief anxiety has been to keep pace with the growth of the demand for electrical energy. Plant ordered and promised years ago continued to be held up by the difficulties of manufacture, and, although we gave 1,640 new connections in 1923, there was still a waiting list of nearly 2,000 at the close of the year. Of our vicissitudes the worst was a serious fire last summer in our central station. Had it not been for the outstanding courage and devotion of our staff, both Indian and European, the consequences might have been far more disastrous. A later trouble arose in the two main cables which connect our generating station at Cossipore with the docks and the southern part of Calcutta generally. They carry current at the high pressure of 30,000 volts. And towards the end of the year faults developed in certain joint-boxes, which temporarily imperilled the southern supply. We are taking every possible measure to assure an alternative or supplementary means of meeting the requirements of our consumers in this important area. However, our current troubles conspire to put us in a stronger position for the future.

Our extensions at the Cossipore power station are now almost complete. Our new plant will soon be earning revenue; indeed, you have seen how marked is the improvement already in the sales of current for the first quarter of 1924. Indian taxation has an upward tendency rather than otherwise, but we are in sight of relief from the British corporation tax. The price of coal in Calcutta has at last begun to fall; and though we have had to revise our salaries to correspond with the increased responsibilities of our staff, we are reaping a more than equivalent return in loyalty and steadfastness. We have been happily free from industrial trouble, and our relations with the Calcutta public are good. Exchange seems to be tending automatically to come to near its old parity of 16d to the rupee. I believe that the political sky in India is clearer than since 1919, and that the future of British capital, administered in the country with a clear eye to the country's advantage, is well assured.

REVISION OF CHARGES.

Such being the outlook, we have felt justified, since the year ended, in revising our charges for domestic supply. In 1920 the effective flat-rate for domestic current was reduced to 3 annas per unit. Unfortunately, a sharp rise in coal, a slump in exchange, and other adverse factors compelled us to impose a surcharge of 15 per cent. in January, 1921. In the next year coal cost us 25s 7½d a ton; and in almost every other direction our expenses rose, until in August, 1922, we were obliged to put our surcharge up to 30 per cent. This compares favourably with the price charged by similar companies to ours; but in view of all the circumstances to which I have alluded we have decided to fix a flat rate of 3½ annas from July 1st next. Our rates for manufacturing supply were only recently lowered, and it is not yet possible to think of reducing them further.

The placing and supervision of contracts for stores, which were formerly in the hands of a private firm on commission, have now been completely taken over by the board. The labour is considerable, but we find that the supplies are expedited, and the control is not less efficient, while there has already been a substantial pecuniary saving. We have had a good, though not uneventful year, and our future prospects, so far as we can judge, are satisfactory.

The report and accounts were unanimously adopted; the proposed dividend and bonus were approved, and the usual formal business transacted, and the proceedings concluded with votes of thanks to the chairman, the directors, and the staff in the East.

BUCHANAN-DEWAR, LIMITED. STRENGTHENED TRADING POSITION.

RECORD YEAR'S BUSINESS.

The ninth annual general meeting of the shareholders of Buchanan-Dewar, Limited, was held, on the 21st instant, at Winchester House, Old Broad street, London, E.C.2, Lord Dewar presiding.

The secretary having read the notice convening the meeting and the report of the auditors,

The Chairman said:—Gentlemen,—By rotation Lord Forteviot should have been in the chair to-day, but owing to a slight indisposition he is, I am sorry to say, unable to be with us.

Before we begin the ordinary business, I am sure the meeting would like to put on record our sense of the loss we have sustained through the death of Mr. E. A. Lundy. (Hear, hear.) Mr Lundy was a director of Buchanan-Dewar from the very

beginning; he was a loyal colleague, warmly devoted to the prosperity of the company, and we shall greatly miss his presence at our meetings and his services to the company.

In reviewing the operations of the company for last year, one or two facts are worthy of notice.

As was fully explained at the extraordinary general meetings held on January 29 and February 14, 1924, the issued ordinary capital has been increased to £4,000,000 by the issue of one bonus share in respect of each ordinary share previously issued.

LARGE STOCKS AND DISTILLERIES ACQUIRED.

During the year we purchased several very large stocks of old whisky from companies who have retired from business, and this greatly strengthens our position in dealing with the largely increased demands for our brands. We have also acquired during the year an additional six Highland malt distilleries—namely, the well-known Royal Lochnagar, Benrinnes, Parkmore, Aultmore, Ord, and Pulteney distilleries.

Last year, I am glad to say, has been in every respect much the best year we have ever had, and you will be interested to know that the sales of the brands of the two companies—James Buchanan and Co. and John Dewar and Sons—show both in the home trade and in the export trade a remarkable increase, amounting last year to more than £2,000,000 over the previous year's sales.

DIVIDENDS.

From the accounts you will observe that there has been received in interest and dividends, after deducting the amount capitalised and secretarial and other charges, a sum of £1,102,657, and when the amount brought forward from the previous year of £96,588 is added to this we have available the sum of £1,199,245.

It will be seen from the directors' report that, after providing for the dividends on the two issues of preference shares and allocating £150,000 to reserve as in previous years, this profit permits of a final dividend of 10 per cent. (free of tax) on the increased ordinary capital of £4,000,000. After allowing for the interim dividend of 15 per cent. on the original ordinary capital of £2,000,000, this final distribution of 10 per cent. on the capital as it now stands brings the dividend for the whole year up to a total figure equivalent to 35 per cent. on the old basis, an increase of 5 per cent. over last year. After making the transfer mentioned above, the reserve will amount to £750,000, and in addition we are carrying forward £98,516, which is practically the same as the amount brought in.

SAFE AND CAUTIOUS POLICY.

I think I should also point out here that before the constituent companies paid their dividends to this company they put aside large sums to reserve, independently of any sums we may lay aside for reserve here. The directors desire to continue the safe and cautious policy they have all along pursued, and, while paying substantial dividends, to see that ample and sufficient reserves are provided.

Lord Woolavington, who, as you are no doubt all aware, unfortunately met with an accident at Madeira on his return from his trip to South Africa, has requested me to express his regret that he cannot be present at the meeting to-day.

The chairman concluded by moving the adoption of the report and the accounts.

Mr William Harrison, in seconding the motion, said that Buchanan-Dewar, Limited, through its constituent companies, was in the fortunate position of holding the largest stocks of matured Scotch whiskeys in the trade.

The resolution was carried unanimously.

The chairman then moved the payment of a final dividend on the ordinary shares of 10 per cent., free of tax.

Mr William Harrison seconded the resolution, which was unanimously approved.

The chairman next proposed the appointment of Mr William Morrison as a director of the company in the place of the late Mr E. A. Lundy.

Mr J. F. Johnston seconded the resolution, which was carried unanimously.

On the motion of Mr P. M. Dewar, seconded by Mr William Morrison, the retiring directors (Lord Dewar and Messrs William Harrison and A. J. Cameron) were re-elected.

The auditors (Messrs Price Waterhouse and Co.) were re-appointed, and the proceedings terminated with a cordial vote of thanks to the chairman.

WHITEAWAY, LAIDLAW, AND CO., LIMITED. SUBSTANTIALLY IMPROVED RESULTS.

The 16th annual general meeting of Whiteaway, Laidlaw, and Co., Limited, was held, on the 19th instant, at 5 Cripplegate buildings, London.

Mr Mence Wilkinson (chairman and managing director), who presided, said that the figures for the period under review showed

a substantial improvement when compared with those of the previous year, the profit on trading being £203,521, as against £173,826. The directors proposed to pay a final dividend of 5 per cent., making 10 per cent. per annum, free of tax, and a bonus of 3d per share, free of tax, on the ordinary shares; to carry to reserve account £35,160 (bringing it up to £275,000); to pay £1,500 to the employees' provident fund; and to carry forward £33,876, subject to corporation profits tax. In the balance-sheet freehold and leasehold premises, at £667,679, showed an appreciation of £12,761, due to additions to the company's properties in Calcutta, Shanghai, Penang, Kampala, and Nairobi, to final payments on account of the new buildings at Maymyo and Mombasa, and to the purchase of a property at Lucknow. Out of that total only £8,831 was on account of leaseholds, and the balance represented freehold premises which were not only entirely unencumbered, but were also much more valuable than they appeared in the accounts.

Their holding in Whiteaway, Laidlaw (Java) Stores, Limited, was now £62,820, an increase of £41,667. This venture had made rapid strides during the year under review, and it was found necessary to issue more shares, all of which were held by the parent company. Stock-in-trade, £752,748, showed a reduction of £19,000; debtors and payments in advance, at £37,764, were about £21,000 less; and they had just over £55,000 more cash than they had at February 28, 1923. He thought it would be agreed that the financial position of the company had been substantially improved during the past year. The moderate addition to freehold premises represented a solid and valuable asset. The reduction in the value of the stock, although not quite so large as the directors had hoped, was a step in the right direction, and the large cash balance put the company in a position to finance shipments for the current year on the most favourable terms.

The Chairman having referred at some length to the general condition in the countries in which they were interested, the report and accounts were unanimously adopted.

CALLENDER'S CABLE AND CONSTRUCTION COMPANY, LIMITED.

INCREASED VOLUME OF TRADE—GOOD PROSPECTS.

The twenty-eighth ordinary general meeting of Callender's Cable and Construction Company, Limited, was held, on the 22nd instant, at the Institute of Journalists, 2 and 4 Tudor street, London, Sir J. Fortescue Flannery, Bart., M.Inst.C.E. (the chairman), presiding.

The secretary (Mr Howard Foulds, F.C.I.S., Assoc.I.E.E.) read the notice convening the meeting and the auditors' report.

The Chairman, in moving the adoption of the report and accounts, said that a year ago he ventured to express his confident hope in the future of the electrical cable trade. That hope and confidence still existed. The volume of the company's trade, as distinguished from the volume of trade generally, had been very satisfactory. They had done more business over an increasingly widespread world area than ever before. The profits, however, in proportion to the volume of business done, had been less than they had been accustomed to, but even with this lower ratio of profit they showed a larger total than ever before. They had earned this profit in spite of world competition. They had succeeded because their costs had been reduced.

They had made already and sold very large quantities of that high-tension cable, and they looked forward to its being recognised as a great economiser for power stations and to its very extended use in the future. It would cheapen the applied services of electricity, and therefore be of benefit to the community at large. Prior to the war they had a fine Continental trade, and they had since tried very hard to revive it, but as yet they had not in any degree succeeded, because of the lack of confidence and the continual variation in the rates of exchange. Later on these difficulties must disappear, and the management would not be behindhand in endeavouring to revive successfully the company's Continental connection.

The loss of Continental trade, however, had caused them to turn their eyes more to our Dominions and to India, and the immense natural reserves of water power from the mountains, which could only be harnessed successfully to industrial use by electrical cables, had given the company a very large and useful amount of occupation. They had every reason to believe that the extensions in these directions would be a permanent connection and lead to even increased business in the future. The home demand had been very satisfactory; indeed, this was largely the basis of this prosperity. It was, however, the intention of the board to develop the company's trade in the Dominions and in India to the fullest possible extent.

With regard to the current year, the influx of orders had been satisfactory, and it looked as though 1924 would not, at any rate, be inferior to the past year.

Sir T. O. Callender, J.P. (managing director), in seconding the motion, said that whatever might be the fate of other industries in engineering, the cable-making industry for 1924 would, he had reason to believe, be able to show a good result, and he was sure that Callender's would not be one of those which would disappoint its shareholders.

The report and accounts were unanimously adopted.

BALAGHAT GOLD MINES, LIMITED.

DEVELOPMENT WORK IN DEPTH.

The annual meeting of the Balaghat Gold Mines, Limited, was held on the 23rd instant, at 6 Queen street place, London, Lt.-Col. Sir Donald Robertson, K.C.S.I., presiding.

The Chairman, in moving the adoption of the report and accounts, said that 45,550 tons of ore were milled, yielding 33,383 ozs of gold, that 49,100 tons of sand and slime were dealt with, producing 2,513 ozs of gold, and that 18,750 tons of old dump were treated, from which were obtained 997 ozs of gold. In addition, 166 ozs of gold were obtained from the cyanide slugs, which made a total return for the year of 37,059 ozs of fine gold, which, if compared with the preceding year, gave an increase of 4,239 ozs.

The average assay value of the ore was 14 dwts, 21.69 grs per ton, or 1 dwt 6.75 grs higher than in 1922.

The whole of the output of gold was again sold in India, as higher prices were obtained there, and, of course, shipping and insurance charges were saved. The average price obtained was 91s 11d per fine oz, showing a decrease of 1s 9d per fine oz.

The total amount realised by gold sales was £170,344, and £384 was obtained by silver sales; allowing for an adjustment of the gold sales account for 1922 of £230, the total credit, as shown in the revenue account, was £170,958.

The expenditure on revenue account was £119,412, and the total receipts, after allowing for royalty paid to the Mysore Government, came to £162,985, leaving a profit of £43,573. This shows an increase over the preceding 12 months of £7,235.

The dividends of the year were 2s 6d per share on the preference and 1s 6d per share on the ordinary shares; and at the end of the year the liquid assets, less liabilities, amounted to £50,476, apart from materials, and stores at the mine (£24,009), and machinery and goods in transit (£1,221). Vigorous developments to explore in depth the northern section of the mine were now proceeding below regions in which valuable shoots of ore had been worked at the shallower levels.

Mr Henry C. Taylor (Messrs. John Taylor and Sons, the managers), who recently visited the mine, said that developments in the adjoining Nunddydroog mine would throw light upon the Tennant's main winze section of Balaghat, while the latter company was exploring its northern section, as mentioned by the chairman. It had been a lean year, but there were fair chances of success in the northern section, especially having regard to the experience of the field, while the Nunddydroog workings held out considerable promise.

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS, &c.

NATIONAL DEBT—(Million £).

	Aug. 1914.	Dec. 1918.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Dec. 1923.	Mar. 31, 1924.	May 17, 1924.
Funded Debt	588	315	315	315	315	314	314	314	314
Term Annuities	30	20	19	18	16	14	14	14	14
3½ % Conversion Loan ..	..	..	..	..	266	683	683	683	683
3½ % War Stock	..	63	63	63	63	63	63	63	63
4½ % War Stock	..	13	13	13	13	13	13	13	13
4½ and 5½ % War Stock ..	2,047	2,040	1,996	1,993	2,096	2,096	2,096	2,096	2,096
National War Bonds	1,509	1,476	1,413	1,201	963	924	903	903	903
4½ Funding Loan	..	409	409	406	401	399	400	400	400
4½ Victory Bonds	..	360	357	347	335	325	325	325	325
Treasury Bonds	..	..	..	..	453	411	444	444	444
Exchequer Bonds	30	323	319	289	185	150	150	150	150
National Savings Certs ..	..	267	274	285	342	354	367	366	365
Other Debt*	..	1,306	1,181	1,132	1,087	1,157	1,149	1,151	1,151
American Loan (Anglo-French)	..	51	51	..	..	..	..	..	..
Treasury Bills	15	1,107	1,107	1,121	878	616	652	688	654
Temporary Advances ..	1	243	205	154	147	194	208	186	194
Other Capital Liabilities ..	654	8,033	7,829	7,574	7,655	7,742	7,801	7,695	7,676
Total Liabilities	57	1,107	1,107	1,121	878	616	652	688	654
	711	8,079	7,876	7,623	7,721	7,812	7,871	7,766	7,747

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	Ways and Means Advances May 19, '23.	Mar. 31, '24.	May 17, '24.	Week Ended May 17, '24.
Outstanding—	£	£	£	£
Advances by Bank of England ..	186,155,500	186,155,500	186,155,500	186,155,500
Advances by Public Deptms. ..	190,680,500	190,680,500	190,680,500	190,680,500
Treasury Bills Outstanding ..	589,990,000	588,320,000	584,165,000	584,165,000
Total Floating Debt	780,670,500	774,475,500	748,120,500	748,120,500

* Includes £26,000, the proceeds of which were not carried to the Exchequer within the period of the account.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from		Receipts	
	Apr. 1, 1924, to May 17, 1924.	Apr. 1, 1923, to May 19, 1923.	Week Ended May 17, 1924.	Week Ended May 19, 1923.
Balances in Exchequer on 1st April—				
Bank of England.....	5,069,613	5,442,665	..	..
Bank of Ireland.....	1,562,001	1,375,502	..	..
REVENUE.	6,631,614	6,818,167	..	..
Customs.....	12,247,000	17,611,000	1,552,000	2,180,000
Excise.....	18,010,000	23,083,000	5,170,000	7,167,000
Motor Vehicle Duties ..	1,929,000	1,679,000	118,000	..
Stamp Duties.....	8,400,000	7,240,000	1,200,000	1,420,000
Stamps.....	1,580,000	2,100,000	200,000	170,000
Land Tax, House Duty & Mineral Rights Duty	420,000	350,000	50,000	20,000
Property & Income Tax	35,842,000	33,203,000	1,318,000	2,071,000
Super Tax.....	11,730,000	9,670,000	1,840,000	770,000
Excess Profits Duties, &c.	2,370,000	3,140,000	230,000	500,000
Corporation Profits Tax	6,900,000	6,700,000	1,200,000	1,000,000
Post Office.....	120,000	100,000	..	..
Crown Lands ..	..	..	..	..
Interest on Sundry Loans ..	2,513,845	2,362,276	..	..
Miscellaneous—	..	..	..	..
Ordinary Receipts ..	1,795,624	2,688,824	110,000	140,553
Special Receipts ..	8,296,942	8,584,713	500,000	5,922
Revenue.....	112,154,391	118,511,813	13,488,000	15,444,475
Total, inc. Balance ..	118,786,005	125,329,980	..	..
OTHER RECEIPTS.				
Temporary Advances Repaid—				
Under the Unemployment Insurance Act, 1921.....	1,560,000	960,000	180,000	210,000
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1922.....	..	..	..	..
(b) Under the Unemployment Insurance Act, 1921.....	..	..	..	..
(c) For other issues: By Treasury Bills.....	302,574,000	332,244,000	46,710,000	41,575,000
By National Savings Certificates	3,750,000	6,900,000	600,000	1,000,000
By 4% Treasury Bonds, 1931-33	7,314,438	24,460,986	2,840,850	1,906,876
(d) Ways and Means Advances ..	82,200,000	62,650,000	3,350,000	..
Repayments—				
In respect of issues under Land Settlement (Facilities) Acts, 1919 and 1921.....	448,020	36,059	..	..
Total.....	516,632,463	552,521,025	67,168,850	60,136,351

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from		Issues	
	Apr. 1, 1924, to May 17, 1924.	Apr. 1, 1923, to May 19, 1923.	Week Ended May 17, 1924.	Week Ended May 19, 1923.
EXPENDITURE.				
National Debt Services—				
Interest, &c.....	45,047,051	53,210,476	3,845,789	5,509,397
Sinking Fund ..	3,144,221	1,078,044	100,000	680,000
Road Fund ..	1,328,044	..	774,000	..
Payments to Local Taxation Authorities, &c.	..	..	..	..
Payments to Northern Ireland Exchequer ..	147,411	171,822	..	7,220
Land Settlement ..	106,098	64,794	..	..
Other Consolidated Fund Services ..	253,140	254,317	7,000,000	6,500,000
Supply Services ..	45,506,000	46,089,000	7,000,000	6,500,000
Expenditure ..	95,531,965	100,868,453	11,719,789	12,696,617
OTHER ISSUES.				
Temporary Advances—				
Interest on Exchequer Bonds under Act, 1904.....	36,891	36,891	..	..
Under the Unemployment Insurance Act, 1921.....	..	30,000	..	..
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1922.....	900,000	600,000	..	600,000
Unemployment Insurance Act, 1921—				
Repayment of amounts borrowed ..	1,050,000	750,000	..	..
Redemption of Debt—				
Treasury Bills.....	336,755,000	358,265,000	41,770,000	40,000,000
Principal of National Savings Certificates ..	4,400,000	5,600,000	550,000	700,000
Principal of National War Bonds paid off ..	..	16,604,989	..	250,000
Other Debt under the War Loan Act, 1914 to 1919.....	50	15	..	..
Ways and Means Advances Repaid	74,400,000	65,867,000	12,900,000	5,850,000
Total.....	513,073,906	548,622,348	66,939,789	60,096,617
Balances in Exchequer—				
Bank of England.....	May 17, '24, 2,005,102	May 19, '23, 2,076,756	Inc. Dec. for week, 48,242	132,919
Bank of Ireland.....	1,553,448	1,821,921	+ 180,637	+ 172,653
Total.....	3,558,550	3,898,677	+ 229,061	+ 39,734

Treasury, May 19, 1924.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills dated from May 26-May 31 were opened on May 23, 1924, and the total amount applied for was £62,435,000. For bills at three months dated Monday to Friday at 99 3/8 rd, about 61 per cent., and above in full. Saturday at 99 4/8 rd, above in full. The amounts allotted were as follows:—In bills at 3 months, £32,000,000; in bonds, £3,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months, Average Rate.	4% Treasury Bonds, Average Price
1924.				
April 17.....	30,000,000	40,140,000	2 17 8-3	94 13 2-7
April 22.....	35,000,000	46,150,000	3 0 0-55	nil
May 2.....	35,000,000	53,625,000	2 18 11-3	94 13 8-1
May 9.....	35,000,000	52,445,000	2 18 6-8	94 13 10-8
May 16.....	30,000,000	56,750,000	2 19 6-8	94 13 11
May 23.....	35,000,000	62,435,000	3 1 6-93	94 14 6

Tenders will be received on May 30, 1924, for Treasury Bonds and Bills to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Redemption Account.					
			Silver Coin.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Amount.	Balance at End of Week.
1922.								
Mar. 29.....	300,351	14,255	5,000	28,500	19,450	15-9	261,479	177
June 28.....	295,374	13,338	5,000	28,500	19,650	16-3	254,312	850
Sept. 27.....	289,127	12,648	7,000	27,000	21,150	16-6	246,466	169
Dec. 27.....	301,337	12,972	7,000	27,000	21,150	15-9	258,922	137
1923.								
Mar. 28.....	285,616	12,318	7,000	27,000	22,450	17-3	241,894	190
June 27.....	286,503	12,516	7,000	27,000	22,450	17-3	242,446	135
Sept. 27.....	282,784	12,401	7,000	27,000	22,450	17-5	238,596	140
Dec. 26.....	299,070	12,571	7,000	27,000	22,450	16-5	255,032	159
1924.								
Mar. 26.....	281,538	11,908	7,000	27,000	22,450	17-6	236,867	130
April 30.....	290,116	12,439	7,000	27,000	22,450	17-1	245,556	149
May 14.....	288,379	12,294	7,000	27,000	22,450	17-2	244,120	103
May 21.....	286,400	12,324	7,000	27,000	22,450	17-3	242,184	90

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,000,000, and for 1921 at £317,555,200, for 1922 at £309,988,400, for 1923 at £270,183,800, and for 1924 at £248,190,900.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

CENTENARY YEAR, 1924.
ASSETS EXORED £12,700,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, May 21, 1924.

ISSUE DEPARTMENT.		BANKING DEPARTMENT.	
Notes issued	146,105,860	Proprietors' capital ..	14,553,000
		Rest	3,220,497
		Public deposits	18,367,124
		Other deposits	101,522,888
		Seven-day & other bills ..	5,947
			137,669,456
			137,669,456

BANK OF ENGLAND.		BANK OF ENGLAND.	
Notes issued	146,105,860	Government debt	11,015,100
		Other securities	8,734,900
		Gold coin & bullion	126,355,860
			146,105,860
			146,105,860

BANK OF ENGLAND.		BANK OF ENGLAND.	
Notes issued	146,105,860	Government securities ..	42,070,403
		Other securities	72,185,707
		Notes	21,587,795
		Gold and silver coin ..	1,825,551
			137,669,456
			137,669,456

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.
1924.					
April 2.....	128,114,579	126,354,715	130,876,548	127,633,485	21,509,864
9.....	128,115,856	125,742,395	121,884,826	117,449,478	22,123,461
16.....	128,112,091	125,477,045	115,760,886	115,760,886	22,385,046
23.....	128,122,914	124,855,590	122,080,374	116,731,078	23,017,324
30.....	128,120,532	125,616,015	121,578,872	116,978,300	22,254,517
May 7.....	128,172,646	125,216,555	122,628,371	117,588,259	22,706,991
14.....	128,182,792	124,541,525	119,799,798	114,111,932	23,391,267
21.....	128,181,411	124,518,065	119,890,012	114,266,110	23,413,346

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1924.				
January 1 to May 7.....	12,669,850	559,255	1,020,631	14,249,736
May 14.....	658,821	31,214	54,914	744,949
May 21.....	667,062	31,791	58,593	757,446
Total to date 1924.....	13,995,733	622,260	1,134,138	15,752,131
Do 1923.....	13,406,078	624,396	1,139,082	15,169,556
Increase or decrease in 1924 {	+ 589,655	+ 2,136	+ 4,944	+ 596,735
	+ 4-3 %	+ 0-3 %	+ 0-4 %	+ 3-8 %
Total for year 1923.....	32,270,373	1,546,565	2,810,654	36,627,592
Total for year 1922.....	32,780,635	1,574,661	2,806,165	37,161,461
Increase or decrease in 1923 {	- 510,262	- 28,096	+ 4,489	- 533,869
	- 1-6 %	- 1-8 %	+ 0-2 %	- 1-4 %

PROVINCIAL CLEARING RETURNS.

	1923.	1924.	Inc. or Dec.	
	£	£	£	%
Aggregate Totals to May 17.	47,365,000	46,372,300	- 992,700	2-0
BIRMINGHAM	23,891,000	22,428,000	- 1,463,000	6-1
BRISTOL	126,757,900	112,912,700	- 13,845,200	10-9
DUBLIN	22,710,800	21,545,500	- 1,165,300	5-1
HULL	15,672,300	15,208,100	- 354,200	2-2
LEEDS	15,672,300	15,254,900	- 417,400	2-6
LEICESTER	184,097,200	186,448,600	+ 2,351,400	1-3
LIVERPOOL	307,493,400	306,495,200	- 998,200	0-3
MANCHESTER	40,575,200	38,877,100	- 1,698,100	4-1
NEWCASTLE-ON-TYNE	13,086,600	12,381,400	- 705,200	5-3
NOTTINGHAM	23,652,200	22,024,400	- 1,627,800	6-8

OVERSEAS BANK RETURNS.

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

RESOURCES.	May 16, 1924.	May 9, 1924.	May 2, 1924.	May 18, 1923.
	1924.	1924.	1924.	1923.
Total gold reserve	3,138,480	3,129,610	3,120,390	3,087,890
Legal tender notes and silver reserve ..	102,810	102,500	102,220	93,170
Bills discounted for member banks	411,180	440,290	447,190	697,330
Bills bought in open market	75,360	81,230	124,480	188,890
Government obligations owned	323,160	316,380	301,660	188,890
All other resources	81,520	80,300	79,050	64,730
LIABILITIES.				
Government deposits	30,380	18,380	32,500	56,060
Other deposits	1,964,560	1,975,970	1,972,880	1,937,630
Federal Reserve Notes in actual circulation ..	1,911,880	1,927,030	1,926,010	2,433,000
P.R.B. Notes in actual circulation	14,620	14,590	14,150	16,990
Capital and surplus	333,280	332,150	331,840	327,640
Ratio of total reserves to gross deposit and Federal Reserve note liabilities combined ..	83%	82-4%	82-0%	75-3%

STATEMENT OF CANADIAN BANKS.—In \$

BANK OF DANZIG.—In Danzig gulden (000's omitted).

Assets.	Mar. 31, 1924.	Apr. 15, 1924.	Apr. 30, 1924.	May 15, 1924.
Coin and bullion.....	586	1,133	1,583	1,906
Of which gold coin.....	586	1,133	1,583	1,906
Danzig subsidiary coin.....	586	1,133	1,583	1,906
Balances with Bank of England, inc. notes.....	14,624	15,607	12,138	11,195
Bills of exchange.....	1,231	4,592	7,141	10,420
Loans.....	4,696	144	1,686	1,951
Foreign exchange.....	1,009	5,159	11,589	11,103
Other balances at notice.....	1,009	..	..	340
Other balances at notice.....	1,009	..	..	340
LIABILITIES.				
Capital paid up.....	7,500	7,500	7,500	7,500
Reserves.....	14,239	13,874	17,366	16,498
Deposits on demand.....	780	5,545	9,408	13,095
Deposits at notice.....	..	..	..	..

BANK OF CZECHO-SLOVAKIA.—In Cz. K. (000's omitted).

Assets.	May 7, 1924.	Apr. 30, 1924.	Apr. 22, 1924.	Apr. 15, 1924.	Apr. 7, 1924.	May 7, 1924.
Liabilities of the Bank to the Bank of England.....	10,096,973	10,096,973	10,096,973	10,096,973	10,096,973	10,096,973
Discounts & advances.....	2,058,848	1,892,245	1,785,156	1,791,751	1,973,031	2,097,641
Gold & silver held.....	1,044,566	1,044,566	1,044,566	1,044,566	1,044,566	1,044,566
Foreign bills and balances abroad.....	646,091	634,771	634,771	615,596	652,828	1,228,810
Other assets.....	246,040	406,684	278,723	294,459	331,578	632,947
LIABILITIES.						
State notes circ. in.....	7,962,149	8,138,653	7,654,511	8,113,101	9,299,913	9,299,913
Deposits.....	4,638,241	4,448,443	4,721,688	4,602,837	4,486,335	3,983,918
Other liabilities.....	1,432,128	1,419,460	1,463,514	1,437,315	1,398,197	1,682,683

* Resulting from banknotes, current accounts, exchequer bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

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

Assets.	May 7, 1924.	Apr. 30, 1924.	Apr. 22, 1924.	Apr. 15, 1924.	May 7, 1924.
Gold.....	107,183,444	106,998,234	106,998,234	106,998,234	106,998,234
Foreign bills.....	3,672,243,895	3,708,028,233	3,532,261,138	3,532,261,138	3,532,261,138
Bills discounted.....	1,224,818,151	1,276,405,837	1,758,702,734	1,758,702,734	1,758,702,734
Treasury bills.....	2,383,515,319	2,394,471,348	2,394,471,348	2,394,471,348	2,394,471,348
LIABILITIES.					
Reserve fund.....	4,872,011	4,872,011	4,872,011	4,872,011	4,872,011
Notes in circulation.....	7,145,069,559	6,668,877,945	6,668,877,945	6,668,877,945	6,668,877,945
Deposits.....	878,196,600	1,128,851,830	934,238,947	934,238,947	858,486,279

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

Assets.	May 15, 1924.	May 7, 1924.	Apr. 30, 1924.	May 15, 1924.
Gold coin and bullion, bills.....	24,804	23,759	24,181	23,847
Silver coin, etc.....	205	205	205	205
Bills, warrants, drafts, etc.....	1,294,885,871	1,230,178,579	1,125,897,632	89,838,513
Loans.....	13,060,174	12,947,049	12,456,084	1,976,236
Government loans.....	994,000,000	974,000,000	944,000,000	41,400,000
LIABILITIES.				
Notes in circulation.....	2,257,785,831	2,200,503,351	2,098,090,577	108,398,822
Deposits.....	387,178,344	300,544,359	308,120,584	10,460,905

NATIONAL BANK OF THE SERBS, &c.—In dinars (000's omitted).

Assets.	May 15, 1924.	May 8, 1924.	Apr. 30, 1924.	Apr. 22, 1924.	May 15, 1924.
Gold.....	72,373	72,342	72,341	72,340	83,023
Other coin and notes.....	19,597	20,452	19,596	18,717	20,453
Foreign credits.....	349,526	360,653	350,237	346,843	358,201
Bills.....	1,190,163	1,198,388	1,186,989	1,218,509	1,362,124
Govt. advances.....	4,561,627	4,561,623	4,561,623	4,563,026	4,491,675
LIABILITIES.					
Notes in circulation.....	5,541,495	5,571,065	5,579,980	5,549,699	5,480,539
State credits.....	389,410	389,407	389,407	389,407	389,407
Deposits.....	496,049	527,023	526,973	436,736	702,148

RUSSIAN STATE BANK.—Note-issuing Department.

Assets.	May 16, 1924.	May 1, 1924.	Apr. 16, 1924.
Gold in coin and bullion.....	8,794	8,794	8,794
Silver in bullion.....	111	111	111
Platinum.....	743	743	743
Foreign bank notes.....	9,096	9,096	9,096
Drafts in sterling (less 10%).....	10,477	10,477	10,477
Bills (less 10% discount).....	10,477	10,477	10,477
Securities covering advances on goods (less 10%).....	7,152	7,152	7,152
LIABILITIES.			
Bank notes.....	35,700	35,200	34,880
Balance to which notes may be issued.....	1,000	Nil	Nil

(In Tchervonets—000's omitted.)

(Note: 1 Tchervonets = 10 gold roubles.)

BANK OF SPAIN.—In pesetas (000's omitted).

Assets.	May 17, 1924.	May 10, 1924.	May 3, 1924.	Apr. 26, 1924.	May 19, 1924.	Position May 30, 1924.
Gold.....	2,632,248	2,631,606	2,630,534	2,630,179	2,628,694	2,628,694
Silver.....	656,271	655,394	657,892	659,182	659,971	659,971
Loans & discounts.....	2,317,986	2,371,042	2,372,135	2,398,469	2,122,892	800,728
Spanish 4% stock.....	344,475	344,475	344,475	344,475	344,475	344,475
Treasury bills.....	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation.....	4,368,960	4,389,189	4,361,514	4,336,714	4,131,397	801,660
Deposits.....	942,533	943,833	935,910	940,417	927,537	477,500

LONDON RATES.

	May 16, 1924.	May 17, 1924.	May 18, 1924.	May 19, 1924.	May 20, 1924.	May 21, 1924.	May 22, 1924.	May 23, 1924.
Bank rate (changed from 3% July 5, 1923).....	4	4	4	4	4	4	4	4
Market rates of discount.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
60 days' bankers' drafts.....	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
3 months' do.....	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
6 months' do.....	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Discount (Treasury Bills).....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
3 months.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Loans—Day to day.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Short.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Deposits allowed by Banks.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount houses at call.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
At notice.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

* Adjustment of these offered by tender in the preceding week.

Comparison with previous weeks:—

Short Loans.	Bank Bills.			Trade Bills.		
	3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
May 2, 1924.	2 1/2	3	3 1/2	4	4 1/2	4 1/2
May 9, 1924.	2 1/2	3	3 1/2	4	4 1/2	4 1/2
May 16, 1924.	2 1/2	3	3 1/2	4	4 1/2	4 1/2
May 23, 1924.	2 1/2	3	3 1/2	4	4 1/2	4 1/2

OVERSEAS BANK RATES.

Changed.	%	Changed.	%
Amsterdam.....	Jan. 24, 1924 .. 5	Madrid.....	Mar. 23, 1923 .. 5
Athens.....	Jan. 14, 1923 .. 7 1/2	Paris.....	Jan. 17, 1924 .. 6
Belgrade.....	Sept. 15, 1923 .. 90	Prague.....	Mar. 10, 1924 .. 6 1/2
Bombay.....	Jan. 22, 1923 .. 5 1/2	Rome.....	Feb. 16, 1924 .. 8
Buenos Aires.....	Sept. 4, 1920 .. 6	Sofia.....	July 11, 1922 .. 5 1/2
Budapest.....	July 5, 1923 .. 18	Stockholm.....	Nov. 9, 1923 .. 5 1/2
Calcutta.....	Apr. 10, 1924 .. 8	Swiss Bank.....	..
Canton.....	Nov. 10, 1923 .. 7	Tokyo.....	July 14, 1923 .. 4
Copenhagen.....	Jan. 17, 1924 .. 7	Vienna.....	Sept. 2, 1922 .. 5 1/2
Danzig.....	Mar. 17, 1924 .. 12	Warsaw.....	(See note below)
Helsingfors.....	Mar. 5, 1924 .. 9		
Lisbon.....	Sept. 12, 1923 .. 9		
New York Federal Reserve.....	Apr. 30, 1924 .. 4		

The Bank Rate of the South African Reserve Bank is 6% for first-class commercial bills (90 days), and 6 1/2% for agricultural bills (of not more than six months).
Warsaw (Poland).—From February 20, 1924, discount rate, gold francs, 12% loans on collateral security, gold francs, 16%.

RATES OF EXCHANGE.

London on	Usance	Par.	May 25, 1923.	May 16, 1924.	May 23, 1924.
Paris	francs to £1	T.T.	35-22 1/2	70-00-05	75-96-05
Berlin	marks to £1	T.T.	20-3	245-00-00	18-19-00
Vienna	krone to £1	T.T.	24-02	320/33000	307-11-00
Prague	krone to £1	T.T.	24-02	154 1/2-155	148-148 1/2
Warsaw	zloty to £1	T.T.	15-22 1/2	..	2265-2270
Reval	Estons to £1	T.T.	25-22 1/2	..	1660-1670
Riga	late to £1	T.T.	25-22 1/2	..	27-50-75
Bucharest	lei to £1	T.T.	25-22 1/2	825-850	310-320
Budapest	kr. to £1	T.T.	24-02	2000-2700	3360-00
Constantinople	piastres to £1	T.T.	110	750-770	813-820
Sofia	leva to £1	T.T.	25-22 1/2	535-575	590-610
Belgrade	dinars to £1	T.T.	25-22 1/2	425-445	360-365
Amsterdam	guilder to £1	T.T.	12-10 1/2	11-01 1/2-11	11-07-07 1/2
Brussels	francs to £1	T.T.	25-22 1/2	81-85-50	90-95
Stockholm	kronor to £1	T.T.	18-155	28-75-85	31-43-48
Copenhagen	kronor to £1	T.T.	18-155	27-35-38	28-48-45
Helsingfors	mark to £1	T.T.	18-155	24-30-95	25-78-51
Oslo	kr. to £1	T.T.	25-22 1/2	166-167	173-174
Greece	drachmas to £1	T.T.	25-22 1/2	235-245	212-217
Italy	lire to £1	T.T.	25-22 1/2	964-981	964-981
Spain	pesos to £1	T.T.	25-22 1/2	34-63-65	31-65-58
Madrid	pesetas to £1	T.T.	26-25 1/2	30-37-40	31-65-58
Lisbon	pence to escu.	T.T.	53-4	28-1/2	1-1/2
Alexandria	piastres to £1	Sight	97 1/2	97 1/2	97 1/2
New York	dollars to £1	Cable	4-9 1/2	4-36 1/2	4-42 1/2
Montevideo	pesos to £1	T.T.	47-62 1/2	42-42 1/2	42-42 1/2
Buenos Aires	pence to peso	T.T.	47-62 1/2	42-42 1/2	42-42 1/2
Rio de Janeiro	pence to milis.	90 days	16	5 1/2	5 1/2
Montevideo	pence to peso	T.T.	51	41 1/2-42 1/2	42-43 1/2
Valparaiso	pence to £1	90 days	13-33	34-9c	39-20
Lima	ling. to Per. sol	90 days	10	9 1/2c prem.	4 1/2c prem.
Calcutta	rupee to rupee	T.T.	10	4 1/2c d	4 1/2c d
Bombay	ster. to rupee	T.T.	Gold	4 1/2c d	4 1/2c d
Madras	ster. to rupee	Bovsn.	10	4 1/2c d	4 1/2c d
Hong Kong	ster. to dollar	T.T.	..	2s 4 1/2c d	2s 4 1/2c d
Shanghai	ster. to man.	T.T.	..	2s 2d-3d	2s 3d-4d
Yokohama	ster. to dollar	T.T.	..	2s 2d-3d	2s 3d-4d
Yokohama	ster. to yen	T.T.	24-58d	2s 1 1/2d-2d	2s 1 1/2d-2d
Manila	ster. to dollar	T.T.	24-06 1/2	2s 1 1/2d	2s 1 1/2d
Mexico	pence to sola.	T.T.	..	24d-25d	24d-25d

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim div. * Interim div.	Final div. † Final div.	Method of Payment.	Lat/Am Pre-Year vious.
Banks.					
Provincial of Canada.....	2½%	June 2	Quarterly	..	..
Yokohama Specie.....	6½%	..	..	..	..
Insurance.					
Car and General.....	..	..	Less tax	1/6p.s.	nil
Cornhill.....	..	..	..	..	..
Gresham Fire and Accident.....	..	..	Less tax	6	6
Railways.					
Antofagasta.....	4½%	..	Less tax 4/7½ in £	7	5
Mining.					
Charterland and General Explor. Hyderabad (Deccan).....	7½%	May 31	Less tax	5	5
Malayan Tin.....	5%	June 20	Less tax	..	..
North Broken Hill.....	2/ p.s. (& bonus 1/ p.s.)	July 4	Less tax	..	..
Oroya Links.....	3 p.s.	July 4	Tax free	..	..
San Francisco of Mexico.....	12½%	June 11	..	25	15
Siamese Tin.....	5%	June 23	Less tax	..	..
Southern Perak Dredging.....	5%	June 23	Less tax	..	..
Tekka, Limited.....	4½ p.s.	June 30	Less tax	..	..
Vereniging Estates.....	5%	June 30	Free S.A. tax	..	..
Tea and Rubber.					
Baraora (Sylhet) Tea.....	17½%	..	Less tax 4/1-18 in £	30	17½
Bata Tea.....	7½%	..	Less tax	12½	5
Bradwall F.M.S. Rubber.....	..	..	Less tax	7½	10
Chargola Tea, Pref.....	3½%	May 31	Less tax 4/2-8 in £	..	..
Consolidated Malay.....	10½%	(& bonus 10%)	Less tax	12 p.s.	14 p.s.
Dickella (Ceylon).....	5½%	..	Less tax	10	10
Djember Rubber.....	..	..	Less tax	5	5
Eastern Assam Tea.....	40%	..	Less tax	50	50
Leibong Tea.....	15½%	(& bonus 10%)	Less tax	32½	10
London Asiatic.....	15%	..	Less tax 4/7½ in £	15	10
Lungia (Sylhet), Tea.....	7½%	June 7	Tax free	12½	10
Maleber Tea.....	..	..	Less tax (4/7½ in £)	7½	5
Merlimau Rubber.....	..	..	Less tax	60	50
Pabhojan Tea.....	45½%	..	Less tax	40	50
Pathini Tea.....	10½%	..	Less tax	8	6
P. P. K. Ceylon.....	..	..	Less tax	7½	6
Rubber Plantations Trust.....	3%	June 3	Less tax	..	..
Sablas North Borneo.....	10% (& bonus 5%)	..	Less tax	45	22½
Sepinjar Bheel Tea.....	30%	..	Less tax	15	20
Southern India Tea.....	10½%	..	Less tax	15	20
St George Rubber.....	10½%	..	Less tax	15	20
Sungei Ruyia Rubber.....	10½%	..	Less tax	15	20
Sungei Salak Rubber.....	10½%	..	Less tax	15	20
Tjilwoeng Java.....	..	..	..	15	20
Other Companies.					
A. B. Fleming.....	15%	..	Less tax	25	10
Anglo-Egyptian Oilfields, "B".....	..	..	Less tax	12½	12½
Armstrong, Whitworth.....	..	..	Less tax	15	5
Barnesley Traction.....	10 p.s.	June 30	Tax free	8	5
British American Tobacco.....	4%	..	Less tax	6	5
British Electric Traction.....	..	..	Less tax	11½	14 p.s.
British Industrial Corporation.....	..	..	..	30	30
Brooks and Doxey.....	4/ p.s.	June 20	Tax free	30	30
Burnham Oil.....	..	..	Tax free	3	5
Burntisland Shipping.....	17½%	..	Less tax	7½	5
Butler's Wharf.....	5½%	..	Tax free	12½	..
Calcutta Tramways.....	7½%	..	Tax free	..	..
Carlton Main Colliery.....	30%	June 19	Less tax 4/6 in £	..	..
Carreras, Limited.....	15%	June 2	Less tax 4/6 in £	10	10
Cassell Cyanide.....	15%	..	Less tax	25	17½
Cawnpore Electric.....	5%	(& bonus 2/ p.s.)	Tax free	20	15
Chester's Brewery.....	10 p.s.	..	Less tax	13 p.s.	10 p.s.
Chloride Electrical Storage.....	10½%	(& bonus 5%)	Less tax	20	10
City and West-End Properties.....	6%	(& bonus 1/ p.s.)	Less tax	5	5
Columbia Graphophone.....	4/6 p.s.	..	Less tax	..	..
Cope Brothers.....	9 p.s.	June 2	..	..	..
Dublin Brick.....	3%	..	Less tax	..	..
Edinburgh Ry. Access, &c., "A".....	7½%	May 29	Less tax	15	15
Gartside (Brookside Brewery).....	..	..	..	..	..
Government and General Invest., Defd.....	10	June 2	Less tax	..	..
Grand Junction Canal.....	45/ p.s.	..	..	4	..
Harper Piano.....	5%	..	..	5	5
Hastings Pier.....	30/	..	Less tax	17	16
Investment Trust Corp., Defd.....	9 p.s.	June 30	Less tax	..	..
J. and P. Coats.....	10/	..	Less tax	..	..
John Hunter, Morris, & Elkam.....	5½%	(& bonus 10%)	Less tax	(d) 20	..
Kingsley and Thackeray Hotels.....	63½%	..	Less tax	12½	6
Lake View Investment.....	..	..	Less tax	7½	7½
Lancashire Electric Light.....	..	..	..	7½	6
Lewes and District Electric.....	3½%	June 2	Less tax	..	..
Lichfield Brewery.....	1/6 p.s.	June 2	Tax free	20	15
London Nitrate.....	15/	..	Less tax	10	9
Manor-Powis Coal, Ord.....	7/	..	Less tax	6	6
Do Pref.....	..	..	..	7½	7½
Mercantile Marine Finance.....	..	..	..	4	4
Merthyr Electric Traction.....	2½%	..	Tax free	..	..
Montevideo Gas.....	10	May 23	Less tax	..	..
Moore's and Robson's Breweries.....	5%	June 10	Tax free	8	9
Nelson Bros.....	7½%	(& bonus 2½%)	Tax free	10	10
Netherland Steamship.....	..	..	..	10	10
Nitrate Producers Steamship.....	..	..	..	10	10
Noakes and Co.....	13 p.s.	..	Less tax	..	..
Northern Loan.....	7½%	..	..	..	..
North London Building, Subscription.....	..	..	(& bonus 1%) Tax free	..	..
Do Investment.....	4%	..	Tax free	..	..
Offler's Brewery.....	5/ p.s.	..	Less tax	5	2½
P. and A. Campbell.....	2½%	..	Tax free	10	10
Peabody Hotel Hydro.....	..	..	..	6	6
Pumpherton Oil, Pref.....	..	..	..	6	6
Rhodesia Railways Trust.....	4½%	..	Tax free	12	..
Royal Mail Steam Packet.....	..	..	..	..	..
Russells and Wingham.....	5%	..	..	..	..
Samuel Barlow and Co.....	7½%	June 23	Less tax	3	..
Santa Catalina Nitrate.....	..	..	..	..	..
Scottish and Canadian Invest.....	5%	May 23	Tax free	..	..
Seabrooke and Sons.....	..	..	..	..	..
Second Mercantile Trust.....	8½%	..	Less tax	20	20
Shanghai Electric Traction.....	20/ p.s.	..	..	15	15
Shoof's, Limited, Defd.....	1/3 p.s.	..	..	10	10
Sir Elkannah Armitage.....	4½%	..	Less tax 1/7½ in £	7	8
South African Lighting.....	5%	..	..	..	..
Star Paper Mill.....	5%	May 31	Tax free	..	..
Stroud Brewery.....	..	..	..	..	..

Sutton Heath, &c., Collieries.....	4½%	..	Tax free	10	10
Thomas Owen and Co.....	5½%	..	Less tax	10	10
Tramways and Light Railways.....	1/6 p.s.	..	..	3	..
Transvaal and Delagoa Bay.....	..	..	..	..	..
Trust and Loan of Canada.....	..	..	Tax free	nil	5
Vickers.....	5%	June 2	Tax free	10	..
Wenlock Brewery.....	5½%	..	Less tax	20	..
Weilman, Smith, Owen Eng.....	5½%	..	Tax free	2	..
W. H. Baxter.....	..	..	..	..	..
Wiggins, Teape.....	5%	May 31	Less tax	..	..
Wolverhampton & Dudley Brew.....	..	..	..	..	..
Yorkshire (Woolen Dis.) Trans.....	..	..	..	6	..

(c) Also capitalised bonus 50 per cent. (d) Also capitalised bonus 25 per cent.

ALIANZA COMPANY, LIMITED.—It is proposed to pay a second interim dividend of 20s per share (20 per cent.), making 40 per cent. for the year, in addition to 60 per cent. bonus paid in November, 1923, out of accumulated profits. In view of the payment of this interim dividend, it is not intended to recommend at the annual general meeting the payment of any further dividend in respect of the year ended December 31, 1923.

Reports and Notices.

The council of the Society of Incorporated Accountants and Auditors have re-elected Mr George Stanhope Pitt (Bolton, Pitt and Breden), London, and Major Gwilym Arnold Evans, J.P. (G. A. Evans and Evans), Cardiff and London, to the respective offices of president and vice-president for the ensuing year. The council have also elected as honorary members Sir Malcolm Ramsay, K.C.B., comptroller and auditor-general, exchequer and audit department, and Sir Josiah Stamp, K.B.E., D.Sc., examiner in economics and statistics to the society.

We are informed that J. C. in Thurn and Sons have taken into partnership Mr Albert Johan Fransella.

The name of the Central Provinces Prospecting Syndicate, Limited, has been changed to the Central Provinces Manganese Ore Company, Limited.

We are informed that the registered and secretarial offices of Messrs Richard Thomas and Co., Limited, are being transferred from Bank Buildings, Castle square, Swansea, to Bush House, Aldwych, W.C. 2, on and after May 24th.

We are officially informed that the s.s. "Orama," of 20,000 tons, was launched at the Naval Construction Works of Vickers, Limited, at Barrow-in-Furness, on Tuesday (May 20th), the christening ceremony being performed by Miss Winifred Cook, daughter of Sir Joseph Cook, G.C.M.G., High Commissioner for the Commonwealth of Australia. The Vickers Company are building a sister ship to the "Orama" for delivery next year, and a third steamer, the "Oronsay," of similar design, is being built on the Clyde, and will be launched in the autumn. The Orient Line Fleet will thus be increased by 60,000 tons within the next 18 months.

BANKS.

ALLAHABAD BANK, LIMITED.—The profits of this institution (which is affiliated to the P. and O. Banking Corporation, Limited) for the 12 months ending March 31st last, after placing Rs. 117,471 to depreciation of house property and dead stock, providing for taxation and bad and doubtful debts, amounted to Rs. 7,80,287, against Rs. 4,92,030 for the previous year. The distribution is the same (12 per cent. dividend and 6 per cent. bonus), and Rs. 3,00,000 are placed to reserve, against nothing last year. The directors propose to transfer Rs. 6,00,000 from contingency fund to the reserve fund, which will then stand at Rs. 44,50,000, against a paid-up capital of Rs. 35,50,000. The total of the balance-sheet is nearly 9½ crores, or approximately 6½ millions sterling.

UNION BANK OF SCOTLAND, LIMITED.—By special resolutions confirmed at extraordinary general meeting of the bank, held on 21st inst., it was resolved to alter the denomination of the shares of the bank, each former share of £5 (£10 paid) being now represented by 10 shares of £5 each (£1 paid). The share capital of the bank remains as before, namely, £5,000,000, and is now divided into 1,000,000 shares of £5 each, having £1 per share paid up. The former restriction as to a minimum holding of 10 shares is withdrawn, and transfer fees have been reduced to 2s 6d per deed. Shareholders have been requested to forward share certificates in order that the necessary alteration may be noted thereon.

YOKOHAMA SPECIE BANK.—The profit and loss account for the half-year ended December 31, 1923, shows the net profit of the bank for half-year, after providing for all bad and doubtful debts, rebate on bills, &c., 12,620,364 yen, inclusive of 5,108,236 yen brought forward from last account. The directors propose that yen 1,500,000 be added to the reserve fund, and recommend a dividend at the rate of 12 per cent. per annum, which will absorb yen 6,000,000. The balance, yen 5,120,364, will be carried forward to the credit of next account.

TEA AND RUBBER.

CLONY RUBBER.—This company has maintained its ordinary dividend at 5 per cent. for the year 1923. The net profit amounts of £3,827, against £4,463 for 1922. The sum of £500 is put to reserve, and £6,561 is carried forward, against £6,734 brought in.

LANADRON RUBBER ESTATES.—The report for 1923 shows a net profit of £18,633, against £19,644 for 1922. The ordinary dividend has been reduced from 6 per cent. for 1922 to 5 per cent. for 1923. The sum of £4,000 is put to taxation reserve, and £20,685 is carried forward, against £24,052 brought in.

LEDBURY RUBBER ESTATES.—This company has increased its net profit from £8,736 for 1922 to £11,712 for 1923, but the ordinary dividend is unchanged at 7½ per cent. The sum of £1,000 is put to taxation reserve, and £20,319 is carried forward, against £17,752 brought in.

MISCELLANEOUS.

AMERICAN TELEPHONE, TELEGRAPH COMPANY, NEW YORK.—Issue of new stock to stockholders has been authorised of record of June 10th, one share new stock at par for each five shares outstanding. Payment in instalments as follows:—\$20, August 1, 1924; \$40, December 1, 1924; \$40, April 1, 1925. Interest at 6 per cent. will be allowed on instalments from due date to April 1st, on which date stock will be issued. Payment in full may be made August 1st at \$102.75 per share, and stock issued as of that date, or final instalment of \$82.10 may be paid December 1st, and stock issued as of that date. Company has declared regular quarterly dividend of \$2.25, payable July 15th, October 15th, January 15th, and April 15th, to stock of record of twentieth of each preceding month.

ANGLO-CHILIAN NITRATE AND RAILWAY COMPANY, LIMITED.—The holders of the Four and a Half per Cent. consolidated mortgage bonds of the Anglo-Chilian Nitrate and Railway Company, Limited, are informed that the directors are prepared to offer the sum of £95 for each bond of £100 surrendered to the company on the following conditions:—Bonds must be surrendered with the coupon falling due November 1, 1924, and all subsequent coupons attached. Acceptances, together with the relative surrendered bonds and coupons, must be received by the company at its registered office, 4 London Wall Buildings, E.C. 2, on or before Monday, June 23, 1924. Payment in respect thereof will be made within three days of the deposit of the bonds, as above. Forms of acceptance may be had on application to the company at its registered office, or to the bankers, who usually collect the coupons, but their use is not essential.

HADFIELD'S, LIMITED.—In presenting the report for 1923, the directors point out that the continued depression in the steel and engineering trades during the past year, accompanied by severe cutting of prices, has adversely affected the earnings of the company. The net profit, after payment of debenture interest, is £54,995, against £112,250 in 1922. The dividend is reduced to 4 per cent., less tax, against 5 per cent., free of income-tax, for 1922. The sum of £106,635 is carried forward, against £128,418 brought in. The report further adds that the programme decided upon for the adaptation of the plant and buildings erected during the war to suit post-war production has now been practically completed, and the company is fully prepared to take advantage of any improvements in trade. The balance-sheet shows total assets of £4,178,826. Sundry debtors, investments, and cash are shown in one item as £1,704,770. Stock stands at £580,133. With regard to liabilities, creditors stand at £612,326, and reserve is at £202,893.

MONTEVIDEO GAS AND DRY DOCK.—After providing for interest on debenture stock and other charges, and including £14,076 brought forward from 1922, the balance at the credit of profit and loss available for dividend is £36,168. The ordinary dividend for 1923 is 4 per cent., free of income-tax, and a balance of £14,491 is carried forward. The balance at the credit of reserve account remains at £52,500, the deferred maintenance account at £15,000, and the contingency account at £17,739 9s 3d. Compared with 1922, the total gas sales show an increase of 0.63 per cent., the number of meters in use, however, increased by 5.85 per cent. The dock and workshops department continued to feel the effects of the depression in shipping. The sales of gas since the last issue of new capital in 1902 show an increase of 240.92 per cent. The consumption has now outgrown the capacity of our plant, and it will become necessary to make another issue of capital to meet the cost of a further enlargement of such plant, and the installation of an additional gasholder.

NITRATE PRODUCERS' STEAMSHIP.—The directors have pleasure in submitting to the shareholders balance-sheet and profit and loss account for the year ending April 30th last, duly certified by the auditors. The accounts for year ended April 30, 1924, show a profit for year of £39,080, to which must be added the balance brought forward from last year, viz., £31,603, making a total of £70,683 to be dealt with. From this must be deducted general expenses, directors' fees, income-tax, corporation profits tax, and interim dividend, amounting in all to £45,464, leaving £25,219 for appropriation. It is now proposed to pay a dividend at the rate of 7½ per cent. per annum for the final six months of the year, together with a bonus of 2½ per cent., both free of income-tax, leaving £16,440 to be carried forward.

SECOND MERCANTILE TRUST.—A good start is made by this trust. The report and statement of accounts for the period from March 19, 1923, the date of incorporation, to May 5, 1924, show that after meeting all expenses, the revenue accounts there is a receipt of £40,308. From this amount has been deducted interest on instalments on shares paid in advance of due dates, £46; dividend 5 per cent. preference stock from the due dates of the instalment to May 5, 1924, £17,328, leaving a balance of £23,434. The directors recommend that this balance be appropriated as follows:—In payment of a dividend of 5 per cent. on the ordinary stock, of which an interim dividend of 2½ per cent. on instalments was paid on November 6th last, £17,328; in transferring to reserve account, £4,874; to carry forward to next account, subject to corporation profits tax (if any), £1,232. The balance of the premium on the issue of the shares after writing off all the preliminary and issue expenses, has been placed to reserve account, which account, with the transfer from revenue, amounts to £18,500. The securities held are represented by £761,713 in debenture stocks, £204,313 in preference shares, and £189,035 in ordinary shares.

SIEMENS BROTHERS AND CO.—The profit for the year 1923 amounts to £162,220, against £14,041 for 1922. The sum of £127,310 was brought in, making £289,530 available. The board propose to utilise this sum as follows:—Interest on and redemption of 4½ per cent. debenture stock, £67,439; income-tax liability for

1923, £24,338; dividend on 10 per cent. cumulative preference shares for 18 months to end of 1923, £45,000, leaving £152,762 to carry forward on account of the unsettled liability for excess profits duty. The board point out that the output for the year shows a considerable increase over that for 1922. They also observe that results of trading for current year to date are satisfactory, and, if continued, as seems probable, the board will be in a position to declare an interim dividend on the ordinary shares for the current half-year.

TRUST AND LOAN COMPANY OF CANADA.—This concern has an authorised share capital of £5,000,000, subscribed capital is £3,600,000, and paid-up capital amounts to £1,350,000. The statutory reserve fund is at £113,738. The net profits for year ended March 31, 1924, amounted to £79,743, which, together with the amount brought forward from March 31, 1923, viz., £13,955, amounts to £93,698. Out of this amount the directors have paid an interim dividend, free of income-tax, on December 7, 1923, amounting to £40,500, leaving a balance of £53,198 19s 2d available for distribution. The directors recommend that out of this balance of £53,198 a dividend at the rate of 6 per cent. per annum for the six months ending March 31, 1924, free of income-tax, be declared on the paid-up capital, which, with the dividend paid on December 7, 1923, makes 6 per cent. for the year ending March 31, 1924, and leaves a balance of £12,699 to be carried forward.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Growing crops in the United Kingdom are making favourable progress, a higher temperature and useful rains stimulating growth, while the condition of pastures leaves little to be desired. English wheat is sparingly offered, both here and at provincial centres, and prices remain at a firm level, suitable grades being nominally quoted at 11s to 11s 4d per 112 lbs, free on rail. Imported descriptions somewhat irregular, but firmer on balance, with holders more reserved. No. 1 Northern Manitoba quoted 48s 6d, Rosafé, 63½ lbs, 47s, Barusso ditto 46s 9d, and Australian 50s, all per 490 lbs, ex ship. The floating and forward cargo section displayed firm features, with an improved inquiry for Plate descriptions, while sellers generally adopt an attitude of reserve. Steamers of Barusso 63½ lbs afloat said 44s 3d, ditto June 43s 6d, Baril 63½ lbs June 43s 10½d, Australian early June 48s, white Pacific afloat 47s 7½d per 480 lbs. Crop prospects and agricultural operations in most exporting countries are of a favourable character. Flour quietly steady. London standard straight run quoted 38s, patents 40s to 41s, town households 36s per sack delivered in. Of imported, Manitoba patents range from 35s to 37s 6d, Australian 35s 3d to 35s 6d, and soft Pacific 35s per 280 lbs ex store. Maize cargoes are freely offered, and general trend of values in buyers' favour. Plate steamers, May 23rd shipment, sold 35s 6d, ditto May 25th 35s 9d, and June-July 33s 3d to 32s 9d per 480 lbs to Continent, while a part cargo of Karachi barley, June-July changed hands at 31s 9d to Bristol Channel per 400 lbs. Barley: English quiet and malting and seed ranges from 11s 3d-12s 6d per 112 lbs, free on rail. Imported, in better demand and prices firmer. Californian 48s 6d-53s, Chilean brewing 43s-49s per 448 lbs ex ship. No. 4 Canadian western ex-ship 31s 9d, Karachi ex ship 31s 9d-32s, landed 33s 6d, Plate ex ship 32s 6d, landed 34s 3d-35s, as to quality per 400 lbs. Maize steady. Plate, new ex ship to arrive 41s to 39s as to position, Hickory King 40s 6d, landed, Karachi, also Calcutta landed 42s, No. 2 white flat African 40s 6d landed, all per 480 lbs. Oats firm on spot. Plate f.a.q. ex ship 21s 9d, landed 23s, No. 2 Canadian western 26s 3d, No. 3 ditto 25s 3d, No. 2 Canadian feed landed 24s per 320 lbs. English ranges from 9s 6d-11s per 112 lbs, free on rail. Millers' offers quiet and easier. Broad bran quoted at 8s-8s 3d, ordinary 7s 3d-7s 6d, middlings 8s 6d-8s 9d, fine ditto 10s, bags included ex-mill, light oats 6s 3d, powdered oat husks 7s 3d, feed oatmeal 9s 3d, ground oats 12s, all per cwt free on rail. Oatmeal unaltered. London made flaked 16s 6d, rolled oats 16s, medium and fine cuts 16s, coarse and medium pinhead 16s, ordinary Scottish oatmeal 17s 6d, and American 16s-16s 6d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Profec.	Ordinary.	Rate			
Electric Lighting and Power.										
Cawnpore Electric Supply	Dec. 31	£ 667	£ 32,606	£ 33,273	£ 5,705	£ 16,405	10	£ 8,996	£ 2,167	£ 16,104
Lancashire Electric	Mar. 31	5,997	67,427	73,424	43,323	12,440	7½	10,000	7,661	52,483
Shanghai Electric	Dec. 31	17,029	107,433	124,462	..	80,000	20	20,069	24,393	..
Financial, Land, &c.										
Aboukir Co.	Mar. 31	8,559	Dr 7,438	1,121	..	..	..	..	1,121	Dr 1,468
City of London Real Property	Apl. 12	78,006	484,792	562,798	22,439	(s) 250,000	6½	169,669	120,690	450,083
Hyderabad (Deccan)	Dec. 31	31,344	32,516	63,860	..	33,600	5	2,000	28,260	30,995
Trust and Loan Co. of Canada ..	Mar. 31	13,956	79,743	93,699	..	81,000	6½	..	12,699	106,510
Gas.										
Montevideo Gas and Dry Dock ..	Dec. 31	14,076	22,092	36,168	..	21,676	4½	..	14,492	21,743
Iron, Coal, and Steel.										
Mirreles, Bickerton, and Day	Mar. 31	3,391	25,947	29,338	3,026	14,531	7½	5,000	6,780	22,523
Park Gate Iron and Steel	Mar. 31	Dr 175,925	8,105	Dr 167,820	..	..	..	..	Dr 167,820	Dr 36,225
Robert Heath and Low Moor	Dec. 31	Dr 33,454	9,862	Dr 23,622	..	..	..	..	Dr 23,622	25,811
Vickers	Dec. 31	703,907	499,555	1,203,462	400,828	..	..	..	802,634	683,205
Nitrate.										
Rosario	Dec. 31	28,614	51,303	79,917	..	50,737	11	..	29,180	25,966
Rubber, &c.										
Anglo-Java	Dec. 31	11,748	25,678	37,426	..	14,344	4½	14,793	8,289	31,277
Batang Consolidated	Dec. 31	1,516	26,395	27,911	..	18,533	7½	..	9,078	12,621
Batu Tiga	Dec. 31	2,222	15,344	17,566	..	14,396	12½	..	3,170	7,942
Consolidated Malay	Dec. 31	3,807	5,765	9,572	..	6,250	8½	..	3,322	8,166
Dickella (Ceylon)	Dec. 31	787	2,618	3,405	..	2,100	10	100	1,205	2,398
Djember	Dec. 31	397	12,987	13,384	..	7,467	5	5,000	917	3,310
Northern Tjiliwoeng	Dec. 31	Dr 14,530	4,345	Dr 10,185	..	..	..	..	Dr 10,185	Dr 2,314
St George Estates	Dec. 31	1,326	11,106	12,432	..	10,500	15	..	1,932	12,543
Sungei Salak	Dec. 31	3,308	10,592	13,900	..	10,500	15	1,000	2,400	1,191
Tjiliwoeng Java	Dec. 31	57	3,895	3,952	2,400	1,500	2½	..	52	Dr 328
United Patani	Dec. 31	5,351	12,972	18,323	..	..	..	..	18,323	4,038
Shipping.										
British and Irish Steam Packet ..	Dec. 31	30,760	53,480	84,240	90,000	..	..	Dr 30,000	24,240	..
Claymore	Mar. 31	308	9,093	9,401	..	5,812	2½	3,000	589	24,843
Eagle Oil Transport	Dec. 31	90,170	936,240	1,026,410	160,000	..	..	750,000	116,410	1,237,277
Nitrate Producers' Steamship	Apl. 30	31,692	380	32,072	..	15,632	10½	..	16,440	42,909
Royal Mail Steam Packet	Dec. 31	125,528	538,506	664,034	233,500	300,000	6	..	130,534	490,101
Tea.										
Amalgamated Tea	Nov. 30	38,853	266,417	305,270	21,000	143,505	30	77,965	62,800	135,233
Anglo-American Direct	Nov. 30	7,289	220,237	227,526	16,542	126,868	20	52,704	31,412	92,661
Consolidated Tea and Lands	Nov. 30	175,429	626,563	801,992	78,000	300,000	50	201,782	222,210	368,065
Eastern Assam Co.	Dec. 31	85,078	79,470	164,548	..	49,310	50	110,000	5,238	68,939
Darjeeling Consolidated	Dec. 31	6,260	29,111	35,371	3,000	18,000	30	7,500	6,871	24,971
Kanan Devan Hills	Nov. 30	68,245	399,057	467,302	33,000	225,000	30	128,212	81,090	209,994
Leibong	Dec. 31	7,444	21,742	29,186	..	21,338	32½	..	7,848	21,063
Maleber	Dec. 31	10	3,966	3,976	..	3,125	12½	500	351	975
Southern India Estates	Feb. 29	3,810	33,163	36,973	438	23,715	45	10,000	2,820	12,363
Telegraphs, &c.										
Great Northern Telegraph	Dec. 31	309,762	365,648	675,410	..	330,000	22	33,333	312,077	370,416
Textiles.										
Porritts and Spencer	Mar. 31	27,694	68,109	95,803	9,300	36,328	12½	21,500	28,675	84,627
Sir Elkanah Armitage and Sons ..	Mar. 31	20,910	11,852	32,762	..	25,000	10	..	7,762	33,773
Tramways.										
Calcutta Tramways	Dec. 31	1,327	136,765	138,092	12,500	52,201	7½	67,938	5,453	82,979
Trust.										
Mercantile Marine Finance	Feb. 29	11,735	25,785	37,520	..	23,250	6	..	14,270	28,941
Rubber Plantations Investment ..	Dec. 31	42,620	180,281	222,901	..	115,312	7½	55,100	52,489	105,572
Second Mercantile	May 5	..	40,763	40,763	17,328	17,328	5	4,875	1,232	..
Other Companies.										
British Industrial Corporation ..	Mar. 31	158	35,112	35,270	..	15,500	8	..	19,770	..
City and West End Properties ..	Mar. 25	5,770	43,643	49,413	15,356	19,695	13	2,946	11,416	43,573
Columbia Graphophone	Mar. 31	6,689	76,367	83,056	..	40,000	20	25,000	18,056	..
Manganese Bronze and Brass	Dec. 31	11,762	Dr 7,780	3,982	..	..	..	..	3,982	3,902
Siemens Brothers and Co.	Dec. 31	127,310	70,452	197,762	45,000	..	..	..	152,762	Dr 191,808
Thomas Owen	Mar. 31	7,118	38,327	45,445	12,000	15,000	10	..	18,445	29,449

† Free of tax. (s) Paid on larger capital. Previous year's dividend of 10% absorbed £200,000.

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent writes, on May 22, 1924, as follows:—Pig-iron: The demand for Cleveland iron is very quiet, more especially has the Continental enquiry fallen off. The present limited output of both Cleveland and East Coast hematite pig-iron is quite sufficient to cope with orders. No. 3 Cleveland G.M.B. pig-iron, 9½ per ton; East Coast hematite mixed numbers, 9½ per ton. Manufactured iron and steel: The steel producers have been assisted by the placing of several shipbuilding orders. Steel ship plates, £10 5s; steel ship angles, £10; iron bars, £12 10s; steel rails, £9. Iron ore: Sellers of foreign ore are disposed to maintain their prices firmly for best ores. Best Rubio is quoted 24s per ton, c.i.f. Tees.

Our Sheffield correspondent writes:—The local trade situation is still suffering from the effects of the recent controversy respecting the McKenna duties, which has caused many buyers of steel

to hold off the market. The steel makers, too, are observing an extremely cautious attitude in respect to purchases of raw materials. Merchants dealing in ferro-alloys used in the manufacture of special steels here sold nothing but a few odd lots for several weeks past. As regards ferro-chrome and ferro-silicon, which are imported from the Continent, a condition of scarcity has arisen owing to production being interfered with by labour troubles, and this has sent up prices. It is stated that the output of ferro-silicon has been sold up to the end of July, and deliveries are very meagre. Alloys of high-speed steel are neglected, and prices low. Business in open-hearth steel continues poor, in spite of the absence of serious French and Belgian competition. Large stocks of foreign low-grade steels are on hand in this country, but when these are consumed a revival of buying from home works is confidently anticipated. Good business is reported in wire, wire rope, steel strip, galvanised sheets, saws, and hand-tools generally. There is a brisk overseas demand for tools used in building and general contractors' work. Competition continues keen in all branches of local trade, and much of the business is unremunerative. It is to be feared that ordinary shareholders in industrial concerns have little to hope for in the shape of divi-

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RICE.—Market firm, with reserve shown on the part of shippers, due to sustained inquiries in local Burmese centres on Japanese account. Two Stars, May-June quoted 15s. c.f. and i., London.

FRUIT (Dried).—Market for currants remained steady, though trade progressed quietly. Pyrgos, $\frac{1}{2}$ -cases, quoted, 46s; Amalia, 48s; Patras, 50s; Gulph, 52s; Panariti, 56s; Vostizza, 63s to 70s. as to quality. Australian $\frac{1}{2}$ -cases, new crop, 63s to 68s. Valencia raisins, $\frac{1}{2}$ -boxes, quoted 40s to 42s. Cape, new crop, 46s to 50s. Sultanias steady. Greek, $\frac{1}{2}$ -cases, 42s. Smyrna boxes, 46s to 50s.

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

[illegible]

seed quiet. Bombay, May-June, 2-3 per cent.
OILS.—Linseed quiet, and tendency easier. Spot net, naked,
38s 3d; May, 37s; June-August, 36s 9d; September-December,
35s 7½d. Rape quiet. Crude, spot, 45s 6d; refined, 48s 6d. Castor-oil
quiet. First pressure, spot, quoted 64s; second pressure, 62s; and
pharmaceutical, 69s per cwt, Hull, with London 2s per cwt extra.
Cotton lard. Crude Egyptian, spot, 40s; Bombay, 37s; common edible,
46s; deodorised 49s. Chinawood quiet. Hankow, spot (barrels)
83s; June-July, 72s. Cocanaut quiet. Ceylon, spot, 46s 6d; April-
May, 43s 9d; Cochín, ditto, nominally 50s. Soya lard. Oriental,

TALLOW.—Messrs Colchesters and Woolner write on May 21st as follows:—The tallow market continued active during the week, and prices were fully maintained to-day. Somewhat higher prices are being asked for South American tallow for shipment, while Australia offers little. Shipments of tallow from Australasia during April amounted to 2,100 tons, against 3,700 tons during the corresponding month of last year. At auction to-day 1,175 casks tallow were offered, and 728 were sold. Quotations are:—Australian mutton : Fine, 45s ; good to fair, 43s 6d to 42s 6d ; dull to dark, 39s to 37s 6d ; hard, 44s 6d. Australian beef : Fine, 44s 6d ; good to fair, 42s 6d to 40s ; dull to dark, 38s 6d to 37s 6d ; sweet, none. Present shipment from Australasia : Good mixed, nominal. Present shipment from South America, 41s to 39s 6d. The market letter is unchanged. Town tallow, 38s 6d per cwt. Rough fat, per 8 lbs, 3d ; melted stuff, 29s 6d per cwt. Quotations are:—Town, 38s 6d, net cash, naked, ex works. Country : Frail casks, 39s ; home melted, shipping casks, net, f.o.b., good coloured, 40s ; fair to dull, 39s to 38s. Bone fat : White, none ; pale, none ; benzine, 35s ; melted stuff, 35s, f.o.b.

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

	s	d	s	d		s	d	s	d
Beasts—Herefords	nominal				Beasts—Heavy Bulls ..	4	0	0	0
Shorthorns	nominal				Canadian			nominal	
Devons	nominal				Sheep—Downs (clipped)	10	0	10	0
Norfolks	7	6	to	8	Wools				
Scottish	nominal				Ewes	7	0	0	0
Irish	nominal				Crossed				
Fat Cows	nominal				Scottish (wools)....	12	0	13	0
					Lamb—Downs	14	0	0	0

LONDON FOREIGN MARKETS.		Per Cwt.
Per Cwt.		

	n	d	s	d		n	d	s	d		
English (old)	11	0	to	13	0	St. Malo	34	0	to	0	0
New-Jersey.....	36	0			0	Teneriffe .....(case)	17	0			0
Spanish.....	25	0			0						0

1010

4% STERLING LOAN 1910.
Notice is hereby given that the coupons due 1st June, 1924, will be paid on and after the 2nd June, 1924 (Saturdays excepted), between the hours of 11 and 3, at the Yokohama Specie Bank, Limited, where lists may be obtained.
Coupons must be left three clear days for examination prior to their payment.—For the Yokohama Specie Bank, Ltd.,
K. YANO, Manager.
9 Bishopsgate, London, E.C.2.
17th May, 1924.

STERLING R

5% STERLING BONDS.
Notice is hereby given that the coupons due 1st June, 1924, will be paid on and after the 2nd June, 1924 (Saturdays excepted), between the hours of 11 and 3, at the Yokohama Specie Bank, Limited, where lists may be obtained.
Coupons must be left three clear days for examination prior to their payment.—For the Yokohama Specie Bank, Ltd.,
K. YANO, Manager.
9 Bishopsgate, London, E.C.2.
17th May, 1924.

LOANS

The Corporation is prepared to receive Loans on Mortgage of all the Properties, Revenues and Rates of the City. The Mortgages will be repaid in full after six months' notice to be given by either side so as to expire on or after three, five or seven years from the date of the Loan. The Mortgages are a Trustee Security. Interest is paid half-yearly.

For further particulars apply to
J. MITCHELL, City Treasurer, Leeds.

AN INTRODUCTION TO THE

**AN INTRODUCTION TO THE
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By **WALTER T. LAYTON, M.A.** 7/6 net.

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**ALEXANDRIA WATER COMPANY,
LIMITED.**

Notice is hereby given that the Forty-Sixth ORDINARY GENERAL MEETING of the Shareholders will be held at the Company's Office, Alexandria, on TUESDAY, the 26th of June, 1924, at 4 o'clock in the afternoon, for the transaction of the ordinary business of the Company, pursuant to Act of Parliament, and to fix the Directors' remuneration.

Holders of Share Warrants to Bearer desiring to attend or to be represented at the Meeting must deposit their Share Warrants in London before the 28th May, 1924, in Alexandria before the 7th June, 1924, until after the Meeting, at Messrs Barclays Bank, Limited, 1 Pall Mall East, London, S.W.1, or at the Anglo-Egyptian Bank, S.W.1, or at Alexandria, or at some other approved bank in London or Alexandria.

Dated Alexandria, Egypt, the 3rd May, 1924.—By Order of the Board,
EDMUND SMITH, Manager.

THE BRITISH OVERSEAS BANK LIMITED.

An arrangement satisfactory to all parties concerned has been made whereby the United Bank of Scotland, Limited, Williams Descon Bank, Limited, and the Prudential Assurance Company, Limited, will acquire the shares holding interests in the British Overseas Bank, Limited, of:—

Anglo-South American Bank, Limited;
Dominion Bank (Canada)
Glyn, Mills & Company;
Charles Hoare & Company;
Imperial Ottoman Bank;
Northern Banking Company, Limited,

as soon as the alterations which may be necessary in the Articles of Association give effect to these changes have been made.

A Notice to Shareholders calling the necessary Meetings will be circulated in the Order of the Board.

CHURCHILL, Chairman.
33 Gracechurch street, London, E.C.4.
20th May, 1924.

Third Impression with additional Chapter and Statistics.

**AN INTRODUCTION TO THE
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MACMILLAN & Co., Ltd., London, W.C.2

SOUTHERN PACIFIC CO.

REPORT OF THE BOARD OF DIRECTORS.

To THE STOCKHOLDERS OF THE SOUTHERN PACIFIC COMPANY:

NEW YORK, N.Y., May 8, 1924.

Your Board of Directors submits this report of the operations and affairs of the Southern Pacific Company and of its Proprietary Companies for the fiscal year ended December 31, 1923.

INCOME ACCOUNT—SOUTHERN PACIFIC COMPANY AND TRANSPORTATION SYSTEM COMPANIES, COMBINED.
(Excluding offsetting accounts.)

OPERATING INCOME.		Year ended December 31, 1923.	+Increase. —Decrease.	Per Cent.
RAILWAY OPERATING REVENUES:				
1. Freight		\$199,591,192 30	+ \$19,152,240 67	10.61
2. Passenger		62,158,875 82	+ 3,155,325 96	5.35
3. Mail		3,564,972 83	+ 283,218 32	7.91
4. Express		7,768,245 26	+ 94,872 01	1.24
5. All other transportation		6,802,888 68	+ 1,005,243 80	17.34
6. Incidental		6,921,629 82	+ 1,043,210 38	17.75
7. Joint facility—Credit		175,771 46	+ 40,367 60	18.68
8. Joint facility—Debit		59,041 35	— 8,278 22	16.31
9. Total Railway operating revenues		\$287,204,534 82	+ \$24,685,465 32	9.40
RAILWAY OPERATING EXPENSES:				
10. Maintenance of way and structures		\$41,235,817 14	+ \$4,429,687 89	12.04
11. Maintenance of equipment		50,451,491 20	+ 2,187,422 94	4.33
12. Total Maintenance		\$91,687,308 34	+ \$6,617,110 83	7.78
13. Traffic		4,990,768 33	+ 573,359 33	12.98
14. Transportation		98,559,831 08	+ 6,105,646 35	6.80
15. Miscellaneous operations		4,347,543 44	+ 419,224 62	10.67
16. General		8,590,864 92	+ 287,506 00	3.21
17. Transportation for investment—Credit		1,009,728 03	— 480,715 43	90.87
18. Total Railway operating expenses		\$207,166,588 08	+ \$13,502,131 70	6.57
19. Net revenue from railway operations		\$80,038,046 74	+ \$11,183,333 62	16.24
20. Railway tax accruals		20,365,327 70	+ 1,505,971 59	7.99
21. Uncollectible Railway Revenues		87,738 38	+ 39,854 87	31.24
22. Equipment rents—Net		5,555,374 07	+ 1,739,646 39	45.59
23. Joint facility rents—Net		1,198,416 89	+ 27,606 78	16.16
24. Net railway operating income		\$54,228,025 48	+ \$8,005,177 29	17.32
NON-OPERATING INCOME.				
31. Income from lease of road		\$88,143 60	— \$70,909 07	44.58
32. Income from lease of road—Standard return		1,586 98	— 1,586 98	
33. Miscellaneous rent income		1,009,652 54	+ 126,335 28	14.30
34. Miscellaneous non-operating physical property		300,460 71	+ 18,839 76	6.69
35. Separately operated properties—Profit		16,888 75	+ 13,621 29	44.65
36. Dividend income		4,443,170 00	+ 1,269,125 90	39.98
37. Income from funded securities—Bonds and notes—Affiliated and other companies		3,783,773 79	+ 914,548 46	31.87
38. Income from funded securities—Investment advances—Affiliated companies		2,261,596 23	+ 1,878,777 71	450.77
39. Income from unfunded securities and accounts		509,278 94	+ 365,759 51	41.80
40. Income from sinking and other reserve funds		887,572 54	+ 38,647 11	4.55
41. Miscellaneous income		81,049 50	+ 5,346 34	6.99
42. Total non-operating income		\$13,381,583 60	+ \$3,789,050 97	39.50
43. Gross income		\$67,609,609 08	+ \$11,794,228 26	21.13
DEDUCTIONS FROM GROSS INCOME.				
45. Rent for leased roads		\$239,107 64	+ \$708 58	.30
46. Miscellaneous rents		762,002 43	+ 106,914 89	16.14
47. Miscellaneous tax accruals		542,867 21	+ 64,944 39	13.45
48. Interest on funded debt—Bonds and notes		20,140,613 91	+ 1,036,107 74	5.67
49. Interest on funded debt—Non-negotiable debt to affiliated companies		1,036,107 74	+ 16,993 42	1.67
50. Interest on unfunded debt		97,122 75	+ 9,981 16	9.32
51. Amortization of discount on funded debt		76,562 70	+ 10,856 03	12.42
52. Maintenance of investment organization		23,375 81	+ 14 12	.06
53. Miscellaneous income charges		140,664 62	+ 281,258 07	68.66
54. Total deductions from gross income		\$23,057,124 81	+ \$1,158,103 94	5.88
55. Net income		\$44,552,484 27	+ \$11,956,332 20	36.66
DISPOSITION OF NET INCOME.				
56. Income applied to sinking and other reserve funds		\$1,165,183 42	+ \$37,067 55	3.29
57. Income appropriated for investment in physical property		372,348 32	+ 372,348 32	
58. Total appropriations		\$1,537,531 74	+ \$409,415 87	36.39
59. Income balance transferred to credit of Profit and Loss		\$43,014,952 53	+ \$11,546,916 33	36.66
60. Per cent. of net income on average amount of outstanding capital stock of Southern Pacific Co.:				
(a) Railroad income		10.21	+ 2.38	30.40
(b) Other income		2.73	+ 1.09	66.46
(c) Total		12.94	+ 3.47	36.64

+ Credit. † In arriving at the figures for per cent. of railroad income and per cent. of other income on outstanding capital stock (line No. 60), an estimated apportionment of net income was made by allocating to railroad income, as nearly as possible, the items relating solely to that class, and to other income the items relating solely to that class, the remaining items being apportioned between the two classes on an estimated basis.

TRANSPORTATION OPERATIONS.

Transportation operations for 1923 compare with the previous six years as follows:

	1923	1922	1921	1920	1919	1918	1917
Operating revenues	\$287,204,535	\$262,519,169	\$260,494,965	\$269,269,504	\$280,657,272	\$221,611,206	\$198,971,490
Relative to 1917 (100)	148	138	139	146	124	114	100
Actual 1923 compared with 1917	+ 98,293,145						
Operating expenses	\$207,166,588	\$198,664,456	\$212,572,262	\$242,118,700	\$288,885,172	\$268,491,125	\$200,601,823
Relative to 1917 (100)	172	161	176	201	186	186	100
Actual 1923 compared with 1917	+ 86,564,765						
Operating ratio, per cent.	72.13	73.77	78.88	86.77	78.61	78.75	62.18
Net revenue from railway operations	\$80,038,047	\$68,854,713	\$66,922,103	\$40,155,714	\$51,272,100	\$68,180,081	\$78,369,667
Relative to 1917 (100)	109	94	78	55	70	79	100
Actual 1923 compared with 1917	+ 6,668,380						
Railway tax accruals	\$20,965,928	\$18,869,356	\$15,539,469	\$14,792,064	\$11,911,995	\$11,106,950	\$13,792,176
Relative to 1917 (100)	148	137	113	107	86	81	100
Actual 1923 compared with 1917	+ 6,678,152						
Net railway operating income	\$54,228,023	\$46,222,846	\$51,382,634	\$25,363,650	\$39,677,068	\$50,871,354	\$64,577,491
Relative to 1917 (100)	87	74	88	40	64	82	100
Actual 1923 compared with 1917	+ 8,025,182						
Traffic units (ton miles plus 3 times passenger miles, thousands)	21,044,190	18,012,411	17,451,417	22,010,468	20,196,015	20,886,088	20,876,908
Relative to 1917 (100)	101	86	84	106	97	100	100

SOUTHERN PACIFIC COMPANY—continued.

TRANSPORTATION OPERATIONS—continued.

Conditions affecting railway operations were more nearly normal in 1923 than in any year since 1917, barring the higher costs of labour and materials, and the rise in living cost above pre-war standards. A volume of traffic close to the highest in the Company's history was handled expeditiously and without substantial equipment shortage, there were no major disturbances incident to labour conditions or other causes, yet the net railway operating income, while comparing satisfactorily with recent years, represents the very modest return of but 4.81 per cent. upon the book investment in road and equipment.

Compared with 1922, average compensation per employee decreased 2.8 per cent., reducing operating expenses by \$4,011,000, lower fuel prices saved \$3,819,000, and lower prices of material caused a reduction of \$777,000, the aggregate effect of changes in labour and material prices being to reduce expenses by \$8,607,000. As against this, however, average revenue per ton mile fell 8.06 per cent., and average revenue per passenger mile decreased 1.93 per cent., reduced rates thus being responsible for a decrease of \$17,549,000 in operating revenue. Taxes increased \$1,505,971.

The volume of freight traffic handled by the railroads of the country was unprecedented. Revenue tons carried one mile by all Class I railroads in the western group increased 15.7 per cent., and by your lines 20 per cent., over the preceding year. Freight revenue of all Class I railroads in the western group increased 10 per cent., and of your lines 11 per cent., over the preceding year. Failure of freight revenue to increase correspondingly with increase in tonnage was principally due to the application during the entire year 1923 of 10 per cent. reduction of freight rates which became effective July 1, 1922.

Revenue passengers carried one mile by all Class I railroads in the western group increased 6.11 per cent., and by your lines 7.4 per cent., over the preceding year. Passenger revenue of all Class I railroads in the western group increased 4.6 per cent., and of your lines 5.4 per cent., over the preceding year. Failure of passenger revenue to increase correspondingly with the number of passengers carried one mile is due to the ratio of increase being greater in long haul excursion travel than in the number of local short haul passengers—the latter being carried in increasing volume by motor vehicles.

A moderate increase in mail and express revenue resulted from a general improvement of business, and increase in other transportation and incidental revenue, including revenue from excess baggage, dining cars, restaurants, etc., resulted from increased travel.

The Transportation Act, enacted in 1920, provides that rates shall be so adjusted that carriers as a whole, or in groups designated by the Interstate Commerce Commission, shall earn an aggregate annual net railway operating income equal to a fair return upon the aggregate value of the railway property held for and used in the service of transportation. It provided for an allowance to the carriers for only six months after their relinquishment of Government of a return equivalent to that paid by the Government for the use of the railroads during Federal control. It prescribed as a fair return for the first two years after the enactment of the statute 5 1/2 per cent. of the aggregate value of the railway property held for and used in the service of transportation, and vested discretionary power in the Interstate Commerce Commission to add thereto a sum not exceeding one-half of 1 per cent. The Commission did this, and raised the rate to 6 per cent. It prescribed a fair rate of return thereafter, in pursuance of which the rate was fixed at 5 1/2 per cent. per annum. An impression has been fostered that the railroads have been guaranteed a fixed or minimum return. That there is no foundation for this impression is demonstrated by the results since the enactment of the statute. From September 1, 1920, to December 31, 1923, the railroads of the United States (embracing every railroad with gross earnings of one million dollars or more per annum) received a return on the value of their property held for and used in the service of transportation \$1,086,600,000 less than the fair return contemplated by the Transportation Act, and the Class I railroads embraced in the western group received a return on the value of their property held for and used in the service of transportation \$463,400,000 less than the fair return contemplated by the Transportation Act. If the railroads had been guaranteed a fixed or minimum return, \$1,086,600,000 would now be due them to make up the deficit, but neither this amount nor any part of it has been or will be made good.

The rate of annual return upon the readjusted tentative value (based upon book value of investment in road and equipment) was, by years, as follows:

Years.	Southern Pacific Company.	All Class I Roads in U.S.	Class I Roads in Western District.
1921	3.36%	2.33%	3.59%
1922	4.29%	4.14%	4.09%
1923	4.81%	5.10%	4.57%

In face of the failure of the carriers to earn even approximately the fair return contemplated by the law, they are continuously hampered in their efforts to do so. To illustrate: They were forced to submit to a general reduction of approximately 10 per cent. in freight rates on July 1, 1922; they were ordered by the Interstate Commerce Commission to sell interchangeable scrip tickets on and after March 1, 1923, at a reduction of 20 per cent. below the normal one-way fare, which would have resulted in \$60,000,000 reduction in net revenue per annum—a result fortunately averted by a permanent injunction of the Court; a reduction has recently been ordered in passenger rates to, from, and between points in the states of New Mexico, Arizona and Nevada which will entail a loss of approximately \$8,000,000 per annum in the net revenue of the railroads operating in the States mentioned, including your lines; bills now under consideration by Congress and a petition now pending before the Interstate Commerce Commission in Pullman elimination of the higher charge made to passengers travelling in the cars threaten a loss of the revenue from this surcharge, which, in the case of Class I railroads, would amount to about \$33,000,000 per annum; measures are now under consideration by Congress to require a substantial reduction in rates on the products of agriculture, which it is evident the railroads cannot afford.

Furthermore, the western railroads, including your lines, have suffered the diversion of a very large volume of transcontinental freight to the steamship lines operating through the Panama Canal, which carried last year an aggregate of about 6,000,000 tons between the Atlantic and Pacific Coasts of the United States. The rates made by the steamship lines between the two coasts are substantially lower than the railroad rates between intermediate points which are not accessible to steamship lines. To retain or recover their share of this traffic to steamship lines, by railroad approximating those obtainable by steamship, requires rates by railroad approximating those obtainable by steamship. The so-called long and short haul provision of the Interstate Commerce Law prohibits the railroads from making lower rates between these points than are applicable at intermediate points, unless the authority of the Interstate Commerce Commission shall have been obtained. This authority has been so sparingly exercised by the Interstate Commerce Commission that the transcontinental lines thus far have been excluded from competition for the traffic by being denied the privilege of making low enough rates to participate therein, and a measure is now before the United States Senate which contemplates the withdrawal of all authority from the Interstate Commerce Commission to permit the railroads to meet this competition, notwithstanding the policy declared in the Transportation Act that both rail and water transportation shall be fostered and preserved in full vigor. The loss of a very substantial amount of revenue is being, and will continue to be, sustained unless

this discrimination can be averted and authority can be obtained from the Interstate Commerce Commission to participate in this intercoastal traffic.

Maintenance of Way and Structures increased \$4,429,687.89, or 12.04 per cent.—the result of increased renewals of rails and fastenings, ballasting and roadway maintenance, due to greater weight of train equipment.

Maintenance of Equipment increased \$2,187,422.94, or 4.53 per cent., allocated principally to repairs of locomotives and passenger cars. Transportation service locomotive mileage increased 12.97 per cent., and total car mileage increased 20.16 per cent. Despite demands placed upon the equipment by the heavier traffic moved, the rolling stock was adequately maintained during the year to the Company's standards.

Traffic Expenses increased \$578,359.33, or 12.98 per cent., principally in outside agencies and advertising, in order to obtain our fair share of competitive traffic.

Transportation Expenses increased \$6,105,646.35, or 6.60 per cent. Total transportation service train miles increased 1.12 per cent., passengers carried one mile increased 7.40 per cent., and tons of freight moved one mile increased 21.49 per cent. The number of passengers carried per train increased 2.77 per cent., and the average net tons of freight per train increased 2.34 per cent.

The value of fuel economized in 1923 over 1922 is \$605,015. Close supervision of fuel used by engineers, and improved locomotive design (including superheaters and feed water heaters) have resulted in constant increased efficiency in use of locomotive fuel. Comparing 1923 with 1913, for example, the quantity consumed per 1,000 gross ton miles in passenger service has been reduced from 206.67 to 162.34 pounds, or 21.5 per cent., and in freight service from 192.83 to 142.56 pounds, or 26 per cent., the annual value of this saving being \$6,552,415.

Miscellaneous Operations increased \$19,224.62, or 10.67 per cent., allocating to dining cars, hotels and restaurants, offset by like increases in revenues from these facilities. General Expenses increased \$267,506.00, or 3.21 per cent.

Railway Tax Accruals increased \$1,505,971.59, or 7.99 per cent. The taxes for the year consumed one-fourth of the total net revenue from railway operations, and approximated the aggregate amount paid as dividends to the owners of the property. The increase in taxes is made up of an increase of \$1,240,900 in Federal income taxes, an increase of \$484,200 in taxes payable to the State of California under the King Tax Law, and a net decrease in charges for other taxes, the result of including in 1922 eighteen months' accrual of taxes payable to the State of Arizona in order to place such accrual on a calendar year basis.

As mentioned on page 10 of the 1921 report, the King Tax Law, which became effective July 1, 1921, increased the rate of taxation on gross earnings in California from 5 1/2 per cent. to 7 per cent. As such tax is excessive when compared with the taxes levied upon property in the State generally, you and the Atchison, Topeka & Santa Fe Railway Company instituted suits in equity, in the United States District Court for the Northern Division of California, against the State tax officials to restrain the collection of the tax levied under said law upon the ground that such tax constituted an undue burden upon interstate commerce. At the January, 1924, term of the District Court a decision was rendered denying the relief sought, but proceedings are now under way to take the case to the Supreme Court of the United States, where it is hoped the contention of your Company will be sustained.

Pending adjudication of the matter, the tax has been charged against income at the increased rate of 7 per cent., although payments have continued at the old rate of 5 1/2 per cent. The increased tax from July 1, 1921, the effective date of the King Tax Law, to December 31, 1923, the payment of which has been thus withheld, amounts to \$4,884,178.25, less penalties on amounts so withheld, which also have been charged against income, amount to \$682,700.40. If, as expected, the contention of your Company is upheld by the Supreme Court, the liability aggregating \$5,566,878.65, now carried in the accounts will be wiped out and the amount credited to profit and loss.

Expenses incurred during the year on account of Federal valuation of railroads amounted to \$795,361.73, making the total disbursements on this account from the beginning to the close of the year \$4,731,032.56. The increase of \$1,739,646.39 in net equipment rents is accounted for principally by increased car hire payments due to the larger movement of Pacific Fruit Express cars, in which this Company owns a half interest and indirectly participates in the rental earnings, although they are not included in Southern Pacific operations.

NON-OPERATING INCOME.

The decrease in the account Income from Lease of Road is due, principally, to the inclusion in that account last year of \$66,942.86, representing rental which accrued prior to January 1, 1922.

The increase in the account Miscellaneous Rent Income is due, principally, to increase in ground rent received from industrial concerns; and to the inclusion in such account, in accordance with requirements of the Interstate Commerce Commission, of the rent received this year under temporary sub-lease, effective July 1, 1922, for use of Pier 52 at New York, which last year was credited to the account Miscellaneous Rents as an offset against the rental paid for such pier.

The increase in the account Income from Funded Securities—Investment Advances—is the result, principally, of the results to income this year past due interest on investment advances to Affiliated Companies, which was earned during the year, such interest being taken into the income of the Southern Pacific Company only when it has been earned by the Affiliated Companies.

Of the decrease of \$365,759.51 in the account Income from Unfunded Securities—Interest on Company's own funds used for construction; and the remainder is due, principally, to a decrease in interest received on short term securities which were sold during the year, and to a decrease in interest on demand loans.

DEDUCTIONS FROM GROSS INCOME.

The increase in the account Miscellaneous Rents is the result, principally, of debiting that account, commencing this year, with an annual charge for amortization of improvements on Oakland Pier terminal property, which will revert to the City of Oakland, California, upon the expiration of the Oakland Water front franchise in 1960; and to the inclusion in said account last year of the rental received for Pier 52 at New York, which this year was credited to the account Miscellaneous Rents.

The increase in the account Miscellaneous Tax Accruals is caused, principally, by increases in rates and assessed valuations; and by the tax accruals on additional miscellaneous physical property acquired during the year.

The net decrease in the account Interest on Funded Debt—Bonds and Notes—of \$88,861.06, due to the retirement of \$2,619,110.41 par value of funded debt, less an increase of \$44,916.67, representing the interest accruing during the year on the \$23,100,000 of Equipment Trust Certificates issued during the year.

The decrease in the account Miscellaneous Income Charges is due, principally, to a decrease in this company's proportion of the annual charge for amortization of investment in Associated Pipe Line, the said charge being apportioned among the three owning companies (Associated Oil Company, Pacific Oil Company, and Southern Pacific Company) on basis of use of the pipe line.

The dividends paid for 1923 were appropriated from the profit and loss surplus, and therefore do not appear in the income account. Pay-

SOUTHERN PACIFIC COMPANY—continued.

INCOME ACCOUNT—continued.

ments for 1923 amounted to \$20,663,094.32, as compared with \$20,663,139.32 for 1922. The figures for this year include \$240.00 and those for last year \$285.00, being dividends on stocks of Transportation System Companies held by the public.

The Southern Pacific Company does not take into its income account interest on advances to Affiliated Companies for the construction and acquisition of new lines until the principal of such advances, with interest, has been repaid either in cash, or in stocks and bonds of such companies, the interest included in the cost of such new lines being the amount authorized to be charged thereto under the regulations of the Interstate Commerce Commission. In the case of all other advances to Affiliated Companies, the interest thereon is taken into the income

account of the Southern Pacific Company only when it has been earned by the Affiliated Companies.

FUNDED DEBT.

On December 1, 1923, to provide for the construction and acquisition of new rolling stock, an equipment trust, known as "Southern Pacific Company Equipment Trust, Series F," was created, and an issue of \$23,100,000, par value, Five Per Cent. Equipment Trust Certificates authorized, all of which were issued during the year. The certificates are dated December 1, 1923, and mature serially in lots of \$2,100,000 on December 1 of each year from 1928 to 1938, both inclusive. In accordance with the terms of the trust all certificates were guaranteed by the Southern Pacific Company.

BALANCE SHEET.—SOUTHERN PACIFIC COMPANY AND TRANSPORTATION SYSTEM COMPANIES, COMBINED.
ASSETS—EXCLUDING OFFSETTING ACCOUNTS.

ASSETS.	DECEMBER 31, 1923	+ INCREASE, — DECREASE.
INVESTMENTS.		
Investment in road and equipment	\$1,116,385,551 65	+ \$51,471,243 22
Improvements on leased railway property .. .	369,058 17	4,094,479 86
Sinking funds	18,229,357 11	758,099 00
Deposits in lieu of mortgaged property sold .. .	18,196,850 42	18,121,875 00
Miscellaneous physical property	16,983,458 89	+ 2,352,730 79
Investments in affiliated companies:		
Stocks	288,380,943 55	+ 7,038,934 96
Bonds	149,366,436 25	+ 5,905,898 67
Cost inseparable	9,187,716 74	+ 963,984 96
Advances	29,994,056 31	+ 552,070 14
Notes	135,859,994 14	+ 6,969,139 18
Other investments:		
Stocks	1,567,292 01	+ 8,501 00
Bonds	37,948,823 06	+ 14,535,583 54
Notes	1,557,304 89	+ 56,432 85
Advances	180,659 34	+ 42,602 25
Miscellaneous	206,839 71	+ 15,134 71
Total	\$1,824,414,242 24	+ \$73,443,271 79
CURRENT ASSETS.		
Cash	\$20,453,478 26	+ \$2,576,984 95
Demand loans and deposits	3,013,868 85	+ 1,576,355 64
Special deposits	306,961 90	+ 1,920 12
Loans and bills receivable	103,331 96	+ 24,230 43
Traffic and car-service balances receivable .. .	2,812,344 55	+ 122,780 51
Net balance receivable from agents and conductors	3,613,854 04	+ 387,759 56
Miscellaneous accounts receivable	7,882,508 31	+ 645,127 46
Material and supplies	35,889,293 56	+ 6,107,574 49
Interest and dividends receivable	2,540,589 18	+ 236,051 90
Rents receivable	239,579 88	+ 1,911 86
Other current assets	335,719 16	+ 157,315 05
Total	\$77,132,029 65	+ \$1,920,616 81
U.S. GOVERNMENT.		
U.S. Government—Deficit in guaranteed income ..	—	+ \$26,120,156 10
DEFERRED ASSETS.		
Working fund advances	\$142,998 37	+ \$134,040 67
Insurance and other funds	13,505,428 38	+ 1,483,331 86
Other deferred assets	\$13,673,786 75	+ \$1,349,291 19
UNADJUSTED DEBITS.		
Rents and insurance premiums paid in advance ..	\$179,979 49	+ \$48,438 53
Discount on capital stock	3,988,600 00	—
Discount on funded debt	1,793,918 90	—
Other unadjusted debits	13,331,048 17	+ 3,771,169 64
Securities issued or assumed—Unpledged*	2,468,428 00	+ 750,000 00
Securities issued or assumed—Pledged*	102,750 00	—
Total	\$19,293,546 56	+ \$3,799,293 81
Grand total	\$1,934,513,605 20	+ \$46,793,729 88

* Excluded from total assets, and a corresponding amount excluded from outstanding funded debt, in accordance with regulations of the Interstate Commerce Commission.

LIABILITIES—EXCLUDING OFFSETTING ACCOUNTS.

LIABILITIES.	DECEMBER 31, 1923	+ INCREASE, — DECREASE.
STOCK.		
Capital stock of Southern Pacific Company .. .	\$344,380,906 64	—
Capital stock of Transportation System Companies	346,832,900 00	+ \$500 00
Total stock outstanding	\$691,213,806 64	+ \$500 00
Premium on capital stock of Southern Pacific Company	\$6,304,440 00	—
Total	\$697,518,246 64	+ \$500 00
LONG TERM DEBT.		
Funded debt unmatured:		
Book liability	\$595,574,230 76	+ \$19,730,889 89
Less held by or for companies	2,591,175 00	+ \$750,000 00
Actually outstanding:		
Southern Pacific Company	\$158,213,760 00	+ \$21,065,400 00
Transportation System Companies	434,769,295 76	+ \$594,510 41
Total funded debt	\$592,983,055 76	+ \$20,480,489 59
Non-negotiable debt to affiliated companies:		
Open accounts	31,750,993 26	+ 5,513,365 10
Total	\$624,734,049 02	+ \$25,994,254 69
CURRENT LIABILITIES.		
Traffic and car-service balances payable	\$5,587,829 98	+ \$154,134 31
Audited accounts and wages payable	17,829,658 82	+ 2,833,322 39
Miscellaneous accounts payable	1,276,376 25	+ 35,289 94
Interest matured unpaid	4,070,853 78	+ 407,197 85
Dividends matured unpaid	5,253,499 13	+ 3,330 08
Funded debt matured unpaid	13,713 98	+ 11,000 00
Unmatured interest accrued	4,814,790 25	+ 90,429 28
Unmatured rents accrued	394,895 01	+ 14,089 47
Other current liabilities	2,100,416 28	+ 683,589 87
Total	\$41,276,035 37	+ \$3,058,597 69

SOUTHERN PACIFIC COMPANY—continued.

BALANCE SHEET—LIABILITIES—continued.

LIABILITIES.	DECEMBER 31, 1923	+ INCREASE, — DECREASE.
DEFERRED LIABILITIES.		
Other deferred liabilities	\$338,068 97	+ \$254,924 42
UNADJUSTED CREDITS.		
Tax liability	\$13,104,530 93	+ \$3,313,770 62
Insurance and casualty reserves	2,631,702 05	+ 345,919 50
Operating reserves	3,439,391 10	+ 2,878,715 56
Accrued depreciation—Road	2,063,670 40	+ 262,784 40
Accrued depreciation—Equipment	66,011,883 79	+ 3,461,174 98
Other unadjusted credits	120,603,469 41	+ 11,531,549 85
Total	\$207,854,647 68	+ \$7,026,615 91
CORPORATE SURPLUS.		
Additions to property through income and surplus ..	\$6,179,493 59	+ \$4,508,295 97
Funded debt retired through income and surplus .. .	25,234,995 49	+ 561,133 75
Sinking fund reserves	14,182,548 62	+ 964,294 18
Appropriated surplus not specifically invested .. .	3,818,177 83	—
Total appropriated surplus	\$49,415,215 53	+ \$6,033,783 90
Profit and loss—Balance	313,377,345 99	+ 18,478,235 69
Total corporate surplus	\$362,792,561 52	+ \$24,512,019 59
Grand total	\$1,934,513,605 20	+ \$46,793,729 88

† Represents, principally, interest on advances to Affiliated Companies, which has not been taken into income account. See last paragraph under heading "Deductions from Gross Income."

EQUIPMENT.

To provide for increased requirements and to replace vacated equipment, arrangements were made during the year for the purchase from outside builders, or for the construction at company shops, of rolling stock as follows:

	Ordered from Builders	Built or Purchased at Company Shops	Total
Locomotives—Steam	63	—	63
Locomotives—Electric	—	8	8
Locomotive tenders	—	10	10
Freight-train cars	5,775	1,269	7,044
Passenger-train cars	217	—	217
Electric motor cars	100	—	100
Company service equipment	35	1	36
Total estimated cost	\$28,645,000	—	\$28,645,000

In addition to the above rolling stock the Pacific Fruit Express Company (the stock of which is owned one-half by Southern Pacific Company and one-half by Union Pacific R. R. Co., and which furnishes refrigerator cars to, and operates icing stations for, the Southern Pacific and Union Pacific Systems), ordered during the year 3,057 refrigerator cars, the estimated cost of which is \$10,154,000.

Three additional passenger ferry steamers (San Mateo, Shasta, and Yosemite) have been placed in service between San Francisco and Oakland to accommodate the increase in local passenger and automobile traffic; and contracts were made during the year for the construction of one ocean-going passenger and freight steamer of 11,100 tons displacement, one tug, one steam lighter, and ten hoisting lighters for service in the company's New York-New Orleans and Galveston steamship line. The cost of this floating equipment will approximate \$4,080,000.

Including the Southern Pacific's one-half of the Pacific Fruit Express equipment, the total estimated cost of rolling stock and floating equipment provided for during the year amounted to \$37,762,000.

THE CONTROL BY THE SOUTHERN PACIFIC OF THE CENTRAL PACIFIC THROUGH LEASE AND STOCK OWNERSHIP.

In last year's report it was stated that the Southern Pacific Company had re-acquired control of the Central Pacific pursuant to an order of the Interstate Commerce Commission and subject to the conditions thereby imposed; and that it was expected at an early date to bring the Commission's order and the Company's action thereunder to the attention of the District Court of Utah, charged with entering a final decree pursuant to the opinion of the Supreme Court and the laws of the United States. This has been done, and the District Court has rendered a final decree recognizing the lawfulness of the control acquired under authority of the Commission's order. We therefore have the satisfaction of stating that the question of the Southern Pacific ownership and control of the Central Pacific has now been settled in a manner which is in the public interest and in harmony with latest expression of legislative policy, and which, at the same time, avoids the evil of a separation of the properties.

NATRON CUT-OFF.

The plans completed in 1905 for the construction of the Natron Cut-Off contemplated the construction of a line about 280 miles in length extending from Natron, Oregon, the end of a branch line of the Oregon and California Railroad, to Weed, California, on the main line of the Central Pacific, thus providing for an alternate line between Springfield Junction, Oregon, and Weed, California, shorter in distance, of easier grades, and less curvature than the existing line over the Siskiyou Mountains, via Ashland, Oregon. Work on the Cut-Off was commenced in 1905, and up to February 11, 1914, when the Government instituted its suit attacking the right of your Company to control the Central Pacific, there had been completed and placed in operation 160.88 miles, as follows:

Natron to Oakridge, Oregon	84.39 miles
Weed, California, to Kirk, Oregon	126.49 miles
Total	160.88 miles

As your Company was at that time carrying in its treasury \$30,139,349.53 of bonds and notes of Central Pacific Railway Company and its underlying companies, which had been taken over against advances for construction of Central Pacific branches and extensions, and as it would be called upon to furnish funds to complete the Cut-Off, then estimated at upwards of \$16,000,000, it was deemed advisable to suspend the work until the outcome of the Government's suit had been determined.

On July 2, 1922, in response to inquiries made by various commercial organizations in the State of Oregon, your Executive Committee announced that the Company would proceed with the work of completing the gap in the Natron Cut-Off as soon as its right to hold the Central Pacific had been fully and definitely established. Pursuant to this

promise, and in order to avoid delay, your Company, on March 23, 1923 (following the favorable decision of the Interstate Commerce Commission, but before the final decree of the Federal Court confirming the right of the Southern Pacific to hold the Central Pacific had been rendered), applied to the Interstate Commerce Commission for authority to proceed with such work. The Commission's order granting such authority was dated August 15, 1923, and the work of completing the Cut-Off was commenced on September 1, 1923.

This work involves the construction of 108 miles of main line and 29 miles of sidings over the Cascade Mountains between Kirk and Oakridge, Oregon, including 19 tunnels having an aggregate length of 16,445 feet, the estimated cost of which is \$15,932,589. Up to March 31, 1924, the line had been relocated, shortening the distance from 118 miles to 108 miles, practically all the right-of-way had been acquired, 18.70 miles of track completed, and 18 miles of roadway completed ready for tracklaying. Contracts have been let for the grading and tunneling of an additional stretch of 56 miles, of which 6 miles have been cleared ready for grading.

When completed this Cut-Off as relocated will extend from Natron, Oregon, to Weed, California, a distance of 269.54 miles, and will cost about \$28,700,000. It will shorten the distance between San Francisco and Portland by approximately 20 miles, will give two lines between Weed, California, and Springfield Junction, Oregon, one over the Siskiyou Range with grades of 174 feet to the mile, and one over the Cascade Range with grades of 95 feet to the mile, and will open up a new territory which, it is expected, will furnish your Company profitable traffic.

DOUBLE TRACKING CENTRAL PACIFIC BETWEEN OAKLAND AND OGDEN.

Traffic congestion at the time of the San Francisco Fire in 1906 emphasized the necessity of double tracking certain portions of the Central Pacific between Oakland and Ogden, and it was decided to double track the entire line, proceeding first, however, with the work in the more congested districts. This programme was followed, and up to the end of 1914, when the work was suspended pending the determination of the Government's suit attacking the right of your Company to hold the Central Pacific, there had been completed and placed in operation about 197 miles of second track between Sacramento and Ogden. Following the favorable decision of the Interstate Commerce Commission in the Central Pacific Case, this work was resumed, and an additional 37 miles of second track was completed and placed in operation during the year 1923, making a total of 234 miles of second track completed and placed in operation between Sacramento and Ogden to December 31, 1923. Including 52.5 miles of second track now under construction, the 183 miles of Western Pacific Railroad between Alazon and Weso, Nevada, which your Company is to operate jointly with the Western Pacific, as explained in a separate paragraph, and the second track on the line of the Southern Pacific Railroad between Oakland and Sacramento, this will give an aggregate of 553 miles of second track between Oakland and Ogden, leaving only the following stretches to complete the double tracking of the line, viz:—

Hafed to Oresma, Nevada	104.7 miles
Moor to Valley Pass, Nevada	24.2 "
Lucin to Lakeside, Utah	54.8 "
Saline to West Weber, Utah	20.3 "

Total 204.0 miles

AGREEMENTS WITH WESTERN PACIFIC RAILROAD COMPANY.

On March 7, 1924, the Southern Pacific Company and the Western Pacific Railroad Company announced that they had entered into agreements which, briefly stated, are as follows:—

1. Southern Pacific and Western Pacific to operate their tracks between Alazon (near Wells) and Weso (near Winnemucca), Nevada, a distance of 183 miles, as a double track railroad, for a period of 50 years from August 1, 1924, thus giving each company the benefit of double track service between such points.

2. The Western Pacific, as occasion may arise, to handle traffic for Southern Pacific on the former's line over the Sierra Nevada Mountains between Weso, Nevada and Chico, California, as a bridge, the arrangement including the Sacramento Northern as the section of the bridge between Oroville and Chico, California. The minimum traffic to be moved over the bridge in any year being one-half of the traffic, other than live-stock and perishables, moving to and from Oregon points via Southern Pacific to, from, or through Ogden.

3. Southern Pacific to handle traffic over its line between Nulson and Sacramento, California, as a bridge, both for Western Pacific and for Sacramento Northern, the Nulson branch of the latter at the present time being isolated from the rest of its property.

4. Pacific Fruit Express Company, owned equally by Southern Pacific and Union Pacific, has acquired the right to operate all Western Pacific refrigerator cars in connection with its own refrigerator cars under conditions which assure an equitable distribution of such equipment to shippers of perishable products on Southern Pacific, Union Pacific and Western Pacific Lines. With equipment ordered, this makes a total of 33,606 cars available for the use of the three lines.

SOUTHERN PACIFIC COMPANY—continued.

THE CONTROL BY THE SOUTHERN PACIFIC OF THE CENTRAL PACIFIC THROUGH LEASE AND STOCK OWNERSHIP—continued.

The Nevada paired track arrangement gives your Company a needed second track without the necessity of large capital expenditures therefor, thus conserving capital for other urgent uses.

The bridge arrangement over the Sierra Nevada Mountains gives your company a second route over that formidable range for the movement of Oregon lumber and other non-perishable traffic over a line 38.6 miles shorter and less congested than the present route. On the other hand, the bridge arrangement over your company's line between Suisun and Sacramento will link the Suisun branch of the Sacramento Northern with the parent company's line at Sacramento.

Under the agreement between the Pacific Fruit Express Company and the Western Pacific (which merely establishes in the form of a definite contract an oral arrangement in effect during the past season) all the refrigerator cars serving perishable fruit traffic are placed under the control of the former company, which deals directly with the shippers, its plan of distribution being based on a careful and intensive study of the needs of each section, as determined by the perishable products produced in such section.

These agreements are in accordance with a memorandum dated January 16, 1923, filed with the Interstate Commerce Commission by the Southern Pacific and the Western Pacific at the time of the Central Pacific hearing before the Commission, which memorandum was referred to by the Commission in its decision of February 6, 1923, authorising the continued control of the Central Pacific by your company. With the establishment of these agreements all the suggestions in said memorandum will have been carried out, that feature looking to the establishment of through rates between the east and Southern California points over Western Pacific and Southern Pacific having become operative several months ago.

These agreements will result in greatly increased efficiency in service to the public. The advantages accruing to the two companies in employing the facilities of one for the business of the other are independent of, and have no relation to, the solicitation of traffic, each company having to seek its business as vigorously as before.

The above will show the additional facilities afforded for handling traffic over the very heavy grades of the Siskiyou Mountains and of the Sierra Nevada, two of the three conspicuous obstructions to traffic on the Pacific System. Considerable work has been done on the remaining heavy grades over the Tehachapi Mountains, the situation as to which at the present time is as follows:

Double track has been completed from Mojave to Tehachapi station, a distance of 19.8 miles, and from Bakersfield to Siver, 12.1 miles, a total of 31.9 miles out of the distance of 68 miles from Mojave to Bakersfield, leaving 36.1 miles, or all of the heavy grade on the north slope of the range, yet to complete. Surveys have been completed for a second track on this section, affording a compensated maximum grade southbound of 98 feet to the mile as against the present grade of 132 feet to the mile on the present operated line.

CONTROVERSY ARISING OUT OF THE OREGON AND CALIFORNIA RAILROAD'S LAND GRANT.

This is an accounting suit brought in 1917 by the United States seeking to offset against the compensation of \$2.50 per acre, due the Company for the unsold lands, moneys received by the Company, in excess of \$2.50 per acre, by reason of past sales, leases and otherwise, as well as taxes levied since the forfeiture decision in 1913 and voluntarily paid by the Federal Government to the State of Oregon. When our last year's report was issued this case was being heard in the United States District Court of Oregon. Illness of the trial judge has delayed up to this time the submission of the case; but a decision by the lower court may be expected in the near future.

SOUTHERN PACIFIC RAILROAD COMPANY OF MEXICO.

In last year's annual report mention was made of the agreement dated March 2, 1923, between Southern Pacific Railroad Company of Mexico and the Mexican Government, under which the Railroad Company, in partial settlement of its claims, received notes of the Mexican Government aggregating 13,600,000 pesos, payable at the rate of 200,000 pesos per month, or an aggregate of 2,400,000 pesos per annum. Of the notes so received, notes aggregating 2,400,000 pesos, which matured during the last nine months of the year 1923 and the first three months of 1924, together with the interest thereon, have been paid off.

Under the said agreement the Government pledges itself to study and settle with a spirit of absolute equity and reasonable promptness, the balance of the Railroad Company's claim, amounting to 10,465,000 pesos, the amount to be paid to be based on adequate evidence, and when agreed upon to be covered by notes. During the year a representative of the Government completed an investigation of these accounts and an early adjustment is expected.

The agreement with the Mexican Government provides for the completion by the Railroad Company of the 100-mile gap in the main line between Tepic and LaQuemada; and the rehabilitation by the Railroad Company of the Tonichi Branch, about 90 miles in length, and of the Alamos Branch, about 40 miles in length, which had been partially destroyed by revolutionary forces. Work on the main line was begun on March 6, 1923, and although the work was delayed by unprecedented heavy rains, about 45 miles of right-of-way were cleared and 20 miles of roadway graded, upon which 9 miles of track were completed during the year. As of March 15, 1924, a force of 3,363 men were engaged upon this work, at which date an aggregate of 24.8 miles of grading had been completed and 6.51 miles were nearing completion.

The work of rehabilitating the Tonichi and Alamos Branches was also begun in March, 1923, and 38.9 miles, or 43 per cent. of the former, and 23.3 miles, or 57 per cent. of the latter, was completed during the year.

Excluding interest, the investment of the Southern Pacific Company and Southern Pacific Railroad Company in the Southern Pacific Railroad Company of Mexico, as of December 31, 1923, was \$43,095,409. During 1923, the gross income (after deducting operating costs) of Southern Pacific Railroad Company of Mexico amounted to \$1,209,880.79. Deduction from gross income, excluding interest due to the Southern Pacific Company and Southern Pacific Railroad Company, and the annual charge for amortization of improvements (this item being the annual payment into a sinking fund to retire the investment in the property at the expiration of the life of the concession, under the appropriate provision of the Mexican law) amounted to \$120,571.40, which would leave a net income of \$1,089,309.39, or the equivalent of 2.53 per cent. on the investment.

The average miles of road operated during the year was 1,131.31, as compared with 1,106.81 for 1922.

STATUS OF ACCOUNTS WITH UNITED STATES GOVERNMENT.

In May, 1923, complete and final settlement was made with the Interstate Commerce Commission of all claims of the Southern Pacific Company and Transportation System Companies against the Government under the *guaranty* provision of the Transportation Act of 1920, covering the period from March 1 to August 31, 1920, the companies receiving in such settlement a balance due of \$1,738,859.06.

EMPLOYEES' WELFARE.

On January 1, 1924, the company placed in effect a plan through which employees six months or more in the service may receive the benefit of an expensive group life insurance in one of the largest old line life insurance companies, also insurance against permanent disability resulting from sickness or accident. The company furnishes entirely at its own expense \$250 of such insurance to each employee six months in the service, increasing the free insurance to \$500 at the expiration of the first year of service. Employees are granted the option of subscribing to additional insurance, graded according to their salaries, to a maximum of \$3,000, at rates much lower than applicable to any insurance they might otherwise obtain, which are made possible because of the inexpensive character of group insurance itself, and by reason of the fact that the company makes a substantial contribution to the cost of such additional insurance. The success of the plan was remarkable, 93 per cent. of the eligible employees having made application for all additional insurance procurable; the remaining eligible employees are of course protected by the insurance granted them by the company without cost. The same plan was extended to employees of electric railway lines and other subsidiary corporations of which the Company owns the entire stock. The aggregate insurance thus carried provides 71,170 employees with \$116,343,250 of insurance, representing the largest group insurance policy ever written. It is estimated that the cost of the company's contribution to the plan will approximate the amount paid out in pensions.

Under the pension system put into effect January 1, 1903, there were carried on the pension rolls at the end of the year, 1,333 employees. The payments to pensioners for the year amounted to \$696,921.31, equivalent to six per cent. per annum on an investment of \$11,615,355.16.

GENERAL.

The dividends for the year on the capital stocks of the Southern Pacific Company and its Transportation System Companies held by the public amounted to \$20,663,094.32, as follows:

Dividends on the capital stock of the Southern Pacific Company:	
1½ per cent. paid April 2, 1923	\$5,165,713.58
1½ per cent. paid July 2, 1923	5,165,713.58
1½ per cent. paid October 1, 1923	5,165,713.58
1½ per cent. payable January 2, 1924	5,165,713.58

Total, Southern Pacific Company

Dividends on stocks of Transportation

System Companies held by the public

Total dividend payments for the year

The total taxes for year amounted to

In the annual report for 1922, attention was directed to a reduction in operating expenses of \$16,776,000, substantially all of which, or \$16,850,000, there was an increase in taxes of \$3,320,000.

In 1923 expenses were reduced by (a) \$4,011,000 less paid in wages, (b) \$3,819,000 less cost of fuel, and (c) \$777,000 in lower prices of materials and supplies, a total of \$8,607,000, all of which, and much more, was lost by a total of \$7,549,000 in revenue, due to rate reductions by competent authority, and an increase of \$1,505,971 in taxes, a total of \$19,055,000 due to these two factors. The final result was a decrease in net income of \$10,448,000; in other words, for every dollar in expenses saved during the year, \$2.21 were taken by the public through reductions in rates and increases in taxes.

The most difficult problem confronting railway management to-day is the uncertainty regarding the future of the transportation industry of the country. Leaving aside all question of whether the national policy shall be that of Government ownership or of private operation, it is imperative until and unless a change is made in the present national policy that there should be a well-defined and consistent program for the supervision and regulation of the railways and that there should not be constant proposals for new national and state legislation. Continual tinkering with legislation on this all-important subject breeds such uncertainty that it is impossible for railway management to plan for the future on anything like a comprehensive scale, as under existing circumstances no one can forecast under what conditions they may have to operate. Opinions may differ as to the wisdom and effectiveness of adjusted themselves to its provisions, and a fair trial should be given to it before any radical changes are proposed or made. Too much reasonable return upon the provisions of that Act providing for a maintained there can be no inducement to undertake new or develop existing railway properties along constructive lines.

The investing public cannot be expected to provide for the ever-growing needs of the transportation industry unless it is reasonably property in which it invests will be permitted, under efficient management, to earn a reasonable return. It is most desirable in the interest of both the railways of the country and the public which they serve that a larger portion of the capital they require be provided by issuance of stock rather than of bonds, but it is hopeless to expect the public to invest in the stock of railway companies if all hope of reasonable returns is withheld from them. Continued increase in taxation, coupled with high operating costs and rate reduction, can only be offset by return through efficiency of management and if it is to be feared that an increased greater taxation, further reduction of rates, or oppressive regulatory control in the stock of railway companies, would indeed become discouraging.

A conspicuous instance of the paralyzing effect of Government policy on the railroads is afforded in the litigation, lasting ten years, that Pacific Double-tracking, ballasting, and other improvements designed to improve service to the public were deferred for a period of ten years, to be undertaken only after the settlement of this matter in the Federal Courts.

The Board gratefully acknowledges its appreciation of the loyal and efficient services rendered by officers and employees during the year.

By Order of the Board of Directors,
JULIUS KRUTTSCHNITT,
Chairman of the Executive Committee.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

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SATURDAY, MAY 31, 1924.

No. 4,214.

Owing to the Whitsuntide holidays "The Economist" will be published next week on the morning of Friday, June 6th.

THE SCOTTISH PROVIDENT INSTITUTION

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Every description of Banking business transacted.

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THE MONEY MARKET.

STRINGENCY in the short-loan market was again acute in the early days of the week, when considerable amounts were borrowed from the Bank of England, at the usual ½ per cent. above Bank rate. Thanks to this relief, and also to heavy disbursements by the Government, funds became more plentiful, and discount rates, which had been firm, eased off on the prospect of ease next week, after the payment of the War Loan interest. For immediate business, fine three months' bills were quoted at 3 to 3½ per

cent., but for delivery next week they could be placed at $2\frac{1}{8}$ per cent.

	May 30, 1924.	May 23, 1924.	May 16, 1924.	May 9, 1924.	Previous Rate and Date Changed.
Bank Rate	4	4	4	4	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount/Call	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$1\frac{1}{2}$ (Jly. 5, '23)
Market rate 3 months' bills)	$3\frac{1}{8}$	$3\frac{1}{8}$	3	3	..

The Bank return showed a decrease of £1,210,000 in the reserve, practically all due to the outflow of notes for the usual demands for cash at the end of the month. Government and Other securities expanded by £262,000 and £1,117,000 respectively, the latter increase being considerably less than the amount that the market was believed to have borrowed. These increases roughly balanced the decline in the reserve; and on the other side of the account a decline of 3 millions in the Public deposits went to swell Other. There was a reduction of £324,300 in Currency Notes outstanding this week, which includes £1,390,700 for notes called in but not yet cancelled. The fiduciary issue is £235,234,600, or £12,956,300 below the maximum.

THE STOCK MARKETS.

Business in the Stock Exchange has this week fallen to a very low ebb. Prices are well maintained on the whole, but the tendency, as usual when business is slack, is to let values droop. Gilt-edged stocks have given way a little, but the firmness of Indian Government and Home Corporation stocks has been noticeable. There is no interest in Home Rails, and prices have sagged, but Argentine Rails have been a good market. Rubber shares have recovered a little, but there is little business, and activity in oils is almost entirely professional. Industrials have been irregular, and mines have leaned towards the heavy side.

THE COMMODITY MARKETS.

A quieter tone generally has pervaded markets this week. Sectional strikes have affected the South Wales coal market. Conditions abroad are unfavourable to business in pig-iron. It is announced that some steel-rolling mills have closed, owing to scarcity of orders. Our Sheffield correspondent reports that there is little buying in the iron and steel trades. Tin displayed firmer features, and copper improved on better demand. The wheat markets are inclined to be dull. Sugar was steady at the recent lower level of prices, and tea prices favoured sellers, although the common varieties met with little support. The rubber market was easier. Business in the cotton trade is quiet. Similar conditions are reported from Bradford in the wool industry. The hide market remains steady, while linseed oil is in better demand, and the price has improved.

FOREIGN EXCHANGES.

In the foreign exchange market business has been quiet, with Continental holidays. The chief feature has been a further sharp drop in the value of sterling. From a closing rate of \$4.34 $\frac{1}{2}$ on the 23rd, the quotation at first showed some improvement, rising as high as \$4.35 $\frac{1}{2}$ at one time on Monday. On the two following days it fell away again to a closing rate of \$4.33 $\frac{3}{8}$ on the 28th, and on Thursday afternoon there was a sharp drop on selling of sterling from New York to \$4.31 $\frac{3}{8}$, while yesterday morning's quotation was down to \$4.30 $\frac{1}{8}$. Forward quotations are about the same as a week ago at $\frac{1}{8}$ to $\frac{1}{4}$ cent per month above spot. Preparation for autumn requirements and recent large foreign loans are suggested as explanations for this movement, together with fears of the general political situation in Europe, but it is probable that special operations have also contributed to the fall. The Paris rate, which ended last week at 80.50f showed a little improvement on Monday and Tuesday, but since then has moved up somewhat irregularly to 82.40f yesterday morn-

ing, while Brussels has followed suit from 93.40f to 95 $\frac{1}{2}$ f. Forward rates in Paris have widened on the week from 50 centimes to 70 centimes per month above spot, while Brussels is also rather wide at 12 to 15 centimes per month above. The lira has been very steady, moving only on the week from 98.31 to 98 $\frac{1}{8}$. Berlin shows, if anything, a slight appreciation down to 18,300, as the result of the Reichsbank's determined policy to maintain the mark at the expense of an absolute credit famine, and of increasing failures and unemployment. While this insistence on avoiding a new currency collapse can be well understood, it is still a matter of much doubt whether the country will be able to stand the present enormous strain for a sufficient time to allow agreement to be reached on the Dawes Report, with regard to which the regrettable attitude of the Nationalists is causing further apprehension. Among neutral countries, Holland has moved sharply against us with the \$, from 11.62 to 11.52 $\frac{1}{2}$, and Switzerland from 24.54 to 24.44 $\frac{1}{2}$, and Stockholm from 16.35 $\frac{1}{2}$ to 16.26 $\frac{1}{2}$. Vienna, however, at 308,500, is about the same, while Warsaw has moved against us from 22.55 to 22.40 zloty. Madrid, at 31.60, after being better, shows some improvement on the 31.68 $\frac{1}{2}$ quoted a week ago. Copenhagen, at 25.75 $\frac{1}{2}$, is unchanged on the week; Christiania, however, has depreciated again, from 31.29 $\frac{1}{2}$ to 31.40 $\frac{1}{2}$, after being still higher. Helsingfors, at 173 $\frac{1}{2}$, shows an improvement of $\frac{1}{4}$ mark. In Eastern Europe, Prague at 174 $\frac{1}{2}$ is $\frac{1}{8}$ krone better. Belgrade, at 354 $\frac{1}{2}$, shows a slight depreciation. Bucharest, however, has continued to move up rapidly from 912 $\frac{1}{2}$ to 1,040. Rumours of political changes and the recent disastrous explosion have played their part in this rise, and there is, in addition, a report, at present unconfirmed, of the reimposition of restrictions on grain exports. In the East, the rupee is unchanged on the week at 15 4 29-32d- $\frac{1}{8}$ d, while the yen has appreciated from 15 10 9-32d to 15 10 13-32d. The rise in silver on Continental buying continued until a price of 34 $\frac{1}{2}$ d was reached, but from this there has been a reaction on sales from China. Most of these, however, were uncovered, so the undertone remains strong. The Hong Kong quotation has moved on the week from 2s 5d to 2s 4 $\frac{1}{2}$ d, while Shanghai has also fallen from 3s 4d to 3s 3 $\frac{1}{2}$ d. In South America Rio, after appreciating to 6 3-32d, has fallen back again to 6d, as compared with 5 27-32d a week ago. Buenos Aires has moved from 41 $\frac{1}{2}$ d to 41 $\frac{3}{8}$ d, and Monte Video from 43d to 43 $\frac{1}{2}$ d, while Valparaiso has depreciated a little from 39.20 to 39.80 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended May 24th:—

(000's omitted.)			
EXPENDITURE.	£	RECEIPTS.	£
Supply Services	6,750	From Revenue	11,679
Interest, &c., on Debt	549	Taken from Exchequer Balances	209
Sinking Fund	1,199		
Subsidies	394		
Reduction of Debt	2,996		
	11,888		11,888

Revenue came in on an increased scale this week, amounting to £11,679,700, against £10,050,400. Customs produced £630,000 more at £3,229,000, while the yield from Excise at £2,267,000 increased by £1,312,000. Estate, &c., duties yielded £830,000 in excess of last year at £1,920,000. The yield from Property and Income-tax was rather low at £481,000, against £1,471,000. Super-tax yielded £1,010,000, against £820,000. Special Receipts produced £1,010,100, against £1,026,600. The week's operations reduced the National Debt by £2,996,600, and caused the following changes:—

(000's omitted.)			
TREASURY BILLS.	£	PUBLIC DEPT. ADVANCES.	£
Treasury Bills	+ 11,187	Public Dept. Advances	— 15,500
4% Treasury Bonds	+ 1,136		
Unemployment Insurance	+ 180		
	+ 12,503		— 15,500

The floating debt was reduced by £4,325,000 to £743,795,500.

FINANCIAL YEAR, 1924-1925 (April 1 to May 24).

Total Expenditure ..	104,424,240	Raised by Revenue ..	123,834,106
Net Repayments	22,692,133	Decrease in Balances ..	3,282,267
Total	127,116,373	Total	127,116,373

ESTIMATES FOR YEAR 1924-25.

£		£	
Ordinary Expenditure ..	786,848,000	Ordinary Receipts ..	764,050,000
Special Expenditure ..	3,178,000	Special Receipts	30,000,000
Total	790,026,000	Total	794,050,000
		Surplus	4,024,000

THE WEEK IN PARLIAMENT.

MONDAY, MAY 26TH.—*Commons*: Debate on Money Resolution in connection with the Unemployment Insurance Bill. Second reading passed of L.M. and S. Railway (Superannuation) Bill. Report stage concluded of War Charges (Validity) Bill.

TUESDAY, MAY 27TH.—*Lords*: Second reading of Local Authorities (Emergency Provisions) Bill. Committee stage of School Teachers (Superannuation) Bill. *Commons*: Second reading of the Finance Bill.

WEDNESDAY, MAY 28TH.—*Lords*: Debate on the Anglo-Russian negotiations. *Commons*: Government's Airship Scheme and Empire Settlement discussed.

THURSDAY, MAY 29TH.—*Lords*: Committee stage of Prevention of Evictions Bill. Royal Assent given to National Health Insurance (Cost of Medical Benefit) Act, Friendly Societies Act, School Teachers (Superannuation) Act, and the Education (Scotland) Superannuation Act. *Commons*: Debate on Unemployment. Vote of Censure defeated.

FRIDAY, MAY 30TH.—Industrial Councils Bill, second reading.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Fine Cotton Spinners' and Doublers' Association, Royal Insurance, Co-operative Insurance Society, Gresham Life Association, Guardian Assurance, British Overseas Bank, Royal Mail Steam Packet, Brunner Mond, India General Navigation and Railway Nitrate Producers' Steamship, Calcutta Tramways, Shanghai Electric Construction, Cawnpore Electric Supply, and Vickers. At the extraordinary meeting of the British Overseas Bank alterations to the articles of association were unanimously agreed to. The chairman at the Gresham Life meeting reported favourable mortality experience. The chairman at the meeting of the Guardian Assurance said that they had present all the factors which made for substantial profit in the quinquennium. At the meeting of Brunner Mond the chairman pointed out the burden of taxation on industry and also dealt with the question of higher wages. The chairman at the R.M.S.P. meeting exhaustively reviewed the position and prospects. At the India General Navigation and Railway meeting the chairman, in referring to the Cauvery case appeal, pointed out the disabilities, as common carriers, to which they had to submit.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

The Reparations Problem.—The story of Reparations, which, since its ill-omened beginning at Paris in 1919, has passed from crisis to crisis and poisoned the politics of Europe, has come to the end of a chapter, and will shortly begin in a new phase and under altered conditions. We have, therefore, thought it a convenient moment to furnish to our readers in a special supplement a short history of the question during the last five years, together with a summary of the Experts' reports, which will supply the basis from which the new developments will start. The supplement does not attempt to be a commentary upon this story of failure and of hope deferred, or to pass judgment upon its historical importance. Its object is merely to serve as a convenient form of reference.

THE ANGLO-RUSSIAN NEGOTIATIONS.

THE Anglo-Russian Conference held further meetings on the 20th and 27th of the month, and official statements of the proceedings agreed by the two delegations have appeared in the Press. It is evident that the atmosphere remains friendly, and that a genuine desire for a settlement exists on both sides, but the results recorded hitherto are mainly negative. The Russian Delegation do not feel themselves able to offer resumption, in any form, of the service of their pre-war debt unless and until they succeed in obtaining a fresh loan in the London market. His Majesty's Government, on their side, have made it clear that, while their attitude towards such a loan would be benevolent, there could be no question of the Government guarantee for which the Russians are asking, and that they could not accept proposals for scaling down the pre-war debt in the form in which they have been put forward. In order to avoid a deadlock, the British Delegation announced in the course of last Tuesday's session that they would present their own counter-proposals for dealing with the pre-war debt in the precise form of a draft agreement, which they would invite the Russian Delegation to take as the basis for discussion. There for the moment the negotiations stand. While the hand is being played it is hardly the moment to comment or to criticise, especially as we are satisfied that the Government is not in the least likely to jeopardise British interests. But it may be convenient at this stage briefly to indicate what we understand to be the Russian standpoint in these discussions.

From the Russians' point of view, the new loan which they hope to raise is the necessary basis of any arrangement, since without it they have little hope of bringing Russia back to economic life and putting her vast latent resources into circulation. They want to import all manner of equipment: timber ships of 3,000 tons cargo capacity; grain ships of 6,000 tons cargo capacity; oil tankers of 10,000; grain elevators, stationary and movable, mechanical and pneumatic, as well as grain-cleaning machinery of various kinds. On the smaller scale they need every kind of agricultural machinery—ploughs, cultivators, harrows, sowers, mowers, binders; they need tractors and tractor-ploughs; machinery, tools and benches for metal and wood-working; tool steel; iron sheets for transformers; enamels; harbour equipment, including cranes and hoists for loading coal and ore; machinery and materials for communal supply services; cards for their textile industries; pipe-lines (e.g., a second line from Baku to Batum); camel hair and leather belting; wire ropes and wire; manilla ropes, and, in addition to these manufactured products, a considerable quantity of certain raw materials, such as white metals, ferro-alloys, copper, raw hides and skins, cotton (the Turkestan and Trans-Caucasian cotton cannot satisfy the demand of the Moscow mills) and wool. Assuming that, for the economic rehabilitation of Russia, large imports of all these commodities are essential during the next few years, by what means are they to be financed? The Russian Delegation reckon the total value of Russian exports to all countries, on the present level of Russia's economic activity, at not more than £40,000,000 per annum, and this is Russia's sole fund for payments abroad, since she possesses no assets and performs no remunerative services (such as a carrying trade) beyond her own frontiers. Until all this equipment has been imported and has produced its economic effect, the annual value of her exports will not appreciably rise (though, once that effect has been produced, she hopes that it will rise enormously), and she will therefore remain caught in a vicious circle unless she succeeds in supplementing her annual capacity to pay on the present footing by raising a substantial foreign loan.

The loan which the Russian Delegation has in mind is very substantial indeed. They contemplate three annual instalments, each amounting to something like £25,000,000 sterling, and the inducements with which they hope to influence the British investor appear to be

as follows:—(i.) They intend to use the greater part of whatever loan they may raise as credits for purchasing in Great Britain the commodities mentioned above; (ii.) they propose to set aside part of each instalment for the immediate service of the pre-war debt, though on a reduced scale; (iii.) they expect that within three years the productivity of Russia will be so vastly increased, as the result of these imports, that the service of both the new loan and the old debt (on the reduced scale) can be met without difficulty.

What credit is Russia likely to find in the London market if and when she approaches it with these proposals? Obviously that depends in the first place upon the extent to which she is prepared to meet the pre-war claims upon her, since she will hardly find new lenders unless she has substantially satisfied and reassured the old. During the session of the 20th instant the Russian Delegation announced that "claims in this connection would be considered only in the case of those who had held Russian bonds before March 12, 1917. Nor would the claims be admitted of those who had subsequently taken an active part against the Soviet Government." Of these two exclusions, the first is apparently intended to apply only in cases in which bonds have been bought or sold in the market, and not where they have passed by inheritance or gift, while the second would in practice affect few individuals, and is rather a sop to public opinion in Russia than an attempt to repudiate foreign debt by an indirect means. The Russian Delegation also declared, however, "that they could not undertake to pay the pre-war debt at its full value or with back interest," and at the session of the 29th the British Delegation declared, in reply to a question from the Russian side, that this statement was not acceptable.

As the British Delegation indicated at a later stage of the discussion, "the Russian Delegation would be consulting their own interests and those of their Government by endeavouring to meet them" on this question. "They were not proposing that the pre-war debts should be paid in full or immediately," but obviously, if there is a serious prospect of Russia's economic recovery on a great scale within a comparatively short time, Russia's foreign creditors could not reasonably be expected to abandon beforehand their ultimate claims, just as they could not reasonably expect, on their part, to see the service of the debt restored in full in Russia's present economic condition. Here lies the crux of the negotiations, and on its solution the prospects of the projected new loan undoubtedly depend—all the more when it is considered that the Russian Government are not prepared (like Turkey in 1882, or Austria and Hungary since the European War) to submit to any form of external financial control, or even to earmark specific revenues to meet their external obligations. Counting on the potential wealth of their country, they consider it sufficient to make appropriations for interest and sinking fund in their Budget out of general revenues, but here they will surely find themselves in the vicious circle once again. Their wealth, on their own hypothesis, will not become actual until the commodities to be imported on credit have been obtained; the credits depend upon the loan, and the loan depends upon the present Russian Government's treatment of Russia's pre-war creditors. It is to be hoped, therefore, that the forthcoming British draft will provide a basis for agreement. In the meantime, it may be noted in passing that these are not the only negotiations at present in progress. During the session of the 27th the Russian Delegation proposed to postpone the examination of the questions of nationalised property, on the ground that they had "commenced negotiations with certain former owners on the question of granting to them as a concession their former undertaking now nationalised. In the immediate future the Delegation will commence negotiations with certain other former owners, and anticipates that in the course of these negotiations a practical method of settling the question of former owners will be found." If this anticipation is realised, the British ex-owner concessionaires will presumably approach the London market themselves, in order to finance the re-starting of their concerns in Russia, and this may open a channel for the import, on credit, of the equipment, machinery, and other commodities of which Russia stands in need.

MR ASQUITH'S DEBT PROPOSAL.

CONSIDERABLE interest has been aroused by a suggestion made by Mr Asquith in the debate on the Finance Bill last Tuesday for facilitating the repayment of the National Debt. The proposal was not developed in detail, but was put forward as a point that might be considered by the Debt Committee which is now sitting. Mr Asquith suggested that the Government "might give an option to persons who were in a position to do so, and for whom it might be convenient, to hand over such parts of the Debt as were in their possession in return for a certificate of comparative exemption from or reduction in the payment of their income-tax for the next few years." The idea of compounding for future tax payments is one which has been put forward more than once before. But there are several forms of the proposal, some of which could not be entertained. For example, the idea of granting the taxpayer in return for a lump sum down the remission of, say, 3d or 6d in the £ in his individual payment for a given number of years would be a gamble, both for the Treasury and for the taxpayer on the latter's future income. Similarly, the purchase of a rebate of a fixed sum for life would be a gamble on the life of the taxpayer—a risk, by the way, which the Government is constantly taking when it sells life annuities. But the sale of exemption of a fixed sum for a given number of years, particularly if on the premature death of the taxpayer any unused margin were available as a set-off against death duties, would involve no gamble to either party. Such a plan is clearly practicable, and would involve no special machinery for its application. Whether it is worth pursuing it and offering terms on which the option might be taken up entirely depends upon whether these terms would be of advantage to both parties.

It is improbable, and we do not suppose that Mr Asquith imagined, that a large proportion of the debt could be dealt with in this way; but we can conceive that terms could be offered by the Treasury on which it would be worth while for a certain number of taxpayers to compound in respect of certain stocks. The arithmetic of the plan is simply a matter of the present value of annuities for 10, 15, or 20 years, as the case may be. Let us take an example from the 5 per Cent. War Loan, which is the stock of greatest importance in this connection. Now £1,000 will purchase an annuity of about £80 a year for 20 years on a 5 per cent. basis. If the Treasury offered a rebate of £80 a year for 20 years in return for the surrender of £1,000 War Loan, how would the parties stand? The taxpayer now holds a security which may be redeemed at par at any time after 1929, and must be redeemed by 1947. At any time between these dates he may have to accept an equivalent security at a lower rate of interest. The terms offered ensure for 20 years the £50 a year interest which he surrenders, plus an annual repayment of his capital. The suggestion is thus only a new form of the principle of annuities by means of which the Government both before and since the war has on a small scale been paying off debt. The device is specially suitable to cases where business capital is steadily being built up. We could name several large concerns (and there are doubtless innumerable small ones) whose balance-sheets contain considerable amounts of Government securities which, no doubt, in some cases will be steadily transformed into commercial capital. The plan proposed would secure (in the shape of tax rebate) the payment of interest and the steady repayment of principal over the period selected at par, and without running the risk of loss of interest on conversion.

The extent, however, to which the offer might prove a convenience to the public could not be known except by experiment. The advantages from the standpoint of national financial policy are much more definite and certain. We may mention three. In the first place, if it were taken advantage of to any large extent, it would diminish the large blocks of Government stock that will mature in the next 20 years, and have to be replaced by new Government securities. This task of breaking up the 5 per cent. War Loan, which is too large a mass to be dealt with in regard either to redemption or conversion as a whole is one of the big problems of the Treasury.

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The plan proposed would in effect ensure the repayment of small sections of it at certain fixed dates. In the second place, it would simplify the operation of debt repayment. In the example quoted the Government would cease to pay £50 a year of interest, but would lose £80 of taxation. Part of this latter sum would, therefore, have to be regarded as a sinking fund payment to redeem the stock that had been surrendered. This is a less disturbing way of dealing with the sinking fund than collecting taxation, and using it to redeem debt in the market. But it has this further considerable advantage—*It is a sinking fund which cannot be suspended by needy Chancellors of the Exchequer* without involving a Government default or fresh borrowing. In this connection, it is significant that Mr Asquith laid special stress on the desirability of finding ways and means of safeguarding and protecting the sinking funds. Finally, the device would be a definite embodiment of the principle that the surrender of capital by the individual taxpayer to assist the Government in repayment of debt is an *alternative* to existing taxation, and not an *additional* resource; for it is clear that if a limited number of persons only compounded—the suggestion is clearly only suitable in certain cases—it could not be made a ground for a general increase in the rate of income-tax.

We have to reconcile ourselves to the fact that the burden of taxation is certain to remain high in this country for many years to come, and therefore any device is to be welcomed which gives the system greater elasticity. Mr Asquith's suggestion is, moreover, in keeping with three fiscal principles that will be of the greatest importance in the next quarter of a century. We therefore agree with him that it is worthy of consideration by the Debt Committee, and at all events merits a little more thought than was bestowed upon it by certain City journals, one of which founded its criticism on the attractive but unfortunately illusory calculation that an annuity of £50 a year for 50 years may be purchased for £288, while the other made the astonishing statement that "for every million of stock accepted and cancelled, the State would save in interest charges, say, approximately £400,000 per annum."

BRITISH SEAPORTS.

LAST autumn Continental shipowners issued statements to the effect that British ports were in many respects obsolete, lacking modern loading and discharging facilities, and that, in the coal and timber trades especially, shipowners suffered loss owing to the prevailing conditions. The Chamber of Shipping of the United Kingdom thereupon—having the same interest as those who complained—appointed a special committee to visit and examine the principal ports of Great Britain, and to compare them with Continental ports. Though the report of this committee was not ready for issue before the holding of the recent International Shipping Conference in London, a general statement was made then by Sir Frederick Lewis, who acted as chairman of the committee; but we

have deferred comment on a matter of vital interest to the commercial status of this country until the full reports are available.

The committee, which included, besides shipowners, representatives of the Federation of British Industries and of the Association of British Chambers of Commerce, appears to have gone to work with promptness and vigour, and has presented a report containing many definite practical suggestions for improvement on particular points. Nevertheless, the report is a disappointing document. As the visiting members of the committee worked southward along the East Coast from Dundee, where they started, they developed more system in dealing with individual ports: the earlier sections are rather scrappy, and will be intelligible only to anyone familiar with the particular localities. By the time the visiting sub-committee had travelled round the coast as far as the Clyde a mass of information, with many proposals for improvement, had been set down, but the summary of conclusions is vague and general. While it is certain that the members of the committee must be familiar with, say, the appliances for handling coal, ores, and grain in Dutch ports, no comparisons are drawn, in spite of the fact that the resolution appointing the committee particularly indicated the comparative facilities of British and foreign ports as a line of inquiry.

Having regard to the fact that the shipowners who carried out the inquiry are engaged in business with all parts of the world, the standpoint of the report is strangely insular. The standard of comparison which the committee took cannot readily be gathered, nor, indeed, is it clear whether it had any. The state of our ports is a matter of national concern. From the time when sea trade shifted from the Mediterranean to the Atlantic, our struggle to become supreme at sea has been the keynote of British history. For the last two hundred years we have been the leading maritime nation. By our sea traffic we grew. Our ports have been vital to the process of development. They are vital still. Even more so now that active brains have brought the great ports, both in Europe and the New World, to a high pitch of efficiency. Despatch at the ports means a saving in the cost of transport, and reduction in costs of manufacture and of living. The only possible standard of efficiency for Great Britain is that our ports must be the best built and the best equipped in the world. The committee presumably was intent on this goal, but they could have defined their standard with greater emphasis.

As examples of the contents of the report may be noted the remark that Tyne Dock, the coal exporting centre on the Tyne above Shields, which is in the hands of the London and North-Eastern Railway Company, is "quite unsuitable for large modern tonnage," though the railway company has, it appears, improvements of the coal shipping facilities in view. Moreover, "the method of discharging ore at Tyne Dock cannot be described as satisfactory." At Middlesbrough, while the best is being done with existing facilities, they are insufficient. At Hull a number of suggested improvements are recommended, including dock extensions, additional equipment and railway facilities.

ties, and increased working hours. In London, the Surrey Commercial Docks come in for severe criticism, but the part of the report dealing with our metropolitan port is apparently not yet complete. The South Wales ports are described and discussed with greater fullness than those on the north-east coast, and numerous detailed suggestions are made. As to Liverpool, Manchester and Glasgow the recommendations cover a variety of matters of construction, equipment, and working. In summarising conclusions, the committee note specially railway facilities, certain entrances and docks, and discharging and loading methods as needing improvement in a variety of ways which are specified in some detail—the desirability of larger railway trucks is specially mentioned—but the difficulties of recent years are emphasised. The dock strike and a spurt of trade last year combined to cause congestion in ports which were crippled as regards development by war and post-war conditions. The report is able to record some important improvements in most centres, notably, perhaps, in British Channel ports. It quite properly calls attention to the fact that our ports were used as "instruments of war," that after the war the cost of improvement was 200 to 300 per cent. above the pre-war level, and that the port authorities have had singularly difficult problems to face—e.g., their inability to introduce a third shift in South Wales ports.

It is clear that much is being done, and the times are admittedly difficult, but the attitude of the foreign critics—shipowners who use our ports—is still that while they are satisfied to a degree, they are not yet by any means content. That projects for improvement are under consideration is not enough. Great efforts must be made to carry them into effect. As a Dutch delegate at the International Shipping Conference pointed out, Rotterdam has a reputation for its modern facilities and appliances. How do British ports compare with this and other Continental ports? Delay means expense, waste, and loss of business. The situation, as a Danish representative added on the same occasion, must in the long run be detrimental to British industry and trade. Owing to quicker loading a shipowner can, it appears (though not from the report under notice), accept almost the same freight for coal to the Mediterranean from an American as from a Welsh port.

As to the real position, there can be little room for doubt. One of the members of the committee of inquiry, speaking at the meeting of the Baltic Conference at The Hague the other day, remarked that, without any beating about the bush, he considered that there was ample justification for the complaints. It is right that the world should know the difficulties we have had to contend with; but it is even more important that the commercial community, backed by public opinion, should insist that the modernisation of our ports is pushed on with the utmost vigour. We imagine that this is the intention of the Chamber of Shipping; it is stated not only that the visits have already aroused much local interest, but also that the Chamber has already taken steps in co-operation with the local chambers to bring the reports to the notice of the port authorities. We trust that the representations will result in prompt action.

BRITISH FIRE OFFICES IN 1923.

THE year which closed in December last was, on the whole, a fairly good one for the world-wide operations of the British fire insurance offices. As was pointed out recently by the chairman of the North British and Mercantile Company, something like 75 per cent. of the business of the large companies is transacted outside this country. The bulk of the premium income is drawn from the United States, where, as we showed in a recent article, the year 1923 was a considerable improvement upon 1922. There was no outstanding foreign disaster except the earthquake and fire which devastated Tokyo and Yokohama, and for the worst consequences of which the British fire offices were not liable under their policy contracts. Some special risks, including the earthquake hazard, were insured, but they did not bulk largely in comparison with the losses in the main disaster. Steps were taken soon after the

news of the earthquake-fire reached this country to disclaim liability under re-insurance contracts with Japanese insurance companies. There was no doubt about the legal position of the British companies, and their attitude was not seriously challenged. In the United Kingdom the most serious fire was the million pound tobacco loss at Victoria Docks, London, which has been described as the most costly London fire since the Cripplegate conflagration of 1897. But, serious as this loss was, it was not overwhelming. The companies are in a far better position to stand between them a million pound fire than they were 27 years ago.

In calculating the results of the 17 companies which we set out below, we have followed a regular system, so far as possible. The various companies' accounts are not quite uniform. Some charge all their expenses to underwriting accounts, others carry a portion of the general costs to the debit of profit and loss. Foreign and Colonial taxes are usually charged to underwriting, though in one or two instances these also appear as a charge in profit and loss. The liabilities for unexpired risks have been taken on the recognised basis of 40 per cent. of the premiums, and adjustments made from any increase or decrease in the premiums. The surpluses, as given below, are those derived from the figures in the official fire insurance statements, and the various adjustments necessary to show the actual results of underwriting are reserved for a second table published with this article.

The Alliance, which has a very fine home business, and since the San Francisco disaster has withdrawn from America, comes first with a surplus of £285,934, or 15.2 per cent. of the premium income. The largest amount of profit was made by the Royal, with £563,578, or 8.4 per cent. of the premiums. The Royal and its allied office, the Liverpool and London and Globe, taken together show a total surplus of £801,732, about 7 per cent. of the huge premium income of £11,470,388. The world-wide company with the best percentage of profit is the London and Lancashire, which made a surplus of £404,906, or 13.4 per cent. This company had the best results in the United States for the year. Among other successful results are those of the Sun, with a surplus of £276,285 (1.9 per cent.) the North British with £344,588 (8.8 per cent.), and the Commercial Union with £525,283 (7.4 per cent.) The Guardian, which eschews America with its glittering premiums and baffling losses, had an excellent surplus of £99,228, or 11 per cent., and the Scottish Union, a well-managed company of moderate size, produced a good profit of £109,266, or 9.8 per cent. From a total fire premium income of about 48 millions, the 17 companies made an underwriting profit of about £3,300,000, or 6.8 per cent.

RESULTS OF FIRE BUSINESS.

Company.	Premiums.	Claims.	Expenses.	Surplus.
	£	%	%	£
Alliance	1,877,332	41.5	43.9	285,934
Atlas	2,271,494	50.2	49.1	115,842
Caledonian	880,853	49.8	38.7	55,527
Commercial Union	7,084,083	51.5	39.1	525,283
Guardian	898,324	48.0	44.5	99,228
Liv. and Lon. and Globe	4,761,038	49.7	40.8	238,154
London and Lancashire	3,015,995	45.3	39.2	404,906
London Assurance	1,601,505	46.4	45.5	80,745
North British	3,902,031	49.6	39.9	344,588
Northern	2,533,300	54.8	41.4	34,528
Phoenix	5,478,432	47.8	40.5	348,859
Royal	6,709,350	48.9	40.9	563,578
Royal Exchange	1,414,548	47.5	46.5	110,528
Scottish Union	1,121,269	48.5	40.6	109,266
State	598,111	51.8	44.8	22,436
Sun	2,304,940	43.4	42.8	276,285
Yorkshire	872,957	53.0	40.8	37,715

We have introduced this year a new table, in which we attempt to show the total underwriting results of all the companies in all departments, the net interest receipts, the taxes paid out of profit and loss, and the dividends provided for the shareholders. The accident and miscellaneous insurance results have been calculated in the same way as for fire. But this method is not recognised as applicable to marine insurance—though some important companies accept it—so that we have been obliged to take the marine profits as those amounts transferred to profit and loss in the various accounts. Any other profits, such as those drawn from the life assurance accounts, have been duly credited. From the underwriting profits, as thus ascertained, we have deducted expenses charged to profit and loss. The second column of net interest receipts

shows the total receipts from interest (less debenture interest) which were earned by the capital, fire, accident, marine, general reserve, and shareholders' funds. The column of taxes includes provision for taxes, as well as amounts actually paid, and also includes foreign and colonial taxation whenever it was not charged to the underwriting accounts. The dividends are not those paid in 1923, but those provided and declared in respect of 1923. The companies broadly regulate their dividends by their net receipts from interest (compare column four with column two), and leave the net underwriting surplus, less taxes, to be invested, and to produce interest, and consequently dividends, in the future. The unusually high dividend of the Alliance was due to a Centenary bonus, and bonuses for the same gratifying centenary reason were paid by the Scottish Union and the Yorkshire.

UNDERWRITING RESULTS, INTEREST, AND DIVIDENDS.

Company.	Underwriting Profits (net).	Interest Receipts (net).	Taxes.	Dividends for 1923.
	£	£	£	£
Alliance	523,521	324,884	55,010	542,500
Atlas	135,644	121,542	27,264	145,000
Caledonian	83,307	65,336	14,957	49,557
Commercial Union	797,281	745,080	434,942	767,000
Guardian	173,015	127,069	50,029	145,306
Liverpool and London and Globe	372,646	362,720	50,000	369,411
London and Lancashire	744,774	383,113	219,771	376,517
London Assurance	183,522	236,385	70,000	217,876
North British	511,985	373,694	102,585	328,145
Northern	37,846	298,155	65,046	260,938
Phoenix	418,127	419,144	95,702	467,325
Royal	610,082	968,443	170,000	1,081,973
Royal Exchange	179,883	139,418	63,602	133,537
Scottish Union	151,914	117,949	118,914	115,500
State	39,872	32,795	14,595	30,750
Sun	278,761	162,683	95,804	175,275
Yorkshire	123,244	91,809	23,343	105,928

* The Alliance received £77,331 excess profit duty refunded (less taxes on profits).

It will be seen that the results of the year, as measured by the underwriting profits in column one, less the taxes in column three, have added quite substantially to the resources of most of the British insurance offices.

SUGAR AFTER THE BUDGET.

THE views expressed in certain circles to the effect that the revision of the sugar duty under the Snowden Budget would be nullified by an increase in the wholesale price of the commodity owing to aggressive speculative operations have proved incorrect, and it is now generally admitted that the Chancellor of the Exchequer chose the right moment for making this important change. Home consumers have not only benefited by the full extent of the reduction made in the duty, and this immediately it came into force, but they have also been favoured by a very substantial lowering of values in the world's markets owing to the increase in supplies accruing from the bumper Cuban crop. The extent of the reduction to home consumers may be gauged by the adjustments made in prices by the British refiners. These represent altogether 18s per cwt for cubes and fine granulated, and this, of course, is bound to have a very important bearing on the cost of living. Previous to the lowering of the duty, best British cubes were priced wholesale at about 61s 9d. Recently, they stood at 44s 3d, and this works out at a reduction of a little under 2d per lb. Retail buyers have received the full limit of the fall, and Mr Snowden was certainly most fortunate to have made the cut in the duty on top of what has proved to be a falling market, owing to the unexpectedly large increase in the Cuban resources.

During the last few weeks, trade sugar requirements have been filled at a much lower level of prices than anything experts on both sides of the Atlantic would have thought possible just before the cutting down of the import duty by 1½d per lb, or 14s per cwt. One of the main reasons for the sharp depression which overtook the market late in April, following the sharp spurt incidental to the fiscal change, was the substantial and quite unexpected increase in the Cuban crop estimates. A few months back the local and United States experts put the Cuban crop down at 3,700,000 tons, and even lower figures were issued, but the latest advices talk of an outturn of 3,900,000 tons and even the round four millions. The latter, if it turned out to be correct, would approximate very closely the highest crop ever

harvested in Cuba. This took place two years ago. Thus, instead of a surplus of roughly 800,000 tons in this season's world's supplies, as anticipated, based on the early Cuban estimates, running to about 3,600,000 tons, we can now look forward to an apparent surplus of no less than 1,200,000 tons, and this certainly puts a very different complexion on the whole position. Assuming that the United States consumption this year works out at about 5,000,000 tons, or 250,000 tons more than last year, or even allowing for an enlargement in the world's consumption at the considerably reduced prices, with the home takings more especially expanded by the reduction in the duty, the additional increase in the Cuban production of something like 400,000 tons, as compared with the previous season's actual outturn, is calculated to tax the absorbing capacity of the world's markets. According to advices received here recently, the total Cuban production has already amounted to 3,860,000 tons, while the receipts at Cuban ports were still on a pretty heavy scale, their total having been considerably over three million tons. Considering that American requirements should call for about three million tons of Cuban sugar, it can only be surmised that, after meeting European requirements, Cuba will be left to carry into the new season a fairly heavy surplus of over a quarter of a million tons, instead of starting the new season with absolutely bare boards, as happened at the opening of the current one. At any rate, the fact that sugar has been coming into sight considerably in excess of current or prospective needs has entirely changed the aspect of the market within the last month or so, and, therefore, hand-to-mouth buying which has inevitably ensued, combined with decidedly more pressing offers, has had a distinctly depressing effect on the trend of prices. Bull speculation in the first two months of this year was rather aggressive, on the theory that the season's resources would prove barely sufficient to go round, and prices thus became inflated to figures not much under the extreme highest level that was recorded late in February last. Business was then done here in white sugar, type "A," for prompt delivery at 35s, on the basis of the speculative contract, whereas the price lately collapsed to below 24s per cwt, thus indicating a depreciation of over 11s per cwt. Rates for sugar to be shipped within the current season, or on the way to this country, whether raw or refined, likewise came down, more or less, in proportion under increased offers and a slackening demand, after urgent trade needs had been satisfied subsequently to the reduction of the duty.

It seems pretty clear, then, that the relative cheapness of sugar will become accentuated in the near future, as it is obviously premature to look for any important upward reaction owing to the much freer supplies, especially of cane sugar, now circulating in this market and elsewhere. In the case of this country, the following official figures, extracted from the Board of Trade Returns and converted into tons, are rather significant, having regard to the very liberal supplies that were in existence at the end of April:—

	1923.	1924.
	Tons.	Tons.
U.K. imports of raw sugar	394,801	504,592
U.K. imports of all sugars	514,159	573,191
U.K. consumption	471,536	415,024
U.K. stocks of all sugar on April 30 ..	297,700	410,400

It will thus be seen that the total imports for the first four months of this year exceeded the returns for the same period of last year by about 59,000 tons, while the duty-paid entries showed a reduction in home consumption over the same period of about 56,500 tons. The stocks held in bond amounted to 410,400 tons on April 30th last, thus denoting an excess compared with the same date last year of roughly 113,000 tons. There is thus no doubt that trade distributors see not the slightest inducement to increase their holdings beyond actual needs, and that visible supplies promise to continue on a large scale over the remainder of the current season at any rate. This is certainly hardly calculated to encourage new speculation unless prices fall to a more attractive level, and the deferred trade buying movement across the Atlantic sets in and assumes very liberal proportions. The fact may be recalled that in the later part of the summer of 1923 quotations for white sugar futures reached a level considerably

below those now ruling, although the quantities which came into sight then were not so heavy as they are this season on the greatly enhanced showing of the Cuban crop. According to Messrs Willett and Gray, this season's world's production will amount to 19,226,931 tons, as compared with 18,086,473 tons and 17,696,992 tons respectively in the two previous seasons. The revised figures for this season would therefore indicate an excess of about 1,140,000 tons against last season, and well over 1,500,000 tons as compared with the 1921-1922 season. The increase in cane sugar production against last season represents about 470,000 tons, while the production of beet sugar contributes an increase of well over 650,000 tons, of which 173,000 tons relate to the expansion in the last United States crop and the remainder to the European crops.

To what extent trade buying may be stimulated by a further fall in prices is a rather problematical matter just now, although the most active season of the year has now been reached, when American needs usually show a considerable increase. For the present far too much sugar is coming forward, and the market is not able to absorb this except at steadily weakening prices. The new Java sugar, which usually arrives on this side late in the summer, has also to be reckoned with, even after allowing for the prospective increased quantities of this sugar that will be taken this year for India and the Far East. The fact deserves notice that American refiners, who have for some time past been saddled with excessive stocks, are now forcing offers of their granulated sugar on to this market at relatively low prices. This action has compelled home refiners to go as far as possible in the matter of adjusting their prices in order to secure the bulk of the home trade.

The outlook as regards the Continental sowings for the next beet crop is considered good. Mr O. Licht's estimates of their increase amount to 15 to 20 per cent. for the whole of Europe, including Russia, but other advices received lately from another source state that it is now feared that the increase in the German sowings will not exceed 10 per cent., as against the 15 per cent. estimated by Mr Licht. Market developments in the near future will be largely determined by the reports concerning the next European and American beet crops, and the extent of the belated United States demand. As in the case of many other commodities, sugar producers are now faced with the necessity of carrying surplus stocks to a considerably larger extent than last season, until consuming countries are prepared to buy more freely. The outlook certainly does not favour higher prices, and well-informed market opinion here looks for further downward adjustments before sentiment hardens again.

FOREIGN FIRMS AND BRITISH AGENTS.—AN INCOME-TAX PROBLEM.

For more than 80 years it has been established by legislation that "non-residents" are liable to income-tax in respect of any trade exercised by them in the United Kingdom. This principle was laid down in the Income-tax Act of 1842, and is manifestly sound in itself. If a foreign firm does business here it should pay its share of taxation on the profits of that business. In order that the assessment of non-resident firms to income-tax might be facilitated, and collection ensured, the Finance (No. 2) Act of 1915 provided that non-residents might be assessed in the name of their agents in the United Kingdom. Mr McKenna, who was then Chancellor of the Exchequer, pointed out that this liability of British agents to be assessed on the profits of foreign or non-resident principals did not apply to what is commonly called brokerage, or agency business on commission. And an examination of Section 31 of the Finance (No. 2) Act of 1915 does convey the impression that the section was intended to be applicable only to regular agents representative of a non-resident house. It is a well-known principle of judicial interpretation of an Act of Parliament that the intention of the legislature is determined by what is actually expressed in the Act, and not by what may have been stated in Parliament to have been the intention of legislators when the Act was passed by them. So that what-

ever Mr McKenna may have said in the House of Commons when he supported the Finance (No. 2) Act of 1915 is irrelevant to an issue which is at present exciting the painful interest of agents and brokers in the City. The income-tax authorities are at present claiming that any British agent or broker who executes commissions on behalf of a foreign non-resident principal is assessable in respect of the income-tax payable on the profits made by the foreign house out of those commissions. And seeing that the City of London does an enormous brokerage or commission business on instructions from foreign houses, the possibility that brokers or agents may be held by the courts to be liable for the income-tax of these foreign houses is extremely alarming.

So far, the results of litigation have not been very serious. We will explain presently how far they have gone. Our immediate purpose is to look at the Finance (No. 2) Act of 1915, Section 31, which made "non-resident persons chargeable to income-tax in the name of any branch or manager as well as in the name of any factor, agent, or receiver.....though the branch, factor, agent, receiver, or manager, may not have the receipt of the profits or gains of the non-resident." These words by themselves look very wide indeed, but they are modified considerably by Sub-section 6, which runs: "Nothing in Section 41 of the Income-tax Act, 1842 (as amended by any subsequent enactment or by this section), shall render a non-resident person chargeable in the name of a broker or general commission agent, or in the name of an agent, not being an authorised person carrying on the non-resident's regular agency, or a person chargeable as if he were an agent in pursuance of this section, in respect of profits or gains arising from sales or transactions carried out through such a broker or agent." The intention of Sub-section 6, inserted to distinguish between ordinary brokerage or commission business and the regular agency in this country of a foreign house, seems plain enough. It is to make a regular agent or representative of a foreign house assessable for the income-tax of his principal, and to exempt from liability the broker or commission agent who merely carries out specific instructions to buy or sell on account of a foreign house. Until, therefore, the higher Courts—which they have not yet done—interpret Sub-section 6 as meaning the exact opposite of what it appears to mean—and the opposite of what Mr McKenna and the House of Commons intended in 1915 that it should mean—there is no occasion to predict the disappearance of the City's brokerage and agency business—driven by the income-tax authorities to seek the shelter of Rotterdam.

One case which has caused much of the present alarm is not in itself alarming. In fact, much of it is consoling as showing that the judge—Mr. Justice Rowlatt—took much the same view as that which has been expressed above. What no doubt disconcerted the brokers and commission agents of the City was the evident intention of the Crown (meaning the income-tax authorities) to impose upon them, if it could, liability for the income-tax of their foreign non-resident principals. The case determined on April 10th last was "Maclaine and Co., v. W. J. Ecott (H.M. Inspector of Taxes)." Maclaine and Co. were agents for a closely allied firm, Maclaine, Watson and Co., of Java, though technically they were separate firms, and were so dealt with in the action. A good deal of consideration of what, in the legal sense, constituted trade for the Crown and partly against the Crown. The most important part of his judgment, from the point of view of his reference to a former case of "Wilcock v. Pinto and Co.," now under appeal, in which a non-resident sold from abroad through a broker on the market in the United Kingdom. Mr Justice Rowlatt, in deciding that case, held that a broker, though he effects transactions, does not occupy the place of the merchant, and so is not assessable to the merchant's income-tax. "I learn," went on Mr Justice Rowlatt, "that 'Wilcock v. Pinto and Co.' is under appeal, and that the Attorney-General did not shrink from contending that on a market like Covent Garden every foreigner who consigns goods to salesmen there is exercising a trade in this country. If this view turns

out to be correct.....the business results will be curious, because a broker or salesman would not normally contemplate undertaking a liability for income-tax, or possess the figures to make a return, or any means of extracting them. Yet he would undoubtedly be an agent assessable."

No judge ever goes beyond the four corners of a case if he can help it, and nothing is more difficult than to deduce general principles from judicial pronouncements until a test case gets to the House of Lords for final decision. The impression made upon us so far is that brokers and commission agents are protected from assessment for their principal's income-tax by Sub-section 6 of Section 31 in the Finance (No. 2) Act, 1915, and that the mere giving of an order by a foreign house to a broker or agent does not by itself constitute trade in this country by the foreign house. It is the broker or agent here who exercises his own trade or employment. The position is wholly different when the foreign firm has a regular agency in this country—as it were, a branch establishment—through which it does business in the United Kingdom. There appears to be no doubt that such a regular agency is assessable for the foreign house's income-tax in respect of profits made here.

If it should happen, in apparent defiance of Sub-section 6 of Section 31 (quoted above), that brokers or commission agents are held by the higher Courts to be assessable for the income-tax of non-resident principals, then the City of London would be seriously affected in respect to a most important part of its every-day business. Unless the intention of Mr McKenna in the Finance (No. 2) Act, 1915, were re-established by new legislation, a great loss of business would result. No Government could afford to see the City lose its agency business to Continental houses, as it would probably do if the income-tax authorities had their way. The first course would seem to be the fighting of test cases up to the House of Lords, if necessary, and in the meantime representations of the gravity of the question to the Chancellor of the Exchequer. Whatever view the Courts in their wisdom may eventually hold of the "intention," in the judicial sense, of Parliament in 1915, there can be no doubt that the last thing which Mr McKenna or the House of Commons desired to do was to destroy a substantial portion of the business which constitutes this country's "invisible exports."

Notes of the Week.

The Government's Reprieve.—The Conservative motion to reduce the Minister of Labour's salary on the score of failure to deal with unemployment was a serious attempt to execute the Government. But there was never very much doubt that a reprieve would arrive in time to save its life. For while Mr Asquith's decision to vote with the Government lays the Liberal Party open once more to the taunt that it speaks in one sense and votes in another, it was really the only course open to him. Even *The Times*, we are glad to see, admits this, for it comments as follows in its first leading article in yesterday's issue:—

It would be easy enough to cover the Liberals with ridicule for their support in the division lobbies of a Department which they had riddled with criticism on the floor of the House. It is far less easy for most of us to regret sincerely the course which most of them finally chose. The result of any other would have been the defeat of the Government on a motion which had been proclaimed beforehand as equivalent to a vote of censure. That defeat would have been followed, therefore, as Mr MacDonald plainly (we think improperly) stated, by a dissolution of Parliament. Does any Unionist seriously suppose that even his own party—to say nothing of the country—would have been the better in the long run for that momentary triumph?

Less than six months ago we had a general election on the subject of unemployment. There is no sign whatever that the country wants another. Since the last election the only change in the position is that about 236,000 workers have been absorbed into industry. It is easy to contrast the glittering promises of the Labour Party at election time with their performances in office, but the fault is more with the promises than with the performance. Indeed, the whole attack on the Government's unemployment policy is rather unreal. What has happened is that, having experienced the realities of administration, the

Government find that short cuts to the cure of unemployment, though easy to promise, are impossible to produce. They cannot, any more than Mr Baldwin could, wave a wand and bring forth a magic cure. Plans for the substantial relief of unemployment can only be matured slowly. Two years ahead is not too long a time to look forward in concerting large schemes; and it must be perfectly clear to all impartial minds that this is not the time for rushing out hasty and ill-considered plans for attracting large blocks of Labour to State schemes, especially since the absorption of workers into private industry is steadily progressing. Nor is it by any means certain that large scale plans for subsidised schemes of electrification, housing, &c. (even if perfectly conceived) could be put quickly into effect without upsetting the capital market and jeopardising the slow recovery of normal trade and industry by disturbing the general level of wages and prices. There is no harm in applying the spur to the Government; there is no harm in bringing them to book for ridiculous platform promises. But to turn them out at this early stage for not doing the impossible would be a disservice to the country. After this demonstration, we hope that Mr MacDonald will be given the opportunity to perform the great service which the country is confidently looking to him to perform—namely, to secure during the next few months a settlement of the problem of reparations and a new harmony in our relations with France.

Irish Boundary Negotiations.—Our Dublin correspondent writes:—A definite advance in the negotiations attendant on the boundary problem was marked in President Cosgrave's utterances last week-end, both in a speech at Limerick and in a considered statement published as an interview. Referring to Sir James Craig's insistence that the settlement should be a settlement by agreement, he said: "I agree with him that it ought to be"..... but that he could not agree to Sir James Craig's further proposition that "in the event of non-agreement the boundary line was to stand as it was drawn" (i.e., without any such modification as is contemplated in Article xii. of the Treaty). Taking it from Sir James Craig's recent utterances that he admits "as a governing principle" that the boundary must be settled, so far as is geographically and economically practicable, in accordance with the wishes of the inhabitants, Mr. Cosgrave said: "On that basis I see no reason why there should be any delay in proceeding with the business of the settlement." He continued: My Government has already asked that the Boundary Commission be set up without delay. When that is done it will facilitate agreement. If, then, Sir James Craig and I, or any other two men or number of men duly representative, can come together and arrive at a settlement in due accord with the wishes of the inhabitants, we can present our agreement to the Commission for ratification in accordance with the Treaty and the Statutes of both countries. If a settlement is not to be reached in this way, what prospect is there of reaching it otherwise? In the event of a disagreement, the Commission would still be necessary—that is, unless the Treaty is to cease to operate. The establishment of the Commission in the first instance is the sole effective guarantee in sight for arriving at a settlement by consent, or, failing that, for a settlement by procedure." The response of Sir James Craig is not yet forthcoming. Manifest convenience is one attribute of the course suggested by President Cosgrave—because if an agreement were made without the Commission's coming into existence, new machinery would have to be devised to render it operative. There would have to be a new international agreement between Ireland and Great Britain and new statutes in the British Parliament and in the Oireachtas of the Irish Free State respectively. On the other hand, the award of the Boundary Commission becomes as from the date of its issue automatically and immediately operative by virtue of the Treaty and the existing statute law of each country. The dissolution of the City Council of Dublin and the appointment of three Commissioners to carry on the work of the Corporation was mentioned last week. This step was taken by the Minister for Local Government under powers conferred by a recent Act, and in view of a report, since published, of a sworn inquiry held by one of the Department's officials. Extravagance and high rates are the determining factors, and there is

no suggestion of corruption. Overstaffing in particular departments, the maintenance of uneconomic workshops by the municipality, and payment of excessive wage rates for unskilled labour are clearly shown. The rate for the latter is stated to be the equivalent of 70s 4d per week of 44 hours, with pension rights and municipal bank holidays. Two hours of the 44 are stated to have been expended in going to draw the wages. Rates are in the neighbourhood of 20s in the £. It is little wonder that there is an acute housing problem, and that rents, particularly for the poor, are very high. A really progressive and enlightened municipal policy is long overdue.

Labour Disputes in South Wales.—The South Wales coal market, our Cardiff correspondent writes, this week has been disturbed by the recrudescence of sectional strikes on a considerable scale. Since 1914 the industry has been comparatively free from these stoppages, but the outbreak during the past few days has involved the irregular suspension of work at collieries producing about 80,000 tons per week, and employing approximately about 14,000 workmen. The collieries concerned are chiefly those of the United National Coal Company and the Tredegar Iron and Coal Company in the Monmouthshire coalfield. Originally the trouble arose out of differences relating to a question of management, but it has since been complicated by a demand that in the consideration of these differences the employers must negotiate not with the workmen and local trade union officials immediately affected, but with a combined committee of workmen acting independently and without the expressed authority of the South Wales Miners' Federation. The stoppages are a violation of the Conciliation Board agreements, and the employers are demanding a resumption of work before considering the alleged grievances of the workmen. Other disputes have arisen over the working of double shifts, and at two or three collieries the men have served notices. The market has not been appreciably influenced by the reduced output resulting from these stoppages, but the undertone towards the end of the week was a shade firmer.

The Lausanne Treaty and Canada.—What is the meaning of the unity of the British Empire? This is the question now definitely raised by the Correspondence (Cmd. 2146) respecting the Peace with Turkey, which has passed between the Imperial and Canadian Governments. The latter was duly notified by the Duke of Devonshire, as Colonial Secretary, of the arrangements for the Lausanne Conference, and was promised full information as to the proceedings. It made no objection to the arrangements, but remarked that the extent to which Canada would be bound by any Treaty must be left to her own Parliament to decide. It subsequently explained, and has insisted throughout the correspondence, that this does not mean that the Treaty of Lausanne must be submitted to the Canadian Parliament for ratification, but that Canada, not having been directly represented at the Conference, is not a signatory, and is bound by it only so far as her own Parliament may permit. Her final reply contains a reference to the resolution on treaty-making passed at the latest Imperial Conference, which unfortunately is not quoted in full, but the paragraphs cited as applicable to the present case refer to treaties binding on one part of the Empire, while those dealing with treaties binding on more than one part are expressly ruled out. The other Dominions have apparently consented to be bound by the British signature of the Treaty; but Canada holds that it binds Great Britain but not herself. But what of the obligations of Turkey towards citizens of Canada? The Treaty contains provisions relating to the payment of pre-war debts due to Allied nationals from Turkish subjects or the Turkish Government; for the restoration of British property; for the maintenance of insurance contracts, and other business matters; and Canada has given Turkey fresh opportunities of evading them. Meanwhile, as the Duke of Devonshire pointed out in the correspondence, Turkey is at peace with the rest of the Empire and technically at war with Canada. The situation is impossible, but the issue has never yet been raised so clearly, because, when it was started in 1897 by Canada's grant of preference on British goods in spite

of the Anglo-German and Anglo-Belgian Commercial Treaties, Lord Salisbury denounced these, and Canada shared directly in the negotiation of the Peace Treaties, and of those resulting from the Washington Conference. Indeed, the correspondence seems to suggest that the British Government has shrunk from facing the situation. If part of the Empire can be at war and the rest at peace, the Empire becomes merely a loose confederation. Are we to look forward to the re-establishment of unity through an Imperial Foreign Office and an Imperial Senate?

Anglo-Italian Relations.—It has been announced officially that, as a result of direct negotiations between the Prime Minister and Signor Mussolini, an agreement in principle upon the Jubaland question has been reached by the British and Italian Governments. A technical conference is to follow, in order to deal with the practical problems of detail which will arise out of the change of frontier—the most important being that of the seasonal migration of the Somali tribes; but the diplomatic question is settled, and the relations between Great Britain and Italy are thus simplified by the removal of an issue which has remained in suspense for nine years, since the signature of the Treaty of London on April 26, 1915. Coinciding, as it does, with the visit of the King and Queen of Italy to this country, the announcement may be expected to contribute considerably to the increase of goodwill between the two Powers, and the most recent issues of the Italian Press do, in fact, indicate that it has made a gratifying impression in Rome and Milan. The principal significance of the announcement lies, however, not in the settlement of the Jubaland question itself—which has never been difficult to arrange on its own merits—but in its divorce from the question of the Dodecanese, with which it had been coupled by previous British Ministries. This coupling of the two questions was the policy of Lord Curzon so long as he was Secretary of State for Foreign Affairs, and on that point there has been a decided change, or even reversal, of British policy during the last few weeks, for, soon after the present Government took office, Mr Ponsonby declared, in answer to a question in the House of Commons, that the Government were carrying on the policy of their predecessors by insisting that the two questions must be settled simultaneously. Lord Curzon's view was that, on every ground of nationality and self-determination, the Dodecanese ought to be transferred from Italy (who had only acquired these Greek islands from Turkey incidentally during the naval operations of the Turko-Italian War of 1911-12) to Greece, as the country to which the overwhelming majority of the Dodecanesian islanders were affiliated by race. He also felt that Great Britain had a status for taking up the question, since the final disposal of the Dodecanese was an item in the general settlement after the European War, and that Great Britain would do well to employ the bargaining power derived from her willingness to make concessions to Italy in East Africa, in order to influence Italy's policy in regard to these Greek islands. The first point in Lord Curzon's policy is not really an open question, and Mr MacDonald no doubt feels as strongly on the subject as his predecessor in office. The islands ought to be transferred to Greece, but, supposing that this is taken for granted, opinions may differ widely as to the best means of securing Italy's consent. Both in the Treaty of London (1915), on the strength of which Italy intervened in the war, and then again in the Treaties of Sévres and Lausanne, the sovereignty of Italy over the Dodecanese was recognised (rightly or wrongly) without conditions, while the Italian claim to Jubaland arose out of Article 13 of the 1915 Treaty, which promised Italy "equitable compensations" in Africa, in the event of France and Great Britain increasing their holdings in that continent at Germany's expense, as they have done. This claim, though indefinite in extent, was in no way conditional upon Italian concessions in regard to the Dodecanese, since Italy's title to the Dodecanese was actually recognised outright in another article of the very same Treaty. It was not unnatural, therefore, that Italy should object in principle to the "tacking" of the Jubaland and Dodecanese questions for bargaining purposes. It now remains to

be seen whether the removal of this objection by an unconditional settlement of the Jubaland question on lines satisfactory from the Italian point of view will lead on to an equally satisfactory settlement of the straight issue of the Dodecanese between Italy and Greece.

Electrical Progress in the U.S.A.—A correspondent writes:—The thirty-second annual report of the General Electric Company (of the U.S.A.) for the year 1923 contains several features of special interest. The company's factories are situated in thirty-nine cities of the United States; they cover about 2,000 acres, and contain upwards of 25,000,000 square feet of floor space. The orders received in 1923 amounted to \$300 millions—an increase of 25 per cent. over 1922—and compare with \$80 millions in 1914. The 1923 profit available for dividends on the \$198 millions capital stock issued was \$33½ millions, of which about three-fourths was distributed as dividends either in cash or in the form of an allotment of special stock. Important progress is reported during the year from the work of the engineering department and research laboratory. Among the new machines which the engineering department was called upon to produce was a generator of 65,000 kv., a capacity driven by a water wheel. This is now installed, and is in successful operation in the plant of the Niagara Falls Power Company. It is the largest machine of the type ever built. It is worthy of notice that the whole of the patents and franchises, including development and research work, are carried in the company's books at the nominal value of \$1. The company's savings and investment plans for employees are interesting and extensive. At the end of 1923 \$6,118,460 par value bonds of the G.E. Employees' Securities Corporation were owned or were being paid for on the partial payment plan by more than 25,000 employees. There were also outstanding at December 31st employees' 7 per cent. investment bonds of the General Electric Company amounting to \$4,927,730, making a total of \$11,046,190 of investment bonds in the hands of employees. In January, 1924, a further issue of G.E. Employees' Securities Corporation bonds was made, resulting in additional subscriptions of \$5,339,800 from 26,710 employees. The funds of the G.E. Employees' Securities Corporation are invested in shares of the General Electric Company, and in the securities of sixty-three of the leading electric public utility companies in the United States. The enterprise and virility of the General Electric Company is emphasised by the fact that in 1923 it purchased a majority of the common stock of the Canadian General Electric Company, Limited. It is intended to preserve the Canadian character of this company, while promoting its growth and development by the freer interchange of scientific, engineering and manufacturing experience, and by taking full advantage of the resources and facilities of the great American company.

Brazilian Coffee.—While the policy of the Brazilian Government in consolidating its policy of coffee-valorisation continues to meet with criticism in certain quarters, the economic success of the undertaking for 1923, writes a correspondent, has become apparent. Consular invoices covering coffee exports for the past calendar year establish the high record sale of over 6,000,000 bags,* of which no fewer than 5,773,000 found their way to United States markets, while smaller shipments gradually increased as a result of the growing number of independent importers. Moreover, higher prices and record sales were realised, bringing in their wake an improvement in the milreis exchange. Since the beginning of the current year, however, owing to the vagaries of the French exchange, difficulties have been encountered by the Brazilian Warrant Company, whose task is to realise stocks of coffee on behalf of the Brazilian Government, these forming the security for the Coffee Loan of 1922. Up to the end of last month (April), the coffee business in Havre had fallen to a great extent into paralysis, and, at time of writing, little change in the situation has to be recorded. On the other hand, the coffee movement in Brazil itself during

* Standard weight = 132 lbs each.

the first few months of the current year appears to have been less, both in quantity and in value, than for the corresponding period of 1923. On January 1, 1923, the State Government of Sao Paulo increased the arbitrary basic rate per kilo of coffee for the purpose of assessing the 9 per cent. *ad valorem* export tax from 700 to 1,000 reis. Clearances, up to the end of January of last year, avoided the increased tax rate, although some shipments did not actually leave the Brazilian port of Santos before early in February. Prospects for the present year are in favour of heavier exports, while the home consumption, in view of the large increase in population, has become a more important factor. From published figures, taken from the last census, the population of Brazil is now 30,635,605, of whom 29,045,227 were native born, 1,565,961 were foreigners, and 24,417 were described as being of undefined nationality. But Brazil is meeting with increased competition in the coffee market from Ecuador and Colombia among the South American States, and from Guatemala, Costa Rica, and El Salvador among those of Central America. Whereas the United States remains the principal market for the Brazilian berry, Spain takes 50 per cent. of the coffee exports of Ecuador and a not inconsiderable proportion of Central American stocks. Coffee takes second place, however, in the exports of Ecuador, cacao forming the main portion of the foreign shipments, the greater part finding its market in Europe. At the price of 45 sucres per quintal (1.0684 cwt), such as has lately been ruling—although at the close of last year prices were between 27 and 38 sucres per quintal—Ecuadorian growers can make a very satisfactory profit. Stocks of cacao are reported as not being unduly large, although the heaviest movement of the crop has now been completed. For the past year the total receipts of cacao in the Guayaquil market amounted to 27,899,888 kgs.

Co-operative Principle in Insurance.—When organised insurance was trying to make a beginning two hundred and fifty years ago, the idea of co-operation—which has survived in mutual life assurance—struggled hard against the stock company idea for insurance against fire. The sole survivor of those early days was the Hand in Hand, which is now incorporated with the Commercial Union. Two hundred years later, as an offshoot of the co-operative movement in the North of England, was established the Co-operative Insurance Society, which is the insurance branch of the Co-operative Wholesale Society and the allied Scottish Society. The report of this Co-operative Insurance Society for last year shows strength and good management. The fire premiums of £159,099 yielded an underwriting surplus of £22,317 (14 per cent.) after making the usual provision for unexpired risks. In the accident, employers' liability, and general accounts, the premiums were £249,749 and the surplus £21,110 (8.5 per cent.). In the life department (ordinary) the new policies issued numbered 9,501 for £1,619,481, as compared with 12,158 assuring £807,928 in 1922. The premium income was £878,306, the expenses 11.2 per cent. of the premiums, and the ordinary life funds increased by £326,837 to £1,800,411. In the industrial branch the premiums were £758,634, the expenses 43.8 per cent., and the funds increased by £297,655 to £703,149. The interest available for profit and loss was £14,574, and the underwriting profits were £43,427. The interest paid to shareholders was £1,000, the dividend to policyholders £20,864, and the bonus to district managers, agents, &c., was £29,709. The funds on December 31st were £2,888,670.

New Methods on the Rand.—Our mining correspondent writes:—In the flood of annual statements of Transvaal mining companies which occurs during April and the early part of May, it is impracticable to refer to points of a general character. One or two of these were emphasised by Sir Ernest Oppenheimer in his speech at the annual meeting in Johannesburg of the Anglo-American Finance Corporation, a lengthy cabled report of which appeared on Thursday in the columns of an enterprising daily contemporary. Particular attention was devoted last year to drills and drilling. As a result of prolonged research,

hammer "boys" in the stopes, and even the larger types of drilling machines, were replaced by small "jack hammer" machines. Owing to the comparative ease with which the latter can be handled underground, stated the annual report of the Central Mining Corporation, two (or even, with the latest improved type, one) can drill as much in an ordinary shift as a whole gang. The newest jack-hammer machine, using specially prepared steel, is capable of doing about four times the work of the old type. Electrical butt-welding, first introduced at the Springs and Brakpan mines, has demonstrated it to be economically possible to weld and re-use considerable quantities of broken steel. The translation of these improvements into actual working practice is necessarily a gradual process, but a remarkable reduction in ore-breaking costs has already been effected. Material economies have been effected in the use of explosives. A development in connection with ore treatment is the substitution of corduroy concentration for plate amalgamation in the mills. This, in some cases, represents a reversion. There can be little doubt that but for political uncertainties the improved prospects of the industry would be reflected in share quotations. It is quite on the cards that—as in the case of our own election—the apprehensions may prove greatly exaggerated.

General Mining and Finance.—In some circles the hope had been entertained that this Kaffir finance undertaking would re-enter the dividend list with a distribution in respect of 1923. Such anticipation is disappointing, although the profit scores a further satisfactory increase, amounting to £100,300 for last year, as against £78,900 in 1922 and only £40,400 for 1921. Actually the sum available would have provided 10 per cent. upon the net issued capital, but the directors consider it preferable to transfer to reserve the bulk of the profit and loss credit, thus placing the corporation "in a more advantageous position for undertaking any promising new business, and carrying out its legitimate functions as a mining and financial company." Actually the case is rather one of Hobson's choice. It has been pointed out that the balance-sheet valuation of the assets shows a surplus over liabilities of £1,137,800, or 22s per share. But of this £814,800 is locked up in share and debenture holdings, properties, &c., while debtors (including advances, less reserves) figure for £263,600. Disregarding the latter item—a substantial portion of which may not be recoverable—the actual cash surplus is very small indeed. It should be mentioned that the investments are entered at considerably below their market values. With regard to the ex-enemy shares, the directors announce that the number now held totals 860,400. As soon as it is reasonably certain that no more shares will be available from this source, steps will be taken to reduce the issued capital correspondingly. The position of the corporation's subsidiary undertakings was dealt with in our issue of April 19th.

Anglo-Argentine Tramways.—We are always pleased to review the accounts of the Anglo-Argentine Tramways Company, Limited. After perusing the directors' report, manager's report, comparative statements, and last, but not least, a balance-sheet unabridged, together with revenue and net revenue accounts, shareholders must feel that the directors are determined to keep them in close touch with the progress of affairs of the undertaking which they own. In these days it is only too often forgotten that shareholders are proprietors. In the accounts for 1923 gross receipts are a little lower at £4,484,782, and expenditure substantially higher; this results in a net revenue of £1,006,495, as against £1,193,668 for the previous year. Receipts from passenger traffic amounted to £4,421,980, being a decrease of 0.9 per cent., while working expenses at 71.56 per cent. compare with 71.39 per cent. Money was saved over "traffic expenses," and traction expenses were lower on account of cheaper fuel. Results are summarised below from 1908:—

	Gross Receipts.	Gross Receipts per Car Mile.	Expenditure.	*Net Revenue.	Interest, &c.	Balance.
	£	d	£	£	£	£
1908	1,264,841	13.87	790,687	474,154	191,449	282,705
1909	1,938,888	13.25	1,207,222	736,665	355,439	411,226
1910	2,419,186	13.54	1,564,093	858,522	398,378	460,144
1911	2,631,836	13.73	1,723,928	907,907	414,057	493,850
1912	2,778,302	13.96	1,824,021	954,281	442,422	511,859
1913	2,963,191	13.98	1,969,161	994,031	477,630	516,401
1914	2,850,995	13.50	1,880,996	969,999	603,888	366,111
1915	2,709,615	12.82	1,786,740	922,875	657,301	311,211
1916	2,714,225	12.65	1,956,668	757,556	664,716	132,849
1917	2,783,412	12.73	2,051,746	731,666	664,966	105,021
1918	3,012,821	13.61	2,375,564	637,257	665,225	15,063
1919	3,296,957	14.75	2,573,742	723,215	665,495	92,467
1920	4,413,164	17.28	3,198,028	1,215,136	665,775	593,875
1921	4,277,600	17.09	3,305,081	972,519	683,946	303,647
1922	4,529,978	17.53	3,346,981	1,193,668	666,371	527,297
1923	4,484,782	16.61	3,493,573	1,006,495	666,686	339,809

* Including income from interest on investments and deposits.

To this balance of £339,809 is to be added £12,829, the amount brought forward from 1922. And to meet the needs of preference shareholders £20,000 has been transferred from reserve. This brings the available balance to £372,638. The first preference shares received their dividends for 1923, taking £176,000, and the second preference shares £183,000, likewise as dividends for 1923, leaving £13,638 to be carried forward. The company, in its report, continues its record of negotiations with the municipal authorities in Buenos Aires. The report states that:—"The arbitrary reduction in fares from 12 cents to 10 cents (while leaving the company with onerous obligations which the higher fare was intended to mitigate) has continued in operation since April 10, 1923, with the result that the earnings for the year fell short of the amount required to pay the full dividend on the second preference shares, and a transfer of £20,000 from the contingency fund has been necessary to enable this dividend to be paid. It was hoped that, after the deprivations of the war years, the company would be permitted to earn a reasonable return on its capital, but owing to the action of the authorities this hope has been disappointed, and the holders of the ordinary share capital are deprived of a dividend for the tenth consecutive year. No compensation has been received even in respect of the company's contribution to the national pension fund, the claim for which last year was £86,383, although it was specifically provided that, if the increased fare was not continued, an arrangement was to be come to with the Municipality as to the manner of meeting the pensions charge." We confess that we are not without some sympathy for the company, and though we are, of course, listening to only one side of the story, we should be glad to hear that the negotiations have been pressed forward to a settlement satisfactory to both the company and the Municipality.

Malacca Rubber.—Better results are shown in the report for 1923 of the Malacca Rubber Plantations, Limited, and although the ordinary shareholders have still to forgo any dividend distribution, the preference dividend is now paid up to date, profits being sufficient to meet three years of arrears as well as that for 1923. Although the rubber crop was 335,000 lbs smaller than in 1922, the proceeds amounted to £192,900, as against £163,500. Estate expenditure was nearly £11,000 higher at £138,100, and the net profit £18,600 higher at £53,900. The following table compares results for a number of recent years:—

	1914.	1916.	1918.	1919.	1920.	1921.	1922.	1923.
Profit	144,224	230,749	50,199	182,733	18,581	Dr15,343	35,340	53,858
Brought f.w.d.	7,146	62,864	38,746	56,751	30,467	26,716	..	11,980
Deb. inter., &c.	151,370	293,613	148,945	239,484	49,038	11,373	11,975	65,838
Income-tax	17,694	14,792	13,368	12,931	12,047	12,859	..	11,975
French Taxation	15,463	37,703	36,700	34,800	..	..	..	..
Deb. sinking fund	31,006	5,871	5,114	2,412	9,914	1,792	1,654	..
Written off investments	8,913	16,614	1,616	11,100	..	..	..	..
Inter. on 8% 7-year notes	..	1,387	..	1,332	..	..	..	..
Dividends	78,294	218,245	92,147	175,909	26,716	Dr15,222	11,980	48,882
Balance forward	61,944	159,284	35,396	146,451	..	..	..	34,500
(17% %)	(45 %)	(10 %)	(30 %)	(30 %)	(30 %)	(30 %)	(30 %)	(30 %)
Balance forward	16,360	58,961	56,751	30,458	26,716	Dr15,222	11,980	14,382

During 1923, 171,036 ordinary shares were issued at a premium of 10s per share. This premium, less expenses of the issue, amounted to £64,700, and was added to the reserve fund, raising it to £564,700. Out of the proceeds of the issue, £150,000 8 per cent. 7-year notes were repaid at 101 per cent. Hence the reduction in the amount

required for interest. The "all-in" costs for the 1923 crop were 10.58d per lb, as against 9.68d in 1922, the slight increase being "due primarily to the lower crop harvested under the restriction scheme." The gross selling price was 1s 2.25d per lb. Out of the 1924 crop 719,040 lbs have been sold forward for delivery at an average price equivalent to 1s 5.25d per lb, landed London.

Ouro Preto.—Last year this Brazilian gold mining enterprise benefited from a number of favourable factors—a low record in the rate of exchange, a marked increase in the average thickness of the ore mined, an expansion in both the quantity and value of the arsenic produced, and a reduction in costs. As a result the profit rose to £32,600. The dividends, however, remained at the same rate as paid for the two preceding years—22½ per cent. on the preference, 12½ per cent. on the ordinary, an increased appropriation being made to reserve, further capital expenditure having to be faced. At 82,100 tons, the ore reserves show a small reduction, and represent barely one year's supply for the mill; this, however, is the normal position. The outlook is described by the mine superintendent as "distinctly encouraging." An interesting point is the acquisition of additional water power, the falls available being expected to yield over 2,000 h.p. in the dry season.

The annual International Exhibition and Sample Fair will be held in Riga from July 20th to August 3, 1924.

VISCOUNT MILNER will preside at a meeting of the Royal Society of Arts (Dominions and Colonies Section) on Monday, June 2nd, at 5 o'clock, when the Rt. Hon. Sir Frederick Lugard, British member of the Permanent Mandates Commission, League of Nations, will read a paper on "The Mandate System and the British Mandates." The paper will be followed by a discussion.

Oversea Correspondence.

UNITED STATES.—MONEY EASIER—SLACKENING TRADE—APRIL FOREIGN COMMERCE—COTTON CONSUMPTION.

(FROM OUR CORRESPONDENT.)

NEW YORK, May 16.

MONEY markets display further ease. After holding steady at 3½ per cent. for about a fortnight, the rate for call loans on the New York Stock Exchange has dropped to 3 per cent., the lowest level witnessed since the middle of March, when there was a heavy accumulation in banks of Federal income-tax receipts. Owing to pronounced inactivity in the stock market, brokers' borrowings are abnormally light. Funds are in abundant supply, greatly exceeding the demand, and come almost entirely from the large surplus of idle money at this centre, rather than from interior institutions, which apparently find more remunerative employment for their money in their own districts. Time money rates also have worked lower, until loans on both mixed and all-industrial Stock Exchange collateral are readily available at 4 per cent. for all maturities up to four months, with funds for longer periods commanding 4½ per cent., but in very limited request.

The easy tone in money is expected to continue for some time, probably until the domestic political situation and outlook become clearer, and more confidence and activity develop in trade and industry. Contrary to expectations in many quarters, the recent action of the New York Federal Reserve Bank in lowering its rediscount rate from 4½ to 4 per cent. has not been followed by any of the other eleven Federal Reserve Banks throughout the country. It was thought that at least the Boston and Philadelphia institutions would reduce their rates, especially since their ratios of cash reserves to note and deposit liabilities—namely, 89.3 per cent. for Boston and 86.3 per cent. for Philadelphia, are close to the 90.3 per cent. ratio of the New York bank. In other central reserve districts, however, the ratios are considerably below those prevailing in the East, and range in most instances from about 60 to 80 per cent.

National Bank of Commerce in New York

Chairman of the Board
JAMES S. ALEXANDER

President
STEVENSON E. WARD

Capital Paid up \$25,000,000
Surplus \$25,000,000
Undivided Profits \$13,000,000

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Gresham House, Old Broad Street,
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Trade and industry generally show a further slowing down, lessened activity being noticeable, particularly in iron, steel, and textile manufacturing. Wholesale buying for future requirements is more cautious and limited than ever before experienced in many lines, the most conspicuous example being found in cotton goods. That branch of the textile industry is suffering almost unprecedented depression, so far as mills and selling agents are concerned. In primary markets for cotton goods, buyers continue to operate in a hand-to-mouth way, and similar conditions prevail in wholesale markets. Prices show considerable irregularity on stock merchandise available for spot delivery, but manufacturers are decidedly firm on contracts involving later shipments of goods to be made. Many finished and unfinished lines of cottons are still offered at prices far below parity with the current cost of the staple, and curtailment of production is steadily increasing in both Northern and Southern mills, because of the dearth of forward business. Indications, therefore, point to sharp upward price revisions in cotton goods when demand broadens, if the raw material holds around present levels or works higher; yet merchants, even though their stocks are greatly depleted as a rule, seem to be little impressed with the probability of advances later on, to say nothing of the growing prospect of a marked shortage of many cotton fabrics. In practically all other lines of textiles also trade is extremely slow.

According to the Census returns, cotton consumption in April was 480,000 bales, as compared with 483,928 in March and 576,514 in April a year ago, representing a decrease of 1 per cent. from March and of 16 per cent. from April of last year. Consumption for nine months of the season was 4,558,920 bales, as against 5,040,373 bales in the corresponding period of the preceding season, a decrease of 9½ per cent. Exports of cotton last month amounted to 320,774 bales, an increase of 22 per cent. over April of 1923, while exports for the nine months totalled 5,012,544 bales, against 4,321,108, a gain of 16 per cent. The number of spindles in operation in

April was 31,871,665, as compared with 32,392,171 in March and 35,512,737 in April, 1923, which was the largest number of active spindles ever recorded.

Foreign commerce returns for April show that both exports and imports increased slightly in total value over those of March, but, compared with a year ago, exports gained while imports fell off considerably. Exports last month exceeded imports, whereas in April of last year imports showed a heavy excess. The total value of exports for April, \$343,000,000, represented a gain of 1 per cent. over March and of 5.4 per cent. over April of 1923, while imports were 1 per cent. larger than in March, but 10 per cent. below April a year ago. The excess of exports over imports was \$19,000,000, or about the same as in March, but in April of last year the import excess was \$38,780,458. For the ten months of the fiscal year exports, totalling \$3,670,938,080, showed a gain of 10½ per cent. over the preceding ten months, while imports, valued at \$2,977,077,487, represented a decrease of 3.6 per cent. The export excess for the ten months, amounting to \$693,860,593, was approximately treble that for the corresponding period of the previous fiscal year.

The Treasury's statement of circulation, published this week, shows that some very striking changes took place during April. On May 1st the general stock of money of all kinds in this country amounted to \$8,776,575,139, an increase of approximately \$19,000,000 as compared with April 1st and of \$306,000,000, roughly, over May 1, 1923. Gold coin and bullion totalled \$4,417,401,937, a gain of more than \$49,200,000 over April 1st and of about \$435,600,000 over May 1st a year ago. Money in circulation aggregated \$4,760,113,559, or \$52,700,000 less than on April 1st, but some \$92,000,000 more than on May 1, 1923. The per capita circulation, based upon an estimated population of 112,449,000 on May 1st, was \$42.33, a decrease of 52 cents from April 1st, but an increase of 29 cents over May 1st of last year. As compared with the peak point on November 1, 1920, the per capita circulation as of May 1st this year shows a decrease of \$0.93. During April Federal Reserve notes in circulation decreased by more than \$79,400,000, while the amount of gold certificates in circulation increased approximately \$389,000,000. Gold coin in circulation decreased about \$4,400,000 last month, United States notes \$3,700,000, and National Bank notes \$7,100,000, while silver certificates increased some \$2,900,000 and subsidiary silver about \$1,000,000.

FRANCE.—THE NEW CABINET AND FOREIGN POLICY —THE STRENGTH OF PARTIES—EMPLOYERS AND FAMILY ALLOWANCES.

(FROM OUR CORRESPONDENT.)

PARIS, May 28.

M. POINCARÉ, in addition to being the first of the past Presidents of the French Republic to return to active political life after the expiration of his septennate, has inaugurated many new departures since his withdrawal from the Elysée, but none has been so remarkable as the policy he has adopted towards his probable successor, since he announced a fortnight ago that his Cabinet would present its collective resignation prior to the meeting of the new Chamber on June 1st. Accompanied by his Finance Minister, he has had long interviews, in the presence of the President of the Republic, with M. Herriot, who is to form the new Cabinet, and M. Painlevé, his leading supporter, and at these meetings, it is understood, the heads of the retiring Government and their successors came to a cordial understanding as to the necessity for continuing the present foreign policy of the country, in all its essential features.

The recent speeches of M. Herriot and M. Painlevé leave little doubt that this understanding will largely be acted upon. Their programme will include a cordial agreement with Great Britain—M. Doumergue, the Speaker of the Upper House, and one of the leading members of the new majority, goes further, and insists on the necessity for an actual alliance—the settlement of the Reparations question by agreement between the Allies; the maintenance of the military, but not of the economic and administrative occupation of the Ruhr; full recognition of the inter-Ally debts, and a settlement of

them that will be "fair to all parties"; and an effort to bring about the resumption of commercial and diplomatic relations with Russia, which M. Herriot regards as "indispensable." Add to this that most of the non-Socialist leaders of the new majority have announced that the continuance of a balanced Budget, and the determination to put a stop to borrowing, is to be regarded as a *sine qua non* for the restoration of French credit, and it is evident that in principle, whatever difference there may be in method, there will probably be little change of policy on all essential points.

The composition of the new Government depends very largely on the attitude of the Socialist group, which is the third largest in the Chamber, and numbers 105 (exclusive of the 30 Communists). If these eventually decide to accept office in the new Radical Socialist Cabinet (which should properly be called an Extreme Radical Cabinet, as the members of the so-called Radical Socialist Party are none of them Socialists in the usual meaning of the term), the new Ministry will be constituted exclusively from the Left. As matters stand to-night, however, it appears probable the Socialists will decline to share the responsibilities of office, and will decide either to remain benevolently neutral, or to go into active opposition, as circumstances may decide. In that event, it is regarded as probable that M. Herriot will endeavour to form a Ministry of "Republican Concentration," the members of which will be drawn from his own party (which, with its 142 members, is once more the largest individual group), in co-operation with the three allied groups, the Republican Socialists (39 members), the Gauche Démocratique (76), and the Républicains de Gauche (56), which together would form a solid and practically homogeneous bloc of 313. In that case, the new Cabinet would count very largely on the support of the remains of M. Poincaré's immediate supporters (who number 116 in the new Chamber) on many questions of foreign policy. The Opposition would be reduced to about 150, and would consist of the Socialists and the Communists on the one side and the score of members who now constitute the Extreme Right.

In the first case, supposing the Socialists were represented in the Cabinet and the Communists gave him their support, M. Herriot might count on a majority of 48 at the worst, and very often (on those occasions when he had the Communists against him and the Gauche Démocratique and the Républicains de Gauche with him) on one of about 250. A Ministry of Concentration, on the other hand, would be able to count on a minimum majority of about 60, even with the Socialists and the old Poincarists both voting against it. Such a Ministry would necessarily be much more moderate in its proposals than one in which the Socialists held portfolios, and all indications at present tend to support the view that the Herriot Cabinet will be one of this character. In any case, it is fairly safe to predict that neither the alarmist fears nor the exaggerated joy that were experienced in many directions, and particularly in England, when the "great victory of the Left" was first announced, will be justified by events. A spectacular Amnesty Bill for certain political offenders may be expected almost immediately, and it is probable there may be some tendency to return to the old priest-hating policy of twenty years ago, but in general principles, particularly in regard to foreign affairs, there is likely to be little change, although it is certain the new Cabinet will endeavour to conduct its relations with foreign Governments with a little more *savoir faire* and perhaps with a little less lawyerlike insistence on literal interpretation of contracts.

The fourth annual Congrès des Allocations Familiales, which has been held this week at Mulhouse, in Alsace, has revealed the extraordinary degree of success that has been achieved by this device for improving the situation of the workman. The *allocations familiales*, as I explained a year or two ago, are the extra allowances on a fixed monthly scale which are made by many French employers in respect of each child which has to be maintained by their employees. The system originated at Grenoble, several years ago, and was due to the desire of a group of employers to find some means to stabilise the labour they employed. These employers at first bound themselves individually to pay such extra allowances, but they soon found that, in taking on new em-

ployees, they were tempted to engage single men rather than men with families, for reasons of self-interest. In order to remove this temptation, they decided to form a common and co-operative fund, out of which the extra allowances should be paid. The modified system has proved so successful in working, both to employers and employed, that to-day there are 151 of these common funds or caisses in existence in France, with a total membership of 9,300 firms, employing a total of over 1,000,000 workmen, and distributing over 128,000,000 in "allowances for families" per annum. The rapidity with which the adoption of this system is growing may be gauged from the fact that no fewer than 31 new local associations of employers, comprising 1,700 firms, with 200,000 workmen, and paying allowances amounting to 36,000,000, have been started during the past year.

The average scale of allowances paid by these caisses is from 15f to 10f per month to men with one child, 36f to 46f to those with two, 63f to 81f to those with three, 92f to 124f to those with four, and so on, the amounts paid rising progressively with the increase in the number of children born. The Mulhouse society has raised its rate of allowances to a uniform payment of 31f a month in respect of the first child, rising successively up to 97f 50c for the tenth, so that a workman with ten children would have received by the end of the year 4,375f in addition to his normal standard wages. The Mulhouse congress passed resolutions urging that this system should be generalised throughout the country, strictly under private initiative, as at present, and that it should be extended to comprise not only workmen properly so called, but all other classes of employees, no matter what their rates of pay may be. The system has proved so successful, as a matter of fact, that some months ago the Parliamentary Socialist Party put forward resolutions proposing that it should be rendered compulsory on all employers. This proposal, however, in view of the unfortunate results of State control in other directions, has been universally opposed by the whole of the existing associations as likely, if adopted, to have fatal consequences to the whole movement.

GERMANY.—CABINET—EXCHANGE AND CREDIT— PRICES—FINANCES—INDUSTRY—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, May 27.

THE Reichstag opened to-day, without the participation of the Marx Cabinet, which yesterday resigned as the result of a resolution of the People's Party, but which will carry on business until a new Cabinet is formed. The Communists, according to expectation, celebrated their new strength by making a scene; and it is feared that obstruction, as in the Prussian Diet, may be their only policy. At the time of writing Cabinet prospects are doubtful; the German-Nationals still claim the Chancellorship and have not withdrawn the somewhat provocative candidacy of Admiral von Tirpitz, who was indeed one of the ablest political heads of the Monarchy, but who would probably be regarded abroad as a challenge. A new Marx Cabinet, with or without the Nationals, would probably be the best solution. The three parties represented in the Cabinet which has now resigned have passed unanimously a resolution in favour of accepting the Dawes Report, describing it as an indivisible whole, which must be either taken or rejected, but adding that the laws creating the new railways corporation and the new bank of issue must guarantee German influence in these domains.

Despite the passive trade balance of the last few months, which was repeated, it is believed in April, the ratio between the supply of and demand for foreign exchange has become of late even more favourable; and yesterday the Reichsbank was able to meet the whole demand for the less important exchanges, to raise the allotment of gulden to 10 per cent. of the demand, and to meet 3 (instead of for a long time past 1) per cent. of the demand for dollars and sterling. The causes of this improvement are various. One is the operations of the Gold Discount Bank, whose return for May 23rd shows that £3,610,000 had been lent to importers, against £998,695 a fortnight before. Another cause is that the general shortage of money com-

pels hoarders of exchange, including big firms with large holdings, to realise for marks. Another is the decline in the demand, which has fallen from a maximum of about 400,000,000 gold marks a day to under 100,000,000 gold marks. The latter figures, of course, represent only the demand, not the need, because importers, knowing that they would be rationed, have always asked for more than is necessary.

In the home credit question there is no improvement. The Reichsbank will not relax its new principles; and the last week's returns show that they are working with effect. The note circulation in the week ending May 15th declined by 22,932,174 billion paper marks, and as the Bank's holding of rentenmark notes increased by 66,112,101 rentenmarks, there was an effective circulation decline of over 89 million gold marks. Paper mark discounts increased by 46,895,429 billions, rentenmark discounts by 19,000,932 billions (reckoned in paper marks); while advances both in rentenmarks and paper marks declined slightly. The total of discounts and advances rose by 33 trillion paper marks, which is a moderate increase for a mid-month report, and about equals the decline in the preceding week. The Reichsbank and the Government seem determined not to resume credit-giving; and there have been several utterances showing that this question is regarded as a choice of alternatives between meeting the credit demands of business and maintaining the new stability of the currency. A Deutsche Bank report states that "the calculation that the money stringency will soon be relaxed, and that it will therefore be profitable to hold fast to wares, must be regarded as false. The Reichsbank will take care that that does not happen, because it realises that the stability of the rentenmark is based on the shortage of money, and sees its first and most important task in preventing the collapse of the renten and paper marks during the transition period which will elapse before final currency regulation." Dr Schacht says practically the same thing: "The price reduction must come, and it is better to sell wares at the beginning of the movement than at the end, before they are burdened by high interest rates." Dr Schacht added that in no circumstances would rentenmark inflation be practised, and that the issue of paper marks must go no further. He refuses to raise the discount rate, mentioning as one reason the fact that the Bank holds 800 million gold marks of bills from Agriculture. "The other suggestion, that we should not hold so fast to the stable dollar quotations in Berlin is also impracticable"; this would lead to new inflation. Dr Schacht declared that he can get more credit for the Gold Discount Bank than he could place in Germany, but that Germany's present export basis is too small. She must reduce consumption and make efforts to increase export. Foreign short-term credits are sufficient, but long-term foreign investment credits are lacking. Ministerial-director Schaeffer, of the Finance Ministry, has told the Wholesale Merchants' Association that only foreign capital can relieve the present strain, and that foreigners in their business relations with Germany, "must be given a measure of security which they have not enjoyed since the war."

Prices are falling. The official cost-of-living index number for May 21st is 115, against 116 (the highest point of 1924) on May 14th. Official salaries are being raised to about 80 per cent. of the pre-war level. The present minimum and maximum salaries of an official in the first or lowest rank of the State service are 804 and 1,068 gold marks, in the thirteenth or highest rank 6,300 and 9,600 gold marks, in addition to which are small supplements according to size of family. After the proposed increases, the lowest salary, excluding family supplement, will be 924 gold marks and the highest 13,590 gold marks. Iron and steel prices, in connection with the weakening market, have had sharp drops; bar-iron in the last ten days has fallen from 140 gold marks to 130 gold marks per metric ton, and other kinds of rolled iron have fallen 20 to 25 gold marks a ton.

Federal revenue in the second ten-day term of May totalled 199,852,700 gold marks, and expenditure 206,489,000 gold marks, but the latter contained not only exceptionally large subventions (100,392,300 gold marks) to States and municipalities, but also 50,851,400 gold marks spent on buying back Gold Loan with the aim of supporting the quotation. The lowness of the mere Federal ex-

penditure, including interest on debt, but excluding redemption of debt, is notable. In the last three ten-day terms it was respectively 75,843,200 gold marks, 61,032,000 gold marks, and 55,245,300 gold marks. Normal Budget conditions have prevailed now for about five months (in late November and in December, 1923, though the currency was already stabilised, the evil effect of the former depreciation was not overcome), and the result fully confirms earlier statements that the financing of German Governments is very easy, even if it is assumed, which is not entirely true, that the practical disappearance of debt charges involves an equal diminution in the tax-paying power of the population. The financial returns indicate that, considered as a mere matter of taxation, the Reparations sums last under discussion could be raised, and it is hard to see what, short of formal exclusion measures against German goods, can prevent their being transferred abroad.

The business outlook is doubtful. The unemployment figures in Berlin are practically stable. It is stated officially, though no figures are yet forthcoming, that unemployment in unoccupied territory has fallen by about a third since the last report was issued. The damage done to crops by the severe frosts of last winter is stated in agricultural organs to have been locally much more severe than could appear in the reports, based on averages, for all Germany. In East Prussia 50 per cent. of rye, 30 per cent. of wheat, and 55 per cent. of barley were destroyed, and 223,000 hectares of land under these crops, of which 203,000 hectares were under rye, had to be reploughed. The cost of new seed-corn for this area only is put at 7 million gold marks, and 2 millions worth of nitrates is stated to be required. In part of Pomerania also about 50 per cent. of winter crops perished. Industry, apart from other troubles, is suffering from lack of coal, owing to the continuing strike; Krupps have stopped the work of 30,000 men, and the Deutsche Werke Company, which owns the former State arsenals, and is the biggest industrial concern in the Republic, is also reducing work. The textiles and boot industries report declining orders, but they have work for a long time to come. Although business cannot get money, the buying power of the population, which increased greatly after the currency reform, shows no sign of decline.

Stocks last week had a new fall, the causes being the difficulties of industrial companies and discouraging announcements as to the Reichsbank's credit policy. The *Frankfurter Zeitung's* dividend-payers' index for May 23rd is 446.28, against 512.52 a week before. The index for paper mark loans was only 1.82, against 4.42 at the beginning of the year.

SWEDEN.—MATCH INDUSTRY—INDUSTRIAL CONDITIONS—TRADE BALANCE—TRADE WITH BRITAIN—PRICES.

(FROM OUR CORRESPONDENT.)

STOCKHOLM, May 12.

A PROMINENT feature in Swedish business life at present is the expansion of the Swedish Match-making Company. The readiness with which the new issue of 90 million crowns was absorbed is a good sign of the confidence of the public in this branch of industry. With this new issue the stock capital of the Swedish Match-making Company is raised to 180 million crowns, thus being the biggest company in Sweden, putting the big mining concern, Grangesberg-Oxelösund (which with a stock capital of 119 million crowns has hitherto been the biggest), as a second. It is reported from American sources that the Swedish Match-making concern has acquired control of its Japanese competitors. If this is so, it should facilitate the expansion of the Swedish match trade in the East, where the Japanese have been the strongest competitors; as a matter of fact, during the war the Swedish match-makers lost a considerable part of their trade in the Far East on account of Japanese competition, which was supported by the difficulties of sea transport from Europe, the lack of raw materials, &c. As regards the general situation in Swedish trade and industry, one can say that confidence in the future has been restored. People are more optimistic than they were a year ago. On the other

hand, conditions of commerce and industry still leave much to be desired, but this is due to severe competition from countries which have depreciated exchange, labour disputes, bad weather conditions, &c. The long winter, which only recently came to an end—over six weeks later than last year—has caused tremendous losses to the export industry and shipping. The pulp and timber industries are well sold, but have not been able to effect deliveries on account of ice; it is therefore expected that the season will be very active when once started. Unemployment is much smaller than it was, and sounder financial conditions prevail. There are no strikes or other conflicts of any great importance going on at present, and the special unemployment works arranged by the Government are being wound up, and are only going on at a few places where works have to be completed. According to figures issued by the Swedish Employers' Association, not less than 5 million working days were lost by strikes and disputes during 1923. The company results in general are better, but, of course, no big dividends can be expected. The new trade agreement with Soviet Russia, just ratified by the Riksdag, has been greeted with satisfaction, not so much because it is believed that this will open up big trade with our Eastern neighbour, but because one question, which has been the source of much political discussion, has thus been solved.

The trade balance develops in a favourable direction, the difference in import and export being considerably more in our favour for the first quarter this year than for the same period of 1923. Naturally there is still an import surplus; the export surplus does not occur until the shipping season for timber is in full swing. The value of imports for March was 89.7 million crowns and of exports 69.1 million crowns, leaving an import surplus of 20.6 million crowns, compared with 32 million crowns for February. The import surplus for March last year was 47.9 million crowns. For the first three months of this year the total import surplus was 87.0 million crowns, while the corresponding figure last year was 109.2 million crowns. On the import side it is still foodstuffs which are specially high; there are reductions in the import of finished and half-finished materials, while raw materials show signs of increasing.

Figures as to the destination of our export last year show that England has quite regained its position in our export trade. Thus 30.84 per cent. of our total exports went to England during 1923. For 1913 and 1922 the comparable figures were 29.10 per cent. and 24.71 per cent. respectively. Increases in our export to England of pitprops, sawn timber, pulp, and iron ore were the cause of this result. Exports to Germany were for 1913 21.91 per cent., for 1922 8.95 per cent., while for 1923 they were but 7.85 per cent.

The quarterly index issued by the Board of Social Welfare shows a reduction of three points (equal to about 2 per cent.) from January 1st to April 1st, at which date it reached 173. The reduction is specially due to reductions in the prices of foodstuffs.

HOLLAND.—FLOATING DEBT—AMERICAN LOAN—ECONOMIC CONDITIONS—POSITION OF ROTTERDAM.

(FROM OUR CORRESPONDENT.)

AMSTERDAM, May 19.

In my last letter (*Economist*, April 26th) I discussed the present position of the floating debt of Holland, in connection with the recent issue of a 6 per cent. loan amounting to 85 million florins on the home market. On the basis of a statement then made by the Minister of Finance, the debt which had to be consolidated was computed at about 120 million florins. Since that time the Minister has made a more detailed statement in Parliament, and this, as it presents a very pessimistic view, has caused no little stir in the Dutch Press. The Minister again declared that the amount of floating debt to be consolidated was 120 million florins. This includes a part of the deficit on the budget of the present year, but 40 million florins of uncovered deficits of the ordinary service must be added. The Minister also took into account the chances of a rise in the service of the national debt (in consequence of a possible rise in the general rates of interest) and the expenditure on old-age insurance. He thus brought

up the figures to an amount ranging from 175 to 200 million florins. He further considers it necessary to secure for the extraordinary service of the years 1924 and 1925 an amount of 125 to 150 million florins. Taking all these together, it would become necessary in the course of the next few years to issue a funded loan of 300 to 350 million florins.

It is this high figure which has excited so much general consternation, especially as it had been imagined that the time of big loans was over. But a closer examination of the figures adduced by the Minister will give quite a different impression. In the first place, the Minister had reckoned in with the floating debt the proceeds of the loan recently raised in America, namely, 40 million dollars, or about 100 million florins. This at once reduces the amount that has to be funded to something between 200 and 250 million florins. In the second place, most of the additional costs which the Minister anticipated for the national debt will be raised by means of the retrenchment measures now in hand. Moreover, it is obvious that loans raised for the purpose of extraordinary service must be regarded in a very different light, since these loans, which *inter alia* include building credits, will to some extent pay their own interest and sinking fund. This also invalidates the estimate of the Minister that in 1926, chiefly as a result of the increased interest on the national debt, an amount of 30 million florins will be needed. This amount can be diminished by at least one-half. Taking these emendations into account, the conclusion may be reached that in the course of the next two years not more than 90 million guilders at the outside will be required for the ordinary service, including all deficits on the budget within these two years. The extraordinary service can quite well be left out of account, since, as already stated, the expenditure under this heading will pay its own costs, either immediately or after a few years.

These considerations have caused a certain relief in financial circles. It must not be forgotten that the consolidated national debt from January 1, 1924, to the present moment (thus inclusive of the latest home and American loans) has risen from 1,148,380,000 florins to 2,973,400,000 florins, and the annual service on this debt has within the same period risen from about 40 million florins to about 192 million florins. If everything were to go as the Minister foreshadowed, then in 1926 the national debt would have risen to 3,323,000,000 florins, and the annual service on it to 222 million florins. But it is clear that the figure will be much lower.

Economic as well as financial prospects have come in for their share of attention. Especially is this the case on account of the report of the Dawes Commission, and the results of the French elections: these have given hope of a settlement of the Reparations question, which would also react favourably upon the present commercial and industrial depression. Moreover, the negotiations with Russia at first inspired confidence. These have now, however come to a standstill on account of the very one-sided views prevailing among the Russian statesmen concerning the most-favoured-nation clause. In Holland, however, there are hopes that these negotiations will be resumed. Not that a *de jure* recognition of Russia would do much directly to restore economic prosperity to Holland, but because any return to more normal relations cannot but exercise a beneficial influence.

The port of Rotterdam will be one of the first to benefit by a return to normal conditions in Europe. In the first place, Germany will then be able to recover her strength. How important to Rotterdam is the prosperity of her German hinterland is proved by a comparison of recent figures with those of former years. The whole quantity of goods imported into Rotterdam from overseas amounted in 1913 to 22 million tons. In 1922 this figure was only 14½, and in 1923 only 12 million tons. Of the 22 million tons imported in 1913, 8 million tons were ore for Germany; further, there were 2½ million tons of wheat and rye, of which about 1,400,000 tons were for Germany and 1.6 million tons of maize and barley, of which 0.8 million tons were for Germany. Germany sent *via* the Rhine to Rotterdam, 4.3 million tons of German coal, and 700,000 tons representing products of the German metal industry. That the diminution of the trade of Rotterdam is chiefly due to the depression in Germany is evident

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from the fact that the goods cleared at Lobith (the German-Dutch frontier station) from Rotterdam in 1913 amounted to 15.7 million tons of goods, and in 1922 only to 8½ million tons. Just when some improvement was to be noted in the German hinterland in 1922 came the occupation of the Ruhr, which put an end to the more optimistic expectations. In 1923, therefore, the goods cleared at Lobith only amounted to 5.7 million tons. It is easy to understand that in Rotterdam there is eager anticipation of the restoration of normal international relations, although there are other circumstances which militate against the increase of the trade of the port to its pre-war proportions. One of these circumstances is the French "*surtaxe d'entrepôt et d'origine*" levied on non-European goods imported from other than French ports. For most articles this amounts to 36f per 1,000 kg.; for others, especially goods coming from countries which are colonies of European States, it is even higher. When Alsace-Lorraine was again incorporated with the French State, and Antwerp was favoured by exemption from the *surtaxe*, the result was that goods imported for Strassburg *via* Rotterdam were subject to the tax, while those imported *via* Antwerp were free from it. This meant the loss of practically all the traffic between Strassburg and Rotterdam; this is comprehensible when we realise that the tax of 36f per 1,000 kg. works out at more than the whole freight from Rotterdam to Strassburg. This goods traffic between Rotterdam and Strassburg *via* the Rhine has, therefore, been almost wholly transferred to Antwerp.

DENMARK.—FINANCIAL BALANCE—A QUARTER'S TRADE—ECONOMIC CONDITIONS—PRICES.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, May 15.

A SUMMARY of Denmark's financial balance with foreign countries for the year 1923 was published a few days ago. In this summary Denmark's net debt to foreign countries at the end of 1923 is estimated to be about 1,400,000,000 kr., as against about 1,100,000,000 kr. at the beginning of the year, corresponding to an increase in gold kroner of from about 845,000,000 kr. to about 920,000,000 kr. The figures for the net debt at the end of 1923 are the final result of a computation showing claims on foreign countries of about 510,000,000 kr. and total debts of about 1,910,000,000 kr. The amount of the debt is arrived at by estimating the value of Danish Government bonds held abroad to be about 550,000,000 kr., or about 70,000,000 kr. more than at the last computation a year ago—partly owing to the rise of the foreign exchange quotations and partly to the export of such securities which has taken place. The municipal debt has been estimated to be about 325,000,000 kr., against about 255,000,000 kr. at the end of 1922; this rise is likewise due to the decline of the krone value and the export of municipal bonds. Further, the Hypothekbank reports that the value of its bonds held abroad is estimated to be about 25,000,000 kr., while the foreign debt of the Exchange Equalising Fund at the end of the year amounted to 55,000,000 kr. The value of Danish Credit Association and Hypothek Association bonds and of

shares in Danish trading concerns has been estimated to be about 215,000,000 kr, against 185,000,000 kr at the end of 1922. Finally, the unbonded (commercial) debt has been computed to be 560,000,000 kr, to which amount it has been considered necessary to add about 80,000,000 kr for goods ordered but not yet paid for. Accordingly, a total of about 1,810,000,000 kr is arrived at, which figure, however, must be regarded as a minimum, to which presumably further about 100,000,000 kr must be added.

On the other hand, the total claims amounted to about 510,000,000 kr—i.e., about 125,000,000 kr for foreign securities, public claims, &c., and about 385,000,000 kr for commercial claims. It is pointed out in this connection, however, that a computation of this description must be rather uncertain for the year 1923, during which the exchange quotations have been so unsettled.

The following table shows the items affecting the financial balance:—

EXPENDITURE.	Kr.
Deficit of the balance of trade for 1923	375,000,000
Expenditure for the bunkering of ships and tourists expenditure, &c.	75,000,000
Interest on public and private debt	65,000,000
Import of securities (purchases)	45,000,000
Increase of unbonded claims	70,000,000
Total	630,000,000
INCOME.	Kr.
Gross freight earnings in foreign trade	200,000,000
Export of securities	90,000,000
Employed out of the equalising fund	55,000,000
Sale of gold by the National Bank	30,000,000
Profits on transit trade via Denmark	30,000,000
Increase of unbonded debt	50,000,000
Total	455,000,000

As will appear from this, no information is available as to how 175,000,000 kr have been covered. It is presumed that the increase of unbonded claims is to some extent merely *pro forma*, and that a consumption of unbonded claims has taken place, without information being given, to the extent of about 50,000,000 kr, and, further, that information has not been obtained about importation of foreign securities (escape of capital) for an amount in excess of the 45,000,000 kr mentioned, this excess corresponding to hidden exports of securities and other means of payment. This would leave an amount of 125,000,000 kr, which has been covered partly by contracting debts abroad, which have not been reported, and partly by income through insurance abroad, trade between foreign countries direct, &c. If these last-mentioned income items are estimated to be about 25,000,000 kr, the unbonded indebtedness would have to be increased by about 100,000,000 kr.

In relation to these figures the developments of the foreign trade during the coming year will be of importance. The figures for March have quite recently been published, together with a summary for the first quarter of the year. It appears that while during January goods for 165,000,000 kr were imported, and during February for 168,000,000 kr, the imports for March have amounted to 195,000,000 kr. In this respect there has accordingly been a continued rise, and the last-mentioned figure proves to be 23,000,000 kr more than the value of the imports during March, 1923. Fortunately, however, the exports have increased at the same time, the figures for the exports of Danish goods being 136,000,000 kr for January, 152,000,000 kr for February, and 155,000,000 kr for March. To this must further be added the exports of foreign goods, which were 11,000,000 kr, 15,000,000 kr, and 17,000,000 kr respectively, the total exports for March amounting to 172,000,000 kr, or 31,000,000 kr more than for March, 1923. The deficit of the balance of trade, which was 18,000,000 kr in January, 1924, and 1,000,000 kr in February, has been 23,000,000 kr in March, as against 31,000,000 in the corresponding month of last year. The total deficit for the first quarter is 42,000,000 kr, the greater part of which falls to the share of March. It appears from this that there has been a rather considerable improvement during these three months. Even considering that the February figure of 1,000,000 kr is extraordinarily low, the surplus of imports has been considerably less than the corresponding for January-March last year, when the total deficit was 104,000,000 kr.

A table of the different markets shows the following figures:—

	Jan.-March, 1923.	Jan.-March, 1924.
	Kilos.	Kilos.
United Kingdom	19,656,000	20,807,000
Norway	414,000	65,000
Sweden	11,000	37,000
Belgium	1,356,000	76,000
France	1,097,000	41,000
Switzerland	848,000	1,217,000
U.S.A.	629,000	2,494,000
Czecho-Slovakia	651,000	243,000
Germany	31,000	4,683,000

Exports to the U.K., Germany, and the U.S.A. have increased, while France and Belgium have imported smaller quantities than during the corresponding period of last year.

Trade conditions in general show no marked change during the last month. The steadiness of the exchange conditions since the establishment of the Exchange Council by the previous Government appears to have had a beneficial effect, especially on commerce. At this stage it cannot yet be said which views the "Rigsdag" will adopt with regard to the exchange propositions of the socialistic Government. There is reason to believe, however, that in connection with some import regulation an increase of the number of members of the Exchange Council will take place, as well as an extension of its authority. On the other hand, the prospects of carrying through the levy on capital in excess of 50,000 kr do not seem favourable for the Bill.

The wholesale price index of the *Finanstidende* for April shows a slight decline owing to the improvement of the krone rate, viz., from 228 to 225. The principal declines this time have been for coal, iron, and various other raw materials, as well as for margarine and coffee, while several agricultural export articles, for instance butter and eggs, show increases, which as far as butter is concerned is connected with increased exports to Germany. Danish wholesale prices are now 10 per cent. higher than at the same time last year.

SOUTH AFRICA.—MINING PROFITS—APPROACHING ELECTIONS—MINERAL PRODUCTION.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, April 30.

HELPED by a gold currency premium of about 8s 6d per ounce net and about 11s 9d per ounce gross, the cost of realisation and exchange in March being estimated at 3s 3d per ounce, the profit of the Rand gold mines appears pretty well stabilised at a million and a-quarter a month. In March, a 26-day working month, the 35 companies of the Rand made a profit of £1,264,114. The gross premium was £416,250, but the net figure only £329,000. Thus the excess cost of bank exchange and other realisation was £87,250, compared with a normal £38,700, the old pre-war calculation being that realisation was covered by a shilling per ounce. Profits exceeding £100,000 were made by Crown Mines, Government Areas and New Modderfontein, the two latter securing practically £350,000 between them. While there were three mines—Modder Deep, Van Ryn Deep, and Randfontein—which each made about £75,000, the actual fourth in the list, ranged according to profit, was the Randfontein Central. Thus the two largest profit-earners are high-grade mines, 8½ to 9½ dwt, the third, Crown Mines, about the Rand's average, and the fourth, Randfontein, a low-grade mine. Its recovery in March improved to nearly 5½ dwt, as against well under 5 in December and January, while its production of 57,650 ounces was 1,100 in excess of that at the New Modderfontein.

All four mines worked at under a sovereign a ton—Crown Mines 19s 7d, Randfontein 18s 6d, Government Areas 17s 10d, and New Modder 17s 3d. Some mines were operated even more economically; for example, Modder Deep (the only mine whose recovery exceeded 10 dwt) at 16s 5d, and the Simmer and Jack, which returned only a fraction over 4 dwt) at 15s 5d. Thus do extremes in values meet in coincident costs! Robinson Deep's costs were 18s, as against the 23s of its two Eastern neighbours, the City Deep and Village Deep.

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TEA — RUBBER — COCONUTS.

ADVANCES UPON OR PURCHASES MADE OF DEBENTURES AND SHARES OF EASTERN PLANTATION COMPANIES. RECONSTRUCTION ISSUES UNDERWRITTEN.

1-4, GREAT TOWER STREET - LONDON, E.C.3.

These are three of the deepest mines on the Rand. At Robinson, which is now doing no development, the recovery fell for the first time in its history to below 4 dwt, the actual figure being 3.85 dwt. Working costs were down to 14s 9d per ton. It is expected that this mine will only be able to last a few months longer, unless, perhaps, it is successful in exploiting the pyritic reef, on which the neighbouring Ferreira Deep is sinking a shaft, with promising values disclosed for the limited amount of work done.

We are in the throes of all the preliminaries of a General Election in June. Whatever be the issue of the contest, it seems pretty certain that neither the Nationalist-Labour "pact," one of the most curious political combinations known to history, nor the S.A. Party will have anything but a small majority. The sentencing of Maritz, responsible for so much bloodshed in the early days of the Great War, to three years without hard labour appears a distinctly inadequate sentence, while the release of the remainder of the Revolt prisoners, including at least one who was sentenced to death for murder, then respited to penal servitude for life, after a little over two years, can only be explained on the ground that political expediency has become subservient to justice. On the civil side, suspended sentences are being so frequently imposed as to make potential criminals little fear the risk of imprisonment, especially if they are first offenders. As a contrast, one hears of three and five years being given for dealing in diamonds and for arson. More and more I am becoming convinced that in South Africa the penalty no longer "fits the crime." All this, of course, reacts on the general security of person and property.

The value of minerals produced in the Union in March was £4,431,341, to which must be added the currency premium of £430,400 (gross), the value of gold at normal price being £3,387,221. Diamonds totalled 187,043 metric carats, valued at £625,181, while just over a million tons of coal had a pit-mouth value of only £309,750. The Transvaal collieries, the largest producers received only 5s a ton, while those of Natal realised 7s 10d. The value of all other minerals—copper, tin, silver, osmiridium, and miscellaneous—scarcely exceeded £100,000. The mines employ 32,000 whites and 279,000 coloured persons. For the quarter the total value, including premium, was just £14½ millions.

ARGENTINA.—CEREAL EXPORTS—EXCHANGE AND MONEY RATES—OPPORTUNITIES FOR BRITISH TRADE.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, April 28.

DURING the past month Argentine conditions in general have been normal, and, on the whole, satisfactory; though, perhaps, one ought to make an exception of the importers who find their profits diminished yet again by loss on exchange. Exporters, on the other hand, make no complaint. Down to April 24th, this year's cereal shipments stand as follows:—Wheat, 2,223,751 tons; maize, 274,975 tons; linseed, 683,905 tons; oats, 263,834 tons. Both linseed and wheat are in excess of the quantities shipped for the same period last year, the latter being half a million tons better. And while the maize shows a decline on actual shipments, this is only due to the harvest being somewhat late. For, according to the first official forecast of the 1924 crop, the grand total of maize will be round about 6,860,000 tons, a figure which is not thought to be unduly exaggerated, notwithstanding that it is roughly two and a half million tons over last year's yield. At the very least, this means an exportable surplus of 5,000,000 tons, and, although the whole of the maize may not be shipped this year, it is reasonable to suppose that at least seven million tons of cereals in general will leave the country between now and the end of November. If all continues well, 1924 will, in this respect, be a record year, and it goes without saying that this movement is already being reflected in the railway receipts. All the lines participate in this improvement,

and the principal systems already show the following percentage increase over the 1923 figures for the corresponding period:—Entre Rios and Argentine North-Eastern, 14 per cent.; Southern, 11 per cent.; Central Argentine, 10 per cent.; Pacific, 6 per cent.; Central Cordoba, 4 per cent.; Western, 2 per cent. Moreover, the latter half of the current year will, it is clear, be very much better than the last six months of 1923, and one may safely confirm the statement made a month ago to the effect that these increases would counterbalance the heavy loss in exchange. If, however, Argentina's export trade is flourishing, one cannot yet say that the import trade has reached a similar level of prosperity. Merchants are still very cautious, and here the unfavourable rate for remitting is undoubtedly acting as a severe handicap to current business.

Some very valuable and straight speaking has recently been heard in this connection from the mouths of three distinguished visitors—Viscount Pirrie, Mr Frank Houlder, and Mr Arthur Cook. While all three gentlemen are primarily connected with shipping interests, it will be allowed that their remarks on the course of trade are founded on wide knowledge of world conditions. All three insisted very strongly on the impossibility of the business man at home realising, from ordinary correspondence, not merely the wonderful progress which Argentina has made since the war, but also what Mr Houlder did not hesitate to describe as: "It's truly extraordinary importance, not only as a source of raw materials and foodstuffs, but also as a market for manufactured goods of every description." What he did not, indeed could not, very well touch upon, was the urgent need for a more elastic temperament on the part of firms at home seeking to sell their wares in Argentina. Their terms must be more liberal, and at the same time they must be prepared to make the good business pay for the bad. In common with most new countries, undue optimism is the principal characteristic of Argentine trade, and efforts to carry on what a home firm would consider "safe conservative business" will mean a very small turnover. It is hard to explain in a few words all that this statement implies. Perhaps if one says that the good business must carry the losses on the bad business, one gets as near to the truth as is possible. In other words, waste little time and less money on bad debts, provided that the volume of orders gives a reasonable profit on total sales. The Argentine Commercial Code is long overdue for revision. Based in theory on the settlement of all commercial difficulties by direct agreement between a debtor and his creditors, the courts merely legalising whatever conclusion may be reached by the parties, its theoretically admirable provisions have in practice lent themselves to grave abuses, for which the slackness of creditors is not a little accountable. Hence the high totals of failures, those for the first quarter of the current year amounting to \$25,334,400, which is two million more than was registered in 1923 for the same period. The leading commercial interests of Buenos Aires are, however, seeking to have the law modified, and are likely to succeed. Meanwhile, again quoting Mr Houlder, "If British trade is to flourish and expand in this country, British business men must be prepared to study the market on the spot to meet, at the cost of whatever sacrifices may be needed, the competition of other nations who are keenly appreciative of what this market means to the future course of international economy."

The semi-official statement that the Minister of Finance will introduce a law dealing with the inspection of banks may be intended to pave the way for the linking-up of such inspection with an obligatory holding of Government bonds, which would at once mean dearer money; the introduction of the Socialist proposal that the Conversion Office be reopened, and gold shipment become

legal, might also have the same effect. Meanwhile though in theory loanable capital in Argentina should soon be much dearer, in actual practice at the time of writing it is cheap; but how long this condition will last is hard to say.

Letters to the Editor.

THE AUSTRALIAN EXCHANGE PROBLEM.

TO THE EDITOR OF THE ECONOMIST.

SIR,—For the third time within quite recent history—since 1922, in fact—there has arisen an exchange stringency as between England and Australia. The Australian banks are finding so much difficulty in financing the demands upon them for funds and credit in Australia that they will not sell in London funds in, or exchange on, Australia save at a prohibitive price, and, on the other hand, they are prepared, in buying such exchange, to pay par value for it.

Two very different explanations have been put forward for this persistent recurrence of an unnecessary and extremely harmful situation. The one, as advanced by Mr W. Elliot in the *Financial News* of the 8th instant, would localise or confine the cause to Australia. In the main he diagnoses it as an appreciation of the Australian pound, due to the deflationary policy of the Notes Board. If this explanation were establishable it would be a very interesting result in the domain of theory; but, in order to establish it, conclusive proof would have to be adduced of a rise in internal prices in Australia. And furthermore, the actual facts which Mr Elliot advances seem to weaken the argument. For the recent decision of the Notes Board to increase the circulation by £4,200,000 is a distinct reversal of a deflationary policy, and as such the mere declaration should have eased the situation.

The other explanation, which is put forward in the *Times* of the 8th instant, attributes the trouble to a shortage of credit rather than to a shortage of currency. There is more feasibility in this argument, but, in its turn, it suffers from the weakness that the wool-moving season is over, and crop pressure for funds never pinches at the end of the crop-moving season. The pinch, the credit pinch, always occurs at the height of the actual crop movement itself, and at the present moment that crucial point is over and past for the wool crop, just as it is for cotton or wheat.

The real explanation, probably, is, as it was in 1922 and 1923, that we are face to face with an exchange hitch pure and simple. When the figures of recent Australian imports and of recent Australian borrowing can be totalised, it is extremely likely that we shall have revealed to us an annoyingly simple repetition of a lopsided exchange position.

If this diagnosis should prove true, the Australian commercial community would be justified in taking their financial administrators severely to task. During the recent Imperial Conference the British Treasury threw out the plainest hint to Australia, and by implication to all the independent note-issuing Dominions, that it was prepared to co-operate in building an exchange bridge or an exchange mechanism as between London and the Dominions. But instead of seizing the half-outstretched hand the Dominion delegates wasted their time in discussing Mr Darling's Imperial Treasury Bill project, and the occasion was let slip. Quite apart from its complexity and intricacy, the Darling scheme was one which aimed at affecting the supply of credit in the first place and thereby affecting the exchanges only as a result or consequence and in a secondary way. But the actual situation of a mere lopsided exchange position does not call for such a scheme at all. All that is required is a simple exchange machine, not a complicated credit-cum-exchange machine. As between London and Australia, all that we need at any time for exchange purposes is a machine which at a turn of the handle will deliver out Australian pounds in Australia, or sterling pounds in London to the desired amount, and which will equalise the ebb and flow of the exchange all the year round.

The essentials of the machine already exist. If the Australian Dominion would put down in London a fund of £20-£30 millions in the form of negotiable securities, she could realise sterling on such a fund at any time. When, therefore, the Australian exporter wished in Australia to buy sterling, in order to remit to London for debt settlement, he would only need to buy it from a Government exchange office in Sydney or Victoria, let us say. The exchange office would take in Australian notes in Australia, and would deliver out sterling in London, having first realised the sterling by sale or pledge of its sterling securities. When the pressure was over and the exchange tide had turned, the English importer in London who wanted exchange in Australia would apply to the exchange office in London, and would pay sterling into the office as the purchase price of the exchange. With that sterling the exchange office in London would buy back its pledged securities, and would thus rebuild its exchange fund, and in return for the sterling the office would deliver out Australian pounds in Australia to the order of the English importer. The Australian pounds which would thus be paid out would be the notes which had been paid in there during the preceding phase of demand for sterling exchange. The net result would be a mutually compensating tidal flow of paper currency issue, at one moment notes taken in in Australia and delivered out in London, at the next moment notes taken in in London and delivered out in Australia.

It is this mechanism which the Treasury plainly hinted its readiness to support during the Imperial Conference. And it seems incredible that even now, after that initial offer was let slip, an attempt should not be made to build an Imperial exchange bridge or Imperial Exchange Office. The only argument that has ever been advanced against it is that the issue of notes at one end of the machine is a virtual manufacture of notes (which is true), and is therefore bound to be inflationary (which is not true). A moment's consideration ought to convince any unbiassed mind that such an issue of notes is a temporary meeting or satisfying of a dislocated or lop-sided or excessive demand, and that such demand is evidence of momentary or temporary excessive trade activity or trade demand for currency media. The issue is, therefore, a natural alleviation of a tense or pinched situation, and is entirely beneficial, just as the despatch of currency to the agricultural districts is beneficial and fructifying during the crop moving season. In other words, such an issue of paper currency is an automatic response to an economic demand. And the moment the demand is over the reverse process sets in and the notes are retired by an economic law which is as sure and inevitable in its action as the flow and re-flow of the tides.

All this is not theory or mere *ex cathedra* dogmatic utterance. For more than ten years now exactly such a system has been in operation between England and Egypt, and it has stood every strain that has been put upon it. Year after year in his annual address the Chairman of the National Bank of Egypt has explained and emphasised the perfectly automatic action of the expansion and contraction of the Egyptian note issue in response to trade demand, and has shown that the variations between maxima and minima in that note issue are the direct expression and concomitant of the movement of the Egyptian cotton crop, that the period of largest issue of paper corresponds faithfully with the season of most intense requirement of money up-country for the crop movement, and that the moment the economic demand for currency has passed the currency *retires itself*. And so it will always be where the demand for currency is allowed to satisfy itself automatically. All that is required is to erect the mechanism by which the process can work. In the case of Egypt this was accomplished at a stroke when the Egyptian Government established an exchange fund in London; in other words, when it left in London the securities which formed its own Bank-note Redemption Fund. The Australian Government can do the same thing to-morrow, and the exchange difficulties of two Continents will vanish for ever. By reason of the institution of the Treasury note the British Empire has never been in such a favourable position as it is to-day for the erection of an Imperial Exchange machine which shall eliminate all exchange trouble, and which shall make the purchase of

exchange as simple as the purchase of postage stamps. Ten or fifteen years since this could not have been done. So long, that is to say, as we were on a metallic currency basis it could not have been done, for the simple reason that gold cannot be manufactured; its supply cannot be made to increase automatically at any particular moment to meet any particular stress of demand. But with the currency note issue in Great Britain, on the one hand, and an equivalent automatic paper issue in the note-issuing Dominions, on the other, any possible expansion or dislocation in currency demand (which is all that exchange flux means) can be met by turning the handle of a machine. We, the British Empire, are privileged beyond any other competitor nation in the world, in having such a possibility within our grasp. Are we going to allow ourselves to be defrauded of the benefit of such a perfect exchange mechanism simply from inertia, or timidity, or conservatism?—Yours truly,

London, May 20th. WILLIAM A. SHAW, Litt.D.

Books and Publications.

THE FREEDOM OF THE SEAS.*

PROFESSOR POTTER discusses a problem which is not only of intense interest to-day, but is vital in relation to the future of civilisation. The phrase "freedom of the seas," as he points out, "means, and has always meant, many things to many men." He starts by assuming that at any given time the formula refers to that measure of liberty in the use of the sea accorded by international law at that time, and then, after summarising the earlier history, sets out the legal pre-war position, and indicates the effect of the war upon the question. These are all preliminaries, but they are the basis necessary to an understanding of the subject. Like the whole book, these chapters are very well done, for the author has evidently digested thoroughly the extensive international literature of the subject. Passing to the concluding part of his work, the political and present-day aspect of the problem, Professor Potter analyses the policy of Powers whose interests are mainly continental, the policy of maritime Powers, and then, gathering up all his results, presents "the solution of the problem." The scheme of his book is well thought out. His treatment is clear, logical, and, so far as essentials are concerned, exhaustive, but the ultimate solution he offers presents an object towards which progress may be possible, rather than a working policy for the present, though he does indicate some practical steps which may be taken. "In so far as a League of Nations is successful," declares this American professor, "it automatically would solve the problem of the freedom of the seas in time of war. Nothing else can." The reference, it should be noticed, is not to "the" League of Nations, but to "a" league, by which word apparently an inclusive "society" of nations is meant.

The monograph is especially valuable, inasmuch as the viewpoint is detached and impersonal. There is no partisan spirit. The method is scientific, and the attitude judicial. The short-sighted self-interest which has governed various national policies and caused them to veer like weathercocks from time to time as circumstances have changed, is clearly brought out, but the style lacks the dry comments which some writers would have made. The discreet, judicial treatment has the defects of its qualities, for the problem is essentially human. There are no outspoken phrases such, for example, as Dean Inge might have used. "The modern State has discredited itself," declared the Dean, "mainly by being false to the ideals which a State ought to set before itself; by its explicit or implicit rejection of moral standards, by its insatiable greed of territory and power; by its thinly disguised or quite open injustice in dealing with weaker States; and by the wretched quality of its governments, whether monarchical, oligarchical, or democratic..... it has cultivated a brutal worship of power." The problem of the freedom of the seas is, as Professor Potter re-

* "The Freedom of the Seas in History, Law, and Politics." By Pitman B. Potter, Ph.D. (New York) Longmans, Green, and Co. 1924. 10s 6d net.

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cognises, one of power. He comes to the conclusion that "the real test to be applied in classifying States as maritime or continental, respectively, is not the test of maritime interest but the test of naval power," and, discussing the problem in terms of power, points out that British naval strength is no longer supreme. "There now exists, for the first time in over three centuries, a balance of power at sea. And Great Britain admitted this revolutionary fact by acceptance of the 5-5-3 ratio at the Washington Conference."

The Professor answers in the negative the question whether it would be desirable, or even likely, that America and Britain should "join hands, insist on preserving belligerent rights, and exercise them in concert to preserve peace and order in the world." In a transition from the existing system of independent nations the difficult step is to create or obtain a joint control of the sea. "What destroys international freedom at sea is national exercise of powers of restriction," and the solution is "Anglo-American co-operation and general international organisation for the suppression of international war entirely, and the substitution therefor of international government in a League of Nations. Nothing less can serve all the interests involved. Britain cannot be allowed to go on writing the law of naval war and exercising its rights, nor can we [America] join her in that tyranny; but she cannot be asked to surrender that right unless relieved of the threat of war."

But how is the solution to be attained? Professor Potter thinks that by resuming the work of the Washington Conference and developing the policy of President Wilson, by further international conference to define the laws of territorial waters and of war at sea, and ultimately by defining and enforcing national rights under a League of Nations which would make possible the suppression of international war, the full freedom of the seas may be secured.

Perhaps. But surely the first step towards all this is that modern States and those composing them should turn from "the brutal worship of power." Professor Potter does not mention this, yet to educate people into thinking of something better than aggressive patriotism would seem to be an essential preliminary to the achievement of the full freedom of the seas.

CO-OPERATION UNDER BOLSHEVISM.*

THIS book is a digest, mainly from Russian sources, of a mass of detailed information concerning the co-operative movement in Russia in all its aspects, from its inception by Liberal reformers in the sixties of the last century to its virtual suppression by the Bolshevik Government, and its revival as the result of their "new economic policy." The existence of the Mir or village commune, and of the "Artels" or small temporary associations of artisans, seemed to offer a promising field for the realisation of the principle, and the Zemstovs, in their own way, did their best to promote it, but they allowed too little scope for self-help, and the efforts made were almost wholly frustrated by peasant ignorance and bureaucratic suspicion. But consumers' co-operative societies, set up in the sixties in the Baltic provinces, were copied in Russia proper, and though many collapsed through their members' indifference and their fatal habit of giving credit for purchases, the movement revived towards the end of the last century, and made great progress, especially in Siberia, where enterprise was greater and bureaucratic influences less active. Credit associations on German models were also instituted, and developed greatly. The war gave the societies a fresh and powerful stimulus, and they were greatly helped by the Menshevik Government after the

* "The Co-operative Movement in Russia." By Elsie Terry Blanc. (New York) The Macmillan Company. 1924. 12s net.

revolution of 1917. But the Bolsheviks, regarding the societies as capitalistic, superseded them by transferring their distributive functions to State-created organisations and their educational work to the State schools; they also did their very best to wreck the existing system of co-operative farming. The "New Economic Policy" to some extent reinstated the co-operative system, by restoring shareholding and granting the societies a measure of autonomy. They now are part of the structure of the State as organs of distribution and of foreign trade; they are prevented from internecine competition, and protected against the "machinations" of purely capitalist enterprise. The authoress might have read her proofs more carefully, and her exposition is often obscured by the abundance of her matter and the verbosity of the Bolshevik decrees and resolutions, conscientiously quoted in full. The reader frequently "cannot see the wood for the trees"; but the book should be of great value, especially as a work of reference, to students of the co-operative movement and of the history of Bolshevik Russia.

THE RAILWAY YEAR BOOK.*

THE twenty-seventh annual edition of this volume, which describes itself as "the Whitaker of the Railway World," is of particular interest in that it is the first to contain facts and figures relating to the first year of working of the British railways under the grouping and reorganisation resulting from the Railways Act, 1921. Several new features have been introduced, and statistics for the United Kingdom, hitherto in one group, have been placed in separate sections, the divisions being Great Britain, Northern Ireland, and the Irish Free State respectively. All those interested in railway matters cannot afford to be without this useful work of reference on their shelves. They will find the chronological list of the principal events in railway history from 1776 onwards of peculiar interest.

BOOKS RECEIVED.

Workmen's Compensation. By E. H. Downey. (London) Macmillan and Co. 9s net.
The Stock Exchange. By W. Hamilton Whyte, M.A. (London) Sir Isaac Pitman and Sons. 3s 6d net.
Journal of the Royal Agricultural Society of England. (London) John Murray. 15s net.
The Agricultural Crisis, 1920-1923. By R. R. Enfield. (London) Longmans, Green and Co. 10s 6d net.
The Law as to C.I.F. Contracts. By H. Goitein. (London) Effingham Wilson. 4s net.
Railway Year Book for 1924. (London) Railway Publishing Company, 33, Tothill street, S.W. 1. 5s net.
Oil and Petroleum Manual, 1924. By W. R. Skinner. (London) W. E. Skinner. 7s 6d net.
A Message from "Mars." By S. Bottomley. (U.S.A.) The Martian Publishing Company, Providence, R.I. \$1.00.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, June 11.	ACCOUNT, June 12
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THE Stock Exchange is somewhat at a loss to account for the manner in which business has fallen away from most of its markets. Public interest is languid, and not even in the gilt-edged section has there been any real animation during the week now ended. The stock excuses—e.g., the approach of Whitsun, the foreign exchange difficulties, the flood of new issues—are pressed into service to explain the quietude of markets as a whole. All of these reasons, no doubt, play their part, and it is obvious that the outpouring of fresh stock, which has been such a feature of the past few weeks, must have absorbed millions of money that was available for investment. Prices are well maintained, on the whole, but the tendency, as is always the case when business falls away, is to let values droop. The possibility of a defeat of the Government acted as a factor of depression in that opinion inclined to the view that,

* "The Railway Year Book for 1924." (London) The Railway Magazine. 5s net.

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CHIEF FOREIGN BRANCH:
 168 Fenchurch Street, London, E.C.3.

on an appeal to the country, the present Government would be again returned to power.

New South Wales, although asking for comparatively little fresh money, laid a check upon buoyancy in the Government market by the offer of £10,000,000 5 per cent. stock at par. This caused a slight weakening in the prices for gilt-edged stocks generally. The firmness of India Government and Home corporation stocks stands out noticeably. The new 4½ per cent. Conversion keeps steadily in the neighbourhood of 98. Activity in Czechoslovak Eights became somewhat chastened on the appearance of other new loans, and the premium fell back from 1½ to 15s. The sharp rises in China 8 per cent. bonds have been followed by an equally sharp reaction, and Riga 4½'s, which also enjoyed a spectacular rise last week, turned dull as sellers came in to take advantage of the jump. French bonds have been weaker, and Germans gave way. The South American list is tolerably well maintained, though Brazilians eased off in sympathy with a dwindling in the milreis.

No one is taking any interest in Home Rails, the consequence being that prices have tended to sag. Argentine railways, by contrast, are a good market, the traffics and the dividend outlook combining to bring speculative investors into the stocks. Antofagasta and United of Havana keep their prices, while Brazilian railway stocks are lower. Nitrate rails and nitrate-producing shares have again fallen on a quiet period. Grand Trunk Pacific debenture is a point or so to the good.

Rubber shares have had a mild recovery, in consequence of the improvement in the price of the produce, but it is difficult to deal, owing to the want of general business. Amongst oil shares, Mexican Eagles provided an unfavourable feature by falling smartly on rumours of possible reconstruction. The British Controlled gamble has been less active. Phoenix came to the fore on the discovery of a new well, but the general oil list attracts merely mild public notice so far as active business is concerned. Imperial Tobacco were sold, apparently by people who wanted to buy British Americans. The stores and hotel group is steady. Watney deferred enjoyed a substantial advance, upon the enlargement of the company's scope of business.

The iron and steel market is irregular. Vickers and Armstrongs went better, though the tendency of the list as a whole is a trifle easier. Pease and Partners are making a new issue of shares to their proprietors. A new Lever issue of preference shares had the effect of putting down the prices of the existing descriptions. The banking market makes steady upward progress, and insurance shares improved their market position. Sudan Plantations have given way upon free selling of new shares by proprietors ready to turn their rights into a cash bonus. Profit-taking in tea shares is again in evidence, and most of the leading favourites are down on the week, though not to any marked extent. The textile group is languid.

The South African market is beginning to look forward to the time when the result of the June elections shall be announced, and people will know better how they stand in relation to Transvaal politics. The market is not a bad one, though devoid of public attention. Tin shares moved up a little as the metal advanced, and a few Mexican mining shares are better. Diamond and copper shares lean to the heavy side. Russians have been stagnant. The Rhodesian market managed to sustain interest in its specialities by reason of remarkably good Cam and Motor cables, and there has been a little support given to Chartered by those who are putting back into the shares the 5s return of capital which they have just received.

The Stock Exchange Benevolent Fund annual dinner was held at the Mansion House, by courteous invitation of the Lord Mayor, last Wednesday night. The collection amounted to £32,475, an excellent result.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£ ..	£ 75,412,567 ..	£ ..	£ ..
4 % Treasury Bonds by public tender, May 23, 1924, 3,000,000, at 494 14s 6d ..	£ ..	£ 2,841,750 ..	£ ..	£ ..

ISSUES OF THE WEEK.—

NATIONAL SAVINGS CERTIFICATES.
 NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED MAY 24, 1924.

April 1, 1924, to May 24, 1924 .. Dr850,000 .. Nil .. Nil

To the Public.—

New South Wales Government, issue of £10,000,000 5% Loan, 1935-55, issued at par (offer to provide £4,419,003 for redemption of 34% Inscribed Stock, maturing Oct. 1, 1924, 300,000 8 % Cum. Pref. Shrs. £1, at par ..	900,000 ..	900,000 ..	112,500 ..	787,500 ..
Assam Consolidated Tea Estates, Ltd., 150,000 8 % Cum. Pref. Shares, £1 at par ..	150,000 ..	150,000 ..	18,750 ..	131,250 ..
Do 350,000 Ord. Shares, £1, at 21s ..	350,000 ..	367,500 ..	43,750 ..	323,750 ..
Cohen and Wilks, 225,000 7 % Cum. Pfg. Pref. Shares, £1, at par ..	225,000 ..	225,000 ..	28,125 ..	196,875 ..
Total offered to the public ..	£ ..	£ 7,223,497 ..	£ 482,174 ..	£ 6,741,323 ..

To Shareholders only.—

National Bank of New Zealand, 100,000 Shares, 47 10s £2 10s called up, at £4 10s per share	250,000 ..	450,000 ..	150,000 ..	300,000 ..
Simmer and Jack Mines, 2,000,000 Shares, 2s 6d, at par ..	250,000 ..	250,000 ..	250,000 ..	.. ..
Total offered to shareholders only ..	£ ..	£ 700,000 ..	£ 400,000 ..	£ 300,000 ..

Total offered for subscription to date in—	Total offered for subscription for whole year
1924 .. 86,177,814	1923 .. 271,353,173
1923 .. 148,338,191	1922 .. 573,675,650
1922 .. 418,481,190	1921 .. 386,978,303
1921 .. 96,780,168	1920 .. 367,549,656
1920 .. 198,397,528	1919 .. 1,035,068,361
1919 .. 367,894,328	1918 .. 1,393,381,941

New South Wales Government 5% Loan, 1935-55 (Second Issue).—Issue of £10,000,000. This is inscribed stock, 1935-1955, ranking, on and after September 2, 1924, *pari passu* with the existing £12,000,000 of similar stock. Holders of outstanding £8,479,045 New South Wales Government 3½ per cent. inscribed stock, due October 1, 1924, are offered conversion into an equal amount of the new issue. Any portion of the maturing stock not converted will be paid off on October 1st next. Cash subscriptions at par are invited for an amount of the 5 per cent. stock, 1935-55, sufficient to make up, with the 3½ per cent. stock converted, the total of £10,000,000. The prospectus mentions that "the proceeds of this issue will be used to provide £4,419,002, being the balance required for the redemption of the 3½ per cent. stock, and the remainder for railways, tramways, harbours, rivers and bridges, water supply, irrigation, sewerage, and other purposes." New South Wales Government debentures and inscribed stock, issued and payable in London, and the interest, the property of persons not domiciled in New South Wales, are not subject to taxation in that State. An excellent trustee security.

Cohen and Wilks, Limited.—Authorised capital £500,000, divided into 225,000 7 per cent. cumulative participating preference and 275,000 ordinary shares, all of £1 each. This is an issue of 225,000 participating preference shares at par. Preferential shares are also entitled to participate to the extent of 15 per cent. in any further distributable profits remaining in any year after the ordinary shares have received a dividend of 5 per cent., the remaining 85 per cent. of the distributable profits going to the ordinary shares. The company has been formed to acquire the undertaking and assets of Cohen and Wilks, of Manchester, manufacturers of "Aquatite" raincoats, clothing, &c., including the whole of the issued share capital of Bearder, Limited, of Bradford, gabardine cloth, &c., manufacturers; Brooksbank, Limited, of Bradford, spinners; and George Lees and Co., Limited, of Galashiels, Scotch tweed manufacturers, dyers, &c. The net assets are given as £500,134, while profits are stated from 1917. These are sufficient to show a comfortable margin of security for the preference issue. Moreover, an undertaking is given to obtain consent of preference shareholders before borrowing on debentures. The whole of the ordinary shares will be allotted in full satisfaction of the purchase price, which includes nothing in respect of goodwill or trade marks. The preference shares carry no voting rights, save in exceptional circumstances.

Assam Consolidated Tea Estates, Limited.—Authorised capital £650,000, divided into 200,000 8 per cent. cumulative preference and 450,000 ordinary shares, all of £1 each. This is an issue of 150,000 preference shares at par and 350,000 ordinary shares at 21s per share. The company has been formed to acquire as going concerns from a group of Indian rupee companies nine tea gardens in British India. There will be issued to the vendors in satisfaction of the purchase

price, 50,000 preference shares of £1 each, 50,000 ordinary shares of £1 each, and Rs. 15,00,000 (equivalent to £104,687 10s) in 1,000 6 per cent. 20-year notes of the company of Rs. 1,500 each and £420,000 in cash. The area of the estates to be taken over is approximately 31,200 acres, of which 6,749 acres are under tea. The purchase price has been fixed at £624,688. The prospectus states that with the present system of fine plucking the average annual outturn of tea under normal climatic conditions may be estimated at 2,720,000 to 3,200,000 lbs. The outturn in 1922 amounted to 2,762,560 lbs, and in 1923 to 3,156,800 lbs. The net profits of the Indian rupee companies (at exchange 1s 4½d) are shown to have been £73,580 for 1922, and £94,840 for 1923. After payment of the cash portion of the purchase consideration, the underwriting commissions, and the preliminary expenses, a sum of about £50,000 will be available out of the proceeds of the present issue. A clear prospectus and a reasonable flotation.

Southend Waterworks Company.—Offer for sale by tender of £125,000 5 per cent. irredeemable preference stock, the minimum price of issue being £91 per cent. Ordinary stock already issued is stated to be £584,447. Preference stock issued totals £359,321, while debenture stock is issued for £276,423. Profits are given for three years. It is estimated that the dividends on preference stock for the current year will absorb £23,831. Net profit for 1923 is given as £61,408, after payment of debenture charges. Thus a comfortable margin is shown for dividends for preference stockholders. The company was incorporated by special Act of Parliament in 1879. The area of supply, including the county borough of Southend-on-Sea, covers approximately 160 square miles, with a residential population supplied by the company of over 147,000. The gross rental of Southend-on-Sea is £1,017,540 (a portion only of the company's area of supply). An issue which local investors will probably know best how to appraise.

City National Investment Trust, Limited.—Authorised capital £100,000, divided into ordinary shares of £10 each, all of which have been issued at par and are fully paid. The undertaking was formed in 1909, and was converted into a public company in June, 1923. This is an issue of £100,000 5 per cent. debenture stock. The stock will be secured by a trust deed, and constitutes a first floating charge on assets. But what these assets are the advertisement does not disclose. We are informed that arrangements have been made to sell the entire debenture issue to a firm at the price of 95 per cent. These details are given in connection with an application to the Committee of the London Stock Exchange. Another prospectusless issue with insufficient details.

The Galphale Tea and Rubber Estates, Limited.—Authorised share capital £100,000, divided into 1,000,000 shares of 2s. each, of which 600,000 shares have been issued and are fully paid. There is also a 7 per cent. convertible debenture issue of £40,000, of which £24,800 is issued fully paid and £15,200 partly paid. It is stated that £5,700 5½ per cent. debentures are outstanding, repayable at par on June 30, 1925; this represents the balance of an issue of £50,000 5½ per cent. debentures created in March, 1911. The company was formed in June, 1907, and has 2,561 acres under cultivation. "Average profits" are given from 1910 to 1923. This is another prospectusless proposition. But it must be admitted that we have been provided with rather more information than is usually vouchsafed.

Oakhams Gas and Electricity Company, Limited.—Authorised capital £27,000, of which £13,067 has been issued. The authorised loan capital is £13,467, of which £4,300 has been borrowed. This is an offer for sale by tender of £10,000 preference capital in "irredeemable preference shares" of £10 each, the minimum price of issue being par. The net revenue of the company for the year ended December 31, 1923, was £1,396. Interest on loan capital absorbs £193. The total dividend for preference stock will require £668; thus there is a good margin remaining for safety. A reasonable offer, which will no doubt appeal to local investors.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.									
	31st May	24th May	17th May	10th May	3rd May	Rate	Price	Rate	Price
War (3½% 1925-28) ..	97 ..	97 ..	97 ..	97 ..	97 ..	106 ..	106 ..	106 ..	106 ..
Do (4½% 1925-48) ..	97 ½ ..	97 ½ ..	97 ½ ..	97 ½ ..	97 ½ ..	100 ..	100 ..	100 ..	100 ..
Loans ..	100 ..	100 ..	100 ..	100 ..	100 ..	87 ½ ..	87 ½ ..	87 ½ ..	87 ½ ..
Do (4½% 1925-48) ..	101 ½ ..	101 ½ ..	101 ½ ..	101 ½ ..	101 ½ ..	103 ..	103 ..	103 ..	103 ..
Funding Loan 4½% ..	88 ..	88 ..	88 ..	88 ..	88 ..	87 ½ ..	87 ½ ..	87 ½ ..	87 ½ ..
Victory Bonds 4½% ..	92 ..	92 ..	92 ..	92 ..	92 ..	101 ..	101 ..	101 ..	101 ..
Conversion Loan 3½% ..	78 ..	77 ½ ..	77 ½ ..	77 ½ ..	77 ½ ..	112 ..	112 ..	112 ..	112 ..
Consols 2½% ..	57 ½ ..	57 ½ ..	57 ½ ..	57 ½ ..	57 ½ ..	105 ..	105 ..	105 ..	105 ..
Irish Land Stock 2½% ..	60 ..	60 ..	60 ..	60 ..	60 ..	102 ..	102 ..	102 ..	102 ..
Local Loans 3½% ..	60 ½ ..	60 ½ ..	60 ½ ..	60 ½ ..	60 ½ ..	106 ..	106 ..	106 ..	106 ..
British Railways.									
Great Western, Ord. ..	108 ½ ..	108 ½ ..	108 ½ ..	108 ½ ..	108 ½ ..	39 ..	39 ..	39 ..	39 ..
London & North-Eastern ..	84 ½ ..	84 ½ ..	84 ½ ..	84 ½ ..	84 ½ ..	101 ..	101 ..	101 ..	101 ..
Do Pref. Ord. ..	84 ½ ..	84 ½ ..	84 ½ ..	84 ½ ..	84 ½ ..	85 ½ ..	85 ½ ..	85 ½ ..	85 ½ ..
Do Def. Ord. ..	30 ..	29 ½ ..	29 ½ ..	29 ½ ..	29 ½ ..	43 ½ ..	43 ½ ..	43 ½ ..	43 ½ ..
London, Mid., and ..	98 ..	98 ..	98 ..	98 ..	98 ..	28 ..	28 ..	28 ..	28 ..
Scottish, Ord. ..	81 ..	81 ..	81 ..	81 ..	81 ..	96 ..	96 ..	96 ..	96 ..
Metropolitan ..	52 ½ ..	52 ½ ..	52 ½ ..	52 ½ ..	52 ½ ..	95 ½ ..	95 ½ ..	95 ½ ..	95 ½ ..
Metropolitan District ..	52 ½ ..	52 ½ ..	52 ½ ..	52 ½ ..	52 ½ ..	95 ½ ..	95 ½ ..	95 ½ ..	95 ½ ..

respect of reparations during the period of reconstruction

The company registered in England has, as yet, received a sum of only £50,000.

The position of the association with regard to excess profits duty is now practically determined. Of the amount recovered, £100,000 has been credited to profit and loss account, and after providing for income-tax and for expenditure on reparations, to which the association is already committed, the balance recovered is retained in reserve pending a final settlement of the reparations question, and is included amongst sundry creditors.

We are of the opinion that the balance-sheet as above set forth is properly drawn up so as to exhibit a true and correct view of the state of the company's affairs, according to the best of our information and the explanations given us, and as shown by the books of the company.

Edwin Guthrie and Co.,
Chartered Accountants,
Auditors.

Manchester,
May 13, 1924.

THE CHAIRMAN'S SPEECH.

THE REPORT AND ACCOUNTS.

The Chairman, who was received with cheers, then delivered his address. He said:—

Ladies and Gentlemen—

I propose to follow the usual practice and take the report and balance-sheet as read. You will see from the report that we have again to record the loss of two directors. Mr William Eckersley, as you know, was a very active and valuable member of our board, from the very inception of the association. For many years as a vice-chairman, and even after he retired from active work, he took the greatest interest in the fortunes of the association. He had made every director a personal friend, and we shall deeply deplore his loss. Mr Bramall had given up very active work in the association for some little time, and he has now had to resign for reasons of ill-health. I know that he has taken this step with great regret, but his regret cannot be greater than that of every one of his colleagues at losing him from their councils.

CONDITIONS DURING PAST YEAR.

Turning to the accounts, I have the good fortune to bring before you a balance-sheet which shows a successful year's trading, and, I think, justifies the confidence which our shareholders have accorded to us in such unstinted measure for so many years. It is a matter of common knowledge that the cotton trade has, as a whole, not been doing well, and that sections of it have been losing money heavily. The results obtained by this association have been so widely commented upon that it is only fair to the directors and managers of less fortunate concerns that I should point out that the great section of the trade spinning American cotton, which has had such a lamentable year—a section which might almost be said to be using a raw material different from ours—spun on machinery varying in many ways from ours, and the product of which, used for entirely different purposes, has had to face a condition of trade against which, however capable and hardworking its managers and directors might be, it was impossible for them to meet with success. I am glad to believe that this great section of the trade is already feeling some improvement. Conditions change quickly; first one section of the trade and then another has the advantage, and it may be that some time in the future we shall be looking with mild envy at the profits the heavy section of the trade are then making. While we have had ourselves a more favourable condition of trade to face, it has, all the same, been an anxious and harassing year. Strikes and threatened strikes in many industries, disorganised markets abroad, violent fluctuations in exchanges and in the price of our raw material, have not made business easy. Fortunately, we have had an easy financial position. We have, on the whole, bought our raw material well. The rise in the price of cotton during the year has been of advantage to us, and I am glad to say that our executive and our mill managers have shown great energy in forecasting changes in fashion and in trade, and unlimited enterprise in adapting our products to the necessities of the situation, a work in which they have been well supported by the goodwill and the co-operation of our workpeople. These have all been factors which have contributed to the figures you have in front of you.

BALANCE-SHEET ITEMS.

I know you like to receive some information on the different items that go to make up the balance-sheet, and I will ask you to turn first to the assets side of that sheet. The first item is the value of our associated concerns. For some years we have not been doing more in the way of renewals than was necessary, because we considered the level of cost of building and machinery to

be too high, but at the beginning of this year we felt that the prices of material had arrived at a level which, though high, was likely to be stable for some little time to come, and, so far, this has proved to be correct, and you will see that we have proceeded very actively with the renewals of our mills. The amount spent on new work is £49,326, as against £33,476 last year, and on renewals £265,258, as against £181,397 a year ago. In addition to these sums, we have expended £122,663 in repairs, which has been written off profit and loss account. Depreciation is taken at £180,000, as last year, a sum that, in view of the credit standing to that account, may be considered adequate. These operations result in a net addition to property of £134,584, bringing the total figure to £5,549,051. The considerable sum paid for additions is occasioned by the policy of the directors, who have decided that in any case where the machinery is due for renewal and the mills do not permit of the very latest practice being followed, the mills themselves shall be modernised. As an example, this year we have built a new mill for William Holland and Sons, Limited. It is a considerable building of nearly 70,000 square feet floor space. This not only adds to the size of the concern, but will enable us to properly house the new machinery and to so rearrange the whole of the mills that they will be equal in every way to the best group of mills that could be built to-day. This must add to the profits they are capable of making. You may be assured that the determination of the board is not only to put down new machinery when it is required, but to keep always the form and arrangements of the mills and machinery up to the most modern and the most economical pattern.

SUNDRY INVESTMENT LOANS, ETC.

The sundry investment loans, &c., stands at £4,345,974, showing an increase of £160,608, which is mainly occasioned by the floating balances of capital used to finance our subsidiary firms. As we had ample funds this year in our hands, it has been of advantage to us to advance to these firms the loans they usually obtain from their bankers, and thus effect a saving in interest charges.

STOCKS OF COTTON, YARN AND STORES.

The stocks of cotton, yarn, and stores show an increase of £380,730, but if you bring into last year's account the cotton upon which we had then borrowed money, and take the total stock we held on March 31, 1923, against the present stock, the increase is only £80,730, and I am glad to inform you that this increase is entirely in cotton, the yarn in stock showing a considerable and very welcome decrease, both in weight and in value on the figures of a year ago. These stocks have been very carefully taken at conservative prices, and unless we were to experience a quite considerable fall in the value of our raw material, which does not at the moment appear to be likely, we are perfectly safe.

Trade and other debtors are increased by £81,030, simply the usual variation in trade done. The cash at bankers shows a credit balance that is very satisfactory in view of the demands that the payment of our dividends will make upon it.

LIABILITIES.

On the other side of the balance-sheet you will find no change until you come to the reserves, which are increased by £100,000, the amount you placed on one side for the equalisation of dividends last year.

The insurance fund shows an increase of £5,851, the excess of the premiums charged to this account over the claims allowed.

The research fund is unchanged; the current expenses of this department have been written off from profit and loss account, and we have had no occasion for capital expenditure this year. This department is working actively, and its work on the experimental side has been of great value to the association.

PENSION FUND.

I come now to the three funds for the benefit of our workpeople, and you will note we are asking you to increase the pension fund by £50,000, which will bring it to £231,099, a very long step to the point which will make it a complete and self-acting scheme.

WELFARE FUND.

From the welfare fund we have spent on what I may call capital objects £7,070 during the year, and will have a further six or seven thousand pounds to pay out shortly. We, therefore, hope that you will pass the addition to this fund of the £10,000 we ask for to-day, so that we can continue the very useful work we find in front of us. I need hardly say that the cost of the ordinary work we class as welfare work is written off as an ordinary mill expense through profit and loss account.

SUPERANNUATION FUND.

The superannuation fund has increased by £16,579, but the amount uninvested that we hold is almost the same as last year. I am not going to take up your time with further particulars of

these funds, as I believe one of my colleagues is going to say a word about them, but I should like to point out to you that if you agree to our suggestions you will, for these three funds, have this year set on one side out of your profits for the benefit of our workpeople the satisfactory sum of £70,700.

SUNDRY CREDITORS.

The sundry creditors are increased by £466,942, the greater part of which is due to the advanced price of cotton and to the increased amount of cotton bought to arrive, and by the greater volume of trade to be provided for. The larger reserve for income-tax made necessary by the increased profits of the past two years has also played its part in this account.

PROFIT AND LOSS ACCOUNT.

I will now ask you to turn to the profit and loss account at the top of the sheet. You will see that the profits for the year are £1,038,574, an increase of £95,114 over the previous year's results. You will have noticed from our auditors' report that our old friend E.P.D. plays a part in this figure. I am glad to tell you that we have finally settled our liability on this head with the Inland Revenue. We have been able to transfer the considerable sum we require for our Reparations account, to put on one side the amount necessary to cover the liability for income-tax and corporation tax on this year's profits, and in addition we have been able to bring the sum of £100,000 into the profits of the year.

As in the previous year, the profits also include a small amount for enemy debts, which nearly completes the amount to be collected on this account. The total amount to be dealt with, therefore, including the amount brought forward from last year's accounts, is £1,248,905 11s 11d.

ALLOCATIONS.

From the profit we have to deduct the interest on the debentures, and the sums we are asking you to put on one side for the pension and the welfare funds, leaving a balance of £1,078,905, which you will pick up again on the front page of the balance-sheet. You will find that we have to deduct from it the dividends paid at the half-year, leaving £833,405 11s 11d for your present consideration. The preference and preferred ordinary shares dividend must, of course, be paid, absorbing £98,500. We advise you to place £100,000 to the reserve for the equalisation of dividends, and to declare 10 per cent. dividend on the ordinary shares, leaving a balance to carry forward of £267,405 11s 11d, which is £57,074 7s 2d more than we brought forward from last year's accounts.

COTTON ESTATES IN AMERICA.

Before you vote on this you will desire a word on our subsidiary investments. I take first that in the cotton estates in America, in which, as you know, we own a big block of shares, because it stands out as the unsatisfactory feature in our books this year. The previous year they made a normal crop and a good profit. This year the crop was, like the crop of the estates round them, less than half of that which we are justified in expecting. The reason for this was undoubtedly the weather. We require, and usually get, about 40 inches of rain; last year we had 76 inches. The rain washed the poison necessary to keep the boll weevil in check off the plants; it washed the fertiliser through the soil, and finally spoilt a good part of the crop. It was impossible to make a profit under such conditions. Our reports this year so far are favourable, full acreage is planted, and the plants have come up well, and we must hope that we shall not experience a repetition of such terrible and unusual weather. You will like to know that four members of our board will go to America this autumn to watch your interests in these estates.

MILLS IN FRANCE.

I have nothing but good to report of our mills in France; they have all made more than the average pre-war profits; they are being exceptionally well managed, and the prospects there continue good. The reparation of the mills registered as French companies is complete, with the exception that we have yet some balances to be paid over in French Government bonds. The English mills in France have still some machinery to be set up, but I hope that when we meet you again we shall have the last of these mills completed. Against our war losses on these mills, the English mills in France, the English Government has so far only paid us £50,000, but you may depend on our taking every possible step to obtain reasonable and just treatment in this matter. You must not, however, forget that any further sums we may receive for this purpose will have a considerable liability to the Inland Revenue.

Our other investments which may be looked upon as related to, but more or less outside, cotton spinning, have all shown us satisfactory results.

PROSPECTS FOR THE COMING YEAR.

I am afraid I have already kept you too long, but I expect you will wish me to say one word about the prospects for the coming year. It is dangerous, and, under present conditions, impossible, to risk any very positive opinion upon such a subject. Changes in the position of trade come now with such suddenness, and the political and industrial situation is so uncertain, that a satisfactory state of trade to-day may be converted into a most unsatisfactory one to-morrow. The main factors against us are, without doubt, the uncertain and unsettled condition of our markets abroad, and the very high price that our products attain by the time they come to the public in the finished state. When I remind you that many of our expenses are more than double, and all approaching double the amounts of pre-war days, you will understand the burden we have to carry.

REDUCED WORKING WEEK.

In addition to these extra costs, and largely the cause of them, is the reduction of the working week from 55½ to 48 hours. This with us is equivalent to stopping something like four or five of our largest mills without any reduction whatever in the overhead costs of working. I think we are all in favour of reduced hours of labour if the same can be obtained without ruin to the trade, but it seems to me we may have gone too quickly, and too far in advance of our competitors abroad. I notice with some apprehension that many countries are already beginning to work longer hours, and I think this vital question deserves the very closest attention of both employers and workpeople. It is a problem that cannot be hurried, and only time and goodwill on all sides can solve it, but to my mind it is the key to the situation. On the other hand, we have the good points that our products go to make the finest and most beautiful goods, and that manufacturers and finishers have probably made greater strides in the improvement of cotton goods than those made from any other raw material; that new styles and new fabrics have been invented which have taken the fancy of the public; that these cotton goods to-day are the cheapest form of clothing; and that, in addition, the people who buy them are better able to pay the advanced cost than the users of the bread-and-cheese manufactures of Lancashire. It is a good point, too, that there are no large accumulations of stocks, and that increased demand comes through to us without delay, and, above all, I pin my faith to the splendid condition of our property and to the quality I mentioned before of the adaptability of our management and the quickness it has shown in making all necessary changes to enable us to meet at once any new demands or to cater for any new fashions that may have arisen. Even the political situation seems to me to present features of hope, and the fact that at the present time we are practically fully running, and can, unless any unforeseen event should arise, see our way some considerable distance ahead to full trade at a reasonable profit, makes me feel that we can face the future with a great amount of confidence.

EQUALISATION OF DIVIDEND PAYMENTS.

I do not think I need make any explanation or defence of the dividend we suggest you should confirm, but there is one point relating to dividends which I want specially to mention. It has been brought to our attention more than once by shareholders that it would be a convenience to them if we could make a rather more equal division between our interim and our final dividends. The board has decided to give this careful and favourable consideration when the time for settling the next interim dividend arrives, and I mention this specially now, so that if, in November, you see a rather larger interim dividend declared, you will not jump to the conclusion that this is declared because we have made an increased profit.

CHAIRMAN'S TRIBUTE TO DIRECTORS AND MANAGERS.

You must allow me, before I close, to say one word in acknowledgement of the services that have been devoted to our interests during the past year. It is one of my pleasures to watch other men work, and I can assure you that the managing director, the executive directors, the board, and the mill managers, not forgetting the heads of departments, have all done splendid work, and deserve all the thanks we can bestow upon them. We have always worked well as a team in the Fine Spinners, and the team spirit extends each year. I look forward to the time when this *esprit de corps* may extend from the highest ranks right down to the smallest little piece employed by the association.

Concluding, the Chairman added: I think before putting the resolution to you, this is a convenient time to give you the opportunity of putting any question you may wish to ask. If there are any points about which you would like further information, I shall do my best to answer.

THE RESOLUTION.

No questions being put, The Chairman said: Well, if there are no questions, I will move the first resolution, which reads as follows:— That the directors' report and accounts, as presented to this

meeting, and upon which a report by the auditor has been read, be and the same are hereby received and adopted.

I move it, and I call upon Colonel Phillips Brocklehurst to second it.

COLONEL BROCKLEHURST'S SPEECH.

Colonel R. W. D. Phillips Brocklehurst, one of the vice-chairmen, said: Mr Chairman, ladies and gentlemen,—Before proceeding to the resolution, I should like, in as few words as possible, to tell of something about what, I suppose, the man in the street would call our benevolent activities; but in this connection that word is more or less a misnomer, for I can assure you that we expect and consider that we get a very substantial though indirect return for our money. Now, first among these activities comes our pension fund. We have during the last six years granted 286 pensions of £1 a week to men, and 158 a week to women. During that time 55 have died, leaving on our books 231. The average age of our pensioners to-day is 66, and the average age of those who have died was only 68. We have set aside for this purpose—in addition to the £50,000 we are asking you to grant us to-day—a very considerable sum of money, but I think, with Mr Lee, that at some future time we shall have to ask you further to augment this amount. For it is most difficult to tell when the scheme will become self-supporting. Until the deaths more nearly approximate to the pensions granted, our actuary is very diffident about giving any opinion.

SUPERANNUATION SCHEME EXPLAINED.

Next in importance, I think, comes our superannuation scheme. Under this a workman is entitled to set aside a fixed percentage of his wages weekly in what is called the superannuation "A" account, and on that he draws 3 per cent. interest. To this we add an exactly similar amount in what we call his "B" account, and that also bears interest at the rate of 3 per cent. At the age of 65, if still in our employment, he is entitled to draw both funds. Should he die whilst in our employment before the age of 65, his executors are entitled to draw both funds. Of course, he can at any time withdraw his "A" account, but in that case the "B" fund is sacrificed. Now some of our workpeople have told me that this is really the most popular thing we have done yet, for it has shown some of them that the road towards becoming capitalists on their own account is by no means as hopeless as has heretofore appeared.

WELFARE.

Passing over one or two minor matters, I think this brings us to welfare. In this direction we are still feeling our way, but we are making much more rapid progress. I do not think that up to now we have made any blunders. We have under consideration in different districts two large recreation grounds capable of accommodating a variety of games. Under the auspices of Mr Lee and Mr Howarth we have started an association bowling club, which has been received with the utmost enthusiasm by the men, and Mr Lee has kindly presented a very handsome trophy for competition between the mills.

A large number of our branches have now definitely adopted welfare work, and we have 24 welfare superintendents and two matrons. We have nine canteens working, four more under consideration, and others contemplated. The health and also the convalescent treatment of our people are in the capable hands of Miss Clayton and her assistants.

UPKEEP.

And now, gentlemen, for one moment I would like to refer to another subject, a matter on which we are spending money very freely. It is an old matter, and one which was referred to by Mr Lee, and it is a most important one—that of up-keep. This department is under the management of Mr Bellhouse, and I think really that he is the hardest worked man in the association, for we are always building, extending, adding and adopting new ideas, our object being that each year our mills should be more modern, more up-to-date and better equipped than in the previous year. Now, in this connection I do not think you will find one of the managers in the whole of the association who would say that any reasonable request he had brought forward had been refused.

SATISFACTORY FINANCIAL POSITION.

To return to the balance-sheet, I am glad that we have had another successful year—I think I might almost say an unexpectedly successful year; for I think he would have been a very bold man who when we met here last year had foreshadowed such a balance-sheet as you have before you. On the other hand, in the dividends which we propose, and which we hope you will pass, we are undoubtedly setting up for ourselves a very high standard to live up to. But our financial position is satisfactory, and, given a plentiful crop of cotton, a steady demand for yarn,

and, what is of the greatest importance, no further European complications, I see no cause for undue pessimism. I have much pleasure in seconding the resolution.

The Chairman put the resolution to the meeting, and declared it to have been carried unanimously.

DECLARATION OF DIVIDENDS.

The Chairman: I now move the next resolution:—

That the following dividends be now declared out of the profits of the undertaking, viz.:—

A dividend for the half-year ended March 31, 1924, at the rate of 5 per cent. per annum on the £3,000,000 preference shares, numbered 1 to 3,000,000 inclusive. A dividend for the half-year ended March 31, 1924, at the rate of 5 per cent. per annum on the £940,000 preferred ordinary shares, numbered 1 to 940,000 inclusive. A dividend for the half-year ended March 31, 1924, at the rate of 20 per cent. per annum on the £3,675,000 ordinary shares, numbered 1 to 3,675,000 inclusive. I move that resolution, and call upon Mr John G. Peel to second it.

MR JOHN PEEL'S VIEWS.

Mr John G. Peel, who was cheered on rising, said: Mr Chairman, ladies and gentlemen,—It falls to the duty of the junior vice-chairman of this association to second the resolution as to dividend, and I have regularly done this now for two years. Those two years have been most fortunate ones for me, for each year we have had a satisfactory balance-sheet to put before you. What the position would have been if I had had to come before you and second a resolution for the diminution in the dividend I hardly like to think, and, therefore, from a purely selfish point of view, I hope we shall always stick to the conservative policy we have so far adopted. If you will bear with me one or two moments, I will give you one or two reasons why we ought not to pay a larger dividend, which from the accounts you see we could have done without very great difficulty. We have in this association 30,000 shareholders, of whom 16,000 are ordinary shareholders. We trust a large number of these ordinary shareholders are people who are not in for the purpose of snatching a small profit over a gambling transaction, but that they are people who have put their money in with the idea of drawing a regular dividend and feeling thoroughly safe about it. We should like them to regard us as a kind of banker, safe as the Bank of England, paying a safe and steady dividend, and not as a conjurer who comes before them and produces from his hat a fine, fat rabbit one year, and the next year comes before them, it is true, with a hat in his hands, but with no fine rabbit underneath it at all.

BOARD'S SOUND POLICY.

There is another reason why in these times we should conserve our resources. Money, as you know in these times, is very stringent, and if you have money in your pocket opportunities occur, as they have often done during the past year, and we expect will occur again during the coming year, by which we can gain considerable advantage through being able to put down ready money, and thus be able to secure cheap bargains, which those who have to pay with long-dated bills are not able to secure. We have also the advantage of being able to approach our bankers in a healthy spirit. The banker, you know, is of a race very pleasant to deal with supposing you have a large stick in hand. Then, gentlemen, I will touch upon one other point, the point of cotton, which I ought to know something about, even if I am not always right—which I am not. When I first came into business, about 30 years ago, if the price of cotton went up or down a halfpenny per pound in a week, you went home and told your family about it, with bated breath, and talked about it for months afterwards, and it was always considered a most extraordinary thing. But nowadays the price of cotton will go up or down a penny or twopence per pound in one day, and nobody seems to think very much about it. And yet when you come to think about it, twopence per pound on a bale of Egyptian cotton amounts to £6, and when you are dealing with many thousands of bales, as such an association as ours is doing every year, you can see how necessary it is for us to be prepared for rather sudden fluctuations. I am not pessimistic about cotton myself; I do not really believe there is going to be any very rapid fall in the very near future, but, at the same time, we have to consider the possibility of a fall. We have a long way below us. We are at a high price, and there is the possibility of a fall, as I have said, and because of that, a concern like ours must be prepared. Therefore we ask you not to be annoyed if we do not pay the full amount of dividend we have earned, but conserve an amount which will put this association upon a safe basis.

I have great pleasure in seconding the resolution. As Colonel Phillips Brocklehurst said, we are setting ourselves a high standard by paying 10 per cent., but I believe we shall be able to pay that, and I trust you will be content with it. I second the resolution.

The Chairman put the resolution to the meeting, and declared it carried unanimously.

RE-ELECTION OF DIRECTORS.

Mr. William Howarth (managing director) moved:—

That Messrs R. W. D. Phillips Brocklehurst, John G. Peel, Percy Ashworth, A. E. Dixon, James Marsden, J. B. Walker, and John A. Wanklyn be and they are hereby re-elected directors of the association.

It is a privilege (he said) that I should have had this resolution entrusted to me. You will recollect that "the team spirit" has been referred to in two connections this morning. Well, these gentlemen are all regular members of our team. Two of them are vice-presidents, and you have had the privilege of listening to them this morning. You know that their interests are our interests, and that the association is in safe hands when they are assisting in the guiding of it. Mr Percy Ashworth assists us in many directions. The information he gives us and the way he is able to throw business in our direction and his genial presence are appreciated by every member of the board. Mr Dixon was for many years a member of the executive council, and those who have worked with him have always received what he has had to say with great respect. Mr James Marsden is not at the moment in a happy state of health, but he is one of the old stalwarts, very wideawake, and at the head of one of our largest concerns. We all wish him a speedy recovery, so that he will be able to get back to the direction of the mills. Mr J. B. Walker, whom you have had the felicity of listening to frequently, represents our Scottish shareholders, and does it well. If we earn money we do not pay out, you may rest assured that Mr Walker will tell that tale to his Scottish friends, and tell it in a good way. And I have no doubt that any criticisms the Scotsman may have with regard to 14 per cent., when it might have been possible to pay 15, will be nicely got over when Mr Walker has told his tale. From the tale he tells me, it rather appears that our Scottish friends think they can look after their money in their own way better than we can do it for them. That may be true, but, nevertheless, in the interests of the company, we have to take a different view. Mr Wanklyn does not take quite the active part he formerly took, but is performing very useful service in the capacity of mentor to some of our men. For many years he was the head of our Swindells branch. I am sure that in voting for the team as a whole you will be voting in the interests of the company.

Mr Vernon Bellhouse: I have great pleasure in seconding the resolution.

The resolution was then put to the meeting by the Chairman, and adopted unanimously.

APPOINTMENT OF NEW DIRECTORS.

Mr. William Howarth: Mr Chairman, Ladies, and Gentlemen,—I have great pleasure in moving this resolution:—

That Messrs George Alfred Barnes, Alan Murray Debenham, and Herbert Stowell be and they are hereby elected directors of the association.

In any time and age, circumstances bring about changes. Men fall out of the ranks for one cause or another, and they pass from us. We have lost several members of our board through death or infirmity, and it is necessary that we should replace those former members of the directorate by the best intellects that we can select, those who can best serve us and add to the efficiency of the association. It is a difficult matter when we have so many capable young men aspiring to higher rank to select from, without making invidious distinctions, or creating a feeling of jealousy; but all those who have been passed over must realise that the openings for promotion cannot be extended indefinitely. There is only a certain number that we can find room for, and it may be that future years may bring an opening for more than three of our younger men. I propose for your acceptance these new directors. They have been members of the association for many years. Mr Barnes has been the manager of the Musgrave Spinning Co., now working for this association, and now one of the largest of our branches, and working satisfactorily. We think that the policy of backing the winners, as it were, is a great one. Mr Barnes is working, and has worked, very successfully for the association. Mr Debenham is at the head of our Swindells branch, which has been extended very largely during the last few years, and is now a magnificent branch, filling an important place in our association's activities. The results are quite satisfactory, and pass on to you activities. We have confidence in Mr Debenham in the form of dividends. We have confidence in Mr Debenham and in the other gentlemen we commend to you in this resolution. As regards Mr Stowell, he is the head of our statistical department. In an institution like ours, it is necessary to have statistics ready for reference at any moment. It is for us to consider them, and for it may be to discount them, but it is necessary to have them. Mr Stowell has seen to that. His figures are always admirably

arranged, so that we cannot say we are suffering from any omission in that respect. I now submit this resolution for your acceptance. The three gentlemen named will form a little coterie for the time being, in the hope and belief that they will emulate their predecessors in all those excellent qualities that marked their work for this association.

Mr. Percy Ashworth: Mr. Chairman, ladies and gentlemen, I have great pleasure in seconding the resolution. The other day I had an opportunity of going over the mills of the Musgrave Spinning Company, and I can assure you that in the matter of organisation they are absolutely up to date, and that is due in a great measure to the knowledge and energy of the manager, Mr Barnes. Mr Howarth has spoken of the other two gentlemen; I think it only fitting that their services should be recognised, and I trust the resolution now proposed will meet with the shareholders' approval.

The resolution was carried unanimously.

ELECTION OF AUDITORS.

Mr G. St. Clair Robertson moved, and Mr Fred A. Tomlinson seconded, the next resolution, which was as follows:—

That Messrs Edwin Guthrie and Co., chartered accountants, of 71 King street, Manchester, be and they are hereby appointed auditors of the association until the next ordinary general meeting of the association, and that they be paid the sum of £1,500 as remuneration for their services, inclusive of out-of-pocket, travelling, and hotel expenses. This was carried without comment.

VOTE OF THANKS TO THE CHAIRMAN, DIRECTORS AND STAFF.

Mr A. Linney Arnold, speaking from the body of the hall, said: It is my privilege to be entrusted with the resolution with which the proceedings of the annual meeting of this association usually terminate. This resolution is in very explicit and very formal terms, namely:—

That the thanks of this meeting are due and are hereby tendered to Mr H. W. Lee for the ability and courtesy with which he has presided over this meeting.

I am, however, given to understand that it is within my province to extend that resolution a little. We all acknowledge—and I think more so this morning than on any previous occasion—the ability and the courtesy with which our chairman has dealt with the balance-sheet and the proceedings of the past year, and with the whole of the interests of the shareholders. He has presented to us a balance-sheet which I can only describe as a thoroughly sound, Lancashire balance-sheet. And he has presented it to us in a thoroughly sound way. That is to say, he has not been afraid to tell the shareholders anything. He and the other directors, indeed, have taken the shareholders into their confidence. I have only one comment to make about the balance-sheet. I had intended to make it in any case, but what the chairman and Colonel Phillips Brocklehurst have said, and the way we received their remarks, encouraged me to feel that what I am going to say will voice the feelings of all of us. It is that I hope the directors will continue in their policy of setting aside money for research and welfare work. I am quite sure that shareholders in a company which wisely expends money on research work and on welfare work have every reason to be satisfied with their prospects. The money is, perhaps, as well invested—perhaps better invested—than any other money used by the directors; and I hope the directors will appreciate that their policy has the entire approval of the shareholders. Although the resolution is very formal, I want you to be good enough to pass it in such a way that it will go not only to the chairman, but from him to the executive directors, to the other directors, and to the staff, because a balance-sheet like this shows that excellent work has been done by all those who are serving the association. And if we pass this resolution, as I hope we will, with great cordiality, it will show that our thanks are given to the chairman for the manner in which he has presided over the meeting, and for the work he has done in the past year, and to those behind him whom he represents, for all the work they have put in for the benefit of the association during the past year. I beg to move the resolution.

Alderman W. J. Smith seconded the resolution, and it was passed with hearty acclamation.

CHAIRMAN'S REPLY.

The Chairman, responding, said: Mr Linney Arnold, Mr Smith, ladies and gentlemen, I thank you from the bottom of my heart, on behalf of not only myself, but of the whole of the fine spinners and the staff, for the resolution you have passed. It is a great encouragement to men who are working, and working very often under difficult conditions, to know that they have a body of shareholders who are behind them, and who realise their difficulties, and are responsive to the efforts they make. The meeting then ended.

BRUNNER, MOND, AND COMPANY, LIMITED.

COMPANY'S STRONG POSITION.

SYNTHETIC AMMONIA WORKS.

WAGES IN "SHELTERED" AND "UNSHELTERED" TRADES.

The annual ordinary general meeting of Brunner, Mond and Co., Limited, was held at the Midland Adelphi Hotel, Liverpool, on the 23rd instant, Mr Roscoe Brunner (chairman of directors) presiding over a large attendance.

The Chairman at the outset referred to the great loss which the company had suffered on the previous Tuesday by the death of Mr. A. Travers Hawes, one of their colleagues, who was an old director of the Castner Kellner Alkali Company, and who joined their board in 1916 under the agreement with that company. Mr Gerald Balfour and Sir John Jarmay were, added the chairman, attending the funeral that day, which accounted for their absence from the meeting.

At the Chairman's suggestion a vote of condolence with Mrs Hawes and family was carried, the shareholders standing in silence.

BALANCE-SHEET ITEMS.

The Chairman, in moving the adoption of the directors' report and statement of accounts, the payment of the usual preference dividend, and of a dividend to the holders of ordinary shares at the rate of 10½ per cent. per annum, said:—Looking at the balance-sheet, the first item on the assets side, freehold land, &c., shows an addition of £450,000 in round figures, which is rather less than the annual addition for the last few years. The second item has been altered in title from "Investments in associated companies, &c.," to "Investments and associated company balances." We have, as you know, advanced money to our subsidiary companies—Synthetic Ammonia and Nitrates, Limited, and the Buxton Lime Firms, Limited. The moneys so advanced used to appear in the item "Debts owing to the company," but our auditors have asked us to include them in the investment item. That item, accordingly, shows an addition of £1,140,000. The debts owing to the company are down, partly due to this cause, by £1,639,000, and the difference is in the item of cash at bank which is up by £537,000.

LIABILITIES.

On the liabilities side the issued capital is up by £48,000, due to the issue of ordinary shares last year to our staff and workpeople. Those shares were issued at the price of 25s. We have received £22,000 on applications for new shares recently allotted to the same classes. General reserve account has had £12,000 added to it, being the premium on the shares allotted to staff and workpeople last year. Depreciation account has had £200,000 added to it, which is charged against the gross profits of the year. We have written off suspense account the sum of £186,000. This is not at all a "mystery" account, as one of the financial writers described it. My father on several occasions described it as a "scrapping" account, and we use it in order to keep the whole of our apparatus completely up to date. I can assure you that unless we keep the whole of our apparatus up to date we should very soon fall behind in fighting for the markets of the world, and very soon should lose our supremacy. The item savings bank depositors, at £118,000, is up by £11,000, in spite of the fact that out of this fund there have been many withdrawals to pay for shares allotted. Upon that our workmen are to be congratulated. Debts owing to the company are down by £41,000.

PROFIT AND LOSS ACCOUNT.

Turning to the profit and loss account, the first item on the debit side, directors' and general office salaries, and auditing is less by £1,900; general charges are less by £1,300; so that you can see we are exercising due economy in these matters. On the other hand, bad and doubtful debts are up by £800, though this figure is still small looking to the magnitude of our business. On the credit side, the second item—namely, investment and loan revenue, is less by £12,000. Rents are less by £6,000, partly due to the fact that we have had to reduce rents on the very costly houses we built shortly after the war; so that the gross profits, after deducting £200,000 for depreciation, are less by £81,000, and the net profits are less by £97,700 than last year.

There are several reasons for this drop in our profits. First, both we and our associated companies have reduced the prices of our products where possible, in order to encourage our trade.

Secondly, the price of fuel has increased, and, thirdly, during this year we have had a coal strike and a dockers' strike.

ALLOCATIONS.

Turning to the report, the available balance is £1,641,000, which you will be asked to dispose of by paying the usual 7½ per cent. preference dividend; by paying a final dividend of 14 per cent. on the ordinary shares, making a total for the year of 10½ per cent.; by placing to general reserve £88,000, making it a round £1,000,000; by placing to suspense account £150,000; leaving to be carried forward an amount of £86,000.

It is just as disappointing to your directors to have to propose a lower dividend as it is to all of us as shareholders to receive it; but after balancing good indications against bad, it seems to me that we may look forward with confidence to the future.

Before I deal with the future I should like to answer some questions put by shareholders. We are told by one shareholder that there is a rumour that we lost millions in the Japanese earthquake. I, personally, have not heard the rumour; the fact is that the total loss is about £25,000. This loss is suffered by our Japanese Co., and the increase of trade which they have lately shown bids fair shortly to wipe out the whole of the loss. We were asked a question about what is said to be our action at law against the Gas Light and Coke Co. That action was not brought by us, but by the Castner Kellner Alkali Co., and as the case has gone to the Appeal Court, it is therefore *sub judice*, and I am not allowed to refer to it.

MANCHESTER SHIP CANAL BILL.

I spoke last year at some length about the action against the Manchester Ship Canal Co. That company is now promoting a Bill in Parliament which embodies the agreement which I told you last year was so nearly reached during the progress of the litigation. It is too early yet to estimate the value of that agreement. The costs and the back tolls were naturally heavy, but I am happy to be able to tell you that the whole of those costs and the whole of the back tolls have already been taken care of in our accounts.

Several shareholders have pressed us to give on our dividend warrant counterfoils the whole of the income-tax figures, and the Income Tax Payers' Society has urged shareholders to press directors to give the complete figures, which means gross dividend, income-tax deducted, and the net dividend. We give the dividend per share and the income-tax per share, and it is necessary to use decimals in each case; but we also give the rate of dividend, so that the amount of tax can be worked out without using the decimals. I cannot think, however, that there are very many shareholders of Brunner, Mond and Co. who are not able to use decimals in calculating the amount of income-tax they have to pay, but if we had to give all the figures on the warrants of our 31,000 shareholders, we should be put to the expense of a considerably increased staff, and, worse still, the payment of our dividends would be delayed by several weeks. I venture to think that the small disadvantage which now exists is more than outweighed by the advantage of early payment.

WALLERSCOTE WORKS.

As to the future, our Wallerscote Works are now a great feature of the landscape, as the local shareholders well know. I do not care yet to give a date when they will begin to produce, but I venture to say that those works will be the best in the world.

Synthetic Ammonia and Nitrates, Limited, started their plant at Billingham in December last. I have told you before that the process was new to us, that much of the engineering was new to British science, and we expected there would be difficulties. There were very considerable difficulties, but they have been surmounted, and the process is working to our complete satisfaction; so much so, that our staff there is busily engaged in designing plant for an extension of the output and for the production of ammonia salts other than sulphate. The sulphate of ammonia produced at these works is the purest on the market, and it has met with great favour all over the world.

You will all of you, no doubt, have noticed references in the newspapers to the Magadi Soda Co., which is now, after a uniformly unsuccessful career, in compulsory liquidation. We

have made certain proposals to the Official Receiver and the Colonial Office for the reconstruction of that company. Those proposals are still under consideration, and no decision has yet been reached. I hear this morning there is a rumour on the Stock Exchange that the persistent buying of Magadi shares is due to purchases by Brunner, Mond interests. I have to tell you that no purchases have been made by Brunner, Mond and Co., nor in their interest, nor, so far as I know, has any individual connected with Brunner, Mond and Co. purchased a single share.

BURDENS ON INDUSTRY.

And now to balance the good and the bad times for the future. Some of the good I have spoken of. The removal of the corporation profits tax from July 1 will benefit our company and our subsidiary companies, as well as every other company in the country. Trade is certainly not on the down grade, but, on the contrary, in certain directions it is improving. It is still overburdened by too heavy taxation, and I think you will all agree that too little effort is being made to lighten that burden. Rates press heavily upon industry, and the various housing schemes of various Governments increase the burden. Nothing but the removal of Government control and the free play of supply and demand will, to my mind, give us the houses we want at the rents we want. We want reasonable rents, and both employers and workmen must realise that they cannot hold the country to ransom by asking unreasonable prices, unreasonable profits, and inordinate wages.

QUESTION OF WAGES.

As to wages, there is a strong and growing feeling of resentment against the demand for increases in wages in the so-called "sheltered" trades. Why should there be pampered classes among workpeople? What right has a municipal employee to higher wages than those of a skilled fitter? I have every sympathy with the fitter; he is not getting enough, compared with other men, nor in view of the cost of living. We have had motor-omnibus drivers striking to help tramway drivers to get increased wages, and, those wages having been raised, the motor-omnibus drivers and conductors are now claiming higher wages for themselves. The public has to pay either in increased fares or increased rates. Where is it to stop? Naturally engineering employees ask for higher wages when they see all these rises secured by others, and the engineering trade, struggling now against world competition, will be further hampered.

The Chemical Employers' Federation, in common with most employers, has been asked for increases of wages. We twice postponed discussion because the conditions of our industry did not warrant the increases, but lately we consented to go before the Industrial Court. The hearing took place last week, but the award has not yet been delivered. We asked the Court to say not only that the increases we have given, as compared with the cost of living, leave our men better off than they were in pre-war days, but that the state of our industry does not justify increases of wages, and we strongly urged upon the Court that our rate of wages should not be compared with the wages of the sheltered trades, but with those of trades which, like ourselves, are dependent for their success upon their ability to compete in the world's markets.

UNEMPLOYMENT INSURANCE QUESTION.

I spoke of the burden upon industry of taxes and rates. The National Confederation of Employers' Organisations, in which I am an office bearer, and which includes in its membership nearly all the important federated employers' organisations of the country, has recently circulated a report upon the unemployment insurance question, and last week they sent to members of Parliament a pamphlet giving reasoned objections to the Unemployment Insurance (No. 2) Bill which received a second reading a few days ago. The Confederation urge that before permanent scales of unemployment benefit based upon abnormal conditions should be given the force of law, there should be a review of the Royal Commission of 1909 on the Poor Law in the light of the experience gained since 1911 of unemployment insurance.

In one of the final paragraphs of that pamphlet the Confederation give these startling figures:—"The cost of unemployment insurance, which in 1913-14 was £2,000,000 and in 1922-23 was £48,000,000, cannot be viewed as an isolated item of charge; it is only one of several charges which result from the social services as a whole. The social services of Workmen's Compensation, Old Age Pensions, Poor Law, Health Insurance, and Unemployment Insurance, which cost in 1913-14 the sum of £55,000,000, cost for 1922-23 the sum of £165,000,000. The money for social services has to come out of industry, and the amounts which competing countries spend in industry, and the amounts which competing countries spend in these matters is fractional compared with what British industry has to bear." I suggest that every shareholder of every company should take his part in pressing for economy in Imperial and local government.

Given relief from its heavy burden, freedom from strikes, a little more common sense on the part of trade union leaders, a rather stiffer attitude on the part of employers towards unreasonable demands for increases of wages, we should get that improvement in trade which will enable industry generally to pay those higher wages which we know will lead to increased consumption, and therefore a further increase of trade.

SIR ALFRED MOND'S SPEECH.

Sir Alfred Mond, who was warmly greeted on his first appearance after his reappointment as a director of the company, seconded the resolution, and said, though they might be disappointed at the slight reduction in dividend, they would see from the figures that the directors were conserving out of the profits a considerable amount in order that their great business might be maintained on sound lines. It was easy to obtain a cheap popularity and a fictitious share value by distributing all their profits, especially if there were no intention of continuing a business for generations; but he reminded the shareholders that the policy of Brunner, Mond and Co. for over 50 years had been to stand at the head of the chemical industry by continuous improvements in their plant, by development and scientific invention, and, if necessary, by modifications and re-modifications. On the subject of higher wages, Sir Alfred remarked that they could not be paid out of the relatively small amount of surplus wealth in the country, but only out of greater productivity and a more economical production by the great industries of the country, and it was the duty of all who were interested in industry to labour to that end.

"REMARKABLE SCIENTIFIC ACHIEVEMENT."

The speaker referred in glowing terms to the remarkable scientific achievement of the staff in connection with the Synthetic Ammonia Works, and declared that it was a remarkable tribute that the technical difficulties and complexities of the process had been overcome in so short a time. He reminded the shareholders that this was not merely a commercial matter, but it was of great national importance, inasmuch as it would, if the occasion arose—and they hoped it would never arise—be the means of supplying high explosives for the security of the country. Sir Alfred pointed to the fact that it took Germany 15 to 20 years to develop the method of making synthetic ammonia, and that without it Germany could not have carried on the war for six months. He was proud to think that in this new undertaking Brunner, Mond, and Co. were following the tradition that they looked upon their firm not merely as a moneymaker, but as one rendering service to the country and to the world at large.

TRADE PROSPECTS IN THE EAST.

Referring to his recent visit to India, Sir Alfred said both there and in the East generally trade would expand as the world secured peace, and if, as they hoped, there was to be a settlement of the European question, on the report of the Dawes Commission, trade would settle down, and there would be a large expansion of business. This, in his opinion, was what was required to bring us back to normal conditions, and would, he felt sure, be one of the greatest factors in restoring the trade of the world.

There were no questions, and the resolution was unanimously carried.

On the proposition of the Chairman, seconded by Mr Emile Mond, the six retiring members of the board of directors—namely, Sir John Brunner, Mr A. Colegate, Mr H. Glendinning, Mr J. H. Gold, Mr C. F. Poole, and Mr L. Solvay—were re-elected.

Colonel J. A. Saner moved, Mr R. D. Cripps seconded, and it was resolved, that the directors, other than those under written agreement, each be paid at the rate of five hundred pounds (£500) per annum for services rendered during the year ended March 31, 1924.

Messrs Edmund D. White and Sons, chartered accountants, of Liverpool, were re-appointed auditors.

VOTE OF THANKS TO OFFICIALS AND STAFF.

Sir John Brunner proposed a cordial vote of thanks to the officials, staff, and workmen of the company, and of the subsidiary companies at home and abroad, declaring that the entire staff was at the highest pitch of efficiency he had ever known. Sir John also alluded to the success of the scientific work in connection with Synthetic Ammonia and Nitrates, Limited.

Mr J. I. Watts, in seconding the motion, said it must not be forgotten that Brunner, Mond, and Co., with its world organisation, had "an Empire on which the sun never sets."

The motion was unanimously passed, and the hearty thanks of the meeting having been accorded to the chairman and directors, on the proposition of Mr W. Sutherst, the proceedings terminated.

ROYAL INSURANCE COMPANY, LIMITED.

EXCELLENT RESULTS OF THE YEAR.

FIRE PREMIUM EXCEEDS £6,700,000.

RETIREMENT OF MR THOMAS WOODSEND.

The seventy-ninth annual general meeting of shareholders in the Royal Insurance Company, Limited, was held on Monday, May 26, 1924, in the board room of the company's head office building, No. 1 North John Street, Liverpool, at 12 o'clock noon. Mr Thomas Woodsend (chairman of the company) presided over a large attendance of directors and shareholders.

The Chairman: Ladies and gentlemen, I presume it will be your desire to take the report and accounts as read.

I think I may be pardoned in saying that I undertake my annual review of the operations of the company with a considerable feeling of satisfaction—justified by the excellence of the results shown in the accounts which have been submitted to you. For whilst these results do not equal those of the exceptional years 1918 and 1919, still they indicate a degree of prosperity which in these times of general business depression is very gratifying.

FIRE DEPARTMENT.

In the fire department our premiums are again on the up-grade, and at £6,709,350 show an increase of £282,228. To a large extent this is accounted for by the improved business conditions in the United States to which I referred a year ago. Our losses, including contributions to fire brigades, were £123,699 less than those of the previous year, and the ratio is reduced from 53.28 per cent. to 49.19 per cent., a very favourable percentage indeed for a company doing a world-wide business. Our expenses continue to be high, especially commissions, which have increased slightly from 15.23 per cent. to 15.39 per cent. Management expenses also keep high, in spite of continuous efforts towards economies, but still we are moving in the right direction, as shown by the reduction, slight though it be, from 25.54 per cent. to 25.34 per cent. The net fire profit, after adjustment of the reserve for unexpired premiums on the customary 40 per cent. basis, amounts to £563,578, being 8.39 per cent. of the premiums, which under all the circumstances I consider very satisfactory. We have strengthened the additional reserve in this account by £400,000 in order to keep the total fire fund more or less equal to one year's premiums.

LIFE DEPARTMENT.

Our operations in the life department show that, whilst the total new sums insured amounting to £3,351,446 were £335,735 less than the corresponding figures in 1922, the fact that we issued a slightly larger number of new policies is a clear indication that the falling-off is in no wise due to any diminution of the company's popularity, nor to any slackening of effort on the part of its officials. We are very well satisfied with the progress made in this department, and have no doubt but that when we have our actuary's report on the present quinquennium, which terminates December 31st next, we shall be able to congratulate ourselves upon the results achieved.

Our annuity section shows a remarkable expansion, the purchase money and premiums having increased by over £100,000 from £181,742 to £298,640, and this, in spite of the fact that we have, following the decreasing yield obtainable on gilt-edged investments, considerably stiffened our terms. The continued demand for this form of contract is not without significance from a social point of view, as indicating how the higher cost of living is driving people to seek larger incomes than can be obtained through investment of money in ordinary securities.

MARINE DEPARTMENT.

It is pretty generally known that the marine insurance market continues to pass through very difficult times. The values of ships and cargoes continue to fall, and rates of premium on both hulls and cargo still show a downward tendency. The market has suffered from severe competition, and, as a matter of fact, it is clear that, owing to the depressed condition of international shipping trade, there is not enough business to go round.

It is gratifying to know that the "Royal" marine department and the "British and Foreign" more than held their own, and there was but a small diminution in premium turnover in the year 1923 as compared with 1922.

It is a matter of congratulation that the underwriters in Liverpool and London, New York and San Francisco, and their colleagues elsewhere, have, by careful discrimination, been able to show an underwriting profit on the closed year, viz., 1922, of £112,148, after making full provision for all possible future claims. In this connection I would like to make special reference to our New York departments, where the present unfavourable conditions of marine insurance are possibly reflected more acutely than else-

where, and consequently the success of our operations must be particularly gratifying to Mr Simpson and Mr Hoffman, our underwriters, as it is to us.

ACCIDENT DEPARTMENTS.

In our personal accident departments premiums show an increase of £9,368, and the profit of £5,582 is fairly satisfactory in this somewhat limited section of our operations. In the employers' liability department our premiums have increased by £10,538, a hopeful indication, I believe, that industry in this country has now passed the worst and that we are again on the up-grade. We have realised a satisfactory profit on this account, which, together with the interest shown therein, has enabled us to transfer £100,000 to profit and loss account. We have made a special transfer of £20,139 to general insurances account, and I would explain that this has been done in connection with our workmen's compensation business in the Irish Free State, which is now included in the general insurances account, the employers' liability account proper being confined to business in the United Kingdom and Northern Ireland.

The new Workmen's Compensation Bill, to which I referred a year ago, duly became law, and as a consequence considerably increased payments have now to be made to injured workpeople. The insurance companies are continuing to cover this increased liability without additional premiums, and as, in addition, it has been found advisable to enter into an arrangement with the Government as to the basis on which this business will in future be transacted, I fear that we must reconcile ourselves at the best to a very narrow percentage of profit for the future.

GENERAL INSURANCES ACCOUNT.

Our general insurances account shows a very large increase in premium income, amounting in all to £807,013. To some extent this increase is brought about by internal readjustments, such as the Irish Free State alteration, to which I have referred, and which necessitates an unusual entry in this account also. Principally, however, the increase is due to the enterprise of our deservedly popular daughter company in the United States, the Royal Indemnity Company, and to a very important development in our motor insurance business in this country, which with considerable success we have been seeking to augment.

Those of you who take the trouble to read the speeches of the chairmen of the various insurance companies cannot fail to have been struck by the fact that many of these gentlemen have referred to the unfavourable conditions of casualty business, and chiefly to that section of it which deals with workmen's compensation business in the United States. In transacting as we do a large general business of this kind in America, we have been subjected to the same adverse conditions, and, while the profit shown on this account is not quite a per cent. of the premiums, I think we may congratulate ourselves that, small as it is, we are able to show a balance on the right side, and we think that it reflects very great credit upon those gentlemen who are looking after the interests of the Royal Indemnity Company in the United States that we are able to show a result which compares favourably with the general experience of offices transacting a large volume of this business. Steps are being taken to ensure a more reasonable return to the companies in connection with this workmen's compensation business in America, and there is every reason to hope that in time the business will be placed upon a normal profit-yielding basis, although the improvement is not likely to manifest itself in the immediate future.

PROFIT AND LOSS ACCOUNT.

The item "interest and dividends" in this account is the one which receives the marked attention of our shareholders, and it will have been very gratifying to you to have observed the very substantial increase as compared with 1922, an increase which to some extent is brought about by the reduction which took place last year in the rate of income-tax. And it is a matter of considerable satisfaction to us to know that an appreciable factor in the increase has been the augmented dividend which we have obtained upon our holding of the shares of the Liverpool and London and Globe. I am sure that our shareholders will have appreciated the improvement in the results of that company as set out in the report and accounts which we sent out along with our own.

You will observe that in addition to the ordinary transfers from the various underwriting accounts, we have also transferred

£200,000 from the general contingencies fund. At our last annual meeting I was able to tell you that the necessity for continuing this fund for its original purpose no longer existed, the market value of our investments then having been considerably in excess of the amount at which they appeared in our books. The position in this latter respect has not materially changed, and at the end of 1923 the market value was, if anything, somewhat higher than at the end of 1922, and there has been a further appreciation since. Your directors, therefore, have not hesitated to make further use of the fund by transferring £200,000 to the profit and loss account, leaving the balance of the general contingencies fund at £1,000,000. Of the £200,000 so transferred, £70,275 goes to cover the loss realised on certain investments which we thought it desirable to dispose of during the course of the year, and which stood in our books at a higher value than they realised.

There is a new item in the account this year, namely, £21,411, viz., "Expenses not charged to other accounts." We have found it necessary to proceed in this way in regard to certain items of a general nature which it is becoming increasingly difficult to allocate with anything like exactitude to any one of the particular underwriting accounts.

DIVIDEND.

The essential facts in regard to our dividend have already been made known to you, and nothing is left for me to add beyond expressing the satisfaction of the directors that the situation of the company admits their recommending to you the present increase of 15 per share, and their further announcing a similar increase of 15 per share in the interim dividend, which will be paid in November next.

PROSPECTS.

In conclusion, I would add a passing remark in regard to the present year, of which the best I can say at the moment is that so far we have no reason to anticipate that it will be inferior to the one which has just closed. We are dependent in a large degree upon the course of events in the United States whence we draw so large a proportion of our business in every department. The present prosperity in that great country augurs well for insurance prospects, but one cannot but feel that conditions there are poised on a somewhat delicate balance, liable to be swayed one way or the other by imperceptible currents, whose incidence it is difficult to gauge. Our general manager recently returned from a visit to New York, which, though brief, will nevertheless prove of appreciable value, inasmuch as he had an opportunity of discussing, at a conference, matters of moment with our leading representatives in the United States and Canada. On account of the magnitude of our interests we endeavour to keep in close contact with our operations in North America, and there is no better method than by the visits which our general manager makes, more or less annually, to the other side, for the purpose of consultation with our officials there, to whose loyal and efficient services we owe so much.

In Europe there are signs that the dull, seemingly impenetrable clouds which have obscured the social and financial atmosphere since the Armistice may possibly be breaking, and that a brighter era is about to dawn, which we hope will inaugurate a period of general prosperity in which we are bound to participate. In the meantime, conditions remain very difficult, more difficult from the point of view of unbridled competition than has ever been the case in our experience, but we have before us in the results of 1923 a good indication of the capacity of our company to maintain a steady course, even under adverse conditions, and so we are enabled with justifiable confidence to look hopefully towards the future.

CHAIRMAN'S RESIGNATION.

Before sitting down I wish to make a short personal statement, and to intimate to you that I have informed my co-directors that, owing to advancing years, it is not my wish to continue in the chairmanship of the board, which distinguished position I have had the honour to occupy for the last six years. It is a matter of great satisfaction to me that during these years the company has increased its business materially, the income from premiums in the fire, life, accident, and marine departments having been augmented by practically three and a half millions, an increase of 33 per cent., the funds of the company during the same period having increased in almost the same ratio, by nearly seven and a half millions. The dividends paid to the shareholders have marked the progress of the general improvement made.

I wish to thank the other members of the board for the unvarying support they have given me in the discussions of the difficult problems that have come up for decision from time to time.

I desire also to leave on record my hearty appreciation of the unvarying courtesy I have met with at the hands of the managerial and departmental staffs, and I hope the present success of the company may go on increasing and provide other proofs of the firm foundation on which stands the great Royal Insurance Company.

MOTOR INSURANCE

"GLOBE" Comprehensive Policies afford complete protection and security, combined with efficient claims service.

Holders of Private Car Policies are authorised to arrange immediate repairs.

Motorist's Service Card sent free on application.

The
LIVERPOOL & LONDON & GLOBE
INSURANCE CO., LTD.

Head Office:—
1 Dale St., Liverpool.

London:—
Chief Office, 1 Cornhill, E.C.3.

Branches and Agencies throughout the World.
General Manager and Secretary:—HUGH LEWIS.

THE RESOLUTION.

I have now pleasure in moving the first resolution, which is as follows:—"That the report of the directors be approved and adopted, and that a dividend of 15s per share, less income-tax, be payable on or after Tuesday, the 27th instant, making, with the interim dividend paid in November last, 25s per share, less income-tax, for the year 1923."

Mr W. R. Glazebrook (one of the deputy-chairmen), seconded the motion.

Mr John Hedges congratulated the board on the splendid report submitted, and the motion was then carried unanimously.

The retiring directors were re-elected, and an increase in the directors' fees was unanimously approved. Messrs Harwood-Banner and Son were re-appointed auditors, and a vote of thanks to the London board, also to the members of the company's local boards, and to its officers and agents at home and abroad, and to the boards of directors and officials of allied companies for their valuable services during the past year was passed.

The meeting concluded with a very hearty expression of thanks to the chairman for presiding.

BRITISH OVERSEAS BANK, LIMITED. ALTERATION OF ARTICLES AGREED TO.

An Extraordinary General Meeting of the British Overseas Bank Limited, was held on Wednesday, May 28th, at the offices of the Bank, 33, Gracechurch Street, London, E.C., Viscount Churchill, G.C.V.O., presiding.

The Chairman: I will ask the Secretary to read the notice convening the meeting.

The Secretary (Mr A. E. Thorne) read the notice accordingly. The Chairman: Gentlemen, I should like to say I have received a letter of apology from Mr Norman Hird, the General Manager of the Union Bank of Scotland, who is detained up North on very important business; otherwise, he tells me, he has looked forward to coming here to-day. I think the circumstances which have rendered necessary the calling of this Extraordinary General Meeting are very fully explained in the circular letter which I sent out to the shareholders, dated May 19th, and I think I cannot do better than ask the Secretary if he will kindly read that; then we shall have the business fully before us.

The Secretary read the circular as follows:—

To the Shareholders.

Dear Sir (or Madam),—

You will remember that in December of last year you were called together to pass certain alterations in the Articles of Association of your Bank, as the original constitution had proved cumbersome. It was hoped that the alterations then effected would have got over the difficulties that had been found to exist.

In practice this has since proved not to be entirely the case, and with a view to the simplification of interests and consequently of working, an arrangement has been arrived at which is satisfactory to all parties. Under this the Union Bank of Scotland, Limited, Williams Deacon's Bank, Limited, and the Prudential Assurance Company, Limited (who have all been Shareholders since the inception of the Bank), will acquire the share interests in your Bank of:—

Anglo-South American Bank, Limited.
Dominion Bank (Canada).
Glyn, Mills and Co.
Charles Hoare and Co.
Imperial Ottoman Bank.
Northern Banking Company, Limited.

It is believed that this change will attain the desired result: it involves no alteration in Capital or in the existing rights of the "A" Shareholders, but simply reduces the number of "B" Shareholders to three—viz., one Bank in Scotland, one Bank in England, and a leading Insurance Company.

A formal Notice convening Meetings of Shareholders is enclosed in order to adopt new Articles of Association to give effect to the change.

The main differences between the new and the old Articles are:—
(a) All restrictions on the transfer of "B" Ordinary Shares are removed.

(b) The special provisions relating to appointment of directors by the "B" Ordinary Shareholders are rescinded, and in future the Directors will be appointed by the Company in General Meeting, subject to the usual power for the continuing Directors to fill casual vacancies or to appoint additional Directors.

As soon as the new Articles have been adopted, the following Directors and Honorary Councillors will retire from office.

The Earl of Chichester, Mr A. G. Gumpert, Mr Henry Hoare, Brig.-General A. Maxwell, C.M.G., D.S.O., Mr E. W. H. Barry, Mr J. R. Bristow, Mr Laurence Currie, Mr S. L. Jones, Mr W. E. Wells,	} Directors. } Honorary Councillors.
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By order of the Board,
CHURCHILL,
Chairman.

The Chairman: In order to carry these proposals into force, I beg to move:—

"That the regulations contained in the printed document submitted to this meeting, and signed for identification by the Chairman of the meeting, be and the same are hereby adopted as the Articles of Association of the Company in lieu of the whole of the existing Articles of Association."

I will call upon Mr R. T. Hindley to second the motion.

Mr Hindley: I have much pleasure in seconding the resolution.

Chairman: Before putting the resolution to the meeting, I shall be glad to receive any questions that shareholders may have to put in this connection.

No questions being asked, the resolution was put to the meeting and the Chairman declared it carried unanimously.

The Chairman: That, gentlemen, concludes the business; I am very much obliged to you for coming here to-day.

GUARDIAN ASSURANCE COMPANY, LIMITED. FAVOURABLE QUINQUENNIAL PROSPECTS.

The annual general meeting of the Guardian Assurance Company, Limited, was held, on the 28th instant, at the head office, 68 King William Street, London.

The Hon. Evelyn Hubbard (the chairman) said that in the life department the company had granted 1,429 new assurances, and the net new sums assured amounted to £1,071,727. The premium income, at £454,826, showed an increase of £12,780 on that of 1922, and the net income from interest, £209,537, was £18,511 more. The life fund, including the investment reserve fund, amounted to £4,822,032, an addition in the year of £275,000. They had now completed four out of the five years at the close of which they would value their liabilities and ascertain the surplus in the life fund from which bonuses were derived, so that at the next annual meeting they would know the result of the whole quinquennium. During each of the past four years they had derived a substantial profit from mortality; and, as the life fund was protected by investment reserves yielding a high rate of interest, while the expenses were certainly moderate, they had present all the factors which made for substantial profit in the quinquennium.

FIRE DEPARTMENT.

With regard to the fire department, the year had been happily free from any great conflagration abroad in which the company was concerned. But their revenue was still suffering from the effects of depreciating foreign exchanges, which, together with the continued delay in the revival of business, had contributed to postpone that increase in revenue which the board hoped to be able to show before long. The profit on the trading account of £99,228 was satisfactory, and, with the interest on the fire fund of £49,934, they had the substantial surplus on the account of £149,162. By the reduction in their liabilities £32,500 was set free, and credit was taken for this amount in the reserve for unexpired risks. But the directors considered it a prudent course to replace this sum in the account by putting it

in the general reserve and even adding to general reserve £28,500, so that while the reserve for unexpired risks, calculated at £50 per cent., was brought down, in consequence of the reduction in the premium income, by £32,500, the general reserve was augmented by £61,000. The total fire fund was accordingly £1,171,000, against £1,142,500. After making these provisions, and also for a small loss in exchange, they transferred to profit and loss £88,101, against £50,206 last year.

In the accident, burglary and general fund the profit was £71,094, and, with the interest on the reserve funds, there was a total surplus of £92,362. After a small adjustment in the reserve for unexpired premiums, and charging £604 for loss in exchange and augmenting the general accident reserve by £20,000, they carried to profit and loss £71,758, against £82,456 in 1922. The total fund in this department was £374,200, as against £354,500 in the previous year.

MARINE ACCOUNT.

They had closed the 1922 marine account by transferring £14,000 to suspense for claims, which might yet arise on the 1922 account and previous years. Interest revenue produced £16,179, and they had, nevertheless, carried to profit and loss only £18,870, against £22,900. They had always been cautious in their transfers to profit and loss from this department, but in 1923 they had had to provide for a relatively large sum—namely, £12,500—for loss in exchange. The premiums in 1923 were £127,414, against £123,121 in 1922. The first year's settlements—that is, in 1923—amounted to £23,404, or 18.3 per cent., which was moderate. The amount of the fund at the end of the year was £313,152.

They left intact in the several accounts the investment reserves. As he said a year ago, while they retained their investment reserves, they could look forward with confidence to a general revival in industries, though the revival might again cause a fall in the values of securities such as the company held when capital was required for the purposes of manufacture. As against such contingency they had in these investment funds most ample provision.

In the profit and loss account the aggregate of the transfers from the trading accounts was £178,730, or £23,166 more than a year ago. They transferred £20,000 to staff pensions fund, which would then amount to £76,328. They carried out of profit and loss £180,444, and, after payment of the dividend, they would have a balance of £114,957 (or approximately £10,000 more than last year), which might be subject to some taxation either at home or abroad. The interest derived from their investments on the mean of their funds in 1923 was £5 9s 10d per cent. before deduction of tax, and £4 10s 2d net.

The report and accounts were unanimously adopted, and a dividend of 7s per share, less income-tax, for the year was declared.

GRESHAM LIFE ASSURANCE SOCIETY.

FAVOURABLE MORTALITY EXPERIENCE.

REDUCTION IN EXPENSES.

RATE OF INTEREST INCREASED.

BRIGHT QUINQUENNIAL PROSPECTS.

The seventy-fifth ordinary general meeting of the Gresham Life Assurance Society, Limited, was held, on Tuesday, May 27th, at the chief office, 188-190 Fleet Street, London, E.C.

Sir Reginald Macleod (of MacLeod), K.C.B. (the chairman), presided.

Mr Alex. Lawson (general manager and secretary) having read the notice convening the meeting and the report of the auditors,

The Chairman said:—A year ago I spoke with some confidence as to the position of the society. I am glad to say that the results as to the year's working fully justify that confidence. The precise of the year's work are set forth in the report in your hands, details of the year's work are set forth in the report in your hands, and I shall touch only on the most important items. Four thousand policies have been issued, assuring £2,091,000, of which £132,000 has been reassured. The care taken in selection is shown by the fact that 330 proposals for £219,000 have been declined. The premiums for new assurances effected amount to £94,637, which, minus a slight reduction from the previous year, are still at a very satisfactory figure. The total income of the society has increased from £1,101,000 to £1,128,000. You are well aware of the reduction in territorial area available for our business owing to the war, and the upheavals after the war, and in one case to Governmental action. The disappearance of the whole of the Austro-Hungarian Empire and the elimination of Italy has made an enormous gap

which has been to a wonderful extent filled by intensive cultivation of our own Empire and of those countries in Europe, Africa, and South America where we do business. But we are confident greater results can be, and will be, obtained, and that, with our organisation, with our experience, and with the growing intrinsic value of the policies we have to sell, much more may be, and will be, done. I want you to realise that our society is bearing with ease its 75 years, that it is intensely vital, and that we mean to go ahead.

CLAIMS RATIO.

Turning to charges upon our funds, the death claims amount to £206,000, being a reduction of £25,000 as compared with 1922, which, again, was less by a similar amount than that for 1921. The percentage of claims by mortality has been progressively favourable, being only 63 per cent. of the expectation in the year under review, 73 per cent. in 1922, and 78 per cent. in 1921. It is not suggested that the ratio can remain at the low level of last year, but the claims so far as they have emerged for 1924 continue to be satisfactory. This favourable mortality is the more striking in view of the wide field over which the society's operations are conducted, and bears witness to the efficiency of our administrative methods, which have been gradually perfected as the result of long and varied experience. The claims on matured endowments, a very favourite form of assurance in this society, have required £272,000, an increase of £13,000 on 1922, but a decrease of £54,000 on the figures required in 1921. In every case such policies have left a profit to the society, and the sum involved—greater or less—in any particular year is accidental. The assets appearing in the balance-sheet amount to £7,039,000, being an increase on 1922 of £237,000, which was itself an increase over 1921 of £119,000.

The life expenses at 23.96 per cent. show a reduction of nearly 3 per cent. following on a reduction of nearly 4 per cent. in the previous year. I entered somewhat fully into the question of expenses last June, and need say no more to-day than that every outlay continues to be most carefully watched with a view to economy, and the tendency is in the right direction.

INVESTMENT OF FUNDS.

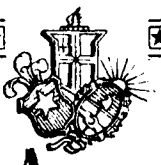
The investment of our funds, and when occasion serves, the reinvestment, engages the continual attention of the board, and, with a view to reduce as far as possible oscillation of values, preference is given to bonds or debentures with a definite date of maturity, and a very large proportion of our investments both at home and abroad are in that category. The rate of interest realised on our investments after deduction of income-tax has increased from £4 5s 1d in 1921 to £4 7s in 1922, and £4 9s in 1923. This progressive improvement is, I think, eminently satisfactory. As a matter of interest, I may add that the yield per cent. in the year before the war was £4 2s 7d. I do not think it is necessary to occupy your time by detailed reference to the figures in the revenue accounts or on the balance-sheet, but shall be happy to reply if information is, on any point, desired. There is no change sufficiently remarkable to require special explanation. I would, however, refer you to an entry in the life revenue account of £43,016 under the designation of assets surrendered in respect of the society's Czechoslovak and Yugoslav business. I referred when addressing you last year and in 1921 to arrangements in progress for cession of our business in the old Austro-Hungarian Empire through the several Governments into which that Empire was divided. Further progress has been made, and you will be glad to see that satisfactory arrangements have been concluded for the cession of our business in Czechoslovakia and Yugoslavia. The assets surrendered were almost entirely composed of local investments formerly deposited with the old Austrian Government, and the society is relieved of the whole of the liability to its policy-holders in those countries.

FORTHCOMING QUINQUENNIAL.

Gentlemen, we are now almost in the middle of the last year of our quinquennium, and from what I have said you will realise that we look forward with some confidence to the report we shall submit to you next year giving the result of our five years' operations. If the results are good do not think that it is always plain sailing. We have frequently to call on our general manager and his assistants and upon our actuary and the members of his staff to undertake intricate and difficult negotiations at home and abroad. Our managers, both here and at our foreign branches, have arduous and anxious duties, and I am glad to be in a position to assure you that your staff of all ranks and positions serve the society with admirable zeal and good will.

I have pleasure in moving the adoption of the report and accounts.

Mr Courtenay C. S. Fooks (deputy-chairman) seconded the resolution, which was unanimously adopted.



The Anglo-South American Bank Limited.

Head Office: 62, Old Broad Street, London, E.C. 2.

Authorised Capital	-	£10,000,000	Issued and Paid-up	-	£4,367,330
Subscribed Capital	-	£8,734,660	Reserve Fund	-	£4,000,000

Northern District Office - - - - 69, Market Street, Bradford.

Lancashire Branch - - - - 19, Spring Gardens, Manchester.

The Bank, in addition to having 6 Branches in SPAIN, has, with its

AFFILIATED INSTITUTIONS,

THE BRITISH BANK OF SOUTH AMERICA, LTD., and

THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.,

55 Offices in the principal countries of LATIN AMERICA.

AUXILIARIES:

ANGLO SOUTH AMERICAN TRUST COMPANY, NEW YORK

(Incorporated under laws of State of New York), and

BANQUE ANGLO-SUD AMERICAINE, Soc. Anon., PARIS.

ROYAL MAIL STEAM PACKET COMPANY.

LORD KYLSANT ON THE POSITION AND FUTURE OF BRITISH SHIPPING.

The ordinary general meeting of the Royal Mail Steam Packet Company was held, on the 29th instant, at the Cannon street Hotel, London, the Lord Kyslant, G.C.M.G., presiding.

Mr D. I. Couradi, the secretary, having read the notice calling the meeting and the auditors' report,

The Chairman, in the course of his speech, said: This old company was established under Royal Charter granted by Queen Victoria at the commencement of her long reign, and for 85 years it has been carrying on mail, passenger, and cargo services to and from the many parts of the world in which for generations its name has been a household word. In common with other shipping companies, we have been passing through a difficult and trying period. Throughout the world the number of passengers and the volume of goods moving is less than in pre-war days, whilst expenses remain far above pre-war levels.

Times like these justify the conservative financial policy the court of directors have pursued in past years of endeavouring to ensure a steady, reasonable return to stockholders while providing our clients with highly efficient and progressive shipping services.

The accounts set out the position of the company, and do not call for special comment.

Interest on debenture stocks and dividends on preference stocks have been paid, and after making provision for taxation and the usual five per cent. depreciation on the first cost of the vessels, we recommend the payment of a final dividend on the ordinary stock, which, with the interim dividend already paid, will make a total distribution of 6 per cent. for the year, the same as for the previous two years. A slightly larger balance remains to be carried forward.

Our reserve fund stands at £1,600,000, and the insurance fund, which has been slightly increased, now stands at £1,177,000.

SERVICES.

Our various services have been regularly maintained throughout the year.

With a view to further improving and developing our North Atlantic service, our "O" boats have now all been converted to "cabin" class ships. This change has been appreciated by our passengers, and should tend to strengthen the company's position in competition for trans-Atlantic saloon traffic. In the steerage section of the North Atlantic trade, the United States Immigration Restrictions continue to handicap expansion.

CANADA.

On the Canadian route, calls were made during the past winter by our "O" steamers at Halifax, and we are supplementing this service during the present summer by sending some of the "O" boats to Quebec. Canada, with her unoccupied lands and incalculable natural resources, offers magnificent prospects to the intending settler from Europe. The Royal Mail Company has close ties with the great Dominion by reason of its Canada-West Indies mail service, its important freight service to and from the North-West Pacific ports of Canada as well as its trans-Atlantic passenger service with Canada's eastern seaboard.

BRAZIL AND RIVER PLATE.

There was an improvement in the South American branch of the company's business during 1923, the numbers of both saloon and steerage passengers showing increases over the previous year. In order to make this service more attractive to the travelling public, and at the same time to meet the convenience of business people, our "A" steamers have been accelerated, the round voyage being shortened by about four days. Competition on this route is very keen, but by continuing to place at the disposal of passengers a thoroughly efficient, comfortable and rapid service of high-class vessels, coupled with an equally capable organisation on shore, we are maintaining our position as the premier South American line. It is with this object in view that we are building two magnificent new "A" boats for service on the South American route. These mail and passenger vessels, which are to be motor-driven, will be of 22,000 tons gross register each, and will form a striking new feature in South American waters.

CANADA—WEST INDIES.

Our contract for the Canadian-West Indian service having expired, the Canadian Government invited tenders for a new long-term contract for the service. We submitted a very moderate tender, which was the most favourable offer received, but the Canadian Government did not see its way to accept it. As the result of further negotiations, it has since been agreed that we will continue the present service for a further period of twelve months, before the expiration of which time I trust it may be possible to arrive at a mutually satisfactory arrangement for a contract over a number of years. Naturally contractors are in a position to afford

better facilities under long-period agreements than by short-term arrangements. The exchange of commodities between Canada and the West Indies, under the reciprocal trade arrangements in force between the respective administrations, continues steadily to develop, whilst the number of passengers passing to and fro tends to increase.

BRITISH EMPIRE EXHIBITION.

The great British Empire Exhibition at Wembley, where this company is appropriately represented, should in the current year be the means of attracting a number of visitors from overseas, which should help to increase the passenger traffic on our various routes.

CRUISES.

Our cruises continue to be popular and attractive, and we have decided to extend this feature. They afford the travelling public a practical demonstration of the comfort of an overseas voyage by a Royal Mail liner. We are now converting the "Araguaya," of 10,500 tons, into a cruising yacht, so that, with the "Arcadian," we will have two vessels specially equipped for this branch of our business.

FREIGHT—OUTWARD.

As already mentioned, cargo on nearly all routes has continued to be restricted in quantity, but there are some welcome signs of steady improvement in this regard, particularly in exports to Brazil, Argentina, West Indies, and the North Pacific. There is also a tendency for rates of freight to become more stable, as the result of a better understanding between the Continental and British Lines. On the other hand, depreciated exchanges in South America tend to hamper exports to those countries, whilst the increased home manufacture of articles hitherto shipped from Europe in considerable quantities is another factor in limiting the expansion of export business from Europe. In addition to maintaining our regular cargo services to and from Argentina and Brazil, we have continued our freight services with the West Indies, whilst we have continued to develop the trade with the North Pacific Coast. On the latter route we are placing a third motor vessel, of which we expect delivery next month.

FREIGHT—HOMEWARD.

In the homeward cargo trade, the year 1923, generally speaking, compares somewhat unfavourably with 1922. The principal reason for this was the greater uncertainty of the political situation on the Continent, which caused violent fluctuations in European exchanges, reflecting adversely on the produce markets and making merchants reluctant to undertake commitments.

SUMMARY OF SERVICES.

In connection with the numerous services I have briefly outlined, and combined with those of our Associated Shipping Companies, it may be of interest to you to know that, for the period of 12 months ended December 31, 1923, the vessels of the Royal Mail Steam Packet Co. and its Associated Companies covered nearly 15,000,000 miles; carried over 1,000,000 passengers and over 10,000,000 tons of cargo; made over 54,000 entries into ports, and employed on ship and shore an average daily number of over 47,000 men. These figures, I think you will agree, are noteworthy as showing the magnitude of our operations.

FLEET.

Our fleet has been maintained in good order and condition. One vessel, the "Oruba," was sold during the year for breaking-up purposes, being no longer required for our services. The "Caracquet," which stranded near Bermuda in June last year, became a total loss, but I am glad to say that all passengers, crew, and mails were safely landed. This vessel's place in the Canada-West Indies service has been taken by the cargo vessel "Teviot." The company's fleet, exclusive of vessels building, now consists of 46 ships, of over 366,000 tons gross register, which, together with the fleets of our Associated Companies, brings up the total tonnage to over 2,120,000 gross register tons.

VESSELS BUILDING.

I have already referred to the three large motor ships now building. These are the "Asturias" and "Alcantara" for the Brazil and River Plate Service, and the "Lochmonar" for the North Pacific trade.

The Trade Facilities Acts were passed to stimulate trade and to secure additional employment in this country, and under the financial facilities thus afforded orders were placed for these new ships, which, though needed, we would under ordinary circumstances have deferred building until conditions generally were more propitious; but in order to meet the wishes of the British Government and the Government of Northern Ireland, who guaranteed the necessary capital, we put the work in hand.

Thus regular employment has been found for a large number of shipyard workers, steel workers, colliers, and others who would otherwise have been out of employment and forced to live on doles, which all good workmen hate. I specially include the colliers, as

It is often forgotten by the public that no less than 400 tons of coal are used to make 100 tons of shipbuilding steel.

WORKING COSTS.

To a company of this magnitude, consuming vast quantities of coal and oil, the cost of fuel is an all-important matter, and in my view prices are still abnormally high. In connection with services carried on in competition with vessels of other maritime nations, many of whom have the big advantage over British shipowners of extremely low working costs, wages are an important factor. British shipowners are always desirous of paying a fair wage, but when voyages are undertaken there must be a prospect of making ends meet, and it is generally realised that it is better for seafaring men to secure moderate wages than for ships to be laid up and crews to be idle. The considerable amount of labour unrest which characterised the year under review hampered trade recovery. Shipping was adversely affected, particularly by the unofficial dock strike in August last year and by the unofficial shipyard workers' strike at Southampton.

OFFICES.

Our City offices in Moorgate have been the headquarters of the company for eighty-five years, but although they have been adapted and extended from time to time, they are now proving too small, and we are unable to extend them further, as the back portion of the block belong to H.M. Post Office, and is occupied by the City branch of the Inland Revenue. We therefore had to look about for a larger site, and I found a suitable site in the centre of the City, of one and a-half acres in extent. This is the former site of the headquarters of another historic chartered company, namely, the great East India Company, commonly called "John Company," founded in 1600, which laid the foundations of our Indian Empire. There are few spots in the City of London which are richer in historical associations than the area on which the old East India House stood. The house was the resort of all the great soldiers who served the Company, from Clive to the Duke of Wellington, and all the Governors-General from Warren Hastings to Dalhousie and Canning. A further interesting association of the house is that for thirty-three years Charles Lamb found his daily occupation in the Accountant-General's office. We decided to acquire this site, and, in conjunction with Mr William Burton, ultimately secured the whole site, and arranged to retain half an acre facing Leadenhall street and Lime street, on which we propose to erect a block of offices for the accommodation of the Royal Mail and most of its associated companies.

We sold the remaining portions to another world-famous British institution, viz., the Corporation of Lloyd's, who have been established at the Royal Exchange since 1774, so that this famous and magnificent site will in future be the home not only of the oldest ocean chartered company incorporated by Royal Charter in 1839, but also of the venerable Corporation of Lloyd's, which for over two centuries has been closely connected with British shipping.

To meet the requirements of our business in the West End, we have arranged to rebuild the greater portion of our fine corner site in Cockspur street.

MANAGEMENT.

Last year Mr J. W. Clark retired from the active management of the company, after over forty years' service, but we are fortunate in retaining the benefit of his ripe experience and wisdom as a member of the court of directors. Mr P. G. M. Mitchell, who has been in the company's service for over thirty years, has been appointed manager, and we look forward to continued steady progress under his very able management. Mr C. C. Barber has been appointed acting assistant manager in place of Mr H. A. P. Cotton, who, after thirty-one years' service, retired at the end of last year on account of ill-health.

STAFF.

I would like to take this opportunity of recording the court of directors' warm appreciation of the loyalty and good work of the management, officials, and staff, both ashore and afloat, at home and abroad. In a big organisation the character of the personnel is vitally important, and it is more than ever essential that everyone connected with the company should do their utmost to add to its great traditions.

UNITED STATES OF AMERICA.

The desire on the part of the United States of America to participate in the ocean-carrying trades of the world has been followed with universal interest. Prior to the war, America was not a great ocean ship-owning nation, and many of the services between her ports and the rest of the world had been built up and maintained by British lines. The United States, however, as a result of the war, found itself in possession of a large ocean-going fleet, and, in order to find employment for the vessels, inaugurated services to and from various parts of the world. Great Britain has always viewed with friendly interest the desire of the United States to do an increased share of ocean transport.

So far as this company and its associates are concerned, who for many years have contributed their share to the inception and building up of several trades from America to other parts of the world, we have always been and are desirous to collaborate and co-operate in carrying on services to and from American ports. We believe that, in the seven seas, there is ample room for all, and that, with goodwill, all can work together harmoniously for mutual benefit.

THE FUTURE.

Looking to the future, I feel on the whole there is reason for a moderate optimism as regards British shipping, but there are some big and difficult problems before us. One of these is what is the best and most economical means of propulsion of ships. Immense strides have been made in recent years in the propelling machinery for ships, involving practically a revolution in marine engine construction. The motor engine has many advantages in the economy of fuel, saving of space, cleanliness, &c., but it is still much more costly to build than the steam engine. I believe that the motor ship has come to stay, but this raises an all-important question that may have a great bearing upon the issue.

Though oil is extracted from the earth by a large number of comparatively small producers, it is, so far as marketing is concerned, for all practical purposes, actually controlled by a few large concerns, nearly all of which are either foreign or practically controlled, directly or indirectly, by foreign interests. Whilst I realise that the great oil organisations deserve great credit for what they have done in developing both the production and use of oil, shipowners who decide to have their vessels fitted with internal combustion engines have to face the risk of the advantages of the motor vessel being largely negated by possible advances in the cost of oil fuel. The considerable rises that have taken place in the cost of oil fuel have attracted the attention of shipowners to what they may have to face in years to come if motor vessels should increase considerably in number, unless new large oilfields are opened up or British scientists find some way of economically extracting oil from coal or from some other British commodity.

Another problem confronting shipowners of all nations is the fact that, along with diminished world trade, the world's shipping tonnage has increased by 18 million tons since 1913. Consequently, while expenses of working British ships are still almost double the pre-war standard, rates of freight have fallen in many cases to non-commercial levels, and in order to maintain regular services it is often necessary to send vessels, which otherwise would be laid up, on voyages involving a certain loss. Under these circumstances competition is extraordinarily acute, more particularly on the part of those Continental lines in whose cases expenses, especially wages, owing to depreciated currencies, &c., are far below our own. It was high operating costs in pre-war years that militated against America having a big mercantile marine, because of the competition of vessels with low working costs. Now, the operating costs of British shipping are much higher than those of the vessels of other countries with whom our shipping is in competition. It is for this reason that British shipowners are more than ever obliged to devote the closest attention to economy in working expenses. These conditions may be ameliorated by a general improvement in trade, of which there are some tangible signs, and in any revival of world trade I believe British shipowners will still be able to hold their own.

So far as this company is concerned, we are keeping thoroughly abreast of the times, and with a fine fleet of up-to-date vessels and an efficient and alert organisation we are prepared, as in the past, to take our full share in carrying on British overseas trade.

The report and accounts were unanimously adopted.

NITRATE PRODUCERS' STEAMSHIP COMPANY, LIMITED.

CHAIRMAN'S CRITICISMS OF LABOUR'S POLICY.

The annual meeting of the Nitrate Producers' Steamship Company, Limited, was held, on the 28th instant, at 20 Billiter buildings, London, E.C., Sir John Latta, Bart., presiding.

The Secretary (Mr James A. Walker) having read the notice convening the meeting,

The Chairman, in moving the adoption of the report and accounts, said that the profits shown were the lowest in the history of the company. There was evidence of a slight improvement in trade, but he feared the difficulties, both artificial and real, by which cargo steamers were beset would prevent them getting their fair share in it. Without a scintilla of protection, either at home or abroad, the tramp steamer had to face the full blast of world competition in order to secure employment, while every workman that the owner had to employ enjoyed union protection. In anticipation of Socialism, strikers appropriated railway rolling-stock, public and dock, general utility companies, &c., and by peaceful picketing, under Government protection, held all and sundry to ransom until their demands were granted. The selfish and illogical policy of labour had so inordinately increased work-

ing costs that the expenses of steamers in British ports were almost too grievous to be borne. Labour had the power arbitrarily to enforce its uneconomic theories, but only at the expense of employment, as lower freights were being accepted to and from continental ports, with inestimable advantages to foreign artisans, manufacturers, and merchants.

The public seemed to think the so-called rich shipowners had the whip-hand in strikes, but the other side must be considered. The public should imagine for a moment the responsibility and nervous strain occasioned by the enforced idleness of ocean liners, particularly of the passenger class. Apart from the incalculable liability incurred by the disturbance of prearranged seasons commitments their daily expenses were fabulous, so that the impulse to settle on any terms was almost irresistible.

Unfortunately the attention of the Government was directed more to artificial efforts to allay unemployment than to attack the cause of it courageously. In that connection their interference with the shipping industry had led them on to dangerous ground. It was not from lack of funds that experienced ship managers refrained from building, but because they felt that to add to the present overwhelming surplus of world tonnage would simply prolong the depression and reduce the market value of existing ships. The Government, nevertheless, boldly stepped in against such experience, and agreed to guarantee up to £20,000,000 on the recommendation of a committee appointed to deal with such advances. With "tons of money" thus begging, no shipowner could be blamed for taking advantage of it. On the other hand, there was no certainty that unemployment in the long run would be substantially lessened.

In conclusion, the Chairman said:—There is no remedy for our present troubles but to work a little harder, more consistently, and with better will, when the cost of living, by increased production, will rapidly fall, world's prices be met, and employment created for the skilled artisans who, largely due to the burdensome restrictions imposed on them by labour unionism, are leaving our shores in steadily increasing numbers. The emigration of these magnificent men is of inestimable value to our foreign competitors, but an irretrievable loss to us. The present Government has been compelled to face economic actualities, and there is evidence that this practical experience is having a sobering and beneficial effect. I was pleased to notice that Mr Ramsay MacDonald, in a recent speech in Wales, was reported to have said:—

"I am very much disturbed about the industrial outlook, for I know whatever mechanical change is made—whether protection or nationalisation—without the capacity to work, without the skill and willingness to work, we cannot produce the goods."

The report and accounts were unanimously agreed to.

THE CALCUTTA TRAMWAYS COMPANY, LIMITED.

STEADY IMPROVEMENT IN TRAFFIC.

The meeting of the Calcutta Tramways Company, Limited, was held at Queen Victoria street, London, on the 27th instant, Mr John G. B. Stone presiding.

The Chairman, in the course of his address, said:—The addition to the capital account for the year amounts to £30,060, and is mainly represented by the balance of the cost and equipment of the 25 new trains, including new distributing cables, less the cost of balance of D.C. plant and of plant rendered obsolete by the taking of bulk supply transferred to depreciation account, the final result being a balance remaining to the credit of capital account of £73,911.

Turning to the revenue account, the traffic receipts were again greatly reduced at the commencement of the year by the strike of the drivers and conductors, which started on December 21, 1922, and as a result of which the suspension of our services was continued for the first 21 days of 1923. Since then, however, a steady improvement in our traffic has been maintained throughout the year. With the extra trains we have been able to increase and also to reorganise and provide a more regular service, which has undoubtedly been appreciated by the public.

As regards the motor 'bus traffic, although the results from a revenue point of view cannot be considered satisfactory, the 'buses fulfil their mission in catering for race traffic and in affording additional riding facilities on congested lines, and were particularly useful during the period of the strike. Our policy is to assist in solving the traffic problems of the city where we can do so, having due regard to the interests of our shareholders.

As regards the Indian expenditure, the principal items responsible for the decrease of nearly 7 per cent. are power expenses and maintenance and repairs, the former due to the taking of bulk supply from the Supply Company, and the latter mainly to the gross expenditure being brought back to normal after the additional expenditure incurred in 1922 in making up arrears of postponed repairs.

In dealing with the available balance, after transferring £50,000

to depreciation fund, and writing off £5,000 to suspense account, the board considered it prudent to strengthen the financial position of the company by placing the sum of £11,000 to general reserve account.

Our traffic receipts for the current year show an aggregate increase of Rs. 5,53,859. Although this was helped in the first month of the year by the comparison with the strike period of 1923, the result reflects the steady growth of our business.

The report and accounts were unanimously adopted.

SHANGHAI ELECTRIC CONSTRUCTION COMPANY, LIMITED.

INCREASE OF CAPITAL.

The eighteenth annual general meeting of this company was held, on the 28th instant, at Basildon House, London, Sir Alfred Dent, K.C.M.G. (the chairman), presiding.

The Chairman, in the course of his speech, said:—The operating profit, at £101,771, shows an increase of £4,773 as compared with the preceding year, and this is the first occasion on which it has run into six figures. The growth of our business in Shanghai ought to have resulted in a far greater addition to our profits, but was to a large extent neutralised as the result of the loss sustained by depreciation of subsidiary coinage. There was a considerable falling off in the profit on exchange, partly because the rate was not so favourable as in the preceding year, and partly because material sums were absorbed locally in capital expenditure and in renewals, and were therefore not available for remittance. Renewals will continue to be heavy for some time to come. The net result is a profit, before making appropriations, of £107,433 as compared with £113,299. We have maintained the allocation to reserve for renewals at £15,000, and the reduction in the rate of corporation profits tax from 1s in the £ to 6d half way through the year has allowed us to set aside £4,000 as compared with £5,000 in the preceding year. We recommend a final dividend of 8 per cent., making 20 per cent. for the year, carrying forward £24,393, or £7,364 in excess of the amount brought in.

The increased loss by depreciation of subsidiary coinage is the result of a higher percentage applied to larger takings and amounted to £168,450. When I addressed you last year the directors had under consideration the desirability of revising the scale of fares in such a way as to offset this loss to some extent, but it was not until the last week of January this year that it was practicable to carry this intention into effect. The result was immediately apparent, and although we carried somewhat fewer passengers, we obtained a higher average per passenger and a very appreciable increase in effective receipts, which is reflected in an improvement in the operating profit for each month since the change took place.

EXTENSION OF SYSTEM.

The long-drawn-out negotiations with the municipal council for a concession to extend the electric system under railless traction have only recently reached finality. The development to be undertaken is of great importance, inasmuch as it provides for the opening, during the next three years, of about 15 miles of new traffic routes, which have been selected in such a way that they will be co-ordinated with the tramway system, and our route mileage will thereby be nearly doubled. By a rearrangement of overhead wires it will be possible to run trams and trolley buses over the same routes, which will permit of the necessary frequency of service in the denser traffic areas. Arrangements for the equipment of the extensions are well forward. A satisfactory feature of the railless concession is that our capital expenditure under it will be in respect of our own property. We shall have nothing to pay for the reconstruction of the roads, which is undertaken by the council and is already well advanced. By way of recouping the council for its capital outlay and the cost of maintaining the roads, we are to pay two cents for every car mile run by the trolley buses, in addition to the 5 per cent. royalty on gross receipts. It is noteworthy that, whereas the undertaking as it now stands has cost well over half a million sterling, the route mileage will be nearly doubled by the expenditure of about half that sum. Minor extensions of the tramway system, mainly in the form of doubling of track, are being taken in hand concurrently with development under railless traction.

NEW ISSUE OF SHARES.

In order to provide for the important extensions now in contemplation further money will be required, and it is proposed to make an issue of 100,000 new shares. The price of issue is to be £2 per share, and shareholders will be entitled to take up one new share (neglecting fractions) for every four shares now held. The new shares will not rank for dividend in respect of the current year, but interest (less income-tax) will be paid on January 1, 1925, at the rate of 6 per cent. per annum on the full £2 per share, from the date of payment to December 31st next. The new shares will rank *pari passu* with the shares now issued as regards all

distribution in respect of the year 1923 and subsequently. Current results justify the belief that profits will permit of the maintenance of the present rate of dividend on the increased capital.

A matter which has required a great deal of patience and persistent effort is that of the reorganisation of Singapore Electric Tramways, Limited, but progress, if slow, has been continuous, and a power station and tramway which were on the verge of becoming derelict are now earning a profit. The present stage of our company's history is of considerable importance, in view of the rearrangement of fares in Shanghai and pending developments in that city and in Singapore, and I think we are justified in regarding the future with confidence.

The report and accounts were unanimously adopted.

A resolution was also passed increasing the capital to £500,000 by the creation of 100,000 new shares of £1 each.

CAWNPORE ELECTRIC SUPPLY CORPORATION, LIMITED.

GREATLY IMPROVED RESULTS.

The annual general meeting of the shareholders of the Cawnpore Electric Supply Corporation, Limited, was held, on the 28th instant, at Winchester House, London, Mr John G. B. Stone, chairman of the company, presiding.

The representative of the secretaries (Messrs Kilburn Brown and Co.) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: The accounts show marked improvement on those for the previous year. The accounts for 1922 showed a surplus on the year's working of £21,647. This figure in the 1923 accounts stands at £46,319. During the year no fresh capital was issued, but we had to bear full interest charges, raising this item from £5,543 to £13,712. Out of the year's profits your directors decided to transfer certain sums to depreciation and renewals reserve and to general reserve, and to write £710 off the investment account and £1,031 off the new share issue expenses. This will round off the reserve for depreciation and renewals at a figure of £40,000 and the general reserve to £11,500.

After dealing with the above amounts and providing for the preference share dividend and the interim ordinary dividend, there remains £13,817, out of which the Board proposes a final dividend of 7 per cent., which, with the directors' commission, will absorb £11,650, leaving £2,187 to be carried forward to this year. We have transferred from our reserves the sum of £13,500 in order to meet taxation, thereby reducing the total to £51,500. Our auditors have now finally agreed with the income-tax authorities the amount of the tax due on the past three years. We have, therefore, made provision for this payment, and in future we should only have to meet the taxation in each year.

The output of units increased from 7,336,374 in 1922 to 11,808,293 in 1923, and the revenue has risen from £21,647 to £46,319. These figures, you will agree, are satisfactory. The demand for current in Cawnpore continues to expand, and has necessitated further capital expenditure. To meet it the capital of the company has been increased, and the issued ordinary share capital has been brought up to £160,000 by the issue of the small balance of 1,493 shares, and the balance of 78,507 7 per cent. preference shares has also been issued. The preference shares have been made cumulative in respect of dividends by special resolution passed on April 4, 1924. Applications for supply continue to come in freely in our present area, and we are applying for a licence for an extended area in which we anticipate a large addition to the connections already made to the mains. We are advised from Cawnpore that the first of the two new 6,000-kw. sets will come into operation in July or August, and the second very shortly afterwards.

Mr K. A. Scott-Moncrieff seconded the resolution, which was carried unanimously.

VICKERS, LIMITED.

REVIEW OF COMPANY'S INTERESTS—BRIGHTER PROSPECTS.

The fifty-seventh annual general meeting of Vickers, Limited, was held, on the 29th instant, at River Don Works, Sheffield, Mr Douglas Vickers, chairman of the company, presiding.

The Chairman, in the course of his speech, said: Every shareholder is aware that before the war armaments formed a very large proportion of the company's trade. Our works were designed for the production of armaments on a very large scale, and we could claim to have been among the most successful armament makers, not only in this country but in the world. During the war our productive powers were substantially increased, and after the war we were faced with the problem of converting not only the new construction, but many of the old to other purposes. The Washington Conference added to the difficulties of the situation. The task of adaptation of the war workshops to peace purposes and of forming an organisation for new trades, would have been a

most difficult one under any circumstances, but it has been aggravated by depreciated exchanges and the hopeless financial conditions in countries which formerly used to buy engineering products from us.

PROFIT AND LOSS ACCOUNT.

The profit and loss account shows an amount of £98,000 in excess of what is required for the preference dividends, and, as the directors consider it wiser not to declare any dividend on the ordinary shares, that sum has been added to the carry forward from the previous year, leaving a sum of £802,634 at credit of the account. We regret to have had to come to this conclusion, especially as many shareholders, seeing the large amount of Government and marketable securities and the cash at the Bank, must think that a dividend might have been paid at the expense of the carry-forward. The directors are, however, confident that their course is the correct one in the interests of the company, and they are confirmed in this by the approval of their financial friends and advisers. In common with all large engineering and shipbuilding firms in the country, we suffered from the want of orders to keep our plant fully employed, and as it is never possible to reduce the staff and general expenses in proportion, the small works' profits made were largely counterbalanced by unabsorbed charges. At Barrow the position was aggravated by the trouble with the boilermakers. In the Sheffield works the motor-car steel, spring, and file departments were all tolerably well employed, but at low prices; the forge departments and armour-plate and gun works were short of work.

At Erith a small but gratifying profit was made, and the results of our aviation factory at Weybridge were good. It has not yet been found possible to find work that suits the Crayford factory and the labour there, and little was done, with somewhat unsatisfactory results.

As to the company's interests coming under the heading of subsidiary and connected companies, the Metropolitan Carriage, Wagon, and Finance Company—by far the largest of these interests—had better results, in spite of adverse conditions, than in 1922, enabling them to pay their preference charges and a substantial dividend on the ordinary shares. Prices were very much cut, but the increase in the volume of work which they were fortunate enough to secure enabled them to reduce their charges. The associated paint works, Docker Brothers, did very well.

The Metropolitan-Vickers Electrical Company were faced with intense competition at home and difficulty in obtaining orders abroad; they paid a reduced dividend—8 per cent.—in consequence. Glovers, our cable works, made good profits.

McKENNA DUTIES.

Reference is made in the report to the probable effect of the suspension of the McKenna duties on the section of these works that make forgings, stampings, and springs, &c., for motor-car makers. Different makes may be affected in different degrees, but the aggregate effect must be a reduction in output equivalent to the number of cars imported, for the English market can only absorb a certain number yearly. This cannot fail to react on us unless we succeed in obtaining a larger share of the trade at some other makers' expense. The Government's decision is doubly unfortunate at a time when the figure of unemployment still stands so high, and when our outside markets are being gradually restricted by protective duties imposed by other Governments and by some of our Colonies and India, with the deliberate intention of encouraging their home manufacture of goods that we used to send from here. The removal of the duties is intended to be in the interest of the purchaser who is supposed to pay them. It would be of

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - Fmk. 257,000,000

Deposits and Cheque Accounts
(Dec. 31, 1923) over - Fmk. 1,600,000,000

132 BRANCHES AT ALL IMPORTANT BUSINESS
CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

interest to ascertain what benefit eventually accrues to him. We draw the conclusion from our experience that the Government will lose the duty remitted, the profits of the foreign maker will be increased, but that the reduction of price to the purchaser will be small.

In spite of the rather gloomy prospect for the trade in motor-car steel, things look rather brighter now. Our aviation works are very busy, our shipbuilding works better employed than for some time past, though at low prices. We have a few armament orders, and if in general engineering we have found by unpleasant experience that there are some things to which we cannot adapt our works, we have found several other trades that promise well for the future. Our wagon and electrical interests are also in a better position than last year.

To sum up the situation, our armament business is still substantial, though far from what it was before the great war, and we have some compensations in new engineering industries and in the carriage and wagon and electrical interests which we have acquired in the last few years. Better trading conditions alone are necessary for a return to prosperity.

The report and accounts were adopted.

GOVERNMENT RETURNS, &c.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Bank of England.
1923.								
Mar. 23.....	300,351	14,255	5,000	25,500	19,450	16.8	361,479	177
June 28.....	295,374	13,338	6,000	25,500	19,650	16.8	354,312	180
Sept. 27.....	289,127	12,548	7,000	27,000	21,150	16.6	346,456	169
Dec. 27.....	301,337	13,872	7,000	27,000	21,150	15.9	358,922	137
1924.								
Mar. 28.....	285,616	12,318	7,000	27,000	22,450	17.3	341,294	190
June 27.....	286,503	12,516	7,000	27,000	22,450	17.3	342,446	183
Sept. 27.....	282,784	12,401	7,000	27,000	22,450	17.6	338,596	140
Dec. 26.....	289,070	12,571	7,000	27,000	22,450	16.6	355,032	159
1924.								
Mar. 28.....	281,538	11,928	7,000	27,000	22,450	17.6	336,867	130
April 30.....	290,116	12,439	7,000	27,000	22,450	17.1	345,956	149
May 21.....	286,400	12,394	7,000	27,000	22,450	17.3	342,184	90
May 28.....	286,075	12,169	7,000	27,000	22,450	17.3	341,643	151

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £350,000,000, for 1921 at £317,556,200, for 1922 at £308,988,400, for 1923 at £270,165,900, and for 1924 at £248,190,900.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from	Receipts.	Week Ended	Week Ended
	Apr. 1, 1924, to May 24, 1924.	Apr. 1, 1923, to May 24, 1923.	May 24, 1924.	May 26, 1923.
Balance in Exchequer on 1st April—				
Bank of England.....	5,069,613	5,442,665	..	..
Bank of Ireland.....	1,561,001	1,375,502	..	..
Bank of Scotland.....	6,631,614	6,818,167	..	..
REVENUE.				
Customs.....	15,476,000	20,210,000	3,229,000	2,599,000
Excise.....	20,277,000	24,038,000	2,267,000	365,000
Motor Vehicle Duties.....	1,929,000	1,679,000	..	..
Stamps, &c., Duties.....	10,322,000	8,330,000	1,920,000	1,090,000
Land Tax, House Duty & Mineral Rights Duty.....	1,860,000	2,760,000	280,000	650,000
Property & Income Tax.....	440,000	370,000	20,000	20,000
Super-Tax.....	36,323,000	34,674,000	481,000	1,471,000
Excess Profits Duties, &c.....	12,740,000	10,490,000	1,010,000	820,000
Corporation Profits Tax.....	2,680,000	3,690,000	310,000	550,000
Post Office.....	7,650,000	7,450,000	750,000	750,000
Crown Lands.....	200,000	190,000	80,000	90,000
Interest on Sundry Loans.....	2,575,967	2,390,496	62,122	28,219
Miscellaneous.....	2,056,092	2,689,318	260,488	494
Ordinary Receipts.....	9,307,047	9,611,369	1,010,106	1,026,656
Special Receipts.....	123,834,106	128,562,182	11,678,715	10,050,369
Revenue.....	130,465,720	135,380,349	..	..
OTHER RECEIPTS.				
Temporary Advances Repaid—				
Under the Unemployment Insurance Act, 1921.....	1,740,000	1,060,000	180,000	100,000
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1922.....	..	..	..	..
(b) Under the Unemployment Insurance Act, 1921.....	..	..	..	..
(c) For other issues: By Treasury Bills.....	342,386,000	369,352,000	39,812,000	37,108,000
By National Savings Certificates.....	4,350,000	7,600,000	600,000	700,000
By 4% Treasury Bonds, 1931-35.....	8,450,784	24,400,986	1,136,350	..
(d) Ways and Means Advances Repaid—				
In respect of issues under Land Settlement (Facilities) Act, 1919 and 1921.....	448,000	36,050	..	..
Total.....	570,040,538	603,739,394	53,408,265	51,908,369

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from	Issues.	Week Ended	Week Ended
	Apr. 1, 1924, to May 24, 1924.	Apr. 1, 1923, to May 24, 1923.	May 24, 1924.	May 26, 1923.
EXPENDITURE.				
National Debt Services—				
Interest, &c.....	45,596,399	53,867,663	549,348	657,187
Sinking Fund.....	4,343,221	1,199,000	..	..
Road Fund.....	1,328,044	1,078,044	..	..
Payments to Local Taxation Accounts, &c.....	..	..	..	..
Payments to Northern Ireland Exchequer.....	527,536	552,563	380,425	380,741
Land Settlement.....	119,600	64,794	13,502	..
Other Consolidated Fund Services.....	253,140	254,317	..	..
Supply Services.....	52,256,000	50,776,000	6,750,000	4,677,000
Expenditure.....	104,424,240	106,583,381	8,892,275	5,714,928
OTHER ISSUES.				
Temporary Advances—				
Interest Exchequer Bonds under the Capital Expenditure (Money) Act, 1924.....	36,891	36,891	..	..
Under the Unemployment Insurance Act, 1921.....	..	30,000	..	..
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1922.....	900,000	600,000	..	..
Unemployment Insurance Act, 1921—				
Repayment of amounts borrowed.....	1,050,000	750,000	..	..
Redemption of Debt—				
Treasury Bills.....	365,380,000	393,650,000	28,625,000	35,385,000
Principal of National Savings Certificates.....	5,000,000	6,200,000	600,000	600,000
Principal of National War Bonds paid off.....	..	16,604,989	..	..
Other Debt under the War Loan Act, 1914 to 1915.....	50	15	..	..
Ways and Means Advances Repaid.....	89,900,000	75,517,000	15,500,000	9,650,000
Balance in Exchequer—				
Bank of England.....	566,691,181	599,972,276	53,617,275	51,348,928
Bank of Ireland.....	2,068,325	2,129,938	63,216	53,192
Bank of Scotland.....	1,281,022	1,627,180	272,426	194,741
Total.....	3,349,347	3,757,118	209,210	141,559

Treasury, May 26, 1924.

NATIONAL DEBT.—(Million £.)

	1. Aug. 1914.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Dec. 31, 1923.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	Mar. 31, 1924.	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BANK OF SWEDEN.—In kronor (000's omitted).

Assets.	May 24, 1924.	May 17, 1924.	May 10, 1924.	May 3, 1924.	May 26, 1924.	May 19, 1924.
Gold.....	247,561	247,591	247,630	247,680	247,754	247,818
Balance abroad and foreign bills.....	20,869	19,155	25,881	27,853	36,778	112,172
Swedish and foreign Gov. securities.....	62,290	70,596	75,677	75,899	148,124	32,465
Discounts and loans.....	470,293	463,750	444,975	457,427	334,091	112,668
LIABILITIES.						
Notes in circulation.....	472,077	485,955	495,391	519,918	501,268	226,555
Deposits at notice.....	220,587	208,973	207,204	214,035	238,158	369,660

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

Assets.	May 15, 1924.	May 8, 1924.	Apr. 30, 1924.	May 15, 1924.	Position May 30, 1924.
Gold.....	42,844	42,844	42,844	42,704	35,091
Balance abroad and foreign bills.....	622,412	646,629	655,927	782,311	90,379
Finland and Foreign Government securities.....	500,497	500,497	500,497	573,188	11,826
Discounts and loans.....	828,327	807,552	766,361	705,006	106,151
LIABILITIES.					
Notes in circulation.....	1,324,372	1,350,102	1,384,528	1,438,702	123,941
Deposits at notice.....	424,568	441,182	384,841	436,033	31,226

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

Assets.	May 21, 1924.	May 14, 1924.	Apr. 23, 1924.	Nov. 21, 1923.	Nov. 24, 1923.
Total cash.....	13,758	14,269	12,074	13,750	3,085
Of which held abroad.....	20,866	20,835	20,684	15,792	12,195
Foreign banks.....	51,368	51,337	60,302	57,761	24,466
Discounts and loans.....	61,247	59,652	55,963	33,771	9,551
LIABILITIES.					
Notes in circulation.....	25,300	25,200	25,000	23,000	4,005
Capital paid up.....	10,260	10,260	10,214	10,214	8,000
Government deposits.....	68,437	66,833	62,157	40,919	16,697
Other deposits.....	38,963	39,029	36,188	42,035	16,995

BANK OF LITHUANIA.—In lt. (000's omitted).

Assets.	May 15, 1924.	Apr. 30, 1924.	May 15, 1924.	May 15, 1923.	May 15, 1923.
Gold.....	24,284	24,210	24,171	24,134	20,659
Silver.....	67	64	62	59	40
Dollar & sterling, &c.....	60,925	60,010	59,834	56,747	58,593
Discount and credit.....	29,961	27,364	27,458	25,488	23,884
LIABILITIES.					
Notes in circulation.....	12,000	12,000	12,000	12,000	12,000
Banknotes in circulation.....	72,388	71,684	73,994	71,247	70,391
Deposits.....	40,299	36,965	34,254	32,660	29,644

BANK OF POLAND.—In Zloty (000's omitted).

Assets.	May 15, 1924.	May 7, 1924.	Apr. 30, 1924.	Apr. 22, 1924.	Apr. 15, 1924.
Gold.....	70,734	70,734	70,734	70,734	70,734
Foreign coin and balances with foreign banks.....	207,169	207,169	207,169	207,169	207,169
Private loans and discounts.....	119,114	119,114	119,114	119,114	119,114
LIABILITIES.					
Notes in circulation.....	111,117	111,117	111,117	111,117	111,117
Deposits.....	230,028	230,028	230,028	230,028	230,028

BANK OF CZECHO-SLOVAKIA.—In Cz. K. (000's omitted).

Assets.	May 15, 1924.	May 7, 1924.	Apr. 30, 1924.	Apr. 22, 1924.	Apr. 15, 1924.
Gold.....	10,096,973	10,096,973	10,096,973	10,096,973	10,096,973
Office.....	1,918,156	2,058,848	1,892,245	1,781,156	1,791,751
Discounts & advances.....	1,044,892	1,044,566	1,044,883	1,044,173	1,043,441
Foreign bills and balances abroad.....	655,859	646,091	625,771	634,689	615,596
Other assets.....	282,474	246,040	406,684	278,722	294,459
LIABILITIES.					
Notes in circulation.....	7,750,299	7,962,149	8,198,653	7,654,511	7,812,067
Deposits.....	4,809,091	4,698,941	4,448,443	4,721,688	4,602,837
Other liabilities.....	1,439,661	1,432,128	1,419,480	1,463,514	1,477,315

* Resulting from banknotes, current accounts, Exchange Bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

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

Assets.	May 15, 1924.	May 7, 1924.	Apr. 30, 1924.	Apr. 22, 1924.	Apr. 15, 1924.
Gold.....	107,254,639	107,183,434	106,928,434	106,928,434	106,928,434
Foreign bills.....	3,608,243,891	3,672,243,896	3,708,028,233	3,708,028,233	3,708,028,233
Bills discounted.....	2,234,698,612	2,124,816,151	1,876,405,837	1,876,405,837	1,876,405,837
Treasury bills.....	2,293,515,319	2,293,515,319	2,293,515,319	2,293,515,319	2,293,515,319
LIABILITIES.					
Reserve fund.....	4,872,011	4,872,011	4,872,011	4,872,011	4,872,011
Notes in circulation.....	7,032,386,697	7,145,069,569	6,868,377,945	6,868,377,945	6,868,377,945
Deposits.....	1,026,478,811	878,196,600	1,128,851,830	293,838,832	293,838,832

NATIONAL BANK OF THE SERBS, &c.—In dinars (000's omitted).

Assets.	May 24, 1924.	May 15, 1924.	May 8, 1924.	Apr. 30, 1924.	May 24, 1923.
Gold.....	72,274	72,373	72,342	72,341	63,005
Other coin and notes.....	20,694	19,597	20,458	19,524	11,192
Foreign credits.....	346,340	349,526	360,663	350,237	269,780
Bills.....	1,190,394	1,190,163	1,198,388	1,198,989	1,360,132
Govt. advances.....	4,560,156	4,561,627	4,561,623	4,561,623	4,491,675
LIABILITIES.					
Notes in circulation.....	5,479,398	5,541,495	5,571,065	5,579,980	5,446,964
State credits.....	387,940	389,410	389,407	389,406	298,114
Deposits.....	555,554	496,049	527,023	526,973	754,933

NATIONAL BANK OF ROMANIA.—In lei (000's omitted).

Assets.	May 10, 1924.	May 3, 1924.	Apr. 26, 1924.	Dec. 22, 1923.	May 12, 1923.
Gold.....	560,926	560,926	560,926	565,408	546,273
Silver.....	4,271	4,344	4,207	537	775
Government loan.....	11,479,760	11,478,494	11,466,423	11,920,992	12,585,130
Other advances.....	6,897,992	6,993,034	6,981,660	6,826,037	6,037,482
LIABILITIES.					
Notes in circulation.....	17,650,063	17,659,005	17,716,837	17,941,001	18,845,426
Deposits.....	6,761,713	6,761,860	6,777,640	6,802,059	7,077,360

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

Assets.	April 14, 1924.	Mar. 31, 1924.	Mar. 14, 1924.	Feb. 29, 1924.	April 14, 1923.
Gold and balances abroad.....	2,087,855	2,072,265	1,938,755	1,938,642	1,454,408
Government loans and securities.....	4,144,216	4,041,473	4,098,832	4,162,003	4,047,164
Discounts and loans.....	1,897,877	1,837,588	1,812,008	1,828,980	1,379,888
LIABILITIES.					
Notes in circulation.....	4,679,778	4,700,538	4,636,468	4,512,716	3,800,475
State deposits.....	415,651	347,264	271,799	265,703	260,384
Private deposits.....	1,047,234	1,019,260	1,046,838	1,046,838	1,178,242
Reserve fund.....	1,046,838	1,046,838	1,046,838	1,046,838	1,046,838

NATIONAL BANK OF BULGARIA.—In leva (000's omitted).

Assets.	April 7, 1924.	Feb. 22, 1924.	Dec. 30, 1923.	Dec. 7, 1923.
Monetary reserves.....	97,332	69,804	70,992	72,840
Notes on foreign banks.....	786	1,150	1,254	774
Foreign bills.....	79,711	66,152	70,776	54,990
Credits with foreign correspondents.....	611,142	1,218,777	852,652	265,597
Note circulation.....	4,917,071	4,426,771	4,138,984	3,953,775
Loans to the State.....	3,509,051	3,916,196	3,846,716	4,050,075

BANK OF SPAIN.—In pesetas (000's omitted).

Assets.	May 24, 1924.	May 17, 1924.	May 10, 1924.	May 3, 1924.	May 26, 1924.	Position May 30, 1924.
Gold.....	2,532,690	2,532,690	2,531,606	2,530,534	2,529,719	591,776
Silver.....	661,044	656,271	655,394	657,892	664,420	788,600
Loans & discounts.....	2,267,686	2,317,986	2,371,042	2,372,135	2,097,659	800,795
Spanish 4% stock.....	344,475	344,475	344,475	344,475	344,475	344,475
Treasury bills.....	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation.....	4,338,693	4,368,960	4,389,189	4,361,514	4,103,339	901,650
Deposits.....	925,588	942,533	943,833	935,910	1,031,490	477,500

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

Assets.	April 4, 1924.	Mar. 26, 1924.	Mar. 19, 1924.	April 4, 1923.
Coin and bullion.....	13,260	13,274	13,190	26,989
Of which gold.....	8,577	8,577	8,577	8,577
Balance abroad.....	44,666	50,325	49,896	39,353
Discounts.....	175,331	176,733	167,420	201,199
Government loans.....	1,359,622	1,366,848	1,364,074	905,990
LIABILITIES.				
Notes in circulation.....	1,515,880	1,507,517	1,491,184	1,481,868
Deposits.....	46,007	55,724	57,429	49,392

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

Assets.	Apr. 30, 1924.	Apr. 20, 1924.	Apr. 10, 1924.	Mar. 31, 1924.	Apr. 30, 1923.
Total cash.....	1,604,316	1,579,050	1,546,024	1,411,895	1,231,875
Inland bills.....	3,125,352	3,071,516	3,110,905	3,144,357	4,718,915
Foreign bills.....	15,838	15,881	15,779	15,761	13,341
Treasury.....	5,701,209	5,746,600	5,746,669	5,746,705	6,068,454
Other advances.....	2,082,982	1,867,640	2,021,093	2,428,751	1,926,884
Securities.....	372,800	374,557	375,212	374,507	406,379
LIABILITIES.					
Note circulation.....	12,636,130	12,515,763	12,678,106	12,583,120	11,611,435
Deposits & drafts.....	1,908,147	2,032,285	1,874,726	1,889,119	1,649,070

NATIONAL BANK OF EGYPT.—In £m (000's omitted).

Assets.	Mar. 31, 1924.	Feb. 29, 1924.	Jan. 31, 1924.	Mar. 31, 1923.	May 31, 1924.
Gold.....	3,364	3,360	3,367	3,363	1,571
Government securities.....	51,196	48,839	46,647	39,682	2,084
LIABILITIES.					
Notes in circulation.....	31,847	32,714	33,229	29,688	2,400
Government deposits.....	14,639	14,101	13,779	9,968	2,315
Other deposits.....	14,389	14,522	13,892	11,444	2,260

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

LONDON RATES.

	May 21, 1924.	May 14, 1924.	May 7, 1924.	May 31, 1923.	May 30, 1923.
Bank rate (changed from 3% July 5, 1923).....	4%	4%	4%	4%	4%
Market rates of discount—					
60 days' bankers' drafts.....	3 3/4%	3 3/4%	3 3/4%	3 3/4%	3 3/4%
3 months' do.....	3 3/4%	3 3/4%	3 3/4%	3 3/4%	3 3/4%
4 months' do.....	3 3/4%	3 3/4%	3 3/4%	3 3/4%	3 3/4%
6 months' do.....	3 3/4%	3 3/4%	3 3/4%	3 3/4%	3 3/4%
Discount (Treasury Bills)—					
3 months.....	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%
Loans—Day to day.....	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%
Short.....	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%
Calculation allowances—Banks.....	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%
Discount houses at call.....	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%
At notice.....	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%

† Additional to those offered by tender in the preceding week.

Comparison with previous weeks:—

	Short Loans.	Bank Bills.	Trade Bills.
	3 Months.	4 Months.	6 Months.
1924.			
May 21.....	3 3/4%	3 3/4%	3 3/4%</

York from London. We append figures relating to Indian trade (on private account) for April, 1924:—

	(In Lacs of Rupees.)		Net	
	Exports.	Imports.	Exports.	Imports.
Merchandise	3,069 ..	2,027 ..	1,042 ..	..
Gold	..	302 ..	..	302 ..
Silver	5 ..	257 ..	..	252 ..
Total net exports	488			

SILVER.

The tendency of the market has been easier, owing chiefly to the position in China, where exports are still languishing, and a certain amount of speculative exchange business takes place, in connection with which sales of silver have been made in this market. Purchases have been made occasionally on Continental account, and also on behalf of India. As a set-off against the former, a further large consignment of Continental silver has been received in London. The undertone is unchanged, for the fresh bear sales on account of China that have taken place represent so much more to be covered at a later date, when, quite possibly, competition may be keener than it is at the moment. Business with America has been fitful.

INDIAN CURRENCY RETURNS.

	May 7.	May 15.	May 22.
Notes in circulation	18,061 ..	18,023 ..	17,814 ..
Silver coin and bullion in India ..	7,676 ..	7,639 ..	7,629 ..
Silver coin and bullion out of India ..	2,232 ..	2,232 ..	2,232 ..
Gold coin and bullion in India ..	5,753 ..	5,753 ..	5,753 ..
Gold coin and bullion out of India ..	1,400 ..	1,399 ..	1,400 ..
Securities (Indian Government) ..	1,400 ..	1,399 ..	1,400 ..
Securities (British Government) ..	1,000 ..	1,000 ..	800 ..

The silver coinage during the week ending 22nd instant amounted to 1 lac of rupees. The stock in Shanghai on the 24th instant consisted of about 37,600,000 ounces in sycee, 42,500,000 dollars, and 4,530 silver bars, as compared with about 36,800,000 ounces in sycee, 45,500,000 dollars, and 3,750 silver bars on the 17th instant.

GOLD AND SILVER PRICES.

1924.	Gold Per Ounce.	Silver—Per Ounce.		Date.	Silver.
		Cash.	Forward.		Cash.
May 24....	95 1	34 1/8	34 1/8	June 7, 1918..	48 1/2
26....	94 11	34 1/8	34 1/8	6, 1919..	53 1/2
27....	95 0	34 1/8	34 1/8	4, 1920..	56 1/2
28....	95 2	34 1/8	34 1/8	3, 1921..	33 1/2
29....	95 4	34 1/8	34 1/8	2, 1922..	36 1/2
30....	95 9	35	34 1/8	1, 1923..	31 1/2

NOTICES.

It is announced that Sir Arthur Balfour, K.B.E., ex-president of the Associated Chambers of Commerce, has been elected to a seat on the board of the National Provincial Bank, Limited.

The court of directors of the Bank of Australasia has elected Mr Kenneth Goschen to a seat on the board.

Mr Charles S. Hambro has been elected a director of Hambros Bank, and has been appointed secretary, vice Mr J. H. Roscoe, who has retired as from June 1, 1924.

The Midland Bank announces the opening of new branches in Imperial buildings, 15 Oxford road, Manchester, and in Swan street, Wilmslow, Cheshire, under the management of Mr G. H. Eckersley and Mr S. Rhodes respectively.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

comparing figures for the week ended May 25, 1924, it should be noted that it was Whit-Monday week in 1923.

(b) Week ended May 23, 1924.	Miles Open.	Week ended May 25, 1924.			Aggregate 21 Weeks, 1924.		
		Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Re- ceipts.
Great Western.....	3,754	225,000	365,000	590,000	4,489,000	7,164,000	11,653,000
Do for 1923.....	3,679	284,000	257,000	541,000	4,899,000	7,635,000	12,534,000
London & North-Eastern ..	6,703	397,000	697,000	1,094,000	7,627,000	14,540,000	22,169,000
Do same period 1923 ..	6,701	461,000	627,000	1,088,000	8,113,000	15,965,000	24,078,000
London, Mid., & Scottish ..	6,942	583,000	877,000	1,460,000	10,986,000	18,512,000	29,498,000
Do for 1923.....	6,940	675,000	684,000	1,359,000	11,850,000	19,780,000	31,630,000
Do for 1923.....	2,146	297,800	119,100	416,900	5,822,700	3,584,600	9,407,300
Metropolitan (c).....	79	40,014	4,591	44,605	726,265	79,743	806,008
Do for 1923.....	73	33,750	3,600	37,350	671,698	81,372	753,070
Underground E.R. (c) ..	..	..	..	249,502	..	..	4,522,850
Do for 1923.....	..	..	..	3,524	..	..	28,814
London & Sub. Group (c) ..	..	..	..	40,431	..	..	728,792
Do for 1923.....	..	..	..	6,484	..	..	81,157
Belfast & Co. Down (c) ..	30	4,260	1,308	5,568	82,554	27,536	110,090
Dublin & B. East (c) ..	180	5,064	3,130	8,194	109,104	78,589	187,693
Gal. & N. Western (c) ..	688	15,460	20,700	36,160	351,500	430,350	781,850
Midland Gt. West. (c) ..	1,112	21,349	28,228	49,577	438,628	683,032	1,121,660
Midland Gt. West. (c) ..	8,514	24,588	33,508	58,096	173,133	297,949	471,082

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -
INDIAN.							
Assam Bengal	4 weeks	Apl. 26	1,072	Rs. 2,34,000 +	Rs. 5,940	Rs. 8,51,000 +	Rs. 10,056
Barsi L. Ry.	5 weeks	May 3	118	40,700 +	11,000	2,28,100 +	45,000
Bengal & N. Western ..	4 weeks	Apl. 26	2,062	7,20,000 +	25,970	26,53,600 +	1,20,546
Bombay Nagpur	3 weeks	Apr. 19	2,738	17,22,000 +	200,000	61,39,000 +	3,37,996
Bombay, Bar., & G.I. Burma.	8 weeks	May 24	24	24,96,000 +	1,80,000	1,99,59,000 +	8,73,000
Delhi, Umballa & Kalka ..	4 weeks	Apl. 26	1,342	9,80,621 +	50,336	30,83,244 +	44,499
East Indian	7 weeks	May 17	239	1,19,000 +	20,259	6,98,858 +	45,611
G. Indian Peninsula ..	7 weeks	May 17	2,873	36,49,000 +	3,25,000	2,37,51,000 +	6,13,000
Madras & S. Mahr ..	4 weeks	Apl. 26	3,029	17,00,000 +	55,700	2,12,12,000 +	10,13,791
Rohilk'd & Kumaon ..	4 weeks	Apr. 26	259	65,402 +	670	2,38,842 +	309
Do Lucknow-Brelilly ..	4 weeks	Apr. 26	314	82,164 +	1,964	3,21,702 +	27,186
South Indian	5 weeks	May 31	1,877	10,69,999 +	53,566	46,43,141 +	1,58,597

ARGENTINE (a).

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -
Argentine N.E.	47 weeks	May 24	754	15,500 +	1,900	568,800 +	61,200
Argentine Trans.	45 weeks	May 10	10	3,804 +	1,154	173,320 +	21,610
B. A. and Pacific	47 weeks	May 24	3,324	198,000 +	31,000	8,158,000 +	268,000
B. A. Gt. Southern	47 weeks	May 24	3,948	226,000 +	49,000	9,702,000 +	946,000
B. A. Western	47 weeks	May 24	1,882	116,000 +	28,000	1,635,000 +	146,000
Central Argentine	47 weeks	May 24	3,305	228,000 +	13,000	10,158,000 +	624,000
Cordoba Central	47 weeks	May 24	1,205	62,000 +	2,000	2,764,300 +	36,500
Entre Rios	47 weeks	May 24	729	26,600 +	9,800	1,079,200 +	143,400

CANADIAN.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -
Canadian National	20 weeks	May 21	22,680	4,323,726 +	726,996	88,657,937 +	252,704
Canadian Pacific	20 weeks	May 21	13,657	3,008,000 +	132,000	63,965,000 +	3,133,000

BRAZILIAN (b).

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -
Gt. West. of Brazil	21 weeks	May 24	1,011	7,000 +	100	204,900 +	30,000
Leopoldina	21 weeks	May 24	1,831	30,220 +	10,626	535,974 +	74,779
San Paulo	21 weeks	May 24	1,534	33,375 +	16,716	879,352 +	327,338

CHILEAN.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -
Antofagasta	21 weeks	May 25	838	29,435 +	2,550	788,250 +	63,210
Nitrato (4-monthly)	19 weeks	May 15	366	37,408 +	10,209	361,406 +	53,737

CUBAN.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -
Havana Central	46 weeks	May 17	1,249	12,616 +	1,563	603,532 +	84,622
United of Havana	47 weeks	May 24	1,249	85,026 +	22,319	4,081,018 +	652,070

URUGUAYAN.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -
Central Uruguay	47 weeks	May 24	273	30,332 +	2,875	1,292,024 +	50,078
C. Urug. (East. Ext.)	47 weeks	May 24	311	6,330 +	2,040	279,241 +	10,314
C. Urug. (West. Ext.)	47 weeks	May 24	281	3,869 +	263	146,650 +	6,269
C. Urug. (North. Ext.)	47 weeks	May 24	211	3,099 +	204	132,067 +	8,385

OTHER OVERSEAS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -
Alcoy and Gandia	21 weeks	May 24	33	20,000 +	4,500	524,500 +	68,700
Egyptian Delta	5 weeks	May 10	575	6,904 +	1,478	27,096 +	1,815
Gt. South. of Spain	20 weeks	May 17	104	1,828,344 +	2,374	1,931,674 +	493,682
Leopoldina	20 weeks	May 17	432	307,900 +	5,300	4,014,500 +	1,870,000
Mexican Railway	18 weeks	May 10	305	2,528 +	78	62,300 +	309
New Cape Central	47 weeks	May 24	274	5,150 +	2,230	174,620 +	79,660
Paraguay Central	47 weeks	May 24	100	3,040 +	991	189,247 +	9,568
Salvador	47 weeks	May 24	274	5,150 +	2,230	174,620 +	79,660

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -
Anglo-Argentine	21 weeks	May 27	329	887,928 +	8,575	1,845,621 +	36,567
Burley Corporation	1 week	May 24	12	83,116 +	344	..	553,859
Calcutta Tramways	21 weeks	May 24	354	1,212,591 +	9,477	..	553,859
Chatham & District	20 weeks	May 24	15	21,437 +	493	68,681 +	4,162
Egyptian Markets	20 weeks	May 24	22	81,876 +	695	49,113 +	3,478
Glasgow Corporation	51 weeks	May 24	106	247,580 +	2,950	2,271,037 +	64,158
Isle of Thanet	13 weeks	May 21	..	8354 +	439	19,935 +	1,816
Liverpool Corporation	8 weeks	May 24	124	224,998 +	3,745	188,189 +	23,832
L.O.C. Tramways	8 weeks	May 28	163	480,217 +	7,757	652,664 +	86,396
Madras Elec. (2 wks)	19 weeks	May 15	..	49,943 +	2,198	4,66,755 +	1,789
Pernambuco Trams	21 weeks	May 25	..	84,233 +	749	97,520 +	18,514

Reports and Notices.

At a meeting of the board of directors of the Royal Insurance Company, Limited, held on the 26th instant, Mr Thomas Woodsend, who has filled the office of chairman of the company since April, 1918, resigned that position, and Mr W. R. Glazebrook, who has been a member of the board since December, 1909, was elected chairman in his stead. Mr H. M. Beauregard was re-elected a deputy-chairman, and Mr A. Allan Paton, C.B., was elected in a similar capacity.

The seventy-seventh annual general meeting of the Institute of Actuaries will take place on Monday next, June 2nd, at 5 p.m., at the hall of the institute, Staple Inn.

To succeed the late Mr Irvine Stirling, the directors of the Employers' Liability Assurance Corporation, Limited, have appointed Mr G. D. Pike and Mr E. A. Morony as joint district managers for the South-East of Scotland branch at Edinburgh. Both of these gentlemen have been in the service of the corporation for many years under the late district manager.

At the annual general meeting of the Insurance Officials' Society, held on May 27th, Mr E. Roger Owen, of the Commercial Union Assurance Company, Limited, was re-elected president.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefce.	Ordinary.				
		£	£	£	Amount.	Amount.	Rate.	£	£	%
Breweries.										
Marston, Thompson, & Evershed	Mar. 31	32,086	76,900	108,986	14,290	53,952	15†	7,500	33,244	67.011
Electric Lighting and Power.										
Madras Electric Supply	Dec. 31	8,038	27,538	35,576	3,192	26,144	8†	..	6,240	21,790
Financial, Land, &c.										
New South Wales Land & Agency	Jan. 31	111	37,011	37,122	..	31,374	6	..	5,748	23,641
Iron, Coal, and Steel.										
Niddrie and Benhar Coal	Mar. 31	9,779	52,853	62,632	..	30,000	15†	27,038	5,594	28,847
Nitrate.										
Alianza Co.	Dec. 31	447,090	183,536	630,626	..	500,000	100	..	130,626	152,759
Angela	Dec. 31	1,005	24,498	25,503	..	17,500	25	3,350	4,653	1,071
Barranchoa	Dec. 31	242	1,162	1,404	..	4,500	10	Dr 3,096	..	..
San Sebastian	Dec. 31	8,055	8,418	16,473	..	5,525	5	5,000	5,948	807
Oil.										
Scottish Oils	Mar. 31	31,466	72,062	103,528	80,380	..	..	23,148	168,761	..
Rubber, &c.										
British Malay	Dec. 31	1,803	14,249	16,052	..	9,750	24	..	6,302	1,821
Henrietta	Dec. 31	Dr 3,117	5,232	2,121	..	2,121	..	..	Dr 4,145	..
Lendu	Mar. 31	2,148	3,376	5,524	..	2,590	3	..	2,934	2,243
London Asiatic	Dec. 31	53,185	33,235	86,420	..	26,089	74	..	60,331	17,582
Malacca Rubber	Dec. 31	11,980	36,901	48,881	(a) 34,500	..	..	..	14,381	Dr 27,201
Mendaris (Sumatra)	Dec. 31	2,997	2,145	5,142	..	..	..	3,690	Dr 3,370	..
Oriental	Dec. 31	1,473	11,712	13,185	..	8,800	4	..	4,385	1,888
Riverside (Selangor)	Dec. 31	1,811	419	2,230	..	..	..	..	2,230	7,852
Scottish Malay	Dec. 31	9,772	Dr 2,571	7,201	..	..	..	..	7,201	4,406
Soengei Ramph (Rubber and Coconut)	Dec. 31	Dr 8,448	5,013	1,565	..	..	..	416	1,149	2,391
Sungei Kapar	Dec. 31	11,077	8,642	19,719	..	7,687	10	1,000	11,032	1,449
Tea.										
Barroora (Sylhet)	Dec. 31	16,320	53,191	69,511	4,750	36,000	30	10,000	18,761	35,353
Borol	Dec. 31	1,230	17,487	18,717	..	7,202	30†	7,000	4,515	..
Chubwa	Nov. 30	16,795	83,847	100,642	3,710	47,700	50	38,000	11,232	56,792
East India and Ceylon	Dec. 31	8,339	40,168	48,507	6,500	30,000	30	4,592	24,655	15
Jokai (Assam)	Dec. 31	47,018	200,847	247,862	6,000	154,180	40	42,500	45,182	216,592
Nedem	Dec. 31	8,556	127,942	136,498	11,166	94,500	35†	9,675	21,157	71,687
Pathini	Dec. 31	16,176	33,328	49,504	1,860	24,800	40	10,000	12,844	27,750
Zaloni	Dec. 31	2,119	10,821	12,940	..	7,000	174	2,000	3,940	6,395
Textiles.										
Anglo-French Textile	Dec. 31	5,370	43,919	49,289	..	33,045	30†	10,000	6,244	69,308
Shalders Textiles	Dec. 31	Dr 78,877	307	Dr 78,570	..	..	..	..	Dr 78,570	Dr 8,136
Tramways.										
Anglo-Argentine Tramways	Dec. 31	12,829	339,809	352,638	359,000	..	..	Dr 20,090	13,638	527,298
Trust.										
Investment Trust Corporation	May 1	132,238	134,401	266,639	48,000	105,400	17	100,000	61,239	157,038
Other Companies.										
Anderson Foundry	Mar. 31	8,138	11,290	19,428	..	13,950	10	..	5,478	18,193
Cope Brothers	Mar. 31	56,197	115,597	171,794	..	43,594	15	71,400	56,800	97,361
Denny, Mott, and Dickson	Mar. 31	15,299	65,315	80,614	12,000	32,000	8†	..	16,614	119,835
Doulton and Co.	Dec. 31	53,335	42,200	95,535	17,500	24,000	6	..	54,035	..
Havana Cigar and Tobacco	Dec. 31	34,144	122,217	156,361	18,900	..	..	10,332	127,129	12,840
Hazell, Watson, and Viney	Mar. 31	17,951	44,177	62,128	4,650	28,228	10†	10,000	19,250	30,545
Holbrooks	Mar. 31	23,900	56,724	80,624	2,712	46,667	234†	7,137	24,108	44,629
Meters	Mar. 31	4,011	24,515	28,526	7,216	13,513	84†	2,000	5,797	21,217
New Inverted Incandescent	Mar. 31	6,667	7,076	13,743	..	5,412	5†	..	8,331	8,024
Wiggins, Teape, and Co.	Dec. 31	17,055	129,565	146,620	49,000	24,577	2	9,200	63,843	136,259
Yorkshire Dyeware and Chemical	Mar. 31	6,273	18,586	24,859	..	17,437	15	..	7,422	38,955

† Tax free.

(a) Including arrears.

able. The company's business in imported crude petroleum, however, was profitable. Towards the close of the year prices of products somewhat improved. The directors regret that they could not advise payment on January 1st last of an interim dividend, but are pleased that the result of the full year's working enables them now to recommend payment of a dividend of three-and-a-half per cent. for the year on the preference shares. The new refinery at Grangemouth has been practically completed, and a commencement was made with the refining of imported petroleum at the end of the financial year. The throughput is being gradually increased, and it is hoped this refinery will be working to its full capacity at an early date.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

A spell of warm, showery weather experienced over the United Kingdom during the past week has stimulated the growth of vegetation, and winter wheat, which was frequently of poor colour, now presents a much better appearance. Spring crops have germinated well, the young plants being regular and healthy. Pastures are in excellent condition, while there is every promise of large yields of hay and clover this season. The market displayed rather quiet features, and after a firm opening, values for most cereals displayed slight irregularity towards the close of the week. Stocks of native wheat are in small compass, conse-

quently available supplies were held for full rates, 11s to 11s 4d being quoted for suitable qualities per 112 lbs free on rail. Imported kinds were in fair request at generally firm rates. No. 1 Northern Manitoba quoted 48s 6d, No. 2 ditto 47s 6d, No. 3 ditto 46s 6d, Barusso 63½ lbs 46s 9d, and Australian 50s, all ex ship per 496 lbs. In the cargo section prices advanced on less favourable weather and crop news from North America, but tendency quieter since owing to freer offerings of Plate descriptions, combined with liberal weekly shipments. Sales included steamers of No. 1 and No. 3 Northern Manitoba early June shipment from Vancouver at 47s 4½d and 45s 4½d respectively, Barusso 63½ lbs June 43s 7½d to 43s 6d, Entre Rios on sample May 29th 42s 7½d, Rosafé 63½ lbs July 44s 6d, Australian afloat 47s 10½d, and loading 48s per 480 lbs. Flour in moderate demand, but prices registered a slight advance for town made in sympathy with the wheat position. London standard straight run quoted 38s 6d, patents 40s 6d to 41s 6d, town households 36s 6d per sack delivered in. Imported quiet. Manitoba patents range from 36s to 37s, and Australian 35s 3d per 280 lbs ex store. Maize cargoes easier on liberal offerings of Plate descriptions. Plate steamer May 21st sold 35s, and yellow Odessa May 10th 36s 9d per 480 lbs. Barley: English quiet at 11s 3d to 12s 6d per 112 lbs free on rail. Imported firm. Californian 48s 6d to 53s, Chilean brewing 43s to 50s per 448 lbs, ex ship. No. 4 Canadian Western ex ship 32s 3d, Karachi ex ship 32s 3d to 32s 6d, ditto landed 33s 3d to 33s 6d as to quality, Plate ex ship 32s 6d, landed 34s 3d to 35s per 400 lbs. Oats steady. Plate f.a.q. ex ship 21s 9d, landed 23s, No. 2 Canadian Western 26s 3d, No. 3 ditto 25s 3d, No. 3 Canadian feed landed 24s, per 320 lbs. English quoted at 9s 6d to 11s per 112 lbs free on rail. Maize quiet. Plate new ex ship to arrive 40s 9d to 38s 9d as to position, ditto landed 42s 9d, Karachi, also Calcutta, landed 42s, No. 2 white flat African 40s 6d landed,

all per 480 lbs. Millers' offals quiet. Broad bran quoted at 7s 9d, ordinary 7s to 7s 3d, middlings 8s 6d to 8s 9d, fine ditto 10s, bags included, ex mill, light 6s 3d, powdered oat husks 7s 3d, feed oats 9s 3d, ground oats 11s 9d, all per cwt, free on rail. Oatmeal steady. London made, flaked 17s, rolled oats 16s 6d, medium and fine cuts 16s 6d, coarse and medium pinhead 16s 6d, ordinary Scottish oatmeal 17s 6d to 18s, American 16s 6d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-24.	1922-23.	1921-22.	1920-21.
Estimated sales of home-grown wheat—				
1 week to May 24	113,841	271,943	205,772	226,834
38 weeks to May 24	12,238,617	15,794,265	15,156,543	14,950,771
Average price of English wheat per cwt.	11 1	11 0	13 4	13 0

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1920 to 1923:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1924.	Cwt.	Cwt.	Cwt.	s d	s d	s d
May 17-24	113,841	16,641	27,202	10 11	11 5	9 9
May 17-24	113,841	5,403	16,936	11 1	11 1	9 10
1920	54,407	13,825	11,633	17 0	25 0	22 7
1921	195,360	25,618	22,292	15 1	12 6	13 8
1922	205,770	18,514	34,788	15 1	11 2	11 10
1923	271,943	42,379	22,969	11 0	8 11	10 4

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated May 29th, is as follows:—Pig-iron: Conditions, particularly abroad, are unfavourable to pig-iron business, and the immediate outlook is not encouraging. There is a fair amount of inquiry, and if only financial conditions on the Continent were to improve there would be good business. Prices are as follows:—No. 3 Cleveland G.M.B. pig-iron, 91s per ton; East Coast hematite mixed numbers, 98s per ton. Manufactured iron and steel: Some steel rolling mills have closed owing to scarcity of orders. Steel ship plates, £10 5s; steel ship angles, £10; iron bars, £12 10s; steel rails, £9. Iron ore: New business is most difficult to arrange. Consumers are indifferent, and will not buy for forward delivery. Best Bilbao ore is still quoted 24s per ton, c.i.f. Tees.

Our Sheffield correspondent writes:—Business in the iron and steel trades is again easier as far as raw and partly manufactured materials are concerned, and no revival of buying is expected until after the end of the half-year. Already consumers are curtailing deliveries of material and fuel in readiness for stocktaking. Owing to the absence of buying, except to cover immediate wants over a period of two months, several large open-hearth furnaces in the district have been shut down, and a further curtailment of output is probable during the next few weeks, as comparatively little tonnage is on makers' books. The greater part of the plant of one of the large Lincolnshire steel works which was closed down a month ago is still idle. The position of soft basic has undergone a considerable change for the worse since the beginning of the year. There is more activity in hard basic and acid steel owing to the considerable consumption of such material in the manufacture of railway tyres, axles, springs, and locomotive forgings. Engineers are consuming more files to-day than at any time last year. The trade in crucible steel is still badly depressed, although a good deal better than for several years past. Overseas trade is moderately good in Sheffield hand tools, but poor in other departments. Foreign competition is much easier than it was, but the buying power of most markets appears to have shrunk in recent months. A large proportion of the business being done in the industry is unremunerative. A good deal of steel is being made at a loss. Nothing favourable can be said of the cutlery and electro-plate branches, as although the output is large, the trade is almost confined to the cheapest classes of goods. The boom in the coal trade has quite come to an end for the present, and the downward tendency which began a month ago progresses. The position of coke has not been so bad for years, as there is little being bought either for home or export, and prices have dropped. Quotations are also being reduced for as much as possible, with the object of holding off the market as the coal owners. Quotations per ton at pits are:—Hand picked branch, 33s; Barnsley best Silken, 28s; Yorkshire hards, 23s 6d; Derbyshire ditto, 21s; Blyths, 22s; Durhams, 25s; nutty slacks, 11s; smalls, 8s upwards.

Our Glasgow correspondent writes as follows:—No marked increase in buying is to be recorded this week. Pig-iron has been rather quieter, with prices only slightly easier. Shipments during last week totalled 241 tons, of which 156 tons were for foreign account. The iron and steel market remains without any decided movement in actual orders, but enquiry both from home and overseas is very heavy, and seems to indicate the beginning of a buying movement, which may or may not materialise into larger proportions, but is certainly encouraging for the present. In addition to the shipbuilding work mentioned last week, a further contract is to be recorded, Messrs. MacLay and McIntyre having

placed an order with Messrs. Alex. Stephen and Sons, Limited, Linthouse, for a steamer having a deadweight carrying capacity of 8,250 tons. Competition from the Continent, which for a time seemed on the point of again making its appearance, is a good way off yet. Belgian prices for semi-raw material are not so attractive as to induce large purchases, considering the uncertainty as to delivery, and some fair orders have been placed by re-rollers with Scotch works. Official prices are unaltered, but export business, to keep mills going, is being accepted at very low figures. Bar iron makers are moderately well employed on local orders, when the quality is of consequence, but re-rollers are securing the bulk of the export business for bars at prices about £2 10s below those quoted for iron bars. Structural engineers are fairly well employed, several orders having been placed locally, including a number for India, within the last week or so. Black steel sheets are in better request, and several good overseas lines have been booked. Japan has shown signs of coming on the market again, but two recent reductions in price seem to have produced a cautious attitude on the part of buyers. Enquiry is improving for galvanised corrugated sheets, but as some large makers are short of orders business can be placed at very low figures.

Our Cardiff correspondent writes:—During the week buyers have found it impossible to obtain Admiralty large coals at less than 27s per ton f.o.b. The quotations for the first-grade Admiralty are from 6d to 1s higher. More cohesion is also apparent in the policy of the colliery salesmen relating to the marketing of the inferior coals. The volume of the export trade is below normal, and the extremely low level of the outward rates of freight has contributed to a scarcity of tonnage for spot positions. The following are the current approximate quotations:—Best Admiralties, 27s 6d to 28s; seconds, 27s to 27s 6d; best dries, 26s 6d to 27s; Black Veins, 26s 6d to 27s; Western Valleys, 26s to 26s 6d; Eastern Valleys, 24s to 25s 6d; best bunker smalls, 17s 6d to 18s; ordinary cargo smalls, 16s 6d to 17s; coking smalls, 18s to 18s 6d; anthracite Big Vein, large, 50s to 52s 6d; machine-made cobbles, 60s to 62s 6d; French nuts, 60s to 62s 6d; stove nuts, 47s 6d to 50s; rubbly culm, 15s 6d to 16s; coke for export, 57s 6d; inland blast furnace coke at ovens, 30s to 35s; patent fuel, 29s to 30s; pitwood, ex ship, 29s to 29s 6d. In the iron and steel trade, tinplate prices are at the minimum, but the outlook has improved, and it is now regarded as unlikely that the minimum prices will be lowered. Exports have improved, but the imports of French and Belgian blooms, billets, and bars have also slightly increased.

METALS.

Tin displayed firmer features, sellers being reserved in face of higher Eastern cables, combined with a fairly active demand. Standard, cash, sold at £207 to £214 5s, and three months £205 to £211 15s. At Thursday's market the tendency of prices ruled in buyers' favour. Standard cash sold at £209 10s, and three months at £208 to £207 to £209 15s. Closing business was again easier. Standard cash sold at £208 5s, and three months £205 to £204 to £206 10s to £206 5s to £206 10s. English ingots quoted at £209 10s to £210. Copper also improved on liberal buying orders, with some reserve on the part of sellers. Standard cash sold at £60 12s 6d to £61 12s 6d, and three months £61 15s to £62 12s 6d. Values were rather easier, while somewhat irregular on Thursday, standard cash quoted at £61 10s to £61 12s 6d, with business in three months at £62 10s to £62 7s 6d to £62 8s 9d. No material change took place at the close. Standard cash sold at £61 10s to £61 12s 6d, and three months £62 7s 6d to £62 10s. Electro's £67 to £67 10s, best selected £65 10s to £66 15s, strong sheets £64 to £67 10s, per ton. Lead firmer at £31 5s to £32 12s 6d as to position. Spelter dearer at £31 2s 6d. Aluminium, home, £125, export £130. Antimony, English special brands, £49 10s to £50.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Business in this centre is generally quiet in all departments of the wool textile trade, and in this respect conditions are in keeping with those now prevailing abroad. Both in America and on the Continent the trade seems to have entered upon one of those periods of quietness which occur from time to time, and something is now needed to give a fillip and get things moving. The saving factor is the continued confidence in the strength of the raw material position, and this is enabling topmakers to present a fairly firm front and resist low offers from spinners. It is felt that demand will again revive as soon as some of the present uncertainties have been removed, and this applies particularly to financial conditions. The French exchange and the restrictions on the purchase of sterling in Germany are directly affecting business here, and no real activity can be expected until the position has been cleared up and something approaching stability achieved. In the meantime, it is possible to pick up small lots of tops here and there at prices rather below the market level, but most of the big firms are prepared to hold rather than make any substantial reductions. Merino tops are practically unchanged on the week, but medium and low prepared tops show an easier tendency, and are about 3d cheaper. The same applies to 40s carded. The main trouble in the yarn trade is that spinners of fine qualities and counts find stocks accumulating, and forced sales are having a depressing effect on the market. The crossbred section is still well employed on old orders, but buyers are not doing much on to-day's basis, and export trade is also held up to a large extent on account of the financial difficulties in Germany. The piece trade remains quiet.

COLONIAL WOOL. (FROM A CORRESPONDENT.)

It has been rumoured in more places than one that a movement is on foot for opening the next series of London sales a week later than was originally arranged, but we fail to see any justification for any such event happening. The trade thinks that a six-weeks' vacation is long enough, a sentiment which harmonises with commonsense, and which is well supported by past experience. There is yet ample time to postpone the series a week if a Continental financial crisis develops, but many feel that by the beginning of July both France and Germany will want considerable quantities of wool, and that the market will not by any means be over-supplied. For the past two years it has been patent to anyone with an intimate knowledge of Colonial sales, that when B.A.W.R.A.'s wools were exhausted, six series per year would be adequate for London, and even that number of series, with nine or ten selling days, is far to be preferred before even five series, each one lasting longer than at present. The London market seems to be in a transition period, and it will take time before things settle down to what can be called normal. The large weight of wool, fully 85 per cent. of the clips of Australia, New Zealand, and South Africa, now being disposed of on the spot has queerled the pitch for Coleman street Wool Exchange, but the auctions will never be entirely wiped out, and we may yet live to see the day when a larger quantity of wool will be sold in that historic centre. As one takes stock to-day, it would almost seem as if the rise since last October to the end of April has been a little overdone, these remarks applying both to merinos and crossbreds.

No section of the trade seemed to see any limit to the rise in values, hence the recent check has come with an even greater shock than the circumstances warrant. It would have been far better to have seen a 10 per cent. decline, with a keen demand for wool, than the decline that took place plus large withdrawals. It is not the actual decline which has disturbed the equilibrium so much as the heavy withdrawals necessary if owners were to avoid loss. It is the latter factor which has somewhat upset the majority, and until there is far more doing on the Continent, we cannot see how any real improvement can take place. Of course, strong feelings of optimism are expressed in the future of wool values; it is believed that July will see a wider inquiry for wool, but there will have to be some amelioration of the adverse factors operating to-day if wool is to meet with the same demand as was seen during the earlier months of this year. We readily grant that statistically the raw material occupies a very sound position, but finance and politics abroad are to-day in such a precarious condition that everybody seems at present to be on the defensive.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—May 23, 1924.

Description.	Ord.	Good Ord.				Low Mid.				Good Mid.				Mid. Fair.				Same Period 1923.				Same Period 1922.			
		Ord.	Good Ord.	Low Mid.	Mid.	Good Mid.	Mid. Fair.	Ord.	Good Ord.	Low Mid.	Mid.	Good Mid.	Mid. Fair.	Ord.	Good Ord.	Low Mid.	Mid.	Ord.	Good Ord.	Low Mid.	Mid.	Ord.	Good Ord.	Low Mid.	Mid.
American	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Brazilian	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Persian, Macao, &c.	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Paraguay, Rio Grande, &c.	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Oceania, &c.	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Sao Paulo	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Egyptian	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Upper	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Sakellaridis	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Brown	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Serbian	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Rough	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Moderately Rough	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Smooth	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Tanganyika	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Mitahs	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
West Indian, &c.	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Do Sea Island	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
African, East, &c.	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Do West	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Best Indian	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Machine Ginned Surtee	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Machine Ginned Broach	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Machine Ginned Bhownagur	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Machine Ginned Oomra No. 1	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Machine Ginned Oomra No. 2	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Machine Ginned Khandesh	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Machine Ginned Comphah	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Machine Ginned Bengal	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Machine Ginned Soinde	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Tinnivelly	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
American-Scinde/Punjab	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Madras, Western	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
Madras, Northern	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
M.G. Coomra, Red	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724
China, Smyrna, &c.	1511	1561	1661	1746	1846	1951	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724	1824	1924	1467	1517	1562	1639	1724

MANCHESTER, May 29.

A limited business continues to be done in the market. Buyers are still inclined to act with great caution. All interest is centred at the moment on the progress of the new crop in America, and the first Government report is to be published on Monday. Early official statements, however, are no indication of the ultimate yield. A scattered business has been done in fancy cloths and specialities for India and China, but Standard makes remain very quiet, and producers are losing ground. There has been very little activity for the several minor outlets East and West. More cases are mentioned of looms running out of work. Some advices from the home trade are slightly better. American yarns have been purchased

sparingly at irregular rates, and supplies generally are more plentiful than a month ago. Quotations in Egyptian spinings have been firmly held, and in certain quarters fair contracts have been arranged. Very little has been done in yarns suitable for export.

(I.) Comparative Statement of the Cotton Trade.

	Price, May 29, 1924.	Previous Weeks in 1924.					
		Price, May 22.	Price, May 15.	Price, May 8.	Price, May 1.	Price, April 24.	
Raw Cotton—Fully Mid. American .. per lb	18.23	18.11	18.16	17.62	17.71	17.90	d
Sakellaridis Fully Good Fair Egyptian .. per lb	23.10	23.15	23.35	23.95	23.15	22.80	d
Yarns—32's twist .. per lb	26.8	26.8	26.8	27	27	27	d
— 40's twist .. per lb	27	27	27	27	27	27	d
— 60's twist (Egyptian) .. per lb	35.8	35.8	36	36	35.8	35	d
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	37	37	37	37	37	37	d
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	41	41	41	41	41	41	d
38-in. ditto, 38 yds, 18 by 18, 10 lbs. ..	21	21	21	21	21	21	d
39-in. ditto, 37 yds, 16 by 15, 8 1/2 lbs. ..	19	19	19	19	19	19	d

(II.) Compared with Previous Years.

	Price, May 29, 1924.	Corresponding dates in					
		1923.	1922.	1921.	1920.	1919.	
	d	d	d	d	d	d	
Raw Cotton—Fully Mid. American .. per lb	18.23	16.02	12.30	8.06	28.69	20.10	
— Sakellaridis Fully Good Fair Egyptian .. per lb	23.10	16.40	19.25	16.00	74.00	27.09	
Yarns—32's twist .. per lb	26.8	23.8	19.8	17.8	59.8	36.8	
— 40's twist .. per lb	27	23	18	16	55	35	
— 60's twist (Egyptian) .. per lb	35.8	29	23	31	124	54	
	s	s	s	s	s	s	
32 in. Printers, 116 yds, 16 by 16, 32's and 50's ..	37	33	31	34	61.00	61	
32 in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	41	36	29	32	94	61	
38 in. ditto, 38 yds, 18 by 18, 10 lbs ..	21	18	18	19	50	30	
39 in. ditto, 37 yds, 16 by 15, 8½ lbs ..	19	17	17	16	44	27	

an eminent firm in each department.

LONDON, FRIDAY.			LONDON, FRIDAY.			LONDON, FRIDAY.			LONDON, FRIDAY.					
COCOA—A. Dutch, British grown			DRUGS—			INDIA RUBBER—			PROVISIONS—			SPICES—		
9ad. foreign 14c. wt.	61		Alum. E. I., per cwt.	180		Para, fine hard spot	0 11		Butter—per cwt.			Muntok, fair White	0 78	
Trinidad, per cwt.	47		Cape, good to fine.	40		Plantation crepe	0 10		Irish creamery	160		Black Singapore	0 78	
Good to fine.	61		Balaam Peru. per lb	6					Do factory	150		Black Siam	0 78	
Good to fine.	61		Camphor	1		INDIGO—			American	150		Pimento	0 78	
Ceylon, plantation.	75		Camphor	1		Bengal, good red vio.			Argentine	160		Cinnamon—list sort.	0 78	
Guayaquil	70		Camphor	1		lot to fine.	5		Dutch	160		Do 2nd	0 11	
Malacca, Bnes.	46		Camphor	1		Mid. red vio.	5		Sw. Zealand	170		Do 3rd	0 11	
	47		Camphor	1		Low to good ord.	4		Danish	178		Cassia Lignea	50	
			Camphor	1		Madras, dry leaf, good	4		Beacon, engd.—Irish.	180		Gloves—Zanzibar	11	
			Camphor	1		Do low to ord.	4		Danish	180		Peasong	2	
			Camphor	1		Kurashim, med. gd.	4		American	84		Onion	3	
			Camphor	1		Low to mid.	3		Hams—Irish	nom		Ginger—per cwt.		
			Camphor	1					Canada	nom		Japan, small round	92	
			Camphor	1		HEMP per ton—			American	88		Do Army	95	
			Camphor	1		Italian P.C.	98		Lard—Irish bladders	66		Jamaica, ord. to good	125	
			Camphor	1		Manila, May-July.	38 15		American boxes, 50lb	66		do 1st	130	
			Camphor	1		Grade 1st	38 15		Butter—Irish	7		do 2nd	130	
			Camphor	1		N.Z. high point, fair.			Beef—Frozen per lb	2		do 3rd	130	
			Camphor	1		April-June	36 10		Scottish	7		do 4th	130	
			Camphor	1		RUBBER—			Onion—cut—Canada	nom		Onion	52	
			Camphor	1		May—first marks.			New Zealand	73		TALLOW—per cwt.		
			Camphor	1		May-June	27/00		Eng. Obedard	121		Beef mutton	44	
			Camphor	1		LEATHER—per lb.			Obedard	121		Beef	44	
			Camphor	1		Bols Bands 9/ lb.	1 3		Do 2nd	121		TAPIOCA—per lb.		
			Camphor	1		Do do 10/12.	1 3		Eggs, pr 120—English	12		E. I. Flake, fair, spot	54	
			Camphor	1		Do do 11/12.	1 3		Irish	13		do 2nd	54	
			Camphor	1		Do do 12/12.	1 4					do 3rd	54	
			Camphor	1		Do do 13/12.	1 4					do 4th	54	
			Camphor	1		Do do 14/12.	1 4					do 5th	54	
			Camphor	1		Do do 15/12.	1 4					do 6th	54	
			Camphor	1		Do do 16/12.	1 4					do 7th	54	
			Camphor	1		Do do 17/12.	1 4					do 8th	54	
			Camphor	1		Do do 18/12.	1 4					do 9th	54	
			Camphor	1		Do do 19/12.	1 4					do 10th	54	
			Camphor	1		Do do 20/12.	1 4					do 11th	54	
			Camphor	1		Do do 21/12.	1 4					do 12th	54	
			Camphor	1		Do do 22/12.	1 4					do 13th	54	
			Camphor	1		Do do 23/12.	1 4					do 14th	54	
			Camphor	1		Do do 24/12.	1 4					do 15th	54	
			Camphor	1		Do do 25/12.	1 4					do 16th	54	
			Camphor	1		Do do 26/12.	1 4					do 17th	54	
			Camphor	1		Do do 27/12.	1 4					do 18th	54	
			Camphor	1		Do do 28/12.	1 4					do 19th	54	
			Camphor	1		Do do 29/12.	1 4					do 20th	54	
			Camphor	1		Do do 30/12.	1 4					do 21st	54	
			Camphor	1		Do do 31/12.	1 4					do 22nd	54	
			Camphor	1		Do do 1/1.	1 4					do 23rd	54	
			Camphor	1		Do do 2/1.	1 4					do 24th	54	
			Camphor	1		Do do 3/1.	1 4					do 25th	54	
			Camphor	1		Do do 4/1.	1 4					do 26th	54	
			Camphor	1		Do do 5/1.	1 4					do 27th	54	
			Camphor	1		Do do 6/1.	1 4					do 28th	54	
			Camphor	1		Do do 7/1.	1 4					do 29th	54	
			Camphor	1		Do do 8/1.	1 4					do 30th	54	
			Camphor	1		Do do 9/1.	1 4					do 31st	54	
			Camphor	1		Do do 10/1.	1 4					do 1/2.	54	
			Camphor	1		Do do 11/1.	1 4					do 1/3.	54	
			Camphor	1		Do do 12/1.	1 4					do 1/4.	54	
			Camphor	1		Do do 13/1.	1 4					do 1/5.	54	
			Camphor	1		Do do 14/1.	1 4					do 1/6.	54	
			Camphor	1		Do do 15/1.	1 4					do 1/7.	54	
			Camphor	1		Do do 16/1.	1 4					do 1/8.	54	
			Camphor	1		Do do 17/1.	1 4					do 1/9.	54	
			Camphor	1		Do do 18/1.	1 4					do 1/10.	54	
			Camphor	1		Do do 19/1.	1 4					do 1/11.	54	
			Camphor	1		Do do 20/1.	1 4					do 1/12.	54	
			Camphor	1		Do do 21/1.	1 4					do 1/13.	54	
			Camphor	1		Do do 22/1.	1 4					do 1/14.	54	
			Camphor	1		Do do 23/1.	1 4					do 1/15.	54	
			Camphor	1		Do do 24/1.	1 4					do 1/16.	54	
			Camphor	1		Do do 25/1.	1 4					do 1/17.	54	
			Camphor	1		Do do 26/1.	1 4					do 1/18.	54	
			Camphor	1		Do do 27/1.	1 4					do 1/19.	54	
			Camphor	1		Do do 28/1.	1 4					do 1/20.	54	
			Camphor	1		Do do 29/1.	1 4					do 1/21.	54	
			Camphor	1		Do do 30/1.	1 4					do 1/22.	54	
			Camphor	1		Do do 31/1.	1 4					do 1/23.	54	
			Camphor	1		Do do 1/2.	1 4					do 1/24.	54	
			Camphor	1		Do do 2/2.	1 4					do 1/25.	54	
			Camphor	1		Do do 3/2.	1 4					do 1/26.	54	
			Camphor	1		Do do 4/2.	1 4					do 1/27.	54	
			Camphor	1		Do do 5/2.	1 4					do 1/28.	54	
			Camphor	1		Do do 6/2.	1 4					do 1/29.	54	
			Camphor	1		Do do 7/2.	1 4					do 1/30.	54	
			Camphor	1		Do do 8/2.	1 4					do 1/31.	54	
			Camphor	1		Do do 9/2.	1 4					do 1/32.	54	
			Camphor	1		Do do 10/2.	1 4					do 1/33.	54	
			Camphor	1		Do do 11/2.	1 4					do 1/34.	54	
			Camphor	1		Do do 12/2.	1 4					do 1/35.	54	
			Camphor	1		Do do 13/2.	1 4					do 1/36.	54	
			Camphor	1		Do do 14/2.	1 4					do 1/37.	54	
			Camphor	1		Do do 15/2.	1 4					do 1/38.	54	
			Camphor	1		Do do 16/2.	1 4					do 1/39.	54	
			Camphor	1		Do do 17/2.	1 4					do 1/40.	54	
			Camphor	1		Do do 18/2.	1 4					do 1/41.	54	
			Camphor	1		Do do 19/2.	1 4					do 1/42.	54	
			Camphor	1		Do do 20/2.	1 4					do 1/43.	54	
			Camphor	1		Do do 21/2.	1 4					do 1/44.	54	
			Camphor	1		Do do 22/2.	1 4					do 1/45.	54	
			Camphor	1		Do do 23/2.	1 4					do 1/46.	54	
			Camphor	1		Do do 24/2.	1 4					do 1/47.	54	
			Camphor	1		Do do 25/2.	1 4					do 1/48.	54	
			Camphor	1		Do do 26/2.	1 4					do 1/49.	54	
			Camphor	1		Do do 27/2.	1 4					do 1/50.	54	
			Camphor	1		Do do 28/2.	1 4					do 1/51.	54	
			Camphor	1		Do do 29/2.	1 4					do 1/52.	54	
			Camphor	1		Do do 30/2.	1 4					do 1/53.	54	
			Camphor	1		Do do 31/2.	1 4					do 1/54.	54	
			Camphor	1		Do do 1/3.	1 4					do 1/55.	54	
			Camphor	1		Do do 2/3.	1 4					do 1/56.	54	
			Camphor	1		Do do 3/3.	1 4					do 1/57.	54	
			Camphor	1		Do do 4/3.	1 4					do 1/58.	54	
			Camphor	1		Do do 5/3.	1 4					do 1/59.	54	
			Camphor	1		Do do 6/3.	1 4					do 1/60.	54	
			Camphor	1		Do do 7/3.	1 4					do 1/61.	54	
			Camphor	1		Do do 8/3.	1 4					do 1/62.	54	
			Camphor	1		Do do 9/3.	1 4					do 1/63.	54	
			Camphor	1		Do do 10/3.	1 4					do 1/64.	54	
			Camphor	1		Do do 11/3.	1 4					do 1/65.	54	
			Camphor	1		Do do 12/3.	1 4					do 1/66.	54	
			Camphor	1		Do do 13/3.	1 4					do 1/67.	54	
			Camphor	1		Do do 14/3.	1 4					do 1/68.	54	
			Camphor	1		Do do 15/3.	1 4					do 1/69.	54	
			Camphor	1		Do do 16/3.	1 4					do 1/70.	54	
			Camphor	1		Do do 17/3.	1 4					do 1/71.	54	
			Camphor	1		Do do 18/3.	1 4					do 1/72.	54	
			Camphor	1		Do do 19/3.	1 4					do 1/73.	54	
			Camphor	1		Do do 20/3.	1 4					do 1/74.	54	
			Camphor	1		Do do 21/3.	1 4					do 1/75.	54	
			Camphor	1		Do do 22/3.	1 4					do 1/76.	54	
			Camphor	1		Do do 23/3.	1 4					do 1/77.	54	
			Camphor	1		Do do 24/3.	1 4					do 1/78.	54	
			Camphor	1										

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LIFE DEPARTMENT.

Full information respecting
ESTATE DUTY
and
**CHILDREN'S EDUCATIONAL
POLICIES**

issued by the Company may be
obtained on application from the
Head Office or any of the Offices
or Agencies of the Company.

O. MORGAN OWEN, General Manager.

**TRANSACTS ALL KINDS OF
BANKING BUSINESS.**

*Correspondents in all Norwegian places
of any importance.*

Capital	...	...	...	...	...	Lira 400,000,000
Paid Up	...	...	...	...	...	Lira 310,000,000
Reserve	...	...	...	...	...	Lira 110,000,000

Head Office of the Bank : MILAN.
THE BANK HAS BRANCHES THROUGHOUT ITALY
London Branch: 22 ABCHURCH LANE, E.C.4.
Managers { D. A. HORNER.
{ F. N. SCHILLER.

Transacts a general Foreign Banking Business, having correspondents in all Countries, and is specially prepared to grant facilities for the development of trade between the British Empire and Italy.

Correspondent of the Royal Italian Treasury.
 Telegrams: "Italocredi, Cannon, London."
 Telephone: 7802-7803 City.

AFTER being extremely plentiful, money became rather more usable, owing to the repayment of sums due to the Bank of England. Discount rates were steady, and the low rates at which bills were placed in May for delivery this week proved to have been advantageous to sellers. Having very little business to do, bill brokers made attempts to peer into the future, and the general view seemed to be that, though the demands for credit from abroad are persistent and plentiful, and make a higher

BRITISH GOODRICH RUBBER
COMPANY, LIMITED.

Incorporated under The Companies Acts, 1908 to 1917

Authorised.		CAPITAL.	Present Issue.
300,000	7½% Cumulative Preference Shares of £1 each	...	£250,000
400,000	Ordinary Shares of £1 each	... ..	400,000
700,000			£650,000

First Mortgage 6½ per cent. Debenture Stock (authorised and issued), £200,000.

THE Company will manufacture in England Goodrich Rubber products now being supplied by the B. F. Goodrich Company (of U.S.A.), who are one of the largest producers of mechanical rubber goods in the world, and whose net sales during 1923 were over the equivalent in sterling of £20,000,000.

The Company will take over the present large Goodrich trade in Great Britain and Dominions and Colonies and the sole right to manufacture and sell Goodrich products in Great Britain and Ireland, and certain selling rights in British Dominions, Colonies and other countries.

AN ISSUE WILL BE MADE DURING THE WEEK-END OF

250,000 7½% CUMULATIVE PREFERENCE SHARES & 150,000 ORDINARY SHARES at par.

20 per cent. of the profits remaining in each year after the payment of the Dividends on the Preference Shares will be carried to a Special Reserve until this Reserve amounts to 20 per cent. of the nominal amount of the Preference Shares issued, when it will be applied in paying up and distributing similar Preference Shares as bonus among the holders of the Preference Shares.

This capitalisation of the Special Reserve should give the subscribers of Preference Shares a capital appreciation of 4s. 0d. per share and a yield on their present investment of 9 per cent. It is estimated that this should be achieved in less than three years.

After deducting preliminary expenses and payment for the works, the Company will have about £425,000 available for additions to the works and working capital.

The annual profits on the turnover available should not be less than £125,000, which figure should be greatly increased as the business develops. On this figure of £125,000 the Preference Dividend is covered 5½ times, after provision of the Debenture Stock interest and Sinking Fund, leaving £71,400 per annum available for the Ordinary Shares.

The B. F. Goodrich Company of America will (through the B. F. Goodrich Co., Ltd.) lend the Company the minimum sum of £250,000 in the form of liquid assets, as an unsecured loan until 1st January, 1927, free of interest until 1st January, 1925. The American Company will hold 204,000 Ordinary Shares in the British Goodrich Rubber Co., Ltd., and no cash consideration is being paid to it.

Prospectuses and application forms can be obtained to-day (Saturday) from Williams Deacon's Bank, Ltd., 20, Birchin-lane, E.C.3; Head Office, Manchester; and Branches: Shaw, Loebell and Co., Pinners Hall, E.C.2; Austin Friars, and Stock Exchange, London, E.C.2; Francis Wood and Co., Basilston House, Moorgate, and Stock Exchange, London, E.C.2; David Q. Henriques and Co., 13, Pall Mall, and Stock Exchange, Manchester; Henry J. Thomas and Co., 130, Bute Street, and Stock Exchange, Cardiff; W. H. Dickinson and Co., The Temple, Dale Street, and Stock Exchange, Liverpool; and at the Registered Office of the Company, Pinners Hall, Austin Friars, London, E.C.2.

level of rates probable later on, there is no reason to expect any sudden official action. Three months' bills could be placed readily at 3 per cent.

	June 5, 1924.	May 30, 1924.	May 23, 1924.	May 16, 1924.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3% (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	2½	2½	2½	2½	1½ (Jly. 5, '23)
Market rate 3 months' bills	3	3	3	3	..

The Bank return showed an increase of £845,700 in the Note circulation, and a reduction of £844,900 in the Reserve. Government borrowing for interest payments was reflected in an increase of £22½ millions in Government securities, and market repayments reduced Other securities by over £3½ millions. Public deposits were reduced by £4½ millions, while Other rose by £23½ millions. The rise of £3,848,800 in Currency Notes this week is doubtless due to holiday demands. The amount outstanding is now £289,924,100, which includes £1,389,600 for notes called in but not yet cancelled. The fiduciary issue is £239,084,500, or £9,106,400 below the maximum.

THE STOCK MARKETS.

Business on the Stock Exchange has again been on a very small scale, the influences which have hindered activity including the violent fluctuations in the exchanges, the French political crisis, the threatened tube strike, and the approaching Whitsuntide holiday. The release of War Loan interest has hardly affected the Consol market, although prices are a shade harder. In the foreign bond market, French Government bonds have fluctuated with the exchanges. There has been practically no business in Home Rails, and Undergrounds have been heavy, but Argentine Rails show a little improvement. Oils and rubbers are dull, and in the miscellaneous group banks and insurance shares have been firm, and trust company stocks have moved up, but elsewhere there has been no feature of interest. Kalfirs have rallied on the rise in the price of gold.

THE COMMODITY MARKETS.

The commodity markets were dull, probably on account of the festive nature of the week and the forthcoming holidays. The coal market at Cardiff is inclined to dullness, but it is expected that after the holidays an improvement will take place. The pig-iron market is quiet; our Middlesbrough correspondent states that "business with the Continent is rendered difficult by reason of the frequent currency fluctuations." The steel trade continues slack. Tin ended with a better tone after being irregular. Copper is in better demand. Trade in the Manchester cotton market continues featureless, and business in wool at Bradford has been slow. Sugar is quiet, and there is not much confidence in the market. Good quality teas were in demand, but the poorer descriptions were sold in the buyers' favour. A steadier tone prevailed in the rubber market. Signs of firmness are noticeable in the hide market at Bermondsey.

FOREIGN EXCHANGES.

In the foreign exchange market, where business was a little more active than of late, interest has again centred round the Paris rate, which has continued to depreciate with intervals of erratic fluctuations. From 82.90 on Friday last there was a fairly sharp rise on Saturday, and on Monday the quotation at one time touched 89.20, recovering, however, at the close to 85.80. Since that time it has been quoted as low as 83.30, and as high as 86.85, the rate yesterday morning being 86.50. In Brussels a rate of 101½ was reached at one time on Monday, since when there has been a recovery, following Paris, to 98½,

as compared with 96.12½ on the 30th. The chief part of the selling this week would appear to have come from the Continent, and the upward movement to have been held by support from New York. Forward rates in Paris are about the same at 60 centimes per month above spot, and in Brussels at 10 to 15 centimes above. The dollar, which closed on Friday last at \$4.30½, remained at first somewhere about that level, but at one time on Wednesday reached \$4.32½, and though yesterday morning it was back at \$4.31½, the tendency seems fairly steady. Forward rates at 1½ to 1 cent. above spot are rather narrower than a week ago. The lira shows a slight upward movement, being quoted at 99½, compared with 98½ on the 30th. The German mark remains steady at 18½ billion, although credit difficulties become increasingly severe. In neutral centres Amsterdam, following the dollar, has moved in our favour from 11.52½ to 11.53½, Switzerland from 24.46½ to 24.52½. In Scandinavia, Stockholm is 16.25½, as compared with 16.26, Christiania has moved up from 31.42 to 31.82½, Copenhagen from 25.64 to 25.64½, while Helsingfors has recovered from 173 to 172. In Central Europe, Vienna is unchanged at 307,500, while in Poland the zloty is also the same at 22.37½. Prague has moved up from 147 to 148. Budapest and Belgrade show little change, but Bucharest, after a slight recovery, is still offered at 1,000 on the uncertainty as to the internal political situation. In the East the rupee is much the same at 18 29-32d, while the yen is a shade cheaper at 18 10½d. Silver was firm up to 35½d on further Continental buying, and the announcement that the Senate had passed a Bill authorising the completion of purchases under the Pittman Act (the measure, however, has still to pass the Lower House). Since then there has been a slight reaction. Hongkong has moved down from 2s 5d to 2s 4½d, Shanghai from 3s 4d to 3s 3½d. In South America Rio has dropped away from 6½d to 5 29-32d, in spite of the announcement of the appointment of a Brazilian "Geddes" Committee. Buenos Aires also shows a reaction from 41½d to 41d, and Montevideo from 43½d to 43 9-32d, while Valparaiso has also depreciated from 39.80 to 41 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended May 31st:—

EXPENDITURE.		REVENUE.	
(000's omitted.)		(000's omitted.)	
Supply Services	5,048	From Revenue	7,640
Interest, &c., on Debt	1,957		
Sinking Fund	100		
Sundries	105		
Reduction of Debt	332		
Added to Exchequer Balances ..	78		
	7,640		7,640

Revenue at £7,640,000 shows no noteworthy change as compared with the corresponding period. Nothing came in from Special Receipts, as against £492,700. Property and Income-Tax yielded £1,122,000, against £1,077,000. Customs produced £1,802,000, against £1,862,000. Excise £1,049,000, against £925,000; and Estate, &c., duties £1,030,000, against £940,000.

The week's operations reduced the National Debt by £332,200, and caused the following changes:—

(000's omitted.)		(000's omitted.)	
Treasury Bills	+ 4,341	National Savings Certificates ..	50
4% Treasury Bonds	+ 2,042	Public Debt Advances	6,175
		Sundries	1,290
	+ 7,183		7,515

The floating debt was reduced by £1,830,000 to £741,965,500.

FINANCIAL YEAR, 1924-1925 (April 1 to May 31).

Total Expenditure ..	111,653,982	Raised by Revenue ..	131,474,109
Net Repayments	23,024,383	Decrease in Balances ..	3,204,256
Total	134,678,365	Total	134,678,365

ESTIMATES for YEAR 1924-25.

Ordinary Expenditure ..	786,848,000	Ordinary Receipts ..	764,050,000
Special Expenditure ..	3,178,000	Special Receipts	30,000,000
Total	790,026,000	Total	794,050,000
		Surplus	4,024,000

THE WEEK IN PARLIAMENT.

MONDAY, JUNE 2ND.—*Commons*: Second reading of Agricultural Wages Bill.

TUESDAY, JUNE 3RD.—*Lords*: Second reading of L. and N.E. Railway Bill. Debate on Indian politics. *Commons*: Debate on housing proposals.

WEDNESDAY, JUNE 4TH.—*Lords*: Debate on Church measures. Second readings of Pacific Cable Board Bill, and of Bill to amend the law regarding the management of the Imperial Institute. *Commons*: Money resolution in connection with housing proposals amended and passed. Third reading of War Charges (Validity) Bill. Debate on afforestation.

THURSDAY, JUNE 5TH.—*Commons*: Housing money resolution reported.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Suez Canal, Anglo-Argentine Tramways, City of London Real Property, Investment Trust Corporation, British Thomson-Houston, Eagle Oil Transport, Madras Electric Supply, Selangor River Rubber and Leopoldina Railway. The Suez Canal report shows largely increased receipts and an increased dividend. At the Anglo-Argentine Tramways meeting the chairman dealt with the vexed question of the revision of fares. The chairman at the City of London Real Property criticised land taxation and rating proposals. At the Eagle Oil Transport meeting the chairman explained the new arrangement with the charterers.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

SUSPENDING THE LAWS OF SUPPLY AND DEMAND.

THE House of Commons passed the financial resolution relating to the Government's housing scheme on Wednesday. It is true that the resolution was amended by a proviso that the Government subsidy is to be withheld if the supply of labour and of materials at reasonable prices is not increased, but in spite of this improvement it remains a thoroughly unsound economic proposition. In saying this we hasten to add that this criticism is not directed solely against the present Government, who only propose to carry out on a larger scale the unsound principles adopted by their predecessors. Briefly, the resolution authorised the payments to be made to local authorities on the basis of a scheme for building 2½ million houses in 15 years, starting with 90,000 in 1925, and working up to 225,000 in 1934. The Government is to pay £9 per annum per house (or £12 10s if in an agricultural area), and the local authority £4 10s for 40 years, as a means of reducing rents below the cost of production. If a smaller subsidy will bring the rent to the rent of similar pre-war houses, the subsidy will automatically fall. The cost of the full scheme on the rates and taxes together, which is given in full on a later page, rises to £34.4 millions a year in 1940, and falls again from 1964 onwards. The building industry is to form committees to arrange to "deliver the goods," the unions agree to maintain one apprentice to three craftsmen—apprenticeship to be for four years only—and the scheme is to fall through if two-thirds of the scheduled houses are not built or if prices work out unreasonably high.

In the first place, the whole principle of subsidising house building is a vicious one. In this connection we would recall an unanimous resolution of the Brussels Financial Conference:—

While recognising the practical difficulties in the way of immediate action in all cases, the Conference considers that every Government should abandon at the earliest practicable date all uneconomical and artificial measures which conceal from the people the true economic situation; such measures include: (a) The artificial cheapening of bread and other foodstuffs, and of coal and other

materials, by selling them below cost price to the public, and the provision of unemployment doles of such a character as to demoralise instead of encouraging industry. (b) The maintenance of railway fares, postal rates, and charges for other Government services on a basis which is insufficient to cover the cost of the services given, including annual charges on capital account.

This resolution does not specifically refer to housing, but the argument is equally applicable. The housing situation has got into a bad tangle because, during the war, on the one hand, the price of housing accommodation was artificially restricted by Rent Restriction Acts, and, on the other the building industry was largely suspended and its numbers depleted to a great extent by the deliberate recruiting of those engaged in it on an exceptionally large scale. The Government's proposal is bad because it endeavours to perpetuate this disparity by keeping down the price of housing accommodation and by taking no adequate means to revive the pre-war scale of the building industry. The plan which Mr Wheatley accurately described as "suspending the laws of supply and demand" is to be accomplished at a heavy cost which will be, from the financial standpoint, dead loss to the taxpayer. This view was challenged in the debate on the ground that the nation will have the houses as assets. But the community will not see back a penny of its expenditure, for the money it is to find is the excess of the total cost over that part of the cost on which a return will be obtained in the form of rent.

In making this criticism we do not mean to imply that a subsidy is never justified to meet an emergency or to produce a result which is not being achieved by the ordinary operation of competition. But the only rational use of subsidies is to stimulate and develop production. The present scheme fails on this test. As regards the first of the two difficulties, there are now in the building trade 717,120 persons, against 776,359 in 1914. The proposed scale of building presumes an output from the building industry considerably larger than before the war. As a matter of fact, with fewer workers there is rather less output per head than before. It is, therefore, clear that in the absence of some very considerable changes in method no amount of subsidy can produce the result desired. Mr Wheatley apparently has secured an understanding from the labour unions that they will endeavour to secure the old ratio of one apprentice to three skilled people. This may about replace wastage, or even in from five to ten years produce a small increase in the total. But it is quite inadequate for the scheme in hand, when it is remembered that the building trade is to-day fully employed, and that it is in many parts impossible to place new building contracts. Secondly, as regards building materials, there is a tightness in several directions, and all that Mr Wheatley could say to the House was that he had come to an understanding with the brickmakers. But if no special steps are taken, how is it to be expected that labour and capital will be directed into the production of building materials and increase the output? Mr Wheatley's agreement really amounts to this, that makers are not to raise the rate of profit on materials. But when we consider the ramifications in the steel industry, chemicals, and imported timber trades, the profit of the immediate manufacturers of goods used in building houses is a very small part of the cost. Indeed, the Minister, himself, can hardly regard these agreements as a serious means of stabilising prices for fifteen years.

In the circumstances of the time, subsidising the building trade undoubtedly will result, in the future as in the recent past, in the subsidy being added to the cost of building, and will tend to make permanent the inefficient and restricted output which is one of the root causes of our present difficulty. We are all agreed that the disparity in wages and in the ease with which wages may be earned in different trades is one of the great economic difficulties of the country to-day. This scheme, without adding to the total housing accommodation of the country, will immensely increase the "shelter" which the building trade at present enjoys.

But there are other objectionable principles embodied in the plan. One of the most important is that in spite of this vast expenditure the Government proposes to build large numbers of houses considerably below the Addison standard of accommodation, and in order to house the poorer wage earner the country is to be covered with a

multitude of small houses of which we shall be thoroughly ashamed in twenty years' time. A fundamental principle of housing reform is to raise the standard of accommodation. The only way to do this, particularly in present circumstances, is to build better houses and attract into them those of the population who can afford to pay. This will leave room in older and cheaper houses for those with smaller incomes. One member asked why the wage earner should always have the second-hand houses? The questioner might equally well ask why the man whose services are only regarded as worth a low wage should not dress and feed as well as say Members of the House of Commons? So long as we live in a society with unequal incomes it is an absurd inversion to adapt the newest and most expensive houses in the country to the present limited requirements of the poorest. We thought that this principle of raising the housing standard by building for the middle class had been fought for and established before the war. Apparently we were mistaken.

Again, the principles of the scheme are rent restriction and subsidy to an inadequate and inefficient trade. The true objectives to aim at are to raise the production of the country, and therefore also wages and the rents which people can afford to pay, combined with improved efficiency in the building trade, and therefore cheaper houses—the gap to be bridged, meanwhile, by such devices as the remission of rates on all new houses. It is surprising to find the principles embodied in the former policy supported by the Labour Party. The doctrine starts from the pessimistic assumption that the level of wages cannot be raised. We realise that in times of depression it is hard to believe the economic truth that the remedy is in more economical production and greater output, but we hardly expected a Socialist Government to throw up the sponge and take it for granted that wages cannot rise sufficiently for workpeople to pay the cost of the houses they live in.

The arguments, however, assume that the scheme will work. In fact, even its author clearly has considerable doubts. It pretends to lay down a 15 years' policy, the financial burden of which is to be shared between the taxpayer and the ratepayer. But as the Act contains nothing to compel the local authorities to build a single house or to contribute a penny towards the subsidy, its value as a guarantee for the building industry is nil. In any case, its finance is to be overhauled at the end of three years, and the building trade will no doubt remember recent experiences such as the guaranteed price to farmers three years ago, which suggest that Parliament is not to be relied on to implement an agreement for the duration of its own life, far less to bind its successors.

But while making these criticisms, we do not forget the acute urgency of the housing problem. In our view it calls for sounder economics and more imagination than are shown in this scheme. No proposal is the least good which does not start from the foundation of the trouble and aim at enlarging our building resources. Mr E. D. Simon's proposal for payment by results would be one step in this direction. Another and more important is that the nation must insist upon breaking down the trade union restrictions upon the numbers engaged in it. But perhaps the best way of all is boldly to bring in quite different types of labour and material to meet the emergency. There are many proposals which have been proved practicable in this direction, and if any of the reserves of the engineering trade can be used in this connection they must be utilised regardless of the opposition of the building trade. Secondly, if we are to build houses on the scale contemplated by Mr Wheatley, much more attention must be given to their distribution and lay out, which Mr Wheatley leaves to the chance action of hundreds of local authorities. In particular a determined effort should be made to decentralise the industrial population into garden cities, in which the traffic problem is solved by the fact that the worker is within walking distance of his work, and where it is easy to develop the growing tendency for workers to cultivate small pieces of land and obtain therefrom a supplement to their income. Again, we see no evidence of any big attempt to reduce costs through standardisation of plans, &c. The Ministry of Health does next to nothing to make it easy for local authorities to avoid expense, but leaves them to engage their own

architects (adding 5 per cent. to the cost) and to prepare their own quantity statements (another 2½ per cent.), with the result that they all make their own mistakes and fail to profit by one another's experiences. The conditions may work well in the case of a few large municipalities, but will be thoroughly wasteful throughout the country as a whole.

We cannot pretend to suggest a detailed housing policy. But we are certain that one which subsidises inefficiency instead of attacking the root of the trouble by increasing supply is bound to suffer the fate which will befall all attempts to suspend the laws of supply and demand.

THE DEVELOPMENT OF ELECTRICAL POWER IN GERMANY.

IN view of the attention which is now being paid to the problem of electrification and its bearing on industrial reconstruction in this country, the experience of Germany since the outbreak of the war is of considerable interest. Although great progress has been made since 1913, particularly in the development of lignite-fired stations during the war period, and in the exploitation of water power in South Germany since the Armistice, very much still remains to be done before the rôle of electricity in German industrial life attains the importance already achieved in the United States and some other countries. The position at the end of 1922 compares as follows with that at the end of 1913* :—

ELECTRICAL INSTALLATIONS (in Kilowatts).

Source of Energy.	1913.	1922.	As Percentages.	
			1913.	1922.
Black coal	896,305	1,584,967	% 62.0	% 53.2
Lignite	379,637	1,071,767	26.5	36.0
Oil	36,907	49,129	2.5	1.6
Water	131,309	272,726	9.0	9.2
Total	1,444,158	2,978,589	100.0	100.0

These figures, it is true, only relate to public electrical works, and thus leave out of account several small installations owned by private individuals. Before commenting on the interesting developments which this table discloses, it will, however, be as well to give a statistical picture of the production of electrical works in the two years 1913 and 1922 respectively :—

ELECTRICAL PRODUCTION.
(In Millions of K.W. Hours.)

Source of Energy.	1913.	1922.	As Percentages.	
			1913.	1922.
Black coal	1,415,863	3,493,887	% 63.3	% 48.3
Lignite	514,210	2,978,694	23.0	41.2
Oil	47,249	61,303	2.1	0.8
Water	260,866	699,834	11.6	9.7
Total	2,238,188	7,233,718	100.0	100.0

It is unnecessary to stress the fact of increase both in the capacity of the installations and in the actual power produced. What is almost more significant is the increase in the number of K.W. hours per K.W. capacity in 1922 as compared with 1913. This is particularly marked in the case of lignite-fired stations, where it is over twice as great as in pre-war days. The result is due to the erection of large power stations which are linked up with wide areas by high-voltage transmission lines, and are able to maintain a steady load throughout the twenty-four hours. An important factor in this connection is the prevalence of "peak agreements" (*Spitzenausgleiche*) between the various producers. By means of this device, smaller producers feed into the main system during their slack period each day, and draw from it themselves during their busy time. The development

* These statistics were compiled by Director Jahnke, of the Electrowerke Company, and given by him in a lecture at a Lignite Congress recently held in Leipzig.

of this principle is one of the important contributions of the late Hugo Stinnes to the industrial organisation of Germany, and has led to a much more rational utilisation of the power-producing plant of the country, as these statistics clearly show.

The transmission systems themselves are mainly confined to three principal areas. Berlin and the cities of Saxony now obtain the greater part of their electrical power from the large power stations established in the middle German lignite area. The best known of these power stations is, perhaps, that at Zschornowitz, near Wittenberg. In the Rhine-Ruhr area the transmission system owned by the Rhenish-Westphalian Electrical Company is fed from both coal and lignite-fired stations. The latter, which are situated in the neighbourhood of Cologne, provide about 40 per cent. of the power utilised in this area. Lastly, in Bavaria, the so-called *Bayern Werk*, which has recently been completed, provides a high-voltage transmission system which draws its power mainly from the important hydro-electric station on the Walchen See.

The great increase in the relative importance of lignite-fired stations is, of course, apparent from these tables, though it is perhaps worth repeating that black coal remains the principal source of energy in German electrical works.

In view of what is said about the development of water power in Southern Germany, it should be remembered, when considering the relatively small place occupied by hydro-electric works in the figures for 1922, that the principal projects had not then been completed. This year, however, with the great Walchen See undertaking already in operation, and with the Middle Isar works nearing completion, the relative importance of this factor will certainly be much greater than in 1922, when the development in lignite-fired stations was already complete. Even so, however, the capacity of hydro-electric works in that year was already more than double that of 1913.

INDIAN CIVIL SERVICES.

THE Report* of the Royal Commission on the Superior Civil Services in India covers 181 pages of closely printed matter, and contains no less than 64 separate recommendations. We doubt whether the most experienced of Indian or Anglo-Indian authorities would care to express a final or detailed judgment upon the Commission's work without long study and consultation, and where angels fear to tread we do not propose to rush in. But we may without hesitation approach the subject with one or two general comments. The Report, from whatever angle it may be judged, is a document of exceptional importance. In three respects Lord Lee and his colleagues are entitled to congratulation—on the speed and thoroughness with which they explored a very wide, varied, and complicated field; on the remarkable achievement of unanimity by a Commission containing four Indian members and five Englishmen of differing shades of opinion; and finally on the fact that, apart from the inevitable murmurings of extremists, the initial reception of the Report, both in Britain and in India, has been more favourable than could have been expected.

To appreciate the importance of the document, one has only to recall a few of the landmarks in recent Indian history. The problem of the Indian Services has completely changed since it was leisurely reviewed by the Islington Commission between 1912 and 1915. The work of that body was put out of date by the famous statement of the Secretary of State for India in the House of Commons on August 20, 1917, to the effect that the policy of the British Government was that of "the increasing association of Indians in every branch of the Administration, and the gradual development of self-governing institutions, with a view to the progressive realisation of responsible Government in India as an integral part of the British Empire." Moreover, the war had in India, as elsewhere,

created an upheaval both in the cost of living and in the mental attitude in both countries towards the Anglo-Indian problem. There followed the visit of Mr Montagu to India, and the Montagu-Chelmsford Report—an elaborate review of the whole situation, out of which the Government of India Act (1919) finally emerged. It is a matter of contemporary history that the hopes that the reforms instituted by this Act would allay Indian unrest were doomed to failure. In this unrest the question of the Services played a big part. "The relations," says the Lee Report, "between the political classes and the Services instead of being improved were markedly worsened. In the minds of the Services the uncertainty of the political future of India, combined with attacks upon them in the Press and on the platform, and their steadily deteriorating financial condition, produced feelings of anxiety and discontent. In Indian political circles, on the other hand, the new system seemed incomplete and slow in its operation. It seemed incomplete because the self-government granted in the 'transferred' field was limited by the fact that the members of the All-India Services engaged therein were still under the ultimate control of the Secretary of State. It seemed slow in operation because the rate of Indianisation adopted since 1919 was regarded as illiberal." A series of crises, fresh in all our minds, revealed both the great difficulty of the Lee Commission's task and the urgent need that it should at one and the same time restore faith and good heart to the Civil Servants and at the same time make a gesture that would conciliate at least the moderate sections of Indian Nationalist opinion. That dual achievement might well have appeared impossible; but so would the achievement of unanimity on a Commission composed as the Lee Commission was. Backed by unanimity the Commission's gesture has a chance of real success that it would not otherwise have possessed.

Out of the many recommendations those are of primary importance which come under three main heads :—(1) The pace of Indianisation. (2) Recruitment and control by Local Governments of transferred Services. (3) Pay and pensions. The first of these points is the one that will, of course, loom largest with Indians. Briefly, the recommendations are that a proportion of 50 per cent. Europeans and 50 per cent. Indians should be attained in the India Civil Service within about 15 years, and in the India Police Service in about 25 years. In the India Forest Service recruitment should be in the ratio of 75 per cent. Indians and 25 per cent. Europeans in those Provinces in which Forest administration is reserved. In the India Service of Engineers recruitment is recommended in the ratio of 40 per cent. Europeans, 40 per cent. directly recruited Indians, and 20 per cent. Indians promoted from the Provincial Service. In the Political Department, 25 per cent. of the annual recruitment are to be Indians, in the Imperial Customs Service not less than one half. In the Superior Telegraph and Wireless Branch recruits are to be enrolled in the ratio of 25 per cent. in England and 75 per cent. in India, while, by the extension of training facilities, the same ratio is to be aimed at in the Superior Revenue establishment of the State Railways. These recommendations will not satisfy extremists, perhaps, but moderate opinion will recognise that the Commissioners have followed wholeheartedly the spirit of the Government of India Act, which in the forefront of its preamble states that its aim is "to provide for the increasing association of Indians in every branch of the Administration." Indeed, as the Report points out, the old question of how many Indians could be admitted to the Services has given place to the question "What is the minimum number of Englishmen which must still be recruited?" Further, the Report recommends the immediate appointment of the Public Service Commission contemplated by the Government of India.

The recommendations regarding the pay of the services are too long and complicated for full summary here. The main findings are that in the Indian Police Service the basic rates of pay should be increased by Rs.25 per month for the inferior and Rs.50 per month for the superior branch. The Service of Engineers also receives a concession that removes a grievance complained of by the native members. In all the services (except the Women's Branch of the India Educational Service) members are, from the fifth year of service onwards, to be entitled to

* Cmd. 2128. Price 5s net.

remit their overseas pay at 2s per rupee or to draw it in London at that rate. This latter recommendation is explained by the belief of the Commissioners that the fall of the rupee below the 2s level was not contemplated when the present scale of salaries was determined. English members of the Services are accorded the right to four free return passages during service, while some assistance in this direction is accorded in the case of wives and children. As regards pensions and invalid annuities, no general change is made, but an increase is made in the case of those who rise to the top ranks. Increased pensions in the "uncovenanted Services" are also advocated, and various suggestions are made regarding extraordinary pensions, family pensions, and provident funds. Obviously there is not enough in these financial recommendations to satisfy in full the wishes of the Services, but it is possible that they do not fall short of expectation.

The third main heading which we mentioned above referred to the control by Provincial Authorities of the Services which have been "transferred." The present state of affairs is that Provincial Ministers have responsibility without control in the transferred field. This "constitutional anomaly" the Lee Commission proposes to remove by coupling control with responsibility. This proposal will inevitably be received with suspicion by the European members affected, but the Commission is at pains to gild the pill, and perhaps succeeds to some extent by two qualifications or safeguards. In the first place, it assumes that "no change will be made in the position of the existing members of the All-India Services operating in the transferred field," and that they will retain all their rights, present and prospective, as All-India officers. Secondly, they devise various measures calculated to provide security, of which the chief is the proposal that legal contracts, enforceable in a Civil Court (including clauses securing pay, leave rules, passages, remittance privileges, pension rules, &c.) should be entered into between the Provincial Government and each officer recruited under the new scheme. On paper, at any rate, these qualifications and safeguards are of some considerable value.

One of the most important points about the Report is the plea of the Commissioners that: "The main proposalsare vitally interdependent, and, in view of the urgency of the case, it is recommended that they should be considered as a whole and acted upon with as little delay as possible." One may conjecture that, by a process of give and take, the unanimity of the signatories for the scheme as a whole has been achieved in spite of partial objections. In other words, the Report as a whole is an agreed compromise. If this is so it is a warning against piecemeal adoption. It therefore behoves all parties concerned, including the British Government and His Majesty's Opposition, to weigh up very carefully, not whether this or that proposal is the best possible, but whether on balance the whole Report provides a reasonable solution of a whole host of vexed questions. More than that, they must give great weight to the fact that if, as on the whole appears from Indian cables to be the case, the Report shows the way to a long overdue measure of reconciliation between the Services and the Indian public, and if its adoption is likely to perform the inestimable service of restoring Indian belief in the good faith of the British Government, then its rejection, or even reckless criticism of its findings, may destroy a new and unexpected opportunity for a better state of affairs in the administration and public politics of India. No man can say when another such opportunity will arise.

THE WOOL TRADE.

(BY A CORRESPONDENT.)

It must be frankly admitted that the wool trade to-day is passing through a real testing period. Readers will remember that from the beginning of October until a month ago there was a very strong advance in the value of all qualities, but particularly crossbreds, the last series of London sales seeing the peak passed. For many reasons this is to be regretted, but apparently everything is not satisfactory in consuming centres, more particularly in France and Germany, which absorb big weights of Colonial grown wools. One regrets very much that financial considerations are affecting business in Germany, the wool

trade being the first to feel the effect of any adverse factor of the nature named. It was no uncommon thing in pre-war times for the Continent to absorb something like 60 per cent. of the Colonial clips, and although that quantity is not being taken to-day, it would not be much less if normal financial conditions obtained in France and Germany. Germany has always been a big buyer of Australian, New Zealand, and South African wools, simply because her own production of the raw material has dropped so very sensibly compared with a hundred years ago. It is most interesting to refer to the weight of merino wool grown in Germany and exported to England a century ago, but to-day Germany must of necessity help herself very liberally to the products of the British Empire, and consumption would be bigger than ever if German mills could muster the necessary sterling.

It must be admitted that everything indicates that the rise has spent itself. The recent London sales were disappointing when viewed from any standpoint. After the strong finish of the Liverpool sales, when the last of the wool belonging to the British Australian Wool Realisation Association was disposed of, the trade was very optimistic about the approach of the third series of sales in London, but the auctions had not continued many days before it was discovered that the rise had spent itself. On account of the German and French buyers finding themselves in difficulty, competition was exceedingly limited, values for practically all descriptions, except coarse crossbreds, showing some decline. It is true that the fall was on average no more than 5 to 7½ per cent. compared with the close of the previous auctions. At the same time the bulk of the wools sold met with a somewhat cool reception. The industry would have thought little of the small decline registered had it not been for the heavy withdrawals, these being entirely second-hand parcels upon which importers were hoping to make a profit. Naturally, with such a strong statistical position, owners felt that they were justified in putting stiff reserves on to their wools, but with such restricted competition on the part of the Continental section, limits were not realised, hence the bulk of the merinos in particular were taken in. This is one of the worst features that can develop at any public wool sale.

Its effect was bound to be more noticeable after months of steady advances, and at a time when the trade is well supplied with direct imports. The last London sales took place when no section of the trade was really hungry, and with such heavy drafts to meet on account of large importations, even the big Yorkshire topmakers found themselves by no means keen to operate. A firm to-day buying the same weight of wool as in 1914 wants nearly three times the capital. £100,000 will buy no more wool to-day than £35,000 in pre-war times. In the month of October, 1921, a big firm of Bradford importing topmakers purchased 1,400 bales of B.A. 40-44's crossbreds at 63d, clean, c.i.f. English port. Some two months ago the firm purchased from the same party 300 bales of the same quality at 23d, and the credit to be cabled was actually more than that required in October, 1921. This gives some idea of the extra amount of capital required to finance wool to-day.

The following table, compiled from the circular issued by Messrs Buxton, Ronald and Co., shows where values stood in July, 1914, the lowest point in July, 1921, and the level at the recent series of London sales:—

Merino.	1914. July Average.	1921. July Average.	1924. May Average.
Grease—	d d	d d	d d
Victorian: Western good quality and condition..	18-19	21-25	40-44
N.S. Wales: Riverina, good staple and condition.	15-16	17-20	37-40
Queensland: Central, good staple, fair condition	15-16	16-18	34-37
N. Aus.: Fair length and condition	14-15	14-16	31-34
New Zealand: South Island, fair character.....	14-14½	13-15	31-33
Cape: Fair condition (10-12 months).....	9-9½	8-9	22-24
Scoured—			
Victorian: Fair body and colour.....	27-27½	25-28	58-62
Queensland: Good quality, colour and condition.	27-28	29-33	65-69
N.S. Wales: Fair body, rather fatty	23-24	23-26	52-54
N. Aus.: Fair body and colour.....	26½-27½	27-29	57-59
Cape: Fair body and style.....	22½-23½	21-23	50-52
Crossbred—			
Victorian: Half-bred, super; 50-56's.....	16-17	12-14	25-28
Crossbred, medium: 46's.....	12½-13½	6-7½	18-20
coarse; 40-44's.....	11½-12½	5-6	17½-18½
New Zealand: Half-bred, super; 50-56's.....	15½-16½	12-14	25-29
Crossbred, medium: 46's.....	12½-13	6½-7½	18-20
coarse; 40's.....	11-11½	5½-6	17½-18
" " 36's.....	11-11½	5-5½	17-18

Seldom has there been a time when so much attention was paid to wool trade statistics as during recent months. The rapid absorption of the surplus wool held by the British Australian Wool Realisation Association has shown that consumption has been much larger than production, and until recently demand remained strong enough to influence prices in an upward direction. One feels to-day that the advance has been just a little overdone, and it is very difficult to say what is going to happen in face of the adverse factors to which we have already alluded. Notwithstanding the setback that has occurred, the largest users in the trade are still very optimistic, but at the moment users are anything but pleased with the position. No doubt finance is playing a very important part, and if Germany could be relieved of its present financial tightness, a great improvement would soon be seen in all markets. The French political crisis is also having an adverse influence upon the textile industry of Northern France, and while we do not think a strike will materialise among the textile workers of this country, it is influencing some forced sales. Trade in consuming centres has been exceedingly slow since the close of the London sales; hence the future is regarded with some concern. Many think that once the heavy pressure of direct imports is passed, the London July auctions will reveal the strength of the wool position. We should like to see the textile industry of the United States and the West Riding of Yorkshire in a more vigorous state, and it is going to take values all their time to be maintained until to-day's stocks are wiped out. It is too early to talk about the opening of the next season in Australia and elsewhere, but on general trading conditions there can be no justification for the maintenance of to-day's high values for either merinos or crossbreds. On the other hand, there is not much justification for any marked decline. It would have been preferable to have a strong, active market for another three months until current stocks had been liquidated, but users appear to be determined to act cautiously.

BRAZIL'S ECONOMIC PROBLEM.—I.

(BY A BRAZILIAN BONDHOLDER.)

IN the eyes of some of its inhabitants, Brazil is destined, within a few generations, to be one of the greatest, richest, and most powerful countries in the world. There are others who regard their land and its inhabitants with a humorous self-depreciation that is almost English in its critical intensity, but these are rare. A larger minority laugh at themselves and their fellow citizens, but maintain that the country is rich enough to carry even them, quoting a local proverb which says that the only thing that saves Brazil is the fact that its inhabitants go to sleep every night, giving Providence and the country time to correct their mistakes. The case made by the "boosters" is chiefly arithmetical. The population, they say, was 17 millions in 1900, and nearly 31 millions in 1920. It will therefore, on a conservative estimate, be 60 millions in 1945, and will continue to double itself every 25 years. They then usually proceed to compare the position of Brazil to-day with that of the United States after the Civil War, and to foretell that the progress of their country will be at least as rapid and amazing as that of its northern neighbour. Its area is nearly as great, its soil richer, its climate more varied and favourable to growth. Its mineral resources are immense, and their immensity lends itself more readily to flattering imagination because they are hardly explored; and when one objects a lack of coal, one is answered by the unquestionable fact of extraordinarily abundant water-power.

It is a dazzling picture of what might be, and the catalogue of possibilities has plenty of solid basis in fact. After making all allowance for the difficulty presented by the climate of the equatorial swamps of the Amazon Valley, and for the fact that nearly half Brazil consists of tropical forest, the productive possibilities of the country are still enormous, if their development can be undertaken on the

right lines and in the right spirit. The United States, when they began their great forward movement in the sixties of last century, had a vigorous and hard-working population, which was reinforced by a great stream of immigrants from the British Isles and from Northern Europe, and capital from the same sources was poured in in a stream that sometimes enriched the country more rapidly than those who lent it, to provide the transport system without which no natural resources can be tapped and brought to market. In Brazil the population is largely of Portuguese origin, with an important admixture of Italian immigrants. Everybody grants to the Italian the faculties of hard work and thrift, the chief objection to him as a colonist being his tendency to send home his savings and to follow them himself, when he has accumulated enough to live comfortably at home. The Portuguese has not hitherto been specially noted as an efficient organiser of development, but this may be only because his virtues have not been fully recognised. Miss Rebecca West, in one of her articles on America in the *Sunday Times*, related, in protesting against the American prejudice against Mediterranean races, that "there are farms on the New England coast which the Anglo-Saxon population could do nothing with . . . and yet the Portuguese have come along and made that same soil blossom like the rose, and founded healthy and happy and stable agricultural communities."

As will be shown later, the existing population of Brazil has done a great work in developing its resources. Restrictions on immigration into America and other countries ought to help them to get plenty of recruits from Europe, where the conditions are certainly such as to encourage the more enterprising members of the community to seek "fresh woods and pastures new." Being also a land remarkably free from race prejudice, Brazil is thus in a strong position for dealing with her population problem, if she can surmount the other great obstacle to her future progress—namely, her totally inadequate and very inefficient system of transport and communication. For this, as need hardly be said, she needs foreign capital in shiploads, and she will not find it too easy to get it. In the first place, because the saving habit has undoubtedly been checked, by the war and bad war finance in the countries that used to accumulate capital—some people say, for example, that it has been killed, at least for the time being, in Germany by the depreciation of the mark. Secondly, because there is a clamorous demand for capital, for reconstruction and development purposes, in other parts of the world. Thirdly, because the experience of foreign capital in Brazil has not been one of unchequered happiness—the Federal Government has never actually defaulted, but two funding schemes, one of which is still in operation, have smirched its financial escutcheon, while defaults on the part of States and municipalities are not unknown, and private enterprise, investing in railways, tramways and public utilities, has been hit by the unstable exchange, and has in some cases complained of unfair treatment by the authorities, though complaints of this kind need careful sifting before they are taken at their face value. And lastly, because the strong nationalist feeling that has been produced everywhere by the war seems to have taken the form in Brazil of suspicion and prejudice against foreign capital, which, if unchecked, will make her rapid development impossible. The country is there with infinite possibilities; the inhabitants are there ready to work a little bit of it; the immigrants are ready to come and work more and more of it; but the transport system is not able to carry even the crops that are now grown to market and to the ports, much less to take a stream of new immigrants up to the inland farms and to bring down the increased produce that their work would create. Transport is the door through which Brazil has to open her way to wealth, and foreign capital is the key to the door. She cannot unlock the door unless she welcomes foreign capital, makes it feel at home instead of treating it as an "undesirable alien," and gives it a fair chance of making a living.

Let us now see what Brazil has done in production, as measured by her export trade, the only side of her productive life for which full figures are to be had over a period of years. In 1901 her total exports were valued at £40½ millions, with a favourable trade balance of

£19 millions. Of her exports, coffee stood for £24 millions, and rubber for £8½ millions, these two items accounting for more than three-quarters the total. But rubber sang its top note in 1910, with £24½ millions, nearly equalling coffee, which in that year produced £26½ millions, the total exports being valued at £63 millions. Since then, owing to the competition of the Eastern plantations, Brazil's rubber exports have been divided by two in quantity and by twelve in value, producing less than £2 millions last year. Nevertheless, she has more than filled the gap with the help of the rise in sterling prices, and in 1923 her total exports fetched nearly £72 millions, giving her a favourable trade balance of £22½ millions. Of this total, coffee provided no less than £46 millions, or 64 per cent., giving a dangerously one-legged appearance to her trade; but hides, sugar, and cotton were all above the £2 million line, while oil seeds, cocoa, and frozen meat were very near it, the last named only having appeared in the export list in and after 1915. Rice, which used to be imported, is now a considerable item of export. This achievement—highly creditable in view of the reduction in Europe's consumption of coffee and the loss of the rubber monopoly—Brazil has achieved in spite of the diversion in the meantime of much of her capital and energy into industrial development, fostered first by the war and the consequent inability to import many articles that had formerly been produced by European belligerents, and afterwards by a high tariff and the falling value of the milreis. San Paulo, the only State in which figures of industrial development are to be had, shows that it produced in 1910 33½ million metres of cotton textiles, in 1910 75½ millions, and in 1921 197½ millions.

These things Brazil has done under wasteful farming which exhausts one area and goes on to the next, with inadequate transport, and a postal system that would be a farce if it were not a tragedy, and without touching the iron deposits with their mouth-watering possibilities. And now the state of the world's cotton supply, and the great potentialities of her soil in filling the void which is affecting Lancashire so seriously, gives her another great chance of adding to her wealth and increasing her favourable trade balance, which is not yet favourable enough. But that is an item in her financial position which will be dealt with in another article.

BRITISH OVERSEAS BANKING POLICY.

AMERICAN books on British banking usually find a bad market on this side. The reason seems to be that the essential features of our banking system, as of our constitution, are singularly elusive to the foreign observer, who views them at a distance and at second-hand, and in nine cases out of ten brings to the task preconceived notions founded on the workings of his own national system. The more credit is therefore due to the writer of the present work* for his success in producing a volume which may advantageously find a place on the bookshelf of every serious student of British banking methods. And this for two reasons. Firstly, the book contains the judgment of a shrewd and well-informed critic, given after a careful and extended personal study of affairs on the spot. (Dr Robinson goes out of his way to thank the bank executives who "met the tiresome queries of an often too zealous seeker for facts with unfailing British good humour.") Secondly, the subject matter is concerned with an important side of recent bank history which has as yet received very little systematic literary attention. The rapid march of events has already made ancient history of some of the facts, but the validity of the conclusions arrived at does not seem in any way to have been upset. The author covers a large field, but from the point of view of English readers the most interesting chapters are those dealing with the post-war foreign policies of the "Big Five," the British Overseas Bank, and the British Trade Corporation.

The decision of four of the five leading British joint stock

banks to enter a territory almost wholly unfamiliar by establishing foreign branches seems to have been to some extent forced upon those responsible by a desire to accommodate their domestic clients, who, with the resumption of normal foreign commercial intercourse at the end of the war, were pressing for facilities supplied in pre-war days mainly by certain foreign institutions which disappeared from the London money market in 1914. No doubt British bankers desired to be in a position to reap the full fruits of an expected Continental trade boom, but it seems fairly clear that for the most part earnings were, as Dr Robinson states, subordinate to the desire to serve customers in the best possible way. The departure from the British practice of conducting foreign business through the agency of correspondents of the highest possible standing was, nevertheless, not far short of revolutionary. In practice, the competition of the overseas branches of British concerns with native institutions has proved more apparent than real. The accounts kept by these branches have tended to be operated largely for the benefit of British firms or of foreign concerns in connection with their British business. While accounts for foreigners in local currency have not been refused, they have not been solicited. Untoward conditions on the Continent are said to have diverted a certain amount of native business to the British institution, with its traditional conservatism and reflected glory of the parent bank, but this factor does not seem to have been of sufficient importance to create open ill-will among Continental banks acting as agents and correspondents.

The business undertaken is believed by Dr Robinson to have been on the whole profitable, but the difficulties encountered have been very formidable. In some cases the British concern has come in for special attention from the foreign taxgatherers. In at least one instance, unsound practice leading to a disastrous failure on the part of an important competing foreign institution has been responsible for a highly dangerous "run" on the local branch of a British bank. As all the conservatism in the world cannot obviate this danger, it would seem that there is a good deal to be said against establishing an outpost of British banking in any part of the world where any instability exists as regards the position of native institutions. At the present time the tendency is to limit the scope of these foreign branches of the Big Five. In some cases foreign branches have been closed, and in no cases are their powers being extended. That the policy of direct representation overseas did not at any time pass beyond the experimental stage seems to be indicated by the fact that the movement did not, save in exceptional circumstances, extend beyond three countries—namely, Spain, France and Belgium.

The promoters of the British Overseas Bank attacked the problem on different lines. Their policy was to establish contacts with as many foreign institutions as possible, with a minimum of risk, and to acquire a direct stock interest in overseas institutions only in exceptional cases. In practice the bank has concentrated many of its energies on preparing the ground in Central and Eastern European countries for development when a favourable time arrives. In the City of London the bank is best known on account of its intelligence and foreign exchange services. In the first respect it has undoubtedly covered a large field, and has done much to replace the facilities which, up to 1914, were largely monopolised by the London branches of German and certain other foreign banking institutions. Its detailed knowledge of and numerous connections in countries with disturbed currencies have enabled it to fill a real need in the City of facilities for "future" exchange operations.

At the outset of its career no fewer than eight different institutions, operating in a variety of areas, were responsible for its control, but the number has recently been reduced to three. Dr Robinson is inclined to stress the opportunities for mutual interchange of services and information provided by the former régime, but it is a moot point whether the bank will not gain on the whole by the greater elasticity in administrative methods likely to be obtained under the new arrangement. The caution displayed by those responsible for its policy has been amply justified by the course of events up to the present, but obviously only a fractional part of the bank's potential

field of operation has been touched as yet. Its subsidiary, the Anglo-Polish Bank, has developed at a phenomenal rate, and called for substantial capital accretions, partly in consequence of rapid depreciation of the Polish national currency.

The British Trade Corporation was incorporated by Royal Charter in April, 1917, on the lines suggested by a Departmental Committee of the Board of Trade. Two main aspects have been distinguishable in its general policy. It has essayed to encourage British trade directly by filling the rôle of the "industrial" bank, familiar on the Continent, but practically non-existent in pre-war days in London; and to encourage overseas trade indirectly by entering foreign fields, such as Brazil, the Levant, and Southern Russia, formerly held by "enemy" concerns. Fortune has been particularly unkind. The early collapse of the post-war boom greatly limited the corporation's sphere of action at home, and the particular markets to which its activities were directed abroad turned out to be those hardest hit by political instability and economic depression. Dr Robinson sums up its experiences as follows—"Its knuckles have been rapped wherever its interest extended in overseas areas, for the reason that the dramatic ups and downs of world business and the running sores of European politics could not be anticipated at the time when its far-reaching programme was undertaken to meet existing needs." Tribute is paid to the courage with which those responsible have faced the situation, and the energetic way in which they have cleared the decks and laid the foundation for future development whenever that becomes possible. The misfortunes of the past will probably be rich in experience for those guiding the corporation's destinies. Possibly the steady increase in the volume of trade at home and the slow but marked recovery in many foreign markets will, in the near future, enable the corporation usefully to intervene, but it is clear that the ambitious programme set out in the rosy days of 1917-19 will not, at least for several years to come, be a matter of practical politics. There seems to be much force in Dr Robinson's suggestion that it is on the domestic side, and particularly in the sphere of issue business, that the more immediate opportunities for development are to be found.

Notes of the Week.

Our Index Number.—A substantial decline in commodity wholesale prices in May is registered by our Index Number, but this is very largely due to special causes—a substantial decline in sugar prices which has almost synchronised with the reduction in the duty, and a reaction in tin. The decline for the month amounts to 110 points, of which over two-thirds is due to sugar alone. The total is now 4527, which is the lowest figure recorded since October last, and compares with 4412 twelve months ago. The table below shows the changes in the various groups:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Timber, Oils, &c.).	Total.	%
Basis (avg. 1901-5) ..	500	300	500	400	500	2200	100.0
End July, 1914	579	352	618	464	553	2566	116.6
" Dec., 1915	897	446	731	711	848	3634	165.1
" Dec., 1917	1286	686	1684	839	1348	5845	265.2
" Nov., 1918	1289	782	1848	908	1389	6212	282.6
" Mar., 1920	1508	914	2974	1246	1709	8352	379.6
" Dec., 1921	1344	805	1284	1216	1275	5924	269.3
" Dec., 1921	921	636	1106	762	931	4357	198.0
" Dec., 1922	861	706	1184	705	807	4264	193.8
" Mar., 1923	824	752	1178	840	797	4392	199.6
" June "	815	773	1177	773	761	4301	195.5
" July "	819	756	1115	744	746	4182	190.1
" Sept. "	823	782	1214	732	745	4297	195.3
" Dec. "	853	815	1382	774	755	4580	208.2
" Jan., 1924	909	845	1349	789	769	4662	211.9
" Feb. "	899	859	1308	819	783	4668	212.2
" Mar. "	897	843	1313	805	780	4640	210.9
" Apl. "	904	802	1364	788	778	4637	210.8
" May "	912	730	1357	753	774	4527	205.8

Apart from the changes already referred to, movements during the month have been quite small. In the first group of foodstuffs a seasonal advance in the price of potatoes was offset by a decline in pork. In subsidiary foodstuffs the decline is entirely due to sugar, slight changes in tea and butter counteracting one another. It was explained in last week's *Economist* (page 1101) that a substantial and quite unexpected increase in the Cuban sugar crop estimates produced a sharp drop in prices. The total decline for the month in the quotation, including the duty, amounts to 19s per cwt, namely, from 57s to 38s. In the textile group changes were very small, the net decline amounting to 6½ points. Coal and tin are mainly responsible for the drop in the minerals group, and a decline in tallow is the only change in the miscellaneous group. The table below sets out the changes in each commodity's index number in comparison with that for the end of April, the figure 50 representing in each case the average price during the basic period 1901-5:—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.
Wheat—For.	81	+ 14	Cotton, A	1654	+ 5	Copper	51½	- 1½
English	86	+ 4	Cotton, E	1594	- 1			
Flour	75	+ 3	Yarn	1604	- 3	Minerals	753	- 35
Barley	85½	- 3	Cloth	146				
Oats	78½	+ 1	Wool, Eng.	154	- 5	Baltic timber	103½	
Potatoes	144	+ 13	Do Aust.	148	- 3	Amer. timber	89½	
Rice	119	+ 1	Silk	99	- 3	Leather	604	
Beef	86½	- 1	Flax	180		Petroleum	108	
Mutton	87½	+ 4½	Hemp	55	+ 4	Oils	764	
Pork	69	- 15½	Jute	90		Oilseed	81	- ½
						Tallow	714	- 3½
Cereals & meat	912	+ 8	Textiles	1,357½	- 6½	Indigo	87	
						Crystals	85½	
Tea	148	- 2	Pig-iron	98	- 1½	Rubber	11½	- ½
Coffee	116½	- 7	Steel rails	95				
Sugar, cane	136	- 67½	Iron bars	96		Miscellaneous	774	- 4½
Sugar, beet	130	- 5	Coal, steam	134	- 9			
Butter	83½	+ 2½	House coal	88	- 6	Total	4,527	-110
Tobacco	116½		Lead	129	- 3			
			Tin	81½	- 14			
Other foods	730½	- 72						

Last month's decline reduces the increase in the total figure over that for the end of July, 1914, from 80.8 per cent. to 76.5 per cent., the latter comparing with 78.6 per cent. at the end of last year, and 63.1 per cent. at the end of July last. The final table shows the relation of each of the groups to the pre-war figure:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	186	241	237.5
Dec., 1919	249	250	396	247	263	287.1
Mar., 1920	261	260	484	269	309	325.6
Dec. "	233	229	209	261	230	230.9
Dec., 1921	159	180	180	164	168	169.6
June, 1922	174	192	184	149	160	171.1
Sept. "	151	194	181	150	148	163.3
Dec. "	149	200	193	152	146	166.2
June, 1923	141	220	191	167	137	167.7
Dec. "	148	231	225	167	136	178.6
Jan., 1924	157	241	219	170	139	181.8
Feb. "	155	244	212	176	142	182.0
Mar. "	155	240	213	173	141	181.0
Apl. "	156	228	221	170	141	180.8
May "	157	208	220	162	140	176.5

Textiles now show the largest increase over the pre-war level, and other food has fallen to the second place for the first time for several years.

The French Political Position.—The events of the present week have done little towards straightening out the confusion of French politics. One step forward, it is true, has been taken. M. Poincaré has definitely resigned, and the newly constituted Chamber of Deputies has met and elected M. Painlevé as President of the Chamber. A majority in his favour was a foregone conclusion, the size of the majority being the interesting point. The voting showed 296 votes for M. Painlevé against 209 votes for M. Maginot, the late Minister for War, and 35 for M. Marty, the amnestied mutineer of Black Sea fame. The impression derived from the voting is that a Radical and Radical-Socialist Government, dependent for a majority on the Socialist group, will be faced with frequent threats to its effective existence. For the moment, however, attention is concentrated on the position of M. Millerand. The earlier expectation that he would resign has given way to

* "Foreign Credit Facilities in the United Kingdom." By Leland Rex Robinson, Ph.D., Columbia University Studies. (London) P. S. King and Son, Limited.

the belief that he will not do so, except as a result of an adverse vote in both the Chamber and the Senate. He will apparently follow the normal constitutional procedure of sending a Presidential address to both bodies. From the Chamber he will certainly receive an adverse answer, but the prospects regarding the Senatorial vote are less clear; and there appears to be a bare possibility of a clash between the two Houses. But before such a contingency could arise, a Government must be formed, and the question of immediate importance is what line M. Herriot will take, when invited by M. Millerand to form a Ministry. M. Herriot's followers' slogan is "Millerand must go," and there has been in the Radical and Radical-Socialist group a very strongly expressed feeling that no member of the group could accept a mandate from M. Millerand. How far this position may be modified it cannot at the moment be said. One course open to M. Herriot is to refuse to form a Ministry, and to press in the Chamber a motion demanding M. Millerand's resignation. It is to be hoped that the development of events will be swift, for not only is the present confusion most disturbing to the exchange, but it cannot fail to exert some influence on the course of political events in Berlin. While the world is waiting and hoping for action on the lines of the Experts' Report, every moment of delay in the clearing up of the French political position is serious.

The Mosul Question.—The negotiations at Constantinople between the British and Turkish Governments regarding the future of the Mosul Vilayet are in suspense while Fethi Bey, the Turkish delegate, is applying for further instructions from Angora; but it is virtually certain that the Conference will break down, since neither party has receded from the respective points of view which were set out so elaborately during the Peace Conference at Lausanne last year. The Turks refuse to abandon their claim to the province because it contains a non-Arab Muslim majority, whereas, in their National Pact of January, 1920, they only renounced their sovereignty over the Arab provinces. The British Government replies that while the population of the city of Mosul itself and of the districts west of the Tigris is Arab, the larger part of the province, lying east of the river, is inhabited not by Turks, but by Kurds (with a minority of Nestorian Christians, whose safety might be compromised by their proved loyalty to the British régime during the period of British occupation). The Turks, however, are anxious to include these Southern Kurds within their frontiers, since there is a Kurdish majority in several of their eastern provinces north of the present line of demarcation, and they are afraid that if Kurdish national self-government develops south of the line, the loyalty of the Northern Kurds towards Turkey may be undermined and their aspirations centred upon national independence. The British Government, on their side, take no interest in the Northern Kurds, and have no intention of creating trouble among them, but—regarding the question of Northern Kurdistan as an internal affair of Turkey—they do not feel that it ought to influence the disposal of Southern Kurdistan; and certainly (if there is not to be a united and independent Kurdistan, at any rate for the time being) the strategic and economic factors are in favour of the political association between the Southern Kurds and the Arabs of Iraq being maintained, and not of assigning the Southern Kurds to Turkey; there the matter stood at Lausanne, and stands to-day, and now that the first step laid down in the Lausanne Treaty (Art. 3, Part II.) has been taken without success, the next step automatically follows: "The frontier," it is provided, "between Turkey and Iraq shall be laid down in friendly arrangement to be concluded between Turkey and Great Britain within nine months [of the ratification of the Treaty]. In the event of no agreement being reached between the two Governments within the time mentioned, the dispute shall be referred to the Council of the League of Nations." Meanwhile, the local *status quo* is to be maintained. It is impossible to anticipate what the decision of the League will be, but it is important that, if it turns out to be wholly or partly unfavourable to Turkish claims, it should be rendered in such a form as to convince the Turks that

it has been given impartially. While Turkey is not yet a member, the British Empire has a permanent place on the Council. The League may therefore be represented, from the Turkish point of view, as an instrument of the Allies, or at any rate of the European peoples, and this might have an adverse effect upon the attitude towards the League of other Oriental nations. It is desirable, therefore, that some of the present Oriental members of the League shall be asked to collaborate in whatever practical steps for investigation and decision the Council may decide to take when the question comes before it.

Stock Exchange Membership.—The Stock Exchange Committee have passed an alteration to the rule regulating admission of candidates to membership of the Stock Exchange, the importance of which change is shown in the fact that it will require confirmation next Tuesday before it can be incorporated into the existing Rule. The new clause proposes that every recommender of a new candidate for admission to the Stock Exchange shall be "Satisfied from personal knowledge as to the candidate's fitness, both financially and in all other respects, to become a member of the Stock Exchange." The step is important, writes a Stock Exchange correspondent, in that it shows that the Committee are alive to the desirability of electing only such candidates as shall possess real qualification for membership. There are very few professions or callings in which admission to the full rights of membership can be obtained with so modest an outlay of money, or so slender qualifications for the office. The mere fact that nominations to Stock Exchange membership are priced at about £50 apiece is indicated as a reflection of the esteem in which membership is held. The action of the Committee may be welcomed upon a broader basis than that which touches the domestic side of Stock Exchange affairs. After all, the Stock Exchange business is one which calls for a good deal of technical knowledge if the member is to carry out faithfully and well his responsibilities to the investing public. Before a candidate is selected to fill any responsible position in the Stock Department of the Public Trustee, he has to pass a fairly stiff examination on a variety of subjects closely connected with finance. He must be able to distinguish between the character of one security and that of another. He must be prepared to give reasons why one particular stock is more desirable than another for a trust, the circumstances of which are set before him. There is no examination of this sort connected with the Stock Exchange. It may be doubted whether any firm of brokers or jobbers in the House set a paper before candidates who wish to enter their employ. Nevertheless, the interest of the public is at stake, and it stands to reason that there should be a sound, practical knowledge of modern financial conditions required from men who are consulted by thousands of people every day. Even in speculative matters the possession of a certain amount of technical knowledge has its value from the point of view of the public. The suggestion has been made many times during the past decade or two that the Stock Exchange as a profession would gain in prestige and service to the public if there were to be examination into the technical qualifications of men who aspire to membership of the House. This is not likely to come from voluntary effort. Classes are formed every winter for the express purpose of teaching Stock Exchange subjects, but the amount of support which they receive is meagre when it is remembered that there are nearly 4,000 members of the House, and probably 10,000 clerks connected with the business. He stands to be called a dreamer and a visionary who claims sound sense for the idea that the Stock Exchange should follow the example set by many other professions in the institution of scholarships and degrees for those who enter upon a business which concerns, literally, millions of money. No doubt it will be argued that the proposed alteration of the rule is somewhat vague in the obligation which it is intended to impose upon those who recommend new candidates for admission to the House, but it points to the fact that the Committee recognise the importance of the matter to the Stock Exchange and to the public.

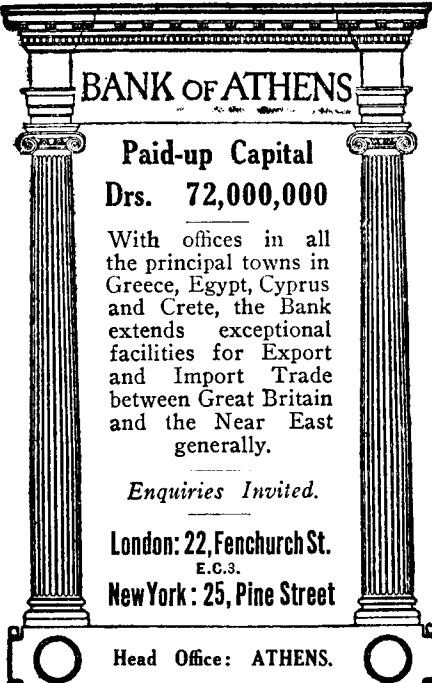
Cost of Housing Proposals.—The following table contained in a White Paper (Cmd. 2151) shows how the cost to the State and the local authorities of Mr Wheatley's housing scheme rises and falls over 56 years:—

Year.	Exchequer Charge on £.	Charge on Local Rates. £.	Year.	Exchequer Charge. £.	Charge on Local Rates. £.
1924-1925	278,000	135,000	1964-65	22,878,000	11,115,000
1925-26	1,072,000	521,000	1965-66	22,084,000	10,729,000
1926-27	1,905,000	925,000	1966-67	21,251,000	10,325,000
1927-28	2,823,000	1,371,000	1967-68	20,333,000	9,879,000
1928-29	3,827,000	1,859,000	1968-69	19,329,000	9,391,000
1929-30	4,946,000	2,403,000	1969-70	18,210,000	8,847,000
1930-31	6,195,000	3,010,000	1970-71	16,961,000	8,240,000
1931-32	7,601,000	3,693,000	1971-72	15,555,000	7,557,000
1932-33	9,180,000	4,460,000	1972-73	13,976,000	6,790,000
1933-34	10,930,000	5,510,000	1973-74	12,226,000	5,940,000
1934-35	12,894,000	6,231,000	1974-75	10,332,000	5,019,000
1935-36	14,761,000	7,172,000	1975-76	8,395,000	4,078,000
1936-37	16,699,000	8,113,000	1976-77	6,457,000	3,137,000
1937-38	18,636,000	9,054,000	1977-78	4,520,000	2,196,000
1938-39	20,573,000	9,995,000	1978-79	2,583,000	1,255,000
1939-40	22,511,000	10,936,000	1979-80	645,000	314,000
1940-41	23,156,000*	11,250,000			
1963-64					

The maximum of £23,156,000 per annum for the State and £11,250,000 for local authorities runs on for over 20 years—from 1940-41 to 1963-64.

The American Cotton Crop.—Our Manchester correspondent writes:—At the beginning of this week the Department of Commerce of the United States Government published its first report on the cotton crop for the season 1924-25. In the opinion of most private firms a statement of about 67 per cent. was expected, but the report turned out to be 65.6 per cent., against 71 per cent. a year ago. The disappointing figure resulted in a rise in values, but this was only temporary as the higher prices brought out profit taking, and the advance was lost. It was officially announced that the season is late in most of the belt, though not quite so late as last year. Plantings are seven to ten days late. The situation at the moment is serious for cotton users throughout the world. American crops during the last three seasons have not been equal to the requirements of traders, and stocks have been reduced to a very low level. If anxiety is to be removed, it is necessary that the growth for next year should not be less than 13,000,000 bales, and at the present time the information available does not point to so large an amount being grown. It is altogether too early, however, for reliable estimates of the crop to be issued, and everything depends upon the weather conditions in the growing area during the next couple of months. The absence of rain and higher temperatures would very soon bring about a distinct change in the outlook. It may be mentioned that in 1920 the first official report for the season was only 62.4 per cent., yet the growth totalled 13,700,000 bales. Spinners in Lancashire are not disposed to anticipate their future requirements at present prices, but developments in the situation are being watched very closely. It is probable that more reliable news will be received from the commission of the International Cotton Federation, which is about to make an investigation of the crop in America, and their reports, which will be received by cable, will give a lead to spinners in Lancashire.

Burmah Oil Company.—A further improvement in profits is shown in the report for 1923 of the Burmah Oil Company. The directors state that, "in the volume of oil produced, refined, and marketed by the company, 1923 surpassed the previous year of 1922," and crude oil stocks have been restored to the full limits of available storage. "The increased volume of products found a ready sale in usual markets at prices generally unchanged, except in the case of petrol, which was affected both in India and for export by the world's lower values for that product." The trading profit, after allowing £333,237 for depreciation on refineries, pipe lines, &c., was £2,452,512, which compares with £2,428,155 in 1922, when depreciation allowances totalled £149,807. Interest and dividends produced £439,100, as against



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£357,900 a year ago. The following table compares results for several years past:—

	1914.	1919.	1921.	1922.	1923.
	£	£	£	£	£
Trading profit ..	971,278	4,344,469	2,353,894	2,428,155	2,452,512
Interest, &c.	58,335	287,149	284,510	358,795	439,817
	1,029,613	4,631,618	2,638,404	2,786,954	2,892,329
Income-tax	50,509	318,121	470,733	393,849	322,282
Administration..	27,596	126,761	106,053	105,826	125,694
Depreciation	124,242	..	..	..	..
War expenses ..	30,028	..	..	..	*104,443
Insurance	20,000	20,000	20,000	20,000	20,000
To reserve	200,000	1,361,447	358,827	371,455	336,013
Prof. dividend ..	55,375	42,000	126,000	221,250	257,500
Ord. dividend ..	523,875	1,428,750	1,545,289	1,545,325	1,545,358
	(27½ %)	(50 %)+	(30 %)+	(30 %)+	(30 %)+
Carried forward..	72,601	1,536,994	359,584	335,063	382,134

* 8 per cent. Prof. Share issue exs. and Dom. Income Tax Refunded.
† Tax free. ‡ Including donation of £50,000 to Cambridge University

There was a saving of over £70,000 in income-tax, but salaries, office rent, charges, &c., absorbed £20,000 more. A sum of £50,000 was required to write off the balance of the charges for an issue of 8 per cent. preference shares; £54,400 was refunded to preference shareholders for Dominion income-tax. The reserve fund is credited with £200,000, as in the previous year, and £136,000 is transferred to Employees' Provident Fund, as against £121,500 a year ago. The higher amount required for preference dividend is due partly to the smaller amount of income-tax deducted and partly to the fact that the £3 millions 8 per cent. preference shares now rank for full dividend. The ordinary dividend is maintained at 30 per cent., free of income-tax. The balance-sheet, of which an analysis will be found in a later column, shows reductions of £732,600 in creditors and of £223,500 in debtors. Cash and loans, at £873,300, are £116,300 lower, while investments, at £4,700,500, show a decline of £38,300. On what basis the later are valued we are not told. The directors circulated with the report the communique which they issued to the Press in February last giving the company's attitude to and position in the negotiations for the sale of the Government's shareholding in the Anglo-Persian Oil Company to the Burmah Oil Company, and for the subsequent joining by the Burmah in a merger with the Royal Dutch and Shell companies.

Bleachers' Association.—A slight improvement in profits is shown in the report of the Bleachers' Association for the year ended March 31st last, the trading profit of £1,091,600 being the second highest in the history of

the company, while the net profit is within £10,000 of the figure for the record year 1919-20. The trading profit, however, is arrived at after charging £379,300 for repairs and maintenance, whereas this item took £410,500 a year ago. The following table gives results since 1907:—

Year Ending March 31.	Trading Profit.	Net Profits.	Prof. Dividend.	Ordinary Dividend.	To Reserve, &c.	Inc. or Dec. to Carry Forward.
	£	£	£	£	£	£
1907.....	457,938	266,415	125,464	91,564	55,000	5,604
1908.....	439,214	246,104	125,464	88,673	55,239	1,263
1909.....	387,312	199,582	125,464	nil	50,000	+ 24,128
1910.....	503,680	315,035	125,464	103,009	50,000	+ 34,571
1911.....	515,783	312,981	125,464	103,009	50,000	+ 34,517
1912.....	588,121	371,605	126,690	114,455	125,000	+ 5,460
1913.....	672,799	433,907	130,951	137,346	125,000	+ 40,610
1914.....	666,045	423,416	131,455	138,306	125,000	+ 28,655
1915.....	438,575	197,835	134,983	70,078	50,000	+ 57,226
1916.....	674,878	416,594	135,988	141,006	65,790	+ 73,610
1917.....	794,874	515,583	135,988	176,257	130,000	+ 73,339
1918.....	826,730	527,655	135,988	176,257	130,000	+ 85,410
1919.....	770,259	475,513	135,988	235,010	164,718	+ 60,203
1920.....	1,202,241	813,580	135,988	470,019	175,000	+ 32,575
1921.....	899,151	514,333	135,988	237,108	125,010	+ 46,721
1922.....	950,138	653,888	135,988	296,382	200,000	+ 21,515
1923.....	1,084,714	788,464	135,988	474,216	175,954	+ 2,306
1924.....	1,091,628	795,378	135,988	474,216	175,000	+ 10,174

The depreciation fund is credited with £180,000, as last year, and this is charged before striking net profits. The reserve allocations consist of £125,000 to general reserve, raising it to £1,700,000, and £50,000 to superannuation fund, making a total of £250,140. The ordinary dividend is maintained at 20 per cent., and the balance forward is increased by £10,200 to £361,700. The directors point out that the profits, after deducting all charges prior to debenture stock, interest, and preference share dividend, are equivalent to 9.93 per cent. on the capital employed, as against 9.99 per cent. a year ago, and 8.61 per cent. for 1921-22. A detailed analysis of the balance-sheet will be found in a later column.

Elder, Dempster.—The report for 1923 of Elder, Dempster, and Co., which is partly a holding company, shows a slight decline in profits, but how far this is due to a decline in the earnings of the company's fleet and how far to a drop in receipts from investments in other shipping companies, it is impossible to say. Income from investments and profit at head office and branches is given as £527,600, against £535,700 a year ago. Profits and appropriations for several years are compared below:—

	1913.	1918.	1919.	1920.	1921.	1922.	1923.
Profits	307,379	408,435	522,873	677,328	564,320	535,655	527,575
Transfer fees	226	95	158	165	282	452	520
Total revenue	307,605	408,530	523,031	677,493	564,602	536,107	528,095
Interest on debts, &c.	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Preference dividend	94,032	68,375	116,224	267,731	302,785	333,375	356,500
Reserve, &c.	75,000	50,000	100,000	100,000	75,000	50,000	50,000
Superannuation fund	10,000	10,000	20,000	10,000	10,000	10,000	10,000
Ordinary and man. div.	96,000	144,000	144,000	144,000	144,000	93,441	83,489
Carried forward	+ 2,573	+ 36,154	+ 42,807	+ 49,760	+ 57,963	+ 40,709	+ 11,864

* Free of tax.

Further increases in the preference capital account for the larger amount required for preference dividend. No allocation is made to reserve, and after reducing the ordinary dividend from 7 to 6 per cent., the balance carried forward is £11,900 lower at £101,800. The main item of the assets side of the balance-sheet, in the customary style of shipping companies, "shipping, industrial and general investments, steamers, stocks, plant, small craft, &c., less depreciation," is £148,300 lower at £12,610,700, but debtors have risen by £417,100 to £1,180,700. Creditors show a reduction of £548,400, and bills payable are £211,900 lower. An analysis of the balance-sheet is printed on a later page.

William Cory.—A slight drop in profits is shown in the accounts of Wm. Cory and Son, Limited, for the year ended March 31st last, but as a larger amount was brought into the accounts than was the case a year ago, the amount available for distribution is slightly greater. The figures below give a comparison of results for a number of years past:—

	1914-15.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.
	£	£	£	£	£	£
Profit	215,328	755,523	770,843	601,405	588,194	577,986
Brought forward	44,511	177,153	278,308	391,812	478,839	451,826
Deb. interest...	259,839	932,675	1,049,151	993,217	1,067,033	1,029,812
Written off....	37,000	37,000	37,000	37,000	37,000	37,000
Reserve, &c. ...	6,000	..	..	..	..	..
Prof. dividend..	42,500	42,500	42,500	42,500	42,500	42,500
Ord. dividend..	115,000	570,017	570,020	427,514	427,514	427,514
Employees' shs	(10%)	(20%)	(20%)	(15%)	(15%)	(15%)
Carried forward	1,108	4,851	7,819	7,364	8,194	9,325
	58,231	278,308	391,812	478,839	451,825	464,053

The distribution of profits remains the same as in the past two years, with the exception of allocations to reserve. Reserve account is now given as £750,000. But there is a premium on share account which amounts to £440,000, and an insurance fund for steamers of £100,000. Employees' shares have been issued for over £60,000. Total assets are £9,604,477, as against £9,882,762 a year ago. The balance-sheet, of which an analysis appears elsewhere, shows no changes of importance. The position is still a very strong one, British Government securities standing at £2,148,000, at or under cost.

British Electric Traction.—Shareholders will probably be quite satisfied with the progress recorded in the accounts of the British Electric Traction Company, Limited, now published for the year ended March 31, 1924. The ordinary dividend—at six—is increased by 1 per cent., and an additional £30,019 is carried forward. Here is a record showing how the company has fared in recent years:—

	1913-14.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.
	£	£	£	£	£	£	£
Rev. from investments	198,841	217,864	212,748	208,387	208,999	218,116	240,931
Total revenue.....	225,755	250,214	246,717	264,772	262,895	263,824	278,667
Expenditure, &c.	27,266	36,890	35,401	44,575	44,402	46,894	45,416
Debenture interest	91,344	90,449	87,596	85,136	84,451	82,190	80,891
Net revenue.....	107,105	122,875	123,320	135,061	134,042	134,740	152,359
Brought forward.....	12,494	112,116	130,952	150,421	177,319	189,700	215,362
Amount available	119,599	234,991	254,272	285,482	311,361	324,440	367,721
Prof. dividend	52,468	42,765	42,765	42,765	42,765	42,765	42,764
(3%)	(6%)	(6%)	(6%)	(6%)	(6%)	(6%)	(6%)
Ord. dividend	nil	39,788	53,051	53,051	59,581	66,313	79,576
(3%)	(4%)	(4%)	(4%)	(4%)	(4%)	(5%)	(6%)
Reserve, &c.	50,000	21,486	8,035	12,349	14,677	14,677	14,677
Balance forward	17,130	130,952	150,421	177,319	194,238	215,362	245,331

In the large number of companies presenting accounts in these days we are liable to overlook the importance of some of our older undertakings. Formed in 1896, the British Electric Traction is a holding company mainly interested in electrical concerns, which in turn cover a wide field. Investments are given as £4,283,188, and the company is to be congratulated upon its policy of supplying a complete list of its securities. These are many and varied. Its chief holdings of shares in the electricity industry are: London and Suburban Traction, £883,500; Birmingham District, £481,936; Scottish General Transport, £234,230; British Automobile Traction, £221,596; and Northern General Transport, £231,972. Others could be selected from the list, but space alone forbids us detailing them. The balance-sheet will be found fully analysed in our usual column.

Consolidated Diamonds.—A very important point transpired at the meeting of this company held in Cape Town on May 21st. It was nothing less than this—that, contrary to all the assurances previously given, the Union Government had taken out of the hands of the directors the completion of a new agreement fixing the quota which the company would sell to the diamond pool this year. Under the proposed contract, the South-Western diamond producers would have been assured of sales totalling approximately £1,400,000; as it is, their quota will amount to no more than £604,000. Not only is the company seriously damaged by this action, but a grave question of principle is thereby raised. While the Government's claim to take the marketing of diamonds into their own hands has so far been confined to South-West Africa, a recently published report indicates the Minister of Mines to be in favour of the assumption of power by the Government in respect of the Union generally.

There can be little doubt that any such measure would be vigorously opposed by all producers, large and small. With regard to the absence of a dividend, the chairman of the Consolidated Company explained—as pointed out in our recent "Note"—that the amount actually free for distribution was inadequate.

Keeley Silver.—Our mining correspondent writes:—The experience of this Canadian proposition furnishes an admirable exemplification of the outcome of "trying again." The property was abandoned and the camp deserted. But a young Dominion geologist, Dr Mackintosh Bell, after a careful study of the conditions, urged that further development should be undertaken. As a result, the Keeley proved to be one of the richest silver mines of the world. In the year ended February 29th last the output totalled 1,589,000 ozs, or rather more than double that of the preceding period; nevertheless, the ore reserves are now estimated to contain the substantially increased amount of 3,743,000 ozs. On the financial side, comparisons are rendered somewhat difficult by the transfer of the undertaking to a Canadian registered company. However, the profit of \$582,650 represents just over 29 cents per \$1 share, whereof 20 cents were distributed. At the date of the balance-sheet the net liquid assets (allowing for the sum required to provide the final dividend) equalled \$520,000. The company, therefore, is in a position to press forward with its extended development programme. There are, of course, considerable speculative possibilities, but these seem pretty fully discounted in the present quotation for the shares, which represents nearly 150 per cent. premium, and reduces the yield to about 8 per cent.; or 10 per cent. on the basis of the last distribution.

Japanese Trade and Finance.—Advices from Tokyo state that the banks and the silk brokers have at last reached an agreement regarding the silk stocks burnt by the earthquake fire, against which the banks had made advances to the brokers. It has also been agreed that the rates charged by banks for advances to the silk trade this year should be the same as those charged last year. There are signs that the banks are supplying ample accommodation to meet the seasonal demand, but up to the end of May the displacement of credit was slight owing to delay in the production of new cocoons. With the demand for trade slight, and with heavy payments by the Government to fire insurance companies, the banks have been in a comfortable position, and the rate of short loans declined to 7½ per cent. at the end of May, and shortly afterwards further weakened. Commodity markets are dull, prices of rice and cotton yarn remaining unchanged, while the price of raw silk dropped slightly at the close of the month. Quiet conditions rule in the stock markets. At the end of May the note issue of the Bank of Japan was 1,287 million yen, as compared with 1,225 millions a year ago, and discounts and advances 532 million yen, against 312 millions at the end of May, 1923.

Oversea Correspondence.

UNITED STATES.—IMPORTANT LEGISLATION BY CONGRESS—SOLDIER BONUS, IMMIGRATION, AND TAX REDUCTION BILLS ENACTED.

(FROM OUR CORRESPONDENT.)

NEW YORK, May 27.

New legislation, far-reaching in its effects, and bound to have a vital bearing upon future financial and economic conditions in this country, has been enacted by Congress during the past week. The most important measures passed are the soldier bonus, immigration, and tax-reduction bills. By a vote of 59 to 26 the Senate overrode the President's veto of the bonus bill, following similar action by the House, and it therefore becomes law. The new Immigration Act has been signed by the President, although he strongly objected to the Japanese exclusion provision. The compromise tax-reduction

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measure, agreed to by the conference committee, has been passed by a practically unanimous vote in both branches of Congress, only six votes being cast against it in the Senate and nine in the House, and is now before President Coolidge for his signature. The general expectation is that he will approve it. While the Bill in many respects falls far short of the administration's programme, and contains numerous objectionable features, including unscientific tax principles, it, nevertheless, will afford considerable relief from present taxes, and is probably the best tax-reduction Act Congress can produce while that body is constituted as it is. The Bill in its present form will undoubtedly become law, because the overwhelming majority vote in the Senate and House makes its repassage certain, in the event that the President should veto it.

As finally passed, the tax-reduction measure during the year 1925 is expected to cut off about \$472,000,000 from present taxes, or approximately \$100,000,000 more than the expected surplus, while upwards of \$150,000,000 expense on account of the soldier bonus legislation will also have to be provided for. The proposed graduated tax on undistributed earnings of corporations was eliminated. Amendments requiring full publicity of tax returns were likewise rejected, but the Bill gives committees of each branch of Congress authority to examine tax returns, and other provisions require the Board of Tax Appeals to hold open hearings in cases of disputes over taxes, with published evidence in cases involving \$10,000 or more, and there must be kept open for inspection in each collection district lists of taxpayers, with names, addresses, and amounts of taxes paid. The Democratic sur-tax and normal tax rates have been retained. The normal rate of taxes on incomes will be 2 per cent. on the first \$4,000 of income, 4 per cent. on incomes from \$4,000 to \$8,000, and 6 per cent. on those above \$8,000. The sur-tax rates begin at 1 per cent. on incomes in excess of \$10,000, and are gradually increased to a maximum of 40 per cent. on incomes of more than \$500,000. Under the new rates a married man having no dependents will pay a tax of \$7.50, instead of \$20 as at present, on an income of \$3,000; \$22.50 instead of \$60 on \$4,000; \$37.50 against \$100 on \$5,000; \$207.50 instead of \$520 on \$10,000; and correspondingly lower taxes on larger incomes. All heads of families are allowed a personal exemption of \$2,500, regardless of the amount of their income; under the present law such an exemption is granted only to those whose net income is less than \$5,000, the allowance to all others being \$2,000.

The action of the United States Senate in overriding President Coolidge's veto of the World-War Adjusted Compensation Act, commonly known as the soldier bonus Bill, was a keen disappointment, though no surprise, to financial and business interests. In banking circles the consensus of opinion is that the bonus legislation will have no material effect upon the credit situation or money market—at least, not for some time to come. It is, perhaps, fortunate that the bonus Bill, if destined to become law, was enacted at a time when this country enjoys an unprecedented credit position and its banking structure is exceptionally strong. Since the bonus Bill has finally become law, a brief outline of its main provisions may prove of interest. According to Washington estimates, 3,038,283 ex-Service men will receive insurance policies under this measure, while 389,583 will obtain cash payments of \$50 or less. The War Department places the

total number of men who were finally accepted and who performed actual military service at 4,051,606. The average insurance policy is figured at \$962. The maximum values of the policies are calculated at approximately \$1,900 for overseas service and \$1,600 for home service. Adjusted service compensation is computed on the basis of \$1 a day for home service and \$1.25 for that overseas, but the first 60 days are not counted. The value of the insurance policies is said to be equivalent to the amount which the adjusted service credit, plus 25 per cent., would purchase at regular prices of insurance based on 4 per cent. interest compounded annually. Applications for the bonus may be made at any time before January 1, 1928, but cash payments will not be distributed until after March 1, 1925. The insurance policies will be dated January 1, 1925. It is provided that loans may be obtained on the policies at any National or State bank up to 90 per cent. of their current face value after two years from the date of insurance. All veterans up to and including the rank of Captain in the army and marine corps and Lieutenant in the navy, also women who served as yeomen in the navy and marine corps, are eligible for the bonus. Provision is made for payment to dependents of deceased veterans of the amount of adjusted compensation to which the latter would be entitled if living.

Under the new immigration law, signed this week by President Coolidge, quotas of all countries are fixed at 2 per cent., based on the foreign-born population in this country according to the 1890 census. It will become effective July 1st, when the temporary Act which limited immigration to 3 per cent. of the foreign-born population here under the 1910 census will expire. The new Act is not only more rigid, in that it excludes Japanese labourers after July 1st, but reduces the total yearly immigration into the United States from about 370,000 to approximately 160,000. In signing the Bill, President Coolidge expressed his hearty approval of its main features, but regretted "the impossibility of severing from it the exclusion provision which, in the light of existing law, affects especially the Japanese." The enactment of this provision, he said, "does not imply any change in our sentiment of admiration and cordial friendship for the Japanese people, a sentiment which has had and will continue to have abundant manifestation. The Bill rather expresses the determination of the Congress to exercise its prerogative in defining by legislation the control of immigration instead of leaving it to international arrangements." On the other hand, he referred to the understanding this country has had for many years with Japan, by which the Japanese Government has voluntarily undertaken to prevent the emigration of labourers to the United States, and it would have been much better in his judgment and more effective in the actual control of legislation if the United States had continued to invite the co-operation of Japan and had "thus avoided creating any ground for misapprehension by an unnecessary statutory enactment," which he described as "deplorable at this time."

GERMANY.—CABINET CRISIS—CREDIT AND DEPRECIATION — EXCHANGE — PRICES — INDUSTRY—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

BERLIN, June 2.

THE obstacles to the formation of a Cabinet have not yet been overcome. The election as Reichstag President of the German-National Wallraf, as against the Socialist candidate, seemed at first to indicate that the new Reichstag grouping would be a loose union of the German-Nationals with most of the moderate parties as against the Left, but the attempt to form a Cabinet on this basis has so far failed. The German-Nationals raised their terms, demanded all the chief portfolios, and a change in foreign and domestic policy, and, in particular, assailed Dr Stresemann, the present Foreign Minister, whom the People's Party wish to retain in that post. At the time of writing Dr Marx is trying to form a central Cabinet without the Nationals, but the People's Party hesitates to go into this. It is very doubtful whether such a Cabinet would survive. The Bavarian

People's Party, which has considerable weight, has pronounced itself as being against any Cabinet which does not include the Nationals. The Socialists are ignored in all these combinations, but as a Cabinet without the German-Nationals would almost certainly have to face Nationalist opposition, a new Marx Cabinet would probably have to depend upon Socialist support. None of the parties seem to realise that their largely personal differences are of small importance compared with the need of creating a stable Government which will take Reparations firmly in hand.

The credit crisis continues, and it has brought forth a detailed statement from the Reichsbank President which confirms the account of official policy sent from here last week. The shortage of working capital suffered by industry is illustrated by the fact that Pirmasens, boot manufacturers, are paying wages partly in boots, which the employees sell as best as they can. The development of interest rates on the Frankfurt-on-Main money market shows clearly that the present high interest rates are determined solely by money shortage, and no longer by fear of currency depreciation. The enormous rates charged in late 1923—about 40 per cent. per day—were, of course, "risk premiums," intended to cover the lender against the certainty that he would get back worse money than he lent. In January, although already the paper mark stabilisation had lasted some weeks, the rate for month-term loans was 23.7 per cent. per month, over 250 per cent. a year. It fell in early February to 3.8 per cent. a month, and rose in early May to 6.3 per cent. a month. "Stable-money" (*wertbeständig*) loans, the repayment of which is guaranteed at the original gold value, could be had in February at 1.75 per cent. per month. In May they cost 5.55 per cent. a month, as against the 6.30 per cent. for non-"stable-money" loans. This shows that while the risk of currency depreciation is, at any rate for short terms, now considered very small, the interest rate on loans subject to no depreciation risk at all has increased more than threefold in the last four months.

Dr Schacht's statement shows that no immediate improvement can be expected from any home source. Summarised roughly, Dr Schacht's view is that the interest of currency stability (which is also the State financial interest) must be put above the interests of industry. It is impossible to expand credit further without dangerously increasing the circulation, imperilling the currency stability, and reverting to the conditions of 1919-23. "Industry," says Dr Schacht, "must look after itself." As a result of the withdrawal of emergency notes and gold loan currency, the whole circulation (reckoned in gold) is to-day at about the same level as at the beginning of the year. Of emergency notes only 175 million gold marks circulate against one milliard then. "The Reichsbank adheres to its resolution to frame its credit policy on considerations of currency, because it has no other means of maintaining the mark's stability." It is impossible to increase further the paper mark circulation. "Against these clear facts the agitation for expansion of credit merely with the aid of the note-printing press is incomprehensible." Dr Schacht refuses to help industrial concerns out of difficulties caused by strikes, or to finance deliveries in kind to the Allies. He concluded by saying that the credit crisis cannot be overcome unless labour peace is restored, and also unless the Republic's liabilities to abroad are regulated. He protested against the ever-growing *Geschäftsaufsicht* (qualified moratorium) system, which is being abused by industrial concerns in order to evade liabilities on bills to the Reichsbank. The Bank, which has already lent 800 million gold marks to industry, has, however, decided to lend 20 millions more, in view of the difficulties caused by the failure of winter crops.

The Reichsbank's policy, helped by the operations of the Gold Discount Bank, has for the moment almost solved the exchange question. Not long ago the Bank was rationing applicants for exchange to 1 per cent. of their demand. Later it was able to meet the whole demand for the minor exchanges, but as late as May 26th it met only 10 per cent. of the demand for gulden, and 3 per cent. each for sterling and dollars. To-day with the exception of dollars, for which the ration was 50 per

cent., 100 per cent. of the demand for all exchanges, including sterling, was met. The daily demand for exchange, which once reached a value of 400 million gold marks (naturally far more than the real need), has now fallen to about one-tenth of that sum. Through the Reichsbank's severe credit policy, hoarders of exchange have been obliged to realise, and, naturally, with the currency depreciation risk fallen very low, as above shown, it is unprofitable to borrow money for exchange purchases at 60-70 per cent. The total of outstanding advances to importers from the Gold Discount Bank on May 23rd was £3,611,279, but this has since risen to about £5,000,000. The shortage of dollars is probably due to the fact that these quote here a little below their parity with the other good exchanges, so that hoarders sacrifice them last. The "black Bourses" which dealt in exchange at above the official rates have now disappeared.

No new general unemployment statistics have been issued. The last Berlin report showed 22,244 unemployed persons receiving public support, against 23,969 a week earlier. There are increasing reports of the shortening of hours and partial closing of factories; but there is so far no sign of the general industrial collapse which was predicted a month ago. The foreign trade report for April shows one more heavy import surplus, a fact which must be taken into account in considering the newly-attained equilibrium in the exchange market. If the passive balances continue it is hard to see how the equilibrium is to be maintained, as the resources of the Gold Discount Bank are limited. Figures (which, as usual, are incomplete owing to imperfect data from occupied territories) are:—

(In Thousands of Gold Marks.)				
IMPORTS.		March.	April.	January-April.
Livestock	8,207	..	9,934	.. 29,630
Food and drinks	163,551	..	175,377	.. 678,257
Raw materials	307,026	..	372,374	.. 1,275,915
Half-finished materials	64,706	..	84,086	.. 266,539
Manufactured goods ..	145,065	..	158,607	.. 526,594
Gold and silver	4,135	..	2,778	.. 13,398
	692,690	..	803,156	.. 2,790,333
EXPORTS.		March.	April.	January-April.
Livestock	313	..	484	.. 1,462
Food and drinks	23,642	..	29,623	.. 86,905
Raw materials	28,248	..	32,336	.. 111,681
Half-finished materials	27,710	..	28,662	.. 114,226
Manufactured goods ..	375,886	..	389,659	.. 1,516,870
Gold and silver	760	..	1,193	.. 4,545
	456,559	..	481,957	.. 1,835,689

In weight imports in April were 2,550,100 metric tons, against 2,481,900 tons in March; exports, 1,020,300 tons, against 860,400 tons. Imports of textiles, materials and finished, continue to increase and exports to decrease. Exports of rolled iron and of iron and steel wares other than machines were 85,798 tons, against 100,240 tons in March, and a monthly average of 193,097 tons in 1922; of machines, 21,537 tons, against 20,567 and 39,895 tons respectively. The unfavourable trade figures are taken as a text for demanding higher import duties, with the aim of excluding foreign goods or compelling competitors to admit German goods more freely. The newest demand is from the aluminium industry, which is almost entirely a war-time creation. Annual production capacity of raw aluminium is at present 28,200 tons; production in 1923 was 10,900 tons, against 14,200 tons in 1922. The new Inn water-power works, with a capacity of 10,000 tons, will be opened this summer. Heavy imports of American aluminium are feared as soon as the existing import-prohibition is removed.

RUSSIA.—TEXTILES—COAL—TIMBER—PRIVATE TRADING—FINANCE.

(FROM OUR CORRESPONDENT.)

Moscow, May 21.

PROFESSOR MANOUILOFF, a well-known Russian economist, writes recently, in the Moscow *Economic Review*, that the Russian textile industry had up to October 1, 1923, received short-term advances from the Soviet banks to the following amounts:—State Bank, 3,980,100 *tchervonetz*; Industrial Bank, 802,500 *tchervonetz*; Moscow Municipal Bank, 800,000 *tchervonetz*; Russian Commercial Bank, 52,100 *tchervonetz*—total, 5,634,700 *tcher-*

vonetz. On January 1st the debt of the textile industry to the State Bank amounted to 4,119,021 *tchervonetz*, and to the Finance Commissariat 297,089 *tchervonetz*. The total credits against textiles opened by the State Bank in 1923 amounted to 10,773,556 *tchervonetz*, 80 per cent. of this sum having been allocated to the purchase of raw materials. The production of textiles in Russia in 1922-23 reached 786,794,300 archines, as compared with 426,029,900 in 1921-22. Wholesale sales in 1923 are estimated at 373 million gold roubles, representing 689 million archines. Unfortunately, there exist no approximate figures of the retail trade, but the Textile Syndicate's report, made in February, 1924, shows that the unrealised stocks in retail hands have increased very considerably, and were valued on January 1, 1924, at 55 million roubles. Since that date textiles have been put on the market in large quantities to effect a reduction of prices, and losses are anticipated by the trust. From October 20th to May 13th the Textile Syndicate had purchased abroad 2 million poods of cotton, of which 1,700,000 poods were American, 290,000 poods Egyptian, and 2,000 Brazilian.

The Coal Administration still refers to difficulties encountered in liquidating the stocks of coal and anthracite in the Donetz basin. Of the estimated production last year of 570 million poods, the undisposed of surplus is put at 97 million poods (1,600,000 tons). The Ukraine Gosplan is endeavouring to turn the sugar, textile and metal industries on to coal fuel, and is proposing to reduce prices for export trade, especially to Italy, Turkey and Austria. The Donetz basin production, October 1st to March 31, 1924, was 271,745,000 poods gross, of which internal consumption was 48,500,000 poods. The number of mines in operation is 170, as compared with 267 last year and 1,800 before the war.

Mr Roudzoutak, Commissar for Railways, attributes the unsatisfactory financial situation of the railways to losses incurred during the depreciation of the *Sovznak* and the smaller goods traffic, due to winter delays caused by snowdrifts and the spring work of clearing the lines. Reduction in expenses (not easy on account of the large minimum maintenance staff necessary), increases of charges, and the postponement of new works are stressed. Mr Roudzoutak considers that foreign loans for railway reconstruction present a dilemma; reconstruction could be effected 50 per cent. with foreign material, yet the acceptance of foreign commodity credits would mean further closing down of Russian factories. In this connection, the Gomza Metallurgical Trust (comprising Sormovo, Mytishtchi, Kolomna, &c., factories) reports that for six months ending March 31st metal goods (pig-iron, steel, locomotive types, tubes, nails, &c.) to the cost price of 33,142,848 roubles were delivered from the factories, but that owing to the obligatory reduction of prices these goods were sold at 27,842,094 roubles—i.e., a deficit of 5,300,754 roubles.

Mr Gromoff, Director of the Central Administration for Forests, who is not a Communist, informed me that the Government's experience with pure forestry concessions had not been happy for the reason that the concessionaires (he cited the particular case of the Otto Wolff concession) had systematically endeavoured to export raw timber from regions in a favourable transport situation, from which

the Government held that sawn timber only should be exported, leaving the raw export from the areas more removed. Mr Gromoff cited the success of one of the mixed timber companies, the Dvinoles, which last year made a profit of 30 per cent. In spite of the difficulties attending the first year's working, all differences with the company had been settled mutually and without recourse to arbitration provided for in the contract. The control of the Inspection of Workers and Peasants Mr Gromoff dismissed as being no more exacting than the control of foreign banks over their clients, and the application of the obligatory Government Labour Code as differing little from the private collective agreements made abroad between employers and workmen; the demands of Russian workmen were, in fact, less than those of foreign workmen. With the present fall in values on the Moscow exchange, timber, in common with other raw materials, is difficult to export. The stocks of sawn timber in hand at the close of navigation last year were 58.4 million cubic feet. The average wages for workmen in the last half of 1923 were 11 to 13 roubles a month. Mr Piatakoff, President of the Concessions Committee, states that "the forest industry is a domain in which we would admit with the greatest will the foreign concessionaire." The area in European Russia available for new concessions is placed at 20 million dessiatins.

The recent sudden creation of the Commissariat for Internal Trade has as one principal aim the institution of an organisation to struggle against private trading, the strong position of which is looked upon with anxiety by the Soviet Commissariats and by the State Co-operatives. Private initiative, on the statement of Mr Kamenev, represents 14 per cent. of the Russian wholesale trade against State Co-operatives 8 per cent., 50 per cent. of the semi-Governmental trade, State Co-operatives 10 per cent.; and 83 per cent. of the retail trade—State Co-operatives 10 per cent. Mr Rykov devoted a large part of a recent speech to the increased importance of and the determination to destroy the Kulacks (richer peasants), who are again beginning to flourish as a result of improved conditions in the agricultural Governments, and who are difficult to suppress, for, unlike the pre-revolution kulacks, who concentrated upon an increase of their land holdings, they now secure a profitable living by lending horses, ploughs, &c., and engaging in trade on the provincial markets. The question of private trading and the strongest measures, including imprisonment and in a few cases even the death penalty, which are being taken against trade officials and private traders, the fear of extinction of the revolutionary spirit which may be the accompaniment of years of peace, and the need of developing and enlarging the Comsomol (Union of Communist Youth) at present occupy an important position in the Soviet Press.

Some steps have been taken to give effect to the decision to transform the Russian Commercial Bank into the Export Bank under the control of the Foreign Trade Commissariat. The president is Mr Taratouta, a Communist, formerly president of the Moscow Cloth Trust and member of the board of the Gosplan. On May 1st the total amount of new rouble and kopeck notes issued by the Finance Commissariat was 108,592,000 roubles, and of tchervonetz by the State Bank 35,200,000. The tchervonetz was quoted on the Moscow exchange on May 14th at 8 roubles 50 copecks. Two State loans were issued in March, the Peasant loan for 50 million roubles in bonds of 5, 3 and 1 roubles, payable December 31, 1925, purchase price 85 per cent. of face value, which it is hoped the peasants will take up and utilise for tax payments—the loan has, in fact, been over-subscribed; and the second five-year lottery loan for 100 million roubles, in bonds of 5, 10 and 50 roubles, interest 6 per cent. This loan has not yet been placed.

A feeling that something favourable will come out of the London Conference—foreign business men are holding up pending its results, and very few are at present in Russia, and no new concessions have been taken up for several weeks—is prevalent, though on the credit question the Soviet authorities, proud of the partial success of their economic and financial policy, are obviously disappointed at the stand taken by the British banks, and have been brought sharply up against the elementary facts which govern credit giving.

POLAND.—THE NEW CURRENCY—INCREASED REVENUES—TRADE DEPRESSION—THE NEW ACT REGULATING THE PRE-WAR DEBTS.

(FROM OUR CORRESPONDENT.)

WARSAW, May 20.

THE introduction of the new currency has been accomplished without any monetary disturbance. The zlotys issued by the Polish Bank are circulating together with the marks, the relation between the two units being fixed at one zloty equal to 1,800,000 marks. The mark is mainly used in payment of smaller sums, while in more important transactions the zloty is more and more replacing the old currency. The foreign exchanges, which have been fixed since the end of April in zlotys, are maintained on a stable level.

Revenue from taxes, customs duties, and monopolies continues to increase. While in January they yielded 27.7 million zlotys, in April the total amount was nearly four times greater, as shown by the figures below (million zlotys):—

	January.	April.
Direct taxes	7.7	50.3
Indirect taxes	8.3	16.9
Import duties	5.4	21.1
Stamp duties	2.5	6.0
Export duties	0.3	3.3
Monopolies	3.5	10.6
	27.7	108.2

The increase of direct taxes from 7.7 to 50.3 zlotys is mainly due to the capital levy, which is to-day one of the principal sources of revenue.

While the financial results of Mr Grabski's reforms have surpassed all expectations, new clouds begin to gather on the economic horizon. As everywhere the cessation of the debauch of the currency has entailed a trade depression which has lately assumed a very serious character. At the end of April Mr Grabski could boast before the Economic Council that the heavy charges of the capital levy were easily supported, and that no business failure can be attributed to the financial reforms started by his administration. Since that date the situation has changed completely, and Poland is now passing through a very severe economic crisis.

The capital famine which has been hampering during recent years the development of Polish industry has become greatly accentuated since the stoppage of the printing press. The monthly rate of discount varies from 5 per cent. to 8 per cent., and it is natural that industry having to support so high a charge cannot compete in foreign markets. The cost of production in Poland's principal export industries, such as iron, coal and textiles, is to-day much above the level in other countries, so that many undertakings are obliged to close their factories. The most serious news comes from Upper Silesia, where the great coal and iron undertakings are suspending work.

The crisis is partly due to increased wages and to decreased productivity of labour. While before the war the wages per ton of coal extracted in Upper Silesia were 0.9 dollars, to-day they are 2.5 dollars. The number of employed workmen is 60 per cent. greater than in 1913, while the production has decreased by 20 per cent.

During the period of inflation the premium which the export trade obtained from the depreciation of the currency enabled Poland, notwithstanding these unfavourable conditions, to sell her products abroad. This stimulant has now ceased to operate, and Polish industry is obliged now to face the difficult problem of increasing the productivity of labour. The manufacturers are demanding a less strict application of the eight-hour day. This demand is vehemently opposed by the labouring class. It is nevertheless certain that increasing unemployment will force the country to undertake some energetic measures for improving the industrial system which during the period of inflation has been neglected in many respects.

The introduction of the new standard made it necessary for the Government to solve the very tangled problem of pre-war debts, and of all obligations incurred during the last ten years. A special Act regulates this matter. Just

as in France after the replacement of the assignats by the *mandats territoriaux* in 1792, and as in Austria in 1811, a special table of depreciation of the paper currency from 1914 to 1924 has been constructed. In Poland the table is more complicated than in the two examples quoted above, because in the territories now forming the Republic four different monetary units were current—the Russian rouble, the Austrian krone, the German and, from 1916, the Polish mark. The table of depreciation establishes the quantity of these currencies which are equal to one zloty in the different periods of depreciation. I give below an extract from this table:—

	Russian Rouble.	Austrian Krone.	German Mark.	Polish Mark.
To August 1, 1914 ..	0.345	0.95	0.81	..
Second half-year, 1916 ..	0.50	1.60	1.09	1.09
First quarter, 1918 ..	0.60	2.00	1.20	1.20
January, 1920	12.00	28.00	9.00	19.00
December, 1920	23.00	..	11.00	100.00
January, 1924	..	..	..	1,600,000.00
April, 1924	..	..	..	1,800,000.00

A debt contracted before the war is expressed in zlotys according to the par of exchange of the gold franc. In proportion with the depreciation of the rouble, the krone, the German and Polish mark, the value of the zloty increases, so that in 1924 it reaches a level surpassing 1½ millions.

This table forms, however, only the basis of further computations. In fixing the amount which a debtor must repay for sums obtained before the war and during the period of inflation, it has become necessary to take into account his financial capacity. If all debts were payable according to their gold value, most landlords, house owners, &c., would be ruined, because their property—partly in consequence of such legislative measures as the Rent Restriction Act—has depreciated. In consequence the gold value of debts has been reduced by the new Act from 90 to 50 per cent. The greatest reductions have been applied in those cases where the property of the debtor has suffered most. According to the different values of rural and urban property in the different parts of Poland, the reductions are smaller or greater. The Polish Act regulating the relation of debtors and creditors constitutes a very interesting attempt to solve a tangled economic problem. It tries to steer a middle course between the postulate of justice which obliges the debtor to repay the real value of what he has obtained and the desire of avoiding a new economic and social crisis.

NORWAY.—STRIKE SETTLEMENT—WAGES AND STANDARD OF LIVING—GOVERNMENT LOAN—GENERAL CONDITIONS.

(FROM OUR CORRESPONDENT.)

CHRISTIANIA, May 24.

AFTER upwards of more than thirteen weeks (partly even more than seven months) of stoppage of work, a plebiscite of the workers has to-day agreed to a proposal of settlement, made by the Public Conciliator, backed up by the Government. The details of the agreement will be published this afternoon. Meanwhile, the country will breathe as if relieved from a nightmare.

Captain Gregersen, in the *Employers' Magazine*, has published some very interesting statistics to illustrate the relation between the income and cost of living for an able-bodied workman during the last 35 years. In 1890 the average wages were 2.49 kr a day. In 1895 a rise had taken place to 2.61 kr, or 4.8 per cent. During the same period the cost of living had advanced 1 per cent. If wages had risen proportionately to the cost of living the figure should have been 2.51 kr. Consequently, the standard of living had been improved by 10 ores per day. In 1900 wages had advanced to 3.10 kr, or 24½ per cent., the cost of living by 4 per cent. In 1910 wages were 3.68 kr, an advance of 47.8 per cent., the cost of living 8 per cent., and the standard of living had been improved by 99 ores per day. At the outbreak of the World War, wages were 4.62 kr, or 85.5 per cent. over 1890 level (i.e., not very far from double during 25 years), and the cost of living during the same period had advanced 26 per cent. Consequently, the standard of living was

improved by 1.48 kr per day. During the years 1915, 1916, and 1917, though wages rose rapidly, yet the cost of living rose more quickly. In 1918, however, wages rose to 11.68 kr, or 369.1 per cent. above 1890, the cost of living by 228 per cent., and the improvement of the standard of living was 3.50 kr per day. The peak was reached in 1921, when wages had advanced to 18.62 kr per day, or 647.8 per cent. above 1890, the cost of living (which reached its highest in 1920, 290 per cent. above 1890) was 262 per cent., and the improvement of the cost of living no less than 9.61 kr per day. Since then a down-grade movement has taken place. For February last, average wages were 13.10 kr, or 426.1 per cent. above the 1890 level; the cost of living, at the same time, was 195 per cent. higher. If calculated relatively to the advance of the cost of living since 1890, wages in February last should have been 7.35 kr per day. As they were actually 13.10 kr, it will be seen that the improvement of the standard of living during the same period is no less than 5.75 kr per day; that is to say, wages have advanced very nearly twice as much as the cost of living. At the same time, the average working hours have been reduced from 10 to 8 hours daily. No other wage-earning part of the community in this country—that is to say, salaried persons in the Civil Service, workers in municipal offices, in banks and in business houses generally, as well as teachers, &c.—can show such results; in the case of very many the opposite is the case, the cost of living having advanced far more than the wages, and the standard of living has thus deteriorated.

A Government loan of 50 million kroner was offered for subscription between 7th and 10th inst. at 101 per cent., 6½ per cent. interest. The money is to be used chiefly for the consolidation of floating debt. The loan was quickly over-subscribed. Judging by the statements rendered by 96 private banks to the Finance Department as at March 30th, the financial state of the country is steadily improving, and deflation going on. The loans during the preceding 12 months have gone down by 435 million kroner, namely, from 2,939 kr millions to 2,504 kr millions. At the same time, deposits have been 305 millions less; at March 30, 1923, they were 2,851 kr millions, and at March 30, 1924, 2,546 kr millions, which is all satisfactory. The Stock Market is rather quiet, and the tendency without any marked aspect. The Norwegian krone has improved lately, and at present is around 31.50 kr to the pound sterling. The Spring Fisheries in Northern Norway have been closed, and generally yielded results that are very much above the average. Cold or chilly weather has prevailed until the last few days. In the higher regions there is still much snow and ice on the lakes. Sowing has, therefore, barely commenced in the lower parts—at least, a fortnight later than usual.

GREECE.—THE BUDGET—THE REFUGEE LOAN—ALLIED CREDITS—COST OF LIVING—FOREIGN EXCHANGES.

(FROM OUR CORRESPONDENT.)

ATHENS, May 23.

THE speech of the Minister of Finances in introducing the Budget for the financial year 1924-25 sounded an optimistic note. He laid stress on the comparatively small increase of the gold debt, which rose from 419 millions in 1919 to 1,591 million gold drachmæ, whereas the paper debt increased from 105 million to 8,182 million paper drachmæ. By borrowing within the country, the Government was enabled to conduct the war without having recourse to external assistance on a large scale. Taxation rose from 77 million drachmæ in 1912 to 1,125 millions for the financial year 1922-23. The total ordinary revenue has increased from 127 millions in 1912 to 1,711 millions in 1922-23. The final returns for the financial year 1923-24 are not yet available. However, ordinary revenue for the first nine months amounted to 2,146 million drachmæ. The receipts from the revenues assigned for the service of the Public Debt show at 981 millions a satisfactory increase for the past year, as compared with 468 millions for the preceding year. The surplus from these revenues returned by the I.F.C. to the Treasury was

to December 31, 1923, amounts to 283 millions. Expenditure shows the following development:—208 millions in 1912, 943 millions in 1917, 3,496 millions in 1922-23, and 5,216 millions in 1923-24. Budget estimates for the current financial year, the first post-war year, provide for:—

(In Millions of Drachmæ.)		
	Revenue.	Expenditure.
Ordinary	3,459	2,885
Extraordinary.....	486	1,369
Totals	3,945	4,254

Thus a deficit of 309 millions is anticipated for the current year, as against a deficit of 2,875 millions originally estimated for the past year, but subsequently reduced to 1,675 millions in consequence of economies effected after the signing of the Peace Treaty. The estimates for extraordinary expenditure include, moreover, an amount of 596 millions for Army and Navy supplies and for the refugees. By reducing the number of public employees, which has swollen beyond measure, and by economising 10 per cent. on the amounts budgeted for various supplies, the Minister hopes not only to balance the Budget, but even to leave a surplus to be used for the settlement of refugees, for public works, and for the victims of the war. To give effect to his plans, the Minister has introduced, and the latter has passed, a Bill providing for the institution of a Committee consisting of twelve members, to make suggestions to the Government for the cutting down of expenditure.

The Bank of England has granted a second advance of £1,000,000 against the Refugee Loan. It is reported to-day that a preliminary arrangement has been concluded in London between the Bank of England, Hambros Bank and the Governor of the Bank of Greece for the issue in autumn on the London and New York markets of this loan, fixed at £6 millions. At the same time, steps will probably be taken for the payment to Greece of the suspended war credits of the Allies. The unpaid balance of these credits amounts to £6 millions, \$33 millions, and 350 million francs. The Government hopes that its right to these balances will be recognised by the Governments of Great Britain, U.S.A., and France.

The index number for the cost of living in Athens shows a small decline in April at 1,343, as against 1,359.2 in March, and 100 in 1914 (the basis year). A French shipyard has contracted with the Government for the supply of two submarines of a value of 12 million francs. The rates of foreign exchange have somewhat hardened in consequence of the enforcement of regulations which had been left dormant for many months. Exchange on London rose last week up to 230 drachmæ, but has since declined, standing now around 220 drachmæ. A further decline is anticipated, inasmuch as it is expected that the application of these measures will be given up in view of the bad psychological influence they exercise upon the market.

NEW ZEALAND.—RAILWAY STRIKE—PROSPERITY TALK AND ITS DANGERS.

(FROM OUR CORRESPONDENT.)

CHRISTCHURCH, N.Z., April 27.

THE uncertainty of the economic outlook in the Dominion and the divergent views expressed by political and commercial spokesmen in the last month or two have been intensified during the last few days in an unfortunate railway strike, which is, at the time of writing, still in progress. Owing to the economic recovery that has taken place during the last financial year, and owing particularly to the greatly increased volume of imports, the Minister of Finance has been able to forecast a substantial surplus of almost a million and a half. With one eye on the London money market in view of the next loan, he has spoken optimistically of the future of the Dominion and the strength of its financial position. Pressed by the business community and the farmers to reduce taxation, he last year took off a great amount of the burden upon the larger landholders, and once more freed the farmers from the payment of income-tax. The land-tax, levied on unimproved value, is still a grievance with many farmers, but the fact seems to be that it is not so much the tax as the inflated valuation which resulted from the boom, that

has caused the burden to be so oppressive in the last few years. Most of the lands of the Dominion were re-valued during the boom, and though some of the worst valuations have been reduced, the level of land values generally remains higher than the parity with produce prices. There are anomalies and a peculiarly inequitable incidence of the tax levied on companies as persons, and public opinion on the matter has at last resulted in the appointment of a small Commission, consisting of Mr Justice Sim and four prominent business men, to consider the taxation system of the Dominion. There is room for criticism of this Commission on the ground that the interests represented on it are purely those of the middlemen of the towns, and there is no representative either of the farmers or of the consuming public. Neither is there any skilled economist, though at least two of the members have taken more than a passing interest in economic problems.

The Commission had hardly begun to sit, and the newspapers were full of the expectation of reduced taxation, when the Amalgamated Society of Railway Servants, after negotiations that had been dragging on for about 15 months, presented an ultimatum demanding higher wages. The last stage of the negotiations had been the appointment of a Wages Board, with a neutral chairman, which, after a fortnight's sitting, broke up with no result; and after a further day or two of negotiation the men, failing to obtain any promise of increased wages, came out in the middle of the Easter holidays and a few days before the visit of the Fleet. The strike has now lasted almost a week, and negotiations have just been re-opened by the A.S.R.S., suggesting the appointment of five business men and a professional economist, as a Commission to inquire into the whole railway service, giving a decision first on the question of wages. Cabinet is considering the offer.

Whatever the result of the railway dispute, the important fact is that the Government is faced on every side with financial demands based upon an exaggerated notion of the present economic recovery. Taxpayers clamour for reduced taxes, innumerable deputations suggest the expenditure of millions of pounds all over the Dominion upon public works, and not only the railway servants but the rest of the public services are in negotiation with the Government for higher wages. The Post and Telegraph Officers' Association has very strained relations with the Minister and Cabinet, and the Public Service Association, representing the other departments, has demanded considerable increases also. Any decision taken in respect of the railway service, either as regards hours of work (at present 44 per week) or wages, must clearly affect the other branches of the service. The Minister offered the railwaymen extra wages if they would revert to the 48-hour week, but the men refused to consider any increase of hours.

Much of the difficulty has arisen because of an over-optimistic estimate of the extent of economic recovery in the Dominion. It has been pointed out before in the *Economist* that the cycle in New Zealand leads to alternations of heavy exporting and importing periods. A good export year causes an accumulation of credits in the London balances of the banks, the banks encourage the optimistic tone of the Dominion by making their exchange rates a direct incentive to heavy buying of imported goods. The natural result is that there is always a tendency to over-import periodically.

The high price of wool during the present season is the only justifiable basis for optimism. Estimates made over a wide range of wools (over 60,000 bales) by the largest buyer of wool at the New Zealand sales, show that the increased price averages all round just under 40 per cent. This rate of increase supports almost exactly the estimate made by your correspondent some months ago, that the higher price would mean £3,000,000 to the Dominion over and above what would have come in if the price had remained unchanged. Unfortunately, this does not mean an increased purchasing power, since the quantity of wool produced this year is probably in the neighbourhood of 160 million lbs (rather less than the usual annual production), while the exports last year were swollen to over 321 million lbs by reason of accumulated stocks held over from the slump. Practically no accumulated stocks were available this year.

Almost the whole of these wool values have in the present season gone into the March quarter statistics of trade and banking, and have produced an exaggerated sense of prosperity which is extremely dangerous. The whole clip, with very slight exceptions, was this year sold in the Dominion, the dry season put forward the export by at least a month, not only in wool but in other products also, and the returns of the banks and of the Customs department are swollen in consequence. But it seems evident that the remaining quarters of the year will be very lean as far as exports or receipts are concerned, while there is every prospect of heavy importation and strain on the banks. Industrial disputes and unduly liberal government finance do not encourage optimism in this respect, and despite the almost unanimous opinion to the contrary in the Dominion, large reductions in taxation are under the circumstances of very doubtful political or economic wisdom, when there is little prospect of reduction in the expenses that cause taxation.

Letters to the Editor.

FOREIGN FIRMS AND INCOME-TAX.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I notice in your article on "Foreign Firms and British Agents—An Income-Tax Problem," in your issue of May 31st, the statement, "if a foreign firm does business here it should pay its share of taxation on the profits of that business." In the article you further distinguish between the broker on the one hand, and the regular agent of a foreign firm on the other hand, in order to point out that whereas the latter is a legitimate subject of taxation, the former should be exempt.

Is this a distinction which can reasonably be upheld? And will not an attempt to tax the regular agent on his principal's profits have exactly the same effect as the taxation of the broker? The act itself, as you point out, is careful to exclude the broker, probably for the reason that the great bulk of the entrepôt trade of this country would vanish if an attempt were made to tax him, and a concurrent loss would fall upon the numerous financial, insurance, and shipping interests affected. It should be borne in mind, however, that not the whole of the entrepôt trade is done through brokers, and any policy which suppresses the agent will also drive away some of the entrepôt trade of Britain.

Leaving aside for a moment this distinction, however, is there any foundation in equity for the taxation of a foreign principal who exports his goods to this country? The profits, surely, are made where the labour and capital employed in the manufacture of the goods are situated. Whether the foreign principal sells his goods by correspondence, by sending samples, by sending a traveller, or by employing a broker, makes no difference, surely, to the place where the profits are made. By whatever process they are sold, the profits are still made where the goods are produced. Is it, therefore, just, is it logical not to attempt taxation when the goods are sold in this country by any one of the methods just mentioned, and yet to attempt it when they are sold through a regular agent? One would expect wise policy to promote and foster selling through a regular agent, for in that case employment is given in this country and agents' profits can be taxed, whereas if the foreign principal sells through the post, by sample, or by traveller, no employment is given in this country, and there are no travellers' profits to tax.

It appears to me that the whole question of double taxation is sufficiently difficult already, without complicating it still further by a practice which has no justification in principle, and which only imposes serious obstacles to international trade. The sale of goods from one country to another is not on the same footing as the remittance of dividends from one country to a person resident in another country. In the latter case taxation by the country in which the dividends are earned, and also by the country in which the recipient resides, may be defended, however much it may be deplored, and however many resolutions the League of Nations or the Inter-

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national Chamber of Commerce may pass to secure its abolition. But to tax the profits of the sale of goods from one country to another has no justification whatever, nor is a justification created by saying that we will tax those profits when they are made through the mediation of a regular agent, but not when they are made through the mediation of the post, of travellers, or of brokers.

The agent is, in the mechanism of trade, an accessory, just like the broker or the traveller or the telephone. He has been found a very convenient accessory, both to the buyer and the seller. Business is conducted more smoothly, more satisfactorily through him. Why, then, should we render business transactions more difficult by penalising business done through an agent and putting a premium on business done in other ways?

Is it not clear that taxation of non-resident principals through their agents will compel those principals to conduct their business on other lines, to do without the agent? Will they not avail themselves of the services of the broker, or the traveller or the post? Will they not in many cases remove their agents to a neighbouring country where such taxation is unknown? And will not the final result be a great deal of unemployment here and the loss to the revenue of income-tax on the profits of agents—a very large loss indeed.

There appears to be only one defence of the taxation in question: that it is unfair for the foreigner to compete in the British market through his agent, when he does not pay the same taxes as his British competitors. The argument is frankly foolish. The foreign exporter assuredly pays taxes in his own country equivalent to those paid by the British manufacturer in his country.—Yours faithfully,

E. CLASSEN.

Junior Athenæum Club, W. 1,
June 4th, 1924.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I have read with great interest your article on the income-tax of foreign firms and British agents in your last issue. I agree that to the ordinary individual, Sub-section 6 would appear to protect *bona fide* brokerage and commission business—and it was certainly Mr McKenna's intention that it should—but the Board of Inland Revenue take a different view, and have assessed and are assessing the leading commission houses in many of our most important trades. The Board's point of view appears to be that if the foreign or Colonial shipping house habitually works through the same broker or agent, then such broker or agent becomes "a regular agent," and is liable to be assessed. As the natural course is for business to continue to flow through channels which are found to be satisfactory, and this is the reason why so large a proportion of the world's trade is centred in London, it follows that in the view of the Inland Revenue most of the leading commission houses have become the authorised persons mentioned in the Rule, and as such are considered liable to assessment. It is evident that few commission houses can continue to exist if they can be held personally responsible for the income-tax of their foreign shippers, as in most cases they will be quite unable to recoup themselves. If the contention, therefore, of the Inland Revenue is correct, the country will have to face the entire elimination of this branch of business.

As it is so extremely easy for the majority of the foreign shippers to avoid passing their business through British

houses, the effect of this policy must be a reduction in the large revenue which the Government has hitherto drawn from British commission houses, and I may add that the mere threat of taxation on these lines has already diverted considerable international business from London, and this diversion must increase in the future unless some action is taken to remedy the present position.

I understand the London Chamber of Commerce has taken action in this matter, and that an amendment to the Finance Bill, to protect *bonâ fide* commission houses, will be brought forward in the House of Commons in the course of the next few weeks. From the national point of view it would be a disaster if the Inland Revenue should succeed in taxing the vast agency and brokerage business out of the country, and it is, therefore, sincerely hoped that all interests will combine to get this matter satisfactorily adjusted.—Yours faithfully,

K. W. PRICE.

27 Clements lane E.C. 4, June 4th, 1924.

Books and Publications.

FASCIST FINANCE.*

THIS massive volume of nearly 500 pages, by the former chief private secretary of the Italian Finance Minister and present librarian of the Finance Ministry, is a detailed exposition, illustrated by diagrams and statistical tables, of every item in the financial policy of the Fascist Government during its virtual dictatorship in 1923. Fascism, the author explains, is a middle-class reaction against the combination of Socialists and plutocrats which controlled Italy from 1898 to 1914; it aims at upholding the family, property, and the nation against Socialist attack; at protecting capital, urgently needed by Italy in view of the growth of her population; at encouraging her production—which must chiefly be agricultural—by finding better markets for it; and by reducing the tariffs which hamper the producers. Hence the abolition of succession duties within the family circle; the reinstatement of bonds to bearer; the conclusion of numerous commercial treaties; the stringent retrenchment in the public services; the preparations for transferring the railways from the State to companies; the elimination of the State from economic enterprises except as a shareholder in companies holding concessions; the drastic revision of taxation and its adjustment so as to bring in those who have hitherto escaped—e.g., by extending income-tax to the wage-earning classes and increasing the numbers of agriculturist tax-payers; and the comprehensive plans for solving by improvements of transport and by public works, undertaken independently of the political and local considerations previously determining them, the agrarian problems of the South. And he points triumphantly to the results of the policy, among them the reduction of 29 per cent. in the Budget deficit, the improved revenues of the posts and telegraphs, the increase of production and foreign trade, and the almost total cessation of strikes. Students of public finance and taxation will find discussions and practical illustrations of many of their problems; students of politics will note that Fascist policy is very much that of the English individualist Liberalism of fifty years ago—Free Trade, full scope for private enterprise, public economy, and as little as possible of bureaucratic control. This last aim, indeed, is the reason why Fascism rejects the creation of peasant holdings by compulsory land purchase in Southern Italy. The book is an excellent exposition of the best side of the Fascist movement. But it is not the economic policy of Fascism that its critics condemn. It is its methods, its ideas of foreign policy, and its violent ultra-Nationalism.

* "La Politica Economica e Finanziaria del Governo Fascista nel Periodo dei Pieni Poteri." Da Lello Gangemi. (Bologna) Nicola Zanichelli, 40 Lire.

A MONEY MARKET PRIMER.*

MR ERNEST SPICER has opportunely brought his useful little manual up to date by publishing a revised and enlarged edition, in which a clear account is given of some of the chief technical influences—such as exchange control, Credit Facilities Act, &c.—which affected the working of the money market during and since the war. Generally very simple and lucid, Mr Spicer may possibly mislead the students for whom he writes by one or two confusing statements. He says, for example, that the "market" for commodities is "a general term for that portion of the existing stock of any commodity which is available for purchase, whether actually exposed or offered for sale or not"—a definition which seems to leave out the demand side of a market altogether, to say nothing of other objections to it.

BOOKS RECEIVED.

The Wages of Labour. New and revised edition. By William Graham, M.P., M.A., LL.B. (London) Cassell and Co. 3s 6d net.

French-English and English-French Dictionary. By J. O. Kettridge. (London) Walter E. Skinner. 10s 6d net.

A carefully compiled though not altogether comprehensive dictionary, giving in handy form the English and French equivalents for technical and general terms, phrases, and abbreviations used in finance, banking, currency, foreign exchange and stock exchange transactions, company work, accountancy, secretarial and office work, and allied subjects. A very useful addition to the reference shelf.

Economic Journal. Edited by F. Y. Edgeworth and J. M. Keynes. (London) Macmillan and Co. 6s net.

The Round Table, June. (London) Macmillan and Co. 5s.

One Hundred Years: Scottish Union and National Insurance Company. By W. Forbes Gray. For private circulation.

A well-illustrated and attractive little book, containing points of general as well as special interest, and well-written chapters on Edinburgh history.

A Short History of the Oriental Government Security Life Assurance. (Bombay) Oriental buildings.

A well-illustrated little volume to commemorate the jubilee year of this institution.

The Nineteenth Century, June. (London) Constable and Co. 3s.

The Financial Review of Reviews, June-September. (London) 6 Grafton street, W. 1. 1s net.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

Amongst the many influences which have conspired to defeat activity in Stock Exchange business this week may be mentioned the violent movements of foreign exchanges, the French political crisis, the possible Tube strike, the approach of Whitsun, and the racing fever. Each of these has played its part in diminishing public interest in stocks and shares. Business has run on very quiet lines. Deduction of quarterly interest from the prices of Consols, Local Loans, certain India Government stocks, and various other gilt-edged issues, including a number of Colonial loans, had no effect in quickening investment. Nor did the distribution of the half-yearly 5 per cent. War Loan dividend suffice to stimulate purchases in the Consol market. The present account runs for twenty-one days, holidays. The long account, which ends next Thursday, has maintained the Stock Exchange tradition that such settlements are invariably bad for business.

While War Loan hardened up on 10½, the two Conversion loans also gained favour, and the prices put on small fractions. Scrip stocks, Queensland, Australia, New Zealand, and others could make little headway against the prevailing apathy, though a good deal of stock has been quietly absorbed by the big buyers.

In the foreign government market, the principal fluctuations have been in French Government bonds, where prices were franc. Brazilians have been a heavy market. The new Czechos, after a dip to ¼ premium, a full point below the

* "The Money Market in Relation to Trade and Commerce." By Ernest Evan Spicer, F.C.A. Fourth edition. Revised and enlarged. H. F. L. (Publishers), Limited. 8s 6d net.

recent best, hardened up on a few buyers coming to market. Dollar stocks of all kinds are better, including Canadian Pacifics, American Rails and American industrials, this being due, of course, to the rise in the value of the dollar as compared with the pound sterling.

Home railway stocks languish in neglect. The threatened strike of electric motormen caused heaviness in Undergrounds, and the rest of the list became limp for want of business. Grand Trunk Pacific debenture remains about 4½, pending the hoped-for payment of 1 per cent. in the near future. Argentine railway stocks strengthened at first, and held part of their improvement. Brazilian railways gave way in sympathy with Brazilian Government bonds. United of Havanas suffered by reason of a strike on the line. Nitrates barely moved throughout the week.

Nothing is doing in rubber shares. An early issue is expected of £350,000 6 per cent. guaranteed debenture stock by the Anglo-Dutch Utilities, Limited. Oil shares have been dull on balance, people selling Shells because of a slight disappointment felt at the dividend being no more than maintained at the previous 22½ per cent. free of tax. The Trinidad group strengthened a trifle upon the declaration of a maiden interim dividend by the Leaseholds Company. The professionals have given something of a rest to British Controlled, Phoenix and Uroz.

Tea shares continue quiet, in spite of the very satisfactory dividends declared week by week. The only noticeable changes in shipping securities are rises in pre-ordinary issues. The banking market is firm, and that for insurance shares, while holding its prices, shows no fresh development of interest. The Bleachers dividend, making 20 per cent. for the year, failed to animate the textile list. Courtaulds strengthened on covering by the bears. Very narrow fluctuations occurred in iron and steel shares; the Consett Company's final dividend of 1s was deemed encouraging. Forestals, after their improvement on re-entry of the shares to the dividend list, reacted a trifle, but Sudan Plantations, which dropped to 5½ on heavy selling of the new issue, jumped to 6½ when these realisations were finished.

The new Lever 7 per cent. preferences have changed hands in many tens of thousands, the average price being about 3d premium. A lively market is now established in the Beecham Estates and Pills ordinary, preference, and debentures. There was a slight rally in newspaper shares, but the Associated Newspapers report, with its good showing, failed to advance the price of the deferred shares. Trust companies' stocks have again been rising day by day, and the demand for preference shares, more especially those of the better class, is noticeably persistent.

Kaffir shares have rallied, on the rise in the price of gold, and the more hopeful feeling that is entertained in regard to the outcome of the Transvaal elections next week. The public, however, are doing very little, the market being left mainly to insiders. Interest in Kaffirs has diverted attention from Rhodesians, which are now quiescent. Consolidated Diamonds gave way, on the report of the meeting, at which the chairman referred to the attempted interference of the Government with the selling arrangements for the stones. Rio Tintos have been rising, other copper shares attracting no attention. The course of tin, the metal, is still too erratic for the public to venture with any degree of freedom upon speculation in tin shares, and the various markets connected with tin are consequently placid. Mild interest continues to centre around Canadians. In Russians there is nothing going on.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£	£	£	£
4% Treasury Bonds by public tender, May 30, 1924, 500,000, at 134 13s 2d.....	500,000	86,177,814	..	..
at 134 13s 2d.....	..	473,300	..	..

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED MAY 31, 1924.				
	£	£	£	£
April 1, 1924, to May 24, 1924 ..	Dr700,000	Dr50,000	Dr50,000	
To the Public—				
British Goodrich Rubber Co., 250,000 7½% Cum. Pref. Shares, £1, at par ..	250,000	250,000	12,500	237,500
Do 150,000 Ord. Shares, £1, at par ..	150,000	150,000	7,500	142,500
Imperial Airways, Lim., 500,000 shares, £1, at par ..	500,000	500,000	62,500	437,500
Total offered to the public ..	900,000	900,000	82,500	817,500
To Shareholders only—				
Lever Brothers, 5,000,000 7% Cum. Pref. Shares, £1, at par ..	5,000,000	5,000,000	..	5,000,000
London General Investment Trust, 36,000 £1 Shares, at par ..	36,000	36,000	7,200	28,800
Pease and Partners, 796,143 Shares, £1, at par ..	796,143	796,143	99,518	696,625
Total offered to shareholders only ..	5,832,143	5,832,143	106,718	5,725,425

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Total offered for subscription to date in—	Total offered for subscription for whole year—
1924..... 93,333,257	1923..... 271,333,173
1923..... 152,433,966	1922..... 573,675,650
1922..... 424,936,440	1921..... 388,978,203
1921..... 107,820,768	1920..... 367,549,666
1920..... 204,576,627	1919..... 1,036,059,951
1919..... 376,801,324	1918..... 1,393,381,441

Imperial Airways, Limited.—Share capital £1,000,000 divided into shares of £1 each. This is an issue of 500,000 shares at par. The object of the undertaking is to establish an air transport service in Europe. The company is launched under excellent expert guidance. A well-known City house is lending assistance, and the Treasury is granting financial help. The Government has promised £1,000,000 spread over 10 years, beginning with £137,000 per annum for the first four years. The Government is to be represented by two directors. The names of the board inspire confidence; it is reasonable to assume that if flying can be made a profitable commercial proposition these men are the right people for the task. Four existing companies have been absorbed at a cost of £148,750. But profits made by these undertakings are not stated. Although from the investment standpoint other companies could be found which offer better prospects of an early return, it is to be hoped that the company will be well supported by opulent investors.

British Goodrich Company.—Authorised share capital £700,000, divided into 300,000 7½ per cent. cumulative preference and 400,000 ordinary shares, all of £1 each. There is an authorised and subscribed issue of first mortgage 6½ per cent. debenture stock for £200,000. This is an issue of 250,000 preference and 150,000 ordinary shares at par. An interesting feature in connection with the preference shares is that, after payment of the fixed dividend, 20 per cent. of the profits remaining in each year will be carried to a special reserve fund until it amounts to 20 per cent. of the amount of the preference shares issued, when it will be applied in paying up similar shares to be distributed among the holders of the preference shares. It is pointed out that the capitalisation of the special reserve will give a yield of 9 per cent. to preference shareholders. The company is to acquire from the Goodrich Company of America the control of the existing selling organisation in Great Britain, the sole right to manufacture and sell Goodrich products in Great Britain and the whole of Ireland, and rights to sell the products in the British Dominions (except Canada), and certain foreign countries. Arrangements have been made to acquire the works of Wood-Milne, Limited. Profits are estimated at £125,000 per annum. The price payable to the American company is to be satisfied by the allotment of 204,000 ordinary shares, and the American Goodrich Company is to lend the British company, in the form of liquid assets, the equivalent of the sum of not less than £250,000 as an unsecured loan, until 1927. The purchase consideration in respect of the Ajax Rubber Works is £406,000, payable as to £360,000 in cash and 46,000 ordinary shares. The undertaking will be in the hands of men who understand the business, but, on the other hand, it is bound to meet with keen competition.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.				
	Price Last Week.	Latest Price.	Change.	Notes.
War 4½% 1925-28 ..	97	97	..	..
Canada 4½% 1920-25 ..	100	100	..	..
India 3½% Stock ..	66½	66½	..	..
Do 7% 1926-31 ..	114	114	..	..
Do 5½% 1931-103 ..	103	103	..	..
Do 4½% 1931-103 ..	97	97	..	..
Funding Loan 4% ..	84	84	..	..
Victory Bonds 4% ..	84	84	..	..
Conversion Loan 4½% ..	77	77	..	..
Consols 2½% ..	57½	57½	..	..
Irish Land Stock 2½% ..	59	59	..	..
Local Loans 3% ..	66½	66½	..	..
British Railways.				
Great Western, Ord.	108½	107½	..	..
London & North-Eastern ..	104	104	..	..
Do Ord. "B" ..	104	104	..	..
Do Pref. Ord.	84	83½	..	..
Do Def. Ord.	29	29	..	..
Do Mid. and Scottish, Ord.	98½	97½	..	..
Metropolitan ..	81	80½	..	..
Metropolitan District ..	52½	51½	..	..
Underground Electric (£100) ..				
Do "A" (1) ..	2½	2½	..	..
Do Inc. Bds. (£100) ..	95	93½	..	..

COMPANY MEETINGS, &c.

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INCREASED DIVIDEND.
IMPROVEMENT IN VALUATION.

The thirty-sixth annual general meeting of the shareholders in the Investment Trust Corporation, Limited, was held, on the 4th instant, at the offices of the Corporation, Gresham House, 24 Old Broad Street, London, Mr Robert Fleming (the chairman) presiding.

The secretary (Mr Hildred Carlisle) having read the notice convening the meeting and the report of the auditors, The Chairman said: Gentlemen,—I suppose we will, as usual, take the report as read.

Another difficult year has passed since we met here on June 6, 1923. Trade has continued unsatisfactory, and conditions, economic and political, throughout the world, continue unsettled; and, while there are here and there indications of some movement, prospects are by no means bright, but we have been fairly active, and the results you will, I think, consider satisfactory.

CAPITAL VALUES.

Dividing the subject, as we have often done, into two parts—namely, capital values and revenue results—I would say with regard to capital account that, as the report shows, the market value of the company's assets is some 2 per cent. more than a year ago. The exact method of valuation, as I have more than once mentioned, is, with regard to the great bulk of our securities—namely, those having a quotation in the official lists of London, New York, or other well-known stock exchange—to take the middle price, which, if you count stamp duty, brokerage, and jobber's turn, is considerably less than we would have to pay to effect a purchase in the market. Of our total number of securities—namely, 419—there are 399 so quoted, leaving 20 stocks and bonds of a total market value of £195,887 not officially quoted. Some of these, though not listed, are fairly saleable; for some we have obtained from brokers what they deemed fair quotations; a very few the directors have valued at what they consider safe prices. Altogether you may count on £5,280,000 as being the fair value of our investments. Not that we could in a day sell £5,000,000 worth of stocks and bonds at close market prices, any more than we could buy them at these quotations. That sum of £5,280,000 shows a value in excess of 7 per cent. over the book cost. The report shows the different classes of security in which the funds are invested.

I might add that the geographical distribution is as follows, in round figures, namely:—Home securities, 36 per cent.; United States, 20 per cent.; Colonial, 8 per cent.; Argentine, 10 per cent.; Brazil, 5 per cent.; other South American, 9 per cent.; Cuba, 2 per cent.; Central America, 1½ per cent.; Mexico, 1 per cent.; Philippines, 1 per cent.; Spain, 1 per cent.; China and Japan, 1½ per cent.; and other countries, 4 per cent.

REVENUE ACCOUNT.

Turning to revenue account, notwithstanding difficult times, our income keeps up. It is £14,970 more than last year, and, besides paying an increased dividend—we propose 17 per cent.—we have a surplus on the year of £29,001, equal to a dividend of 4.67 per cent. on our deferred stock. You will observe that of the large carry forward of £161,239 we have transferred £100,000 to the reserve account, making that fund now the equivalent of our deferred capital, and leaving £61,239 in the carry forward on revenue account.

With a reserve and carry forward exceeding the amount of our deferred stock, and with no liabilities beyond our debenture stock payable in 1987, I have sometimes thought that, if our income keeps up, and when times become normal—which they certainly are not yet—it may not be necessary to retain undivided so large a proportion of our annual revenue. For the eleven years preceding the war our annual retentions averaged 2.71 per cent.; during the war—say from 1915 to 1920—they averaged just under 1 per cent., and for the last four years they have been 4.41 per cent. For the past year the retention, as I have said, was 4.67 per cent.

The directors will carefully consider this question. It must not be forgotten that our investments are only in part of a permanent nature, and for the other part our annual income will in some measure depend on money rates current from year to year.

INVESTMENT POLICY.

We have, as I have said, in all 419 different securities. In the course of the 36 years of the life of the company we must have had, I suppose, one or two thousand. Next to none of them, excepting

our war investment in Government bonds, have been what are known as trustee securities. To buy these does not require the intervention of an investment trust company. We run greater risks than in trustee securities, and continually strive to combine two things which are usually held to be incompatible—namely, high interest and good security. In a list of 419 such investments some unforeseen trouble may be reckoned as certain to arise now and then.

I heard the view expressed the other day by the chairman of a leading trust company that defaulted securities constituted an item somewhat similar to a bank's hidden reserve. They do not appear at all in revenue account, and in a capital valuation they appear at a very low price. On the whole, if they represent intrinsic values, they are likely to get better rather than worse, both from a revenue and capital point of view, as time goes on. But, in any case, we try to keep these irregularities as low as possible, while not forgetting that the central idea of an investment trust is to increase security and profit by a careful selection and a wide distribution of risks.

With these remarks, gentlemen, I beg to move: "That the report and accounts, as presented, be and they are hereby, received, approved, and adopted, and that a dividend of £10 per cent., less income-tax, on the deferred stock, making, with the interim dividend, £17 per cent. for the year ended May 1, 1924, be and the same is hereby declared."

Mr H. A. Vernet seconded the resolution, which was carried unanimously.

On the proposition of the Chairman, seconded by Sir William Guy Granet, G.B.E., the retiring director (Mr Charles Lyall Daleil) was unanimously re-elected.

The auditors (Mr Cecil O. Webb and Mr Lionel Baddeley) were reappointed, on the motion of Mr W. E. Ledger, seconded by Mr. Percy Higginson.

MANAGEMENT EXPENSES.

The Chairman then moved the following resolution:—"That the directors be and are hereby authorised to set aside for management expenses in each financial year commencing with the year ending on May 1, 1925, in addition to the percentages specified in article 108 of the articles of association, a sum not exceeding £3,500."

In doing so, he said: As you know, the expenses of management, as fixed at the time of the formation of the company, 36 years ago, were to be covered by a payment of ½ per cent. on the first £500,000 of capital and ¼ per cent. on any further capital. That, plus legal expenses and auditors' fees, has been the financial basis on which the management has proceeded during all these years. All expenses were to be paid by the directors, such as rent, salaries, stationery, postage, &c., and whatever balance was over went to the directors.

Well, a good deal has happened during these 36 years. Going back only 12 years, when the company for the first time had the present capital of £4,000,000, what do we find?

We find that the revenue 12 years ago, with exactly the same capital as to-day, was £257,135, while to-day it is £309,484. The individual investments to-day number 419, as against 323 in 1912. We find that the salaries of the staff have from time to time increased; stationery, postages, &c., have all, as you know from your own experience, gone up; the only thing that has gone in the opposite direction and has been reduced to the same extent as these other things have been increased has been the balance remaining for the directors. We have added to our staff lately—the increase in the assets and revenue of the company implies more work—and the additional expenditure which this implies naturally further reduces the surplus. In these circumstances you will not be surprised that we, after waiting all these years, feel now like calling a halt and asking you to modify the agreement of 36 years ago, and add, say, £2,500 to the sum then fixed. This will enable us to correct the reduction of the past and meet further payments in connection with the running of the company, either to the directors or otherwise, that time may bring about.

When this has been done you may compare our expenses in relation to our revenue with other trust companies and still find them among the lowest.

The resolution was seconded by Mr. Vernet, and carried unanimously.

A vote of thanks to the chairman, directors, and staff concluded the proceedings.

ANALYSIS OF BALANCE-SHEETS.

BURMAH OIL.

LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1923.	Amount.	Compared with Dec. 31, 1923.
6% pref. shares ..	250,000 ..	Refineries ..	564,213 ..
8% pref. shares ..	750,000 ..	Wells, plant, &c. ..	372,690 ..
Ord. shares ..	3,000,000 ..	Field electrification ..	706,645 ..
General reserve ..	5,151,192 ..	Pipe lines ..	393,819 ..
Insurance fund ..	800,000 ..	Tanks, tankers, &c. ..	916,513 ..
Fire and marine ..	420,000 ..	Stocks of plant ..	216,023 ..
fund ..	613,107 ..	Stocks of products ..	984,485 ..
Provident fund ..	641,464 ..	8% pref. issue ..	63,790 ..
Bankers ..	175,579 ..	charges ..	50,000 ..
Sundry creditors ..	1,647,334 ..	Investments ..	4,700,480 ..
Profit dividends ..	129,775 ..	Sundry debtors ..	38,337 ..
Profit and loss ..	1,412,372 ..	Cash and loan ..	223,539 ..
Total ..	14,814,219 ..	Total ..	14,814,219 ..

BLEACHERS' ASSOCIATION.

LIABILITIES.		ASSETS.	
Amount.	Compared with Mar. 31, 1924.	Amount.	Compared with Mar. 31, 1924.
Ord. shares ..	2,371,086 ..	Land, buildings, &c. ..	9,516,557 ..
Pref. shares ..	2,472,500 ..	Stocks, &c. ..	704,758 ..
4½% deb. stock ..	2,250,000 ..	Debtors ..	1,069,792 ..
Unpaid dividends ..	5,931 ..	Cash ..	313,159 ..
Sundry creditors ..	1,716,584 ..	Investments ..	483,802 ..
General reserve ..	1,575,000 ..		
Div. reserve ..	180,000 ..		
Superannuation ..	200,139 ..		
Fire insurance ..	328,638 ..		
Investments con- ..	50,000 ..		
tingencies fund ..	936,545 ..		
Profit and loss ..	9,220 ..		
Total ..	12,086,468 ..	Total ..	12,086,468 ..

BRITISH ELECTRIC TRACTION.

LIABILITIES.		ASSETS.	
Amount.	Compared with Mar. 31, 1924.	Amount.	Compared with Mar. 31, 1924.
Ord. stock ..	1,326,264 ..	Investments ..	4,283,188 ..
Pref. stock ..	712,744 ..	Leasehold prem. ..	40,026 ..
Debentures ..	1,639,897 ..	Furniture ..	2,396 ..
Reserve ..	520,000 ..	Debtors ..	144,197 ..
Creditors ..	19,285 ..	Cash ..	107,098 ..
Int. on debts ..	38,901 ..		
Undivided profits ..	215,362 ..		
Revenue account ..	104,452 ..		
balance ..	15,472 ..		
Total ..	4,576,905 ..	Total ..	4,576,905 ..

WM. CORY AND SON.

LIABILITIES.		ASSETS.	
Amount.	Compared with Mar. 31, 1923.	Amount.	Compared with Mar. 31, 1923.
Cum. pref. shares ..	850,000 ..	Land, buildings, &c. ..	4,508,399 ..
Ord. shares ..	2,850,094 ..	Stock, &c. ..	241,824 ..
Employees' shares ..	51,079 ..	Debtors ..	51,060 ..
4% deb. stock ..	700,000 ..	Debit balances ..	2,529,546 ..
4½% deb. stock ..	200,000 ..	Inv. on behalf of ..	
Unpaid dividends ..	15,825 ..	staff funds ..	105,662 ..
Premium on new ..	440,000 ..	Investments ..	118,327 ..
ord. shares ..	750,000 ..	Brit. Govt. stocks ..	
Reserve ..	120,000 ..	at or under cost ..	2,148,034 ..
Staff pensions ..	118,604 ..	Cash ..	43,619 ..
Credit balances ..	2,697,687 ..		
Profit and loss ..	826,188 ..		
Total ..	9,604,477 ..	Total ..	9,604,477 ..

ELDER Dempster.

LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1923.	Amount.	Compared with Dec. 31, 1923.
6% cum. pt. shs. ..	3,500,000 ..	Property ..	727,735 ..
5½% cum. pt. shs. ..	425,000 ..	Investments ..	148,273 ..
6½% "A" pref. ..	2,500,000 ..	Fleet, &c. ..	1,180,658 ..
Ord. shares ..	1,810,000 ..	Debtors ..	250,445 ..
5% deb. stock ..	1,000,000 ..		
5% "A" deb. stock ..	1,000,000 ..		
Reserves ..	1,375,000 ..		
Creditors ..	2,071,059 ..		
Bills payable ..	815,530 ..		
Employees' sav- ..	129,470 ..		
ings fund ..	143,526 ..		
Profit and loss ..	73,539 ..		
Total ..	14,769,585 ..	Total ..	14,769,585 ..

Banks.

Price Last Week.	Latest Price.	Rise or Fall.
Barclays B. (£1, f.p.d.) ..	24½ ..	24½ ..
Chartered Bk of India ..	20 ..	19½ ..
Lloyds (£5 with £1 paid) ..	3½ ..	3½ ..
Midland (£12, with £2½ paid) ..	8½ ..	8½ ..
Nat. Bank of Egypt (£10) ..	24½ ..	24½ ..

Telegraphs.

Price Last Week.	Latest Price.	Rise or Fall.
Anglo-American "A" ..	233 ..	233 ..
Marconi Wireless ..	1½ ..	1½ ..

American Railroads.

Price Last Week.	Latest Price.	Rise or Fall.
hesapeake & Ohio ..	91 ..	93 ..
rie ..	28½ ..	30 ..
Do 4% 1st Pref. ..	36 ..	38 ..

Foreign Government Securities.

Price Last Week.	Latest Price.	Rise or Fall.
Argentine 5%, 1886-7-100 ..	100 ..	100 ..
Austrian 6% Guar. 94 ..	89½ ..	89½ ..
Belgian 3% ..	71 ..	71 ..
Brazil 5% Fund, 1914 ..	76 ..	76 ..
Chilian 4½%, 1895 ..	87 ..	87 ..
Do 7½% ..	108½ ..	108½ ..
Chinese 5%, 1912 ..	70 ..	69 ..
Egyptian 4% ..	74 ..	76 ..
French 5% ..	223 ..	223 ..
Do 4% ..	18½ ..	18½ ..
Greek 5%, 1884 ..	56½ ..	54½ ..

Colonial and Foreign Railways.

Price Last Week.	Latest Price.	Rise or Fall.
Antofagasta Cons ..	88½ ..	89 ..
B.A. and Pacific ..	79½ ..	79½ ..
B.A. & Gt. Southern ..	87½ ..	87½ ..
Ecuador Ayacucho ..	75 ..	75 ..
Canadian Pacific ..	171 ..	172 ..
Central Argentine ..	73 ..	72 ..

Miscellaneous.

Price Last Week.	Latest Price.	Rise or Fall.
Aerated Bread (£1) ..	1½ ..	1½ ..
Amal. Cottons (£1) ..	3½ ..	3½ ..
Anglo-Persian Oil (£1) ..	3½ ..	3½ ..
Armstrong (Sir W.G.) ..	1½ ..	1½ ..
and Co. (£1) ..	1½ ..	1½ ..
Ass. Ind. Cement (£1) ..	2½ ..	2½ ..
Barker, John (£1) ..	2½ ..	2½ ..
B'ham Small Arms (£1) ..	57 ..	56½ ..
Brazil Traction (£100) ..	57 ..	56½ ..
British-American ..	57 ..	56½ ..
Tobacco (£1) ..	57 ..	56½ ..
Burmah Oil (£1) ..	57 ..	56½ ..
Coca (S. and F.) (£1) ..	57 ..	56½ ..
Courtauld (£1) ..	57 ..	56½ ..
Onnard (£1) ..	57 ..	56½ ..
Dorman, Long (£1) ..	57 ..	56½ ..
Dunlop Rubber (£1) ..	57 ..	56½ ..
Fine Cotton Spinners ..	57 ..	56½ ..
(£1) ..	57 ..	56½ ..
Forestral Land (£1) ..	57 ..	56½ ..
Frimess, Withy (£1) ..	57 ..	56½ ..
Highlands and Low- ..	57 ..	56½ ..
lands Rubber (£1) ..	57 ..	56½ ..

Mines.

Price Last Week.	Latest Price.	Rise or Fall.
Brakpan (£1) ..	3½ ..	3½ ..
Broken Hill Prop. (£1) ..	4½ ..	4½ ..
Chartered (£1) ..	4½ ..	4½ ..
Cons. Gold Fields (£1) ..	4½ ..	4½ ..
Crown Mines (£1) ..	4½ ..	4½ ..
De Beers Det. (£24) ..	12½ ..	12½ ..
East Rand Prop. (£1) ..	4½ ..	4½ ..
Eduld (£1) ..	4½ ..	4½ ..
Gov. Gold Areas (£1) ..	6½ ..	6½ ..

MINING OUTPUT STATISTICS FOR MAY, 1924.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.		
Gold.						
Cam and Motor ..	16,800 ..	..	..	..	8,745 (a)	41,601
London and Rhodesian ..	2,598 ..	..	..	..	1,631 ..	20,143
Oroville Dredging— ..						
Pato (9 days to May 21st) ..	6,200 ..	874 ..	..	..	2,985 (a)	14,153
Resende ..	..	..	..	..	..	6,389

(a) Including premium.

	Output.	Other Notes in Return.	
		Est. value.	Est. cost.
Tin.			
Bangrin ..	29 ..	..	..
Chenderiang ..	17 ..	..	..
Idris ..	604 ..	..	..
Iph ..	75 ..	..	..
Kamunting ..	352 ..	..	..
Kinta ..	834 ..	..	..
Kramat Pual ..	199 ..	..	..
Malayan ..	61 ..	..	..
Pahang Cons. ..	..	..	..
Par ..	..	..	..
Pusing ..	98 ..	..	..
Siam ..	254 ..	..	..
Southern Perak ..	48 ..	..	..
Sungei Besi ..	612 ..	..	..
Tronoh ..	..	..	..
Coal.			
Chinese Engineering ..	90,773 ..	..	..
Chilgalt ..	4,834 ..	..	..
Clydesdale ..	22,895 ..	..	..
Dundee ..	47,469 ..	..	..
East Kent ..	5,006 ..	..	..
Natal Navigation ..	50,143 ..	..	..
N. Natal Navigation ..	29,000 ..	..	..
S. African Estates ..	60,507 ..	..	..
Tweefontein ..	63,115 ..	..	..
Vryheid ..	35,324 ..	..	..
Miscellaneous.			
New Vaal River ..	..	579 carats; valued £3,542.	..
Freemantle Trading ..	200 ..	Lead concentrates, 140 tons lead.	..

BROKEN HILL PROPRIETARY.—Four weeks ended May 21st:—Iron and steel works—Coke ovens produced 23,612 tons of coke, 274,149 gallons of tar, and 390 tons of sulphate of ammonia. No. 1 blast furnace produced 12,312 tons of pig-iron. No. 3 blast furnace produced 11,910 tons of pig-iron. Open hearth produced 25,327 tons. Blooming mill produced 23,247 tons. 28-in. mill produced 15,235 tons. 18-in. mill produced 5,723 tons. 12-in. mill produced 3,166 tons. 8-in. mill produced 1,533 tons. Rod mill produced 5,541 tons. Steel foundry produced 796 tons of castings. Iron Knob shipped 37,707 tons. Broken Hill—6,720 tons of crude ore are raised. Crushing plant treated 5,905 tons of crude ore, producing 478 tons of lead concentrates. Slimes flotation plant produced 977 tons lead concentrates and 1,560 tons of zinc concentrates.

BROKEN HILL SOUTH.—Four weeks ended May 31st:—20,505 tons of crude ore and 7,703 tons of de-leaded slimes residues were treated, and produced 3,275 tons of lead concentrates, assaying 64 per cent. lead and 19 ozs silver per ton; also 5,829 tons zinc concentrates, assaying 45 per cent. zinc.

SUZ CANAL COMPANY.

SUCCESSFUL YEAR—DIVISION OF SHARES.

The seventieth annual meeting of the shareholders was held in Paris on the 2nd instant. The report of the council of administration was read to the meeting, and was substantially as follows:—

At our last meeting we reported to you that the traffic through the Canal had at last, during 1922, regained and even surpassed its pre-war volume. The progress of the maritime movement which we have registered since 1919 continued during the last year, and the net tonnage exceeds that of 1922 by nearly 10 per cent. The regularity of this improvement, despite all the economic difficulties of the post-war period, is a remarkable fact, and a striking testimony to the soundness of your business.

Helped by the increase in traffic and by the increase in the profit on exchange, the profits of the year show a large increase over those of the preceding year, allowing us to contemplate a much larger dividend. We propose therefore to pay a dividend of 430f net per share. This is a very satisfactory result, but it must not be forgotten, as we told you last year, that the increased dividend compared with that of ten years ago is really only the counterpart and, one might almost say, the tangible expression of the depreciation of the franc. This depreciation, the manifest exaggeration of which we have all deplored, is happily tending to diminish. It is also important to bear in mind the reaction which the revaluation of the franc may have on your nominal income. We, therefore, think it behoves us to suggest to you that a sum of 20 millions be applied to the extraordinary reserve started in 1920.

In accordance with our usual liberal policy, in view of the increased traffic of the past year, we have reduced the transit rates by 25c to date from January 1st last. We are convinced that, by lowering the charges which press so heavily on the shipping industry, we help the development of shipping, by which we are the first to benefit, and thus serve your interests no less than those of the shipowners.

We submit to-day a resolution for the division of the company's shares. That is, as you know, a practice frequently followed by companies whose shares go to a high premium on the stock exchanges. This has been requested at several meetings, and we consider that now is the time to carry it out. The effect of this division of shares will be to make more convenient a security which had become too cumbersome, to make it more negotiable, to allow partial realisation, and generally to broaden the market in a manner advantageous to all concerned. If, as we feel sure, you pass this resolution, each share of 500f nominal capital will be changed for two new shares of 250f nominal, as soon as the Egyptian Government has sanctioned the necessary alteration of the statutes.

FINANCIAL POSITION.

The total receipts for 1923 at 419,250,419f show an increase over the year 1922 of 113,794,810f. Transit dues account for 8,924,849f of this increase, and the financial service for 150,031,160f. This last increase is due for the most part to the high level attained by the pound sterling in 1923. Our operations, being carried out at an average rate of 75f 264c, have resulted in an apparent increase under the heading of remittances of 101,998,133f compared with 1922. Expenses totalled 58,478,995f. As material has been well written down, we allocate to this fund 15 millions of francs; the replacement of this material could only be effected at much higher prices.

Following the policy which we explained last year, we propose to allocate 50 millions to writing down expenditure on development work. We avoid by this means the necessity for the issue of a loan, which would to-day be too heavy a charge. After these allocations the excess of receipts over expenses amounts to 285,690,898f, to which has to be added 2,106,420f brought forward, making a sum of 287,797,319f. It is proposed to distribute amongst the shareholders 264,061,971f, leaving 23,735,347f, 20,000,000f of which we propose placing to extraordinary reserve, and carrying forward 3,735,347f. We propose a dividend of 493f 710 gross and 430f net, an increase of 110f on that of last year.

CANAL TRAFFIC.

Four thousand six hundred and twenty-one ships traversed the Canal in 1923, representing a net tonnage of 22,730,162 tons, the highest total ever reached. Compared with 1922, there is an increase of 276 ships and 1,986,917 tons. Commercial shipping amounted to 21,302,406 tons net, being 93.7 per cent. of the total. This total passes for the first time the highest pre-war figure. The number of passages made by ships burning Mazout continues to increase, and represents 22 per cent. of the total. The average time of transit in 1923 was 15 hours 20 minutes. This is the best result obtained up to the present. German tonnage increased from 735,129 tons in 1922 to 1,213,691 tons in 1923, and passed from sixth place in 1922 to fourth place in 1923. Shipping at Port

Said, represented by ships which did not pass through the canal, amounted to 1,208,000 tons. The movement of merchandise is still less than pre-war, but the gap is being steadily reduced. The total of cargoes passed through the Canal increased to 22,777,000 tons, and the difference compared with 1912 is only two millions and a half tons, as against four millions in 1922.

This improvement is all the more interesting as it has been made in spite of a drop of more than a million tons in cargoes of coal. Exceptional quantities of coal from the United Kingdom have been absorbed by European markets, and coal from South Africa, Indo-China, and Japan have replaced the French coal on the other side of Suez.

The reduction of coal traffic was happily counterbalanced by an increased traffic in worked metal, cement, and feeding stuffs. During the last three months of the year they have been sent in unprecedented amounts to Japan, where the September catastrophe has raised an immense demand for material of all kinds. The drop in the North and South movement at 490,000 tons is much less than the increase of 1,900,000 tons in return traffic, which increase is mainly accounted for by cereals and sugar.

The current year again shows an improvement on the past year; transit dues on May 15th show an increase of 2,090,000f over the corresponding period of 1923. We hope, therefore, that the year 1924 will show new progress.

ANGLO-ARGENTINE TRAMWAYS COMPANY, LIMITED.

CHAIRMAN ON QUESTION OF TARIFFS.

SETTLEMENT WITH MUNICIPALITY DELAYED.

IMPROVEMENTS ON SYSTEM RETARDED.

The fortieth ordinary general meeting of the Anglo-Argentine Tramways Company, Limited, was held at Winchester House, London, Sir George A. Touche, Bart. (the chairman), presiding.

Mr W. D. Dawes (London manager and secretary) having read the notice convening the meeting and the report of the auditors,

The Chairman said that the report for 1923 dealt with a tariff of 12 cents up to April 10th, and for the remaining portion of the year with the reduced tariff of 10 cents. The comparison, therefore, with the previous year, when the tariff was 12 cents, was unfavourable. There was a reduction of £45,197 in gross receipts, owing to the reduced fare, notwithstanding the fact that they carried 49,021,672 more passengers, the total number being 518,533,718. The expenses, owing to the heavy loss on exchange and the larger business done, showed an increase of £146,587, and the reduction in net receipts was therefore £191,784.

TARIFF QUESTION.

Proceeding, the Chairman said: I now come to the troublesome tariff question. We are disappointed that another year has passed and we are still unable to report a settlement. Under the Ordinance of 1920, we were authorised to charge a fare of 12 cents in order that we might meet very onerous burdens. It was seen then that new developments arising out of the traffic situation would soon be necessary. The whole position was to be reviewed at the end of three years. That period expired in April, 1923. The burdens undertaken in 1920 were clearly intended to be of a permanent character. It was never suggested that an eight-hour day, minimum wages, increased salaries, and other charges, and contributions to a national pension fund were to be for three years only. It was obvious that any review of the fare question must be made in the light of these continuing obligations, and should provide for them. It was thus common ground that any change of fare should have been preceded by a general arrangement.

EXTENSION REFUSED.

We opened negotiations well ahead of the expiration of the three years term. These negotiations had for their basis the introduction of a very moderate and inexpensive scheme of sectional and zonal fares. In conjunction with the Lacroze Company, our formal petition was presented to the Municipality of Buenos Ayres in the early part of January last year. When it was obvious that a new settlement could not be reached within the time available (although the delays did not rest with us) we asked that the existing arrangement should be continued pending an agreement of new terms. This most reasonable request was refused, against the advice of the Intendente, and without even a short delay to prepare for the change. The refusal, which seems to have astonished the council itself, was hailed in some quarters as a victory over foreign capital. Foreign capital has been the great ally of Argentina in the development of its wonderful resources. It is, of course, an economic fallacy that any country can be benefited by alienating capital. But we have no monopoly of economic wisdom. Have we not politicians at home who seem obsessed by hostility to British capital? To explain the refusal, which came as a surprise to the

whole business community, might involve an excursion into questions of local politics with which we have no wish to concern ourselves. The adverse vote of the council left us with the obligations on one side of the account and without the corresponding credits on the other.

RESULTS OF REDUCTION.

The result of the arbitrary reduction of fares from 12 to 10 cents is reflected in the figures submitted. These show that we have not been able to earn the full dividend on the second preference shares, and, of course, no dividend at all on the ordinary capital. A company providing the public services which this one renders ought to be in a position to place substantial sums to reserve, and pay a reasonable dividend on its ordinary capital. We can put nothing to reserve, apart from the usual provision for renewals, which I should like to see increased, and for ten consecutive years the ordinary shareholders have had no dividend. This is not as it should be. It is neither equitable, nor in the public interest. In our own concession of 1920, and in the laws relating to railway companies and others working public concessions, a rate of interest on the capital employed much in excess of what we have been allowed to earn is recognised as reasonable and proper. While the present conditions remain, we are placed under a great and unmerited disability.

DEVELOPMENTS RETARDED.

The public are affected as well as the shareholders. The traffic needs are increasing, but you cannot starve the company supplying these needs and at the same time expect a large capital expenditure on developments. Developments are urgently required, but they are held up through no action of ours. We are ready to make them as soon as the financial position will permit of our doing so. They will necessitate a very large capital expenditure, as they involve the construction of a new subway or underground tramway to relieve the congestion in the heart of the city, and construction costs are much higher than they were when we made the existing subway. This subway, according to the unanimous opinion of traffic experts, should be between Constitución—the terminus of the Buenos Ayres Southern, and Retiro—the terminus of the Central Argentine. How can anyone raise the necessary capital if they are not allowed an adequate income? In many respects we are in a better position to meet the needs of the city than anyone else, but only on a reasonable financial basis.

NEW PROPOSALS.

Comprehensive schemes have been prepared, carefully and laboriously. Our engineers have studied the traffic requirements of the city, and have elaborated plans to meet them. Proposals have been submitted on which we have striven to reach a common understanding. They necessarily involve a tariff revision, which has been worked out on a just and equitable basis, and asks for nothing unreasonable. Due and scrupulous care has been given to the wants of the public. But we must also have regard to a fair and legitimate return on the company's capital. This is no more than a right which should be respected. Although the question is still unsettled, it would be a mistake to conclude that no progress has been made.

EXPERTS' REPORT.

The scheme was referred to a special technical commission of engineers and accountants. They tested its figures, and reported in its favour. They were definite in their conclusions as to the company's inability to make further headway with the existing fare. They expressed the view that the present tariff cannot support the entire burden of increased wages, a permanent contribution to the pension fund, and provide a reasonable dividend to the shareholders. They recognised that the financial obligations involved in the policy of constructional development necessitate such a revision as will improve the company's economic status. Their report, in short, was such as would be expected from a strictly impartial tribunal.

AWAITING RATIFICATION.

The report of the technical commission was issued in September. An *ad referendum* agreement was signed and forwarded by the Mayor, with a favourable message to the Council, in November. We had hoped that the *ad referendum* agreement would be ratified by the Municipal Council at latest before the session was adjourned at the end of December. That hope was not realised. As it could not then be dealt with before April of this year, Mr Pedriali came to Europe to confer with the board. He had passed through an exceedingly difficult and anxious time, which had severely taxed his health and strength, but he had not lost heart. He returned to Buenos Ayres when the Council reassembled, and hoped the question would be dealt with in May. Unfortunately, it was not dealt with then. Consideration was delayed. A decision may be

Rubber Plantations Investment Trust, Ltd.

Paid-up Capital and Reserve over £2,500,000.

TEA — RUBBER — COCONUTS.

TRANSACTS ALL BUSINESS USUALLY UNDERTAKEN BY AN EASTERN PLANTATION TRUST COMPANY.

APPROVED ISSUES UNDEBTED.

1-4, GREAT TOWER STREET - - LONDON, E.C.3.

arrived at during the present sitting of the Council, which terminates in July. Whether there will be further delays we cannot say. We hope not, for every month of delay prejudices us, makes more difficult the ultimate task, and defers the alleviation of the traffic problem. In a city growing so rapidly as Buenos Ayres this is a serious matter. Before a new subway could be completed and open for traffic the population will probably be over 2,000,000.

THE MUNICIPAL COUNCIL.

We have no reason to believe that a majority of the members of the Municipal Council are personally hostile to us. It is more reasonable to assume that their actions collectively are governed by considerations of which the purely business project is only one. They are a body which, like our present House of Commons, contains many schools of political thought. One drawback of so many parties is that the path of collective action is a thorny one, as Mr Ramsay MacDonald and Mr Asquith have already discovered. Questions of this sort are best removed from the strife of parties. In time, no doubt, there will grow up a jurisprudence under which cases can be tested and measured and settled solely on the grounds of business and public merit.

WHY A SETTLEMENT SHOULD BE REACHED.

We are still hopeful that a settlement will be reached. We hope this for three reasons. The first is because Buenos Ayres is a very progressive city, and a policy which discouraged development would be reactionary. The Municipal Council wish to serve the public, and the public interest will be best served by stimulating the provision of facilities for travel. The Technical Commission were clearly guided by this consideration, as they expressed the view that the problem is one of public interest, which must be solved in accordance with the requirements of the city's inhabitants. Already the tramways have contributed in no small measure to the development of outlying districts, which have now become populous centres. The second is because we do not believe that so broad-minded a body as the Municipal Council will separate themselves from the world-accepted rule that those who supply the public with a necessity are entitled to a fair return on the capital employed. The tramways are the only public service organisations which, during the period of extraordinary increases in operating expenses, have not been allowed to increase tariffs to a proportionate degree. Thirdly, because, without adequate revenues, the company cannot make desirable improvements in the lot of their employees. The company has always sought to study the interests of its men, in sickness and in health, and is anxious to continue to extend the protection which they lost by the hasty cancellation of the 1920 Ordinance. When it is remembered that we have 11,300 persons in our employment, who with their families and dependents total some 50,000 people, it will be seen that no small proportion of the city's population might have their spending power increased at an infinitesimal cost to the travelling community. Under our new zone tariff scheme the workmen's fares would not be altered. Dealing, as we are, with the chosen representatives of the greatest Latin city in the world after Paris, we cannot believe that a fair and businesslike settlement will not be reached.

NEED FOR PATIENCE.

From our point of view, we have been treated harshly. Our experience does not encourage investments in the Argentine, but I would plead for a suspension of judgment even on that question. Mischief has been done, and it is not to be righted by complaints of a tyrannous abuse of power. I have heard these complaints, but I hope they will prove to be based on a hasty judgment. The world has not yet recovered from the fever of the war. We are living in days of great political unrest. Men are looking at the fabric of society with what they think to be a new vision, although it is as old as civilisation—perhaps older. The aims of democracy are constructive, even if its first impulses sometimes have other origins. Merely to cry aloud will not help. We must continue patiently to seek for a basis of settlement until we find it, however wearisome the task may be. Those who represent the public not infrequently find themselves, owing to their better knowledge, in advance of their constituents. They may think it expedient, in the interests of real progress, to adapt their pace to that of their followers. These things have happened here. Why should they not happen in Buenos Ayres also? May this not explain why some councillors, who recognise the justice of our case, have not yet given it their active support? If so, the delays, although costly to us, may be regarded as temporary. We are advised that public

opinion is moving in our direction. Every visitor to Buenos Ayres comments on the remarkable excellence and astonishing cheapness of our services. The vast majority of the citizens realise this also. Their chief concern is not to be carried at a starvation fare, but to be provided with a good service. Our admirable general manager, Mr Pedriali, who knows every aspect of the local situation, and every person concerned, is not despondent about the future. I think we may take our hopes from him. They may make mistakes in the Argentine, as elsewhere, but it is a great and progressive country. Its debt per capita is small. The check to its prosperity in recent years, which probably has much to do with the present discontent, will soon pass. I believe events will yet show it is not a country we need be afraid to invest in.

In conclusion, the chairman moved: "That the report of the board of directors and the audited accounts for the year to December 31, 1923, now presented to the meeting, be and are hereby received and adopted."

The Right Hon. Lord Wargrave, P.C., seconded the motion, which was carried unanimously.

The chairman next moved: "That the appointment of the Rt. Hon. Sir Philip Lloyd-Greame, P.C., as a director to fill the vacancy on the board be and is hereby confirmed, and that Mr. Leon Cassel, Mr. Wm. Morris, Major-General Sir Frederick Sykes, M.P., and the Rt. Hon. Lord Wargrave, P.C., who retire by rotation, be and they are hereby re-elected directors of the company."

Mr Charles H. Sanford seconded the motion, which was unanimously approved.

The auditors (Messrs Deloitte, Plender, Griffiths and Co. and Messrs James and Edwards) were reappointed, and cordial votes of thanks having been given to the chairman and directors, and to the chairman and members of the local committee, the general manager, sub-manager, the London manager and secretary, the assistant secretary, and to the staffs generally in Buenos Ayres and London, the proceedings terminated.

THE BRITISH THOMSON-HOUSTON CO., LIMITED.

SATISFACTORY POSITION.

FURTHER EXPANSION CONTEMPLATED.

The twenty-ninth ordinary general meeting of the British Thomson-Houston Company, Limited, was held, on June 4th, at the offices, Crown House, Aldwych, London.

Mr H. C. Levis, the chairman, presided.

The assistant secretary (Mr Alfred Clements) read the notice convening the meeting.

The Chairman, having read the auditor's report, said:

The report which has been sent to the shareholders, and which is now formally submitted, is, I think, satisfactory in view of the general trade conditions which existed during 1923. We have been able to make depreciations somewhat in excess of the previous year, pay all interest charges, also the dividends on our preference shares, to recommend a dividend of 6 per cent., less tax, on our ordinary shares, and to increase our reserves.

The value of orders received exceeded the amount for 1922, but the output by the factories was somewhat less than for 1922, due to a considerable amount of the orders being received too late to allow of completion within the year. This is reflected in the balance-sheet in the account comprising "apparatus, &c., finished and in process of manufacture," which has increased nearly £600,000. The improvement in business has been maintained during the five months of this year. The volume on hand now is again high, and, for the present, at least, is increasing.

CAPITAL.

If business continues to expand, it is only a question of time when further capital will be required. This, of course, would be a satisfactory position, as growth is what we desire.

The expenditure on plant and equipment during the year amounted to over £200,000. As I stated at our last annual meeting, it is necessary to continue the development of our manufacturing facilities, and the policy of the company is to do this as rapidly as the business warrants.

It will be of interest to note that the floor space of our various factories amounts to about 2,000,000 square feet, and the number of our employees is about 11,000.

PROFIT AND LOSS.

Turning to the profit and loss account, it will be seen that the profit for the year, after deducting all expenses and charges, other than interest, is £451,778. To this there has been added the amount brought forward from the previous year, £236,671, making the total amount to be dealt with £688,449. From this is deducted £119,286 for interest and £135,440 for various depreciations. There has also been added to the reserve the sum of £50,000, of which £24,000 is the balance remaining from the year under review, and £26,000 was appropriated from the amount carried forward from the previous year. There is then left to be carried to the balance-sheet £383,722. Dividends on the preference shares were paid on June 15th and December 15th, and the directors recommend that a dividend of 6 per cent., subject to income-tax, be now declared and paid on the ordinary shares. That will leave £210,863 to be carried to the next balance-sheet.

It will be observed that £24,390 has been written off the cost of converting the preference shares from "tax free" to "subject to tax," as against £13,125 last year. That was done by using the amount deducted from the dividends for income-tax, and, as stated in the report, it is anticipated that the remainder will be written off by the end of next year.

POWER SECURITIES CORPORATION.

Last year I mentioned the fact that we participated in the formation of the Power Securities Corporation, Limited, and we had reason to believe that it would be a successful enterprise. The result of the first year's working of this company was very satisfactory, and we have every confidence it will continue to achieve its objects.

I would like to invite your particular attention to what we have done at the British Empire Exhibition at Wembley. Not only have we a very attractive and comprehensive exhibit in the space which we have reserved, but our apparatus is also installed in the power house, in the sub-station, and in many other places throughout the Exhibition.

It has not been my custom in presenting the annual report and accounts to comment at any great length on general conditions, but a year ago I ventured to predict an improvement in the electrical industry, and the conditions to-day justify that hope.

Keen competition continues both at home and abroad, and I see no prospect of its falling off, yet, notwithstanding this, the results are satisfactory, and the credit, as is always the case, is principally due to the hearty efforts of the company's employees.

A substantial portion of the orders received by the company have come from abroad, principally from the British Dominions.

WORLD'S POWER CONFERENCE.

Before closing my remarks I should like to briefly mention the World's Power Conference which is shortly to be held in London. This is one of the most important current events in the electrical world, and great credit is due to the British Electrical and Allied Manufacturers' Association and its officials, particularly its

director, in organising the conference, which will be attended by important and representative delegates from all parts of the world. Its deliberations should be helpful in stimulating the electrical industry everywhere, and, because it is held in London, it is probable and natural that its effects will be felt in this country sooner than elsewhere.

I now beg to move, "That the report of the directors produced, together with the annexed statement of the company's accounts to December 31, 1923, duly audited, be now received, approved, and adopted, and that the recommendations therein contained as to dividends or otherwise be adopted and carried out."

Lord Buxton seconded the motion, which was unanimously approved.

The Chairman then proposed that Messrs Edgar A. Carolan, Francis Fraser, Henry N. Sporborg, and Jesse M. Woodward, the retiring directors, be re-elected directors of the company.

The motion was seconded by Mr A. W. Burchard, and unanimously approved.

On the motion of Major W. Martindale, seconded by Mr Owen H. Smith, the auditors (Messrs Price, Waterhouse and Co.) were reappointed.

VOTE OF THANKS.

Major Martindale: I have great pleasure in proposing that a cordial vote of thanks be given to the chairman and directors for their conduct of the affairs of the company, and to the managing director and staff for their valuable services. The past year has been a difficult period for industrial concerns, and we must congratulate ourselves on the results achieved, as well as on the conservative financial policy followed by the directors.

The chairman and the managing director briefly responded to the compliment, and the meeting terminated.

CITY OF LONDON REAL PROPERTY COMPANY, LIMITED.

NEW CAPITAL AND FUTURE DIVIDENDS.

MR. INNES'S CRITICISMS OF LAND TAXATION AND RATING PROPOSALS.

The ordinary general meeting of the City of London Real Property Company, Limited, was held, on the 2nd instant, at the Cannon street Hotel, Cannon street, London, Mr W. E. R. Innes (chairman of the company) presiding.

The secretary (Mr S. Walker) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said:—Since our last meeting, and in order to mark the celebration of our diamond jubilee, which takes place this year, we have made very large alterations in the balance-sheet through the revision of our share capital, which has been brought more into line with the value of the company's assets, facilitating an amalgamation with the City and Westminster Properties, Limited.

As a result of this rearrangement, the ordinary capital now stands at 8,000,000 £1 ordinary shares and 1,000,000 4 per cent. (free of income-tax) preference shares, of which all the ordinary and 935,960 of the preference shares have been issued, while the debenture stocks, totalling £578,100, remain the same as hitherto. It is very gratifying to be able to state that all the shareholders in the City and Westminster company accepted the terms of our offer, and the very great majority showed their confidence in this company by electing to accept shares in lieu of cash.

In order to be on the conservative side when making our new issue of shares, we retained a margin of £846,970 from the actual valuation of our properties, and maintained our reserve fund of £500,000 intact. We now propose to add £100,000 out of this year's profits to that account, thereby making it up to £600,000.

LEASEHOLD PROPERTIES AND SINKING FUND.

The increase in value of the leasehold properties has made it necessary to revise the sinking fund calculations, and the annual instalment becomes £17,455, as against £2,213 last year, and, with the addition of the fund reserved for the leasehold properties of the City and Westminster company, the total sum accumulated to replace leaseholds amounts to £204,541.

In making this provision for the replacement of our capital invested in leasehold properties, it must be borne in mind that both the annual instalment and interest have to be provided out of income which has borne tax.

Our revenue account shows a net balance of £484,792, as against £450,082 last year, being an increase of £34,710, of which about £17,000 is due to the inclusion of one quarter's income from the City and Westminster Properties, Limited. This last amount, however, is set off by the increase in the sinking fund just referred to, and the result of the year's working may be considered as very satisfactory.

The balance brought from last account was £78,005, which, added to this year's revenue, makes a total of £562,798. Three quarterly interim dividends have already been paid, absorbing

£163,978, and leaving a balance of £399,719. Out of this the directors recommend a final dividend of 3d per share (free of income-tax) on the present £8,000,000 ordinary capital, payable on the 10th inst.; that £100,000 be added to reserve, as previously mentioned; and that the whole of the expenses of the capital reorganisation, amounting to £69,669, be written off, leaving a sum of £120,690 to be carried forward, as against £78,005 brought in—an increase of £42,690.

An item in the balance-sheet which shows a large increase is that of mortgages at £975,482, as against £594,650 last year, and I think I had better explain these figures. The increase is entirely made up of mortgages taken over when we acquired the City and Westminster Properties, Limited, and in the case of both companies, while there was no fresh borrowing, some reduction was made during the year in the amount of these liabilities.

FUTURE DIVIDENDS.

Having regard to our new capitalisation, I think I had better repeat what I told you at our meeting on December 3rd last, explaining what we hope to do and what we think we can reasonably anticipate being able to do in respect of future dividends, provided business follows a normal course. We propose to commence by paying a quarterly dividend at the rate of 5 per cent. (subject to tax) for the first three-quarters of our financial year, and to pay any extra dividend that we may feel justified in distributing in the last quarter of the year; but I feel it only right to strike a note of caution not to expect anything more than a very small extra amount to commence with, since an increased capital gives added responsibilities, and our object should be to strengthen our position again to enable us to take advantage of any opportunities that may present themselves, and also to safeguard the company in the event of increased burdens being thrown upon it.

In connection with the future, I may refer to the fact that for some time past the corporation of Lloyds has been seeking for a site on which to erect its own offices, and one that would be worthy of its national and world-wide importance. It has been the privilege of one of our subsidiary companies (the East India Avenue Company) to provide probably the finest site in the City for such a purpose—viz., the site of the old East India House in Leadenhall street, and the fair terms agreed will, we trust, be to the advantage both of the Corporation of Lloyds and this company.

Amongst the properties purchased during the year in different parts of the City, Nos. 26 Leadenhall street and 37 Lime street are both freehold, while Nos. 57 Basinghall street, 2 Fenchurch avenue, 48 and 49 Lime street, 3 and 5 Lloyds avenue, 26 Martin lane, 14 Newgate street, and 4-6 Throgmorton avenue are leaseholds. The new building which we are erecting on the site of Nos. 2-5 Fenchurch buildings is progressing satisfactorily.

I should like to express our thanks to the Chancellor of the Exchequer for terminating the corporation profits tax, for which we are truly grateful. Altogether, we have paid away under this tax upwards of £100,000, which would in the ordinary course have been added to the company's reserves and used in the development of its business.

LAND TAXATION AND NEW RATING SYSTEM.

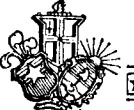
Though I feel it is outside the province of a chairman at a company meeting to touch on anything that savours of politics, I think an exception arises where suggestions of legislation are made in connection with matters with which the company's business is concerned, and that I shall be justified in making a short reference to the fresh proposals for taxation of land and new system of rating.

I am very sorry to read about these, because I think we are all suffering from too much taxation, and I think that, however praise-worthy the intentions of the originators may be, their proposals will defeat their own objects. What the country really needs is a reduction in the cost of building and in the burden of rates. It is only in the case of expensive sites that the value of the land enters to anything but an infinitesimal extent into the cost of building, and the system of taxation applying to land and houses is already so intricate that the creation of further complications and difficulties can only act as a deterrent instead of an encouragement to building. Assuming that the price of land can be lowered by taxing it, such a course will not encourage purchasers for the purpose of development. It is true the vendor may get less, but the purchaser will not gain, because he will in turn have to pay the taxes which cause the reduction in the value of the land, and the only difference to him will be more risk and trouble. In other words, taxation cannot be an encouragement to trade, but must be a hindrance, and by reducing the supply of new buildings the effect might be to increase rents instead of reducing them.

Before concluding I am sure you will like to join in congratulating the managing director, secretary, and staff upon the excellent work they have done.

Mr W. J. M. Burton (managing director) seconded the motion, which was carried unanimously.

Mr Edgar Horne (vice-chairman), in proposing the re-election of Mr W. E. R. Innes and Mr P. M. Evans as directors of the



The Anglo-South American Bank Ltd.

Head Office: 62, Old Broad Street, London, E.C. 2.

Authorised Capital - £10,000,000	Issued Capital - £8,734,660
Reserve Fund - £4,000,000	Paid-Up Capital - £4,367,330

The Bank, in addition to 6 branches in SPAIN, has, with its
AFFILIATED INSTITUTIONS
THE BRITISH BANK OF SOUTH AMERICA, LTD., and
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.
54 offices in the principal countries of LATIN AMERICA.

AUXILIARIES:
ANGLO SOUTH AMERICAN TRUST COMPANY, NEW YORK
(Incorporated under laws of State of New York) and
BANQUE ANGLO-SUD AMERICAINE, Soc. Anon., PARIS.

company, paid a warm tribute to the services rendered by those gentlemen.

The motion was seconded by Mr Burton, and unanimously agreed to.

The Chairman, in thanking the shareholders on behalf of Mr Evans and himself, said it was very gratifying that the company had been so successful in the past, and he hoped it would continue to be equally so in the future.

On the proposition of Mr Snell, seconded by Mr Colls, Messrs Turquand, Youngs, and Co. were reappointed auditors.

VOTE OF THANKS TO CHAIRMAN, DIRECTORS, AND STAFF.

Sir William H. Davison, M.P., said he felt sure the shareholders would not like to separate without tendering their sincere thanks to the chairman, the managing director, the other directors, and the staff for the report which had been submitted. In order to produce such a report a very great deal of work must have fallen upon every one concerned, and the way in which that work had been carried out was eminently satisfactory. With regard to what the chairman had said as to the future, they would all agree that it was essential that in the case of a company such as this, especially now that its capital had been increased, the position should be unchallengeable, security being of the first importance. He also welcomed what the chairman had said as to suggestions recently thrown out in political circles with regard to the taxation of land values. They had already had an experiment—a disastrous experiment—in that way, which was to some extent responsible for the existing deplorable shortage of houses in this country, and the chairman, with his experience of the property market and of the delicacy with which the intricate operations in connection with property acted and reacted one upon the other, was well entitled to sound a note of warning against any further jugglery on the part of amateurs on this very difficult subject.

The vote was seconded by Mr Woodbridge, and passed amid applause.

LEOPOLDINA RAILWAY COMPANY, LIMITED.

Presiding, on the 5th instant, at the meeting of the Leopoldina Railway Company, Limited, at River Plate House, London, Mr Oliver R. H. Bury said that the year's results showed an increase of 23 per cent. in the net currency receipts. On the other hand, there was a further serious fall in exchange of 23.79 per cent., the average rate last year being only 5 13/32d, as against 7 3/32d in 1922, the latter being about half the rate in 1919. When the receipts in currency were converted into sterling the 61,123 contos of reis, instead of producing over £4,000,000, was only equivalent to £1,368,078, while their expenses had to be paid for in sterling; so they were hit both ways. They were, however, able to show net receipts in sterling with a decrease of only £7,485, or 1.75 per cent. The board recommended the payment in full of the interest on the 5 1/2 per cent. preference shares.

He wished again to point out the continuous growth of the traffic. In 1913 their gross receipts in currency were 27,878 contos of reis, which then produced 1,872,000; last year the currency receipts were 61,123 contos, 119 per cent. more; but in sterling they only received £1,368,078—in other words, they did considerably more work for about £500,000 less gross receipts. A limited increase in some of the tariffs was agreed to by the Federal Government and by the States of Rio and Minas in 1922; these increases were quite inadequate at the present low rate of exchange.

They had presented a petition for a general increase in their rates, for the unification of their contracts, and for the solution of several other matters, including the terminal station. The present Government insisted on opening fresh negotiations; a fresh statement of the company's requirements had been presented containing the additional items of increases in the tariffs on coffee, suburban passenger rates, and a further increase of general rates, where obviously justifiable; it also asked for a discussion, in principle, of a sliding scale of rates. They were still awaiting the decision of the Government. The goodwill of the President as expressed by him in his Message to Congress, and therefore to the whole of his country, could not but be regarded as a most valuable asset, and they hoped for a better result.

The report was adopted.

SELANGOR RIVER RUBBER ESTATES, LIMITED.

INVESTMENT IN TENNAMARAM PALM OIL COMPANY.

The fourth ordinary general meeting of the Selangor River Rubber Estates, Limited, was held, on the 3rd instant, in the Council Room of the Rubber Growers' Association, Idol lane, London.

Mr Noel Bingley, chairman of the company, who presided, in moving the adoption of the report and accounts, said that the report and accounts showed a net profit of £10,816 for 1923. Although this was some £1,500 less than the £12,345 earned in the

previous year, it had been on the considerably smaller crop of 600,743 lbs., as compared with 802,842 lbs in 1922, a very severe curtailment necessitated by the export restriction legislation in the Federated Malay States. This crop, after valuing stock on hand at the end of the year (329,999 lbs) at what even, under present market conditions, might, he thought, be called the conservative figure of 10d per lb, came into the accounts at £29,421, while the realised portion averaged 1s 2 1/2d per lb gross, against 10.77d in 1922, or 1s 1.89d net, as compared with a fraction over 10d in the previous year, thus nearly 4d per lb more.

The estimated crop for the current year on the basis of 60 per cent. of their standard production was again 600,000 lbs, against which they had harvested for the first quarter of the year 147,919 lbs. In January last they closed a small contract for 60 tons of 1925 crop, deliverable 5 tons per month, at a price of 1s 3 1/2d c.i.f. New York.

Last year he had dealt fully with the company's investments in Edible Nut Oils, Limited, which then owned the Tennamaram Oil Palm Estate, which was situated in the immediate neighbourhood of the company's Selangor River property, and therefore under the immediate supervision of their manager, Mr Bligh Orr. Last year the directors of the Edible Nut Oils, Limited, were in negotiation for the provision of some £15,000 to £20,000 further working capital required for the installation of the necessary plant to deal with the rapidly increasing output, and to provide funds for bringing the existing acreage into full bearing. The result of these negotiations was that a new company was formed. In exchange for their interest of £23,187 in the Edible Nut Oils Company, which appeared in the balance-sheet, they now held 25,040 ordinary shares of £1 in the new company, the Tennamaram Palm Oil Company, Limited, which represented the company's original investment in the enterprise plus the premium of 8 per cent.

Of the amount of £23,187 at which this investment stood in the company's books only £7,000 represented cash, the balance of £16,187 being fully-paid shares in this company, which were accepted by the vendors at their par value in part payment of the purchase price.

The resolution was carried unanimously.

EAGLE OIL TRANSPORT COMPANY, LIMITED.

THE NEW CHARTERING ARRANGEMENT.

The thirteenth ordinary general meeting of the Eagle Oil Transport Company, Limited, was held, on the 3rd instant, at Winchester House, Old Broad street, London, the Hon. Clive Pearson, the chairman, presiding.

The secretary (Mr C. H. M. C. Wilson) read the notice convening the meeting.

The Chairman, in moving the adoption of the report and accounts, said:—Gentlemen,—After providing for note interest, the net profit of £936,240 is 11d shows a decrease of some £301,000 compared with last year, brought about by a suspension of our full charter rates. We have been able to transfer this year to depreciation and sinking fund reserve the substantial sum of £750,000. There has already been paid the fixed dividend of 6 per cent. on the preference shares, and your sanction will later be asked for the payment of a further 2 per cent., making 8 per cent. for the year. You will not be asked to sanction any dividend on the ordinary shares, and we propose to carry forward, subject to corporation profits tax, the balance of £116,410.

You will desire to hear why it was necessary to enter into an arrangement which has reduced the company's revenue and might be considered, on the face of it, to put the company in a less good position. You will recollect that the original chartering agreement had been intended to give your company a steady and satisfactory income irrespective of the ups and downs of the freight market; that during the period of high war costs our charterers made us substantial contributions year by year towards satisfaction that our charterers had agreed to an amendment of the original chartering agreement upon terms advantageous to us. Since that time, in common with the fall of all values, but in a far greater degree, tanker freight rates have shown such a complete drop that we in our turn were appealed to for a revision of the charter rates, and, upon examination, your directors were satisfied that our freight rates could not be maintained.

THE NEW TERMS.

In their study of what adjustment it might be possible to make, and what form it should take, your directors set themselves to consider how the company's prior charges, the notes and the preference shares, would be affected, and our prime care was that these interests should not be permitted to suffer. We set our- selves to achieve, on the income side, that there should be a sufficient revenue so that the company's note interest be taken care of, and that the preference shares, which, as you know, carry a fixed dividend of 6 per cent., should receive the full 8 per cent. up

to which they are entitled to participate, and to safeguard, on capital account, that the company should set aside a generous amount for depreciation.

Under the new arrangement effective for 1923, at present in force and subject to renewal from year to year, the charterers, as ordinary shareholders, although they are entitled to receive, at any rate, 2 per cent. *pari passu* with an 8 per cent. dividend on the preference shares, have agreed to waive their right to any dividend; and your company has agreed to the suspension of our full rates of charter and the payment by the charterers meantime of rates whereunder the losses of the charterers are reduced. These reduced rates are sufficient to cover the interest on our notes and the full 8 per cent. dividend on our preference shares, and are also sufficient to deal generously in the matter of depreciation. Originally we put aside for depreciation a sum sufficient to write off the total cost of our vessels in a period somewhat less than the estimated average life of a tank steamer. Under our new arrangement the more expensive of our vessels will be written down at a rapid rate, particularly in the year under review and the present year, and, with the cash thus accumulated in depreciation, we shall have sufficient funds to pay off in 1927, if this be then considered desirable, the whole of the outstanding 12-year notes.

The resultant position, therefore, is that we have afforded to the charterers a relief which was essential to them for trading purposes, that on income account our noteholders and our preference shareholders are safeguarded, and that on capital account the security of the preference shareholders and noteholders is improved by reason of the fact that the value of the company's vessels is being written down at a more rapid rate than would be the case under the original agreement.

NOTE REDEMPTION.

Turning to the balance-sheet, you will note that up to the end of the year there have been purchased and cancelled £541,700 of the company's notes, leaving a balance outstanding of £2,458,300. Of the balance there have been purchased to date a further £122,950. I think that you will agree that it is a sound measure to continue this policy and wipe out as early as possible this liability.

With the transfer of £750,000, the depreciation and sinking fund reserve now stands at £2,644,000. The repair and other reserves now stand at some £508,000, having been increased during the year by some £80,000, due to the fact that our repair bills have fallen short by this sum of the amounts set aside in the ordinary course for that purpose, and, therefore, we have not thought it necessary to make any special allocation of profits to the reserve this year.

Mr. Clive Bowring seconded the motion, which was carried unanimously.

MADRAS ELECTRIC SUPPLY CORPORATION, LIMITED.

SUCCESSFUL YEAR—INCREASED REVENUE.

The ordinary general meeting of the Madras Electric Supply Corporation, Limited, was held, on the 4th instant, at 1 Queen Victoria street, London.

Mr James Gray, who presided, said that the receipts on capital account during the year consisted of the final instalment on the second registered debentures and the proceeds of the placing of the unissued balance of 94,000 ordinary shares at a premium of 2s per share, the premium, after deducting the cost of the issue, being credited to suspense account, reducing the balance of that account to £14,883. The capital expenditure amounted to £56,625, which included further outlay on the 5,000 k.w. turbo alternator and rotary converters, and also the construction of a cooling tank and canal for condensing purposes. The first portion of the work had been completed, and the remainder was proceeding. The Board of Trade units sold showed an increase of 19.38 per cent., a very large proportion of which was due to an increased demand for power.

The total revenue, including £1,385 for profit on exchange, amounted to £131,143, compared with £114,141, an increase of 14.9 per cent. There was a serious increase in the item of coal, amounting to no less than £12,828, due to its higher cost. Sufficient supplies of the Singareni slack, which they obtained for several years, were no longer procurable, and about one half of their requirements had to be drawn from Bengal at greatly enhanced prices. Since he prepared these remarks, however, they had had news from Madras that they had been successful in placing a contract for a larger quantity of Singareni slack and coal for 1925, which would effect a very considerable saving for next year. The total debits to revenue account amounted to £68,823, compared with £58,044, the balance carried to net revenue account being £62,320, compared with £56,097, an increase of 11 per cent.

The income from investments, temporary loans and transfer fees amounted to £10,352, compared with £4,078. This was due to a greater return from the tramways, and partly to interest from temporary investments available from the issue of ordinary shares

made in June last. They had for distribution £32,384, out of which they recommend a dividend of 8 per cent., free of income-tax.

It had been suggested to the board that they should take into consideration the payment of interim dividends. The board sympathised with the suggestion, and would give effect to it this year, provided that no untoward circumstances arose.

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS, &c.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	£	Total Receipts into the Exchequer from		Receipts.	
		Apl. 1, 1924, to May 31, 1924.	Apl. 1, 1923, to June 2, 1923.	Week Ended May 31, 1924.	Week Ended June 2, 1923.
Balances in Exchequer on 1st April:—	£	£	£	£	£
Bank of England....	..	5,069,613	5,442,665	..	..
Bank of Ireland....	..	1,562,001	1,375,502	..	..
	..	6,631,614	6,818,167	..	..
REVENUE.					
Customs.....	..	17,278,000	22,072,000	1,824,000	1,862,000
Excise.....	..	21,386,000	24,563,000	1,949,000	925,000
Motor Vehicle Duties..	..	2,044,000	1,879,000	115,000	..
Stamps, &c., Duties....	..	11,350,000	9,270,000	1,030,000	940,000
Stamps.....	..	2,460,000	3,000,000	600,000	250,000
Land Tax, House Duty & Mineral Rights Duty	..	470,000	370,000	30,000	..
Property & Income Tax	..	37,445,000	35,751,000	1,122,000	1,077,000
Super-Tax.....	..	13,480,000	11,140,000	740,000	650,000
Excess Profits Duties, &c.	..	2,960,000	4,030,000	280,000	340,000
Corporation Profits Tax	..	8,500,000	8,250,000	850,000	800,000
Post Office.....	..	200,000	190,000	..	..
Crown Lands.....	..	2,575,967	2,491,923	..	101,428
Interest on Sundry Loans.....	..	2,078,095	2,934,866	22,003	245,548
Miscellaneous.....	..	9,307,047	10,104,067	492,698	..
Ordinary Receipts...	..	131,474,109	136,245,856	7,640,003	7,683,574
Special Receipts.....	..	138,105,723	143,064,023	..	..
Revenue.....	..	269,579,832	279,310,879	7,640,003	7,683,574
Total, Inc. Balance ..	..	276,211,414	286,174,902	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Under the Unemployment Insurance Acts, 1921.....	..	1,910,000	1,180,000	170,000	120,000
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1922.....	..	..	..	..	..
(b) Under the Unemployment Insurance Acts, 1921.....	..	..	..	..	..
(c) For other Issues:—					
By Treasury Bills.....	..	386,097,000	417,833,000	43,711,000	48,481,000
By National Savings Certificates	..	4,900,000	8,500,000	580,000	900,000
By 4% Treasury Bonds, 1931-33	..	11,292,538	27,737,596	2,841,760	3,336,610
(d) Ways and Means Advances ..	..	85,200,000	86,000,000	3,000,000	20,100,000
Repayments—					
In respect of issues under Land Settlement (Facilities) Act, 1919 and 1921.....	..	448,020	42,224	..	6,165
Total.....	..	627,953,281	684,356,843	57,912,753	80,637,449

EXPENDITURE AND OTHER ISSUES.

	£	Total Issues out of the Exchequer to meet Payments from		Issues.	
		Apl. 1, 1924, to May 31, 1924.	Apl. 1, 1923, to June 2, 1923.	Week Ended May 31, 1924.	Week Ended June 2, 1923.
EXPENDITURE.					
National Debt Services—					
Interest, &c.....	..	47,553,333	94,025,588	1,956,934	40,157,925
Sinking Fund.....	..	4,443,221	1,078,044	100,000	..
Road Fund.....	..	1,328,044	..	..	..
Payments to Local Taxation Accounts, &c....	..	..	..	..	..
Payments to Northern Ireland Exchequer ..	..	527,336	627,563	..	75,000
Land Settlement.....	..	230,355	65,598	110,755	804
Other Consolidated Fund Services.....	..	267,193	275,456	14,053	21,139
Supply Services.....	..	57,304,000	55,408,000	5,048,000	4,042,000
Expenditure.....	..	111,653,982	151,480,249	7,229,742	44,936,868
OTHER ISSUES.					
Temporary Advances—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	36,891	36,891	..	..
Under the Unemployment Insurance Acts, 1921.....	..	..	30,000	..	..
Issues to Meet Capital Expenditure—					
Under the Telegraph (Money) Act, 1922.....	..	1,500,000	600,000	600,000	..
Unemployment Insurance Acts, 1921—					
Repayment of amounts borrowed..	..	1,910,000	1,060,000	860,000	310,000
Redemption of Debt—					
Treasury Bills.....	..	404,753,000	425,990,000	39,370,000	32,340,000
Principal of National Savings Certificates.....	..	5,600,000	6,950,000	600,000	750,000
Principal of National War Bonds paid off.....	..	16,604,989	..	..	..
Other Debt under the War Loan Acts, 1914 to 1919.....	..	50	15	..	..
Ways and Means Advances Repaid	..	99,075,000	77,967,000	9,175,000	2,450,000
	..	624,525,923	680,719,144	57,834,742	80,746,868
Balances in Exchequer—					
Bank of England.....	..	2,063,336	2,117,937	4,989	12,001
Bank of Ireland.....	..	1,364,022	1,519,762	83,000	107,418
Total.....	..	3,427,358	3,637,699	78,011	119,419

Treasury, June 2, 1924.

NATIONAL DEBT—(Million £).

	Aug. 1914.	Dec. 31, 1918.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Dec. 31, 1923.	Mar. 31, 1924.	May 31, 1924.
Funded Debt	588	315	315	315	315	314	314	314	314
Term Annuities	30	20	19	18	16	14	14	14	14
3% Conversion Loan	..	..	..	..	266	684	683	683	683
3% War Stock	..	63	63	63	63	63	63	63	63
4% and 5% War Stock	..	13	13	13	13	13	13	13	13
National War Bonds	2,047	2,040	1,995	1,955	2,095	2,095	2,095	2,095	2,095
4% Funding Loan	..	1,509	1,476	1,413	1,201	953	924	903	903
4% Victory Bonds	..	409	409	406	401	399	400	400	400
Treasury Bonds	..	360	357	347	335	325	325	325	325
Exchequer Bonds	..	..	..	..	453	411	444	444	456
National Savings Certs.	20	323	319	289	185	150	150	150	150
Other Debt	..	267	274	285	342	354	367	366	365
American Loan (Anglo-French)	..	1,306	1,181	1,132	1,087	1,157	1,149	1,151	1,151
Treasury Bills	15	1,107	1,121	1,121	878	616	652	588	569
Temporary Advances	1	243	205	154	147	194	208	186	173
Other Capital Liabilities	654	8,033	7,829	7,574	7,656	7,742	7,801	7,695	7,674
Total Liabilities	57	46	47	49	66	70	70	71	70
Total Liabilities	711	8,079	7,876	7,623	7,721	7,812	7,871	7,766	7,744

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

Ways and Means Advances	June 2, '23.	Mar. 31, '24.	May 31, '24.	May 31, '24.
Outstanding—				
Advances by Bank of England 13,000,000..				
Advances by Public Deptms. 188,330,500..				
Treasury Bills Outstanding	607,890,000..	588,320,000..	569,685,000..	4,345,000
Total Floating Debt	809,820,500..	774,475,500..	741,965,500..	1,830,000

Includes £18,000, the proceeds of which were not carried to the Exchequer within the period of the account.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at Bank of England.
1923.								
Mar. 29	300,351	14,255	5,000	28,500	19,450	15.9	261,479	177
June 27	295,374	13,338	6,000	28,500	18,650	16.3	254,112	250
Sept. 27	289,127	12,648	7,000	27,000	21,150	16.6	246,456	169
Dec. 27	301,337	12,873	7,000	27,000	21,150	15.9	258,922	137
1924.								
Mar. 28	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190
June 27	285,503	12,516	7,000	27,000	22,450	17.3	242,448	183
Sept. 27	282,784	12,401	7,000	27,000	22,450	17.5	238,536	140
Dec. 26	299,070	12,571	7,000	27,000	22,450	16.5	255,032	159
1924.								
Mar. 26	281,538	11,908	7,000	27,000	22,450	17.6	236,867	130
April 30	290,116	12,439	7,000	27,000	22,450	17.1	245,956	149
May 28	286,075	12,169	7,000	27,000	22,450	17.5	241,643	151
June 4	289,324	12,374	7,000	27,000	22,450	17.1	245,720	128

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,555,200, for 1922 at £309,988,400, for 1923 at £270,183,800, and for 1924 at £248,190,900.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.
CENTENARY YEAR, 1924.
ASSETS EXCEED £12,700,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, June 4, 1924.

ISSUE DEPARTMENT.

Notes issued	£	Government debt	£
146,107,625		11,015,100	
		Other securities	8,734,900
		Gold coin & bullion	126,357,625
146,107,625			146,107,625

BANKING DEPARTMENT.

Proprietors' capital ..	£	Government securities ..	£
14,553,000		65,082,467	
Reserve	3,217,424	Other securities	69,932,877
Public deposits	10,788,168	Notes	19,529,975
Other deposits	127,802,873	Gold and silver coin ..	1,827,966
Seven-day & other bills ..	11,820		
146,373,285			156,373,285

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.

ASSETS

CLAIMS PAID

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

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

	Amount, June 4, 1924.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	£ 3,217,424	—	£ 18,642
Public deposits	10,788,168	+ 4,701,923	+ 760,579
Other deposits	127,802,873	+ 23,561,526	+ 15,627,566
Government securities	65,082,467	+ 22,750,000	+ 14,448,949
Other securities	69,932,877	+ 3,569,392	+ 1,938,872
Reserve	21,357,941	+ 844,946	+ 1,527,801
Note circulation	126,577,650	+ 845,735	+ 2,186,215
Coin and bullion	126,577,650	+ 789	+ 658,414
% of reserve to liabilities	15.8%	—	3.4%

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1924.						
April 15	128,112,091	125,477,045	120,469,017	115,760,886	23,385,046	18.4
30	128,122,914	124,855,590	122,080,374	116,731,078	23,017,324	18.1
May 7	128,120,532	124,856,015	121,578,872	116,978,300	22,254,517	18.1
14	128,172,646	125,216,555	122,628,371	117,588,259	22,706,021	18.1
21	128,182,792	124,541,525	119,799,798	114,111,932	23,391,267	18.1
28	128,181,411	124,518,065	119,890,012	114,256,110	23,413,346	18.1
June 4	128,184,802	125,731,915	120,041,438	115,634,736	22,202,887	18.1
	128,185,591	126,577,650	120,591,041	115,015,344	21,357,941	15.8

BANKERS' CLEARING RETURNS (000's omitted.)

Week Ending—	Town.	Metropolitan.	Country.	Total.
1924.				
January 1 to May 21	13,995,733	622,260	1,134,138	15,752,131
May 23	13,995,733	622,260	1,134,138	15,752,131
June 4	13,995,733	622,260	1,134,138	15,752,131
Total to date 1924	15,401,927	682,090	1,247,353	17,331,370
Do 1923	14,651,772	684,287	1,248,926	16,584,985
Increase or decrease in 1924	+ 750,155	+ 2,197	+ 11,573	+ 763,955
%	= 5.1 %	= 0.3 %	= 0.9 %	= 4.5 %
Total for year 1923	32,270,373	1,546,565	2,810,654	36,627,592
Total for year 1922	32,780,636	1,574,661	2,806,165	37,161,461
Increase or decrease in 1923	= 510,262	= 28,085	+ 4,489	= 538,836
%	= 1.6 %	= 1.8 %	= 0.2 %	= 1.4 %

PROVINCIAL CLEARING RETURNS.

	Month of May, 1923.	1924.	Aggregate Weekly Totals to May 31.
Number of Working Days	26	27	
BIRMINGHAM	10,182,000	10,442,000	50,460,500
BRISTOL	5,299,000	5,735,000	25,903,000
DUBLIN	4,837,000	4,769,000	137,835,800
HULL	4,280,000	4,553,000	24,632,400
LONDON	3,005,000	3,368,000	23,473,300
LEICESTER	39,071,000	37,781,000	200,305,300
MANCHESTER	60,654,000	68,432,000	330,659,900
NEWCASTLE-ON-TYNE	9,935,000	9,343,000	42,222,400
NOTTINGHAM	2,732,000	2,831,000	14,184,100
SHEFFIELD	4,793,000	4,578,000	25,704,000
Total	144,791,000	151,832,000	23,658,500

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Bank of Estonia appeared in the Economist of April 13; Denmark in May 10; German Rentenbank in May 17; Canada in May 24; German Gold Discount Bank, Norway, Lithuania, Serbs, Roumania, Bulgaria, Greece, Italy, and Egypt in May 31.

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

	May 30, 1924.	May 23, 1924.	May 16, 1924.	June 1, 1924.
RESOURCES.				
Total gold reserve	3,117,810	3,138,170	3,138,480	3,108,760
Legal tender notes and silver reserve	96,460	101,820	102,810	86,740
Bills discounted for member banks	429,600	414,520	411,180	731,000
Bills bought in open market	86,760	55,690	75,360	257,820
Government obligations owned	333,280	324,640	323,150	189,490
All other resources	82,370	81,270	81,520	66,090
LIABILITIES.				
Government deposits	40,380	19,050	30,380	41,440
Other deposits	1,957,090	1,966,280	1,964,560	1,910,150
Federal Reserve Notes in actual circulation	1,891,150	1,886,430	1,911,880	2,450,220
R.E.D. Notes in actual circulation	320	320	320	1,750
All other liabilities	15,010	14,790	14,620	17,790
Capital and surplus	332,410	332,290	333,280	327,720
Ratio of total reserves to gross deposits	82.3%	83.7%	83.3%	76.1%
Federal Reserve note liabilities combined				

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

	May 28, 1924.	May 22, 1924.	May 15, 1924.	May 8, 1924.	May 1, 1924.	Position May 28, 1924.
ASSETS.						
Coin (gold & silver and bullion)	356,254	355,684	356,885	356,326	348,105	322,650
Securities	1,299,124	1,303,584	1,323,289	1,281,558	725,018	697,600
LIABILITIES.						
Notes in circulation	7,619,650	7,585,493	7,655,032	7,656,374	8,016,159	934,150
Current accounts	317,088	326,722	319,772	288,558	290,654	114,125

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted.)

	1924.	May 3, 1924.	Apr. 26, 1924.	Apr. 19, 1924.	Apr. 12, 1924.	May 12, 1924.
ASSETS.						
Gold coin and bullion	549	549	549	549	549	503
Gold certificates	10,102	10,102	10,102	10,102	10,102	10,069
Subsidiary coin	50	50	50	50	50	125
Bills discounted	5,462	5,823	5,737	5,077	5,182	3,241
Loans & advances to Govt.	1,000	1,000	1,000	1,000	1,000	1,200
Investments	17	17	17	17	17	8
LIABILITIES.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	11,591	11,057	10,852	10,432	10,512	9,672
Notes in circulation	5,308	5,310	5,429	5,195	5,227	5,371
Bankers' deposits						
Ratio of cash reserves to liabilities to public	66.8%	65.3%	65.7%	68.4%	67.9%	71.4%

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

	May 9, 1924.	May 2, 1924.	Apr. 25, 1924.	Apr. 18, 1924.	Apr. 11, 1924.	May 11, 1923.
ASSETS.						
Total securities	11,90,81	11,88,71	11,78,83	11,85,90	11,74,98	9,57,52
Loans	25,25,01	24,85,41	25,48,70	26,37,21	27,00,47	20,18,97
Cash credits	40,20,17	40,97,55	41,22,13	43,62,15	43,63,55	29,40,99
Inland bills	14,80,24	14,82,57	15,38,33	14,10,26	13,57,90	7,72,64
Foreign bills	2,53,77	2,53,40	2,53,35	2,53,07	2,52,43	2,49,21
Dead stock	2,53,94	2,53,40	2,53,35	2,53,07	2,52,43	2,49,21
Bills with other banks	1,49,39	1,48,64	1,63,57	1,90,78	1,80,63	71,05
Cash	14,68,57	15,58,10	15,19,59	12,04,04	14,41,97	14,17,69
LIABILITIES.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	4,45,00	4,45,00	4,45,00	4,45,00	4,45,00	4,22,50
Total deposits	89,38,44	91,19,96	92,42,49	91,75,70	94,40,12	72,02,72
Loans from Govt.	10,00,00	10,00,00	10,00,00	10,00,00	10,00,00	2,00,00
The above includes—						
Deposits in London ..	1,587	1,384	1,587	1,613	1,456	659
Advances in London ..	458		455	453	450	235
Cash, &c., at other Banks in London	996	991	1,091	1,274	1,205	466

DIVIDEND ANNOUNCEMENTS.—Continued.

			%	%
Trust and Mort. of Iowa	11½	Less tax	3	3
Trust Union	11½	Less tax	8	7
United Premier Oil and Cake	5½	Less tax	5	5
United River Plate Telephone	5½	Tax free	8	8
United Theatres	12½	Tax free	12½	12½
United Tobacco Cos. (South), Ord. and Defd.	16 p.s.*	Free of S.A. taxes	..	..
Wall Paper Manufacturers	4½	June 30	..	..
Weaver and Co.	10½	June 30	12½	..
Western Telegraph	5 p.s.*	June 24	Tax free	15
Whessoe Foundry	10½	Tax free	15	15
William Cory and Son	10½	Less tax	15	15
Z. Smith and Co.	10½	Tax free	10	..

(c) Increased capital.

(d) Nine months.

OIL OUTPUTS.

APEX (TRINIDAD) OILFIELDS.—Estimated gross production of crude oil for the month of May was 72,727 barrels, equal to approximately 10,300 tons, and the oil delivered to Trinidad Leaseholds, Limited, amounted to about 11,300 tons.

GENERAL PETROLEUM COMPANY OF TRINIDAD.—Estimated gross production of crude oil for the month of May was 33,323 barrels, equal to approximately 4,760 tons, and the oil delivered to United British Refineries, Limited, amounted to about 4,578 tons.

Reports and Notices.

Mr Frank H. Houlder, chairman of Houlder Brothers and Co., Limited, and a director of the British Bank of South America, left Rio on May 31st on R.M.S.P. *Andes* for England after an extended tour round South America. Previous to his departure from Rio, he was received in audience by the President of the Republic of Brazil.

Baring Brothers and Co., Limited, notify that the transfer books of the Commercial Cable Company Sterling 4 per cent. 500-year debenture stock will be closed from the 21st to the 30th instant, both days inclusive, for the preparation of warrants for interest due July 1, 1924.

Messrs White and Shaxson, discount brokers, of 33, Nicholas lane, Lombard street, announce that they have taken into partnership Mr Arthur Horace Penn.

Charles Edward Vernon Rutter, Esq., has been appointed chairman, and David Carter Rutherford, Esq., J.P., deputy-chairman, of the General Life Assurance Company.

Colonel Henry A. Micklem, C.B., C.M.G., D.S.O., has been elected a director of the Sterling Trust, Limited, to fill the vacancy caused by the resignation of Mr John Varley.

At a meeting of the council of the Institute of Chartered Accountants in England and Wales, held on June 4th, Mr Thomas Galland Mellors, F.C.A. (Mellors, Basden and Mellors), Nottingham, was re-elected president, and Mr. George Robert Freeman, F.C.A. (Gane, Jackson, Jefferys, and Freeman), London, was re-elected vice-president for the ensuing year.

GOVERNMENT STOCKS, &c.

GREEK DEBT.—The Council of Foreign Bondholders issues the following information, compiled from figures published by the International Financial Commission at Athens, with regard to the revenues assigned under the Law of Control for the service of the Greek debt from January 1st to March 31, 1922, compared with those from January 1st to March 31, 1923:—

	Monopolies, Tobacco, Stamps, Stamped Paper, Naxos Emery.	Piræus Customs.
	Drachmæ.	Drachmæ.
Gross receipts, Mar., 1924	6,961,470.05	(a) 35,519,322.70
Do do do 1923	9,304,066.90	33,550,720.50
Estimated receipts for three months (Law of Control) 1924	7,225,000.00	2,675,000.00
months (Law of Control) 1923	6,195,685.00	2,294,890.43
Actual receipts for 1924 (three months)	21,284,461.20	(b) 94,413,076.30
Actual receipts for 1923 (three months)	19,038,944.85	71,402,112.50

NOTE.—Of the surplus over the estimated receipts from monopolies, tobacco, stamps, stamped paper, and naxos emery, 49 1-5 per cent. is applied towards increasing the minimum rates of interest and sinking fund on the External Gold Loans of 1881 to 1893. (a), (b) In addition to these amounts, import duties equivalent to £44 in the case of (a) and to £1,766 in the case of (b) were paid in gold at the Piræus Customs. Owing to the change in the Greek calendar from old to new style, both the estimated and actual receipts in the above statement are for fourteen days less in 1923 than in 1924. As regards receipts, subject to the system of plus values, all increases in duties and prices are excluded therefrom in the above table. Minimum receipts have, however, been fixed; in order to guarantee the plus values against eventual diminution in the consumption.

NEW SOUTH WALES GOVERNMENT 5 PER CENT. LOAN 1935-1955, SECOND ISSUE.—Holders of New South Wales Government 3½ per cent. inscribed stock, maturing October 1, 1924, are reminded that the option of conversion into the above 5 per cent. loan will expire on Tuesday, June 10th. List of cash applications for the 5 per cent. loan will also be closed on the same day.

PROVINCE OF BUENOS AYRES 4½ PER CENT. LOAN OF 1910.—The Government of the Province of Buenos Ayres has issued a decree providing for the resumption, in accordance with the conditions of the issue, of the service of interest—which has been in suspense since 1917—on the above loan. The outstanding coupons up to and including coupons due April 1, 1924, should be lodged with the Swiss Bank Corporation, 43 Lothbury, E.C. 2, and 11c Regent street, S.W. 1.

STATE OF BAHIA BONDS.—Under the scheme arranged with the State of Bahia further funds have now been received by the Ethelburga Syndicate, Limited, sufficient to pay the coupons dated January 1, 1922, on the bonds of the 1913 loan and the bonds of the 1915 funding loan.

INSURANCE.

VICTORY.—The report for last year shows that the premiums were £233,741, and the net claims, paid and outstanding, £131,749. Expenses were £53,286, and, after provision for unexpired risks, there was a surplus of £26,544 carried forward, against unexpired liabilities. The further loss on the marine account was £23,818, consisting mainly of the special premium paid to reinsure the company's liability under Greek and Spanish risks. The directors regard the marine account as now closed. The debit balance at profit and loss was £97,138 on December 31st last, which was less than the £100,000 estimated a year ago as the limit of the capital loss. The company has £131,331 invested in British Government securities, of which the market value was £133,453.

RAILWAY.

LIMA RAILWAYS COMPANY.—The report for 1923 points out that The average rate of exchange, at which the remittances of the company have been transmitted for the year, on which basis the accounts are prepared, has been 21.75d, as against 21.18d per sol in the previous year. The general results in Peru have been as follows:—

	Receipts in Peru.	Expenses in Peru.	Net Receipts.
	£ s d	£ s d	£ s d
1923	16,148 5 10	2,596 1 9	13,552 4 1
1922	16,211 19 8	2,117 12 2	14,094 7 6
	— 63 13 10	.. + 478 9 7	.. — 542 3 5

The balance on net revenue account amounts to the sum of £8,099, from which an interim dividend of 1s 8d per share, amounting to £3,333, has been paid already, leaving a disposable balance of £4,766, from which the directors recommend a final dividend of 2s 4d per share, less income-tax, making a distribution for the year of 4s per share.

TEA AND RUBBER.

BAMBRACKELLY (CEYLON) TEA AND RUBBER.—The total issued capital of this concern is £80,000, all in ordinary £1 shares. Reserve account is £8,000. Total assets are £105,322, of which £3,272 is in cash, while the company holds 28,000 ordinary £1 shares, fully paid, at cost in the Lunuva (Ceylon) Tea and Rubber Estates. These stand in the balance-sheet at £33,600. Net profit is £13,437, against £9,637 for nine months ended December 31, 1922. The dividend is 16 per cent. for the year, against 20 per cent. for nine months. The sum of £2,000 goes to taxation reserve, and £2,000 to general reserve, while £2,195 is carried forward.

CHULSA TEA.—A fine start has been made by this concern. To begin with, the ordinary shareholders are to receive 30 per cent. dividend, less tax, and the report states that climatic conditions in the past season were very favourable; rainfall on all divisions showed a considerable increase over that recorded in the previous year. The total crop amounted to 43,333 maunds or 3,466,640 lbs, which showed an appreciable advance on the estimate. A strong market has ruled throughout practically the whole year, and prices have been satisfactory. About 86 per cent. of the crop was shipped for sale in London, and including, at a conservative sales averaged 1s 5.86d per lb. The season's revenue amounted to £246,145; the season's expenditure amounted to £129,599; showing a profit of £116,546. A balance of £24,539 is to be carried forward. The crop estimated for the current season is 43,500 maunds; a severe drought has, however, been experienced in the early months of this year, and output to date is below that of a year ago.

SAPUMALKANDE RUBBER ESTATES.—This company has an ordinary issued capital of £165,000 in shares of £1 each, and a reserve account of £30,000. There are no debentures or preference shares. Its assets total £227,478, of which £10,677 is in cash and £8,270 in British Government securities at cost. The report just issued for 1923 reveals a net profit of £12,648, against £15,045 for 1922. The ordinary dividend is again 7½ per cent. Nothing goes to reserve, against £4,107 in preceding year, but the carry forward is increased from £9,428 to £9,700.

LUNUVA (CEYLON) TEA AND RUBBER ESTATES.—The issued capital of this concern totals £272,800, all in ordinary shares of £1 each. Reserve, including share premiums, stands at £30,878. Total assets are £383,215. Cash stands at £14,997, against £14,414 in preceding balance-sheet. Investment in 5 per cent. War Loan at cost is the same as in the preceding balance-sheet at £19,938. The tea crop jumped from 2,308,951 lbs in 1922 to 2,537,473 lbs in 1923, but cost of production increased from 8.62d per lb to 8.80d per lb. The company, however, secured a better average net price, which amounted to 1s 3.36d per lb, against 1s 0.66d per lb in 1922.

The restricted crop of rubber harvested was 85,302, against 69,639 lbs in 1922. Cost of production was 6.23d per lb, against 7.16d per lb, while the average net price realised was 1s 0.39d per lb, against 10.40d per lb in 1922. With regard to financial results achieved, these make a satisfactory showing, for the net profit has jumped from £39,872 to £66,280. Shareholders, who received 12½ per cent. for 1922, are to receive 22½ per cent. for 1923. The sum of £8,500 goes to taxation reserve account, while £16,859 goes forward, against £7,265 brought in.

MISCELLANEOUS.

ASSOCIATED NEWSPAPERS, LIMITED.—The issued capital of this well-known newspaper concern is £2,600,000. There are no debentures. The deferred shares issued amount to £1,500,000 in £1 shares, fully paid. In the balance-sheet, dated March 31, 1923, the deferred capital was £1,000,000, and the total of all issued capital was £2,100,000. For the year 1922-23 the dividend on the deferred shares worked out at 56½ per cent., and absorbed £562,500. For the year ended March 31, 1924, the dividend on the deferred shares amounted to £550,000. Dividends on ordinary and preference shares absorbed £67,000. The report and accounts for the year ended March 31, 1924, show a trading profit of £909,752, against £680,209 in preceding year. The sum of £158,000 has been transferred from reserves. The sum of £250,000 has been utilised for the allotment of 250,000 fully-paid deferred shares. The sum of £100,000 goes to reserve against investments, and £20,000 is transferred to pension fund. The sum of £175,901 is carried forward, against £94,493 brought in. The total assets are £3,946,735, against £3,555,978. Cash has risen from £447,866 to £693,020. Investments amount to £491,430, against £567,060. Stocks amount to £696,526, against £490,637. The report states that "costs of production in all departments continue to be very heavy, and the price of paper is more than double what it was in pre-war times."

HOVIS, LIMITED.—The directors of this well-known undertaking have issued their report and accounts in the form of an attractive illustrated booklet containing a short description of the works and mills. They intimate that the sales of Hovis during the past year have exceeded all previous records. The company has purchased the flour mills and business of Messrs. C. A. Harrison, Limited, of Lincoln. In connection with welfare work, the directors have purchased the freehold of a ground at Sale, Cheshire, as a sports ground for the staff in the company's Northern district. With regard to financial results, these show net profit on trading amounting to £81,929, against £78,393 in preceding year. The sum of £20,320 goes to depreciation, against £20,472. Reserve has been strengthened by the allocation of £17,085, bringing it up to £180,000. The ordinary dividend has risen from 8 to 9 per cent. The sum of £15,010 is carried forward. The total assets are £979,595, against £949,560. Cash has fallen from £61,930 to £3,333, but investments in British Government securities have risen from £105,803 to £154,769.

MARSTON, THOMPSON, AND EVERSHED, LIMITED.—The report for year ended March 31, 1924, of this brewery undertaking points out that "after making proper allowance for bad debts, depreciation of leases, plant, &c., the net profit on the trading amounts to £101,648, which, together with the balance of £32,085 brought forward from last year, makes £133,733. Out of this sum, £2,000 has been paid for directors' fees, £14,800 for interest on debenture stock, £14,290 for dividends on preference shares, £2,507 for compensation fund charge, £26,975 for an interim dividend upon the ordinary shares (being at the rate of 15 per cent. per annum to September 30, 1923, free of tax), and after providing £5,441, as a reserve for corporation profits tax, there is a disposable balance of £67,719." The directors recommend the payment of a dividend at the rate of 15 per cent. per annum for the half-year ending March 31, 1924, on the ordinary shares amounting to £26,975 (free of tax), that £7,500 be added to the reserve account, and that the balance of £33,243 be carried forward to next year's accounts. It is further stated that "during the year the directors purchased practically the whole of the ordinary shares in the Winchester Brewery Company, Limited, and Marston's Burton beers are now being supplied to the various houses owned by the Winchester Company, and the board have every reason to be satisfied with the purchase." The ordinary capital of this company was increased by the sum of £58,750, for the purpose of acquiring the shares.

RICHARDSONS, WESTGARTH, AND CO.—The directors, in presenting their report for 1923, observe that the year was one of intense depression, and the difficulties in maintaining continuity of work were greatly accentuated by the prolonged dispute in the shipyards and labour unrest generally. During the past year the directors made an offer to the debenture holders to purchase at par the entire issue of £350,000 4½ per cent. debenture stock. By the end of the year over £200,000 had been redeemed by the company and cancelled, and since that time further holdings have been redeemed and cancelled. The 6 per cent. cumulative preference shares are thus placed in a premier position, both with regard to capital and dividends. Moreover, the sum of £100,000 has already been set aside to provide for regular payment of the preference dividend during periods of depression, when the profits earned might be insufficient for the purpose. The net profit, after payment of debenture interest, amounts to £162,394, against £111,297 for 1922. The ordinary dividend is 10 per cent., against 18 per cent. for 1922. The sum of £68,976 is carried forward, against £57,583 brought in. The sum of £95,000 has been put to reserves and depreciation, against £230,000 in 1922. With regard to the balance-sheet, total assets are £1,456,053, against £1,797,240 at end of 1922. Cash has fallen from £540,760 to £174,709, but investments in British Government securities have risen from £427,315 to £528,800.

RUSSIAN TOBACCO COMPANY, LIMITED.—We understand that negotiations are being carried on between the Russian Tobacco Co., Limited, and the Soviet Authorities with a view to the restoration to the company of its former assets and business, which were confiscated during the revolution. The Russian Tobacco Company, Limited, is a British company formed in 1913, and before the revolution controlled the bulk of the tobacco business in Russia, making exceedingly good profits. We further understand that should these negotiations be successfully concluded, arrangements have been made with a strong financial group in London for providing the company with the necessary fresh working capital.

VIROL, LIMITED.—The report for the year ended March 31, 1924 states that the gross profit amounted to £226,743. The net profit, including the amount brought forward, was £92,074, and compares with £82,123 for the previous year. Deducting corporation profits tax and preference dividends, including that due on April 1st, the balance available for distribution is £80,563. The directors recommend the payment of a dividend of 20 per cent. on the ordinary shares, the placing of £15,000 to reserve, raising that fund to £115,000, and the carrying forward, subject to corporation profits tax, of the balance, £50,563. Cash at bankers and in hand amounted to £67,473, as against £60,735 last year. Increases are also shown in the other figures, sundry debtors being £67,690, as against £62,008 for 1923. The directors state the sales for the period under review show a substantial increase over those of the previous year, and constitute a record in the history of the company. A new beverage, Virol and milk in powder form, was placed on the market during the year, and has proved an immediate success. The whole of the heavy initial cost of placing this preparation on the market has been charged to the present accounts.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Wednesday Evening.

Weather conditions were very unsettled during the week, with storms and heavy rains over most parts of the country, causing floods in some parts. Up to the present no reports have been received as to any serious crop damage, though cereals on low-lying lands are affected. A spell of dry, warm weather is needed to stimulate growth of spring sowings and facilitate the planting of potatoes and root crops. Very quiet conditions prevailed at market, buyers being reserved in face of declining prices for most cereals. Native wheat supplies continue in small compass, and values remained steady at 11s to 11s 4d per 112 lbs, free on rail. Imported descriptions were easier in sympathy with lower c.i.f. offers, and a moderate trade resulted. No. 1 Northern Manitoba quoted 48s 3d, No. 2 ditto 47s 3d, No. 3 ditto 46s 3d, Barusso 63½ lbs 46s 9d, and Australian 50s—all ex ship per 496 lbs. The floating and forward cargo section presented a very dull tone, and, with liberal offerings of Plate descriptions, prices generally moved in a downward direction. Part Cargoes of Australian afloat sold 48s, and end-June loading 48s 3d per 480 lbs. Of maize, a steamer of La Plata June-July changed hands at 31s 9d per 480 lbs. Flour in fair request at recent rates. London standard straight run quoted 38s 6d, patents 40s 6d to 41s 6d, town households 36s 6d per sack delivered in. All English country straights in small supply at 35s 6d to 36s 6d per sack delivered to London stations. Imported steady, with a fair inquiry for spot lots, but forward business restricted, owing to high limits imposed by Canadian millers. Manitoba patents range from 36s to 37s 6d as to quality, Australian 35s to 35s 3d, soft Pacific 35s—all ex store per 280 lbs. Barley: English quiet at 11s 3d-12s 6d per 112 lbs, free on rail. Imported steady, but quiet. Californian 48s 6d-53s, Chilean brewing 43s-50s per 448 lbs, both ex ship. No. 4 Canadian Western ex ship 32s 3d, Karachi ex ship 32s 3d-32s 9d, ditto landed 33s 3d-33s 6d, as to quality, Plate ex ship 32s 6d, ditto landed 34s 3d-35s per 400 lbs. Oats dull. Plate f.a.q. ex ship 21s 6d, landed 22s 6d, No. 2 Canadian Western 26s, No. 3 ditto 25s, No. 2 Canadian feed landed 24s—all per 320 lbs. English quoted at 9s 6d-11s per 112 lbs, free on rail. Maize dull and easier. Plate new ex ship to arrive 40s-38s, as to position, ditto landed 42s, No. 2 white flat African landed 40s—all per 480 lbs. Millers' offers steady. Broad bran quoted at 7s 6d-7s 9d, ordinary 7s-7s 3d, middlings 8s 6d-8s 9d, fine ditto 10s, bags included, ex mill, light oats 6s 3d, powdered oat husks 7s 3d, feed oats 9s 3d, ground oats 11s 9d—all per cwt, free on rail. Oatmeal in fair demand at late rates. London made, flaked 17s, rolled oats 16s 6d, medium and fine cut 16s 6d, coarse and medium pinhead 16s 6d, ordinary Scottish oatmeal 17s 6d-18s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-1924.	1922-1923.	1921-1922.	1920-1921.
Estimated sales of home-grown wheat—				
1 week to May 31	Cwts. 90,630	Cwts. 229,524	Cwts. 170,943	Cwts. 181,609
39 weeks to May 31	12,329,247	16,023,789	15,327,486	11,834,776
Average price of English wheat per cwt.	11 2	11 0	13 0	20

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1920 to 1923:—

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.
					Prefee.	Ordinary.	Rate.				
Financial, Land, &c.		£	£	£	£	£	%	£	£	£	%
Land and Mortgage Co. of Egypt	Mar. 31	10,793	8,707	19,500	..	9,000	6	..	10,500	8,142	6
Gas.											
Malta and Mediterranean.....	Mar. 31	6,968	17,833	24,801	..	11,955	6†	4,000	8,846	15,919	6†
Plymouth and Stonehouse	Mar. 31	34,482	21,101	55,583	..	27,914	..	..	27,669	22,999	..
Iron, Coal, and Steel.											
Richardsons, Westgarth	Dec. 31	57,583	162,394	219,977	21,000	35,000	10	95,000	68,977	311,297	18
Wm. Cory and Son	Mar. 31	451,825	540,987	992,812	42,500	436,259	15	50,000	464,053	551,194	15
Nitrate.											
San Patricio	Dec. 31	5,582	4,443	10,025	..	2,500	2½†	..	7,525	Dr 1,348	2½†
Oil.											
Burmah Oil.....	Dec. 31	201,095	2,203,896	2,404,991	257,500	1,545,358	30†	220,000	382,133	2,115,823	30†
Maritime	Dec. 31	243	4,942	5,185	..	4,566	6	..	619	5,023	7
New Brunswick Gas and Oil	Dec. 31	21,663	13,396	35,059	5,535	3,075	5	5,000	21,449	22,545	6
Rubber, &c.											
Bambrakelly (Ceylon) Tea and	Dec. 31	2,838	13,197	16,035	..	9,840	16	4,000	2,195	(k) 9,237	20
Rubber	Dec. 31	Dr 430	1,674	1,244	..	..	..	..	1,244	927	..
Kuala Pilah	Dec. 31	7,265	65,280	72,545	..	47,186	22½	8,500	16,859	39,531	12½
Lunuvu (Ceylon) Tea and Rubber	Dec. 31	5,255	16,442	21,697	..	..	..	..	21,697	35,529	nil
Rosehaugh Co.	Dec. 31	1,975	5,699	7,674	..	5,000	4½	..	2,674	775	4½
Rubber Estates of Krian	Dec. 31	9,428	12,648	22,076	..	12,375	7½	..	9,701	15,044	7½
Sapumalkande.....	Dec. 31	37,728	33,741	71,469	..	30,000	10	..	41,469	39,590	12½
Sialang	Dec. 31	19,811	9,004	28,815	..	7,991	10	..	20,824	7,137	nil
Travancore											
Shipping.											
Elder, Dempster, and Co.....	Dec. 31	113,660	428,095	541,755	356,500	83,459	6	..	101,796	436,108	7
Globe	Dec. 31	321	2,328	2,649	..	..	..	2,000	649	13,292	3½†
Indo-China Steam	Dec. 31	2,167	Dr 231,112	Dr 238,279	..	14,876	6 P.O.	Dr 245,000	1,179	..	..
Shops and Stores.											
Robert Lomas (Proprietors)	Jan. 31	12,329	1,125	13,454	3,469	3,088	4d p.s.	5,000	1,897	..	..
Tea.											
Bagracote.....	Dec. 31	..	38,521	38,521	1,102	19,500	30	7,500	10,419	..	..
Chulsa	Dec. 31	..	106,751	106,751	4,712	67,500	30	10,000	24,539	..	..
Dhendai	Dec. 31	3,166	20,215	23,381	..	12,800	40†	7,000	3,581	..	..
Futtickherrie.....	Dec. 31	Dr 2,023	4,129	2,106	..	800	5†	1,000	306	..	..
Ghoir Alle	Dec. 31	2,147	7,093	9,240	..	5,000	100	2,000	2,240	8,416	130
Jhanzie	Dec. 31	21,807	94,922	116,729	..	59,800	40	35,000	21,929	79,675	40
Romai	Dec. 31	5,374	17,799	23,173	..	11,205	70†	8,000	3,968	14,333	60
Rupajuli	Dec. 31	760	12,236	12,996	..	5,477	30†	6,000	1,519	6,700	15
Telegraphs and Telephones.											
United River Plate Telephone ..	Dec. 31	33,056	235,609	268,665	10,000	216,000	8†	..	42,665	177,151	8†
Textiles.											
Bleachers' Association	Mar. 31	361,712	990,378	1,352,090	135,987	474,218	20	370,000	371,885	983,464	20
Tramways.											
British Electric Traction.....	Mar. 31	215,362	152,360	367,722	42,765	79,576	6	..	245,381	134,740	5
Trusts.											
Indian and General Investment..	Apl. 30	1,600	15,819	17,419	5,895	9,924	12½	..	1,600	18,077	10
Waterworks.											
Rickmansworth and Uxbridge	Mar. 31	6,495	21,733	28,228	2,410	15,483	10	2,000	8,336	20,010	9
Valley							7				6½
Other Companies.											
Associated Newspapers	Mar. 31	94,493	910,407	1,004,900	25,000	800,000	(t)	Dr 88,000	175,900	680,630	(7Ord. 58½D)
Electric Construction	Mar. 31	20,725	40,287	61,012	4,295	30,000	10	5,000	21,717	50,333	10
Hovis	Mar. 31	14,878	56,937	71,815	9,000	27,720	9	20,085	15,010	51,706	8
Joseph Burton and Sons	Apl. 12	17,424	10,643	28,067	..	2,500	5	5,000	20,567	18,423	5
Vinol	Mar. 31	41,280	43,658	84,938	4,375	15,000	20	15,000	50,563	46,771	20
W. and A. McArthur.....	Jan. 31	8,257	17,824	26,081	16,814	..	..	..	9,267	35,068	10

(t) The dividend on the deferred shares absorbed £550,000, the remaining £250,000 being an allotment of 250,000 fully paid deferred shares to shareholders. (k) Nine months. † Tax free.

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1924.	Owls.	Owls.	Owls.	11 1	11 1	9 10
May 24.....	113,841	5,403	16,956	11 2	11 0	9 10
31.....	90,630	5,382	14,935			
1920.....	44,223	5,125	7,975	16 11	25 4	22 8
1921.....	181,607	25,193	30,094	20 10	12 1	14 0
1922.....	170,944	14,829	24,358	13 0	11 7	12 0
1923.....	229,524	35,580	21,506	11 0	8 10	10 6

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated June 4th, is as follows:—Pig-iron: The market is very quiet. Business with the Continent is rendered difficult by reason of the frequent currency fluctuations. East Coast hematite pig-iron is particularly dull at the present time, to-day's quotation being 98s per ton for mixed numbers. No. 3 Cleveland G.M.B. is quoted 91s per ton, but could be done at less for a good order. Manufactured iron and steel: The steel trade continues to be very slack, some inquiries but very few orders. Steel ship plates, £10 5s; steel ship angles, £10; iron bars, £12 10s; steel rails, £9. Iron ore: There is no change. Very little demand, with the nominal price for best Rubio about 23s 6d per ton, c.i.f. Tees.

Our Sheffield correspondent writes:—Market for raw and semi-finished iron and steel has almost gone to pieces this week, and

although holiday next week is responsible to some extent for absence of buying and the widespread suspension or reduction of deliveries, the fact cannot be denied that the situation has slumped badly during the last week or two. The production of steel was down in April compared with previous months, but May and June are certain to record still greater reduction, as a number of large steel furnaces have lately been shut down for want of work in some sections. Overseas business has also fallen off considerably, in spite of depression. Prices are not quotably lower. The fact is that the making of crude steel is being carried on at a loss, and rather than increase this by lowering prices producers will prefer to close their furnaces. Business has tapered off again in Sheffield typical cutting steels. Exchange fluctuations are restricting business. With the Continent brisk business is being done in steel sheets, cold rolled strip, motor steel, magnet steel, railway wagons and material, circular saws, and some classes of tools. Files are also moving off better, but, speaking generally, output does not approximate capacity sufficiently near to render trading remunerative. The open hearth steel department is producing at about half capacity. Silver and electro-plate branches have experienced lean times ever since the beginning of the year, nor does buying show any tendency to pick up. Shopkeepers dealing in hardware report dwindling turnovers, due to contraction in purchasing capacity of public. Fuel market is in a state of comparative disorganisation, and it is clear that the remarkable spell of prosperity which it has enjoyed for several years has come to an end. The heavy drop in the demand from the Continent is the chief factor in the collapse, and home sales of house coal are stagnant. Makers of coke cannot now dispose of their output, and prices continue to fall in some

districts. Best Durham foundry coke is now down to 40s per ton. Quotations per ton at pits are: best hand-picked branch, 34s; Barnsley best Silkestone, 28s; Yorkshire hards, 23s; Blyths, 23s 6d; Tynes, 25s; rough slacks, 12s; smalls, 8s to 10s.

Our Glasgow correspondent writes as follows:—The iron and steel market is not so far showing much result from the considerable shipbuilding programme now on hand on the Clyde. It is evident that the continued export inquiry is having a slightly stiffening effect on prices, but the mills are far from their full working capacity, and are anticipating an early call for deliveries of plates and sections from the shipyards. Less disposition is being shown in all branches to give concessions for orders than was the case a week ago. Inquiries from the Continent continue to come forward, and it is quite evident that difficulties there are as prevalent as ever. The Admiralty has inquiries out with steel works here for 15,000 tons steel plates and large tonnages of angles and sections for the Government yards. The Greenock Dockyard Company has this week received instructions to build a 7,000-ton bulk oil-carrying steamer for Glasgow owners. Bar iron makers still complain of shortage of orders. Re-rollers are busy, and sheet makers in certain instances are booked up till well on in August, chiefly those engaged in light gauges for the Far East. As indicated a week ago, Japan has become an active buyer, and it is understood that some 20,000 tons have been placed with the makers of this class of light sheet, a very considerable portion of that tonnage being with local mills. Buying of galvanised corrugated sheets for India has assumed very large proportions, in spite of advances in price demanded by makers. Ten days ago the price had fallen to £16 15s per ton, and it is doubtful whether a specification would to-day be accepted by makers at less than £17 15s. Buyers are evidently anxious to import as much as possible before the proposed duty becomes an accomplished fact. Other markets, including the Argentine, South Africa, and Australia, are also taking fair quantities. Pig-iron shipments were again rather restricted, the total for last week from the Clyde being only 699 tons. Prices, however, remain fairly level.

Our Cardiff correspondent writes:—The strikes in the Monmouthshire coalfield have collapsed as suddenly as they were started. The men employed at the Nine Mile Point and the Risca Collieries of the United National Collieries, Limited, have resumed work against the advice of their local leaders, who urged them to continue the strike, while those employed at the Sirhowy Collieries of the Tredegar Company have complied with the request of the executive committee of the South Wales Miners' Federation that they should return to work and submit their alleged grievances to the Joint Disputes Committee for the coalfield. The Ferndale pits of D. Davis and Sons, Limited, have been idle for several days owing to the partial destruction of the company's power station by fire, but at these pits also work was being resumed towards the end of the week. These stoppages have substantially reduced the output of the coalfield, but so slack is the demand that prices have been unaffected. It is only the co-operation of the colliery salesmen in their efforts to limit underselling that has prevented a fall, and it is hoped that after the holidays, which will involve the loss of half a week's output, the market position will show an improvement. The following are the current approximate quotations:—Best Admiralties, 27s 6d to 28s; second Admiralties, 27s to 27s 6d; best drys, 26s 6d to 27s; black veins, 26s 6d to 27s; Western Valleys, 26s to 26s 6d; Eastern Valleys, 24s to 25s 6d; best bunker smalls, 17s 6d to 18s; ordinary cargo smalls, 16s 6d to 17s; coking smalls, 18s to 18s 6d; anthracite big vein large, 50s to 52s 6d; machine-made cobbles, 60s to 62s 6d; French nuts, 60s to 62s 6d; stove nuts, 47s 6d to 50s; rubbly culm, 15s 6d to 16s; coke for export, 57s 6d; inland blast furnace coke at ovens, 30s to 35s; patent fuel, 29s to 30s; pitwood, ex ship, 28s 6d to 29s 3d.

Conditions in the iron and steel trades are easier, and the minimum prices both of steel bars and tinplates have been reduced. The reduction in the minimum prices of tinplate bars is from £8 19s 9d to £8 12s 6d, f.o.b. works port, less 7s 6d per ton rebate to tinplate manufacturers participating in the stabilisation scheme, and that in tinplates from 23s 6d to 22s 7½d per basis box, f.o.b. This is the first alteration in the minimum prices of tinplates since last November. No definite period has been fixed for the duration of the new prices.

CUMBERLAND IRON.

(BY OUR WORKINGTON CORRESPONDENT.)

Improvement in the Cumberland and North Lancashire hematite pig-iron trade is very slow, and though business during the past few weeks has been somewhat brisker, the existence of stocks has prevented any expansion of production. Nearly all the iron lying in the works' yards has now, however, been sold, if not delivered, and as users' early needs are fairly considerable, it will become necessary towards the end of next week to put two additional furnaces in blast in the Furness district. The number at present blowing is 10—eight in Cumberland and two in North Lancashire. The disappointing feature of the situation is that there is no disposition on the part of consumers to contract for future requirements. They could only be induced to do so by lowering prices. Values, it is agreed, are too high, but, on the other hand, with the figure and still keep their furnaces in draught. Even as it is, the margin of profit is a bare minimum. Bessemer mixed numbers are quoted at £5 12s 6d per ton delivered at Sheffield, and £5 17s 6d per ton at Birmingham. The greater part of the make is absorbed by the Midlands and by the local steelworks, but more iron is being sent to Scotland, South Wales, and the Continent than was the case in early April. Special iron is not in good request by Sheffield steel makers, and the market for manganese alloys is dull, though

prices are maintained, ferro being £17 per ton, f.o.b., and spiegel £9 per ton, f.o.b. Matters are very quiet in the steel trade, makers having few orders on their books, and it is doubtful whether the rail mill at Workington, which closes down this week-end after five weeks' activity, will resume again until the end of June, if then. Barrow is still idle. Native hematite iron ore production is being taken by the local smelters, and about 1,000 tons are passing weekly to Scotland and Yorkshire. Superior sorts of low-phosphoric ore are quoted at 22s to 24s, and ordinary kinds at 17s to 18s. The coal trade is very slow, Irish merchants having such large stocks on hand and so much cheap Scotch and Lancashire coal available that they are not placing many orders in Cumberland, though best round is now offered at 27s, house nuts at 25s 6d, and steam nuts at 24s per ton, f.o.b. Industrial fuel is quiet, with best steam at 30s and washed steam at 29s per ton delivered, and there is little doing in the local landsale market. Best house is 38s 2d per ton at pit. Coke is a considerable make at the 390 by-product ovens in operation, and is being sold to the smelters of ordinary iron in the district at 25s to 26s 6d per ton, according to carbon content.

METALS.

Tin commenced with a firmer tone, due to higher cables from the East, combined with a good inquiry for all positions. Subsequently, after easing somewhat on selling pressure, values became irregular, but dearer on balance. Standard cash sold at £212 10s to £214 10s to £210 10s to £212 10s, while finally registered at £211 15s, and three months £208 10s to £212 10s to £209 to £211 15s to £211 5s. The upward movement was continued on Thursday, and offers were fairly well absorbed. Standard cash sold at £214 10s to £214 5s to £215, and three months £214 to £214 5s to £214 12s 6d. English ingots quoted at £217 to £217 10s. Copper in fairly good demand, and tendency of prices firmer. Standard cash sold at £61 12s 6d to £61 17s 6d, and three months £62 15s to £62 10s to £63 to £62 17s 6d. Values were again dearer at Thursday's session, with buyers well in evidence. Standard cash sold at £62 7s 6d, and three months £63 7s 6d to £63 5s to £63 7s 6d. Electrolytic £67 10s to £68; wire bars £68 per ton. Lead firmer, and quoted at £31 7s 6d to £29 5s as to position. Spelter dearer at £31 17s 6d. Antimony, English special brands, £49 10s to £50. Aluminium, home trade, £125; export, £130.

THE WOOL TRADE.

Our Bradford correspondent, writing on Wednesday, says:—Business in this centre has again been very slow during the week, and it is obvious that outside influences are having a retarding effect upon development. The fluctuations in the French franc and the financial stringency in Germany are reacting on trade generally, and the demand for tops and yarns on home account is not sufficient to overcome these adverse influences. Confidence in the raw wool position is still maintained, the majority of holders being of the opinion that the present lull will prove to be of a temporary nature, and they are unwilling, therefore, to attempt anything in the way of forced business. On the whole, quotations are nominally unchanged, but values are not being seriously tested, and little improvement can be expected until after the holidays. The bulk of the wool is being held by firms who are able to face a period of quietness without experiencing financial embarrassment, and so traders, as a whole, are largely playing a waiting game. The demand for yarns is negligible, and price-cutting in botanys is still being indulged in. Crossbreds, however, are steady, though users are not doing much at current rates. The position in the piece-goods trade leaves much to be desired. Manufacturers are finding a fair amount of inquiry, especially for stock lots, but buyers are not prepared to pay anything like replacement values, and few will do anything in the nature of forward buying. Much interest has been created locally by a visit of representative traders from Roubaix-Tourcoing. The members of this delegation have been in conference with the various trade federations here, and it is hoped that as a result of the discussions some of the present obstacles to business will be removed, and that a better understanding will result.

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COLONIAL WOOL. FROM A CORRESPONDENT.

An important deputation from the Roubaix Chamber of Commerce, and representing all sections of the wool textile industry of Northern France, is visiting Bradford this week. This visit, following that of members of the Bradford Textile Society to Roubaix, is a welcome event, one which it is hoped will contribute a most valuable share to cementing good feeling between traders in the West Riding and Roubaix-Tourcoing. Several conferences have been held in Bradford, and one or two matters of vital interest have been discussed. Perhaps the most important so far in connection with the trade in raw material is the projected international wool federation, worked something on the lines of the British Wool Federation, one of the principal objects being to obtain more statistical information. Although the writer has been connected with the wool trade for thirty years, he has never known a time when figures relating to the world's production and consumption of wool were so carefully studied as is the case to-day. In connection with figures relative to the quantity of wool produced there is very little wanting, it being really some more accurate data about consumption which is required. One of the United States Government departments has made an effort to obtain each month sufficient data to warrant them in publishing figures giving an idea of the actual consumption of wool, both domestic and colonial, but well on towards a dozen of the largest mills refuse to furnish that information, among them being the biggest consumer of all, namely, the American Woollen Company. Nowhere else has such an attempt been made, and nothing but an Act of Parliament will ever enforce the production of figures regarding the consumption of wool in Great Britain.

Whilst recognising the usefulness of such particulars, if they were forthcoming, I am certain that many of the largest users will strongly object to giving them, but now that the trade has got through an abnormal period, which has been entirely the outcome of the war, it will not be difficult in the near future for a careful student of the trade to form a fairly accurate opinion of both supplies and demand. From such information as is now available, it is pretty clear that so far as colonial wool is concerned, no more is being grown than is required for the world's consumptive needs; in fact, there is every likelihood that, in the absence of an increase in supplies, when consumption in Europe and America gets back to normal, there will be a wool famine.

Messrs. Dalgety and Co., Limited, who are recognised as the wool statisticians of Australia and New Zealand, are to be congratulated on the fine list of statistics they publish monthly and annually regarding wool production in those two countries. The Cape Government also issues monthly figures, while the lists of exports from the Argentine and Uruguay are also very fully given. More complete information from some of the other South American countries would help to form a still better idea about the total production and export of the raw material.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—May 30, 1924.

Description.	Ord.	Good Ord.	Low Mid.	Mid.	Good Mid.	Mid. Fair.	Same Period 1923.	Same Period 1922.
American	1664	1614	1714	1764	1864	1964	1521	1571
Brazilian	1664	1614	1714	1764	1864	1964	1521	1571
Peruvian, Macao, &c.	1664	1614	1714	1764	1864	1964	1521	1571
Paraguay, Rio Grande, &c.	1664	1614	1714	1764	1864	1964	1521	1571
Oceania, &c.	1664	1614	1714	1764	1864	1964	1521	1571
Sea Island	1664	1614	1714	1764	1864	1964	1521	1571
Egyptian	1664	1614	1714	1764	1864	1964	1521	1571
Upper	1664	1614	1714	1764	1864	1964	1521	1571
Sakellaridis	1664	1614	1714	1764	1864	1964	1521	1571
Brown	1664	1614	1714	1764	1864	1964	1521	1571
Peruvian	1664	1614	1714	1764	1864	1964	1521	1571
Rough	1664	1614	1714	1764	1864	1964	1521	1571
Moderately Rough	1664	1614	1714	1764	1864	1964	1521	1571
Smooth	1664	1614	1714	1764	1864	1964	1521	1571
Tanaka	1664	1614	1714	1764	1864	1964	1521	1571
Midland	1664	1614	1714	1764	1864	1964	1521	1571
West Indian, &c.	1664	1614	1714	1764	1864	1964	1521	1571
Do	1664	1614	1714	1764	1864	1964	1521	1571
African, East, &c.	1664	1614	1714	1764	1864	1964	1521	1571
Do	1664	1614	1714	1764	1864	1964	1521	1571
East Indian	1664	1614	1714	1764	1864	1964	1521	1571
Machine Ginned Burzee	1664	1614	1714	1764	1864	1964	1521	1571
Machine Ginned Broach	1664	1614	1714	1764	1864	1964	1521	1571
Machine Ginned Bhownagar	1664	1614	1714	1764	1864	1964	1521	1571
Machine Ginned Oomra No. 1	1664	1614	1714	1764	1864	1964	1521	1571
Machine Ginned Oomra No. 2	1664	1614	1714	1764	1864	1964	1521	1571
Machine Ginned Khandesh	1664	1614	1714	1764	1864	1964	1521	1571
Machine Ginned Comptah	1664	1614	1714	1764	1864	1964	1521	1571
Machine Ginned Bengal	1664	1614	1714	1764	1864	1964	1521	1571
Machine Ginned Soinde	1664	1614	1714	1764	1864	1964	1521	1571
Tinnivelly	1664	1614	1714	1764	1864	1964	1521	1571
American-Scinde/Punjab	1664	1614	1714	1764	1864	1964	1521	1571
M. G. Western	1664	1614	1714	1764	1864	1964	1521	1571
Western	1664	1614	1714	1764	1864	1964	1521	1571
M. G. Northern	1664	1614	1714	1764	1864	1964	1521	1571
Northern	1664	1614	1714	1764	1864	1964	1521	1571
M. G. Oconada, Red	1664	1614	1714	1764	1864	1964	1521	1571
China, Smyrna, &c.	1664	1614	1714	1764	1864	1964	1521	1571

MANCHESTER, June 4.

Trade in the market has continued featureless and of unimportant dimensions. Owing to the limited turnover, there is a tendency for spinners and manufacturers to lose ground. The first official report of the United States Government on the cotton crop, although worse than expected, has not had any effect upon the attitude of buyers. Only a miscellaneous business has been done in piece goods for India, most of the bids from the other side being quite unworkable. Trade for China has been restricted to odd lots. The minor outlets East and West have given no support worth mention-

ing. A little more activity is now showing itself in the home trade section, but clearances are being adversely affected by the unseasonable weather. American yarns for home use have moved off slowly. Irregularity in quotations is increasing. Export yarns have attracted very little attention. A steady demand has been met with in Egyptian spinnings, without trade of any importance being done.

(I.) Comparative Statement of the Cotton Trade.

	Price, June 4, 1924.	Previous Weeks in 1924.	Price, May 22, 1924.	Price, May 15, 1924.	Price, May 8, 1924.	Price, May 1, 1924.
Raw Cotton—Fully Mid. American .. per lb	18.37	18.23	18.11	18.16	17.62	17.71
— Sakellaridis Fully Good Fair Egyptian .. per lb	23.90	23.10	23.15	23.35	23.95	23.15
Yarns—32's twist .. per lb	26.3	26.3	26.3	26.3	27	27
— 40's twist .. per lb	27	27	27	27	27.5	27.5
— 60's twist (Egyptian) .. per lb	36	35.5	35.5	36	36	35.5
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	37	37	37	37	37	37
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	41	41	41	41	41	41
38-in. ditto, 58 yds, 18 by 18, 10 lbs ..	21	21	21	21	21	21
39-in. ditto, 57 yds, 16 by 16, 8 1/2 lbs ..	19	19	19	19	19	19

(II.) Compared with Previous Years.

	Price, June 4, 1924.	Corresponding dates in	1923.	1922.	1921.	1920.	1919.
Raw Cotton—Fully Mid. American .. per lb	18.37	16.11	12.04	8.38	28.91	19.98	
— Sakellaridis Fully Good Fair Egyptian .. per lb	23.90	16.40	19.90	16.00	72.00	27.09	
Yarns—32's twist .. per lb	26.3	24	19.5	17.5	58.5	36.5	
— 40's twist .. per lb	27	23.5	18.5	16.5	54	35	
— 60's twist (Egyptian) .. per lb	36	29	22	31	120	54	
32 in. Printers, 116 yds, 16 by 16, 32's and 50's ..	37	33	31	34	99	51	6
32 in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	41	37	30	32	93	51	0
38 in. ditto, 58 yds, 18 by 18, 10 lbs ..	21	18	18	19	50	30	6
39 in. ditto, 57 yds, 16 by 16, 8 1/2 lbs ..	19	17	17	16	43	27	6

VEGETABLE OILS.

Market conditions generally have been steady, and no marked price fluctuations have taken place. Raw linseed oil has been in fair demand by the consuming industries, and prices on balance are about unchanged, current value for prompt and June delivery being £37 per ton naked, ex Hull mill. A very good business is reported in technical or soapmakers' grade of refined cotton oil,

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value of which is around £39, ex Hull mill. Edible descriptions, however, are neglected, and prices incline easier. Egyptian crude offers freely at £38 10s. Other vegetable oils are in only moderate request. Castor oil is 20s cheaper at £59 per ton (barrels), free for first pressure.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The hide market shows signs of firmness, and advances have been secured in the provinces, best ox showing 4d to 1d per lb. improvement in many cases. The position in Bermondsey is regarded as steady, and as tanners are anxious for supplies just now, sellers will probably make more money for their offerings at this week's auctions. On the other hand, frigorific hides continue to show weakness, and tanners are holding off buying until the position is more stabilised. Dry hides are inactive, but at origin holders are firm, 9d being asked for B.A. Americanos. The American position is cabled this week as steady, with best heavy packers offering at 12 1/2 cents.

Business this week in sole leather has been confined to small lots, the close proximity of the holidays telling against speculation of any sort. Home and wet salted bends have gone out to repairers, who, in view of the wet weather, seem a shade busier. Shoe manufacturers are still running on cheap dry hide bends, and in some cases tanners are sold well forward in this class of leather. Offal is a shade quieter, but so far tanners have no accumulations, and hold out for asking prices.

In upper leathers there is little to report, business being confined to small lines of glacé, patent and chrome calf. Suede seems to be falling off in favour, and it is possible a wet summer will see the end of this inefficient material, which quite fails to protect the feet against damp.

Boot manufacturers have been busy this week getting out deliveries before the holidays. Most of the factories will remain closed until Tuesday or Wednesday next week, although in a few fortunate cases an earlier resumption of work will be necessary where export orders have to be executed.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Thursday, June 5.

SUGAR.—The general tone of this market remains quiet, dealers showing no desire to enter into the question of stock, and with offers from the chief producing countries still circulating with freedom, confidence at the moment is found wanting. A fair clearance was recorded in British makes at lower prices. Messrs Tate and Lyle's cubes, crushed, also nibs, reduced 19d per cwt, with others, also forward granulated, 2s. Cubes quoted, A.T., 41s; No. 1, 40s 3d; No. 2, 40s; nibs, 41s 3d; coffee crystals, 41s; granulated, 38s 1 1/2d; fine, also coarse grain, 37s 7 1/2d; No. 1, 37s 4 1/2d; No. 2, also London and T.L., 37s 1 1/2d; ditto forward to July, 37s; yellow crystals, spot, 34s 7 1/2d; caster, finest, 39s 10 1/2d; A, 39s 1 1/2d; B, 37s 9d; pulverised, 38s 6d; mineral water, 37s 6d. Imported kinds quietly dealt in at prices favouring buyers. White Java, spot, 35s; ditto, May-June, steamer, 20s; June-July, 19s 6d; July-August, 19s 3d, c.f. and i.; London. Czech granulated, spot, 35s; ready for shipment, 23s; November-December, 20s, f.o.b., Hamburg. American granulated, June, 18s 3d, c.f. and i.; London. Cuban, basis 96 per cent, June, 18s 3d, c.f. and i. terms, U.K. Dutch granulated, spot, 35s 6d. White terminal market presented quiet features. June delivery sold, 22s 6d to 21s 3d; August, 22s 7 1/2d to 20s 10 1/2d; December, 20s 3d to 19s 6d. Cuban spot, 22s 3/4, against 66s 3/4 last year.

COFFEE.—There was only a quiet movement in spot parcels at about late rates. Export demand remains very slow.

COCOA.—Spot market quiet, but steady. Accra F/F grade, June-August, 28s 6d cwt., f.o.b. terms.

TEA.—Indian auctions totalled 44,000 packages, and while all the better descriptions met a brisk demand at full to occasionally dearer prices commonest tended in buyers' favour. Pekoe sold at 1s 3 1/2d to 1s 9d; broken, ditto, 1s 3 1/2d to 1s 11 1/2d; orange, 1s 4d to 1s 11 1/2d; broken orange, 1s 4 1/2d to 2s 10d per lb in bond. 19,000 packages Ceylon in auction experienced a good demand for finest quality at steady rates, but common kinds tend weaker. Pekoe sold at 1s 4 1/2d to 1s 9 1/2d; broken pekoe, 1s 4 1/2d to 1s 11d; orange pekoe, 1s 7 1/2d to 1s 10 1/2d; and broken orange pekoe, 1s 6 1/2d to 2s 3 1/2d per lb in bond.

RICE.—With no recovery in demand, prices for Eastern grain mark a downward movement. Two Stars, spot, 15s 3d; afloat, 14s 6d; June-July, 15s. No. 3, cleaned, Rangoon, June-July, double bags to the Levant, quoted 15s 4 1/2d. S.Q. shipment to Cuba, double bags, sellers, 15s 9d; ditto, single bags to Japan, 13s 4 1/2d, f.o.b. terms, the preceding being c.f. and i. Japanese peas dull. Spot, sellers, 20s; June-July, 19s 3d; September-October, 19s 9d cwt., c.f. and i.

SPICE.—Pepper market generally quiet. Black Singapore, L.S., May-July, quoted 4 1/2d; Lampung, August-October, 4 1/2d; Muntok, May-July, 7 1/2d; August-October, 7 1/2d. Zanzibar cloves, spot, 11 1/2d lb. Spot tapioca steady, quiet. Fair Penang seed, spot, London, 23s 6d. Singapore flake, June-July, Havre, sellers, 27s. Penang seed, June-July, London, 19s 6d, c.f. and i. Sago flour dull. March-May, sellers, 14s 9d; April-June, 14s 6d; June-July, 14s 4 1/2d, c.f. and i. Liverpool. Desiccated coconut steady, but trade slow. Fine cut, spot, 38s 6d; medium, 39s 3d cwt. Ginger in quiet support, but held steadily.

JUTE.—A fair inquiry was reservedly met, and a firm tone characterised the market. First grade, May-June, Continent, quoted £27 15s; June-July, £27 17s 6d; new crop, August, £27 15s; August-September, £27; September-October, £26 7s 6d per ton. Hessians and twills quietly steady.

HEMP.—Manila kinds were a steady market, with moderate inquiries in force, while shippers are somewhat reserved. J grade, May-July, quoted £38; K, £33 5s; L, £32 5s; M, £27 15s. Manila, packed M, June-July, sold, £29 10s per ton. New Zealand largely nominal. African sisal quiet at previous rates.

SHELLAC.—Market quietly steady. T.N., fair quality, on spot, in bags, quoted 26s; August, 25 1/2s 6d; October, 25 1/2s cwt.

COPRA.—Quietness was again the prevailing feature, demand from crushers failing to extend. F.M.S. Straits, March-May, to Rotterdam, quoted £28 2s 6d; April-June, £27 10s; May-July, £27 7s 6d, paid. Dutch East Indies, March-May, £28; April-June, £27 12s 6d. Ceylon, June, £29 10s. South Sea Islands, £27 5s. F.M. Straits, June-July, Marseilles, £27 5s. Palm kernels formed a quiet market. June-August, Liverpool, sold, £19 1s 3d per ton.

RUBBER.—Business was of fair extent, and a steadier tone predominated. Standard plantation crepe and sheet, spot, also June delivery, sold 10 1/2d to 10 3/4d; July, 10 3/4d to 10 1/2d; July-September, 10 1/2d to 11 1/4d; October-December, 11 1/4d, 11 1/2d, 11 3/4d; January-March, 11 3/4d, 11 1/2d, 11 1/4d. To New York, standard European estate, June-July, quoted 10 1/2d; and July-August, 10 1/2d per lb, c.f. and i. Wild descriptions call for no comment.

EGG PRODUCTS.—There is only a small business doing on about former terms.

FRUIT (Dried).—A firm tone continues, though general course of trade is quiet. Of currants, Pyreos, 1/2-cases, 46s; Amalia, 48s; Patras, 50s; Gulph, 52s; Panaraii, 56s; Vostizza, 63s to 70s; Australian, new crop, 1/2-cases, 63s to 68s. Raisins, Valencia, 1/2-boxes, 38s to 40s; Cape, new crop, 40s to 44s. Sultanas, Greek, 1/2-cases, 52s; Smyrna, boxes, 56s to 70s. Figs, genuine, natural in bags, good, 35s; fine, 38s. Dates met with but retail support at about late rates. Evaporated fruits, Californian apricots, standards, quoted 78s to 80s; choice, 90s; extra choice, 10s; peaches, choice, 48s; extra ditto, 53s; fancy, 58s; apple-rings, 80s. Plums, Oregon, 30/40 quoted 70s; 40/50 at 50s; Bosnian fine, 1/2-cases, 72/77 at 40s cwt.

CANNED GOODS.—Business in most directions is still kept down, but general firmness prevailed regarding trend of values. Of sardines, Portuguese 1/2 flats, quoted 3s to 3s 3d; clubs, 3s 6d to 4s; 12 oz, 5s 6d to 7s 6d; 18 oz, 9s 6d to 11s 6d per dozen tins. Lobster, fancy halves, 143s. Crayfish, 72s. Salmon: 1 lb flat reds, labelled, quoted 53s; ditto tall, 43s 9d; 1 lb tall pink, 25s 6d to 26s 6d; and cases of 96 1/2 lbs, 28s to 30s per case. Canned fruits: Singapore pines, cubes, 48 1/2 lbs, quoted 6s 9d to 7s; ditto, 24 1/2 lbs, 11s to 11s 6d; slices, 48 1/2 lbs, 6s 3d; Hawaiian slices, 2 1/2 lbs, 14s 9d to 16s (d); Californian apricots, 8s to 11s; ditto peaches, 9s 6d to 12s 6d; pears, 14s to 15s 6d. Italian tomatoes, 7s per dozen tins.

OLIVESEEDS.—Linseed market quiet, but generally firm forward. Indian: Calcutta, afloat, £19 12s 6d; just sailed, £19 12s 6d; April-May, £19 10s; May-June, £19 7s 6d to £19 8s 9d, paid; bold Bombay, May-June, £20 5s. Plate, afloat, £17 12s 6d; April-May, sold, £17 10s to £17 12s 6d; May-June and June-July, £17 12s 6d. Rape seed quiet and easier. Toria, May-June, £17 15s; Jamba, May-June, £13 15s; and real bold Ferozepore, April-May, £17 7s 6d; May-June, at £17 5s. Cotton-seed easier. Egyptian, black, June, £12 15s. Sakellaridis, £11 12s 6d. Bombay, May-June, £10. Gingelly seed firm. Chinese, May-June, £26 5s. Groundnuts steady. Coromandel, machine-dried, June-July, £22 17s 6d; Chinese, decorticated, f.a.q., May-June, £21 12s 6d; bold Bombay, April-May, £22 5s. Soya beans dull. Manchurian, afloat, £11 15s; May-June, £11 13s 9d. Castor seed firmer. Bombay, May-June, £25 2s 6d; Cawnpore, June-July, sold, £22 15s per ton.

WHEAT.—Linseed generally quiet, but prices firm. Spot, net, naked, 39s 3d; June, 38s; July-August, 37s 3d; September-December, 36s 4d. Rape quiet. Crude, spot, 45s; refined, 48s. Castor-oil easier. First pressure, spot, quoted 60s; second pressure, 59s; and pharmaceutical, 65s to 66s per cwt, Hull, with London 2s per cwt extra. Cotton dull. Crude Egyptian, spot, 40s; Bombay, 37s; common edible, 46s; deodorised 49s. Chinawood quiet. Hankow, spot (barrels), 82s; June-July, 72s. Coconut quiet. Ceylon, spot, 46s 6d; June-July, 43s; Cochin, ditto, nominally 50s. Soya dull. Oriental, barrels, May-June, 39s 6d; bulk, 35s 6d. Cod easier. English, spot, 33s 6d to 34s 6d. Groundnuts quiet. English, crushed, naked, spot, 46s; deodorised, barrels, 55s. Turpentine quiet, and easier. American, spot, 69s; July-December, 67s 3d. Rosin steady. American, grade B, 14s; G, 14s; WG, 18s; WW, 20s per cwt. French WW, 17s 6d per cwt. Petroleum steady. American, standard white, spot, 1s 1d; and water white, 1s 2d per gallon.

TALLOW.—Messrs Colchesters and Woolner report, dated June 4th, is as follows:—The tallow market was less active during the week, and prices were barely maintained to-day. There was a fairly good

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(Registered in Japan, 1899.)

Capital Subscribed ¥60,000,000
Capital Paid Up ¥52,

home demand, and exporters found business difficult. The stock in London on May 31st, as returned by the wharves, amounted to 9,201 packages, showing an increase during the month of 2,133 packages. There will be no auction next week. At auction to-day 1,165 casks tallow were offered, and 302 were sold. Quotations are:—Australian mutton: Fine, 45s; good to fair, 44s to 42s 6d; dull to dark, 39s to 37s 6d; hard, 44s 6d. Australian beef: Fine, 45s; good to fair, 44s to 41s 6d; dull to dark, 38s 6d to 37s 6d; sweet, none. Present shipment from Australasia: Good mixed, nominal. Present shipment from South America, 40s 9d to 39s 6d. The market letter is unchanged. Town tallow, 39s 6d per cwt. Rough fat, per 8 lbs, 3½d; melted stuff, 29s 6d per cwt. Quotations are:—Town, 38s 6d, net cash, naked, ex works. Country: Frail casks, 39s; home melted, shipping casks, net, f.o.b., good coloured, 40s; fair to dull, 39s to 38s. Bone fat: White, none; pale, none; benzine, 35s; melted stuff, 35s, f.o.b.

METROPOLITAN CATTLE.—JUNE 4.

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

Beasts—Herefords	nominal	Beasts—Heavy Bulls	nominal
Shortfords	nominal	Canadian	nominal
Devon	nominal	Sheep—Downs (clipped)	11 0 to 11 8
Norfolk	8 4 to 8 2	Wool	nominal
Scottish	8 4	Ewes	7 4 to 7 8
Fish	nominal	Crossbred	11 8 to 12 0
Fat Cows	nominal	Lamb—Downs	14 0 to 15 0

LONDON POTATO MARKETS.—JUNE 4.

English (old)	10 0 to 12 0	Per Cwt	25 0 to 26 0
New-Jersey	25 0 to 26 0	St. Malo	25 0 to 26 0
Spanish	22 0 to 23 0	Tenerife (case)	12 0

Commercial Times.—Weekly Price Current.

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

LONDON, FRIDAY.	DRUGS.	INDIA RUBBER.	PROVISIONS.	SPICES.
Cocoa—Duty, British grown	Alcacia, fine E.L. p. cwt. 100	Para, fine hard spot	Butter—per cwt.	Mustard, fair White
Do. foreign 1st. cwt. 4	Cape, good to fine, 40	Plantation crepe	Do. factory	Black Singapore
Do. good to fine, 47	Balsam Peru, per lb	INDIGO—per lb	Do. Australia	White Siam
Grenada	Capivi	Bengal, good red vici	Do. Argentina	Pimento
Ceylon, plantation	Campor	Do. to fine	Do. New Zealand	Cinnamon—lat. north
Do. good to fine, 75	Japan, refined	Mid. ord. vici, to good	Do. Denmark	Cassia—Lignea
Do. good to fine, 70	Gardens, Ceylon	Low to good ord.	Do. Do. Ind	Olive—Zanzibar
Sahia, Siam	Cashew, China pri b	Madras, dry leaf, good	Do. Do. Ind	Do. Do. Ind
COFFEES. —British grown	Gum Benjun, Sum. cwt	Do. low to ord.	Do. Do. Ind	Do. Do. Ind
Do. India foreign 1st. cwt.	Oil—Siam, drops	Kurpah, good to fine	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 140	Do. to good	Low to mid	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 135	Ipecacuanha	HEMP—per ton	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 130	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 125	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 120	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 115	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 110	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 105	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 100	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 95	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 90	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 85	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 80	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 75	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 70	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 65	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 60	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 55	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 50	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 45	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 40	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 35	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 30	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 25	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 20	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 15	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 10	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 5	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind
Do. good to fine, 0	Do. to good	Do. to good	Do. Do. Ind	Do. Do. Ind

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCVIII.

SATURDAY, JUNE 14, 1924.

No. 4,216

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Capital, Paid Up " 348,788,000
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THE MONEY MARKET.

THE increase in market supplies of funds consequent upon the June 1st dividend disbursements has not disappeared quite so rapidly as the market had feared might be the case in the light of last year's experience. Fresh day to day loans have generally been freely obtainable at 1½ per cent. Discount business, however, has been quiet, the permanence of the ease not being trusted, though rates have been rather inclined to fall away because of the

JOURNAL OF THE ROYAL STATISTICAL SOCIETY.

New Series. Vol. LXXXVII. Part II. March, 1924.
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Reviews of Books. Current Notes.

Royal Statistical Society, 9, Adelphi Terrace, W.C.2

THE BENGAL-NAGPUR RAILWAY COMPANY, LIMITED.

Notice is hereby given that the REGISTERS of Stockholders of this Company will be CLOSED from 10th to 30th June, 1924, both inclusive, for preparation of the Warrants for interest for half-year ending 30th June, 1924. The Warrants will be posted on 1st July, 1924.—By Order of the Board,
T. R. WYNNE, Man. Director.
132 Gresham House,
Old Broad street, E.C.4.
3rd June, 1924.

THE COMMERCIAL CABLE COMPANY STERLING

FOUR PER CENT. 500-YEAR DEBENTURE STOCK.

Baring Brothers & Co., Limited, give notice that the TRANSFER BOOKS will be CLOSED from the 21st to the 30th instant, both days inclusive, for the preparation of the warrants for the interest due 1st July, 1924.
No. 2 Bishopsgate, E.C.2.
2nd June, 1924.

PROVINCE OF SASKATCHEWAN 5½% REGISTERED STOCK, 1924-34.

Notice is hereby given that the TRANSFER BOOKS of the above Stock will be CLOSED from the 16th June, 1924, to the 30th June, 1924, both days inclusive, for the preparation of the Warrants for the half-yearly interest due 1st July, 1924.—For the Union Bank of Canada,
W. F. SPARHAM, Manager.
6 Princes street, London, E.C.2.
3rd June, 1924.

MIDLAND BANK LIMITED.

Notice is hereby given that the TRANSFER BOOKS of the Company will be CLOSED on the 14th June, 1924, for that day only, for the preparation of the Dividend payable on the 15th July, 1924.
F. E. HOLMES, Registrar.
5 Threadneedle street, London, E.C.2.
2nd June, 1924.

CITY OF CALGARY FOUR-AND-A-HALF PER CENT. AND FIVE PER CENT. DEBENTURE LOANS.

The City of Calgary announces that the COUPONS falling due 1st July, 1924, on the above-mentioned Debentures may be PRESENTED on and after the 16th June, 1924, between the hours of 10 and 2 o'clock (Saturdays excepted), at the Bank of Montreal, 47 Threadneedle street, E.C.2. Three clear days required for examination. Lists may be obtained on application at the Bank.

THE CAPE ELECTRIC TRAMWAYS, LIMITED.

Notice is hereby given that an Interim Dividend of 8% (Three per Cent.), free of Income Tax, has been declared payable to all Shareholders on the Company's Registers on Saturday, the 14th June, 1924, and to the Holders of Coupon No. 34 attached to Share Warrants to Bearer.

Notice is also hereby given that the Transfer Books of the Company will be closed from the 14th to the 20th June, 1924, both days inclusive, for the purposes of the above-mentioned Dividend.

Coupons must be left four clear days for examination. Listing forms can be had on application.

The Dividend will be paid on the 1st July, 1924.
By Order,
F. HAINES, Secretary.
1, London Wall Buildings, London, E.C.2.
6th June, 1924.

plentiful supply of credit. The reduction in the New York rediscount rate, too, has helped to reassure those who were inclined to be apprehensive of an early rise in our own Bank Rate. The rate for fine three months' bills has receded to $2\frac{1}{8}$ per cent., or under, and September Treasury bills have not been better than $2\frac{1}{8}$ per cent.

	June 13, 1924.	June 5, 1924.	May 30, 1924.	May 23, 1924.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	5% (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	$2\frac{1}{8}$	$2\frac{1}{8}$	$2\frac{1}{8}$	$2\frac{1}{8}$	$1\frac{1}{2}$ (Jly. 5, '23)
Market rate 3 months' bills)	$2\frac{1}{8}$	3	$3\frac{1}{8}$	$3\frac{1}{8}$	..

The Bank return showed a decrease of £441,600 in the active Note circulation, and an addition of £469,100 to the reserve. Only moderate progress was made with the repayment of loans required by the Government for dividend purposes, Government securities showing a contraction of £6,165,000 after last week's increase of £22 $\frac{1}{2}$ millions. Other deposits were £5 $\frac{1}{2}$ millions lower, while changes in Public deposits and Other securities were insignificant. Holiday demands were doubtless responsible for the increase of £4 millions in the Currency note circulation, but the increase of nearly £8 millions in two weeks this year is far greater than last year's Whitsun movement. The amount outstanding is now £293,958,600, which includes £1,388,800 for notes called in but not yet cancelled. The fiduciary issue is £243,119,700, or only £5,071,200 below the maximum.

The statement of the average weekly balances of the clearing banks for May, printed in full on a later page, shows a slight increase in deposits and a further decline in acceptances, as may be seen from the following table, which compares the monthly aggregates of the nine English banks:—

	Dec. 1922.	June, 1923.	Dec. 1923.	Mar. 1924.	Apr. 1924.	May, 1924.
Capital and reserves	116.0	116.3	116.3	118.7	119.0	119.1
Acceptances	72.8	73.8	96.1	99.2	95.2	92.0
Deposits (incl. undiv. profits, &c.)	1,684.7	1,637.7	1,673.1	1,603.2	1,614.7	1,617.8
Total liabilities	1,873.5	1,827.8	1,885.5	1,821.1	1,828.9	1,828.9
Coin, notes, balance at bank, and cheques in course of collection	253.0	240.7	254.2	230.2	236.7	232.6
Money at call	106.0	113.3	111.3	93.5	97.6	101.1
Investments	384.5	355.5	363.8	361.7	357.1	352.4
Discounts	298.3	270.8	276.3	224.0	224.6	235.3
Loans and advances	732.7	746.9	756.5	785.5	790.6	788.2
Cover for accept., premises, &c.	99.0	100.6	123.4	126.2	122.3	119.5
Total assets	1,873.5	1,827.8	1,885.5	1,821.1	1,828.9	1,828.9

Advances have declined by about £2 $\frac{1}{2}$ millions, but discounts have expanded by £10 $\frac{3}{4}$ millions. Cash is down by about £4 millions, but money at call is up by £3 $\frac{1}{2}$ millions.

THE STOCK MARKETS.

The French political crisis has been a leading factor in the Stock Exchange this week. The news of M. Millerand's resignation was hailed as the beginning of the end of that crisis, and the franc and French issues recovered. British Government stocks have been firm, and newly-issued scrips have maintained their prices well. Apart from French stocks, the features of the foreign market have been a sharp fall in Mexicans and a rise in Portuguese 3 per cents. Home Rails suffered from Labour fears, but recovered a little towards the end. Rubber shares were dull and tea shares mainly drooping; the oil market hardened a little after early weakness. Features in the industrial list were few, but Dunlop preference improved on the reorganisation scheme. The buoyancy of the Kaffir market receded a little owing to the approach of the South African elections.

THE COMMODITY MARKETS.

The commodity markets have been in holiday mood. The week has been very quiet in the Manchester district, many merchant houses having closed down entirely. In the wool trade demand is restricted both on home and export account. Sugar prices keep at a steady level, but the supply is easy. Tea prices are firm. A hardening tendency is noticeable for copra. Rubber is inclined to sag. Wheat prices are better. In Cardiff the Coal Exchange did not open its doors until Wednesday; business

has been very quiet. Our Middlesbrough correspondent reports that no pig-iron market was held this week. Tin was slightly better, but copper was easier. Linseed oil opened with a firm tone. Further details of these and other markets will be found on later pages.

FOREIGN EXCHANGES.

On the Foreign Exchange market business, both before and after the holidays, was quiet, but dealings have grown a good deal more towards the end of the week. Interest, as usual, has concentrated on the movements of the Paris rate, which, after being quiet, with some improvement on Friday and Saturday, opened higher again on Tuesday at 80.00, and dropped during the day to 84.75. On Wednesday there were again violent fluctuations between 85.25 and 80.50, with a closing rate of 81.40, while on Thursday the quotation at one time fell to 79.70, rising again at the close to 81.50. Yesterday morning the rate opened above 82, but before lunch had reacted again to 81.55, while forwards were in strong demand at 20 to 30 centimes per month above spot as compared with 60 centimes a week ago. The main reason for these movements is, of course, the French political crisis, but the sudden improvements in quotations are said to have been due to a large extent to heavy buying on German account. Brussels has, as usual, mainly followed Paris, with an improvement from 98.62 $\frac{1}{2}$ on the 6th to 95 yesterday morning. The Italian rate also shows a moderate improvement from 99.30 to 99 $\frac{1}{2}$, after having been rather better. From \$4.31 on the 6th, the New York rate has been firm, with slightly improving tendency, which has received a further impetus from the lowering of the American discount rate. Yesterday morning's quotation of \$4.31 $\frac{1}{8}$, however, showed a slight reaction. Forward quotations are again narrower at par to $\frac{1}{8}$ cent above spot for one month. In neutral markets Amsterdam has moved in our favour from 11.51 $\frac{1}{2}$ to 11.54, Switzerland has appreciated from 24.51 to 24.47 $\frac{1}{2}$, while Madrid has moved in the opposite direction from 31.99 to 32.03 $\frac{1}{2}$. In Northern Europe, Stockholm, at 16.23 $\frac{1}{2}$, is unchanged; Copenhagen, however, has improved from 25.60 to 25.55 $\frac{1}{2}$, while Christiania, where conditions show no improvement, has again depreciated sharply from 31.80 $\frac{1}{2}$ to 31.88 $\frac{1}{2}$. Helsingsfors at 172 is much the same, while the Polish zloty and Riga continue on a parity with the gold franc. In Central Europe the mark is still quoted at 18 billion, the financial strain being slightly relieved by fresh hopes of an understanding with France over the Dawes report. Vienna at 307,000 shows a slight depreciation, and Prague is also slightly cheaper at 147 $\frac{1}{2}$. Bucharest at 985 shows considerable improvement on the refutation of the recent persistent rumours of internal disorders. The Greek rate, however, at one time jumped sharply to 260, on reports of renewed political trouble, but has again moved down to 245. In the East the rupee is much the same at 15 4 31-32d, while the yen shows a further slight improvement to 15 10 $\frac{1}{2}$ d. The silver market has been quiet, with a little buying from China. Reports of the approval of further purchases under the Pittman Act have proved premature, as in the hurry of adjournment the requisite Bill was not brought before the lower house. Hong Kong has fallen away again from 2s 5d to 2s 4 $\frac{1}{2}$ d, Shanghai from 3s 4d to 3s 3 $\frac{1}{2}$ d. In South America Rio has weakened from 6 1-32d to 5 $\frac{1}{8}$ d. Buenos Ayres, on the other hand, has moved up from 41 $\frac{1}{2}$ d to 41 $\frac{3}{4}$ d, Monte Video from 43 $\frac{1}{2}$ d to 43 $\frac{3}{4}$ d. Valparaiso has also appreciated from 40.30 to 39.90.

NATIONAL ACCOUNTS.

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

(000's omitted.)			
EXPENDITURE.		REVENUE.	
Supply Services	6,800	From Revenue	10,502
Interest, &c., on Debt	48,190	Taken from Exchequer Balances	245
Sinking Fund	250	Amount borrowed	44,613
Sundries	120		
	55,360		55,360

Revenue at £10,501,400 compares with £9,169,000 in the corresponding period a year ago. Customs yielded £1,090,000 less at £1,853,000, while Excise yielded £988,000, as against £1,364,000. Estate, &c., duties produced £1,200,000, as compared with £810,000. Property

and income-tax yielded £2,153,000, against £1,220,000, and super tax £940,000, against £900,000. Interest on sundry loans yielded £1,108,200, against nothing in the corresponding period. The week's operations increased the National Debt by £44,613,100, and caused the following changes:—

(000's omitted.)			
	£		£
Treasury Bills	+ 9,839	National Savings Certificates	— 200
4% Treasury Bonds	+ 474		
Bank of England Advances	+ 21,000		
Public Dept. Advances	+ 13,500		
	+ 44,813		— 200

The floating debt was increased by £44,335,000 to £786,300,500.

FINANCIAL YEAR, 1924-1925 (April 1 to June 7).

£		£	
Total Expenditure ..	167,013,915	Raised by Revenue ..	141,975,564
		Decrease in Balances ..	3,449,554
		Amount borrowed ..	21,588,797
Total	167,013,915	Total	167,013,915

ESTIMATES for YEAR 1924-25.

£		£	
Ordinary Expenditure ..	786,848,000	Ordinary Receipts ..	764,050,000
Special Expenditure ..	3,178,000	Special Receipts	30,000,000
Total	790,026,000	Total	794,050,000
		Surplus	4,024,000

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Royal Bank of Australia, Banco do Brasil, British Overseas Bank, Burmah Oil Company, Elder, Dempster and Co., Lunuva (Ceylon) Tea and Rubber Estates, City Deep, Taquah and Abosso Consolidated, Premier Oil, and William Cory and Son. Dr Cincinato Braga, at the meeting of the Banco do Brasil, gave an exhaustive review of the position and prospects in Brazil. The chairman at the Burmah Oil meeting answered criticisms of the company's Anglo-Persian shareholding proposals. At the Elder, Dempster meeting the chairman paid a high tribute to the memory of the late Viscount Pirrie. The chairman at the City Deep meeting reported satisfactory development results. At the Lunuva (Ceylon) Tea and Rubber Estates meeting the chairman spoke optimistically of the future of the industry.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

THE RESIGNATION OF M. MILLERAND.

THE British nation has not been tempted to take sides in the internal political conflict which has just come to an end in France, but we have followed its development with intense interest, because the international situation was clearly dependent upon the length of time which it might take the French people themselves to settle their own domestic controversy. The decisive victory of the Left in France, at a moment when the Right is still being held at bay by the Centre in Germany, offers better prospects of a settlement of the Reparations problem than have been presented to international statesmanship at any date since the Reparation chapter of the Versailles Treaty took final form. But such moments do not last; and if the time and energy which might have worked the salvation of Europe had been swallowed up by a prolonged constitutional struggle in France, we might almost have despaired at the unkindness of Fortune in her influence upon international affairs. Happily, however, the internal crisis which so suddenly, and to foreign eyes unexpectedly, arose in consequence of the French elections, has been settled swiftly and, for the moment, decisively, by the reception which President Millerand's message re-

ceived last Tuesday from both the Senate and the Chamber. For our own sake and for the sake of France, we may legitimately rejoice that it will now be possible to form a new French Government, and that this Government will be at liberty to devote its main energies, for the time being, to questions of foreign policy.

It was natural that M. Millerand should not resign without putting his position to the test. He had been elected on September 23, 1920, by a strong majority (695 votes out of 892) of the combined Chamber and Senate, which elect the President, under the Constitution of 1875, in joint session as a National Assembly. Half his seven years' term was still to run; and, constitutionally, the President of the Republic is irremovable unless he is impeached for high treason on the initiative of the Chamber and condemned by the Senate sitting in judgment on him. Nobody had proposed that this formidable piece of constitutional machinery should be set in motion against M. Millerand. His adversaries charged him with the less serious, and at the same time less definite, offence of exceeding his constitutional powers—by open expressions of his personal solidarity with a particular party rather than by specific official acts which could be defined judicially as being constitutional or not. To this M. Millerand could reply that the charge was vague; that, in so far as he had identified himself with a particular policy hitherto, it had been a policy supported by a majority of the Chamber; and that he was being offered no opportunity of showing whether he would not bow to the policy of the new Chamber, whatever it might be—in short, that the Constitution was being threatened not by him, but by his opponents. "In enacting," as he expressed it, "that the President of the Republic is responsible to the Chambers only in the case of high treason, the Constitution intended, in the national interest of stability and continuity, that the Presidential power should be kept for seven years protected against political fluctuations."

It was equally natural, however, that the victorious Left should judge him on his previous record, and here M. Millerand suffered from having passed straight from the premiership to the presidency in 1920. Whatever view might be taken of his conduct since that change in his position, it was undeniable that, as the head of a party government, he had been the architect of the *Bloc National*, which had not only kept the Left out of power but had consistently pursued a policy contrary to theirs—in home affairs even more emphatically than in European questions. Was it humanly possible for M. Millerand, the ex-premier, to act as the constitutional and non-partisan head of the Republic with a Chamber that was determined to reverse the policy for which he had stood as a party politician? It is a distinct weakness in the French political system that it not only permits theoretically, but has consecrated by custom, the rapid passage of politicians from premiership to presidency or *vice versa*.

M. Millerand had, however, not merely passed straight from the political arena into the Elysée. He had declared at the time of his election that he had no intention of regarding the post of President as one removed from political issues, but that, on the contrary, he conceived of the President as responsible for watching the interests of France in her foreign relations. This view he reaffirmed two months ago, when he let it be known at the time of the reconstruction of M. Poincaré's Government that he would not accept a Ministry that intended to depart from the policy of the last few years in foreign affairs, and that if the country by popular vote showed that it desired a different policy, it would not be possible for him to remain President.

Clearly it would be next to impossible to secure harmonious co-operation between anyone holding such views of presidential responsibility and a Government which differed sharply from him on most of the important political issues, and a struggle was thus inevitable. It was only uncertain how many constitutional stages it would have to traverse before reaching a decision. The dominant party in the new Chamber could, and did, restrain its leaders from accepting an invitation to form a Government under M. Millerand's presidency; and it was then open to the President to form a Ministry, without a majority in the Chamber, for the bare purpose of conveying to both Houses a written presidential message—the formal method of communication between the President and the

two representative bodies. This was the function which M. François-Marsal undertook to perform, and last Tuesday he duly delivered M. Millerand's message to the Chamber, and proposed to put it to debate. At the same time, the message was read in the Senate, and much turned upon whether the President would find support there for his contention that his continuance in office for the full term was essential for the preservation of the Constitution. Had the Senate supported him in this, and also consented to a dissolution of the Chamber of Deputies, M. Millerand would have been able to appeal to the electorate. Even so, it is doubtful whether this would have changed the final result, for Marshal MacMahon reached this point in 1877, only to see another hostile majority returned against him, and to be forced, in the end, to resign from an untenable position. As it was, the Senate voted, by a majority of 10, to adjourn till the next day, instead of discussing the message submitted to them, and their vote was announced while the struggle in the Chamber, which was being fought along the same lines, was still in progress. In the Chamber, M. François-Marsal's motion for a debate had been traversed immediately by a counter-motion (in the names of M. Herriot, M. Blum, and several of their respective supporters) to the effect that "the Chamber, resolved not to enter into relations with a ministry which, by its composition, is the negation of the rights of Parliament, refuses the anti-constitutional debate to which it is invited, and decides to adjourn all discussion until the day when a Government presents itself constituted in conformity with the sovereign will of the country."

This motion was carried by 329 votes to 214, and M. Millerand decided in consequence to resign. His only other course would have been to adjourn both Chambers for a month, but that would have produced no change except a dangerous embitterment of feeling, and would have led up to an *impasse* which could hardly have been broken through except by the *ultima ratio* of impeachment.

Happily, this peril has been avoided by the President's acceptance of the defeat which he has suffered at the first stage. Presumably, the National Assembly will now at once elect a President agreeable to the majority of its members, and their nominee will call M. Herriot to office. The new Government's hands will be so full with urgent current affairs, at home and abroad, that the constitutional question will probably be forced into the background for some time to come. But the result of last Tuesday's voting cannot fail to have a permanent influence on French political life. Never, since the foundation of the third Republic, have President and Chamber come so violently into collision. The defeat of MacMahon in 1877 was softened by the eighteen months' delay in his resignation, and he was not driven out of office by any refusal to serve under him on the part of his victorious opponents. Grèvy resigned on account of a personal impropriety imputed to a member of his family. Casimir-Périer resigned not because the Chamber or the Ministry considered that he was exceeding his powers, but because he himself considered that he was being hindered from the due exercise of them. None of these resignations raised so sharp a constitutional issue as the expulsion of M. Millerand from the Presidency by the direct vote of the Chamber and the Senate, and the element of instability now introduced into French politics will only be removed when an agreed interpretation of the constitution on this vital point has confirmed or modified the precedent created by the recent trial of strength.

PROFESSOR CASSEL ON THE GOLD STANDARD.

PROFESSOR CASSEL has few equals in the power of clear analysis and lucid exposition of economic problems, and he fully lived up to his high reputation in these respects in the paper which he read last Wednesday to the Institute of Bankers on the Gold Standard. Sweden is the one country of Europe which has recently taken steps to replace its monetary system on the gold basis, and it was therefore peculiarly appropriate that Sweden's leading economist should propound his views at this juncture to the City of London. In all his writings, and notably in the memorandum written for the Brussels Financial Confer-

ence in 1920, Professor Cassel has looked forward to the restoration of the gold standard as the solution of the world's currency troubles, though his view that it would involve a new parity for many countries of Europe has not always been very palatable to those most directly concerned. The accuracy of his diagnosis has, however, been fully justified by experience. One of the most interesting features of his paper was the relative importance Professor Cassel attached to the various arguments that are tossed to and fro in this discussion. For example, he did not spend any time on the question whether the value of gold is sufficiently steady to make it a satisfactory standard when all the world is anxiously demanding stability in economic affairs. He did something, however, to allay fears on this score by quoting figures to show that since the collapse of the post-war boom American prices have been more steady than those of Great Britain, or, indeed, of any other country. Nor did the lecturer discuss in detail the effect upon trade of stable exchanges—an aspect of the question which would have appealed with special force to the audience which he was addressing. The argument for gold which he pressed most forcefully was the psychological one that it is only the gold standard that can restore confidence generally, and put an end to the currency chaos which even in the last few months has had such a disturbing influence on the course of trade. Sweden has made a start. The Germans were driven last year by utter necessity to deal, as far as circumstances permitted, on a basis of gold prices, and even Russia is struggling by means of a gold anchor to put an end to her helpless drifting. In Professor Cassel's opinion, whatever theoretical arguments might be urged in favour of other solutions, it is only gold that can command the confidence of world opinion, and he adds that Britain's return to gold is the one great act which would stimulate and help the countries of Europe to re-establish their currencies on a sound basis. He recognised that the longer we put this off, and as we find ways of rubbing along on a paper basis, the less active will opinion be in this country to make the effort to carry out this act of assistance to Europe, and he spoke with regret—one might almost say with impatience—of the long five years' delay in this matter.

But perhaps the most valuable contribution made to the discussion was Professor Cassel's analysis of the situation in America. Many in this country have hoped that America's large gold hoard would lead to a rise of prices across the Atlantic, and so bring the pound sterling back to parity without a fall of prices here. But is this hope well founded? America's gold holding is immense, but so is her need of currency. The great bulk of her gold imports are used as reserve for gold certificates. At her present rate of growth her currency requirements involve an increase of \$200 millions a year, and in the next decade will need \$300 millions. If this were met by gold currency or gold certificates this would take nearly all of the world's annual gold production. America to-day could undoubtedly increase her note circulation, or the amount of her bank money, on the basis of her present reserves, but it is equally true that she can go on absorbing gold without being forced on to a higher price level. Indeed, we cannot rule out the possibility that America may follow the opposite path and experience a deflation of prices, and in this connection Professor Cassel fears that in America, much more than in Europe, there still persists the idea that pre-war prices represent the normal or natural level. Such a view has no economic justification under post-war conditions, and could only be held in a country comparatively free from the burden of war debt. But opinions of this kind may undoubtedly exercise an influence on monetary policy.

Professor Cassel, however, believes that those who govern American monetary policy are aiming at stability of prices, and that while the Federal Reserve Board may perhaps not be looked upon with complete confidence by the public, and, indeed, may be subjected to political pressure, its positive action will be generally approved by American opinion when it is represented as aiming at steady but progressive development.

But Professor Cassel does not really show us the way out of our difficulties. American prices have for a long time been steady, at from 63 to 65 per cent. above pre-war level, and are at the moment drifting back to the neighbourhood of 60 per cent. Moreover, she has

imposed a very heavy tariff, which means that, as compared with pre-war conditions, prices (at least of those goods which enter into foreign commerce) must be higher than open market prices. In other words, we must now get a little below the American level before we can re-establish a parity of prices. If this level is, say, 55 per cent. above pre-war, we have to face a fall in the British price level of some 10 to 15 per cent. How is this to be achieved without thrusting us back into the acute industrial depression from which we are so slowly and painfully emerging? That is the practical problem which faces those who are in a position to control our economic situation, through the mechanism of the money market. To this the inevitable answer must be that we cannot risk any serious check to industrial recovery until we are out of the wood and production in this country is fully restored, even though the more distant and indirect effects of getting back to parity might be on balance strongly to our national advantage. The economic and social effects of long drawn-out unemployment have been too serious for us to venture on any heroic measures till our strength is fully restored.

Perhaps in the end this dilemma may be overcome by a little help from the other side. Some reduction of the tariff as a result of the democratic campaign would do a little to ease matters, and Professor Cassel himself does not rule out the possibility of a little inflation of American prices. After all, the margin is not so very great, and we believe that it is a matter in which some help might be forthcoming from a revival of the half-forgotten proposal of the Genoa Conference for a discussion between the central banks of different countries, starting, perhaps, with those of England and America.

THE MAKING OF OIL PRICES.—I.

(BY A CORRESPONDENT.)

It is not often that a business man can bring himself to discuss the economic problems of his own industry with complete detachment, with real frankness and without bias. Yet this has been accomplished by one highly placed in the oil industry in a paper* read before the Empire Mining and Metallurgical Congress which has been held at the British Empire Exhibition, Wembley. Here is an instance of how it pays the business man to keep the public well informed, to take the consumer, as it were, into his confidence. A study of this paper, with its exposition of the making of oil prices, cannot fail to decrease the public suspicion of the big oil organisations by giving a better understanding of their economic position.

Others besides economists will read the following passage, coming from the pen of a business man, with some gratification:—"We who are engaged in industry, and are sometimes prone to imagine that we exercise some effect upon the wealth of the community, are really nothing more than cockleshells tossed about upon a sea of great economic forces.....When, for instance, the price of petrol goes up, I very often read in the papers that it is due to some artificial decision of a trust or to some dark and powerful human agency. I have even seen my own portrait in the newspaper on such an occasion. Those who study the economics are aware that that move may have been postponed or advanced by a few weeks by the operation of some human mind, but that, except for some very small consideration of that sort, that move in price has followed, as surely as the day follows night, an increase in demand or a diminution in supply either in the world's requirements of that commodity itself or in the world's requirements of the means of bringing it from existing sources of supply to the consumer's door."

This is the text of the main argument presented by this paper—that oil prices are determined not by magnates but by the law of supply and demand. The only difference between oil price cycles and those of other commodities is that the oscillations in the

* "The Economics of the Oil Industry." By Sir R. Waley Cohen, K.B.E.

ROTTERDAMSCH BANKVEREENIGING.

Rotterdam, The Hague, Amsterdam.

Capital ... fl. 75,000,000
Surplus ... fl. 37,000,000

Collections.

Letters of Credit. Foreign Exchange.
Purchase and Sale of Stocks and Shares.

Including its affiliated institution the Nationale Bankvereeniging, Utrecht, the Rotterdamsche Bankvereeniging is represented in about 100 places in the Netherlands.

case of crude oil are more frequent and more extreme. This point was illustrated by a detailed analysis of crude oil and gasoline price cycles in the United States covering a period of ten years from 1913. Thus, for example, during the Cushing over-production in 1914 the index number of the weighted average of five different American crude oil prices fell 53 points, while that of gasoline fell only 38 points, and that of the weighted average of all commodities fell but three points. Again, during the post-war inflationary boom the crude oil prices index number went up 122 points and down 204 in the slump that followed, while that of gasoline went up only 38 and down 56. The graph which accompanied this analysis showed very clearly not only that the oscillations in the prices of crude oil were much more violent than those in the prices of gasoline and all commodities, but that gasoline prices made a much smaller departure from the 1913 level than the average of all commodities. The author of the paper explained these peculiarities by the fact that on account of the unique conditions of chance and competition under which drilling for oil was carried on, the big oil organisations were unable to control the volume of the world's supply of crude oil, but that on account of their marketing position they were able to apply some measure of stabilisation to the prices of gasoline.

This explanation does not differ in the main from the opinions which *The Economist* has previously expressed. As everyone knows, Standard Oil has long since given up the idea of controlling the production of oil in the United States. Chance, and blind, unrestricted competition, govern the supply of crude oil to American refineries. "No one can foretell the date," to quote the author again, "when some one or other of the innumerable wild-cat wells that are constantly going down will strike a new field that may flood the markets of the world with quantities exceeding expectations by an amount of such an entirely different order from the variations in demand as to swamp them (the markets) entirely. That experience happened a year ago, when a new field was suddenly struck, and feverishly developed by countless rival interests." It must not be forgotten that the world's production of oil still largely depends on small or independent producers. Some interesting figures on this point were revealed. The production of the Royal Dutch-Shell group was given as 100 million barrels per annum, that of the Standard Oil companies combined at 150 million barrels, and that of the Anglo-Persian-Burmah group at 35 million barrels. The total of these three still leaves about 715 million barrels, or, roughly, 71 per cent. of the world's production to be accounted for by producers independent of these large organisations. That is why, on the one hand, crude oil prices sometimes rise to dizzy heights before the small producers can be induced to undertake the extra drilling and wild-cating required to bring production up, and why, on the other hand, prices must sometimes sink to abysmal depths before the competitive drilling among small companies is checked. "The great organisations," writes the author, "have nothing to do with either rise or fall. In fact, it is because they can eliminate neither chance nor competition in the oil production business that crude oil prices are subject to these violent oscillations."

As regards the prices of gasoline, it is claimed that the big oil organisations can and do effect stabilisation at a lower level than would be possible for individual single-unit companies; in other words, that they can afford to charge a lower price and take a smaller ratio of profit. It is perfectly true that the organisation which embraces all

the correlated functions of production, transport, refining, and marketing is the most efficient organisation for the oil business. It eliminates the risks—and risks, as the author observes, are among the most expensive things in business—which are attached to each functional activity in oil if carried on independently of the rest. It is able to spread its risks of capital over many oilfields in different parts of the globe instead of staking everything on one field or pool. It is able to supply markets the more economically by reason of this world-wide distribution of the sources of production. It can thus guarantee continuity of supply and ensure efficiency in distribution. It becomes the dominating and stabilising force in the markets. Does it use this power in the interests of the consumer?

The author claims to have tangible proof that the answer to this question is in the affirmative. American refiners, he said, attracted from time to time by articles in the newspapers suggesting that exorbitant prices are being obtained for oil products in Great Britain, have sent representatives over here one after another to study the market. The result of that study has been to show them that over any reasonable period the average price at which petroleum products are being sold here by the big distributing organisations is not sufficient to cover the cost of oil in the free markets of America, and of shipping it and distributing it to the consumer. "The fact is," to quote a significant passage, "that the great organisations can only maintain their immensely costly services of distribution to almost every street in the towns, and almost every village throughout the country if they continue to do practically the whole trade, and in order that they may continue to do this they are compelled by the most inexorable economic considerations to maintain their prices at such a level that it pays no one seriously to compete with them." This statement will be welcomed heartily by every consumer of petrol in the country.

(To be concluded.)

SHIPPING COMPANIES' PROFITS.

In compiling a review of shipping profits in 1923, it is perhaps as well, at the outset, to direct attention to the fact that the bulk of the capital invested in sea transport is now represented by "liners." Unfortunately, the operations of these fleets are veiled in considerable obscurity. The rates they charge are, as a whole, unknown to the public; no returns of tonnage carried by them are ever published, and issued accounts are often deficient in detailed items. The balance of the mercantile marine consists of "tramps." And it is from the movements of the latter description of vessel that most shipping statistics are compiled. According to private reports, in 1923 liner holds were filled on an average to 80 per cent. of normal capacity, as compared with 70 to 75 per cent. in 1922. Passenger traffic, though shrunken in comparison with 1913, similarly improved. It has been estimated that the average gross revenue per ton carried by liners in 1923 considerably exceeded 25 per cent. over the average of 1909-13. On the whole, the revenue of shipping in 1923 probably differed little from that in 1922, estimated by the Board of Trade at £110 millions net.

Substantial reductions in the cost of running vessels were made. Wages of crews were reduced by 10 per cent., and port charges brought down to about 60 per cent. over pre-war scale, while the acceptance of low premiums by underwriters curtailed the charge for insurance to something like pre-war figures. The average cost of bunkers was roughly 70 per cent. above the 1918 level, as compared with 60 per cent. in 1922.

We have selected fourteen representative shipping companies, which cover between them most sections of the sea carriage industry. Our first table shows the net profits after payment of debenture interest, for the past three years, of a number of these undertakings, together with the rate of ordinary dividends. Amounts carried forward

for the past three years and allocations to reserve are also appended:—

Name.	Year Ended.	Net Profits after Payment of Debenture Interest, also Ordinary Dividend.			(a) Amount Carried Forward; (b) Put to Reserve.		
		1921.	1922.	1923.	1921.	1922.	1923.
British India Steam Navig.	Sept. 30	£ 111,609 8 %†	£ 10,481 8 %†	£ 112,679 8 %†	(a) £ 25,496 (b) ..	(a) £ 24,402 Dr 100,000 (b) ..	(a) £ 25,504 Dr 100,000 (b) ..
Cairn Line	Dec. 31	170,617	21,124	Dr 21,717	(a) 13,555 (b) 100,000	(a) 14,679 (b) 40,000	(a) 17,958 (b) 25,000
Cunard Steamship	Dec. 31	500,031 7½ %	394,587 7½ %	391,168 5 %	(a) 199,890 (b) ..	(a) 125,261 (b) ..	(a) 158,619 (b) ..
Eagle Oil Transport	Dec. 31	944,316 8 %	1,237,277 10 %†	936,246 10 %†	(a) 94,731 (b) 536,042	(a) 144,170 (b) 692,838	(a) 116,410 (b) 750,000
Elder Dempster	Dec. 31	464,602 8 %†	436,107 7 %	428,096 6 %	(a) 154,359 (b) 75,000	(a) 113,660 (b) 50,000	(a) 101,797 (b) ..
Furness, Withy	April 30	782,944 10 %†	655,907 10 %†	552,511 7½ %†	(a) 203,349 (b) 300,000	(a) 206,054 (b) 200,000	(a) 200,000 (b) ..
Houlder Line	Dec. 31	80,598 7½ %†	81,326 7½ %†	133,285 7½ %†	(a) 30,881 (b) 19,468	(a) 34,207 (b) 40,000	(a) 59,492 (b) 75,000
Lampport & Holt	Dec. 31	347,500	134,472	51,132	(a) 137,162 (b) 65,000	(a) 66,825 (b) 8,000	(a) 103,556 (b) 200,000
Manchester Liners	June 30	160,333 15 %†	85,290 15 %†	65,812 10 %†	(a) 68,846 (b) 16,136	(a) 64,471 (b) ..	(a) 62,877 (b) ..
Oceanic Steam	Dec. 31	819,560 12½ %	587,086 12½ %	311,560 5 %	(a) 100,446 (b) ..	(a) 62,531 (b) ..	(a) 124,091 (b) ..
Orient	June 30	146,652 12½ %†	267,454 12½ %†	269,635 12½ %†	(a) 50,166 (b) 20,440	(a) 72,909 (b) 100,000	(a) 72,821 (b) 133,000
P. and O.	Sept. 30	571,466 12 %†	644,596 12 %†	706,177 12 %†	(a) 100,306 (b) 800,000	(a) 101,799 (b) 154,242	(a) 101,873 (b) 133,000
Royal Mail	Dec. 31	396,699 6 %	490,102 6 %	538,506 6 %	(a) 103,927 (b) ..	(a) 126,528 (b) ..	(a) 130,534 (b) ..
Wm. France Fenwick	Dec. 31	84,441 10 %	79,397 10 %	81,428 10 %	(a) 14,524 (b) ..	(a) 10,671 (b) ..	(a) 8,850 (b) ..

† Free of income-tax.

The British India Steam state that further reductions in working expenses and improvement in freights have been responsible for better results; last year it may be recalled, this company transferred an unstated amount from reserve. In the profit and loss account appeared the item, "Net result after transfer from reserve funds, and allowing for depreciation on steamers." This is certainly one way of averaging profits. In the balance-sheet for 1921 the reserve fund is given as £500,000; in that for 1922 the fund is down to £400,000, but it is not clear how much of this difference was added to net profit and how much was used in other ways. The Cairn Line was not able to make a profit; indeed, £75,000 has been taken from the contingency account. The directors complain of high wages, port charges, and the cost of handling cargo. But other companies had to face somewhat similar conditions. A year ago the Cairn Line distributed 5 per cent. on its ordinary capital. The Cunard Line maintained profits. Ordinary shareholders of the Eagle Oil Transport having, for the time being, waived their right to dividend distributions, the directors were able to set aside £750,000 for depreciation. Elder, Dempster and Co. is partly a holding company. How far the decline in profits is due to a falling off in the earnings of the company's fleet, and how far to a drop in receipts from investments in other shipping companies, it is impossible to say. Income from investments and profit at head office and branches is given as £527,600, against £535,700 a year ago.

Furness, Withy maintain a bonus distribution. The Houlder Line keeps up a steady progress, but Lampport and Holt withdraw £200,000 from reserves. The accounts of Manchester Liners are rather out of date for the purposes of our review, covering the 12 months ended June 30, 1923. The Oceanic Steam in its report referring to the year 1923, says that "the period under review has been one of exceptional difficulty, and the result of the year's working is much less favourable than previous years." It is pointed out that "in the North Atlantic services the restrictions imposed upon immigration into the United States continue to affect trading results very seriously." The report is couched in pessimistic vein. The Orient Company again distributes 12½ per cent., and places £125,000 to reserves. We have before drawn attention to the accounts of the P. and O. Perhaps it may not be out of place to mention here that in reply to a request for a copy of the directors' report, balance-sheet,

and profit and loss account, the secretary of the Booth Steamship Company wrote: "This company's reports are not now sent to the Press, as they are not of interest to the general public." The preference shares are quoted on the Liverpool Stock Exchange; it would be interesting to know if this quotation is of interest to the general public, and if not, why it was asked for in the first place.

Our second table provides an analysis of the principal assets and liabilities of these companies:—

Name of Company.	Principal Liabilities.			Principal Assets.				
	Total Share, Debenture, and Note Capital.	Total Reserves.	Creditors.	Properties, &c.	Debtors.	Investments.	Cash.	Stocks.
Brit. India	£ 3,334,730	£ 1,500,000	£ 11,862,377	£ 16,778,391	£ 16,778,391	£ 16,778,391	£ 16,778,391	£ 16,778,391
Sep. 30, 1921	3,334,730	1,500,000	11,862,377	16,778,391	16,778,391	16,778,391	16,778,391	16,778,391
Sep. 30, 1922	3,334,780	1,400,000	12,063,291	16,876,260	16,876,260	16,876,260	16,876,260	16,876,260
Sep. 30, 1923	3,399,820	1,400,000	10,702,511	15,513,624	15,513,624	15,513,624	15,513,624	15,513,624
Cairn Line	£ 1,801,128	£ 531,615	£ 87,706	£ 1,026,333	£ 161,453	£ 551,650	£ 94,567	£ ..
Dec. 31, 1921	1,801,128	531,615	87,706	1,026,333	161,453	551,650	94,567	..
Dec. 31, 1922	1,800,939	384,984	22,075	1,070,382	53,877	441,371	57,046	..
Dec. 31, 1923	1,700,760	247,348	61,984	1,158,440	68,610	306,917	87	..
Eagle Oil	£ 8,000,000	£ 1,435,987	£ 834,974	£ 9,139,563	£ 366,691	£ 2,069,348	£ 6,882	£ ..
Dec. 31, 1921	8,000,000	1,435,987	834,974	9,139,563	366,691	2,069,348	6,882	..
Dec. 31, 1922	8,000,000	2,236,198	835,412	9,821,001	277,680	1,434,739	14,598	..
Dec. 31, 1923	7,458,320	1,553,395	866,551	10,016,129	317,344	1,376,255	9,112	..
Elder Dem.	£ 9,235,000	£ 1,250,000	£ 2,767,063	£ 767,642	£ 1,937,077	£ 1,937,077	£ 210,745	£ ..
Dec. 31, 1921	9,235,000	1,250,000	2,767,063	767,642	1,937,077	1,937,077	210,745	..
Dec. 31, 1922	9,235,000	1,427,943	2,619,506	775,657	1,753,562	1,753,562	228,550	..
Dec. 31, 1923	10,235,000	1,553,395	2,071,059	727,735	1,180,658	1,180,658	250,445	..
Furness & Co.	£ 5,500,000	£ 1,800,000	£ 4,668,058	£ 7,836,334	£ 1,313,388	£ 500,000	£ 2,841,334	£ ..
Apr. 30, 1921	5,500,000	1,800,000	4,668,058	7,836,334	1,313,388	500,000	2,841,334	..
Apr. 30, 1922	5,500,000	2,000,000	3,983,292	8,647,405	1,645,580	1,645,580	1,722,612	..
Apr. 30, 1923	5,500,000	2,000,000	4,060,514	4,627,591	2,518,731	3,596,497	1,020,031	..
Oceanic	£ 11,736,209	£ 1,368,080	£ 11,827,981	£ 17,727,084	£ 3,556,227	£ 2,333,215	£ 1,963,751	£ 372,198
Dec. 31, 1921	11,736,209	1,368,080	11,827,981	17,727,084	3,556,227	2,333,215	1,963,751	372,198
Dec. 31, 1922	11,606,209	1,365,717	12,920,902	20,160,006	1,492,282	2,663,489	1,693,433	422,924
Dec. 31, 1923	11,476,209	1,455,019	11,913,800	18,797,456	1,792,581	2,617,867	1,603,949	348,015
Houlder Line	£ 500,000	£ 585,000	£ 349,585	£ 966,509	£ 122,955	£ 358,115	£ 36,770	£ 1,742
Dec. 31, 1921	500,000	585,000	349,585	966,509	122,955	358,115	36,770	1,742
Dec. 31, 1922	500,000	625,000	285,894	1,294,745	147,932	31,298	31,298	1,792
Dec. 31, 1923	500,000	700,000	332,203	1,470,717	91,872	(c)	47,947	1,783
Lampport & Holt	£ 4,050,000	£ 1,050,000	£ 182,593	£ ..	£ 314,484	£ 6,103,078	£ 64,148	£ ..
Dec. 31, 1921	4,050,000	1,050,000	182,593	..	314,484	6,103,078	64,148	..
Dec. 31, 1922	7,190,000	1,050,000	235,299	..	169,388	8,171,126	396,081	..
Dec. 31, 1923	7,190,000	850,000	321,828	..	217,194	8,411,115	44,126	..
Manchester Liners	£ 910,118	£ 483,864	£ 620,453	£ 1,623,460	£ 276,687	£ (c)	£ 268,086	£ ..
Jan. 30, 1921	910,118	483,864	620,453	1,623,460	276,687	(c)	268,086	..
Jan. 30, 1922	902,920	500,000	799,059	2,077,800	104,505	(c)	152,684	..
Jan. 30, 1923	902,920	500,000	669,915	1,912,413	98,459	(c)	78,509	..
Oceanic	£ 6,616,400	£ 1,327,409	£ 1,695,498	£ 6,762,868	£ 1,700,588	£ 1,741,772	£ 32,516	£ 241,975
Dec. 31, 1921	6,616,400	1,327,409	1,695,498	6,762,868	1,700,588	1,741,772	32,516	241,975
Dec. 31, 1922	6,448,500	1,327,409	2,854,963	8,220,749	1,447,675	1,406,215	26,468	224,191
Dec. 31, 1923	6,266,900	1,327,409	1,174,256	8,089,655	1,311,912	1,300,593	16,024	228,927
Orient	£ 1,651,460	£ 1,124,287	£ 724,657	£ 3,226,457	£ 441,867	£ (c)	£ 85,201	£ 104,721
Jan. 30, 1921	1,651,460	1,124,287	724,657	3,226,457	441,867	(c)	85,201	104,721
Jan. 30, 1922	1,400,260	1,365,597	782,297	3,446,944	191,790	(c)	93,691	108,301
Jan. 30, 1923	1,497,660	1,453,699	845,939	3,662,520	397,031	(c)	67,065	103,821
P. and O.	£ 8,120,078	£ 4,300,000	£ 8,816,712	£ 23,336,598	£ (c)	£ 12,077,305	£ 275,213	£ 242,210
Sep. 30, 1921	8,120,078	4,300,000	8,816,712	23,336,598	(c)	12,077,305	275,213	242,210
Sep. 30, 1922	11,820,078	6,062,199	7,597,441	13,550,643	1,215,121	251,309	587,914	162,039
Sep. 30, 1923	11,650,078	6,300,950	7,711,580	12,920,356	945,606	241,627	592,842	142,743
Royal Mail	£ 1,300,000	£ 2,622,389	£ 6,279,713	£ 19,753,814	£ 505,118	£ 290,990	£ 421,411	£ 250,130
Dec. 31, 1921	1,300,000	2,622,389	6,279,713	19,753,814	505,118	290,990	421,411	250,130
Dec. 31, 1922	1,300,000	2,697,167	5,042,077	20,036,937	1,215,121	251,309	587,914	162,039
Dec. 31, 1923	1,300,000	2,777,906	4,943,616	20,214,713	945,606	241,627	592,842	142,743
W. France	£ 900,000	£ 300,000	£ 204,594	£ 520,699	£ 86,155	£ 767,222	£ 86,666	£ ..
Dec. 31, 1921	900,000	300,000	204,594	520,699	86,155	767,222	86,666	..
Dec. 31, 1922	900,000	300,000	174,085	488,161	80,579	802,262	62,879	..
Dec. 31, 1923	900,000	250,000	84,394	392,643	40,903	827,248	121,575	..

† Includes investments under properties, amount not stated. For year ended April 30, 1923, this was set out separately in balance-sheet. † Includes shipping investments. (v) Bills payable, &c. (c) Not stated separately. Included in properties, &c. (d) Represents total assets in one item.

The shipping industry has earned for itself an unenviable reputation in the matter of its accounts. The above table, eloquent in its blanks, is a striking piece of evidence in favour of those who are continually calling upon directors for "more light." By a process of gradual enlightenment the P. and O. give out fresh details. For 1921 assets constituted one item at £23,236,598. Twelve months later the company, in communicative mood, expanded this figure into four items. For 1923 another item is revealed. The chairman of the P. and O. at the annual general meeting, in referring to the demand for more information, said: "There were, doubtless, some people outside that room who would like more information of the company's affairs than was given by the report and accounts and by his, the chairman's speech. To say much more might lead to their being urged to increase the dividend, and to a depletion of their resources, which would be a departure from the conservative policy which had guided the P. and O. Company throughout its existence." In short, the speech was a negation of the modern trend of thought towards publicity.

The reserve fund of the Royal Mail now stands at £1,600,000, and the insurance fund at £1,177,000. With the transfer of £750,000, the depreciation and sinking fund reserve of the Eagle Oil Transport amounts to

£2,644,000; repair and other reserves stand at just over half a million. Notes have been purchased and cancelled during the year for £541,700, leaving outstanding of the note issue £2,458,300.

Our final table shows highest and lowest prices of a number of shipping securities during the past three years, also present prices and yields:—

Name.	Prices.		
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evalu  au Bresil a £36,000,000 par an." This estimate is a good deal higher than those usually given in Brazil, in spite of the fact that it omits several items—of which immigrants' remittances is the most important—which are usually included in the invisible imports. If this estimate of £36 millions sterling, as the amount by which Brazil's exports have to exceed her imports, is correct, she evidently has a long row to hoe before she can, by a true favourable balance, begin to reduce the total of her external obligations of all kinds. Probably, however, the £36 millions were arrived at by assuming that all the foreign capital invested in Brazil ought to be receiving a satisfactory rate of interest. More commonly recorded estimates put the total at £29 to £30 millions, and some go as low as £24 or £25 millions. If the lowest figure be taken, Brazil appears, on the basis of last year's achievement, to be as near to equilibrium as can be expected—or perhaps even desired—in the case of a new country which must continually import new capital if the necessary expansion is to be carried out. But, unfortunately, even on this assumption, the position is not as favourable as it looks, since it is generally admitted by those in Brazil who have studied this question that the balance shown on visible imports and exports is chronically overstated by undervaluation of the imports. As is usual in countries with a high protective tariff, direct smuggling, which removes goods altogether from the official figures and understatement of values, in order to evade part of the payment of *ad valorem* duties, produce too flattering a picture of the trade position.

This question of the trade balance is of great importance, owing to its effect on the value of the milreis, the stability of which is so desirable if foreign capital is to be able to remit to investors overseas the profits earned in milreis without seeing most of them vanish in the process. And there can be no doubt that the large sums which Brazil has to remit abroad each year, in order to meet the service of a foreign debt which has been mostly, if not entirely, spent on unproductive purposes, has been an important cause of the fall in the milreis. The growth in the country's external debt has been rapid, from £56 millions in 1901 to £130 millions now, without including the £9,000,000 "Coffee" loan of 1922. A country that expands its foreign indebtedness more rapidly than its trade balance is likely to find difficulty in maintaining its exchange, and in 1901, as was shown in a previous article, the Brazilian trade balance was over £19 millions, though it was exceptionally high in that year. For the first five years of this century, however, the average balance was £14½ millions, so that roughly it may be said that while the trade balance has increased by 50 per cent., foreign indebtedness has been more than doubled. Seeing that Brazil has had no great war expenditure to face, and can show no great increase in revenue producing national assets, it seems to be clear that, like other young countries with boundless confidence in their economic futures, she has found the purse of the foreign lender more convenient to open than that of her own taxpayers. Her Budget history is a long series of deficits, but here she has only followed the example of many of her most financially respectable neighbours.

But all this is ancient history. As everyone knows, Brazil is now blessed with an administration, under the Presidency of Dr Bernardes, which has turned, or is trying to turn, a new financial leaf in her record. A British mission has been to Brazil, and has doubtless obliged with much salutary advice, to which the Government has, no doubt, given the most careful consideration. What Brazilian bondholders and other investors in the country are eagerly anxious to know is, when and in what form practical results are going to follow from all these efforts and intentions. Some weeks ago the City article of the *Times* whetted our curiosity with a hint that a summary of the report of the mission might shortly be published, but we still have to live on that most unsatisfying diet, hope, and to remind ourselves that it is ridiculous to be impatient, because the progress of reform must necessarily be slow in such a huge and loosely-knit country.

In Brazil also there seems to be a certain amount of disappointment with the slow movement of events. Congress was, as usual, opened at the beginning of May, and was instructed by a Presidential message. Com-

menting on this document, *Wileman's Brazilian Review*, in its issue of May 7th, says that it is "anything but sensational, and therefore disappointing." . . . From the financial point of view the message has little, if anything, new to tell. The mere fact that there must be financial equilibrium, and that special and preventative measures must be put into force, is but the natural desire of a well-intentioned administration whose object is to reconstruct chaotic finances." Perhaps local opinion is also rather too impatient, and it likewise is evidently very curious, too, to know what the Mission recommended. *Wileman* growls at the President for saying so little about the advice given by it. This critic, however, has to admit that "ever since its entry the Government was beset by financial difficulties, singularly aggravated by a multitude of causes. The times were hard, the unhappy effects of accumulated errors were reflected in the credit of the Republic, and completed the depreciation of its currency. Naturally every effort of the present Government was concentrated to combat such a state of things, and the reaction already noticeable, manifested in more stability in exchange, higher quotations in securities, and growth in commercial and industrial business, is but the outcome of these efforts, which must be persisted in." The Message itself, as analysed by *Wileman*, appears to contain much interesting matter. It lays stress on the importance of the institution of the Central Accounting Department of the Republic, which has had the rather surprising effect of enabling the Government to "learn the extent of the country's floating debt." The estimates are now studied by a committee of experts before being submitted to Congress, and, following the English example, the Government has appointed a Commission of business men "to examine in detail the possibilities of reductions in expenditure." Moreover, "the Government," continues Dr Bernardes, "has decided to reorganise the process of estimates, and to insist on financial equilibrium, without which no country can ever prosper. So long as the abuse of opening special credits beyond those estimated by the Government is allowed, there are two Budgets—one ostensive, showing indispensable expenditure and probable revenue, and the other semi-clandestine, authorising expenditure with no means to cover it. If this country wishes to establish order in its finances, this abuse must cease." It thus seems that something definite is being tried, and that the present Government really means to make genuine efforts to put Brazil's finances into a shape more worthy of the wealth of the country. Among the causes which depressed the value of the milreis, the President includes the adverse balance of trade during the three years 1920-22; the reduction in the supply of export bills in virtue of valorisation stocks; political unrest; budget deficits, which rose from 79,968 contos in 1908 to 448,952 contos in 1922; and a floating debt which exceeded 1,000,000 contos—£25 millions with the milreis at 6d. Among the features which promise improvement are the £25½ million favourable trade balance for 1923; the probability that coffee exports may this year realise £50 millions; "the decrease in the budget deficit for 1923, and the probable financial equilibrium in 1924; the excellent impressions obtained by the Mission; renewed confidence in the administration, are all factors which are contributing towards the recovery in exchange." Viewed in relation to the wealth and possibilities of the country, the financial difficulties of Brazil seem to be by no means insoluble, if the necessary effort is made and maintained by her Government and people. Once solved, there need be no recurrence, as long as she can avoid those lapses into prodigality, encouraged by too easy borrowing abroad, that have marked her financial history in the past.

THE CONDITION OF THE TIN MARKET.

(BY A CORRESPONDENT.)

NOTWITHSTANDING the recent rapid fall in prices which broke the standard cash official quotation from £297 10s on March 12th to £201 by May 23rd, there is now considerable interest being shown in the tin market again, and the future course of the market is a matter for considerable speculation, both here and in the United States. It is a remarkable thing that tin on the London market has never once since October 1, 1923, been quoted

officially below £200 per ton. There has been a lot of uncertainty at times, and early in October £201 was registered, but from November onwards there was a very strong upward movement which lifted values to £233 15s. by the close of the year. Early in 1924 the market went ahead again, and during January the value improved from £237 5s to £253 10s. This was followed in February by another well-sustained advance, which left values on February 29th at £288 5s. Early in March the market became very strong, and on the 12th of that month some business was done at over £298, the market officially closing at £297 10s. This was followed by one of the most violent slumps witnessed on the London Metal Exchange for many years. There was a rush to liquidate, accompanied by bear sales, and some of the smaller bulls were left with tin that had been purchased at high prices. By the end of March prices had crumbled away to £254, with the feeling still very feverish and uncertain, and April brought further weakness, the market falling from an opening level of £257 10s to £236 10s. During the month of May the commodity simply went to pieces. Holdings were sacrificed right and left, and with American support withheld, bear selling was again very aggressive. On the 23rd the market just managed to keep above the £200 level, although it was freely predicted that there would be a break in the round figure, and confidence did not return again until the end of last week, when a much firmer feeling was ushered in. Just previous to the close of the markets for the Whitsun holidays, both cash and three months' stood at £217, a fairly large backwardation having run off, and sentiment, on the whole, was more hopeful, although prices after the holidays opened lower and still showed some hesitation, although there was a recovery from the opening level of £213 taken for forward tin.

The commodity has thus for over eight months been held above £200, and this has been a very encouraging development for all tin producers. The average price for tin this year so far is very good, and most of the leading producers must have made fair profits. Rapid changes in a market like tin, which is very often the counter for some heavy speculative transactions, are unavoidable, but if the price can be kept over the £200 mark for the remainder of the year it would prove very satisfactory for all concerned. To the recently resuscitated Cornish tin-mining industry fairly high selling prices are absolutely necessary, as black tin moves in unison with the standard price. If the recent efforts of the bears were not sufficient to depress the London selling price below the £200, they are not likely to be successful over the next few weeks, and after that the autumn trade buying, coupled with the strong statistical position, will make operations of this character very dangerous. It may be stated that reports from the United States received early this month in London spoke confidently of £175 being reached very shortly here due to American manipulative tactics and the absence of buying for account of New York operators, but even if this forecast does prove accurate, the fall would be very short-lived, as already September tin is being dealt in, and this position early this week showed a very firm undertone, although it was put down during early business after the holiday break. The mining companies have received considerable encouragement from the hard undertone shown by the market again after the recent set-back. Tin at anything round about £200 or so is a very good paying proposition to most of the producers, and anything above that, of course, means handsome additions to the profits.

The statistical position of the commodity is very interesting, as the various authorities differ considerably, but, taking Messrs Ricard and Freiwald's figures, we get a total at the beginning of the present month of 18,613 tons for the world's visible supply. This compares with 16,293 tons in the previous month and 18,338 tons a year ago. On May 31, 1922, the world's visible supply amounted to 22,270 tons, and the price was not much over £150; thus, apart from the disposal of a large quantity of the Government-owned tin, it may be claimed that the position generally is much sounder than it was that the position generally is much sounder than it was two years back. The total supplies for all May amounted to 10,631 tons. This compared with the supplies for May, 1923, and also the average for all that year shows

an increase, but this is more apparent than real, and is due to the fact that the return includes the Banka shipments for the month instead of the usual estimate for the previous month. Another authority gives the total supplies for May as 9,454 tons, and thus something between the two may be taken as approximately correct. The May deliveries were poor. The United States took 5,240 tons only, the United Kingdom 1,780 tons, Holland 803 tons, and the Continent, except Holland, 488 tons. In February last the U.S. deliveries amounted to 8,845 tons, and a drop to 5,240 tons at first glance looks bad, but the truth is that the American market this year has been very erratic, and it is evident that tin users in the United States have been greatly puzzled by the course of the market. In the first five months of 1923 the U.S. deliveries never once fell under 6,000 tons. This year we have had 8,845 tons in February, followed by 4,560 tons in March. In April they rose to 7,590 tons, only to fall again last month. But taking the aggregate for the five months of this year it is found that the total works out at 31,130 tons, against 32,254 tons in the same period of last year. Probably last year also a fairly big quantity of refined tin was delivered into consumption, and this is taken to mean that the American demand is falling off, especially as the New York stocks at the close of May showed an increase in the quantities held in warehouse. There was at the close of May 5,638 tons of tin afloat to the United States, and actual American stocks were 4,067 tons; thus it cannot be claimed that users on the other side of the Atlantic are overbought. Taking the twelve months ended May 31st, the total supplies were 106,017 tons, against 97,395 tons in the same period of 1922-23, and 80,659 tons for the 12 months ended May 31st, 1922. The deliveries in the same periods were 105,742 tons, 101,327 tons, and 75,917 tons respectively. This shows a gradually improving position. Thus while for the 12 months ended May 31, 1922, supplies exceeded the deliveries by no less than 4,742 tons, in the following year the margin was 3,932 tons on the reverse side, and for the 12 months ended May 31st last the total supplies were only 275 tons over the deliveries, thus showing that supply and demand are very evenly balanced. The Eastern "Pool" up to the end of May had sold about 12,600 tons, leaving 5,000 tons still to be marketed. Last month, when the price of standard tin on the London market moved between £239 and £201, the Government of the Federated Malay States sold no tin at all, and from this it is obvious that the holders of this metal are prepared to show a certain amount of restraint in disposing of the tin held under the Bandoeng Agreement unless the price is favourable. Seeing that the bulk of this tin cost fully £250 per ton, this policy is, no doubt, the right one, but given more encouraging markets in the autumn all the pooled tin should be cleared by the end of 1924.

The U.K. stocks this week are larger at 3,169 tons, but this is still a moderate total. The tinplate trade here at the moment is rather quiet, but more orders are expected next month. The shipments are running at about 140,000 to 150,000 boxes per week from Swansea, and stocks at 298,663 boxes are not excessive. The Stabilisation Committee has lowered the minimum selling price of tinplates to 22s 7½d, and Welsh steel bars have been put down to £8 12s 6d per ton delivered, less the usual 7s 6d rebate. The home makers are well equipped to face competition, but the American mills of late have been successful in taking contracts for the Far East, and there is no doubt that world business in tinplates is going to be cut very fine in the coming months. Reports from the States indicate that a very brisk season is expected. At the beginning of May there was very little unsold tinplate stock at the mills, and it was hoped to clear all by the end of June. Thus the current month will be a quiet one, both for tin and tinplates, but the American market will begin to show some liveliness early in the third quarter. Canning prospects all over the United States are fairly promising, although bad weather has had an adverse effect on some crops.

Summing up the position of tin, it may be regarded as fairly comfortable from the producers' point of view. The backwardation has run off; statistically the commodity is healthy enough, and although the American purchasers are out of the market for the time being, they will

have to buy in another month or two. The recent short sales would have to be covered on any sign of another upward movement, but for the present there is no urgency. Tin is being carried without much difficulty, but the general position is now much sounder than it was. The future depends largely on American buying, and this may not come up to expectations, due to the slowing up of industry in general in the United States, but there does not appear to be much fear of excessive supplies being offered over the remainder of the year. The attitude of the F.M. States Government shows a certain amount of confidence in the future, and after a period of comparative dullness tin should firm up again, and probably it will rise to about £250, or a little over, in the late autumn. Certainly there is no justification for any bearish talk, and it may be stated that the New York market early this week was very firm, with spot tin up to 42.12½ cents and July on the same level.

COAL PRODUCTION AND CONSUMPTION IN GERMANY.

DURING the war the production of coal proper (Steinkohle) in Germany fell off considerably, despite the fact that there was a considerable influx of labour into the mines. The shortage was intensified after the Armistice by the loss of the Lorraine and Saar coalfields, while in June, 1922, East Upper Silesia was ceded to Poland.

The total production of pre-war Germany was 190 million metric tons in 1913; that of the present area in the same year being 140.8 million tons. In the following table the production of the principal coalfields, exclusive of Lorraine and the Saar, and, since June, 1922, exclusive of the ceded part of Upper Silesia, is given for the last pre-war year and for the past five years:—

COAL PRODUCTION (in Millions of Metric Tons).

Coalfield.	1913.	1919.	1920.	1921.	1922.	1923.
Ruhr-Rhine ..	117.8	72.9	89.8	95.8	98.9	43.5
Upper Silesia..	43.3	25.8	31.8	29.7	19.7	8.7
Lower Silesia..	5.5	4.1	4.2	4.7	5.5	5.3
Saxony	5.4	3.9	4.1	4.5	4.2	3.8
Other fields ...	5.4	1.0	1.4	1.5	1.7	0.9
Total	..	107.7	131.3	136.2	130.0	62.2

It will be seen that the total output of the Ruhr-Rhine coalfield had risen by 1922 to nearly 84 per cent. of the pre-war figure; while the average number of men employed in that year was 568,000, as against 404,409 in 1913—an increase of about 40 per cent.

Last year the Rhine-Ruhr field was, of course, the scene of the passive resistance movement, and production fell off enormously. The general economic dislocation of that year is also reflected in the output figures of the other coalfields, though since the stabilisation of the exchange in November there was a rapid improvement down to April last, when industrial unrest once again reversed the upward movement. The following statistics relating to the German portion of the Upper Silesian field are of considerable interest in this connection:—

	1913.	1922.	—1924—
Output per manshift	1,144 ..	606 ..	Jan. 845 .. Feb. 855
Hours per manshift	9½ ..	7½ ..	8½
Output per hour worked by underground workers	188 ..	122 ..	140 .. 146

It is significant that, with the introduction of the 8½ hour day in January last,* not only was the output per manshift greater than that in 1922, but the same was also true of the output per hour worked. It is essential to remember, however, that since the mark has been stabilised, real wages, though still very low, are nevertheless greater than they were during the period of inflation. In other

* The 7½ hour day continued throughout 1923, but the figures for that abnormal year are of no particular interest here.

words, with stabilisation has come a not unimportant rise in the standard of living of the German working man.

The lignite (brown coal) deposits of Germany are found principally in the Prussian Province of Saxony, in the Cologne district, in Saxony proper, in Lower Silesia, and in Thuringia. Over 99 per cent. of these fields are still included in the territory of the Reich, and production has gone ahead rapidly since the Armistice.

German lignite is of very inferior quality as compared with Bohemian lignite, for example. The moisture content varies from 40 to 60 per cent., and the non-combustible matter from 5 to 10 per cent. For statistical purposes one ton of German brown coal is therefore regarded as the equivalent of two-ninths of a ton of black coal.

In consequence of its moisture content and of its general structure—it is of the consistency of ordinary garden earth for the most part—lignite is usually dried and made into briquettes, an industry which is of considerable importance in the neighbourhood of Halle and Bonn. As a rough approximation, three tons of raw lignite may be taken as the equivalent of one ton of lignite briquettes—two tons as raw material and one ton as fuel for the high pressure briquetting process which, incidentally, is carried through without using any binding material. Adopting these equivalents, we arrive at the following table of lignite production of recent years:—

	(In Millions of Metric Tons.)			Proportion of Lignite Converted into Briquettes.	
	Raw Lignite.	Coal Equivalent.	Briquettes.	%	%
1913	87.2	19.4	21.4	74	
1919	93.6	20.8	19.7	63	
1920	111.6	24.8	24.3	65	
1921	123.0	27.4	28.2	62	
1922	137.2	28.3	29.5	75	
1923	118.3	26.3	26.9	68	

With the exception of 1923, which was a year of economic dislocation, lignite production has expanded steadily since the Armistice, the figures being in every case well above those of 1913. The 1922 output was, in fact, 157 per cent. of the last pre-war year.

The output of briquettes has also expanded, though not in quite the same proportion. In general, indeed, briquette making has absorbed a smaller percentage of a larger total production. This is the more important when it is remembered that raw lignite will not stand the cost of transport and must be consumed locally. The explanation is, of course, to be found in the great importance of lignite-fired power stations in post-war Germany.

To complete this short survey of the German coal industry since the war it is necessary to consider production in relation to foreign trade in coal. This is the more important in view of the attention that has been paid to deliveries on Reparations account, which are included under exports in the following table. Lignite (German and Bohemian) is here given at its coal equivalents:—

	(In Millions of Metric Tons.)			
Year.	Production.	Imports.	Exports.	Consumption.
1913	209.5	16.2	46.0	179.7
1919	128.5	1.4	10.5	119.4
1920	156.2	2.0	23.2	135.0
1921	163.5	2.9	26.8	139.6
1922	158.3	15.4	23.6	150.1
1923	88.5	28.4	1.7	115.2

Perhaps the most significant feature is the steady rise in coal consumption from 1919 to 1922. In the latter year the coal consumed in the present Reich equalled nearly 85 per cent. of the 1913 consumption of pre-war Germany. Whereas, however, Germany had exported nearly thirty million tons in 1913, in 1922 exports only totalled some eight million tons. The effect of the cession of East Upper Silesia upon the coal balance is thus clearly apparent from these figures. For the present, indeed, it seems that coal imports from Poland are inevitable, so long at least as deliveries have to be made on Reparations account.

Last year, for the first time, Germany was on balance a coal importing country, while her coal consumption was only about 64 per cent. of that of the German Empire in 1913. This is, of course, nothing more than a passing phase.

Notes of the Week.

The Tube Strike.—The unfortunate London worker, who, for the third time within six months, has found himself compelled to endure the sufferings of the Black Hole of Calcutta on his way to and from his daily employment, is more interested in the fact that the strike has now collapsed than in understanding its causes. But his inability to understand why his Whit Monday holiday was spoiled for him has produced a justified irritation on the part of the sufferer from the dislocation of the Tubes, which was not felt in anything like the same measure at the time of the bus and tram strike. Understanding, indeed, in this case would increase, not diminish, his annoyance. Behind the complicated difficulties of adjustment as between the craft and the industrial unions, behind the struggle over award No. 728, regulating the position of the railway shopmen, there is what Mr Cramp, on his return from Vienna, bluntly characterised as a "foul disease," an underground movement designed to capture the industrial and political organisation of the workers in the interest of Communism. The reason why the Labour party has always rejected the demand for Communist affiliation has always been this policy—the policy described by its promoters as that of forming "nuclei," or "cells," inside the unions, as inside the local Labour parties, which will undermine the authority and policy of its leaders, accepted by the great mass of the rank and file, who, after all, disbelieve in the Communist theory of prosperity through chaos. In the Electrical Trades Union, as in Mr Bromley's union, there has always been a strong Communist element; the electricians are, moreover, by the very nature of their industry (a "key" industry if ever there was one, in our modern world) apt to think in terms of "shock" tactics, and to believe in the powers of a dictating minority. But though the E.T.U. and the Vehicle Workers, with two other smaller unions, ultimately "recognised" the strike started in the power stations and shops of the G.W.R. and London Electric, at midnight on June 4th, its driving force came not from the unions, but from a Committee with no status, whose headquarters were in the Labour College. It did not succeed, in anything like the measure it hoped, in bringing out either the power or shopmen. Some of the London Tubes were paralysed, but Neasden and Cardiff continued at work; at the same time, the cooler heads in these unions recognised that the unofficial support of the railway shopmen (denounced from the first by the N.U.R.) was prejudicing the claims made by the craft unions. So much was this felt that on Thursday night the local shop stewards of the E.T.U. powermen refused to come out. This spells the collapse of the movement. It leaves its root cause, however, behind. "What is needed," says Mr Cramp, is "greater courage in dealing with disruptive elements," greater courage and less sentimentality. The Labour party still admits individual Communists to membership, and its newspaper is more sympathetic to them than to the Labour Government; at Kelvingrove a Communist was run as the official Labour candidate, with the result, as *Forward* has stated, that a seat that Labour might have won was lost by Communism. The strong line taken by the N.U.R. is, it is to be hoped, the earnest of an intention, by the industrial side of the Labour movement, to put its own house in order. It must know, every responsible union official and member must know, that sporadic strikes represent a most serious menace to the political progress of Labour, and, above all, to its Government; they are the slowest, not the quickest, road to the removal of grievances. So far as the shopmen are concerned, the N.U.R. is preparing an "all grades movement," designed to meet, on constitutional lines, the problem of the craftsman. But the power of the unions to improve their members' conditions is destroyed if they allow a pistol to be placed at their heads by groups or "cells," whose admitted method is to produce chaos in the hope that out of the collapse of society a new order may arise. How they do not know. The chaos is certain; nothing else. It is for the unions to deal with this danger within their ranks; the London hold-up is a warning to them of its urgency. The public have reason to be grateful both to Lord Ashfield and to Mr Cramp for the strong attitude they have adopted.

Mr Wheatley's Housing Scheme.—We devoted an article last week to a critical examination of the main aspects of the housing proposals which Mr. Wheatley has explained to the House of Commons. It is not possible in the space of a single article to traverse all the lines of criticism which suggest themselves, and space forbade us to give any detailed examination of the statistical basis upon which the whole scheme rests. This basis we find to be open to serious doubt. The total number of inhabited private dwellings in 1911 in Great Britain was about 7½ millions; including shops used also as dwellings, the number was 8,150,000. Since in 1891 the number was 6,270,000, the increase in 20 years amounted to nearly 1,900,000. In these 20 years the population increased by 7½ millions to 40,783,000. In the current number of the *Economic Journal*, in an illuminating article on the birth-rate and population, Professor Bowley concludes that "With the present rates of births, deaths, and emigration, the population of Great Britain will increase to 45 or 46 millions about 1941, and then diminish." If we take the higher of Professor Bowley's figures of population, the increase of population between 1911 and 1941 will work out to be 5½ millions. When we make allowance for building done in the three years before the war, for the Addison scheme houses, and for private building, we see that Mr Wheatley's scheme means an increase of at least 3 million houses for this additional population. Even allowing for replacements, for less over-crowding, and a larger proportion of adults, an addition of nearly 40 per cent. of the houses in 1911 is very large, and implies rehousing on a considerable scale. If this is what the scheme means, it reinforces the argument that we do not want to continue building down to our present low standard, but to create a higher standard of accommodation. We do not advance this criticism, or, indeed, any criticism, in a destructive spirit. But we have suffered so long from illusions and false economics in this important matter of housing, that the country has a right, when faced with the huge burden which Mr Wheatley proposes to place upon the payers of taxes and rates, to look with the most meticulous care into the economic and statistical basis of the scheme which he proposes to initiate.

A Current Epidemic.—Every now and then, writes a Stock Exchange correspondent, there springs up an epidemic of bucket-shop offers which, while affording amusement to the informed man, evidently has the effect of catching a certain amount of capital from people who are not in daily touch with financial affairs, and who are ensnared by the hope of realising fabulous fortunes. Such epidemics coincide, as a rule, with activity in some Stock Exchange market that happens to be popular at the moment. The experienced eye will be on the look-out for a flood of recommendations to buy all kinds of worthless South African shares as a result of the little animation which has lately developed in the Kaffir market. The subject would be scarcely worth attention were it not for the fact that cases in the Law Courts show how these allurements fascinate that very class of people which can least afford to lose its money. It may be taken for granted that, for one case presented before the courts, there are probably 500 others in which the victims elect to suffer in silence, rather than to have their folly dragged into the light of publicity. No doubt the share-harpies take full advantage of the knowledge that an extremely small percentage of their followers will ever dare to risk bringing an action against them, considering the publicity in the first place, and, in the second, the uncertainty which exists of their obtaining any sort of redress. In many instances the "speculators" cannot hope to recover any part of cash which has been spent in some wild-cat scheme that may have nothing actually illegal about it, but whose chance of success is one in a million. Of late the whole country, from Land's End to John o' Groats, has been flooded with circulars advising people to take up oil plots in America. Several outside firms have been pushing this class of business with a persistence which suggests that there must be a certain degree of success attendant upon their efforts to obtain subscribers. No doubt there are people who have made fortunes out of some gamble in oil, in the same way as others have from gold and metals, and it is

upon this extremely risky foundation that the advertisers build all kinds of airy prophecies concerning the likelihood of their clients becoming equally successful. Private knowledge can quote instances of servant girls, bus conductors, and others in similar positions of life who are tempted to send money that shall enable them to get rich quick. The appeal to take a hand in these ventures comes with irresistible force to those who have to struggle along upon a modest income, and who, when faced with unexpected calls upon their slender purses, clutch desperately at these bucket-shop offers of speculation that pretend to point to short cuts to wealth and opulence. One difficulty in dealing with these matters is the fact that the people who are most attracted by these offers are not likely to be readers of those few papers in which the dangers are indicated. There are various ways, however, in which business men can warn those around them to steer clear of the whirlpools. In the United States the New York Stock Exchange takes energetic measures to carry the war into the enemy's country, and to do what it can for the protection of the investing public. This action on the part of the New York Stock Exchange has been forced upon it by the extraordinary growth of the bucket-shop fraternity in the States. Ours is a slower-moving country, and the London Stock Exchange has a century-old tradition of dignity to consult. Many of its members are beginning to think, however, that the Stock Exchange might do more to safeguard the public from the attacks which are made upon people's money. The conventional argument is that to prevent a fool from parting with his capital is an impossibility. This attitude has its justification. The great change which recent years have brought about in the investment world must, however, be taken into account. Owing to the incidence of the war, the circle is infinitely greater than it ever was before of people who take an interest in financial affairs. But many of those people are new to the business, and make easy lambs for the wily financial wolves from whose attacks the Stock Exchange might do a good deal to save them, without loss to its own dignity.

Shipping Freight Index.—The decline in freights which commenced in February continued during May, and resulted in a further fall in our freight index. The figure for May was 132.94, as compared with 136.37 for April, the difference being equal to a fall of 2.5 per cent. The movements of the various groups are shown below:—

Date.	European Waters.	North America.	South America.	India.	Far East and Pacific.	Australia.	Total.
Basis (Average, 1898-1913).....	100	100	100	100	100	100	100
Average, 1913.....	110.03	113.09	123.37	106.29	117.38	127.89	116.34
February, 1920.....	814.31	529.89	757.52	744.81	587.02	712.16	690.95
December ".....	268.90	277.17	244.10	256.79	286.72	347.18	280.14
December, 1921.....	160.06	164.07	163.72	144.43	141.25	166.47	156.67
December, 1922.....	137.09	135.15	129.19	122.61	136.08	159.34	136.57
July, 1923.....	132.42	107.20	118.67	122.44	126.10	114.83	120.28
August ".....	124.79	109.11	114.33	117.70	117.51	115.73	116.53
September ".....	129.83	112.36	116.28	117.77	118.44	124.63	119.88
October ".....	133.66	125.46	114.03	119.38	124.40	136.05	125.49
November ".....	141.24	135.32	114.64	122.68	124.49	137.89	129.38
December ".....	134.03	132.72	120.09	124.35	125.07	144.21	130.08
January, 1924.....	130.69	137.49	128.33	124.88	139.45	156.68	136.25
February ".....	138.11	146.26	145.36	129.28	142.17	162.91	144.01
March ".....	143.72	147.62	145.92	132.08	135.20	147.77	142.05
April ".....	141.67	146.28	142.35	127.36	128.79	131.75	136.37
May, ".....	134.96	148.71	139.02	127.67	124.45	122.85	132.94

The month's changes in the index of each group and sub-group are shown in the following table, the figure 100 representing in each case the average rate during the basic period 1898-1913:—

	Index No.	Inc. or Dec.		Index No.	Inc. or Dec.
Home trade.....	122.94	- 1.46	S. America—outwards ..	97.16	- 5.20
Bay—outwards ..	135.79	- 12.83	" homewards ..	180.88	- 1.46
" homewards ..	150.00	- 4.84	India—outwards ..	126.32	—
Mediterranean—outwards ..	156.21	- 7.25	" homewards ..	129.02	+ 0.62
" homewards ..	121.88	- 12.41	Far East, &c.	124.45	+ 4.34
North America ..	148.71	+ 2.43	Australia ..	122.85	- 8.90

The fall in our index, which has proceeded for each of the last four months, seems to indicate rather more than a normal seasonal slackening. During May there were signs of tonnage in European waters being in excess of

requirements. Traffic in both coal and ore was considerably reduced in volume, and freights for these cargoes fell sharply. Business from the East and Australia remained stagnant so far as chartering of whole cargo tonnage was concerned, and the only markets booking space in any substantial quantity were North and South America. Even from these quarters the tendency at the end of the month was slightly disquieting, the renewed break in the French exchange and the general political uncertainty in Europe causing a marked check in future purchases of grain. The relation of the index to the average for 1913 may be seen from the following table:—

Month.	1913 = 100.	1921.	1922.	1923.	1924.
January	194.59	..	131.60	..	117.11
February	164.54	..	135.76	..	112.75
March	162.17	..	135.53	..	115.23
April	147.48	..	129.46	..	115.45
May	158.42	..	125.12	..	114.55
June	165.73	..	117.45	..	106.82
July	169.87	..	114.52	..	103.39
August	170.60	..	113.16	..	103.16
September	154.47	..	110.37	..	103.04
October	141.85	..	114.42	..	107.86
November	136.47	..	119.43	..	111.21
December	134.66	..	117.39	..	111.81
Mean for year	158.40	..	122.02	..	109.69

It will be seen that the figure for May is approximately the same as that for the corresponding month of 1923. The present position is none the less inherently sounder than it was a year ago, when the catastrophic slump following the artificial "Ruhr boom" was beginning to develop.

Cost of Unemployment.—A White Paper has recently been issued (Cmd. 2,082, price 3d) giving statistics to show the cost to the Exchequer of unemployment relief from the date of the Armistice to March 31, 1924. Excluding poor law relief and liabilities under trade facilities guaranteed schemes, the total is about £170 millions, which is made up as follows:—

Schemes.	Total Approximate Value of Schemes Assisted. Million £.	Approximate Exchequer Contributions from the Armistice to March 31, 1924. Million £.
Training, &c.	102	102
Unemployment insurance	160	42.5
Unemployment Grants Committee..	62	4.5
Resettlement	20	9.25
Acceleration of road schemes	26	8.25
Miscellaneous.....	2	1.25
Land Settlement	19.5	2.25
Women's training, &c.	75	5
	392.25	170.5

The first and largest item in the above table, "training, &c.," includes out-of-work donation (£62.5 millions), training of ex-service officers, men, nurses, and war-widows (£35.7 millions), and grants for resettlement in civil life (£3.7 millions). Excluded from the figures in the table are £24.9 millions of expenditure by poor law authorities from the Armistice to January 26, 1924, while in addition the Exchequer has a contingent liability under the Trade Facilities Act, which at February 29, 1924, amounted to £38.2 millions. The White Paper also sets out the summary figures for unemployment insurance from the Armistice to March, 1924. During the whole period, benefits paid out amounted to about £160 millions, towards which, as stated in the table given above, Exchequer contributions amounted to £42.5 millions.

America and Cotton Cloth Imports.—Our Manchester correspondent writes:—Cotton manufacturers in America are undoubtedly becoming alarmed at the large imports of piece goods, especially from England. The agitation for an increase in the tariff is growing, and trade papers are appealing for immediate action to be taken. According to a Government report published last week, the imports of cotton cloth into the United States during the first three months of 1924 totalled 55,887,096 square yards, of which the United Kingdom supplied 45,656,958 square yards. In the corresponding period of 1923 the imports from all countries were 60,255,982 square yards, the share of the United Kingdom being 46,857,361 square yards. In 1913 the United States was

twenty-fifth in the list of countries taking British cotton goods when ranked in the order of the size of the imports taken. By 1923 the United States had become the fifth most important market. The president of the New Bedford Textile Council is reported to have said that a higher tariff is the only real remedy. It is stated that Lancashire manufacturers are supplying certain cloths at 21 cents per yard, whereas the mills at New Bedford cannot sell the same fabrics at less than 25 cents per yard. The president of the New Bedford Council is credited with the following statement:—"It is a plain case of wholesale dumping of English-made cotton goods into this country, probably for the purpose of establishing a large enough credit in United States funds to cover the British payments to America on the English war debt; but why should the textile industry be made to bear practically alone the whole burden of the British debt payments?" It is understood that the authorities in this country are watching the agitation in the United States very closely, and at the end of last week there was a meeting in Manchester of representatives of firms that are particularly interested in this section of the trade. It is probable that at an early date a reply will be made to the recent statements made in America. It may be said that the charge of "dumping" is not warranted, as most of the cloth exported to the United States is made from Egyptian yarns, and this section of the Lancashire industry is doing fairly well, the goods being sold at a profit.

Morocco: Trade and Finance.—The economic conditions of the three zones making up modern Morocco are described in the Survey (2s net) just published by the Overseas Trade Department, and comprising reports by British Consular officials. Naturally, the French zone contrasts sharply with the rest. Tangier languishes, but will revive after the settlement now pending of its international status, the provision of better shelter for its anchorage, and the completion, expected next year, of the railway to Fez. The Spanish zone agriculturally can never be more than self-sufficing, and its mineral resources, except a little iron and tin, cannot at present be worked; it derives 99 per cent. of its actual wealth from the Spanish army of occupation, so that the announcement that Spanish interference would be limited to "peaceful penetration" temporarily suspended its foreign trade. The French zone shows a marked development, though some critics hold that the railways, the banking, and the public works projected, with their attendant financial burdens, are outrunning the country's needs. Import values, after correcting the figures so as to allow for the rise in prices, have risen in 13 years by about 43 per cent., from 543 million francs in 1913 to 778 millions in 1923; export values in the same time from 120 millions to 272 millions; but the first-named increase is caused mainly by the capital spent by the Government, or brought in by immigrants, and by the requirements of the 70,000 Europeans and a section of the 70,000 Jews; and no demands for new classes of goods have arisen among the 5,000,000 Moors. The large adverse trade balances are partly explained by French Government expenditure, by curtailment through war conditions, by deficient harvests, and by speculative imports sold at a loss. But the disparity cannot wholly be explained away. Still, the progress shown is satisfactory, and the peasant masses are untouched by the depression of the franc. The French loans constitute a Budget charge of 36 million francs annually, and amount at present to 705,624,000f, with 440,140,000f—probably bearing over 7 per cent. interest—authorised besides for public works, not including railways. Still, except for first establishment charges, Morocco pays its way; and the revenue, in 1913 6.5 million francs, was 300 millions in 1923, and increases as French influence extends. Agriculture is progressing; only half the arable land is as yet tilled, and only 2 per cent. by European methods; the breeds of stock are being improved, and a trade with England, subject to quick transport being provided, is hoped for in early vegetables and fruit. Forestry has been taken in hand, and from 1927 there will be large and increasing exports of cork. Of the "limitless" phosphate beds, 4,000 square kilometres are being worked, and are connected by rail with Casablanca—36 per cent. of whose population is now

foreign—while part of the product is to be made into fertiliser there. The other mineral resources (except coal and petroleum) seem promising; extensive plans are in hand for irrigation and the production of electric power; and industrial enterprise has increased—perhaps too rapidly—in Casablanca, Rabat, and Fez. All the reports insist on the need of efforts to recover the position once held by British trade. In the French zone it still led in 1907, with 44 per cent. of the total imports; in 1923 it had dropped to 15 per cent., against 67 per cent. from France. It still leads in cotton goods and coal, and does well in three or four other categories, but in thirty departments of manufactured goods it might well be represented, and is not. As usual, British manufacturers and exporters are urged to study local needs, markets, and trade habits, and to ensure that the purchasers shall be able to understand the terms of their transaction by receiving catalogues in their own language with inclusive prices in francs, and weights and measures according to the metric system.

The Adulteration of Leather.—Our Bermondsey correspondent writes:—The exporting side of the leather trade has been much agitated of late owing to the Adulteration Act, 1923, of South Africa, which comes into operation on July 1st next. Cables from the Union now make it clear that the Act will only prohibit the import of sole leather and cut soles which may not come up to the Government standard, and that it will not apply to boots and shoes which may contain adulterants. It seems an anomalous position, for there is no doubt adulteration in sole leather is detrimental to the health of wearers and deserves penalising. Australia has long prohibited the entry of leather adulterated, and only permits exports on which the added matter is clearly stated on the export forms. It is, however, re-assuring to know that British tanners seldom add artificial weight to leather, unless the amount of uncombined tanning extract comes within that category. On the other hand, every effort is made to produce sole leather as heavy as custom and competition decree, the tanners' profit depending on the legitimate weights he can produce from the finished hide. In America the practice is still followed by sole leather tanners to add glucose and barium to their production, and the writer has seen American sides in England which looked as if they had been whitewashed on the grain or hair side, the efflorescence working out in our humid climate. Twenty years ago the heavier sorts of upper leathers, such as wax kips, were often "loaded" with glucose and barium, but the practice has been almost abandoned. In the case of other leathers, such as box and willow calf, glacé kid, &c., which are sold by measurement, there is, of course, no inducement to add fictitious weight. Disputes, however, as to correct measurement are frequent, and adjustments have often to be made before buyer and seller are satisfied.

Dunlop Rubber.—To please everyone concerned, and reconcile conflicting interests without incurring displeasure from some quarter or other would be a difficult task indeed, and those responsible for the Dunlop scheme of capital reorganisation are probably prepared for some amount of opposition. Frankly, we think the directors have done their best, and have produced a reasonably fair scheme. The total deficiency amounts to £11,353,667. This is made up by £7,731,739, the profit and loss debit balance at June 30, 1922; £4,516,787, the depreciation in interests in subsidiaries, including the American company; £241,855 new issue expenses; and £92,457 reduction in value of land and plant. These items amount to £12,582,838, from which is deducted the balance of the reserve fund, £1,229,171. Briefly, it is now proposed that ordinary shareholders shall be asked to write down their shares to the nominal value of 6s 8d per share. This will provide £9,927,543 towards the deficit. Holders of preference shares of all classes are asked to surrender their contingent rights to participate in surplus profits, namely, $\frac{1}{2}$ per cent. in the case of the "A" and "B" shares, and 1 per cent. in the case of the "C" shares. The holders of the "C" preference shares are asked to consent to a reduction of their capital from £3,000,000 to £2,250,000, with the condition that

the dividend on such shares shall be 10 per cent. per annum calculated on the reduced amount of £2,250,000, which is equal in amount to $7\frac{1}{2}$ per cent. on the original nominal capital of £3,000,000, and that in the event of a winding up of the company, such shares shall rank, subsequent to the "A" and "B" preference shares, but in priority to the ordinary shares, as having a nominal value of £3,000,000 for the purposes of a return of capital. Thus interference with rights of preference shareholders is not of a very drastic nature. This rate of 10 per cent. works out at £15,000 per annum less than the existing rate of 8 per cent. on the unreduced amount (viz., £3,000,000) of the "C" preference shares. The financial effect of this scheme is as follows:—

The deficiency on capital account of £11,353,667 will be met by—

(a) Appropriating the forfeited share account	£ 4,332
(b) Appropriating balance of profits for the 18 months ended December 31, 1923, after providing for the dividends on the "A," "B" and "C" preference shares, and crediting the tax deducted therefrom	671,792
(c) Cancelling share capital to the extent of—	
5s a share in respect of 3,000,000 issued "C" preference shares..	£750,000
13s 4d a share in respect of 14,891,314 issued ordinary shares	9,927,543
	10,677,543
	11,353,667

The issued share capital will be as follows:—

1,000,000 "A" preference shares of £1 each	1,000,000
1,000,000 "B" preference shares of £1 each	1,000,000
3,000,000 "C" preference shares of 15s each	2,250,000
14,891,314 ordinary shares of 6s 8d each	£4,963,771½
2,340,000 ordinary shares of 6s 8d each issued to preference shareholders for dividend arrears (stated to amount to £872,844)	780,000
	5,743,771½
17,231,314 ordinary shares of 6s 8d each.	9,993,771½
Leaving unissued 30,018,686 ordinary shares of 6s 8d each	10,006,228½
	20,000,000

Arrears of preference dividend are to be dealt with by allotting ordinary shares to the amount of the net arrears, after the deduction of tax at 4s 6d. By this arrangement the "A" preference shares will be allotted ordinary capital to the extent of 98.4 per cent. of their arrears; the "B" preference shares 91.3 per cent., and the "C" shares 86.3 per cent., which will give the "A" and "B" shareholders each 15 per cent., and the "C" shares 16 per cent. on their capital in each case. The actual amounts of arrears to which each class of share is entitled before reduction of income-tax were "A" and "B" 19.354 per cent., and "C" shares 20.645 per cent. The directors point out that the reduction of the nominal value of the "C" preference shares under the scheme renders it possible to issue ordinary shares in settlement of preference arrears without reducing the nominal value of the ordinary shares to a still greater extent than is now proposed, and this is the reason for suggesting reduction in the "C" shares. We have received circulars from various quarters criticising this scheme, but on the whole it appears to be one which shareholders should support. The directors have just issued accounts for the 18 months ended December 31, 1923. These show a net profit of £1,451,792, or an earning rate of approximately £1,000,000 per annum.

Hudson's Bay Profits.—The fact that the market found the Hudson's Bay report disappointing is due to the unsatisfactory experience in the Land Department, which the report discloses. In the year 1922-23, net land receipts were £18,340, and a 2 per cent. distribution in respect of this was made. In the past year there was on this department a loss of over £26,000. There is, however, some consolation about this. For the Land Department the accounts are made up for ten months only, in order to enable the financial year to correspond with that for the other branches of the business; and the directors state: "Had the accounts been made up for the full 12 months, they

would not have shown any loss. Results for a number of years are compared below:—

Year Ending	Net Land Receipts.	Fur and Trading Profits.	Total Net Profits.	Ordinary Dividend.
May 31—	£	£	£	£
1909	175,476	80,391	255,867	260,000
1910	240,045	166,156	406,201	400,000
1911	548,512	159,966	708,478	400,000
1912	273,268	196,070	469,338	400,000
1913	589,926	228,324	818,250	500,000
1914	297,302	86,636	383,938	400,000
1915	2,697	30,641	33,338	nil
1916	24,652	266,662	291,314	200,000
1917	140,777	279,708	420,485	300,000
1918	367,841	315,964	683,805	400,000
1919	262,126	406,414	668,540	450,000
1920	174,276	331,757	506,033	400,000
1921	154,161	300,049	454,210	400,000
1922	69,987	450,468	520,455	450,000
1923	18,340	328,440	346,780	195,000
1924	Dr. 26,495	310,417	283,922	200,000

The distribution on the ordinary shares is 20 per cent. (all in respect of trading), against 19½ per cent. in the previous year, and claims £5,000 more. However, Dominion income-tax refund claims only £22,916, against £65,260 a year ago. The company's total fur collections were affected by climatic conditions, and increased competition, but rather better prices were realised. The business in the sales shop showed improvement. Farm land sales for the 10 months ended January, 1924, comprised 27,374 acres for £77,941, an average of £2 16s 11d per acre, compared with 24,976 acres for £75,258, or an average of £3 0s 3d in the previous 12 months. Sales of town lots realised £6,190, against £15,894. At the end of January last the total of unsold lands in the hands of the company amounted to 2,862,412 acres. An analysis of the balance-sheet will be found in a later column.

Lyons' Progress.—Another prosperous year falls to be recorded for J. Lyons and Co., Limited. In the accounts issued for the year ended March 31st last, profits are £33,000 higher than those for the previous 12 months. The generous dividend distribution of 25 per cent. is maintained, as will be seen from the following table, which shows the striking progress made by this undertaking:—

Year Ending Mar. 31.	Gross Profit.	Ex-penses.	Ratio.	Net Profit.	Depre-ciation.	Reserves.	Divi-dends.	Ord. Rate.	Carried For-ward.
1906	£666,550	£473,904	71.1	£192,646	£42,294	£18,000	£133,533	32	£4,505
1907	728,281	496,432	68.3	231,849	55,178	60,000	145,007	32½	6,169
1908	797,591	545,766	69.0	248,825	58,060	40,000	141,866	32½	15,068
1909	969,305	681,454	70.5	287,851	67,452	30,000	183,300	32½	13,833
1910	1,110,488	822,419	74.0	288,069	72,946	10,000	205,090	32½	19,906
1911	1,220,794	918,394	75.0	302,390	79,385	..	201,834	42½	41,674
1912	1,356,480	1,036,421	76.3	320,059	87,003	..	211,256	42½	64,474
1913	1,450,590	1,110,982	76.6	339,608	91,849	69,189	221,551	42½	21,303
1914	1,574,659	1,218,356	77.3	356,303	96,103	..	221,599	42½	59,904
1915	1,520,998	1,244,595	82.0	276,403	109,482	..	191,307	32½	35,518
1916	1,592,879	1,314,586	82.5	278,293	108,594	7,062	169,508	25	28,657
1917	..	..	..	268,475	105,419	..	170,213	25	21,500
1918	..	..	..	316,222	120,835	40,000	170,154	25	6,803
1919	..	..	..	258,077	..	..	159,570	35	45,310
1920	..	..	..	396,684	..	60,000	346,684	42½	35,509
1921	..	..	..	503,323	..	100,000	426,323	42½	12,400
1922	..	..	..	595,615	..	90,866	504,749	25	15,421
1923	..	..	..	631,816	..	100,000	531,816	25	30,239
1924	..	..	..	665,377	..	110,755	554,622	25	25,594

* And 10 per cent. in preferred ordinary shares. † In addition to share bonus.

The balance of premium on shares, after deducting expenses, has been added to the reserve, which now amounts to £739,245. Total assets are shown as £10,689,247, which compares with £9,217,853 a year ago. The increase is mainly accounted for by the item freehold land, plant, &c., which is now £7,040,742, as against £5,324,065 last year. The issued share capital is £5,866,645, as against £4,860,645. The balance-sheet will be found in our usual column, fully analysed.

Forestral Land.—A happier state of affairs is revealed in the account of the Forestral Land Timber and Railways Company, Limited, for 1923. Trading profits from the meagre £136,601 for 1922 have improved to £652,932. In addition to this there is the windfall of a refund of Excess Profits duty amounting to £300,000. Thus the directors have available for shareholders £898,444, after deducting office charges in London. From this sum they allocate £154,575 for depreciation, and £325,000 for reserves, leaving a balance of £418,869 to be disposed of. Distri-

butions to shareholders are appended below, which leaves £204,733 to be carried forward to next year's accounts:—

	1916.	1918.	1919.	1920.	1921.	1922.	1923.
Profit	£1,614,889	£815,980	£992,381	£560,261	£126,314	£115,902	£119,869
To pref. shares	260,788	186,058	92,751	92,751	111,951	111,951	111,951
Preference dividend	15 %	12 %	6 %	6 %	6 %	6 %	6 %
To ordinary shares	504,111	279,922	371,004	432,832	..	..	231,802
Ordinary dividend	27 %	18 %	18 %	12 %	..	..	64 %
Special reserve	250,000	150,000	150,000	..	..	..	..
Excess profits res.	600,000	203,000	..	300,000	..	..	..

The ordinary dividend is perhaps not as high as some optimists expected, but it is a step in the right direction, and it is to be hoped that the difficulties of the past two years have been completely overcome. The depreciation account now stands at £1,143,160, and reserves total £1,399,163. The balance-sheet will be found fully analysed in our usual column.

Zinc Corporation.—Our mining correspondent writes:—The report for 1923 covers a transition period. The treatment of tailings, for which the company was originally formed, was suspended in March, the dumps having been exhausted. After having been shut down since December, 1920, the lead concentrator was started up again early in January, and the zinc concentrator has since been converted to a combined lead and zinc treatment plant; this work has just been completed. The revenue was swollen by the advance in the price of lead, while expenses were smaller than before, with the result that the profit came out at £292,400, as against £141,900 for 1922. A good proportion of the additional earnings is devoted to special appropriations. Mine development and new plant receive £70,000 instead of £50,000; the sum of £20,000 is placed to reserve, with a like amount out of the balance brought forward from 1922. This reserve has been set aside against depreciation in certain holdings, the company having a fairly extensive portfolio. By the way, the interests in other companies subsidiary to the business of the Corporation include 150,000 ordinary shares in the Electrolytic Zinc Company, now quoted on the London Stock Exchange at a small premium. The final dividends declared make the total 35 per cent. on the participating preference, and 30 per cent. on the ordinary shares, as compared with 25 per cent. and 10 per cent. respectively for 1922. On the basis of the 1923 results the preference yield 12½ per cent., and the ordinary a little over 15 per cent. The ore reserves remain at 2,114,150 tons, averaging 14.6 per cent. lead, 2.6 per cent. silver, and 9.4 per cent. zinc. With mining and the treatment plant in full operation, and the price of lead high, the prospects for the current year appear hopeful; unfortunately there is a fly in the ointment in the shape of a fresh demand on the part of the labour unions for higher wages and shorter hours.

Lonely Reef.—The crucial point in the position of this Rhodesian mining enterprise is whether the zone of partial impoverishment at the lower levels will or will not prove a passing phase. There are reasons for hope in this regard, both in the experience of the mine itself and in the experience of other mines in the country, but, of course, development alone can decide. Meantime, the company has sufficient ore opened up to keep the mill going for a couple of years, the reserves at the end of 1923 totalling 156,300 tons, value 14.9 dwts. These figures showed a decline in both quantity and value as compared with those of 12 months previously; a further shrinkage is recorded in the statement for the March quarter, the tonnage being placed at 142,900, and the value at 14.5 dwts. Last year a saving of nearly 5s per ton was effected in costs, with a slight improvement in the percentage of extraction; but these features were more than counterbalanced by the fresh decline in the grade of the ore, the profit of £79,200 falling £14,700 short of the 1922 total. The dividend rate was cut down from 30 per cent. to 20 per cent.; still, the carry forward had to be drawn upon to some extent. An interim dividend at the reduced rate of 5 per cent. has just been declared.

Taquah and Abosso.—The report presented at yesterday's meeting is the first annual statement of the consolidated undertaking, which is in part a reconsolidation. It makes a generally satisfactory showing. The 96,200

tons of ore milled gave a yield averaging 46s 10d, while the expense ratio was 37s 4d. After providing for depreciation and taxes, a profit of £34,500 remained. An interim dividend of 5 per cent. has been paid; and when the final of 7½ per cent. has been disbursed, a modest balance will remain to go forward. The 5s shares now stand in the market at a trifle under par. At 536,900 tons the ore reserves represent about five years' supply for the mill; the value averages 38s 3d or considerably less than last year's yield. Although the native labour supply is a little better than in the past, the shortage is still a source of considerable anxiety. For years past efforts have been made by those at the back of the West African gold industry to secure more native workers, but up to the present little has been achieved. An improvement in this respect would mean much to all the operating companies.

The Mexican Railway Report.—The port strike at Vera Cruz during the last quarter of 1923, and the de la Huertist rising which broke out there in December, have prevented the directors from submitting properly audited accounts and statements to the half-yearly meeting of the shareholders on Wednesday next. They hope to present them at the December meeting; meanwhile, they can only state that the gross earnings for the half-year in question amount, as telegraphed, to \$5,550,400, the expenses to \$5,537,100, showing a net balance of \$13,300. These figures, which are subject to revision on receipt of the final accounts from Mexico, show a decrease as compared with the corresponding period of 1922 of \$1,203,800 in gross earnings, and an increase of \$32,000 in expenses, so that the net receipts have fallen off by \$1,235,800. The small amount of the net balance precludes any payment on the registered "A" stock, representing the deferred interest certificates issued to the holders of 6 per cent. debentures, and the gross earnings for the first five months of 1924 amount to \$4,430,600, a decrease as compared with the corresponding period of 1923 of \$1,858,700, so that the total decrease for the 11 months is \$3,062,500, of which \$2,500,000 is directly attributable to the abortive "revolution." Traffic was interrupted during the first six weeks of this year between Esperanza and Orizaba, but skeleton services were maintained (of course at a loss) on the sections above and below the break, which were held respectively by the Federals and the insurgents; but the Federal successes made it practicable to reopen the line throughout on February 12th. It had suffered less than had been anticipated; the chief damage was to the Metlac Bridge, of which the permanent repair will cost \$12,000. The rolling stock has been damaged, especially the locomotives; much of it is still held by the Federal troops, but details at present are lacking. The rising is suppressed, but the economic position gives rise to anxiety; still, the present traffic is encouraging, especially in Mexican goods. No settlement has been reached as to the 10 per cent. railway tax imposed to provide funds for the fulfilment of the Lamont Agreement, but the directors are hopeful; meanwhile, payments under that agreement are being made to the bondholders on their coupons for 1923. The sum received and credited to the Indemnity Account during the half-year was £78,500, making a total of £437,400. The company may be congratulated on the way in which it has met the difficulties set up by the revolution. It remains to be seen whether the result of the Presidential contest will establish order and peace.

Portuguese Bonds.—We are officially informed that the following resolution was passed and confirmed on Thursday by the Committee for General Purposes of the London Stock Exchange:—"That sellers of bonds for or during the June 12th account be required to furnish the buyer with a declaration that the bonds delivered comply with the conditions laid down by the decree of the Portuguese Government of June 3rd, which enable holders to obtain payment of coupons in sterling. That bargains for future accounts be settled in bonds with such declaration attached until further notice." The decision to pay interest to British holders in sterling instead of francs caused a strong advance in Portuguese 3 per cents. this week.

Transvaal Gold Output.—The monthly statistics of gold output in the Transvaal make a good showing, the output for the month of May reaching 809,003 ounces of fine gold, as compared with 768,923 ounces in April, and 786,564 ounces in May, 1923. The following table shows the output for every month since 1918:—

	1918.	1919.	1920.	1921.	1922.	1923.	1924.
	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.
January..	714,182	676,059	670,503	651,593	639,728	764,469	796,768
February..	659,759	636,728	625,530	558,137	639,728	704,970	760,617
March....	696,281	712,379	707,036	671,123	511,338	761,586	795,671
April.....	717,000	694,944	686,979	681,382	629,786	743,651	768,923
May.....	741,317	724,935	699,041	687,776		786,564	809,003
Total (5 months)	3,528,539	3,445,105	3,398,889	3,250,011	1,780,852	3,761,240	3,930,982
June.....	727,696	702,379	715,967	678,490	675,697	755,309	..
July.....	736,199	725,497	736,099	689,555	730,635	754,306	..
August....	740,210	706,669	702,083	711,526	752,490	769,371	..
September..	708,205	698,558	682,173	691,026	747,089	739,504	..
October...	679,764	723,722	662,472	707,825	778,159	793,842	..
November..	658,701	677,970	633,737	704,235	764,476	780,639	..
December..	641,245	650,191	632,215	681,847	790,712	778,849	..
Total (12 months)	8,420,560	8,330,091	8,153,625	8,114,516	7,020,110	9,133,060	..

In the table below are given the numbers of natives employed at the end of last month by members of the Witwatersrand Native Labour Association and Contractors:—

	Oct., 1923.	Nov., 1923.	Dec., 1923.	Jan., 1924.	Feb., 1924.	Mar., 1924.	Apr., 1924.	May, 1924.
Gold mines.....	177,047	177,674	177,779	181,659	182,055	176,483	175,022	172,586
Coal mines.....	16,216	16,246	16,142	16,109	15,958	15,763	15,800	15,863
Diamond.....	2,911	2,997	3,239	3,482	3,419	3,170	2,762	2,863
	196,174	196,917	197,160	201,250	201,432	195,416	191,584	191,312

It will be noted that the number of natives employed at the gold mines again shows a decline.

At the meeting of the Royal Statistical Society, on June 17th, Mr John Hilton, Director of Statistics, Ministry of Labour, will read a paper on "Enquiry by Sample; an Experiment and its Results." The meeting will be held in the hall of the Royal Society of Arts, John street, Adelphi, W.C. 2, at 5.15 p.m.

At the Edward VII. rooms, Hotel Victoria, on Tuesday, June 17th, at 8.30 p.m., Sir Maynard Hedstrom will deliver an address before the Royal Colonial Institute on "Fiji: Its Future and Possibilities."

THE Trade Facilities Act Advisory Committee announce that they are removing from their present address, at 16 Finsbury circus, E.C. 2, and that on and after Tuesday, June 10th, their address will be 3 Bank Buildings, Prince's street, E.C. 4. Telephone, City 3151.

Oversea Correspondence.

UNITED STATES.—COTTON REPORT—NEW YORK CITY BOND SALE—TAX-REDUCTION BILL SIGNED—STOCKS AND BONDS—TRADE CONDITIONS.

(FROM OUR CORRESPONDENT.)

NEW YORK, June 3.

THE Department of Agriculture's first monthly cotton report of the season, estimating the condition of the crop on May 25th as 65.6 per cent. of normal, was a complete surprise to the cotton trade. With the exception of 1920, it is the lowest percentage ever reported at the beginning of the season, and compares with 71 per cent. on May 25, 1923, and a ten-year average on that date of 72.8 per cent. Following publication of the report yesterday, speculative markets for the staple became very active and excited, prices showing a maximum rise of about \$3 a bale, as compared with last Thursday's final quotations, before the holiday period. July contracts sold as high as 30½ cents a pound, October at 27½ cents, and December at 26.70 cents. The greater part of the advance, however, was soon lost, because while it was realised that the

crop has had a late start and is backward, the recent falling-off in mill takings and smaller exports offset considerably the exceptionally low condition report. As a matter of fact, the first Government report of the cotton season is not a reliable forecast of what the crop may be. In 1920, for instance, the initial percentage was 62.4, but the yield proved to be 13,439,000 bales, one of the largest cotton crops ever harvested. Last year, on the other hand, with a percentage of 71 as of May 25th, and a heavy increase in acreage over that of 1922, the crop turned out to be only 10,128,000 bales. The Department of Agriculture will not report on planted acreage until next month, but private estimates quite generally agree that 3 or 4 per cent. more land has been planted to cotton than in 1923, which would indicate the largest cotton acreage ever recorded. While it is uncertain how much surplus cotton will remain at the end of the current season, the carry-over promises to be very small, and apparently there will be urgent need of a full crop this year. Despite the extensive curtailment of cotton goods production in this country during the past few months, total consumption of cotton for the season to date is some 200,000 bales more than for the corresponding period of last year. The cotton goods industry is still suffering from acute depression, especially in New England, where many mills are closed for an indefinite period, some run one week and then shut down for a fortnight, while others are running only two or three days a week.

To-day's sale of \$30,400,000 4½ per cent. serial bonds and \$37,000,000 4½ per cent. corporate stock of the City of New York is regarded as the most successful in the city's history. The combined offering, totalling \$67,400,000, was awarded to a syndicate headed by the National City Company, whose bid, for all or none, was 101.1861. Other members of the successful syndicate included the First National Bank, the Bankers' Trust Company, the Guaranty Trust Company, Brown Brothers, and about 25 other prominent banking and investment houses. There were two more all-or-none bids. The issue really amounted to \$137,400,000, but the city's sinking and pension funds had taken \$70,000,000 of that total. The remaining \$67,400,000 offered for sale was oversubscribed more than ten times, the bids aggregating \$725,310,000. The city's premium will reach \$800,000. The vast total of the subscriptions, and the high prices bid for the offering, reflect the abundance of funds seeking investment, due largely to the continued easiness in money. After a temporary rise to 4½ per cent. in the closing week of last month, the rate for call loans on the Stock Exchange has fallen to 2½ per cent., with the supply of funds greatly exceeding brokers' requirements. Time money is freely offered at 3½ per cent. for periods up to 60 days, 4 per cent. for 90 days to four months, and at 4½ per cent. for longer maturities, with demand for accommodation, light and scattered. The commercial paper market is fairly active, with discounts now generally quoted at 4½ per cent. for prime and 4¾ per cent. for other market positions. To-day, however, witnessed some increase in activity, and a more cheerful sentiment prevails as the result of President Coolidge's action in signing the tax-reduction Bill recently passed by Congress. The President accepted that measure, he said, "in spite of its obvious defects," because it was the best law obtainable at this time. It "does not represent a sound permanent tax policy," he declared in a formal statement, "and in its passage has been subject to unfortunate influence which ought not to control fiscal questions." President Coolidge announced that he would work for the ultimate enactment of the Mellon plan, and expressed the hope that "a Bill less political and more truly economic" may be passed at the next session of Congress. To that end, he declared, he would bend all his energies. Tax legislation, therefore, has been eliminated, as a source of unsettlement, from consideration for the present at least. Although the new statute contains many unsatisfactory provisions, adds several very undesirable features to the existing law, and fails to relieve many interests

from excessive taxation to the extent they had expected, it will nevertheless materially lighten the burden of taxpayers generally, especially as it allows all taxpayers a reduction of 25 per cent. in their 1923 income-taxes payable this year.

In its current review of trade and industry in this country, the Federal Reserve Board at Washington says there are indications of a break in the business recession which began several months ago, and while activity in some lines is due to seasonal increases, the belief is expressed that the resulting revival will be more than temporary. During the past month, the Board remarks, greater credit demands were in evidence, but these were met entirely by local financial institutions. While the renewed demands for funds showed, in the opinion of Treasury officials, a spurt in business, they also indicated that commercial banks had plenty of money available for loans, with the result that rates were easier. A general slackening of activity in most lines of industry and business is noted, without, however, any alarming symptoms. The Board reports at considerable length upon conditions in the more important industries. In iron and steel, for instance, it finds that sharp reductions in production continued during April and May. Shipments were relatively steadier, and consequently stocks have been reduced. Bookings, on the other hand, are reported as light, and the volume of unfilled orders continues to decrease. The reduction in steel ingot production from March to April was larger than for any month, except during the 1919 strike, since monthly statistics have been available, and the number of blast furnaces blown out was the greatest for any month since 1921. Nevertheless, the output of both steel ingots and pig-iron was at a higher rate than during last autumn. Further curtailment, the Board adds, has been reported since May 1st, and during the latter part of the month steel mill activity averaged about 62 per cent. of capacity, as against 80 per cent. a month earlier, while several more blast furnaces have also been blown out. Prices have continued to decline, one trade authority's composite iron and steel index on May 21st being \$41.22, as compared with \$42.01 a month before, with concessions from last prices said to have been made on many transactions. Regarding the situation in the automobile industry, the Board points out that production was unusually well maintained throughout the winter, and stocks were large at the beginning of spring, but sales have not been sufficient to take care of capacity production, and at the same time move these stored cars from warehouses. Consequently, the April output and shipments, contrary to usual seasonal trends, were less than in March. Furthermore, production was below that of April, 1923—the first that the output in any month has been less than in the corresponding month in the preceding year. Statistics of employment in Detroit, compiled largely by automobile producers, show further declines in manufacturing activity since May 1st; since the last of March there has been a decline of about 9 per cent. April sales, however, were fairly heavy, the largest producer reporting a record figure for the month and a continuation at this high rate during the first part of May. Commenting on the agricultural situation, the Board notes that, contrary to the downward movement of general commodity prices in April, farm prices of agricultural products and live stock increased; consequently the purchasing power of farm products advanced, and reached the highest point since March, 1923. Attention is called also to the fact that the winter wheat acreage is now 36,896,000 acres, a decrease of about 8 per cent., and is the smallest since 1913, with the exception of 1917, when the abandonment of planted acreage was exceptionally large. On the basis of the May condition, the final yield of winter wheat is estimated at 553,000,000 bushels, the smallest crop since 1917, and 19,000,000 bushels less than in 1923. This would seem to indicate, the Board says, a tendency in the agricultural districts to restrict their crops in view of the over-production of the last year. The slowing down of business is reflected in employment statistics. Between March 15th and April 15th, factory employment decreased more than in any month since July, 1922, as shown by the drop in the Federal Reserve Board's employment index from 99 to 97, which brings employment down to about the same level as in November of 1922.

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FRANCE.—THE PRESIDENTIAL CRISIS—M. HERRIOT'S PROGRAMME — PRICE MOVEMENTS — CROP PROSPECTS.

(FROM OUR CORRESPONDENT.)

PARIS, June 11.

M. HERRIOT'S "new majority" has succeeded in driving M. Millerand out of the Elysée, and by the time this issue of the *Economist* is printed his successor will have been chosen. Who that successor will be is, in the circumstances, of little importance. What is important is that, for the third time in the history of the Third Republic, a French President who has identified himself personally with the policy of one of the existing political parties has been forced to resign his post, in much the same circumstances as those that attended the fall of Marshal MacMahon and M. Casimir-Périer. Rightly or wrongly, the majority of the nation's Parliamentary representatives have unmistakably shown that French public opinion will not tolerate any attempt on the part of the Chief of State to exercise personal power. M. Millerand's fatal mistake was that, not content with creating the Bloc National and leading it to victory at the elections of 1919, he insisted on remaining the leader of that party after his election as President; whereas, in accordance with French practice, it was his duty to hold himself aloof from all party strife, and to confine himself strictly to his constitutional rôle as an absolutely impartial umpire. With M. Millerand's formal presentation of his resignation to the Chambers to-day, the Presidential crisis is over. His removal from office is the natural and logical outcome of the defeat of his party at the polls, and the advent of a new occupant of the Presidential post will in no way change the trend which French foreign and domestic policy will take under the direction of the country's new masters.

The main lines of the programme that is to be followed by M. Herriot—who on Sunday or Monday next will almost certainly take office as Prime Minister—have

been clearly laid down in a letter which he addressed to the leader of the French Parliamentary Socialists when he made his recent unsuccessful effort to induce that party to participate in his future Cabinet. This letter fully confirms my published forecasts that the advent of a Herriot Cabinet "will lead to little or no real modification of either the home or foreign policy of France," and that neither the alarmist fears nor the exaggerated joy that were experienced in many directions when the victory of the Left was first announced will be justified by events. The French, as usual at a General Election, have again been playing politics with all their hearts and souls, but their statesmen, no matter which of the great political parties may be apparently in the ascendant, still remain indubitably and unchangeably French. A general Amnesty Bill for political offenders (which is not to include insubordinate soldiers or "traitors") occupies, as was expected, a spectacular position in the first paragraph of M. Herriot's programme, as a concession to the extremists who clamoured so long for the pardoning of Marty, the leader of the Black Sea mutineers, and the former leaders of the Radical-Socialist Party, MM. Caillaux and Malvy.

The *décrets-lois* which were forced through the Chamber by M. Poincaré, to enable much-needed economies in the public services to be effected speedily, by removing reforms which everybody admits to be necessary outside the miasmic influences of interminable Parliamentary discussion, are to be suppressed. The match monopoly is to be re-established, as a bid for support from the doctrinaire Socialists. The recently re-established diplomatic relations between France and the Vatican are to be again broken off, and the embassy to the Vatican suppressed, and the period of compulsory military service is to be "reduced by the organisation of the nation in arms." Respect for the eight hours law and the rights of organised labour are to be insisted upon, and a national insurance scheme introduced, while employees of the State are to be given the right to organise themselves into trade unions (which has hitherto been refused to them).

So far as foreign policy is concerned, M. Herriot declares that his aim will be to bring about peace by agreement between the nations, and that he will make every effort to strengthen, to this end, the rôle of the League of Nations, the Hague Tribunal, and the International Labour Bureau. He also desires to "re-establish normal relations with Russia." As to the vital question of Franco-German relations, "we accept without any arrière pensée," M. Herriot states, "the report of the experts," but, "in view of the present state of Germany," he does not believe it to be possible to evacuate the Ruhr "before the pledges provided for by the experts shall have been constituted and handed over to the international organisations henceforward qualified to handle them," while he insists that it is necessary, in the interests of peace, to ensure the control of German disarmament by the common effort of the Allies and, as soon as possible, by the League of Nations. The problem of French security, he insists, must be solved by pacts of guarantee placed under the authority of the League. For the rest, it is generally felt here that the test of the new Government's intentions may come with the expiration, at the end of the present month, of the period given to Germany to reply to the last note from the Ambassadors' Conference in regard to the resumption of inter-Allied military control.

The newly-born majority will have ample opportunity to blow off steam in connection with endless subjects of discussion, for the benefit of the more unthinking portion of the electorate, and in the result it is expected the new Legislature will prove little more fruitful in real accomplishment than its predecessors. A sample of what may be expected in the near future is to be seen in the fact that, although half the current financial year has expired already, the new Chamber last week carried, by a show of hands, a proposal to repeal the whole of the present year's Budget, and to carry on for the time being, until the measure already in operation can be recast, by resorting to the system of monthly votes on account! The inextricable confusion into which such a step would throw the nation's finances was apparently entirely overlooked, and it will be left to the Senate to restore matters to order.

The index figure of wholesale prices for May, which has

just been issued by the Statistique Générale, indicates a rise of nine points, as compared with that for April, but is still 42 points below that for March, and no fewer than 87 below that for February. The detailed figures for the month, as compared with those for the three preceding months (which are now based on 100 as representing prices in July, 1914), are as follows:—

Nature and Number of Categories.	May.	April.	March.	Feb.
General index figure (45)	468	459	510	555
Foodstuffs (30)	425	423	455	484
Vegetable foods (8)	423	392	434	441
Animal foods (8)	401	424	430	444
Sugar, cocoa, coffee (4)	488	491	563	682
Raw materials (25)	506	492	558	617
Minerals and metals (7)	440	431	488	592
Textiles (6)	653	594	678	745
Various (12)	456	467	529	555

The figure for May remains appreciably below the average for 1920, which was 589, as worked out on the base of 100 for the period 1901-1910, and which would be approximately equivalent to the figure of 500 if calculated on the base of 100 in 1914, which is the one now used. The rise in the figures, as compared with that for April, is largely due to the increased price of textile products, the rise in which is returned as equivalent to 59 points on the month (after a fall of 151 points during the previous two months). The figure for retail prices in Paris at the end of May (13 articles of prime necessity) is returned as 378, as compared with 380 in April.

Returns showing the area under wheat and other cereals for the coming harvest, which have now been issued by the Ministry of Agriculture, foreshadow that, unless there is a very considerable improvement in the yield from the crops this year, as compared with those for 1923, this country will again have to depend on foreign grown wheat to meet its requirements in 1924-5. On May 1st this year and last year respectively the number of hectares under seed was as follows:—

	1923.	1924.
Winter wheat	5,351,650	5,181,040
Spring wheat	176,060	267,480
Total	5,527,710	5,448,520
Other cereals	3,455,910	3,480,410

The condition of the various crops on May 1st is reported to have been, on balance, below that of last year, winter wheat being returned as equivalent to 70, as compared with 72 last year, and spring wheat at 68, as against 70.1. The most unsatisfactory portion of the return is that which indicates that the area sown with wheat is 79,190 hectares (equivalent to practically 200,000 acres) less than last year.

GERMANY.—POLITICS—CURRENCY—PRICES—FINANCES—INDUSTRY—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, June 10.

THE prospects of the Marx Cabinet are doubtful. By a vote of 247 against 183 the Reichstag approved of the Government's opening declaration which accepted the Dawes Report as "a practical basis for the speedy solution of the Reparations question." The Communists voted against this resolution, together with the extreme Right parties; but the Socialists, without whose help the Cabinet would have been defeated, have not committed themselves to general support of Dr. Marx. It is not yet clear that the Cabinet will get the two-thirds majority necessary for amending the Constitution. Dr Marx declares that his negotiations with the German-Nationals were from the beginning on the basis of a continuation unchanged of the former Cabinet's acceptance in principle of the Dawes recommendations; and the new Cabinet will not change its policy on this point merely in order to gain support from any outside party. The German-Nationals are reported to be not altogether satisfied with the part they have played since the elections, and to fear that a new Reparations collapse will be put to their door; hence writers of this party declare that Dr Marx's policy

may be regarded merely as an academic demonstration to the world that Germany is willing, because new obstacles, which will make a settlement impossible, are certain, it is added, to be made even by a Left French Government.

The credit crisis shows no signs of diminishing. Industrial firms increasingly report reduction of output as result of shortage of working capital. From Pirmasens it is reported that some boot manufacturers are paying their employees' wages in boots, which the employees sell as best they can. The capital market is almost entirely dead. In April and May not a single loan was floated and no money was raised on bonds. Mortgage money for long terms is sometimes offered at 10 to 20 per cent., but real estate will not bear such burdens. Such capitalisation increases as are reported are mostly in connection with the putting of company capital on a gold mark basis. The Reichsbank has advanced 20,000,000 gold marks to farmers to tide them over the crisis caused by damage to crops during the past winter; and the Rentenbank has agreed to advance 30,000,000 rentenmarks for land improvement on condition that the Labour Ministry makes a loan of the same amount for the same aim.

The exchange market is now fully in equilibrium. The Reichsbank meets 100 per cent. of the demand for all exchanges. Gold Discount Bank discounts on May 31st had risen to £5,384,864. Of the bank's capital, £3,631,650 is still not paid up. The Rentenbank's return for May 31st shows an increase in the interest-bearing loans to the Republic of 100 million rentenmarks, to a total of 1 milliard rentenmarks. Of the 300 million rentenmark non-interest bearing advance which the Republic was entitled to borrow for redemption of paper mark Treasury bills, only 196,459,900 rentenmarks were required, but by now borrowing the surplus 100 million rentenmarks as a supplement to the 900 million rentenmarks already borrowed on interest, the Republic's total borrowing limit of 1,200 million rentenmarks has been reached. Rentenbank loans to industry, *via* the Reichsbank remain unchanged at 800 million rentenmarks. Rentenbank circulation on May 31st was 2,050,361,000 rentenmarks, against 1,951,618,000 rentenmarks at close of April. The Reichsbank's return for May 31st shows a moderate increased demand for credit, but the money needed for month-end settlements was mainly drawn from deposits, which show large declines. The total of discounts and loans increased during the week by 17 trillion paper marks, to a total of 2,163 trillion paper marks. Paper mark discounts rose by 224,737 billion paper marks to 817,867,106 billions; rentenmark discounts by 6,006,389 billion paper marks to 1,137,062,834 billions; paper mark advances by 4,304,820 millions to 20,085,967 billions; rentenmark advances by 6,386,750 billions to 108,511,300 billions. Paper mark note circulation increased by 177,545,743 billions to 926,873,544 billions; and the bank's holding of rentenmark notes fell by 68,689,925 rentenmarks to 321,836,412 rentenmarks. The large increase in circulation is in connection with withdrawal of emergency notes, of which about 200 million gold marks were called in in May.

The cost of living index number for June 4th is unchanged at 113; the official wholesale index number for June 3rd, 118.4, against 120.2 a week earlier. The wholesale food index number fell during the week from 103.4 to 100.9, industrial raw materials from 151.6 to 151.1, home-produced goods from 109.8 to 108.7, and imported goods from 172 to 166.8. The average index number for all May was 122.5, against 124.1 for April.

The Federal Budget for 1924 has been sanctioned by the Reichsrat, and is now before the Reichstag. The Ordinary Budget shows a small surplus. In the second half of the financial year 1923-24, ending March 30th, the number of officials and State-employed workmen was reduced by 396,838, of whom 134,507 are officials, the annual saving being 421,000,000 marks. As result largely of longer working hours, railway officials and workmen have been reduced from 1,002,796 to 729,884. A number of departments, including the Ministries for the Treasury and for Reconstruction, have been abolished altogether. The General Administration Ordinary Budget shows a revenue of 5,300 million marks, of which 4,100 millions are from taxation. Income-tax yields

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1,300 millions, sales tax 1,400 millions, property tax 376 millions; Customs and taxes on consumption 1,090 millions, of which 160 millions are from Customs duties, 360 millions from tobacco, 231 millions from sugar, 126 millions from beer, 140 millions from the brandy monopoly. Subsidies to the states and municipalities total 1,800 millions, of which 1,200 millions out of income-tax, 288 millions out of sales tax, and 144 millions out of land purchase tax. Against revenue of 5,300 millions is permanent expenditure of 5,100 millions and non-recurring expenditure of 239,100,000 marks—in all 5,339,100,000 marks. As the 5.1 milliards of permanent expenditure include a subsidy towards the Extraordinary Budget of 10,700,000 marks, and a subsidy to the Budget for Execution of the Peace Treaty of 170,200,000 marks, the real General Administration Ordinary Budget, including the non-recurring expenditure, shows a surplus. The General Administration Extraordinary Budget shows expenditure of 733 millions, revenue being 252,500,000 marks plus the above 10,700,000 marks, in all 263,200,000 marks. The Ordinary Budget for Execution of the Peace Treaty shows ordinary expenditure of 461,600,000 marks, extraordinary 179,900,000 marks, total 641,500,000 marks, against which is 20,000,000 marks ordinary and 1,500,000 marks extraordinary revenue, so that the deficit is 640 million marks, or less the above 170,200,000 marks from the surplus of the General Administration Budget 469,700,000 marks. This deficit has to be covered by borrowing. The Budget is drawn on the assumption that tax sovereignty in the occupied and Ruhr districts is fully restored. Railways and posts, whose finances are now entirely separate from the Republic's, will this year deliver no surplus.

Current finances are satisfactory. Receipts in the third May decade term totalled 175,721,813 marks, expenditure 187,101,731 marks, but in expenditure is included 43,784,396 marks spent on redemption of gold loan. In the first two months of the financial year, April-May, receipts were 1,076,962,300 marks, expenditure 1,110,583,620 marks, of which 197,103,149 marks went on redemption of gold loan. The whole debt of the Republic on April 30th was 1,734,200,000 marks, against 2,283,700,000 marks on December 31, 1923.

The condition of industry is fairly good. The Prussian Trade Ministry's monthly report says that experts do not agree as to whether a dangerous crisis is approaching or whether the present slight reaction is merely the natural result of the currency stabilisation. The last detailed unemployment reports, which are for April 30th, show that 3.66 per cent. of trades unions members were without work in the textiles branch, and 2.3 per cent. in the boot and shoe branch; but in the metalworks unions 16.9 per cent were unemployed. The iron and steel industry is depressed, large numbers of orders being cancelled on the ground that money for payment cannot be had. The buying of machinery and chemicals is hindered by the same cause; but an improvement is reported in the electrical branch. The textiles industry complains of declining orders, and of the impossibility of reducing the present high prices as long as 70 to 80 per cent. must be paid for loans. Coal production in April (Saar omitted) was 10,439,145 metric tons, and in January-April, inclusive, 39,776,157 tons, against 5,484,399 tons and 31,064,865 tons in the same periods of 1923; brown coal production 10,247,054 tons and 38,478,382 tons, against 9,334,411 tons and 44,924,827 tons. Crop reports for June 1st show an improvement, but conditions are materially behind those of a year ago. The percentage of area reploughed owing to frost damage in the whole Republic is put as: winter wheat, 6.6; winter rye, 11.9; winter barley, 5.5. The Bourse last week was strongly reactionary, and ended with average quotations the lowest of the year.

CANADA.—MAJORITY FOR THE BUDGET—PROTECTIONIST REVOLT — PROPOSED TARIFF BOARD—THE HOME BANK INQUIRY—CROP CONDITIONS — BUSINESS PROSPECTS — MOTOR INDUSTRY AND McKENNA DUTIES.

(FROM OUR CORRESPONDENT.)

OTTAWA, May 26.

THE fate of the King Government's Budget was never in serious doubt after they reached the decision that it was politically more profitable to placate the Progressives than the high protectionists, and therefore suspended the notorious dumping circular, whose effect was to grant a surreptitious increase of 4 or 5 per cent. in the protection available for many domestic industries. After a Labour amendment, which embodied more radical proposals than the Budget, had been decisively rejected by 204 to 16, the Budget itself was carried by 165 to 53; the minority was composed of all the Conservatives present, plus 4 Protectionist Liberals and one Progressive, and the majority included the rest of the Liberals and Progressives, with the Independents and Labourites. But the withdrawal of the dumping circular brought to more serious dimensions the Liberal Protectionist revolt; in addition to the quartette who actually voted against the Budget, Sir Lomer Gouin and a small group of his followers deliberately abstained, and Mr Walter Mitchell, formerly Provincial Treasurer of Quebec, resigned his seat for the business centre of Montreal, by way of protest at what he designates as an unjustifiable departure from the Laurier-Fielding tariff principles. Another group of French-Canadian members gave evidence of their dissatisfaction and restlessness by complaining of the results of the British preference, and warning the Government that Free Trade was no part of the Liberal programme, and only a very skilful and eloquent appeal by Mr Lapointe, the Minister of Justice, in the closing hours of the debate, kept them in line. The extent of the Protectionist revolt in the Liberal camp is more serious than the division lists indicate; all the dissentients in Parliament are members of standing and capacity, and their defection signifies that the powerful financial and industrial interests of Montreal, whose backing in 1921, more than any other factor, wafted the King Ministry into office, has now been definitely withdrawn. Bereft of their support, but unable owing to its fiscal gyrations to gain the unswerving confidence of the Progressives, the Government, although it has temporarily buttressed its Parliamentary position, remains in a precarious situation. Both Mr Mackenzie King and Mr Meighen delivered speeches of almost three hours' duration, and each made a significant statement. Mr King foreshadowed the establishment not of a Tariff Commission on the lines of the body which functions at Washington, but of a board of tariff and taxation experts who will be attached to the staff of the Department of Finance.

The first stage of Chief Justice McKeown's inquiry into the Home Bank failure has now been concluded, and Parliament is awaiting an interim report from him. But meanwhile the ramifications of the disaster are increasing. As the result of a formal charge by a Conservative member, that Mr Murdoch, the Minister of Labour, had on August 15, 1923, just after a Cabinet meeting, at which an appeal for succour by the directors of the tottering bank had been discussed and rejected, withdrawn \$4,050 of a deposit in the Home Bank, leaving a small balance to share in the débacle which followed on the 17th, and had thereby violated his oath of office that he would make no profit out of information gained in his Ministerial duties. Mr Murdoch virtually admitted the facts, but read correspondence showing that the liquidator of the bank had demanded the return of the sum withdrawn, and that he had made arrangements to comply with the request. The Premier essayed the strange defence that his culpability was diminished by the fact that he sought not a profit, but the aversion of a loss. British dicta in connection with the Marconi case were extensively used, and eventually Mr Murdoch's case was referred to the committee on privileges and elections. His resignation from the Cabinet seems inevitable.

The seeding of wheat is now practically completed in the prairie provinces, except in a few backward districts, and most farmers are now busy

putting in oats and other coarse grains. Conditions are very propitious, there being an abundance of moisture, and some of earlier sown wheat is six inches above ground. Owing to fear of another rust plague, the farmers of Manitoba have greatly reduced their wheat acreage, the cut in some areas being 40 per cent., and a smaller reduction is visible in Saskatchewan, but there is a compensating increase in the wheat acreage of Alberta. There will be no decrease in the total crop acreage, and many farmers are cleansing their land with valuable crops of sweet clover instead of achieving the same end by a profitless summer fallow. Particularly in Manitoba the movement towards mixed farming is gaining numerous recruits, and each year shows a steady gain in the volume of dairy produce raised in the West. Eastern Canada has been afflicted by an abnormal and prolonged spell of cold, wet, and stormy weather, which has greatly hampered seeding operations. Everywhere the season is very late, and on May 23rd the Minister of Agriculture for Quebec reported that seeding had only begun in some sections of the province.

The same spell of bad weather has had adverse effects upon business, for it has retarded the liquidation of the retail stocks of summer wear, and manufacturers and wholesalers have found fresh orders on any large scale difficult to obtain. Both wholesalers and retailers report that their volume of sales during the past two months shows a substantial decrease in comparison with last year's figures. Very large quantities of grain are still moving coastward from the West, and the elevators at Montreal are all filled to capacity. Considering the amount of grain still in the country within four months of the next harvest, grain prices are keeping up very well; the export demand is spasmodic, bursts of great activity being followed by an almost complete cessation.

Mr Moody, a vice-president of General Motors, Limited, whose large Canadian establishments at Oshawa and Toronto are likely, if any firm does, to feel the effects of the removal of the McKenna duties, has issued to the *Toronto Globe* a statement to the effect that no serious results are apprehended by his firm from the change. Other factors besides a preferential access to the British market induced them to manufacture cars in Canada, and the reduction of prices in Britain which will probably ensue ought, while it may force a writing down of present inventories, to result in an increased demand in whose benefits Canadian as well as British and American firms should share. In 1923 the production of motor vehicles in Canada exceeded in number all previous records, the total being 147,482, valued at \$97,369,814, as compared with 101,007 in 1922, and 94,144 in 1920. Employment was afforded in this industry to 9,305 persons, whose salaries and wages totalled \$14,998,267, which was an increase of \$3,724,624 over the previous year. There were 10 firms engaged in the industry in 1923, as compared with 15 in 1922, but the capital involved had risen from 48 to 60 million dollars.

AUSTRALIA.—FOUR STATE LABOUR GOVERNMENTS—FARMERS AND PROTECTION—ASSISTING EXPORTS—B.A.W.R.A.—WHEAT AND WOOL.

(FROM OUR CORRESPONDENT.)

MELBOURNE, April 30.

DURING the last few weeks the political unsettlement has further developed, owing to the Labour victories at the State elections in South Australia and Western Australia, the result of which is that with Tasmania and Queensland there are now four Labour Governments in office instead of one (in Queensland) a year ago. The Labour gains have been largely due to disunion on the anti-Socialistic side between the Nationalists and the Country Party. In Victoria a rupture between these two sections has left matters in a confused state, while in New South Wales and in the Commonwealth Parliament the prospect of a return of Labour to power at the next elections is regarded with apprehension. According to the announcements of some of the Labour leaders, a Commonwealth Labour Government would mean a capital levy to provide for the war debt, combined not with a

reduction, but with a heavy increase in direct taxation to enable expenditure to be increased.

The dissatisfaction of the farmers with the Nationalist Governments is based largely upon the severity with which the burden of protection now weighs upon the country, in addition to the feeling that city interests in other respects are studied excessively at the expense of the country districts. It is difficult, however, to find a practical remedy. The increase in the proportion of town to country population during the last dozen years has weakened the political influence of the country, and when protection is concerned the Nationalists and the Labour Party are at one.

The Commonwealth Premier, Mr Bruce, has, however, announced a programme for assisting export trade. In his speech at Sydney on April 16th he stated that the Government proposes that portion of the Customs revenue shall be employed in rendering help to those producers who depend upon overseas markets. This is to include assistance in finding and developing new markets; ensuring that produce is efficiently and economically marketed, is well advertised, and is sold as Australian produce; freight subsidies, bounties on exports; improvement of refrigerating space; and acceleration of transport services. Assistance in inter-State matters is also part of the programme. Mr Bruce also states that, as a condition precedent to any Government assistance, it will be required that every exporting industry shall thoroughly organise itself, shall demonstrate that it is upon an efficient basis, and shall satisfy the Government that permanent results will be achieved. Although he speaks as a Protectionist, Mr Bruce also talks of requiring a guarantee of efficiency from protected industries.

The report of the British Australian Wool Realisation Association, Limited (Bawra), to December 31, 1923, shows that, including the second capital reduction distribution on February 12, 1924, the total distribution since January 1, 1921, amounts to £21,407,602. Sales of wool during 1923 amounted to £4,587,065, returning a net surplus of £1,322,531, as compared with sales during 1922 amounting to £7,185,198, on which the net surplus was £1,210,865. Adding the 1921 surplus of £13,823, the total surplus to the end of 1923 is £2,547,219. At December 31st last the unsold wool consisted of 209,614 bales, including 81,195 bales Australian owned by Bawra itself and 128,419 bales Australian and New Zealand owned by the British Government. Most of this has since been sold, the final sales being put down for May, 1924, in Liverpool. The skin wool case was decided by the Privy Council on March 24th in favour of the Central Wool Committee. Further questions relating to taxation and otherwise have still to be settled, and until this is done the company cannot be liquidated.

The season continues to shape well, and an increase in wheat and wool production for the 1924-25 season is hoped for, in addition to a favourable butter season. Meanwhile, country trade is going on smoothly, but the outlook for some classes of trade and employment in the towns is affected by the reduced scale upon which Governments have been borrowing outside Australia as regards fresh money. Another factor is that the building activity which has followed the rapid expansion of city population in recent years is beginning to show signs of a little slackening.

JUGOSLAVIA.—POLITICAL CRISIS—BUSINESS CONDITIONS — EXPORT OUTLOOK — LOANS IN PROSPECT.

(FROM OUR CORRESPONDENT.)

BELGRADE, June 8.

DURING April and May business and trade were under the cloud of the ministerial and parliamentary crises. The coming of the Croatian members to Parliament, after five years' abstention, left the Pashitch Government in a minority, and forced it to resign. A long crisis, protracted over 40 days, resulted only in the formation of the same Pashitch Cabinet, which being in a minority, ob-

tained from the Crown prorogation of Parliament until October, and thus left the country in a very stuffy internal atmosphere. Its speaks very well for Yugoslav economic stability, however, that, in spite of this very tense political situation, and the disquieting news from Albania and Roumania, the dinar should have remained absolutely stable at about 350 to the £, which was the level it reached after its great rise in February.

In spite of town depression, business in the country is very active. The peasant has plenty of money, as is shown by the fact that he is making no application to credit co-operatives at a time when relatively large sums are being sunk into new productive co-operatives, the building of storehouses and granaries, the drying of fruit, jam and wine making, &c. The area under cultivation in 1924 is 16.54 per cent. greater than in 1923, and exceeds 6 million hectares. Besides Serbia, with 22.27 per cent., the increase is especially remarkable in Macedonia (22.96 per cent.), and Bosnia-Herzegovina (22.50 per cent.), where the large feudal estates were parcelled out by Agrarian reform. Of the whole area about 134,000 hectares were affected by floods. Harvest indications so far are excellent, especially in the Voivodina, and a harvest well in excess of last year is expected.

Export is proceeding normally, and exceeds that of 1923 both in value and tonnage:—

	Tons.	Tons.	Value in Million Dinars.	
	1923.	1924.	1923.	1924.
January	186,924	220,110	396.7	668.9
February	166,847	228,436	463.1	646.1
March	183,707	266,718	652.7	746.3
April	216,068	260,920	489.5	725.3
Total	753,546	976,184	2,002.0	2,786.6

Export should be favourably influenced by the lowering of export duties, which comes into force on June 10th. Beef, lard, meat products, coal, prepared prunes and plums and honey are now free. The chief reductions of duties are wheat and rye from 60 to 20 dinars, maize and barley from 40 and 100 respectively to 20, flour from 60 to 8, oats from 10 to 5, beans from 200 to 25, horses under three years from 200 to 100, others from 400 to 200, live cattle from 250-150 to 40 per 100 kg; pigs per head from 400-600 to 70, or per 100 kg from 350 to 200; pork from 150 to 100; eggs from 1,000 to 100, live poultry to 100, slaughtered to 50 (from 150), and oil seeds and products from 300 to 100. Timber is freed from duty in kind. To encourage export an agreement for the export of 110,000 hectolitres of wine to Czechoslovakia has been reached. Similarly a great tobacco campaign is being launched, and a loan of £300,000 for the financing of tobacco export is being negotiated.

Even more important are the negotiations between the Government and a big British firm for a loan of £7,000,000 (of which three are to be guaranteed by the British Government), for the building of the Adriatic Railway. Yugoslav business men are very favourably inclined towards this loan, for they hope that it will open the London market to them. This and the rise of the Blair bonds from 70 to 90, after the visit of the Yugoslav delegation to U.S.A., to acknowledge war debts, has brought the representatives of Blair and Co. to London in the hope of launching there the second instalment of 25 million dollars. Their success, however, is rather doubtful. Similarly unsuccessful was an Italian offer of 30 million dollars at 7 per cent. for the building of the Adriatic Railway, under such onerous conditions that the Government had to issue a formal denial of its intention to negotiate the loan.

The final settlement of the Austro-Hungarian Bank resulted in the transfer of the debts on mortgages to the S.H.S. State. This sum amounts to 17,970,415 crowns, or 4,485,104 dinars. The total amount received since the liquidation of the bank began is 32½ million gold crowns, and another two are expected on the liquidation of some smaller accounts.

HUNGARY.—PRICES AND STANDARD OF LIVING— PUBLIC HEALTH — EXCHANGE — HARVEST PROSPECTS.

(FROM OUR CORRESPONDENT.)

BUDAPEST, May 27.

In a recent report on the commercial and industrial situation in Hungary, Mr R. J. E. Humphreys, Commercial Secretary to the British Legation in Budapest, quotes figures to show that on January 1, 1924, the weekly expenses of a working-class family of five members amounted to nearly 300,000 crowns, whereas the average wage of a breadwinner at that date would have been about 100,000 only. One very serious and, indeed, pathetic result of the low standard of living caused by the rise in prices is to be seen in the decrease of population according to recent statistics, which are said to show a surplus of deaths over births of something like 30 per cent., a large number of the deaths occurring among infants. Phthisis is given as the prime cause, and this terrible disease is said to be spreading among the people. The inference, of course, is that bad nourishment means weak life, and that people are unwilling to procreate children whom they are unable to support. If Hungary is to be saved commercially at the expense of her population, it is to be feared that the victory will be essentially pyrrhic. The Controller, though coming from a Protectionist country, is not likely to be one-sided in such a question as this, and may be counted upon to use his authority comprehensively. There seems to be no doubt that the restrictions placed upon both imports and exports ought to be done away with as soon as may be. As the crown loses its purchasing power, it naturally goes down. Before Czechoslovakia was granted a loan in 1922, the Czech crown was going up rapidly, and continued to go up until the loan was raised. In the case of Hungary, it is hoped that the Hungarian crown will go up after the loan has been raised, so that the amounts required to pay the interest will be easier to raise. At present the position is exactly the reverse of that of Czechoslovakia when she obtained her loan in 1922, inasmuch as the Hungarian crown has been going down steadily up to the present.

In a recent report of the Hungarian Agricultural Ministry, a more or less hopeful prospect for the harvest is given, especially as regards wheat, rye, sugar beet, potatoes, and maize. The wine prospect is not so good. It is probable that the area under wheat may not be quite so large as that of last year, to a small extent wheat being replaced by maize and potatoes. On the other hand, there is a welcome increase in the area under sugar beet, viz., from 89,000 to 101,000 jochs; in other words, from 133,000 acres to 150,000. As Hungarian sugar is second to none, and is besides one of the most profitable products of the country, this increase is of some importance.

Letters to the Editor.

THE DAWES COMMITTEE REPORT.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Allow me to submit a few brief remarks in connection with your article, "The Reparation Report" (*Economist*, April 26th, p. 861). You write, "The outstanding feature of the scheme is that it makes no attempt to fix the ultimate sum payable by Germany." It is quite true that the experts were not empowered to fix the total of the German debt, as they themselves expressly state in their report (it is well known that from the very first the French Government were opposed to any such powers being given to them). It is equally true that the French Government (M. Poincaré) and the Agency Havas contend that this omission to fix Germany's final debt offers the possibility of Germany not paying less than provided for hitherto (London Schedule

of Payments), i.e., of France not receiving less. Nevertheless, all of these statements are erroneous; political expediency cannot set mathematical accuracy and logic at naught. The total debt payable by Germany is contained in the experts' report, is, in fact, fixed, even though only indirectly, as I hope to be able to show.

The report fixes not only the rate of interest (5 per cent.) but also provides for a sinking fund (of 1 per cent.) for a large part of the German debt (£250,000,000—the £ = 20 gold marks—industrial bonds, and £550,000,000 railway bonds). A simple calculation proves that these bonds will be redeemed within 36/37 years. It follows that the annuities will number about 36, and that consequently the total German payments will amount to roughly £4.5 billions (36 payments of £125,000,000 each). The possible objection that after redemption of the bonds the "remaining part" of the annuities will continue to be paid does not hold good, since there is nowhere in the report the slightest indication that the experts intend demanding further payments from Germany. The capital value of the debt can also be computed, therefore; it is £2.1 billions, as against the £2.5-£3.25 billions of the London Schedule; in the latter figure account is taken of the £4.1 billion "C" bonds, which Mr Bonar Law expressly described as worthless at the Paris Conference held in the early part of January, 1923. Whilst on the one hand the above calculation leaves the moratorium period out of account, the possible (but probably small) increase of the annuities calculated upon a prosperity index is disregarded. The moratorium reduces the total amount to a slightly lower figure, which thus approximately agrees with the figure named by Mr Bonar Law in 1923 (£19.75 billions). That the payment cannot extend over a period of more than some 36 years is also in conformity with Art. 231 of the Treaty of Versailles, which even provides that the debt should be settled within 30 years. Consequently the report is equivalent to a reduction of Germany's obligations by about one-third. We come to the same result if we base our calculations on the annuities to be paid by Germany instead of on the total capital payment. These annuities are fixed at £125,000,000, and are to cover all German obligations, whatever the origin or the legal definition of the sums involved (reparations, restitutions, costs of armies of occupation, &c.). According to the London Schedule of Payments the payments due on account of the "A" and "B" bonds alone amounted to £150,000,000 annually, and to certainly not less than £175,000,000 if the above-mentioned extra costs are added. It will be seen that this method of calculation shows a similar reduction of the debt.

On the other hand, the report is guilty of a serious omission to which I also drew attention in an article which appeared in the *Frankfurter Zeitung* of April 14th:—The experts clearly set to work with the full intention of making a clean sweep of the past, and consequently they say not a word about the German payments that have already been made to the Reparations Commission, but which, for various reasons, have not yet been credited to Germany. The amounts concerned are very high, as everyone knows, even when based, not on the German estimates, but on those of Moulton and McGuire, of Keynes or even of Prof. Gide. These payments made by Germany will have to be taken into account, no matter how large or how small the amounts involved may be. The most natural solution is that they should be deducted from the first German annuities payable according to the Dawes scheme, should the latter be carried out. In this way the present "partial moratorium" would be a much more complete one, and that—we would emphasise this point—not owing to any particular leniency on the part of the Allies, but by means of German payments previously made. Moreover, to put the payments already made by Germany to this—in my judgment imperatively necessary—use would contribute considerably to relieve the tension between the Allies and Germany.

I hope that you will consider these comments of sufficient interest to justify their insertion in the columns of your paper.—Yours faithfully, (Dr) W. MAUTNER. Spiegelgracht 34, Amsterdam.

Books and Publications.

INTER-ALLIED INDEBTEDNESS.

THE author and publishers of this little volume* are both to be congratulated, for here is given, in handy form, a succinct account of the expenditure incurred by the different belligerents as a direct consequence of the war, and of post-war reconstruction, compared with the wealth and income of the various Powers. In this setting the problem of inter-Allied debts, to which the greater part of this book is devoted, can be studied in its true context, while the historical account of the growth of this form of indebtedness is a model of impartiality.

From the outbreak of hostilities in 1914 down to April 6, 1917, Great Britain acted as banker for the Allies. During this period her net advances totalled \$3,824 millions. From April, 1917, to the end of the war this task devolved upon the United States, which supplied goods to the associated Powers to the value of \$7,077 millions, and American loans continued for two years after the Armistice, and added a further two billion dollars to the total. Meanwhile, of course, Great Britain still continued to lend to her European Allies, though she was also herself a borrower in the United States. The gross total of inter-Allied indebtedness of all kinds—including the post-war relief loans—is given at \$28,261 millions (with accrued interest as to the autumn of 1923), and, of this, Great Britain advanced \$11,171 millions, the United States \$11,861 millions, and France \$3,463 millions. As both Great Britain and France were borrowers as well as lenders, the figures on balance present a rather different picture. In 1923 the United States was a net creditor for \$11,858 millions, while Great Britain was a net creditor for \$4,682 millions. All the other nations, some thirty in number, were net debtors.

The gross cost of the war is given at 94 billion dollars, calculated in terms of the 1913 price level. About 3 per cent. only of the receipts of the belligerents for war purposes came from taxation, 83½ per cent. from borrowing at home, and about 13½ per cent. from borrowing abroad. These latter loans, if and when paid, will, of course, cancel out, as they are derived almost entirely from borrowing between the belligerents themselves. This would leave the net cost of the war, in terms of the 1913 level, at about 81 billion dollars.

The various categories of indebtedness are described country by country, and the author has preferred throughout to set forth the essential facts and to recreate the atmosphere of contemporary opinion rather than to pass judgment himself on the ethics and economics of the problem. At a time when the question of inter-Allied indebtedness is once more coming to the fore, the appearance of this book is doubly welcome, and should do much to enlighten public opinion on one of the most important international questions still awaiting solution.

* "The Inter-Ally Debts. An Analysis of War and Post-War Public Finance, 1914-1923." By Harvey E. Fisk. (New York) Bankers' Trust Company. (viii. + 367.)

EQUIPMENT OBLIGATIONS.*

THE title of this work will, no doubt, be better understood in America than in this country, but the subject, although somewhat novel, is an interesting one. The meaning of equipment obligations must first be made clear. These securities usually take the form of bonds, notes, or certificates giving a lien upon specific lots of railway equipment, rolling stock, &c., or upon marine equipment. They are essentially an American product, and were originally created to meet the requirements of needy railroads for borrowing capital on the cheapest terms in order to obtain additional equipment. They thus separate the financing of equipment from the other financial obligations of a company, thereby giving a maximum of security and income to the investor, and they have become so popular in America that strong as well as weak railroads now find it desirable to employ this method of finance. In fact, they seem to be the most commonly accepted means by

* "Equipment Obligations." By Kenneth Duncan, Ph.D.] (London) D. Appleton and Co.

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which the purchase of new railroad equipment is effected. The outstanding equipment obligations of North American railroads have increased from \$280 millions in 1919, equal to about 2½ per cent. of the total funded debt, to \$804 millions in 1922, equal to about 6 per cent. The underlying agreements—whether contracts of conditional sale or lease—all contain practically the same provisions. The terms of the contracts are similar to those of an ordinary mortgage indenture, and have assumed in America a more or less standardised form. There are five groups of provisions which are regarded as essential in all equipment contracts: (1) Description of property covered; (2) provisions as to payment; (3) marking of equipment with name of owner or trustee; (4) maintenance and replacement of equipment; (5) procedure in case of default.

The thought naturally arises whether the equipment trust device may be susceptible of more extensive application. At present there seems to be no important issue of equipment obligations outside of railroad rolling stock or marine equipment. But might not other forms of movable property be sometimes conveniently financed through the issue of equipment trust securities or equipment bonds? Perhaps the most likely extension of the principle may be in the direction of supplying machinery or other standard movable equipment to manufacturing companies.

There are, however, certain inherent difficulties likely to prevent the extensive application of the equipment trust principle outside the field of railroad and marine equipment finance. First of all, there is no other type of equipment of an equally permanent standard character which is bought and sold in lots large enough to warrant a separate investment issue for the stock markets; then, again, manufacturing equipment is of a more specialised character, and subject in a greater degree to obsolescence. A further point is that the units of railway rolling stock are widely scattered, thus removing the danger of their wholesale destruction by fire or otherwise. Again, railway and marine equipment is of a more or less standardised pattern, and thus commands a wide and ready market. Inquirers will find the subject of equipment obligations fully and ably dealt with in this work, with its appendices, containing model clauses, agreements, &c.

SOVIET RUSSIA.*

In this valuable little book a former German ambassador to the Bolshevik Government describes impartially the genesis and structure of Soviet Russia. This structure has persisted because the Tsarist State was so "stratified" that the strata, once separated, could not recombine; so that the Bolshevik State has secured the support not only of the proletariat, but of the peasantry, the mass of the Tsarist officials, the upper ranks of the industrial workers, and even some of their chiefs and of the military officers. Ostensibly a group of republics, all more or less rigorously controlled from Moscow, it is really an oligarchy camouflaged under democratic forms; an administrative and legislative hierarchy of Boards upon Boards, with a vast Congress nominally supreme, but limited in fact to registering the decrees of its standing committee, which is directed by a Cabinet, and virtually controlled by the tried leaders of the Communist Party, which contains one-half per cent. of the Russian people. This close oligarchy supports itself by the aid of nominally independent bodies, including the Third International, by careful handling of foreign visitors, and by manipulation of news and the Press. The few real opposition groups are powerless, but are tolerated as helping to disguise the true situation; so does a certain amount of inspired

* "The Remaking of Russia." By Kurt Wiedenfeld. Translated from the German by Eden and Cedar Paul. Introduction by Lieut.-Com. J. R. Kenworthy, R.N., M.P. London: Labour Publishing Company, Limited, 1924. 3s 6d.

and bogus criticism. Communist economics, the author points out, have failed, and the "new economic policy" is the result. Written before Lenin's death, the book suggests speculation as to the result of his removal, and of the eventual rise of a new generation of leaders. While doubting the value of Bolshevik "culture," Herr Wiedenfeld rests his hopes on the altruistic zeal exhibited alike by the Communists and by the patriotic non-Communists who are sacrificing themselves to co-operate in "remaking" Russia.

BOOKS RECEIVED.

My Impressions of Roumania. By William de Lignemare. (New York) Nicholas L. Brown. \$1.50.
The Economic Illusion. By Arthur Bertram. (London) Leonard Parsons, Limited. 7s 6d net.
Kelly's Directory of the Merchants, Manufacturers and Shippers of the World, 1924. 38th annual edition. (London) 186 Strand, W.C. 2. 64s, post free.
Port of Hull Annual. By H. E. C. Newham. (Hull) 13 Bishop lane. 3s 6d net.
 Contains a large amount of information and statistical matter regarding the trade of the port.
World Power: Illustrated Souvenir of the Electrical and Allied Engineering Section of the British Empire Exhibition. (London) 60 Lincoln's Inn Fields, W.C. 2. 2s 6d.
Grain Trade Documents. By S. K. Thorpe. (Liverpool) Northern Publishing Company, 17 Goree Piazzas.
 A text-book that will be of assistance to those entering the grain trade. It explains the use and application of the documents employed in that trade.
The China Architects and Builders' Compendium. Edited by J. T. W. Brooke, A.R.I.B.A., and R. W. Davis. (Shanghai) North China Daily News and Herald, Limited.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, June 25.	ACCOUNT, June 26.

FRENCH politics have played some part this week in the determination of Stock Exchange prices. French issues have been rising, which seems paradoxical in view of the generally expressed opinion that the dullness apparent in some of the more general markets is due to the disturbance caused by the French political crisis. British Government stocks are firm, with the War Loan a little over 101, and other gilt-edged stocks holding their ground. Various British corporation issues are better. The newly-issued scrip stocks are well maintained, and, as is usual when foreign and domestic politics look unsettled, the bulk of investment business tends towards those securities the purchase of which involves the least degree of risk. New South Wales 5 per cent., 1935-55, left with underwriters to the extent of 85 per cent., stands about 1 discount.

Apart from the improvement in French Government, railway guaranteed and municipal bonds, the foreign market is not remarkable for strength. Mexican bonds have fallen fairly sharply. Brazilians gave way, and the tendency of the list as a whole has been to rather lower levels. Portuguese threes, exceptionally, proved a strong feature on the decision to pay interest, to British holders, in sterling and not in francs.

Home Railway stocks suffered in consequence of the fear lest the Tube strike might spread. There was a faint recovery amongst the Undergrounds on the strength of the Whitsun traffics and the impression that the strong stand taken by the directors of the Underground Electric Railways Company would have a favourable effect upon future disputes. Steam stocks

rallied before the week-end. Mexican Rails are, if anything, a little easier on the issue of a report which disappointed the stockholders. Argentine and other foreign railway stocks have been moving within narrow bounds. United of Havana recovered somewhat from the effects of the strike weakness. Antofagasta gave way at first on the dividend being less than was expected, but improved later when the report showed that the company could have paid a substantially higher dividend had the board deemed it discreet to do so. Nitrate Rails have hardened.

Nothing of consequence has transpired in the rubber market, and tea shares continue to droop, with one or two exceptions, notably Assam Frontier shares, which spurred on orders to buy from the East, and Chargolas, where the dividend disappointment became more than compensated by the announcement of a share bonus. The oil market, upset at first by a fresh fall in Mexican Eagles, hardened a little as the week progressed. Last Tuesday's Burmah Oil meeting gave considerable satisfaction. Royal Dutch fell back on sales by holders who wished to take up the new shares. The activity in British Controlled and Phoenix continues to attract the attention of the speculator, and Mexican Eagles rallied from the worst.

Dunlop preferences improved upon publication of the directors' scheme for reorganisation of the capital, the ordinary remaining almost unchanged. The liveliest interest is aroused at the prospect of what Monday's meetings may bring forth, but the share market is surprisingly quiet. Hudson's Bays became dull on the issue of the report. Sudan Plantations maintain the sharp recovery which followed upon last week's spasm of flatness. Tobacco shares are featureless. In textiles business has proceeded upon quiet lines. Iron, steel, and engineering issues are mostly a trifle easier for choice.

Banking shares are better, and the insurance list continues to attract a good deal of support from the North. Shipping shares keep steady. In the group of stores, hotels, and similar companies that are likely to be favourably affected by the British Empire Exhibition, business has dwindled to meagre proportions, though preference shares continue to be in persistent demand. Lyons dropped on the maintenance of the 25 per cent. dividend—some people had been expecting an increase of 2½ to 5 per cent. Marconis yielded ground, the assumption being that the company will not maintain its previous 15 per cent. dividend, and cable stocks are no better, notwithstanding the fact that prices now stand at levels which offer 6 per cent., free of tax, on the money. There is nothing much doing in nitrates.

With the approach of the South African Elections next week, the previous bulls of Kaffirs began to grow restive and to draw in their horns, the consequence being that the buoyancy of prices was not maintained, and the list slipped back from the best. There is a fair amount of public interest being taken in the market, and a good many shares have been lifted at this week's settlement by the purchasers. Chartered are a mild feature of strength amongst Rhodesians. Diamonds gave way on Paris selling, which extended also to Rio Tintos. Russians are a shade better, but Mexican mining shares, together with those of the tin, Indian, and West African gold markets, failed to attract any particular attention from clients. The constant rain is quoted in all the Stock Exchange markets as a factor which tends to make for depression of prices, of energy, and of optimism.

NEW ISSUES.

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

Amount previously recorded.....	Nominal Capital.	Cash Sub- scription.	First Payment.	Further Li- ability.
4 % Treasury Bonds by public tender, June 6, 1924	£ .. 93,333,257	.. ..	.. ..	.. ..
ISSUES OF THE WEEK—	.. ..	nil ..	.. ..	.. ..

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED JUNE 7, 1924.

April 1, 1924, to June 7, 1924 ..	Dr900,000 ..	£ ..	Dr200,000 ..	£ ..	Dr200,000 ..
To the Public—					
Amblamania Tea Estates, £17,000	17,000	..	17,000	..	13,600
7 % Conv. Debs., at par .....	.. ..	17,000	.. ..	3,400	..
Total offered to the public ..	.. ..	17,000	.. ..	3,400	13,600
To Shareholders only—					
Shanghai Electric Construction, 100,000 New Shares, £1. at £2	100,000	..	200,000	..	..
United Kingdom Tea, 25,788 Pkg. Pref. Shares, 10s. at par ..	12,894	..	12,894	..	9,672
Nyassa Plantations, 502,000 Sub- divided Shares, 1s. at par ..	25,100	..	25,100	..	18,825
Palaw (Burma) Rubber, 100,000 Shares, 2s. at par ..	10,000	..	10,000	..	7,500
Redeemable Securities Invest- ment Trust, 10,553 unissued Shares, £1. at 2½ ..	10,553	..	11,081	..	..
Total offered to shareholders only ..	.. ..	259,075	.. ..	223,079	35,996
Total offered for subscription to date in—					
1924	93,409,339	..	1923 ..	271,393,173	..
1923	167,800,441	..	1922 ..	573,675,660	..
1922	439,075,742	..	1921 ..	368,978,303	..
1921	117,009,768	..	1920 ..	367,549,856	..
1920	220,647,166	..	1919 ..	1,036,059,953	..
1919	380,175,143	..	1918 ..	1,393,361,443	..

Royal Dutch Company for the Working of Petroleum Wells in Netherlands India.—Incorporated in Holland. Share capital 600,000,000 fl. Details are given in the Press of an offer to shareholders of 80,364,000 fl. shares of the company, entitled to the final dividend for the financial year 1924, divided into shares of 1,000 fl each, and sub-shares of 100 fl each. For every four shares or four sub-shares held holders have the right to subscribe for one new share or one new sub-share respectively at par, payable July 23rd, at a rate of exchange to be fixed on July 21st. Applications for the new shares must be accompanied by four coupons No. 55 of shares or sub-shares, or multiples thereof. Owing to this procedure, the coupon No. 55 will lose its original character, and after June 30th next will become null and void. The final dividend for the financial year 1923 and the interim dividend on account of 1924 will be paid together on dividend coupon No. 56. It is stated that "the definitive shares" will be ready for delivery on or about July 28th next. The company is not prepared on this occasion to pay the British stamp duty on the new share certificates. They will accordingly be delivered unstamped, and will only become liable to stamp duty when first negotiated, assigned, or transferred in Great Britain and Northern Ireland. The official listing on the Amsterdam and Rotterdam Stock Exchanges has been applied for. The company announce that provincial holders should arrange with their bankers for presentation of their coupons in London, as applications cannot be dealt with through the post.

United Dairies, Limited.—Authorised capital £5,000,000 of which £4,040,636 has been issued. The issued capital consists of 2,068,857 ordinary and 1,971,779 preference shares, all of £1 each. This is an issue of 250,000 6 per cent. non-cumulative preference shares at par, and of 150,000 ordinary shares at 32s per share. This is a holding company, and though its balance-sheets are inclined to be reticent, there is evidence to show that the company is both prosperous and progressive. The reserve fund is given as but £250,000. This appears somewhat small when placed against the £4,040,636 of issued capital. Of course, it may be that some of the constituent companies have their own reserve funds. Profits are given from 1919, but the balance-sheet is strangely silent about assets. Frankly, we are disappointed with the amount of information offered. But, considered as an investment proposition, we believe that the two issues will receive from the public the good reception which they merit.

Gaumont's Trust Corporation, Limited.—Share capital £525,000, divided into 500,000 7½ per cent. cumulative preference shares of £1 each, and 500,000 ordinary shares of 1s each. All the ordinary shares have been issued. The corporation has also outstanding £145,000 7 per cent. notes issued in 1922. The undertaking was incorporated in 1922. The corporation has acquired all the issued share capital in the Gaumont Company, Limited, for £169,375. Net profits of the Gaumont Company are given from 1913, while net assets as at December 31, 1923, are shown as £310,701. These and other details are recorded in a statement which appears in the Press to comply with Stock Exchange regulations. It is practically a misnomer to describe this issue of £500,000 capital as "preference shares." If preference dividends fell in arrears for a year, the margin of security safety provided by ordinary capital would disappear. A prospectus is issued.

The Bognor Gas Light and Coke Company.—Established 1865, incorporated 1908. Authorised share capital £104,700, of which £78,607 has been issued. The loan capital outstanding amounts to £26,250, leaving £26,100 to be raised. This is an issue of £13,000 6 per cent. redeemable debenture stock, the minimum price of issue being par. The stock is to be redeemed at par on June 30, 1934. For the year ended December 31st last revenue amounted to £7,906. Interest on debenture stock, including that now offered will need £2,353. Thus a good margin is available in case of need. A fair offer in its class if obtainable at par.

The Anglo-Dutch Utilities Company, Limited.—Authorised capital £100,000, divided into ordinary shares of £1 each, the whole of which will be subscribed for in cash by the Maatschappij ter Exploitatie der Pamanoeekan en Tjiassem Landen, a company registered in Java, whose entire capital is held by the Anglo-Dutch Plantations of Java, Limited. An advertised statement in the Press refers to an issue of £500,000 6 per cent. guaranteed first mortgage debenture stock. Interest is payable April 1st and October 1st in each year, the first payment being made on October 1, 1924, calculated as and from the due dates of payment. The stock will be secured by a trust deed containing a specific charge on the whole of the shares of the Dutch company, Maatschappij ter Exploitatie van Openbare Werken op de Pamanoeekan en Tjiassem Landen, and a floating charge on the remainder of the assets and undertaking of this company. The Dutch company will be under covenant to execute in favour of the trustees a specific mortgage on its assets when called upon so to do, including the benefit of the contracts with the Maatschappij ter Exploitatie der Pamanoeekan en Tjiassem Landen referred to in this statement, and not to create any other charge upon its assets. An accumulative sinking fund of 3 per cent. will be set aside, starting in the year 1928, and calculated to redeem the whole loan by Decem-

ber, 1946, at which date any outstanding balance will be redeemed. The sinking fund will be applied annually by purchase in the market or by tender, so long as the stock is below par, or by drawings at par. The company reserve the right (a) to purchase the stock in the market or by tender in excess of the sinking fund, and (b) to redeem the whole loan at 107 at any interest date, on giving three months' notice. The stock will be guaranteed both as regards principal and interest by the Anglo-Dutch Plantations of Java, Limited. The statement informs us that a specified firm "have purchased £350,000 debenture stock at 96, and have been paid a commission of 1 per cent. and a fee of 1,000 guineas." The expenses incidental to the sale are payable by the company. Application will be made to the Stock Exchange for permission to deal in the debenture stock, and in due course for an official quotation. The information given in the advertisement is almost as voluminous as that contained in many prospectuses.

The Indestructible Paint Company, Limited.—Authorised share capital £100,000 in shares of £1 each, of which 75,000 have been issued. The company was incorporated in January, 1924, and its objects are indicated by its title. The company has acquired the assets, &c., of a company of a similar name. The purchase consideration was £100,000, payable in cash. Profits are stated from 1919. These and other details are given in the public Press in connection with an application made to the Committee of the London Stock Exchange for permission to deal in the shares of the company. Another prospectusless company with insufficient information to guide an intending investor.

The Amblamania Tea Estates, Limited.—Authorised share capital £70,000, divided into shares of 2s each. Of these 392,500 have been issued at par for cash, and are fully paid, 107,500 are held available for issue in part payment of certain estates, and 200,000 are held in reserve. This is an issue at par of £17,000 7 per cent. convertible debentures of £100 each. The company was formed in 1922, and acquired the Amblamania and Hythe Estates in the Central Provinces of Ceylon. These estates have an approximate total acreage of 722 acres, of which 639 are planted with tea, the whole being in bearing with the exception of a few acres of young tea. The company has now contracted to purchase the Little Valley Estate. This estate, which adjoins the Hythe Estate, is 804½ acres in extent, of which 275 acres consist of tea in full bearing. The purchase price is £17,000, payable £14,000 in cash and £3,000 in fully-paid shares. The debentures are to be secured only by a floating charge, it should be noticed.

Lever Brothers.—It is understood that the recent offer to the shareholders and debenture stockholders of 5,000,000 7 per cent. cumulative preference shares at par has been largely over-subscribed. In view of the heavy clerical work involved, the allotments for the additional shares must not be expected for at least a week.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Price This Week.	Rise or Fall.		Price Last Week.	Price This Week.	Rise or Fall.
War 5½, 1925-28 ..	97 ..	97 ..	..	Aust. 6½ 1931-41 ..	106 ..	106 ..	..
Canada 4½ 1920-25 ..	104 ..	104 ..	..	India 3½ Stock ..	66½ ..	66½ ..	..
Loans 5½, 1929-42 ..	101 ..	101 ..	..	Do 5½ 1926-31 ..	114 ..	114 ..	..
Funding Loan 4½ ..	83 ..	83 ..	..	Do 5½ 1932 ..	103 ..	103 ..	..
Victory Bonds 4½ ..	82 ..	82 ..	..	Do 4½ ..	88 ..	88 ..	..
Conversion Loan 5½ ..	78 ..	78 ..	..	N.S.W. 5½ 1922-32 ..	101 ..	101 ..	..
Consols 2½ ..	57½ ..	57½ ..	..	Nigeria 6½ 1949-79 ..	113 ..	113 ..	..
Irish Land Stock 2½ ..	59 ..	59 ..	..	U. of S.A. 6½ 1930-40 ..	105 ..	105 ..	..
Local Loans 3½ ..	65½ ..	65½ ..	..	Victoria 5½ 1924-34 ..	102 ..	102 ..	..
				W. Aust. 6½ 1930-40 ..	104 ..	104 ..	..

British Railways.

	Price Last Week.	Price This Week.	Rise or Fall.		Price Last Week.	Price This Week.	Rise or Fall.
Great Western, Ord. ..	107½ ..	107½ ..	..	Southern, Ord. "A" ..	38½ ..	38½ ..	..
London & North-Eastern ..	83½ ..	84½ ..	..	Do Ord. "B" ..	10 ..	10 ..	..
5½ Prof. Ord.	29 ..	29½ ..	..	Do Prof. Ord.	85½ ..	86½ ..	..
Do Def. Ord.	29 ..	29½ ..	..	Do Def. Ord.	42 ..	42½ ..	..
London, Mid., and Southern, Ord.	97½ ..	97½ ..	..	Underground Electric (£10) ..	28½ ..	28½ ..	..
Metropolitan	80½ ..	80½ ..	..	Do "A" (10) ..	..	..	..
Metropolitan District ..	51½ ..	52½ ..	..	Do Inc. Bds. (£100) ..	93½ ..	94 ..	..

Banks.

	Price Last Week.	Price This Week.	Rise or Fall.		Price Last Week.	Price This Week.	Rise or Fall.
Barclays B (£1, p.d.) ..	288 ..	288 ..	..	Nat. Bank of S. Africa 6½ ..	64 ..	64 ..	..
Chartered Bk of India 191½ ..	191½ ..	191½ ..	..	National Provincial, (£20, with £4 paid) ..	11½ ..	11½ ..	..
Lloyds (£5 with £1 paid) ..	3½ ..	3½ ..	..	Standard of S. Africa (£20, with £5 paid) ..	102 ..	102 ..	..
Midland (£10, with £24 paid) ..	81½ ..	81½ ..	..	Westminster Bank (£20, with £5 paid) ..	17½ ..	17½ ..	..
Nat. Bank of Egypt (£10) ..	24½ ..	24½ ..	..				

Foreign Government Securities.

	Price Last Week.	Price This Week.	Rise or Fall.		Price Last Week.	Price This Week.	Rise or Fall.
Argentine 5½, 1886-7 ..	100 ..	100 ..	..	Japanese 4½ 1910 ..	65 ..	64 ..	..
Austrian 6 % Guar. 89½ ..	90½ ..	90½ ..	..	Do 6½ 1924 ..	91½ ..	91½ ..	..
Belgian 3½ ..	71 ..	71 ..	..	Mexican Cons. 1899 ..	47 ..	45 ..	..
Brazil 5½ Fund., 1914 ..	76 ..	76 ..	..	Peruvian Corp. Pref. ..	88 ..	88 ..	..
Chilian 4½, 1895 ..	108½ ..	108½ ..	..	P.L.M. 6½ ..	89 ..	89 ..	..
Do 5½, 1912 ..	69 ..	69 ..	..	Portuguese (New) ..	25 ..	25 ..	..
Chinese 5½, 1912 ..	76 ..	76 ..	..	Russian 5½, 1906 ..	84 ..	84 ..	..
Egyptian 4½ ..	76 ..	76 ..	..	Spanish 4½ ..	68 ..	68 ..	..
French 5½ ..	223 ..	224 ..	..	Sole (Dept.) 7½ ..	102 ..	101 ..	..
Do 4½ ..	184 ..	184 ..	..	Siamese 7½ ..	107 ..	107 ..	..
Greek 5½, 1884 ..	54½ ..	54½ ..	..				

American Railroads.

	Price Last Week.	Price This Week.	Rise or Fall.		Price Last Week.	Price This Week.	Rise or Fall.
Chesapeake & Ohio ..	93 ..	92 ..	..	Southern ..	66 ..	69 ..	..
Erie ..	30 ..	32 ..	..	Do Non-cum Prof. 8½ ..	85 ..	85 ..	..
Do 4½ 1st Pref.	38 ..	40 ..	..				

Colonial and Foreign Railways.

Price	Week	Latest	Rise or
Price	Week	Latest	Fall
Antofagasta Cons.	89	89	..
B.A. and Pacific	79	79	..
B.A. Gt. Southern	87	87	..
Buenos Ayres West.	75	75	..
Canadian Pacific	172	172	..
Central Argentine	72	73	..

Telegraphs.

Anglo-American "A" 233	233	..	..
Marconi Wireless	145	145	..
Marconi Canada	145	145	..
Marconi Marine	145	145	..

Miscellaneous.

Aerated Bread (1)	18	18	..
Amal. Cottons (1)	18	18	..
Anglo Persian Oil (1)	34	34	..
Armstrong (Sir W.G.)	18	18	..
and Co. (1)	18	18	..
Am. Ind. Cement (1)	18	18	..
Barker, John (1)	18	18	..
B'ham Small Arms (1)	18	18	..
Brazil Traction (\$100)	50	50	..
British-American	18	18	..
Tobacco (1)	18	18	..
Burmah Oil (1)	18	18	..
Costa (J. and F.) (1)	18	18	..
Courtauld (1)	18	18	..
Cunard (1)	18	18	..
Dorman, Long (1)	18	18	..
Dunlop Rubber (1)	18	18	..
Fine Cotton Spinners	18	18	..
(1)	18	18	..
Forensic (1)	18	18	..
Furness, Withy (1)	18	18	..
Highlands and Low-	18	18	..
lands Rubber (1)	18	18	..

Mines.

Brakpan (1)	18	18	..
Broken Hill Prop. (1)	18	18	..
Chartered (1)	18	18	..
Cons. Gold Fields (1)	18	18	..
Crown Mines (10)	18	18	..
De Beers Def. (24)	18	18	..
East Rand Prop. (1)	18	18	..
Geduld (1)	18	18	..
Gov. Gold Areas	18	18	..

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Div.	Date of Payment.	Method of Payment.	Dividend for Whole Year.	Last Year.
Banks.						
Amstelsbank	3%	June 30	Quarterly		10	7
Guaranty Trust of N.Y.	10	June 21	Less tax		..	..
Mitsubishi	10	June 21	Less tax		..	..
Western Australian	17 1/2	June 21	Less tax		..	..
Railways.						
Antofagasta	4%	June 23	Less tax		7	5
Assam, "A" Stock	8	July 2	Less tax		..	..
Do Pre-Pref. "A"	8	July 2	Less tax		..	..
Bengal and N. Western	8	July 2	Less tax		..	..
Chesapeake and Ohio	2 1/2	July 1	Quarterly		..	..
Delhi Umballa Kalka	8 1/2	July 28	Less tax		15	15
Louisville and Nashville	3	Aug. 11	Less tax		..	..
New Cape Central	3	Aug. 11	Less tax		..	..
New York Central	1 1/2	Aug. 1	Less tax		..	..
Rio Claro	3	June 21	Less tax		..	..
Rohilkund and Kumaon	5 1/2	July 28	Less tax		..	..
Insurance.						
Sun Life	12 1/2 p.s.	July 1	Tax free		..	..
Mining.						
British Platinum and Gold	1 p.s.	July 2	Less tax		..	..
Cam and Motor	15 1/2	July 1	Less tax		..	..
Frontino and Bolivia	5 1/2	July 1	Less tax		..	..
Gold Mines Investment	9 p.s.	July 10	Less tax		..	..
Libiola Copper	5 1/2	July 15	Less tax		..	..
Lonely Reef	5 1/2	July 15	Less tax		..	..
Rhodesia Copper, &c.	6 p.s.	Aug. 14	Less tax		..	..
Robinson Deep, "A"	5 1/2	Aug. 14	Less tax		..	..
Shamva	5 1/2	Aug. 14	Less tax		..	..
Sub Nigel	5 1/2	Aug. 14	Less tax		..	..
Sungei Besi	1 p.s.	June 27	Less tax		..	..
Tronoh	1 p.s.	June 30	Less tax		..	..
Van Ryn Gold	10%	July 22	Tax free		..	..
Zinc Corporation	10%	July 22	Tax free		..	..
Tea and Rubber.						
Associated Tea (Ceylon), Pref.	3%	June 30	Less tax		..	..
Bengal United Tea	25 1/2	July 5	Less tax		..	..
Bidor Rubber	10%	July 5	Less tax		..	..
Bradwall Rubber	10%	July 5	Less tax		..	..
British Assam Tea	10%	July 5	Less tax		..	..
Chargola Tea	12 1/2	July 5	Less tax		..	..
Dangra Jhar Tea	12 1/2	July 5	Less tax		..	..
East Java Rubber	10%	July 5	Less tax		..	..
Hollywood Rubber	10%	July 5	Less tax		..	..
Kuala Selangor	10%	July 5	Less tax		..	..
Lungia Tea	10%	July 5	Less tax		..	..
Majuli Tea	10%	July 5	Less tax		..	..
Nuwara Eliya Tea	8 1/2	June 20	Less tax		..	..
Pilmor Rubber	10%	July 5	Less tax		..	..
Shelford	10%	July 5	Less tax		..	..
Simo Rubber	10%	July 5	Less tax		..	..
Tea Corporation	7 1/2	July 5	Less tax		..	..
Telegorejo United	7 1/2	July 5	Less tax		..	..
United Planters	22 1/2	July 5	Less tax		..	..
Other Companies.						
A. J. White	5 1/2	..	..	..	..	..
Albert Baker & Co.	10 1/2	..	..	..	..	..
Alex. Pirie and Sons	10 1/2	..	..	..	..	..
American Cyanamid	8 1/2 p.s.	July 1	Less tax		..	..
Arrol-Johnston	2 p.s.	..	..	..	..	..
Asbestos Corp. Canada, Pref.	14%	July 15	Tax free		..	..
Barrington Jute	14%	July 15	Quarterly		..	..

DIVIDEND ANNOUNCEMENTS.—Continued.

Barclay Perkins	£6 p.s.	..	Tax free	..	..
Bengal Coal	50	..	..	..	..
Bluemel Bros.	24 1/2	June 21	..	..	..
Brownlee and Co.	24 1/2	..	..	..	..
Burmah Elec. Trams	24 1/2	..	..	..	..
Canada Permanent Mort.	3 1/2	Aug. 1	Less tax	..	..
Cape Electric Tramways	3 1/2	July 2	Quarterly	..	..
C. Arthur Pearson	3 1/2	..	Tax free	..	..
Charter Trust and Agency	4	July 25	Less tax	..	..
First Scottish American Trust	5 1/2	..	..	..	..
Forestral Land, Timber	3 1/2	..	..	..	..
George McWane	15 1/2	..	..	..	..
Goldbrough Mort.	10 1/2	..	..	..	..
Grand Junction Canal	4 1/2	June 16	Less tax	..	..
Grovesend Steel and Timpale	1 1/2	..	..	..	..
Guest, Keen and Nettlefold	1 1/2	..	..	..	..
Harper Piano	1 1/2	June 27	Tax free	..	..
Harrison, Barber, and Co.	28 1/2	..	..	..	..
Henry Gardner and Co.	5 1/2	July 1	Less tax	..	..
Hovis, Limited	10 1/2	..	..	..	..
Imperial Tobacco	13 1/2	June 28	..	..	..
Ingalls and Co.	10 1/2	..	..	..	..
J. Lyons & Co., Ord. & "A" Ord	10 1/2	..	..	..	..
J. N. Richardson, Sons, & Owden	10 1/2	..	..	..	..
John Hunter, Morris, & Elkan.	10 1/2	..	..	..	..
John Swan and Sons	10 1/2	..	..	..	..
Kaloorie Electric	10 1/2	..	..	..	..
Liebig's Extract of Meat	7 1/2	June 26	Tax free	..	..
London Central Markets Gold	7 1/2	..	..	..	..
Storage	..	..	..	..	..
Malta and Mediterranean Gas	3 1/2	..	..	..	..
Mexican Petroleum	3 1/2	July 21	Quarterly	..	..
Mint, Birmingham	1 1/2	..	..	..	..
Molassine Company, Pref.	1 1/2	..	..	..	..
Montgomery and Co.	..	..	..	..	..
Mortgage of Egypt	..	..	..	..	..
Neuchatel Asphalte	..	..	..	..	..
North British Cold Storage	5 1/2	..	..	..	..
Oriental Telephone, &c., old ord.	6 1/2	..	..	..	..
Do New Ord.	10	..	..	..	..
Pan American Petroleum	10	..	..	..	..
Platt Brothers	10 1/2	July 21	Quarterly	..	..
Rothsay Tramways	10 1/2	..	..	..	..
Samuel Allsopp and Sons	24 1/2	..	..	..	..
Scottish Heritable Trust, Ord.	34 1/2	..	..	..	..
Do Def.	24 1/2	..	..	..	..
Shawinigan Water	8 1/2 p.s.	July 10	Quarter	..	..
Short's, Limited, Deid.	..	..	..	..	..
Simms Motor Units	..	..	..	..	..
Sir H. W. Trickett, Limited	..	..	..	..	..
Spiers, Limited	..	..	..	..	..
Strutton's Derby Brewery	6 1/2	June 30	Less tax	..	..
Theatre Royal, Birmingham	..	..	..	..	..
T. H. Downing and Co.	10 1/2	..	..	..	..
Thos. Stevens, Confectioner	10 1/2	..	..	..	..
Town Properties of Bulawayo	7 1/2	..	..	..	..
Tredgair Iron & Coal ("A" & "B")	5 1/2	..	..	..	..
United Discount and Securities	..	..	..	..	..
United Indigo & Chemical, Pref.	5	July 1	Less tax	..	..
W. and A. McArthur	..	..	..	..	..
Whitehall Electric Invest.	..	..	..	..	..
W. J. Bush and Co.	7 1/2	..	..	..	..
Yorkshire (W. R.) Tramways, 5%	7 1/2	..	..	..	..
Cum. Pref.	3 1/2	June 30	..	..	..

(a) Increased capital. (b) Also capitalised bonus of 40 per cent. (c) Also capitalised bonus 100 %.

HUDSON'S BAY COMPANY announce that the balance available will enable them to recommend a distribution of 5 per cent. in respect of trade and a bonus of 5 per cent. in addition to the interim dividend of 10 per cent. in respect of trade paid in dividend on the 15th inst. There will be no dividend in respect of the land department. The 1924. The total distribution from trade for the year ended May 31, 1924, will be 20 per cent. compared with 17 1/2 per cent. in 1923. The refund of Dominion income involves an additional distribution of £22,916 13s 4d. This refund will be payable to preference and ordinary shareholders, whose names were on the register at would have received an additional dividend of about 3 per cent. PROBST, HANBURY.—The dividend on the preference shares for last year has been paid, together with the first instalment of arrears of dividend on these shares for 1921 and 1922. These payments absorbed £10,000, and it is proposed to pay a dividend of 12 per cent. on the written down value of the ordinary shares, the preference dividend arrears, as provided by the reorganisation scheme, is payable in seven further instalments of £2,000 each. RUSTON AND HORNSBY.—For the third successive year no dividend is forthcoming on the ordinary shares. With regard to the arrears of cumulative dividend on the 5 per cent. and 6 per cent. preference shares, the directors have decided to pay on July 1 next the dividend, less tax, on these shares for the 18 months to December 31, 1922.

OIL OUTPUTS.

BRITISH BURMAH PETROLEUM COMPANY, LIMITED.—A cablegram has been received from Burma reporting that the production of crude oil by this company and the Rangoon Oil Company, Limited, for the month of May amounted to 60,614 barrels. KERN RIVER OILFIELDS OF CALIFORNIA, LIMITED.—Total production for May amounted to 140,903 barrels, or approximately 21,415 tons, including:—St. Helens Petroleum Company, Limited, 30,675 barrels, approximately 5,668 tons; Kern Trinidad Oilfields, Limited, 2,667 barrels, approximately 2,086 tons; Kern Romana, S.A., 37,946 barrels, approximately 381 tons; Kern Mex Oilfields, STEAUA ROMANA (BRITISH), LIMITED, are advised that the approximate fields' gross production of the Steaua Romana Company (Bucharest) for the month of May was 19,820 tons. TRINIDAD LEASEHOLDS.—Oil produced during May, 20,150 tons; oil purchased during May from other companies, 12,000 tons. UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, June 4, amounted to 920 tons. VENEZUELAN OIL CONCESSIONS, LIMITED.—The London management advise that production of crude oil from the La Rosa field for the four weeks ending May 24 was 17,401 metric tons (production for previous four weeks having been 15,417 tons).

COMPANY MEETINGS, &c.

BANCO DO BRASIL.

DR CINCINATO BRAGA'S ADDRESS TO THE SHAREHOLDERS AT THE ANNUAL GENERAL MEETING HELD ON APRIL 26, 1924.

Gentlemen,—

For the second time I have the honour of presiding at your ordinary general meeting, and you are now convened to pass the accounts and transactions of the bank for the year 1923.

During the whole of the year the continuous tension of our exchange caused us much anxiety. To justify this anxiety it is enough to observe that in no year since the date of our political independence has the exchange value of our currency suffered so severe a fall as in 1923. The lowest point reached was on November 7th, when the milreis was quoted at the low record rate of 4 21-32d.

We must frankly confess that this situation was brought about by circumstances easy to be explained, and due as much to economic causes as to those of politico-financial origin.

Among the former, the insufficiency of our transport services stands out. Through lack of transport facilities more than, perhaps, for any other cause, we failed to realise from the European war the advantages other nations obtained. During the years immediately preceding the war the tonnage of our foreign commerce was steadily increasing. It reached in the year 1913 a total of 7,304,000 tons, fell in 1914 to 4,788,000 tons, declined further to 3,510,000 tons in 1918, and in 1923 was 3,575,000 tons.

In these circumstances the product in gold of our exports has not furnished us with the surplus necessary to meet our commitments in the general international balance of payments. Careful calculations have shown that to meet its balance of payments Brazil needs annually an excess of exports over imports of between £25,000,000 and £29,000,000.

This average annual surplus has not been attained since the beginning of the European war, hence the natural and persistent fall in our foreign exchange. In the three years prior to 1923, the disequilibrium was most marked, as it might almost be said that no surplus existed. The figures are as follows:—

Year.	Exports.	Imports.
1920	107,521,000	125,005,000
1921	58,587,000	60,468,000
1922	68,577,000	48,640,000
	234,685,000	234,113,000

Taking into consideration the inevitable contraband, it will be seen that in this period of three years our exports were not even sufficient to cover the absolutely necessary payments for goods passing through the Custom House. That is to say, our foreign trade contributed nothing towards meeting our foreign debt in gold, amounting to over £14,000,000 per annum, nor for private remittances and interest on capital invested in industrial enterprises in Brazil.

In this manner, the economic deficit for the three-year period mentioned cannot have been far short of 90 millions sterling, reduced, however, by 22 millions sterling more or less of external loans, realised during that period by the Federal Government, the Federal District (City of Rio de Janeiro) and the State of Sao Paulo. The situation was further aggravated by remittances, not visible in our statistics, sent out of the country for purchases of German marks, which well-informed bankers here calculate to have absorbed more than 10 millions sterling. This loss to Brazil's economic wealth occasioned over the short period in question was thus more than 500,000 contos of reis. It is to be noted that the depreciation in the franc and the lire also contributed to the already sufficiently pronounced disequilibrium.

This accumulation of adverse factors had its pernicious effect on exchange in 1923. It is not humanly possible to maintain a high rate of exchange without the actual existence of gold bills to meet the heavy calls of a market already deeply overdrawn. And how is it possible to obtain these bills if our exports cannot furnish them?

In nations well organised financially these deficits in the international balance are met by gold bills furnished by credit—that is, by the confidence inspired abroad by nations whose finances have been consistently well directed, and whose politics are conducted lawfully and without discord.

Unfortunately for Brazil, her domestic politics were in a state of unrest during the three-year period immediately preceding 1923. A presidential campaign contested by an irresponsible opposition caused the calling out of the military forces and the declaration of a state of martial law over a long period. In such an atmo-

sphere, lack of confidence in Brazil in financial markets abroad was inevitable and fatal.

To make matters worse, we had also to contend with the falling to pieces of the national finances. Since 1908 the Budget deficits have been as follows:—

Fiscal Year.	Rs.
1908	76,968,419\$000
1909	65,780,180\$000
1910	90,519,538\$000
1911	104,465,297\$000
1912	166,932,040\$000
1913	132,248,998\$000
1914	376,479,158\$000
1915	295,130,452\$000
1916	207,884,140\$000
1917	308,341,056\$000
1918	247,666,640\$000
1919	296,771,928\$000
1920	389,409,751\$000
1921	424,515,318\$000
1922	453,010,923\$000

Taking into consideration our reduced sources of income, these figures show a disastrous state of affairs. Despite the fact that during this period we have had recourse to no less than 14 foreign loans in an attempt to meet these great deficits, while a formidable increase in the internal debt, due to the issue of Government policies (bonds) and paper money, was witnessed, we fell still further behind in 1923, as a floating debt of 1,500,00

traffic is considerably easier. On all lines, as much as possible has been done, within the limits of the budgetary allocations. In fact, 1923 was a year of considerable improvement, which improvement is being energetically continued this year.

With regard to internal politics, peace has been established in the State of Rio Grande do Sul, the danger of a disturbance in the State of Bahia has been overcome, while public order in the State of Rio de Janeiro is complete. The elections for the Chamber of Congress and the election of one-third of the Senate have been carried out in due form, without dispute of any great importance in any of the States of the Union.

As to finances, public expenses have been ruthlessly cut, and all and every fresh public undertaking involving heavy expense has been shelved for the time being. From having a deficit of 424,000,000\$000 (four hundred and twenty-four thousand contos of réis) in 1921, and 453,000,000\$000 (453,000 contos of réis) in 1922, we improved to the extent that the deficit of 1923 was Rs223,000,000\$000, and even this figure includes expenses made for account of previous years, such as 60,000,000\$000 on account of expenses incurred in 1922 and previously, and about 80,000,000\$000 relative to the interest on the floating debt, contracted in previous years. Without these two important items, the deficit of 1923 would have fallen to less than 80,000,000\$000, and if the taxes on invoices, on cash sales, and on incomes had been in force for the whole of the year instead of part of the year it would have disappeared altogether.

As to our external debt, foreign money markets must have been surprised by what is a rare occurrence in the annals of international loans—the repayment by Brazil in less than three years of an external loan of £9,000,000, when the contracted period of the loan was for thirty years.

Our internal money market is already beginning to feel the combined influences of these factors. The pound sterling, which in November last was quoted at Rs51\$544, can now be bought for Rs38\$000. During the current year we expect that the situation will still further improve.

We already appear to be assured of exports considerably in excess of 1923, for which year they were £73,104,000, against £68,578,000 in 1922 and £48,641,000 in 1921.

Apart from coffee, other articles were exported to the extent of £26,106,000 in 1923, against £24,334,000 in 1922 and £13,947,000 in 1921. Compared with 1923, our exports of the following articles should increase in 1924:—Cotton, hides and skins, meats, lard, rubber, cocoa, sugar, carnauba wax and fibre, babassu nuts, tobacco, herva maté tea, oil-producing seeds and nuts, and timber. A slight increase in each of the articles mentioned would give us an export total well above £30,000,000, excluding coffee.

As to coffee, we are already assured of an export for 1924 of more than 15 million bags, which should produce about £60,000,000. Thus, without undue optimism, we may look for an export total of well over £80,000,000 sterling. It is as well to note that from this total the Federal Government will not require to withdraw, as it was obliged to do in 1923, about 12 millions sterling for the service of the coffee valorisation loan, which loan is now liquidated. Also the loss of capital by speculation in German marks has now ceased.

We can thus anticipate that we shall have in 1924 a trade balance to meet all the necessities of our international balance of values.

This balance will naturally depend a great deal on the figure reached by our imports, but it does not appear probable that that figure will be unduly high. The only years in which imports exceeded £52,000,000 were 1911, 1912, 1913, 1919, 1920, and 1921, during which years our exchange varied between 12d and 18½d.

Whenever our exchange has fallen below 12d then the average total of our imports has fallen below £52,000,000, being under £45,000,000 in 1906, 1907, 1908, 1909, 1914, 1915, 1916, and 1917, years of low exchange rates.

The difficulties which the European war brought to manufacturing industries abroad gave to Brazil, thanks to its protective tariff, an opportunity for unexpected development in her national industries, which developed to a surprising extent, assisting her to become less and less dependent on imports.

On the other hand, it is to be expected that the fluctuations in the values of the pound sterling and the dollar will vary within narrower limits, and great assistance in this respect is being obtained from the measure, initiated in 1923, which limits the entries of coffee from the interior into the great coffee markets of Rio de Janeiro and Santos. At first sight it might appear that this measure benefits the coffee farmers exclusively, as guaranteeing a better price for coffee. But it is unquestionable that this measure has a much larger scope, as it renders much more difficult the sudden and severe variations in the values of the pound sterling and the dollar. As a result of this measure, as now in force, coffee export values of about £60,000,000 come into the exchange market, spread over the whole year, instead of flooding it in some months, and causing a shortage in others. As the results of this measure

have been shown to be successful, it is hoped that the same method may be carried out with other articles for export, so as to regularise, where possible, over the whole year the export of our products to foreign markets, or, in other words, the offer of gold bills on our exchange market. The Bank of Brazil will give all assistance possible to any efforts in this direction, as extreme variations in exchange are much worse for the country than is generally thought.

A study of the exchange situation during the last 30 years shows that we have managed to secure various periods, relatively extended, where the variations in the value of the pound sterling during a whole year have been very small. This is shown by the following table:—

Year.	Minimum.	Maximum.	Difference.
1907.....	R\$15\$422	R\$15\$3836	\$414
1908.....	15\$771	15\$836	\$165
1909.....	15\$734	15\$868	\$134
1911.....	14\$798	15\$059	\$261
1912.....	14\$713	15\$059	\$346
1913.....	14\$712	15\$ 00	\$288
1914.....	14\$844	15\$360	\$476

Slight differences such as the above allow of business being developed on a sure basis, but unfortunately during this same period of 30 years we have had years of great difficulty for commercial houses and for payment of Government debts abroad. For example:—

Year.	Minimum.	Maximum.	Difference.
1900.....	R\$17\$067	R\$34\$595	17\$528
1901.....	17\$944	25\$098	7\$154
1905.....	13\$174	17\$655	4\$481
1915.....	16\$992	21\$513	4\$521
1919.....	12\$973	18\$824	5\$855
1920.....	12\$973	25\$264	12\$291
1921.....	23\$704	36\$225	12\$521
1922.....	30\$060	39\$588	9\$528
1923.....	40\$000	51\$544	11\$544

Frequent and violent fluctuations between the above margins producing formidable differences in the milreis value of the pound sterling day by day had the effect of transforming the conservative element of the country, such as agriculturists and merchants, into unwilling gamblers in all their transactions involving the purchase of sterling. Even the most careful and prudent could not hope to escape occasional disaster, and, on the other hand, with the creation of an atmosphere of uncertainty, insecurity, and veritable gambling, everyone endeavoured to obtain the highest possible price for his goods as some sort of guarantee against a fresh rise in sterling when next his bills had to be met. Chance favoured a good many people, who made large fortunes rapidly, and such examples were impressionable and contagious. All classes became imbued with the get-rich-quick idea, and underrated the worth of hard and methodical work and strict economy, which are the only roads leading to enduring national greatness.

As a means of combating these disastrous variations in exchange, the even distribution of our exports over the whole year will greatly help in giving stability to the gold value of our currency.

At the same time the Bank of Brazil is applying part of its reserves for the maintenance of a gold fund in Europe and North America of a sufficient size to allow of furnishing to the exchange market, temporarily, gold bills required in times of small exports, after the coffee export season is over.

The Bank of Brazil has also made a patriotic appeal to the Governments of the various States of the Federal Union, and to the various cities which have external debts, not to wait until the eve of the due date of the instalments of their external debts before entering the exchange market for the total amount of the half-yearly instalments. The most elementary foresight should suggest to them the advisability of being daily, or at least weekly, in the exchange market with the view of accumulating the amounts necessary to meet their obligations. Such action would assure them the average exchange rate for the year, without any upsetting effects on their budgets, would greatly increase their credit, while at the same time benefiting their country. This system is already being followed, where the gold payments of the Federal Government are concerned, the Bank of Brazil converting daily into gold at the exchange of the day the total amount of import taxes received each day in paper.

The practice by banks of purposely lowering exchange rates previous to the entry into the market of the Federal Treasury has been eliminated.

Side by side with these measures, tending to the improvement of our exchange, we have the great work of the present Government in regularising our financial life, to which end it is lending all its energies, with such success that Budget surpluses seem to be possibilities of the near future.

The Federal Government is also giving to the reorganisation of our economic life the attention which this question demands. In all civilised nations which work and prosper the wealth of the community is increased year by year by the profits realised in

the previous years from agriculture and industry. Of such profits a considerable portion goes out of our country in the form of remittances of emigrants to their own countries, in transatlantic freights, in insurance, in dividends on foreign capital employed in the country, and, lastly, in instalments of interest and capital on the foreign loans of the various States and cities and of the Federal Union. But, fortunately for us, the greater part of our profits remains year by year in Brazil, being largely invested in buildings of various kinds and in industrial enterprises. This money is employed in city property, in farm buildings and improvements, and in industrial factories and mills.

There is, however, a certain portion which avoids investment in properties. Such capital is floating, movable, lacking in confidence, and avoids the known difficulties of administration. Always timid, it is only employed where a quick realisation is possible in case of necessity. When not deposited in banks or savings institutions, this floating capital finds its way into public loans, private loans, Government scrip, debentures and shares in limited companies. It is clear that the more we increase and consolidate the wealth of the social community, the more advisable is the employment of our profits in agricultural and industrial production. This is the only sure and certain means of valorising our circulatory medium, the milreis, so that we may increase our national wealth, and instead of being a debtor nation, become a creditor nation.

But, unfortunately, Brazil's ideas in this respect have been mistaken. Instead of attracting floating capital for employment in agricultural and industrial developments, the Governments of the Federal Union, the States and the Cities of Brazil have entered the market against agriculturists and industrialists.

Instead of obtaining through taxation the moneys they needed, the Governments obtain by bond issues at high rates of interest capital which they spend in improving cities and urban properties, and for covering Budget deficits on ordinary expenditure for the most part entirely unproductive. The sums thus diverted are enormous. Leaving on one side the amounts so utilised by State Governments and by the various cities, as details are not readily available, the amount obtained by the Federal Government during the last period of five years, 1919-1923, was as follows:—

	R\$.
Treasury bonds (internal debt)	623,738 : 400\$000
Treasury bills	142,325 : 000\$000
Floating debt	1,596,000 : 000\$000
	2,362,063 : 400\$000

Averaged over the five years, this is equivalent to about 472,000 contos yearly. Estimating the State and municipal loans at a very moderate figure, we arrive at a yearly amount of 500,000 contos.

If our industrial and agricultural production had been aided by, say, not the whole, but even one-half of that sum, it is certain that the present deplorable financial and exchange difficulties would not have existed.

The Federal Government has studied this question, and has come to the conclusion that the best method of diverting part of this floating capital into channels for the development of national production is by the creation of a National Mortgage Bank, following the lines of the skeleton Bill now before Congress. It is to be hoped that the legislative power will give the country, during the present year, the necessary laws and powers.

The projected law will create a type of bond, quotable on the Stock Exchange and secured by two solid guarantees—(1) the mortgage on the building or farm which is the subject of the bond, and (2) the guarantee of the National Treasury. This organisation will permit of loans at a moderate rate of interest, to the benefit of farmers and industrialists. The mortgage bonds will, therefore, be a safe means of employing Brazilian capital in developing the land. Cotton, cocoa, tobacco, sugar, cereal, and other crops are crying out for the credit and assistance which they need and deserve.

The world has witnessed the phenomenon of a surprising economic-financial transformation in Brazil during the short space of three years. These are the facts of yesterday. In 1898 we had an exchange of 58½d, and were at the same time burdened with heavy exchange deficits, the deficit of 1898 being Rs. 463,618,386\$609, a colossal figure considering the small income of Brazil in those days. Now see what happened. In 1900 our exchange had already reached 12 25-64d, and in that year we began to have budgetary surpluses, which, with the exchange remaining firm, were continued in 1902, 1903, 1905, 1906 and 1907, in which latter year our exchange reached the relatively high figure of 18d. Miracles of order and economy in a young, rich country!

The actual position of Brazil at the moment is the counterpart of that transformation, but in larger and more efficient terms of progress and wealth.

In the internal organisation of the Bank of Brazil no event was so important in 1923 as the act which transformed it into the Central Bank of Issue of Brazil.

This fact occurred, as you are aware, immediately after our last annual general meeting, held on March 26, 1923. On May 2nd following, our extraordinary general meeting approved the contract

between the National Treasury and the Bank of Brazil, drawn up in consequence of the legislative decree 4,635, of January 8, 1923, which meeting also approved the alteration in the statutes necessitated by that decree. The law, the minutes of the meeting, the contract, and the statutes are appended. The projected statutes of the National Mortgage Bank are also appended.

The directorate, the staff, and the shareholders of the Bank of Brazil are quite alive to the high distinction and the great confidence placed in the Bank of Brazil by the legislative and executive powers of the nation, as the arbitrator and controller of Brazil's circulatory medium. We are also aware of the great responsibility which rests on us in the carrying out of this mandate. The ideals of honour and patriotism will guide and help us in carrying out our mission.

As to the difficulties, we have no illusions. The Central Bank of Issue commenced its career in the midst of the most difficult and upsetting exchange and financial year in our history, as shown in previous paragraphs. It was to be desired that the Bank of Issue should be founded on a gold basis, should commence to work and develop on the basis of the free and untrammelled conversion of its notes.

Unfortunately, the atmosphere for free conversion does not exclusively depend on any one bank, but on many other interlinked national factors, on which we must base the rational abolition of the existing system. It would be impossible in any one year, least of all in such a year as 1923, to effect the necessary transformation of the economic and financial atmosphere of Brazil. Such a radical reform can only receive from time the necessary strength and approval, and it is the Government which must be responsible for the necessary ways and means of ensuring its success. What is certain is that the Bank of Issue can, in the whirlwind of business, greatly assist us in regaining our financial and economic tranquillity. This result depends largely on the security and prudence of the control of the huge monetary resources which the Bank of Brazil commands. These resources are derived more from deposits than from capital or its right of issue.

In the management of these powerful elements the directorate has systematically refused to grant monetary aid to any operation which does not directly assist the increase of national production, or tended to circulate in a freer manner the national wealth. Such operations as gambling on exchange, stock and share speculations, loans on town lands, building plots, &c., operations involving the attempted cornering of foodstuffs or of the building of luxurious city dwellings or improvements, the financing of lottery, gambling and amusements enterprises, and similar operations, have been consistently refused, however secure the guarantees offered, and however attractive the probable profits. The bulk of our business operations has been genuinely commercial, with due dates of 30, 60 or 90 days. The tying up of capital for longer periods has been carefully avoided. Even so, by restricting ourselves to short-period operations, to the helping of the harvesting of our products, to cleaning the same, and to their transport to internal markets for consumption, or their export abroad, our resources have not been sufficient to comply with all the demands for accommodation, so great has been the effort and the progress made in various parts of the country.

Had the management given effect to requests for increased limits from our branches in various parts the issue capacity of the bank would long since have been exhausted. But the policy of the bank is against emissions whenever, after careful study, the circumstances do not permit. Our operations have been careful and restricted, as being the best course to combat undue increases in the cost of living. On May 3, 1923, the bank could have at once put into circulation its own note issue, had the policy been other than that indicated.

However, May and June both passed without the issue of a single note, despite constant requests for banking rediscounts, which the bank complied with by utilising cash in hand, passing business which would otherwise have been more profitable.

Every year, in July, the feverish activity connected with the harvest of practically every agricultural crop commences. The demand for capital to finance these harvests always increases in the second half-year. The demand was much greater in 1923 than in previous years owing to the fall in exchange causing a big increase in prices of all products. Our available resources in cash in hand were insufficient for the necessities of commerce, although the demands were all legitimate. With other banks the same situation arose.

The conditions of the market did not admit of the floating of an internal loan with which the National Treasury could have consolidated its floating debt, of which the largest creditor is the Bank of Brazil. It is clear, therefore, that we could not expect from the National Treasury the resources which we had there and which our position was daily demanding. Banks were relying on the Bank of Issue for rediscounts.

Under these circumstances issue was inevitable and justifiable from all points of view. In a way it was necessary that, in the midst of all these tumultuous conditions, a Bank of Issue should

not be in existence, so that the arguments against it could be made to prove the necessity for its creation. So far no nation has created a Bank of Issue with the object of never issuing notes. What is required of these institutions is that issue within the strict terms of the law be guided by the actual necessities of legitimate commerce—i.e., that commerce which effects the actual handling of merchandise.

In accordance with these principles, the Bank of Brazil issued in the second half of 1923 banknotes up to a maximum of 380,000 contos of reis. In January, 1924, the issue totalled 439,950 contos of reis. On the date this report was written our issue was reduced to Rs.377,156:000\$000 by the withdrawal of Rs.62,794:000\$000 of our notes. It may not be beside the point to remind you that as the stock of bar gold belonging to the Bank of Brazil in the Amortisation Department (Caixa de Amortisacao) amounts to £10,000,000, the actual value of which in the market at the exchange of 6½d is Rs.369,230:000\$000, it is obvious that our note issue is covered.

If we assess this gold at the exchange rate of 12d, or 20 milreis to the pound sterling, we have 200,000 contos. On that basis our note issue is backed by gold to the extent of 54 per cent., without reckoning a further 246,000 contos of bills of two firms of recognised standing. Few banks of issue of other nations have their notes so strongly guaranteed. However, such calculations are absolutely unnecessary, as notes actually in circulation issued by the Bank of Brazil can be called in without our having to sell even one pound sterling of our stock of gold and without having to use one of the commercial securities forming the joint guarantee for the issue. Our reserves are quite sufficient to enable us to call in the 377,156 contos to which the issue amounts. As a guarantee for the deposits the public places with us our realised capital, our securities, and our cash in hand is sufficient with an ample margin, without it being necessary for us to touch one single pound sterling of our gold.

Notwithstanding this happy position, the patriotic conviction of the necessity of restricting to a minimum our circulating medium so as not to aggravate the inflation of cost prices of necessities, has decided the directorate to make as difficult as possible all rediscounts, the rates for which are being maintained at 9 per cent., 10 per cent., and 11 per cent. respectively for bills of 30, 60, and 90 days' sight, due date, and to abolish rediscounts for longer-dated bills.

Even under these restricted conditions, rediscounts depend on previous consultation. These precautions have been found necessary as a deterrent against those banking establishments, which, although of known solidity, wished to avail themselves permanently of rediscounts as a means of developing their normal business, thus practically turning the Bank of Brazil into a sleeping partner of such establishments. Rediscounting cannot be used in such a manner, but should be utilised as a safety valve in case of exceptional difficulties. Following this principle, we have managed to make the banks in general to understand better and utilise to better advantage the powerful monetary instrument which rediscount really is.

We have given careful attention to the methodical accumulation of reserves, which in due course will be used for the purchase of gold whenever exchange reduces the price of sterling and dollars. The strength of banks of issue is in their stocks of gold.

In order that we might be able to make the encouraging statements we have made in the preceding pages, we have used the greatest care in continually improving our assets. In the various items nothing will be found of a doubtful nature. On the contrary, we have effected big amortisations, reducing the value of our assets to figures much below those current in the markets of the country.

We quite understand that as the responsibility for the monetary system of the country has been transferred from the National Treasury to the bank of issue, the eyes of the whole business world are upon the bank. For example, in order to-day to estimate the financial strength of Great Britain, no one would trouble as much about the figures of the British Budget as about the balance-sheets of the Bank of England. The proof of the financial vitality of the United States is based, not only on a study of its Budget, but upon an examination of the balance-sheets of the Federal Reserve Banks, controlled by the Federal Reserve Board. In view of the Budgetary deficits of France, no one in the financial world would put much faith in the value of the franc, were it not that French finance is represented by the Bank of France, with its great deposits of gold and its great ability as the leader of solid French thrift.

What we can guarantee to the shareholders, and to all Brazilians, is that, in this bank, the directorate and staff will work unceasingly, honourably, and with care, so that the Bank of Brazil shall be esteemed and pointed out as the true index of Brazil's greatness.

But, despite the foregoing, it should be stated that the internal organisation of the bank might be improved in the sense of making it less subject to Governmental influence. The present Government is already looking into this point. Whatever modifications it may

be necessary to make in our statutes with this end in view will be brought to your notice for necessary examination, discussion and approval at an extraordinary general meeting.

Among the items of our balance-sheet of December 31, 1923, you will certainly not have let pass unnoticed the rapid and surprising increase in our reserve fund from 40,000 contos, at which it stood on December 31, 1922, to 90,012 contos at December 31, 1923. Our current operations allow us to expect that this fund will certainly be increased to 100,000 contos in the balance-sheet for June 30th next, which is the amount foreseen in Article 1 paragraph (b) of Legislative Decree No. 4,635 of January 8, 1923. From that time onwards the fund for the redemption of the paper money issued by the National Treasury, amounting to Rs.1,856,590:537\$000, will commence to be put into operation, and thus in the second half-year of 1924 we should commence the regular burning of that paper money.

Whilst it does not actually refer to an operation during 1923, we do not wish to keep back from the knowledge of the shareholders the news that the Bank of Brazil has already been relieved of the necessity of withdrawing and burning the Rs.399,265:567\$000 which figure amongst our liabilities, an obligation referring to emissions of the now extinct Rediscount Department.

The Bank of Brazil was under the obligation to hand that amount, plus interest, a total of Rs.403,102:952\$700, to the Amortisation Department (Caixa de Amortisacao). By arrangement with the Federal Government, the Bank of Brazil was relieved of its obligation, which was balanced by the National Treasury setting off an equal amount owed to us on short-term loans. By this transaction the responsibilities of the Bank of Brazil and the National Treasury for the reciprocal payments mentioned were cancelled.

The notes issued by the Rediscount Department continue in circulation, the redemption of these now falling to the National Treasury. To effect this redemption, it is very probable that a fresh agreement will be entered into between the Government and the Bank of Brazil, the form of the agreement depending on the Government's ideas on the matter.

The Clearing House for Cheques continues to furnish free of charge its great services to the community. The total of cheques cleared was:—

	Rs.
In 1921	2,060,555:96\$384
In 1922	8,012,631:05\$193
In 1923	10,024,682:21\$910

The benefits of these operations are participated in by the cities of Rio de Janeiro, Santos, Sao Paulo, Recife, Porto Alegre and Bahia. We are now studying the steps necessary to extend these services to other cities in Brazil.

The various departments into which the administration of the bank is divided continue to work with all regularity.

The Issue Department, under the direction of Baron de Oliveira Castro, effected the counting and the receiving of the gold stock which the bank acquired from the Federal Government. That stock is composed of the items in the following schedule:—

All issues were effected under the continued checking of the Issue Committee, composed of Dr Antonio Manoel Bueno de Andrade, Dr Carlos Claudio da Silva, and Sr Fortunato Bulcao. Dr Carlos Claudio da Silva acted in substitution for Dr James Darcy.

The movement of Issues during the year was, put shortly, as follows:—

	Rs.
Total of notes issued up to December 31, 1923	428,272:500\$000
Total of notes withdrawn up to the same date	39,272:500\$000
Balance in circulation at December 31, 1923	389,000:000\$000

The Exchange Department worked continuously under the direction of Dr Daniel de Mendonça with the utmost security to the important national interests linked thereto.

In previous pages we have shown how grave and acute for Brazil was the exchange crisis during 1923. We are proud of the quiet confidence with which our Exchange Department gave very nature pass unnoticed by our fellow-citizens. It would be necessary for it not to exist for commerce to properly appreciate the incalculable value of its services in its modest daily efforts. In 1923, more frequently than in other years, the Bank of Brazil was forced to sell its gold bills in large sums for the same prices at which they were bought, which was done to constantly defend the gold value of our currency in the various money markets of the country.

Even thus, despite these most adverse circumstances, the Exchange Department does not show a loss. On the contrary, it contributed largely to the results of the year with considerable profits, which profits were principally obtained from operations in international exchange.

Exchange operations with Brazilian money, bought and sold, amounted to the following:—

	£
In 1920	38,431,381
In 1921	138,054,780
In 1922	140,544,905
In 1923	77,876,557

That the figures for 1921 and 1922 were so large was due principally to the foreign loans realised during that period.

The commercial department of our head office continues under the direction of Dr Augusto Cotrim Morreira de Carvalho. Discounts were effected as follows:—

	Rs.
In 1921	625,246:195\$801
In 1922	781,592:610\$037
In 1923	933,444:176\$791

The agency department developed greatly, under the direction of Drs Norberto Ferreira, Henrique Diniz, and Monteiro de Andrade. On December 31, 1922, the following agencies were in operation:—

Aracajú,	Maranhão,
Bagé,	Mossoró,
Bahia,	Natal,
Barretos,	Pará,
Baurú,	Parahyba de Norte,
Bello Horizonte,	Parnahyba,
Buenos Aires,	Pelotas,
Cachoeira,	Ponta Grossa,
Camocim,	Porto Alegre,
Campos,	Recife,
Corumbá,	Riberao Preto,
Cataguazes,	Rio Grande,
Curityba,	Sant Anna do Livramento,
Cujubá,	Santa Luzia do Carangola,
Feira de Sant Anna,	Santos,
Florianopolis,	Sao Felix,
Fortaleza,	Sao Paulo,
Ilhéos,	Therézina,
Ipameri,	Tres Corações,
Jahú,	Tres Lagoas,
Joinville,	Uberaba,
Juiz de Fora,	Uruguayana,
Maceio,	Varginha, and
Manáos,	Victoria.

During 1923 the following further agencies were opened:—Albuquerque Lins, Barbacena, Bebedouro, Campinas, Campina Grande, Campo Grande, Catanduva, Chavantes, Franca, Garanhuns, Guaxupé, Ijuí, Macahé, Penedo, Piracicaba, Rio Branco, Rio Preto, Santo Amaro, S. Joao da Boa Vista, S. José de Rio Preto, Taquaritinga, and Theophilo Ottoni.

The supervision of the staff was carried out under the direction of Dr Norberto Ferreira, whose services have been of the utmost value to the bank.

The services of the directors in the various branches of the bank's activities have been carried out with commendable care in an atmosphere of cordial relations between themselves and the President. To all I offer the thanks due for their constant, loyal, and efficient efforts in the best interests of the bank. All merit the thanks of the shareholders. I must also commend the staff of the bank, who in the quiet routine of their positions are the true builders of the greatness of our institution.

This general meeting, in addition to examining the accounts for the year 1923, has also to elect a director, as Dr Monteiro de Andrade has concluded his term of office, and to elect also the members of the Fiscal Council and the substitutes, as our statutes demand such election annually.

For any other information, involuntarily omitted from these pages, I am at the disposition of the shareholders.

CINCINATO BRAGA,

President.

Rio de Janeiro,
April 26, 1924.

BALANCE-SHEET AS AT JUNE 30, 1923.

ASSETS.

National Treasury overdraft	24,238:80\$337	
Bills discounted	791,501:109\$054	
Loans in current account	205,282:105\$409	1,021,022:023\$700
Bills receivable, foreign	19,039:128\$457	
Bills receivable, domestic	191,870:964\$316	210,910:092\$773
Securities in liquidation		1,522:276\$717
Collateral deposited as security		383,160:780\$702
Securities deposited		249,490:784\$579
Branches and agencies in Brazil		225,426:258\$178
Agents and correspondents abroad		117,327:323\$698
Correspondents in Brazil		1,904:883\$878
Securities owned by Bank		70,578:040\$955
Real estate		6,257:123\$586
Liquidation of Banco da Republica do Brasil		283:345\$195
Furniture and fittings		58\$000
Collections in the interior		177,627:245\$561
Sundry accounts		7,398:285\$080
Gold deposited in C. Amort.		
sacao	£9,772,029 13 6	300,000:000\$000
Gold deposited abroad	226,970 6 6	116,330:100\$381
Cash: In currency		2,889,238:730\$983

LIABILITIES.

Capital	100,000:000\$000
Reserve fund	70,000:000\$000
Deposits in c. ac. with int.	436,184:261\$364
Ditto, limited accounts	59,397:161\$200
Ditto, without interest	387,172:806\$573
Ditto, at fixed dates	133,558:226\$526
Compensation of cheques	18,772:772\$357
National Treasury—liquidation of Rediscount Department	399,265:567\$000
Securities deposited and in guarantee	1,434,350:795\$020
Branches and agencies in Brazil	632,651:565\$281
Agents and correspondents abroad	227,634:220\$089
Correspondents in Brazil	8,272:145\$310
National Treasury, exchange account	23,970:052\$557
Deposits against collections	8,888:888\$880
Bonus and dividend, balance	358,140:233\$914
brought forward	851:778\$000
34th dividend payable	10,000:000\$000
Sundry accounts	10,851:778\$000
	14,479:045\$932
	2,889,238:730\$983

Rio de Janeiro, July 7, 1923.—Cincinato Braga, president;
Octavio de Andrade, accountant.

PROFIT AND LOSS ACCOUNT AS AT JUNE 30, 1923.

DEBIT.

Fees and percentages of directors, salaries, gratifications, office material, &c.	4,296:746\$754
Amortisation of losses verified during half-year	1,547:256\$757
Donation to benevolent fund	100:000\$000
To reserve fund	21,504:206\$276
34th dividend at 20 per cent. per annum on 500,000 shares fully paid	10,000:000\$000
Staff pension fund	313:331\$000
Amortisation of furniture, head office and agencies	4,378:117\$260
	42,130:708\$047

ISSUE DEPARTMENT.

Gold in Deposit in the Amortisation Department (Caixa de Amortisacao).

Amount.	Kind.	Standard Weight (in Grams).			Proportion of Fine Gold to Coin and Unit Equivalents.	Fine Gold (in Grams).		Gold Milreis.
		Unit.	Quantity.	Unit.		Quantity.		
		Various.	Grs.	Various.	Grs.			
1.204	Bar-Gold		24,307,899,500,000,000		24,085,771,000,000,000	29,298,709	685	
501,590,000	National money		450,564,694,031,450	0.917	413,167,263,222,666	504,590	000	
1,713,455 10 0	Dollars	0,866,484.75	31,779,031,164,993,682	0.917	28,525,842,693,625	30,591	089	
6,998,700,000	Francs	7,988,056.715	27,949,450,936,382,2	0.900	25,148,205,842,693,625	30,591	089	
34,325,000	Marcs	1,671,812.9	8,302,806,451,601,292	0.900	2,612,525,806,450,161	3,177	960	
723,390,000	Argentine pesos	0,328,580.64516	818,530,465,794,300	0.900	738,877,419,214,879	896	188	
11,160,000	Argentine pounds	0,398,247.71	55,364,903,225,585	0.900	49,826,612,903,232	60,610	701	
24,100,000	Pesos	1,612,003.1458	64,516,129,032	0.900	58,045,456,129	78	632	
38,500,000	Austrian crowns	8,064,516.127	232,331,614,902,450	0.900	210,064,651,612,786	255,470	793	
723,390,000	Peruvian pounds	0,322,580.64516	3,783,487,804,300	0.900	3,402,439,024,384	4,138	837	
11,160,000	Spanish escudos	0,338,753.3878	7,500,000,000	0.91666	6,750,000,000	88	211	
38,500,000	Roubles	0,750	87,958,436,458	0.900	25,162,592,812	30	608	
34,325,000	Totals	0,860,495,383.13	78,493,873,545,288,071	..	73,223,850,290,287,708	871,861	945	

CREDIT.

Brought forward from previous half-year	7.717.684\$167
Profits of head office, in exchange, commission, interest, discounts, excluding those pertaining to next half-year	30.909.637\$109
Net profits of agencies	3.512.386\$771
	42.139.708\$047

Rio de Janeiro, July 8, 1923.—Octavio de Andrade, accountant.

BALANCE-SHEET AS AT DECEMBER 31, 1923.

ASSETS.

National Treasury.	
Bills discounted	1.036.534.791\$000
Loans in current account	238.825.564\$860
Bills receivable	7.888.359\$021
	1.283.248.714\$881
Bills receivable.	
Foreign	7.508.366\$510
National	268.769.080\$935
Agencies and branches in Brazil	276.277.447\$445
Loans against current accounts	346.821.310\$771
Securities deposited as guarantees	3.882.238\$366
Securities deposited	445.928.677\$861
Agencies and correspondents abroad	292.317.678\$728
Correspondents in Brazil	187.738.493\$121
Investments	3.897.310\$790
Bank property	67.568.611\$446
Liquidation of the Bank of the Republic of Brazil	6.388.704\$756
Furniture and fittings	271.518\$195
Collections in the interior	728.000
Sundry accounts	390.995.666\$321
Gold in deposit in the Amortisation Department (Caixa de Amortisaço) £10,000,000	13.958.487\$019
Cash in hand	300.000.000\$000
	148.077.648\$858
	Rs. 3.697.372.570\$558

LIABILITIES.

Capital	100.000.000\$000
Reserve fund	90.012.063\$310
Note issues in circulation	389.000.000\$000
National Treasury account of anticipated receipts	15.644.515\$132
Deposits.	
Current accounts with interest	364.585.353\$366
Limited current accounts	74.988.315\$989
Current accounts without interest	396.925.355\$113
Fixed term deposits	117.550.445\$741
Current accounts for compensation of cheques	9.969.188\$679
National Treasury account for liquidation of rediscount department	399.265.567\$000
	1.363.284.225\$888
Securities in guarantee and in deposit	738.246.356\$880
Agencies and branches in Brazil	325.353.598\$859
Agencies and correspondents abroad	16.465.832\$997
Correspondents in the interior	4.612.976\$388
National Treasury, exchange account	8.888.888\$880
Bills for collection	597.273.103\$766
Bonus and dividends.	
Brought forward	914.163\$500
35th dividend to be paid	10.000.000\$000
Sundry accounts	10.914.163\$500
	37.676.845\$249
	Rs. 3.697.372.570\$558

Rio de Janeiro, January 10, 1924.—Cincinato Braga, President; Arthur Bosio, acting accountant.

PROFIT AND LOSS ACCOUNT, DECEMBER 31, 1923.

Dr.	
Directors' fees and percentages, salaries, staff bonus, office material, &c.	6.104.504\$783
Donation to staff benevolent fund	100.000\$000
Staff pension fund	414.962\$000
Bad debt reserve	499.086\$912
Amortisation of head office and agencies property	2.544.311\$810
Insurance fund	2.000.000\$000
Writing down stocks and shares owned by bank	4.369.660\$509
35th dividend, at the rate of 20 per cent. on 500,000 fully-paid shares	10.000.000\$000
Carried to reserve fund	20.012.063\$310
	46.044.589\$324
Cr.	
Head office profits in exchange, commissions, interest and discounts, less provision for rebate of interest on bills discounted yet to mature	40.073.654\$533
Net profits of agencies	5.970.934\$791
	46.044.589\$324

Rio de Janeiro, January 10, 1924.—Arthur Bosio, acting accountant.

ELDER DEMPSTER AND CO., LIMITED.
TRIBUTE TO LATE LORD PIRRIE.

The fourteenth ordinary general meeting of Elder Dempster and Co., Limited, was held, on the 12th instant, at 23 Billiter street, London, E.C., the Rt. Hon. Lord Kylsant, G.C.M.G. (the chairman), presiding.

The Chairman, in moving the adoption of the report and accounts, said: We meet to-day under very sad circumstances, as my friend and colleague, Viscount Pirrie, has been taken from us while on a voyage round South America. I have been closely associated with Lord Pirrie for many years, and his death is not only a grave loss to this company and to West Africa, with which country he had been so long connected, and always took such a vivid interest in, but it leaves a void in the business world, in which his position was unique. He was an exceptional force in British industry and commerce, and an outstanding personality.

As a shipbuilder, Lord Pirrie, by common consent, stood head and shoulders above all other shipbuilders, either in this country or abroad, and was recognised by all as the leading shipbuilder in the world. As an employer, his works in Belfast and on the Clyde provided regular employment for tens of thousands, who, under his wise and just management, were willing to leave strikes practically alone and were content to work happily in the shipbuilding yards of Harland and Wolff.

As a business man, he was in the very first rank, and his wise advice, clear financial judgment and unfailing resourcefulness will be sadly missed by all who had the honour and privilege of working with him. As a war worker, what he did for the Empire during the war as Controller of Mercantile Shipbuilding is well known to all, and the country owes his memory a very deep debt of gratitude for the great work he did when the rapid construction of large numbers of new ships was vital to our national existence.

Lastly, as a faithful and loyal friend he had no equal, and his quick, human sympathy and wonderful zest and youthfulness of spirit will always be affectionately remembered. He was in the truest sense a great man. Our heartfelt sympathy goes out to Lady Pirrie, who has always entered so fully into her husband's life and interests. We know what to her this overwhelming and sudden sorrow means.

I will now ask you to rise and in silence and respect pass the vote of condolence with Viscountess Pirrie in her bereavement and grief.

All present then rose and remained standing in silence for a few moments.

The Chairman, proceeding, said: For over half a century this company has regularly maintained ocean services between Great Britain and the West Coast of Africa, and has played a part of which it may feel justly proud in the growth and progress of our great tropical possessions in West Africa and also in the development of trade within the Empire.

Having regard to the various adverse factors incidental to the year under review, the accounts may, I think, be considered not unsatisfactory. After providing for taxation and depreciation, and paying the interest on debenture stocks and the dividends on the preference shares, we recommend the payment of a dividend for 1923 of 6 per cent., less income-tax, leaving £101,796 to be carried forward.

The fleet has been maintained in good order throughout the year. Exclusive of vessels building, it now consists of 81 ships, specially constructed for the particular conditions of the trades in which they are engaged. We have consistently striven to keep abreast, and even ahead, of the requirements of the West African travelling public. Subject to the particular limitations of the trade, our passenger vessels bear comparison with those on any other route. It will be recalled that the first motor passenger liner in the world was placed in commission by us in the West African trade, and this progressive policy has been followed by the addition of other motor vessels to the fleet.

The motor passenger liners have become deservedly popular with passengers to and from the West African Coast.

The trade conditions of the West African Colonies—though still in an unsettled state—showed satisfactory indications of further recovery from the disastrous slump of 1920-21.

In this connection it is gratifying that the total volume of traffic carried by the company's ships in our various services showed an improvement in tonnage as compared with the previous year.

In the West African trade, as in most other shipping trades, the competition of foreign lines has been severe, the number of steamers competing for cargo being greatly in excess of the requirements of the trade.

As England is dependent, more than any other country, upon her foreign and colonial trade, it is imperative that we should at least maintain our competitive ability so that we may at all times be in a position to do business on satisfactory terms in the markets of the world.

The report and accounts were adopted.

THE ROYAL BANK OF AUSTRALIA, LIMITED.

REVIEW OF AGRICULTURAL AND TRADE CONDITIONS.
EXCELLENT WOOL PROSPECTS.

The half-yearly meeting of the Royal Bank of Australia, Limited, was held at Melbourne on April 30th, Mr Randal J. Alcock, J.P. (chairman of directors), presiding.

The report and balance-sheet for the half-year ended March 31, 1924, showed that the net profits were £62,195 19s 7d. Dividend at the rate of 10 per cent. per annum absorbs £37,500; the sum of £20,000 is transferred to the reserve fund (making it £560,000); and £4,695 19s 7d is added to the amount brought forward from the previous half-year (making it £41,001 12s 3d).

DAIRY PRODUCTS.

The Chairman, in moving the adoption of the report and accounts for the half-year ended March 31, 1924 (which appeared in the *Record* for April, page 289), said:—Addressing you six months ago, I expressed a fear that dairy products, then securing a gradual but definite increase in price on the London market, would early this year experience a sharp fall, similar to that which occurred in the previous March. The slump has taken place, consequently a number of factories which had shipped large quantities of cheese and butter overseas will suffer a loss. Last year factories which stored a fair quantity for home consumption during the winter recovered some of their previous losses, but this season the same favourable experience can scarcely be expected, as the bounteous summer rains which have fallen over most of the agricultural districts of the Commonwealth have produced such a wealth of herbage that, so far, the reduction of output normally expected towards the middle and end of summer has practically not taken place. On the other hand, cattle are in excellent condition, owing to the abundant winter feed, and dairy cows should come in next spring in better condition than for many years past.

The cheese market has become depressed to an even greater extent than the butter market. Dried milk, both whole and separated, has, however, experienced recently an increased demand, but prices for these products are always somewhat precarious.

WOOL.

Undoubtedly the greatest degree of prosperity experienced by our primary producers has fallen to the lot of the woolgrower. The wool-selling season has practically closed, as there only remain about 50,000 bales to sell before June 30th. Although the clip only amounted to about 1,625,000 bales, the high prices realised have yielded a very satisfactory financial result. The number of sheep to be shorn in the coming season may not show much increase over that of the past season, but it is expected that the more favourable climatic conditions may produce an average increase in weight of fully 1 lb per head. Prices have been steadily advancing since the opening of the sales in September. On merino the advance is from 20 to 25 per cent., comeback and fine crossbred from 35 to 40 per cent., medium crossbred about 60 per cent., and coarse crossbred about 75 per cent.

Judging by the wool reports from all countries, trade has been fairly good, and the stocks in manufacturers' hands in the chief consuming centres are so small that the new clip on arrival at market should find eager buyers. Unless something unexpected occurs the market prospects for the 1924-25 clip are, therefore, excellent.

The offerings in Australia are now carefully regulated by the National Council of Wool Selling Brokers, in consultation with the Woolgrowers' Council. Although in some quarters the extension of the selling season may not be approved, it is undoubtedly necessary. With such high prices ruling for wool, any acceleration in the sales would create too great a strain on the financial resources of the manufacturers, possibly causing some of them to refrain from buying from time to time. Further, a reasonable extension of the selling season is especially desirable at the present time to avoid embarrassing the banks in negotiating the large time to avoid embarrassing the banks in negotiating the large increase in the amount of buyers' bills in London. A well-considered allocation of wool offerings is absolutely necessary to ensure full competition to the financial gain of the growers and of the Commonwealth. In proof of this it is only necessary to state that the 1923-24 clip will yield probably upwards of £50,000,000. The seasonal conditions throughout the pastoral areas of Australia are, with few exceptions, in every way satisfactory.

COTTON.

The cultivation of cotton is being proceeded with, and results will be watched with interest, not unmixed with anxiety, for it is said that the dreaded boll-weevil has made its appearance in Queensland, and it is evident that progress must be made with caution. As the staple is pronounced satisfactory, however, and the climate and soil appear to be suitable, it is to be hoped that

the initial difficulties to be looked for in establishing a new undertaking may be surmounted, and an important and stable industry secured for Australia.

MEAT MARKET.

The meat market outlook is not bright. This is reflected by the decision of one of our largest freezing and exporting firms to relinquish the business. The inflated prices ruling during the war encouraged the establishment of plants with greater capacity than necessary in normal times. In addition, the disastrous slump in frozen beef has continued and seems likely to continue. Although the cattle industry, as represented by the larger holdings, is the most primitive of all our industries, it is depressing to feel it cannot hold its head above water without the financial assistance of the Government, which means the general taxpayer. The fierce competition from South America, which has the advantage of cheaper labour and shorter transport, together with the diminished demand for frozen beef in competition with the chilled article, has virtually killed the trade from Australia, but it is to be hoped it will be only temporary. During the past year the London market for frozen beef and even for chilled beef has been little above the pre-war level of prices. Mutton, however, remains at a price about 70 per cent. above pre-war levels, and is holding its own in London.

MINING.

Mining still continues in the background, with the exception of tin, the increased demand for which is shown by the enhanced price, but, unfortunately, this metal does not bulk largely in our mining output. The gold production remains at a low ebb, which is not altogether surprising, if it is remembered that the cost of mining same has become augmented to such an extent that only the richer mines can work at a profit.

WHEAT.

The wheat harvest lately gathered on the whole proved excellent, and might have been larger had not the continued dry weather at this time last season led to the curtailment of cropping, especially in the Wimmera. Satisfactory prices have been maintained. At one time a general slump in the world's prices for wheat was feared, when the figure on the Chicago market fell below a dollar a bushel, but the position was stabilised by the action of the U.S.A. Government, which prevented the flooding of the market. The decrease in the American production last year was more than counterbalanced by an increase in the Canadian, but the future is not considered free from anxiety, as is shown by the U.S.A. authorities advocating a reduction in the acreage to be planted, and it is even suggested that the return of Europe to normal agricultural conditions may increase the total production to a figure beyond the world's requirements.

FRUIT.

Fruit culture, an important item in Victoria's primary production, is not in a happy position. It is evident that settlers have been encouraged to embark in this industry to an extent beyond what was warranted, save perhaps in the case of citrus fruits. In consequence, the general taxpayer is once more called upon to assist, but such assistance, which really amounts to "robbing Peter to pay Paul," cannot be maintained indefinitely.

EXCHANGE POSITION.

The exchange position for some time past has been difficult, owing to an undue accumulation of money in London, caused by the heavy exports of wool, wheat, &c., coupled with Government borrowing in London, which created a shortage of currency here. It seems to me that during our export season, from January to June, it ought to be possible to make the currency more elastic, and a temporary increased issue of notes for that purpose, against full cover either here or in London, surely could not be considered as inflation.

BALANCE-SHEET FIGURES.

The figures in the balance-sheet do not call for special reference at this time. You will observe that the item of "bank premises" is somewhat increased, which is caused by the outgoings on the new premises in Flinders lane. It is expected the buildings will be finished by the end of next month, and will add considerably to the architecture of that part of the city and to the comfort and convenience of the bank's clients.

Reference has been made in the report to the retirement in November last of Mr. H. T. Wilson, who had until then been in charge of the bank as general manager since its foundation. I am sure I can voice the wish of you all, as it is the hope of your directors, that he will long be spared to enjoy his retirement, which he so much deserves.

to-day. When my able accountant, Mr Eddington, brought in last year's balance-sheet and laid it before me, and I went over it carefully item by item, and when I had finished doing so, something like the immortal words of our old friend, Ole Bill, came into my mind: "If you know of a better whole"—with a "w," reporters—"show me it." As I say, I do not think I have ever had the pleasure of submitting such a magnificent balance-sheet as I have done here to-day.

PROPOSED VISIT TO INDIA AND BURMA.

In conclusion, I would like to say that it is my intention towards the end of this year to make one of my periodical visits to India and Burma, and on this occasion I am to have the great pleasure and benefit of being accompanied by our managing director, Mr R. I. Watson, on whose ability and great knowledge of oil matters undoubtedly much of the prosperity of the company during the last few years is due. We will, I hope, come back to lay before you at the next annual meeting our impressions formed on the spot of the great organisation in which both of us have served all our business career, and of whose phenomenal prosperity we are both, I think I may say, so pardonably proud. I would again thank Sir Frederick very sincerely for what he has said of me, and I thank you all for the very hearty vote of thanks you have given me to-day.

This concluded the meeting.

PREMIER OIL COMPANY, LIMITED.

An extraordinary general meeting of the Premier Oil Company, Limited, was held, on the 10th instant, to consider a further return of capital—viz., 1s per share—on the realisation of the bulk of the company's holding in the Société Française des Pétroles "Premier." Mr R. Sewell, C.A., F.F.A., the chairman, presided.

The Chairman said that practically the whole of the French interest had been sold recently, the last payment being made about three weeks ago, and, after careful consideration, it had been decided to recommend the distribution of 1s per share, in order to avoid the lengthy delay involved in writing down the capital. Discretion had to be observed in discussing the reasons for realising the holding. Anyone could make his own conclusions regarding the future of Poland and Central Europe generally, and, fortunately for this company, the French view was more optimistic than that held by competent observers in this country. All that could be said confidently was the future was extremely obscure. The variations of Polish exchange could not be disregarded, the less so because the Polish Government from time to time had fixed an arbitrary price for oil. Further, especially after the reconstitu-

tion of the French board, it had to be recognised that this company's control of the situation was, in effect, non-existent.

The company to-day had cash assets of £286,384, and the proposed distribution of 1s per share would absorb £213,178, leaving (allowing for expenses) about £74,000 of cash assets and investments and other assets valued at about £144,000. The proposal was that a new company should be formed with a capital of £250,000 in 5s shares, of which £213,178 should be allotted to the shareholders. This was the speediest and best way of effecting the distribution and bringing the capital into truer relationship with actual values. It also placed them in a position to protect their valuable interests should occasion require.

After very careful consideration, the board felt that the remaining assets were fairly represented by the issued capital of the new company. The main difficulty in making a valuation was the investment in the Indo-Burma Oil Company, although they felt that, having written it down by 60 per cent., the position was fairly represented. That company was now practically self-supporting, and there was ground for hoping that production might increase considerably in the near future. If so, the interest might easily prove highly important.

The directors' scheme was approved, and it was formally resolved to place the company in voluntary liquidation, to effect the cash distribution, and to enter into an agreement with the proposed new company referred to above.

CITY DEEP, LIMITED.

(INCORPORATED IN THE TRANSVAAL.)

SATISFACTORY DEVELOPMENT RESULTS.

The twenty-third ordinary general meeting of shareholders was held in Johannesburg, on May 15, 1924, Sir Evelyn Wallers, K.B.E., presiding.

The Chairman, in moving the adoption of the report and accounts, said: I feel sure that you will have studied with considerable satisfaction the annual reports and accounts for 1923, which contain full details of the results of that year's operations. For the first time in the company's history the tonnage milled has passed the million mark, the actual figure being 1,137,500 tons. Despite a fractional decrease in the yield per ton milled, the company's output of gold was also greater in 1923 than in any previous year. The continued decline in the price realised for gold, which averaged only 88s 5d per fine ounce during the year, was more than offset by the further satisfactory reduction of working costs to 23s 5d per ton milled. In the result, the working profit of £764,688 also constitutes a record.

Turning for a moment to the accounts, the balance of working expenditure and revenue account, together with the balance unappropriated at the beginning of the year and a small sum in respect of forfeited dividends, makes a total of £1,011,628. Details of the allocation of this amount are given in the directors' report, which is before you, the chief items being the payment of two dividends totalling 45 per cent. and absorbing £551,720, after adjusting previous dividends on ex-enemy shares, the expenditure of £51,374 on capital account, and no less than £113,886 in respect of Government and provincial taxation. The balance unappropriated, amounting to £294,206, is represented by cash and cash assets, after deducting liabilities, and is carried forward.

RECORD DEVELOPMENT FOOTAGE.

In accordance with the policy enunciated in previous speeches from this chair, every effort was made during the year to push development work ahead at the best possible speed. The development footage actually accomplished reached the record figure of 37,039 feet, an increase of 8,025 feet on the previous year's total. At the same time, the percentage of payability increased to the excellent figure of 78.6 per cent., as compared with 67.7 per cent. for 1922. In consequence, the payable ore developed amounted to 1,286,100 tons, of an estimated value of 7.8 dwts per ton.

The ore reserves, recalculated as at December 31st last, show an increase of 148,900 tons quantity during the year, and a decrease of .4 dwt per ton in average value. This latter result is mainly due to the continued rapid exhaustion of the blocks of high-grade ore situated on the northern boundary of your property. The desirability of mining these blocks as rapidly as possible was pointed out to you last year, local conditions of rock pressure, and so forth indicating that this valuable ore might become inaccessible unless stopped out with all speed.

The continued reduction of working costs, despite heavy expenditure on development operations, can partly be ascribed to the fact that the year's operations were entirely free from interruption by labour disputes, and that the native labour supply was, on the whole, a satisfactory one. During this period of stable industrial conditions, we have been able to concentrate attention on the improvement of our mining and metallurgical methods, and the recent noteworthy reduction in costs is mainly due to the gradual introduction of such improvements into actual working practice. Important economies have been effected in the use of drill steel, explosives and compressed air, and there has been a remarkable extension of the use of jack-hammers for stoping purposes. All stoping at your mine is now done with the latter type of machine, and the satisfactory results which are being derived are illustrated by the fact that 6,694 fathoms of rock were broken during the month of March, with an average efficiency of 1.5 fathoms per machine shift, as compared with an efficiency of about 0.7 fathom only per machine shift before the rock drills committee commenced its researches. A further advantage of the extended use of jack-hammer machines is that stoping operations are now less susceptible than before to the disadvantages entailed by a fluctuating native labour supply.

Reference is made in the annual reports to the fact that, owing to the cessation of mining operations by the New Goch Gold Mines, Limited, the area under tribute to that company has reverted to us. There still remains a small tonnage in this area which can be mined economically from our workings. Since the close of the financial year, your company has sold to its neighbour, the Meyer and Charlton Gold Mining Company, Limited, the undermining and Charlton Gold Mine and Suburban section of rights of the upper portion of the City and Suburban section of the mine, from the surface down to the horizon of the 22nd level of the Meyer and Charlton mine. This area contains certain isolated blocks of ore which cannot be worked conveniently from your mine, while general reclamation work in it can be prosecuted with advantage from the adjacent levels of the Meyer and Charlton.

The high-grade blocks in the upper levels, to which I have already referred, are approaching depletion, with the result that the grade of ore milled during the current year has fallen slightly. This factor has, however, been balanced by the increased tonnage milled, with the result that the monthly profits have been more than maintained. In spite of the larger development programme, to which I shall refer in a moment, working costs show a further decrease to an average of 22s 11d per ton milled for the first four months of the current year as compared with the average of 23s 5d for 1923.

No. 4a sub-vertical shaft has now been advanced to a depth of 636 feet below the 17th level, or a total depth of 5,105 feet below the surface. It is expected that this shaft will intersect the reef before the end of the current year. Good progress has been made with sinking No. 1 incline shaft, which has now reached the horizon of the 20th level. At No. 2 incline, the stripping of the shaft has been completed to the 22nd station, which is the deepest point from which ore will be hoisted in this shaft; the reef below this horizon will be developed from No. 4 vertical shaft.

The development footage has been increased during the current year to a monthly average of over 3,700 feet. On the Main Reef

Leader the payability has averaged 80 per cent., the average value of the payable reef exposed in the first quarter of the year being 480 inch-dwts. The outstanding feature of the present development position is that satisfactory values are being encountered on the lowest levels of the mine, from its eastern boundary right across to the western boundary.

DEVELOPMENT DISCLOSURES.

The following details of development disclosures during the first three months of the current year will be of interest to you. At No. 1 shaft the easterly drives on the 14th, 15th, 16th and 17th levels have, in total, been advanced 1,110 feet, exposing an average value of 7.2 dwts over an estimated stope width of 54 inches. The western drives on the 17th and 18th levels from the same shaft have averaged 9.1 dwts over a stope width of 50 inches, for 390 feet. At No. 2 shaft the eastern drives on the 19th, 20th and 21st level have advanced 690 feet, the average value of reef exposed being 12.1 dwts over a stope width of 44 inches, while the western drives have advanced 780 feet, exposing an average value of 8.8 dwts over a stope width of 55 inches. I may mention that the 21st level is the lowest level of the mine on which reef has so far been exposed. In addition to the satisfactory values exposed in the drives to the west of No. 2 shaft, it is gratifying to find that the various winzes which are now being sunk from the 18th level in this section of the mine are all exposing good values, averaging from 400 to 600 inch-dwts over distances varying between 200 and 800 feet for the various winzes.

The resolution was carried unanimously.

TAAHUAH AND ABOSSO CONSOLIDATED, LIMITED. GOOD RESULTS—ENCOURAGING PROSPECTS.

The ordinary general meeting of Taahuah and Aboosso Consolidated, Limited, was held, on the 13th instant, at the Chartered Institute of Secretaries, 59a London Wall, London, Mr T. F. Dalglish, chairman of the company, presiding.

The secretary (Mr T. J. Foster, F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman, after referring to the death of Mr D. H. Bayldon, said: Taking the items of stores and materials and sundry debtors in the balance-sheet, amounting respectively to £18,190 15s 6d and £2,023 0s 9d, and adding Government securities, £11,719 5s 9d, gold in hand and cash, £34,372 19s 2d, amounting altogether to £66,306 1s 2d, and deducting sundry creditors and bills payable £23,747 9s 8d, there is a surplus of liquid assets of £42,558 11s 6d. I think you all agree that this is a very satisfactory financial position. Shareholdings in companies, £5,473 19s 4d, represents principally our holding in the Taahuah Central Mines, Limited. Regarding this investment prospecting work is being proceeded with, and, until more settled country is encountered, it will be difficult to form an opinion of the value of this holding. The reef near the surface is most attractive in appearance, being a blue quartz showing free gold, and has all the appearance, in the opinion of experts, of a permanent reef, and it may yet prove to be so in depth.

ESTIMATED PROFIT EXCEEDED.

When we held our statutory meeting just a year ago I was only able to report an estimated profit from March 14th to April 30th of £1,016, and for May of £1,047. We had not then reaped the benefit of the amalgamation of the two mines, and we had suffered somewhat heavily from the loss of hammer boys due for repatriation. We have since then gradually been able to work up to a

The Anglo-South American Bank Limited.

Head Office: 62, Old Broad Street, London, E.C. 2.

Authorised Capital - £10,000,000
Reserve Fund - £4,000,000

Issued Capital - £8,734,660
Paid-Up Capital - £4,367,330

Northern District Office - 69, Market Street, Bradford.
Lancashire Branch - 19, Spring Gardens, Manchester.

The Bank, in addition to 6 Branches in SPAIN, has, with its
AFFILIATED INSTITUTIONS,

THE BRITISH BANK OF SOUTH AMERICA, LTD., and
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.,
54 Offices in the principal countries of LATIN AMERICA.

AUXILIARIES:

ANGLO SOUTH AMERICAN TRUST COMPANY, NEW YORK
(Incorporated under laws of State of New York), and
BANQUE ANGLO-SUD AMERICAINE, Soc. Anon., PARIS.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - Fmk. 257,000,000
Deposits and Cheque Accounts
(Dec. 31, 1923) over - Fmk. 1,600,000,000

132 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

higher level of profits, and, during the past three months of the financial year, our average monthly profit has been £3,460. The profit for April is estimated at £3,403, and for May at about £3,500. In making these comparisons an allowance must, however, be made for the increase in the price of gold since a year ago.

The Abosso mine continues to disclose high values and a satisfactory width of reef at the bottom of the mine. The existence of a large body of ore here below the No. 13 level has been proved, which is well above the average of the mine. The complete reconditioning of the Adjah Bippo mine will, it is anticipated, add appreciably to our ore reserves. The figure now included covers only the southern section of the property where it adjoins the Abosso mine. To the north of the shaft there is a large area on the line of reef, including the Cinnamon Bippo Concession, still to be explored, and arrangements have been made to prove this ground gradually by diamond drilling.

From this you will see that, given a sufficient supply of native labour, there is almost no limit to the enlargement of our operations. This supply is, however, the governing factor in our output. During the last six months of the financial year the supply of labour has gradually improved, and the loss of hammer boys by repatriation has been made good. At the moment our position in this respect is more encouraging, as we have been getting supplies from a new source, which, we hope, may lead to a substantial increase.

ORE RESERVES.

To go back a moment to the ore reserves, I think it well to point out that we have followed the practice of the old companies and valued the reserves on a most conservative basis. You will find that over a period of years the actual recovery has, apart from the premium on the gold, exceeded the estimated value of the reserves; it did so last year, and will, I hope, continue to do so.

The result of the year's operations is a profit of £34,538 7s 8d, which I think you will agree is, under the circumstances, satisfactory. It has enabled us to pay an interim dividend of 5 per cent., and we have now the pleasure to recommend a further distribution of 7½ per cent., making together 12½ per cent. for the year. If we could obtain an additional supply of 500 efficient hammer boys it would be easy to double our profits by the treatment of additional tonnage of the ore now accessible in the mines and by the consequent reduction of costs. This is an attainment we always hope to realise by continuous efforts in recruiting, and trust we may, with the assistance of His Excellency Sir Gordon Guggisburg, the Governor of the Colony—who is fully alive to the importance of the industry to the Colony—yet accomplish our ambition.

The returns for the past two months give promise of better results for the current year. If we are able merely to maintain our present output we have every hope of showing an increased profit next year.

Sir Westby B. Perceval, K.C.M.G., seconded the resolution for the adoption of the report and accounts, and it was carried unanimously.

WM. CORY AND SON, LIMITED. OVERSEAS TRADE DEVELOPMENTS.

The 28th annual general meeting of Wm. Cory and Son, Limited, was held, on the 12th inst., at Cannon Street Hotel, London, Sir Arthur C. Cory-Wright, Bart. (the chairman), presiding.

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

The Chairman said that the profit for the year was £577,986, and the sum with which they had to deal was £804,938. That result was satisfactory, as many adverse factors had occurred during the past year. The unsatisfactory state of trade was due, to a large extent, to political and economic causes, but undoubtedly the chief reason had been the frequent recurrence of serious labour disturbances. The hope that better days were in store must be indefinitely deferred if there was to be a continuation of the labour troubles.

In spite of the setbacks in the home trade, the directors had continued to develop business abroad, and quite a fair amount of activity had to be recorded in their Continental department. It would undoubtedly have shown even greater expansion had not the export trade been retarded by violent fluctuations in foreign exchanges and the difficulties experienced by importers abroad of securing the necessary credits. During the year they had neglected no opportunity of extending that important branch of their business and of widening the scope of their activities, so that the company was now in a position to avail itself of any benefit that might arise when overseas trading conditions became more normal. One branch of their trade which had shown consistent progress and was proving an important asset was their recent developments in oil fuel.

After pointing out that the balance-sheet revealed a financial position of great stability and strength, the chairman concluded

by saying, with reference to a statement recently appearing in the Press to the effect that the company controlled the retail coal trade of the country, that they were in no way interested in the retail trade, their principal business being the supplying of coal to manufacturers and publicity utility companies and for bunker purposes; they had also a large export trade and were engaged in extensive trade in all parts of the world.

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS, &c. PUBLIC INCOME AND EXPENDITURE. RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from	Receipts	Week Ended	Week Ended
	Apr. 1, 1924, to June 7, 1924.	Apr. 1, 1923, to June 9, 1923.	June 7, 1924.	June 9, 1923.
REVENUE.				
Customs	19,131,000	25,015,000	1,853,000	2,943,000
Excise	22,314,000	26,327,000	988,000	1,364,000
Motor Vehicle Duties	2,279,000	2,041,000	335,000	362,000
Stamps	12,550,000	10,080,000	1,200,000	810,000
Land Tax, House Duty & Mineral Rights Duty	2,470,000	3,280,000	10,000	220,000
Property & Income Tax	490,000	380,000	20,000	10,000
Super-Tax	39,536,000	36,971,000	2,153,000	1,330,000
Excess Profits Duty, &c.	14,420,000	12,040,000	940,000	900,000
Corporation Profits Tax	3,270,000	4,320,000	310,000	200,000
Post Office	9,500,000	9,000,000	1,000,000	750,000
Crown Lands	200,000	190,000	..	..
Interest on Sundry Loans	3,684,165	2,491,923	1,106,198	..
Miscellaneous	2,580,705	3,234,866	502,610	300,000
Ordinary Receipts	9,488,694	10,104,067	181,647	..
Special Receipts	141,975,564	145,414,856	10,501,458	9,169,000
REVENUE	148,607,178	152,233,083	..	..
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Bullion	..	65,000	..	65,000
Under the Unemployment Insurance Act, 1921	2,120,000	1,350,000	210,000	70,000
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues:—				
Under the Telegraph (Money) Act, 1922	..	..	..	..
(b) Under the Unemployment Insurance Act, 1921	..	..	..	..
For other issues	..	..	..	..
(c) By Treasury Bills	436,481,000	465,480,000	50,394,000	47,647,000
By National Savings Certificates	5,300,000	9,450,000	400,000	950,000
By 4% Treasury Bonds, 1931-33	11,765,837	27,737,596	473,399	..
(d) Ways and Means Advances	124,950,000	95,850,000	39,760,000	9,850,000
Repayments:—				
In respect of issues under Land Settlement (Facilities) Act, 1919 and 1921	488,901	42,224	40,881	..
Total	728,712,916	762,107,843	101,765,536	87,751,000

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from	Issues	Week Ended	Week Ended
	Apr. 1, 1924, to June 7, 1924.	Apr. 1, 1923, to June 9, 1923.	June 7, 1924.	June 9, 1923.
EXPENDITURE.				
National Debt Services:—				
Interest, &c.	95,743,778	105,507,205	48,190,446	11,481,617
Sinking Fund	4,693,221	1,078,044	250,000	..
Road Fund	1,388,044	..	..	..
Payments to Local Taxation Authorities, &c.	30,000	400,000	30,000	400,000
Payments to Northern Ireland Exchequer	602,836	627,563	75,000	..
Land Settlement	230,355	65,598	..	..
Other Consolidated Fund Services	281,681	292,924	14,488	17,468
Supply Services	64,704,000	59,108,000	6,800,000	3,700,000
EXPENDITURE	167,013,915	167,078,334	55,359,933	15,599,085
OTHER ISSUES.				
Temporary Advances:—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	36,891	38,891	..	..
Under the Unemployment Insurance Act, 1921	..	30,000	..	..
Issues to meet Capital Expenditure:—				
Under the Telegraph (Money) Act, 1922	1,750,000	1,300,000	250,000	600,000
Unemployment Insurance Act, 1921:—				
Repayment of amounts borrowed	1,910,000	1,060,000	..	..
Redemption of Debt:—				
Treasury Bills	445,296,000	463,155,000	40,546,000	42,165,000
Principal of National Savings Certificates	6,200,000	7,400,000	600,000	450,000
Principal of National War Bonds paid off	..	16,729,989	..	125,000
Other Debt under the War Loan Act, 1914 to 1919	50	15	..	..
Ways and Means Advances Repaid	104,325,000	86,717,000	5,260,000	8,760,000
Total	726,530,856	748,463,443	102,084,933	87,744,399
Balance in Exchequer—				
Bank of England	1,974,501	1,979,638	..	..
Bank of Ireland	1,207,553	1,664,782	156,469	145,000
Total	3,182,054	3,644,420	245,298	6,701

Treasury, June 10, 1924.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Dec. 31, 1923.	Mar. 31, 1924.	June 7, 1924.
Funded Debt	588	315	315	315	315	314	314	314	314
Term Annuities	30	20	19	18	16	14	14	14	14
3½% Conversion Loan	..	..	..	..	266	684	683	683	683
3½% War Stock	..	63	63	63	63	63	63	63	63
4½% War Stock	..	13	13	13	13	13	13	13	13
4½% and 5½% War Stock	..	2,047	2,040	1,996	1,953	2,096	2,096	2,096	2,096
National War Bonds	..	1,509	1,476	1,413	1,201	953	924	903	903
4% Funding Loan	..	409	409	406	401	399	400	400	400
4% Victory Bonds	..	360	357	347	335	325	325	325	325
Treasury Bonds	..	..	..	..	453	411	444	444	456
Exchequer Bonds	..	20	323	319	289	185	150	150	150
National Savings Certs.	..	..	267	274	285	342	367	366	365
Other Debt*	..	1,306	1,181	1,132	1,087	1,157	1,149	1,151	1,151
American Loan (Anglo-American Loan) (French)	..	..	51	51	..	..	..	..	..
Treasury Bills	15	1,107	1,107	1,121	878	616	652	588	579
Temporary Advances	1	243	205	154	147	194	208	186	207
Total Liabilities	654	8,033	7,829	7,574	7,655	7,742	7,801	7,695	7,718
Total Capital Liabilities	57	46	47	49	66	70	70	71	70
Total Liabilities	711	8,079	7,876	7,623	7,721	7,812	7,871	7,766	7,788

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	June 9, '23.	Mar. 31, '24.	June 7, '24.	June 7, '24.
Ways and Means Advances	£	£	£	£
Outstanding—	..	..	..	..
Advances by Bank of England	7,000,000	21,000,000	21,000,000	21,000,000
Advances by Public Deptms.	196,030,500	186,155,500	185,780,500	13,500,000
Treasury Bills Outstanding	613,360,000	588,320,000	579,520,000	9,835,000
Total Floating Debt	816,390,500	774,475,500	786,300,500	44,335,000

* Includes £14,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills dated from June 16-June 21 were opened on June 13, 1924, and the total amount applied for was £56,335,000. For bills at three months dated Monday to Friday at £99 5s 3d, about 57 per cent., and above in full. Saturday at £99 5s 5d, above in full. The amounts allotted were as follows:—In bills at 3 months, £34,750,000; in bonds, £250,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months.	4% Treasury Bonds.
	£	£	Average Rate.	Average Price
May 9, 1924	35,000,000	52,445,000	2 18 6	94 13 108
May 16	30,000,000	56,750,000	2 19 2	94 13 11
May 23	35,000,000	62,435,000	3 1 6	94 14 6
May 30	40,000,000	64,880,000	2 19 4	94 13 24
June 6	35,000,000	61,140,000	2 18 3	94 13 24
June 13	35,000,000	56,385,000	2 18 3	94 13 24

Tenders will be received on June 13, 1924, for Treasury Bonds and Bills to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Gold and Gold Bullion.	Bank of England Notes.	Ratio to Bank of England Notes.	Government Securities.	Balance at Bank of England.
1923.								
Mar. 29	300,351	14,255	5,000	28,500	19,460	159	261,479	177
June 22	295,374	13,338	5,000	28,500	19,860	159	254,512	180
Sept. 27	289,127	12,648	5,000	27,000	21,180	166	246,456	189
Dec. 27	301,337	12,872	7,000	27,000	21,180	169	256,923	137
1924.								
Mar. 28	285,616	12,318	7,000	27,000	22,450	173	241,394	190
June 27	286,503	12,616	7,000	27,000	22,450	173	242,446	183
Sept. 27	282,784	12,401	7,000	27,000	22,450	175	238,596	140
Dec. 26	299,070	12,571	7,000	27,000	22,450	165	256,033	159
1924.								
Mar. 26	281,538	11,908	7,000	27,000	22,450	176	236,267	130
May 28	286,075	12,169	7,000	27,000	22,450	173	241,543	151
June 4	289,924	12,374	7,000	27,000	22,450	171	245,720	128
June 11	293,958	12,536	7,000	27,000	22,450	168	249,923	121

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum statutory issue for 1920 fixed at £280,800,000, for 1921 at £317,558,300, for 1922 at £308,988,400, for 1923 at £270,183,900, and for 1924 at £248,190,900.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, June 11, 1924.

ISSUE DEPARTMENT.	
Notes issued	146,133,985
Government debt	11,015,100
Other securities	8,734,800
Gold coin & bullion	126,583,985
Total	146,133,985

HEAD OFFICES: LIVERPOOL AND LONDON

ROYAL

INSURANCE COMPANY, LIMITED

ALL CLASSES OF INSURANCE EFFECTED

BANKING DEPARTMENT.

Proprietors' capital ..	14,553,000	Government securities ..	58,917,467
Reserve	3,228,876	Other securities	70,051,567
Public deposits	10,746,938	Notes	19,997,985
Other deposits	122,255,811	Gold and silver coin ..	1,829,098
Seven-day & other bills ..	11,492		
Total	150,796,117	Total	150,796,117

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

	Amount, June 11, 1924.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
	\$	\$	\$
Rest	3,228,876	+ 11,452	— 20,607
Public deposits	10,746,938	+ 41,230	— 253,096
Other deposits	122,255,811	— 5,547,062	+ 13,461,567
Government securities	58,917,467	+ 6,165,000	+ 12,578,949
Other securities	70,051,567	+ 118,690	+ 1,962,688
Reserve	21,827,083	+ 469,142	+ 1,357,278
Note circulation	126,136,000	+ 441,650	+ 2,035,895
Coin and bullion	128,213,083	+ 27,492	+ 678,617
% of reserve to liabilities	168%	+ 1%	3%

MONTHLY STATEMENT OF LONDON CLEARING BANKS.
(000's omitted.)

Average Weekly Balances, May, 1924.	Bank of Liverpool and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills and Co.	Lloyds Bank, Limited.	Midland Bank, Limited.	National Provincial Bank, Limited.	National Bank, Limited.	Westminster Bank, Limited.	Williams Deacon's Bank, Limited.	Total.
ASSETS.	£	£	£	£	£	£	£	£	£	£	£
Coin, bank and currency notes, and balances with the Bank of England ..	6,343	31,839	1,415	2,461	33,929	52,114	27,429	4,090	26,912	3,947	190,479
Balances with and cheques in course of collection on other banks in the United Kingdom ..	1,826	7,411	600	1,102	7,835	10,193	7,279	224	8,933	1,061	46,464
Items in transit ..	4,060	19,797	2,995	7,310	15,515	14,172	15,174	3,311	19,803	2,296	104,433
Money at call and short notice ..	3,567	31,325	878	1,638	45,857	51,311	32,817	2,798	65,745	2,169	238,105
Bills discounted ..	8,596	68,048	4,171	8,998	87,346	40,698	48,304	17,350	55,681	5,022	344,214
Investments ..	37,885	141,411	7,300	6,666	150,901	194,731	127,437	16,705	101,313	20,625	804,974
Advances to customers and other accounts ..	4,621	11,030	53	1,963	16,054	35,662	10,173	172	10,783	1,478	91,989
Liabilities of customers for acceptances, endorsements, &c. ..	1,609	5,146	346	445	5,250	5,490	4,326	744	4,033	736	28,125
Bank premises account ..	..	7,452	..	..	6,580	5,795	2,754	..	2,992	..	25,573
Investments in affiliated banks ..	68,507	323,459	17,752	30,583	369,267	410,166	275,693	45,394	296,195	37,334	1,874,356
Ratio of cash to current, deposit, and other accounts ..	10.58	11.03	8.78	9.16	10.31	14.86	11.11	10.30	10.06	12.04	11.49
LIABILITIES.											
Capital paid up ..	2,349	15,592	800	1,060	14,373	11,970	9,479	1,500	9,004	1,875	68,002
Reserve fund ..	1,600	8,250	800	530	10,000	11,970	9,300	1,150	9,003	1,200	53,803
Current, deposit, and other accounts ..	59,937	288,587	16,105	26,864	328,840	350,563	246,740	39,699	267,389	32,782	1,657,506
Acceptances, endorsements, &c. ..	4,621	11,030	53	1,963	16,054	35,663	10,174	172	10,783	1,477	91,990
Notes in circulation ..	..	..	..	..	..	..	..	2,873	16	..	2,889
Reduction of bank premises account ..	..	..	..	166	..	..	..	..	..	..	166
	68,507	323,459	17,752	30,583	369,267	410,166	275,693	45,394	296,195	37,334	1,874,356

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

ASSETS.	May 17, 1924.	May 10, 1924.	May 3, 1924.	Apr. 26, 1924.	Apr. 19, 1924.	May 19, 1924.
Gold coin and bullion ..	549	549	549	549	549	549
Gold certificates ..	10,102	10,102	10,102	10,102	10,102	10,102
Subsidiary coin ..	50	50	50	50	50	50
Bills discounted ..	4,077	5,462	5,889	5,737	5,077	3,140
Loans & advances to Govt. ..	2,000	1,000	1,000	1,000	1,000	1,200
Investments ..	17	17	17	17	17	8
LIABILITIES.						
Capital ..	1,000	1,000	1,000	1,000	1,000	1,000
Reserve ..	40	40	40	40	40	2
Notes in circulation ..	10,473	11,691	11,057	10,852	10,435	9,603
Bankers' deposits ..	5,143	5,308	5,310	5,429	5,195	5,367
Ratio of cash reserves to liabilities to public ..	68.5%	66.8%	65.3%	65.7%	68.4%	71.4%

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

ASSETS.	May 16, 1924.	May 9, 1924.	May 2, 1924.	Apr. 25, 1924.	Apr. 18, 1924.	May 18, 1924.
Total securities ..	11,95,94	11,90,81	11,88,71	11,78,83	11,85,90	9,33,53
Loans ..	24,68,18	25,25,01	24,85,41	25,48,70	26,37,21	19,26,15
Cash ..	40,13,24	40,20,17	40,97,55	41,22,13	43,62,15	29,76,96
Foreign bills ..	13,31,06	14,80,24	14,82,57	15,18,35	14,10,46	6,63,33
Other bills ..	2,43,47	32,77	32,77	29,40	29,40	19,55
Dead stock ..	2,54,51	2,53,94	2,53,40	2,53,35	2,53,35	2,49,10
Bal. with other banks ..	1,33,38	1,49,39	1,48,64	1,63,57	1,90,78	79,95
Cash ..	15,66,09	14,68,57	15,68,10	15,19,59	12,04,04	16,15,70
LIABILITIES.						
Capital paid up ..	5,82,50	5,82,50	5,82,50	5,82,50	5,82,50	5,82,50
Reserve ..	4,45,00	4,45,00	4,45,00	4,45,00	4,45,00	4,22,50
Total deposits ..	88,53,47	89,36,44	91,19,96	92,42,49	91,75,70	71,36,83
Loans from Govt. ..	10,00,00	10,00,00	10,00,00	10,00,00	10,00,00	2,00,00
The above includes ..						
Deposits in London ..	1,337	1,387	1,384	1,587	1,613	356
Advances in London ..	448	458	478	455	453	241
Cash, &c., at other Banks in London ..	889	996	991	1,091	1,274	149

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

ASSETS.	June 12, 1924.	June 5, 1924.	May 29, 1924.	May 22, 1924.	May 15, 1924.	Position May 28, 1924.
Gold coin and bullion ..	5,543,040	5,542,973	5,542,870	5,542,870	5,537,604	5,730,626
Of which held abroad ..	1,864,321	1,864,321	1,864,321	1,864,321	1,864,321	1,864,321
Silver coin and bullion ..	299,523	299,523	299,523	299,523	299,523	299,523
Discounts and advances ..	8,468,366	7,807,134	7,006,133	4,426,782	4,397,776	4,397,776
Advances to the State ..	23,000,000	23,000,000	23,000,000	23,000,000	23,000,000	23,000,000
LIABILITIES.						
Notes ..	39,896,672	39,865,821	39,556,279	36,701,899	5,811,878	5,811,878
Government deposits ..	15,414	13,083	15,686	20,994	183,700	183,700
Private deposits ..	1,920,239	2,028,756	2,208,793	2,113,937	845,950	845,950

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

ASSETS.	June 5, 1924.	May 29, 1924.	May 22, 1924.	May 15, 1924.	June 7, 1924.	Position May 28, 1924.
Coin (gold & silver and bullion) ..	355,577	356,254	355,684	356,885	348,328	332,650
Securities ..	1,298,421	1,293,124	1,303,684	1,323,289	734,468	697,600
Notes in circulation ..	7,637,507	7,619,650	7,585,493	7,655,032	6,772,291	934,150
Current accounts ..	367,241	317,088	326,722	319,772	408,076	112,125

BANK OF JAYA.—In florins (000's omitted).

ASSETS.	June 7, 1924.	May 31, 1924.	May 24, 1924.	May 17, 1924.	June 9, 1924.	Position May 30, 1924.
Gold ..	211,504	213,250	213,000	213,500	153,128	22,971
Silver ..	61,994	61,994	61,994	61,994	61,994	29,785
Discounts, advances, and other investments ..	146,200	134,070	143,640	145,700	148,042	77,567
LIABILITIES.						
Notes in circulation ..	254,000	253,500	253,500	260,500	264,590	109,499
Deposits and bills payable ..	76,599	71,290	80,500	76,500	80,597	11,350

IMPERIAL BANK OF GERMANY.—In billions of marks.

ASSETS.	May 31, 1924.	May 23, 1924.	May 15, 1924.	May 7, 1924.
Gold and bullion ..	(a) 442	(a) 442	(a) 442	(a) 442
Treasury notes ..	982,000	1,083,000	1,118,000	1,193,000
Rentenbank notes ..	321,836,412	390,586,337	350,335,879	284,223,778
Bills of exchange and cheques ..	817,867,106	817,867,106	810,558,455	763,663,026
Rentenbank bills and cheques ..	113,068,835	113,068,835	114,079,366	112,078,434
Advances ..	20,085,687	15,780,877	14,402,927	11,078,434
Rentenbank discounts, &c. ..	108,511,500	102,124,550	106,813,400	114,155,600
LIABILITIES.				
Notes in circulation ..	926,873,544	749,337,801	763,925,264	786,857,438
Total Deposits ..	804,454,987	993,036,469	937,568,717	833,809,433
Loan from Rentenbank ..	800,000,000	800,000,000	800,000,000	800,000,000

(a) Millions of marks.

GERMAN GOLD DISCOUNT BANK.

ASSETS.	June 6, 1924.	May 31, 1924.	May 23, 1924.	May 14, 1924.	May 7, 1924.
Gold reserve ..	9,000	9,000	9,000	9,000	9,000
Foreign banknotes ..	6,137	6,118	5,680	5,679	5,555
Foreign assets ..	347,267	1,478,548	3,076,121	4,223,694	5,533,971
Bills and cheques ..	6,511,764	5,384,864	3,611,270	2,280,378	1,750,000
Unpaid stock capital ..	3,574,550	3,574,550	3,574,550	3,574,550	3,574,550
LIABILITIES.					
Capital ..	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Current obligations ..	273,802	364,059	253,271	204,847	90,379

GERMAN RENTENBANK.—In Rentenmarks.

ASSETS.	May 31, 1924.	April 30, 1924.	March 31, 1924.
Mort. on industry, agriculture, &c. ..	3,200	3,200	3,200
Loans to the Reich not bearing int. ..	196	196	196
Loans to the Reich bearing interest ..	1,000	900	800
Loans to the Reichbank ..	800	800	800
Loans to other note issue banks ..	70,600	71,934	70,005
Temporarily transferred to Reichsbank and Post Office ..	71,633	62,470	5,404
Credits at other banks ..	67	66	63
Furniture, &c. ..	2,400	2,400	2,400
Original capital ..	2,400	2,400	2,400
Reserve ..	2,400	2,400	2,400
Rentenbank notes in circulation ..	2,050,361	1,951,618	1,985,675
Rentenbank deposits ..	196	233	230

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

ASSETS.	June 7, 1924.	May 31, 1924.	May 23, 1924.	May 15, 1924.	June 7, 1924.	Position May 31, 1924.
Gold ..	518,898	529,991	530,126	531,003	535,645	171,175
Silver ..	100,498	97,821	98,104	97,293	102,783	18,350
Darlehens-Kassas ..	10,619	10,612	10,548	11,032	29,269	103,000
Assets & advances ..	263,512	268,250	269,881	280,321	265,332	103,000
LIABILITIES.						
Notes in circulation ..	848,033	877,219	832,593	842,471	854,197	875,925
Deposits ..	99,018	85,089	151,248	157,897	127,916	33,750

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

ASSETS.	June 7, 1924.	May 31, 1924.	May 24, 1924.	May 17, 1924.	June 7, 1924.	Position May 31, 1924.
Gold ..	247,436	247,514	247,561	247,591	273,171	104,818
Balance abroad ..	23,181	20,147	20,869	19,155	40,504	112,179
Swedish and for. Gov. securities ..	57,133	62,930	62,290	70,596	147,998	32,465
Discounts & loans ..	495,548	501,056	470,293	463,750	333,983	112,668
LIABILITIES.						
Notes in circulation ..	509,127	524,732	472,077	485,958	538,832	296,625
Deposits at notice ..	247,367	254,501	250,887	206,973	216,557	368,980

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

ASSETS.	May 31, 1924.	Apr. 30, 1924.	Mar. 31, 1924.	Feb. 29, 1924.	May 31, 1923.	Position May 31, 1924.
Coin and bullion ..	209,549	209,562	209,567	209,578	208,213	208,213
Loans & discounts ..	480,042	472,543	468,808	468,808	375,185	375,185
Debits abroad ..	21,748	32,714	24,602	16,049	3,745	24,102
Securities ..	8,251	8,232	8,300	8,385	11,142	11,988
LIABILITIES.						
Circulation ..	480,979	468,767	462,631	450,132	456,277	157,266
Deposits ..	69,668	62,327	73,313	82,045	48,471	6,996

LONDON RATES.									
	June 6, 1924.	June 7, 1924.	June 8, 1924.	June 9, 1924.	June 10, 1924.	June 11, 1924.	June 12, 1924.	June 13, 1924.	June 14, 1924.
Bank rate (changed from 3% July 5, 1923)	4	4	4	4	4	4	4	4	4
Market rates of discount—									
60 days' bankers' drafts	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
3 months' do	2 1/4	2 1/4	2 1/4	2 1/4	2 1/4	2 1/4	2 1/4	2 1/4	2 1/4
4 months' do	2 1/4	2 1/4	2 1/4	2 1/4	2 1/4	2 1/4	2 1/4	2 1/4	2 1/4
6 months' do	2 1/4	2 1/4	2 1/4	2 1/4	2 1/4	2 1/4	2 1/4	2 1/4	2 1/4
Discount (Treasury Bills)									
3 months'	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Loans—Day to day	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
Short	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Deposit allowances: Banks	2	2	2	2	2	2	2	2	2
Discount houses at call	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
At notice	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

† Additional to those offered by tender in the preceding week.

Comparison with previous weeks:—									
	1924.	1923.	1922.	1921.	1920.	1919.	1918.	1917.	1916.
May 23	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
June 6	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
June 13	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

OVERSEAS BANK RATES.									
	June 14, 1924.	June 13, 1924.	June 12, 1924.	June 11, 1924.	June 10, 1924.	June 9, 1924.	June 8, 1924.	June 7, 1924.	June 6, 1924.
Amsterdam	Jan. 24, 1924	Jan. 23, 1924	Jan. 22, 1924	Jan. 21, 1924	Jan. 20, 1924	Jan. 19, 1924	Jan. 18, 1924	Jan. 17, 1924	Jan. 16, 1924
Athens	Jan. 14, 1923	Jan. 13, 1923	Jan. 12, 1923	Jan. 11, 1923	Jan. 10, 1923	Jan. 9, 1923	Jan. 8, 1923	Jan. 7, 1923	Jan. 6, 1923
Belgrade	Jan. 14, 1923	Jan. 13, 1923	Jan. 12, 1923	Jan. 11, 1923	Jan. 10, 1923	Jan. 9, 1923	Jan. 8, 1923	Jan. 7, 1923	Jan. 6, 1923
Berlin	Sept. 15, 1923	Sept. 14, 1923	Sept. 13, 1923	Sept. 12, 1923	Sept. 11, 1923	Sept. 10, 1923	Sept. 9, 1923	Sept. 8, 1923	Sept. 7, 1923
Brussels	Jan. 22, 1923	Jan. 21, 1923	Jan. 20, 1923	Jan. 19, 1923	Jan. 18, 1923	Jan. 17, 1923	Jan. 16, 1923	Jan. 15, 1923	Jan. 14, 1923
Bucharest	Sept. 4, 1920	Sept. 3, 1920	Sept. 2, 1920	Sept. 1, 1920	Aug. 31, 1920	Aug. 30, 1920	Aug. 29, 1920	Aug. 28, 1920	Aug. 27, 1920
Budapest	July 5, 1923	July 4, 1923	July 3, 1923	July 2, 1923	July 1, 1923	June 30, 1923	June 29, 1923	June 28, 1923	June 27, 1923
Calcutta	May 29, 1924	May 28, 1924	May 27, 1924	May 26, 1924	May 25, 1924	May 24, 1924	May 23, 1924	May 22, 1924	May 21, 1924
Christiansburg	Nov. 10, 1923	Nov. 9, 1923	Nov. 8, 1923	Nov. 7, 1923	Nov. 6, 1923	Nov. 5, 1923	Nov. 4, 1923	Nov. 3, 1923	Nov. 2, 1923
Copenhagen	Jan. 17, 1924	Jan. 16, 1924	Jan. 15, 1924	Jan. 14, 1924	Jan. 13, 1924	Jan. 12, 1924	Jan. 11, 1924	Jan. 10, 1924	Jan. 9, 1924
Danzig	Mar. 17, 1924	Mar. 16, 1924	Mar. 15, 1924	Mar. 14, 1924	Mar. 13, 1924	Mar. 12, 1924	Mar. 11, 1924	Mar. 10, 1924	Mar. 9, 1924
Helsingfors	Mar. 5, 1924	Mar. 4, 1924	Mar. 3, 1924	Mar. 2, 1924	Mar. 1, 1924	Feb. 29, 1924	Feb. 28, 1924	Feb. 27, 1924	Feb. 26, 1924
Lisbon	Sept. 12, 1923	Sept. 11, 1923	Sept. 10, 1923	Sept. 9, 1923	Sept. 8, 1923	Sept. 7, 1923	Sept. 6, 1923	Sept. 5, 1923	Sept. 4, 1923
New York Federal Reserve	June 11, 1924	June 10, 1924	June 9, 1924	June 8, 1924	June 7, 1924	June 6, 1924	June 5, 1924	June 4, 1924	June 3, 1924

The Bank Rate of the South African Reserve Bank is 6% for first-class commercial bills (90 days), and 6 1/2% for agricultural bills (of not more than six months).

Warsaw (Poland).—From February 20, 1924, discount rate, gold francs, 12% loans on collateral security, gold francs, 16%.

RATES OF EXCHANGE.									
London on	Usance	Par.	June 15, 1924.	June 14, 1924.	June 13, 1924.	June 12, 1924.	June 11, 1924.	June 10, 1924.	June 9, 1924.
Paris	francs to £1	T.T.	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2
Berlin	marks to £1	T.T.	20.43	20.43	20.43	20.43	20.43	20.43	20.43
Vienna	krone to £1	T.T.	24.02	24.02	24.02	24.02	24.02	24.02	24.02
Prague	krone to £1	T.T.	24.02	24.02	24.02	24.02	24.02	24.02	24.02
Warsaw	zloty to £1	T.T.	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2
Reval	Est.mks. to £1	T.T.	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2
Riga	lats to £1	T.T.	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2
Bukarest	lei to £1	T.T.	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2
Budapest	kor to £1	T.T.	24.02	24.02	24.02	24.02	24.02	24.02	24.02
Constantinople	liras to £1	T.T.	110	110	110	110	110	110	110
Sofia	leva to £1	T.T.	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2
Belgrade	dinars to £1	T.T.	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2
Amsterdam	florins to £1	T.T.	12.107	12.107	12.107	12.107	12.107	12.107	12.107
Brussels	francs to £1	T.T.	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2
Christiansburg	krone to £1	T.T.	18.159	18.159	18.159	18.159	18.159	18.159	18.159
Stockholm	krone to £1	T.T.	18.159	18.159	18.159	18.159	18.159	18.159	18.159
Copenhagen	krone to £1	T.T.	18.159	18.159	18.159	18.159	18.159	18.159	18.159
Helsingfors	krone to £1	T.T.	18.159	18.159	18.159	18.159	18.159	18.159	18.159
Greece	drachmas to £1	T.T.	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2
Italy	lire to £1	T.T.	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2
Switzerland	francs to £1	T.T.	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2
Madrid	pesetas to £1	T.T.	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2	25.22 1/2
Lisbon	escudos to £1	T.T.	534 1/2	534 1/2	534 1/2	534 1/2	534 1/2	534 1/2	534 1/2
Alexandria	piastres to £1	Sight	97 1/2	97 1/2	97 1/2	97 1/2	97 1/2	97 1/2	97 1/2
New York	dollars to £1	Cable	4.868	4.868	4.868	4.868	4.868	4.868	4.868
Montreal	dollars to £1	Cable	4.868	4.868	4.868	4.868	4.868	4.868	4.868
Buenos Aires	pesos to £1	T.T.	47.624	47.624	47.624	47.624	47.624	47.624	47.624
Rio de Janeiro	pesos to £1	T.T.	16	16	16	16	16	16	16
Montevideo	pesos to £1	T.T.	16	16	16	16	16	16	16
Valparaiso	pesos to £1	T.T.	16	16	16	16	16	16	16
Lima	soles to £1	T.T.	13.35	13.35	13.35	13.35	13.35	13.35	13.35
Calcutta	ster. to rupee	T.T.	10 to 1	10 to 1	10 to 1	10 to 1	10 to 1	10 to 1	10 to 1
Bombay	ster. to rupee	T.T.	10 to 1	10 to 1	10 to 1	10 to 1	10 to 1	10 to 1	10 to 1
Madras	ster. to rupee	T.T.	10 to 1	10 to 1	10 to 1	10 to 1	10 to 1	10 to 1	10 to 1
Hong Kong	ster. to dollar	T.T.	2s 1/4	2s 1/4	2s 1/4	2s 1/4	2s 1/4	2s 1/4	2s 1/4
Shanghai	ster. to dollar	T.T.	2s 1/4	2s 1/4	2s 1/4	2s 1/4	2s 1/4	2s 1/4	2s 1/4
Singapore	ster. to dollar	T.T.	2s 1/4	2s 1/4	2s 1/4	2s 1/4	2s 1/4	2s 1/4	2s 1/4
Yokohama	ster. to yen	T.T.	24.582	24.582	24.582	24.582	24.582	24.582	24.582
Manila	ster. to peso	T.T.	24.066	24.066	24.066	24.066	24.066	24.066	24.066
Mexico	pesos to £1	T.T.	24.066	24.066	24.066	24.066	24.066	24.066	24.066

† Rate for previous day. ‡ Sellers.

MOSCOW QUOTATIONS FOR CHERVONETZ.
According to advices received in London, the following are the Moscow quotations for chervonetz:—
£1,000 sterling equals 835 chervonetz.
£1,000 " " 1932 "

CURRENT RATES IN NEW YORK.
The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	June 13, 1924.	May 15, 1924.	May 22, 1924.	May 29, 1924.	June 4, 1924.	June 12, 1924.
Call money	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Time money (90 days' mixed call)	5	5	5	5	5	5
Bank acceptances—						
Members—eligible, 90 days	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Non-mem.—eligible, 90 days	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Ineligible, 90 days	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Commercial accept., 90 days	5	5	5	5	5	5

Rates of Exchange.		Par	May 29,	June 4,	June 12,
New York on—		Level.	1923.	1924.	1924.
London—					
60 days			4-59	4-2825	4-285
Cable			4-6125	4-3125	4-3150
Cheques	Dollars for £1	4-8666	4-61	4-31	4-3125
Paris	Cents for 1 franc	19-30	6-36	5-225	5-0175
Brussels	Cents for 1 franc	19-30	5-44	4-47	4-43
Switzerland ..	Cents for 1 franc	19-30	17-945	17-665	17-59
Italy	Cents for 1 lira	19-30	4-635	4-385	4-3524
Vienna	Cents for 1 krona	20-26	0-0014	0-0014	0-0014
Madrid	Cents for 1 peseta	19-30	14-83	13-86	13-49
Amsterdam ..	Cents for 1 guilder	40-196	39-2	37-35	37-41
Copenhagen ..			17-94	16-81	16-84
Christiana ..			18-59	17-87	17-58
Stockholm ..	Cents for 1 kronor	96-80	26-53	23-57	23-67
Athens	Cents for 1 drachma	19-30	2-9	1-89	1-775
Montreal	Can. cents for \$1	100	97-62	98-31	98-62
Yokohama	Cents for 1 yen	49-85	49-0	40-34	40-72
Hongkong	Cents for H. Kong \$		80-5	52-15	52-00
Shanghai	Cents for 1 Sheng. tse		72-5	51-62	52-00
Calcutta	Cents for 1 rupee		31-00	30-42	30-43
Buenos Aires ..	Gold pesos for \$100	103-65	122-8	134-75	133-75
Rio de Janeiro ..	Cents for 1 milreis	32-42	10-35	10-95	10-85
Valparaiso	Cents for 1 peso	20-50	13-15	11-00	10-87

SOUTH AFRICAN EXCHANGE RATES.
The South African Banks quote the following rates:—

BULLION.									
IMPORTS AND EXPORTS OF GOLD.									
Week ended June 4, 1924.									
Imported into Great Britain and Northern Ireland.					Exported from Great Britain and Northern Ireland.				
From—	£	To—	£	£	To—	£	£	£	£
Belgian Congo	35,519	Norway	372	France	15,338	United States of America	1,695	Kenya	773,394
British South Africa	702,916	West Coast of Africa	3,085	British India	192,014	Other countries	956	Total declared value of exports	986,854

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

OVERSEAS DOMINIONS RATES.
COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

INDIA GOLD STANDARD RESERVE									
The Government of India have announced that £5,930,000 has been remitted to the Secretary of State for India during the two months ending May 31, 1924, by means of purchases of sterling in India.									

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MINING OUTPUT STATISTICS FOR MAY, 1924.

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Crushed.	Mill.	Ounces.	Total.		
Gold.							
Abbotiakoona	5,800					(a) 11,072	
Ashanti	7,160					(a) 24,736	
Associated	5,692					(a) 7,021	
Associated N. Blocks							62
Iron Duke	505					(a) 1,250	
Associated of W.A.	5,692					(a) 7,021	
British Platinum and Gold	3,400	7,450	2,369	636	3,005	(a) 7,021	
Boulder Perseverance	4,322					15,887	1,734
Champion Reef	10,323	18,035	4,127	685	4,812		
Colombian Proprietary					70		
Consolidated of N.Z.							
Blackwater	3,300					(b) 6,779	2,223
El Oro	42,400					\$173,045	\$12,845
Globe and Phoenix	6,296					(d) 5,068	
Golden Horse Shoe	9,512					(c) 4,914	2,315
Great Boulder Prop.	9,456					(a) 24,536	
Irishhoe	11,396					4,316	
Lake View and Star	7,906					14,062	1,186
London and Rhodesian							
Sabiwa	2,000					2,102	
Lonely Reef	5,640					4,030	(g) 10,181
Menzies Cons.	1,070					(a) 2,161	
Mexican of El Oro	13,692					U \$211,880	\$69,400
Myers	19,800	29,085	9,670	1,153	10,823		
Nundydong	11,210	15,315	5,210	694	5,904		
Oreogum	13,500	4,000	8,578	234	8,812		
Oriental Cons.						\$111,900	
Oreome Dredging							
Pato (12 days to June 2nd)	3,632					\$28,502	
Oryza Links	2,800					(a) 13,387	
Planet-Areturus	2,800					1,198	(a) 5,087
Prentiss	7,534	766				(a) 14,575	
Shamva	54,700					(e) 37,096	11,228
Sherwood Starr	1,700					6,108	3,639
Sons of Gwalia	12,228					12,627	
South Kalguli	6,987					(a) 14,223	2,526
St John del Rey						(a) 36,500	
Taqnah and Abosso	7,450					3,773	(f) 17,969
Transvaal and Rhodesian							
Fred	1,560					3,825	
Tomboy	18,000					\$64,500	
Vipond Cons.	4,042					\$45,400	
Wady Gabati	327	360	515	200	715	2,892	

(a) Par. (b) 92s per oz. (c) 84s 11½d per oz. (d) 84s per oz.
(e) 94s 6d per fine oz. (f) 95s 3d per oz. (g) 95s per fine oz net.

	Output.	Other Notes in Return.	
Copper.			
Namaqua	215		
Terrosora	410		
Tanganyika	6,322		
Tin.			
Anglo-Nigerian	6		
Aramayo	221	Silver, 131,000 ozs.	
Blischi	37		
Deebok Dredging	244		
East Pool and Agar	417		
Gold.			
Gopeng	144		
Jos	14		
Kem	45		
Lower Blischi	6		
Mongu	25		
Mongu	6		
Naraguta Ext.	7		
Nigerian Base Metals	6		
N. Nigeria (Bauchi)	55		
Pengkalen	60		
Premier Hydraulic	24		
Rambutan	19		
Rayfield	50		
Ropp	101		
Rukuba	14		
Tavoy	424		
Tekka	31		
Tekka-Taping	534		
Tongkah Harbour	72		
Coal.			
East Kent	4,673		
Vereeniging	152,771		
Wankie	28,009		
Miscellaneous.			
Akim			
Burma Ruby			
Keeley Silver			
Mining Corp. of Canada			
Rhodesia Broken Hill			
Transvaal Silver	372		

BURMA CORPORATION.—During May 23,204 tons of ore were mined; 23,480 tons of ore were milled in the treatment plant, producing 11,203 tons of lead concentrate; 12,923 tons of lead-bearing material were smelted in the blast furnaces, producing 5,359 tons hard lead for treatment in the refinery. Refinery products were 4,071 tons lead and 431,725 ozs. silver. Of silver production 2,000 ozs were recovered from treatment of copper matte. Experimental zinc plant produced 1,400 tons zinc concentrates, assaying 10.6 ozs silver, 6.6 per cent. lead, and 46 per cent. zinc. In addition to above 400 tons copper matte were produced from the treatment of 1,932 tons copper ore and accumulated smelter by-products.

ELACROSTIC ZINC.—Production during four-weekly period ended May 28th, 3,499 tons zinc; silver-lead product for shipment to Fort Erie for realisation, containing 520 tons lead, 65,000 ozs silver. The above production includes 115 tons of zinc used at the company's works at Risdon.

MOUNT LYLE.—During the four-weekly period ended May 28th there were smelted Mount Lyle ore 976 tons, North Lyle ore (direct to smelters) 515 tons, concentrates 4,532 tons. The converters produced 810 tons of blister copper, containing copper 802 tons, silver 18,027 ozs, gold 256 ozs. The mill treated 7,855 tons of ore, and produced 2,836 tons of concentrates. Furnace ran 28 days. Accumulation of concentrates cleaned up during the period, with exception of about 500 tons distributed over the various sections of the plant. The furnace was closed down on June 2nd to permit of the accumulation of silver.

NORTH BROKEN HILL.—Cable Mary:—North section—21,500 tons of crude ore were treated, producing 3,950 tons lead concentrates, averaging 6.6 per cent. lead, 3.4 ozs silver per ton and 8 per cent. zinc; also 3,550 tons zinc concentrates, averaging 4.5 per cent. zinc, 7 per cent. lead, and 8 ozs silver per ton. British section—15,320 tons of crude ore were treated, producing 2,540 tons lead concentrates, averaging 6.2 per cent. lead, 2.8 ozs silver per ton and 7 per cent. zinc; also 2,135 tons zinc concentrates, averaging 4.9 per cent. zinc, 6.5 per cent. lead, and 8 ozs silver per ton.

SAN FRANCISCO.—May:—Ore treated, 12,508 tons; lead concentrates produced 2,233 tons; zinc concentrates produced 2,504 tons; estimated net smelter return on lead, \$108,776 (U.S. currency); on zinc, \$55,880; total, \$164,656; operating expenses, \$79,941; estimated operating profit, \$84,715; capital expenditure, \$27,339 (April profit, \$103,300).

ZINC CORPORATION.—May:—Lead concentrator treated 15,445 tons of ore, producing 3,494 tons of lead concentrates and 4,285 tons of zinc middlings. Estimated gross profit, with lead at \$24 per ton, \$8,444. Increase (or decrease) for each £1 fluctuation in price of lead, \$2,240.

WEEKLY TRAFFIC RETURNS.
RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended June 6, 1924.	Miles Open.	Week ended June 8, 1924.			Aggregate 23 Weeks, 1924.		
		Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.
Great Western	3,754	306,000	328,000	634,000	5,046,000	7,860,000	12,906,000
Do for 1923	3,679	249,000	356,000	605,000	5,393,000	8,362,000	13,755,000
London & North-Eastern	6,703	557,000	629,000	1,186,000	6,627,000	10,884,000	17,511,000
Do same period 1923	6,701	444,000	714,000	1,158,000	6,991,000	10,741,000	17,732,000
London, Mid., & Scottish	9,942	801,000	824,000	1,625,000	12,392,000	20,210,000	32,602,000
Do for 1923	9,940	616,000	895,000	1,511,000	13,064,000	21,611,000	34,675,000
Southern	2,146	401,200	101,600	502,800	5,543,700	2,592,400	8,136,100
Do for 1923	2,146	345,700	110,700	456,400	5,771,200	2,747,600	8,518,800
Metropolitan (c)	794	40,732	4,369	45,101	809,730	87,933	897,663
Do for 1923	794	31,740	3,600	35,340	735,107	88,678	823,785
Underground E.R. (c)				249,980			5,059,913
Do for 1923				235,559			5,043,505
Lon. & Sub. Group (c)				42,891			899,852
Do for 1923				41,230			882,785
Belfast & Co. Down (b)	80	4,711	1,087	5,798	91,613	29,876	121,489
Dublin and S. East (b)	160	7,816	2,950	10,766	122,795	34,499	157,294
Gt. Northern (Ireland) (b)	568	18,600	14,900	33,500	388,550	467,100	855,650
Gt. Sth. & Western (b)	1,151	25,311	30,075	55,386	481,925	723,063	1,204,978
Midland Gt. West. (b)	538	10,442	14,868	25,310			580,363

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -
INDIAN.							
Assam Bengal	6 weeks	May 10	1,072	Rs. 2,26,000 +	Rs. 8,121	Rs. 13,13,000 +	Rs. 18,609
Barak L. Ry.	7 weeks	17	118	39,300 +	10,700	301,200 +	59,300
Bengal & N. Western ..	6 weeks	10	2,062	7,47,680 +	22,779	41,14,290 +	1,24,150
Bengal Nagpur	4 weeks	3	2,738	16,21,000 +	1,74,000	77,60,000 +	5,11,749
Bombay, Bar., & C.I.	10 weeks	June 7	1,340	24,57,000 +	2,42,000	2,49,39,000 +	1,33,20,000
Burma	5 weeks	May 1	1,342	8,17,382 +	64,522	39,50,626 +	1,09,021
Delhi, Umballa & Kalka	9 weeks	May 31	339	1,15,000 +	1,696	5,00,868 +	31,641
East Indian	10 weeks	June 7	2,873	34,87,000 +	1,44,000	3,43,64,000 +	10,12,000
G. Indian Peninsula ..	9 weeks	May 31	3,164	31,02,400 +	2,64,700	2,75,06,000 +	16,97,483
Madras & S. Mahr.	6 weeks	10	3,029	16,30,000 +	6,539	92,40,000 +	8,187
Rohtak & Kumaon	6 weeks	10	269	64,853 +	4,432	3,72,244 +	6,317
Do Lucknow-Breilly ..	6 weeks	10	114	79,331 +	4,438	4,82,268 +	24,323
South Indian	6 weeks	10	1,877	10,63,141 +	36,387	59,06,382 +	1,24,984

ARGENTINE (a).							
Argentine N.E.	49weeks	June 7	754	10,800 +	3,100	595,500 +	59,500
Argentine Trans.	49weeks			3,324	139	188,055 +	21,451
B. A. & Pacific	49weeks		7	3,324	29,000	8,553,000 +	343,000
B. A. Gt. Southern	49weeks		7	948	1,066,000 +	1,066,000 +	1,066,000
				Net 89,000 +	39,000	4,191,000 +	671,000
B. A. Western	49weeks		7	1,882	100,000 +	10,000	4,597,000 +
				Net 39,000 +	10,000	1,717,000 +	205,000
Central Argentine	49weeks		7	3,305		1,717,000 +	170,000
Cordoba Central	49weeks		7	3,305		10,617,000 +	648,000
Entre Rios	49weeks		7	1,205	70,000 +	4,000	2,904,300 +
				Net 22,400 +	3,900	1,126,200 +	47,500
				789	22,400 +	3,900	1,126,200 +
							152,200

CANADIAN.							
Canadian National.	23weeks	June 7	22,680	4,302,203	+ 274,148	9,486,694	+ 682,065
Canadian Pacific....	23weeks		13,657	3,248,000	+ 59,000	72,246,000	+ 3,154,000
BRAZILIAN (b).							
Gt. West. of Brasil..	23weeks	June 7	1,011	6,900	+ 400	218,700	+ 29,000
Leopoldina	23weeks		1,831	29,800	+ 8,113	597,170	+ 91,381
SAN Paulo	23weeks	8	1,534	40,833	+ 14,428	958,141	+ 359,523

CHILEAN.							
Antofagasta	23 weeks	June 8	838	32,790	—	3,070	858,620 + 69,045
Nitrate (4-monthly)	21 weeks	May 31	366	38,782 +	15,200	400,168 +	68,937

CUBAN.									
Havana Central	48 weeks	May 31	..	9,638	—	1,011	626,421	+	85,700
United of Havana ..	49 weeks	June 7	1,249	5,324	—	56,328	4,112,122	+	566,951

URUGUAYAN.							
Central Uruguay ..	49weeks	June 7	973	31,402 +	4,357	1,364,306 +	55,171
C. Urug. (East. Ext.)	49weeks	7	311	8,364 +	614	295,714 +	10,727
C. Urug. (North. Ext.)	49weeks	7	185	3,638 +	380	154,171 +	5,040
C. Urug. (West. Ext.)	49weeks	7	211	3,426 +	358	139,172 +	9,737

OTHER OVERSEAS.							
Alcoy and Gandia	23 weeks	June 7	33	21,500	500	570,000	+ 78,300
Egyptian Delta	6 weeks	May 20	575	7,573 +	2,105	34,658	+ 3,990
Gt. Southern of Spain	23 weeks	31	104	Pol 139,459 +	95,263	2,193,616	+ 376,331
Mexican Railway	23 weeks	June 7	432	\$ 276,200 +	32,700	4,706,800	+ 1,891,400
New Cape Central	20 weeks	May 17	205	2,445 +	169	56,880	+ 363
Paraguay Central	49 weeks	June 7	274	5,310 +	2,190	185,420	+ 85,100
Salvador	49 weeks	7	100	2,514 +	200	194,618	+ 9,599

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.
					Prefce.	Ordinary.	Rate.				
					Amount.	Amount.	Rate.				
Canals and Docks.		£	£	£	£	£	%	£	£	£	%
Grand Junction Canal	Dec. 31	4,060	52,067	56,127	5,622	45,200	4	250	5,055	52,808	4
Electric Lighting and Power.											
Whitehall Electric Investments..	Mar. 31	..	370,165	370,165	112,500	125,000	2½	132,665	..	..	..
Financial, Land, &c.											
Argentine Northern Land	Dec. 31	4,582	7,429	12,011	..	..	..	4,543	7,468	..	..
Ceylan Estates Investment	Mar. 31	480	11,171	11,651	..	8,718	40	2,000	933	9,447	30
Forestral Land, Timber, &c.....	Dec. 31	129,617	743,869	873,486	111,951	231,802	6½	325,000	204,733	113,902	17½
Hudson's Bay Co.	May 31	110,850	310,416	421,266	100,000	200,000	20	..	98,350	348,440	21½
						22,916	(t)				
Hotels and Restaurants.											
J. Lyons and Co.	Mar. 31	30,239	665,377	695,616	238,122	321,145	25	110,755	25,594	631,816	25
Iron, Coal, and Steel.											
Grovesend Steel and Tinplate....	Mar. 31	109,485	274,913	384,398	15,243	125,000	25	130,671	113,484	182,518	12½
Ruston and Hornsby.....	Mar. 31	70,274	9,342	79,616	35,250	..	..	..	44,366	12,043	..
Motor and Cycle.											
Wolseley Motors	Sep. 30	Dr 108,822	Dr 327,263	Dr 436,085	..	..	..	..	Dr 436,085	Dr 77,621	..
Rubber, &c.											
Anglo-Johore Consolidated	Dec. 31	Dr 1,030	237	Dr 793	..	..	..	..	Dr 793	Dr 3,082	..
Bradwall (F.M.S.)	Dec. 31	9,681	8,514	18,195	..	6,750	7½	..	11,445	7,393	10
East Java	Dec. 31	9,197	3,270	12,467	..	5,000	5	2,000	5,467	2,687	nil
Heawood Tea and Rubber	Dec. 31	10,905	3,073	13,978	..	..	..	2,000	11,978	18,832	12½
Holyrood	Dec. 31	..	5,942	5,942	..	3,535	5	..	2,407	102	nil
Kuala Selangor	Dec. 31	5,817	9,117	14,934	..	9,688	12½	..	5,246	13,137	16½
Nirmala (Java)	Dec. 31	Dr 22,852	12,214	Dr 10,438	..	..	..	..	Dr 10,438	Dr 310	..
Shelford	Dec. 31	3,663	2,547	6,210	..	2,000	2½	..	4,210	3,795	5
Simo Estates	Dec. 31	4,968	4,371	9,339	..	5,250	15	..	4,089	8,168	15
South Malay	Dec. 31	Dr 678	Dr 486	Dr 1,159	..	..	..	..	Dr 1,159	..	..
Telogorejo United.....	Dec. 31	17,427	40,149	57,576	..	36,743	12½	8,000	12,833	28,239	12½
Shipping.											
Trawlers, Limited	Mar. 31	1,647	8,885	10,532	..	..	..	8,000	2,532	4,647	..
Shops and Stores.											
Albert Baker and Co.....	Mar. 31	12,241	34,390	46,631	..	25,000	12½	10,000	11,631	33,896	12½
Waring and Gillow	Jan. 31	68,629	97,347	165,976	45,000	..	..	..	120,976	82,711	..
Tea.											
British Indian	Dec. 31	15,793	51,842	67,635	825	31,629	40	19,600	15,581	46,094	30
Chargola	Nov. 30	4,228	42,101	46,329	5,670	20,502	25	10,000	10,157	39,798	25
Lungla (Sylhet)	Dec. 31	11,707	42,581	54,288	4,781	31,728	15½	7,596	10,183	51,237	nil
Majuli	Dec. 31	5,614	52,883	58,497	1,200	38,388	40½	11,027	7,882	43,167	30
Trust.											
First Scottish American	May 1	22,593	30,633	53,226	..	23,250	10	3,000	26,976	28,042	9½
Lake View Investment Trust	Mar. 31	5,753	55,099	60,852	..	43,572	12½	10,000	7,280	19,534	6
Other Companies.											
A. J. White	Mar. 31	52,044	26,650	78,694	..	22,500	7½	..	56,194	23,341	7½
Brownlee and Co.	Mar. 31	29,175	57,986	87,161	3,873	31,495	10½	25,000	26,793	120,686	15½
C. Arthur Pearson	Mar. 31	33,854	64,246	98,100	13,750	35,000	20	20,000	29,350	55,827	15
Dunlop Rubber	Dec. 31	Dr 731,739	Dr 1,451,792	Dr 2,183,531	..	..	..	..	Dr 2,183,531	..	..
George Newnes	Mar. 31	38,472	84,481	122,953	25,000	40,000	20	20,000	37,953	..	..
Henry Gardner and Co.	Mar. 31	16,464	33,770	50,234	..	27,125	7	..	23,109	61,244	7
John Swan and Sons.....	Apr. 30	9,564	11,812	21,376	..	5,500	10½	5,770	10,106	12,466	10½
Metropolitan Association, &c.	Mar. 31	4,141	4,449	8,590	..	7,447	5	800	343	7,706	5
Mint, Birmingham	Mar. 31	9,868	24,212	34,080	3,720	18,000	22½	..	12,360	34,927	35½
Molassine Co.	Mar. 31	753	13,387	14,140	7,000	..	..	5,000	2,140	15,246	..
North British Cold Storage & Ice	Apr. 30	5,823	1,349	7,172	..	1,860	8	..	5,312	2,255	10
Salts (Saltaire)	Mar. 31	..	170,878	170,878	60,871	72,678	10	26,697	10,632	..	..
Short's, Limited	Mar. 31	1,079	46,808	47,887	15,500	18,750	15	10,000	3,637	43,757	15
United Premier Oil and Cake Co.	Dec. 31	20,518	63,464	83,982	34,431	28,828	5	..	20,723	..	..

(a) Dunlop Rubber accounts for 18 months. (b) Refund of Dominion income-tax to June 30, 1923, which would have permitted a further dividend of about 3 per cent. on the ordinary shares. † Free of tax.

MISCELLANEOUS.

BARCELONA TRACTION, LIGHT, AND POWER.—Meetings of the holders of the first mortgage bonds and the income bonds of the Barcelona Traction, Light and Power Company, Limited, have been convened for the purposes primarily of—(a) authorising an increase in the amount and rate of interest of the prior lien "B" bonds; (b) changing the rate of interest on the first mortgage bonds to a fixed rate of 5½ per cent., payable in pesetas, instead of the interest being partly contingent and payable in sterling as at present, with an option to holders who may not wish to retain their bonds; (c) converting the income bonds into first mortgage bonds. The object of the contemplated rearrangement is to reduce the funded debt of the company and as far as possible make the annual charges payable in the currency in which the revenue is earned. Further details of the scheme will be found in our advertisement columns.

LAKE VIEW INVESTMENT TRUST.—The board of this company are to be congratulated upon publishing a complete list of their investments at March 31, 1924. The company has had a good year, the net profit being £55,099, against £19,534 for preceding year. The ordinary dividend has been raised from 6 per cent. to 12½ per cent. A transfer of £10,000 is made to reserve (against nil), and £7,280 is carried forward (against £5,753 brought in). Changes in investments during the year have resulted in a surplus on realisation, out of which £50,000 has been transferred to reserve, making that account £100,000, and £110,000 when transfer from revenue is included. A valuation of the investments as at March 31st showed a total of £1,181,235, as against the balance-sheet figure of £550,976. It is proposed to increase the capital to £600,000 by the creation of 300,000 new shares of 10s each. Shareholders will be given the right to subscribe at par (10s) for two additional shares in respect of each five shares held.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Unsettled and stormy weather has again prevailed over the United Kingdom during the past week, and cereal crops have suffered damage by heavy rains and an absence of sunshine. Wheat, however, is less adversely affected, though winter-grown is somewhat discoloured in some districts owing to excessive moisture, and a spell of sunshine is necessary to obtain normal yields. Supplies of native wheat continue to dwindle at most of the Statute markets, consequently values were on a higher basis, while influenced by the position of imported varieties. Suitable milling grades are nominally quoted at 11s 6d to 11s 9d per 112 lbs, free on rail. Imported descriptions moved off quietly, due to reserved sellers and a further advance in prices. No. 1 Northern Manitoba quoted 50s, No. 3 ditto 48s, Barusso 63½ lbs 47s 6d, and Australian 50s 6d, all per 496 lbs ex ship. In the floating and forward cargo section a very firm tone was apparent, shippers being reserved in face of high American advances combined with the unfavourable crop outlook in Southern and South-Eastern Europe. Sales included steamers of Rosafé 63½ lbs July at 45s 3d, Barusso 63½ lbs June 6th 44s 9d, ditto July 44s 6d, Savarita on sample May 13th 44s 6d, choice white Karachi July 47s, part cargoes of Australian May 48s 1½d, June 48s 3d, and full cargoes afloat at 47s 6d, per 480 lbs. Maize cargoes are depressed on liberal offerings, while the quantity of Plate maize on passage amounts to 3,600,000 qrs, compared with 1,800,000 qrs at corresponding period last year.

Flour advanced slightly in sympathy with the wheat position. London standard straight run quoted at 39s, patents 41s to 42s, and town households 37s per sack delivered in. Imported quietly steady. Manitoba patents range from 35s 6d to 38s, Minnesota 38s 6d to 40s 6d, soft Pacific 35s, and Australian 35s 3d per 280 lbs ex store. Barley.—English quiet at 11s 3d-12s 6d per 112 lbs free on rail. Imported steady, inactive. Californian 49s-55s, Chilean brewing 44s 6d-51s per 448 lbs, both ex ship. No. 3 Canadian Western ex ship 33s 3d, ditto No. 4 31s 9d, Karachi ex ship 32s 6d, Plate landed 34s, Russian landed 33s 6d per 400 lbs. Oats quiet. Plate f.a.q. ex ship 21s 3d, landed 22s 3d, No. 2 Canadian Western 25s 9d, No. 3 ditto 24s 9d, No. 2 Canadian feed landed 23s 9d per 320 lbs. English quoted at 9s 6d-11s per 112 lbs free on rail. Maize easier. Plate ex ship 36s-38s as to position, ditto landed 40s 6d, No. 2 white flat African landed 39s 6d all per 480 lbs. Millers' offals quiet. Broad bran quoted at 6s 3d, digestive ditto 7s 9d, ordinary 6s, middlings 8s 6d-8s 9d, ditto fine 10s bags included ex mill, light oats 6s 3d, powdered oat husks 7s 3d, feed oatmeal 9s 3d, ground oats 11s 9d per cwt free on rail. Oatmeal slow. London-made flake 17s, rolled oats 15s 6d, medium and fine cut 16s 6d, coarse and medium pinhead 16s 6d, ordinary Scottish oatmeal 17s 6d-18s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-1924.	1922-1923.	1921-1922.	1920-1921.
Estimated sales of home-grown wheat—	Owts. 83,127	Owts. 213,980	Owts. 101,491	Owts. 98,596
1 week to June 7	12,414,374	16,237,769	15,428,977	11,933,372
40 weeks to June 7	..	..	..	..
Average price of English wheat per cwt.	11 3	11 0	12 10½	20 1

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1920 to 1923:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1924.	Owts. 90,630	Owts. 5,382	Owts. 14,935	11 2	11 0	9 10
May 31	85,127	5,371	12,317	11 3	11 1	10 0
June 7	..	..	..	..	..	..
1920	36,763	4,782	7,797	17 0	25 11	22 11
1921	98,597	24,100	15,093	20 10	12 0	13 11
1922	101,490	7,754	15,770	12 10	11 4	11 10
1923	213,980	30,899	19,198	11 0	8 11	10 7

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent writes on June 12th as follows:—Pig-iron: The usual market was not held this week on account of the Whitsuntide holidays, but generally the pig-iron and steel trade in this district is very much depressed at the present time. No. 3 Cleveland G.M.B. can be bought readily to-day at 90s per ton, which is practically 10s per ton lower than at the beginning of the year. Shipments, both coastwise and foreign, are well up to the average of the last few years, but there is a decided falling off over the first days of this month. The coke market is easier, and 26s per ton is the average price asked for medium qualities of blast furnace coke. The iron ore trade is practically lifeless, with sellers at 23s per ton c.i.f. Tees for best Bilbao Rubio.

Our Sheffield correspondent writes:—Holidays and stocktaking operations are exercising a disturbing effect upon the iron and steel market, and the week has been almost a blank in respect of buying and selling. Nothing much is likely to be done in raw materials until after the end of the month. Apart from temporary influences, opinion is fairly unanimous that in pig-iron and heavy steel a severe contraction of trade has been in operation for some considerable time, and it is supported by the statistics of production. There was an upward curve from the start of the year to March, but it has been downward ever since. As regards the second half of the year, the prospects are by no means favourable. The majority of the large firms engaged in iron and steel manufactures are carrying on at a loss, and the recent immunity from foreign competition appears to have come to an end, as low prices are again being quoted by makers on the Continent. Czechoslovakian firms are offering alloy steels for motor construction and tool steels in the British market at cut prices, and a considerable quantity of this material has been sold. Makers of railway steel have executed the bulk of the large orders given out early in the year by the British companies. The boom in the building of private owners' wagons has also come to an end, and as Indian, South African, and South American trade in railway material has now to be shared with makers on the Continent, the British plants have not sufficient work to maintain full-time running. Sales of stainless steel for engineering parts continue to increase, and the manufacture of this material is proving a valuable side-line to several firms who have specialised upon it. Business in hand tools is fairly brisk on both home and export account, and users are calling for quality goods to a greater extent than in the past. The file branch has gone quieter lately. Conditions in cutlery and plate are generally unsatisfactory. Coke for British blast furnaces has been reduced from 24s to 23s, and the price on the open market is about 27s. Demand and consumption are poor, causing the accumulation of considerable stocks. The weakness of the fuel market also extends to steam and house coal, cobbles, and nuts, whereas slacks remain in good demand. Current quotations per ton at pits are:—Best hand-picked branch, 34s; Barnsley best Silkstones, 28s; Yorkshire hards, 23s; Derbyshire do., 21s; rough slacks, 12s; smalls, 8s.

Our Glasgow correspondent writes as follows:—The pig-iron market remains dull and lifeless, buying being steady, but on a small scale, both for home and export. For the week to Saturday last the shipments from the Clyde amounted to only 653 tons, of which 523 tons were for foreign account. Prices are slightly easier. Steel works are somewhat better off for work, with a fairly steady demand, especially from structural firms, most of whom are very well employed. One firm of roof contractors is full up for several months ahead, and is working night and day on a large contract for abroad. Ship quality plates can be placed for export at £9 5s to £9 10s per ton, and angles at £8 10s, and some business is reported on this basis with foreign buyers. Bar iron makers are finding difficulty in keeping their works going, and makers of tube strips also report slackness. Preparations are going steadily forward in the shipyards for laying down the keels of the steamers recently placed on the Clyde, and specifications are in several instances already in the hands of steel makers for the materials of construction. Representatives of Belgian and German concerns have been offering plates and semi-steel here at prices which show an appreciable saving on those quoted by local works. Several thousand tons of semi-manufactured steel have been bought by re-rollers for delivery in the third quarter of this year. Generally speaking, however, the experience of the last twelve months in the matter of deliveries from the Continent has rather discouraged large consumers, and caution is being exercised. Steady business is being done in black sheets for export, and while some works are not too well off, others are reported to be booked up for a considerable period. Japanese thin sheets are not quite so much in demand as during the last two or three weeks. Galvanised sheets are in strong demand, with the price now £18 per ton for 24 gauge. Indian dealers continue to put forward inquiries for large tonnages, and this appears to have stimulated other markets, which, in view of works filling up, are becoming active purchasers.

Our Cardiff correspondent writes:—The pits in the South Wales coalfield were idle until Wednesday night, and the output for the week is estimated at only between 45 per cent. and 50 per cent. of the average weekly production. The Coal Exchange did not open its doors until Wednesday morning, but that day the attendance was very small, and hardly any business was transacted. In these circumstances, the market has been unsettled, and prices are temporarily more or less nominal. New inquiries are comparatively scarce, but notwithstanding the efforts of the shopmen to extend the strike at the South Wales ports, the operation of the coal hoists on Thursday was practically normal.

The following are the current approximate quotations:—Best Admiralties, 27s 6d to 28s; second Admiralties, 27s to 27s 6d; best drys, 26s 6d to 27s; Black Veins, 26s 6d to 27s; Western Valleys, 26s to 26s 6d; Eastern Valleys, 24s to 25s 6d; best bunker smalls,



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115 to 115 6d; slices, 48 14 lbs, 6s 3d; Hawaiian slices, 2 1/2 lbs, 14s 9d to 16s 6d; Californian apricots, 8s to 11s; ditto peaches, 9s 6d to 12s 6d; pears, 14s to 15s 6d. Italian tomatoes, 7s per dozen tins. Danish lunch tins are arriving, and their superior quality is appreciated. Beef quiet owing to adverse weather conditions.

HONEY.—New Zealand still marks excellent quality, and new season's is available in the London market.

OLIVESEEDS.—Linedseed market active and firmer. Indian: Calcutta, afloat, sold, £19 15s; April-May, £19 15s; May-June, £19 15s; June-July, £19 12s 6d; bold Bombay, May-June, £20 5s. Plate, afloat, sold, £18 18s; April-May, £17 17s 6d to £18; May-June and June-July, £17 16s 3d to £18. Rape seed irregular. Toria, June-July, £17 12s 6d; Jamba, ditto, £13 17s 6d; and real bold Ferozepore, ditto, £17 2s 6d. Cottonseed inactive. Egyptian, black, June, £12 15s. Sakellaridis, £11 11s 3d paid. Bombay, June-July, £10 1s 3d. Gingly seed firm. Chinese, June-July, £26 5s. Ground-nuts steady. Coromandel, machine-dried, June-July, £22 17s 6d; Chinese, decorticated, f.a.q., ditto, £21 12s 6d; bold Bombay, ditto £22 5s. Soya beans dull. Manchurian, afloat, £11 15s; June-July, £11 13s 9d. Castor seed firmer. Bombay, June-July, £25 5s; Cawnpore, June-July, £23 per ton.

OLIL.—Linedseed firmer, with a better demand. Spot, net, naked, 30s 6d; June, 39s; July-August, 38s 6d; September-December, 47s 6d. Rape quiet. Crude, spot, 45s; refined, 48s. Castor-oil firmer. First pressure, spot, quoted 62s; second pressure, 60s; and pharmaceutical, 67s per cwt, Hull, with London 2s per cwt.

extra. Cotton dull. Crude Egyptian, spot, 39s; Bombay, 37s; common edible, 46s; deodorised 48s. Chinawood quiet. Hankow, spot (barrels), 80s; June-July, 71s. Coconut quiet. Ceylon, spot, 45s 6d; June-July, 42s 6d; Cochin, ditto, nominally 50s. Soya dull. Oriental, barrels, June-July, 39s 3d; bulk, 35s 6d. Cod steady. English, spot, 35s 6d to 36s 6d. Groundnuts quiet. English, crushed, naked, spot, 46s; deodorised, barrels, 54s. Turpentine quiet, but for ward positions easier. American, spot, 68s 6d; July-December, 67s 6d. Rosin quiet. American, grade B, 13s 6d; G, 14s; WG, 17s 6d; WW, 20s per cwt. French WW, 17s per cwt. Petroleum steady. American, standard white, spot, 1s 1d; and water white, 1s 2d per gallon.

METROPOLITAN CATTLE.—JUNE 12.

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

	s	d	s	d		s	d	s	d
Beasts—Herefords			nominal		Beasts—Heavy Bulls ..			nominal	
Shorthorns					Canadian			nominal	
Devons			nominal		Sheep—Downs (clipped)	11	0	to 11	8
Norfolks	7	8	to 8	2	Wools			nominal	
Scottish	8	4	0	0	Ewes	7	4	7	8
Irish			nominal		Crossbred				
Fat Cows					Scottish	11	8	12	0

LONDON POTATO MARKETS.—JUNE 12.

Per Cwt				Per Cwt							
	s	d	s	d		s	d				
English (old)	10	0	to	14	0	St. Malo	16	0	to	17	0
New-Jersey	17	0	0	0	0	Teneriffe	10	0	0	0	
Cherbourg	13	0	0	0	0						

Commercial Times.—Weekly Price Current.

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

LONDON, FRIDAY.		DRUGS.		INDIA RUBBER.		PROVISIONS.		SPICES.	
COCOA.—Dutch, British grown	44 1/2	Alces, fine E.L.P. cwt	128 8	Para, fine hard spot	0 11 1/2	Butter—per cwt.	172 0	Mustard, fair white	27 0 0
Trinidad, per cwt.	47 0 61 6	Cape, good to fine.	40 8 42 6	Plantation crops	0 10 1/2 0	Irish creamery	168 0 172 0	Black Singapore	8 2 0 0
Grenada	48 0 48 6	Balsam Peru . per lb	6 6 6 9	INDIGO—per lb		Do factory	140 0 162 0	White Siam	8 2 0 0
Ceylon, plantation	75 0 100 8	Capivi	1 4 1 6	Bengal, good red vio-	6 8 7 0	Argentine	150 0 168 0	Pimento	11 0 to 11 8
Guyana	70 0 85 0	Japan, refined	2 9 3 0	let to fine	6 8 7 0	Dutch	174 0 175 0	Onamoon—1st sort	1 0 0 0
Bahia, finest	46 0 47 8	Cardamoms, Ceylon	4 8 8 8	Mid. ord. vio. to good	6 8 7 0	New Zealand	146 0 150 0	Do 2nd	1 0 0 0
OFFICE—British grown		Oil, Ceylon, per lb	7 6 8 5	Low to good ord.	3 8 4 0	Danish	152 0 185 0	Cassia Lignea	50 0 8 0
9 1/2d foreign 14c cwt.	135 8	Castor oil, per lb	7 6 8 5	Madras, dry leaf, good	3 8 4 0	Bacon, smd—Lancashire	97 0 120 0	Penang	11 2 11 4
Do good to fine	140 0 160 8	Gambol, per lb	9 0 9 5	Do low to ord.	3 8 4 0	Canadian	95 0 105 8	Madagascar	1 3 1 5
Costa Rica, ord. to mid	138 0 148 8	Oil, Ceylon, per lb	7 6 8 5	Kurpah, gd. mid. to gd.	3 8 4 0	American	78 0 97 0	Guang—per cwt.	42 6 60 2
Good to fine	135 0 148 8	Peppermint, H.G.H.	22 6 25 8	Low to mid	3 8 4 0	Scottish	70 0 76 8	Cochin—small rough	62 6 8 0
Central American, gd.		Peppermint, H.G.H.	22 6 25 8	HEMP—per ton		Canadian	86 0 96 0	Do wormy	0 8 8 8
Ord. to mid	112 8 112 8	Peppermint, H.G.H.	22 6 25 8	Italian E.C.	56 8	American	84 0 100 0	Japan	95 0 95 8
Mid. to fine	115 8 133 8	Peppermint, H.G.H.	22 6 25 8	Manilla, June-Aug.	39 5	Latvian, ord. to good	15 0 175 8	Mace	10 0 10 8
Columbian, ordinary	95 8 95 8	Peppermint, H.G.H.	22 6 25 8	" Grade	39 5	For—per 100 lbs	63 0 65 0	Nutmegs, 65's	3 6 0 8
Do gd. ord. to low mid	95 8 119 8	Peppermint, H.G.H.	22 6 25 8	M.S., high point, fair	37 6	Beef—Frozen per 100	2 0 5 0	110's and 80's	1 11 2 2
Do mid. to fine	115 8 140 8	Peppermint, H.G.H.	22 6 25 8	Native first marks	27 1/2 0 0	Chilled—per cwt.	85 0 88 0	TALLOW—per cwt.	42 6 60 2
CHERRIES—		Peppermint, H.G.H.	22 6 25 8	June-July	27 1/2 0 0	New Zealand	88 0 94 8	Good mutton	4 0 0 0
And, whole	1 1/2 1 6	Peppermint, H.G.H.	22 6 25 8	LEATHER—per lb		Latvian, ord. to good	15 0 175 8	Beef	43 0 44 8
Black	0 8 0 8	Peppermint, H.G.H.	22 6 25 8	Sole Bonds 6/8 lb.	1 3 1 10	Chobler	83 0 145 0	TAPIOCA—per lb	
Orange	0 8 0 8	Peppermint, H.G.H.	22 6 25 8	Do do 10/11	1 3 1 10	Dutch	82 0 92 0	ST. Platte, fair, spot	39 2 48 8
Alum lump	15 1/2 15 1/2	Peppermint, H.G.H.	22 6 25 8	Do do 11/12	1 3 1 10	Eng. pr 120—English	12 6 14 6	Seed	24 0 40 8
Do ground	15 1/2 15 1/2	Peppermint, H.G.H.	22 6 25 8	Do do 12/13	1 3 1 10	Irish	13 3 13 9	TEA—duty 3 1/2d, British	
Ammonia, carb. 37	1 3 1 3	Peppermint, H.G.H.	22 6 25 8	Do do 13/14	1 3 1 10	FLLOUR—per lb		foreign 4d per lb	
Muriate, white, ton 25	31 15	Peppermint, H.G.H.	22 6 25 8	Do do 14/15	1 3 1 10	Do 1st	38 0 0 0	Indian and Ceylon	1 3 1 9
Sulphate	15 1/2 15 1/2	Peppermint, H.G.H.	22 6 25 8	Do do 15/16	1 3 1 10	Do 2nd	38 0 0 0	Broken Pekoe	1 3 1 11 1/2
Argemone, lump, per ton	80 8 85 8	Peppermint, H.G.H.	22 6 25 8	Do do 16/17	1 3 1 10	Do 3rd	38 0 0 0	Orange Pekoe	1 3 1 11 1/2
Powder	15 1/2 15 1/2	Peppermint, H.G.H.	22 6 25 8	Do do 17/18	1 3 1 10	Do 4th	38 0 0 0	Broken Orange	1 3 1 11 1/2
Ames, pot. per cwt	70 8 80 8	Peppermint, H.G.H.	22 6 25 8	Do do 18/19	1 3 1 10	Do 5th	38 0 0 0	Teak, per load	80 0 8 0
Pearl do do	80 8 80 8	Peppermint, H.G.H.	22 6 25 8	Do do 19/20	1 3 1 10	Do 6th	38 0 0 0	Poke Souchong	1 3 1 11 1/2
Bleaching pwr. p.m.	9 10 9 10	Peppermint, H.G.H.	22 6 25 8	Do do 20/21	1 3 1 10	Do 7th	38 0 0 0	TOBACCO—	
Ors, ton 10	8 8 8 8	Peppermint, H.G.H.	22 6 25 8	Do do 21/22	1 3 1 10	Do 8th	38 0 0 0	Duty 4/2—10/4 per lb.	
Do crystals	25 0 25 0	Peppermint, H.G.H.	22 6 25 8	Do do 22/23	1 3 1 10	Do 9th	38 0 0 0	Virginia leaf	1 3 1 2 3
Do powder	25 0 25 0	Peppermint, H.G.H.	22 6 25 8	Do do 23/24	1 3 1 10	Do 10th	38 0 0 0	Common to fine	1 3 1 2 3
Orum Tamar	85 8 86 0	Peppermint, H.G.H.	22 6 25 8	Do do 24/25	1 3 1 10	Do 11th	38 0 0 0	Kentucky leaf	1 3 1 2 3
WZ powder	117 8 117 8	Peppermint, H.G.H.	22 6 25 8	Do do 25/26	1 3 1 10	Do 12th	38 0 0 0	Common to fine	1 3 1 2 3
Calomel	132 0 132 0	Peppermint, H.G.H.	22 6 25 8	Do do 26/27	1 3 1 10	Do 13th	38 0 0 0	Strips	1 3 1 2 3
Lindia, dry	1 0 1 1	Peppermint, H.G.H.	22 6 25 8	Do do 27/28	1 3 1 10	Do 14th	38 0 0 0	Do 1st	1 3 1 2 3
Muriate of Soda, p.m.	12 10 12 10	Peppermint, H.G.H.	22 6 25 8	Do do 28/29	1 3 1 10	Do 15th	38 0 0 0	Do 2nd	1 3 1 2 3
Peasch	1 0 1 1	Peppermint, H.G.H.	22 6 25 8	Do do 29/30	1 3 1 10	Do 16th	38 0 0 0	Do 3rd	1 3 1 2 3
Chlorate, net	34 8 34 8	Peppermint, H.G.H.	22 6 25 8	Do do 30/31	1 3 1 10	Do 17th	38 0 0 0	Do 4th	1 3 1 2 3
Prunella	1 0 1 1	Peppermint, H.G.H.	22 6 25 8	Do do 31/32	1 3 1 10	Do 18th	38 0 0 0	Do 5th	1 3 1 2 3
Do foreign	1 0 1 1	Peppermint, H.G.H.	22 6 25 8	Do do 32/33	1 3 1 10	Do 19th	38 0 0 0	Do 6th	1 3 1 2 3
Sulphate	15 1/2 15 1/2	Peppermint, H.G.H.	22 6 25 8	Do do 33/34	1 3 1 10	Do 20th	38 0 0 0	Do 7th	1 3 1 2 3
Sal. Acetate	15 1/2 15 1/2	Peppermint, H.G.H.	22 6 25 8	Do do 34/35	1 3 1 10	Do 21st	38 0 0 0	Do 8th	1 3 1 2 3
Sal. Ammonia, per cwt	57 8 60 8	Peppermint, H.G.H.	22 6 25 8	Do do 35/36	1 3 1 10	Do 22nd	38 0 0 0	Do 9th	1 3 1 2 3
Soda Ash, per ton	40 0 40 0	Peppermint, H.G.H.	22 6 25 8	Do do 36/37	1 3 1 10	Do 23rd	38 0 0 0	Do 10th	1 3 1 2 3
Crystals, per ton	6 0 6 0	Peppermint, H.G.H.	22 6 25 8	Do do 37/38	1 3 1 10	Do 24th	38 0 0 0	Do 11th	1 3 1 2 3
Alkali	6 15 6 15	Peppermint, H.G.H.	22 6 25 8	Do do 38/39	1 3 1 10	Do 25th	38 0 0 0	Do 12th	1 3 1 2 3
Oneside	12 1/2 12 1/2	Peppermint, H.G.H.	22 6 25 8	Do do 39/40	1 3 1 10	Do 26th	38 0 0 0	Do 13th	1 3 1 2 3
Sugar of India	0 0 0 0	Peppermint, H.G.H.	22 6 25 8	Do do 40/41	1 3 1 10	Do 27th	38 0 0 0	Do 14th	1 3 1 2 3
Foreign white	0 0 0 0	Peppermint, H.G.H.	22 6 25 8	Do do 41/42	1 3 1 10	Do 28th	38 0 0 0	Do 15th	1 3 1 2 3
Sulphate Quinine	2 3 0 0	Peppermint, H.G.H.	22 6 25 8	Do do 42/43	1 3 1 10	Do 29th	38 0 0 0	Do 16th	1 3 1 2 3
Foreign do	2 3 0 0	Peppermint, H.G.H.	22 6 25 8	Do do 43/44	1 3 1 10	Do 30th	38 0 0 0	Do 17th	1 3 1 2 3
Sulphate Copper, p.m.	15 1/2 15 1/2	Peppermint, H.G.H.	22 6 25 8	Do do 44/45	1 3 1 10	Do 31st	38 0 0 0	Do 18th	1 3 1 2 3
Zinc, net	15 1/2 15 1/2	Peppermint, H.G.H.	22 6 25 8	Do do 45/46	1 3 1 10	Do 32nd	38 0 0 0	Do 19th	1 3 1 2 3
Sulphur flour	9 10 9 10	Peppermint, H.G.H.	22 6 25 8	Do do 46/47	1 3 1 10	Do 33rd	38 0 0 0	Do 20th	1 3 1 2 3
Do Boll.	10 10 10 10	Peppermint, H.G.H.	22 6 25 8	Do do 47/48	1 3 1 10	Do 34th	38 0 0 0	Do 21st	1 3 1 2 3
Vermillion, Chinese, p.m.	3 4 0	Peppermint, H.G.H.	22 6 25 8	Do do 48/49	1 3 1 10	Do 35th	38 0 0 0	Do 22nd	1 3 1 2 3
English	3 4 0	Peppermint, H.G.H.	22 6 25 8	Do do 49/50	1 3 1 10	Do 36th	38 0 0 0	Do 23rd	1 3 1 2 3
Oil Peppermint, H.G.H.	27 0 27 0	Peppermint, H.G.H.	22 6 25 8	Do do 50/51	1 3 1 10	Do 37th	38 0 0 0	Do 24th	1 3 1 2 3
COFFEE—per ton, a.f.f.	28 5 28 5	Peppermint, H.G.H.	22 6 25 8	Do do 51/52	1 3 1 10	Do 38th	38 0 0 0	Do 25th	1 3 1 2 3
Malabar, May-July	28 5 28 5	Peppermint, H.G.H.	22 6 25 8	Do do 52/53	1 3 1 10	Do 39th	38 0 0 0	Do 26th	1 3 1 2 3
FMS Singapore	27 1/2 27 1/2	Peppermint, H.G.H.	22 6 25 8	Do do 53/54	1 3 1 10	Do 40th	38 0 0 0	Do 27th	1 3 1 2 3
FMS Straits	27 0 27 0	Peppermint, H.G.H.	22 6 25 8	Do do 54/55	1 3 1 10	Do 41st	38 0 0 0	Do 28th	1 3 1 2 3
COCHINEAL per lb	29 2 29 2	Peppermint, H.G.H.	22 6 25 8	Do do 55/56	1 3 1 10	Do 42nd	38 0 0 0	Do 29th	1 3 1 2 3

CENTRAL ARGENTINE RAILWAY LIMITED.

Notice is hereby given that the TRANSFER BOOKS of the 4 per cent. Debenture Stock and the 3 1/2 per cent. Central Debenture Stock of the Company will be CLOSED from 8th to 20th June, both days inclusive, for the preparation of Interest Warrants for the half-year ending 30th June 1924.

F. FIGHERA, Secretary.
3a, Coleman Street,
London, E.C.2.
5th June, 1924.

MIDLAND ELECTRIC CORPORATION for POWER DISTRIBUTION, LIMITED.

Notice is hereby given that the TRANSFER BOOKS of this Company will be CLOSED from June 16th to June 30th, 1924, both days inclusive, for the preparation of Debenture Interest Warrants. Warrants will be posted on the 30th of June.

GORDON SALES, Secretary.
21 Waterloo Street, Birmingham.
21st June, 1924.

SPANISH 4% EXTERNAL AND INTERNAL LOANS.

The COUPONS due 1st July, 1924, can be PRESENTED at the Bank of Spain, Bilbao House, New Broad Street, E.C., between 10 and 2 o'clock, Saturdays 10 and 12.

Coupons of the 4 per cent. External Debt detached from Bonds duly sealed will be paid according to the Royal Decree of 8th August, 1898.

Coupons of the 4 per cent. Internal Debt will be paid, less 20 per cent. discount, by orders on Madrid at 15 days after examination thereof.

Lists in duplicate required, and the Bonds of the External Debt will have to be exhibited when the coupons are presented.

NOTICIAS P. J. ALDE, Manager.
London, 16th June, 1924.

THE Investor's Monthly Manual

(Established 1864).
2 Arundel St., Strand, London, W.C.2

Third Impression with additional Chapter and Statistics

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CENTENARY 1924.

ALLIANCE

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LIFE DEPARTMENT.

cent. as often as $2\frac{3}{4}$ per cent., and the discount rate, after being under $2\frac{1}{8}$ per cent., recovered to that figure, while the only demand for new Treasury bills was at $2\frac{3}{4}$ per cent. A slight increase in the supply of ordinary bills was reported, in addition to that of Treasury bills. Whatever the movements of the Federal Reserve rate in the near future, the market now expects no reduction in Bank rate here. Whether a rise is to take place depends, it is held, chiefly on how many other foreign loans follow that for Hungary.

	June 20, 1924.	June 13, 1924.	June 5, 1924.	May 30, 1924.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount/Call	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$1\frac{1}{2}$ (Jly. 5, '23)
Market rate 3 months' bills)	$2\frac{1}{8}$	$2\frac{1}{8}$	3	$3\frac{1}{8}$	..

The Bank return discloses further substantial repayment of advances required by the Government recently for dividend purposes, Government securities showing a contraction of £10½ millions on the week, following on a reduction of £6.1 millions last week. There was a decline of £648,860 in the active note circulation, while the Reserve rose by £670,922. There was a reduction on currency notes outstanding this week of £2,150,000 to £291,808,500, which includes £1,387,900 for notes called in but not yet cancelled. The fiduciary issue is £240,970,500, or £7,220,400 below the maximum.

THE STOCK MARKETS.

Activity has not been pronounced at any time in the Stock Exchange this week, and became less with the approach of the settlement; but the strength of gilt-edged stocks has been the chief feature. Although fears persist of dearer money later on, they are not yet exerting an influence in the Consol market, which, on the contrary, is assisted by the artificial ease in Lombard street. New issues continue to be rapidly taken up by the public, and "stags" are active once more. Foreign stocks were firm on the whole. Home Rails benefited a little from the Tube strike collapse, but the public are not buying largely. Rubber shares are stagnant, and the oil market weakened on the Shell report. The result of the South African election caused a restriction of business in the Kaffir market, but price movements were slight, apart from East Rands, which exhibited exceptional strength.

THE COMMODITY MARKETS.

Lower prices are quoted for pig-iron, and mixed numbers East Coast hematite have been reduced to 97s per ton at Middlesbrough. Our Glasgow correspondent states that business shows less activity in all branches of the iron and steel trade, while our Sheffield correspondent refers to depressed trade and prospects of lower prices. Tin finished weaker, and copper prices were easier, though offerings were well absorbed. The tone of the Cardiff coal market has improved. There is a slight improvement in the cotton trade, but the movement is slow. Our Bradford correspondent says that little improvement can be expected in the wool trade until financial conditions become more stable on the Continent. Wheat was better on higher American and Argentine prices. Sugar advanced, and a moderate amount of business was effected. The tea market exhibited improving features. Copra prices were firmer, and conditions ruled steady in the rubber market. The boot trade is well employed.

FOREIGN EXCHANGES.

Business in the foreign exchange market has again been very quiet. The main feature of the week was a satisfactory improvement in the value of sterling, due in part to the superabundance of funds in New York and the natural workings of the recent reduction in the New York discount rate, and in part to some special operations during the last few days on the New York side. The tendency to seek for profitable employment of American funds in Europe is again reviving, and may well, unless

some unfortunate political development on this side again shakes confidence, show a definite influence on rates. From a closing rate of \$4.31½ on the 13th, a quotation of \$4.32½ on the 16th, and after a slight reaction it was up as high as \$4.33½ at one time on the 19th, while yesterday morning it was quoted at \$4.34½. Forward rates are again rather narrower at par to 1-32 cent per month above spot. In Paris the franc has reflected the somewhat conflicting opinions as to the prospects of the Herriot Ministry, the main buying and selling during the week, however, having been apparently to a large extent on German account. On the 13th the rate closed at 81.65, but by Monday a wave of speculative buying drove it down at one time as low as 77.40. This was followed by a reaction up to 81.50 on Wednesday, with a subsequent recovery to rather over 80. Yesterday morning it was quoted at 80.50. While following in general the same course, the Belgian franc has slightly reduced the spread between Brussels and Paris, being quoted yesterday morning at 92½, as compared with 94.50 a week ago. Forward quotations in Paris are about 30 centimes per month above spot, about the same as a week ago. In Brussels they are 10 to 15 centimes above. The lira, as the result of internal political troubles, has reacted from 99½ to 100½, after having been below the 100 level since the middle of March. Amsterdam, following the dollar, has moved in our favour from 11.55 to 11.58, while Stockholm, under the same influence, has moved up from 16.25 to 16.34½, and Switzerland from 24.46 to 24.48½. Madrid has also depreciated sharply from 32.05 to 32.28½. In Northern Europe Christiania has continued to depreciate from 31.92½ to 32.03½, and Copenhagen from 25.56½ to 25.62½. Helsingfors, after being higher, is 172½, as compared with 172 a week ago. Riga and Warsaw both maintain their parity with the gold franc. In Central Europe, Berlin shows a slight depreciation at 18.1 billion, and Vienna at 307,500 is also higher, while Budapest, on the approaching loan negotiations, shows a further improvement. Prague is 146½, as compared with 147½, and Bucharest at 980 is also rather better. In the East the rupee has appreciated again slightly from 15 4/31-32d to 15 5d, but the yen, at 15 10½d, has reacted a little. The silver market has been very quiet, with little activity from China or India. American sales have, on the whole, been absorbed by the Continent, but prices have dropped away a little. Hongkong has fallen from 25 5½d to 25 4½d, Shanghai from 3s 4d to 3s 3½d. In South America, Rio is a shade more expensive at 5 31-32d, but Buenos Ayres has fallen away from 41½d to 41 1-32d, and Monte Video from 43 ¾d to 42½d, while Valparaiso has also depreciated from 39.90 to 40.20 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended June 14th:—

EXPENDITURE.		REVENUE.	
(000's omitted.)		(000's omitted.)	
Supply Services	5,150	From Revenue	7,912
Interest, &c., on Debt	2,318	Amount borrowed	159
Sinking Fund	350		
Sundries	50		
Added to Exchequer Balances ..	203		
	8,071		8,071

A rather pronounced decline is noticeable this week in revenue, which amounted to £7,912,600, as compared with £13,360,800. The decline is primarily due to receipts under heading of Miscellaneous being much lower, Special Receipts yielding only £144,300, against £2,196,600, while Ordinary Receipts brought in £111,300, against £797,100. Customs yielded £534,000 less at £1,321,000, while Excise receipts at £1,078,000 were £945,000 lower. The yield from Property and Income-tax and Super-tax at £1,441,000 and £980,000 respectively shows little change. The week's operations increased the National Debt by £159,000, and caused the following changes:—

EXPENDITURE.		REVENUE.	
(000's omitted.)		(000's omitted.)	
Treasury Bills	+ 4,239	National Savings Certificates ..	150
Public Debt Advances	+ 4,900	Bank of England Advances ..	9,000
Unemployment Insurance ..	+ 170		
	+ 9,309		9,150

The floating debt was increased by £160,000 to £786,460,500.

FINANCIAL YEAR, 1924-1925 (April 1 to June 14).

EXPENDITURE.		REVENUE.	
£		£	
Total Expenditure ..	174,882,008	Raised by Revenue ..	149,888,186
		Decrease in Balances ..	3,246,025
		Amount borrowed ..	21,747,797
Total	174,882,008	Total	174,882,008
ESTIMATES for YEAR 1924-25.			
Ordinary Expenditure ..	786,848,000	Ordinary Receipts ..	764,050,000
Special Expenditure ..	3,178,000	Special Receipts ..	30,000,000
Total	790,026,000	Total	794,050,000
		Surplus	4,024,000

THE WEEK IN PARLIAMENT.

MONDAY, JUNE 16TH.—*Commons*: Lords Amendments to Prevention of Evictions Bill dealt with; Proposed Amendments to London Traffic Bill considered.

TUESDAY, JUNE 17TH.—*Commons*: Debate on Imperial Preference resolutions (first day).

WEDNESDAY, JUNE 18TH.—*Commons*: Debate on Imperial Preference resolutions (concluded).

THURSDAY, JUNE 19TH.—*Commons*: Debate on Board of Trade Vote in Committee of Supply.

FRIDAY, JUNE 20TH.—*Commons*: Second reading of Lead Paint Bill.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Union Discount Co., Dunlop Rubber Co., Antofagasta (Chile) and Bolivia Railway, Richardson, Westgarth and Co., Forestal Land Timber and Railways, Rubber Plantations Investment Trust, Telogoredjo United Plantations, Sapumalkande Rubber, Nirmala (Java) Plantations, Zinc Corporation, Crown Mines, Geduld Proprietary Mines, Modderfontein Deep Levels, W. J. Bush and Co., Lonely Reef Gold Mining, Louise and Co., Channel Tunnel, Waring and Gillow, Hovis, Molassine Co., and British Electric Traction Co. At the Union Discount meeting the proposed increase of capital was agreed to. The chairman at the Dunlop Rubber meeting explained at length the board's reorganisation scheme. At the Richardson, Westgarth meeting the chairman announced important experiments for the development of internal combustion engines. The chairman at the Rubber Plantations Investment Trust meeting reviewed the position of the tea and rubber industries. At the Zinc Corporation meeting the chairman criticised Labour's claims for a shorter working week. The chairman at the Crown Mines meeting announced record development footage, tonnage crushed, and total yield of gold.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

THE REJECTION OF THE PREFERENCE PROPOSALS.

THE only surprise about the decision of the House of Commons not to sanction the proposals for new preferences which the late Conservative Government made to the Imperial Conference last autumn, is the narrowness of the majorities against Mr Baldwin's resolutions, and the only danger arising from the decision is that sedulous propaganda may cause it to be misrepresented and misunderstood in the Dominions. Attempts will doubtless be made by mischief-makers to represent that decision first as a breach of faith, secondly as a sign that the majority in the British House of Commons cares little for Imperial development or Dominion aspirations, and, thirdly, as a proof of the futility of Imperial conferences. If only the whole debate could be read by everyone who reads of the decision, these three gross misconceptions of the meaning of the vote of the House of Commons on Wednesday would be completely and finally removed.

The charge that Britain has broken faith with the Dominions is really too thin to deceive anyone who has the most elementary knowledge of Imperial relationship, of which one cardinal point is the fiscal autonomy of every partner, including the Mother Country. The people of each nation in the Commonwealth treasure as their most cherished possession the right to decide in a democratic way their own fiscal policy, and on this matter the people of Great Britain reiterated last December the Free Trade views from which at successive elections the majority has never swerved. When Mr Baldwin laid his preference proposals before the Imperial Conference he knew, and every member of the Conference knew, that what he and they decided could only be put into force with the sanction of their respective Parliaments. Indeed, a speech of General Smuts at the Conference expressed the realisation of this fact in the clearest terms. By his tariff programme, of which these preference proposals proved an integral part, Mr Baldwin courted and received a decisive defeat at the polls. The House of Commons on Wednesday merely interpreted the voice of the country as heard six months ago; and the Prime Minister's action in submitting the preference resolutions to the free and unfettered vote of the House was in itself a full and scrupulous observance of good faith. This, we believe, will be readily admitted by every thinking man in the Dominions, irrespective of his fiscal views.

To those who hold, as we do, that the electorate in December explicitly rejected not only a general tariff, but also Mr Baldwin's plans for Imperial Preference, the narrowness of the majorities—namely, 6, 13, 17 and 20 votes—by which the four resolutions were defeated on Wednesday is surprising, and requires explanation. This lies partly in the fact that the four resolutions actually submitted were the most innocuous and trivial of the batch which Mr Baldwin placed on the order paper. Had the later resolutions been submitted, especially those requiring the imposition of new duties, these majorities would surely have swollen to much larger figures, thereby showing the more clearly that the approach to a comprehensive Preference programme becomes quite impossible at an early stage. From this point of view it is a pity that Mr Baldwin did not put his other resolutions to the test of a division. Some, at least, of the Liberal and Labour members who voted for the early resolutions, or abstained from voting, probably based their action on the belief that, rather than risk the possibility of misunderstanding in the Dominions, it was better to go through the farce of sanctioning trivial changes. If this was their attitude, we think it was mistaken. The rejection of the Baldwin proposals is not nearly so likely to produce misunderstanding and friction as their acceptance. For, had even the early resolutions been adopted, they would have become the centre of a party battle, and their removal would have undoubtedly been one of the most fiercely debated topics at the next General Election. Better than this, surely, is what the House of Commons has done—namely, to make clear the indisputable fact that the people of this country will not sanction the taxes on food and raw materials which alone can form the basis of any really effective Preference programme, and are either contemptuous or suspicious of minor tinkering with the question which logically point towards that end. If the voting had gone in favour of the four comparatively harmless resolutions, it would certainly have been construed as a hopeful augury for a fuller programme; and in putting that interpretation upon it the Dominions would have been sadly misled.

Once more a fuller programme of Preference has been ruled out, and the sooner the fact is accepted throughout the Empire, the sooner we shall settle down to the serious examination of more practical lines of Imperial co-operation and development. It is a travesty of the facts to represent the opponents of Preference as being impervious to Imperial ideas. For instance, the Colonial Secretary repudiated this suggestion with scorn; Mr Asquith reviewed the contributions of the Liberal party towards Empire-building, and the Prime Minister, after describing an active emigration policy, expressed the belief that "the large lines of political development, the large lines of constructive democracy, will solve the problem of how this little island, Free Trade on account of its economic problems, the centre, the motherland of self-governing

nations, protectionist, as they say, on account of their economic position, may nevertheless create with them an economic policy that will give them the freedom to be protectionist, that will give us the freedom to be Free Trade, and yet co-operate in building up a strong Commonwealth unity based on sound economic policy." Mr Asquith, after riddling the Baldwin resolutions with criticism, developed a similar theme. Moreover, the speeches of all these three protagonists of the anti-Preference view discussed the problem of how to make Empire conferences the source of useful and effective work. Mr J. H. Thomas threw out the suggestion that leaders of the Opposition, as well as the Premiers, in the Dominions should be invited to join in the discussions, and welcomed the idea of an *ad hoc* Imperial Economic Committee, while Mr MacDonald entered a wider field in advocating "the creation of some sort of workable machinery, so that the public opinion of the whole of our Commonwealth of States should influence the policy for which the Commonwealth must be responsible." There is a disposition in some quarters to believe that, since the Preference resolutions have been rejected, the whole of the work of the last Imperial Conference has been rendered abortive. That, as we have shown before, is not the case. The report of the Conference contained many useful proposals, which, if attention is no longer to be diverted and monopolised by the Preference controversy, may be developed and enlarged. "There is a great deal," as Mr Asquith admitted, "still left undone in the development of Imperial resources, in the extension of credit facilities, in the improvement of transportation and the storage and marketing of produce." That is only the beginning of a programme of useful effort; but as regards machinery for its performance, the decision rests mainly with the Dominions. Successive British Governments have been willing, indeed anxious, for the establishment of closer liaison. Last autumn the proposal to create an Imperial Economic Committee was accepted by all but the Canadian delegates, whose opposition for the moment killed the project. What Mr Thomas now has in mind is machinery which will not be opened to the objections raised by Canada to the last proposal. We can only hope that the idea may grow to fruition.

In the course of the past eight months we have devoted page after page of the *Economist* to the exposition of the grounds for our conviction that, placed as it is, this country cannot afford the risk of any deviation from the path of Free Trade. Rather than re-treading that field of controversy now, we would prefer to attempt to regard the matter as closed, and divert the thoughts of our readers to development of Imperial co-operation on lines adumbrated in Wednesday's debate, though not perhaps on the grand Socialistic plan suggested, strangely enough by Mr Baldwin, who said: "Is it not possible to enter into some arrangement with the Dominions by which the enormous amount of foodstuffs we require to-day may be obtained solely from them by bringing them into this country at cost price, and distributing them with the least possible margin?" But we regretfully deduce from the speeches of the Conservative leaders that the repeated fiscal verdict of the country has not even yet been accepted by them. It is to be feared, in fact, that they may derive from the narrowness of Wednesday's adverse majorities an unwarranted encouragement for the future of the Tariff cause. This being the case, it still behoves all who have a clear grasp of the conditions under which this country lives and trades to keep their powder dry. That is a pity. For if once this controversy could be laid aside, and the uncertainty regarding the fiscal future removed, the concentration upon constructive work of the vast amount of energy and effort expended upon this economic wrangle could hardly fail to bear fruit.

THE NEMESIS OF FASCISM.

THERE is a certain poetic justice in the repercussion of the Matteotti crime upon the position of Signor Mussolini. No one could for one moment suggest that the dictator himself has had any hand in this dastardly affair. Nor have we any wish to belittle the contribution which his régime has made to the restoration of more efficient administration and economic improvement in Italy. But

the power of his party was deliberately and avowedly built up by the use of lawless physical force. The defence has been that the end would be found to justify the means. When once the Fascist Party were securely in the saddle, they could afford to handle their fellow-countrymen more gently, and as soon as they had secured a free hand for the work of political reconstruction, of which Italy (as is admitted on all sides) stands in such urgent need, the nation as a whole would be converted to the necessity of Fascist methods as a stage in national regeneration. This doctrine—which, *mutatis mutandis*, resembles the Bolsheviks' defence of the "Dictatorship of the Proletariat"—has been exploded by the shocking events of the last few days. At the moment when Signor Mussolini—having "made" his electoral law and his election, and thus obtained his crushing parliamentary majority—was preparing to govern with at least the old forms of constitutional procedure, there came upon him this startling demonstration that the violence by which he had risen to power had passed beyond his control.

The victim of the crime was a young parliamentary leader of unimpeachable personal character, disinterested motives, moderate views, and keen intellect. As organising secretary of the United Socialist Party, he had succeeded the leaders of the older generation—Signori Turati and Treves—in the active headship of the constitutional Socialists in Italy. His qualifications made him one of the most formidable political opponents of Fascism, and, as such, he was peculiarly hated by the extremists. He had already been the victim of one physical assault, and had for some time been unable to visit his family in the country for fear of exposing himself to personal danger. He had the courage, however, to persist in his political course. In the debate on the address after the recent opening of Parliament, he had made an effective opposition speech, and in the debate on the estimates, which was to have been held on Friday, the 13th, it was believed that he would attack certain junior members of the Government—one of whom was Signor Finzi, the Under-Secretary for the Interior—on the charge of personal corruption. He had already proved his efficiency in exposing political scandals.

How closely his movements were watched by his enemies was shown by the fate which overtook him on Tuesday, the 10th, three days before this debate was to have been held. Coming out of his house, without a hat, to buy some cigarettes, he was seized by five men, forced into a motor-car, in spite of his struggles and cries for help, and abducted from the heart of Rome into the open country. In an anonymous typewritten letter received several days later by the *Giornale d'Italia*, it was stated that his body would be found buried on a certain property between Vico and Bracciano, about 25 miles to the N.W. of the capital. On Thursday night the car in which he was known to have been kidnapped was deposited in remote stables in Rome, but the police (who had omitted to watch the stables and garages for the return of the car) did not intercept the persons who conveyed it there. It was found in bad condition and stained with blood.

The number of the car was known, because it had been noted by one of the three witnesses who actually saw the kidnapping; but one of the most astonishing features of the crime—and perhaps the most damaging to the reputation of the Fascist régime—is that none of these witnesses appear to have made immediate reports to the police. They seem to have hesitated to implicate themselves until it was evident that action was being taken by the authorities, and this appears not to have been done until the morning of Thursday, 12th, two days after the commission of the crime. From that moment, however, events moved quickly. On Thursday afternoon Signor Mussolini made a statement in Parliament admitting the possibility of a sinister explanation of Signor Matteotti's disappearance, and declaring that he had himself given direct orders to the police to start an inquiry. On Friday, the 13th, the united Opposition passed a resolution boycotting Parliament until the affair had been cleared up, and Parliament was in consequence adjourned indefinitely the same afternoon, after the majority had passed the estimates up to the end of December. More serious still for the Government, the Fascist Parliamentary majority passed a resolution of their own demanding an official inquiry in order to clear the party's reputation.

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Meanwhile, the car had been traced to the garage from which it had originally been hired, and the owner stated that he had let it out to the chauffeur of Signor Filippelli, the editor of the *Corriere d'Italia*, which was the organ of Signor Finzi (the Under-Secretary of the Interior). This individual had paid a deposit of 5,000 lire, and had taken the car out next day without taking with him any employee of the garage. On Saturday both Signor Finzi and Commendatore Rossi, the chief of the Press Bureau of the Ministry of the Interior, offered their resignations pending an inquiry, and their resignations were accepted by the Government. Indeed, Signor Mussolini appears to have advised Signor Finzi to submit his personal and official conduct to examination by the Committee of the Parliamentary Majority. As for Rossi, he disappeared, and is rumoured to be in London, while Filippelli and a young Fascist *bravo* called Volpi both bolted, the same day, for the frontier. The circumstances of their flight and capture might have been staged for the cinema. Filippelli was chased and caught by police in motor-boats off Genoa; Volpi was arrested on his road from Milan to Switzerland through the Italian Alps. A day or two later Filippelli's chauffeur gave himself up to the authorities. But a still greater sensation was to come. On Thursday no lesser person than Commendatore Marinelli, the administrative secretary of the Fascist party since its foundation, was arrested in Rome on a charge of complicity in the crime. Meanwhile, Signor Mussolini, who is showing a courageous determination to probe the crime, has appointed a Commission of three judges to collect the evidence; Finzi has been succeeded in office by Signor Federzoni, a moderate Fascist with a good reputation; and Debono, the Chief of the Police, has been dismissed.

The eventual consequences, however, cannot yet be foreseen. The shock has undoubtedly broken the spell—half of terror and half of admiration—which Fascism had succeeded in casting over the Italian public mind. The Press has spoken out; there have been spontaneous public demonstrations of indignation at the crime and sympathy with Signor Matteotti's widow, and the co-operation between the Moderate Socialists and the Popular (Catholic) party, of which there were already symptoms, seems likely to become effective. From the Italian point of view, perhaps, the most serious feature of the crime is its effect abroad. For good or evil, such movements as Fascism concern the whole of Western society, and a portent like the murder of Signor Matteotti cannot be viewed with indifference by the public opinion of neighbouring countries. The British Labour party has sent an official message of sympathy to Signora Matteotti; in the Belgian Senate the Socialists have carried a motion, by a large majority, to send a telegram on the subject to the Italian Chamber; and in the International Labour Conference, which happens to be in session at Geneva, the Workers' Group have refused the Italian Government's request that Signor Rossani, the *soi-disant* representative of Italian Labour, should be appointed to a sub-

committee, on the ground that the organisation which he represents is of a mixed character. These incidents are a rebuff for Fascism, but they are not a rebuff for the Italian nation, whose indignation at the crime, to judge by the latest news, is every whit as strong as the feelings which have been aroused abroad. Painful and abhorrent though these incidents are, we trust that the shock and the far-reaching inquiry that must result from them will at least serve to remove from the Italian people some of the troubles that the future might have contained. But Italy has anxious days before her.

PROGRESS OF OUR OVERSEAS TRADE.

THE outstanding feature of the May trade returns is the considerable increase in imports, the total value of which reached the highest figure since 1920, when, of course, average values were much higher than they are to-day. Although May contained two working days more than the previous month, the rise of £36,000,000 in imports is much greater than can be explained on that ground alone. Since total exports rose by less than £9,000,000 as compared with the April figure, the excess of imports rose from £11,500,000 in April to nearly £39,000,000 last month. In May, 1923, the balance was only £6,000,000. Below are set out the totals for May, and the five months ended May 31st, in comparison with those for the same periods last year:—

MONTH OF MAY.

	1923.	1924.	Increase or Decrease in May, 1924.	
	£	£	£	%
Imports	89,396,346	122,086,599	+ 32,690,253	+ 36.7
British exports	71,554,864	70,260,882	- 1,293,982	- 1.8
Re-exports	11,773,426	13,091,195	+ 1,317,769	+ 11.2
Total exports	83,328,290	83,352,077	+ 23,787	+ .002
Excess of imports over total exports	6,068,056	38,734,522	+ 32,666,466	+ 538.0

FIVE MONTHS ENDED MAY 31st.

	1923.	1924.	Increase or Decrease in 1924.	
	£	£	£	%
Imports	449,516,022	509,940,279	+ 60,424,257	+ 13.4
British exports	319,795,468	326,440,564	+ 6,645,096	+ 2.2
Re-exports	52,908,852	64,104,618	+ 11,195,766	+ 21.1
Total exports	372,704,320	390,545,182	+ 17,840,862	+ 4.8
Excess of imports over total exports	76,811,702	119,395,097	+ 42,583,395	+ 55.4

The returns show that the exceptionally large import total last month was due chiefly to increased arrivals of grain and flour following on a heavy decrease during April, and a significant rise in the imports of raw cotton and wool, petroleum products, and foreign iron and steel manufactures. In our next table are shown the quantities of these and other main items on the import side of

our trade balance-sheet which have come into this country during each month of the present year, together with a comparison between the totals for the first five months of 1923 and 1924 respectively:—

IMPORTS—QUANTITIES.

	1924.					Five Months Ended May 31.	
	Jan.	Feb.	Mar.	Apr.	May.	1923.	1924.
Grain and flour	11.0	10.6	19.8	12.0	20.5	70.2	73.9
Sugar	3.2	2.5	3.0	4.8	4.2	14.4	17.6
Tea	60.3	39.3	29.6	27.2	20.6	159.8	177.2
Raw cotton	2,223	1,446	973	425	1,040	5,061	6,106
Sheep's & lambs' wool, thousand cwt.	608	838	1,153	846	1,247	4,426	4,693
Crude rubber	135	127	130	110	107	649	609
Iron and steel and manufactures thereof	142	190	165	199	300	560	996
Petroleum (refined)	82.4	75.6	84.6	66.2	120.0	395.1	428.7

While imports of raw cotton are still below the relatively high levels reached in the early part of this year, the total for the five months shows an encouraging increase as compared with 1923, while arrivals of sheep's and lamb's wool, though showing considerable monthly fluctuations, are slightly larger than was the case by this time last year. Grain and flour show little change in comparison with 1923, but sugar and tea, the favoured children of the Budget, both show aggregate increases, though monthly arrivals of the latter have, in point of fact, continued to exhibit, since the publication of Mr Snowden's proposals, the same downward tendency which has obtained since the first few weeks of this year. Increased metallurgical production on the Continent is reflected in augmented shipments of iron and steel manufactures to this country, and the growing popularity of the motor car has, doubtless, a close connection with the rise in the total imports of petroleum. In the following table are given similar figures covering the most important heads of our export trade:—

BRITISH EXPORTS.—QUANTITIES.

	1924.					Five Months Ended May 31.	
	Jan.	Feb.	Mar.	Apr.	May.	1923.	1924.
Coal	5.44	5.06	5.19	5.06	5.48	33.22	26.25
Cotton yarn	11.0	14.3	13.2	16.1	18.0	60.2	72.4
Cotton piece goods	354	397	354	378	395	1,806	1,477
Woolen tissues, per sq. yds.	15.7	14.6	10.4	8.3	11.8	56.4	60.9
Linen piece goods	9.4	10.0	10.4	10.1	10.9	37.5	50.8
Leather	23.2	27.7	22.8	29.0	34.5	112.8	137.2
Iron and steel and manufactures thereof	338	331	288	337	407	1,450	1,700

Coal shipments have been fairly steady month by month since the beginning of this year, but the decline in the total as compared with January to May, 1924, testifies to the difficulties encountered by the export coal trade since the passing away of last year's fortuitous "Ruhr" boom. The textile trades are all doing a larger overseas business this year than last, but while cotton and linen appear to have registered an advance since the beginning of 1924, the trade in woollen tissues has slumped to some extent of recent months. Iron and steel exports have fallen off to some extent as compared with 1923 (the decline being probably due, in part, to much the same influences as have affected the coal trade), but prices have been higher this year. A good recovery has, however, been made from the low level of March last, when the incidence of Easter coincided with other influences tending to cause a drop in exports in this group.

The following tables show how average import and export prices have varied, over the same range of commodities, during the period under review:—

IMPORTS—AVERAGE VALUES.

	1924.					Five Months Ended May 31.	
	Jan.	Feb.	Mar.	April.	May.	1923.	1924.
Grain and flour, per cwt.	£ 8 10 3	£ 8 10 2	£ 8 10 9	£ 8 10 9	£ 8 10 7	£ 8 10 7	£ 8 10 7
Sugar	£ 1 8 5	£ 1 9 7	£ 1 9 2	£ 1 8 2	£ 1 7 5	£ 1 6 0	£ 1 8 0
Tea	£ 0 14 8	£ 0 14 9	£ 0 14 3	£ 0 14 6	£ 0 14 5	£ 0 14 6	£ 0 14 6
Raw cotton, per cental	£ 8 10 7	£ 8 9 7	£ 7 18 7	£ 7 15 0	£ 7 19 6	£ 6 11 5	£ 8 4 5
Sheep's and lambs' wool	£ 7 9 10	£ 7 16 7	£ 7 18 0	£ 9 2 10	£ 9 7 7	£ 6 5 0	£ 8 9 2
Iron & steel & manufactures thereof, per ton	£ 9 18 10	£ 9 7 0	£ 9 15 5	£ 8 18 0	£ 9 5 0	£ 9 18 5	£ 9 7 2
Petroleum refined, per 100 gallons	£ 2 9 5	£ 2 12 2	£ 2 3 3	£ 3 11 0	£ 3 8 2	£ 3 4 0	£ 3 1 5

BRITISH EXPORTS.—AVERAGE VALUES.

	1924.					Five Months Ended May 31.	
	Jan.	Feb.	Mar.	Apr.	May.	1923.	1924.
Coal	£ 4 7 1	£ 4 6 1	£ 4 7 1	£ 4 7 1	£ 4 7 1	£ 4 7 1	£ 4 6 1
Cotton yarn	£ 0 3 3	£ 0 3 5	£ 0 3 4	£ 0 3 4	£ 0 3 4	£ 0 3 5	£ 0 3 4
Cotton piece goods, per 100 sq. yds.	£ 3 6 2	£ 3 8 5	£ 3 10 0	£ 3 7 2	£ 3 8 2	£ 3 6 2	£ 3 6 9
Woolen tissues, per sq. yds.	£ 0 3 5	£ 0 3 9	£ 0 3 9	£ 0 3 7	£ 0 3 6	£ 0 3 10	£ 0 3 7
Linen piece goods, per 100 sq. yds.	£ 6 19 11	£ 7 1 5	£ 7 3 2	£ 7 4 7	£ 7 5 2	£ 6 19 11	£ 7 3 0
Leather	£ 15 18	£ 0 15 9	£ 0 18 0	£ 7 15 17	£ 5 16 11	£ 0 15 9	£ 2 16 8
Iron & steel & manufactures thereof, per ton	£ 19 4	£ 0 19 13	£ 0 20 7	£ 0 18 18	£ 0 18 7	£ 0 16 7	£ 0 19 5

The general impression to be gained from these tables would seem to be that while the raw materials of several of our most important industries—cotton and wool, in particular—have risen appreciably in price since this time last year, export prices have, in most cases, failed to respond in anything like the same degree. In order to present as clear as possible a picture of our total trade we have, in a final table, endeavoured to ascertain the average import and export values for each working day during the last five months, and, in a final column, to make allowance for the effect on the trade figures of the separation of the Irish Free State from this country.

AVERAGE DAILY TRADE.
(Million £'s.)

	1924.					Five Months Ended May 31.	
	Jan.	Feb.	Mar.	April.	May.	1923.	1924.
Imports	4.05	4.21	4.42	3.92	4.97	3.87	4.32
British exports	2.57	2.95	2.60	2.86	2.87	2.74	2.77
Re-exports	0.53	0.58	0.54	0.54	0.53	0.46	0.54
Total exports	3.10	3.54	3.14	3.40	3.40	3.20	3.31
Excess of imports over total exports	0.95	0.67	1.28	0.52	1.57	0.67	1.01

The "visible" balance is less satisfactory from our point of view than was the case a year ago, total imports having increased considerably, while total exports have remained stationary. The daily average for British exports would, in fact, appear to have fallen to some extent. One may hope that enhanced purchases of raw materials may be followed in the near future by such increases in our total exports of manufactured goods as will tend to redress the balance.

THE MAKING OF OIL PRICES.—II.

(BY A CORRESPONDENT.)

WHILE the big oil organisations can, and do, stabilise the price of gasoline (petrol), as the index numbers of oil and other commodity prices tend to show, it must be understood that this stabilisation can only be effected within certain limits. Sir Robert Waley Cohen, in the paper under review,* was careful to point out that if crude oil prices soared upwards and remained there for very long periods, gasoline prices could not be kept down unless some other oil product went up in price to a sufficient extent to pay for the deficiency. Actually, owing to the very small proportion of gasoline in some of the crude oils which are the main sources of fuel oil, the price of fuel oil has gone up and down with the price of crude oil so closely as to admit of a considerable degree of stabilisation in the price of gasoline by the large oil organisations.

It would appear at first sight that the consumer of gasoline was merely being made to benefit at the expense of the consumer of fuel oil. But this is not necessarily the case. In the first place, oil is not the necessity for the user of furnace fuel oil as it is for the user of the petrol engine. The author of this instructive paper gave an illustration of the principles involved in the fixing of the fuel oil price. At the beginning of this year there was a large fall in the production of two of the main oilfields

* "The Economics of the Oil Industry," by Sir Robert Waley Cohen, read before the Empire Mining and Metallurgical Congress.

which govern the supply of fuel oil. Prices were raised, with the desired result that those consumers who were least dependent upon oil went over to coal. The wasteful consumption of fuel oil was thus automatically stopped, and the then shrinking supplies of fuel oil thus preserved for Diesel engines, passenger steamships and others to whom the use of oil is a necessity or an economy so great that, even though the disparity between coal and oil prices were to be largely increased, they would still continue to use oil. "Liquid fuel prices," added the author, "have ceased to rise, and if the early hopes prove justified, it will soon be possible to effect some reduction and to spare supplies again for those who are glad to use fuel oil on account of its great economy and convenience, but to whom it is not an absolute necessity. If the rise in fuel oil prices had been postponed until it became obvious that there were no supplies, the dislocation in trade resulting from the inability to meet requirements would have been far greater, and the restoration to a normal situation might easily have been postponed." Whether owners of freight steamships, for whom oil is not regarded as a necessity, will appreciate this policy or not—it is said that they are now so used to conversions from coal to oil and from oil to coal that they are prepared to contract for oil fuel even for a single voyage—it must be conceded that the large oil organisations do render a service to industry at large by moving quickly in response to the changes in the supply of crude oil, so as to husband resources or dispose of surpluses as the case may be.

This brings up, next, an interesting point. It is that the prices of refined oils bear no fixed or systematic relationship to their relative costs of production. The products which a refiner may obtain from the stills vary greatly according to the composition of the crude oil and the method of refining, but an average barrel of American crude oil may be taken to yield under present conditions 46 per cent. of gas and fuel oil, 27 per cent. of gasoline, 10 per cent. of kerosene, 4 per cent. of lubricating oil, and varying quantities of paraffin wax, asphalt, &c. The financial yield, however, is very different from the refinery yield. Of the total income derived from the sale of the products of a barrel of crude oil, the following percentages are given in a U.S. Government publication:—Gasoline, 44.5 per cent., gas and fuel oil, 28.2 per cent., lubricating oils, 9.7 per cent., kerosene, 8.8 per cent., wax, 2.8 per cent., asphalt, .95 per cent., coke, .15 per cent., all others, 4.9 per cent. These figures show that the prices of refined oils bear no relation to the costs of production if those costs be distributed among them according to the percentage of their yield from the crude oil. Compared, for instance, with the average price of gasoline to-day, the cost of refining most gasolines is almost negligible. The products contained in the crude oil all come out of the ground together, and the only difference in their cost is their refining cost. Why, then, is gasoline sold at, say, £20 a ton and fuel oil at, say, £4 a ton? "It is merely," said Sir Robert Waley Cohen, "that the relation between demand and supply of petrol and its value to the consumer is such that it can, and does, pay a much higher proportion of the cost of the crude oil than the proportion in which it is actually contained in the crude oil as it comes out of the ground. In the oil business nothing is so dangerous as to indulge in prophecy, but if the development of the Diesel engine, or some other development that is yet in its infancy or not yet discovered, should make the demand for fuel oil in relation to its supply greater than that for petrol, then there is no reason why fuel oil should not be £20 a ton and petrol £4 a ton. The only fixed ultimate constant which cannot change is that in the long run the prices realisable for the whole of the products of the crude must be such that, taken together, they cover the cost of the crude and of manufacturing and transporting the products to the consumer." And also, for the sake of the investor, a little profit.

That the profit is little, having regard to the exceptional risks of the oil production business and the country-wide service of distribution rendered by the big oil organisations, was the conclusion to which Sir Robert Waley Cohen directed attention. "If anyone cares," he said, "to study the accounts of the great oil concerns, I think he will agree that the price of the remarkable service they render is an extremely moderate one. Looking only at

the organisation of which I have more detailed knowledge, I find that its profits from all sources accumulated together and expressed in terms of its production represent an average annual profit of about three-farthings per gallon. That is throwing in profits on purchased oil, profits on colossal fleets, interest on all the capital invested in tank installations, in lands held throughout every country, and in the great and costly distributing organisations which have been developed in every consuming country." This is certainly an impressive statement. It is clear that if these profits were expressed in terms of oil handled—that is, oil produced plus oil purchased—they would represent an average profit of about one-halfpenny per gallon. This figure practically agrees with that of the Standard Oil Company of New Jersey for its average profit on a gallon of gasoline. It is probably common to all the big oil organisations. That there are small independent companies to be found distributing gasoline at a cheaper price than the big groups does not mean that they are taking smaller profits—they are probably making relatively much larger profits—but that they have not the same overhead expenditure and distributing charges to reckon on to the cost of gasoline delivered at the depot. Whether the distribution costs of the big organisations can be reduced still further—they have been reduced about 4d or 5d a gallon since 1920—depends largely on the degree of competition existing; but that the profit of two or three farthings a gallon could be lessened without turning away the investor who has to furnish the capital for the continued expansion of the oil industry, is very doubtful. The price of oil has to be cheap enough for the consumer and attractive enough for the investor. The big oil groups, on the showing of Sir Robert Waley Cohen, seem to have solved the problem well.

LABOUR ON THE RAILWAYS—SHOPMEN AND DRIVERS.

(BY OUR LABOUR CORRESPONDENT.)

OPINIONS still differ as to whether it was the ultimatums of the London Electric and Great Western managers threatening legal proceedings against men who failed to return to work, in the one case on June 13th, and in the other on June 16th, or the firm attitude of the National Union of Railwaymen, backed, negatively at any rate, by the Associated Society of Locomotive Engineers and Firemen, which caused the collapse of the unofficial strike of Whitweek. The secretary of the unofficial strike committee takes the view that the N.U.R. did it. Obviously, however, the real truth is that an unofficial strike, which remains unofficial, has no chance. It is, whether designedly or no, a challenge to the whole system of collective bargaining, to the whole theory and practice of trade unionism. Everything that the unions have accomplished, throughout years of organisation, would be jeopardised were employers to allow a pistol to be placed at their heads by casual collocations of workpeople, without any recognised status, who disregard the rules accepted on both sides for the conduct of disputes. The action of the unofficial strikers, in fact, put into the companies' hands the weapon of the threatened lockout. It is true that Mr Akehurst protests against the suggestion that there was any Communism in the movement, of which he was the spokesman. Of admitted Communism there may not have been much, but the present tactic of Communism is to admit nothing and to work underground. It is undeniable that, in so far as Mr Akehurst's committee was successful, it would have discredited constitutional action, undermined trades unionism, with the workers and with the employers, and, so far as the railways were concerned, have created an active "nucleus" on approved Moscow lines within them.

Behind all this confused and confusing movement, however, there is a real difficulty, a real grievance. Take, for instance, the railway shopmen, about whom there has been so much trouble in the last twelve months. They, with the engine-drivers, stand as representatives of a group of workers for whom conditions are at present hard. Among the consequences of mass production

and the mass organisation of labour which it involves is the relative depression of the craftsman. The war brought fewer advantages to the skilled man than to the unskilled; he has not, in the main, recovered his lost advantages. Skilled men are worse off to-day, relatively, than unskilled. Amalgamation in a union where the unskilled outnumber him heavily, has for the craftsman as many disadvantages as advantages.

It has for long been the policy of the N.U.R. to bring under their roof all workers who have anything to do with railways, and to have standard rates and the cost-of-living sliding scale applied throughout all grades. It can certainly be argued that the future is with industrial, as against craft, unionism as a principle of organisation. At the present, however, an almost equally good case could be put up for the view that engineers in railway shops have actually more in common with engineers in other shops than they have with porters, platelayers, drivers, or clerks; while drivers of engines go naturally with drivers of motors and other vehicles, clerks in railways with clerks in other industries. Is a railway an industry? It presents no such natural, local unit of organisation as a pit. Mining is an industry. Transport is an industry. But of that comprehensive whole railways are only a department. Meantime, in the transition stage to a wider organisation of the workers, larger groupings and, possibly, a different basis of classification from that on which the actual existing unions have been built up, problems of demarcation, in the widest sense, are at the bottom of a great deal of the present trouble.

In the case of the shopmen, the question has been settled: the N.U.R. has won its point. This was the meaning of the decision of the Industrial Court in June, 1922, to "proceed upon the basis of determining railway rates for the various classes of workpeople (in railway shops), and not to award district rates as such." This is the famous Award 728. It was accepted by the N.U.R. as well as by the Engineering and Shipbuilding Trades' Federation, to which the great majority of shopmen belong. By the middle of 1923, after the new railway grouping had come into effect, Award 728 had been put into operation in all railway shops, irrespective of the unions to which the men employed in them belonged, with the exception of those of the Great Northern and Great Central sections of the new L.N.E.R. Of 130,000 railway shopmen employed in Great Britain, that is to say, 110,000 were by this date working under Award 728; moreover, of the 39,000 shopmen employed by the L.N.E.R., 26,000 were working under it. Doncaster was the one big shop outside. Conditions there were in no sense exceptional, but for some reason not very clear the Engineering Unions, though they had signed the award nationally, stood here on district rates; their attitude was made by the G.N.R. an excuse for not applying the award. In July last the N.U.R. threatened to call out their shopmen unless the award was enforced. A peculiarly difficult strike seemed imminent—a battle between unions. Finally the matter was referred by the Minister of Labour to a court of inquiry, which has just reported (Cmd. 2113). It finds no "exceptional circumstances" justifying the exclusion of the G.N.R. shops from the award; on the contrary, it is to be introduced there by March 1, 1925. At the same time, the court notes the "genuine and strongly held apprehension, shared by all the trade unions," that craftsmen might under it suffer a reduction of status and wages; points out that such was not the intention of Award 728, and provides that difficulties in local interpretation be referred to the Industrial Court before March 1st. On this point it may be noted that the railway companies urge that, as a matter of fact, the position of men in railway shops is better than that of those outside. Thus, while railway shopmen have lost 10s from their war bonus of 26s 6d, outside men have lost 16s 6d in engineering shops, 19s 6d in shipbuilding. The case of the N.U.R. is that a progressive status for shopmen is part and parcel of an "all grades" movement for railway workers. Anyhow, so far as wages are concerned, all railway shopmen are now subject to "railway" rates. The craft unions are meeting the railway staffs in order to put before the companies their demands for a rise in their wages.

The case of the enginemen and firemen is quite different. The Associated Society of Locomotive En-

gineers and Firemen's Union is an independent body, like the Railway Clerks' Association, and was, like the R.C.A., a party to the recent railway award (December, 1923) in the sense that their representatives endorsed it. An award of this character is, after all, a judgment, not a settlement. In the particular case it disclosed serious grievances affecting the members of the A.S.L.E. and F. Some of these were mitigated after the strike of January, 1924, but not all. The question of Sunday work remains unsatisfactory from the drivers' point of view. Discussions between Mr Bromley and the companies seem now to have reached an *impasse*; a fresh ballot of members is to be taken, and the possibility of another strike cannot be excluded, although the margin of difference is narrower than it was in January. Here a craft union is defending the interests of its own skilled members; interests which, it argues, would be compromised were they to be submerged in a huge organisation like the N.U.R. The N.U.R. looks after the average, to which the special case tends to be sacrificed. The problem of the group and the party, so familiar in the political sphere, here shows itself in that of industry.

THE CO-OPERATIVE TRADE POSITION.

(FROM A CORRESPONDENT.)

ALTHOUGH the returns of the retail co-operative societies for the year 1923 were not completed when the Co-operative Congress met at Nottingham on Whit-Monday, it was possible to suggest the likely results based on the figures of 1,311 out of 1,445 societies, and estimating those for the remaining 134. Compared with 1922, the membership of 4,580,623 was an increase of 1.36 per cent. Share capital rose nearly 3 per cent.; sales declined 2.45 per cent., yet profits rose 12 per cent.—a matter that escaped the consideration of the Congress, which was more concerned with political activities, the suggested daily paper, and other big matters, to spend time upon a point of vital detail in the trading basis of the movement. The stock in trade of the societies at the end of last year was £18,739,123, a decline of 8.75 per cent. From the available figures some interesting deductions are obtainable. The share capital is £75,219,903, an average of £16 10s per member. To this must be added loans, &c., of about 12 millions, making £87,000,000, upon which a business with sales of £165,427,590 was done by the societies in England, Scotland and Wales. The average purchases of the individual members were just over £36 for the year. This is less than 15s per week, and shows either that there is a great measure of disloyalty among co-operators, or that the four and a half million members do not represent so many families, but that two or three of a family are in membership in thousands of cases. Probably inquiry would reveal both suggestions as actual facts.

The co-operative position can be observed from another angle. The retail societies have 98,227 employees engaged in distribution and 31,171 in the various productive enterprises, such as bakeries and boot repairing works. This was an increase of just over 1 per cent., while the wages and salaries fell 6 per cent. It is possibly such a comparison alongside of the increased net profit that has encouraged the National Union of Distributive Workers to make a demand for a revival of shop wages on a national basis—a demand that the bulk of the retail societies wish to be postponed until the Grocery Trades Board has gone into the whole matter of shop assistants' wages with a view to some standard of uniformity as between co-operative and private shops. In 1923 the average wage paid to the distributive workers—boys and girls as well as men and women—was £131. Each employee averaged £1,647 of sales, and on such sales secured a net profit of £160. Although there are many grades, from managers to vanboys, included in the 98,227 distributive workers, the fact is clear that each, on the average, contributes a net profit of 10 per cent. on the sales and of about 17 per cent. on the capital involved. The general rule—although there is a tendency

to reduce the return to $4\frac{1}{2}$ or $4\frac{3}{4}$ per cent.—is to pay 5 per cent. interest, leaving about 2s for dividends on purchases, apart from the grants to charitable, educational, political, and organising funds. These facts are significant of the business basis of the movement, the fundamental character of which seems to be only casually recognised by many recent incursionists from other movements.

The need for increased production has been the subject of resolutions at each of the 56 annual congresses that have been held. The movement is not yet, however, fully self-contained, and the following analysis of some of the statistics presented to the assembly at Nottingham is probably the first publication of the proportion of actual co-operative trade in the co-operative movement:—

	1923.
Productions of the English C.W.S.	£ 20,617,273
Productions of the Scottish C.W.S.	5,155,332
Productions of co-partnership productive societies	1,906,629
Production by retail societies (1922 figures)	62,000,000
Total	89,579,234

So that of the total trade of 165 millions done by the retail societies, about 90 millions consists of goods made in the movement, the remaining 75 millions worth of commodities being purchased from outside firms.

The growth of the co-operative movement on its manufacturing side may be illustrated by the progress of the Co-operative Wholesale Society, which first commenced business at 3 Cooper street, Manchester, exactly 60 years ago. At the end of the first 30 weeks of its existence its net sales totalled £51,857, its net profits £267, and its share capital £2,455. At that time the membership of all co-operative societies holding shares in the C.W.S. was 18,337. An average dividend was paid of 1½d in the £. The following table shows corresponding figures, taken at decennial intervals to 1914, and in 1922:—

Year Ended.	Number of Members Belonging to C.W.S. Shareholding Societies.	Share Capital.	Net Sales.	Net Profit.	Average Dividend Paid per £.
January, 1874	168,985	£ 48,126	1,636,950	£ 14,223	d 2
December, 1884* ..	459,734	207,080	4,675,371	54,491	2½
" 1894	910,104	598,496	9,443,938	126,192	2½
" 1904	1,594,145	1,196,703	19,809,196	332,374	4
" 1914	2,336,460	2,130,959	34,910,813	840,069	5
" 1922†	3,494,335	5,101,255	65,904,812	111,268	..

* Fifty-three weeks. † Year of slow recovery from trade depression.

At the present time the society's operations cover a wide field of industry, its various factories carrying on the treatment and manufacture of foodstuffs and tobacco, textiles, clothing and footwear, furniture utensils and domestic requisites, as well as printing, sawmilling, motor vehicle manufacture, coalmining, &c.

In the old days when Hughes, Neale, Holyoake, Mitchell, Shillito, and Greening were the leaders of the co-operative movement, the appeal for more production within itself was constant and insistent; it still comes from their successors, Messrs G. Thorpe and R. Stewart, the chairmen of the two wholesale societies, and from Mr J. J. Worley, of the Co-operative Productive Federation, who declared the Congress Exhibition open; but it is being overwhelmed by the newer and more vigorous men and women, who have given a political turn to the Old Ideals of the movement. It is popular at the present time, when a co-operative M.P. is in the Government and five others give the Premier voting support, but the co-operators would do well to remember that trade is the basis of the movement, and that from the profits of business all their political ventures are financed. They should do nothing to impair their productive and commercial position by a too-eager alliance with one of the three political parties in the State. Signs of its ultimate fusion are abroad; hence the necessity for careful and immediate attention to the real purpose of the movement, viz., the protection of the consumer and the satisfaction of the producer.

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ELECTRICITY COMPANIES' RESERVES.

THE two preliminary Bills, No. 1 and No. 2, promoted by the London electricity supply companies, are now safely through the House of Lords, and will shortly be presented to the House of Commons. It will be on the second reading of the Bills that the principal discussion is likely to arise. Those who are in charge of operations think, however, that there will be no great difficulty in securing a passage for the Bills, considering that the antagonists and protagonists are both well familiarised by now with each other's arguments. It is recognised that the time is long overdue for a real effort to be made to place upon a stable footing the electricity supply industry of London, and that the progress of such a deeply important unit in the commercial world has been handicapped for too long by vexatious, and often trivial, causes for delay in the settlement of a unified scheme for the whole of the metropolis. The scheme which holds the field is one for dividing London into three groups, the first of which will comprise the County of London, City of London, South Metropolitan and South London companies; the second will consist of the West-end undertakings; while the third embraces local authorities. Most of the London companies received their concessions in 1888, and these concessions were to expire in 1931 upon terms the precise definition of which remains in doubt to this day. Arrangements, however, have recently been made between the companies and the London County Council whereby the latter will agree to an expansion of the companies' tenure for another forty years under certain conditions. These—which have already been set out in the *Economist*—provide that all the fixed assets held by the companies at the time that this Bill is put into operation are to be handed over, free of cost, in 1971. A sliding scale is to be introduced. The companies are to be allowed to pay dividends on their existing ordinary shares, and on agreed reserves, until 1931, after which date the dividend will be 7 per cent. on both ordinary shares and reserves. The arrangement will not affect debenture stocks, but preference shares will have their lives extended by it by a period of forty years from 1931. The position is one of extreme interest, not only to shareholders, but to consumers as well, and the fact that prices in the share market are hardly moving at all reflects both the uncertainty and the hopes that arise on the present known conditions. The unknown factor is that of what reserves may be agreed upon by the companies and the Electricity Supply Commissioners, for the latter may hold that a company has not treated its reserve account in a proper manner, in which case the figure at which the reserves stand might be written up or written down. Expectation looks for these reserves to be capitalised and distributed amongst the ordinary shareholders, a point on which further doubt arises through a possible claim being made by preference shareholders for a diversion to themselves of part of the reserve funds, although to the average mind it would appear that a reserve fund belongs to ordinary shareholders, seeing that it has been accumulated at the expense of the latter, and that it benefits indirectly the preference shareholders as well. We may take the figures of the companies for the year ended December, 1923, to show the amounts which stand at the credit of depreciation reserve and sinking fund accounts, and add another column giving the dividends for 1923:—

Company.	Capital Issued at December 31, 1923.	At Credit of Depreciation Reserve and Sinking Fund Accounts.	Dividend for 1923.
Brompton & Kensington	291,825 Ord. 8,175 7% Pref.	123,103	10% (free of tax).
Charing Cross (West End Undertakings).	300,000 480,000 Ord. 400,000 4½% Pref. 445,736 4% Deb.	503,881 (before paying Share Bonus £36,000).	14½% and ordinary Share Bonus of 1 in 5.
Charing Cross (City Undertaking)	1,325,736 350,000 Ord. 400,000 4½% Pref. 641,442 4½% Deb. 249,000 6½% 5 Year Notes.	385,000	10%
Chelsea.....	1,640,442 247,180 Ord. 30,000 6% Pref. 94,675 4½% Deb.	188,665	12%
City of London	371,855 800,000 Ord. 400,000 6% Pref. 330,000 8% Pref. 400,000 5% Deb. 400,000 4½% Deb.	609,287	15%
County of London	2,300,000 1,330,000 Ord. 1,225,000 6% Pref. 500,000 4½% 1st Deb. 500,000 4½% 2nd Deb. 500,000 7% Deb.	1,229,408	15%
Kensington & Knightsbridge.	4,055,000 105,000 45 Ord. 50,000 6% 45 Pref. 50,000 6% N/C 45 Pref. 90,000 4% Deb.	212,705	14%
London.....	295,000 499,500 Ord. 449,200 45 6% Pref. 587,355 4% Deb.	412,780	10%
Metropolitan	1,536,055 1,000,000 Ord. 380,605 4½% Pref. 250,000 4½% Deb. 378,000 3½% Deb. 142,600 5% Deb. 476,050 7½% Deb.	709,750	10%
Notting Hill	2,627,255 1,352,10 1½ Defd. 29,980 6% £10 Pref. 114,020 6% N/C £10 Pref. 64,000 4% Deb. 24,000 7½% 7-year Note	94,694	14/ (Free of tax) on Deferred Shares.
St James	221,352.10 200,000 45 Ord. 100,000 7% N/C 45 Pref. 150,000 3½% Deb.	140,997	17½%
South London	450,000 260,000 Ord. 30,000 6% Pref. 130,000 5% Deb.	225,198	15%
South Metropolitan....	420,000 260,000 Ord. 150,000 7% 1st Pref. 100,000 8% 2nd Pref. 324,090 4½% Deb.	338,673	15%
Westminster	824,090 755,620 45 Ord. 550,000 4½% 45 Pref.	513,425	15%
	1,305,620		

It cannot be too strongly insisted that the amount for depreciation shown in the above table as reserves in the companies' accounts is not the "agreed" amount, although, of course, quite possibly it may happen to be so when the matter is thrashed out between the company and the Authority. Unless this, however, is borne clearly in mind, it is very possible to be misled by the figures quoted above. The figures are essential for a clear grasp of the position as it exists to-day, but estimates can hardly be built on them, inasmuch as the reserves are not "agreed." It may be added that the companies enjoyed a bumper year in 1922, achieved still better results in 1923, and, if our information is correct, for the current twelve months are likely to do even greater things, in the way of making profits, than they succeeded in accomplishing last year.

Notes of the Week.

The Session Resumed.—The *pièce de résistance* on the Parliamentary menu in this first week of the resumption of the session after the Whitsuntide recess was, of course, provided by the debates on Imperial Preference, which we discuss on a previous page. But the week has had other features, of which the chief was a heavy Government defeat on the London Traffic Bill on Monday. This is the fourth defeat which the Government has suffered in

this its first session, and of the four it was the least important. It took place on a Liberal amendment designed to introduce into the Bill a clause providing for anti-trust legislation; but its political insignificance was quickly assessed by Mr Clynes, who promptly stated that the clause would be re-introduced with Government amendments. But, if political importance is lacking, the incident reflects upon the Government's powers of stage management. For every defeat, however secondary the subject, tends to weaken the prestige of the Government. It appears to have been just one more of those cases, to which we are becoming accustomed, of the failure of the Leader of the House and his Whips to enter into the reasonable and customary process of consultation with regard to approaching business. Possibly the explanation lies partially in the fact that this *contretemps* arose on the first day after the holidays. One of the chief problems for the Government to solve is how to press through the huge amount of legislation that they have in hand. Unless better methods of handling the House are developed than those which Mr Clynes displayed over the London Traffic Bill on Monday, they will find themselves quite unnecessarily hampered in the execution of a very heavy task. During the eight weeks which separate us from the normal date for the autumn adjournment, the Finance Bill must be passed, the battle of the McKenna duties has to be re-fought, and the whole programme of other legislation is in arrears. The situation calls for tact, as well as business capacity, from a Government in an exceptional degree dependent upon the goodwill and assistance of opposition sections.

M. Herriot's Policy.—With a minimum of delay, which is exceedingly welcome under the circumstances, the tangle in French politics has been straightened out. M. Doumergue has been duly elected to the Presidency vacated by M. Millerand, and M. Herriot, promptly summoned to power by the new President, has formed his Government, and declared his policy in the Chamber. The major portion of his statement related to domestic policy and followed expected lines, while the announcement of the withdrawal of the French diplomatic representative at the Vatican was also a foregone conclusion. But important though these matters are, British eyes skate rapidly over these sections of M. Herriot's statement and concentrate upon the passages referring to the Ruhr, Reparations, and a European settlement. A careful perusal of those passages leaves a happy impression. M. Herriot states that France cannot evacuate the Ruhr until the pledges contemplated in the Dawes Report "have been constituted, with just and effective guarantees of execution, and handed over to the international organisations designed to work them." Into these words we are surely justified in reading a most welcome and important change from the attitude of M. Poincaré. He could hardly have been expected to say more at this juncture. The phraseology of the rest of the statement is equally satisfactory. The experts' report is "accepted without *arrière pensée*," including, presumably, the experts' oft-repeated insistence on the indispensability of the economic unity of the Reich. Amnesty is promised for political offenders in the occupied territories, emphasis is laid on the new Government's desire to support and strengthen the League of Nations. "Problems of security" are to be solved by "pacts of guarantee themselves placed under the supervision of the League." The will to peace is illustrated by a proposed change in the Military Service Law, which will reduce the French Army, this, however, to be conditional on the satisfactory solution of the security problem. Altogether both in tone and in substance M. Herriot's declaration comes well up to the expectations of those who saw in the results of the recent French Election the approach of a real hope of European settlement, and the encouragement to be derived from it is heightened by the favourable reception accorded to M. Herriot's statement in Germany. The recent political changes in France have absorbed valuable time, and time is of the first importance. It is, therefore, welcome news that M. Herriot is to meet Mr Ramsay MacDonald forthwith with a vote of confidence from the French Chamber in his pocket.

The South African Elections.—The defeat of the South African Party opens the way for a coalition Ministry consisting of Dutch ultra-Nationalists and Labour extremists, whose only bonds of agreement are their opposition to General Smuts and their hostility to the mine-owners of the Rand. Their alliance for the elections was only effected by the promise of the Nationalists not to raise, during the lifetime of the new Parliament, the question of secession from the British Empire, and it ended automatically with the close of the polls. The Nationalists, moreover, are not only inherently antagonistic to the Labour Party, but are apparently not agreed as to their own vague programme. Some of them desire to cut down expenditure on the defence of the Union, others to increase it and to maintain a standing army, presumably to prepare for independence. Their official programme includes an overhaul of the Civil Service—an approach to the discredited "spoils system" of the United States; tax revision; the segregation of the coloured population—a dangerous item; protection to South African industry; measures of some sort to mitigate poverty and unemployment; the Labour Party desires heavier taxation of the richer mines. The Nationalists also propose the establishment of a State bank, with considerable powers of note issue—which, as their opponents have pointed out, is specially incongruous in the chief gold-producing country of the world. It is predicted, however, that General Hertzog, who will now become Premier, will have to placate his own impatient followers by dissolving Parliament again in order to free himself from his pledge respecting secession, and then the Labour Party will cease to support him. But official experience will teach the new Ministers much. As in England, the Labour extremists have disturbed the election meetings, and the Labour leaders have condemned their action. It will probably be difficult to keep the Coalition together, or to maintain discipline in either of its sections. The hostility to General Smuts has been most conspicuous in his own Transvaal province; but we cannot suppose that he will remain out of office for long.

The U.S. Presidential Election.—The Cleveland Convention, as was expected, has nominated President Coolidge by an overwhelming majority; but the situation may well give his supporters some ground for alarm. Many prominent Republicans have been discredited by the oil lease scandals; but they retain considerable influence in the party organisations of their respective States, and are not likely to use it in active support of his candidature. Originating some seventy years ago as a Liberal party, the Republicans have gradually become as Conservative in spirit as our own "Die-hards," and the "Progressive" tendencies revived by President Roosevelt have disappeared. The Cleveland Convention was described as "the re-birth" of the party, but the platform contains nothing to satisfy the Western farmers, who constitute the strength of the "Insurgent" movement, and whose votes will determine the attitude in the contest of six or seven States of the Middle West. Nor does it appeal to Labour or to the independent "Progressives," or to the numerous voters outside these groups who favour that control of railroad and Trust monopolies for which Senator La Follette, the "Insurgent" leader, has been fighting throughout his career. President Coolidge, indeed, has triumphed over other sections of his opponents within the party by obtaining the adoption of his own plan for a world-court in preference to the various alternatives put forward; but, though the Republican party has made a great advance in its foreign policy since 1919, that will not help it with the "Insurgents." And his wishes have been disregarded by the nomination of General Dawes for Vice-President, either as a popular personage among the German-Americans, or because the party managers desire to put him where he will have no scope for his tendency to independence. The interest now shifts to the four other nominating conventions. The "Farmer Labour Convention," in session this week at Minneapolis, without either its rural or "Progressive" constituents, is now practically Socialist, and can only affect the result by diverting Progressive, Insurgent, and possibly Democratic votes. The Democratic Convention meets in New York next week, and Mr Coolidge's chances depend largely on its platform and choice of candidate. The

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Progressives, whose strength seems to be largely, among the discontented railway employees, meet at Cleveland on July 4th; and the Insurgent Republicans, under Senator La Follette, hold their convention shortly at Chicago. They alone can affect the result, by detaching several Western States from the Republicans; and it seems possible that there will be no majority for either of the older parties in the Electoral College. Then the election will have to be conducted by Congress, and it is freely predicted that there may be a deadlock. But it is too early yet for prophecy.

Mexico and Great Britain.—Had President Obregon desired to show that his Government was disqualified from recognition by its inexperience in international relations, he could not have done so more effectively than by his treatment of the British representative. Mr Cummins, as had already been shown by the answers given to questions in Parliament, takes an unfavourable view of the capacity and stability of the present Mexican Government; he is stated to have sent it "a rude communication," and to have given offence previously by his action; but the letters read in Parliament were perfectly proper, and, whatever his precise diplomatic status, he represented the British Government. Doubtless under the circumstances his withdrawal was necessary, but he has deserved well of his country. Recognition of President Obregon may be suspended indefinitely. The negotiations, in fact, appear to be further endangered by the delay in the deposit of the full sum required to carry out the resumption of the debt service under the Lamont Agreement—a delay which no doubt is due to the recent rising, and which, as Mr Ponsonby intimated in Parliament on Tuesday, is a matter for the bondholders and their representatives rather than the Government. The chairman of the Mexican Railway, at the half-yearly meeting on Wednesday, strongly advocated a continuance of the negotiations for recognition. It is to be hoped that President Obregon will refrain from making them impossible.

Irish Free State Affairs.—Our Dublin correspondent writes:—The current issue of the Dublin *Gazette* shows a credit balance in the National Exchequer of £4,525,763. Revenue receipts for the first 75 days of the financial year stand at £4,988,487, compared with £5,829,830 for the first 77 days last year. Post-office, income-tax and Customs show substantial increases, and a falling off of upwards of a million and a-half in Excise receipts has almost certainly a special explanation to the effect that last year's figures included certain items of an abnormal or non-recurrent character. The National Loan stands just under 93—its depression being due to political causes, trouble in the Army and the Boundary controversy. The former is the subject of the report, just published, of the Army Inquiry Committee. The public has not been edified by learning of the existence of two secret societies in the Army—one of which received distinct encouragement from the headquarters staff avowedly as an antidote to the other, which was manned by officers of political antecedents and political aims and ambitions, to which they were inclined to subordinate purely military and disciplinary considerations. There has been a large weeding out, and

ranted by the earnings. The announcement of the Wit. Deep has yet to be made. Several of the smaller producers do not declare interim distributions. The "Johnnies" 15 per cent., tax free, constitutes a record on the present capital.

Chartered's First Dividend.—A Stock Exchange correspondent writes:—The declaration by the British South Africa (Chartered) Company of a dividend of 6d per share, free of tax, came as a surprise to the Stock Exchange market. It was followed by a fall in the price from 11s 3d to 10s 6d. Rumour has been busy for some time past with the anticipation that the company would distribute something to its shareholders as soon as the clerical staff had finished the work of returning the 5s per share capital to the proprietors. The present announcement, however, is to the effect that the 6d per share free of tax will not be paid until early November, and that it is in respect of the 18 months from April 1, 1922, to September 30, 1923. Something of a bullish atmosphere has been created around Chartered during the past few weeks, this being due in some measure to the fact that quite a number of the 30,000 shareholders re-invested their 5s return of capital into Chartered shares. At anything like half-sovereign, Chartered began to look a reasonable speculation, and the shares were taken up to 11s 6d a few days ago, from which, as already noticed, the price reacted to the extent of a shilling. Discussion is now busy around the point as to what price the shares are worth, looking at the Chartered Company as a trading concern, no longer hampered by administrative duties. The company is making money out of the Rhodesian railways, and probably its holdings of securities have appreciated considerably during the past twelve months. Its mining rights must be valuable from the point of view of revenue, and there are many directions into which the board can now branch out that were denied to the company when it was responsible for the partial government of Rhodesia. The company has been in existence for 35 years without returning a penny-piece to any of its shareholders, but hope springs eternal, and the Stock Exchange market view is that there is more encouragement in the outlook at the present time than could have been justified at any period of the company's history during the last decade or two. It may be remarked, as a matter of whimsical interest, that people have been applying to the Chartered Company for the 5s return of capital in respect of all kinds of Rhodesian mining shares: sending their certificates, and even their photographs. A large addition has been made to the clerical staff of the company, and the reason for delaying payment of the sixpenny dividend is that its earlier distribution would have been a matter almost of physical impossibility.

The "Shell" Report.—It is satisfactory to read in the report and accounts of the Shell Transport and Trading Co. that the final payment of Excess Profits Duty has been made. The amount was not stated, but as investments have been reduced from £12,820,686 to £8,355,402, and cash from £539,293 to £149,136—a total reduction of £4,855,441—and as the property account, on the other hand, has only increased by £2,937,105 (from £20,473,267 to £23,410,372), it would appear that the gross earnings of the Shell (i.e., from dividends on shares in subsidiary companies and interest on investments, loans, &c.) show a slight increase at £3,048,687, plus £2,000,000, as against £4,938,084 in 1922. The latest year's results compare as follows with those of previous periods:—

	1913.	1918.	1919.	1920.	1921.	1922.	1923.
Balance forward	£ 265,194	£ 1,239,032	£ 1,136,877	£ 1,242,622	£ 2,007,588	£ 2,069,596	£ 2,993,056
Profits.....	1,581,189	2,893,603	4,562,724	7,668,642	5,626,673	4,938,084	3,048,689
Expenses, &c. ..	1,849,383	4,132,635	5,899,601	8,911,264	7,634,261	7,007,680	5,077,725
Interest on loans	46,124	40,659	49,354	41,222	139,251	304,925	40,484
Balance	1,800,259	4,091,976	5,850,247	8,870,042	7,495,010	6,702,755	5,037,241
Prof. dividend ..	81,250	100,000	100,000	100,000	100,000	316,542	450,000
Ord. dividend ..	1,389,283	2,813,927	4,507,625	6,762,454	5,325,414	4,357,157	4,357,157
(35 %)	(35 %)	(35 %)	(35 %)	(35 %)	(27 %)	(22 %)	(22 %)
Reserve, &c.	3,162	41,172	...	...	...	...	...
Balance forward	326,564	1,136,877	1,242,622	2,007,588	2,069,596	2,069,596	2,993,056

That the company has been able to produce these results in one of the worst years of price slumping ever experienced by the oil industry is a remarkable achievement, and arises no doubt from the enormous increase in the production of its associated companies in the United States. The carry forward is reduced to £230,083, but that, after the payment of E.P.D. to the tune of £2 millions, the liquid resources should still stand at £8½ millions, is some measure of the company's continued financial strength.

John Brown and Co.—The figures of John Brown and Co., Limited, for 1923-24, are now published. As will be noticed from the table given below, a slight contraction in information is part of the trend of affairs. A comparison of results reads as follows:—

	1913-14.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.
Gross profit.....	£ 437,834	£ 552,190	£ 468,704	£ 418,836	£ 304,740	£ 311,838	£ ..
Interest, &c.	60,336	85,019	89,895	86,915	94,333	99,544	..
Net profit.....	377,498	467,171	378,809	331,921	210,407	212,294	212,230
Brought forward ..	89,722	164,394	192,308	178,929	179,600	180,632	183,551
Reserves, &c.	467,220	631,565	571,117	510,850	390,007	392,926	395,781
Prof. dividend ..	100,000	100,000	...	...	...	...	...
Ord. dividend ..	87,500	87,500	87,500	87,500	87,500	87,500	87,500
(10 %)	(12½ %)	(12½ %)	(12½ %)	(10 %)	(5 %)	(5 %)	(5 %)
Carried forward ..	97,420	192,308	178,929	179,600	180,632	181,551	186,406

Again no allocation is made to reserve, and the ordinary dividend is maintained at 5 per cent. The report states that, "owing to home and foreign competition (the latter assisted by low wages and low rates of exchange), prices of manufactures and shipbuilding have remained very low, and in order to give employment to their workmen the directors have taken many contracts at prices which cover little or nothing beyond wages and cost of material."

Guest, Keen and Nettlefolds.—That the prosperity which follows the undertaking of Guest, Keen and Nettlefolds, Limited, has not been affected by the prevailing industrial depression is revealed in the accounts now published for the year ended March 31, 1924. In the following table we show the progress made by this energetic concern over a number of years:—

	1913-14.	1917-18.	1918-19.	1919-20.	1920-21.	1922-23.	1923-24.
Gross profits	£ 401,722	£ 446,645	£ 417,141	£ 334,530	£ 884,121	£ 918,939	£ 948,763
Debt interest	69,548	74,020	74,020	74,020	74,020	74,020	74,020
Net profit.....	332,174	372,625	343,121	260,510	810,101	844,919	874,743
Brought forward ..	239,016	405,712	173,316	235,687	261,605	206,080	209,665
Available for distribution	571,190	778,337	516,437	1,096,197	1,071,706	1,050,999	1,084,408
Preference dividend ..	86,000	86,000	86,000	200,756	290,922	303,447	303,448
Ord. dividend ..	70,000	130,000	50,000	...	...	...	...
Reserve, &c.	144,750	144,750	144,750	633,836	516,686	537,887	560,696
Rate	15 %	15 %	15 %	15 %	10 %	10 %	10 %
Carried forward ..	270,441	417,587	235,687	261,605	264,098	209,665	220,264

As usual, the dividend of 10 per cent. is free of tax. It may be recalled that the year before last, the date of the end of the financial year having been changed from June 30th to March 31st, the accounts related to a period of nine months, and these figures are not therefore comparable. Net profits for the nine months, after payment of debenture interest, amounted to £567,200, and the available balance, including the balance brought forward, was £831,300. During the year an offer was made to D. Davis and Sons and the Consolidated Cambrian, Limited, for an exchange of ordinary shares, and it is now stated that Guest, Keen and Nettlefold hold practically the whole of the ordinary shares in the two companies. To what extent these acquisitions have affected the total profits in the year under review it is difficult to say. Investments have increased from £12,591,018 to £13,338,464, while the ordinary capital has increased from £5,378,153 to £6,293,347. The reserve fund at £2,628,503 is unchanged. Total assets are £18,993,142, as against £18,131,344 last year.

Ebbw Vale.—The directors of the Ebbw Vale Steel, Iron and Coal Company, Limited, are able to present a better picture of affairs for the twelve months ended March 31, 1924. Gross profits are returned as £653,689, which compares very favourably with £426,117 for the

previous year. It is stated that the whole of the company's collieries were fully engaged during the year, except for stoppages occasioned by the strikes of the railway locomotive men and transport workers in January and February last. Profits and their allocation in recent years, and in 1914, have been as follow:—

	YEAR ENDED MARCH 31.				
	1914.	1921.	1922.	1923.	1924.
Gross profits	£ 166,873	£ 633,248	£ 49,501	£ 426,117	£ 653,689
Brought forward ..	11,692	16,301	6,690	16,458	69,131
Gen. expenses, int., &c.	178,565	649,549	56,191	442,575	722,820
	33,340	233,859	377,061	373,444	348,268
Balance	145,225	415,690	Dr 320,870	69,131	374,552
Preference dividend ..	20,530	84,000	84,000	..	84,000
Ordinary dividend ..	59,580	125,000	..	..	..
(5 %)	(5 %)	(5 %)	(5 %)	(5 %)	(5 %)
Reserve, &c.	53,116	200,000	421,328*	..	100,000
Carried forward	11,999	6,690	16,458	69,131	190,552

* Withdrawn from reserves.

The outlook for preference shareholders is distinctly bright. It is mentioned that the iron and steel works have been fairly well employed during the whole period, but that prices have been unsatisfactory. The wages paid during the year amounted to £1,055,525, as compared with £1,310,083 for the previous year. General expenses at £10,115 are slightly higher, the comparative figure being £8,427. Legal expenses are £1,392, as against £1,614. Interest on loans is down from £123,402 to £96,760. The detailed information on numerous points afforded by the accounts will be welcomed not only by shareholders, but other members of the investing public. An analysis of the balance-sheet will be found in our usual column.

Howard and Bullough.—The report of Howard and Bullough, Limited, for the last financial year is not inclined to be communicative over the significant falling off in profits. As no explanation of the striking expansion in business was vouchsafed in previous accounts, no doubt the directors take the view that none is needed now that the tide has turned the other way. A summary of past results is appended:—

	1913-14.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.
Gross profits ..	£ 163,066	£ 301,152	£ 125,408	£ 128,218	£ 158,749	£ 393,058	£ 597,247	£ 167,987
Deb. interest ..	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Net profit.....	153,066	291,152	115,408	118,218	148,749	383,058	587,247	157,987
Brought forward ..	31,464	39,078	91,081	53,989	57,207	60,956	94,014	166,261
Available balance	184,530	330,230	206,489	172,207	205,956	444,014	681,261	324,248
Prof. dividend ..	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Ord. dividend ..	75,000	112,500	100,000	100,000	100,000	175,000	200,000	156,250
Reserve, &c.	64,530	111,649	37,500	..	40,000	150,000	300,000	..
Carried forward ..	30,000	91,081	53,989	57,207	50,956	94,014	166,261	152,998

Ordinary shareholders receive 12½ per cent. for the year, but the reserve is passed over. In the balance-sheet, which will be found analysed on another page, assets are recorded as £2,942,190, as against £3,037,985 a year ago; cash at bank amounts to £125,074, as compared with £281,359, but stock-in-trade has advanced from £338,791 to £373,910. Reserves total £755,000.

Crosse and Blackwell.—Another scheme of reconstruction comes before us this week. It will be remembered that a detailed report was presented on the reorganisation of the company which was circulated to shareholders in January last. The present scheme submitted is the sequel. It is pointed out that the net tangible assets of the company as on December 31st last were £2,532,619, and a value of £1,450,000 is placed upon the goodwill of the amalgamated companies, making £3,982,619. Liabilities amount to £1,251,650, leaving £2,730,969 to represent the paid-up share capital of £7,354,382, consisting of £3,000,000 of first preference, £1,741,750 of second preference, and £2,612,632 of ordinary shares. It will be recalled that only the first preference shares were directly issued to the public. It is proposed that each £1 first preference share shall be written down to 15s. This is rather a drastic cut, which has to be considered in

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General Manager W. A. WORKMAN, F.I.A.

relation to the new participating rights offered by the scheme. The second preference shares are to be written down from £1 each to 4s, and the ordinary shares from £1 to 1s. The share capital will then consist of £2,250,000 of first preference, £348,350 of second preference, and £130,631 of ordinary shares. It is proposed that the first preference shares shall be entitled to 7½ per cent. on their reduced amount and the second preference shares to 10 per cent. on their reduced amount, and these rates shall be non-cumulative until December 31, 1926, after which date the rates will become cumulative. The first preference shares will, in addition, be entitled to a further dividend of 2½ per cent. after the ordinary shares have received 10 per cent., while the second preference shares will be entitled to a further distribution of 10 per cent. thereafter, making 20 per cent. in all on their reduced amount. Any further profits will then belong to the ordinary shares. The directors, in optimistic vein, express the opinion that when the business reorganisation has been completed, and with the return of general trade prosperity, the profits should suffice to pay 10 per cent. on the first preference, 20 per cent. on the second preference, and 10 per cent. on the ordinary shares at a not too distant date. The proposals involve the cancellation of all arrears of dividends on the first and second preference shares, the amount of which has accrued from June, 1921. This is, of course, a serious point for preference shareholders to consider. In the letter to shareholders explaining these proposals it is mentioned that "Those members of the board who have been directors since the inception of the company in 1920, and who are themselves large shareholders, deeply regret the necessity for putting forward such drastic proposals for reorganisation of capital, which is largely due to the policy of expansion adopted in abnormally favourable times." To what extent preference shareholders will acquiesce in this scheme it is difficult to say. But it is well that they should remember that they have the right to dissent. We do not know if preference shareholders are officially represented on the board, but if they are not, and if their rights are to be curtailed, it would be fitting and complementary to elect at least two representatives. With the report is issued the accounts of the company for ten months to December 31st last. This shows a trading loss of £36,174 after charging management expenses of £32,611 to allied companies, and the total adverse balance, after adding interest on loans and the guaranteed dividend on the preference shares of James Keiller and Son and the debit balance brought forward, is £152,422.

Boots Pure Drug.—Profits of Boots Pure Drug Company, Limited, for the year ended March 31, 1924, at £628,620 are lower than those given a year ago. Preference dividends absorb £96,750, which leaves a balance of £531,870 available for ordinary shareholders. A total dividend of 36 per cent. is paid on the ordinary capital, and £100,000 is allocated to reserve. This leaves £210,552 to be carried forward to next year's account, as against £138,682 brought in. It may be recalled that last year a dividend of 360 per cent. was paid on the £100,000 ordinary shares in the company, while the issued capital bearing fixed interest amounts to £1,400,000, and receives a little less than a hundred thousand pounds. This remarkable dividend did not comprise all the

good fortune of the ordinary shareholders. Certain reserves, both in this and subsidiary companies, which were built up against a fall in prices, were not all required. Altogether there was a surplus account, amounting with the balance from the previous year to £1,443,071. As a sequel, the issued share capital of the company has been increased to a total of £2,400,000. Under resolution of the company, 900,000 unissued ordinary shares were paid up in full by the appropriation of £900,000 from the surplus account and distributed among the holders of ordinary shares. Thus the 360 per cent. distribution is maintained. The reserve account is now shown as £503,989. Other interesting items in the balance-sheet will be found compared with previous figures in another column.

Robinson Deep.—The statement for 1923 of this Witwatersrand company is a little belated, being issued in conjunction with a report of the annual meeting, held at Johannesburg in April. All round the showing made is a distinctly satisfactory one. The further reduction effected in the working cost ratio had the result, despite some decline in average revenue, of bringing out the working profit at nearly 10s per ton—a record, at any rate for recent years. The issue of debentures made at the end of 1922, plus the proceeds of the subsequent issue of "B" shares, and a portion of the 1923 profits, enabled the company to replace the revenue expended on capital account. The interim dividend of 6s just declared on the "A" shares, following upon 5s 6d earlier in the year, reduces the arrears to 4s; and unless something unusual happens, this amount will be cleared off at the end of the year with the distribution then due. For some time to come the dividends on the "A" shares will be at the fixed rate of 3s per share per annum—they will become, indeed, a kind of annuity, with the income on a progressively decreasing scale. A maiden distribution on the "B" shares should be announced next December. Although development was restricted by reason of the sinking of additional shafts, the ore reserves, at 2,248,000 tons, value 6.7 dwts, show an increase on the year of 402,200 tons, equal to nearly 22 per cent.; the total represents not far short of three years' supply for the mill. Apparently the process of "sorting" is dispensed with, at any rate on the surface.

Shamva.—Our mining correspondent writes:—At first sight the development position of this huge low-grade Rhodesian proposition does not appear particularly good, the ore reserves having fallen from nearly 2½ millions, averaging 3.5 dwts, to 1,852,400 tons, averaging a trifle less. The explanation, however, is that during the year exploratory work was confined almost entirely to proving the extent of payability of the ore bodies in the seventh level. The results obtained here are described by the consulting engineer as encouraging; and, as a result, a greatly extended scheme for the development of the mine in depth has been laid out and is being vigorously pushed forward. An interesting feature in the position is the discovery of a new ore body since the end of the year. This has now been proved for a length of 400 feet, averaging 4.9 dwts over a width of 11 feet. Such value, although above that of the general average of the mine, is not so good as at first shown; and as a crosscut at 50 feet depth gave the reduced average of 4.3 dwts, albeit over the increased width of 15 feet, the inference is that too much importance should not be attached to the higher value of the ore body. Last year's profit of £118,900 compares with £148,400 in 1922; the grade of the ore treated was lower, while costs, at 108½d, showed a slight expansion, savings in certain directions being rather more than offset by the increased expense of working at greater depth. Accordingly, the reduction in the dividend continued, the 1923 total being 22½ per cent., as against 27½ per cent. for 1922. The rate is now on a 20 per cent. basis. Still, on the whole, the outlook appears fairly hopeful.

Oversea Correspondence.

UNITED STATES.—TREASURY FINANCING—EASY MONEY RATES—POOR CROP OUTLOOK—APRIL RAILROAD EARNINGS—COMMODITIES DECLINE.

(FROM OUR CORRESPONDENT.)

NEW YORK, June 10.

THE United States Treasury's June financing, consisting of an offer of approximately \$150,000,000 of 2½ per cent. Treasury certificates of indebtedness, dated June 16, 1924, and maturing December 15th of this year, is interesting because the low rate marks a return to the pre-war basis, and because the amount of the new issue is surprisingly small. The low interest rate, of course, reflects the present decidedly easy money conditions in this country. Both call and time money quotations now current are the lowest that have prevailed since the spring and summer of 1917. On the Stock Exchange this week the call money rate dropped to 2 per cent. for new loans and renewals. Call money against bank acceptance has fallen to 1½ per cent., the lowest level for demand accommodation against bills ever quoted in this market. Bank acceptance rates on prime eligible 30 to 120-day bills have been further reduced to 2½ per cent. bid and 2¾ per cent. asked—the lowest ever recorded since a market was created here for acceptances following the organisation of the Federal Reserve system. The Treasury, naturally, has taken advantage of the pronounced easiness of money markets. At the same time, the low interest carried by the new certificates clearly indicates that the department expects no permanent stiffening of rates in the near future. The present Treasury offering, together with income-tax payments due on June 15th, and with the balance already on hand, is expected to provide for all requirements until September, when additional financing will become necessary.

The announcement of the low rate referred to, together with the further decline in money rates, stimulated active trading in the bond market, where a heavy demand developed for high-grade investment securities, particularly United States Government issues. Most of the Liberty loan bonds this week established new high records, and others reached new high levels for this year. Every Government issue bearing a 4½ per cent. interest rate is now selling at a premium of a full point or more. The recent sharp rise in prices of such securities, and the consequent lowering of the yield to purchasers, as well as the fact that only about \$150,000,000 new certificates, maturing in six months instead of one year, are to be offered in the face of Treasury disbursements this month, exceeding \$500,000,000 has caused a revival of rumours that the Government may undertake to float next autumn or in December a long-term bond issue carrying a lower rate of interest than the 4½ per cent. war loans. Reports are also current that owing to the recent sharp declines in open market money rates, the New York Federal Reserve Bank, which lowered its rediscount rate from 4½ to 4 per cent. on May 1st, may again reduce its rate in the near future.

As was foreshadowed by the decrease in the volume of freight traffic, combined earnings of all first-class railroads of the United States for April showed a heavy decline from the corresponding month of last year. Gross revenues amounted to \$474,821,580, representing a drop of \$48,482,000 from the April, 1923, total. The decline in earnings, however, was greater than the falling off in traffic. Operating revenues were 9.3 per cent. less than in April of last year, while the number of cars loaded with revenue-paying freight decreased from 3,764,266 in April, 1923, to 3,499,210 in April of this year, a loss of 265,056 cars, or only about 7 per cent. The relatively greater decrease in earnings was perhaps due—partly, at least—to a larger percentage of low-class freight carried than in the previous year. Offsetting this loss in gross earnings to some extent, the railroads reported a reduction of \$26,455,700, or 6½ per cent., in operating expenses, which totalled \$377,692,300 for last April. Net operating income for that month aggregated \$61,821,900, as compared with \$80,239,884 in March, and with

\$83,515,300 in April of 1923, the decline from a year ago amounting to 26 per cent. For four months ended with April of the present year, earnings of railroads in the eastern district were at the annual rate of 5.10 per cent. on their property valuation, in the southern district 5.51 per cent., and in western territory only 3.37 per cent., while in the north-western region the carriers showed 2.12 per cent. earned on their property investment. During April 41 railroads were operated at a loss.

For the sixth successive month, commodity prices declined, on the average, during May, Bradstreet's index number, as of June 1st—namely, \$12.2930—showing a drop of 2.1 per cent. from May 1st. Next to the decline shown as of March 1st, this was the heaviest reaction recorded in the past six months. The downward trend was quite general, though individual losses were not extreme. The June 1st number represents a decrease of 8.1 per cent. from June 1st a year ago. The decline from the peak level of February 1, 1920, is 41 per cent. As compared with the pre-war index number of August 1, 1914, the present number represents an advance of 41 per cent. All of the 13 groups of articles used in the compilation contributed more or less to the further drop last month.

The present outlook for crops in the United States is the poorest for many years. Taking the country as a whole, "the general condition of crops now growing is lower than on any June 1st during the last dozen years," says the Department of Agriculture. Unseasonable weather in most sections is blamed for the unfavourable situation. In the Pacific Coast States crops have suffered severely from unusually warm weather and drought, last month having been the hottest May there on record, excepting 1897, while in most of the States east of the Rockies the coldest May for years, with heavy and frequent rains, caused extensive crop damage. Sowing of spring grain was delayed, and a great deal of replanting was necessary. In Atlantic Coast States, from Virginia northward, present prospects, generally, are reported as close to the average, but that is true of only a few other States. Barring certain fruits, no crop for which forecasts have been made shows an average June 1st condition. While June 1st estimates are not a reliable indication of what the actual harvests will be, it is evident that all crops have had an exceptionally poor start.

The further heavy shrinkage in the United States Steel Corporation's unfilled orders shows how pronounced has been the falling off in new steel business this season. The corporation reports that unfinished orders on its books, as at May 31st, totalled 3,628,089 tons, as against 4,208,447 tons on April 30th, representing a decrease last month of 580,358 tons. The loss during May brought the aggregate amount of business on hand to the lowest level since November, 1914. For April and May the total decrease amounted to 1,154,718 tons. The corporation's shipments last month approximated 1,000,000 tons, while incoming business totalled only about 600,000 tons, indicating that orders to the extent of about 180,000 tons were cancelled. At the May rate of shipments, the leading producer now has about four months' business on hand. The steel situation generally in this country shows no definite change for the better, although the Steel Corporation's unfilled orders are not likely to suffer such a heavy decrease this month, since shipments will probably be smaller than in May. As the summer is usually a dull period, and political considerations are causing unsettlement, no material increase in steel business is expected during the next month or two.

GERMANY.—CABINET AND CREDIT—FINANCES—CURRENCY—PRICES—BANKS IN 1923.

(FROM OUR CORRESPONDENT.)

BERLIN, June 17.

THE credit crisis threatens to develop into a conflict between the Cabinet and the influential business circles which suffer from the deflation policy. The latter have the support of many disinterested experts. The main point of dispute rages around the Reichsbank's methods. It is held by the Government's critics that more liberal credit-giving, even though it must bring an increase in the currency circulation, is the only remedy. The Government and the President of the Reichsbank believe

that the crisis has permanent causes, being due to a real exhaustion of capital. The exhaustion naturally became visible only after inflation ceased supplying a delusive remedy by transferring what little real capital there was out of the pockets of the mark interests into those of business. Dr Schacht's view is that although increased production, if combined with economy at home, would slowly replace the lost capital, the only rapid remedy is long-term foreign credits, here including investments in German securities; and Dr Schacht holds that these credits will not be had until a Reparations settlement gives private foreign investors a real sense of security. In a conversation last week with your correspondent, Dr Schacht pointed out that many German investments which are materially well secured—some of the "stable value" loans, and also mortgages—yield from 12 to 18 per cent. Therefore, in view of the sensitiveness of international capital to even small interest differences, money might be expected to flow into Germany if political conditions were normal. The security question, however, is not merely material, but also political; at present such foreigners as are inclined to lend or invest ask not only whether the security is good and realisable, but also whether (after the Ruhr experience of 1923) there is risk of particular German properties being directly expropriated by the Allies in case no Reparations settlement is arrived at.

Meantime the Reichsbank is determined not to expand credit and inflate. The Minister of Finances, Dr Luther, says with some truth that "the German nation has too quickly forgotten how things formerly were..... If we again resort to inflation we shall bring a catastrophe." Repeating that foreign credit is necessary if production is to continue, Dr Luther points out that the present circulation (gold value) is more than three times that of inflation times. The first effect of the Rentenmark's creation was to produce certain inflationary phenomena; for some weeks the new currency was seriously threatened by its very low home buying power. This threat was soon overcome, and the Rentenmark currency has to-day full gold value. The balanced State finances, which are an outcome of this, are in opposition quarters represented as being too well balanced. In January-May inclusive, for instance, the Government bought back out of its surpluses 477,900,000 gold marks of Gold Loan. The redemption was primarily a currency operation, because the Gold Loan mostly circulated in small units as emergency money. This measure is condemned on the ground that neither deflation nor a reduction of debt was necessary. A former Minister, Prof. Julius Hirsch, declares that the Reichsbank, instead of refusing credit, ought to raise its discount rate until it gets within reach of the interest rate prevailing in the private market. This would encourage savings, and it is more important to increase the supply of credit than to maintain a low rate and to have practically no credit. Dr Hirsch holds that the Reichsbank's present rate should be at least doubled, and he expresses disbelief in the official theory that only foreign capital can end the crisis. Various industrial associations have attacked the official policy on the same grounds.

The Federal finances show remarkable stability. Those taxes which come in continuously have in the last report periods shown almost equal yields, and the whole yield in May was almost exactly equal to that of April. The following table gives (in gold marks, or billions of paper marks) gross receipts for May and for the first two months (April-May) of the new financial year.

Direct taxes—	May.	April-May.
Permanent.....	420,190,153	855,887,458
Non-recurring	4,619,425	17,933,120
	424,809,579	853,820,579
Customs and Excise	92,572,464	185,131,958
Export duties and bread levy .	1,096,366	3,060,961
Other revenue	258,935	508,404
	518,737,345	1,042,521,904

The largest yielder is income-tax, which in May brought 162 million gold marks, whereof 88 millions in form of deductions from wages and salaries, and in April-May 313 millions, whereof 167 millions from wages and salaries. After this come the 2½ per cent. Sales Tax, which yielded 134 and 291 millions respectively; Property

Tax, 38 and 61 millions; Tobacco, 36 and 70 millions; Corporation (Income) Tax, 22 and 48 millions; Customs, 22 and 43 millions; beer, 13 and 23 millions; sugar, 10 and 23 millions; Bourse transfers, 10 and 22 millions. The tax on railway passenger fares yielded 8 and 17 millions; on freight, 11 and 20 millions. Details of the Federal debt, of which the total was given last week, are :—

	April 30th. Millions of Gold Marks.
Funded—	
Paper-mark Debt	0-0
Stable-currency Debt—	
Dollar Treasury Bills	210-0
6 per Cent., redeemable 1935	214-0
" " 1932	52-0
	476-0
Floating—	
Rentenbank Credits, non-interest bearing	200-0
" " interest bearing	900-0
Rentenmark Treasury Bills	158-2
	1,258-2
	1,734-2

The cost of execution of the Peace Treaty in the six months October, 1923-April, 1924, was 460,468,716 gold marks, of which 313,473,856 gold marks was for the Army of Occupation, 24,815,264 gold marks for reconstruction deliveries, 12,702,338 gold marks for the English levy on German export prices, and 11,893,917 gold marks for coal, coke, and by-product deliveries.

The *Frankfurter Zeitung's* half-monthly price index shows for June 12th (98 commodities) 141.32, against a high point this year of 152.34 on April 15th, and a high point since the currency stabilisation of 164.96 on November 29, 1923. The group textiles and leather is 196.63, food 129.54, minerals 132.90, miscellaneous 127.10, industrial finished goods 141.10.

All the leading banks have now published their balance-sheets and profit and loss accounts for 1923. The former, as some of the reports emphasise, are entirely fictitious, and this is shown at once by the fact that some banks do not enter their capital and reserves among liabilities, these being paper mark sums of no value, while most write off their chief assets—buildings, securities, and shares in various undertakings—to sums of 1 gold mark or even 1 gold pfennig each, sums which nevertheless far exceed the capitalisations. The texts of the reports make it quite clear that the banking boom ended with the inflation. This has relieved the banks, which report having closed down numerous local branches and discharged very large numbers of employees. The seven biggest banks have got rid of 50,000 out of 150,000 officials employed in the autumn of 1923. The number of persons employed in all banks at that time is estimated at 375,000, as against about 100,000 in 1913. With exception of the Berliner Handelsgesellschaft, which alone retains its pre-war capitalisation, and pays 1 per cent., no dividends are declared. The banks have devoted their net profits to compensating themselves for "loss of substance"—i.e., the loss through depreciation of their own gold mark capitals. In view of the mark depreciation 1923, comparisons of profits with those of former years have no meaning. The profit and loss accounts show :—

	(Billions of Paper Marks.)	
	Gross Profits.	Administration and Taxes.
Deutsche	24,466,208	22,888,190
Disconto	13,768,722	13,768,722
Darmstaedter	28,483,003	17,102,049
Dresdner	24,415,203	15,006,269

The liabilities of the seven banks on December 31, 1923, totalled 1,161,800,000 billion paper marks, which, reckoned in gold at exchange of one to one billion, is less than a fifth of the total of liabilities (6,067,900,000 marks) in the balance-sheets for 1913. The composition of the assets of the banks has been radically changed through the disappearance of paper mark Treasury bills, which after 1913, and in particular in the first post-war years before commercial bills came back into use, formed the chief, and an immediately realisable, investment. In the assets of the banks also private bills play a very small rôle, totalling for the seven banks mentioned only 39,000,000 billion paper marks, as against cash

106,900,000 billions and 426,800,000 billions balances with other banks. Owing to the disappearance of Treasury bills, the liquidity of the banks is much lower than in former years.

SPAIN. — RECONSTRUCTION — FOREIGN TRADE — TRADE BALANCE—EXCHANGE—DEVELOPMENT PLANS.

(FROM OUR CORRESPONDENT.)

MADRID, June 14.

THE work of the Military Directory has slackened its pace, and in the meantime several commissions appointed to report on various problems have been going on with their work. The Budget is being prepared for July 1st; the Railway Council has finished its report on the all-important railway question and the probable adoption of the conclusions by the Government will place the lines on a paying basis and stop the Government advances. Other commissions are studying a system of agricultural credit, monetary and foreign trade policy, Civil Service organisation, the application of the new municipal system, &c.

Whatever may be the outcome of the present attempt to cure Spain of the plague of our old politicians, the country has already recognised the good intention and hard work of the men engaged in the enormous task of renewing the whole organisation of the State.

Foreign trade figures for last year are compared below with those for 1922 :—

(In Millions of Pesetas.)

	1922.	1923.
Total imports	3,033	3,059
" exports	1,449	1,596
Trade balance	-1,584	-1,463

These figures denote some improvement, as exports are up by 10 per cent., while imports remained practically the same. The unfavourable balance is therefore 121 millions less than in 1922.

Of course, trade payments do not make up the whole economic balance of a country, and it is very difficult to establish for Spain the approximate amounts of invisible exports and imports, owing to lack of good statistics. There is no doubt a balance against us in freight and insurance, but, on the other hand, interest on investments and on foreign balances abroad is largely in our favour. During the war Spain passed from the position of a debtor to that of a creditor country; practically all the external debt and railway shares were bought back; speculation in highly depreciated currencies have ended in the buying of securities of the respective countries; while other investors, trying to avoid the depreciation of our own currency, bought sterling and dollar securities. Tourist traffic is increasing yearly, and certainly exceeds the expenditure of Spaniards abroad, and there is, besides, the money regularly sent to this country by the Spanish communities in South and North America, which is a very considerable item, and has been estimated at 550 million pesetas for 1922. All these items go to compensate to a great extent the unfavourable merchandise trade balance.

There is another good reason for this assertion. If we have imported 1,500 million pesetas more than we have exported, it has not been paid for by inflation, as the note circulation remains without any considerable alteration and bank deposits have rather decreased. It has not been met with gold or silver, because the gold stock at the Bank of Spain is unchanged, and the total exports of both metals only amounted to 3 million pesetas in 1923. We have not settled the account by having recourse to foreign credit, because there have been no issues of Spanish securities abroad nor any appreciable import of foreign capital in Spain. In the general trade balance there is nothing to justify the depreciation of the peseta to the present level. The peseta has been slowly receding from its previous improvement, quoting between 31.40 and 31.95 to the pound in May, and falling to 32.08 on June 5th, while the dollar was quoted between 7.16 to 7.30 during that month, and 7.43 on June 5th.

The commercial treaty provisionally signed with Great Britain in October, 1922, was duly ratified by exchange of

notes on April 23rd last. The *modus vivendi* which regulates our commercial relations with the United States of America has been extended by another year until May 5, 1925, and it is expected that during the year a new agreement will be negotiated with that country. The commercial treaty with Japan has also been extended for a year.

The possibilities of Spain for industrial development are attracting foreign capitalists. At the present moment there are two proposals under examination by special commissions appointed by the Government. One of them refers to the establishment of a complete system of automatic telephone service all over Spain. A company has been already registered with a provisional capital of 1,000,000 pesetas, which may be increased to 100,000,000 pesetas in ordinary shares and 200,000,000 in preferred shares. The promoters are a group of telephone companies of the United States in connection with some of the more important Spanish banks. The other scheme, which has aroused a very great deal of criticism, seems to be backed by well-known banking and financial houses of London and New York, and aims at the construction of electric railways from the French frontier to Algeciras, the direct line from Madrid to Valencia, and two other lines in the South, with a total length of 2,500 kilometres. On the basis of this railway system, they would develop several electric, mining, and chemical industries. But the request is made for a Government guarantee of 5 per cent. interest on a capital of 3,000 million pesetas, at which they fix the cost of the railways, which would be finished in five years' time, passing immediately to the property of the State, and leased to the company for 60 years at a rent of about 200 millions yearly. The scheme is certainly taking, but its opponents state that the projected railways have not been well chosen in relation to the most urgent needs of the country. Public comment has subsidised pending the recommendations of the experts appointed to study the scheme.

AUSTRIA.—POLITICS AND THE LEAGUE—ECONOMIC POSITION—MONEY AND STOCKS.

(FROM OUR CORRESPONDENT.)

VIENNA, June 1.

THE main interest of political circles is at present concentrated upon the forthcoming session of the League of Nations Committee in Geneva. The differences prevailing between the Austrian Government and Political Parties on the one hand, and the League of Nations Commissioner-General on the other hand, especially with regard to the so-called "Normal Budget," have been recently somewhat alleviated. In 1922 the League of Nations Committee, when working out the Reconstruction Scheme, proposed that the future "Normal Budget" (i.e., the Austrian Budget after clearing off the deficit) should amount to 350 million gold kronen. The Austrian Government, which even then considered this figure much too low, now intend to propose that the League of Nations should fix the "Normal Expenditure" at 530 million gold kronen—the Commissioner-General, however, wishes this amount reduced to 490 million. Besides this, the Austrian Government will also ask the Committee's consent to use part of the balance left from the League of Nations' loan for economic investments, especially for the construction of hydro-electric plants and the improvement of agriculture, both of which are the only means by which the present most unfavourable balance of trade can be gradually improved. The position of the present Government will be greatly influenced by the result of the negotiations in Geneva, which, if favourable, will disarm the Social Democratic opposition.

The critical situation on the Vienna Stock Exchange, of course, made its influence felt on economic conditions in general, and led to serious consequences for some banking and trading firms. However, the various alarming rumours spread abroad regarding the financial situation of Vienna lacked all foundation, and were partly traceable to speculative purposes. As a matter of fact, no firms of any great size, with one exception, have got into difficulties—and even this one is solvent, and was only rendered temporarily illiquid by the speculations of some of its directors; its management has now been taken over

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by the five largest Vienna banks. The banks which actually did collapse are small concerns of no importance and nearly unknown abroad. Some of the post-war bankers, whose business was merely based on speculation during the period of inflation, have disappeared, and this process of purification, due to the gradual return of normal times, will presumably take its natural course in the near future. In commerce also numerous insolvencies have occurred during May, mostly due to losses on the Stock Exchange and to losses by speculative purchases of French goods against credit, especially in the jewellery, textile, wine, and metal trades. It seems, however, that the worst is over.

A symptom that the economic crisis has passed its culminating point may be seen in the decrease of the number of unemployed, which during the month of May fell from 106,264 to 84,180.

It is also worth noticing that, although economic conditions have been continuously becoming worse since the beginning of the year, the total of savings deposits in Austria has steadily risen. These deposits on January 1st were 596,000,000,000 kronen, and by April 1st had risen to 791,000,000,000 kronen. The index figure for the cost of living, which during March and April remained stationary at 11.950 (as against 1 in July, 1914), shows for May an increase of 2 per cent. to 12.210. In view of the present economic depression the Government has brought in a Bill by which the corporation profits tax will be reduced from 50 per cent. to 36 per cent. of the net profits, and the surtax on dividends above 15 per cent. will be cancelled. If economic conditions do not improve soon it is to be feared that the returns of public revenue, which so far have been very favourable, will fall off considerably.

The new Tariff Bill now under discussion in the Parliament provides for a big increase of duties on a great number of goods. In this Tariff Bill, which has the protection of Austrian industries in view, the Government, in order to overcome the opposition of the farmers, was obliged to introduce duties on articles of food, such as 2 gold kronen on grain, 6 gold kronen on flour, 3 gold kronen on rice, &c. (all per 100 kg). These duties, which are comparatively high for a country which is not self-supporting, will certainly cause a considerable increase in the cost of living. On the other hand, it may be hoped that the higher duties will somewhat restrict the consumption of luxury articles, the import of which during last year became excessive and had a very bad influence on the balance of trade.

As may be easily conceived, the National Bank has had to satisfy increased demands for credits during the last six weeks. The amount of bills discounted rose from 1,731,500 million kronen on April 1st to 2,224,600 million kronen on May 15th. During the same period the gold reserve of the bank diminished from 4,060,500 million kronen to 3,715,500 million kronen. During the first ten days of May the Stock Exchange continued dull. Owing to forced sales of very large blocks of shares prices crumbled away every day, although the "Supporting Syndicate" formed by the big banks did its best to take up all the shares offered. On May 10th, however, severe measures against "bear selling" led to extensive covering and to a change in the tendency of the market. Since then there has been but very little business on the Stock Exchange, so that quotations remained more or less stable. Now the large holdings of shares have passed from weak into strong hands, it would seem that the worst of the crisis has been overcome. The present low quotations of shares have at least the advantage that the dividends so far declared for the year 1923, which are all much higher than last year, show a fairly adequate return on the shares. The Creditanstalt, e.g., will pay this year 9,000 kronen, as against 3,200 kronen last

year, the Boden Credit Anstalt 12,000 kronen (3,600 kronen), the Escompte-Gesellschaft 15,000 kronen (3,000 kronen), the Unionbank 8,000 kronen (2,500 kronen). These dividends in general correspond to a return of 4½-5 per cent., as against ½ per cent. last year. The activity on the money market also in May was completely devoted to the settlement of forward engagements in French francs. Although these were very extensive, the Clearing Office of the National Bank succeeded in squaring them all.

ARGENTINA.—THE GENERAL OUTLOOK—PLANS OF FINANCIAL REFORM—INCREASING PRODUCTION.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, May 26.

COMMERCIALLY and financially considered, the immediate situation in Argentina is difficult to define. Conditions are not on the whole different to those existing at any time during the past five months, and yet there is in the air a certain feeling of malaise; faint, it is true, but at the same time far too general to be pleasant. The trouble over the Pension Legislation, known as Law No. 11,289, has blown over temporarily, but may be revived at the end of the current month, unless Congress has met and taken in hand the re-drafting of the measure—which the politicians seem in no hurry to do. This is all the more unfortunate, seeing that there are many important financial measures in the wind which must, if put into practice, react directly on both finance and trade. Even if, owing to party obstructionism, their discussion and eventual decision is allowed to drag on to the end of the session, the effect upon business can only be described as clogging, and, taken in conjunction with the complicated position of the Republic's national finances, must be prejudicial all round. Schemes of divers sorts are spoken of, mostly in semi-official journals and bureaucratic circles whose opinion carries weight. Thus Dr Oria, sub-secretary of the Minister of Finance, has publicly confirmed a Press comment on the plans of that Department of State, saying that the Minister has finished his draft measures for the introduction of income-tax, for reforming the legislation relative to the banking system of the Republic, for improving the actual currency régime, and for implanting a taxative system adequate to the country's economic progress. None who are well informed regarding Argentina's general position can fail to grasp the importance of such a statement. The basic idea appears to be that with all the proposed reforms and modifications simultaneously put into force, there will be solved, and that on permanently successful lines, the major, if unmentioned, problem of the internal consolidation of the Republic's floating debt, while the cause of the debt—to wit, the recurrent Budget deficits—will be for ever wiped out. Viewed thus broadly, the idea is attractive, but the practical difficulties in the way are far too many and too complex to allow of even a Ministry of Finance blessed with almost dictatorial powers bringing it to a successful issue.

Incidence of taxation in Argentina is incredibly uneven, owing to the fact that pastoral and agrarian proprietors are not only the wealthiest class in the country, but also exercise great political influence. They have escaped the impositions of the Pension Law, which, as things at present stand, is a direct tax on trade and industry amounting to some 12 per cent. of the wages list, and it is very certain that they will for many years to come be but lightly mulcted in respect to income-tax as compared with firms and individuals whose annual receipts can be easily ascertained. Banking legislation and the reform of the currency must affect the very root of the actual Argentine system of values, and revision of the tariff of values for the calculation of Customs dues will inevitably

drive the cost of living still higher than it is at present. Under the Pension Law there should flow into the national treasury, via the Banco de la Nación, between \$30,000,000 and \$35,000,000 paper monthly, to be invested in Government bonds, while further sums would be obtained by making it incumbent on the banks to hold a certain percentage of their deposits in similar securities. In a word, if the measures foreshadowed are all put into operation at once, Argentina is perforce faced with nothing less than a monetary revolution, which, while it may be productive of eventual good, runs very grave hazard of disaster in the event of an unforeseen *contretemps*—e.g., a severe monetary crisis in Europe or the United States, throwing out of gear the very complicated financial mechanism which all these changes must connote. Thus, to illustrate what is perforce rather confused reasoning, during the past month the Ministry of Finance has renewed six months' Treasury bills at 3½ per cent. per annum, but at practically the same time it has borrowed from local banks some \$25,000,000 paper for six months, leaving *Credito Argentino Interno 1923* bonds as collateral, the rate of interest being 4½ and 5 per cent. in the two institutions making the advances. Moreover, a sum of \$4,093,780 gold has been withdrawn from the Conversion Office in the shape of American eagles, for shipment to New York. There bills on London, or other forms of remittance, will be arranged in order that the June service of the foreign debt £884,000, may be met without the Treasury suffering a loss in exchange. This is the first direct withdrawal from the Conversion Office, and therefore the first actual contraction of the circulating medium, the paper dollars, now reduced by \$9,304,045.45, standing at \$1,353,259,939.41. Nothing in itself, this step must greatly strengthen the argument of those who would have the Conversion Office restored to its full uses and the shipment of gold open to all and sundry.

One has, however, to take into account the steady production of the country and the almost equally steady expansion of the producing field. Cotton in the Chaco has now gone well beyond the experimental stage, and if the price of the staple is not brought down to any serious extent during the next twelve months, expansion in this direction is reasonably sure. Colonisation on modern lines is also projected by the Ministry of Agriculture, and, provided that the essential is supplied—namely, land for the newcomer to work and eventually own—general benefit is assured. High cost of living and inordinately slow official procedure, coupled with red-tape methods directly descended from the days of King Philip of Spain, are the greatest practical drawbacks to increase of colonists as opposed to mere wage labourers, as the present Minister of Agriculture, Dr Tomas Le Breton, has publicly admitted. Extension of the State Railways is for the time being somewhat in abeyance, but there has again been published a rumoured offer, from British sources, of funds wherewith to consolidate the \$120,000,000 paper which represents the floating debt of that department, and a scheme for carrying out further construction, the whole being secured by a debenture charge on the system, or a part thereof. No particulars are yet available, but Dr Molina, Minister of Finance, has discussed the matter with the Minister of Public Works, and, provided the terms are not too exigent, something may come of the proposals, which are obviously of mutual benefit to both Argentina and Great Britain. As an offset to this possible British business may be put the important *ad referendum* agreement made between the Municipality of Buenos Aires and an American contracting firm, under which the latter are prepared to carry out and finance the extension of the North Diagonal avenue—two squares of which are already in existence—free of all cost to the city. The extension would run to about 1,200 yards in length, and a round sum of \$150,000,000 paper is mentioned as the possible outlay, but until the Municipal Commission have approved the proposals, further comment is useless. All one may say is that while such a great artery would be of unquestionable benefit to traffic, and beautify the city exceedingly, past experience has shown that opening up avenues through thickly thronged and valuable property works out in practice at a figure far in excess of the highest preliminary estimates.

Letters to the Editor.

"PROFESSOR CASSEL ON THE GOLD STANDARD."

TO THE EDITOR OF THE ECONOMIST.

SIR,—In your interesting article on Professor Cassel's paper which he read before the Institute of Bankers on the 11th instant, you estimate that a return to parity of exchange with America would involve a further fall in prices in this country of about 10 to 15 per cent., and that if this took place it would entail further unemployment. You state we cannot risk this serious check to industrial recovery. With all respect, I would ask, Will this fall necessarily take place, and will it involve a check to the recovery of trade? I doubt it. On the contrary, we are so near to parity now, and the confidence which would be engendered by a bold declaration that Great Britain intended to resume specie payments on a particular date would, I believe, give stability to prices, lead to an improvement in national credit, and therefore an expansion of credit, and would stimulate trade and commerce enormously.

Much as I should like to see a reduction in the American tariff, I am afraid there is little hope of that happening at present. We must rely on ourselves, and as I have stated above, I believe such action would be beneficial, and our example would be followed by others. All of which will hasten, not check, that industrial recovery which we all desire to see. There is also a moral obligation thrown upon the Treasury and the Bank of England to maintain the convertibility of their notes, which many people think is now getting overdue.—I am, Sir, your obedient servant,

D. M. MASON,
Chairman, Executive Committee Sound
June 16th, 1924. Currency Association.

Books and Publications.

AGRICULTURAL STABILISATION.*

BEFORE discussing "The Agricultural Crisis," the author might usefully have defined it. He gives a number of tables and diagrams showing the rise and fall of prices of commodities, including farm products, during and after the war. The familiar course of the post-war boom and slump is clearly set out, and the existence of a world-wide economic crisis is demonstrated. The long history of British agriculture is punctuated by crises, from that of the fourteenth century to that of the "nineties." The symptoms are well known and easily recognised. Rents of farms tumbling down, farms unlettable at any rent, land neglected and derelict, and agricultural land unsaleable. No such situation is suggested in this book, although it is, of course, apparent that farmers—as well as landowners—were seriously affected by the difficulties of the time. The author has evidently studied carefully the general facts of the period with which he deals, and in the latter part of the book he has something valuable to say with regard to agricultural co-operation. But his grasp of the agricultural situation is a little uncertain. For example, he notes with surprised italics that the return of arable land to grass "actually preceded the fall in prices." Of course it did. Land converted into arable by compulsion naturally returned to pasture when the compulsion was removed. Before the war the proportion of arable land was 45 per cent.; in 1918-19, by ploughing up orders, it was raised to 50 per cent., and it has now fallen to 47 per cent. That is, briefly, the story. Again, the author rightly insists that the sudden slump in prices cannot be accounted for by a general shortage of supplies. While wheat was under control imports had obviously no effect on current prices, but in any case the quantities of wheat landed in this country in any period do not fix the level of prices, which is settled in the world markets. In regard to potato prices, which are normally governed by the home crop, the result of State control

* "The Agricultural Crisis, 1920-23." By R. R. Enfield. Longmans, Green, and Co. 10s 6d net.

was to reverse normal conditions. The crop of 1916 was one of the smallest on record, and prices would have been almost unprecedentedly high if the market had been free. The Food Controller unwisely fixed prices at a normal level, and thus prevented the operation of the ordinary check on demand. The 1917 crop was nearly a million tons in excess of normal demand, and in a free market potatoes would have been abundant. An elaborate and unnecessary system of controlled distribution was put in force, which had the effect of checking consumption and creating local scarcity, while thousands of tons were wasted. In such circumstances prices are meaningless for economic argument.

The book has four chapters, and it is the last which mainly gives it value. The chapter is entitled "Stabilisation," but its main interest lies in a description of the movement in the United States for co-operative marketing, and a discussion of the possibilities of adopting corresponding methods in this country.

The dual problem of stabilisation is stated thus:—

- (1) The stabilisation of the purchasing power of money, which concerns all commodities and all industries, and
- (2) The stabilisation of the prices of specifically agricultural products, where stability is due to other than monetary causes.

It is added that "the two problems are totally different in character as also in their method of solution." This is undeniably true, but it appears to involve the conclusion that nothing is gained by attempting to treat them as one. The stabilisation of prices, whether of agricultural or other commodities, is a question of monetary policy. If a stabilising policy were successfully adopted, it would not necessarily make farming more or less profitable, or affect the relation of agricultural prices to the general level of prices.

"Stabilisation" is a word very much in vogue at present, and it is not surprising that those who are concerned about the future of British agriculture should be attracted by it. There are only two methods by which prices of agricultural produce can be stabilised for the benefit of the producers. One is to form a combination or ring. Mr Enfield observes that "collective trading applied to agricultural commodities is a proved instrument of stabilisation." The dictum does not apply only to agricultural commodities, but it has already been applied pretty effectively to the milk supply in this country. Obviously, if producers are sufficiently organised they can stabilise prices. The other method is by State control, a method which is naturally advocated by the Socialist party. In both cases, of course, the consumers pay, either by higher prices or, under State control, by taxation.

Co-operative marketing as developed in the States may or may not succeed in "stabilising" or maintaining prices against the consumer, but short of this it confers a substantial advantage on the producers by "pooling" supplies, organising distribution, and eliminating the effect of forced sales by weak holders. These are laudable and legitimate objects, and the result is, in a sense, to "stabilise" the price realised by individual producers. But to fix prices of natural products in such a way as to ensure that all producers, in every season, whatever their degree of efficiency, will make a profit, is not stabilisation but Protection, however the process may be camouflaged.

BOOKS RECEIVED.

- Population and the Social Problem.* By J. Swinburne, F.R.S. (London) George Allen and Unwin, Limited. 15s net.
- Social Insurance: What It Is and What It Might Be.* By Alban Gordon, B.Sc., F.C.S. (London) The Fabian Society and George Allen and Unwin, Limited. 6s net.
- The World Unbalanced.* By Gustave Le Bon. (London) T. Fisher Unwin, Limited. 12s 6d net.
- Factory Costing.* By H. H. Emsley, B.Sc. (Eng.). (London) Constable. 7s net.
- The Indian Constitution: An Alternative to Dyarchy.* By Sir Prabashankar Pattani, K.C.I.E. Second edition. (London) Chiswick Press.

Russian Debts and Russian Reconstruction. A study of the relations of Russia's foreign debts to her economic recovery. By Leo Pasvolovsky and Harold G. Moulton. (London) McGraw-Hill Book Company. 12s 6d net.

Looking Ahead: a Re-statement of Unionist Principles and Aims, with Speeches by Right Hon. Stanley Baldwin, M.P. (London) National Unionist Association, Palace Chambers, Bridge street, Westminster. 6d.

The Canada Year-Book, 1922-23. (Canada) Dominion Bureau of Statistics, Ottawa.

Handbook of the Netherlands East Indies. Edition 1924. (Java) Division of Commerce of the Department of Agriculture, Industry, and Commerce, Buitenzorg.

Zanzibar: An Account of Its People, Industries, and History. (Zanzibar) The Local Committee of the British Empire Exhibition (1924).

Stock Exchange's Ten-Year Record of Prices and Dividends. Compiled by Fredc. C. Mathieson and Sons. 1914 to 1923, inclusive. (London) Fredc. C. Mathieson and Sons, 16, Copthall avenue, E.C. 2. 20s.

The United Kingdom Stock and Sharebrokers' Directory. 33rd edition, 1924. (London) Spottiswoode, Ballantyne and Co., Limited. 7s 6d net.

Atkin's Manual, 1924. (London) Geo. D. Atkin and Co., 1 Drapers gardens, London, E.C. 2.

Cancer: How it is Caused and How it Can be Prevented. By J. Ellis Barker. (London) John Murray. 7s 6d.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET,
June 24.

ACCOUNT,
June 25.

The strength of gilt-edged securities stands out as the principal feature of a Stock Exchange week that has not been marked by much activity in any particular class of securities. New issues are being readily taken by the public, and the stag brigade is once more active in applying for any stocks and shares from which there seems to be a prospect of snatching a quick profit after allotment. It is not, however, every new issue that commands a premium, and such shares as Goodrich Preference, Imperial Airways, Assam Consolidated Tea and Caroni Sugar, are amongst those which have fallen to a discount. The success of other offers, however, encourages a good many companies to inquire whether the present is not a propitious time for raising more money, and several important new issues are known to be in readiness to put in an early appearance. Stock Exchange attendance has been affected this week by the bright weather which prevailed at the Ascot meetings.

The War Loan has shaken itself free from adverse influences which were keeping down the price, and has advanced sharply, its improvement being accompanied by rises in Victory bonds, Funding, the Conversion loans, the old War loans and about a score of county and corporation stocks. There is still talk every now and then of a possible stiffening of money rates, owing to the way in which the New York exchange continues to go against the pound sterling, but such apprehension has no effect at present upon the Consol market. Rumour again toys with the possibility of an India Government loan.

The Argentine Republic and Brazil are both said to be contemplating the issue of new loans, and other fresh borrowers are declared to be ready to take advantage of any tempting opportunity for raising new money. This tends to keep back, to some extent, the prices of existing securities, though foreigners on the whole are firm, and modest advances have been scored in a good many cases. The market in French issues has quieted down, and what speculation goes on is mainly on behalf of Continental operators.

Home Railway stocks continue to benefit to some extent from the breakdown of the recent Tube strike, but the public are not buying much in this market at present, evidently fearing lest there may be another outbreak of trouble before long. American Rails are good, and Canadian Pacific rose to 170½ upwards. Grand Trunk Pacific debenture, on the other hand, has declined, because of the uncertainty felt in regard to a payment on account of the interest. Amongst foreign rails, San Paulo gave way noticeably. Argentine stocks maintain a fairly steady appearance, and Antofagasta, after touching 90 on a satisfactory meeting, went back from the best.

With rubber down to 10½d per lb, no inducement is offered to regalanise the share market. Tea shares have been heavy as a whole, in spite of the good dividends now in course of declaration. In the oil market, the Shell report caused weakness in the price of the shares by reason of the contraction shown by profits as compared with those of last year. Rumours of the discovery of another well put up Mexican Eagles, and Lobitos advanced to double figures, on the hope of a bonus share distribution in the near future. The rest of the oil list has been moving somewhat erratically. Textiles are very quiet. The banking market keeps good, and insurance shares steadily improved. Prudentials have been a feature of strength on a rumour, officially denied, to the effect that there is to be a bonus issue.

Crosse and Blackwells weakened, on appearance of the drastic reorganisation proposals. Dunlops are not much affected by the failure of the directors to carry their reconstruction plan, and by the decision arrived at last Monday to appoint shareholders representative of each class, to confer with a view to putting forward some fresh plan. Shipping shares are extremely placid, though the pre-ordinary stocks are good all round. Egyptian issues of various kinds strengthened, because of encouraging reports received in regard to the cotton crop.

In the iron and steel list, Ebbw Vales reacted after a little spurt on news that the company is going to pay off part of the dividend arrears on the preferences. Howard and Bulloughs gave way on the report. Catering shares are steady, though Lyons continue somewhat heavy, owing to the slight disappointment felt with the 25 per cent. dividend. Other catering shares, together with those of the stores and similar companies, show no special feature. Mexican Utilities weakened, on the diplomatic difficulties which have arisen between this country and Mexico, while Marconis are weak, and cable stocks again gave way, the latter after the issue of the Eastern report. Trust companies' stocks pursued their monotonous and satisfactory upward direction. Nitrates attract little public interest, and newspaper shares are neglected. British Ropes ordinary were "introduced," on Thursday, at 23s.

The result of the South African elections came as a mild shock to those who had been looking for General Smuts to secure a small majority, but prices failed to yield ground to any particular extent, though business was certainly checked. East Rands gave an extraordinary exhibition of strength, on the developments, and the prospects of a dividend in the near future. Chartered gave way, on declaration of a dividend of 6d per share net, which is not to be paid until November 3rd. Humourists argue that the payment of a dividend by the Chartered Company will remove the shares from the speculative area, with all the attraction that this atmosphere gives them. Tin, the metal, started to recover, and this exercised a beneficial effect upon West African, Cornish, and Malayan tin descriptions. Canadian mining shares have been heavy, with Mexicans also hanging fire. The copper market is a little unsettled. Proposals to amalgamate Ivanhoe with the Lake View and Star Company caused a sharp rise in the price of the former without affecting the latter. Russians are scarcely mentioned.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£	£	£	£
4 % Treasury Bonds by public tender, June 13, 1924, £250,000, at £94 13s 2½d	250,000	93,409,332	..	..
1924 13s 2½d	..	236,650	..	..

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED JUNE 14, 1924.

	April 1, 1924, to June 14, 1924	Dr1,050,000	£	£	Dr150,000
To the Public—					
The Commissioners for the Port of Calcutta, £1,000,000 5% Debts, to Bearer (rep. at par 1924-24) issued at 90%	1,000,000	900,000	..	100,000	800,000
Shropshire, Worcestershire and Staffordshire Electric Power, £650,000 5½% First Deb. Stock to redeem £611,187 outstanding First, Second and 10 year Gtd. Debenture Stock, rep. at par 1928-1963, issued at 97½%	38,813	37,843	..	1,941	35,902

United Dairies, Limited, 250,000 6% Non-Cum. Pref. Shares, £1, at par ..	250,000	..	25,000	..	225,000
Do 150,000 Ord. Shares, at 32s per share ..	150,000	..	240,000	..	225,000
Brisbane Water Supply and Sewerage £1,000,000 5% Stock, 1949, issued at 94% ..	1,000,000	..	940,000	..	890,000
British Ropes, Lim., 800,000 6½% Cum. Pref. Shares, £1, at par ..	800,000	..	800,000	..	700,000
Total offered to the public ..	..	3,167,843	..	291,941	2,875,902
To Shareholders only—					
R. and J. Hill, Lim., 33,952 Ord. Shares, £1, at par ..	33,952	..	33,952	..	25,464
Southdown Motor Services, 50,000 Ord. Shares, £1, at par ..	50,000	..	50,000	..	37,500
Total offered to shareholders only ..	..	83,952	..	20,988	62,964
Total offered for subscription to date ..	..	3,251,795	..	312,929	2,938,866
1924 ..	96,747,777	..	271,393,173	..	174,644,664
1923 ..	176,818,661	..	573,675,650	..	396,856,989
1922 ..	442,942,194	..	388,978,203	..	55,963,991
1921 ..	118,304,913	..	367,549,656	..	249,244,743
1920 ..	227,131,824	..	1,036,069,951	..	808,938,127
1919 ..	384,380,447	..	1,593,381,441	..	1,208,999,994

Brisbane Water Supply and Sewerage 5% Stock, 1949.—Issue of £1,000,000 stock at £94 per cent. The principal is repayable at par in London on July 1, 1949. The area in which the board operates comprises 738 square miles approximately, including the City and Port of Brisbane, the City of Ipswich, and the Ipswich Coalfields. The population of the area is 263,000. The board was originally constituted in July, 1866, for water purposes only, and in 1909 its operations were extended to include sewerage. The board has already spent on water supply and sewerage works £5,063,563, and the revenue derived from the water services alone for the last six years was:—

	Revenue.	Surplus.
£	£	£
1918	141,477	12,967
1919	170,142	9,771
1920	226,367	11,012
1921	276,316	46,817
1922	331,306	20,594
1923	346,976	22,126

Besides loans of £1,000,000 and £500,000 issued in London bearing interest at 6½ per cent. and 5 per cent. respectively, and of £500,000 issued in Australia, bearing interest at 6½ per cent., the only obligation of the board is to the Queensland Government, amounting to £3,500,651, of which £2,070,170 bears interest at 4 per cent. per annum, and £1,430,481 at 5½ per cent. per annum, and is repayable by half-yearly instalments extending over periods up to 50 years. The present issue of £1,000,000 will rank after the above loans amounting to £2,000,000, but the whole of these loans, aggregating £3,000,000, will rank in priority to the above obligation to the Government, and they are constituted a charge on and secured by the rates and revenues of the board in priority to any other indebtedness. The unimproved value of the rateable land under the jurisdiction of the board is approximately £16,625,000. The present rates vary from 1s 3d in the pound on a minimum improved value of £20 to 5s 4d in the pound on £80,000 improved value. There is no limitation to the rates which may be levied. A sinking fund will be provided of £2 per cent. per annum, which will be used from time to time in purchasing stock of this loan at a price not exceeding £100 per cent. It is pointed out that stock issued and payable in London and the interest, the property of persons not domiciled in Queensland, are not subject to Queensland taxation. A reasonable Australian investment.

Port of Calcutta.—This is an issue of £1,000,000 5 per cent. debentures to bearer at 90. These debentures are repayable at par on July 1, 1984, but the Commissioners reserve the right to repay at par in whole or in part at any time after the expiry of 30 years from the date of issue, subject to six months' notice. The loan is secured upon the tolls, dues, rates, rents, and other charges authorised to be levied, and ranks *pari passu* with other loans of the Commissioners as a first charge upon the properties vested in them. The Commissioners submit each year to the Indian Government an estimate of their income and expenditure, and the tolls, dues, rates and charges can be so adjusted as to give them sufficient income to cover the estimated expenditure, including interest and sinking fund charges on their outstanding loans, and on any further loan they may require to raise. The income and expenditure of the Commissioners for the last nine years have been as follows, converted at 1s 4d to the rupee:—

	Income.	Expenditure.
Year.	£	£
1915-16	1,062,364	993,800
1916-17	1,048,229	1,042,116
1917-18	1,055,945	1,041,957
1918-19	1,270,567	1,060,962
1919-20	1,490,374	1,503,459
1920-21	1,773,868	1,677,413
1921-22	1,461,136	1,602,637
1922-23	1,765,035	1,743,165
1923-24 (estimate)	1,739,000	1,746,000

The unimproved value of the properties vested in the Commissioners on March 31, 1924, was, at an exchange of 1s 4d to the rupee, £14,120,000, and the capital debt on that date amounted to £10,549,000, after deduction of £1,590,000, the amount to the credit of the sinking fund. A good Indian investment.

Gisborne Harbour Board (New Zealand) 5 per Cent. 1954 Loan.—Issue of £250,000 in debentures to bearer. The principal will be repayable at par on July 1, 1954, in London, where also the interest will be payable. The loan is issued to provide funds for further harbour construction, and to repay an existing temporary bank overdraft of £17,766. This overdraft and a loan for £200,000 (the part of the authorised £1,000,000 already issued) maturing in 1944, represent the entire indebtedness of the board. Subject to existing charges this loan is secured by a charge over the Harbour Fund; and also by a special rate of 1d in the £ on the capital value (now £16,941,987) of all rateable property within the board's rating area, which has a population of about 25,000. In addition, the board holds endowments (which include about 45,000 acres freehold land) valued at £183,285, yielding a revenue of £8,780. Gisborne, which is situated in the North Island, is the centre of a farming district, and the value of the imports and exports at the port during 1923 totalled £1,872,008. The amount of accrued sinking fund in respect of the existing loan is £12,480, and a sinking fund of ½ per cent. per annum will be provided in respect of the present issue. This loan is free from all New Zealand taxes, unless held by persons domiciled in the Dominion of New Zealand. The sale of these debentures is being negotiated at £94 per £100. Another prospectusless issue.

British Ropes, Limited.—Authorised share capital £2,000,000 in shares of £1 each, divided into 800,000 6½ per cent. cumulative preference and 1,200,000 ordinary shares. This is an offer for sale of 800,000 6½ per cent. preference shares at par. The company has been formed to effect an amalgamation of seven firms manufacturing wire and hemp rope and binder twine. Net assets of the constituent companies are given as £1,721,156, exclusive of goodwill, which figures as £185,856. The price payable by the company is given as £1,785,560, of which £628,442 is payable in cash and as to £1,157,118 in ordinary shares. Profits are given from 1912, and on these figures the amount required for preference interest, namely, £52,000, is well covered. Although not a prospectus, this "offer for sale" contains much detailed information which is frequently obscured in prospectuses. Under efficient control there are good indications that this amalgamation may prosper. The preference shares carry no voting powers save in exceptional circumstances, and although it is provided that preferential share issues cannot be made ranking in front of this issue unless by consent, we would point out that this proviso does not exclude the issue of debentures. The shares, however, were well received by the public.

The Shropshire, Worcestershire, and Staffordshire Electric Power Company.—Incorporated by Act of Parliament, 1903. Issued share capital £500,000. This is an issue of £650,000 5½ per cent. first debenture stock at 97½ per cent. It will be redeemed by means of a cumulative sinking fund accruing from January 1, 1928, to be applied annually in the purchase of stock under par or by drawings at par, so that the whole debenture stock will be redeemed by January 1, 1963. The company reserves the right to repay the whole of the debenture stock outstanding on or before January 1, 1932, at 110 per cent., or thereafter at 105 per cent., on giving six months' notice. The present issue is made to enable the outstanding debenture stocks to be redeemed. Holders of the existing 5½ per cent. first debenture stock and the 7½ per cent. 10-year guaranteed convertible debenture stock have been given the right until June 19, 1924, to convert into a like amount of the present issue, receiving in addition a cash payment at the rate of £5 10s per cent. in respect of 5½ per cent. first debenture stock converted, and £2 10s per cent., and an adjustment of interest in respect of 7½ per cent. 10-year guaranteed convertible debenture stock converted. A table is given showing "net receipts" from 1919. We should like a clearer definition of "net receipts." Also a little information about the "general expenses" which are to be deducted from "net receipts" would have made for greater clarity. We understand that the issue was oversubscribed.

Rhodesia Minerals Concession, Limited.—Authorised capital £200,000, divided into shares of £1 each. The company was formed on June 4th to prospect for minerals over an area in Northern Rhodesia. The concession is granted by the British South Africa Company. It is conditional upon the expenditure of not less than £2,500 per annum for the three years commencing March 1, 1927. The purchase consideration is 85,000 fully paid shares, whereof 8,500 will be allotted to the British South Africa Company in satisfaction of that company's 10 per cent. interest. The vendor has guaranteed the subscription of 50,000 shares for a commission of 30 per cent. in shares.

It is stated that the Minerals Separation Company is largely interested in the concession. Prospectusless; an application is being made to the Stock Exchange.

The Tennamaram Palm Oil Company, Limited.—Authorised capital £100,000, divided into 70,000 ordinary and 30,000 6 per cent. cumulative participating preference shares, all of £1. The preference shares entitle the holders to a cumulative preferential dividend of 6 per cent. per annum and to participate *pari passu* with the ordinary shares, after the ordinary shares have received a like dividend of 6 per cent. Of the ordinary shares 50,835 have been issued, while of the preference shares 3,100 are 10s paid and 20,000 paid up to the extent of 7s 6d per share. The company was incorporated in December last to take over as a going concern the Tennamaram Palm Oil estate, situated within 35 miles of Kuala Lumpur, in the Federated Malay States. The estate comprises an area of 2,002 acres, of which 1,260 have been planted with oil palms and 50 with coconuts. Production started last year, and in the 12 months to December 31st 1923 tons of oil and 52 tons of palm kernels were obtained by means of hand machinery. A prospectusless issue.

The Colne Valley Water Company.—Incorporated by special Act of Parliament, 1873. Authorised stock capital £790,000, of which £439,202 has been issued. The authorised loan capital is £395,000, of which £190,763 has been issued. This is an offer for sale by tender of £63,000 4 per cent. preference stock, the minimum price of issue being £80 per £100. The net revenue of the company for its last financial year was £48,705. Interest on debenture stock requires £11,028. This leaves £37,677 available for preference stockholders. Preference dividends, including those on the present issue, will need £6,045, which leaves an ample margin for security. At the minimum price of issue a clear 5 per cent. is obtainable, and as the stock is a trustee investment, it is worthy of the investor's attention if the quotation remains close to this figure.

The Hatfield Gas Company, Limited.—The total authorised share capital is £30,000, of which £15,997 has been issued. The authorised loan capital £15,000, of which £5,000 has been issued. This is an offer for sale by tender of £2,998 6 per cent. mortgage debentures, the minimum price of issue being par, to be redeemed at par in 1932. There is also an issue of 300 £10 ordinary shares at a minimum price of £9 5s per share. The latter yield £7 11s 4d per cent. at this price. The net revenue for its past financial year is £1,385. Debenture interest, including the present issue, amounts to £524. These small issues are reasonably well covered, but the narrow market must be considered.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price	Week	Latest	Price	Week	Latest	Price	Week	Latest
War 4½% 1926-28	97	97	97	Aust. 6% 1931-41	106	106	Canada 4½% 1920-25	100	100
Loans 4½% 1925-45	97	97	97	India 3½% Stock	62	62	Do 7% 1926-31	114	114
4½% 1929-43	102	102	102	Do 5½% 1933	102	102	Do 5½% 1933	102	102
Funding Loan 4½%	89	89	89	Do 4½% 1933	88	88	N.S.W. 5% 1922-30	111	111
Victory Bonds 4½%	89	89	89	Do 4½% 1933	88	88	Nigeria 5% 1924-30	113	113
Conversion Loan 3½%	78	78	78	U.S.A. 6% 1930-40	105	105	Victoria 5% 1924-30	102	102
Consols 4½%	97	97	97	W.Aust. 6% 1930-40	104	104			
Irish Land Stock 5% 59	59	59	59						
Local Loans 3%	65	65	65						

British Railways.

Great Western, Ord.	107½	108½	108½	Southern, Ord. "A"	389	389	Do Ord. "B"	104	104
London & North-Eastern	84	84	84	Do Pref. Ord.	389	389	Do Def. Ord.	42	42
5% Pref. Ord.	84	84	84	Underground Electric	24	24	Do "A" (1/2)	94	94
Do Def. Ord.	29	29	29	Do Inc. Bds. (£100)	94	94			
London, Mid., and	77	77	77						
Scottish, Ord.	77	77	77						
Metropolitan	80	80	80						
Metropolitan District	52	52	52						

Banks.

Barclays B (£1, p.d.)	228	228	228	Nat. Bank of S. Africa	54	54	National Provincial	114	114
Chartered Bk of India	19	19	19	(30, with 4 paid)	114	114	Standard of S. Africa	104	104
Lloyds (£5 with 1	34	34	34	(30, with 5 paid)	104	104	Westminster Bank	174	174
paid	34	34	34	(30, with 6 paid)	174	174			
Midland (£12, with	84	84	84						
4½ paid)	84	84	84						
Nat. Bank of Egypt	24	24	24						
(£10)	24	24	24						

Colonial and Foreign Railways.

Antofagasta Cons.	84	84	84	Leopoldina	252	252	Mexican Railway	74	74
B.A. and Pacific	74	74	74	Do 1st Pref.	25	25	Do 2nd Pref.	12	12
B.A. & Gt. Southern	74	74	74	San Paulo	159	157	United Havana	84	84
Buenos Ayres West.	172	171	171						
Canadian Pacific	73	73	73						
Central Argentine	73	73	73						

Foreign Government Securities.

Argentina 5% 1886-7	101	101	101	Japanese 4% 1910	64	64	Do 5% 1924	94	94
American 6% Guar.	94	94	94	Mexican Cons. 1899	45	45	Peruvian Corp. Pref.	28	28
Belgian 3% 1914	77	77	77	P.L.M. 6%	84	84	Portuguese (New)	28	28
Brazil 5% 1900	87	85	85	Russian 5% 1906	84	84	Spanish 4%	64	64
Do 7% 1906	106	106	106	Selne (Dept.) 7%	101	102	Siam 7%	107	107
China 5% 1913	69	70	70						
Consols 4%	76	76	76						
French 5%	104	104	104						
Do 6% 1894	54	54	54						

Price	Week	Latest	Price	Week	Latest	Price	Week	Latest	Price	Week	Latest
Chesapeake & Ohio	92	92	92	American Railroads	69	69	Do Non-conv. Pref.	85	85		
Erie	32	32	32	Telegraphs							
Do 4% 1st Pref.	40	40	40	Anglo-American "A"	232	232	Marconi Wireless	124	124		
				Marconi Canada	124	124	Marconi Marine	124	124		
				Miscellaneous							
				Asmet Bread (£1)	144	144	Hudson's Bay (£1)	54	54		
				Amal. Cottons (£1)	34	34	Imperial Tobacco (£1)	34	34		
				Anglo Persian Oil (£1)	34	34	Linggi Plantations (£1)	14	14		
				Armstrong (Sir W.G.)	24	24	Lipton (£1)	14	14		
				and Co. (£1)	24	24	Lever Bros. 7% Cmp (£1)	14	14		
				As. Plant. Cement (£1)	24	24	Do 8% Cmp A Pr (£1)	14	14		
				Backer, John (£1)	24	24	Do 8% Cmp P Ord (£1)	14	14		
				B'ham Small Arms (£1)	24	24	Lister (£1)	14	14		
				Brasil Traction (£100)	54	54	Loeb's Oilfields (£1)	14	14		
				British-American	54	54	Lyons (J.) & Co. (£1)	14	14		
				Tobacco (£1)	54	54	Mexican Eagle (£10)	14	14		
				Burnham Oil (£1)	54	54	Pekin (2)	14	14		
				Coats (J. and P.) (£1)	54	54	Rubber Plantations	14	14		
				Courtauld (£1)	54	54	Investment (£1)	14	14		
				Cunard (£1)	54	54	Shell Transport (£1)	14	14		
				Dorman, Long (£1)	54	54	Smithfield & Argentine	14	14		
				Dunlop Rubber (£1)	54	54	Meat (£1)	14	14		
				Fine Cotton Spinners	54	54	United Dairies (£1)	14	14		
				(£1)	54	54	United Serang (£1)	14	14		
				Forestral Land (£1)	54	54	United Tobacco (£1)	14	14		
				Furness, Withy (£1)	54	54	Vallambrosa (2)	14	14		
				Highlands and Low-	54	54	Vickers (£1)	14	14		
				lands Rubber (£1)	54	54	Watney Def. Sks.	204	204		
				Mines							
				Brakpan (£1)	14	14	Knights	14	14		
				Broken Hill Prop. (£1)	14	14	Modderfontein (10)	14	14		
				Charterford (£1)	14	14	Modderfontein "B" (5)	14	14		
				Cons. Gold Fields (£1)	14	14	Modderfontein, Deep (5)	14	14		
				Crown Mines (10)	14	14	Premier Def. (2/8)	14	14		
				De Beers Def. (£24)	14	14	Rand Mines (5)	14	14		
				East Rand Prop. (£1)	14	14	Belukwe	14	14		
				Gold (£1)	14	14	Rio Tinto (25)	32	32		
				Gov. Gold Areas	14	14	Spring Mines (£1)	24	24		

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

COMPANY MEETINGS, &c.

UNION DISCOUNT COMPANY OF LONDON, LIMITED. HISTORY AND PROGRESS. A RECORD OF CONTINUOUS SUCCESS. CAPITAL INCREASE AUTHORISED.

An extraordinary general meeting of the shareholders of the Union Discount Company of London, Limited, was held at Cannon Street Hotel, on Thursday, 12th inst.

Mr William Thomas Brand presided.

The secretary having read the notice convening the meeting, The Chairman said:—Gentlemen, before putting to the meeting the resolution for the proposed increase of capital, I should like to trace the progress of the Union Discount Company since its formation in May, 1885, by the amalgamation of which I was the originator of the General Credit and Discount Company and the United Discount Corporation. Both these companies returned money to their shareholders, and as regards the new company, the former subscribed £600,000 of the capital and provided £300,000 in cash and £60,000 towards a reserve; and the latter subscribed £400,000 of the capital and provided £200,000 in cash and £40,000 towards a reserve.

The Union Discount Company of London, Limited, thus commenced with a subscribed capital of £1,000,000 in £10 shares, of which £5 was paid up, or, say, a paid-up capital of £500,000 and a reserve of £100,000. Mr Christopher R. Nugent, who had been manager of the United Discount Corporation, was appointed manager of the new company, and we have to thank him largely for its present prosperity.

The Union Discount Company started under favourable circumstances, the sequestrators of the two liquidating companies guaranteeing the bills, &c., the new company took over from them, and giving Mr Nugent time to get well into the saddle and look through and amalgamate the business of the liquidating companies taken over.

STEADY INCREASE IN DIVIDENDS AND RESERVES.

We paid 8 per cent. for the first two years and a half. In the second half of 1887 we paid 9 per cent., and continued the same dividend till the crisis of 1890, when we reduced our dividend till June, 1892, to 8 per cent. From December, 1892, to December, 1896, we again paid 9 per cent., by which time we had increased our reserve fund by £65,000. From June, 1897, to June, 1900, we paid 10 per cent. and added a further £40,000 to our reserves. From December, 1900, to December, 1907, we paid 11 per cent. and added £110,000 to our reserve. From June, 1908, to December, 1912, we paid 12 per cent. and added a further

£190,000 to our reserve, raising it to £435,000. In 1913 we paid 12½ per cent. and placed £30,000 to reserve. For 1914-15 we paid 13 per cent. for the first time, less tax. For 1916 we paid 13 per cent., less tax, and commenced to pay a bonus, which was 1 per cent., free of tax. The dividend of 13 per cent. and bonus of 1 per cent. we continued until December, 1918. For 1919 we paid 14 per cent. dividend and a bonus of 1 per cent. For 1920, 14 per cent. and 2 per cent. bonus, free of tax, and for 1922-23 we paid 15 per cent., less tax, and 5 per cent. bonus, free of tax.

In 1885 our capital subscribed was £1,000,000, £500,000 paid up, and reserve £100,000. To-day our subscribed capital is £2,000,000, our paid-up capital £1,000,000, and our reserve £1,250,000.

We have built our present premises in Cornhill, the bulk of which are our own freehold, and we have room for considerable expansion should our business require more office room. Our freehold and leasehold properties stand at a most moderate figure in our balance-sheet—£150,000—and we have a carry-forward of £190,000.

THE NEW CAPITAL.

We ask you to-day to authorise the proposed new issue of capital, as our business keeps growing, and, in consultation with our managers, we think it wise to increase our paid-up capital and reserve as we have done previously from time to time. When you have passed the proposed resolution which this meeting has been called to approve our authorised capital will be £2,500,000. We now propose to issue only 25,000 shares out of the 50,000 new shares we ask you to authorise, keeping in reserve 25,000 shares for future requirements. These shares will be issued to the shareholders at £12, or a premium of £7, which premium will be added to the reserve. This price will give a substantial bonus to the present holders of shares, besides adding £175,000 to our reserve. Our paid-up capital will then be £1,125,000 and our reserve £1,425,000.

As you are aware, in 1922 we lost the services of Mr Christopher Nugent as manager, but we still, I am glad to say, have his valuable advice as a director. We have been extremely fortunate in obtaining the services of Mr Wyse as manager, and he has most ably and successfully filled the position of manager and carried on the traditions of the Union Discount Company.

I think, gentlemen, I have told you the history of a most successful company. We have never looked back, except from December, 1890, to June, 1892, and then we only had to reduce our dividend 1 per cent. for two and a half years. With this exception our record has been one continued success, and I feel sure you will join with me in wishing the Union Discount Company still further success in the future. (Hear, hear.)

After some congratulatory remarks by Mr Chalmers and Mr Tomkinson, the chairman put the following resolution to the meeting:

"That the capital of the company be increased to £2,500,000 by the creation of 50,000 new shares of £10 each, which shall, save as otherwise provided by the terms of issue, rank in all respects *pari passu* with the existing shares of the company."

This was carried unanimously.

The proceedings then terminated.

ANTOFAGASTA (CHILI) AND BOLIVIA RAILWAY COMPANY, LIMITED.

"ALL-ROUND IMPROVEMENT IN BUSINESS."

The annual meeting of the Antofagasta (Chili) and Bolivia Railway Company, Limited, was held, on the 17th instant, at Winchester House, Old Broad Street, London.

Lord Lawrence, of Kingsgate, the Chairman, in moving the adoption of the report and accounts, expressed the hope that all would agree with him that the report in its main features was not unsatisfactory, as it showed that the company had had an all-round improvement in its business, as compared with the preceding year. At the last annual meeting he had, he said, to deal with a situation which had shown improvement during the last six months of the year; at that time they had come through a period of depression in the nitrate industry, and he looked for a continuance of the improvement which was then taking place, and he was glad to say that his anticipations had been fulfilled. The year 1923 had given them increases in practically all classes of traffic as compared with its predecessor. During the past year the company carried 784,842 tons of nitrate compared with 306,719 tons in 1922. At the end of 1922 only nine oficinas were working, but at the end of last year fourteen were manufacturing nitrate. The total number of oficinas served by their own lines, *i.e.*, excluding the Aguas Blancas Railway, was thirty-two. He did not pretend that if all the oficinas were working they should have over double the tonnage, but they would appreciate that, with the increasing demand for nitrate, which seemed evident, there were indications of still further improvement in their nitrate

traffic. Those who were financially interested in nitrate companies would, no doubt, have read of the improvement in the industry as recorded by the chairmen of the various companies at their several meetings, and the latest information continued to be encouraging. They were informed that forward sales of nitrate had been satisfactory, and pointed to a total world consumption for the nitrate year to June 30, 1925, greater than that of the nitrate year which would end in the course of the next fortnight. Whatever the figures might be, it seemed clear from the returns received that the Antofagasta Company would continue to transport its full share.

On their railway there was situated one of the largest borate deposits in the world, and the tonnage which they carried of that traffic in the year under review was 35,955 tons, as against 33,182 tons in 1922. Mineral tonnages generally were satisfactory, and tin gave them a traffic of 75,520 tons as compared with just over 71,000 tons in the previous year. Although the increase was small, it was satisfactory, because it was a long haul traffic for them, and pointed to considerable activity in Bolivia.

A new traffic had recently arisen from that quarter in low-grade ores, consisting of lead and silver slags.

With the increased business in nitrate, copper, and tin, the nitrate establishments and various mining enterprises required additional commodities of every nature, and fuel oil and coal, so that general up traffic was consequently very marked in its increase, the total of 118,320 tons of mining articles being well over double the figure for the previous twelve months.

Col. H. Le Roy Lewis, C.B., C.M.G., D.S.O., having seconded the motion, it was unanimously agreed to.

A cordial vote of thanks having been passed to the chairman and directors, and to the managers and staffs at home and abroad for their services during the past year, the proceedings terminated.

DUNLOP RUBBER COMPANY, LIMITED.

REORGANISATION SCHEME EXPLAINED.

The twenty-fifth ordinary general meeting of the Dunlop Rubber Company, Limited, was held, on the 16th instant, at the Cannon Street Hotel, London, the Right Hon Sir Eric Geddes, G.C.B., G.B.E., chairman of the company, presiding.

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

The chairman, in the course of his speech, said: My lords, ladies, and gentlemen, our meetings to-day serve a twofold purpose, namely, to submit to you the accounts for the 18 months ended December 31, 1923, and to consider resolutions dealing with the adjustment of the capital account, and thus dealing with the losses incurred in years gone by, when the fortunes of the company were so seriously shaken.

You will recollect that when I addressed you in January last I made a forecast of a million and a quarter profit for the 18 months now dealt with in these accounts after payment of debenture interest. I am glad to say that not only has that estimate been realised, but it has been considerably exceeded. The total net trading profit after the payment of debenture interest, and including the whole of the profits made by our cotton mills, gives a total figure of £1,538,000. This profit, as the report states, does not take into account the deficit on the American company for the year 1923—its year of inception—as that is being dealt with in the reorganisation proposals, being mainly initial and non-recurring charges. Having studied the accounts and report, we feel sure you will agree with us that the company is steadily climbing to a position of prosperity.

BALANCE-SHEET FIGURES.

I propose to deal only very briefly at this meeting with the balance-sheet figures, in view of the time required for discussing the reorganisation proposals, which, as far as we can judge from the number of proxies received, have met with a favourable reception.

Taking first the assets, freehold lands and buildings show a reduction of £114,310, compared with the figure of June 30, 1922, owing to the normal write-off for depreciation and due to the sale of some of our premises no longer required, in spite of the fact that £185,000 additional expenditure on capital account was incurred. Sundry debtors stand at £561,000, which compares with a figure of £948,000 last year. This

very satisfactory, as it has contributed largely to an improvement in our cash position. By the closest supervision and organisation, our finished stocks in relation to sales have been reduced. Since the date of the accounts a further and very gratifying improvement is shown in the cash and liquid assets position of the company. Investments, collectively, have increased by £660,000, due mainly to the transfer from sundry debtors to investments, to which I have already referred, and to a reduction of £868,000 in the "American investment," brought about by the repayment out of the proceeds of their gold bond issue of certain sums advanced by us to that company. The cash position of the company is infinitely stronger than in June, 1922, at which date bank loans amounted to £2,019,000, with cash in hand and bills of £217,000, whereas in the balance-sheet before you, cash, bills, and Government securities represent a net credit of over £1,000,000. The figure standing under the heading of goodwill, royalty, &c., is unchanged, as is also the item of expense of capital issues. The debit balance on profit and loss account remains the same, but against this there is a credit item of £1,451,792, representing the net profit for the 18 months ended December, 1923.

Turning now to the liability side of the balance-sheet, the share capital remains practically unchanged, the only small difference being due to a reduction in unpaid calls. Debenture stock issue is the same, but income stock is reduced through cancellation by purchase of some of that stock, which was obtained at a discount. Reserve account is £322,000 larger than on June 30, 1922, but this is due entirely to the transfer of some items from sundry creditors and credit balances to meet contingencies which will not now arise. Sundry creditors are substantially lower at £804,000, as against £1,293,000, due to the transfers to reserve account mentioned above; only £192,000 is, in fact, owing to trade creditors proper, another striking proof of our solid financial position. I call your attention to the footnote showing contingent liabilities, which has now been changed. We have a contingent liability for possible calls on shares held for £243,000, but that is more apparent than real, as the liability only arises if we chose to impose it ourselves. The other contingent liability which we now have is the guarantee in connection with the gold bond issue of the Dunlop Tyre and Rubber Corporation of America.

PLEDGED DEBENTURES.

I should like to amplify the note to the balance-sheet by saying, what you already know, that the 3,000,000 of unissued debentures are pledged as security in respect of the guarantee of principal and interest given by this company for the American gold bond issue. You will be glad to see when comparing this balance-sheet with the previous one that no contingent liability is referred to on contracts for forward purchases, as that unfortunate chapter in the company's history may now be regarded as closed.

Turning now to the profit and loss account, owing to the fact that these accounts cover eighteen months, against a ten months period of the previous balance-sheet, comparisons are difficult and confusing to the make; the net result, however, is that our profits are much greater, and our interest charges proportionately less. As stated in the report, and notwithstanding the keenness of foreign competition, our sales have increased very greatly in practically all markets, and have reached record figures, and the experience of the current year is, I am glad to say, more than maintaining the satisfactory recovery which these accounts show you. The quality of our products is certainly higher than it has ever been, and, in fact, is admitted by some of our keenest competitors to be pre-eminent. We certainly believe that our products are the best of the world in each class.

BUILDING A GREAT REPUTATION.

There is no doubt that from every evidence we can gather, the company is building up a great reputation, and one which I feel sure will inure more and more to our benefit. Our sales this year show very gratifying increases over the level of last year, which you will remember I told you was greatly in excess of the previous year, but having in mind the facts I have just stated, I look forward to a continuous rise in the sales of the company.

I am sure you will be gratified to learn that other products of the company are showing good results. Motor-cycle tyres have achieved some outstanding successes, and the striking popularity of the Maxfli golf ball of last year is not only being maintained, but is growing, and in every competition the percentage of Maxfli balls is extraordinarily high.

Reference is made in the report to the cotton mills, the rubber estates, the French mills, and the German factory, and with your permission and in the interests of brevity I will not deal with them further, although I should be glad to answer any questions upon them.

The rim and wheel company is showing improved results. I now propose the adoption of the report and accounts for the

eighteen months ended December 31, 1923, and call upon Sir Guy Granet to second the motion.

Sir W. Guy Granet, G.B.E., seconded the motion, and after the chairman had replied to questions on minor matters, it was carried unanimously. The retiring director and the auditors were elected.

The Chairman said that they now came to the sequence of meetings dealing with the reorganisation of the capital of the company. Since his speech had been prepared, he said, certain things had happened, and he thought it would be convenient if he explained exactly what the existing situation was, and to what extent it would modify the speech which had been circulated to the shareholders. The board had prepared a statement, in which they endeavoured to explain the scheme of reorganisation, which the board had elaborated after giving great thought to the matter, and which they believed dealt equitably with all. That that view was shared by a great many shareholders, among whom were some of the largest holders of ordinary shares, was amply demonstrated by the fact that they had over 6,000,000 votes registered in favour of their proposal, and he felt sure they would receive further support from among the shareholders present at the meeting. The resolution, however, had to obtain the sanction of class meetings—the ordinary shareholders and the "A," "B," and "C" preference shareholders—and the adverse vote of any one class might render the proceedings abortive.

PARENT TYRE OPPOSITION.

As, no doubt, shareholders had read, the Parent Tyre Company had definitely declared its hostility to the scheme, not disclosing publicly its reasons for so doing, and as that company owned or controlled about two-thirds of the "C" preference shares, their vote alone could block anything and render the vote of the other shareholders constituting the company absolutely futile. Shareholders might say that the directors should have paid due regard to this matter before formulating the scheme, and he could only say that they had paid every regard, and nothing could illustrate better their difficulties in dealing with the matter than the fact that opposition had also developed from a section of the ordinary shareholders.

The directors would be pleased, in the circumstances, to confer with one or two representatives of each class of preference and ordinary shares. The scheme which had already been formulated aimed at the early resumption of dividend payments, to which, he was sure, the great majority of the shareholders must be looking forward with anxiety. They had discussed matters very fully with the "C" preference shareholders as represented by the three directors of the Parent Tyre Company, and they had thought they had reached practical agreement with them. However, they had been pressed for further modifications, and having the interests of all the shareholders at heart, they did not think it was possible to agree to them. There the negotiations broke down. In the circumstances, he thought it would be better, having heard the board's proposals, to endeavour to get together at a conference the representatives of the various classes of shareholders, so that the directors might discuss the latter with them, and try to get a scheme which can be put through. They felt that in adopting this course they were adopting the only course open to them.

SCHEME EXPLAINED.

The Chairman proceeded to describe the board's scheme. He said:—

In framing the scheme we have endeavoured, so far as our judgment could guide us, to act fairly and reasonably with all classes of shareholders, with due regard to the priority of one class over another, and although it may be unnecessary to do so, I would remind the meeting that after the very great losses made in past years under a board constituted quite differently from the present one, sacrifices must be made, but at the same time the recognition of the losses which have been made in a writing-down of capital is merely giving expression to relative values as now established, and represents no fresh losses.

I would wish to emphasise that after the passing of these resolutions the rights of all classes of preference shareholders are unchanged, with the exception of the surrender of the contingent rights to additional dividend, and in the case of the "C" preference shareholders by a reduction of $\frac{1}{2}$ per cent. in their rate of dividend. So far as the ordinary shareholders are concerned, they are asked to share the equity in the company with the preference shareholders to the extent of 13.58 per cent., but otherwise the whole of the equity remains theirs.

It is unnecessary to mention that the nominal value of a share is immaterial as long as the whole of the equity belongs to its holders.

Let us now consider the magnitude of the problem before the board—how the deficiency with which we are proposing to deal has been arrived at, and what our suggestions are for dealing with it.

THE DEFICIENCY.

The deficiency can be divided into two main categories:—

Balance of—

- (a) Loss on trading in 1921;
- (b) Depreciation in value of assets.

As regards the first class, this loss has already been fully explained, and appeared in the last accounts as a debit item in the balance-sheet. It is the loss of £8,320,000 made in 1921 reduced by the profit of £588,000 for the ten months to June 30, 1922.

As regards the remaining items summarised at the top of page 2 in the circular. These are partly the result of transactions in the period of inflation following the war, and partly the result of disturbed foreign exchanges.

I will give you a few of the more important items which go to make up the figure of £4,516,787, depreciation in investments:

America, £2,383,500. This is largely due to writing down the plant to present-day replacement value, eliminating items representing loss on exchange, money having to be remitted to America when exchange was low and all initial opening-up and development expenses up to December 31, 1923. With the exception of one item, cost of bond issue, which has to be amortised over the life of the bonds, the capital shown, in the opinion of the board of the American company, represents the fair present-day value of the assets.

Dunlop Plantations, £782,000. Largely goodwill paid on acquisition of Johore and Segamat Estates in post-war inflation period.

James Hoyle, Limited, £460,000. Again largely goodwill, and of no value to-day.

Improved Steel Company, £127,000. These works have been written down to saleable value.

D. R. Cotton Mills No. 2, Limited, £66,000. Largely premium on preference shares.

Continental companies, £672,000. This deficiency is mainly due to the depreciated currencies on the Continent.

The remaining items are, I think, self-explanatory. The major portion of item under land and plant represents the writing-off of mould equipment in view of the changes with which we are faced. These items have received the most detailed consideration by the board. You will see, therefore, that we have to face a total deficiency of £12,582,000. That is the magnitude of the problem which confronts us.

From this total we first deduct the available reserves in the company's accounts, viz., £1,229,000, and thus arrive at a total net deficiency of £11,353,000, the burden of which would normally fall upon the ordinary shareholders. Having regard, however, to the special circumstances of the case, it was thought right to ask for some concession from the preference shareholders, and while this scheme was put forward by the board without any suggestion that it had been reached by complete agreement with all our shareholders, we had the advantage of ascertaining the opinions of substantial holders of the different classes of shares.

ORDINARY SHARES.

The ordinary shareholders are asked to write down the nominal value of their shares to 6s 8d, which disposes of the bulk of the deficit, but I would remind ordinary shareholders of what I said before, that except insofar as the 13.58 per cent. share in the equity which they will surrender to the preference shareholders if these proposals are accepted, this reduction in face value is nominal only, so that, excluding 13.58 per cent., the ordinary shareholders will, in fact, be entitled to all the profits available for distribution after the payment of preference dividends.

PREFERENCE SHARES.

The holders of preference shares of all classes are asked to surrender their contingent rights to additional dividend, and the holders of "C" preference shares are asked to consent to a reduction of their nominal capital from £3,000,000 to £2,250,000, with a consequent adjustment of the dividend rate, and a provision that in the event of liquidation their shares shall have the value of £1 each. This leaves them exactly as they were, except that they are invited to drop $\frac{1}{2}$ per cent. in their rate of interest, making it $7\frac{1}{2}$ per cent. instead of 8 per cent. A simple calculation shows that 10 per cent. on £2,250,000 is the same as $7\frac{1}{2}$ per cent. on £3,000,000.

The proposal for dealing with the arrears of preference dividends amounting to £1,126,000 before deduction of income-tax, is to liquidate this by the payment of dividends out of profits, with an obligation upon the recipients to purchase ordinary shares in the company with the sums so declared as dividend on their holdings. The net result, as given in the tables at the top of page 3 of the circular, is that the "A" preference shareholder receives 98 per cent. of his arrears of dividend, "B" preference shareholder receives 91 per cent., and "C" preference shareholder 86 per cent.

These dividends, less income-tax, will find their way into the possession of the preference shareholders in the form of certificates for ordinary shares, except for fractions of 6s 8d, which will be paid in cash.

The reduction in the nominal value of the "C" preference share capital by £750,000 renders it possible to issue the ordinary shares used for satisfying the preference dividend arrears without reducing the nominal value of the ordinary share to a still greater extent than now proposed, and will leave the capitalisation of the company fairly well balanced. It will be seen that resolution No. 3 provides for an increase of the capital from £9,322,000 to £20,000,000 by the creation of 32,000,000 of ordinary shares of 6s 8d face value. This is done in order to preserve the benefits to the shareholders of stamp duty which has already been paid.

UNISSUED SHARES.

Under the articles of association as they stand, the directors would have power to issue these shares on their own authority. The board, however, consider that this power should not extend to such a large block of unissued shares, and propose that their powers should be limited to 6,000,000 shares, out of which, under these proposals, 2,013,942 of the 2,340,000 shares going to the preference shareholders would come, leaving 3,986,058 shares, equal to £1,330,000, a little over 12 per cent. of the total capital at the disposal of the directors, which is not out of keeping for an important company like ours.

Needless to say, the board would give existing shareholders the first opportunity of acquiring these shares if they were ever offered for sale.

Sir Arthur Du Cros, as representing the Parent Tyre Company, defined their attitude to the scheme, and supported the chairman's suggestion for a conference.

After some discussion, the consideration of the reorganisation scheme was postponed, and the suggested committee appointed.

RUBBER PLANTATIONS INVESTMENT TRUST, LIMITED. POSITION AND PROSPECTS OF TEA AND RUBBER INDUSTRIES.

The fifteenth ordinary general meeting of this company was held, on the 16th instant, in London, Mr Eric Macfadyen, M.P. (vice-chairman), presiding.

Mr E. J. Johnson, F.C.I.S., representing the secretaries (Messrs Harrison and Crosfield, Limited), read the notice calling the meeting and the report of the auditors.

The Chairman, in moving the adoption of the report and accounts, said:—Ladies and Gentlemen, our chairman, Mr H. J. Welch, much regrets, as do his colleagues, his inability to preside to-day. Mr Welch has not been in the best of health for some little time, and is wisely taking a holiday. It has been our deliberate policy to convert some of our holdings in estates into share holdings as opportunity offered, and as the first half of 1923 was favourable from this point of view, so far as rubber was concerned, we now find ourselves, after a series of transactions, really in the nature of amalgamations, direct owners only of the Sumatran Tea Estates, which we have planted up over the past 13 years. The tea estates now amount to 10,165 acres (subject to resurvey) of tea, and 82,745 acres, of which much the greater part is first-rate plantable land on the east coast of Sumatra. The estates have recently been inspected both by Mr R. T. H. Doughty, our visiting agent, and Mr H. S. Holder, his technical adviser, and I am glad to say that their condition and the work of the staff is favourably reported on by both. The output of the tea estates was 7,518,069 lbs, an increase of over 10 per cent. on the crop of 1922. The net price realised was approximately equivalent to a London-landed price of 1s 2d per lb. This gave us a net profit of 4.85d per lb, comparing with 1.74d per lb in 1922. Our crop this year is estimated at 7,700,000 lbs, and we have sold it forward at almost exactly a penny over last year's prices.

PROFIT AND LOSS ACCOUNT.

Turning to the profit and loss account, the limiting factor, of course, has been the low yield on our rubber investments. The income from investments has, however, at £26,166, more than doubled, owing to the fact that in 1923 modest dividends were paid by a number of rubber companies which paid nothing in the previous year. The greater proportion of the profit was derived from our Sumatran tea estates. With the carry forward of £42,620 we have an available profit of £230,548. From this we have transferred £13,500 to taxation reserve, £16,600 to amortisation, and £25,000 to the general reserve account. We propose to pay a dividend of $7\frac{1}{2}$ per cent., leaving £52,488 to be carried forward. The total of investments, taken at or below cost, stands at £1,367,663. The valuation at December 31st last showed a surplus of £38,142 over this figure. That appreciation has since run off owing to the depression in rubber shares. At present-day prices a conservative valuation would show a depre-

ciation of £35,792. An analysis of the total shows approximately 7 per cent. in gilt-edged securities, 10 per cent. in debentures and preference shares, and 83 per cent. in ordinary shares. Excluding shares, debentures, options, and loans, our liquid assets amount to £255,016, against liabilities of £160,859, a surplus of £85,157, subject, of course, to to-day's appropriations.

TEA MARKET.

Tea prices have maintained a comparatively high level since the date of our last meeting, and while there has been an easier tendency in the last six months, prices are still slightly higher than they were a year ago. I estimate that the consuming countries took 28 million pounds more than in 1922, absorbing 749 million pounds. Production appears to have exceeded world consumption by 28 million pounds, against an excess of consumption in 1922 of 31 million pounds. Against some falling off in yield in Northern India during the early and comparatively unimportant months of the new season, there is evidence of increasing exports from Ceylon and the Dutch Indies, and no doubt the world's output will again be greater in 1924. In time we are certain to see a great recovery in Russian demand, but improvement there is slow if steady. There is scope for a gradual increase in time in the consumption of other tea-drinking countries. In reply to certain inquiries as to the class of tea we produce, I may say that the Trust tea may be classed as very useful low-grown medium tea. At present for all but the commonest inferior teas coming forward demand is good, and allowing, of course, for short-time fluctuations, remunerative prices appear likely to rule over a period of years. I am sorry to say, however, there are signs of producers reverting to coarse plucking. This, if resorted to generally, would mean an excess of inferior common and stalky teas, a possibility which is, I think, somewhat of a menace to the market. We ourselves shall not be tempted to alter our standard of plucking, although by so doing it would be open to us greatly to augment our output.

RUBBER INDUSTRY.

During the year under review, the first calendar year of the operation of the Stevenson scheme, the rubber industry was working at a profit, though the level of return was very low for an industry subject to the very special risks to which we are exposed. In the early months of the year the effect of the adoption of the scheme upon market psychology led to a rise in price not fully justified by the statistical position, which was intrinsically much weaker when the price stood at 1s 6d about a year ago than to-day with rubber at 10½d. One effect of the Stevenson scheme has been to relieve the manufacturer of the necessity to protect himself by holding a large stock, as the scheme provides for the automatic increase of exports as soon as the price indicator shows that there is an effective increase in demand. Another important factor in the market, as Mr Eric Miller pointed out recently, has been the discouragement to a great extent of speculation in rubber, but of even greater significance is the insufficiency of dealers capable of taking over for the time being such first-hand rubber as producers must sell, but which at that particular moment may not be wanted by manufacturers. The provision of some such buffer between buyer and seller, if practicable, appears a very desirable supplement to the partial organisation of the industry which has already been achieved. Manufacturers readily admit that a reasonable stability of price around a level which offers a fair remuneration to the capital employed in the producing side of the rubber industry is as much in the interest of the manufacturer as the producer.

PRODUCTION AND CONSUMPTION.

In the current year, in spite of dull trade, we may safely assume that absorption will be not less than some 410,000 tons, while exportable production, to put the case at its worst, will be substantially below that amount, and I anticipate, therefore, that the free stock at the end of 1924 will not be in excess of the world's requirements. This position is undoubtedly due to the Stevenson scheme. There are some 4,200,000 acres of rubber planted in the East, and, allowing for the output of wild rubber, if there were no control of exports in force the available supply on the market would at present be in the neighbourhood of half a million tons per annum. This must have meant a drop in price, the gravity of which it is not difficult to imagine.

Turning now to the actual consumption of rubber goods, the outstanding event of 1923 was the enormous increase in the number of automobiles registered in the United States. Taking a conservative view, it seems likely that the American absorption of crude rubber during 1924 will amount to at least 275,000 tons. The steady though slow increase in the absorption of crude rubber by countries outside the United States, in spite of chaotic trade conditions, is very encouraging. In 1920 those countries absorbed between them 90,000 tons of crude rubber. This absorption was maintained during the following year while economic conditions were almost everywhere at their worst. In 1922 it increased to 105,000 tons. Last year it amounted to over 115,000 tons, and this year it will not be far short of 130,000 tons, and may

even exceed that amount. Tyres remain by far the most important outlet for our produce, but the possibilities for new uses may be judged from the history of the crepe rubber sole, which in only a couple of years or so has come to employ rubber at the rate of some 6,000 tons per annum, and is destined to account for much larger quantities. The industry has been well served by the Rubber Growers' Association in propaganda for this and other new uses for rubber, as well as by the energy it has devoted to the closer organisation, which is more and more recognised as being vital to the industry as a whole, of the producers generally.

BETTER PROSPECTS.

Reverting for one moment to our own position and prospects, we may congratulate ourselves to-day, as I am sure you will all agree, on having so large a proportion of our money invested in tea, but I think I have given you solid grounds for believing that rubber has seen the worst. Without ruling out the probability of temporary setbacks the long view must, I think, be for a gradual improvement, since the world will want more and more rubber, and will consequently have to pay for it a price sufficient once again to tempt capital into the industry. We have played our part in financing this industry through its difficulties, and expect to secure a share in new business when things look brighter. We confidently anticipate a steady appreciation in our holdings corresponding with a higher investment return. Even in the English summer the weather improves some time, and even the rubber industry will one day again be really prosperous. I hope and believe that that day is not very far distant. I now have much pleasure in moving the adoption of the report and accounts.

Mr E. L. Hamilton seconded the motion, which was carried unanimously, and the formal business having been transacted, the proceedings terminated with a vote of thanks to the directors and staff at home and in the East.

MODDERFONTEIN DEEP LEVELS, LIMITED. RECORD TONNAGE AND PROFIT.

The twenty-third ordinary general meeting of shareholders in the Modderfontein Deep Levels, Limited, was held at Johannesburg on May 16th.

Mr P. M. Anderson, chairman of the company, presided, and, in the course of his remarks, stated:—The tonnage milled is a record for the mine, and the profit earned, apart from the premium on gold, is substantially greater than in any previous year. The tonnage milled in 1923 was greater than 1921 (1922 was marred by the strike) by 15,700 tons, the working costs lower by 4s 7d per ton milled, and the working profit, exclusive of the premium on gold, greater by £105,773. This is due almost entirely to the reduction in working costs, as the output for 1923 was only 177 oz greater than in 1921, and is in a large measure due to the improved conditions affecting the employment of labour since the 1922 strike, which have resulted in a substantial increase of the individual output of all underground men.

REDUCED WORKING COSTS.

Compared with the year 1922, working costs show a reduction of 1s 7d per ton milled, which was more than sufficient to cover the reduction in the revenue from gold equivalent to 1s 3d per ton of ore milled. This reduced revenue is due to a fractional decrease in the yield per ton milled and to a fall of 1s 7d per oz in the selling price of gold.

The accounts before you show that the gross profit for the year was £828,945. Taxation absorbed between 14 per cent. and 15 per cent. of this, leaving sufficient for the distribution of two dividends totalling 140 per cent., or 20 per cent. more than last year. The surplus of £6,048 increased the credit balance of the appropriation account to £135,872. In accordance with our usual practice, no expenditure was charged to capital account during the year.

DEVELOPMENT WORK.

The development work done during the year totalled 4,669 ft., which was sufficient to maintain the tonnage and value of the reserves. At the end of the year these were calculated to be 4,800,000 tons of an average assay value of 9.3 dwt over an estimated stopping width of 79 in., the width being 3 in. greater than at the end of the previous year. In addition, there is on the surface dump a reserve of 70,000 tons. As the result of operations during the first four months of the current year, there has been an estimated gross working profit of £298,000 from the 174,900 tons milled. This profit represents an increased rate of about £5,500 per month as compared with the average for last year. Working costs have averaged 16s 5d per ton milled, or a further reduction of 1s per ton. Development during the period amounted to 1,290 ft., of which 595 ft. was on reef. All of this footage was payable, averaging 17 dwt, over 62 in., or 1,052 inch dwt.

The report and accounts were adopted.

NIRMALA (JAYA) PLANTATIONS AND LANDS CO., LTD. IMPROVED PROSPECTS.

Presiding at the annual meeting of this company, held on the 16th instant, Mr Walter Hilliers, the chairman, said the year's result showed a fair improvement, the net profit being £12,214, reducing the adverse balance to £10,487. Prices realised for tea and rubber were about 33d better than in the previous year, and the total net profit would have been higher but for the following reasons. The tea crop, although showing welcome improvement, had not progressed as it should, owing partly to adverse climatic conditions and partly to occasional attacks of blight. There were prospects that crops would improve as a result of better cultivation. Though the present cost could not be called high, even a moderate improvement in crop would have marked effect. The directors believed that the gardens, given fair market conditions, would give a good return. The estimate for the current year should, if no untoward circumstances arose, be fully reached. This crop had been sold forward at a price giving a fair profit. The visiting agent's report showed a satisfactory state of affairs in regard to upkeep, management, and all other matters.

The price realised for rubber was satisfactory, being about 1s 4½d per pound London for all grades. The present cost was by no means high; it would be some pence per pound lower on full production, even with conservative tapping. The directors had again considered it advisable to join the restriction scheme, but it was right to realise what the restriction meant from the profit-earning point of view. They had sold forward five tons monthly, all grades, to the end of 1924 at about 1s 7d London, which was satisfactory. Reports on the rubber fields were satisfactory.

They had about 90 acres planted with cinchona, and intended planting about 150 acres by the end of 1924, and were preparing for a moderate extension next year. There seemed no doubt as to the world's growing requirements of sulphate of quinine, and the price should continue profitable for some time to come.

The financial position at December 31st was satisfactory, and since then the position had been further strengthened. They had at present £30,000 invested in Government securities and £15,000 in cash and stock. The prospective results for the current year pointed to the debit balance at present existing on the revenue account being extinguished, and the preference dividend due to date being paid.

The report and accounts were unanimously adopted.

GEDULD PROPRIETARY MINES, LIMITED. MOST GRATIFYING YEAR. EXCELLENT CURRENT YEAR'S PROSPECTS.

The twenty-third ordinary general meeting of shareholders in the Geduld Proprietary Mines, Limited, was held at Johannesburg on May 16th.

Mr P. M. Anderson, chairman of the company, presided, and in the course of his remarks, stated:—The year 1923 stands out as the most gratifying in the history of your company. This can be attributed directly to the successful operation of the increased reduction plant, which came into commission on April 24th, and more satisfactory labour conditions prevailing since the termination of the 1922 strike. The most pleasing feature of the past year was the substantial increase in the dividend distribution, which was approximately 70 per cent. greater than that for the previous year, the amount distributed being £365,214, as against £215,808. In addition, the amount carried forward in the appropriation account was increased by £33,716 to a total of £151,936. The principal factor in this achievement was, of course, the scale of operations, which was well over 50 per cent. greater than in 1922, the tonnage milled being 722,500, as against 460,700.

The average working cost for the year was 19s 4d per ton milled, 1s 1d per ton less than in 1922, and 4s 3d less than in 1921. This further reduction sufficed to offset a fractional decrease in the yield per ton milled and a fall of about 1s 5d per ounce in the average price realised for gold, with the result that the year's operations showed a profit of £469,319, which was £168,376 more than that for the previous year. With sundry revenue the gross profit amounted to £486,201. On working capital account a total of £133,649 was expended, chiefly in connection with the extension of the reduction plant to a nominal capacity of 65,000 tons per month.

THE ADDITIONAL PLANT.

When we last met together, the additional reduction plant had been in operation only about three weeks, but had already given indications that it would be capable of dealing with more than its estimated capacity of 65,000 tons per month, and I suggested that this might be exceeded in two or three months' time with-

out impairing the extraction. You will no doubt have noticed that my anticipations have been fulfilled, the tonnage treated having been in excess of the figure quoted, and the average extraction for the year shows an increase of nearly 6 per cent. The new plant has given entire satisfaction, apart from a somewhat heavier absorption of gold in the early stages than had been anticipated. The operating costs are satisfactory, and the value of the residues after treatment has averaged .346 dwt. per ton for the first four months of this year, compared with .475 last year and .639 in 1922. A review of the situation at the beginning of this year convinced your consulting engineer of the ability of the mine to supply ore in excess of the capacity of the increased plant. Consequently a further extension to a capacity of 75,000 tons per month has been taken in hand. The cost of this extension is estimated at £20,000 while, apart from this sum, about £40,000 will be expended for a compressor and sundry other items which would be required in any case. It is expected that this further extension will be completed about the end of the year.

A total of 24,284 ft. was developed during the year, which was a record for the mine. One of the most encouraging features of this work was the disclosure of high values in the ground developed to the south of No. 2 main incline by means of the 3rd and 5th level south drives. Ore of satisfactory value has also been opened up north of the No. 2 main incline, towards the north-eastern corner of the mine, and in the workings from the No. 7 shaft at the southern end of the mine.

ORE RESERVES.

The ore reserves at the end of 1923 amounted to a total of 5,750,000 tons, of an average assay value of 7.1 dwt. over an estimated stopping width of 63 in.

The 1923 development footage appears likely to be not only reached but exceeded during 1924. Up to the end of last month a total of 8,778 ft. had been accomplished, of which 6,905 ft. on reef had been sampled, the payable section of 2,425 ft. averaging 14.7 dwt. over 43 in., or 632 in.-dwt.

As regards the reduction operations during the first four months of the current year, the features are the milling of 275,700 tons, which indicates that last year's total is likely to be exceeded by 100,000 tons, and the further reduction of 8d. per ton in the working expenses to an average of 18s 8d per ton milled, which constitutes a record for the mine. The total profit for the period is approximately £200,000, or at the rate of about £9,000 per month more than the average for 1923.

The report and accounts were adopted.

BRITISH ELECTRIC TRACTION COMPANY, LIMITED. EARNINGS SUBSTANTIALLY INCREASED.

The twenty-eighth ordinary general meeting of the British Electric Traction Company, Limited, was held, on the 16th instant, at the Holborn Restaurant, London.

Mr J. S. Austen (chairman of the company) presided, and in the course of his speech said:—Ladies and Gentlemen,—We have had a good year; we have earned £15,000 more than last year, which is a considerable sum when you remember that that has to come exclusively from dividends in other companies. I wish here to say that I take no credit for this, because it is nothing more than the natural result of the spadework which was done by your directors in the days before I joined the board.

Perhaps the result is even a little better than it looks, because we suffered a loss of over £10,000 of income from the London and Suburban Traction Company. Our holding in that company is the largest holding we have. We have £900,000, nominal, of stock, and on that we received this year a fraction over 1 per cent. The London and Suburban Traction Company owns practically all the tramways of London, exclusive of those which belong to the municipalities. The temptation is very great to expatiate upon the traffic situation in London to-day, but I resist that temptation because I know that nothing I can say is likely to do any good. But I do wish to say one thing, and that is to express the hope that no factious opposition in Parliament will prevent the passage of the Bill for the Regulation of London Traffic, which is so obviously for the benefit of the public, the employers, and the men.

Electrical energy, I am pleased to say, is one of the sources from which we have this year derived increased benefit, and it is one to which I shall be looking forward in the future, certainly more than from tramways, to derive further additional benefits. The position now is that users have learned by experience that it is cheaper to purchase their supply from a producer in bulk than it is to make for themselves. The result is that power companies now rank, with gas and water companies, as among the most suitable public utility company investments.

Shareholders from time to time ask me as to the valuation of a company, and I must confess I feel an inclination to say I do not know and I do not care. I am not a believer in such valuations, and attach little importance to them. There is

nothing positive about a valuation; it is nothing more than an expression of opinion. You may ask me what is the valuation of this company, drawing a distinction, it may be, between the value of the company and the valuation of the company, though the distinction may be rather a nice one. Well, in answer to that, I will say that if it was possible to offer the whole of the ordinary stock for sale in one block, I should not have the slightest difficulty in finding a number of purchasers at par, and I am equally certain I should find one—which would be quite enough—who would give considerably over par. And now a word about the present year. We are paying 6 per cent., and have the handsome surplus of £30,000, and I think that for the current year we may regard our 6 per cent. as assured. Undoubtedly we are a progressive company.

The report and accounts were unanimously adopted.

W. J. BUSH AND COMPANY, LIMITED. SAFEGUARDING OF INDUSTRIES ACT AND FOREIGN COMPETITION.

The twenty-seventh annual general meeting of W. J. Bush and Co., Limited, was held, on the 16th instant, at the Institute of Chartered Accountants, Moorgate place, London, Mr J. Mortimer Bush (the chairman) presiding.

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

The Chairman said:—Business conditions during the past year were similar to those which prevailed in 1922. Our turnover was practically the same, and the moderate increase in the net profit was due to the reversion to our pre-war rate of depreciation on plant and machinery.

The maintenance of our net profit is due in a large measure to the improved efficiency of our processes in our fine chemical department and to working economies in our various factories. Our fine chemical department was greatly extended during the war period, and has since been fostered under the protection afforded by the Safeguarding of Industries Act. This Act expires in September, 1926, when, unless it is extended for a further period, we shall be exposed to world-wide competition. In view of the low rate of wages now being paid on the Continent, and the depreciated currencies existing in competing countries, this will be a serious matter, and we may even be forced to discontinue the manufacture of some of our products.

We are among those who value highly the tariff preferences given to British products by the Dominions. We cannot, however, rely upon such exterior aids, and I am pleased to say that during the past year very gratifying improvements have been achieved by our chemists in several of our processes. I have, therefore, considerable confidence that we shall be able to meet foreign competition in a number of products. The benefit of these improvements will be greater during the current year and in the near future.

During the year a further reduction of £8,000 was effected in our bank loan.

Our subsidiary companies both in America and in Canada made substantial profits, and are in a sound financial condition.

Including the amount brought forward, we have, after adjustment of excess profits duty, income-tax, and corporation profits tax, a sum of £66,306 2s 5d. After making provision for the dividends on the preference shares there remains for disposal £60,056 2s 5d. We propose to pay a final dividend of 7 per cent. on the ordinary shares, making, with the 3 per cent. interim dividend paid in February last, 10 per cent. for the year. This will leave a balance to carry forward of £35,056 2s 5d.

Sir George Hayter Chubb, Bart., seconded the resolution, which was carried unanimously.

HOVIS, LIMITED. INCREASED SALES.

The ordinary general meeting of Hovis, Limited, was held, on the 17th instant, at Caxton Hall, Westminster, London.

Mr A. H. Dence (the chairman), who presided, said that it was proposed to increase the reserve account by £17,085, bringing it up to £180,000. During the year £27,000 had been added to capital expenditure and £20,000 written off in depreciation. The only addition of importance in capital expenditure was the outlay incurred in the purchase of the Lincoln mill. In connection with the company's welfare work a freehold site had been purchased at Sale, Cheshire, for the benefit of the employees of the Northern mills. The book debts and stocks on hand showed an increase of £33,000 as compared with the previous year, and the investments an increase of £50,000, a further £50,000 having been employed in the purchase of short-dated War bonds. The balance at profit and loss account showed an increase of about £5,000. The directors proposed to start a definite provident or benevolent fund for the assistance of those of the company's staff who, from age or misfortune, required

assistance. It was proposed to set aside a definite sum every year, as the earnings of the company permitted, to be vested in trustees for the sole benefit of the staff and employees.

The sales of Hovis had shown a very satisfactory increase during the year under review. A large sum of money had been expended on advertising, and good fruit had been the result. It was a matter of great satisfaction to the directors that, in disseminating information to the public through their advertisements as regarded the health-giving effects of Hovis, they were increasing not only their own prosperity, but were conferring also a benefit on those who learned the lesson. They were convinced that good health in the community was engendered and maintained by the daily consumption of Hovis bread. The side-lines of the company all showed satisfactory returns, but there was one part of the business which was not so profitable as it should be, and that was the white flour. Through over-production, undoubtedly, the prices of white flour were so cut as to render any direct advantage from milling practically negligible. It was to be hoped that reason would prevail, and that millers would cease to vie with each other in selling flour at an uneconomic rate. Taking the business as a whole, the prospects were bright.

The report and accounts were unanimously adopted, and a dividend at the rate of 10 per cent. per annum on the ordinary shares was declared.

CHANNEL TUNNEL COMPANY, LIMITED. STRONGER PUBLIC FEELING IN FAVOUR OF PROJECT.

The ordinary general meeting of the Channel Tunnel Company, Limited, was held, on the 17th instant, at the Cannon street Hotel, London.

The Chairman (Baron Emile B. d'Erlanger) said that, as stated in the report, the Channel Tunnel was an engineering project worthy of our times; it would cement our friendship with France, confer inestimable benefits upon the communities of both countries, provide work for thousands of men for many years, and foster trade between England, France, and the whole of the European Continent. In saying that it was an engineering project worthy of our times he did not want in any way to emphasise the difficulties of the task in constructing the Channel Tunnel, because the very careful studies which had been made of the project showed it to be a relatively easy task compared with many other tunnels which had been constructed. Good relations with foreign countries were based principally upon mutual confidence, and there was no greater token of mutual confidence that we could give to France than the approval and the carrying out of the Channel Tunnel scheme.

Moreover, the project would provide work for thousands of work people, and this he considered to be a very important factor in the present condition of the labour market in England. As to the development of our trade with the Continent, he thought it would confer untold blessing upon this country. There had been of late a revival of interest in the Channel Tunnel scheme, which had sprung up quite spontaneously. The Prime Minister had expressed his willingness to receive a deputation on the subject, and he was very hopeful that the scheme would receive at last the favourable consideration which it deserved, and that liberty would be given to the members of the House of Commons to vote on it in accordance with their own conscience and belief, and without any interference on the part of the Government. In that event he felt certain that the project would be received and accepted by an enormous majority of the House of Commons. Personally, he entertained no doubt whatever as to the money required being raised if the scheme were approved.

Sir Robert Perks said that there was at the present time a stronger public feeling in favour of the Channel Tunnel project, not merely in France, but also in this country, than there had been during the last thirty years, and when it came to a vote in the House of Commons he felt quite sure that they would have a very considerable majority in its favour.

The report and accounts were unanimously adopted.

SAPUMALKANDE RUBBER COMPANY, LIMITED. GOOD CONDITION OF ESTATES.

The fourteenth ordinary general meeting of the Sapumalkande Rubber Company, Limited, was held, on the 16th instant, at the offices of the company, 1-4 Great Tower street, London, Mr C. Heath Clark presiding.

The Chairman, after referring to the absence of Mr H. J. Welch, owing to illness, said that the surplus of liquid assets over liabilities, including the dividend recommended at December 31, 1923, was £21,141. Deducting it from the issued capital, the cost per acre over the 2,620 planted acres worked out at £54 18s 2d, without taking into account the value of the 661 acres of reserve land available for cultivation. The increased rubber cost was due to the reduced crop. The net price realised

for the rubber crop, 11.59d per lb, required a word of explanation. The actual sales to the time the accounts were made up had totalled 369,647 lbs, and had realised an average net price of 1s 2.44d per lb. The balance of the crop exportable under the restriction legislation had been taken in at valuation, and the crop harvested in excess of the exportable percentage had been included at bare cost of production, so that 197,594 lbs had been taken into the accounts at just under 6½d per lb net, the average over the whole crop produced working out at 11.59d per lb.

The estates had been maintained in a clean-weeded condition, and buildings and machinery had been satisfactorily upkept. That systematic cultivation was agriculturally and economically sound was evidenced by the healthy appearance of the estates and the increased crops.

The profit for the year was £12,647, and they recommended a dividend of 7½ per cent. The estimated tea crop for the current year was 330,000 lbs. To the end of May 137,000 lbs had been secured, as against 110,983 lbs to the corresponding date in 1923. The rubber crop could not be accurately estimated, as the percentage exportable under restriction could not be known in advance. The whole tea crop for the current year had been sold at an average net price of approximately 1s 2½d per lb. Of the current year's rubber crop, including forward contracts, 58,352 lbs had been sold at an average net price of approximately 1s 5.64d per lb.

The outlook for tea was very satisfactory, and with regard to rubber there was a good deal of unnecessary pessimism at the present time, when all the known factors of production, stocks and consumption showed a very much stronger position than at any time since the slump.

The reports and accounts were unanimously adopted.

ZINC CORPORATION, LIMITED. SUCCESSFUL RESULTS—SATISFACTORY PROSPECTS.

The thirteenth ordinary general meeting of the Zinc Corporation, Limited, was held, on the 17th instant, at River Plate House, London, Mr F. A. Govett (chairman and managing director) presiding.

The Chairman, in moving the adoption of the report and accounts, said that when they met last year he told them that the outlook was for maintenance of the price of lead, and that on that price entirely depended the profit which the company might make. He was basing his estimate at that time on the price of £24 per ton, at which high price it seemed they could make some moderate dividend, but since that time the price had further risen, and for the twelve months of 1923 it averaged no less than £26 10s per ton. As each rise of £1 on the company's present output made a difference of about £2,000, the shareholders would readily understand the reason of the largely increased profits from this source. This year's profit included some outstanding payments for zinc concentrates, but the main reason was the price of lead. The price was now, of course, still higher, and had been much higher than to-day, but all he could do at that moment was to tell them that their profits depended on the price of metals, and that, for reasons which, for the most part, still existed to-day, the outlook was good.

Apart from the higher price realised, they had also obtained some increase in profit from greater efficiency of their treatment of the ores, and possibly, to a certain small extent, from an increased efficiency of labour. The result of these combined forces was shown

in the report. The average price to the end of May this year was about £32 10s, and if they could make an average for the year of £30 per ton, which seemed probable, they might reasonably expect the same dividend for the current year. How long that was going to continue he would not presume to forecast; it was a figure far higher than he would have ever dared to think possible, but he was hopeful, though it might be selfishly in the interests of this company, that high prices might long continue, and so might compensate them for any possible later fall. Should the price fall to £20 the profit, if any, was going to look precarious. The normal pre-war price was about £16, and if there was going to be any Socialist-Communist upset of the world it would seem that consumption might fall to nothing, in which case the united prosperity of the shareholders with good dividends and of the workers with their high scale of remuneration and short hours would disappear.

Following upon an interesting review of the history of the corporation from its formation, he said at the end of this long period the corporation was now in a strong and prosperous condition.

LABOUR'S CLAIMS.

Proceeding, the Chairman said: He had spoken already of some small amount of increased efficiency of labour, and he was hopeful that this might show that labour on the field was beginning to learn a lesson, to appreciate the fact that the only counterpoise, the only justification for high wages and short hours, was high output—an output commensurate with the wages paid. He tried to investigate the fact, but the result was not too encouraging, and at this moment labour was agitating for still higher wages, asking for a 30-hour week below ground instead of 35, and without giving the company any credit for the improved machinery at their disposal, claiming that as there was no diminution of output or reduction from the 44-hour week to the 35 under the Edmunds Temporary Award, so there would be no less output with 30 hours. To his (the chairman's) mind, this indicated but one thing, namely, the extent of the "go slow" business; that if it be true that they could make the output of 44 hours in a week of 30 hours, the men must have been restricted by the unions when the 44-hour week was in force to the equivalent of 30 hours' work. Will or no will, undue restriction of hours infallibly reduced the opportunity to work for all alike.

Nor was there the slightest justification for the claims. The report of the Government's Technical Commission on the hygienic condition of the company's mines clearly showed that there was no reason to reduce from the standard hours of the State, and they claimed the time had now arrived for the cancellation of this temporary award, which was made while this report was pending, and a return to the standard hours of the State. He had read the account of the Labour Conference with the Mine Managers' Association, and, speaking for himself and the Zinc Corporation, he felt he should have been inclined to admit the claim to share in the company's prosperity, but only and always subject to their sharing also in adversity. That was profit-sharing on a sliding scale. The shield, of course, had another side. As a matter of fact, the Broken Hill companies many years ago offered the unions a sliding scale of wages which would have enabled them to participate in the results of rising prices, but this offer was refused, and, further, the Wallaroo and Moonta Copper Mines operated along such lines for a period of years, but it was deliberately abandoned by the miners. Let budding Communists reflect that even if they could have everything in common, we would not be all equally rich, we should be equally poor.

Mr W. S. Robinson seconded the motion, which was carried unanimously.



The Anglo-South American Bank Ltd.

Head Office: 62, Old Broad Street, London, E.C. 2.

Authorised Capital -	£10,000,000	Issued Capital -	£8,734,660
Reserve Fund -	£4,000,000	Paid-Up Capital -	£4,367,330

The Bank, in addition to 6 branches in SPAIN, has, with its AFFILIATED INSTITUTIONS

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

64 offices in the principal countries of LATIN AMERICA.

AUXILIARIES:
ANGLO SOUTH AMERICAN TRUST COMPANY, NEW YORK
(Incorporated under laws of State of New York)
and
BANQUE ANGLO-SUD AMERICAINE, Soc. Anon., PARIS.

CROWN MINES, LIMITED.

(INCORPORATED IN THE TRANSVAAL.)

RECORD YIELD OF GOLD.

BURDEN OF TAXATION.

The twenty-eighth ordinary general meeting of shareholders was held in Johannesburg, on May 20, 1924.

The Chairman (Mr. Samuel Evans) said: 1923 was in several respects one of the most satisfactory years we have had since the formation of the Crown Mines. The development footage accomplished, the fathomage broken, the tonnage crushed, and the total yield of gold in fine ounces were greater than in any previous year in the history of the company. Throughout the period we were free from European labour troubles, and we were not at any time as seriously inconvenienced as in previous years by the shortage of native labour. As a consequence, the efficiency of our labour force was satisfactory, and we were able to utilise, on the average, 94.8 per cent. of the capacity of our plants.

There was no change in the company's mining property during the year.

The tons mined during the year totalled 2,881,457, or 9,265 tons per working day, as compared with 2,816,431 tons, or 9,056 tons per working day in 1915, which was the best previous year. The tons mined in 1913 were 2,483,622, or 7,986 tons per working day.

We produced last year 827,872.425 ozs of fine gold, as against 763,062 ozs produced in 1915, and 772,194 ozs in 1913—the highest previous outputs. It will, I am sure, surprise some of you to hear that the gold output of this company in 1923 exceeded that of the whole Commonwealth of Australia (709,491 fine ounces), was nearly double that of India (423,755 fine ounces), and 28 per cent. larger than the gold output of Rhodesia (647,992 fine ounces). Apart from the Transvaal, only two countries produced in 1923 a larger quantity of gold than the Crown Mines, namely, the United States with 2,485,475 fine ounces and Canada with 1,179,500 fine ounces.

REVENUE.

Our receipts from the sale of gold last year totalled £3,745,500, of which £228,921 was due to the premium, which was equal to 55.64d per fine ounce. We also produced 82,450.38 fine ounces of silver, which brought in a revenue of £11,496, or 2s 9.46d per fine oz. Our total revenue for the year from all sources was £3,791,854. Adding £378,822, which we had to the credit of the appropriation account at the beginning of the year, we have a grand total of £4,170,676. Dividends were £623,067 3s 9d, and it will be noted that the balance to the credit of the appropriation account shows an increase on the year of £80,483. During the year we paid on account of the redemption of debentures £138,450, which included £54,500 paid on January 1st last for the redemption of the debentures drawn on November 17, 1922. The amount of debentures outstanding at the end of last year was £150,000. £85,000 will be redeemed this year, and the balance of £65,000 in 1925.

I have already mentioned that the premium on the sale of gold amounted to £228,921. That brings the total sum we have received as premium up to £2,352,957. On the other hand, the increase in our working costs since the commencement of the Great War up to December 31st last totalled approximately £5,300,000. The yield of gold per ton milled was 6.41 dwts, which was above the average of recent years. The working costs, however, although lower than the figures for the five years 1918 to 1922, are still very high, amounting to 19s 6d per ton milled, as compared with 1913 16s 5d; 1914, 15s 7d; 1915, 16s 2d. There are certain items of expenditure which are not included in the figures quoted, such as taxes of Union and Provincial Governments, donations, fees of directors, auditors, debenture trustees, &c. If we take in all our disbursements, exclusive only of the sums spent on capital account and in connection with the debentures, we have in 1923 a grand total of £2,696,600, as compared with £1,940,257 in 1914. In this connection it must be remembered that the development footage which was charged to working costs in 1923 totalled 66,690 ft., as compared with 30,747 ft in 1914. This extra development added approximately £163,875 to the working costs last year.

REDUCTIONS IN WORKING COSTS.

Considerable reductions in working costs were effected last year, by the increased efficiency attained through the use of improved appliances, and methods developed as the result of comprehensive and systematic studies carried out at the mine, and by the Rock Drill Committee of the Central Mining/Rand Mines Group.

The extended use of Jack-hammers has made it possible to reduce the average stopping width from 54.7 inches in January, 1923, to 49.6 inches in April, 1924, and the gold contents of the reef are now being extracted with a less tonnage mined per fathom, and with consequent saving in the transport charges and cost of treatment per fathom mined. And there are other directions in which we are able to report progress. Corduroy concentration in place of amalgamating tables has been introduced at two of the reduction works, and will, as soon as possible, be introduced at the third

plant. This process, which gives less opportunity for the leakage of gold, should lead to some reduction in costs, and is expected to result in a slightly lower residue. In addition, the recovery of a small quantity of osmiridium, amounting approximately to 17 ounces per month, valued at £425, is made possible.

CURRENT YEAR'S RESULTS.

The results obtained this year up to the end of April, compared with those of the corresponding period of last year as follows:—

Four Months ended April 30,			
	1923.	1924.	
Tons milled	845,000	861,000	
Yield:—			
Total fine ounces	268,377	271,410	
Per ton milled, dwts	6.352	6.305	
Value of yield:—			
Total (including premium)	£1,144,023	£1,250,362	
Per ton milled	27s 0.9d	29s 0.5d	
Working costs:—			
Total	£860,925	£851,869	
Per ton milled	20s 4.5d	19s 9.5d	
Working profit:—			
Total	£283,098	£398,493	
Per ton milled	6s 8.4d	9s 3.0d	
Average number of Europeans employed	1,824	1,948	
Average number of coloured employed	15,816	15,505	

A shortage of natives since about the middle of March has adversely affected the results recently.

In 1923 we developed 2,311,924 tons of an average value of 6.5 dwts. At the end of the year our ore reserves totalled 9,076,000 tons, having an estimated average value of 6.4 dwts. 1,426,000 tons, valued at 6.8 dwts, is in shafts and pillars, leaving 7,650,000 tons, having an estimated value of 6.3 dwts available for stoping. It will be noted that, as compared with the position at the end of 1922, there is an increase in the quantity of ore available for stoping of 267,400 tons, and that the value is higher by 0.3 dwt.

Taken as a whole, the development operations in the lower levels of the mine continue to disclose satisfactory values, although in recent months the grade of the ore exposed in drives, in the neighbourhood of 7A shaft, south of the South Rand Dyke, have been somewhat disappointing. In that area up to the end of April 360 feet of drives were sampled in South Reef, of which 170 feet, or 47 per cent., were payable, with a value of 11.1 dwts over a width of 21 inches. During the same period 1,670 feet of Main Reef Leader drives were sampled, of which 630 feet, or 38 per cent., were payable, with an average value of 13.9 dwts over a width of 20 inches. Too much weight should not be given to these results as the area covered is small. No attempt has yet been made to develop South Reef at No. 5A shaft, but the values of the Main Reef Leader there continue to be quite satisfactory, as out of a total drive footage sampled during the current year of 2,740 feet, 2,210 feet, or 81 per cent., was payable, with a value of 11.3 dwts over a reef width of 29 inches.

The opening up of the southern ground is progressing satisfactorily. As the result of the acquisition from the Government of additional mining claims in 1922, a deep level shaft will be sunk to tap the reef in the south-western portion of our property. A railway, over a mile in length, has been laid to serve this shaft, and the necessary work in connection with the installation of plant is being taken in hand to enable sinking to start about the end of this year.

Having regard to all the circumstances, particularly the satisfactory position of our ore reserves and the excellent values disclosed by development operations in recent years, I consider that I am justified in expressing the view that the prospects of this company are brighter to-day than they have been at any time since pre-war days. Even if the premium entirely disappears we should do at least as well as we did last year, provided (1) that the value in commodities and services of gold here and in the rest of the world is not further depreciated; (2) that we are not burdened with increased taxation; (3) that we have an adequate supply of native labour; and (4) that we are reasonably free from interruptions by disputes with organised labour.

BURDEN OF TAXATION.

It is often suggested by politicians that shareholders in Rand gold mining companies have been unduly favoured by the powers that be, and that they ought to be made to carry a larger taxation burden. The taxation of the net profits of the mines has been increased from less than 10 per cent. per annum before Union to 27 per cent. last year, and the burden is considerably heavier now than it was during the war, including the special war levy. The fact is, the taxation burden imposed on the profits of mining companies in the Transvaal is much greater than that imposed on the profits of other industries. Indeed, I am confident that

a thorough investigation by a competent and impartial authority would prove conclusively—(a) that the capital invested in the gold mining industry of the Transvaal is more heavily taxed than the capital invested in any similar enterprise in any other country, and (b) that this industry is subjected to greater interference by Government officials and more numerous and vexatious Government regulations than any other metalliferous mines in the world. The manner in which the Union Government have treated the capital invested in the gold-mining industry no doubt accounts to some extent for the fact that, on the whole, South Africa has not been viewed favourably by European capitalists in recent years. There are very few countries so well endowed by nature as South Africa. The possibilities in connection with the development of coal and iron industries in the Transvaal and Natal, and the cultivation of cotton and other sub-tropical products in our rich, low-lying areas are enormous; but capitalists will hesitate to invest their money here so long as there is a risk that, if their ventures are successful, heavy differential taxation may be imposed on their profits, and that their operations may be subjected to the constant interference of an army of Government inspectors enforcing strict compliance with innumerable and harassing Government regulations.

LANDOWNERS' FOOLISH POLICY.

It is unfortunate that South African landowners, who have in the long run most to lose from attacks on capital and encroachments of the bureaucracy on the rights of property, have not yet realised the gravity of the peril which at present confronts them. In the past 20 years, and largely since Union, a mass of legislation has been placed on the statute books interfering with the rights of land and other property-owners, and a vast army of officials has been brought into existence in order to carry out the numerous laws and regulations which substitute Government meddling for the individual freedom which the farmers of South Africa not so long ago possessed to a larger degree than those of most other countries. I believe that there are in South Africa close on 50,000 farmers who own their own farms. Once they were the controlling factor in this country. In recent years, however, they have allowed themselves to be lulled into a sense of security by the plausible superficialities of leaders who are at heart State Socialists, with the result that the political power which not so long ago was the farmer's has been transferred to the bureaucracy and to organised labour in the towns. South African farm owners have been induced to occupy themselves with all sorts of political questions that do not really matter, and have entirely neglected their own vital interests, so that the bureaucracy has become sufficiently numerous to vote the farmer under the table, and for that state of affairs the farmer himself is responsible. I hardly think that it is an exaggeration to say that the property-owners of South Africa to-day are over-governed, over-taxed, and official-ridden.

MONETARY POLICY.

At our meeting last year I pointed out the possible danger to the Rand gold-mining industry and South Africa generally, which might result from the action of the Government and the Parliament of the Union in persisting in a policy which tended to prolong and aggravate our exchange and currency troubles. The monetary situation here is still unsettled and disquieting. It has no doubt been made worse by the stabilisation policy which the British Government appear to have pursued since the spring of last year, and which has led to a general rise in prices and in the cost of living in England. That has not only depreciated the British paper pound as compared with the dollar, but it has also widened the difference between the purchasing power of the British paper pound and the South African paper pound, with the result that our banks have accumulated in London large balances which can only be transferred to South Africa by making the exchange rate high enough to account, for a part at any rate, of the disparity in the commodity value of the two currencies. There are several ways in which this disparity may be eliminated. The most satisfactory and the only permanent solution would be for both countries to restore the gold standard with as little delay as possible. Then the adjustment in the purchasing power of the two currencies would take place automatically.

If the premium continues for any length of time it is almost certain to bring about a state of affairs here which will nullify or even more than nullify, the benefits which the mining companies now derive from the premium. The level of prices and the cost of living will gradually rise until the South African paper pound has been debased to the level of the British paper pound, unless the rate of exchange is raised to and kept at a level sufficiently high to maintain the equilibrium between the two currencies. Taking everything into consideration, I feel convinced that, if appointed, the expert inquiry suggested by Mr Burton will show that those who are urging the Government to remedy the present exchange situation by definitely linking our currency with that of England, without regard for what

England's currency policy is, are in reality asking for a fresh dose of inflation. In other words, they want South Africa to start again on the "vicious circle" through which we passed in 1920, 1921 and 1922; and the next experiment with inflation may have a far more calamitous ending than the last.

Mr J. Emrys Evans seconded the motion, which was carried unanimously.

MOLASSINE COMPANY, LIMITED.

IMPROVED RESULTS DESPITE DIFFICULTIES.

The annual general meeting of the Molassine Company, Limited, was held, on the 18th instant, at Tunnel Avenue, East Greenwich, London, Mr John Prosser (chairman and managing director) presiding.

The Chairman said: You will see that we made a profit of £17,460 17s 3d, out of which £4,073 5s 11d has been allocated to depreciations, leaving £13,387 11s 4d (subject to corporation profits tax), which with £752 15s 11d brought forward, makes an available balance of £14,140 7s 3d. Of this sum £5,000 has been placed to reserve, and it is proposed to pay one year's dividend on the 7 per cent. preference shares, leaving £2,140 7s 3d to be carried forward. As to the balance-sheet itself, the figures differ very little from those of last year. During the year we have redeemed a further £3,600 worth of first mortgage debenture stock. The sundry creditors are £42,256 12s, against £53,185 0s 5d a year ago.

Cash at bankers is £20,790 8s 8d, against £9,981 16s 6d last year. Sundry debtors are £3,585 7s 7d less, while the stocks are down from £52,388 11s 5d to £41,642 17s 9d.

That we have made a profit of £17,460 17s 3d during the past year is something to be thankful for, although disappointing. Considering the very depressed conditions prevalent in the agricultural world, to have paid expenses is a matter for satisfaction, to say nothing of having made a profit. This company was formed for manufacturing and selling molassine meal for animals, and that is the business for which we are adapted, and for which we have these large works at Greenwich. Our success, therefore, depends upon the prosperity of the British farmer.

Last year the outlook seemed brighter, and we hoped we had seen the worst. Unfortunately, this has not been the case. The prices which the farmer has been able to make for his produce have not been remunerative, and in addition to his other troubles he has had to put up with a serious attack of foot and mouth disease.

It has been quite a common thing for us to receive letters from our customers who made contracts in the early part of the season for a large quantity of molassine meal, asking us to cancel, as all their animals had been destroyed and they had no further use for cattle foods. With regard to dog and poultry foods, we continue to hold our own, although it has not been a good year for the poultry industry, but this, we trust, is only a passing phase.

Mr Stanley W. Goodman seconded the resolution, which was carried unanimously, and a sum of £500 was voted to the directors and staff as an appreciation of their services.

RICHARDSONS, WESTGARTH, & CO., LIMITED.

DEVELOPMENT OF INTERNAL COMBUSTION ENGINE.

The twenty-third annual meeting of Messrs. Richardsons, Westgarth, and Co., the well-known engineers, of Hartlepool, Middlesbrough, and Sunderland, was held on the 17th instant.

Mr. D. B. Morison, Chairman and managing director, presided, and moved the adoption of the directors' report and balance-sheet. They were enabled, he said, to declare a dividend on the ordinary shares of the company of 10 per cent., and to carry forward £68,900.

Having alluded to the fact that the company had recently purchased from the holders and cancelled upwards of £300,000 debenture stock, and had already invested £100,000 in Government securities with the object of providing for the regular payment of dividend on the preference shares during periods of bad trade, Mr Morison continued:—

"The salvation of this company in the immediate future is to be found in the policy your directors have consistently pursued of building up exceptionally strong reserves of cash, and declining to engage in speculative adventures, and, provided that in the future these reserves are utilised strictly for the benefit of the business, and for no other purpose or object, they are amply sufficient to enable the company easily to withstand all the consequences of an abnormally long depression."

Commenting on the continued bad trade and consequent unemployment, Mr Morison named, among other factors that were retarding recovery, "the preaching of fallacious economic doctrines by highly-paid professional talkers of Communistic tendencies." "Everyone," he said, "sympathises with the desire

GOVERNMENT RETURNS, &c.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Dec. 31, 1923.	Mar. 31, 1924.	June 14, 1924.
Funded Debt	588	315	315	315	315	314	314	314	314
Term Annuities	30	20	19	18	16	14	14	14	14
3% Conversion Loan	..	..	..	..	266	684	683	683	683
4% War Stock	..	63	63	63	63	63	63	63	63
4% and 5% War Stock	..	15	15	15	15	15	15	15	15
National War Bonds	2,047	2,040	1,995	1,953	2,095	2,095	2,095	2,095	2,095
4% Funding Loan	1,509	1,476	1,413	1,201	953	924	903	903	903
4% Victory Bonds	409	409	406	401	399	400	400	400	400
Treasury Bonds	..	360	357	347	335	325	325	325	325
Exchequer Bonds	20	323	319	289	185	150	150	150	150
National Savings Certs.	..	267	274	285	342	354	367	366	365
Other Debt*	1,306	1,181	1,132	1,087	1,157	1,149	1,151	1,151	1,151
American Loan (Anglo-American Loan (French))	..	51	51	1,121	878	616	588	584	584
Treasury Bills	15	1,107	1,107	1,107	1,107	1,107	1,107	1,107	1,107
Temporary Advances	1	243	205	154	147	194	208	186	202
Other Capital Liabilities	654	8,033	7,829	7,574	7,655	7,742	7,801	7,695	7,718
Total Liabilities	711	8,079	7,876	7,623	7,721	7,812	7,871	7,766	7,768

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	Ways and Means Advances June 16, '23.	Mar. 31, '24.	June 14, '24.	Week Ended June 14, '24.
Outstanding—				
Advances by Bank of England	3,000,000	12,000,000	9,000,000	9,000,000
Advances by Public Deposits	210,510,500	186,155,500	190,680,500	4,900,000
Treasury Bills Outstanding	608,815,000	588,330,000	583,780,000	4,260,000
Total Floating Debt	822,325,500	774,475,500	786,460,500	160,000

* Includes £35,000, the proceeds of which were not carried to the Exchequer within the period of the account.

PUBLIC INCOME AND EXPENDITURE.
RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from	Receipts, Week Ended	Receipts, Week Ended
	Apr. 1, 1924, to June 14, 1924.	Apr. 1, 1923, to June 16, 1923.	Apr. 1, 1924, to June 16, 1924.
Balance in Exchequer on 1st April—			
Bank of England	5,099,613	5,442,685	..
Bank of Ireland	1,563,001	1,575,502	..
Bank of Scotland	6,831,514	6,818,167	..
REVENUE.			
Customs	20,452,000	26,870,000	1,331,000
Excise	23,392,000	24,350,000	2,093,000
Motor Vehicle Duties	2,396,000	2,041,000	117,000
Stamps, &c., Duties	13,310,000	10,930,000	850,000
Stamps	2,680,000	3,900,000	680,000
Land Tax, House Duty & Mineral Rights Duty	520,000	390,000	10,000
Property & Income Tax	41,059,000	38,453,000	1,441,000
Super-Tax	15,400,000	12,880,000	980,000
Business Profits Tax, &c.	3,890,000	4,640,000	620,000
Corporation Profits Tax	10,600,000	9,800,000	1,100,000
Post Office	200,000	190,000	..
Crown Lands	..	..	..
Interest on Sundry Loans	3,684,165	4,002,077	1,510,154
Miscellaneous	2,692,056	4,031,952	111,351
Special Receipts	9,632,968	13,300,660	144,271
Revenue	146,888,186	158,775,689	7,912,633
Total, inc. Balance	156,519,800	165,593,856	13,360,833
OTHER RECEIPTS.			
Temporary Advances Repaid—			
Bullion	..	65,000	..
Under the Unemployment Insurance Act, 1921	2,390,000	1,330,000	170,000
Money Raised by Creation of Debt—			
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1921	..	..	..
(b) Under the Unemployment Insurance Act, 1921	..	..	..
(c) For other Issues: By Treasury Bills	483,905,000	508,956,000	43,476,000
By National Savings Certificates	5,800,000	10,550,000	1,100,000
By 4% Treasury Bonds, 1931-33	11,765,837	29,167,571	1,429,975
(d) Ways and Means Advances	132,150,000	190,100,000	24,250,000
Repayments	..	..	..
In respect of Issues under Land Settlement (Facilities) Act, 1919 and 1921	488,901	42,224	..
Total	792,919,538	835,504,651	63,206,639

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from	Issues, Week Ended	Issues, Week Ended
	Apr. 1, 1924, to June 14, 1924.	Apr. 1, 1923, to June 16, 1923.	Apr. 1, 1924, to June 16, 1924.
EXPENDITURE.			
Normal Debt Services	98,061,871	122,478,144	2,518,093
Interest, &c.	5,043,221	..	16,970,938
Sinking Fund	1,328,044	1,440,044	362,000
Road Fund	..	..	..
Payments to Local Taxation Accounts, &c.	80,000	400,000	..
Payments to Northern Ireland Exchequer	602,836	627,553	..
Land Settlement	230,355	84,398	18,800
Other Consolidated Funds	..	..	..
Services	281,681	292,924	..
Supply Services	66,254,000	62,968,000	5,150,000
Expenditure	174,882,008	188,397,073	17,668,093

	Total Issues out of the Exchequer to meet Payments from	Issues, Week Ended	Issues, Week Ended
	Apr. 1, 1923, to June 7, 1923.	Apr. 1, 1923, to June 9, 1923.	Apr. 1, 1924, to June 9, 1924.
OTHER ISSUES.			
Temporary Advances—			
Bullion	..	5,000	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	36,891	36,891	..
Under the Unemployment Insurance Act, 1921	..	30,000	..
Issues to meet Capital Expenditure—			
Under the Telegraph (Money) Act, 1922	1,750,000	1,200,000	..
Unemployment Insurance Act, 1921—			
Repayment of amounts borrowed	1,910,000	1,060,000	..
Treasury Bills	488,480,000	516,165,000	43,185,000
Principal of National Savings Certificates	6,850,000	8,000,000	650,000
Principal of National War Bonds paid off	..	16,729,989	..
Other Debt under the War Loan Act, 1914 to 1919	50	..	..
Ways and Means Advances Repaid	115,625,000	106,437,000	11,300,000
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	..	55,214	..
Balance in Exchequer—			
Bank of England	789,533,949	832,050,182	63,003,093
Bank of Ireland	2,076,036	1,895,707	101,829
Bank of Scotland	1,309,553	1,844,762	83,981
Total	3,385,589	3,744,469	203,529
Treasury, June 16, 1924.			

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

	Notes and Certificates Outstanding	Investment Reserve Account	Redemption Account
			Bank of England Notes
Date.			
1923.			
Mar. 29	300,351	14,265	36,500
June 28	285,374	12,338	36,500
Sept. 27	285,127	12,498	36,500
Dec. 27	301,337	12,976	36,500
1924.			
Mar. 28	285,616	12,312	36,500
June 27	285,503	12,516	36,500
Sept. 27	282,784	12,401	36,500
Dec. 26	299,070	12,571	36,500
1924.			
Mar. 26	281,538	11,908	36,500
June 25	289,924	12,374	36,500
June 11	293,958	12,535	36,500
June 18	291,808	12,715	36,500

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £390,000,000, for 1921 at £317,500,000, for 1922 at £308,988,000, for 1923 at £270,183,000, and for 1924 at £248,100,000.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills dated from June 23-June 28 were opened on June 20, 1924, and the total amount applied for was £47,995,000. For bills at three months dated Monday to Friday at 99 1/4, about 47 per cent., and above in full. Saturday at 99 1/4, above in full. The amounts allotted were as follows:—In bills at 3 months, £34,650,000; in bonds £350,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
May 16, 1924.	30,000,000	58,769,000	2 1/2	94 1/2
May 23	35,000,000	62,435,000	3 1/2	94 1/2
May 30	40,000,000	64,880,000	3 1/2	94 1/2
June 6	35,000,000	61,140,000	3 1/2	94 1/2
June 13	35,000,000	58,385,000	3 1/2	94 1/2
June 20	35,000,000	47,995,000	3 1/2	94 1/2

Tenders will be received on June 27, 1924, for Treasury Bonds and Bills to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, June 18, 1924.

ISSUE DEPARTMENT.

	Notes issued	Government debt	Other securities	Gold coin & bullion
	146,156,390	11,015,100	8,734,900	126,408,390
	146,156,390			146,156,390

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

CENTENARY YEAR, 1924.

ASSETS EXCEEDED £12,700,000
FIRE. LIFE. ACCIDENT. MARINE.Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

BANKING DEPARTMENT.

	£	Government securities	Other securities	Notes	Gold and silver coin
Proprietors' capital	14,553,000	48,667,467	71,224,179	20,669,250	1,828,755
Reserve	3,260,289	..	..	..	..
Public deposits	11,328,722	..	..	..	..
Other deposits	113,236,128	..	..	..	..
Seven days & other bills	11,512	..	..	..	..
	142,389,651	142,389,651			

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

	Amount, June 18, 1924.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	3,260,289	+ 31,413	- 18,277
Public deposits	11,328,722	+ 581,784	- 5,653,116
Other deposits	113,236,128	- 9,019,685	+ 7,981,098
Government securities	48,667,467	+ 1,722,612	+ 47,171
Other securities	71,224,179	+ 670,922	+ 1,049,506
Reserve	125,487,140	+ 648,860	+ 1,746,500
Note circulation	128,235,145	+ 22,062	+ 697,194
Gold and silver coin	18	+ 18	- 18
% of reserve to liabilities	18%	..	..

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1924.						
April 30	128,150,532	125,616,015	121,578,872	116,978,300	22,254,517	12 1/2
May 7	128,172,646	125,216,555	122,628,371	117,588,259	22,706,091	12 1/2
May 14	128,182,792	124,541,525	119,799,798	114,111,938	23,391,267	12 1/2
May 21	128,181,411	124,518,055	119,890,012	114,255,110	23,413,127	12 1/2
May 28	128,184,802	125,731,915	120,041,438	115,634,736	22,202,887	12 1/2
June 4	128,185,591	126,577,650	124,591,041	115,015,344	21,567,941	12 1/2
June 11	128,213,083	126,136,000	133,002,749	128,989,034	21,827,083	12 1/2
June 18	128,235,145	125,487,140	124,564,850	119,891,648	22,498,005	12 1/2

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1924.				
January 1 to June 4	15,401,977	682,000	1,237,353	17,321,370
June 11	535,012	25,819	52,844	613,675
June 18	696,763	32,098	58,457	787,318
Total to date 1924.	16,633,702	740,007	1,348,654	18,722,363
Do 1923.	15,274,363	743,014	1,366,422	17,383,799
Increase or decrease in 1924	+ 1,359,339	- 3,007	- 1,017	+ 1,355,325
%	+ 9%	- 0.4%	- 0.1%	+ 8%
Total for year 1923	32,270,373	1,546,585	2,810,654	36,627,612
Total for year 1924	34,780,636	1,574,681	2,806,165	39,161,482
Increase or decrease in 1924	+ 2,510,263	+ 28,096	+ 4,499	+ 2,542,858
%	+ 8%	+ 1.8%	+ 0.2%	+ 7%

PROVINCIAL CLEARING RETURNS.

	Month of May.	Aggregate Weekly Totals to June 14.
	1923.	1924.
Number of Working Days	26	27
BIRMINGHAM	10,182,000	10,442,000
BRIGHTON	5,299,000	5,735,000
BURTON	4,837,000	4,769,000
BULL	4,880,000	4,553,000
LEEDS	3,005,000	3,368,000
LIVERPOOL	39,071,000	37,781,000
LONDON	60,654,000	68,432,000
MANCHESTER	9,938,000	9,243,000
NEWCASTLE-ON-TYNE	2,732,000	2,831,000
NOTTINGHAM	4,793,000	4,

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

ASSETS.	June 16, 1924.	June 10, 1924.	June 2, 1924.	May 24, 1924.	May 16, 1924.	Position May 30, 1924.
Gold	531,408	531,408	531,408	531,408	531,408	163,092
Silver	9,966	9,966	9,966	9,966	9,966	8,436
Depts. and advances	389,321	392,242	405,206	411,252	326,158	153,504
LIABILITIES.						
Notes in circulat'n	961,596	975,539	993,413	969,892	918,770	316,632
Deposits	49,950	39,264	39,264	59,565	19,445	5,016

BANK OF JAVIA.—In florins (000's omitted).

ASSETS.	June 14, 1924.	June 7, 1924.	May 31, 1924.	May 24, 1924.	May 16, 1924.	Position May 30, 1924.
Gold	211,250	211,500	213,250	213,000	153,546	22,971
Silver	130,590	146,200	134,070	143,640	146,069	77,567
Discounts, advances, and other investments	257,000	258,000	253,500	253,500	265,579	109,499
LIABILITIES.						
Notes in circulation	62,420	76,500	71,290	80,500	78,483	11,250
Deposits and bills payable						

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

ASSETS.	June 14, 1924.	June 7, 1924.	May 31, 1924.	May 23, 1924.	May 16, 1924.	Position May 30, 1924.
Gold	518,559	518,898	529,991	530,126	537,007	171,775
Silver	100,587	100,498	97,821	98,104	102,644	18,350
Depts. and advances	237,674	263,512	268,250	289,881	265,114	103,000
LIABILITIES.						
Notes in circulation	823,727	848,033	877,219	832,593	833,263	275,925
Deposits	102,899	99,018	89,089	151,248	150,645	33,750

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

ASSETS.	June 7, 1924.	May 31, 1924.	May 22, 1924.	June 7, 1924.	Position May 30, 1924.
Coin and bullion—Gold	147,285	147,285	147,285	147,285	44,224
Balance abroad and foreign bills	19,296	20,129	20,432	15,860	28,533
Norwegian and Foreign Government securities	9,008	9,007	9,007	9,404	8,816
Discounts and loans	438,585	424,683	423,246	505,422	76,911
LIABILITIES.					
Notes in circulation	376,071	378,511	366,270	398,349	113,484
Deposits at notice	122,501	108,590	120,759	151,009	7,188

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

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

ASSETS.	June 14, 1924.	June 7, 1924.	May 24, 1924.	May 16, 1924.	May 24, 1924.	Position May 30, 1924.
Gold	247,356	247,436	247,514	247,561	273,127	104,918
Balance abroad and foreign bills	23,916	23,181	20,147	20,869	36,739	112,172
Swedish and foreign Gov. securities	56,999	57,133	62,990	62,290	152,787	34,465
Discounts & loans	480,819	495,548	501,056	470,293	335,982	112,668
LIABILITIES.						
Notes in circulation	501,710	509,127	522,732	472,077	527,126	226,555
Deposits at notice	244,605	247,367	254,501	220,887	215,776	369,660

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

ASSETS.	June 7, 1924.	May 31, 1924.	May 23, 1924.	June 8, 1924.	Position May 30, 1924.
Gold	42,965	42,965	42,965	42,704	35,091
Balance abroad and foreign bills	493,496	539,933	579,739	752,512	80,379
Finland and Foreign Government securities	498,642	500,497	500,497	571,436	81,838
Discounts and loans	975,172	926,245	874,443	708,821	106,511
LIABILITIES.					
Notes in circulation	1,351,340	1,361,339	1,307,551	1,446,953	123,941
Deposits at notice	351,405	373,136	423,307	395,319	21,226

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

ASSETS.	June 11, 1924.	June 4, 1924.	May 14, 1924.	Dec. 12, 1923.	Nov. 22, 1923.
Total cash	16,136	17,803	14,269	15,456	3,085
Gold coin & bullion	20,940	20,893	20,835	15,767	12,195
Of which held abroad	5,854	5,854	5,854	2,506	
Foreign banks	48,350	48,902	51,337	51,195	24,466
Discounts and loans	64,485	63,087	59,632	35,284	9,551
LIABILITIES.					
Notes in circulation	25,500	25,500	25,200	33,000	4,005
Capital paid up	10,260	10,260	10,260	10,214	8,000
Government deposits	72,176	72,711	66,823	38,433	16,697
Other deposits	38,519	39,538	39,029	42,304	17,995

BANK OF POLAND.—In zloty (000's omitted).

ASSETS.	May 31, 1924.	May 20, 1924.	May 10, 1924.	May 3, 1924.	May 10, 1924.
Gold	71,685	70,804	70,804	70,804	70,374
Foreign coin and balance with foreign banks	214,191	203,530	203,530	203,530	207,169
Private loans and discounts	128,325	121,872	121,872	119,114	
LIABILITIES.					
Notes in circulation	244,977	136,047	111,117	111,117	
Deposits	109,300	205,565	230,028		

BANK OF CZECHO-SLOVAKIA.—In Cz. K. (000's omitted).

ASSETS.	June 7, 1924.	May 31, 1924.	May 23, 1924.	May 15, 1924.	May 7, 1924.	June 7, 1924.
Assets of the Austro-Hungarian Bank to the Bank of the Czech Republic	10,096,973	10,096,973	10,096,973	10,096,973	10,096,973	10,096,973
Discounts & advances	2,084,787	2,089,776	1,984,219	1,918,456	2,058,848	1,860,263
Gold & silver hold'gs	1,046,043	1,045,180	1,045,169	1,044,892	1,044,566	950,952
Foreign bills and balances abroad	678,211	659,567	678,466	655,859	646,091	1,691,804
Other assets	206,753	271,601	196,637	282,874	246,040	639,323
LIABILITIES.						
State's circ'ln	7,882,172	8,078,418	7,550,660	7,968,149	9,112,177	
Deposits	4,803,372	4,683,547	5,035,423	4,809,091	4,698,241	4,488,550
Other liabilities	1,421,223	1,401,132	1,415,381	1,439,661	1,432,128	1,638,469

* Resulting from banknotes, current accounts, Exchange bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

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

ASSETS.	June 7, 1924.	May 31, 1924.	May 23, 1924.	June 7, 1923.
Gold	107,550,988	107,443,293	107,337,929	73,350,509
Foreign bills	3,172,692,776	3,144,337,658	3,445,881,575	1,875,350,509
Bills discounted	2,708,268,207	2,658,255,058	2,390,496,829	889,256,590
Treasury bills	2,258,837,500	2,259,839,100	2,259,839,100	2,547,211,870
LIABILITIES.				
Reserve fund	4,872,011	4,872,011	4,872,011	
Notes in circulation	7,390,109,759	7,554,620,292	6,839,821,503	4,860,726,692
Deposits	682,263,718	641,000,599	1,188,816,279	366,565,791

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

ASSETS.	June 7, 1924.	May 31, 1924.	May 23, 1924.	June 7, 1923.
Gold coin and bullion, bills	23,566	23,537	25,319	22,858
Silver coin, &c.	1,246	1,145	1,083	595
Bills, warrants, drafts, &c.	1,451,064,865	1,420,385,139	1,364,459,523	88,021,945
Loans	15,533,631	13,436,687	13,393,485	2,516,731
Government loans	1,084,000,000	1,054,000,000	1,024,000,000	39,400,000
LIABILITIES.				
Notes in circulation	2,449,993,435	2,466,257,010	2,223,666,818	103,979,267
Deposits	423,859,852	377,119,180	447,570,928	10,987,068

NATIONAL BANK OF THE SERBS, &c.—In dinars (000's omitted).

ASSETS.	June 7, 1924.	May 31, 1924.	May 22, 1924.	June 8, 1923.
Gold	72,328	72,375	72,274	72,373
Other coin and notes	18,533	22,081	20,694	19,597
Foreign credits	354,860	348,546	346,340	349,526
Bills	1,182,395	1,190,273	1,190,394	1,300,592
Govt. advances	4,569,134	4,560,134	4,560,156	4,561,627
LIABILITIES.				
Notes in circulation	5,513,907	5,479,398	5,541,495	5,555,869
State credits	387,918	387,918	387,940	298,000
Deposits	500,070	498,268	555,554	631,499

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

ASSETS.	May 15, 1924.	April 30, 1924.	April 14, 1924.	Mar. 31, 1924.	May 15, 1923.
Gold and balances abroad	3,189,255	2,847,299	2,087,855	2,072,256	1,505,543
Government loans and securities	3,964,735	4,146,463	4,148,216	4,041,473	4,097,248
Discounts and loans	1,824,990	1,850,707	1,897,677	1,870,538	1,764,572
LIABILITIES.					
Notes in circulation	4,699,856	4,801,155	4,679,778	4,700,538	4,115,159
Government deposits	703,291	745,642	415,651	347,954	189,041
Private eight deposits	1,946,702	2,013,302	1,647,634	1,619,850	1,278,108
Private deposits at fixed dates	1,057,644	1,053,041	1,052,553	1,049,879	1,021,975

RUSSIAN STATE BANK.—Note-issuing Department.

ASSETS.	June 16, 1924.	June 1, 1924.	May 1, 1924.	May 1, 1924.
Gold in coin and bullion	8,841	8,841	8,784	8,784
Silver in bullion	111	111	111	111
Platinum	743	743	743	743
Foreign bank notes	9,855	9,875	9,096	9,096
Drafts in sterling (less 10%)	343	343	317	343
Bills (less 10% discount)	12,244	12,188	10,497	10,472
Securities covering advances on goods (less 10%)	6,094	6,094	7,152	7,152
LIABILITIES.				
Bank notes	38,000	35,700	35,700	35,200
Balance to which notes may still be issued	250	1,500	1,000	Nil

BANK OF SPAIN.—In pesetas (000's omitted).

ASSETS.	June 14, 1924.	June 7, 1924.	May 31, 1924.	May 24, 1924.	June 14, 1923.	Position May 30, 1924.
Gold	2,533,782	2,533,645	2,533,308	2,532,690	2,525,774	821,775
Silver	657,615	656,902	661,652	661,044	652,846	381,775
Loans & discounts	2,273,156	2,288,485	2,275,242	2,267,686	2,059,830	788,600
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	800,728
Treasury bills	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,365,637	4,378,965	4,342,895	4,338,693	4,113,763	821,850
Deposits	943,030	943,205	931,458	925,588	943,367	477,360

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

ASSETS.	May 21, 1924.	May 14, 1924.	May 7, 1924.	April 30, 1924.	May 21, 1923.
Coin and bullion	9,524	9,528	9,553	9,667	97,069
Of which gold	8,577	8,577	8,577	8,577	8,577
Balance abroad	63,632	69,345	70,579	66,438	58,560
Discounts	178,964	180,940	177,911	179,286	214,726
LIABILITIES.					
Notes in circulation	1,549,748	1,547,352	1,544,273	1,541,779	1,171,438
Deposits	44,801	41,912	41,271	49,403	65,774

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

ASSETS.	May 20, 1924.	May 10, 1924.	Apr. 30, 1924.	Apr. 20, 1924.	May 20, 1923.	Position May 30, 1924.
Total cash	1,599,833	1,607,807	1,604,316	1,579,050	1,471,259	1,321,875
Inland bills	3,014,619	3,037,521	3,125,952	3,071,516	4,691,717	418,400
Foreign bills	15,775	15,903	15,838	15,881	13,546	81,300
Advances to the Treasury	5,701,089	5,701,159	5,701,209	5,746,600	5,839,535	nil
Other advances	1,715,991	1,857,034	2,082,982	1,867,640	1,713,998	79,175

No silver coinage was reported during the week ending June 7th. The stock in Shanghai on the 16th inst. consisted of about 36,200,000 ounces in sycee, 39,500,000 dollars, and 1,980 silver bars, as compared with about 37,000,000 ounces in sycee, 37,500,000 dollars, and 2,300 silver bars on the 7th inst.

NOTICES.

The directors of Lloyds Bank, Limited, announce that Major P. B. Walker, of Messrs. Wormalds and Walker, Limited, Dewsbury, and Mr E. R. Benson, of Messrs. John Brooke and Sons, Limited, Armitage Bridge, near Huddersfield, have been appointed members of the West Yorkshire Local Board, in succession to the late Sir Joseph H. Kaye and the late Mr Robert Whitworth.

Messrs Morgan, Grenfell and Co., 22 Old Broad street, E.C. 2, announce that Mr Michael George Herbert is admitted a partner in the firm.

Lloyds Bank, Limited, announce that a branch of the bank is now open at 86 and 86A High street, Wimbledon Hill, S.W. 19, under the management of Mr D. Scott Evans, the hours of business being the usual London banking hours. They also announce that attendance is now given at the offices of the bank at Easington Colliery and Horden as follows:—Easington Colliery, daily, 1.30 till 3.30. Saturdays 9.30 till 10.30. Horden, daily (except Saturdays), 10.45 till 12.45.

The Midland Bank announces the opening of a new office at 2 Harbour street, Folkestone, under the management of Mr Frank Fletcher.

The Board of the National Bank of South Africa, Limited, announce with very great regret that, in accordance with the superannuation rules, Mr. William Dunlop, general manager of the bank, and Mr. Archibald Campbell Duff, assistant general manager, will retire from the bank's service on the 31st instant. Mr. Dunlop has accepted an invitation to join the board of the bank, and his appointment in this capacity will take effect as from the 1st proximo. The board announce further that they have appointed Mr. George Robb Paterson (at present an assistant general manager) to succeed Mr. Dunlop as general manager, with effect from the 1st proximo.

ANALYSIS OF BALANCE-SHEETS.

BOOTS PURE DRUG COMPANY, LIMITED.

March 31, 1924.			
LIABILITIES.	Compared with Mar. 31, 1923.	ASSETS.	Compared with Mar. 31, 1923.
Ord. and pref. capital	2,400,000 ..	Properties	1,034,945 ..
Ord. shares	494,940 ..	Stocks	504,953 ..
4% deb. loan	10,272 ..	Debtors	868,962 ..
Staff pension fund	40,000 ..	20% War Stock	569,184 ..
Depreciation fund	343,457 ..	5% War Stock	248,125 ..
Reserve fund	403,989 ..	Cash	97,488 ..
Profit and loss	310,552 ..	Investments in subsidiaries	618,000 ..
		Other investments	45,499 ..
Total	3,982,838 ..	Total	3,982,838 ..

EBW VALE STEEL, IRON, AND COAL COMPANY, LIMITED.

March 31, 1924.			
LIABILITIES.	Compared with Mar. 31, 1923.	ASSETS.	Compared with Mar. 31, 1923.
Ord. shares	2,500,000 ..	Property	7,142,794 ..
7% cum. pref.	1,200,000 ..	Investments	2,805,030 ..
4% deb. loan	873,500 ..	Stocks	444,979 ..
5% seven-year notes	3,000,000 ..	Sundry debtors	611,085 ..
General reserve	300,000 ..	Cash	5,113 ..
Sundry creditors	1,407,801 ..		
Profit and loss	374,562 ..	Total	11,006,301 ..
Total	11,006,301 ..	Total	11,006,301 ..

GUEST, KENN, AND NETTLEFOLDS.

March 31, 1924.			
LIABILITIES.	Compared with Mar. 31, 1923.	ASSETS.	Compared with Mar. 31, 1923.
Prof. shares	1,720,000 ..	Land, buildings, collieries, &c. ..	3,115,332 ..
2nd pref. shares	4,348,950 ..	Stocks	560,921 ..
Ord. shares	6,293,347 ..	Debtors	1,369,863 ..
4% deb. stock	1,850,500 ..	Investments	13,338,464 ..
Reserve fund	2,628,503 ..	Cash and bills	608,532 ..
Sundry creditors	1,488,086 ..		
Profit and loss	663,776 ..	Total	18,993,142 ..
Total	18,993,142 ..	Total	18,993,142 ..

HOWARD AND BULLOUGH.

May 31, 1924.			
LIABILITIES.	Compared with May 31, 1923.	ASSETS.	Compared with May 31, 1923.
6% pref. shares	250,000 ..	Business, good-will, &c. ..	1,211,051 ..
Ord. shares	1,250,000 ..	Book debts	283,426 ..
4% deb. stock	250,000 ..	Investments	942,371 ..
Int. accrued	4,137 ..	Cash at bank	125,074 ..
Sundry creditors	210,053 ..	Cash and bills	6,358 ..
Reserve	250,000 ..	Stock-in-trade	373,910 ..
Div. reserve	350,000 ..		
Cont. reserve	155,000 ..		
Profit and loss	283,000 ..	Total	2,942,190 ..
Total	2,942,190 ..	Total	2,942,190 ..

JOHN BROWN AND CO.

March 31, 1924.			
LIABILITIES.	Compared with Mar. 31, 1923.	ASSETS.	Compared with Mar. 31, 1923.
Ord. shares	2,437,500 ..	Land, buildings, &c. ..	6,743,944 ..
Prof. shares	1,700,000 ..	Works, tools, &c. ..	457,637 ..
Deb. loans and int. ..	1,183,405 ..	Debtors	864,282 ..
Creditors	1,570,627 ..	Coal rents paid	31,061 ..
Reserve	500,000 ..	Cash and bills	45,702 ..
Contingency fund	550,000 ..		
Profit and loss	291,094 ..	Total	8,082,626 ..
Total	8,082,626 ..	Total	8,082,626 ..

"SHELL" TRANSPORT AND TRADING COMPANY, LIMITED.

December 31, 1923.			
LIABILITIES.	Compared with Dec. 31, 1922.	ASSETS.	Compared with Dec. 31, 1922.
5% pref. shares	2,000,000 ..	Prop. account	23,410,372 ..
7% 2nd pref.	5,000,000 ..	Debtors	116,612 ..
Ord. shares	15,265,144 ..	Balance of divs. in sundry cos. ..	4,399,943 ..
Reserve	5,000,000 ..	Investments	8,355,402 ..
Sundry creditors	290,800 ..	Deposits with bankers	50,000 ..
Divs. unclaimed	17,447 ..	Cash at bankers	99,136 ..
Divs. accrued on pref. shares	170,833 ..		
Profit and loss	4,587,241 ..	Total	36,431,465 ..
Total	36,431,465 ..	Total	36,431,465 ..

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Date of Div.	Final Date of Div.	Method of Payment.	Dividend for Year.	Pre-vision.
Railways.						
Belra	..	..	..	..	2 1/2	2 1/2
Chicago, St. Paul, &c. ..	..	..	..	..	2	2
Dorado Extension	..	..	..	..	2	2
International of C. America, Prt. ..	1 1/2	Aug. 31	..	Less tax Quarterly	..	..
Banks.						
Bank of Chosen (Old and New) ..	6	June 24	..	Less tax 4/5 in &	2 1/2 p.s.	2 1/2 p.s.
Bank of New Zealand	1 1/4 p.s.	June 30	..	Quarterly	..	..
Guaranty Trust Co., N.Y.	5	..	..	..	..	..
National City	4	July 1	..	..	..	..
National of N. Zealand	..	..	..	..	..	..
Nederlandsche	8 1/2	..	..	Tax free	14	14
Royal of Australia	..	..	..	..	10	10
Western Australian	..	..	..	Tax free	30	30
Insurance.						
Associated Reinsurers	..	..	..	..	6	..
Eagle Star and B.D.	8 1/2	..	..	Less tax	..	..
Merchants' Marine	3 1/2 p.s.	July 1	..	Tax free	..	..
Reinsurance Corporation	1 1/2 p.s.	..	..	..	..	..
Union of Canton	1 1/2 p.s.	..	..	Subject to tax	7 1/2	..
Other.						
Aurora West United	10 1/2	Aug. 6	..	Subject to tax	..	..
Brakpan	20	Nov. 3	..	Tax free	..	..
British South Africa Co.	7 1/2 p.s.	..	..	..	..	..
City Deep	25	Aug. 5	..	Subject to tax	..	..
Consolidated Main Reef	6 1/2	Aug. 5	..	Subject to tax	..	..
Crown Mines	40	Aug. 5	..	Subject to tax	..	..
Durban Deep	10	Aug. 5	..	Subject to tax	..	..
Geduld Prop.	15 1/2	Aug. 5	..	Subject to tax	..	..
Golden Horse	5	Aug. 5	..	Subject to tax	..	..
Government Gold	3 1/2	Aug. 13	..	Tax free	2	2 1/2
Johannesburg Cons. Invest.	15	Sept. 24	..	Tax free	..	..
Kamunting	1 1/2 p.s.	July 30	..	Tax free	..	..
Langlaagte Estate	50	Aug. 27	..	..	..	..
Meyer and Charlton	50	..	..	..	..	..
Modderfontein "B"	60	Aug. 5	..	Subject to tax	..	..
Modderfontein Deep	70	Aug. 5	..	Subject to tax	..	..
New Modderfontein	50	Aug. 5	..	Subject to tax	..	..
Nourse	38 1/2	Aug. 5	..	Subject to tax	..	..
Durban Deep	10	Aug. 5	..	Subject to tax	..	..
Geduld Prop.	15 1/2	Aug. 5	..	Subject to tax	..	..
Golden Horse	5	Aug. 5	..	Subject to tax	..	..
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Reports and Notices.

Goldsbrough, Mort, and Co., Limited, announce that they have (subject to confirmation by the shareholders) purchased the business of Messrs. Bagot, Shakes, and Lewis, Limited, wool brokers, of Adelaide, and branches throughout South Australia and Western Australia. An extraordinary general meeting of the shareholders of Goldsborough, Mort, and Co., Limited, will be held in Melbourne, on the 27th inst., to arrange for an increase of the capital of the company from £1,000,000 to £1,500,000.

Mr. Percy Good is resigning his appointment of secretary to Style and Winch, Limited, which he has held since its incorporation. He has been elected to a seat on the board of the Dartford Brewery Company, Limited, the control of which Style and Winch have recently acquired.

At the annual conference of the Chartered Insurance Institute held at Bristol on Friday, June 13, 1924, Mr. J. J. Atkinson, F.C.I.I., general manager of the Royal Insurance Company, Limited, was elected president.

We are officially informed that Mr. W. Owen Butler, son of Mr. W. Waters Butler, chairman of the company, has been appointed a managing director, and Mr. Lauchlan Campbell, who has been a member of the staff for the past 27 years, has been elected a director of Mitchells and Butlers, Limited, brewers, Birmingham.

We are informed that a supply of booklets relating to the United States Revenue Act of 1924, with an explanatory digest, has been received by the London office of the National City Company, 34, Bishopsgate, E.C.2, from whom copies may be obtained upon application.

Mr. C. C. Baker (Ball, Baker, Cornish and Co.), Finsbury court, Finsbury pavement, has been appointed by the Court Receiver for the prior lien bondholders of Canada Land and Irrigation Company, Limited.

To succeed Mr. M. J. Mackie, who is retiring after 43 years' service, the directors of the Employers' Liability Assurance Corporation, Limited, have appointed Mr. Frank Travis as district manager for the West Lancashire and North Wales branch at Liverpool. Mr. Travis has been in the service of the Corporation for many years, and latterly as district manager of the City branch in King William street, London.

We are informed by the secretary of Swift of Coventry, Limited, that the proposed voluntary liquidation of Harper-Bean, Limited, in nowise affects the financial position of Swift of Coventry, Limited.

GOVERNMENT STOCKS, &c.

LIBERIAN LOAN OF 1912.—The Council of Foreign Bondholders have received advices from the National City Bank of New York, the fiscal agents for the Liberian loan, that they are in possession of the necessary funds for the encashment of the July, 1924, coupons on the bonds outstanding. There is also a small balance available for sinking fund, which will probably be increased by further payments received before July 1, 1924. The fiscal agents will be glad to receive tenders, which must be in their hands at their offices, 55, Wall street, New York, not later than June 30, 1924. Accepted bonds will be for delivery as early as possible, following receipt of notice by the fiscal agents to the respective bidders, and must bear the coupons due January 1, 1925.

PORTUGUESE BONDS.—The committee of the Stock Exchange passed and confirmed the following resolution on Monday:—"That the resolution passed by the Committee for General Purposes on the 12th instant does not refer to Portuguese 4½ per cent. Bonds (tobacco monopoly)."

BANKS.

NATIONAL BANK OF NEW ZEALAND.—The net profit for year ended March 31, 1924, after paying a bonus to the staff of £17,700, providing for bad and doubtful debts, and including £145,567 brought forward from the previous year, amounts to £389,502. The interim dividend at the rate of 12 per cent. per annum, paid in January last, absorbed £75,000. The sum of £20,000 has been placed to premises account, leaving now available for distribution £294,502, which the directors propose to allocate as follows:—In payment of a dividend at the rate of 12 per cent. per annum for the half-year ended March 31st last, £75,000; in payment of a bonus of 2 per cent., £25,000 (both free of income-tax); to reserve fund (which will then stand at £1,270,000), £10,000; to pension and gratuity funds, £28,944; balance to be carried forward, £155,558. Agencies have been opened at Dominion road (Auckland), Manurewa, Omakau, Ophir, Papatoetoe, Patumahoe. In May last 100,000 new shares were offered to shareholders at a premium of £2 per share in the proportion of one share for every five shares held. The new shares have been allotted, and the premium amounting to £200,000 will be carried to reserve fund, thereby raising it to £1,470,000. The directors have, with much regret, to report the death of their esteemed colleague, Mr. D. W. Duthie, advisory director in New Zealand. Mr. James Bennie Reid, of New Zealand, was appointed to a seat on the board on July 11th last, and his name will be submitted to the meeting for re-election. The board of directors being of opinion that to meet the growing requirements of the Dominion it is desirable to increase the authorised capital of the bank from £4,500,000 to £6,000,000, an extraordinary general meeting of the shareholders will be held on Wednesday, July 2, 1924, after the conclusion of the annual general meeting, for the purpose of considering and, if thought fit, of passing the necessary resolution to effect such increase.

TEA AND RUBBER.

TELOGOREDO UNITED PLANTATIONS.—The net profit has risen from £28,239 for 1922 to £40,149 for 1923. The dividend is unchanged at 12½ per cent. The rubber crop harvested in 1923 was

1,628,085 lbs (against 1,238,612 lbs in 1922), and the coffee crop was 10,340 cwt (against 7,600 cwt). The "all-in" cost of the rubber was 8.11d per lb (against 8.82d per lb), while the coffee cost 41s 7d per cwt (against 51s per cwt). The gross price realised for rubber rose from 1s 0.28d per lb to 1s 2.02d per lb, and the coffee realised 55s 6d per cwt (against 51s 3d).

MISCELLANEOUS.

GROVESEND STEEL AND TINPLATE.—The report shows that the balance at credit of profit and loss account on March 31, 1924, including £109,485 brought forward, was £425,500, from which the following deductions have been made:—Debiture and other interest, £41,102; reserve for depreciation and renewals, £35,803; reserve for taxation, £15,000; leaving £333,594. One year's dividend at 6½ per cent. for the year has already been paid on the preference shares, leaving a balance of £318,351. The directors recommend that this balance be appropriated as follows:—To transfer to reserve fund, £50,000, making total reserve £100,000; write off debenture issue expenses, £20,807; pay a dividend of 25 per cent. (less tax) on the ordinary shares, £125,000; and carry forward £113,484. The total assets are £2,817,458. Cash stands at £104,785; debtors are at £391,134; stocks stand at £430,508; investments, at cost, including shares in associated companies, stand at £438,467. With regard to liabilities, creditors stand at £336,847.

HOULDER BROTHERS AND CO.—The twenty-sixth annual report for year 1923 shows that the revenue account for the year, after provision for taxation, &c., reveals a credit balance of £126,953, to which must be added the carry forward from last year of £16,602, giving a total of £143,555. After making provision for remuneration of managing directors, payment of debenture interest, preference dividend, and the transfer of £25,000 to general reserve, there remains a disposable balance of £97,430. An interim dividend of 4 per cent. on the ordinary share capital of the company was paid on July 11, 1923. A further interim dividend of 4 per cent. was distributed on March 11, 1924, and it is now recommended that a final dividend of 2 per cent., free of tax, be distributed, leaving £17,430 to carry forward to the current year. For previous year dividend was 8 per cent., tax free. The chairman, Mr. F. H. Houlder, has recently been on an extended visit to South America, and has visited all the company's offices, both in the Argentine and the Brazil. He is now homeward bound, and hopes to arrive in time to take the chair at the forthcoming annual general meeting of the company. The company has an ordinary share capital of £800,000 and a preference share capital of £100,000, also a debenture debt of £125,000 in 4½ per cent. stock. Reserves amount to £200,000. Deposits, staff provident fund is at £37,494. Current accounts stand at £912,855. Total assets are £2,240,779. Cash is at £102,854. Current accounts and advances are at £301,150. General investments stand at £1,707,143.

JAMES FINLAY AND CO., LIMITED.—This concern has an issued capital of £2,000,000. Of this £1,500,000 is in ordinary shares and £500,000 in 6 per cent. cumulative preference shares. Reserves total £1,640,008. Banking deposits stand at £723,283. Creditors are at £881,635, and bills payable are at £272,671. Assets total £5,809,335. Investments stand in the balance-sheet at £2,846,883, but their market value on December 31, 1923, was £3,487,013. Cash is at £547,878. Debtors are at £1,266,579. The accounts for the year ended December 31, 1923, show that the credit balance from last year was £318,355; the profit for the year 1923 is £420,084—£738,430. Deduct—dividend paid on preference shares, £30,000; dividends paid on ordinary shares and income-tax thereon, £326,701, leaving £381,738. The directors recommend the payment of a dividend of 10 per cent. on the ordinary shares, £150,000; balance to be carried forward to next year, £231,738. It is stated in the report that no special provision has been made for corporation profits tax, as the directors estimate that all taxation up to April 5, 1924, is fully covered. Prospects for the current year in regard to trading are meantime satisfactory, and the revenue from investments should be considerably in excess of that of 1923.

LOBITOS OILFIELDS.—This well-known oil concern has had a splendid year. It has an ordinary share capital of £400,000 in £1 shares. There are no preference shares or debentures. The balance-sheet shows tank steamers reserve, £200,000. Tank steamers survey reserve, £15,500. Reserve account, £300,000. Taxation reserve account, £150,000. Total assets are £2,218,641. Cash is at £63,486. Investments at cost stand at £566,161. The production for 1923 was 125,491 tons, as compared with 110,010 tons in 1922. The ordinary shareholders are to receive 75 per cent. free of income-tax, for year 1923, against 50 per cent., tax free, for 1922. The net profit is £661,923, against £521,072 for preceding year. The sum of £100,000 goes to reserve account and £125,000 to tank steamers reserve account, also £100,000 to development reserve, while £218,256 goes forward against £181,333 brought in.

SALTS (SALTAIRE).—This company has made a very good start, for after providing for interest, fees, taxation, depreciation, and the debenture interest, the net profit for the year ended March 31st amounted to £170,878. The preference dividend, which has already been paid, being deducted, the directors propose to transfer £26,697 (being the amount of profit accrued prior to the company's incorporation) to reserve, and to pay a dividend on the ordinary shares of 10 per cent. The balance of £10,631 remaining is carried forward. Total assets are £3,794,005, made up as follows:—Goodwill and trade marks stand at £427,650; properties are at £1,513,904; stocks stand at £933,769; debtors are at £526,516; investments (at market value), £316,216; and cash, £75,949.

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended May 31.		Five Months Ended May 31.	
	1923.	1924.	1923.	1924.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	6,046,935	10,849,419	38,304,068	39,242,748
B. Feeding stuffs for animals	449,634	654,064	2,557,336	2,977,370
C. Meat	10,531,897	11,300,145	50,285,321	44,329,358
D. Animals living, for food	1,158,245	1,485,590	2,758,607	7,727,438
E. Other food and drink, non-dutiable	13,224,917	16,344,643	62,130,135	65,991,794
F. " " dutiable	11,194,383	10,651,129	47,171,117	55,636,158
G. Tobacco	942,229	1,039,570	7,504,872	6,965,159
Total, Class I.	43,548,240	52,324,560	210,711,456	222,870,025
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	1,039	752	2,164	7,872
B. Other non-metallic mining and quarry products and the like	417,676	706,857	2,330,126	2,451,648
C. Iron ore and scrap	892,111	1,021,280	3,499,362	3,899,100
D. Non-ferrous metalliferous ores and scrap	1,090,079	1,423,772	4,900,497	6,493,626
E. Wood and timber	3,072,956	3,674,658	12,062,604	12,421,769
F. Raw cotton and cotton waste	3,763,611	8,427,496	34,169,943	51,404,543
G. Wool, raw and waste, and woollen rags	5,924,942	12,061,258	29,393,372	41,551,853
H. Silk, raw, knubs and noils	82,935	200,689	717,264	639,577
I. Other textile materials	871,427	1,404,859	5,274,042	6,501,180
J. Oil seeds, nuts, oils, fats, "sins" and gums	4,091,011	5,201,048	19,712,816	20,841,619
K. Hides and skins, undressed	1,195,589	2,354,945	7,175,688	8,557,055
L. Paper-making materials	902,760	956,137	3,490,064	3,301,109
M. Rubber	726,875	678,065	4,521,412	4,185,459
N. Miscellaneous raw materials and articles mainly unmanufactured	714,150	806,538	4,242,885	4,026,585
Total, Class II.	23,747,161	38,918,354	131,492,239	166,282,995
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	64	749	5,613	3,876
B. Earthenware, glass, abrasives, &c.	573,019	908,718	2,936,966	3,330,236
C. Iron and steel and manufactures thereof	928,570	2,777,207	5,552,796	9,330,125
D. Non-ferrous metals and manufactures thereof	2,139,902	3,146,207	10,549,086	12,695,233
E. Outfitters, hardware, implements, and instruments	691,243	646,001	2,958,469	3,143,855
F. Electrical goods and apparatus	224,293	263,202	926,066	1,166,802
G. Machinery	843,829	1,127,018	4,003,621	4,285,729
H. Manufactures of wood and timber	415,554	585,134	1,842,283	2,038,243
I. Cotton yarns and manufactures	782,806	901,456	3,637,780	3,670,948
J. Woollen and worsted yarns and manufactures	919,354	1,484,567	4,446,120	6,339,581
K. Silk and silk manufactures	1,056,915	2,327,052	8,269,158	10,595,215
L. Manufactures of other textile materials	1,156,123	1,582,509	5,482,543	6,712,526
M. Apparel	1,336,705	1,889,634	6,981,352	7,347,164
N. Chemicals, drugs, dyes, & colours	1,112,852	1,471,686	5,876,688	6,127,463
O. Oils, fats, and resins, manufactured	3,375,057	4,618,823	14,590,151	15,051,740
P. Leather and manufactures thereof	986,729	1,415,261	5,032,626	5,588,979
Q. Paper and cardboard	1,053,380	1,361,929	4,920,290	5,447,540
R. Vehicles (including locomotives, ships, and aircraft)	935,297	845,105	3,827,257	3,766,752
S. Rubber manufactures	531,050	447,995	2,452,773	1,880,598
T. Miscellaneous articles, mainly or wholly manufactured	2,104,671	2,487,201	11,077,873	10,230,395
Total, Class III.	21,556,503	30,287,542	105,350,121	118,253,000
IV.—Animals, not for food	135,739	191,411	299,860	716,704
V.—Parcel post, non-dutiable articles	408,703	364,732	1,662,346	1,817,555
Total	89,396,346	122,086,599	449,516,022	509,940,279

MINING OUTPUT STATISTICS FOR MAY, 1924.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyande Works.	Mill.	Cyande Works.		
Gold.						
Mexican Corporation	111,393	..	..	..	123,443	£71,043
Oriental Corporation	20,654	..	..	..	..	£6,103
Santa Gertrudis	2,262	..	..	..	..	£28,034
De Invernades, &c.	51,034	..	5,029 (gold)	40,688 (silver)	..	..
Wahai	15,964	..	..	..	..	..
Copper.						
Falcon	241,202	..	..	..	..	..
Tin.						
Boro	2	..	..	..	..	..
Brisols	28	..	..	..	..	..
Georva	39	..	..	..	..	..
Gurum River	6	..	..	..	..	..
Janhar	20	..	..	..	..	..
Kaduna Pros.	114	..	..	..	..	..
Kaduna Synd.	153	..	..	..	..	..
Naraguta	276	..	..	..	..	..
Nigerian Govt.	8	..	..	..	..	..
South Bukuru	6	..	..	..	..	..
Tin Fields of N. Nigeria	4	..	..	..	..	..
Coal.						
Chinese Engineering	59,983	..	..	..	..	..
Witbank	55,810	..	..	..	..	..

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

A welcome change to warm and drier weather conditions occurred during the week, following the recent spell of heavy rains over most parts of the country. The outlook for cereal crops, however, is

EXPORTS OF PRODUCE AND MANUFACTURES OF THE UNITED KINGDOM (Value F.O.B.).

	Month Ended May 31.		Five Months Ended May 31.	
	1923.	1924.	1923.	1924.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	462,619	605,146	1,533,196	2,751,476
B. Feeding stuffs for animals	218,933	278,521	727,966	1,327,134
C. Meat	111,061	127,990	497,127	684,806
D. Animals living, for food	20,475	33,817	32,194	121,185
E. and F. Other food and drink	2,455,103	2,543,356	10,601,001	13,771,271
G. Tobacco	582,534	601,733	2,556,691	2,845,184
Total, Class I.	3,850,725	4,190,563	15,948,195	21,501,056
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	10,588,417	6,678,328	41,464,651	32,274,947
B. Other non-metallic mining and quarry products and the like	167,912	241,307	735,443	929,029
C. Iron ore and scrap	54,309	40,494	253,925	301,919
D. Non-ferrous metalliferous ores and scrap	234,215	185,232	1,189,803	550,233
E. Wood and timber	36,846	58,285	162,022	260,678
F. Raw cotton and cotton waste	148,421	167,674	837,449	827,037
G. Wool, raw and waste, and woollen rags	998,519	973,282	4,383,660	5,389,605
H. Silk, raw, knubs and noils	17,852	10,633	57,769	80,513
I. Other textile materials	44,829	26,443	240,293	195,845
J. Oil seeds, nuts, oils, fats, resins, and gums	820,670	606,055	2,453,317	2,933,476
K. Hides and skins, undressed	223,446	233,692	1,246,331	1,318,659
L. Paper-making materials	164,302	184,554	708,817	788,576
M. Rubber	13,690	12,656	61,772	51,468
N. Miscellaneous raw materials and articles mainly unmanufactured	528,250	304,405	2,370,521	2,223,441
Total, Class II.	14,041,678	9,723,321	56,165,773	48,025,226
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	720,870	428,870	3,958,902	2,907,512
B. Earthenware, glass, abrasives, &c.	1,112,937	1,231,144	4,577,657	5,169,078
C. Iron and steel and manufactures thereof	7,203,817	7,459,725	30,223,690	32,729,835
D. Non-ferrous metals and manufactures thereof	1,282,114	1,358,496	6,105,724	6,864,902
E. Cutlery, hardware, implements, and instruments	668,084	758,619	2,865,797	3,257,009
F. Electrical goods and apparatus	717,324	873,247	3,491,717	4,100,694
G. Machinery	4,174,330	3,975,594	20,555,288	17,773,851
H. Manufactures of wood and timber	138,983	184,195	615,583	822,221
I. Cotton yarns and manufactures ..	17,046,892	18,071,069	76,570,718	82,908,544
J. Woolen and worsted yarns and manufactures	5,158,607	5,419,172	25,345,904	26,467,569
K. Silk and silk manufactures	155,305	169,815	733,335	861,530
L. Miscellaneous of other textile materials	2,210,337	2,547,887	9,843,007	10,757,325
M. Apparel	2,057,892	2,474,631	9,640,960	11,645,894
N. Chemicals, drugs, dyes, & colours ..	2,572,713	2,422,514	10,733,119	11,086,669
O. Oils, fats, & resins, manufactured ..	58,537	950,373	2,802,489	3,642,844
P. Leather and manufactures thereof ..	560,225	722,301	2,332,419	2,944,780
Q. Paper and cardboard	717,933	788,251	3,495,906	3,625,520
R. Vehicles (including locomotives, ships, and aircrafts)	2,438,470	2,235,073	16,504,114	19,325,944
S. Rubber manufactures	515,345	590,946	2,244,665	2,463,828
T. Miscellaneous articles mainly or wholly manufactured	2,764,512	2,758,936	12,068,866	13,696,805
Total, Class III.	58,801,227	55,421,719	243,114,720	251,857,780
IV.—Animals, not for food				
	109,098	178,314	382,178	781,615
V.—Parcel Post				
	752,136	746,972	4,184,602	4,274,887
Total	71,554,864	70,260,882	319,795,468	326,440,564

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distribu- tion.	Appropriation.						Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.	
					Prefce.	Ordinary.	Rate.					
												Amount.	Amount.	Rate.
Banks.		£	£	£	£	£	%	£	£	£	%	
National Bank of New Zealand..	Mar. 31	145,567	243,935	389,502	..	175,000	14+	38,944	155,558	228,747	14+	
Royal Bank of Australia	Mar. 31*	36,306	62,196	98,502	..	37,500	10	20,000	41,002	60,913	10	
Breweries.												
Tamplin and Son's Brewery, Brighton	April 30	28,079	35,091	63,170	14,039	18,016	15	5,000	26,115	32,311	15	
Financial, Land, &c.												
Dominion of Canada Investment ..	April 30	4,271	15,475	19,746	4,769	7,180	7	3,000	4,797	14,545	7	
Hotels, Restaurants, &c.												
Cranston's Hotels	May 17	12,979	31,525	44,504	7,397	12,475	20	10,000	14,632	29,439	17+	
Trust Houses	Mar. 31	516	59,384	59,900	..	..	..	59,723	177	76,051	..	
Iron, Coal, and Steel.												
Consett Iron	Mar. 31	30,097	331,628	361,725	40,000	225,000	7+	44,091	52,634	187,036	5+	
Dinnington Main Coal	Mar. 31	19,072	101,298	120,370	..	62,890	17+	40,000	17,480	46,219	10+	
Ebbw Vale Steel, Iron, and Coal ..	Mar. 31	69,131	305,421	374,552	84,000	..	..	100,000	190,552	52,673	..	
Edgar Allen and Co.	Mar. 31	9,523	23,232	32,755	15,000	10,211	2+	..	7,544	Dr 15,122	5+	
Falkirk Iron	Mar. 31	26,763	18,629	45,392	..	20,693	7	..	24,699	46,144	10	
Guest, Keen, and Nettlefolds	Mar. 31	209,665	874,743	1,084,408	303,447	560,696	10+	..	220,265	844,919	10+	
Horseley Bridge and Engineering ..	Mar. 31	8,247	Dr 33,964	Dr 25,717	..	..	..	..	Dr 25,717	9,172	4+	
Howard and Bullough	May 31	166,261	167,988	334,249	15,000	166,250	12+	..	152,999	587,247	20	
James Keith and Blackman	Mar. 31	6,120	20,134	26,254	2,112	15,000	7+	..	9,142	9,643	7+	
John Brown and Co.	Mar. 31	183,551	212,230	395,781	87,500	121,875	5	..	186,406	212,294	5	
Ransomes, Sims, and Jefferies	Mar. 31	47,954	16,551	64,505	41,250	..	..	..	23,255	Dr 64,104	..	
William Cooke and Co.	Mar. 31	6,813	24,667	31,480	3,250	13,875	7+	..	14,355	..	..	
Nitrate.												
Lautaro	Dec. 31	100,714	46,663	147,377	..	..	..	..	147,377	28,159	..	
Oil.												
Lobitos Oilfields	Dec. 31	181,333	661,923	843,256	..	300,000	75+	325,000	218,256	521,072	50+	
"Shell" Transport and Trading ..	Dec. 31	2,029,056	3,008,185	5,037,241	450,000	4,357,157	22+	..	230,084	4,633,159	22+	
Rubber.												
Chota	Dec. 31	5,612	1,197	6,809	..	1,250	2+	..	5,559	Dr 346	..	
Emerald Rubber, &c.	Jan. 31	19,602	7,289	26,891	..	8,361	5	2,000	16,530	31,980	17+	
Jugra Estate	Mar. 31	5,736	22,075	27,811	..	18,750	25	..	9,061	28,329	30	
Strathairlie	Dec. 31	..	116	116	..	..	..	..	116	..	..	
Strathmore	Dec. 31	1,690	4,339	6,029	..	..	..	2,000	4,029	483	..	
Sungei Krian	Dec. 31	12,259	11,180	23,439	8,825	1,844	10	..	12,770	9,700	10	
Tanah Datar	Dec. 31	1,208	3,816	5,024	..	2,918	5	..	2,106	4,240	nil	
Shipping.												
Burns, Philp, and Co.	Mar. 31	6,649	178,663	185,312	..	125,000	10	50,000	10,312	172,795	10	
Houlder Brothers and Co.	Dec. 31	16,602	111,328	127,930	5,500	80,000	10+	25,000	17,430	91,362	8+	
Shops and Stores.												
London Shoe	Mar. 31	1,190	11,513	12,703	3,900	5,000	200+	..	3,803	4,243	nil	
Tea.												
Dooars	Dec. 31	17,421	192,013	209,435	5,250	136,502	50	42,000	25,683	128,526	32+	
Jaipur	Dec. 31	4,497	27,064	31,561	..	18,000	30	9,000	4,561	22,559	20	
Makum (Assam)	Dec. 31	627	42,941	43,568	..	25,000	25+	15,500	3,068	..	..	
Scottish Assam	Dec. 31	3,138	17,874	21,012	..	9,178	15	8,000	3,834	14,278	10	
Single	Dec. 31	12,914	110,016	122,930	6,825	67,200	40	32,000	16,905	88,074	30	
Telegraphs, Telephones, &c.												
Eastern Extension, &c.	Dec. 31	382,683	679,562	1,062,245	..	400,000	10+	250,000	412,245	724,803	10+	
Eastern Telegraph	Dec. 31	515,257	876,166	1,391,423	70,000	500,000	10+	300,000	521,423	917,249	10+	
Oriental Telephone	Dec. 31	9,274	44,996	54,270	4,765	31,117	10+	2,000	16,388	49,011	12+	
West African	Dec. 31	2,418	33,584	26,002	..	9,244	4+	25,000	1,758	8,062	4+	
Trust.												
Globe Telegraph and Trust	May 31	44,914	336,281	381,195	84,217	235,400	10+	12,000	49,578	341,420	10+	
Waterworks.												
New River Company	Mar. 31	4,693	32,525	37,218	..	22,750	17+	8,000	6,468	27,618	16+	
Other Companies.												
Aberthaw and Bristol Channel Portland Cement	Mar. 31	32,273	(v) 133,703	165,976	9,375	58,125	18+	30,000	68,476	62,997	15	
Boots' Pure Drug	Mar. 31	138,682	628,620	767,302	96,750	360,000	36	100,000	210,532	595,811	360(b)	
Cape Asbestos	Dec. 31	5,504	15,590	21,094	7,803	5,496	10	2,225	5,571	..	..	
Consolidated London Properties ..	Mar. 25	6,578	26,200	32,778	..	22,000	10	..	10,778	26,021	8	
Crosse and Blackwell	Dec. 31	Dr 75,702	Dr 76,720	Dr 152,422	..	..	..	..	Dr 152,422	Dr 99,737	..	
Edward and John Burke	April 30	14,971	75,454	90,425	13,500	22,500	10	35,000	19,425	44,210	6	
Hall and Co.	Mar. 31	49,488	29,345	78,833	3,983	12,643	15	12,000	50,207	..	..	
James Finlay and Co.	Dec. 31	318,355	420,085	738,440	30,000	476,702	(d)	..	231,738	..	..	
Philip Harris and Co.	Mar. 31	10,023	6,092	16,115	2,104	1,162	7+	543	12,306	7,042	7+	
Richard Johnson, Clapham, and Morris	Mar. 31	22,060	6,796	28,856	3,835	5,603	2+	..	19,418	18,092	5	
Victoria Dwellings	April 30	44	2,274	2,318	..	1,249	2	..	1,069	1,127	2	
Waygood-Otis	Mar. 31	17,003	52,384	69,387	9,000	23,200	8	23,000	14,187	49,864	8	

* Half-year.

† Free of tax.

(b) This dividend amounted to £360,000, but was paid on smaller capital.

(d) Amount paid in ordinary dividend and income-tax thereon.

(m) 9 months.

(v) 15 months.

oat husks 7s 3d, feed oatmeal 9s 3d, ground oats 11s 9d per cwt, free on rail. Oatmeal quiet. London made, flaked 17s, rolled oats 16s 6d, medium and fine cut 16s 6d, coarse and medium pinhead 16s 6d, ordinary Scottish oatmeal 17s 6d to 18s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-24.	1922-23.	1921-22.	1920-21.
Estimated sales of home-grown wheat—				
1 week to June 14	Cwts. 57,609	Cwts. 16,396,077	Cwts. 65,356	Cwts. 81,472
41 weeks to June 14	12,469,983	16,396,077	15,494,333	12,014,844
Average price of English wheat per cwt	s d 11 3	s d 10 11	s d 12 5½	s d 20 1

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1920 to 1923:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1924.						
June 7	Cwts. 83,127	Cwts. 3,371	Cwts. 12,317	s d 11 3	s d 11 1	s d 10 0
June 14	57,609	5,027	9,244	11 3	11 3	9 11
1920.	24,454	6,839	6,822	17 0	26 9	23 4
1921.	74,327	11,796	18,915	20 10	12 11	14 1
1922.	65,357	5,986	11,162	12 8	12 3	11 9
1923.	158,278	22,442	12,174	10 11	8 9	10 7

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated June 19, 1924, is as follows:—Pig-iron: The demand is weaker and prices inclined to go still lower, although makers are reluctant to sell No. 3 Cleveland G.M.B. below 90s per ton. The price for mixed numbers East Coast hematite has been reduced to 97s per ton, f.o.b. or f.o.t. Middlesbrough, but there is no increased demand. Manufactured iron and steel: Makers are anxious for business, as their order books are very poor, and some works are under-cutting prices in order to try and secure orders. Current quotations are: Steel ship plates, £10 5s; steel ship angles, £10; iron bars, £12 10s; steel rails, £9. Iron ore: There is very little business indeed, and prices have a tendency to decrease. Best Bilbao rubio is still quoted at 23s 6d per ton, c.i.f. Tees.

Our Sheffield correspondent writes:—Depressed trade, stock-taking preparations, and prospects of lower prices are playing havoc with the iron and steel trade, which is experiencing the quietest period of the year. Sales of raw and semi-manufactured materials have for some time past been almost limited to odd parcels picked up at cut prices. The outlook for the rest of the year presents a gloomy aspect, and the prophets do not hope for any revival until next year. Pig-iron prices are being shaded a shilling or two per ton with the object of tempting business. Buyers are deferring the placing of contracts in the belief that the lower cost of coal will enable producers to offer reduced rates. Continental competition is not particularly keen, as there are constant delays and much uncertainty in deliveries from that source. British makers of pig and billets are suffering severe financial handicap from the wholesale suspension of deliveries beyond the periods specified in the contracts, and complain that their leniency in this respect is being badly abused. They would be willing to keep in stock the overdue quantities, but not wanted if the buyers would pay for such material. Railway steel is less active than it has been, but more work is coming forward from the shipyards. The demand for the best tool steels has fallen off. The export returns for May record increased shipments of rails and pig-iron, but many other items are below the figures of April, and the comparison with a year ago is unfavourable. The call for stainless steel for use in connection with engineering parts has been steadily increasing for twelve months, and more than 90 per cent. of the table cutlery produced in the country is made from this material. The electro silver plate and cutlery industries are extremely unsatisfactory in the home market, but the overseas demand is considerably better. Conditions in the fuel market continue to droop, and prices are still falling. The demand for both manufacturing and house coal has dropped off considerably. Coke is also quiet, and stocks are accumulating. Current quotations per ton at pits are:—Yorkshire hard, 23s to 24s; Blyths, 22s to 23s; Durhams, 25s 6d to 26s; Derbyshire, 21s 6d; hand-picked branch, 34s; Barnsley best silstone, 28s; rough slacks, 12s to 14s; smalls, 8s to 10s.

Our Glasgow correspondent writes:—Business shows less activity in all branches of the iron and steel trade. Steel works are not so well supplied with orders as they might be considering the contracts in hand in the shipyards and large structural establishments. Except in the sheet trade export business is generally quiet, only a few lines for quick delivery being recorded. Some benefit is being derived from the small extent to which Continental competition is making itself felt at present. Steel works in Glasgow and neighbourhood are not likely to put the full capacity of plant into operation till after the Fair Holidays in July. Sheet-makers are doing well. Some of the smaller works producing heavy gauges have not much on hand, but others, especially light sheet-makers, are heavily booked and experiencing a brisk demand from Australia, Canada, and the Far East. The Sheet-Makers' Association, at a meeting held last week, decided not to alter the existing fixed prices for sheets $\frac{1}{4}$ in. to $\frac{1}{2}$ in. gauge thick. Values for export—which, of course, are not fixed—are higher. Demand for galvanised corrugated sheets for shipment is still active and considerable, and delivery before September is difficult to obtain. There is nothing new to report as to bar iron and re-rolled steel, any business passing being on a small scale. The pig-iron market remains quiet, with prices unchanged. The exports from Glasgow Harbour for week ending June 14th totalled 477 tons, of which 428 tons went overseas.

Our Cardiff correspondent writes:—The tone of the Cardiff coal market has improved this week, but the improvement is due more to the effects of loss of working time and to greater unity in the sales policy of the collieries than to any marked improvement in demand. The commercial committee of the Monmouthshire and South Wales Coalowners' Association is making strenuous efforts through the group committees of salesmen to minimise under-selling. One at least of these groups is maintaining fairly successful its schedule of minimum prices, but there has been more cohesion lately between the groups dealing with the prices of the first and second-class Admiralty coals. During May the average f.o.b. price at the South Wales ports fell less than the average f.o.b. price of all the coal exported from the United Kingdom in that month. The decrease was from 25s 11d in April to 25s 6½d in May; while from the United Kingdom the decrease was from 25s to 24s 4½d. The smaller fall at the South Wales ports was to an appreciable extent due to the mitigating influence of a sharp rise in the prices of anthracite coals where combined action on the part of salesmen is easier than it is in the steam coal districts, but the collieries in the latter districts have certainly been able to offer a certain amount of effective resistance to the declining tendency of export prices, and towards the end of the present

week the quotations of several grades of coal were marked up by about 6d per ton. This defensive policy has been enforced upon the trade by the pressure of the costs of production. The general wage rate is now 42.22 per cent. above the 1915 standard rates, as compared with the old minimum of 28 per cent., and the latest returns of the revenue of the industry show that, with costs at their present level, the coalowners cannot expect but a small part of the standard profits nominally provided for under the new agreement. Old and unremunerative pits are being closed down in different parts of the coalfield. Some thousands of men are already unemployed, and more notices are impending. The following are the current approximate quotations:—Best Admiralties, 27s 9d to 28s 3d; second Admiralties, 27s to 27s 6d; best dries, 26s 6d to 27s; black veins, 26s 6d to 27s; Western Valleys, 26s to 26s 6d; Eastern Valleys, 24s to 26s; Western Valleys, 26s to 26s 6d; best bunker smalls, 18s to 18s 6d; ordinary cargo smalls, 16s to 17s; coking smalls, 18s 6d to 19s; anthracite big vein large, 50s to 52s 6d; machine-made cobbles, 60s to 62s 6d; French nuts, 57s 6d to 60s; stove nuts, 50s to 52s 6d; rubbly culm, 15s to 15s 6d; inland blast furnace coke at ovens, 30s to 35s; coke for export, 57s 6d to 60s; patent fuel, 28s to 29s 6d; pitwood, ex-ship, 26s to 26s 6d.

In the iron and steel trade demand is more active, and although the minimum price of tinplates remains at 22s 7½d per basis box, some makers are quoting 23s, f.o.b. Option contracts are on a fairly large scale. The exports of tinplates in May were greater than in any other month in the history of the industry, and the shipments of galvanised sheets were also in excess of the monthly average in 1913.

METALS.

Tin commenced the week with a firmer tone, due to higher cables from the East and a good demand. Later the market displayed quieter features, and with sellers more in evidence initial advances were not maintained. Standard, cash, sold at £219 5s to £226 to £225, and three months £219 10s to £227 5s to £224 10s to £225. Eastern cables reported sales on the basis of £230 5s, c.i.f. At Thursday's session values declined sharply, standard, cash, being dealt in at £218 15s, and three months £219 to £217 to £

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

cent. The turnover of short bills was small; heat and doubt made the taking of views difficult.

	June 27, 1924.	June 20, 1924.	June 13, 1924.	June 5, 1924.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3% (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount/Call	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice	2½	2½	2½	2½	1½ (Jly. 5, '23)
Market rate 3 months' bills)	3½	2½	2½	3	..

The Bank return shows a rise of £8,264,095 in Public deposits, Other deposits falling by £533,238. Government securities were £1,080,000 lower, a rise of £9,868,107 taking place in Other securities. The active note circulation rose by £1,022,060, and the stock of coin and bullion is £26,019 up, the decline in the Reserve being £996,041. The proportion of cash to liabilities fell back to 16.2 per cent. Currency notes outstanding were reduced this week by £1,492,700 to £290,315,900, which includes £1,386,100 for notes called in but not yet cancelled. The fiduciary issue is £239,479,700, or £8,711,200 below the maximum.

THE STOCK MARKETS.

The volume of Stock Exchange business has tended still further to decline this week. Apprehensions as to a possible rise in Bank rate were responsible for a certain weakness in gilt-edged prices. Recent activity in the new issue market is having some effect on current values, and a number of important loans are in prospect. Home Rails have been lifeless all the week. Both rubber and oil shares remain subject to depressing influences. Among industrial and commercial shares the greatest strength is shown by what may be termed "Empire Exhibition undertakings," e.g., store, drapery, restaurant, and hotel companies. South African markets are recovering from the disturbance caused by the General Election, East Rands being the object of an extensive speculative movement.

THE COMMODITY MARKETS.

There is no outstanding feature in the commodity markets to chronicle. The pig-iron market continues in the buyers' favour, and prices are inclined to weaken further. The slackness in shipbuilding is reflected in the steel rolling-mills, where orders are needed. Business is quiet in Sheffield. Tin advanced quickly, but eventually lost part of the rise. Copper was inclined to be easy. In the cotton trade in some quarters increased business has taken place, but business in the wool trade has been confined within narrow limits. Wheat is firm. A hardening tendency has been observed in sugar quotations, and brisk competition is announced for Indian tea. Copra prices are harder, and better support was forthcoming for rubber. The hide market is in a weak state. Activity has been noticeable in vegetable oils and oilseed dealings.

FOREIGN EXCHANGES.

The foreign exchange market has shown a quietness which amounted almost to stagnation in the latter half of the week. A slight reaction occurred early in the week in the New York rate, which sagged from \$4.33½ on the 20th to \$4.32½ on 24th, but, recovering again, was quoted at \$4.33½ yesterday morning. In this market lower money rates in New York, and anticipation of possible stringency in the money market here at the end of the month, have led to a considerable alteration in forward rates, especially for a short period. Rates are now ½ cent below spot for one month, and approximately ½ cent below for two or three months. Paris has moved somewhat erratically within narrow limits, and although on Monday morning the rate improved on the news of the Chequers conversations to 78.70, as against 80.45 on the 20th, it fell again later to 81.15 as the result of exaggerated reports in the Belgian Press. During the remainder of the week the rate fluctuated between 81.70 and 82.60, largely owing to considerable purchases of sterling in Paris. Yesterday morning the quotation was 81.80. With the prospect of an Inter-Allied Conference in the middle of July, no great movement is to be expected in the immediate future. The Belgian franc has, as usual, followed much the same course, and stood at 93.85 on Friday morning, as against 92.85 a week ago. Forward quotations in Paris remain

about 30 centimes per month above spot, but in Brussels they are slightly narrower at 5-10 centimes per month above instead of 10-15 centimes last week. The lira, which stood at 101 on the 20th, improved slowly to 99½ on the 25th, but has fallen away again to 100½. Amsterdam has reacted again from 11.59 on 20th to 11.52 yesterday morning, and Switzerland followed the same course early in the week, moving from 24.46 on the 20th to 24.37 on the 25th; since when it has returned again to 24.41. Madrid has moved slowly from 32.28 to 32.21. In Northern Europe, Stockholm has fallen from 16.32 to 16.29, and Christiania from 32.03 to 31.95, but Copenhagen has depreciated from 25.62½ to 26. Helsingfors, after touching 173½, stands once more at 173. Warsaw remains steady around 22.50, and Riga about 22.45. In Central Europe Berlin is again slightly higher at 18½ billion, but Vienna is steady at 307,500. Budapest also remains steady round 350,000. Prague is the same at 146½, with Bucharest slightly weaker at 1,000. The rupee is unaltered at 15 5½d, and the yen is ½d stronger at 15 11½d. The silver market has been quiet, and prices have shown a tendency to sag. Continental demand is reported, but both America and the East have been sellers. Hong-kong has fallen from 2s 4½d to 2s 4½d, and Shanghai from 3s 3½d to 3s 3½d. In South America, Rio at 6½d shows some improvement in anticipation of the publication of the report of the Financial Delegation, but Buenos Ayres is ½d cheaper at 4½d. Monte Video has improved to 43d, while Valparaiso, after remaining about 40.50, has depreciated to 41.30 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended June 21st:—

(000's omitted.)			
EXPENDITURE.		REVENUE.	
Supply Services	6,850	From Revenue	14,556
Interest, &c., on Debt	16,674	Amount borrowed	9,927
Sinking Fund	500	Taken from Exchequer Balances	364
Sundries	1,023		
	24,947		24,847

Revenue amounted to £14,556,000, against £16,175,400 in corresponding week of last year. Customs yielded a lower revenue at £1,968,000, against £3,085,000, while Excise receipts were also lower at £5,953,000, against £7,140,000. Property and Income-tax yielded £1,068,000, against £1,213,000. Special Receipts amounted to £1,487,100, against £1,161,100. The week's operations increased the National Debt by £9,926,600, and caused the following changes:—

(000's omitted.)			
EXPENDITURE.		REVENUE.	
Treasury Bills	+ 9,861	National Savings Certificates	£ 50
Public Debt Advances	+ 10,200	Bank of England Advances	11,000
Treasury Bonds	+ 237		
Sundries	+ 679		
	+ 20,977		— 11,080

The floating debt was increased by £9,045,000 to £795,505,500.

FINANCIAL YEAR, 1924-1925 (April 1 to June 31).

£		£	
Total Expenditure ..	199,728,908	Raised by Revenue ..	164,444,157
		Decrease in Balances ..	3,610,303
		Amount borrowed ..	31,674,448
Total	199,728,908	Total	199,728,908
ESTIMATES FOR YEAR 1924-25.			
Ordinary Expenditure ..	786,848,000	Ordinary Receipts ..	764,050,000
Special Expenditure ..	3,178,000	Special Receipts	30,000,000
Total	790,026,000	Total	794,050,000
		Surplus	4,024,000

THE WEEK IN PARLIAMENT.

MONDAY, JUNE 23RD.—*Commons*: Second reading of Housing Bill. Bill committed to a Committee of the whole House.

TUESDAY, JUNE 24TH.—*Lords*: Debate on second reading of Liquor (Popular Control) Bill. West Indian Islands (Telegraph) Bill read third time and passed. *Commons*: London Traffic Bill considered as amended in Committee. Arbitration Clauses (Protocol) Bill read a second time.

WEDNESDAY, JUNE 25TH.—*Lords*: Debate on the Sudan, and on Irish Free State representation at Washington. Third reading of Pacific Cable Board Bill. *Commons*: The Old Age Pension Financial Resolution

considered in Committee. Second reading of the Pensions Increase Bill agreed to. The following were also read a second time: Government of India (Leave of Absence) Bill, British Museum (No. 2) Bill, Access to Mountains Bill, Regulation of Railways Bill.

THURSDAY, JUNE 26TH.—*Lords*: Lord Long's Imperial Preference Motion agreed to after debate. *Commons*: Civil Service Estimates. Debate on recent London Underground Railway strike. Report stage of London Traffic Bill continued.

FRIDAY, JUNE 27TH.—*Commons*: Report stage of Legitimacy Bill.

COMPANY MEETINGS OF THE WEEK.

On later pages of this issue will be found the financial section of the Presidential Message of the Republic of the United States of Brazil, and also the reports of the following companies:—J. Lyons and Co., Bleachers' Association, Boots Pure Drug Company, Eastern Telegraph Company, Eastern Extension, Australasia and China Telegraph, Consolidated London Properties, John Brown and Co., Bank of Adelaide, Western Australian Bank, Great Indian Peninsula Railway, Hudson's Bay Company, Guest, Keen and Nettlefolds, Ebbw Vale Steel, Iron and Coal, Sialang Rubber Estates, Barcelona Traction, Light, and Power, Spring Mines, Brakpan Mines, Union Corporation, Tamplin and Sons' Brewery, and Mortgage Company of Egypt. The chairman, at the meeting of J. Lyons and Co., dealt with Wembley criticisms. At the meeting of Boots Pure Drug Company, the chairman, in referring to the Government's invitation to a conference, said they were always willing to help to obtain satisfactory conditions in shops, providing legislation recognised the fact that shops were open for the convenience of, and kept open solely by, the purchasing of the public. Sir Robert Kindersley, at the meeting of the Hudson's Bay Company, made important references to the European outlook and the gold standard question. At the meeting of the Eastern Telegraph Company, the chairman spoke in reassuring terms of wireless competition. The chairman at the Ebbw Vale Steel, Iron and Coal Meeting criticised severely proposals for nationalisation of coal mines. The chairman at the meeting of Consolidated London Properties criticised the Rents Act, the new Rating Bill, and the Rating of Land Values. The chairman at the Bleachers' Association meeting spoke of the successful working of the Pension and Superannuation Funds and the inauguration of a Thrift Fund for female employees.

MONTHLY TRADE SUPPLEMENT.

We publish this week our Monthly Supplement, in which will be found an appreciation of the trade situation at home and abroad, together with statistical information on the foreign trade, price movements, currency, and production of the leading commercial countries of the world. Its contents include a survey of the present German agricultural situation.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

THE GOLD STANDARD.

THE discussion on British monetary policy has revived with some vigour during the last few weeks. The issue is brought to a head in a recent article by the chairman of the Westminster Bank, who suggests an increase in the Bank rate to 5 per cent., supported, if thought necessary, by an increase in the interest allowed by bankers on foreign deposits to, say, 3½ per cent.—a move to be accompanied by a definite statement that it is part of a deliberate attempt to return to the gold standard. This definite suggestion has met with a mixed reception in the City, for it is evident that the policy will be accompanied by some danger to trade and employment. There is reason, however, for thinking that opinion is hardening in favour of some action before very long with the object of getting back to gold, and it is worth while to recall some of the reasons which have caused this movement of opinion.

In the first place, many people are getting anxious as to the consequences of a policy of drift. As Mr Hawtrey points out in the current number of the *Economic Journal*, the Treasury has for some time past exercised practically no influence upon the credit situation. Under the present system of selling Treasury bills by tender to the extent required to keep up Exchequer balances, and with no Ways-and-Means Advances from the Bank of England, Treasury bills differ little for the purposes of the money market from commercial bills, and "so long as the Treasury follows this system, and the money market works, the Government keeps clear of any interference in the regulation of credit."

This leaves the field clear for the Bank of England, but the Bank Court, following tradition, gives no indication of the policy on which it is basing its action. Meanwhile, the last six months have seen a most disturbing swing in the value of the franc. The sterling-dollar exchange failed to show its expected seasonal improvement in the spring of this year, the time when the European political situation looked not unpromising, and the finance houses are finding, as Sir Robert Kindersley reminded us in his speech at the Hudson's Bay annual meeting, that inquiries from abroad are constantly being made as to the future of sterling—inquiries to which even the most skilled financiers must find it difficult to give a categorical and satisfactory answer. The prospect of London being called on to finance various foreign Governments, and doubts of what may come from the London Conference with France, add to this difficulty.

A second cause of the movement of opinion must be found in the Dawes Report, and the suggestion for a Gold Bank of Issue. This point was given prominence in the recent statement issued by the Advisory Council of the Federal Reserve Board, and many people are disposed to think that if Germany and America are both on a gold basis while the £ sterling remains on a paper basis, it will prejudice Great Britain's position in international financial commerce. This point is, perhaps, given undue importance. Germany's hold upon the gold standard is likely, under the most favourable circumstances, to be precarious for some time to come. The experience of the last few years has shown that, provided the exchanges do not fluctuate too widely, a large trade is possible between countries, in spite of the lack of absolute security of exchange based on gold at either end. We hope to see considerable quantities of American capital passing into Germany for the reconstruction of that country, which, according to all accounts, is reaching an acute industrial crisis for want of credit; a need which America is in the best position to supply. But we do not anticipate that American investment in Germany, combined with an attempt to hold Germany's internal currency at a parity with gold, would seriously divert the channels for trade. There is, however, force in the view that if money is to be cheap next winter in America (perhaps cheaper even than it is at present), but very scarce in Europe, the London market will in any case have to face a period of dearer money, and that if this movement is anticipated by a rise of rates in London, a movement of American resources will take place through the London market. Such a movement of funds would tend to restore the sterling dollar exchange, and perhaps make it possible this winter to take preliminary steps to restoring a free gold market here. The doubtful point in this line of argument is as to the future of American trade and prices. Reports from the United States are far from reassuring. Prices are drifting downwards, and if the period of trade activity in the States is definitely over for the present, the next phase may be one in which great efforts will be made by American producers to sell abroad the surplus of their production, which has during the last three years found a ready market at home. Unless the outward movement of capital precedes the outward movement of goods, it will not have the desired effect upon the exchanges. It is therefore difficult to say more than that the period of dearer money in London this winter might be accompanied by something like a restoration of the exchanges. The prospects that this effect would be produced would be greatly increased if it were announced that it was part of a definite and consistent policy, the policy of gradual return to the gold standard to which Mr MacDonald has already committed himself

in words that appear to have attracted insufficient attention abroad.

On the other hand, the prospect of higher money rates is naturally regarded with considerable anxiety. Our monthly trade review shows that the internal industrial situation is not continuing to improve, but is marked by hesitation and uncertainty. The advocates of the gold standard can rightly call attention to the fact that stable exchanges would not only assist Great Britain's position in the sphere of international commerce and finance, but in the long run would have some favourable reaction on our industrial production by eliminating one of the risks that manufacturers have to face under present conditions. And further, that if it was a step towards a more general stabilisation of exchanges, we might anticipate a more rapid recovery of world trade, and of our share in it.

But it is difficult either for the Government or for producers to take so long a view. The former have to consider that a rise in the Bank Rate adds 5 millions a year to the cost of the floating debt, and postpones fresh schemes for funding the maturing debt. The latter, at all events, have to face the possibility that the first effect of dearer money may be to check demand and to lower prices. In any case, the summer months, when the seasonal demand for dollars is high, are not the best time to wrestle with the exchange, and if last year's experience is any guide, we may hope that in September the industrial situation may show much greater elements of strength than it does at the present moment. The present situation is complicated and difficult in itself, but is made much more disconcerting for the trading community in that it does not know, as it knew in the pre-war days, upon what principles the decisions of the Bank of England will be made. Yet it is essential that if any action is to be taken with success, it should command general confidence. We believe that the surest way to secure this confidence is that British policy should be planned in co-operation with American banking policy, and that before any definite steps are taken our authorities should follow the example of the Federal Reserve Board in their recent annual report, and let it be known definitely what our policy is.

THE MONETARY HALF-YEAR.

THE first half of this year, like the first half of last, has seen no change in Bank Rate. But in other respects it has been very different. There has not been that amateur speculation in gilt-edged securities which, on the basis of 1 per cent. money, made the situation precarious twelve months ago. But though the Bank Rate now is 4 per cent., compared with 3 per cent. then, expectations of a further rise have existed throughout the half-year, owing to the facts that trade is more active, the American exchange less firm, and foreign borrowing as persistent as was the case twelve months ago. An additional complication comes from the fiduciary issue of currency notes, which has been within 6 millions of the maximum allowed by the Treasury Minute.

The repayment of 64 millions of Treasury bills during the first three months of the year would not have been possible for the market without assistance of some sort; this assistance came, as last year, principally in the form of well-timed purchases of Treasury bills. Whether this assistance will also be necessary in years when there is no immoderate Budget surplus is a point of some interest. The payment of the half-yearly interest on the War Loan on June 1st, and on the debt to America on June 16th, was more perceptible than before. The effects of the former were a shortage in May, and such a surplus in June that it was not until the last week of that month that the Government was able to repay what it had borrowed from the Bank on Ways and Means. Payment of interest on the American debt accentuated both these features of the half-year, for reasons which were imperfectly understood in Lombard street.

Discount rates reached their highest point, as they did in the first half of 1923, during February, when Treasury bills were sold by tender at 3½ per cent. Thereafter they

declined below 3 per cent., to become firm again at the very end of the period (despite the seasonal attraction of the end-September maturity), owing to such considerations of monetary prospects as have been indicated above. Up to the end of March a steady increase in the supply of commercial paper was generally reported, but thereafter (partly as an after-effect of the dock strike) bills of this sort showed a decrease. The view was expressed that the total amount of commercial paper outstanding had in March reached the figure touched during the post-war boom, which is said to correspond to the pre-war total.

From April 1st to June 21st the excess of Government expenditure over revenue was 35, compared with 23 millions in the same period of 1923, but only 5 millions of this deficit was supplied by a net increase in the supply of Treasury bills, the investment demand for which may now be estimated as about equal to the supply, given the present amount of commercial paper.

FLOATING DEBT.

	December 31, 1923.	March 31, 1924.	June 21, 1924.
Bank of England Advances..	£ 1,750,000	None	£ 1,000,000
Public Department Advances	206,422,500	186,155,500	200,880,500
Treasury Bills	652,280,000	588,320,000	593,625,000
	860,452,500	774,475,500	795,505,500

The following table shows the daily averages for discount rates and money rates during the first half of this year and the previous four years:—

DAILY AVERAGE for FIRST HALF-YEAR.

	1920.	1921.	1922.	1923.	1924.
Bank rate	£ s d 6 8 7	£ s d 6 16 0	£ s d 4 7 1	£ s d 3 0 0	£ s d 4 0 0
Market rate (3 months)	6 2 2	6 2 7	2 19 0	2 4 0	3 7 6
Margin	0 6 5	0 13 5	1 8 1	0 16 0	0 12 6
Short loans	£ s d 4 16 0	£ s d 5 7 2	£ s d 2 18 0	£ s d 1 10 1	£ s d 2 9 10
Deposit rate (banks) ..	4 8 7	4 16 0	2 7 1	1 0 0	2 0 0
Margin	0 7 5	0 11 2	0 10 11	0 10 1	0 9 10

Abroad a reduction in the number of balloon currencies has meant that changes in Bank rates have been more significant than numerous. Slackening trade in America quickly brought the Federal Reserve rate down from 4½ to 3½ per cent., and a spasm of weakness in the exchanges sent the Paris rate, usually so immobile, up from 5 to 6 per cent. Other rises were in Denmark, Holland, Vienna, Riga, and Warsaw. The Indian rate was raised from 7 to 9 and lowered to 6 per cent., and that in Prague was lowered from 5½ to 5 and raised to 6½ per cent. again. The American movement had most influence in London, and it was of interest to note the fairly general opinion that at best it only made a rise here less likely.

CHANGES IN FOREIGN BANK RATES 1st HALF of 1924.

Date.	Indian Bank Rate	Raised 1 % to 8 %
Jan. 3	French	Raised 1 % to 5½ %
10	Danish	Raised 1 % to 7 %
17	French	Raised 1 % to 6 %
17	Dutch	Raised 1 % to 5 %
24	Polish	Reduced 1 % to 5 %
28	Prague	Reduced 1 % to 9 %
31	Riga	Raised 1 % to 8 %
Feb. 14	Helsingfors	Reduced 1 % to 9 %
16	Prague	Raised 1 % to 6½ %
March 5	Indian	Reduced 1 % to 8 %
10	New York	Reduced 1 % to 4 %
April 10	Prague	Reduced 1 % to 6 %
30	Vienna	Raised 3 % to 12 %
May 27	New York	Reduced 1 % to 3½ %
29	Indian	Reduced 1 % to 6 %
June 4		
11		
19		

Foreign exchange movements have been numerous and peculiar. The French franc has been the most sensational of the serious currencies, having very nearly touched extreme limits of 120 and 60, and ending where it began, in the neighbourhood of 80. Even a monthly average of daily rates shows a fluctuation between 71 and 97. Italy, on the other hand, has been very steady, so that at one time the lira was more valuable than the French franc,

while the Rentenmark has steadily increased in value during the last quarter. The dollar has borne being looked in the face by the pound without difficulty, even at this season.

Centre.	Method of Quoting.	Par Level.	Rate, Jne. 29, 1923.	Rate, Dec. 31, 1923.	Rate, Jne. 26, 1924.
Paris	Francs to £1	25.224	75.25	84.70	81.80
Berlin	Marks to £1	20.43	730,000	18.20 blms.	18.18 blms.
Vienna	Kr. to £1	24.02	325,000	307,500	307,500
Amsterdam	Florin to £1	12.107	11.704-71	11.394	11.524
Copenhagen	Kroner to £1	18.159	25.954	24.454	26.00
Rome	Lire to £1	25.224	1034.1034	100.1004	100.1004
Switzerland	Francs to £1	25.224	25.86-89	24.75-78	24.40-43
Madrid	Pesetas to £1	25.224	31.464	33.54	32.22
Lisbon	Pence to escudo	534	24-24	144	144
New York	Dollars to £1	4.868	4.868-588	4.324	4.33-334
Buenos Aires	Pence to dollars	47.58	4142-414	408	4043-408
Rio de Janeiro	Pence to dollars	18	584	54	6
Montevideo	Pence to dollars	51	424-43	424-434	424-434
Valparaiso	Dollars to £1	13.33	34.60	40.10	40.60
Calcutta	Ster. to rupee	10 to gold sov.	1/44	1/54	1/54
Hong Kong	Ster. to dollar	..	2/34	2/4	2/44
Shanghai	Ster. to tael	..	3/1	3/4	3/34
Yokohama	Ster. to yen	2448	2/144	2/14	1/11

It may be of interest to note that, while the value of the pound has on balance risen by 40 cents since June, 1920, none of that rise has on balance taken place in the second halves of those four years.

THE FISCAL ISSUE IN AMERICAN POLITICS.

(BY A CORRESPONDENT.)

FOR the outside world, apart from the attitude of parties upon the problem of international organisation, the chief interest in American politics is in the field of fiscal policy. The Republican Party are taking their stand on the Fordney-McCumber Tariff, which in some respects is the apotheosis of high protection, and will try to persuade the electorate that it is the *fons et origo* of the abounding prosperity of the last three years. They can certainly point to great industrial activity during this period, but it was probably due to the special demands created by the need of making up the deficit in building construction and plant renewal for which the interlude of the war had been responsible. It will always be possible to persuade the New England States and Pennsylvania of the virtues of a high tariff, but there will not be complete unanimity. Fall River, in Massachusetts, has been called the "Manchester of America," because it was the chief seat of the cotton industry, and for decades it has been a stronghold of high protection. But the *New Republic* of June 4th described Fall River as a city of "misery, want, unemployment, hunger, and helplessness." There are 111 mills in Fall River, and not a dozen are running full time. The total population is placed at 131,000, and the estimates given of the unemployed range from 30,000 upwards. Already in 1924 \$243,000 has been appropriated by the municipal authorities for poor relief, and half-a-million more will be spent ere the year ends. The reason alleged for this deplorable state of affairs is the transference of the cotton industry to the Southern States, but it will be difficult to induce the voters of Fall River to take any enthusiastic view of the virtues of the Fordney-McCumber Tariff.

But what is a more interesting speculation is the present fiscal views of the farmers of the trans-Mississippi States. Last century, in the days of the Granger and Populist movements, the tariff was their favourite cockshy, and their leaders never ceased to declaim against its oppressions and iniquities. But in recent years there has been a marked reversal of opinion, and the Western farmer became at least a temporary convert to protection. For his placation, stiff duties on agricultural products were included in the Fordney-McCumber Tariff, and Eastern manufacturers openly rejoiced that he had at last been gathered within the Protectionist fold. For his further appeasement, President Coolidge and his predecessor made use of the flexible provisions of the Fordney Tariff Act on more than one occasion, and every care has been taken to allow the farmer access to the full fruits of Protection. But the results have been disappointing, and brought speedy disillusionment. On March 7th, President Coolidge issued a presidential proclamation raising the import duty on wheat by 12 cents—from 30 to 42 cents per bushel—and on that date the price of No. 1

Northern wheat in Minneapolis ranged from \$1.16 to \$1.22. A month later, when the duty went into effect, the range was from \$1.11 to \$1.16, and on June 7th it was from \$1.09 to \$1.15. The measure was very successful in excluding Canadian wheat, for in March, April, and May only 3,500 bushels of wheat entered the United States, but it failed to produce the anticipated rise in price which politicians had glibly promised. The realisation has now come to the more intelligent farmers that the erection of a dam at the international boundary merely accentuates the severity of the competition which American wheat has to meet from Canadian in Europe; the flooding of the European market with Canadian wheat depresses export prices, which in turn bring down domestic prices, and the obvious conclusion is that as long as the United States is a grain-exporting country no tariff can give her farmers better prices. *The North-Western Miller* of Minneapolis expresses the view that:—"The past seven weeks ought to be sufficient to prove to anybody that imports of wheat alone from Canada or from anywhere else cannot be held chiefly responsible for domestic prices."

The Republican managers, however, have evidently made up their minds that no concessions can avert an independent insurgent movement headed by Senator La Follette in the trans-Mississippi States, and in drafting their platform they concentrated their efforts upon proposals which would win support in other quarters. Leading speakers dwelt upon the benefits conferred by the Fordney tariff, and the official platform reasserts a belief in the protective principle, with the safeguarding reservation that the President should possess authority to readjust duties for the avoidance of excessive burdens upon the consumer, and unduly high customs levies. Therefore, it seems reasonably certain that the Republican Party will secure the solid vote of the convinced supporters of protection, and will, if returned to power, attempt no modification of the present tariff policy.

But the politicians of the other parties are convinced that, with the defeat of the strange plan for agricultural relief embedded in the McNary-Haugen Bill, the western farmers may now turn to a lowering of the tariff to cheapen the commodities which they must purchase, and thereby reduce the disparity in price levels, which is the root of the present agrarian troubles. Mr McAdoo, who, despite his unfortunate connection with the oil scandals, is still the favourite for the Democratic nomination, boldly proposes to make tariff reduction one of the leading features of his programme. In a recent public statement he said that he proposed, if elected President, "to repeal the Fordney-McCumber Tariff Bill; to substitute therefor a reasonable and just tariff measure which will give the farmers fair play and the largest possible opportunity to dispose of their products at profitable prices, and permit them and the people generally to buy their necessities at reasonable prices." On different occasions Mr McAdoo has expressed his conviction that the real and fundamental solution of the agricultural problem is to facilitate the purchase of agricultural products by foreign countries. For this purpose he would lower the tariff to encourage imports which would pay for farm produce, and would adopt a foreign policy of co-operation in place of the rigid isolation to which the Republicans pin their faith. Governor Smith, of New York, another possible Democratic nominee, has a huge industrial vote in his own State, and is less enthusiastic for tariff reform; but Senator Ralston, of Indiana, whose chances are rated high, has a long and consistent record as an opponent of high tariffs. The development of industry in the Southern States has brought into existence a strong protectionist wing in the Democratic Party, but a belief in a low tariff policy is inherent in its traditions, and will assuredly be reflected in a liberal tariff platform.

During the Republican Convention the 26 Wisconsin delegates propounded a comparatively radical platform, which was rejected with contumely, and when the supporters of Mr Coolidge began their customary march of demonstration they sat grimly silent amid catcalls and jeers. But their abstention was an ominous portent to intelligent Republicans, who knew that although their machine had smothered the chance of liberal representation from other States, the sentiments of the Wisconsin delegation had many supporters throughout the country.

Plans are now afoot for a convention of insurgent progressives next month, at which Senator R. M. La Follette, of Wisconsin, the acknowledged leader of American radicalism, will be nominated for the Presidency, a platform drafted, and the preliminary work of organisation taken in hand. The success of the British Labour party has had a marked influence upon American Labour thought, which despite the restraining hands of Mr Gompers and other veterans, has been slowly turning to political action, and if, as is prophesied, Mr Warren S. Stone, a leader of the railways brotherhood, is nominated by the new party for the Vice-Presidency, the agrarian insurgents, who are the core of the new movement, can rely upon a huge reinforcement of Labour votes. Senator La Follette cannot hope to win the election outright, but he and his followers expect to be able to dominate the situation at Washington after next March, and have any administration which emerges at their mercy. Their platform will not seem excessively radical to British eyes, but it will certainly include the complete nationalisation of the railways, and drastic measures for the control of trusts and predatory corporations. The Progressives will probably show little enthusiasm for the League, which Senator La Follette has always denounced as a vicious instrument for enforcing an unjust peace, but they will advocate some form of international co-operation. On the fiscal issue, Senator La Follette was for many years a convinced Protectionist, but recent utterances have given evidence of a modification of his views, and many of his leading lieutenants are stern critics of Protection.

It is as yet impossible to judge how far the disillusionment about the benefits of the Fordney tariff to farmers has spread in the North-West, but it is improbable that there will not be strong support at the Progressive Convention for proposals for drastic tariff reform. What seems quite certain is that there will be available in the next Congress a majority, which is not committed to the Fordney Tariff and could without much difficulty be induced to lower its schedules. Even in the present Congress the combination of Democrats and radical Republicans has been able to put through measures quite unpalatable to the regular Republicans. For the cause of Freer Trade, it is fortunate that the slump has come before the election, for the Protectionists will have to accept responsibility for commercial adversity as well as prosperity. There are, moreover, an increasing number of bankers and influential industrialists—among them Henry Ford—who have ceased to believe in a tariff, and if the Western farmers will only revert to their old beliefs on the subject, a far-reaching change in American fiscal policy might be possible. A reversal of the Fordney tariff would be helpful to British trade, but it would be of immense benefit to Canada where the cattle industry is languishing through exclusion from the American market, and a profitable export trade in farm produce from the Eastern provinces to the adjacent industrial centres of the United States has been seriously impaired. But whatever may be the ultimate fruits of the approaching election, the contest bids fair to be the liveliest for many years, and rarely has prophecy about the outcome been so difficult. One thing is certain, the high tide of reaction which began to surge in the United States after the war has definitely receded, and the forces of liberalism cannot fail to gain ground in November.

FINLAND.

(BY A RECENT VISITOR.)

DURING the five years which have elapsed since the proclamation of the republican form of government in Finland much has been done to consolidate the finances and the general economic life of what is certainly one of the most promising of the new European States. Geologically, Finland forms part of what is called Fenno-Scandia, and the historical evolution of the country has also intensified its Scandinavian associations. Out of a total population of over 3½ millions, the Swedish-speaking element numbers approximately 11 per cent., and both Finnish and Swedish are official languages throughout the whole country. Certain minor differences certainly do arise from time to time between the two peoples in the political

sphere, but the fact of common co-operation against Russian oppression in the past combines with an attraction to the Scandinavian point of view, which is shared by both peoples alike, to rule out the possibility of a "minority question," such as is unfortunately only too characteristic of the new States of Central Europe. In financial circles the two nationalities are almost equally represented, but, curiously enough, while industry is mainly in Swedish hands, most of the trade is controlled by the Finnish element.

The whole population is, of course, very small when compared with the great area of the country, which amounts to nearly 150,000 square miles. Finland is thus considerably more than half as large again as Great Britain. The cultivated land, however, only represents a little more than 6 per cent. of the total area, the remainder being composed of forest, swamp, and lake. Even so, agriculture gives employment to over 65 per cent. of the population, and a brief account of recent changes in land ownership will therefore not be out of place. At the beginning of the present century over 60 per cent. of the agricultural undertakings were leaseholds, and the terms of the leases were frequently very onerous and of a type quite unsuited to modern conditions. Thus, although metayage was rare, rentals in labour service were very common indeed. This naturally caused considerable dissatisfaction, and one of the first tasks of the new State was to convert these leaseholds into freeholds. By the end of last year peasant proprietorship had been established in some 63,000 cases, out of a total of approximately 165,000 leaseholds, but, as compensation was paid according to pre-war values, it will be seen that the burden imposed on the landowners was no light one. The process of conversion is expected to be completed in about four years' time, but it is important to notice that this reform does not affect the unit of agricultural production, as all large estates worked as such remain in the hands of their former owners. The peasantry, however, still have an inadequate supply of cultivable land, and it is proposed to increase their holdings by a policy of reclamation of waste land, to be carried through with Government assistance. As this will necessitate considerable capital expenditure, it is, however, unlikely that much will be done in the near future.

From the point of view of foreign trade, the forest wealth of the country is of the very greatest importance. Timber and its derivatives, such as paper and pulp, bulk very large in Finland's exports. Great Britain is the principal customer, with over 40 per cent. of the total exports; while Germany ranks second with a total which has risen during the first four months of this year to nearly 16 per cent. This year, too, there has been a considerable rise in the proportion of exports to Russia, owing to fairly large purchases of Finnish paper. This commodity was usually supplied by Germany, but the recent disagreement between the two countries has been of service to Finland. The advantage is not, however, likely to be permanent, and, although negotiations are at present in progress for Russian purchases of leather in the country, the importance of Russia in Finnish foreign trade will certainly long remain far less than that of pre-war days. Relations between the two countries are now normal, and frontier troubles have practically ceased since the inauguration, three years ago, of a neutral zone ten kilometres wide along the whole length of the Russo-Finnish border in accordance with the terms of the Treaty of Dorpat. By the same Treaty, Finland acquired an outlet to the Arctic Ocean (the Petsam's district), and in this northern forest zone the ultimate possibilities of timber exportation are very great indeed. Improved transport facilities are, however, urgently needed, and although a plan has been worked out for railway construction in this area, the shortage of capital makes progress improbable in the near future. This same trouble is hampering the work of electrical power production, for which the abundance of water power renders Finland a most promising field. Work has, however, been taken in hand on the scheme for harnessing the falls of Imatra, in the South-East of the country, but in the absence of a foreign loan, this is being financed out of revenue. It is true that the Government has a fund from Budget surpluses in the past, but this is largely deposited with the joint stock banks, and could not be

made available for capital construction work without causing considerable dislocation to trade and industry.

The financial situation this year has presented certain difficulties which have been reflected in a slight fall in the exchange, which is not wholly accounted for by the usual seasonal fluctuation. In the first place, the harvest last year was far from satisfactory, and this has necessitated an increase in the imports of foodstuffs. Again, the late winter has delayed the resumption of exports, with the result that the trade balance for the first four months has been more unfavourable than usual. Side by side with this, however, there has been a considerable withdrawal of funds kept on deposit by foreigners in the Finnish banks. At the end of April, 1923, apart from British-owned deposits, which were almost all being accumulated with a view to the financing of genuine business transactions approximately one thousand million Finnish marks were being held on deposit by foreigners, mainly for speculative purposes. For some time past, however, the exchange has been practically stabilised—though what movement there was has been against Finland—and Danish, Norwegian, and other foreign speculators, realising that the hopes of a further rise in Finnish marks were unlikely to materialise, have been withdrawing their holdings to a very considerable extent. The combined effect of these factors has naturally been a considerable reduction in the valuta reserve, but since the month of April there have been signs of considerable improvement. Foreign speculative holdings have now for the most part been liquidated; once they began, the exports have been fully up to expectations, and the harvest failure of last year, by diminishing the purchasing power of the rural community, will almost certainly lead to a reduction in the import of textiles. In well-informed circles in Helsingfors there is held to be a reasonable prospect of a favourable trade balance over the whole of this year.

While the successful manner in which this temporary exchange crisis has been overcome speaks well for the strength of the Finnish currency, an official return to the gold standard is not held to be practicable until this is effected by Great Britain. Trade relations between the two countries are of the greatest importance, and there is considerable doubt as to the wisdom of adopting an independent currency policy for Finland, which the country might perchance fail to maintain.

In the main, conditions in the country may be regarded as fairly normal. The export trade has been on the whole well maintained, and a wise budgetary policy has made possible the establishment of a sound currency. The temporary difficulties of recent months appear to have been successfully overcome, though the shortage of capital still makes itself felt in the financial and industrial life of the country. Without a foreign loan, however, the further development of the economic resources of Finland must necessarily be rather slow. At the same time, progress will not be hindered by the burden of a heavy national debt, for Finland is, in this respect, one of the most fortunate of European countries. In a word, startling developments are unlikely, but everything seems to show that the steady progress of the last few years will be well maintained in the future.

RUBBER PRODUCING COMPANIES IN 1923.

NINETEEN TWENTY-THREE was the first calendar year of the operation of the Stevenson scheme. The Ceylon and Malayan Governments, it is stated, rationed small native producers on a more liberal scale of export allowance than larger producers. From the Dutch East Indies rubber came forward on a substantial scale, and it is observed that a quantity of rubber was sent out of the Malay Peninsula without licence, figuring in "the Straits Settlements statistics as Dutch Indies produce." According to Messrs S. Figgis, the following were the shipments of plantation rubber in 1923:—

Exported from—	1918.	1919.	1920.	1921.	1922.	1923.
Ceylon (and India).....	Tons. 23,000	Tons. 43,000	Tons. 37,900	Tons. 40,100	Tons. 47,000	Tons. 35,000
Malaya, &c. (inc. re-exports).....	134,000	219,000	187,800	159,900	248,000	253,000
Java.....	17,300	35,500	31,000	28,600	33,000	32,000
Sumatra (East Coast).....	12,900	26,500	22,400	29,900	39,000	46,000
Total.....	187,200	324,000	279,100	259,500	367,000	366,000

† December shipments estimated.



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Estimates vary as to consumption. America, it is thought, has taken 200,000 tons. Probably round about 405,000 tons is the total. World stocks are estimated to have been lower by amounts somewhere between 35,000 tons to 45,000 tons.

The highest price for the year was at the beginning, when 1s 6½d on the spot was paid for standard ribbed smoked sheets, and 1s 6½d for crepe; prices only fell slightly during the next two or three months, but at the end of April they declined to 1s 3½d, and in May fell sharply to 1s 1½d for spot standard grades, which was the lowest price of the year. There were moderate fluctuations through the summer, and in August, with more inquiry from America, the price rose to 1s 4d on the spot. Prices fell in October to 1s 1½d for spot, and the market remained quiet since then, with little change in prices, finally closing at spot value 1s 2½d per lb. Sole crepe of one-eighth and one-quarter of an inch in thickness, by 36 inches long and 13 inches wide, has commanded a premium over standard crepe for the greater part of the year of 6d per lb. The price has for a considerable period ruled around 1s 9d per lb.

For our first table we take 10 representative rubber-growing companies and set out the production of rubber during the past three years, together with the price per lb at which crops were sold. Figures for 1914 are also appended:—

Company.	Production.				Price per Lb.		
	1914.	1921.	1922.	1923.	1914.	1922.	1923.
Anglo-Malay.....	Lbs. 1,384,382	Lbs. 814,209	Lbs. 1,199,767	Lbs. 907,935	s d 10 104	s d 1 14	s d 1 14
Chersonese.....	537,646	504,891	502,733	428,345	2 14 0 91	1 1	1 1
Cons. Malay.....	584,050	842,805	903,362	722,500	2 24 0 91	1 24	1 24
Golden Hope.....	174,133	233,446	343,759	279,875	2 04 1 24	1 24	1 24
Holland & Lowlands	1,137,858	1,215,779	1,171,977	1,129,917	2 2 0 91	1 1	1 1
Linggi.....	1,389,280	2,175,728	2,256,547	2,235,335	2 14 0 114	1 14	1 14
London Asiatic.....	1,131,430	1,426,257	1,335,145	2,327,718	2 14 0 114	1 14	1 14
Selangor.....	614,199	656,554	649,000	656,526	2 24 1 6	1 1	1 1
Sungei Kapar.....	658,616	722,467	664,503	667,149	2 24 0 101	1 14	1 14
United Serdang.....	1,827,943	2,876,188	2,562,227	2,845,881	2 34 0 91	1 24	1 24

The London Asiatic in its report points out that the output for 1923 included the crop from Tangkah Estate taken over as from January 1st and a full year's crop from Batang Benar Estate. With 722,500 lbs the Consolidated Malay was 4,818 lbs in excess of the exportable allowance under the licensing scheme. The Golden Hope also produce the quantity exportable at the minimum rate of duty; no reason is assigned for the sale price recorded above, nor do we find any complementary information on the difference in rubber prices for 1922 and 1923 for the Selangor Rubber Co. in the accounts in front of us. The better price of rubber enabled considerable arrears of cultivation to be undertaken on most estates, while the supply of labour appeared to be satisfactory on most estates.

It is instructive to make a comparison between the prices obtained for rubber and production costs. For

this purpose we set out below the cost of production per lb over a period of years of a few companies:—

COST OF PRODUCTION per LB.

	1913.	1914.	1918.	1919.	1920.	1921.	1922.	1923.
Anglo-Malay ..	1 0 38	0 10 45	0 10 25	0 9 21	0 11 07	0 10 78	0 6 27	0 7 64
Cons. Malay ..	1 0 61	0 11 33	1 1 17	1 0 70	1 2 69	0 9 24	0 6 72	0 9 86
Golden Hope ..	1 2 18	0 11 23	1 2 87	1 0 81	1 2 11	1 0 71	0 8 23	0 8 92
Linggi	1 0 73	0 9 54	1 2 20	0 11 21	1 0 43	0 9 41	0 7 25	0 7 84
London Asiatic	1 4 76	1 0 83	1 1 64	0 10 12	1 0 14	0 9 33	0 8 47	0 8 63
United Serdang	1 4 56	0 11 84	1 1 88	1 0 86	1 2 22	1 1 97	0 7 87	0 7 72

The directors of the Consolidated Malay Rubber Estates observe that "the smaller crops produced under the restriction scheme inevitably resulted in an increased cost of production." This, no doubt, is an aspect which has not been lost sight of by those who discuss the benefits to be derived from restriction schemes. Incidentally, the United Serdang, one of the largest producers, reduces its production cost.

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

NET PROFITS after PROVIDING for all EXPENSES.

	1912.	1913.	1920.	1921.	1922.	1923.
Anglo-Malay	£ 123,206	£ 104,583	£ 44,617	Dr 4,161	£ 21,840	£ 21,297
Chersonese (F.M.S.)	20,764	29,081	29,253	34,207	22,330	22,443
Consolidated Malay	58,265	34,712	75	Dr 16,500	8,165	5,765
Golden Hope	20,318	12,254	9,872	Dr 4,962	5,074	5,052
Highlands & Lowlands	136,441	79,079	37,712	23,187	23,419	31,918
Linggi	147,814	89,680	52,410	17,159	29,099	46,350
London Asiatic	86,202	61,274	35,612	5,761	17,582	33,235
Selangor	82,300	50,263	28,712	36,496	33,821	17,819
Sungei Kapar	65,867	42,364	16,534	2,852	7,288	8,642
United Serdang	72,596	112,813	98,225	Dr 60,607	18,775	67,812

Gloomy 1921 is now forgotten. The turn in the tide set in with 1922, and 1923, while causing no extraordinary excitement among investors, has caused considerable attention to be paid to the industry. If our previous tables are studied, the decrease in profit shown by the Consolidated Malay and Selangor will be understood. The most significant recovery is that of the United Serdang. From a profit of £18,775 to £67,812 is a giant stride; and £9,500 has been allocated to depreciation on mature areas out of profits. The Linggi also makes an excellent return, while the London Asiatic nearly doubles profits—but here the crop from the Batang Benar Estate must be taken into consideration.

Our final table shows dividends over the past three years, comparative prices, and present yields:—

Name and Amount of Share.	Dividends.			Price July 27, 1914.	Price End June, 1923.	Price June 26, 1924.	Present Yield.
	1921.	1922.	1923.				
Anglo-Malay (£1)	nil	7½	6	4	1½	8	6 17 0
Chersonese (2)	12½	10	10	7½	1½	8	8 0 0
Highlands & Lowlands (£1)	2½	7½	7½	12½	1½	18	5 9 0
Linggi (£1)	nil	7½	7½	12½	1½	18	6 6 9
London Asiatic (2)	nil	10	10	7½	1½	8	6 0 0
Selangor (2)	12½	16½	12½	7½	7½	8	6 13 3
Sungei Kapar (2)	nil	10	10	7½	1½	8	8 0 0
United Serdang (2)	nil	5	10	7½	1½	8	8 0 0

† 2/ shares.

There is certainly little in the figures to cause demand for rubber shares. An 8 per cent. return, with future prospects uncertain, is not attractive. It is true that Mr Eric Macfadyen, speaking recently at the annual meeting of the Rubber Plantation Investment Trust, in referring to future prospects, pointed out that:—"The steady, though slow, increase in the absorption of crude rubber by countries outside the United States, in spite of chaotic trade conditions, is very encouraging." He continued: "In 1920 those countries absorbed between them 90,000 tons of crude rubber. This absorption was maintained during the following year, while economic conditions were almost everywhere at their worst. In 1922 it increased to 105,000 tons. Last year it amounted to over 115,000 tons, and this year it will not be far short of 130,000 tons, and may even exceed that amount. Tyres remain by far the most important outlet for our produce, but the possibilities for new uses may be judged from the history of the crêpe rubber sole, which in only a couple of years or so has come to employ rubber at the rate of some 6,000 tons per annum, and is destined to account for much larger quantities."

SUDAN DEVELOPMENT.—I.

(BY A CORRESPONDENT.)

OF the four questions reserved for future discussion at the declaration of Egyptian independence on March 16, 1922, that of the status of the Sudan is by far the most important, and at the same time the most likely to lead to difficulties in the forthcoming conference between Zaghoul Pasha and Mr Ramsay MacDonald. In modern times the interest of Egypt in the Sudan began a century ago, when Mohammed Ali Pasha sent an expedition south for its conquest. Egyptian influence increased steadily, till in the seventies it extended, at least nominally, as far south as the Equator. But even in Gordon's time Egyptian authority could hardly be said to prevail beyond the range of the weapons wielded by the soldiery under the command of the officers who held their brevets from the Khedive. The disasters to Hicks and Gordon are sufficient proof of the precariousness of the hold.

The reconquest began in 1896, and was completed in effect by the occupation of Khartoum and Omdurman on September 2, 1899. This then is, practically speaking, the epoch from which dates the modern history of the country. A retrospect of this history, on its economic side, over the past twenty-five years, not without interest in itself, gains additional importance from the existing political situation.

The extent of the country equals that of Europe between Sicily in the South, Copenhagen in the North, Calais in the West, and Bucharest in the East. It is administered jointly by this country and Egypt, but the British staff comprises only about 110 officials, exclusive of technical servants.

The population, estimated before the Mahdist outbreak at some nine millions, had fallen through death from disease, famine, war and mal-administration and through slave-trading to about 1.5 millions in 1899. It is now roughly estimated to be about 5,910,000. Of these the tribes who dwell to the north of latitude 13 deg. are predominantly of Arab blood, and profess the Mohammedan religion. The tribes to the south of this line are of negroid descent, and are heathen. The former are fairly industrious, but the latter—with exceptions—have still to learn the benefits of systematic work, though the efforts of certain missionary bodies and Government precept are producing their effects. Still, the outstanding problem of the Sudan for many years must be the provision of adequate *main d'œuvre*.

Revenue comes from taxes on land, date palms, animals, and traders—the last a rough income-tax at 4 per cent. on profits below £E.100, 5 per cent. up to £E.500, and 6 per cent. beyond that figure—tribute from nomad tribes, royalties on certain products, rent of Government property, sales of timber and firewood, and from the earnings of Departments, the most important of which are those of Railways and Steamers, Customs, Posts and Telegraphs. Previous to 1913 there figured regularly in the Budget a subvention from Egypt, which had reached a maximum of £E.268,000 in 1902, and also a contribution on account of the expenses of that part of the Egyptian Army which served in the Sudan. This latter item was balanced by the entry of a similar amount on the expenditure side. But this contribution was counterbalanced to some extent dues on any produce landed in Egypt for the Customs Sudan. Various sums were also contributed by Egypt to the Sudan for extraordinary expenditure, generally of a capital nature.

In 1913 all this was changed. The subventions ceased, and at the same time the dues collected on goods destined for the Sudan were handed over to the Sudan Government. But as Egypt continued to pay for that portion of vention continued, though in a veiled form. To judge these payments will not be allowed to pass without challenge.

The following table gives the summarised accounts for 1900, 1910, 1920, 1922, and estimates for 1923, in units of £E.1,000:—

	1900.	1910.	1920.	1922.	1923.
Expenditure	331	1,343	3,565	3,497	3,465
Receipts	156	1,493	4,425	3,499	3,46
Subvention (a)	134	198	..	..	..
" (b)	..	519	..	..	..

(a) Ordinary. (b) Extraordinary. * An exceptional year; a small amount was repaid. † Estimate.

In spite of the withdrawal of the subvention, the accounts have shown surpluses each year since 1913. These surpluses are passed automatically at the end of the year to the reserve fund, to which are credited also the receipts from sales of Government land and various others. This fund is not permitted to accumulate, but is employed in capital and other non-recurring expenditure, and only a small balance is retained to meet unforeseen contingencies. An average amount of £E.175,000 was spent annually in this way in the twenty years ending 1920.

The total sum subventioned by Egypt for extraordinary expenditure between 1897 and 1914 amounts to £E.8,886,000, which constitutes a loan free from interest. In addition to this, the Sudan debt consists of the two loans guaranteed as to interest by the British Treasury, viz., £6,380,000 5½ per cent., redeemable 1929-59, and £3,250,000 4½ per cent. The interest on these two loans comes to close on half-a-million sterling, but though there is no present evidence of the possibility of such a surplus, there is every prospect of its realisation when once the schemes for cotton-growing in the Gash Delta (the Kassala scheme) and on the Gezira mature.

A country of this size is dependent on the development of its communications for its economic development. In this respect the Sudan is fortunate in being intersected throughout its length by the White Nile and its main feeders, which are navigable all through the year, and by the Blue Nile and Sobat, which permit of communication with the eastern part during a portion of the year. These river routes have been increasingly supplemented by a railway system that connects the centre of the country with Egypt on the one hand and with the Red Sea on the other. In 1901 the system consisted of the little used line to Delgo and the line from Wadi Halfa to Halfaya, as the station opposite Khartoum was then called, until its mishandling by the scurrilous led to a change of name. The total length was about 1,150 kilometres. By 1910 they had expanded to 1,981 kilometres, by 1920 to 2,397, and now the recent opening of the Kassala Railway has added a further 345 kilometres.

The railways have always been managed so as to pay their way, as witness the following selections from the report of the Director-General:—

	(Unit, £E 1,000.)			
	1910.	1914.	1918.	1922.
Revenue	392	537	987	1,258
Working expenses	268	387	745	984
Net profit	123	150	242	274
Ratio, expenses to revenue ..	68.4	72.1	75.5	78.3

The last item is of interest, since the Sudan Government has guaranteed the Kassala Cotton Company that operating expenses on the new Kassala Railway will not exceed 70 per cent. of the gross receipts.

Since 1910 the Department of Steamers has been amalgamated with that of Railways, and more recently that of Ports has been also taken over. Co-ordination amongst the transport services is thus more readily secured. The section of fluvial navigation pays its way as a whole, though some sections cost more than they yield. The dock at Port Sudan is still far from being a self-supporting service, but the coming extension of the cotton traffic may alter that.

These docks are being more and more used every year, as the following table shows:—

SHIPPING at PORT SUDAN.

	British.		Foreign.		Total.	
	Number of Vessels.	Tonnage (1,000 Tons).	Number of Vessels.	Tonnage (1,000 Tons).	Number of Vessels.	Tonnage (1,000 Tons).
1910	..	350	..	81	..	432
1912	..	527	..	173	..	700
1914	232	642	57	155	289	797
1920	258	637	50	100	308	737
1921	349	1,173	102	231	451	1,404
1922	342	1,139	110	361	452	1,500

There is also a service of motor vehicles in the south, from the Nile to the Congo State frontier, which in 1922 carried 383 tons of goods and 654 passengers.

Notes of the Week.

The Anglo-French Conversations.—A vital week of preparation for the coming attempt at a European settlement on the basis of the Dawes Committee Report has ended with hopes at least as high as before. It is true that the first exuberance resulting from M. Herriot's conversations with Mr MacDonald at Chequers was damped by certain discrepancies in the accounts of what took place there, and also at Brussels, where, after leaving England, M. Herriot conferred with M. Theunis. The new Prime Ministers of Britain and France have had their first taste of the embarrassment which their predecessors so often suffered from leakages of information, indiscretions of politicians and Press, and unwarranted and irresponsible statements, assumptions, and criticisms. But both, in their respective Parliaments, have quickly nailed the *canards* to the counter, and at the close of the week we are happily able to hope that the fog of misunderstanding, which seemed to threaten to envelop the new *rapprochement*, has been dispersed. We may go back to the terms of the communiqué issued after the Chequers meeting, which announced "general agreement between the British and French points of view," and a "common determination" to meet all difficulties by "a continuous co-operation." The two Premiers have sent a joint note to Germany on the question of disarmament. Invitations have been issued for an inter-Allied Conference to be held in London on July 16th, and America has already agreed to participate, the official announcement to this effect being in rather less restrictive terms than had been expected. Moreover, Mr MacDonald and M. Herriot are both to visit the Assembly of the League of Nations at Geneva in September. From all this arise two large hopes. In the first place, it really looks as though the ground will have been sufficiently explored to allow the Conference to meet with real hopes of concrete achievement. Naturally, optimism must be tempered by the remembrance of many obstacles ahead, of which the principal, of course, are the provision of guarantees of security that will satisfy France, the settlement of inter-Allied debts, and the division of the Reparation spoils. Difficult as these problems are, we derive encouragement from the developments of the past ten days, for it is obvious that they will be approached in a new atmosphere. If Mr Norman Angell's interview with M. Herriot, published in the *New Leader*, may be read literally, the latter has advanced a great deal further from the Poincaré standpoint than we had dared to hope. Be that as it may, a real "will to peace" appears at last to be in the ascendant, and the determination of all the Allies to take advantage of the unique opportunity offered by the Dawes Report, will, we believe, prove strong enough to overcome those obstacles which have so persistently wrecked previous attempts at a settlement.

The Housing Bill in the Commons.—Twice more this week the Government have suffered defeat in the House of Commons. An amendment to the Housing (Financial Provisions) Bill was carried against them by a majority of no less than 146, while a narrower margin against the Government was established on amendment to the London Traffic Bill. The latter defeat was a minor matter, but the former, though not coming within the category of reverses which, in the new circumstances, entail the resignation of the Government, possesses an importance which cannot be ignored. The Government proposed to pass the Bill on to a Standing Committee, but failed to carry their point, and by the large majority mentioned above it was insisted that the Bill should be discussed by a committee of the whole House. This decision to keep the Bill in the House itself represents a very formidable embarrassment to the Government's already overcrowded time-table. The result of the division was greeted with Labour cries of "no grouse shooting this

year"—an amiable way of recognising the probability that the session will have to be abnormally prolonged. In our view, the House took the only possible course in insisting, as a condition of granting a second reading, that the Bill should undergo its committee stage on the floor of the House. In the debate which terminated in this result the main provisions of the Bill were riddled with much the same volley of criticism to which the financial resolutions were subjected a fortnight ago. We have indicated, at some length, in the *Economist* our own views of the shortcomings and dangers of Mr Wheatley's scheme, and do not propose to retrace the ground here. Obviously, if there is any possibility of turning the Bill into a workable measure, that possibility lies only in prolonged hammering and tinkering in the committee stage. It is really surprising that Mr Wheatley should have expected the House to part with any portion of its maximum possible control over a Bill, which in its present form is open to so many vital objections from the financial and economic and social points of view.

Reforming Old-Age Pensions.—The Government issued early in the week a White Paper (Cmd. 2168), explaining the proposals by which they intend to carry out their promise to remove the "thrifty disqualification" for old age pensions, and these were passed in the House of Commons on Wednesday. These proposals do not remove the income disqualification altogether, or make the pension available to all persons over 70, irrespective of private income. To do so, apart from being open to other objections, would have entailed a burden on the Exchequer which would be quite indefensible in the present circumstances. What Mr Snowden's measure means is in effect that private income up to 25s a week will not interfere with the receipt of a full 10s pension, provided that 15s out of the 25s come from sources other than earnings. This proposal certainly does not go far enough to satisfy a section of Labour opinion, but it is in our view a wise and practical policy. Without placing too heavy a burden on the national purse, it removes the chief blot on the old age pension system, and brings within its scope many thousands whose sole disqualification has hitherto been that they have been thrifty enough to put by a little out of their wages for their old age. That is mere justice, and a measure which tends to restore the incentive to saving must be beneficial. The cost of the reform is estimated at £4 millions in the first year, rising later on to £7 millions or more. It was obvious that this measure was certain of passing the House of Commons, for all parties were pledged to the removal of the thrifty disqualification, and it was, in fact, sanctioned without a division.

Irish Free State Industries.—Our Dublin correspondent writes:—Ever since the Treaty in December, 1921, there has been a clear need, growing ever more urgent, of a stimulation of industrial activity. The economic potentialities of Ireland as a well-nigh "untilled field" for industrial enterprise are well known—equally well known is the necessity to make up for the lee-way lost during the post-war insurrectionary period, and to repair the damage inflicted upon the fixed capital wealth of the country by the sabotage of the Communists, anarchists, and irregular republicans. Reference also has been made in these columns more than once to the wisdom of seeking a certain additional stabilisation for the new political institutions by turning energy and idealism to work in the fruitful fields of industrial expansion. The new Trade Loans (Guarantee) Bill, 1924, just carried to a second reading in the Dail, marks the comprehension by the Government of the reality of these factors. It is obviously a stopgap measure pending maturer consideration, and more permanent decisions upon the large questions of policy which are involved in scheme of State assistance to industry—it is, in fact, limited in its operation to one year. It empowers the Minister of Industry and Commerce to guarantee loans to be raised within or outside the Free State which, when applied in capital outlays, are "calculated to promote employment in Saorstát Eireann." The total amount of the loans which may

thus be guaranteed is £750,000. Again, direct loans to the amount of £50,000 may be made, or guarantees of loans may be given (with an aggregate total liability for loans and guarantees of £250,000) when a public authority, or bodies of producers or consumers, or both, embark upon an enterprise "calculated to promote a reduction in the retail prices in Saorstát Eireann of essential commodities." Apart from the safeguards of an Advisory Committee for the Minister, and of the necessity for obtaining the concurrence of the Minister of Finance, it is tolerably clear that the Government aims at getting the banks to do the difficult work of laying down conditions, and of preliminary investigation generally. The provision for the encouragement of a reduction in the retail prices of essential commodities is the rather belated attempt to fulfil Government pledges given some nine months ago, when Labour troubles and the high rate of local wages brought the excessive cost of living figure to the fore. The Government, rejecting suggestions made at the time, and referred to in this column, turned to proposals for the limitation of profits, the regulation of prices, &c., only to be driven at long last by the inexorable logic of the difficulties of local conditions back to the initial suggestion of State aid on the financial side to public or private enterprise, in order to reduce prices. A consumers' association, on co-operative lines, if well officered and supported, would offer the best chance of success, but whether under the machinery of the Bill such an undertaking will ever see the light is yet doubtful. The power, direct or indirect, of the distributing and retail trades has been already shown to be great. They will object strenuously to State-aided competition to curtail their profits. Lack of experience, self-distrust, and a conservatism due to historical causes prevent any chance of the earlier stages of industrial development from being initiated mainly by Irish brains and Irish capital. There is a warm welcome for foreign capital, with the experience of minds trained in development work to back it so long as it is satisfied with reasonable rewards, and does not aim at too drastic an exploitation. But there are schemes and schemes, and the ordinary citizen and the ordinary journalist soon find it hard to appreciate relative merits accurately. To this end some sort of Government supervision seems desirable. And, on the other hand, few investors of foreign capital are willing to proceed without some pledge or guarantee of Government goodwill amounting to positive assistance, or support in certain defined contingencies. Herein lie the principal conditions, to meet which, in the progress of industrial development, a carefully thought out policy is required.

International Maritime Jurisdiction.—The old, but ever-changing problem of national and international jurisdiction over the sea is being investigated by the International Law Association, a committee of which has just prepared the draft of a suggested international convention which would prescribe who should regulate the sea in time of peace. An attempt is to be made, apparently, to put the matter on a footing which is truly international—that is, while the interests and rights of maritime States in their coastal waters are recognised, the sea is taken as the starting point. It is proposed that an international commission should be established, composed of representatives of the Governments of all the maritime States, to regulate the high seas so far as may be necessary in the common interests of all. The commission would also see that certain provisions of the proposed convention relating to territorial waters were carried out. Following the same line as that adopted in the recent convention between ourselves and the United States respecting the regulation of the liquor traffic, the proposed international convention would standardise the three-mile limit for territorial waters, but would allow the exercise of a more extended national jurisdiction for special purposes, such as those connected with Customs or sanitation. The committee rejected proposals that the minimum limit of territorial waters should be four or six miles, and also laid down in the draft convention that the jurisdiction exercised by States over their territorial waters must not

go beyond what is necessary for the maintenance of their laws and the protection of their citizens. Both public and private ships under the flag of another State would be entitled to pass through territorial waters. The exercise of national territorial rights over more extended areas for special purposes would be subject to the approval of the proposed international commission, which would carry out the convention and legislate for the high seas. In its essentials the scheme appears to be sound. An agreement of this kind (under which, among other matters, international questions of fisheries would be dealt with) might serve a useful purpose by providing standing machinery for the adjustment of differences before they become acute. The history of sea power, as Mahan remarked in his classic book on the subject, has been largely a military history, and any plan which would regularise the use of the sea so as to subordinate sectional interests to the common benefit would certainly be advantageous. This plan is to be discussed at a conference of the International Law Association at Stockholm in September.

Raw Cotton Production.—With a view to collecting definite information on essential points, such as area cultivated, yield per acre, cost of production, facilities of transport, &c., the International Cotton Federation a little time ago submitted to well-known authorities in the cotton-growing countries outside the United States and Egypt a questionnaire on the points mentioned above. The Bulletin of the International Cotton Federation, which has been published this week, contains numerous reports and articles relating to replies so far received. Most valuable information has been obtained, and when it is remembered that Texas, the most-favoured cotton State of America, cannot produce cotton at less than 20 cents on the plantation, and that in Georgia and Arkansas the cost of production is near 30 cents, it will be realised that the necessity for extending cotton-growing outside the United States is more urgent than ever. It is possible that Lancashire spindles will not work full time until the industry receives cotton supplies on an economic basis, and not at the high level of prices that has ruled during the last few seasons. The Federation Bulletin contains a paper by Mr L. G. Kilby, the secretary of the Empire Cotton Growing Corporation, which was originally intended to be read at the Vienna Congress of the Federation. The writer reviews at some length the work done in the past, and points the way to developments in the future. Although progress with British Empire grown cotton is slow, the extended areas now under cultivation are beginning to be a factor in considering world supplies. The Bulletin also contains an instructive article on the effect of the boll weevil upon cotton production in the United States, by Mr Joseph A. Becker, statistician of the Bureau of Agricultural Economics at Washington. During the first years of the present century cotton production in the United States tended strongly upward, and reached a level of 14,000,000 bales. In 1915 a break in the trend of production occurred. In face of considerable acreage increases, the present level of production appears to be approximately 10,500,000 bales. Should present prices be maintained, it is not at all unlikely that the average acreages of the next few years will exceed somewhat the 1923 acreage, and make possible an average annual production of about 11,000,000 bales. In years of relatively light boll weevil damage output may reach 13,000,000 bales, but in years of heavy boll weevil damage production may fall as low as 9,000,000 bales.

Cotton in U.S.A.—Our Manchester correspondent writes Of all the countries in the world where cotton manufacturing is carried on it might be expected that in the United States trade would be fairly stable as manufacturers have the advantage of being in close proximity to raw cotton supplies, and the chief support for the industry is the home demand. Manufacturing firms in America, however, seem to experience periods of severe depression in much the same way as other countries. During the last twelve months trade has been very slack, and the leaders of the industry have drawn the attention of the Government to the wretched state of affairs, particular mention being

made of the large and increasing imports of cotton cloths, especially from the United Kingdom. A few weeks ago the question was raised in the Senate, and as a result of a resolution which was passed, the Tariff Commission has just completed a detailed report on the situation. The statement declares that the present depression is worldwide, and that the big imports of cotton cloth are due primarily to the quality of certain grades rather than to general price competition. It is estimated that imports of coarse and medium cloths now constitute about one per cent. of the domestic production of such goods, and imports of fine cloth about 10 per cent. of the domestic production. The report analyses the quantity and value of cloth imported into and exported from the United States under the present Tariff Act, as compared with those under previous Acts. With regard to imports, it is stated that the average receipts per year under the 1922 Act were 193,247,150 square yards, against 76,618,376 square yards under the 1913 Act, and 50,704,094 square yards under the Act of 1909. It is stated that a large portion of the imported cloths are entirely different from cloths produced in America. The great bulk of the domestic fabrics are woven from American cotton yarns, whereas the great bulk of the imports are woven from Egyptian cotton yarns. On practically no quality of cloth made in bulk by the domestic mills is there serious competition from abroad. The United Kingdom supplies most of the cotton cloths imported by the United States. The Commission reported that it was difficult to say to what extent the domestic industry was affected by the post-war increase in the importation of cotton cloths. If it is stated that each yard of imported cloth displaces a yard of domestic fabric, then, since imports are now on the basis of about 200,000,000 square yards per annum, as compared with a pre-war basis of 50,000,000 square yards, it would follow that domestic sales have been affected by approximately 150,000,000 square yards. If the total domestic production be taken as 6,500,000,000 square yards, this post-war increase of 150,000,000 square yards amounts to 2.3 per cent. of the total output. The Commission further considered whether changes in the present tariff rates would be of material assistance in stimulating production and restoring prosperity to the industry, but no investigation of the difference in costs of production in America and abroad has been made, and it was pointed out that if such an examination were undertaken it could hardly be completed within less than a year. The Commission concluded their report with the following statement: "It is the general opinion, as stated by authorities in the industry, that domestic and foreign, particularly British, selling prices are to-day very close to actual cost, but in the absence of verified domestic and foreign costs of production required by the Tariff Act of 1922, the Commission does not feel warranted in suggesting readjustments in the duties on cotton cloths." The leading organisations of manufacturers in the United States are not satisfied with the report. The secretary of the New Bedford Manufacturers' Association has declared that the conclusions of the Commission give an entirely wrong impression when applied to the fine goods section of the trade. A former president of that association has asserted that most of the recent increase in imported fine goods consists of goods the exact counterpart of which have been made, and are being made, in New Bedford mills. The opinion appears to be gaining ground in America that the present tariff is not sufficient to protect the home manufacturer, and there is every probability of the agitation continuing for an increase in the import duties.

Co-operative Trading Progress.—Supplementary to the review of the trading progress of the Co-operative Wholesale Society in last week's *Economist*, our correspondent informs us that the membership of the C.W.S. for 1923 comprised 1,092 societies, with a collective membership of 3,567,410. The share capital was £5,378,835, the sales were £66,205,566, and the net profit (after debiting £1,115,874 interest on capital, shares, loans, deposits, &c., and £630,876 depreciation on property) was £510,797, of which £6,927 was made in the first half and £503,870 in the second half of the year. During the first thirteen weeks of the current year the improvement in trade has continued, and the sales will be reported

to the July business meetings as having reached £16,372,887, an increase of £1,172,331, or 7½ per cent., on the corresponding period of last year. The total supplies from the society's productive works were valued at £5,515,708, an increase of £385,939, or 7½ per cent. The deposits and withdrawals in connection with the C.W.S. Bank during the same thirteen weeks were £128,463,185, an increase of 8 per cent. There are now 1,027 co-operative societies banking with the C.W.S. Bank, while 8,656 branches of trade unions and friendly societies, and 3,235 clubs and other mutual organisations, and 4,812 individuals have current accounts. The recovery of trade has been general throughout the country, but while the rates of increase in the distributive trade of the society to its members have been 8½ and 8½ per cent. at Manchester and Newcastle respectively, that of the South and South Wales has only been 2 per cent. The tea sales of the English and Scottish Co-operative Wholesale Society were 11,579,320 lbs, an increase of 5½ per cent. The lower prices of flour are revealed in the returns of the ten flour and provender mills of the society. These had a turnover of £1,957,790, a decrease of ½ per cent., while the output of 770,993 sacks of flour and 606,949 sacks of offals were increases of ½ and 5 per cent. respectively. Next to flour the society has made most progress in its boot and shoe manufacture and tanning, the output of which was £456,988, an increase of 15½ per cent., while 750,516 pairs of boots were supplied to the retail societies from the works at Leicester, Derby, Leeds, Heckmondwike, Rushden, and Norwich. Another factory has just been opened at Northampton with a capacity for producing 20,000 pairs of boots weekly. There have also been increases of trade in the weaving sheds and the shirt and the clothing factories, but business in the furniture, mantle, and flannel works and the woollen mills has not yet revived. In the C.W.S. Thrift Fund 20,810 employees (about four-sevenths of those eligible to join) have accumulated £1,077,456, which will (should the co-operators engaged in wholesale trade fall into line with the growing practice of superannuation in the retail societies) form the nucleus for possible developments in a co-operative pension scheme.

The International Mercantile Marine.—Our New York correspondent writes:—At the annual meeting of the International Mercantile Marine Company, it was impossible to present a complete report for the year 1923, since final returns had not been received from some of its subsidiary lines. The preliminary report, which was submitted, however, showed that the company sustained further heavy losses, as compared with 1922. The combined statement of the company and subsidiaries estimated a profit for the year of \$3,889,878, after taxes and interest charges, or \$824,999 less than in the previous year. After deducting full depreciation on steamers, there was a deficit of \$1,689,922, as against a deficit of \$1,269,783 in 1922. The consolidated results of operating the International Mercantile Marine Company and its subsidiary companies, namely, the White Star, Red Star, American, Atlantic Transport, and Leyland lines for the year 1923, according to preliminary estimates, compare as follows with actual results for the three preceding years:—

INTERNATIONAL MERCANTILE MARINE AND SUBSIDIARIES.

	1920. Actual.	1921. Actual.	1922. Actual.	1923. Estimated.
Net earnings*..	\$ 17,484,015	\$ 14,069,053	\$ 6,971,130	\$ 6,113,597
Interest on I.M.M. bonds	2,231,680	2,153,725	2,256,253	2,223,719
Profit	15,252,335	11,915,328	4,714,877	3,889,878
Depreciation on steamers	5,346,376	6,117,981	5,984,660	5,573,800
Deficit	\$9,905,959	\$5,797,347	1,269,783	\$1,689,922

* Net earnings, including insurance fund surplus for 1923, after deducting operating and general expenses, taxes, and interest on debenture bonds of subsidiary companies.

† For comparison with previous years, earnings of British companies have been converted at \$4.85 per pound sterling. ‡ Surplus.

From dividends received from its subsidiary companies out of their earnings for 1923, and prior thereto, and from the operation of steamers it owns directly, the International Mercantile Marine Company showed an estimated profit of only \$794,968 for the year 1923, after deducting all expenses, bond interest, taxes, and depreciation on steamers directly owned, that sum representing a decrease of \$2,904,782, as compared with the 1922 profit. The following table gives the estimated results of operations of the parent company for 1923, and actual results for the preceding three years:—

INTERNATIONAL MERCANTILE MARINE CO.

	1920. Actual.	1921. Actual.	1922. Actual.	1923. Estimated.
*Total net earnings	\$ 11,307,442	\$ 8,329,309	\$ 6,354,838	\$ 3,417,521
I.M.M. bd. int.	2,231,680	2,153,725	2,256,253	2,223,719
Balance†.....	9,075,762	6,175,584	4,098,585	1,193,803
Depreciation on steamers directly owned.....	768,479	998,836	398,835	398,835
†Surplus	8,307,283	5,176,748	3,699,750	794,968

* Net of I.M.M. Co., plus dividends from subsidiary companies, after deducting taxes and general expenses.

† Dividends received from foreign subsidiary companies have been converted at market rate of exchange on date received.

In view of the fact that the estimated net income of the company and its subsidiaries for 1923 showed a decrease of only \$825,000, approximately, from that of 1922, it will be seen that last year's deficit of \$1,689,921 was caused principally by charging off nearly \$5,580,000 for depreciation—a very heavy charge since the fleets have been kept in excellent physical condition. It is the company's policy, however, to set aside 4 per cent. annually for depreciation, from which it is apparent that the fleets of the company and its subsidiaries are carried at a total value of \$139,500,000. At the annual meeting, President P. A. S. Franklin was questioned as to what provision the I. M. M. was making on account of the reduction in immigration that is expected to result from the new immigration law recently passed by Congress. He replied that practically all steamers carrying only third-class passengers were being tied up, and that the others would be kept in operation. Before the war immigration on the company's lines, he added, amounted to 1,400,000 persons annually, whereas last year the number was only 350,000, and under the new law, he figured, it would drop to 160,000. The company, he said, "is trying a new venture in the third-class business, however, by running two steamers between Spain and Cuba." First-class passenger traffic, Mr Franklin stated, is now 75 per cent. of pre-war traffic, and the prospect for this year is 80 per cent. of the pre-war figure.

The Roumanian Mining Bill.—When the nationalisation of the sub-soil was enacted under the new Constitution for Greater Roumania, which was promulgated on March 28, 1923, it was laid down that "all concessions and exploitations will have to conform to the regulations that will be defined in a special law." The Mining Bill, which is now before the Roumanian Parliament, is the "special Law" to which the new Constitution referred. It is part and parcel of the nationalistic policies that are driving foreign capital out of Roumania. The oil industry has long been the beast of burden struggling under the load of Governmental control and regulations. The nationalisation of the sub-soil prepared it for the worst. The recent Commercialisation of Industries Act has declared the distribution of oil products within Roumania to be the function of the State. For this the industry is now waiting on the State's proposals. The Mining Bill is the *coup de grace*. As the sub-soil is nationalised, only the State can grant oil concessions, whether or no the lands are State or private property, and the concessions are to be limited to fifty years. The Bill provides, however, that concessions acquired from private owners before the passage of the Act can be held for the remainder of their term, or until 1973, whichever is less, and that renewals of leases can be granted by private owners from time to time till 1973, provided that renewals not contracted for before the passage of the Bill shall be subject to a royalty of 5 per cent. payable to the Government. But as the Bill stands, all existing companies, whatever

the nature of their concessions, must become "Roumanianised" within ten years, that is, 55 per cent. (reduced from 60 per cent.) of the share capital must be held by Roumanian citizens, and two-thirds of the board and the chairman and the auditors must be Roumanians (there are certain concessions in the case of some companies, such as the Steaua Romana), while companies taking out new concessions must be "Roumanianised" immediately. How these provisions can be carried out is not clear. A large company might increase its capital, issue 55 per cent. to the public, and find that only 25 per cent. has been taken up. There is not the capital available in Roumanian hands to effect the desired result. What, then, is the foreign company to do? Perhaps these clauses, which savour of Gilbertian farce, will be modified to permit existing foreign companies to hold their concessions for the remainder of their terms. But it will make very little difference. The Bill enables the Ministry of Industry and Commerce to intervene in almost every detail of administration. In certain circumstances the Ministry can dismiss a company's manager and appoint a new one. If the Bill had been designed merely to provide Government posts for Roumanian citizens, it could not have been better drafted. There are many other objectionable clauses:—Pipe-lines for the conveyance of gas become the exclusive right of the State; Companies must provide a fund for the welfare of their employees, which must be at least 15 per cent. of their net annual profits, &c. Modifications to the Bill may be made, and certain companies may not fare too badly, but as the Shell chairman remarked at his company's meeting: "If all the projected legislation is actually carried into effect, it is difficult to see what attraction there can be for foreign capital in Roumanian investments."

Mexican Debt.—The International Committee of Bankers in connection with the readjustment of debt of the Mexico-United States of Mexico announce to the holders of bonds, notes, and other securities, deposited under the deposit agreement, dated July 1, 1922, that bonds of the following issues, together with cash warrants payable during the five-year period, and other documents, as provided in the deposit agreement, are now ready for return to holders of ticket receipts and/or certificates of deposit bearing the following numbers:—Republic of Mexico 5 per Cent. Consolidated External Gold Loan of 1899 (Deposit Nos. 1 to 3,000). Republic of Mexico 6 per Cent. 10-year Treasury Notes of 1913 (Deposit Nos. 4,001 to 4,995). Republic of Mexico Consolidated 3 per Cent. Internal Debt of 1885 (all deposits made prior to January 16, 1924). United States of Mexico 5 per Cent. Internal Redeemable Bonds of 1895 (all deposits made prior to January 16, 1924). National Railways of Mexico Guaranteed General Mortgage 4 per Cent. 70-year Sinking Fund Redeemable Gold Bonds due October 1, 1977 (all deposits made prior to January 16, 1924). Vera Cruz and Pacific R.R. Co. 1st Mortgage 4½ per Cent. Gold Bonds due July 1, 1934 (all deposits made prior to January 16, 1924). National Railways of Mexico Prior Lien 4½ per Cent. 50-year Sinking Fund Redeemable Gold Bonds due July 1, 1957 (all deposits made prior to January 16, 1924). National Railroad Co. of Mexico Prior Lien 4½ per Cent. Gold Bonds due October 1, 1926 (all deposits made prior to January 16, 1924). National Railroad Co. of Mexico First Consolidated Mortgage 4 per Cent. Gold Bonds due October 1, 1951 (all deposits made prior to January 16, 1924). The Mexican International R.R. Co. 4½ per Cent. Prior Lien Sterling Bonds due September 1, 1947 (all deposits made prior to January 16, 1924). The Mexican International R.R. Co. 1st Consolidated Mortgage 4 per Cent. Gold Bonds due September 1, 1977 (all deposits made prior to January 16, 1924). Pan-American R.R. Co. 1st Mortgage 5 per Cent. Gold Bonds due January 1, 1934 (all deposits made prior to January 16, 1924). Mexican Central Railway Co., Ltd., 5 per Cent. Priority Bonds due July 1, 1939 (all deposits made prior to January 16, 1924). Mexican Central Railway Co., Ltd., 5 per Cent. Equipment Notes and Certificates: (a) First series dated April 1, 1897; (b) second series dated October 2, 1899 (all deposits made prior to January 16, 1924). National Railways of Mexico 6 per Cent. Secured Gold Notes

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maturing up to January 1, 1917: (a) Series "B" dated April 1, 1914; (b) 3-months Secured dated December 1, 1913; (c) 3-year Secured dated January 1, 1914; (d) Series "C" dated June 1, 1914 (all deposits made prior to January 16, 1924). National Railways of Mexico 6 per Cent. Secured Notes maturing up to July 1, 1916: (a) 2-year due June 1, 1915 (all deposits made prior to January 16, 1924). Tehuantepec National Railway 5 per Cent. Gold Loan due June 30, 1953 (all deposits made prior to January 16, 1924). Tehuantepec National Railway 4½ per Cent. Gold Loan due June 30, 1953 (all deposits made prior to June 16, 1924). Notice will be given from time to time when further bonds of the above-mentioned issues and bonds of other issues deposited are ready for return. The cash warrants maturing up to and including January 1, 1924, will be paid upon presentation at the offices of the respective paying agents. Cash warrants maturing subsequently to January 1, 1924, should not be presented for payment until the committee announces that it has received for the current year one-half of the minimum fund to be provided by the Mexican Government under the terms of the agreement.

Royal Dutch Petroleum.—The report of the management of the Royal Dutch (Petroleum) Company considerably amplifies the remarks made by the Hon Walter Samuel at the meeting of the "Shell" on Tuesday. The crude oil production of the Royal Dutch-Shell group increased last year by 63 per cent., and the following details were given:—

	(In Kilo Tons.)		Per Cent. Increase in 1923.	
	1922.	1923.	%	
Dutch East Indies.....	2,323,792	2,764,451	19	
Sarawak	409,847	567,227	38	
Egypt	172,022	152,830	11	Decrease
Roumania	407,442	414,122	2	
Mexico	2,643,906	4,632,831	75	
Venezuela	350,362	538,869	53	
U.S. (California).....	1,778,732	3,697,586	108	
U.S. (Rest of Continent)	913,242	1,918,115	110	
	8,999,345	14,686,031	63	

The total world production increased by only 19 per cent.; nevertheless the Royal Dutch-Shell proportion of the world total is not more than 11 per cent. On account of declining prices the great increase in production "was coincident with a corresponding increase in profits." There was, however, a slight increase in gross earnings, as the *Economist* pointed out in analysing the Shell accounts. Dividends from subsidiary companies are shown as 84,843,828 fl, as against 79,563,781 fl in 1922. The nominal share holdings have increased by 63,371,361 fl to 645,089,960 fl. It will be remembered that the Shell-Union Corporation issued \$20,000,000 during the year, the greater part of which was taken up by the Royal Dutch and Shell. Participation in miscellaneous companies is also higher at 79,309,644 fl, as against 47,168,468 fl in 1922. Cash is down by 30,941,819 fl at the figure of 57,463,485 fl. The new issue of shares is said not to be for the purpose of enlarging cash resources, but to enable the company to put up 60 per cent. to the Shell 40 per cent. in meeting the anticipated expansion of the business. The dividend on the ordinary shares for the year is 25 per cent., as against 26½ per cent. in 1922. An interim of 10 per cent. has been paid this year.

General Electric Company.—Some progress is recorded in the accounts of the General Electric Company, Limited, for the year ended March 31, 1924. Profits at £835,561 show an increase of £84,075 over those for the previous year. The directors point out that "this improvement is gratifying, although it falls short of what

might justly be expected from the efforts made." The results for the past four years are set out in the following table:—

	1920-21.	1921-22.	1922-23.	1923-24.
Net profit	796,149	566,582	751,486	835,561
Brought forward ..	175,668	348,094	217,024	174,121
Debt interest	971,817	914,676	968,510	1,009,682
Depreciation	8,000	182,431	243,775	241,241
Pension fund	157,915	161,745	182,031	184,044
Preference divs.	17,266	15,283	14,219	13,346
Ordinary dividend ..	229,344	232,594	248,765	252,000
(10%) ..	211,198	105,599	105,599	105,598
(5%) ..	10,146	126,995	143,166	146,402
Carried forward ..	348,094	217,024	174,121	212,452

A 5 per cent. distribution is made on the ordinary capital. Depreciation receives £184,044, a figure very near to that of last year's allocation, which was £182,031, but the amount carried forward is substantially higher at £212,452. The report states that the demand for general electrical commodities has steadily expanded, but the returns in heavy engineering have still been disappointing. This department has suffered from low ruling prices, an irregular flow of incoming orders particularly on the mechanical side, and an insufficient demand for standard products. The export business has not yet regained its normal vitality, though signs of recovery are becoming apparent.

Nigerian Tin Results.—During the past few days several of the annual statements of companies winning tin in Northern Nigeria have made their appearance. The Bisichi made a profit of £30,700, as against a small loss in 1922, but of the earnings nearly one-half was absorbed by the debit balance brought forward and other items. However, the shareholders are to receive a dividend of 6d per 10s share, with the prospect of better things this year. The output of the Ex-Lands was rather less than before, but fetched a higher price. With the final dividend of 5 per cent., making 15 per cent. for the year, an interim dividend of 5 per cent. is payable. In the case of the Keffi Consolidated, a trading profit of £25,100 was as to about one-half written off, and the balance carried forward. There are interesting possibilities of an increase in the production. Each of these companies has a considerable area of proved ground.

St John del Rey.—Our mining correspondent writes:—This wonderful old Brazilian proposition, the deepest gold mine in the world, is able to report an increased profit for the financial year ended February last. A somewhat enhanced tonnage was crushed for a slightly reduced yield, and the gold premium brought in a little less than before; but the effect of these factors in combination was more than offset by a saving of as much as £50,200 in the working expenses, equivalent to 6s per ton. How much of this arose from the continued fall in the rate of exchange is an open question. With the balance dividend of 1s 3d per share, and the bonus of 1s, the distributions on the ordinary shares total 3s, as against 2s 6d for 1922-23; £10,000 is transferred to reserve, and £40,000 to capital works account. For the preceding year the special appropriations totalled £60,000. It appears that the reduction in yield was partly due to the crushing of comparatively low-grade ore obtained in the course of the explorations at Horizon 23. At first some difficulty was experienced in encountering the main lode, but it has since been laid open for a distance of 770 feet, and the assays indicate the mineral to be of good quality. The superintendent's opinion is that the delay in striking the ore body is accounted for by a degree of flattening in excess of that anticipated. If this view is correct, the incident may be regarded as a "bull point." At current price of 20s cum dividend, the yield on the shares is nearly 17 per cent., thus allowing for a fair degree of risk.

The tenth Congress of Chambers of Commerce of the British Empire will meet at the Guildhall on July 1st. Lord Derby will deliver the presidential address, and the Secretary of State for the Colonies will speak.

Oversea Correspondence.

THE LEAGUE OF NATIONS.—THE COUNCIL MEETING—HUNGARY AND AUSTRIA.

(FROM A CORRESPONDENT.)

SWITZERLAND, June 23.

Two important features of the 29th session of the Council of the League of Nations, which concluded last week in Geneva, were those concerning the two financial reconstruction schemes in Austria and in Hungary, to which the Dawes Committee have been indebted for many of the broad lines of their report. The Commissioner-General for Hungary, Mr Jeremiah Smith, of the United States of America, was most optimistic about the work already accomplished in Hungary, and was confident of the successful conclusion of the negotiations for the reconstruction loan of two million sterling. These negotiations, in fact, are virtually complete, thanks largely to the lead by Great Britain and Italy, and it is probable that the whole loan will be raised in Europe. The Hungarian Government has made a real beginning in carrying out administrative reforms and economies. A Bank of Issue has been founded, and the capital subscribed; it will start its operations this month, and this will effectually prevent further inflation. The revenues pledged to secure the loan are now paid into accounts controlled by the Commissioner-General, and they are in excess of the original estimates. There are good harvest prospects, most of the restrictions on exports have been removed, and it is hoped that the restrictions on imports will soon be modified and the negotiation of commercial treaties started. An important reform introduced is the centralisation of all receipts and disbursements in the Central Treasury. By the end of June the number of State officials will have been reduced by more than 3,000. The Council expressed its great satisfaction at the progress made.

The difficulty with the Austrian reconstruction scheme is that in some aspects it has been rather too rapidly successful, mainly in the excess of revenues from taxation over what was anticipated. The Budget has been balanced for some time, but considerably above the figure agreed upon at the beginning. The Austrian Government has asked that this figure—350 million gold francs—on which the Budget equilibrium was based, should be increased to 520 millions, and that any loan surplus not required to meet Budget deficits be used for economic purposes. Close inquiry had been made by the Financial Committee of the League, the Commissioner-General, and other experts into the situation, and it seems generally agreed that the figure of 350 million might be raised, but it is not at all likely that the Austrian figure will be accepted. The League's Financial Committee are proceeding to Austria further to examine the situation. They say the position is not sufficiently clear at present to recommend a definite figure in substitution, and they press strongly for progress with urgent administrative reforms, without which there cannot be confidence in the also point out that the moment is clearly not yet arrived when it can be said safely that the surplus of the loan will not be required for its primary purpose, namely, to meet Budget deficits, but they foreshadow the possibility of the Council considering with due regard to all the interests and rights involved, in what way the surplus, if any, may be used, subject, of course, to the control of the Council resolutions. The Council expressed its appreciation of the results already obtained, and strongly urged the Austrian inquiry should be pursued, and agreed that the Government to pursue energetically further economies. There has been a good deal of nonsense talked—mainly in "tutelage," whereas it is simply a matter of seeing that the scheme is properly carried out.

The Council meeting in general was a success. M. Bourgeois, one of the oldest Council representatives, said publicly that never in any previous session had he seen the spirit of the League so evident. Something of the new importance being attached to the League was indi-

cated by the presence of two Foreign Ministers, M. Benes and M. Hymans, and now that there is the assurance that the Prime Ministers of England and France are to attend the Assembly, long steps are being taken towards a proper regard for the place of the League in the councils of the world.

A satisfactory conclusion was reached on the difficult minority question of expropriated German settlers in Poland. This matter has been before the League for some time, and was first of all referred to the Permanent Court of International Justice, which decided that the settlers had been expropriated against the terms of the Minorities Treaties. The solution of the delicate problem of equitable compensation has been arrived at in agreement with the Polish Government by a Committee of the Council, and approved by the Council itself, whereby a sum of about £100,000 is to be devoted to this purpose. It is the first important minority question which has gone right through the hands of the Council. It is not often realised, however, that a number of these matters are settled by the Council Minorities Committee without resort to the full Council, and there is continuous contact between officials of the League and countries where minorities exist, with the result that time after time points of difference and difficulty are mutually arranged before coming to the Council at all. This is one of the indications of the definite negative value of the League, which is frequently apparent in various directions. For example, the original Council agenda had nine questions from Danzig, but at the time of the Council meeting each one of these differences had been settled, at least provisionally, by mutual arrangement between the Germans and Poles, with the assistance of the League High Commissioner, and they were therefore all withdrawn from the Council agenda.

Another significant point about the Council meeting was the discussion, at the request of the British Government, of the Council's right of investigation into the armaments of Austria, Hungary, and Bulgaria, in accordance with an Article in the three Treaties which is also identical with an Article in the Treaty of Versailles. It was made quite clear by the French representative that the Council's consideration of this matter, and its ultimate conclusions, were equally appropriate to the League's relation to the control of armaments in Germany. The Council's intention is that as soon as military control passes from the Allied Commissions to the League, the League's procedure shall be ready. It is generally accepted that the British Government's step was taken as a kind of preliminary to the League's control of armaments in Germany. M. Benes significantly observed that it was a preparation for a new stage in the treatment of certain important problems of European politics. The Permanent Advisory Commission on Armaments has been asked to draw up a plan of action.

The decision as to what future steps should be taken on the question of naval armaments, arising out of the differences of principle apparent at the Rome Conference, has been left to the Assembly, which will find it a very difficult problem. In connection with the Saar, the Council expressed its appreciation of the fact that the Governing Commission had decided to increase this year the local gendarmerie considerably beyond the figure originally estimated, but postponed to its next session a letter from the German Government asking that a definite date be fixed for the completion of these forces and the withdrawal of French troops.

Professor Einstein, the famous German scientist, was re-elected a member of the Intellectual Commission, having intimated his readiness to serve again. A variety of decisions were taken in connection with Armenian, Greek, and Russian refugees, and reports of various League Committees, and another legal point was referred to the Permanent Court of International Justice in connection with the request of the Conference of Ambassadors to deal with a Serbo-Albanian frontier question, which concerns the allotment of the monastery of San Naoum to Albania. The point is whether this allotment to Albania, in accordance with the Ambassadors Conference delimitation decision, is final, or whether the Council may re-open the matter as requested by the Conference.

The Council was not invited to consider the Treaty

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between Great Britain and Iraq as defining the British mandatory responsibilities in Iraq, Lord Parmoor having indicated that although the Iraq National Assembly had ratified it, the approval of the British Parliament had not yet been formally obtained.

UNITED STATES.—FEDERAL RESERVE RATES OUT—MONEY EASIER—BONDS ACTIVE—POLITICAL DEVELOPMENTS.

(FROM OUR CORRESPONDENT.)

NEW YORK, June 17.

As foreshadowed by the continued piling up of surplus funds at this and other central reserve cities, and by the further sharp declines in the open money market, the New York Federal Reserve Bank again lowered its official rediscount rate last week—the second reduction in six weeks. Effective June 12, the rate for all rediscounts and advances was cut from 4 to 3½ per cent. The previous reduction was from 4½ to 4 per cent. on May 1. The new bank rate is the lowest for ordinary commercial paper since the Federal Reserve system was established. Simultaneously with the action taken last week by the New York Bank, the Federal Reserve Bank in Boston marked its rate down a full 1 per cent. from 4½ to 3½ per cent. A day or two later the Chicago and Richmond institutions announced a cut from 4½ to 4 per cent.; both Cleveland and San Francisco had previously reduced their rates one-half of 1 per cent. to 4 per cent. This leaves six of the twelve Federal Reserve Banks that are still maintaining a 4½ per cent. rediscount rate. Some of the latter are expected to make a reduction shortly, especially those in Philadelphia and St. Louis, where the banks' ratio of reserve to note and deposit liabilities is above 83 per cent. In

Dallas, Kansas City, and Minneapolis the reserve ratios are still comparatively low, ranging from about 60 to 66 per cent., and no reduction in the bank rate is expected in those centres until their reserve position becomes stronger. The reductions testify to the increasing plethora of surplus funds, and bring the official discount rates in line with open money market conditions. The heavy increase in gold reserves resulting from the steady importation of gold, together with the lessened activity in trade and industry generally, has released many millions of funds previously employed in business.

The recent reductions in discount rates for bankers' acceptances enable New York banks to compete with those of London in financing international trade, but that situation is probably only temporary. The superabundance of funds seeking employment is indicated by the fact that subscriptions to the recent offering of 2½ per cent. six-months' Treasury certificates of indebtedness totalled \$609,192,500, although the amount of the proposed issue, as announced by the department, was approximately \$150,000,000 only.

The reduction of the New York bank rate was followed by one of the most vigorous upward movements in the history of the bond market. Transactions reached the largest volume of the year, and practically all classes of bonds joined in the upturn. Enormous trading occurred in United States Government issues, which led the rise. Treasury 4½'s established a new high record at 105.18, and all Liberty loan bonds soared to new high levels, excepting the 3½ per cent. tax-exempt Liberties, which, however, reached their previous best price of the year. Although activity centred in such issues, all parts of the list reflected heavy buying, including railroad, industrial and public utility bonds. Securities of electric, gas, hydro-electric and telephone companies, whose earnings have shown remarkable increases in recent months, were purchased in exceptionally large volume at rising prices. Demand, generally, came not only from banks, investment institutions, and corporations, but also from individuals. Even foreign Government bonds, which as a group have shown comparatively little buoyancy this year, became decidedly active and strong. British 5½'s of 1937, despite the heaviness of sterling exchange, advanced last week 2 points to this year's high price, 103½; French Government 8's crossed par for the first time this year, reaching 101, while the French 7½'s established a new top for the year at 97. Bond transactions on the Stock Exchange last week totalled \$123,662,000, par value, as against \$64,984,000 in the previous week, and \$59,438,000 in the corresponding week of 1923. The combined average price of 40 representative bonds at last Saturday's close stood at 90.17, a new high record for this year, and slightly above the 1923 high record.

Exports of merchandise for the month of May were valued at \$336,000,000, according to Department of Commerce returns, or some \$7,000,000 less than the March total. Imports amounted to \$305,000,000, leaving an excess of exports of \$31,000,000, as compared with an import excess of \$56,185,108 in May, 1923. Excepting May, a year ago, when there was a surplus of imports, the excess of exports last month was the smallest for May in many years past. For the eleven months ended with May, merchandise exports were valued at \$4,005,769,628, while imports reached \$3,282,206,631. The export excess for that period, therefore, was \$723,563,197, as against \$176,051,254 for the preceding eleven months, showing an increase of \$547,511,943 in the balance of international trade in favour of this country.

The nomination of President Coolidge and Brig.-Gen. Charles G. Dawes as the Republican candidates for President and Vice-President respectively has made a very favourable impression upon business and financial interests and the public generally, and is largely responsible for the better feeling manifested lately in securities markets, trade, and industry. With the nomination of Democratic candidates at next week's national convention here, the political situation will be more clearly defined. Thus far, talk of the possible formation of a third party has apparently not been taken very seriously, or caused much concern.

FRANCE.—M. HERRIOT'S POLICY—PUBLIC FINANCE—OVERSEAS TRADE.

(FROM OUR CORRESPONDENT.)

PARIS, June 25.

WHILE neither the formal Ministerial declaration of the new Herriot Cabinet, nor its leader's reply to the questions asked him by M. Bokanowski, during last week's debate on the Government's financial intentions, has entirely dissipated the feeling of uncertainty that has prevailed in French financial, industrial, and commercial circles since the Poincaré Government was overthrown by the Bloc des Gauches, the advent of the new majority has not proved as disturbing as was feared might be the case. It is now becoming clearer every day that, as careful observers began to suspect two or three weeks ago, the Herriot bark will not have anything like the evil effects that were expected would result from the Socialist bite, of which he is often mistakenly thought to be the advocate. The Bourse has successfully withstood the shock of the arrival of an alleged Socialist Government to power, and after hearing the new Premier's declaration of policy, has demonstrated its conviction that, however fearsome some of M. Herriot's election promises may have been, France is in no immediate danger of experiencing either a political or an economic revolution, or even of any serious modification in any direction. Prices have remained steady, and in many compartments—and particularly in that of the public Funds—have even improved.

M. Herriot has made it clear that it is the intention of the new Government to follow the example of its predecessors, and defend the franc at any cost. He has further announced that no fresh expenditure shall be proposed unless it is provided for by a corresponding increase in revenue. The policy of further borrowing has come to an end, and there is no reason to suspect the sincerity of the new Government's intention to maintain a balanced Budget. Whether the present Government will prove sufficiently strong to resist the pressure of certain sections of its rather heterogeneous majority remains to be seen. It is apparent that the Senate, however, as shown by its recent votes, is not inclined to tolerate any recklessness on the part of the Lower House.

In financial circles it is hoped that, in carrying out his expressed intention of taking "an inventory of our finances" before introducing his financial programme, M. Herriot finds means to render the Treasury less liable to those periodical crises that have hitherto repeatedly proved seriously prejudicial to the franc. The danger that lies in the fact that, in spite of the heavy disbursements that must be made on June 30th, the Treasury possesses an available reserve of only 200 millions, is obvious. This appears to be directly due to the unfortunate arrangement by which the State is under the obligation of reducing at the rate of 2,000 millions a year the amount advanced to it by the Bank of France. The fallacy of continuing to attempt to fulfil this obligation while at the same time ignoring the existence of a floating debt of some 70,000 million francs, of which the public may demand the partial repayment at any moment, is too obvious to need comment. What is the use, experts are asking, of reducing the debt to the Bank if it can only be done, as experience has shown to be the fact, by issuing further short-term loans?

The taxation returns for the month of May show that the revenue is continuing to come in remarkably satisfactorily. The total yield from normal and permanent sources of revenue during the month (exclusive of receipts from the outstanding balance on the special tax on war profits and other exceptional resources, and of revenue from the postal, telegraphic, and telephonic department, which is now dealt with under a separate account) was 1,700,659,000f (as compared with 2,196,400,100f in April and 1,960,639,100f in March), or 329,292,700f more than in May, 1923. Normal and permanent sources of revenue have yielded during the five months since the present financial year began a grand total of 9,758,359,200f, or 2,007,662,800f more than during the corresponding period of 1923. Part of this increase of 2,000 millions is due, of course, to the fact that since March 23rd last the greater part of the indirect taxes and the imposts levied in connection with the State monopolies (except in so far as ordinary tobacco is concerned) have been increased by 20 per cent. A portion of the balance of the increase may

be attributed to the rise in the prices of commodities during the past twelve months, which has naturally reflected itself in an increase in the amount derived from *ad valorem* duties. Even after allowing for these two factors, however, there still remains a substantial proportion of the total which can only be attributed to the general increase in production, and to the improvement in economic conditions. The enormous comparative burden of indirect taxation in this country is seen in the fact that out of this increase of over 2,000 millions in the national revenue during the past five months 1,597,132,500f was derived from indirect taxation and monopolies, while only 398,451,300f of it came from direct taxation. For the first time for some months the greater part of the categories of indirect taxation and monopolies failed during May to reach the level expected from them when the Budget was established. This was compensated for, however, by the fact that the much disliked tax on turnover produced 343,417,000f during the month, or over 734 millions more than had been expected from it, thereby leaving the yield for the month from these sources still over 32½ millions above Budget estimates. This unexpectedly high yield from the turnover tax was undoubtedly due to the rise in commodity prices, which also explains why the luxury tax yielded only 1,962,000f during the month, or 912,000f less than had been counted on.

The foreign trade returns, while indicating that the total exchanges for the first five months of the year have resulted in a balance in favour of this country of 1,666,207,000f (as against a deficit of 362½ million francs during the corresponding period of 1923), show that the recent improvement in the franc had very serious effect on both imports and exports during May. The following comparative figures for the first five months of the year show that, while the value of the imports during April and May dropped by about 115 million francs each month, French exports during May were, in round figures, 667 million francs less in value than in April, and nearly 1,000 millions lower than in March:—

1924.	Imports. 1,000 Francs.	Exports. 1,000 Francs.
January	2,887,921	2,699,833
February	3,713,800	3,918,279
March	3,622,604	4,354,695
April	3,292,151	4,027,041
May	3,177,313	3,360,148

The full figures for the five months January-May, divided into the principal categories, are as follows (in francs):—

	First Five Months of		Increase in 1924.
	1923.	1924.	
Imports—	Francs.	Francs.	Francs.
Foodstuffs	2,781,658,000	3,367,208,000	+ 585,550,000
Raw materials	7,525,759,000	11,191,726,000	+ 3,665,967,000
Manufactured goods	1,721,799,000	2,134,855,000	+ 413,056,000
Total	12,029,216,000	16,693,789,000	+ 4,664,573,000
Exports—	Francs.	Francs.	Francs.
Foodstuffs	1,234,538,000	1,717,230,000	+ 482,692,000
Raw materials	3,628,448,000	4,943,431,000	+ 1,314,983,000
Manufactured goods	6,144,271,000	10,895,354,000	+ 4,751,083,000
Postal parcels	659,309,000	803,981,000	+ 144,672,000
Total	11,666,566,000	18,359,996,000	+ 6,693,430,000

The figures show that during the period under review imports were 38.8 per cent. more in value than during the corresponding period of 1923, while exports had risen by 57 per cent. The most important increase was in exports of manufactured goods, the value of which was 77 per cent. greater than during the same period last year.

GERMANY.—REPARATIONS—FINANCES AND CURRENCY—INDUSTRY—SHIPPING—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, June 24.

IN spite of the union apparently attained during the conference between the British and French Prime Ministers, it is believed here in official and party circles that a long time will elapse before Reparations are formally started. By "formally started" is meant the definite acceptance of the Dawes' plan, the putting through of the necessary

German legislation, and the economic evacuation of the Ruhr, if that is really to come. Before the promised July Conference meets three months will have passed since the Dawes Report, which was presented as a complete scheme ready for acceptance or rejection, was published. The Government here could probably carry on indefinitely on the present basis, because although there are great hopes that a Reparation settlement would animate business by bringing foreign capital, it is not certain that the failure of this hope must really bring the disastrous crisis which pessimists predict. If the Allies, on their side, really show some energy, it is probable that German party-political obstacles will be overcome. It is expected that the German National Party, shrinking from the responsibility of rejecting the Dawes' plan in principle, will announce that on this question its members are free, and will thereby at once yield to obvious necessity and save its reputation as a truly national party.

The Finance Ministry's return for the ten-day term—June 1st-10th—shows revenue, 99,652,529 gold marks; expenditure, 97,548,488 gold marks; but as Gold Loan of 4,152,854 gold marks value was redeemed out of revenue, the real surplus was 64½ millions. If the cost of Gold Loan redemption is deducted from expenditure, there has been a surplus of 170 million gold marks since the beginning of the financial year on April 1st. The annual saving in salaries, from the reduction in the number of State employees already reported, is 434 million gold marks, to which must be added an unknown sum saved on cost of premises, materials, heating, &c. The capital and credit question tends to get worse rather than better. The vice-president of the Reichsbank repeats that further Rentenmark credits to industry cannot be given. As regards paper marks, he estimates that, allowing for the Reichsbank's guarantee of the dollar Treasury bills of 1923 and for certain outstanding guarantees dating since the war, the bank has a free gold reserve of only 250 million gold marks out of the 442 million gold marks booked on June 6th. This provides about a 25 per cent. cover for the 954 trillion paper marks of notes then in circulation; and the percentage of cover, says Dr Glase-napp, needs increasing, not reducing. The theory that the Reichsbank gold was in any real sense cover for the paper mark circulation was, of course, abandoned during the later inflation years, but it is again so regarded. The note circulation on June 14th fell to 923,582,982 billion paper marks; and the gold reserve, owing to purchases, increased to 448 million gold marks.

The great question of *Aufwertung*, which, after a bitter controversy, was supposed to be settled by the Third Taxation Decree of last winter, is again up; and is likely to cause difficulties for the Cabinet and for various interested classes. *Aufwertung*, or restoration of secured debts, was by the decree in question declared compulsory to the extent of 15 per cent. of the original gold value; which meant that a mortgage or bond of originally 100,000 gold marks, which under the legal fiction of "a mark is a mark" had fallen to 100,000 paper marks, was to be restored (*aufgewertet*) to 15,000 gold marks. In fact, as the interest on the 15,000 gold marks was to be restored only gradually, the present actuarial value would be only about 8,000 gold marks. The treatment of Federal and State loans was postponed "until Reparations were fully paid," but municipal debts contracted for productive purposes (trams, gas, &c.), of which the debtor city still has the benefit, might be restored to an unstated extent. The Prussian Government is now considering this municipal question. The boom in War Loan quotations of last week was due to rumours that the Federal Government was considering an *Aufwertung* of these claims. No such plan is even thought of. The supposedly settled question of the *Aufwertung* of private claims is, however, again in the melting pot. During the Reichstag elections, parties tried to capture the votes of secured creditors by promising an increase of the 15 per cent. rate, and the People's Party and Freedom Party have submitted motions to the Reichstag in this sense. A 40 per cent. and even a 100 per cent. *Aufwertung* is demanded. One demand is that the lower Courts (*Amtsgerichte*) which determine disputes shall have the right, on grounds of "fairness," to increase the 15 per cent.; at present they can only, on the same grounds, reduce it. It seems certain that the Government will be

compelled to amend the law. There are admittedly many flaws in the present settlement, but it is not impossible to attain any kind of all-round "fairness"; e.g., ordinary unsecured creditors who have been ruined by mark depreciation will in no case get any compensation. The re-opening of the question will result in a prolonged term of insecurity, which will incidentally react unfavourably on Germany's chance of getting foreign private credit. Even now it is (apart from the shortage of capital) impossible to conclude safe mortgages, because the land registers no longer reveal precisely what is the extent of existing State and private claims.

Company finance will also be upset. In the new gold mark balance-sheets, which are slowly appearing, the extinction of bonded debts naturally plays a great rôle. This is probably the chief cause why most companies are able to fix their new gold capital at higher than before the war. The following table, which summarises an analysis of 11 new gold mark balance-sheets made by the *Frankfurter Zeitung*, shows company bonded debts to be only 11 per cent. of the pre-war level:—

	1924 in Per Cent. of 1913.
Land, buildings, and plant	90
Securities and interests	25
Cash and credits	56
Wares	97
Capital	143
Reserves	85
Bonds and mortgages	11
Debts	64

In eight of the eleven companies the new gold capital is bigger than the old; in six land, buildings and plant are valued at higher than the old. The declines in credits and debts may be explained by the present greater prevalence of cash payments, which became the rule during the inflation time. Up to June 20th only 24 companies quoted on the Berlin Bourse had published gold mark balance-sheets. While the nominal paper mark capital of these companies has been reduced to anything from half to 1-100th in order to get the new gold mark capital, the latter is almost in every case higher than before the war. But whereas the pre-war average Bourse quotation was 170, the new average gold quotation is 55½. Some good authorities think that the companies are putting their new gold mark capital much too high. If so, dividends will be small; and as German company law does not allow of the issue of shares under par, difficulty may be met in raising new capital. A revision of the Third Taxation Decree on the *Aufwertung* question would, of course, involve revision of the new balance-sheets.

Bankruptcies are rapidly increasing, and the number of cases of suspended bankruptcy still more rapidly. In Berlin several leading trades report depression. Unemployment in the Rhineland is increasing, but this shows itself mainly in reduced working hours. In all quarters the capital and credit shortage is made responsible for the depression, but it is officially pointed out that the difficulties of industry are in part due to a false understanding of the situation. Prices are still slowly falling. The official wholesale index number for June 17th was 117, against 117.2 a week earlier; the official cost of living index for June 18th was 112, against 113 a week earlier.

Three of the leading shipping concerns, the Hamburg-American, Norddeutsche Lloyd, and Hamburg South-American companies, have issued their reports for 1923. Capitalisations are respectively 285 million marks (180 million 1913), 1,000 million marks (125 million 1913), and 95 million marks (25 million 1913). The balance-sheets and profit and loss accounts show the usual confusion of values of different kinds, the capitals and reserves representing now nominal sums, while receipts and expenditure include indiscriminately "marks" of all values. No dividends are paid. The Hamburg-American Line's net profits were 299,999 billion paper marks; Norddeutsche Lloyd, net profits, 150,240 billion paper marks; Hamburg-South American, net profits, 749,203 billion paper marks. The Hamburg-American's fleet, including ships under construction, is 251 vessels, whereof 78 are sea-going ships, of total tonnage 432,538, against 439 vessels, whereof 194 are sea-going, of total tonnage, 1,360,360, in

1913. The Norddeutsche Lloyd's fleet, including vessels under construction, is 401,963 tons, against 982,951 tons in 1913.

ITALY.—POLITICS AND THE STOCK EXCHANGE FEVER—PLENTY OF MONEY—NEW ISSUES— UNEMPLOYMENT—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

TURIN, June 21.

POLITICAL events have been prominent since the meeting of the new Legislature. As my letters relate to economic affairs, I will only note that the lurid Matteotti affair acted as a check on the frantic upward movement which was going on in Italian Stock Exchanges. If we take as basis 100 the quotations for December, 1918, the Bachi index number of State securities, which was as low as 73.8 in September, 1920, reached 100.2 in January, 1924, 101.3 in February, 103.0 in March, 103.9 in April, and 109.5 in May, 1924. That is a general average; 5 per cent. consols, which at a time in 1920 went as low as 67, touched in early June 102.50.

Yesterday (June 20th) they fell to 98.85. But the wildest fluctuations took place in "variable dividend" shares. Bachi's general index number (basis 100 at December, 1918) touched bottom in April, 1922, at 56.45. At the end of 1922 the index was 72.08; at the end of 1923, 85.67. In 1924 every month, save April, saw a rise to 89.79 in January, 96.18 in February, 101.70 in March, 100.51 in April, 114.34 in May.

The leaders in the upward movement were easily the silk shares, especially artificial silk. At a time, the greatest artificial silk concern, Snia-Viscosa, with a paid capital of 600 millions lire, was capitalised at 1,500 millions lire; the next one in importance, the Soie de Châtillon Company, with a paid capital of 75 millions, at 675 millions lire. Following these spectacular rises, operators multiplied; crowds congregated every day on the floors and outside Stock Exchanges; fortunes were made. Stock Exchange men were all Fascists; no more strikes, social peace, abundant work, State Budget in equilibrium, no more prosecution against capital. Everyone was persuaded that Bourse quotations would rise indefinitely. On this excited state of mind the Matteotti affair acted like a bombshell. Something like a stampede took place. Snia receded from 504 to 400, Châtillon from 900 to 680, Fiat from 754 to 565, Bank of Italy from 1,950 to 1,625. Perhaps nothing more tragic will happen save losses suffered by over-enthusiastic bulls. Money is abundant and is anxiously seeking employment. After many years, during which the State absorbed all available savings, the situation has wholly changed. Public internal debt has decreased from 95,544 millions lire at June 30, 1923, to 93,655 millions at April 30, 1924. No wonder that the market situation was favourable to buoyancy and to new issues. In 1923 new issues of shares by joint stock companies, less decreases of capital or winding-up of companies, amounted to 2,131 million lire. In the first five months of 1924 the figure went up to 1978.8 million lire, against 515.2 in the corresponding months of 1923.

As far as can be guessed by the belated unemployment figures, the industrial situation seems better than a year ago. At February 28, 1923, unemployed were 327,892; they decreased to a minimum of 178,612 at August 31, 1923; seasonably rising to 258,580 at end of December, 1923, to 280,765 at January 31st, and decreasing to 259,360 at February 29, 1924.

Foreign trade in the months from January to April, 1924, compared as follows with the corresponding period of 1922 and 1923 (in millions of lire):—

	1922.	1923.	1924.	Difference 1922 & 1924.	Between 1923 & 1924.
Imports	4,837.7	5,525.5	5,815.8	+ 978.1	+ 290.3
Exports	2,744.4	3,143.5	4,357.8	+ 1,613.4	+ 1,214.3
Excess of imports over exports	2,093.3	2,382.0	1,458.0	- 635.3	- 924.0

The excess of imports is decreasing, thanks principally to more abundant exports, the most notable increases being in silk and artificial silk (from 850.1 million lire in 1923 to 1,077.3 million lire in 1924, fruits and vegetables (249.9

to 373.4), flour, macaroni, pulses, &c. (56.1 to 239.2), milk and cheese (71.8 to 136.4), meat, eggs (59.8 to 146.4), cotton goods (448.8 to 648.8), motor-cars and other vehicles (91.5 to 120.6), wool, &c. (73.0 to 129.8), hides (105.4 to 158.8).

The general trend is towards increasing imports of raw materials, machinery for industry, exports of manufactured goods, increasing at the same time at a more rapid pace.

An index of industrial conditions is the increase in the consumption of electric power.

UNION OF SOUTH AFRICA.—INDUSTRIAL AGRICUL- TURAL DEVELOPMENTS—WHITE POPULATION.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, June 4.

THE May issue of the South African *Journal of Industries* deals almost exclusively with three great questions of material importance to South Africa:—An economic policy for the Union, the dumping of overseas products in South Africa, and the purchase of Government supplies. The editor, in a foreword, says the report of the committee entrusted with these inquiries, and those of the Board of Trade and Industries, are "an orderly and suggestive presentation of authoritative opinions which cannot fail to lead people to a better understanding of some of the needs of our time and the future."

The report on the "Economic Policy for the Union" shows that the decennial rate of increase in the period ending 1921 was only 19, compared with about 43 in each of the previous ten-yearly periods. The forecast is made that in 1971 the European population will number 3,650,000 (as against the 1,519,500 in the 1921 census) and the native population 19,000,000, as against 5,409,000. The calculation is based on the assumption: "If the progression of the last decennium indicates the rate which will prevail in the next fifty years." But the soundness of the argument may well be questioned when we remember that half of the period coincided with the Great War, when the Union was denuded of the youngest and more virile section of its population, and that large numbers of South Africans were killed during the war. Numerical accessions of population by migration have a marked tendency to diminish. Latterly there have been no important fresh discoveries of precious metals. "The lure of great diamond and gold discoveries, which once drew shoals of immigrants to our shores, has ceased to exercise its influence, and the mining immigrant now passes us by." To increase the growth of white population an augmented rate of development of our resources and production is the great need. . . Every practicable step should be taken to supplement existing measures for stimulating and fostering every means which can be directed towards the production and marketing, in the Union and Overseas, South African raw materials, foodstuffs, and semi-manufactured and manufactured articles." For the products of its primary industries, agriculture and mining, South Africa to a great extent looks to a world market, but the same cannot yet be said of our manufacturing industries. Agriculture has in many respects made notable progress. In the exploitation of mineral resources much more remains to be done, and concentrated effort is required to accelerate development. Industries of advantage to the country as a whole should be protected against destruction by unfair competition from other countries. Development of our coal resources, says the report, will possibly yield the cheapest power in the world for railways, mines, and manufactures. . . It is recognised that the question of tariffs is one of great difficulty, and that the balance of advantage has to be weighed in each case. Like all indirect taxation, they raise the cost of living and of production. It is proposed that a board which should be investigatory and advisory, but not executive or administrative, should advise the Government and continue in amplified form the functions of the present Board of Trade and Industries, which in normal circumstances comes to an end this month.

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DENMARK.—STEADIER EXCHANGE—PLANS FOR REGULATION — FOREIGN LOAN PROPOSED— TRADE BALANCE—PRICES FALLING

(FROM OUR CORRESPONDENT.)

COPENHAGEN, June 15.

FOR some time the Danish Exchange market has shown a steady tendency, a fact undoubtedly connected with the establishment of the "Valutacentral," and the measures introduced in this connection. However, at the end of the fourth week of May there was some tendency to anxiety in the market, evidently because it was feared that the debates in the Rigsdag on the new Exchange Bill would prove abortive. The board of the Valutacentral, on which a seat is held by one of the managers of the Nationalbank, Mr H. Green, accordingly decided at a meeting, on May 21st, that for the time being, foreign exchange might only be made available, by authorised exchange-dealing banks and bankers, in case of requirements in cover of import debts due. Apart from this, a certificate from the Valutacentral should in each case be required. This rule has hitherto been practised in such a way, that as a rule certificates have not been granted, and at the same time the exchange rates have been maintained at a fairly steady level, which in any case is not higher than when these measures were introduced.

Some days ago it became apparent that the Government Bill of Amendments to the Exchange Act, now in force, could not be carried through the Rigsdag—the purpose of the Bill being to enable the Valutacentral to exercise a control of import. Accordingly the board of the Valutacentral suggested to the Prime Minister that other measures should be proposed. It is suggested that at present measures aiming directly at the improvement of the balance of trade would not be furthered, and the proposal of the Valutacentral therefore concentrated on an endeavour to reduce the amount of currency, the board being of the opinion that the maintenance of the Danish Krone at its present level will hardly be possible through of the existing means of control only. The suggestions made by the Valutacentral are the following:—(1) That an amount of about Kr 50,000,000 be provided in order to reduce the debt of the State to Nationalbanken. This should be effected through an increase of 25 per cent. in the income-tax on incomes of more than Kr 5,000—and a similar increase in the tax on capitals above Kr 50,000—an increase of the sugar duty by 10 ore per kilo, and an increase of the coffee duty by 75 ore. (2) That a foreign loan be contracted by the State, presumably in America, of a suggested amount of \$40,000,000. It is expressly pointed out, however, that a rational economic policy is required as a basis for this measure—a policy which must have the main object of maintaining the balance of the State Budget and redeeming the considerable amount of short bonds maturing during the next few years, without contracting further debts. Regarding the application of the loan it is proposed that \$30,000,000 be made available for redemption of the debt of Den Danske Landmandsbank to the Nationalbank. The Landmandsbank owes to the Nationalbank an amount practically corresponding to the above, and this is fully guaranteed by the State, while a considerable part of the assets of the Landmandsbank have been pledged as security. Gradually, as the proceeds of the loan become available, they should be used to pay off the debt of the Landmandsbank to the Nationalbank, which debt will thus be fully redeemed when the loan has been realised. The remaining \$10,000,000, it is proposed, should be made available solely for measures in Slesvig, as the credit restriction policy commenced some time ago has caused difficulties in Slesvig, where a great shortage of capital is apparent.

It is still too early to say anything of the effects of the step taken by the Valutacentral. The Government bills have been rejected by the Landsting, and the Prime Minister has stated his intention of proposing other measures, but not in the very near future. In political circles, as well as outside the Rigsdag, the Valutacentral Board's plan has created considerable interest, and in any case there is a certain inclination to contract a foreign loan, provided that financial and economic policy make this justifiable. The suggestions of the Valutacentral show that the question of the Krone rate must still be viewed without too much optimism. For some time, however, the position has been viewed in trade and banking circles without misgivings, and the balance of trade is showing some improvement. The excess of imports for the first four months of 1924 amounted to Kr66,000,000, as against Kr152,000,000 for the corresponding period of 1923. The unemployment figures show a strong improvement, the total now being only just over 16,000, against about 23,000 in 1923 and 43,000 in 1922 at the same season. The wholesale price index of the *Finanstidende* for June 1st is 219, against 225 on May 1st and 228 on April 1st. At the beginning of the year the figure was 210, and on June 1, 1923, it was 202. The drop during May is due to sugar and coal.

Letters to the Editor.

ELECTRICITY COMPANIES' RESERVES.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In view of the fact that the two preliminary Bills promoted by the London Electricity Supply Companies have now passed the House of Lords, and will shortly be presented to the House of Commons, you publish this week an interesting table showing the amounts at credit of depreciation, reserve, and sinking fund accounts of the various companies. The proposal is that there is to be an extension of the companies' tenure for another 40 years from the expiration, in 1931, of the present concessions. The conditions include the impractical provision that all the fixed assets held by the companies at the time the new Bills are put into operation are to be handed over free of cost in 1971.

In the meantime, the companies are to be allowed to pay dividends on their existing ordinary shares, and on agreed reserves until 1931, after which date the dividend will be 7 per cent. on both ordinary shares and reserves. The important point is, as you say, the question of depreciation; and the manner and method of this is not agreed. How much of the reserves represents depreciation (expired capital outlay), and how much represents true undistributed profits? No answer to this question is possible in the absence of an agreed sound method of measuring annual depreciation, and this might easily be settled now if the matter was properly tackled.

The subject is of such vast public importance that I desire to draw attention to my memorandum and criticism on the financial proposals of the London County Council on London Electricity Supply, published in the year 1914. The memorandum is printed in full in the fourth edition of my work on Depreciation and Wasting Assets, published by Pitmans, and the following extract may be quoted:—

"If, during the term of possession, the companies have failed to provide adequate sums out of each year's revenue receipts to answer expired capital outlay (depreciation) on the plant, they may have eaten the heart out of the capitals provided by them."

If, as appears to be intended, these bills are put through without incorporating the settlement on right lines of the method of measuring expired capital outlay on these great electrical plants, it can only be because the public authorities are too supine. The companies are, not unnaturally, willing to leave the matter open for future argument, although it should, and could very well, be settled now on fair and sound lines.—Yours, &c., P. D. LEAKE.

K1 Albany, Piccadilly, W. 1, June 23rd, 1924.

Books and Publications.

THE GRAIN TRADE.

MR THORPE'S "Grain Trade Documents" * shows clearly that he has much knowledge and experience which would help those for whose benefit he has been persuaded to reproduce his lectures, that is for those just entering the trade, but his effort to convey the information to the minds of his readers cannot be said to be altogether successful. The style is eminently practical. Actual forms in everyday use are set out, explained, and discussed. There are valuable lists of technical expressions peculiar to the grain trade, including separate lists of Indian and South American expressions. But the style is rather that of the business man who does not give much attention to explaining foundation principles. The author plunges into masses of practical detail, and the feeling of breathlessness is accentuated by the fact that in many places a long paragraph, which should have been broken up, is printed as one sentence, divided only by commas. These defects will hamper "those just entering the trade," and other classes of readers may note other defects. Thus the chapter on "Arbitration" sets out a number of leading law cases, but in most instances fails to give any indication of the date of the decision. Valuable though the work is, it is marred by these imperfections in its composition and production.

One of the most important centres for imports of wheat and other cereals, oil seeds and nuts, is Hull, as we are reminded by this year's issue of the "Port of Hull Annual."† Russia, which before the war used to do great business with Hull, has only just begun again to export a little wheat, though the total imports of cereals at Hull from all exporting countries in 1923 were substantially better than during the two preceding years, amounting to 1,195,393 tons. In the oilseed industry Hull, of course, holds the premier position, taking half the entire U.K. import, and, as the "Annual" shows, handles also a great variety of other kinds of trade.

* "Grain Trade Documents." By S. K. Thorpe. (Liverpool) Northern Publishing Company, Limited. 1924.
† "The Port of Hull Annual, 1924." By H. E. C. Newham. (Hull) Bishop Lane, 1924. 3s 6d net.

THE RESOURCES OF ROUMANIA.*

HAVING helped to collect funds in New York for the relief of Roumanian war orphans, Mr de Lignemare received a decoration and an autograph letter of thanks from Queen Marie; and so, when he visited Roumania last year for the first time, he was made welcome, and naturally took roseate views of everything, including the treatment of racial minorities in Transylvania. On this matter his information is totally inaccurate; however, he lays stress on many unquestionable facts: the vast resources of the country in cereals, timber, petroleum, minerals, natural gas, coal, and water power, the progress of the iron and steel industry, and the need for modern methods of cultivation and transport, and for the direction of native labour by organisers from abroad. And he appeals to Americans to take a share in the development, and to eliminate the European intermediaries who now conduct in great part the distribution of its exports, by establishing a direct trade with the United States. Roumanian emigrants, he maintains, would do better at home than in America, and the standard of honesty in Roumanian business is, he assures us, very high. He also lays special stress on the recent recovery in Roumanian public finance. The book is a useful compendium of facts and figures, and may stimulate British capitalists to take their part in developing Roumania.

* "My Impressions of Roumania." By William de Lignemare. (New York) Nicholas L. Brown. 1924 (Pp. 106. \$1.50.)

BOOKS RECEIVED.

- Technical Costs and Estimates.* By Andrew Miller. (London) Messrs Gee and Co. 10s 6d net.
The Government of France. By Joseph-Barthélemy. Authorised translation by J. Bayard Morris. (London) George Allen and Unwin, Limited. 6s net.
The Official Year Book of New South Wales, 1922. By H. A. Smith, F.S.S., Government Statistician. (London) Australia House. 5s.
Financial and Economic Annual of Japan, No. 23. By the Department of Finance. (London) Financial Commission of the Imperial Japanese Government, 7 Bishopsgate.
Report on an Enquiry into Agricultural Wages in the Bombay Presidency. By G. Findlay Shirras. (Bombay) Labour Office. Rs. 2.9.
Condizione Economica e Finanziaria della Lombardia Nella Prima Metà del Secolo XVIII. By S. Pugliese. (Torino (2)) Fratelli Bocca, Editori.
Economic Aspects of International Affairs. Report of Conference. (Chicago) Council of Foreign Relations.
Foreign Affairs. American Quarterly Review, June, 1924. (New York) 25 West 43rd street. \$1.25.
The North American Review, June, 1924. Edited by George Harvey. (New York) North American Review Corporation. One dollar.
Party Programmes and the Mines. Issued by the Gold Producers' Committee of the Transvaal Chamber of Mines, 202 and 203, Salisbury House, Finsbury circus, London, E.C. 2.
The Union of South Africa. British Empire Exhibition, 1924. Official catalogue (London). High Commissioner for the Union of South Africa.
Expenses, Profits, and Losses in Retail Meat Stores: How Much and Why. By Horace Secrist, Ph. D. (Chicago) The Bureau of Business Research, Northwestern University School of Commerce.
Lov om Aktiebanker. By Peter Hougen. (Christiania) Norwegian Bankers' Association, Stortingsgaten 8.
A Classified Guide to Business and Commercial Books. Compiled and issued by F. and E. Stoneham, Limited, 79 Cheapside, London.
Chamber of Shipping of the United Kingdom Annual Report, 1923-24. (London) 28 St Mary Axe.
Doctrine de Saint-Simon. New edition, with Introduction by C. Bouglé and Elie Halévy. (Paris) Marcel Rivière, 31 Rue Jacob. 25f.
Report on the Grain Trade of Canada. (Canada) Dominion Bureau of Statistics, Internal Trade Branch.
City of Edmonton, Canada: Financial Statements and Reports, December, 1923. (Edmonton) City Council.
Movement for the Co-ordination of Agriculture and Industry. (London) Agricultural and Industrial Union, 7 Queen street place, E.C. 4.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, July 9. | ACCOUNT, July 10.

The brilliant weather has conspired with foreign politics to curtail still further the volume of Stock Exchange business as compared with what it has been of late. The result of the visit of Monsieur Herriot to the Premier last week at Chequers produced a favourable impression, and brought about rises in French Government and Railway issues. German bonds have enjoyed a mild boom. The strength shown by the gilt-edged market at the beginning of the week underwent a change as apprehensions of a rise in the Bank rate became rather more general, in consequence of the stiffening of money rates that is seasonal to the end of every half-year. At the same time, the huge amounts of new issues recently offered to the public began to make their influence felt upon existing securities, with the result that the War Loan, Funding, Victory, Consols, and other gilt-edged stocks gave way to some extent. Corporation stocks continue to advance in price, and the Sheffield offer of a million pounds 4½ per cent. stock at 96 this week was promptly subscribed.

Underwriting arrangements are to be made in respect of a forthcoming Hungarian loan, and when this issue is out of the

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DEPOSITS (31st Dec., 1923)	-	-	£301,549,963

FOREIGN EXCHANGE TRANSACTIONS ARRANGED.

CHIEF FOREIGN BRANCH:

168 Fenchurch Street, London, E.C. 3.

way it is thought that there may be new loans offered by the Argentine, Brazil, Mozambique, and other borrowers. To the movements in French bonds reference has already been made. Mexicans are very flat, because of the diplomatic friction between this country and Mexico. Japanese bonds eased off, on the tense situation which has developed between Japan and the United States.

Home Railway stocks are in a torpid state, the public taking no interest other than that of a purely academic character. The anticipations of the interim dividends are not very exciting. American rails have been put up, Canadians are almost unchanged, Mexican rails have dropped. Argentines make the best showing in the railway group, thanks to the traffics which the principal lines are securing.

With rubber still weak, and with a demand from the East for modification of the Stevenson restriction scheme, it is not to be expected that rubber shares can make any upward headway. There is nothing doing in the market. Amongst oil shares, Shells gave way on the cautious speech made by the chairman at the meeting this week. Active dealings in British Controlled shares of both classes constitute a lively feature in the share list. Royal Dutch weakened, on sales from abroad reported to have been caused by financial difficulties on the part of speculators. Tea shares are a little better. The recent sagging of prices has served to draw attention to the relative attractions of this market to the investor who is out for a big yield on his money, and who does not mind taking risks in order to get it.

Amongst the investment groups, insurance shares stand out with conspicuous strength. Prices have been rising every day. Trust companies' stocks also continue to improve. The banking share market is firm, though prices vary but little. In Textiles, Courtaulds made a meteoric rise yesterday on the bonus declaration, but Patons and Baldwins gave way sharply, on a disappointing dividend, making 12½ per cent., tax free, for the year, whereas another 5 per cent. had been expected by the optimists. General Electrics are slightly easier, on the maintenance of the 5 per cent. dividend. Platt Brothers are heavy on the report showing a decline in the profits, as compared with those of last year, amounting to £363,600. London Electricity Supply shares are strong, with County of London more particularly wanted. Whitehall Electric Investments debenture and preference reacted, on the issue of new stock and shares. Gas stock gave way, one or two blocks coming to market. Shipping shares stagnate.

Breweries are very quiet, and a nominal fall of 26 in the debenture stock of the Indianopolis Company was caused by pressure to sell a little stock. What may be called the British Exhibition issues—i.e., shares in stores, drapery, restaurant, hotel, and other commercial undertakings—have maintained their prices. The cable group is decidedly better, after suffering acute weakness. Last Wednesday's speech at the Eastern Telegraph meeting served to re-assure timid holders. The wireless market is extremely placid. Sound preferences are in constant demand, and new issues can count upon a favourable reception where good stock is offered at a tempting price.

The Kaffir market is recovering from the first unfavourable effects produced by the recent Transvaal elections. Paris rendered support to some of its favourites, Central Mining, for instance, Rand Mines, and a few others; but the real excitement of the market this week has been over East Rands, where a big speculative movement is in progress, the shares being run up and down in mercurial fashion. Chartered are a better market, Rhodesians as a whole reflecting the firmness of these shares. Victoria Falls, however, keep dull, under the dividend disappointment, the 10 per cent. distribution being well under previous anticipation. Diamonds are a trifle better, in consequence of the return of De Beers deferred shares to the dividend list. Canadian mining shares have dwindled for want of public attention, and, although a little interest was taken in Mexican mining shares, this proved insufficient to counteract the slightly dull tendency which crept into the shares of the base-metal companies. The price of tin, the metal, fluctuates so violently that people are still afraid to touch tin shares. Copper shares have hardly moved.

NEW ISSUES.

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

	Nominal Capital.	Cash Sub- scription.	First Payment.	Further Li- ability.
Amount previously recorded.....	£ ..	96,747,777 ..	£ ..	£ ..
4 % Treasury Bonds by public tender, June 20, 1924, £350,000, at £94 13s ..	£ ..	331,275 ..	£ ..	£ ..

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED JUNE 21, 1924.

	£	£	£
April 1, 1924, to June 21, 1924, Dr £1,100,000 ..	Dr	50,000 ..	Dr 50,000

To the Public—
British Insulated and Helsby
Cables, £700,000 5% Mt. Deb. Sks., at 98% .. Issued to repay existing debentures.

Barcelona Traction, Light, and Power Company, Limited, £2,800,000 6½% Cons. Prior Lien Bds., red. on or before June 1, 1925, issued at 91% (out of proceeds of this issue, 8% Bonds amounting to £1,038,000 are to be repaid) .. 1,762,000 .. 1,603,420 .. 88,100 .. 1,515,320

Sheffield Corporation, £1,000,000 4½% Red. Deb. Stock, 1944-1954 (red. at par), issued at 95% .. 1,000,000 .. 960,000 .. 53,000 .. 910,000

Auckland Harbour Board, 5% Loan, £200,000, issued at 98%, red. at par, July 10, 1924 .. 200,000 .. 196,000 .. 10,000 .. 186,000

United Anthracite Collieries, Limited, 800,000 Ord. Shares, £1, at par .. 800,000 .. 800,000 .. 100,000 .. 700,000

Do 800,000 7% Cum. Pref. Shares, £1, at par .. 800,000 .. 800,000 .. 100,000 .. 700,000

Whitehall Electric Investments, £1,000,000 6% First Mort. Deb. Stock (red. at par, 1949), issued at 94% .. 1,000,000 .. 940,000 .. 50,000 .. 890,000

Do 1,000,000 7½% Cum. Pref. Shares, £1, at par .. 1,000,000 .. 1,000,000 .. 125,000 .. 875,000

Fras. Hinde and Hardy, Limited, £175,000 6% Cum. Pref. Shares, £1, at par .. 175,000 .. 175,000 .. 21,875 .. 153,125

Do 125,000 Ord. Shares, £1, at par .. 125,000 .. 125,000 .. 15,625 .. 109,375

Streatham Recreation, 156,000 8% Participating Pref., 5s, at par .. 39,000 .. 39,000 .. 19,500 .. 19,500

Total offered to the public 6,638,420 .. 580,100 .. 6,058,320

To Shareholders only—
Petroleum Options, 29,236 Ptg. Pref. Shares, 5s, at par .. 7,309 .. 7,309 .. 1,462 .. 5,847

Total offered to shareholders only 7,309 .. 1,462 .. 5,847

Total offered for subscription to date 13,947,740 .. 1,041,562 .. 12,906,178

Total offered for subscription for whole year—
1924 .. 103,674,781 .. 271,393,173

1923 .. 181,301,661 .. 573,675,650

1922 .. 448,774,277 .. 1,358,976,203

1921 .. 128,574,476 .. 367,549,656

1920 .. 233,105,222 .. 603,059,951

1919 .. 391,970,294 .. 1,333,381,441

Sheffield Corporation 4½ per Cent. Redeemable Debenture Stock, 1944-1954.—This is an issue of £1,000,000 stock at 96 per cent. The stock will be redeemed at par on August 1, 1954, but the corporation will have the option of redeeming at par at any time on or after August 1, 1944. The proceeds of the issue will be applied for the repayment of loans, and housing, water works, electric supply, tramways, and other purposes. The stock and dividends thereon will be charged on the city rate and upon the revenues of the corporation, and the present issue will rank *pari passu* with all existing issues of Sheffield Corporation stock. The rateable value of the city of Sheffield now stands at £2,467,943, and the net loan debt at £13,693,555, against which the corporation possesses valuable lands, debts owing on mortgage by other public bodies, and also the water, tramways, electric light and power, markets, and other undertakings, which, so far as are reproductive, represent a capital value of £10,659,068. We are glad to find that those responsible for launching the Sheffield Corporation's loan are appealing to the public by means of a prospectus. An excellent example is set to other corporations, which the event appears to have justified. It is a sound security, and suitable for inclusion in most investment lists.

Auckland Harbour Board 5 per Cent. 1944 Loan.—Issue of £200,000 in debentures at £98 per cent. This loan forms the balance of a total authorised issue of £1,000,000, and constitutes a charge on assets, subject to prior loans amounting to £2,625,000. The proceeds are to be utilised for the purpose of the construction of harbour works defined in the "Auckland Harbour Board Loan and Empowering Act of 1919." Redemption is at par in July, 1944, and a sinking fund of 1 per cent. will be provided. The growth of business at the Port of Auckland is shown by the following figures extracted from the board's published accounts:—

Value of Imports and Exports Dealt With. Tonnage arriving at and Departing from the Port. Net Yearly Revenue of the Board.

1908 .. 7,572,893 .. 3,187,482 .. 101,719

1912 .. 9,780,555 .. 3,841,235 .. 139,235

1916 .. 13,257,563 .. 3,519,438 .. 169,750

1922 .. 22,091,424 .. 3,673,732 .. 256,335

The board are not restricted from increasing the dues charged if they see fit. The loan is free from all New Zealand taxes in the case of holders not domiciled in the Dominion of New Zealand. A good security.

Barcelona Traction, Light, and Power Company, Limited.—Incorporated under Canadian Law.—Issued share capital \$35,933,500. The bond capital is now given as follows:—

7 per cent. prior lien "A" bonds £1,100,000

Consolidated 6½ per cent. prior lien bonds (formerly 6 per cent. prior lien "B" bonds) £2,800,000

8 per cent. secured debentures £1,038,000

5½ per cent. first mortgage bonds £10,500,000

(This total includes the amount required for the conversion of the whole of the 5½ per cent. income bonds, viz., £662,293 5s 11d, and is subject to the option rights, mentioned in the president's letter on the third page of the prospectus.)

7 per cent. 30-year bonds Ptas. 38,914,500

(Against which £2,822,480 5½ per cent. first mortgage bonds are deposited as collateral.)

This is an offer for sale of £2,800,000 consolidated 6½ per cent. prior lien bonds, at 91 per cent. The bonds, which are to be redeemed on or before June 1, 1925, by means of a sinking fund, are subject to first specific and floating charges securing the prior lien "A" bonds of the company, of which £1,100,000 are outstanding. They are secured as a direct obligation, and, with exceptions, constitute a second specific charge on assets, excluding share holdings in Les Tramways de Barcelone. The company is authorised to increase the 6½ per cent. prior lien bonds from £3,000,000 to £5,000,000, subject to retaining ear-marked for the redemption of the prior lien "A" bonds an amount of consolidated 6½ per cent. prior lien bonds of a nominal par value at least 10 per cent. in excess of the par value of the prior lien "A" bonds for the time being outstanding. The right is retained of redemption at 102 per cent. before June 1, 1930, and on or after that date, at par. Revenue available for bond services is given for the past four years. For 1923 it amounted to £706,500. The service of the outstanding £1,100,000 prior lien "A" bonds will call for £83,500 per annum. The annual service of the bonds now offered amounts to £198,531. As before pointed out, the finances of the company form a highly complicated record, and though Barcelona is a storm centre of political life, it must be confessed that other issues quoted on the London Stock Exchange have more than maintained their values.

United Anthracite Collieries, Limited.—Authorised share capital £2,500,000, divided into 1,000,000 7 per cent. cumulative preference and 1,500,000 ordinary shares, all of £1 each. Preference shares are entitled to a return in respect of capital of 22s per share and arrears of fixed dividend in the case of winding up, and provision is made that debentures shall not be created without the consent of preference shareholders, except for the purpose of securing loans from bankers. It is intended to create a special preference dividend equalisation fund of £84,000 by setting aside in each year the sum of £16,800 out of profits, after providing a dividend at the rate of 10 per cent. per annum on the ordinary shares. This is an issue at par of 800,000 ordinary and 800,000 preference shares. The company has been formed to develop four anthracite collieries in the Swansea district. Total surplus assets are estimated at £1,615,179. An independent valuation is submitted. Profits are given from 1917. Apparently the purchase price is £1,500,000, payable in cash, together with £75,000 payable in Hector MacNeal in consideration of services rendered. It would be interesting to have a little table showing the sub-values then placed on assets. Much will depend upon the office expenses, given as £1,510, appear to be moderate. Sir Samuel Hoare is chairman of the company, and the board contains several well-known men in the colliery trade.

Whitehall Electric Investments, Limited.—Authorised share capital 2,500,000 7½ per cent. cumulative preference and 5,000,000 ordinary shares, all of £1 each. There is also £3,500,000 6 per cent. first mortgage debenture stock. All these securities, including the present offer, have been issued. This is an offer for sale of £1,000,000 first mortgage 6 per cent. debenture stock at 94 and 1,000,000 preference shares at March, 1922, to acquire substantial interests in several established electric power, light, and tramway undertakings operating in Chile and Mexico. The electric power, light, and tramway system of Valparaiso and the hydro-electric power and station near Santiago, were acquired last year, and the object of this issue is to provide funds for these and other purchases,

instalments already due having been met by advances from the company's bankers. The debenture stock is redeemable on or before 1949 at par, and constitutes a first specific charge upon securities detailed in the prospectus and a floating charge upon the undertaking and all other assets. It is stated that the interest "receivable" from debentures and bonds is £462,000, "so that both the annual debenture interest payable by the company and the preference dividend are more than covered by the interest receivable from debentures and bonds alone." It will be noticed that the word "receivable" is used. Net income is given for 1923—namely, £530,633. The speculative aspects of these securities must not be overlooked.

British Insulated and Helsby Cables, Limited.—Authorised and issued capital £1,500,000, divided into 500,000 6 per cent. preference and 1,000,000 ordinary shares, all of £1 each. Four and a half per cent. first mortgage debenture stock for £500,000, and 5 per cent. mortgage debenture stock for £200,000, have already been issued and are outstanding. But as both these issues fall due for repayment on January 1st next, in order to provide for their retirement the company is now offering £700,000 of 5 per cent. mortgage debenture stock at 98. Eventually this issue will be a first charge upon assets. Holders of the existing debenture issues will be given the right until June 30th to convert all or part of their present stock on a par basis. Profits are given from 1919. The amount required to pay interest on the new issue is £35,000, and as the lowest annual profits during these years were £271,524, a substantial margin of security is available. A well-secured industrial debenture.

Fras. Hinde and Hardy.—Capital £300,000, divided into 175,000 7½ per cent. cumulative preference and 125,000 ordinary shares, all of £1 each. There are no debentures. This is an issue at par of the whole of the above-mentioned capital. The company has been formed to acquire the business of Fras. Hinde and Sons, which was established in 1810 and turned into a company in 1901. The business is occupied with the manufacture of textile fabrics composed of wool, silk, cotton, artificial silk, &c. It is stated that 15,500 preference and 51,400 ordinary shares have already been applied for firm, and will be allotted in full on the terms of the prospectus. Profits are given from 1918 before charging directors' remuneration and depreciation. Net assets are valued at £181,028. The purchase price is £220,000, payable in cash, and made up as follows:—Net assets £181,000, accumulated profits £13,000, and goodwill £26,000. The company is subject to industrial risks, but should render a good account of itself.

Crowborough District Gas and Electricity Company.—Authorised capital £66,000, of which £21,000 remains to be issued. The authorised loan capital is £33,000, of which £18,000 has already been issued and £4,500 is now offered at par. This debenture stock is to be redeemed at par on December 31, 1932. The net revenue of the company is £3,903, and as the interest on the loan capital, including that now offered, will amount to £1,270, the debenture stock can be looked upon as well covered.

Streatham Recreation, Limited.—Authorised capital £40,000, divided into 156,000 8 per cent. participating preference shares of 5s each and 20,000 ordinary shares of 1s each. This is an issue at par of 156,000 8 per cent. participating preference shares. In addition to the fixed rate of dividend, preference shareholders are also entitled to 75 per cent. of remaining profits. The ordinary shares are to be allotted to the vendors. The company has been formed to acquire a hall at Streatham, a suburb of London, and carry on a social club. The technical advisers may possibly make the proposition successful, but a net profit of £15,000 per annum, as estimated, appears to be on the optimistic side.

San Antonio Mining and Smelting Company, Limited.—Authorised capital £50,000, all of which has been issued in shares of 5s each. The company was formed in October, 1922, with the object of acquiring mining properties in the Republic of Colombia. A few other details are given in the Press to comply with Stock Exchange regulations. No mention is made as to a prospectus, but we presume the shares will be marketed eventually for the benefit of the public.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

Price Last Week. Latest Price. Rise or Fall.

War 3½% 1925-28 .. 97½ .. 97½ ..

Loans 4½% 1925-45 .. 97½ .. 97½ ..

Cons. Gold Fields (A) .. 24 .. 24 ..

Cons. Gold Fields (B) .. 24 .. 24 ..

Cons. Gold Fields (C) .. 24 .. 24 ..

Cons. Gold Fields (D) .. 24 .. 24 ..

Cons. Gold Fields (E) .. 24 .. 24 ..

Cons. Gold Fields (F) .. 24 .. 24 ..

Cons. Gold Fields (G) .. 24 .. 24 ..

Cons. Gold Fields (H) .. 24 .. 24 ..

Cons. Gold Fields (I) .. 24 .. 24 ..

Cons. Gold Fields (J) .. 24 .. 24 ..

Cons. Gold Fields (K) .. 24 .. 24 ..

Cons. Gold Fields (L) .. 24 .. 24 ..

Cons. Gold Fields (M) .. 24 .. 24 ..

Cons. Gold Fields (N) .. 24 .. 24 ..

Cons. Gold Fields (O) .. 24 .. 24 ..

Cons. Gold Fields (P) .. 24 .. 24 ..

Cons. Gold Fields (Q) .. 24 .. 24 ..

Cons. Gold Fields (R) .. 24 .. 24 ..

Cons. Gold Fields (S) .. 24 .. 24 ..

Cons. Gold Fields (T) .. 24 .. 24 ..

Cons. Gold Fields (U) .. 24 .. 24 ..

Cons. Gold Fields (V) .. 24 .. 24 ..

Cons. Gold Fields (W) .. 24 .. 24 ..

Cons. Gold Fields (X) .. 24 .. 24 ..

Cons. Gold Fields (Y) .. 24 .. 24 ..

Cons. Gold Fields (Z) .. 24 .. 24 ..

British Railways.

Price Last Week. Latest Price. Rise or Fall.

Great Western, Ord. 108½ .. 107½ ..

London & North-Eastern 5% Pref. Ord. 84½ .. 83½ ..

Do Def. Ord. 29½ .. 29½ ..

Do Mid. 98½ .. 97½ ..

Metropolitan 80½ .. 80 ..

Metropolitan District, 52 .. 51 ..

Southern, Ord. "A" .. 38½ .. 38 ..

Do Ord. "B" .. 10 .. 10 ..

Do Pref. Ord. 86½ .. 86½ ..

Do Def. Ord. 42½ .. 41½ ..

Underground Electric (A) .. 24 .. 24 ..

Do "A" (1) .. 24 .. 24 ..

Do "A" (2) .. 24 .. 24 ..

Do "A" (3) .. 24 .. 24 ..

Do "A" (4) .. 24 .. 24 ..

Do "A" (5) .. 24 .. 24 ..

Do "A" (6) .. 24 .. 24 ..

Do "A" (7) .. 24 .. 24 ..

Do "A" (8) .. 24 .. 24 ..

Do "A" (9) .. 24 .. 24 ..

Do "A" (10) .. 24 .. 24 ..

Do "A" (11) .. 24 .. 24 ..

Do "A" (12) .. 24 .. 24 ..

Do "A" (13) .. 24 .. 24 ..

Do "A" (14) .. 24 .. 24 ..

Do "A" (15) .. 24 .. 24 ..

Do "A" (16) .. 24 .. 24 ..

Do "A" (17) .. 24 .. 24 ..

Do "A" (18) .. 24 .. 24 ..

Do "A" (19) .. 24 .. 24 ..

Do "A" (20) .. 24 .. 24 ..

Do "A" (21) .. 24 .. 24 ..

Do "A" (22) .. 24 .. 24 ..

Do "A" (23) .. 24 .. 24 ..

Do "A" (24) .. 24 .. 24 ..

Do "A" (25) .. 24 .. 24 ..

Do "A" (26) .. 24 .. 24 ..

Do "A" (27) .. 24 .. 24 ..

Do "A" (28) .. 24 .. 24 ..

Do "A" (29) .. 24 .. 24 ..

Do "A" (30) .. 24 .. 24 ..

ANALYSIS OF BALANCE-SHEETS.

GENERAL ELECTRIC COMPANY, LIMITED.

March 31, 1924.

LIABILITIES. Compared with Mar. 31, 1923.

Amount. £

Ord. shares .. 2,111,975 ..

Pref. shares .. 3,600,000 ..

7% deb. stock .. 3,427,600 ..

Sundry creditors .. 1,476,883 ..

Reserve .. 707,017 ..

Profit and loss .. 318,051 ..

Total .. 11,641,526 ..

ASSETS. Compared with Mar. 31, 1923.

Amount. £

Freehold land and buildings .. 3,150,656 ..

Plant, &c. 932,568 ..

Premium on purchase of Fraser and Chalmers .. 110,000 ..

Loose plant, good-will, &c. 3 ..

Sundry debtors .. 3,036,721 ..

Expenses of deb. issue .. 409,404 ..

Stock-in-trade, &c. 1,991,601 ..

Trade investments 1,391,900 ..

Govt. securities .. 294,575 ..

Cash .. 324,098 ..

Total .. 11,641,526 ..

OIL OUTPUTS.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, June 18, 1924, amounted to 953 tons.

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

REPUBLIC OF THE UNITED STATES OF BRAZIL.

FINANCIAL SECTION OF THE PRESIDENTIAL MESSAGE, PRESENTED TO THE NATIONAL CONGRESS ON MAY 3, 1924, BY DR. ARTHUR DA SILVA BERNARDES, PRESIDENT OF THE REPUBLIC.

TREASURY.

FINANCIAL SITUATION.

The financial situation of Brazil, which at the beginning of the quadrennial period was causing serious apprehension on account of the enormous liabilities and the difficulty of dealing therewith, has, I am glad to say, at last entered into a more promising stage.

I do not exaggerate when I say that this is the general opinion. Brazil, thanks to the precautionary measures that have been adopted and to its enormous recuperative powers, is quickly emerging from the dark clouds with which it was surrounded. Every day we see clear proofs which justify the hope of an improvement in the situation, and in this respect it is worth calling attention to the considerable increase in the collection of the federal revenue, the rigorous economies that have been carried out, the improvement in the exchange, and the more favourable level at which Brazilian securities are now quoted.

We were always of the opinion that the work which we had to carry out was two-fold—that is to say, to maintain the economic forces of the nation, which are the primary basis of the welfare of the country, and to restore and put on a stable footing the federal finances.

In order to ensure those economical measures, the Government endeavoured, without loss of time, to carry out a banking organisation by establishing the "Bank of Issue." The economic prosperity of Brazil is obvious. The volume of business arising from agricultural and industrial production and from commercial transactions within the last year has been worthy of note. For those who suffered from the former financial crises as regards ready money, crises which caused such grave financial disasters, it is easy to imagine how great would be the difficulties presented by the lack of the means of circulation, were it not that to-day we have in our midst that great institution ready to attend to the needs of all classes by issuing and taking up its own notes at the right time, in the manner in which it has done. Were we not in possession of such an institution, the national financial situation would have been exposed to long Parliamentary debates in order to obtain a new issue and to the inconveniences of prolonged discussions up to December 31st, the country in the meantime suffering from the disastrous effects of the lack of ready cash. Instead of this, the wealth produced is now in circulation, and business is in full activity everywhere because the adaptability of this great organisation insures the tranquillity of the banks and the development of business, controlling and avoiding any excessive expansion of business by means of the safety-valve peculiar to all issuing banks—in other words, by regulating its rates of rediscount.

As regards the financial restoration, in face of the enormous problem with which we have to deal, we have, by means of an intense and continuous effort, succeeded in limiting the responsibilities of the floating debt after studying one by one all its various liabilities.

Having thus overcome the difficulties of the past, the Government has been able to work in a clearer atmosphere with the assistance of two new factors of the greatest importance, namely, the Fiscal Code (Code of Accounts) and the Central Fiscal Control Office (Chamber of Accounts) of the Republic.

It is only those who have closely followed the Federal Administration who can fully appreciate the disciplinary efficacy of those two new factors in the financial life of Brazil.

THE PREPARATION OF THE BUDGET.

The Government has made an intense effort in order to improve the means of preparing the Budget and putting the same into execution.

As is well known, the project, which had now been submitted within the legal period of time, has already been twice carefully studied by a special Committee of competent officials from all the Government Departments, under the presidency of the Minister of Finance, and in the course of the present year a new plan is going to be adopted for the reformation of our Budgets.

Following the example of England, a committee was formed of men of well-known administrative ability, outside politics, in order to examine all our Government Departments and to propose the

economic "cuts" which they might consider as being practicable. In England, a committee of this kind (Geddes Committee) decided in the first year for a reduction of £60,000,000 sterling, and in the second year for a further £40,000,000 in a Budget of £800,000,000.

We hope that our Committee, which is already at work, will succeed in proposing very appreciable "cuts" or reductions in our Budget, which constitutes one of our greatest pre-occupations.

In this work of financial restoration it is essential that we should have no illusions. Unless we completely reform our Budget procedure, we will never succeed in placing Brazil in a sound financial position based on the equilibrium of the Budget, or, better still, on a surplus of revenue. So long as we maintain, as we have said above, the system, or, rather, the abuse, of sanctions at the end of the Budget, it will be impossible to regularise our public finances. There will always be two Budgets. One, an ostensible one with the expenses and revenue nicely tabulated, the other, a semi-clandestine one, authorising various expenses against which there is no corresponding revenue. If Brazilians wish to put their finances in order, this *régime* can no longer be continued, as we have already said in the foregoing part of our message.

COLLECTION OF THE FEDERAL REVENUES.

From the platform upon which we present ourselves to the electorate, we have had occasion to make the following statement: "The frauds of all kinds, the smuggling, the evading of duties, and short payments have already been calculated by some of our most eminent financiers as exceeding the sum of 150,000 contos de reis (at the exchange of 6d this would be £3,750,000) per annum, and we do not consider this figure at all exaggerated. It would be sufficient if we were only to reduce this leakage in our revenue by eliminating its causes in order to be able to rely upon a much larger revenue even under a reduced taxation."

We now have the pleasure of submitting to the country the proof of our above assertion.

The revenue collected in 1923 was greater by 281,002,980\$82.5 than in 1922.

Innumerable administrative efforts contributed to the obtaining of this result. Among the chief factors that have helped to remedy the great evil of the loss of revenue, and thereby contributed to the improvement of our financial life from the point of view of the Budget, we may mention the following:—The substitution of the management staff in the chief Government Departments by new officials full of faith in the taxation capacities of the country; the well-organised system of accounts, which serves every day to enlighten more and more the administration of headquarters; the Fiscal Code, with its severe provisions; the efficient control in the collection of revenue; the constant vigilance of the Treasury Inspectors in all the Federal Departments; putting an end to the frauds and smuggling, remodelling our bureaucratic procedure, doing away, as far as possible, with the "red tape" methods; greater activity and efficient control by the superior authorities over all the Federal Government Departments.

As we have already pointed out in our previous message, the Financial Department was suffering most lamentable shortages, which are now to be remedied with the greatest effort, as, further on, we will attempt to show.

THE ENGLISH MISSION.

We have special pleasure in referring to the English Mission which stayed in Brazil for two months, and which went back on March 4th last. It was composed of the following members:—Mr Edwin Montagu, Chief of the Mission, a late Minister of State in Britain, illustrious Member of Parliament, and late Financial Secretary of the British Government; Lord Lovat, a noted agricultural landowner, known throughout the British Empire, and a director of important companies; Sir Charles Addis, a director of the Bank of England; Mr Hartley Withers, a noted economist and journalist, author of valuable works on finance; and Mr. W. McLintock, a chartered accountant, deservedly famous in English financial circles.

The Government thought that it would be of real advantage to itself that such highly competent and celebrated persons of the Old World should become thoroughly acquainted with the general

situation of Brazil, and especially with its economical and financial conditions.

In spite of the great economic prosperity which the country happily enjoys, and the increasing development of its sources of wealth, it was disheartening to see that the low rate of exchange and the unfavourable quotations of Brazilian securities continued to foster an unfavourable opinion about ourselves in the foreign markets. Such a state of things could not but impress the Government, because the consolidation of the floating debt, which placed the Treasury in a difficult situation, has rendered it necessary to adopt the extraordinary measure of an appeal to the credit of the country.

It was, therefore, most important that the erroneous impression with regard to Brazil which existed abroad should at once be dispelled.

Hence the idea of a visit of the above illustrious British authorities.

They studied the situation in a systematic, conscientious, and thorough manner, especially as regards our financial organisation and the executive departments of the Treasury. They went carefully into our chief problems of railways, our coal, iron, and mining industries in general, and our more promising areas of cultivation, especially our cotton. With regard to the last named, they prophesied a very prosperous future on account of the very exceptional conditions which prevail in Brazil.

We can confidently state that the impression which the British Mission took away with it with regard to Brazil is a favourable one, and we hope that it will prove of great ultimate advantage to us, throughout European circles, judging from the reports which our visitors will make known.

BANK OF BRAZIL.

This credit institution, the solidity and activity of which becomes more noticeable every day, and places it unquestionably in the first rank of similar institutions, finished its financial year in 1923 under most auspicious conditions, more so than during the previous year. It showed in its balance-sheets of June and December last better results than had ever before been obtained, in spite of the difficulties of the economic and financial situation, the existence of which had been felt in all mercantile transactions and had severely restricted them.

This highly satisfactory state of things may be attributed to a firm and cautious management, to a policy of perseverance, and to the well-directed use of banking credit in all the commercial centres and in the zones of industry and the agricultural regions of the country; also through the constant endeavours to impart to all its branches a proper and fully-informed system of management in all their operations under a first-class technical staff.

We must add, however, that the bank, in spite of its intelligent management, would have lacked the necessary element to attain the objects which it had in view, had their efforts not been seconded by the timely collaboration of the Government, which recognised the necessity of rendering to that establishment all the means to enable it to carry out its double commission of a central credit bank and of an institution that had to control the money market.

Thanks to this assistance, which was, moreover, justified by the services which the bank renders to the Treasury, and which occasioned the recent reform of the bank, the latter thereby became equipped under much better, definite and legitimate conditions than those under which it used to work under its old rediscount section, which had already served its purpose. It met the requirements of our economic development, put into circulation at the same time a currency which is perfectly guaranteed, and which is intended to substitute, in future and gradually, our non-convertible paper money.

All the sections of the bank worked with the greatest regularity, and its branches, both the old ones as well as the new ones, produced highly satisfactory results.

During the fiscal year of 1923 there were 22 new agencies opened, and there are others in course of contemplation. On December 31st there were already 70 branches in existence, and at present they number 74.

The following was the total movement of the operations of the bank and its branches during the said year:—

CHEQUES—GOLD:

Total issue	£11,303,796
Redemption	10,730,123

against £8,169,091 and £8,379,026 respectively in 1922.

BILLS OF EXCHANGE.

This department showed the following turnover in the purchase and sale of bills:—

Bills issued	£40,013,240
Remittances	37,863,317

These figures show the healthy equilibrium of these businesses which were carried out always in order to attend to the legitimate necessities of the market.

These figures also show a decrease in the bill transactions of the bank in 1923, as compared with the preceding financial year, which is perfectly explained by the corresponding decrease in the requirements of the import trade.

"SIGHT" rates fixed by the bank during the said period show the following extreme rates:—

Maximum rate	6 1-64th on January 2nd
Minimum rate	4 21-32nds on November 7th

which give an annual average of 5 43-128ths.

The head office and the agencies effected during the same year, loans which amounted to the total sum of 3,233,176:431\$871 for discounts, re-discounts, and guaranteed current accounts, against 2,463,644:494\$337 in the preceding year.

In the same period the bank and its branches effected transfers and orders of payment for a total sum of Re15,593,312:582\$844, as against 1,187,713:239\$560 in 1922.

The deposits effected by the bank and its branches in accounts at interest, and without interest, at fixed periods, and bills at a premium (which in 1922 amounted to 7,644,178:032\$781, and which up to that time was an unprecedented sum), reached in 1923 a still greater amount—viz., 10,470,722:200\$161. This clearly proves the increasing confidence on the part of the public in that credit establishment.

The net profits for that financial year amounted to 72,834:395\$357, as against 43,979:804\$772 in 1922, and enabled the bank to maintain its previous half-yearly rate of interest of 20 per cent. for the two half-years and to increase the reserve funds to a figure which already exceeds 90 per cent. of the social capital, say, 90,012:063\$310, after having made all the necessary provision for any depreciation in the realisation of its assets.

The clearing of cheques, a service exclusively due to the initiative of the bank, and carried out by it without any extra charge, showed in 1923 a turnover which amounted to 10,924,682:211\$910, as against 8,012,631:059\$193 in 1922.

The shares of the Bank continued to be actively sought after as gilt-edged securities, and their respective quotations in 1923 reached the lowest figure of 300\$000 in April, and the highest of 434\$000 in August, but in the case of large transactions they averaged generally the double of their nominal value.

The rediscount section of the Bank having been closed and balanced, their issuing department was established on June 28, 1923, in accordance with the terms of the contract entered into with the Government. On the third of the following July, the first issue was made of 2,000,000\$000 in bonds of 1,000\$000, printed by the Mint, and intended to be in due time substituted by notes of the bank itself. On December 31st the paper in circulation attained a total of 389,000,000 contos, issued strictly in accordance with the law and fully justified by the requirements of the agricultural, industrial, and commercial developments.

Dr José Maria Whitaker, who had been president of the bank up to December, 1922, having resigned his post, the Government appointed in his place Dr Cincinato Cezar da Silva Braga.

The new president, who contributed greatly to the reform of the bank, and presided at the extraordinary general meeting at which the new statutes were discussed and approved, assumed his important post at the commencement of the year 1923.

Baron de Oliveira Castro, who at the time was the director in charge of the rediscount section, was appointed director of the issuing department.

ISSUES.

On April 24, 1923, a contract was drawn up between the Minister of Finance and the Bank of Brazil for the purpose of transforming this institution into an issuing bank, in accordance with the legislative decree No. 4,735 of January 8th of the same year. This contract was unanimously approved by the general meeting of the shareholders of the bank, held on the 2nd of the following May, and the new reform at once came into force.

According to this contract, the Government disposed of its right for a space of ten years of issuing any paper money under any form whatsoever. During that period such right is invested only in the bank, who will exercise it under the strictest and severest control of the Government. Owing to this reform, the issues of the rediscount section, whose paper money was supplied by the Federal Government, immediately ceased.

The bank was granted a period of six months to enable it to liquidate the above section that had been suppressed. The Government had hoped during that period to be able to carry out a credit operation, either within or outside the country, which would

have enabled it to redeem the Treasury Bills which were then lying in its portfolio. Up to April 23rd last, the Government, not having been able to carry out this operation, decided in the exercise of the authorities granted to it by Art. 2, No. VIII., of the Law No. 4,783, of December 31, 1923, to balance its accounts with the bank by giving it a receipt for the balance arising from the statement of what it had in its portfolio, by cancelling the Treasury Bonds which at the time were in the discount portfolio of the bank. In this manner the Treasury redeemed securities to the value of 399,265:567\$000, plus interest at 2 per cent. per annum on this amount, which interest was due to the Treasury in accordance with the law under which that late section had been created. The notes issued by the said section shall continue in circulation until it is possible to redeem them.

During the months of May and June, 1923, the Bank of Brazil did not issue any notes, meeting out of its own cash resources the banking re-discounts for the general requirements of commerce. On arriving, however, at the second half-year, the time of the agricultural crops, with the improvements and export of same through the country, a much greater amount of capital is required every year, and, therefore, the necessity arises to increase the circulation of money. For this reason the bank commenced its issues in the month of July.

The largest figure which, up to the present, the issue of the bank has attained was in January last with the sum of 439,950 contos de reis. Since then it has constantly decreased until the last days of the month of April ult., when it stood at 377,156 contos.

EXCHANGE.

Dragged down by the highly depressing factors which for a long time past it had been contending with, the exchange reached the disheartening level of 4 21-32d on November 7, 1923.

The withdrawal of the many important elements which should have served to foster the exchange and turn it in our favour, during the recent years brought about this adverse balance in the exchange. As in the export trade in 1920, 1921, and 1922, the absence of bills on the Government's stock of coffee, the political unrest, the ever-increasing deficits, which in 1908 exceeded 76,908:419\$000 and in 1922, 448,951:732\$991; a floating debt of over one million of contos de reis; all this palpably contributed to drag the exchange to its low level.

Luckily, these adverse factors are gradually disappearing.

The balance of exports in 1923 was £22,571,000.

The protectionary measures adopted with regard to coffee and the control exercised over the amounts placed on the market, have improved the quotation of this important article of export and raised its price in gold abroad. It is being sold at present in New York at 19 cents. Everything points to the prospect of coffee being able to yield during 1924 a sum of about £50,000,000. The control of the national finances, the considerable decrease in the deficit for the financial year of 1923 and the probable balancing of the Budget for 1924, the excellent impression which Brazil has produced on various illustrious strangers who have come to visit it, the general confidence in the public administration which is already becoming more noticeable—are so many more factors which have contributed to the improvement of the exchange.

It is not to be wondered at if the rise in the exchange continues to improve every day until it attains the best rate for the country.

It will suffice if we here call attention to the financial episode of the four years tenure of office of Campos Salles during which the exchange was considerably and rapidly improved as soon as the financial position was placed on a normal footing.

To-day we can dispose of much more effective elements to enable us to obtain those results. At the present moment Brazil can count upon much more powerful elements to rehabilitate itself completely from a financial point of view, and everything points to an era in the very near future of the greatest prosperity for the finances of the nation.

PERMANENT PROTECTIVE MEASURES WITH REGARD TO COFFEE.

The coffee situation continues firm. The measures adopted by the Government have ensured that. Had precautionary measures not been taken, controlling the sale and restricting foolish speculations, the position to-day would not have been so solid. Now the warehouses duly control the supply of this product.

The best proof that the control of supply is the fundamental basis of protecting the coffee interests lies in the fact that up to now the prices have constantly kept a satisfactory level. This measure has turned out not only of the greatest advantage to the producers, but also to the purchasers, who, being now free from anxiety of any sudden surprises, are able to calculate their business on a sound basis.

The Government has to contend with no small difficulties in order to maintain its service for the regulation of supplies owing to the cupidity of many who, for the sake of personal gain, have done their best to hamper the Government section.

I am glad to say, however, that owing to the excellent working of the controlling warehouses, all these abuses, complaints, and claims have been done away with.

The regulation for the supply of coffee in the markets has been drawn up, and has been made with the collaboration of the railway companies and all the interested parties, and it will be shortly issued.

VALORISATION OF COFFEE.

As it is a matter of public interest, the stock of coffee, which guarantees the loan of nine millions sterling, was to have been sold, in accordance with the respective contract, in lots of 453 thousand sacks per annum, during a period of ten years. As this arrangement, however, did not suit the interests of Brazil, we obtained from the bankers the immediate liquidation of the stock.

By the contract, which for a period of ten years only allowed the Government to protect the coffee through the intervention of the house entrusted with the liquidation of the stock, those protectionary measures, if they were badly carried out, might result in the net proceeds of the coffee not being sufficient after all to pay for the loan that had been raised. Happily, this liquidation is now finished, having been made under very pleasant conditions, both as regards the high price obtained for the coffee and as to the clever manner in which it was conducted so as not to disturb the sale of a great crop.

The last accounts for the sale of the coffee have not yet fallen due, and for that reason have not been taken into account, consequently the banks have not been able to present definite accounts.

But we can straightaway declare that the loan of 9 millions sterling is already practically wiped out.

The stock of coffee will have produced roughly £14,500,000. With the proceeds of its sale, the Government, through its bankers in London, purchased nearly all the bonds of this loan, there only remaining in circulation a relatively small proportion.

In order to ensure the payment of the coupons and of the redemption of this small outstanding balance of bonds, the Government is gradually purchasing and depositing in the hands of its bankers British 5 per cent. securities, which are being sold as and when it is possible to buy in the bonds in circulation.

Out of the proceeds of the sale of the coffee the sum of £2,050,000 was set aside for the redemption of the loan obtained from the bankers in order to assist the payment of the £4,000,000 promised to the Bank of Brazil, which payment thus became definitely settled.

BUDGET FOR THE LAST THREE YEARS.

The results of the Budget corresponding to the financial years 1921-1922 and 1923 show clearly that the balancing of the Budget constitutes the most serious problem with which the Federal Administration has to deal.

The considerable deficits which resulted in 1921 and 1922 showed a considerable falling off in 1923, thanks to a more efficient programme for collecting the revenues and to a rigorous economy in all the expenses. If the Government did not succeed in attaining the perfect equilibrium of its financial measures, the reason must be sought for in the liquidation of the liabilities previously contracted and in the special credits that had been authorised with regard to which there is no equivalent corresponding revenue. On the other hand, if we admit that some of the items included under expenses represent a genuine disbursement of capital, such as the building of railways and the acquisition of various estates, the deficit for the financial year 1923 is counterbalanced by the corresponding increase in the assets, which represent a considerable improvement in the patrimony of the Union.

If we analyse the latest information obtained with regard to the financial year of 1921, we see a deficit of 432,300:766\$714:—

	Gold.	Paper.
Revenue collected	77,305:009\$961	520,520:005\$171
Expenses incurred	82,605:721\$815	934,030:869\$378
Deficit	5,300:711\$854	414,410:864\$207

If we convert the gold deficit, amounting to 5,300:711\$854 into paper at the average rate of 8d per 1\$000—that is to say, 1\$000 gold equals 3\$375 paper, we get a figure of 17,889:902\$507, which, if added to the paper deficit, the amount of which is 414,410:864\$207, this brings up the total deficit to the above-mentioned sum of 432,300:766\$714.

The collection of the revenue gold, 77,305:009\$961, and paper,

520,520:000\$171, fell considerably below the figure of 108,439:500\$000 gold and 671,154:000\$000 paper which had been estimated for in the Budget.

The results of the financial year for 1922 were also unfavourable.

The revenue calculated was gold, 92,276:321\$000, and paper, 727,673:000\$000, but the amounts respectively collected only reached 75,397:137\$426 gold and 653,475:004\$716 in paper.

The expenses for that financial year amounted to 83,766:602\$447 gold and 1,074,179:793\$262 in paper.

If we make a comparison, we have the following:—

	Gold.	Paper.
Revenue collected	75,397:137\$426	653,475:004\$716
Expenses incurred	83,766:602\$447	1,074,179:793\$262
Deficit	8,369:465\$021	420,704:788\$546

The total deficit amounts to paper 448,951:732\$991. If we convert into paper at the rate of 8d per 1\$000 the gold deficit will amount to 8,369:465\$021.

It gives us great pleasure to mention here the copious information supplied with regard to the financial year of 1923, thanks to the most efficient work carried out by the Central Accountancy Department of the Republic. It is owing to this that the Government has been able to give such ample information with regard to its management.

For the first time, in the actual régime, the Presidential message embraces in its pages the balance-sheet of the revenue and expenses, and of the assets and liabilities of the Republic.

As the first mention of these documents comprises the period from January 1 to December 31, 1923, it will only be after the closing of the accounts of the financial year (April 30th last) that the complete figures will be available. We can, however, state that the alterations arising from the statement of that financial year will be of only little importance as compared with the enormous turnover which that balance-sheet represents.

The economic situation of the public administration, with the exception of the patrimonial goods belonging to the Union—the inventory of which has not yet been completed, because several of the departments attached to the various Ministries have not yet been able to conclude that work—possesses a great significance on account of the state of the public debt and of the assets which it shows.

If we examine the balance-sheet of the revenue and expenses, we will easily see the total of revenue and of the expenses, which shows a surplus in gold and a deficit in paper. The comparison of the revenue with the expenses should be done separately.

	Gold.
Revenue collected	99,937:358\$960
Expenses incurred	92,068:256\$328
Surplus	6,969:102\$632

	Paper.
Revenue collected	743,275:208\$486
Expenses incurred	997,632:162\$532
Deficit	254,356:954\$046

The surplus in gold converted into paper at the average rate of 6d per 1\$000 (1\$000 equals 4\$500 paper), produces 31,360:961\$844. Deducting this amount from the paper deficit of 254,356:954\$046, we arrive at a net deficit of 222,955:992\$ paper in 1923.

The causes of this deficit, although it is only half of what the previous ones were, are easy to show. They can be explained by three items of extraordinary expenditure.

(a) The payment of the expenses for the previous financial year (credits open to the extent of 59,122:965\$134).

(b) Payment of interest of the heavy floating debt (interest at 7 per cent., which comes to over 70 thousand contos).

(c) Payment of the provisional gratification to the officials (credit open to the extent of 75 thousand contos).

Had it not been for these, the Budget for 1923 would have closed almost without any deficit whatever.

Under the heading of "expenses paid," there appears the sums of 8,759:329\$148 in gold and 65,902:503\$248 in paper for the expenses relating to the financial year of 1923, although as a matter of fact they have not yet been paid out, as they are still awaiting for that expense to be duly sanctioned by law.

The estimated bond revenue for the financial year 1923 was 97,586:320\$000 gold and 778,025:000\$000 paper. The amounts collected were 1,451:038\$960 and 743,275:208\$486 paper, or a deficit of 34,749:791\$514. If we convert the gold and deduct the amount short collected in paper, we will see that there is a shortage of 28,220:116\$194 in paper before we can arrive at the full revenue estimated for the financial year of 1923.

As regards the expenses, it is hardly necessary to point out the stringent economies practised by the Government, who availed itself with the greatest care and economy of the legislative powers given to it for incurring additional debts.

It is sufficient to say that, as will be seen by the tables published hereunder, the additional credits which were opened in 1923 for the total sum of 513,762:985\$377 were only partly utilised to the extent of 183,300:547\$628, thereby effecting an economy of 330,462:437\$749.

THE INTERNAL AND EXTERNAL DEBT.

Two items of great importance which stand out in the balance of the assets and liabilities are those which refer to the external funded debt, which represents 1,153,237:189\$454 in gold, which at the par exchange on London is equivalent to £129,739,183 16s. 3d., and which refers to the internal funded debt.

The service for the interest of both these debts is strictly up to date, and the position of same on December 31st last can be seen from the following tables:—

STATEMENT OF THE FOREIGN FUNDED DEBT on the 31st DECEMBER, 1923.

	LOANS.	INITIAL CAPITAL.		SINKING FUND.		Balance in Circulation.
		Nominal.	Nett Received.	Nominal.	Amounts Paid.	
		£	£	£	£	£
1883	For the improvement of Railways, water supply to the Capital and other services..	4,599,600	4,000,000	1,886,500	1,552,701 15 11	2,713,100
1888	For the construction and prolongation of the Federal Railways	6,297,300	6,000,000	2,124,200	1,660,323 2 6	4,173,100
1889	For the conversion of the loans of 1863, 1871, 1875, and 1886	19,837,000	17,213,500	2,368,700	1,778,701 4 2	17,468,300
1895	For the West of Minas Railway Co., with the guarantee of the National Treasury ..	7,442,000	6,000,000	516,100	483,836 7 6	6,925,000
1898	Funding Loan	8,613,717 9 9	8,613,717 9 9	921,640	848,839	7,692,077 9 9
1901	For the redemption of the Railway Bonds..	16,619,320	16,619,320	5,323,160	4,031,580 19 6	11,296,160
1903	For the Rio de Janeiro Port Works	8,500,000	8,500,000	801,000	803,420 17 6	7,698,160
1906-10	For the Brazilian Lloyds	2,100,000	2,100,000	889,500	889,500	1,210,500
1908	For the improvement of the supply of drinking water in the Federal Capital, and for the construction of the Federal Railway ..	4,000,000	3,840,000	2,160,600	2,160,600	1,839,400
1910	For the conversion and redemption of the West of Minas Railway Bonds and of the loan of the State of Sao Paulo	10,000,000	8,750,000	232,500	192,531 5 0	9,767,500
1911	For the Port Works of Rio de Janeiro	4,500,000	4,140,000	457,100	457,100	4,042,000
1913	For transit in Ceara	2,400,000	1,992,000	..	..	2,400,000
	For the Ports of Pernambuco, Parangwa and Corumba and the construction of the Brazilian Western Minas Company	11,000,000	10,670,000	..	..	11,000,000
1914	Funding Loan	14,502,396 10 3	14,502,396 10 3	..	..	14,502,396 10 3
		120,411,334	112,300,934	17,681,900	14,863,124 12 1	102,729,434

STATEMENT OF THE FOREIGN FUNDED DEBT on the 31st DECEMBER, 1923.—Continued.

	LOANS.	INITIAL CAPITAL.		SINKING FUND.		Balance in Circulation.
		Nominal.	Nett Received.	Nominal.	Amounts Paid.	
1908-09	For the Railway Itapura to Corumba	100,000,000	100,000,000	1,215,000	1,207,975.75	98,785,000
1909	For the Port Works of Recife	40,000,000	38,100,000	..	..	40,000,000
1910	For the Goyaz Railway	100,000,000	78,831,284	1,535,500	1,230,107.75	98,464,500
1911	For the means of transit in Bahia	60,000,000	49,800,000	..	..	60,000,000
1916	For the Goyaz Railway	25,000,000	25,000,000	..	..	5,000,000
		325,000,000	291,731,000	2,750,500	2,438,083.50	322,249,500
		Dollars.	Dollars.	Dollars.	Dollars.	Dollars.
1921	For the Treasury Liabilities	50,000,000	45,500,000	4,919,500	4,975,685.23	45,080,500
1922	For the electrification of the Central Railway of Brazil	25,000,000	22,750,000	1,084,000	907,433.91	23,916,000
		75,000,000	68,250,000	6,003,500	5,883,119.14	68,996,500

STATEMENT OF THE INTERNAL FUNDED DEBT on the 31st DECEMBER, 1922.

SERIES.	Authorised Issues.	Issues Realised.	Sinking Fund.	Balance in Circulation.
Uniform Bonds	528,992:900\$000	528,992:900\$000	..	528,992:900\$000
Non-uniform Bonds	3,775:100\$000	3,775:100\$000	..	3,775:100\$000
Bonds of various issues—nominative	798,848:000\$000	629,598:700\$000	..	629,598:700\$000
Bonds of various issues—To bearer	308,150:000\$000	281,565:000\$000	..	281,565:000\$000
Bonds of the Port Works—To bearer	17,300:000\$000	17,300:000\$000	..	17,300:000\$000
General Ancient Bonds—nominative	119:600\$000	119:600\$000	..	119:600\$000
Treaty of Bolivia Bonds—nominative	1,802:000\$000	1,629:000\$000	..	1,629:000\$000
	1,653,987:600\$000	1,462,980:300\$000	..	1,462,980:300\$000
Treasury Debentures	200,000:000\$000	86,580:000\$000	8,420:000\$000	78,460:000\$000
	1,853,987:600\$000	1,549,860:300\$000	8,420:000\$000	1,541,440:300\$000

STATEMENT OF THE INTERNAL FUNDED DEBT on 31st DECEMBER, 1923.

SERIES.	Authorised Issues.	Issues Realised.	Sinking Fund.	Balance in Circulation.
Uniform Bonds	528,992:900\$000	528,992:900\$000	..	528,992:900\$000
Non-uniform Bonds	3,775:100\$000	3,775:100\$000	..	3,775:100\$000
Bonds of various issues—nominative	870,048:000\$000	694,202:700\$000	..	694,202:700\$000
Bonds of various issues—To bearer	432,652:000\$000	389,857:000\$000	..	389,857:000\$000
Bonds of the Port Works—To bearer	17,300:000\$000	17,300:000\$000	..	17,300:000\$000
General Ancient Bonds—nominative	119:600\$000	119:600\$000	..	119:600\$000
Treaty of Bolivia Bonds—nominative	1,802:000\$000	1,629:000\$000	..	1,629:000\$000
	1,854,689:600\$000	1,635,876:300\$000	..	1,635,876:300\$000
Treasury Debentures	200,000:000\$000	142,325:000\$000	..	142,325:000\$000
	2,054,689:600\$000	1,778,201:300\$000	..	1,778,201:300\$000

COMPARISON.

Balance in circulation in 1922	1,541,440:300\$000
Balance in circulation in 1923	1,778,201:300\$000
Surplus in 1923	236,761:000\$000

The increase in 1923 of 236,761:000\$000 arises from the following:—

BONDS ISSUED.—NOMINATIVE.

Decree 14011 20th January 1920	4,576:000\$000
Decree 14824 28th May 1921	150:000\$000
Decree 15018 28th September 1921	23:000\$000
Decree 15069 26th October 1921	5,356:000\$000
Decree 15236 31st December 1921	2,461:000\$000
Decree 15495 24th May 1922	822:000\$000
Decree 4555 (Art. 7) 10th August 1922	1,066:000\$000
Decree 15611 16th August 1922	50:000\$000
Decree 15619 19th August 1922	20,000:000\$000
Decree 15741 18th October 1922	25:000\$000
Decree 15892 20th October 1922	200:000\$000
Decree 15949 31st January 1923	2,999:000\$000
Decree 15953 3rd February 1923	12,000:000\$000
Decree 15973 27th February 1923	6,205:000\$000
Decree 16031 8th May 1923	1,165:000\$000
Decree 16080 23rd June 1923	5,254:000\$000
Decree 16116 7th August 1923	2,252:000\$000

BONDS ISSUED—TO BEARER.

Decree 15470 10th May 1922	3,083:000\$000
Decree 15619 19th August 1922	20,000:000\$000
Decree 15676 7th September 1922	1,125:000\$000
Decree 15718 10th October 1922	4,000:000\$000
Decree 16031 8th May 1923	78,882:000\$000
Decree 16171 10th October 1923	779:000\$000
Decree 16258 12th December 1923	423:000\$000

TREASURY DEBENTURES ISSUED.

Decree 14946 15th August 1921	63,865:000\$000
	236,761:000\$000

TURNOVER OF THE LAND AND MARITIME INSURANCE COMPANIES IN 1922.

		VALUES.			
National (43)	Foreign (28)	Insurances.	Reinsurances.	Nett.	
		8,265,121:585\$260	1,315,425:106\$691	6,949,696:478\$569	5,629,370:968\$006
		6,146,032:291\$648	516,661:323\$642		
		14,411,153:876\$908	1,832,086:430\$333		12,579,067:446\$575
		PREMIUMS.			
National (43)	Foreign (28)	Received.	Paid.	Nett.	
		33,880:617\$940	5,167:962\$063	28,712:655\$877	21,223:067\$150
		22,839:475\$665	1,616:408\$515		
		56,720:093\$605	6,784:370\$578		49,935:723\$027
		LOSSES.			
National (43)	Foreign (28)	Paid.	Recovered.	Nett.	
		17,371:820\$909	2,019:130\$568	14,353:690\$341	14,650:953\$033
		16,253:361\$979	1,602:408\$946		
		33,626:182\$888	4,621:539\$514		29,004:643\$374

Unfortunately, national economy lost considerably in the matter of the premiums that were collected by the insurance companies, owing to the anomalous situation of a group of foreign companies, who, existing under exceptional rights, have for many years past copiously drained the country of gold, which they have sent out of the country.

Such companies have not got any capital or reserves in Brazil. Their sphere of operation has no limit, and they distribute in the

foreign markets by means of companies that are not authorised to work in Brazil a large proportion of the responsibilities which they assume in our country. By so doing they strangle the development of a national insurance, which cannot compete with such an unequal competition.

This system, which is incompatible with one of the cardinal principles of our political system—namely, that of “equality of everybody before the law,” is about to be done away with.

TABLE SHOWING THE FINANCIAL SITUATION OF THE LAND AND MARITIME INSURANCE COMPANIES ON THE 31st DECEMBER, 1922.

ASSETS.		LIABILITIES.	
Federal Bonds (Internal and External Loans)	41,628:230\$261	Legal reserve	9,968:028\$385
State and Municipal Bonds	4,872:900\$880	Reserve as per Statutes	16,272:724\$262
Real Estate	8,607:458\$945	Reserve for dividends	1,505:587\$230
Mortgages	2,008:752\$690	Other reserves	2,951:057\$304
Cash in hand and in Banks	18,310:690\$549	Profit and loss	7,179:092\$430
Companies shares, debentures, and foreign securities	5,310:515\$880		
	80,738:549\$205	Nominal capital	80,720:000\$000
Unissued capital	29,851:620\$000	Losses to be paid	2,169:212\$377
Premiums to be received	1,963:549\$775	Dividends and percentages	2,579:766\$922
Interest and rents to be received ..	1,135:936\$265	Tax on dividends and percentages ..	112:302\$340
Agencies and branches	5,267:803\$206	Tax on Revenue	300:727\$212
Losses and damages to be settled ..	558:055\$000		
Furniture and chattels	709:136\$786	Deposited with the National Treasury	10,960:000\$000
Bills receivable	2,463:197\$808	Directors' qualification fees	1,530:000\$000
Profit and loss	5,721:507\$447	Sundry Guarantees	2,244:123\$177
		Sundry accounts	15,767:307\$470
National Treasury	10,960:000\$000		
Guarantee Shares	1,530:000\$000		
Values as securities	3,361:381\$438		
Sundry Accounts	10,454:212\$170		
	26,305:593\$608		
	154,714:949\$109		154,714:949\$109

COMMERCIAL BALANCE-SHEET.

The year 1921 was a prosperous one for our foreign trade. The exports attained a total of £73,184,000, equivalent to 3,297:033 contos de reis, while imports show a figure of £50,613,000, or, say, 2,270:437 contos.

We can, therefore, see that in 1923 there was a surplus in our foreign commerce of £22,571,000, or, say, 1,026:596 contos de reis.

This is a very promising result, and clearly shows the economical forces of the country. It shows that the productive forces of Brazil continue to increase as well as the commercial activity of the export trade.

In 1913 the commercial balance-sheet showed a deficit. From 1914 to 1919, the years of the war, we developed in an extraordinary manner our productive capital in order to enable us to serve foreign markets. As a result, we see during the whole of this period the export balances going gradually up from £11,330,000 in 1914, until they reached the exceptional figure of £51,908,000 in 1919. At the conclusion of the war the markets were restricted and the exports fell off a little. 1920 and 1921 closed with a deficit, the imports preponderating. In 1922 the

commercial balance was £19,937,000, which was increased, as already stated, in 1923 to £22,571,000.

The export tonnage has a material and overwhelming proof of our economic vitality. In 1923 we beat the record of our foreign commercial history. We exported 2,230,450 tons, against 2,121,602 in 1922.

Towards these exports animal products contributed with 198,256 tons, against 107,968 in 1922; mineral products with 241,239, against 342,706; and vegetable products with 1,790,655, against 1,670,928 in 1922. The greatest increase was noticed under the heading of vegetable produce of 119,727 tons over and above the figures of the previous year.

Our exports for 1923 show, therefore, a very satisfactory feature.

We must, therefore, take into consideration that out of the 25 principal products, only three of them show a small decrease in their export value (in national currency) in 1923, as compared with the previous year. They are: wool, carnauba wax, and oils.

All the other 22 articles show an increase of value in national currency in the following order:—

Coffee, frozen meats, hides, rubber, lard, sugar, oil-producing

fruits, cocoa, skins, tallow, cotton wool, tobacco, timber, table fruits, maize, dried salt meats, preserved meats, manganese, rice, matte tea, mandioca flour, and beans.

The coffee showed an increase of 1,793,000 bags in 1923. Owing to the increase in price during that year, the increase in national currency was 620,462 contos de reis, and owing to the variations in exchange during 1922 and 1923 the increase of the export value of this product in 1923 corresponded to £2,836,000.

Sugar in 1923 was exported in a much less quantity than during the previous year. Meanwhile, its export value in paper money during that year shows an increase in comparison with 1922 (less 98,936 tons, less £152,000, plus 26,654 contos). These are the consequences in the differences in the exchange and the variations in prices from one year to the other.

The same thing happened with some of the other articles.

The average value per ton of goods shipped was as follows:—In national currency: in 1923, 1,478,000; in 1922, 1,099,000; in 1921, 891,000; in 1920, 834,000.

The average annual value of the £ during the last four years is shown by the tables by the Syndical Chamber of Brokers, and is as follows:—In 1923, 44,651; in 1922, 33,537; in 1921, 28,931; in 1920, 16,887.

The export of coffee was as follows:—

Quantity (bags).	
In 1923	14,466,000
„ 1922	12,673,000
Surplus in 1923	1,793,000
Contos de reis.	
In 1923	2,124,628
„ 1922	1,504,166
Surplus in 1923	620,462
In £s.	
In 1923	47,078,000
„ 1922	44,242,000
Surplus in 1923	2,836,000

The average price f.o.b. of each sack exported was 147,000, as against 119,000 in 1922 and 82,000 in 1921. In pounds and shillings it was respectively £3 5s, against £3 10s and £2 16s.

The instability of the exchange shows its pernicious reaction on the commerce of the country; but in spite of those differences the national work continues to prosper, indefatigable and triumphant, on behalf of the greatness and wealth of Brazil.

The following figures show the movement of foreign trading during the last four years:—

MOVEMENTS OF FOREIGN TRADE.

	1920.		1921.		1922.		1923.	
	Tons		Tons		Tons		Tons	
Imports	3,275,854	....	2,578,210	....	3,253,513	....	3,575,872	....
Exports	2,101,380	....	1,919,421	....	2,121,602	....	2,230,450	....
Difference	— 1,174,474	....	— 658,789	....	— 1,141,911	....	— 1,345,422	....

CONTOS DE REIS, PAPER

	1920.		1921.		1922.		1923.	
	Contos		Contos		Contos		Contos	
Imports	2,090,633	....	1,689,839	....	1,652,630	....	2,270,437	....
Exports	1,752,411	....	1,709,722	....	2,332,084	....	3,297,033	....
Difference	— 338,222	....	+ 19,883	....	+ 679,454	....	+ 1,026,596	....

EQUIVALENT IN 1,000 POUNDS STERLING.

	1920.		1921.		1922.		1923.	
	£		£		£		£	
Imports	125,005	....	60,468	....	48,641	....	50,613	....
Exports	107,521	....	58,587	....	68,578	....	73,184	....
Difference	— 17,484	....	— 1,881	....	+ 19,937	....	+ 22,571	....

PUBLIC DEBTS OF THE STATES.

In spite of the autonomy of the states, which is the fundamental basis of the federation in matters of finance, the public credit of the nation, which to all Brazilians should be considered as our greatest wealth, is at times depreciated in the foreign money markets by the unpunctuality of some of the states.

Brazilians cannot close their eyes to this fact. In three consecutive presidential messages the late lamented Mr Rodrigues Alves voiced his anxiety with regard to the difficult situation in which some of the states were gradually placing the credit of Brazil.

Senators and deputies have already on various occasions proposed measures to remedy this, which, however, have always been considered unconstitutional.

As a matter of fact, however, it is becoming every day more and more indispensable that a formula should be discovered to put an end to such a situation on behalf of the credit of the Brazilian nation when we find that constitutional measures cannot be adopted.

Here below we give a table of the internal and external debt owing by the states and by the Federal District.

STATEMENT OF THE EXTERNAL AND INTERNAL FUNDED DEBT OF THE STATES AND FEDERAL DISTRICT.

State and Federal District.	General Total of Debt in Milreis.	External Debt.					Internal Debt.	Per Inhabitant
		In £s Sterling.	In Francs.	In Dollars.	In Florins.	Converted into Milreis-paper (2).		
Alagoas	9,776,950,000	258,965	..	..	..	8,803,256,000	973,700,000	98,900
Amazonas	102,210,813,000	..	100,736,500	..	..	63,665,468,000	38,545,345,000	281,944
Bahia	186,884,528,000	3,143,407	53,125,000	..	..	140,431,978,000	40,552,550,000	56,046
Ceará	28,608,260,000	..	13,980,000	2,000,000	..	24,315,360,000	4,292,900,000	21,986
Federal District	575,091,859,000	3,560,230	..	24,280,000	..	308,953,659,000	266,138,200,000	496,680
Espírito Santo	34,573,000,000	..	44,000,000	..	..	27,808,000,000	6,765,000,000	75,598
Goyaz (1)	..	..	..	..	..	..	..	..
Maranhão	13,921,800,000	..	18,000,000	..	..	11,376,000,000	2,545,800,000	15,923
Matto Grosso	1,137,000,000	..	..	..	..	..	1,137,000,000	4,9610
Minas Geraes	141,924,064,000	..	131,227,000	..	..	82,935,464,000	58,988,600,000	24,9103
Pará	109,887,813,000	2,867,880	..	..	..	97,490,713,000	12,397,100,000	111,731
Parahyba	..	..	..	..	..	..	..	..
Paraná	85,909,660,000	1,758,400	12,665,838	..	..	68,579,860,000	17,329,800,000	125,286
Pernambuco	82,455,138,000	1,840,320	..	..	..	62,559,838,000	19,895,300,000	38,265
Piauí	157,000,000	..	..	..	..	..	157,000,000	8258
Rio de Janeiro	118,640,587,000	2,865,520	..	..	..	97,410,487,000	21,230,100,000	76,082
Rio Grande do Norte	5,079,472,000	..	7,621,000	..	..	4,864,472,000	1,263,000,000	11,318
Rio Grande do Sul	137,892,180,000	..	..	10,000,000	..	77,400,000,000	60,492,180,000	68,9175
Santa Catharina	48,244,411,000	161,167	..	4,850,000	..	43,017,711,000	5,221,700,000	72,412
São Paulo	675,128,307,000	7,494,501	..	9,961,000	17,800,000	332,439,407,000	292,639,500,000	147,0017
Sergipe	4,708,200,000	..	..	..	..	..	4,708,200,000	9,869
	2,332,311,648,000	23,950,390	381,355,333	51,091,000	17,800,000	1,502,053,673,000	861,177,975,000	81,291

N.B.—(1) Has no funded debt.

(2) Value at half-year, 1922: Franc, \$632; £, 33,994; Dollar, 7,740; Florin, 2,844.

J. LYONS AND CO., LIMITED.

SUCCESSFUL YEAR—SUBSTANTIAL ADDITION TO RESERVE.

ANOTHER RECORD TURNOVER.

COMPANY'S IMPORTANT WORK AT WEMBLEY.

CHAIRMAN'S EFFECTIVE REPLY TO WEMBLEY CRITICISMS.

The thirtieth ordinary general meeting of J. Lyons and Co., Limited, was held, on the 23rd instant, at the Trocadero Restaurant, Piccadilly circus, London, W., Mr Alfred Salmon (one of the managing directors) presiding.

DIRECTORS' REPORT.

The report of the directors for the year ended March 31st last states that:—

	£	s	d
The balance from trading account shows:—	665,376	10	7
A profit of	30,239	6	5
Amount brought forward from last year	£695,615	17	0

From this amount is to be deducted:—

	£	s	d
Dividend on 5 per cent. preference shares paid to November 30, 1923, and proportion provided for period to March 31, 1924	32,353	5	0
Dividend on 7 per cent. preference shares paid to March 31, 1924	101,767	15	2
Dividend on 8 per cent. preference shares paid to March 31, 1924	80,000	0	0
Dividend on the 6 per cent. preferred ordinary shares paid to September 30, 1923, and proportion provided for period to March 31, 1924	24,000	0	0
Interim dividend (2s per share) on the ordinary shares and "A" ordinary shares already paid for the half-year ended September 30, 1923	109,458	0	0
Interim dividend (4.8d per share) on proportional and "B" proportional profit shares already paid for the half-year ended September 30, 1923	19,000	0	0
And the directors propose to deal with the balance as under:—			
To place to reserve (making a total of £850,000)	110,755	9	6
To pay a dividend of 3s per share on the ordinary shares and "A" ordinary shares for the half-year ended March 31, 1924	164,187	0	0
To pay a dividend of 7.2d per share on the proportional and "B" proportional profit shares for the half-year ended March 31, 1924	28,500	0	0
To carry forward to next account	25,594	7	4
.....	£695,615	17	0

The balance of premiums on shares, after deducting expenses, has been added to the reserve, which amounts now to £739,244 10s 6d. The business done has been satisfactory. During the financial year the following establishments have been opened:—

300 Regent street;
299 Kentish Town road;
161 Broadway, Cricklewood;
342 High road, Chiswick;
3-4 Broadway, Acton;
18-20 Powis street, Woolwich;
61-63, High street, Tooting;
295 Euston road;
1 The Broadway, Crouch End;
484-488 Harrow road;
28-30 Sloane square;
51-52 North street, Brighton;
101 Bull street, Birmingham;
15-16 Queen's square, Wolverhampton.
Additional premises have been acquired and will be opened in due course, and negotiations for other depôts are proceeding.
Messrs M. I. Gluckstein and J. Salmon retire from the office of directors, and, being eligible, offer themselves for re-election.
Messrs G. A. Pollard and A. C. Watkins, employee directors, retire, and are eligible for re-election.
Messrs Turquand, Youngs, and Co., the auditors, retire, and are eligible for re-election.

CHAIRMAN'S SPEECH.

The secretary (Mr Geo. W. Booth) having read the notice convening the meeting and the report of the auditors, The Chairman said: Ladies and gentlemen,—The thirtieth year of the company's trading, which was completed on March 31st last, has given us the largest amount of turnover which we have yet seen, a very substantial increase over the previous year.

The profits resulting from it, while very satisfactory, might easily have been better, for the year just past has again been a difficult one; the several strikes, among other things, had a material influence on our earnings, or we should certainly have shown a profit more in keeping with our increased turnover.

The policy of expansion is, however, justified, for the increased business does bring a share of profit, and acts as a set-off to the other disadvantages. The New Corner House in Coventry street is an instance of this, and shows we were right in thinking there was a public need for greater facilities in the neighbourhood for this class of catering, and it has added materially to our earning power.

YEAR'S PROFIT.

Turning to the figures as shown by the profit and loss account and the balance-sheet, I will first deal with those on the front page of the report. The profit shown there is £665,376, against £631,816 last year, an increase of £33,560, sufficient to pay the fixed interest on the new capital and leave a balance for the benefit of the shareholders. To this profit is added the amount brought forward from last year of £30,239. There are the usual distributions to the preferred shareholders, and interim dividends to the ordinary, "A" ordinary and proportional profit shareholders. Out of the balance remaining it is proposed to set aside to reserve a sum of £110,755 9s 6d, the reason for this odd amount being to bring up that account to a round figure of £850,000.

You will remember that on last year's balance-sheet the reserve stood at £500,000. A further £100,000 was then added, and during the year the balance remaining to us on the premium account of the new issue of a million 7 per cent. preference shares, which balance amounted to £139,244 10s 6d, has been added to the account, making a total, as shown on the present balance-sheet, of £739,244 10s 6d, and the figure I have just mentioned of £110,755 9s 6d makes up the sum of £850,000.

When it is remembered that after the provision for the "A" shares issued in the year ended March 31, 1922, the reserve stood at £409,000, you will agree, I am sure, that we are making satisfactory progress in the building up of this account. (Hear, hear.)

The remainder of the profit is available for final dividends to ordinary, "A" ordinary and proportional profit shareholders, and at the rates it is proposed to pay, this absorbs £192,687, leaving a balance to carry forward of £25,594.

BALANCE-SHEET ASSETS.

Looking at the balance-sheet and taking the assets side first, the increase in the first item is as to some £1,200,000 represented by additional buildings, plant and machinery, and as to approximately £500,000 by the amount represented by our shares in subsidiary companies. You have no doubt noticed that we have divided the figure which formerly stood under the heading "Investments in associated companies, &c.," and that the latter figure now stands at £257,000.

This has been done to draw a distinction between what I may call fixed capital and that which is of a liquid character. The companies which we have called "subsidiary" are those which are really run in connection with our own business, and in which the share capital belongs to this company. These shares are in a sense not marketable; that is, we could not market them without losing that control which we think essential, and this capital, although technically in shares, really consists of property in the several companies. The shares in what we call "associated" companies, such as the Strand Hotel, Limited, have a distinct marketable value quite apart from their association with the Lyons Company, and are, therefore, much more liquid assets.

We thought it advisable to make this distinction on our balance-sheet, and so remove any ground for possible misunderstanding in any calculation of the actual available liquid assets of the company.

Stock, you will see, stands at £2,255,000, an increase on last year of £279,000, some of it occasioned by preparation for the Wembley business; but, of course, you will understand, as I have previously said, it is really a quite normal figure, all of an immediately saleable character and very little subject to market fluctuation in view of the short time for which it is held.

NO GOODWILL ITEM.

The goodwill, as previously, is not represented by any figure on the books, although I daresay, if the business were valued as a

going concern, the valuer would probably include in his list of assets a very substantial figure to represent this item. The book debts, which stand at £638,803, are becoming larger, as the company is developing a considerable wholesale trade nowadays, and is not so strictly confined to a cash sale business as it once was, although the ratio of credit to cash transactions is still a very small figure. These have been written down wherever it has been thought necessary, and substantial allowances made for possible bad debts.

The investment account I have already dealt with, and the cash at bankers needs no explanation.

LIABILITIES.

On the other side of the balance-sheet the capital, both authorised and issued, is increased by the million 7 per cent. preference shares created and issued during the year.

The debentures and mortgages have increased by £355,806, and now stand at £1,548,197. In view of the increase in freehold and leasehold properties account, I do not think this calls for further comment.

Trade creditors, &c., at £2,179,000, are £137,000 less than last year. This is merely a normal fluctuation.

The profit and loss account I have sufficiently referred to in dealing with the front page of the report.

While I am dealing with matters affecting the balance-sheet figures, I might mention that, in acknowledgment of the services of the three managing directors, the board has again given them the privilege of applying for 2,000 "A" ordinary shares each at par.

RAILWAY CONTRACT TERMINATED.

During the year we gave notice to determine the contract as managers of the catering department of the London, Chatham and Dover Railway, as we were not satisfied with the premises generally. The refreshment rooms down the line needed a considerable expenditure to bring them up to date. The railway company was not prepared to spend any money on them, for we were bound in honesty to say that in our opinion such expenditure would not be remunerative, and as we did not consider that catering in such premises was consistent with the reputation of our company, we gave notice to the railway company to terminate the contract as at December 31st.

The restaurant at Victoria Station was of modern equipment, and we offered to the full what we felt the premises were worth if we continued as caterers, but we were informed that the railway company had received a much higher offer, and were therefore not prepared to accept ours. We therefore gave up possession of the whole of the premises on December 31st last.

WEMBLEY CRITICISMS.

Most of you are no doubt aware that the company has practically the whole of the catering at the British Empire Exhibition. There are only the Chinese Restaurant and the South African train for which we are not responsible. Certain of the Dominions and Colonies were not included in the contract made with the Exhibition authorities, but the most important have placed the catering for their buildings in our hands.

There has been in the House of Commons a certain amount of, shall I say, uninformed comment by way of question or innuendo which might imply that the Exhibition authorities had made some sort of hole-and-corner arrangement with this company, and it may be of interest if I state how we come to be there.

Those of you who have seen the Exhibition do not need to be told that it is the greatest ever seen in this country—probably in the world—and it is generally admitted that the success of such a venture depends a great deal on the catering, because if the visitor cannot be fed more or less decently he is likely to go away with a very bad impression, however good the Exhibition itself may be. A tired, hungry and thirsty person is not in the best condition for enjoying the most interesting sights. The Exhibition authorities recognised this, and they also recognised that, for a place on such a scale, anticipating such a large influx of visitors, your company was the only one capable of handling the catering in a proper manner. We foresaw the difficulties, which are far greater than anyone not in the trade could realise, and were very reluctant to embark upon the undertaking. We declined to tender, but very considerable pressure was brought to bear on us to enter into negotiation. It was pointed out that this was a national undertaking, and it was suggested that we should not be doing our duty if, as the largest caterers in the kingdom, we did not take a hand in it. We flatly declined to take any part if the catering were let out piecemeal, and subsequently came to terms which we think should be satisfactory to both parties.

COMPETITION AND WAGES.

It has further been hinted that because we have no competition the catering will suffer, but those who say there is no competition overlook entirely the competition of our own reputation. We cannot

afford to be any less popular at Wembley than we are elsewhere. We have to do the Exhibition catering properly, because if we do not it will have a very bad effect on our other trade, and, large as the contract is, it is a mere bagatelle compared with our staple business; it is only a side line. Then there have been comments as to the wages paid to waitresses, but never a reference to the fact that food, uniform, and washing are provided, and that the girls only work five days a week. Now, I do not want to discuss motives, but I will say that not all of the comment is purely philanthropic. I will also say that the girls' earnings are adequate, and the great majority of them will admit it; they make a great deal in tips. But some say we have no right to take that into consideration. We say that special circumstances obtain at the Exhibition, and we are justified in taking them all into consideration. Tipping is ingrained in the English character, and will go on whatever the wages and whatever the charges. If we are to ignore it and pay higher wages, we must charge higher prices, and thus the customer who feels he must tip pays twice, and quite unnecessarily, for I say again the girls' earnings are adequate, and I do not fear any challenge when I state that the catering staff is a satisfied staff.

ACCOMMODATION.

There have been criticisms, too, of the catering accommodation. Now, we cater for all classes, so that every visitor is a possible customer. There are over 20,000 seats to be filled at one time, quite enough to accommodate in the course of a day such a crowd of persons as is rarely seen in one place, and only 140 of these are in that luxurious establishment "Lucullus." We think we are entitled to expect a reasonable amount of common sense from the countless patrons of the Exhibition, for, under the difficult circumstances of such catering, it is impossible that on every occasion, in every place, every person attending the Exhibition shall receive just that attention he or she would desire to receive and we should wish to give. The demands on the space available at Lucullus are so great and the compliments we receive so high that we feel gratified to have been able to show that we can produce in England a standard of culinary art and service to vie with anything of its kind in the world. This is only as it should be in an Exhibition displaying the resources and abilities of the Empire.

WEMBLEY PROFITS WARNING

While I am on this subject I should like to warn you against any exaggerated idea as to the profits likely to accrue to this company. That blessed word "organisation" is being made much use of just now, and one hears, "Oh! with your wonderful organisation you must be serving enormous crowds and making no end of money." Well, I do not want to decry the organisation—it might be worse, and it might be better; but what I do want to point out is that the crowds are not organised and the weather is not organised. A crowd is not always the same size, and the weather is not always good. We must provide for an average day, and when the attendance falls below the average there is a certain amount of waste which cannot be avoided, and when the attendance is above the average we have to make the utmost use of our resources to cope with it at short notice, and this entails increased costs. The greatest Commissariat Officer of whom we have any record met emergencies by calling down "manna" from Heaven. But, unfortunately, those resources are not now available to us.

These great catering undertakings have so many traps and pitfalls that they need very wary handling, and the enormous profits are just as elusive as the great undivided pool of wealth which our Communist friends propose to use for the creation of that millennium for which we are all waiting, more or less patiently, according to our several temperaments.

I do not want to push this to the other extreme, and lead you to suppose that Wembley is likely to produce a loss. Notwithstanding bad weather, very large numbers of people have been attracted to this exhibition. We are gaining experience of their ebb and flow from day to day, and, if the present condition of things continues, I have no hesitation in saying that we shall come out satisfactorily, but I did want to say something to curb any improper valuation of the possibilities.

In view, too, of what I have said in my opening remarks on the subject of Wembley, I feel I ought to say that those who made this great Exhibition deserve our admiration. It is a credit to all concerned, and, although we entered on our part very reluctantly, we are proud to be associated with such a magnificent example of Empire enterprise and industry.

CONTINUED EXPANSION.

Speaking generally of the company's business, its factories, restaurants and tearooms continue to grow in size and in number, and there is every sign of progress generally in all the various branches. We feel that the business is established on thoroughly sound lines, and have no fears in considering its future. I have just said the restaurants grow in number. Perhaps I ought to mention that sometimes they diminish—temporarily. We have just disposed of the Maison Lyons in Regent street (not, of

course, to a caterer). We had a most tempting offer for the premises—an offer which the amount of business we were doing would not justify our refusing. The market value of the premises had, of course, greatly increased since we acquired them. It is not our normal business to deal in properties, but where one has the opportunity of such an enhanced capital, we should scarcely be considered prudent if we declined to deal.

The growth is represented among other acquisitions by the purchase of an additional two acres of land between the Hammersmith road and Brook green adjoining our Cadby Hall factories, for, in spite of the removal of so much of our business to Greenford, we are again crowded at Cadby Hall, where those goods are manufactured which it is essential should, for rapidity of transport, be near the place of their consumption.

HEREDITY IN BUSINESS.

I see that at Wembley—somehow or other Wembley will continue to intrude itself—they are having certain lectures on the effect of hereditary influences in trade, and there is a suggestion that those abilities which go to make a successful commercial man may be transmitted from father to son, and that certain families may inherit particular gifts in this direction. Well, I for one am not inclined to argue to the contrary, and if there be anything in the theory, then this company ought to go on to greater successes, for you have now three generations of two families who have devoted the whole of their energies and such intelligence as they possess to the development of this one branch of commerce—the preparation and distribution of food. With over 30 years' experience and the accumulated knowledge coming therefrom, we ought to be able to carry on that business in a manner which it would be difficult to surpass, and thoroughly justify the name applied to us recently by Mr Max Pemberton—"The House of Achievement."

TRIBUTE TO THE STAFF.

To the staff I must pay a warm tribute for their share in the attainment of the success we have to report. We are happy in the knowledge that a vast proportion of our employees—rank and file as well as those in higher positions—take a pride in giving of their best towards making the company's service to the public so popular. They understand the meaning of "team work," and pull together with us in a manner that excites our admiration and calls for hearty recognition.

THE RESOLUTION.

I have now the pleasure to propose: "That the report of the directors and the balance-sheet submitted to this meeting be and are hereby adopted; that the payment of interim dividends of 2s per share on the issued ordinary and 'A' ordinary share capital of the company and 4.8d per share on the proportional profit and 'B' proportional profit share capital of the company for the half-year ended September 30, 1923, be and are hereby confirmed; and that a dividend be paid for the half-year ended March 31, 1924, of 3s per share on the issued ordinary and 'A' ordinary share capital of the company and 7.2d per share on the proportional profit and 'B' proportional profit share capital of the company."

I will ask a shareholder to be kind enough to second that resolution, and shall then be pleased to answer any questions which shareholders may wish to put.

SHAREHOLDERS' CONGRATULATIONS.

Mr John Balfour said it was a great pleasure to him once again to second the chairman's resolution. This was the thirtieth annual meeting, and he had had the pleasure of performing that duty on 29 occasions out of the 30, which he considered a very good record. He had listened with much interest to what the chairman had said with regard to the British Empire Exhibition, which he had approached from a thoroughly Imperial point of view before dealing with it as a caterer. Certainly, the speech was an excellent one, and showed, among other things, that Mr Salmon had become a master of epigram. He had said that "good catering is vital to enterprise," and that "tipping is ingrained in the British character"—which he was sure shareholders present would agree with him in regarding as not bad epigrams. During the past year he had had the pleasure of visiting the company's works at Greenford, and was particularly struck by the happiness which was so plainly evident among those who were engaged there. Looking back on the remarkable development of the company's business, he was reminded that Dick Whittington, when he first looked over London, said, "What a city to make money in!" The German Field-Marshal von Moltke, in the early days of Queen Victoria's reign, when riding through London in a Royal procession, looked around him and said—or thought—"What a city to sack!" The late General Booth, founder of the Salvation Army, when he saw London, thought "What a city to save!" Some 30 years ago three men met in London—Joseph Lyons, Montague Gluckstein, and Isidore Gluckstein—and as they viewed the City they thought, "What a place to feed!"

Mr E. A. R. White congratulated his fellow-shareholders on the excellent results achieved by the company, and said he was very pleased to hear that the business at Wembley was being conducted on satisfactory lines. The shareholders were very much indebted to the directors and the whole of the staff for their able conduct of the business, and he hoped that every success would continue to attend their efforts.

Sir Edward Smith, in supporting the resolution, said that the company had undertaken a magnificent national work at Wembley. He was glad to hear that they were pressed to undertake it; it was a wonderful tribute to this organisation, and he quite believed that there was no other firm of caterers in this country who could have undertaken it on the same stupendous scale and with the same safety so far as administration was concerned.

A WORLD-WIDE ADVERTISEMENT.

He did not look at the matter merely from the point of view of financial results; he regarded it as the finest world-wide advertisement that J. Lyons and Co. could ever have had. He had been in all kinds of strange places and had seen some strange advertisements, but he had never seen one which could possibly prove so effective as the company's work at Wembley, because people in all parts of the world would say, "Lyons are the people—the only people; they are the people who fed us, kept us good-tempered, and enabled us to get round Wembley."

The resolution was carried unanimously.

Mr M. I. Gluckstein and Mr J. Salmon (directors) were re-elected, as were also Mr G. A. Pollard and Mr A. C. Watkins (employee directors), and Messrs Turquand, Youngs, and Co. were reappointed auditors of the company.

A cordial vote of thanks was passed to the chairman and his colleagues on the board, as well as to the staff.

The Chairman briefly acknowledged the compliment, and announced that the dividend warrants would be posted forthwith.

The proceedings then terminated.

SIALANG RUBBER ESTATES, LIMITED.

CHAIRMAN CONFIDENT OF THE FUTURE.

The fifteenth annual general meeting of this company was held on June 24, at 2, 3, and 4 Idol lane, London, Mr C. Heath Clark, J.P. (the chairman), presiding.

The Chairman, in the course of his speech, said: Last year we were able to record a very substantial reduction in our production costs. For the past year our crop under the voluntary regulation of exports scheme was 124,265 lbs down, but, in spite of this, our estate costs approximately very closely indeed to those of the previous year. On the present basis of output we cannot expect a further reduction in costs. The directors have decided voluntarily to regulate the export of the company's crop for a further twelve months from November 1st last to the same rates as are permissible under the legislation in British Malaya and Ceylon.

The company's three estates are clean and free from weeds throughout. The work of thinning out was systematically continued, as also was the usual routine inspection for and treatment of disease, from all kinds of which our estates fortunately enjoy comparative freedom. The standard of tapping all over is good, bark renewal is satisfactory, and the bark reserve position very good. The immature areas are reported to be in excellent condition, certain areas on our Tebing Tinggi estate being adjudged to be considerably above the average. With a view to facilitating the company's output of sole *crêpe* some additional machinery and extra drying space were provided during the year. Under date April 3, 1924, our visiting agent reports:—"Work is thoroughly up to date in all respects, and general condition of the company's properties quite first-class. A considerably larger crop could be handled with very little increase in expenditure."

The profit on the year's working, after writing off £5,100 as depreciation on mature areas, amounted to £33,741, and the directors recommend a dividend of 10 per cent., less income-tax, leaving £41,469 to carry forward.

I think we may look forward to the future with a good deal of confidence, in spite of the fact that the present market price is depressed. Our properties are in first-class order, and the future possibilities of yield are being very considerably augmented by the restriction placed upon our tapping, and, notwithstanding which, our production costs are low and the quality of our product first-rate. In all essential respects the Sialang Company is in a very strong position to benefit from any revival in the general position of the industry. Having regard to the way in which stocks of rubber all over the world have been, and are being, reduced at the present time, together with the increasing demand, it is difficult to imagine that a very considerable improvement in the market price can be delayed much longer.

The report and accounts were unanimously adopted.

BOOTS PURE DRUG COMPANY, LIMITED.

SATISFACTORY YEAR—INCREASED PROFITS.

SHOP HOURS AND COMPANY'S PUBLIC.

The thirty-sixth annual ordinary general meeting of Boots Pure Drug Company, Limited, was held at Station street, Nottingham, on Wednesday, June 25, Mr John C. Boot, J.P. (vice-chairman) presiding.

Mr A. L. Milne (secretary) having read the notice convening the meeting and the minutes of the previous meeting, Mr J. C. Parsons (Messrs Sharp, Parsons and Co.) read the auditors' report.

The Chairman said:—

Ladies and Gentlemen, As you have been in possession of the directors' report and accounts for some time, I presume we may take them as read. (Agreed.) There are one or two items I should like to comment on briefly.

BALANCE-SHEET—ASSETS.

On the assets side of the balance-sheet you will find that properties are up £22,636, but the expansion of the business is accounted for in the increase in amounts owing by subsidiary companies under the head of debtors. During the past 12 months these companies have opened 32 new shops, besides acquiring many freeholds of existing shops and new properties. As the Drug Company has had funds in hand, these have been employed profitably in loans to the subsidiary companies.

Stocks show a decrease of £105,851, largely reflecting the further decrease in prices.

LIABILITIES.

On the liability side of the balance-sheet there is nothing which calls for special comment. The changes which are shown in the ordinary capital and in the reserve fund were fully dealt with in our last report, and do not call for special mention now.

PROFIT AND LOSS ACCOUNT.

Turning now to the profit and loss account, we find that the trading profit comes to £781,265, against £752,690 for the previous year.

There are several charges against this trading profit which do not vary very much from the last year, and your directors again recommend the transfer of £20,000 to the general staff pension fund, bringing the total up to £40,000. We already have pension funds in operation for all qualified chemists in the subsidiary companies, and this new fund is for the rest of the staff, but until it has been built up further it is not possible to say exactly how it will operate. After making these charges a net profit is left of £628,619, as against £595,811 last year.

After paying the usual dividends on A, B, and C preference, and on A, B, C, and D preferred ordinary shares and four interim dividends of 9 per cent. each on the ordinary shares, we have a balance of £171,869, which, together with credit balance from 1923 of £138,682, makes an available total of £310,552.

ALLOCATIONS.

Out of this your directors recommend the transfer of £100,000 to the reserve fund. They also recommend that the last interim dividend of 9 per cent. (less tax) be the final one, making 36 per cent. (less tax) for the year on the ordinary shares, thus leaving £210,552 to be carried forward.

The probability of an increase in the interim dividends has been mentioned in the Press. I may state that it is not the present intention of the directors to increase the 9 per cent. interim quarterly dividend, even though the company might be earning more. We should want to wait until the accounts were finally audited at the end of the year before feeling justified in increasing the rate paid, and this would probably be done (if at all) by means of a final dividend. You will, I'm sure, agree, that in view of the still unsettled state of trade, this is the sound and prudent course to take.

THE PAST YEAR.

Turning now from the accounts to the business happenings of the past year, the outstanding event was the visit by H.R.H. the Prince of Wales to the works at Nottingham last August. The hearty welcome accorded by the employees showed how much the honour was appreciated; and the keen interest shown by His Royal Highness in all he saw had a stimulating and encouraging effect upon the whole of our staff.

I am sure the shareholders will be glad to hear that the visit which over 5,000 of our employees paid to Wembley on Saturday last was a brilliant success. All the arrangements were splendidly carried out, and the day passed off without a hitch. I am satisfied that the educational benefit derived from the exhibits and the intense appreciation which has been shown by the staff for this

opportunity of visiting the Exhibition, will amply repay the company for the outlay.

I should here like publicly to state on behalf of the directors and the firm, our deep appreciation of the splendid way in which Messrs Lyons and Co. carried out the catering. I have heard from many members of our staff that the arrangements were as nearly perfect as anything human can be when done on such a large scale.

I am glad to be able to report that we have been busier during the past twelve months, and that short time has been much less than in the previous year.

SUCCESS OF NEW MANCHESTER BRANCH.

Turning to the retail companies controlled by this business, soon after our last annual meeting we opened Boots' largest branch, under the Cotton Exchange in Manchester, and so far this has been an unqualified success. The service we are able to give there is much appreciated, not only by those who live in that city, but also by that great number who are in the habit of shopping in Manchester.

In common with other large retail firms, we have been asked recently by the Ministry of Labour to send a representative to a series of conferences to discuss conditions and hours of work and wages for retail workers, with a view to ascertaining whether it is necessary to set up a Trade Board.

We are only too willing to do all we can to help this or any other Government to take such steps as may be necessary to obtain satisfactory conditions of work in shops—always providing that such legislation is not solely in the interests of the shop worker, but recognises the fact that shops are open for the convenience of, and are kept open solely by, the purchasing public.

PUBLIC AND SHOP HOURS.

The vast majority of our customers are working men and women who of necessity can only do their shopping either when their own work for the day is finished or on their half-holidays, and if shop hours are curtailed to such an extent as to preclude this class of customer from shopping at their leisure, it will mean greatly lessened takings, and one of the consequences would be less money available for wages.

Of course, the supply of medicines greatly complicates this question of shop hours, as people cannot regulate their illnesses to fit in with definite times; prescriptions must be dispensed sometimes during Sundays and holidays.

COMPANY'S IMMENSE DRUG BUSINESS.

You occasionally see statements in the newspapers to the effect that we sell numbers of different articles not usually stocked by a chemist, and that the sale of drugs is a side line with us, but the makers of these statements forget that we have hundreds of small drug shops where we sell nothing but drugs and toilet articles. In fact, we do an immense drug and medicine business, by far the largest of that nature in the world, leaving out altogether such things as fancy articles, stationery, &c. Over 80 per cent. of our total business is exactly of the same nature as that carried on in the best chemists' shops in this country; in addition, we have over fifty surgical departments under fully certificated nurses, and every year we make up several million doctors' prescriptions.

That the public are getting to rely on us more and more, both when they are sick as well as when they are in health, is shown by the fact that last year we had over three million more customers than in the previous year.

BRANCH FOR BENEFIT OF EXHIBITION VISITORS.

Here, perhaps, I may mention that for the benefit of our customers visiting the British Empire Exhibition we have opened a small shop, under the management of a qualified chemist (as are all our chemist departments), at 5 King's gate, Old London Bridge, Wembley on a fatiguing day may be purchased. This is in addition to our exhibit of fine chemicals in the Fine Chemical Section.

Knowing the great interest our many thousands of shareholders take in the works, we have had a small booklet prepared giving a number of illustrations of our different activities. These booklets will be sent to all shareholders with the account of this meeting, and we trust will meet with general appreciation.

With regard to next year's results, I will only say this, that, whether trade is good or bad, your directors are confident that naturally, we hope that trade generally will improve, so that, in common with all other progressive concerns, we may show even better results.

TRIBUTE TO STAFF.

In conclusion, I wish, in no formal way, but very sincerely, on behalf of all the directors, and I'm sure on behalf of the shareholders also, to express our deep appreciation of the splendid work done by every member of the staff, wherever they are serving the company.

After this resolution has been seconded, I shall be very pleased to answer any question arising out of the report or accounts.

I have now much pleasure in moving the adoption of the report and balance-sheet.

Mr J. E. Greenwood: I have very much pleasure in seconding the resolution.

The Chairman: Are there any questions? If not, I will put the resolution.

The Chairman then put the resolution to the meeting, which was carried unanimously.

As a shareholder of 25 years' standing, Mr A. N. Bromley proposed the re-election of Messrs H. R. Gillespie, J. E. Greenwood, H. B. Holthouse, and L. K. Liggett as directors of the company. In some companies, he said, they had what they called figure-heads, who had loud-sounding titles, but in Boots they had workers whose knowledge was thorough.

Mr W. C. Church seconded, and the elections were unanimously approved.

Colonel Frank Braithwaite, C.M.G., D.S.O., of Messrs Foster and Braithwaite, offered the board the congratulations of those he represented in London, and said it gave him great pleasure to propose the re-election of Messrs Sharp, Parsons and Co. as auditors.

Mr O. W. Hind seconded and the appointment was unanimously confirmed.

VOTE OF THANKS TO CHAIRMAN AND DIRECTORS.

A hearty vote of thanks to the chairman and the directors was moved by Mr Thomas Greenwood, of Messrs Gane, Jackson, Jefferys and Freeman, who said their integrity and efficiency was well known, and, in his reply, Mr John Boot declared that, from himself as vice-chairman to the newly-joined office-boy, all worked for the firm and not self-interest. That was the secret of their success.

TAMPLIN AND SON'S BREWERY, BRIGHTON.

CONSIDERABLE INCREASE IN TRADE.

The annual general meeting of Tamplin and Son's Brewery, Brighton, Limited, was held at the registered offices, Brighton. Mr Alexander Miller-Hallett (the chairman) presided.

The Chairman, in moving the adoption of the report and accounts, said: Last year, in spite of the satisfactory report we were able to place before you, I had to admit a slight falling off in our trade. On this occasion I am glad to be able to say there is a very considerable increase, and that the general character of our trade fully maintains the satisfactory nature which I brought to your notice at our last meeting. It is proposed to maintain the dividend of 1s per share, making, with the 1s paid in December last, 2s per share (equal to 10 per cent.) for the year, together with a bonus of 1s (equal to 5 per cent.), and to place £5,000 to reserve, bringing the same up to £96,000, and carrying forward £26,115 to next year's accounts. The gross profit is £176,220, and, after adding our income for the year from loan interest and transfer fees, the total is £176,824. Working expenses have amounted to £83,526, and, after providing for rents payable less receivable, depreciation, and compensation charges, there is a balance of £69,526, to which has to be added £2,344 for interest on investments and deposits. The balance brought forward from last year was £28,079.

The most interesting item in our report is the completion of the purchase of the Southdown and Grinstead Breweries, and the highly successful issue of capital which was made in order to bring this about. I should like to repeat and emphasise what I said last year, that business, to be really successful, must grow, and that nothing succeeds like success. You will, I feel sure, agree with me that our brewery is carrying on its work with a view to growth, and that all the alterations that we have carried out have been made with a view to possible extension in the future. I regret it is not possible to announce any further reduction in the heavy duties imposed upon our trade.

I would draw your attention to the constant danger with which we are faced in the attempt to introduce drastic legislation attacking our business. I would specially allude to the really iniquitous Bill put forward by the Bishop of Oxford. Unless those who have invested in this huge industry take a real interest in these matters by opposing and influencing their friends to oppose, there is a grave danger that we may wake up some morning and find that a deadly blow has been struck at our trade, which it may be too late to avert. The resolution was carried unanimously.

BARCELONA TRACTION, LIGHT, AND POWER COMPANY, LIMITED.

REORGANISATION OF THE COMPANY'S FINANCES.

At a meeting of the 6 per cent. first mortgage bondholders of the Barcelona Traction, Light, and Power Co., Limited, held at Winchester House, Old Broad street, London, E.C., on Wednesday, the 25th inst., resolutions were passed approving of the proposals put forward by the company and explained in a report issued by the bondholders' committee.

Mr E. R. Peacock (the president of the company and chairman of the bondholders' committee) acted as chairman of the meeting, and explained that he had been appointed to do so by the trustee for the bondholders, the National Trust Co., Limited, of Toronto, who had power to appoint a chairman.

THE OPERATING COMPANIES IN SPAIN.

Speaking to the meeting, as president of the company, Mr Peacock gave a brief history of some of the important events in the development of the operating companies in Spain and the troubles which had come upon the parent company at the outbreak of war. A great deal had been done since 1915 in building up the business in Spain of the operating companies, and the company's credit had steadily improved. He knew of no better investment than the securities of good power companies, and in the United States, where the greatest development of power had taken place, good power securities were put at the head of the list among the investment favourites.

PROSPECTS OF THE COMPANY.

Continuing, he said: The market for power in Barcelona and the surrounding country is one of the best in the world, and there are no power plants anywhere that I consider superior to the chief plants under our control; our difficulties have now been largely overcome, and when the present reorganisation has been carried through, the company may be regarded as being in a sound position. Its prior lien bonds are exceptionally well secured, and are highly regarded by well-informed investors. I should like to say just a few words regarding the business of the operating companies in Spain and what has been done to develop them. Since 1915 a very substantial amount has been invested in the business of the operating companies, mainly from the sale of securities of these companies. In addition, over £2,500,000 has been put into the business out of earnings. Part of this money was provided under the scheme of 1915, by which any surplus earnings were made available for capital expenditure, and part was provided under the heading of "depreciation." It has been our policy to keep the equipment of the companies in a high state of efficiency as part of the operating expenses, and I am convinced that this is the right policy, and that any great operating company such as you control must year by year put back into the business a very substantial portion of its earnings if it is to continue to grow and prosper, and must confine its increases of capital to those required for the larger developments which are called for only at long intervals.

A FAIR SCHEME.

The Chairman then explained the proposals and the reason for putting them forward. He expressed the opinion that, in the circumstances, they were fair, and that they would benefit all classes of securities.

THE PROPOSED SHAREHOLDERS' MEETING.

He said that a shareholders' meeting for increasing the preference share capital and cutting the ordinary share capital in two, which formed part of the scheme, would be held as quickly as possible, but owing to the strike of the Canadian postal staff it had not been possible to issue the notices convening the meeting.

The Chairman paid a tribute to his colleagues on the board and the bondholders' committee and to the legal advisers of the company and to the management of the operating companies in Spain.

After answering questions, the resolutions were put and carried unanimously.

A meeting of the income bondholders was subsequently held, at which the resolutions were also approved.

BLEACHERS' ASSOCIATION, LIMITED.**A SUCCESSFUL YEAR'S WORKING.****THE STAFF PENSION SCHEME.**

The twenty-fifth ordinary general meeting of the Bleachers' Association, Limited, was held in the Memorial Hall, Albert square, Manchester, on Friday, June 20, 1924, Col. Sir Alan J. Sykes, Bart. (the chairman) presiding.

The secretary (Mr R. H. Eccles, F.C.I.S.) read the notice calling the meeting and the minutes of the 24th ordinary general meeting.

The report of the auditors was read by the secretary.

The report and balance-sheet were taken as read.

The Chairman said:—Ladies and gentlemen, I have much pleasure in submitting to you the twenty-fourth annual report of Bleachers' Association, Limited, covering the accounts for the period ending March 31, 1924.

But before proceeding to deal with the accounts, I regret to have to announce the death of one of our directors, Mr. G. Marshall Blackwood, during the period under review. Mr. Blackwood was closely connected with three of our Scottish branches, and although he had only been a director for about three years, he was a most regular attendant at our meetings, and we shall greatly miss his advice and support, especially in connection with our Scottish yarn branches.

We have also lost, by death, one who was an active member of the Formation Committee, which brought our company into being in 1900, and who was one of our original directors, and who, although he resigned his directorship some little time ago, owing to pressure of business affairs, continued to help our concern till the last. I allude to the late Mr. G. Norris Midwood. By his death we have lost a friend impossible to replace, and the Manchester business world is the poorer by the death of one who was universally known for his upright dealing and his public spirit in working for the good of all those with whom he came in contact.

I will refer to just one other matter before commencing the accounts. I feel quite certain that all of you would like to join me in offering our most hearty congratulations to our colleague, Sir William Clare Lees. I feel sure that we all congratulate him upon the honour which has been conferred upon him by His Majesty the King. I can assure you that it is an honour of which we of the Bleachers' Association are justly proud, as we know that the recipient of it has, by sheer hard work, perseverance, and outstanding ability, thoroughly earned it.

RESULTS OF THE YEAR.

And now turning to the accounts, you will notice these have been sent to you drawn up in the form to which you have been accustomed in previous years, and I feel sure you will feel gratified that notwithstanding the difficult times through which the cotton trade has passed in the period under review, your directors are able to place before you results very much the same as a year ago. You will notice that, after charging £379,328 for repairs and maintenance, as against £410,499 a year ago, and after making the usual deductions, including estimated amounts for income-tax, corporation profits tax, special repairs, and other contingencies, and charging the same amount as last year for depreciation and debenture interest, there remains a net profit of £795,378, which, with the balance brought forward from last year, gives an available balance of £1,157,090. This compares with our available balance last year of £1,147,870.

RESERVE AND DIVIDEND.

Out of this balance, after paying the preference dividends, the directors recommend that a sum of £125,000—the same as last year—be placed to the general reserve fund; that a sum of £50,000 be again placed to the superannuation fund (which fund I shall allude to later), and that a final dividend of 15 per cent. (actual) be paid, making 20 per cent. for the year, being the same dividend as we paid a year ago. These deductions will leave a balance to be carried forward of £371,885, which is slightly in excess of the amount brought into the accounts.

SUPERANNUATION FUND.

As regards the superannuation fund, you will notice that the transfer now recommended will bring the total up to £250,000. This fund is entirely separate from our staff pension fund. The staff pension fund, as its name indicates, is confined to members of the staff and is a contributory fund to which both the staff and the company contribute, and provides them with pensions on a recognised scheme. The superannuation fund is applied for the benefit of all the employees of the company who may require assistance through infirmity or age, and whose cases are ineligible for, or are not fully dealt with by, the staff pension fund. This fund is administered by the directors. By means of it they are able to deal sympathetically with all deserving cases amongst their employees that may be brought to their notice. This amount of £50,000, together with the amount you have previously voted to

the superannuation fund, making a total of £250,000, remains invested in the business of the company, and the interest which is credited to it is used for the benefit of the employees.

We have at the present time 247 employees who are receiving pensions through this fund, which exhausts the present income of the fund, and, as the number of pensioners is increasing, your directors have thought it advisable to recommend this further transfer of £50,000. When this transfer has been made there will be additional income available, which will enable further pensions to be granted.

The pensions granted by the superannuation fund are very highly appreciated by those to whom they are given, and the directors feel sure that you will approve this additional transfer, and so help to increase the usefulness of this fund.

Last year I went fully into the details of our staff pension fund, so it is unnecessary to say more about it this year than that it is now in regular working order, and is very much appreciated by the members of our staff.

THRIFT FUND FOR FEMALE EMPLOYEES.

We found, however, that our staff pension fund was not sufficiently comprehensive, inasmuch as it dealt only with the male members of our staff, and the female members were not included. There were obvious difficulties in including both males and females in a pension fund. At the same time, we felt that it was only right that, in as far as it were possible, something should also be done for our female staff, and so during the year under discussion we have started what we call a "Thrift Fund" for females on our office staffs. Like the pension fund, this is a contributory scheme, both the association and the members contributing, but the benefits are of a different nature. In this case there is no question of a pension. The rules provide that any member retiring for legitimate reasons from the service of the association, or dying while in the service, is entitled to receive the whole of the monies standing to such member's account, including the contributions made by the association and all income and interest credited to such account. By this means, should a girl after being with us for a few years retire, say, for the purpose of getting married, she has a nice little nest-egg on which to start housekeeping, and, similarly, if she should wish to leave off working when she reaches the age of 45, she has a similar right to withdraw all that is credited to her, and I am glad to say this scheme has been gratefully received by our female staff, and it has rounded off our staff pension scheme.

NEW OFFICES.

Another scheme we have launched during the last year is the building of new offices for housing our central office staff. For this purpose we bought a plot of land at Blackfriars Bridge, with frontages to the River Irwell, Blackfriars street, and Parsonage, and we are now engaged in putting up a modern building. As this building will be in a conspicuous position, we determined to put up a building which will be a credit both to ourselves and the City of Manchester. We are accordingly constructing it of Portland stone, and you will find in your seats a little booklet giving a picture of the building and setting out the accommodation available. It is our intention to occupy the top storeys, and to let out the bottom storeys as offices. We calculate we shall have the most modern offices in Manchester, and they will also be some of the best lighted. We have already, although the building will not be completed till next year, let part of the ground floor to a leading Manchester bank, so that intending tenants will find a bank in their building. In addition to that, we shall have a large room for holding meetings, which will be available not only for our tenants, but for other businesses requiring rooms for their annual meetings, and I hope it will be possible for us to hold our next annual meeting in that room. I am glad to say that we anticipate that this building will prove a good investment, and I hope you will take away the booklet on the seats and show it to any of your friends who may be requiring offices.

WELFARE WORK.

I should like to say a word as to what we are doing on the welfare side of our business. I have told you at previous meetings that we were encouraging the laying down of bowling greens at our various works, and we were providing funds for the purpose of laying out the greens and for making suitable pavilion accommodation. We have now got some 14 bowling greens made or in process of formation at our various branches, but in addition to this we are also providing funds for laying out tennis courts, so that our female employees, equally with the men, may share in our recreation schemes, and we find that this action of ours is very much appreciated.

LOYAL CO-OPERATION OF THE EMPLOYEES.

When I addressed you a year ago, I was able to refer to the very cordial relations existing between the managing directors and our workpeople during the year, and it is a matter of much

satisfaction to me to be able to tell you that the same good relations have continued during the year covered by the accounts.

In this connection, I wish to express, on your behalf, to the managing directors and central office staff, and to the managers, staff, and men of all our branches, and I include our engineering and transport branches, our hearty appreciation of their hard work and loyal co-operation, without which an association such as ours cannot hope to succeed. We appreciate the fact that all of them have so co-operated, and we hereby tender them our hearty thanks.

GENERAL POSITION.

In conclusion, I will add one word about the general position of our company.

We have now been established 24 years, and I am glad to say that the accounts that we have had before us to-day show a very satisfactory year's working, but during these 24 years we have had to go through lean times, and the average dividend paid on our ordinary shares since the formation of the company only amounts to just over 6½ per cent.

FUTURE PROSPECTS.

As to our future prospects, I hesitate to prophesy. As I said last year, our trade is dependent on the world's markets, and these in turn are largely influenced by the unstable political conditions abroad. Should these conditions improve and general trade become better, I can assure you that we are well equipped for getting our full share of it. Our experience of the last year has shown us that we have fairly held our own with our competitors, whether those competitors are operating in this country or on the Continent, and with the improvements that we are continually making in our works we may reasonably anticipate not only retaining our full share of any trade that may be going, but of attracting even a fuller share.

It was moved by the Chairman, seconded by Mr A. K. Davies, and resolved, "That the report of the directors and the statement of accounts to March 31, 1924, be and they are hereby approved, and the shareholders hereby declare a dividend at the rate of 5½ per cent. per annum on the preference shares to March 31, 1924, and at the rate of 15 per cent. per annum (actual) on the ordinary shares for the half-year ending March 31, 1924, making with the interim dividend at the rate of 5 per cent. (actual) paid in December, 1923, 20 per cent. on the ordinary shares for the year."

RE-ELECTION OF RETIRING DIRECTORS.

It was moved by Mr A. L. Arnold, seconded by Mr J. E. Plant, and resolved, "That the following be and they are hereby re-elected directors of the association:—Arthur K. Davies, John J. Kirkpatrick, Andrew McNab, John R. Ragdale, Alister Reid, John W. Simpson, John W. Slater, Sir Alan J. Sykes, Bart., John T. Taylor."

APPOINTMENT OF AUDITOR.

It was moved by Mr P. M. Crompton, seconded by Mr P. B. Brown, and resolved, "That Messrs Jones, Crewdson and Youatt and Messrs. P. and J. Kevan be and they are hereby appointed joint auditors of the association at a fee of £200 per annum, in addition to the amounts paid by subsidiary companies."

A vote of thanks to the chairman was moved by Mr D. Q. Henriques and seconded by Mr J. Watson.

**EBBW VALE STEEL, IRON, AND COAL COMPANY, LIMITED
CHAIRMAN ON NATIONALISATION PROPOSALS.**

The fifty-seventh ordinary general meeting of the Ebbw Vale Steel, Iron, and Coal Company, Limited, was held, on the 24th instant, at the Cannon street Hotel, London, Sir Frederick Mills, Bart. (chairman and managing director), presiding.

The Chairman, in moving the adoption of the report and accounts, said: I find myself fortunate enough to be able to report a satisfactory year's trading, showing a profit, which, but for the troubles of the previous three or four years, would have enabled us to recommend a reasonable dividend on the share capital of the company. The year's work has on this occasion been characterised by a good coal market, accompanied by a bad one in steel, and in particular by industrial peace in the area operated by the company and its associates, coupled with comparative industrial peace in our own markets—conditions which spell prosperity. The net profit for the year is £305,421, which, with the amount brought in of £69,131, gives a total of £374,552 available for disposal. The directors recommend that £100,000 be placed to the general reserve account, thus replacing a like amount taken from it two years ago, that the preference dividend, amounting to £84,000 for the year ended March, 1923, be paid, and that £190,552 be carried to the accounts of the current year. The shareholders will observe that this sum embraces sufficient to cover the preference dividend for the year under review.



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COAL AND STEEL.

Last year, in reviewing the position, I was compelled to lay stress on our lack of success, and to lay the bulk of it at the doors of labour. Fortunately on this occasion I am glad to report that, on the whole, peace has reigned at Ebbw Vale and its subsidiaries. This is reflected in the increased output of our principal commodities, and you may like to know that the output of coal for the whole group reached the substantial figure of 4,770,315 tons, the largest since the introduction of the seven-hours' day.

There was a strong demand for coal and coke in the spring and summer of last year, but towards the end of it, and since, it has been with difficulty the pits have been kept going. In like manner the demand for pig-iron and steel was good in the spring and summer of last year, due principally to the occupation of the Ruhr Valley by the French, but the political disturbances, both at home and on the Continent, commencing in the autumn and continuing to this present time, have had a depressing effect on that industry, and prices have become unremunerative for pig-iron and for heavy steel.

The importation of Continental iron and steel has increased to more than the pre-war figure, and is now about 200,000 tons a month. This steel is produced at the point of origin under conditions, both as to wages and hours of work, inferior to those obtaining in this country, and, moreover, pays nothing to represent the charges which fall on the home manufacture in respect of Imperial, local, and social obligations.

NATIONALISATION PROPOSALS.

I regret I cannot see that sufficient confidence has been gained in the world of finance to justify a hope that international trade is mending; on the contrary, political thought is taking a strange line of country. There is a large body of public men, honest enough I daresay, but I venture to think misguided, who say that the nationalisation of certain key industries—notably coal—will be for the public benefit. Your board does not share their views. We are clearly of opinion that if the coal industry is placed under bureaucratic control, all incentive to keep the cost down will be lost, and the price of coal must either rise by leaps and bounds, or coal-mining be subsidised by the State. In either case the cost to the community at large will be stupendous.

Coal, and cheap coal, is of the first importance to all the other industries. In the opinion of most industrialists the price of coal is already too high, and how any sane person can imagine the cost, and therefore the price, can be mended by taking the conduct of the problems and intricacies associated with coal mining out of the hands of men trained to deal with them, and placing them in the hands of a set of visionaries and amateurs, passes my comprehension.

An important point which seems to have been overlooked by the authors of the scheme of nationalising the coal mines is, that practically all the blast furnaces and heavy steelworks are physically attached to the collieries associated with them.

Are these amateurs going to set the clock back and segregate the iron and steel works from the collieries, or are they going to add the problems and intricacies of iron and steel making to their responsibilities in the matter of coal mining?

I do not see any sign of immediate improvement, but I see no harm in hoping for the best, and in trying to do our best in the circumstances in which we find ourselves, in the certain hope that if we all do so we shall the sooner regain the prosperity we once enjoyed.

The resolution was carried.

JOHN BROWN AND COMPANY, LIMITED. IMPROVED RESULTS—FUTURE PROSPECTS.

The annual meeting of John Brown and Co., Limited, was held, on the 24th instant, at Sheffield, Mr Bernard Firth presiding in the absence of Lord Aberconway.

The Chairman, in moving the adoption of the report and accounts, first referred to the death of Viscount Pirrie, a director of the company, and a vote of sympathy was passed to the widow, the shareholders standing as a mark of respect.

Continuing, he said that the directors felt sure that the results of the year's working would be read with pleasure. As intimated in the report, the conducting of the business during the last financial year had been by no means easy, and as regarded profit in the manufacturing sections, almost an impossibility. At the Atlas Works the number and volume of orders had certainly been larger, but by no means equal to keeping their plant, even of pre-war dimensions, in full operation, and still less the improved and enlarged plant inaugurated since the close of the war.

For this improved volume of trade their thanks were largely due to the home railways, who had found a considerable amount of work for the iron and steel industry of the country, and Messrs John Brown and Co. had had their fair share of it by making up arrears of maintenance, which were bound to have been somewhat

neglected during the war period. In spite of foreign competition, which, under exceptional rates of exchange and working conditions abroad, made it possible for supplies to be obtained from abroad at much lower prices—in spite of that, the railway managements had preferred to place the bulk of their orders in this country.

Happily, in this district employers had been spared in the last 12 months any serious trouble arising from labour disputes, and to this fact and the general appreciation on the part of the workmen of the situation the results obtained, such as they were, were largely due.

SHIPBUILDING.

The shipbuilding industry in Great Britain at the present time was passing through a very trying ordeal. While the total volume of shipbuilding construction in progress amounted to one-half of what it was in 1914, the volume of naval ship work was only one-sixth, and he need hardly tell them how severely this hit a company such as John Brown, not only at Clydebank, but still more at the works in Sheffield. As a result of this shortage the prices ruling were such that no profit was included in them.

The firm had suffered from the seven months' dispute with the ironworkers, which practically paralysed all the shipyard work from the end of April to the beginning of last December.

In regard to the collieries, the men had worked well, and possibly at no time had the colliers' earnings in this district been better than was the case in the past year. In regard to Brown's Collieries, the output had been larger than in any of the past seven years, the demand there being largely due to export. It was only right, however, to bear in mind that the extensive exportation which they went through a short time ago was not likely to continue.

In regard to future trade, serious competition might be expected, not only from Germany and France as they settled down to regular work, but also from America, and an increase in the cost of production of coal in this country would mean reduction in the quantity exported.

RESULT OF YEAR'S OPERATIONS.

The result of the operations for the year was much the same on the whole as for the previous year, and this had only been possible by accepting orders which, with a moderate share of standing charges, left in many cases no profit whatever, but the policy of the board was to find employment for as many departments and men as possible. In the meantime, in the hopes of better times coming, the plant was being maintained with the same object, so that they could hope for the coming of better times, and they would be able to deal with any requirements which might come forward. The year's profits had been considerably assisted by the earnings of the subsidiary companies in which they were interested. Without them the dividend now proposed would not have been possible.

With regard to the current year, he was not proposing to make any prophecies. Times were not looking too rosy, neither here nor abroad, but they were often told in the Press that trade was improving, that trade was in effect good, but he could not agree at all times with what they read. No doubt, if the situation on the Continent were cleared up some certainty in foreign relations might be expected. There was little doubt that there was a considerable amount of work still to be placed in the engineering line, if only confidence could once more be thoroughly restored, but, as they all knew, the troubles they had met with from time to time—labour troubles and one thing and another—had destroyed much confidence with friends who ought to be their customers.

The report and balance-sheet were adopted.

EASTERN TELEGRAPH COMPANY, LIMITED. NEW PATENT WIRELESS COMPETITION.

The annual meeting of the Eastern Telegraph Company, Limited, was held, on the 24th instant, at Electra House, Moorgate, London, Sir John Denison-Pender, G.B.E., K.C.M.G., chairman of the company, presiding.

The Chairman, in moving the adoption of the report and accounts, said: The accounts now before you show a net reduction in gross revenue of about £437,000, against which, I am pleased to say, there has been the substantial reduction in the working expenses of £396,000, so that the net profit is only £41,000 less than the preceding year—a result which, in view of all the circumstances, I think you will deem satisfactory, for while we are still paying the same dividend as paid for the preceding four years, we have been able to make a contribution of £300,000 to the general reserve fund and to carry forward to next year's account £521,423. Regarding this decrease of £437,000 in the company's revenue, a certain amount of this may be attributed to the reopening of the Indo-European Telegraph Company's overland route to India, and the remainder to trade depression spread over the whole of the company's system. It is, I think, most gratifying to find that the substantial decrease in working expenses is reflected in practically

every item in the company's revenue account; the larger amount, however, is due to the withdrawal of allowances temporarily granted to the staff on account of the economic conditions arising out of the war, and here I may say that this has been loyally accepted throughout the service.

EXPENDITURE ON NEW CABLES.

The £300,000 which has been allocated to the general reserve fund out of the profits of the year has been charged out on the other side of the general reserve fund account in respect of expenditure on new cables, &c., held in suspense, to which I referred at some length at our last meeting, but you will see by reference to the balance-sheet that there still remains about £1,350,000 to be dealt with in future years. I must remind you that we have, in conjunction with the Eastern Extension Company, incurred the heavy expenditure of about 5½ millions since the termination of the war on account of a new line of cables to the East, and on important renewals to our existing sections to improve our service generally, of which sum this company only applied to its stockholders for £1,000,000. It has again not been necessary to make any addition this year to the amount set aside in the past for investment fluctuation, as this account shows a surplus of £372,000.

Last year I referred to the fact that, owing to the excellent margin of capacity for traffic, we were reducing the number of our repairing ships with a view to economy. During the year the cable-ship "Electra" was sold for breaking up, and the cableship "Britannia" was placed out of commission, and is now being used at Zanzibar as a hulk in the place of shore tanks for the storage of stock cable; both these ships were 38 years old. Our new cable-ship, the "Mirror," was placed in commission in the Red Sea during the year, having been built on approved modern lines, with oil fuel, &c., by the eminent firm of John Brown and Co., of Clydebank. You will, therefore, see that we have reduced the fleet by one ship in the hope of effecting economies without impairing efficiency, the full result of which, however, cannot be reflected in the current year, as the "Electra" was not sold until November.

DAILY LETTER TELEGRAMS.

On September 1st a new service of reduced rate telegrams was introduced, known as daily letter telegrams. These messages are accepted on any weekday, and are charged for at one-quarter of the ordinary rate, delivery being effected after 48 hours from the time of handing in. So far as we are able to judge up to the present, they have had little adverse effect on the full-rate and deferred traffic. The time in transmission is now, I am glad to say, back to the pre-war standard, and in many cases considerably improved since that time, and we are sparing no effort to effect an even greater improvement over the high degree of efficiency which had been reached prior to August, 1914.

As a proof of the efficiency of the service, it will be within your knowledge that on the occasion of the opening of the Wembley Exhibition his Majesty the King sent a message round the world which was transmitted outward over the lines of the Imperial and Pacific British route to Australia, and homeward by the Eastern Associated companies, a total of 31,560 miles, in 80 seconds, 17,000 miles of which were over the cables of these companies. The result of the Derby transmitted by these companies beat all previous records by reaching India, South Africa, and South America in 15 seconds, Hong Kong in 30 seconds, and Australia in 60 seconds, 15 seconds, I think, that our service is second to none. Special arrangements were, of course, made for the transmission of these messages, which, in common with all other messages, were dealt with by automatic apparatus throughout, except at the two extremities, where, obviously, human agencies were involved.

OPERATIONS IN TURKEY CEASE.

I regret to inform you that we have recently found it necessary to cease operations in Turkey. A dispute has arisen over a sum of over £100,000 due for terminal rates at Smyrna during the hostilities between Turkey and Greece, and the amount is claimed by both parties. We have repeatedly conveyed our desire to pay over this sum, which has been provided for in our accounts, immediately to the rightful party to be settled by international arbitration. Neither country has agreed to this course, though the matter has been pressed through the diplomatic channels. Turkey is proceeding against us in her country for the recovery of this amount, and Greece threatens to take similar action. Turkey has, however, closed our offices in her territory, and we have, therefore, had no alternative but reluctantly to terminate the engagement of the Turkish staff and withdraw from the country. I do not think, however, you need feel perturbed, as the present profit derived from the Turkish traffic, after paying expenses, does not materially affect our revenue either one way or the other, although, on sentimental grounds, we, of course, regret that associations which have been so cordial during practically the whole of the company's history should have been terminated, whether temporarily or permanently, through no fault of this company.

You are doubtless aware that the South American traffic of the Western Telegraph Company is partially dealt with by this company, and for some time past messages to and from this destination

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exchanged with Paris and Northern France have been subject to considerable delay on the French land lines, thus placing the Associated companies at a disadvantage when competing for South American traffic. This company, therefore, opened negotiations with France for obtaining a special wire between Paris and London, which up to the present has been refused. Representations have been made in the proper quarter, and we feel very strongly that as special wires are accorded by the British Post Office to the French cable company competing in this country for South American traffic, corresponding facilities should be granted to a British company in France. We are, however, still pressing for this facility. Direct communication was established between our main instrument room in London and Emden, in Germany, on February 12th of this year. This cable will temporarily take the place of the cable communication formerly existing between Emden and our station at Vigo, in the North of Spain, and again places the company in direct communication for German cable traffic on to our system.

NEW PATENT AND THE POST OFFICE.

During the past year the Associated Companies acquired the rights of a patent for super-imposing another means of communication on the existing cables. This new invention of super-imposing enables us to send an additional message at the same time in one direction, so that you have on one copper wire two messages going one way and one message coming the other way at the same time, thus providing a third channel on an existing cable with small additional expense. As you are doubtless aware, your company rents from the Post Office seven underground wires between London and Cornwall, for which we pay over £17,000 per annum, and we naturally assumed that the use of this invention on the existing wires leased from the Post Office would be permitted by them without additional charge. We have received, however, an intimation from the Post Office that they will have to make an additional charge based on the standard rates of rental. Correspondence has taken place with the Post Office on this subject, and we have no doubt that in the course of negotiations this matter will be settled to our mutual satisfaction.

We have a direct tri-core cable route of our own between London and Belgium, and one of these conductors could be utilised for direct working with Holland, with a considerable benefit to ourselves and to the telegraphing public. The Netherlands Government are quite agreeable to the use of this route for Dutch traffic exchanged with all parts of the Eastern Associated Companies' system, but I regret to say that the Post Office debar us from transmitting this traffic over our own line, although we have offered to pay them a special rate. Consequently we have been forced to use the land-line route via Marseilles, where our cables land, through France to Holland.

WIRELESS COMPETITION.

For some years past, at these meetings, it seems to have been expected that I should make some statement concerning wireless. Nothing has transpired since last we met to alter in any way the opinions which I have previously expressed. There is little doubt that though wireless has demonstrated its great practical value in very many different ways, it still remains true that the submarine cable, with its world-wide privacy of transmission and freedom from atmospheric disturbances, is the most reliable, swift, and secret method of international communication. I can only state with confidence that the Associated Cable Companies to-day are more highly efficient in every way than during any other period in their history, and the efficiency of to-day must in future years continue to improve as it always has in comparison with the past.

The report and accounts were carried.

GREAT INDIAN PENINSULA RAILWAY COMPANY, LIMITED. **MATERIALLY IMPROVED RESULTS.**

The 149th half-yearly general meeting of the Great Indian Peninsula Railway Company was held, on the 27th instant, at 48 Copthall avenue, London wall, London, Sir Chas. H. Armstrong (chairman of the company) presiding.

The secretary (Mr R. H. Walpole) having read the notice convening the meeting,

The Chairman, in moving the adoption of the report and accounts, said that the position of the railway had improved very materially, and surplus profits had been earned. Gross earnings, it was true, were 20½ lacs, or 1.36 per cent. less than in 1922-23, but, on the other hand, expenditure had declined by 132 lacs, or 11.73 per cent., and that had resulted in net earnings of about 490 lacs, as against 378 lacs a year ago, an improvement of 111½ lacs, or 29.54 per cent. Gross earnings a year ago of just over 15 crores had been a record, and, although they had not earned quite as much during the past year, they were over a crore ahead of 1921-22, and 6½ crores better than 10 years ago. The steady growth of traffic during the past decade was very encouraging, and, although increased receipts of the past two years were due, in some measure, to higher rates and fares, there could be little doubt that traffic was steadily increasing, and, if trade conditions were favourable, it would continue to increase. After taking into account the interest charges on debentures and advances and loans from the Secretary of State, there was a profit of a little over 89 lacs, of which the company's share for distribution was one-twentieth. They proposed to pay a dividend of ½ per cent., in addition to the 1½ per cent. guaranteed for the six months, which made a total dividend for the year of 3½ per cent. Out of surplus profits they were carrying forward a balance of over £10,000, as their contract with the Secretary of State ended a year hence, and certain expenses and adjustments might have to be provided for in their final account.

PASSENGERS CARRIED.

They had not carried as many passengers during the past year as they did in 1922-23. The decline in numbers of 1½ millions, or 3.3 per cent., was spread over all classes, but had been particularly heavy in the first class and second class. Passenger traffic had been affected undoubtedly by trade depression, and the effect was greater in the first and second classes. The total number of passengers carried during the year was 39½ millions, against nearly 41 millions in the previous year, and their total receipts from coaching traffic were less by 11½ lacs. The falling off in passenger traffic had occurred almost entirely in the first six months of the year, the figures for the last six months showing only a slight decline. The improvement had continued since the year ended, and, if there was again a good monsoon, he looked for a steady increase in numbers as the year progressed.

The heavy decline in expenditure was the result of a very exhaustive inquiry into the working of all departments, which had enabled them to effect many economies. The decrease was mainly due to changes and reductions in the staff, to the cessation of various allowances, to economy in the use of stores, and to less expenditure on many things. One of the most important factors of that reduced expenditure had been the successful working of the new transportation and commercial departments.

THE CURRENT YEAR.

As regarded the current year, all he could say at present was that for the first two and a-half months they were ahead of last year's traffic by 26 lacs of rupees. The future depended to a very great extent on the monsoon, which set in quietly in Western India about 10 days ago. If good harvests were again reaped, trade ought to improve, and if so, traffic might continue to expand. An increased export trade was, however, largely dependent on more settled conditions in Europe and improved exchanges, which did not seem very likely at present. Stocks of imported articles were running down, and, as supplies must be kept up, a steady trade in most things was likely if the monsoon gave good rain all over the country. The import trade of the country must, however, to some extent be affected by the high Customs tariff which now prevailed. India, although a rich country collectively, was relatively poor individually, and, if the cost of necessary articles was unduly enhanced and the cost of living thereby increased, the general trade of the country, both import and export, must suffer. In some directions India was now drifting to extreme protection, and the Tariff Bill, lately passed, giving excessive protection to the steel industry, was bound to have an injurious effect on the general development of the country. The railway could not expect to benefit from changes of that character, which would affect the cost of construction and repairs, besides limiting, in all probability, the volume of the traffic which it would have to carry.

The report and accounts were unanimously adopted.

CONSOLIDATED LONDON PROPERTIES, LIMITED. **IMPROVED FINANCIAL POSITION.**

MR PODMORE'S CRITICISMS OF PROPERTY LEGISLATION.

The ordinary annual general meeting of the Consolidated London Properties, Limited, was held, on the 26th instant, at the Cannon street Hotel, London.

Mr J. H. Podmore (chairman and managing director) presided. The secretary (Mr J. H. White) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: Gentlemen,—In the revenue account gross rentals show an increase of £10,901. The greater part of this is the result of reletting St. Stephen's House, and was anticipated in my remarks last year. Cost of upkeep, which in 1923 showed a reduction of £6,444 over the previous year, is up £3,135, and the balance of rents is £8,312 more than last year. Dividends on investments, which is a net figure, income-tax being deducted, are up £1,394.

May I here refer to Press criticisms on these accounts? They say nothing is added to the reserve fund. The fund to which they refer is completed, £40,000 being the sum required by the trust deed. The statements ignore our other funds. Actually, we have increased the allocations to reserve.

APPROACHING REVALUATION.

The approaching quinquennial revaluation will disclose what is necessary for the Temple Chambers reserve consequent upon the Corporation of London's Reclaimed Land Act, 1920. Our capital loss is the greater because any new revenue is subject to income-tax while the rate liability is not. We have, therefore, to provide a gross income substantially in excess of the extra burden of rates. We also make a substantial addition to the contingency reserve before showing the final balance, because we know that it is only by care that we can hope to maintain the proposed dividend.

The casual critic may think our prospects go beyond this, but I would warn the shareholders that the greatest care is necessary if we are to maintain our past 15 years' record of a justifiable dividend with prospects of improvement. We are paying the largest dividend which, in our opinion, the actual position justifies. We are rapidly approaching the highest point of our earning capacity. There are still some empties at St. Stephen's House, and gross rents may again go up this year, but 1925 will bring the end of this quinquennium, introducing the new rateable liability of Temple Chambers, and probably a return to the pre-war conditions; *id est*, rates, instead of falling year by year, will have reached the lowest level and follow previous experiences of a gradual rise. These are points which suggest the greatest difficulty in the approaching revaluation, which will decide the actual prospects for another five years. We propose to pay a final dividend this year of 6 per cent., making 10 per cent., as against 8 per cent. last year, and carry forward £10,777 16s 5d, an increase of £4,200 2s.

RECENT LEGISLATION.

At the recent meeting of the City and West-End Properties I spoke at some length on the subject of the Rents Act, the new Rating Bill, and the Rating of Land Values. I will try not to repeat myself.

The *Financial News*, commenting on the meeting, said: "If it is true that the road to the infernal regions is paved with good intentions, it is also often the case that a legislative measure, prompted with the genuine idea of bringing about reform, produces exactly the opposite result in practice." Take the Rents Act: it was introduced to prevent profiteering in rents and to assure a reasonable rent being demanded and paid. Let me quote two cases. A 21-years lease expired in 1913; the tenant was ill and called on the landlord, pleading for a renewal at a reduced rent. When the lease was first agreed rates were 5s in the £. The landlord asked for an addition to cover increased rates, but was told that the tenant could not pay the then rent. A short agreement was arranged in the spirit of philanthropy. The old man became a tenant under the Act and died; the executors were offered a large premium for possession and accepted. Another case: a lease expired and the tenant called upon the landlord for a temporary renewal. The landlord refused, having an offer of £90 per annum over a period of years. The tenant then offered £120 for one year, and it was accepted. This Act then operates and says the rent is not £90, but £120.

Because the landlord in the one case was considerate he is penalised under the Act, and in the other case future tenants are invited to pay on the basis of what was never considered a rental value, and the tenant seeking accommodation is in both cases induced to pay more than could reasonably be asked or paid—the one by way of premium and the other as rent—while the landlord in neither case gets a true rental value. I suggest that,

excepting weekly or monthly tenancies, it would be difficult to find any "standard rent" which was a true rental value if the premises had been let on lease at inclusive rents. Certainly, so far as flats are concerned, the Act ignored altogether the basis on which rent is calculated.

NEW RATING BILL AND FLAT OWNERS.

As to the new Rating Bill, I wonder how many people realise that, as drafted, the owners of flat properties were deprived of all control over their rateable liability? The words in the old Act, "Expenses necessary to maintain the hereditament in a state to command the rent," are taken out of the Act with the declared intention to "abandon maintenance allowances as such," and flat properties put into a special class where, gross value being fixed, the rateable liability is to be determined by a committee largely composed of the spending authorities, who are told to have "regard to" the deductions "customarily allowed" and the "desirability of securing uniformity of deduction." I have fought so many cases that I can picture the position of the appellant when confronted with a statement that "regard" had been taken to these two points and the decision arrived at was final. The appellant would realise that an appeal was a farce, the rateable liability being entirely at the control of the spending authorities, with no law to prevent a valuation bringing ruin in its train.

I know the officers in charge of the Bill had not realised what the Bill did for flat properties, because, when I went to Whitehall to discuss it, they said so, and it is the more extraordinary that critics are content to object to the clause in the Bill without directly stating the grave consequences which would result.

The authors of the new Rating Bill have deliberately or accidentally proposed legislation which would take the ground from under our feet, but I hope and believe it is not too late to get amendments which will give justice to flat properties, and enable us to keep in a healthy condition those properties which lay golden eggs for local authorities and bring comfort to all crowded districts like London.

LAND VALUATION BILL.

I will only refer to the Land Valuation Bill by repeating previous comments. The proposal, so far as I understand it, would in no way carry out the objects of the author, but, if legislation is required, and it is just to give compulsory rights for the purchase of title rent charges, why not give the same for ground rent charges? It would be a great encouragement to those who wish to build and are discouraged by the leasehold rights which finally deprive the building owner of his property.

In conclusion, may I congratulate the shareholders on this the twenty-fifth report and statement of accounts, and repeat that the improved position of the company is not so much demonstrated by the increased balance of the revenue account as by the reduction in debenture liability and on the increase in those investments, which, with a 4s 6d income-tax, produce £3,962, as against the position, say, 15 years ago, when the debenture liability was upwards of £150,000 more, and the investments, with a tax of 1s, produced £788.

When considering the increased dividend you must appreciate the fact that the completion of the reserve fund necessarily enabled it to be doubled. If you take the 4 per cent. paid for the year 1913-14, double it, and allow for the increased funds available from income on investments, you will see that the 10 per cent. is what we may reasonably expect to pay and to maintain.

The motion was seconded by Mr William Warren, and carried unanimously.

The formal business was duly transacted, and, to mark the "silver wedding" of the company, a sum was voted for division among the directors and staff.

Approval was unanimously given to a resolution for the establishment of a staff superannuation fund.

HUDSON'S BAY COMPANY. **IMPROVED RESULTS AND PROSPECTS.**

A general court of the Governor and Company of Adventurers of England trading into Hudson's Bay was held, on the 25th instant, at Cannon street Hotel, London.

Sir Robert M. Kindersley, C.B.E. (the governor), said that in the profit and loss account the profits of furs, salesshops, and Winnipeg head office had been combined in one item, and amounted to £292,164, compared with £283,796 last year. Receipts from interest on instalments and rents, less taxes and collection expenses, were reduced from £110,655 to £94,755, while interest received on loans and investments had increased from £9,495 to £15,280. In the land account the total taxes amounted to £251,621, against £255,736 last year, a reduction of, roughly, £4,000. The land accounts included only 10 months' receipts, the alteration having been made in order to bring the stores and land accounts into line, but taxes for the period of 12 months had been paid and included. Cash received from sales was £215,546, against £267,896, due to

depressed conditions. The net result was a loss on the land account of £24,710, and this they proposed to carry forward, as it was really due to the adjustment of the receipts to 10 months instead of 12. There would be a credit balance carried forward on trading account of £98,350. In the balance-sheet the funds and reserves had increased from £1,064,885 to £1,108,182. The profit and loss balance amounted to £310,417, against £328,440, and adding £110,849 brought forward, there was an available total of £421,267. The directors recommend a final dividend of 5 per cent. and a bonus of 5 per cent., making a total distribution from trade of 20 per cent.

FUR TRADE.

With regard to the fur trade, the total collections had been somewhat smaller, chiefly owing to climatic conditions and increased competition. On the other hand, taking the year as a whole, the prices realised were slightly better than those of the previous year. Their Fur Trade Commissioner was of opinion that all indications pointed to a smaller collection during the present year, partly because of the periodic diminution in fur-bearing animals, which observation had shown occurred in cycles of about seven years, and partly because of the greater activities of the itinerant trader. The directors were informed that during the present year the Council of the North-West Territories, in conformity with all other provinces of Canada, would impose a tax on the export of furs. The company had recently taken an opportunity of acquiring, on favourable terms, the entire assets and interests of Messrs Lamson, Limited, who had a number of fur-trading posts in the Mackenzie River district, and of the Alberta and Arctic Transportation Company, who operated a transport service on the Mackenzie River.

LAND DEPARTMENT.

With regard to the land department, while the results were again disappointing, the directors were able to report a slight improvement in sales effected. The total acreage sold during the 10 months covered by the report was 27,374, at an average price of £2 16s 11d per acre, which compared with 24,976 acres sold during the preceding 12 months at an average price of £3 0s 3d per acre. The prospects of the land department appeared to be somewhat more encouraging than they were a year ago, and although they were a long way from normal conditions, it seemed reasonable to anticipate continued improvement. Townsite sales during the 10 months amounted to £6,190, as compared with £15,893 for the preceding 12 months. The taxes on townsites were £47,212, as compared with £51,808. He was pleased to state that the Federal Government had disallowed the Mineral Taxation Act imposed in Alberta. In doing so they had taken a wise step, which should tend materially to improve the prospects for investment and enterprise in the Western Provinces. Signs were not wanting to encourage the belief that the increasing and insistent demand for economy and retrenchment would lead to a change in the policy of Federal and Provincial legislatures with regard to land taxation. On January 31st last the unsold lands in the company's possession amounted to 2,862,412, as compared with 2,804,517 acres on March 31, 1923. Instalments of principal and interest to be received on sales amounted to £3,030,289, as compared with £3,605,651. As to the question of grants from the Dominion Government of further lands which the directors regarded as being still due to the company under the terms of the deed of surrender, they had had several conferences with the authorities at Ottawa, and negotiations were still proceeding.

The indications of a more active policy in regard to immigration on the part of the Canadian Government, to which he referred a year ago, had materialised. This change of policy must have a favourable effect, not only on the sales of the company's lands, but also on the business done in their salesshops. All the figures reaching the directors, both in regard to the land and the stores, pointed to some improvement in the current year. The basis of recovery, however, could not be permanent until the affairs of Europe were settled.

The report and accounts were unanimously adopted.

EASTERN EXTENSION AUSTRALASIA AND CHINA **TELEGRAPH COMPANY, LIMITED.** **DECREASED WORKING EXPENSES.**

The annual general meeting of this company was held, on the 26th inst., at Electra House, London, Sir John Denison-Pender, G.B.E., K.C.M.G., presiding.

The Chairman referred at the outset to the great loss the company had suffered by the death, after a short illness, of Sir Albert J. Leppoc Cappel. As a director, he had, he said, always taken a very keen interest in the company's affairs, and the board deeply regretted that his charming personality and great business knowledge would no longer be present with them in their deliberations.

Continuing, the Chairman said: It is true that, as compared with 1922, gross revenue shows a decrease of £166,705, but this is not as great as was anticipated at the beginning of the year under review. There has, however, been a sensible decrease in working

expenses, mainly in cable expended on repairs, and in relief from the items of expenditure mentioned in my speech of last year; the net decrease amounting to £90,285. The balance we have to deal with, including the carry forward from 1922, amounts to £1,062,244. From this sum £250,000 has been placed to the general reserve fund, £400,000 paid in dividends, and £412,244 has been carried forward.

EXPENDITURE ON NEW CABLES.

I would draw attention to the fact that since 1913 we have laid 7,200 miles of new cable, namely, the Singapore-Hong Kong, Colombo-Penang (original and duplicate), Madras-Singapore, and Singapore-Batavia (duplicate) sections, at a total cost of £2,158,370. We have acquired new offices at Adelaide, Melbourne, and Sydney; quarters for staff at several stations, costing £528,387, and this has been done by augmenting the capital only to the extent of one million pounds, the balance having been met from revenue. The time having come to part with our cable steamer *Recorder*, after 40 years of excellent service to the company, your directors have made provision in these accounts for her replacement by placing to the maintenance ships' reserve fund the sum of £100,000, which will be approximately the cost of the oil-fuel vessel now being built by Messrs Alexander Stephen and Sons, Glasgow. This vessel is expected to leave England for Singapore towards the close of this year.

It is pleasing to note a reduction of £33,863 in the expenditure on partial duplication and renewals of cables, which indicates that the arrears of such work have now been practically cleared off. All our cables are in good order, and interruptions during the past year have been comparatively few. I may here mention that on 23 occasions of interruptions the maximum time taken in effecting repairs was 6 days 22 hours. On one other occasion it was 11 days 4 hours, the position of the interruption being 1,560 miles from the repairing steamer's home port, Singapore. I think you will agree with me that the greatest credit is reflected on all concerned. These interruptions, however, caused no delay in the transmission of our traffic.

GENERAL RESERVE FUND DEBIT

You will also notice that the sum of £75,717 has been debited to the general reserve fund as a capital loss on the abandonment of the Hong Kong-Haiphong cable. I would explain that this cable was laid in 1884 with the object of providing a duplicate means of communication between Hong Kong and Cape St. James, there being a French Government cable between the latter place and Haiphong. The Hong Kong-Haiphong Section (consisting of 107 nauts of new and 374 nauts of re-served cable) was laid through the Hainan Straits, which proved to be a most unhealthy spot for a submarine cable. "Fish-hook" and "Teredo" faults were ever recurrent, entailing frequent repair work. Having now three means of communication between Singapore and Hong Kong, namely, one direct, one via Labuan, and one via Cape St. James, your directors decided to abandon the Haiphong connection, which has always been costly in maintenance. The complete duplication of our Singapore-Batavia Section has not yet been effected; only a distance of seven miles for the shore end at Batavia remains to be completed, for which landing rights are still being awaited from the Netherlands Indian Government.

The Eastern Associated Telegraph Companies have undertaken to participate in the Guarantee Fund of the British Empire Exhibition (1924) to the extent of £5,000. It has not been usual to specify in our accounts donations and subscriptions made year by year to charitable institutions and otherwise, but in this case, the sum being considerable, we consider you should be informed. As you are no doubt aware, many of the large commercial companies, firms, and individuals have joined a guarantee for this great Exhibition.

The Hon. George Peel seconded the motion, which was unanimously agreed to.

BANK OF ADELAIDE.

The fifty-eighth annual meeting was held at the head office, Adelaide, on May 7, 1924. The chairman, Mr Arthur Waterhouse, presided.

The Chairman said that the balance of profit and loss account shows an increase of £28,324, largely due to the employment of the fresh capital supplied by the shareholders in 1922. Deposits increased £290,248, notwithstanding the repayment of Government funds previously held. The increase was mainly due to receipt of proceeds of wheat, wool, and other products. On the credit side liquid assets have changed somewhat in detail, but the net result is an increase of £95,223. The total at date of balance-sheet was £3,315,369, which represents 10s 1d in the £, or 50.5 per cent. of the total liabilities of the bank to the public—being practically the same as last year.

Bills receivable and all other advances show an increase of

£207,244, due to new business and the increased requirements of the business. Owing to the general demand for farming land, a number of advances which were considered doubtful have during the year been cleared up or placed on a satisfactory footing, and it gives me pleasure to tell you that the business of the bank is on a very sound and satisfactory basis. Our branches in Melbourne, Sydney, and Perth are most valuable adjuncts to the bank, both in profits earned, in service rendered, and in extending our business connections.

The market for this season's wool clip has been very strong, and the prices obtained phenomenal. On the statistical position it seems as if, for some time to come, the demand will exceed the supply, and, therefore, high prices may be expected to continue. The wheat market has improved, and the outlook at present is more favourable. As, however, exporting countries overseas have large surpluses estimated at from 250,000,000 to 400,000,000 bushels to carry over to next year, and as Russia is likely to again become a large exporter in the near future, farmers should not too confidently look for a high price for wheat next year.

The report and accounts were adopted.

WESTERN AUSTRALIAN BANK.

The one hundred and sixty-fifth half-yearly meeting of the Western Australian Bank was held, on May 7th, at the Banking House, St George's terrace, Sir E. H. Wittenoom, chairman of directors, presiding.

The Chairman stated that it must not be overlooked that the bank had had to deal with more capital than previously, and also provide dividends on the 50,000 bonus shares given to shareholders last year, on which no money was paid up, so that, under such circumstances, to be able to declare a bonus of 2½ per cent., as well as a dividend of 17½ per cent., could not be considered otherwise than gratifying. In addition to this, an amount greater than last half-year had been carried forward. The net profits, after making all the usual provisions, amounted to £39,195, being £4,924 more than in September last, and £7,347 more than in March, 1923, and the amount carried forward, £32,540, being £1,396 more than in September, and £4,592 more than in March, 1923. Deposits were £3,551,500, being £233,311 more than in September last, and £90,421 less than in March, 1923.

The pastoral industry was in anything but a satisfactory position. Rain was badly wanted (in some localities more than others), but particularly in those where large numbers of lambs were expected. Fortunately for those who had them, the prices obtained for both fat sheep and cattle were remarkably good; so much so that the retail price of meat was abnormally high. Wool continued to be in good demand, and the various sales held during the last season had been most satisfactory, whilst the prospects for the future left little to be desired.

Rain was now needed for the agricultural industry, and it was unusual to find it so late as the present date. The present harvest resulted in nearly 20,000,000 bushels of wheat, giving an average of almost 12 bushels per acre. In addition, a good acreage was planted with oats and hay, with satisfactory results.

The report and accounts were adopted.

UNION CORPORATION, LIMITED.
GOOD RESULTS—RECORD PROFIT.

The ordinary general meeting of the Union Corporation, Limited, was held at Johannesburg on May 30th, Mr P. M. Anderson presiding.

The Chairman said that the year 1923, whether looked at from the point of view of the net profit made or the value of the assets after deducting liabilities, constituted a record. As compared with the previous year, the gross profit, after allowing for writings off, commissions and bonuses, advanced from £284,412 to £336,416, the expenses fell from £42,288 to £35,117, and the net profit rose from £242,124 to £301,299, or by 24 per cent. After increasing the year's dividend from 3s to 4s, requiring £280,000, they carried forward £81,296, as against £79,996 brought into the account.

If they would refer to the balance-sheet and allow for the additional £20,000 since transferred from profits, they would see that they had £222,376 on ordinary reserve account and the exploration reserve account of £10,000, which, added to the "carry forward," made a total of £313,672, equivalent to 36 per cent. of the capital. The share and debenture holdings had increased by £132,573 during the year to £1,241,245, mainly as the result of the increased interest in the San Francisco Mines of Mexico, Limited, in which they had now an important holding. During the year there was market value of these holdings showed as compared with the prices at which they stand in the books.

The past year's operations of the two gold-producing companies on the Far Eastern section of the Witwatersrand in which the corporation was very largely interested were most gratifying in every respect. The settled labour conditions which obtained during

the period enabled the managements and the men to give undivided attention to their work. This state of affairs resulted in an all-round improvement in output and operating costs.

MODDERFONTEIN DEEP LEVELS.

The Modderfontein Deep Levels crushed 525,000 tons, which was a record for the mine; and the profit earned, apart from the premium on gold, was substantially greater than in any previous year. Working costs per ton milled were 17s 5d, which was an improvement of 4s 7d compared with 1921. The reduction of 1s 7d last year was more than sufficient to offset the fall in the gold premium and a fractional decrease in the yield per ton milled. The gross profit of £828,945 was £135,831 greater than for the previous year, and the dividend of 140 per cent. was 20 per cent. higher, while the credit balance of the appropriation account carried forward was increased to £135,872.

GEDULD PROPRIETARY.

The improved results achieved by the Geduld Proprietary Mines were mainly due to the successful working of the enlarged reduction plant, which permitted of a scale of operations well over 50 per cent. greater than in the previous year, the tonnage milled being 722,500 tons, as against 460,700 tons. Working expenses averaged 19s 4d per ton milled, which was 1s 1d and 4s 3d less than in 1922 and 1921 respectively. The net result was that the accounts showed a gross profit of £486,201, or £163,576 more than in 1922. The dividend distribution for the year was nearly 70 per cent. greater than for 1922, and the amount carried forward in the appropriation account was increased by £33,716 to £151,936.

A further extension of the reduction plant to a capacity of 75,000 tons per month was in hand, and was expected to be completed about the end of the current year.

SAN FRANCISCO MINES OF MEXICO.

The operating profits of the San Francisco Mines of Mexico, Limited, showed a further substantial improvement, and they had no doubt that when the results for the financial year to September 30th next were known they would show a large advance on those for the past year, and enable a substantially higher dividend to be declared. Metal prices were favourable, and though the enlargement in the scale of work had not been as speedy as they had hoped, the metallurgical practice, on which a great deal depended, had quite recently shown a marked advance. The size of the property had been augmented by the acquisition of claims on the continuance of the main vein at both ends, thus adding to the future resources of the mine, and development was proceeding satisfactorily.

The report and accounts were adopted, and Earl Buxton, P.C., G.C.M.G., Sir Robert S. Horne, P.C., G.B.E., K.C., M.P., and Mr Joseph Temperley were re-elected directors.

GUEST, KEEN AND NETTLEFOLDS, LIMITED.
THE CHAIRMAN ON COLONIAL PREFERENCE.

The ordinary general meeting of Guest, Keen, and Nettlefolds, Limited, was held, on the 27th instant, at Birmingham, Mr Edward Steer (the chairman and managing director) presiding.

In proposing the adoption of the report and the payment of a dividend on the ordinary shares at the rate of 10 per cent. per annum, free of tax, the Chairman said the most important event during the year had been the purchase by the company of practically the whole of the ordinary shares in the South Wales colliery undertakings of D. Davis and Sons, Limited, and Consolidated Cambrian, Limited; they also owned Cambrian Buildings. In the opinion of the directors, the terms upon which the amalgamations had been carried out were fair and reasonable, and they looked forward to satisfactory results from this combination and extension of their coal interests.

FATE OF THE NATIONALISATION BILL.

What the coal trade wanted most of all was an assured peace and lower costs to face competition in the foreign markets. The Nationalisation of the Mines and Minerals Bill, a private Member's Bill, but recommended by the Government, to establish control of the coal mines and miners' wages, recently met its well-deserved fate in the House of Commons. The coal trade of this country had been built up by the courage and energy of private enterprise, and there was not an atom of proof that it would be to the interests of consumers or taxpayers, or of the miners themselves, if the mines were owned and run by the State. On the contrary, Nationalisation would mean higher costs all round inevitably, resulting in the loss of a good proportion of our export trade, and the already overtaxed taxpayer would be left to make up any loss which might accrue in working.

It was gratifying to know that the question of Nationalisation was dead for the life of the present party. Referring to the company's finished manufactures, he said they had come to the important decision to establish a screw factory in Australia, the necessary land having been acquired for that purpose. He reminded the shareholders that the colonies were bent on fostering home

manufactures as far as possible, and that this could only be done by the imposition of import duties on manufactured articles.

The directors had no misgivings as to the results of the company's policy. During the past 12 months trade had had an up-and-down tendency, with more than the usual number of strikes and rumours of strikes, and there was no doubt that the lack of stability had seriously operated against the regular course of business so vitally necessary to the country, and which alone would reduce the large amount of unemployment still existing. Their financial year opened under favourable conditions so far as the coal trade was concerned. The greatly reduced output from the Ruhr mines consequent upon the French occupation caused Germany, France, and Belgium to be short of coal, and they turned to this country for supplies, with the result that the demand for steam coal was in excess of supply, and high prices ruled for the time, but later in the year prices came down to an unremunerative figure. Unfortunately, the first three months of 1924 were a record of disturbances and stoppages. In January the railway strike nearly paralysed transport, and caused some loss of output. In February the dockers' strike caused diversion of tonnage, but in spite of those hindrances, the fear of a colliers' strike in April brought about a heavy demand for coal and increased prices, which lasted up till the middle of that month. The fear of a strike had now passed, but it had had the usual effect on the coal trade. Stocks at home and abroad had been filled up, the latter with the assistance of American coal, and they all knew how much easier it was to drive trade away to competitors than to recover it again. The iron and steel industry, in which Germany was so largely interested, had but slightly improved during the year.

THE FUTURE.

Conditions were still so unstable that he would not attempt to forecast their trade during the present year. Fortunately, they were not dependent on one industry, and in that fact the strength of their position lay. Their most important overseas customers were our own Colonies and Dependencies, and the preference they gave helped to shelter and sustain British trade from the competition of other industrial nations. They meant to hold their own in those markets where the preferences accorded to internal manufacturers did not preclude the possibility of successful competition. Our policy should be to encourage the Dominions to continue, and perhaps to extend, their preferential treatment for British goods, and in his opinion it was greatly to be regretted that a more favourable attitude was not adopted by the Government towards the Imperial economic preference resolutions with a view to maintaining and strengthening the ties between us.

The motion was seconded by Mr N. Seymour Berry, and carried unanimously.

MORTGAGE COMPANY OF EGYPT, LIMITED.
STRENGTHENED FINANCIAL POSITION.

The sixteenth ordinary general meeting of the Mortgage Company of Egypt, Limited, was held, on the 24th instant, at 6-7 King William street, London.

Colonel the Hon. Sidney Peel, D.S.O. (chairman of the London Committee), presided, and, after expressing regret at the death of Sir Henry Babington Smith, said: Our net revenue is slightly less than that of last year; on the other hand, our profits are £4,000 or £5,000 higher, mainly owing to a diminution in the amount to be paid for corporation profits tax. We recommend a distribution of 12 per cent. on the ordinary shares, an allocation

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - Fmk. 257,000,000
Deposits and Cheque Accounts
(Dec. 31, 1923) over - Fmk. 1,800,000,000

132 BRANCHES AT ALL IMPORTANT BUSINESS
CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

of £20,000 to the special reserve, which brings it up to £128,800, and we carry forward an increased amount.

Our balance-sheet, taken as a whole, discloses a rather stronger position than last year, but there is a certain shrinkage in the figures. The total amount which we have secured by first mortgage, including instalments in arrear and interest accrued but not due, is about £70,000 less than last year. On the other hand, property acquired by foreclosure has increased by about £100,000. This may seem a large increase, but it has really not much significance. It is, of course, no part of our policy to hold land, but we have no reason to part with the land we have been forced to acquire except on reasonable terms. During the past year there has been no activity in land transactions, and buyers have been very cautious; but land has always been, and, no doubt, always will be, the principal field for investment in Egypt, and we do not anticipate any real difficulty in disposing of our holding.

There is only one other feature in the balance-sheet to which I need call attention. We have cancelled, after repurchase, just over £775,000 of our debentures; the book profit on these transactions, amounting to nearly £64,000, has hitherto been shown as debenture redemption reserve. As there is no need to retain this account, we have transferred £40,000 to general reserve, bringing it up to the very satisfactory figure of £250,000, equal to our paid-up capital, and the remainder to special reserve, which will then stand, as I have said, after this year's allocation at £128,800.

The general commercial prospects in Egypt appear to be good. The cotton crop for 1923-24 will very nearly reach the figure of 6,500,000 cantars, which is well up to a satisfactory average.

The report and accounts were unanimously adopted.

SPRINGS MINES, LIMITED.

(INCORPORATED IN THE TRANSVAAL.)

INCREASED PROFIT—DECREASED WORKING COSTS.

The fifteenth ordinary general meeting of shareholders was held in Johannesburg on May 26, 1924.

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

The tonnage crushed during 1923 was 648,600; working profit, on standard value, amounted to £548,936, and the net gold premium received was £72,901, or a total working profit of £621,837. The yield during the year averaged 39s 5.08d per ton, standard value, as compared with 39s 4.12d per ton for the comparable period of 1922. Working costs were 22s 5.96d, as against 22s 11.26d, and working profit 16s 11.12d, as against 16s 4.86d.

In the consulting engineer's report you will note the effect of the gold premium on our profits. In 1920 the standard working profit amounted to £166,984, and the gold premium to £275,631, or a total of £442,615, whilst in 1923 the standard profit amounted to £548,936 and the gold premium to only £72,901, or a total of £621,837. In other words, although the gold premium received in 1920 exceeded that of 1923 by more than £200,000, our total profit showed an increase of £183,349. The premium value per ounce in 1920 was 26s 5.8d, whilst in 1923 it had fallen to 4s 9.7d per ounce. In past years the benefit we derived from the gold premium was, of course, considerable, but it is an interesting reflection that the amount received during last year was equal to less than 5 per cent. on the issued share capital of the company.

The yield per ton milled, namely, 39s 5d, is the highest since 1918. The ore stoped from the reserve was about half a dwt higher than the average value, but, on the other hand, the ore developed during the year was also of higher value than the reserve, so that at the end of the year the estimated value of the reserve disclosed an improved grade, while the reserve tonnage itself had been increased by 109,135 tons. Working costs at 22s 5.96d show a further welcome reduction, but, as operations were to some extent hampered by work in connection with the increase in the reduction plant and the necessity of preparing the mine for dealing with an increased tonnage, the improvement was naturally somewhat less than might otherwise have been expected. We are now in a position to supply the plant fully, and working costs are having the very closest attention of the technical staff.

The development footage accomplished during 1923 totalled 20,761 feet, not quite as high a footage as in some previous years, but still sufficient to enable an increase in the ore reserve to be recorded. The total tonnage developed during the year is estimated at 775,600, so that after allowing for the tonnage crushed and certain readjustments in the old ore reserve, the reserve was increased by 109,135 tons to 3,255,352 tons, the value being 8.91 dwts over 58.91 inches.

The revenue for the year exceeded expenditure by £621,371,

which, after adding £45,904 carried forward from 1922, and a reserve of £27,000 set aside for reorganisation of plant but not required for that purpose, increased the total available credit to £994,275. Against this the following appropriations were made:—Union Government and Transvaal Provincial Council taxation, £68,218; Government participation in profits under the mineral lease, £129,155; stores depreciation, £13,771; dividends Nos. 8 and 9 of 12½ per cent. and 17½ per cent. respectively, £438,981; leaving an unappropriated balance of £44,149 to be carried forward to the current year.

Taken as a whole, the outlook for the year is very promising indeed, and should our anticipations prove correct, the results will be reflected in the year's dividend distributions.

The report and accounts were carried unanimously.

BRAKPAN MINES, LIMITED.

(INCORPORATED IN THE TRANSVAAL.)

RECORD PROFIT—FAVOURABLE PROSPECTS.

The twenty-first ordinary general meeting of shareholders was held in Johannesburg on May 26, 1924.

The Chairman (Mr F. R. Lynch), in moving the adoption of the report and accounts, said: After deducting certain outgoings, such as donations, &c., and allowing for sundry revenue, the net revenue for the year amounted to £607,843. If we add the balance of £41,426 standing to the credit of appropriation account at the end of 1922, we arrive at the total available credit—namely, £649,269. Against this sum, the following appropriations were made:—Government taxes, £72,319; Government participation in profits, £79,209; funds set aside for reconditioning plant and machinery, £20,342; dividends Nos. 22 and 23, equal to 42½ per cent., £433,500; leaving an unappropriated balance of £43,899 to be carried forward to the current year.

The profit earned in 1923 constitutes a record in the life of the mine, and is all the more noticeable when one realises that the amounts received from premium on gold in 1920 and 1921 were £343,072 and £265,339 respectively, as compared with £74,718 in last year. These figures are most significant, as they show how much less dependent we now are upon the gold premium than we were in recent years.

Turning now to the technical reports, you will notice that the tonnage milled was 786,100 tons, and that for the last four months of the year we reached approximately the maximum capacity of the reduction plant. The yield per ton at 34s 8d standard value, although rather below the grade treated in 1922, exceeded our expectations, the estimate for the year having been from 32s to 34s per ton. The consulting engineer points out that tonnage requirements, and the fact that some of the higher-grade areas were more immediately available for stoping, resulted in a certain amount of overmining during the year, but, notwithstanding this, the value of the payable ore reserve, as re-estimated at the end of the year, is only slightly decreased by 25 inch-dwts. Working costs, at 21s 5d per ton milled, are 6½d per ton lower than the average for the second half of 1922. The forecast of a further reduction for this year, suggested in the consulting engineer's report, is already an accomplished fact, as, with a tonnage of 76,000 for March, the working costs were returned at 20s 2½d, and a further reduction is confidently expected when the plant additions now in course of erection are completed.

The development footage accomplished for the year totalled 26,625 feet, of which 16,945 feet were on reef, and 16,760 feet were sampled. Of the footage sampled, 9,440 feet, equal to 56.3 per cent., were classed as payable, the average value being 13.82 dwts over 44.83 inches, equal to 620 inch-dwts. The large development footage accomplished is reflected in the ore reserve, which at the end of the year was estimated at 2,552,830 tons, or an increase of 93,550 tons, the value being 8 dwts over 68.93 inches, or 551 inch-dwts.

The report issued to shareholders last April gives details of the operating results for the first quarter of the current year. The monthly tonnages for January, February, and March were 75,000, 70,500, and 76,000 tons respectively, the figures for January and March far exceeding any previous records for the mine. The average working costs for the quarter were returned at 20s 7.94d per ton milled, as compared with an average of 21s 5d for 1923. The average yield for the quarter was 32s 10.64d, which conforms with the expectation of yield indicated by your consulting engineer.

I think shareholders will agree that the results of operations during 1923 have proved very satisfactory. As to the prospects for the current year, given a continuance of favourable conditions, the results for the year 1924 should be even better than those of the past year.

The report and accounts were carried unanimously.

GOVERNMENT RETURNS, &c.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills dated from June 30-July 5 were opened on June 27, 1924, and the total amount applied for was £59,625,000. For bills at three months dated Monday to Friday at £99 4s od, about 31 per cent., and above in full. Saturday at £99 4s 3d, above in full. The amounts allotted were as follows:—In bills at 3 months, £34,145,000; in bonds £855,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
1924.				
May 23.....	35,000,000	62,435,000	3 1 6-3	94 14 6
May 30.....	40,000,000	64,880,000	2 19 4-72	94 13 2-4
June 6.....	35,000,000	61,140,000	2 18 3-52	nil
June 13.....	35,000,000	56,385,000	2 18 3-92	94 13 2-4
June 20.....	35,000,000	47,995,000	2 19 3-39	94 13 0
June 27.....	35,000,000	59,625,000	3 2 9-42	94 13 0

Tenders will be received on July 4, 1924, for Treasury Bonds and Bills to be issued to the maximum amount of £30,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Gold and Coin and Bullion.	Bank of England Notes.	Ratio to Government Securities.	Balance at Bank of England.
1923.							
Mar. 29.....	300,351	14,255	5,000	28,500	19,450	15-9	261,479
June 28.....	295,374	13,338	6,000	28,500	19,650	16-3	254,312
Sept. 27.....	289,127	12,648	7,000	27,000	21,150	16-6	246,456
Dec. 27.....	301,337	12,872	7,000	27,000	21,150	15-9	258,922
1924.							
Mar. 28.....	285,616	12,318	7,000	27,000	22,450	17-3	241,294
June 27.....	285,503	12,517	7,000	27,000	22,450	17-3	241,446
Sept. 27.....	282,784	12,401	7,000	27,000	22,450	17-3	238,596
Dec. 26.....	299,070	12,571	7,000	27,000	22,450	16-5	255,032
1924.							
Mar. 26.....	281,538	11,908	7,000	27,000	22,450	17-6	236,867
June 11.....	293,958	12,536	7,000	27,000	22,450	16-8	249,923
June 18.....	291,808	12,715	7,000	27,000	22,450	16-9	247,970
June 25.....	290,316	12,472	7,000	27,000	22,450	17-0	246,198

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £300,000,000, for 1921 at £317,555,200, for 1922 at £309,988,400, for 1923 at £270,183,800, and for 1924 at £248,190,900.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from	Receipts.	Week Ended	Week Ended
	Apr. 1, 1924, to June 21, 1924.	Apr. 1, 1923, to June 23, 1923.	June 21, 1924.	June 23, 1923.
Balances in Exchequer on 1st April—				
Bank of England.....	5,069,613	5,442,665	..	..
Bank of Ireland.....	1,562,001	1,375,502	..	..
REVENUE.	6,631,614	6,818,167	..	..
Customs.....	22,420,000	29,955,000	1,968,000	3,085,000
Excise.....	29,345,000	35,490,000	5,953,000	7,140,000
Motor Vehicle Duties.....	2,396,000	2,141,000	..	100,000
Stamp Duties.....	14,680,000	11,920,000	1,230,000	990,000
Land Tax, House Duty & Mineral Rights Duty.....	3,040,000	4,250,000	360,000	350,000
Property & Income Tax.....	520,000	400,000	..	10,000
Super-Tax.....	42,107,000	39,663,000	1,068,000	1,215,000
Excess Profits Duties, &c.....	16,840,000	13,720,000	840,000	840,000
Corporation Profits Tax.....	4,290,000	4,990,000	400,000	350,000
Post Office.....	11,400,000	10,600,000	800,000	800,000
Crown Lands.....	200,000	190,000	..	..
Interest on Sundry Loans.....	3,753,978	4,002,077	69,813	..
Miscellaneous.....	3,012,101	4,168,207	320,045	136,255
Ordinary Receipts.....	11,120,078	13,461,815	1,487,113	1,161,155
Special Receipts.....	164,444,157	174,951,999	14,555,971	16,175,410
Revenue.....	171,075,771	181,769,266	..	..
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Bullion.....	..	65,000	..	..
Under the Unemployment Insurance Act, 1921.....	2,970,000	1,510,000	680,000	180,000
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues:—				
Under the Telegraph (Money) Act, 1922.....	..	..	..	..
Under the Unemployment Insurance Act, 1921.....	..	..	..	..
(b) For other Issues:—				
By Treasury Bills.....	528,686,000	548,899,000	44,781,000	39,943,000
By National Savings Certificates.....	6,350,000	11,400,000	550,000	850,000
By 4% Treasury Bonds, 1931-33.....	12,002,488	29,167,571	236,651	..
(d) Ways and Means Advances.....	149,200,000	239,653,502	17,050,000	119,553,500
Repayments:—				
In respect of Issues under Land Settlement (Facilities) Act, 1919 and 1921.....	488,901	42,224	..	..
Total.....	870,773,160	1,012,506,561	77,853,621	176,701,910

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from	Issues.	Week Ended	Week Ended
	Apr. 1, 1924, to June 21, 1924.	Apr. 1, 1923, to June 23, 1923.	June 21, 1924.	June 23, 1923.
EXPENDITURE.				
National Debt Services:—				
Interest, &c.....	111,735,618	124,105,000	16,673,747	1,626,862
Sinking Fund.....	5,543,221	..	500,000	..
Road Fund.....	1,795,044	1,440,044	467,000	..
Payments to Local Taxation Accounts, &c.....	130,000	400,000	50,000	..
Payments to Northern Ireland Exchequer ..	1,048,863	946,666	446,027	319,103
Land Settlement.....	236,731	..	6,376	13,799
Other Consolidated Fund Services.....	335,431	346,674	53,750	53,750
Supply Services.....	75,904,000	70,518,000	6,650,000	7,550,000
Expenditure.....	199,729,906	197,854,587	24,846,900	9,563,514
OTHER ISSUES.				
Temporary Advances:—				
Bullion.....	..	5,000	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924.....	36,891	36,891	..	..
Under the Unemployment Insurance Act, 1921.....	..	30,000	..	..
Issues to meet Capital Expenditure:—				
Under the Telegraph (Money) Act, 1922.....	1,750,000	1,200,000	..	..
Under the Housing Act, 1914.....	1,000	..	1,000	..
Unemployment Insurance Act, 1921.....	1,910,000	1,060,000	..	..
Redemption of Debt:—				
Treasury Bills.....	523,400,000	555,395,000	34,920,000	39,230,000
Principal of National Savings Certificates.....	7,450,000	8,550,000	600,000	550,000
Principal of National War Bonds paid off.....	..	16,829,989	..	100,000
Other Debt under the War Loan Act, 1914 to 1919.....	50	15	..	..
Ways and Means Advances Repaid.....	133,475,000	227,790,500	17,850,000	127,303,500
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911.....	..	55,214	..	..
Balances in Exchequer—				
Bank of England.....	867,751,849	1,008,807,196	78,217,900	176,747,614
Bank of Ireland.....	..	..	..	..
Bank of Ireland.....	2,035,785	2,047,705	40,251	151,998
Bank of Ireland.....	985,526	1,651,660	324,027	197,102
Total.....	3,021,311	3,699,365	364,278	45,104

Treasury, June 23, 1924.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Dec. 31, 1915.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Dec. 31, 1923.	Mar. 31, 1924.	June 21, 1924.
Funded Debt	588	315	315	315	315	314	314	314	314
Term Annuities	30	20	19	18	16	14	14	14	14
3% Conversion Loan.....	..	..	..	..	266	684	683	683	683
3% War Stock	..	63	63	63	63	63	63	63	63
4% War Stock	..	13	13	13	13	13	13	13	13
4% and 5% War Stock.....	2,047	2,040	1,995	1,953	2,095	2,095	2,095	2,095	2,095
National War Bonds.....	1,509	1,476	1,413	1,201	953	994	903	903	903
4% Funding Loan	409	409	406	401	399	400	400	400	400
4% Victory Bonds	360	357	347	335	325	325	325	325	325
Treasury Bonds	..	..	..	453	411	444	444	444	446
Exchequer Bonds	20	323	319	289	185	150	150	150	150
National Savings Certs...	..	267	274	285	342	354	367	366	365
Other Debt*	1,306	1,181	1,132	1,087	1,157	1,149	1,151	1,151	1,151
American Loan (Anglo-French)	..	51	51	..	..	..	..	..	..
Treasury Bills	15	1,107	1,107	1,121	878	616	658	588	594
Temporary Advances ..	1	245	205	142	147	194	202	186	202
	654	8,033	7,829	47,574	7,655	7,742	7,801	7,695	7,738
Other Capital Liabilities ..	46	46	49	66	66	70	71	70	70
Total Liabilities.....	711	8,079	7,876	7,623	7,721	7,812	7,871	7,766	7,738

Comparison with previous weeks :—

1924.	Short Loans.	Bank Bills.			Trade Bills.		
		3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
June 5.....	2 1/2	3	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
13.....	2 1/2	3	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
20.....	2 1/2	3	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
27.....	2 1/2	3	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2

OVERSEAS BANK RATES.

Changed.		Bank Bills.		Trade Bills.	
1924.	%	1924.	%	1924.	%
Amsterdam.....	Jan. 24, 1924 .. 5	Madrid.....	Mar. 23, 1923 .. 5		
Athens.....	Jan. 14, 1923 .. 7 1/2	Paris.....	Jan. 17, 1924 .. 6		
Belgrade.....	Jan. 22, 1923 .. 5 1/2	Prague.....	May 27, 1924 .. 6		
Berlin.....	Sept. 15, 1923 .. 90	Riga.....	Feb. 16, 1924 .. 8		
Brussels.....	Jan. 22, 1923 .. 5 1/2	Rome.....	July 11, 1922 .. 5 1/2		
Bucharest.....	Sept. 4, 1920 .. 6	Sofia.....	Nov. 9, 1923 .. 5 1/2		
Buenos Aires.....	July 5, 1923 .. 18	Stockholm.....	Nov. 9, 1923 .. 5 1/2		
Calcutta.....	June 19, 1924 .. 6	Swiss Bank			
Christiania.....	Nov. 10, 1923 .. 7	places.....	July 14, 1923 .. 4		
Copenhagen.....	Jan. 17, 1924 .. 12	Tokio.....	Nov. 18, 1919 .. 8		
Danzig.....	Mar. 17, 1924 .. 12	Vienna.....	June 4, 1924 .. 12		
Helsingfors.....	Mar. 5, 1924 .. 9	Warsaw.....	(See note below)		
Lisbon.....	Sept. 12, 1923 .. 3 1/2				
New York Federal Reserve	June 11, 1924 .. 3 1/2	Irish.....	July 5, 1923 .. 5		

The Bank Rate of the South African Reserve Bank is 6% for first-class commercial bills (90 days), and 6 1/2% for agricultural bills (of not more than six months).
Warsaw (Poland).—From February 20, 1924, discount rate, gold francs, 12% loans on collateral security, gold francs, 16%.

RATES OF EXCHANGE.

London on	Usance	Par.	June 29, 1923.	June 20, 1924.	June 27, 1924.
Paris.....	francs to £1	T.T.	25.22 1/2	75.20.30	77.90.80
Berlin.....	marks to £1	T.T.	20.43	720/740,000	18.18 1/2 bins.
Venice.....	lira to £1	T.T.	24.02	320/330,000	305/310,000
Vienna.....	krone to £1	T.T.	24.02	147-147 1/2	146 1/2
Warsaw.....	zloty to £1	T.T.	25.22 1/2	22.50.60	22.40.60
Reval.....	Estmk. to £1	T.T.	25.22 1/2	1650-1670 1/2	1650
Riga.....	lat to £1	T.T.	25.22 1/2	22.37.62	22.35.58
Bukarest.....	lei to £1	T.T.	25.22 1/2	875-885	980-1000
Budapest.....	kr. to £1	T.T.	24.02	37000-42000	345,000
Constantinople.....	piastres to £1	T.T.	110	700-725	840-850
Sofia.....	leva to £1	T.T.	25.22 1/2	475-525	590-610
Belgrade.....	dinars to £1	T.T.	25.22 1/2	625-635	360-365
Amsterdam.....	florin to £1	T.T.	17.107	11.70.71	11.59.59 1/2
Brussels.....	franc to £1	T.T.	25.22 1/2	88-25.35	92 1/2-92 1/2
Christiania.....	kroner to £1	T.T.	18.159	27.88.93	32.00.05
Stockholm.....	kronor to £1	T.T.	18.159	17.30.33	16.35.36
Copenhagen.....	kroner to £1	T.T.	18.159	25.93.98	25.93.98
Helsingfors.....	F. marks to £1	T.T.	25.22 1/2	165 1/2-167	172 1/2-173 1/2
Greece.....	drachmas to £1	T.T.	25.22 1/2	145-155	243-248
Italy.....	lire to £1	T.T.	25.22 1/2	103 1/2-103 1/2	100 1/2-100 1/2
Switzerland.....	francs to £1	T.T.	25.22 1/2	25.86.89	24.46.49
Madrid.....	pesetas to £1	T.T.	25.22 1/2	31.45.48	32.21.24
Moscow.....	roubles to £1	T.T.	53 1/2	1-1	1-1
Alexandria.....	piastres to £1	T.T.	57 1/2	1-1	1-1
New York.....	dollars to £1	Cable	4.86 1/2	4.86 1/2	4.86 1/2
Montreal.....	dollars to £1	Cable	4.86 1/2	4.86 1/2	4.86 1/2
Buenos Aires.....	pesos to £1	T.T.	47.62 1/2	41 1/2-41 1/2	41 1/2
Rio de Janeiro.....	pesos to £1	T.T.	16	42 1/2-43	42 1/2
Montevideo.....	pesos to £1	T.T.	51	42 1/2-43	42 1/2
Valparaiso.....	pesos to £1	T.T.	13.33	34.60	40.60
Lima.....	soles to £1	T.T.	10 to 15	44 1/2-45	45 1/2
Calcutta.....	rupees to £1	T.T.	10 to 15	44 1/2-45	45 1/2
Bombay.....	rupees to £1	T.T.	10 to 15	44 1/2-45	45 1/2
Madras.....	rupees to £1	T.T.	10 to 15	44 1/2-45	45 1/2
Hong Kong.....	dollars to £1	T.T.	10 to 15	44 1/2-45	45 1/2
Shanghai.....	dollars to £1	T.T.	10 to 15	44 1/2-45	45 1/2
Singapore.....	dollars to £1	T.T.	10 to 15	44 1/2-45	45 1/2
Yokohama.....	dollars to £1	T.T.	10 to 15	44 1/2-45	45 1/2
Manila.....	pesos to £1	T.T.	24.06 1/2	12 1/2-13 1/2	12 1/2-13 1/2
Mexico.....	pesos to £1	T.T.	24.06 1/2	24 1/2-25 1/2	24 1/2-25 1/2

† Rate for previous day.

MOSCOW QUOTATIONS FOR CHERVONETZ.

According to advices received in London, the following are the Moscow quotations for chervonetz :—
£1,000 sterling equals 837 chervonetz.
\$1,000 " " 1932

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York :—

	June 27, 1923.	May 29, 1924.	June 4, 1924.	June 12, 1924.	June 19, 1924.	June 26, 1924.
Call money.....	5	4	4	4	4	4
Time money (90 days mixed coll.)	5	4	4	4	4	4
Bank acceptances.....	5	4	4	4	4	4
Members—eligible, 90 days	4 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Non-mem.—eligible, 90 days	4 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Ineligible, 90 days.....	4 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Commercial accept., 90 days.....	5	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2

Rates of Exchange.	Par Level.	June 27, 1923.	June 12, 1924.	June 19, 1924.	June 26, 1924.
New York on—					

London—		Dollars for £1		Pounds for \$1	
80 days.....		4.86 1/2	4.86 1/2	4.31 1/2	4.30 1/2
Cable.....		4.86 1/2	4.86 1/2	4.31 1/2	4.30 1/2
Cheques.....		4.86 1/2	4.86 1/2	4.31 1/2	4.30 1/2
Paris.....	Cents for 1 franc	19.30	6.15	5.25	5.38 1/2
Brussels.....	Cents for 1 franc	19.30	5.22	4.51	4.62
Switzerland.....	Cents for 1 franc	19.30	17.60	17.61	17.77
Italy.....	Cents for 1 lire	19.30	4.44 1/2	4.33 1/2	4.33
Vienna.....	Cents for 1 krone	20.25	0.0014	0.014	0.014
Madrid.....	Cents for 1 peseta	19.30	14.66	13.46	13.46
Amsterdam.....	Cents for 1 guilder	40.125	39.19	37.42	37.65
Copenhagen.....	Cents for 1 kroner	17.72	16.89	16.9	16.87
Christiania.....	Cents for 1 kroner	26.90	16.5	13.47	13.57
Stockholm.....	Cents for 1 krona	19.30	26.5	26.57	26.59
Athens.....	Cents for 1 drachma	3.18	1.73	1.75	1.75
Montreal.....	Can. cents for \$1	100	97.43	98.31	98.31
Yokohama.....	Cents for 1 yen	47.85	48.9	41.33	41.8
Hong Kong.....	Cents for H. Kong \$	100	52.85	52.00	52.18
Shanghai.....	Cents for 1 Shing. \$	100	70.95	50.78	51.00
Calcutta.....	Cents for 1 rupee	100	30.89	30.43	30.72
Bombay.....	Cents for 1 rupee	100	103.45	125.00	135.25
Manila.....	Cents for 1 peso	100	11.16	10.68	10.9
Mexico.....	Cents for 1 peso	100	13.30	10.75	10.75

CENTRAL AMERICAN EXCHANGE RATES.
The Commercial Bank of Spanish America, Limited, quotes the following rates of exchange :—

Country.	Par Value.	Usance.	Year, 1924.	Rate.
Buenos Aires.....	Sucres to £1	10.00	Sight London	Apr. 12 17.18
Venezuela.....	Bolivares to £1	85.25	"	June 25 22.75
Colombia (Bogota).....	Pesos to £1	100	"	June 24 87.87
Nicaragua.....	Cordobas to £1	4.86 1/2	"	June 21 4.80
San Salvador.....	Colonos to £1	9.73	"	June 21 8.8
Guatemala.....	Pesos to £1	90.23	"	June 21 261.5
Costa Rica.....	Colonos to £1	10.45	"	May 9 17.60
Bolivia.....	Pence to Boliviano	19.20	"	May 20 16 1/2

SOUTH AFRICAN EXCHANGE RATES.
The South African Banks quote the following rates :—

Union of South Africa.		Union of South Africa.	
From May 10, 1924.		From May 10, 1924.	
London on South Africa.		South Africa on London	
Buying.	Selling.	Buying.	Selling.
T.T. Demand.....	*1 % prem.	2 1/2 % prem.	2 1/2 % dis.
30 days.....	*1 % dis.	2 1/2 % " "	1 1/2 % " "
60 days.....	*1 % " "	2 1/2 % " "	1 1/2 % " "
90 days.....	*1 % " "	2 1/2 % " "	1 1/2 % " "
120 days.....	*1 % " "	2 1/2 % " "	1 1/2 % " "

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

OVERSEAS DOMINIONS RATES.
COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

London on Australia and New Zealand.		Australia and New Zealand on London.	
Buying.		Buying.	
Aus. tralia.	New Zealand.	Aus. tralia.	New Zealand.
T.T. Demand.....	100	99 1/2	100 1/2
30 days.....	99 1/2	99 1/2	100 1/2
60 days.....	99 1/2	99 1/2	100 1/2
90 days.....	99 1/2	99 1/2	100 1/2
120 days.....	99 1/2	99 1/2	100 1/2

BULLION.
IMPORTS AND EXPORTS OF GOLD.
Week ended June 25, 1924.

Imported into Great Britain and Northern Ireland.		Exported from Great Britain and Northern Ireland.	
From—	To—	From—	To—
British South Africa.....	590,833	Spain.....	20,492
British West Africa.....	37,598	France.....	875
Other countries.....	1,873	Straits Settlements.....	2,760
		United States of America.....	1,115,693
		Other countries.....	199,493
Total declared value of imports.....	630,704	Total declared value of exports.....	1,340,513

Messrs Samuel Montagu and Co. write as follows on June 25th :—

GOLD.
A fair proportion of the moderate amount of gold on offer this week has been taken for India. We append figures relating to Indian trade (private account) for May, 1924 :—
(In Lacs of Rupees.)

	Exports.	Imports.	Net Exports.	Net Imports.
Merchandise.....	2,905	2,060	845	845
Gold.....	2	295	293	293
Silver.....	34	242	208	208
Total net exports.....	344			

SILVER.

Prices have been disposed to sag, owing chiefly to the reluctance of buyers rather than pressure to sell. There has, in fact, been a slight decline each day since the 18th inst., the fall amounting to 1/4d. The news of the considerable increase in the Shanghai stock, particulars of which are given below, caused some profit-taking on the part of local bull operators, and this accentuated the easiness which was apparent. Indian bazaar rates are well below parity, and business in that quarter is not active just now, although the monsoon appears to be pursuing a favourable course. America has been usually a seller. Continental inquiry is still fitful.

INDIAN CURRENCY RETURNS.
(In Lacs of Rupees.)

	May 31.	June 7.	June 15.
Notes in circulation.....	17,451	17,443	17,455
Silver coin and bullion in India.....	7,666	7,658	7,671
Silver coin and bullion out of India.....			
Gold coin and bullion in India.....	2,232	2,232	2,232
Gold coin and bullion out of India.....			
Securities (Indian Government).....	5,753	5,753	5,753
Securities (British Government).....	1,400	1,400	1,399
Bills of exchange.....	400	400	400

No silver coinage was reported during the week ending June 15th. The stock in Shanghai on the 21st inst. consisted of about 38,100,000 ounces in sycee, 41,500,000 dollars, and 2,080 silver bars, as compared with about 36,200,000 ounces in sycee, 39,500,000 dollars, and 1,980 silver bars on the 16th inst.

GOLD AND SILVER PRICES.

1924.	Gold Per Ounce.	Silver—Per Ounce.		Date.	Silver.
		Cash.	Forward.		
June 21....	s d	d	d	July 5, 1918..	d
23....	95 0	34 1/2	34 1/2	4, 1919..	53 1/2
24....	95 5	34 1/2	34 1/2	2, 1920..	51 1/2
25....	95 6	34 1/2	34 1/2	3, 1921..	34 1/2
26....	95 4	34 1/2	34 1/2	June 30, 1922..	36 1/2
27....	95 2	34 1/2	34 1/2	29, 1923..	31 1/2

NOTICES.

We are informed that the Union Bank of Scotland, Limited, are shortly to open a branch in the London, Midland, and Scottish Railway Company's big new sports hotel at Glen-eagles, Perthshire.

Barclays Bank, Limited, announce that they have opened a new branch at 168 High street, Burton-on-Trent, under the management of Mr F. J. Addison.

The Bank of New Zealand announces that Mr J. H. Upton has retired from the board, and that Mr Oliver Nicholson and Mr R. W. Gibbs have been elected members of the board.

The Midland Bank announces the opening of a new branch at 123 Market street, Farnworth, Lancs., under the management of Mr H. L. Greenhouse.

A. W. J. Donaldson, representative, National Bank of Commerce in New York, is moving to-day to new offices at 2 and 3 Crosby square, Bishopsgate, London, E.C. 3. Telephone numbers will remain London Wall 4720, 4721, 4722, and the telegraphic address, "Natcomer, Phone, London."

Reports and Notices.

The offices of the *Investors' Review* are now at 30 Fleet street, London, E.C. 4. Telephone: Central 5048.

The Equitable Life Assurance Society will move on July 1st to its new offices at 19 Coleman street, London, E.C. 2, which will thereafter be its registered address.

Gillett Brothers Discount Company, Limited, inform us that the address of their new offices is 27 Clements lane, Lombard street, London, E.C. 4, and the telephone number will be Central 200, as heretofore.

At an extraordinary meeting of the Luipaards Vlei Estate and Gold Mining Company, held on Wednesday last, a resolution was adopted authorising the directors to create and issue £40,000 6 per cent. second debentures, convertible at the option of the holders at any time prior to June 30, 1927, into shares of 4s each, at the rate of five shares for each £1 secured by the debentures.

sion in 1923. This condition began to improve during the later months, and since January 1 has shown marked improvement. The foreign trade for January and February, 1923, showed a favourable balance of \$5,100,000. This balance has now increased, and in January and February, 1924, was \$7,682,000. The value of sugar shipments in February surpassed any month of 1923. The relations of the company with the public and the Government and city officials remain cordial. The company is pleased to express its appreciation of the loyalty of its employees.

MEXICAN PETROLEUM.—The consolidated accounts of Mexican Petroleum Company and owned companies as at December 31, 1923, shows profit from operations \$18,011,518, less interest and amortisation charges (net) \$331,707, depreciation and depletion \$5,441,523, and Federal taxes \$1,150,000, leaving a net profit of \$11,088,287. The surplus at December 31, 1922, was \$43,754,108, after adding \$1,500,000 from reserve for contingencies, less loss on investments in stocks, &c., \$91,951, and net profit \$11,088,287. The sum available was \$54,934,347. Dividends on preferred stock absorbed \$960,000, on common stock \$7,316,380, leaving a consolidated surplus of \$46,657,967.

PAN AMERICAN PETROLEUM.—The consolidated net profit of Pan American Petroleum and Transport Company for 1923, after provision has been made for interest charges, depreciation, depletion and taxes, was \$20,352,387, a shrinkage of \$11,223,549 compared with 1922. Inventories for 1923 amount to \$20,473,197, as compared with \$10,713,945 for 1922, and the entire current assets, inclusive of loans to and deposit with Mexican Government, amount to \$46,117,160, compared with \$53,946,115. The quantity of oil taken from lands during year is approximately 40,000,000 barrels, or about 110,000 barrels per day. Dividends were paid in cash to stockholders of \$8 per share (16 per cent.) on outstanding capital stock. In addition, a stock dividend of 20 per cent. was paid in class "B" common stock to all stockholders of record December 30, 1922, the amount involved being \$21,232,000. The report adds that, taking into consideration the unusual conditions and problems that prevailed in the oil industry in general, it is gratifying to be able to report an actual realised net profit, after all charges, equivalent to the rate of dividend which the directors felt justified in maintaining throughout the year 1923—namely, \$8 per share (16 per cent. per annum). The directors, however, deemed it in the company's interests to reduce the dividend rate for the first quarter of 1924 to \$1 per share, equivalent to a rate of 8 per cent. per annum.

BURTON AND HORNSEY.—The balance-sheet, made up to March 31, 1924, shows that the balance of profit and loss account, after providing for all outstanding liabilities, amounts to £85,809, from which deduct depreciation on buildings, £12,650; depreciation on plant and machinery, £38,317; interest on debentures, £25,500, leaving a balance of £9,342, to which add the balance brought forward from last year £70,274, making available £79,616. The stocks of materials and the finished stock of machinery have been taken at cost price or under, buildings, plant, and machinery have been maintained out of revenue, and ample provision has been made for doubtful debts. The past financial year has again been far from normal, and although the year's trading has shown signs of improvement, the adverse world conditions have restricted the volume of business which it has been possible to obtain. The directors regret that they are unable to recommend the payment of a dividend on the ordinary shares for the past year, but with regard to the 5 per cent. and 6 per cent. preference shares, as the dividends on same are cumulative, they have decided to reduce the liability by making payment on July 1, 1924, of the dividends, less income-tax, on the said preference shares for the 18 months ended December 31, 1922. The balance-sheet shows total assets £3,675,712. Cash and bills receivable stand at £377,260. Investments in other companies at cost stand at £509,790. Stocks stand at £1,229,088. Debtors stand at £336,101. With regard to liabilities, creditors stand at £291,591. There is a capital reserve account of £200,000, and general reserve is £100,000.

WARING AND GILLOW.—Better times have been experienced by this well-known undertaking. The profit for year ended January 31, 1924, has increased from £103,712 to £127,346. The sum of £68,629 was brought in to the accounts. The directors recommend that preference dividend for year to January 31, 1924, be approved, leaving £120,976 to be carried forward, subject to adjustment of outstanding taxation.

WHITEHALL ELECTRIC INVESTMENTS.—The gross income has risen from £538,764 for the year ended March 31, 1923, to £611,801 for year ended March 31, 1924. The preference dividend absorbs £112,500. The ordinary dividend is 2½ per cent., absorbing £125,000, leaving £132,665, which amount has been applied in reduction of the discount on debenture stock. The company, by the purchase of the whole of the debenture and share capital of two Chilean companies, has acquired the electric power, light and tramway systems of Valparaiso, and the hydro-electric power station at La Florida, near Santiago.

WOLSELEY MOTORS.—The directors report for the year ended September 30, 1923, that provision has been made in the accounts for all trading expenses, and repairs and maintenance have been charged to revenue, together with depreciation of buildings, plant and machinery where necessary. The trading profit, arrived at by taking the stock and work in progress at or below works cost, amounts to £91,687. The directors felt, however, that, having regard to the keen competition existing in the motor trade, it was imperative in the interest of the company to write down the stock and to write off a substantial proportion of the expenditure on dies and tools. After making provision for these purposes, the payment of the interest on the debenture stock and other charges, the result shows a net loss for the year of £327,263. To this loss is added the debit balance of £108,822 brought forward, making a debit balance of £436,085 to be carried forward to next year.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Year.	Previous Year.
Banks.						
Bank of Adelaide	3%	Final	..	Less tax	10	5
Bank of British W. Africa	3%	Final	..	Less tax	5	5
Railways.						
Great Indian Peninsula	2%	Aug. 1	Quarterly	..	34	34
Northern Pacific	1%	July 15	Less tax	..	..	..
South Behar	1%	July 1	Quarterly	..	..	..
Union Pacific	2%	July 1	Quarterly	..	..	..
Tea and Rubber.						
Assam Company	15%	..	..	..	(b) 18	40
Attaree Khat Tea	12%	..	..	Tax free	20	20
Assam Tea	12%	..	..	Tax free	20	20
Bhadrighat Tea	7%	..	..	Less tax	25	15
Bogawantalawa Tea	23%	..	..	Less tax	35	30
Borelli Tea	..	..	..	Tax free	40	37
Bukit Mertajam	..	..	..	Less tax	4	4
Cachar and Dooars	30%	..	..	Less tax	40	..
Chota Rubber	12%	..	..	Less tax	..	..
Ceylon Upcountry Tea	20%	July 16	Less tax	..	24	nil
Coconut Plantations of Perak	..	..	..	Less tax	..	..
Dalkeith Rubber	5%	..	..	Less tax	10	10
Deamoolie Rubber	50%	..	..	Less tax	60	50
Doloi Tea	30%	..	..	Less tax	50	..
Empire India, &c. Tea	..	..	..	Less tax	40	24
Federated (Selangor) Rubber	..	..	..	Less tax	24	24
Jorehaut Tea	30%	..	..	Less tax	45	30
Lankat Rubber	..	..	..	Less tax	5	nil
Mosambud Tea	15%	..	..	Tax free	22½	25
Rajmahal Tea	50%	..	..	Tax free	50	50
Rupali Tea	50%	..	..	Less tax	60	50
Tingri Tea	..	..	..	Tax free	22½	(a) 20
Mining.						
Apex Mines	24%	..	..	Less tax	..	..
Bisichi Tin	..	..	..	Less tax	5	nil
Burma Corporation	5a p.a.	Aug. 15	Free Indian tax	..	..	..
De Beers Consolidated, Deft.	20%	..	Free Union tax	..	..	..
Esperanza Copper	24%	..	Less tax	..	1/2 p.a.	..
Henderson's Transvaal Estates	..	..	Less tax	..	2½	nil
Natal Navigation Collieries	5% (& bonus 2%)	..	..	..	..	..
Orya Links	5 p.a.	July 4	Tax free	..	..	..
South Buxton	1/2 p.a.	July 14	..	..	..	..
Witwatersrand Deep	7½%	..	Free Union tax	..	5	nil
Other Companies.						
Alex. Findlater and Co.	..	..	..	..	5	..
Allen Liversidge	12½	..	Less tax	..	..	..
Aron Electricity Meter, Cum. Pf.	12½	..	Arrears to March, 1923.	..	..	..
Bank of India	..	July 5	Less tax	..	..	..
Australian Agricultural	4/6 p.a. (& bonus 2/2 p.a.)	..	Tax free	..	10/6	6/6 p.a.
Bank Holdings	..	..	Less tax	..	9	..
Barclay, Perkins, and Co.	2½ p.a.	..	Tax free	..	..	..
Boots Pure Drug Co.	9%	June 30	Less tax	..	..	..
British Empire Trust, Pref.	..	..	..	..	7	7
C. and E. Morton	..	..	..	..	..	..
Cardinal Channel Dry Docks	..	..	Tax free	..	5	5
Chili Telephone	..	..	Tax free	..	..	..
Chloride Electrical Storage	5% (& bonus 10%)	..	Tax free	..	20	..
Claudius Ash, Sons	24%	..	..	..	5	nil
Connought Hotel	2/2 p.a.	June 28	Less tax 4/6 in £	..	..	..
Courtauld, Limited (a)	1/3 p.a.	..	Tax free	..	..	..
De Beers American	7½%	July 1	..	..	..	..
Davy Brothers	..	..	Less tax	..	5	..
Delhi Tramways, Prefd. and Pfd.	..	..	Less tax	..	10	8
Do Ord.	..	..	Less tax	..	9448	7604
D. Napier and Son, Pref.	7½	June 20	Less tax	..	..	..
Dominion Textile	1 p.a.	July 8	Quarterly	..	..	..
Dunbar Mount	..	..	Less tax	..	..	..
Edinburgh Cemetery	..	..	Tax free	..	5	..
Egyptian Hotels	..	..	..	..	7½	..
Garslag (1923), Cum. Pref.	8	June 30	..	..	35	..
General Electric	..	..	..	..	5	5
Gorse Mill	5%	..	Tax free	..	..	..
Guardian Investment Trust, Def.	2½%	July 21	Less tax	..	..	..
Head, Wrightson	2½%	..	Less tax	..	..	..
H. E. Proprietary	7½%	..	Less tax	..	12½	7½
Do.	5%	..	Less tax	..	..	..
H. H. and S. Budget.	..	..	Tax free	..	12½	..
Home and Colonial Stores	2½	July 1	..	..	..	..
Hull Brewery	3½%	..	..	..	..	..
Jaya Blend and Co.	7½%	..	Less tax	..	6	6
John Mackintosh and Sons, Def.	16 p.a.	July 16	Less tax	..	10	10
Keith, Prowse	20%	..	..	..	..	..
Leicester Brewing	..	..	..	..	15	15
Manchester North Borneo Rubber	5%	July 7	Less tax 4/6 in £	..	..	..
Mellin's Food	..	..	..	..	4	..
Michael Naim and Greenwich	5%	July 16	Less tax	..	..	..
Mond, Nickel	1/6 p.a.	..	Less tax	..	2/6 p.a.	..
Neuchatel Asphalt	4%	..	..	..	1/2 p.a.	10 p.a.
N. of Scotland Electric Light	..	..	Tax free	..	..	..
North Eastern Breweries	6	July 1	Less tax	..	..	..
Northampton Brewery	5%	..	..	..	..	..
N.W. Co. Cold Storage	10%	June 30	Less tax	..	..	..
Obison's Cape Breweries	..	..	..	..	7½	5
Omnium Investment, Defd.	3%	..	..	..	..	..
Openshaw Brewery	1/2 p.a.	July 1	Less tax	..	..	..
Patons and Baldwin	10%	..	Tax free	..	12½	15
Philadelphia Co.	2%	July 31	Quarterly	..	..	..
Platt Brothers	..	..	Less tax	..	15	20
Reading Company	2%	Aug. 14	Quarterly	..	..	..
R. and J. R. Creighton	10%	..	..	..	15	..
R. Hood, Haggie, and Son	4%	..	Tax free	..	..	..
Real Estate Corp., S. Africa	4%	..	..	..	10	10
Reeves and Sons	..	..	..	..	10	10
Spanish River Pulp and Paper	13%	July 15	Quarterly	..	..	..
Spears Bros. and Clark	12½%	..	Tax free	..	15	..
Stanton Iron Works	6%	..	Tax free	..	10	10
Stoll Picture Theatre	7½	..	Less tax	..	..	..
Swift and Co.	8½	July 1	..	..	..	..
United Indigo & Chemical, Pref.	5	..	Subject to tax	..	..	..
United Velvet Cutters	4½ p.a.	..	Tax free	..	19 p.a.	..
Temperance Billiard Hall	1/2 p.a.	..	Less tax	..	..	..
Waverley Hotel (Whitley Bay)	24%	July 1	Tax free	..	..	..
William Asquith, Cum. Pref.	..	..	Less tax	..	2½	..
Yorkshire "Evening News"	15%	..	Less tax	..	..	..
Do Bon's	10%	..	Tax free	..	25	25

(a) Less tax. (b) Company reconstructed. (c) They have also decided to incorporate the preference shares of 12 to 30 millions by creating eight millions of 5 per cent. cumulative preference shares of £1 each, and to distribute these shares as fully paid among the registered shareholders at the rate of two preference shares in respect of every three existing shares.

CANADIAN CAR AND FOUNDRY.—Dividend of 3½ per cent. on the preference stock, payable on July 10th, being 12 per cent. on account of arrears and 12 per cent. for this quarter to June 30th. A further dividend of 3½ per cent. on the preference stock has also been declared, payable on October 10th, being 12 per cent. on account of arrears and 12 per cent. for the quarter ending September 30th.

WEEKLY TRAFFIC RETURNS.
RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended June 20, 1924.	(c) Week ended June 21, 1924.	(d) Week ended June 22, 1924.	(e) Aggregate 25 Weeks, 1924.
Miles Open.	Passengers, &c.	Goods, &c.	Total for Week.
Great Western	3,754	283,000	341,000
Do for 1923	3,679	269,000	336,000
London & North Eastern	5,703	513,000	643,000
Do same period 1923	5,701	479,000	628,000
London, Mid., & Scottish	6,942	726,000	1,207,000
Do for 1923	6,940	637,000	1,150,000
Southern	2,146	371,100	489,800
Do for 1923	2,146	369,500	481,500
Metropolitan (a)	794	47,299	43,681
Do for 1923	..	31,281	3,600
Underground E.R. (a)	..	..	276,150
Do for 1923	..	..	238,763
London & Sub. Group (a)	..	..	42,114
Do for 1923	..	..	6,270
Belmont & Co. Down (b)	80	5,268	1,002
Belmont & Co. East (b)	160	6,078	2,690
Dublin and S. (b)	562	20,700	18,700
Gt. Northern (Ireland) (b)	1,151	26,619	31,518
Gt. Sth. & Western (b)	538	12,002	14,210
Midland Gt. West. (b)	..	..	26,430

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1924.	+ or -	1924.	+ or -
INDIAN.							
				Rs.	Rs.	Rs.	Rs.
Assam Bengal	8 weeks	May 24	1,072	25,000 +	37,057	18,08,000	+ 87,614
Barri Lt. Ry.	9 weeks	31	118	29,300	- 10,600	3,63,200 +	44,100
Bombay & N. Western ..	8 weeks	24	2,062	7,31,450	+ 4,650	55,68,650	+ 20,388
Bombay Nagpur	7 weeks	24	2,738	16,73,000	+ 3,08,000	12,87,000	+ 13,49,532
Bombay, Bar., & C.I.	12 weeks	June 21	1,262	17,020 +	21,000	2,96,470 +	1,67,000
Burma	8 weeks	May 24	1,342	73,502	+ 10,963	61,21,892	+ 167,270
Delhi, Umballa & Kalka ..	11 weeks	June 14	239	1,10,000	+ 3,865	11,40,858	- 22,031
East Indian	12 weeks	21	2,873	35,270 +	2,89,000	4,13,68,000	+ 1,53,789
G. Indian Peninsula	11 weeks	31	3,164	29,03,500	+ 2,64,000	3,33,39,500	+ 1,28,877
Madras & S. Mah.	9 weeks	May 31	3,029	16,25,000	+ 1,44,489	1,41,95,000	+ 9,00,010
Madras & Kumaon	8 weeks	June 24	259	69,627	- 5,922	5,10,926	+ 26,639
Do Lucknow-Breilly	8 weeks	24	314	79,724	+ 7,105	6,41,569	+ 19,689
South Indian	8 weeks	May 24	1,877	11,37,015 +	1,06,579	81,46,369 +	4,25,366
ARGENTINE (a).							
				\$	\$	\$	\$
Argentine N.E.	50 weeks	June 14	754	13,900 +	700	609,400 +	60,200
Argentine Trans.	51 weeks	21	12,500	+ 1,100	621,900 +	+ 61,300	
B.A. and Pacific	51 weeks	21	3,324	190,000 +	40,000	8,922,000 +	404,000
B. A. Gt. Southern	51 weeks	21	3,948	222,000 +	57,000	10,578,000 +	1,155,000
B. A. Western	51 weeks	21	920	14,000 +	4,365,000	+ 750,000	
B. A. Western	51 weeks	21	1,882	100,000 +	13,000	4,792,000 +	222,000
Central Argentine	51 weeks	21	3,305	226,000 +	3,000	1,085,000 +	653,000
Cordoba Central	51 weeks	21	1,205	78,000 +	10,000	5,057,300 +	61,700
Entre Rios	51 weeks	21	729	21,200 +	3,000	1,170,100 +	157,900
CANADIAN.							
				\$	\$	\$	\$
Canadian National	25 weeks	June 21	22,680	4,634,986 +	+ 23,033	108,505,971	+ 9,46,344
Canadian Pacific	25 weeks	21	13,657	3,301,000 +	+ 144,000	78,753,000 +	+ 3,316,000
BRAZILIAN (b).							
				\$	\$	\$	\$
Gt. West. of Brazil	25 weeks	June 21	1,011	7,700 +	601	233,900 -	27,700
Leopoldina	25 weeks	21	1,831	35,325	+ 3,068	64,632 +	99,109
San Paulo	25 weeks	21	1,534	44,481 +	+ 15,996	1,037,100 +	+ 860,649

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefce.	Ordinary.				
					Amount.	Amount.	Rate.			
Banks.										
Bank of Adelaide	Mar. 31	29,701	115,823	145,524	..	87,500	10	30,000	28,024	94,889
Western Australian Bank	Mar. 31	31,145	39,196	70,341	..	37,800	10	..	32,541	31,848
Breweries.										
Barclay, Perkins, and Co.	Mar. 31	36,492	162,064	198,556	72,000	81,600	800	..	44,956	181,129
Ohlsson's Cape Breweries	Mar. 31	12,081	54,647	66,728	11,500	39,375	7	..	15,853	43,250
Iron, Coal, and Steel.										
Davy Brothers	Mar. 31	30,012	7,591	37,603	3,000	17,000	5	..	17,603	22,527
Head, Wrightson, and Co.	April 30	14,261	9,750	24,011	10,148	10,500	5	..	3,363	33,615
Oil.										
Attock	Dec. 31	1,825	150,226	151,051	..	90,000	6	58,000	3,051	35,427
Rubber.										
Bidor	Mar. 31	9,489	4,049	13,538	..	3,750	7	..	9,788	4,368
Federated (Selangor)	Mar. 31	4,052	2,662	6,714	..	2,640	2	..	4,074	3,841
Java Rubber and Produce	Dec. 31	6,232	10,441	16,673	..	10,947	20	..	5,726	8,361
Jitra	Mar. 31	139	714	853	..	..	..	..	853	3,496
Seychelles	June 30	304	Dr	623	Dr	319	..	..	Dr	319
Tea.										
Attaree Khat	Dec. 31	1,463	26,047	27,510	..	21,197	20	3,000	3,313	28,626
Bargang	Dec. 31	1,194	17,492	18,686	600	8,800	20	8,000	1,286	20,641
Borelli	Dec. 31	7,390	44,886	52,276	383	31,268	40	15,000	5,625	49,498
Empire of India and Ceylon	Dec. 31	28,307	160,655	188,962	10,950	131,600	40	18,000	28,412	152,032
Jorehaut	Dec. 31	9,065	185,856	194,921	..	153,675	45	25,000	16,246	152,578
Moabund	Dec. 31	5,813	32,854	38,667	2,500	22,500	22	8,263	5,404	41,743
Rajmai	Dec. 31	5,792	45,188	50,980	..	28,000	50	18,102	4,878	43,241
Tingri	Dec. 31	2,184	27,506	29,690	..	15,925	22	10,400	3,365	27,217
Trust.										
British Empire Trust	April 30	94,850	49,104	143,954	32,500	7,227	7	..	104,227	84,062
Scottish Tea and Rubber	May 31	1,445	14,379	15,824	..	11,625	10	2,500	1,699	12,678
Other Companies.										
Alex. Findlater and Co.	Feb. 29	6,396	3,796	10,192	1,237	413	5	..	8,542	Dr 1,970
General Electric Company	Mar. 31	174,121	594,320	768,441	252,000	105,599	5	198,390	212,452	507,711
H. H. and S. Budgett	Feb. 29	9,754	50,984	60,738	17,435	25,075	12	5,000	13,228	27,551
Neuchatel Asphalte	Dec. 31	4,893	43,371	48,264	10,000	20,994	5	3,868	13,402	28,125
Reeves and Sons	April 30	8,992	24,720	33,712	10,250	11,250	10	5,000	6,212	17,690
William Asquith (1920)	Mar. 31	Dr 2,851	11,867	9,016	8,598	..	..	..	418	21,404
Wm. Mowat and Sons	May 31	2,580	3,123	5,703	1,162	1,550	10	500	2,491	4,027

* Half-year.

† Tax free.

RUBBER.

FEDERATED (SELANGOR).—The profit for the year ended March 31, 1924, was £2,662, to which must be added the balance brought forward from last year, £4,052, leaving to be dealt with the sum of £6,714. The directors recommend a dividend of 2½ per cent. (less tax) for the year, absorbing £2,640, and that the sum of £4,074 be carried forward to next year, subject to corporation profits tax for 1923-24. The rubber crop, which in the previous year amounted to 301,768 lbs, was reduced, owing to a full year's working of the restriction of exports, to 206,753 lbs. The amount licensed to be exported during the year was 210,755 lbs; less licences, used for balance of previous year's crop, 42,940 lbs, 167,815 lbs; leaving an excess of 38,938 lbs, which has been taken into the accounts at cost price. Of the amount licensed to be exported during the year—viz., 210,755 lbs—there has been sold to date 161,335 lbs at a net average price of 13.34d per lb; the remaining 49,420 lbs have been estimated in the accounts at the current market price. The standard production has now been fixed at 352,040 lbs, an increase of 7,513 lbs on the previous figure. The restriction of exports resulted in an increased cost per lb—viz., 8.66d, f.o.b., as compared with 5.54d in the previous year. The visiting agent reports that the tapping is up to the usual standard, and that the estate has been well and economically managed. The quality of manufacture continues to be excellent. Mr H. K. Rutherford, who had been chairman of the board since the inception of the company, tendered his resignation as from March 31, 1924, which the board has accepted with regret. At the invitation of the directors, Mr G. H. Masefield has joined the board, and, in accordance with the articles of association, he now retires from office; being eligible, he offers himself for re-election.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

A spell of warmth and sunshine has materially improved agricultural prospects in this country, and all vegetation is making rapid growth. On heavy lands wheat is somewhat thin and patchy, but generally satisfactory, and with favourable weather conditions an average yield is anticipated, though slightly below last year owing to reduced acreage. Spring oats present a healthy appear-

ance, while winter sown are just coming into ear. A very firm tone governed the market, especially for breadstuffs, and prices were again on a higher level, in view of the position of imported wheat. Native varieties are very sparingly offered, and prices nominally at about 12s for best quality per 112 lbs free on rail. Imported descriptions are firmer, with Canadian qualities in small supply. The situation, however, is somewhat unsettled owing to fluctuating crop reports from various exporting countries, and, as usual at this period of the year, same exercises a dominating influence upon the course of prices. No. 1 Northern Manitoba quoted 54s, No. 3 ditto 51s, Barusso 63s 49s, and Australian 51s 6d, all ex ship, per 496 lbs. In the floating and forward cargo section holders continue to adopt an attitude of reserve, and with a lack of second-hand offers a firm tone ensued. Steamers of choice white Karachi August changed hands at 47s 10d, July 48s 6d, Australian afloat 48s 6d, No. 2 Northern Manitoba arrived 48s 6d per 480 lbs. Flour in good demand and prices further hardened in sympathy with the wheat position. London standard straight run quoted 41s, patents 43s to 44s, town whites 41s per sack delivered in. Of imported, Canadian patents range from 38s to 40s, and Australian 36s to 36s 6d per 280 lbs, ex store. Maize cargoes, after a period of depression, experienced a better inquiry, which imparted a steadier tone. Steamers of Plate on passage changed hands at 32s 1½d, July-August 32s 6d, and October 33s per 480 lbs. Barley: English quiet, and quoted at 11s 3d-12s 6d per 112 lbs free on rail. Imported firm. Californian, 49s-55s; Chilean, brewing, 49s 6d-51s per 448 lbs, ex ship. No. 3 Canadian Western, ex ship, 33s 6d; Karachi, ex ship, 33s 3d; ditto landed, 34s 6d; Plate, ex ship, 32s 9d; ditto landed, 34s 3d; Russian landed, 34s 3d, all per 400 lbs. Oats: Plate quiet but Canadian firm. Plate f.a.q. ex ship 21s 3d, ditto landed 22s 3d, No. 2 Canadian Western 25s ex ship, ditto landed 26s 6d, No. 2 Canadian feed landed 24s 6d per 320 lbs. English quoted at 9s 6d-11s per 112 lbs free on rail. Maize easier, Plate, ex ship 34s-33s 3d as to position, ditto landed 37s, No. 2 white flat African 38s 6d landed per 480 lbs. Millers' offers firm, with a good demand for bran. Broad bran quoted at 6s 9d-7s 3d, ditto digestive 7s 6d, ordinary 6s 3d, middlings 8s 9d, ditto fine 10s, bags included, ex mill; light oats 6s 3d, powdered oat husks 7s 3d, feed oatmeal 9s 3d, ground oats 11s 9d per cwt, free on rail. Oatmeal quiet. London made, flaked 17s, rolled oats 16s 6d, medium and fine cut 16s 6d, coarse and medium pinhead 16s 6d, ordinary Scottish oatmeal 17s 6d to 18s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-1924.	1922-1923.	1921-1922.	1920-1921.
Estimated sales of home-grown wheat—	Cwts. 55,982	Cwts. 124,396	Cwts. 58,871	Cwts. 46,774
1 week to June 21.....	12,525,965	16,524,445	15,565,204	12,061,618
42 weeks to June 21.....	..	..	..	..
Average price of English wheat per cwt.....	s d 11 3	s d 10 11	s d 12 4	s d 20 9

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1920 to 1923:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1924.	Cwts. 57,609	Cwts. 5,027	Cwts. 9,244	s d 11 3	s d 11 3	s d 9 11
June 14.....	55,982	5,209	9,244	11 3	11 1	9 10
June 21.....	..	..	7,535	..	..	..
1920.....	21,733	5,836	4,346	18 4	24 5	23 2
1921.....	46,774	13,011	11,143	20 9	11 5	13 11
1922.....	58,871	11,061	14,004	12 5	11 8	11 7
1923.....	128,396	24,105	13,216	10 11	8 5	10 9

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated June 26th, is as follows:—Pig-iron: The pig-iron market is, for the moment, distinctly in buyers' favour, and prices are inclined to weaken further. What we lack is export demand. No. 3 Cleveland G.M.B. is 89s, and East Coast hematite mixed numbers 97s per ton. Manufactured Iron and Steel: The slackness in shipbuilding is reflected in the steel rolling mills, where orders are very badly needed. Current quotations are:—Steel ship plates, £10 5s; steel ship angles, £10; iron bars, £12 10s; steel rails, £9. Iron ore: There is very little demand for iron ore, but prices of good imported ores seem to have reached the bottom prices. Best Bilbao Rubio is nominally 23s per ton, c.i.f. Tees.

Our Sheffield correspondent writes:—Activity at the local iron and steel works is being greatly interfered with by stocktaking operations and the usual overhauling of machinery which is carried out at the end of each financial year. Several large establishments have been set down completely, and many others are partially stopped. Apart from these special conditions, business is extremely quiet in pig-iron, billets, and rolled mild steel of all descriptions. Australia and New Zealand continue to be Sheffield's best customers for finished steel products in the overseas markets, but demand from foreign sources is steadily expanding. Trade with Canada, except in cutlery and plate, does not progress very much, owing to the Americanising of the Dominion in industrial matters and the development of home industries. British railway companies have placed the bulk of their orders for steel material in this country, in spite of the more tempting prices offered by Continental makers possessing the advantages of deflated exchanges. A few railway orders have gone to the Continent, but the volume of this business is negligible. Conditions in plate and cutlery remain much the same as we have reported previously. There are large contracts about, which usually fall to the lowest quotations, and not much of it can be secured by the large and old-established houses. The coal market continues to lose ground, owing to the reduced requirements of the Continent, and there is a danger of Continental competition developing in our best overseas markets. Iron and steel makers are confidently anticipating cheaper fuel in their next contracts. Prices continue to tend downwards. The warm weather has brought the demand for house coal down to meagre proportions. Current prices per ton at pits are:—Best hand-picked branch, 34s; Barnsley best silktones, 28s; Yorkshire hards, 23s; Derbyshire do., 21s 6d; nutty slacks, 12s; smalls, 8s to 9s.

Our Glasgow correspondent writes:—The demand for pig-iron shows little improvement. Exports last week were somewhat better, but home consumers continue to confine their purchases to immediate requirements. Shipments for the week ending June 21st amounted to 922 tons. Prices have fallen slightly for some grades. In manufactured iron and steel the position is not improving. Orders for steel plates and sections for shipbuilders are not coming forward in sufficient quantities to keep works going at nearly full capacity, and export business is quiet. Makers of light steel bars are securing some business at the recently reduced level of prices, and sheet manufacturers are experiencing a fairly steady demand from overseas, especially for the lighter gauges. Galvanised corrugated sheets continue in active request, and are, apparently, for the time being the one bright spot in the steel trade. Two months ago these could be bought on a basis of £16 10s per ton, and prompt delivery given. Makers are now unwilling to accept £18 per ton for September delivery, which is the soonest some works are prepared to offer. New shipbuilding contracts reported this week include one torpedo-boat destroyer to be built by Messrs. Yarrow and Co., Limited, Scotstoun, and a steamer of about 5,800 tons dead weight carrying capacity from Messrs. Napier and Miller, Old Kilpatrick. Structural firms are well booked, but complain that a considerable portion of the work on hand had to be taken at prices which show no margin of profit. A contract has been secured (subject to the approval of the Northern Government) by Sir Wm. Arrol and Co., Limited, of Glasgow, for a steel swing bridge over the Newry Canal at Newry, Ireland.

Our Cardiff correspondent writes:—There has been no material change this week in the position of the Cardiff coal market. For the superior Admiralty large qualities prices have been firmly maintained up to 29s.; for other qualities the market has not been so strong, and colliery salesmen have experienced some difficulty in maintaining their agreed prices. A relatively larger supply of these coals is in the hands of middlemen under contract engagements, and exporters in control of free supplies are competing for the restricted volume of current business at lower prices than those quoted direct. Still, the quantity of free merchant coal is far below normal, and the tendency to concentrate sales in the hands of colliery groups possessing their own agencies is on the increase. The market prices are receiving support from the reduced output of the coalfield, for during the week employment was irregular at many of the pits.

The following are the current approximate quotations:—Best Admiralties, 28s to 28s 6d; second Admiralties, 27s 6d to 28s.; best drys, 25s to 26s 6d; Black Veins, 26s 6d to 27s 6d; Western Valleys, 26s to 26s 6d; Eastern Valleys, 24s to 26s; best bunker smalls, 18s to 18s 6d; ordinary cargo smalls, 16s to 17s; coking smalls, 18s 6d to 19s; anthracite Big Vein large, 50s to 52s 6d; machine-made cobbles, 60s to 62s 6d; French nuts, 57s 6d to 60s; stove nuts, 50s to 52s 6d; rubbly culm, 15s to 15s 6d; coke, for export, 57s 6d to 60s; inland blast furnace coke at ovens, 30s to 35s; patent fuel, 28s to 29s 6d; pithead, ex ship, 25s to 26s 6d.

Business in the tinplate trade is active, and prices are firm either at, or a little over, the minimum figures. Continental dealings are expanding, and Italy, France, Switzerland, Spain and Holland have been buyers, but during the past week, or so, orders on South American account have been larger than usual.

METALS.

Tin commenced with a firm tone on liberal buying orders, combined with higher Eastern cables, though part of the advance was subsequently lost, most noticeable in near positions. Standard cash sold at £222 15s to £223 15s, spot £221 10s to £222, and three months £220 10s to £221 10s to £221 10s to £222 7s 6d to £222 2s 6d. Eastern cables reported sale on the basis of £223 c.i.f. At Thursday's session prices moved in an upward direction, standard cash being dealt in at £223 15s to £223 10s to £224 10s, and three months £224 to £223 15s to £224 15s to £224 10s. Further sales transpired in the East on the basis of £223 15s, c.i.f. A firmer tendency ensued at the close, with business confined to distant positions. Standard cash quoted at £224 12s 6d to £224 15s, and three months sold at £225 to £225 10s to £224 12s 6d to £225, while finally registered at £224 15s. English ingots quoted at £227 to £228. Copper generally easier on some pressure to sell, though offerings were fairly well absorbed. Cash sold at £60 12s 6d to £60 13s 6d, and three months £61 17s 6d to £62 to £61 11s 3d. Market closed dearer, with trading on an active scale. Standard cash sold at £60 17s 6d to £61 7s 6d, and three months £61 15s to £62 5s. Electrolytic 65 15s to £66, best selected £64 10s to £65 15s, strong sheets £92, and wire bars £66 per ton. Lead easier and quoted at £32 2s 6d to £29 12s 6d, as to position. Spelter firmer at £32 5s to £31 13s 9d, according to position. Aluminium home trade £125, export £130. Antimony, English, quoted at £49 10s to £52 10s.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Business this week has again been confined within very narrow limits, and it is evident that users are determined to exercise the greatest caution in adding to their commitments. Demand for tops, yarns, and pieces is poor, and a somewhat similar state of affairs prevails in the United States and on the Continent. The all-absorbing question at the moment, therefore, is: Can wool values be maintained? The Colonial wool sales in London next week will afford the best answer to this question, and in the circumstances the trade is awaiting with more than ordinary interest the verdict of the sale room. It seems certain, however, that unless good competition is forthcoming from the Continent, values will show a decline as compared with those ruling at the close of the last series. Quotations for tops and yarns are still mainly nominal, but where business is put through prices are strongly in favour of the buyer. One hears of as low as 4s 9d being taken for good 60's tops, but transactions of this kind are in the nature of forced sales, and should not be taken as a true indication of the market. Good business could be done in warp 64's tops at about 5s 9d, but the larger topmakers are not willing to make the necessary sacrifice. All carded and prepared tops in medium and low qualities show an easier tendency on the week, but in all sections there is really insufficient business to test values. Quotations for yarns are irregular, and stocks continue to accumulate. The position in the yarn trade, indeed, is becoming serious. A moderate amount of new business is passing in piece goods, but wholesale fabric buyers are constantly looking for concessions. English wools show a hardening tendency in sympathy with the trend of values at the country fairs, but there is very little business passing here.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

Interest is now beginning to be centred in Coleman street Wool Exchange, London, where the fourth series of sales will begin next Tuesday. The list of wools available for sale is returned at practically 129,000 bales, this total including about 100,750 bales of Australian and 9,250 South African, the balance being South American and sundries. It seems to everyone that there is quite sufficient wool available to satisfy all requirements, and we hope that the series will be an improvement on the last. The bulk of

the offerings will comprise crossbreds, and considerable doubt exists as to what sort of a reception these will meet with. It is regrettable that the interval has been so disappointingly slow, totally unforeseen factors having been at work. Early in the year everything seemed to indicate a prosperous summer season, with developing consumption in crossbreds. The result of the recent French elections, together with the big efforts other Continental countries are making to stabilise exchanges have, however, combined to deal a severe blow to the Colonial wool trade. Germany's financial position is, perhaps, the most important of the influences now operating. It has been said by those who should know that the issue of rentenmarks is only about one-sixth of the amount actually needed to conduct adequately the home trade of Germany, and provide sufficient sterling to buy the quantity of raw material needed. Although further facilities are now granted to purchase sterling, other powerful factors are operating to prevent the accomplishment of this end. In the meantime, one does not know what is going to be Germany's attitude towards the buying of Colonial wool, which is known to be wanted in big volume by topmakers, spinners, and manufacturers in that country. No doubt the whole aspect of affairs would have been very different and far more propitious if finance had not been so crippled as has been seen during the past two months. Things have become undoubtedly worse, and it is the large business which at present is held up between Bradford spinners and German merchants which is the principal cause of the set-back experienced by crossbreds. This fact makes the outlook for the forthcoming auctions somewhat clouded. The partial stoppage of Bradford's export trade in wool, tops and yarns means the curtailment of the buying power of Bradford firms, who would by this time have been getting through the bulk of their direct imports. Instead of that, there are still big weights of wool to be seen on the railway sidings around Bradford, which is all indicative of lessened consumption, and this is finding an echo in the increasing number of wool sorters and combing operatives who are on short time or out of work altogether. However, we have known times when a series of sales which opened with anything but an inviting prospect have shown a development of competition and a strengthening of prices, the result being that things have shown a great improvement before the finish.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—June 20, 1924.

Description.	Ord.	Good Ord.	Low Mid.	Mid.	Good Mid.	Mid. Fair.	Same Period 1923.		Same Period 1922.	
							Ord.	Good Ord.	Ord.	Good Ord.
American	1464	1514	1614	1694	1794	1909	1582	1632	1692	1725
Brazilian	1464	1514	1614	1694	1794	1909	1582	1632	1692	1725
Peru, Macao, &c.	1604	1754	1854	...	...	...	1527	1592	...	1089
Paraguay, Rio Grande, &c.	1604	1754	1854	...	...	...	1527	1592	...	1089
Ceara, &c.	1604	1754	1854	...	...	...	1527	1592	...	1089
845 Paulo	1629	1679	1729	...	...	...	1517	1552	...	1189
Egyptian	Fr. G. 8	Fr. G. 8	Fr. G. 8	Fr. G. 8	Fr. G. 8	Fr. G. 8	Fr. G. 8	Fr. G. 8	Fr. G. 8	Fr. G. 8
Upper	2170	2300	2350	2415	2475	2575	1575	1650	1775	1900
Sakellaridis	2165	2340	2390	2495	2615	2725	1575	1650	1775	1900
Brown	2170	2300	2350	2415	2475	2575	1575	1650	1775	1900
Peruvian	MF	Fr. G. 8	Fr. G. 8	Fr. G. 8	Fr. G. 8	Fr. G. 8	MF	Fr. G. 8	Fr. G. 8	Fr. G. 8
Rough	...	...	...	...	...	...	...	...	...	...
Moderately Rough	...	...	...	...	...	...	...	...	...	...
Smooth	1894	1854	1929	1954	1979	1999	1592	1667	1767	1894
Tangia	1854	1879	1979	2054	2079	2099	1592	1667	1767	1894
West Indian, &c.	...	...	...	...	...	...	...	...	...	...
Do Sea Island	...	...	...	...	...	...	...	...	...	...
African, East, &c.	1510	1610	1760	1860	1925	1980	1200	1350	1550	1700
Do West	...	...	...	...	...	...	...	...	...	...
East Indian	Fr. G. 8	Fr. G. 8	Fr. G. 8	Fr. G. 8	Fr. G. 8	Fr. G. 8	Fr. G. 8	Fr. G. 8	Fr. G. 8	Fr. G. 8
Machine Ginned Surtee	...	...	...	...	...	...	...	...	...	...
Machine Ginned Broach	...	...	...	...	...	...	...	...	...	...
Machine Ginned Bhownagur	1085	1135	1185	1235	1285	1335	980	1030	1130	1210
Machine Ginned Oomra, No. 1	1095	1145	1195	1245	1295	1345	990	1040	1140	1220
Machine Ginned Oomra, No. 2	...	...	...	...	...	...	...	...	...	...
Machine Ginned Khandah	...	...	...	...	...	...	...	...	...	...
Machine Ginned Comptah	...	...	...	...	...	...	...	...	...	...
Machine Ginned Bengal	1060	1100	1140	1180	1220	1260	880	920	1000	1080
Machine Ginned Soinde	1050	1090	1130	1170	1210	1250	870	910	990	1070
Timbivelly	1395	1435	1475	...	...	...	1370	1410	...	1500
American-Scinde/Punjab	...	...	...	...	...	...	...	...	...	...
H. G. Western	...	...	...	...	...	...	...	...	...	...
Western	...	...	...	...	...	...	...	...	...	...
M. G. Northern	...	...	...	...	...	...	...	...	...	...
Northern	...	...	...	...	...	...	...	...	...	...
M. G. Oconada, Red	Fr. 1285	...	...	...	...	...	1185	...	...	1100
China, Smyrna, &c.	...	...	...	...	...	...	...	...	...	...

MANCHESTER, June 26.

The larger inquiry in the market experienced last week has been maintained, and in certain quarters an increased business has been done. The freer buying is rather significant in view of the fact that most operators believe in lower prices, but the requirements of some merchants are becoming urgent, and it has evidently been absolutely necessary to give out orders to manufacturers so as to secure adequate deliveries. The feature of interest has been the extensive buying in light fabrics such as dhooties and jaconets for India, and one leading shipping house has bought heavily. Although more trade has been done for India in other goods, the sales have not been important. Exporters to China have given increased support in white shirtings, some fairly substantial transactions being reported. Business has broadened for several minor outlets in a variety of cloths. In medium and fine numbers of American yarns encouraging contracts have been arranged, and many spinners have obtained relief. More activity has also shown itself in Egyptian yarns.

(I) Comparative Statement of the Cotton Trade.

	Price, June 26, 1924.	Previous Weeks in 1924.					
		Price, June 19, 1924.	Price, June 11, 1924.	Price, June 4, 1924.	Price, May 29, 1924.	Price, May 22, 1924.	Price, May 15, 1924.
Raw Cotton—Fully Mid. American .. per lb	17-37	17-64	17-48	18-37	18-23	18-11	18-11
— Sakellaridis Fully Good Fair Egyptian .. per lb	23-60	23-90	23-60	23-90	23-10	23-15	23-15
Yarns—32's twist .. per lb	25-1	25-1	25-1	25-1	25-1	25-1	25-1
— 40's twist .. per lb	26-1	26-1	26-1	26-1	26-1	26-1	26-1
— 60's twist (Egyptian) .. per lb	35-1	35-1	35-1	35-1	35-1	35-1	35-1
32 in. Printers, 116 yds. 16 by 16, 32's and 50's ..	36-6	36-6	36-6	36-6	36-6	36-6	36-6
32 in. Shirtings, 75 yds. 19 by 19, 32's and 40's ..	40-6	40-6	40-6	40-6	40-6	40-6	40-6
38 in. ditto, 38 yds. 18 by 18, 10 lbs.	20-9	20-9	20-9	20-9	20-9	20-9	20-9
39 in. ditto, 37½ yds. 16 by 15, 8½ lbs.	18-9	18-9	18-9	18-9	18-9	18-9	18-9

(II.) Compared with Previous Years.

	Price, June 26, 1924.	Corresponding dates in				
		1923.	1922.	1921.	1920.	1919.
Raw Cotton—Fully Mid. American .. per lb	17-37	16-49	13-34	7-85	26-62	19-64
— Sakellaridis Fully Good Fair Egyptian .. per lb	23-60	16-30	19-75	15-50	63-00	27-09
Yarns—32's twist .. per lb	25-1	24-1	20-1	17-1	54-1	39-1
— 40's twist .. per lb	26-1	25-1	20-1	18-1	50-1	38-1
— 60's twist (Egyptian) .. per lb	35-1	29-1	30-1	31-1	100-1	54-1
32 in. Printers, 116 yds. 16 by 16, 32's and 50's ..	36-6	34-3	33-0	32-0	92-0	55-0
32 in. Shirtings, 75 yds. 19 by 19, 32's and 40's ..	40-6	37-6	31-6	30-6	85-0	54-6
38 in. ditto, 38 yds. 18 by 18, 10 lbs.	20-9	19-0	18-9	18-6	49-3	31-0
39 in. ditto, 37½ yds. 16 by 15, 8½ lbs.	18-9	17-6	17-6	18-6	42-6	29-0

THE TIMBER MARKET.

(BY OUR OWN CORRESPONDENT.)

The demand for building woods is fairly steady, but prices to consumers are finely cut, competition being so keen for orders on the market that timber is often sold at less than replacement values. A greatly increased call for wood, therefore, must necessarily tend to a decided firmness in the market, both on the spot and for free on board futures. It is the sluggish demand on the spot market (that is, in comparison with stocks and those bought and shortly to be delivered) that has been the cause of the decline in the free on board market, and importers are still holding their hands for autumn purchases, because they are not confident that f.o.b. rates have yet touched bottom. In Canadian softwoods the imports have shown a satisfactory increase of recent weeks, but a decline as compared with the first five months of 1923; the European woods are in price matters more favourable in the Lancashire districts, where Canadian spruce has been, and still is, to a less extent favoured, and it is hoped that the trade lost by the Canadian shippers will soon be regained by good organisation, logging, and converting. In the pitchpine market of the United States there is a weakness in values occasioned by the falling off of the domestic demand, which is reflected on this side, and it might be added here that this is also to some extent the case with regard to the shipments of American hardwoods for the furniture trade, of which very large quantities of many descriptions—oak, ash, poplar, mahogany, &c.—in boards and planks are shipped to this market. In other sawn hardwoods increasing supplies of boards and planks are coming in from the British East Indies, Canada, and "other countries," and also increased numbers of logs from the last two named, compared with last year. Mahogany logs are the best market of all woods; stocks in first hands are small, and the market is likely to remain firm for some time. In the pitwood section of the trade imports have been lighter, particularly from Sweden and France, the fall in the shipments from the former being due to the late opening of navigation. In the native wood market the demand for other than best quality wood is meagre, the lower prices of foreign imports increasing the competition in the selling of home-grown woods.

VEGETABLE OILS AND OILSEEDS.

Market conditions all round have been much more active. Linseed oil has continued in good demand, and is again dearer, oil for prompt delivery having advanced to £39 10s naked ex Hull mill, with American inquiries still circulating. Cotton oils have revived, crude Egyptian moving up to £39 5s and soapmakers' grade of refined to £40 ex Hull mill.

In the oilseed section a large trade has been done in Plate linseed, up to £18 15s having been paid for seed on passage and for shipment, since when values have hardened to £19 for May-June and June-July. The firmness has been assisted by the reduction of 118,000 tons in the official estimate of the yield. The new figure of 1,488,000 tons is still 179,000 tons in excess of the final official estimate last year. The exportable surplus of Plate seed remaining for shipment this season is, therefore, reduced to £442,000 tons, against 275,000 tons actually shipped from Argentina during the latter half of last year, when, as will be remembered, there was a real shortage of seed, and oil stocks became exhausted. Unless the estimate undergoes a favourable revision later, existing supplies, together with 211,000 tons expected yet to come from India, are not considered more than sufficient to meet world requirements between now and the arrival of the new crops. London has been a good buyer of Calcutta at £20 5s to £20 10s for shipment. New crop Egyptian cottonseed is now offering freely, shippers' ideas for black being £12 September loading and £11 15s October.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

Business was very flat at the auctions held in Bermondsey on Thursday last, as four out of the five classes of best ox hides were withdrawn in the absence of suitable bids. One class of light ox sold at 7½d, whilst seconds made from 5½d to 7½d, two classes of light showing a fractional advance of ½d. Best cows sold from 6½d to 6½d, and seconds from 5½d to 6d. Calf also shared in the quietude, best selling from 6½d to 15½d, showing in three classes falls of ½d to ½d. All wool and lamb skins were withdrawn from sale, and no official prices issued. The imported hide market is quiet, with a firmer tone in regorifics, which seems difficult to account for in view of the plentiful supplies at origin. Business has been done at 6½d for Argentine ox, 5½d for cows, and 7½d for Montevideo ox, but as killings in the River Plate are heavy, less money would probably be accepted. Dry hides are a listless market, and prices show a weaker tone. This week's cables from New York report the Chicago position as weak, with best heavy packers offering now at 12½ cents, and native cows at 10½ cents.

The sole leather section has fallen a shade quieter this week, as manufacturers do not seem inclined to buy leather until they know how the winter trade is likely to pan out. Cheap dry hide sole is still the best seller, although quite a fair business has been done of late in wet salted bends with repairers. Prices are steady, but there is a talk of cuts in price where big business is concerned.

Upper leathers are selling slowly, and some anxiety is again apparent at the influx of German chrome calf and side leathers at very low prices. Curriers are not well off for orders, as the prices of rough kips in Madras are still high, whilst it is almost impossible to get remunerative prices for dressed semi-chrome kips or waxed leathers. Coloured kid has fallen away in demand to nothing, and black kid is now only selling in a small way. The boot trade remains good in all centres.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, June 27.

SUGAR.—A hardening tendency was observable in all directions in face of sustained inquiries on actual consumptive account. Of British makes, Messrs. Tate and Lyle's cubes, also crushed, advanced 9d per cwt, with all other kinds also forward, granulated 6d. Cubes now quoted 42s 3d to 43s 3d; crushed, 40s 9d; nibs, 43s 3d; granulated, 40s 1½d; fine, also coarse grain, 39s 4½d; No. 1, 39s 1½d; No. 2, also London and T.L., 38s 10½d; ditto. Imported kinds dearer. White Java, spot, sold 35s 3d to 35s 6d; May-June, steamer, quoted 23s 3d; June-July, 21s 9d; July-August, 21s 6d c.f. and i. London. Czech granulated, spot, sold, 37s; ditto, June shipment, quoted 25s 6d; November-December, 20s 9d, f.o.b., Hamburg. Dutch granulated, spot, done 36s 6d to 37s, with shipment parcels quoted 25s to 25s 6d prompt f.o.b. terms, as to quality, American granulated, spot, 37s 6d; June, steamer, 25s 9d, c.f. and i. U.K. Cuban basis 96 per cent, June-July, quoted 19s 6d c.f. and i. U.K. White Terminal market was accorded fair support and a firmer tone predominated. August delivery sold, 23s 1½d to 23s 10½d; October, 21s 6d to 21s 9d; December, 20s 3d to 20s 6d; March, 20s 4½d to 20s 7½d.

COFFEE.—With a steady demand from the home trade, there was a fair amount of business doing during the week, and general tone of market proved very steady. Offerings in auction consisted chiefly of Costa Rica descriptions, and of which bold sales were, 113s to 137s 6d. Kenya bold realised 110s to 126s, with East India ditto 140s 6d.

COCOA.—Only a small amount of business was carried through on the spot at prices showing no material alteration. Accra, June-August, F/F grade, sold, 29s 3d; and October-December, 32s cwt, f.o.b. terms.

TEA.—About 35,300 packages Indian were submitted to auction during the week, and with brisk competition for all qualities, rates advanced ½d to ¾d per lb. Pekoe sold, 1s 3½d to 1s 6½d; broken orange pekoe, 1s 6½d to 2s 3½d. Ceylon sales of 30,300 packages proceeded on similar lines as Indian. Common and medium kinds were actively competed for. Pekoe sold, 1s 4½d to 1s 10½d; broken orange, 1s 6½d to 2s 0½d. With regard to new season's China, a fair business resulted in Keemuns, to arrive, up to 2s 6d per lb, landed terms in bond, while old sea-on's teas for price on the spot engaged fair patronage. 7,000 packages Java and Sumatra sold readily at ¾d to ¾d lb advance. Pekoe, 1s 2d to 1s 4½d; broken ditto, 10d to 1s 4½d; pekoe souchong, 1s 0½d to 1s 3½d; orange, 1s 3½d to 1s 4d; broken orange, 1s 1½d to 1s 4½d per lb in bond.

RICE.—The market at the moment is generally dull, but shippers adhere to steady asking prices as available quantities are small. Two Stars, spot, 15s; afloat, 14s 6d. S.O. double bags shipment to Cuba held for 15s 4½d, c.f. and i. terms. Japanese peas steady. Spot, 21s 3d; September-October, 20s 1½d per cwt.

SPICES.—Pepper remained quietly steady. Black Singapore, June-August, L.S., quoted 44d; Lampong, August-October, sellers, 42d; October-December, buyers, 42d. Muntok, August-October, 7½d. Zanzibar cloves, spot, 1s per lb. Tapioca generally quiet. Fair Singapore, flake, spot, 3½d; fine Bendorejo, 4½d per lb. Singapore flake, June-July, Havre, quoted, 27s 6d; Penang seed, June-August, London, sold, 21s. Sago flour dull. June sellers, 14s 6d; July, 14s 3d; August, 14s 1½d, to Liverpool. Desiccated coconut steady. Fine cut, spot, 37s 6d; medium, 38s 6d; halves, August-September, sold, 37s; September-October, buyers, 37s 9d per cwt. Ginger quiet, at late rates.

JUTE.—Sellers again adopted marked reserve, which tended to curtail business, and increased stability ensued. Cables record active operations on the part of local mills in new crop. First grade, June-July, continent, quoted £28 5s; new crop, August, £28 15s; August-September, sold, £27 12s 6d to £27 15s; September-October, buyers, £27 10s ton. Hessians firm. 10-oz, July-September, sold, 32s 3d; 8-oz, ditto, 24s 1½d per 100 yards. Twills firm, with a fair demand for B quality.

HEMP.—Consumptive demand is maintained for Manila qualities, and general tone of market is very steady, while assisted by light stocks in the U.K. and also locally. 1 grade, July-September, quoted £40; K, £36; L, £35; M, £31 10s; G, £45 10s; streaky threes, £47; ditto, twos, £53. New Zealand quiet, but steady. H.P.S., June-August, £37. African sisal: No. 1 Tanganyika, June-August, £45; Kenya, ditto, £44, c.f. and i. Italian, new crop, October-November, £83, c. and f., U.K.

SHELLAC.—Market steady. Fair T.N., spot, 275s; August, 260s; October, 260s cwt.

COPRA.—Market again harder on reserve of sellers and strength shown in American centres for all fats. Meantime, steady absorption ensues on the part of crushers. F.M.S. Straits, March-May, Rotterdam, quoted £29 15s; April-June, sold, £29 7s 6d to £29 8s 9d; May-July, £29 2s 6d to £29 5s; June-August, £29. Dutch East Indies, March-May, quoted £30; April-June, £29 5s; May-July, sold, £28 18s 9d; June-August, £28 16s 3d. South Sea, June-July, £28 2s 6d; Java ditto, £29 5s; F.M. Straits, June-July, Marseilles, £27 1s. Palm kernels firm. April-June, Liverpool, don't, £21; May-July, £20 8s 9d; June-August, £20 7s 6d ton.

RUBBER was accorded better support, and a firm tone predominated. Spot standard plantation, also July, sold, 10½d; July-September, 10½d; October-December, 11d; January-March, 11½d. To New York, standard estate sheet, July-August, sold, 10½d per lb, c.f. and i. terms. Wild quiet, but steady.

EGG PRODUCTS.—Market steady at recent rates, but general trade quiet.

ESSENTIALS.—Menthol, spot, 52s 6d; June-July, 45s. Japanese peppermint oil, spot, 14s 6d; forward, 13s 6d; anised, spot, 2s 4d; refined camphor, spot, 2s 10d; crude, 2s 8d per lb.

FRUIT (Dried).—With no extension in demand, business progressed quietly for most descriptions. Currants: Pyrgos, ½ bags quoted 41s; ½ cases, 46s; Amalia, 48s; Patras, 50s; Gulph, 52s; Panariti, 56s; Vostizza, 63s to 65s; Australian, new crop, ½ cases, 60s. Raisins: Valenc a, ½ boxes, 38s to 40s; Cape, new crop, 40s to 44s. Sultanias: Greek, ½ cases, 52s; Smyrna, boxes, 56s to 70s; Cape, sun-dried, 46s; ditto, sulphured, 55s. Figs: Genuine natural in bags, good, 36s; fine, 38s. There is only a small business doing in dates at prices showing no particular alteration. Evaporated fruits received but quiet attention. Californian apricots, standards quoted 72s to 76s; choice, 85s; peaches, choice, 48s; extra ditto, 50s; fancy, 58s;



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apple-rings, 70s to 74s per cwt. Plums: Bosnian, 3 cases, 85/90, quoted 30s; 72/77, at 34s; Oregon, 30/40, quoted 68s to 70s; 35/45, at 53s; and 40/50, at 48s cwt.

CANNED GOODS.—A moderate demand was experienced, and a steady tone characterised the market. Of sardines, fairly liberal arrivals continue to come to hand from Portugal, and 1/2-flats are quoted 3s 6d; clubs, 3s 6d to 4s; 12 oz, 5s 6d to 7s 6d; 18 oz, 9s 6d to 11s 6d per dozen tins. Lobster firmly held, and fancy halves quoted 143s. Crayfish, 72s. Salmon, 1 lb flat reds, labelled, quoted 53s; ditto, tall, 44s 6d; 1 lb tall pink, 26s to 26s 6d; and cases of 96 1/2-lbs, 27s to 29s per case. Canned fruits—There has been quite a good amount of business done by speculators, and who have purchased goods in bond. Packers' ideas of 1924 prices are very much higher than the duty-paid prices current at the moment. In some instances, the c.i.f. rates (in bond) are 2s 3d per dozen tins higher than the duty-paid prices of spot stocks. Singapore and Hawaiian pines are barely steady. Singapore pines, 48 1/2 lbs, cubes, quoted, best quality, 6s 9d to 7s; ditto, 24 1/2 lbs, 11s to 11s 6d; slices, 48 1/2 lbs, 6s 3d; Hawaiian slices, 24 1/2 lbs, 14s 9d to 16s 6d. Californian apricots, 2 1/2 lbs, 8s 6d to 11s 6d; 1 1/2 lbs, 5s 3d to 5s 6d. Pears, 2 1/2 lbs, 14s to 16s; 1 1/2 lbs, 8s 6d. Peaches, 2 1/2 lbs, 9s 6d to 11s 6d; 1 1/2 lbs, 6s 3d to 6s 6d. Fruit salad, 2 1/2 lbs, 20s; 1 1/2 lbs, 10s 3d. Italian tomatoes, 7s per dozen tins. Canned meats—There was a better call with regard to beef at steady prices. A good inquiry continues for tongues, especially Danish, as quality of same is much appreciated in its particular circle. Condensed milk—Quite a good volume of business has been carried through, operators buying goods and leaving same in bond until after July 1st.

OILSEEDS.—Linseed firmer, with a good demand. Calcutta, afloat, £20 12s 6d; April-May, £20 12s 6d; May-June, £21 13s 9d; June-July, £20 13s 9d; bold Bombay, May-June, £21 5s. Plate, afloat, sold, £18 17s 6d; April-May, £18 17s 6d; May-June and June-July, £19 2s 6d. Rape seed firmer on reserved offerings. Toria, June-July, £18 2s 6d; Jamba, ditto, £14 10s; and real bold Ferozepore, ditto, £17 15s. Cotton-seed firm, but quiet. Egyptian, black, July, £13 7s 6d; September, sold, £12. Sakellariadis, £12 5s. Bombay, June-July, £10 7s 6d. Gingly seed firm. Chinese, June-July, £26 5s. Ground-nuts dull. Coromandel, machine-dried, June-July, £22 15s; Chinese, decorticated, f.a.q., ditto, £21 10s; bold Bombay, ditto, £22 5s. Soya beans firmer. Manchurian, afloat, £11 17s 6d; June-July, £11 15s. Castor seed firmer. Bombay, June-July, £27; Cawnpore, June-July, £25 5s per ton.

OILS.—Linseed firm, with a good demand. Spot, net, naked, 41s; June, 40s; July-August, 39s 9d; September-December, 38s 6d. Rape quiet. Crude, spot, 45s; refined, 48s. Castor-oil steady. First pressure, spot, quoted 62s; second pressure, 60s; and

pharmaceutical, 67s per cwt, Hull, with London 2s per cwt extra. Cotton steady. Crude Egyptian, spot, 39s 6d; Bombay, 37s 6d; common edible, 46s; deodorised 48s. Chinawood easier. Hankow, spot (barrels), 69s; June-July, 64s. Coconut firm. Ceylon, spot, 46s 6d; June-July, 43s 6d; Cochin, ditto, nominally 57s. Soya firm. Oriental, barrels, June-July, 41s 6d; bulk, 37s 3d. Cod steady. English, spot, 35s 6d to 36s 6d. Groundnuts quiet. English, crushed, naked, spot, 45s; deodorised, barrels, 53s. Turpentine quiet and easier. American, spot, 65s; July-December, 65s 9d. Rosin quiet, but pale grades firm. American, grade B, 13s 3d; G, 14s; WG, 17s; WW, 21s 6d per cwt. French WW, 17s 6d per cwt. Petroleum steady. American, standard white, spot, 1s 1d; and water white, 1s 2d per gallon.

TALLOW.—Messrs Colchesters and Woolner write on June 25th as follows:—The tallow market was quietly steady during the week, and prices were unchanged to-day. There has been more business doing than is apparent from the quantity catalogued and sold at the auctions. At auction to-day 640 casks tallow were offered, and 277 were sold. Quotations are:—Australian mutton: Fine, 44s 6d; good to fair, 44s to 42s 6d; dull to dark, 39s to 37s 6d; hard, 44s 6d. Australian beef: Fine, 45s; good to fair, 44s to 41s 6d; dull to dark, 38s 6d to 37s 6d; sweet, none. Present shipment from Australasia: Good mixed, nominal. Present shipment from South America, 42s 6d to 40s. The market letter is unchanged. Town tallow, 39s 6d per cwt., Rough fat, per 8 lbs, 34d; melted stuff, 29s 6d per cwt. Quotations are:—Town, 38s 6d, net cash, naked, ex works. Country: Frail casks, 39s; home melted, shipping casks, net, f.o.b., good coloured, 40s; fair to dull, 39s to 38s. Bone fat: White, none; pale, none; benzine, 35s; melted stuff, 34s 6d, f.o.b.

METROPOLITAN CATTLE.—JUNE 26.

Market closed owing to Foot and Mouth disease restrictions.
British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.

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LONDON POTATO MARKETS.—JUNE 26.

English—Epioures	11 0	St Malo	11 0
Sharps Express	12 0	Cherbourg's (case)	8 0

Commercial Times.—Weekly Price Current.

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

LONDON, FRIDAY.		DRUGS.		INDIA RUBBER.—lb.		PROVISIONS.		SPICES.—Pepper, lb.	
COCOA.—Dutch, British grown		Alum, fine E.L.P. cwt 10s		Para, fine hard spot 0 11 0		Butter—per cwt.		Mustok, fair, white	
9 4d, foreign 14s cwt.		Cape, good to fine . . . 40		Plantation crepe . . . 0 10s 0		Irish creamery . . . 180 0 188 0		Black Singapore . . . 0 6 1/2	
Trinidad, per cwt.		Balsam Peru . . . per lb				Do factory		White Siam	
47 0 61 0		Cashew				Australasian		Pinang	
Guatemala		Campor				Argentine		Olannam—1st sort . . .	
40 0 48 0		Japan, refined				Dutch		Do 2nd	
Ceylon, plantation . . .		Cardamom, Ceylon . . .				New Zealand		Do 3rd	
75 0 100 0		Cashew, China, per lb				Danish		Guatemala, 1st sort . . .	
Guayaquil		Gun Benim, Sum. cwt				Bacon, engd.—Irish . . .		Olannam—2nd sort . . .	
70 0 85 0		Oil, Benim, Sum. cwt				Danish		Madagascar	
Bahia, finest		Oil, Benim, Sum. cwt				Canadian		Ginger—per cwt.	
46 0 47 0		Oil, Benim, Sum. cwt				American		Good mutton	
OFFERS.—British grown		Oil, Benim, Sum. cwt				Hams—Irish		Do wormy	
9 4d, foreign 14s cwt.		Oil, Benim, Sum. cwt				Canadian		Japan	
135 0		Oil, Benim, Sum. cwt				Lord—Irish		Guatemala, 2nd sort . . .	
Do good to fine		Oil, Benim, Sum. cwt				Lord—Irish		Do 3rd	
140 0		Oil, Benim, Sum. cwt				Port—per 8 lbs		Madagascar	
Do good to fine		Oil, Benim, Sum. cwt				Best—Froese per 8 lb . .		Do 4th	
140 0		Oil, Benim, Sum. cwt				Scotch		Do 5th	
Do good to fine		Oil, Benim, Sum. cwt				Choco—Cwt—Canadian . .		TALLOW—per cwt.	
140 0		Oil, Benim, Sum. cwt				New Zealand		Good mutton	
Do good to fine		Oil, Benim, Sum. cwt				Eng. Cheddar		Beef	
140 0		Oil, Benim, Sum. cwt				Cheshire			
Do good to fine		Oil, Benim, Sum. cwt				Dutch		TAPIOCA—per lb.	
140 0		Oil, Benim, Sum. cwt				Eng. pr 125—English . . .		Do 1st, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Broken 1st		Do 2nd, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 2nd		Do 3rd, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 3rd		Do 4th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 4th		Do 5th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 5th		Do 6th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 6th		Do 7th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 7th		Do 8th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 8th		Do 9th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 9th		Do 10th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 10th		Do 11th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 11th		Do 12th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 12th		Do 13th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 13th		Do 14th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 14th		Do 15th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 15th		Do 16th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 16th		Do 17th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 17th		Do 18th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 18th		Do 19th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 19th		Do 20th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 20th		Do 21st, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 21st		Do 22nd, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 22nd		Do 23rd, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 23rd		Do 24th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 24th		Do 25th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 25th		Do 26th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 26th		Do 27th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 27th		Do 28th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 28th		Do 29th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 29th		Do 30th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 30th		Do 31st, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 31st		Do 32nd, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 32nd		Do 33rd, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 33rd		Do 34th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 34th		Do 35th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 35th		Do 36th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 36th		Do 37th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 37th		Do 38th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 38th		Do 39th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 39th		Do 40th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 40th		Do 41st, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 41st		Do 42nd, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 42nd		Do 43rd, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 43rd		Do 44th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 44th		Do 45th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 45th		Do 46th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 46th		Do 47th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 47th		Do 48th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 48th		Do 49th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 49th		Do 50th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 50th		Do 51st, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 51st		Do 52nd, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 52nd		Do 53rd, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 53rd		Do 54th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 54th		Do 55th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 55th		Do 56th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 56th		Do 57th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 57th		Do 58th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 58th		Do 59th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 59th		Do 60th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 60th		Do 61st, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 61st		Do 62nd, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 62nd		Do 63rd, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 63rd		Do 64th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 64th		Do 65th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 65th		Do 66th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 66th		Do 67th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 67th		Do 68th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 68th		Do 69th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 69th		Do 70th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 70th		Do 71st, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 71st		Do 72nd, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 72nd		Do 73rd, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 73rd		Do 74th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 74th		Do 75th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 75th		Do 76th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 76th		Do 77th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 77th		Do 78th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 78th		Do 79th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 79th		Do 80th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 80th		Do 81st, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 81st		Do 82nd, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 82nd		Do 83rd, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 83rd		Do 84th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 84th		Do 85th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 85th		Do 86th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 86th		Do 87th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 87th		Do 88th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 88th		Do 89th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 89th		Do 90th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 90th		Do 91st, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 91st		Do 92nd, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 92nd		Do 93rd, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 93rd		Do 94th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 94th		Do 95th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 95th		Do 96th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 96th		Do 97th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 97th		Do 98th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 98th		Do 99th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 99th		Do 100th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 100th		Do 101st, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 101st		Do 102nd, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 102nd		Do 103rd, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 103rd		Do 104th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 104th		Do 105th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 105th		Do 106th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 106th		Do 107th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 107th		Do 108th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 108th		Do 109th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 109th		Do 110th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 110th		Do 111th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 111th		Do 112th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 112th		Do 113th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 113th		Do 114th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 114th		Do 115th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 115th		Do 116th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 116th		Do 117th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 117th		Do 118th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 118th		Do 119th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 119th		Do 120th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 120th		Do 121st, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 121st		Do 122nd, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 122nd		Do 123rd, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 123rd		Do 124th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 124th		Do 125th, fair, spot	
Do good to fine		Oil, Benim, Sum. cwt				Do 125th		Do 126th, fair, spot	
140 0		Oil, Benim, Sum. cwt				Do 126th		Do 127th, fair, spot	

THE STATE OF TRADE AT HOME AND ABROAD—Continued from page 1.

A brief examination of the figures of production shows that at the present rate of output this scarcity will probably continue. Before the war the consumption of coal was annually increasing by about 5,000,000 tons. Since the termination of war conditions, production has been slowly improving, and this year's production of about 278,493,400 tons is within some 9,000,000 tons of the production of 1913, which was 287,411,000 tons. But it must be remembered that if there had been no war and the industries of this country had continued in their normal course of development, the national consumption of coal would have been some 50,000,000 tons more than in 1913. Obviously, therefore, when our industries revive, the present output will not be sufficient to meet the demand. There are now, happily, signs of a recovery in industry; consequently, when a period of cold weather causes a greater demand for household, there is a shortage of coal, and that state of affairs will continue until

the present rate of production, something less than 6,000,000 tons a week, is considerably increased. But, for the moment, the working of all these normal factors is upset by the railway strike, which has greatly hampered exports, restricted the opportunities of moving coal away from the pits, and accordingly curtailed production. The immediate future, therefore, depends on the duration of the strike.

Iron and Steel.—The iron and steel production figures just issued by the National Federation of Iron and Steel Manufacturers put pig-iron production for 1923 at 7,438,500 tons, and steel production at 8,488,900 tons. This is an improvement of 50 per cent. and 44 per cent. respectively over 1922. A considerable improvement also took place in the exports of iron and steel, which at 4,320,000 tons were nearly 1,000,000 tons more than in 1922. The disappointing feature of the year, Continued on page 8.

SOME STATISTICS OF RUSSIAN EXPORTS.

(BY A CORRESPONDENT.)

FOR the financial year ending September 30, 1923, Russia's exports and imports valued at present prices were as follows:—

(In Million Gold Roubles.)			
Quarter.	Exports.	Imports.	
October-December, 1922	52.0	52.4	
January-March, 1923	31.5	28.7	
April-July, 1923	49.4	50.7	
July-September, 1923	77.7	55.7	
	210.6	187.5	

Thus, as a result of insisting that imports should not exceed exports in value, a favourable balance of 23,000,000 gold roubles has been achieved on the year. The following quantities and present values of the principal export commodities sent abroad during the year (excluding exports from the Caucasus) may be compared with corresponding figures for 1921-22:—

(In 1,000 Poods and 1,000 Gold Roubles.)					
Commodity.	1921-22.		1922-23.		
	Quantity.	Value.	Quantity.	Value.	
Cereals	87 ..	8 ..	46,374 ..	39,330 ..	
Timber	30,921 ..	12,464 ..	56,477 ..	22,056 ..	
Flax	1,754 ..	9,149 ..	2,111 ..	10,972 ..	
Hemp	465 ..	1,649 ..	537 ..	3,335 ..	
Horsehair	72 ..	1,602 ..	150 ..	2,856 ..	
Oil	3,189 ..	10,107 ..	5,146 ..	10,504 ..	
Manganese ore	1,696 ..	328 ..	2,587 ..	517 ..	
Scrap iron	2,189 ..	4,135 ..	4,557 ..	4,156 ..	

Prices of flax and hemp have risen during the year two to three times, according to grade. Under these influences flax and hemp cultivation are being rapidly restored. In regard to oil, if the Caucasian exports of 14,700,000 poods are included, a total of 19,846,000 poods for the year will be obtained. It is made up as follows:—

	1921-22.	1922-23.
Kerosene	3,611,000 ..	11,480,000 ..
Benzene	2,660,000 ..	2,488,000 ..
Lubricating oils	2,237,000 ..	3,577,000 ..
Naphtha and mazout	13,000 ..	2,301,000 ..
	8,521,000 ..	19,846,000 ..

Thus last year's export represents nearly 36 per cent. of the 55,500,000 poods of oil exported in 1913. In addition to this, the latest information announces that 3,000,000 poods of mazout have been sold to France, while negotiations are said to be proceeding satisfactorily with foreign interests for the sale of 6,000,000 poods of Grozny paraffin. It is a striking evidence of the changed conditions in Europe that Russian exports of rye are already in excess of the average exported annually for the five years preceding the war. Statistics are already available showing that from August 15th to December 31, 1923, the total amount of cereals exported from Russia was over 99,000,000 poods. Of this, rye represented 50,000,000 poods, whereas 37,000,000 poods was the average annual export for the quinquennium 1908-12. Wheat exported during the same 4½ months period

totalled only 23,700,000 poods, or little more than 10 per cent. of the quantity of wheat exported before the war, while the 8,460,000 poods of barley similarly exported amounted to only 4 per cent. pre-war, and oats at 3,015,000 to 4.6. Offals at 5,960,000 poods represented 15.4 per cent. of pre-war export. Opinions as to quality vary, some of the grain having been excellent and some very indifferent. It is significant that overhead charges swallow up 60 per cent. of the selling price of rye abroad, according to Soviet official figures, although in actual practice it is believed that overhead charges are far greater still, and it is common knowledge that in face of this situation the Soviet grain-collecting organisations have been paying the peasants unduly low prices. So discouraging has this practice been to the peasantry that it is advanced as one of the reasons for the diminished sowing of winter crops last autumn. As regards timber, the Northern, Petrograd, Dvina, and other timber trusts are said to have exported, during 1923, 170,000 standards, while the mixed companies—Russo-English and Russo-Dutch—are credited with 16,000 and 2,000 standards respectively. Thus the total export of timber from White Sea ports for 1923 is put at 208,000 standards, or about 50 per cent. of the record 1913 year, comparing with 36,000 and 103,000 standards in 1921 and 1922 respectively. Here again overhead charges are officially estimated at 60 per cent. of the foreign selling-price, but articles in the Soviet Press during recent months suggest that the situation is much worse, while the Finance Commissariat is constantly complaining that the working of timber at a loss is a constant source of disappointment for the Treasury. It is difficult to resist the conclusion that there is scarcely one of the Soviet State trading organisations which is making real commercial profit at the present time. British timber importers also complain that the Soviet trading organisations abroad not infrequently undersell the market in a way in which no ordinary, commercially run firm could afford to do, thus placing the trade in a state of constant instability. It is also said that the grading and packing of timber on vessels leaves much to be desired. The present political crisis in Moscow is already revealing tendencies towards making foreign trade freer and entrenching upon the Government monopoly. Whatever may be its outcome, nothing can be more certain than an impoverished country like Russia cannot go on much longer losing heavily as a result of an incompetent State administration of trade—whether internal or foreign—and that the foreign credits which the Soviet Government seeks to secure for Russia will never materialise as long as the traders of other countries are unable to ship Russian goods at Russian ports, and market them abroad independently of any State-controlled agencies for the disposal of her exports abroad.

SOME STATISTICS OF AGRICULTURE.

By SIR HENRY REW.

THE Election Manifesto of the Labour Party, signed by Mr Ramsay MacDonald and other leaders, two of whom are now in the Cabinet, declared that "Agriculture, as the largest and most essential of the nation's industries, calls for special measures to restore its prosperity and to give the land workers a living wage. The Labour policy is one that will develop agriculture and raise the standard of rural life." In his speech in the House of Commons on Monday last the present Prime Minister especially referred to the urgency of considering the position of agriculture. It may, accordingly, be assumed that the new Government intend to formulate without delay an agricultural policy, and to press forward measures to give effect to it. In their attempt to do so they can rely, at any rate, on the sympathetic interest of all parties. The Coalition Government and the Conservative Government tried unsuccessfully to solve the problem, and if the Labour Government can succeed they will establish a claim to the gratitude of the nation.

At this juncture it may be opportune to draw attention to some of the salient facts which lie at the root of the rural problem. There is no lack of discussion of the subject, but for the most part it tends to concentrate on superficial or temporary aspects. Very naturally those who are engaged in agriculture, whether as landlords, farmers, or labourers, are engrossed with their immediate troubles and want instant relief. These deserve and demand attention, but a constructive policy for rural England requires a wider vision. The most pregnant fact to be considered is the steady shrinkage of the agricultural area. During the last 30 years two million acres in Great Britain have been withdrawn from agriculture, and have been absorbed by the towns. This would be serious enough if the population were—as in France—stationary, but during the same period it has increased by ten millions. In other words, whereas in 1891 there were 999 acres of agricultural land for every 1,000 of the population—i.e., one acre per head—in 1921 there were only 722 acres per 1,000. If the same tendencies continue unchecked, there will be in 1951 only 545 acres of agricultural land per 1,000 of population.

In dealing with this problem it is well to remember that the extent of land, suitable for agriculture, not at present put to economic use, is small. According to statistics published by the International Agricultural Institute, 84.7 per cent. of the total area of Great Britain is put to productive use. No doubt some addition might be made by reclamation, but, broadly speaking, the country is at present farmed, more or less satisfactorily, up to the economic margin of cultivation. The only way, therefore, by which production and employment can be maintained, even at its present level, in this country, is to adopt such a policy as will ensure that all agricultural land shall be put to its fullest economic use.

A few figures summarise the agricultural history of the past ten years, taking the returns for June, 1914, 1918 and 1923 respectively:—

	1914.	1918.	1923.
	1,000 Acres.	1,000 Acres.	1,000 Acres.
Arable land	10,998 ..	12,399 ..	11,181 ..
Wheat	1,807 ..	2,557 ..	1,740 ..
Barley	1,505 ..	1,501 ..	1,327 ..
Oats	1,930 ..	2,780 ..	1,977 ..
Potatoes	461 ..	634 ..	467 ..
	1,000's.	1,000's.	1,000's.
Cattle	5,878 ..	6,200 ..	5,823 ..
Sheep	17,280 ..	16,475 ..	13,835 ..
Pigs	2,481 ..	1,697 ..	2,612 ..

The gain of nearly 1½ million acres of arable land obtained by compulsory measures during the war has gradually been lost, as was, indeed, inevitable when compulsion was withdrawn. For a time high prices and, later, the hope of direct assistance from the State retarded the natural tendency. It may be anticipated that the failure of the latest attempt to maintain the arable area by artificial means will have the psychological effect of inducing a number of farmers to reduce still further the land under

the plough, but this may be regarded as a temporary phase, and farming will very soon settle down on an economic basis.

In this connection it is significant to note that the Agricultural Tribunal, in their second report, expressed the view that the total arable area in Great Britain "is not likely to fall below 12,000,000 acres," i.e., if no artificial means are adopted to maintain it. The present area (including Scotland) is 14½ million acres. The prediction may be hazarded that it will take many years to reduce the present arable area by 2½ million acres. Year by year the use of arable land for stock-keeping and for other purposes than that of growing corn for direct sale is extending, and even were cereals to become, in themselves, wholly unprofitable, it does not follow that the plough would disappear.

In addition to the details of crops and stock for each county, this publication includes some interesting statistics of the number and size of agricultural holdings, and of labour employed on the land in England and Wales. The total number of holdings in 1923 was 411,673, a reduction of 3,042 from the previous year. This is a natural consequence of the shrinkage of the agricultural area, though there is some slight indication of a tendency to throw smaller holdings together. The number of holdings of not more than 50 acres, generally known as small holdings, decreased by 2,942, and those of more than 100 acres by 220. On the other hand, there was a slight increase, by 120, of holdings between 50 and 100 acres.

The return of the number of workers employed in agriculture in June last is as follows:—

REGULAR WORKERS.	
Males—	
21 years and over	426,925
Under 21 years	138,898
Women and girls	59,477
CASUAL WORKERS.	
Males—	
21 years and over	79,099
Under 21 years	24,390
Women and girls	42,998

Corresponding statistics were obtained in June, 1921, and the changes in the two years are interesting. There has been a reduction of 97,000, or 11 per cent., in the total number of persons employed. A comparison of casual workers is, however, subject to error, as the numbers employed on a given day in each year may be affected by seasonal conditions. Taking regular workers alone, the reduction in two years was 60,000, or 9 per cent. The figures, it should be noted, include not only wage-earners in the ordinary sense, but also the sons and daughters and relatives (other than wife) of the farmer. Bearing this fact in mind, it is significant that the average number of regular workers (male and female) employed per 1,000 acres of farmed land in England and Wales is only 24. The maximum in any one county is 44, in Kent, where hops and fruit account for a comparatively high labour staff. In Norfolk, a county in which three-fourths of the farmed land is under arable cultivation, the number of regular workers per 1,000 acres is no more than 31. The number of regular workers discharged in Norfolk since June, 1921, was 3,337.

These figures of the flight—or, more precisely, the expulsion—of the labourers from the land have received too little attention, but they are vitally significant. Landowners and farmers are articulate, and, indeed, vociferous, but the farm workers are dumb, and their troubles are not head-lined in the popular Press. During the past two years, no doubt, financial difficulties have compelled many owners to sell their estates and many occupiers to give up their farms. But though individuals suffer, the interests of the State are unaffected so long as others take their place. It is notorious that there is no difficulty in finding purchasers for estates and occupiers for farms. But the discharge of agricultural labourers means not only hardship, and sometimes tragedy, for individuals, but irreparable loss to the community.

PRODUCTION. (Thousands of Metric Tons.)

COAL.												LIGNITE.				
Period. Monthly Average.	United Kingdom.	Belgium.	Czecho- slovakia.	France.	Germany.	Nether- lands.	Poland.	Canada.	South Africa.	India.	Japan.	United States.	Austria.	Czecho- slovakia.	Germany.	Hun- gary.
1913	24,342	1,904	1,189	a 3,404	15,842	156	...	1,135	665	1,311	1,776	43,087	...	1,918	7,269	...
1918	19,286	1,158	...	2,188	13,376	283	...	1,133	747	1,680	2,336	51,272	...	1,641	8,389	...
1920	19,402	1,866	928	c 2,890	10,950	328	534	1,257	867	1,446	2,437	48,811	199	1,641	9,303	379
1921	18,822	1,816	971	c 3,213	11,351	327	631	888	862	1,554	2,185	38,282	206	1,792	10,451	491
1922	21,235	1,767	826	c 3,596	10,861	381	1,850	845	735	1,539	2,054	34,821	247	1,579	11,434	468
1922—November	27,228	1,805	891	3,753	10,456	405	2,843	1,144	776	1,264	2,189	48,705	241	1,103	11,896	585
December	20,598	1,818	848	3,799	9,684	390	2,760	1,152	742	1,481	2,388	49,786	218	1,567	11,897	584
1923—January	21,564	1,994	912	a 4,199	o 11,732	437	3,243	1,236	819	1,562	2,189	53,426	232	1,585	11,897	584
February	22,608	1,604	880	b 2,609	o 10,554	398	2,894	1,106	761	1,992	2,084	45,298	211	1,474	11,897	584
March	d 28,024	1,924	786	3,051	...	458	3,370	1,094	842	1,965	2,376	50,968	214	1,733	11,897	584
April	21,609	1,822	1,198	3,063	...	450	2,959	1,032	889	1,578	2,284	45,928	153	1,366	...	401
May	20,797	1,813	1,068	3,507	...	414	2,583	1,074	971	1,524	2,358	49,576	212	1,289	...	469
June	d 28,476	1,970	1,077	4,352	...	428	3,107	1,089	940	1,449	1,888	49,268	220	1,278	...	518
July	20,387	1,857	1,156	4,312	...	454	3,227	766	916	1,237	...	48,485	231	1,393	...	412
August	d 24,786	1,927	731	4,517	...	460	3,265	1,225	986	1,199	...	52,365	233	1,393	...	440
September	21,987	1,893	757	4,410	...	437	3,042	869	889	1,692	...	44,445	233	1,393	...	521
October	c 22,872	2,088	999	4,862	...	504	2,497	...	975	1,643	...	52,521	261	1,405	...	659
November	a 28,644	2,089	1,421	r 3,506	...	490	...	...	946	...	...	49,945	241	1,930	...	...
December	e 20,924	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

a Including lignite. b Including the production of Alsace-Lorraine, amounting to 264,000 tons per month during year 1920. c Including the production of Lorraine and Saar. d Five weeks. e Four weeks. f Strike period. g From 1919 excluding Alsace-Lorraine and from 1920 excluding Saar and Palatinate: from June, 1922, excluding Upper Silesia. h Since July, 1922, including Upper Silesia. i Excluding Rhine mines. j Excluding Ruhr production. k Decrease due to coal strike. l Excluding Saar.

PIG IRON.

Period. Monthly Average.	United King- dom.	Bel- gium.	France.	COAL.							LIGNITE.					
				Ger- many.	Luxem- burg.	Sweden.	Canada.	United States.	United King- dom.	Bel- gium.	France.	Ger- many.	Luxem- burg.	Sweden.	Canada.	United States.
1913	869	207	434	c 1,388	212	61	85	2,601	d 649	205	396	e 1,172	d 101	d 62	d 88	i 2,564
1918	768	..	109	883	106	64	90	3,260	d 812	1	151	1,176	73	53	142	3,645
1920	680	93	276	463	58	38	82	3,083	d 768	104	246	643	50	41	94	4,461
1921	222	73	280	625	81	26	51	1,401	d 314	66	255	750	63	19	57	1,628
1922	415	134	427	730	140	22	32	2,276	d 494	130	373	762	116	29	41	2,818
1922—November	502	172	514	..	154	27	35	2,895	610	d 177	410	..	132	38	52	3,489
December	542	160	513	..	159	28	36	3,136	555	169	415	..	134	32	47	3,357
1923—January	577	165	486	..	142	22	41	3,481	644	179	408	..	123	17	49	3,927
February	552	151	306	..	88	6	45	3,042	718	157	290	..	74	2	47	3,585
March	644	170	316	..	95	10	66	3,580	815	184	316	..	79	4	91	4,108
April	663	172	350	..	96	10	84	3,604	761	170	355	..	79	4	94	4,011
May	726	166	393	..	90	12	103	3,530	834	172	388	..	74	4	106	4,263
June	704	172	447	..	90	10	101	3,727	780	189	427	..	73	4	106	4,263
July	666	187	436	..	123	10	83	3,737	634	182	400	..	74	4	98	3,809
August	609	199	486	..	135	30	94	3,505	592	213	452	..	96	4	75	3,570
September	568	194	482	..	127	39	76	3,176	706	194	446	..	110	42	107	3,737
October	602	196	514	..	134	41	75	3,200	713	216	477	..	126	57	67	3,569
November	607	205	536	..	138	..	..	2,894	763	217	493	..	122	..	69	3,164
December	626	..	..	..	..	..	..	2,930	653	..	..	..	..	..	..	2,844

c Excluding Luxembourg, including Alsace-Lorraine, from 1913 to October, 1918; for 1918-1921 figures not official. d Ingots and castings. e Monthly figures, based on the returns of 30 establishments, whose production in 1921 amounted to 8750 per cent. of the total production. f Decrease due to labour disputes. g Corrected figures from January, 1923, based on returns from works responsible for 96% of total production.

WHOLESALE PRICES.

Monthly Average.	U.K.		Belgium.	Czecho- slovakia.	Denmark.	France.	Germany. ("Frank- furter Zeitung")	Hol- land.	Italy (Bacchi).	Norway.	Poland.	Russia.	Spain.	Sweden.	Switzer- land.	Australia.	British India.	Canada.
	Bo'rd of Trade.	Econo- mist.																
1913	100	100	<i>h</i> 100	<i>h</i> 100	100	100	<i>h</i> 100	100	100	100	<i>h</i> 100	100	100	100	<i>h</i> 100	100	100	100
1918	100	224.9		...	232	339.2		373	409.1	345		...	207	359	<i>a</i> 100	100	100	207
1920	307.3	283.2		...	341	509.4	2,130	292	<i>a</i> 624.7	377		...	221	359	...	100	207	207
1921	307.3	283.2	366	1,675	178	345.0	4,217	182	577.5	269	57,046		190	359	191.2	174.9	121	174.9
1922	158.6	159.5	367	1,299	181	326.6	49,559	160	562.3	220	137,575	<i>f</i> 1,579,000	176	173	167.5	161.6	150	150
1922-November ..	157.6	159.0	408	999	182	352.1	167,412	158	596.2	221	275,647	1,227,000	174	163	171.9	169.9	178	169.9
December	155.8	158.3	407	1,003	181	361.9	205,417	155	579.6	220	346,353	1,579,000	172	163	174.7	168.4	176	176
1923-January	157.1	160.6	434	1,019	192	386.9	715,881	157	575.3	220	548,690	2,042,000	170	163	175.3	170.5	178	170.5
February	153.3	163.5	474	1,028	199	421.8	697,000	155	582.1	224	895,100	2,617,000	170	163	181.0	169.0	181	181.0
March	160.3	163.1	482	1,031	200	424.0	642,700	156	586.9	229	985,500	3,179,000	171	168	186.9	170.7	181	186.9
April	161.4	164.9	480	1,029	204	414.7	823,700	156	588.4	231	1,058,900	4,464,000	174	168	186.5	174.1	178	178.5
May	159.8	163.8	474	1,000	202	406.5	1,498,000	149	580.1	233	1,125,350	6,290,000	171	168	186.5	174.1	178	178.5
June	159.4	160.0	484	967	207	408.4	3,989,800	149	568.9	230	1,881,410	9,769,000	170	166	181.0	178.3	177	178.5
July	156.7	155.1	504	958	207	406.7	28,624,800	146	566.4	235	3,069,970	15,224,000	170	162	179.8	187.0	175	175.5
August	154.6	155.5	529	957	202	413.1	306,135,800	142	569.2	234	7,320,200	54,901,000	171	162	175.3	188.6	170	153.3
September	158.0	159.6	514	973	205	423.6	18,295,350,000	145	569.2	234	27,380,600	87,300,000	171	162	173.4	183.8	171	153.3
October	158.4	160.4	515	964	207	420.5	161,710,000,000	148	563.4	237	27,380,600	87,300,000	171	161	181.1	179.9	174	154.1
November	161.1	168.6	531	984	210	446.0	/161,710,000,000	158	571.4	242	68,642,730	173,100,000	176	160	181.6	178.8	174	154.1

a From 1920 revised index. b End of the month. c End of the year. d Beginning of the following month. e Revised index number. f 000's omitted. g Middle of month. h 1914.

Wholesale Prices—Continued.					Index Numbers of Retail Prices.					Cost of Living.—(Base = 100.)						
Monthly Average	South Africa.	China.	Japan.	United States, Bureau of Labour.	No. of Towns and Localities.	U.K.	Austria.	Belgium.	Bulgaria.	France.	Germany.		Italy.	Spain.	Canada.	United States.
						630	Vienna.	59	4	Paris.	71	Berlin.	Rome.	Madrid.	60	32
1913	100	100	100	100	Base.	July, 1914.	July, 1914.	April, 1914.	1901-1910.	1914.	Oct., 1913. Jan., April, June, 1914.	Aug., 1913. July, 1914.	Jan. June, 1914.	1914.	1913.	1913.
1918	153.1	..	195.9	194												
1920	223.3	152.0	259.6	226												
1921	160.4	150.2	200.5	147	1918—July	210	..	..	617	..	..	..	197	154	146	174
1922	184	145.6	196.0	149	1920—July	265	..	451	1647	341	..	..	313	191	190	217
1922—November	..	143.3	188.1	156	1921—July	222	53,300	379	1765	307	935	1125	387	181	155	180
December	..	148.5	182.9	156	1922—July	181	264,511	366	..	302	1124	1125	387	181	155	180
					a	..	..	..	..	..	5392	6122	429	179	147	167
1923—January	130.7	152.7	184.3	156	1922—Nov.	180	970,083	384	2257	..	44610	56494	439	178	148	..
February	..	158.5	192.1	157	Dec.	178	937,528	384	2617	300	68506	76325	438	177	149	169
March	..	158.7	195.9	159	1923—Jan.	177	945,397	383	2642	..	112027	129505	412	180	150	..
April	126.2	157.7	196.2	159	Feb.	176	960,083	387	2749	..	264300	281380	413	181	151	..
May	..	158.4	199.2	156	Mar.	174	1,015,133	408	2812	324	285400	260840	440	178	150	169
June	..	155.2	197.6	153	April.	170	1,089,660	409	2741	..	295400	259630	441	180	148	..
July	124.0	155.4	192.5	151	May	169	1,144,000	413	2599	..	381600	433540	449	178	146	170
August	..	153.1	..	154	June.	169	1,151,300	419	2531	331	765000	877020	452	170	146	..
September	..	156.8	..	154	July	171	1,090,380	429	2395	..	3765100	3382570	456	172	148	..
October	125.5	156.1	..	153	Aug.	175	1,049,600	439	2280	3.51	5860450	5901700	..	178	149	172
November	..	157.3	..	152	Sept.	175	1,084,100	453	2263	..	1500000000	148372150	..	174	150	..
					Oct.	175	1,102,700	458	2250	..	b 3657000000	650,117,674	..	174	150	..
					Nov.	177	1,114,900	463	..	..	b6570000000	..	..	177	..	..

a The first of the following month. b 000's omitted.

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Netherlands.	Poland.	Spain.	Sweden.	Switzerland.	Egypt.	United States.
Monthly Average.	£	Francs.	Leva.	Kroner.	Eesti Mark.	Francs.	Markat.	Mark.	Drachm.	Lire.	Gulden.	Marki p.	Pesetas.	Kronor.	Francs.	£s.	Dollars.
1913.....	1,4951	386,333	15,775	64,785	..	701,778	41,033	897,475	14,828	303,802	326,500	..	108,838	70,505	159,985	2,274	147,224
1918.....	1,07,100	142,661	9,046	245,277	116,265	1,858,416	38,943	2,251,219	11,519	1,356,551	50,666	..	49,145	102,776	200,122	4,148	245,961
1920.....	81,548	142,661	9,046	245,277	116,265	1,858,416	38,943	2,251,219	11,519	1,356,551	50,666	..	49,145	102,776	200,122	4,148	245,961
1921.....	81,548	142,661	9,046	245,277	116,265	1,858,416	38,943	2,251,219	11,519	1,356,551	50,666	..	49,145	102,776	200,122	4,148	245,961
1922.....	75,012	125,426	..	120,022	465,785	1,191,717	326,829	516,700	225,565	1,310,563	168,966	..	252,768	111,926	186,070	3,408	257,076
1922-Nov.....	86,452	885,421	280,170	122,692	525,626	2,348,245	389,567	536,200	286,118	1,248,035	172,295	..	279,242	111,926	186,070	4,279	286,353
Dec.....	86,452	885,421	280,170	122,692	525,626	2,348,245	389,567	536,200	286,118	1,248,035	172,295	..	279,242	111,926	186,070	4,279	286,353
1923-Jan.....	89,902	928,722	322,510	136,995	509,838	2,144,294	304,803	563,600	380,610	1,059,750	173,046	483,602,000	276,475	87,827	177,070	3,636	324,605
Feb.....	74,032	801,421	354,906	150,300	428,020	2,315,014	260,455	446,200	354,354	1,571,841	162,189	655,625,000	282,246	87,836	177,070	3,137	298,518
Mar.....	80,937	868,035	..	160,980	727,746	2,560,198	362,912	503,100	632,997	1,495,748	165,441	812,247,000	269,208	108,770	177,070	3,969	330,291
Apr.....	73,989	873,335	..	147,243	1,087,117	2,596,881	458,088	..	376,520	1,587,350	160,130	962,682,000	252,873	110,616	168,432	3,571	365,565
May.....	78,353	1,195,202	..	134,903	862,274	2,558,336	418,829	..	358,597	1,956,397	159,533	1,529,165,000	214,384	111,085	168,432	3,403	312,442
June.....	68,018	1,023,184	..	160,813	726,661	2,615,618	389,000	..	341,492	1,292,733	157,464	2,374,027,000	148,438	103,194	171,843	2,928	280,856
July.....	82,614	1,107,143	..	165,385	958,403	2,633,617	367,435	..	269,030	1,871,111	150,975	2,501,108,000	98,757	112,337	121,798	2,333	312,223
Aug.....	75,156	1,098,255	..	160,813	842,044	2,633,617	367,435	..	386,664	1,355,775	166,474	78,880	239,446	126,876	171,843	3,285	247,124
Sept.....	88,768	1,106,099	..	178,749	922,362	3,068,974	467,140	..	598,005	1,306,356	192,923	89,200	..	140,005	..	4,784	308,366
Oct.....	91,414	1,123,834	..	174,815	860,356	3,160,504	449,826	..	648,153	1,383,742	176,660	..	129,432	..	..	4,319	292,000
Nov.....	91,414	1,123,834	..	174,815	860,356	3,160,504	449,826	..	648,153	1,383,742	176,660	..	129,432	..	..	4,319	292,000

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

Period.	U.K.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Netherlands.	Poland.	Spain.	Sweden.	Switzerland.	Egypt.	United States.
Monthly Average.	£	Francs.	Leva.	Kroner.	Eesti Mark.	Francs.	Markat.	Mark.	Drachm.	Lire.	Gulden.	Marki p.	Pesetas.	Kronor.	Francs.	£s.	Dollars.
1913.....	43,771	302,833	7,778	53,113	..	573,351	33,482	841,583	9,917	209,303	256,917	..	86,136	68,112	114,700	2,639	204,025
1918.....	41,785	724,847	136,917	59,207	102,365	2,241,219	241,342	5,785,035	55,342	981,177	141,775	..	84,180	191,133	273,092	7,119	673,973
1920.....	111,297	594,987	184,776	100,553	114,318	1,647,709	278,152	8,299,713	70,185	689,724	114,146	..	130,548	91,440	178,345	3,014	364,911
1921.....	58,611	504,965	..	96,087	..	1,720,166	369,447	..	330,833	137,379	101,769	..	120,765	96,757	146,798	4,007	313,758
1922.....	66,431	587,714	452,701	113,809	454,951	1,706,499	387,635	255,200	182,113	1,049,375	104,350	..	130,930	127,920	147,843	7,435	374,548
Dec.....	58,883	587,714	452,701	113,809	454,951	1,706,499	387,635	255,200	182,113	1,049,375	104,350	..	130,930	127,920	147,843	7,435	374,548
1923-Jan.....	66,939	486,360	244,283	102,886	384,117	1,695,898	197,656	311,400	193,102	788,841	91,488	349,456,000	129,017	64,928	146,775	6,765	330,777
Feb.....	57,510	597,338	352,057	112,634	383,117	2,328,858	149,300	360,600	129,282	750,427	94,607	911,626,000	141,701	49,387	146,775	5,152	302,010
Mar.....	60,921	715,439	..	128,090	459,635	2,474,378	152,977	435,800	125,976	886,690	106,977	1,183,486,000	132,086	60,914	146,775	5,218	333,490
Apr.....	62,871	697,521	..	108,991	423,178	2,507,895	190,401	..	142,163	730,818	97,005	937,695,000	118,600	61,618	121,798	3,446	318,553
May.....	71,555	577,642	..	127,010	540,946	2,675,045	245,400	..	353,685	784,614	104,129	894,889,000	139,125	104,867	121,798	2,888	309,384
June.....	62,884	755,616	..	130,377	491,883	2,479,391	527,300	..	42,544	943,130	97,860	1,572,370,000	98,757	112,337	121,798	2,333	312,223
July.....	59,504	732,152	..	120,981	447,755	2,423,781	653,700	..	72,988	791,847	96,694	2,501,108,000	98,757	112,337	121,798	2,333	312,223
Aug.....	60,103	727,486	..	133,559	627,292	2,542,820	661,100	..	121,747	842,237	107,933	102,160	115,316	111,710	154,352	2,777	304,932
Sept.....	63,836	820,206	..	127,465	504,931	2,434,645	476,300	..	325,938	805,957	127,771	110,960	115,316	111,710	154,352	2,777	304,932
Oct.....	71,323	881,270	..	137,179	494,062	2,813,539	479,500	..	339,854	1,074,897	125,848	87,600	..	117,570	..	6,036	391,814
Nov.....	65,768	885,058	..	157,293	434,132	2,941,386	355,800	..	214,527	1,058,365	126,124	..	..	111,116	..	10,469	404,000

a Since August, zlotz valuation (1 zlotz = 1 gold franc). c Owing to Ruhr occupation figure incomplete. d Since January, 1922, gold marks valuation. e Until February, 1923, Julian Calendar. f Period September 22-October 21. g Old Greece only. h Valued at 1921 official rates. i Since January, 1922, the value of imports is based on declarations of importers, instead of official evaluations previously used. j Valued at 1921 official rates. k Since January, 1922, the value of exports is based on declarations of exporters, instead of official evaluations previously used. l Period September 1-21. m The method of valuation changes every month. n From April 1, 1923, including trade of Great Britain and Northern Ireland with the Irish Free State, and excluding the direct foreign trade of the Irish Free State. o 15 days. p Revised figure.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	Australia.	British India.	Canada.	New Zealand.	South Africa.	Japan.	Brazil.	Belgium.	Czechoslovakia.	France.	Germany.	Greece.	Hungary.	Netherlands.	Poland.	Spain.	Switzerland.	Brazil.
Monthly Average.	£s.	Rupees.	Dollars.	£s.	£s.	Yen.	Milreis.	Belgium.	Czechoslovakia.	France.	Germany.	Greece.	Hungary.	Netherlands.	Poland.	Spain.	Switzerland.	Brazil.
1913.....	6,355	152,809	54,917	1,785	3,365	60,474	83,958	2,721	..	3,685	6,068	..	..	5,041	..	987	661	489
1918.....	6,686	203,534	102,000	2,310	2,594	102,000	94,758	..	..	2,446	..	..	..	404	..	233	295	145
1920.....	13,169	259,256	111,410	5,062	7,995	191,179	174,219	995	326	4,245	1,570	..	45	1,151	294	703	468	271
1921.....	8,064	230,707	66,616	3,461	4,458	132,477	140,820	1,459	333	3,339	2,194	..	77	194	404	682	357	215
1922.....	9,850	197,475	63,528	2,816	4,015	154,764	139,914	1,760	265	4,281	3,823	..	87	279	1,623	..	441	272
1922-Nov.....	12,372	194,732	76,194	2,921	4,141	112,374	169,458	1,983	176	4,577	4,551	114	329	1,786	..	484	529	318
Dec.....	10,175	176,775	70,205	3,439	4,112	140,056	186,489	1,983	310	4,930	4,326	88	329	1,612	..	393	529	272
1923-Jan.....	11,331	204,985	68,086	4,037	4,199	146,574	183,255	2,183	161	4,111	4,730	80	366	1,576	220	563	542	295
Feb.....	11,786	200,509	68,308	2,994	4,199	154,452	141,982	1,798	204	3,884	3,166	56	339	1,468	260	439	542	202
Mar.....	10,077	179,178	61,873	3,642	4,578	196,609	221,895	1,705	207	4,087	5,220	125	316	1,289	300	194	542	343
Apr.....	10,134	204,381	68,181	3,461	4,460	185,789	176,671	2,603	298	4,175	6,396	114	233	1,437	285	191	501	234
May.....	11,148	192,423	82,265	3,353	4,470	199,559	184,910	1,898	248	4,502	4,013	107	341	1,378	253	218	501	267
June.....	10,297	173,145	84,633	3,420	4,221	208,654	157,598	2,282	300	4,932	4,807	97	211	1,833	290	173	501	293
July.....	11,459	166,075	78,826	3,521	3,190	154,839	166,857	2,179	417	4,803	4,120	94	290	1,708	239	157	591	365
Aug.....	8,869	182,690	71,351	3,210	4,471	185,225	188,503	3,264	457	5,063	3,420	106	350	1,776	204	306	591	291
Sept.....	12,719	196,193	76,341	4,570	5,287	142,000	..	2,231	622	4,360	2,915	133	260	1,918	214	..	591	281
Oct.....	..	198,707	72,084	..	5,378	..	..	2,327	402	4,945	..	158	..	1,775	..	..	..	..

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

1913.....	6,070	201,118	36,333	1,751	2,294	52,393	81,814	1,740	..	1,840	6,143	..	..	3,751	..	1,604	71	115
1918.....	8,488	203,534	102,000	2,510	2,594	160,218	94,758	..	..	310	..	13	..	166	..	549	70	148
1920.....	10,072	231,811	105,055	3,718	3,852	158,864	146,034	879	575	1,039	1,651	..	44	351	52	911	76	175
1921.....	10,674	178,898	66,892	3,578	2,256	102,371	142,477	1,430	812	1,336	1,714	27	70	476	169	767	64	160
1922.....	10,053	232,029	73,697	3,425	2,492	133,773	194,340	q 1,336	788	1,885	1,796	26	87	576	..	68	171	..
1922—Nov.	11,734	270,673	130,797	2,329	3,410	135,972	237,493	q 1,364	708	2,034	1,551	34	68	734	..	617	64	180
Dec.	12,759	264,488	110,871	3,485	5,801	154,343	249,890	q 1,364	897	2,429	1,756	29	68	703	..	702	64	190
1923—Jan.	9,769	281,534	64,659	3,204	3,752	92,357	248,337	1,346	711	1,896	1,309	19	55	639	1,368	608	55	180
Feb.	12,813	306,838	57,656	5,850	2,464	121,066	250,714	1,240	898	2,490	1,096	1	51	590	1,070	55	183	..
March	12,997	315,021	71,336	6,489	2,783	117,353	283,116	1,308	1,023	1,822	938	15	73	732	2,151	770	55	180
April	8,769	294,835	53,642	5,208	2,429	146,207	219,796	1,546	857	1,513	1,029	19	89	642	1,335	236	50	18
May	6,499	285,239	73,515	5,580	2,954	110,583	223,481	1,166	1,155	1,880	930	33	75	609	1,464	237	50	17
June	6,166	287,885	93,751	4,980	1,641	110,375	194,059	1,367	1,094	1,799	890	16	64	608	1,667	143	50	174
July	4,646	249,189	82,998	2,504	a 1,705	119,294	179,270	1,502	1,116	1,991	1,051	17	86	734	1,627	106	63	156
Aug.	4,531	226,112	80,021	1,710	a 3,611	136,250	287,495	1,012	1,020	1,645	1,012	44	105	703	1,600	139	63	183
Sept.	5,636	228,725	67,543	1,918	2,440	74,488	305,851	1,320	605	2,681	1,143	46	117	760	1,384	129	63	189
Oct.	10,597	245,728	100,124	2,008	1,525	136,504	..	1,481	664	2,170	1,183	44	102	849	1,324	..	..	..
Nov.	..	269,069	136,088	..	a 3,631	..	..	1,387	918	2,309	..	32	..	942	..	..	..	..

The Economist

MONTHLY SUPPLEMENT.

New Series.

SATURDAY, MARCH 22, 1924.

No. 10.

THE STATE OF TRADE AT HOME AND ABROAD—Continued from page 2.

however, was the low price level, which throughout the year averaged 47 per cent. over 1913, compared with 59 per cent. for commodity prices generally. The outlook for 1924 seems more favourable; prospects for shipbuilding are brighter, which should cause an increased demand for iron and steel, while the orders placed by the railway companies have given a much-needed stimulus to the industry. In America the industrial and commercial prosperity of 1923 has been attributed to the policy of expansion initiated by the railway companies, and it has been estimated that the demands of the railroads and allied concerns were responsible for 31 per cent. of the output of iron and steel in the United States in 1923. While the demands for British railways cannot reach this proportion, it is to be hoped that, as in America, the stimulus given to the industry by the railway orders will gather momentum, and lead to much better conditions in 1924. It is impossible yet to say what effect the strike of the enginemmen will have upon the industry, but already a few furnaces have had to be damped down. The materials consumed by the iron and steel works are of such bulk that it is obviously impossible to accumulate stocks sufficient to carry them through a long strike, and should the strike last more than a comparatively few days the whole industry will be brought practically to a standstill.

Cotton.—During the latter half of December trade was of limited dimensions, partly as a result of the fluctuations in raw cotton rates, and partly owing to the Christmas holidays having a disturbing influence. Since the turn of the year, writes our Manchester correspondent, inquiry has broadened, and a considerable trade has been under negotiation. Although in one way and another more orders have been booked in certain styles of cloth, a large part of the demand has been at impracticable rates, and buyers have been slow in raising limits. India has given increased support in light fabrics, but only occasional contracts have been arranged in grey staples. Inquiry on a fuller scale has recently been met with for China, and more orders have been booked in white shirtings. Advances from Shanghai are distinctly better. Cables and letters from Egypt are unsatisfactory. Less demand is now showing itself for the United States, but fancies continue to attract attention for the Continent. Spinners of American yarns have tended to lose ground, and, owing to production being larger than the deliveries, stocks are increasing in first hands. It remains to be seen whether the proposed control scheme will be accepted by the trade. A rather restricted business has been done in Egyptian yarns, and producers are not doing quite so well as a month ago.

Wool.—The position of wool to-day, writes our Bradford correspondent, is rather a startling one. During 1923 prices appreciated very rapidly, particularly for medium and low crossbreds. Merinos appreciated practically 15 per cent., good new Zealand halfbreds (50-56's quality) 15 per cent., medium crossbreds about 33 per cent., and coarse crossbreds about 62 per cent. Since the close of the December series of sales, merinos have appreciated a further 10 per cent., and practically all classes of crossbreds 15 to 20 per cent. Wherever the raw material is exposed for sale there is a crowd of buyers eager to absorb all offerings, and undoubtedly considerable speculation has been already seen. Medium and coarse crossbreds have appreciated most because they were by far the cheapest, being much below an economic basis. Merinos are well over 100 per cent. dearer than in July, 1914, and before long it is thought that 50's and below will be at a level in harmony with their actual worth. No doubt the cry of shortage which has been persistently raised has had its effect upon the trade, and the latest statement of Sir Arthur Goldfinch, chairman of the London directors of B.A.W.R.A., has added fuel to the fire. He has exerted a "bull" influence for a long time, and repeats his previous assertion to the effect that, judged in the light of the absorptions of the trade during the past two or three years, the world's supply of wool is much below present consumption. It is a fact that since the end of 1920 the trade has absorbed practically 2½ million bales of old Australian wool, accumulated during the war years, and with that huge stock out of the way the trade is now faced with only the clips that are being grown. Statistically, the wool position is a remarkable one, and anything like a normal consumption on the Continent would certainly mean a very serious shortage. Sir Arthur Goldfinch has produced some most illuminating figures, which, on the whole, can be accepted as fairly accurate; but it is difficult for the members of the trade who have had a lifetime's practical knowledge to believe that B.A.W.R.A.'s surplus, although distributed to the trade, has been consumed. Stocks of merinos in the hands of the home trade are certainly below normal, but stocks of crossbreds are up to normal. The textile industry of the West Riding is by no means busy, and all the activity so far has been amongst those handling the raw material. Margins are exceedingly small—in fact, the price of yarns and pieces does not harmonise in the least with the cost of wool.

Shipping.—As regards outward freights, the rates of last month are barely held, the demand for tonnage being quieter. There is a likelihood of a very serious hold-up owing to the railway strike. In homeward freights a general improvement is reported. From South America there is a big demand, with a

marked rise in rates. Rates from the East and the Pacific are very firm, and a recovery is noted on the Australian route. **Other Trades.**—Manufacturers in the hardware trades report improvement in home demand, but cutlery makers find business irregular. In pottery, a reduction in prices is expected to lead to better demand. Business is slow in drapery and clothing. The paper-making industry, as a whole, is slightly better. In the leather and boot and shoe trades a steady expansion is in progress. Nottingham reports at last a definite improvement in employment in the lace trade. In heavy chemicals the position is maintained in a fairly healthy state.

UNITED STATES OF AMERICA.

In the United States, the satisfactory volume of industrial and trade activity is being well maintained, on the whole. Cotton goods and wool goods mills in New England are an exception, and there production is being curtailed. In other directions a quickening of activity is noted, especially in the steel trade. The United States Steel Corporation's report showed a gain of 76,755 tons in unfilled orders in December, the first increase since March last. Indications point to further increases in the demand for steel. *Bradstreets* sums up the outlook for 1924 by saying:—"There does not seem to be much disposition to expect any great change in the fairly even tenor of business as a whole, which throughout the past year has been from fair to good."

EUROPE.

Largely as the result of stabilisation of prices, trade and production in Germany are improving, and a sharp decrease in unemployment is reported. Labour disputes of a serious nature have, however, been produced by the attempt to restore the 10 hours' working day, while high production costs remain a serious obstacle. In the Ruhr, industry is getting back to work very slowly. Heavy taxes imposed by the French, and the uncertainty as to whether the Federal Government will reimburse Ruhr producers, add to the natural difficulties. The textile industries have recently come to a more favourable agreement with the French. Ruhr coal output is now reported to be about 50 per cent. of normal, but about 75 per cent. of the iron works are still idle.

In France the rise in prices has not, generally speaking, proceeded so fast as the depreciation in currency, so that the French exporter enjoys a temporary advantage. In the engineering and steel trades manufacturers' order-books are not very satisfactory; but the lace trade has improved, and in the wool trade Roubaix is very active, other centres not being so well placed. Holland remains very much under the influence of German conditions.

Italy's progress continues, and her export trade is increasing. Her improved position has been illustrated by the fact that the lira has remained firm, and has not followed, as so often in the past, the depreciation of the franc. A more normal situation has been restored at Fiume. There is no improvement to record in the rather unsatisfactory trade position in Norway, but it is hoped that the adoption of sounder lines of financial policy may lead to better conditions later on. In Denmark there is a tendency for unemployment to increase. Trade improvement in Austria continues, and Hungary derives new hope from the League plans.

BRITISH EMPIRE.

While no definite improvement has taken place in Canada, signs of a strong reserve of purchasing power are reported, from which some hopeful deductions are drawn. In the Union of South Africa the general improvement in economic conditions recently reported is continuing, though it is, in the main, due to seasonal factors. The Transvaal gold output in 1923 was 7,798,959 ounces, as compared with 7,020,110 ounces in the previous year, when, of course, the Rand strike seriously interfered with production. The most favourable news from within the British Empire comes from India, where recovery is in progress sufficiently strongly to reflect itself here. In Australia and New Zealand, conditions generally are decidedly better than a year ago. In three Australian States—Victoria, South Australia, and West Australia—both agriculture and grazing are the subject of exceptionally good reports.

ARGENTINA.

Both yield and quality of the wheat and linseed harvest promise to be exceptionally good, and the exportable surplus of the two crops are estimated at 4,800,000 tons and 1,750,000 tons respectively. The greatly increased import duties which have come into force will hamper some British exports.

CHINA AND JAPAN.

Rumours of new earthquake disasters in Japan 10 days ago happily proved to be greatly exaggerated. Although no far-reaching plans for reconstruction have as yet been worked out, demand for necessary materials is increasing, and the diversion of shipping to the Pacific has had a favourable effect on the freight market. The resiliency of Chinese trade proceeds, in spite of political obstacles,

We resumed last June the publication of a *Monthly Statistical Supplement*, which has been a feature of the "Economist" for many decades, but was suspended during the war. In the following pages we have aimed at compiling tables which will show summary figures for as many nations of the world as possible, and we have endeavoured to combine brevity with comprehensiveness. The greater number of the figures are taken from the *Monthly Statistical Bulletin of the League of Nations*,* supplemented from our own statistical records. It is becoming a common practice to reduce these figures to three or four indices, and by their study to endeavour to forecast forthcoming economic changes. This science is, however, yet in its infancy, and it may be doubted whether an attempt to apply scientific rules will obtain a better forecast than the best opinion of the business world when furnished with the requisite information. We, therefore, propose in these columns to give our own appreciation of the trade position, fortified by informed opinion, and to leave the figures to be interpreted by our readers each in his own way.

* "League of Nations Monthly Bulletin of Statistics." 1923. Constable.

THE STATE OF TRADE AT HOME AND ABROAD.

As a very broad survey of the trade situation this month, it may be said that while the results achieved, as revealed by statistics, show little change, there has been an appreciable weakening in sentiment during the last four weeks. The insurance figures of unemployment at the end of February dropped to 10.7 per cent., as compared with 11.9 per cent. at the end of January, but the latter figure was due to the railway strike, and the February percentage does no more than bring the proportion back to that of December last. A favourable factor in the employment situation is that the Trade Union percentage, which mainly represents skilled men, chiefly in the metallurgical trades, which failed to show the effect of the strike a month ago because of the date on which the returns were made, has had a still further fall to 8.6 per cent. at the end of February, mainly owing to the substantial improvement which has taken place for some months past in the engineering trade. Seeing that this industry with the allied trades of shipbuilding and iron and steel production have had far the heaviest unemployment of the big trades, the present recovery is significant. The general situation, however, shows no very definite signs of improvement, and this in itself is disappointing to the business world, which has been looking for a steady advance this spring. Indeed, during the last four weeks we have detected signs of hesitation, and in some quarters a lag which has shown itself not so much in actual statistics indicative of production, as in such sensitive barometers of opinion as the prices of industrial securities. These fell during the period of Stock Exchange nervousness, which followed the General Election in December and January. After the formation of the Labour Government in the middle of the latter month they improved steadily, and the index number of the *Bankers' Magazine*, which refers to the third week of February, shows a marked rise. But since that date there has been a sagging tendency from causes which seem to be economic and not political. One of these, and perhaps the most important, is the fear of a coal strike in April. There has been something like a rush, a little late in the day, to be numbered among the Wise Virgins, and some sharp price movements have occurred. This has introduced an element of uncertainty into the whole of the metallurgical trades as to price quotations, with the inevitable result of checking the market. Unrest is also reported from a number of other quarters, and while this has been in some cases averted, the business world finds the prospect of constant increases of wages, or alternatively repeated interruptions of business equally unpalatable. Another disturbing feature has been the very abnormal movements of the franc, which aroused some suspicion as to whether European currencies were going to be as stable as the financial world had begun to assume. The net result is that while production is well maintained on the whole, and, indeed, in many branches, factories have work for months to come, many trade reports refer

to some slackening in the booking of future orders to follow on the work in hand. Coal production is at a very high level, the steel output is almost a record for February, but pig-iron shows only a slightly increased daily output as compared with January. The February exports of British goods show a substantial increase as compared with a year ago, and the figures in detail for particular trades are encouraging. Woollen tissues, for example, are at nearly double the rate of February, 1922, and show an increase of 25 per cent. over 1923. Exports of cotton piece goods for the last three Februaries amounted to 252, 342, and 397 million square yards respectively, while in the case of iron and steel products, where Continental and particularly Belgian competition is once again quite an important factor, the exports were 330,000 tons, against 223,000 tons in February, 1922, and 317,000 tons last year. The increasing volume of trade has been accompanied by an increase in the advances of the London clearing banks, but the change has made no pronounced disturbance in money conditions generally, or in the note circulation, which has only shown a very small variation in recent weeks.

Outside the factors which we have mentioned as being responsible for some hesitation in this country, conditions abroad remain favourable, or have actually improved. In the United States prosperity continues unabated. Indeed, the factor which suggests that it may continue for some time is the absence of speculative buying or production, and the fact that, though output is so colossal, consumption has kept in step, for there has been no undue accumulation of stocks. Hand-to-mouth business may be difficult for the business world, but a situation where output is being put into stocks almost certainly contains the seeds of an early depression. Canadian reports are more optimistic; Australia has been selling her wool crop at great advantage to herself; there is no change of importance in India or the Far-Eastern trade; in South America, Chile and the Argentine both have prospects of a satisfactory year. In Europe the depreciation of the Belgian and French francs produced a temporary export bonus, which upset prices, and led to a certain amount of shipment to this country, particularly of pig-iron and steel billets from Belgium. The depreciation has not lasted long enough, nor has France been able to secure sufficient material for a similar movement to occur in the case of French woollens. The tourist centres of France, Italy, and Switzerland have had a prosperous season. Italian industries are doing well, and Scandinavian and Baltic trade is fairly good, with prospects of a brisk season in timber and wood pulp. Central Europe is not making much headway, and in Poland industry is in a state of depression, as the result of high costs and fiscal and currency difficulties.

The following notes on conditions in various trades and countries call attention to some of the most striking tendencies:—

THE STATE OF TRADE AT HOME AND ABROAD—Continued from page 17.

HOME INDUSTRIES.

Iron and Steel.—With orders placed early in the year approaching completion, the iron and steel industries have entered on a quieter period, both buyers and sellers showing a tendency to hold aloof, pending a definite outcome of the negotiations between coal owners and workers. Fuel prices at present hold the key to the situation. Labour conditions are not altogether satisfactory in the iron trade itself, some amount of dissatisfaction existing, notably in the unskilled and semi-skilled branches, with regard to present wage rates. Pig-iron prices have fallen in Cleveland and Scotland, though the Midlands have so far put up a greater resistance. The hematite trade is quiet, foreign demands being low, and business of hand-to-mouth character. Foreign competition, especially Belgian, is noticeable in the steel trade.

Coal.—The rush to secure early deliveries of coal, and the consequent firmness in all markets, seem to show that domestic and industrial consumers have been slow to replenish stock during recent months, the prospects of serious labour troubles in the industry having been disregarded or underestimated. Throughout the country, collieries report full or rapidly filling order-books, and prices have moved sharply upwards. A shortage of rolling-stock is naturally complained of in certain areas. The Hamburg strike has interrupted the flow of Continental trade via that port. Loading congestion in South Wales continues, the list of waiting steamers being, if anything, longer than before.

Engineering.—The omens, on the whole, are favourable, though high home metal prices and unrest in the labour world are limiting factors. Railway and other "unemployment relief" orders are having an appreciable effect. The motor-car industry continues to receive large orders. Machine-tool makers are rather quiet, the demand for small tools being rather better. Locomotive building is more active. Improvement in ship-building is slow, but numerous Clyde establishments have orders for internal combustion marine engines. The electrical industry maintains a satisfactory volume of business. Throughout the engineering trades, however, a reduction in working costs, especially fuel costs, is felt to be eminently desirable if overseas trade is to be increased. Unfortunately, the trend of wages is upward in most branches at the present time.

Hardware.—Business, on the whole, is restricted, but not unpromising, a slight seasonal quickening being noticeable in the agricultural implement branch. The cutlery trade is quiet.

Cotton.—Our Manchester correspondent writes:—Although business during the month has been rather irregular, there has been a tendency for spinners and manufacturers to improve their position. This has been very largely due to the adoption of organised short time in the mills spinning American cotton, it being decided on February 23rd to restrict production for three months by working the factories only 26½ hours per week, instead of the usual 48. Spinners of Egyptian yarns have maintained their position. Without many big contracts being reported, steady buying has taken place from week to week. Some producers of the superior qualities in the finer counts are extending their engagements. A feature of the month has been the increased turnover in printing cloths, and more looms are running in Burnley and district than for a long time back.

Woollen and Worsted Trades.—A halt was called last month in the rise of wool prices, and a certain amount of reaction took place, chiefly in the finer grades. Topmakers and spinners, however, put up a strong and successful resistance to downward tendencies. The world's wool supplies are changing hands this year with unusual rapidity. Home trade in woollens has improved, overtime being worked in some parts of the West Riding, with forward business much in evidence. Worsteds manufacturing is more unsatisfactory, and short time is being resorted to. Foreign trade has opened the year in promising style, January exports of woollen and worsted tissues being the largest since 1920. The hosiery trade is firm, orders for spring and autumn delivery being received in satisfactory volume.

Boots and Shoes.—Leather manufacturers are fairly busy, the regular weekly consumption of sole and upper leathers being on substantial lines. The demand for boots and shoes has improved, several factories having order-books covering a number of weeks ahead. The higher grades of shoes are more in demand, and orders are said to be less of a hand-to-mouth character than of late.

Chemicals.—After the set-back of the dockers' strike, foreign trade has been making up lost ground. Business is steady, though not exciting, and the prevailing feeling moderately hopeful. The demand for increased wages, however, has introduced an element of uncertainty into future prospects.

Shipping.—Conditions in February were again more satisfactory, the Economist's freight Index Number rising from 17 to nearly 24 per cent. above the 1913 level. This is the highest figure for nearly two years. A gratifying feature was the recovery of rates in European waters, and generally in outward coal freights. The River Plate continues to be a source of strength, but markets are at present dominated by uncer-

tainty regarding the outcome of negotiations in the coal industry.

UNITED STATES OF AMERICA.

Prosperity continues, and the volume of trade is expanding, but the policy of buyers in placing orders for only short periods ahead has become more noticeable, and is the subject of much comment. The January daily output of steel was the largest since August last, and the February pig-iron figures show a gain in that section also. Building permits this year have constituted a "record," and freight-car loadings are higher than at this time last year. More satisfactory conditions in wheat areas are reflected in reports of increased sales by seed merchants. The New England cotton industry continues to curtail production, and woollen buyers are cautious. Generally speaking, the seasonal lull in trade has disappeared with the turn of the year, and the situation wears a healthy aspect.

THE BRITISH EMPIRE.

Canadian reports are more optimistic, though the improvement in sentiment appears to outrun that in volume of trade. The flour-milling and pulp industries are at present most flourishing. The rains which fell early in the year greatly relieved the situation in parts of Australia. The second half of the Australian wool-selling season has been characterised by exceptionally strong demand, and high prices—American demand being particularly in evidence. Wool arrivals in the first half of the season totalled 1,451,195 bales, against 1,556,019 in the corresponding months of 1922-23, a decline of 104,824 bales. The prices of all New Zealand's products are at a satisfactory level (with the exception of beef), and prosperous conditions are indicated by brisk activity in the building trade, and, regrettably, by increased imports of luxury goods. South Africa continues to make headway. India's trade-balance for the 10 months ended January 31, 1924, was favourable to the extent of Rs. 50.34 lakhs, against Rs. 50.34 lakhs during the same months of 1922-23. Her imports of cotton yarns and piece goods have, however, fallen off slightly as compared with the previous period. A labour dispute in Bombay mills has interrupted production. The tightness of money is illustrated by the raising of the Imperial Bank's rate to 9 per cent. last month, against 4 per cent. at the beginning of the crop-moving season six months ago.

EUROPE.

Ruhr coal production, according to the *Moniteur Belge*, in occupied districts, exclusive of mines under French administration, was 7.0 million metric tons in January, 1923, sank to less than 1.0 million tons in August last, and has steadily increased from 1.3 million tons in November to 6.3 millions last month. The continued high prices of German industrial products tend to discourage exports, and the trade balance has become unfavourable once more. French iron and steel production has reached its highest level since the Armistice, but, if the output of the recovered portion of Lorraine be deducted, the returns for January were 17 per cent. and 10 per cent. respectively behind the monthly average for 1913. The textiles trades are moderately active at present, but exchange fluctuations are damaging to business. Belgian coal markets are firm, and iron and steel prices are moving upwards, delivery being in some cases unobtainable before June. The Swiss hotel industry is doing very well, the watch trade moderately well, and most others not at all well. The Italian situation remains satisfactory, engineering showing signs of improvement. Holland has again become an iron and steel producer, the new Royal Dutch Blast Furnaces and Steel Factory Company having an annual capacity of 150,000 tons of pig-iron. Scandinavian timber and wood-pulp markets remain active. Fiscal difficulties, with increased wage and overhead costs, have brought about a period of severe depression in Poland, particularly in the textile and timber trades, but recent indications are more favourable. The Spanish situation remains dull. Conditions in Czechoslovakia are referred to elsewhere in this Supplement. Turkish business remains quiet on the whole, but the prevailing sentiment is slightly more optimistic.

SOUTH AMERICA.

Shipments of Argentine wheat and linseed are coming forward on a large scale. Moderate rains have greatly benefited crops recently, and maize, in particular, is in good condition. Chilean nitrate sales have improved. Brazilian conditions are steady, the internal situation being much more satisfactory than was the case, say, six months ago. The trade balance remains favourable.

JAPAN.

The Japanese Press expresses uneasiness over the country's foreign trade position. Last year's exports showed a decline of 12 per cent., and imports an increase of 5 per cent., as compared with 1922, itself an unsatisfactory year. The silk market has been disappointing, American demand having fallen off, though a revival is looked for. Trade with China has also been below normal, but may tend to improve now that personal relations are slightly more satisfactory.

CZECHOSLOVAKIA'S ECONOMIC SITUATION.

By DR KAREL ENGLIS (former Minister of Finance of the Czechoslovak Republic).

THE exceptional economic and financial situation of Czechoslovakia is due to the fact that the natural wealth of the country is exploited by a very industrious, intelligent and enterprising population, that the country has no reparations to pay, and that the new political democracy, prompted by the desire for a strong State, has had the courage to face the task of restoring order in the public finances. The well-developed industries of the country, which, in consequence of the change of régime, are largely dependent upon the export trade, have shown their ability to compete with foreign countries, and the trade balance is on the credit side. As early as 1921 the State finances produced a balanced Budget—apart from the special investment items (electrification schemes, building of railways, &c.). The inflation of bank notes was restricted from the beginning, and the Czechoslovak crown was not involved in the collapse suffered by the currencies of the neighbouring States of Central Europe.

This exceptional situation encouraged the Government in 1922 to undertake a process of deflation. The extensive loan floated in England, together with the concentration of capital withdrawn from countries with a collapsing currency, raised the value of the crown from 6 centimes (Swiss) in December, 1921, to 19 centimes in September, 1922, while, after a few unimportant fluctuations, it finally became stabilised at one-sixth of its pre-war value. This process was naturally not achieved without a severe economic, monetary, and financial crisis. The decline in the value of stocks and investments, set against money credits, which were unaffected by deflation, brought about the collapse of many undertakings, while others, on account of falling prices, lost interest in the manufacture of fresh supplies. The trade with foreign countries was seriously impaired, while the cost of production did not adapt itself to the increased exchange rate of the currency, and, in consequence, export figures showed a decline in the percentage of finished articles, together with a rise in the percentage of raw materials and half-finished products. The financial losses of industrial undertakings reacted on the banks, and in this crisis three banks succumbed. While Government revenue declined, the State was unable to reduce its Budget with corresponding rapidity, and was therefore also unable to effect an immediate reduction in railway rates, taxes, &c. Moreover, it was harassed by the problem of unemployment, which had become very severe during the deflation crisis. Currency circulation was slow in adapting itself, because the circulation covered by commercial agreements not only counteracted trade and monetary stagnation, but even increased at first, while the fixed circulation, representing the State debt, is only by degrees being reduced by the tax on property, which is slowly accruing in the State Exchequer for that purpose.

The present condition of affairs can be described as the final stage of the deflation crisis. The large reserves of the Banking Office, which forms part of the Ministry of Finance (as an institute of issue) have made it possible to stabilise the exchange rate of the crown. Belief in the success of stabilisation is beginning to assert itself, and on all sides there are obvious signs of an improvement in the economic situation. We are not now referring to the transitory improvement which ensued in the iron and other industries as a result of the Ruhr occupation and the subsequent collapse of Germany, nor, for instance, to the present large production of coal, which has attained pre-war dimensions, but to the fact that exports generally are becoming brisk and unemployment is continually on the decline. The problem is now primarily one of government finance.

The termination of the industrial crisis, so far as it has arisen from deflation, depends upon the restoration of the old relationships between the various index-numbers, and, accordingly upon a proper adjustment between the

prices of industrial and agricultural products, between the level of prices at home and abroad, and between economic and financial index-numbers as a whole. The first relationship was disturbed by the fact that, when deflation took place, there was a free untaxed import of corn, while the customs co-efficients for industrial products made conditions all the more precarious as the exchange value of the crown increased. In consequence industries working for the home market, which was slow in adapting itself completely to the enhanced value of the crown, were not so much affected by the crisis as was agriculture, and more particularly the export trade. As the agricultural crisis has reduced the internal purchasing power for industry, the customs co-efficients are gradually being lowered and the system of import prohibitions is being done away with by the introduction of a series of commercial agreements. Taxes on corn imports were not introduced, but their place was taken by a system of import licences, and in this way corn prices improved.

The relationship between the level of prices at home and on the world-market is also being gradually adjusted. The index figure of prices is still nine times that before the war, i.e., 50 per cent. higher than the index figure of exchange rates, but even in States with a gold currency the level of prices is also about 50 per cent. higher than before the war. From this it is, of course, obvious that deflation has not increased the competitive ability of the country, and the introduction of economies in the various branches of production is urgently needed.

The final link in the chain is, therefore, adaptation on the part of the State. The State and the various official organisations comprised in it, with all the rates and taxes which they levy, form a very important factor in the cost of production, and if the latter is to be reduced proportionately to the appreciation of the currency, this factor must also adapt itself to the new conditions. The difficulty experienced by the State and its component official organisations in reducing its Budget proportionately, is due primarily to the burden of internal debts which have not been diminished by deflation, and to the difficulty of reducing the wages of State employees. The rigidity of the State factor in the cost of production renders private adaptation difficult.

This, of course, was fully understood, and this year the State has submitted a Budget reduced to 17 milliards (apart from the investment items), and it subsequently reduced the tax on coal and the transport tax, as well as the tax on property which, after the process of deflation, became unbearably heavy. Of course, the quota taxes (assessed as a percentage on prices, &c.) adapted themselves of their own accord, and this applies particularly to the tax on turnover. This process of deflation in the State finances is not yet completed, but it must be carried out in its entirety in order that the deflation crisis may disappear once and for all. The economic organism of the State is well on the way to complete recovery, and it is a testimony to the unusual inner strength of Czechoslovak industry and of the financial system of the country that the process of deflation has been overcome without disaster.

It should not be forgotten that Czechoslovak industry has to defend its existence under the pressure of advanced social claims, with an eight hours working day. Parliament is now discussing a Bill for the social insurance of workmen, which, together with the previous sickness and accident insurance, will be supplemented by insurance against disablement and old age.

The favourable economic portents are confirmed by the fact that political conditions are firmly consolidated in an all-national coalition, which has stood a trying test in the economic crisis recently terminated. The internal credit of the State is becoming firmer, as may be seen in the rising quotations for State securities, while every step towards the consolidation of Europe, and particularly of Russia, is, of course, enormously important to Czechoslovakia.

PRODUCTION. (Thousands of Metric Tons.)

Period. Monthly Average.	COAL.										LIGNITE.				
	United Kingdom.	Belgium.	Czechoslovakia.	France.	Germany.	Netherlands.	Poland.	Canada.	South Africa.	India.	Japan.	United States.	Austria.	Czechoslovakia.	Hungary.
1913	24,336	1,904	1,189	3,404	15,842	156	...	1,135	665	1,311	1,776	43,087	...	1,918	7,269
1918	19,283	1,158	...	2,188	13,376	283	...	1,133	747	1,680	2,336	51,272	...	8,389	...
1920	19,434	1,866	928	2,890	10,950	328	534	1,257	867	1,446	2,437	48,811	199	1,641	3,399
1921	13,822	1,816	971	3,213	11,351	327	631	888	862	1,554	2,185	38,282	206	1,792	10,251
1922	21,133	1,770	826	3,596	10,830	381	1,850	845	735	1,539	2,054	34,821	259	1,579	11,434
1923	23,450	1,910	969	3,386	12,199	440	3,007	...	901	1,582	...	49,268	222	1,351	519
1923-February	22,384	1,604	880	2,609	12,841	398	2,894	1,106	761	1,992	2,084	45,298	211	1,474	11,224
March	24,731	1,924	786	3,051	12,524	458	3,370	1,094	842	1,965	2,376	50,968	214	1,733	11,255
April	22,392	1,822	1,198	3,063	12,650	450	2,959	1,032	889	1,578	2,284	45,928	153	1,366	9,148
May	23,846	1,813	1,068	3,507	12,119	414	2,683	1,074	971	1,524	2,358	49,776	212	1,289	9,534
June	23,995	1,970	1,077	4,352	13,988	428	3,107	1,089	940	1,449	1,888	49,268	220	1,278	10,496
July	22,066	1,857	1,156	4,312	12,242	454	3,227	766	916	1,217	...	48,485	211	1,393	10,572
August	22,265	1,927	751	4,517	12,075	460	3,265	1,225	986	1,139	...	52,365	231	943	12,553
September	22,221	1,893	757	4,410	12,686	437	3,042	869	889	1,692	...	44,445	233	762	9,404
October	25,714	2,088	999	4,862	12,052	504	2,497	936	975	1,692	...	52,521	261	1,405	7,357
November	24,871	2,089	1,421	4,583	13,355	464	3,126	858	946	1,409	...	49,945	241	1,930	...
December	22,496	1,936	1,340	4,365	12,324	435	2,671	...	874	1,719	...	48,912	240	1,753	...
1924-January	23,787	2,183	1,399	3,762	...	...	2,157	...	897	...	...	46,603	...	2,004	...
February	23,035	...	...	...	...	...	...	...	...	...	...	...	...	...	...

a Including lignite. b Including the production of Alsace-Lorraine, amounting to 264,000 tons per month during year 1920. c Including the production of Lorraine and Saar. d Saleable coal only. e Irish Free State production omitted since 1921. f Strike period. g From 1919 excluding Alsace-Lorraine and from 1920 excluding Saar and Palatinat. h From June, 1922, excluding Upper Silesia. i Since July, 1923, including Upper Silesia. j Excluding Rhine mines. k Excluding Ruhr production. l Decrease due to coal strike. m Upper Silesia only. n Excluding Saar.

PIG IRON.

Period. Monthly Average.	PIG IRON.										STEEL.				
	United Kingdom.	Belgium.	France.	Germany.	Luxembourg.	Sweden.	Canada.	United States.	United Kingdom.	Belgium.	France.	Germany.	Luxembourg.	Sweden.	Canada.
1913	869	207	434	1,388	212	61	85	2,601	d 649	205	396	e 1,412	d 101	62	88
1918	768	...	...	883	106	64	90	3,260	d 812	176	73	53	142	3,645	...
1920	880	93	276	463	58	38	82	3,083	d 768	104	246	643	50	41	94
1921	222	73	280	625	81	26	51	1,401	d 314	66	255	750	63	19	57
1922	415	134	427	730	140	22	32	2,276	d 494	130	373	762	116	29	41
1923	630	182	443	333	117	23	75	3,392	d 719	d 190	415	417	100	25	75
1923-February	552	151	306	...	88	6	45	3,042	d 718	157	290	...	74	4	47
March	644	170	316	...	95	10	66	3,580	d 815	184	316	...	79	4	44
April	663	172	350	...	96	10	84	3,604	d 761	170	358	...	79	4	44
May	726	166	393	...	86	12	103	3,930	d 834	172	388	...	73	5	106
June	704	172	447	...	90	10	101	3,727	d 780	189	427	...	74	4	98
July	666	187	436	...	123	10	83	3,737	d 634	182	400	...	96	4	75
August	609	199	486	...	135	30	94	3,505	d 592	213	452	...	110	42	107
September	568	194	482	...	127	39	76	3,176	d 706	194	446	...	106	58	67
October	606	196	514	...	124	41	75	3,200	d 713	216	477	...	126	57	69
November	608	205	536	...	138	46	63	2,941	d 763	217	493	...	122	62	59
December	637	209	565	...	153	43	61	2,968	d 664	213	526	...	135	44	...
1924-January	642	209	586	...	162	48	65	3,067	d 701	231	541	...	147	49	...
February	623	...	...	...	...	...	...	3,125	d 780	...	...	...	...	...	3,842

c Excluding Luxembourg, including Alsace-Lorraine, from 1913 to October, 1918; for 1918-1921 figures not official. d Ingots and castings. e Decrease due to labour disputes. f Corrected figures from January, 1923, based on returns from works responsible for 95% of total production.

WHOLESALE PRICES.

Monthly Average.	U.K.		Belgium.	Czechoslovakia.	Denmark.	France.	Germany. ("Frankfurter Zeitung")	Holland.	Italy (Bacchi).	Norway.	Poland.	Russia.	Spain.	Sweden.	Switzerland.	Austria.	British India.	Canada.
	Bo'd of Trade.	Econo- mist.																
1913	100	100	h 100	h 100	100	100	h 100	100	100	100	h 100	b 100	100	100	h 100	100	100	100
1918	224.9	...	...	...	341	339.2	...	373	409.1	345	...	...	207	...	177.8	180	207.8	...
1920	307.3	283.2	...	...	341	509.4	...	292	a 624.4	377	...	...	221	359	...	227.9	204	241.3
1921	197.2	181.0	366	1,675	178	345.0	4,217	182	577.5	269	...	57,046	190	222	191.2	174.9	181	170.4
1922	158.8	159.5	367	1,299	181	326.6	49,559	160	562.3	220	137,575	f 1,579,000	176	173	167.5	161.6	180	150.4
1923	159.1	162.1	497	1,392	204	418.9	/ 26,523,815,669	151	574.6	233	d 21,645,826	63,711,800	172	163	180.6	178.7	176	153.9
1923-February	153.3	163.5	474	1,028	199	421.8	677,000	155	582.1	224	899,100	2,617,000	170	165	181.0	169.0	180	152.9
March	160.3	163.1	482	1,031	200	424.0	642,700	156	586.9	229	988,500	3,179,000	171	168	185.9	170.7	181	155.4
April	161.4	164.9	480	1,029	204	414.7	823,700	156	588.4	231	1,058,920	4,464,000	174	168	186.5	174.1	178	156.3
May	159.8	163.8	474	1,000	202	406.5	1,498,000	149	580.1	233	1,125,350	6,290,000	171	166	181.0	178.3	177	155.0
June	159.4	160.0	484	967	207	406.6	3,989,800	149	568.9	230	1,881,410	9,769,000	170	164	179.8	187.0	175	155.1
July	159.4	159.3	484	968	207	406.7	28,690,800	145	566.4	235	3,063,976	15,224,000	170	162	175.3	188.6	170	153.6
August	154.6	155.5	529	957	202	413.1	306,335,800	142	566.7	231	5,294,680	27,539,000	171	162	181.1	179.9	174	153.1
September	158.0	159.6	514	973	205	423.6	18,295,350,000	145	569.2	234	7,302,200	54,901,000	174	162	181.1	179.9	174	153.1
October	158.4	160.4	515	964	207	420.5	f 4,907,150,000	148	563.4	237	27,380,680	87,300,000	171	161	181.6	179.9	174	153.1
November	161.1	168.6	531	984	210	442.6	f 164,960,000,000	153	571.4	242	67,943,700	173,100,000	173	160	182.5	181.0	177	153.3
December	163.6	170.1	545	990	210	458.3	f 148,400,000,000	154	577.2	244	142,300,700	378,100,000	176	160	183.2	182.2	179	153.5
1924-January	165.4	173.1	580	1,029	223	494.6	f 143,060,000,000	156	570.8	250	252,167,700	1,164,900,000	...	161	183.4	...	...	156.7
February	166.9	173.4	...	...	227	...	/ 147,250,000,000	...	572.8	252	...	2,504,200,000	...	...	180.4	...	...	156.6

a From 1920 revised index. b End of the month. c End of the year. d Beginning of the following month. e Revised index number. f 000's omitted. g Middle of month. h 1914.

Wholesale Prices—Continued.

Cost of Living.—(Base = 100.)																	
Monthly Average.	South Africa.	China.	Japan.	United States, Bureau of Labour.	Index Numbers of Retail Prices.												
					No. of Towns and Localities.	U.K.	Austria.	Belgium.	Bulgaria.	France.	Germany.		Italy.	Spain.	Canada.	United States.	
						630	Vienna.	59	4	Paris.	71	Berlin.	Milan.	Madrid.	60	32	
					Base.	July, 1914.	July, 1914.	April, 1914.	1901-1910.	1914.	Oct., 1913, Jan., April, June, 1914.	Aug., 1913, July, 1914.	Jan.-June, 1914.	1914.	1913.	1913.	
1913	100	100	100	100													
1918	153.1	..	195.9	194													
1920	223.3	152.0	259.6	226													
1921	160.4	150.2	200.5	147													
1922	128.4	145.6	196.0	149													
1923	126.6	156.4	..	154													
1923—February	..	161.5	192.1	157													
March	..	158.7	196.9	159													
April	126.2	157.7	196.2	159													
May	..	158.4	199.2	156													
June	..	158.2	197.6	153													
July	124.0	155.4	192.5	151													
August	..	153.1	191.0	150													
September	..	156.8	211.0	154													
October	125.3	156.1	212.0	153													
November	..	157.3	..	151													
December	..	157.5	..	153													
1924—January	131.4	156.7	..	151													
February	..	..	..	..													
					1924—Jan.	179	1,174,000	124	..	..	..	..	..	..	499	182	150
					Feb.	178	1,194,000	..	..	..	..	106000000	..	510	..	150	..

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Netherlands.	Poland.	Spain.	Sweden.	Switzerland.	Egypt.	United States.
Monthly Average.	£	Francs.	Leva.	Kroner.	Festl. Mark.	Francs.	Markat.	Mark.	Drachme.	Lire.	Gulden.	Zloty.	Pesetas.	Kronor.	Francs.	£s.	Dollars.
1913.....	1,493.1	386,333	15,775	64,785	..	701,778	41,035	897,475	14,828	303,802	326,500	..	108,838	70,505	159,985	2,271	147,932
1918.....	107,100	46,960	75,851	1,858,416	..	38,944	..	61,159	1,336,551	50,666	..	..	49,145	102,776	200,122	4,147	245,961
1920.....	142,861	930,460	184,486	245,277	116,265	4,158,748	299,681	8,256,417	177,519	2,235,135	277,702	..	118,435	281,125	353,568	8,214	425,152
1921.....	81,548	837,620	243,424	128,734	373,551	1,838,992	294,814	9,815,963	143,800	1,438,885	186,695	..	238,083	105,520	191,357	4,109	213,072
1922.....	75,012	756,426	336,472	120,022	465,785	1,991,717	328,258	516,700	257,123	1,313,770	168,966	70,375	232,768	97,027	159,539	3,382	250,042
1923.....	81,620	1,045,666	..	157,520	768,329	2,717,880	381,675	506,763	499,026	1,435,420	167,435	92,340	..	111,855	186,841	3,651	308,595
1923—Feb.....	74,032	801,421	354,906	150,300	428,020	2,343,014	260,455	446,200	354,354	1,571,841	162,189	81,504	282,246	87,836	177,070	3,137	299,008
Mar.....	80,937	988,035	542,863	141,150	675,240	2,486,736	309,612	503,100	632,997	1,495,748	165,441	88,213	259,208	108,770	177,070	3,969	372,254
Apr.....	73,989	973,335	427,894	160,980	727,746	2,560,138	322,912	539,100	580,020	1,388,927	169,714	100,412	246,701	114,579	168,432	3,611	344,003
May.....	77,706	896,988	..	147,243	1,087,117	2,596,881	458,088	512,095	376,520	1,587,350	160,130	101,635	252,873	110,616	168,432	3,571	361,346
June.....	78,353	1,195,202	..	134,903	862,274	2,558,356	418,829	512,095	358,597	1,556,397	159,533	91,903	214,384	111,088	168,432	3,403	312,949
July.....	88,018	1,023,184	..	160,813	726,661	2,615,648	389,000	512,095	341,492	1,292,733	157,464	96,460	148,438	103,194	171,843	3,298	288,033
Aug.....	82,614	1,107,143	..	165,385	938,403	2,633,617	367,435	512,095	269,030	1,187,111	150,975	78,300	210,538	112,937	171,843	3,262	279,757
Sept.....	76,156	1,098,255	..	160,874	842,044	2,613,376	409,255	512,095	366,664	1,135,773	166,474	78,880	239,446	126,876	171,843	3,585	261,329
Oct.....	88,768	1,106,099	..	168,749	992,362	2,608,974	467,140	434,883	598,005	1,301,420	192,923	88,854	280,236	140,005	231,001	4,661	301,358
Nov.....	91,414	1,123,834	..	174,811	860,356	2,616,004	449,826	432,836	648,153	1,410,507	176,660	101,354	..	129,432	231,001	4,319	285,618
Dec.....	98,793	1,296,996	..	172,698	599,884	3,833,382	381,810	492,367	524,370	1,837,484	174,751	96,860	..	109,103	231,001	4,275	288,110
1924—Jan.....	87,948	1,337,185	..	155,830	..	2,643,702	376,573	568,000	..	..	177,949	..	..	103,866	..	3,823	295,500
Feb.....	83,475	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

Period.	U.K.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Netherlands.	Poland.	Spain.	Sweden.	Switzerland.	Egypt.	United States.
Monthly Average.	£	Francs.	Leva.	Kroner.	Festl. Mark.	Francs.	Markat.	Mark.	Drachme.	Lire.	Gulden.	Zloty.	Pesetas.	Kronor.	Francs.	£s.	Dollars.
1913.....	43,771	302,833	7,778	53,113	..	573,351	33,482	841,583	9,917	209,303	256,917	..	88,136	68,112	114,700	2,626	204,026
1918.....	41,785	..	..	59,207	..	393,561	15,797	24,738	278,726	31,750	..	..	83,303	112,536	163,599	3,776	503,990
1920.....	111,297	724,847	136,917	132,589	102,365	2,241,249	241,345	5,785,083	55,343	981,177	141,775	..	84,180	191,133	273,092	7,119	673,373
1921.....	58,617	594,987	184,777	114,318	130,553	1,647,709	97,491	8,293,113	78,977	689,724	114,146	..	130,548	91,440	178,345	4,029	364,911
1922.....	60,041	504,965	360,810	96,087	400,965	1,720,166	369,733	330,833	207,090	775,197	101,769	54,492	120,765	96,757	146,798	4,059	313,758
1923.....	63,944	738,041	..	127,723	464,169	2,535,959	363,142	506,596	173,974	921,574	108,602	98,483	..	94,649	146,683	4,866	341,141
1923—Feb.....	57,510	587,338	358,057	112,634	389,117	2,328,858	149,300	360,600	129,282	750,427	94,602	93,974	141,701	49,387	146,775	5,152	302,010
Mar.....	60,921	713,439	445,221	128,090	459,635	2,474,378	152,977	435,800	125,976	886,609	106,577	139,372	138,086	60,914	146,775	5,218	333,490
Apr.....	62,871	697,521	415,427	108,991	423,178	2,507,896	130,401	417,900	142,163	730,818	97,005	109,760	118,600	61,618	121,798	3,446	318,553
May.....	71,555	757,542	..	127,010	540,946	2,675,045	245,400	580,351	353,685	784,614	104,129	94,067	139,125	104,867	121,798	3,888	309,390
June.....	62,884	756,616	..	130,377	491,883	2,479,391	527,300	580,351	83,544	943,130	97,860	96,247	98,757	112,337	121,798	3,333	312,178
July.....	69,504	732,152	..	120,981	447,756	2,423,781	653,700	580,351	72,988	791,571	95,694	102,260	93,185	105,431	154,352	1,979	295,725
Aug.....	60,103	727,496	..	133,599	627,292	2,542,820	561,100	580,351	121,747	841,821	107,933	102,160	115,316	111,710	154,352	1,777	305,055
Sept.....	63,836	820,206	..	127,465	504,931	2,434,645	476,300	580,351	325,938	802,916	117,771	110,960	116,238	111,023	154,352	1,777	304,919
Oct.....	71,323	881,270	..	137,179	494,062	2,813,539	470,500	580,351	339,854	1,075,154	115,848	88,930	163,450	117,570	163,652	6,066	392,207
Nov.....	65,768	865,608	..	157,293	434,132	2,941,386	555,800	513,241	241,527	1,057,037	126,124	75,848	..	111,116	163,652	10,159	394,354
Dec.....	64,115	1,045,904	..	132,330	373,745	3,113,874	367,900	561,115	121,848	1,605,870	127,840	98,640	..	124,892	163,652	10,352	426,799
1924—Jan.....	64,235	870,822	..	135,811	..	2,360,749	216,688	431,000	..	..	116,522	..	..	68,893	..	8,388	395,170
Feb.....	67,975	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

a Since Jan., 1922, gold valuation. b Owing to Ruhr occupation figure incomplete. c Since January, 1922, gold marks valuation. d Until February, 1923, Julian Calendar. e Period September 22—October 21. f Old Greece only. g Valued at 1921 official rates. h Since January, 1922, the value of imports is based on declarations of importers, instead of official evaluations previously used. i Period September 1.21. j From April 1, 1923, including trade of Great Britain and Northern Ireland with the Irish Free State, and excluding the direct foreign trade of the Irish Free State. k 15 days. l Average of 5 months. m Valued at 1922 official rates, increased by a certain percentage.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Value.								Quantity (Metric Tons).											
Period.	Aus- tralia.	British India.	Canada.	New Zealand.	South Africa.	Japan.	Brazil.	Bel- gium.	Czecho- slovakia.	France.	Ger- many.	Greece.	Hun- gary.	Nether- lands.	Poland.	Spain.	Swit- zerland.	Brazil.	
Monthly Average.	£'s.	Rupees.	Dollars.	£'s.	£'s.	Yen.	Milreis.												
1913.....	6,355	¹⁵² 725	54,917	1,785	^s 3,365	60,474	83,958	2,721	..	3,685	⁴ 6,068	..	28	..	5,041	..	987	661	489
1918.....	7,696	137,704	75,583	1,966	3,768	135,721	82,450	..	..	2,446	..	..	..	404	..	233	295	145	
1920.....	13,172	254,929	111,410	5,062	7,994	191,719	174,219	1,112	326	4,245	1,570	..	45	1,151	294	703	468	271	
1921.....	8,222	230,720	66,616	3,461	4,447	132,481	140,820	1,472	333	3,339	2,175	77	194	1,435	404	682	357	215	
1922.....	9,850	199,524	63,528	2,816	4,408	153,956	137,719	^q 1,772	266	4,285	3,823	87	280	1,623	344	364	441	275	
1923.....	11,088	184,765	75,294	..	4,546	163,935	..	^q 2,203	349	4,577	4,097	107	304	1,612	266	556	..	..	
1923—Jan.....	11,331	204,985	68,086	4,037	4,199	146,574	183,255	^q 2,183	161	4,111	4,730	80	366	1,576	220	563	542	295	
Feb.....	11,786	200,509	65,308	2,994	3,618	154,452	141,982	1,798	204	3,884	3,166	^t 56	339	1,468	260	439	542	292	
Mar.....	10,077	179,178	91,873	3,642	4,578	195,609	221,895	1,705	207	4,087	5,220	125	316	1,289	300	194	542	343	
April.....	10,134	204,381	68,181	3,461	4,460	185,789	176,671	2,603	298	4,175	6,396	114	233	1,437	285	191	501	234	
May.....	11,148	192,423	82,265	3,553	4,470	199,359	184,910	1,898	248	4,502	4,013	107	341	1,378	253	218	501	267	
June.....	10,297	173,145	84,633	3,420	4,226	209,498	157,698	2,262	300	4,932	4,007	88	353	1,597	290	173	501	293	
July.....	11,636	158,466	77,074	3,578	4,883	161,367	183,593	2,197	341	4,864	4,160	97	211	1,633	471	157	591	365	
Aug.....	11,459	166,075	78,266	3,521	5,190	156,413	165,292	2,179	417	4,803	4,120	94	290	1,708	239	185	591	291	
Sept.....	8,869	182,690	71,351	3,210	4,477	82,618	190,503	3,264	457	5,063	3,420	106	350	1,776	204	206	591	281	
Oct.....	12,719	222,217	76,341	4,570	4,981	144,545	217,198	2,231	622	4,360	2,915	133	260	1,918	214	226	591	325	
Nov.....	13,272	205,979	72,084	3,647	5,007	155,296	225,217	2,327	402	4,945	3,370	158	248	1,775	347	..	591	358	
Dec.....	10,328	144,614	65,456	..	4,594	174,349	..	2,229	529	5,165	2,850	129	240	1,791	189	..	591	..	
1924—Jan.....	..	217,952	66,468	..	4,932	..	..	2,558	248	3,933	..	..	..	1,615	..	..	..	..	

INDIAN TRADE IN 1923.

THE review of the trade of India in the calendar year 1923, published by the Department of Statistics, furnishes a comparative study of the direction and value of the total trade in private merchandise and treasure during the past decade. The total foreign trade of British India in the year under review attained the figure of Rs. 636 crores, against Rs. 588 crores in the preceding year, and Rs. 400 crores in 1914.

The import of foreign merchandise amounted to Rs. 227 crores, as against Rs. 242 crores; the exports to Rs. 327½ crores, as against Rs. 278½ crores; and the re-exports to Rs. 14 crores, as compared with Rs. 15 crores in 1922.

The imports fell by Rs. 15 crores, or 6 per cent., and re-exports by Rs. 1 crore, or 8 per cent., while exports rose by Rs. 49 crores, or 18 per cent.

The chief features of the import trade were the expansion by Rs. 2.26 crores in the value of sugar; the marked increase in cotton piece goods by nearly Rs. 7½ crores, and a heavy decline of Rs. 4.70 crores in wheat. Among exports, raw cotton rose by Rs. 22.22 crores, hides and skins by only Rs. 2 crores; rice fell by Rs. 2.20 crores, and cotton twist and yarn by over Rs. 2 crores. The direction of trade showed an increase in the share of the United Kingdom in exports and a decrease in imports, taking the figures of the previous year for comparison.

Japan recovered her trade in India, recording an increase of more than a crore in imports and nearly Rs. 7 crores in exports.

There was a decline of nearly Rs. 2 crores in imports, and a rise of about Rs. 5 crores in exports in the trade between the United States and India.

Imports of treasure, private and Government, increased by Rs. 15 crores to Rs. 65 crores. Gold bullion rose by Rs. 9 crores to Rs. 30 crores, while sovereigns and other gold coins were valued at Rs. 10 crores, practically the same as in the preceding year. Imports of silver increased

by Rs. 4 to Rs. 23 crores, currency notes which are being recorded from April, 1922, were imported to the face value of nearly Rs. 2 crores in the calendar year 1923, against Rs. 75.00 lakhs in the nine months ending December, 1922. Exports of treasure also increased by Rs. 1 crore to Rs. 4 crores.

India's visible balance of trade in the calendar year 1923, as compared with the preceding two years, is shown in the following table. The figures are arrived at by combining the balances of transactions in (a) private merchandise, (b) treasure (private account), and (c) remittances of funds. In these balances *plus* (+) signifies net export and *minus* (−) net import.

	1921.	1922.	1923.
Exports of Indian merchandise (private)	Rs. (lakhs) + 2,14.01	Rs. (lakhs) + 2,78.56	Rs. (lakhs) + 3,27.48
Re-exports of Foreign merchandise (private)	+ 13.01	+ 15.35	+ 14.06
Imports of Foreign merchandise (private)	− 2,78.19	− 2,35.52	− 2,17.55
Balance of trade in merchandise (private)	− 51.17	+ 58.39	+ 1,23.99
Gold (private)	+ 19.56	− 30.11	− 39.21
Silver (private)	− 14.60	− 16.31	− 19.82
Currency notes (private)	..	50½	1.01
Balance of transactions in treasure (private)	+ 4.96	− 46.92	− 60.04
Council bills & telegraphic transfers paid in India	..	..	15.57
Sterling transfers on London sold in India	..	..	..
Transfers of Government securities	+ 1.42	+ 2.67	+ 21
Interest drafts on India in respect of Government of India securities	− 23	− 35	− 44
Balance of remittance of funds	+ 1.19	+ 2.32	− 15.80
Total visible balance of trade	− 45.02	+ 13.79	+ 48.15

MONTHLY BULLETIN OF STATISTICS

— ISSUED by the LEAGUE OF NATIONS —

A STATISTICAL REVIEW of the most recent information of the economic activity of Europe, The British Empire, America, Asia, etc., compiled from official and other defined sources.

The following among other subjects are dealt with in informative Tables:—

PRODUCTION: Coal, Iron and Steel; Shipping Construction, etc.

FOREIGN TRADE: Weight and Value of Imports and Exports; Movement of Shipping.

PRICE: Wholesale and Retail Price Index Numbers.

CURRENCY AND FINANCE: Reserves, Note Circulation, Discount Rates, Foreign Exchanges, Capital Issues, Bankruptcies, Savings Bank Deposits.

LABOUR: Unemployment Percentages.

This information is given where available for the following countries:—

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The Economist
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New Series.

SATURDAY, APRIL 26, 1924.

No. 11.

We resumed last June the publication of a Monthly Statistical Supplement, which has been a feature of the "Economist" for many decades, but was suspended during the war. In the following pages we have aimed at compiling tables which will show summary figures for as many nations of the world as possible, and we have endeavoured to combine brevity with comprehensiveness. The greater number of the figures are taken from the Monthly Statistical Bulletin of the League of Nations,* supplemented from our own statistical records. It is becoming a common practice to reduce these figures to three or four indices, and by their study to endeavour to forecast forthcoming economic changes. This science is, however, yet in its infancy, and it may be doubted whether an attempt to apply scientific rules will obtain a better forecast than the best opinion of the business world when furnished with the requisite information. We, therefore, propose in these columns to give our own appreciation of the trade position, fortified by informed opinion, and to leave the figures to be interpreted by our readers each in his own way.

* "League of Nations Monthly Bulletin of Statistics." 19 6d. Constable.

THE STATE OF TRADE AT HOME AND ABROAD.

THE nervousness as to the trade situation which we noted a month ago has disappeared, and given place to a tone of renewed confidence. Such optimism is the natural result of the continual booking of orders and the steady absorption of workpeople into employment, a process which has reduced the numbers on the unemployment insurance register by 240,000 since the beginning of the year. This rate of improvement is considerably more rapid than can be accounted for by the ordinary seasonal changes, and it is significant that the improvement is even more marked in the index afforded by the percentage of trade unionists unemployed, a test which particularly applies to the skilled workers in our main industries, especially those associated with the metallurgical group. The improvement is taking place without any sharp rise of prices. Our wholesale index number, mainly depending upon raw materials, is, if anything, slightly lower, while retail prices have fallen appreciably, mainly as a result of the seasonal cheapening of certain articles of food. Wages are tending slightly upward, there being an appreciable balance of increases as compared with decreases during the month of March.

Output of coal, iron and steel reached very high figures in March, showing substantial improvement even in pig-iron. Weekly traffic receipts on the main railways also show a gratifying increase since the beginning of the year. The one series of statistics which does not yet reflect the improvement is the foreign trade returns. The actual volume of exports of the chief trades in March even showed a decline as compared with February. The figures for a particular month are to some extent fortuitous, but if the records for March have any significance, they confirm the opinion of which we took note a month ago, that an unusually large portion of the work upon which industry was engaged during March arose out of home orders, which had been considerably stimulated by the action of the railway companies, and by the operation of "Trade Facilities" and other Government measures. It is gratifying to record that the weaving towns of Lancashire are beginning to show signs of appreciable improvement. Shipbuilding, however, remains thoroughly depressed.

The outlook has, of course, been favourably affected by the report of the Reparation experts, and the general approval of their proposal, but the improvement which we have recorded cannot be traced to this source, because it occurred before these reports were published, or even completed.

The increased turnover of trade has been financed without any expansion of bank deposits, which, at about the level of March, 1923, are substantially less than in January or February of this year. Bank clearings, however, in London and generally in the provinces, show a very considerable increase in the last three months, thus indicating a more rapid turnover of money. The improvement in trade is not yet reflected in any marked change in the stock markets. Since Christmas there has been a very slight appreciation in industrial securities, but the change is not sufficient to be significant.

There is no appreciable change in the situation outside Europe. In the United States the available indices show that production is even larger than at this time last year. All industries have not equally benefited, and the forthcoming Presidential election is said to be casting a slight shadow over trade. The Canadian situation has not been quite so good as in the United States, but shows signs of improvement. In Australia the question is being asked whether too much capital has not been locked up in permanent forms. At the same time, the country is doing very well with the sale of its harvest. South Africa and India continue to improve. The Argentine and Chile are enjoying better conditions than a year ago.

In Europe, French trade, after an abnormal burst of activity during the period of depreciation of the franc, has been feeling the pinch of the new level in foreign exchange. In Germany a slow improvement has to be recorded, while the outlook in Northern and Central Europe is, on the whole, better than at the beginning of the year, the stagnant conditions obtaining in Austria constituting an exception to this general trend. In the Far East demands arising out of reconstruction are to some extent straining the Japanese financial system. In China, conditions are rather better, though permanent recovery still waits upon the return of political stability.

HOME INDUSTRIES.

Iron and Steel.—This group of industries seems to be emerging successfully from the discouraging conditions reported a month ago. Pig-iron output in March was the highest since June, 1923 (though eight fewer blast furnaces were in operation on April 1st than on March 1st), while steel production was the highest since September, 1920. Foreign trade, however, fell off, owing to Continental exchange disturbances. The more hopeful labour position in the coal trade has been reflected in a marked stiffening in iron and steel prices, despite the small volume of demand which traditionally accompanies Easter Holiday conditions. At Cleveland prices were lately disturbed by speculative influences, but in the Midlands values are more than maintained. Increased fuel costs have, however, reduced the margin of profit. The hematite market remains in a quiet way. Midland marked bar mills have lately secured substantial orders, and semi-finished and finished steel makers report much less pressure from foreign competitors. Welsh tinplate trade has had fewer orders, but most works are booked up to the end of June. Particulars have become available of the

THE STATE OF TRADE AT HOME AND ABROAD—Continued from page 25.

formation of an agency for centralising world sales of Welsh tinplates, embracing a number of manufacturers responsible for about 60 per cent. of the total output.

Coal.—Although prospects of a strike have receded considerably, and demand is below "panic" levels, order books remain congested, and pressure on collieries for maximum production is generally heavy. In South Wales, however, conditions have been more irregular. Quieter conditions may now be expected pending a final settlement of wage questions.

Engineering.—The short-lived and partial lock-out in certain sections of ship-building, caused by the "irregular" strike at Southampton, has had a somewhat serious psychological effect, inquiries for new construction having considerably fallen away, in view of the uncertainty which surrounds the probable future course of labour costs in the industry. Locomotive firms in Scotland and Lancashire have secured important orders from British railways. A Clyde firm has obtained a contract for ten "Pacific" engines for Australia. Mechanical engineering is steadily improving, but the textile machinery section is rather more quiet. The touring-car section of the motor industry is still very active. Orders for electrical plant, both domestic and foreign, have lately come forward in encouraging fashion. A brisk trade has been done in wireless sets during the last few weeks, sales effected by a large representative concern having been, on an average, from 50 to 100 per cent. above the level of last year.

Hardware and Cutlery.—In spite of many unfavourable features, the position has appreciably improved in the last month or two. A seasonal demand for many varieties of hardware, at the end of March, has declined over the holidays, but for cutlery both home and foreign inquiries remain on a substantial scale.

Cotton.—Our Manchester correspondent reports:—The improved conditions in the Lancashire cotton industry mentioned a month ago have been well maintained. Demand in most sections has continued more active, and, owing to orders being booked on a freer scale, producers are presenting a much stiffer front to their customers. The organised short-time movement in the mills spinning American cotton has brought about firmer conditions, and is likely to be continued until the end of September. Factories are now running 26½ hours per week, instead of the usual 48 hours. Spinners of Egyptian yarns have experienced a healthy off-take during the past month, especially in the higher qualities of combed descriptions, and the mills in Bolton and district remain busier. A feature of the month has been the distinct rise in raw cotton values, there being an advance of 2d a pound in American cotton and over 1d a pound in Egyptian qualities. The stronger feeling has been due to the larger demand for the article and fears of a scarcity of supplies before the end of this season. Manufacturers of piece goods have continued to report a big inquiry. Extensive buying has taken place for India, especially in light fabrics and fancies. There are now signs of the higher rates checking business somewhat, but dealers on the other side have not yet satisfied their requirements, and demand is persistent. In Lancashire weaving towns unemployment is being reduced, and many firms are in a position to run more looms than for a long time back.

Woollen and Worsted Trades.—The shortage of raw material still exercises a dominating influence on prices. Arrivals of wool have been light, re-exports heavy, and net amounts retained below the normal level for this time of the year. Foreign demand for the cheaper qualities of tops and yarns has been another outstanding feature. The West Riding woollen manufacturing industry continues to expand, but the worsted trade is less favourably situated. A demand for increased wages has been put forward in both industries. Easter seasonal trade in clothing has been fairly good, and drapery manufacturers report increased orders from retailers, especially from the South of England.

Boots and Shoes.—The position here is quite good. Apart from the usual pressure before Easter, orders for early summer are coming forward steadily, though more markedly in the "fine" sections than in "heavy" grades.

Chemicals.—Conditions in the chemical industry as a whole are steady, with forward business not greatly in evidence. An improved volume of trade in cotton goods has reacted favourably on certain branches of the chemical trade. An agreement arrived at between the Dyestuffs Corporation and German houses has been the subject of some criticism, but seems certainly to secure definite advantages from the Corporation's point of view.

Building Trades.—Recent wage demands will, if granted, tend to add appreciably to an already heavy burden. On the other hand, the possibility of an arrangement with the authorities, covering an extensive building programme for some years ahead is a favourable factor. The Building Exhibition at Olympia has been noteworthy chiefly for the technical progress revealed in almost every branch.

Shipping.—Freights are generally steady, interest being centred chiefly on the River Plate, where chartering for loading to the

end of June has been unusually heavy. Outward coal cargoes have been greatly in evidence. Mediterranean trade is of fair dimensions, but in Far Eastern waters shipping is finding employment less readily.

UNITED STATES OF AMERICA.

Pig-iron output in March was 1.7 per cent. below March, 1923, but the average daily production of steel during the month constituted a record in the industry. Trade indices in general show that American industry is further advanced than at this time last year, and, indeed, the volume of goods moving into consumption is probably greater than at any time in the country's history. Building operations have been on a large scale, and the railways are placing substantial contracts for equipment. The textile trades and industries subsidiary to agriculture are lagging behind the rest, and coming election influences may prove disturbing to business generally. But the present rate of output, high as it is, does not seem greatly out of proportion to America's legitimate requirements, and, with conservatism in buying and finance still much in evidence, there does not appear to be any reason to anticipate any serious downward tendency in the next few weeks.

BRITISH EMPIRE.

Though Canadian conditions showed little superficial change in March, the general tone is slightly better. The volume of payments on account of mortgage indebtedness has lately been of gratifying proportions, though commercial obligations are being but slowly liquidated. In Australia the underlying tone in commerce and industry is one of caution, the Government's intentions regarding future loan commitments causing some amount of public apprehension. It is felt that in Australia, as a whole, too much capital has been locked up in commodity purchases and land speculation, and a larger proportion of liquid working capital is required. Indian markets have been mainly firm, cotton goods continuing to move steadily. Labour troubles in Bombay have largely come to an end. South Africa continues slowly to improve. The building and allied trades are active, and agricultural prospects have been brightened by a good rainfall and the disappearance of the locust menace.

SOUTH AMERICA.

Threshing of wheat and linseed has been practically completed in Argentina, and, following recent heavy falls of rain, agricultural areas generally are in good condition. The maize crop, now in progress of picking, is expected to be in excess of last year's. Chilean conditions are fairly steady, with a volume of trade rather higher than at this time last year. Brazilian coffee prices have fallen, and stocks of this commodity have lately increased, though in the case of cotton and sugar greater firmness has been shown.

EUROPE.

The continued appreciation in the franc's exchange value, though a bull point for M. Poincaré in the coming elections, is causing uneasiness in French commercial circles. The fall to 120 came at a time when industrial stocks were low in many cases, and with the prospect of a further fall various contracts were made which proved very embarrassing with the franc between 65 and 70. The period of depreciation was one of much activity in French trade, exports exceeding imports in February. Metallurgical production continues active, though less so than a week or two ago, but in textile markets a quieter tendency is observable. In Belgian trade a more reserved attitude has been noticeable. German industry still suffers from lack of adequate credit facilities, but employment figures for unoccupied territory point to a slow improvement in general conditions. At the Leipzig Fair German purchases were most in evidence, and foreign buying confined within narrow limits. The Italian elections passed off according to plan, and had but a slight influence on trade. The cotton and wool industries remain busy, but recent movements in the French exchange have had a disturbing effect on the silk industry. In Scandinavian countries the results of the first quarter of this year show a definite improvement on 1923, and in Central Europe the general tone is, on the whole, better; but in Austria conditions of stagnation remain, and have been accentuated by a recent collapse in Stock Exchange values.

FAR EAST.

Moderately satisfactory conditions in China during March were reflected in increased purchases of piece-goods and shipments to the interior. Given some measure of political stability, the much-overdue economic rehabilitation of China would not, probably, be long delayed. Japanese trade is dull, quiet conditions prevailing in the money market. Transactions in silk have been somewhat disappointing. Recent downward movements in yen exchange may be attributed to the material and moral effect of Japan's adverse trade balance, and inflation at home arising out of reconstructional demands on the Government's resources.

SOME STATISTICS OF OUR WHEAT SUPPLIES.

GREAT BRITAIN has an area of only 1.4 acres per inhabitant, against 18 acres per inhabitant in the United States and 3½ acres even in France. Appreciation of this carries with it the recognition of the fact that, whatever efforts at increased agricultural production may be forthcoming, Great Britain must, in view of its restricted agricultural area, depend primarily on overseas sources for supplies of foodstuffs. In this article we propose to examine briefly the position as regard our supplies of wheat and the sources from which it is derived. We may begin with some figures showing the annual average of home-grown crops and of imports from colonial and foreign sources for the ten years 1905-14, for the war years 1915-18, and for the post-war period 1919-23:—

WHEAT SUPPLIES OF THE UNITED KINGDOM.

Annual Average.	(In Millions of Cwts.)		Estimated Total Home Production.
	Imports from Foreign Countries.	Imports from within the Empire.	
Pre-war period (1905-14) ..	68.4 ..	47.8 ..	116.2 ..
War period (1915-18) ..	69.9 ..	35.9 ..	105.8 ..
Post-war period (1919-23) ..	63.4 ..	44.9 ..	108.3 ..

In reality, the relation of home-grown supplies actually available for consumption to those obtained from abroad is even less than is shown by the above table. The Royal Commission on Food Supplies in Time of War (Cd. 2,643) estimated in 1905 that to obtain the amount of the home crop available for human consumption a deduction of from 15 to 20 per cent. has to be made from the total crop "for grain unfit for milling or required for seed and other farming purposes." If we take the percentage of reduction on this score at 17, we get the following figures of the supplies of wheat grown at home and imported for the three periods named:—

Annual Average.	(In Millions of Cwts.)		Per Cent. of Total Supplies.
	Imports.	Home-grown Supply.	
1905-14 ..	116.2 ..	26.4 ..	81.5 ..
1915-18 ..	105.8 ..	32.3 ..	76.6 ..
1919-23 ..	108.3 ..	28.0 ..	79.4 ..

Even under the stress of the war years we were only able to grow for ourselves as much as 23.4 per cent. of our wheat supplies on the average. In one year, 1918,

we managed, under the stimulus of the submarine campaign and an intensive ploughing campaign, to reap a total crop of 49.8 million cwts. Deducting from that the 17 per cent. explained above, we get for that year a supply for the mills of 41.3 million cwts; but the effort was uneconomic, and only made possible by the grave national emergency, and in 1919 the United Kingdom crop fell back to a total of 37.1 million cwts, or, deducting 17 per cent., an actual supply for food purposes of 30.8 million cwts. Another important point to be noticed about the first table printed above is the effect of the war on our sources of wheat imports. The shipping scarcity compelled us to rely more upon the nearer sources and to take less from the more distant exporting countries. This meant a decline in our takings from such distant sources as India and Australia, which were offset by a growth in shipments from the United States.

We may now proceed to examine a little more closely the contributions over the whole period since the beginning of the present century of the principal countries who have provided us with our imported wheat. Details are given in the table at the bottom of the page.

The feature of this table is the comparative steadiness (except in wholly abnormal years) of the total amount imported, and the very wide fluctuations in the quantities derived from particular sources. Apart from the abnormal drop in the war years (when strict rationing reduced national consumption and home production was artificially stimulated) and the great rise in the equally abnormal re-stocking year of 1920, the total of our wheat imports has been remarkably steady. The figure of 12 per cent. would cover the extreme variations. But when we come to examine the chief individual sources, there is a very different story to tell. The obliteration of Russia as a source of supply is due to causes which are familiar. But it may surprise some people to find how very wide are the fluctuations in the case of all the other individual sources, even the United States. In the cases of Argentina, as well as Australia and India (to whose war figures we have already referred), the fluctuations are enormous. The normal story, then, of our wheat supply is one of steady requirements, met in widely varying proportions from a multiplicity of sources. When harvests fail in one country or another, we regularly succeed in recouping ourselves from countries where climatic conditions have been more favourable.

SOURCES OF SUPPLY OF WHEAT IMPORTED INTO GREAT BRITAIN, 1900 TO 1923 (in Million Cwts.)
(Total of grain and flour in equivalent weight of grain.)

Year.	Russia.	U.S.A.	Argentina.	Canada.	Australia.	British India.	Total, including Other Sources.
1900 ..	4.5	57.4	18.8	8.0	2.9	.01	98.6
1901 ..	2.6	66.8	8.3	8.6	6.2	3.3	101.1
1902 ..	6.6	65.0	4.5	12.2	4.2	8.8	107.9
1903 ..	17.2	46.7	14.2	14.5	.01	17.1	116.7
1904 ..	24.1	19.2	21.8	8.4	11.4	25.5	118.2
1905 ..	25.7	14.9	24.1	8.0	11.5	22.9	114.2
1906 ..	16.1	36.7	19.4	13.3	8.5	12.6	112.7
1907 ..	11.4	33.5	22.0	15.2	8.5	18.3	115.6
1908 ..	5.1	39.6	31.8	17.9	5.8	3.0	109.1
1909 ..	17.9	25.1	20.2	19.5	10.4	14.6	113.2
1910 ..	28.9	18.1	15.3	20.3	13.7	17.9	119.0
1911 ..	18.1	20.0	14.9	18.9	14.5	20.2	112.0
1912 ..	9.0	25.8	19.0	27.1	12.9	25.4	125.7
1913 ..	5.0	42.6	15.0	27.6	10.6	18.8	122.5
1914 ..	7.4	41.9	6.6	35.9	12.5	10.7	117.9
1915 ..	.8	51.0	12.3	24.4	.1	14.0	103.2
1916 ..	.01	71.7	4.5	27.4	4.4	5.6	113.9
1917 ..	.1	65.4	6.7	23.9	11.8	2.7	111.4
1918 ..	..	49.7	14.4	23.6	4.3	.7	94.6
1919 ..	..	46.0	6.9	25.6	17.1	.0	96.0
1920 ..	..	53.5	31.1	13.4	22.0	.02	126.0
1921 ..	..	46.9	4.3	22.7	22.0	2.7	102.5
1922 ..	..	43.7	19.2	32.0	18.8	.5	115.1
1923 ..	..	37.1	21.4	34.3	7.2	12.5	117.1

PRODUCTION. (Thousands of Metric Tons.)

Period. Monthly Average.	COAL.										LIGNITE.				
	United Kingdom.	Belgium.	Czechoslovakia.	France.	Germany.	Netherlands.	Poland.	Canada.	South Africa.	India.	Japan.	United States.	Austria.	Czechoslovakia.	Hungary.
1913	24,336	1,904	1,189	3,404	15,842	156	..	1,135	665	1,311	1,776	43,087	..	1,918	7,269
1918	19,283	1,158	..	2,188	13,376	283	..	1,133	747	1,680	2,336	51,272	..	1,776	8,389
1920	19,434	1,866	928	2,890	8,960	328	534	1,257	867	1,446	2,437	48,811	199	1,641	9,303
1921	18,822	1,816	971	3,213	9,491	327	631	888	852	1,554	2,185	38,282	206	1,792	10,451
1922	21,133	1,770	826	3,596	9,929	381	1,850	845	735	1,539	2,054	34,821	259	1,579	11,434
1923	23,450	1,910	969	3,981	2,341	440	3,008	..	901	1,582	..	49,268	222	1,351	9,854
1923—March	24,731	1,924	786	3,051	2,524	458	3,370	1,094	842	1,965	2,376	50,968	214	1,733	11,255
April	22,392	1,822	1,198	3,063	2,260	450	2,959	1,032	889	1,578	2,284	45,928	153	1,366	9,148
May	23,846	1,813	1,068	3,507	2,119	414	2,683	1,074	871	1,446	2,437	49,576	212	1,289	9,534
June	23,995	1,970	1,077	4,352	1,988	428	3,107	1,089	940	1,449	2,358	49,768	220	1,278	10,496
July	22,066	1,857	1,156	4,312	2,242	454	3,227	766	916	1,237	..	48,485	211	1,383	10,572
August	22,255	1,927	731	4,517	2,075	460	3,265	1,225	986	1,199	..	52,365	231	943	12,653
September	22,221	1,893	97	4,410	2,686	437	3,042	869	889	1,692	..	44,445	233	940	9,404
October	25,714	2,088	999	4,862	2,052	504	2,497	936	975	1,692	..	52,521	261	1,405	7,357
November	24,871	2,089	1,421	4,583	1,935	464	3,125	858	946	1,409	..	49,945	241	1,930	7,119
December	22,496	1,936	1,340	4,303	2,324	435	2,671	817	874	1,760	..	49,512	240	1,753	7,119
1924—January	23,787	2,183	1,399	4,927	3,302	489	2,934	865	897	1,999	..	53,628	276	2,004	9,553
February	24,283	2,112	1,366	3,649	..	..	..	..	..	..	..	..	..	1,908	..
March	23,377	..	..	..	..	..	..	..	..	..	..	..	..	..	..

a Including lignite. b Including the production of Lorraine and Saar. c Saleable coal only. d Irish Free State production omitted since 1921. e Average of two months. f Strike period. g From 1919 excluding Alsace-Lorraine and from 1920 excluding Saar and Palatinat; from June, 1922, excluding Upper Silesia. h Since July, 1922, including Upper Silesia. i Excluding Rhine mines. j Excluding Ruhr production. k Decrease due to coal strikes. l Upper Silesia only.

PIG IRON.

Period. Monthly Average.	COAL.										LIGNITE.				
	United Kingdom.	Belgium.	Czechoslovakia.	France.	Germany.	Netherlands.	Poland.	Canada.	South Africa.	India.	Japan.	United States.	Austria.	Czechoslovakia.	Hungary.
1913	869	207	434	102	1,388	212	61	85	2,601	d 649	205	396	172	e 1,412	d 101
1918	768	..	109	..	883	106	64	90	3,260	d 812	101	151	..	1,176	73
1920	680	93	276	..	463	58	38	82	3,083	d 768	104	246	..	643	50
1921	222	73	280	..	625	81	26	51	1,401	d 494	130	373	105	762	116
1922	415	134	497	96	730	140	22	75	3,392	d 719	d 190	415	83	417	100
1923	630	182	443	333	117	23	75	3,392	..	..	..	..	..	..	..
1923—March	644	170	316	26	..	95	10	66	3,580	815	184	316	18	..	79
April	663	172	350	34	..	96	10	84	3,604	761	170	355	37	..	79
May	726	166	333	32	..	86	12	103	3,330	824	170	388	38	..	73
June	704	172	447	75	..	90	10	101	3,727	780	189	427	88	..	75
July	666	187	436	93	..	123	10	83	3,737	634	182	400	105	..	96
August	609	199	486	99	..	135	30	94	3,505	592	213	452	112	..	110
September	568	194	482	98	..	127	39	76	3,176	706	194	446	109	..	106
October	605	196	514	99	..	134	41	75	3,200	713	216	477	117	..	126
November	608	205	536	106	..	138	46	65	2,941	763	217	493	109	..	122
December	637	209	565	110	..	153	48	65	3,067	701	231	541	117	..	147
1924—January	647	209	586	115	..	163	48	65	3,067	701	231	541	117	..	147
February	623	206	590	118	..	165	42	61	3,124	780	226	555	114	..	151
March	680	..	..	..	..	..	..	..	3,128	839	..	..	..	..	..

c Excluding Luxembourg, including Alsace-Lorraine and Saar, from 1913 to October, 1918; for 1920-1923 figures not official. d Ingots and castings. e Decrease due to labour disputes. f Corrected figures from January, 1923, based on returns from works responsible in 1923 for 96% of total production.

WHOLESALE PRICES.

Monthly Average.	COAL.										LIGNITE.				
	United Kingdom.	Belgium.	Czechoslovakia.	France.	Germany.	Netherlands.	Poland.	Canada.	South Africa.	India.	Japan.	United States.	Austria.	Czechoslovakia.	Hungary.
1913	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1918	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1920	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1921	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1922	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1923	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1923—March	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
April	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
May	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
June	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
October	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
November	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
December	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1924—January	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
February	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
March	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

a From 1920 revised index. b End of the month. c New index compiled by Central Statistical Bureau middle of each month. d Beginning of the following month. e Revised index number. f 000's omitted. g Middle of month. h 1914.

Wholesale Prices—Continued.

Monthly Average.	COAL.										LIGNITE.				
	United Kingdom.	Belgium.	Czechoslovakia.	France.	Germany.	Netherlands.	Poland.	Canada.	South Africa.	India.	Japan.	United States.	Austria.	Czechoslovakia.	Hungary.
1913	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1918	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1920	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1921	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1922	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1923	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1923—March	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
April	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
May	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
June	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
October	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
November	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
December	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1924—January	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
February	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
March	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

a The first of the following month. b 000's omitted. c Yearly figures are averages. d 000,000's omitted.

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Netherlands.	Poland.	Spain.	Sweden.	Switzerland.	U.S.S.R.	United States.
Monthly Average.	£	Francs.	Leva.	Kroner.	Reiki Mark.	Francs.	Markka.	Mark.	Drachme.	Lire.	Gulden.	Zloty.	Pesos.	Kronor.	Francs.	£.	Dollars.
1913.....	54,931	386,333	15,775	64,785	..	701,778	41,035	897,475	14,828	303,802	326,500	..	108,838	70,505	159,985	2,271	147,932
1918.....	107,100	46,960	75,851	1,858,416	..	38,944	50,696	..	61,559	1,336,551	50,696	..	49,150	102,776	200,122	4,147	245,961
1920.....	142,491	1,077,973	184,486	245,277	116,265	4,588,748	299,681	8,256,417	177,519	2,235,135	277,702	..	118,435	281,125	353,568	8,214	426,182
1921.....	81,548	849,617	236,424	129,058	373,551	1,838,992	294,844	9,815,963	143,800	4,388,885	186,995	..	236,083	105,520	191,357	4,109	213,072
1922.....	74,950	767,035	343,472	121,322	465,785	1,991,717	328,254	516,700	257,123	1,313,730	168,966	70,375	252,768	97,027	159,539	2,382	256,042
1923.....	81,620	1,045,866	157,590	777,690	1,217,880	381,682	506,783	506,783	506,783	1,435,420	167,436	92,340	..	111,855	186,841	3,651	310,785
1923—Feb.....	74,032	801,421	354,906	150,300	428,020	2,343,014	260,455	446,200	421,135	1,571,841	162,189	81,504	282,246	87,436	177,070	3,137	299,008
Mar.....	80,937	988,035	542,863	141,150	675,240	2,486,736	309,612	503,100	707,724	1,495,748	165,441	98,213	259,206	100,770	177,070	3,969	372,254
Apr.....	73,989	973,335	427,894	160,980	727,746	2,560,198	322,912	639,100	683,200	1,388,927	169,714	100,412	246,701	114,579	168,432	3,611	344,003
May.....	77,706	998,988	452,809	147,243	1,087,117	2,596,881	458,088	512,095	414,701	1,587,350	160,130	101,695	252,873	110,616	168,432	3,571	361,346
June.....	78,353	1,195,202	..	134,903	862,274	2,558,336	418,869	512,095	376,896	1,956,997	157,131	81,503	214,384	111,085	168,432	3,403	312,949
July.....	82,018	1,023,184	..	160,813	726,651	2,615,648	389,000	512,095	323,412	1,236,733	157,464	78,300	210,538	112,937	171,843	3,562	288,033
Aug.....	82,014	1,107,143	..	160,813	726,651	2,615,648	389,000	512,095	323,412	1,236,733	157,464	78,300	210,538	112,937	171,843	3,562	288,033
Sept.....	81,155	1,098,255	..	160,874	842,044	2,613,376	409,255	512,095	402,713	1,135,773	166,474	78,880	239,446	126,876	171,843	3,285	261,329
Oct.....	88,768	1,106,099	..	168,749	992,362	3,068,974	466,140	434,883	591,492	1,301,420	192,923	88,854	280,236	140,005	231,001	4,661	301,358
Nov.....	91,414	1,123,834	..	174,815	860,356	3,160,504	449,896	432,836	648,153	1,410,507	176,660	101,354	..	129,432	231,001	4,319	285,618
Dec.....	98,793	1,296,996	..	172,698	999,884	3,826,834	381,810	489,160	524,370	1,837,484	174,751	96,860	..	103,262	231,001	4,275	288,110
1924—Jan.....	87,948	1,335,721	294,866	155,830	638,058	2,887,921	376,573	365,467	397,449	1,168,486	177,949	..	..	103,262	..	..	298,525
Feb.....	83,475	1,437,679	397,196	153,401	510,943	3,713,800	296,404	718,587	..	1,558,537	185,566	..	..	90,953	..	..	335,000
Mar.....	91,028	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	319,000

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

1913.....	43,771	302,882	7,778	53,113	..	573,351	33,482	841,583	9,917	209,303	256,917	..	88,136	68,112	114,700	2,626	204,026
1918.....	41,785	..	..	59,207	..	393,551	15,797	24,738	27,726	886,690	31,768	..	83,303	112,536	163,598	3,776	503,990
1920.....	111,206	737,675	136,917	132,589	102,365	2,241,249	241,343	8,259,093	55,345	981,177	141,775	..	130,548	191,133	273,092	7,119	673,373
1921.....	58,617	605,408	184,777	112,518	190,553	1,647,709	278,491	9,899,713	78,979	689,724	141,791	..	126,765	140,440	178,345	3,029	364,911
1922.....	59,959	519,636	360,810	97,997	400,965	1,720,166	369,734	330,833	207,090	775,197	101,769	a	54,492	120,765	146,738	4,059	313,758
1923.....	63,944	738,041	..	127,723	475,996	2,835,959	363,144	d	506,596	204,101	921,574	b	98,483	..	94,649	146,683	4,866
1923—Feb.....	57,510	587,338	358,057	112,634	389,117	2,328,858	149,300	c	360,600	98,405	750,427	94,602	93,974	141,701	49,387	146,775	5,152
Mar.....	60,921	713,439	445,221	128,090	459,635	2,474,378	152,977	d	435,800	128,782	886,690	106,977	138,372	132,086	60,914	146,775	5,218
April.....	62,871	697,521	421,127	108,991	421,178	2,507,895	190,401	e	417,900	116,242	730,818	97,005	109,760	118,600	61,618	121,738	3,446
May.....	71,555	577,542	196,769	127,010	540,946	2,675,045	245,400	f	580,351	264,799	784,614	104,129	94,067	139,125	104,867	121,738	2,888
June.....	62,884	755,616	..	130,377	491,883	2,479,391	327,300	g	580,351	115,246	943,130	97,860	96,247	96,757	112,337	121,738	2,888
July.....	69,594	732,152	..	120,981	447,756	2,423,781	653,700	h	580,351	165,312	791,571	96,994	102,860	93,185	105,431	154,362	1,979
Aug.....	60,103	727,426	..	133,359	627,292	2,542,820	561,100	i	580,351	220,503	841,821	107,933	102,160	115,238	111,710	154,362	1,777
Sept.....	63,836	820,806	..	127,465	504,931	2,434,645	476,300	j	580,351	406,762	802,916	127,771	110,960	116,238	111,023	154,362	2,070
Oct.....	71,333	881,470	..	137,179	494,062	2,813,539	474,978	k	562,195	427,449	1,075,154	125,848	88,930	163,450	117,670	163,652	6,066
Nov.....	65,788	885,058	..	157,293	434,132	2,941,386	355,766	l	513,924	377,499	1,075,154	125,848	88,930	163,450	117,670	163,652	6,066
Dec.....	64,115	1,045,304	..	135,320	375,746	3,113,874	367,928	m	559,848	121,848	1,605,870	127,840	96,840	..	124,862	163,652	10,352
1924—Jan.....	64,235	866,143	263,389	135,811	624,506	2,699,833	214,810	n	429,869	82,353	638,170	116,522	..	..	68,893	..	395,170
Feb.....	67,975	1,081,642	342,496	151,759	332,266	3,918,279	138,821	o	466,339	..	1,105,049	125,465	..	..	59,027	..	361,000
Mar.....	61,103	..	..	..	..	..	..	p	..	..	..	..	..	..	..	..	341,000

c Mar. to Ruhr occupation figure incomplete. d Since January, 1922, gold marks valuation. e Until February, 1923, Julian Calendar. f Period September 22—October 1922. g Since January, 1922, the value of imports is based on declarations of imports, instead of official evaluations previously used. h Since May, 1922, figures refer to "Union Economique Belgo-Luxembourgeoise." i Period September 1—21. j Official values. k January to October, 1923, official figures. From November, 1923, provisional figures based on merchants' declarations, which may differ considerably from final figures based on official quarterly valuations. l 15 days. m From April 1, 1923, including trade of Great Britain and Northern Ireland with the Irish Free State, and excluding the direct foreign trade of the Irish Free State. n Average of 5 months.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Value.								Quantity (Metric Tons).										
Period.	Australia.	British India.	Canada.	New Zealand.	South Africa.	Japan.	Brazil.	Belgium.	Czechoslovakia.	France.	Germany.	Greece.	Hungary.	Netherlands.	Poland.	Spain.	Switzerland.	Brazil.
Monthly Average.	£'s.	Rupees.	Dollars.	£'s.	£'s.	Yen.	Milreis.											
1913.....	6,365	^b 152,725	54,917	1,785	3,365	60,474	83,958	2,721	..	3,685	^a 6,068	..	..	5,041	..	987	661	48
1918.....	7,696	137,704	75,583	1,966	3,768	135,721	82,450	1,112	326	2,446	..	28	..	404	..	233	295	14
1920.....	13,172	258,929	111,410	5,062	7,994	191,179	174,219	1,112	326	2,446	1,570	..	45	1,151	294	703	468	27
1921.....	8,222	230,720	66,616	3,461	4,447	139,481	140,820	1,172	333	3,339	2,175	77	194	1,436	404	682	357	21
1922.....	9,850	199,524	83,528	2,817	4,008	155,966	137,719	^a 1,472	266	4,285	2,823	87	279	1,623	^c 344	354	441	27
1923.....	11,088	184,765	75,394	3,575	4,584	165,589	189,203	^a 2,203	349	4,577	4,097	107	313	1,612	266	..	556	29
1923—Jan.....	11,331	204,985	68,006	4,037	4,199	146,574	183,255	^a 2,183	161	4,111	4,730	80	366	1,576	290	563	542	29
Feb.....	11,786	200,509	65,308	2,994	3,618	154,452	141,982	1,798	204	3,894	3,166	^b 56	339	1,468	285	439	542	29
Mar.....	10,077	179,178	91,873	3,642	4,578	155,629	221,856	1,705	207	4,087	5,220	125	316	1,269	300	196	542	34
Apr.....	10,134	204,381	68,181	3,461	4,460	186,789	176,671	2,603	298	4,175	6,396	114	233	1,437	285	191	501	23
May.....	11,146	192,423	82,865	3,353	4,470	199,399	184,910	1,898	248	4,502	4,031	107	341	1,478	253	218	501	26
June.....	10,297	173,446	84,633	3,420	4,226	209,498	157,698	2,262	300	4,932	4,807	88	353	1,597	290	173	501	26
July.....	11,636	158,466	77,074	3,778	4,883	161,267	183,993	2,197	341	4,864	4,160	97	211	1,633	471	157	591	26
Aug.....	11,469	166,075	78,296	3,521	5,180	156,413	165,292	2,179	417	4,803	4,120	94	290	1,708	239	185	591	26
Sept.....	8,869	182,690	71,351	3,210	4,477	129,481	140,690	1,112	326	2,446	1,570	..	45	1,151	294	233	295	14
Oct.....	12,479	222,817	76,341	4,570	5,296	144,545	217,198	2,231	622	4,360	2,915	133	260	1,776	214	226	591	28
Nov.....	13,470	245,979	79,084	3,647	5,011	156,664	228,287	2,397	402	4,946	3,370	158	248	1,775	199	..	591	32
Dec.....	10,328	224,291	66,468	3,853	4,599	177,516	219,153	2,229	529	5,166	2,850	129	440	1,791	..	..	591	35
1924—Jan.....	13,566	224,291	66,468	..	4,932	210,137	..	2,558	248	3,933	2,663	97	..	1,615	..	..	591	35
Feb.....	12,053	181,900	62,134	..	4,920	..	..	2,629	332	4,396	..	..	..	1,668	..	..	..	..

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The Economist

MONTHLY SUPPLEMENT.

New Series.

SATURDAY, MAY 24, 1924.

No. 12.

In the following pages we have aimed at compiling tables which will show summary figures for as many nations of the world as possible, and we have endeavoured to combine brevity with comprehensiveness. The greater number of the figures are taken from the Monthly Statistical Bulletin of the League of Nations,* supplemented from our own statistical records. We propose in these columns to give our own appreciation of the trade position, fortified by informed opinion, and to leave the figures to be interpreted by our readers each in his own way.

* "League of Nations Monthly Bulletin of Statistics." 1s 6d. Constable.

THE STATE OF TRADE AT HOME AND ABROAD.

Most of the trade statistics for the month of April are a little more difficult of interpretation than usual, owing to the fact that Easter fell in April this year and in March a year ago. This naturally has caused the comparison to look unfavourable. But apart from this there is ground for thinking that since March there has been some slackening of activity. It is true that the momentum of

It is worth noting that the present slight uncertainty follows very closely the precedent of 1923, when business swung along with vigour until the middle of April, but then experienced a drift back which lasted until the end of July.

The slightly less assured tone in this country is

perhaps a reflection of conditions overseas. The United States reports are markedly less buoyant. Belgium is experiencing a quite definite falling in activity, and in Europe generally business conditions are somewhat in a state of general suspense. Holland, Sweden, and Switzerland may perhaps be mentioned as exceptions, all these countries having passed through the same sort of difficulties as Great Britain in connection with their high rate of exchange. Speculators in Vienna and Germany have not yet liquidated the loss incurred by the recent rise of the franc, but these troubles have not spread very far into the economic organisation of these countries, though they have affected the price of industrial shares. In South America recovery continues, but progress is steady rather than rapid.

Among the larger communities of the British Empire, Canada is experiencing

very uneven conditions, and in Australia the note of caution continues to be sounded. New Zealand and South Africa send favourable reports, and India, after a comparatively good season, can await with fair confidence the monsoon which will do so much towards deciding her fortunes for another year.

HOME INDUSTRIES.

Iron and Steel.—Conditions have lately been somewhat unsettled. Production fell off as regards both iron and steel during April, though the reduction was less severe than a cursory glance at the figures would indicate, owing to the incidence of the Easter holidays. The closing down of eight blast furnaces during March did not attain its full statistical effect until April. The market for pig-iron is affected by uncertainty as to future

HOME TRADE STATISTICS—APRIL, 1924.

	MARCH.	APRIL.	Compared with APRIL, 1923.
UNEMPLOYMENT— (State Insurance %)	9.9	9.7	— 1.7
PRODUCTION—			
Coal (million tons)	23.0	20.8	— 0.5
Iron (thous. ")	669	618	— 3.4
Steel (" ")	817	711	— 3.8
FOREIGN TRADE—			
Imports (million £'s)	104	86.2	— 0.2
Re-exports (" ")	12.7	11.8	— 0.4
Exports (" ")	61.1	62.9	No change
TRANSPORT—			
Railway Receipts (£0,000)	351	363	— 2
Shipping Freights (av. level)	122	117	+ 1.8
COMMODITY PRICES (" ")	181	181	+ 7.7
TRADE DISPUTES (thous. working days lost)	730	471	— 606
SECURITY VALUES (av. level ⁽¹⁾)	114	116	— 3.4
FINANCIAL DATA—			
Bank Notes (million £'s)*	125	125	+ 2
Currency Notes (")	281	291	+ 9
Bank Deposits (£0,000,000)*	164	165	No change
Bank Advances (")	802	807	+ 45
Banks Cash Ratio (%)	11.5	11.6	— 0.2
Bank Clearings:			
London (million £'s)*	811	782	— 3
Manchester (")	16.0	15.0	+ 0.1
Three months' Bank Drafts (Discount Rates %)	3½	3½	+ 1
Day-to-day Loans (%)	2½	2½	+ 1

(⁽¹⁾) 1913=100. (⁽²⁾) Economist Index No.; July, 1914=100.
(⁽³⁾) Bankers' Magazine Index No. of 365 securities; December, 1921=100. (⁽⁴⁾) Cash in hand and at Bank of England as % of total current, deposit, and other accounts. * Av. weekly figures.

and many industries—for example, building in all its branches—have absorbed their reserve of labour. Industrial securities which, as the table on this page shows, hardened slightly between the middle of March and the middle of April, have weakened to some extent since the Bankers' Magazine made its calculation. Commodity prices are slightly lower, and retail prices have dropped appreciably owing to the remissions of taxation in the Budget. This is a factor which will influence many classes of wages in the so-called "sheltered trades," which have come to be regarded as a sort of fixed charge upon industry. There is no sign of increasing stringency in credit conditions, though bank advances have substantially increased as compared with this time last year.

THE STATE OF TRADE AT HOME AND ABROAD—Continued from page 33.

coke prices, the general feeling, however, being against any increase, and regarding a small reduction as not altogether impossible. Demand for pig-iron is quieter, but deliveries against running contracts are sufficient to absorb output on the present scale, and the undertone of the market is not unhealthy. Steel prices are generally maintained, and the industry is moderately active. Continental competition is rather less keen, the range of prices showing a slight advantage to the foreign producer, which is, however, more than offset by the latter's inability to give any undertaking as regards date of delivery. The heavy iron and steel import figures for April represent, to a considerable extent, the fulfilment of orders placed several weeks earlier.

Coal.—Demand has fallen away considerably, export markets in particular being affected by uncertainty regarding the outcome of the trimmers' and tippers' dispute. The virtual settlement of the miners' wages question without recourse to a strike is, of course, an extremely gratifying development, but was probably hastened by a feeling on both sides that the outlook for the industry had clouded over slightly during the last few weeks. French output is increasing, and Germany, even now making rapid strides in the Italian coal trade, would be a still more formidable competitor on the Continent if the burden of the M.I.C.U.M. contracts were removed. English pit order books are filled only for a few weeks ahead, producers of gas coal being the best situated in this respect. In general, production is down to summer level, but seems to have descended with greater rapidity than many people expected.

Engineering.—The prevailing uncertainty in the iron and steel trades is reflected in engineering. There is little inclination to look far ahead, and labour questions are by no means all disposed of. Orders are difficult to come by in the shipbuilding branch. The tonnage of new vessels launched on the Tyne in the first four months of 1924 aggregated 83,700 tons gross, against 61,100 in the corresponding period of 1923. The removal of the McKenna duties has caused a temporary slackening of activity in the motor-car industry, the tendency of buyers being to hold off in the hope of a fall in prices. Electrical engineers continue to obtain new orders on a not unsatisfactory scale, and are busily engaged completing several substantial contracts made some time ago. In the Midlands conditions are quiet, but not depressed. The machine tool industry reports a fair number of inquiries. According to Sir Allan Smith, the order books of certain firms representing 65 per cent. of the "employing power" of the Engineering Employers' Federation showed the following state of affairs as at April 1st last:—Total value of orders, £65,540,591, of which about £50,000,000 emanated from "home" sources, and £16,000,000 was for export. Of the total wages accounted for about £30,000,000, indirect wages for a little more than £9,000,000, "overhead charges" just over £13,000,000. Allowing 1½ per cent. on turnover for remuneration to partners, managing directors, &c., the ratio of "profit" worked out at 0.3 per cent.

Hardware and Cutlery.—The cutlery industry continues to work on quiet lines. Hardware is progressing rather more favourably, orders for export showing a slight tendency to increase. The outlook for the tool trade has improved since the surplus of war-time production was finally liquidated.

Cotton.—Our Manchester correspondent writes:—The trade done by cotton spinners and manufacturers in Lancashire during the past month has not been so encouraging as in the previous month. It is not unusual, however, for May to be a quiet period. Much uncertainty exists as to future raw cotton supplies and prices, and buyers have been more disposed to adopt a cautious policy. The undercurrent of inquiry has been fairly healthy, but merchants have hesitated to commit themselves to contracts of importance. Advice relating to the new cotton crop in the United States are rather mixed, as the plants are somewhat backward as a result of adverse weather in the belt, and the growth seems to be making a rather poor start. There is plenty of time, however, for a recovery, and Lancashire is hoping for lower values in the raw material. There has been a falling off in the demand for Egyptian spinnings, but rates are well held. Although inquiry for piece goods has been fairly well maintained, the turnover recently has tapered off. Shippers to India have given fair support in light fabrics, some substantial transactions being mentioned for Madras and Karachi in jaconets, but grey staples, such as shirtings, have been slow of sale. During the past month no further expansion of production is reported from weaving districts.

Woolen and Worsted Trades.—The sale of the last "Bawra" bale closes the history of the world's largest deal in wool supplies, which proved an extremely profitable speculation in "futures" for the British Government and the Australasian pastoralists concerned. High prices have recently checked demand at the wool auctions, and during the last week or so a very slight reaction in prices has been witnessed. April was a month of comparative quiescence for spinners and manufacturers, who have been working off contracts previously ob-

tained, and are chary of accepting new offers unless buyers are willing to advance prices to compensate for increased raw material costs. The late appreciation of the franc has somewhat diminished the force of Continental competition. The bulk of the business passing continues to be in medium and low crossbred varieties. The worsted industry still lags behind, but the last few months have witnessed a steady, though slow, improvement in this section.

Boots and Shoes.—Conditions are easier in the leather trades, a slight uncertainty attaching to the immediate outlook. Demand for boots and shoes was brisk up to the Easter holidays, but has since fallen off to some extent, the rise in values having been slightly overdone.

Pottery.—Although employment continues slack, the volume of trade is slowly expanding, especially on the export side, the trade returns showing an increase in shipments during April of 10 per cent., as compared with March, despite the occurrence of the Easter holidays.

Building Trades.—The building trades were fairly active during April, with a brisk demand for the services of skilled workers. The outlook has since been clouded, however, by prospects of serious labour troubles.

Shipping.—The recent improvement in freights received a setback in April, the *Economist's* Index Number falling to 17 per cent. above 1913, as compared with 22 per cent. in March, chiefly owing to a lessened demand for tramp tonnage on "earthquake" account in Far Eastern waters. Some activity has since developed, the River Plate being the chief centre of demand, with the St Lawrence a good second. In the latter case, however, the market has been overstocked with tonnage, and the level of June loading figures shows a marked decline—an example of the essential instability of freights while vast reserves of unemployed tonnage exist up and down the world.

UNITED STATES OF AMERICA.

American trade is definitely less active. During April more than forty furnaces went out of blast, pig-iron production falling 6 per cent. below the March level, and steel production no less than 23 per cent. The *Mechanics' and Metals' National Bank* states that an undercurrent of business caution is reflected in restrained forward buying, in slowly receding commodity prices, and in unsettled security markets. In certain quarters, furthermore, it has become customary to declare that certain large basic industries have reached a point where curtailment of production is necessary unless demand is to be outrun. Thus, April returns in the soft coal, automobile, cotton and wool textile industries, as well as in iron and steel, show a noteworthy decrease as compared with this time last year. Among depressing influences may be cited political unsettlement, the unfavourable reaction which Soldiers Bonus legislation is likely to exercise on prospects of tax reduction, and unrest among the agricultural community (winter wheat production is estimated at 25,000,000 bushels below last year). What may be only a temporary phase of economic readjustment should not, however, be stressed unduly. Production is still at a high level, substantial profits are being made, no large speculative stocks are outstanding, mail order business continued to expand during April, building activity, outside New York, remains active, and the banking situation is sound, credit for every legitimate need being obtainable at moderate rates.

(Continued on page 40.)

INDIA'S FOREIGN TRADE.

(Continued from page 35.)

Steel is the first industry to feel the Protectionist axe, but no prominent export to India will escape ugly gashes; some, perhaps, and at no distant date, will disappear from the list of Indian imports. Any political concessions to India must, and will, in present conditions, only accentuate and accelerate this tendency, inasmuch as in the Legislative Assembly the triple alliance formed between the Executive, the industrialists, and the Swarajists is so powerful as to preclude effective opposition. Steel, as we have suggested, heads the procession to the Indian fiscal guillotine, but reprieves will be few and grudging, and those who (to continue the analogy) escape the knife will do so only to find themselves ensconced in a Bastille quite adequate to remove the freedom of movement and enterprise they have hitherto enjoyed. At a later date there will not improbably be a reaction in favour of lower duties as the only guarantee of a moderate level of prices. But in that respect India should be left unhampered to garner her own experience and to draw therefrom her own conclusions, and to shape her own policy. Interference in India's fiscal policy from Whitehall is no longer either practicable or desirable.

INDIA'S FOREIGN TRADE IN 1923-24.

(FROM A CORRESPONDENT.)

INDIA'S visible balance of trade during the 12 months, April to March, 1921-22, 1922-23, and 1923-24, is shown in the following table. The figures are arrived at by combining the balances of transactions in (a) private merchandise, (b) treasure (private account), and (c) remittances of funds. In these balances plus (+) signifies net export, and minus (−) net import:—

	Twelve Months, April to March.		
	1921-22.	1922-23.	1923-24.
	Rs. (Lakhs.)	Rs. (Lakhs.)	Rs. (Lakhs.)
Exports of Indian merchandise (private) ..	+ 2,31.38	+ 2,99.16	+ 3,48.60
Re-exports of foreign merchandise (private) ..	+ 14.06	+ 15.16	+ 13.07
Imports of foreign merchandise (private) ..	− 2,66.34	− 2,24.31	− 2,17.05
Balance of trade in merchandise (private) ..	20.90	+ 90.01	+ 1,44.62
Gold (private) ..	+ 2.79	− 41.18	− 29.19
Silver (private) ..	− 14.95	− 18.17	− 18.38
Currency notes (private) ..	..	91	1.08
Balance of transactions in treasure (private) ..	− 12.16	− 60.26	− 48.65
Council bills, purchases of sterling and other Government remittances to the United Kingdom ..	..	7.06	33.39
Sterling transfers on London sold in India ..	..	..	..
Transfers of Government securities ..	+ 1.53	+ 2.62	.. 35
Interest drafts on India in respect of Government of India securities ..	− 27	35	44
Balance of remittances of funds ..	+ 1.26	− 4.79	− 34.18
Total visible balance of trade ..	31.80	+ 24.96	+ 61.77

As the trade figures indicate, India in 1923-24 made a remarkable recovery, limited, on the import side only, by the high prices of piece goods, and on the export side by the restricted purchasing power of Europe arising from depreciated exchanges. The import and export of gold and silver compared as follows with the preceding year:—

	April to March.		Increase (+) or Decrease (−) in 1923-24 Compared with 1922-23.	Per Cent.
	1922-23.	1923-24.		
	Rs. (Lakhs.)	Rs. (Lakhs.)	Rs. (Lakhs.)	
Gold, imported ..	41.31	29.25	− 12.06	− 29
„ exported ..	13	6	− 7	− 54
Silver, imported ..	20.71	21.78	+ 1.07	+ 5
„ exported ..	2.54	3.40	+ 86	+ 34

In the result, it appears that there was a favourable balance, amounting to Rs. 61.77 lakhs, as against Rs. 24.96 lakhs in the preceding year. For the first time sterling purchases in India from the Exchange banks and firms, and payments in India to local bodies, &c., against proceeds of sterling loans floated by them in London and taken over by the Secretary of State, have been taken into account in arriving at the balance of trade.

Concerning the direction of trade, it is noteworthy that the share of the United Kingdom in imports fell from 60.2 per cent. in 1922-23 to 57.8 per cent. in 1923-24, but rose in exports from 22.0 per cent. to 24.9 per cent. The share of His Majesty's Dominions and other British Possessions fell from 7.0 per cent. to 6.8 per cent. under imports, and from 17.2 to 13.2 per cent. under exports. The shares of Germany, Japan, and the United States in imports showed very few fluctuations, and were 5.2, 6.0, and 6.01 per cent. respectively in 1923-24. Japan increased her share of the export trade from 13.4 to 14.4 per cent., while the share of the United States declined from 11.5 to 9.6 per cent., and of Germany from 7.5 to 6.6 per cent. The tonnage entered into and cleared from ports in British India was 6,738,000 and 8,006,000 respectively, as compared with 6,522,000 and 7,444,000 in 1922-23. Perhaps the export section that revealed the greatest relative prosperity was raw cotton, the financing of which, owing to high prices, forced the banks to provide accommodation for an additional 35 crores of rupees.

The total exports of Indian merchandise showed an increase of Rs. 49 crores, or 16 per cent., but re-exports

decreased by Rs. 2 crores, or 14 per cent. The grand total of the foreign trade was Rs. 5.89 crores, as against Rs. 5.47 crores in the previous year. Imports of treasure (private and Government) decreased by Rs. 10.38 lakhs to Rs. 53.20 lakhs. Gold bullion fell by Rs. 8.75 lakhs to Rs. 21.20 lakhs, sovereigns and other British gold coin by Rs. 3.27 lakhs to Rs. 7.12 lakhs, and other coined gold by Rs. 6 lakhs to Rs. 93 lakhs. On the other hand, the value of silver imported increased by Rs. 1.16 lakhs to Rs. 22.10 lakhs, and that of currency notes by Rs. 54 lakhs to Rs. 1.85 lakhs. Exports of treasure also increased by Rs. 65 lakhs to Rs. 3.67 lakhs.

The recurrence during the busy season of a 9 per cent. bank rate in India indicates clearly that, notwithstanding the formation of the Imperial Bank of India, and the liberal advances made to that institution from official funds, the problem of moving the crops without creating an abnormal situation in the money markets has not yet been solved. While fluctuations are, of course, inevitable, 9 per cent. is considered excessive and susceptible of prevention if the Government of India are really anxious to assist. An advance of 12 crores to the Imperial Bank was sanctioned, and taken full advantage of, but proved inadequate. Accordingly a revised scheme is under consideration for utilisation next year.

India's foreign trade in the official year ended March 31, 1924, ends a fiscal epoch. With the imposition of the high duties upon steel which will be submitted to, and will undoubtedly be adopted by the Indian Legislative Assembly, this month, India—now fiscally independent—will indicate both her power and her determination to enter upon the era of High Protection, which her industrialists, supported by virtually the whole of the present Indian electorate, believe will mark the real beginning of the country's industrial development. We say specifically "the present Indian electorate" because admittedly the present narrow franchise does not assure proportionate representation, especially to the vast majority of the agricultural population, whose economic interests will nevertheless be vitally affected by the fundamental changes in fiscal policy now being inaugurated. Indeed, in accepting the recommendations of the Fiscal Commission on behalf of the Government of India, the Member for Commerce and Industry was candid enough to inform the Legislative Assembly that, had the agricultural population possessed proportionate representation in that body, the Viceroy and his colleagues would have been forced to adhere to the fiscal policy pursued with so much advantage to that section of the population for the past 50 years. It is possible, in fact probable, that history will date the real abdication of the British Raj from this declaration. In the light of this confession, the claim of the Civil Service to be the trustees of the interests of the "inarticulate masses" loses much of its old force; indeed, unless Sir Charles Innes misrepresented the views of his official colleagues, the claim is no longer maintained. Be that as it may, it is perfectly clear that, in imposing protective duties aimed primarily at British manufactures, the British Executive, and the Indian *intelligentsia*, are working in close co-operation, and will not consider their task complete until the Indian tariff wall is as high as, say, the tariff wall of the United States of America. For if Indian critics have any complaint to make concerning the operations of the Indian Tariff Board, it is that it is failing to go either as fast or as far as the urgent needs of industrial development require. Instead of "discriminating Protection," applied after due inquiry into the circumstances of each industry in turn—an inquiry, it is complained, that in the case of steel occupied nine months—an immediate and general tariff is being advocated, leaving the process of "discrimination," so strongly recommended by the Fiscal Commission, to be applied at a later date. Fortunately, the Government of India are unlikely to surrender to this unreasonable demand.

(Continued on page 34.)

PRODUCTION. (Thousands of Metric Tons.)

Period.	COAL.										LIGNITE.					
	United Kingdom.	Belgium.	Czechoslovakia.	France.	Germany.	Netherlands.	Poland.	Canada.	South Africa.	India.	Japan.	United States.	Austria.	Czechoslovakia.	Germany.	Hungary.
1913	24,336	1,904	1,189	3,404	15,842	156	1,135	665	1,311	1,776	43,087	1,918	7,269	...	...	...
1918	19,283	1,158	1,068	2,890	13,376	283	1,133	747	1,680	2,336	51,272	1,918	8,389	...	...	...
1920	19,434	1,866	928	3,213	13,376	328	1,133	747	1,680	2,336	51,272	1,918	8,389	...	...	...
1921	18,822	1,816	971	3,213	13,376	328	1,133	747	1,680	2,336	51,272	1,918	8,389	...	...	...
1922	21,133	1,770	826	3,596	13,376	328	1,133	747	1,680	2,336	51,272	1,918	8,389	...	...	...
1923	23,450	1,910	969	3,981	13,376	328	1,133	747	1,680	2,336	51,272	1,918	8,389	...	...	...
1923-April	22,392	1,822	1,198	3,063	13,376	328	1,133	747	1,680	2,336	51,272	1,918	8,389	...	...	...
May	23,846	1,813	1,068	3,507	13,376	328	1,133	747	1,680	2,336	51,272	1,918	8,389	...	...	...
June	23,995	1,970	1,077	4,352	13,376	328	1,133	747	1,680	2,336	51,272	1,918	8,389	...	...	...
July	22,066	1,857	1,156	4,312	13,376	328	1,133	747	1,680	2,336	51,272	1,918	8,389	...	...	...
August	22,265	1,927	731	4,517	13,376	328	1,133	747	1,680	2,336	51,272	1,918	8,389	...	...	...
September	22,221	1,893	757	4,410	13,376	328	1,133	747	1,680	2,336	51,272	1,918	8,389	...	...	...
October	25,714	2,088	999	4,862	13,376	328	1,133	747	1,680	2,336	51,272	1,918	8,389	...	...	...
November	24,871	2,089	1,421	4,533	13,376	328	1,133	747	1,680	2,336	51,272	1,918	8,389	...	...	...
December	22,496	1,936	1,340	4,303	13,376	328	1,133	747	1,680	2,336	51,272	1,918	8,389	...	...	...
1924-January	23,787	2,183	1,399	4,928	13,376	328	1,133	747	1,680	2,336	51,272	1,918	8,389	...	...	...
February	24,807	2,112	1,366	4,807	13,376	328	1,133	747	1,680	2,336	51,272	1,918	8,389	...	...	...
March	24,616	2,108	1,372	3,773	13,376	328	1,133	747	1,680	2,336	51,272	1,918	8,389	...	...	...
April	21,175	...	...	...	13,376	328	1,133	747	1,680	2,336	51,272	1,918	8,389	...	...	...

a Including lignite. b Including the production of Lorraine and Saar. c Saleable coal only. d Irish Free State production omitted since 1921. e Average of two months. f Strike period. g From 1919 excluding Alsace-Lorraine and from 1920 excluding Saar and Palatinate. h From June, 1922, excluding Upper Silesia. i Since July, 1922, including Upper Silesia. j Excl. Rhine mines. k Excl. Ruhr production. l Decrease due to coal strike. m Upper Silesia only. n Excl. Saar.

Period.	PIG IRON.										STEEL.					
	United Kingdom.	Belgium.	France.	Saar.	Germany.	Luxemburg.	Sweden.	Canada.	United States.	United Kingdom.	Belgium.	France.	Saar.	Germany.	Luxemburg.	Sweden.
1913	869	207	434	102	1,388	212	61	85	2,601	1,412	101	62	88	2,564	...	...
1918	768	199	376	...	883	106	64	90	3,260	1,176	73	53	142	3,045	...	...
1920	680	93	276	...	463	58	38	82	3,083	1,176	73	53	142	3,045	...	...
1921	222	73	280	...	625	81	26	51	3,401	1,176	73	53	142	3,045	...	...
1922	415	134	427	96	730	140	22	32	2,276	1,176	73	53	142	3,045	...	...
1923	630	182	443	77	333	117	23	75	3,392	1,176	73	53	142	3,045	...	...
1923-April	663	172	350	34	...	96	10	84	3,604	1,176	73	53	142	3,045	...	...
May	726	166	393	32	...	86	12	103	3,930	1,176	73	53	142	3,045	...	...
June	704	172	447	75	...	90	10	101	3,727	1,176	73	53	142	3,045	...	...
July	666	187	436	93	...	123	10	83	3,757	1,176	73	53	142	3,045	...	...
August	609	199	486	99	...	135	30	94	3,505	1,176	73	53	142	3,045	...	...
September	568	194	482	98	...	127	39	76	3,176	1,176	73	53	142	3,045	...	...
October	605	196	514	99	...	134	41	75	3,200	1,176	73	53	142	3,045	...	...
November	608	205	536	106	...	138	46	63	2,941	1,176	73	53	142	3,045	...	...
December	637	209	565	110	...	153	43	65	2,968	1,176	73	53	142	3,045	...	...
1924-January	647	209	586	116	...	162	48	63	3,067	1,176	73	53	142	3,045	...	...
February	623	206	590	118	...	165	42	61	3,124	1,176	73	53	142	3,045	...	...
March	680	230	640	...	...	...	...	79	3,517	1,176	73	53	142	3,045	...	...
April	629	...	...	...	...	...	...	79	3,517	1,176	73	53	142	3,045	...	...

c Excluding Luxembourg, including Alsace-Lorraine and Saar, from 1913 to October, 1918; for 1920-1923 figures not official. d Ingots and castings. e Decrease due to labour disputes. f Corrected figures from January, 1923, based on returns from works responsible in 1922 for 95% of total production.

WHOLESALE PRICES.

Monthly Average.	U.K.		Belgium.	Czechoslovakia.	Denmark.	France.	Germany ("Frankfurter Zeitung").	Holland.	Italy (Baohi).	Norway.	Poland.	Russia.	Spain.	Sweden.	Switzerland.	Australia.	British India.	Canada.
	Bo'd of Trade.	Econo. mist.																
1913	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1918	224.9	224.9	...	...	232	339.2	...	373	409.1	...	...	...	...	...	...	...	...	...
1920	283.2	283.2	...	...	341	509.4	...	342	624.4	...	...	...	...	...	...	...	...	...
1921	197.2	181.0	366	...	1675	178	345.0	4,217	182	577.5	...	57,046	...	...	...	...	...	...
1922	159.5	159.5	367	1,299	181	326.6	4,217	182	577.5	...	57,046	...	...	...	...	...	...	...
1923	159.1	162.1	497	992	204	418.9	26,523,815,669	151	574.6	247	21,645,826	63,711,800	172	163	180.6	178.7	176	153.9
1923-April	161.4	164.9	480	1,029	204	414.7	823,700	156	588.4	229	1,058,920	4,464,000	174	166	186.5	174.1	178	156.3
May	159.8	163.8	474	1,000	202	406.5	1,498,000	149	580.1	232	1,125,350	6,290,000	171	166	181.0	178.3	177	155.0
June	159.4	160.0	484	967	207	408.6	3,989,800	149	568.9	232	1,881,410	9,769,000	170	164	187.0	175	156.1	...
July	156.7	155.3	504	958	207	406.7	28,624,800	145	566.4	231	3,069,970	15,224,000	170	162	175.3	188.6	170	153.6
August	154.6	155.5	529	967	202	413.1	306,335,800	142	566.7	233	5,294,580	27,529,000	171	162	173.4	183.8	171	153.3
September	158.0	159.6	514	973	205	423.6	18,295,350,000	145	569.2	232	3,302,200	54,301,000	174	162	181.1	179.9	174	154.7
October	158.4	160.4	515	964	207	420.5	4,907,150,000	148	563.4	235	27,380,680	87,300,000	171	161	181.6	178.9	174	153.1
November	161.1	168.6	531	984	210	424.5	1,164,960,000,000	153	571.4	243	67,943,700	173,100,000	173	160	182.5	179.2	179	153.5
December	163.6	170.1	546	990	210	458.3	1,148,000,000,000	154	577.2	247	142,300,700	378,100,000	176	160	183.2	182.2	177	153.3
1924-January	165.4	173.1	580	1,029	223	494.6	1,143,060,000,000	156	570.8	251	254,167,700	1,164,900,000	178	161	183.4	182.4	177	153.5
February	166.9	173.3	642	1,036	227	543.5	1,147,250,000,000	158	572.8	261	248,429,600	4,319,700,000	180	162	180.1	179.9	178	156.6
March	165.4	172.3	625	1,022	228	499.4	1,151,780,000,000	155	578.7	264	245,274,900	...	...	162	181.6	179.9	178	156.1
April	162.0	172.1	...	...	225	519.6	151,890,000,000	157	578.9	263	...	...	...	162	181.0	179.9	178	156.1

a From 1920 revised index. b End of the month. c New index compiled by Central Statistical Bureau middle of each month. d Beginning of the following month. e Revised index number. f 1000's omitted. g Middle of month. h 1914.

Wholesale Prices—Continued.					Index Numbers of Retail Prices.										Cost of Living.—(Base=100.)				
Monthly Average.	South Africa.	China.	Japan.	United States, Bureau of Labour.	No. of Towns and Localities.	U.K.	Austria.	Belgium.	Bulgaria.	France.	Germany.		Italy.	Spain.	Canada.	United States.			
						630	Vienna.	59	4	Paris.	71	Berlin.	Milan.	Madrid.	60	32			
1913	100	100	100	100		July, 1914	July, 1914.	April, 1914.	1901-1910.	1914.	Oct., 1913. Jan., April, June, 1914.	Aug., 1913. July, 1914.	Jan., June, 1914.	1914.	1913.	1911.			
1918	153.1	..	195.8	194		Base.	July, 1914.	July, 1914.	April, 1914.	1901-1910.	1914.	Oct., 1913. Jan., April, June, 1914.	Aug., 1913. July, 1914.	Jan., June, 1914.	1914.	1913.	1911.		
1920	223.3	152.0	259.4	226															
1921	160.4	150.2	200.4	147		1918—July ..	210	..	..	d 620	..	..	286	154	146	17			
1922	128.4	145.6	195.0	149		1920—July ..	255	..	..	1677	341	935	1125	441	191	190			
1923	126.6	156.4	199.1	154		1921—July ..	222	53,300	100	1790	307	1124	1125	494	189	155			
						1922—July ..	181	264,511	90	2494	302	5392	6122	488	181	147			
						1923—July ..	a 71	1,090,300	109	2517	334	3765100	3288610	487	172	146			
1923—April	126.2	157.7	196.1	159		1923—April ..	170	1,069,660	102	2741	..	296400	259630	492	180	148			
May	158.4	199.0	209.0	156		May ..	169	1,144,000	103	2599	..	381600	423340	490	178	146			
June	155.2	197.7	207.5	153		June ..	169	1,151,300	105	2531	331	765000	877020	491	170	146			
July	124.0	155.4	192.4	151		July ..	171	1,090,380	109	2395	..	3765100	b 3289	487	172	145			
August	153.1	190.0	200.0	150		August ..	173	1,049,600	112	2280	..	58604500	b 59017	483	178	148			
September	156.8	210.2	215.4	152		Sept. ..	175	1,084,100	117	2253	331	1500000000	b 1480000	487	178	149			
October	125.3	156.1	211.6	153		Oct. ..	175	1,102,700	120	2399	..	b 365900000	b 501180000	502	174	150			
November	157.3	210.1	215.1	152		Nov. ..	177	1,114,900	120	2399	..	b 85700000	b 67910000	503	177	150			
December	157.5	210.5	215.5	151		Dec. ..	177	1,124,900	122	2583	345	b 124700000	b 107100000	499	182	150			
1924—January	151.4	157.7	210.9	151		1924—Jan. ..	179	1,174,000	124	..	..	b 110000000	b 98300000	510	178	150			
February	159.5	159.5	210.9	152		Feb. ..	178	1,194,000	128	..	..	b 104000000	b 92800000	517	190	150			
March	157.5	157.5	210.9	150		Mar. ..	173	1,199,600	130	..	365	b 107000000	b 93100000	521	..	148			
April	..	..	..	..		April ..	171	1,197,300	..	..	..	b 114000000	..	..	..	149			

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Netherlands.	Poland.	Spain.	Sweden.	Switzerland.	United States.
Monthly Average.	£	Francs.	Leva.	Kroner.	Esti Mark.	Francs.	Mark.	Drachme.	Lire.	Gulden.	Zloty.	Pesos.	Kroner.	Kroner.	Francs.	Dollars.
1913.....	54,931	386,333	15,775	64,785	..	1,858,416	41,035	897,475	61,159	303,802	326,500	..	108,838	70,505	159,985	147,932
1918.....	107,100	44,960	75,851	..	..	1,858,416	41,035	897,475	61,159	303,802	326,500	..	108,838	70,505	159,985	147,932
1920.....	142,491	1,077,973	184,486	245,277	116,265	4,158,748	299,681	8,256,417	177,512	1,336,551	50,696	..	118,435	200,122	4,147	245,961
1921.....	81,548	849,617	243,424	129,058	373,551	1,838,992	294,844	9,815,963	143,801	1,438,885	186,695	..	236,083	105,520	191,367	213,072
1922.....	74,950	m 767,035	336,472	121,322	465,785	1,991,717	328,254	516,700	277,123	1,313,730	168,966	70,375	252,768	97,027	159,539	256,042
1923.....	81,620	1,045,866	..	157,520	777,690	2,717,880	381,682	506,783	506,271	1,435,420	167,436	93,040	254,944	111,855	186,841	301,785
1923—Mar.....	80,937	988,035	424,863	141,150	675,240	2,486,736	309,612	503,100	707,724	1,495,748	165,441	98,213	259,208	108,770	177,070	372,254
April.....	73,989	973,335	427,894	160,980	727,746	2,560,138	322,912	539,100	683,200	1,389,927	169,714	100,412	246,701	114,579	168,432	344,003
May.....	77,706	896,988	452,809	147,243	1,087,117	2,596,881	458,088	512,095	114,701	1,587,350	160,130	101,695	252,873	110,616	168,432	3,571
June.....	78,353	1,195,202	..	134,903	862,274	2,558,336	418,829	512,095	376,896	1,956,397	159,533	91,903	214,384	111,085	168,432	3,403
July.....	68,018	1,023,184	..	160,813	726,661	2,615,648	389,000	512,095	323,412	1,292,733	157,464	96,460	148,438	103,194	171,843	2,928
Aug.....	82,614	1,107,143	..	160,813	726,661	2,615,648	389,000	512,095	323,412	1,292,733	157,464	96,460	148,438	103,194	171,843	2,928
Sept.....	75,155	1,098,255	..	165,385	958,403	2,613,736	409,255	512,095	364,542	1,187,111	150,975	78,500	239,446	126,875	171,843	2,325
Oct.....	88,768	1,106,099	..	168,749	992,362	3,068,974	468,140	434,883	591,462	1,301,420	192,923	88,854	280,236	140,005	231,001	4,661
Nov.....	91,414	1,123,834	..	174,815	860,356	3,160,504	449,826	432,836	648,153	1,410,507	176,659	101,354	329,018	109,103	131,001	4,275
Dec.....	98,793	1,296,996	..	172,698	599,884	3,826,834	381,810	483,160	597,449	1,168,486	177,949	..	103,266	135,910	1,423	288,110
1924—Jan.....	78,948	1,335,721	294,868	155,830	638,058	3,087,921	376,571	563,467	392,281	1,564,708	185,566	..	90,953	195,910	..	332,078
Feb.....	83,475	1,437,679	397,196	153,401	510,944	3,713,800	296,404	714,812	555,451	1,518,224	186,545	..	89,726	195,910	..	319,000
Mar.....	91,028	1,618,666	..	195,000	569,374	3,622,604	239,296	691,009	555,451	1,518,224	186,545	..	..	..	..	..
April.....	74,395	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

Period.	U.K.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Netherlands.	Poland.	Spain.	Sweden.	Switzerland.	United States.
Monthly Average.	£	Francs.	Leva.	Kroner.	Esti Mark.	Francs.	Mark.	Drachme.	Lire.	Gulden.	Zloty.	Pesos.	Kroner.	Kroner.	Francs.	Dollars.
1913.....	43,771	302,882	7,778	53,113	..	573,351	33,482	841,583	9,917	209,303	256,917	..	88,136	68,112	114,700	2,626
1918.....	41,785	..	..	59,207	..	393,551	15,797	..	24,738	278,726	31,768	..	83,303	112,536	163,599	3,776
1920.....	111,206	737,675	136,917	103,365	2,241,249	1,647,709	278,491	8,299,713	78,977	689,724	141,791	..	130,548	91,440	178,345	3,029
1921.....	58,617	605,408	184,777	112,518	190,553	1,720,156	369,734	330,833	207,090	775,197	101,769	54,596	120,765	96,757	146,798	4,059
1922.....	59,959	m 519,636	360,810	97,997	519,636	360,810	97,997	519,636	360,810	97,997	519,636	360,810	97,997	519,636	360,810	97,997
1923.....	63,944	738,041	..	127,723	475,996	2,535,959	363,144	506,596	204,101	921,574	108,602	99,633	132,960	94,649	146,683	3,862
1923—Mar.....	60,921	713,439	445,221	128,090	459,635	2,474,378	152,977	435,800	128,782	886,690	106,977	138,372	132,086	60,914	146,778	5,218
April.....	62,871	697,521	415,427	108,991	423,178	2,507,895	190,401	417,900	116,242	730,818	97,005	109,760	118,600	61,618	121,798	3,446
May.....	77,542	196,769	..	127,010	540,946	2,675,945	245,400	580,351	115,246	943,130	97,860	96,247	139,125	104,867	121,798	2,888
June.....	62,884	755,616	..	130,377	491,883	2,443,781	653,700	580,351	165,312	791,571	95,694	102,260	93,185	105,431	154,352	1,979
July.....	59,504	732,152	..	130,381	447,756	2,542,830	561,100	580,351	200,503	841,821	107,933	102,160	115,316	111,710	154,352	1,777
Aug.....	60,103	727,426	..	127,465	504,931	2,434,645	476,300	580,351	408,762	802,916	127,771	110,960	116,338	111,710	154,352	2,070
Sept.....	63,836	820,406	..	137,179	494,063	2,813,539	474,978	580,351	513,195	1,075,154	125,848	88,330	163,450	117,570	163,652	1,579
Oct.....	71,323	881,270	..	187,293	434,132	2,941,386	355,765	580,351	527,427	1,057,037	126,124	75,848	174,026	111,118	163,652	1,579
Nov.....	65,768	865,058	..	187,293	434,132	2,941,386	355,765	580,351	527,427	1,057,037	126,124	75,848	174,026	111,118	163,652	1,579
Dec.....	64,115	1,045,904	..	187,293	434,132	2,941,386	355,765	580,351	527,427	1,057,037	126,124	75,848	174,026	111,118	163,652	1,579
1924—Jan.....	64,235	866,343	268,389	135,311	524,506	2,699,833	214,810	429,869	82,353	840,007	116,522	..	59,027	179,680	..	358,576
Feb.....	67,975	1,048,462	342,496	151,759	332,266	2,918,279	138,821	464,899	160,840	1,103,473	125,465	..	68,893	179,680	..	358,576
Mar.....	61,103	1,345,748	..	174,000	398,417	2,435,696	120,298	455,799	208,470	1,216,637	131,900	..	69,119	179,680	..	341,000
April.....	62,867	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

c Owing to Ruhr occupation figure incomplete. d Since January, 1922, gold marks valuation. e Until February, 1923, Julian Calendar. f Period September 22–October 21. g Old Greece only. h Valued at 1921 official rates. i Since January, 1922, the value of imports is based on declarations of imports, instead of official valuations previously used. j Since May, 1922, figures refer to Union Economique Belgo-Luxembourgeoise. k Period September 1–21. l Official values. m From January to October, 1923, official figures. n From November, 1923, provisional figures. o Based on merchants' declarations, which may differ considerably from final figures based on official quarterly valuations. p 15 days. q From April 1, 1923, including trade of Great Britain and Northern Ireland with the Irish Free State, and excluding the direct foreign trade of the Irish Free State. r Average of 5 months.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Value.								Quantity (Metric Tons).										
Period.	Australia.	British India.	Canada.	New Zealand.	South Africa.	Japan.	Brazil.	Belgium.	Czechoslovakia.	France.	Germany.	Greece.	Hungary.	Netherlands.	Poland.	Spain.	Switzerland.	Brazil.
Monthly Average.	£'s.	Rupees.	Dollars.	£'s.	£'s.	Yen.	Milreis.											
1913.....	6,355	^b 152,725	54,917	1,785	3,365	60,474	83,958	2,721	..	3,685	^h 6,068	..	..	5,041	..	987	661	489
1918.....	7,696	137,704	75,583	1,966	3,768	135,721	82,450	..	..	2,446	..	..	..	404	..	233	295	145
1920.....	13,172	258,929	111,410	5,062	7,994	191,719	174,219	1,112	326	4,245	1,570	..	45	1,151	294	703	468	271
1921.....	8,222	230,720	66,616	3,461	4,447	132,481	140,820	1,472	333	3,339	2,175	77	194	1,435	404	233	357	215
1922.....	9,850	199,524	63,528	2,417	4,008	153,956	137,719	^q 1,772	266	4,285	3,823	87	279	1,623	344	354	441	272
1923.....	11,088	184,765	75,294	3,575	4,584	165,589	189,203	^q 2,203	349	4,577	4,097	107	313	1,612	266	..	556	298
1923—Feb.....	11,786	200,509	65,308	2,994	3,618	154,452	141,982	1,798	204	3,884	3,166	^l 56	339	1,468	260	439	542	202
Mar.....	10,077	179,178	61,873	3,642	4,578	195,609	221,895	1,705	207	4,087	5,220	125	316	1,289	300	194	542	343
April.....	10,134	204,381	68,181	3,461	4,460	185,789	176,671	2,603	298	4,175	6,396	114	233	1,437	300	194	542	343
May.....	11,148	192,423	82,265	3,353	4,470	199,589	184,910	1,898	248	4,502	4,013	107	341	1,378	253	218	501	267
June.....	10,297	173,145	63,528	3,420	4,226	209,498	157,698	2,262	300	4,932	4,807	88	353	1,597	290	218	501	267
July.....	11,636	158,466	77,074	3,578	4,883	167,367	183,593	2,197	341	4,864	4,160	97	211	1,633	471	157	591	283
Aug.....	11,459	166,075	78,326	3,521	5,190	156,413	165,292	2,179	417	4,803	4,120	94	230	1,708	239	185	591	291
Sept.....	12,719	182,690	71,351	3,210	4,477	182,618	190,503	3,264	457	5,063	3,420	106	350	1,776	204	206	591	361
Oct.....	12,719	222,817	76,341	4,570	5,296	144,546	217,198	2,231	622	4,360	2,915	133	360	1,918	214	226	591	361
Nov.....	10,328	153,051	65,456	3,653	4,599	177,516	218,832	2,229	529	5,166	2,850	129	340	1,791	189	..	591	352
Dec.....	10,328	153,051	65,456	3,653	4,599	177,516	218,832	2,229	529	5,166	2,850	129	340	1,791	189	..	591	352
1924—Jan.....	13,392	224,391	66,468	4,364	5,392	210,137	..	2,558	248	3,933	2,663	97	250	1,615	..	..	459	..
Feb.....	11,804	173,686	62,134	..	4,920	291,286	..	2,623	332	4,396	2,749	138	289	1,668	..	..	459	..
Mar.....	..	181,045	86,000	..	4,941	305,500	..	2,923	316	4,822	..	136	..	1,608	..	..	459	..

THE STATE OF TRADE AT HOME AND ABROAD - Continued from page 34.

BRITISH EMPIRE.

The Canadian situation remains uneven, and, on the whole, disappointing, though the Government's declaration of its fiscal policy may put at rest some of the uncertainty which affected both the agricultural and manufacturing outlook. The flow of immigrants into the country is gaining force, but, unfortunately, the exodus over the United States border remains a serious factor to be reckoned with. In Australia the underlying tone in commerce and industry remains one of caution. The demand for wool continues exceptional. Australian wool exports in the ten months ended April 30th amounted to 1,611,000 bales, and those of New Zealand to 553,000 bales, a decrease of 544,000 and 11,000 respectively as compared with the corresponding period last year. Seasonal conditions in New Zealand were affected by the abnormal dryness of the late spring and early summer, which caused a shortage of grain crops. The outlook, however, is sufficiently encouraging. Further tax reductions are in prospect, and building activity is brisk. India's trade situation continues to be satisfactory as a whole, the anxious period before the monsoon being now close at hand. Reports from South Africa continue to reflect rising business confidence, the "bull" points in the situation being thus summed up by the Standard Bank: prosperity in the gold mines, strong wool markets, a bumper maize crop last year, good late rains, and the disappearance of the locusts. On the other hand, wholesale dealers report that business is somewhat restricted, while insolvencies—a legacy of past mistakes—are still large numerically.

SOUTH AMERICA.

Argentine conditions continue satisfactory. Wheat and linseed exports are on a large scale, railway takings are above normal, and unemployment good. Banking business is, however, somewhat restricted, and a strike organised early this month as a protest against a new pensions law, though lasting one day only, unfavourably affected the general commercial outlook. Chilean recovery continues, production of nitrate being reported as reaching 18,268,000 metric quintals in the ten months ended April 30th, against 11,942,000 metric quintals in the corresponding period 1922-23, and 7,431,000 metric quintals in 1921-22. The Brazilian situation is steady as a whole, coffee quotations having lately shown a slight advance. Conditions in Peru also show slight change.

EUROPE.

The French fuel situation is at the moment better than it has been for some long time, thanks to the rapid strides made in restoring "devastated" Nord mines and the regularity of arrivals of Ruhr supplies, which have so far been unaffected by labour troubles in that area. Metallurgical markets are quiet at present, with a downward tendency in prices. Silk markets are more active, but business at Roubaix and Tourcoing is of a "hand-to-mouth" character. The pace of Belgian trade has definitely slackened during the past month, even the glass industry having taken steps to restrain production, while business in the iron and steel markets is quiet. The failure of a large metallurgical concern, though not unforeseen, has introduced an element of nervousness into German markets, while the liquidation on April 30th of liabilities in French francs also involved certain interests in some amount of difficulty. The new Gold Discount Bank is limiting its activities as far as possible to the finance of industries working for export. Switzerland reports a welcome improvement, evidenced by a fall in unemployment figures. Italian business proceeded on normal lines during April, though some interruption was caused by the national elections and the Easter-holidays. Spanish conditions show but slight improvement. In both Holland and Sweden, however, a brighter outlook characterises business generally. Finnish timber markets continue to exhibit the weakness typical of the period preceding the resumption of shipments. Currency and budgetary reforms have been conducive to greater confidence in Poland, and in Hungary a much more hopeful feeling obtains. A sensational slump on the Vienna Stock Exchange has involved a number of firms in financial difficulties, and public confidence has been shaken.

FAR EAST.

Chinese trade is almost as lifeless as ever. A certain amount of overbuying, indulged in during a recent period of activity in the wool market, has caused some nervousness to be felt in one or two ports. The recent elections in Japan have had little effect on the internal trade situation of that country, business remaining inactive, particularly in the rice and cotton markets. The monetary situation is easier, partly owing to reduced demands for accommodation for settling import bills, and the disbursement, since the beginning of May, of part of the Government's subsidy to the fire insurance companies.

The Economist

MONTHLY SUPPLEMENT.

New Series.

SATURDAY, JUNE 28, 1924.

No. 13.

In the following pages we have aimed at compiling tables which will show summary figures for as many nations of the world as possible, and we have endeavoured to combine brevity with comprehensiveness. The greater number of the figures are taken from the Monthly Statistical Bulletin of the League of Nations,* supplemented from our own statistical records. We propose in these columns to give our own appreciation of the trade position, fortified by informed opinion, and to leave the figures to be interpreted by our readers each in his own way.

* "League of Nations Monthly Bulletin of Statistics," 1s 6d. Constable.

THE STATE OF TRADE AT HOME AND ABROAD.

THE home trade situation shows little change compared with a month ago. The elements of uncertainty noted in the last Supplement are still in operation, and there is a general feeling of disappointment that so little headway is being made. It is true that unemployment continued to fall until the end of May, and many centres are really very busy; but the labour returns for the first fortnight of June are slightly worse at a time when there ought to be a seasonal improvement. On the other hand, if the course of trade this year is compared with that of 1923, there is room for encouragement in the fact that the summer months of last year witnessed a definite setback. This year, up to the present, the worst that can be said is that we are more or less standing still, both buyers and sellers showing a disposition to wait and see. The poor law returns show that about 125,000 fewer people are drawing outdoor relief than at this time last year, and as the wages bill continues to rise and the cost of living to fall the lot of the wage earner is slowly improving.

The chief feature of last month's trading returns was a heavy rise in total imports, which quite obscured the modest increase in the value of our exports. As far as enhanced purchases of raw materials accounted for a fair share of the increase the omen is favourable, but comparison with last year reveals that average import prices of certain essential materials have increased much more rapidly than the export prices of corresponding finished products. A narrowing of profit margins, such as is indicated, suggests that the limit of sacrifice may probably not yet have been reached in some of the "unsheltered" trades, and certainly does not point to the existence of any large surplus out of which further wage demands can be met.

In the money market a slight contraction in available supplies of cash and in bank advances was recorded last month, but bank deposits were slightly higher. Decreased velocity of monetary circulation seems to be indicated by a decline in London Clearing figures, despite unusual

activity in the new issue market. Security prices have remained fairly steady. No reasonably sound business is experiencing difficulty in obtaining financial accommodation, and there is reason to believe that the present volume of trade is insufficient to absorb a good deal of the new capital coming forward for investment.

The setback experienced by the coal export trade has to some extent affected production and employment. Iron and steel output in May more than fulfilled expectation, but makers find it difficult to obtain new orders just now, and increased metallurgical production on the Continent makes the question of foreign competition more formidable. Engineering, however, is holding its ground. Unemployment has sunk to very small proportions in the motor car industry, and even shipbuilding is at long last showing signs of revival. While the volume of inquiries for cotton goods is encouraging, Lancashire merchants and manufacturers are inclined to adopt a waiting policy, and Bradford is similarly disposed pending a settlement of political questions on the Continent. Shipping freights have fallen rather markedly in the last two months, and may continue to show a seasonal decline until the usual autumnal demand sets in.

Abroad, the most striking features are the trade rescission in the United States, where political factors are tending to accentuate the difficulties of adjusting production to current demands; satisfactory reports from many South American countries, a revival of the metallurgical industries of France and Luxembourg, and a serious "famine" of floating capital in Germany. As regards the various members of the British Commonwealth, Canadian reports are slightly more optimistic, Australia is looking forward to a good season for wool and wheat, the Indian monetary situation is easier, but South African trade has been disturbed by influences arising out of the general election.

The following notes on conditions in various trades and

HOME TRADE STATISTICS—MAY, 1924.

	APRIL.	MAY.	Compared with MAY, 1923.
UNEMPLOYMENT— (State Insurance %)	9.7	9.5	— 1.7
PRODUCTION—			
Coal (million tons)	20.8	21.6	+ 0.9
Iron (thous. ")	618	651	+ 63
Steel (" ")	711	810	+ 11
FOREIGN TRADE—			
Imports (million £'s)	86.2	122.1	+ 32.7
Re-exports (" ")	11.8	13.1	+ 1.3
Exports (" ")	62.9	70.3	+ 1.3
TRANSPORT—			
Railway Receipts (£00,000)	363	362	— 9
Shipping Freights (av. level ⁽¹⁾)	117	114	— 1
COMMODITY PRICES (" ")	181	177	+ 5
TRADE DISPUTES (thous. working days lost)	471	398	— 409
SECURITY VALUES (av. level ⁽²⁾)	116	115	— 3
FINANCIAL DATA—			
Bank Notes (million £'s)*	125	125	+ 1
Currency Notes (" ")	291	288	+ 1
Bank Deposits (" ")	1655	1656	+ 6
Bank Advances (" ")	807	805	+ 44
Banks Cash Ratio (%)	11.6	11.5	— 0.2
Bank Clearings:			
London (million £'s)*	782	750	+ 95
Manchester (" ")	15.0	15.5	+ 1.1
Three months' Bank Drafts (Discount Rates %)	3½	3½	+ 1½
Day-to-day Loans (%)	2½	2½	+ ½

(¹) 1913=100. (²) Economist Index No.; July, 1914=100.
(*) Bankers' Magazine Index No. of 365 securities; December, 1921=100. (†) Cash in hand and at Bank of England as % of total current, deposit, and other accounts. * Av. weekly figures.

MONTHLY BULLETIN OF STATISTICS

ISSUED by the LEAGUE OF NATIONS

A STATISTICAL REVIEW of the most recent information of the economic activity of Europe, The British Empire, America, Asia, etc., compiled from official and other defined sources.

The following among other subjects are dealt with in informative Tables:—

PRODUCTION: Coal, Iron and Steel; Shipping Construction, etc.

FOREIGN TRADE: Weight and Value of Imports and Exports; Movement of Shipping.

PRICE: Wholesale and Retail Price Index Numbers.

CURRENCY AND FINANCE: Reserves, Note Circulation, Discount Rates, Foreign Exchanges, Capital Issues, Bankruptcies, Savings Bank Deposits.

LABOUR: Unemployment Percentages.

This information is given where available for the following countries:—

ARGENTINE	DANZIG	JAPAN	PORTUGAL
AUSTRALIA	DENMARK	JUGO-SLAVIA	ROUMANIA
AUSTRIA	DUTCH EAST INDIES	LATVIA	RUSSIA
BELGIUM	EGYPT	LITHUANIA	SIAM
BOLIVIA	EQUADOR	LUXEMBURG	SOUTH AFRICA
BULGARIA	ESTHONIA	NETHERLANDS	SPAIN
BRAZIL	FINLAND	NEW ZEALAND	SWEDEN
CANADA	FRANCE	NORWAY	SWITZERLAND
CHILI	GERMANY	PALESTINE	UNITED KINGDOM
CHINA	GREECE	PARAGUAY	UNITED STATES
COLOMBIA	HUNGARY	PERU	URUGUAY
CUBA	INDIA	POLAND	VENEZUELA
CZECHOSLAVAKIA	ITALY		

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THE STATE OF TRADE AT HOME AND ABROAD—Continued from page 41.

countries call attention to some of the most striking tendencies :—

HOME INDUSTRIES.

Iron and Steel.—Quiet conditions characterise the pig-iron market. To some extent the Whitsuntide holidays must be held responsible for the falling off in the volume of new orders, while political uncertainty has affected demand from European sources. No large stocks are at present held anywhere, but unless demand takes a turn for the better, there may be a slackening in the rate of production if the accumulation of surplus pig-iron at the works is to be avoided. Foreign competition has become more prominent in the last week or two, chiefly in the Middlesbrough district. In the Midlands the outlook is rather better. Steel shows the same characteristics as pig iron, but to a less degree, makers having larger orders on hand. New contracts, however, are none too easy to secure. The Barrow Steelworks have re-opened after a three-months' suspension. After a long run of prosperity, the tinplate trade has encountered less favourable conditions, and a reduction of price has been necessary. Galvanised sheets are an exception to the prevailing tendency, makers being booked up for some weeks at higher prices than those recently prevailing. Iron and steel production in May showed some improvement on the previous month, when the returns were affected by the Easter holidays. The returns of overseas trade show unusually heavy imports last month, chiefly of semi-finished products.

Coal.—A correspondent states :—"There has been little activity to report in the coal industry. The continued depression has been responsible for irregular working at the pits throughout the country, and several collieries which depend mainly on export trade have been forced to work short time. This state of affairs has naturally been reflected in decreased production. Amongst the factors contributing to the lull in the export trade are the settlement of the labour trouble in the German mines, the continued increase in the production of the French, Polish, and Czecho-Slovakian coalfields, combined, of course, with the adverse exchanges. There has also been increased competition from the United States in both the Canadian and South American markets. The seasonal decline in the consumption of household coals has had marked effects in the home market, but it is possible that the reduction in prices which has been announced may help to ease matters somewhat in this direction."

Engineering.—Generally speaking, the engineering trades have, with one or two exceptions, succeeded in holding most of the ground won so laboriously during the last few months, though possibly the placing of contracts for public works at home, rather than any recrudescence of foreign demand, is chiefly responsible. British firms have lately secured orders for 80 locomotives for India, their prices being higher than those of several foreign competitors, but their promised dates of delivery earlier. Shipbuilding is better. Work will shortly be begun on a fairly large number of contracts placed on the Clyde; Sunderland shipbuilders are also receiving a more encouraging number of inquiries. The motor trade remains busy. Cycle makers report a brisk summer trade, with the prospect of continued activity during some months to come.

Hardware and Cutlery.—Conditions show little change on the whole, though in the hardware trades some improvement in the employment situation has taken place. Business is subject to seasonal influences, competition is keen, but the volume of orders is not unsatisfactory.

Cotton.—Our Manchester correspondent writes :—"The demand for cotton yarn and cloth has continued quieter, and business to some extent has been interfered with by the Whitsuntide holidays. In most quarters buyers have adopted a policy of marking time. There has not been any distinct change in values, but the opinion is gaining ground that lower prices are likely to prevail towards the end of the summer, and in the circumstances merchants and dealers have limited their commitments. Great interest has been taken in the reports relating to the new cotton crop in the United States. After unfavourable conditions, there has been a distinct improvement, and the plants are making much better progress. In view of the importance of a plentiful supply of long staple cotton for Lancashire, the healthy advices as to the new growth in Egypt have given satisfaction, and there is a possibility of the crop being of record dimensions. Shippers of cloth to outlets abroad have not been in the mood to place orders with manufacturers with any freedom, and buying has been from hand to mouth. A slight improvement has shown itself in the home trade section, but compared with a month ago some cloth manufacturers are running fewer looms. The general demand in yarn made from American cotton has continued slower, and spinners have experienced much difficulty in preventing loss of ground. The mills are still running only 26½ hours per week, instead of the usual 48."

Woolen and Worsted Trades.—The burst of activity in the market for wool during the first few months of the present year has come to a halt. Prices have fallen, though not to a large extent, sellers being confident that the present lull is due to

ephemeral outside influences, and will be short-lived. The British wool crop, now being sheared, is expected to be of good quality, but deficient quantity. Manufacturers continue to work on narrow margins, this feature having become more marked than ever during recent weeks. The cheaper grades of cloth find buyers most readily, Dewsbury "shoddy" production showing a marked increase. Political uncertainty in Germany has affected Bradford to some extent. The clothing trades experienced an expected rush of orders for the Whitsun holidays, though business has since been quieter.

Linen.—While the Ulster flax crop is short, owing to the cold weather experienced, reports from the French and Belgian fields are encouraging. Belfast and Fifehire manufacturers are doing only a moderate amount of business, but in the Barnsley district some improvement has been registered, foreign demand being in evidence.

Chemicals.—Most branches of the industry are working on quiet lines, as is not unusual at this time of the year. The market for most acids has displayed more strength recently, but has to meet strong foreign competition.

Boots and Shoes.—With Whitsun and summer requirements mostly filled, the leather trades have been quieter lately. Despite unfavourable weather, the majority of manufacturers were kept moderately busy up to the last few days before the holiday break, but business has since been irregular.

Pottery.—The slow improvement noted last month continues, orders being rather more plentiful, but mainly concerned with the cheaper wares.

Shipping.—The gradual fall in freight levels which commenced in the early part of the year has been rather more prominent during the last two months, the average level, as shown by *The Economist's* Index, being 14 per cent. above 1913 during May, as compared with nearly 24 per cent. in February. A reduction in the demand for coal and ore transport in European waters, a continuance of quiet conditions in the Far East, and, at the end of last month, a slight check in grain futures from the River Plate, have been mainly responsible for the course taken by freights in the last few weeks. A seasonal reduction is to be anticipated during the next month or two.

UNITED STATES OF AMERICA.

Trade has fallen back from the advanced positions it occupied in the spring of 1923, and all but regained three or four months ago, but the retreat is being conducted in orderly fashion with, so far, a minimum of loss. Steel ingot production has been put at about 60 per cent. of capacity, and the automobile industry, while still doing a large business, has slackened its output, the Ford company a few weeks ago being reported as having cut its daily production from 7,200 to 6,000 cars. Pig-iron production fell off during May to a greater extent than was expected, the total of 2,615,000 tons (contrasting with 3,233,000 tons in April), being the lowest monthly figure since September, 1922. On the other hand, further curtailment of production in the textile trades was probably less than earlier reports seemed to indicate. Wholesale trade is quieter; prices have fallen slowly but steadily during every month of the present year, and now stand 8 per cent. below the level of a year ago. Mail-order business during May was returned as 19 per cent. below April, though sales for the five months of 1923 exceed those of the same period last year by 5 per cent. Grain sowings have been hindered by low temperatures in the West. Conditions in the money market remain easy. While admitting that the situation has falsified many of the optimistic forecasts of the early part of the year, qualified observers display no alarm. The "boom" dangers present in 1920 are non-existent in the present case, which apparently represents an adjustment of business to current needs, somewhat accentuated by political factors, such as the coming Presidential elections and Congressional struggles over the Soldiers' Bonus and Revenue Bills.

BRITISH EMPIRE.

Conditions in Canada during May showed much the same features as in April. Business was fair, and prices rose slightly, but unseasonable conditions in the agricultural districts were reflected in a certain amount of nervousness among the trading community as a whole, orders for any but short periods ahead being conspicuously absent. The trend of employment is not altogether unsatisfactory, the seasonal decline in the labour requirements of such industries as lumbering being counterbalanced by increased demand from mining districts. The omens point to a continuance of general activity in Australia, the 1924-25 season being expected to show an increase in wool and wheat production, and, possibly, in that of dairy products. As far as present prosperity in certain constructional trades is dependent on the overseas borrowing policy of the Commonwealth and State Governments, however, reports of current activity need discounting to some extent. Premature expectations of a good season in New Zealand have led to heavy imports into that country, an agitation for further remissions of taxation, and some discontent on the part of organised labour, which pre-

(Continued on page 48.)

THE POSITION OF AGRICULTURE IN GERMANY.

By DR. C. VON DIETZE.

SOME of the chief differences between the present agricultural production in Germany and that of pre-war days may be seen from the following table :—

ACREAGE under CROPS and GRASS in GERMANY.

	1913.*			1923.			Incr'se and Decr'se.		
	1,000 Ha.	% of Arable Land.	% of Total Acreage.	1,000 Ha.	% of Arable Land.	% of Total Acreage.	1,000 Ha.	% of Arable Land.	% of Total Acreage.
Cereals	12,638	58.8	..	10,617	53.0	..	-2,021	-5.8	..
Peas, beans, lupines, and mixed grain ...	938	4.4	..	1,225	6.1	..	+ 287	+ 1.7	..
Roots and potatoes ...	4,100	19.1	..	4,168	20.8	..	+ 68	+ 1.7	..
Cabbage, rape, flax, hemp, &c.	239	1.1	..	259	1.3	..	+ 20	+ 0.2	..
Fodder crops (clover, Lucerne, temporary grass)	2,997	13.9	..	3,176	15.8	..	+ 179	+ 1.9	..
Bare fallow	588	2.7	..	606	3.0	..	+ 18	+ 0.3	..
Arable land	21,500	100.0	73.6	20,051	100.0	71.6	-1,779	..	-2.0
Permanent grass	7,621	..	26.1	7,941	..	28.1	+ 320	..	..
Vineyards	90	..	0.3	83	..	0.3	-7	..	..
Total	29,211	..	100.0	28,075	..	100.0	-1,136	..	..

* Present territory of Germany.

Although in 1923 most of the direct consequences of the war and the post-war grain policy had been overcome, the total acreage was still 3.9 per cent. smaller than in 1913, and the proportion of arable land had also been diminished. The various crops on the arable land show characteristic changes. Cereals have dropped substantially, while roots, fodder crops and bare fallow have been extended. These changes spring from two different causes. Firstly, the German farmer tried to make good to a certain extent for the loss of feeding stuffs and other products (hemp, flax, rape) imported in pre-war days from foreign countries, especially from Russia. Secondly, those crops have been favoured which require less labour, especially on large farms which used to employ a great number of Polish workmen. These facts account for the reduction of acreage under cereals, potatoes, and beet roots,* i.e., under the most important foodstuffs.

It is impossible to give exact figures of the agricultural yields, as the statistics are not quite reliable in this respect. It may be taken as granted, however, that in 1923 the yields per ha were, as a whole, still at least 5 per cent., probably more, under the level of pre-war years, although they were much higher than in any year since 1915. Consequently the agricultural output shows an even greater decrease than the acreage under crops.

The diminished capacity production becomes apparent also from the figures of live stock. In December, 1922, there was a decrease of cattle by 12 per cent., pigs 35 per cent., horses 4 per cent., compared with the same month in 1913. The reduction of pigs is especially deplorable, as in pre-war days the consumption of pork amounted to about 60 per cent. of the whole meat consumption. Only sheep and goats show an increase (12 per cent. and 31 per cent.) compared with 1913, but they are of small importance.

Of still greater influence is the relation of the prices which the farmer gets for his produce, and those which he has to pay for implements, feeding stuffs, fertilizers, &c. When in December, 1922, the depreciation of the currency had come to an end, the prices of cereals and potatoes were under the standard of 1913. Milk and fat cattle fetched prices which were a little higher than in pre-war days, but coals, machinery, building materials, and feeding stuffs were on an average about 50 per cent. dearer than in 1913, fertilizers alone not being much dearer than in those days.

Lastly, this relation of prices is due to the impoverishment of the German population, which is reflected in an

* The table does not give figures for beet roots and potatoes apart from other roots. The augmentation is confined to turnips, swedes, and mangolds, and exceeds the decrease of potatoes and beet roots.

enormous decrease of food stuff consumption. Besides, the economic policy of the State, especially the still existing restrictions on exports, agricultural products, and the import of Russian rye, which the Soviet Government, as a matter of propaganda, sold at very low prices, have had some influence. Germany has no longer any tariff on corn and other agricultural products. But the situation is widely different from that in Great Britain. The most important agricultural products, especially cereals, are at the present date considerably cheaper in Germany than in Great Britain. The German farmer is compelled to sell his produce at prices which sometimes do not even cover his expenses. When the depreciation of the currency was stopped he had no money in hand, and simultaneously he had to pay very high taxes. In 1924, in the Prussian province of Saxony, the present laws make the owner of a farm of 30 ha (= 75 acres) pay taxes and rates from 20 to 118 marks to the ha (9s to 50s to the acre), according to the quality of the soil;† the owner of a farm of 500 ha (= 1,250 acres) as much as from 23 to 132 marks to the ha (= 10s to 55s to the acre), i.e., under the prevailing conditions much more than the whole net profit. Credit can be obtained only to a quite insufficient degree, and the debtor has to pay up to 15 or 20 per cent. a year. Thus the farmer has to sell his produce at very low prices in order to pay his expenses and taxes. Only during the last weeks of May have corn prices begun to go up again, a development which is bound to continue, as foreign corn must be imported before the harvesting of the next crop.

The situation of German agriculture is as serious as it has ever been for about a century. It can only be overcome if the whole economic life of Germany is able to regain its strength, and also if the buying power of the neighbouring countries trading with Germany recovers. Otherwise the pressure which is exercised by the suffering agricultural districts in overseas countries will be felt severely in Germany. If this evil is not eradicated, no other means can bring effective help, certainly not the re-adoption of a protectionist policy, which has recently been winning friends rapidly.

The other problems of German agriculture are of far less importance. Nevertheless, some of them are of great interest, and deserve to be mentioned. As to the agricultural labour question, the loss of Polish labourers is the most prominent feature. Their number amounted to about 400,000 in pre-war days, while to-day it has fallen to hardly more than 100,000. The increased employment of German labourers could not fully compensate for this decline. Since 1919 the trade unions of agricultural labourers have achieved a great importance. To-day the wages and other conditions of employment are generally fixed by agreements between their representatives and the organisations of agricultural employers. In connection with this development the old habit of giving the permanent workman a share in the quantities of corn harvested and threshed on the farm has almost disappeared, even in the eastern parts of Germany, where it was still in force up to 1918. Agricultural strikes have broken out frequently since 1919. Most of them were stimulated by political leaders. So far they have never been widespread.

The relations between landlords and tenants, which, however, are of subordinate importance in Germany, have been completely upset by the depreciation of the currency. Since 1920 notice to quit can be given to the smaller tenants (up to 25 acres) only with the assent of a special court. This measure has been proved to be a failure under these circumstances, as no landlord would let his land to a small tenant. The restriction has already been abolished for all agreements hitherto concluded. As regards the future, a general reform of the tenant law is being discussed, for which English legislation may serve as a model in many respects.

† In Germany over 90 per cent. of the farmers are occupying owners.

PRODUCTION. (Thousands of Metric Tons.)

Period. Monthly Average.	COAL.										LIGNITE.									
	United Kingdom.	Belgium.	Czechoslovakia.	France.	Germany.	Netherlands.	Poland.	Canada.	South Africa.	India.	Japan.	United States.	Austria.	Czechoslovakia.	Germany.	Hungary.				
1913	24,336	1,904	1,189	5,404	15,842	156	1,135	665	1,311	1,776	43,087	1,918	7,269	...	...	...				
1918	19,283	1,866	928	5,218	13,776	283	1,133	747	1,680	2,336	51,272	199	1,641	9,303	399	...				
1920	13,822	1,816	971	5,213	9,491	327	631	888	2,622	1,554	2,185	38,282	206	1,792	10,251	471				
1922	21,133	1,770	826	5,596	9,929	381	1,808	845	735	1,539	2,054	34,821	259	1,579	11,434	468				
1923	23,450	1,910	969	5,391	2,341	440	3,008	1,008	901	1,582	...	49,268	222	1,351	9,854	519				
1923-May	23,846	1,813	1,068	5,507	2,119	414	2,683	1,074	971	1,524	2,358	49,576	212	1,289	9,534	469				
June	23,995	1,970	1,077	5,352	1,988	428	3,107	1,089	940	1,449	2,160	49,268	220	1,278	10,496	518				
July	22,065	1,857	1,156	4,312	2,242	454	3,227	766	916	1,237	2,100	48,486	211	1,393	10,572	412				
August	22,265	1,927	931	4,517	2,075	460	3,265	1,225	986	1,199	2,100	52,365	231	943	12,653	440				
September	22,221	1,893	957	4,410	2,686	437	3,042	869	889	1,692	2,100	44,445	233	962	9,404	521				
October	25,714	2,088	959	4,862	2,052	504	2,497	936	975	1,692	2,100	52,521	261	1,406	7,357	659				
November	24,871	2,089	1,421	4,583	1,935	464	3,126	858	874	1,760	2,436	48,912	240	1,930	7,119	621				
December	22,496	1,936	1,340	4,303	2,324	335	3,300	884	897	2,014	2,263	53,628	276	2,004	9,354	594				
1924-January	23,787	2,183	1,399	4,807	3,356	458	2,805	877	865	2,268	...	48,394	258	1,908	8,327	598				
February	24,283	2,112	1,369	5,017	3,571	469	2,029	...	918	1,938	...	53,566	261	1,836	10,391	517				
March	24,616	2,108	1,372	5,017	3,571	469	2,029	...	918	1,938	...	53,566	261	1,836	10,391	517				
April	22,960	2,049	1,215	5,641	...	477	2,067	...	930	1,798	...	43,956	...	...	10,247	...				
May	22,352	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...				

a Including lignite. b Including the production of Lorraine and Saar. c Saleable coal only. d Irish Free State production omitted since 1921. e Average of two months. f Strike period. g From 1919 excluding Alsace-Lorraine and from 1920 excluding Saar and Palatinat; from June, 1922, excluding Upper Silesia. h Since July, 1922, including Upper Silesia. i Excl. Rhine mines. j Excl. Ruhr production. k Decrease due to coal strike. l Upper Silesia only. m Excl. Saar. n Average of five months.

PIG IRON.

Period. Monthly Average.	United King- dom.	Bel- gium.	France.	Saar.	Ger- many.	Luxem- burg.	Sweden.	Canada.	United States.	United King- dom.	Bel- gium.	France.	Saar.	Ger- many.	Luxem- burg.	Sweden.	Canada.	United States.
1913	869	207	434	102	1,388	212	61	85	2,601	d	205	396	172	a	d	d	d	t
1918	768	..	109	..	883	106	64	90	3,260	812	1	151	..	1,176	73	53	142	2,564
1920	680	93	276	..	463	58	38	82	3,083	768	104	246	..	643	50	41	94	3,461
1921	722	73	280	..	625	81	26	51	1,401	314	66	255	..	750	63	19	57	1,628
1922	415	134	427	96	730	140	22	32	2,276	494	130	373	105	762	116	29	41	2,927
1923	630	182	443	77	333	117	23	75	3,392	719	d	190	415	83	417	100	25	3,682
1923 - May	726	166	393	32	..	86	t	12	3,930	834	d	172	388	37	..	73	t	5
June	704	172	447	75	..	90	t	10	101	727	780	189	427	88	..	71	t	4
July	666	187	436	93	..	123	t	10	83	737	634	182	400	105	..	96	t	98
August	609	199	486	99	..	135	30	94	3,505	592	213	452	112	..	110	42	107	3,755
September	568	194	482	98	..	127	39	76	3,176	706	194	446	109	..	106	58	67	3,410
October	606	196	514	99	..	134	41	75	3,200	713	216	477	117	..	126	57	69	3,634
November	608	205	536	106	..	138	46	63	2,941	763	217	493	109	..	122	62	56	3,164
December	637	209	565	110	..	153	43	61	2,968	664	213	526	110	..	135	44	42	2,909
1924 - January	647	209	586	116	..	162	48	65	3,067	701	231	541	117	..	151	49	42	3,692
February	643	205	590	118	..	165	42	61	3,124	780	226	555	114	..	151	48	72	3,670
March	679	230	640	135	..	187	43	79	3,501	838	241	573	138	..	156	46	96	4,255
April	628	240	651	..	..	186	..	..	3,285	723	241	567	..	..	..	..	..	3,440
May	662	..	..	..	..	..	..	..	2,658	823	..	..	..	..	..	..	..	2,533

a Excluding Luxemburg. Including Alsace-Lorraine and Saar, from 1913 to October, 1918; for 1920-1923 figures not official. b Ingots and castings. c Decrease due to labour disputes. d Corrected figures from January, 1923, based on returns from works responsible in 1922 for 95% of total production.

WHOLESALE PRICES.

Monthly Average.	COAL.										LIGNITE.									
	United Kingdom.	Belgium.	Czechoslovakia.	France.	Germany.	Netherlands.	Poland.	Canada.	South Africa.	India.	Japan.	United States.	Austria.	Czechoslovakia.	Germany.	Hungary.				
1913	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100				
1918	207	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...				
1920	172	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...				
1921	158	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...				
1922	159	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...				
1923	159	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...				
1923-May	159	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...				
June	159	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...				
July	159	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...				
August	159	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...				
September	159	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...				
October	159	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...				
November	159	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...				
December	159	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...				
1924-January	159	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...				
February	159	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...				
March	159	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...				
April	159	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...				
May	159	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...				

a From 1920 revised index. b End of the month. c New index compiled by Central Statistical Bureau middle of each month. d Beginning of the following month. e Revised index number. f 1000's omitted. g Middle of month. h 1914. i Beginning of the following year. j Czervonets rubles.

Wholesale Prices—Continued.					Index Numbers of Retail Prices.										Cost of Living.—(Base = 100.)				
Monthly Average.	South Africa.	China.	Japan.	United States, Bureau of Labour.	No. of Towns and Localities.	U.K.	Austria.	Belgium.	Bulgaria.	France.	Germany.		Italy.	Spain.	Canada.	United States.			
						630	Vienna.	59	4	Paris.	71	Berlin.	Milan.	Madrid.	60	32			
1913	100	100	100	100		Base.	July, 1914.	July, 1914.	April, 1914.	1901-1910.	1914.	Oct., 1913. Jan., April, June, 1914.	Aug., 1913. July, 1914.	Jan.-June, 1914.	1914.	1913.	1913.		
1918	153.1	..	195.8	194															
1920	223.3	152.0	259.4	226															
1921	160.4	150.2	200.4	147	1918—July ..	210	..	..	d	..	..	..	..	286	154	146	174		
					1920—July ..	255	..	..	1677	341	..	935	1125	441	191	190	217		
1922	128.4	146.6	195.0	149	1921—July ..	222	53,300	100	1790	307	..	1124	1125	494	189	155	180		
					1922—July ..	181	264,511	90	2494	302	..	5392	6122	483	181	147	167		
1923	126.6	156.4	199.1	154	1923—July ..	171	1,090,300	109	2517	334	..	3765100	3388610	487	172	145	170		
						a													
1923—April	126.2	157.7	196.1	159	1923—May ..	169	1,144,000	103	2599	..	..	381600	423340	490	178	146	..		
May	..	158.4	199.0	156	June ..	169	1,151,300	105	2531	331	..	765000	877000	491	170	148	170		
June	..	155.2	197.7	153	July ..	171	1,090,380	109	2395	..	..	3765100	b 5029	487	172	146	..		
July	124.0	155.4	192.4	151	Aug. ..	173	1,049,600	112	2280	..	..	58604600	b 5901	483	178	148	..		
August	..	153.1	190.0	150	Sept. ..	175	1,041,000	117	2253	331	..	1500000000	b 1480000	487	178	149	173		
September	..	156.8	210.2	154	Oct. ..	175	1,024,700	117	2261	..	..	3657000000	b 501180000	502	174	150	..		
October	128.3	156.1	211.6	153	Nov. ..	177	1,114,900	120	2399	..	..	c 65700000	c 67940000	503	177	150	..		
November	..	157.3	210.1	152	Dec. ..	177	1,124,900	122	2399	345	..	c 1294700000	c 1071900000	499	182	150	173		
December	..	157.5	210.5	151	Jan. ..	179	1,174,000	124	..	..	..	c 1100000000	c 963000000	510	178	150	..		
1924—January	131.4	156.7	210.6	152	Feb. ..	178	1,194,000	128	..	..	..	c 1040000000	c 928000000	517	190	150	..		
February	..	159.5	208.0	152	Mar. ..	173	1,199,600	130	..	365	..	c 1070000000	c 934000000	521	180	148	170		
March	..	157.5	..	148	April ..	171	1,197,300	124	..	..	..	c 1120000000	c 1017000000	522	195	145	..		
April	126.2	153.7	..	148	May ..	169	1,220,900	..	..	..	..	c 1120000000	..	..	..	..	..		

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Netherlands.	Poland.	Spain.	Sweden.	Switzerland.	Egypt.	United States.
Monthly Average.	£	Francs.	Leva.	Kroner.	Esti Mark.	Francs.	Markat.	Mark.	Drachme.	Lire.	Gulden.	Zloty.	Pesetas.	Kronor.	Francs.	£.	Dollars.
1913.....	54,931	386,333	15,775	64,785	..	701,778	41,035	897,475	14,828	303,802	326,500	..	108,838	70,505	159,985	2,271	147,932
1918.....	107,100	46,960	75,851	1,858,416	38,944	..	..	61,591	3,356,551	50,696	..	..	49,150	102,776	200,122	4,147	245,961
1920.....	142,491	1,077,973	184,486	245,277	116,265	4,158,748	299,681	8,256,417	177,519	2,235,135	277,702	..	118,435	281,128	353,568	8,214	426,152
1921.....	81,548	849,617	243,424	129,058	373,551	1,838,992	294,844	9,815,963	143,800	1,438,885	186,695	..	236,083	105,520	191,387	4,109	213,072
1922.....	74,590	m 767,035	336,472	121,322	465,785	1,991,717	328,254	516,700	257,123	1,313,730	168,966	70,375	252,768	97,027	159,539	3,382	256,042
1923.....	81,620	m 1,045,866	..	157,580	777,690	2,717,880	381,682	506,763	506,271	1,435,420	167,436	93,040	254,944	111,855	186,841	3,651	310,785
1923-April.....	75,989	973,335	427,894	160,980	727,746	2,560,198	362,912	539,100	683,200	1,388,927	169,714	100,412	246,700	114,579	168,432	3,611	344,003
May.....	77,705	896,988	452,809	147,243	1,087,117	2,596,881	458,088	512,095	414,701	1,587,350	160,130	101,695	252,873	110,616	168,432	3,571	361,346
June.....	76,853	1,195,202	385,275	134,903	862,274	2,558,336	418,829	512,095	376,891	1,966,397	159,533	91,903	214,384	111,085	168,432	3,403	312,949
July.....	68,018	1,023,184	..	160,813	726,661	2,615,648	389,000	512,095	323,412	1,292,733	157,464	96,460	148,438	103,194	171,843	3,928	288,033
Aug.....	82,614	1,107,143	..	165,385	958,403	2,633,617	367,435	512,095	364,542	1,187,111	150,975	78,300	120,538	112,937	171,843	3,562	279,757
Sept.....	75,155	1,098,255	..	160,874	842,044	2,613,376	409,255	512,095	402,713	1,135,773	166,474	78,880	239,446	126,876	171,843	3,685	261,329
Oct.....	88,758	1,106,099	..	168,749	922,362	2,608,974	468,140	434,863	521,462	1,301,420	192,983	88,854	280,236	140,005	231,001	4,221	316,437
Nov.....	91,414	1,133,634	..	174,815	860,556	2,580,504	494,026	434,863	484,152	1,410,507	176,683	102,250	339,018	189,432	231,001	4,319	296,829
Dec.....	98,748	1,290,926	..	172,698	999,884	2,826,834	381,810	489,160	524,370	1,837,484	174,751	95,008	309,018	195,910	231,001	4,319	286,097
1924-Jan.....	87,948	1,335,721	294,868	158,830	638,058	2,887,921	376,573	567,214	397,449	1,668,468	177,949	80,857	..	103,866	195,910	3,916	312,463
Feb.....	83,475	1,437,679	397,196	153,401	510,944	3,713,800	296,404	714,812	552,281	1,564,708	185,566	..	..	90,953	195,910	..	313,213
Mar.....	91,028	1,618,666	492,688	178,621	569,324	3,622,604	239,296	691,009	555,451	1,518,405	186,545	..	..	89,726	195,910	..	..
Apr.....	74,395	1,285,588	..	..	748,507	3,292,151	372,690	800,378	516,258	1,564,161	189,773	..	..	139,474	..	..	..
May.....	108,995	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

Period.	U.K.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Netherlands.	Poland.	Spain.	Sweden.	Switzerland.	Egypt.	United States.
Monthly Average.	£	Francs.	Leva.	Kroner.	Esti Mark.	Francs.	Markat.	Mark.	Drachme.	Lire.	Gulden.	Zloty.	Pesetas.	Kronor.	Francs.	£.	Dollars.
1913.....	43,771	302,882	7,778	53,113	..	573,351	33,482	841,583	14,917	209,303	256,917	..	88,136	68,112	114,700	2,626	204,094
1918.....	41,785	..	..	59,207	..	393,561	15,797	24,738	278,726	31,768	..	..	83,303	112,536	163,598	3,776	503,990
1920.....	111,206	737,675	136,917	132,589	102,365	2,241,249	241,343	5,785,083	55,343	981,177	141,775	..	84,180	191,133	273,092	7,119	313,373
1921.....	58,617	605,408	184,777	132,589	102,365	1,647,709	278,491	8,259,713	78,977	683,724	141,791	..	100,548	91,440	178,345	3,029	364,911
1922.....	59,939	m 519,636	360,810	97,997	400,965	1,720,166	369,134	330,833	277,107	775,197	101,769	54,596	120,765	96,757	146,798	4,059	313,758
1923.....	63,944	738,041	..	127,723	475,996	2,535,959	363,144	506,596	204,101	921,574	108,602	99,633	132,960	94,649	146,683	4,866	340,930
1923-April.....	62,871	697,521	415,427	108,991	423,178	2,507,895	190,401	417,900	116,242	730,818	97,005	109,760	118,600	61,618	121,798	3,446	318,553
May.....	71,555	727,542	196,769	127,010	540,946	2,675,045	245,400	580,351	264,799	784,614	104,129	94,067	139,125	104,867	121,798	2,888	309,390
June.....	62,884	755,616	141,268	130,377	491,883	2,479,391	527,300	580,351	115,246	943,130	97,860	96,247	98,757	112,337	121,798	2,333	312,178
July.....	59,504	732,152	..	120,981	447,756	2,423,781	653,700	580,351	165,313	791,571	107,933	102,160	93,185	105,431	154,352	1,979	295,725
Aug.....	60,103	727,426	..	133,359	604,331	2,434,645	476,500	580,351	403,762	802,916	127,771	110,960	116,238	111,023	154,352	1,777	305,065
Sept.....	63,836	820,806	..	137,179	494,062	2,413,539	474,978	562,195	427,449	1,075,154	125,848	88,530	163,450	117,570	163,652	1,052	324,949
Oct.....	71,323	881,270	..	157,293	434,132	2,941,386	365,766	513,234	214,527	1,057,037	126,124	75,848	174,026	111,116	163,652	1,052	324,949
Nov.....	65,768	1,045,904	..	132,330	373,745	3,077,928	367,928	559,848	121,848	1,605,870	127,840	98,645	174,026	124,992	163,652	1,052	421,148
Dec.....	64,235	866,343	268,389	135,811	624,506	2,899,833	214,821	429,869	62,353	840,007	116,524	..	..	68,923	179,680	8,388	388,064
1924-Jan.....	67,975	1,081,642	342,496	151,759	332,266	2,918,279	138,821	464,899	160,840	1,203,473	126,465	..	..	59,027	179,680	5,780	358,576
Feb.....	61,103	1,345,748	271,393	155,043	398,421	2,454,556	190,388	455,799	268,470	1,215,737	131,920	..	..	69,119	179,680	4,835	331,511
Mar.....	62,867	1,064,285	..	..	646,874	2,402,041	192,629	480,764	130,348	1,198,119	136,431	..	..	74,446	..	..	335,645
Apr.....	70,261	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
May.....	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

a Owing to Ruhr occupation figure incomplete. d Since January, 1922, gold marks valuation. e Until February, 1923, Julian Calendar. h Period September 22—October 21. i Old Greece only. j Valued at 1920 official rates. k Since January, 1922, the value of imports is based on declarations of importers, instead of official valuations previously used. m Since May, 1922, figures refer to "Union Economique Belgo-Luxembourgeoise." n Period September 1-21. o Official values. p January to October, 1923, official figures. From November, 1923, provisional figures based on merchants' declarations, which may differ considerably from final figures based on official quarterly valuations. q 15 days. r From April 1, 1923, including trade of Great Britain and Northern Ireland with the Irish Free State, and excluding the direct foreign trade of the Irish Free State. x Average of 5 months.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Value.								Quantity (Metric Tons).										
Period.	Australia.	British India.	Canada.	New Zealand.	South Africa.	Japan.	Brazil.	Belgium.	Czechoslovakia.	France.	Germany.	Greece.	Hungary.	Netherlands.	Poland.	Spain.	Switzerland.	Brazil.
Monthly Average.	£'s.	Ruppees.	Dollars.	£'s.	£'s.	Yen.	Milreis.											
1911.....	6,355	^b 152,725	54,917	1,785	^s 3,365	60,474	83,958	2,721	..	3,685	^h 6,068	..	..	5,041	..	987	661	489
1912.....	7,696	137,704	75,583	1,966	3,768	135,721	82,450	1,112	326	2,446	..	28	..	404	..	233	295	145
1920.....	13,172	258,929	111,410	5,062	7,994	191,179	174,219	1,112	326	4,245	1,570	..	45	1,151	294	703	468	271
1921.....	8,222	230,720	66,616	3,461	4,447	132,481	140,820	1,472	333	3,339	2,175	77	194	1,435	404	682	357	215
1922.....	9,850	199,524	63,528	2,417	4,008	153,966	137,719	^q 1,772	366	3,285	3,872	87	279	1,633	344	364	441	272
1923.....	11,068	184,765	75,294	3,575	4,584	165,589	189,203	^q 2,203	349	4,577	4,097	107	313	1,612	266	..	556	298
1923—Mar.....	10,077	179,178	91,873	3,642	4,578	195,609	221,895	1,705	207	4,087	5,220	125	316	1,289	300	194	542	343
Apr.....	10,134	204,381	68,181	3,461	4,460	186,789	176,671	2,603	298	4,175	6,396	114	323	1,437	285	191	501	340
May.....	11,148	192,423	82,865	3,353	4,470	199,359	184,910	1,898	248	4,502	4,013	107	341	1,378	253	218	501	267
June.....	10,297	173,145	84,633	3,440	4,226	209,498	157,698	2,262	300	4,932	4,807	88	363	1,597	290	173	501	293
July.....	11,636	158,466	77,074	4,883	4,883	161,367	183,593	2,179	417	4,464	4,160	97	211	1,633	471	157	591	365
Aug.....	11,459	166,075	78,896	3,591	5,190	156,413	165,292	2,179	417	4,803	4,120	94	290	1,708	239	185	591	291
Sept.....	8,869	182,690	71,351	3,210	4,477	82,618	190,503	3,264	457	5,063	3,420	106	350	1,776	204	206	591	281
Oct.....	12,719	222,817	76,341	4,570	5,296	144,545	217,198	2,231	622	4,360	2,915	133	260	1,918	214	226	591	325
Nov.....	13,272	205,979	72,084	3,647	5,011	156,664	228,287	2,327	402	4,945	3,370	158	248	1,776	304	..	591	352
Dec.....	10,328	153,051	65,456	3,653	4,599	177,516	218,832	2,229	529	5,165	2,850	129	340	1,791	189	..	591	359
1924—Jan.....	13,392	224,391	66,468	4,324	5,020	202,420	186,891	2,558	448	4,933	3,663	97	250	1,615	140	..	459	351
Feb.....	11,804	175,686	62,134	3,782	4,676	204,114	..	2,568	332	4,395	2,749	138	289	1,668	..	..	459	..
Mar.....	10,845	181,045	66,964	..	4,941	311,429	..	2,923	316	4,822	3,422	136	323	1,803	..	..	459	..
Apr.....	9,827	190,173	60,203	..	6,737	..	..	2,749	363	4,924	2,560	92	..	1,660	..	..	459	..
May.....	..	..	72,247	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

THE STATE OF TRADE AT HOME AND ABROAD—Continued from page 42.

capitated a strike on the national railway system. Easier monetary conditions in India have been duly followed by a further fall in Bank rate. While in the Punjab the unusual rain is hindering crop movement, fairly favourable conditions are reported from the jute districts, and in Burma the end of a strike of dock labourers has released large rice stocks for export. Up-country demand for cotton goods is slack—a usual feature of conditions at this time of the year. Improvement in South Africa has been somewhat obscured by election uncertainties. Rand gold production in May reached an exceptionally high level.

SOUTH AMERICA.

Argentine trade activity continues, though an undertone of nervousness is observable. Picking and shelling of the maize crop is in progress, and amounts available for export in the next few months are likely to be considerable. Financial conditions in Chile are quiet, but the trade balance shows an appreciable improvement, imports having declined and exports increased as compared with this time last year, though the falling off in imports has affected Customs duties unfavourably. Mexican trade recovery is handicapped by a continuance of disturbance in some areas, and by labour troubles. In Brazil, coffee and cotton markets are firm, but the demand for sugar has fallen away.

EUROPE.

With fuel supplies maintained on an adequate scale, French metallurgical production has increased, and recent exchange movements have, on the whole, been favourable to the export trade. The textile trades are irregular, Roubaix and Tourcoing being fairly busy, while the tendency in cotton markets is downward, and buyers are tending to hold off in the silk trade. In unoccupied Germany the maintenance of stable monetary values is causing considerable difficulty to many firms, who sunk all available resources in goods and fixed capital during the inflationary era, and now lack adequate liquid resources. The Ruhr miners' strike has been settled for the time being, and the M.I.C.U.M. agreements temporarily extended, but the resumption of anything resembling normal conditions waits

upon the application of the experts' recommendations. In Belgium the coal trade remains dull, and the iron and steel industries are quiet, competition from Germany, Lorraine, and Luxembourg being much in evidence. The glass industry shows partial recovery, but remains below the level of three months ago. Swiss conditions are described as "tranquil." Security prices have declined to some extent. The tourist season, however, has opened in promising style. Dutch progress seems to have slowed down, and the present disturbed political situation in Italy may have unfavourable reactions on the trade situation, which, at the end of last month, was reported on in eminently favourable terms. The general tone of business in Norway has improved since the settlement of the protracted iron-workers' strike, which had culminated in a lock-out embracing nearly 60,000 workers in numerous trades. Both in Sweden and Denmark exchange fluctuations are a handicap to trade improvement. Swedish timber markets are quiet, though rather more active than at this time last year. The iron industry reports much difficulty in obtaining new orders. Harvest prospects in Finland are generally favourable, though in some districts the setting of potatoes has been delayed by rains. Exports of wood-pulp and cellulose are improving, the May figure for the latter constituting a record in the history of the trade. In Central Europe no great change is to be reported. Employment improved in Austria during May, and though conditions are still far from satisfactory in many respects, the economic crisis has passed its worst point. Confidence is slowly reasserting itself among traders, who, as a class, suffered less in the recent troubles than the more speculative members of the financial community.

JAPAN.

Monetary conditions have been easier during recent weeks, and the outstanding loans of the Bank of Japan have reached the lowest figure for some considerable time. This season's crop of cocoons has been delayed by bad weather, and ruling prices are low. The trade balance is improving. May imports totalled 223 million yen, as compared with 201 million yen in May, 1923, exports rising to 176 million yen, as compared with 114 million yen for the same month last year. Reconstruction in Tokio is progressing favourably, temporary houses and business premises providing accommodation to an extent of 80 per cent. of that available before the earthquake.

MONTHLY BULLETIN OF STATISTICS

ISSUED by the LEAGUE OF NATIONS

A STATISTICAL REVIEW of the most recent information of the economic activity of Europe, The British Empire, America, Asia, etc., compiled from official and other defined sources.

The following among other subjects are dealt with in informative Tables:—

PRODUCTION: Coal, Iron and Steel; Shipping Construction, etc.

FOREIGN TRADE: Weight and Value of Imports and Exports; Movement of Shipping.

PRICE: Wholesale and Retail Price Index Numbers.

CURRENCY AND FINANCE: Reserves, Note Circulation, Discount Rates, Foreign Exchanges, Capital Issues, Bankruptcies, Savings Bank Deposits.

LABOUR: Unemployment Percentages.

This information is given where available for the following countries:—

ARGENTINE
AUSTRALIA
AUSTRIA
BELGIUM
BOLIVIA
BULGARIA
BRAZIL
CANADA
CHILE
CHINA
COLOMBIA
CUBA
CZECHOSLAVAKIA

DANZIG
DENMARK
DUTCH EAST INDIES
EGYPT
EQUADOR
ESTHONIA
FINLAND
FRANCE
GERMANY
GREECE
HUNGARY
INDIA
ITALY

JAPAN
JUGO-SLAVIA
LATVIA
LITHUANIA
LUXEMBURG
NETHERLANDS
NEW ZEALAND
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PALESTINE
PARAGUAY
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The Economist
BUDGET SUPPLEMENT.

SATURDAY, APRIL 19, 1924.

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THE ECONOMIST BUDGET
SUPPLEMENT.

WHATEVER Government may be in power, the Budget is certain to occupy the centre of the political stage for many years to come. The burden of taxation upon industry on the one hand, and the demand for expenditure in what may be called the social services on the other, are conflicting interests which lay down the inevitable lines of future controversy. It is not, however, our purpose to prophesy. The following pages are rather designed to present to our readers in a convenient form sufficient of the leading facts and figures to give a general picture of our financial position.

THE 1923-24 ACCOUNTS.

The completed accounts for the financial year ended March 31, 1924, showed a surplus of £48,329,000, revenue amounting to £837,169,000, and expenditure to £788,840,000. Mr Baldwin's Budget estimate of April last was for a surplus of £1,884,000, revenue being expected to drop by £95½ millions, of which £61½ millions would be automatic, and £34 millions on account of tax concessions. He also anticipated an increase of £5 millions in expenditure, but supplementary estimates added £17½ millions to this figure, and if estimates had been exactly realised there would have been a deficit of £11½ millions. Both estimates proved to be wide of the mark, revenue being £18,669,000 higher, and expenditure £41,088,000 lower. The directions in which the estimates were falsified may be seen from the following table, which compares the actual figures with the final estimates for 1923-24:—

		(000's omitted.)	
Revenue.		Expenditure.	
1923-24.	Above (+) or Below (–) Estimates.	1923-24.	Above (+) or Below (–) Estimates.
Customs	119,958 + 3,058	National Debt Services	307,309 – 2,691
Excise	147,970 + 4,120	Sinking Fund	40,000 ..
Motor Duties	14,691 + 1,441	Payments for N. Ireland	347,309 – 2,691
Estate Duties	57,800 + 5,800	Road Fund	3,967 + 967
Stamps	21,570 + 1,570	Local Taxation Accts.	14,090 + 1,440
Land Tax, &c.	2,760 – 240	Land Settlement	13,662 + 3,314
Income Tax	269,331 + 8,331	Other Cons. F. Services	1,209 – 291
Super Tax	60,640 + 2,640	Other Cons. F. Services	2,803 – 169
E.P.D.	nil – 12,000	Total Cons. F. Services	383,040 + 2,570
Corporation Profits Tax	23,340 + 3,340	Army, Navy, & Air Force	105,800 – 16,445
Post Office	52,800 + 200	Civil Services	239,366 – 25,384
Crown Lands	920 + 20	Post Office and Revenue	60,634 – 1,829
Interest on loans	12,607 + 107	Departments	405,800 43,658
Miscellaneous receipts	15,931 + 3,481	Supply Services	405,800 43,658
Ordinary	36,801 – 3,199	Total	788,840 – 41,088
Special		Surplus	48,329 + 59,757
			837,169 + 18,669

The surplus of £48 millions has automatically gone to redemption of debt. During the past financial year £97,649,000 of debt was redeemed, including £52½ millions in War Bonds, and £27½ millions in Treasury bills. New debt, including Treasury bonds for £32½ millions, was created to the extent of £49 millions, and the net result was a reduction of £187,000 in the Exchequer balances. These changes are summarised in the table below:—

		(000's omitted.)	
RECEIPTS.		EXPENDITURE.	
£		£	
Revenue Surplus	48,329	War Bonds Repaid	52,764
Treasury Bond Sales	32,658	Other Debt Repaid	9,256
Savings Certificates (Net Sales)	11,900	Treasury Bills Repaid	27,689
Other Debt Created	4,000	Ways and Means A/c. Repaid ..	7,742
Bullion	269	Ordinary Sinking Funds	173
Land Settlement Repayments	315	Exchequer Bonds Repaid	26
Reduction in Balances	187		
	97,649		97,649

In each of the past four financial years a substantial surplus has been disclosed, these amounting in the aggregate to £426 millions. A comparison of each year's results since 1909-10 reads as follows:—

		(000's omitted.)	
		Revenue.	Expenditure.
		£	£
1909-10	131,696	157,945	26,249
1910-11	203,851	171,996	31,855
1911-12	185,090	178,150	16,940
1912-13	188,802	188,622	180
1913-14	198,243	197,493	750
1914-15	226,694	450,473	333,779
1915-16	336,767	1,559,158	1,222,391
1916-17	573,428	2,198,113	1,524,685
1917-18	707,235	2,696,221	1,988,936
1918-19	889,021	2,579,301	1,690,280
1919-20	1,339,571	1,665,773	326,208
1920-21	1,425,985	1,195,428	230,557
1921-22	1,124,880	1,079,187	45,693
1922-23	914,012	812,497	101,515
1923-24	837,169	788,840	48,329

* Includes sinking fund of about £5 millions. † Includes sinking fund of about £25 millions. ‡ Includes sinking fund of £40 millions. § Includes sinking fund of £52 millions.

The deficit shown for the first year in the table was the result of the holding up of Mr Lloyd George's Budget by the House of Lords. The amounts taken out of revenue for sinking funds and depreciation on War Loan in 1920-21 and 1921-22 were about £52 millions, the depreciation fund being £40.9 millions in 1920-21, and £38.7 millions in 1921-22. With the recovery in the market price of 5 per cent. War Loan, the amount required fell to £11.2 millions in 1922-23. Sir Robert Horne, in making a reduction in the income-tax in his Budget for 1922-23, decided to suspend the sinking fund allowances, but when the accounts were closed all sinking funds were restored, so that the surplus on the basis of the Budget for that year was over £126 millions. In the past year there was a payment of £40 millions to the new sinking fund of 1923.

This is to be raised to £45 millions for the current year, and to £50 millions in succeeding years. Out of the £40 millions, repayment of principal of the American debt will have absorbed about £5 millions, Sinking Fund on Victory Bonds, Funding Loan and Conversion Loan about £18 millions, Funding Loan and Victory bonds transferred for death duties about £7½ millions, and silver repayments to the United States £6½ millions, or a total of about £37 millions. But what the precise figures have been it is impossible to ascertain from the accounts so far published.

Interest payments to America probably took a further £30 millions of revenue, though this amount and that for amortisation depends on the price at which the Treasury bought its dollars.

THE REVENUE SITUATION.

Revenue for the year 1923-24 amounted to £837,169,300, or £76,843,200 less than in 1922-23. The principal changes were as follows:—

(000's omitted.)			
INCREASES.	£	DECREASES.	£
Motor Duties	2,370	Customs	3,085
Death Duties	929	Excise	9,305
Corporation Profits Tax ..	4,363	Stamps	652
Interest on Loans	2,591	Income and Super-tax ..	49,074
		E.P.D.	2,004
		Post Office	400
		Miscellaneous, Ord.	8,160
		Special	14,216

Mr Baldwin, in his Budget twelve months ago, estimated for a decline in revenue of £95½ millions, of which £61½ millions represented an expected automatic decline in yield, and £34 millions the cost of reductions in taxation. The estimates proved rather wide of the mark in nearly all items, and in most cases were well below the actual receipts. In the table below we compare the actual receipts of the past two financial years with the estimates for each year:—

REVENUE. (000's omitted.)		1922-23.		1923-24.	
		Estimate.	Actual.	Estimate.	Actual.
Customs	£	112,250	123,043	116,900	119,958
Excise	£	160,750	157,275	143,850	147,970
Motor Vehicle Duties	£	10,600	12,321	13,250	14,691
Estate, &c., Duties	£	48,000	56,871	52,000	57,800
Stamps	£	18,250	22,222	20,000	21,570
Land Tax, House Duty, and Mineral Rights Duty	£	3,000	2,980	3,000	2,760
Property and Income-tax	£	329,000	379,045	261,000	269,331
Super-tax	£	27,800	2,004	12,000	nil
Excess Profits Duties, &c.	£	19,750	18,977	20,000	23,340
Corporation Profits Tax	£	54,625	34,150	52,600	32,840
Postal Service	£	5,625	5,500	5,570	5,570
Telegraph Service	£	13,550	13,550	14,390	14,390
Crown Lands	£	750	900	900	920
Interest on Sundry Loans	£	14,000	10,016	12,500	12,607
Miscellaneous—					
Ordinary Receipts	£	22,000	24,140	12,500	15,981
Special Receipts	£	90,000	51,018	40,000	36,801
		910,775	914,012	818,500	837,169

The results for 1922-23 proved nearer the estimate than those of the past year, but income and super-tax were very much underestimated in that year, whereas special receipts did not produce much more than half the anticipated amount, and Excess Profits Duty yielded only £2 millions instead of the expected £28 millions. In the past year E.P.D. produced nothing at all, whereas income-tax and super-tax made good the deficiency, while surpluses in most other items made good the loss of special receipts.

Customs and Excise.—Up-to-date figures analysing revenue items are not yet available, but it is possible to indicate the sort of relative importance of various duties and yields now and before the war. Interesting comparative figures are obtained if we place together the actual receipts from the main items of customs and excise in 1922-23 and before the war.

These we show below, together with the rates of duty in force then and now:—

Revenue from—	In Millions of £.		Rates of Duty.	
	1913-14.	1922-23.	Now.	Pre-War.
Spirits	24.0	53.6	Import duty from 75/4 to 122/5 per gallon Excise duty from 72/6 to 74/ per gallon	From 15/1 to 24/1 per gallon 14/9 per gallon
Beer	13.7	92.3	Excise duty 100/ per barrel	7/9 per barrel
Wine	1.2	3.1	8d per lb (reduced from 1/ on May 15, 1922)	5d per lb
Tea	6.5	11.6	From 12/4 to 25/8 per cwt	From 10d to 1/10 per cwt.
Sugar, &c.	3.3	40.2	From 8/2½ to 15/7 per lb	From 3/8 to 7/ per lb
Tobacco	18.3	53.4		

The beer duty is about 13 times as heavy as before the war, and the yield to the Exchequer about seven times as large. Proportionately the rise in the yield of the sugar duty is the most striking. Among duties imposed since the war began, the entertainment tax produced in 1922-23 £9.6 millions. The yield of the protective duties under the Safeguarding of Industries Act, and of the so-called McKenna duties made in 1922-23 the following exiguous contribution:—

	1922-23.
McKenna Duties	£ 2,428,400
Key Industry Duties	335,700
Depreciated Currency Duty	231,400
	2,995,500

In 1922-23 motor-vehicle duties brought in £12.3 millions.

Excess Profits Duty.—In the last report of the Inland Revenue Commissioners, referring to the state of affairs at March 31, 1922, it was stated that the total amount of E.P.D. arrears still to be collected was £292 millions. Against this have to be set, of course, the amounts still to be claimed as "refunds." Somerset House at the time of the last Budget was still optimistic enough to budget for a balance of £12 millions on the credit side for 1923-24, but nothing was received by the Exchequer. Whether this will affect the forecast for the coming year remains to be seen.

It will be interesting to see what Mr Snowden has to say of the amounts still outstanding and his hopes of actual collections. The total net receipts by the Treasury of Excess Profits Duty (including Munitions Levy) have been as follows:—

	£		£
1915-16.....	187,846	1920-21.....	218,099,128
1916-17.....	141,614,932	1921-22.....	29,670,692
1917-18.....	223,116,090	1922-23.....	2,004,000
1918-19.....	283,976,861	1923-24.....	nil
1919-20.....	289,208,046		

This gives a total of just under £1,188 millions.

Income-tax.—Income-tax receipts in 1923-24 exceeded the Budget estimate by over £8 millions, and super-tax receipts were £2½ millions more. These differences are comparatively small in view of the size of the figures. The following table shows the amounts collected in income-tax from 1913-14 onwards, together with the normal rates for each year:—

	Million £	Normal Rate of Tax in the £
1913-14	43.9	1 2
1914-15	59.4	1 8
1915-16	112.4	3 0
1916-17	186.5	5 0
1917-18	214.9	5 0
1918-19	257.7	6 0
1919-20	317.0	6 0
1920-21	340.7	6 0
1921-22	334.9	6 0
1922-23	314.8	5 0
1923-24	269.3	4 6

A statement recently made by the Financial Secretary to the Treasury shows that the estimated net produce of each penny of the income-tax (excluding super-tax) is as follows:—1922-23 (United Kingdom), £4,820,000; 1923-24 (Great Britain and Northern Ireland), £4,850,000. In 1913-14 it was £3,108,810. Those in Great Britain and Northern Ireland with incomes above the exemption limit in 1923-24 are estimated at 4,700,000, of whom only 2,500,000 are actually paying. The remainder obtain relief owing to personal allowances, deductions, &c.

Super-tax.—Before the war super-tax started with incomes over £5,000 per annum, but by successive changes this limit has been reduced to £2,000, and whereas the initial charge on the first £500 over £3,000 was 6d in the £, the initial charge on the first £500 over £2,000 is now 1s 6d. The rate now rises to 6s in the £ on incomes over £30,000, whereas in 1913-14 the 6d flat rate ran all through. The number of persons assessed to super-tax and the amount collected since 1913-14 are as follows:—

	Number.	Million £.
1913-14	13,937	3.3
1914-15	29,996	10.1
1915-16	29,299	16.8
1916-17	31,985	19.1
1917-18	35,564	23.3
1918-19	47,869	35.6
1919-20	54,475	42.4
1920-21	77,000	55.7
1921-22	90,000	61.4
1922-23	..	64.2
1923-24	..	60.6

Death Duties.—Accuracy in estimating under this head is, of course, impossible. Last year the estimate was within £6 millions of the receipts. In the preceding year the discrepancy was slightly larger. Since pre-war days the rates of the death duties have been considerably increased. Up to £5,000 the estate duty remains as before at 3 per cent. But thereafter the increase over the pre-war rate begins and rises steeply to 15 per cent. (against 10 per cent.) on estates of £110,000 to £130,000, and to a maximum of 40 per cent. (against 15 per cent.) on estates over £2,000,000. Total receipts from death duties rose from £27.4 millions in 1913-14 to £52.2 millions in 1921-22, £56.9 millions in 1922-23, and £57.8 millions in 1923-24. The latest report of the Commissioners of Inland Revenue gives an analysis of the capital value of the estates assessed. Of a total gross capital value assessed in 1921-22 of £461 millions, nearly £315 millions represented estates of less than £100,000. In the gross total British Government securities issued since 1914 figure at £56 millions, other Government and municipal securities at £30.6 millions, stocks and shares in joint stock companies at £121.2 millions, house property and business premises at £74.1 millions, cash at £36.3 millions, land at £36.3 millions.

Corporation Profits Tax.—Estimates and receipts under this head in the past two years have not shown a great difference. The tax was imposed by the Finance Act of 1920, and in 1920-21 the amount payable was £2,751,000, the taxable profits on which it was levied being £55,590,400. The amount payable in 1921-22 was £26,068,400 on taxable profits of £526,418,400. Until the last Budget the tax was charged at the rate of 1s in the £ on profits accruing on and after January 1, 1920, but provision was made for excluding the first £500 of annual profit from the charge, and for a limitation of the total duty payable to 2s in the £ on the profit remaining after payment of any interest and dividends at a fixed rate on any debenture or preference capital, &c. In Mr Baldwin's Budget last year the rate was reduced from 1s to 6d in the £ in respect of profits arising after June 30, 1923, a concession which did not affect last year's revenue, but is expected to cost the Exchequer £12½ millions in a full year.

Stamp Duties.—Details of the stamp duties collected in the past year are not yet available, but the following table from the Inland Revenue Commissioners' Report, already referred to, gives the main sources from which the receipts were obtained in 1921-22 and 1913-14:—

	1913-14.	1921-22.
Land and Property	£ 1,878,900	£ 4,180,100
Stocks, Shares, &c.	3,124,700	4,525,000
Company Duty	697,500	2,141,500
Cheques and Bills	2,322,000	4,286,400
Receipts	668,700	2,239,800
Total (incl. misc.)	9,648,200	18,991,000

Other Revenue.—Apart from a decline of £240,000 in land tax, house duty, and mineral rights duty, the only other item to fall short of the Budget estimate was Special Receipts, the actual decline in which exceeded the Budget estimate by £3,199,000. The two largest contributors under this heading in 1922-23 were the Dis-

posals and Liquidation Commission, which paid to the Exchequer £16,780,000 for the sale of surplus Government property, and £10 millions for the sale of raw material, and the Treasury, which accounted for £14½ millions. In the latter amount were included £6 millions for repayments connected with advances in respect of pre-mortgage bills, £1,388,400 of salvaged gold from the s.s. "Laurentic," £4½ millions for receipts under the German Reparation (Recovery) Act, 1921, and £2,300,000 received in cash from the Reparation Commission. How the reduction in the 1923-24 Special Receipts has come about we shall not know until the publication of the Finance Accounts in a few months' time. At the same time, it is obvious that the sale of war assets cannot continue indefinitely.

A comparison of the actual revenue of the past three years and of 1913-14 reads as follows:—

	REVENUE. (000's omitted.)			
	1913-14.	1921-22.	1922-23.	1923-24.
Customs	£ 35,450	£ 130,052	£ 123,043	£ 119,958
Excise	39,590	194,291	157,275	147,970
Motor Vehicle Duties	..	11,096	12,321	14,691
Estate, &c., Duties	27,359	52,191	56,871	57,800
Stamps	9,966	19,638	22,222	21,570
Land Tax, House Duty, and Mineral Rights Duty	2,700	2,590	2,980	2,760
Property and Income-Tax	47,249	398,887	379,045	269,331
Super-tax	715	..	..	60,640
Land Value Duties	..	30,452	2,004	..
Excess Profits Duties, &c.	..	17,516	18,977	23,340
Corporation Profits Tax	21,190	40,000	34,150	32,840
Postal Service	3,080	5,900	5,500	5,570
Telegraph Service	6,530	10,500	13,550	14,390
Telephone Service	530	820	900	920
Crown Lands	1,580	13,807	10,016	12,607
Interest on Sundry Loans	..	..	..	..
Miscellaneous—				
Ordinary Receipts	2,304	26,334	24,140	15,981
Special Receipts	..	170,806	51,018	36,801
	198,243	1,124,880	914,012	837,169

Revenue Prospects.—The estimate of next year's revenue remains a secret until the Chancellor's Budget speech. There are, however, certain known factors, on which he will have to work. In the first place the tax remissions made last year, but which did not take full effect, are expected to reduce revenue by a further £13½ millions in the current year, made up of a loss of £7 millions in income-tax, £2½ millions from corporation tax, to be followed by a loss of £10 millions next year, Customs and Excise £3½ millions, and reduced Post Office rates half a million. These reductions would bring revenue to £824 millions if yield otherwise remained unchanged. But will that be the case? Special receipts are certain to fall perhaps to the tune of £20 millions. On the other hand, the yield of 1d in the £ of income-tax already shows sign of recovery. It is likely further to improve as trade revives. On the other hand, the arrears which accumulated in 1921 have apparently been largely reduced, and these payments have probably swollen the figures of 1923. Customs and Excise will also revive, but not rapidly. The revenue from these comes overwhelmingly from articles of common consumption. The yield from these does not drop much in bad times. It equally does not rise much in good. But in these, as in other items, such as stamps, motor duty, &c., the Chancellor may argue—and it would be difficult to deny him—that the estimates of the last two years, except as regards E.P.D., have been unduly guarded, and that revenue is likely to show increasing elasticity. On the other hand, labour troubles and economic difficulties abroad might equally justify a conservative view of the prospects. In other words, a case could no doubt be made for any figure between £810 and £840 millions on the existing basis of taxation. This compares with expenditure as estimated below at £785 millions.

EXPENDITURE.

The Departmental estimates of expenditure for the year 1924-25 show a reduction of £44 millions in comparison with the estimates for the past year, but are only £362,000 below the actual expenditure for the past year. In 1923-24 the expenditure on the fighting services was

£105,800,000, as against an estimate of £122,245,000—a saving of over £16 millions. For the current year the estimate is £115,563,000, or £10 millions more than last year's expenditure—a figure which looks unduly high. The Civil Service Estimates are down £37 millions below last year's estimate. But they are only £12 millions below last year's actual expenditure. In the table below we compare the actual expenditure in the years 1913-14, 1921-22, and 1922-23, and the estimates for 1923-24, and 1924-25, the detailed figures for last year not being yet available:—

	EXPENDITURE. (000's omitted.)				
	Total Issues in Year.			Estimates.	
	1913-14.	1921-22.	1922-23.	1923-24.	1924-25.
Army and Ordnance Factories	£ 28,346	£ 95,110	£ 45,400	£ 52,000	£ 45,000
Navy	48,833	80,770	56,200	58,000	55,800
Air Force	..	13,560	9,400	12,245	14,763
	77,179	189,440	111,000	122,245	115,563
Civil Services—					
1. Public Buildings..	3,338	11,241	6,077	7,534	6,710
2. Civil Depts.	3,994	17,083	10,833	13,804	10,022
3. Law and Justice ..	4,491	22,397	14,444	11,905	11,646
4. Education, Science and Art	19,450	65,437	49,792	49,894	49,859
5. Foreign & Colonial	1,523	32,458	12,265	20,332	9,138
6. Old Age Pensions..	12,457	25,301	22,461	23,300	24,201
War Pensions	..	93,688	80,739	73,655	66,948
Miscellaneous	824	12,385	3,929	7,183	4,459
7. Ministry of Health	6,619	22,156	17,016	19,505	19,487
Ministry of Labour	882	19,325	15,956	16,187	14,060
Miscellaneous	323	5,164	1,969	2,754	2,675
Unclassified Services ..	..	123,065	51,345	18,697	8,367
Total Civil Services..	53,901	449,700	286,826	264,750	227,573
Customs and Excise....	2,431	6,750	4,880	5,009	4,740
Inland Revenue	2,052	7,440	6,437	6,582	6,481
Post Office	24,607	65,977	49,857	50,872	51,081
Total Revenue Departments	29,090	80,167	61,174	62,463	62,302
Total Supply Services	160,170	719,307	459,000	449,458	405,438

Fighting Services.—The estimates for the fighting services show an increase of £38 millions, or less than 50 per cent. in comparison with the actual expenditure of 1913-14. This does not appear unreasonable in view of the fact that the Air Force, which is now down for nearly £15 millions, did not have a separate existence before the war. It has to be remembered, however, that in 1913-14 the competition in naval armaments was at its height, and the amount spent on the Navy in that year was exceptionally high.

The Navy estimates of effective services for 1924-25 are £47,824,400, which compares with £43,332,400 in 1913-14, the numbers of men being 100,500 and 146,000 respectively. The following table compares the principal items in the Navy estimates for the two years:—

	1913-14.	1924-25.
Wages, &c.....	£ 8,399,200	£ 14,245,000
Victualling and clothing	2,930,000	4,258,000
Shipbuilding, repairs, &c.	22,141,000	18,263,000
Naval armaments	4,396,000	3,975,000
Works, buildings, &c.	3,448,000	3,080,000

If allowance is made for the rise in wages and prices the current year's estimates on the surface make a not unsatisfactory showing. But the fact, of course, is that the item of £43½ millions before the war was largely on account of new construction, whereas the current figures provide for very few new ships, though they are to cost a great deal. The non-effective services, mainly pensions and gratuities, have increased from £2,976,900 to £7,975,600. In the Army estimates the increase in the comparable item is from £3,939,000 to £7,834,000. War pensions are carried in the Ministry of Pensions Vote, and the large increase shown in this item in the Navy Estimate is to be accounted for by the reduction in the active personnel.

Civil Services.—When we turn to the Civil Service estimates, we find a very much larger increase over the pre-war figure than is consonant with the rise in prices. The total has risen from £54 millions to £227½ millions. Before a true comparison can be made, however, there are one or two items, entirely the result of the war, which must be eliminated from the latter figure. The first is £67 millions for war pensions. This, of course, automatically diminishes with the passage of time, and the figure is already £26 millions lower than it was four years ago. Other items which have to be deducted are £8 millions for unclassified services (which include £3½ millions for compensation (Ireland) and £2½ millions for relief of unemployment), £5½ millions for Middle Eastern Services, and £14 millions for the Ministry of Labour. If these deductions are made, the total becomes £132½ millions, and this shows an increase of £78½ millions, or 146 per cent. over the actual expenditure of 1913-14, little more than one-half of which can be directly attributed to the increase in prices.

Education.—Two years ago it was estimated that the total expenditure on education in Great Britain would exceed £103 millions, of which the taxes would provide £60½ millions, and the balance would come from the rates. It is not yet possible to give up-to-date information on expenditure from the rates, but the current year's estimates enable a comparison to be made of the portion falling on the taxes. The figures for England and Wales are as follows:—

	(000's omitted.)			
	1913-14 (actual).	1922-3.	1923-4.	1924-5.
England and Wales—				
Elementary Education.....	11,597	36,724	33,069	32,564
Higher Education	2,015	9,765	7,313	6,995
Do (ex-officers and men) ..	..	1,090	326	68
Teachers' pensions	176	1,920	2,400	3,467
Museums, &c.	162	211	194	199
Administration & inspection	439	900	791	817

The first and chief item in this list depends on (a) the number of children to be educated and (b) the cost per head. As regards numbers, the average number in attendance was 5,381,000. In 1923-4 the figure was expected to be 5,150,000, a fall due to the low birth-rate of recent years. Thus, taking recent five-year periods, the births amount to:—

1908-12	4,505,000
1913-17	4,029,000
1918-22	3,942,000

In 1925 the children born in 1911 will be leaving school. Those in 1920 will be coming in. The improvement in infant hygiene has increased the survival rate and the number of school places required will not fall as much as these figures. But there is a reduction which is likely to continue. As regards cost per child, the figures are as follows:—

	1913-4	1920-1	1921-2	1922-3	1923-4 (Est.)
Salaries of teachers.....	s d 60 10 155 1	s d 160 9 164 4	s d 163 1	s d 11 4 11 11	s d 11 10 11 8
Loan charges	4 9 9 10	11 1 10 2	10 5	3 6 11 4	15 0 11 1
Administration	..	..	..	..	..
Special services (medical service, meals, special schools, &c.)	3 6 11 4	15 0 11 1	11 9	16 1 40 10	35 9 30 1
Other expenditure (rent, rates, establishment, apparatus, &c.) ..	..	..	..	..	..
	96 6 229	0 234	5 227	6 228	9

The change in the first line is due almost entirely to rates of pay, for the number of children per teacher has only fallen from 32.9 in 1913-14 to 31.2 in 1923-24. The cost of administration is still near the maximum, while teachers' salaries are 150 per cent. over the pre-war level. But the standard of pay for teachers has hitherto been unduly low. The chief economy in this heavy expenditure is to be looked for in the other items, which, if we exclude loan charges, have risen from 24s 4d per head to 54s.

Post Office and Revenue Departments.—The Revenue Departments and Post Office together spent £60,634,000 last year, or nearly £2 millions less than was estimated. For the current year these Departments

are down for £62,302,000. In the table below we give some comparative figures relating to the expenditure of the Post Office and revenue Departments:—

		Post Office.		Cost of Revenue Collection (Customs, Excise, and Inland Revenue).
		Inland Letter Rate.	Receipts. Expenditure.	
1913-14	1d per 4 oz	£ 30,800,000	£ 24,607,000	£ 4,483,000
1919-20	1½d per 2 oz	44,150,000	48,064,000	9,422,000
1920-21	2d ..	49,500,000	53,678,000	11,259,000
1921-22	2d ..	56,400,000	65,977,000	14,190,000
1922-23	1½d ..	53,200,000	49,857,000	11,317,000
1923-24	1½d ..	52,800,000	Est. 50,872,000	Est. 11,591,000
1924-25	1½d ..	..	Est. 51,081,000	Est. 11,221,000

To take the Post Office first, we find that while the receipts have increased by 72 per cent. between March 31, 1914, and March 31, 1924, expenditure has risen by 107 per cent. in the same period. In 1921-22 there was an abnormal increase in expenditure to just under £66 millions, compared with which the £51 millions asked for for the current year appears fairly reasonable. At the same time, some explanation should be forthcoming for an increase over the 1913-14 figure of 107 per cent. Still more unsatisfactory is the estimate of £11½ millions for the cost of collecting revenue, which required less than £4½ millions in the pre-war year. It is true that there are a certain number of taxes and duties which were not in force before the war, but there is surely room for further economy here.

Budget Forecast.—The following table compares the estimates for this year with such figures of actual expenditure in 1923 as are available, together with last year's estimates, and the actual expenditure for 1922-23:—

	EXPENDITURE. (000's omitted.)			
	1922-23. Actual.	1923-24. Estimate.	1924-25. Estimate.	1924-25. Estimate.
CONSOLIDATED FUND SERVICES.				
National Debt Services, Interest, &c.	302,237	310,000	307,309	(305,000)
Sinking Fund	21,753	40,000	40,000	45,000
Total National Debt Services	323,990	350,000	347,309	(350,000)
Payments for Northern Ireland	3,323	3,000	3,967	..
Road Fund	11,772	12,650	14,090	..
Payments to Local Taxation	..	..	..	..
Accounts, &c.	10,471	10,345	13,662	..
Land Settlement	1,236	1,500	1,209	..
Other Consolidated Fund Services	2,705	2,972	2,803	..
Total Consolidated Fund Services	353,497	380,470	383,040	(380,000)
SUPPLY SERVICES.				
Army (including Ordnance Factories)	45,400	52,000	..	45,000
Navy	56,200	58,000	105,800	55,800
Air Force	9,400	12,245	..	14,763
Civil Services	286,826	264,750	239,366	227,573
Customs and Excise and Inland Revenue Departments	11,317	11,591	..	(11,221)
Post Office Services	49,857	50,872	60,634	51,081
Total Supply Services	459,000	449,458	405,800	405,438
Total	812,497	829,928	788,840	(785,000)

With the increase of £5 millions in the sinking fund already provided, it is not likely that there will be much reduction in the consolidated fund services.

THE NATIONAL DEBT.

The interest payable on the National Debt figures so largely in the Budget that it is worth detailed examination. At the outset, we encounter the difficulty of saying what the debt amounts to, for in many cases—such as that of Consols, which stand at 57 to-day—there is a wide difference between market and nominal value. The nominal value of the Debt, excluding various capital liabilities, against which there are specific assets, was

a little less than £7,750 millions at the date of the last available return. The amount of interest paid on and the market valuation of the various items of the Debt are as follows:—

	(000's omitted.)			
	Rate of Interest.	Amount Outstanding Mar., 1923.	Interest paid in year ending Mar., 1923.	Market Valuations.
	%	£	£	£
Funded Debt	2½	314,220	7,867	172,821
Conversion Loan	3½	683,619	13,040	512,950
Terminable Annuities ..	..	13,681	491	7,388
War Stock	3½	62,745	2,196	60,237
Do	4½	12,804	576	12,420
Do	5	2,030,440	96,106	2,071,048
Do	4	64,932	2,646	65,581
National War Bonds ..	..	953,131	55,759	948,287
Funding Loan	4	400,447	16,097	354,395
Victory Bonds	4	353,921	14,196	326,376
Treasury Bonds	..	411,016	24,100	419,236
Exchequer Bonds	..	150,280	9,104	163,805
Savings Certificates ..	..	353,842	5,348	327,304
Other Debt	..	1,159,404	31,585	1,151,000
Treasury Bills	..	616,010	16,222	609,850
Temporary Advances ..	..	193,897	1,923	193,897

The market valuation figures give a total of £7,396½ millions, against a nominal total of £7,742 millions, exclusive of Other Capital Liabilities. Our figures do not pretend to any great degree of accuracy. For the purpose of arriving at a total, we have taken the American and other foreign debt at its nominal value, and National Savings Certificates at 18s 6d.

The American debt is, however, worth less than this nominal value. In his Note to M. Poincaré of August last, Lord Curzon put the value of our obligation to the American Government on a 5 per cent. basis at 14.2 milliard gold marks, or say £775 millions (paper). This is £180 million less than the nominal amount, and the adjustment would bring the market value figure to a little over £7,200 millions. Interest on this total amounts to £299 millions—a rate of interest of 4.2 per cent. Since March a year ago, £88 millions have been paid off, bringing the total market value down accordingly.

Both nominal and market value have varied considerably in recent years, the latter largely as the result of trade conditions and the yield on capital generally; the former in consequence of the efforts of the Treasury first to fund the very heavy volume of debt maturing shortly after the war, then to get rid of the incubus of an enormous floating debt, and finally to convert maturing and other debt on to a cheaper interest basis. The accompanying table shows the annual fluctuations in the nominal value of the various items of the National Debt since March 31, 1914. The figures, with the exception of those in the final column, which we ourselves have compiled from the weekly statements of public income and expenditure, are taken from the annual Finance Accounts. It will be observed that since March 31, 1921, the total has increased. This increase is due to alterations in the composition of the Debt. In 1921-22, for example, it will be seen that 3½ per cent. Conversion Loan appears to a nominal total of £266 millions. This took the place of National War Bonds, with a nominal value of £164 millions, the Conversion Loan having been issued in the first place at £100 Conversion Loan for £61½ to £63½ of 5 per cent. War Bonds 1922-1927. During that year there was also a large reduction in the total of Treasury bills outstanding, and their place was taken by Treasury bonds. The increase of £96 millions in the nominal total in 1922-23 was due to various causes. The capitalisation of arrears of interest on the debt to the United States Government added £108 millions, but as there were other payments of external debt, there was only a net increase during the year of £70 millions. The floating debt was reduced by £211 millions, but there was an increase of £240 millions in other internal debt. On conversion into 3½ per cent. Conversion Loan and 5 and 4 per cent. War Loan, &c., there was a net increase of £327 millions nominal, and there were cash redemptions of £87 millions. During the past financial year there has been a reduction of £46 millions in the total debt. The floating

debt has declined by £35½ millions, external debt by £6 millions, and National War Bonds have been redeemed to the extent of £50 millions. Treasury Bonds and National Savings Certificates have expanded by £33 millions and £12 millions respectively.

Sinking Funds, &c.—These nominal charges conceal the real benefit which has accrued through debt repayment out of revenue. These repayments have been made in two ways:—(a) By means of certain charges upon revenue made under definite statute. These include what was known before the war as the "New Sinking Fund" of 1875, which provided a fixed sum for meeting the debt charged, and laid down that any balance over interest and the cost of management should be devoted to debt repayment. Thus in 1913 out of £24 millions set aside, £19 millions was interest and management and £5 millions was used for repayment of principal. There have since been added provisions relating to particular securities. Thus the War Loan and Conversion Loan have depreciation funds, the Victory Bonds and Funding Loan are steadily redeemable by annual drawings, certain securities may be surrendered as payment for death duties, and provision made out of other revenue to meet what would otherwise be a deficit in the yield of the death duties, and finally, the American debt now carries an annual amortisation fund.

(b) Under what is known as the "Old Sinking Fund" any casual surplus is used for debt redemption. This provision covers the case of the large surpluses realised on recent budgets.

The current situation as regards the permanent sinking funds is as follows:—

Section 32 of the Finance Act, 1923, repeals the provisions contained in the Sinking Fund Act, 1875, and any subsequent amending provision, and provides for a Sinking Fund in 1923-24 of £40 millions; in 1924-25 of £45 millions; and in subsequent years, unless and until Parliament otherwise determines, £50 millions. These sums are to be applied within nine months after the date of the issue thereof to the redemption of any description of debt charged on the Consolidated Fund other than advances made by the Bank of England or the Bank of Ireland, or loans raised to meet Ways and Means.

War Loan Depreciation Fund.—Section 32 of the Finance Act, 1917, provides that there be paid to the fund in respect of each month under the direction of the Treasury a sum equal to one-eighth of 1 per cent. of the total nominal value of the stock and bonds of the 4 and 5 per cent. War Loans. The moneys standing to the credit of the fund shall be applied by the National Debt Commissioners in the purchase of the stock or bonds whenever the market price is below the respective issue prices, viz., £100 and £95. Any sums standing to the

credit of the Fund and not required for the immediate purchase of the stock or bonds may be invested by the Commissioners in Treasury bills or in advances to the Treasury.

Up to March 31, 1923, £152.8 millions had been issued from the Consolidated Fund, and £1.4 millions had been received from investments; £115.2 millions had been applied in the purchase of £156.7 millions Five per cent. War Loan, and £2.2 millions Four per cent. War Loan, leaving a balance of £10 millions.

In the case of the Four per cent. Funding Loan and Four per cent. Victory Bonds a sum is set aside half-yearly equal to 2½ per cent. on the nominal amount originally created, to be applied, after payment of interest, in the case of Funding Loan to purchase for cancellation if at or under par, and in the case of Victory Bonds for annual drawings at par (including bonds surrendered for death duties). Up to March 31, 1923, £8.6 millions of Funding Loan and £5.6 millions of Victory Bonds had been redeemed.

A half-yearly Sinking Fund of 1 per cent. of the amount of the loan outstanding is attached to the 3½ per cent. Conversion Loan, provided the average daily price of the stock during the half-year has been below 90. It is to be applied in purchase of the loan in the market for cancellation.

The greater part of debt redemption has, however, been achieved by reducing the floating debt. The following table shows the annual fluctuations in the floating debt since 1913-14. Ways and Means advances having been sub-divided into those from the Bank of England and from public departments since 1920 only. At the end of each financial year it will be observed there have been no advances from the Bank of England, but in the intervening periods this item has shown considerable fluctuation. At December 31, 1922 and 1923, the amounts were £16,500,000 and £1,750,000 respectively:—

FLOATING DEBT. (000's omitted.)				
March 31.	Ways and Means Advances.	Treasury Bills.	Total.	
	£	£	£	£
1914.....	nil	14,500	14,500	14,500
1915.....	nil	77,200	77,200	77,200
1916.....	19,900	566,800	586,700	586,700
1917.....	217,500	463,700	681,200	681,200
1918.....	192,300	973,400	1,165,700	1,165,700
1919.....	455,000	957,200	1,412,200	1,412,200
	By Bank of England.	By Public Departments.		
	£	£		
1920.....	nil	204,887	1,107,318	1,312,205
1921.....	nil	154,489	1,120,841	1,275,330
1922.....	nil	147,301	882,214	1,029,515
1923.....	nil	193,897	616,045	809,912
1924.....	nil	186,155	588,320	774,475

NOMINAL VALUE OF NATIONAL DEBT (Million £'s) ON MARCH 31st.

	1914.	1915.	1916.	1917.	1918.	1919.	1920.	1921.	1922.	1923.	1924.
Funded Debt.....	586.7	583.3	318.5	317.8	317.7	317.6	315.0	314.8	314.5	314.2	314.2
Terminable Annuities.....	29.6	28.0	26.2	24.0	21.9	20.6	19.3	17.7	16.2	13.7	13.7
3½% Conversion Loan.....	..	..	..	..	..	..	..	..	266.1	683.6	683.6
3½% War Stock.....	..	349.1	62.8	62.8	62.8	62.7	62.7	62.7	62.7	62.7	62.7
4½% War Stock.....	..	..	900.0	20.0	16.1	14.4	12.8	12.8	12.8	12.8	12.8
4 and 5% War Stock.....	..	..	..	2,119.3	2,090.3	2,067.7	2,040.9	1,995.8	1,952.4	2,095.4	2,095.4
National War Bonds.....	..	..	..	..	649.4	1,636.2	1,475.8	1,412.8	1,200.6	953.1	903.0
4% Funding Loan.....	..	..	..	..	..	..	406.0	401.5	398.9	398.9	398.9
4% Victory Bonds.....	..	..	..	..	..	..	356.7	346.7	335.4	325.4	325.4
Treasury Bonds.....	..	..	..	..	..	..	..	23.2	452.8	411.0	444.0
Exchequer Bonds.....	20.5	67.4	177.0	320.3	391.8	383.7	318.6	289.6	185.6	150.3	150.3
Savings Certificates.....	..	..	1.4	74.5	137.7	227.0	273.5	285.0	342.0	353.8	366.0
War Expenditure Certificates.....	..	..	..	23.6	22.9	..	..	..	..	..	..
Other Debt*.....	..	..	9.2	316.5	944.1	1,241.4	1,181.0	1,132.0	1,087.2	1,157.4	1,151.0
American Loan (Anglo-French).....	..	..	51.4	51.4	51.4	51.4	51.4	..	..	..	..
Treasury Bills.....	13.0	77.1	566.8	463.7	973.4	957.2	1,107.3	1,120.8	877.2	616.0	588.3
Temporary Advances.....	..	..	19.8	217.5	192.3	455.0	204.9	154.5	147.3	193.9	186.1
Other Capital Liabilities.....	649.8	1,104.9	2,133.1	4,011.4	5,871.9	7,434.9	7,828.8	7,574.4	7,654.3	7,742.2	7,695.4
	56.4	57.0	56.7	52.2	49.2	46.1	46.8	48.7	66.2	70.3	71.0
Total Liabilities.....	706.2	1,161.9	2,189.8	4,063.6	5,921.1	7,481.0	7,875.6	7,623.1	7,720.5	7,812.5	7,766.4
Estimated Assets.....	38.3	33.2	28.3	30.7	100.3	87.0	106.9	84.1	112.9	114.2	..

* Includes debt to American Government.

Future policy as to debt redemption and conversion to lower rates of interest depends to some extent on the dates of maturity. Early dates may prove a great help if conditions happen to be favourable, but they may equally put the Government in difficulties if interest rates are very high. On the whole, however, it is a great advantage that large quantities of debt, as the following table shows, mature within the next few years:—

DEBT MATURING YEAR BY YEAR (APPROXIMATE TOTALS).
(000's omitted.)

N.B.—The amounts shown for National War Bonds are the nominal totals, and do not include premiums. National Savings Certificates are shown at issue price, exclusive of accrued interest. External debt is shown at par of exchange. Loans marked * are being repaid by specific statutory Sinking Funds.

Year.	Security.	In-ternal.	Ex-ternal.	Total.
1923-4	5% National War Bonds—April 1, 1923	28,150	..	28,150
	September 1, 1923	63,284	..	63,284
	February 1, 1924	21,124	..	21,124
	5½% Exchequer Bonds, February 1, 1924	25	6,267	6,292
	U.S.A. Government Loan (silver), \$30,500,000	22,219	..	22,219
1924-5	5% National War Bonds, October 1, 1924	134,617	..	134,617
	5½% Exchequer Bonds, February 1, 1925	..	6,267	6,267
	U.S.A. Government Loan (Silver) \$30,500,000	46,376	..	46,376
1925-6	5% National War Bonds and Treasury Bonds	110,132	..	110,132
1926-7	5% Treasury Bonds	..	3,082	3,082
	Central Argentine Railway Co., \$15,000,000	..	..	..
1927-8	5% Treasury Bonds, 5% National War Bonds, and 3½% War Loan, 1925-28	350,172	..	350,172
1928-9	4% and 5% National War Bonds	508,200	..	508,200
1929-30	4% and 5% National War Bonds	..	3,341	3,341
	5½% Straits Settlements Dollar Loan	46,278	..	46,278
	5½% Treasury Bonds and 5% Exchequer Bonds	..	15,342	15,342
	5½% 10-year Bonds, \$74,665,100	..	4,315	4,315
	5½% Straits Settlements Sterling Loan	134,741	..	134,741
1930-1	5½% Treasury Bonds	109,789	..	109,789
1931-2	4½% Treasury Bonds	..	..	..
1932-3	4½% Treasury Bonds (Application Money only)	8,070	..	8,070
1933-4	4½% Treasury Bonds	1,753	..	1,753
	5% Straits Settlements Sterling Loan	..	29,504	29,504
1934-5	5½% 20-year Bonds, \$143,587,000	..	3	3
1935-6	5½% French Loan 4½% Bonds—\$13,850	64,831	..	64,831
1936-7	4½% War Loan, 1929-42	12,804	..	12,804
1937-8	4½% War Loan, 1925-45	2,031,000	..	2,031,000
1938-9	4½% War Loan, 1929-47	353,921	..	353,921
1939-40	4½% Victory Bonds	400,649	..	400,649
	4½% Funding Loan	684,000	..	684,000
	3½% Conversion Loan	314,222	..	314,222
	Funded Debt (Consols, &c.)	13,400	..	13,400
	Terminable Annuities	616,045	..	616,045
	Treasury Bills	193,897	..	193,897
	Ways and Means Advances	354,155	..	354,155
	National Savings Certificates	128,000	..	128,000
	Loans from certain Allied Governments	945,206	..	945,206
	U.S.A. Government Loan*—\$4,600,000,000	..	14,325	14,325
	Canadian Government Loan—\$63,713,985	..	..	..
		6,817,854	1,155,652	7,973,506

Foreign Debt.—The preceding figures include a considerable foreign debt, of which the detailed items are as follows:—

BRITISH DEBT PAYABLE ABROAD, MARCH 31, 1923.

	£
United States of America—	
Government Loans	\$4,661 millions at \$4-8½ = £1,957,739,726
5½% Ten-Yr. Bonds, 1929	\$74,665,100 " " 15,342,144
5½% Twenty-Yr. Bonds, 1937	\$143,587,000 " " 29,504,178
6% Central Argentine Railway Co., 1927	\$15,000,000 " " 3,082,192
Canada—	
Government Loan	\$69,721,895 " " 1,005,668,240
Straits Settlements—	
5½% Loan, 1928	3,341,000
5% Loan, 1929	4,315,000
Loans from certain Allied Governments	*128,000,000
	1,155,650,657

* Available to be set off against debts owed by the same Governments to this country.

† This is the nominal amount. In one of Lord Curzon's notes to France in August, 1923, the present value of this debt on a 5 per cent. basis is given as 14.2 milliard gold marks—710 million gold pounds.

The annual payments to be made to the United States on account of interest and instalments of principal are set out below:—

Date.	Principal.	Schedule of Annual Interest Instalments to be paid by British Government on Redeeming Bonds at rate of 5% until Final Payment.	Schedule of Annual Principal Instalments to be paid on Account of Principal.	Total Annual Payments.	Year.
Dec. 15, 1923	\$4,600,000,000	\$138,000,000	\$23,000,000	\$161,000,000	1
" 1924	4,577,000,000	137,310,000	23,000,000	160,310,000	2
" 1925	4,554,000,000	136,620,000	23,000,000	159,620,000	3
" 1926	4,530,000,000	135,930,000	23,000,000	158,930,000	4
" 1927	4,505,000,000	135,240,000	23,000,000	158,240,000	5
" 1928	4,480,000,000	134,550,000	23,000,000	157,550,000	6
" 1929	4,455,000,000	133,860,000	23,000,000	156,860,000	7
" 1930	4,430,000,000	133,170,000	23,000,000	156,170,000	8
" 1931	4,405,000,000	132,480,000	23,000,000	155,480,000	9
" 1932	4,380,000,000	131,790,000	23,000,000	154,790,000	10
" 1933	4,355,000,000	131,100,000	23,000,000	154,100,000	11
" 1934	4,330,000,000	130,410,000	23,000,000	153,410,000	12
" 1935	4,305,000,000	129,720,000	23,000,000	152,720,000	13
" 1936	4,280,000,000	129,030,000	23,000,000	152,030,000	14
" 1937	4,255,000,000	128,340,000	23,000,000	151,340,000	15
" 1938	4,230,000,000	127,650,000	23,000,000	150,650,000	16
" 1939	4,205,000,000	126,960,000	23,000,000	149,960,000	17
" 1940	4,180,000,000	126,270,000	23,000,000	149,270,000	18
" 1941	4,155,000,000	125,580,000	23,000,000	148,580,000	19
" 1942	4,130,000,000	124,890,000	23,000,000	147,890,000	20
" 1943	4,105,000,000	124,200,000	23,000,000	147,200,000	21
" 1944	4,080,000,000	123,510,000	23,000,000	146,510,000	22
" 1945	4,055,000,000	122,820,000	23,000,000	145,820,000	23
" 1946	4,030,000,000	122,130,000	23,000,000	145,130,000	24
" 1947	4,005,000,000	121,440,000	23,000,000	144,440,000	25
" 1948	3,980,000,000	120,750,000	23,000,000	143,750,000	26
" 1949	3,955,000,000	120,060,000	23,000,000	143,060,000	27
" 1950	3,930,000,000	119,370,000	23,000,000	142,370,000	28
" 1951	3,905,000,000	118,680,000	23,000,000	141,680,000	29
" 1952	3,880,000,000	117,990,000	23,000,000	140,990,000	30
" 1953	3,855,000,000	117,300,000	23,000,000	140,300,000	31
" 1954	3,830,000,000	116,610,000	23,000,000	139,610,000	32
" 1955	3,805,000,000	115,920,000	23,000,000	138,920,000	33
" 1956	3,780,000,000	115,230,000	23,000,000	138,230,000	34
" 1957	3,755,000,000	114,540,000	23,000,000	137,540,000	35
" 1958	3,730,000,000	113,850,000	23,000,000	136,850,000	36
" 1959	3,705,000,000	113,160,000	23,000,000	136,160,000	37
" 1960	3,680,000,000	112,470,000	23,000,000	135,470,000	38
" 1961	3,655,000,000	111,780,000	23,000,000	134,780,000	39

In answer to a question in the House of Commons last week, it was stated that the total war debts from Allies outstanding on March 31, 1924, was £2,001 millions, this figure comparing with the £1,914 millions shown above. The Chancellor of the Exchequer explained that interest is being received at present in cash from the Belgian Congo, and on a part of the loan to Greece. In the other cases it is added each year to the principal of the debt due. Thus the amount due from France now stands at £623 millions, from Russia at £722 millions, and from Italy £553 millions.

The Nation's Income and the National Debt.—It may serve to put the debt problem in perspective if we compare it with the nation's annual income. This, to-day, amounts to about £4,000 millions—which means that the National Debt is equivalent to a little less than two years' purchase of our annual income. The debt left by the Napoleonic Wars was £791 millions. The nation's income in 1817 was about £400 millions—which gives a very similar ratio to that of the present day.

SOME INTERNATIONAL COMPARISONS.

For purposes of comparison we give some figures of the budgets of certain other countries. Exact comparison of national budgets is extremely difficult. The League of Nations has, however, made a special attempt to recast the budgets of its members in standard form. The first effort at comparison was made at the Brussels Financial Conference. The figures then given showed that of 35 nations, four had a surplus. These were U.S.A., United Kingdom, India, and Peru. Ten—mainly neutral countries—were covering from 75 per cent. to 100 per cent. of their expenditure, nine were covering from 50 per cent. to 75 per cent., and twelve—including most of our war Allies—were covering less than 50 per cent. The position has improved since then. The latest League of Nations return shows the following state of affairs:—

(In Millions.)

Country.	Year.	Currency.	Total Revenue.	Total Expenditure.	Percentage of Revenue to Expenditure.	Corresponding Percentage in Previous Year.
(Assuming no Reparation Payments.)						
United States	1923-4	\$	3,361.8	2,835.7	115	101
Great Britain	1923-4	£	818.5	776.6	105	115
Australia	1923-4	£	61.9	61.9	100	101
India	1923-4	L of Rupees	134.90	134.09	100	88
Denmark	1923-4	Kroner	407.2	405.1	100	77
South Africa	1923-4	£	27.7	28.5	97	98
Finland	1923	F. Marks	2,466.2	2,633.6	94	86
Sweden	1923-4	Kronor	681.4	775.6	87	89
Italy	1923-4	Lira	14,565.6	18,181.6	80	..
Netherlands	1923	Florins	591.4	815.4	72	56
Greece	1922-4	Draohmai	3,622.6	6,560	55	33
Luxemburg	1923	Francs	74.1	139.8	53	57
Belgium	1923	Francs	4,302.1	8,337	52	47
France	1922	Francs	22,381	50,020	45	50
(Assuming Reparations Payments.)						
France	1922	Francs	22,381	26,936	83	..
..	1923	Francs	23,038	23,402	98	..
Belgium	1923	Francs	5,942	8,337	71	..
Italy	1923-4	Lira	15,565.6	18,181	86	..

* Later figures are given on another page.

Figures for Australia and India have been inserted, as shown in our records. Figures subsequently received, which are not necessarily compiled on the same basis as that adopted by the League of Nations, include the following:—The 1924 Budget presented by Germany to the Reparations experts provided for revenue 5,254 million gold marks, and expenditure of 5,712 gold marks, of which 742 gold marks were provided for engagements under the Peace Treaty. The Belgian Budget for 1924 revealed total receipts of 6,687 million francs, against total payments of 8,332 millions francs, 80 per cent. of expenditure thus being covered. Denmark estimates

revenue for 1924-5 at 429 million kroner, and expenditure at 443 million kroner. France's ordinary Budget covering the year 1924 provided for receipts amounting to 23,950 million francs, and outgoings of 23,382 millions, while the Budget of Recoverable Expenditure would probably have shown a debit of 11,727 million francs; but M. Poincaré's recent proposals completely altered the potentialities of the situation by providing for an all-round increase of taxation by 20 per cent. and a series of cuts in expenditure. Russia's 1923-4 estimates still show a considerable adverse balance, revenue being put at 1,276 million chervontzi, against expenditure of 1,708 millions. The United States Budget for 1924-5 shows a surplus of 12 per cent., receipts being 3,694 million dollars and outgoings 3,298 million dollars.

Comparative Burden of Taxation.—In 1920 an attempt was made, in connection with the Brussels Conference, to estimate the proportion between Government revenue and national income in some of the most important countries of the world. All such figures are based on very rough estimates since the war, since the movement of prices and lack of good statistics of output or income leave a very wide margin for error. The results, however, which are here shown in comparison with the pre-war figures, seem roughly to conform to the changed conditions of the various countries mentioned:—

Country.	Percentage of Government Revenue to Total Income. Pre-War. 1919-20.	%
United States	2	10
Australia	7	8
United Kingdom	8	24
France	12	14
Canada	9	10
Germany	5	15
Italy	13	14
Japan	22	11

At the present time, the United Kingdom is probably paying about 18 per cent. of its national income in taxation, France 16 per cent. (rising to 20 per cent. if M. Poincaré's taxation proposals are fully enforced), while Germany's tax burden has recently been put by the German Finance Minister at 25 to 27 per cent., exclusive of Reparation payments. This last figure, however, cannot be accepted without evidence. It can only have been true at the moment when production dropped to its minimum before Christmas, and the proportion will certainly rise as Germany's output recovers. Moreover, if stabilisation continues, it will soon become possible to estimate Germany's national income with some approach to accuracy. But the fact that Dr Luther put Germany's income at 25 milliard gold marks (which equals, say, 16 milliard at pre-war prices, or say £800 millions) serves to remind us of the need for caution in accepting comparisons of taxation per head as a guide to the burden of taxation. The individual employer may be as rich or richer than before the war. But the mass of the German nation is immensely poorer, and has a greatly reduced taxable capacity. An estimate that can be checked of Germany's national income is an urgent necessity.

The figure for France also serves to modify the easy assumption that because—like all largely agricultural countries—she takes ill to direct taxation, she therefore bears a light taxation. The ratio to average income nearly equals, and will soon exceed, our own. But it is mostly paid by indirect taxes.

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CENTENARY 1924.

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MARKING TIME IN LOMBARD STREET.

VERY little happened last year to inspire and encourage monetary students in the task of devising appropriate theories to account for interesting events. It was a very humdrum period in Lombard Street, diversified only by fresh proof of the narrowness of the available margin, by the skilful development of a system by which the market can, in the interests of its demand for the weekly batch of Treasury bills, be helped round a corner without borrowing from the Bank of England, and by one rise in Bank rate, which was understood to have been dictated more by a desire to check the exuberance of speculators in securities, than by the conditions of the international or local money market. In fact, the money market, like many other financial institutions, has been waiting for the return of real peace in Europe to show how well or ill it is equipped to deal with the big problems that reviving trade activity will bring with it. So far it has had nothing to do but provide for a slight and slow improvement in trade, which it has been able to do very comfortably, thanks to diminished activity in financial operations, as witnessed by the much smaller total of capital issues in the past year—271½ millions, as compared with 573½ millions in 1922—and the large decrease in the town clearings, shown in the annual statement of the Bankers' Clearing House.

A study of the past year's monetary figures is, indeed, chiefly interesting owing to the awkward lack of support that they give to accepted monetary theory. It is generally presumed that prices can be persuaded to fall, or be kept from rising, by raising Bank rate, and the advance that was made last July was criticised at the time as likely to depress prices, check trade, and increase unemployment. None of these things happened. The *Economist* Index Number was at its lowest in July, the month in which Bank rate was raised, when it touched 4182, and it ended the year at 4580, as compared with 4264 for December, 1922. It would, of course, be absurd to lay much stress on this isolated instance of the refusal of fact to respond to theory. But it is interesting in view of the general tendency to allow the doctrines of currency "management" to be assumed as practically possible, when, in fact, experience shows that discount policy is only one among many influences in the economic world, that it is far from being in present day conditions a delicate or sure mechanism of control, and, indeed, that it is only in certain conditions that it can exercise an immediate mastery over the situation.

Another theory which the facts of the past year have tactlessly refused to endorse is the one which accuses the Government of producing unemployment by reducing Treasury bills. During the year the volume of outstanding Treasury bills declined by £67 millions, and yet, as has already been recorded, there was a quiet improvement in trade, and the absorption of unemployed workers into industry made steady progress. As we ventured to point out, when it was first argued that the repayment of Treasury bills held by the banks necessarily meant a reduction in deposits, and therefore of purchasing power in the hands of the public, there is really no such necessity. When it happens, this process reduces the discounts or investments, under whichever heading they include their Treasury bills, of the banks affected. But as the amount of their cash holding is unchanged, they are left with a higher proportion of cash to liabilities, and can, therefore, restore the amount of their deposits, and so of the purchasing power in the hands of the public, by increasing their

holding of commercial bills, or by expanding their advances to customers, if expanding trade causes a demand for credit, taking the place of the credit cancelled by the Government. In other words, such deflation as has happened has been due, not to any deliberate policy carried out by the Treasury, but to slackness of trade, chiefly due to the disturbed state of international politics. This contention seems to be borne out by the experience of the period under review, which has been marked by an appreciable increase in loans and advances; this increase also seems to point to greater trade activity, though it must always be remembered that, since this item includes advances for carrying securities, one has to apply the customary caution, that dogs any attempt at drawing inferences from banking figures, in basing conclusions on it.

This increase in advances can only be traced from the monthly figures of the London clearing banks, since, owing to the defective information supplied by other banks, we have to include discounts with advances in our aggregate balance-sheet, and the two together show a small decrease on the year. The monthly figures show a rise of 24 millions in the advances between December, 1922 and 1923, and it is gratifying to note that a further 30 millions has been added during the first quarter of the current year. The acceptance item also marked a considerable increase in 1923, supporting the reports from some of the discount houses of a considerable improvement in the volume of commercial bills coming forward, and on the whole the banking figures seem to show—for what they are worth as a trade barometer—that the country's production has struggled vigorously and with some success against the effects of strikes and political disturbance. Perhaps, however, the most interesting monetary events of last year, and of the first quarter of the present one, were in the field of foreign exchange, and consisted in the rise in the dollar value of sterling, following the conclusion by Mr Baldwin and the Governor of the Bank of England, of arrangements under which we undertook to meet the interest on our debt to the United States, the sharp reaction that took place in the autumn, owing to fears of inflation followed by fears of a Labour Government, and the headlong fall in the franc last March, followed by an even more sensational recovery. The paradoxical rise in sterling, on our assumption, or practical recognition, of what was thought by many to be a terribly onerous debt, was only another example of the material value of prestige in financial matters. An equally striking example of the same fact was provided by the subsequent reaction, due to the mere fear, first that the late Government was going to mend unemployment by inflation—though Mr Baldwin very promptly and plainly denied any such intention—and afterwards that the new Government might, by threats of confiscation and otherwise, play ducks and drakes with British credit. This reaction, however, also had the satisfactory effect of demonstrating once more the hidden reserves of financial strength with which this country is endowed. For in spite of all that was done by responsible bankers and brokers to stop the movement, the actual amount of sterling transferred into dollars and dollar securities was very great, so great as to astonish those who had to handle it, by the smallness of the effect that this transfer had upon the price of sterling, which was severe pressure to which it was subjected. A similar tribute to the solidity of our financial foundation was flight from the franc, when enormous masses of securities with an international market were sold here from Paris and were absorbed with a readiness and composure that astonished the brokers who transacted the business.

THE BANK ACCOUNTS OF THE UNITED KINGDOM.

THE amalgamation process among banks which has been a feature of the banking history of the past twenty years has still continued during the past year, but is inevitably approaching completion. Since our first Banking Number was published, more than 40 years ago, there have been striking developments in banking in this country. At the beginning of the present century the balance-sheets of some 90 English banks were analysed. By 1913 the number had dropped by the process of amalgamation to 43, and it has now fallen to 19. Last year one joint stock bank, the London and Liverpool Bank of Commerce, was absorbed, while four of the private banks have lost their separate entity, Cox and Co. having been absorbed by Lloyds Bank, Messrs Drummond by the Royal Bank of Scotland, Grindlay and Co. by the National Provincial Bank, and Holt and Co. by Glyn, Mills, Currie, and Co. These changes have to be taken into consideration in reading the comparative tables which we print below. The constitution of the Irish Free State as one of the Dominions also adds a new complication to our historical tables. For purposes of comparison we have eliminated the figures of the six Irish banks whose activities are mostly centred in the Irish Free State, referring to their figures in another article, and have retained under the heading of United Kingdom banks the three banks operating in Northern Ireland, namely, the Belfast Banking Company, the Northern Banking Company, and the Ulster Bank.

Since 1900 the deposits of the English joint stock banks have risen from £587 millions to £1,822 millions, the bulk of the increase having occurred since the beginning of the war. During the same period the paid-up capital of these banks has only increased from £61 millions to £72 millions, while reserve funds have risen from £35½ millions to £57 millions. There has thus been a large decline in the ratio of capital and reserves to deposit liabilities, this figure having dropped from 13.4 per cent. in 1900 to 7.1 per cent. in 1923. The latter, however, compares favourably with the low point of 5.7 per cent. recorded in 1919. During the past four years bank directors have apparently realised the importance of increasing this ratio, and small additions to capital have been made.

In the table below we show the capital and reserves of English, Scottish, and Irish banks and of the private banks at the end of 1922 and of 1923:—

CAPITAL AND RESERVES.				
	1922.	1923.	Inc. or Dec.	
	£	£	£	%
English joint-stock (Capital..)	72,477,400	72,033,000	— 444,400	— 0.6
English private (Capital and reserves)	58,695,100	56,971,400	+ 276,300	+ 0.5
Scottish (Capital	3,813,400	2,816,442	— 997,000	— 26.1
Scottish (Reserves	10,077,000	10,077,000	—	—
Northern Irish (Capital	9,653,700	10,391,000	+ 737,300	+ 7.6
Northern Irish (Reserves)	1,600,000	1,600,000	—	—
	1,850,000	2,150,000	+ 300,000	+ 16.2
	156,066,600	156,038,800	— 27,800	— 0.02

The absorption of the London and Liverpool Bank of Commerce by the British Overseas Bank, which is not included among the English joint stock banks, accounts for the decline in the capital of the English joint stock banks. The paid-up capital of the London and Liverpool Bank was £600,000, and there have been small increases in the capital of the other banks totalling £156,000. Since the close of the year, it may be mentioned, there have been some further small increases in the paid-up capital of the English banks. The disappearance of four private banks is the reason for the

drop of nearly one million in the capital and reserves of the private banks. The reserves of the Scottish and Irish banks show a very much larger proportionate increase than those of the English banks. This is to a certain extent a matter of accountancy, but as will be seen from a later article, the profits of the English banks declined while those of the Scottish and Irish banks increased. The English banks maintained their dividends, but made smaller definite allocations to reserves in view of the substantial nature of the "hidden reserves" created by the rise in security values during recent years. The English banks, it may be added, wrote large amounts off premises accounts, but these do not figure in the reserve funds. The deposits of the English banks declined by 0.6 per cent. in comparison with 1922. This compares with a drop of 7.1 per cent. twelve months ago, and 0.7 per cent. at the end of 1921. The decline of 7.7 per cent. in deposits shown by the Scottish banks compares with 8.0 per cent. a year ago. The reduction of 2.5 per cent. in the total deposits compares with a decline of 6.5 per cent. twelve months ago:—

CURRENT AND DEPOSIT ACCOUNTS.

	1922.	% of Assets	1923.	% of Assets	Inc. or Dec.	
	£	%	£	%	£	%
English joint-stock..	1,833,971,200	89.0	1,822,067,100	68.1	— 11,904,100	— 0.6
Private.....	50,955,700	91.2	33,486,300	86.2	— 17,470,400	— 34.2
Scottish.....	267,799,700	83.2	247,226,600	82.6	— 20,573,100	— 7.7
Northern Irish.....	56,686,600	86.4	51,961,800	84.7	— 4,724,800	— 8.3
	2,209,404,200	88.4	2,154,740,800	87.2	— 54,663,400	— 2.5

The reduction shown in the ratio of deposits to total liabilities is partly accounted for by the very large increase in the total of acceptances, those of the English banks having increased from £85,686,600 to £111,490,400. Two years ago the total was £74,166,000. The acceptances of the Scottish banks at £4,321,300 show a drop of £650,000.

Very little change is shown in note circulations. The English banks show a total of £165,400, as against £170,000 a year ago, but these are notes in the Isle of Man or Guernsey. The total for the Scottish banks is £22,106,500, as against £23,320,700 a year ago, and for the three Northern Irish banks £5,015,800 against £4,989,000.

Cash in hand and at the Bank of England, cheques in course of collection, balances with other banks, and money at call and short notice, taken together, show a decline of 3.2 per cent. in 1923; this follows decreases of 5.8 and 3.5 per cent. in 1922 and 1921 respectively:—

CASH IN HAND AND AT BANK OF ENGLAND, AND MONEY AT CALL AND SHORT NOTICE.

	1922.	% of Assets	1923.	% of Assets	Inc. or Dec.	
	£	%	£	%	£	%
English joint-stock banks.....	423,091,700	20.6	413,531,700	20.0	— 9,560,000	— 2.3
Private banks.....	8,593,000	15.4	3,185,600	8.2	— 5,407,400	— 62.9
Scottish banks.....	63,814,200	19.8	64,015,300	21.4	+ 201,000	+ 0.3
Northern Irish banks.....	8,173,600	12.5	6,857,200	11.2	— 1,316,400	— 16.1
	503,672,500	20.1	487,589,800	19.7	— 16,082,700	— 3.2

The Scottish banks are an exception, with a slight increase in these items, but twelve months ago a decline of over 9 per cent. was recorded by the Scottish banks, some of whose accounts, it may be mentioned, relate to a later date than December 31st last. The figures of the English banks are, of course, slightly affected by the absorption of the private banks, and to that extent the declines in this and other tables are minimised. Some of the banks still continue to show cash in hand and money at call and short notice as one entry, but in the case of the English banks those holding 95½ per cent. of the total make a distinction in the two items. From the table below it will be seen that last year there was practically no change in the cash in hand held by these banks, while money at call fell by nearly £7 millions:—

ENGLISH BANKS (EXCLUDING BANK OF ENGLAND).

Year, December 31.	Total Cash in Hand and Money at Call and Notice.	Cash in Hand and Money at Call where Shown Separately.				Per Cent. of (1).	Per Cent. of (2).
		(1) Together.	(2) Per Cent. of (1).	(3) Cash in Hand and Money at Call and Notice.	(4) Per Cent. of (2).		
1908.	£	£	89.2	£	53.1	81.034,000	46.9
1913.	£	£	90.5	£	54.4	97,282,500	45.6
1914.	£	£	90.8	£	57.5	81,202,200	32.5
1915.	£	£	91.2	£	72.4	58,394,200	27.6
1916.	£	£	93.0	£	72.2	95,456,100	27.8
1917.	£	£	94.1	£	59.0	165,536,300	41.0
1918.	£	£	94.5	£	59.4	184,565,500	40.6
1919.	£	£	94.8	£	74.7	109,374,700	25.3
1920.	£	£	95.6	£	71.0	124,168,400	29.0
1921.	£	£	94.1	£	73.4	109,393,800	26.6
1922.	£	£	95.0	£	71.9	113,058,300	28.1
1923.	£	£	95.5	£	73.2	106,095,600	26.8

The general total shows a continuous fall since 1918, but last year's drop of £9½ millions is the smallest since that date. The ratio of cash in hand to total cash and money at call, in the case of the banks showing the items separately, was at the end of 1923 at almost the highest figure in any year in the table, having only been exceeded at the end of 1921. The proportion of cash in hand held nowadays contrasts strikingly with the pre-war figures, when nearly one-half of the total was money at call and short notice.

Investments show a decline of 7.2 per cent., as may be seen from the table below. A year ago there was an increase of 15.1 per cent. :-

INVESTMENTS.

	1922.	% of Assets	1923.	% of Assets	Inc. or Dec.	%
English joint-stock banks	424,413,200	18.2	404,392,000	19.5	- 20,021,200	- 4.7
Private banks	11,524,700	20.6	5,159,700	13.3	- 6,365,000	- 55.4
Scottish banks	126,024,700	39.3	112,137,800	37.5	- 13,886,900	- 11.0
Northern Irish banks	23,221,500	35.4	21,263,100	34.7	- 1,958,400	- 8.4
	585,184,100	23.4	542,952,600	21.9	- 42,231,500	- 7.2

Three of the English banks fail to distinguish British Government securities from other investments. The total of British Government stocks held by the English banks which show them separately has declined from £361 millions to £340 millions. British Government securities held by the Scottish banks, all of which make the distinction, have dropped from £119½ millions to £104 millions, while those of the three Northern Irish banks at £19½ millions show a decrease of £2 millions. Figures of discounts and advances are disturbed by the inclusion with the former, in many cases, of Treasury bills. Taking the two items together, there was practically no change in the total last year :-

DISCOUNTS AND ADVANCES.

	1922.	% of Assets	1923.	% of Assets	Inc. or Dec.	%
English joint-stock banks	1,102,642,800	53.6	1,116,866,200	54.0	+ 14,223,400	+ 1.3
Private banks	33,361,800	59.7	27,756,100	71.4	- 5,605,700	- 16.6
Scottish banks	122,366,100	38.1	114,277,300	38.1	- 8,088,800	- 6.6
Northern Irish banks	33,572,200	51.2	32,449,900	52.9	- 1,122,300	- 3.3
	1,291,882,900	51.5	1,291,349,500	52.3	- 533,400	- 0.1

IRISH FREE STATE BANKS.

We have explained in a previous article that our statistics of United Kingdom banks do not include the figures of the banks whose main field of operation is in the Irish Free State, but which have hitherto been included with the English and Scottish banks. The six banks omitted are the Bank of Ireland, the Hibernian, the Munster and Leinster, the National, the Provincial, and the Royal Bank of Ireland. Now that Ireland is a self-governing Dominion, we propose in future to transfer detailed analysis of the accounts of these banks to our

The English banks show an increase of 1.3 per cent. in the total. This is due to a substantial increase in advances, for bills discounted declined substantially, as may be seen from the following :-

ENGLISH JOINT STOCK BANKS.

	1922.	1923.	Inc. or Dec.
Discounts	301,313,300	281,522,000	- 19,791,300
Advances	801,329,500	835,344,200	+ 34,014,700
Total	1,102,642,800	1,116,866,200	+ 14,223,400

It is not possible correctly to ascertain the amount of Treasury bills held by the banks, but it seems probable that the decline of nearly £20 millions in bills discounted is to a considerable extent due to the non-renewal of Treasury bill holdings. The total of Treasury bills outstanding at December 31st last was £860 millions, the reduction during the year amounting to £80 millions. In 1922 there was a reduction of £144 millions in the discounts of the English banks, while advances also declined by £33 millions. Last year advances increased by a similar figure. Since the end of the year, according to the monthly figures of the Clearing banks, there has been a further substantial increase in advances, the quarter's expansion in the case of the nine English banks amounting to nearly £30 millions. During this period discounts have declined by over £50 millions.

In the large summary table of the individual balance-sheets given on a later page, we include, for considerations of space, cover for acceptances with premises and sundries. If cover for acceptances be deducted, premises and sundries amount to £28½ millions, or 22.4 of capital and reserves for the English banks, to £4½ millions, or 22.5 per cent. for the Scottish banks, and to £517,700, or 13.8 per cent. for the three Irish banks.

We conclude with a table showing the aggregate liabilities and assets of the banks of the United Kingdom, excluding the Bank of England, whose figures are summarised in the following pages. The 1913 figures include the figures of all the Irish banks, but those of the Irish Free State have been omitted in the figures for 1922 and 1923 :-

LIABILITIES.—(000's omitted.)

	1913.	1922.	1923.	Inc. or Dec.
Capital and reserves	114,076	156,167	156,039	+ 128
Undivided profits	6,453	8,219	8,491	+ 272
Deposits	1,032,986	2,209,403	2,154,741	- 54,662
Acceptances	67,534	91,922	116,053	+ 24,131
Notes, drafts, &c.	24,984	33,802	34,071	+ 269
	1,246,033	2,499,513	2,469,395	- 30,118

ASSETS.—(000's omitted.)

	1913.	1922.	1923.	Inc. or Dec.
Cash in hand and money at call and notice	293,576	503,673	487,590	- 16,083
Investments	191,041	585,184	542,953	- 42,231
Discounts and advances	682,986	1,291,883	1,291,349	- 534
Premises and cover for acceptances	78,450	118,773	147,503	+ 28,730
	1,246,033	2,499,513	2,469,395	- 30,118

The decline of £30 millions in total resources compares with a decrease of over £152 millions recorded twelve months ago.

SIX FREE STATE BANKS.

	1922.	1923.	Inc. or Dec.
Paid-up capital	6,009,231	6,109,231	+ 100,000
Reserve	4,320,000	4,920,000	+ 600,000
Undivided profits	581,321	700,044	+ 118,723
Notes	12,331,962	11,688,059	- 643,903
Acceptances	217,729	184,000	- 33,729
Miscellaneous items	51,725	24,544	- 27,181
Deposits	153,090,522	149,694,582	- 3,395,940
	176,602,490	173,320,460	- 3,282,030
Cash in hand	14,866,330	15,781,661	+ 915,331
Money at call & notice	8,794,020	11,410,080	+ 2,616,060
Brit. Govt. Securities	67,302,512	62,867,378	- 4,435,134
Other Securities	12,495,294	10,920,226	- 1,575,068
Bills Discounted	12,610,654	8,809,423	- 3,801,231
Loans and Advances	58,371,570	61,075,851	+ 2,704,281
Sundries and Cover for Acceptances	2,162,110	2,455,841	+ 293,731
	176,602,490	173,320,460	- 3,282,030

The increase in paid-up capital of £100,000 was made by the Munster and Leinster Bank, but each of the banks made additions to reserve funds. The decline of over £3 millions in deposits, or 2.2 per cent., is much smaller, it will be observed, than the decrease in deposits recorded by the three banks of Northern Ireland,

which fell by £4½ millions, or 8.3 per cent. The deposits of the Bank of Ireland have increased from £41,026,100 to £43,790,300, and those of the Royal Bank of Ireland from £4,793,200 to £7,626,000. The latter increase is due to the acquisition from the Belfast Banking Company in August last of the twenty-two branches hitherto carried on by that bank in the Free State area. In making this arrangement the Belfast Banking Company was merely pursuing the same policy as the Midland Bank Limited, with which it is affiliated, namely, not to open or retain branches in any dominion, colony, or foreign country. The decline of over half a million in the notes in circulation contrasts with a slight increase in the circulation of the three Northern banks.

On the credit side the heavy decline in investments and bills discounted has been partly offset by increases in cash in hand and money at call and in advances. Taken as a whole, the figures show very much the same tendencies as those of the United Kingdom banks, which, in brief, are a contraction in deposits, and an increase in advances which has been made possible by reducing investment holdings and bills discounted, the latter, of course, including Treasury bills.

BANKING PROFITS.

FROM the profit-earning point of view, the year 1923 was no more favourable than the preceding year. The clearing figures indicated a decline in the total volume of business, and although towards the end of the year there were signs of some recovery in the figures, the revival of trade was not of sufficient dimensions to have any marked effect. Moreover, the average level of money rates was still lower than in 1922, in spite of the fact that Bank rate was raised from 3 to 4 per cent. in July. The low level of money rates, however, can have had but little effect upon the chief source of income of the banks, namely, interest on loans and advances, since this is mostly at a certain rate above Bank rate, with a minimum of 5 per cent. On the other hand, bankers have only had to pay £1 9s 9d per cent. on time deposits, as against £1 13s 10d per cent. in the previous year, while the average Treasury bill allotment rate for the year was about 2s per cent. higher than that of the previous year, a factor which has probably gone some way towards compensating for the fact that short loans to the market earned about 9s 3d per cent. less than in 1922. The following tables show average money rates, and the margins between them over a series of years :-

	Average Bank Rate.	Average Market Rate (3 months).	Average Short Loan Rate.	Average Deposit Rate.
1913	£ s d 4 15 5	£ s d 4 7 5	£ s d 3 15 10	£ s d 3 5 3
1914	4 0 9	2 17 7	2 4 3	2 2 4
1918	5 0 0	3 11 9	3 5 6	3 1 3
1919	5 3 0	3 18 10	3 9 7	3 3 10
1920	6 14 4	6 7 11	5 3 7	4 14 4
1921	6 2 4	5 4 3	4 12 8	4 2 4
1922	3 13 10	2 13 0	2 5 11	1 13 10
1923	3 9 9	2 14 1	1 16 8	1 9 9

	Bank Rate and Market Rate.	Deposit Rate and Market Rate.	Deposit Rate and Short Loan Rate.
1913	£ s d 0 8 0	£ s d 1 2 2	£ s d 0 10 7
1914	1 3 2	0 15 3	0 1 11
1918	1 9 3	0 10 6	0 4 3
1919	1 4 2	0 15 0	0 5 9
1920	0 6 5	1 12 7	0 9 3
1921	0 18 1	1 1 11	0 10 4
1922	1 0 10	0 19 2	0 12 1
1923	0 15 8	1 4 4	0 6 11

There are, of course, other factors besides money rates, which affect the profit and loss accounts of the banks. A very potent influence during the past decade has been the movement of security values. During 1923 the

Index Number of the market value of fixed interest bearing securities compiled by the *Bankers' Magazine*, declined from 112.4 to 111.2, but this decline was very small in comparison with the substantial rise which took place in the two preceding years. After several years of very heavy writing off for depreciation, the recovery in the value of securities automatically created substantial hidden reserves, and last year's small decline called for no special allocations for investment depreciation. Unfortunately, very few of the banks publish figures of gross profits and expenditure. Barclays alone of the "big five" continues to set a good example in this respect, and for last year recorded a decline of £475,000 in gross profits, and a reduction of £492,400 in expenses, thus securing a small increase in net profits. So far as the English banks are concerned, this increase in net profits is rather exceptional. In the aggregate the net profits of the English banks declined from £12,028,300 to £11,690,540, this being the lowest figure since 1917, as may be seen from the following tables :-

ENGLISH.

Year.	Profits.	Per Cent. of Resources.	Dividends.	Per Cent. of Profits.	Investments Depreciation.	Reserve Funds.	Premises.	Staff.	Movement of Carry Forward.
	£		£	£	£	£	£	£	£
1908	7,743,491	96.690,254	89	14,350	326,742	295,960	177,353	+ 25,832	
1909	7,453,626	91.672,554	90	92,700	162,930	235,688	162,006	+ 76,324	
1910	8,241,490	94,676,889	82	1,105,766	222,517	237,000	107,500	- 192,182	
1911	8,214,213	93,618,162	83	842,215	116,138	240,404	91,205	+ 106,089	
1912	9,124,327	99,688,154	75	1,578,026	111,606	367,817	130,000	+ 63,244	
1913	10,377,225	113,638,720	67	2,487,535	319,326	406,517	243,000	+ 15,169	
1914	9,120,556	94,697,225	73	1,180,900	118,000	317,200	109,728	+ 63,533	
1915	9,828,732	86,628,456	64	3,647,607	20,100	132,500	40,687	- 300,618	
1916	10,734,850	82,537,606	55	4,406,101	18,000	256,900	66,582	+ 50,661	
1917	11,678,477	73,591,733	46	224,000	3,354,500	417,500	284,000	+ 148,744	
1918	12,578,524	71,610,495	48	167,500	4,247,960	747,000	740,101	+ 569,468	
1919	14,639,643	69,701,262	48	3,421,500	2,103,896	742,500	867,500	+ 489,986	
1920	17,329,028	79,842,466	49	4,930,000	1,330,718	945,000	520,000	+ 646,844	
1921	17,740,616	63,842,260	63	3,153,560	1,445,000	320,000	320,000	+ 179,796	
1922	12,028,300	58,934,266	74	1,514,868	1,225,000	270,000	270,000	+ 84,146	
1923	11,690,540	57,916,298	79	937,500	1,080,000	320,000	320,000	+ 184,751	

SCOTTISH.

Year.	Profits	Per Cent. of Resources.	Dividends.	Per Cent. of Profits.	Investments Depreciation.	Reserve Funds.	Premises.	Staff.	Movement of Carry Forward.
	£				£	£	£	£	£
1908.....	1,737,373	1.261,395,853	80		42,000	175,750	47,500	17,500	+ 58,770
1909.....	1,775,302	1.271,497,589	81		65,000	185,750	51,500	23,136	+ 24,269
1910.....	1,779,664	1.291,436,620	81		132,889	105,750	54,000	31,500	+ 41,068
1911.....	1,756,794	1.241,497,787	81		153,738	115,750	51,500	31,517	- 317
1912.....	1,882,586	1.221,467,833	78		308,084	97,500	59,000	19,000	- 81,892
1913.....	1,885,414	1.181,437,903	76		229,931	87,500	70,500	49,000	+ 11,280
1914.....	1,907,077	1.131,352,075	71		263,138	20,000	46,500	30,000	+ 189,384
1915.....	1,997,952	1.091,188,967	61		884,779		46,500	38,525	+ 19,223
1916.....	2,015,154	977,108,141	55		693,321	80,000	51,500	30,000	+ 55,281
1917.....	2,127,076	948,107,016	49		140,000	67,500	135,000	65,000	+ 154,561
1918.....	2,250,466	828,177,888	48		40,000	785,000	170,000	85,000	+ 96,278
1919.....	2,387,941	751,086,424	46		646,085	383,805	100,000	100,000	+ 71,627
1920.....	2,392,975	771,136,124	47		986,491	50,000	120,000	105,000	+ 4,640
1921.....	2,437,024	771,203,430	49		877,501	170,000	140,000	140,000	+ 46,093
1922.....	2,545,377	779,127,110	50		861,959	220,000	200,000	170,000	+ 16,308
1923.....	2,600,745	877,133,683	51		737,226	245,000	210,000	210,000	+ 73,000

IRISH.									
Year.	Profits.	Per Cent. of Resources.	Dividends.	Per Cent. of Profits.	Investments Depreciation.	Reserve Funds.	Premises.	Staff.	Movement of Carry Forward.
1908.....	968,050	1.24	846,262	87	10,000	38,000	38,953	6,259	+ 29,576
1909.....	968,287	1.20	846,261	88	15,000	27,500	29,164	5,145	+ 33,177
1910.....	989,459	1.20	837,911	85	35,000	91,000	14,471	12,321	+ 1,844
1911.....	1,006,860	1.18	807,452	80	93,000	75,500	22,548	19,448	+ 9,621
1912.....	1,055,698	1.22	761,376	72	170,000	123,500	17,757	5,220	+ 24,169
1913.....	1,104,043	1.21	759,984	64	184,000	125,000	13,253	3,750	+ 16,720
1914.....	1,104,988	1.03	750,033	68	150,000	165,000	22,678	10,605	+ 6,520
1915.....	1,285,986	1.17	712,264	58	438,000	81,500	6,299	6,350	+ 18,486
1916.....	1,103,499	.96	639,080	58	361,000	75,000	8,230	13,100	+ 7,109
1917.....	1,193,190	.88	616,377	51	110,000	370,000	30,318	5,000	+ 31,495
1918.....	1,401,660	.79	662,432	47	15,608	537,500	64,630	110,390	+ 2,336
1919.....	1,428,444	.68	693,251	47	295,000	365,309	14,920	65,300	+ 36,804
1920.....	1,701,534	.71	699,946	41	383,000	516,003	25,781	40,000	+ 54,410
1921.....	1,632,968	.66	729,330	45	102,500	627,299	69,429	50,000	+ 36,940
1922.....	1,827,227	.75	768,754	42	..	923,502	119,907	52,004	+ 43,394
1922*.....	539,507	.82	187,994	35	..	270,000	84,907	40,000	+ 15,850
1923*.....	547,274	.89	197,082	36	..	300,000	14,342	20,000	+ ..

* Three banks of Northern Ireland.

On another page the net profits and appropriations for 1922 of the individual banks included in the above tables are set out. The high water mark in the profits of the English joint stock banks was reached in 1920, but in the following year there was a very severe decline. Dividends, however, were mostly maintained at the same high level which as also formed the basis for the distributions of 1922 and 1923. The proportion of profits distributed to shareholders has consequently jumped from 49 to 79 per cent. This, however, has only been possible owing to the fact that in the years of declining profits no allocations have had to be made to meet investment depreciation, whereas in 1920 no less than £4,930,000 was set aside out of profits for this purpose. Other appropriations have also dwindled during the last two years, the amount going to general reserve funds in 1923 being less than a million, as against over £3 millions two years ago. The amount written off premises accounts has not declined so much, and in 1923 actually exceeded the aggregate reserve

allocation. High prices in previous years, no doubt, delayed repairs, renewal and reconstruction work, and the arrears are probably only now being overtaken. The banks, however, have always adopted a conservative policy in the valuation of premises, and probably have a further substantial hidden reserve in this item.

The steady increase in the profits of the Scottish banks, which has been in progress since the first year given in the table, was continued in 1923. At the same time, the ratio to total resources has substantially increased, although this figure is still considerably below the pre-war average. There has been a further increase in the proportion of profits distributed to shareholders, but here again this percentage is well below the figures for 1916 and the preceding years. Reserve and other allocations, on the other hand, are on a much higher scale than before the war.

The table of Irish banks, it will be seen, gives the figures of the three banks operating in Northern Ireland for 1922 and 1923, those of the Free State banks being referred to elsewhere. The three northern Irish banks show an increase of nearly £8,000 in net profits, and a substantial advance in the ratio of profits to total resources. The percentage of profits distributed, though slightly higher than in 1922, is still commendably small and appreciably below the percentage shown by all the Irish banks in preceding years. The reserve allocations were slightly higher, but less was allocated to premises and staff funds, and the balances carried forward were increased by £15,900.

Whether bank profits can be maintained during the current year depends in great measure upon the rapidity with which trade revives. It does not appear likely that profits will suffer any severe setback unless labour troubles so dislocate commercial and industrial conditions as to crush the life out of the trade recovery now in its infancy.

PROFITS OF BANKS FOR LAST COMPLETED FINANCIAL YEAR.

BANK.	Year Ended.	Profits.	Dividend	Rate.	Reserve.	Premises.	Staff.	To Carry Forward.	Profits a Year Ago.
ENGLISH.									
Bank of Liverpool and Martins	Dec 31	486,965	375,822	16	100,000	..	..	11,148	504,802
Barclays	Dec 31	1,891,066	1,572,646	A 10 B & C 14	200,000	100,000	..	18,420	1,878,731
British Mutual	Dec 31	10,172	6,000	10	4,500	..	..	..	9,317
Districot	Dec 31	428,606	347,600	18½	..	..	..	81,006	465,246
Equitable	Dec 31	10,305	7,787	16	2,000	..	..	..	9,424
Lancashire and Yorkshire	Dec 31	240,302	201,312	20	..	30,000	..	8,990	286,843
Lloyds	Dec 31	2,047,116	1,841,535	16½	..	..	200,000	5,681	2,068,875
London Merchant	Dec 31	24,576	3,656	A 7	..	..	..	20,990	86,876
Manchester and County	Dec 31	190,105	177,456	16½	10,000	..	..	2,649	226,108
Midland	Dec 31	2,210,972	1,502,870	18	300,000	400,000	..	8,102	2,253,499
National Provincial	Dec 31	1,791,287	1,489,507	16	100,000	100,000	100,000	1,780	1,864,190
Union of Manchester	Dec 31	227,047	115,313	20	70,000	20,000	20,000	1,784	247,188
Westminster	Dec 31	1,804,783	1,272,888	20 12½	100,000	400,000	..	31,896	1,868,021
William's, Deacon	Dec 31	327,247	253,906	A 18½ B 12½	50,000	30,000	..	..	6,659
Totals	..	11,690,549	9,168,298	..	937,500	1,080,000	320,000	184,751	12,028,280
SCOTTISH.									
Bank of Scotland	Feb 29	355,727	163,779	16	125,000	50,000	..	16,948	345,178
British Linen	Jan 15	809,665	153,884	16	100,000	50,000	..	5,781	294,340
Clydesdale	Dec 31	890,971	180,000	18	100,000	20,000	30,000	971	884,865
Commercial of Scotland	Oct 31	347,217	191,129	(A 16) (B 10)	100,000	30,000	25,000	1,088	849,600
National of Scotland	Nov 1	296,229	134,531	16	50,000	25,000	85,000	1,698	291,068
North of Scotland	Sep 29	206,062	117,360	18	50,000	20,000	18,000	3,702	202,020
Royal of Scotland	Oct 13	426,226	214,000	14	162,226	20,000	80,000	..	401,959
Union of Scotland	Apr 2	928,648	180,000	18	50,000	30,000	25,000	49,648	826,862
Totals	..	2,600,745	1,394,688	..	787,226	245,000	210,000	73,886	2,545,377
NORTHERN IRISH.									
Belfast Banking	Dec 31	109,298	45,805	20 8	50,000	..	..	13,488	110,560
Northern	Aug 31	294,393	69,847	17½ 8½	150,000	14,342	..	204	238,682
Ulster	Nov 30	203,588	81,430	21½	100,000	..	20,000	2,158	190,245
Totals	..	547,274	197,082	..	300,000	14,342	20,000	15,850	539,507

GERMAN BANKING.

(FROM OUR BERLIN CORRESPONDENT.)

NONE of the leading "D" banks, and with one exception no other banks of first-rate importance, have yet published their reports for 1923. The lack of balance-sheets and profit and loss accounts, however, causes no difficulty in summing up recent banking tendencies. Owing to the currency conditions of last year, accounts drawn in "marks" of enormously different value at different dates cannot show real conditions. Sufficient

illustration is the fact that whereas Reichsbank clearings in January, 1923, totalled a mere 3,828 milliard "marks," in December they totalled 1,604,384,176,482 milliard "marks." Without elaborate analyses, taking into account the progressive currency depreciation, the figures of annual reports would prove nothing.

In the absence of figures, recent banking conditions are very plain. The great post-war banking boom has come to an end. New foundations have ceased. The smaller mushroom banks, founded merely to exploit exchange abnormalities, have largely been wound up, a few have perished in less respectable ways, and many are in a shaky condition. In the past two months there have been continued rumours, some justified by actual collapses, of banking difficulties. To some extent these difficulties are the outcome of franc exchange bear commitments; in most cases they are due to the fact that banks, started merely with the aim of transacting exchange operations, are now entirely without sources of profit, and that, their capital being very small, the mere cost of administration brought them into difficulties as soon as the sources of profit dried up. In the last few days from Hamburg, Essen, Duesseldorf, and other important centres have come reports of banking difficulties, and such cases seem bound to multiply in the near future. Of critical conditions in the great banks nothing is heard, but in the second part of last year these banks had to face very serious difficulties, the chief of which was the decline in real value of deposits, while the real demand for credit became ever greater. The reason for both the dwindling of deposits and the increased credit strain is obvious; no customer who could avoid it would keep a rapidly depreciating mark credit balance, while every customer who could manage it hastened to get loans and advances which, having used them to acquire real values, he repaid with a fraction of the original gold value. The banks retorted by charging enormous interest rates. For allowing very moderate interest on deposits they excused themselves with the plea that deposits of late played an insignificant rôle in providing money for credit; the banks were, as a rule, lending their own money, and the only way to "retain substance" was to levy such high interest rates as would cover the depreciation risk. Hence until the currency stabilisation produced new conditions, "the maintenance of substance" was the catchword of banks.

Although stabilisation checked the movement towards the end, 1923 was a boom banking year, apparently the last such year. The increase as compared with 1922 in capitalisations was moderate. In raising additional paper-mark capital which, while burdening the bank's future, dwindled to almost nothing before it was subscribed, there was no attraction. Against 218 capital increases in 1922, 1923 witnessed 278; but owing to the mark depreciation, the sum raised, 64,399 million marks, was worth much less than the 12,142 millions raised in 1922. But as against 77 new banks (share companies only) founded in 1922, 1923 saw 380 foundations. The number of foundations of credit banks or deposit banks with general banking functions was 104, of which 35 were in Berlin. The remainder were banks with specialised spheres of operations. Many were agricultural, being founded to meet the credit need of farmers, or to move crops, most giving credit only on "stable value" (werthbestaendig) basis, often in rye units. In addition were founded many trades union banks, according to foreign pattern. Here the non-Socialistic trades unions took the lead. Six officials' banks were started; and finally, towards the end of the year, appeared 19 "firm mark" banks, dealing in marks measured in units of commodities or gold. The tendency towards banking fusions and concentrations continued, the leaders being the mortgage banks. The thirteen banks united in the Arbeitsgemeinschaft süd-deutscher Hypothekenbanken came to an agreement for collaboration with the Gemeinschaftsgruppe deutscher Hypothekenbanken, a larger, all-German combination. One section of this, the group of the Prussian Central-Bodep-Credit A.G., remained outside. The question whether banking fusions are subject to the restrictions imposed by Dr Stresemann's Cartels-Law of November

last is before the courts. Reorganisation of mortgage bank groupings is motivated by the revival in this class of business. Before 1923, the mortgage banks had become mere skeletons, their only securities being paper mark claims of practically no value. Since then it has been made legal to mortgage property for gold marks, and the 15 per cent. restoration of old mortgages enacted this year has to some extent restored the value of the earlier securities.

Bankers generally, in particular the big commercial and credit banks, are still in a state of conflict with their customers. The customers, often forced to get credit at any cost, complain of the high rates of interest and of the various fees and commissions, classed as "Provision," which raise the effective interest rate still higher. As much as 90 per cent. is still being charged for loans, while 15 per cent. is the latest highest rate granted on deposits on notice of withdrawal. Banks have been charging compound interest from day to day, and this, with an already high simple interest rate, swelled charges to abnormal heights. A provisional decision of the Berlin Courts forbidding this practice was annulled on appeal by the Provincial Courts. In another case lately before the Courts a bank by charging 13 per cent. per day compound interest raised a small debt in a short time to 5,000 billion paper marks, and the debtor, on asking for an explanation, got one, together with a statement that during the days that had passed since his inquiry the debt had further swollen to 10,000 billions. In this case the original "debt" merely arose through a delay in clearing a cheque paid in to the client's credit. Representative commercial and industrial organisations protested against these practices, with all the more reason because the banks had already begun (as they now invariably do) to give credit only on "valorised" conditions, i.e., binding the debtor to compensate them for possible losses through further mark depreciation, while as a rule the banks did not compensate their depositors for losses suffered from the same cause. The Government intervened, and in some cases proceedings were taken under the usury laws; but an official statement of last month rejects the demand for fixing of interest rates, stating that these must be regulated automatically by the relations of supply and demand.

The banks' general line of defence has been indicated above. Before the war loans were made out of deposits; were this still the case the depositor, not the bank, would lose from depreciation; nowadays (i.e., before the currency stabilisation), loans are made out of the banks' "substance," while the former depositors protect their "substance" by putting their marks into stocks, wares, or real estate. The banks suffered heavy losses through managing nominally large transactions which in reality often represented mere fractions of a gold pfennig. Hence, banks ceased to compete for custom, required small customers to close their accounts, and even (e.g., Darmstadt und National Bank) closed down many of their branches. The fact that he had reduced his list of customers often counted to a bank manager's credit. A report to the Central Banking Association of October, 1923, stated that from 60 to 90 per cent. of all banking transactions were for sums below the limit of profit, and that between ½ and ¾ of banking employees were engaged on such profitless transactions.

These conditions must be considered to have now ceased. Both in theory and in practice (a good example is Austria) currency stabilisation leads to a growth in the real value of deposits. While the banks' defence of past practices therefore seems to be partly valid, it is impossible to explain the present high rates for "valorised" (therefore riskless) credits except on the assumption that the banks, exploiting the extreme credit need, are trying to get back their old losses. In general, however, it would seem that the "substance" of the big banks has really diminished since 1913. The joint capitals of the four "D" banks shrank from 780,000,000 gold marks in 1913 to 4,100,000,000 paper marks; and the bourse quotation value of the shares from 1,480,000,000 gold marks to 370,000,000 gold

marks. Undoubtedly the large profits reaped by the borrowing classes in the five inflation years were partly made at the expense of the banks. But the potential earning capacity of the banks is undiminished. The coming compulsory gold mark balance-sheets will throw further light on conditions.

The partial restoration of banking secrecy in March, 1923, was expected to foster deposits. Owing to the ever more rapid mark depreciation, this result was not attained. The weakness of the banks, whose main assets are goodwill and premises as against industry, has led to a reversal of the pre-war system of control of industry by banking. After the rise of the late Herr Stinnes to power in the Fuerstenberg banking concern, the Aniline Syndicate laid hands on the Deutsche Laenderbank; and the Hoesch heavy industry corporation has gained, through an intermediary, influence upon a Hamburg banking house. The buying up of bank shares by industrial groups has become ever more common. This tendency is not relished by small manufacturers and merchants, who in the old days complained that the big banks favoured big industry, and who now

fear that the resources and organisations of the big banks will be controlled and monopolised by big industry.

The Berliner Handels-Gesellschaft, the only important bank that has published a report for 1923, has declared a dividend of 10 rentenmarks per 1,000 mark shares. Gross profits in 1923 were 3,396,579 billion paper marks, net profits 1,218,860 billion marks, which is about £60,000 gold. The profit and loss account is regarded as, in view of the bad conditions last year, very satisfactory. For 1922 a 200 mark dividend was paid, which at date of declaration had a gold value of only 11 pfennigs. The Darmstadt, Deutsche, Dresdner and Disconto Banks and Mendelssohn's have all this year got into touch with international groups with the aim of helping to finance German import and export trade. This, like the English assistance given to Dr Schacht's new Gold Discount Bank, must be considered as an outcome of the so far successfully maintained currency stabilisation. Should the stability continue, banking will return to normal conditions, probably after the sacrifice of a good many of the smaller and weaker members.

BANK SHARES.

THERE was probably never a time when the private investor found it more difficult than he finds it to-day to make up his mind to a definite investment policy, or the broker found greater difficulty in getting suitable investments for his client. With most areas of the world in a disturbed, unsettled state, with the future of trade, money and politics uncertain, with Government securities yielding about 5 per cent. for five years, and considerably less on longer securities, and second-class securities yielding about the same as war loan or rather less, where is the investor to find the path of safety? Industrials, good industrials at any rate, are all high in price, and there are very few markets in which obvious bargains or even reasonable purchases are to be discovered for the searching. In these circumstances the investor may perhaps find himself able to look further afield than usual, and devote his attention to markets which hitherto he has neglected. Nowhere will he be likely to discover cheap stocks or shares, but he may find some advantage by taking to securities which have usually been looked upon as rather a speciality. With this consideration in mind, we may approach the question of bank shares as an investment, not expecting to find sensational yields in such a peaceful market, but with the thought that some perplexed investor who is not afraid of uncalled liability may guide himself to a reasonably good investment.

The customary peace of the bank share market has not been disturbed in the past year, and among British and Irish bank shares, at any rate, there are no startling changes to record. Dividends have been well maintained, and there would appear to be nothing in the future of British banking to prevent a general maintenance or improvement of the banks' prosperity. The average price of the shares has altered but little, and our calculation of the bank share index number shows only a small change from the position of twelve months ago. In the following table we give the average price of British and Irish shares since 1909, together with the price of Consols as a comparative guide:—

At April 30 to 1923.	Average Price of Bank Shares.					Price of Consols	% of 1909.
	English	% of 1909.	Scottish	% of 1909.	Irish	% of 1909.	
1909.....	322	100	354	100	282	100	100
1910.....	316	98	369	101	279	99	91
1911.....	315	98	359	99	278	99	91
1912.....	299	93	354	97	248	88	88
1913.....	296	92	343	94	226	80	74
1914.....	307	95	336	92	224	79	75
1915.....	281	87	319	88	220	78	71
1916.....	239	74	235	65	190	67	58
1917.....	241	75	237	66	187	66	58
1918.....	257	79	256	70	203	72	55
1919.....	311	97	289	79	209	74	55
1920.....	282	88	269	74	161	57	47
1921.....	229	71	211	58	159	57	47
1922.....	280	87	240	66	173	61	59
1923.....	297	92	258	71	187	66	59
1924.....	299	93	258	71	186	66	55

† March 31, 1924.

Apart from shares like Barclays, which have no uncalled liability, the yield at present runs from $5\frac{1}{2}$ to $6\frac{1}{2}$ per cent., and is on the whole rather higher than that of a year ago. On the shares of the National Provincial, which have rather a heavy liability, it is possible to get a yield of rather more than 6 per cent., and on Lloyds, with £4 per share uncalled, a yield of over $5\frac{1}{2}$ per cent. is obtainable, while the return on Barclays and the fully-paid Midland is considerably less. In allowing for the risk of uncalled liability, it must be remembered that the important point is not what is the amount uncalled as compared with the par value, but what is the amount uncalled as compared with the market price. A liability of £16 per share is much less serious for a buyer who is paying £16 for each share than for a

buyer who is paying par. Although it is necessary to bear in mind these considerations about uncalled liability, investors may, on the other hand, feel that a call on any of these shares of the big banks is a very remote contingency. On the whole this table of yields deserves the attention of the discriminating investor, who will not find it easy to get really good securities with prospects of advancement yielding him a better return than those we set out above.

In the next table we include Scottish shares, and show the dividends, prices, and yields obtainable in this market:—

Banks.	Share.		End of April, 1923.			End of March, 1924.		
	Am't.	Paid Up.	Div. Inc. Bonus.	Price.	Yield.	Div. Inc. Bonus.	Price.	Yield.
Bank of Scotland ..	£ 150	100	16	16	10	16	16	10
British Liners ..	Stock 100	100	294	294	9	294	294	9
Commercial of Scot. land ..	20	5	16	14	11	16	14	11
Do ..	1	1	10	2	0	10	2	0
National of Scot. land ..	500	110	16	295	19	16	285	19
North of Scotland ..	20	4	17	13	3	17	13	3
Royal Bank of Scot. land ..	Stock 100	100	13	254	5	13	286	5
Union Bank of Scot. land ..	50	10	18	31	15	18	35	15

As usual, the yield on these Scottish shares is distinctly lower than the corresponding yield on the English securities, though the uncalled liability is scarcely less

considerable. Bank shares are a popular security with the careful Scottish investor, but at present levels they are not likely to attract the attention of the mere Englishman. Our last table deals with Irish banks:—

Banks.	Share.		End of April, 1923.			End of March, 1924.		
	Am't.	Paid Up.	Div. Inc. Bonus.	Price.	Yield.	Div. Inc. Bonus.	Price.	Yield.
Bank of Ireland ..	Stock 100	100	15	23	6	15	260	6
Hibernian ..	20	5	15	19	7	15	19	7
Munster & Leinster ..	5	2	20	7	5	20	7	5
National Bank ..	50	10	12	18	6	12	19	6
Northern Banking ..	10	2	17	5	6	17	5	6
Provincial of Ire. land ..	100	12	13	22	7	13	22	7
Royal of Ireland ..	50	10	10	11	8	10	13	8

* 5% paid free of income-tax.

† Free of income-tax.

There is nothing to show that the recent troubled history of Ireland has disturbed the confidence of Irish investors or endangered the stability of the banks, but the rather lower level of yields at the present time is perhaps due to the improvement in Irish politics and the greater stability of the country. These shares must be regarded as the speciality of the Irish investor, and the untutored Londoner naturally does not turn towards them when he is looking for an investment market.

COMPARATIVE STATEMENTS.

JOINT-STOCK BANKS OF ENGLAND AND WALES (EXCLUDING BANK OF ENGLAND).

Year.	Banks.	No. of Branches.	Capital and Reserves.	% of Liabilities.	Deposits.	% of Liabilities.	Acceptances.	% of Liabilities.	Total Liabilities.	Cash in Hand and Money at Call & Notice.	% of Liabilities.	Investments.	% of Liabilities.	Discounts and Advances.	% of Liabilities.
1890	104	2,209	£ 67,826,000	14.5	£ 368,663,000	79.4	£ 22,699,000	4.9	£ 464,075,000	£ 83,955,000	18.0	£ 82,816,000	17.8	£ 269,507,000	58.0
1895	99	2,690	£ 69,213,000	12.4	£ 455,661,000	81.6	£ 23,724,000	4.2	£ 568,744,000	£ 111,908,000	19.9	£ 107,498,000	19.2	£ 311,678,000	56.7
1900	77	8,767	£ 78,847,000	11.3	£ 586,726,000	84.0	£ 21,580,000	3.0	£ 698,762,000	£ 144,400,000	20.7	£ 127,766,000	18.3	£ 395,313,000	56.6
1905	59	4,558	£ 82,010,000	10.8	£ 627,529,000	82.6	£ 39,325,000	5.2	£ 768,712,000	£ 179,580,000	23.6	£ 131,731,000	17.3	£ 401,485,000	52.9
1909	55	4,729	£ 82,166,000	11.0	£ 647,890,000	82.6	£ 41,715,000	5.3	£ 782,513,000	£ 178,710,000	22.8	£ 180,980,000	16.8	£ 425,559,000	54.8
1917	52	4,822	£ 81,551,000	10.4	£ 648,596,000	82.8	£ 44,403,000	5.7	£ 782,813,000	£ 174,491,000	22.4	£ 185,772,000	16.1	£ 431,209,000	55.1
1918	50	4,908	£ 82,248,000	10.2	£ 674,660,000	88.5	£ 42,244,000	5.2	£ 806,727,000	£ 194,134,000	24.1	£ 186,765,000	17.0	£ 427,739,000	53.0
1919	46	5,022	£ 81,255,000	9.9	£ 685,040,000	84.0	£ 41,803,000	5.0	£ 815,767,000	£ 199,749,000	24.4	£ 187,283,000	16.8	£ 439,595,000	53.1
1920	45	5,202	£ 80,946,000	9.4	£ 720,687,000	88.6	£ 52,263,000	5.0	£ 862,134,000	£ 199,724,000	22.8	£ 187,711,000	16.0	£ 467,880,000	54.3
1921	44	5,410	£ 79,775,000	9.0	£ 748,841,000	84.6	£ 48,899,000	6.5	£ 865,058,000	£ 211,064,000	24.4	£ 183,787,000	15.1	£ 485,415,000	55.0
1922	44	5,577	£ 81,154,000	8.8	£ 773,974,000	83.6	£ 61,295,000	6.6	£ 925,927,000	£ 216,110,000	23.4	£ 187,645,000	13.7	£ 515,902,000	55.7
1923	43	5,797	£ 82,068,000	8.5	£ 809,852,000	84.0	£ 61,705,000	6.4	£ 969,051,000	£ 235,958,000	24.4	£ 191,238,000	12.6	£ 539,500,000	56.0
1924	38	5,869	£ 81,904,000	7.9	£ 895,561,000	86.6	£ 47,802,000	5.6	£ 1,084,486,000	£ 276,046,000	27.6	£ 184,498,000	14.2	£ 558,499,000	53.5
1925	37	6,027	£ 81,781,000	7.1	£ 922,555,000	86.4	£ 62,512,000	6.5	£ 1,146,807,000	£ 262,458,000	23.0	£ 193,107,000	17.0	£ 503,617,000	48.9
1926	35	6,998	£ 81,089,000	6.9	£ 1,154,877,000	87.9	£ 68,726,000	5.9	£ 1,316,220,000	£ 289,460,000	22.0	£ 189,092,000	14.4	£ 542,779,000	41.4
1927	34	6,004	£ 84,475,000	6.5	£ 1,865,297,000	89.2	£ 65,775,000	4.8	£ 1,938,691,000	£ 427,855,000	22.0	£ 189,681,000	9.7	£ 685,677,000	44.9
1928	26	6,285	£ 92,902,000	5.8	£ 1,883,412,000	90.9	£ 88,850,000	4.8	£ 1,972,264,000	£ 481,220,000	24.4	£ 187,280,000	9.4	£ 834,668,000	47.9
1929	21	6,928	£ 106,273,000	5.0	£ 1,874,184,000	87.9	£ 131,188,000	7.1	£ 2,137,908,000	£ 452,755,000	21.2	£ 189,611,000	8.8	£ 1,199,592,000	53.0
1930	20	7,257	£ 128,154,000	5.8	£ 1,961,527,000	89.0	£ 102,920,000	4.7	£ 2,200,817,000	£ 449,158,000	20.4	£ 186,734,000	8.4	£ 1,263,091,000	57.4
1931	20	7,606	£ 129,131,000	5.9	£ 1,974,898,000	90.0	£ 74,166,000	3.4	£ 2,185,498,000	£ 438,519,000	20.0	£ 187,564,000	8.6	£ 1,280,171,000	58.3
1932	20	7,840	£ 129,173,000	6.3	£ 1,838,971,000	89.0	£ 85,687,000	4.2	£ 2,056,242,000	£ 428,092,000	20.8	£ 184,413,000	9.0	£ 1,102,648,000	53.7
1923	19	8,075	£ 129,004,000	6.2	£ 1,822,037,000	88.1	£ 111,490,000	5.4	£ 2,069,847,000	£ 418,532,000	20.2	£ 184,392,000	8.8	£ 1,116,866,000	54.0

PRIVATE BANKS.

Year.	Number of Banks.	LIABILITIES.						ASSETS.								
		Capital and Reserves.	Per Cent. of Liabilities.	Notes.	Per Cent. of Liabilities.	Miscellaneous.	Per Cent. of Liabilities.	Deposits.	Per Cent. of Liabilities.	Total Liabilities or Assets.	Cash in Hand and Money at Call and Notice.	Per Cent. of Liabilities.	Investments.	Per Cent. of Liabilities.	Discounts and Advances.	Per Cent. of Liabilities.
		£		£		£		£		£		£		£		£
1895 ..	88	11,894,400	13.9	412,600	0.5	2,864,800	3.4	70,372,000	82.2	85,483,700	20,476,300	23.9	25,099,700	29.4	36,320,000	42.2
1900 ..	19	6,192,900	12.8	151,750	0.8	1,264,100	2.6	40,420,500	84.3	48,029,200	10,523,400	21.8	14,693,700	30.5	20,919,600	43.4
1905 ..	12	4,393,900	18.2	83,500	0.3	1,018,000	3.1	27,775,000	89.4	33,270,400	7,271,500	21.8	10,150,500	30.5	14,788,600	44.8
1906 ..	11	4,225,100	18.1	74,025	0.2	1,061,800	3.8	26,749,000	89.4	33,139,900	6,662,100	20.6	9,076,600	28.2	15,238,400	46.7
1907 ..	11	4,156,600	12.9	75,230	0.2	1,048,900	3.2	26,957,700	89.7	33,288,400	7,950,800	22.9	8,647,400	26.8	15,049,000	47.1
1908 ..	10	3,474,800	12.8	68,940	0.2	968,900	3.4	23,634,200	84.1	28,144,800	6,462,200	22.9	7,394,000	26.2	13,247,200	47.7
1909 ..	9	3,507,100	11.6	63,650	0.2	1,110,000	3.7	25,690,100	84.6	30,369,900	7,017,600	22.9	8,119,000	26.8	14,284,200	47.5
1910 ..	9	3,535,100	11.2	57,920	0.2	1,096,700	3.5	26,808,000	85.1	31,497,700	6,478,000	20.6	8,118,100	25.8	16,912,700	50.1
1911 ..	9	3,561,000	11.1	54,920	0.2	1,309,000	4.1	27,099,300	84.6	32,024,500	6,866,700	21.4	7,975,100	24.8	16,071,700	50.1
1912 ..	9	3,637,760	11.4	56,900	0.2	1,473,900	4.6	26,733,800	83.8	31,930,940	7,243,510	22.4	7,243,510	22.7	16,403,540	51.1
1913 ..	8	3,616,590	11.9	46,810	0.1	1,532,370	4.7	27,089,810	84.0	32,274,570	6,468,700	20.0	7,819,440	24.2	16,903,530	52.7
1914 ..	8	3,269,406	8.8	58,990	0.2	955,795	2.6	32,874,026	88.4	37,158,216	6,641,997	17.8	8,018,873	21.5	21,360,580	57.5
1915 ..	7	3,180,707	8.6	60,400	0.2	786,018	2.1	32,890,739	89.1	36,917,864	8,038,863	21.7	8,779,939	24.0	16,836,160	50.4
1916 ..	7	3,132,584	7.4	77,493	0.2	591,666	1.4	39,188,354	90.9	43,035,099	10,176,174	23.5	8,785,019	20.9	22,855,849	53.3
1917 ..	7	3,189,219	6.6	93,755	0.2	675,379	1.4	44,696,800	91.8	46,656,158	13,007,542	24.6	10,190,613	21.0	25,135,069	51.1
1918 ..	7	3,735,082	6.7	122,930	0.2	821,153	1.6	51,371,330	91.6	55,950,395	16,249,863	29.0	13,356,332	23.9	24,695,406	44.4
1919 ..	6	3,536,591	5.8	153,690	0.3	1,188,322	1.9	56,246,064	92.0	61,124,571	13,183,181	21.4	14,325,397	23.4	31,728,368	52.2
1920 ..	5	3,128,098	5.7	..	..	1,024,656	1.9	50,864,631	92.4	55,012,385	11,637,610	21.3	6,186,360	11.2	35,501,368	64.4
1921 ..	5	3,136,738	6.1	..	..	870,412	1.9	48,306,822	92.0	52,463,972	8,484,742	16.2	6,108,554	11.6	36,214,429	69.3
1922 ..	3	3,813,420	6.8	..	..	1,124,264	2.0	50,985,682	91.2	55,893,956	8,593,043	15.4	11,524,744	20.6	39,301,819	73.1
1923 ..	5	2,816,442	7.2	..	..	2,557,537	6.6	43,486,334	86.2	38,359,363	3,185,610	8.2	5,159,713	13.3	27,756,144	59.7

SOME STATISTICS RELATING TO RECENT MONETARY HISTORY.

In view of discussions which have taken place, and that are likely to continue, on the various phases of our monetary history and policy since the Armistice, we have collected for the convenience of our readers a series of figures bearing upon these problems. The first two columns in the following table show the surplus or deficit quarter by quarter of Government receipts in comparison with the expenditure. To this we have added the amounts collected under the excess profits duty, since it is sometimes argued that the large collection on this account was a serious factor in the twelve months following the turn of the tide in April, 1920, in reducing the funds available for financing industry in the most difficult period of the slump. Under the heading of Floating Debt, the figures for Ways and Means Advances are not available until the second quarter of 1919. Under the heading of Banks, we have given for some years past the figures in detail of the deposits of the Bank of England, but in the following table we have separated out the figures of Other Deposits. This table gives some indication of the reserves held by the other banks of the country, but not an exact one, since this item includes other elements besides the banks' balances. As regards the deposits of the joint-stock banks, our readers are aware that the monthly statement of the clearing banks has only been issued since the beginning of 1921, and does not cover the critical period of 1920. The ratio of cash

reserves on a different basis to that of the table (*i.e.*, including as cash "balances with and cheques in course of collection on other banks in the United Kingdom") can be ascertained for the whole period from the half-yearly balance-sheets. The ratio was 17.1 in December, 1913, 17.1 in December, 1918, 16.2 in June, 1920, 15.5 in December, 1920, and 16.9 in December, 1923. "Window-dressing" is more pronounced in these figures than in the "average weekly balances" in the table. The legal tender of the country is given by a total of the two columns in the table, but the figures, of course, include the reserve of notes held by banks of all kinds, and do not only represent the money in the hands of the public. As regards capital issues, we have given a separate total for the amounts of money raised on the London money market chiefly for British industry. The figure excludes Government borrowings and municipal borrowings, (which included a considerable sum in 1920 and 1921 for housing), borrowings of foreign Governments, foreign corporations, and foreign enterprises of all kinds. A full analysis of these items over a period of years was given in a recent number of the *Economist*. Statistics of the movements of prices are contained in monthly articles of the *Economist*, and figures for the various classes of money rates are given elsewhere in this number.

	PUBLIC FINANCE.										MONEY and BANKING.										CAPITAL ISSUES.			
	Excess of Revenue (+) or Expenditure (-) (£'s.)					Floating Debt.					Note Circulation.					Bank of England.					Joint-Stock Banks.			
	Collections of E.P.D.					Ways and Means Advances.					Bank of England (Less Notes held in Currency Reserve).					Currency Notes.					Ratio of Reserve to Liabilities.			
	Quarterly Totals.					Average Weekly Figures.					Average Weekly Figures.					Monthly Averages.					Weekly Figures.			
	(Million £'s.)	(Million £'s.)	(Million £'s.)	(Million £'s.)	(Million £'s.)	(Million £'s.)	(Million £'s.)	(Million £'s.)	(Million £'s.)	(Million £'s.)	(Million £'s.)	(Million £'s.)	(Million £'s.)	(Million £'s.)	(Million £'s.)	(Million £'s.)	(Million £'s.)	(Million £'s.)	(Million £'s.)	(Million £'s.)	(Million £'s.)	(Million £'s.)	(Million £'s.)	(Million £'s.)
1913-June...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Dec...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
1918-Dec...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
1919-March...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
June...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Sept...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Dec...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
1920-March...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
June...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Sept...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Dec...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
1921-Jan...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Feb...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Mar...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Apr...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
May...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
June...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
July...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Aug...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Sept...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Oct...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Nov...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Dec...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
1922-Jan...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Feb...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Mar...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Apr...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
May...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
June...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
July...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Aug...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Sept...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Oct...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Nov...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Dec...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
1923-Jan...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Feb...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Mar...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

* Nine English clearing banks.
† Four quarters of financial year 1913-14 respectively.
‡ From 1921, 9 clearing banks and National Bank figures included.
§ Totals for quarter ended June and December respectively.
|| Last quarter of 1918.
Total March 31.

JOINT-STOCK BANKS OF SCOTLAND.

Year.	Bank.	No. of Branches.	Capital and Reserves.	% of Liabilities.	Deposits.	% of Liabilities.	Notes.	% of Liabilities.	Total Liabilities.	Cash in Hand and Money at Call.	% of Liabilities.	Investments.	% of Liabilities.	Discounts and Advances.	% of Liabilities.
1890..	10	975	14,755,000	12.6	31,610,000	77.9	6,468,000	5.5	117,874,000	21,427,000	18.2	29,349,000	24.9	60,103,000	51.4
1895..	10	1,018	15,090,000	12.3	34,592,000	77.8	7,264,000	5.9	122,525,000	22,795,000	18.6	30,770,000	25.3	62,241,000	51.1
1900..	10	1,075	16,217,000	11.8	107,154,000	77.9	8,056,000	5.9	137,438,000	26,438,000	19.2	38,401,000	24.3	70,395,000	51.2
1905..	11	1,159	17,246,000	13.0	100,643,000	76.1	7,545,000	5.7	132,261,000	23,937,000	19.1	31,396,000	23.7	68,714,000	51.9
1906..	11	1,176	17,389,000	12.6	105,232,000	76.5	7,569,000	5.5	137,556,000	26,107,000	19.0	31,195,000	22.8	71,203,000	52.0
1907..	10	1,155	17,069,000	12.1	108,723,000	77.2	7,411,000	5.3	141,054,000	26,973,000	19.0	31,954,000	22.6	73,023,000	51.9
1908..	10	1,178	17,280,000	12.5	105,787,000	76.5	7,162,000	5.2	137,562,000	25,695,000	18.7	33,456,000	24.2	69,478,000	50.3
1909..	9	1,185	17,472,000	12.5	106,736,000	77.5	7,192,000	5.2	139,246,000	25,749,000	18.6	34,479,000	24.7	69,411,000	49.9
1910..	9	1,221	17,559,000	12.7	106,652,000	77.5	7,126,000	5.2	137,850,000	25,604,000	18.6	33,322,000	24.2	70,661,000	51.5
1911..	9	1,225	17,670,000	12.2	112,309,000	77.5	7,331,000	5.0	145,043,000	30,129,000	20.8	33,944,000	23.4	71,559,000	49.5
1912..	9	1,235	17,350,000	11.3	118,795,000	77.6	7,551,000	5.0	153,328,000	33,882,000	22.1	36,617,000	23.9	72,437,000	47.3
1913..	9	1,240	17,396,000	10.8	125,887,000	78.8	7,744,000	4.8	159,803,000	33,361,000	21.3	38,049,000	23.5	77,764,000	48.7
1914..	9	1,253	16,684,000	10.0	132,504,000	79.0	9,502,000	5.7	167,841,000	34,598,000	20.6	44,815,000	26.8	78,363,700	46.7
1915..	9	1,251	16,205,000	9.1	140,569,000	82.0	12,555,000	7.1	177,004,000	36,730,000	20.7	67,019,000	37.9	64,621,000	36.5
1916..	8	1,243	15,631,000	7.5	166,620,000	80.2	15,461,000	7.5	207,876,000	42,026,000	20.3	69,693,000	33.5	85,186,000	41.1
1917..	8	1,242	16,064,000	6.7	196,538,000	81.7	19,023,000	7.9	240,550,000	47,788,000	19.9	71,584,000	29.6	112,159,000	46.5
1918..	8	1,249	16,577,000	6.6	232,055,000	81.1	25,141,000	9.2	273,658,000	57,250,000	20.9	93,889,000	34.3	118,961,000	41.6
1919..	8	1,264	17,009,000	5.3	259,610,000	81.2	28,032,000	8.8	318,754,000	65,556,000	20.6	111,985,000	35.0	129,362,000	40.6
1920..	8	1,283	17,911,000	5.3	279,228,000	82.1	29,363,000	8.7	339,167,000	72,974,000	21.5	102,968,000	30.1	153,122,000	45.0
1921..	8	1,308	18,521,000	5.4	291,060,000	84.6	25,188,000	7.3	344,974,000	76,232,000	21.0	114,531,000	32.2	150,850,000	43.9
1922..	8	1,428	19,781,000	6.1	267,791,000	83.2	23,221,000	7.3	321,781,000	68,814,000	19.8	126,025,000	39.2	132,366,000	38.1
1923..	8	1,467	20,468,000	6.8	247,226,600	82.5	22,106,300	7.4	299,339,100	64,015,300	21.4	112,187,800	37.5	114,277,800	38.1

JOINT-STOCK BANKS OF IRELAND.

Year.	Bank.	No. of Branches.	Capital and Reserves.	% of Liabilities.	Deposits.	% of Liabilities.	Notes.	% of Liabilities.	Total Liabilities.	Cash in Hand and Money at Call & Short Notice.	% of Liabilities.	Investments.	% of Liabilities.	Discounts and Advances.	% of Liabilities.
			£		£		£		£	£		£		£	
1890..	9	456	10,374,000	18.5	38,531,000	68.8	6,642,000	11.8	56,132,000	9,086,000	16.1	17,144,000	32.2	28,791,000	51.0
1895..	9	496	10,300,000	16.5	44,390,000	72.0	6,143,000	9.9	61,663,000	11,253,000	18.3	17,984,000	29.1	81,192,000	50.5
1900..	9	543	10,694,000	16.0	49,449,000	72.8	6,708,000	9.9	67,988,000	11,697,000	17.2	17,719,000	26.1	87,464,000	55.0
1905..	9	627	11,320,000	15.7	53,556,000	74.4	5,966,000	8.8	71,967,000	10,396,000	14.4	18,961,000	26.8	11,568,000	57.7
1906..	9	631	11,359,000	15.4	54,697,000	74.1	6,379,000	8.7	73,707,000	11,182,000	15.2	19,362,000	26.1	42,097,000	57.1
1907..	9	689	11,301,000	14.8	57,497,000	75.0	6,583,000	8.6	76,527,000	11,528,000	15.1	19,666,000	25.6	44,236,000	57.8
1908..	9	613	11,872,000	14.6	59,253,000	76.1	6,449,000	8.2	78,040,000	12,217,000	14.4	21,008,000	27.1	43,679,000	56.0
1909..	9	665	11,432,000	14.4	60,463,000	76.1	6,628,000	8.4	79,497,000	13,094,000	16.5	23,123,000	29.2	42,160,000	53.0
1910..	9	663	11,475,000	13.9	62,508,000	76.0	7,211,000	8.8	82,150,000	13,762,000	16.7	23,315,000	28.2	44,127,000	53.7
1911..	9	679	11,443,000	13.4	65,465,000	77.0	7,068,000	8.3	85,014,000	14,516,000	17.0	24,362,000	28.6	44,991,000	52.7
1912..	9	683	11,164,000	12.9	66,901,000	77.1	7,228,000	8.4	86,363,000	14,030,000	16.3	24,026,000	27.8	47,161,000	54.7
1913..	9	710	11,095,000	12.2	70,657,000	77.9	8,074,000	8.9	90,905,000	17,139,000	19.0	23,935,000	26.8	48,600,000	53.5
1914..	9	693	11,208,000	11.5	74,501,000	76.3	10,918,000	11.2	97,809,000	22,382,000	22.9	25,970,000	26.6	43,149,000	49.9
1915..	9	708	11,013,000	10.5	77,722,000	74.0	16,000,000	14.3	104,799,000	23,313,000	22.2	35,330,000	33.6	44,706,000	42.6
1916..	9	708	10,844,000	9.4	89,746,000	72.8	19,112,000	16.6	115,205,000	32,561,000	28.3	38,148,000	33.2	42,972,000	37.2
1917..	9	778	11,362,000	9.4	99,310,000	73.8	22,336,000	16.6	134,515,000	40,088,000	29.8	42,113,000	31.4	50,622,000	37.5
1918..	9	848	11,837,000	6.7	131,610,000	74.9	30,896,000	17.6	175,739,000	56,813,000	31.8	65,307,000	37.2	51,993,000	29.6
1919..	9	869	12,532,000	6.1	166,331,000	79.2	29,054,000	13.9	209,632,000	55,090,000	26.3	77,242,000	37.0	76,303,000	36.0
1920..	9	912	12,899,000	5.4	200,441,000	83.2	24,717,000	10.8	240,391,000	46,698,000	19.4	80,969,000	33.6	109,623,000	45.6
1921..	9	947	13,154,000	5.3	212,860,000	86.1	19,052,000	7.7	246,881,000	42,887,000	17.4	81,670,000	33.0	119,275,000	44.1
1922..	9	986	13,779,000	5.7	209,777,000	86.0	17,321,000	7.1	242,199,000	31,884,000	13.1	103,019,000	42.5	104,554,000	43.1
1923..	8*	267	3,350,000	5.1	56,688,000	86.4	4,989,000	7.6	65,596,000	8,173,500	12.5	23,291,500	35.4	33,572,000	51.2
1923..	8*	248	3,750,000	6.1	51,962,000	84.7	5,016,000	8.2	61,339,000	6,857,000	11.2	21,268,000	34.7	32,450,000	52.9

ENGLISH JOINT STOCK BANKS.

1 Name of Bank.	2 Date.	3 No. Branches & sub-branches.	4 Capital Subscribed.	5 Uncalled Capital. Callible. Reserved.	6 Capital Paid up.	7 Reserve Funds.	8 Un- divided Profits.	9 Notes in Circulation.	10 Drafts, &c.	11 Acceptances and Endorsements.
1 Bank of Liverpool & Martins	Dec 31	355	£ 18,791,120	£ 5,167,558	£ 11,274,672	£ 2,348,890	£ 1,600,000	£ 326,095	£ ..	£ 7,852,472
2 Barclays Bank	Dec 31	1741	£ 11,760,811	£ Nil	£ Nil	£ 15,592,372	£ 8,250,000	£ ..	£ ..	£ 7,677,888
3 Baring Bros. and Co.	Dec 31	1	£ 1,025,000	£ Nil	£ Nil	£ 1,025,000	£ 1,000,000	£ 14,080	£ ..	£ 5,276,495
4 British Mutual Banking Co.	Dec 31	None	£ 200,000	£ 129,397	£ Nil	£ 70,603	£ 60,000	£ 7,623	£ ..	£ ..
5 Coutts and Co.	Dec 31	2	£ 800,000	£ unlimited	£ ..	£ 800,000	£ 800,000	£ ..	£ ..	£ 62,997
6 District Bank	Dec 31	351	£ 9,480,000	£ 1,264,000	£ 6,320,000	£ 1,896,000	£ 1,650,000	£ 522,640	£ ..	£ 3,136,927
7 Equitable Bank	Dec 31	9	£ 205,000	£ 105,000	£ Nil	£ 100,000	£ 150,000	£ 13,264	£ ..	£ 20,706
8 Glyn, Mills, Currie, Holt & Co.	Dec 31	2	£ 1,060,000	£ Nil	£ Nil	£ 1,060,000	£ 530,000	£ ..	£ ..	£ 1,742,274
9 Guernsey Banking Co.	Dec 31	1	£ 250,000	£ 75,000	£ 125,000	£ 50,000	£ 101,263	£ 23,310	£ 49,564	£ ..
10 Isle of Man Banking Co.	Dec 31	7	£ 150,000	£ 20,000	£ 100,000	£ 30,000	£ 84,000	£ 8,463	£ 83,869	£ 5,639
11 Lancashire & Yorkshire Bank	Dec 31	139	£ 2,013,120	£ 1,006,560	£ Nil	£ 1,006,560	£ 1,006,560	£ 234,679	(d) 17,960	£ 122,478
12 Lloyds Bank	Dec 31	1,643	£ 71,864,780	£ 3,593,839	£ 53,898,585	£ 14,372,956	£ 10,000,000	£ 143,217	£ ..	£ 19,176,523
13 London & Liverpool Bank of Commerce	Dec 31	None	£ 1,314,745	£ 525,300	£ Nil	£ 789,545	£ ..	£ 94,576	£ ..	£ 1,806,877
14 Manchester & County Bank	Dec 31	160	£ 5,460,200	£ 873,010	£ 4,095,150	£ 1,092,040	£ 1,000,000	£ 190,939	£ ..	£ 611,229
15 Midland	Dec 31	1,743	£ 38,117,103	£ 7,174,633	£ 20,083,552	£ 10,860,853	£ 10,860,853	£ 155,461	£ ..	£ 86,552,607
16 National Provincial	Dec 31	682	£ 43,447,080	£ 5,339,611	£ 28,298,053	£ 3,309,416	£ 9,000,000	£ 933,755	£ ..	£ 10,708,228
17 Union Bank of Manchester	Dec 31	162	£ 1,500,000	£ 750,000	£ Nil	£ 750,000	£ 675,000	£ 18,980	£ ..	£ 1,539,752
18 Westminster	Dec 31	901	£ 29,716,688	£ 7,070,990	£ 14,141,980	£ 9,603,718	£ 9,003,718	£ 121,009	(d) 13,988	£ 12,099,401
19 Williams, Deacon's Bank	Dec 31	170	£ 8,125,600	£ 1,562,500	£ 4,687,500	£ 1,875,000	£ 1,200,000	£ 165,480	£ ..	£ 3,104,070
Totals	..	8,075	£ 249,112,208	£ 34,554,763	£ 143,024,422	£ 72,032,933	£ 56,971,399	£ 668,084	£ 165,376	£ 111,490,424

(d) In Isle of Man.

SCOTTISH BANKS.

1	2	3	4	5	6	7	8	9	10	11
Name of Bank.	Date.	No. Branches & sub-branches.	Capital Subscribed.	Uncalled Capital. Callible. Reserved.	Capital Paid up.	Reserve Funds.	Un-divided Profits.	Notes in Circulation.	Drafts, &c.	Acceptances and Endorsements.
1 Bank of Scotland	Feb 29	180	£ 1,987,500	£ 662,500	£ Nil	£ 1,325,000	£ 925,000	£ 184,299	£ 3,905,893	£ 642,668
2 British Linen Bank	Jan 15	152	£ 1,250,000	£ Nil	£ Nil	£ 1,250,000	£ 1,550,000	£ 133,957	£ 2,704,165	£ 391,416
3 Clydesdale Bank	Dec 31	185	£ 5,000,000	£ Nil	£ 4,000,000	£ 1,000,000	£ 1,400,000	£ 233,398	£ 2,846,881	£ 418,148
4 Commercial Bank of Scotland	Oct 31	288	£ 5,000,000	£ 1,750,000	£ 2,000,000	£ 1,750,000	£ 1,700,000	£ 153,095	£ 3,242,556	£ 684,082
5 National Bank of Scotland	Nov 1	134	£ 5,000,000	£ 900,000	£ 3,000,000	£ 1,100,000	£ 1,250,000	£ 200,490	£ 2,476,488	£ 67,034
6 North of Scotland	Sep 29	153	£ 2,260,000	£ 652,000	£ 1,568,000	£ 682,000	£ 750,000	£ 258,676	£ 2,137,550	£ 230,976
7 Royal Bank of Scotland	Oct 13	198	£ 2,000,000	£ Nil	£ Nil	£ 2,000,000	£ 1,565,962	£ 124,000	£ 2,876,175	£ 1,082,552
8 Union Bank of Scotland	Apr 1	172	£ 5,000,000	£ Nil	£ 4,000,000	£ 1,000,000	£ 1,250,000	£ 301,198	£ 2,516,938	£ 147,064
Totals	..	1,467	£ 28,997,500	£ 3,964,500	£ 14,956,000	£ 10,077,000	£ 10,390,962	£ 158,412	£ 22,106,531	£ 3,613,589

NORTHERN IRISH BANKS.

1	2	3	4	5	6	7	8	9	10	11
Name of Bank.	Date.	No. Branches & sub-branches.	Capital Subscribed.	Uncalled Capital. Callible. Reserved.	Capital Paid up.	Reserve Funds.	Un-divided Profits.	Notes in Circulation.	Drafts, &c.	Acceptances and Endorsements.
1 Belfast Banking Co.	Dec 31	48	£ 625,000	£ 195,000	£ 375,000	£ 500,000	£ 700,000	£ 83,373	£ 1,304,996	£ ..
2 Do New	Aug 31	86	£ 1,875,000	£ 375,000	£ 1,250,000	£ 600,000	£ 650,000	£ 50,247	£ 1,597,347	£ ..
3 Northern Banking Co., A. & B. Shares	Nov 30	114	£ 1,750,000	£ 350,000	£ 1,050,000	£ 500,000	£ 800,000	£ 92,555	£ 2,113,502	£ ..
4 Ulster Bank	Nov 30	114	£ 1,250,000	£ 250,000	£ 750,000	£ 500,000	£ 800,000	£ 92,555	£ 2,113,502	£ ..
Totals	..	248	£ 8,500,000	£ 1,600,000	£ 3,300,000	£ 1,600,000	£ 2,150,000	£ 226,175	£ 5,018,847	£ 241,210

PRIVATE BANKS.

1	2	3	4	5	6	7	8	9	10	11
Name of Bank.	Date.	Partners' Capital and Reserve.	Deposit and Current Accounts.	Miscellaneous.	Total Liabilities.	Cash on Hand, &c., and at Call and Short Notice.	Investments and Other Securities.	Advances, Loans, Bills, and Other Securities.	Miscellaneous (Premises, &c.).	Total Assets.
1 Baker, Duncombe & Co.	Mar 31	£ 250,000	£ 10,676,268	£ ..	£ 10,926,268	£ 102,556	£ 1,000,000	£ 9,823,812	£ ..	£ 10,926,268
2 Blydenstein (B. W.) & Co.	Dec 31	£ 625,000	£ 12,607,170	£ 106,926	£ 13,339,096	£ 171,067	£ 234,185	£ 12,906,387	£ 27,517	£ 13,339,096
3 Child & Co.	July 6	£ 591,442	£ 2,717,113	£ ..	£ 3,308,555	£ 676,642	£ 1,188,864	£ 1,359,349	£ 84,200	£ 3,308,555
4 Hoare (Chas.) & Co.	July 6	£ 500,000	£ 3,152,521	£ ..	£ 3,652,521	£ 829,174	£ 1,568,031	£ 1,160,316	£ 100,000	£ 3,652,521
5 S. Japhet & Co.	Dec 31	£ 850,000	£ 4,332,162	£ 245,066	£ 7,652,823	£ 1,407,181	£ 1,173,683	£ 2,505,830	£ 2,546,179	£ 7,652,823
Totals	..	£ 2,816,442	£ 23,485,334	£ 2,557,567	£ 28,859,363	£ 3,185,610	£ 5,159,718	£ 27,756,144	£ 2,757,896	£ 28,859,363

ENGLISH JOINT STOCK BANKS.

11 Miscellaneous Credits, Rebates, Staff Funds, &c.	12 Deposit and Current Accounts.	13 TOTAL LIABILITIES.	14 Cash.		15 Investments.		16 Discounts and Advances.		17 Buildings and Sundries.	18 TOTAL ASSETS.	19 Name of Bank.
			In Hand, and at Bank of England.	At Call and Short Notice.	British Govt. Secs. Where Stated Separately.	Bonds, Stocks, and Other In- vestments.	Discounts Where Stated Separately.	Advances, Loans, &c.			
£	£	£	£	£	£	£	£	£	£	£	
..	64,537,818	76,665,275	10,437,199	4,888,198	8,412,559	1,718,761	3,944,024	37,927,980	9,336,554	76,665,275	Bk. of L'pool.
..	301,549,963	333,069,723	52,773,838	18,654,259	64,725,594	12,935,586	38,623,075	132,520,239	12,837,132	333,069,723	Barclays.
..	16,411,775	23,727,350	7,067,110	..	..	2,861,040	6,584,029	7,088,171	127,000	23,727,350	Barings.
..	526,648	664,879	84,211	..	76,538	82,387	..	418,003	3,740	664,879	Britsh. Mutual
..	16,705,916	18,368,943	2,790,975	1,775,157	3,484,481	706,344	886,509	8,316,100	409,427	18,368,943	Coutts & Co.
..	54,547,553	61,753,120	8,078,025	3,363,390	17,114,029	332,750	4,917,239	24,310,210	3,636,927	61,753,120	District Bank.
..	1,319,432	1,603,402	503,749	..	415,441	42,550	8,230	612,726	20,706	1,603,402	Equitable Bk.
162,834	27,775,514	31,370,622	6,316,665	6,976,500	8,404,430	631,716	891,544	5,862,493	2,187,274	31,270,622	Gin. Mill, Cur.
12,444	610,688	847,269	21,469	..	40,000	464,947	24,057	218,796	8,000	847,269	Guernsey.
..	2,075,317	2,287,288	290,115	..	1,197,490	287,854	..	481,829	30,000	2,287,288	I. of Man Bk.
..	25,925,424	28,313,661	5,651,584	..	..	8,588,494	3,164,786	10,341,819	567,478	28,313,661	Lancs. & York.
..	340,169,551	385,150,207	50,629,775	15,979,470	88,736,313	9,753,369	54,403,792	141,405,774	24,241,714	385,150,207	Lloyds.
..	832,308	3,481,540	84,312	Acquired by British	..	267,901	371,884	601,035	1,851,358	3,481,540	L. Merchant.
28,234	21,560,559	24,454,320	3,050,478	..	5,515,929	423,488	1,010,470	13,443,246	1,011,229	24,454,320	Manch'str & C.
..	360,267,732	420,096,647	69,257,888	16,187,566	40,010,476	5,439,382	58,418,747	188,737,732	42,044,856	420,096,647	Midland.
..	263,786,055	293,737,454	40,806,749	15,872,368	40,027,350	14,161,082	40,843,931	127,074,515	14,350,959	293,737,454	Nat. Provincial.
..	19,591,486	22,575,218	1,607,848	..	2,470,314	183,307	934,667	15,438,330	1,989,752	22,575,218	U. Bk. of Mnech.
990,086	369,502,093	301,063,047	41,616,836	18,872,671	53,958,488	4,609,888	64,654,184	101,302,025	16,048,960	301,063,047	Westminster.
..	34,372,244	40,716,804	6,297,354	3,220,481	5,407,515	903,255	1,840,777	19,243,090	3,304,332	40,716,804	Wms. Deacon.
433,548	182,206,709	206,984,726	307,436,180	106,095,560	339,997,892	64,394,081	23,152,195	835,344,163	135,057,398	206,984,726	Totals.

SCOTTISH BANKS.

..	83,232,600	40,075,998	5,700,699	2,945,971	16,708,763	843,703	3,804,025	9,534,617	a	1,038,250	40,075,998	Bk. of Scotlnd.
..	26,794,343	32,991,848	7,263,232		14,322,053	776,002		9,748,501	a	882,060	32,991,848	British Lin. B.
..	31,319,196	38,084,643	5,878,640	2,706,170	7,084,685	365,262	3,521,568	17,584,299	a	1,469,019	38,084,643	Clydesdale Bk.
..	35,822,541	44,106,029	6,485,545	4,272,764	13,270,792	1,450,000	4,340,518	12,812,436	a	1,478,929	44,106,029	Com. of Scotl.
..	32,914,689	38,413,288	3,666,086	4,092,709	18,914,320	235,871	2,273,470	12,724,135	a	1,608,197	38,413,288	Nat. of Scotlnd.
88,706	20,528,331	24,591,287	3,481,365		12,523,412	2,545,844		4,803,697		231,919	24,591,287	N. of Scot.
..	97,880,619	46,072,914	4,877,840	5,885,828	13,050,421	1,403,258	5,534,937	14,147,894	a	1,173,236	46,072,914	Royal of Scotld.
..	29,934,378	35,073,122	3,777,980	4,187,000	12,318,856	845,108	5,685,233	7,806,918	a	1,052,077	35,073,122	Union of Scotd.
88,706	247,326,597	399,359,079	39,924,837	24,090,442	104,173,272	7,964,548	25,159,746	89,117,547		8,928,687	299,359,079	Totals.

BANK OF ENGLAND.

The Bank of England received its first charter in 1694. Its capital is now £14,553,000, in fully-paid stock, which is a "trustee" security. For each year from 1904 to 1913 the dividend was 9 per cent., paid in equal instalments, free of income-tax, in April and October. From April, 1914, the dividend has been at the rate of 10 per cent. per annum, less income-tax. The price of the stock on April 30, 1924, was 248½, giving a yield of £4 16s 6d per cent. The

authorised note issue against securities is now £19,750,000, having been increased by £1,300,000 in February, 1923, in accordance with an Order in Council. The Government Debt of £11,015,100 forms part of the security. All notes issued in excess of this amount must be covered by an equal amount of gold, except in so far as the Currency and Bank Notes Act, 1914, abrogates the provision of the Bank Act, 1844, in this connection.

Last Return of Year.	Number of Branches.	LIABILITIES.										ASSETS.							
		Capital.		Rest.	Per Cent.	Note Circulation.	Per Cent.	Post Bills.	Per Cent.	Deposits.	Per Cent.	Total Liabilities or Assets.	Coin and Bullion.	Per Cent.	Govt. Securities.	Other Securities in Banking Department.	Per Cent.		
		Per Cent.	Per Cent.																
		£	£			£		£		£		£							
1890	11	14,553,000	176	3,241,083	39	25,114,170	304	178,281	02	39,814,589	479	82,901,123	23,465,834	283	26,256,433	317	33,178,856	40	
1895	11	14,553,000	131	3,111,056	28	26,468,425	238	88,775	01	66,460,839	602	110,682,096	44,960,056	405	31,736,164	287	33,985,875	30	
1900	11	14,553,000	159	3,215,471	35	29,813,280	325	153,097	02	43,797,846	479	91,532,694	28,541,163	31	33,985,875	370	29,029,471	31	
1904	11	14,553,000	146	3,198,909	32	28,204,210	284	70,180	01	53,424,743	537	99,451,042	28,527,272	30	34,059,872	374	29,029,471	31	
1906	11	14,553,000	146	3,273,248	33	29,351,060	295	99,413	01	52,038,005	525	99,514,726	28,520,251	287	31,348,989	343	35,463,958	35	
1906	11	14,553,000	149	3,264,437	34	28,795,255	298	68,544	01	50,336,717	518	97,095,953	29,064,478	300	33,908,516	348	39,535,486	39	
1907	11	14,553,000	151	3,282,961	34	29,514,250	306	81,377	01	49,131,248	508	96,562,826	30,745,846	318	32,782,136	340	34,034,844	34	
1908	11	14,553,000	134	3,132,924	29	29,751,030	273	35,548	..	61,526,865	564	108,999,357	30,739,402	287	33,180,533	305	34,034,844	34	
1909	11	14,553,000	135	3,138,824	29	28,858,325	269	16,601	..	60,992,787	567	107,559,537	30,628,075	304	33,161,788	310	34,034,844	34	
1910	11	14,553,000	142	3,187,804	31	28,610,215	280	24,848	..	55,962,860	547	102,338,727	31,355,545	304	33,161,788	310	34,034,844	34	
1911	11	14,553,000	135	3,173,994	30	29,192,790	271	31,408	..	61,122,628	564	108,073,890	30,438,162	304	33,161,788	310	34,034,844	34	
1912	11	14,553,000	128	3,315,847	29	29,202,555	265	9,551	..	67,119,687	588	114,215,810	31,300,487	274	34,249,568	312	34,034,844	34	
1913	11	14,553,000	123	3,252,192	27	29,607,635	260	13,568	..	71,343,555	600	118,769,950	34,983,149	284	34,249,568	312	34,034,844	34	
1914	10	14,553,000	70	3,283,353	15	36,139,180	173	23,844	..	154,987,891	741	208,987,268	69,483,610	332	35,257,551	159	106,326,107	60	
1915	10	14,553,000	68	3,312,122	15	35,309,255	165	17,882	..	161,649,874	752	214,842,133	51,476,407	240	51,290,016	239	111,076,710	60	
1916	10	14,553,000	61	3,310,501	14	39,675,539	167	21,952	..	178,843,038	758	236,404,026	54,304,915	230	52,537,707	230	105,461,404	45	
1917	10	14,553,000	63	3,301,135	14	45,943,965	200	10,335	..	166,170,777	723	229,979,212	58,337,469	240	76,753,020	334	98,888,723	45	
1918	10	14,553,000	59	3,257,496	12	70,306,330	270	9,551	..	172,679,658	682	260,806,635	79,110,764	304	110,555,744	334	92,140,127	35	
1919	10	14,553,000	47	3,272,195	11	91,349,990	295	12,631	..	199,851,122	847	309,338,938	91,342,155	296	110,918,706	357	106,717,576	34	
1920	10	14,553,000	43	3,339,587	10	132,851,150	390	7,639	..	189,859,334	557	340,610,710	128,267,670	376	126,314,706	376	126,314,706	35	
1921	10	14,553,000	54	3,334,313	12	126,520,245	474	14,362	..	122,589,335	460	267,011,255	128,434,359	481	161,451,987	270	126,314,706	35	
1922	10	14,553,000	52	3,345,073	12	124,877,670	451	16,064	..	133,227,231	485	276,019,038	127,443,007	461	70,417,900	255	126,314,706	35	
1923	10	14,553,000	52	3,279,847	12	128,142,780	461	9,185	..	132,462,063	475	278,446,875	128,019,382	461	69,354,538	251	81,072,961	38	

POSITION OF THE BANK OF ENGLAND FROM APRIL 25, 1923, TO APRIL 23, 1924.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.	Bank Rate.	Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.	Bank Rate.
1923.	£	£	£	£	£	%	%	1923.	£	£	£	£	£	%	%
April 25.	137,519,323	122,779,225	122,847,175	115,810,893	24,490,098	19	5	Nov. 7.	127,674,137	124,792,730	119,280,633	114,323,778	22,631,407	19	5
May 9.	127,520,900	124,121,570	120,870,439	115,488,728	23,079,330	19	5	Nov. 14.	127,674,137	124,861,955	119,400,769	114,538,379	22,562,809	19	5
16.	127,520,900	123,476,495	122,383,567	116,357,526	23,738,509	19	5	21.	127,686,026	124,204,155	120,689,517	115,187,994	23,231,871	19	5
23.	127,520,900	123,476,495	122,383,567	116,357,526	23,738,509	19	5	28.	127,766,135	124,861,955	120,689,517	115,187,994	23,231,871	19	5
30.	127,520,900	123,476,495	122,383,567	116,357,526	23,738,509	19	5	Dec. 5.	127,766,135	124,861,955	120,689,517	115,187,994	23,231,871	19	5
June 6.	127,520,900	123,476,495	122,383,567	116,357,526	23,738,509	19	5	12.	127,873,430	126,111,790	124,710,819	116,170,119	22,503,077	18	5
13.	127,520,900	123,476,495	122,383,567	116,357,526	23,738,509	19	5	19.	128,019,382	128,185,170	125,065,402	123,328,638	21,498,935	15	5
20.	127,520,900	123,476,495	122,383,567	116,357,526	23,738,509	19	5	26.	128,019,382	128,185,170	125,065,402	123,328,638	21,498,935	15	5
July 4.	127,624,465	126,976,730	143,242,534	140,759,097	20,397,735	14	4	1924.							
11.	127,624,465	126,976,730	143,242,534	140,759,097	20,397,735	14	4	Jan. 2.	128,068,002	127,590,765	163,697,890	161,228,182	20,287,337	13	5
18.	127,624,465	126,976,730	143,242,534	140,759,097	20,397,735	14	4	9.	128,068,002	126,276,215	163,697,890	161,228,182	20,287,337	13	5
25.	127,624,465	126,976,730	143,242,534	140,759,097	20,397,735	14	4	16.	128,071,266	125,197,945	123,239,570	118,581,144	22,663,311	18	5
Aug. 1.	127,640,838	126,976,730	143,242,534	140,759,097	20,397,735	14	4	23.	128,071,266	125,197,945	123,239,570	118,581,144	22,663,311	18	5
8.	127,640,838	126,976,730	143,242,534	140,759,097	20,397,735	14	4	30.	128,071,266	125,197,945	123,239,570	118,581,144	22,663,311	18	5
15.	127,640,838	126,976,730	143,242,534	140,759,097	20,397,735	14	4	Feb. 6.	128,071,266	125,197,945	123,239,570	118,581,144	22,663,311	18	5
22.	127,640,838	126,976,730	143,242,534	140,759,097	20,397,735	14	4	13.	128,071,266	125,197,945	123,239,570	118,581,144	22,663,311	18	5
Sept. 5.	127,640,838	126,976,730	143,242,534	140,759,097	20,397,735	14	4	20.	128,071,266	125,197,945	123,239,570	118,581,144	22,663,311	18	5
12.	127,640,838	126,976,730	143,242,534	140,759,097	20,397,735	14	4	27.	128,071,266	125,197,945	123,239,570	118,581,144	22,663,311	18	5
19.	127,640,838	126,976,730	143,242,534	140,759,097	20,397,735	14	4	Mar. 6.	128,071,266	125,197,945	123,239,570	118,581,144	22,663,311	18	5
26.	127,640,838	126,976,730	143,242,534	140,759,097	20,397,735	14	4	13.	128,071,266	125,197,945	123,239,570	118,581,144	22,663,311	18	5
Oct. 3.	127,640,838	126,976,730	143,242,534	140,759,097	20,397,735	14	4	20.	128,071,266	125,197,945	123,239,570	118,581,144	22,663,311	18	5
10.	127,640,838	126,976,730	143,242,534	140,759,097	20,397,735	14	4	27.	128,071,266	125,197,945	123,239,570	118,581,144	22,663,311	18	5
17.	127,640,838	126,976,730	143,242,534	140,759,097	20,397,735	14	4	Apr. 2.	128,071,266	125,197,945	123,239,570	118,581,144	22,663,311	18	5
24.	127,640,838	126,976,730	143,242,534	140,759,097	20,397,735	14	4	9.	128,071,266	125,197,945	123,239,570	118,581,144	22,663,311	18	5

BANK RATE SINCE 1848.

Year.	No. of Changes.	Highest.	Lowest.	Average.	Year.	No. of Changes.	Highest.	Lowest.	Average.	Year.	No. of Changes.	Highest.	Lowest.	Average.
1848	3	5	3	4.5	1867	3	3	2	2.5	1886	7	7	6	6.5
1849	1	1	1	1	1868	3	3	2	2.5	1887	7	7	6	6.5
1850	3	3	2	2.5	1869	7	4	2	2.5	1888	7	9	6	6.5
1851	3	3	2	2.5	1870	10	7	2	2.5	1889	7	9	6	6.5
1852	3	3	2	2.5	1871	7	7	2	2.5	1890	11	11	6	6.5
1853	3	3	2	2.5	1872	7	7	2	2.5	1891	12	12	6	6.5
1854	3	3	2	2.5	1873	9	9	2	2.5	1892	12	12	6	6.5
1855	3	3	2	2.5	1874	13	13	2	2.5	1893	12	12	6	6.5
1856	3	3	2	2.5	1875	12	12	2	2.5	1894	3	3	2	2.5
1857	3	3	2	2.5	1876	5	5	2	2.5	1895	3	3	2	2.5
1858	3	3	2	2.5	1877	7	7	2	2.5	1896	6	6	4	4
1859	3	3	2	2.5	1878	10	10	2	2.5	1897	6	6	4	4
1860	3	3	2	2.5	1879	5	5	2	2.5	1898	6	6	4	4
1861	3	3	2	2.5	1880	5	5	2	2.5	1899	6	6	4	4
1862	3	3	2	2.5	1881	5	5	2	2.5	1900	6	6	4	4
1863	3	3	2	2.5	1882	6	6	2	2.5	1901	6	6	4	4
1864	3	3	2	2.5	1883	6	6	2	2.5	1902	3	3	2	2.5
1865	3	3	2	2.5	1884	6	6	2	2.5	1903	3	3	2	2.5
1866	3	3	2	2.5	1885	7	7	2	2.5	1904	3	3	2	2.5
1867	3	3	2	2.5										
1868	3	3	2	2.5										
1869	3	3	2	2.5										
1870	3	3	2	2.5										
1871	3	3	2	2.5										
1872	3	3	2	2.5										
1873	3	3	2	2.5										
1874	3	3	2	2.5										
1875	3	3	2	2.5										
1876	3	3	2	2.5										
1877	3	3	2	2.5										
1878	3	3	2	2.5										
1879	3	3	2	2.5										
1880	3	3	2	2.5										
1881	3	3	2	2.5										
1882	3	3	2	2.5										
1883	3	3	2	2.5										
1884	3	3	2	2.5										
1885	3	3	2	2.5										
1886	3	3	2	2.5										
1887	3	3	2	2.5										
1888	3	3	2	2.5										
1889	3	3	2	2.5										
1890	3	3	2	2.5										
1891	3	3	2	2.5										
1892	3	3	2	2.5										
1893	3	3	2	2.5										
1894	3	3	2	2.5										
1895	3	3	2	2.5										
1896	3	3	2	2.5										
1897	3	3	2	2.5										
1898	3	3	2	2.5										
1899	3	3	2	2.5										
1900	3	3	2	2.5										
1901	3	3	2	2.5										
1902	3	3	2	2.5										
1903	3	3	2	2.5										
1904	3	3	2	2.5										
1905	3	3	2	2.5										
1906	3	3	2	2.5										
1907	3	3	2	2.5										
1908	3	3	2	2.5										
1909	3	3	2	2.5										
1910	3	3	2	2.5										
1911	3	3	2	2.5										
1912	3	3	2	2.5										
1913	3	3	2	2.5										
1914	3	3	2	2.5										
1915	3	3	2	2.5										
1916	3	3	2	2.5										
1917	3	3	2	2.5										
1918	3	3	2	2.5										
1919	3	3	2	2.5										
1920	3	3	2	2.5										
1921	3	3	2	2.5										
1922	3	3	2	2.5										
1923	3	3	2	2.5										

BARING BROTHERS AND CO., LIMITED.

ESTABLISHED 1890.

Year Ended Dec. 31.	Number of Branches.	CAPITAL.										ASSETS.													
		Subscribed.					Paid-up.					Callable.					Reserved.								
						£						£					£						£		
					Ordinary	25,000		25,000		Nil.		Nil.		Nil.		Nil.		Nil.		Nil.		Nil.		Nil.	
					5% Pref.	500,000		500,000		Nil.		Nil.		Nil.		Nil.		Nil.		Nil.		Nil.		Nil.	
					6% 2nd Pref.	500,000		500,000		Nil.		Nil.		Nil.		Nil.		Nil.		Nil.		Nil.		Nil.	
LIABILITIES.																									
Year Ended Dec. 31.	Number of Branches.	LIABILITIES.										ASSETS.													
		Capital and Reserves.	Per Cent.	Balance Carried Forward.	Per Cent.	Acceptances.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand, at Call and Short Notice.	Per Cent.	Investments.	Per Cent.	Bills Receivable.	Per Cent.	Advances to Customers on Acceptance.	Per Cent.	Premises.	Per Cent.					
1896....	1	1,125,000	130	75,191	0.9	4,912,729	56.7	2,554,091	29.4	£ 8,667,011	1,318,993	15.2	902,854	10.4	2,394,975	27.6	3,923,189	45.3	£ 127,000	1.5					
1900....	1	1,125,000	11.7	83,454	1.0	4,532,186	47.3	3,826,175	40.0	9,566,815	2,294,171	24.0	1,428,737	15.0	1,477,840	15.4	4,239,067	44.3	127,000	1.3					
1905....	1	1,125,000	6.9	10,469		7,422,990	45.1	7,899,995	48.0	16,458,377	3,487,999	21.2	2,048,290	12.4	2,276,823	13.8	5,518,265	51.8	127,000	0.8					
1906....	1	1,125,000	5.4	10,911		7,376,446	35.5	12,304,039	59.1	20,816,396	3,354,729	16.1	2,446,107	11.8	4,755,310	22.8	10,135,250	48.7	127,000	0.6					
1907....	1	1,125,000	9.3	11,397		5,391,252	50.1	5,463,709	45.6	11,991,358	2,394,203	20.0	1,584,498	13.2	1,976,696	13.2	5,908,961	54.3	127,000	0.6					
1908....	1	1,125,000	7.9	13,753		6,938,568	48.4	6,258,102	43.7	14,335,425	2,198,214	15.3	1,674,624	11.7	3,023,709	21.0	7,311,878	51.0	127,000	1.0					
1909....	1	1,125,000	7.0	11,348		7,771,614	48.2	7,213,705	44.8	16,121,665	3,255,771	20.2	1,445,907	7.0	3,827,996	24.0	7,764,991	48.1	127,000	0.7					
1910....	1	1,125,000	4.4	12,481		7,498,544	42.1	9,177,763	51.5	17,813,788	2,728,345	15.3	2,370,125	13.3	4,722,962	26.5	7,865,366	44.2	127,000	0.8					
1911....	1	1,125,000	6.9	11,322	0.1	6,049,830	37.1	9,096,558	55.9	16,282,620	3,077,722	18.9	2,470,642	15.2	3,388,793	20.8	7,218,433	44.3	127,000	0.8					
1912....	1	1,125,000	6.9	12,356	0.1	6,584,794	40.9	8,693,647	53.0	16,415,797	2,968,915	18.0	1,464,994	8.9	3,928,225	23.8	7,926,663	48.5	127,000	0.8					
1913....	1	1,125,000	7.1	11,121	0.1	6,636,589	42.0	8,042,292	50.8	15,815,002	3,029,015	19.1	1,503,519	9.5	1,909,829	12.4	4,846,639	30.8	127,000	0.8					
1914....	1	1,125,000	6.9	12,332	0.1	3,723,682	22.9	11,377,869	70.1	16,238,783	3,778,471	23.3	1,489,299	9.2	1,489,299	9.2	4,246,639	26.1	127,000	0.8					
1915....	1	1,125,000	4.9	11,009		6,781,991	29.1	15,275,245	66.0	23,193,245	4,306,533	18.6	1,692,023	7.3	8,095,535	34.8	17,592,463	75.4	127,000	0.8					
1916....	1	1,125,000	4.8	11,110	0.1	4,613,591	19.8	17,602,610	75.3	23,353,311	7,611,963	32.6	1,651,942	7.1	7,031,403	30.4	6,931,003	29.8	127,000	0.5					
1917....	1	1,125,000	4.0	12,399		5,939,554	21.2	20,934,869	74.8	28,011,822	5,587,500	19.9	1,656,991	5.9	12,291,060	43.9	8,449,321	29.8	127,000	0.5					
1918....	1	1,125,000	4.8	12,658	0.1	3,064,047	13.0	19,945,222	82.1	23,446,957	5,385,994	22.9	1,607,306	6.9	11,517,959	48.3	5,008,698	21.4	127,000	0.5					
1919....	1	1,125,000	2.9	13,923	0.1	11,257,865	29.0	26,304,836	68.0	38,701,624	9,865,385	18.0	2,011,257	5.2	15,661,723	40.6	13,916,255	36.1	127,000	0.3					
1920....	1	2,025,000	8.3	13,360	0.1	3,731,786	15.4	18,500,885	76.2	24,271,031	6,639,984	27.3	830,431	3.4	10,468,677	43.0	9,963,039	33.7	127,000	0.4					
1921....	1	2,025,000	6.8	13,836		8,101,960	27.2	19,624,855	66.0	29,765,651	6,572,061	22.0	984,079	3.3	12,119,467	40.6	9,963,039	33.7	127,000	0.4					
1922....	1	2,025,000	7.5	13,766	0.1	6,642,222	24.6	18,255,809	67.8	26,336,797	7,046,782	26.2	2,007,210	7.5	9,793,788	36.3	7,962,017	29.6	127,000	0.4					
1923....	1	2,025,000	8.5	14,080	0.1	5,276,495	22.2	16,411,775	69.2	23,727,350	7,067,111	29.8	2,861,040	12.1	6,584,029	27.7	7,088,171	29.9	127,000	0.5					

BRITISH MUTUAL BANKING COMPANY, LIMITED.

ESTABLISHED 1857.

Subscribed.	Paid-up.	Callab.	Reserv.	Year Ended Dec. 31.	Net Profits.	Per Cent. of Resources.	Dividends.	Rate.	Reserve, Investments, &c.	Carried Forward.
£	£	£	£	1910	5,584	0.75	3,600	6.6	2,000	2,194
200,000	70,603	129,397	Nil.	1911	4,568	0.66	3,600	6.6	2,000	1,162
				1912	5,328	0.68	3,600	6.6	1,000	1,889
				1913	4,704	0.65	3,600	6.6	1,000	1,994
				1914	5,535	0.75	3,600	6.6	2,500	1,428
				1915	5,523	0.82	3,600	6.6	1,000	1,351
				1916	4,438	0.69	3,600	6.6	1,000	1,189
				1917	5,623	0.90	3,600	6.6	1,500	1,712
				1918	5,178	0.76	3,600	6.6	1,500	1,790
				1919	6,654	0.99	5,400	9.0	1,500	1,544
				1920	7,353	1.09	6,000	10.0	2,000	1,497
				1921	8,141	1.22	6,000	10.0	2,000	1,639
				1922	9,317	1.37	6,000	10.0	3,000	1,956
				1923	10,172	1.53	6,000	10.0	4,500	1,628

* Free of income-tax.

DISTRICT BANK LIMITED.

ESTABLISHED 1829.

1863—Business of Lloyd, Entwisle, Bury, and Jervis, of King street, Manchester, acquired.
 1891—Business of Wm. John and Thos. Brocklehurst, Macclesfield, taken over.
 1907—Amalgamation with Lancaster Banking Co., Limited.
 1916—Absorbed Bank of Whitehaven, Limited.
 1924—Title shortened from Manchester and Liverpool District Banking Company Limited, to above.

Subscribed.	Paid-up.	Callab.	Reserv.	Market Value.	Year Ended Dec. 31.	Net Profits.	Per Cent. of Resources.	Dividends.	Rate.	Reserve, &c.	Carried Forward.
£	£	£	£	£	1910	374,793	1.30	331,800	1.7	90,000	10,987
					1911	374,524	1.28	331,800	1.7	25,000	28,711
					1912	380,920	1.17	331,800	1.7	35,000	42,431
					1913	378,435	1.12	331,800	1.7	40,000	49,465
					1914	370,547	1.12	331,800	1.7	20,000	65,672
					1915	380,804	0.96	331,800	1.7		114,676
					1916	403,896	0.88	331,800	1.7		102,140
					1917	419,574	0.94	331,800	1.7		139,814
					1918	468,835	0.86	331,800	1.7		136,389
					1919	510,878	0.86	331,800	1.7		264,152
					1920	561,783	0.80	347,600	1.8		236,406
					1921	539,275	0.75	347,600	1.8		267,833
					1922	465,245	0.69	347,600	1.8		346,840
					1923	428,608	0.69	347,600	1.8		

* Free of income-tax. † Free from income-tax at June.

Continued on page 19.

DISTRICT BANK LIMITED—Continued from page 18.

Year Ended Dec. 31.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Res- erves.	Per Cent.	Un- divided Profits.	Per Cent.	Accept- ances.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Cash in Hand and at Bank.	Per Cent.		Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Bills of Ex- change, Less Rebate.	Per Cent.	Ad- vances.	Per Cent.	Buildings & Sundries including Cover for Acceptances.	Per Cent.
1890 . .	68	2,015,000	13.2	109,898	0.8	341,108	2.2	12,691,257	83.8	15,157,263	908,907	6.0	1,888,254	12.4	1,478,430	9.7	..	..	*10,581,314	69.9	300,358	2.0
1895 . .	78	2,060,000	11.6	116,892	0.7	377,808	5.5	14,599,590	82.2	17,754,290	1,843,882	10.4	1,765,262	9.9	2,052,249	11.6	..	..	*10,848,114	61.1	1,244,783	7.0
1900 . .	95	2,695,000	12.6	138,713	0.6	1,737,178	8.1	16,815,019	78.7	21,385,910	1,989,219	9.3	1,867,395	8.7	2,760,522	12.9	..	..	12,725,745	59.5	2,043,028	9.6
1905 . .	106	3,325,000	15.8	168,597	0.8	1,679,778	8.0	15,869,253	75.4	21,042,728	1,967,263	9.4	1,813,806	8.6	3,317,974	15.8	3,307,380	15.7	8,656,528	41.1	1,979,778	9.4
1907 . .	179	3,581,000	13.4	217,614	0.8	1,668,486	6.2	21,443,822	79.6	26,910,922	2,509,839	9.4	1,378,220	5.1	4,546,882	16.9	3,740,808	13.9	12,567,088	46.6	2,168,487	8.1
1908 . .	184	3,621,000	13.2	220,644	0.8	1,231,683	4.5	22,278,182	81.5	27,323,509	2,324,618	8.5	2,475,350	9.0	4,216,805	15.4	3,565,516	13.1	13,009,537	47.7	1,731,683	6.3
1909 . .	185	3,621,000	13.1	224,631	0.8	1,361,281	4.9	22,321,490	81.2	27,528,402	2,448,473	8.9	3,187,845	11.5	3,932,892	14.2	2,915,190	10.7	13,194,721	47.9	1,861,281	6.8
1910 . .	197	3,646,000	12.6	177,588	0.6	2,402,032	8.4	22,522,459	79.4	28,748,079	2,718,816	9.4	2,326,115	9.5	3,826,792	13.3	3,589,355	12.5	12,325,050	45.6	2,309,032	10.3
1911 . .	201	3,556,000	12.1	195,679	0.6	2,168,551	7.4	24,239,471	78.9	29,137,057	3,007,057	10.3	3,736,965	11.7	3,676,726	12.6	3,815,613	12.7	13,270,507	46.0	2,309,032	10.3
1912 . .	202	3,576,000	11.2	210,129	0.7	2,950,356	9.3	25,070,078	80.5	30,142,136	3,166,816	10.5	3,741,597	12.2	3,349,349	11.0	5,000,615	14.2	13,220,500	41.6	2,456,356	10.8
1913 . .	208	3,546,000	10.8	215,365	0.7	2,652,116	8.7	27,412,387	82.5	33,191,014	3,601,141	10.8	3,793,922	11.6	4,550,352	13.6	4,762,626	14.4	13,571,141	42.1	2,552,962	7.7
1914 . .	211	3,506,000	10.6	219,065	0.7	2,652,962	8.7	28,586,669	83.2	34,464,711	4,100,476	11.9	2,213,109	6.4	3,939,262	13.1	1,682,944	4.9	13,118,378	38.0	2,510,542	7.3
1915 . .	216	3,536,000	10.9	218,470	0.8	2,001,542	5.8	28,666,699	83.2	34,464,711	4,100,476	11.9	2,213,109	6.4	3,939,262	13.1	1,682,944	4.9	13,118,378	38.0	2,510,542	7.3
1916 . .	217	3,396,000	8.1	268,040	0.6	2,795,954	6.7	35,346,576	84.6	41,806,570	5,325,210	12.8	4,220,939	10.1	9,900,327	23.6	6,646,967	15.9	14,217,274	29.7	2,952,963	7.9
1917 . .	217	3,446,000	7.2	305,814	0.6	3,261,935	8.4	36,492,886	85.4	47,066,635	6,188,994	13.0	3,003,661	6.4	8,944,616	18.8	11,075,009	23.3	14,608,180	30.6	3,761,935	7.7
1918 . .	221	3,446,000	6.9	300,189	0.6	1,567,079	3.2	44,503,513	89.3	59,847,781	7,129,479	14.1	3,564,409	6.4	8,903,719	17.9	10,705,232	20.9	13,412,862	26.8	2,067,070	4.0
1919 . .	231	3,446,000	5.0	308,997	0.5	2,559,016	6.5	44,503,513	89.3	59,847,781	7,129,479	14.1	3,564,409	6.4	8,903,719	17.9	10,705,232	20.9	13,412,862	26.8	2,067,070	4.0
1920 . .	236	3,446,000	4.9	347,959	0.7	1,922,027	2.4	60,037,596	91.6	65,518,567	7,195,514	10.9	3,305,970	5.0	12,722,306	11.0	12,476,005	19.0	13,271,173	50.6	2,069,669	3.9
1921 . .	236	3,446,000	4.9	347,959	0.7	1,922,027	2.4	60,037,596	91.6	65,518,567	7,195,514	10.9	3,305,970	5.0	12,722,306	11.0	12,476,005	19.0	13,271,173	50.6	2,069,669	3.9
1922 . .	343	3,546,000	5.9	410,206	0.6	1,493,834	4.6	62,116,776	91.6	67,566,817	7,912,384	11.7	3,689,940	5.0	12,162,796	18.0	12,918,934	19.1	28,889,379	42.0	1,993,834	3.0
1923 . .	343	3,546,000	5.7	411,634	0.7	1,602,899	2.6	56,549,049	93.0	62,133,592	8,431,014	13.6	5,003,940	8.0	17,475,779	28.1	5,073,270	8.2	24,052,740	38.7	2,102,899	3.4
1923 . .	351	3,546,000	5.7	522,640	0.8	1,316,927	5.1	54,547,553	88.4	61,753,120	8,078,025	13.1	3,363,890	5.4	17,446,779	28.2	4,917,289	8.0	24,010,320	39.4	3,636,927	5.9

GLYN, MILLS, CURRIE, HOLT, AND CO.

FORMED 1753. Incorporated as Unlimited Liability Company, 1885.

1923—Absorbed Holt and Co.—2 Branches.

Members of London Clearing.

Capital Subscribed and Paid-up..... £1,060,000										Number of partners..... 14										
Year Ended Dec. 31.	LIABILITIES.										ASSETS.									
	Capital and Reserve.	Per Cent.	Reduction of Premises of Account.	Per Cent.	Accept- ances.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Discounts Loans and Other Securities.	Per Cent.	Premises, Cover for Accept- ances.	Per Cent.	
	£		£		£		£		£	£		£		£		£		£		
1885*	1,500,000	137	..	..	..	..	9,459,627	86.3	10,959,627	1,313,573	12.0	1,564,000	14.3	2,757,785	25.2	5,224,269	47.6	100,000	0.9	
1891*	1,500,000	97	60,000	0.4	..	..	13,935,988	89.9	15,495,988	1,422,928	9.2	3,010,000	19.5	3,573,937	23.1	7,309,123	47.0	180,000	1.2	
1896*	1,500,000	108	60,000	0.4	..	..	12,325,401	88.8	13,885,401	1,662,741	12.0	2,654,750	19.1	3,172,018	22.8	6,215,892	44.8	180,000	1.3	
1900*	1,500,000	96	60,000	0.4	..	..	13,998,068	90.0	15,558,068	1,663,449	10.7	2,012,000	13.0	3,092,803	19.9	8,609,816	55.2	180,000	1.2	
1906	1,500,000	89	10,000	..	..	..	15,457,875	91.1	16,967,875	2,702,769	16.0	6,062,527	35.7	2,709,402	16.0	5,133,177	30.1	370,000	2.2	
1907	1,500,000	92	20,302	0.1	..	..	14,863,608	90.7	16,363,910	2,312,934	14.2	4,556,144	27.9	2,701,090	16.6	6,443,742	39.0	370,000	2.2	
1908	1,500,000	95	30,950	0.2	..	..	14,247,921	90.3	15,778,871	2,402,012	15.3	3,553,291	22.6	2,656,084	16.9	6,797,484	42.9	370,000	2.3	
1909	1,500,000	89	41,847	0.2	..	..	15,301,097	90.9	16,842,944	2,064,020	12.2	5,251,750	31.0	2,644,879	15.6	6,512,295	39.0	370,000	2.2	
1910	1,500,000	89	53,119	0.3	..	..	15,326,391	90.8	16,879,510	2,685,931	15.9	4,190,800	24.8	4,346,590	25.6	5,286,189	31.5	370,000	2.2	
1911	1,500,000	83	65,158	0.4	..	..	16,590,995	91.3	18,156,153	2,775,805	15.3	4,716,794	26.1	7,730,334	20.6	6,563,220	36.0	370,000	2.0	
1912	1,500,000	80	77,757	0.5	..	..	17,095,208	91.6	18,672,965	2,809,722	15.0	4,012,620	21.5	3,917,605	21.0	7,563,018	40.5	370,000	2.0	
1913	1,500,000	85	90,908	0.5	..	..	16,021,740	91.0	17,612,648	2,600,225	14.7	3,394,330	19.2	2,918,671	16.5	8,399,422	47.5	370,000	2.1	
1914	1,500,000	80	104,745	0.6	..	..	17,194,359	91.4	18,799,104	3,244,374	17.2	4,729,030	25.2	2,849,689	15.1	7,606,011	40.5	370,000	2.0	
1915	1,500,000	71	119,229	0.6	..	..	19,422,903	92.3	21,042,132	4,055,473	19.2	5,023,000	23.9	3,637,722	17.2	7,955,937	37.9	370,000	1.8	
1916	1,500,000	80	123,967	0.7	..	..	17,133,471	91.3	18,617,438	3,181,023	16.9	5,337,200	17.7	5,659,895	30.0	6,269,320	33.4	370,000	2.0	
1917	1,500,000	57	133,102	0.5	..	..	19,992,138	92.5	21,620,468	3,880,343	17.9	6,019,000	27.7	5,621,418	25.9	5,729,707	26.8	370,000	1.7	
1918	1,500,000	57	133,102	0.5	..	..	24,781,965	93.8	26,415,067	4,650,405	17.6	8,120,000	30.8	7,363,751	28.0	5,910,911	22.2	370,000	1.4	
1919	1,500,000	54	137,736	0.5	..	..	26,346,874	94.1	27,984,610	4,800,548	17.2	6,605,000	23.6	10,747,764	38.4	5,461,998	19.5	370,000	1.3	
1920	1,500,000	47	142,456	0.4	..	..	30,559,059	94.9	32,201,515	5,467,410	17.0	6,638,750	20.6	9,986,983	31.0	9,738,372	30.3	370,000	1.1	
1921	1,500,000	49	147,311	0.5	..	..	29,007,506	94.6	30,654,817	6,852,997	22.4	7,199,750	23.5	6,430,246	20.9	9,801,824	32.0	370,000	1.1	
1922	1,500,000	55	152,369	0.6	..	..	25,625,242	93.9	27,277,611	5,655,310	20.7	6,258,500	22.9	8,245,884	30.2	6,744,917	24.8	370,000	1.4	
1923	1,500,000	53	157,387	0.6	..	..	26,435,294	94.1	28,139,686	6,139,686	21.9	7,741,500	27.5	8,671,873	30.9	5,169,622	18.4	370,000	1.3	
1923	1,590,000	51	162,834	0.5	1,742,274	5.6	27,775,514	89.8	31,770,622	6,316,665	20.2	6,976,500	22.3	9,036,146	28.9	6,754,037	21.6	2,187,274	7.0	
Weekly Avg March, 1924	1,590,000	57	166,000	0.6	1,826,000	6.5	24,531,000	87.2	28,113,000	3,506,000	12.4	5,577,000	20.0	8,781,000	31.2	7,978,000	28.4	2,271,000	8.0	

* Jan. 31st.

ISLE OF MAN BANKING COMPANY, LIMITED.

ESTABLISHED 1865. Incorporated in the Isle of Man.

CAPITAL.					Market Value, March 31, 1924.
Subscribed	Paid-up.	Callable.	Reserved.	Value.	
£	£	£	£	£	£137,350
150,000	30,000	20,000	100,000	..	..
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.	Per Share.
£10	£2	£1 6s 8d	£6 13s 4d	£9.5	£9.5
Authorised note issue, £110,000.					

Year Ended Dec. 31.	Number of Branches.	LIABILITIES.										ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Miscellaneous Credits, &c.	Per Cent.	Deposits and Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand and at Bankers.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Prem- ises.	Per Cent.	
1890....	4	70,000	9.8	10,687	1.5	19,645	2.8	4,975	0.7	68,095	85.2	713,402	167,730	23.6	207,223	29.0	334,480	46.8	1,969	0.6	
1895....	5	80,000	8.5	6,326	0.7	16,630	1.8	14,506	1.6	81,912	87.4	935,533	127,652	13.6	507,436	54.2	896,281	31.6	5,564	0.6	
1900....	7	74,000	7.4	6,121	0.8	30,941	3.0	10,465	1.0	82,177	87.7	1,001,304	142,268	14.2	399,292	39.9	439,054	43.8	20,680	2.1	
1905....	7	71,500	7.7	6,665	0.8	28,292	3.0	7,412	0.8	82,178	87.7	935,597	124,819	13.4	329,131	41.9	382,487	40.8	36,560	3.9	
1910....	7	68,000	7.5	3,965	0.5	26,340	2.9	2,814	0.3	80,536	88.8	904,655	123,019	13.6	377,636	41.7	370,425	41.0	33,575	3.7	
1911....	8	68,000	7.3	5,617	0.6	25,179	2.7	2,003	0.2	83,798	89.2	935,597	140,183	15.0	353,474	37.8	408,365	43.8	33,575	3.7	
1912....	8	68,000	7.1	5,379	0.6	25,122	2.6	2,730	0.3	85,678	89.4	958,099	166,845	17.4	346,813	36.2	410,755	42.9	33,575	3.6	
1913....	8	68,000	6.8	4,089	0.4	25,488	2.5	3,554	0.3	89,303	90.0	994,344	176,802	17.5	329,381	33.1	455,386	46.1	33,616	3.6	
1914....	8	68,000	6.8	8,053	0.8	38,049	3.9	3,251	0.3	89,317	88.9	994,127	232,561	23.4	370,374	37.4	358,433	35.9	32,759	3.3	
1915....	8	63,000	6.3	4,250	0.4	57,850	5.6	5,770	0.6	868,037	86.9	998,307	233,658	23.4	359,063	36.0	373,666	37.4	32,500	3.2	
1916....	7	98,500	9.1	4,788	0.4	63,086	5.9	5,969	0.6	903,138	84.0	1,075,471	222,204	20.7	405,706	37.9	414,561	38.4	32,500	3.0	
1917....	7	100,000	8.5	5,143	0.4	68,395	5.8	12,782	1.0	993,390	84.3	1,179,710	206,657	17.5	438,914	37.3	502,639	42.5	31,500	2.7	
1918....	7	108,000	7.2	7,029	0.5	84,174	5.6	23,957	1.5	1,282,912	85.1	1,506,072	283,328	18.8	830,297	55.1	361,447	24.1	31,000	2.1	
1919....	7	118,000	6.1	7,578	0.4	88,643	4.5	17,019	0.9	1,710,778	88.1	1,942,216	335,607	17.2	1,177,041	60.5	399,568	20.8	31,000	2.1	
1920....	7	118,000	5.9	7,555	0.3	90,362	4.0	11,213	0.5	2,038,803	90.0	2,265,943	535,608	23.6	1,267,288	56.0	433,047	19.1	30,000	1.5	
1921....	7	102,000	4.1	7,714	0.4	85,743	3.9	4,850	0.4	2,000,344	91.2	2,192,251	326,065	14.9	1,081,289	49.4	754,897	34.3	30,000	1.3	
1922....	7	102,000	4.3	7,881	0.3	88,299	3.7	4,860	0.2	2,154,463	91.5	2,357,603	302,445	12.8	1,600,125	67.9	425,033	18.0	30,000	1.3	
1923....	7	114,000	5.0	8,463	0.3	83,869	3.7	5,639	0.2	2,075,317	90.8	2,287,288	290,115	12.6	1,485,344	65.1	481,829	21.0	30,000	1.3	

LANCASHIRE AND YORKSHIRE BANK, LIMITED.

ESTABLISHED 1872.

1888—Absorbed Bury Banking Co., Limited.
 1894—Absorbed Preston Union Bank, Limited.
 1899—Absorbed Adelphi Bank, Limited.
 1902—Absorbed West Riding Union Bank, Limited.
 1904—Absorbed Mercantile Bank of Lancashire, Limited.

CAPITAL.					Market Value, March 31, 1924.
Subscribed.	Paid-up.	Callable.	Reserved.	Value.	
£	£	£	£	£	£3,611,000
2,013,190	1,006,560	1,006,560	Nil.	..	..
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.	Per Share.
£26	£10	£10	Nil.	£35	£35

Year Ended Dec. 31.	Net Profits.	PROFITS AND DIVIDENDS.		Reserve, Invest-ments, &c.	Carried Forward.
		Per Cent. of Resources.	Dividends Amount, Rate.		
1910....	149,372	1.29	133,712	15.4	25,000
1911....	162,728	1.32	146,652	17	10,344
1912....	161,944	1.26	146,652	17	11,490
1913....	166,268	1.22	146,652	17	11,712
1914....	153,059	1.09	146,652	17	15,328
1915....	153,416	1.02	138,026	16	21,048
1916....	158,226	0.88	138,026	16	31,438
1917....	191,332	0.96	149,528	17.1	25,000
1918....	203,984	0.77	155,279	18	58,173
1919....	216,410	0.70	191,246	19	86,878
1920....	231,428	0.74	201,312	20	10

LANCASHIRE AND YORKSHIRE BANK, LIMITED—Continued from page 20.

Year Ended Dec. 31.	Number of Branches.	LIABILITIES.										ASSETS.										
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes in the Hand of Man.	Per Cent.	Accept- ances and Endorse- ments.	Per Cent.	Rebate Ac- count.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand and at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Dis- counts and Ad- vances.	Per Cent.	Buildings, Furniture, and Other Tangible Assets.	Per Cent.
1890	34	611,270	16.9	44,241	1.2	..	..	105,000	3.0	3,624	..	2,843,074	78.9	3,607,215	816,729	22.7	128,472	3.5	2,453,114	68.0	208,900	5.8
1895	45	653,000	15.9	40,751	1.0	..	..	58,339	1.4	3,986	..	3,547,412	81.7	4,103,494	923,483	22.5	421,239	10.3	2,557,246	62.3	201,526	4.9
1900	63	990,000	14.6	298	..	..	..	116,920	1.8	7,031	..	5,608,003	82.6	6,786,249	1,018,220	15.0	544,824	8.0	4,876,285	71.8	346,920	5.2
1905	123	1,447,660	13.5	91,260	0.9	4,692	..	53,387	0.5	6,074	..	9,136,462	85.1	10,739,535	2,247,492	20.9	2,300,120	21.4	5,763,536	53.7	428,387	4.0
1910	126	1,497,660	12.9	104,357	0.9	5,123	..	74,840	0.6	7,195	..	9,896,430	85.5	11,585,606	2,287,779	21.7	2,513,549	21.7	6,324,437	54.6	459,840	4.0
1911	126	1,497,660	12.2	99,746	0.9	4,969	..	90,183	0.7	9,504	..	11,104,675	86.3	12,873,180	2,832,207	21.9	2,471,832	19.2	5,245,581	51.5	475,183	3.8
1912	129	1,507,660	11.7	100,038	0.8	4,786	..	141,298	1.1	14,723	0.1	11,793,738	86.9	13,566,287	3,170,486	23.5	2,358,952	17.3	7,042,843	54.5	526,298	3.8
1913	129	1,512,660	11.2	103,654	0.8	5,104	..	135,912	1.0	15,219	0.1	12,305,475	87.4	14,085,475	3,048,540	21.6	3,084,426	21.9	7,424,070	52.8	528,439	3.7
1914	128	1,517,660	10.8	95,061	0.7	8,535	..	227,860	1.5	6,557	..	13,568,112	88.2	15,130,444	2,768,118	23.2	4,785,824	32.2	6,873,642	45.4	612,860	4.1
1915	127	1,422,660	9.6	105,451	0.7	9,804	..	520,892	2.9	10,063	0.1	15,763,230	88.3	17,852,194	4,862,517	27.2	4,718,824	26.4	7,364,922	41.4	905,891	5.0
1916	125	1,427,660	9.0	120,681	0.7	9,628	..	203,990	1.0	30,134	0.2	18,045,415	90.9	19,870,559	5,592,590	23.0	4,347,444	21.8	10,341,534	52.3	588,991	2.9
1917	125	1,432,660	7.2	148,688	0.7	9,668	..	491,118	2.1	40,306	0.2	21,650,311	90.8	23,830,502	6,762,981	28.4	4,618,793	19.4	11,572,593	48.5	876,119	3.7
1918	124	1,442,660	6.1	193,144	0.8	12,964	..	255,611	1.6	45,000	0.2	25,611,046	90.8	28,213,212	5,441,125	19.3	6,264,051	22.2	15,557,442	55.5	850,594	3.0
1919	130	1,858,385	5.6	222,763	0.8	15,424	..	1,106,723	3.4	..	..	29,921,221	90.2	32,836,516	5,896,893	17.8	6,218,451	19.9	19,209,449	58.6	1,511,723	4.6
1920	133	1,881,566	5.7	239,768	0.7	17,445	..	285,084	0.9	..	..	30,296,398	92.4	32,802,682	7,385,989	22.5	7,570,749	23.1	17,155,860	52.3	690,084	2.1
1921	135	2,013,120	6.1	190,190	0.6	18,890	..	365,349	1.2	..	..	28,825,321	91.7	31,147,971	6,334,413	20.3	9,502,179	30.1	14,501,032	46.6	810,349	2.6
1922	136	2,013,120	6.4	225,729	0.7	18,459	..	365,349	1.2	..	..	25,925,421	91.7	28,313,661	5,651,584	20.0	8,588,494	30.4	13,506,106	47.6	567,477	2.0
1923	139	2,013,120	7.1	234,679	0.8	17,960	..	222,478	0.4	..	..	..	..	..	..	..	..	..	..	..	..	..

* Includes Treasury Bills.

LLOYDS BANK LIMITED.

FORMED 1765. INCORPORATED 1865.

With this Bank have been incorporated the undermentioned companies and firms:—

- 1865—Lloyds and Co., Birmingham Old Bank.
 1865—Moilliet and Sons, Birmingham.
 1865—P. and H. Williams, Wednesbury Old Bank.
 1866—Stevenson, Salt and Co., Stafford Old Bank.
 1866—Warwick and Leamington Banking Company.
 1868—A. Butlin and Son, Rugby Old Bank.
 1872—R. and W. F. Fryer, Wolverhampton Old Bank.
 1874—Shropshire Banking Company.
 1879—Coventry and Warwickshire Banking Company.
 1880—Beck and Co., Shrewsbury and Welshpool Old Bank.
 1884—Barnetts, Hoares and Co., London.
 1884—Bosquet, Salt and Co., London.
 1888—Pritchard, Gordon and Co., Broseley and Bridgnorth.
 1889—Birmingham Joint Stock Bank Limited.
 1889—Worcester City and County Banking Company Limited.
 1890—Wilkins and Co., Old Bank, Brecon, Cardiff, &c.
 1890—Beechings and Co., Tunbridge Wells, Hastings, &c.
 1891—Praeds and Co., London.
 1891—Cobb and Co., Margate, &c.
 1891—Hart, Fellows and Co., Nottingham.
 1892—R. Twining and Co., London.
 1892—Bristol and West of England Bank Limited.
 1893—Curteis, Pomfret and Co., Rye.
 1893—Herries, Farquhar and Co., London.
 1894—Bromage and Co., Old Bank, Monmouth.
 1895—Paget and Co., Leicester Bank.
 1897—County of Gloucester Bank Limited.
 1897—Williams and Co., Chester, &c.
 1898—Jenner and Co., Sandgate and Shorncliffe Bank.
 1899—Burton Union Bank Limited.
 1899—Stephens, Blandy and Co., Reading, &c.
 1900—Vivian, Kitson and Co., Torquay Bank.
 1900—Liverpool Union Bank Limited.
 1900—Cunliffe, Brooks and Co., Manchester, &c.
 1900—Brooks and Co., London.
 1900—William Williams Brown and Co., Leeds.
 1900—Brown, Janson and Co., London.
 1902—Bucks and Oxon Union Bank Limited.
 1902—Pomfret, Burra and Co., Ashford Bank.
 1903—Hodgkin, Barnett and Co., Newcastle-upon-Tyne, &c.
 1903—Grant and Maddison's Union Banking Company Limited.
 1905—Hedges, Wells and Co., Wallingford Bank.
 1906—Devon and Cornwall Banking Company Limited.
 1908—Lambton and Co., Newcastle-upon-Tyne, &c.
 1909—David Jones and Co., Llandoverly, &c.
 1911—Hill and Sons, West Smithfield, E.C., &c.
 1912—Peacock, Willson and Co., Sleaford, &c.
 1914—Wilts and Dorset Banking Company Limited.
 1918—Capital and Counties Bank Limited.
 1919—West Yorkshire Bank Limited.
 1921—Fox, Fowler and Co., Wellington (Som.), &c.
 1923—Cox and Co., London, &c.
 1923—Henry S. King and Co., London, &c.

CAPITAL (December 31, 1923).					Market
Subscribed.	Paid-up.	Callable.	Reserved.	Value.	
£	£	£	£	£	April 10, 1924.
71,864,780	14,372,956	3,593,239	53,898,585	£43,118,868	
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.	Per Share.
£5	£1	5s	£3 15s	£3	

Year Ended Dec. 31.	Net Profits.	PROFITS AND DIVIDENDS.		Reserve, Invest- ments, &c.	Carried Forward.
		Per Cent. of Resources.	Dividends. Amount. Rate.		
1910..	982,102	1.05	711,996	270,000	77,929
1911..	884,620	0.91	716,910	167,500	78,138
1912..	991,413	0.95	718,324	275,000	76,226
1913..	1,183,912	1.15	837,844	465,000	76,814
1914..	1,175,590	0.88	837,844	310,000	104,568
1915..	1,259,190	0.84	786,779	470,000	106,989
1916..	1,283,798	0.75	703,562	580,000	107,205
1917..	1,463,126	0.75	680,866	600,000	289,464
1918..	2,358,381	0.79	1,014,631	1,160,460	472,755
1919..	2,876,302	0.76	1,293,637	1,550,000	505,490
1920..	3,237,741	0.83	1,649,297	1,550,000	543,864
1921..	2,529,124	0.66	1,676,845	850,000	546,143
1922..	2,068,875	0.55	1,766,675	350,000	498,343
1923..	2,047,116	0.53	1,841,535	300,000	503,923

* After re-arrangement of the capital, this dividend is the equivalent of the previous rate.

Year Ended December 31.	Number of Offices.	LIABILITIES.										ASSETS.																	
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Accept- ances and Endorse- ments.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Bills of Ex- change.	Per Cent.	Ad- vances.	Per Cent.	Buildings & Furniture including Cover for Acceptance.	Per Cent.							
1895	201	2,780,000	8.7	142,894	0.4	434,161	1.4	28,786,096	89.5	32,143,151	3,602,508	11.2	2,978,076	9.3	7,153,615	22.2	3,554,558	11.1	13,730,911	42.7	1,123,483	3.5							
1900	311	4,748,000	8.2	349,352	0.6	2,124,078	3.6	51,017,342	87.6	58,238,772	8,243,180	14.1	3,296,543	6.8	10,230,912	17.6	6,061,493	10.4	26,548,749	45.6	3,227,895	5.5							
1905	496	6,151,000	8.0	421,843	0.7	3,894,901	5.7	57,609,596	84.6	68,077,941	9,960,617	14.7	4,419,852	6.5	10,657,118	15.7	7,374,926	10.8	30,194,866	44.3	5,470,564	8.0							
1910	589	7,710,000	7.6	433,297	0.5	6,227,468	8.7	78,116,468	83.2	93,949,463	14,104,395	15.0	5,498,865	5.8	11,109,417	12.5	8,758,707	9.3	43,741,880	46.6	10,136,199	10.8							
1911	612	7,108,672	7.3	437,299	0.4	5,939,819	6.1	84,221,328	86.2	97,707,118	14,668,339	14.5	7,365,183	7.5	11,092,326	11.3	10,810,515	11.1	46,305,979	47.4	7,984,145	8.2							
1912	620	7,108,672	6.8	435,388	0.4	7,889,140	7.5	89,396,993	85.3	104,830,193	15,582,549	14.8	8,446,919	8.1	10,973,213	10.5	9,481,148	9.1	50,471,649	48.0	9,992,715	9.5							
1913	679	7,208,672	6.8	435,976	0.4	7,462,309	7.0	91,511,992	85.8	106,618,949	16,176,860	15.1	8,617,330	8.1	10,456,561	9.8	10,829,874	10.1	50,471,649	48.0	9,992,715	9.5							
1914	680	8,608,672	6.5	515,914	0.4	6,226,218	4.7	117,657,945	88.4	133,008,746	24,634,181	18.6	10,072,645	7.5	16,373,142	12.3	13,420,193	10.1	50,471,649	48.0	9,992,715	9.5							
1915	893	8,608,672	5.8	487,120	0.3	9,497,082	6.4	130,017,379	87.5	148,610,253	30,419,416	20.4	3,964,170	2.7	42,825,433	28.8	4,042,326	2.7	55,008,883	37.1	10,000,000	8.3							
1916	890	8,608,672	5.0	447,638	0.3	11,207,870	6.5	151,368,307	88.2	171,639,487	38,115,549	22.3	6,430,339	3.7	41,882,389	24.4	5,306,653	8.9	55,856,841	32.5	14,040,716	8.2							
1917	887	9,008,672	4.6	623,898	0.3	10,375,536	5.3	164,068,047	88.7	194,082,153	30,685,487	15.8	7,191,892	3.7	41,882,389	24.4	5,306,653	8.9	55,856,841	32.5	14,040,716	8.2							
1918	1,138	17,954,066	6.0	1,126,681	0.4	14,764,929	4.9	266,808,139	88.7	300,685,487	48,767,706	16.2	15,570,977	5.1	62,522,683	20.8	7,340,196	2.4	81,072,135	27.0	18,411,790	6.1							
1919	1,486	19,095,649	5.1	1,226,681	0.4	17,867,530	4.6	345,028,984	88.8	388,402,879	51,155,076	13.2	14,747,688	3.8	73,376,539	18.9	7,637,123	1.9	135,763,591	36.1	35,883,724	9.5							
1920	1,530	24,137,736	6.2	1,368,569	0.4	17,867,530	4.6	345,028,984	88.8	388,402,879	51,155,076	13.2	14,747,688	3.8	73,376,539	18.9	7,637,123	1.9	135,763,591	36.1	35,883,724	9.5							
1921	1,593	24,372,956	6.4	1,384,566	0.4	8,174,114	0.1	347,507,410	91.1	381,439,046	50,636,370	13.3	15,562,886	4.0	40,896,736	21.2	20,619,462	9.4	150,079,174	38.8	10,000,000	8.3							
1922	1,613	24,372,956	6.5	1,396,652	0.4	15,560,149	4.1	330,556,815	89.0	371,579,729	57,236,849	15.3	11,010,493	2.9	46,993,085	26.9	26,405,258	17.3	123,388,679	33.1	10,000,000	8.3							
1923	1,649	24,372,956	6.3	1,432,177	0.4	19,176,533	5.0	340,168,551	88.3	385,150,207	50,629,775	13.1	15,979,470	4.0	46,489,682	25.5	40,453,792	14.1	141,405,774	36.9	24,341,714	6.3							
Weekly Averages, Mar., 1924	24	372,000	6.6	..	..	16,649,000	4.5	337,010,000	88.9	368,031,000	41,187,000	11.2	14,679,000	4.0	46,897,000	26.3	34,514,000	12.2	148,321,000	40.4	21,805,000	5.9							
										+ 90 temporarily closed.										+ 134 ..									

MIDLAND BANK LIMITED.

Member of the London Bankers' Clearing House.
ESTABLISHED 1836 as The Birmingham and Midland Bank.

Amalgamations and absorptions have been as follows:—

1851—Bate and Robins, Stourbridge.
1862—Nicholls, Baker and Crane, Bewdley.
1883—Union Bank of Birmingham, Limited.
1889—Coventry Union Banking Co.
1889—Leamington Priors and Warwickshire Banking Co., Limited.
1890—Leeds and County Bank, Limited.
1890—Derby Commercial Bank, Limited.
1890—Exchange and Discount Bank, Limited, Leeds.
1891—Central Bank of London, Limited. New title, The London and Midland Bank Limited.
1891—Lacy, Hartland, Woodbridge and Co., West Smithfield.
1892—Manchester Joint Stock Bank, Limited.
1893—Rotherhithe Branch of the London Joint Stock Bank Limited.
1893—Bank of Westmorland, Limited.
1894—Preston Banking Co., Limited.
1896—Carlisle City and District Banking Co., Limited.
1897—Channel Islands Bank, Limited.

1897—Huddersfield Banking Co., Limited.
1897—North-Western Bank, Limited.
1898—Oldham Joint Stock Bank, Limited.
1898—City Bank, Limited. New title—
The London City and Midland Bank, Limited.
1899—City of Birmingham Bank, Limited.
1900—Leicestershire Banking Co., Limited.
1901—Sheffield Union Banking Co., Limited.
1901—Yorkshire Banking Co., Limited.
1905—Nottingham Joint Stock Bank, Limited.
1908—North and South Wales Bank, Limited.
1910—Bradford Banking Co., Limited.
1913—Sheffield and Hallamshire Bank, Limited.
1913—Lincoln and Lindsey Banking Co., Limited.
1914—Metropolitan Bank (of England and Wales), Limited.
1917—Belfast Banking Co., Limited. Purchase of share capital.
1918—London Joint Stock Bank, Limited. New title—
London Joint City and Midland Bank, Limited.
1920—Clydesdale Bank, Limited. Purchase of share capital.
1924—North of Scotland Bank, Limited. Purchase of share capital.

CAPITAL (April 24, 1924)					Market
Subscribed.	Paid-up.	Callable.	Reserved.	Value.	Value.
£	£	£	£	£	April 15, 1924.
34,428,948	7,172,698	7,172,698	20,083,552	£24,725,807	
4,784,100	4,784,100	Nil	Nil	17,222,760	
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.	Per Share.
£12	£2 10s	£2 10s	£7	£28	
£2 10s	£2 10s	Nil	Nil	£9	

PROFITS AND DIVIDENDS.									
Year Ended Dec. 31.	Net Profits.	Per Cent. of Resources.	Dividend, less tax.	Allocations to Reserve and other Funds.	Rate.	Carried Forward.			
£	£	%	£	£	%	£			
1910..	801,782	0.91	718,962	161,158	18	102,301			
1911..	788,754	0.97	718,962	50,000	18	122,993			
1912..	968,063	0.98	718,962	240,000	18	132,993			
1913..	1,161,410	1.07	750,410	396,000	18	147,993			
1914..	1,079,086	0.76	785,794	20,000	18	421,285			
1915..	1,130,976	0.68	745,803	692,860	18	113,598			
1916..	1,429,362	0.75	666,921	632,501	18	243,538			
1917..	1,663,197	0.69	672,950	500,000	18	733,785			
1918..	2,211,198	0.61	919,886	1,350,000	18	675,088			
1919..	2,354,258	0.56	1,052,503	1,250,000	18	726,852			
1920..	2,631,861	0.67	1,367,094	1,450,000	18	741,619			
1921..	2,454,084	0.59	1,368,449	1,050,000	18	777,253			
1922..	2,253,492	0.56	1,441,778	800,000	18	788,967			
1923..	2,210,972	0.53	1,502,870	700,000	18	797,069			

* Free of income-tax. † 1914, first half, free, second half, less tax.
‡ After payment of bonuses to staff, &c.

LIABILITIES.										ASSETS.												
December 31.	Number of Offices.	Capital and Reserve Fund.	Per Cent.	Undivided Profits.	Per Cent.	Acceptances.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand and at Bank.	Per Cent.	Money at Call and Short Notice. (a)	Per Cent.	Investments.	Per Cent.	Bills Discounted.	Per Cent.	Advances.	Per Cent.	Buildings & Sundries, including Cover for acceptance.	Per Cent.

THE LONDON CITY AND MIDLAND BANK LIMITED.

1900..	315	5,046,450	11.1	515,670	1.1	1,920,406	4.2	37,844,949	83.6	45,327,475	6,996,216	15.4	6,067,998	13.4	5,568,589	12.3	4,118,627	9.1	19,773,977	43.6	3,812,068	6.1
1905..	483	6,285,700	10.3	401,858	0.7	4,115,867	6.7	50,259,088	83.3	61,062,513	8,796,945	14.4	7,291,651	11.7	7,392,492	10.7	4,713,333	7.7	27,002,317	44.9	5,466,675	8.6
1906..	485	6,285,700	9.9	454,373	0.7	4,578,991	7.2	52,223,799	82.2	63,542,863	7,833,823	15.4	8,239,375	13.2	7,645,001	10.6	4,733,489	7.4	28,002,317	44.9	5,940,671	9.1
1907..	499	6,285,700	9.8	454,914	0.7	3,962,775	6.3	53,282,061	83.3	63,985,450	11,340,058	17.7	6,130,461	10.8	6,829,335	10.4	4,945,360	7.7	28,982,425	45.2	5,943,311	9.1
1908..	630	7,218,290	9.1	518,042	0.7	5,103,990	6.4	66,974,043	83.8	79,814,725	11,694,302	14.7	9,190,416	11.5	9,580,320	12.0	8,950,128	10.7	34,002,461	42.5	6,943,311	9.1
1909..	659	7,218,290	8.8	521,659	0.7	5,128,918	6.2	69,644,520	84.4	82,513,387	13,063,600	15.8	9,868,194	10.9	9,988,303	10.9	7,695,327	9.2	36,987,233	44.7	8,000,528	8.6
1910..	689	7,218,290	8.6	461,332	0.5	6,463,941	7.4	73,414,509	84.3	86,121,387	14,067,190	16.3	10,814,141	12.7	10,987,294	11.9	6,686,140	7.6	37,088,146	46.8	8,308,613	8.6
1911..	716	7,218,290	8.1	482,024	0.5	6,037,094	6.5	76,707,785	84.8	89,656,465	13,690,685	14.9	9,806,744	10.7	9,806,744	10.7	8,289,852	7.6	38,434,769	47.4	8,303,657	8.6
1912..	768	7,218,290	7.5	492,023	0.5	6,741,032	6.1	80,276,934	86.8	98,276,934	13,777,240	14.1	11,042,535	10.6	10,289,211	8.4	10,885,257	8.6	40,434,769	47.4	8,303,657	8.6
1913..	867	8,048,650	7.4	539,371	0.5	6,162,612	5.7	93,835,580	86.4	105,284,213	17,471,279	15.7	11,914,769	11.0	12,381,892	7.7	11,790,641	7.6	46,484,984	47.4	8,795,488	8.6
1914..	1,028	8,780,792	6.1	815,701	0.6	7,210,915	5.1	126,732,736	88.2	142,540,144	23,136,459	29.2	2,865,226	68.1	10,773,021	23.4	10,808,806	9.0	50,338,653	47.3	8,471,069	7.6
1915..	1,063	8,780,792	5.3	473,950	0.3	9,157,602	6.7	147,750,702	88.8	166,163,046	30,881,201	18.6	6,651,258	5.8	38,229,434	23.0	9,961,546	6.0	65,921,161	46.8	9,869,816	8.6
1916..	1,035	8,780,792	4.6	566,242	0.3	7,220,781	3.8	174,620,725	91.3	211,188,540	47,973,686	25.0	8,444,378	4.6	37,190,296	23.4	23,335,617	12.2	63,688,827	46.8	9,594,466	8.6
1917..	1,051	9,531,666	4.0	1,084,032	0.5	8,826,866	3.7	220,551,768	91.8	239,994,338	44,110,354	18.3	10,003,560	4.2	39,365,814	15.1	35,062,992	14.6	68,155,897	43.8	10,216,271	8.6

MIDLAND BANK LIMITED.

Year	Net	Per Cent.	Dividend	Allocations	Carried	
Ended	Profits.	of	less tax.	to Reserve	Forward.	
Dec. 31.	£	Resources.	£	and other Funds.	£	
£	£	%	£	£	£	
1918..	1,301	14,345,395	3.9	1,126,977	0.3	13,145,849
1919..	1,442	16,834,670	4.0	1,257,145	0.3	29,014,568
1920..	1,430	21,719,600	5.1	1,425,786	0.3	27,849,904
1921..	1,600	21,721,705	5.2	1,461,487	0.3	19,848,322
1922..	1,670	21,721,705	5.4	1,522,075	0.4	25,862,341
1923..	1,743	21,721,705	5.2	1,554,613	0.4	36,552,607
Weekly						
Averages,						
Mar., 1904	23,776,000	5.9	..	..	38,013,000	
94	343,971,000	84.7	405,860,000	61,549,000	15.2	
15	3,325,000	3.3	49,196,000	12.1	43,663,000	
108	194,633,000	45.0	41,544,546	10.8	143,444,000	

(a) Including balances with, and cheques in course of collection on other banks in Great Britain and Ireland. (b) Includes £752,639 in 1917 and £759,690 in 1918 for Belfast Bank shares. (c) Includes £3,257,415 in 1920, £3,258,665 in 1921, £3,259,690 in 1922 and 1923 for Belfast Bank and Clydesdale Bank shares, and £300,000 for the London City and Midland Bank and Trustee Co., Limited, shares in 1922 and 1923.

LONDON MERCHANT BANK, LIMITED.
LATE LONDON AND HANSEATIC BANK, LIMITED.

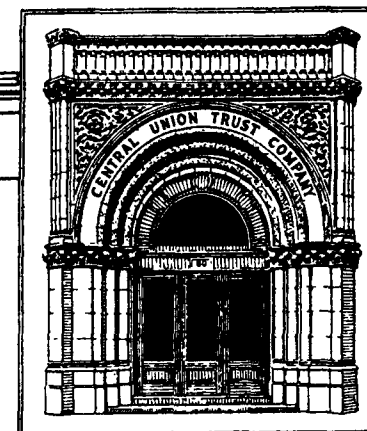
ESTABLISHED 1873.
The Bank has no Branches.

By a special resolution passed on February 3, 1916, the minimum number of directors was reduced from 12 to 4.

CAPITAL					Market
Subscribed.	Paid-up.	Callable.	Reserved.	Value.	Value.
£	£	£	£	£	April 8, 1924.
1,314,745	789,545	525,200	Nil	£602,500	
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.	Per Share.
"A" £5	£5	Nil	Nil	£5	
"B" £7	£3 10s	£3 10s	..	2½	

PROFITS AND DIVIDENDS.									
Year Ended Dec. 31.	Net Profits.	Per Cent. of Resources.	Dividend, less tax.	Allocations to Reserve and other Funds.	Rate.	Carried Forward.			
£	£	%	£	£	%	£			
1910..	68,704	1.19	50,000	16,000	18	19,800			
1911..	71,499	0.99	50,000	21,000	8	20,999			
1912..	83,987	1.07	50,000	33,000	8	21,986			
1913..	87,355	1.06	56,250	27,000	8	25,361			
1914..	45,061	0.83	45,000	..	8	25,443			
1915..	38,989	0.92	37,500	..	8	26,332			
1916..	39,823	0.99	37,500	..	8	29,255			
1917..	40,399	1.11	37,500	..	8	32,084			
1918..	41,227	1.69	37,500	..	6	35,811			
1919..	61,733	1.46	45,000	..	6	53,644			
1920..	60,044	1.21	45,000	..	6	67,588			
1921..	46,195	1.07	45,000	..	6	18,783			
1922..	36,876	0.70	18,750	..	6	nil			
1923..	24,576	0.70	3,656	..	7	20,902			

Continued on page 25.



Comprehensive
Foreign Banking
Service

Traveler's Letters of Credit
Foreign Exchange
Acceptances

CENTRAL UNION TRUST COMPANY OF NEW YORK

PLAZA OFFICE
Fifth Ave. & 60th St.

80 BROADWAY, NEW YORK

42ND ST. OFFICE
Madison Ave. & 42nd St.

Capital, Surplus and Undivided Profits over 36 Million Dollars

TRUSTEES

JAMES C. BRADY
JAMES BROWN
GEORGE W. DAVISON
JOHNSTON DE FOREST
RICHARD DELAFIELD
CLARENCE DILLON
HENRY EVANS
FREDERIC DE P. FOSTER
ADRIAN ISELIN
JAMES N. JARVIE
CHARLES LANIER
WM. H. NICHOLS, JR.
DUDLEY OLCOTT
W. EMLEN ROOSEVELT
FREDERICK STRAUSS
EDWIN THORNE
CORNELIUS VANDERBILT
J. Y. G. WALKER
FRANCIS M. WELD
WILLIAM WOODWARD

Condensed Statement as of December 31, 1923

ASSETS

CASH on Hand, in Federal Reserve Bank and due from Banks and Bankers	\$49,422,881.23
UNITED STATES BONDS	37,920,055.41
Municipal Bonds	6,325,141.77
Loans and Discounts	137,133,965.58
Short Term Securities	1,844,006.68
Bonds and Other Securities	3,730,765.20
Stock in Federal Reserve Bank	900,000.00
Real Estate	3,295,000.00
Customers' Liability Account of Acceptances	10,241,695.42
Interest Accrued	1,175,430.13
TOTAL	\$251,988,941.42

LIABILITIES

Capital	\$12,500,000.00
Surplus	17,500,000.00
Undivided Profits	6,067,560.37
DEPOSITS	202,323,783.20
Dividend Payable January 2, 1924	750,000.00
Reserve for Taxes and Interest Accrued	1,076,657.08
Unearned Discount	274,992.28
Acceptances	11,495,948.49
TOTAL	\$251,988,941.42

OFFICERS

GEORGE W. DAVISON President
Vice-Presidents
THEO. C. SMITH C. R. BERRIEN
J. Y. G. WALKER F. J. LEARY
J. V. B. TAYLOR F. B. SMITH
F. J. FULLER B. A. MORTON
ROGER WHITTLESLEY
Vice-President and Secretary
M. FERGUSON
Treasurer
H. M. MYRICK
Assistant Secretaries
CHAS. P. STALLKNECHT
O. L. COLES
SAMUEL A. BROWN
T. HAZARD
CHARLES E. SIGLER
CHARLES J. FARRELL
F. WOLFE
J. H. FOSTER
V. W. MILLER
HERBERT L. WILLIAMS
Assistant Treasurers
W. H. LUDLUM
R. C. ROETGER
H. J. VALLLEY

PLAZA OFFICE

H. M. POPHAM, Vice-Prest.
C. W. PARSON, Asst. Treas.
L. M. GOODEVE, Asst. Treas.
D. A. ROWE, Asst. Secy.
F. W. FIRTH, Asst. Mgr.

42ND STREET OFFICE

H. C. HOLT, Vice-Prest.
E. P. ROGERS, Vice-Prest.
S. H. TALLMAN, Asst. Treas.
W. C. PAY, Asst. Treas.
R. C. FAULT, Asst. Treas.
R. E. ALLEN, Asst. Treas.
H. F. GIBSON, Asst. Secy.
MISS MINA M. BRUNER, Asst. Secy.

Members Federal Reserve System

LONDON MERCHANT BANK, LIMITED—Continued from page 24.

Year Ended Dec. 31.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
	Capital and Res- erves.	Per Cent.	Un- divided Profits.	Per Cent.	Accept- ances.	Per Cent.	Rebate.	Per Cent.	Deposit and Current Accounts (inc. Pension Fund).	Per Cent.		Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Dis- counts and Ad- vances.	Per Cent.	Premises and Cover for Accept- ances.	Per Cent.
1890	\$		\$		\$		\$		\$		\$		\$		\$		\$		\$		
1890	487,000	20.1	25,015	1.2	..	..	1,581	..	1,899,018	78.7	2,412,614	42,893	1.8	225,000	9.3	221,450	9.1	1,923,169	79.7	100	..
1895	490,000	15.7	31,503	1.0	..	..	431	..	2,610,163	83.3	3,132,097	59,289	1.9	95,000	3.0	282,464	9.0	2,694,944	86.1	400	..
1900	550,000	18.2	38,590	1.3	..	..	1,155	..	2,323,254	80.5	2,887,990	49,456	1.7	301,600	10.7	211,179	7.3	2,325,754	80.5	10	..
1905	850,000	17.4	28,136	0.9	2,504,629	79.0	1,362	..	89,162	2.7	3,173,289	68,930	2.2	315,000	9.9	209,074	6.6	2,580,277	81.3	..	..
1910	860,000	14.9	67,051	1.2	4,196,683	72.9	3,676	..	637,784	11.0	5,765,194	42,765	0.7	509,000	8.8	284,380	4.9	4,929,049	85.6	..	..
1911	875,000	12.0	72,549	1.0	5,120,006	70.6	1,277	..	1,198,164	16.4	7,266,996	33,925	0.5	640,000	8.8	307,199	4.2	6,285,872	86.5	..	..
1912	895,000	11.4	85,536	1.1	5,447,003	69.7	2,979	..	1,391,755	17.8	7,822,273	103,077	1.3	632,600	8.1	276,005	3.5	6,810,661	87.1	..	..
1913	1,100,000	13.2	64,891	0.8	5,749,836	68.5	3,616	..	1,460,054	17.5	8,378,397	52,867	0.6	532,700	6.4	311,217	3.7	7,481,613	89.3	..	..
1914	1,100,000	20.1	47,943	0.9	4,126,415	75.6	2,155	..	1,292,653	3.5	5,469,166	47,638	0.9	398,540	7.3	340,742	6.2	4,682,246	85.6	..	..
1915	1,100,000	26.0	45,682	1.1	2,877,206	69.6	1,478	..	1,827,447	4.3	4,206,513	39,272	0.9	183,000	4.4	309,958	7.3	3,674,273	87.4	..	..
1916	1,100,000	30.3	50,834	1.4	2,471,913	61.5	2,888	0.1	393,638	9.8	4,016,444	54,608	1.4	160,000	4.0	286,903	7.1	3,514,333	87.5	..	..
1917	1,100,000	30.3	50,834	1.4	2,131,601	58.6	292	..	352,420	9.7	3,635,147	54,484	1.5	160,000	4.4	250,500	6.9	3,170,163	87.2	..	..
1918	1,100,000	31.9	73,312	2.1	1,911,497	55.2	328	..	374,851	10.8	3,459,988	63,705	1.8	145,000	4.2	188,547	5.5	3,068,736	88.5	..	..
1919	1,100,000	30.4	78,794	2.2	1,988,340	54.6	1,001	..	464,492	12.8	3,632,627	46,944	1.3	186,000	5.1	114,924	3.1	3,284,759	90.5	..	..
1920	1,100,000	26.4	93,838	2.2	2,259,618	54.0	2,418	..	718,957	17.4	4,174,831	106,000	2.5	135,000	3.2	106,932	2.5	3,826,899	91.8	..	..
1921	1,100,000	28.7	45,033	1.2	1,562,314	41.0	..	..	1,117,547	39.1	3,824,894	105,559	3.8	150,000	3.9	72,568	1.9	3,933,013	50.4	1,562,314	41.0
1922	750,000	21.8	1,608,687	46.6	242,227	7.0	..	..	846,997	24.6	3,447,911	135,590	3.9	350,000	10.2	86,068	2.5	1,267,566	36.8	1,608,687	46.6
1923	789,545	22.7	24,576	0.7	1,806,877	51.9	..	..	860,542	24.7	3,481,540	84,312	2.4	305,000	8.8	267,901	7.7	972,969	27.9	1,851,358	53.2

* Includes acceptances.

a Advances under Government Scheme of Sept., 1914, since liquidated.

THE MANCHESTER AND COUNTY BANK, LIMITED.
ESTABLISHED 1862.

1866—Absorbed Saddleworth Banking Co.
1871—Absorbed the Bank of Stockport.
1897—Absorbed Bank of Bolton, Limited.

CAPITAL.					Market												
Subscribed.	Paid-up.	Callable.	Reserved.	Value,	March 31, 1924.	1912.	1913.	1914.	1915.	1916.	1917.	1918.	1919.	1920.	1921.	1922.	1923.
						192.	330.	301.	443.	404.	552.	515.	667.	720.	872.	925.	1,077.
\$	£	£	£			192,378	193,930	194,706	196,044	197,952	205,415	246,372	260,953	226,108	190,105	192,378	193,930
5,460,200	1,092,040	273,010	4,095,150	£3,003,110		154,706	154,706	150,155	146,605	145,605	154,706	163,807	163,807	177,456	177,456	177,456	177,456
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.		57,961	57,961	56,044	54,868	54,268	57,961	61,708	61,708	68,483	68,483	68,483	68,483
£20	£4	£1	£15	£11		15,4	15,4	14,4	13,9	13,7	15,4	16,1	16,1	17,4	17,4	17,4	17,4
						42,500	42,500	39,806	38,741	38,391	42,500	45,907	45,907	50,000	50,000	50,000	50,000
						17,346	17,346	16,208	15,800	15,613	17,346	18,531	18,531	20,618	20,618	20,618	20,618
						1,308	1,308	1,208	1,160	1,144	1,308	1,408	1,408	1,531	1,531	1,531	1,531
						88,336	88,336	83,306	80,341	79,641	88,336	94,861	94,861	103,735	103,735	103,735	103,735
						27,618	27,618	26,044	25,468	25,168	27,618	29,408	29,408	32,483	32,483	32,483	32,483
						1,935	1,935	1,806	1,741	1,725	1,935	2,061	2,061	2,235	2,235	2,235	2,235
						10,000	10,000	9,400	9,000	8,800	10,000	10,600	10,600	11,600	11,600	11,600	11,600
						91,035	91,035	86,706	83,741	83,041	91,035	97,561	97,561	106,235	106,235	106,235	106,235

* After bonus to staff.

Year Ended Dec. 31.	Number of Branches.	LIABILITIES.										Total Liabili- ties or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divi- ded Profits.	Per Cent.	Accept- ances.	Per Cent.	Re- bate.	Per Cent.	Deposits and Current Accounts.	Per Cent.		Cash in Hand at Call, and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Bills of Exchange, less Reserve.	Per Cent.	Ad- vances.	Per Cent.	Build- ings & Sundries, including Cover for Acceptances.	Per Cent.
1890.	50	1,249,000	15.5	\$ 84,818	1.1	543,118	6.7	13,639	0.2	6,187,980	76.5	8,078,555	1,359,008	16.8	589,600	7.3	..	..	6,039,947	74.8	\$0,000	1.0
1895.	55	1,615,000	16.6	72,523	0.7	589,158	6.1	11,909	0.1	7,427,526	76.5	9,716,016	2,068,153	21.3	731,500	7.5	..	..	8,816,343	70.9	100,000	1.0
1900.	80	1,803,632	15.0	107,661	0.9	634,072	5.3	17,793	0.1	9,411,753	76.7	11,975,011	2,306,153	21.9	1,168,965	9.8	..	..	9,814,393	69.6	700,000	1.0
1905.	98	1,908,234	15.6	99,272	0.8	839,321	6.6	15,973	0.1	9,379,480	76.6	12,242,280	2,606,646	21.2	1,502,700	12.3	..	..	7,174,613	58.2	1,014,331	8.3
1910.	100	1,932,234	15.0	114,644	0.9	1,049,143	8.9	26,145	0.2	9,705,471	76.6	12,833,637	2,406,277	18.8	1,506,126	11.7	1,912,240	14.8	7,174,853	40.0	1,247,148	9.7
1915.	101	1,958,234	15.8	114,123	0.9	975,968	9.8	..	..	9,701,653	78.9	12,349,978	2,447,918	21.4	1,549,380	12.5	2,177,518	17.2	5,203,214	42.5	771,968	6.8
1920.	102	1,968,234	16.8	114,993	1.0	939,779	2.9	..	..	9,235,441	79.3	11,648,447	2,430,897	20.8	1,577,510	13.5	1,520,476	13.1	5,576,785	47.9	542,779	4.7
1921.	103	1,968,234	16.3	119,538	1.0	728,268	6.9	..	..	9,339,025	76.7	12,175,065	2,919,924	23.9	1,578,340	13.0	1,479,335	12.2	5,259,169	43.2	938,287	8.7
1911.	107	1,998,234	15.5	123,469	1.0	689,681	5.9	..	..	10,052,155	78.2	12,863,539	3,232,628	25.1	1,612,840	12.5	1,106,123	16.4	5,002,268	38.9	909,831	7.1
1912.	108	2,002,040	14.9	93,251	0.7	685,883	5.1	..	..	10,701,060	79.3	13,486,234	3,272,647	24.4	1,742,000	13.0	2,383,489	17.3	5,229,215	48.5	920,883	6.8
1913.	115	1,942,040	14.2	103,387	0.8	718,329	5.9	..	..	10,875,579	79.8	13,539,335	3,373,193	24.7	1,765,881	13.1	1,283,745	14.5	5,573,188	41.0	943,330	6.9
1914.	119	1,942,040	14.4	121,282	0.9	669,459	2.7	..	..	11,047,391	82.0	13,480,165	4,277,878	31.8	1,877,738	13.9	1,401,835	10.4	5,284,063	39.1	644,451	4.8
1915.	119	1,942,040	14.0	141,302	1.0	426,594	3.1	..	..	11,431,430	81.9	13,943,366	2,717,817	19.6	4,646,487	33.3	704,393	5.1	5,171,106	37.0	703,594	5.0
1916.	120	1,932,040	11.6	183,539	1.1	1,299,795	7.8	..	..	13,181,812	79.5	16,607,186	4,191,087	25.1	4,391,011	26.4	1,750,490	10.5	4,699,803	28.5	1,574,756	9.5
1917.	120	1,942,040	11.0	185,346	1.1	1,017,700	5.8	..	..	14,506,660	82.1	17,651,746	4,343,306	24.5	3,745,212	21.1	1,778,692	10.1	6,491,436	37.0	1,222,779	7.7
1918.	120	1,942,040	9.5	189,129	0.9	506,126	2.4	..	..	17,679,775	87.2	20,317,070	5,434,490	26.7	3,810,278	18.8	4,439,006	21.9	5,852,170	28.8	781,136	5.8
1919.	144	1,942,040	6.6	225,818	0.8	3,012,230	10.3	..	..	24,071,009	87.3	29,251,097	7,430,129	25.4	4,899,579	16.7	3,323,383	11.1				
1920.	150	1,942,040	6.2	283,063	0.9	1,325,358	4.2	..	..	27,673,512	88.7	31,223,993	5,048,014	16.2	4,749,572	15.2	3,911,869	12.6	15,785,733	60.5	3,312,230	13.1
1921.	154	1,942,040	6.7	286,934	1.0	1,321,119	4.1	..	..	26,378,177	91.2	28,999,934	5,185,077	21.4	5,564,613	19.2	2,629,932	12.6	15,785,733	60.5	1,725,358	5.1
1922.	158	2,042,040	7.8	235,193	0.9	337,784	1.3	..	..	23,760,827	90.0	26,375,844	4,841,103	18.4	5,988,111	20.2	2,595,902	6.1	13,212,944	49.0	723,119	2.9
1923.	160	2,042,040	8.5	190,992	0.8	611,229	2.5	..	..	21,560,559	88.2	24,454,820	5,600,478	12.5	5,939,397	24.1	2,110,470	4.1	13,444,444	59.0	373,784	2.2

WILLIAMS DEACON'S BANK, LIMITED.

ESTABLISHED 1836.—Member of London Clearing.

1874—Absorbed Heywood Brothers and Co., Manchester.
1878—Absorbed Hardcastle, Cross, and Co., Bolton.
1881—Absorbed Clement Roys and Co., Rochdale.
1890—Manchester and Salford Bank amalgamated with Williams, Deacon and Co. New title—Williams Deacon and Manchester and Salford Bank, Lim.
1901—Title changed to Williams Deacon's Bank, Limited.
1907—Sheffield and Rotherham Joint Stock Banking Co. Limited, absorbed.

CAPITAL.					Market Value.
Subscribed.	Paid-up.	Callable.	Reserved.		April 28, 1924.
£8,125,000	£1,875,000	£1,562,500	£4,687,500		£4,478,653
Per Share.	Per Share.	Per Share.	Per Share.		Per Share.
£5	£1	£1	£3		£2 2/3
B £1	B £1	B nil	B nil		£2 2/3

PROFITS AND DIVIDENDS.									
Year Ended Dec. 31.	Net Profits.	Per Cent. of Resources.	Dividends—Amount.	Rate.	Reserves, &c.	Carried Forward.			
1910	211,958	1.17	187,500	15	20,000	26,059			
1911	221,041	1.23	187,500	15	30,000	29,600			
1912	231,542	1.20	187,500	15	40,000	33,642			
1913	243,286	1.23	187,500	15	55,000	34,429			
1914	221,480	1.06	181,250	14 1/2		74,659			
1915	238,048	1.06	175,000	14	125,000	12,708			
1916	280,188	1.01	175,000	14	120,000	17,896			
1917	297,916	0.79	175,000	14	125,000	20,811			
1918	319,191	0.91	185,156	14 1/2	125,000	29,846			
1919	399,481	0.95	234,375	12 1/2	175,000	19,932			
1920	463,653	1.07	234,375	12 1/2	225,000	24,230			
1921	365,231	0.83	234,375	12 1/2	125,000	30,086			
1922	337,175	0.81	244,140	12 1/2	80,000	43,121			
1923	327,247	0.80	253,906	12 1/2	80,000	36,462			

* Free of income-tax. † Equivalent to 15% on the old shares.

LIABILITIES.																	ASSETS.									
Year Ended Dec. 31.	Number of Branches.	Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Accept- ances, &c.	Per Cent.	Rebate Ac- count.	Per Cent.	Deposit and Current Ac- counts.	Per Cent.	Total Liabili- ties or Assets.	Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Ad- vances.	Per Cent.	Buildings & Furni- ture, Sundries, including Cover for Acceptances.	Per Cent.				
1890..	51	1,360,000	12.0	65,001	0.6	694,223	6.1	22,980	0.2	9,207,222	81.1	11,349,426	1,141,072	10.1	2,621,059	9.3	1,887,625	16.6	7,388,873	65.1	931,856	8.2				
1895..	67	1,460,000	10.8	77,534	0.6	592,233	4.4	18,773	0.1	11,394,379	84.1	13,542,918	1,813,402	13.4	1,539,552	11.4	1,539,552	11.4	6,718,848	49.6	850,057	6.3				
1900..	75	1,575,000	10.9	103,506	0.7	340,595	2.4	23,651	0.2	12,344,046	85.8	14,384,798	1,973,591	13.7	1,326,143	9.1	2,221,945	15.4	8,198,157	57.0	664,562	4.6				
1905..	82	1,650,000	12.1	86,417	0.6	317,058	2.3	23,524	0.2	11,531,776	84.8	13,608,775	1,743,429	12.9	1,743,428	12.9	2,319,042	17.0	7,094,840	52.1	697,996	5.1				
1910..	106	2,000,000	11.1	120,994	0.7	737,494	4.1	30,712	0.2	15,156,575	83.5	18,045,775	2,316,029	12.8	1,698,536	9.4	2,679,715	14.9	6,673,715	44.9	1,172,639	6.5				
1911..	108	1,950,000	10.9	125,036	0.7	797,728	4.4	31,006	0.2	15,055,199	83.8	17,958,969	2,421,606	13.5	1,794,084	10.0	2,628,961	14.6	6,628,961	44.6	1,248,356	7.0				
1912..	110	1,950,000	10.1	129,651	0.7	850,847	4.4	32,207	0.2	16,393,582	84.6	19,356,287	2,471,941	12.8	2,583,875	13.4	2,583,875	13.4	6,584,027	43.4	1,301,537	7.0				
1913..	115	1,900,000	9.6	129,537	0.7	549,556	2.8	32,470	0.2	17,188,009	86.7	19,799,572	2,504,372	12.8	2,464,867	12.5	2,464,867	12.5	6,780,885	43.4	1,095,192	4.8				
1914..	118	1,900,000	9.1	163,988	0.8	407,503	2.0	32,059	0.2	18,349,573	87.5	20,853,073	2,949,932	14.1	3,314,042	15.9	3,314,042	15.9	6,360,104	36.1	1,301,537	7.0				
1915..	118	1,900,000	8.4	102,229	0.5	623,665	2.8	31,944	0.1	19,855,853	87.5	22,513,761	3,256,432	14.9	1,347,270	6.0	1,347,270	6.0	6,780,885	36.1	1,301,537	7.0				
1916..	115	1,900,000	6.8	107,022	0.4	1,327,834	4.8	68,803	0.2	24,419,301	87.8	27,822,940	5,921,012	21.5	1,928,508	6.9	1,928,508	6.9	6,780,885	24.4	1,301,537	7.0				
1917..	115	2,000,000	6.2	110,091	0.3	1,443,159	4.5	50,948	0.2	28,443,616	89.1	32,047,814	6,193,199	19.2	2,541,770	7.9	2,541,770	7.9	6,780,885	24.4	1,301,537	7.0				
1918..	120	2,100,000	6.0	129,320	0.3	941,029	2.7	58,768	0.2	31,778,651	90.8	35,007,768	6,641,141	16.1	5,909,730	16.9	5,909,730	16.9	6,586,806	18.8	1,301,537	7.0				
1919..	138	2,775,000	6.6	138,997	0.3	2,150,023	5.1	46,391	0.1	37,001,415	87.9	42,111,826	6,690,600	15.8	2,779,453	6.6	2,779,453	6.6	7,904,150	18.8	2,122,001	4.9				
1920..	151	2,875,000	6.6	143,588	0.3	1,539,191	3.5	..	..	38,870,845	89.6	43,428,624	7,420,349	17.1	3,585,269	8.3	3,585,269	8.3	7,034,199	16.2	2,122,001	4.9				
1921..	162	2,975,000	6.7	149,343	0.3	1,243,847	2.8	..	..	39,517,598	90.2	43,885,788	7,222,552	16.3	4,330,831	11.1	4,330,831	11.1	5,746,738	13.0	1,890,325	4.3				
1922..	170	3,025,000	7.3	172,498	0.4	751,121	1.8	..	..	37,626,708	90.5	41,575,371	6,964,704	16.7	2,934,835	7.1	2,934,835	7.1	7,353,780	17.7	1,411,265	3.4				
1923..	170	3,075,000	7.5	165,490	0.4	3,104,070	7.6	..	..	34,372,244	84.5	40,716,804	6,297,354	15.5	3,220,461	7.9	3,220,461	7.9	6,310,770	15.5	2,103,867	5.1				
Weekly Averages, Mar., 1924		3,075,000	8.0	..	..	2,399,000	6.3	..	..	32,751,000	85.7	38,225,000	5,169,000	13.5	1,411,000	3.7	5,741,000	15.0	22,777,000	59.6	3,127,000	8.2				

* Includes money at call and short notice.

PRIVATE BANKS OF ENGLAND AND WALES.

B. W. BLYDENSTEIN AND CO., LONDON.

LIABILITIES.										ASSETS.									
Year Ended Dec. 31.	Partners' Capital and Reserves.	Per Cent.	Miscellaneous.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand and at Bank.	Per Cent.	Investments.	Per Cent.	Advances, Loans, Bills, &c.	Per Cent.	Premises, &c.	Per Cent.				
1895	260,000	16.9	1,174,237	76.2	106,948	6.9	1,541,185	70,463	4.6	397,130	23.8	1,099,059	71.3	4,534	0.3				
1900	500,000	21.3	530,696	22.7	1,313,832	56.0	2,344,527	111,084	4.8	851,898	36.3	1,377,420	58.8	4,125	0.1				
1905	500,000	11.9	726,473	17.3	2,969,441	70.9	4,195,914	126,571	3.0	1,260,439	30.3	2,805,129	66.9	3,775	0.1				
1910	566,000	7.9	753,689	10.7	5,836,767	81.4	7,146,456	129,904	1.8	1,202,478	16.8	5,830,902	81.2	13,182	0.2				
1911	594,000	8.4	926,794	13.0	5,580,003	78.6	7,100,797	109,050	1.5	1,119,636	15.8	5,843,067	82.3	29,044	0.4				
1912	683,000	9.3	1,044,932	15.4	5,092,348	75.3	6,760,280	227,844	3.4	728,998	11.7	5,706,810	84.4	32,630	0.5				
1913	625,000	7.6	1,064,829	12.9	6,544,282	79.6	8,234,111	361,104	4.4	1,287,473	22.9	5,964,021	84.4	30,141	0.4				
1914	625,000	8.3	438,543	5.8	6,446,690	85.9	7,510,233	267,678	3.6	1,287,729	17.1	5,924,685	78.9	31,363	0.4				
1915	625,000	12.3	27,431	0.5	4,447,703	87.2	5,100,134	137,265	2.7	120,239	2.4	4,813,683	94.3	30,141	0.4				
1916	625,000	8.3	61,307	0.8	6,815,307	80.9	7,501,614	78,817	1.1	...	...	5,924,685	78.9	28,967	0.4				
1917	625,000	7.9	60,926	0.6	6,939,590	93.2	10,128,499	1,861,597	18.4	880,142	8.7	7,804,598	98.8	26,782	0.3				
1918	625,000	6.2	63,909	0.6	9,439,590	93.2	10,128,499	1,861,597	18.4	880,142	8.7	7,804,598	98.8	26,782	0.3				
1919	625,000	5.6	118,994	1.0	10,378,973	93.4	11,122,967	57,082	0.5	1,217,981	10.9	7,358,995	72.6	26,782	0.3				
1920	625,000	4.7	194,719	1.5	12,442,235	93.8	13,261,954	94,674	0.7	167,548	1.3	12,894,805	97.8	24,796	0.2				
1921	625,000	4.6	155,302	1.1	12,810,760	94.3	13,591,062	90,461	0.7	363,598	2.7	12,114,076	96.4	23,927	0.2				
1922	625,000	4.7	65,104	0.5	12,525,787	94.8	13,215,891	122,380	0.9	2,348,370	17.8	10,722,252	81.1	22,869	0.2				
1923	625,000	4.7	106,526	0.8	12,607,170	94.5	13,339,096	171,057	1.3	234,185	1.8	12,906,337	96.7	27,517	0.2				

* Includes Treasury Bills.

CHILD AND CO.

Year Ended July.	LIABILITIES.						ASSETS.								
	Partners' Capital and Reserves.	Per Cent.	Acceptances.	Per Cent.	Deposits and Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand, at Bank, and at Call and Short Notice.	Per Cent.	Investments.	Per Cent.	Advances, Loans, Bills, &c.	Per Cent.	Premises and Cover for Acceptances.	Per Cent.
	£		£		£		£	£		£		£		£	
1895.	636,239	22.9	..	..	2,131,998	77.1	2,768,237	805,066	29.1	1,094,544	39.6	784,437	28.3	84,400	2.5
1900.	622,262	20.8	..	..	2,364,285	79.2	2,986,547	672,787	22.5	1,147,010	38.4	1,082,560	32.3	84,200	2.5
1905.	615,577	20.5	..	..	2,382,085	79.5	2,997,662	886,735	29.6	1,116,268	37.3	1,082,560	32.3	84,200	2.5
1907.	605,807	19.6	..	..	2,480,741	80.4	3,086,548	781,299	25.4	1,056,532	34.2	907,728	30.3	84,200	2.5
1908.	605,844	18.1	..	..	2,755,697	81.9	3,365,541	1,163,454	34.6	1,011,268	33.7	1,017,622	37.7	84,200	2.5
1910.	604,120	18.7	..	..	2,623,435	81.3	3,227,555	1,060,962	32.8	1,122,729	35.1	969,694	29.5	84,200	2.5
1911.	602,048	19.5	..	..	2,477,984	80.5	3,080,032	976,011	31.7	1,118,328	36.3	902,499	29.3	84,200	2.5
1912.	599,755	19.9	..	..	2,423,926	80.1	3,023,681	827,721	31.8	1,095,253	36.2	1,005,507	33.3	84,200	2.5
1913.	596,596	20.4	..	..	2,318,171	79.6	2,914,757	598,057	20.5	1,095,253	36.2	1,005,507	33.3	84,200	2.5
1914.	599,406	18.6	..	..	2,623,420	81.4	3,222,826	1,043,126	32.4	1,011,013	35.0	1,212,890	41.6	84,200	2.5
1915.	599,406	19.9	..	..	2,664,071	81.3	3,154,778	987,505	31.2	1,049,668	33.1	1,033,437	32.0	84,200	2.5
1916.	587,594	19.2	25,000	0.8	2,434,551	80.7	2,953,134	993,705	33.0	1,016,427	36.5	806,801	26.6	109,200	3.6
1917.	575,219	22.3	25,000	1.0	1,988,955	76.7	2,564,174	884,146	32.7	907,034	35.0	982,824	38.1	109,200	4.2
1918.	580,092	19.4	..	..	2,413,554	80.6	2,993,646	1,071,646	35.8	1,083,007	36.1	754,791	25.3	84,200	2.5
1919.	581,592	16.2	..	..	2,996,231	83.8	3,577,822	1,416,483	39.5	1,187,407	33.3	889,733	24.9	84,200	2.5
1920.	675,036	13.1	..	..	3,818,552	86.9	4,391,580	1,346,295	30.7	1,250,719	41.6	1,140,435	26.9	84,200	2.5
1921.	676,758	13.4	..	..	3,713,438	86.6	4,390,586	1,077,847	26.1	1,338,286	37.5	1,269,691	27.0	84,200	2.5
1922.	990,290	15.5	..	..	3,795,858	84.5	4,586,148	998,242	26.0	1,424,827	37.5	1,269,589	24.1	84,200	2.5
1923.	591,442	17.6	..	..	2,717,113	82.2	3,308,555	675,642	20.0	1,188,864	35.9	1,395,849	41.1	84,200	2.5

HOARE (CHAS.) & CO.

Year Ended July.	LIABILITIES.					Total Liabilities or Assets.	ASSETS.									
	Partners' Capital and Reserves.	Per Cent.	Deposits and Current Accounts.	Per Cent.	Cash in Hand, at Bank, and at Call and Short Notice.		Per Cent.	British Govern- ment Se- curities.	Per Cent.	Other Se- curities and Invest- ments.	Per Cent.	Discounts and Advances	Per Cent.	Premises, &c.	Per Cent.	
	£		£		£		£		£		£		£		£	
1895.	435,805	13.7	2,750,221	86.3	3,186,026	552,801	17.4	282,000	8.8	751,610	23.7	1,499,615	47.0	100,000	3.1	
1900.	475,000	13.4	3,075,875	86.6	3,550,875	876,699	24.7	325,500	9.1	950,580	26.9	1,438,096	36.5	100,000	2.8	
1905.	485,000	15.6	2,618,050	84.4	3,103,050	941,432	30.3	276,000	8.9	744,863	24.1	1,040,755	33.5	100,000	3.2	
1906.	485,000	16.8	2,413,143	83.2	2,898,143	801,639	27.8	273,000	9.4	521,704	18.0	1,201,800	41.3	100,000	3.5	
1907.	485,000	14.6	2,838,602	85.4	3,323,602	1,044,874	31.4	276,450	8.3	518,082	15.5	1,384,196	41.8	100,000	3.0	
1908.	485,000	16.5	2,447,338	83.5	2,932,338	785,648	26.7	277,000	9.5	521,532	17.8	1,248,158	42.6	100,000	3.4	
1909.	485,000	15.2	2,710,611	84.8	3,195,611	1,058,315	33.1	288,000	9.1	659,968	20.6	1,089,328	34.1	100,000	3.1	
1910.	485,000	14.7	2,818,880	85.3	3,303,880	926,826	28.1	285,000	8.6	727,083	22.0	1,264,771	38.3	100,000	3.0	
1911.	485,000	14.7	2,813,554	85.3	3,298,554	970,729	29.5	252,100	7.7	743,854	22.5	1,231,871	37.3	100,000	3.0	
1912.	485,000	14.3	2,908,147	86.7	3,393,147	1,002,860	29.6	*	*	737,862	27.6	1,354,425	39.9	100,000	3.2	
1913.	485,000	15.4	2,670,836	84.6	3,155,836	922,658	29.2	*	*	780,965	24.6	1,352,112	43.0	100,000	3.2	
1914.	485,000	15.0	2,752,753	85.0	3,237,753	988,704	30.5	*	*	719,513	22.1	1,429,536	44.3	100,000	3.1	
1915.	485,000	15.3	2,683,411	84.7	3,168,411	1,070,766	33.7	*	*	618,949	19.4	1,378,700	43.7	100,000	3.5	
1916.	485,000	17.1	2,348,755	82.9	2,833,755	842,805	29.7	*	*	844,142	29.8	1,046,808	37.0	100,000	3.2	
1917.	485,000	18.8	2,089,841	81.2	2,574,841	661,581	25.7	*	*	544,700	21.1	1,268,560	49.3	100,000	3.9	
1918.	485,000	15.3	2,688,628	84.7	3,173,628	571,587	18.0	*	*	715,285	22.5	1,786,756	56.3	100,000	3.2	
1919.	485,000	13.1	3,213,275	86.9	3,698,275	882,394	23.9	1,323,274	36.0	83,723	2.3	1,308,894	35.1	100,000	2.7	
1920.	485,000	10.3	4,221,675	89.7	4,706,675	1,051,158	22.3	2,173,686	46.1	179,471	3.9	1,202,361	26.7	100,000	2.1	
1921.	500,000	11.4	3,889,230	88.6	4,389,230	993,370	22.6	1,812,349	41.3	232,486	5.3	1,251,025	28.5	100,000	2.3	
1922.	500,000	11.7	3,791,627	88.3	4,291,627	1,099,307	24.0	1,701,669	39.6	185,964	4.3	1,274,687	29.8	100,000	2.3	
1923.	500,000	13.7	3,152,521	86.3	3,652,521	829,174	22.6	1,036,875	28.3	526,156	14.4	1,160,316	32.0	100,000	2.7	

* Not shown separately.

BAKER, DUNCOMBE, AND CO., LIMITED.

BALANCE-SHEET—March 31, 1924.

LIABILITIES.		ASSETS.	
Capital—32,000 fully-paid "A" shares of £5 each	160,000	Investments—5 per cent. and 4½ per cent. Treasury Bonds	1,000,000
8,000 fully-paid "B" shares of £5 each	40,000	Bills discounted (including re-discounts)	9,812,554
Reserve	50,000	Loans on security and sundry accounts	11,258
Liability on deposits and loans and bills re-discounted (including rebate and sundry accounts)	10,676,368	Assets to the value of £10,665,078 are held by bankers and others as cover for liabilities, per contra.	
	10,926,368	Cash in hand and at bankers	102,556
			10,926,368

S. JAPHET AND CO., LIMITED.

BALANCE-SHEET—December 31, 1923.

LIABILITIES.		ASSETS.	
Share capital issued—750,000 shares of £1 each, fully paid	750,000	Cash in hand and at bankers in United Kingdom, £399,838: cash at call and at short notice, £1,077,343	1,077,343
Reserve account	100,000	Treasury bills and other British Government securities	968,345
Deposits, current, and other accounts	4,332,162	Colonial, Foreign Government, and other securities	185,288
Acceptances for customers, &c., per contra	2,450,661	Bills discounted	385,963
		Advances to customers, balances at bankers abroad, and other accounts	2,119,867
		Freehold premises	55,518
		Liability of customers for acceptances, &c., per contra	2,450,661
	7,632,823		7,632,823

LONDON DISCOUNT COMPANIES.

ALEXANDERS DISCOUNT COMPANY, LIMITED.

(Formerly Alexanders and Company, Limited.)

ESTABLISHED 1810. REGISTERED 1891.

CAPITAL.					PROFITS AND DIVIDENDS.						
Subscribed.	Paid-up.	Callable.	Reserved.	Year Ended Dec. 31.	Net Profits £	Per Cent. of Resources.	Ordinary Dividends. £	Rate. %	Reserves, &c.	Carried Forward.	
£	£	£	£								
Ordinary	1,000,000	500,000	Nil.	1913 ..	66,925	0.54	40,000	10	20,000	12,080	
				1914 ..	68,980	0.66	40,000	10	20,000	15,030	
				1915 ..	47,990	0.46	40,000	10	20,000	17,020	
Preference ..	100,000	100,000	Nil.	1916 ..	67,007	0.52	40,000	10	20,000	18,027	
				1917 ..	89,002	0.60	48,000	12	30,000	23,029	
				1918 ..	89,992	0.54	52,000	13	30,000	25,021	
				1919 ..	75,860	0.41	60,000	13	15,000	25,581	
Ordinary	£10	£5	Nil.	1920 ..	115,941	0.56	74,250	16	35,000	26,571	
				1921 ..	141,015	0.63	75,500	17	55,000	30,087	
Preference ..	£10	£10	Nil.	1922 ..	188,202	0.91	100,000	120	80,000	32,289	
				1923 ..	136,208	0.62	100,000	120	30,000	32,496	

Price of Ordinary Shares, April 8, 1924, £14½; Market Value, £1,450,000.

* Bonus 2 per cent., free of tax. † Bonus 1 per cent., free of tax.
‡ Bonus 5 per cent., free of tax.

Price of Ordinary Shares, April 8, 1924, £144; Market Value, £1,450,000.

Year Ended Dec. 31.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
	Capital and Reserves	Per Cent.	Un- divided Profits.	Per Cent.	Loans, De- posits, and Other Accounts	Per Cent.	Bills Re-dis- counted.	Per Cent.	Rebate, &c.	Per Cent.		Cash at Bankers.	Per Cent.	Invest- ments.	Per Cent.	Bills Dis- counted.	Per Cent.	Loans and Sundry Accounts	Per Cent.		
1911.....	\$70,000	4.9	33,793	0.3	9,311,741	80.5	1,587,997	13.7	70,307	0.6	11,573,838	277,765	2.4	1,094,777	8.8	3,978,739	85.4	328,557	3.4		
1912.....	580,000	4.8	34,126	0.3	9,731,880	80.3	1,685,154	13.9	81,324	0.7	12,112,552	284,685	2.4	1,083,006	8.9	4,018,363	86.0	328,498	2.7		
1913.....	600,000	4.9	35,050	0.3	10,134,947	82.0	1,497,231	11.2	86,134	0.8	12,533,562	293,726	2.4	944,281	7.7	4,078,650	87.3	316,985	2.7		
1914.....	620,000	5.9	38,030	0.4	9,497,422	82.7	281,748	2.7	76,935	0.7	10,444,132	350,144	3.4	1,341,713	12.8	3,894,173	83.1	68,106	0.7		
1915.....	620,000	5.9	40,021	0.4	9,439,747	83.7	272,535	2.6	86,555	0.8	10,458,858	367,437	3.6	1,341,307	10.9	3,985,993	85.0	64,421	0.6		
1916.....	640,000	5.0	41,027	0.3	10,978,532	84.9	1,145,851	8.9	118,000	0.9	12,933,510	388,680	3.0	1,673,502	12.9	4,110,190	84.1	5,694	0.0		
1917.....	670,000	4.5	54,029	0.4	12,668,671	85.2	1,348,701	9.0	128,270	0.9	14,869,671	408,896	2.7	1,780,859	12.9	4,216,616	86.9	108,588	0.8		
1918.....	700,000	4.2	56,021	0.3	13,836,917	83.7	1,912,260	11.5	124,205	0.8	16,619,403	420,408	2.5	2,335,353	13.4	4,778,181	83.3	165,323	1.0		
1919.....	715,000	3.9	56,881	0.3	15,991,169	87.8	1,327,012	7.3	130,015	0.7	18,290,077	420,077	2.3	1,347,582	7.4	4,566,470	86.7	108,588	0.8		
1920.....	820,000	4.0	72,321	0.4	17,196,230	87.6	2,855,865	11.0	175,841	0.8	20,590,297	448,111	2.2	1,818,380	8.6	4,910,900	82.4	180,497	0.9		
1921.....	870,000	3.9	75,837	0.3	18,931,993	83.7	2,535,491	11.2	185,176	0.9	22,595,497	477,954	2.1	2,511,776	11.1	4,855,495	83.9	661,318	2.9		
1922.....	1,000,000	4.8	97,788	0.5	17,756,879	85.6	1,692,519	8.2	191,920	0.8	20,732,976	471,141	2.3	2,553,308	12.4	4,910,900	83.9	308,219	1.6		
1923.....	1,030,000	4.7	97,997	0.4	18,393,626	83.3	2,368,861	10.7	193,617	0.9	22,084,109	498,591	2.2	3,063,596	13.8	5,173,538	86.2	794,087	3.6		

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PRUDENTIAL ASSURANCE COMPANY LIMITED

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Telegrams: "Afroasian, Telew, London."

Telephone: Holborn 2300, London.

AFRICA HOUSE, 54, WHITWORTH STREET, MANCHESTER.

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AFRICAN AND EASTERN TRADING COMPANY, INCORPORATED,
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Cables: "Afroasian."

Telephone: Broad 7290.

ESTABLISHMENTS AND AGENCIES.

Canary Islands	Ivory Coast	Nigeria	Morocco	Syria
Senegal	Gold Coast	Cameroons	Turkey	Mesopotamia
Gambia	Belgian Congo	Togoland	Levant	Persia
Sierra Leone	Dahomey	Angola	Palestine	British East Africa
Liberia				

Exporters of:

COTTON PIECE GOODS, YARNS, SILKS, VELVETS, HABERDASHERY, HARDWARE, PROVISIONS, PERFUMERY, SALT, TOBACCO AND MANUFACTURED GOODS OF EVERY DESCRIPTION.

Importers of:

ALL PRODUCE OF THE COUNTRIES IN WHICH ESTABLISHED.

NATIONAL DISCOUNT COMPANY, LIMITED.

ESTABLISHED 1856.

CAPITAL					Market Value,	PROFITS AND DIVIDENDS.									
Subscribed.	Paid-up.	Callable.	Reserved.		April 9, 1924.	Year Ended Dec. 31.	Net Profit.	Per Cent. of Resources.	Dividends Amount.	Rate.	Reserves, &c.	Carried Forward.			
£	£	£	£	£	£	£	£	%	£	%	£	£			
1,693,330	846,665	846,665	Nil.		2,116,600	1913..	104,787	0.45	84,666	10	20,000	21,685			
						1914..	86,517	0.52	82,109	10½		26,093			
						1915..	80,072	0.47	73,378	10		32,787			
						1916..	66,681	0.26	65,617	10		33,852			
						1917..	81,733	0.25	69,850	11		45,735			
						1918..	120,906	0.43	69,321	11½	50,000	47,320			
						1919..	135,050	0.40	71,120	12	64,000	47,250			
						1920..	123,005	0.35	82,973	14	10,000	77,282			
						1921..	165,305	0.42	94,826	16	10,000	137,760			
						1922..	190,682	0.47	100,330	16	15,000	213,112			
						1923..	108,225	0.26	107,526	A10 B23		213,810			
* Free of tax.															

LIABILITIES.										ASSETS.											
Year Ended Dec. 31.	Capital and Reserves.	Per Cent.	Un-divided Profits.	Per Cent.	Deposits and Sundry Balances.	Per Cent.	Bills Rediscounted.	Per Cent.	Rebate.	Per Cent.	Total Liabilities or Assets.	Cash at Bankers.	Per Cent.	Securities.	Per Cent.	Loans at Call, Short and Fixed Dates.	Per Cent.	Bills Discounted.	Per Cent.	Buildings and Sundries.	Per Cent.
£	£	%	£	%	£	%	£	%	£	%	£	£	%	£	%	£	%	£	%	£	%
1900	1,306,665	100	52,161	0.4	8,757,155	67.6	2,833,197	22.0	..	..	12,949,178	1,829,994	14.1	1,811,387	12.2	1,725,544	13.4	9,262,729	71.5	130,910	1.0
1905	1,246,665	8.3	54,109	0.4	10,420,018	69.5	3,263,484	21.8	..	..	14,984,276	171,500	1.1	1,831,387	12.2	2,369,945	15.8	10,448,539	69.8	162,903	1.1
1910	1,296,665	6.9	62,229	0.5	14,312,200	75.9	3,051,121	16.2	129,033	0.7	18,851,248	311,670	1.6	2,631,868	14.0	1,524,683	8.1	14,178,757	75.2	204,269	0.7
1915	1,351,665	5.9	64,018	0.3	15,757,480	68.5	5,656,538	24.5	178,274	0.9	23,007,975	503,251	2.2	1,851,125	8.0	669,501	2.9	19,785,396	86.0	198,074	0.7
1920	1,351,665	8.0	64,546	0.4	13,010,539	77.0	2,285,466	13.5	186,603	1.1	16,898,819	427,865	2.5	1,851,902	11.0	761,450	4.5	13,690,459	81.1	158,074	0.5
1925	1,351,665	7.9	68,241	0.4	11,667,210	68.7	3,705,487	21.6	238,697	1.4	17,031,300	464,144	2.7	1,375,907	8.1	328,608	1.9	14,702,812	86.4	159,829	0.4
1930	1,296,665	5.0	65,602	0.3	16,784,916	64.9	7,361,649	28.6	320,906	1.2	25,829,738	490,045	1.9	1,038,146	4.0	1,960,165	7.6	22,104,645	85.6	236,737	0.7
1935	1,296,665	4.0	83,835	0.3	21,141,491	65.0	9,597,240	28.5	404,499	1.2	32,523,730	653,424	2.0	1,153,225	3.5	2,393,287	7.4	28,000,608	86.1	323,186	1.0
1940	1,346,665	4.8	82,880	0.3	17,973,136	63.9	8,388,687	29.8	323,783	1.2	28,115,151	515,546	1.8	1,472,785	4.4	1,682,501	5.6	34,125,925	87.2	292,860	0.8
1945	1,346,665	4.0	82,810	0.2	22,753,164	67.4	9,151,250	27.1	454,938	1.3	33,788,827	577,067	1.7	1,472,785	4.4	1,682,501	5.6	34,125,925	87.2	376,093	1.0
1950	1,346,665	3.8	124,695	0.4	21,231,476	60.0	12,174,743	34.4	507,146	1.4	35,384,725	614,179	1.7	575,855	1.6	1,682,501	5.6	35,497,409	86.8	435,970	1.1
1955	1,346,665	3.4	197,027	0.5	22,412,026	57.2	14,703,190	37.5	547,243	1.4	39,206,151	530,082	1.3	1,890,717	4.8	2,223,457	5.6	34,125,925	87.2	505,895	0.9
1960	1,346,665	3.3	276,612	0.7	21,852,475	53.4	16,911,235	41.4	491,332	1.2	40,878,319	644,119	1.6	3,138,439	7.7	1,465,118	3.6	35,497,409	86.8	570,931	0.8
1965	1,346,665	3.2	276,146	0.7	23,333,716	55.3	16,673,991	39.5	546,147	1.3	42,176,665	667,985	1.6	2,138,452	5.1	1,886,469	4.5	37,363,756	88.5	120,003	0.3
* Includes rebate.																† Includes investments.					

UNION DISCOUNT COMPANY OF LONDON, LIMITED.

ESTABLISHED 1885.

CAPITAL						Year Ended Dec. 31.	Net Profit.	Per Cent. of Resources.	PROFITS AND DIVIDENDS. Dividend Amount.	Rate.	Allocations to Reserves, &c.	Carried Forward.
Authorised and Subscribed. £	Paid-up. £	Callable. £	Reserved. £	Nil	Market Value. £	Dec. 31.			£	%	£	
2,000,000	1,000,000	1,000,000			3,300,000	1913..	143,350	0.45	93,750	13	35,000	98,915
						1914..	123,975	0.58	100,961	13		121,929
						1915..	147,259	0.61	95,767	13		93,421
						1916..	118,251	0.45	94,138	14*	10,000	107,534
						1917..	125,350	0.45	91,375	14*	25,000	116,549
						1918..	116,779	0.34	87,231	14*	25,000	121,086
						1919..	155,579	0.39	100,650	14*	50,000	126,025
						1920..	197,019	0.42	118,000	16†	50,000	156,444
						1921..	245,606	0.50	135,000	18††	115,000	149,652
						1922..	316,070	0.72	160,625	20**	138,596	166,499
						1923..	248,993	0.51	165,312	20**	60,000	190,180
* Bonus of 1 per cent., free of tax.												
† Bonus of 2 per cent., free of tax.												
** Bonus of 5 per cent., free of tax.												
†† Bonus of 3 per cent., free of tax.												

LIABILITIES.										ASSETS.											
Year Ended Dec. 31.	Capital and Reserves.	Per Cent.	Un-divided Profits.	Per Cent.	Loans and Deposits.	Per Cent.	Bills Rediscounted.	Per Cent.	Rebate.	Per Cent.	Total Liabilities or Assets.	Cash at Bankers.	Per Cent.	Investments.	Per Cent.	Loans at Call and Short Date, and Other Accounts.	Per Cent.	Bills Discounted, &c.	Per Cent.	Buildings and Sundries.	Per Cent.
	£	%	£	%	£	%	£	%	£	%	£	£	%	£	%	£	%	£	%	£	%
1900	1,144,600	5.7	82,446	0.4	12,605,208	62.2	6,414,149	31.7	..	..	20,246,403	417,241	2.0	2,084,728	10.1	1,941,523	9.6	15,692,206	77.5	110,705	0.5
1905	1,211,619	5.5	105,020	0.5	14,957,518	67.5	5,865,486	26.5	..	..	22,139,643	480,289	2.2	2,798,292	12.7	2,926,802	13.2	15,826,984	71.4	107,276	0.5
1910	1,421,928	5.7	126,617	0.5	17,163,143	68.5	6,321,697	25.3	..	..	25,033,385	829,556	3.3	3,449,238	13.8	1,782,289	7.1	18,854,427	75.3	117,875	0.5
1915	1,549,147	4.9	152,665	0.5	20,662,330	65.6	8,966,329	28.3	229,830	0.7	31,560,301	886,339	2.8	2,213,542	7.0	954,500	3.0	27,563,391	86.7	142,529	0.5
1920	1,758,568	8.2	172,574	0.8	16,223,559	75.4	3,113,506	14.6	809,979	1.0	21,478,386	1,816,652	4.3	2,786,718	13.0	980,741	4.6	16,634,946	77.4	172,329	0.8
1925	1,763,976	7.3	139,693	0.6	17,336,515	73.7	4,155,122	17.9	280,937	1.2	24,176,243	365,685	4.0	2,184,397	9.0	576,082	2.4	20,286,413	83.9	163,119	0.7
1930	1,769,156	6.7	157,471	0.6	19,261,601	73.3	4,765,204	18.1	335,380	1.3	26,288,806	1,040,703	4.0	1,975,879	7.5	807,554	3.0	24,302,551	84.8	163,119	0.7
1935	1,799,508	6.0	166,486	0.6	23,343,383	77.5	4,450,769	14.8	326,822	1.1	30,086,968	1,043,251	3.5	2,655,404	8.8	363,730	1.2	26,868,582	86.0	156,001	0.7
1940	1,830,303	5.3	168,271	0.5	27,577,516	79.6	4,833,455	13.9	243,918	0.7	34,643,463	1,065,677	3.1	4,249,108	12.3	2,491,569	7.2	26,868,582	86.0	163,119	0.7
1945	2,132,138	5.3	185,025	0.5	30,792,022	76.5	6,723,646	16.8	345,150	0.9	40,177,981	1,173,981	2.9	3,796,422	9.4	1,307,943	3.2	33,688,891	84.0	180,073	0.8
1950	2,138,666	4.5	224,094	0.5	36,869,304	67.3	12,661,765	26.8	424,480	0.9	47,118,259	1,259,557	2.7	3,019,944	6.4	1,558,415	3.3	41,079,453	87.2	209,744	0.9
1955	2,254,009	4.6	235,651	0.5	33,417,966	67.8	12,660,346	25.8	643,535	1.3	49,212,127	1,256,490	2.6	4,517,656	9.2	2,339,478	4.8	40,882,932	83.0	200,890	0.9
1960	2,377,005	5.4	272,749	0.6	34,139,416	77.7	6,795,272	15.4	393,404	0.9	45,977,846	1,274,375	2.9	4,819,974	11.0	230,940	0.5	37,484,422	85.2	168,135	0.8
1965	2,437,689	5.0	298,305	0.6	36,345,007	75.2	5,694,704	18.0	564,761	1.2	48,340,466	1,293,887	2.7	5,088,622	10.5	569,859	1.2	41,208,472	85.2	179,626	0.8

* Includes rebate.

BANK OF SCOTLAND—Continued from page 34.

Year Ended Feb. 28.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Accept- ances.	Per Cent.	Miscel- laneous Credits, &c.	Per Cent.		Cash in Hand and at Bank.	Per Cent.	Invest- ments and Money at Call.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings & Furniture, including Cover for Acceptances.	Per Cent.		
1891..	113	2,050,000	10.3	102,154	0.5	937,165	4.7	1,131,560	5.8	223,713	1.1	15,516,050	77.6	19,960,642	1,312,095	6.6	7,690,983	38.5	9,433,789	47.2	1,523,778	7.7
1895..	117	2,050,000	10.8	108,563	0.6	1,012,494	5.3	1,147,030	6.1	186,729	1.0	14,415,554	76.2	18,930,370	1,431,051	7.6	7,690,983	38.5	9,957,622	52.7	1,747,075	9.2
1901..	124	2,025,000	9.9	86,116	0.4	1,073,920	5.2	1,213,022	5.9	201,138	1.0	15,887,972	77.6	20,487,228	1,610,894	7.9	7,877,159	38.5	9,167,175	44.6	1,832,070	9.0
1906..	130	2,250,000	11.0	106,784	0.5	1,067,089	5.2	1,509,691	7.4	423,287	2.1	15,097,363	73.8	20,454,213	1,535,556	7.5	7,191,180	35.2	9,599,374	46.9	2,128,103	10.4
1908..	163	2,425,000	10.2	123,101	0.5	1,143,613	4.8	1,958,759	8.2	525,256	2.2	17,653,896	74.1	23,829,625	1,507,747	6.7	8,124,080	34.0	11,441,108	48.2	2,666,690	11.1
1909..	164	2,475,000	10.6	124,887	0.5	1,118,838	4.8	1,950,738	8.0	415,661	1.8	17,637,830	75.3	23,522,934	1,547,782	6.6	8,367,307	35.6	11,163,664	47.8	2,344,181	10.0
1910..	164	2,525,000	10.2	132,797	0.5	1,193,736	4.9	1,626,823	6.6	204,010	0.8	19,030,228	77.0	24,712,594	1,448,571	5.6	8,160,957	37.1	11,788,551	47.7	2,315,415	9.4
1911..	164	2,575,000	10.9	132,501	0.6	1,172,060	5.0	1,676,828	7.1	314,625	1.3	17,648,362	75.1	23,519,376	1,773,740	7.5	8,096,915	34.5	11,283,951	48.0	2,364,770	10.0
1912..	165	2,625,000	10.0	145,146	0.6	1,236,789	4.7	1,849,495	10.8	221,834	0.8	19,249,180	73.3	26,271,324	1,763,256	6.7	9,109,529	34.7	11,243,448	44.6	3,222,567	12.6
1913..	165	2,675,000	9.8	143,704	0.5	1,296,795	4.7	2,742,799	10.1	311,984	1.1	20,172,278	73.8	27,342,554	1,876,099	6.9	9,800,440	36.0	12,243,448	44.9	3,297,304	12.3
1914..	165	2,725,000	10.2	144,530	0.5	1,238,666	4.6	2,609,030	9.8	420,989	1.6	19,639,636	73.3	26,777,850	1,808,776	6.8	9,643,567	36.0	12,028,203	44.9	3,212,727	11.4
1915..	165	2,825,000	8.9	106,910	0.4	1,556,979	4.6	2,522,997	8.9	566,184	2.0	21,107,759	74.3	28,381,827	2,165,207	7.6	11,694,313	41.3	11,309,582	39.7	3,212,727	11.4
1916..	165	2,875,000	8.7	100,043	0.4	2,119,702	7.7	1,052,042	3.8	284,764	1.0	21,552,004	78.4	27,483,555	3,217,353	11.7	12,547,245	45.6	9,981,646	36.4	1,737,271	6.3
1917..	165	2,975,000	8.3	103,728	0.3	2,492,623	7.6	1,194,764	4.6	248,407	0.7	26,912,906	81.6	34,953,188	5,487,393	15.7	13,727,055	42.1	13,424,172	40.7	1,864,844	5.4
1918..	165	2,975,000	8.7	100,043	0.4	2,119,702	7.7	1,052,042	3.8	284,764	1.0	21,552,004	78.4	27,483,555	3,217,353	11.7	12,547,245	45.6	9,981,646	36.4	1,737,271	6.3
1919..	166	2,975,000	8.7	100,043	0.4	2,119,702	7.7	1,052,042	3.8	284,764	1.0	21,552,004	78.4	27,483,555	3,217,353	11.7	12,547,245	45.6	9,981,646	36.4	1,737,271	6.3
1920..	167	2,975,000	8.7	100,043	0.4	2,119,702	7.7	1,052,042	3.8	284,764	1.0	21,552,004	78.4	27,483,555	3,217,353	11.7	12,547,245	45.6	9,981,646	36.4	1,737,271	6.3
1921..	167	2,975,000	8.7	100,043	0.4	2,119,702	7.7	1,052,042	3.8	284,764	1.0	21,552,004	78.4	27,483,555	3,217,353	11.7	12,547,245	45.6	9,981,646	36.4	1,737,271	6.3
1922..	167	2,975,000	8.7	100,043	0.4	2,119,702	7.7	1,052,042	3.8	284,764	1.0	21,552,004	78.4	27,483,555	3,217,353	11.7	12,547,245	45.6	9,981,646	36.4	1,737,271	6.3
1923..	175	2,125,000	5.1	164,702	0.4	3,358,804	8.0	653,019	1.6	642,668	1.6	34,695,037	83.5	41,539,755	6,174,005	14.8	19,818,780	45.7	17,762,485	39.2	7,567,567	1.9
1924..	180	2,250,000	5.6	184,299	0.5	3,305,833	8.2	460,598	1.1	642,668	1.6	33,232,600	83.0	40,075,938	5,700,699	14.2	19,938,407	49.9	13,338,642	33.3	1,038,250	2.0

THE BRITISH LINEN BANK.

ESTABLISHED 1746. 1919—AFFILIATED WITH BARCLAYS BANK, LIMITED.

CAPITAL.					Market Value.	PROFITS AND DIVIDENDS.										Reserves, Investments, &c.		Carried Forward.
Subscribed.	Paid-up.	Callable.	Reserved.	Value.		Year Ended Jan. 15.	Net Profits.	Per Cent. of Resources.	Dividends, Amount.	Rate.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	
£	£	£	£	£	£	1911..	276,798	1.67	250,000	20	32,889	32.063	32.063	32.063	32.063	32.063	32.063	32.063
1,250,000	1,250,000	Nil.	Nil.	4,062,500	4,062,500	1912..	269,305	1.62	250,000	20	37,977	47.570	47.570	47.570	47.570	47.570	47.570	47.570
						1913..	267,916	1.51	250,000	20	40,442	37.545	37.545	37.545	37.545	37.545	37.545	37.545
						1914..	257,679	1.46	225,000	19	40,981	29.242	29.242	29.242	29.242	29.242	29.242	29.242
						1915..	266,318	1.24	207,506	18	35,227	62.827	62.827	62.827	62.827	62.827	62.827	62.827
						1916..	280,585	1.33	172,980	16	140,292	25.509	25.509	25.509	25.509	25.509	25.509	25.509
						1917..	266,047	1.07	154,466	16	85,712	55.378	55.378	55.378	55.378	55.378	55.378	55.378
						1918..	336,234	1.02	150,000	16	120,000	81.612	81.612	81.612	81.612	81.612	81.612	81.612
						1919..	297,873	0.89	142,233	16	170,000	67.252	67.252	67.252	67.252	67.252	67.252	67.252
						1920..	307,215	0.85	140,000	16	185,086	48.382	48.382	48.382	48.382	48.382	48.382	48.382
						1921..	340,428	0.89	140,000	16	220,352	28.457	28.457	28.457	28.457	28.457	28.457	28.457
						1922..	285,646	0.73	140,000	16	120,000	54.104	54.104	54.104	54.104	54.104	54.104	54.104
						1923..	294,340	0.84	147,767	16	150,000	50.676	50.676	50.676	50.676	50.676	50.676	50.676
						1924..	309,665	0.94	153,884	16	150,000	56.457	56.457	56.457	56.457	56.457	56.457	56.457

Fully-paid stock. Price £325.

Note issue, £438,024.

Year Ended Jan. 15.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Accept- ances and Honor- ary Deposits.	Per Cent.	Miscel- laneous Credits, &c.	Per Cent.		Deposit and Current Accounts.	Per Cent.	Cash in Hand, at Bankers, and at Call or Notice.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances (including Short Loans).	Per Cent.	Buildings and Furniture, including Cover for Acceptances.	Per Cent.
1890*	117	1,825,000	12.5	89,097	0.6	753,274	5.2	86,723	0.6	206,666	1.4	11,609,223	79.7	14,569,963	2,345,363	16.1	3,464,034	23.8	8,331,596	57.1	428,990	3.0
1895*	118	2,650,000	16.2	153,567	1.0	838,662	5.0	268,351	1.7	143,806	0.9	12,268,720	75.2	16,323,506	2,504,181	15.3	4,489,458	27.5	6,682,077	53.3	647,790	3.9
1900*	125	2,960,000	16.2	142,723	0.8	918,670	5.1	598,742	3.3	160,566	0.9	13,415,885	73.7	18,186,586	2,809,669	15.4	3,963,401	21.8	10,327,187	56.8	1,086,329	6.0
1905*	138	3,060,000	18.2	170,561	1.0	840,105	5.0	562,434	3.4	203,186	1.2	11,917,009	71.2	16,743,295	1,873,179	11.2	4,037,149	24.1	9,238,241	55.9	1,594,726	9.5
1908..	141	3,000,000	17.0	170,544	1.0	805,434	4.5	707,029	2.1	257,604	1.5	13,107,944	73.9	17,711,565	2,779,006	15.7	4,376,073	24.8	9,149,519	51.5	1,406,958	8.0
1909..	141	3,000,000	17.3	185,996	1.1	811,116	4.7	648,432	3.7	346,325	2.0	12,356,946	71.2	17,348,814	1,972,151	11.4	4,726,485	27.3	9,567,383	51.6	1,682,795	9.7
1910..	141	3,050,000	18.5	163,155	1.0	738,763	4.5	384,834	2.3	320,097	1.9	11,853,342	71.8	16,510,191	1,983,013	12.0	4,097,831	24.8	9,007,563	54.6	1,415,784	8.6
1911..	146	3,050,000	18.3	157,063	1.0	737,170	4.4	339,096	2.0	221,007	1.3	12,118,184	73.0	16,622,520	1,743,666	10.9	3,744,913	21.9	9,334,429	53.9	1,220,044	7.2
1912..	147	3,000,000	17.5	172,570	1.0	810,145	4.7	201,007	1.2	142,124	0.8	12,776,504	74.8	17,102,350	2,902,564	17.8	3,744,913	21.9	9,334,429	53.9	1,220,044	7.2
1913..	147	2,900,000	16.4	150,045	0.8	792,017	4.6	113,450	0.6	222,396	1.3	13,496,696	76.4	17,673,603	3,360,140	19.0	4,138,192	23.6	9,008,880	51.1	1,099,474	3.5
1915..	153	2,750,000	15.1	141,743	0.9	756,630	4.7	133,936	1.1	321,214	1.3	13,410,688	77.1	18,222,139	3,485,206	19.1	4,615,448	26.8	9,349,519	52.3	1,282,944	6.1
1915..	153	2,600,000	13.1	164,655	0.9	1,048,215	5.3	661,350	3.3	488,163	2.5	14,929,671	75.0	19,892,064	3,773,140	19.0	5,131,448	25.0	9,008,880	49.1	1,282,944	6.1
1916..	151	2,500,000	11.9	113,126	0.5	1,441,925	6.9	419,191	2.0	606,139	2.4	16,023,675	77.1	21,003,065	4,299,842	20.4	6,902,746	32.0	9,008,880	47.1	1,846,153	8.1
1917..	150	2,450,000	9.9	130,378	0.5	1,889,913	7.6	866,401	3.5	293,089	1.2	19,257,797	77.3	24,887,578	5,887,066	23.6	7,017,585	28.7	10,147,768	40.7	1,397,716	5.1
1918..	146	2,500,000	8.6	156,613	0.5	2,334,137	8.0	545,428	1.8	924,705	3.2	22,747,306	78.6	28,209,188	6,589,704	22.5	6,913,311	23.6	14,260,697	48.9	1,335,286	4.6
1919..	146	2,600,000	7.7	137,352	0.4	3,182,911	9.5	391,180	1.2	876,032	2.6	26,428,119	77.6	35,612,141	6,986,777	19.7	9,578,353	28.8	16,202,493	48.2	1,222,778	3.6
1920..	149	2,600,000	7.7	118,382	0.4	3,399,800	9.4	339,800	1.0	990,068	2.6	26,428,119	77.6	35,612,141	6,986,777	19.7	9,578,353	28.8	16,202,493	48.2	1,222,778	3.6
1921..	141	2,600,000	6.8	98,457	0.3	3,668,476	9.4	605,795	1.8	1,243,294	2.8	30,187,012	78.4	38,566,788	8,619,422	22.4	10,578,390	39.2	17,380,266	48.4	1,413,065	3.5
1922..	142	2,600,000	6.7	124,103	0.3	3,099,332	7.9	298,626	0.8	870,383	2.3	31,387,836	82.1	38,980,880	8,619,422	22.4	10,578,390	39.2	17,380,266	48.4	1,413,065	3.5
1923..	149	2,700,000	7.7	125,676	0.4	2,830,140	8.2	208,001	0.6	341,979	1.0	32,849,249	84.1	35,115,045	6,732,003	19.2	11,624,428	30.0	19,791,802	44.9	1,154,429	2.7
1924..	152	2,800,000	8.5	133,957	0.4	2,704,165	8.2	167,967	0.5	391,416	1.2	32,679,343	81.2	39,911,948	6,732,003	19.2	11,624,428	30.0	19,791,802	44.9	1,154,429	2.7

COMMERCIAL BANK OF SCOTLAND, LIMITED—Continued from page 36.

Year Ended Oct. 31.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Notes.	Per Cent.	Accept- ances and Endorse- ments.	Per Cent.	Miscel- laneous Credits, Staff Fund, &c.	Per Cent.	Deposit and Current Accounts.	Per Cent.		Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings and Sundries, including Cover for Acceptance's	Per Cent.
1890..	135	£ 1,600,000	11.0	912,305	6.2	149,776	1.0	227,634	1.6	11,499,591	79.7	14,464,402	1,325,909	9.2	2,712,316	18.8	2,757,124	19.0	6,978,592	48.3	£ 690,461	4.7
1895..	142	1,800,000	10.8	949,847	5.7	184,702	1.1	237,449	1.4	13,333,525	80.4	16,625,033	1,518,929	9.1	2,802,418	16.8	3,933,649	23.7	7,727,466	46.5	642,571	3.9
1900..	142	2,000,000	11.1	1,077,959	6.0	164,049	0.9	220,924	1.2	14,418,109	80.1	18,001,462	1,827,067	10.2	2,303,643	12.8	3,475,536	19.3	9,731,070	54.1	664,146	3.6
1905..	152	2,000,000	11.8	1,008,934	5.6	235,913	1.7	434,244	2.4	14,024,773	78.4	17,885,210	1,834,579	10.2	2,705,935	15.2	3,142,634	17.5	9,390,199	52.5	811,863	4.6
1910..	167	1,900,000	10.8	997,229	5.4	404,421	2.2	431,700	2.3	14,687,812	79.2	18,543,627	1,849,214	9.9	2,872,352	15.8	3,580,760	19.3	9,322,212	50.3	919,079	5.0
1911..	167	1,900,000	9.5	994,620	5.3	352,616	1.9	448,122	2.4	14,861,356	79.6	18,675,469	1,851,194	11.5	3,327,589	17.8	3,623,503	19.4	8,706,775	46.6	866,408	4.7
1912..	167	1,900,000	10.2	1,017,495	5.1	388,956	2.0	410,673	2.1	16,094,867	80.8	19,926,663	2,131,929	10.7	3,482,004	20.1	4,066,519	20.4	8,310,822	41.7	904,603	4.5
1913..	170	1,900,000	8.8	1,107,342	5.1	216,399	1.0	366,303	1.7	18,066,150	83.0	21,763,102	2,458,862	11.3	4,382,004	20.1	4,345,219	20.4	8,310,822	41.7	904,603	4.5
1914..	174	1,800,000	7.9	1,278,330	5.6	310,054	1.4	278,516	1.4	18,953,227	83.2	22,723,361	2,962,291	13.0	5,079,702	23.6	4,860,134	21.4	10,993,283	48.9	827,951	3.7
1915..	173	1,800,000	7.7	1,754,857	7.5	274,677	1.2	398,934	1.7	19,036,931	81.9	23,868,868	3,039,178	15.1	5,984,026	28.8	8,190,493	29.3	12,376,744	44.7	1,271,857	4.0
1916..	172	1,700,000	6.1	2,109,716	7.5	283,019	1.3	473,196	2.7	22,873,082	82.9	27,940,986	3,292,700	12.8	8,726,997	37.4	7,740,108	33.0	868,551	3.7		
1917..	174	1,700,000	5.3	2,421,153	14.2	218,578	1.2	619,839	3.6	26,659,325	82.9	32,223,406	4,968,824	15.4	2,109,913	13.6	9,210,029	28.5	14,637,245	45.6	1,297,395	4.0
1918..	178	1,850,000	4.9	3,307,838	8.7	1,023,858	5.5	872,669	4.7	30,693,529	81.2	37,805,284	6,545,786	17.3	3,430,348	9.1	10,409,646	27.0	16,062,262	42.5	1,550,276	4.1
1919..	191	2,000,000	4.4	3,988,975	8.8	2,151,287	10.8	878,061	4.7	36,071,163	80.0	45,205,118	7,672,181	17.0	4,110,793	9.1	14,059,646	31.0	16,062,262	42.5	1,550,276	4.1
1920..	196	2,750,000	5.4	4,350,944	8.5	2,034,586	3.5	878,578	4.7	41,096,568	80.0	51,241,597	8,227,119	16.0	5,332,423	10.4	13,484,567	26.3	16,685,833	37.0	2,676,665	5.9
1921..	206	2,875,000	5.5	5,874,263	7.4	1,083,326	2.1	1,042,256	2.0	43,711,678	83.1	52,731,870	10,038,231	13.5	5,654,770	10.7	13,972,480	26.4	24,394,021	46.4	2,615,781	5.1
1922..	277	3,350,000	6.8	3,471,381	7.1	1,040,292	2.1	1,004,429	2.0	40,071,576	81.4	49,091,595	11,255,877	12.5	1,353,315	10.4	16,035,541	32.6	20,048,125	41.1	1,746,737	3.5
1923..	288	3,450,000	7.8	3,242,556	7.3	753,805	1.7	684,032	1.5	35,822,541	81.1	44,106,029	6,485,545	14.7	4,272,764	9.7	14,720,792	33.3	17,152,999	39.0	1,473,929	3.3

THE CLEVELAND BANK LIMITED

THE CLYDESDALE BANK, LIMITED.
ESTABLISHED 1838.

Affiliated with Midland Bank Limited, 1920.

CAPITAL				PROFITS AND DIVIDENDS.				
Subscribed.	Paid-up.	Reserved.	Year Ended Dec. 31.	Net Profits.	Per Cent.	Dividends.	To Reserve, &c.	Carried Forward
£	£		£	£	Resources.	Amount.	Rate.	£
			1910	212,954	1.34	130,000	13	
			1911	217,222	1.36	140,000	13	75,000
			1912	230,099	1.26	150,000	15	75,017
5,000,000	1,000,000	4,000,000	1913	237,512	1.28	150,000	15	80,000
			1914	250,654	1.26	150,000	15	95,000
			1915	255,636	1.14	150,000	15	95,000
			1916	265,391	0.96	150,000	15	105,000
Per Share.	Per Share.	Per Share.	1917	286,258	1.08	160,000	15	115,000
			1918	315,683	0.88	180,000	16	125,000
			1919	330,636	0.78	180,000	18	120,000
			1920	336,975	0.73	180,000	18	120,000
			1921	331,009	0.71	180,000	18	125,000
			1922	334,855	0.81	180,000	18	150,000
			1923	330,971	0.87	180,000	18	150,000
Authorised note issue, £274,321.								

* Includes Treasury Bills.

NORTH OF SCOTLAND BANK, LIMITED.
ESTABLISHED 1825.

1908

CAPITAL					Market Value.	PROFITS AND DIVIDENDS.					
Subscribed.	Paid-up.	Callabie.	Reserved.	Year Ended April.		Net Profits.	Per Cent. of Resources.	Dividends. Amount.	Rate.	Reserve, £s.	Carried Forward
£	£	£	£	£	£						
1912					3,662,500	202,786	1.27	150,000	15		
1913						206,751	1.06	150,000	15	50,000	33,392
1914						209,385	1.02	150,000	15	55,000	36,194
1915						225,876	1.03	150,000	15	50,000	36,610
1916						235,507	1.08	150,000	15	20,000	100,883
1917						249,330	1.12	150,000	15	78,335	101,486
1918						279,187	0.97	150,000	15	140,000	61,286
1919						284,349	0.87	150,000	15	130,000	60,462
1920						310,775	0.79	160,000	15	140,000	54,801
1921						312,320	0.80	160,000	16	170,000	35,776
1922						328,483	0.76	170,000	17	135,000	47,678
1923						326,362	0.87	180,000	18	145,000	52,550
1924						628,648	0.94	180,000	18	105,000	96,198

Authorized note issue, £454,346.

Continued on page 42.

ESTABLISHED 1880.

Capital Subscribed and Fully Paid	-	Yen	100,000,000
Reserve Fund	-	-	74,500,000

Head Office = = YOKOHAMA.

BRANCHES AT

BATAVIA.	HONOLULU.	NEWCHANG.	SHANGHAI.
BOMBAY.	HONG KONG.	NEW YORK.	SHIMONOSEKI.
BUENOS AYRES.	KAI YUAN.	OSAKA.	SINGAPORE.
CALCUTTA.	KOBE.	PEKIN.	SOURABAYA.
CANTON.	LONDON.	RANGOON.	SYDNEY.
CHANGCHUN.	LOS ANGELES.	RIO DE JANEIRO.	TIENTSIN.
DAIREN (<i>Dalny</i>).	LYONS.	SAIGON.	TOKYO.
FENGTIEN (<i>Mukden</i>).	MANILA.	SAMARANG.	TSINANFU.
HAMBURG.	NAGASAKI.	SAN FRANCISCO.	TSINGTAU.
HANKOW.	NAGOYA.	SEATTLE.	VLADIVOSTOCK.
HARBIN.			

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

LONDON OFFICE :

K. YANO, Manager.

7, BISHOPSGATE, LONDON, E.C.2.

Constituted under the Imperial Bank of India Act, 1920,

For the purpose of taking over the undertakings and business of the Bank of Bengal, the Bank of Bombay, and the Bank of Madras.

AUTHORISED CAPITAL: 225,000 shares of Rs. 500 each	...	...	...	...	...	Rs.	11,25,00,000
PAID-UP CAPITAL as on 31st Dec., 1923: 75,000 Shares of Rs. 500 each—Fully Paid	...	...	...	...	...	,,	3,75,00,000
150,000 Shares of Rs. 500 each—Rs. 125 Paid	...	...	...	...	...	,,	1,87,50,000
						Rs.	5,62,50,000

[illegible]

Managing Governors:—S. A. H. SITWELL, Esq. ; N. M. MURRAY, Esq. (Offg).
Local Head Offices: CALCUTTA, BOMBAY, MADRAS.

London Office:—5, Whittington Avenue, E.C.3. **Sir NORCOT WARREN, K.T., K.C.I.E., Manager.**

Burra Bazaar, Calcutta	Bareilly	Dehra Dun	Karachi	Nagpur	Salem
Clive Street, Calcutta	Baselin	Delhi	Kasauli	Naini Tal.	Sargodha
Park Street, Calcutta	Bellary	Dhulia	Khandwa	Nandyal	Secunderabad
Byculla, Bombay	Benares	Dibrugarh	Kumbakonam	Naraingunge	Serajungce
Mandvi, Bombay	Berhampore	Erode	Lahore	Nasik	Sholapur
Sandhurst Road, Bombay	Bexwada	Ferozepore	Larkana	Negapatam	Shikot
Mount Road, Madras	Bhopal	Fyzabad	Lucknow	Nellore	Simla
Abbotabad	Broach	Gorakhpur	Lyalpur	Nowshera	Simla Town
Agra	Calicut	Guntur	Madura	Ootacamund	Srinagar (Kashmir)
Ahmedabad	Cawnpore	Guilford	Mandala	Patna	Sukkur
Ahmedabad City	Chittakong	Hathras	Mangalore	Peshawar	Surat
Ahmednagar	Cocanada	Hubli	Maasilpatam	Peshawar City (Sub-Agency)	Tellicherry
Ajmer	Cochin	Hyderabad (Deccan)	Meerut	Poona	Tinnevely
Akola	Colombatore	Hyderabad (Sind)	Moradabad	Poona City	Trichinopoly
Akyab	Coleombo	Indore	Moolmein	Quetta	Trivandrum
Alahabad	Cuddalore	Jaipur	Multan	Rajahmundry	Tuticorin
Alleppey	Cuddapah	Jaipon	Murree	Rajkot	Ujain
Ambsia	Cuttack	Jalpaiguri	Muscorie	Rangoon	Vellore
Amrota	Dacca	Jamshedpur	Muttra	Rangpur	Vizagapatam
Amritsar	Dalhousie	Jubbulpore	Muzaffarpur	Rawalpindi	Vizagapatam
Bangalore	Darjeeling	Jullundur	Mymensingh	Saharanpur	Vizianagaram
			Nadlad		Yeotmal

CURRENT ACCOUNTS—Opened free of charge.

FIXED DEPOSITS—Received at Interest.

SAVINGS BANK DEPOSITS—Received and Interest allowed.

GOVERNMENT AND OTHER SECURITIES—Received for safe custody, Purchases and Sales effected, Interest and Dividends collected and credited to account or remitted in accordance with instructions.

LOANS AND CASH CREDITS—Granted, and approved Mercantile Bills discounted.

copies of rules, Powers of Attorney, &c., may be had on application at any of the Local Head Offices or Branches of the Bank.

S. A. H. SITWELL, Managing
N. M. MURRAY (Offg.) Governors

UNION BANK OF SCOTLAND, LIMITED—Continued from page 40.

Year ended 31st April.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Notes.	Per Cent.	Accept- ances.	Per Cent.	Drafts on London.	Per Cent.	Deposit and Current Accounts.	Per Cent.		Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Discounts & Advances, Including Short Loans on Stocks.	Per Cent.	Buildings & Sundries, including Cover for Acceptanc's	Per Cent.
1891..	132	£ 1,440,000	10.4	820,702	6.0	£ 60,061	0.4	52,513	0.4	11,237,632	82.0	13,758,093	1,062,583	7.7	1,827,612	13.3	4,168,376	30.4	6,274,695	..	424,824	..
1896..	134	1,515,000	10.6	949,244	6.6	74,263	0.5	94,745	0.7	11,443,482	80.5	14,235,357	1,362,186	9.6	2,464,572	17.3	3,207,583	22.5	6,770,539	47.6	430,477	3.0
1901..	144	1,660,000	10.2	1,039,266	6.4	105,571	0.6	88,469	0.5	12,353,604	82.8	16,343,669	1,426,119	8.7	3,185,485	19.5	2,950,120	18.1	8,349,995	51.1	431,950	2.6
1906..	151	1,875,000	11.7	981,811	6.3	20,463	0.1	131,324	0.8	12,740,020	79.9	15,913,988	1,632,440	10.2	3,230,609	20.3	2,933,414	18.4	7,779,322	49.0	338,203	2.1
1910..	156	2,000,000	12.4	866,798	5.3	246,364	1.5	99,945	0.6	12,833,038	79.4	16,220,354	1,633,501	10.1	2,957,173	18.2	3,396,544	21.0	7,569,668	46.6	663,468	4.1
1911..	158	2,000,000	12.6	883,747	5.9	134,587	0.9	67,616	0.4	12,586,538	79.0	15,853,094	895,589	5.6	3,164,915	20.0	3,233,142	20.4	7,980,300	50.3	579,148	3.7
1912..	161	2,000,000	11.1	912,724	5.0	320,139	1.8	71,361	0.4	14,573,356	80.2	18,070,972	1,299,978	7.2	3,748,135	20.8	3,067,256	17.0	9,193,989	50.8	761,614	4.2
1913..	162	2,000,000	10.3	931,909	4.8	723,784	3.7	240,069	1.2	15,409,195	79.0	19,496,051	1,170,499	6.0	4,817,782	24.7	3,106,351	15.9	9,218,724	47.3	1,182,725	6.6
1914..	162	2,000,000	9.7	945,432	4.6	889,972	4.3	137,020	0.7	16,458,022	79.9	20,650,456	1,231,406	6.0	4,009,781	19.5	3,617,892	17.6	10,454,922	50.4	1,336,455	6.5
1915..	160	1,800,000	8.4	1,217,971	5.6	401,845	1.9	97,833	0.5	17,751,933	82.3	21,530,539	1,570,532	7.3	4,427,429	20.6	4,948,724	22.9	9,726,851	45.2	857,003	4.0
1916..	160	1,800,000	8.5	1,594,494	7.5	691,890	3.3	176,934	0.8	16,739,330	78.7	21,264,104	1,755,536	8.2	3,780,048	17.8	7,281,138	34.2	7,299,513	34.4	1,403,358	6.3
1917..	158	1,800,000	8.1	1,895,889	8.5	955,362	4.3	219,649	1.0	17,219,195	77.2	22,311,375	2,348,179	10.5	2,317,049	10.4	6,554,556	29.3	9,688,233	45.5	846,267	2.9
1918..	158	1,800,000	8.1	1,895,889	8.5	373,726	1.3	124,485	0.4	23,648,883	82.1	28,803,278	3,163,006	11.0	3,272,810	11.4	6,708,027	23.3	14,813,168	51.4	1,446,202	3.7
1919..	160	2,000,000	6.9	2,535,733	7.9	418,547	1.3	666,717	2.0	26,265,016	80.7	38,553,302	3,362,649	10.3	3,816,321	11.7	7,875,540	24.2	16,525,790	50.8	972,202	3.0
1920..	160	2,000,000	5.1	3,287,221	9.2	373,726	1.3	907,566	2.3	32,435,518	82.2	39,497,787	4,258,644	10.8	4,338,481	11.0	9,947,705	25.3	19,508,755	49.2	1,446,202	3.7
1921..	161	2,000,000	5.1	3,366,092	8.7	397,556	1.0	209,047	0.5	35,270,296	86.1	38,702,700	3,297,867	8.1	3,693,093	9.5	16,273,312	23.8	21,193,369	54.5	936,286	2.4
1922..	164	2,100,000	5.1	2,840,934	7.0	273,423	0.7	138,018	0.3	35,211,965	86.3	40,800,538	3,297,867	8.1	4,710,250	11.6	16,869,451	41.4	21,193,369	54.5	936,286	2.4
1923..	164	2,200,000	5.9	2,667,304	7.1	360,186	1.0	249,538	0.7	31,740,997	84.9	37,475,575	3,048,875	8.1	4,174,224	11.2	16,187,467	43.1	13,170,242	35.2	894,767	2.0
1924..	172	2,250,000	6.4	2,516,933	7.2	523,549	1.5	147,064	0.4	29,334,378	83.7	35,073,122	3,177,930	9.1	4,187,000	11.9	13,163,964	37.5	13,492,151	38.5	1,052,077	3.0

JOINT STOCK BANKS OF NORTHERN IRELAND.

BELFAST BANKING CO., LIMITED.

ESTABLISHED 1827.

(Affiliated with Midland Bank, Limited.)

CAPITAL						PROFITS AND DIVIDENDS.						
						Dividends						
Year Ended	Net Profits.	Per Cent. of Resources.	Amount.	Rate.	Reserves, &c.	Carried Forward						
July 31.	£			%								
1910..	69,891	1.02	55,000	*20	25,638	42,889						
1911..	69,452	0.95	55,000	*20	10,667	41,858						
1912..	69,273	0.90	55,000	*20	25,720	30,411						
1913..	73,141	0.89	55,000	*20	750	47,802						
1914..	75,982	0.91	55,000	*20	22,055	46,729						
1915..	70,958	0.79	53,791	*20	25,000	33,546						
1916..	69,799	0.64	48,163	*20	30,415	24,967						
1917..	68,870	0.56	44,687	*20	20,000	49,150						
1918..	80,850	0.68	43,745	*20	20,000	73,854						
1919..	(a)105,991	0.52	59,087	*20	70,000	63,159						
1920..	122,403	0.56	41,708	*20	70,000	73,854						
1921..	111,102	0.52	41,708	*20	70,000	73,247						
1922..	110,580	0.55	43,943	*20	70,000	69,884						
1923..	109,293	0.61	45,805	*20	50,000	83,373						
						* Free of income-tax. † And bonus.						

Authorised note issue, £281,611.

Year ended July 31.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.										
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Bills for Collection.	Per Cent.	Staff Funds.	Per Cent.		Deposits and Current Accounts.	Per Cent.	Cash in Hand and at Call.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Build- ings.	Per Cent.	
		\$		\$		\$		\$		\$		\$		\$		\$		\$		\$			
1890.	37	700,000	17.8	65,984	1.7	473,191	12.0	..	..	10,025	0.2	2,691,731	68.3	3,940,931	55.4	260,141	14.1	1,117,786	28.3	2,221,813	56.4	77,072	1.2
1895.	40	775,000	16.5	36,309	0.8	511,654	10.9	..	..	14,670	0.3	3,541,587	71.5	4,679,220	80.4	478,172	17.2	790,679	17.0	3,011,151	64.3	72,912	1.5
1900.	43	800,000	14.8	52,283	1.0	523,434	9.7	..	..	28,011	0.5	4,000,245	74.0	5,403,973	734,625	13.6	1,157,573	21.3	3,433,371	63.5	78,404	1.5	
1905.	45	1,000,000	17.2	18,322	0.3	479,492	8.2	37,507	0.6	37,256	0.6	4,257,684	73.1	5,830,271	832,703	14.2	1,255,466	21.5	3,665,035	63.0	76,067	1.3	
1910.	46	1,000,000	16.3	27,007	0.4	499,449	8.4	35,672	0.6	37,645	0.6	4,360,242	73.2	5,960,015	703,268	11.8	1,330,192	22.3	3,851,538	64.6	73,397	1.3	
1915.	46	950,000	14.8	25,147	0.4	510,586	8.0	40,795	0.6	38,165	0.6	4,834,740	75.6	6,399,434	862,063	13.5	1,497,118	23.4	3,967,583	64.0	73,397	1.3	
1920.	46	950,000	14.6	40,230	0.6	491,098	7.5	33,767	0.5	38,497	0.6	4,981,590	76.2	6,535,182	778,386	11.8	1,529,796	23.1	4,241,128	64.0	73,397	1.3	
1925.	46	950,000	14.3	53,636	0.8	495,792	7.5	39,945	0.6	38,670	0.6	5,044,773	76.2	6,622,862	778,386	11.8	1,497,118	23.4	3,967,583	64.6	73,397	1.3	
1930.	46	950,000	13.9	42,889	0.6	543,104	9.0	35,921	0.5	38,772	0.6	5,215,246	76.4	6,825,932	732,992	10.7	1,400,993	20.5	4,620,659	67.7	71,288	1.1	
1935.	47	950,000	12.9	41,858	0.6	560,166	7.7	29,766	0.4	48,097	0.7	5,692,655	77.7	7,322,542	1,328,410	18.1	1,439,156	19.7	4,802,243	61.2	74,723	1.0	
1940.	47	950,000	11.6	47,802	0.6	631,257	7.8	35,402	0.4	45,892	0.6	6,428,194	79.0	8,138,547	1,720,494	21.1	1,536,957	18.8	4,811,034	59.2	73,975	1.0	
1945.	49	950,000	11.4	46,729	0.6	656,288	7.9	27,603	0.3	47,779	0.6	6,536,032	79.2	8,364,431	2,028,097	24.3	1,485,606	17.8	4,782,061	57.1	70,062	0.9	
1950.	49	950,000	10.6	33,546	0.4	986,368	11.0	31,417	0.4	47,926	0.5	6,945,533	77.1	8,994,790	1,617,206	18.0	2,855,734	26.1	4,802,897	44.8	74,566	0.7	
1955.	49	950,000	8.7	24,967	0.2	1,378,990	12.6	427,331	3.9	48,112	0.4	8,103,492	74.2	10,932,862	1,199,606	29.2	2,855,734	26.1	4,802,897	44.8	74,566	0.7	
1960.	49	950,000	8.7	24,967	0.2	1,378,990	12.6	427,331	3.9	48,112	0.4	8,103,492	74.2	10,932,862	1,199,606	29.2	2,855,734	26.1	4,802,897	44.8	74,566	0.7	
1965.	49	950,000	7.8	49,150	0.6	2,253,780	14.6	77,617	0.5	46,343	0.3	11,947,054	77.5	15,414,989	6,705,843	43.1	2,875,384	18.6	6,326,979	51.8	74,110	1.0	
1970.	60	1,000,000	6.5	86,835	0.6	2,108,389	10.4	..	..	..	..	17,001,418	84.1	20,222,966	4,054,562	20.0	4,694,765	23.3	7,689,619	40.6	71,538	0.9	
1975.	66	1,050,000	4.9	1,050,000	10.0	..	..	..	..	..	..	18,742,243	87.1	21,527,776	3,970,972	18.4	3,038,190	14.1	14,459,697	56.6	64,020	0.6	
1980.	67	1,050,000	4.9	73,854	0.3	1,661,679	7.7	..	..	..	..	19,142,592	88.9	21,540,494	5,309,157	24.6	3,021,649	14.0	13,142,588	67.2	66,517	0.7	
1981.	67	1,050,000	4.9	73,247	0.3	1,274,655	5.9	..	..	..	..	17,283,551	85.1	20,283,551	5,053,343	25.0	5,445,779	20.1	13,142,588	67.2	66,517	0.7	
1982.	67	1,050,000	5.2	69,884	0.3	1,257,618	6.2	..	..	..	..	15,258,943	85.5	17,847,731	7,335,285	40.9	5,122,493	28.7	10,941,398	61.3	48,134	0.6	
1983.	48	1,200,000	6.7	83,373	0.5	1,304,998	7.3	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	

NORTHERN BANKING COMPANY, LIMITED—Continued from page 42.

Year Ended Aug. 31.	Number of Branches.*	LIABILITIES.												Total Liabilities or Assets.	ASSETS.							
		Capital and Reserves.		Un- divided Profits Carried Forward	Notes.	Per Cent.	Staff Funds.	Per Cent.	Deposit and Current Accounts, &c.	Per Cent.	Cash in Hand and at Bankers.	Per Cent.	Invest- ments.		Discounts Advances.	Per Cent.	Premises.	Per Cent.				
		£	Per Cent.																£	Per Cent.	£	Per Cent.
1895....	51	690,000	15.2	£ 16,726	0.3	£ 512,387	11.3	£ 21,960	0.5	£ 3,298,911	72.7	£ 4,539,984	802,853	17.7	£ 969,931	21.3	£ 2,652,200	58.4	£ 125,000	2.7		
1900....	53	800,000	16.0	25,040	0.5	570,501	11.4	32,970	0.7	3,573,533	71.4	5,002,044	823,212	16.4	1,086,685	21.7	2,937,147	60.0	95,000	1.9		
1905....	55	800,000	14.7	27,000	0.5	500,178	9.2	48,631	0.9	4,069,228	74.7	5,445,037	846,784	15.6	1,296,730	23.8	3,191,523	58.6	110,000	2.0		
1906....	57	800,000	14.3	21,882	0.3	548,108	9.8	51,153	0.9	4,195,765	74.7	5,616,908	916,546	16.3	1,423,493	25.3	3,168,869	56.4	108,000	2.0		
1907....	57	800,000	13.7	15,969	0.3	572,790	9.8	53,235	0.9	4,400,253	75.3	5,842,247	751,044	12.8	1,535,973	26.3	3,444,230	58.9	111,000	2.0		
1908....	58	800,000	13.3	18,101	0.3	525,936	8.7	55,334	0.9	4,616,531	76.7	6,015,902	902,794	15.0	1,591,243	26.5	3,413,865	56.7	108,000	1.8		
1909....	59	800,000	13.0	23,639	0.4	552,112	9.0	57,701	0.9	4,700,724	76.6	6,134,176	871,199	14.2	1,741,312	28.4	3,417,665	56.7	104,000	1.7		
1910....	59	805,000	12.7	28,392	0.4	624,994	9.9	59,575	0.9	4,834,552	76.1	6,352,463	1,021,963	16.1	1,750,186	27.6	3,477,314	54.7	103,000	1.6		
1911....	60	805,000	12.2	18,381	0.3	621,279	9.9	64,413	0.9	5,053,697	77.0	6,560,770	994,475	15.2	1,951,615	29.7	3,511,680	53.5	103,000	1.6		
1912....	62	820,000	12.0	15,732	0.2	634,501	9.3	64,295	0.9	5,320,180	77.6	6,854,708	1,061,799	15.5	2,047,968	30.0	3,629,937	52.9	109,000	1.6		
1913....	62	840,000	11.4	14,052	0.2	737,023	10.1	65,999	0.9	5,687,238	77.4	7,344,308	1,233,891	16.8	2,047,968	27.9	3,949,449	53.8	113,000	1.5		
1914....	62	860,000	11.4	17,763	0.2	828,394	10.9	70,206	0.9	5,811,803	76.6	7,588,166	1,666,413	22.0	2,036,586	26.8	3,770,167	49.7	115,000	1.5		
1915....	62	885,000	10.6	20,106	0.2	926,826	11.1	71,808	0.9	6,418,633	77.2	8,322,373	1,431,627	17.2	3,421,139	41.1	3,354,607	40.3	115,000	1.4		
1916....	62	915,000	10.1	20,268	0.2	1,258,942	13.7	73,585	0.8	6,875,169	75.2	9,142,964	1,847,653	20.2	4,083,573	44.7	3,096,738	33.8	115,000	1.3		
1917....	73	945,000	9.4	23,935	0.2	2,053,851	13.6	75,453	0.7	10,361,605	76.8	13,497,049	3,039,796	22.5	6,120,433	45.4	4,253,990	42.5	112,000	1.1		
1918....	75	985,000	7.8	27,370	0.2	2,472,011	14.8	82,165	0.5	13,014,325	77.9	16,696,039	3,570,428	21.4	6,819,033	40.9	4,216,760	31.2	120,000	0.9		
1919....	77	1,085,000	6.5	42,538	0.3	2,572,945	12.0	88,627	0.4	17,675,181	82.4	21,463,857	3,580,083	16.7	4,915,426	22.9	11,965,582	55.7	110,000	0.8		
1920....	84	1,100,000	5.9	47,457	0.4	1,794,866	9.0	52,204	0.3	16,843,909	84.8	19,878,436	3,255,447	16.4	4,390,432	22.1	11,673,121	58.7	159,436	2.8		
1921....	86	1,200,000	6.4	50,043	0.3	1,643,266	8.7	53,553	0.3	15,864,697	84.3	18,811,560	2,247,027	11.9	5,786,527	30.6	10,412,748	55.6	135,258	2.9		
1923....	86	1,250,000	7.0	50,247	0.3	1,597,347	9.0	55,819	0.3	14,893,423	83.4	17,946,836	2,402,764	13.5	5,116,362	28.6	9,806,500	55.0	152,210	2.9		

* Excluding agencies.

+ Includes cover for acceptances.

* Excluding agencies. † Includes cover for acceptances.

ULSTER BANK, LIMITED.

ESTABLISHED 1836.

Affiliated to Westminster Bank Limited, in October, 1917.

Year Ended Aug. 31.	Net Profits.	Per Cent. of Resources.	PROFITS AND DIVIDENDS.		Reserves, &c.	Carried Forward.
			Amount.	Rate.		
1911...	£ 115,975	1.06	£ 100,000	20	£ 15,500	£ 37,566
1912...	116,641	1.10	100,000	20	33,000	21,207
1913...	121,943	1.06	100,000	20	17,000	26,150
1914...	122,940	0.96	100,000	20	33,550	15,540
1915...	130,484	0.95	95,589	21	35,000	15,436
1916...	134,083	0.87	84,891	21	41,600	23,028
1917...	135,181	0.74	79,688	21	34,000	36,561
Nov. 30.						
1918...	206,359	0.93	96,147	21	20,000	108,734
1919...	174,816	0.62	74,375	21	105,300	103,875
1920...	210,306	0.71	74,375	21	133,000	106,806
1921...	195,581	0.70	74,375	21	135,000	93,013
1922...	190,245	0.72	77,861	21	115,000	90,397
1923...	203,588	0.79	81,430	21	120,000	92,555

* Free of income-tax. † 15 months.

Year Ended Aug. 31.	Number of Branches.*	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.		Un- divided Profits.		Notes.		Bills for Collection.		Deposit and Current Accounts.			Cash in Hand and at Bankers.	Invest- ments.	Dis- counts and Advances on Short Loans.		Premises.	Per Cent.				
		Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.				Per Cent.							
		£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	
1890	56	1,000,000	16.6	14,378	0.2	672,025	11.2	62,907	1.0	4,251,850	71.0	6,001,160	694,240	11.6	1,238,654	20.6	4,018,130	67.0	50,136	0.8	Nil.	0.0
1895	61	1,000,000	14.1	19,010	0.3	699,567	10.0	66,614	1.0	5,229,294	79.6	7,014,285	1,236,132	17.6	1,511,716	21.5	4,214,309	60.1	52,128	0.8	Nil.	0.0
1900	63	1,200,000	15.2	30,055	0.4	860,100	11.9	59,094	0.7	5,748,186	72.7	7,897,445	1,222,928	15.3	1,767,070	22.3	4,877,447	62.0	30,000	0.3	Nil.	0.0
1905	70	1,200,000	13.4	18,489	0.2	826,537	9.2	85,569	0.7	6,832,159	76.2	8,962,496	1,276,439	14.3	1,070,660	12.4	5,614,755	62.6	Nil.	...	Nil.	0.0
1910	73	1,200,000	11.3	37,091	0.4	1,042,394	9.8	135,995	1.3	8,182,556	77.2	10,598,036	1,617,397	15.3	2,797,132	26.4	6,185,577	58.3	Nil.	...	Nil.	0.0
1911	75	1,200,000	10.9	37,666	0.3	1,025,661	9.4	149,471	1.4	8,567,213	78.0	10,979,911	1,633,184	14.9	2,863,742	26.0	6,492,985	69.1	Nil.	...	Nil.	0.0
1912	75	1,200,000	10.5	21,807	0.2	1,054,896	9.2	154,008	1.4	8,972,287	78.7	11,402,391	1,555,806	13.6	2,879,017	25.3	6,387,566	61.1	Nil.	...	Nil.	0.0
1913	76	1,200,000	9.9	26,150	0.2	1,221,043	10.1	150,137	1.2	9,535,961	78.6	12,131,290	1,919,257	15.8	2,892,534	23.8	7,319,499	60.4	Nil.	...	Nil.	0.0
1914	78	1,200,000	9.5	15,411	0.1	1,306,488	10.5	141,635	1.1	9,829,187	79.0	12,613,853	2,563,904	20.3	2,883,892	22.8	7,165,057	56.9	Nil.	...	Nil.	0.0
1915	79	1,200,000	8.8	15,432	0.1	1,709,803	12.5	146,883	1.0	10,553,480	77.6	13,627,302	2,758,196	20.2	4,897,599	36.0	5,971,577	43.9	Nil.	...	Nil.	0.0
1916	80	1,200,000	7.8	23,028	0.2	2,417,187	15.7	194,858	1.3	11,544,114	75.0	15,379,187	3,706,994	24.1	6,404,752	42.5	5,187,511	33.6	Nil.	...	Nil.	0.0
1917	83	1,200,000	7.0	36,562	0.2	2,883,831	18.6	175,421	1.0	12,877,151	75.2	17,172,965	4,173,029	24.3	6,594,363	38.0	6,476,553	37.7	Nil.	...	Nil.	0.0
Nov. 30.																						
1918	98	1,200,000	4.9	108,734	0.4	4,804,918	19.9	171,272	0.8	17,892,704	74.0	24,177,628	6,222,771	25.7	11,133,541	46.1	6,821,316	28.2	Nil.	...	Nil.	0.0
1919	106	1,200,000	4.2	103,875	0.4	4,492,374	15.8	132,858	0.5	22,524,850	79.1	28,457,957	6,234,530	22.0	11,974,808	42.0	10,248,726	36.0	Nil.	...	Nil.	0.0
1920	112	1,200,000	4.0	106,806	0.4	3,530,334	11.9	104,125	0.4	24,800,893	83.3	30,749,158	5,577,857	18.7	10,246,765	34.5	13,788,494	46.3	135,042	0.5	Nil.	0.0
1921	113	1,200,000	4.3	83,013	0.3	2,075,418	7.5	92,735	0.4	24,287,432	87.5	27,755,598	5,660,176	20.4	9,736,765	35.1	14,158,967	51.0	199,601	0.7	Nil.	0.0
1922	114	1,200,000	4.5	90,397	0.3	2,088,182	7.9	81,724	0.3	23,039,108	87.0	26,499,411	2,873,133	10.9	11,979,153	45.0	11,454,623	43.4	192,502	0.7	Nil.	0.0
1923	114	1,300,000	5.1	92,555	0.4	2,113,502	8.2	78,357	0.3	22,050,621	86.0	25,635,035	2,719,182	10.6	11,024,253	43.0	11,702,043	45.7	189,557	0.7	Nil.	0.0

* Excluding agencies.

† Includes Treasury Bills.

* Excluding agencies. † Includes Treasury Bills.

CRÉDIT LYONNAIS

CAPITAL (Fully Paid) - Fcs. 250,000,000.
RESERVE FUND - Fcs. 225,000,000.

Central Office, PARIS.

Head Office, LYONS.

400 BRANCHES in FRANCE, ALGERIA, and TUNIS, and also at ALEXANDRIA, BARCELONA, BRUSSELS, CAIRO, CONSTANTINOPLE, GENEVA, JERUSALEM, MADRID, PORT SAID, SAN SEBASTIAN, SEVILLE, SMYRNA, VALENCIA.

Correspondents in Lisbon and Oporto: Credit Franco-Portugais.

London Office: 40 LOMBARD STREET, E.C.3.
West End Branch: 4 COCKSPUR STREET, S.W.1.

The LONDON OFFICE is especially organised for the
Collection of Drafts and Documents payable abroad. Issue of Letters of Credit.
Negotiation of Approved Foreign Bills. Collection of Shipowners' Freights and Disburse

LATEST BALANCE-SHEETS OF COLONIAL AND FOREIGN BANKS HAVING LONDON OFFICES.

(1) DOMINION BANKS.

IRISH FREE STATE BANKS.

BANK OF IRELAND.

The net profits for the year ended December 31, 1923, after meeting all charges and providing for bad and doubtful debts, interest due on deposits, and rebate on bills not at maturity, amount to £549,620, to which must be added a sum of £51,723 brought forward from December, 1922, making a total of £601,343. Out of this total the proprietors, at a general court held at the Bank of Ireland on July 20, 1923, declared an interim dividend of £7 per cent., less income-tax, absorbing £145,385. The governors and directors, having transferred £200,000 to the rest, now recommend that a final dividend of £7 per cent., and a bonus of £2 per cent., be declared for the year ended December 31, 1923, both less income-tax, which will absorb £186,923, making, together with the dividend paid on August 1, 1923, a distribution, including bonus, of £16 per cent. for the year 1923, leaving a surplus of £69,935 to be carried forward.

BALANCE-SHEET—December 31, 1923.

LIABILITIES.	£	ASSETS.	£
Capital paid up	2,769,231	Cash at head office, branches, and Bank of England	5,225,774
Reserve fund	1,600,000	Cash at call and short notice	5,167,869
Notes and post bills in circulation	7,407,112	Government bills—Irish Free State and British Treasury	3,099,000
Government and other public accounts	10,472,299	British Government debt	2,630,769
Deposits, current, and other accounts	33,318,003	£21,860,655; other securities, £3,089,101	24,949,756
Profit and loss account	255,958	Bills discounted, advances to customers, &c.	14,140,224
		Bank premises, head office and branches at cost, less depreciation	609,191
	55,822,603		55,822,603

HIBERNIAN BANK, LIMITED.

After providing for rebate on bills, interest on deposits, and bad and doubtful debts and contingencies, the net profits for the half-year amount to £55,833; to which has to be added balance of undivided profits from last account, £12,731—£68,564. The directors have transferred to the reserve fund the sum of £12,109, and they recommend that the balance be applied as follows, viz.:—In payment of a dividend for the half-year at the rate of 11 per cent. per annum (subject to deduction of income-tax), £27,500; in reduction of bank expenses account, £5,000; to next account, £23,955—£68,564. A special profit of £37,890 has been realised on sale of investments. The amount has been added to the reserve fund, which now stands at £525,000.

BALANCE-SHEET—December 31, 1923.

LIABILITIES.	£	ASSETS.	£
Capital, viz.:—100,000 shares of £20 each, £2,000,000—amount paid up, £5 per share	500,000	Cash in hand and with bankers	1,185,117
Reserve fund	525,000	Investments, viz.:—War Loan and other British Government stocks 5,774,385	
Deposits, current, and other accounts, including interest due on deposits	14,164,341	Corporation stocks, railway debenture stocks, and other securities	126,598
Sundry agents	11,844	Bills discounted (including Irish Free State bills), advances on current accounts, loans, &c.	6,972,103
Rebate on bills discounted not at maturity	12,700	Sundry agents	30,161
Profit and loss account, £68,564; less transferred to reserve fund, £12,109	56,455	Bank premises and furniture (head offices & 58 branches), written down to	181,976
	15,270,340		15,270,340

MUNSTER AND LEINSTER BANK, LIMITED.

The profits of the bank for the half-year ended December 31, 1923, after deducting expenses, providing for interest on deposits, rebate on bills, and for all bad and doubtful debts, amount to £97,743; to which has to be added the balance from the last account, £15,236, making a total of £112,979. The directors recommend the payment of a dividend for the half-year at the rate of 20 per cent. per annum, £50,000, less income-tax at 5s in the £, £12,500—£37,500; and after transferring to reserve fund £50,000 and applying in reduction of premises account £10,000, there will remain to be carried to next account £45,479—£112,979.

BALANCE SHEET—December 31, 1923.

LIABILITIES.	£	ASSETS.	£
Capital—250,000 shares of £5 each, £2 paid	500,000	Cash on hand at Bank of England, and with other bankers	2,403,654
Reserve fund	1,000,000	Money at call and at short notice	1,000,000
Deposits, current and other accounts	27,187,805	Treasury bills of British and Irish Free State Governments	701,000
Profit and loss—Balance from June 30, 1923, £45,236; net profit for half-year ended Dec. 31, 1923, £97,743—£142,979; less amount transferred to reserve fund and premises account, £60,000	82,979	Investments—War Loan and other British Government stocks, £10,224,285; corporation stocks, railway debenture and preference stocks, and debenture bonds, £107,311	10,331,593
		Bills discounted	1,741,646
		Advances on securities and current accounts	12,282,887
		Bank premises, head office and branches	310,004
	28,770,784		28,770,784

NATIONAL BANK, LIMITED.

The profit and loss account for the half-year ended December 31, 1923, including £28,437 brought forward from June 30 last, shows a balance of £213,926 available for distribution. As the amount of income-tax for which the bank is liable has not yet been determined, the board have decided to continue to pay the dividend free of income-tax, and have accordingly declared a dividend at the rate of 10 per cent. per annum, or 10s per share (£10 paid) payable free of income-tax. (N.B.—This is equivalent to an increase of over 1 per cent. per annum on the dividend paid 12 months ago, which was at the rate of 12 per cent. per annum, less tax.) The dividend absorbs £75,000, leaving a balance of £138,926 to be dealt with. Of this sum the directors have transferred £60,000 to income-tax and contingencies account, £25,000 to the reserve fund, and £25,000 in reduction of bank premises account. £28,926 has been carried forward to profit and loss new account.

BALANCE-SHEET—December 31, 1923.

LIABILITIES.	£	ASSETS.	£
Capital paid up on 150,000 shares	1,500,000	Cash on hand at head office, branches, and Bank of England	4,549,409
Reserve fund (Government securities)	1,125,000	Money at call and at short notice, including Stock Exchange loans, British and Irish Free State Treasury bills, and short-dated securities	4,352,191
Notes in circulation	2,515,427	National War Bonds and Exchequer Bonds maturing 1924/30, and War Loan 5 per cent., 1929/47	12,098,155
Amount due by the bank on deposit, current, and other accounts	40,531,188	Government securities, including reserve fund	4,305,875
Acceptances to bankers' drafts and on security	184,000	Corporation, railway, and other stocks	424,231
Net profits for the half-year, £185,489; brought forward from June 30, 1923, £28,437	213,926	Advances on securities at sundry dates, and current accounts	16,553,951
		Bills discounted	2,832,892
		Bankers' guarantee and securities held against acceptances, per contra	184,000
		Bank premises—London, Dublin, and branches, freehold and leasehold (at cost, less depreciation)	719,037
	46,069,541		46,069,541

PROVINCIAL BANK OF IRELAND, LIMITED.

The report for the half-year ended December 31, 1923, shows that, including £40,938 brought forward from last account, there remains a profit of £102,021. Out of this the directors have declared a dividend for the half-year at the rate of 10½ per cent. per annum, free of income-tax, which will require £28,350; they have added to reserve fund £10,000, written off bank premises account £7,500, placed to contingency account £15,000, and carried forward £41,171—£102,021.

BALANCE-SHEET—December 31, 1923.

LIABILITIES.	£	ASSETS.	£
Capital paid up	540,000	Cash at head office, branches, and in London	1,489,543
Reserve fund	520,000	Money at call and short notice	890,000
Notes in circulation	1,765,520	British Government and Irish Free State Treasury bills	1,535,000
Deposits, current, and other accounts	16,394,563	Investments, viz.:—British Government and Colonial securities, £5,795,992; Corporation stocks and other investments, £203,641	6,997,633
Net profits for the half-year, including £40,938 brought forward from June 30, 1923, £102,021; less £10,000 added to reserve fund, £7,500 written off bank premises, and £15,000 placed to contingency account, £32,500	69,521	Advances to customers and other accounts	6,924,963
		Bills discounted	1,256,383
		Bank premises, freehold and leasehold	196,472
	19,290,004		19,290,004

MIDLAND BANK LIMITED

CHAIRMAN:

The Right Hon. R. McKENNA

JOINT MANAGING DIRECTORS:

FREDERICK HYDE

EDGAR W. WOOLLEY

Subscribed Capital - -	£39,213,048
Paid-up Capital - -	11,956,797
Reserve Fund - -	11,956,797
Deposits (Dec. 31st, 1923) - -	360,267,723

HEAD OFFICE: 5, THREADNEEDLE STREET, LONDON, E.C.2

OVER 1,760 OFFICES IN ENGLAND AND WALES

OVERSEAS BRANCH: 65 & 66, OLD BROAD STREET, LONDON, E.C.2.

AFFILIATED BANKS:

BELFAST BANKING CO. LTD.

THE CLYDESDALE BANK LTD

NORTH OF SCOTLAND BANK LTD.

NATIONAL PROVINCIAL BANK

Limited

Head Office: 15 BISHOPSGATE, LONDON, E.C.2.

Subscribed Capital - -	£43,617,080
Paid-up Capital - -	9,479,416
Reserve Fund - -	9,300,000
Deposits, &c. (Dec., 1923) -	264,719,810

DIRECTORS.

THE RIGHT HON. LORD AVEBURY.
BRIGADIER-GENERAL THE HON. EVERARD BARING, C.V.O.
COLIN FREDERICK CAMPBELL, Esq.
CHARLES CAYE CAYE, Esq.
JOHN ALAN CLUTTON-BROCK, Esq.
HORACE GEORGE DEVAS, Esq.
SIR HUGH DRUMMOND, BART., C.M.G.
MAURICE OTHO FITZGERALD, Esq.
SIR HARRY GOSCHEN, K.B.E.

CHARLES GIPPS HAMILTON, Esq.
THE RIGHT HON. LORD ILLINGWORTH, P.C.
THE RIGHT HON. THE VISCOUNT INCHCAPE, G.C.M.G., K.C.S.I., K.C.I.E.
FRANCIS ALEXANDER JOHNSTON, Esq.
COLONEL SIR CLAUDE VILLIERS EMILIUS LAURIE, BART., C.B., D.S.O.
FRANCIS CHARLES LE MARCHANT, Esq.
RONALD MALCOLM, Esq.

SIR GEORGE J. MARJORIBANKS, K.C.V.O.
SIR WILLIAM BARCLAY PEAT, C.V.O.
SELWYN ROBERT PRYOR, Esq.
JOHN ROBERTS, Esq.
THE RIGHT HON. SIR SAMUEL ROBERTS, BART., P.C.
SIR FELIX SCHUSTER, BART.
EUSTACE ABEL SMITH, Esq.
LINDSAY ERIC SMITH, Esq.

CHIEF GENERAL MANAGER.

SIR ALFRED LEWIS.

JOINT GENERAL MANAGERS.

E. CORNWALL. G. H. WHITEHURST.
H. S. ELTENTON. F. WALLER.

OVER 1,100 OFFICES IN ENGLAND AND WALES.
Agents in all parts of the WORLD.

AFFILIATED BANKS:

COUTTS & Co. GRINDLAY & Co., Ltd.

Auxiliary: LLOYDS AND NATIONAL PROVINCIAL FOREIGN BANK LIMITED.

ROYAL BANK OF IRELAND, LIMITED.

BALANCE-SHEET—August 31, 1923.

LIABILITIES.	£	ASSETS.	£
Capital, £1,500,000, in 30,000 shares of £50, of which £10 has been paid up.....	300,000	Investments—British Government securities (including War issues) below market prices.....	1,874,254
Reserve fund.....	150,000	Colonial Government stocks, railway debenture stocks, &c. below market prices.....	175,352
Current deposit and other accounts, including officers' superannuation fund.....	7,625,983	British Treasury bills.....	446,513
Profit and loss, balance after paying interim dividend at the rate of 8 per cent. per annum (less tax), £84,224; less appropriated to reserve fund, officers' superannuation fund, and other contingencies, £43,019.....	21,205	Bankers' balances and cash at head office and branches.....	928,164
		Bills discounted, including Free State bills.....	246,182
		Advances on current and other accounts.....	4,201,723
		Bank premises (head office and 42 branches).....	225,000
	8,097,188		8,097,188

AFRICAN BANKS.

BANK OF BRITISH WEST AFRICA, LIMITED.

BALANCE-SHEET—March 31, 1923.

LIABILITIES.	£	ASSETS.	£
Capital issued 300,000 shares of £10 each, on which £4 per share has been paid up.....	1,200,000	Cash in hand and at bankers, including branches and agencies, £1,470,109; cash in transit, £18,769.....	1,488,878
Reserve.....	400,000	Investments—Government securities, £1,138,339; other securities, £7,500; West Africa Buildings Co., Ltd. (50,000 shares of £1 each, fully paid) £50,000.....	1,195,839
Current deposit and other accounts.....	5,823,332	Bills of exchange—Treasury bills, £300,000; other bills, £2,611,321.....	2,911,321
Drafts issued.....	530,405	Loans, advances, and other accounts.....	2,028,410
Bills for collection.....	876,122	Bills for collection, contra.....	876,122
Rebate on bills.....	11,204	Liability of customers for acceptances.....	361,880
Liability on acceptances for customers.....	361,880	Premises and furniture.....	411,181
Final dividend, payable July 13, 1923.....	36,000		
Balance of profit carried forward.....	34,690		
Liability on bills rediscounted £432,679, of which £411,782 have run off. Outstanding forward exchange contracts for purchase and sale of foreign exchange, £857,329, of which £524,267 have run off.....	9,273,631		9,273,631

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Interim dividend paid December 1, 1923, £24,000; final dividend payable July 13, 1923, £36,000.....	60,000	Balance of undivided profit, March 31, 1922.....	34,116
Contingency fund.....	30,000	Balance for the year ending March 31, 1923.....	100,574
Premises and furniture.....	10,000		
Balance carried forward.....	34,690		
	134,690		134,690

STANDARD BANK OF SOUTH AFRICA, LIMITED.

BALANCE-SHEET—September 30, 1923.

LIABILITIES.	£	ASSETS.	£
Capital subscribed, 445,833 shares of £20 each, called up £5 per share.....	2,229,165	Cash in hand & with bankers (including deposit of £2,443,227 with South African Reserve Bank in terms of the Union of South Africa "Currency and Banking Act, 1920").....	7,141,826
Reserve fund.....	2,893,335	Cash at call, and short notice notice gold in hand and in transit.....	2,580,000
Notes in circulation.....	660,502	Investments—British Government securities, Colonial Government, Municipal, and other securities (including deposits of stock with the Union Government), £4,865,099; Bank of British West Africa, Ltd., 33,334 £10 shares, £4 paid, £129,170; South African Reserve Bank stock, £115,000 fully paid, £115,000.....	5,109,269
Deposit, current, and other accounts, including profit and loss account, and provision for contingencies.....	47,097,001	Bills of exchange purchased and current at this date.....	5,812,591
Drafts outstanding, acceptances under credits.....	1,491,256	Bills discounted, advances to customers, and other accounts.....	30,734,174
Customers' bills for collection, per contra.....	6,855,966	Remittances in transit.....	1,588,291
		Customers' bills for collection, per contra.....	6,855,966
		Bank property and premises (including furniture and fittings) at cost, less amounts written off.....	1,233,378
		Stamps, stationery, and open policies.....	27,644
	61,227,225		61,227,222

* These investments, standing at or under cost, are below market values as at September 30, 1923.

NETHERLANDS BANK OF SOUTH AFRICA.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	£	ASSETS.	£
Capital—12,500 shares at £60 each—£750,000—of which have been issued 4,000 shares fully paid.....	240,000	Cash in hand, and with bankers Balance with South African Reserve Bank.....	261,831
Reserve fund.....	45,079	Investments and securities.....	75,192
Special reserve fund.....	5,000	Bills discounted & purchased, loans, advances, &c.....	243,123
Notes in circulation.....	11,322	Properties in South Africa.....	923,237
Current accounts & deposits, acceptances, and other liabilities.....	1,135,101	Bank premises.....	37,451
Loan from the South African Reserve Bank against securities held for collection.....	62,800	Safe deposit, furniture, and stationery.....	4,001
Pension fund "Nederlandsche Bank voor Zuid Africa".....	190,764	Bills held for collection, per contra.....	190,764
Profit and loss account, balance.....	24,573		
	1,741,392		1,741,392

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Expenditure, including rent, taxes, salaries, and all other expenses at head office and branches.....	76,547	Balance from last Account....	2,788
Transfer to Reserve Fund.....	5,000	Gross profits, after deducting interest on fixed deposits, rebate on bills not yet due, depreciation on bank premises and furniture, and providing for bad and doubtful debts.....	100,511
Special Reserve Fund.....	8,333		
Reserve for taxes.....	2,500		
Dividend.....	9,600		
Balance carried forward to next account.....	1,319		
	103,299		103,299

NATIONAL BANK OF SOUTH AFRICA, LIMITED.

BALANCE-SHEET—March 31, 1923.

LIABILITIES.	£	ASSETS.	£
Subscribed capital.....	2,965,000	Cash on hand, with South African Reserve Bank and other bankers.....	7,437,944
296,500 shares of £10 each (fully paid). Note.—Of the above issued capital of 296,500 shares the bank has purchased and holds 445 ex Enemy Shares.....	2,965,000	Remittances in transit.....	1,910,134
Notes in circulation in terms of Section 8 of Act 9 of 1916.....	548,264	Native gold on hand and in transit.....	69,380
Deposits, current, and other accounts.....	39,551,834	Money in London at call and short notice against securities 2,370,469	
Drafts issued on branches and agents, acceptances outstanding at date, and bills re-discounted.....	4,109,031	Investments at or under market price at March 31, 1923.....	7,007,655
Rebate on bills not yet due.....	40,565	British and Colonial Government securities (including stock lodged with the Government of the Union of South Africa).....	652,671
Bills receivable on account of customers.....	8,486,257	Other securities stand at or under market price at March 31, 1923.....	4,676,597
Profit and loss account: Balance as below.....	75,136	Bills of exchange purchased and current at this date.....	21,985,182
		Bills discounted, advances, &c.....	859,114
		Bank premises and fittings, stationery, and making provision for losses and contingencies.....	320,684
		Bills for collection.....	8,486,257
	55,776,087		55,776,087

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Rebate on bills not yet due.....	40,565	Gross revenue (including balance undivided at March 31, 1922, p. £24,824 13s. 10d.), after deducting interest due on fixed deposits, duty on note circulation, appropriation to bank premises, furniture and fittings, and stationery, and making provision for losses and contingencies.....	1,383,938
Expenditure, including rents, rates, salaries, remuneration to directors and auditors, and all other expenses at head office and branches.....	1,268,237		
Balance carried forward.....	75,136		
	1,383,938		1,383,938

AUSTRALASIAN BANKS.

AUSTRALIAN BANK OF COMMERCE, LIMITED.

The report states that the balance of profit and loss for the year ended June 30, 1923, after making full provision for all bad and doubtful debts, deducting rebate on current bills, and expenses of management, directors' and auditors' fees, interest on fixed deposits, rates, &c., amounts to £232,235; less graduated land and income-taxes for the year, £39,623—£192,612; from which deduct interest paid on inscribed deposits, £51,934; profit for the year, £140,678. From this amount the following appropriations have been made:—Transfer to reserve fund, £40,000; transfer in reduction of bank premises account, £10,000—£50,000. Out of the taxable portion an interim half-yearly dividend at the rate of 7 per cent. per annum was paid in January last, absorbing £42,000; and a final half-yearly dividend at the rate of 7 per cent. per annum is now recommended, amounting to £42,000—£84,000—£134,000; balance, £6,678; brought forward from last year, £33,587; leaving to be carried forward, £40,265.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	£	ASSETS.	£
Capital subscribed and paid up 1,200,000.....	1,200,000	Coin and bullion.....	755,490
Reserve fund.....	330,000	Australian notes.....	823,499
Inscribed deposits.....	1,287,625	Cash at London bankers and at short call in London.....	336,140
Customers' deposits and other liabilities.....	10,030,347	Government and Municipal securities.....	401,952
Bills in circulation and other amounts payable.....	226,922	Balances due by other banks.....	284,900
Balances due to other banks.....	876,670	Bills receivable in London and remittances in transit.....	1,736,631
Profit and loss account: Balance, £48,678; brought forward from June 30, 1922, £33,587.....	82,265	Advances against War Loan and under Government guarantees.....	169,108
		Bills discounted, loans, advances, all other debts due to the bank and other assets, including provision, £15,000 in terms of clause 163 of the bank's articles of association.....	9,187,613
		Bank premises, £463,421; less appropriation from profits £10,000.....	453,421
			14,148,754

Contingent liabilities, consisting of letters of credit, &c., for which customers are responsible to the bank, £886,346.

LLOYDS BANK LIMITED.



Chairman:

J. W. BEAUMONT PEASE.

Deputy-Chairman:

Sir AUSTIN E. HARRIS, K.B.E.

HEAD OFFICE: LONDON, E.C. 3.

CAPITAL:

SUBSCRIBED - £71,864,780

PAID UP - £14,372,956

RESERVE FUND - £10,000,000

DEPOSITS, &c. - £341,600,728

ADVANCES, &c. - £141,405,774

Over 1,600 Offices in England and Wales, and several in India, Burmah and Egypt.

Colonial and Foreign Department:
20, KING WILLIAM ST., LONDON, E.C. 4.

Eastern Department:
77, LOMBARD STREET, LONDON, E.C. 3.

Lloyds Bank has Agents and Correspondents throughout the British Empire and in all parts of the World, and is a large Shareholder in the following Banks, with which it is closely associated:

THE NATIONAL BANK OF SCOTLAND LIMITED.
BANK OF LONDON AND SOUTH AMERICA LIMITED.
LLOYDS AND NATIONAL PROVINCIAL FOREIGN BANK LTD.

THE NATIONAL BANK OF NEW ZEALAND, LIMITED.
BANK OF BRITISH WEST AFRICA, LIMITED.
THE BRITISH ITALIAN BANKING CORPORATION, LIMITED.

SOCIÉTÉ GÉNÉRALE (DE PARIS)

(SOCIÉTÉ ANONYME).

Subscribed Capital	-	-	-	Frs. 500,000,000
Paid-up Capital	-	-	-	Frs. 250,000,000
Reserve Fund	-	-	-	Frs. 57,026,002
Uncalled Capital	-	-	-	Frs. 250,000,000
				Frs. 557,026,002

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BANK OF ADELAIDE.

The balance of profit and loss for the year ended March 26, 1923, including the balance brought forward from previous year (£22,312 5s 9d), amounts to £117,201; out of which an interim dividend at the rate of 10 per cent. per annum was paid in November last, £31,250; leaving available, £85,951; from which it is proposed to pay a dividend at the rate of 10 per cent. per annum on the old shares, £31,250; and at the rate of 10 per cent. per annum, calculated to March 26, 1923, on the instalments paid on the new issue shares from the respective dates on which such amounts were payable, £5,000; to transfer to reserve fund (making it £720,000), £20,000—£56,250; leaving a balance to be carried forward of £29,701. The 50,000 new shares, the issue of which was authorised by the shareholders on October 9, 1922, were offered to the shareholders at £6 per share (£5 being capital and £1 premium). The shares have all been taken up and paid for, and the £5 per share—£250,000—has been added to the bank's capital, making it £875,000, and the premium of £1 per share—£50,000—has been credited to the reserve fund, making it £700,000.

BALANCE-SHEET—March 26, 1923.

LIABILITIES.	£	ASSETS.	£
Capital paid up	875,000	Specie, bullion, and cash	306,531
Reserve fund	700,000	Balances	906,941
Profit and loss	85,951	Australian notes	715,609
Notes in circulation	7,104	Government debentures	300
Bills in circulation	210,780	Municipal debentures	775,000
Balances due to other banks	159,018	Money at short call	310,954
Deposits	5,853,069	Balances due from other	1,321
Interest accrued on fixed de-		Notes of other banks	203,420
posits and rebate on bills	77,440	Remittances in transit	269,290
discounted		Bank premises and furniture	4,478,926
		Bills receivable and all other	7,968,362
		advances	7,968,362

BANK OF AUSTRALASIA.

The profit account from October 17, 1922, to October 15, 1923, shows:—Balance brought forward from October, 1922, £121,869; profit for the year to October 15, 1923, after deducting rebate on bills current at balance date (£5,902), and making provision for all bad and doubtful debts and for other contingencies, £1,489,876; less charges of management—Australasia: Salaries and allowances to the staff, including the superintendent's department, and 208 branches and agencies, £400,492; general expenses, including rent, repairs, stationery, travelling, &c., £87,998; London: Salaries, £30,111; general expenses, £19,556—£538,157; rates and taxes—Australasia, £163,345; London, £109,814—£333,160—£871,317; total amount of net profit for the year to October 15, 1923, £618,559—£740,428; from which deduct dividend and bonus paid October 5, 1923, £260,000; transferred to dividend and bonus account, payable March 28, 1924, £260,000; transferred to reserve fund, £100,000—£620,000; balance carried forward per balance sheet, £120,428.

BALANCE-SHEET—October 15, 1923.

LIABILITIES.	£	ASSETS.	£
Circulation	423,685	Specie, bullion, Government	6,392,978
Deposits	27,352,162	notes, and cash balances	100,000
Bills payable, and other lia-		Loans at call and at short	2,311,558
bilities, including provision	3,698,474	notice	563,047
for contingencies		British Government securi-	4,134,322
Capital £4,000,000; reserve		ties	25,947,538
fund, £3,625,000; dividend		Government securities of	30,306
and bonus payable March		Australasia and other in-	
28, 1924, £260,000; profit		vestments	
account balance, £120,428	3,005,428	Bills receivable and remit-	
		ances in transit	
		Advances on securities, and	
		other assets	
		Bank premises in Australia,	
		New Zealand, and London	

BANK OF NEW SOUTH WALES.

The report for the half-year ended September 30, 1923, states that the net profits, after deducting rebate on current bills, interest on deposits, paying income, land and other taxes, amounting to £93,941 (making in all £248,292 for the year), reducing valuation of bank premises, providing for bad and doubtful debts and fluctuations in the value of investment securities, and including recoveries from debts previously written off as bad, amount to £392,893; to which is added undivided balance from last half-year, £161,645—£554,538. An interim dividend at the rate of 10 per cent. per annum for the quarter ended June 30th last was paid on August 28th out of the half-year's profits in terms of Clause CV. of deed of settlement—£150,000; leaving a balance of £404,538, which the directors recommend to be dealt with as follows:—To payment of a quarter's dividend to September 30, 1923, at the rate of 10 per cent. per annum out of the half-year's profits, £150,000; to augmentation of the reserve fund, £100,000; to balance carried forward, £154,538—£404,538.

BALANCE-SHEET—September 30, 1923.

LIABILITIES.	£	ASSETS.	£
Notes in circulation	631,466	Coin, bullion, Government	15,564,225
Deposits, accrued interest,	53,127,168	legal tender notes and cash	42,650
and rebate		at bankers	240,000
Bills payable and other lia-		Notes of other banks	650,000
bilities (which include reserves		Money at short call in London	
held for doubtful debts,		Short-dated British Treasury	
amount at credit of invest-		bills	
ments fluctuation account,		Investments	
and amounts due to other		British and Colonial	
banks)	9,742,662	Government securities	7,933,146
Paid-up capital	6,000,000	Municipal and other	511,754
Reserve fund	3,600,000	securities	789,127
Profit and loss	404,538	Due by other banks	4,275,958
Contingent liabilities—		Bills receivable in London	
Outstanding credits, as per	2,324,600	and remittances in transit	
contra		Advances under Govern-	
		ment War gratuities	
		scheme	921,700
		Advances Government	
		Sugar Pool	85,000
		Bills discounted, and loans	41,842,273
		and advances to customers	850,000
		Liabilities of customers and	
		others on letters of credit,	
		as per contra	2,324,600

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Interim dividend for quarter		Amount from last account	161,645
ended June 30, 1923, at 10%		Balance of half-year's profits	
per annum, paid in terms		after deducting rebate on	
of Clause CV. of deed of		current bills, interest on	
settlement out of the half-	150,000	deposits, paying income,	
year's profits		land, and other taxes,	
Balance proposed to be dealt		amounting to £93,942	
with as follows: quarter's		(making in all £248,292 for	
dividend to September 30,		the year), reducing valua-	
1923, at the rate of 10% per	150,000	tion of bank premises, pro-	
cent. per annum out of the		viding for bad and doubt-	
half-year's profits		ful debts and fluctuations	
Augmentation of the re-	100,000	in the value of investment	
serve fund		securities, and including	
Balance carried forward	154,538	recoveries from debts	
		previously written off as	
		bad	392,893

BANK OF NEW ZEALAND.

BALANCE-SHEET—March 31, 1923.

LIABILITIES.	£	ASSETS.	£
Capital—4% guaranteed stock	529,988	Coin, cash balances and	7,974,011
Preference "A" fully paid		deposits with bankers	
£1 shares, issued to the		Government notes—Com-	
New Zealand Govern-	500,000	monwealth, Fijian, and	
ment		Samoa Administration	
Preference "B" fully paid		Notes of other banks (legal	
£1 shares, issued to the		tender)	528,527
New Zealand Govern-	625,000	Balances due by other bank	58,414
ment		Bullion on hand and in transit	7,222
Ordinary shares of £1 fully		Money at call and short	
paid	2,250,000	notice, Government securi-	
Reserve fund	1,675,000	ties, and other securities in	
Notes in circulation	4,564,696	London	5,961,591
Deposits	30,003,926	Bills receivable in London	4,847,930
Balances due to other banks	94,403	and in transit	
Bills payable and other		New Zealand Government	
liabilities (including provi-	3,644,908	securities (held in the	
sion for contingencies)		Dominion)	3,127,025
Reserve for taxes	426,000	Australian Government	
London offices acceptances		securities	865,443
under credits	232,738	Municipal securities	670,826
Balance of profit and loss	759,457	Bills discounted	1,595,043
		Other advances and secu-	
		rities and debts due to the	
		bank, after deducting pro-	
		vision for bad and doubt-	
		ful debts	17,746,718
		Remittances in transit	1,264,042
		between branches	308,379
		Landed property, premises,	
		&c.	232,738
		Liabilities of customers for	
		acceptances, per contra	45,306,116

BANK OF VICTORIA, LIMITED.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	£	ASSETS.	£
Capital paid up, viz.: 41,676		Coin, bullion, Australian	2,490,641
preference shares of £10		notes, and cash at bankers	925,418
each, fully paid up in cash,		Money at short call and	
£416,760; 212,250 ordinary		Treasury bills in London	
shares of £10 each, paid up		Commonwealth of Australia	
to £5, £1,061,250	1,478,010	War Loan stock and debent-	
Reserve fund	650,000	ures, Victoria Government	
Profit and loss	143,950	stock and debentures, and	
Notes in circulation	6,511	Municipal debentures	1,253,633
Bills in circulation	599,038	Bills and remittances in	
Government deposits		transit	
Not bearing interest	85,080	in London	581,047
Bearing interest	409,433	Notes and bills of other	
Other deposits and interest		banks	198,408
accrued		Balances due from other	
(including rebate on bills		banks	49,326
discounted)—not bear-		War gratuity advances	260,812
ing interest	4,320,185	Stamps	6,364
(including officers' guar-		War Loan advances	78,978
antee and provident		Real estate, consisting of bank	
funds)—bearing interest	6,491,731	premises	397,336
Balances due to other banks	254,550	Bills discounted and other	6,706
Contingent liabilities, as per		advances, exclusive of pro-	
contra	314,522	vision for bad and doubtful	
		debts	8,189,739
		Liabilities of customers and	
		others in respect of contin-	
		gent liabilities, as per	
		contra	314,522

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The report submitted to the meeting held on August 7, 1923, is as follows:—Balance brought forward from June 30, 1922, £29,754; net profits for the year ending June 30, 1923, £183,706—£213,460. Interim dividend at 9 per cent. for half-year July to December, 1922: preference shares, £18,754; ordinary shares, £47,756—£66,510; to officers' provident fund, £3,000—£69,510; balance, £143,950. The directors recommend that the remaining profits for the year be apportioned as follows:—To dividend on preference shares, at 9 per cent. per annum, for half-year ending June 30, 1923, £18,754; to dividend on ordinary shares, at 9 per cent. per annum, for half-year ending June 30, 1923, £47,756—£66,510; to reserve fund (making it £700,000), £50,000; to balance to be carried forward, £27,439—£143,949.

COMMERCIAL BANK OF AUSTRALIA, LIMITED.

The report for the year ended June 30, 1923, states that the net profits amount to £234,418; to which is added amount brought forward, £42,209—making a total of £276,627. From this amount the directors have made the following appropriations, viz.:—To reserve fund, £85,066; to reduction of bank premises, £10,000; to interim dividend on preference shares paid February, 1923, £42,347; to interim dividend on ordinary shares paid February, 1923, £25,717—£163,130; leaving a balance of £113,497, which it is proposed to apportion as follows—to dividend for six months on the preference shares at 4 per cent. per annum, £42,347; to dividend for six months on the ordinary shares at 15 per cent. per annum, £26,364; to carry forward to next year, £44,786—£113,497.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	£	ASSETS.	£
Preference shares, paid in cash to £10, £2,117,250; ordinary shares, paid in cash to 10s, £351,527	2,468,777	Coin, bullion, Australian notes, and cash at bankers	3,544,134
Reserve fund	100,000	Money at call and short notices in London	1,145,000
Profits and loss account	113,497	Short-dated British Treasury bills	1,500,000
Notes in circulation	57,301	Government, municipal, and other public stocks and funds, and other debentures	363,997
Bills payable and other liabilities, including reserves for contingencies	987,356	Bills receivable in London & balance of remittances and drafts in transit	787,673
Government deposits—not bearing interest, £111,121; bearing interest, £307,190; other deposits—not bearing interest, £8,750,068; bearing interest, £7,833,035	17,061,414	Notes and bills of other banks	125,091
Balances due to other banks	19,246	Balances due from other banks	348,305
Contingent liabilities, as per contra	522,032	Stamps	11,495
		Advances under Government War Gratuity scheme	328,400
		Bills discounted, and other advances, exclusive of provision for bad or doubtful debts	12,103,986
		Real estate, consisting of bank premises	549,610
		Liabilities of customers and others in respect of accounts	522,032
		Liabilities, as per contra	522,032
	21,329,723		21,329,723

COMMERCIAL BANKING COMPANY OF SYDNEY, LIMITED.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	£	ASSETS.	£
Capital paid up	3,000,000	Coin, bullion, Australian Commonwealth notes, and cash at bankers	7,737,877
Reserve fund	2,460,000	Money at short call	2,405,000
Notes in circulation	9,316	Short-dated British Treasury bills	545,000
Bills in circulation	1,171,336	British and Australian War Loan stocks and Government and other securities	5,697,154
Deposits and other liabilities	34,446,065	Bills receivable in London and remittances in transit	2,446,289
Profit and loss account	358,489	Notes and bills of other banks	67,561
		Bills discounted, and other debts due to the bank	21,035,479
		Advances to Commonwealth Government on account of war gratuities	581,000
		Bank premises, furniture, &c.	293,946
	41,445,206		41,445,206

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Interim dividend for the half-year ended December 31, 1922, at the rate of 10 per cent. per annum, paid on January 23, 1923, out of the year's profits	150,000	Amount brought forward from last year	86,421
Balance, proposed to be dealt with as follows:		Profit for year ended June 30, 1923	422,068
Dividend for past half-year at the rate of 10 per cent. per annum out of the year's profits, £150,000; reserve fund, £120,000; balance carried forward, £88,489	358,489		
	508,489		508,489

COMMONWEALTH BANK OF AUSTRALIA.

BALANCE SHEET—December 31, 1923.

LIABILITIES.	£	ASSETS.	£
Deposits, accrued interest, and rebate	29,560,116	Coin, bullion & cash balances	8,066,871
Bills payable and other liabilities	3,565,175	Australian notes	3,285,323
Savings Bank department—depositors' balances	£39,703,395; with interest accrued £627,060	Money at short call in London	6,805,000
Capital—debentures issued	40,330,456	Investments—British, Colonial and Government securities (face value £29,740,554 7s 10d)	29,547,205
Reserve fund	2,263,666	Commonwealth Government securities (face value, £10,142,400 5s 7d)	10,084,994
Redemption fund	2,201,994	Fixed deposits of other banks	954,000
Contingent liabilities—Outstanding credits, per contra	369,310	Bills receivable in London & remittances in transit	1,476,116
Total General Bank and Savings Bank departments	78,290,717	Bills discounted, loans and advances to customers and other sums due to the bank	16,839,694
Note Issue department	52,182,094	Bank premises	862,204
		Liabilities of customers and others on letters of credit, per contra	369,310
		Total General Bank and Savings Bank departments	78,290,717
		Note Issue department	52,182,094
	130,472,811		130,472,811

PROFIT AND LOSS.

Dr.	£	Cr.	£
Reserve fund	61,673	Profits for half-year ended December 31, 1923:—	
National debt sinking fund	61,672	Banking business	123,345
Commonwealth Treasury (being profits of Note Issue department)	711,761	Note Issue department	711,761
	835,106		
	835,106		835,106

NOTE ISSUE DEPARTMENT.

£	£
Notes in circulation	52,182,094
	52,182,094
	52,182,094

ENGLISH, SCOTTISH AND AUSTRALIAN BANK, LIMITED.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	£	ASSETS.	£
Paid-up capital—600,000 shares (£2 10s per share)	1,500,000	Cash and bullion, £4,972,780; cash at bankers and at short notice, £1,771,691	6,744,471
Reserve fund	1,483,150	Investments (British and Colonial Government securities)	1,323,148
Perpetual stocks—Debenture stock, £983,547; preferred inscribed deposit stock, £889,419; deferred inscribed deposit stock, £467,500	2,340,466	Bills receivable and remittances in transit	3,596,467
Deposits at interest (including Government balances)	13,382,621	Advances and other assets (after making provision for bad and doubtful debts and contingencies)	20,313,043
Current accounts	11,820,159	Security for note issue (Colonial Government securities)	3,625
Notes in circulation	1,287	Bank premises and furniture	792,932
Bills payable, rebate on bills, and other liabilities	1,755,056		
Profit and loss—Balance, as per last balance-sheet, £367,084. Less—Transferred to reserve fund, £135,000; E. S. & A. Bank Officers' Guarantees and Provident Fund, £15,000; final dividend, free of income-tax, £65,994; applied to the cancellation of deferred inscribed deposit stock, £43,996—£259,990—£107,094; balance for the year, as per profit and loss account, £389,853	496,947		
	32,779,686		32,779,686

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Expenses of management in London and Australia, including directors' and auditors' fees, &c. £557,039; income & other taxes £223,311	780,350	Profits, after deducting interest on perpetual stocks and making provision for bad and doubtful debts and contingencies	1,251,197
Interim dividend	65,994		
Reserve fund	15,000		
Balance	389,853		
	1,251,197		1,251,197

NATIONAL BANK OF NEW ZEALAND, LIMITED.

The report for the year ended March 31, 1923, shows that the net profit, after paying a bonus to the staff of £13,600, providing for bad and doubtful debts, and including £142,121 brought forward from the previous year, amounts to £370,868. The interim dividend at the rate of 12 per cent. per annum, paid in January, absorbed £72,700. The sum of £20,000 has been placed to premises account, leaving now available for distribution £278,167, which the directors proposed to allocate as follows:—In payment of a dividend at the rate of 12 per cent. per annum for the half-year ended March 31 last, £75,000; in payment of a bonus of 2 per cent. £25,000 (both free of income-tax)—£100,000; to reserve fund (which will then stand at £1,260,000), £10,000; to pension and gratuity funds, £22,600; balance to be carried forward, £145,567—£278,167.

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AT 31st DECEMBER, 1923:

Savings Bank balances	£40,330,456
General Bank balances	33,125,291
Note Issue Department	52,182,093
Other Items	4,834,971
Total	£130,472,811

Head Office:
Sydney, New South Wales.

LONDON BRANCH: 36-41 NEW BROAD STREET, E.C. 2.

C. A. B. CAMPION, London Manager.



BALANCE-SHEET—March 31, 1923.

LIABILITIES.	£	ASSETS.	£
Capital issued—500,000 shares of £7 10s each, £2 10s paid up, £250,000	1,250,000	Coin and bullion at head office and branches	1,023,774
Reserve fund	1,250,000	Cash at bankers	63,288
Notes in circulation	1,729,434	Investments in British Government stocks and Treasury bonds and New Zealand War Loans	1,670,296
Deposits and current accounts	9,261,899	Bills receivable in London	3,129,927
Bills payable and other liabilities (including provision for doubtful debts and depreciation of investments)	1,422,151	Bills discounted	739,328
Profit and loss account	*278,167	Advances on securities and current accounts	8,218,120
		Landed property, premises, and furniture	346,918
			15,191,651

* Subject to excess profits duty, if any, and corporation profits tax.

NATIONAL BANK OF AUSTRALASIA, LIMITED.

BALANCE-SHEET—March 31, 1923.

LIABILITIES.	£	ASSETS.	£
Capital—62,000 £10 shares fully paid up, £620,000; 421,000 £8 shares paid up to £5 per share £2,105,000	2,725,000	Coin, bullion, Australian notes, and cash at bankers	4,247,681
Reserve fund	1,725,000	Government, municipal, and other public stocks, debentures, and funds	4,321,225
Profit and loss account	217,574	Bills and remittances in transit	2,330,074
Notes in circulation	48,875	Notes and bills of other banks	34,098
Bills in circulation	659,506	Balances due from other banks	191,326
Government deposits—not bearing interest, £415,777; bearing interest, £1,949,740; other deposits—not bearing interest, £12,462,638; bearing interest, £14,331,390	29,159,545	Duty stamps	16,000
Interest accrued and rebate on current bills	344,263	Real estate, consisting of bank premises	706,471
Balances due to other banks	405,585	Other real estate	101,013
		Bank furniture	44,998
		Bills discounted and other advances, exclusive of provision for bad and doubtful debts	23,292,462
			35,285,348

Contingent liability, as per contra, in regard to obligations of customers and others on letters of credit and guarantees, £1,432,208

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Expenses at head office, 283 branches, and 149 agencies	613,960	Balance brought forward	68,743
Income, land, and note taxes	58,254	Gross profits, including recoveries, less rebate on bills current, interest accrued on deposits, repairs to premises, and rent	1,114,392
Interim dividend	156,250		
Transfer to reserve fund	117,097		
Reduction of bank premises	40,000		
Balance	217,574		
	1,183,135		1,183,135

QUEENSLAND NATIONAL BANK, LIMITED.

BALANCE-SHEET—June 30, 1923.

	£		£
Capital paid up	800,000	Coin, bullion, Australian notes, and cash at bankers	1,039,466
Reserve fund	400,000	British Treasury bills	126,000
Profit and loss	58,177	Commonwealth War Loan (at or undermarket value)	557,467
Indeterminable inscribed deposit stock	3,091,669	Government stocks —	
Bills payable and other liabilities	415,263	Victorian Government (short dated)	500,000
Deposits	7,519,294	New Zealand Government (short dated)	600,000
		Cash balances	214,376
		Bills remitted and in transit	732,603
		Money in London at call, and on short notice	200,000
		Advances to customers on current account, bills discounted, and other debts due to the bank	7,756,322
		Bank premises, furniture, and stationery	559,169
		(Of the bank premises figures £170,000 is revenue producing.)	
	12,284,403		12,284,403

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Interim dividends paid—Nov. 16, 1922	20,000	Balance from June 30, 1922	8,826
Feb. 15, 1923	20,000	Net profit for year ended June 30, 1923	149,351
May 17, 1923	20,000		
Transfer to reserve fund	40,000		
Balance at June 30, 1923	58,177		
	158,177		158,177

ROYAL BANK OF AUSTRALIA, LIMITED.

The net profits for the half-year ended September 29th last amounted to £61,643, and were dealt with as follows, viz.:—To pay a dividend at the rate of 10 per cent. per annum, £37,500; transfer to the reserve fund (making it £540,000), £20,000; and to add to the amount carried forward from last half-year (making it £36,305 12s 8d), £4,143—£61,643.

BALANCE-SHEET—September 29, 1923.
Including London Branch figures to August 1, 1923.

LIABILITIES.	£	ASSETS.	£
Capital paid-up—270,000 shares paid up to £1 12s, 120,000 shares paid up to £4	270,000	Coin, bullion, Australian notes, and cash at bankers	1,192,642
Reserve fund	520,000	Money at call and short notice	245,683
Profit and loss account	93,806	Notes and bills of other banks	26,645
Notes in circulation	840	Balances due from other banks	23,438
Government deposits—not bearing interest, £48,205; bearing interest, £78,177	126,382	Bills and remittances in transit, and payable in London	352,307
Other deposits—Rebate and interest accrued: not bearing interest, £2,017,443; bearing interest, £2,714,432	4,731,875	Government, Municipal, and other public stocks, debentures, and funds	202,231
Contingent liabilities, as per contra	305,411	Stamps	1,487
		Real estate, consisting of—Bank premises	150,600
		Bills discounted and other advances, exclusive of provision for bad and doubtful debts	4,420,940
		Bank furniture, fittings, stationery, &c.	550
		Liabilities and securities of customers and others in respect of contingent liabilities, as per contra	305,411
			6,920,874

UNION BANK OF AUSTRALIA, LIMITED.

BALANCE-SHEET—February 28, 1923.

LIABILITIES.	£	ASSETS.	£
Capital paid up	3,000,000	Specie on hand and cash balances	6,498,741
Reserve fund	3,350,000	Bullion and advances on bullion	62,145
Balance of undivided profits	314,712	Money at call and short notice in London	1,060,000
Circulation	562,081	Investments—On account of reserve fund: British Government securities	1,000,000
Deposits	31,390,819	Other investments—British Government securities	1,200,000
Liabilities (including reserves held against contingencies)	3,707,570	Balance of remittances and drafts in transit, and bills receivable at London office	5,759,791
		Bills discounted, loans, and other securities at the branches and in London	26,350,356
		Bank premises in Australia and New Zealand	286,600
		London leasehold premises, £142,305; reserves against same and accrued interest, £34,756	107,549
			42,325,182

CANADIAN AND W.I. BANKS.

COLONIAL BANK.

Out of the preceding balance, amounting to £80,373, the directors recommend that there be carried to provision for bad and doubtful debts, £15,000; that a dividend at the rate of 8 per cent. per annum, less income-tax, for the half-year ending December 31st last be paid, absorbing £27,900; relief to shareholders in respect of repayment of Dominion income-tax for the year ended March 31, 1923, £9,000—£36,900—£51,900; leaving £28,473 to be carried forward.

BALANCE-SHEET—December 31, 1923.

LIABILITIES.	£	ASSETS.	£
Capital subscribed—100,000 "A" shares of £20 each, £6 paid	600,000	Cash in hand and in transit	708,639
50,000 "B" ordinary shares of £20 each, £6 paid	300,000	Cash at bankers and at call and short notice	346,577
Reserve fund	300,000	British Government Treasury bills	100,000
Notes in circulation	470,137	English and Colonial Government and other investments (including investments lodged with the Crown Agents for the Colonies as security for note issue as required by the Colonial Bank Act of 1898)	1,995,936
Deposits at interest, current accounts, &c.	6,649,042	Bills receivable	2,265,626
Bills payable	785,913	Advances to customers and other accounts	3,361,637
Acceptances on account of customers	1,109,242	Liability of customers for acceptances, as per contra	1,109,242
Profit and loss, balance per account	80,373	Bank premises in England and the Colonies	417,060
			10,294,707

NOTE.—There were contingent liabilities at the date of the balance-sheet in respect of guarantees given, amounting to £127,683.

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Balance carried down	80,373	Brought forward from last half-year, per directors' report	28,905
		Net profit for half-year	51,468
			80,373

BANK OF MONTREAL.

The statement of the result of the business of the bank for the year ended October 31, 1923, is as follows:—Balance of profit and loss account, October 31, 1922, \$558,815; profits for the year ended October 31, 1923, after deducting charges of management, and making full provision for all bad and doubtful debts, \$4,496,417—\$5,055,232. Dividend

IRVING BANK-COLUMBIA TRUST COMPANY

NEW YORK CITY

Chairman of the Board . . . LEWIS E. PIERSON

President HARRY E. WARD

To serve customers located in countries outside the United States, we have created our Foreign Office, in New York. The members of its staff, through long experience, are thoroughly conversant with the problems and conditions of international business.

STATEMENT OF CONDITION, March 20, 1924

RESOURCES	LIABILITIES
Cash in Vault and with Federal Reserve Bank	Capital Stock
Exchange for Clearing House and due from other Banks	Surplus and Undivided Profits
Call Loans, Commercial Paper and Loans eligible for Re-discount with Federal Reserve Bank	Dividend Payable April 1, 1924
United States Obligations	Discount Collected but not Earned
Other Loans and Discounts	Reserved for Taxes, Interest and Expenses
Demand Loans	Foreign Bills of Exchange sold with Endorsement of this Company
Due within 30 days	Acceptances by this Company and by Correspondents for its Account outstanding (including Acceptances to Create Dollar Exchange)
Due 30 to 90 days	Official Checks
Due 90 to 180 days	Deposits
Due after 180 days	
Short Term Securities	
Other Investments	
New York City Mortgages	
Bank Buildings	
Customers' Liability for Acceptances by this Company and its Correspondents outstanding (anticipated \$1,734,454.70)	

FOREIGN OFFICE

WOOLWORTH BUILDING, NEW YORK

Vice-President and Manager . . . JAMES HECKSCHER

Vice-President . . . WILLIAM N. ENSTROM

Vice-President . . . H. A. MATHEWS

IMPERIAL OTTOMAN BANK

Founded 1863.

Capital - £10,000,000. Paid-up - £5,000,000.
Reserve - £1,250,000.

London Office: 26, THROGMORTON STREET, E.C.2.

Manager: E. W. H. Barry. Assistant Manager and Secretary: C. E. L. Corthorn.
Assistant Manager and Deputy Secretary: R. S. C. Pearce. Assistant Manager: W. P. Sheppard.

MANCHESTER:
56-60, Cross Street.

PARIS:
7, Rue Meyerbeer.

MARSEILLES:
41-43, Rue Grignan.

CONSTANTINOPLE (Galata, Pera & Stamboul).

EGYPT.	PALESTINE.	CYPRUS.	PERSIA.	MESOPOTAMIA.
Alexandria.	Jerusalem.	Famagusta.	Teheran.	Bagdad.
Cairo.	Jaffa.	Larnaca.	Hamadan.	Basorah.
Manacourah.	Ramallah.	Nicosia.	Kermanshah.	Mossoul.
Minieh.	Bathlehem.	Paphos.		
Port Said.	Nabious.			

SALONICA.

SMYRNA.

TUNIS.

SYRIA.

(Banque de Syrie et du Grand Liban—Affiliated Bank.)

Aleppo.	Damascus.	Saida.
Alexandretta.	Hamah.	Tripoli.
Beirut.	Hama.	Zahle.
	Latakia.	

The Bank has its own Branches or Agents in every important commercial town in the Near East.

Drafts and Telegraphic Transfers Issued. Letters of Credit granted.
Exchange, Merchandise and Insurance operations effected.

of 12 per cent. and bonus of 2 per cent., \$3,815,000; provision for taxes Dominion Government, \$530,650; reservation for bank premises, \$50,000—\$4,395,650; balance of profit and loss carried forward, \$659,582.

BALANCE-SHEET—October 31, 1923.

LIABILITIES.	\$	ASSETS.	\$
Capital stock	27,250,000	Gold and silver coin current	27,009,762
Reserve	27,250,000	Domestic notes	54,579,920
Balance of profits carried forward	659,582	Deposit in the central gold reserves	17,000,000
Unclaimed dividends	9,778	Balances due by banks and banking correspondents elsewhere than in Canada	14,259,745
Quarterly dividend, payable December 1st, 1923	817,500	Call and short (not exceeding 30 days) loans in Canada, on bonds, debentures and stocks, and other securities of a sufficient marketable value to cover	11,458,640
Bonus of 2%, payable December 1st, 1923	545,000	Call and short (not exceeding 30 days) loans in Great Britain and United States, on bonds, debentures and stocks, and other securities of a sufficient marketable value to cover	118,526,277
Notes of the bank in circulation	41,602,735	Domestic and Provincial Government securities, not exceeding market value	63,185,031
Deposits not bearing interest	158,695,408	Railway and other bonds, debentures and stocks, not exceeding market value	2,328,051
Deposits bearing interest, including interest accrued to date of statement	420,361,375	Canadian Municipal securities, and British, foreign, and Colonial public securities other than Canadian, not exceeding market value	37,601,759
Deposits made by and balances due to other banks in Canada	3,773,561	Notes of other banks	3,612,885
Balances due to banks and banking correspondents elsewhere than in Canada	560,852	United States and other foreign currencies	361,593
Bills payable	411,807	Cheques on other banks	41,298,174
Letters of credit outstanding	9,471,690	Current loans and discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	236,656,924
Liabilities not included in the foregoing	972,821	Loans to cities, towns, municipalities, and school districts	21,703,848
		Current loans and discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	16,227,085
		Non-current loans estimated loss provided for	2,380,629
		Bank premises at not more than cost (less amounts written off)	9,800,000
		Real estate, other than bank premises	573,788
		Mortgages on real estate sold by the bank	994,442
		Liabilities of customers under letters of credit, as per contra	9,471,690
		Deposit with the Minister for the purposes of the circulation fund	1,320,000
		Shares of and loans to controlled companies	1,343,826
		Other assets not included in the foregoing	688,040
	692,382,109		692,382,109

CANADIAN BANK OF COMMERCE.

The statement of the result of the business of the bank for the year ended November 30, 1923, is as follows:—Balance at credit of profit and loss account brought forward from last year, £430,993; net profits for the year ending November 30th, after providing for all bad and doubtful debts, £598,648—£1,029,641. This has been appropriated as follows:—Dividend at 12 per cent. per annum, £369,863; bonus of 1 per cent., payable December 1st, £30,822; Dominion and Provincial Government taxes and tax on bank-note circulation, £71,918; written off bank premises, £71,918; transferred to pension fund, £36,017; balance carried forward, £449,103—£1,029,641.

BALANCE-SHEET—November 30, 1923.

LIABILITIES.	£	ASSETS.	£
Notes of the bank in circulation	5,121,977	Gold and silver coin current on hand, £2,518,212; gold deposited in central gold reserves, £1,130,137	3,648,349
Deposits not bearing interest, £18,062,328; deposits bearing interest, including interest accrued to date, £50,069,108	68,131,437	Domestic notes on hand, £5,233,859; Dominion notes deposited in central gold reserves, £386,301	6,280,160
Advances under the Finance Act	1,643,835	Notes of other banks	306,441
Balances due to other banks in Canada	217,441	United States and other foreign currencies	281,880
Balances due to banks and banking correspondents in the United Kingdom and foreign countries	3,463,820	Cheques on other banks	4,091,454
Bills payable	378,115	Balances due by other banks in Canada	108
Letters of credit outstanding	2,123,313	Balances due by banks and banking correspondents elsewhere than in Canada	2,418,779
Dividends unpaid	962	Domestic and Provincial Government securities, not exceeding market value	7,828,063
Dividend No. 147 and bonus, payable December 1st	123,288		227,889,799

LIABILITIES—(Cont.)	£
Capital paid up	3,082,192
Reserve account	3,082,192
Balance of profits, as per profit and loss account	449,103

ASSETS—(Cont.)	£
Canadian Municipal securities, and British, foreign and Colonial public securities, not exceeding market value	2,709,760
Railway and other bonds, debentures and stocks, not exceeding market value	1,474,574
Call and short loans (not exceeding 30 days) in Canada on stocks, debentures, and bonds and other securities of a sufficient marketable value to cover	4,929,581
Call and short loans (not exceeding 30 days) elsewhere than in Canada on stocks, debentures and bonds and other securities of a sufficient marketable value to cover	5,300,582
Deposit with the Minister of Finance for the purposes of the circulation fund	154,110
Other current loans and discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	37,814,388
Other current loans and discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	6,243,697
Liabilities of customers under letters of credit, as per contra	2,123,313
Non-current loans (estimated loss provided for)	257,055
Real estate other than bank premises	199,249
Mortgages on real estate sold by the bank	35,621
Bank premises at not more than cost, less amounts written off	1,525,420
Shares of and loans to controlled companies	169,521
Other assets not included in the foregoing	25,570
	87,817,675

BANK OF NOVA SCOTIA.

(INCORPORATED 1832.)

BALANCE-SHEET—December 31, 1923.

LIABILITIES.	\$	ASSETS.	\$
Capital stock paid in	10,000,000	Current coin	9,527,112
Reserve fund	19,500,000	Domestic notes	20,893,762
Balance of profits, as per profit and loss account	252,696	Notes of other banks	1,180,831
Dividends declared and unpaid	400,814	United States and other foreign currencies	1,585,804
Notes of the bank in circulation	15,074,324	Cheques on other banks	11,855,619
Deposits not bearing interest	34,557,228	Balances due by banks and banking correspondents elsewhere than in Canada	3,357,810
Deposits bearing interest, including interest accrued to date	140,234,470	Deposits in the central gold reserves	6,500,000
Deposits with the Minister for the purposes of the circulation fund	3,083,188	Domestic and Provincial Government securities, not exceeding market value	31,947,942
Balances due to banks and banking correspondents in the United Kingdom and foreign countries	1,218,147	Canadian Municipal securities, and British, foreign and Colonial public securities other than Canadian, not exceeding market value	9,896,898
Bills payable	236,036	Railway and other bonds, debentures and stocks, not exceeding market value	6,883,856
Letters of credit outstanding	3,326,896	Demand loans in Canada, secured by grain & other staple commodities	10,724,852
		Call and demand loans elsewhere than in Canada on stocks, debentures and bonds & other securities of a sufficient marketable value to cover	6,088,762
		Call and demand loans in Canada secured by stocks, debentures and bonds, and other securities of a sufficient marketable value to cover	11,318,943
		Deposit with the Minister of Finance for the purposes of the circulation fund	499,871
		Loans to Governments and municipalities	4,406,033
		Other current loans and discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	65,523,064
		Other current loans and discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	13,606,411
		Liabilities of customers under letters of credit, as per contra	3,326,896
		Non-current loans, estimated loss provided for	662,407
		Bank premises, at not more than cost, less amounts written off	7,713,375
		Real estate other than bank premises	67,833
		Other assets not included in the foregoing	322,784
			227,889,799

THE FIFTH AVENUE BANK
OF NEW YORK*An Uptown Institution.*

THE uptown section of New York invariably claims much of the visitor's time, whether it be his business, social or recreational activities that take him there.

Situated in the heart of this busy and diversified section is the Fifth Avenue Bank. Within easy distance are the largest and best hotels, theatres, shops, restaurants and office buildings. And from here transit lines radiate to all sections of the city and suburbs.

Visitors to New York are invited to make this their banking headquarters.

A well-organized Foreign Department is prepared to serve you.

THE FIFTH AVENUE BANK OF NEW YORK

530 FIFTH AVENUE, NEW YORK CITY

(Member Federal Reserve System)

Represented in London by

Hambros Bank, Limited

21-24, Cockspur Street,
(Trafalgar Square),
London, S.W.1.

Morgan, Grenfell & Company

22, Old Broad Street,
London.THE MITSUI BANK, LTD.,
JAPAN

(The oldest Banking Institution in Japan—Founded in 1880.)

Capital Subscribed...	Yen 100,000,000.00	Reserve Fund ...	Yen 25,000,000.00
Capital Paid up ...	60,000,000.00	Special Reserve Fund ...	14,600,000.00
		Reserve Fund for Dividend ...	4,000,000.00

HEAD OFFICE: ... TOKYO, JAPAN.

LOCAL BRANCHES:

FUKUOKA, HIROSHIMA, KAWAGUCHI (Osaka), KOBE, KYOTO, MARUNOUCHI (Tokyo), MOJI, NAGASAKI, NAGOYA, DAIJIMA (Osaka).
NIHONBASHI (Tokyo), OSAKA, OSAKA NISHI (Osaka), OTARU, SHIMONOSEKI, WAKAMATSU, YOKOHAMA.

FOREIGN BRANCHES:

FOREIGN AGENTS:
LONDON—BARCLAYS BANK, LTD.
NEW YORK—THE NATIONAL CITY BANK OF NEW YORK.
BANKERS TRUST COMPANY. THE CHASE NATIONAL BANK.

BALANCE SHEET.
31st December, 1923.

Dr.		Yen	ASSETS.	Yen
LIABILITIES.				
Capital	...	100,000,000.00	Capital unpaid	40,000,000.00
Reserve Fund	...	25,000,000.00	Cash in hand and at Bank of Japan	28,941,058.88
Special Reserve Fund	...	12,100,000.00	Japanese and Foreign Government Bonds	51,596,240.96
Reserve Fund for Dividend	...	8,000,000.00	Debentures and Stocks	41,604,891.50
Pension and Provident Funds	...	1,899,408.17	Foreign Bills Purchased and Interest Bills	41,377,883.18
Deposits (current, fixed, etc.)	...	417,827,908.17	Loans and Discounts	884,378,888.52
Foreign Bills of Exchange sold	...	1,461,436.87	Due from other Banks	10,446,694.17
Due to other Banks	...	20,509,862.08	Customers' Liabilities under L/C per contra, etc.	8,084,812.22
Liabilities under L/C, etc.	...	8,094,812.22	Provisional Payments	677,848.17
Dividend unpaid	...	15,348.84	Bank Premises and Real Estates	8,574,829.97
Interest accrued on deposits not due	...	4,787,865.00		
Mobate on Bills not due, etc.	...	4,400,197.92		
Provisional Receipts	...	1,741,800.97		
Balance from last account	...	2,810,842.95		
Net profit for the half year	...	8,259,975.70		
		610,692,162.99		610,692,162.99

APPROPRIATION OF PROFIT.

Dr.	Yen	Cr.	Yen
Special Reserve Fund	2,500,000.00	Net profit for the half year	8,259,975.76
Reserve Fund for Dividend	1,000,000.00	Balance brought forward from last half-year	2,810,842.95
Pension and Provident Funds	275,000.00		
Bonus	536,400.00		
Dividend to Shareholders	8,000,000.00		
Balance carried forward to next half year	2,651,818.71		10,568,218.71
	10,568,218.71		

The Bank sells Drafts and Telegraphic Transfers, buys approved inward and outward Bills, grants Commercial Credits, issues Travellers' Letters of Credit available in all important places in the World, and makes collections.
LONDON OFFICE: 24, BIRCHIN LANE, E.C.3.

The statement of the result of the business of the bank for the year ended December 31, 1923, is as follows:—Balance, December 30, 1922, \$173,163; net profits for year, losses by bad debts estimated and provided for, \$2,104,533—\$2,277,696. Dividend, 16 per cent. per annum, \$1,600,000; war tax on circulation to December 31, 1923, \$100,000; contribution to officers' pension fund, \$75,000; written off bank premises account, \$250,000; balance carried forward December 31, 1923, \$252,696—\$2,277,696.

DOMINION BANK.

The statement of the result of the business of the bank for the year ended December 31, 1923, is as follows:—Balance of profit and loss account, December 30, 1922, \$758,163; profits for the year, after deducting charges of management and making full provision for bad and doubtful debts, \$1,129,370—\$1,887,533, which amount has been disposed of as follows:—Dividends (quarterly) at 12 per cent. per annum, \$720,000; bonus, 1 per cent., \$60,000; total distribution to shareholders of 13 per cent. for the year, \$780,000; contribution to officers' pension fund, \$45,000; Dominion and Provincial Government taxation, \$162,158; written off bank premises, \$75,000; balance of profit and loss account carried forward, \$825,375—\$1,887,533.

BALANCE-SHEET—December 31, 1923.

LIABILITIES.	\$	ASSETS.	\$
Capital stock paid in	6,000,000	Gold & silver coin, current	2,048,850
Reserve fund	7,000,000	Dominion Government notes	10,505,845
Balance of profit and loss account carried forward..	825,375	Deposit in the central gold reserves	600,000
Dividend No. 165, payable January 2, 1924	180,000	Notes of other banks	888,169
Bonus 1 per cent., payable January 2, 1924	60,000	United States and other foreign currencies	75,885
Former dividends unclaimed	219	Cheques on other banks	9,298,435
Notes of the bank in circulation	7,366,384	Balances due by other banks in Canada	2
Deposits not bearing interest	19,992,610	Balances due by banks and banking correspondents elsewhere than in Canada	2,842,921
Deposits bearing interest, including interest accrued to date	68,913,645	Dominion and Provincial Government securities, not exceeding market value	17,499,251
Advances under the Finance Act	4,000,000	Canadian Municipal securities and British, foreign, and Colonial public securities other than Canadian, not exceeding market value	4,024,226
Balances due to other banks in Canada	2,977,069	Railway and other bonds, debentures, and stocks, not exceeding market value	2,503,882
Balances due to banks and banking correspondents elsewhere than in Canada	2,135,445	Call and short (not exceeding 30 days) loans in Canada on stocks, debentures and bonds and other securities of a sufficient marketable value to cover	5,278,335
Bills payable	12,404	Call and short (not exceeding 30 days) loans elsewhere than in Canada on stocks, debentures and bonds and other securities of a sufficient marketable value to cover	2,397,406
Letters of credit outstanding	2,259,008	Demand loans in Canada against the security of grain and flour	10,811,227
Liabilities not included in the foregoing	338,594	Other current loans and discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	43,010,222
		Other current loans and discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	728,951
		Liabilities of customers under letters of credit, as per contra	2,259,008
		Real estate, other than bank premises	93,243
		Non-current loans, estimated loss provided for	314,355
		Bank premises at not more than cost, less amounts written off	6,123,472
		Deposit with the Minister of Finance for the purposes of the circulation fund	304,500
		Mortgages on real estate sold	19,442
		Other assets not included in the foregoing	433,126
			122,060,753

UNION BANK OF CANADA.

The statement for the year ended November 30, 1923, is as follows:—Balance at credit of account, November 30, 1922, \$483,175; transferred to contingent reserve account, June 19, 1923, \$331,910—\$151,265. Net profits for the year, after deducting expenses of management, interest due depositors, reserving for interest and exchange, and making full provision for all bad and doubtful debts, have amounted to \$1,033,432—\$1,184,697, which has been applied as follows:—Dividend, 9 per cent., \$720,000; contribution to officers' pension fund, \$10,000; war tax on bank-note circulation and reserve for income-tax, \$137,622; balance of profits carried forward, \$317,075—\$1,184,697.

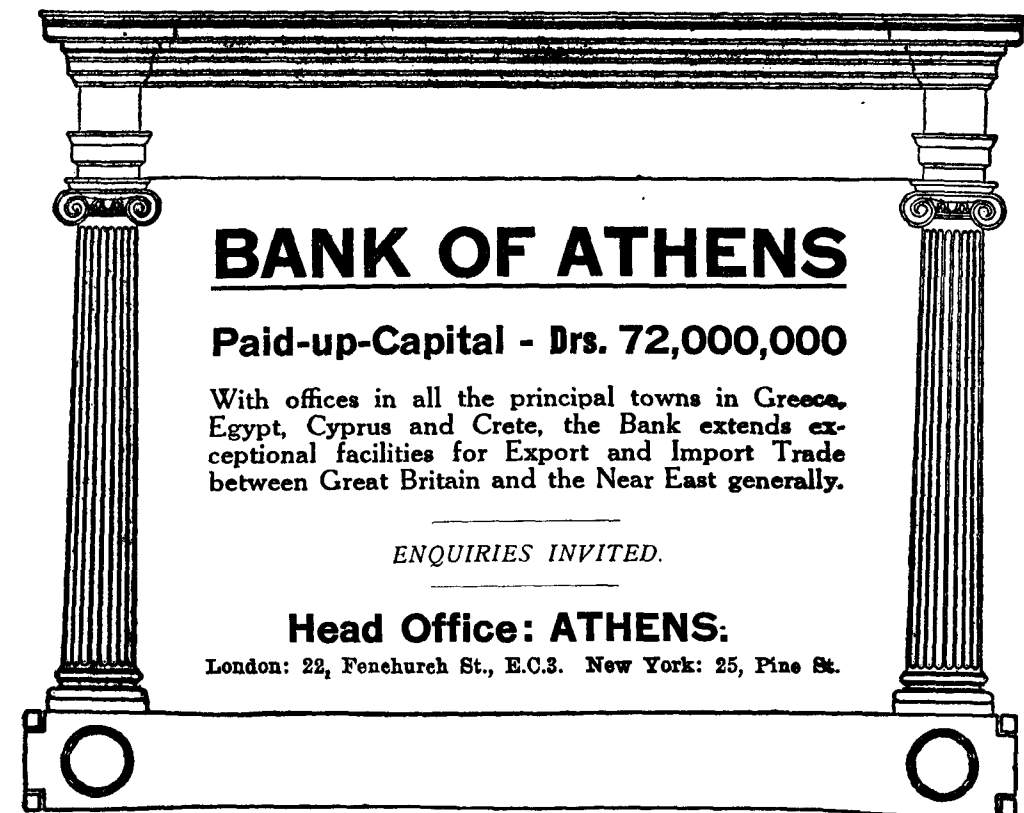
BALANCE-SHEET—November 30, 1923.

LIABILITIES.	\$	ASSETS.	\$
Capital stock	8,000,000	Gold and silver coin	1,108,197
Reserve account	1,750,000	Dominion Government notes	8,977,191
Balance of profit and loss account carried forward..	317,075	Deposit with the Minister of Finance for the purposes of the circulation fund	396,000
Unclaimed dividends	6,160	Deposit in the central gold reserves	2,800,000
Dividend No. 147, payable December 1, 1923	160,000	Notes of other banks	743,215
Notes of the bank in circulation	10,357,650	United States and other foreign currencies	42,761
Deposits not bearing interest	28,179,661	Cheques on other banks	4,192,562
Deposits bearing interest (including interest accrued to date of statement)	67,441,590	Balances due by other banks in Canada	97,514
Advances under the Finance Act	8,100,000	Balances due by banks and banking correspondents elsewhere than in Canada	1,818,572
Balances due to other banks in Canada	565,760	Dominion and Provincial Government securities not exceeding market value	16,194,856
Balances due to banks and banking correspondents in the United Kingdom and foreign countries	2,090,234	Canadian Municipal securities, and British, foreign, and Colonial public securities other than Canadian, not exceeding market value	7,035,661
Letters of credit outstanding	1,329,994	Railway and other bonds, debentures and stocks not exceeding market value	3,505,471
Liabilities not included in the foregoing	1,555	Call and short (not exceeding 30 days) loans in Canada on bonds, debentures, and stocks and other securities of a sufficient market value to cover	1,096,035
		Call and short (not exceeding 30 days) loans elsewhere than in Canada on bonds, debentures, and stocks and other securities of a sufficient market value to cover	462,181
		Demand loans in Canada secured by grain	9,407,472
		Loans to Governments and municipalities	7,219,530
		Other current loans and discounts in Canada (less rebate of interest) after making full provision for bad and doubtful debts	53,488,949
		Other current loans and discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	2,484,837
		Real estate other than bank premises	252,866
		Mortgages on real estate sold by the bank	407,530
		Non-current loans, estimated loss provided for	701,367
		Bank premises, at not more than cost, less amounts if any written off	2,377,507
		Liabilities of customers under letters of credit, as per contra	1,329,994
		Shares and bonds of and loans to controlled cos.	2,149,744
		Other assets not included in the foregoing	9,777
			128,299,679

ROYAL BANK OF CANADA.

BALANCE-SHEET—November 30, 1923.

LIABILITIES.	\$	ASSETS.	\$
Capital stock paid up	20,400,000	Current coin	16,946,169
Reserve fund	20,400,000	Dominion notes	29,446,597
Balance of profits carried forward	1,085,831	United States and other foreign currencies	23,711,773
Dividends unclaimed	8,283	Deposit in the central gold reserves	11,500,000
Dividend No. 145 (at 12% per annum), payable Dec. 1, 1923	612,000	Notes of other Canadian banks	2,750,470
Bonus of 2%, payable Dec. 1, 1923	408,000	Cheques on other banks	24,987,366
Deposits not bearing interest	109,575,138	Balances due by banks and banking correspondents elsewhere than in Canada	22,290,159
Deposits bearing interest, including interest accrued to date of statement	311,759,127	Dominion and Provincial Government securities, not exceeding market value	28,783,051
Notes of the bank in circulation	31,226,542	Canadian Municipal securities, and British, foreign, and Colonial public securities other than Canadian, not exceeding market value	15,900,363
Balances due to other banks in Canada	856,887		
Balances due to banks and banking correspondents elsewhere than in Canada	14,055,924		



BANK OF ATHENS

Paid-up-Capital - Drs. 72,000,000

With offices in all the principal towns in Greece, Egypt, Cyprus and Crete, the Bank extends exceptional facilities for Export and Import Trade between Great Britain and the Near East generally.

ENQUIRIES INVITED.

Head Office: ATHENS:
London: 22, Fenchurch St., E.C.3. New York: 25, Pine St.

BANCO NACIONAL ULTRAMARINO

(NATIONAL OVERSEAS BANK)

HEAD OFFICE - - LISBON.

ESTABLISHED IN 1864.

STATE BANK OF THE PORTUGUESE COLONIES.



Capital (paid up),
Esc. 24,000,000

Reserve Funds,
Esc. 34,000,000

Branches in the following countries: Portugal, Portuguese East and West Africa, India, China, Timor, Belgian Congo and Brazil.

FRANCE:
PARIS.
8, Rue du Helder, IXe.

LONDON OFFICE:
9 BISHOPSGATE, E.C.2.
Phone: L. Wall 295. Telegrams: Ultramarco, Stock, London.

UNITED STATES:
NEW YORK AGENCY.
91/93 LIBERTY STREET.

Agents and Correspondents throughout the World.

A General International Banking Business conducted at all Branches of the Bank.

The report for the year ended December 31st last shows a net profit, after providing for all bad and doubtful debts, of £1,004,908, inclusive of £222,201 brought forward from

The report presented at the meeting on March 26th is as follows:—The net profits for the year ending December 31, 1923, after providing for contingencies and including the balance brought forward from the last account, amount to £153,348. An interim dividend at the rate of 4s a share was paid in October, absorbing £40,000, and the directors now recommend a final dividend of 5s a share, less income-tax at 3s 9d in the £ (after allowing for relief in respect of Indian taxation). They propose to add £20,000 to the reserve fund, which will then stand at £340,000, and to write £10,000 off premises account, leaving a balance of £33,348 to be carried forward to the next account.

IMPERIAL BANK OF INDIA.

The report for the half-year ended December 31, 1923, shows that the net profits of the bank for the half-year amounted to Rs. 49,13,332, which, with Rs. 19,07,826 brought forward from the half-year ended June 30, 1923, made a total of Rs. 68,21,158. This sum the governors of the bank disposed of as follows:—In payment of a dividend to the shareholders at the rate of 16 per cent. per

ASSETS.		YEN.	LIABILITIES.		YEN.
Railway	...	189,616,303.72	Capital Stock Subscribed	...	380,000,000.00
Workshop	...	11,068,324.98	Debentures	...	195,000,000.00
Steamer and Harbour	...	40,624,182.48	Reserve by Law	...	8,791,307.66
Mining and Iron-Manufacture	...	155,598,586.95	Special Reserve	...	43,400,000.00
Gas and Electricity	...	20,671,544.50	Debenture Redemption Fund	...	28,000,000.00
Hotel	...	2,370,222.46	Loans Payable	...	16,000,000.00
Local Administration (School, Hospital, etc.)	...	40,863,287.73	Dividends Matured Unpaid	...	97,170.10
Miscellaneous	...	46,074,005.48	Interest Matured Unpaid (Debentures)	...	2,615,424.64
INVESTMENTS :			Traffic and Car-Service Balance Payable	...	472,871.74
Stocks	...	15,646,555.92	Balance from Chosen Railway Payable	...	12,134,068.01
Bonds	...	1,028,050.75	Miscellaneous Accounts Payable	...	6,243,511.48
Advances	...	47,450,185.20	Other Unadjusted or Received in Advance	...	9,791,560.43
Subscribed to Capital Stock Uncalled	...	58,844,000.00	Accounts	...	3,773,935.25
Discount on Debentures Issue	...	5,948,227.23	Mutual Relief Society Fund	...	
Cash on Hand (including Stamps, Foreign	...		Compulsory Guarantee Deposits of the	...	
Coins)	...	386,307.81	Employees	...	15,873,504.40
Deposits	...	66,544,558.54	Saving Deposits of the Employees	...	5,737,107.28
Materials and Supplies (including Coal,	...		Balance from the Previous Term	...	5,701,725.48
Minerals)	...	26,547,218.12	Profit and Loss Balance	...	35,080,243.84
Bills Receivable	...	5,155,770.05			
Traffic and Car-Service Balance Receivable	...	1,319,453.27			
Coal Accounts Receivable	...	4,755,907.02			
Balance from Chosen Ry. Receivable	...	581,102.38			
Miscellaneous Accounts Receivable	...	6,407,607.60			
Workshop Accounts	...	1,563,826.35			
Engineering Accounts	...	535,983.40			
Other Unadjusted or Prepaid Accounts	...	19,111,218.37			
		Y768,712,430.31			Y768,712,430.31

London Agents: London Branch Office of the Yokohama Specie Bank, Limited.

annum, free of income-tax, Rs. 45,00,000; transferred to reserve fund, Rs. 10,00,000; transferred to pension funds, Rs. 3,00,000; carried forward to profit and loss account of the current half-year, Rs. 10,21,158—total, Rs. 68,21,158.

BALANCE-SHEET—December 31, 1923.

LIABILITIES.	Rs.	ASSETS.	Rs.
Capital paid up	5,62,50,000	Government securities ..	10,88,70,363
Reserve	4,45,00,000	Other authorised securities under the Act ..	1,28,82,071
Public deposits	8,56,94,171	Loans	21,62,42,156
Other deposits	74,19,50,897	Cash credits	37,63,94,024
Loans against securities, per contra ..	..	Inland bills discounted and purchased ..	11,43,87,342
Loans from the Government of India under Section 20 of the Paper Currency Act, against inland bills discounted and purchased, per contra ..	8,00,00,000	Foreign bills discounted and purchased ..	77,293
Contingent liabilities	..	Bullion	2,44,95,084
Sundries	38,06,314	Liability of constituents for contingent liabilities, per contra ..	39,53,335
		Sundries	47,65,472
		Balances with other banks ..	15,01,34,302
		Cash	1,01,22,01,382
			1,01,22,01,382

The above balance-sheet includes—
Deposits in London

PROFIT AND LOSS ACCOUNT.

	Rs.	Rs.
Amount brought forward ..	19,07,825	
Amount received in interest, discount, exchange, commission, &c.	1,22,40,555	
		1,41,48,381

EXPENDITURE.

	Rs.
Establishment	48,83,567
Governors and local board members' fees ..	76,920
Auditors' fees	22,500
Rent, taxes, insurance, lighting, &c.	4,40,180
Pay of guards	1,07,990
Depreciation and repairs to bank property ..	7,04,735
Law charges	30,238
Postages and telegrams	1,55,089
Stationery	3,26,156
Miscellaneous expenses	5,79,848
	73,27,223

Net available balance	68,21,158
Amount set aside for payment of a dividend at the rate of 16 per cent. per annum (free of income-tax) ..	45,00,000
Amount transferred to reserve fund ..	10,00,000
Amount transferred to pension funds ..	3,00,000
Balance carried forward	10,21,158
	68,21,158

MERCANTILE BANK OF INDIA, LIMITED.

BALANCE-SHEET—December 31, 1923.

LIABILITIES.	£	ASSETS.	£
Capital issued— 30,000 "A" shares, £12 10s paid, £375,000; 30,000 "B" shares, £12 10s paid, £375,000; 60,000 "C" shares, £5 paid, £300,000	1,050,000	Cash in hand, at call, and at bankers, £3,371,514; bullion, £154,113	3,525,627
Reserve fund	1,260,000	Securities and coin deposited against note issue	216,969
Notes in circulation	293,747	Government and other stocks— Treasury bonds, National War bonds, Indian Government rupee paper, and other securities	4,844,684
Current, fixed deposit, and other accounts, including rebates and provision for bad and doubtful debts	12,831,536	Bills receivable	3,115,744
Bills payable— Drafts on London bankers against cash and security, per contra, £65,060; drafts on head office and branches, £651,925; drafts on Continental bankers and other agents, £42,799	759,784	Loans receivable and advances ..	3,964,812
Acceptances on account of customers, per contra	172,800	Freehold banking premises ..	261,129
Profit and loss account	241,811	Liabilities of customers for acceptances, per contra ..	172,800
		Sundry accounts, including amounts due by agents ..	353,158
			1,245,951
			1,245,951

Contingent liability on bills receivable re-discounted £2,461,485, of which up to March 15, 1924, £2,250,900 have run off. Forward exchange contracts outstanding for purchase and sale of bills and telegraphic transfers, £18,966,844. The rupee assets and liabilities included in the above are converted at 1s 4d per rupee.

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Expenses of management at head office, branches, and agencies ..	270,118	Balance from December 31, 1922 ..	152,105
Ad interim dividend of 8 per cent. on 30,000 "A" shares and 30,000 "B" shares and 60,000 "C" shares ..	84,000	Gross profit for the year ending December 31, 1923, after providing for bad and doubtful debts and bonus to the staff ..	528,824
Amount transferred to reserve fund ..	50,000		
Amount transferred to officers' pension fund ..	15,000		
Amount written off freehold banking premises ..	20,000		
Balance	241,811		
	680,929		680,929

The net profits for the year ended December 31, 1923, after providing for bad and doubtful debts, and including £152,105 brought forward from last account, amount to £410,811. From this sum has to be deducted £84,000, being the interim dividend of 8 per cent., less income-tax, on

the "A," "B," and "C" shares paid in September last. The directors have added £50,000 to the reserve fund (raising it to £1,250,000), £15,000 to the officers' pension fund, and written £20,000 off freehold banking premises. They now recommend a final dividend on the "A," "B," and "C" shares of 8 per cent., less income-tax (making 16 per cent. for the year), leaving a balance of £157,811 to be carried forward.

NATIONAL BANK OF INDIA, LIMITED.

The report for the year ended December 31st last states that the net profits for the year, after providing for all bad and doubtful debts, amount to £534,799, and, adding £159,256 brought forward, the available total is £694,055. An ad interim dividend at the rate of 20 per cent. per annum, free of income-tax, was paid on September 19th last, amounting to £200,000. The directors recommend a further dividend at the same rate, and an addition of £50,000 to the reserve fund, raising it to £2,750,000. They propose to write £20,000 off house property account, and to add £25,000 to the officers' pension fund, leaving a balance of £199,055 to be carried forward.

BALANCE-SHEET—December 31, 1923.

(The rupee assets and liabilities have been converted at the rate of 1s 4d per rupee.)	
LIABILITIES.	£
Capital—Subscribed, 160,000 shares of £25 each £4,000,000, paid up £12 10s per share ..	2,000,000
Reserve fund ..	2,700,000
Current, fixed deposit and other accounts, including provision for bad and doubtful debts and contingencies ..	31,254,516
Bills payable ..	1,130,999
Acceptances for customers ..	1,114,954
Profit and loss account, as under ..	491,055
	38,694,524
ASSETS.	£
Cash on hand, at call, and at bankers ..	4,539,855
Bullion on hand and in transit ..	665,946
Indian Government rupee securities ..	4,772,561
British Government securities, Indian Government guaranteed debentures, and other securities (of which £16,350 War Loan lodged with Bank of England as security for Government accounts) ..	7,840,245
House property and furniture ..	433,347
Bills of exchange, including Treasury bills ..	6,840,102
Discounts, loans receivable, and other sums due to the bank ..	12,487,514
Customers for acceptances, per contra ..	1,114,954
	38,694,524

Bills receivable, re-discounted, £3,578,493, of which up to March 18, 1924, £2,980,445 have run off. Forward contracts outstanding for the purchase and sale of sterling bills and telegraphic transfers, £12,530,120.

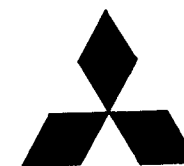
PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Ad interim dividend at the rate of 20 per cent. per annum for the half-year ended June 30, 1923 ..	200,000	Balance brought forward ..	159,256
Expenses of management at head office and branches ..	551,896	Gross profits for the year ended December 31, 1923, after providing for all bad and doubtful debts ..	1,086,695
Balance ..	494,055		
	1,245,951		1,245,951

THE P. & O. BANKING CORPORATION, LIMITED.

BALANCE-SHEET—March 31, 1923.

LIABILITIES.	£	ASSETS.	£
Capital, 259,416 shares of £10 each, fully paid up ..	2,594,160	Cash at bankers and in hand ..	2,468,137
Reserve fund ..	115,000	Bullion in hand & in transit ..	195,343
Current, deposit, and other accounts, including rebate on bills not due, provision for bad and doubtful debts, income and corporation profits taxes, &c.	10,360,705	Money at call and short notice ..	2,229,167
Loans payable against security ..	8,148,904	Remittances, &c., in transit ..	1,089,164
Liabilities for acceptances, endorsements, &c., as per contra ..	950,896	Bills discounted, including British and Indian Government Treasury bills ..	4,582,669
Liabilities to customers on account of bills receivable for collection, as per contra ..	126,489	Investments—British Government securities at market value, Indian Government securities at market value, £361,674; Allahabad Bank—23,403 ordinary shares of Rs.100 each, of which 14,665 are fully paid and £738 are paid up to the extent of Rs.50 per share, at cost, £599,569 ..	1,593,408
Profit and loss account— Balance brought forward from March 31, 1922, £14,043; net profit for the year ended March 31, 1923, £139,388—£153,431; deduct transferred to reserve fund, £25,000 ..	128,431	Loans receivable against security ..	6,304,440
Noting—There is a contingent liability in respect of bills re-discounted amounting to £14,047,588, of which £12,263,485 had run off by June 30th. Outstanding forward exchange contracts for purchase and sale of bills and telegraphic transfers, &c., £26,369,576.		Advances to customers on current and other accounts, including exchange adjustment accounts, &c.	2,850,141
		Bank premises (less instalments of purchase money not due) and furniture ..	34,731
		Liabilities of customers for acceptances, endorsements, &c., as per contra ..	950,896
		Bills receivable for collection, as per contra ..	126,489
	22,424,585		22,424,585



THE MITSUBISHI BANK, LTD.

(Incorporated in Japan.)

Subscribed Capital: Yen 50,000,000.

Paid-up Capital: Yen 30,000,000. Reserve Fund: Yen 18,306,770.

General Banking and Exchange Business. Deposit Rates on Application.

Head Office: TOKYO.

Branches: TOKYO, OSAKA, KOBE, KYOTO, NAGOYA, OTARU, SHANGHAI, NEW YORK, LONDON.

London Office: 3, BIRCHIN LANE, CORNHILL, E.C.3.

THE LANCASHIRE & YORKSHIRE BANK, LIMITED.

Head Office: 43 SPRING GARDENS, MANCHESTER.

THE BANK HAS 139 OFFICES IN THE PRINCIPAL TOWNS IN THE DISTRICT, AND IN THE ISLE OF MAN, including

ACCRINGTON, ASHTON-UNDER-LYNE, BACUP, BATLEY, BLACKBURN, BLACKPOOL, BOLTON, BURNLEY, BURY, DEWSBURY, HALIFAX, HARROGATE, HUDDERSFIELD, LEEDS, LIVERPOOL, OLDHAM, PRESTON, ROCHDALE, SOUTHPORT, STOCKPORT, TODMORDEN, WARRINGTON, WATERFOOT, WIDNES, AND WIGAN, &c., &c.

Subscribed Capital ..	£2,013,120
Paid-up Capital ..	1,006,560
Reserve Fund ..	1,006,560

31st December, 1923.

Cash and Money at Short Notice ..	£5,651,584
Investments ..	8,588,493
Bills of Exchange ..	3,164,786
Advances to Customers ..	10,341,319
Deposits ..	25,925,424

FOREIGN DEPARTMENT: 45 & 47, Spring Gardens, Manchester.

THE PHILADELPHIA NATIONAL BANK

Organized 1803.

CAPITAL, SURPLUS AND UNDIVIDED PROFITS ..	\$16,850,000
DEPOSITS ..	\$110,000,000
TOTAL RESOURCES ..	\$135,000,000

PHILADELPHIA is the "Workshop of America," and the leading Commercial Bank is the Philadelphia National Bank.

COMPLETE INTERNATIONAL BANKING SERVICE OF EVERY DESCRIPTION.

Deposit Accounts solicited.

Collections made on all points.

Credit Reports rendered.

Commercial and Circular Letters of Credit Issued.

Trade Information available for use of our clients wherever located.

Barclays Bank, Ltd.
Lloyds Bank, Ltd.

LONDON CORRESPONDENTS:

Westminster Bank, Ltd.
Midland Bank, Ltd.
National Provincial Bank, Ltd.

LATEST BALANCE-SHEETS OF FOREIGN BANKS HAVING LONDON OFFICES AND OF BRITISH BANKS TRADING ABROAD.

ANGLO-BALTIC AND MEDITERRANEAN BANK, LIMITED.

BALANCE-SHEET—April 29, 1922.

LIABILITIES.	£	ASSETS.	£
Capital paid-up—4,100 ordinary shares, fully paid, £20,500; 195,400 ordinary shares, £2 10s called up, £391,000—total, 200,500 shares, £511,500; less 8,000 forfeited shares, £20,000—£491,500; less amounts outstanding on allotment and call, £980	490,520	Cash in hand and at other banks	24,705
Forfeited shares account	4,000	Bills receivable	40,953
Current, deposit, and other accounts	22,325	Loans, advances, and other accounts	56,706
Acceptances and endorsements on account of customers	10,714	Customers' liability for acceptances and endorsements, as per contra	10,714
Sundry creditors and credit balances	1,758	Investments at cost—	
		In other banks	21,016
		British Government securities	10,123
		Bank premises—Lease, furniture, &c., as per last balance-sheet, £13,089; less amount written off and furniture sold, £3,089	10,000
		Preliminary and organisation expenses, as per last balance-sheet	58,628
		Profit and loss account—Balance, £320,704; less amount brought forward as a provision for past due bills, &c., £24,232	296,472
	529,317		529,317

NOTE.—Since the date of the accounts a further 56,975 shares have been forfeited, making a total of 64,975 shares forfeited, upon 64,150 of which the company had a lien. The 64,975 shares were paid up to the extent of £145,457, and the result of the forfeiture is that this amount can be made available, as proposed in the directors' report, towards a reduction of the capital to an equal extent, in which case the actual loss will be reduced by the above sum of £145,457.

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Salaries, directors' fees, and general expenses	10,260	Gross profit—After providing for rebate on bills discounted	7,987
Income-tax and corporation profits tax	293	Balance, as per balance-sheet	320,704
Legal expenses	535		
Depreciation of lease, furniture, &c.	3,077		
Provision for bad and doubtful debts	314,526		
	328,691		328,691

ANGLO-EGYPTIAN BANK, LIMITED.

BALANCE-SHEET—August 31, 1923.

LIABILITIES.	£	ASSETS.	£
Capital—120,000 shares of £15 per share, £5 per share paid up	600,000	Cash in London, at branches, in transit, and at call	1,418,836
Reserve fund	720,000	British Government securities, at market price or under	3,055,176
Pension reserve fund	113,111	Other investments, at market price or under	282,111
Bills payable	343,560	Advances and other accounts	4,728,338
Acceptances for account of clients, per contra	341,831	Liabilities of clients for acceptances, per contra	341,831
Deposits, current, and other accounts, including contingency account	10,640,930	Bills receivable, including £295,000 British Treasury bills	2,736,068
Balance of profit and loss	116,424	Freehold and leasehold premises	313,496
Liability on bills of exchange rediscounted, £89,718 3s 6d			
	12,875,856		12,875,856

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Interim dividend of 5s per share paid, free of income-tax, June 1, 1923	30,000	Balance brought forward from August 31, 1922	52,732
Balance, proposed to be dealt with as follows:—Dividend of 10s per share, free of income-tax, to be paid December 1st, making with the interim dividend 15 per cent. for the year, £60,000; staff provident fund, £7,334; balance carried forward, £49,090	116,424	Gross profits for the year ending August 31, 1923, after making full provision for all bad and doubtful debts and taxation, £417,698; less expenses in London and at the branches, £324,006	93,692
	146,424		146,424

The report for the year ended August 31st last states that the gross profits for the year, after making full provision for all bad and doubtful debts and taxation, are £417,698, and deducting the expenses, amounting to £324,006, there remains a balance of £93,692 net profit for the year. To this amount must be added £52,732, the balance carried forward on August 31, 1922, making £146,424, which the directors propose shall be dealt with in the following manner:—Contribution to staff provident fund, £7,334; interim dividend of 5s per share paid, free of income-tax, June 1st, £30,000; dividend of 10s per share, free of income-

tax, to be paid on December 1st, making with interim dividend 15 per cent. for the year, £60,000; balance carried forward, £49,090—£146,424.

ANGLO-SOUTH AMERICAN BANK, LIMITED.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	£	ASSETS.	£
Issued capital—873,465 shares of £10 each, £5 paid	4,367,330	Cash in hand, at bankers, and at call	15,367,880
Reserve fund	4,000,000	British Government securities	9,279,261
Special reserve, on account of depreciation of capital in Chile	183,827	Foreign Government, railway and other securities, at cost	1,421,596
Sight drafts on head office and branches	1,953,698	Bills receivable	11,914,006
Bills payable—drafts on head office and branches at usance	7,652,101	Holdings in foreign banks and kindred companies, at cost	1,619,677
Acceptances on account of customers	3,070,474	British Bank of South America, Limited, 99,615 shares, at £27 10s	2,739,413
Current, deposit, and other accounts	47,809,274	Commercial Bank of Spanish America, Limited, 485,673 shares, at cost	454,341
Bills for collection	6,713,528	Liability of customers for acceptances, per contra	3,070,474
Rebate of interest on bills, &c., not due	77,856	Advances, &c.	22,047,536
Profit and loss, as per account below, £592,940; less interim dividend paid on 30th April, 1923, £196,530	496,410	Bank premises and office furniture	1,696,786
		Bills for collection, per contra	6,713,528
	76,324,498		76,324,498

NOTE.—The assets and liabilities at branches in local currencies are shown at the par rates of exchange, the difference between them having been adjusted to the rates of the day with the exception of the capital employed in South America and other countries, which, after allowing for the special reserve of £183,826 12s 11d, shows a depreciation of £326,405 at 30th June, 1923. Certain of the above assets have been lodged with other parties on which a lien exists to the amount of £2,229,855 8s 10d.

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Charges at head office and branches	1,010,017	Balance brought forward from last account	256,684
Income-tax and corporation profits tax, to June 30, 1923	271,282	Gross profits and credits, after providing for bad and doubtful debts	1,795,411
Rebate of interest on bills, &c., not due	77,856		
Balance, as per balance-sheet	692,940		
	2,052,095		2,052,095

ANGLO-AUSTRIAN BANK, LIMITED.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	£	ASSETS.	£
Capital subscribed—400,000 6 per cent. non-cumulative participating preference shares of £1 each, fully paid up, ranking for dividend from January 1, 1923	400,000	Cash in hand, with the Bank of England, with bankers in London and official clearing institutions abroad	354,373
6,370 preferred ordinary shares of £1 each, issued as fully paid	6,370	Money at call	50,000
1,000,000 ordinary shares of £1 each, of which 375,000 have been issued as fully paid, and the balance, namely, 625,000 fully paid ordinary shares of £1 each, have to be exchanged against the shares of the Old Anglo-Oesterreichische Bank	1,000,000	Balances with bankers abroad	462,142
Opening reserve account, £350,000; add proportion of profit for the year in respect of period prior to March 31, 1922, the date on which the company was entitled to commence business, £25,156	375,156	Bills receivable	173,176
Current, deposit, and other accounts, and provision for contingencies	4,574,788	British Government bonds and Treasury bills	470,316
Acceptances, endorsements, and guarantees for account of customers	896,112	Austrian Government Gold Treasury bonds (convertible into the new Austrian Government Guaranteed Loan)	101,415
Profit and loss account	45,620	Stocks, shares, syndicates, and participations in banking, industrial, and other undertakings abroad	1,615,499
	7,298,046	Bank premises and fittings	162,735
		Advances to customers and other debtors, less reserves Customers for acceptances, endorsements, and guarantees on their behalf, as per contra	3,012,278
			896,112

CERTIFICATES OF INDEBTEDNESS.—There are also outstanding £637,000 certificates of indebtedness to be paid or satisfied (with interest and premium) only out of or by the application of certain profits or reserves of the bank.

BANK OF ATHENS.

BALANCE-SHEET—December 31, 1923.

LIABILITIES.	Dr.	ASSETS.	Dr.
Capital fully paid	48,000,000	Cash in hand, at banks, and Treasury bills	333,376,110
Reserves	20,000,000	Balances due from banks abroad	139,063,686
Current, deposit, and other accounts	1,070,236,579	Bills receivable	30,691,917
Interim dividend	1,235,838	Loans, advances, bills discounted, and other acc'ts	835,895,075
Profit and loss	12,023,140	Investments	255,307
		Premises	7,586,376
		Property	4,515,942
		Furniture	44
	1,151,485,567		1,151,485,567

FERRIER LULLIN & CIE. GENEVA.

Established 1795.

Partners: A. LULLIN, F. BOISSIER, J. STRAESSLE, M. FERRIER.

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CREDIT FONCIER D'ALGERIE ET DE TUNISIE.

ESTABLISHED 1880.

CAPITAL - - - - - Fcs. 125,000,000

REGISTERED OFFICE - ALGIERS. HEAD OFFICE - - - - - PARIS.

LONDON OFFICE : 18, ST. SWITHIN'S LANE, E.C.4.

Telegrams: Foncalton, Cannon, London.

Telephones: Central 6276, 6277.

FRANCE: Paris, Bordeaux, Lyons, Marseilles, Nantes.

ALGERIA: Algiers, Blida, Bona, Constantine, Oran, Setif, Sidi-Bel-Abbes and 58 Sub Branches.

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MOROCCO: Casablanca, Tangiers and 12 Sub Branches.

BEYROUT GIBRALTAR MALTA SMYRNA.

ALL BANKING AND FOREIGN EXCHANGE BUSINESS TRANSACTED. Accounts opened in English and French Currencies.

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LIMITED.

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Chairman:—Sir CHRISTOPHER T. NEEDHAM.

Managing Directors:—ANGUS A. G. TULLOCH, Esq., D.L. (Deputy Chairman). WILLIAM ROLPH EASTERBY, Esq.
Paid-up Capital, £1,896,000. Reserve Fund, £1,650,000. Deposit, £54,547,553. Total Assets, £61,753,120.

HEAD OFFICE: SPRING GARDENS, MANCHESTER.

Manager:—HARGRAVE J. DAFFORN.

Sub-Manager:—WILLIAM CUNLIFFE.

FOREIGN DEPARTMENT:—13, Spring Gardens, MANCHESTER; 3, Water St., LIVERPOOL; 76 & 77, Cornhill, LONDON, E.C.3.

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ESTABLISHED 1837

SPEYER & CO.

New York

FOREIGN & DOMESTIC
INVESTMENT SECURITIES

Foreign Exchange

Cable Transfers

LETTERS OF CREDIT

Dr.	\$	Cr.	\$
General expenses.....	640,820	Balance on July 1, 1922.....	22,222
Staff pension fund	10,520	Interest, commission, &c.....	1,008,288
Net profit.....	373,143		
	<u>1,035,463</u>		<u>1,030,510</u>

AUDITORS' REPORT TO THE SHAREHOLDERS OF BAKER, DUNCOMBE & CO., Limited.

1. We have audited the above Balance Sheet and have obtained all the information and explanations we have required.

2. We have examined the Securities, Bills, and Cash in Hand, and verified those in the hands of various Banks.

3. We are of opinion that such Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us and as shown by the Books of the Company.

3E Walbrook, London, E.C.4, 4th April, 1924. KEMP, CHATTERIS, NICHOLS, SENDELL & CO., Chartered Accountants.

BANK OF TAIWAN, LIMITED.

(TAIWAN GINKO.)

BALANCE-SHEET—June 30th, 1923.

LIABILITIES.	Yen.	ASSETS.	Yen.
Subscribed capital.....	60,000,000	Cash in hand.....	12,252,086
Reserve funds.....	12,580,000	Cash at bankers.....	13,889,944
Notes in circulation.....	35,425,911	Bullion and foreign money.....	7,798,925
Current accounts, fixed de- posits, &c.....	237,567,561	Bills discounted, loans, and overdraft.....	371,210,857
Bills payable.....	213,976,000	Interest bills and exchange bought.....	150,665,240
Bills re-discounted.....	54,575,124	Customers' liabilities.....	142,105,175
Exchange sold.....	20,044,941	Government bonds, &c.....	92,088,534
Acceptances.....	142,105,175	Correspondents Dr.....	3,178,846
Correspondents Cr.....	23,504,536	Suspense account.....	776,220
Suspense account.....	5,897,697	Bank's premises, property, furniture, &c.....	6,720,762
Net profit.....	2,624,497	Capital uncalled.....	7,507,500
Dividends unclaimed.....	52,657		
	808,174,089		808,174,089

BANQUE DU CONGO BELGE.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	Francs.	ASSETS.	Francs.
Capital.....	12,000,000	Property and premises.....	2,629,000
Reserves.....	2,497,233	Furniture and fixtures.....	418,000
Notes.....	34,015,850	Uncalled capital.....	6,000,000
Due to Colonial Treasury.....	1,336,932	Cash in hand and at bank.....	22,469,436
Creditors.....	114,669,697	Government securities.....	13,537,346
Bills payable.....	2,587,719	Bills receivable.....	81,907,092
Profit and loss.....	863,232	Debtors.....	41,007,849
	167,968,723		167,968,723

BANQUE NATIONALE DE CREDIT.

BALANCE-SHEET—December 31, 1923.

LIABILITIES.	Francs.	ASSETS.	Francs.
Capital.....	250,000,000	Cash.....	180,904,608
Reserves.....	93,410,619	Due from banks.....	284,571,339
Current and deposit accts.....	2,705,271,574	Bills and Treasury bills.....	1,647,053,079
Bills payable.....	73,297,342	Coupons.....	30,855,835
Acceptances.....	55,637,739	Current accounts.....	422,714,594
Sundry accounts.....	28,748,225	Loans against securities.....	422,331,435
Profit and loss.....	32,165,727	Investments.....	10,231,434
	3,238,551,226	Cover for acceptances.....	55,637,739
		Sundry accounts.....	35,108,700
		Premises.....	91,736,180
		Uncalled capital.....	7,718,125
			3,238,551,226

BRITISH BANK FOR FOREIGN TRADE, LIMITED.

BALANCE-SHEET—April 30, 1923.

LIABILITIES.	£	ASSETS.	£
Capital, 240,000 shares of £1 each, deposited, and other accounts.....	240,000	Cash in hand, at bankers in London and abroad, and at call.....	82,499
Profit and loss account— Balance brought forward, £32,981; add profit for year, £10,262.....	231,276	Premises account.....	6,000
	43,243	Investments at cost or under Loans to customers.....	129,914
	514,519		256,106
			514,519

BRITISH ITALIAN BANKING CORPORATION,
LIMITED.

BALANCE-SHEET—December 31, 1923.

LIABILITIES.	£	ASSETS.	£
Capital—Authorized and issued, 50,000 shares of £20 each, fully paid.....	1,000,000	Cash at call and short notice Balances with bankers in London.....	215,000
Reserve account.....	235,418	Balances with Banca Italo- Britannica.....	228,245
Current, deposit, and other accounts including provision for contingencies.....	1,466,812	Balances with other bankers abroad.....	121,625
Acceptances, guarantees, and endorsements.....	49,200	Bills receivable.....	966,858
Acceptances, £1,906,609; guarantees, £2,250,193; endorsements, £809,460.....	4,966,262	Investments at cost— Banca Italo-Britannica— 3,930 shares of Lit. 5,000 each, fully paid; Società Immobiliare Italo-Britanni- ca—3,850 shares of Lit. 1,000 each, fully paid.....	256,586
Profit and loss account— Balance at 31st December, 1922, £68,739; less directors additional remuneration for the year 1922, £2,050; dividend for the year 1922, £40,000; £42,050—£26,689; add net profit for the year 1923, as per account below, £47,050.....	73,739	Advances to customers and other accounts.....	763,782
		Advances to Banca Italo-Bri- tannica.....	127,931
		Liabilities of customers for acceptances, guarantees and endorsements, as per contra —Banca Italo-Britannica, £100,000; other Italian and foreign banks, £3,209,790; other customers, £1,656,472.....	4,966,262
		Premises account.....	39,492
		Office furniture.....	1
	7,740,231		7,740,231

The report presented to the meeting, held on March 18th, states that the balance shown by the profit and loss account for the year 1923 amounts to £47,049; deducting the additional remuneration of the directors in accordance with the articles of association, viz., £2,352—£44,697—and adding the undivided balance carried forward from 1922, £26,689, a total profit of £71,386 becomes available for allocation. The directors recommend, as last year, the distribution of a

dividend of 4 per cent., free of income-tax, absorbing £40,000, and that the balance of £31,386 be carried forward to new account—£71,386.

BRITISH AND NORTH EUROPEAN BANK,
LIMITED.

BALANCE-SHEET—September 30, 1923.

LIABILITIES.	£	ASSETS.	£
Capital issued 500,300 shares, of £1 each, fully paid.....	500,300	Cash at banks and in hand.....	241,936
Deposits, current accounts, &c.....	699,749	Bills of exchange in hand.....	47,999
Acceptances.....	204,311	Investments.....	133,803
Bills re-discounted.....	597,415	Advances to customers.....	673,878
Guarantees.....	99,069	Sundry debtors and debit balances.....	75,493
NOTE.—There is a contin- gent liability of 750,000 fcs. in respect of the uncalled capital of one investment.		Liability of customers for acceptances, endorsements, &c., as per contra.....	900,735
	2,100,784	Office furniture, lease, and preliminary expenses of formation of company.....	26,880
			2,100,784

BRITISH BANK OF SOUTH AMERICA, LIMITED.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	£	ASSETS.	£
Capital—100,000 shares of £20 each—Paid up £10 per share.....	1,000,000	Cash in hand, at bankers and at call.....	5,230,939
Reserve fund, as per balance- sheet of Dec. 31, 1920.....	1,000,000	Bills receivable in hand, and deposited with the com- pany's bankers, £5,573,908; other accounts, £6,642,767.....	12,216,675
Of this sum £489,238 would be required to make good the depreciation in sterling value of the capital em- ployed in South America, calculated at the rates on London ruling as on Decem- ber 31, 1922.		Liability of customers for ac- ceptances, as per contra.....	997,659
Pension and benevolent fund Amount due on current and deposit accounts.....	153,732	Freehold and leasehold premi- ses in London and South America at cost, less amounts written off.....	444,562
Bills payable.....	1,683,141	Bills for collection, as per contra.....	3,148,817
Other accounts.....	2,406,087		
Acceptances on account of customers.....	597,660		
Bills for collection.....	3,148,817		
Profit and loss account, as per statement below.....	156,781		
	22,038,652		22,038,652

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
General charges at head office and the branches, including directors' remuneration.....	399,175	Balance from last account ..	105,897
Government taxes in Brazil and the River Plate.....	15,017	Gross profits, after allowing for rebate of interest on cur- rent bills and drafts, inter- est on deposits, and ample provision for bad and doubt- ful debts and contingencies.....	525,076
Dividend on account for the half-year ended June 30, 1922.....	50,000		
Pension and benevolent fund —amount added.....	10,000		
Balance carried down.....	156,781		630,973
	630,973		

BRITISH OVERSEAS BANK, LIMITED.

BALANCE-SHEET—October 31, 1923.

LIABILITIES.	£	ASSETS.	£
Capital subscribed and paid in full.....	1,000,000	Cash in hand and at bankers Money at call & short notice Balances with bankers abroad Bills discounted.....	339,326
200,000 "A" ordinary shares of £5 each.....	1,000,000	Government securities.....	465,019
200,000 "B" ordinary shares of £5 each.....	1,000,000	Shareholding interests in foreign banks, at cost.....	189,870
Current, deposit, and other accounts.....	1,712,067	Other investments.....	50,445
Reserve against shareholding interests in foreign banks Acceptances, &c., for accounts of customers (per contra).....	2,081,956	Advances to customers and other accounts.....	38,143
Balance of profit and loss account.....	68,782	Liability of customers for ac- ceptances, &c. (per contra).....	757,962
NOTE.—Contingent liability on account of endor- sements on bills discounted, £1,212,114.		Premises account.....	2,081,956
	5,907,805		386,324
			5,907,805

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Interim dividend on the "A" ordinary shares at the rate of 6 per cent. per annum and income-tax thereon ..	30,000	Balance brought forward....	57,814
Final dividend on the "A" ordinary shares at the rate of 6 per cent. per annum and income-tax thereon ..	30,000	Net profit, after allowing rebate of interest and pro- viding for all bad and doubt- ful debts, income-tax and other taxation for the year ended October 31, 1923.....	100,968
Reserve against shareholding interests in foreign banks ..	15,000		
Reduction of premises account Amount written off furniture account.....	10,000		
Balance carried to balance- sheet.....	5,000		
	68,782		157,782
	158,782		

The report for the year ended October 31, 1923, states that the profit, after allowing rebate of interest and providing for all bad and doubtful debts, income-tax, and other taxation for the year ended October 31, 1923, amounts to £100,968; balance available from last account, £57,814; making a total of £158,782. Interim dividend on "A" ordinary shares at the rate of 6 per cent. per annum for the half-year ended April 30, 1923, and income-tax thereon, £30,000; leav-

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Aadorf, Baden, Berne, La Chaux-de-Fonds, Flawil, Frauenfeld, Gossau, Laufenburg,
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St. Fiden, Vevey, Wil, Wohlen.

Capital Paid up - - - Fr. 70,000,000
Reserves - - - - Fr. 16,000,000

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THE DOMINION BANK.

Head Office: TORONTO

CAPITAL and RESERVES \$13,825,000

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SOCIÉTÉ ANONYME.

(Filiale de la Société Générale de Belgique.)

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(paid up) - - - - Frs. 75,000,000
RESERVES - - - - Frs. 24,000,000

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London Committee: Messrs. J. S. HASKELL, A. F. BUXTON, G. GRINNELL MILNE, SIR WM. GARSTIN, G.C.M.G.,
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CHASE NATIONAL BANK, New York.
CANADIAN BANK OF COMMERCE, Toronto.

ROYAL BANK OF CANADA, Halifax.
COLONIAL BANK, London, and its Branches throughout
the West Indies.

ing a balance of £128,782, which has been appropriated as follows:—In payment of a dividend on the "A" ordinary shares at the rate of 6 per cent. per annum (less income-tax) for the half-year ended October 31, 1923, which, together with income-tax thereon, amounts to £30,000; to reserve fund against shareholding interests in foreign banks, £15,000; to reduction of premises account, £10,000; to furniture account, £5,000; leaving a net balance to be carried forward to next year of £68,782—£128,782.

BRITISH TRADE CORPORATION.

The profit and loss account for the year ended December 31, 1923, shows a profit of £74,387, of which £25,000 has been transferred to reserve against shareholding interests in subsidiary companies and other investments, leaving a balance of £49,387. The directors recommend the payment thereof of the fixed dividend of 6 per cent. per annum upon the "A" shares, amounting to £38,906, leaving £10,481 to be carried forward. A reserve fund has been created to provide for shareholding interests in subsidiary companies and other investments. This fund, which has been credited with the balance of £39,412, shown to the credit of profit and loss account for the year ended December 31, 1922, and with the £25,000 above referred to, amounts to £325,000.

BALANCE-SHEET—December 31, 1923.

LIABILITIES.	£	ASSETS.	£
Capital issued—200,000 shares of £2 10s each, fully paid ..	500,000	Cash in hand and at bankers	157,051
500,000 "A" shares of £1 each, fully paid ..	500,000	Money at call and short notice	280,000
Reserve against shareholding interests in subsidiary companies and other investments ..	325,000	Government securities at market value ..	406,250
Current, deposit, and other accounts ..	969,499	Investments at or under cost, £254,455; interests in subsidiary companies at or under cost, £64,850; National Bank of Turkey, 97,060 shares of £10 each, £2 10s paid, at cost, £243,745 ..	563,050
Acceptances on account of customers ..	788,347	Bills discounted, loans, advances, and sundry debtors, after making full provision for bad and doubtful debts ..	742,130
Profit and loss account—Balance as per account ..	49,387	Liability of customers for acceptances, as per contra ..	788,347
Norm.—There is a contingent liability of £207,000 in respect of guarantees, of £53,736 in respect of bills re-discounted and £64,225 in respect of uncalled capital on investments held.		Premises, London & branches ..	5,140
		Furniture, less depreciation ..	5,140
		Stamp duty on unissued capital ..	18,750
		Adjustment of current accounts with branches, between Sept. 30 and Dec. 31, 1923 ..	51,906
	3,132,233		3,132,233

COMMERCIAL BANK OF THE NEAR EAST, LIMITED.

BALANCE-SHEET—December 31, 1923.

LIABILITIES.	£	ASSETS.	£
Capital issued and fully paid: 28,020 shares of £5 each ..	140,100	Cash in hand and at banks ..	73,185
Current, deposit, and other accounts ..	581,978	Money at call and short notice ..	216,500
Bills for collection, per contra ..	59,025	Balances with foreign bankers and correspondents ..	66,322
Liability under guarantees ..	131	Bills discounted ..	59,901
Profit and loss account—Balance as at June 30, 1923, £1,007; add profit for half-year to date £5,872 ..	6,879	Investments—British Government securities £39,500; Colonial & foreign Government securities £70,691 ..	170,191
		Advances to customers and other accounts ..	138,505
		Bills for collection ..	59,025
		Liability of customers for guarantees, per contra ..	131
		Furniture and fittings (less depreciation) ..	1,895
		Preliminary expenses ..	2,458
	788,113		788,113

The report shows a total net profit for the period from November 6, 1922, to December 31, 1923, amounting to £6,879. The directors recommended the distribution of this amount as follows:—To writing off one-half of the

£2,458 preliminary expenses, £1,229; to reserve fund, including the 5 per cent. required by the articles of association, £1,000; to payment of a dividend at the rate of 4 per cent. per annum, less income-tax at 4s 7½d per £, £4,308; to carry forward to the current year, £342—£6,879.

COMMERCIAL BANK OF SPANISH AMERICA, LIMITED.

The report for the year ended June 30, 1923, states that the net profit, after deducting charges, rebate, &c., amounts to £38,644, which, together with £301 brought forward, makes a total of £38,945. The directors have increased the staff pension fund by £3,300, and out of the available balance passed £35,000 to contingency account, leaving £645 to be carried forward.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	£	ASSETS.	£
Capital issued (500,000 shares of £1 each, fully paid) ..	500,000	Cash at bankers and in hand	662,086
Current and other accounts ..	2,674,457	Investments taken at market value at June 30, 1923, where quoted, otherwise at valuation ..	10,695
Bills payable ..	360,953	Bills receivable ..	455,297
Bills for collection ..	802,127	Loan and other accounts, less contingency account ..	2,363,478
Rebate of interest on bills not due ..	106	Properties and furniture ..	44,606
Profit & loss account balance ..	645	Bills for collection (per contra) ..	802,127
Contingent liabilities on bills discounted, £307,567, all of which have since been paid.		NOTE.—Depreciation in sterling value of capital employed in branches abroad has been provided for.	
	4,338,288		4,338,288

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Expenses of head office and branches, including taxes, directors' fees, salaries, &c. ..	157,795	Balance brought forward ..	301
Income tax ..	7,920	Gross profits for the year ..	204,465
Rebate of interest on bills not due ..	106		
Transfer to pension fund ..	3,300		
Transfer to contingency account ..	35,000		
Balance carried to balance-sheet ..	646		
	204,766		204,766

COMPTOIR NATIONAL D'ESCOMPTE DE PARIS.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	Francs.	ASSETS.	Francs.
Capital (fully paid up) ..	250,000,000	Cash on hand ..	303,147,964
Reserve fund ..	72,129,262	Bills discounted and Treasury bills ..	3,052,399,465
Deposit and current accounts ..	3,801,941,991	Current accounts ..	481,338,899
Fixed deposits ..	25,175,040	Correspondents ..	196,560,719
Acceptances ..	103,012,380	Loans on stocks & bonds ..	17,319,481
Exchange contracts (guaranteed) ..	45,807,500	Other advances (guaranteed) ..	165,859,501
Foreign agencies ..	9,212,323	Investments in French Renten, &c. ..	5,269,213
Sundry accounts ..	132,877,441	Exchange contracts (guaranteed) ..	45,807,500
	4,439,460,876	Acceptances for account of clients, &c. ..	102,508,622
		Sundry accounts ..	54,249,553
		Bank premises ..	15,000,090
			4,439,460,876

CREDIT FONCIER D'ALGERIE ET DE TUNISIE.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	Francs.	ASSETS.	Francs.
Capital ..	125,000,000	Uncalled capital ..	5,492,760
Reserves ..	20,867,631	Cash ..	53,630,765
Superannuation fund ..	210,482	Bills ..	400,861,088
Crédit Foncier de France ..	103,705,139	Investments ..	25,845,295
Crédit Foncier d'Orléans ..	12,361,247	Special advances ..	1,000,000
Caisse Hypoth. d'Egypte ..	15,000,000	Premises, &c. ..	23,714,802
Current and deposit accts. ..	473,034,442	Loans and advances ..	171,046,657
Deposits ..	47,693,064	Correspondents ..	32,819,428
Correspondents & creditors ..	94,655,513	Current accounts ..	158,746,451
Acceptances, &c. ..	29,744,362	Syndicates ..	34,549,529
Exchange operations ..	6,202,500	Cover for acceptances ..	21,968,630
Sundry accounts ..	5,294,456	Exchange operations ..	6,202,500
Profit and loss ..	7,092,533	Preliminary expenses ..	6,193,474
	941,061,369		941,061,369

British Trade Corporation.

(INCORPORATED BY ROYAL CHARTER.)

Telegrams—"TRABANQUE, LONDON."

Telephones—LONDON WALL 2947-2948.

13/14, AUSTIN FRIARS, LONDON, E.C.2.

CAPITAL: AUTHORIZED .. £3,500,000. SUBSCRIBED AND PAID UP .. £1,000,000.

Governor .. THE LORD FARINGDON.

London Manager: P. C. WEST.

Secretary: G. DE B. BROWNIE.

The Corporation is prepared to assist in the development of the Trade of the British Empire in every part of the world, and offers exceptional financial facilities to British Manufacturers and Merchants for the increase of their export and import trade.

It has Agents and Correspondents in all parts of the world, and transacts Banking business of every description.

It invites enquiries, and will endeavour, where necessary, to put expert advice at the disposal of correspondents regarding the financing of their foreign and overseas business. Moneys received on fixed deposit. Terms on application.

BRANCHES:—BELGRADE. DANZIG. ZAGREB (AGRAM).

THE CHASE NATIONAL BANK

of the City of New York, 57 Broadway

Capital - - - - \$20,000,000
Surplus and Profits - - - 24,071,647
Deposits (March 31, 1924) - 424,613,202

OFFICERS:

ALBERT H. WIGGIN, President.

Vice-Presidents:

SAMUEL H. MILLER HENRY OLLESHEIMER
CARL J. SCHMIDLAPP ALFRED C. ANDREWS
REEVE SCHLEY ROBERT I. BARR
SHERRILL SMITH

Assistant Vice-Presidents:

EDWIN A. LEE M. HADDEN HOWELL
WILLIAM E. PURDY ALFRED W. HUDSON
GEORGE H. SAYLOR GEORGE HADEN
JAMES L. MILLER

Comptroller:

THOMAS RITCHIE

Cashier:

WILLIAM P. HOLLY

DIRECTORS:

HENRY W. CANNON EUGENE V. R. TRAYER
ALBERT H. WIGGIN CARL J. SCHMIDLAPP
JOHN J. MITCHELL GERHARD M. DAHL
JOY E. TRIPP ANDREW FLETCHER
JAMES N. HILL REEVE SCHLEY
DANIEL C. JACKLING H. WENDELL ENDICOTT
CHARLES M. SCHWAB WILLIAM M. WOOD
SAMUEL H. MILLER FERMIAN MILBANK
EDWARD R. TINKER HENRY OLLESHEIMER
EDWARD T. NICHOLS ARTHUR G. HOFFMAN
NEWCOMB CARLTON F. EDSON WHITE
FREDERICK H. ECKER ALFRED P. SLOAN, Jr.
ELISHA WALKER

WE RECEIVE ACCOUNTS OF BANKS, Bankers, Corporations, Firms or Individuals on favourable terms, and shall be pleased to meet or correspond with those who contemplate making changes or opening new accounts.

FOREIGN DEPARTMENT.

THE EQUITABLE TRUST COMPANY OF NEW YORK.

ALVIN W. KRECH, Chairman of the Board.
ARTHUR W. LOASBY, President.

Capital, Surplus and Undivided
Profits (Mch. 20, 1924), \$33,659,486
Deposits (Mch. 20, 1924), \$336,884,603

BANKING BUSINESS TRANSACTED IN ALL PARTS OF THE WORLD.

Deposits received for fixed periods at rates which may be ascertained on application.

Every facility afforded for the development of trade with United States of America and the Continent of Europe.

Documentary credits arranged.

Well equipped Foreign Exchange and Bond Departments.

LONDON OFFICES:

10 MOORGATE, E.C.2.
BUSH HOUSE, ALDWYCH, W.C.2.
NEW YORK.

Head Office: 37 WALL STREET.

Branches: 247 BROADWAY, & MADISON AVENUE at 45th Street.

PARIS.

23 RUE DE LA PAIX.

MEXICO CITY.

48 CALLE DE CAPUCHINAS.

Member Federal Reserve System.

Member New York Clearing House Association.

Goldman, Sachs & Co.

NEW YORK

CHICAGO

BOSTON

SAN FRANCISCO

PHILADELPHIA

ST. LOUIS

SEATTLE

Commercial Credits & Foreign
Exchange

Travellers' Letters of Credit available
in all parts of the world

Investment Securities

Commercial Paper

The IMPERIAL BANK OF PERSIA

33/36, King William Street, London, E.C.4.

Incorporated by Royal Charter, 1889.

Capital, fully paid up - - - £650,000
Reserve - - - - £370,000
Reserve Liability of Proprietors - - £1,000,000

Bankers:

Messrs. Glyn, Mills, Currie, Holt & Co.

Westminster Bank, Limited.

Lloyds Bank, Ltd.

OFFICES:

Ahwaz, Bagdad, Basra, Bombay, Bunder Abbas, Bushire, Duzdab, Hamadan, Isfahan, Kazvin, Kerman, Kermanshah, Maidan-i-Naftun, Meshed, Mohammerah, Nasratabad (Seistan), Resht, Shiraz, Sultanabad, Tabriz, Teheran (Chief Office), Yezd.

This Bank is prepared to transact Banking Business of every description in and connected with Persia and Mesopotamia; and in London grants Drafts, Telegraphic Transfers and Letters of Credit, and negotiates and collects Bills on Persia and the Near East.

CREDITO ITALIANO.

At the annual general meeting, held on March 27th, it was decided to allocate the net profit as follows:—To reserve fund, 10,000,000 lire; to directors, 1,554,359 lire; to shareholders as dividend 9 per cent., 27,000,000 lire; to balance carried forward, 3,968,733 lire—42,523,092 lire.

BALANCE-SHEET—December 31, 1923.

LIABILITIES.	Lire.	ASSETS.	Lire.
Capital	300,000,000	Cash and balances at call	407,857,033
Reserve fund	100,000,000	with banks	
Deposits and saving		Bills receivable on Italy,	
accounts	918,288,190	England, and other	2,304,695,744
Current accounts	3,213,735,288	countries	
Acceptances on account		Loans against collateral	454,214,658
of customers	86,660,206	securities	1,489,512,792
Cheques outstanding	201,523,971	Current accounts	159,106,246
Sundry creditors	62,892,462	Investments	16,153,394
Guarantees on account of		Participations	12,500,000
customers	55,941,965	Freehold bank premises	76,873,237
Rebate on bills receivable		Sundry debtors	
maturing next year	14,288,845	Customers' liabilities	55,941,965
Net profit	42,523,092	against guarantees	
Clerks' provident fund, as		Securities belonging to	
per contra	20,531,924	clerks' provident fund	20,531,924
	5,016,385,943		5,016,385,943

CREDIT LYONNAIS.

BALANCE-SHEET—February 29, 1924.

LIABILITIES.	Francs.	ASSETS.	Francs.
Deposits at call	2,129,249,698	Cash in hand and at branches	512,495,673
Current accounts	5,169,383,705	Bills discounted & French	
Accounts payable after		Treasury bills	4,154,750,472
collection	96,073,504	Loans and advances	296,173,698
Exchange for forward		Current accounts	1,037,303,256
delivery	39,647,500	Exchange for forward	
Acceptances	44,536,840	delivery	39,647,500
Deposits for fixed periods	48,745,217	Investments	2,519,231
Sundry liabilities	118,662,029	Sundries	43,985,182
Profit and loss	24,586,519	Premises	35,000,000
Reserve fund	200,000,000		
Capital fully paid	250,000,000		
	6,120,885,012		6,120,885,012

EQUITABLE TRUST COMPANY OF NEW YORK.

BALANCE-SHEET—March 20, 1924.

LIABILITIES.	\$	ASSETS.	\$
Capital	23,000,000	Cash on hand and in banks	44,549,846
Surplus and undivided profits	10,659,487	Exchanges for clearing	
Deposits (including foreign		House	23,633,649
office)	336,884,603	Due from foreign banks	11,590,480
Acceptances (less in port-		Bonds and mortgages	8,970,464
folio)	27,393,925	Public securities	18,994,688
Notes payable and redis-		Short term investments	3,447,118
counts	None	Other stocks and bonds	16,063,614
Accrued interest payable		Demand loans	61,445,971
reserve for taxes, and		Time loans	36,567,546
other liabilities	7,070,976	Bills discounted	53,614,776
		Customers' liability on acce-	
		ptances (less anticipations)	23,684,680
		Real estate	4,518,770
		Foreign offices	56,398,680
		Accrued interest receivable,	
		and other assets	3,042,960
	405,008,991		405,008,991

FARMERS' LOAN AND TRUST COMPANY.

BALANCE-SHEET—March 20, 1924.

LIABILITIES.	\$	ASSETS.	\$
Deposits	124,978,200	Cash on hand and in bank	24,449,846
Accrued interest, re-		U.S. Government bonds	32,641,879
serve for taxes, divi-		and certificates	38,105,827
dend, &c.	1,945,331	Bills purchased	26,423,901
Domestic and foreign ac-		Call loans—Collateral	19,092,366
ceptances	1,740,638	Accrued interest	812,462
Capital stock	5,000,000	Bonds and stocks	18,441,987
Surplus and undivided		Bonds and mortgages	922,584
profits	16,785,617	Liabilities of customers for	
		acceptances	1,598,834
		Real estate	2,960,000
	150,449,786		150,449,786

GUARANTY TRUST COMPANY OF NEW YORK.

BALANCE-SHEET—March 20, 1924.

LIABILITIES.	\$	ASSETS.	\$
Capital	25,000,000	Cash on hand, in Federal	
Surplus fund	15,000,000	Reserve Bank, and due	
Undivided profits	3,709,881	from banks and bankers	91,818,245
Accrued dividend	667,000	U.S. Government bonds and	
Accrued interest payable		certificates	32,763,991
and reserve for taxes		Public securities	23,688,405
and expenses	4,524,692	Loans and bills purchased	22,870,051
Miscellaneous liabilities	13,071,905	Real estate bonds and mort-	
Acceptances—New York,		gages	1,879,050
\$21,675,132; foreign		Items in transit with for-	
branches, \$10,811,508		ign branches	10,878,096
Outstanding treasurer's		Credits granted on accept-	32,486,640
cheques	10,333,005	Real estate	8,339,099
Deposits	463,201,654	Accrued interest and ac-	
		counts receivable	14,344,075
	567,994,777		567,994,777

HONG KONG AND SHANGHAI BANKING CORPORATION.

The report to the meeting held at Hong Kong on February 23rd states that the net profits for the year ended December 31, 1923, including \$3,350,212 balance brought forward from last account, after paying all charges, deducting interest paid and due, and making provision for bad and doubtful accounts and contingencies, amount to \$16,583,873. The directors recommend the transfer of \$1,000,000 from the profit and loss account to credit of the silver reserve, which will then stand at \$25,500,000. They

also recommend writing off bank premises account the sum of \$1,000,000. After making these transfers, deducting the interim dividend of £3 per share, paid on August 7th last, viz., £480,000 at 2s 3d equals \$4,266,666, and remuneration to directors, there remains for appropriation \$10,267,206, out of which the directors recommend the payment of a final dividend of £3 sterling per share, viz., £480,000, and a bonus of £2 sterling per share, viz., £320,000, amounting in all to £800,000, which at 2s 3d, the rate of the day, will absorb \$6,887,892. The balance, \$3,379,314, to be carried to new profit and loss account. The sterling equivalents of the assets and liabilities are shown at 2s 3d, the rate ruling on the last day of the year.

BALANCE-SHEET—December 31, 1923.

LIABILITIES.	£	ASSETS.	£
Issued and paid-up capital	160,000 shares of \$125 each	Cash (including \$25,900,000 lodged with the Hong-kong Government against authorised and/or excess note circulation)	9,251,539
Reserve liability of prop-		Bullion in hand and in transit	1,697,097
rietors—\$125 per share on 160,000 shares issued, \$20,000,000.	2,322,917	British Government, Indian, Colonial, and other securities	12,844,808
Sterling reserve	4,500,000	Bills discounted, loans and credits	27,915,022
Marine insurance account	2,846,573	Bills receivable and balance of remittances and drafts in transit	21,900,916
Notes in circulation (authorised and additional issue against securities and coin amounting to \$47,516,797-85 deposited with the Crown Agents for the Colonies, their trustees, and the Hong Kong Government)	29,036	Liabilities of constituents for acceptances, per contra Bank premises	947,842
Current accounts	5,796,369		2,333,704
Fixed deposits	40,513,606		
Bills payable (including call loans and short sight drawings on London office and drafts on London bankers)	18,007,165		
Acceptances on account of constituents	503,635		
Profit and loss account	947,842		
Liability on bills of exchange rediscounted, \$5,100,264, of which \$4,548,378 have since run off.	1,424,785		
	76,890,928		76,890,928

HAMBROS BANK, LIMITED.

BALANCE-SHEET—March 31, 1924.

LIABILITIES.	£	ASSETS.	£
Paid-up capital—£2 10s per share on 400,000 shares	1,000,000	Cash in hand, at bankers, and at call	3,144,661
Reserve	1,050,000	Bills of exchange	1,680,634
Profit and loss account	203,501	Investments—Valued at or below prices current at March 31, 1924—	
Current, deposit, and other accounts	13,513,195	British Government securities, £4,197,066; other investments, £853,532	4,850,598
Acceptances	6,819,273	Loans, advances, and other accounts	5,775,803
Memorandum—Contingent liability as endorser of bills discounted, £700,284, and on guarantees given in respect of counter guarantees or securities, £769,540.		Liabilities of customers for acceptances, as per contra Bank premises	6,849,273
	22,615,969		315,000
			22,615,969

IMPERIAL BANK OF PERSIA.

BALANCE-SHEET—September 20, 1923.

LIABILITIES.	£	ASSETS.	£
Capital—\$9,300 ordinary shares of \$5 10s; 200 four-ders' shares of \$5 10s	650,000	Cash in hand, at bankers, and in transit	2,275,246
Reserve account	370,000	Investments in British and Colonial Government and other securities, taken at or under prices ruling on September 20, 1923	1,504,713
Notes in circulation	930,499	Bills discounted, loans and advances, including adjustments, past due bills, loans and sums due from other banks	2,982,694
Deposits	4,198,905	Bills receivable	1,240,919
Bills payable, endorsements, adjustments and sums due to other banks	1,848,129	Bank premises, furniture, and stationery	58,675
Profit and loss account	84,644		8,062,177
Liability on bills of exchange re-discounted, £107,546, all of which has since run off.			
	8,062,177		8,062,177

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Amount due to Persian Government	5,485	Balance brought forward at September 20, 1922	33,721
Interim dividend at 3s per share, paid June 18, 1923 (free of income-tax)	15,000	Net profit, after deducting expenses of management and general charges in London, at chief office and branches, and after making provision for income-tax, corporation tax, and bad and doubtful debts	91,408
Transfer to reserve account	30,000		
Transfer to bank premises account	10,000		
Proposed dividend at 6s per share (free of income-tax), £30,000; balance to new account, £34,644	64,644		
	125,129		125,129

The report for the year ended September 20th last states that the profits, after making provision for expenses of management and general charges in London, and at chief office and branches, income-tax, corporation tax, and bad and doubtful debts, amount to £91,408, to which has to be added £33,721 brought forward from last account, making a total of £125,129. From this sum, £5,485, the amount due to the Persian Government in terms of the Concession, has to be deducted, leaving £119,644, which the directors have dealt with in the following manner:—Six months' interim dividend at the rate of 3s per share, paid June 18,

THE UNION BANK OF AUSTRALIA Limited.

Established 1837.

Incorporated 1880.

CAPITAL AUTHORISED AND ISSUED	£9,000,000
Capital Paid-up	£3,000,000
Reserve Fund	£3,350,000

Reserve Liability of Proprietors - £6,000,000

DIRECTORS:

HENRY P. STURGIS, Esq., Chairman.	SOMERVILLE R. LIVINGSTONE, Esq.
The Rt. Hon. LORD CARMICHAEL, G.C.S.I.	LEARMONTH, Esq.
The Rt. Hon. THE EARL OF CHICHESTER.	Brigadier General ARTHUR MAXWELL, C.M.G., D.S.O.
JOHN DENNISTOUN, Esq.	ROBERT C. NESBITT, Esq., M.P.
HUGH D. FLOWER, Esq.	FREDERICK G. PARBURY, Esq.
The Rt. Hon. LORD HILLINGDON.	The Hon. EDMUND W. PARKER, K.C.M.G.
	Sir WESTBY B. PERCEVAL, K.C.M.G.

HEAD OFFICE:

71 Cornhill, London, E.C.3.

Manager—W. J. ESSAME. Assistant Manager—W. A. LAING.
Secretary—F. H. MCINTYRE.

BRANCHES THROUGHOUT AUSTRALIA AND NEW ZEALAND, viz.:

In VICTORIA	44
" SOUTH AUSTRALIA	15
" NEW SOUTH WALES	43
" WESTERN AUSTRALIA	20
" QUEENSLAND	19
" TASMANIA	3
" NEW ZEALAND	47
	191

Drafts upon the Branches are issued by Head Office, and may also be obtained from the Bank's Agents throughout England, Scotland, and Ireland. Commercial and Circular Travelling Credits issued—available throughout the World. Telegraphic Remittances are also made. Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection. Deposits are received at Head Office at rates of interest and for periods which may be ascertained on application.

Harrods LTD LONDON

Authorised Capital £6,500,000

Issued and Fully Paid £5,915,000

Reserve Fund £694,097

DIRECTORS

SIR WOODMAN BURBIDGE, BART.,
Chairman & Managing Director.
F. H. HARVEY-SAMUEL
EDGAR COHEN
SIR H. K. NEWTON, BART.
FRANK R. CHITHAM
ALLAN HEPPWORTH

CHIEF ACCOUNTANT

ALLAN HEPPWORTH
SECRETARY
R. H. GRIFFITH
BANK MANAGER
F. W. ATKINSON

BANKING DEPARTMENT

Current Accounts are opened for Shareholders and Customers or Friends introduced by them. Interest at the rate of 2½ per cent. per annum, credited annually, is allowed upon the minimum monthly balance, provided it is not under £20. No commission charged for keeping Accounts, but the opening lodgment must not be less than £20, nor the minimum balance less than £10.

Money is received on Deposit in sums of £1 up to £500 subject to seven days' notice of withdrawal. Amounts over £500 are received on special terms as to notice. Interest is allowed from date of deposit to date upon which withdrawal notice expires, and is credited or paid half-yearly, viz., 30th June and 31st December.

The Directors reserve to themselves the power to return Deposits or change the rate of Interest.

Country and Foreign Drafts, Dividends, Coupons, Annuities, Pensions, etc., received and placed to credit. Drafts, Circular Notes and Letters of Credit issued.

American and Canadian Express cheques cashed and Foreign money exchanged.

Head Office—BROMPTON ROAD LONDON SW1



1869—Local Institution.
1924—An International Force.

BORN 55 years ago with total resources of \$729,163, this Bank has to-day—through sound business principles, enterprise and service—a history of phenomenal growth to its credit, and resources of over 540 Million Dollars.

With 554 branches in Canada and Newfoundland and over 110 in Cuba, the West Indies, Central and South America, in addition to London, Paris, New York and Barcelona, complete banking facilities are placed at your disposal.

THE ROYAL BANK OF CANADA

"Ask us about Canada."

English, Scottish & Australian Bank, Limited.

Head Office: 5, GRACECHURCH STREET, E.C.3,
and 355 Branches and Agencies throughout Australia.

Authorised Capital	-	-	£3,000,000	0	0
Paid-up Capital	-	-	£1,500,000	0	0
Uncalled Capital	-	-	£1,500,000	0	0
Reserve Fund	-	-	£1,620,000	0	0

Board of Directors:

ANDREW WILLIAMSON, ESQ., Chairman.
JOHN PATERSON, ESQ., Deputy Chairman.
HON. SIR JOHN A. COCKBURN, K.C.M.G.
HON. SIR ARTHUR LAWLEY, G.C.S.I.
SIDNEY M. WARD, ESQ.
THE RT. HON. VISCOUNT KNUTSFORD.
GEORGE SLADE, ESQ.
SIR FREDERICK W. YOUNG.

London Manager and Secretary—E. M. JANION.

Assistant Manager—A. A. SHIPSTON.

Sub-Manager—J. A. ROBERTSON.

Accountant—WALTER PHILLIPS.

Bankers:

BANK OF ENGLAND;
WESTMINSTER BANK, LIMITED.

Letters of Credit and Drafts on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank in the Chief Provincial Towns throughout the United Kingdom.

Remittances made by Telegraphic Transfer.

Bills Negotiated or forwarded for Collection.

Banking and Exchange Business of every description transacted with Australia.

**GOVIND DASS BHAGAT, M.A., LL.B., Secretary and
Chief Manager.**

PROFIT AND LOSS ACCOUNT.		
Dr.	Cr.	£
Charges at head office and branches	392,385	
Taxes at home and abroad	39,897	
Dividend (interim) for the half-year ending July 31, 1922	75,000	
Balance carried down	464,976	
	972,258	972,258

MITSUBISHI BANK, LIMITED.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.		Yen.	ASSETS.		Yen.
Capital	50,000,000		Uncalled capital	20,000,000	
Reserve funds	15,606,770		Loans and bills discounted	183,747,145	
Deposits	239,850,715		Foreign bills bought	2,718,994	
Bills payable	665,772		Interest-bearing foreign bills	10,101,248	
Foreign bills sold	618,220		Due from other banks	749,118	
Due to other banks	1,900,365		Acceptances and guarantees, as per contra	4,741,804	
Acceptances and guarantees	4,741,804		Government bonds	35,830,383	
Interest accrued on deposits	2,171,324		Other bonds and securities	38,262,630	
Rebate on bills discounted not yet due	1,767,093		Office premises	8,085,021	
Suspense accounts	138,812		Suspense accounts	128	
Accounts en route	540,005		Cash on hand and in banks	19,482,225	
Balance brought forward from last profit and loss account	1,399,679				
Net profit for the current half-year	4,318,137				
	323,718,696	323,718,696			

PROFIT AND LOSS.		Yen.	ASSETS.		Yen.
Dr.	Cr.		Dr.	Cr.	
Legal reserve fund	1,000,000		Net profit for the half-year	4,318,137	
Special reserve fund	1,500,000		Balance brought forward from last profit and loss account	1,399,679	
Pension reserve fund	200,000				
Bonus	200,000				
Dividend at 10% per annum	1,500,000				
Balance carried forward to the next half-year	1,317,816				
	5,717,816	5,717,816			

MOSCOW NARODNY BANK, LIMITED.

BALANCE-SHEET—December 31, 1923.

LIABILITIES.		£	ASSETS.		£
Capital issued—25,000 shares of £10 each, fully paid	250,000		Cash at bankers and in hand	118,319	
Current & deposit accounts	143,581		British Government Treasury bills	25,000	
Correspondents of the bank	58,508		Loans at short notice (secured by British Government securities)	85,000	
Creditors and accrued charges	85,682		Investment (at cost)—2,500 fully-paid shares of 100 gold lats each, in Co-operative Transit Bank, Riga	11,082	
Liabilities of the bank in respect of—			Correspondents of the bank	19,900	
Guarantees	83,362		Bills discounted	104,195	
Acceptances	37,103		Moscow Narodny Bank—London branch	9,185	
Profit and loss account	7,192		Advances against goods and documents	135,403	
	665,428	665,428	Liability of customers in respect of—		
			Guarantees issued	83,362	
			Bank acceptances	37,103	
			Miscellaneous debtors	28,984	
			Office furniture and fittings, less depreciation	1,814	
			Donation to the Russian Famine Fund	6,081	
				665,428	665,428

NATIONAL BANK OF EGYPT.

BALANCE-SHEET—December 31, 1923.

LIABILITIES.		£	ASSETS.		£
Share capital—300,000 fully-paid shares of £10 each	3,000,000		Government securities and securities guaranteed by the Egyptian Government	14,227,164	
Statutory reserve fund	1,500,000		Sundry securities	248,631	
Special reserve	825,000		Advances on merchandise	2,854,778	
Current, deposit, and other accounts	13,120,413		Advances on securities	2,224,586	
Egyptian Government	11,233,409		Advances otherwise secured	289,665	
Sudan Government	443,712		Sundry other advances	1,043,613	
Mixed Tribunals	1,695,435		Bills of exchange	6,832,339	
Bankers' accounts	357,176		Local bills discounted	137,367	
Cheques and bills payable	226,066		Buildings, furniture, &c.	267,633	
Rebate of discount on bills not yet due	34,522		Money at call and at short notice	1,120,000	
Dividends unclaimed	7,515		Bankers' accounts	1,226,895	
Provision for payment of final dividend at the rate of 11 per cent. per annum	330,000		Cash: Notes, £2,053,260; gold and silver coin, &c.	2,546,280	
Profit and loss account balance	185,702				
	33,018,950	33,018,950			

There is a contingent liability in respect of bills rediscounted of £305,467. Under the heading "Bankers' accounts" is included £568,624, to credit with banks in Germany and Austria.

ISSUE DEPARTMENT.

£	£
Notes issued	36,400,000
Gold	3,335,576
"British Treasury bills	14,860,424
Egyptian Government securities and securities guaranteed by the Egyptian Government	420,850
British Treasury bills and National War bonds	17,779,180
	36,400,000

* By authority of the Egyptian Government these Treasury bills are deposited in lieu of gold (See Journal Official of October 30, 1916).

The report presented at the meeting held in Cairo on March 19th is as follows:—The gross profit for the year

ending December 31, 1923, after providing for depreciation on the bank's buildings and furniture, for rebate of discount, and for bad and doubtful debts, amounts to £902,452. After deducting from this sum, for directors' fees, £11,750; for current expenses, £303,014—£374,764, there remains £527,688. In conforming with article 49 of the bank's statutes, a dividend of 4 per cent. is payable on the share capital, £120,000; after this statutory distribution there remains, £407,688; adding to this the balance brought forward from last year, £183,014, the amount available is £590,702. The directors consider it prudent to allocate to special reserve for contingencies a sum of £75,000, which leaves £515,702. From this amount the directors recommend the payment of an additional dividend of 11 per cent. on the share capital, which will absorb £330,000, and leave a balance to be carried forward of £185,702. The total dividend for the year will thus be at the rate of 15 per cent., equivalent to £1 10s per share. An interim dividend of 8s having been paid on September 3, 1923, the balance remaining to be distributed will be £1 2s per share.

NATIONAL CITY BANK OF NEW YORK.

BALANCE-SHEET—December 31, 1923.

LIABILITIES.		\$	ASSETS.		\$
Capital	40,000,000		Cash in vault and in Federal Reserve Bank	93,392,165	
Surplus	45,000,000		Due from banks, banker, and United States Treasurer	138,372,559	
Undivided profits	6,902,625		Loans, discounts, and acceptances of other banks	472,546,990	
Deposits	728,640,682		United States Government bonds and certificates	86,998,038	
Acceptances of other banks and foreign bills sold with our endorsement	43,589,898		State & Municipal bonds	3,896,699	
Acceptances outstanding, as per contra	36,776,309		Stock in Federal Reserve Bank	2,550,000	
Anticipated by customers	2,667,932		Ownership of International Banking Corporation	8,500,000	
Circulation	2,137,995		Other bonds & securities	56,507,657	
Bonds borrowed	1,958,000		Bank buildings	13,644,489	
Reserves for—			Items in transit with branches	6,035,665	
Accrued interest, discount and other unearned income	2,824,473		Customers' liability account of acceptances	36,776,313	
Taxes and accrued expenses, &c.	4,366,036		Other assets	966,060	
Contingencies	5,311,275				
	920,174,625	920,174,625			

SOCIETE BELGE DE CREDIT INDUSTRIEL ET COMMERCIAL ET DE DEPOTS.

BALANCE-SHEET—December 31, 1923.

LIABILITIES.		Francs.	ASSETS.		Francs.
Subscribed capital	20,000,000		Premises	1,000,000	
Statutory reserve	1,380,124		Uncalled capital	15,130,800	
Special reserve	600,000		Cash	2,074,361	
Deposit accounts	31,404,926		Current accounts	10,317,794	
Current accounts	27,531,120		Coupons for collection	221,935	
Other accounts	218,842		Bills receivable	47,408,145	
Profit and loss	911,501		Short loans	4,315,577	
	82,046,313	82,046,313	Advances	1,380,868	
			Other assets	197,133	

SOCIETE GENERALE.

(Pour Favoriser le Développement du Commerce et de l'Industrie en France.)

BALANCE-SHEET—December 31, 1923.

LIABILITIES.		Francs.	ASSETS.		Francs.
Capital	500,000,000		Cash in hand and at bank	685,601,544	
Reserve	55,601,882		Bills receivable	3,484,294,324	
Drawing accounts	1,273,435		Coupons for collection	76,563,320	
Deposit accounts	101,711,100		Short loans	22,540,801	
Bills payable	103,258,485		Loans on security	272,089,550	
Current accounts	3,999,377,907		Investments	1,232,586,368	
Sundry creditors	192,198,528		Advances guaranteed	38,118,888	
Interest and dividends	1,819,980		Syndicates	30,190,889	
Profit and loss	33,708,069		Premises, &c.	56,397,038	
	6,260,609,286	6,260,609,286	Sundry debtors	112,236,784	
			Uncalled capital	250,000,000	

SOCIETE GENERALE DE CREDIT INDUSTRIEL ET COMMERCIAL.

BALANCE-SHEET—December 31, 1923.

LIABILITIES.		£	ASSETS.		£
Deposit accounts	4,573,764		Cash in hand	1,228,465	
Current accounts	14,025,462		Due from other banks	658,367	
Fixed deposits	1,643,781		Coupons for collection	174,819	
Acceptances guaranteed	110,877		Bills receivable, "Bons de la Défense Nationale"	15,575,086	
Foreign exchange business guaranteed	463,075		Current accounts	2,305,564	
Unclaimed interest and dividends	3,666		Advances guaranteed	986,758	
Temporary and sundry accounts	921,202		Acceptances guaranteed	110,877	
Robate	103,086		Foreign exchange business guaranteed	463,075	
Reserve fund	1,200,000		Payments made on account of interest and dividends for 1923	47,527	
Capital subscribed	4,000,000		Investments	1,180,630	
Brought forward from 1921	4,162		Shares of affiliated societies	1,693,663	
Profit and loss account for 1923	265,731		Bank premises	240,000	
	27,363,806	27,363,806	Uncalled capital	2,877,895	

STATE BANK
OF THE U.S.S.R.(Union of Socialist Soviet Republics).
Formerly State Bank of the R.S.F.S.R.Created by Decree of the Soviet Government
of October 12th, 1921.Capital Chervonetz.
5,000,000Total amount of Notes
issued on April 16th,
1924 34,880,000Gold reserve of Issue
Dept. 8,784,141

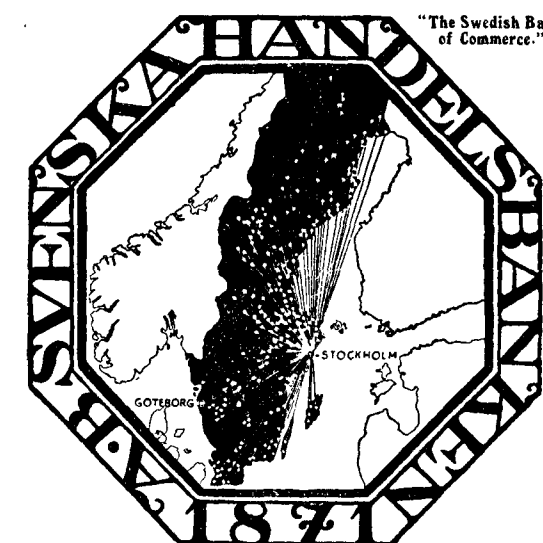
Note: 1 chervonetz is equal to 10 roubles gold.

Head Office: NEGLINNI PROSD, 12, MOSCOW.

The Bank is represented by over 250 Branches and Agencies in all the principal towns of European and Asiatic Russia; the Bank accepts deposits and opens current accounts in gold foreign and Russian currency; remittances to all parts of European and Asiatic Russia, payable both in Russian and foreign currency effected; documentary credits opened; bills discounted; documents payable in Russia collected; banking business of every description transacted.

London Agents:

Lloyds Bank Ltd.; Barclays Bank Ltd.; Westminster Bank Ltd.; Guaranty Trust Co., of New York; J. Henry Schröder & Co.; Arco Bank Corporation; Moscow Narodny Bank Ltd.; S. Japhet & Co. Ltd.



Svenska Handelsbanken

Stockholm
Head OfficeGöteborg
S. Hamngat, 23

More than 250 Branches throughout Sweden.

The business facilities in the matter of payments, collections, documentary credits, etc., which the Bank's clients have at their command are indicated by the map of the Bank's Branch organization above. Incidentally this complete network of Branches is a great convenience to the traveller from abroad equipped with cheques or a letter of Credit payable at the Handelsbank.

Tel. Addr. to Head Office and all Branches: "Handelsbank."

ITALO-BELGIAN
BANK

(Banque Italo-Belge, Société Anonyme).

Capital subscribed and paid - Frs. 50,000,000
Reserve Funds - Frs. 26,000,000

Head Office: ANTWERP.

London Office:
50 OLD BROAD STREET, E.C.2.

Branches:

FRANCE—Paris.
ARGENTINE—Buenos Aires.
URUGUAY—Montevideo. CHILI—Valparaiso.
BRAZIL—Sao Paulo, Rio de Janeiro, Santos, Campinas.

Correspondents in all the Principal Places
in South America.

The Bank transacts every description of Banking Business. Bills and Documentary Bills negotiated, advanced upon, or sent for collection. Drafts and Letters of Credit issued and Cable and Mail Transfers effected on Branches and Correspondents. Documentary Credits opened or Confirmed. Sale and Purchase of Stocks and Shares undertaken. Coupons and Drawn Bonds collected and negotiated.

Telegrams: "Itabelban, London."
Telephone: London Wall 1157, 1158.

B.W. BLYDENSTEIN & Co.,

55-56, Threadneedle Street,
London, E.C.2.Bankers and
Discount AgentsALL BANKING AND DISCOUNT
BUSINESS TRANSACTED.Dealers in British Treasury Bills of any
Maturity.Special Facilities for Business with
Holland.FORWARD CONTRACTS IN DUTCH
GUILDERS.

SUMITOMO BANK, LIMITED.

BALANCE-SHEET—December 31, 1923.

LIABILITIES.	Yen.	ASSETS.	Yen.
Subscribed capital	70,000,000	Capital unpaid	20,000,000
Reserve fund	17,500,000	Loans	131,071,576
Pension reserve	1,800,000	Customers' overdraft	21,794,446
Current account	59,153,591	Bills discounted	71,363,201
Petty special deposits	51,992,502	Foreign bills purchased	48,481,455
Deposits at call	19,043,023	Due from other banks	7,671,844
Time deposits	208,537,193	Customers' liabilities on	
Special deposits	5,333,073	foreign credits, accept-	
Exchange sold and bills		ances and guarantees	14,606,494
payable	9,731,705	Government and municipal	
Exchange adjustment	959,702	bonds and other securi-	
Due to other banks	10,774,160	ties	90,730,388
Foreign credits, acceptances		Foreign currencies	12,914
and guarantees	14,906,494	Bank premises	9,045,102
Dividends unpaid	16,653	Money at call and short	
Unearned discounts and		notice	18,075,140
accrued interest	5,944,990	Cash in hand	46,723,959
Balance brought forward			
from last half-year	1,131,929		
Net profit for the half-year			
	3,651,498		
	480,176,519		480,176,519

SWISS BANK CORPORATION.

BALANCE-SHEET—December 31, 1923.
(£1 = 25 Francs.)

LIABILITIES.	£	ASSETS.	£
Share capital	4,800,000	Cash	2,858,537
Reserves	1,320,000	Banks and bankers	5,209,957
Fixed deposits	5,205,165	Bills receivable	12,151,983
Current accounts, &c.	25,808,468	Loans at short dates on	
Bills payable and acceptances		securities	78,703
Profit	470,942	Current accounts	18,083,718
		Permanent investments	318,154
		Government, railway, and	
		other securities	2,110,231
		Syndicates	162,253
		Bank premises and other	
		property	609,332
	41,582,868		41,582,868

Dr.	£	Cr.	£
General expenses and taxes ..	884,980	Balance from 1922	40,261
Provision for bad and		Discounts	684,804
doubtful debts (less return		Interest	204,408
of amounts previously writ-		Commissions	336,537
ten off), and writing down		Investments and syndicates ..	84,474
new premises, &c.	53,905	Coupons and foreign moneys	59,343
Net profit available	470,942		
	1,409,827		1,409,827

The report states that, after deduction of expenses and taxes and making provision for bad and doubtful debts,

&c., the net profit for the year ended December 31, 1923, amounts to £430,681. The board propose to allocate to pension fund, £20,000; to pay a dividend of 5 per cent. on the paid-up capital (according to Art. 36 of the articles of association), £240,000—£260,000; leaving a balance of £170,681; less statutory participation of directors, £17,068; the remainder, £153,613, together with the amount carried forward from last year, £40,261—£193,874—is at the disposal of the general meeting, and the board propose to pay a further dividend of 3 per cent. (making in all 8 per cent. for the year 1923), which will absorb £144,000, and to carry forward £49,874.

YOKOHAMA SPECIE BANK, LIMITED.

The report for the half-year ended June 30, 1923, states that the net profit, after providing for all bad and doubtful debts, rebate on bills, &c., shows 15,108,236 yen, inclusive of 5,015,825 yen brought forward from last account. The directors propose that 4,000,000 yen be added to the reserve fund, and recommend a dividend at the rate of 12 per cent. per annum, which will absorb 6,000,000 yen. The balance, 5,108,236 yen, will be carried forward to the credit of next account.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	Yen.	ASSETS.	Yen.
Capital	100,000,000	Cash in hand and at bankers	78,326,089
Reserve fund	63,000,000	Investments in public se-	
Reserve for doubtful debts	2,033,532	curities and debentures ..	154,216,498
Notes in circulation	5,438,093	Bills discounted, loans, ad-	
Deposits (current, fixed, &c.)	479,365,651	vances, &c.	278,837,693
Bills payable, bills redis-		Bills receivable and other	
counted, acceptances, and		sums due to the bank	560,526,136
other sums due by the		Bullion and foreign money	8,892,409
bank	424,264,976	Bank's premises, properties,	
Dividends unclaimed	36,000	furniture, &c.	12,452,673
Balance of profit and loss			
brought forward from last			
account	5,015,825		
Net profit for the past half-			
year	10,092,411		
	1,093,251,488		1,093,251,488

Dr.	Yen.	Cr.	Yen.
Reserve fund	4,000,000	Balance brought forward,	
Dividend—6.00 yen per share		December 31, 1922	5,015,825
for 1,000,000 shares	6,000,000	Net profit for the half-year	
Balance carried forward to		ended June 30, 1923	10,092,411
next account	5,108,236	(After making provision for	
		bad and doubtful debts,	
		rebate on bills, &c.)	
	15,108,236		15,108,236

NIPPON KWANGYO GINKO, LTD.

Head Office - - - TOKYO, JAPAN.

GOVERNOR NAKAJI KAJIWARA.

VICE-GOVERNOR USABURO YANAGIYA.

JOINT MANAGING DIRECTORS:
NAONOSUKE KAWAKAMI.

KEIZABURO KATO.

TAMESHIGE YAMADA.

UMAO ABE.

BALANCE SHEET,

December 31st, 1923. 53rd REPORT.

LIABILITIES.	Yen	ASSETS.	Yen
Capital Subscribed	94,000,000	Capital Unpaid	24,123,937
Reserve Funds	26,898,954	Loans Redeemable in Annual Instalments or in	
Dividends Unclaimed	115,119	a single payment	621,161,599
Kwangyo Saiken (The Bonds of the Nippon		Bills Discounted	12,144,503
Kwangyo Ginko). Outstanding	531,262,749	The Bonds of the Agricultural and Industrial	
Chochiku Saiken (National Savings Certificates)		Banks and the Industrial Bank of Chosen	26,620,365
Outstanding	12,629,605	National Loan Bonds	11,310,754
Deposits	58,167,420	Provincial Loan Bonds	1,982,471
Current Accounts	1,516,998	Other Securities	2,581,725
Interest and Premiums of Kwangyo Saiken		Deposits at the Deposit Bureau of the Treasury	11,207,415
Unclaimed	14,815,196	Call Loans	14,190,000
Interest and Premiums of Chochiku Saiken		Deposits at Banks and Post Savings Bureau ...	19,466,102
Unclaimed	816,025	Agencies Accounts	10,167,823
Funds for the payment of Premiums of Kwangyo		Bank Building Sites, Buildings and Fixtures ...	2,704,464
Saiken	1,423,716	Immovable Properties	354,043
Funds for the payment of Premiums and other		Sundry Accounts	5,655,980
Accounts of Chochiku Saiken	250,074	Cash on hand	970,386
Provisional Receipts and Sundry Accounts ...	15,963,009		
Amount brought forward	11,635,389		
Half Year Net Profit	5,147,512		
Total	764,641,570	Total	764,641,570

ORGANIZATION.

The Nippon Kwangyo Ginko is a joint stock bank established under a Special Law of the Japanese Imperial Government for the purpose of making advances at moderate rates of interest and for long periods in order to promote the improvement and development of agriculture, industrial enterprises, railways, buildings and building sites, as well as public works undertaken by the authorities of prefectures, counties, cities, towns, villages and other public bodies recognised by law.

The Nippon Kwangyo Ginko in virtue of the law of April, 1921, is intended to consolidate the 46 Agricultural and Industrial Banks, which were established under the law of 1896 in every prefecture of Japan, for the similar purposes to those of the Nippon Kwangyo Ginko, and have been allowed to place to reserve the whole dividends due on the shares held by the authorities of the prefectures, who are the largest shareholders in each case.

By January, 1923, nineteen such banks came under the control of the Nippon Kwangyo Ginko, and these banks are carrying on business as branches of the Bank.

PRIVILEGES.

The chief privileges of the Nippon Kwangyo Ginko, granted by the Japanese Imperial Government and the local governments, are as follows:—

The Nippon Kwangyo Ginko is authorised by a Special Law of the Japanese Imperial Government to issue bonds called Kwangyo Saiken, up to an amount not exceeding 15 times the paid-up capital, provided that the total issue of such bonds shall not exceed the combined aggregate amount of loans redeemable, whether by annual instalments or a single pay-

ment, and of the bonds issued by the Agricultural and Industrial Banks and actually taken over by the Nippon Kwangyo Ginko.

The Kwangyo Saiken are treated by the Japanese Imperial Government and local governments on the same footing as national loan bonds, as that some part of the postal savings and the funds of public bodies are invested in the Kwangyo Saiken, and about 8,500 post offices as well as the municipal offices of prefectures, counties, cities, etc., are employed in conducting the issuing business of the Bank.

STABILITY.

About seventy per cent. of the aggregate amount of loans made by the Nippon Kwangyo Ginko is redeemable in annual instalments against the security of immovable property, and every loan is less than two-thirds of the value of the security which is based on a moderate estimate of expert valuers, and about thirty per cent. is redeemable in annual instalments or in a single payment advanced without security to the authorities of prefectures, counties, cities, towns, villages and other public bodies recognised by law.

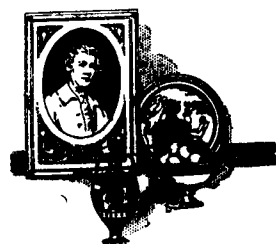
BOARD OF MANAGEMENT.

The Governor and the Deputy-Governor are appointed by the Government.

The Joint Managing Directors and Directors are also appointed by the Government from among candidates, who have been elected at a general meeting of shareholders.

GOVERNMENT SUPERVISION.

The Minister of Finance supervises the general business transaction of the Nippon Kwangyo Ginko.

Making
a Name

Because he would not associate himself with anything that was not of the very best within his power to produce, Josiah Wedgwood made a name that will ever stand for high achievement in his own great realm of ceramics.

Wedgwood ware stands for quality as well as individuality. Its many imitations are only so many tributes to unrivalled excellencies.

The name Chatwood is similarly associated with quality—in connection with treasure security, Safes and Strongrooms—and for the same reason—that nothing but the best has ever been good enough for them to father.

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

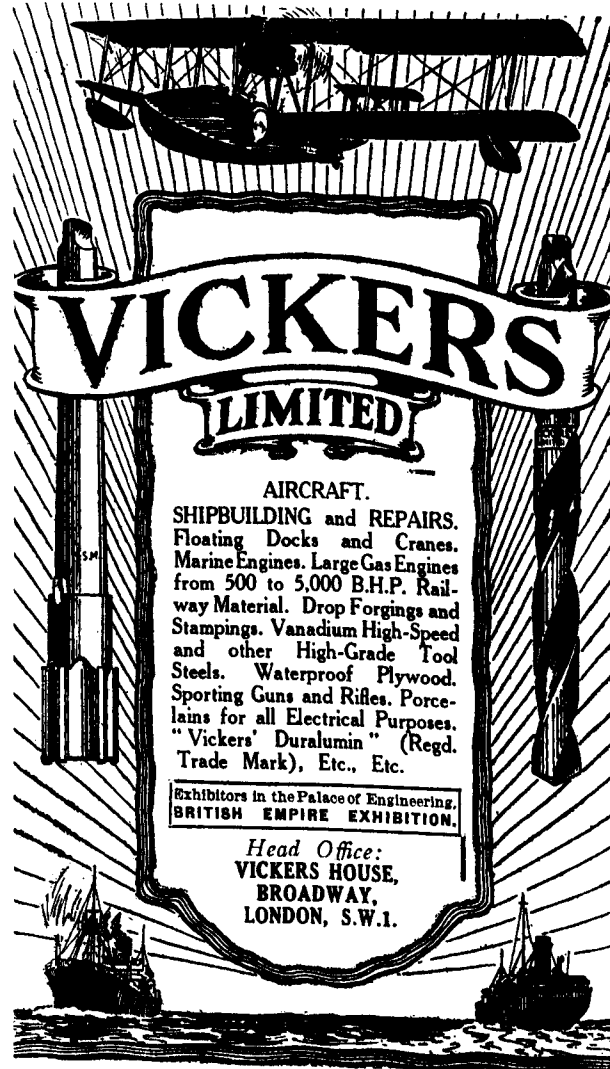
This, The Chatwood Tradition, is a governing policy of the firm.

THE
CHATWOOD
SAFE

Since 1858

The Chatwood Safe Book, containing full details of the security achieved and offered, also expresses in some measure the high ideals of the firm. A postcard brings a copy gratis.

THE CHATWOOD SAFE CO., LTD.,
Bankers' Engineers, BOLTON, Eng.



WILLIAM F. MALCOLM & CO.,

52, Leadenhall Street, LONDON, E.C. 3.

Merchant Shippers

FLAX, HEMP, JUTE, JUTE GOODS,
COIR YARN, GRAIN, TAR & PITCH.

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New York, U.S.A.
Nakuru, B.E.A.

MALCOLM & CO. - - - { Reval, Esthonia.
Riga, Latvia.

Telegraphic Address: "MALCOLM."

THE MOSCOW NARODNY BANK LIMITED

ESTABLISHED

1919

CAPITAL, fully paid - - - £250,000

HEAD OFFICE:

HAZLITT HOUSE, SOUTHAMPTON BUILDINGS
HOLBORN, W.C.

Principal Foreign Agents of the All Russian Co-operative
Bank, Moscow and Branches.

London correspondents of the State Bank of the U.S.S.R.

BANK OF NEW ZEALAND

BANKERS TO THE NEW ZEALAND GOVERNMENT

Authorised Capital, £6,154,988. Subscribed, £5,029,988.

Paid-up Capital—Four per Cent. Guaranteed Stock	£529,988
" " "A" Preference Shares of £1, issued to N.Z. Government	500,000
" " "B" Preference Shares of £1, issued to N.Z. Government	1,000,000
Ordinary Shares	3,000,000
	£5,029,988
Reserve and Undivided Profits	2,246,957
	£7,276,945

Head Office: WELLINGTON, N.Z.

London Office: 1, QUEEN VICTORIA STREET, E.C.4.

Branches and Agencies at over 200 points in New Zealand.

And at MELBOURNE—VICTORIA. SYDNEY—NEW SOUTH WALES.
SUVA AND LEVUKA—FIJI. APIA—SAMOA.

THE LONDON OFFICE GRANTS DRAFTS on any of the above places; MAKES TELEGRAPHIC TRANSFERS; OPENS CURRENT ACCOUNTS for the convenience of its Colonial Constituents; NEGOTIATES AND COLLECTS BILLS payable in any part of Australasia, Fiji and Samoa; UNDERTAKES all descriptions of Colonial Banking and Monetary Business, and affords every facility to persons in their transactions with the Colonies.

ROBERT MILL, Manager.

NATIONAL BANK OF INDIA, LIMITED.

Registered in London under the Companies Act of 1862 on the 23rd of March, 1866.

Established in Calcutta 29th September, 1863.

Bankers to the Government in KENYA (British East Africa) and UGANDA.

Subscribed Capital	£4,000,000
Paid-up Capital	£2,000,000
Reserve Fund	£2,750,000
Number of Shareholders	2,397

Head Office: 26 BISHOPSGATE, LONDON, E.C. 2.

BOARD OF DIRECTORS:

ROBERT CAMPBELL, Esq., Chairman.	SIR CHARLES C. MCLEOD, Deputy-Chairman.
SIR JOHN P. HEWETT, G.C.S.I., K.B.E., C.I.E.	J. D. NIMMO, Esq.
ROBERT MILLER, Esq.	J. N. STUART, Esq.
	J. A. TOOMEY, Esq.
	ROBERT WILLIAMSON, Esq.

BRANCHES:

ADEN & ADEN POINT	COCHIN (S. India)	MADRAS	ZANZIBAR	ENTEBBE
AMRITSAR	COLOMBO	MANDALAY	KISUMU	JINJA
BOMBAY	DELHI	NEWERA ELIYA	MOMBASA	KAMPALA
CALCUTTA	KANDY	RANGOON	NAIROBI	DAR-ES-
CAWNPORE	KARACHI	TUTICORIN	NAKURU	SALAAM
CHITTAGONG	LAHORE			TANGA

The Bank grants Drafts and Telegraphic Transfers on all places where it is represented; negotiates and collects Bills of Exchange; collects Pay, Pensions, and generally transacts every description of Eastern Banking Business. The Bank receives Deposits for fixed periods, not exceeding one year, at rates to be obtained on application.

The Bank opens Current Accounts, and, provided they do not fall below £200, allows Two per cent. per annum interest on the minimum monthly balances.

THE COUNTY BANK.

THE MANCHESTER & COUNTY BANK LIMITED.

Directors :

Sir FRANK FORBES ADAM, Bt., C.B., C.I.E., Manchester, Chairman.
 GEORGE HESKETH, Esq., Bolton, Deputy Chairman.
 DONALD BEITH, Esq., Manchester. T. GILBERT DUGDALE, Esq., Blackburn.
 The Hon. MARSHALL J. BROOKS, Rawtenstall. Sir MEYRICK HOLLINS, Bt.
 A. S. DREW, Esq., Burnley.

General Manager: J. W. NIGHTINGALE.

Head Office - - 55, KING STREET, MANCHESTER.
 Foreign Department 59, KING STREET, MANCHESTER.
 Liverpool Office - 53, DALE STREET, LIVERPOOL

(With Foreign Department Attached).

And 160 BRANCHES in LANCASHIRE and Adjacent Counties.

Capital Subscribed	-	-	-	-	-	-	£5,460,200
„ Paid up	-	-	-	-	-	-	1,092,040
Reserve Fund	-	-	-	-	-	-	1,010,000

Current and Deposit Accounts are Opened. Interest is allowed in accordance with the current value of money.

Drafts and Letters of Credit issued, and Telegraphic Transfers of funds made, to all parts of the world.

Foreign Bills and Coupons collected or negotiated.

Purchases and Sales of Stocks and Shares effected.

The Officers of the Company are bound to secrecy in respect of the transactions of its customers.

SWISS BANK CORPORATION

Established 1872.

BASLE, ZURICH, ST. GALL, GENEVA, LAUSANNE, LA CHAUX-DE-FONDS, NEUCHÂTEL, SCHAFFHOUSE,
 BIENNE, CHIASSO, HERISAU, LE LOCLE, NYON, AIGLE, BISCHOF SZELL,
 MORGES, RORSCHACH, VALLORBE.

LONDON OFFICE - - - 43, LOTHBURY, E.C.2.

WEST END BRANCH: 11c, REGENT STREET, Waterloo Place, S.W.1.

Managing Director in London: X. CASTELLI.

Paid-up Capital	-	-	-	-	-	£4,800,000
Reserves	-	-	-	-	-	£1,320,000

Every description of banking business. Current and deposit accounts.
 Purchase and sale of foreign exchanges for forward delivery. Transactions
 in all investment securities.

AGENT IN GREAT BRITAIN FOR THE SWISS GOVERNMENT POSTAL CHEQUE SERVICE AND FOR
 THE SALE OF SWISS POSTAL TRAVELLERS' CHEQUES FOR THE USE OF VISITORS TO SWITZERLAND.

BANCO DE DESCUENTO

GUAYAQUIL, ECUADOR.
CAPITAL, SIX MILLION SUCRES.

WE FINANCE exports to Ecuador, on the basis of confirmed irrevocable "Letters of Credit," sight or time Drafts on buyers without recourse to sellers.

WE DISCOUNT in Dollars or Sterling, Drafts drawn on approved Ecuador importers, and we guarantee immediate remittance to New York or London, in Dollar or Sterling exchange.

WE INVITE you to do your Ecuador business through us, thus availing yourselves of the exceptional facilities of a modern Commercial Bank.

BANK OF LONDON & SOUTH AMERICA LIMITED,

(FORMERLY THE LONDON & RIVER PLATE BANK, LIMITED)

— with which is amalgamated —

THE LONDON & BRAZILIAN BANK, LIMITED.

Established 1862.

PAID-UP CAPITAL and RESERVE FUND, £7,140,000.

AFFILIATED WITH LLOYDS BANK LIMITED.

ESTABLISHED AT

BELGIUM: ANTWERP, 22, Place de Meir.

FRANCE: PARIS, 9, Rue du Helder; 5, Rue Scribe.

PORTUGAL: LISBON, 44, Rua Aurea; 96, Rua do Comercio. OPORTO, 9, Rua do Infante D. Henrique.

U.S. AMERICA: NEW YORK, 51, Wall Street, 67, Wall Street.

ARGENTINA: BUENOS AIRES, with city sub-branches at BARRACAS-AL-NORTE, BOCA DEL RIACHUELO, ONCE DE SETIEMBRE, CALLE SANTA FE, CALLE BERNARDO DE IRIGOYEN. Also at BAHIA BLANCA, CONCORDIA, CORDOBA, MENDOZA, PARANA, ROSARIO, TUCUMAN.

Agents throughout the World.

URUGUAY:

MONTEVIDEO, and at CALLE RIO NEGRO (Montevideo), PAYSANDU, SALTO, RIVERA.

BRAZIL:

RIO DE JANEIRO, BAHIA, CEARA, CURITYBA, MACEIO, MANAOS, MARANHAO, PARA, PELOTAS, PERNAMBUCO, PORTO ALEGRE, RIO GRANDE DO SUL, SANTOS, SAO PAULO, VICTORIA.

CHILE:

VALPARAISO, SANTIAGO, ANTOFAGASTA.

PARAGUAY: ASUNCION.

COLOMBIA: BOGOTA, MANIZALES, MEDELLIN.

BANKERS :

THE BANK OF ENGLAND. LLOYDS BANK LIMITED.
 GLYN, MILLS, CURRIE, HOLT & CO.

Purchases and sales of stocks and shares effected through the Bank's Brokers.
 All kinds of Banking Business transacted.

Information Department.—Commercial information and up-to-date reports on South American firms are available on application. Every care is taken that this information is obtained from reliable sources, but the Bank cannot guarantee or accept responsibility for its accuracy.

HEAD OFFICE :

7, PRINCES STREET, LONDON, E.C.2.

REGISTERED OFFICE :

7, TOKENHOUSE YARD, LONDON, E.C.2.

AGENCIES AT :

MANCHESTER: 36, CHARLOTTE STREET, BRADFORD: 35, HUSTLERGATE.

NEDERLANDSCHE HANDEL-MAATSCHAPPIJ

(NETHERLANDS TRADING SOCIETY).

Established by Royal Charter A.D. 1824.

Capital Paid up	-	f.80,000,000 Neth. Currency (£6,666,666)
Statutory Reserve Fund	-	f.19,769,180 „ „ (£1,647,432)
Extraordinary Reserve Fund	-	f.22,660,000 „ „ (£1,888,333)

Head Office: AMSTERDAM.

Branches: ROTTERDAM, THE HAGUE.

Branches in the NETHERLANDS INDIES: BATAVIA, SOURABAYA, SAMARANG, MEDAN, and further Principal Ports.

Branches in the STRAITS SETTLEMENTS, BRITISH INDIA, CHINA and JAPAN: SINGAPORE, PENANG, RANGOON, CALCUTTA, BOMBAY, HONGKONG, SHANGHAI and KOBE.

Grant Drafts and Issue Letters of Credit on all their Branches and Correspondents in the East, on the Continent, on Great Britain, Africa, America and Australia, and transact Banking Business of every description.

LONDON CORRESPONDENTS: National Provincial Bank, Ltd., LONDON.

BRITISH MUTUAL BANKING COMPANY, LIMITED,

LUDGATE CIRCUS, LONDON, E.C.

Telegraphic Address—"Brimful, London."

(ESTABLISHED 1857.)

Telephone—City 8466.

CAPITAL, £200,000 (fully subscribed), in 40,000 SHARES OF £5 EACH.
PAID UP £70,000.

DIRECTORS:

EDGAR HORNE, Esq., J.P. (Chairman). Sir WILLIAM H. DAVISON, K.B.E., M.P.
Sir THOS. C. DEWEY, Bart. J. ROY LANCASTER, Esq.
FREDERICK SCHOOLING, Esq., F.I.A. D. WINTRINGHAM STABLE, Esq., LL.B.
Manager—G. KIRWOOD TAYLOR.

Banking business of every description transacted. Current Accounts are kept in conformity with the practice of London Bankers' interest being allowed on minimum monthly balances of £100 and upwards at the rate of 2 per cent. per annum, and credited to the accounts half-yearly, on the 30th of June and 31st of December. Deposits received in sums of not less than £10. No charge is made for keeping an Account where a remunerative balance is maintained. Every information can be obtained on application to the Manager.

THIRD IMPRESSION, WITH ADDITIONAL CHAPTER AND STATISTICS.

An INTRODUCTION to the STUDY of PRICES

with special reference to the History of the Nineteenth Century.

By WALTER T. LAYTON, M.A. 7s. 6d. net.

The Economic Review—"His excellent and clear little book ought to be in the hands of every student of social conditions."

The Practical Engineer—"This book should be valuable to the student of monetary values & prices, especially of the nineteenth century."

The Economic Journal—"The high qualities he possesses and exhibits will, we are sure, recommend his 'Introduction' to all who would make at once the easiest and the safest approach available to the fascinating but complicated 'study of prices.' That is, perhaps, the most crucial of present popular economic questions, and it must always occupy a prominent place in the scientific discussions of professional economists."

MACMILLAN & CO., LTD., LONDON, W.C.2.

THE ONE HUNDREDTH BANK, LTD.

ESTABLISHED 1878.

President: K. HARA, Esq.

Capital—Subscribed	25,000,000 Yen.
Paid-up	17,500,000 Yen.
Reserve Fund and Undivided Profits	10,174,000 Yen.

Head Office: TOKYO, JAPAN.

Branches: OSAKA, YOKOHAMA, KOBE, KYOTO, TOTTORI.

London Agents: Brown, Shipley & Company. The Lloyds Bank, Ltd.
The Midland Bank, Ltd.

New York Agents: Brown Brothers & Company. The Equitable Trust Company of New York.

The Guaranty Trust Company of New York. The Bank of America, New York City.

Correspondents in all important places at home and abroad.

Every description of Banking and Foreign Exchange Business transacted. Current accounts opened on the most favourable terms. Special attention is given to Collection Business. Draft and Telegraphic transfers sold on all principal parts of the world. 80382

WILLIAMS DEACON'S BANK

LIMITED

Total Assets as at Dec. 31st, 1923 - £40,716,804

MANCHESTER OFFICE: Mosley St. LONDON OFFICE: 20, Birchin Lane, E.C.3.
And 177 other offices in London, Lancashire, Yorkshire, Cheshire, Derbyshire, Staffordshire and North Wales.

THE BANK IS PREPARED TO ACT AS TRUSTEE

ACCEPTANCE CREDITS & FORWARD CONTRACTS ARRANGED
and Every Description of Foreign Exchange Banking business transacted.

AGENTS for the BRITISH OVERSEAS BANK, LTD.

STOCKHOLMS ENSKILDA BANK.

BANK WITH UNLIMITED LIABILITY.

Established in 1856.

TELEGRAPHIC ADDRESS:
NITTON-STOCKHOLM.

STOCKHOLM.

HEAD OFFICE:
STOCKHOLM 16.

CAPITAL (paid up) - - - Kr. 43,500,000.
RESERVE FUNDS - - - Kr. 41,500,000.

Banking and Exchange Business of every description.

Bills negotiated or forwarded for Collection.

Letters of Credit and Travellers' Cheques issued available in the principal Cities of the World.

Remittances made by Telegraphic Transfer.

Deposits received for fixed periods or at notice.

LONDON AGENTS:

WESTMINSTER BANK, LIMITED, LOTHBURY, E.C.; HAMBRO'S BANK, LIMITED FREDK. HUTH & CO.

THE SUMITOMO BANK, LIMITED

Head Office: OSAKA, JAPAN.

ESTABLISHED 1895.

Capital Subscribed - Yen 70,000,000.00 Paid-up Capital - Yen 50,000,000.00
Deposits - - - Yen 340,000,000.00

BARON K. SUMITOMO, President.

HOME BRANCHES.—Tokyo, Yokohama, Nagoya, Kyoto, Kobe, Hyogo, Onomichi, Niihama, Kure, Hiroshima, Yanai, Shimonoseki, Moji, Kokura, Wakamatsu, Hakata and Kurume.
FOREIGN BRANCHES.—Shanghai, Hankow, Bombay, London, New York, San Francisco, Seattle and Honolulu.
LONDON BANKERS.—Lloyds Bank Limited.

Correspondents in all important places at Home and Abroad.

GENERAL BANKING AND EXCHANGE BUSINESS.

London Office: 67, BISHOPSGATE, E.C.2.

Telephone: London Wall 1511 & 1512.

Cable Address: "Oksumiban, London."

J. MATSUSHIMA, Manager.

PROEHL & GUTMANN

Bankers,

AMSTERDAM.

Telegraphic Address: DRESAGENT.

NATIONAL BANK OF EGYPT

Head Office - - - CAIRO.

FULLY PAID CAPITAL - - - £3,000,000
RESERVE FUND - - - £2,325,000

LONDON AGENCY:

6 & 7, KING WILLIAM STREET, E.C.4.

Branches in all the Principal Towns in EGYPT and the SUDAN.

IONIAN BANK, LIMITED.

ESTABLISHED 1839.

HEAD OFFICE:

Central Office for Greece
ATHENS

Basildon House,
Moorgate,
LONDON.

Central Office for Egypt
ALEXANDRIA

Turkey—**CONSTANTINOPLE**

**COMPLETE BANKING FACILITIES
FOR THE
NEAR EAST.**

The only British Bank in Greece.

BANQUE A. PANAGIOTOPOULO

Head Office: PIRÆUS.

Branches at:

PARIS: Jean A. Panayotopoulo, 3, Rue Port-Mahon,
NEW YORK: Theo. A. Panayotopoulo, 154, Nassau St.

Overseas Correspondents:
In all the principal towns of
the world.

AGENTS: In all the Commercial Centres of Greece.

Every Description of Banking Business Transacted.

Terms of business and any other information can be obtained by application to the Head Office or Branches.

We afford all possible facilities to our Constituents.

BANCA COMMERCIALE TRIESTINA.

Head Office: Trieste.

Branches: Rome, Turin, Fiume, Trento, Rovereto, Gorizia.

Agencies throughout Italy's new Provinces.

Directors' Report submitted to the Sixty-fifth Ordinary General Meeting, 9th April, 1924.

Capital raised to 100,000,000 Lires.

The Directors have submitted to the Shareholders the Balance Sheet and Profit and Loss Account for the year ended 31st December last.

These show a net profit of Lit.6,203,361.40, on the basis of which a dividend of Lit.40 for each share, corresponding to a rate of Eight per cent. per annum, will be paid.

The Bank has had another successful year, profits being actually larger than in 1922.

Owing to the improvement of general business of the Bank, and according to more favourable commercial and industrial conditions of Italy's new provinces, of which the Banca Commerciale Triestina represents the most important Banking Institution, the Chairman was able to announce a new capital issue of Lit.25,000,000, so that the total capital of the Bank will be raised to Lit.100,000,000, fully paid.

The new Shares, which will rank for Dividend from January 1st, 1924, have all been offered to the Shareholders at Lit.550, plus interest from January 1st, 1924.

THE BANK OF ADELAIDE

(Established 1865).

Paid-up Capital	£875,000
Reserve Fund	750,000
	1,625,000
Reserve Liability of Proprietors	875,000
	£2,500,000

Head Office—Adelaide, South Australia.
MELBOURNE OFFICE—267 COLLINS STREET.
SYDNEY OFFICE—105 PITT STREET.
PERTH OFFICE—SURREY CHAMBERS,
ST. GEORGE'S TERRACE.
London Office—
11 LEADENHALL STREET, E.C.3.

Bills on Australasia purchased or collected.
Drafts and Letters of Credit issued and Remittances cabled.
Deposits received for fixed periods at rates to be ascertained on application, and every other description of banking and exchange business transacted.

THE WESTERN AUSTRALIAN BANK.

(Established 1841.)

PAID-UP CAPITAL	£378,000
RESERVE FUND	£813,000
RESERVED PROFITS	£31,144
RESERVE LIABILITY OF SHAREHOLDERS	£378,000

Head Office—Perth, Western Australia.

Drafts issued, Remittances cabled, Bills negotiated or collected, Deposits received for fixed periods at rates to be ascertained on application, and all Banking and Exchange Business connected with Western Australia conducted through the

Agents:

THE BANK OF ADELAIDE, 11 Leadenhall St. London, E.C.3

ALEXANDERS DISCOUNT CO. LIMITED,

24 Lombard Street, E.C.3.

Capital Authorised	£1,250,000
Capital Subscribed	1,100,000
Paid up	600,000
Reserve Fund	430,000

DIRECTORS.

COLIN FREDERICK CAMPBELL, Chairman.
ROBERT ERNEST ALEXANDER.
GEORGE CLEVERLY ALEXANDER.
SIR AUSTIN EDWARD HARRIS, K.B.E.
ERIC GORE BROWNE, D.S.O.

Manager—F. NEWCOMB.

Sub-Manager—E. D. SPRING RICE.

Secretary—A. K. BRUCE.

Approved Mercantile Bills discounted. Loans granted on negotiable securities. Money received on deposit at call and short notices at current market rates, as advertised from time to time in the daily papers. For longer periods on specially agreed terms.

The Company deals in British Treasury Bills
of any maturity.

UNION BANK OF SCOTLAND,
Limited.

ESTABLISHED 1830.

SUBSCRIBED CAPITAL	-	-	£5,000,000
PAID-UP	-	-	£1,000,000
RESERVE FUND	-	-	£1,250,000
DEPOSITS	-	-	£29,334,377

Chairman.

HIS GRACE THE DUKE OF ATHOLL, K.T.

Deputy Chairman.

JOHN Y. BUCHANAN, F.R.S.

Ordinary Directors.

ROBERT CLARK, Esq., Shipowner, Glasgow.
 ROBERT ELMSALL FINDLAY, Esq., Merchant, Glasgow.
 ARTHUR C. D. GAIRDNER, Esq., Banker, 33, Gracechurch Street,
 Lombard Court, London, E.C.3.
 HENRY E. GORDON, Esq., of Aikenhead, Cathcart.
 SIR LUDOVIC JAMES GRANT, Bart., LL.D., Edinburgh.
 WILLIAM HUTTON, Esq., Actuary, Glasgow.
 ARCHIBALD R. C. PITMAN, Esq., Writer to the Signet, Edinburgh.
 PETER RINTOUL, Esq., Chartered Accountant, Glasgow.
 SIR H. ARTHUR ROSE, D.S.O., Merchant, Edinburgh.
 The Right Honourable J. PARKER SMITH, of Jordanhill.
 NORMAN L. HIRD, Esq., General Manager, Glasgow.

ADAPTED IN EVERY WAY TO CARRY THROUGH ALL FORMS OF
 BANKING BUSINESS IN LONDON AND SCOTLAND.

Every description of HOME and FOREIGN Banking transacted.
 Letters of Credit on all places at home and abroad; Cable
 remittances arranged; Freight Collections; Ships' Disbursements
 Credits; Commercial Credits, etc., arranged; Bills of Exchange and
 Shipping Documents collected or negotiated subject to approval.
 The Bank also undertakes the duties of Trustee and Executor.
 At London Office Current Accounts and other business
 conducted on the usual terms of London Banks.
 Deposits received at interest.

NORMAN L. HIRD, General Manager.

HEAD OFFICES:

GLASGOW—Ingram Street. EDINBURGH—George Street.

LONDON OFFICE—62, Cornhill, E.C.3. John Alexander, Manager
 WITH FOREIGN EXCHANGE DEPARTMENT.
 172 BRANCHES THROUGHOUT SCOTLAND.



LATVIJAS BANKA

State and Emission Bank of the
Republic of Latvia.

Cable Address: "Valstsbanka."

Head Office: Riga.

Branches in all important places of
 Latvia.

Executing all Banking operations.

Opens Credits in connection with
 Import and Export business.

Collections, Transfers, Discounts, etc.

Affords every facility for
 transactions to and from
 Foreign States.

FINLANDS BANK

HELSINGFORS.

The only Bank authorized to issue
 Bank Notes in Finland.

ESTABLISHED 1811.

Governor: RISTO RYTI.

Managing Directors:

ERNST GRÄSTEN, L. af HEURLIN,
 HARRY BROMS.

CAPITAL Fmk.150,000,000

Branches at: Hämeenlinna (Tavas-
 tehus), Joensuu, Jyväskylä, Kotka,
 Kuopio, Mikkeli (St. Michel), Oulu,
 (Uleåborg), Pori (Björneborg), Sorta-
 vala (Sordavala), Tampere (Tammer-
 fors), Turku (Åbo), Vaasa (Wasa) and
 Viipuri (Wiborg).

THE DAI-ICHI GINKO, LIMITED

(FORMERLY THE FIRST NATIONAL BANK)
ESTABLISHED 1873.

SUBSCRIBED CAPITAL	-	Yen 50,000,000.00
PAID-UP CAPITAL	-	Yen 43,175,000.00
RESERVE FUND	-	Yen 40,000,000.00

Y. SASAKI, President.

K. ISHII, Managing Director.

Y. NOGUCHI, Managing Director.

S. SUGITA, Managing Director.

HEAD OFFICE:

No. 1, KABUTO-CHO, NIHONBASHI-KU, TOKYO.

T. AKASHI, Manager.

CITY BRANCHES:

Isecho, Shin-Osakacho, Fukagawa, Marunouchi, Kyobashi.

HOME BRANCHES:

Yokohama, Nagoya, Tamayacho (Nagoya), Yokkaichi,
 Kyoto, Nishijin (Kyoto), Gojo (Kyoto), Fushimi, Osaka,
 Nishiku (Osaka), Minamiku (Osaka), Honmachi (Osaka),
 Kobe, Hyogo, Kyomachi (Kobe), Hiroshima, Shimonoseki,
 Chofu, Moji, Kokura, Fukuoka, Kurume, Kumamoto,
 Hakodate, Otaru, Sapporo, Muroran.

BRANCHES IN COREA:

Seoul, Fusan.

LONDON & NEW YORK BANKERS:

LONDON:	NEW YORK:
Westminster Bank, Ltd.	The National City Bank of New York.
Midland Bank, Ltd.	The National Bank of Commerce in New York.
The Yokohama Specie Bank, Ltd.	The Yokohama Specie Bank, Ltd.

CORRESPONDENTS:

The Bank, in addition to its own Branches, has numerous
 Agencies or Correspondents in the principal Cities and
 Towns at Home and Abroad.

Hongkong and Shanghai
Banking Corporation

AUTHORISED CAPITAL	...	...	\$50,000,000
ISSUED AND FULLY PAID-UP	...	...	\$20,000,000
RESERVE FUNDS	{	STERLING ...	\$4,500,000
	{	SILVER ...	\$25,500,000
RESERVE LIABILITY OF PROPRIETORS			\$20,000,000

Head Office - - HONGKONG.

Chief Manager - Hon. Mr. A. G. STEPHEN.

BRANCHES AND AGENCIES:

Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Chefoo,
 Colombo, Dairen (Dalny), Foochow, Haiphong, Hamburg,
 Hankow, Harbin, Hongkew (Shanghai), Ipoh, Johore, Kobe
 (Hiogo), Kuala Lumpur, London, Lyons, Malacca, Manila,
 Nagasaki, New York, Peking, Penang, Rangoon, Saigon, San
 Francisco, Shanghai, Singapore, Sourabaya, Sungei Patani,
 Tientsin, Tsingtao, Vladivostok, Yloilo, Yokohama.

COMMITTEE IN LONDON:

Sir Charles Addis, K.C.M.G., Chairman.
 Hon. Cecil Baring. C. A. Campbell.
 David Landale. Sir George Macdonogh.
 Sir Geo. Sutherland. K.C.B., K.C.M.G.
 A. M. Townsend. C. F. Whigham.

MANAGERS IN LONDON:

SIR NEWTON J. STABB. H. D. C. JONES.
 Sub-Manager, E. W. Townend. Accountant, A. Moncur.

9, GRACECHURCH STREET,
 LONDON, E.C.3.

NATIONAL DISCOUNT
COMPANY, LIMITED.

ESTABLISHED 1856.

35 CORNHILL, LONDON, E.C.3.

Telegraphic Address:
"NATDIS, STOCK, LONDON."Telephones:
Nos. 1484, 1485 & 1831 AVENUE.

SUBSCRIBED CAPITAL	...	...	£1,698,380
PAID-UP CAPITAL	...	...	£846,665
RESERVE FUND	...	...	£500,000

DIRECTORS.

Col. The Hon. SIDNEY PEEL, D.S.O., Chairman.
 FREDERICK W. GREEN. Sir SIGISMUND F. MENDEL, K.B.E.
 The Rt. Hon. F. LEVERTON HARRIS. CHARLES D. SELIGMAN.
 WALTER J. HERIOT. PHILIP H. WADE.

Manager.—PHILIP H. WADE.

Sub-Manager.—FRANCIS GOLDSMITH.

Secretary.—CHARLES H. GOUGH.

Auditors.

FRANCIS W. PIXLEY (Jackson, Pixley & Co.).
 SIR ALBERT WYON, K.B.E. (Price, Waterhouse & Co.).

Bankers.

BANK OF ENGLAND.
 NATIONAL PROVINCIAL BANK, LIMITED.

Bank and Approved Mercantile Bills Discounted.
 Money received on Deposit at Call and Short Notice, and Interest
 allowed at the Current Market Rates; and for longer periods upon
 specially agreed terms.
 Loans granted upon negotiable securities.
 Investments and Sales of all descriptions of British and
 Foreign Securities effected. All communications on this subject
 to be addressed to the Manager.

THE CANADIAN BANK
OF COMMERCE.

Paid-up Capital	-	\$20,000,000 (£4,109,589).
Reserve Fund	-	\$20,000,000 (£4,109,589).

Head Office: TORONTO.

Sir EDMUND WALKER, C.V.O., LL.D., D.C.L., President
 Sir JOHN AIRD, Vice-President and General Manager
 Rt. Hon. Sir THOMAS WHITE, K.C.M.G., Vice-President.
 H. V. F. JONES, Assistant General Manager.

Over 600 Branches throughout CANADA and
 NEWFOUNDLAND.

FOREIGN BRANCHES:

BRIDGETOWN (Barbados). HAVANA (Cuba).
 KINGSTON (Jamaica). PORT OF SPAIN
 and SAN FERNANDO (Trinidad). RIO DE
 JANEIRO (Brazil). MEXICO CITY (Mexico).
 ST. PIERRE (St. Pierre et Miquelon).
 NEW YORK, SAN FRANCISCO, PORTLAND
 (OREGON), and SEATTLE (United States).

AGENTS IN ALL THE PRINCIPAL
 CITIES OF THE UNITED STATES.

London Office: 2 LOMBARD STREET, E.C.3.
 CHARLES CAMBIE, Manager. A. R. PHIPPS, Assistant Manager.

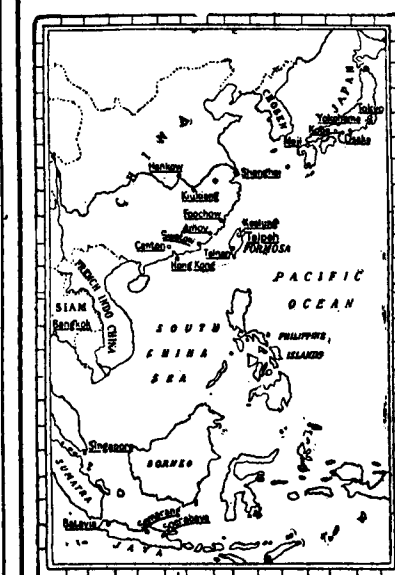
THE BANK OF TAIWAN,
LIMITED.

(REGISTERED IN JAPAN, 1899.)

Head Office - TAIPEH, FORMOSA

Capital Subscribed	...	Y. 60,000,000.00
Capital Paid Up	...	Y. 52,500,000.00
Reserve Funds	...	Y. 12,980,000.00

Map showing distribution of branches
 in the Far East.
 Other Branches: NEW YORK and
 BOMBAY.



The Bank is incor-
 porated by special charter
 of the Imperial Japanese
 Government, and is
 authorised to issue notes
 in Formosa, being under
 the special supervision of
 the Government.

The Bank transacts
 General Banking and
 Foreign Exchange Busi-
 ness, undertakes Trust
 Business, and acts as
 Business Agents for
 other Banks.

Deposits are received
 for fixed periods on terms
 which may be ascertained
 on application.

TOKYO OFFICE:
 YEIRAKUCHO,
 KOJIMACHI-KU, TOKYO.
 LONDON OFFICE:
 25, OLD BROAD STREET,
 LONDON, E.C.2.

Correspondents in every
 principal town in the
 World.

BANCO DE CHILE

94 GRACECHURCH STREET, E.C.

PAID-UP CAPITAL	-	-	-	\$100,000,000	
RESERVE FUND	-	-	-	58,000,000	
RESERVE LIABILITY OF SHAREHOLDERS	-	-	-	100,000,000	Chilian Dollars
RESERVE FUND IN GOLD OF 18d	-	-	-	13,353,353	
				= \$1,000,000	

Head Offices—SANTIAGO & VALPARAISO.

BRANCHES.

Santiago (Estacion), Santiago (Matadero), Santiago (San Pablo), Santiago (Bella Vista), Santiago (Bandera), Santiago (Universidad), Valparaiso (Almendra), Ancud, Antofagasta, Arica, Chillan, Concepcion, Copiapó, Coquimbo, Curicó, Illapel, Iquique, La Calera, La Ligua, Lebu, Ligua, Linares, Los Andes, Los Angeles, Mulchen, Nueva Imperial, Osorno, Ovalle, Parral, Puerto Montt, Quillota, Rancagua, Rengo, Rio Bueno, San Antonio, San Carlos, San Fernando, San Felipe, San Javier, Santa Cruz, Serena, Tacna, Talca, Talcahuano, Taltal, Temuco, Tomé, Tocopilla, Traiguén, Valdivia, Vallenar, Vicuña, Vina del Mar.

The London Agency transacts every class of Banking business with Chile. Current Accounts also opened and Deposits received.

DAVID BURNS, Manager.

NETHERLANDS BANK OF SOUTH AFRICA.

AUTHORISED CAPITAL - £750,000
SUBSCRIBED & PAID-UP CAPITAL - 240,000
RESERVE FUND - 63,412

HEAD OFFICE:
AMSTERDAM, Keizersgracht 389.

LONDON AGENCY:
Salisbury House, Finsbury Circus, E.C.2.
London Manager: J. Cost-Budde.

BRANCHES IN SOUTH AFRICA:
Cape Town, Bethlehem, Bloemfontein, Brits, Bronkhorstspuit, Dullstroom, Durban, Ermelo, Hartbeestfontein, Johannesburg, Pietersburg, Port Elizabeth, Potchefstroom, Premier Mine, Pretoria, Witbank.

The Bank is prepared to grant Drafts and Letters of Credit, and to make Telegraphic Transfers upon its Branches as well as upon its Agencies in Cape Colony, Natal, Orange River Colony, and Transvaal.

Bills negotiated and collected, and every description of Banking Business transacted in connection with South Africa.

Current Accounts kept and Deposits received for fixed periods.

The Bank acts in South Africa as Agents for the

PRETORIA HYPOTHEEK MAATSCHAPPY
(Pretoria Mortgage Company).

ESTABLISHED 1869.

Money advanced on loan on the security of landed property.

Telegraphic Address: "Compichery, Amsterdam."

Handel-Maatschappij
H. Albert de Bary & Co.
AMSTERDAM

Merchant Bankers

Capital Fl.6,000,000
(FULLY PAID)

THE
**Commercial Banking
Company of Sydney,**
LIMITED.

ESTABLISHED 1834.

INCORPORATED IN NEW SOUTH WALES.

Capital Paid Up £3,000,000. 0. 0
(In course of being paid up to £3,500,000)

Reserve Fund £2,580,000. 0. 0

**Reserve Liability of
Shareholders £3,500,000. 0. 0**

Drafts payable on demand and Letters of Credit on Australasia are issued by the London Branch. Bills on Australasia negotiated or collected. Remittances cabled.

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The Economist

REPARATIONS SUPPLEMENT.

SATURDAY, MAY 31, 1924.

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The publication of the Experts' Reports, followed closely by the General Elections in France and Germany, without any doubt means that the Reparation problem is about to enter upon an entirely new phase. The question is one of such fundamental difficulty, and the Nations of Europe have been so often disappointed, that we dare not put our hopes too high. At the same time, there is every reason to think that the conditions are at this moment more favourable for a settlement than at any time since the Armistice. We have therefore thought it a suitable moment to present to our readers a summary of the Experts' Reports, which will undoubtedly form the financial basis of a settlement, and to accompany it by an historical summary of the whole question, which we think may prove useful for purposes of reference.

THE DAWES REPORT.

Before we proceed to summarise or discuss the actual plans proposed there are certain general considerations to which attention should be called. In the first place, the Report only covers a part of the field. Not only does it leave out all the political aspects of the problem, but the Experts were restricted even on economic matters. M. Poincaré, for instance, refused to allow them to reconsider the problem of Germany's total obligation. The plan they put up is therefore limited to a definite scheme for the next five years. We are disposed to think, however, that this very limitation is itself one of the reasons why it has made unanimity possible, and accounts for its friendly reception. It would clearly be extremely difficult to name now the total sum which Germany will ultimately pay. On the other hand, to leave the future entirely vague has most serious drawbacks which would mean the frequent reopening of the question at intervals, and would lead to confused uncertainty. The Experts have, therefore, invented an index of prosperity, and proposed that at the end of five years the amount to be paid by Germany shall vary in accordance with this index. This is not a new device, but no one has hitherto agreed upon the proper index, still less upon the basis figure of annual payments to which this index should apply. The plan now proposed gives an element of elasticity to the future payment of Reparations, while at the same time ensuring that they will not impose an impossible burden upon the debtor. We have quoted this feature of the scheme here because it illustrates the chief merit of the Report, which is that it lays down on the strongest possible authority a number of economic principles which must be the dominating factors in the problem. While, therefore, the Report does not produce a completely finished plan, its enunciation of principles will eliminate in the future those illusory and untenable propositions which have hitherto clouded the issue. Thus while the experts in name confine their recommendations within the limits imposed by M. Poincaré, their principles have, in fact, settled the whole amount of Reparations.

THE RUHR OCCUPATION.—An even stricter limit was imposed in regard to the occupation of the Ruhr. But here again the Report gives some very clear indications. Political guarantees and penalties, they say, if needed to ensure the execution of the plan, are outside their jurisdiction, as are also questions of military occupation. "It is, however, our duty to point out clearly that our forecasts are based on the assumption that economic activity will be unhampered and unaffected by any foreign organisation other than the controls herein provided. Consequently, our plan is based upon the assumption that existing measures, in so far as they hamper that activity, will be withdrawn or sufficiently modified so soon as Germany has put into execution the plan recommended, and that they will not be re-imposed except in the case of flagrant failure to fulfil the conditions accepted by common agreement. In case of such failure it is plainly for the creditor Governments, acting with the consciousness of joint trusteeship for the financial interests of themselves and of others who will have advanced money upon the lines of the plan, then to determine the nature of sanctions to be applied and the method of their rapid and effective application." They add, however, that if the system in the occupied territories is modified their scheme must be safeguarded by adequate productive securities, which are elaborated in the Report. The Committee excuse themselves for introducing this question of control by pointing out that they could not invent a working scheme under which Germany would pay anything at all, and that they could see no way of ensuring permanent stability in the budget or the restoration of Germany's credit abroad and at home so long as the present system existed; and they, therefore, postulate that the economic unity of Germany.

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many must be restored if their Report is to be carried out. This conclusion is thus expressed in the form of a hypothesis, but in effect it is a political decision of the first magnitude.

OTHER PROBLEMS.—But if the Report is limited in relation to the German problem, it is even more important to recognise that it leaves out of account the cognate economic problems which arise in other countries; for example, it does not deal at all with the very difficult question of the capacity of all other countries to receive reparations without undue disturbance of their economic life. It also fails to deal with the vexed question of the distribution of reparation receipts, or the problem of the inter-Allied debts. It is quite conceivable that the first and third of these problems will require to be dealt with by another Expert Committee before we can hope to get a complete settlement of the whole issue. After all, the question of the debt raises precisely the same type of problem as does the question of the payment; that of the capacity to receive raises economic issues that are not covered by any of the considerations advanced by the Experts.

COMPARISON WITH AUSTRIAN AND HUNGARIAN SCHEMES.—The Report is also noteworthy in that it departs from the two previous efforts at European economic settlement—i.e., the reconstruction schemes of the League of Nations in Austria and in Hungary. At the outset it differs from these in the fact that reconstruction of these two countries has been assumed to require the total, or very nearly total, suspension of Reparations payment for a long period of years. The Allies have agreed that the new Austria cannot be expected to become a reasonably self-supporting nation or put her finances in order if she has to pay anything in the way of external debt. The reconstruction scheme for Hungary imposes what may be called a "peppercorn" reparations payment amounting only to 1s per head of the population per year. The Dawes scheme for Germany, on the other hand, imposes upon Germany a normal charge equivalent to 41s per head.

There is, however, a much more striking difference in the fact that the Austrian and Hungarian schemes assume that it is necessary to put a Foreign Commissioner in such a position of authority that he is able to control the whole public finances of these countries. The Reparations Experts, on the other hand, have not considered it practicable to place the whole finances of such a country as Germany in the hands of a foreigner. They have, indeed, hesitated to propose what would have been a great inroad upon the sovereignty of a nation of 60 millions, which has been, and will probably remain, the most important economic Power on the continent of Europe. They have therefore exercised great ingenuity in devising schemes which will determine in advance the financial policy of Germany, which will enable Foreign Commissions of various countries to watch and ensure the carrying out of the scheme, and will moreover make it to Germany's interest to carry out her work. The sceptic may think that this plan relies too much upon the goodwill of Germany, but behind the scheme there remain the rights conferred by the Treaty of Versailles, which permits the Allies to take whatever further economic or financial steps may be necessary to enforce their claims.

PROSPECTS OF ACCEPTANCE.—Finally, apart from the merits of the Report, there are certain factors that make it probable that the Report will be accepted. On the side of Germany the outstanding factor is that during the autumn of 1923 that country experienced such disastrous consequences from unchecked inflation and its economic life received so serious a blow (which came perilously near to breaking up the organised society of the whole nation, including industrialists and financialists, who had benefited from inflation in its earlier stages), that it has determined at all costs to escape so serious a disaster again if escape is possible. The Report offers them a hope of doing this, for it automatically brings the payment of reparations within tolerable limits. Similarly, on the side of France, her people have in the last six months faced the stark and disquieting facts of her financial position, which imperatively called for a serious increase in the burden of taxation, and has led to a realisation by the French nation that it must get what substance it can out

of these reparation plans, and not sacrifice everything for the pursuit of a shadow.

SUMMARY OF THE SCHEME.

The experts were invited "to consider the means of balancing the Budget and the measures to be taken to stabilise the currency" of Germany. But the dominating feature of the German Budget is her obligation to the Allies under the Treaty of Versailles. The experts, therefore, "have been concerned with the practical means of recovering this debt, not with the imposition of penalties; and the guarantees which we propose are economic, and not political."

If the present situation of Germany represented her potential capacity, the development of a Budget which would include Reparations would be hopeless. "But Germany's growing and industrious population; her great technical skill; the wealth of her material resources; the development of her agriculture on progressive lines; her eminence in industrial science; all these factors enable us to be hopeful with regard to her future production." Moreover, since 1919 Germany's plant and equipment has been improved. The railways are in better condition, telephone and telegraphic communication modernised, canals and harbours developed, and industrial plant brought to the point at which it is "adapted in many industries to produce a greater output than before the war."

The Report opens with a plan for a new bank of issue by means of which it is hoped to control and stabilise the currency. The recommendations under this head will be found in a succeeding section. Stabilisation is a necessary preliminary to balancing the Budget. But in the long run it can only be maintained as the result of an equilibrium in the State finances. The Experts put this point in the forefront, as their whole Report necessarily takes currency stability for granted.

Germany's Capacity to Pay.

The Report recognises the twofold character of the problem—namely, the internal question—that is to say, how much can be raised and set aside in Germany for the Allies without imperilling Germany's financial position—and secondly, how much can be transferred to Germany's creditors abroad. The Report deals very completely with the first question, both from the theoretical point of view and from that of practical difficulty; the second is lightly treated, and to a certain extent shelved. Specific machinery is, however, proposed for carrying out the plan from both points of view, and for instituting definite forms of control, which are intended to be sufficient to safeguard the interests of the Allies.

The Internal Problem.

The Committee accept in principle the doctrine laid down in the Treaty of Versailles, that the German people should bear at least as heavy a burden of taxation as that borne by any of the Allied peoples. The fact that Germany has wiped out her debt by inflation renders it practical and just to impose a heavier burden than would otherwise have been possible. It is true that the extinction of the debt has been at the expense of her taxpayers, but, on the other hand, a large proportion of the richest taxpayers have obtained the relief without themselves bearing a proportionate cost, and they are a proper object for increased taxation. The Report gets near to a definition of "commensurate" burden by estimating the *per capita* charge in relation to *per capita* wealth or income. But before this principle is established there should be deducted a minimum subsistence allowance from the *per capita* income. It would, however, be wrong to deduct a fixed minimum; for this must obviously vary between countries of different climates, different stages of economic development, and different customs. Indeed, as a rough working assumption, such a minimum may be regarded as itself varying in proportion to the *per capita* income of different countries. These considerations produce a sufficiently complex formula; but the calculation is rendered still more uncertain by the inadequacy of statistics of national income and the technical difficulty of comparing the total taxation, both national and local, of

various countries. Finally, taxation levied for transfer to people out of the country is a burden of a different kind from taxation levied to transfer to other people in the same country, since in the latter case the funds are expended to provide profits and a stimulus to internal trade and production at home. For these reasons the Experts do not reduce their calculations under this head to precise figures, but content themselves with the declaration that the doctrine of "commensurate" burden, when Germany is fully restored to economic prosperity; "would more than justify all the practical conclusions we have set down."

The Sources of Payments.

The Experts do not, however, propose to put the whole of the burden of Reparations upon the German Budget. The financial system of the country has been so demoralised, that it will take time before the tax machinery is again working satisfactorily. On the other hand, old mortgage charges on Germany's industrial and transport systems have been eliminated just as completely as the German internal debt, and there is clearly room to reimpose some permanent form of debt upon these undertakings. A railway or industrial charge would have the advantages of almost immediately releasing considerable sums without overburdening the financial machine, and, secondly, of producing a form of security which may subsequently be passed into private hands, and whose capital value may be realised in the interests of the Allied creditors. Such charges are a burden upon Germany just as much as if the sums were levied by the German Government in taxes, but there are special conditions in Germany which make burdens imposed in this way less onerous and easier to collect. The Experts, therefore, propose to build up an annual payment (a) from the ordinary Budget (b) by means of railway bonds and the transport tax, and (c) from industrial debentures. From neither source do they expect that much could be forthcoming in the current financial year, and they therefore propose that a loan of £40 millions should be raised for Germany this year, by means of which deliveries in kind may continue and the Bank of Issue be floated. A combination of these methods enables them to forecast Reparations in accordance with the following table for the next five years:—

	(In Million Gold Marks.)				
	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
Railway bonds	200	595	550	660	660
Transport tax	nil	nil	290	290	290
Industrial debentures...	nil	125	250	300	300
Sale of railway shares ..	nil	500	nil	nil	nil
Foreign loan	800	nil	nil	nil	nil
Budget contribution ..	nil	nil	110	500	1,250
Total	1,000	1,220	1,200	1,750	2,500

The figure for the fifth year is to become the standard payment subject to a "prosperity index" referred to in more detail below. These figures are to include all Treaty charges, that is to say, to cover in addition to Reparations the costs of armies of occupation, expenses of control commissions, clearing house charges, &c.

Budget Charges.

The draft budget for the current year, as presented to the Experts by the German Government, just balances. If there is delay in restoring a normal administrative system there may be a deficit; but the Experts think that there may possibly be a saving on the large item entered for unemployment relief. Even if, however, there is a deficit it would not be so serious as to endanger the stability of the currency. Moreover, they are of opinion that arrangements now made under the stabilised currency system would fully mature next year, and they have no doubt that for these two years together a balance can be struck. During these two years the Experts, in effect, recommend a moratorium from Reparations burdens on the budget.

Comment is, however, made in considerable detail on the German budget system. The method of direct taxation during the currency depreciation of the last four or five years notoriously broke down, and the well-to-do escaped any serious imposition of income-tax—"we have put it as

a matter for the serious consideration of the German Government whether they should not, facing even the admitted administrative difficulties, review the assessments of recent years in the case of these particular classes of taxpayers and re-assess their liability upon a gold basis." The German Government have found it impossible to take 1923 as a basis of assessment for 1924, and have been driven to the temporary expedient of charging up to 25 per cent. with the intention of re-scheming and re-assessing the income-tax proper in 1925. "These expedients do not reassure us upon the general question as to the taxation of the wealthy classes, and, in our judgment, if they desire the Allies and their own working classes to realise their good faith in this matter, the German Government should publish at an early date their definite intentions with regard to the scales of income taxation that are to be applied during 1925-26 to the actual profits of 1924-25 for the final adjustment of the fiscal year 1924-25." Under the current year's budget system, 1,344 million gold marks are expected from the income-tax, of which 480 millions are assessed upon wages.

Again the Experts are concerned with the relation of the Reich to the States. After the war, finance was centralised and much of the taxation is now repaid to the States and Communes over whose expenditure the Central Government has little control. The actual expenditure of the Reich is little more than one-third of the total Federal and State expenditure and the State or Communal budgets might be prospering at the same time as the Reich budget is in difficulties. The Experts emphasise that this hole in the budget must be plugged by putting these internal relations on a sound and permanent footing.

The report does not attempt to lay down rigid rules about the German budget or to bring the fiscal system into line with that of other countries. Each nation builds up its finances as a result of history, tradition, and its special economic circumstances. At the same time, a number of recommendations are put forward. The Committee do not propose that tobacco should become a State monopoly entirely, but that its sale should be in the hands of the State through authorised agents, and an elaborate scheme is drawn up for this purpose. The rates of indirect taxation seem to the Committee to be low and capable of increase, but the turnover tax is regarded as a barrier to trade development. Taxes on motor transport, they find, should be raised, while the yield of the death duties is far too small when judged by almost any standard. All these suggestions are, however, recommendations only to the German Government, and are not proposed as a necessary part of the scheme to be imposed upon Germany.

Assigned Revenues and Their Control.

While thus rejecting detailed control of all Germany's revenue and expenditure—which would make the controlling authority responsible for all financial troubles, and might be made a pretext for them—the Experts devise security for these budget payments by an arrangement under which certain revenues would be assigned to and paid into the account of the Allies. These revenues will be the taxes on Customs, alcohol, tobacco, beer, and sugar, whose yield (exclusive of Customs) is estimated by the German officials in 1928 to reach 1,700 million gold marks, but by the technical advisers to the Committee to reach in that year 2,146 million gold marks. Including Customs, these revenues will yield, even on the lowest estimate, a surplus of 1,150 millions over the payments to be made from the budget to the Allies. The whole of such surpluses over the Allied claim will, of course, be automatically paid back to Germany, whose interest, therefore, it will be to make these taxes yield as high a sum as possible. In 1926-27 and in 1927-28 the Committee suggest that to some extent the yield of these revenues should govern the amount to be paid to the Allies out of the budget. But the idea of using the yield of these taxes as an index of ability to pay is purely a passing and temporary phase applicable to these two years only. Apart from these two years, taxes are purely collateral, and not a measure of the amount to be paid. These assigned revenues will be supervised and paid into the account of a Commissioner with sub-Commissioners for each of the five controlled revenues. It would be his

business to impose such methods of independent audit as he might think fit. He would not assume responsibility for detailed administration, but would have the duty of seeing that the administration was efficient and the accounting system honest and accurate. He would not, therefore, be obliged to insist on the exact tariffs or assume responsibility for direction of the administrative staff; but the degree of control would become more active if the need were apparent, and, if the revenues were in danger of becoming insufficient, it would be his duty to take measures to increase their productivity. He would have the right (though he would not necessarily exercise it) to be consulted before administrative changes were made, and would have access to all books and the right to insist upon a higher standard of administrative efficiency. The Experts are very anxious to avoid interference in the details of Germany's tariff policy, and suggest that the Commissioner and his advisers should proceed by way of recommendation to the German Government; but they add that the main lines on which the control should work must finally be settled by the countries interested.

The Railway Scheme.

With the assistance of Sir William Acworth and M. Lerve, the Experts conducted a fairly exhaustive inquiry into the present condition of the German railways and evolved a scheme for their future status which is not the least important of their proposals. The Experts consider that the difficulties under which the railway administration at present suffers are largely of the Germans' own making. The system is enormously overstaffed, and, since the war, very extravagant capital expenditure has been indulged in. On the other hand, the railways are unencumbered with old debts, since the depreciation of the mark extinguished their prior charges. Before the war these prior charges absorbed half the gross profits (of approximately 1,000,000,000 gold marks) and the Experts are of the opinion that, under proper management and unified control, the railways could earn a fair dividend upon their present capital value, which they estimate to be 26,000,000,000 gold marks. They hold that this dividend could be provided by the more economical administration of the railways themselves, and would not necessarily imply an increase either of fares or of the cost of goods transported by rail. The inquiry, however, gave the impression that the official administration, which has always been more concerned with meeting the demands of public opinion than of making a financial profit, would not be capable of putting through the drastic reforms that are needed, and that the full measure of improvement cannot be expected so long as the railways remain in the control of the Government. It is therefore proposed that the German railways be converted into a joint-stock company, in the management of which Germany's creditors will be represented.

The first charge on the new undertaking shall be the service of **first mortgage bonds**, issued without payment and for the purpose of reparation to a Trustee appointed by the Reparation Commission. The total of such bonds is to be 11,000,000,000 gold marks, with interest at 3 per cent. for the first financial year of the company, at 4 per cent. plus a bonus of 25,000,000 gold marks for the second year, at 5 per cent. for the third year and thereafter, with a sinking fund to come into operation at the end of the fourth year. The service of the bonds is to be assured by the following payments:—

	Amount. Gold Marks.
First year	350,000,000
Second year	465,000,000
Third year	550,000,000
Fourth year, and after	660,000,000

These annual payments may, in fact, be exceeded by the German Government and the company, provided that the necessary authorisation is forthcoming from the Reparation Commission, which shall first consult the Transfer Committee.

Irrespective of the transport tax, which was first instituted during the war, and which is this year estimated to yield 227,000,000 gold marks, the Experts estimate that

the net revenue of the railways, after allowing for an adequate reserve, will be as follows in the next few years:—

	Amount. Gold Marks.
First year	400,000,000
Second year	550,000,000
Third and fourth years	700-750,000,000
Thereafter	800,000,000

These figures represent what are believed to be very conservative estimates of the dividend-earning capacity of the German railway system.

In addition to the 11,000,000,000 gold marks of bonds, the new railway company is to have 2,000,000,000 gold marks of preference shares. The remainder of its capital cost (13,000,000,000 gold marks) is to be represented by common stock, which will be held by the German Government. Of the preference shares, 1½ milliards are to be sold by the company to private persons to provide funds for the repayment of existing indebtedness and to meet future capital expenditure, while the proceeds of the sale of the balance of the preference shares, and of any of the ordinary shares which may so be disposed of, are to go to the German Government.

The new railway company is to be managed by a board of eighteen directors, of whom nine will be chosen by the German Government and the private owners of preference shares, while the other nine will be named by the Trustee of the bonds. Of these latter, five may be Germans. It is thus contemplated that fourteen members of the Board, together with the general manager of the railways, will be Germans.

The German Government will have such control over the tariffs, &c., of the railways as may be necessary to prevent discrimination and to protect the public. Subject to this, the railway company will be free to conduct its business in such manner as it may think proper, though a **Railway Commissioner** is to be appointed to represent the interests of the bondholders. It shall be his duty to receive reports and returns and generally to see that the interests of the bondholders are not menaced. He would also have power to stop expenditure which he considered unjustifiable, or to order any increase in existing tariffs which he considered reasonable. Moreover, in the event of default, the Commissioner, as the representative of the Allies, would be entitled to enter into full control.

Industrial Debentures.

It is proposed to impose first mortgage bonds to the extent of five milliard gold marks bearing 5 per cent. interest and 1 per cent. sinking fund on German industry. In the offer of June, 1923, by the German Government a similar proposal was made, but covering business, industry, banking, trade, traffic, and agriculture. The Committee do not propose to include agriculture in this mortgage and leave it to the German Government to decide the method of equalising the burden fairly on German industry. They think that if the Government desire to equalise the burden in respect of those who escape the present mortgage, it can be done through the ordinary taxation system of the Budget. In view of the present shortage of liquid capital in Germany, the Committee propose that the interest on these debentures be waived entirely during the first year, that during the second year it should be 2½ per cent., during the third year 5 per cent., and thereafter 5 per cent., plus the 1 per cent. sinking fund. The bonds are to be delivered by the German Government to a **Trustee** appointed by the Reparations Commission. The Trustee may dispose of them in whole or in part from time to time; the debtor may make proposals for their redemption, and the Committee recommends that the Trustee be empowered to give preference to such proposals, and especially to redemption schemes which can be effected in foreign currency. The German Government is to guarantee the interest and sinking fund, and in the event of default the coupons may be presented to be cashed by the Commissioner of Controlled Revenues, who shall cash them out of the surplus funds which he would otherwise pay over to the German Government. The bonds are free of German taxation, unless held by German nationals. An Organisation Committee of two Germans, two Allied representatives, and a neutral are to work out the scheme.

The Index of Prosperity.

The standard annual payment of Germany is to increase if German prosperity increases, as measured by the extent to which the following index exceeds the average of the base years:—"For the purpose of computing the index, the following statistics shall be employed:—

- The total of German exports and imports taken together;
- the total of Budget receipts and expenditure taken together, including those of the States of Prussia, Saxony, and Bavaria (after deducting from both sides the amount of the Peace Treaty payment included in the year);
- railroad traffic as measured by the statistics of the weight carried;
- the total money value of the consumption of sugar, tobacco, beer, and alcohol within Germany (measured by the prices actually paid by the consumer);
- total population of Germany (computed from the last available census data, vital statistics, and emigration records);
- the consumption of coal (and lignite reduced to coal equivalent) *per capita*.

"The Index Base.—In computing the base, the average statistics for the three years 1927, 1928, and 1929 shall be taken for (b) Budget receipts and expenditure, for (e) population, for (f) coal consumption *per capita*, and for the six years 1912 and 1913, 1926, 1927, 1928, and 1929 for the other categories (after appropriate adjustments for the difference in population and the altered gold values for the three earlier years comparable with the three later years in this respect). The percentage change for each of these six groups, compared with the base, shall be separately computed, and an arithmetical average of the six percentage results taken as the index."

The index is to be applied to the payment of 2,500 millions except that for the five years 1929-30 to 1933-34 it shall apply only to 1,250 millions, *i.e.*, the Budget share of the total payment. In the event of the index producing a deficiency, the basis payment shall continue, but any subsequent supplementary payment which the index would otherwise produce will not be paid until the deficiency previously indicated by the index has been made good. Any dispute arising in connection with this index is to be referred to the Finance Section of the League of Nations. Either Germany or the Reparations Commission is to have the right to apply for a modification of the whole schedule of the payments if the general purchasing power of gold varies by not less than 10 per cent. of its value in 1928.

Transfer Committee.

All payments to be made under the scheme are to be made to the account of the Agent for Reparations Payments in the Bank of Issue, but transfer of these payments may not be made except under the direction of a **Transfer Committee** composed of six members, the Agent of the Reparations Commission as chairman, and five other members qualified in foreign exchange questions. They shall consist of an American, French, English, Italian, and Belgian member appointed by the Reparations Commission, in consultation with the member of the same nationality sitting upon the general board of the bank. The Committee shall act in consultation with the President and Commissioner of the Bank. The Committee is to use its funds to pay for Reparations in kind or for conversion under the Reparation Recovery Act, and to convert the remainder of its surplus into foreign currency so far as the foreign exchange market permits without threatening the stability of the German currency. If transfers cannot be so made the Committee shall invest in bonds or other loans in Germany to the extent that this in credit exceeds the sum which the Bank will keep on deposit. The purchases in kind made by the Committee shall only be used in the countries receiving them for internal requirements, including the requirements for colonies and dependencies. They may only be re-exported by the unanimous agreement of the Committee and the German Government. The Committee may, however, transfer marks to private individuals for the purpose

of making purchases in Germany of a permanent kind and out of the classes of property to be contained in a schedule agreed upon by the Committee and the German Government. "In arriving at such agreement the German Government shall be required to have due regard to the necessity for making maximum payment to its creditors, but it shall also be entitled to have regard to maintaining its control of its own internal economy." The German Government and the Bank shall undertake to facilitate in every reasonable way the working of the Committee in transferring funds, including such steps as will aid in the control of foreign exchanges. In this connection the Committee shall call the attention of the President of the Bank to the situation if it appears that the Bank's discount rate is not in relation to the necessity of making important transfers. If the sums which the Committee are unable to transfer abroad reach five milliards of gold marks—whether in the form of deposits or investments—the payment for Treaty charges shall be reduced to the amount which it is able to transfer. The Committee may even suspend these charges before the accumulation reaches five milliards, if two-thirds of its members are of opinion that its accumulation is becoming a menace to the economic or fiscal situation in Germany. In the event of concerted efforts by the German Government or by a group of individuals, to prevent transfers, the Committee may increase its balance to an unlimited amount or employ it in the purchase of any kind of property in Germany.

It is extremely difficult to foresee how these provisions will operate. The payment of Reparations involves the transfer of goods abroad. The problem is to devise means, therefore, which will create a surplus of exports larger than would otherwise be the case. This may be done in a number of ways.

If the exchange is maintained at a depreciated level so as to create a difference between the internal and external purchasing power of German currency, and if that difference is maintained by extremely heavy taxation or by other direct means calculated to reduce the internal circulation of purchasing power in Germany, there will be a tendency for Germany's productive forces to be directed to meeting export rather than home needs, and the low level of real wages will enable Germany to export in competition with other countries.

The same result might be partially obtained by a drastic control of imports. Imports may also be checked if means are found for getting hold of the foreign exchange created by Germany's ordinary commercial exports, securing this foreign exchange for the purpose of the Transfer Committee, and preventing its use as a means of financing imports into Germany.

Finally, if Reparations in kind are taken to a large extent, there will be fewer commercial exports available for creating foreign exchange through which imports may be imported.

The provisions of the Bank of Issue, described in the following section, rule out the policy of constant depreciation of the exchange. The Experts, however, contemplate that by co-operation with the Bank some control over foreign exchange will be acquired by the Transfer Committee, and they also rely to a considerable extent on continued payments in kind. The task of the Transfer Committee will, of course, be made much easier if, as a result of stabilisation, the world shows a disposition to invest large sums in Germany. If this process continues over a long period of years it will solve the Committee's task, for it would mean that private investors would take over the funds in Germany which the Committee has to dispose of.

The Bank of Issue.

The Experts propose the establishment of a new Bank of Issue in Germany to create a unified and stable currency. This is regarded as necessary for the rehabilitation of Germany's finances, the balancing of her budget, and the restoration of her foreign credit.

The new **Bank of Issue** shall be a private corporation, and its charter shall be for 50 years. Its paid-up capital is to be 400,000,000 gold marks, of which one quarter will represent the assets of the Reichsbank, while the balance shall be offered for subscription in Germany and abroad. The administration of the Bank shall be vested in a

managing board, under the chairmanship of a President, all of whom shall be of German nationality. Side by side with this managing board there is to be another board called the **general board**, which will consist of seven Germans and seven foreigners, one each of the following nationalities:—British, French, Italian, Belgian, American, Dutch, Swiss. This general board is to be given broad powers in such matters of bank organisation and operation as might affect the interests of creditor nations. One of the foreign members of the general board will be known as the **Commissioner**, and he will be responsible for seeing that there is no infringement of the provision relative to the issue of notes and the maintenance of the bank's reserves. As decisions of the general board are to require a majority vote of 10 of the 14 members, the co-operation of both German and Foreign members will be necessary for any action that may be taken.

The plan lays down in some detail the discount and loan policy which is to be pursued. In particular, the Bank shall make no loans of any kind directly or indirectly to the German Reich or to any German governmental unit, and the deposit accounts and current accounts of the Government in the Bank shall never show a debit balance. In addition, the Bank may not buy or sell merchandise, produce, real estate or shares of other corporations for its own account. The managing board is, however, authorised to make advances from time to time to the Reich up to the limit of 100,000,000 gold marks, though such advances shall in no case be for a longer period than three months. In return for these facilities the Reich and its Treasury shall conduct all their domestic and foreign banking business through the medium of the Bank. Similarly, the managing board is also empowered to grant advances to the Post Office and the Railways, provided that the total amount outstanding to the Post Office and the Railways together shall never exceed 200,000,000 gold marks. The Bank is also to receive on deposit sums paid for Reparations, though the maximum amount thus held on deposit shall at no time exceed 2,000,000,000 gold marks.

The Bank is to have the exclusive right of issuing and circulating bank notes in Germany during the period of its charter, and special conditions are prescribed for the gradual withdrawal of the notes of the Rentenbank from circulation. The new bank notes will be issued against the normal legal reserve of at least 33½ per cent. of the total amount of its notes outstanding. They will be unlimited legal tender, unless otherwise specifically provided by contract, for all debts public and private, and shall be receivable in unlimited quantities for all taxes and other Government dues in Germany.

Of the net profits of the Bank, 20 per cent. shall be transferred annually to surplus or reserve until the Bank's actual net paid-up capital and surplus shall amount to 12 per cent. of its average liabilities on circulating notes on the 15th day of the six preceding months. When this ratio is maintained, a sum shall be assigned to the payment of dividends sufficient to pay 8 per cent. per annum on the Bank's shares. The balance of the net profits shall then be divided as to one half to the shareholders in dividends or to a special fund to be used for the maintenance of a uniform dividend policy, and as to the balance to the Government as a franchise tax for the Bank's exclusive privilege of issuing circulating bank notes.

The dividends of the Bank and other income derived from its capital shares owned by foreigners residing abroad shall be exempt from all German income-tax present and future. Moreover, the Bank, in consideration of the percentage of profits accruing to the Government, shall not be subject to any corporation tax or business tax levied in Germany by the Reich or States, or other governmental unit.

External Loan.

The scheme provides for floating a foreign loan of 800 millions in the first year. In the main it is to provide means of floating the Bank of Issue. The deposit of this sum in the Bank will furnish a substantial part of its gold reserves and enlarge the basis of its currency issues. The Experts cannot say what other charges under the Treaty must be met in the first year, but they are anxious that the Allies should write these down to a minimum

figure. They lay down the rule that of the one milliard gold marks to be provided by the loan, plus the first payment of interest on the railway bonds, 800 million gold marks should be spent in Germany either in the provision of Bank reserves or to finance essential deliveries in kind and other Treaty payments, such as meeting the requirements of the armies of occupation. The service of this first loan is to be deducted from the subsequent annuities. The Committee's plan provides that for the second year deliveries in kind and the cost of the armies of occupation should be financed up to 1¼ milliards of gold marks by sums raised in Germany itself.

The Problem of Control.

The committee rejects the idea of foreign control of the whole of Germany's financial system, and have endeavoured to reduce interference to the minimum required to give the Allies necessary security. The mechanism of control may be summarised as follows:—Commissioner of the Bank of Issue; Commissioner of Railways; Commissioner of Controlled Revenues, with sub-commissioners for each section; Commissioner of Industrial Debentures; Agent for the Receipt of Reparation Payments, who will act between the Commissioner of the Reparation Commission and co-ordinate their activities on its behalf.

The scheme also requires the appointment of a Trustee, who will administer the railway and industrial bonds and be responsible to the Reparation Commission for these and other securities, or use them to secure new securities, which he may issue himself.

The plan involves the appointment of an Organising Committee for drawing up the statutes of the Bank of Issue; the general board of the Bank of Issue, of which half the members are foreign, though presided over by the president, who must be a German; the Railway Organisation Committee; the Railway Board, half appointed by the shareholders and half by the Trustee on behalf of the Allied creditors; the Organisation Committee for floating the industrial debenture scheme; and, finally, the consultative and advisory committee to the Commissioner of Controlled Revenues.

Thus the whole system is radically different from the League of Nations scheme in Austria and in Hungary, in which cases a single representative of the creditor countries was appointed. The present plan is carefully designed to safeguard the sovereignty of Germany, and to obviate the necessity of any Allied officer controlling German administration. The Committee, however, recognise that this forbearance cannot continue in case of default of the plan itself.

THE MCKENNA REPORT.

German Assets Abroad.

The McKenna Committee, which endeavoured to estimate Germany's foreign assets, refrained from preceding their enquiry by an examination of the books and finances of business men in those countries in which German capital is believed to be invested. This would have involved the disclosing of transactions entered into under implied conditions of secrecy, and in any case the Committee think that it would have been ineffective. They, therefore, attempted to estimate the total of German capital abroad at the outbreak of war and, by a process of tracing the changes in subsequent years, arrived at a figure of the present holding.

As regards German assets in 1914, the Committee was able to state the results of a census made by the German Government in August, 1916, and, from the results of this enquiry, together with the comments upon other estimates which put the figure somewhere between 20 and 35 milliards of gold marks, the Committee came to the conclusion that they could accept a total of 28 milliards of gold marks as their standard figure.

During the war Germany, whose resources were too busily engaged to be available for export, and who took every opportunity of enlarging her imports, had an adverse balance amounting to 15.2 milliard gold marks. This figure included sums paid by Germany to her allies to enable them to pay for imports. Secondly, Germany's pre-war assets were reduced by depreciation and by liquidation and sequestration measures taken by the Allied

Governments; the Committee puts this item at 16.1 milliards. In addition to this depreciation occurring in neutral countries, they think that, against this may, perhaps, be offset the accumulation of interest which could not be brought home. Against these losses must be set the sale of gold which realised one milliard, and the sale of securities, which is also estimated to have realised one milliard; while a much larger item is in respect of profits in occupied territories, in exports which the Government did not pay for, in the sequestration of securities, or foreign currencies seized in return for coal, which they exported to neutral countries from Belgium. These various deductions reduced the value of Germany's foreign holdings to something like five milliards.

As regards the subsequent period, the Committee found it necessary to revise the foreign trade figures published by the German Government, and to recast them year by year. Cash payments made to the Allies under the Treaty, plus the surplus of imports, amount to between 9 and 10 milliard gold marks. The Committee estimate that Germany benefited from the sale of mark balances abroad by from 7 to 8 milliards, in addition to which actual mark notes sold amounted to between 600 and 700 millions. These last two items are worthless, and represent the losses which foreigners have incurred through speculation in German currency.

Gold sold since the Armistice amounts to 1½ milliards,

and German real property and securities to another 1½ milliards. Other credit items are the expenditure by foreigners in Germany in excess of the amount spent by German travellers abroad, the expenditure of foreign currency by the members of armies of occupation, earnings on German investments abroad, remittances from Germans residing abroad, earnings of shipping and insurance, &c. But there is a debit balance in respect of foreign currencies moving into Germany, which the Committee estimate at 1.2 milliard marks. The net result is that the Committee puts the balance at not less than 5.7 and not more than 7.8 milliard gold marks, and they think that a figure mid-way between these two probably represents the total.

The Committee can suggest no way by which these balances can be secured or controlled. In their opinion, to prevent the exodus of capital from Germany and to encourage its return, it is necessary to eradicate the cause of its outward movement. Inflation must stop, and Germans with capital abroad feel that they will not suffer by bringing it home. They think legislation controlling this question cannot be entirely repealed until the country's finances are more stable, but they propose that, pending normal conditions, an amnesty should be granted for a limited time from the penalties imposed by existing enactments, and that special terms should be offered to the holders of Government loans in foreign currencies.

HISTORY OF THE REPARATIONS QUESTION.

I. THE ARMISTICE.

On November 5, 1918, the Allied Governments, in a note sent to the President of the United States, declared their willingness to make peace with Germany on the terms laid down in the President's Address to Congress on January 8th of the same year and in accordance with the principles of settlement enunciated in his subsequent addresses. They made it clear, however, that while there were to be "no annexations, no contributions, and no punitive damages," the restoration of the invaded territories was a very definite provision, about the implications of which no doubt ought to be allowed to exist. "By it they understand that compensation will be made by Germany for all damage done to the civilian population of the Allies, and to their property by the aggression of Germany by land, by sea, and from the air." Upon this basis an Armistice was signed between the principal allied and associated Powers and Germany, on November 11, 1918.

II. THE TREATY OF VERSAILLES.

The section of the Treaty of Versailles which deals with the subject of Reparations (Part VIII.) begins by declaring Germany responsible for all the consequences of her aggression in 1914. Article 231 runs as follows:—

"The Allied and Associated Governments affirm, and Germany accepts, the responsibility of Germany and her Allies for causing all the loss and damage to which the Allied and Associated Governments and their nationals have been subjected as a consequence of the war imposed upon them by the aggression of Germany and her Allies.

At the same time, it was recognised (in Article 232) that Germany would be quite unable "to make complete reparation for all such loss and damage," and, therefore, Germany undertook to "make compensation for all damage done to the civilian population of the Allied and Associated Powers, and to their property" during the war. By Annex I. (Sec. 5 and 7) to this part of the Treaty it was, however, laid down that *war pensions and allowances* made by the Governments of the Allied and Associated Powers to the dependents of mobilised persons during the period of hostilities are to be considered as "damage done to the civilian population."

Germany further undertook to "make reimbursement of all sums which Belgium has borrowed from the Allied and Associated Governments up to November 11, 1918, together with interest at 5 per cent. per annum thereon." This was a consequence of her violation of the Treaty of 1839 by marching into Belgium in 1914.

THE ASSESSMENT OF THE REPARATIONS TOTAL.—The amount of the damage for which Germany undertook to make reparation was not fixed by the Treaty, but was left to be determined by the Reparation Commission.

Delegates to this Commission were to be nominated by the United States, Great Britain, France, Italy, Japan, Belgium, and the Serb-Croat-Slovene State. The first four of these Powers have the right to be represented at all times. The Japanese delegate has the right to sit when Japanese interests are concerned, and the Serb delegate when matters relating to Austria-Hungary and Bulgaria are under discussion. Otherwise the Belgian delegate constitutes the fifth member. Unanimity is necessary for an important number of specified matters; in all other cases, however, a majority vote is sufficient.

It was provided, however, that the assessment of this Commission must be concluded and notified to the German Government by May 1, 1921, at the latest. A schedule of payments was to be drawn up concurrently, "prescribing the time and manner for securing and discharging the entire obligation within a period of 30 years from that date."

The difficulty of deciding once and for all upon a schedule of payments spread over so long a period led to the insertion of a further article (No. 234) which stipulated that the Reparation Commission should "from time to time consider the resources and capacity of Germany, and should have discretion to extend the date or to modify the form of payments." At the same time, no part of these obligations may be cancelled "except with the specific authority of the several Governments represented upon the Commission." The Commission is required, if the German Government so desire, periodically to hear evidence and argument on the part of Germany on any question connected with her capacity to pay. In this connection the German system of taxation must be examined both in order to see that the sums required for reparation purposes are a prior charge to those required for the service of any domestic loan, and further, in order "to satisfy itself that in general the German system of taxation is fully as heavy proportionately as that of any of the Powers represented on the Commission."

"In order to enable the Allied and Associated Powers to proceed at once to the restoration of their industrial and economic life," Germany undertook to pay the sum of 20,000,000,000 gold marks (approximately one thousand million pounds sterling) before May 1, 1921, in a manner to be decided upon by the Reparation Commission. The expenses of the Allied armies of occupation were to be a first charge against this total, while the balance, after deducting such supplies of food and raw material as might be judged essential to enable Germany to meet her obliga-

tions, should be reckoned to her credit on Reparations account.

DELIVERIES IN KIND.—The total of reparations due need not all be paid in cash. In fact, in accordance with Annexes IV. to VII. of this part of the Treaty, certain payments are to be made in kind. Section I of Annex IV. reads as follows:—

The Allied and Associated Powers require, and Germany undertakes, that in part satisfaction of her obligations expressed in the present part she will, as hereinafter provided, devote her economic resources directly to the physical restoration of the invaded areas of the Allied and Associated Powers to the extent that these Powers may determine.

Under this section demands for animals, machinery and equipment, or for reconstruction materials, may be filed with the Reparation Commission, which, in adjudging such claims, shall ensure that the making of these deliveries shall not so disorganise the industrial life of Germany "as to affect adversely the ability of Germany to perform the other acts of reparation stipulated for." To the Commission is also assigned the task of determining the value of deliveries of this kind.

COAL.—Germany further accorded certain options for the delivery of coal and derivatives of coal to France (Annex V. s. 2), Belgium (V. 3), and Italy (V. 4); the prices to be paid therefor being the German pit-head price, plus the freight to the respective frontiers, or, in the case of sea delivery, the German f.o.b. price, provided that in no case should such price exceed the British pit-head price for export, or the British f.o.b. price respectively. All these options are to be exercised through the intermediary of the Reparation Commission, as also are those for the delivery of dyestuffs and drugs laid down in Annex VI. Finally, certain specified submarine cables are to be handed over, their value being calculated on the basis of the original cost less a suitable allowance for depreciation.

III. FROM THE TREATY TO THE REPARATION COMMISSION'S ASSESSMENT.

On January 10, 1920, the Treaty of Versailles came into force by ratification. Nearly 16 months were still to elapse, however, before the Reparation Commission's assessment was due, and speculation was rife as to the total that would ultimately be fixed upon. At the Conference of San Remo, in April, Mr Lloyd George carried a decision summoning the German representatives to a conference to be held in Spa in the following month "for the discussion of the practical application of the Reparation Clauses." At the preparatory meeting at Hythe, in May, a proposition for a sliding scale of payments to be made by Germany was referred to a committee of experts, but there was agreement only on the need for postponing the Spa Conference for a month. This process was repeated again in June, when definite figures began to be mentioned on a sliding scale basis. (Boulogne conversation.)

The Spa Conference, which met in July, really avoided the main issue of Reparations, though a decision was arrived at as to how German payments should be divided when received. The proportions were to be as follows:—

	%
France	52
British Empire	22
Italy	10
Belgium	8
Japan	0.75
Portugal	0.75

The remaining 6½ per cent. of the total was reserved for Yugoslavia, Greece, Roumania, and the other Powers not signatories of the Spa Agreement. The priority of Belgium to the extent of £100,000,000 sterling was confirmed, and the repayment of Allied advances to that country (about £300 millions sterling) was to rank immediately after that sum.

BRUSSELS CONFERENCE, DECEMBER, 1920.—For some months the Reparations question remained in suspense until at last a Conference of Experts, both Allied and German, met at Brussels in December. This was perhaps the first serious effort at a solution, though the proposals for an average annual payment incorporated the sum decided upon at Boulogne as the minimum, i.e.,

£150,000,000. This was to run for five years, though spread out in such a manner that for the first two years less, and for the last two years more, would be due. The consideration of later payments was postponed to a later date, and a considerable proportion of the annuities was to be paid in goods. Moreover, the annual expenses of the Allied armies of occupation were limited to £12,000,000 sterling, while Germany for her part was to undertake to put her finances in order, and to consent to Allied control over her customs in case of default. But these proposals failed to win the necessary support among the politicians, and the year 1921 opened without any settlement having been reached.

PARIS CONFERENCE, JANUARY, 1921.—In January, 1921, an Inter-Allied Conference was held in Paris, and proceeded to fix Germany's liabilities on lines very different from those suggested by the experts at Brussels. The annuities demanded over 42 years totalled £11,300 millions, though there has been some controversy as to the present value of this figure. Mr Lloyd George has claimed that it did not represent more than £2,500 millions, but the latter figure (which is calculated on a 6 per cent. basis), even if correct, takes no account of the 12 per cent. levy on German exports, which was also decided upon at the same time. Mr J. M. Keynes has estimated the present value of the annuities at £3,500 (also on a 6 per cent. basis); while an allowance for the export duties brings the total up to at least £4,000 millions. (Letters to the *Times* of June 13 and 14, 1923.)

On March 1st Dr Simons, on behalf of the German Government, made a counter-proposal in London. Calculating the present value of the annuities under the Paris scheme at 8 per cent. interest, he arrived at the figure of £2,500 million. From this he deducted £1,000 million as the alleged value of Germany's deliveries to date, and offered £1,500 million as the utmost that Germany could pay. This offer was described as completely inadequate, and was summarily rejected by the Allies. Sanctions were threatened in the event of a refusal of the Paris terms by Germany, and Düsseldorf, Duisberg and Ruhrort were, in fact, occupied by the Allies a few days later. This action was clearly not justified, as the Paris terms themselves merely represented an anticipation of the findings of the Reparation Commission, which were not issued until two months later. Moreover, these findings showed very different results from those anticipated by the Allies, and, in any case, the £1,000 millions expressly stipulated for in the Treaty were not due until May 1st.

IV.—THE LONDON CONFERENCE, MAY, 1921.

THE REPARATION COMMISSION'S ASSESSMENT.—A conference was held in London early in May to consider what steps should be taken in the event of German default, and the Reparation Commission hurriedly published its assessment of the damage caused by Germany to the civilian population of the Allies. This was fixed at £6,600 millions, which, together with £300 millions due in respect of the Belgian debt, made a total of £6,900 millions. It is perhaps worth emphasising that this merely represented a statement of Germany's liabilities, and had no reference to her capacity of payment. A schedule of payments was, however, also drawn up and accepted by the Allies, while a threat of occupying the Ruhr led to Germany's signature of an agreement on this basis in London (May 12th).

A, B, AND C BONDS.—The total of 132 milliard gold marks (£6,600 millions sterling) on reparations account proper was to be met by the issue of three series of bonds in the following manner:—

Series A of 12 milliards by July 1, 1921.

Series B of 38 milliards on November 1, 1921.

Series C of 82 milliards when the schedule of payments provides the necessary funds for the service of these bonds.

The bonds were to bear interest at 5 per cent., with a further 1 per cent. sinking fund.

LONDON SCHEDULE.—The scheme of payments which was then drawn up provided for a fixed annuity of 2 milliard gold marks, together with a variable annuity of 26 per cent. levied on German exports. The odd 1 per cent. of this latter was ear-marked to provide interest

on the unissued balance of the bonds due at the rate of 5 per cent. up to 1926, and at 5 per cent. thereafter. Finally, any balance outstanding from the 2 milliards and the 25 per cent. export levy, after meeting the service of the bonds outstanding, was to go to form a sinking fund. For the ensuing year 1 milliard gold marks was due within 25 days of the signing of the Agreement, and a schedule agreed upon for the payment of the balance.

What this schedule would amount to in cash can hardly even be guessed, as this depends on various assumptions as to Germany's export trade. Mr. Keynes, in "A Revision of the Treaty," assumed exports of 10 milliards—which is double the actual figure of 1920—and thus arrived at an annual payment of 4.6 milliards of gold marks. We may add that, on a 6 per cent. basis the Reparation Commission's Assessment of April, 1921, would represent an annuity of 8.28 milliards.

COMMITTEE OF GUARANTEES.—A special Committee of Guarantees was established to see that the German Government fulfilled its obligations, and that reparations should, in fact, be a first charge on the revenues of the country. This body also undertook the supervision of the levy, of 26 per cent. on German Customs, and made two visits to Berlin to inquire into the actual working of the Agreement. Deliveries in kind did not prove equal to anticipations, and large balances threatened to fall due in cash. In October the Committee of Guarantees made a fairly detailed report to the Reparation Commission on the position of German finances. The weakness of the Government and the resultant dislocation of the system of taxation and currency were carefully considered, as well as the possible consequences of currency depreciation on the purchase of foreign bills. The result of these investigations was that two definite proposals were made.

"The Committee of Guarantees considers that the main object, and one which must be attained if a practical programme is to be established, should be the stabilisation of the mark, the intrinsic value of which is of less importance than actual stabilisation."

"The Committee of Guarantees is of opinion that, in order to meet her obligations, Germany should not only draw on her revenue, but should also agree to sacrifice a portion of her capital. Such a procedure would naturally be of a complicated nature, and would necessitate financial organisation."

Neither of these measures could be carried through in a few weeks, and the Committee therefore called the attention of the Reparation Commission to the possibility that Germany would declare herself unable to meet the next payments laid down in the London Schedule.

THE SEPTEMBER CASH PAYMENT.—Soon after this report was made, the need for a moratorium was being openly canvassed, and the Reparations question entered once again upon a new phase. This was due in no small measure to the disastrous consequences of the first cash payment under this scheme, which was made in September, upon the mark exchange. To obtain the necessary funds, the German Government had negotiated with a number of foreign (neutral) banks in August, and had succeeded in borrowing the money against three months drafts on the German Treasury, which were negotiated by the German banks. The downward movement in the exchange—which had been relatively stable hitherto—compelled the foreign bankers to realise their mark holdings, with results that are brought out in the following table:—

GERMAN EXCHANGE ON LONDON. (Average of Weekly Rates. Marks to the £.)			
January, 1921	224	July, 1921	279
February "	236	August "	305
March "	243	September "	399
April "	250	October "	577
May "	246	November "	1,020
June "	257	December "	799

During this period the mark, as will be seen, at one time touched over 1,000 to the £, and the real collapse of German currency, which had been relatively stable in the first half of the year, came during these months as a direct consequence of this first—and last—cash payment under the London Agreement.

V.—MORATORIUM PROPOSALS AND GERMANY'S DEFAULT.

CANNES.—In January, 1922, an attempt was made at Cannes to reconcile the two conflicting views on Reparations which were represented by Great Britain and France respectively. At the same time, the proposal for a general conference, to include German representatives, was mooted. To meet the demand for security, which seemed to be the basis of the French case, a pact of guarantee against aggression was offered by Great Britain, but this failed to achieve the desired end, and the fall of M. Briand made confusion worse confounded. Before the conference broke up, however, a stop-gap arrangement was hastily decided upon through the medium of the Reparation Commission, which had been summoned to Cannes for the purpose. The London Schedule was provisionally postponed, and the German Government had to pay 31 million gold marks in cash every ten days pending a final settlement. (Decision of January 13th.)

NEW SCHEDULE FOR 1922.—The Reparation Commission on March 21st imposed a modified schedule for 1922. The payment of a total of 720 million gold marks in cash and 1,450 million gold marks in kind for the year was to be made in monthly instalments. In return for this concession (for under the original London Agreement over 3 milliards were due), the German Government undertook, amongst other things, to reform its finances.

GENOA.—The Genoa Conference opened in April, and the assembled statesmen began their gigantic task of organising the reconstruction of Europe. But their terms of reference excluded reparations, war debts, and disarmament.

MORATORIUM DISCUSSIONS.—Meanwhile the long tangle of proposal and counter-proposal on the closely related questions of a moratorium and of Allied supervision of German finances, continued without any definite conclusion being reached. According to the terms of the partial moratorium granted in March, the German Government was under an obligation to satisfy the Reparation Commission by May 31st, that it had taken the necessary steps to balance its Budget, and to float internal and external loans, as also to declare its willingness to submit to some degree of supervision ("controle") by the Allies over its finances. It appeared as though a complete deadlock would be reached by the end of May, and there was much talk of France "regaining her liberty of action," a formula held to imply that the occupation of the Ruhr was in contemplation. The German Government undertook to impose the additional taxation (60 milliard of paper marks), which was demanded by the Allies as a *sine qua non* of a continued moratorium, and this was in fact granted at the end of May.

BANKERS' COMMITTEE.—Meanwhile the German claim that a foreign loan was essential to further reparation payments was being considered by an international Committee of Bankers sitting in Paris. This Committee, which was appointed by the Reparation Commission, and contained amongst other members Mr J. P. Morgan (America), and Dr. Vissering (Holland), almost immediately inquired whether they were competent to consider the question of Germany's total indebtedness. The Reparation Commission decided in the affirmative by a majority of three to one. In June, however, when the bankers published their report, it was stated, in effect, that nothing could be done to float a German loan unless the total sum due by Germany under the London Agreement was revised, and for this the unanimous vote required from the Reparation Commission under the terms of the Treaty was not forthcoming. The committee was unwilling to make proposals in respect of a topic on which they had not been invited to report by France, the country principally interested. A significant feature of this report was that it recorded and recognised the force of the disinclination of France to write down its claims against Germany so long as her obligation to repay her inter-Allied debts in full remained.

In the following months the slump in the Mark continued rapidly, and German default, even on the limited schedule of payments drawn up in March, became increasingly evident. Again, the cession of Upper Silesia in

the second half of June had further disturbed the German coal balance, and had begun to exercise an adverse influence on deliveries in kind, though its full effects were not felt until the end of the year.

THE BALFOUR NOTE.—Meanwhile the problem of inter-Allied indebtedness raised by the Bankers' Committee was receiving increased attention, and certainly made an Anglo-French understanding on the major issue of reparations more difficult to achieve, though the opinion spread during July that Great Britain contemplated making a substantial concession in the matter. In France suggestions were discussed, and were believed to be under favourable consideration by the Government, for re-assessing Reparations in connection with the reduction of the Inter-Allied debts.

A conference was called for August 4th, to consider the increasingly serious German situation. Chances of an agreement, however, had already been seriously jeopardised by the publication of the Balfour Note earlier in the same week. This was addressed to France and the other Continental debtors of this country, and declared that Great Britain was prepared "if such a policy formed part of a satisfactory international settlement to remit all the debts due to Great Britain by our Allies in respect of loans, or by Germany, in respect of Reparations." It went on to say that "if our undoubted obligations as a debtor are to be enforced, our not less undoubted rights as a creditor cannot be left wholly in abeyance.....The policy favoured by His Majesty is, as I have already observed, that of surrendering their share of German reparations, and writing off through one great transaction the whole body of inter-Allied indebtedness." In effect, therefore, Great Britain made a surrender of her claims upon her debtors conditional upon the surrender by the United States of an equivalent claim on this country.

This policy naturally brought a solution no nearer, as an American surrender of claims on Britain was not in the least likely to be made. The note, moreover, met with a very unfavourable reception from our Continental debtors, who have always been unwilling to be reminded of their obligations, and from the American public, who appear to have feared that the readiness of this country to face its debts was being called in question.

LONDON CONFERENCE, AUGUST, 1922.—At the London Conference the question of Germany's total liabilities receded into the background, and discussion centred on the important question of "productive guarantees." There was, however, a very wide divergence of opinion on this point also, and no solution was arrived at. A further meeting in Paris proved equally sterile, and the whole question was once again referred back to the Reparation Commission.

German payments had continued to be made down to July in accordance with the March Agreement. At the end of August the Commission refused Germany's demand for a moratorium in respect of the remaining cash payments. As, however, all the outstanding amounts to be paid in cash for 1922 were due to Belgium in respect of her priority claims, the French delegate raised no objection to the Belgian proposal that the total should be paid by means of Treasury bills due in six months' time. This was accepted by the Commission, and in effect, therefore, a moratorium was accorded to Germany in respect of cash payments for the rest of the year, though payments in kind were to continue on the basis agreed upon in March.

THE BRADBURY PLAN.—In October, Sir John Bradbury, the British delegate to the Reparation Commission, brought forward a plan for a moratorium. Its main features were:—

- (1) A complete moratorium of two or possibly four years, to enable German credit to be placed on a sound basis.
- (2) The stabilisation of the mark by the Reichsbank, the gold reserves to be available for this purpose under the supervision of a Mixed Commission.
- (3) The reorganisation of the Reparation Commission, whose seat should be moved to Berlin, to permit of a more complete supervision of German finances.

The proposal to grant Germany a complete moratorium in respect of cash payments and a partial moratorium in respect of deliveries in kind in return for a closer super-

vision of the German finances, did not appeal to France, and the plan failed to materialise. In the absence of a moratorium, a similar fate befell the plans for the stabilisation of the German exchange put forward in November by a number of international experts who met in Berlin at the invitation of the German Government.

VI. LONDON AND PARIS CONFERENCES, CHRISTMAS, 1922.

LONDON CONFERENCE, DECEMBER, 1922.—The temporary moratorium arranged in September was due to expire at the end of the year, and there was much talk from the French side of a Conference to be held in Brussels in December to arrive at a final settlement. It was believed that Mr Bonar Law, the new British Prime Minister, would prove more tractable than his predecessor had been, and the preliminary Conference of London opened early in December under what appeared to be unusually favourable auspices. The Prime Minister stated his readiness to modify the policy of the Balfour Note provided a final agreement could be achieved on all the questions outstanding. But the Conference soon stood adjourned with nothing settled save that the meeting at Brussels with the German delegates was not to be held after all.

The year closed with a reiteration by certain New York bankers that a loan to Germany was out of the question under existing circumstances, though Mr Baldwin's visit to the United States, together with the existence of a decidedly less strained atmosphere among the principal Allies, seemed to hold out a promise of better things to come.

PARIS CONFERENCE, JANUARY, 1923.—The first week of the New Year (1923), however, cleared the air in a manner effective to the point of brutality. The Paris Conference opened with the tabling of British, French and Italian plans, and lasted three days. The method to be followed in the treatment of Germany was the real stumbling-block, and French determination to have recourse to a forcible occupation of more German territory really rendered all discussion superfluous. Despite the cavalier treatment it received at the hands of our Ally, it is, however, not without interest briefly to summarise the main outline of the Bonar Law scheme:—

THE BONAR LAW SCHEME.

The British proposals for dealing with the Reparations question provided for a revision of the total of payments to be effected by Germany, for a close supervision of German finances by an international body in return for these concessions, and for the settlement of the closely connected problem of inter-Allied debts.

I.—PAYMENTS TO BE MADE ON REPARATION ACCOUNT.

The existing A, B and C bonds were to be cancelled, and in their place Germany was to deliver new bonds, divided into two series as follows:—

(a) **First Series Bonds** to the amount of 50 milliard gold marks to be issued forthwith, repayable at par on December 31, 1924, and bearing interest at 5 per cent. Interest payments were, however, to be suspended in their entirety for the first four years (i.e., until January 1, 1927), and to the extent of 1 per cent. for the four years ending January 1, 1931.

This would mean an annual payment of 2 milliard gold marks from 1927 to 1930 inclusive, and of 2½ milliard gold marks thereafter.

(b) **Second Series Bonds** to the amount of 17.31 milliard gold marks (being the amount of the deferred interest on the bonds of the First Series compounded at 5 per cent. to April 1, 1933), or such lesser amount as should be decided upon by the Arbitral Tribunal (v. post), to be issued on April 1, 1933, repayable at par on March 31, 1965, and bearing interest at 5 per cent. per annum. All interest to be payable half-yearly.

It will be seen that this scheme proposed a moratorium of four years; though, in the event of the Supervising Council (v. post) deciding unanimously, at any time before January 1, 1927, that the condition of German finances would allow of cash payments being commenced before the expiration of this period, Germany would undertake to pay such sums as the Council should decide in 1925 and 1926, provided only that they do not exceed 2 milliard gold marks annually. Such payments would be applied to reduce the aggregate liability of Germany as laid down in this scheme.

As the Treaty obligations to make deliveries in kind were to continue, but should in no case exceed in value the payments prescribed above, it would appear that the proposed moratorium should apply to deliveries in kind no less than to cash payments.

An **Arbitral Tribunal** was to be appointed upon application by the German Government, to be made not later than October 1, 1932, to consist of one person nominated by the Reparation Commission, one person nominated by the German Government, and a third, in the absence of agreement between the two, by the President of the United States. If Germany should prove before April 1, 1933, that the payments required to meet the interest charges upon the second series of bonds exceed her capacity, her obligation to issue such bonds should be cancelled in whole, or in part, as the Tribunal might decide.

Redemption of the Bonds might be effected by Germany, according to a prescribed scale, which allowed for an 8 per cent. basis at the start, gradually falling to a 5 per cent. basis at the end of the 32-year period. (v. *Economist* of January 6, 1923, p. 7).

II. SUPERVISION OF GERMANY.

As it was clearly realised that the mere fixing of Germany's liabilities at a figure which, in the opinion of the British Government, it was within her capacity to pay, would not alone solve the intricacies of the problem, the British scheme envisaged a very definite measure of international control over German finances.

(1) In the first place, Germany was to undertake to stabilise the mark, in accordance with the recommendations made by the Majority Report of the foreign experts consulted upon this question in the preceding November, and to restore Budget equilibrium within prescribed time limits.

(2) Germany was further to accept the supervision of a **Foreign Finance Council** to be set up in Berlin. This Council was to consist of persons appointed by Great Britain, France, Belgium, and Italy, with two other members of American and neutral European nationality respectively. The German Finance Minister was to be *ex-officio* chairman, but without a vote, except in the case of equality of votes. He was to be required by law to act on the Council's advice in regard to all matters affecting:—

- (1) Currency legislation.
- (2) The Budget, fiscal legislation, and public expenditure.
- (3) General Treasury administration.
- (4) Financial prohibitions, &c.

German administration was to be left in German hands as far as possible, but the Council was to enjoy very wide powers and also wide discretion as to the manner in which they should be used.

(3) In the event of her failing to satisfy the Council that the prescribed conditions are being observed, or failing to discharge her obligations as now revised, Germany undertakes to submit to any measures which the Allied Powers may unanimously decide to be necessary.

III. INTER-ALLIED DEBTS.

As part of a general settlement, Great Britain would be prepared to make considerable sacrifices in the question of Inter-Allied debts.

Deposits of gold held by her as security for loans made to France and Italy during the war would be applied forthwith towards the repayment of these loans.

The French share of the German bonds applicable to the repayment of Belgian war debt to be transferred to Great Britain as satisfaction for an equal amount of the French debt to her. 1½ milliards of the First Series bonds described above to be transferred by Italy to Great Britain in discharge of an amount of the Italian debt to Great Britain equal to the face value of the bonds.

The balance of the French and Italian debts to Great Britain to be written off and all counter-claims abandoned.

The Italian debt to France to be written off.

The **First Series Bonds** (up to 80 per cent., the balance being retained by the Reparations Commission as a reserve) to be distributed according to the Spa percentages.

The **Second Series Bonds** to be distributed to Belgium, Japan, &c., according to their respective Spa Agreement percentages; the aggregate percentages of Great Britain, France, Italy, and any other Power which may accept the proposals for dealing with inter-Allied debts defined in this scheme to be distributed among those countries in proportion to the amounts of their respective debts to the United States.

This British plan, whatever its defects may have been—and it was made clear that it did not necessarily represent Britain's last word upon every detail—would at least have provided a more realistic basis for discussion than any previous scheme. The fundamental principle was that pledges ("gages") should only be taken in the last resort, and that a workable scheme

should be drawn up and tried before recourse was had to force. The French Government, however, did not take the question of Inter-Allied debts *au sérieux*, and complicated the issue by a rather curious definition of "security" which played quite as important a rôle as did the desire for productive pledges in determining the occupation of the Ruhr, which following on January 11, 1923.

VII. THE OCCUPATION OF THE RUHR.

The ostensible motive for this action was provided by the decision arrived at on January 9, 1923, by a majority vote of the Reparations Commission, according to which the coal deliveries made by Germany to France in the course of the year 1922 constituted a **voluntary default** in the sense of §17 of Annex II. of Part. VIII. of the Treaty of Versailles. The Notes communicated by the French and Belgian Governments to the German Government on January 10 referred to this decision of the Reparation Commission, as also to the earlier decision of December 22, 1922, which declared the voluntary default of Germany in respect of deliveries of wood during 1922, and announced that, in consequence, a joint mission of control would be sent to the Ruhr. This mission, which actually went on the following day, was composed of French and Belgian engineers, with whom Italian engineers also participated. It was accompanied by such troops as were regarded as essential to guarantee the safety of its members.

The legality of this proceeding was exceedingly doubtful, as the vote of the Reparations Commission was not unanimous. The British view was that unanimity was essential for the declaration of voluntary default; and that, in addition, the clause of the Treaty upon which reliance was placed did not warrant independent action by the several Allied Powers. The action of the French and the Belgians led to a gradual process of detachment on the part of the British, while the American army of occupation was soon afterwards withdrawn from Coblenz.

The attempted "invisible occupation" proved quite inadequate in face of passive resistance on the part of the German population, aided, no doubt, by the Government of the Reich. It, therefore, soon gave place to a military occupation in the grand manner, and a complete deadlock was reached.

The British Government meanwhile became a helpless spectator awaiting the outcome of events. The Foreign Secretary, however, pointed out the desirability of some effort being made by the German Government to state its views, and to publish the terms it would be prepared to accept. As a result of this, the Government of the Reich sent an identical note to the principal Allies on May 2nd.

German Note of May 2, 1923.—This document may conveniently be considered under three main headings.

I. **TOTAL PAYMENTS.**—(1) Germany's total payments, in cash and in kind, should be fixed at 30 milliard gold marks. This sum would be met by the issue of loans on the international market in instalments of

20 milliards gold marks up to July 1, 1927
5 do do do 1929
5 do do do 1931

Subscriptions for the first instalment should be invited forthwith; the interest on the loan up to July 1, 1927, to be paid out of the sum realised by the loan, which would be under the control of the Reparation Commission; while, in so far as it was not possible to raise the first 20 milliards in the required time, interest of 5 per cent. and a sinking fund of 1 per cent. would nevertheless be paid as from July 1, 1927, onwards.

(2) If the second and third instalments are not raised within the given time-limits, an impartial International Commission shall decide "whether, when and how the rest is to be raised."

This Commission shall be either the syndicate that issues the first loan or a committee of international business men, or, alternatively, an Arbitral Tribunal consisting of one representative each of the Reparation Commission and the German Government, with a chairman appointed, in default of agreement, by the President of the United States.

(3) Pending final arrangements, deliveries in kind are to continue as heretofore.

(4) If it is considered that the total payments suggested do not represent the utmost limit, the German

Government proposes to submit the whole reparations problem to an International Commission uninfluenced by political considerations.

II. GUARANTEES.—“In accordance with agreements to be arrived at, the German Government are prepared to devise suitable measures, including legislation, in order that the whole German national resources should participate in guaranteeing the service of the loan.”

The stabilisation of the mark and the balancing of the budget, however, make it necessary that “high-handed seizure of pledges and sanctions should cease in future and that the administrative unity throughout Germany should be restored at an early date.”

III. SECURITY.—Germany is prepared “to conclude any agreement to ensure peace based on reciprocity,” and proposes an Arbitration Treaty with France. “The first essential leading up to negotiations must be that the *status quo ante* be restored within the shortest space of time.”

This Note, which, despite many unsatisfactory features, and notably the studied vagueness of the references to guarantees and the inadequacy of the capital sum offered—not to mention the assumption that such vast sums could be borrowed on the international market—did at least accept the principle of reference to an impartial commission. It was, however, summarily rejected by the French Government on May 3rd. The Belgian reply was identical to that of France, while the replies received from Great Britain, Italy, and Japan also considered the German proposals unacceptable. On June 7th, therefore, a second German Note was addressed in identical terms to the principal Allied and Associated Governments.

German Note of June 7, 1923.—The German Government maintain their estimate of the total Germany can pay, but stress their previous proposal to refer the whole question to an impartial international tribunal, and to accept its decisions as to the amount and the method of payment. They also state their willingness to supply this Commission with any information it may desire, by throwing open to inspection all their financial records, &c.

“Should loans on a great scale prove impracticable for a time, they are ready to substitute a scheme of annuities.” With regard to special guarantees, the German Government proposes to issue obligations up to 10 milliard gold marks at 5 per cent. as a direct first charge on the Federal Railway System; to raise a further 10 milliard gold marks as a first mortgage on all real estate in the country, whether industrial, municipal, agricultural, or forest; and, further, to pledge as security for the yearly payments the Customs duties on luxuries, the Excise duties on tobacco, beer, wine and sugar, and the receipts of the spirits monopoly.

It will be seen that the question of specific guarantees is here brought prominently forward, while the Note further insists upon the necessity for direct consultation. “The guarantees can only be worked out in detail with the collaboration of those whom they are intended to serve. For the solution of all these questions, oral discussion is essential. Germany acknowledges her liability to make reparation. The German Government repeat their request that a conference be summoned to agree upon how they may best discharge this obligation.”

Upon receipt of this Note, the British Government reopened negotiations with the other Allies with a view to the drafting of a joint reply. France, in particular, put forward certain rather vague conditions upon which she declared she would be guided in entering upon a discussion of the German plans, but insisted, above all, that passive resistance must cease in the Ruhr before this discussion was opened. The British Government thereupon sent a questionnaire dealing with these conditions, which certainly needed some elucidation. What, in particular, was meant by the phrase that passive resistance must cease? Did this refer simply to movements financed from Berlin, or were spontaneous local movements also included? Moreover, what inducements were to be held out to Germany if she yielded upon this point? How long would the occupation continue in that event? and in what form? Unless there was clearness on these points, the British Government could not contemplate “approaching the German Government in some way on the subject

of passive resistance.” (Note of June 13th, Cmd. 1943, p. 6). Further, objection was taken to the French (or any) proposal that, “whatever happens, France’s share of the value represented by the A and B bonds shall remain intact.”

The Cabinet crisis in Belgium delayed matters considerably, though when the French Government replied in a Note of July 6th it was made quite clear that no general amnesty was to be expected in the Ruhr in the event of passive resistance ceasing; while, as to Reparations, they declared that they abided by the Treaty and had no proposals to make.

British Proposals for a Final Settlement, July 20, 1923.—On July 20th the British Government sent an identical Note to the French, Italian, Belgian and Japanese Governments, which stated that H.M. Government were of opinion that the latest German proposals marked a sufficient advance “to justify careful consideration with a view to the return of a collective reply.” They forwarded therefore a draft reply for the consideration of the various Governments in accordance with the British plan, which was resumed in six heads:—

1. The German Government to undertake to abandon the policy of passive resistance.
2. Steps to be taken upon the cessation of passive resistance for the resumption of the civil administration of the Ruhr, and to provide for the progressive evacuation of those areas.
3. A body of impartial experts to be set up, charged with the duty of advising the Allied Governments and the Reparation Commission respectively as to Germany’s capacity to pay, and as to the mode of payment to be prescribed. The co-operation of an American expert to be sought, and arrangements to be made for German experts to be consulted and heard.
4. The same body, or a body similarly constituted, to be asked to advise the Reparation Commission as to the economic surties and guarantees to be pledged by Germany to the Allies.
5. Inter-Allied discussions to be opened with as little delay as possible, whether by conference or otherwise, for the purpose of elaborating a comprehensive plan of a general and final financial settlement.
6. So soon as the economic surties and guarantees which Germany will have pledged to the Allies have been put into effective operation, the occupation of all German territory outside the limits laid down in the Treaty of Versailles to come to an end.

The British draft of a reply to the German Note of June 7th suggested that passive resistance should cease in the Ruhr; and while not acceding to the German proposal for an International Commission in the precise form in which it was made, suggested that a revision of the total liability in accordance with Germany’s capacity to pay could be made within the framework of the Versailles Treaty and added that a final solution was dependent in large measure upon the acceptance by the German Government of some form of international control over the financial administration of Germany.

Though these proposals represented certain very important concessions to the French point of view, the French reply of July 30th was a very decided *non possumus*. No international body was needed, as the Reparation Commission, “which should only be guided by justice, equity and good faith,” gives greater guarantees of impartiality than any other body possibly could. This somewhat naïve contention is followed by an assertion that a final financial settlement has already been made, and that the French and Belgian Governments will only evacuate the Ruhr in proportion as effective payments are made by Germany. Moreover, the Ruhr undertaking is certain of success, and the disorganisation of Germany is due entirely to a deliberate policy of bad faith, whether by passive resistance in the Ruhr, or by the “maddest financial policy—renversant tous les principes d’économie politique, consacrés par l’expérience.”

The Italian and Japanese Governments, on the other hand, were in general accord with the British policy, and the intransigence of the French led to Lord Curzon’s Note of August 11, 1923, in which the opposition between the French and British points of view was more apparent than ever.

VIII. THE CURZON NOTE OF AUGUST 11, 1923.

After commenting upon the fact that France and Belgium alike had completely ignored the British draft of July 20th, of a joint Allied reply to the German proposals of June 7th, the British Government insists on the absolute necessity of establishing Germany’s capacity to pay:—

What is the maximum she can pay is a question of supreme importance to all her creditors. It is a question of establishing a fact, on the ascertainment of which any practical arrangements or combinations for obtaining payment to the fullest extent possible must be based. The British Government accordingly proposed to take steps to ascertain this important fact. Belgium replies that she will not consent unless a corresponding advantage is obtained by herself and by France.

Lord Curzon protests against the ascertainment of Germany’s capacity being made the occasion of bargaining between the Allies.

DISTRIBUTION OF REPARATIONS PAYMENTS.

The claim to priority for the restoration of the devastated areas is also rejected, and Britain’s war losses are briefly recited:—

Sunk ships and cargoes rotting at the bottom of the sea may not shock the eye like the ruined villages of France and Belgium. But they are equally material damage caused by German aggression, and represent equally heavy losses of national wealth.

The suggested priority implies, in fact, an alteration of the Spa percentages in favour of France and Belgium, and Lord Curzon insists that “the principle of a percentage division is not affected by a change in the total to which the percentages apply.” Moreover, Great Britain alone among the Allies is meeting the service of her debt to the United States, although she has been deprived of foreign securities to the value of from seven to eight hundred millions, which were used to finance purchases of war material abroad. Under these circumstances—

it would be inequitable, and it is impossible, to ask the British taxpayer, already much more heavily burdened than his French and Belgian Allies, to make further sacrifices by modifying the Spa percentages for the benefit of France and Belgium.

GERMANY’S CAPACITY TO PAY.

—M. Poincaré fails to see why “an estimate made to-day by experts, whoever they may be, should be more exact than that made in 1921.” It should be clearly remembered, however, that the—

Reparation Commission’s finding of 132 milliards of gold marks was a simple estimate of the amount of the damages for which compensation was claimable under the Treaty, without any regard to the question of Germany’s capacity to pay them.

Moreover, such concessions as had been granted in respect of the schedule of payments—and these enormously reduced the present value of the total fixed upon—were not “the outcome of anything that could be described as an expert inquiry into Germany’s capacity to pay.” Experience had shown how very wide of the mark earlier estimates had been.

AN IMPARTIAL INQUIRY.

The Reparation Commission is obliged, under the Treaty, to have regard to the resources and capacity of Germany, and the French and Belgian Governments alike insist on the special qualifications of the Commission to carry out the necessary inquiries itself. To this Lord Curzon gives a very straight answer:—

In the absence of an American representative (as originally contemplated), France and Belgium are in a position, with the aid of the casting vote of the French chairman, to carry any resolution over the heads of the British and Italian representatives, and it is notorious that, in these circumstances, the Commission has become in practice an instrument of Franco-Belgian policy alone.

The constitution of the proposed expert commission should be as comprehensive as possible. It should contain nominees of the Powers entitled to reparations, of the United States, of Powers which took no part in the late war, and of Germany herself. Great Britain would, however, be pleased to consider any alternative proposal which the French Government might like to make; and, while preferring that the several Governments should bind themselves in advance to recommend the acceptance of the findings of the experts to the Reparation Commission, would be content that the functions of the experts should be advisory only.

THE OCCUPATION OF THE RUHR.

The British Government has never concealed its view that “the Franco-Belgian action in occupying the Ruhr, quite apart from the question of expediency, was not a sanction authorised by the Treaty itself.” It would, however, be quite willing that this, or any other difference

respecting the legal interpretation of vital provisions of the Treaty, should automatically be referred to the International Court of Justice at the Hague or other suitable arbitration.

It was clearly incumbent upon Lord Curzon to endeavour to reconcile this view with the fact that on two former occasions, Great Britain had joined in presenting ultimatums threatening such occupation, and that she actually participated in the occupation of Düsseldorf, Duisburg, and Ruhrort in March, 1921. The note, which devotes several paragraphs to this point, argues that these actions were never claimed to be in pursuance of the Reparation Clauses of the Treaty, but represented a threat of further occupation of Germany, “just as they might have threatened her with a renewal of war, for her failure to perform her Treaty obligations, some of which had no connection whatever with Reparations. Moreover, the Treaty would not have stipulated for the reoccupation of the left bank of the Rhine in the event of German default, “if the Allies had already an unlimited right to occupy any German territory under another clause of the Treaty.”

The French argument that the occupation of the Ruhr was undertaken in order to create the will to pay is countered by the statement that the will to pay is useless without the power. The British view is that this power to pay is

likely to be rapidly diminished, and in the end extinguished altogether, by a continuation of the occupation with its stranglehold on the most important centre of the most productive and the most highly and delicately organised of German industries.

German policy in 1871 provides no parallel, as occupation of certain districts of France was expressly stipulated for in the Preliminaries of Peace. Moreover, French payments then were but one thirty-third of those now demanded of Germany, and credit facilities were obtainable abroad.

Germany has, on the other hand, suffered from a complete inability to obtain foreign loans, arising to a large extent from the long period which elapsed before her reparation liabilities were defined, and the world-wide uncertainty as to her ability to discharge them.

The British Government regrets that “nothing tangible is suggested which would hold out any hope of the occupation being brought to an end, even when the avowed object of breaking Germany’s will to resist has been attained.” To maintain the occupation indefinitely would be to disturb international peace and the good understanding upon which peace depends in the sense of Art. 11 of the Covenant of the League of Nations.

INTER-ALLIED DEBTS.

Great Britain adheres to her policy of “limiting her total claim against her Allied debtors and Germany together to the amount necessary to cover the British debt to the United States,” which, on a 5 per cent. basis, represents a present value of 14.2 milliards of gold marks. The Allies, however, should first agree upon—the maximum sum which they can reasonably hope to recover from Germany. When such an agreement has been arrived at, H.M. Government will be prepared (provided that the settlement is such as to make the German obligation a reasonably good asset) to write down, with due regard to the different circumstances of the respective debtors, the Allied debts owing to them, to an amount representing the difference between the British share of the revised German obligation and the British debt of 14.2 milliards to the U.S. Government.

Payment might even be accepted in the form of the new German obligations.

The Note protests against any distinction being made between debt owing from one Government to another, and debt owing by that Government to the private citizens of the other. The carrying out of the redemption of the French Treasury bills held by Great Britain remains “an obligation which cannot honourably be repudiated.”

French Reply of August 20th.—M. Poincaré, in his reply to the British Note, asserted that the French Government stood for the strict execution of the Treaty, as otherwise “the whole foundation of the new Europe would be overthrown. The French action in the Ruhr was undertaken in accordance with the terms of the Treaty, and a long series of precedents are cited in order to prove that the British Government itself had previously

held this view. Faced by British inconsistency on the one hand, the French met with passive resistance from the German Government on the other. This was clearly illegal under the Treaty, for what, after all, did the occupation of the Ruhr amount to?

C'était, en un mot, un arrangement amiable, une collaboration pacifique que nous offrions très sincèrement à l'Allemagne en entrant dans la Ruhr.

But Germany refused to regard it as such, and undertook a resistance which was more expensive to her than the fulfilment of her Treaty obligations. All annexionist aspirations are rigorously denied; but France remains adamant on the question of withdrawal.

Nous sommes tout disposés, lorsque la résistance aura cessé, à transformer progressivement le caractère de l'occupation et à assurer, d'accord avec les alliés, le contrôle des gages détenus. Mais nous n'évacuerons pas la Ruhr contre de nouvelles promesses, et ce sont des paiements que nous voulons.

There can be no question of referring the Ruhr dispute to the International Court of Justice:

Nous n'avons qu'à invoquer l'opinion précédemment émise par le Gouvernement britannique lui-même.

As to German capacity to pay, no compromise can be considered for a moment. After all, the essential question is that of German will to pay. Moreover, the Reparation Commission is the proper body to which all such questions should be referred.

Finally, the repayment of Inter-Allied debts is dependent upon payment of Reparation by Germany.

Tout en reconnaissant notre dette, tout en ne songeant pas à la laisser impayée, nous sommes donc forcés de dire que nous ne pouvons la payer qu'après avoir reçu ce que nous doit l'Allemagne.

This note of M. Poincaré's made it sufficiently apparent that a complete deadlock had been reached, although the **Belgian Reply of August 27th** was in some ways more promising. It dealt very effectively with the real nature of Belgian priority as a sort of first mortgage, in reply to Lord Curzon's argument that it had "operated to give Belgium an increasingly disproportionate share of actual receipts up to date." On the question of the Ruhr occupation, however, it contained a significant passage:—

The Belgian Government, therefore, could not admit that the intention should be imputed to it, even indirectly, of prolonging this occupation indefinitely, if not in perpetuity, or of refusing to examine the suggestion of the British Government relative to the putting into operation in Germany, under an inter-Allied supervision, of certain productive pledges, since the Belgian Government has received no precise information with regard to them, is ignorant of the nature and possible yield of those pledges, and sees itself compelled, in default of agreement between all the Allies on that point, to maintain the sole guarantee which it has taken.

It suggested, however, that the time had come for "amicable and discreet conversations between the Allies."

On September 19th, Mr Baldwin and M. Poincaré actually met in Paris, and the conversation seems to have been at least "amicable," for it was announced, in an official communiqué, that

they were happy to establish a common agreement of views and to discover that on no question was there any difference of purpose or divergence of principle which might impair the co-operation of the two countries.

In reality, however, an agreement on the fundamental questions was as far off as ever, though the Corfu crisis had shown the weakness of divided counsels in handling European problems, and the need for an entente was being widely canvassed.

The End of Passive Resistance.

The German Government, meanwhile, was faced with all the consequences of a really disastrous fall in the mark exchange, and was attempting to prepare the way for a new bank of issue, and a readjustment of taxation. Moreover, the Separatist movement in the Rhineland was, thanks to French support, at this moment becoming something of a menace to German unity. Under these conditions, Dr Stresemann, the German Chancellor, announced that Government assistance could no longer be given to finance passive resistance in the Ruhr. In reply, M. Poincaré himself adopted a passive attitude, waiting for deeds, not words: while the economic and financial confusion of Germany grew steadily worse confounded.

On October 23rd, General Smuts, who was in London

at the time, spoke out strongly against the policy of the French Government, and declared that Europe was back in August, 1914. "It is again the scrap of paper. Once more a great instrument of European settlement has been broken."

IX. THE EXPERT COMMITTEES.

At this juncture there were signs that the United States Government were alive to the needs of a European settlement. As early as December, 1922, Secretary Hughes had suggested in a speech at Newhaven that a conference should be held, with American participation, on Germany's capacity to pay. After a speech by Mr Baldwin, in which he put forward the alternatives of a conference of Governments or an inquiry under the Reparation Commission, pourparlers were opened between the British and American Governments.

This time, however, M. Poincaré accepted—though under certain rather far-reaching conditions. It must be a conference of experts, not principals: it must be appointed by, and held under the auspices of, the Reparation Commission: only the *present* capacity of Germany to pay is to be examined: and there must be no reopening of the question of Germany's total liability of 132 milliard gold marks. The result of these limitations was that President Coolidge was not prepared to take an official part in the conference, but stated that he would have no objection to Americans serving on the Commission in their private capacity if invited to do so.

Meanwhile, however, an atmosphere more favourable to the proposed conference was rapidly being formed. Italy and Belgium alike rallied to the British draft invitation to the United States Government, and M. Poincaré himself suggested a rather liberal interpretation of what he meant by *present* capacity ("réparations actuelles"). Under these circumstances the Reparation Commission, on November 30th, voted unanimously for the appointment of two committees, on which Allied and Associated Powers exclusively were to be represented, in order to deal respectively with the Budget and currency problem in Germany, and with the export of German capital. The terms of reference were thus quite wide, and the fact of American participation—even though unofficial—greatly increased the hopes of a settlement. The two committees were appointed in December, and actually began operations towards the end of January. They were composed

First Committee.

(BUDGET AND CURRENCY.)

Chairman: General Dawes (U.S.A.).

Members: Mr O. D. Young (U.S.A.), Sir R. Kindersley and Sir J. Stamp (Great Britain), M. Parmentier and M. Allix (France), Dr A. Pirelli and Professor F. Flora (Italy), Baron M. Houtart and M. E. Francqui (Belgium).

Second Committee.

(GERMAN ASSETS ABROAD.)

Chairman: Mr R. McKenna (Great Britain).

Members: Mr H. M. Robinson (U.S.A.), M. L. Atthalin (France), Dr M. Albert (Italy), M. A. E. Janssen (Belgium).

Within a little more than two months the Experts completed their arduous task, and on April 9th last the publication of their Report inaugurated a new period in the history of the Reparations question.

THE MARK EXCHANGE.

(Monthly Averages of Daily Rates on London, M = £.)

	1920.	1921.	1922.	1923.
January	231	244	809	(000's omitted).
February	329	236	895	81.2
March	304	243	895	130.3
April	238	250	1,262	99.1
May	183	250	1,282	113.7
June	154	246	1,297	213.9
July	153	257	1,448	504.4
August	172	279	2,177	1,854.1
September	199	305	4,676	19.8 miln.
October	238	399	6,513	481.0 do
November	265	577	13,816	13,900.0 do
December	256	1,020	29,373	22.3 bln.
		799	34,323	18.9 do

PAYMENTS MADE BY GERMANY.

latest complete and detailed statement of accounts issued by the Reparations Commission is that which brings the accounts between Germany and the Allies up to the end of 1922,* that is, just before the Ruhr occupation. Germany's debt may be divided into (a) obligations in connection with the Occupation, Control Commissions, &c., plus money lent to Germany under the Spa Agreement for additional food for Ruhr miners, and (b) the debt fixed in 1921. The charges against Germany under (a) amount to 336,000,000 gold marks, and the receipts to 2,624,000,000, leaving a deficit of 912,000,000. The assessments under (b) are 132,000 million gold marks, plus 624 million gold marks in respect of the Allies' loans to Belgium, but the value of State property in ceded territory amounting to 2,554 million gold marks is regarded as a set-off against the capital of the debt, and reduces the total to 135,070,000,000 gold marks.

Putting the two sets of accounts together, we find that Germany had paid up to the end of 1922:—

	Millions of Gold Marks.	Million £ (Gold).
In cash	1,817½	90.9
" kind	3,556	177.8
" State property in ceded territory	2,554	127.7
	7,927½	396.4

In addition Germany had contributed to the local expenses of the Armies of Occupation in paper marks, or services (billeting, use of barracks, &c.), a sum which is equivalent to between 1,600 and 2,000 million gold marks. This makes a total of nearly 10,000 million gold marks in all. The accounts also mention the payment by Germany of 3,836 million gold marks in respect of food and raw material supplied by the Allies to Germany in 1919. But as this is a *purchase* by Germany of necessities it should not be added to the German payments. If, however, we are trying to estimate the burden on Germany's finances, we should add the sum paid to the Clearing House for *debts*, which amount to 620 million gold marks.

An analysis of the deliveries in kind and of the property in ceded territory is as follows:—

VALUE OF DELIVERIES IN KIND.

(In Millions of Gold Marks.)

Reparation Recovery Act	183
Ship	707
Inland water craft	29
Livestock	159
Coal	949
Dye, &c., &c.	105
Armistice—Abandoned war material	318
Rolling stock	827
Other (agricultural, motor lorries, &c.)	40
Submarine cables	49
Miscellaneous	233
	3,579

Less the amount included above for restitution of stolen property

Net value of deliveries in kind

VALUE OF STATE PROPERTIES IN CEDED TERRITORY.

(In Millions of Gold Marks.)

Saar mines	400
School in Shanghai	2
Property in British Concession in Shanghai	6
" " Kiaschow	59
" territory ceded to—	
Czechoslovakia	6
Danzig	304
Poland (ceded area)	1,757.3
Value of taking over German debt assignable to	
Eugen and Malmédy (Belgium)	6
Silesia (Czechoslovakia)	4
Danzig	5.5
Various (Poland)	18.6
	2,554

* Statement of Germany's Obligations under the Heading of Reparations, &c., at December 31, 1922. Stationery Office. Price 2s.

The cost—other than that met by payments in paper marks—of the Armies of Occupation (excluding that of the U.S.A., the cost of which is 1,072 million gold marks) and other charges for control, commissions, &c., amounts to 2,840 million gold marks, of which all but 400 millions is for the armies. This leaves 4,000 million gold marks for Reparation, which was distributed among the Allies as follows:—

WHAT THE ALLIES HAVE RECEIVED.

(In Millions of Gold Marks.)

	Kind (including Reparation Recovery Act).	Cash.	Property in Ceded Territory.	Total Distributed to Allies.	Repayment of Coal Advances of Occupation, &c.	Net Receipts.
Great Britain	512	637	302½	1,449½	1,036½	113
France	1,345	142	302	1,789	1,500	289
Italy	242½	½	..	243	35½	207½
Japan	9	..	59	68	..	67
Belgium	643½	1,075½	..	1,719	264	1,455½
Poland	14½	..	1,776	1,790½	nil	1,790½
Greece	11	..	..	11	..	11
Roumania ..	10	..	..	10	..	10
S. C. Slovene	150	½	..	150½	..	150½
Czechoslovak	15	..	6	21	..	21
Portugal	4½	..	..	4½	..	4½
Total ..	2,957	1,855½	2,144	6,956½	2,840½	4,116½

Thus France's expenditure on the Army of Occupation is not quite met by her receipts in cash and kind, her net profit being entirely in respect of the Saar mines. Great Britain has a net surplus, thanks to the Reparation Recovery Act, but there is, of course, room for great difference of opinion as to whether this alleged British surplus is paid by Germany at all or whether it is not rather money found by the British consumer of German goods.* Belgium shows a large surplus through cash receipts under her priority rights, and Poland comes best of all out of the whole business, as she has no excuse for charging her military expenditure against Germany.

This leaves 980 million gold marks undistributed—this figure representing the value of property ceded to Danzig, and also the difference in value between the total value of goods or property credited to Germany and the value reckoned in making the allocation to the Allies. Thus the Saar is regarded as worth 400 millions from Germany's point of view, but 300 millions to France. Similarly, the ships are credited to Germany at 707 millions, but only 316 millions when allocated to the Allies. These book-keeping transactions are only of importance as affecting the sharing of the spoils among the Allies.

The half-yearly statements have since been issued by the Reparation Commission, showing that at June 30, 1923, Germany had made total payments amounting to 8,213,670,000 gold marks, of which 2,718,888,000 gold marks was in Suspense Accounts. At December 31st last the total had risen to 8,411,399,000 gold marks, of which 2,719,093,000 gold marks was in Suspense Accounts. The December 31st total included 2,613,611,000 gold marks for the repayment of the cost of the armies of occupation and the control commissions (without taking into account the 1,071,805,000 gold marks which is the estimated cost of the United States Army of Occupation), in repaying the advances made to Germany for purchase of coal after the Armistice and other charges distinct from Reparations. Out of the amount which has actually been distributed among the Allies, France has received 1,804,192,000 gold marks (143,995,000 gold marks in cash, 1,358,155,000 gold marks in kind, and 302,042,000 gold marks in ceded property). Out of this total, however, the amount actually applicable to Reparation payments down to the end of 1923 was only 189,777,000 gold marks, the balance (including the repayment of 1,373,496,000 gold marks in respect of the cost of the army of occupation) having been disposed of in other directions.

* The rate of levy on German imports was reduced at the end of February from 20 to 5 per cent., the German Government having refused for several months to reimburse German exporters in respect of this levy.

The amounts distributed to the various Allied Powers during 1923 were as follows:—

	Gold Marks.
France	13,389,000
Belgium	12,760,000
Great Britain	168,358,000
Italy	155,138,000
Serbia	111,815,000
Roumania	28,770,000
Czechoslovakia	1,963,000
Greece	9,551,000
Poland	415,000
Portugal	10,440,000
Japan	390,000
	507,989,000

The amount actually paid by Germany during the year was 470,913,000 gold marks (of which 462,480,000 gold marks was in kind and the rest in cash). The difference between this total and the total distributed was due to the fact that 37,076,000 gold marks was taken from the accounts previously in suspense.

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(To be obtained from H.M. Stationery Office)

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- I. Statement of Germany's Obligations, as at April 30, 1922.
 - II. Agreements concerning Deliveries in Kind to be made by Germany.
 - III. Official Documents—Relative to Amount of Payments to be Effected by Germany—Vol. I.
 - IV. Statement of Germany's Obligations, as at December 31, 1922.
 - V. Report on Work of Reparation Commission, 1920 to 1922.
 - VI. Official Documents—Vol. II.
- Agreement between the Allies for the Settlement of Certain Questions as to the Application of the Treaties of Peace, signed at Spa, July 16, 1920. (Cmd. 1615 of 1922.)
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INTERNATIONAL WAR DEBTS—OTHER THAN REPARATIONS.

	By United Kingdom.*		By United States.†			By France.	By Italy.
	War Loans.	Relief and Reconstruction Loans.	Obligations Representing Cash Advanced Under Liberty Bond Acts.	Obligations Received on Account of Sales of Surplus War Material.	Obligations Received on Account of Relief Supplies & Sales of Flour.		
	£	£	\$	\$	\$	Francs.	Lire.
United Kingdom	622,379,000	..	4,600,000,000	..	..	..	..
France	622,379,000	..	3,583,316,000	407,341,000	..	..	..
Italy	622,379,000	..	2,015,079,000	..	..	336,000,000	..
Belgium	..	9,000,000	..	..	..	3,684,000,000	..
Russia	722,379,000	..	236,290,000	436,000	5,177,000	6,040,000,000	36,000,000
Jugo-Slavia	22,489,000	2,252,000	31,978,000	29,609,000	..	1,808,000,000	17,000,000
Czecho-Slovakia	..	..	..	..	..	574,000,000	180,000,000
Greece	..	..	..	..	..	861,000,000	..
Austria	..	10,794,000	..	..	28,386,000	..	324,000,000
Roumania	..	2,196,000	..	..	..	1,176,000,000	169,000,000
Poland	..	4,394,000	..	91,511,000	90,481,000	1,056,000,000	71,000,000
Armenia	..	865,000	..	..	..	..	..
Other Allies	73,322,000	962,000	469,436,000	45,326,000	42,608,000	29,000,000	..
	2,000,943,000	30,463,000	10,936,099,000	574,703,000	166,652,000	15,564,000,000	797,000,000
Australia	89,271,000	..	..	..	..	..	..
New Zealand	29,189,000	..	..	..	..	..	..
South Africa	11,884,000	..	..	..	..	..	..
Other Dominions	1,146,000	..	..	..	..	..	..
	131,490,000	..	..	..	..	..	..
	2,132,418,000	30,463,000	10,926,099,000	574,703,000	166,652,000	15,564,000,000	797,000,000
	£2,162,881,000		\$11,677,454,000				

* Outstanding March 31, 1924.

† Outstanding November 15, 1923.